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PROCEEDINGS AND DEBATES OF THE 100th CONGRESS, SECOND SESSION

SENATE—*Wednesday, June 29, 1988*

The Senate met at 9:30 a.m., and was called to order by the Honorable PAUL SIMON, a Senator from the State of Illinois.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

*"Blessed is the nation whose God is the Lord * * *."*—Psalm 33:12.

Eternal God, Lord of Heaven and Earth, as the Senators face a busy Independence Day recess, with speeches, meetings with constituents, handling local affairs—supply them with all the spiritual, mental, physical resources necessary. Help them to make time for family, time to be rested and refreshed.

"Our fathers' God, to Thee,
Author of liberty,
To Thee we sing:
Long may our land be bright
With freedom's holy light;
Protect us by Thy might,
Great God, our King."

The Lord bless thee, and keep thee: The Lord make His face shine upon thee, and be gracious unto thee: The Lord lift up His countenance upon thee, and give thee peace.—Numbers 6:24-26. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 29, 1988.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable PAUL SIMON, a Senator from the State of Illinois, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. SIMON thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

INDEPENDENCE DAY

Mr. BYRD. Mr. President, I thank the Chaplain for his excellent Independence Day prayer. He recognized in that prayer the need for spiritual guidance, and spiritual strength, and the necessity for reflection by Americans upon the spiritual support that has caused our Nation to grow and to prosper and to be strong.

BREATHES there the man with soul so dead
Who never to himself hath said,
This is my own, my native land!
Whose heart hath ne'er within him burned,
As home his footsteps he hath turned
From wandering on a foreign strand?
If such there breathe, go, mark him well;
For him no minstrel raptures swell;
High though his titles, proud his name,
Boundless his wealth as wish can claim,
Despite those titles, power, and pelf,
The wretch, concentrated all in self,
Living, shall forfeit fair renown,
And, doubly dying, shall go down
To the vile dust from whence he sprung,
Unwept, unhonored, and unsung.

Independence Day is the birthday of the United States of America. It is celebrated on July 4 each year in all States and territories of the United States. Independence Day is the anniversary of the day on which the Declaration of Independence was adopted by the Continental Congress—July 4, 1776.

The founders of the new Nation considered Independence Day an important occasion for rejoicing. John Adams said:

> I am apt to believe that it will be celebrated by succeeding generations as the great anniversary festival. It ought to be commemorated as the day of deliverance, by solemn acts of devotion to God Almighty. It ought to be solemnized with pomp and parade, with shows, games, sports, guns, bells, bonfires, and illuminations, from one end of this continent to the other, from this time forward for evermore.

Independence Day was first observed in Philadelphia on July 4, 1777. Bands played, colorful bunting was displayed, and the people rejoiced. Independence Day has been celebrated all over the country from that day to the present. The separate States and the territories set aside July 4 as a patriotic holiday.

Early Independence Days were occasions for shows, games, sports, military music, and fireworks. Fireworks and the firing of guns and cannons caused hundreds of deaths and thousands of injuries each year. In the early 1900's, many people began to plead for a "safe and sane Fourth." As a result, many cities and several States passed laws forbidding the sale of fireworks. Some cities permitted fireworks, but hired trained men to explode them at a community celebration in the evening. Communities began to stress the patriotic nature of the holiday and communities all over this country, Mr. President, still stress the patriotic nature of the holiday. We have our parades in West Virginia, and all over West Virginia the flags will fly on the Fourth.

May God bless America:

My country, 'tis of thee,
Sweet land of liberty,
Of thee I sing:
Land where my fathers died,
Land of the pilgrims' pride,
From every mountainside
Let freedom ring.

* * * * *

Our father's God to Thee,
Author of liberty,
To Thee we sing.
Long may our land be bright
With freedom's holy light;
Protect us by thy might,
Great God, our King!

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the Republican leader is recognized.

BICENTENNIAL MINUTE

JUNE 29, 1852: HENRY CLAY DIES

Mr. DOLE. Mr. President, 136 years ago today, on June 29, 1852, Senator Henry Clay died of tuberculosis at age 75 in Washington, DC.

As one biographer has written, "No man in American public life has had more ardent supporters or more bitter enemies than Clay, and no one has depended more for his happiness on the friendship of the people." known by many as the "Great Compromiser," Clay played a prominent part in directing and influencing both domestic and foreign policy during his 46 years of public service working in law in his early years, Clay earned a reputation for being a spirited advocate and supporter of the West. The people of Kentucky embraced him early and the State legislature elected him to the Senate at the age of 29. While beginning and ending his political career as a U.S. Senator, he also served in the House—becoming Speaker on the first day of his first term, and as Secretary of State during the administration of John Quincy Adams.

Clay's impressive funeral reflected the Nation's profound sorrow at his passing. It began as a simple procession from his hotel on Pennsylvania Avenue to the Capitol. Here, his coffin was carried into the old Senate Chamber for funeral service in the presence of the President, the Vice President, the Cabinet, and Members of the Senate and House. Then his coffin was placed in the Capitol's rotunda. Clay thus became the first American so honored. On July 2, his body was taken to Philadelphia where, after a torchlight parade, it lay in Independence Hall. His remains were then taken to five other major cities, before burial in Lexington, KY.

Five other Americans have lain in state in the Capitol rotunda in tribute to their service as U.S. Senators. They are Charles Sumner, John A. Logan, Robert Taft, Everett Dirksen, and most recently Hubert Humphrey.

Mr. President, I would, following the Senator from Wisconsin, yield time to the Senator from South Dakota; 3 minutes to the Senator from South Dakota, 2 minutes to the Senator from Kentucky.

DEMOCRATIC PLATFORM SHOULD NOT PUSH FOR MORE MILITARY SPENDING

Mr. PROXMIRE. Mr. President, on June 25 the New York Times reported that a panel of prominent Democrats has just urged our party to advocate in its platform "a comprehensive national security plan that would include steady increases in military spending, a reasonable program to build a shield against nuclear missiles and continued aid to Nicaraguan resistance forces." In the words of the late Louis B. Mayer, "Include me out!" The New York Times article was written by the highly responsible Richard Halloran. It appeared in the same edition of the New York Times that carried another story, this one by the Associated Press with the following lead:

> The United States today rebuffed a Soviet proposal for an exchange of data on conventional forces in Europe, calling it a "fruitless" exercise that would perpetuate a 13 year stalemate.

The article reported that at the United Nations last Thursday, Lt. Gen. Konstantin F. Mikhailov, Deputy Chief of the Disarmament Directorate of the Soviet Foreign Ministry, repeated Moscow's willingness to make greater reductions than the West in some types of conventional forces.

Mr. President, how ridiculous can we Democrats get? I love my party. I owe a great deal to my party. I hope we win the Presidential election next November, although in view of the pending economic disaster facing our country, such a victory could well keep our party out of power for the next 40 years. But strongly as I support our party and grateful as I am for the fullsome way the party has supported me for the past 36 years, I cannot for the life of me understand why the Democratic Party should select a time when the Soviet Union is willing to discuss seriously mutual conventional arms reduction and is repeating its readiness to make greater reductions for the Warsaw Pact than is required for NATO is some types of conventional forces, and when our colossal Federal deficit is our No. 1 congressional crime, under all these circumstances why should the Democratic Party call for "steady increases in military spending"? Note carefully that these Democrats do not call for a steady increase in our military strength relative to the Soviet Union. They call for a steady increase in military spending.

Can we achieve a steady increase in military strength relative to the U.S.S.R. without increasing military spending? Of course, we can. We can do so in two ways. First, we can reduce the enormous waste in such far out military programs as SDI or star wars in favor of more intense research in less glamorous conventional weapons. We can and should kill the B-1B in favor of the Stealth Bomber. We can stop spending billions on stationary land based ICBM's in favor of mobile land or sea or air launched nuclear missiles. We can rely much more on our National Guard and Reserve that provides as much as 45 percent of our military strength at 5 percent of the cost. This would permit us to spend less on our regular military forces while building our military strength.

The second way we can build military strength vis-a-vis the Soviet Union with less spending is to take full and prompt advantage of the Soviet willingness to negotiate a mutual reduction of conventional forces with two requirements. First, we should push hard for the fulfillment of General Mikhailov's commitment to make greater reductions in some types of Soviet conventional forces than we make in our forces. Second, we should insist on the same thorough, meticulous verification procedures for the United States-U.S.S.R. treaty reducing conventional arms that we negotiated recently in the INF Treaty for intermediate nuclear weapons.

The other two proposed provisions for our platform are really outrageous. These "prominent Democrats" call for our country to finance "the building of a shield against nuclear missiles." Mr. President, if ever there were a discredited program it is this phoney "shield against nuclear weapons." Some day 30 or 40 or a hundred years from now we may develop directed energy weapons that can find and strike incoming Soviet nuclear tipped ICBM's. But, as almost everyone who has followed this development for more than a week or two knows, we are many years away from developing such weapons. When they are developed, they will be even more effective as offensive weapons capable of destroying civilian and military targets than they will be to seek and destroy invading IBM's. And the Soviets will follow our directed energy weapons with their own within a few years. After all, they have done exactly this with every strategic weapon we have deployed since the dawn of the nuclear age.

The final pledge proposed by these "prominent" Democrats is continued aid to the Nicaraguan resistance forces. Mr. President, who are these Democrats speaking for? Year after year we have voted in the Congress on this issue and year after year I am proud to say that Democrats in the House and Senate have overwhelmingly opposed throwing money down this rat hole. These so-called freedom fighters are neither fighters nor are they for freedom. Oh, sure, Contra aid has wrecked the Nicaraguan economy. It has resulted in the killing of many women and children, the burning of many homes, the destruction of livestock and farm crops. But it has not achieved a single significant military objective. No military targets have been destroyed or even hit. For the Democratic Party to pledge additional millions of taxpayers dollars in such a fruitless and cruel endeavor would make this Senator ashamed of his party.

Mr. President, why would "prominent" Democrats even consider such platform proposals? The answer appears in the statement of this group that declares; "When our party has strayed from this tradition—of strength and steadiness—we have lost elections." So that is the justification? Do we Democrats win the next election by saying we are willing to spend more money on the military than the Republicans? No way, Mr. President, every poll, time after time, has shown that for at least the past 3 years an overwhelming majority of the American people strongly oppose increased military spending. in fact, military spending is almost the only kind of major Government spending on which there is a solid American public consensus that we should slow down, and should not spend more. There is also a solid public consensus—of voters of all political persuasion against both SDI and aid to the Contras. May the so-called prominent Democrats not prevail when the Democratic Convention convenes at Atlanta next month.

CLARIFICATION OF REFERENCE TO ESTABLISHMENT OF COUNCIL ON COMPETITIVENESS

Mr. PROXMIRE. Mr. President, on June 16, 1988, I spoke here on the topic of the international competitiveness of U.S. economy. At that time, I referred to a new index on U.S. competitiveness and reported that it was the creation of Wharton Economic Forecasting Associates.

I have since learned that, while the Wharton Economic Forecasting Associates were instrumental in the collection of the data for the computation of the index, the Competitiveness Index was in fact the creation of the Council on Competitiveness. I ask that the RECORD of June 16, 1988, be corrected to show that the Council on Competitiveness was initiated, developed, and funded by the Council on Competitiveness.

ORDER OF PROCEDURE

The ACTING PRESIDENT pro tempore. Under the previous order, the time shall be equally divided by the majority and minority leader on their designees. The Chair recognizes the Senator from Montana.

Mr. BYRD. Mr. President, I believe I am in control of the time on this side.

The ACTING PRESIDENT pro tempore. That is correct.

Mr. BYRD. And the minority leader is in control of the time on that side.

The ACTING PRESIDENT pro tempore. Yes.

Mr. BYRD. Mr. President, how much time would the distinguished Senator from Montana like to have?

Mr. MELCHER. Mr. Leader, I would like 7 minutes.

Mr. BYRD. All right. How much time remains to both leaders, Mr. President?

The ACTING PRESIDENT pro tempore. There is a total of 39 minutes, evenly divided.

Mr. BYRD. The Republican leader had some time of his own under the standing order. Does he wish to yield that time?

The ACTING PRESIDENT pro tempore. He has 7 minutes and 12 seconds under the standing order.

Mr. DOLE. I yield 4 minutes to the Senator from South Dakota and 3 minutes and 12 seconds to the Senator from Kentucky.

Mr. BYRD. All right. Then I will yield to the distinguished Senator from Montana and the distinguished Senator from North Dakota such time as they may require out of the time that I control.

THE DROUGHT

Mr. MELCHER. I thank the leader.

Mr. President, the worst drought since the 1930's is inflicting its severe toll on the country this year. A large part of the country is in drought. Much over half of the breadbasket of the world, here in the United States is in some degree of drought.

Today, at about 4:30 this afternoon, I shall be introducing a drought disaster bill. I invite all Senators to be in communication with us during the day to see whether or not they would like to cosponsor the bill. It will be a very broad bill because farmers, ranchers and main street business in drought areas are reeling. Economic recovery for rural America was just starting when this drought struck so much of our agricultural area throughout the country. To prevent economic disaster in drought areas, we must provide adequate emergency help. The bottom line is protecting farm and ranch incomes.

Now, I am going to list the parts of the bill:

First of all is guaranteed deficiency payment. It incorporates the Burdick bill that was introduced a couple of weeks ago, to guarantee deficiency payments on all failed production. I might briefly explain: if the average crop for a farmer was 30 bushels of wheat and only 10 bushels is harvested, the farmer would get the deficiency payment on the other 20 bushels at the announced projected deficiency payment—announced by the Secretary last spring. If they have crop insurance they get that payment also.

For cotton there has to be a special provision in the bill that will not require what is called "preventive planting." If planting is prevented because of drought or any other disaster, cotton producers will be eligible for what is known as 0-92.

For non-program crops, the same provisions as were in the 1986 drought disaster, which includes direct payments for those non-program crops in drought areas.

Third, the bill will remove the statutory requirement of milk producers suffering a further 50-cent reduction that is scheduled by law to go in effect January 1, 1989. And the reason for that is obvious. When there is drought the price of feed grains go up, the price of hay goes up. Those are the ingredients that must go into the milk cow in order to have milk production.

Fourth, there will be an extension of disaster credit.

Fifth, and this is a very important section in the bill, there will be emergency water assistance and broader water authority, with any identity. What do I mean by that? I mean the Secretary of Agriculture will be able to give assistance to delivery of water, either for livestock or for crops, on a broader basis than is available now under the present statutes. It is absolutely essential that we do this and make it effective immediately.

Sixth, transportation of livestock out of drought areas, if they can find forage; or hay, available in other areas. That authority will be given to the Secretary of Agriculture, much as is available now when the President proclaims a disaster and utilizes FEMA for that purpose.

Seventh, conservation reserve, where there is drought, will be opened for grazing.

Eighth, the bill will contain a sense-of-the-Senate resolution to continue strongly with the export programs, but those to be toned down, that is on exports, if there develops a national emergency for a specific commodity that would limit domestic supplies for U.S. consumers.

Ninth, the Secretary will be mandated to assist agribusiness in drought areas and report to Congress for whatever additional authority might be necessary for him in order to give main street agribusiness a chance to survive.

Tenth, we will broaden out the contiguous county eligibility authority of the Secretary of Agriculture so that it will be more workable, in this, the worst drought since the 1930's, that we are now facing.

Eleventh, and finally, the funding, we believe, will be available through the funds that are already budgeted for deficiency payments for all of the requirements that will be in the bill.

Now, Mr. President, I will be delighted to yield to my friend and colleague from North Dakota.

Mr. BURDICK. I want to especially thank my colleague from Montana for the work he has done in this very critical situation that faces the Midwest and the West. As the Senator has stated, this is perhaps the worst drought we have had in the last 50 years or more. It is absolute devastation is some parts of my State. I want to thank the Senator from Montana for coming forth with this omnibus bill. And I want also to thank him for incorporating into the bill the section I was working on regarding deficiency payments.

I think the bill is well balanced. I think it is absolutely necessary and I hope the Senators will give their support for this type of legislation in this time of national need.

Mr. **MELCHER**. Mr. President, I want to conclude by inviting all Senators to review what provisions are in the bill to see whether they would like to be cosponsors of the bill. It will be introduced about 4:30 this afternoon. I make this announcement now to allow every Senator that is interested to contact us, to see what provisions are in the bill, and offer suggestions to us on how best to have the bill drafted. We would like to have a very broad, bipartisan approach to this bill. That is the purpose of making the announcement this morning, so all Senators will be on alert.

The **ACTING PRESIDENT** pro tempore. The Senator from South Dakota is recognized for 4 minutes.

Mr. **PRESSLER**. Mr. President, I want to commend my friends from Montana and North Dakota for their remarks on the drought. I have spoken on the drought before, and made a drought tour in South Dakota last weekend.

I want to speak on a specific problem that may arise if the drought continues; that is, grasshoppers and locusts. Mr. President, I would inform our distinguished colleagues that the possibility of a serious problem with grasshoppers and locusts exists. The grasshopper is an insect that eats certain types of plants. Crops most commonly affected are alfalfa, corn and small grains. Various species of grasshoppers eat different things. A female grasshopper will lay between 2 and 120 eggs in the fall.

The grasshopper lays the eggs in a hole in the ground. The eggs are contained in a waterproof pod and in the spring, the eggs hatch. The young grasshopper has wings, and during the next 40 to 60 days, the grasshopper grows, maturing through a five- or six-stage molting process in which the grasshopper sheds its skin to allow it to grow.

There are several species of grasshoppers. The most common grasshopper in South Dakota and the western United States is the lubber grasshopper, a species of short-horn grasshopper, which is the biblical locust.

Mr. President, what can be done to head it off? First of all, grasshoppers normally feed on grass in conservation reserve acres, rangeland, or other areas. With the drought, they are forced to move into nearby small grain or corn fields. Grasshoppers can cause extensive damage in already-stressed crops.

To save their crops, farmers and ranchers must spray their fields. That can be very expensive. Malathion and palavthion are two of the commonly used pesticides. The cost of aerial spraying is about $5.50 per acre, and a field may have to be sprayed several times during the summer. So you can see the expense involved.

The grasshopper is especially a problem for small grain farmers where crops will be ready for harvest in a week or two. However, these pesticides require a certain amount of time to pass before a crop can be harvested. These farmers must decide not only if it is economical to spray a poor crop, but also what type of pesticide to use. If it does rain, farmers can still get a corn or soybean crop, where they do not spray, much of the crop may be eaten by grasshoppers. That puts farmers in a dilemma.

Ranchers commonly spray for grasshoppers. The Animal and Plant Health Inspection Service can cost-share with ranchers to spray grasshoppers. However, the drought has forced most ranchers to sell their livestock. They are not in a financial position to spray grasshoppers. Why would a rancher with no cattle on his land want to spray for grasshoppers? This creates problems this year and potentially a greater problem next year since the number of grasshopper eggs laid this fall will increase.

The point is, Mr. President, if the drought continues we could have a real problem with grasshoppers and locusts. Counties and States may have to expand programs to assist farmers and ranchers control grasshoppers. The Federal Government may have to consider expanding grasshoppers control programs. It would not be as high a priority as direct drought relief but action could prevent a major problem in the future.

Biblically and historically, grasshoppers and locusts have been dealt with in a number of ways. The Mormons near Salt Lake City were rescued by seagulls when their crops were overrun by grasshoppers. Today in Salt Lake City, there is a huge statue of a seagull commemorating their saving the crops from grasshoppers and locusts.

In the Old Testament the Pharaoh had no defense against the grasshoppers and locusts. Locusts are mentioned throughout the Bible. Indeed, in Nahum 3:17: "Thy crowned are as the locusts, and thy captains as the great grasshoppers, which came in the hedges in the cold day but when the Sun ariseth they flee away, and their place is not known where they are."

That is exactly the case in parts of South Dakota. We did not see too many grasshoppers in the severe drought areas because they have to move to crops and areas with grass. But the point is, Mr. President, this has been a problem. It is a potential problem whenever there is a drought. It will be a bigger problem next year if we do not take preventive action this year.

So in developing a drought package, we must work with States, counties, and local governments to implement an effective grasshopper control program. It is one of the side effects of drought. It is a very real problem which needs to be addressed.

THE DROUGHT

Mr. **LEAHY**. Mr. President, I understand that, so far, 8 to 10 bills have been introduced in the Senate and the other body with respect to drought legislation. I am told that a number of bills, by both Republicans and Democrats, may well be introduced today in either body.

As chairman of the Senate Agriculture Committee, I welcome the ideas that are involved in these pieces of legislation. In fact, I would hope that if Members do have specific legislative ideas or proposals, they might have them all introduced by Monday, July 11. I say that because the congressional task force, the bipartisan task force, of the Senate Agriculture Committee has to move forward with concrete responses to the drought.

If everything can get in, what I would propose now—and I just want to notify Senators—it is that I intend to hold hearings on drought legislation on Tuesday, July 12, the first full week we will be back, and that I would hope to have as many proposals by Republicans and Democrats as possible submitted to the Senate before then, so that we can talk about them.

I would hope that the distinguished chairman of the House Agriculture Committee and I would be able to bring the congressional task force together, also during that week, to look at the various proposals that have been made and propose at least the outlines of one piece of legislation. If we are able to do that, that one piece of legislation will be put on the agenda of the Senate Agriculture Committee, and that would serve as a vehicle.

So I urge all Senators, Republicans and Democrats, that if they have ideas or proposals, they may want to bring them forward.

There will be a lot of discussion during the Fourth of July recess, and Senators on both sides of the aisle should bring their proposals to me. I want to hear them. The congressional task force will have a chance to look at them, and the Senate Agriculture Committee, during our first full week back, will be having hearings on specific remedies. We know there is a drought, and now we have to figure out the specific remedies.

I will be guided by what the congressional task force already has done and that is to guarantee the people that they are going to stay in business. We are not going to have hundreds of thousands of the best farmers and ranchers in this country thrown out of business because of the drought. We will make sure that they stay in business. We need those proposals so that we can do that.

Mr. DASCHLE. Mr. President, farmers will awake this morning to good news. Rain is forecasted in the next day or two for the Midwestern drought area. For farmers and ranchers facing drought-stunted grain fields and the liquidation of foundation herds, this positive weather forecast will provide an important boost, if not primarily a psychological lift.

However, it is important my colleagues keep in mind that a complete and thorough rainfall will not erase the drastic impact the drought has had thus far on the Nation's agricultural producers. In many areas throughout the agricultural heartland, the financial damage caused by the drought of 1988 has already been done and cannot be reversed.

In South Dakota alone, everyday this drought continues, farmers lose approximately $30 million in crop sales. The State has lost over one third of its grain crop due to the lingering drought. The yield per acre for the grain crop has been reduced between 2 and 4 percent per day.

Specifically, South Dakota agricultural officials estimate a loss of 55 percent of the spring wheat crop at a value of $113 million. Over 50 percent of the State's oats crop has been lost. And $44 million has been lost due to failure of the barley crop, estimated at a 50-percent loss.

The total economic impact of loss of crops due to the drought in South Dakota economy is estimated at $1.1 billion.

Livestock producers have also felt the ramifications of the drought. The lack of available feed has forced the State's livestock producers to liquidate their foundation herds at a time when livestock prices are falling.

Comparing April and May of this year to the same time period of last year, there has been a 109-percent increase in the sale of cow and calf herds. In 1987, 5,833 were sold, and this year 11,176 were auctioned. In some auction barns in South Dakota, five to seven times as many cows have been sold compared to last year.

Because of the seriousness of the drought and its financial impact not only on the Nation's farmers and ranchers but also on the small towns and communities dependent on the farm economy, the residents of drought-striken areas need to hear more than the short-term weather forecast. They need to hear that the Federal Government, and specifically the U.S. Senate, understands this crisis and will put emergency relief on a fast track for early consideration.

I commend Senator LEAHY, the chairman of the Senate Agriculture Committee, for recognizing the magnitude of this crisis and for appointing an emergency Senate-House bipartisan, Drought Emergency Task Force to address it. I have regularly attended the meetings of the task force and fully expect that legislation will soon move. Because of the bipartisan nature with which this task force has operated, I fully expect that the product of the task force will be comprehensive and will likely be signed into law by President Reagan. This is one time when politics has taken a backseat to the serious crisis facing the Congress and all participants in this process should be commended.

In order that the Drought Task Force have a complete understanding of the unique needs of Midwestern States such as South Dakota, I have been working with the ranking member of the Senate Agriculture Committee, Senator JOHN MELCHER, and the chairman of the Senate Agriculture Appropriations Subcommittee, Senator QUENTIN BURDICK, to fashion an omnibus drought relief bill that will address the financial crisis facing the Dakotas and surrounding States, such as Montana. It is my hope that the Senate-House task force have this proposal under active consideration when the task force's product is brought before the Senate Agriculture Committee for action.

The legislation I am cosponsoring today reflects the seriousness of the drought and the financial relief that needs to be made immediately available.

We need assistance for the dairy producer. This legislation provides that by eliminating the anticipated 50 cent per hundredweight cut in price supports on January 1, 1989.

We must provide emergency assistance to the Nation's grain producers. Aid make available in drought disaster counties will also be made available to eligible producers in contiguous counties. This legislation will guarantee deficiency payments for failed and prevented planting. Farmers who have a crop would be able to harvest whatever they can for market. Producers with Federal crop insurance would be eligible. In addition, it will direct the Secretary to make low yield disaster payments. Producers of nonprogram crop would also be eligible for payments.

Any drought assistance measure must address the unique needs of the Nation's livestock producers. This would mandate that set-aside and conservation reserve land be opened up in nondrought areas if forage is needed in drought areas. Transportation assistance to bring livestock to available feed sources, would also be provided if it is cost effective.

Finally, we must recognize that the effect of the drought does not stop at the incorporated limits of the tens of thousands of small towns and communities throughout the drought area. This legislation recognizes that the small businesses owner on main street is just as impacted by the drought as any farmer or rancher. Their business are directly impacted by the drought's impact on the agricultural sector.

This legislation recognizes that through the U.S. Department of Agriculture assistance can be provided to small businesses. We will be considering additional legislation that could help small businesses during these troubling times.

In conclusion, it is obvious that we cannot erase the damage done by the drought. The lack of moisture and the extreme heat came too early in the crop season for rain or financial assistance to reverse the impact of the drought. We must, however, send a clear message to those in the drought areas of the Nation that we will not stand idle while the drought continues. We must marshall the vast resources of the Federal and State governments to provide assistance to farmers, ranchers, and small business owners.

I intend to work with Chairman LEAHY to finalize the product of the Drought Task Force. I expect that product to be forthcoming and that it will be based in large part on the legislation we will be introducing today.

For weeks, the drought has been clear. The uncertainty facing farmers and ranchers must end. Adoption of the proposals contained in this bill will end that uncertainty.

The ACTING PRESIDENT pro tempore. The Senator from Kentucky is recognized.

(The remarks of Mr. MCCONNELL pertaining to introduction of legislation appear later in today's RECORD under "Statements on Introduced Bills and Resolutions.")

Mr. REID addressed the Chair.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. BYRD. I yield to the distinguished Senator from Nevada. How much time does he require?

Mr. REID. Mr. President, I need about 5 minutes.

Mr. BYRD. I yield about 5 minutes to the distinguished Senator. How much time does Mr. CONRAD wish? He wishes 5 minutes. How much time does Mr. WIRTH wish?

Mr. WIRTH. About 8 minutes.

Mr. BYRD. Mr. President, how much time do I have left?

The ACTING PRESIDENT pro tempore. Fourteen minutes.

Mr. BYRD. I have 14 minutes left. Mr. President, I will yield the 14 minutes to the 3 Senators and they may divide it as they wish.

The ACTING PRESIDENT pro tempore. The Senator from Nevada is recognized.

DRUNK DRIVING

Mr. REID. Mr. President, today, in fact in a matter of a few minutes, a bill of vital importance will come before the Senate Environment and Public Works Committee. Less than 2 weeks ago, Senator LAUTENBERG and I introduced S. 2523. Since that time, other Senators have signed onto this lifesaving legislation as cosponsors.

Mr. President, S. 2523 is a bill that proposes a national solution to a national problem; that is, drunk driving.

Since that bill was first introduced, less than 2 weeks ago, approximately 1,000 people, that is men, women, and children, have died in alcohol-related traffic accidents.

Drunk driving is an issue of national importance. Our highways, our streets, our backroads, are afflicted with a plague of epidemic proportions. Drunk driving kills approximately 24,000 people a year. That means about 65 people each day die. That works out to 1 death every 22 minutes.

Drunk drivers are a danger to themselves, to other drivers, to cyclists, pedestrians, even children on the sidewalks, as we were reminded just a week or so ago when a driver struck and killed 10-year-old Katrina Ferguson in her own driveway in a suburb right across the Potomac. Her mother was holding Katrina's hand while waiting for a schoolbus. The driver was charged with driving while intoxicated.

My bill provides a strong deterrence against driving drunk: administrative revocation. Under my bill, whenever a drunk driver is discovered behind the wheel of a car, his license is immediately suspended. Highway safety specialists generally accept the immediacy of a driver's license suspension is more important than its severity. As in all criminal law, certainty is more important than severity. The centerpiece of my bill mandates prompt suspension of the driver's license in all drunk driving offenses. Administrative revocation constitutes a multipronged attack on the drunk driver.

First, and foremost, the driver is immediately subjected to the consequences of his actions; second, the risk of repeat offenses and crashes is reduced; third, the operation of enforcement systems is expedited; fourth, law enforcement morale rises with real results; and last, the judicial system is relieved of the burden of enforcement. Both Mothers Against Drunk Driving and the Presidential Commission against Drunk Driving support administrative revocation.

My bill induces the States to adopt nationwide standards to catch, judges, and punish drunk drivers: States are required to consider a person with a blood alcohol level of 0.10 legally drunk, to conduct blood alcohol tests when traffic accidents cause death or serious injury, and to forfeit the registration and license plates of those convicted of repeat offenses and those who drive while their licenses are suspended because of alcohol-related traffic offenses.

We must get drunk drivers from behind the wheels of their cars. We must send a strong message to people who drink and drive: Drunk driving is simply not socially or legally acceptable.

Everyone knows that drunk driving is a killer. But many drunk drivers think, "I won't have an accident," or "I'm not that drunk", or "I only have a few miles to drive", and then they get behind the steering wheel. Maybe they have driven drunk once, or many times until that first accident.

Now, our hypothetical person will continue to drive drunk until one of two things happens: either he has an accident, or he gets stopped by the police for drunk driving. If the accident is not fatal to him, chances are, if this legislation is adopted he will never drive drunk again. But we must stop the drunk driver before this first accident, because that first time is already too late. This law would act as a deterrent.

We need a national law, a national stand against drunk driving. We need a law that makes the drunk driver think, "I cannot drive drunk, because I will get caught, and I don't want to suffer the consequences."

This law will not prevent every drunk driver from driving. But it will deter most from getting behind the wheel. The others who continue to dodge fate will eventually get caught, no matter in what State they reside.

Drinking is a privilege. Driving is a privilege. But the combination of the two is a crime. We must ensure that drunk drivers all over the Nation are aware that drunk driving is a crime, that they are criminals, and that the States are empowered to prosecute and punish them to the full extent of the law. Only then can we celebrate our safe highways with a toast.

THE DROUGHT

Mr. CONRAD. Mr. President, we have a critical need for action on the drought conditions facing much of this country. The leadership of Senator LEAHY on the drought task force has focused needed national attention on the problem, and we deeply appreciate the leadership that he has provided on this issue. Unfortunately, the drought task force was not able to meet this week because of the shortened week, and in the meantime our farmers need a basis for discussion. That is why I rise to support the bill that Senator MELCHER and others of us will be introducing later today to deal with the drought crisis facing this country.

Mr. President, the farm economy in this country has suffered from the worst recession since the 1930's. From 1980 to 1985, net farm income fell to the lowest level since the Great Depression. Farmland values have plummeted 50 percent or more in most of the agricultural States, and throughout the country tens of thousands of farmers are in precarious financial positions.

Mr. President, we are not facing a continuation of critical weather conditions. Lack of rain is only part of the story. In my State, precipitation is running about 20 percent of normal. The record high temperatures tell the rest of the story. North Dakota has experienced 18 days over 90 degrees since late May. That is compared with a long-term average of 3 days in excess of 90 degrees. Projections indicate more of the same.

Mr. President, we have critical crop and pasture problems. Conditions are rapidly deteriorating. In the last 2 weeks the percentage of pasture acres rated as very poor by the North Dakota Agricultural Statistics Service has doubled. Ninety eight percent of our pastures are now considered to be in very poor condition as compared with 46 percent 2 weeks ago. Subsoil and topsoil moisture levels in my State are the driest since records were started 38 years ago. Crop yields are drastically down. In much of my State 70 percent of the crop has already been lost.

Mr. President, that is why it is critical we put before this body legislation which can be discussed while Members who are from affected areas and Members who are from areas that are not immediately affected have something to discuss with their constituents. That is what the bill to be introduced by Senator MELCHER and a number of others of us will do. It provides for a guaranteed level of deficiency payments. It pays for a disaster low yield payment for those who are not covered by Federal crop insurance. It provides coverage to nonprogram crops and special provisions are included for dairy and livestock producers.

Mr. President, this relief bill also contains provisions that provide for the transportation of livestock to available feed areas if the Secretary determines that this would be less expensive than moving feed to cattle. It also provides that farmers in nondrought areas would be allowed to sell or donate their hay from ACR and CRP acres to provide needed feed. The January, 1980 50-cent dairy price cut would be removed.

Mr. President, this is a beginning. It is a basis for discussion. It is precisely what we need at this time. I rise in strong support. I hope my colleagues on the other side will join in cosponsoring this legislation today. The bill will be introduced later this afternoon.

Mr. President, I yield the floor.

GLOBAL CLIMATE

Mr. WIRTH. Mr. President, a global warning has been sounded in the United States and around the world during the past few weeks and months. The evidence is mounting that the inhabitants of this planet are on a course toward dramatic climate and societal change—that the global climate is changing as the Earth's atmosphere gets warmer. Let me cite just a few examples.

The drought that has been discussed in this Chamber this morning and has been so much in the headlines is ravaging, as we all know, vast segments of the American agriculutural community, and this could become one of the great natural disasters in our Nation's history, surpassing even the Dust Bowl days of the 1930's. Every newspaper and television in the Nation is describing, in bleak images, how the most productive soils and some of the mightiest rivers on Earth are literally drying up. Already, the Northern Plains States are facing crop losses above 50 percent. And as we all know, some farmers are on their last leg, hoping and praying for relief from this awesome display of natural destruction.

Yesterday, the Washington Post, reported that the three largest rivers in the United States—the Mississippi, the St. Lawrence, and the Columbia—had dropped to their lowest flows in decades. In fact, last week, the Mississippi River sank to the lowest point ever recorded. Similar events are occurring in my home State of Colorado, where spring runoffs are among the lowest on record and reservoir levels are alarmingly low.

Second, on Thursday of last week, Dr. James Hansen, the Director of NASA's Goddard Institute for Space Studies, and one of the world's leading climatologists, testified at a hearing of the Energy and Natural Resources Committee. According to his studies, we now can say, with 99 percent certainty, that the greenhouse effect is upon us and that events such as the North American drought are increasingly likely to occur.

Dr. Hansen's stunning and broadly quoted testimony also revealed that during the first 5 months of this year, the Earth is warmer than it has been during any comparable period since measurements began 130 years ago. According to Dr. Hansen, 1988 will be the warmest year on record—barring an improbable and dramatic cooling trend during the remainder of the year. Finally, we learned that the four previous records for global temperatures had all occurred during the 1980's.

Mr. President, no one can say that the current drought is the result of the greenhouse effect. We can say that the scientists of the world are sounding an alarm about the current global warming trend. The build-up of the greenhouse gases—carbon dioxide, chlorofluorocarbons, methane, nitrous oxide, and tropospheric ozone—is increasing the likelihood of dramatic climate change and extreme events such as heat waves, drought, and sea level rise.

We only have to look at this year's drought to imagine what the implications of a warmer climate could be. The Mississippi River was closed last week because portions of the river were too low for some barges to navigate, halting the transportation of many goods in the Midwest. Industries such as insurance, agriculture, energy, aerospace, transportation, finance, construction, and recreation are all going to have to start thinking about what a warmer world might mean for them.

And we in the Congress must act now to develop strategies to examine and respond to this issue. Like industry, virtually every committee in this body must begin to factor this issue into the public policy debate. The Environment and Public Works Committee, under the guidance of Senators BAUCUS and CHAFEE, has shown leadership in that effort already. The Energy and Natural Resources Committee has a special responsibility to act now to examine this issue very closely and to craft a creative and comprehensive energy policy that will allow this Nation to slow the build-up of carbon dioxide, which is the result, principally, of fossil fuel combustion.

It is time to act. Scientists are telling us that the longer we wait, the more devastating the effects could be. People say, is there a correlation the drought and the heat wave and global warming? I think the response to that is how many times do we have to roll the dice and come up with snake eyes before we say that the dice are loaded?

Our short-term objective must be to slow the rate of change in the atmosphere. Over the longer term, political leadership is needed at the highest levels to halt the global experiment that is currently underway. And the United States should lead the way. We must understand the scope of the greenhouse effect, and act together to deal with it. We can begin by making those changes that make sense anyway.

The energy efficiency improvements achieved in the United States between 1973 and 1986 have reduced our CO_2 emissions by one-third of what they would have been without those improvements. Yet there are still very large opportunities to reduce energy costs, improve efficiency and reduce CO_2 emissions in this country. The most ambitious forecasts estimate that the United States could save more than $200 billion on its annual energy bill by making energy efficiency improvements in the industrial, building, and transportation sectors of our economy. Clearly, energy efficiency is an economic and environmental strategy that makes sense for this Nation and we must make energy efficiency, once again, a top priority of our energy policy.

We also should step up research and development programs for alternative sources of energy that will not contribute to emissions of greenhouse gases. Photovoltaic solar energy, for example, is one of the technologies that, again, has multiple benefits for this, and other nations of the world. It is environmentally benign and there are vast markets and opportunities for solar applications in overseas markets—particulaly in the developing world.

It is also time to reexamine the nuclear option in the United States. We must strengthen our research efforts to see if we can develop a new generation of passively-safe, modular and economical nuclear powerplants.

These are but a few of the options that the United States must consider if we are to stabilize the concentrations of carbon dioxide and the other greenhouse gases in the atmosphere. We are also going to have to look at our bilateral and multilateral aid programs as they relate to the devastating increase in tropical deforestation, the other force driving increases in atmospheric CO_2 concentration. But there are no easy answers to this problem. The magnitude of this challenge can only be compared to that of nuclear arms control. We are facing a stubborn and mighty adversary.

Unfortunately, we cannot sit down and negotiate with our foe. We must come to the bargaining table with concrete and measurable actions.

Consider that by the time we gain the empirical evidence to confirm some of the staggering implications of this phenomenon, it will be too late to control them. We will only know that the future holds more—not less—of the same. Political leaders must look at what we know today and realize that it is their responsibility to reduce the risks posed by the greenhouse effect. The fate of the Earth's 21st century global environment rests with us—and especially with the decisions we make to control the growth of greenhouse gases.

Yesterday, I returned from an important international conference held in Toronto, where more than 300 of the world's leading scientists and public policy leaders from more than 60 nations are meeting to discuss this problem of global warming. On Monday, the Prime Ministers of Canada and Norway called for a global climate convention to examine the greenhouse effect and to develop an international agreement that will allow the nations of the world to work together to slow down the rate of climate change. This is a similar proposal to one that I have made, as has Senator GORE and others. Unfortunately, it was reported that our State Department responded that this idea would "be premature at the current moment to contemplate an international agreement that sets targets for greenhouse gases."

I suspect that this quote was taken out of context, as our State Department is certainly aware of the problem and the ramifications, particularly given the deep involvement of the able Mr. William Nitze, Deputy Assistant Secretary of State.

Mr. President, that statement runs contrary to everything that the world's leading climatologists are telling us. At the meetings in Toronto, I heard over and over again about the need to act now. If the scientists are correct, we may be committed to a warming more rapid than anything that has occurred during the course of human history. It is time for the leadership of this Nation, from the White House on down, to take this issue seriously. We cannot continue to discount it as an obscure scientific theory. I urge President Reagan to join the call of Prime Minister Mulroney and Prime Minister Brundtland for a global climate convention. There is no time to delay.

We are confronting a new age where an environmental problem—the massive alteration of the composition of our atmosphere—has the potential to change the way nations do business with each other. We are being pressed to achieve a level of global agreement and cooperation with a speed that is unprecedented.

It is an exciting challenge for us to try to understand how we are going to take on this, probably the most significant economic, political, and environmental challenge that mankind has ever faced. I urge all of my colleagues to join me in confronting that challenge, and I look forward to working with all Senators to find innovative strategies that will help protect the integrity of our atmosphere for generations to come.

Mr. President, I ask unanimous consent to include five articles describing the events that I outlined in my speech.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 28, 1988]

NATION'S BIG RIVERS REACH LOWEST LEVELS IN DECADES—WATER SUPPLIES, SHIPPING, FISH AFFECTED

(By Michael Weisskopf)

Rivers nationwide have dipped to their lowest levels in decades, threatening sources of drinking water, limiting hydropower generation, forcing conservation measures on agricultural users, stranding barges and endangering fish and wildlife.

According to the U.S. Geological Survey, the combined flow of the three largest U.S. rivers—the Mississippi, St. Lawrence and Columbia—fell in May to its lowest point in 37 years. In the Midwest and Southeast, rivers dropped drastically—some are as low as 10 percent of their normal levels. May stream flow was below average by 29 percent in the Pacific Northwest, 42 percent in California, 40 percent in the Great Basin area of Nevada and Utah and 18 percent in the Southeast.

Survey officials said April's flow was well below normal in one-third of the country, and the percentage increased to half the country in May, a drier month. June has been drier still.

The Mississippi, which supplies drinking water from New Orleans to Minneapolis-St. Paul, is 15 percent of its normal flow in the Twin Cities. If past droughts are any guide, it may fall so low in July that "we could be out of water," said Jerry Winslow, senior engineer at the Minnesota Pollution Control Agency.

The state has contingency plans to open dams in northern Minnesota filled by natural lakes that flow into the Mississippi, he said. But that would hurt the fishing and resort industry and divert water from irrigators.

Dredging has kept barge traffic moving intermittently on the Mississippi, which was closed for three days last week at Memphis and over the weekend at St. Louis. When a narrow channel reopened yesterday at St. Louis, officials alternated downriver and upriver traffic until a 35-tow backlog was cleared. But two towboats ran aground near Memphis, snarling traffic there.

At its mouth in New Orleans, the river has fallen to its lowest point in 50 years and is moving so slowly that salt water from the Gulf of Mexico is penetrating upstream, said officials of the Louisiana Water Pollution Control Division. The U.S. Army Corps of Engineers plans to erect an underwater barrier to protect drinking water until river velocity picks up.

In North Dakota, the drought has drawn down the Red River to 30 percent of its normal levels. But most drinking water is drawn from underground aquifers, in which water tables are falling but still adequate.

The water level "has been dropping maybe 10 percent every month or six weeks," said Ron Affeldt, director of North Dakota's Emergency Management Office. Since the last major drought of 1961, he said, homeowners have dug deeper wells.

Elsewhere, municipalities in the West and Southeast have restricted lawn-watering and carwashing to conserve drinking water. In Atlanta, water department employees patrol the streets, looking for violators of a nine-hour-a-day watering ban.

As the volume of lakes and rives drops, so does their ability to dilute industrial and municipal wastes. Federal law requires local officials to limit factory and sewage-treatment plant discharges so that they will not pollute bodies of water even at their historic, seven-day lows.

But the Mississippi has dropped below its historic low flow in Louisiana for the first time in eight years, prompting the state to begin monitoring concentrations of polutants.

The flow of the upper Mississippi is so low that one-fifth of the water downstream of a Twins Cities' treatment plant is treated sewage, Winslow said. The proportion of effluent, 95 percent pure, probably will reach 50 percent this summer, he said. Since the intake for drinking water is upstream of the plant, he said, public health is not endangered.

But such organic wastes raise the water temperature and deplete oxygen needed by fish, and wildlife experts have predicted significant fish kills in the Midwest.

Nine rivers in Iowa have dropped to what the state calls the level of "protective flow," forcing farmers—who normally irrigate with about 500,000 gallons a day each—to reduce their daily intake to 25,000 gallons, said Allan Stokes, a state Department of Natural Resources official.

The Tennessee Valley Authority's 29 hydropower plants, which normally supply 10 percent of the electricity for 8 million southeastern customers, are operating at 55 percent of capacity, a spokesman said. Reservoirs filled by the Tennessee River and used by the plants are 40 feet below their normal levels—as low now as they normally are in November.

The power deficit is being replaced by costlier, dirtier coal-fired plants, the spokesman said. Since TVA has pledged publicly not to raise rates for three years, the substitution is "not going help our financial performance," he added. But one of the TVA's coal-fired plants in Memphis may have to close because it takes cooling water from the Mississippi, which threatens to fall below its intake pipe, TVA power manager Robert C. Steffy said.

NORWAY AND CANADA CALL FOR PACT TO PROTECT ATMOSPHERE

(By Philip Shabecoff)

TORONTO, June 27.—The Prime Ministers of Canada and Norway called today for a binding international agreement to protect the atmosphere from pollution.

Speaking at a conference on the changing atmosphere, Prime Minister Brian Mulroney of Canada proposed a global "law of the air," and Prime Minister Gro Harlem Brundtland of Norway called for a treaty to stabilize the earth's atmosphere and prevent further degradation.

The two leaders said that the international community must now act to address a range of assaults on the atmosphere, including the global warming projected to result from the greenhouse effect, damage to the protective ozone layer and the acidification of rain and snow.

Government officials, scientists and environmentalists here said that this was the first time heads of state had proposed an international agreement to protect the atmosphere from a broad range of problems caused by the burning of fossil fuels, industrial pollution and other human activities.

Last year more than 40 nations agreed to act to protect the ozone layer by limiting use of chlorofluorocarbons, a group of industrial chemicals. But as Mr. Mulroney and Mrs. Brundtland made clear, a treaty to protect the atmosphere would require much more sweeping adjustments, including reducing dependence on oil and coal.

The conference, "The Changing Atmosphere: Implications for Global Security," was called by the Government of Canada. While there are representatives here from 48 countries, this meeting was not planned as a formal negotiating session and no international agreements will be reached here. Nevertheless, representatives of the Reagan Administration at the conference said it was much too soon to begin considering an international agreement on protecting the atmosphere. They note that the issues and problems involved are far more complex than those in the effort to protect the ozone layer. Generally, however, government and private participants here expressed a sense of urgency about coming to grips with human-induced climate change. New evidence that a global warming, and resulting changes in weather patterns, may already have begun has garnered special attention.

Dr. James E. Hansen, a climate expert for the National Aeronautics and Space Administration, told a Senate committee last week that the global temperature in the first five months of this year was the warmest on record and that the rising temperature trend is almost certainly a result of the greenhouse effect. The effect results from the buildup of carbon dioxide and other gases in the atmosphere that trap solar radiation within the atmosphere, raising the earth's temperature.

Mathematical models predict that as a result of the greenhouse effect, average global temperatures will rise by three to nine degrees Fahrenheit by the period from 2030 to 2050. A rise of this order would cause disruptive shifts in rainfall patterns and, by melting ice and warming the oceans, cause sea levels to rise by a foot or more. The global temperature has not risen by three degrees for more than 10,000 years, and it has been hundreds of thousands of years since there has been a nine-degree change.

"The impact of world climate change may be greater than any challenge mankind has faced, with the exception of preventing nuclear war," said Prime Minister Brundtland, who is chairwoman of the United Nations' World Commission on Environment and Development.

As the first part of her action plan, Mrs. Brundtland called for an international discussion of ways to reduce energy consumption before the end of this century as a means of reducing carbon dioxide pollution. She said Norway is planning on stabilizing energy use by the year 2000.

Burning of fossil fuels accounts for most of the carbon dioxide humans are adding to the atmosphere, and also accounts for much of the pollution that leads to acid rain.

The Norwegian leader proposed an international research program on renewable energy sources, the transfer of benign energy technology to developing countries and accelerated scientific research into climate problems. She also proposed a "global convention on the protection of the climate," to coordinate research, information exchange and "concrete measures to reduce emissions of harmful substances."

Mr. Mulroney was not as specific in outlining his plan for an international law of the air but Canadian officials here said reduction of fossil fuel use would be among the elements.

William A. Nitze, Deputy Assistant Secretary of State for Environment, Health and Natural Resources, said it would be "premature at the current moment to contemplate an international agreement that sets targets for greenhouse gases."

[From the New York Times, June 24, 1988]

Global Warming Has Begun, Expert Tells Senate—Sharp Cut in Burning of Fossil Fuels Is Urged to Battle Shift in Climate

(By Philip Shabecoff)

Washington, June 23—The earth has been warmer in the first five months of this year than in many comparable period since measurements began 130 years ago, and the higher temperatures can now be attributed to a long-expected global warming trend linked to pollution, a space agency scientist reported today.

Until now, scientists have been cautious about attributing rising global temperatures of recent years to the predicted global warming caused by pollutants in the atmosphere, known as the "greenhouse effect." But today Dr. James E. Hansen of the National Aeronautics and Space Administration told a Congressional committee that it was 99 percent certain that the warming trend was not a natural variation but was caused by a buildup of carbon dioxide and other artifical gases in the atmosphere.

AN IMPACT LASTING CENTURIES

Dr. Kansen, a leading expert on climate change, said in an interview that there was no "magic number" that showed when the greenhouse effect was actually starting to cause changes in climate and weather. But he added, "It is time to stop waffling so much and say that the evidence is pretty strong that the greenhouse effect is here."

If Dr. Hansen and other scientists are correct, then humans, by burning of fossil fuels and other activities, have altered the global climate in a manner that will affect life on earth for centuries to come.

Dr. Hansen, director of NASA's Institute for Space Studies in Manhattan, testified before the Senate Energy and Natural Resources Committee.

SOME DISPUTE LINK

He and other scientists testifying before the Senate panel today said that projections of the climate change that is now apparently occurring mean that the Southeastern and Midwestern sections of the United States will be subject to frequent episodes of very high temperature and drought in the next decade and beyond. But they cautioned that it was not possible to attribute a specific heat wave to the greenhouse effect, given the still limited state of knowledge on the subject.

Some scientists still argue that warmer temperatures in recent years may be a result of natural fluctuations rather than human-induced changes.

Several Senators on the Committee joined witnesses in calling for action now on a broad national and international program to slow the pace of global warming.

Senator Timothy E. Wirth, the Colorado Democrat who presided at the hearing today, said: "As I read it, the scientific evidence is compelling: the global climate is changing as the earth's atmosphere gets warmer. Now, the Congress must begin to consider how we are going to slow or halt that warming trend and how we are going to cope with the changes that may already be inevitable."

TRAPPING OF SOLAR RADIATION

Mathematical models have predicted for some years now that a buildup of carbon dioxide from the burning of fossil fuels such as coal and oil and other gases emitted by human activities into the atmosphere would cause the earth's surface to warm by trapping infrared radiation from the sun, turning the entire earth into a kind of greenhouse.

If the current pace of the buildup of these gases continues, the effect is likely to be a warming of 3 to 9 degrees Fahrenheit from the year 2025 to 2050, according to these projections. This rise in temperature is not expected to be uniform around the globe but to be greater in the higher latitudes, reaching as much as 20 degrees, and lower at the Equator.

The rise in global temperature is predicted to cause a thermal expansion of the oceans and to melt glaciers and polar ice, thus causing sea levels to rise by one to four feet by the middle of the next century. Scientists have already detected a slight rise in sea levels. At the same time, heat would cause inland waters to evaporate more rapidly, thus lowering the level of bodies of water such as the Great Lakes.

Dr. Hansen, who records temperatures from readings at monitoring stations around the world, had previously reported that four of the hottest years on record occurred in the 1980's. Compared with a 30-year base period from 1950 to 1980, when the global temperature averaged 59 degrees Fahrenheit, the temperature was one-third of a degree higher last year. In the entire century before 1880, global temperature had risen by half a degree, rising in the late 1800's and early 20th century, then roughly stabilizing for unknown reasons for several decades in the middle of the century.

WARMEST YEAR EXPECTED

In the first five months of this year, the temperature averaged about four-tenths of a degree above the base period, Dr. Hansen reported today. "The first five months of 1988 are so warm globally that we conclude that 1988 will be the warmest year on record unless there is a remarkable, improbable cooling in the remainder of the year," he told the Senate committee.

He also said that current climate patterns were consistent with the projections of the greenhouse effect in several respects in addition to the rise in temperature. For example, he said, the rise in temperature is greater in high latitudes than in low, is greater over continents than oceans, and there is cooling in the upper atmosphere as the lower atmosphere warms up.

"Global warming has reached a level such that we can ascribe with a high degree of confidence a cause and effect relationship between the greenhouse effect and observed warming," Dr. Hansen said at the hearing today, adding, "It is already happening now."

Dr. Syukuro Manabe of the Geophysical Fluid Dynamics Laboratory of the National Oceanic and Atmospheric Administration testified today that a number of factors, including an earlier snowmelt each year because of higher temperatures and a rain belt that moves farther north in the summer means that "it is likely that severe mid-continental summer dryness will occur more frequently with increasing atmospheric temperature."

While natural climate variability is the most likely chief cause of the current drought, Dr. Manabe said, the global warming trend is probably "aggravating the current dry condition." He added that the current drought was a foretaste of what the country would be facing in the years ahead.

Dr. George Woodwell, director of the Woods Hole Research Center in Woods Hole, Mass., said that while a slow warming trend would give human society time to respond, the rate of warming is uncertain.

[From the New York Times, June 26, 1988]

The Heat Is On—Calculating the Consequences of a Warmer Planet Earth

(By Philip Shabecoff)

With evidence mounting that the earth is becoming a hotter place to live, the United States and many other nations are beginning to plan for climatic change caused by what environmentalists call the greenhouse effect.

Once dismissed as the stuff of science fiction, the greenhouse effect is now being taken so seriously that some economists are predicting that it will eventually cost tens if not hundreds of billions of dollars a year to cut down on the gaseous emissions that are thought to be raising the surface temperature of the planet and to deal with the consequences. Even if the trend can be slowed, many scientists consider serious environmental and economic damage a foregone conclusion.

While the worst problems are not expected until early in the next century, scientists at a Senate hearing last week suggested that the greenhouse effect might conceivably be contributing to the current drought, which has parched farmlands from New Mexico to Pennsylvania and from Idaho to South Carolina. Amid recordbreaking temperatures, 40 percent of the counties in the United States have been declared disaster areas, and the Agriculture Department predicted that shortages could cause food prices to rise an extra 1 percent this year. "It is time to stop waffling so much and say that the evidence is pretty strong that the greenhouse effect is here," said Dr. James E. Hansen, director of the National Aeronautics and Space Administration's Institute for Space Studies. It is impossible to link a particular heat wave to climatic change. But according to Dr. Hansen's estimates, the hottest four years since the 1880's occurred during this decade. Average global temperatures for 1988 are the highest on record, he said, and heat waves and droughts in the Southeastern and Midwestern sections of the United States will become more frequent.

In other areas, such as Canada and the Soviet Union, warmer temperatures could lead to richer grain harvests, though some scientists believe that temperatures will increase so quickly that it will be difficult for any country to reap economic benefits. "There will be no winners," said Dr. Michael Oppenheimer, atmospheric physicist for the Environmental Defense Fund.

The greenhouse effect has been a subject of international concern for some time. At their recent summit meeting, President Reagan and Mikhail S. Gorbachev announced a project to plan for a changing climate. Beginning tomorrow, government officials from every continent will meet with scientists and environmentalists in Toronto for a "World Conference on the Changing Atmosphere." The United Nations and the World Meteorological Organization are forming a panel to gather data.

STRATEGIC ENGINEERING

In the United States, planning for the greenhouse effect is the responsibility of the Environmental Protection Agency. Dennis Tirpak, head of strategic studies for the E.P.A., said that many roads, dams, water supply systems and storm drains will have to be designed with the possibility of drastically changed weather patterns in mind. E.P.A. officials noted, for example, that in planning for a new storm sewer system, officials of Charleston, S.C., are taking into account the possibility that melting polar ice and thermal expansion will cause the ocean to rise. James Titus, an E.P.A. economist, said that it would cost $10 billion to $50 billion to replace beaches washed away by rising tides. Coastal cities, he said, can be guarded by levees and pumps. But hundreds of thousands of acres of Louisiana lowland might be inundated, he said, and the port of New Orleans might have to be moved.

The greenhouse effect is caused by gases that concentrate in the atmosphere and, like a greenhouse, trap heat from the sun. Until recent decades, excess carbon dioxide, created mostly by the burning of coal, oil and wood, was considered the biggest problem. But other gases are now believed to be rapidly accumulating, including chlorofluorocarbons from aerosol sprays and other sources, nitrous oxides from fossil fuels and chemical fertilizers, and methane from organic matter.

If the current rate of buildup continues, then sometime between the years 2025 and 2050, the temperature of the earth's surface could have increased by an average of 3 to 9 degrees Fahrenheit. This could cause the sea level to rise by one to four feet. Evaporation is expected to cause inland waters such as the Great Lakes to recede.

Many scientists believe that it is the rate rather than the magnitude of the change that poses the greatest challenge. "We may be moving through an entire geological epoch in a single century," said Dr. John S. Hoffman, director of the global atmosphere program of the E.P.A's Office of Air and Radiation. "We are talking about changing the entire fabric of nature." Dr. Irving R. Mintzer a senior scientist for the World Resources Institute, an environmental group in Washington, said that a 9-degree change over several decades would exceed any that has occurred during the last 10 million years. Some scientists also predict desiccated mid-continents, dying forests, violent storms and other catastrophes. There could also be beneficial changes; the Arctic Ocean, for example, could be navigable throughout the year.

Dr. Mintzer said that a first step to diminishing global warming would be to ratify and implement a protocol, agreed to by 40 nations in Montreal last September, which would freeze and then cut back the production and use of chlorofluorocarbons. So far, only the United States and Mexico have ratified the pact. But many scientists believe that it will also be necessary to sharply reduce the combustion of coal, oil and gasoline. Environmental groups recommend conservation and solar and other renewable sources of energy, but concern about the greenhouse effect could also revive interest in nuclear power. Since trees absorb carbon dioxide, through the process of photosynthesis, restoring forest areas might also help. According to a recent report by the World Resources Institute, deforestation continues at a rate of 27 million acres a year.

MITIGATING EFFECTS

Joseph Mullan, senior vice president for environmental issues at the National Coal Association, an industry group, contended that the role played by coal in contributing to atmospheric carbon dioxide is still unknown. He noted that some scientists believe that the earth is moving toward a new ice age that would cancel out the greenhouse effect.

Dr. Lester B. Lave, a professor of economics at Carnegie-Mellon University who has examined the implications of global warming, argued that while a change in climate is fairly likely, it is hard to know much more than that. In the meantime, he said, "there is no way to justify spending tens of billions of dollars a year to prevent the greenhouse effect." The higher temperatures of the 1980's could be the result of natural climatic variation.

Several scientists suggested that policy makers start preparing "strategic hedges" against possible disruptions of the food supply. But such long-range strategies are likely to be of little comfort to farmers stricken by the current drought. Late last week, the National Weather Service predicted that whatever its cause, hot and dry weather would continue in the Plains and Middle West for the rest of the month.

A Worst-Case Forecast

Scientists disagree over just how bad the greehouse effect will be. According to some of the most dire predictions, this is how bad a summer day might be in the year 2030.

The temperature in Washington, D.C., is over 100 degrees for the 10th straight day. Air conditioners are running at maximum around the clock, straining the generating capacity of electrical power plants and assuring another jump in already soaring utility rates.

In New York City, heat is not the only problem. Workers are raising levees to hold back the rising tidal waters of the Hudson and East Rivers.

In the South, another 100,000 acres of Louisiana wetland is being lost to the sea. But Chicago is suffering from another extreme. Evaporation has been causing Lake Michigan to recede from Lake Shore Drive, leaving behind an ever wider expanse of malodorous mud.

For the Midwest, drought has become a way of life. To adapt, Kansas farmers are experimenting with biologically engineered grains to see if they will yield a profitable crop in the increasingly dry and dusty heartland.

In Minnesota, Canada and Siberia, however, a longer and warmer growing season is producing bumper crops of corn and winter wheat. And residents of suburban and rural New England are fighting an infestation of insects caused by a mild winter.

Fire consumes a dying conifer forest in Yellowstone National Park. Migration from the Southwest is increasing as high temperatures continue and water supplies are becoming inadequate to sustain the population.

While North Americans and Europeans struggle with the effects of changing weather patterns, people in some of the poorer countries of Africa and Asia are being overwhelmed by the greenhouse effect.

Rising waters drive millions of farmers from their tiny plots in the Nile Valley of Egypt and the Gangetic Delta of Bangladesh. The misery of the hungry people of the Sahel region of Africa deepens as rising temperatures push the Sahara farther south.

[From The New York Times, June 23, 1988]

THE GREENHOUSE EFFECT? REAL ENOUGH

A fierce drought is shriveling crops from Texas to North Dakota and has shrunk the Mississippi to its lowest levels on record. Dry years are part of nature's cycle. Still, it's time to take seriously another possible influence—the warming of the atmosphere by waste gases from a century of industrial activity. Whether or not the feared greenhouse effect is real, there are several preventive measures worth taking in their own right.

The greenhouse theory holds that certain waste gases let in sunlight but trap heat, which otherwise would escape into space. Carbon dioxide has been steadily building up through the burning of coal and oil—and because forests, which absorb the gas, are fast being destroyed. There is no clear proof that the gases have yet begun to warm the atmosphere. But there's circumstantial evidence, and some experts think it is getting stronger.

For example, four of the last eight years—1980, 1981, 1983 and 1987—have been the warmest since measurements of global surface temperatures began a century ago, and 1988 may be another record hot year. Still, there have been hot spells before, followed by a cooling.

According to computer simulations of the world's climate, there should be more rain in a greenhouse-heated globe. The rain falls in different places: more at the poles and the equator, less in the mid-latitudes. The drought in the Middle West falls in with these projections. But it stops far short of proving that the greenhouse effect has begun. "As far as we can tell, this is a tough summer well within the normal range of variability," says Donald Gilman, the Weather Service's long-range forecaster.

That's the nub of the problem: It's hard to identify a small, gradual sign of global warming amid wide natural fluctuations in climate. Even over the long term, the evidence is merely indicative. The world has warmed half a degree centigrade over the last century. But the warming is less than some computer models predict, forcing defenders of the greenhouse theory to argue that the extra heat is disappearing into the oceans.

With the greenhouse effect still uncertain, why take preventive steps, especially since the main one, burning less coal, would be enormously expensive? One answer is that it may take years to acquire positive proof of greenhouse-induced climate change, and the longer society waits, the larger a warming it will have to adapt to if the greenhouse theory turns out to be valid. Even a small warming could produce violent changes in climate. At worst, the Gulf Stream might shift course, failing to warm Europe. Sea level could rise 20 feet if the West Antarctic Ice Cap melts, flooding coastal cities from New York to New Orleans.

Several measures to slow the greenhouse warming are worth taking for other reasons:

Cut production of freons, chemicals used as solvents and refrigerants. Important greenhouse gases, they destroy the life-protecting ozone layer.

Protect tropical forests, which not only absorb carbon dioxide but also nourish a rich variety of animal and plant life.

Encourage conservation of energy and use of natural gas, which produces half as much carbon dioxide as does coal.

Develop cheaper, safer nuclear power; nuclear plants produce no carbon dioxide or acid rain.

Many climatologists expect that the greenhouse theory will eventually prove true, but fear to issue alarmist warnings ahead of time. Their caution is justified. But there's an ample case of taking these initial preventive measures when the cost of such insurance is so low and the discomforts of abrupt climate change, as the drought demonstrates, so high.

Mr. WIRTH. I yield the floor. Thank you, Mr. President.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER (Mr. SANFORD). The Senator from Missouri.

THE DROUGHT OF 1988

Mr. BOND. Mr. President, the pride of the American farmer is seldom smaller than the crop he yields. The current drought has made this very apparent—facing immense production losses our farmers are concerned yet remain optimistic. Anyone unfamiliar with agriculture would be truly amazed at the ability of our farmers to operate under these extreme circumstances.

This past weekend, my colleague, Senator DANFORTH, and I traveled to Missouri to take a firsthand look at the drought's impacts. The conditions were more severe than we had expected. Since April, Missouri has received an average of 4.8 inches of rain, 8 inches less than the average. Coupled with temperatures consistently over 100 degrees, the situation is critical for both crops and livestock.

Last night we were pleased to hear reports that scattered rain had occurred in the State and there is some in the forecast. Nevertheless, the drought has still not been broken, and it will take more than one or two rainshowers to stop the loss which has already occurred, and nothing can bring about the crops which have already been lost, and the pastures which have gone.

Livestock producers are in immediate danger as pastures have dried up, feed prices have escalated, and water supplies are being depleted rapidly. Approximately 70 percent of Missouri counties now report less than a 3-week supply of water for their livestock. While some farmers have access to heavy machinery to dig deeper ditches, others see their ponds diminishing day by day. One farmer joked that he actually had to "water his fish." Water shortages in some rural communities have added to the concern—concern that has led to the suggestion that livestock have access to treated waste water.

The scenes that were played and replayed during the tour will remain with me for a long time. At one farm, soybeans planted many weeks ago had not yet broken the surface. At another, corn curled under 102 degree heat. At the livestock sale barn in Chillicothe, MO, weekly sales have increased from an average of 200 head a week to 800 to 1,000 head. Producers have gone beyond strict culling and are now being forced to liquidate foundation livestock at rock bottom prices.

During the farm visits and at a meeting of my Agriculture Advisory Committee, Governor Ashcroft, Senator DANFORTH, and I listened to the suggestions of government officials and farm leaders from throughout the State. Although I informed the group of actions being contemplated in Washington, the meeting was constructive in that there were many sound ideas expressed. In fact, I intend to convey these ideas to members of the congressional drought relief task force and the Secretary of Agriculture.

Mr. President, I would like to highlight some of the ideas which were suggested during our trip:

First, guarantee that advance deficiency payments will not have to be refunded. Also, producers who did not request an advance deficiency payment should receive an equal payment;

Second, permit farmers to receive any disaster assistance in the form of cash, not generic certificates. As generic certificates are now trading for less than their face value and as the quantity of stored grain decreases, many farmers would actually prefer cash;

Third, eliminate the current requirement that generic certificates cannot be redeemed for face value until 5 months after the date of issuance. This would improve the liquidity of the certificates and ensure farmers of their face value;

Fourth, eliminate the feed assistance programs' current 40-percent loss requirement, thus making all livestock producers eligible for feed assistance. The Emergency Feed Program should be implemented when the Secretary of Agriculture determines that the price of feed exceeds the price of last year's feed by 150 percent;

Fifth, provide assurances that CCC-owned stocks will be made available to producers under the Emergency Feed Assistance Program [EFAP]. In those instances where feed is not available in a county, or an adjoining county, grain should be transferred in a timely fashion to an approved warehouse in those countries. Also, farmers should be permitted to purchase CCC-owned grain in outlying counties which have also been released for the EFAP.

Mr. President, there was also a consensus that the United States must not implement any kind of trade sanctions or export limitations on agricultural products. We have worked too hard and too long to lose our export markets once again.

I shall urge the members of the task force and USDA to consider the proposals which we have set forth.

In addition, I want to make a strong statement of appreciation to the Secretary of Agriculture and his staff, who I believe have acted effectively and efficiently to minimize the drought's devastating effects on our agricultural sector and our overall economy. Their devoted work and their willingness to assist farmers of our State is making a difference in very drastic circumstances.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CLOTURE MOTION

The PRESIDING OFFICER. One hour having passed since the Senate convened, the clerk will report the motion to invoke cloture.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on S. 2527, a bill to require advance notification of plant closings and mass layoffs, and for other purposes.

Senators Howard Metzenbaum, Lloyd Bentsen, Jeff Bingaman, Carl Levin, Spark Matsunaga, Paul Simon, George J. Mitchell, J. Bennett Johnston, Daniel K. Inouye, Don Riegle, Barbara A. Mikulski, Christopher Dodd, Wyche Fowler, Jr., J.J. Exon, Max Baucus, John Melcher and Claiborne Pell.

CALL OF THE ROLL

The PRESIDING OFFICER. Pursuant to rule XXII, the Chair now directs the clerk to call the roll to ascertain the presence of a quorum.

The assistant legislative clerk called the roll, and the following Senators answered to their names:

[Quorum No. 21]

Burdick
DeConcini
Exon
Kennedy
Lautenberg
Metzenbaum
Mitchell
Moynihan
Quayle
Reid
Sanford
Stafford
Trible
Wilson
Wirth

The PRESIDING OFFICER. A quorum is not present. The clerk will call the roll of the absent Senators.

The assistant legislative clerk resumed the call of the roll.

Mr. BYRD. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia [Mr. Byrd]. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. Biden] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Washington [Mr. Evans] and the Senator from North Carolina [Mr. Helms] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 79, nays 18, as follows:

[Rollcall Vote No. 220 Leg.]

YEAS—79

Adams
Baucus
Bentsen
Bingaman
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Glenn
Gore
Graham
Grassley
Harkin
Hatfield
Heflin
Heinz
Hollings
Inouye
Johnston
Karnes
Kassebaum
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Thurmond
Trible
Warner
Wirth

NAYS—18

Armstrong
Bond
Cohen
Dole
Gramm
Hatch
Hecht
Humphrey
Kasten
McCain
McClure
McConnell
Murkowski
Quayle
Symms
Wallop
Weicker
Wilson

NOT VOTING—3

Biden
Evans
Helms

So the motion was agreed to.

The PRESIDING OFFICER. With the addition of Senators voting who did not answer the quroum call, a quorum is now present.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on S. 2527, a bill to require advance notification of plant closings and mass layoffs, and for other purposes, shall be brought to a close?

The yeas and nays are automatic under the rule. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. Biden] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Washington [Mr. Evans] and the Senator from North Carolina [Mr. Helms] are necessarily absent.

The result was announced—yeas 58, nays 39, as follows:

[Rollcall Vote No. 221 Leg.]

YEAS—58

Adams
Baucus
Bentsen
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Roth
Sanford
Sarbanes
Sasser
Shelby
Simon
Stafford
Stennis
Weicker
Wirth

NAYS—39

Armstrong
Bond
Boschwitz
Cochran
Cohen
D'Amato
Danforth
Dole
Domenici
Garn
Gramm
Grassley
Hatch
Hatfield
Hecht
Heinz
Humphrey
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Packwood
Pressler
Quayle
Rudman
Simpson
Specter
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NOT VOTING—3

Biden
Evans
Helms

The PRESIDING OFFICER (Mr. Shelby). On this vote, the yeas are 58, and the nays are 39. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

OPENING THE PACIFIC FRONTIER

Mr. MURKOWSKI. Mr. President, I would like to share with my colleagues an experience that the junior Senator from Alaska had that occurred approximately 2 weeks ago from the date of last Monday. It is of interest to this body because it is a graphic display of the easing of tensions that is occurring with the Soviet Union.

The significance of this event, Mr. President, involved the opening up of the Pacific frontier, a gateway that has been closed even more so than the Iron Curtain in Europe, and I refer specifically to that boundary between Alaska and Siberia.

Mr. President, prior to 1948, that boundary was an open boundary. Alaska native people, Eskimos on both sides, had an opportunity to visit their respective families. Unfortunately, as a consequence of the increased tensions, that boundary was closed in 1948. But 2 weeks ago last Monday, that boundary was again opened.

The ice curtain, so to speak, was lifted and for the first time in almost 40 years. A group from the State of Alaska, led by our Governor, myself, various officials of the State of Alaska, and a number of our Eskimo people, journeyed from Nome, Alaska, to Provideniya.

Provideniya is an extraordinary community. It is one of the northernmost ports on the Siberian frontier. The trip was made in an Alaska Airlines 737, landing on a gravel strip in Provideniya which, in itself, was quite a feat.

The total coordinated effort required the dedication of many, many people, including many people from the State of Alaska, those in State government, my own staff, as well as the State Department, which gave us excellent cooperation, and principals in Moscow that had helped us when we first made the request during a visit to Moscow over the Easter recess.

It also involved the cooperation of the American Embassy in Moscow and the Soviet Embassy in Washington, DC. I cannot tell you how effective Ambassador Dubinin has been in his encouragement and belief in the significance of this new frontier opening. The Soviets cooperation, indeed, is showing the entire world that both our nations are serious about reducing this tension.

One of the most significant events that occurred was the meeting of our Alaskan Eskimo people with the Siberian counterparts that they had not seen for many, many decades. It was expressed in a dance that was held in Provideniya, in the town hall. Some of our Eskimos were adorned in Hawaiian shirts. And they joined their Eskimo brothers from Siberia, who were dressed in the native costumes of dance, and they proceeded to dance together in the dances that were historical within the tradition of the Eskimo people. Of course, they spoke the same language.

But that coming together—that meeting—was truly a dramatic moment and one that we all shared and revered. That is the true meaning, of the easing of tensions; when people who have had families that had interchanged can again renew those acquaintances.

The significance of the opening of the ice curtain between Alaska and Siberia is expressed in other ways that I think will have lasting benefits along with the cultural significance of the event. As some of us know, the American tourist is a unique personality and given the opportunity to visit new areas more often than not will choose to do so. We anticipate, as a consequence of this opening, an opportunity to extend tourism in Alaska over to Siberia. That marks some unique opportunities, both for air connections between Alaska and Siberia; but also surface vessel transportation, as well. Opportunities to visit St. Lawrence Island and some more traditional Eskimo villages that previously have been off the track, but would be available as a consequence of some of the proposals that are being developed.

Provideniya itself, as I have indicated, is a major port for transshipment into the Arctic. There are about 5,000 to 7,000 people who live there. It is relatively stark and certainly remote. It is much colder than our side. It seems the Japanese current comes up the west coast but does not necessarily move over on the Siberian side. But we were greeted with what amounted to a holiday, since we were the first visitors to come in there. The children were out en masse. They had their flags waving.

The customary restrictions were substantially eliminated. Alaskans had been told that they must have passports or some birth certificate type of identification; we were told driver's licenses would not be accepted by the Soviet authorities. But the Soviet authorities relaxed those restrictions. Rather than leave some of our people on the airplane in Provideniya, they allowed them to get off with sufficient identification, being, in fact a driver's license.

I point this out simply to indicate the extraordinary spirit of camaraderie that was evidenced during that time.

Also, there was an effort, by an organization called Alascom, to provide the whole world with an opportunity to view this extraordinary spectacle. That was done by the flight of a large aircraft the previous day that brought in a portable earth station. The earth station was put up right in the middle of the downtown area and provided to be not only a curiosity, but a means of instant communication.

I had the privilege of picking up the phone there in a mobile trailer and phoning my office in Alaska. I got through much quicker than I can get through here in Washington, from the floor to the office, to give you some idea of the capability of communication. That particular satellite that the ground station was hooked up to, for those who are interested is located over the Equator. But nevertheless, from Provideniya to the Equator to my office was the routing of the call.

Additional interest in tourism, as I began to indicate earlier in my remarks, comes from the uniqueness of Provideniya itself. There are some arts and crafts in the community that are made from seal and leather that is made from reindeer. This would be attractive to tourists. The idea of a 1-day tour is being proposed by various tour operators, including Exploration Cruises, and Alaska Airlines is offering the tourists an opportunity to share a unique part of the world by a combination of an airplane trip into Provideniya and a day's visitation there, and then taken back from Provideniya by boat with stops in St. Lawrence and on to Nome.

The opportunity for other exchanges in the scientific area are available and exciting because we have some unique engineering challenges ahead. The dynamics of the movement of ice on proposed platforms that are to be constructed in search of oil and gas in those northern latitudes provide challenges to our scientific community.

The fact that both our peoples live in darkness for a good portion of the winter and the unique effect of that on the psychology of people living in the Northern latitudes leaves a lot of things that we can share and evaluate and study. This trip has opened up an exciting new prospect for medical exchange and communication.

So, as I report this to you, Mr. President, I think our trip from Nome to Provideniya marks a significant reduction in the tension between our two nations. It is interestng to note that it was followed up by an announcement by the Soviets of another expedition tracing the route of the Vitus Bering, one of the earliest explorers of the South Pacific, to Alaska. That journey is underway in two 40-foot boats from the Vladivostok area and they will be traversing many thousands of miles of sea, calling on Dutch Harbor. They will put up a monument in Yakutat, commemorating the 250th anniversary of that famous expedition. They will also visit Sitka, the former Russian capital of the New World.

So we are seeing a renewal of interest on the Alaska-Siberian border from the standpoint of access in that area. I think it is enlightening to us all, as we reflect on the merits of glasnost, that this first effort to open up new areas between Alaska and the Soviet Union was a grand success. I join with my senior colleague, Senator STEVENS; my good friend, Representative DON YOUNG; our Governor; and all Alaskans in observing significance of this step forward which, though seemingly small, has great historical merit. When one reflects on the reality that the land bridge that used to exist between Asia and North America was in that very area that I am speaking about, and the fact that a good deal of North American civilization originally came over that, we have seen the renewal, the reopening of this area. It is significant, and it is most meritorious that it has finally occurred.

That concludes my remarks, Mr. Chairman. I want to thank the floor managers and the minority leader, who I see is on the floor now, for allowing me to proceed as in morning business.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

WORKER ADJUSTMENT AND RETRAINING NOTIFICATION ACT

Mr. DOLE. Mr. President, first let me say with reference to the cloture vote, it is my hope that we could still complete our business fairly early today. I know many Members on both sides have travel plans so they can be in their States for the Fourth of July weekend. Hopefully, that recess could be extended.

Cloture was not invoked, and the pending amendment is the amendment of the Senator from California, Senator WILSON. There will be other amendments filed at the desk, and I thought I indicated one amendment that has been or will be filed by 1 o'clock will be the proposed plan based on Massachusetts plan signed into law by Governor Dukakis.

The Massachusetts model plant closing has several advantages that I think ought to be incorporated, and it can be offered as a substitute, if it comes to that. It has some advantages. First of all, it is voluntary. No employer is forced into adherence to an arbitrary standard. Rather, the State utilizes the incentive approach and conditions a company's receipt of State assistance on the company's pledge of responsible corporate behavior.

We have all agreed that a flat 60-day notice standard is unreasonable in every case. So the Massachusetts law wisely acknowledged that the standard cannot often be applied for very good reasons and have incorporated various exemptions and exceptions into the bill.

We incorporated one yesterday with reference to drought and natural disasters. You cannot expect the employer to give notice if he suddenly goes out of business because of some act of God that he cannot control. We have added that to the Massachusetts plan which is pending at the desk.

Also, while maintaining flexibility for business, the law created a carrot, encouraging employers to require advance notice for employees. As we noted previously, the proponents of the Senate bill premised this on the assumption that employers are recalcitrant about meeting the needs of employees who may face layoffs.

The assumption of many of us is that employers derive no special joy from withholding notice, and most employers, if they have to have a layoff, expect those employees to come back. They do not do it because of any reason except economic. There is not any hostile intent or malice.

As I say, they derive no joy from having to shut down part of their business.

No. 2, the Massachusetts plan is a true test of plant closing. Ninety percent of the workers must have been permanently separated. They also incorporate a better test in the case of layoffs and actually take into account consideration of local labor market conditions.

The Massachusetts plan deals with retraining workers and developing enterprises. This is more positive than the bill before us which will not save a single job. That is another reason for some of the opposition.

Finally, resources might certainly be better utilized for actual worker adjustment than under 2527 which simply invites the expenditure of billions of dollars in litigation.

So I hope, at the appropriate time, we might give serious consideration to the plan. I have heard the Governor of Massachusetts talk about his plan, how you need to give layoff notice for those employees who may be laid off or plant closings, keeping in mind this is a voluntary plan, not a mandatory plan, and that it has a lot of areas that are much different than the bill before us now. It may be something we can just on a bipartisan basis agree to.

I certainly cannot think anybody would oppose a plan that has some of the features that I have described, and there will be other features I will describe in greater detail later on.

Mr. WEICKER addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. WEICKER. Mr. President, I ask unanimous consent that I might proceed as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Connecticut is recognized.

COMMENDATION OF THE VICE PRESIDENT'S LEADERSHIP

Mr. WEICKER. Mr. President, I rise today to applaud the Vice President for the leadership he has demonstrated in calling for an Executive order and legislation prohibiting discrimination against people who have the AIDS virus. By endorsing the recommendations of the President's own Commission on AIDS, Vice President Bush has done what few in this administration have to date—and that is to act on the facts and the advice of the experts. For too long, the response of this administration to the AIDS crisis has been to moralize, delay the dissemination of vital information to the American public and leave the responsibility for guaranteeing privacy, confidentality and equal protection under the laws to the States.

Not long ago, I took the opportunity to commend the AIDS Commission and in particular Admiral Watkins, its chairman, for issuing a final report that was both courageous and fair. Among its findings was this statement: "HIV-related discrimination is impairing this Nation's ability to limit the spread of the epidemic." Yesterday, the Vice President joined Admiral Watkins and other Commission members in concluding that the Federal Government should protect AIDS victims against further victimization in the form of prejudice and discrimination.

Beyond that, the Vice President stood up and was counted on the issue of how we are going to treat people in this country who are sick and need our help. That is leadership.

Today, I am calling on President Reagan to exhibit the same kind of leadership by joining the Vice President in endorsing the recommendations of his own Commission. It was 1 year ago that the President issued the executive order creating the Commission to advice him on the public health dangers, including the medical, legal, ethical, social and economic impact of the epidemic. The President asked the Commission to recommend measures that Federal, State, and local officials could take to protect the public from contracting the AIDS virus, assist in finding a cure for AIDS and care for those who already have the disease.

The Commission has done its job and done it well. The time has come for the President to do his.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Louisiana.

CORRECTING WHAT COULD BE A MISIMPRESSION

Mr. JOHNSTON. Mr. President, I take the floor to correct what could be a misimpression caused by an article in the Wall Street Journal today about the distinguished Senator from Ohio [Mr. METZENBAUM]. I was quoted on a couple of occasions in that article in such way as to give perhaps the impression that the Senator from Ohio and I are not, in fact, allies and friends and close workers together.

In fact, we are not only friends and allies on many issues, but as I told the reporter for the Wall Street journal when he called me, I have enormous respect and affection for Senator METZENBAUM. He is a tough battler and I, on occasion, will do the same thing. Tough battlers will frequently draw some sparks, and we have drawn some sparks.

They quoted some of our comments in the Energy Committee on one particular day that drew some tough sparks, but the record was not quite complete because it did not show that just within about 60 seconds after the sparks were drawn mutual apologies were made to the effect that we both perhaps had overstated our cases, and we left the committee better friends than we had come into the committee.

I do not know whether that article left that impression, but to the extent it might have I want to set the record clear. The Senator from Ohio is not only a friend, but he is one of the most effective legislators in this body, and he does in fact stand as Horatio at the gate sometimes guarding against matters in which I am interested and sometimes guarding against matters in which others are interested. While many of us disagree on occasion with what he is doing, as far as this Senator is concerned, his contribution to the national interests not only as a Senator but playing the role of guarding against bad legislation is of enormous value to the country. I simply want to make the record absolutely clear on that point.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I thank the Senator from Louisiana. He and I are good friends. We work together very well. There are occasions, of course, when we differ, but that is part of each of us doing our respective jobs. I am grateful to him for having seen fit to take the floor and comment on this subject, something which was totally unnecessary, and I thank him for having done so.

WORKER ADJUSTMENT AND RETRAINING NOTIFICATION ACT

Mr. BYRD. Mr. President, I ask the Chair to lay before the Senate the unfinished business.

The PRESIDING OFFICER. The clerk will report the unfinished business.

The bill clerk read as follows:

A bill (S. 2527) to require advanced notification of plant closings and mass layoffs, and for other purposes.

The Senate resumed consideration of S. 2527.

Pending:

Wilson Amendment No. 2487, to take into account inability to operate due to shortages of supplies created by government programs or other reasons.

Mr. BYRD. Mr. President, the Senate will not be in long today. The vote on cloture failed. There will be three cloture votes on Wednesday next. There will be a cloture vote on Thursday in the event that we fail again on Wednesday.

I am not sure that I will make another effort if the votes fail on Wednesday and Thursday of next week. This is the sixth day that the Senate has been on this bill. The Senate has had ample opportunity to come to grips with the bill and to pass it. I hesitated for 4 days to enter a cloture motion. I hoped we would be able to pass the bill without going to cloture. Finally, I saw that that was the only way to get the bill passed by today.

The Senate is scheduled to go out at the close of business today for the Independence Day break. I had hoped that the bill could pass and be sent to the House no later than today. The House is waiting on this bill. The House will go out sometime tomorrow. We are going out today. As far as I am concerned, we are not going to stay around here all afternoon and fiddle-faddle about this bill. We all know what the issues are. We have had our chance at cloture, and we did not elect to invoke it. So I am saying to the Senate, go ahead and make plans, be back here on Wednesday next week, and we will have another opportunity to adopt cloture on this bill.

CLOTURE MOTION

Mr. BYRD. Mr. President, I send to the desk a cloture motion.

The PRESIDING OFFICER. The clerk will report the motion.

The bill clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on S. 2527, a bill to require advance notification of plant closings and mass layoffs, and for other purposes.

Senators: Paul Simon, Claiborne Pell, Howard Metzenbaum, Harry Reid, Bill Proxmire, John Melcher, Daniel P. Moynihan, Frank Lautenberg, Tom Daschle, Daniel K. Inouye, Tom Harkin, J.J. Exon, Albert Gore, Jr., Christopher Dodd, Edward Kennedy, and George J. Mitchell.

Mr. BYRD. Mr. President, I am going to yield shortly to the distinguished Republican leader. If there is an inclination on the other side of the aisle—every Democrat voted for cloture. I believe there were five of our Republican friends who voted for cloture. If there is an inclination on the other side of the aisle to come to an agreement and pass this bill today, I am very receptive to such an agreement. Otherwise, I would suggest that we go back on retail price maintenance. I am inclined to go back on that so we do not fiddle-faddle around here with these little amendments that really mean not a lot except perhaps to just have votes. We will go back on retail price maintenance now, and we will come back to this bill on Wednesday next. I am not inclined to stay in beyond 5 o'clock today.

Mr. President, I am happy to yield to the distinguished Republican leader, or I will yield the floor, whichever he prefers.

The PRESIDING OFFICER. The Republican leader.

Mr. DOLE. Mr. President, I think there might be a possibility of completing action on the bill today depending on what the agreement might be. If it is just to do it now and say we are not going to offer any more amendments, that is probably not possible. But there may be a way to do it. We have had some discussions with some on the other side. We have an amendment pending right now that was laid down last night so there would not be any delay.

I repeat, all of the amendments that have been offered on this side have been relevant to the subject matter. Some may have been technical, others I think were broader; they were clarifying provisions in the bill. There have not been any amendments offered to flat out delay. There was some discussion about offering the death penalty and other amendments that Members know about if you really wanted to delay, had no relevance to the bill at all. That has not been done on this side. We have tried to have Members cooperate, and they have been very cooperative on this side. They offered amendments that affected only a provision of the bill or an exception to provisions in the bill.

We are prepared to proceed again without delay on the amendment by the Senator from California, Senator WILSON. I hope we might continue doing that to see if there is any way at all we might resolve the differences. If there is not, I think the majority leader stated it very clearly; we will be back here Wednesday, there will be another cloture vote, and if cloture is invoked, I assume by Friday we may complete action on the bill.

But certainly we are willing to. I think I speak for those—I am not one of the principals—principals who are managing the bill on this side. We are willing to A, proceed, B, to negotiate, and then try to finish it today, and then extend the recess through next Wednesday, Thursday, and Friday. So we have been on this bill for some time. It was part of the bill that was vetoed. The veto was sustained. It has been an effort by the majority, and I do not fault the majority, to get it done before the Democratic convention. I do not fault anyone for that. We may be able to accommodate those on the other side.

We hope we will have a bill that will pass the Congress that might be signed by the President of the United States. Maybe that is not possible. But that has been the goal of the Republican leader and others on this side. I know the President is opposed to the bill in its present form I think with justification.

So we are willing to work with the leader this afternoon, and to indicate if we cannot make progress there is not much use in just staying here. But we are prepared to offer amendments, amendments that affect provisions in the bill or exceptions to provisions in the bill, or there may be a substitute. I notified Senator WILSON to head this way if we want to do that.

Mr. METZENBAUM. Will the minority leader yield for a question?

Mr. DOLE. I am happy to yield.

Mr. METZENBAUM. First, I never heard anybody—and I am one manager of the bill; it is my bill—make any observation about wanting it before the Democratic convention. As a matter of fact, I met with the Democratic candidate this morning. He never mentioned any urgency about that. So I will say to my colleague that is really not a concern. I feel, I think as others do, that this is an issue that has been debated upside down, backward, forward and whether we have cloture or not, I think at some point we are going to bring it to a final vote. I think we will get cloture. I think the minority leader would be prepared to agree to that. I wonder whether or not we might get some agreement to have an up or down vote, and final passage like at 4 o'clock, 5 o'clock this afternoon without cloture, and all the amendments that are pending we can vote on them. We can vote them down en bloc if you want or we can vote them down individually.

Mr. DOLE. Or up.

Mr. METZENBAUM. Or up. There is always that possibility. But I wonder whether there might be some possibility of finalizing this measure yet today by unanimous consent agreement rather than waiting until we get cloture and then having the 30 hours run.

Mr. DOLE. As I said, I think from the start, we would try to cooperate with the majority, we want to get the business of the Senate done, and we would make every effort to work out some of the problems. An up or down vote on this bill might not be possible. But an up or down vote, if there were certain changes made, I think, is very possible. Maybe they do not want to make any changes. There is no other urgency to this bill that I can see. We have had a lot of time on Senate matters and the bill was brought up. Certainly the majority has a right to bring the bill up. For some reason, it has become a very high-priority matter. It is not part of the trade bill. It has nothing to do with trade. It would not increase exports one iota. It would not do anything about imports. We are in an economic recovery. We do not have a lot of plant closings. We have more openings than closings by far, but suddently this has become a big priority. I think people just have to judge why that is so. I do not think there is any debate on why it is a priority. But I know it is big on organized labor's list. They have a lot of clout in this body.

Mr. METZENBAUM. Eighty-six percent of the people want it. That is enough reason for priority.

Mr. BYRD. Mr. President, I am not seeking the floor away from the leader.

Mr. DOLE. I am happy to yield the floor if I can get it back.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. This leader is not dancing to the tune of organized labor or anybody else. And I made that very clear in my meetings with the labor leaders, and other Senators were present in those meetings. Organized labor has a good friend in this Senator. I could not be anything other than a good friend of labor, having come up as the son of a coal miner, and having married a coal miner's daughter. I speak the coal miner's language. But I said to Mr. Bieber, Mr. Kirkland, and other labor leaders that the reason I am supporting plant closing on the trade bill is because the House has problems without it. I said that the Speaker and I had promised, at the start of this Congress, to put on the President's desk something that he had been running from for 6 years, a trade bill. The plant closing amendment was added to that trade bill in this Senate. I did not offer the amendment. I did not promise at the beginning of this Congress to put a plant closing bill on the President's desk. I promised to put a trade bill on the President's desk. But the plant closing amendment was offered to the trade bill in this Senate. I supported it. Why? Because it is decent, it is fair, it is right, it is just. I said to them, I want a trade bill. And if this stays on that trade bill, I think the bill will be vetoed and we may not be able to override the veto. And there goes the trade bill.

But it is not because of you that I am staying with it on the trade bill. It is because the House, at that time, would have had difficulty in passing the trade bill with plant closing taken out of the bill. With all of the comments about labor having clout in this body, labor should have the same right to be heard as does anyone else, but here is one of labor's friends who does not hesitate to stand up and speak frankly to labor.

Now, as to what is pushing this bill, giving it priority. I say to my good friend, the Republican leader, whether we get this bill finished before the Democratic Convention or not could not amount to a hill of beans with this Senator. I do not think there is any better Democrat over here than I. But there are a few things I put ahead of my party. The reason I make this bill a top priority right now is because I have a view of the whole schedule for the rest of the session. I would like to see the Senate and the House adjourn sine die by September 30, and, for one time in the last 17 years, pass the appropriations bills well in advance of the new fiscal year.

I am interested in finishing this bill because I want to do it before the trade bill comes over from the House. There are many other bills that also await action. We have 48 working days left, going to October 8, which is a Saturday, and including October 8, and including today.

If we call up the trade bill and this plant closing bill flounders here on this floor and does not go to the White House soon, we know we can expect plant closing to be right on the trade bill again.

So those of us who want a trade bill, want this legislation separate. The President has made his bed. Let him lie in it. He vetoed the trade bill on the pretext that plant closing was a part of it. Now we are separating this out.

I would still like to have a trade bill. That is why we have a priority on this bill, to get it now. Now is the time. Here is the window. Then after the convention, perhaps after the Republican Convention, I do not know which, we will do the trade bill. We have the United States-Canadian trade agreement. We have a number of other bills which I have discussed with the distinguished Republican leader. I have not had anything up my sleeve—nothing.

That is my priority, the Democratic Convention notwithstanding. That has absolutely nothing to do in my thinking, so far as scheduling the business on this floor is concerned.

Now is the time we have set aside for this bill, then we will be ready to do the appropriations and other bills. I have been trying to get an agreement on appropriations bills. The distinguished Republican leader has been trying to get an agreement to help me take up the appropriations bills. He has a problem on his side. I still hope we will get an agreement on the appropriations bills; but if we do not, we will just take them one at a time. We can do that.

Let any Senator on that side who wants to do so stand up and object, after this President has said, "Send me those appropriation bills separately." He made a big show of coming to the House in the State of the Union and dumping a big bill on the desk and saying he did not want any more funding bills like that one. He wanted Congress to send them down separately. I, too, want to send appropriations bills down separately.

Yet, he himself was part of the reason why he had that big bill to dump on the desk. One of the reasons why Congress did not send those separate appropriation bills to the White House was because of this President. It took him all year, almost, before he was willing to sit down and work out an agreement, a bipartisan agreement on the budget with Congress.

Then came the stock market crash, and he finally sat down and was willing to work out an agreement. It took us 4 weeks to do that, and by that time it was about time we all had to quit. It was the threat of a sequester and the stock market crash that brought the President, this President, to the table. He did not want a sequester and we did not, either. So, finally, we worked out an agreement. It took 4 weeks to do that.

Now we are trying to send down these separate appropriation bills; and let any Senator on the other side of the aisle stand up and object when I ask consent to go to an appropriation bill. Let him answer to the President as to why he is objecting to our taking up an appropriation bill.

I will welcome an agreement. But I am not going to walk around with my hat in my hand, asking for that agreement, any longer. I know that the Republican leader is trying to get it. He has problems with someone on his side.

The Republican leader has been very cooperative. That is why we have had four appropriation bills passed already. But time is running out. Senators can either give me an agreement, or we will take the bills one at a time, deal with them one at a time, and be around here until we finish our work.

Mr. KENNEDY. Mr. President, I would like to address that issue with the leader, in setting aside the plant closing legislation. I would like to be heard.

Mr. BYRD. Mr. President, will the distinguished Senator yield? I beg his pardon for interrupting. I have the President of Turkey waiting in my office.

I ask unanimous consent that when the distinguished Senator from Massachusetts has completed his statement, and the distinguished Republican leader has finished his statement, the Chair lay before the Senate the bill to amend the Sherman Act with regard to retail competition.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, first, I commend the majority leader for both leadership on the issue and his perseverance on this matter, which is of enormous importance and consequence to families across this country, and I again pay my respects to the Senator from Ohio for the extraordinary leadership he has provided.

The point has been made by the minority leader about this being a high priority in terms of organized labor. The fact is that most members of organized labor do already receive notification; but, as we saw during the course of this debate, nonorganized only received an average of 2 days.

The truth in this particular debate is that we are in this fight because we are fighting with organized business. We have been on that bill now for 6 days. We have handled some dozen amendments.

Now we have tried to stop a filibuster. They would not admit it was a filibuster. They held what I call a "frivolobuster," with trivial amendments.

The Republican opposition has stopped the bill until next week. We could not get 60 votes to give workers 60 days.

The American people want this bill, by a huge margin, and a handful of Republicans have blocked this matter of simple fairness. Workers want notice, and the Republicans have served up delay.

I hope that the next time we come to grips with this measure, we will be able to get cloture and get on with this measure and get this very important legislation to the President; that if he will be advised to veto it, we will override, and give fairness to the families of America on this issue.

Mr. DOLE. Mr. President, it seems to me that we ought to stay on this bill if we want to finish it. If it is of such high priority, we ought to stay on it. We have an amendment pending, and we should see what happens.

We have the Massachusetts plan pending, which I am sure will sail through this Chamber. It is voluntary. It is of great interest to the Senator from Massachusetts, who is leaving the floor, and others.

Let us vote on the Dukakis plan. Let us see how many votes the Dukakis plan has. He has been criticizing the President and others. It will be filed before 1 o'clock and will be brought up when cloture is obtained, if it is obtained.

But I think the record ought to be very clear that there has been no filibuster on this side. We have made seven or eight changes in this bill, which was supposed to be perfect.

This bill is going to require small businessmen and businesswomen with more than 100 employees to file reports. Thousands and thousands of small businesses are never going to know about this bill until it hits them. They are going to have to file reports.

There is some feeling on the other side that employers get some kick out of going around telling people they are laid off. The people who create the jobs in this country have some rights. We all want employees to have notice. In most cases, they have notice of either closing or layoffs, except in some natural disasters, and that is one of the amendments now included.

We are going to have 22,000 manufacturing companies alone that are going to have to file reports under this bill. More government—more government control. That is what organized labor wants. They get every vote on that side of the aisle—every vote.

This is not a priority. We should not be standing here on a Wednesday or coming back next week. We have been moving legislation very rapidly in this Chamber, with a lot of cooperation on both sides. And we will continue to have that. But this is a priority for the Democratic Convention. We will stay here all night, next week, I assume, anything to get it done.

The House is supposed to take it up today, but somehow those plans were foiled. Maybe they will not have time to take it up tomorrow, so it will be next week. And maybe we are going to be back here next Wednesday, Thursday, and Friday.

But I think the record ought to indicate that this is not a matter of great moment. The economy is rolling along. More and more plants are opening. More and more jobs are being created. More and more people are going to work, over 16 million since Ronald Reagan became President.

This is high on the labor list, and that is fine. There are a lot of working people and they have a lot of rights.

It seems to me that is what it all boils down to. We have not met with labor leaders. They have not been around to see the leader on this side, so I cannot tell you what I told them. But we cooperate with labor leaders. They are a powerful force in this country. Unfortunately, they support about 99 percent of the people on the other side of the aisle, at least the leaders do, not the rank and file.

So let us go ahead. We are on another bill now, or when I complete my statement we will be. Let us stay on this bill if it is such a high priority. Why go off the bill at 12:30 if it is a priority? We have an amendment pending. It can be voted up or down.

I will offer the Massachusetts plan. The Governor was here earlier. Maybe he has had a chance to take a look at it. We will see what the vote is on that, because he is for giving notice, but, in his State, he wants to give notice and it has to be voluntary, which is a good idea. The Senator from Indiana had a voluntary notice provision bill.

So we are willing to work. We have been working. There have been no death penalty amendments offered, no abortion amendments, no prayer in school amendments, no effort to delay this.

These are not trivial amendments that have been adopted. They are very important amendments offered, for the most part, by the distinguished Senator from Utah, Senator HATCH, who is an expert in this area. Through his staff and his studies he has found areas that ought to be clarified in case this bill should finally pass in the event the President's veto, if he vetoes it, should be overridden.

So we are hoping that by 1 or 1:30 we will get back on the bill.

In response to the Senator from Ohio, we would like to finish action on the bill today. We are prepared to finish action on the bill today. The last we heard last evening, there was some hope of making a few changes in the bill that might have made that possible. But that has all been, as I understand it, pushed off the table.

It is unfortunate because, again, there are some who will not give an inch. That is a choice that has been made. We will see what we can do on this side. We will have a meeting of the principals on our side later in the afternoon. Hopefully, we can present something that might be of interest to the manager of the bill and the majority leader.

I wish to say to the majority leader that we are still trying to get agreement on appropriation bills. I agree with the majority leader that the President wants the appropriation bills and we ought to bring up the appropriation bills. They ought to be passed. They ought to be sent to the President one at a time.

I hope, before the day is out, we will have an agreement that will permit the majority leader, after consultation with the minority leader, who will then consult with the distinguished Senator from Oregon, Senator HATFIELD, to start moving on these appropriation bills the week after next.

RETAIL COMPETITION ENFORCEMENT ACT

The PRESIDING OFFICER. Under the previous order, the clerk will report Calendar Order No. 525, S. 430.

The assistant legislative clerk read as follows:

A bill (S. 430) to amend the Sherman Act regarding retail competition.

The Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with an amendment to strike all after the enacting clause and insert in lieu thereof, the following:

That this Act may be cited as "The Retail Competition Enforcement Act of 1987".

SEC. 2. The Sherman Act is amended by redesignating section 8 and any references to section 8 as section 9 and by inserting between section 7 and section 9, as herein redesignated, the following new section:

"SEC. 8. (a) In any civil action based on section 1 or 3 of this Act, including an action brought by the United States, or by a State attorney general, or by the Federal Trade Commission under section 5 of the Federal Trade Commission Act, which alleges a contract, combination or conspiracy to set, change, or maintain prices, if there is sufficient evidence from which a trier of fact could reasonably conclude that a person who sells a good or service to the claimant for resale—

"(1) received from a competitor of the claimant an express or implied suggestion, request, or demand, including a threat to discontinue an existing business arrangement, that the seller take steps to curtail or eliminate price competition by claimant in the resale of such good or service, and

"(2) because of such suggestion, request, demand, or threat terminated the claimant as buyer of such good or service for resale or refused to supply to the claimant some or all of such goods or services requested by the claimant,

then the court shall permit the trier of fact to consider whether such person and such competitor engaged in concerted action to set, change, or maintain prices for such good or service in violation of such section. A termination or refusal to supply is made 'because of such suggestion, request, demand, or threat' only if such suggestion, request, demand or threat is a major contributing cause of such termination or refusal to supply.

"(b) In any civil action based on section 1 or 3 of this Act, including an action brought by the Federal Trade Commission under section 5 of the Federal Trade Commission Act, which alleges a contract, combination, or conspiracy to set, change or maintain prices, the fact that the seller of a good or service and the purchaser of a good or service entered into an agreement to set, change, or maintain the resale price of a good or service shall be sufficient to constitute a violation of such section.".

Mr. METZENBAUM. Mr. President, we now take up S. 430, which more appropriately might be described as the consumer rights act. It is a bill that, in essence, relates to the right of a discounter to sell his or her products at less than a price agreed on by a manufacturer. I am not certain why anyone would be opposed to this bill, but there is opposition.

The bill ensures consumers that they have the right to shop where they want—in discount stores or full-price stores. The whole free enterprise system, as I see it, the whole concept, is addressed in this piece of legislation because in the free enterprise system we support the concept of competitiveness—the right of a farmer to sell his products or her products at whatever price he or she deems appropriate; the right of a storekeeper to sell his or her products at whatever price he or she deems appropriate; the right of any person who is in business to set their own prices. But there is an effort and there is a push to try to make dealers sell the products of manufacturers at the prices agreed to by the manufacturers.

I say to my colleagues in the Senate, I just do not understand why anyone would be opposed to a bill that supports consumers in their effort to buy products at discount prices. We have already discussed at an earlier point on the motion to proceed the specific benefits to consumers, retired persons, and small business people. We are referring to the fact that in a study made by my own staff, we were able to find that clothes could be bought at 30 percent less in discount stores and toys at 22 percent less and electronics at 18 percent less, and that the average family can save, according to the best studies, about $550 a year by buying at a discount.

Now, what and why would anybody be opposed to that? The opponents try to complicate the issue and raise questions about this bill. Listening to them you would think the world would come to an end if this bill were to pass. But quite the opposite is the fact.

This bill is the most important antitrust issue facing consumers in this Congress.

As a matter of fact, it is the most procompetitive piece of legislation that we could possibly have come before us. It is the most profree enterprise piece of legislation that we could have come before us.

I have received a lot of correspondence about this bill. Some of it responds point by point to the critics' arguments about the bill. Two letters, in particular, are from law professors, not biased, but eminent scholars in the antitrust field. One came from the University of Chicago, where many of the opponents of this legislation teach; the so-called Chicago school. Another came from New York University. Both the letters speak plain and clear facts. Neither has been hired to support this bill.

Mr. President, I ask unanimous consent to have those letters printed in the RECORD, one from the University of Chicago, a five-page letter signed by Diane P. Wood, assistant professor of law; and the other from New York

University, a six-page letter, signed by Harry First, professor of law at NYU.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE UNIVERSITY OF CHICAGO,
THE LAW SCHOOL,
Chicago, IL, March 10, 1988.

DEAR SENATOR: I am writing to express my support for S. 430, The Retail Competition Enforcement Act of 1987. I do so because I have been concerned by recent materials in the press that have inaccurately described the scope and likely consequence of this legislation. As a professor of both antitrust and civil procedure, I believe that I may in a good position to dispel the more extreme predictions and show why the bill should be passed.

S. 430 accomplishes two objectives: (1) it adds a new section 8(a) to the Sherman Act, which clarifies the standards set forth in the Supreme Court's decision in *Monsanto Co. v. Spray-Rite Service Corp.* [465 U.S. 752 (1984)] with respect to the kind of evidence that is needed to reach a jury in a resale price maintenance case, and (2) it adds a new section 8(b), which has the effect of codifying the *per se* rule against vertical price fixing that was first established in the decision in *Dr. Miles Medical Co. v. John D. Park & Sons Co.* [220 U.S. 373 (1911)]. Both of these changes are necessary in order to preserve the desirable balance between manufacturer discretion over distribution methods and unfettered distributor or retailer competition that presently exists in our economy, which has served consumer welfare so well.

Because the effectiveness of the codification of the *Dr. Miles* rule depends in large part on the kind of evidence that sufficies to prove an unlawful agreement, I shall discuss section 8(a) first. Essentially, section 8(a) cuts off the more extreme interpretations of the *Monsanto* opinion that have arisen in lower courts, by assuring that juries will still be able to find an agreement on the basis of certain circumstantial evidence. Nothing in the bill imposes liability on truly unilateral decisions by either manufacturers or dealers, which continue to be protected under the doctrine announced in *United States v. Colgate & Co.* [250 U.S. 300 (1919)]. Nor does the bill adopt the evidentiary standard that the Supreme Court rejected in *Monsanto* itself, under which a court could infer agreement between a manufacturer and a distributor from the simple coincidence of distributor complaints about one of its competitors followed by the manufacturer's action in terminating that competitor. The Court said:

"Permitting an agreement to be inferred merely from the existence of complaints, or even from the fact that termination came about "in response to" complaints, could deter or penalize perfectly legitimate conduct. (465 U.S. at 763.)

"In sum, '[t]o permit the inference of concerted action on the basis of receiving complaints alone and thus to expose the defendant to treble damage liability would both inhibit management's exercise of its independent business judgment and emasculate the terms of the statute.' (*Id.* at 764, quoting from *Edward J. Sweeney & Sons v. Texaco*, 637 F.2d 105, 111 n.2 (3d Cir. 1980), *cert. denied*, 451 U.S. 911 (1981).)

"Thus, something more than evidence of complaints is needed. There must be evidence that tends to exclude the possibility that the manufacturer and nonterminated distributors were acting independently." (*Id.* at 764.)

Read in context, it is clear that the Supreme Court's principal concern was to make sure that liability would follow only if there was an agreement between the manufacturer and the nonterminated distributors—that is, evidence that showed that they were not acting independently. The lower court has assumed that a termination following distributor complaints was a termination "in response to" those complaints. The Supreme Court rejected this interpretation, however labelled, even going to the trouble of putting quotation marks around the words "in response to" to show the peculiar meaning the phrase had been given. The opinion then went on to find that the termination of Spray-Rite violated the Sherman Act, because the evidence did demonstrate a prohibited agreement to maintain prices.

The more extreme lower court interpretations of *Monsanto* have lost sight of the Court's result in the case. These courts have granted summary judgment to defendants even when the evidence showed that distributor complaints may have initiated an agreement between distributor and manufacturer to terminate the discounter. This goes well beyond the Supreme Court's decision, which was limited to recognizing the useful functions that an information flow between manufacturers and distributors could serve, and which therefore sought to protect that kind of communication.

S. 430 would put *Monsanto* back into perspective. Under S. 430, a defendant could still obtain summary judgment if the evidence showed only complaints and subsequent termination. On the other hand, S. 430 recognizes that an agreement might exist between the manufacturer and its dealer when (1) the complaining dealer asks somehow for the curtailment of price competition from a discounter, and (2) because of that request, the manufacturer penalizes the discounting dealer. Put in simple terms, if Jones says to Smith "please stop running," and Smith then stops running, a trier of fact should be entitled to decide whether Smith unilaterally decided to stop running or if Smith implicitly agreed with Jones that he would stop. The jury would weigh Smith's credibility against Jones's, and take into account any other evidence that seemed pertinent.

In dealer termination cases under S. 430, the jury would weigh the terminated dealer's version of events against the manufacturer's and the nonterminated dealer's, as well as other relevant evidence. In requiring that the "suggestion, request, demand, or threat" be a major contributing cause of the manufacturer's decision to terminate or to refuse to supply, the bill is wholly consistent with the *Monsanto* Court's recognition that coincidence does not help one decide whether or not an agreement existed.

There is no doubt that section 8(a) of S. 430 will enable more terminated dealers to withstand motions for summary judgment, and will thus increase the number of this type of case over 1988 levels. This is as it should be, however. First, the 1988 levels reflect the extreme applications of *Monsanto*; if the baseline were 1983, the bill would be seen as a codification of existing law that eliminated the chance that agreement could be proved by coincidence. Second, many of the bill's opponents would like to see summary judgment for defendants in all terminated dealer cases, because they disagree with the *Dr. Miles* rule (whether or not they admit it). It is obviously wrong to manipulate procedural rules like the summary judgment rule so that the substantive antitrust laws that Congress has passed can be ignored. The Senate should be extremely skeptical of persons who claim to support section 8(b) of the bill but who argue that section 8(a) would be a disaster. The simple fact is that section 8(b) will mean very little if terminated dealers and distributors can be thrown out of court on summary judgment before they ever have a chance to prove an unlawful agreement to maintain resale prices.

This brings me to section 8(b) of the bill, the codification of the longstanding rule prohibiting vertical price fixing, or resale price maintenance (RPM). Many reactions to the House of Representative's passage of the Freedom From Vertical Price Fixing Act of 1987 (H.R. 585) and to S. 430 are reminiscent of Chicken Little's warning that the sky was falling. Some have gloomily predicted that section 8(b) would somehow destroy manufacturers' abilities effectively to distribute their goods and lead to increased prices and less choice for consumers. The problem with this prediction is that it flies in the face of experience under the very antitrust laws that Congress is seeking to preserve in its legislation.

Since 1911, manufacturers have been prohibited from engaging in resale price maintenance—that is, the practice of requiring their dealers to agree on pricing levels, or formulas, or on other arrangements that would deprive the dealers of discretion over resale prices. Under this legal regime, methods of distribution have proliferated, and consumers have had the choice of patronizing either full-service stores, general purpose budget stores, or minimal service discounters. This has had the effect of increasing, not decreasing, consumer choice. When consumers did not want the extra services that the full service stores offered, they voted with their feet, just as they should in a free market economy.

Ordinarily, one would expect unanimous approbation of this result. This kind of dealer and consumer freedom can be detrimental in only one circumstance. For some extraordinarily complicated products, manufacturers may want dealers to provide presale services that cannot conveniently be separately priced, such as a well trained sales force or an attractive showroom. In those cases, it is undesirable for Dealer 1 to go to the expense of providing those services, only to see the customer cross the street and make the final purchase from Dealer 2, a discounter who is "free riding" on Dealer 1's efforts. Dealer 1 will eventually cease providing the services, and both manufacturer and customer lose.

Nothing whatsoever in S. 430 prevents manufacturers from taking steps to prevent this kind of free riding. They may require all authorized dealers to maintain a certain kind of sales force, to stock their products at specified levels, and to conform to minimum standards for showrooms. No one has ever argued that RPM is the only way to achieve these objectives, even though most economists believe that RPM in theory is one tool to prevent free riding. The question for the Senate, however, is not whether a graph can be drawn that illustrates this proposition. It is, instead, whether the antitrust laws should continue to prevent RPM as a per se offense, or whether the courts should be permitted to use either a rule of reason or a rule of per se legality. Since everyone agrees that RPM can facilitate anticompetitive behavior under some circumstances, and it is clear that many products are not likely to require presale services, the Senate has made the entirely defensible judgment in this legislation that the risks of RPM outweigh the benefits, and that existing judge-made law should receive a formal legislative imprimatur.

Manufacturers also remain free to achieve their legitimate goals by using nonprice vertical restrictions, as long as those restrictions do not unduly restrict competition in the market. It is simply wrong to suggest that the Supreme Court has declared nonprice restrictions to be legal. All restrictions in agreements between manufacturers and dealers are subject to antitrust's rule of reason, which condemns practices that are likely to lead to higher prices and less output for consumers.

It is worth remembering that discounters have been thriving under existing law, to the great benefit of American consumers. S. 430 seeks to assure that they will continue to do so. The per se rule against resale price maintenance has been in effect for seventy-seven years (no thanks to the Justice Department, which was arguing in the early 1980's for its abolition), yet no one could seriously argue that the pernicious effects of free riding have caused useful pre-sale services to disappear from our economy. Since S. 430 preserves the status quo with respect to RPM, it is absurd to claim that its passage would increase free riding for otherwise wreak havoc.

The Retail Competition Enforcement Act of 1987 represents a considered congressional decision on an important matter of national economic policy. Given the amount of debate over the issue, it is entirely appropriate for Congress to assume responsibility for what has been until now a body of judge-made law. (Indeed, one would expect those who have decried excessive assertions of judicial power to be particularly pleased with full legislative consideration.) Far from causing the sky to fall, S. 430's two sections—the codification of the *Dr. Miles* rule and the clarification of the *Monsanto* standards—will assure the continuance of a system that has worked very well.

Yours very truly,

DIANE P. WOOD,
Assistant Professor of Law.

NEW YORK UNIVERSITY,
SCHOOL OF LAW, FACULTY OF LAW,
New York, NY, April 27, 1988.

Hon. HOWARD M. METZENBAUM,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR METZENBAUM: I am writing to urge you to support S. 430, the Retail Competition Enforcement Act of 1987.

This is an important piece of antitrust legislation, for it will help insure the continuation of vigorous competition in the retail marketplace. This competition will be good for consumers, who will be able to choose between "premium" retailers and "discount" retailers; and it will be good for retail entrepreneurs, who will have the freedom to adjust their selling strategies to meet the demands of consumers in the retail marketplace. Consumer choice and entrepreneurial freedom are the linked goals of antitrust. I believe strongly that this bill protects and advances these goals.

S. 430 has two sections. The first section is designed to rein in some of the extreme decisions made in the lower federal courts in the wake of *Mansanto Co.* v. *Spray-Rite Service Corp.*, 465 U.S. 752 (1984). The second section is intended to codify the long-standing antitrust rule that agreements to engage in resale price-fixing are *per se* unlawful under Section 1 of the Sherman Act. I would like, first briefly to describe and explain the two sections of the bill, and, then, to discuss some of the objections to the bill that various people have raised with me.

In *Monsanto* the Supreme Court rejected the rule, followed in a number of the Circuits, that a jury could infer a resale price-fixing agreement from proof that a manufacturer terminated a dealer following competitor complaints about price-cutting. The Supreme Court held that, absent other evidence from which to infer such an agreement, a defendant would be entitled to summary judgment in such a case.

I thought that *Monsanto's* strict summary judgment rule was wrong, because it keeps from the jury evidence from which the jury might reasonably infer an agreement. Nevertheless, I believed that *Monsanto* would have only a slight adverse effect on retail price competition because of the likelihood that most discounter terminations would present more facts than simply a complaint from a competing retailer upset over the discounting. Indeed, the Court in *Monsanto* affirmed the jury's verdict for the discounting retailer, finding that there was, in fact, more evidence of an agreement to restrain price competition than simply the price complaint.

My prediction that *Monsanto* would have limited effect, however, has turned out to be quite wrong. Following *Monsanto*, the lower courts have seized on some of the Court's language and on the Court's apparent willingness to favor full-price retailers over discounters, with some outrageous results. A good example is *Garment District, Inc. v. Belk Stores Services, Inc.*, 799 F.2d 905 (4th Cir. 1986). In that case Jantzen, acting on clearly communicated complaints from a retailer selling at a 100% markup, terminated a competing retailer selling at a 30-35% markup. There was evidence of meetings, a follow-up letter from Jantzen to the complaining retailer, and a pretextual termination of the discounter based on "image." No procompetitive justification for the termination was offered. No special pre- or post-sale services were necessary to be certain that swimwear was properly distributed to the consumer. Jantzen only wanted to keep the complaining retailer happy. Relying on *Monsanto*, however, the court of appeals affirmed the district court's grant of a directed verdict for the defendant. The jury was not even allowed to weigh the evidence, to determine whether the plaintiff was terminated because it was doing an inadequate job as a distributor or because it was an effective price competitor that another retailer wanted squelched.

Belk is no anomaly. A study done in 1986 shows that in more than half the post-*Monsanto* decisions, the courts have granted the defendant's motion for summary judgment or directed verdict. See Flynn, *The "Is" and "Ought" of Vertical Restraints After Monsanto Co. v. Spray-Rite Serv. Corp.*, 71 Corn. L.Rev. 1095, 1102-03 (1986). The simple fact is that it has become very difficult for a terminated price-cutter to put its case before the jury—not necessarily to win, but just to have the opportunity for the jury to hear its case and decide whether it was cut off because it was too successful a competitor.

The first section of S. 430 will change that result. It is intended to insure that in cases like *Belk*, a terminated pricecutting distributor can get its case to the jury, so that the jury can decide the reason for the termination. The plaintiff must still bring in sufficient evidence of 1) a demand from one of its competitors that the supplier "take steps to curtail or eliminate price competition"; and 2) a termination carried out "because of" such demand. If the plaintiff does have such evidence, however, the jury will be given the opportunity to determine whether to infer a price-fixing conspiracy or not. And in making this decision, the jury will, of course, have before it the evidence brought in by the defendant regarding the reasons for termination, including evidence relating to whether the plaintiff was properly doing its job. I see no reason why jurors cannot weigh such evidence and reach an appropriate decision.

The second section of S. 430 codifies the rule that agreements fixing resale prices are *per se* unlawful. This rule was first announced by the Supreme Court in 1911 in *Dr. Miles Medical Co. v. John D. Park & Sons Co.*, 220 U.S. 373 (1911). The rule has been followed consistently in the Supreme Court since then. Even in *Monsanto* the Court was careful to note that such agreements remain *per se* unlawful. See *Monsanto*, 465 U.S. at 763.

Despite the state of the law today, however, I think that codification is important. Although the Supreme Court has stood by the *per se* rule, the Antitrust Division in the Reagan Administration has taken the position that agreements on resale prices between manufacturer and retailer should be viewed under the rule of reason. Unless Congress asserts its legislative prerogative, future administrations might similarly seek to undercut this long-standing rule.

I am not suggesting that the *per se* rule be codified simply because it is a long-standing rule. More to the point, the rule is supported by sound considerations of policy, and by economic history. The policy is the same policy that supports the first part of the bill. Entrepreneurs closest to the consumer should be free to respond to the demands of the consumer in the retail marketplace. Control of resale prices by the manufacterer thwarts consumer choice and builds price rigidity into the distribution system, rigidity which can make it easier for manufacturers to cartelize their industry.

Economic history speaks even more clearly to the wisdom of this section of the bill. Congress actually ran a thirty-eight year experiment with resale price-fixing, and finally decided that it was a bad idea. Beginning in 1937, with the Miller-Tydings Act, Congress allowed the States to permit resale price-fixing on branded goods free of federal antitrust liability. In 1975 Congress repealed this exemption. By the time of repeal, only thirteen states had "strong" exemption statutes, and it was widely agreed that resale price maintenance had artificially raised prices on many goods desired by consumers. Congress estimated that repeal would save consumers $1.2 billion per year (in 1969 dollars).

The flowering of discount retailing in the wake of repeal has borne out the predictions Congress made in 1975 when it decided that full and vigorous price competition at the retail level would best serve consumers and the United States economy. The two sections of S. 430, codifying the *per se* rule and giving terminated discounters the opportunity to enforce this legal rule, will help insure the continuation of this type of competition.

These are some of the reasons which I believe support enactment of S. 430. Naturally, not everyone has agreed with me that this is a useful piece of legislation. In discussing this bill with people, a number of objections have been raised, but I would like to respond briefly to the three objections I have heard most frequently.

Some people have suggested that S. 430 will prevent manufacturers from terminating distributors who do not do a good job, or will prevent manufacturers from requiring distributors to provide a certain level of service. This argument is incorrect. The law today permits a manufacturer to control, through contract, all the behavior of its distributors—except for resale price—so long as such controls do not unreasonably restrain trade. S. 430 does not alter this law. For example, a manufacturer can require distributors to meet sales quotas, require investments in showrooms, require the provision of pre-sale service, require post-sale warranty service, give distributors exclusive geographic territories, and even forbid distributors from reselling goods to certain customers (such as discounters). What S. 430 insures is that where a distributor can provide the type of distribution service the manufacturer wants and *still* offer better prices than a competitor, that distributor will be protected from a termination "because of" a demand from a competitor that the manufacturer do something "to curtail or eliminate price competition." It seems to me that price-cutting behavior in such a case is precisely the type of pro-competitive behavior the antitrust laws should encourage.

A second objection is that S. 430 will result in a flood of frivolous lawsuits filed by terminated discounters. This is a reasonable concern, but one which I believe will not likely come to pass. First, the first part of the statute is aimed at cutting back the progeny of *Monsanto;* it does not adopt the simple "complaint-termination" rule for getting a case to the jury, a rule which had been followed in a number of Circuits prior to *Monsanto.* Even under this more favorable-to-the-plaintiff rule, there had been no flood of frivolous litigation in the courts. I see no reason to expect plaintiffs to bring more litigation under S. 430's less favorable rule. Second, Rule 11 of the Federal Rules of Civil Procedure was significantly strengthened in 1983. It not only requires prefiling inquiry by plaintiff's counsel with regard to the validity of the claim (counsel's signature certifies that the claim "is well grounded in fact and is warranted by existing law or a good faith argument for . . . [change] of existing law"). The Rule also provides that the court can require plaintiff's counsel, or the plaintiff, to pay the defendent's attorney's fees if a pleading does not meet the requirements of the Rule. I can tell you that not only is this Rule being vigorously enforced, but that I have personally seen cases which counsel have refused to bring because of Rule 11. Rule 11 stands as a significant deterrent to frivolous litigation.

If one is worried about the litigation costs associated with adopting the rule set out in the first section of S. 430, then I think it is also important to understand the costs of the common law approach to the termination of discounters which the courts currently are applying. In the short term, I think that the rule has had the unfortunate effect of emboldening distributors to complain about unpleasant price competition; and has left manufacturers more vulnerable to such complaints because they cannot claim that termination will subject them to clear liability. The result may be that *Monsanto* has led to more litigation than the rule it replaced. Further, the real cost of *Monsanto* and its progeny has been that discounters with legitimate claims are becoming increasingly less able to press these claims because of the legal difficulty in getting their claims to the jury. In a sense, they are being deterred by "frivolous" defenses (e.g., pretextual terminations). This means that *Monsanto* has titled the distribution system in favor of full-priced retailers, disfavoring retailers trying to compete on price. Eventually, therefore, we may see very little litigation in this area if S. 430 is not enacted. We should not count this as a benefit, however, for this will mean that we will have lost a significant group of discount retailers who had provided consumers with something they had wanted—lower prices.

The third argument I have heard about S. 430 concentrates on the language used in the first section of the bill. When S. 430 was first proposed, many opposed the bill because of its imprecise language regarding the connection between the complaint and termination. Although I testified in favor of the original bill, I also made it clear in my testimony that the original language was not satisfactory.

Subsequently, this part of the bill was redrafted and substantially improved. The language now makes it quite clear that there must be a causal link between the complaint and termination, rather than simply a temporal link between the complaint and termination. Further, the standard for how significant the complaint must be ("a major contributing cause") is probably as precise a standard as one can hope for in guiding the common sense of the jury in these cases. Of course there will be borderline cases, where the manufacturer acts with mixed motives and jurors will be required to determine which is the major cause of termination. Nevertheless, I do not believe that the business setting of these cases is so complicated that jurors exercising their common sense will be unable to figure out what is happening. If anything, dealer termination cases are probably the easiest antitrust cases to understand that there are.

S. 430 is a good bill. It will insure consumer choice in the retail marketplace. It will permit aggressive retailers to offer consumers lower prices without fear that their higher-priced competitors will be able to force suppliers to cut them off. If consumers do not prefer lower prices (and some do not), retailers will devise some other strategy to satisfy them. This is how competition advances consumer welfare.

S. 430 will permit competition to operate. It is the kind of antitrust legislation we need today. Again, I urge you to support it.

Sincerely,

HARRY FIRST,
Professor of Law.

Mr. METZENBAUM. I urge my colleagues to study those letters and study them carefully. Because studying the issue will show that this bill is very simple. It is elementary.

The issue is:

Do you want your constituents to pay higher prices or lower prices?

Do you want your constituents to have the option of shopping around for the best price—or will they have no choice on price?

Do you want to vote for vigorous price competition—or do you want to facilitate large manufacturers' and retailers' squeezing out smaller, maverick businesses, the retailers who sell at a discount?

Do you believe in free enterprise, or in some theoretical view of competition that is not based on the realities of the marketplace?

I would like to read parts of letters from our constituents saying how they would answer these questions.

Two major groups representing senior citizens support this bill.

The American Association of Retired Persons writes:

> AARP supports S. 430 because it strengthens the law that helps guarantee that consumers will have a choice of shopping in discount stores or in full-price stores. This choice enables retired persons or those on low or fixed incomes to purchase needed goods and to enjoy a more comfortable lifestyle.

The National Council of Senior Citizens says:

> NCSC believes that consumers should have the freedom to buy products or services at the best possible price—at full price stores or in discount stores at lower prices. The opportunity to stretch one's income is especially important for the elderly, whose incomes generally are not easily responsive to changes in economic conditions.

The letter goes on to say:

> It seems odd that this administration, which has defied freedom of choice should abandon this objective when it applies to consumers.

All the major consumer groups support this bill too—not one opposes it:

Consumers Union writes:

> This legislation is important in helping to fight consumer price inflation by making the antitrust laws more effective.

Public Citizen says:

> The legislation protects robust price competition, which benefits consumers and the economy as a whole. These gains were evident in a recent survey conducted by Public Citizen's Congress watch. The study showed that the buying public could save from 10 percent to 45 percent by seeking out price comparisons on typical Christmas gift items. Price competition is protected by the antitrust laws which prohibit vertical price-fixing—in short, Congress has an opportunity to reaffirm the Nation's antitrust policies. And it has the chance to support lower prices, more competition and a healthier marketplace.

Organized labor also supports this bill. The AFL-CIO writes:

> The AFL-CIO has had an abiding interest in consumer oriented legislation in behalf of its 13 million union members and their families who comprise a significant portion of the buying public. Our support for S. 430 is consistent with our longstanding policy opposing resale price maintenance laws. In our judgment, allowing private manufacturers to fix wholesale and retail prices on branded merchandise, inevitably mean higher prices for workers, their families and consumers in general.

The Small Business Legislative Council also supports this legislation. They write:

> In recent years we have witnessed a steady erosion of the antitrust laws that permit small business to compete on a level playing field. In particular, vertical price fixing is a serious problem, however, enforcement of laws to prevent it has become too lax.

The State attorneys general who help enforce the antitrust laws want this bill.

The National Association of Attorneys General writes:

> The goal of the antitrust laws is to maintain a freely competitive environment in which all business ventures are given a reasonable and equal opportunity to succeed, guaranteeing consumers the best possible product at the lowest possible price. The passage of S. 430 will substantially further that goal.

The State attorneys general passed a unanimous resolution supporting the principles contained in S. 430, Republicans and Democrats alike make up that body.

Attorney general from Kansas, Robert Stephan, a Republican, says, and I specifically direct this to the attention of the Senators from Kansas, one of whom is, obviously, the minority leader.

> Agreements to cut off goods to discount retailers, because of their price cutting, limit price competition, limit consumer choice and unlawfully enrich nondiscounting retailers at the expense of consumers. Such agreements should be banned.

The West Virginia attorney general writes:

> If enacted, this bill will ultimately serve to protect the consumers' interest in the free marketplace. It will, in short, allow consumers to participate and enjoy the benefits and efficiencies that accompany good and fair competition in the economy.

The North Carolina attorney general writes:

> S. 430 is important legislation, as it recognizes the important role of price competition to maintain a vital marketplace and will be an important tool in effective antitrust enforcement across the country.

All these major groups—senior citizen, consumers, labor, State attorneys general, small business—support S. 430. And, yes, I would say to my colleagues in the Senate, the people of this country support the right to buy at the lowest possible price. I urge my colleagues to join me and 28 bipartisan cosponsors and all their constitutents supporting S. 430. The country needs and demands legislation of this kind.

I yield the floor.

The **PRESIDING OFFICER**. The Senator from South Carolina.

Mr. **THURMOND**. Mr. President, I rise in opposition to S. 430, the retail Competition Enforcement Act of 1987. Rarely have I seen legislation which has been praised so highly as proconsumer, but which in fact will be harmful to consumers and, in the process, severely damage our Federal antitrust laws. This legislation is opposed by a wide array of antitrust experts, and by the American Bar Association, the New York City Bar Association Antitrust Committee, as well as the Justice Department and the Federal Trade Commission.

Fearing the practical effects of S. 430, this legislation is also opposed by literally dozens of business trade associations and companies, including the U.S. Chamber of Commerce, the National Association of Manufacturers, the American Textile Manufacturers Institute, and the American Paper Institute. I, too, am convinced that S. 430 is bad legislation and should be soundly defeated.

Mr. President, I would like to spend a few minutes giving some background on S. 430 and describing the apparent reasons for its creation.

The major event spawning the creation of S. 430 was the Supreme Court's 1984 decision in Monsanto versus Spray-Rite Service Corp. In that decision, which was decided by a vote of 8 to 0, the Supreme Court held that a conspiracy to set vertical prices, in violation of section 1 of the Sherman Act, is not established by proof that a manufacturer terminated a distributor following, or even in response to, price complaints by other dealers. The Court held that,

> [s]omething more than evidence of complaints is needed. There must be evidence which tends to exclude the possibility that the manufacturer and non-terminated distributors were acting independently.

The Court stressed that,

> It is of considerable importance that independent action by the manufacturer, and concerted action on non-price restrictions, be distinguished from price-fixing agreements, since under present law the latter are subject to per se treatment and treble damages.

Mr. President, the proponents of S. 430 claim that that language is ambiguous and has engendered considerable confusion in the lower courts concerning the application of evidentiary standards in vertical price-fixing cases. I do not agree. In my view, Monsanto clearly articulates the appropriate evidentiary standard applicable to dealer termination cases. If there is confusion among lower court decisions, or if the lower courts are applying incorrect standards, the more appropriate way to correct the situation is through the judicial process, and not through legislation like S. 430, which is itself ambiguous and confusing.

Some have argued that the evidentiary standard established by Monsanto is so difficult for a plaintiff to meet that it is virtually impossible for a dealer termination case to reach the jury. Such an argument simply has no validity. In Monsanto itself, the Court found more than enough evidence to support the existence of price-fixing agreements and termination by the plaintiffs, Spray-Rite, pursuant to the agreements.

Spray-Rite was an authorized distributor of Monsanto herbicides from 1957 to 1968. In 1968, after Monsanto declined to renew Spray-Rite's distributorship, Spray-Rite brought an action against Monsanto under section 1 of the Sherman Act claiming that it was terminated pursuant to a conspiracy between Monsanto and some of its distributors to fix the resale prices of Monsanto herbicides. The jury found for Spray-Rite and awarded $3.5 million in damages before trebling. On appeal, the court of appeals affirmed and stated that "proof of termination following competitor complaints is sufficient to support an inference of concerted action."

The Supreme Court reversed the holding of the court of appeals but found that Spray-Rite presented enough evidence to prove that it had been the victim of an illegal price-fixing agreement. The Court found that there was direct evidence of resale price maintenance agreements from testimony by a Monsanto district manager that on at lease two occasions after Spray-Rite was terminated, Monsanto advised price-cutting distributors that they would not receive adequate supplies if they did not maintain the suggested resale prices. After one of the distributors still did not comply, its parent company was informed of the situation and the parent instructed its subsidiary to conform to the resale price. There was also a distributor newsletter, which the Court described as a "more ambiguous example," which stated that "every effort will be made to maintain a minimum market price level."

The Court also found that there was ample evidence to support an inference that Spray-Rite had been terminated pursuant to the price-fixing agreements. In a meeting between Spray-Rite and Monsanto following the termination, one of the first things the Monsanto official referred to was the many complaints it had received concerning Spray-Rite's prices.

In addition, there was evidence that Spray-Rite had never been informed of the alleged criteria which led to its termination, and that on several occasions from 1965-66, Spray-Rite had been approached by Monsanto officials, informed of complaints from other distributors, and asked to maintain its prices.

Finally, Spray-Rite testified that Monsanto made explicit threats to terminate if Spray-Rite did not raise its prices. In the final analysis, all of this evidence was certainly sufficient to get Spray-Rite to the jury and, of course, to uphold the jury's verdict that a price-fixing conspiracy had occurred.

Mr. President, in stark contrast to the fact that S. 430 is not needed to clear up any "confusing" or "ambiguous" evidentiary standard in vertical price-fixing cases, is the reality that the legislation will wreak havoc with long established antitrust principles and will seriously undermine, if not effectively repeal, the long-standing Colgate doctrine and the law of conspiracy.

In United States versus Colgate & Co., the Supreme Court made clear that,

> In the absence of any purpose to create or maintain a monopoly, the [Sherman] act does not restrict the long recognized right of trader or manufacturer * * * freely to exercise his own independent discretion as to parties with whom he will deal.

In Monsanto, the Court underscored this point. In its effort to balance the right of a manufacturer to independently deal with whomever it wishes, and the right of a distributor to be free from illegal conspiracies, the Court stressed that,

> There must be evidence which tends to exclude the possibility that the manufacturer and non-terminated distributors were acting independently.

Because S. 430 sanctions the use of ambiguous evidence to prove the existence of a conspiracy, the line between independent and concerted activity will be unavoidably blurred, and independent, lawful activity will inevitably be condemned.

Furthermore, S. 430 undermines a long list of antitrust and other cases dealing with the law of conspiracy. In American Tobacco Co. versus United States, the Supreme Court defined a conspiracy as "a unity of purpose or a common design and understanding, or a meeting of minds in an unlawful arrangement." The conspiracy can be proven either through an explicit agreement or an implicit understanding, but in any event it is necessary to prove that there was "a meeting of minds in an unlawful arrangement." S. 430 allows a jury to infer a conspiracy based on evidence which falls far short of the American Tobacco standard and seriously jeopardizes the traditional law of conspiracy.

I want to repeat that sentence. S. 430 allows a jury to infer, I repeat, to infer a conspiracy based on evidence which falls far short of the American Tobacco Co. standard and seriously jeopardizes the judicial law of conspiracy.

Even the casual connection between the price complaint and the termination which is required by S. 430, does not prove, without more, that there was any agreement between the manufacturer and the complaining distributor to adhere to resale prices.

In addition to reversing Monsanto, S. 430 codifies the per se rule against resale price maintenance. Although resale price maintenance is per se illegal under current law, codifying the per se rule is neither useful nor effective. In recent years, there has been increasing criticism of the per se rule against resale price maintenance as established in Dr. Miles Medical Co. versus John D. Park & Sons. It has been argued that resale price maintenance, in some circumstances, may promote interbrand competition. it may enable a manufacturer to create attractive and inviting stores and showrooms. It may enable dealers to train sales personnel to provide technical advice and assistance to customers regarding complex or new products. Resale price maintenance may also deter some dealers from taking a "free ride" on other dealers' sales efforts. Economists have identified other procompetitive reasons why a manufacturer might want to impose resale price maintenance. In view of this debate, it would be far wiser not to codify the per se illegality standards and to allow the courts full flexibility to hear and analyze all the relevant economic and legal issues.

The best example of the need for judicial flexibility is the history of nonprice vertical restraints. In 1963, in White Motor Co. versus United States, the Supreme Court decided that nonprice vertical restraints should be evaluated under the rule of reason. Only 4 years later, in United States versus Arnold, Schwinn & Co., the Court felt prepared to issue a per se rule prohibiting agreements between manufacturers and dealers limiting a dealer's right to sell outside certain territories or to unfranchised customers. There followed 10 years of confusion about the scope of the rule and debate over its wisdom. In 1977, in the GTE-Sylvania case, the Supreme Court reconsidered the issue, overruling its prior per se decision and applying a rule of reason analysis to nonprice vertical restraints. The Court concluded that a per se rule that did not rest on the competitive effects of the proscribed conduct would produce bad results in some cases. It said that any per se rule should be "based on demonstrable economic effect rather than * * * upon formalistic line drawing." This history clearly establishes that the courts must be able to interpret and modify per se antitrust rules if these rules are to continue to have rational and beneficial effects.

Mr. President, I have heard many times that this legislation is necessary to save the discount retail industry. Proponents argue that unless S. 430 is enacted, discount stores will be driven out of business and the consumer will be the ultimate loser. The facts indicate otherwise, however. The discount trade industry is flourishing, even after the Monsanto decision in 1984. In February 1988, according to Discount Store News, a discount store trade publication, there were some 67 publicly traded discount companies, including K-Mart, Wal-Mart, Federated Department Stores, and Burlington Coat. Burlington Coat, one of the strongest proponents of this legislation, and one of the most outspoken on the eventual demise of discount operations in light of Monsanto, has shown a steady increase in sales. According to a Value Line report of June 3, 1988, sales by Burlington Coat increased from $51.3 million in 1980, to $480.7 million in 1986. Sales increased from $302.7 million in 1984, to a projected sales volume of $575 million for 1988. In 1983, Burlington Coat had approximately 35 stores and today it has over 100. By any standard, this is spectacular and enviable growth, much of which occurred after the Monsanto case was decided.

Discount Merchandiser, another trade publication, reported in its most recently available annual census, that the discount trade industry is continuing its growth trend. It reported that net store openings increased by 2.3 percent in 1986 over 1985, and that sales increased by 6.4 percent for the same time period. According to Discount Merchandiser,

> [i]n terms of dollar volume, discount stores are the largest retailers of housewares and gifts, infants' wear, domestics, toys, small electrics, stationery and greeting cards. They are the second leading retailers of cameras and photo supplies, sporting goods and luggage, lawn and garden supplies, automotive accessories, and consumer electronics.

With reference to specific stores, Discount Merchandiser noted that K-Mart's 5-year plan, announced in October 1986, anticipates 150 new K-Marts in this country; Wal-Mart achieved record sales for fiscal year ending January 31, 1987, of $11.8 billion; and Swallen's, Cincinnati's original discount store, finished fiscal year 1986-87 with a record $140 million in net sales.

Mr. President, the proponents of S. 430 would have you believe that support or opposition to S. 430 is a partisan matter. Nothing could be further from the truth. Perhaps the best indication of the bipartisan nature of opposition to S. 430 is a letter I recently received from the Honorable Sanford Litvack. Mr. Litvack was head of the Antitrust Division during the Carter administration and is widely recognized as an antitrust expert and respected as a rigorous prosecutor of antitrust violators during his tenure at the Justice Department. In fact, Mr. Litvack brought the only criminal vertical price-fixing case ever filed.

Mr. Litvack strongly opposes S. 430. While he has no objection to a codification of the per se rule for vertical price fixing, he strongly believes that the evidentiary standards established by subsection (b) of the bill are both "unwarranted and unwise."

Mr. President, while I want to make Mr. Litvack's letter part of the

RECORD, I would like to quote a portion of it now for my colleagues:

> Through the proposed legislation, Congress would void the effect of Monsanto, and, as a practical matter, vitiate the summary judgement mechanism, by subjecting manufacturers to jury exposure even if the only evidence in the case is that a manufacturer terminated or refused to deal with a retailer "because of [a] suggestion request [or] demand . . ." by another retailer.
>
> I believe S. 430 is an unwise intrustion by Congress into the realm of evidentiary standards in antitrust cases, an area which Congress has traditionally left to the courts. While Congress clearly has the power to establish evidentiary standards (and has often done so in non-antitrust cases), the approach taken in S. 430 is particularly troublesome. Wholly apart from the dire predictions that have been made to the effect that this legislation will produce a spate of treble damage lawsuits (which prediction may well prove to be true), the most serious problem with S. 430 is that it would create an impossible situation for businessmen.
>
> As the Supreme Court has pointed out in a number of cases, including GTE-Sylvania and the recent Sharp Electronics decision (and as practical experience has taught), manufacturers and suppliers often receive "complaints" or "requests" from dealers either asking for termination of a competing dealer, or simply complaining about such dealers. Under S. 430 a manufacturer receiving such complaints would be proceeding at substantial risk if it were to go ahead with termination of the dealer in issue, whatever the manufacturer's true reasons for termination might be. For if a jury were to conclude, as it might with hindsight, that a dealer complaint was the cause from the termination—whatever the manufacturer may say—a large treble damage verdict might follow.
>
> I am, of course, mindful of the fact that the legislation in issue provides that the "complaint" or "request" must have been a "major contributing cause" to the termination. However, that is the kind of fine-line drawing that is very difficult, if not impossible, for real world businessmen to make at the time of the events. Indeed, the irony of S. 430 is best illustrated by the fact that perhaps the safest way for a dealer to assure that he cannot be terminated is deliberately to act in a manner which would result in some complaints, thereby acquiring what may be the best insurance policy one can have.
>
> Unfortunately, I do not find much comfort in the Congressional effort to maintain the possibility of summary judgment for the defendant in a vertical price-fixing case. While the statute would acknowledge the possibility of summary judgment, experience leads me to conclude that the inevitable effect of this legislation will be, as most of its sponsors desire, to make it far more likely that these cases will in fact be submitted to a jury. Although I do not yield to anyone in my regard for the jury system—in antitrust cases and otherwise—the plain fact is that there are sometimes findings of conspiracy, where none in fact existed, because of the myriad of emotional factors that appear in these kinds of cases. Certainly judges can set aside such verdicts when they are unsupported by the evidence, but the reluctance to do so is palpable. Thus, leaving the summary judgment route open, as it is after Monsanto and Sharp, is important from the standpoint of the antitrust defendant.
>
> Finally, I should note that I am aware of, and sympathetic to, the plight of small retailers who may have legitimate antitrust claims arising from illegal terminations. As one who, while in the government, was especially concerned with resale price-fixing, I am anxious to be certain that the offense be recognized for what it is—a per se violation—and that the courts be kept open to deal with such violators. That concern, however, must be balanced against the legitimate rights, interests and concerns of manufacturers and other suppliers. I believe S. 430 tilts the balance too far in the wrong direction on this source.

Mr. President, I do not know of a more forceful condemnation of S. 430 than Mr. Litvack's letter. While he is second to none in his commitment to vigorous antitrust enforcement, he also recognizes the severe harm S. 430 visits upon our antitrust laws.

Mr. President, I will conclude these opening remarks very shortly so that my colleagues can also express their strong opposition to this legislation. As the debate progresses, however, I plan to address many more issues raised by S. 430. During our discussions, however, I urge my colleagues to keep in mind that it was not by accident that the antitrust laws were framed broadly rather than containing a long and detailed laundry list of proscribed activities. The drafters of the Sherman Act intended to draft a general statute, to be amplified as necessary through judicial reasoning and by experience over time, including changing circumstances. Senator Sherman himself remarked that:

> It is difficult to define in legal language the precise line between lawful and unlawful combinations. This must be left for the courts to determine in each particular case. All that we, as lawmakers, can do, is to declare general principles, and we can be assured that the courts will apply them so as to carry out the meaning of the law, as the courts of England and the United States have done for centuries. 21 Cong. Rec. 2460 (1889).

Statutory rules phrased in terms of specific practices rather than in terms of competitive purpose or effect, lack the flexibility needed for optimum antitrust enforcement. Sound antitrust rules are simply not amenable to fixed, detailed, articulation. Not every court decision is well conceived, and even some decisions that are correct when issued, appear later to be based on weak findings and logic. The common law process can correct these. Legislation along the lines of S. 430 raises the specter of far more serious problems, which would be far more difficult to correct.

I urge my colleagues to oppose this bill.

Mr. BOND. Thank you, Mr. President. I want to express my sincere appreciation to my distinguished colleague from South Carolina who once again is playing a leadership role in this very important issue. I thank him for sharing this time with me.

Mr. President, I welcome this opportunity to set forth at some length my reasons for sharing the grave concern that our distinguished colleague from South Carolina has in opposing this bill, the Retail Competition Enforcement Act. Here are several reasons that I believe this is a bad piece of legislation, and I will go into them in detail later in my statement. However, I would first like to discuss the misinformation campaign that has accompanied S. 430.

Mr. President, the public affairs campaign that has surrounded S. 430 is a classic example of special interest legislation being recast as proconsumer to gain support. This bill has been portrayed as critical to protecting the rights of shoppers to buy at discount stores—their right to get a bargain. But that is not what it is at all. What this bill is is an attempt to rewrite the rules of evidence as they relate to certain antitrust lawsuits.

If the problem we have in our country is that there is not enough litigation, then this bill is a very clear remedy for that problem. It would in fact stir up a great deal of litigation. It would result in an explosion of costs of litigation. These costs would have to be passed on to consumers, and all consumers would pay the price in whatever they purchased in merchandise. This would cost consumers money, not save them money.

I have a copy of a booklet that is being handed out by groups supporting S. 430. I would like to share with my colleagues some of the interesting statements that it contains.

On the cover it states: "Consumer's Right: To choose where they shop! To purchase quality goods at a lower price!" That sounds reasonable, doesn't it? Well of course it is reasonable. It is essential that consumers ought to have the right to choose where they shop and they ought to try to purchase goods at the best prices. We all like to find bargains. Certainly my family is no different from yours or from any other family in this country.

Then, you might ask, "How can you be opposed to this bill if you agree with that statement?" The simple answer is that this bill will not enhance a consumer's right to choose where he or she shops and to find the best prices for a particular item. We all know that consumers have the right to choose where we shop—if we enact this bill into law, consumers will not be guaranteed that choice. In fact the bill is more likely to result in consumers having fewer rather than greater choices of discount stores at which to shop.

Another statement in the booklet which is worth noting is contained in a column by Jack Anderson. Mr. Anderson, who clearly must not understand the ramifications of this bill, states: "If the bill bites the dust, it could drive discount stores out of business."

Now, this is precisely the type of misinformation to which consumers have been subjected throughout the consideration of this bill and which causes me great concern. To say that if the Congress does not pass S. 430, then we will no longer be able to shop at K-Mart or Burlington Coat Factory is just not true. A quick review of a few statistics my colleague from South Carolina has shared makes this clear.

S. 430 essentially overturns the unanimous decision of the U.S. Supreme Court in the case of Monsanto Co. versus Spray-Rite Service Corporation. Now, that case was decided in 1984. It would seem logically to follow that if the Monsanto case so critically wounded the discount retail industry that it could not survive unless the decision were overturned, then we would see a significant drop in the profits of discounters or in their expansions. But that is not the case at all. In fact, the discount industry has proposed in the four years since the Monsanto decision was handed down.

According to the Value Line report published 1 year ago, Burlington Coat Factory's sales increased from $302.7 million in 1984 to a projected $485 million in 1987.

Similarly, as quoted in the minority, report, last year net store openings increased 2.3 percent in 1986 over the previous year and sales increased 6.4 percent in the same time period. The report noted that in October 1986, K-Mart announced a 5-year plan which anticipated 150 new stores. The statistics for other large discounters are similar and we have just now heard from our distinguished colleague from South Carolina the figures brought up to date.

It seems pretty clear to me that these are not the numbers we see behind failing businesses—businesses that are fighting for their lives. Rather, these are businesses that are healthy, that are expanding, and that are increasing their sales. And, Mr. President, I am glad to see that because I often shop at these stores, and I want to continue to do so.

So, Mr. President, I simply want at the outset of this debate to make it clear to my colleagues what this bill will not do. This bill, if passed, will not ensure the survival of the Burlington Coat Factory or K-Mart or Best Products. Those companies are doing just fine, and you and I will be able to shop at those stores regardless of whether we pass this bill today.

Now, I would like to turn to what this bill would do if it is enacted into law. As the distinguished ranking member already has pointed out, S. 430 contains two sections. One section would codify the per se rule with respect to vertical price fixing. The other section would overturn the Supreme Court's ruling in the Monsanto case.

At first glance, codifying the existing rule that retail price fixing is per se unlawful sounds reasonable enough. The rule has been in existence for most of this century and the courts have given no indication that they intend to abandon it any time soon. If there is an agreement to fix prices, that is illegal. However, the codification of the rule could remove from the court some of the flexibility of that rule. The antitrust laws when they were initially passed were intentionally drawn in a broad manner to allow the courts to apply them to new situations and developments. I believe it would be a mistake to withdraw that flexibility.

The other section of S. 430 would overturn the Supreme Court's 1984 decision in Monsanto Co. versus Spray-Rite Service Corporation. This is the part of the bill that gives me the greatest concern, and I would like to focus on it for a few minutes.

In the Monsanto case, Monsanto refused to renew its distribution agreement with Spray-Rite, a wholesale distributor of agricultural chemicals and herbicides. Spray-Rite brought suit in Federal district court charging that Monsanto had conspired with some of its other distributors to fix the price of Monsanto's products, and that Monsanto had terminated its contract with Spray-Rite in furtherance of the conspiracy. The Supreme Court found that there was sufficient evidence that Monsanto had conspired to fix prices and, therefore, ruled in favor of Spray-Rite. The Court went on to point out the important distinction between concerted action to set prices, which is of course per se unlawful, and concerted action on nonprice restrictions which is judged by the rule of reason. So they have drawn a very careful distinction between an agreement on prices, and agreements on other areas of distribution which can be extremely important.

The Court said that permitting a price-fixing agreement to be inferred from the existence of complaints from other distributors, or even from the fact that termination came about in response to complaints, could deter or penalize perfectly legitimate conduct. Therefore, the Court said, the correct standard to use in these cases is that there must be evidence that tends to exclude the possibility that the manufacture and the nonterminated distributors were acting independently. There must be more than simply evidence of complaints from a competing dealer and a subsequent termination of the dealer about whom the complaint was made.

The proponents of S. 430 argue that the standard set forth by the Court is too harsh and that it must, therefore, be overturned. In its place they would erect the standard that if a plaintiff can produce sufficient evidence from which a trier of fact could reasonably conclude that a price-related communication was a major contributing cause of a distributor's termination, then the plaintiff is entitled to have the trier of fact consider whether the supplier and the complaining dealer engaged in a vertical price-fixing conspiracy.

As one who has spent some time in the practice of antitrust law, I can assure you that that will open the floodgates of litigation, and it will be litigation not about the central question, the question which ought to be central in antitrust cases, as to whether there is an unlawful agreement or conspirarcy to fix prices—to say, "Was there a termination? Was there a complaint?" That broad a standard ties the hands of the manufacturer. It makes highly suspect any compliant from a competing dealer.

The problem with this standard is that there is no clear standard definition of the term "major contributing cause." The distinguished Senator from South Carolina has given us some excerpts from the letter written to him by Mr. Litvack, a lawyer who headed the Antitrust Division under President Carter. I should like to offer another quotation from that letter from Mr. Litvack to Senator Thurmond. Mr. Litvack wrote:

> I am, of course, mindful of the fact that the legislation in issue provides that the "complaint" or "request" must have been a "major contributing cause" to the termination. However, that is the kind of fine-line drawing that is very diffuclt, if not impossible, for real world businessmen to make at the time of the events.

If the S. 430 standard were implemented, the impact on many companies—especially manufacturers who sell their products through distributors—will be significant. It is a fact of business that competing dealers will complain about each other's business practices—a competitor is not providing adequate service, or is not advertising properly, for example.

Let me say, as a footnote, that the likely result of such a law being passed, would be to encourage the vertical integration—to get rid of the system of dealers, to have more and more manufacturers take over the function and sell directly.

I cannot imagine how many such complaints a company might get from competing dealers, ones who have a major distribution network of dealers throughout the country—how many such complaints a company like Ford has in its files, or IBM or Xerox. This is particularly important for smaller manufacturers as well. These companies do a major part—if not all—of their business through dealers, and these dealers are locked in fierce competition with each other, as they should be. That is how the system works, and that makes the system work well. In the regular course of business, these manufacturers are going to want to discontinue their relationship with some dealers—perhaps because the dealer is not displaying the merchandise properly or has not paid its delinquent account. There is no question that a manufacturer should have and does have the right to take such unilateral actions. That is how a manufacturer assures the public that they get what they bargain for when they buy their product.

For example, a manufacturer of shoes may want to have his dealers ensure that people get shoes that fit them. He may make it a policy to deal with those shoe stores that have a full line of service and have a trained representative fitting the shoe, making certain it is the right size, making sure that people who wear those shoes are satisfied. He can do that.

Under current law, a dealer may decide to switch to a different system, under which he fires all his sales representatives and all the people who helped fit shoes for customers, and just stacks the shoes in a corner. He can say, "Well, I got rid of the salesmen and the people who help fit the shoes, and I can sell them cheaper." He can knock down the price a bit because he does not have to hire those people.

After a while, people may buy shoes and find they pull the wrong shoes off the rack. Not only does the dealer have a problem of dissatisfaction, but so does the manufacturer; and he has to tell the customers: "I'm sorry. You may have bought it cheap, but you didn't buy the right shoe."

However, if S. 430 were the law and if there happened to be a complaint on file from a competing dealer, the problem dealer could threaten the manufacturer with a suit under section 1 of the Sherman Antitrust Act, treble damages and perhaps hundreds of thousands or millions of dollars in legal fees. The result would more than likely be that the manufacturer refrains from terminating the problem dealer—choosing instead to live with the problem rather than chance a price fixing challenge. The irony, as Mr. Litvack points out in his letter to Senator THURMOND, is that the best way for a dealer to assure that he won't be terminated is to deliberately act in a manner which would result in complaints from competitors, thereby acquiring an insurance policy against action from the manufacturer.

Mr. President, such a result just does not make sense. There is no reason that defendants in retail price maintenance cases should have to be subjected to such an unfair standard. The bill would effectively eliminate the use of summary judgment as a defense against price fixing conspiracy charges.

I have discussed this bill with many businessmen from my State and others, and they have shared with me the severe impact it would have on their businesses. Just one example is Interco, a major employer in St. Louis and the parent of several companies including Broyhill, Biltwell, Ethan Allen and Florsheim, all of which sell their goods through dealers. Representatives of that company named several possible problems they would face if S. 430 became law.

Florsheim shoes are sold through dealers who are expected to maintain standards of quality in their stores and who are expected to display the shoes in a manner befitting the quality of the shoes. Under current law, when these standards are not met, Interco can, if necessary, take steps to terminate its relationship with the dealer. If S. 430 were law, Interco officials have told me they would be hesitant to take such steps because of the threat of an antitrust action. Thus, the company could, for example, be forced to retain a dealer who merely left shoes stacked in piles, required customers to serve themselves or did not provide proper after the sale service.

Another example relates to the business of Ethan Allen furniture dealers. Interco believes that enactment of S. 430 could result in a reduction in the number of full service dealers who provide employees such as interior decorators for their customers. This would result as dealers tried to cut costs in an effort to compete with dealers not providing such services. Interco officials pointed out that if this situation went far enough, it could result in Interco deciding to integrate vertically and eliminating its dealers altogether.

Mr. President, it would be a mistake for us to pass the bill before us today. Beyond the problems it would cause—many of which my colleagues and I have discussed today—there is simply no need to overturn the Monsanto decision. I think it is important to note that the decision in that case was unanimous. There was no controversy among the Justices regarding that standard. I believe it is also important to point out that the Court recently upheld the Monsanto decision in the Sharp case. In that case, which was handed down just last month, the Court held that to render illegal per se a vertical agreement between a manufacturer and a dealer to terminate a second dealer, the first dealer must expressly or impliedly agree to set its prices at some level.

Finally, I think it is worth noting, in response to those who continue to argue that this is proconsumer legislation, that in both Monsanto and Sharp, the majority included Justices Brennan and Marshall—certainly the two Justices on the Court who can most easily be labeled proconsumer.

I would like to close by once again urging my colleagues to vote in opposition to this bill. Unfortunately, S. 430 has been sold in the guise of being a bill which will benefit consumers. I think it is clear that that is not the case. None of us dispute a consumer's right to shop at discount stores, but that is not what we are debating here. What we are debating is a bill to change the evidence standards necessary to bring a resale price maintenance case, a bill which will unnecessarily open the floodgates to many costly suits—an action we all know from painful experience will result in higher costs to us all.

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FORD). Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. The Chair will state that the Senator from Ohio——

Mr. METZENBAUM. And that the Senator from Ohio may be recognized for the purpose of introducing an amendment, notwithstanding the previous unanimous consent request.

The PRESIDING OFFICER. The Senator, the Chair will inform him, is entitled to vitiate the quorum call, and then the Senator from South Carolina has recognition under the previous order. So the quorum call is vitiated. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Ohio.

AMENDMENT NO. 2509

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM], for Mr. INOUYE (for himself and Mr. METZENBAUM), proposes an amendment numbered 2509.

Mr. **METZENBAUM.** Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Is there objection?

Mr. **THURMOND.** Mr. President, I object.

The **PRESIDING OFFICER.** Objection is heard. The clerk will read.

The assistant legislative clerk read as follows:

At the end of the pending matter add the following:

(a) Section 3(2) of the Newspaper Preservation Act (Public Law 91-353; 15 U.S.C. 1802(2)) is amended by inserting after "distribution" the first time it appears the following: "of all or part of such newspaper publication".

(b) Section 3(4) of such Act (15 U.S.C. 1802(4)) is amended by inserting after "produced" the following: "in whole or in part".

(c) Section 4(c) of such Act (15 U.S.C. 1803(b)) is amended by striking out the first sentence and inserting in lieu thereof the following: "It shall not be unlawful for any person to enter into, perform, or enforce a joint operating arrangement not already in effect, if the prior written consent of the Attorney General has been obtained.".

(d) Section 4 of such Act (15 U.S.C. 1803) is amended by adding at the end thereof the following new subsection:

"(d) In any action under any antitrust law challenging joint conduct between the parties to a joint newspaper operating arrangement that has received the limited antitrust exemption provided by subsection (a) or (b) of this section, joint conduct between the parties that is not exempt as part of such arrangement but that is reasonably ancillary to the business of publishing the newspaper publications involved in the arrangement shall not be deemed illegal per se. Such joint conduct shall be judged on the basis of its reasonableness, taking into account all relevant factors affecting competition in properly defined relevant markets.".

Mr. **METZENBAUM** addressed the Chair.

The **PRESIDING OFFICER.** The Senator from Ohio.

Mr. **METZENBAUM.** Mr. President, I think many of the newspapers of this country are very anxious that this body proceed forward to add it to this bill.

The amendment is offered not on my own behalf, but on behalf of Senator INOUYE, and I join him as a cosponsor. It is basically his amendment.

Really what this amendment does is it amends the Newspaper Preservation Act. It would amend the act in four ways. Newspapers oftentimes have shoppers. They are inserts containing primarily advertising. This would permit those shoppers to be distributed with a newspaper.

Second, it would permit newspapers printed on higher-quality paper than newsprint to be distributed under a joint operating arrangement authorized under the act.

Third, it makes clear the act does not create new legal prohibitions.

Fourth, it would expand the scope of conduct not deemed automatically anticompetitive to conduct "reasonably ancillary to the business of publishing" a newspaper, even if the conduct is not specifically part of the joint operating arrangement approved by the Attorney General.

A similar amendment was reported by the Judiciary Committee in the 99th Congress. I am willing to accept the amendment, but I am not asking that it be accepted at this point until such time as members of the minority have had an opportunity to explore the amendment.

They voted for a similar amendment in the 99th Congress in the Judiciary Committee, and I guess they would find it acceptable at this point.

(Ms. **MIKULSKI** assumed the chair.)

Mr. **INOUYE.** Madam President, I strongly support the Newspaper Preservation Act amendment to S. 430.

The Newspaper Preservation Act has been effective, as the Congress intended, in allowing two independent and competing newspapers to remain in business, disseminating information and differing views on current issues, in cities where only one newspaper could commercially survive. This amendment is not intended to change the basic structure of the act. Rather, it sets forth technical changes in line with Congress' intent when it enacted the Newspaper Preservation Act in 1970. In light of ambiguities and questions raised in court decisions, Congress must act to conform the legislation to the technological changes in newspaper production and marketing which have occurred since 1970.

If I may, I would like to briefly relate the history underlying the Newspaper Preservation Act. During the depression years, full competition between newspapers in a great many cities came to a halt, as more and more newspapers shut down for economic reasons. The two in Albuquerque, NM, were faced with such a situation in 1933, when they agreed to a novel arrangement. Instead of one paper shutting down, or being brought out by the other, the two newspapers entered into a commerical merger, but each agreed to produce a separate news and editorial product. Thus, there were still morning and afternoon newspapers, with independent voices, even though the papers operated pursuant to a joint operating agreement, generally referred to as a JOA. This was successful in saving the two newspapers in Albuquerque.

While the number of newspapers continue to decrease, publishers in a number of other cities entered JOA's to preserve their separate and distinct voices. This happened in my home city of Honolulu where, but for a JOA, the Honolulu Advertiser would surely have gone out of business. JOA's were entered into in, among others, Salt Lake City, UT, Birmingham, AL, Charleston, WV, Pittsburgh, PA, and Tucson, AZ. By 1964, joint operating agreements had been formed in 22 cities.

The Department of Justice was well aware of these JOA's, and had initially given tacit approval to them. However, it brought an action against the Tucson JOA which resulted in a decision by the Supreme Court in 1969. The Supreme Court held, in Citizen Publishing Co. versus United States that the JOA in Tucson, and by implication all other JOA's, violated the antitrust provisions of the Sherman Act.

Congress, in balancing the importance of first amendment principles against the reach of antitrust laws, determined that JOA's should be protected in order to preserve separate newspaper voices in each of the cities involved. After extensive hearings in both the Senate and House Judiciary Committees, Congress enacted the Newspaper Preservation Act in 1970. In the Senate the vote was 64 to 13, and in the House it was 292 to 87.

The Newspaper Preservation Act grandfathered the existing JOA's, provided that at least one of the newspapers was failing at the time it entered into the JOA. It also provided for future JOA's, subject to the Attorney General's approval. In 1970, there were 21 JOA's. Of these, 18 still exist. In addition, new JOA's have been formed in three cities, with the approval of the Attorney General.

I find this to be demonstrative of the Newspaper Preservation Act's effectiveness, as well as the fulfillment of Congress' intent in preserving separate and distinct newspaper voices. We all know of the many, many newspapers which have closed down since 1970. The economic facts are such that, contrary to arguments which have been made in the past, there has not been a successful replacement of a closed newspaper in any metropolitan area. The economics of newspaper production have foreclosed replacing one newspaper with a new one. That is why we enacted the Newspaper Preservation Act. This is also why it is critical that we amend the Newspaper Preservation Act and bring it up to date with respect to the technological changes which have occurred since 1970, and thereby allow the act to maintain its vitality.

Very simply, the technological advancements occurring in newspaper publishing today were not anticipated in 1970. JOA newspapers should not be foreclosed from these technological capabilities when all other single-owner newspapers may, and do, employ them. In enacting the Newspaper Preservation Act, Congress recognized a JOA as a commercial merger, and did not relegate JOA newspaper publishers to the position of "second-class citizens" among all newspaper publishers.

In the 99th Congress, Senator HATCH and I sponsored a very similar bill. The Judiciary Committee held hearings, and favorably reported the bill, recommending its passage. In its report, the Judiciary Committee wisely concluded that:

> The public interest in preserving joint operating newspapers, and expressly permitting them to compete as single newspapers, is a sound and necessary basis for the proposed amendments * * * the situation facing JOA newspapers today demonstrates a clear need for this legislation. (S. Rep. 539, 99th Cong., 2d Sess. 8 (1986)).

Madam President, the proposed amendments to the Newspaper Preservation Act do not expand the antitrust exemption already granted, nor do they provide any blanket immunity from the reach of the antitrust laws. The law now states, in plain language, that a newspaper in a JOA is prohibited from any action which would be unlawful if done by a single-owner newspaper. This amendment merely allows JOA newspapers to take advantage of the technological advancements which are currently employed by single-owner newspapers. JOA newspapers are at a competitive disadvantage and must be brought into parity with their single-owner counterparts.

Madam President, I urge my colleagues to support this important amendment.

Mr. METZENBAUM. Madam President, I add the name of ROBERT BYRD to the amendment that is pending at the desk.

The PRESIDING OFFICER. The clerk will take note.

Mr. METZENBAUM. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Madam President, I ask unanimous consent that the pending amendment be set aside temporarily so that the Senator from Ohio may send another amendment to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2510

(Purpose: To clarify the application of section 8 of the Sherman Act)

Mr. METZENBAUM. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes an amendment numbered 2510.

Mr. METZENBAUM. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 4, amend section 2 of the pending matter by adding before the period at the end thereof the following: ", except that this section shall not apply when the agreement to set, change, or maintain the resale price of a good or service is an agreement to set, change, or maintain the maximum resale price of a good or service".

Mr. METZENBAUM. Madam President, certain groups have expressed concern that the bill would codify the automatic illegality of maximum vertical price fixing. Maximum vertical price fixing occurs when there is an agreement not to charge a price higher than the agreed price. The Supreme Court precedent makes maximum vertical price fixing automatically illegal. We are offering an amendment today to exclude maximum vertical price fixing from the reach of the bill. The amendment would not change the current rule that maximum vertical price fixing is automatically illegal but the rule would not be codified.

Some question has been raised about the extent of section 8(b)'s codification of the per se rule against vertical price fixing. In general, the purpose of section 8(b) is to codify once and for all that vertical price fixing, other than maximum vertical price fixing, is per se illegal. The committee report, on page 12, states, "This subsection 8(b) codifies the long-standing rule that vertical price fixing is per se illegal."

The bill does not define what constitutes vertical price fixing except for a few points noted in the committee report on page 12. First, the report provides that "a vertical price-fixing conspiracy need not include an agreement on a specific price or on a price level." In explaining this issue, the report notes that the original version of S. 430 addressed "a contract, combination, or conspiracy to set, change, or maintain a price level." The committee amendment in the nature of a substitute, however, was changed to remove all reference to "price level." In the words of the committeee report, "The phrase 'price level,' and similar terms, have almost become terms of art referring to a restrictive definition of vertical price fixing." The report goes on to clarify this legal point, made even more significant in light of the Supreme Court's recent decision in the Business Electronics versus Sharp Electronics case: "The requirement of an agreement on a 'price level' or on a specific price has never been the law. Such a requirement would make little sense, for example, when the vertical price-fixing conspiracy puts a distributor out of business because of its pricing practice." S. 430, therefore, would overrule the recent Sharp decision to the extent that the decision is inconsistent with the legislation.

The second point concerning the definition of vertical price fixing is also described on page 12 of the committee report. The report explains that the original version of subsection 8(b) "might have been interpreted to mean a vertical price-fixing conspiracy must involve an agreement between a supplier and a reseller related to that reseller's pricing of a good or service." The committee substitute and the report clarify this point. The committee substitute deletes the word "such" from the original text to make clear that proof of vertical price fixing does not require proof of an agreement between a supplier and a reseller on that reseller's pricing. The report explains, "This is certainly one of the traditional formulations of a vertical price-fixing conspiracy. It is not, however, an inclusive definition of vertical price fixing. * * * The amended language makes it clear that all forms of vertical price fixing are illegal per se."

Besides these points, however, the purpose of the bill is simply to codify the rule that vertical price fixing, other than maximum price fixing, is per se illegal. In the words of the committee report: "Section 8(b) of the bill is designed to codify the per se prohibition against vertical price fixing. * * * Section 8(b) is not, however, designed either to codify or change the specific applications of the per se rule; courts can continue to develop the law in this area within the constraints imposed by S. 430."

Exploring this issue further, take a collective-bargaining agreement between an employer and a union under which the employees covered by the contract and members of their families are able to buy the employer's product at a discount. This arrangement is implemented by the employer agreeing with retailers that the retailers will not charge the covered employees more than the discounted price for the product.

I interpret these facts as an agreement to set a maximum resale price. I have already offered an amendment which provides that maximum vertical price fixing is not addressed by section 8(b) of the bill—the section which codifies the rule that vertical price fixing is per se illegal. The legality of any maximum vertical price fixing arrangement is not affected by section 8(b) of the bill, as amended.

Take another arrangement between an employer and a union involving "balance billing" or caps on participant copayments contained in health care plans. These arrangements involve an agreement between insurance carriers and participating physicians or health care providers that they will not bill their patients for more than the established copayment requirements established in the policy. The First Circuit addressed the claim that such a ban on "balance billing" violates the antitrust laws in a case called *Kartell* v. *Blue Shield of Massachusetts, Inc.*, 749 F. 2d 922 (1984), *cert. den.*, 471 U.S. 1029 (19__). The Court determined that such a ban on "balance billing" does not violate the antitrust laws.

Again, this issue relates to section 8(b) of the bill. If the antitrust laws currently do not prohibit these types of arrangements, as the First Circuit case indicates, they would not prohibit the conduct after enactment of S. 430. As I stated earlier, other than the points described in the committee report, secion 8(b) of the bill simply codifies current law that vertical price fixing, other than maximum vertical price fixing, is automatically illegal.

Mr. SIMON. I have a question for my colleague from Ohio about this amendment. Certain newspaper publishers in Illinois are concerned about the effect of this bill on their industry. Establishing a maximum price for resale of their publications may increase circulation and, therefore, increase advertising revenue. How would this amendment address the concerns of the newspaper industry?

Mr. METZENBAUM. Newspaper publishers have also expressed their concern to me about codifying the per se rule against maximum vertical price fixing. This amendment is a direct response to their concerns and I understand that the American Newspaper Publishers Association endorses it.

The amendment would exempt maximum vertical price fixing from the reach of the codification section. As such, current Supreme Court case law would continue to apply, but would not be codified. The Court would be free, if the opportunity arose in the future, to revisit the issue of the legality of maximum vertical price fixing.

An additional question has been raised about the application of section 8(a) to maximum vertical price fixing. Section 8(a) would not apply to a case involving maximum vertical price fixing in any event.

Take the case of a newspaper publisher that wants to set a maximum price for its paper so that it can keep the circulation up and maintain or increase its advertising revenue.

If a retailer decides not to comply with the publisher's maximum price, it would do so by charging a price that is higher than the maximum price. To meet the requirements of section 8(a), there would have to be a retailer in competition with the high-price retailer uring the publisher to "take steps to curtail or eliminate [the] price competition" of the high-price retailer. But this would not involve price competition within the meaning of section 8(a) however, since the high-price retailer is not charging a price that is in competition with the maximum price.

For these reasons, my amendment concerning maximum vertical price fixing only applies to section 8(b).

Mr. GLENN. I would like to enter into a colloquy with my distinguished colleague, the Senator from Ohio, to seek clarification of the intent underlying the Sentor's amendment to section 8(b) of S. 430, "The Retail Competition Enforcement Act of 1987."

Mr. METZENBAUM. I would be pleased to enter into a colloquy with the distinguished Senator from Ohio.

S. 430 as introduced and reported out by the committee codified as a per se violation of the Sherman Act any form of vertical price agreement, including both maximum and minimum resale pricing. After the committee reported the bill, several groups and companies expressed concern against codifying the per se rule to include agreements that only have the effect of establishing a maximum resale price for a product.

The primary purpose of S. 430 is to allow retailers the right to offer discount prices. However, as originally drafted, the literal reading of S. 430 could be applied in public or private enforcement to agreements between a manufacturer and reseller which have the effect of establishing a maximum resale price. Therefore, certain forms of promotional discount pricing and other marketing or pricing agreements that may limit resale to a maximum price and which should be encouraged could become subject to this legislation.

A good example are manufacturer-sponsored programs to promote discounting which temporarily establish the customer's regular price as a maximum resale price for participating customers during the period of the customer's performance. The effect of these offers is to lower the regular price independently set by the customer in return for the allowance. We understand that offers of this type are prevalent in the grocery industry and are voluntarily engaged in by retailers often resulting in substantial temporary price reductions to consumers. The amendment I have offered would clearly exempt such offers and other marketing or pricing agreements that may limit resale to a maximum price from the application of this legislation. My amendment appears as the last sentence in section 8(b) of S. 430, as follows:

> Except that this section shall not apply, when the agreement to set, change, or maintain the resale price of a good or service is an agreement to set, change, or maintain the maximum resale price of a good or service.

The committee never intended to sweep promotional practices within the scope of the per se rule. Indeed, the committee's primary concern was to prevent practices which inhibit discount pricing by resellers. This intention is also expressed in the legislative record for the companion bill H.R. 585. Chairman RODINO stated on the floor of the House, "This section is also not intended to bring within the scope of the per se rule promotional practices that have long been considered not to constitute price fixing. (CONGRESSIONAL RECORD, Nov. 9, 1987, H 9797.) Ranking minority member HAMILTON FISH made a similar statement (CONGRESSIONAL RECORD, Nov. 9, 1987, H 9801). The amendment provides that agreements which have the effect of establishing a maximum resale price are outside the scope of this legislation. It leaves the courts free to consider on a case-by-case basis how the Sherman Act should apply to maximum vertical pricing arrangements.

Mr. GLENN. I agree with my colleague from Ohio and thank him for his remarks. Speaking as a cosponsor of this legislation, I agree that there was never an intent here, to outlaw the kind of promotional sales the Senator described, which are so widespread in retailing and have been found to be legal. But, I do have one question. I am concerned about those situations which do not arise in manufacturer sponsored promotional programs or other marketing or pricing strategies we have discussed in which a so-called maximum price fixing arrangement is used as a mask for a minimum price fixing arrangement. How would the amendment affect those arrangements?

Mr. METZENBAUM. Where so-called maximum price fixing is used as a mask for minimum price fixing, such arrangements would not be affected by the amendment. They would be per se unlawful under section (b).

Madam President, on the conclusion of the remarks of the Senator from South Carolina, I think we may be prepared to move forward and take this amendment.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Madam President, this amendment concerning maximum resale prices addresses one of the problems raised in the minority views to the committee report of Senators HATCH, SIMPSON and myself. It exempts maximum resale pricing from the codification of the per se rule. It does not overturn Albrecht versus The Herald Co., the Supreme Court decision which held maximum resale pricing to be illegal per se, but allows that issue to be reconsidered by the Supreme Court if such an opportunity is presented.

Madam President, it is difficult to conceive how consumers could suffer any harm from creation of a maximum resale pricing policy. On the contrary, maximum price policies would prevent dealers from imposing inordinate price markups in local resale markets, to the detriment of both consumers and the producer. Consumers, therefore, benefit from these lower prices under the theories advanced both by opponents and supporters of S. 430.

The experience of the newspaper industry is particularly relevant. Home delivery services, which usually operate as exclusive territorial distributors, can take advantage of their monopoly positions by charging high resale prices. People with limited mobility—the home-bound, the disabled, the elderly, and those in rural areas—are particularly subject to price gouging. Newspapers derive their revenues partly from the price subscribers pay, but more importantly from rates paid by their advertisers. Newspapers, therefore, may find it in their interest to keep prices paid by consumers lower in order to maintain circulation.

Madam President, in a letter which I received some time ago from Donald F. Turner, an antitrust professor at Georgetown University Law School, he objected strenuously to codification of the per se rule for resale price maintenance. His objection was twofold: first, codification would preclude reversal of the Albrecht decision; and second, it would preclude courts from creating any exception to the per se illegality of minimum resale price maintenance agreements. This amendment addresses his first concern and will allow reconsideration of the Albrecht decision. For that reason I support it and urge my colleagues to do the same. Nevertheless, I continue to have strong objections to the bill and to the codification of the per se rule, and would urge my colleagues to keep these concerns in mind as they vote on this amendment.

Mr. GRASSLEY. Mr. President, I am pleased to support this amendment to S. 430, to limit the codification of the per se rule to cases of minimum, rather than maximum, price agreements.

Section 8(a) of the bill codifies the per se rule against vertical price fixing. But as presently drafted, this section could mean higher prices for readers of newspapers and buyers of other consumer products.

To illustrate, newspapers frequently impose a maximum resale price on independent contractors who distribute the paper. The publisher's intent, of course, is in keeping the price low enough to attract readers and advertisers. Distributors, however, may not share this desire. Instead, they may prefer to mark up the price and pocket the profit.

In the 1968 case of Albrecht versus Herald Co., the Supreme Court struck down a publisher's imposition of a maximum resale price. The Court held that there was no distinction between minimum and maximum resale price maintenance. In the Court's view—all such price agreements are illegal—even those designed to enhance consumer welfare.

The Albrecht decision has been attacked by many legal scholars, and rightly so. Congress should not unwittingly codify the Albrecht rule in this legislation.

This amendment allows the publishers and others to relitigate the Albrecht case another day. It recognizes the legitimate interest that manufacturers and distributors have in maintaining low prices to their ultimate customers. It is a proconsumer provision and a welcomed addition to the bill.

Mr. LEAHY. Madam President, I want to commend Senator METZENBAUM for his untiring efforts to ensure the vigorous enforcement of our antitrust laws. His Retail Competition Enforcement Act, S. 430, is a product of these efforts. Senator METZENBAUM worked hard to draft a compromise bill which the Judiciary Committee passed with bipartisan support. I was pleased to help him forge that compromise.

S. 430 is aimed at deterring vertical price fixing. Also known as resale price maintenance, this practice has been per se illegal under the antitrust laws for over 75 years. By forcing artificially high prices, vertical price fixing hurts consumers and businesses.

Agreements to set minimum resale prices are, and should continue to be, per se illegal. Blocking these agreements is the only practical way to guarantee consumers the widest possible selection of goods and services at the lowest prices.

Agreements between suppliers and dealers setting price ceilings are another matter. In most cases, agreements setting a ceiling on the prices that dealers can charge customers help consumers.

The newspaper industry's experience illustrates this point.

Advertising revenues help keep the prices consumers pay for newspapers low. These revenues account for the bulk of a newspaper's earnings. An advertiser's willingness to advertise in a newspaper depends in large part upon the size of the newspaper's circulation or readership. By keeping the price of a newspaper low, a publisher generates a larger circulation which in turn attracts advertisers to that newspaper. Maintaining circulation is crucial to keeping a newspaper prosperous and its price to consumers low.

Our first amendment values, and our system of government, depend on an informed citizenry.

Publishers frequently enter into home delivery agreements, including territorial dealerships, to get their newspapers distributed. If a price-gouging newspaper dealer seeking short-term profits uses his monopoly to hike up the newspaper's price, consumers are hurt. Persons in rural areas, the elderly, and others who have limited mobility particularly are at the mercy of the prices charged by newspaper dealers. By setting a price ceiling on his newspapers, a publisher protects his readers' interests.

Our antitrust policy should not deter manufacturers and distributors from setting bona fide ceilings on the resale price of their products. Senator METZENBAUM's amendment would clarify that S. 430's codification of the per se rule against vertical price fixing applies to minimum price agreements. Courts should not interpret S. 430 as codifying application of the per se rule to price ceilings.

I believe in the vigorous enforcement of our antitrust laws. I helped forge the compromise of S. 430 which is now before the Senate because it will reinvigorate the enforcement of our laws prohibiting vertical price fixing. I urge my colleagues to support both S. 430 and the Metzenbaum amendment on price ceilings.

Mr. METZENBAUM. Madam President, I believe we are ready to act on this amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2510) was agreed to.

Mr. METZENBAUM. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. THURMOND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METZENBAUM. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE PLANT CLOSING BILL

Mr. DOLE. Madam President, it is my understanding that we will soon be going out for the day and we will be back next Wednesday to have another cloture vote on the plant closing bill. So I take the floor at this time, while the majority leader is otherwise occupied, just to indicate to Members on this side and all Members that it is the intention, I guess, to dispose of this bill sometime next Wednesday, Thursday, or Friday.

It had been my hope that we might agree to come in on Monday, the 11th, and have final passage by a certain hour, but that was not acceptable. So we will be back on Wednesday and I think Members should be on notice that we will be back on Wednesday and there will be a cloture vote and the majority leader will determine when he sets the convening hour. If cloture is invoked, then we will probably be on that bill until final disposition.

The pending amendment is an amendment by the Senator from California, Senator Wilson. There are additional amendments that have been filed and, I believe, timely filed. We will have the Massachusetts plan amendment, which I think should probably be adopted by a voice vote, and maybe others that Members will be offering on this side and maybe the other side.

It is also regrettable, notwithstanding the efforts by some on both sides of the aisle to work out some accommodation on a couple of the provisions, that was not consummated. I commend the distinguished Senator from Indiana, Senator Quayle, for his efforts, and the Senator from Utah, Senator Hatch, for his efforts in that regard and in the general management of the bill on this side. I thank my colleague from Ohio for his willingness to discuss some of the issues in some of the areas of disagreement. But that having failed and cloture not being invoked today does mean that we will be in on Wednesday, July 6.

Madam President, I ask unanimous consent to place in the Record two letters which I recently received. I believe these letters, one from the American Farm Bureau and the second from the National Association of Manufacturers, provide an excellent overview of the problems the plant closing bill presents.

In addition to these letters I ask unanimous consent that an outline of why mandatory notice provisions should be defeated and an editorial from the June 6, 1988, Washington Post be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

June 23, 1988.

Re S. 2528—Plant Closing and Layoff Notification.

Hon. Robert Dole,
U.S. Senate, Washington, DC.

Dear Senator Dole: We are pleased that the Congress is moving to separate plant closing and layoff notification legislation from trade legislation. We have supported the trade bill that came out of conference and hope that both the Senate and House will move expeditiously to pass that legislation in a form that will be approved by the President.

Although the amended version of the original plant closing and layoff notification legislation will affect only a small percentage of agricultural employers, Farm Bureau remains opposed to such legislation for the following reasons:

1. The concept is wrong. We consider it an unnecessary and objectionable intervention into the decision-making processes of private business by the federal government. While every employer would be wise to provide appropriate notice whenever feasible, it is another thing entirely for the central government to require it.

2. The issue is far more complex than has been portrayed in the media. It is very likely that such a federally mandated requirement would do more harm than good by severely restricting the flexibility that businesses need when faced with an adverse financial situation. The proposal at a quick glance sounds decent and fair to workers, but it is not that simple, and should not be decided based on shallow public opinion polls.

3. Any loading up of the cost of employment, whether that cost is direct or indirect, apparent or hidden, is not in the best interest of workers, business, or the public as a whole. Congress needs to encourage job openings rather than be overly concerned about closings and layoffs.

We urge you to vote against this legislation.

Sincerely,

Dean R. Kleckner,
President.

June 21, 1988.

Hon. Robert Dole,
U.S. Senate, Washington, DC.

Dear Bob: We understand that Senator Metzenbaum is again bringing business closing and layoff legislation to the Senate floor for a vote. In the politically charged atmosphere surrounding this legislation, NAM hopes you will read the business closing and layoff provisions carefully before casting your vote.

Although the Senate language was nominally modified, a close reading of the provisions indicates they would be unworkable for several reasons:

This is not a simple 60 day plant closing notification. The inclusion of layoffs is unworkable because: (a) a decline in market demand usually cannot be predicted; (b) the language is unclear about what employees and what facilities or sites are to be covered in each specific layoff case.

Firms would be discouraged from restructuring and making the productivity improvements necessary to become more competitive. When a business is consolidated or sold, the new management must provide jobs for existing employees within a six month period, or the firm faces the notification and penalties of the law. Rather than encourage the changes necessary to meet today's competition, firms would be forced to focus on ambiguous reporting requirements designed to legitimize the status quo.

The provisions are so peppered with ambiguous language and undefined terms that it will cause an explosion of costly litigation and even lead to jury trials. Employers' compliance is judged by subjective after-the-fact tests with an almost unlimited number of potential plaintiffs. With the failure to preempt state and local laws, additional state laws would come into play, and the courts will be arguing over the meaning of this provision for years.

Coverage of the plant closing and notification requirements is extremely broad and covers thousands of small firms, including small retail and service establishments. In the case of manufacturing alone, 22,000 firms that employ between 100 and 300 workers would be subject to the reporting requirements. All together, more than two-thirds of all employees in this country would be covered.

NAM strongly believes that voluntary plant closing notification is an important responsibility of our member companies. We will continue to encourage our members to give this a high priority because workers deserve early warning when possible. We also support the $980 million in worker readjustment included in the trade bill.

American business is struggling to regain its share of a competitive world market so it can continue to provide job opportunities for workers. However, mandatory notice would restrict the flexibility companies need to adapt to changing market conditions. We have only to look at the experience of Western Europe where mandatory notice and other rigid labor laws have inhibited job growth and led to economic stagnation.

In order to enhance a comeback in manufacturing competitiveness, NAM urges you to oppose Senator Metzenbaum's second attempt at passing mandatory notice provisions, filibuster the bill, and be prepared to uphold a presidential veto.

Sincerely,

Alexander B. Trowbridge,
President, National Association Of Manufacturers.

Mandatory Notice: Why It Should Be Defeated

Mandatory notice would:

Be infeasible—often the financially-troubled employer may not know what will happen in 6 days, let alone 60 days.

Cause the loss of jobs—rather than saving them.

Discourage companies from hiring new employees.

Accelerate the closing of financially-troubled businesses.

Impede the flexibility and responsiveness necessary for rapidly changing economic circumstances.

Cost employers more than $1.8 billion annually.

Invite costly, time-consuming and counterproductive litigation that could paralyze management decision-making.

Handicap U.S. business' competitiveness in a global economy.

Be vetoed by the President.

[From the Washington Post, June 6, 1988]

A Soothing Number

Unemployment bumped down a little in early spring, and now it has bumped back up a little. That puts it back where it was in March. In political terms that, oddly, is good for the Republicans. It means that they can talk about the generally strong performance of the economy without setting off more ripples of anxiety about overheating and inflation.

Since monthly figures bounce around a lot, it's always useful to look at the year-to-year trends. Over the past year, the number of people employed in this country has risen by 1.8 million. That's slightly, but only very slightly, less than the rate at which the economy has been generating jobs since the beginning of the decade.

Europeans profess astonishment at the American success in keeping employment expanding—38 million jobs over the past 20 years, a 50 percent increase despite oil crises, recessions, inflation and high interest rates. The unemployment rate in Western Europe is nearly twice as high as here. Why?

Two reasons explain most of it, and each of those reasons is something of a political embarrassment. Western Europe's economy is dominated by Germany and the Germans choose to run a policy of tight constraint to keep inflation down. The average inflation rate among the Western European countries is now a little lower than here, and in that sense the Germans have been successful. But they grow testy when asked to consider the cost in unemployment.

Another part of the explanation is the extreme rigidity of the European labor market. It is difficult for an employer to fire or lay off people; powerful legislation sees to that. It's a reminder that the contemporary European state is the creation of a generation that lived through two world wars and cherishes stability and security above all else. But it makes employers very wary about hiring. The paradox is that beyond a point that Europe long since passed, laws to protect jobs, result in high unemployment. That's the part of the equation that the European left prefers not to discuss. Here in the freewheeling United States, the law doesn't do much to preserve jobs for the people who have them, with the result that people who don't have them are more likely to find them.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. BYRD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

WORKER ADJUSTMENT AND RETRAINING NOTIFICATION ACT

Mr. BYRD. Madam President, I ask that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. The clerk will state the unfinished business.

The legislative clerk read as follows:

A bill (S. 2527) to require advance notification of plant closings and mass layoffs, and for other purposes.

The Senate continued with the consideration of the bill.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there be a period for morning business not to extend beyond 10 minutes, that Senators may speak therein.

The PRESIDING OFFICER (Mr. Breaux). Without objection, it is so ordered.

TRIBUTE TO ROBERT C. BYRD

Mr. SARBANES. Mr. President, on April 12 of this year, Senator Majority Leader Robert C. Byrd announced that he would not seek reelection as majority leader. At that time he indicated that if the people of West Virginia returned him to the Senate for a sixth term—and there is every indication that they will do so by a resounding margin—he will assume the chairmanship of the Senate Appropriations Committee.

During his 30 years in the Senate, Senator Byrd has served in the leadership for 22 years, and as Democratic leader for 12 years. In every capacity he has served the American people, the citizens of West Virginia, and his colleagues in the Senate with distinction and fairness. I am happy he will continue to serve in a leadership position in the 101st Congress as President pro tempore of the Senate.

I want to take this time to offer a personal tribute to the majority leader and to recall some of his many accomplishments. Robert Byrd has had an extraordinary career in public service that has been marked by his private values of hard work, honesty, fairness, and patriotism. He has, as he has said, had what all Americans have—the freedom to dream and to do. What he has done with his dreams is an inspiration to us all.

Our majority leader is a sterling example of what one faced with adversity at an early age can accomplish with perseverance and strong discipline. His life is an American success story. Orphaned at an early age, Robert Byrd was raised by his aunt and uncle in the coal fields of West Virginia. He worked hard in school, graduating as valedictorian of his high school class. When he completed school, this country was in the midst of the Great Depression. Robert Byrd worked at whatever he could find—pumping gas, produce salesman, grocer, butcher, and welder. During the war years of World War II, he worked as a welder building *Liberty* and *Victory* ships at the Curtis Bay Shipyard in Baltimore so that Maryland has a claim in helping to mold the remarkable career of Robert Byrd.

When he returned to his home State after the war, he had decided to serve his State in the political arena and won a seat to the West Virginia House of Delegates. That win started his successful career in politics in West Virginia which includes two terms in the West Virginia House of Delegates, one term in the West Virginia Senate, three terms in the U.S. House of Representatives, and five terms in the U.S. Senate.

Another example of Senator Byrd's hard work and discipline is the way he earned his law degree. While fulfilling all the responsibilities of a full-time Member of Congress, Senator Byrd earned his law degree after 10 years of night classes and study. In 1963, Senator Byrd graduated cum laude, from the American University School of Law.

When one looks at Robert Byrd's career, one can see many accomplishments. However, I think it is important to listen to what Senator Byrd believes to be his most important accomplishments as a leader. In his statement of April 12, 1988, he recalled that he was most proud of, "protecting the integrity of the Social Security system, injecting fairness into the budget process, strengthening the Panama Canal treaties, revitalizing the Senate's unique role in American foreign policy, opening the Senate to television, and working to ensure an honest and great people."

I remember of the majority leader leading the fight against cuts in Social Security proposed by this administration and calling on the Senate to protect the benefits of the citizens. He has just led the fight to enact a plant closing notification bill over the veto of the trade bill by the President stating that this legislation is the decent, fair, right, and just thing to do. These four words, "decent," "fair," "right," and "just," mark the efforts that Senator Byrd has undertaken on behalf of his constituents and the citizens of our country.

The side that we see most of Robert Byrd is that of master of the Senate rules and the mover of legislation needed to address the needs of our country. However, we also see him as a devoted husband to Erma, his wife of 51 years, and as a father and grandfather. His life and his career have been marked by high moral values, hard work, and a strong commitment to public service to his beloved State of West Virignia, to our country, and to the institution of the U.S. Senate. I want to thank our majority leader for his unfailing courtesy, wisdom, leadership, and, finally, for his friendship.

TRIBUTE TO SENATOR BYRD

Mr. CONRAD. Mr. President, as a relatively new Senator, I have served with our majority leader for only a short time. But it has not taken long to recognize and appreciate the extraordinary effort he has made in the posts of majority and minority leader over the past 12 years. At the close of this session of Congress, when he relinquishes his position as leader, he leaves a remarkable record of accomplishment—and indelible impressions on all of us.

The leader's reputation for hard work and dedicated public service is well-known—and well-deserved. His mastery of Senate rules and procedures is unmatched; no one in recent memory comes close. It has been a privilege for us to observe his skills in debate and learn from him.

Over a 30-year career, there are numerous examples of the leader's deep and tireless commitment to his job as a legislator. But a recent example—the debate over campaign finance reform—may illustrate these qualities of perseverance best. He spent weeks—days and nights—on the Senate floor, pressing for change in a system which has prompted massive increases in the costs of campaigns and in the influence of special interests. Through a series of eight cloture votes, the leader refused to let the defeats deter him. Although the effort ultimately fell four votes short of breaking the filibuster, it will not have been in vain. One day, the ground work laid in this debate will enable Congress to overcome the resistance and provide an equitable system of financing elections.

The nature of the Senate, defined by our Constitution to take a deliberative approach to legislating, poses special challenges for the leadership. Under procedures allowing for extensive debate and protection of minority viewpoints, it takes great skill to move major pieces of legislation along. During this Congress, the majority leader has guided many major bills through the mine field of the Senate: The INF Treaty; the catastrophic health insurance bill, the omnibus trade revision bill, the Civil Rights Restoration Act, and the Farm Credit Act, to name a few. During this same period of his leadership, the Senate voted to override the President's veto of the civil rights legislation, as well as his vetoes of important measures to reauthorize Federal highway programs and amend the Clean Water Act. Given the institutional constraints, the leader deserves substantial credit for the workings of the Senate over the past 18 months.

The leader's love of the Senate—and respect for its rules and traditions—is unmistakable. He cares deeply about the Senate as an institution, and has emphasized such considerations in his tenure as majority and minority leader. He has not used the power of his leadership positions to advance a particular ideology or particular programs. I would share the observations of some of my colleagues that the leader holds the Senate, as an institution, above any personal agenda. As leader, he has emphasized development of consensus, and has attempted to help his colleagues garner support for their initiatives.

Another trademark is his remarkable memory. Besides the rules and precedents of the Senate, the leader's knowledge of poetry and literature is legendary. His citing of passages of poetry has brightened many a debate in the Senate. The leader is also known for his attention to detail. Frequently, as leader, he will introduce or move legislation on behalf of other members, and I have appreciated the expeditious handling of a number of measures of importance to my State.

As highly as he regards the customs of this Chamber, the leader has encouraged some major departures from tradition—such as the televising of Senate proceedings. This change, which occurred the year before my arrival, has made an enormous difference. Unquestionably, televised proceedings have made it easier to follow Senate debates—and have improved the level of information available to the public. As one who favors greater modernization of the Senate—in such areas as computer technology, for example, I heartily commend his leadership in bringing television to the Senate.

The powers and responsibilities of the leader of the majority party in the Senate are great. It cannot be easy to relinquish such power; it takes considerable courage—and security—to do so. I look forward to my colleague's plans for the next Congress, when he returns from an overwhelming victory in West Virginia. I'm certain he will be a formidable chairman of the Appropriations Committee; he will be in a key position to make a difference to his State and influence the debate over national priorities. He will leave the post of majority leader after having made an enormous contribution to the Senate. I am proud to have served with him as leader, and wish him well in all that lies ahead.

TRIBUTE TO SENATOR ROBERT C. BYRD

Mr. ROTH. Mr. President, it is an honor for me to stand today and salute a colleague and friend. It was Robert Louis Stevenson who wrote, "to be a gentleman is to be one all the world over, and in every relation and grade of society." These words are applicable as I pay tribute to the Senate majority leader, ROBERT C. BYRD.

Senator BYRD represents what's right about America, a man who rose from humble beginnings to become one of the most powerful and influential leaders in our great country. And I believe if we were to discover the secret to Senator BYRD's success, both as a citizen and statesman, we would find that he truly is a gentleman—a man whose courtesy and support reach outside his immediate friends and party affiliation and includes us all. I believe we would discover that the virtues he exemplifies—the virtues of courtesy, willingness, readiness, alertness, and attention to detail—have been honed since his days as a member of West Virginia's House of Representatives over 42 years ago. Here in Washington, the gentleman, ROBERT BYRD, is known as much for his kind words and thank you notes as he is for his political savvy.

But the art of being a gentleman is not the only arrow in the quiver of Senator BYRD. With it is the discipline of hard work—hard work that has allowed him to beat the odds time and again. He understands, perhaps better than anyone, that the only difference between success and failure is extra effort—taking one more step when others have come to a standstill. This understanding was highlighted when, in 1963—10 years after he arrived in Washington as a Member of Congress—he received his J.D. from American University's school of law.

I appreciate the fine example Senator BYRD has set for his colleagues and for the Nation. As I appreciate the many opportunities I have had to work with him. Though there be two major parties—Senator BYRD in one and I in the other—we both agree on one fundamental issue, that regardless of the politics, we act in the best interest of America. One example of this was when we joined hands to tighten the provisions in the trade bill to force the President to act quickly when industries key to our national security are threatened by foreign manufacturers and exporters.

I appreciated the opportunity to join with Senator BYRD in this effort, as I've appreciated my years of association with him in this distinguished Chamber. Now, as he reshuffles his important duties in the U.S. Senate, from majority leader to chairman of the Appropriations Committee, I wish him all the best.

SENATOR ROBERT C. BYRD

Mr. MURKOWSKI. Mr. President, this year marks the 30th anniversary of the year the distinguished majority leader, Senator BYRD, was elected to the Senate. Although he will continue to serve with us, at the end of this session, Seantor BYRD will relinquish his role as Senate majority leader.

Throughout his tenure in the Senate, Senator BYRD has ably represented the people of West Virginia . His years in this body have also been marked by his dedication to preserving the tradition and integrity of the U.S. Senate.

In reviewing Senator BYRD's record, one is struck by his numerous contributions to both the Senate and his party. He has served in several leadership roles including secretary of his party conference and majority whip. Over the years he has become one of the foremost experts on Senate procedure, a skill which he has exhibited throughout his career as minority and majority leader.

In addition, the Senator has enjoyed significant committee assignments as a member of the Appropriations Committee, the Judiciary Committee and the Committee on Rules and Administration.

I have particularly appreciated the Senator's work with the Rules Committee. His reforms of the Senate recess schedule have greatly benefited me and my other colleagues from Western States. He has been sensitive to the demands of time and energy required of those of us who must travel great distances to meet with our constituents and we thank him.

In fact, I would encourage him to benefit from these changes himself. As I understand, the Senator has not had the pleasure of visiting my State. I would hope that his new schedule would afford him the opportunity to visit the great State of Alaska.

Mr. President, I am sure Senator Byrd will continue to strive for excellence in his Senate career. I join my colleagues in commending the majority leader for his dedication to this body and wishing him the best in the years ahead.

TRIBUTE TO SENATE MAJORITY LEADER ROBERT BYRD

Mr. BUMPERS. Mr. President, today I rise to pay tribute to Senate Majority Leader Robert C. Byrd. Since the day he accepted his position more than 10 years ago, the Senate has followed a leader unsurpassed in the knowledge of parliamentary rules and procedures. He also possesses a unique understanding of human nature and his tenacity in the things he believes in is legendary. Few Members of the Senate have the ability to balance these characteristics.

It is with regret that we lose Senator Byrd as majority leader, but the consolation is that he is remaining in the Senate and we will continue to have the benefit of his counsel and wisdom as President pro tem and chairman of the Appropriations Committee.

After Senator Byrd's first election to the Senate in 1958, he moved up the leadership ranks to Secretary of the Democratic Conference, majority whip, and then to his current position as majority leader in 1977. He is dedicated to the education of our youth, the protection of our elderly, the health of all our citizenry, and the promotion of small businesses, all issues that I have also been vitally interested in since my early days as a Member of this body.

Senator Byrd's educational experience is a shining example for the youth of today. The son of a coal miner in West Virginia, he pulled himself up by his bootstraps to graduate cum laude with a law degree from American University—while a Member of the Senate. Having read all of Shakespeare's plays, the entire Old Testament, and the unabridged dictionary, he is the envy and awe of every Member of this Chamber.

Senator Byrd is also a personable man. He has a deep love for his family and strong ties to his Southern roots, which I know have been a source of strength for him during his years of dedicated and honorable service to his country.

It is with great respect for Robert Byrd as a statesman, a citizen, father, and husband, that I rise to offer this tribute. As a member of the Appropriations Committee, I look forward to working closely with him in the years ahead.

Mr. WEICKER. Mr. President, I rise today to pay tribute to Senator Robert C. Byrd of West Virginia, who next January will step down from his position as majority leader. Robert Byrd's 12 years as the Senate Democratic leader stand as a concrete testament to a lifetime of integrity, determination and hard work.

Bob has won much recognition throughout his career from colleagues and other political activists, union members, religious groups, veterans organizations, teachers and broadcasters—from people in all walks of life, and it is no wonder. But the award that tells you most about the man is the one he received in 1983 from the Horatio Alger Association of Distinguished Americans.

Throughout much of his life, Bob struggled against hardship. His mother died soon after his birth in 1917 during an influenza epidemic that took so many American lives that year. At the age of 3, he went to live with his aunt and uncle in coal mining country and quickly learned the importance of working hard.

Bob also learned to love books and was graduated valedictorian from his high school in Stotesbury, WV. But the Great Depression was at its worst and Bob could not afford to attend college so he took jobs pumping gas, selling produce, doing whatever needed doing and earned a living. During World War II this included working as a welder in the naval yards of Baltimore and Tampa, helping to construct *Liberty* and *Victory* ships.

After the war was over, he made his first run for office and set about constructing policies to promote peace, prosperity and justice in his home State of West Virginia and in our Nation. In 1946, he won a seat in the State house of delegates after campaigning in every corner in the county. After two terms in the house of delegates and one in the State senate, Bob ran successfully for the U.S. House of Representatives in 1952. From his first day in Congress, Bob displayed a tireless commitment to constituents that eventually led to a landslide victory to the U.S. Senate in 1958. Bob has now been reelected four times with a higher percentage of the vote than any other West Virginia senatorial candidate in history. And that was true in 1982 the same as in previous elections despite a vicious and expensive negative campaign against him by the National Conservative Political Action Committee.

Bob's love of the law has been evident all his life. His goal of receiving a law degree was finally realized in 1963 when, after 10 years of night classes, he graduated from the American University School of Law.

Bob Byrd has been a stalwart and energetic Democrat for more than 40 years, through good times and bad. When he became a member of the Democratic leadership in 1967, he served as secretary of the Democratic Conference. Today he is chairman of the Senate Democratic Steering Committee and the Senate Democratic Policy Committee in addition to his post as majority leader.

It must also be noted, however, that Bob has labored to put the public interest before partisan considerations. He realized early on the quality that comes with having a wide spectrum of ideas receive a fair hearing in the deliberative process. As majority leader, he has aptly guided this body with an insightful understanding of the issues. His respect and appreciation for the institution are evident in his well-known mastery of the Senate rules and procedures. When he retires next January as majority leader, he will leave a legacy of high-mindedness and high principles for future Senate leaders to follow.

I don't want this moment to go by without a personal observation: Bob Byrd is one of the kindest gentlemen I have ever met. He embodies all that is good in politics. I've enjoyed a relationship with him that has grown in affection over the years.

To conclude Mr. President, I would like to take this opportunity to thank Senator Byrd for his 30 years of service in the Senate and to congratulate him on a job well done as majority leader. I look forward to working closely with him in the months and years to come.

IN HONOR OF SENATOR ROBERT C. BYRD

Mr. BINGAMAN. Mr. President, at the close of this Congress, Senator Robert C. Byrd by his own choice will leave the office of majority leader. While he may be without the title, as long as he serves in this body he will be very much among the leadership of the Senate. This will happen by virtue of his experience, his standing, his manner and, chiefly, his character.

There is no need for me, Mr. President, to recount here Senator Byrd's personal or professional history, for we are all familiar with his remarkable record. We have been touched by the story of his pure determination, hard work and innate ability, and the success they have wrought in this man's life. What I will do, Mr. President, is make a brief comment of appreciation on the character of Senator BYRD.

As all of us know and appreciate, Mr. President, Senator BYRD has an astonishing gift for standing on this floor and reciting from memory poetry and verse mastered years ago. Those lines are always as illustrative and pertinent as they are evocative of standards and ideals too often forgotten until he brings them to our attention with that compelling way of his. His life, and the character it forged, bring to my mind four lines from Emerson: "So nigh is grandeur to our dust/So near is God to man/When duty whispers low, "Thou must,"/The youth replies, "I can."

With uncommon devotion and unwavering fortitude, Senator BYRD has served as he has lived—honestly, fairly and generously. This Senate, our country and the people of West Virginia are all fortunate because, as a youth, ROBERT BYRD said, "I can."

Thank you, Mr. President, for this opportunity to pay my tribute to Senator BYRD. While we have not been on the same side of every skirmish, there has not been a moment from the time I came to this Chamber that I have not had the benefit of this good man's best counsel and kind consideration. I value both beyond measure and am proud to be numbered among his friends.

TRIBUTE TO SENATOR ROBERT C. BYRD OF WEST VIRGINIA

Mr. PACKWOOD. Mr. President, I join my colleagues today in giving long-overdue appreciation to our majority leader, the Honorable ROBERT C. BYRD. If I may speak for myself, it has been a rare privilege to serve alongside the distinguished senior Senator from West Virginia for nearly two decades and under his floor leadership for many of those years. It is a mark of his extraordinary dedication to this body and to his native State that he alone made the decision to step down from the leadership at the end of this Congress. For ROBERT BYRD, it is not so much a step down, as a stepping aside. His personal leadership in this Chamber will continue as long as he and the State of West Virginia so choose.

I don't need to stand here today to recall ROBERT BYRD's life achievements, or his record of public service, or his many contributions in Congress. First, let's get one thing straight: his final chapters have yet to be written. I will leave the writing of history to others who, like me, acknowledge the influence a single man—like Senator ROBERT BYRD—can have over the laws of the Nation.

In the history of the Senate, there are few leaders who have served with more skill, more faith, more energy or more commitment. There may well be leaders who have served more years on the Senate floor, but I doubt there are many like ROBERT BYRD who have served more sheer hours. I can think of no one with a greater capacity for hard work and self-discipline than the majority leader. In all our years together, he has never asked more of us than he asks of himself.

ROBERT BYRD and I both share a passion for history, and there is no living man or woman today other than the majority leader, I judge, who knows better the history of this body and the individuals who served here. Senator BYRD understands that our legacy and our traditions make a difference, and that looking into our own past helps give us the perspective, and at times the wisdom, necessary for the future.

ROBERT BYRD has still another passion, and that is for Senate procedure. From the very start, he understood there is precious little gained from writing good laws unless you first master the process of lawmaking. ROBERT BYRD is the consummate lawmaker, in the best sense of those words. However much the Nation changes or the Senate itself may change, there is one constant: the rule of law and the commitment to procedure championed by Senator ROBERT BYRD.

Senator BYRD embodies so many of the qualities of leadership, and has served us unselfishly for so long, it is difficult to express all the respect and gratitude we feel for him on this occasion. Each of us recognize the personal sacrifices he has made to lead the Senate over the years, and for those sacrifices, we also owe a personal debt of appreciation to his wife, Erma.

In closing, let me simply join my colleagues in expressing our warmest, most sincere appreciation to Senator ROBERT C. BYRD. You have served your State, your Nation and this body with distinction and honor as Senate majority leader. You have made us proud.

AESCULAPIUS INTERNATIONAL MEDICINE EL SALVADOR HEALTH PROJECT

Mr. INOUYE. Mr. President, over the past 9 years, the American people have contributed vast amounts of economic and military assistance to the people of El Salvador. The record of this contribution is well known and, I believe, broadly recognized by the Government and military of El Salvador. What is not so widely known or recognized, however, is the heroic contribution made by many volunteers from America who have gone to El Salvador to work with the people in the countryside. One such group of Americans is Aesculapius International Medicine, which has had teams in El Salvador since 1984 providing critically needed primary health care, preventive medicine, nutritional assistance, and health education to a population whose needs fall outside the scope of existing programs.

Mr. President, I believe the work of Aesculapius International should be given the recognition it deserves. I am proud of these Americans who, at considerable personal sacrifice and risk, have responded to needs of a friendly country caught in the grip of a bloody civil war which has produced well over a million refugees and displaced persons, led to the collapse of the national health infrastructure, and produced a profound crisis in public health.

From a base in the northern department of Chalatenango, the Aesculapius team provides health-care services and is responsible for a network of 63 Salvadoran health promoters. The program serves a rural population of over 50,000 people who are without access to adequate health care. The health promoters provide health services to an average of 2,000 patients each month.

In 1986, Aesculapius established a second program site in the town of Santiago de Maria to serve the eastern departments of Usulutan and San Miguel. This group provides health and nutrition services to 20,000 children under the age of 5 and to their mothers.

Both programs emphasize prevention, education, nutrition, child and maternal health, and the control and treatment of common ailments. In 1987, the Aesculapius team in El Salvador consisted of two public-health nurses, a physician's assistant/public health specialist, a health educator/public health specialist, a nurse-practitioner, and a nutritionist. All are fluent in Spanish, have made a 1-year minimum commitment, and are unpaid volunteers.

Because of the nature of the civil war, many Salvadorans view humanitarian agencies with suspicion. Since 1984, no other private organization has successfully maintained on-going community based health programs in the conflicted areas of Chalatenango or Usulutan/San Miguel. Aesculapius has been able to do so because it is in reality a Salvadoran initiative with North American participation, rather than the other way around. In addition, the Aesculapius team members continue to quietly demonstrate their neutrality and commitment to quality health care. In Chalatenango, the project is a component of a larger program of the Archdiocese of San Salvador, and in Usulutan/San Miguel of the Diocese of Santiago de Maria.

Mr. President, I believe Aesculapius International Medicine is serving the interests of the United States through the creation of good will and the promotion of good health in the countryside of El Salvador; I believe that Aesculapius International Medicine is serving the interests of El Salvador by improving the health and lives of the people who must be reached, if the tragic civil war which has held El Salvador in its grasp is to be ended.

Mr. President, I request that additional materials and information on the work of this private, nonprofit organization be included in the Record.

The material follows:

Aesculapius International Medicine

Aesculapius International Medicine is a private, non-profit organization that responds to urgent health problems throughout the world where local, regional, national or international agencies prove inadequate or uninterested. The work of Aesculapius is strictly humanitarian, non-sectarian, and non-partisan. Aesculapius upholds the principles set forth in the Universal Declaration of Human Rights and believes that health care is a human right. To preserve its nonpartisan voluntary status, Aesculapius does not accept funds from the United States government or other organizations with ideological goals.

All medical workers participating in Aesculapius International Medicine projects are expected to have completed professional training. Team members are usually unpaid volunteers. Aesculapius International Medicine is responsible for the orientation of team members to the special medical needs of each project and potential cross cultural issues. Regardless of the extent or duration of each project, one goal that Aesculapius International Medicine views as crucial to any health care effort is the meshing of first world approaches with local practices.

All Aesculapius team members who work in El Salvador must be Spanish speaking and must make a minimum commitment of twelve months to the project.

EL SALVADOR HEALTH PROJECT

Background and Need

The health situation in El Salvador has been in a continuous state of crisis since 1981. From 1980 to 1981, there was a 5-fold increase in reported cases of measles; a 3-fold rise in reported cases of whooping cough; a similar increase in reported cases of typhoid; and a doubling of reported cases of chicken pox [United States Agency for International Development—Office of Foreign Disaster Assistance (USAID-OFDA), March 1982]. Reported rates of tuberculosis also increased. Recent vaccination campaigns conducted by UNICEF and the Salvadoran Ministry of Health (MOH) have increased immunization levels against the common vaccine preventable childhood illnesses, but have yet to achieve the planned 80% coverage rate. Malnutrition and debilitating diarrheal diseases have reached epidemic levels. Among some populations, eighty percent of children under 5 years of age were found to suffer from some degree of malnutrition; thirty-eight percent suffered from second degree (moderate to severe) and five percent had third degree (severe malnutrition) (AID, March, 1984; Gellhorn and Lawrence, et al, 1983). The principle non-accidental causes of death in El Salvodor are due to gastrointestinal diseases and peri-natal illnesses.

Despite an influx of USAID health program funds, and the activities of a number of international private voluntary organizations; many rural Salvadorans remain without access to health services. The regions of greatest need are those in or adjacent to areas of conflict; where the civil war and a lack of adequate resources has prevented the government of El Salvador from reestablishing health programs. In these regions a lack of essential services is combined with an increased demand due to the influx of thousands of displaced persons, and in 1987 the return of thousands of refugees. In these areas, the civil war frequently obstructs the delivery of food and medicines. The situation is further compounded by a deteriorating economy. In 1987, the price of food staples (rice and beans) increased 50 per cent, and the cost of medicines 300 per cent. As a result, respiratory disorders, diarrheal diseases, malaria, skin infections, and malnutrition continue to result in unacceptable rates of infant and peri-natal death. By 1986, infant mortality had reached 71 deaths per 1,000 births nationwide.

The Aesculapius program serves two conflicted regions suffering from the effects of a lack of health services; the department of Chalatenango in the north, and the departments of Usulutan and San Miguel in the east. In these rural areas, a network of community based health promoters, trained by Aesculapius and our Salvadoran counterparts, are the sole provider of regular primary and preventative health care.

Objectives

The project's goal is to provide essential health services to persons whose needs fall outside the scope of existent programs. This is done through the training and support of community based health workers. Emphasis is on prevention, education, child and maternal health, and the control and treatment of common ailments. The team relies on locally available medical supplies, technologies, and natural medicines, thus avoiding the creation of an extreme dependence on outside agencies and funding.

Activities 1987

CHALATENANGO

Clinical Activities

The Aesculapius team in Chalatenango lives in Aldeita, a rural village 50 kilometers north of San Salvador. For the past three years, they have been intimately involved in the provision of curative health services in the Chalatenango region. Through the end of 1987, the team held clinics in Aldeita twice a week and monthly in the nearby village of Coyolito. Health promoters from around the immediate area assisted the team on Aldeita clinic days. Unitl 1987, the Aesculapius team attended about 300 patients each month. In 1987, the number of patients seen each month increased dramatically to 1,000.

This increase was due to an influx of patients from parts of Chalatenango with access to government supported health services, but without medicines. After discussion with the Archdiocese health office and the local promoters, it was decided to limit the number of consults in the Aldeita clinic, and continue to direct our efforts toward people without access to other sources of health care. The number of consults given in the Aldeita clinic are now limited to fifty per session. Emergency services and immediate attention for those who have traveled a great distance are still available on a 24-hour basis.

In 1987, the work of the Aesculapius team shifted from the clinic in Aldeita, whose operations were turned over to the community's health promoters in October 1987, to support of the health promoters in the field. The Aesculapius team continues to provide basic medical and nursing services as needed, but now in the form of "referral" or back up services to all the health promoters in Chalatenango.

Health Promotion

Regular communication and travel are frequently disrupted by the war. Large segments of the rural population are without access to health care. To meet this need, the Archdiocese of San Salvador, with the assistance of Aesculapius, established a rural network of locally trained, non-physician health promoters. This network meets the basic needs of people without access to other health care, and promotes health related activities such as latrine and potable water projects.

At each of the 23 sites in Chalatenango, the 63 health promoters provide health services and basic medicines. Each site is staffed by one or more health promoters with advanced training, able to diagnose common ailments. The promoters provide health education, instruction in environmental sanitation, disease prevention, and nutrition education to the people within their community. All 23 sites receive regular administrative, clinical, and educational support from the Aesculapius team.

In Chalatenango, the health promoters—who are unpaid volunteers—serve communities ranging from 250 to 6,000 people. The number of patients seen each month varies seasonally. The fewest patients are seen in January, and the most in April 1 and May, the start of the rainy season. On the average, the health promoters see 50 patients per month at each site during the low season and 100 patients per month during the high season. Children under the age of five years comprise between 20-40 percent of patients seen.

The major illnesses seen in the conflicted regions continue to be infectious diseases—respiratory, gastrointestinal, parasitic, malaria, and of the skin. In children, malaria and diarrheal disease are the most common wet season diagnosis, while respiratory complaints and skin infections are the most common during the dry months. Among adults stress-related disorders including gastritis, headache, and body pain are common.

The Aesculapius team works closely with the health promoters situated throughout the Department of Chalatenango. Each promoter is visited monthly by a member of the Aesculapius team. Usually, these visits take place in the promoter's home village. This provides not only an opportunity to observe the promoter in his or her own place of work, but increases their acceptance by the community. In regions where travel is difficult due to geography or violence, promoters meet monthly at a centrally located village. During the monthly visits, medicines are delivered, records reviewed, and follow-up teaching sessions held. Promoters are observed while seeing patients, and conducting health education activities. Their skills as clinicians and educators can then be evaluated, and strengthened. The monthly visits also provide an opportunity to assess the overall situation of the promoter, and determine their personal needs, complaints or stresses as health care professionals.

Larger meetings of health promoters, geographically based, are held every four to six months at a central site. These meetings address didactic, continuing education needs, and enable health promoters to exchange experiences and develop a system of mutual support. The Aesculapius team provides the health promoter network with referral and medical support by holding "clinic" at a number of locations in Chalatenango in conjunction with visits to the health promoters.

Basic medicines are supplied by the Archdiocese and delivered to the communities by the Aesculapius team. The medicines are provided free to the community, although patients are asked to make a donation after receiving treatment. The communities are increasing efforts to improve self sufficiency, and as one result are replacing expensive manufactured medicines with appropriate locally available natural (herbal) remedies when they exist.

A major initiative in 1987, has been to form or strengthen local village health committees to establish a base for long term community cooperation in health. This will also provide for greater local autonomy.

Health Promoter Training

The Aesculapius team, working closely with Salvadoran health workers and educators, has adapted established health curricula to the training of Salvadoran health promoters. The basic health-promotion training has been divided into four levels. Level I instruction includes an orientation to basic concepts of health and disease, epidemiology, disease prevention, and the public health situation in El Salvador. Principles of hygiene, nutrition, prevention, and environmental sanitation are also introduced at this level. Level II provides for instruction in physical examination, the care of the ill, and the administration of medicines, as well as elaboration of public health principles and concepts of health education. On completion of level II training, the health promoter is able to conduct health education classes in the village and schools. Level III focuses on general principles of diagnosis and treatment, as well as the specifics of the most commonly encountered illnesses. The level IV course includes instruction in first aid, and training in the administration and operation of a dispensary.

Promoters later take an advanced two week course in maternal and infant health. Topics include normal pregnancy and nutrition, pre-natal care, and the major and minor problems of pregnancy. An advanced course on "popular education" methods was introduced in 1987.

Work With the Displaced

Communities of displaced people are situated throughout Chalatenango. The Aesculapius team has established outreach programs to these communities to provide food, shelter, and medical services. Working with local committees, the Aesculapius team has taken responsibility for the distribution of emergency food-stuffs to the displaced in the area. Additionally, Aesculapius team members, again working with village committees, have established infant and maternal nutrition programs in several locations. These programs provide monthly food supplements to expectant women, breast-feeding mothers, and children under six years of age. At the time of the food distribution, the team members give talks on nutrition, weigh the children, and examine them for other serious health problems.

The Archdiocese of San Salvador has established a community of 50 displaced families near Aldeita. The Aesculapius team is involved in providing for the needs of the community and has assumed responsibility for training its health promoters. The maternal and infant programs created in conjunction with the Archdiocesan CARITAS continued in 1987 in Coyolito, Quitosol, and Copinolito. Monthly food distributions are a central feature of the program. A food distribution program for displaced people in Coyolito also continued throughout 1987.

USULUTAN AND SAN MIGUEL

Introduction

In April 1987, Aesculapius initiated work at the program's second site based in the town of Santiago de Maria and serving the Departments of Usulutan and San Miguel. As the diocesan CARITAS serving the area was providing food supplements to more than 20,000 women of childbearing years and children under five, the Aesculapius team established a program of basic health education, and child survival to accompany the program. Under this program, representatives of each community receiving food from the diocesan CARITAS are being trained as community health promoters, and the CARITAS health education staff as the trainers. The last of the community health promoters will complete their training in March of 1988. As of November, the training is being conducted by the CARITAS staff alone, with the Aesculapius team in a purely advisory role.

Health and Nutrition Promoter Training

The course covers basic nutrition, the promotion of breast feeding, prevention of diarrheal diseases, pre- and peri-natal care, educational methods for health and nutrition promotion, and the causes, assessment, and management of malnutrition and common pediatric illnesses. The instruction emphasizes the use of a variety of education techniques, including socio-dramas, demonstrations, posters, story-telling and discussions.

During the summer of 1987, the Aesculapius team devised and introduced a number of health education "games" to enhance the participatory aspects of the health educator training, and their ability to recall and apply the information learned during the classes, including: a jig saw puzzle encompassing the symptoms, causes, treatment and prevention of diarrhea, a "hot potato" game addressing the problems of pregnancy, a board game based on "Chutes and Ladders" where competing teams were required to correctly answer questions on nutrition, pregnancy, diarrhea, re-hydration, and malnutrition in order to move their pieces ahead, and a "bingo" game incorporating information from the entire range of questions covered during the course of instruction. The games were not only helpful as an educational tool, but proved to be a useful test of the promoters knowledge.

The course was taught in three cycles to include all the communities. Each course spanned a seven month period and encompassed a total of ten and one half days. By the end of 1986, the first group of 63 participants from 23 community centers had completed the initial ten-and-a-half-day series of instruction. The second group of 32 students from 18 communities began their instruction in March 1987, completing in August of the same year. The third and final group of 28 students from 15 communities began their instruction in September, 1987 and will finish in March, 1988.

The Aesculapius team and the CARITAS staff held monthly follow-up meetings with the graduates of the 1986 course. The meetings provided an opportunity to provide support to the promoters, and discuss problems. At the same time, the staff taught and encouraged the community health and nutrition promoters to lead discussions rather than to lecture. They also presented refinements made in the "nutrition campaigns." In October, 1987, the staff began similar follow-up meeting, with the graduates of the second course.

Health and nutrition promoter training and supervision was conducted in close cooperation with the diocesan CARITAS staff; its director and two health educators. In 1986, preparation for the first course included extensive in-service training conducted in conjunction with the CARITAS staff. Intensive in-service education continued in 1987. By mid-year, the CARITAS staff was able to assume a greater share of responsibility for course planning as well as instruction. In November, they assumed full responsibility for the course. The CARITAS staff have similarly assumed full responsibility for the monthly follow-up meetings, and the nutritional campaigns. The Aesculapius staff continues to provide support, advice, and supervision. The Aesculapius role in the course will come to an end in March 1988, with the completion of the current course cycle. The diocesan CARITAS will then continue the course and the supervision of the health promoters on its own.

The Nutrition Campaign

As part of the CARITAS food supplementation program, health promoters weigh recipient children and plot their growth curves. The Aesculapius team developed a program whereby children under 75 percent weight-for-age (approximately 15 percent of beneficiaries fall into this category) attend a "Nutritional Campaign" held quarterly in each village. The "campaign" consists of a presentation on health and nutrition, deworming, the provision of vitamins of all children under 75 percent weight-for-age, a screening for anemia and low-mid-upper arm circumference. "Campaign" activities are conducted by promoters who have completed the CARITAS/Aesculapius health and nutrition course.

Children with arm circumference measurements less than 12½ cm are in addition evaluated medically by the Aesculapius team and given medical treatment when needed; in addition their mothers are given diet counselling, and taught to prepare a high-protein drink for which the diocesan CARITAS provides the ingredients.

Pre-natal Program

As part of a pilot pre-natal program, initiated in 1987, the Aesculapius team provided pre-natal care to 22 mothers in two villages. In addition, the team trained the community health promoters in the two villages, and the CARITAS health educators in pre-natal care. Once the training is finished, the community health promoters under the supervision of the CARITAS health educators will assume responsibility for the program.

Program Support and Management

Evaluation

To further assure the success of the team's efforts, support and evaluation missions by health professionals from the United States are held quarterly. Their task is to ensure that accepted medical standards, appropriate to the setting, are maintained. In addition, they provide technical assistance and medical consultation to the in-country team. These missions incorporate specialists in primary care and public health.

Recognizing that humanitarian programs of this sort often perpetuate medical practices without solid evidence of their effectiveness in improving health and health conditions, Aesculapius attempts to evaluate changes in the population's health status over time. This is done by assessing basic health measures such as: infant mortality, levels of malnutrition among young children, birth weight, infectious disease incidence and changes in sanitary conditions. Such indicators will provide evidence of the program's impact in order to provide not just a humanitarian gesture, but the best health care possible given the realities of the situation.

In 1987, two major evaluations were conducted with health promoters and their communities in Chalatenango. The first involved an analysis of the health promoter training program. The second was a survey analyzing the extent of health education and promotion activity within the communities.

Administration

Since the team is connected to a larger Salvadoran structure, that of the Archdiocese of San Salvador, minimal administrative support is required. A project coordinator based in the United States is responsible for the logistical needs of the team, preparing and organizing support missions, and maintaining contact with the other humanitarian organizations from North America and Europe that work in El Salvador. Aesculapius International Medicine recruits health workers, prepares them, does fund raising, and takes overall project responsibility.●

ASSASSINATION OF DEFENSE ATTACHÉ

Mr. COHEN. Mr. President, this morning's newspapers again contain sad headlines about the senseless killing of an innocent American whose only crime was his service on behalf of his Nation.

Navy Capt. William Nordeen, the United States defense attaché in Greece, was killed while driving to work when a powerful bomb planted in a car near his home by a left-wing terrorist group exploded. The headline in today's New York Times, "U.S. Military Aide Killed in Athens Car Bombing," is all too sadly reminiscent of one which appeared in the same paper nearly 5 years ago. The November 16, 1983 headline read, "U.S. Navy Officer is Assassinated in Athens by Unknown Gunmen."

These two assassinations serve as a grim reminder that the brave men and women who serve in U.S. diplomatic posts and military installations throughout the world are daily putting their lives on the line for their country. Captain Nordeen, and Capt. George Tsantes 5 years ago, was, in his role as attaché, serving in a representational, not a combat, capacity. Yet, the perpetrators of yesterday's heinous crime chose to target this dedicated career man, who was scheduled to retire in August and who leaves a widow and 12-year-old daughter, for no reason other than the fact of his being his Nation's representative to Greece's military.

As vice chairman of the Senate Select Committee on Intelligence, I am particularly aware—and appreciative—of the great contribution made by Captain Nordeen and his counterparts in embassies around the world. Defense attachés play a critical role as part of our Embassy teams in 90 posts. Approximately 300 of these soldier-diplomats serve both in the larger and more glamorous capitals and in many of the smaller and more remote embassies as well. As the assassination of Captain Nordeen—and the killing of Army Maj. Arthur D. Nicholson, Jr., at the hands of a Soviet soldier in East Germany 3 years ago—demonstrate, one does not have to be in a war zone or in the middle of a firefight to face death as a member of our Armed Forces.

Captian Nordeen was typical of the men and women who serve as part of our attaché corps. He had a distinguished Navy career spanning nearly 30 years. Among his earlier assignments had been service with the Pacific Fleet, at the naval air station at Jacksonville, FL, and as an assistant naval inspector in Washington. He had been defense and naval attaché in Athens since August 1985.

The Defense Attaché Corps, of which Captain Nordeen was a part, is comprised of officers and enlisted personnel from the Army, Navy, Air Force, and Coast Guard. The individuals who serve as attachés come from all branches of these services. The training they receive at the defense attaché school in Washington, coupled with their experience as infantrymen, pilots, armor officers, or ship captains, enables them to fulfill the essential role as attaché.

This can be particularly important in Third World countries where the separation between the military and civil sectors is often blurred. But it is also essential in larger, more developed countries where our Nation has close defense relationships or in less friendly counties where an onsite military observer can provide information about capabilities and intentions.

Defense attachés are overt collectors of information, and they serve a variety of other missions as well. They act as the Ambassador's adviser on military or politico-military affairs; represent the Department of Defense, the service Secretaries, and the military departments to the host country; and administer security assistance programs and foreign military sales as directed.

Those of us who have had the opportunity to meet attachés in visits to foreign embassies have a deep appreciation of the tremendous contribution they make on a daily basis, but I fear that we too seldom pay proper recognition to them and to the efforts they are making. Our attachés around the world can take great pride in the work they are doing in the service of their fellow Americans.

It is thus with sadness, but with a deep sense of gratitude, that I today recognize all that Captain Nordeen did in his 3 years as an attaché in Greece on behalf of his Nation. It was a proud capstone to a distinguished career. His fellow attachés who continue to serve in their posts around the world need to know how much we appreciate and value their contributions as members of the attaché corps.

TRIBUTE TO SAMUEL EARLE HOBBS

Mr. HEFLIN. Mr. President, it is my great honor to rise, today, in tribute to my good friend, Samuel Earle Hobbs, of Selma, AL. Sam Earle Hobbs has worked tirelessly throughout his life in service to Alabama and America. I can think of no one who has set a finer example of public service or who has contributed more to the well-being of the people of my State and our Nation. Alabamians have learned through generations of experience that, for the entire Hobbs family, service on behalf of others is something that is expected. And Sam Earle Hobbs has not only upheld this fine Hobbs family tradition—indeed it is a family trait, the way bushy eyebrows would be for other families—Sam Earle has not only upheld this family characteristic of outstanding and invaluable public service, he has expanded it, and enriched it. He has written another distinguished chapter to be added to the already full record of public service by the Hobbs family. And for his and his family's efforts and accomplishments through many generations, all of the people of my State and our country owe Sam Earle Hobbs and the entire Hobbs family a great debt of gratitude.

Sam Earle Hobbs' forebearers were among the first settlers of Alabama. Samuel S. Earle, the maternal ancestor of Sam Earle Hobbs, arrived in Alabama around 1820 to become a doctor, planter, and legislator and in 1833 became one of the first trustees of the University of Alabama. Sam Earle's grandfather, S.F. Hobbs, moved from Maine to Alabama shortly before the War between the States, and fought for the Confederate Army while two of his brothers served the Union Army. After the war he established a jewelry store in Selma.

Sam Earle's father, Sam Hobbs, was an attorney who practiced in Selma and who contributed a great deal to Alabama during one of the most tumultuous periods in our Nation's history—through the years of the Great

Depression and World War II. In 1931 he was appointed by President Herbert Hoover as Chairman of the Muscle Shoals Commission, which helped to establish the Tennessee Valley Authority. In 1933 he served as chairman of the Alabama National Recovery Administration Committee. In 1934 he was elected to represent the people of Alabama in the U.S. House of Representatives and served for eight terms until 1951. It is apparent that Sam Hobbs was immediately recognized by his colleagues in the House as a man of great integrity, intellect, and legal expertise when in 1936 he was appointed as one of the managers to conduct the House impeachment proceedings against Judge Halstead L. Ritter. While he was a Southern conservative Democrat he was also a New Dealer and was tremendously helpful in gaining adoption of many of President Roosevelt's policies that helped America to survive the blight of the depression.

Sam Earle attended the University of North Carolina, received his master's degree in political science from George Washington University, received his law degree from the University of Alabama like his father before him, and then received a master of law degree from Yale University. He went into public service immediately, compiling a record in his first years out of school that rivals the lifetime achievements of most others. He accepted a post with the Justice Department in 1940. He then spent 3 years as an FBI agent before receiving a commission from the U.S. Navy in 1944 and seeing action in New Guinea and Okinawa. After the war he served in the occupation forces in Japan, and then returned to Alabama to become a professor at the University of Alabama School of Law.

After teaching, Sam Earle finally returned to Selma and began practicing law with his father, who unfortunately died soon thereafter. Sam Earle has excelled in the practice of the law, being well qualified for this profession by knowledge, intellect, demeanor and personal drive. This disposition for the practice of the law must be another Hobbs family trait, for his brother, Truman Hobbs, was also a great lawyer and is now a great judge. Sam Earle is a lawyer's lawyer—quiet, thoughtful, dignified, always a true gentleman. His example of excellence and professionalism will long remain as a standard to which laywers throughout the State will aspire. An indication of the high esteem with which he is held by both his colleagues in the law and by nonlawyers is the fact that he was chosen to serve as a Dallas County district court judge.

In addition to his contributions to the law, Sam Earle has been an outstanding leader of the community of Selma and of the entire State. He has been involved in banking, has worked to attract and benefit business and has been a cornerstone for the improvement and development of Alabama. He has also worked to promote education and health care in his community, having served as a member of the local school board, and of the Selma hospital's board of directors. Additionally, the contributions of both his time and resources to various charitable organizations have provided a tremendous help to the needy and the underprivileged.

Perhaps one of the greatest contributions that Sam Earle has made to my State—which I am sure ranks among those of which he is most proud—is the service he has provided to the University of Alabama. Time after time he has given willingly and without hesitation of his time, energy, and resources to the service of our school. He served for two decades as a trustee of the University of Alabama and served as chairman of the board of trustees. He was named to head the search committee that selected President Joab Thomas as president of the university—whom many believe has been one of the greatest university presidents in the Nation.

Recently, my friend Sam Earle Hobbs was awarded an honorary doctorate degree by the University of Alabama and was selected to give yet something else to the University of Alabama—the commencement address. I believe it is a remarkable speech and provides great insight into the character of this outstanding man. In it, he presents to a younger generation, the graduates of 1988, a very accurate description first of the way things were when those of his and my generation were young, discusses the contrasts between my generation and the young people of today, and then poses the question, "Where do we go from here?"

Unlike many of my generation who may yearn for the "good old days," believing that America has reached its peak, Sam Earle Hobbs is an eternal optimist who believes in the fiber of the American people, and who is certain that our system of Government, which guarantees the freedom and liberty of the people of our Nation, is the best in the world. Thus, he is confident that the young people of today will continue to embrace our America's outstanding tradition of leadership and good citizenship as they move through life.

Sam Earle Hobbs and the entire Hobbs family have, for generations, provided a tremendous example of this type of service for Alabama and for America. In this era when so many citizens often resort to apathy and inaction in the face of unreasonable pessimism, cynicism, or disillusionment, I believe that the example of service and achievement that Sam Earle has made and the message he has given in his commencement address to the graduates of the University of Alabama would be enlightening for all Americans.

Therefore, I ask unanimous consent that both the commencement address delivered by my friend at the University of Alabama and a newspaper article which describes the outstanding contributions and achievements that he and his family have made for generations be printed in the Congressional Record. I hope all of my colleagues can take the time to read the speech and the article and that many others who may read the Congressional Record will enjoy it as well.

There being no objection, the material was ordered to be printed in the Record, as follows:

Commencement Address by Samuel Earle G. Hobbs, Trustee Emeritus, University of Alabama to the University of Alabama Graduates

WHERE DO WE GO FROM HERE?

Chancellor Bartlett, President Thomas, Distingished guests, Faculty members, Graduates, Ladies and Gentlemen. The subject of my talk is "Where Do We Go From Here?" I very much appreciate Dr. Thomas' gracious introduction of me. His remarks were much too complimentary, but he did not mention that your speaker today is, among other things, a "Notch Baby".

It is true that I, along with Trustee Massey Bedsole, am a "Notch Baby". We, and perhaps 100,000 other Alabamians, are the babies born in the "notch" between 1917 and 1921. The Congress, in 1977, perceiving a shortage of available funds, deprived us "notch babies" of certain Social Security benefits which those older than we obtained. I am not bitter about this. In fact if I had not received a petition about it from some of my fellow "notch babies" I would have been totally unaware of any deprivation.

Even so, being a "notch baby" I have become sensitive to our slant on life, conditioned as it has been by an earlier time when we graduated from college. At a recent class re-union a prose poem, or essay, was read by a "notch baby" recalling "The Way We Were" in the late thirties. Its author is Anonymous, but we can certainly identify with it. I am grateful to Mrs. Ehney Camp Sr. for supplying a draft which I have edited slightly.

THE WAY WE WERE

We were before television and V.C.R.'s. Before penicillin, the pill, polio shots and antibotics. Before frozen food, nylon, dacron, Xerox, Kinsey. We were before radar, fluorescent lights, credit cards and ballpoint pens. For us, time-sharing meant togetherness, not computers; a chip meant a piece of wood; hardware meant hardware: and software wasn't even a word. In those days bunnies were small rabbits.

We were before DDT, DNA and vitamin pills. Before disposable diapers, scotch tape, the automatic shift and Lincoln Continentals.

When we were in College, pizzas, frozen orange juice, instant coffee and McDonalds were unheard of. We thought fast food was what good Catholics ate during Lent.

We were before FM radio, tape recorders, electric typewriters, word processors, electronic music and disco dancing. We were before pantyhose and drip-dry clothes. Before ice makers and dish washers, clothes dryers, freezers and electric blankets. Before men wore long hair and women wore sweat suits. Almost always we got married first and then lived together. How quaint can you be?

In our day cigarette smoking was fashionable, grass was mowed, coke was something you drank and pot was something you cooked in.

We were before coin vending machines, jet planes, helicopters and interstate highways. In the thirties "made in Japan" meant junk, and the term "making out" referred to how you did on exams.

In our time there were five-and-ten cent stores where you could buy things for five and ten cents. For just one nickel you could ride the streetcar from the "Soup Store", where the School of Communications is now, to the Bama theatre, make a phone call, buy a Coke or buy enough stamps to mail one letter and two postcards. You could buy a new Chevy coupe for $600.00 but who could afford that back then? Almost nobody! A pity, too, because gas was eleven cents a gallon.

We were not before the difference between the sexes was discovered, but were before sex changes. We just made do with what we had.

And so it was back then. This is "the way we were"—And we Loved it!

As graduates in 1988, this recital may cause you to wonder what sort of life you will be facing in about 2028-2038 A.D., or perhaps much sooner. I suspect the changes will come even faster and be even more pronounced than they have been for us. I'm sure you wonder, "Where do we go from here"?

I realize that in this booming, buzzing confusion of our high tech civilization as we near the end of this century there are those observers who take a pessimistic out-look on our American future, Witness: Allan Bloom's "The Closing of the American Mind," the public school study, "A Nation at Risk" and more recently, Paul Kennedy's "The Rise and Fall of the Great Powers." While there is some cogent evidence in support of Paul Kennedy's pessimistic thesis, it is my view that in spite of the many grave problems which confront America and which your generation, and those coming later, will face—drugs, a great trade imbalance, a national deficit of tremendous proportions, leadership problems, organized crime—America will survive and indeed, will propser. My optimism, at least, in part is supported by a belief in a free society, American genius, and my own observations of what has been accomplished here at the University during Dr. Joab Thomas' tenure as president for nearly seven years.

In saying this I do not speak in derogation of the University's achievements in the many years before 1981. There have always been distinguished professors here, outstanding research has been performed and signal services have been rendered by the faculty of this institution to the State of Alabama.

Even so, a brief recital of recent progress seems quite appropriate:

"The core curriculum was begun here some five years ago in recognition that a primary role of education is the transmission of our civilization's basic cultural values. It is deemed highly successful by our faculty and students, and notably, Alabama was one of the first state-supported universities to establish a core curriculum for its undergraduates."

"Admission standards have been raised, an honors program has been instituted, many more national merit finalists are now here, and student enrollment has increased, while the student retention rate has improved.

"The University, principally through its graduate programs has positioned itself to become a major research university. It now offers some 45 doctoral degree programs in a variety of disciplines, and in spite of the recurrent pro-rationing of state funds, the University faculty, by objective standards, appears stronger than ever before.

"Notable too has been the out-reach of the University in the economic development in both the Tuscaloosa area and the state-at-large. The Rochester Products Carbureto plant of G.M. here is a highly successful illustration of University—private sector cooperation to save valued jobs and to make a manufacturing enterprise profitable. Since then other ventures both here in Tuscaloosa, and in cooperation with other communities in this state, has enabled this university to perform a valuable service to the whole state with its store of knowledge and expertise.

"Time does not permit me to speak in detail of the high tech computer programs that have been instituted here, the successful capital funds drive, the increase in alumni support, nor even the ambitious building program at the University embracing the Bryant Center Complex, the Moody Music Building, the new Athletic facilities and the expansion of Bryant-Denny Stadium."

While you graduates have been an intimate part of this exciting activity here you must realize that this graduate week-end is named "Commencement" for a reason, since it marks the beginning or commencement of your life in the world outside.

Thomas Jefferson once said,

"I know of no safe depository of the ultimate powers of society but the people themselves; if we think them not enlightened enought to exercise their control with a wholesome discretion, the remedy is not to take it from them, but to inform their discretion by education."

While I do not think you graduates are all wise, I trust that your education so far will inspire you to continue to question, to make rational decisions and to concern yourselves with public issues so that your opinions and views will have an impact on Alabama's and the nation's problems after you leave here.

We now know that dolphins, seals and chimpanzees have a remarkable capacity to accept training. But Robert M. Hutchins in an essay written some 17 or more years ago wisely observed:

". . . There is a difference between learning and education. A student can learn many things—perhaps he could even learn everything—without being educated. He can learn how to read, but, if he does not read anything thereafter, or if he has no judgment about what he reads, if the ability to read does nothing to civilize him, we should be hard put to say that any education had taken place."

Life here in America if it is to be satisfying to the problem-solving, civilized man or woman must involve his or her on-going education. If that happens for you, then the answer to the question, "Where do we go from here?" begins to unfold. I suggest you will find a better life for yourselves and your children in a better America.

Most of the changes since my college days which I mentioned have been superficial—even though some may have profoundly affected the way we live. In the rushing, high tech era where you are now, changes come fast and furiously. This is a major concern. My admonition to you in this respect was well expressed by Dr. Paul A. Volcker, former Chairman of the Federal Reserve System, in a commencement address he made last year at Emory University. After commenting on the storage, retrieval and transmission of information by computers, and after observing the speed of communication and travel, he asks,

". . . But when we move about so easily, will we be able to retain a solid sense of really belonging anywhere? When things are changing so fast, do we really have time to absorb fully, to assimilate and to consider all that information and the implications of what we do? Are we so absorbed with the latest printout of a computer that we will neglect the wisdom accumulated in books centuries ago? And most dangerous of all, are we in some danger of losing a sense of standards, of what's right, what's lasting and what is necessary to maintain a humane community, and the personal satisfaction that must be a part of it."

And finally, to you graduates from an old "notch baby". This state university has a long and proud tradition. It celebrated its sesqui-centennial anniversary some seven years ago. It has played a major role in shaping the lives of many of Alabama's and this nation's leaders as well as this country's solid citizens in all walks of life. As its newest graduates, I am confident you will continue this tradition of leadership and good citizenship as you move on.

Congratulations and our very best wishes! May God go with you!

[From the Montgomery Advertiser, May 8, 1988]

HOBBS FAMILY FULL OF HISTORY, HEROICS

(By Alvin Benn)

SELMA.—When it comes to public service in Alabama, the Hobbs family of Selma is on a special plateau.

A Hobbs maternal ancestor was a pioneer in the state and served as one of the University of Alabama's first trustees.

Sam Hobbs represented a large district in Congress for 16 years and helped draw up the War Powers Act during World War II.

Robert Knox Greene, a Hobbs cousin, served as Hale County probate judge and was a trustee at Auburn University.

Truman Hobbs currently is a federal judge in Montgomery.

Then, there's San Earle Hobbs, who has put together the most varied public service career of them all.

An Ivy Leaguer, he has worked for the Justice Department, became an FBI agent, saw some of the hottest action in the South Pacific during World War II, was a Dallas County District Court judge, taught law and later was named chairman of the UA Board of Trustees.

In between, he found time to serve on a Selma hospital's board of directors and the local school board, not to mention working on a variety of charitable endeavors.

"Public service was just something we were brought up to expect," Hobbs said recently. "Our father told us we were here to serve."

He's slowed his pace considerably these days, but a proud moment awaits him next Saturday when he receives an honorary doctorate and then delivers the UA commencement address.

"I'd prefer to call it commencement remarks because addresses are something reserved for people like Lincoln," said the 71-year-old Hobbs.

He says there are too many pessimistic people around today and he plans to accentuate the positive in his speech.

"There is a terrible pessimism today and not entirely without reason," he said, during an interview at his law office. "We've got a huge trade imbalance and deficit, a drug problem that is very real and illiteracy is a big concern."

But, he quickly added, the United States has licked many more problems than those the past two centuries "and I believe we'll handle the current ones as well."

Optimism always has abounded in the Hobbs family, probably dating back to 1820, when maternal ancestor Samuel S. Earle arrived in Jefferson County to become a doctor, planter, legislator and UA trustee in 1833.

S.F. Hobbs journeyed south from Maine shortly before the Civil War and, after serving in the Confederate Army while two brothers fought for the Union, established a jewelry store in downtown Selma.

Several decades later, his son, Sam Hobbs, was elected to Congress and served for eight terms.

In the late 1920s, President Herbert Hoover named him to a special commission that helped establish the Tennessee Valley Authority.

Rep. Hobbs was an anomaly of sorts—a conservative southern Democrat as well as a New Dealer during the Roosevelt years.

His son, Sam Earle, went to the University of North Carolina, got his master's degree in political science from George Washington University, his law degree from the University of Alabama and his master of law degree from Yale University.

With those credentials, he might have picked his future, but it didn't quite work out the way he originally thought it would.

"I wanted to go into the foreign service, but after France fell in 1940 I went to work for the Justice Department instead," he said.

Since he could read French, he helped translate intercepted messages from part of the French fleet that escaped the Nazis. Then, he spent three years as an FBI agent, handling counter-espionage cases as well as security matters during a very tense time.

In 1944, he received a commission in the Navy, saw action in New Guinea and Okinawa and served in the occupation force in Japan after the war.

After teaching law at the University of Alabama, he returned to Selma to begin practicing law with his father, who had left Congress.

It was a short partnership. The former congressman died only three months after his son joined him.

One of Hobbs' first big cases was as court-appointed defender of a black man accused of raping a white woman.

Tried before an all-white jury, which was the rule in the early 1950s. Hobbs' client was convicted, but spared the death penalty.

"I considered that to be a victory," he said. "Our defense was that his confession had been coerced."

Hobbs' support of the late Ryan deGraffenried for governor a few years later did not endear him with former Gov. George Wallace and he believes Wallace tried to keep him off the UA board of trustees when he was being considered.

A year after Wallace's "Stand-in-the-Schoolhouse-Door," Hobbs became a UA trustee and served with distinction for more than two decades.

He was there when President Frank Rose stepped down and David Mathews took over, only to be bounced after returning from Washington on a leave of absence to work for President Gerald Ford.

"That was a big mistake, granting him that leave of absence," Hobbs said. "We were flattered the president wanted him and I guess most of us didn't think he'd come back."

Mathews did, and ran into a hornet's nest of faculty opposition, creating another vacancy to fill.

Hobbs was named to head the search committee for a replacement and the group came up with Joab Thomas—a man whose praise he sings almost daily.

When it comes to pride, however, Hobbs saves much of his for his "kid brother" in Montgomery.

"He's done extremely well, especially after succeeding someone like Frank Johnson," he said, referring to U.S. District Judge Truman Hobbs.

For most families, someone who becomes a federal judge would be worth years of bragging.

In the Hobbs family, it's almost expected.

INDEPENDENCE DAY 1988

Mr. DOLE. Mr. President, over 200 years ago during another hot summer, a group of men gathered in Philadelphia to form a nation. A nation unlike any other in the world. A nation founded on a new idea—equality of all people. A nation offering its citizens political and economic liberties unknown in that world and, sadly, still unknown in much of our world today.

These patriots bestowed on us a heritage. A heritage of liberty and equality. A heritage of free and open government. A heritage nobly symbolized by our flag, a flag that has flown in defense of liberty from Yorktown to Normandy, from Inchon to Khe Sanh.

But our flag is more than a symbol of might. Our flag is a beacon of hope to the world and a reminder of the promise of America, the promise of freedom. The freedom to dream, and the freedom to reach as high as we can in pursuit of those dreams.

Every year fresh chapters are added to our story of liberty, chapters increasingly written by a new generation of Americans.

Recently I was visited by a group of young people from my home State of Kansas. One of them, Nancy Rogers, a high school student in Lebo, KS, has reflected on our heritage and very beautifully put her thoughts into the words of a poem.

Mr. President, in commemoration of America's Independence Day, I ask unanimous consent that her poem be printed in the RECORD.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

OUR FLAG

The flag in our classroom
Lies limp and still,
As if sleeping so deeply
And dreaming of a hill;

A hill of freedom
Of happy and sad
Much of time lost,
Both good and bad.

The red is a color
For all the lives lost,
And the blood shed—
Freedom does cost!

The white is so quiet
It stands for peace,
For the love and laughter
Whene'er we meet.

Next is the blue
The full battlefield,
Of fifty white stars
Our sword and shield.

Once and still today
This flag so grand
Went into battle
Making a stand.

Now we pay homage
To a past not forgot,
To both men and boys
Who on the battlefield fought

For all of our colors
The RED, WHITE and BLUE
And so I pass on
America's heritage to you.

NANCY L. ROGERS,
Lebo, KS.

UPDATING THE AIDS EPIDEMIC

Mr. CRANSTON. Mr. President, according to the June 27, 1988, AIDS Weekly Surveillance Report 65,780 Americans have been diagnosed with AIDS; 37,195 Americans have died from AIDS; and 28,585 Americans are currently living with AIDS.

Mr. President, 1,274 more Americans have developed AIDS and 940 Americans have died from this horrible disease since I last noted these statistics from the June 6 Surveillance Report.

Mr. President, in my last statement, I discussed the recommendations of Adm. James D. Watkins, Chairman of the Presidential Commission on the HIV Epidemic. Two days ago, Admiral Watkins presented the final report, with most of his recommendations intact, to President Reagan. The President indicated that he would review the report and decide on a course of action within 30 days. I strongly encourage the President to follow the Commission's recommendations regarding antidiscrimination legislation, intravenous drug treatment, health services, education, and numerous others areas that are critical to bringing an end to this epidemic.

Mr. President, while we move forward with decisive action in this country, we must not lose sight that AIDS is a worldwide epidemic. It has impacted countries on every continent. I would like to take this opportunity to share with my colleagues an article from the June 28 New York Times. The article raises very difficult questions about how to treat AIDS in developing countries. In particular, how do we enable hundreds of thousands, even millions, of individuals who are infected with the HIV and who are living in Africa and elsewhere to gain access to new drugs and vaccines as they become available?

I ask unanimous consent that the article be inserted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 28, 1988]

POOR NATIONS PLAGUED WITH AIDS POSE HAUNTING ETHICAL QUESTIONS

(By Lawrence K. Altman, M.D.)

As medical researchers make slow progress toward developing drugs to treat AIDS and the diseases that strike its victims, experts are turning to the thorny question of when and how promising treatments should be distributed in poor countries of Africa and elsewhere where AIDS is spreading.

One drug, AZT, which has been shown to prolong life in some patients, is already being used to treat AIDS in the United States, Europe and developed countries elsewhere. However, many experts say its toxicity, which requires careful medical management, and its cost, up to $8,000 a year for many patients, limits its use in the third world.

Earlier this month in Stockholm at the Fourth International Conference on AIDS, some officials and other experts said discussions of the distribution issue had already begun. And next month, in the kind of step taken all too rarely in international health, a small group will meet in Boston to consider how to distribute drugs and vaccines for acquired immune deficiency syndrome to all who need them.

The need for an international approach to fighting and treating AIDS was expressed most succinctly in Stockholm by Dr. Halfdan Mahler, a Dane who is retiring as head of the World Health Organization. "AIDS cannot be stopped in any country unless it is stopped in all countries," Dr. Mahler said, adding that it would be discrimination to deny "the fruits of international science to all of the world's peoples" and to limit the benefits "only to the rich."

Most experts believe that administering a successful treatment for AIDS would, in many poor countries, cost more than the entire current health expenditures for all diseases. And many other diseases, like malaria, are leading killers in Africa.

In developing countries, said Prime Minister Ingvar Carlsson of Sweden, "many cannot even afford the precautions that the rich world takes for granted."

Although developed countries eliminated polio, measles, tetanus and other infections as major health problems many years ago, the diseases continue to be common in developing countries for lack of effective delivery systems and money.

Mr. Carlsson, speaking of past experience and looking optimistically toward the development of therapies and preventions for AIDS, said that "scientific knowledge has to be applied" and drugs and vaccines "have to be distributed to everywhere" regardless of ability to pay.

Pleas for extra financial aid came from African leaders. Ruhakano Rugunda, the Ugandan Minister of Transport and Communications, said that in battling AIDS "we must not divert the already limited resources currently directed against other common killer diseases."

Because health care systems in third world countries tend to be rudimentary at best, other experts talked about the problems of organizing delivery of an AIDS treatment or vaccine to people in such areas.

If an effective treatment does become available, millions of people may need to be tested for evidence of AIDS virus infection. For those found to be infected, a drug might prevent death from AIDS. But the same drug would not be needed and might be dangerous for those free of the virus. Conversely, a vaccine might be appropriate only for those who are not infected.

In performing the blood tests accuracy would be imperative. Who will teach the technicians how to do so many tests reliably? Who will pay for their training, and for the tests?

Since with rare exceptions drug companies have not donated their new drugs and vaccines to the third world, the burden or organizing AIDS treatment and prevention for these countries likely will fall on the World Health Organization.

Dr. Jonathan Mann, who heads the organization's global AIDS program, said in an interview that he and Dr. Harvey V. Fineberg, the dean of the Harvard School of Public Health, have scheduled a meeting in late July in Boston to discuss the topic. Dr. Mann described it as "a brainstorming session, a first effort to chart out the public health implications of the development of effective AIDS treatments and vaccines."

Scores of potential drugs and several types of possible vaccines are now under study to combat AIDS. No one can predict when any breakthroughs will occur. Nevertheless, Dr. Mann said, "we do not want to be caught by surprise or to lose 6 to 12 months" after a breakthrough.

The meeting in Boston will focus on the overall problem of delivering effective treatments and vaccines to all people, not on a specific compound, Dr. Mann said. But the agenda will include azidothymidine, AZT, the only drug licensed in the United States and elsewhere for treatment of AIDS.

Dr. Mann said it would be impractical to make AZT available to everyone in the world who needed it because it is a toxic drug that must be taken continuously.

AZT can impair bone marrow, causing severe anemia and other problems. People who take AZT need regular blood counts to determine if they have developed anemia and need blood transfusions.

Burroughs Wellcome of Research Triangle Park, N.C., sells the drug for the same price in the more than 50 countries where it is licensed, including nine in Africa, according to Kathy Bartlett, a spokesman for the company. Although not widely sold in Africa, studies are in progress in Kenya, Zaire and Zambia to determine whether the drug can be given less often but a higher doses to make it easier to administer in third world countries.

"The assumpton in the United States is that those on AZT will remain on it until they die or until something else comes along that is shown to be more effective," Dr. Mann said. "You have to be in a system that can assure lifetime commitments." Political instability, poverty and the frailty of medical institutions make that unrealistic in many countries.

ROBERT C. BYRD

Mr. CHILES. Mr. President, the conclusion of the 100th Congress is a notable benchmark in itself, but it will also end an era within the U.S. Senate as well. I am talking about the 22 years of service our colleague from West Virginia, ROBERT C. BYRD, has given as a leader of this body.

First he was secretary of the Democratic Conference, elected in 1967. He became majority whip in 1971, the year I arrived in the Senate, then was selected majority leader in 1977 to succeed retiring Senator MIKE MANSFIELD. Since then, of course, he was minority leader from 1981 through 1986 before returning to majority leader in 1987.

That 22 years spans a remarkable period of development and difficulty in our Nation. It encompassed the Vietnam conflict, the Watergate scandal, soaring accomplishments in space exploration, startling evolution in technology, dramatic changes—good and bad—in our society, and much, much more. And a changing Senate—more open and democratic, yet with greater independence on the part of the Members—has been challenged by the opportunities and relentless concerns.

Through it all Senator BYRD has applied a steady hand. He is rightly acclaimed for his mastery of the rules, his devotion to the duties and responsibilities at each leadership rank. He has been committed to making the process work while keeping tradition intact, and he deserves commendation for that.

But what says so much about ROBERT BYRD is that the Senate is as much in his heart as in his head. He clearly loves the Senate and has diligently pursued knowledge of its history and traditions. In sharing that knowledge, he has contributed to better understanding of the institution and benefited us all.

As a Member in my 18th year in the Senate, I have had the opportunity to witness Senator BYRD's growth in leadership, in communication, in efforts to balance the Senate's work against the demands on Senators' time and families.

So, in my final year in the Senate, I want to take this opportunity to thank the majority leader for his many contributions to the Senate and through it to the Nation and to express appreciation for his help and many courtesies over the years. He will no longer be majority leader after this year, thus closing an era in leadership posts, but his valuable counsel and service will continue.

THE HOOVER INSTITUTION AND ACADEMIC FREEDOM

Mr. WALLOP. Mr. President, a dozen years' experience in national security affairs have convinced me that the greatest damage to this country comes from the insufficient intellectual efforts and competence of those responsible for such things in this country. That includes bureaucrats, Members of Congress, often Presidents and even high Government officials. This goes so far as to be detached from reality, and affects both political parties. For example, at the beginning of June, the President of the United States declared that the man who runs the Soviet Union is his friend, while 2 weeks later the Democrat who is leading in the polls for the Presidency declared that the United States ought to prepare to fight and win a conventional war. Oh, how far the elementary standards of debate on public policy have fallen.

Again, long experience has taught me that among the leading causes of the lowering of standards of debate is inbreeding: the restricting of competition. This was certainly so in the U.S. intelligence community. The production of national intelligence estimates by a system that forced consensus and stifled dissent turned out estimates in the 1970's that were out of touch with reality. How the bureaucrats hated it when President Ford forced them to accept a team of dissenters among them. And how healthy for them and for the country.

But the deeper source of the low standards of today's national security debate is America's educational system. It is surely no coincidence that the lowering of standards of discussion has occurred at the same time as America's great universities have essentially closed their doors to anyone who does not share in the fads of the American political left.

I have in mind particularly the struggle now taking place at Stanford University over the future of the Hoover Institution. It is true, as Henry Kissinger reminds us, that academic politics are particularly vicious because the stakes are so small. But symbols are little things that stands for big ones. And even little things look big indeed when they stand out starkly aginst an otherwise uniform background.

The Hoover Institution on War, Revolution and Peace was established at Stanford by Herbert Hoover, a member of Stanford's first graduating class. Since 1960, the institution has been run by W. Glenn Campbell, who has built it into arguably the first center of scholarship in the world. Nobel Prizes, like SAT scores, and not advisable measures of work, but they give a rough idea. The entire Stanford faculty, numbering some 1,200 scholars, has a total of 6 Nobel Prize winners, while Hoover senior fellows, numbering fewer than 100, have 5 Nobel Prizes among them.

No one argues that Hoover scholars, man for man, are not at least on the level of the university faculty. Yet, for some years now, the dominant element at Stanford has sought to do away with the Hoover Institution's diversity. The charge against them, you see, is that it is conservative and hence, ipso facto, does not belong on campus. The Hoover Tower has been repeatedly defaced with leftist slogans. Windows have been broken. Faculty activists once gathered 87 signatures on a petition to detach the institution from the university. Never mind that 138 other members of the faculty—many from the "Land" sciences—signed another petition supporting the institution's academic freedom. The harassment has continued with the objective of subjecting the institution to what people call normal academic governance meaning control by the people who run the rest of the university.

Now let us be clear about who is who. This is not a case of Stanford academics, who have no views whatsoever on public affairs, but who object to having in their midst a set of Hoover scholars who are insufficiently so. Quite the contrary. A recent survey of token registration records show that the faculty of Stanford University's Humanities and Social Sciences contains only some 10 percent Republicans, whereas Hoover fellows are about evenly divided between Republicans and Democrats. The statistics understate reality. The few Republicans in the Stanford Humanities Department, for the most part, were hired decades ago, when American University faculties—and here I include my own alma mater, Yale—were not exclusively presences of the far left. Does anyone know of any conservatives or even Republicans hired by the history or political science, or English department at Stanford in recent years? No. The problem, quite starkly, is that the people who run Stanford are obviously not satisfied with a political balance that is overwhelmingly on their side. They want to purge the place completely.

About whom are we speaking? The chairman of Stanford's Board of Trustees, Warren Christopher, is someone remembered in Washington as Deputy Secretary of State in the last Democratic administration, and an obvious candidate for Secretary of State in the next such administration. Stanford's president is Donald Kennedy—President Jimmy Carter's Commissioner of the Federal Drug Administration. Under them, Jimmy Carter and Tip O'Neill have been as prominent at Stanford as have denunciations of the Hoover Institution's reported Reagan connection.

So, on May 17, Warren Christopher handed Glenn Campbell a letter informing him that Stanford wanted Campbell to retire as director of the Hoover Institution and that a search committee would be appointed to find a successor.

What is not going on here?

This is not a matter of putting tired horses out to pasture. Glenn Campbell is vigorous and effective—that's precisely why the university leaders want him out.

Nor is this a matter of blind enforcement of a retirement-at-65 policy for administrators, because the 7 Stanford trustees simultaneously hired top Administrator Richard Lyman for a job not so different from Campbell's. Lyman and Campbell are the same age.

Nor is this a matter of personalities. The former Deputy Secretary and perhaps the future Secretary of State, and the former Commissioner of the FDA and perhaps future Cabinet officer, are not going through the trouble to rid themselves of Glenn Campbell simply in order to have to deal with someone more pleasant, but just as foreign to their exclusive little subculture.

Nor is this mainly a matter of money. The Hoover Institution is worth about $325 million. That is a lot of money, but considerably less than what Stanford expects to gain from its current fundraising drive: $1 billion. On a national scale $325 million looks even smaller.

No; the Stanford trustees' attempt to get rid of Glenn Campbell is about intolerance for diversity. As Thomas Sowell has so perceptively said, it is another chapter in the closing of the American mind.

Perhaps the most unfortunate, the saddest aspect of modern American public life is the decline of the capacity—and of the inclination—to intellectual confrontation. In today's universities, and increasingly in public life, it is quite acceptable to foreclose debate by accusing people of new-age thinking, for example, racism, and by somehow removing them from positions whence they can exercise influence. When we were in college, we would laugh at those little sects of extremists who would splinter amidst changes of doctrinal impurity and who meanwhile remained ignorant of the real world. Today, we see our great universities increasingly in the grip of precisely such extremists. They have become the ruling clan of American universities, and by diversity, they understand only their own little quarrels: What special preferences Marxists and various kinds of various pressure groups and homosexuals ought to get. Who shall be first among revolutionaries. Surely, anyone who has followed the national controversy over Standford's western culture curriculum—and its echoes in the New York Times magazine—heard the educational establishment speak in the language of power, not of learning. Power, power, that is aggressively ignorant.

The Hoover Institution is out of step with this trend. Its scholars, whether economists or physicists or philosophers, historians, or political scientists, are people in the classical mold. Their agenda is set by no one. Surely, the very worst that can be said about Glenn Campbell is that he practices the most absolute version of academic freedom. Under Glenn Campbell, as in Rabeleis' mythical abbey, the rule is "do what you will." Because Campbell has chosen well, Hoover scholars are listened to around this country and the world. They are a challenge to more conventional wisdom. This, of course, is the rub. If Glenn Campbell is forced out, the rub will diminish. And the United States will be the loser.

That struggle may play itself out in courts and boardrooms. But it is important enough for all those involved in national policy to take note. First, because its outcome will affect the quality of national debate in future years. Second, because the perpetrators of this act of intolerance, this further act of closing of the American mind, may soon be coming before the Senate as nominees seeking confirmation. If and when that happens, they will have much explaining to do to an American people that is far more diverse than the in-bred community these people now represent.

SENATOR ROBERT C. BYRD, MAJORITY LEADER

Mr. PRYOR. Mr. President, it was 30 years ago that a young man from West Virginia came to Washington and began what has proved to be a distinguished career in the U.S. Senate. ROBERT C. BYRD, at the end of this Congress, will have served longer than any other Member of this body, except for only 27 in the last two centuries.

It is hard to imagine this body in the next Congress without Senator BYRD in the majority leader's position. Although my tenure here is short by comparison, I have long associated the post of majority leader with ROBERT BYRD, and I know this connection has been made by my colleagues as well.

The connection has also been an automatic fact-of-life in West Virginia, where Senator BYRD continues to carry all 55 counties. He is both their favorite son and the chief defender of a way of life that is fast disappearing from the American landscape—the self-made, determined student who sacrifices everything for an education and for service to the public.

ROBERT BYRD completed his law degree as a freshman Member of this body, graduating from American University in 1963, nearly 30 years after finishing high school. Surely no one else in this Chamber has had the ambition and the talent to complete such a rigorous course while, at the same time, serving fulltime in the Senate.

But that's the kind of energy and commitment ROBERT BYRD has always demonstrated. No one in this Chamber has ever worked harder, no one has stayed longer on the watch, no one has accomplished more in the long run, than ROBERT BYRD.

And no one has commanded a full understanding of the rules of the Senate more completely than ROBERT BYRD. Time and time again, I have seen the seasoned veteran look to Senator BYRD for advice on how to proceed, on the fine points of a rule of order, or on the shades of meaning in the parliamentary manual.

We shall all miss Senator BYRD's leadership, but the good news is that he will continue to represent the people of West Virginia and to lend us the considerable benefits of his experience and legislative acumen.

One final point, Mr. President: At a time when the business of Government has become prosaic and unconcerned with the healing gifts of language, I am encouraged to recognize in our leader the touch of a poet. ROBERT BYRD has never lost sight of the importance of poetry. He has spent countless hours reading it, memorizing it, and quoting it at exactly the right time.

I can only say that I look forward to our continuing service together in the Senate.

TRIBUTE TO ROBERT BYRD AS DEMOCRATIC FLOOR LEADER OF THE U.S. SENATE

Mr. STENNIS. Mr. President, for 22 years, Senator ROBERT BYRD has served in the leadership of the Senate and for 12 years he has been our Democratic floor leader. This past April 12, when he announced his decision not to seek the position of Senate Democratic leader for another term, ROBERT BYRD said:

> Always I have tried to reflect, through my leadership, fundamental American values—hard work, honesty, fairness, patriotism, freedom to dream and to do.

I believe every Senate colleague will agree that Senator BYRD has had great success in applying those fundamental values. Those are the qualities which have stood out during all his years of development. He uniformly reports to his place of duty and service well prepared and ready to proceed with vigor and effectiveness. However difficult a problem may be, ROBERT BYRD will stick to his principles and will do all that he can to see that justice and right prevail. I have never heard of any neglect sustained by the people and State of West Virginia. His people and his State always get first attention by Senator BYRD in his highly effective way.

I recall Senator ROBERT BYRD's early days in the U.S. Senate following his election to the Senate seat in 1958. He was seasoned by 6 years in the West Virginia State Legislature and 6 years in the U.S. House of Representatives. As I have recounted before on the Senate floor, I remember the first caucus he attended. As a veteran then of 10 years' service, I sensed a certain destiny of leadership in his manner. I picked him out then as a probable future floor leader. I saw him as a hard worker, who prepared himself daily on the issues to come before the committees on which he served and the bills taken up on the Senate floor. I encouraged him to make the utmost effort and he would possibly attain the position of Democratic floor leader, which was a position of growing strength and importance.

Senator BYRD has emerged as a true and trusted floor leader who has developed the finest knowledge of the Senate rules by anyone I know. He is very effective, indeed, in using and knowing how to apply those rules to carry out his purposes. In this endeavor, I actually believe he is the best I have ever seen, and we have had many excellent floor leaders here in my time. Today, he is the most knowledgeable Member in the Senate when it comes to handling complicated legislation of a grave and important nature. His use of the rules reflects his respect for the Senate and his thorough understanding of the Senate as an institution. He has a historical perspective. He has a vision for today and tomorrow. He has the ability and honor to merge perspective and vision into direction. And that is the core of leadership.

We have all had an opportunity to catch glimpses of Senator BYRD's remarkable character as we observe him performing his duties each day. Last fall, after Senator BYRD had responded, as is often his custom, to the Chaplain's opening prayer, one Senator expressed his reactions by saying "Now and then one is stopped in his tracks by the sincerity and eloquence of a colleague," as he called our attention to Senator BYRD's moving remarks. These daily reflections of Senator BYRD have had real meaning and solidify our valued friendships. I recall with genuine pleasure the splendid evening about a year ago when Senator and Mrs. Byrd were honored on their 50th wedding anniversary. With true fraternity, most of us shared in the joy of that occasion.

Mr. President, I want to express to Senator BYRD my affection, my high respect and admiration for his outstanding leadership, and my deep appreciation for his friendship. Godspeed in the coming months.

SENATOR ROBERT C. BYRD

Mr. McCONNELL. Mr. President, as we all know, the distinguished majority leader has announced his intention not to seek reelection to the post of Democratic floor leader when his term expires at the end of this session of Congress. I thought this would be a fitting opportunity to recognize his extraordinary list of accomplishments.

The people of West Virginia have overwhelmingly placed their trust in Senator BYRD for over four decades. Few of my colleagues in this body can boast of such a lengthy career in public service. He held his first elected office in the State legislature's lower chamber in 1946 and quickly moved to the West Virginia Senate. After 2 years, he was elected to the U.S. House of Representatives before coming to this Chamber in 1959. Twelve years later he was elected majority whip and was unanimously chosen to keep that position for two subsequent Congresses before ascending to the office of Democratic leader in January 1977.

Senator BYRD's years of experience are illustrated by his mastery of parliamentary procedures. For that reason, his successor is going to have very big shoes to fill. Although his future endeavors are unlikely to provide him with the same experience he has had as his party's floor leader, I am sure that all of my colleagues join me in wishing him the best of luck.

TRIBUTE TO SENATOR ROBERT BYRD

Mr. SHELBY. Mr. President, I rise today to pay tribute to our distinguished majority leader, a man I have come to know well and greatly respect since my arrival in the Senate just 2 years ago.

ROBERT BYRD embodies all of the values that we hold dear in this country—dedication, commitment, hard work, and faith. These are the same values that helped to forge 13 colonies into a world superpower—they are what makes us uniquely "American."

In preparation for this tribute, I looked over Senator BYRD's biography—suggested reading for every freshman Senator. I noticed that there is one common thread that runs throughout every aspect of Senator BYRD's life—service. Service not to self, but rather to his family, community, State, and Nation.

Selfless service is the cornerstone of our Nation and it was the force behind the creation of the highest law in the land—the U.S. Constitution. As the celebration honoring the 200th anniversary of this living document continues, we can look to the 40 men who signed the Constitution to trace this legacy of service.

Consider just seven of the signers:

Ben Franklin, known as the "American Socrates," was the oldest member of the convention, but he was also an inventor, statesman, ambassador, Member of Congress, and a revered American.

Alexander Hamilton was George Washington's aid in war and peace. He was also a lawyer, author of the Federalist Papers and Secretary of the Treasury.

James Madison, known as the "Father of the Constitution," became the fourth President of the United States. He was also a Congressman, statesman, and contributing author of the Federalist Papers.

Gouverneur Morris was the composer of the Preamble of the Constitution, a lawyer, a Minister to France, and a U.S. Senator.

Charles Pinckney, the author of the Pinckney plan, was the Governor of South Carolina, a U.S. Senator, and Minister to Spain.

James Wilson, known as an advocate of the popular vote, was also a lawyer, a scholar, an associate justice, and a law professor.

George Washington was the commander-in-chief of the Continental Army, president of the Constitutional Convention, first President of the United States, statesman, and gentleman farmer.

The point to be made, I believe, is that the creation of the Constitution was not the only mark of service made by these men. Rather, each of these men have been recorded as giving a lifetime of distinguished service.

Henry Miller once said of service:

> Render a service if you would succeed. This is the supreme law of life. Be among the great servers, the benefactors. It is the only path to success. "Give, and it shall be given to you." Make society your debtor and you may find your place among the immortals.

I salute you, Senator BYRD, in the tradition of the distinguished Americans who came before, you are truly a great server.

C. NORMAND POIRIER

Mr. PELL. Mr. President, I was deeply saddened to learn of the death, on Tuesday, June 28, of C. Normand Poirier, Acting General Counsel of the U.S. Information Agency.

Mr. Poirier was born in Woonsocket, RI, in 1927, and has maintained a residence there during his 30 years of service to the U.S. Government. Mr. Poirier graduated magna cum laude in 1950 from Assumption College, and received his J.D. degree in 1957 from Georgetown University School of Law. From 1958–66, he was chief counsel of the Navy's Polaris Missile Program. He subsequently joined the U.S. Arms Control and Disarmament Agency, where he served as assistant general counsel until 1970. He was deputy general counsel for the Commission on Government Procurement from 1970 to 1973, and served 1 year as associate general counsel for health care at the Cost of Living Council.

In 1974, Mr. Poirier joined USIA as an associate general counsel. He was named deputy general counsel in 1978, and USIA Director Charles Z. Wick appointed him acting general counsel on August 19, 1986.

Mr. Poirier had a distinguished career with USIA, representing the Agency in negotiations with foreign governments in connection with the Voice of America Modernization Program, working closely with this committee and other committees in the Congress to pass the Foreign Service Act of 1980, which reformed the personnel system of the Foreign Service, and representing USIA as an able witness and respected adviser in numerous appearances before the Congress.

Norm Poirier was also active in community affairs. He was elected to serve as president of the Federal Bar Association from 1971 to 1972. He served for several years on the board of directors of the Antioch School of Law, and was president of the Thomas Moore Society of America from 1979 to 1980. While at USIA, Mr. Poirier was awarded both the Agency's Meritorious Honor Award and the prestigious Presidential Rank Award in 1985.

Mr. Poirier exemplified the commitment, the energy, and the dedication of a truly outstanding public servant. He is survived by his wife of 30 years, Francoise, three daughters, and one son. I extend to them and to his colleagues at USIA my sincere condolences in this great loss.

TRIBUTE TO SENATOR ROBERT C. BYRD

Mr. FOWLER. Mr. President, I rise to give my thanks and commendation to our distinguished majority leader for his service to this Nation and this institution over the past 2 years.

The U.S. Senate is above all a place of tradition. And I cannot think of any better keeper of that tradition than ROBERT BYRD.

This body was intended by the framers of our Constitution as a kind of institutional memory for our Government, in which the issues before our Nation would receive the fullest debate and the closest scrutiny. That is why Senators were given longer terms than the Representatives in the House, and even longer than the President.

So the Senate watches administrations come and go and resists the fads, the whims, and the ideologies that may run rampant for a moment and then fade away.

That is because the framers knew that the best ideas would last, just as their own thoughts have resonated so strongly over the span of two centuries.

The leader has been the institutional memory of the Senate itself—not just because he knows its rules, procedure, and history in great depth. Senator BYRD's mind is also a vast repository of our culture, of those treasures that have formed the American mind and the American spirit.

I have been amazed to see him break extemporaneously into a passage of poetry that opened new insights into the policies under discussion—and to quote at great length, stanza after stanza, from his head and from his heart.

We need that long memory—to recognize the cyclical moods of the country, to fit new debates into the context of history, and to recognize old truths when they circulate in new ideas.

Senator BYRD has served the Senate well as leader. And he will continue to set the example for dignity and personal integrity in his Senate service yet to come.

He is stepping down from his role as majority leader, representing the entire Democratic Party in the Senate. But in his representation of the State of West Virginia, I know that his thoughts continue to emerge as a force in national debate.

Because the Senate is also the body where State and regional interests are melded most clearly into the national consensus. Because of ROBERT BYRD, we all understand a great deal about West Virginia, its problems and its opportunities.

We have all listened to Senator BYRD's stories and gained a great understanding of what it was like to rise from poverty as it can only happen in this country. We all carry a vision of the beauty of the West Virginia mountains. We know of ROBERT BYRD's love of those mountains, and his pride in those mountain people. And we can all relate it to the love and the pride we carry in our hearts for our own home States.

If all 100 of us could project, in this Chamber, such a clear image of the places we represent, then I believe we as a collective body would be very successful, very successful in forging an image of this great country in its totality—recognizing all its greatness and grandeur, and its needs.

I wish I could give Senators from faraway places like Arizona and Wisconsin and Maine the same gut feeling for Georgia and its people that Senator BYRD has elicited for West Virginia.

So I commend him for his leadership. I know that same kind of Senate leadership will continue in his revised role. And I would like to offer my best wishes for his continued service to his State and to our Nation.

TRIBUTE TO SENATOR ROBERT C. BYRD

Mr. SIMPSON. Mr. President, later this year Senator ROBERT BYRD will conclude his distinguished service to the U.S. Senate as our majority leader. A number of my colleagues, from both sides of the aisle, have come to the floor to express their appreciation for his dedication to that most taxing and difficult task. Indeed, I have heard some very moving, honest, and sincere accolades expressed toward our majority leader in recent days.

Let me just say that it has been a distinct pleasure for me to be a part of the Senate leadership and to serve as the assistant majority leader to BOB DOLE, who is really one of the most remarkable and fair legislators I have seen. From my vantage point as Republican whip—and on occasion as acting Republican leader—I have also formed my own observations of my fine friend, the majority leader, the senior Senator from West Virginia.

The majority leader has been most cordial to me, most helpful, and most supportive. He has also been a counselor and a friend. He and BOB DOLE have both been superb in helping me in pursuance of my duties—which duties I have come to learn and thoroughly enjoy.

I do not know what judgment that history will make on the legislative activities of ROBERT BYRD. There will be much of his work to carefully sort through, both as a legislator and a leader. But I earnestly believe that a search of the records will reveal that certain words and phrases were repeatedly brought to the surface by this unique gentleman—something usually about the Senate "working its will." That is a phrase I have heard the majority leader use many, many times.

And, of course, that is the substance and essence and maybe even the mystery of this place—the need to move the public agenda. That is the role—the difficult, difficult role—of the majority leader. It is what he must do. In that process, we all learn how to compromise an issue without compromising ourselves. That is very important, learning how to take a crumb when we cannot get a loaf. Not to do that is to stall out the engine of the public's legislative machine.

Our majority leader has shared with me his good guidance and his good experience and also essence of good humor—and he has that, a rich degree of that. But what has been most impressive to me has been the sharing of his counsel and his willingness to help me get over a bit of a hump, to keep things rolling along, when to do otherwise—regardless of our personal feelings and motivations—is what is best for all the people of our good land. He has done that without hesitation or reservation.

There have been times when it would have been so very easy for the leader to take advantage of his position, to spring the trap on those of us in the minority—or even in those days when we were in the majority. But he did not do that. He did not like to abuse his authority. When I think back on some of the hot, emotional issues when so very much was at stake for all of us, I recall that my relationship with ROBERT BYRD was characterized by good, honest, open confrontation in the best spirit and tradition of the Senate. That is as it should be, and must be.

The majority leader shares my view, I believe, that we are here to legislate. That is our purpose. It is not partisanship alone, although that must be a factor in our system of government. But the common theme is legislating. We are not here to posture. We are not here to lecture. We are here to debate and legislate, and that is what the majority leader has spurred us to do.

Mr. President, a high point in my Senate career came just over 1 year ago on the occasion of the 50th wedding anniversary of Senator BYRD and Mrs. Byrd. There is really no way to properly describe the evening. Those of us who were there will list it as a most memorable event in the grand hall of the Library of Congress—surely one of the most magnificent buildings in Washington. In my time here, I have shared in and participated in many events on many occasions, but this one was one of the very most moving.

It was to have been a surprise party. But it is impossible to surprise the majority leader in any event, in any forum. He and his gracious wife Erma came down the grand staircase to join the waiting group of diners rendering a standing ovation to them in those beautiful surroundings. It was a very special time. Praise was shared and gifts presented.

If someone should ask me what the evening was about, I would tell them it was about a union, a remarkable union. I would tell them it was about sharing a life. I would tell them it was about modest beginnings—maybe less than that—and the pursuit of the American dream and how a young man ceased his work on a Friday evening and married his lady and went off to a square dance and then went back to work Monday morning.

I would tell them that evening was about working and striving and excelling and succeeding. It was about a warm and extraordinary gentlewoman, Erma Byrd, who, the more you visit with her and meet with her and come to know her, is just one remarkable lady of common sense, great good wisdom, and gentleness. The evening was about joy and some despair in a life to be lived, because all that goes with it, too, and it touched also on life and death. Yet, really, it was mostly about grace and love and affection. It was very, very moving. Very potent and poignant and powerful. The chemistry of that spring evening will reside with me for my lifetime. I was honored to share it all right at the table with our leader and Erma.

That memory is but one that came to me as I began to reflect on Robert Byrd and the leadership of the Senate, in this last year of his time in that all-important role. He is a man I have come to greatly respect. We all do that. It comes with the territory. Just knowing him, you do come to a degree of awesome respect. That does not mean that we will not have some rich scraps. Oh, no, for he will like that, too. But it does mean that it is a relationship that has that kind of a base. When you have that kind of base, you can go through pain and anguish, yes, even bitterness and dislike—it all skips off the surface of that base. You cannot impregnate it.

Mr. President, it is my observation that our leader is an individual who pauses often to think about the important things in life, things like how to respond to our fellow humans who are in extremity and how to try to smooth off for them the sharp edges of their lives.

I shall not forget one thing the leader said the night of his anniversary party. I shall have to paraphrase, but you may be sure he said it exactly and correctly. What he said, in essence, was that mercy comes from kings, but grace comes from the heart, and it is not available to buy or sell or trade. It is worth pondering, in our life here in this body, where so much rests of the responsibility of our words and actions.

So now as our leader prepares for his new and challenging roles here in the U.S. Senate, we will all reflect on our relationship with him. And we may come to as many conclusions as we number. But I do know that all of them will focus as a single beam of truth on the inescapable fact that here is a man who has literally given his entire life to public service—a man who sets the ultimate standard for dedication to a system of government and an elected body within that government. Nobody could fail to come to know that about Robert Byrd.

So I join with the many others within this chamber, and outside it, in raising a stout right hand in toast and salute to a very unique, complex, dedicated and multi-talented individual. I offer my sincere thanks for his wisdom, my appreciation for his guidance, and my admiration for his service to this country, institution and his fellow man.

FAIR ELECTIONS VITAL FOR MEXICO AND THE U.S.

Mr. DeCONCINI. Mr. President, I rise today to address the upcoming Presidential election in Mexico on July 6, 1988, and to stress the vital importance that free and fair elections would demonstrate to both Mexicans and Americans. The outcome and the electoral process are equally important in establishing a more open democratic system. On July 6 the Mexican people will go to the polls to exercise their right to select a new President for themselves and for their country. Mexico is a country at a critically important juncture in its history. It is a country in severe economic distress which faces a staggering foreign debt. It is a country experiencing limited economic growth. It is a country where reforms are desperately needed to reverse the conditions jeopardizing the well-being and security of its people. During this tumultuous time in Mexico, it is especially important that the Mexican people are guaranteed a means to improve their situation through free and fair elections.

Historically, the legitimacy of the Mexican Presidential election has been controversial. The PRI Party has never allowed a legitimate challenge. Mexico is a country where the voters often know who the next President will be months before the election. Mexico is a country where the percentage of the winning candidate is known months before the election. While this "certainty of succession" might diminish with the emergence of published polling results and 3 Presidential candidates on the ballot, a history of election fraud overshadows any signs of improvement. We saw the fraud and corruption in Chihuahua last year. The climate in Mexico is one that is calling for change, and one way of instigating change is by ensuring a genuine democratic electoral process.

I strongly believe that we must urge Mexico to take complete responsibility for assuring a democratic election process. It is not words that can guarantee democracy for the Mexican people but measures which illustrate a commitment to backing those words. A system of overseeing the accuracy and integrity of the electoral process should be established in Mexico. The Mexican Government should openly promote and implement checking procedures. It should create committees to oversee the election procedures consisting of a cross-section of people with diverse political views. This step could help ensure that electoral fraud is not the means by which Mexico's President is elected. While the infrastructure of the Mexican Government has remained stable since the Mexican Revolution, it will not continue to be unless the Government responds to the will of the people.

The will of the people is best demonstrated through their right to vote. I strongly encourage the Mexican Government to do everything in its power to help ensure fair and free elections. This is in Mexico's interest and United States' interests as well.

SUPREME COURT UPHOLDS INDEPENDENT COUNSEL LAW

Mr. LEVIN. Mr. President, today the U.S. Supreme Court handed down a long-awaited decision. By a vote of 7 to 1, the Court upheld the constitutionality of the independent counsel law.

The High Court's action is a great victory for our system of justice and for the independent prosecution of high level Government executives suspected of criminal wrongdoing.

It was more than 10 years ago that Congress began work on legislation to prevent a reoccurrence of the Watergate scandal, including the incident in which the President fired a special prosecutor hired by the Justice Department to investigate persons close to the President. In 1978, as part of the Ethics in Government Act, Congress first enacted the provisions allowing for the appointment of independent counsels to investigate and prosecute persons close to the President who are suspected of criminal wrongdoing. In 1983, Congress reauthorized the independent counsel law with a number of important improvements to resolve constitutional concerns. Just last year, Congress again reauthorized the law, again with key improvements. On each occasion, the legislation was the product of bipartisan effort and enjoyed widespread support. Today, Congress' hard work and constant attention to constitutional questions paid off. The Supreme Court upheld every important aspect of this carefully crafted statute.

The validation of the independent counsel law means that the lesson of Watergate—the need for independent criminal investigations and prosecutions of persons close to the President—has been learned and has become an accepted part of American jurisprudence. It means that investigations and prosecutions of high level executive branch officials will be able to proceed with the measure of independence that will ensure public confidence in our criminal justice system.

The validation of the law is also a validation of Congress, demonstrating how the legislature can work within the confines of the Constitution to provide solutions to difficult problems. Democrats and Republicans worked together to produce the independent counsel law. I want to commend in particular my colleague from Maine, Senator Cohen, who has worked on this statute from its inception and has shown such leadership on it within the

Senate. I am proud to have worked side by side with him on a bipartisan basis to reach this successful conclusion to Congress' efforts.

Finally, today's opinion shows that the opposition of the current Justice Department to the independent counsel statute was short-sighted and ill-advised. The arguments of the Justice Department were resoundingly rejected by the Supreme Court, and they have been laid to rest.

I ask unanimous consent to have printed in the Record a copy of the syllabus from the Supreme Court summarizing its decision to uphold the independent counsel statute. Due to its length, I will not ask the full text of the opinion to be reprinted here. At the same time, because the opinion is instructive on a host of constitutional issues, I urge my colleagues to take the time to review it in its entirety.

There being no objection, the syllabus was ordered to be printed in the Record, as follows:

SUPREME COURT OF THE UNITED STATES

[Syllabus]

Morrison, Independent Counsel v. Olson et al.

APPEAL FROM THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

No. 87-1279. Argued April 26, 1988—Decided June 29, 1988

The case presents the question of the constitutionality of the independent counsel provisions of the Ethics in Government Act of 1978 (Act). It arose when the House Judiciary Committee began an investigation into the Justice Department's role in a controversy between the House and the Environmental Protection Agency (EPA) with regard to the Agency's limited production of certain documents that had been subpoenaed during an earlier House Investigation. The Judiciary Committee's Report suggested that an official of the Attorney General's Office (appellee Olson) had given false testimony during the earlier EPA investigation, and that two other officials of that Office (appellees Schmults and Dinkins) had obstructed the EPA investigation by wrongfully withholding certain documents. A copy of the Report was forwarded to the Attorney General with a request, pursuant to the Act, that he seek appointment of an independent counsel to investigate the allegations against appellees. Ultimately, pursuant to the Act's provisions, the Special Division (a special court created by the Act) appointed appellant as independent counsel with respect to Olson only, and gave her jurisdiction to investigate whether Olson's testimony, or any other matter related thereto, violated federal law, and to prosecute any violations. When a dispute arose between independent counsel and the Attorney General, who refused to furnish as "related matters" the Judiciary Committee's allegations against Schmults and Dinkins, the special Division ruled that its grant of jurisdiction to counsel was broad enough to permit inquiry into whether Olson had conspired with others, including Schmults and Dinkins, to obstruct the EPA investigation. Appellant then caused a grand jury to issue subpoenas on appellees, who moved in Federal District Court to quash the subpoenas, claiming that the Act's independent counsel provisions were unconstitutional and that appellant accordingly had no authority to proceed. The court upheld the Act's constitutionality, denied the motions, and later ordered that appellees be held in contempt for continuing to refuse to comply with the subpoenas. The Court of Appeals reversed, holding that the Act violated the Appointments Clause of the Constitution, ARt. II, § 2, cl. 2; the limitations of Article III; and the principle of separation of powers by interfering with the President's authority under Article II.

Held:

1. There is no merit to appellant's contention—based on *Blair* v. *United States,* 250 U.S. 273, which limited the issues that may be raised by a person who has been held in contempt for failure to comply with a grand jury subpoena—that the constitutional issues addressed by the Court of Appeals cannot be raised on this appeal from the District Court's contempt judgment. The Court of Appeals ruled that, because appellant had failed to object to the District Court's consideration of the merits of appellees' constitutional claims, she had waived her opportunity to contend on appeal that *Blair* barred review of those claims. Appellant's contention is not " jurisdictional" in the sense that it cannot be waived by failure to raise it at the proper time and place. Nor is it the sort of claim which would defeat jurisdiction in the District Court by showing that an Article III "Case or Controversy" is lacking. Pp. 10-11.

2. It does not violate the Appointments Clause for Congress to vest the appointment of independent counsel in the Special Division. Pp. 11-18.

(a) Appellant is an "inferior" officer for purposes of the Clause, which—after providing for the appointment of certain federal officials ("principal" officers) by the President with the Senate's advice and consent—states that "the Congress may by Law vest the Appointment of such inferior Officers, as they think proper, in the President alone, in the Courts of Law, or in the Heads of Departments." Although appellant may not be "subordinate" to the Attorney General (and the President) insofar as, under the Act, she possesses a degree of independent discretion to exercise the powers delegated to her, the fact that the Act authorizes her removal by the Attorney General indicates that she is to some degree "inferior" in rank and authority. Moreover, appellant is empowered by the Act to perform only certain, limited duties, restricted primarily to investigation and, if appropriate, prosecution for certain federal crimes. In addition, appellant's office is limited in jurisdiction to that which has been granted by the Special Division pursuant to a request by the Attorney General. Also, appellant's office is "temporary" in the sense that an independent counsel is appointed essentially to accomplish a single task, and when that task is over the office is terminated, either by counsel herself or by action of the Special Division. Pp. 11-14.

(b) There is no merit to appellees' argument that, even if appellant is an "inferior" officer, the Clause does not empower Congress to place the power to appoint such an officer outside the Executive Branch—that is, to make "interbranch appointments." The Clause's language as to "inferior" officers admits of no limitation on interbranch appointments, but instead seems clearly to give Congress significant discretion to determine whether it is "proper" to vest the appointment of, for example, executive officials in the "courts of Law." The Clause's history provides no support for appellees' position. Moreover, Congress was concerned when it created the office of independent counsel with the conflicts of interest that could arise in situations when the Executive Branch is called upon to investigate its own high-ranking officers, and the most logical place to put the appointing authority was in the Judicial Branch. In light of the Act's provision making the judges of the Special Division ineligible to participate in any matters relating to an independent counsel they have appointed, appointment of independent counsels by that court does not run afoul of the constitutional limitation on "incongruous" interbranch appointments. Pp. 14-18.

3. The powers vested in the Special Division do not violate Article III, under which executive or administrative duties of a nonjudicial nature may not be imposed on judges holding office under Article III. Pp. 18-26.

(a) There can be no Article III objection to the Special Division's exercise of the power, under the Act, to appoint independent counsel, since the power itself derives from the Appointments Clause, a source of authority for judicial action that is independent of Article III. Moreover, the Division's Appointments Clause powers encompass the power to define the independent counsel's jurisdiction. When, as here, Congress creates a temporary "office," the nature and duties of which will by necessity vary with the factual circumstances giving rise to the need for an appointment in the first place, it may vest the power to define that office's scope in the court as an incident to the appointment of the officer pursuant to the Appointments Clause. However, the jurisdiction that the court decides upon must be demonstrably related to the factual circumstances that gave rise to the Attorney General's request for the appointment of independent counsel in the particular case. P. 20-21.

(b) Article III does not absolutely prevent Congress from vesting certain miscellaneous powers in the Special Division under the Act. One purpose of the broad prohibition upon the courts' exercise of executive or administrative duties of a nonjudicial nature is to maintain the separation between the Judiciary and the other branches of the Federal Government by ensuring that judges do not encroach upon executive or legislative authority or undertake tasks that are more properly accomplished by those branches. Here, the Division's miscellaneous powers—such as the passive powers to "receive" (but not to act on or specifically approve) various reports from independent counsel or the Attorney General—do not encroach upon the Executive Branch's authority. The Act simply does not give the Division power to "supervise" the independent counsel in the exercise of counsel's investigative or prosecutorial authority. And, the functions that the Division is empowered to perform are not inherently "Executive," but are directly analogous to functions that federal judges perform in other contexts. Pp. 21-22.

(c) The Special Division's power to terminate an independent counsel's office when counsel's task is completed—although "administrative" to the extent that it requires the Division to monitor the progress of counsel's proceedings and to decide whether counsel's job is "completed"—is not such a significant judicial encroachment upon executive power or upon independent counsel's prosecutorial discretion as to require that the Act be invalidated as inconsistent with Article III. The Act's termination provisions do not give the Division anything approaching the power to *remove* the counsel while an investigation or court proceeding is still underway—this power is vested solely in the Attorney General. Pp. 23-24.

(d) Nor does the Special Division's exercise of the various powers specifically granted to it pose any threat to the impartial and independent federal adjudication of claims within the judicial power of the United States. The Act gives the Division itself no power to review any of the independent counsel's actions or any of the Attorney General's actions with regard to the counsel. Accordingly, there is no risk of partisan or biased adjudication of claims regarding the independent counsel by that court. Moreover, the Act prevents the Division's members from participating in "any judicial proceeding concerning a matter which involves such independent counsel while such independent counsel is serving in that office or which involves the exercise of such independent counsel's official duties, regardless of whether such independent counsel is still serving in that office." Pp. 24-26.

4. The Act does not violate separation of powers principles by impermissibly interfering with the functions of the Executive Branch. Pp. 26-37.

(a) The Act's provision restricting the Attorney General's power to remove the independent counsel to only those instances in which he clan show "good cause," taken by itself, does not impermissibly interfere with the President's exercise of his constitutionally appointed functions. Here, Congress has not attempted to gain a role in the removal of executive officials other than its established powers of impeachment and conviction. The Act instead puts the removal power squarely in the hands of the Executive Branch. *Bowsher* v. *Synar*, 478 U.S. 714; and *Myers* v. *United States*, 272 U.S. 52, distinguished. The determination of whether the Constitution allows Congress to impose a "good cause"-type restriction on the President's power to remove an official does not turn on whether or not that official is classified as "purely executive." The analysis contained in this Court's removal cases is designed not to define rigid categories of those officials who may or may not be removed at will by the President, but to ensure that Congress does not interfere with the President's exercise of the "executive power" and his constitutionally appointed duty to "take care that the laws be faithfully executed" under Article II. Cf. *Humphrey's Executor* v. *United States*, 295 U.S. 602; *Wiener* v. *United States*, 357 U.S. 349. Here, the Act's imposition of a "good cause" standard for removal by itself does not unduly trammel on executive authority. The congressional determination to limit the Attorney General's removal power was essential, in Congress' view, to establish the necessary independence of the office of independent counsel. Pp. 27-34.

(b) The Act, taken as a whole, does not violate the principle of separation of powers by unduly interfering with the Executive Branch's role. This case does not involve an attempt by Congress to increase its own powers at the expense of the Executive Branch. The Act does empower certain Members of Congress to request the Attorney General to apply for the appointment of an independent counsel, but the Attorney General has no duty to comply with the request, although he must respond within a certain time limit. Other than that, Congress' role under the Act is limited to receiving reports or other information and to oversight of the independent counsel's activities, functions that have been recognized generally as being incidental to the legislative function of Congress. Similarly, the Act does not work any judicial usurpation of properly executive functions. Nor does the Act impermissibly undermine the powers of the Executive Branch, or disrupt the proper balance between the coordinate branches by preventing the Executive Branch from accomplishing its constitutionally assigned functions. Even though counsel is to some degree "independent" and free from Executive Branch supervision to a greater extent than other federal prosecutors, the Act gives the Executive Branch sufficient control over the independent counsel to ensure that the President is able to perform his constitutionally assigned duties. Pp. 34-37.

—— U.S. App. D.C. ——, 838 F.2d 476, reversed.

Rehnquist, C.J., delivered the opinion of the Court, in which Brennan, White, Marshall, Blackmun, Stevens, and O'Connor, JJ., joined. Scalia, J., filed a dissenting opinion. Kennedy, J., took no part in the consideration or decision of the case.

TRIBUTE TO THE MAJORITY LEADER, SENATOR ROBERT BYRD OF WEST VIRGINIA

Mr. GORE. Mr. President, I want to join my colleagues in thanking the majority leader for his many years of distinguished service to the Senate and the country. I know that the senior Senator from West Virginia will go on to make as great a contribution to this body as chairman of the Appropriations Committee as he has done in the offices of minority and majority leader.

In the 3 years since I came to the Senate, I have developed great respect for Senator Byrd's legislative talents. As a member of the Rules Committee, I had an opportunity to work closely with him in opening the doors of the Senate to television. I had taken part in a similar experiment in the House of Representatives, and I was pleased to discover that Senator Byrd shared the conviction that the time had come to move the Senate forward into the television age.

At first, some Members of the Senate had doubts. But the majority leader patiently rallied support for the idea and quietly persevered. In March 1986, the Senate voted to give the idea a chance. I trust that most Senators would now agree that the television experiment has been a great success. Senator Byrd deserves credit for his foresight and hard work.

The majority leader has shown great concern for the traditions of the Senate, and for its future. We have accomplished a great deal under his leadership. He has been fair to the interests of the minority, while helping Democrats return to the majority. Today, our party is in a position not only to retain control of the Senate, but to take back the White House.

Senator Byrd has earned our gratitude for his endless patience, his attention to detail, and his innovative leadership. Members on both sides of the aisle will agree that he always put the best interests of the Senate foremost in his heart. I know that I speak for every Senator in thanking the majority leader for his lasting contributions, and in wishing him well in years to come. He is a great man, a Senators' Senator, a majority leader who will go down in history as one of our best, if not the best, and a friend who will continue serving with us.

SUPREME COURT UPHOLDS INDEPENDENT COUNSEL LAW

Mr. BYRD. Mr. President, the U.S. Supreme Court today upheld the provisions of the Ethics in Government Act which authorize the appointment of independent counsels to investigate and prosecute high-level Government officials.

This decision is of great importance to the Congress in our efforts to insure the honesty and integrity of those who work for the people.

Critics of the Ethics in Government Act had argued that the appointment of independent counsels by the courts violates the principle of separation of powers, because the President cannot completely control the prosecutorial powers of the counsel. Today's decision confirms the commonsense conclusion to the contrary—that the appointment of independent counsels promotes the separation of powers. Those of us who lived through the Watergate experience know first hand that the executive branch cannot always be expected to investigate and prosecute itself. We should never forget that the country was sent into a crisis of historic dimensions when the President fired an attorney general who was trying to maintain an independent probe of executive misconduct. The Ethics in Government Act was enacted as a consequence of this incident, and the law provides a method to insulate an investigator from pressure exerted by those being investigated.

Today's decision removes a cloud from current and future investigations and prosecutions. It also removes a possible impediment to legislation to tighten the restrictions on lobbying activities by those who leave Government employment.

I am pleased that the Supreme Court has found that the Congress was acting within its authority by providing for truly independent review of alleged impropriety by Government officials.

MESSAGES FROM THE HOUSE

At 12:02 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the bill (S. 1518) to amend the Motor Vehicle Information and Cost Savings Act to provide for the appropriate treatment of methanol and ethanol, and for other purposes, with an amendment; it insists upon its amendment to the said bill, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. DINGELL, Mr. SHARP, Mr. BRUCE, Mr. LENT, and Mr. MOORHEAD as managers of the conference on the part of the House.

At 2:23 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the bill (H.R. 4639) to amend the Higher Education Act of 1965 to prevent abuses in the Supplemental Loans for Students Program under part B of title IV of the Higher Education Act of 1965, and for other purposes.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4794. An Act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1989 and for other purposes.

The message further announced that pursuant to the provisions of section 491 of the Higher Education Act of 1965, as amended by section 407 of Public Law 99-498, the Speaker reappoints the following member on the part of the House from private life, to the Advisory Committee on Student Financial Assistance: Mr. Joseph L. McCormick of Austin, TX.

The message also announced that pursuant to the provisions of Senate Concurrent Resolution 105 of the 100th Congress, the Speaker appoints to the Joint Congressional Committee on Inaugural Ceremonies the following Members on the part of the House: Mr. WRIGHT, Mr. FOLEY, and Mr. MICHEL.

At 4:34 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the bill (S. 1382) to amend the National Energy Conservation Policy Act to improve the Federal Energy Management Program, and for other purposes; with amendments, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the bill (S. 2203) to extend the expiration date of title II of the Energy Policy and Conservation Act; with an amendment, in which it requests the concurrence of the Senate.

The message further announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4867. An Act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1989, and for other purposes.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 4794. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1989, and for other purposes; to the Committee on Appropriations.

H.R. 4867. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1989, and for other purposes; to the Committee on Appropriations.

MEASURES PLACED ON THE CALENDAR

The Committe on the Judiciary was discharged from the further consideration of the following bill, which was placed on the calendar:

S. 473. A bill to regulate interstate commerce by providing for uniform standards of liability for harm arising out of general aviation accidents.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3477. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, a semiannual report on the activities of the Office of the Inspector General for the period October 1, 1987, through March 31, 1988; to the Committee on Governmental Affairs.

EC-3478. A communication from the Secretary of Transportation, transmitting, pursuant to law, the semiannual report of the Inspector General for the period ending March 31, 1988; to the Committee on Governmental Affairs.

EC-3479. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, the semiannual report on audit, inspection, and investigative operations for the 6-month period ending March 31, 1988; to the Committee on Governmental Affairs.

EC-3480. A communication from the Director of the Office on Personnel Management, transmitting, pursuant to law, the annual report on drug and alcohol abuse prevention, treatment and rehabilitation programs and services for Federal civilian employees; to the Committee on Governmental Affairs.

EC-3481. A communication from the Acting Administrator of the General Services Administration, transmitting, pursuant to law, the fifth biennial report on excess and surplus personal property programs for the 2-year period from October 17, 1985, through October 16, 1987; to the Committee on Governmental Affairs.

EC-3482. A communication from the Records Officer of the U.S. Postal Service, transmitting, pursuant to law, notice of a computer matching program between the Postal Service and the State of Utah; to the Committee on Governmental Affairs.

EC-3483. A communication from the chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 7-189 adopted by the council on May 31, 1988; to the Committee on Governmental Affairs.

EC-3484. A communication from the chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 7-188 adopted by the council on May 31, 1988; to the Committee on Governmental Affairs.

EC-3485. A communication from the Chairman of the U.S. Systems Protection Board, transmitting, pursuant to law, the ninth annual report of the Board covering the activities for the fiscal year 1987; to the Committee on Governmental Affairs.

EC-3486. A communication from the Administrator of the Agency for International Development, transmitting, pursuant to law, the semiannual report of the inspector general for the period covering October 1, 1987, through March 31, 1988; to the Committee on Governmental Affairs.

EC-3487. A communication from the Records Officer of the U.S. Postal Service, transmitting, pursuant to law, notice of a computer matching program between the Postal Service and the city of New York; to the Committee on Governmental Affairs.

EC-3488. A communication from the chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 7-190 adopted by the council on May 31, 1988; to the Committee on Governmental Affairs.

EC-3489. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled "The Implementation of the Child Abuse Amendments of 1984 Relating to Disabled Infants with Life-threatening Conditions"; to the Committee on Labor and Human Resources.

EC-3490. A communication from the Administrator of the Environmental Protection Agency; transmitting, pursuant to law, the annual report of the Asbestos School Hazard Abatement Act for 1986 and 1987; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BURDICK, from the Committee on Environment and Public Works, with an amendment in the nature of a substitute and an amendment to the title:

S. 2068. A bill to amend the Marine Protection, Research and Sanctuaries Act to protect marine and near shore coastal waters through establishment of regional marine research centers (Rept. No. 100-406).

By Mr. BENTSEN, from the Committee on Finance, without amendment:

S. 2595. An original bill to authorize appropriations for fiscal year 1989 for the Office of the U.S. Trade Representative, the U.S. International Trade Commission, and the U.S. Customs Service (Rept. No. 100-407).

● Mr. BENTSEN. Mr. President, I rise today on behalf of the Committee on Finance, which has reported an original bill providing fiscal year 1989 authorizations of appropriations for three international trade agencies—the U.S. Customs Service, the Office of the U.S. Trade Representative [USTR], and the U.S. International Trade Commission [ITC]. With regard to the latter two agencies, the committee has recommended authorization of the amount contained in each agency's budget request, almost $15.4 million for the USTR and $37 million for the ITC. These amounts should be sufficient to allow each to carry out its important responsibilities over trade.

Since the Senate is now debating the Treasury appropriations bill, I think it is appropriate to devote most of my remarks to the committee's budget authorization for the Customs Service. The committee's bill authorizes nearly $1.19 billion for Customs. This is $79 million above what the President's budget requested.

The reason for the additional funding is simple. After considering the testimony submitted to it, the Committee on Finance concluded that attempting to maintain Customs at roughly the budget level of fiscal year 1988, as the President's budget requested, was insufficient. The Customs Service is responsible both for facilitating a growing amount of legitimate trade and for policing our border to interdict illicit drugs and curb abuses of commercial trade. It enforces some 400 regulatory laws on behalf of 40 other Federal agencies. The amount of goods it processes has increased each year of this decade, while we in the Congress have handed it a major part of the task of stopping drugs.

Plainly put, the Customs Service needs to grow. The Finance Committee, as has the Appropriations Committee, has recommended addition of 700 new Customs personnel. These people are sorely needed to shore up commercial operations at our Nation's ports. They will give Customs the resources and flexibility to place its inspectors, import specialists, and other trained personnel where they are most needed.

We should not forget, also, that the Customs Service is a revenue-raising agency. It is estimated to return at present $17 for each dollar appropriated to it, plus $3 at the margin for each additional dollar appropriated.

The authorization bill also contains a small provision that the Senate should consider carefully. It provides authorization of $1.6 million to pay U.S. dues to the Customs Cooperation Council [CCC], the international body that drafted the Harmonized Tariff System and works to bring consistency into the customs procedures of its member countries. The United States is in arrears to the CCC by that amount, and failure to bring its account up to date threatens to damage the international prestige of the United States and weaken its ability to act effectively within that organization.

It proved to be very timely to bring this authorization bill to the Senate's attention at the present time. I strongly urge the Members to consider the report of the Finance Committee as it acts on the Treasury appropriation.●

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 1544. A bill to amend the National Trails System Act to provide for cooperation with State and local governments for the improved management of certain Federal lands, and for other purposes (Rept. No. 100-408).

By Mr. GLENN, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 1081. A bill to establish a coordinated National Nutrition Monitoring and Related Research program, and a comprehensive plan for the assessment of the nutritional and dietary status of the United States population and the nutritional quality of the United States food supply, with provision for the conduct of scientific research and development in support of such program and plan (Rept. No. 100-409).

By Mr. INOUYE, from the Select Committee on Indian Affairs, with an amendment in the nature of a substitute:

S. 2153. A bill to provide for the settlement of the water rights claims of the Salt River Pima-Maricopa Indian Community in Maricopa County, AZ, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources:

Frederick K. Goodwin, of Maryland, to be Administrator of the Alcohol, Drug Abuse, and Mental Health Administration.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MELCHER:

S. 2587. A bill to provide for the control of noxious weeds on Federal lands; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HECHT (for himself, Mr. Symms, and Mr. Gramm):

S. 2588. A bill to suspend the Panama Canal Treaties until such time as Gen. Manuel Noriega and his associates similarly involved in the drug trafficking relinquish political or military control over Panama; to the Committee on Foreign Relations.

By Mr. DeCONCINI:

S. 2589. A bill to amend the Internal Revenue Code to restore the deduction for capital gains of individuals, to ensure that the rate of tax on long-term capital gains of individuals does not exceed 21 percent, and for other purposes; to the Committee on Finance.

By Mr. McCONNELL (for himself, Mr. Dole, Mr. Simpson, Mr. Boschwitz, Mr. Stevens, Mr. Weicker, Mr. Thurmond, Mr. Hatch, Mr. Garn, Mr. Gramm, Mr. Cochran, Mr. McClure, Mr. Trible, Mr. Quayle, Mr. Wilson, Mr. Domenici, Mr. Murkowski, Mr. Symms, Mr. Wallop, Mr. Karnes, Mr. Humphrey, Mr. Nickles, Mr. Hecht, Mr. Rudman, Mr. Armstrong, and Mr. Grassley):

S. 2590. A bill to amend the Federal Election Campaign Act of 1971 to repeal public financing and spending limits in Presidential elections, prohibit contributions to Presidential candidates by multicandidate political committees, require disclosure of attempts to influence Presidential elections through "soft money" and independent expenditures, and correct inequities resulting from personal financing of Presidential campaigns; to the Committee on Finance.

By Mr. BAUCUS:

S. 2591. A bill to amend the Agricultural Act of 1949 to provide drought relief to agricultural producers by requiring that deficiency payments paid to producers for the 1988 crop year in counties declared disaster areas be based on 92 percent of the projected payment rate, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. CRANSTON:

S. 2592. A bill to require the Secretary of Health and Human Services to develop and implement specific criteria for determining the eligibility of individuals with symptomatic human immunodeficiency virus infection for disability-related benefits under titles II and XVI of the Social Security Act, and for other purposes; to the Committee on Finance.

By Mr. BOSCHWITZ:

S. 2593. A bill for the relief of Taras Eugene Bileski and Rina Bileski; to the Committee on the Judiciary.

By Mr. DANFORTH:

S. 2594. A bill to amend the Internal Revenue Code of 1986 to provide a credit against tax for employers who pay the costs of employee assistance programs; to the Committee on Finance.

By Mr. BENTSEN from the Committee on Finance:

S. 2595. An original bill to authorize appropriations for fiscal year 1989 for the Office of the U.S. Trade Representative, the U.S. International Trade Commission, and the U.S. Customs Service; placed on the calendar.

By Mr. HEINZ:

S. 2596. A bill to extend the period in which a certain certification under subchapter A of chapter 2 of title II of the Trade Act of 1974 is in effect; to the Committee on Finance.

By Mr. INOUYE (for himself, Mr. Burdick, Mr. Grassley, Mr. Durenberger, Mr. Shelby, Mr. Wirth, Mr. Rockefeller, Mr. Gore, Mr. Cochran, Mr. Baucus, Mr. Exon, Mr. Conrad, Mr. Simon, and Mr. Kasten):

S. 2597. A bill to establish an interdisciplinary training grant program for the benefit of rural areas; to the Committee on Labor and Human Resources.

By Mr. KASTEN (for himself, Mr. Lautenberg, Mr. Stevens, and Mr. Reid):

S. 2598. A bill to ensure that waste exported from the United States to foreign countries is managed in a manner so as to protect human health and the environment; to the Committee on Environment and Public Works.

By Mr. GORE (for himself and Mr. D'Amato):

S. 2599. A bill to require the Consumer Product Safety Commission to complete rulemaking proceedings regarding all-terrain vehicles in order to promote the safety of consumers; to the Committee on Commerce, Science, and Transportation.

By Mr. MATSUNAGA:

S. 2600. A bill to amend the Federal Unemployment Tax Act with respect to employment performed by certain employees of educational institutions; to the Committee on Finance.

By Mr. HEFLIN (for himself, Mr. DeConcini, Mr. Kennedy, and Mr. Specter):

S. 2601. A bill to amend section 371 of title 28, United States Code, to allow a Federal judge who is at least 60 years of age and has completed 20 years of service to retire from regular active service; to the Committee on the Judiciary.

By Mr. MITCHELL (for himself, Mr. Chafee, and Mr. Lautenberg):

S. 2602. A bill to establish the Regional Marine Research Trust Fund, and for other purposes; to the Committee on Environment and Public Works.

By Mr. MELCHER (for himself, Mr. Burdick, Mr. Heflin, Mr. Boren, Mr. Daschle, Mr. Exon, Mr. Conrad, Mr. Levin, Mr. Harkin, Mr. Metzenbaum, Mr. Sanford, Mr. Breaux, Mr. Baucus, Mr. Moynihan, Mr. Sarbanes, Mr. Fowler, Mr. Dixon, Mr. Simon, and Mr. Johnston):

S. 2603. A bill to amend the Agricultural Act of 1949 to provide drought relief, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. CRANSTON (for himself and Mr. Wilson):

S. 2604. A bill to authorize the conveyance of the vessel, Lane Victory; to the Committee on Commerce, Science, and Transportation.

By Mr. KENNEDY (for himself, Mr. Simpson, and Mr. Simon):

S. 2605. A bill to amend the Immigration and Nationality to extend for 3 years the authorization of appropriations for refugee assistance, and for other purposes; to the Committee on the Judiciary.

By Mr. HEFLIN:

S. 2606. A bill entitled the "Agricultural Drought Relief Act of 1988"; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. GLENN:

S. 2607. A bill to reauthorize appropriations and modify administrative organization and activities of the Interagency Council on the Homeless, and for other purposes; to the Committee on Governmental Affairs.

By Mr. SYMMS:

S. 2608. A bill to repeal the requirement that taxpayers include on an income return a tax identification number for claimed dependents who have attained the age of 5 years; to the Committee on Finance.

By Mr. DANFORTH (for himself, Mr. Boren, Mr. Durenberger, Mr. Bond, Mr. Baucus, Mr. Karnes, Mr. Riegle, Mr. Heinz, Mr. Wallop, Mr. Burdick, Mr. Daschle, Mr. Kasten, Mr. Quayle, Mr. Pryor, Mrs. Kassebaum, Mr. Symms, Mr. McClure, Mr. Pressler, Mr. Warner, and Mr. McConnell):

S. 2609. A bill to amend the Internal Revenue Code of 1986 to provide that the special rule for proceeds from livestock sold on account of drought apply to livestock used for draft, breeding, dairy or sporting purposes; to the Committee on Finance.

By Mr. CHAFEE (for himself and Mr. Durenberger):

S. 2610. A bill to amend the Safe Drinking Water Act to control lead in drinking water; to the Committee on Environment and Public Works.

By Mr. TRIBLE (for himself, Mr. Warner, Mr. Bumpers, Mr. Burdick, Mr. Byrd, Mr. Chafee, Mr. Chiles, Mr. Cochran, Mr. Conrad, Mr. D'Amato, Mr. DeConcini, Mr. Dole, Mr. Domenici, Mr. Durenberger, Mr. Helms, Mr. Hollings, Mr. Humphrey, Mr. Inouye, Mrs. Kassebaum, Mr. Lautenberg, Mr. Levin, Mr. Lugar, Mr. Matsunaga, Mr. McClure, Mr. Moynihan, Mr. Pressler, Mr. Pryor, Mr. Reid, Mr. Rockefeller, Mr. Shelby, Mr. Simon, Mr. Stafford, Mr. Stennis, Mr. Thurmond, and Mr. Wilson):

S.J. Res. 345. A joint resolution to designate October 8, 1988, as "National Day of Outreach to the Rural Disabled"; to the Committee on the Judiciary.

By Mr. LAUTENBERG (for himself and Mr. Specter):

S. J. Res. 346. A joint resolution to designate March 25, 1989, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy"; to the Committee on the Judiciary.

By Mr. KENNEDY (for himself, Mr. Simpson, and Mr. Hatfield):

S.J. Res. 347. A joint resolution in support of the restoration of a free and independent Cambodia and the protection of the Cambodian people from a return to power by the genocidal Khmer Rouge; to the Committee on Foreign Relations.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BYRD (for Mr. Bumpers (for himself, Mr. Pryor, Mr. Ford, Mr. Stevens, Mr. Adams, Mr. Bond, Mr. Baucus, Mr. Weicker, Mr. Nunn, Mr. Simon, Mr. Chiles, Mr. Boren, Mr. Bradley, Mr. Burdick, Mr. D'Amato, Mr. Rockefeller, Mr. Dole, Mr. Gore, Mr. Domenici, Mr. Kennedy, Mrs. Kassebaum, Mr. Evans, Mr. Packwood, Mr. Moynihan, Mr. Wirth, Mr. Heflin, Mr. Thurmond, Mr. DeConcini, Mr. Bingaman, Mr. Garn, and Ms. Mikulski):)

S. Res. 447. Resolution commending J. Lewey Caraway on the occasion of his retirement; considered and agreed to.

By Mr. COHEN (for Mr. Stevens (for himself and Mr. Murkowski)):

S. Res. 448. Resolution to honor the Most Reverend Francis T. Hurley, Archbishop of Anchorage, for his contributions to the City of Anchorage, the State of Alaska, and his fellow man and to recognize him for being named as Alaska's first recipient of the Torch of Liberty Award; considered and agreed to.

By Mr. BYRD (for himself and Mr. Dole):

S. Res. 449. Resolution to authorize testimony of a former Senate employee and representation by the Senate Legal Counsel in the case of United States v. Burnley, et al; considered and agreed to.

By Mr. PELL (for himself, Mr. Helms, Mr. Cranston, and Mr. Murkowski):

S. Con. Res. 129. Concurrent resolution expressing the support of Congress for the Dalai Lama and his proposal to promote peace, protect the environment, and gain democracy for the people of Tibet; to the Committee on Foreign Relations.

By Mr. BYRD:

S. Con. Res. 130. Concurrent resolution providing for a conditional adjournment of the House from June 30, 1988, until July 6, 1988, and a conditional recess or adjournment of the Senate from June 29, 1988, until July 6, 1988; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MELCHER:

S. 2587. A bill to provide for the control of noxious weeds on Federal lands; to the Committee on Agriculture, Nutrition, and Forestry.

NOXIOUS WEED CONTROL ACT

● Mr. MELCHER. Mr. President, noxious weeds, such as leafy spurge and spotted knapweed, have reached epidemic proportions in some areas of the West, particularly in Montana, Idaho, Utah, North Dakota, and northeastern Wyoming. Nearly 7.5 million acres of Federal land in the West are seriously affected by noxious weeds, and their rapid spread constitutes an emergency situation.

It is well documented that many of these noxious weed species have extensive and costly impacts on human health, safety, commerce, recreation, and general well-being. Noxious weeds create a management problem that adversely affects forage production, wilderness, wildlife habitat, visual quality, reforestation, recreational opportunities, and land values.

As the spread of noxious weeds becomes alarming, many public land permittees, private landowners, and State legislators are expressing serious concerns. Their concerns are based on two facts. First, Federal lands are a major seed source of noxious weeds that are infecting private lands. Second, there is not enough consolidated Federal effort being directed to the control and management of noxious weeds on Federal lands.

There is no doubt that noxious weeds are a major problem on Federal lands, particularly lands managed by the Forest Service and the Bureau of Land Management. The current role of Federal land management agencies in noxious weed management is one of cooperating with State, county, and Federal agencies in the planning and the implementation of noxious weed management plans on Federal lands. Cooperation with State and local authorities by the Forest Service and the Bureau of Land Management has been good and is steadily increasing. These agencies do most of the weed control on Federal lands directly but in some cases, they contract with county weed control districts. Control priority is given to areawide cooperative efforts that involve all landowners in a logical control area.

In the State of Montana alone, an estimated 4.6 million acres are infested with noxious weeds, of which slightly more than 500,000 acres are lands managed by the Forest Service and the Bureau of Land Management. Spotted knapweed infests over 2 million acres in Montana, including nearly 300,000 acres of public lands managed by these two agencies. Other problem species are leafy spurge, Canada thistle, and hounds tongue.

With present technology, research, management, and funding, it is not feasible to eradicate all the noxious weeds that are adversely affecting the productivity of Federal lands across the West. For example, under current budgetary constraints, the Forest Service and the Bureau of Land Management are able to treat only about 9,000 acres of public land in Montana each year. This rate of control does not begin to keep up with the estimated 7 to 10 percent annual rate of spread of noxious weeds in Montana and other Western States. Several years of followup treatments are required to ensure extermination of existing plants and germinating seeds.

Present control efforts on National Forest System and Bureau of Land Management lands are directed at new starts, treating the perimeters and buffer zones around private land within large areas of infestation and major problem species. The goal of noxious weed control is to integrate biological and chemical controls with management techniques. Currently, chemical control is the most common control treatment for most weed species. There is a need to increase the research funding for identifying and screening nonchemical biological agents for use on weed species.

Many of our most serious weed problems are caused by species that are not native to North America. Some were imported for a proposed use and others were imported accidentally. The threat of importing new species is a continuing one and is heightened by increases in the diversity of origin and range of products imported, and the increased number of ports of entry for imported products that may harbor noxious weed propagules.

The legislation I am introducing today would authorize and direct the Secretary of Agriculture and the Secretary of the Interior to emphasize and accelerate noxious weed control on lands under their respective jurisdictions. Annual appropriations up to $25,000,000 would be authorized. Such sums would remain available until expended. Subject to the availability of funds, the Secretaries would be directed to establish and implement a program for research, management, and control of noxious weeds.

For any noxious weed abatement program to be effective, the weeds must be treated everywhere they occur regardless of landownership. A control program that only occurs on Federal lands will be ineffective in stopping the spread of the target weeds. Although the main purpose of my bill would be to accelerate the control of noxious weeds on Federal lands, the Secretaries would also be authorized to cooperate with Federal, State, and local government agencies, and private landowners in the prevention, detection, evaluation, and control of noxious weeds, and to make grants and enter into contracts and cooperative agreements to carry out the purposes of the act. Specific project financing methods would be negotiated among the cooperating parties. A coordinated, comprehensive State-by-State plan is basic, with each State taking a lead role in the development of such a plan on non-Federal lands.

The Secretary of Agriculture, through the Forest Service, would have the lead in carrying out the act. The Secretary would also secure uniformity of implementation by coordinating with the Department of the Interior, any other Federal agency, and any appropriate State or local agency.

The Secretary of Agriculture would have the lead in designating noxious weed species, with each State taking a lead role in development of noxious weed designations on non-Federal lands. The characteristics listed for each designated species would be those recommended to the Secretaries of Agriculture and the Interior by an ad hoc committee on noxious weeds.

Mr. President, there is a serious need to increase public awareness and to be much more positive and proactive in noxious weed management, particularly on our Federal lands. We must encourage the transfer of improved technology, development of techniques to prevent the spread and further dispersal of noxious weeds, implement those proven biological control methods, and reinforce proven weed management programs.

I want to reemphasize that noxious weeds are a problem that affects many resources, not just livestock forage and crops. Wilderness, wildlife habitat, visual quality, reforestation, recreation opportunities, and land values are all being negatively affected.

I urge my colleagues to join with me in support of this much needed legislation, and I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Noxious Weed Control Act of 1988".

SEC. 2. FINDINGS, PURPOSES AND DEFINITION.

(a) Congress finds that noxious weeds are adversely affecting Federal land resources, and that their rapid spread constitutes an emergency situation.

(b) The purpose of this act is to authorize the Secretary of Agriculture and the Secretary of the Interior to control noxious weeds on and affecting lands under their respective jurisdictions.

(c) For purposes of this act, a noxious weed is defined as leafy spurge, knapweeds, and any other plant species designated as such by the Secretary of Agriculture, Secretary of the Interior, or by State law or regulation. Generally, noxious weeds will possess one or more of the characteristics of being aggressive and difficult to manage, parasitic, a carrier or host of serious insects or disease, and being native or new to or not common to the United States.

SEC. 3. IMPLEMENTATION.

(a) Subject to the availability of funds, the Secretary of Agriculture and the Secretary of the Interior are authorized and directed to establish and implement a program for the research, management, and control of noxious weeds. The Secretaries are authorized to cooperate with Federal, State and local government agencies, and private landowners, in the prevention, detection, evaluation, and control of noxious weeds, and to make grants and enter into contracts and cooperative agreements to effect the purposes of this act.

(b) The Secretary of Agriculture shall secure uniformity of implementation of this Act by coordinating with the Department of the Interior, any other Federal agency, and any appropriate State or local agency.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated annually the sum of $25,000,000 for the purposes of this act. Such sums shall remain available until expended.●

By Mr. HECHT (for himself, Mr. SYMMS, and Mr. GRAMM):

S. 2588. A bill to suspend the Panama Canal Treaties until such time as Gen. Manuel Noriega and his associates similarly involved in the drug trafficking relinquish political or military control over Panama; to the Committee on Foreign Relations.

SUSPENSION OF PANAMA CANAL TREATIES

Mr. HECHT. Mr. President, recently, I was considering the debate which took place on the giveway of the Panama Canal. As this body is well aware, April 18 of this year marked the tenth anniversary of the 68 to 32 decision that sent the canal into the hands of corrupt, drug-trafficking dictators. I was opposed to this giveaway then, and had I been a member of the Senate in 1978, I would voted against giving up the canal. I believe the vast majority of Americans would have as well.

Mr. President, Panama fills our daily headlines with news about Gen. Manuel Noriega thumbing his nose at the United States while operating in an atmosphere of impunity and contempt. This is especially galling to Americans who, seeing an asset rightfully American given to Panama, now observe Panama exporting drugs into our homes and schools. This is outrageous, Mr. President, and I think this body needs to finally stand up and tell Noriega and Panama in no uncertain terms that neither he nor other dictators are free to violate the laws of the United States, especially when their crimes serve to harm the youth of America.

When the Senate voted to give the canal away 1978, Americans were told that the intransigence of the opponents would create a fertile ground for the Soviet Union in the Western Hemisphere. We were told time and time again that the stubborn and hardheaded attitude against giving away the canal was all that stood in the way of a new era of sunshine and democracy from Panama to Mexico. We were told that if we would just take this one step and give away sovereign United States territory, the Panamanian dictatorship—already known to be involved in drug trafficking—would be replaced with a broad-based democratic system.

Well, Mr. President, much has happened since April 18, 1978, and I believe that it is time to take account of the Gap between the promises proffered to us then and the reality that has happened now.

First, within a matter of months of the canal giveaway, the Soviet Union seized Nicaragua as a new client state. That regime remains in power, it has consolidated its dictatorial grip, and relies heavily on the Soviet, Cuban, and East German military for its sustenance.

Second, we all know the Soviet Union attempted to seize El Salvador through a Communist insurgency launched and supported from Nicaragua. Similar insurgencies have also been launched against Honduras and Guatemala.

And, finally, as we all know Panama is still under a dictatorship. That dictatorship still trafficks in drugs and it is still corrupt.

Mr. President, I wonder who would have voted for the Panama Canal giveaway had he known that following that decision Nicaragua would fall to communism, that El Salvador, Guatemala, and Honduras would all be threatened? Who would have voted yes had he known that the corrupt Panamanian dictatorship would continue? And, who would have backed this giveaway if he had known that Panama would still refuse the DeConcini reservation allowing the United States the right to unilaterally defend the canal?

We cannot allow this situation to continue at our back door, Mr. President, which is why I am today introducing legislation that would suspend America's obligation to give up U.S. rights to manage, operate, maintain, or protect the Panama Canal. Under my proposal, the Panama Canal would return to American control until such time as General Noriega and his drug trafficking associates relinguish political and military control over Panama.

Mr. President, this legislation protects American strategic and domestic interests, and assures that control of the Panama Canal will not pass to General Noriega. Moreover, any of his cronies would be included as objectional, which prevents Noriega from remaining in exiled power. I believe, Mr. President, this bill sends the strongest of signals that the United States is serious about combating the international narcotics trade and most importantly, Panamanian drug trafficking.

Mr. President, over the past few months this body has talked and talked about the drug problem facing America. Well, if we are to find a solution and remove one of the key suppliers of drugs into this country, then we must act soon. If we are serious, lets enact this bill and take back the canal to show Noriega we will not put up with his corruption. Lets take back the canal if we are serious about protecting America's youth. My legislation is the only solution, Mr. President, and I urge my colleagues to help.

By Mr. DeCONCINI:

S. 2589. A bill to amend the Internal Revenue Code to restore the deduction for capital gains of individuals, to ensure that the rate of tax on long-term capital gains of individuals does not exceed 21 percent, and for other purposes; to the Committee on Finance.

CAPITAL GAINS DEDUCTION

● Mr. DeCONCINI. Mr. President, I am introducing legislation today that will reduce the effective tax rate on capital gains by reinstating a capital gains differential.

Prior to 1987, 60 percent of any net long-term capital gains income was exempt from tax, resulting in an effective top rate of 20 percent. The Tax Reform Act of 1986 repealed the capital gains differential and income from a capital gain is now treated as ordinary income.

I am concerned that this change has resulted and will continue to result in less investment in our domestic economy. At a time when world markets are more competitive than ever, we can ill-afford an eroded investment base.

Additionally, there is a legitimate argument to be made that by eliminating a capital gains differential, we are taxing individual investors on the inflationary increases in their investments. The unfairness of this situation is clear.

Therefore, today I am introducing legislation which will reestablish a capital gains differential of 25 percent. Additionally, my bill would insure that no taxpayer pays more than a top effective rate of 21 percent on capital gain income.

I ask unanimous consent that the text of the bill be printed in the RECORD, at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2589

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. 25 PERCENT DEDUCTION FOR CAPITAL GAINS.

Part I of subchapter P of chapter 1 of the Internal Revenue Code of 1986 (relating to treatment of capital gains) is amended by adding after section 1201, the following new section:

"SEC. 1202. DEDUCTION FOR CAPITAL GAINS.

"(a) IN GENERAL.—If for any taxable year a taxpayer other than a corporation has a net capital gain, 25 percent of the amount of net capital gain shall be a deduction from gross income.

"(b) SPECIAL RULE FOR ESTATES AND TRUSTS.—In the case of an estate or trust, the deduction shall be computed by excluding the portion (if any) of the gains for the taxable year from sales or exchanges of capital assets which, under sections 652 and 662 (relating to inclusions of amounts in gross income of beneficiaries of trusts), is includible by the income beneficiaries as gain derived from the sale or exchange of capital assets.".

SEC. 2. MAXIMUM CAPITAL GAINS RATE OF 21 PERCENT.

(a) IN GENERAL.—Subsection (j) of section 1 of the Internal Revenue Code of 1986 (relating to maximum capital gains rate) is amended to read as follows:

"(j) MAXIMUM CAPITAL GAINS RATE.—If a taxpayer has a net capital gain for any taxable year, then the tax imposed by this section shall not exceed the sum of—

"(1) the lesser of—

"(A) the tax computed at the rates and in the same manner as if this subsection had not been enacted on the taxable income, or

"(B) a tax equal to the sum of—

"(i) the tax computed at the rates and in the same manner as if this section had not been enacted on the taxable income reduced by the amount of net capital gain, plus

"(ii) a tax of 21 percent of the net capital gain, plus

"(2) the amount of the increase determined under subsection (g).".

(b) PHASEOUT OF 15-PERCENT RATE AND PERSONAL EXEMPTION NOT TO APPLY TO CAPITAL GAINS.—Subparagraph (A) of section 1(g)(1) of such Code (relating to phaseout of 15-percent rate and personal exemption) is amended by inserting ", reduced by the amount of net capital gain" after "taxable income".

(c) CONFORMING AMENDMENTS.—

(1) Section 56(b) of such Code (relating to adjustments applicable to individuals) is

amended by adding at the end thereof the following new paragraph:

"(3) CAPITAL GAINS DEDUCTION.—No deduction shall be allowed under section 1202.".

(2) Section 62(a) of such Code (defining adjusted gross income) is amended by adding after paragraph (12) the following new paragraph:

"(13) LONG-TERM CAPITAL GAINS.—The deduction allowed by section 1202.".

(3) Section 163(d)(4) of such Code (defining net investment income) is amended by adding at the end thereof the following new subparagraph:

"(F) NET CAPITAL GAINS EXCLUDED FROM GROSS INCOME.—The net gain described in subparagraph (B)(ii) shall be reduced by the amount excluded from gross income under section 1202.".

(4) Section 170(e)(1) of such Code (relating to certain contributions of ordinary income and capital gain property) is amended by striking out "long-term capital gain" the second place it appears and inserting "long-term capital gain (reduced by the deduction allowed under section 1202)".

(5) Section 172(d)(2) of such Code (relating to modifications with respect to net operating loss deduction) is amended to read as follows:

"(2) CAPITAL GAINS AND LOSSES OF TAXPAYERS OTHER THAN CORPORATIONS.—In the case of a taxpayer other than a corporation—

"(A) the amount deductible on account of losses from sales or exchanges of capital assets shall not exceed the amount includible on account of gains from sales or exchanges of capital assets; and

"(B) the deduction for long-term capital gains provided by section 1202 shall not be allowed.".

(6)(A) Section 220 of such Code (relating to cross reference) is amended to read as follows:

"SEC. 220. CROSS REFERENCES.

"(1) For deduction for long-term capital gains in the case of a taxpayer other than a corporation, see section 1202.

"(2) For deductions in respect of a decedent, see section 691.".

(B) The table of sections for part VII of subchapter B of chapter 1 of such Code is amended by striking out "reference" in the item relating to section 220 and inserting "references".

(7) Paragraph (4) of section 642(c) of such Code (relating to adjustments for credits and deductions) is amended to read as follows:

"(4) ADJUSTMENTS.—To the extent that the amount otherwise allowable as a deduction under this subsection consists of gain from the sale or exchange of capital assets held for more than 1 year, proper adjustment shall be made for any deduction allowable to the estate or trust under section 1202 (relating to deduction for excess of capital gains over capital losses). In the case of a trust, the deduction allowed by this subsection shall be subject to section 681 (relating to unrelated business income).".

(8) Paragraph (3) of section 643(a) of such Code (relating to distribution of net income) is amended by adding at the end thereof the following new sentence: "The deduction under section 1202 (relating to deduction for excess capital gains over capital losses) shall not be taken into account.".

(9) Paragraph (4) of section 691(c) of such Code (relating to deduction for estate tax) is amended by striking out "For purposes of sections 1(j), 1201, and 1211" and inserting "For purposes of sections 1(j), 1201, 1202, and 1211".

(10) The second sentence of paragraph (2) of section 871(a) of such Code (relating to capital gains of aliens present in the United States 183 days or more) is amended by inserting "such gains and losses shall be determined without regard to section 1202 (relating to deduction for capital gains) and" after "except that".

(11) Section 1402(i)(1) of such Code (relating to special rules for options and commodities dealers) is amended to read as follows:

"(1) IN GENERAL.—In determining the net earnings from self-employment of any options dealer or commodities dealer—

"(A) notwithstanding subsection (a)(3)(A), there shall not be excluded any gain or loss (in the normal course of the taxpayer's activity of dealing in or trading section 1256 contracts) from section 1256 contracts or property related to such contracts, and

"(B) the deduction provided by section 1202 shall not apply.".

(12) The table of sections for part I of subchapter P of chapter 1 of such Code is amended by inserting after the item relating to section 1201, the following new item:

"Sec. 1202. Deduction for capital gains.".

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall apply to taxable years beginning after December 31, 1987.●

By Mr. McCONNELL (for himself, Mr. DOLE, Mr. SIMPSON, Mr. BOSCHWITZ, Mr. STEVENS, Mr. WEICKER, Mr. THURMOND, Mr. HATCH, Mr. GARN, Mr. GRAMM, Mr. COCHRAN, Mr. MCCLURE, Mr. TRIBLE, Mr. QUAYLE, Mr. WILSON, Mr. DOMENICI, Mr. MURKOWSKI, Mr. SYMMS, Mr. WALLOP, Mr. KARNES, Mr. HUMPHREY, Mr. NICKLES, Mr. HECHT, Mr. RUDMAN, Mr. ARMSTRONG, and Mr. GRASSLEY):

S. 2590. A bill to amend the Federal Election Campaign Act of 1971 to repeal public financing and spending limits in Presidential elections, prohibit contributions to Presidential candidates by multicandidate political committees, require disclosure of attempts to influence Presidential elections through "soft money" and independent expenditures, and correct inequities resulting from personal financing of Presidential campaigns; to the Committee on Finance.

PRESIDENTIAL ELECTION REFORM ACT

Mr. McCONNELL. Mr. President, at the end of 1988, we will have squandered approximately half a billion dollars on the discredited system under which we are currently electing the President of the United States. We give away millions of the taxpayers' dollars to well-known candidates like Lenora Fulani and the disreputable fringe candidates like Lyndon LaRouche.

Over the last four elections, 1 out of 4 campaign dollars has been wasted on accountants and lawyers figuring out ways to get around the law. Campaigns process each contribution through sometimes as many as 100 steps. Political decisions are, in effect, turned into accounting decisions. Yet there has been unprecedented growth in campaign spending since spending limits were imposed.

This year, overall spending in the Presidential elections, both public dollars and private dollars, will exceed half of a billion dollars in this year alone. That is a 55-percent increase, Mr. President, over 1984. I note the distinguished occupant of the Chair with whom I participated in a radio program yesterday. We were talking about this issue. He was also a candidate for President, a strong supporter of public financing and spending limits.

It is interesting to note that under the Presidential system of spending limits, there will be a 5-percent increase in spending between 1984 and 1988. Yet, in the congressional system where we have no spending limits, the increase in spending from 1984 to 1986 is only 20 percent.

So in a system in which we do not impose limits, there has not been nearly the increase as there has been in the system where we do impose limits, demonstrating, once again, the point the Senator from Kentucky has made over and over again that it will not work.

Trying to impose spending limits is like trying to put a rock on Jell-O; it sort of oozes out the sides into these undisclosed and unaccounted ways of making expenditures.

It is time, Mr. President, to call a halt to it. So today I introduce, on behalf of myself and 25 of my colleagues, including Senators DOLE, SIMPSON, BOSCHWITZ, STEVENS, WEICKER, THURMOND, HATCH, GARN, GRAMM, COCHRAN, MCCLURE, TRIBLE, QUAYLE, WILSON, DOMENICI, MURKOWSKI, SYMMS, WALLOP, KARNES, HUMPHREY, NICKLES, HECHT, RUDMAN, ARMSTRONG, and GRASSLEY, a bill to repeal the way we handled Presidential elections over the last four cycles.

During the Senate debate on S. 2, I made a lot of theoretical arguments against imposing taxpayer financing and spending limits in congressional elections: how we actually spend very little on campaigns compared to pet food, yogurt, bottled water, and cosmetics; how vigorous campaign spending is a sign of high political competition and helps to educate and stimulate voters; how most of the rise in campaign spending is attributable to the cost of television, political action committees, and personal spending by millionaires—all of which we can do something about; how public financing is nothing more than a way for politicians to dip into the public till—soaking up taxpayers' money that could be better spent on drought relief, the drug war, or catastrophic health care; and how a spending limit is nothing more than a limit on participation, on how much support a candidate can have, on how many citizens can get involved by making a small disclosed contribution to someone they believe in.

In addition to these theoretical arguments, I also made the strongest argument of them all: reality.

Mr. President, if we want to know whether public financing and spending limits are a good idea, we have a stellar example where they have been applied: the Presidential system.

Mr. President, that system has been a disaster ever since taxpayer financing and spending limits were imposed in 1974, and it gets worse every year. Some say there is a "scandal waiting to happen" in the way we finance elections in this country. You can stop holding your breath, because the scandal arrived long ago, and this Congress created it.

We have a system where we will spend, by the end of 1988, nearly half a billion dollars of the taxpayer's money. We give away millions of dollars to well-known candidates like Lenora Fulani, and to disreputable fringe elements like Lyndon LaRouche.

We have created a bureaucratic maze where 1 out of 4 campaign dollars is wasted on accountants and lawyers, figuring out ways to get around the law. Campaigns have to process each contribution through as many as 100 different steps to ensure compliance. Political decisions are turned into accounting decisions. Yet, there has been unprecedented growth in campaign spending since spending limits were imposed.

This year, overall spending in the Presidential election is expected to reach half a billion dollars. That is a 55-percent increase over 1984 spending—a 55-percent increase in one election cycle. In other words, spending limits have been as successful as prohibition was in drying up demon rum.

By comparison, campaign spending in Senate and House races increased only 20 percent between the 1984 and 1986 election cycles, and increases in congressional races have been dropping steadily since the late 1970's.

The Presidental system has turned every candidate into a cheater. It has fostered an alarming disrespect for the law. Bob Beckel, chief of the Mondale campaign and a respected political observer, noted, "this whole FEC thing is a sham . . . If you are not finding every loophole, you are not doing your job."

Special interests now wield more control than ever by spending outside the limits and disclosure requirements. In 1984, $72 million was spent outside of the candidates' control. This year, that figure is expected to rise to $100 million. As Charles Babcock, campaign specialist for the Washington Post, wrote last Monday:

> Much of the additional money will be in the form of unregulated and unreported contributions from wealthy individuals, corporations and unions, not permitted to contribute directly to the campaigns.

Mr. President, this system is a scandal and a disgrace. This is what the U.S. Congress bought with half a billion dollars of the taxpayers' money. If we extend this system to Congress, it would be the greatest boondoggle of all time.

It is time for this body to admit that it was wrong to tamper with the first amendment of the Constitution. This welfare program for politicians has been a monumental failure. Spending limits have corrupted the Presidential system, plunging it back into the controlled, scandal-ridden politics of the pre-reform era. The congressional system of limited contributions and full disclosure is really the ideal approach to campaign financing, ensuring a broad base of participation and effectively deterring corruption.

Therefore, Mr. President, I am pleased to introduce legislation today to restore honesty, openness, and respect for the law in our systems for electing the Nation's highest leader.

The Presidential Election Reform Act would: repeal all spending limits and taxpayer financing in Presidential elections; and if there were any money left in the till, perhaps we could distribute it so some worthy cause, like drought relief or catastrophic health care. It would raise the individual contribution limit for Presidential candidates to $5,000; prohibit contributions by PAC's to presidential candidates; require full disclosure of "soft money" expenditures to influence Presidential elections; require full disclosure and notice to all candidates of independent expenditures; and partially close the "millionaire's loophole" for Presidential candidates.

Mr. President, I strongly urge my colleagues to take the careful note of this bill, to read the many articles I have inserted into the Record over the past 5 months regarding this disgraceful Presidential system, and to join me and 25 other Senators in taking urgent steps toward campaign finance reform.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2590

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Presidential Election Reform Act of 1988".

REPEAL OF PUBLIC FINANCING AND SPENDING LIMITS

Sec. 2. (a) Chapters 95 and 96 of the Internal Revenue Code of 1986, all references to such chapters, and all references to any sections in such chapter are repealed.

(b) Section 6096 of the Internal Revenue Code of 1986 and all references to such section are repealed.

REPEAL OF PRESIDENTIAL LIMITS

Sec. 3. (a) Subsection (b) of section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(b)) and all references to such subsection are repealed.

(b) Subsection (g) of section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(g)) and all references to such subsection are repealed.

INCREASED INDIVIDUAL CONTRIBUTION LIMIT FOR PRESIDENTIAL CANDIDATES

Sec. 4. Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) by redesignating subparagraphs (A), (B), and (C) as subparagraphs (B), (C), and (D), respectively;

(2) by inserting a new subparagraph (A) as follows:

"(A) to any candidate and his authorized political committees with respect to any nomination or election to the office of President or Vice President which, in the aggregate, exceed $5,000;"; and

(3) in subparagraph (B), as redesignated herein, by striking out "any election" and inserting in lieu thereof "any election other than an election described in subparagraph (A)".

PROHIBITION AGAINST CONTRIBUTIONS BY MULTICANDIDATE POLITICAL COMMITTEES TO PRESIDENTIAL CANDIDATES

Sec. 5. Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended—

(1) by redesignating subparagraphs (A), (B), and (C) as subparagraphs (B), (C), and (D), respectively;

(2) by inserting a new subparagraph (A) as follows:

"(A) to any candidate and his authorized political committees with respect to any nomination or election to the office of President or Vice President;"; and

(3) in subparagraph (B) by striking out "any election" and inserting in lieu thereof "any election other than an election described in subparagraph (A)".

REQUIREMENT FOR REPORTING CERTAIN EXEMPT CONTRIBUTIONS AND EXPENDITURES

Sec. 6. (a) Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end thereof the following new subsection:

"(d)(1) When used in this subsection—

"(A) the term 'election' means any nomination or election to the office of President or Vice President;

"(B) the term 'otherwise exempt activity' means any act of furnishing, arranging to be furnished, or otherwise making available any services, payment, or other benefit described in paragraph (A), (B), or (C) of section 316(b)(2) (2 U.S.C. 441b(b)(2));

"(C) the terms 'corporation' and 'labor organization' have the same meanings as in section 316 (2 U.S.C. 441b).

"(2)(A) At the times prescribed in paragraph (4), a corporation shall file a report with the Commission under this subsection if, during the period for which the report is filed, such corporation has engaged in any otherwise exempt activity in connection with an election.

"(B) At the times prescribed in paragraph (4), a labor organization shall file a report with the Commission under this subsection if, during the period for which the report is filed, such labor organization has engaged in any otherwise exempt activity in connection with an election.

"(C) At the times prescribed in paragraph (4), each national committee of a political party shall file a report with the Commission under this subsection containing a declaration of whether, during the period for which the report is filed, such committee has engaged in any otherwise exempt activity in connection with an election. For purposes of this subparagraph, the term 'otherwise exempt activity' refers to an activity described in paragraph (8)(B) or (9)(B) of section 301 (2 U.S.C. 431 (8)(B) or (9)(B)).

"(3) Each person required to file a report under this subsection shall include in such report—

"(A) a description of each exempt activity engaged in, in connection with an election, by such person during the period covered by the report; and

"(B) the amount of each payment and the cost and fair market value of each of the services and other benefits described in the report in accordance with clause (A).

"(4) The reports under this subsection shall be filed at each of the times prescribed in subsection (a)(4)(A) for reports of political committees other than authorized committees of a candidate.

"(e)(1) Any independent expenditures (including those described in subsection (b)(6)(B)(iii)), by any person with regard to an election which may directly result in the nomination or election of a person to the office of President or Vice President, which in the aggregate total more than $10,000, shall be reported by such person to the Commission within 24 hours after such independent expenditures are made. Thereafter, any independent expenditures by such person in the same election aggregating more than $5,000 shall be reported by such person to the Commission within 24 hours after such independent expenditures are made.

"(2) Such statements shall be filed with the Commission, Secretary of State for the State of the election involved and with the principal campaign committee of each candidate in the general election, and shall contain the information required by subsection (b)(6)(B)(iii) of this section and a statement filed under penalty of perjury by the person making the independent expenditures indicating whom the independent expenditures are actually intended to help elect or defeat. The Commission shall notify any candidate in the election involved about each such report within 24 hours after such report is made.

"(3) Notwithstanding the reporting requirements established in this paragraph, the Commission may make its own determination that a person has made independent expenditures with regard to an election which may directly result in the nomination or election of a person to the office of President or Vice President that in the aggregate total more than $10,000, and thereafter that in the aggregate total more than $5,000.

"(4) The Commission shall notify each candidate in the election involved about each such determination within 24 hours after such determination is made.".

(b) Section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b) is amended by adding at the end thereof the following new subsection:

"(c) Any activity exempt under paragraph (A), (B), or (C) of subsection (b)(2) shall be subject to the reporting requirements of section 304(d).".

DISCLOSURE OF INDEPENDENT EXPENDITURES

SEC. 7. (a) Section 318(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended by deleting the period at the end thereof and inserting in lieu thereof the following: ", except that whenever any person makes an independent expenditure, with regard to an election which may directly result in the nomination or election of a person to the office of President or Vice President, through (A) a broadcast communication on any radio or television station, the broadcast communication shall include a statement—

"(i) in such television broadcast, that is clearly readable to the viewer and appears continuously during the entire length of such communication; or

"(ii) in such radio broadcast, that is clearly audible to the viewer and is aired at the beginning and ending of such broadcast,

setting forth the name of such person and in the case of a political committee, the name of any connected or affiliated organization, or (B) a newspaper, magazine, outdoor advertising facility, direct mailing or other type of general public political advertising, the communication shall include a statement setting forth the name of the person who paid for the communication and, in the case of a political committee, the name of any connected or affiliated organization and the name of the president or treasurer of such organization.

"(4) The person making an independent expenditure described in paragraph (3), with regard to an election which may directly result in the nomination or election of a person to the office of President or Vice President, shall furnish, by certified mail, return receipt requested, the following information, to each candidate in the election and to the Commission, not later than the date and time of the first public transmission (e.g. first aired, mailed, published, or displayed):

"(A) effective notice that the person plans to make an independent expenditure for the purpose of financing a communication which expressly advocates the election or defeat of a clearly identified candidate for the office of President or Vice President;

"(B) an exact copy of the intended communication, or a complete description of the contents of the intended communication, including the entirety of any texts to be used in conjunction with such communication, and a complete description of any photographs, films, or any other visual devices to be used in conjunction with such communication;

"(C) all approximate dates and times when such communication will be publicly transmitted; and

"(D) each specific location, media channel, and publication through which the communication will be publicly transmitted.".

INDEPENDENT EXPENDITURES

SEC. 8. (a) Section 301(17) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(17)) is amended by adding the following: "An expenditure, with regard to an election which may directly result in the nomination or election of a person to the office of President or Vice President, shall constitute an expenditure in coordination, consultation, or concert with a candidate and shall not constitute an 'independent expenditure' where—

"(A) there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person (including any officer, director, employee or agent of such person) making the expenditure;

"(B) in the same election cycle, the person making the expenditure (including any officer, director, employee or agent of such person) is or has been—

"(i) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees,

"(ii) serving as an officer of the candidate's authorized committees, or

"(iii) receiving any form of compensation or reimbursement from the candidate, the candidate's authorized committees, or the candidate's agent;

"(C) the person making the expenditure (including any officer, director, employee or agent of such person) has communicated with, advised, or counseled the candidate or the candidate's agents at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election to the office of President or Vice President, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office;

"(D) the person making the expenditure retains the professional services of any individual or other person also providing those services to the candidate in connection with the candidate's pursuit of nomination for election, or election to the office of President or Vice President, in the same election cycle, including any services relating to the candidate's decision to seek Federal office;

"(E) the person making the expenditure (including any officer, director, employee or agent of such person) has communicated or consulted at any time during the same election cycle about the candidate's plans, projects, or needs relating to the candidate's pursuit of election to the office of President or Vice President, with: (i) any officer, director, employee or agent of a party committee that has made or intends to make expenditures or contributions, pursuant to subsection (a), (d), or (h) of section 315 in connection with the candidate's campaign; or (ii) any person whose professional services have been retained by a political party committee that has made or intends to make expenditures or contributions pursuant to subsection (a), (d), or (h) of section 315 in connection with the candidate's campaign; and

"(F) the expenditure is based on information provided to the person making the expenditure directly or indirectly by the candidate or the candidate's agents about the candidate's plans, projects, or needs, provided that the candidate or the candidate's agent is aware that the other person has made or is planning to make expenditures expressly advocating the candidate's election.".

LIMITATION ON CANDIDATE EXPENDITURES FROM PERSONAL FUNDS

SEC. 9. (a) Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end thereof the following:

"(i)(1)(A) Within 15 days after a candidate qualifies for any primary election ballot for nomination or election to the office of President or Vice President, such candidate shall file with the Commission and each other candidate who has qualified for such ballot, a declaration stating whether or not such candidate intends to expend funds and incur personal loans for the primary and general election a total amount, in the aggregate of $250,000 or more from the following sources: (i) his personal funds, (ii) the funds of his immediate family, and (iii) personal loans incurred in connection with his campaign for such office.

"(B) The statement required by this subsection shall be in such form, and contain such information, as the Commission may, by regulation, require.

"(2) Notwithstanding any other provision of law, in any nomination or election for the office of President or Vice President, in which a candidate declares that he intends to expend or incur, in the aggregate, $250,000 or more by expending from personal funds and funds of his immediate family and incurring personal loans for his campaign, or does expend funds and incur loans in a total in excess of such amount, or fails to file the declarations required by this subsection, the limitations on contributions in subsection (a) of this section, as they apply to all other individuals running for such office, shall be increased for such election as follows:

"(A) The limitations provided in subsection (a)(1)(A) shall be increased to $10,000, and

"(B) The limitations provided in subsection (a)(3) shall be increased to an amount equal to 150 percent of such limitation, but only to the extent that contributions above such limitation are made to candidates affected by the increased level provided in subparagraph (A).

"(3) If the limitations in this section are increased pursuant to paragraph (2) for a convention or a primary election as they relate to an individual candidate, and if such individual candidate is not a candidate in any subsequent election in such campaign, including the general election, the provisions of subparagraph (A) of paragraph (2) shall cease to apply.

"(4) Any candidate who—

"(A) declares, pursuant to paragraph (1) that he does not intend to expend and incur, by expending from his personal funds and the funds of his immediate family and incurring personal loans in connection with his campaign an amount which in the aggregate totals $250,000 or more; and

"(B) subsequently does spend funds or incur loans in excess of such amount, or intends to spend funds or incur loans in excess of such amount,

shall notify and file an amended declaration with the Commission and shall notify all other candidates for such office within 24 hours after changing such declaration or exceeding such limits, whichever first occurs, by sending such notice by certified mail, return receipt requested.

"(5) Notwithstanding any other provision of law, no candidate may make expenditures from his personal funds or the personal funds of his immediate family, or incur personal loans in connection with his campaign for election to such office at any time after 60 days before the date of such election. The provisions of this paragraph shall apply to all candidates regardless of whether such candidate has reached the limits provided in this subsection.

"(6) The Commission shall take such action as it deems necessary under the enforcement provisions of this Act to assure compliance with the provisions of this subsection.".

(b) Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end thereof the following:

"(j) Notwithstanding any other provision of this Act, no candidate who, in connection with his campaign for nomination or election to the office of President or Vice President, makes expenditures from his personal funds or the personal funds of his immediate family to his campaign committee, or makes a loan from such funds to such committee, shall use any other contributions which are made by any other person, after the election, to such candidate or the principal campaign committee of such candidate to repay any such expenditure or loan.

"(k) For purposes of this section, 'immediate family' means a candidate's spouse, and any child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister of the candidate, and the spouse of any such person and any child, step-child, parent, grandparent, brother, half-brother, sister or half-sister of the candidate's spouse, and any spouse of any such person.".

(c) Section 313 of the Federal Election Campaign Act of 1971 (2 U.S.C. 439a) is amended by inserting before the period the following: ", and except that no candidate for the office of President or Vice President may use any contributions in a manner prohibited by section 315(j)".

SEVERABILITY

SEC. 10. If any provision of this Act or any amendment made by this Act, or the application of any such provision to any person or circumstance is held invalid, the validity of any other such provision, and the application of such provision to other persons and circumstances shall not be affected thereby.

EFFECTIVE DATE

SEC. 11. This Act and the amendments made by this Act shall become effective on November 8, 1988, and shall apply to all contributions and expenditures made after such date.

By Mr. BAUCUS:

S. 2591. A bill to amend the Agricultural Act of 1949 to provide drought relief to agricultural producers by requiring that deficiency payments paid to producers for the 1988 crop year in counties declared disaster areas be based on 92 percent of the projected payment rate, and for other purposes; to the Committee on Finance.

DROUGHT ASSISTANCE

● Mr. BAUCUS. Mr. President, I rise today to introduce emergency legislation to assist farmers in drought stricken areas of the Farm Belt.

Mr. President, we are now in the grip of one of the worst agricultural droughts that the Nation has ever seen.

Farmers in Montana, North Dakota, and Minnesota have been particularly hard hit.

USDA forage estimates indicate that grazing land in Montana is actually in worse shape than it was during the dust bowl of the Great Depression.

More than 60 percent of the wheat and barley crop in Montana and North Dakota is in poor or very poor condition.

Farmers in Montana can expect to harvest less than half of their normal crop.

In the drought areas of Montana, precipitation is only about 30 percent of normal and temperatures are far above normal.

This is a natural disaster by anyone's definition.

Two weeks ago, I toured the drought areas of South Dakota, North Dakota, and Montana with Senator LEAHY, Senator DASCHLE, Senator BURDICK, Senator CONRAD, Senator MELCHER, Congressman DORGAN, and Congressman PENNY.

I think I can speak for all of my colleagues on the trip when I say that we were shocked by what we saw.

I have never seen Montana's crop and grazing land in such poor shape. The drought has devastated the entire region.

Unfortunately, farmers are increasingly finding that current disaster programs are not adequate to deal with the drought.

Despite the best efforts of Secretary Lyng, this drought will require special legislation.

I am today introducing a bill that should receive expedited attention of the Agriculture Committee.

The bill is designed to respond to the needs of crop farmers.

Crop farmers cannot get a great deal of relief from current disaster programs. The disaster programs are largely tailored to address the needs of livestock producers in a drought.

But crop farmers suffer from the drought too.

Those farmers that produce crops covered by the farm program face a catch 22. As the market price of the commodities that they produce rises because of the drought the Government deficiency payment drops. But the drought has killed most of their crop so they cannot take advantage of the higher market price.

As it stands right now, the Federal Government actually stands to save money because of the drought as rising farm prices cut government deficiency payments.

The Federal Government should divert some of the moneys that it will save back to disaster striken farmers.

The legislation that I am introducing today does exactly that by directing the Secretary of Agriculture to guarantee farmers in counties that have been declared disaster areas 92 percent of the deficiency payment that they were projected to get at the beginning of the growing season.

The 92-percent figure was chosen to make the disaster payments consistent with the payment level in the 0/92 program.

This bill would ensure that crop farmers faced with financial ruin as a result of the drought are able to continue operating.

Mr. President, I urge the Agriculture Committees in both Houses to act quickly to address the needs of farmers hit by the drought.

I know that the drought task force, led by Senator LEAHY and Congressman de la Garza, is working to develop a response to the drought. I hope that we can move forward in a bipartisan fashion with the assistance and support of the administration.

The drought is not a partisan issue. The drought is hitting members of both parties.

I also understand that the esteemed senior Senator from Montana—Senator John Melcher—is today introducing an omnibus drought bill to address a whole spectrum of drought related problems.

I applaud his efforts, and hope that the Agriculture Committee gives serious consideration to his bill.

We must move swiftly to address the drought.●

By Mr. CRANSTON:

S. 2592. A bill to require the Secretary of Health and Human Services to develop and implement specific criteria for determining the eligibility of individuals with symptomatic human immunodeficiency virus infection for disability-related benefits under titles II and XVI of the Social Security Act, and for other purposes; referred to the Committee on Finance.

SOCIAL SECURITY DISABILITY BENEFITS FOR PERSONS WITH ARC

Mr. CRANSTON. Mr. President, I am very pleased to be introducing today S. 2592, legislation to help correct a very serious problem facing individuals who have serious, disabling illnesses which result from infection with the human immunodeficiency virus [HIV] but which do not meet the strict definition of AIDS. Many individuals with AIDS-related complex [ARC] fall into that category but cannot receive disability benefits under Social Security because there are no clear standards for reviewing their cases. This legislation would require the Secretary of Health and Human Services [HHS] to develop criteria for assessing the disability claims of these individuals.

Mr. President, I am delighted that my good friend from San Francisco, Representative Nancy Pelosi, is introducing a companion bill in the House of Representatives today.

Mr. President, infection with the HIV can result in a range of conditions and diseases—now being referred to as symptomatic HIV infection—that do not meet the strict Centers of Disease Control [CDC] definition of AIDS. People with symptomatic HIV infection, such as ARC, can be mildly ill or completely debilitated. ARC, in some circumstances, can be life threatening.

Yet, too often people infected with the HIV who no longer can work, are unable to obtain Social Security benefits or must wait a year or longer to begin receiving them. The Social Security Administration's [SSA] current policy is for such cases to be decided on a case-by-case basis. It provides no specific guidelines or criteria to assist claims examiners in making determinations for these individuals.

Unfortunately, the result has been that many individuals are initially turned down, forcing them to fight for their benefits through lengthy appeals processes. By the time many of the cases are resolved, the illness has advanced to AIDS or even death.

Mr. President, many Californians with symptomatic HIV infection have sought my help to expedite the process. One such man, Mike—not his real name—was diagnosed in August 1987 with ARC and applied for SSI benefits soon after. He said that the disease had made him too weak to work. He had lost 30 pounds, his job, and his apartment. He is currently living at the Episcopal Sanctuary because he has no money or place to stay. Mike's application for SSI benefits was denied and a hearing on his case occurred earlier this month. That's nearly 10 months since he applied and there is still no definitive answer to his application. For people like Mike, who are very ill and may be dying, those are very precious months.

Mr. President, the legislation I am introducing would help resolve this situation. It would require the Secretary of HHS to develop criteria so that determinations would be made fairly and expeditiously.

BACKGROUND

Mr. President, disabled individuals generally may receive two types of income-maintenance Federal benefits under the Social Security Act—Social Security disability insurance [SSDI] or supplemental security income [SSI]. SSDI is available to disabled individuals who have worked in Social Security-covered employment and thus have paid Social Security taxes for a specified period of time. SSI is a means-tested benefit available to disabled low-income individuals without regard to Social Security coverage. Receipt of SSI benefits also makes an individual eligible for Medicaid, which is often the only source of health coverage for such individuals.

Persons with symptomatic HIV infection are often initially denied benefits and forced to go through the time-consuming maze of reconsiderations and appeals. The primary reasons for this are that there are no clearly defined standards for individuals with non-AIDS symptomatic HIV infection and medical records often do not provide sufficient information to indicate clearly the degree of disability.

Mr. President, we believe that the SSA, after more than 3 years of reviewing such cases, now has had enough experience with ARC to develop criteria regarding what constitutes "disabling symptomatic HIV infection". Although the SSA reports that 65 percent of ARC applicants are approved at the initial or reconsideration level, more than 1,400 applications have been denied. It's unclear how many of these individuals are too disabled to work and should not have been denied benefits. Even for individuals whose applications were approved, in many cases, they must first contend with months and months of uncertainty.

However, without criteria or guidelines, there is no way to know how many individuals were unfairly denied or had experienced delays in receiving benefits and no way to ensure that individuals with similar conditions will be treated fairly in the future. Because of the very nature of HIV infection—it is not a single disease, but rather a combination of various conditions and diseases—the lack of clear guidelines has, I believe, resulted in arbitrary and, often unfair, decisions.

Mr. President, I would urge the Secretary in developing these criteria to be compassionate and fair and to listen to medical advice, not politics.

SUMMARY OF PROVISIONS

Mr. President, this legislation would require the Secretary to develop specific eligibility criteria for disability-related benefits for individuals with symptomatic HIV infection. Because capacity to work is critical to receiving benefits, these criteria would be required to include the evaluation of functional restrictions resulting from infection with the HIV. The Secretary would be required to consult with relevant medical and advocacy groups and specialists in developing criteria.

After the criteria are developed, the Secretary would be required to submit to the Senate Finance Committee and House Ways and Means Committee, not later than 12 months after the date of enactment, a report on such criteria, including a description of the rationale for the criteria and those individuals consulted, and an estimate of the feasibility and impact of their implementation. In order to give Congress an opportunity to review the criteria before they take effect, the Secretary would be directed to implement them no later than 90 days and no earlier than 60 days after the report is submitted to Congress.

This legislation would also require the Secretary to establish guidelines to promote improved coordination between the Federal and State disability programs. Because it is often confusing and difficult for individuals to find out what benefits exist and what the eligibility requirements are on both the State and Federal level for disability benefits, this provision is intended to help make that information more easily accessible through increased cooperation and coordination between the agencies.

CONCLUSION

Mr. President, it is hard to imagine the frustrations that people with disabling ARC feel when they are told that they are not eligible for benefits because they don't have the specific combination of conditions necessary to meet the AIDS definition. Yet, as I already noted, people with ARC can be as sick or sicker than people with AIDS. The impact of the disease on their functional capabilities, determined in accordance with clearly delineated and understood guidelines, should be the basis for determining their eligibility for benefits. This legislation would provide for the establishment of such guidelines so that all individuals who are disabled by the HIV are treated fairly by our Social Security system.

Mr. President, I urge all my colleagues to support this measure, and ask unanimous consent that the text of the bill be printed.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2592

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELIGIBILITY OF INDIVIDUALS WITH SYMPTOMATIC HUMAN IMMUNODEFICIENCY VIRUS INFECTION FOR CERTAIN DISABILITY-RELATED BENEFITS.

(a) ESTABLISHMENT OF SPECIFIC ELIGIBILITY CRITERIA.—

DEVELOPMENT OF CRITERIA.—

(A) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall develop specific eligibility criteria for disability-related benefits under titles II and XVI of the Social Security Act for individuals with symptomatic human immunodeficiency virus infection (in this section referred to as the "infection"), including criteria for determining whether such individuals are disabled by reason of the infection.

(B) EVALUATION OF FUNCTIONAL RESTRICTIONS.—The criteria developed under subparagraph (A) shall require the evaluation, in individual cases, of functional restrictions resulting from the infection.

(C) CONSULTATION REQUIREMENT.—In developing the criteria under subparagraph (A), the Secretary shall consult with relevant medical and advocacy groups and specialists on disorders related to the infection.

(2) REPORT ON CRITERIA.—The Secretary shall submit a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the criteria developed under paragraph (1)(A) not later than 12 months after the date of enactment of this Act. Such report shall include an explanation of the rationale for such criteria, a description of the groups and individuals consulted in developing such criteria, and an estimate of the feasibility and impact of implementing such criteria.

(3) IMPLEMENTATION OF CRITERIA.—The Secretary shall take appropriate steps to ensure that the criteria developed under paragraph (1)(A) are implemented not later than 90 days after the report is submitted under paragraph (2) but shall in no event implement such criteria prior to 60 days after such report is submitted.

(b) INTERIM REPORT.—Not later than six months after the date of enactment of this Act, the Secretary shall submit a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate describing any efforts the Secretary has undertaken to assure fair and equitable decisions with respect to the eligibility of individuals with the infection for disability-related benefits under titles II and XVI of the Social Security Act.

SEC. 2. IMPROVED COORDINATION OF FEDERAL AND STATE DISABILITY PROGRAMS.

(a) REQUIREMENT OF GUIDELINES.—Not later than six months after the date of enactment of this Act, the Secretary of Health and Human Services shall establish guidelines to promote improved coordination between the Social Security Administration and State disability agencies with respect to the provision of disability-related benefits under titles II and XVI of the Social Security Act and state disability insurance programs to ensure, to the extent practicable, that individuals applying for any such benefits are made aware of the full range of Federal and State disability-related benefits for which they may be eligible.

(b) REPORT TO CONGRESS.—The Secretary of Health and Human Services shall report to the Congress on the guidelines established under subsection (a) not later than two months after such guidelines are issued.

By Mr. DANFORTH:

S. 2594. A bill to amend the Internal Revenue Code of 1986 to provide a credit against tax for employers who pay the costs of employee assistance programs; referred to the Committee on Finance.

TAX CREDIT FOR EMPLOYEE ASSISTANCE PROGRAMS

● Mr. DANFORTH. Mr. President, I am introducing a bill today that I believe will help to reduce drug and alcohol abuse in the workplace by providing a credit against tax for employers who pay the costs of employee assistance programs [EAP's].

Employee assistance programs provide the crucial function of placing alcohol and drug abusers in rehabilitation programs best suited for their needs. In addition, employee assistance programs provide counseling for emotional or family problems. During counseling, drug or alcohol abuse is often found to be closely related to emotional problems. Treatment and rehabilitation can be prescribed for the substance abuse problem, and the EAP provider can take an active role in ensuring that employees complete the prescribed program. In other cases, counseling can provide employees with help to overcome emotional problems before they lead to alcohol or drug abuse problems.

Forty-three States already require some form of alcohol and drug rehabilitation as part of a company's health insurance program. The question is, do we need more? Statistics show that we do. In the United States, alcohol and drug abuse cost businesses $60 billion every year. More than 13 million U.S. workers are troubled by substance abuse and have no direct access to counseling. However, it is estimated that, if these people worked in companies with EAP's, 1.1 million of them would be reached. Moreover, the longer EAP's are in place, the more successful they become. In fact, those few employers who have already adopted EAP report that the programs pay for themselves through improved employee productivity.

Under this bill, the employer would receive a 10-percent tax credit for the costs of qualified employee assistance programs. A qualified program is defined as one designed to assist in the indentification and resolution of personal problems such as alcohol and drug abuse, failing health, emotional instability, or failure to cope with stress. A qualified program must also offer expert consultation and training to the appropriate people in the workplace to identify and resolve job performance issues related to such personal problems. Finally, a qualified program must offer confidential problem assessment services, referrals for appropriate diagnosis, treatment and assistance, linkage between the workplace and community resources which provide such services, and followup services for employees who use such services. The maximum eligible for the credit would be $30 per employee for any taxable year.

This carefully defined type of employee assistance program can effectively fight drug and alcohol abuse because it attacks the very root of the problem—demand reduction. By encouraging companies to adopt such programs, we can open the door for over 1 million alcoholics and drug addicts to overcome their addiction. It is well-documented that saying "no" once you have already said "yes" is nearly impossible. This bill would help those who have, tragically, already said "yes" to drugs to once again say "no"—to say "no" to the despair of addiction and the bleak world of substance abuse, and to say "yes" to life and hope.

We cannot simply ignore those people who are addicted to alcohol or drugs. We cannot give them up as a lost cause. We cannot let revulsion for the drug become revulsion for the user. The path to solving the problem of substance abuse is going to be a long and difficult one because easy answers are not going to provide the solution. This bill represents not an easy answer, but a carefully crafted step on the long road toward national substance abuse recovery.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2594

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ALLOWANCE OF CREDIT FOR EMPLOYER EXPENDITURES FOR CERTAIN EMPLOYEE ASSISTANCE PROGRAMS.

(a) In General.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business related credits) is amended by adding at the end thereof the following new section:

"SEC. 43. EMPLOYEE ASSISTANCE PROGRAM CREDIT.

"(a) In General.—For purposes of section 38, the amount of the employee assistance program credit determined under this section for the taxable year shall be an amount equal to 10 percent of the qualified employee assistance program expenditures for such taxable year.

"(b) Qualified Employee Assistance Program Expenditures.—For purposes of this section—

"(1) In general.—The term 'qualified employee assistance program expenditures' means the aggregate amount of expenditures paid or incurred by the taxpayer during the taxable year in providing for or contributing to an employee assistance program.

"(2) Only first $30 of qualified employee assistance program expenditures taken into account.—The amount of qualified employee assistance program expenditures which may be taken into account with respect to any employee shall not exceed $30 for any taxable year.

"(3) Employee assistance program.—The term 'employee assistance program' means a program—

"(A) designed to assist in the identification and resolution of personal problems which may adversely affect employee job performance, including alcohol, drug, health, marital, family, financial, legal, emotional, or stress, and

"(B) consisting of—

"(i) expert consultation and training to appropriate persons in the identification and resolution of job-performance issues related to such personal problems, and

"(ii) confidential, appropriate, and timely problem-assessment services, referrals for appropriate diagnosis, treatment and assistance, establishing linkages between workplace and community resources which provide such services, and follow-up services for employees who use such services.

"(4) Employee.—The term 'employee' includes an employee within the meaning of section 401(c)(1).

"(d) Special Aggregation and Allocation Rules.—For purposes of this section—

"(1) Aggregation of expenditures.—

"(A) Controlled group of corporations.—In determining the amount of the credit under this section—

"(i) all members of the same controlled group of corporations shall be treated as a single taxpayer, and

"(ii) the credit (if any) allowable by this section to each such member shall be its proportionate share of the qualified employee assistance program expenditures giving rise to the credit.

"(B) Common control.—Under regulations prescribed by the Secretary, in determining the amount of the credit under this section—

"(i) all trades or businesses (whether or not incorporated) which are under common control shall be treated as a single taxpayer, and

"(ii) the credit (if any) allowable by this section to each such trade or business shall be its proportionate share of the qualified employee assistance program expenditures giving rise to the credit.

The regulations prescribed under this subparagraph shall be based on principles similar to the principles which apply in the case of subparagraph (A).

"(2) Allocations.—

"(A) Pass-thru in the case of estates and trusts.—Under regulations prescribed by the Secretary, rules similar to the rules of subsection (d) of section 52 shall apply.

"(B) Allocation in the case of partnerships.—In the case of partnerships, the credit shall be allocated among partners under regulations prescribed by the Secretary.

"(3) Controlled group of corporations.—The term 'controlled group of corporations' has the same meaning given to such term by section 1563(a), except that—

"(A) 'more than 50 percent' shall be substituted for 'at least 80 percent' each place it appears in section 1563(a)(1), and

"(B) the determination shall be made without regard to subsections (a)(4) and (e)(3)(C) of section 1563.

"(e) Additional Benefit.—The credit allowable under this section with respect to qualified employee assistance program expenditures of the taxpayer shall be in addition to any deduction or credit allowed the taxpayer under any other provision of this chapter with respect to such expenditures.".

(b) Conforming Amendments.—

(1) Section 38(b) of the Internal Revenue Code of 1986 is amended—

(A) by striking out "plus" at the end of paragraph (4),

(B) by striking out the period at the end of paragraph (5), and inserting in lieu thereof a comma and "plus", and

(C) by adding at the end thereof the following new paragraph:

"(6) the employee assistance program credit determined under section 43.".

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code is amended by adding at the end thereof the following new item:

"Sec. 43. Employee assistance program credit.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1988.

By Mr. HEINZ:

S. 2596. A bill to extend the period in which a certain certification under subchapter A of chapter 2 of title II of the Trade Act of 1974 is in effect; to the Committee on Finance.

TRADE ADJUSTMENT ASSISTANCE

● Mr. HEINZ. Mr. President, today I am introducing legislation to correct an inequity faced by a handful of older, senior employees of Babcock & Wilcox in Beaver Falls, PA. The B&W plant was covered by a trade adjustment assistance certification which expired over 2 years ago. Under present law, a certification is valid for a period of 2 years following its approval.

In this specific instance, the law has penalized the very workers it was intended to help. Babcock & Wilcox has not simply given up the fight against unfair trade. This plant is still fighting for dear life, keeping a skeleton workforce employed. Senior employees, who were under contract and had to stay on the job—even after their TAA certification expired—lost all their trade act benefits when they were finally separated from employment.

Mr. President, I am talking about a handful of workers who are older, and have spent most of their lives in the mill. By definition, these are the workers who need adjustment assistance the most. Their skills are often outmoded, and because of their age they will have the greatest difficulty in finding a new job.

My legislation would simply extend the B&W petition to cover this small number of workers with the benefits they should be eligible to—job training and assistance.

The cost of the amendment is insignificant. CBO finds it would cost less than $300,000. My impression is that the actual cost would prove to be a tiny fraction of that amount.

The cost of failing to return skilled workers to productive lives is far higher—it threatens our ability to meet the challenges of the international marketplace. We will not expand our economy if we leave behind skilled, effective workers who need assistance to build a new career.

I urge my colleagues to assist me in providing these valued workers with the help they need to build new lives.●

By Mr. INOUYE (for himself, Mr. Burdick, Mr. Grassley, Mr. Durenberger, Mr. Shelby, Mr. Wirth, Mr. Rockefeller, Mr. Gore, Mr. Cochran, Mr. Baucus, Mr. Exon, Mr. Conrad, Mr. Simon, and Mr. Kasten):

S. 2597. A bill to establish an interdisciplinary training grant program for the benefit of rural areas; to the Committee on Labor and Human Resources.

INTERDISCIPLINARY TRAINING GRANT PROGRAM FOR RURAL AREAS

Mr. INOUYE. Mr. President, today I am introducing a bill that will address the shortage of health professionals in rural America. I am pleased to be joined by my colleages, Senators Burdick and Grassley, in presenting this bill.

This legislation addresses the severe shortage of health professionals in two ways. First, our bill encourages training programs to provide students with experience in a rural setting. It has been demonstrated that one of the surest ways to encourage health professionals to practice in rural settings is to expose them first-hand to a rural practice experience.

Second, our bill promotes multidisciplinary training, designed to build "team players" who can function most effectively in rural health care facilities. We believe multidisciplinary "team" training will prove an effective method of decreasing the current shortages as well as helping students learn how they can become members of a team of rural health professionals without having to practice in isolation. This will ease the difficulty rural areas face in retaining as well as recruiting health providers.

This program is built on the model of area health education centers, an effective approach to providing health care training directed toward rural Americans.

The health care needs of those Americans who live in the rural areas of our country are not being met effectively. There are fewer hospitals doing business in rural areas today—71 community hospitals closed in 1986, 40 percent more than the number that closed in 1985. The "mom-and-pop" hospitals of the 1970's discovered that they could not compete with the larger volume urban health care institutions. The cost of expensive technology and the rapidity with which the technology became obsolete combined to force many small hospitals out of business.

Those rural hospitals that are operating are being reimbursed for patient care services at a lesser rate than their urban counterparts on the premise that rural hospitals cost less to administer. However, costs are often higher as fixed costs are at base levels and there are low operating margins. In addition, elderly patients usually require extended stays in hospitals for which the institutions are not reimbursed.

Many rural communities face a shrinking tax base due to the fact that many small industries have been gobbled up by larger companies and have been moved to urban areas. In addition, many rural young people have moved to the cities for jobs, leaving a greater proportion of nonworking elderly behind.

Without their family support system, many elderly feel alienated or abandoned and are subject to physical and emotional crises. These older Americans have more complex health care needs—nearly always multiple diagnoses that require multiple treatment modalities.

Having a sense of space and a sense of belonging to the community are noted as advantages to rural living, but it also creates special problems related to the health care delivery system for rural residents. For example, the elderly frequently travel many miles to see a health care provider, such as a nurse, psychologist, optometrist, or other professional. The nature of their health problems may necessitate a long stay in an unfamiliar place. They may find themselves in an environment that is stressful and insensitive to their cultural values. And they may not have adequate or appropriate followup care when they return to their rural homes.

Rural health care providers also face problems, such as caring for a population that is older, sicker, and less likely to have adequate health insurance. And if the providers were educated more than 10 years ago, they may not have had any education or training about the special needs of the elderly.

As the population of this great Nation becomes increasingly older, it is important that we prepare now to meet the issues of health and our rural elderly. This legislation will address two very vital aspects of health care and I hope that my colleagues will support it with wisdom and enthusiasm.

Mr. BURDICK. Mr. President, today I am pleased to introduce a bill, with my distinguished colleagues Senators INOUYE, GRASSLEY and others, that will help to alleviate the health care shortage crisis in rural America.

This bill addresses the issue of how to recruit highly trained and qualified health care professionals for rural communities. The economy and evironment of rural areas create a unique set of health care problems.

As you know, many types of health care providers are needed to meet these demands. As co-chairman of the Senate Rural Health Caucus, I am concerned with the increasing difficulties rural communities have in attracting qualified health care personnel. Trained professionals are discouraged by heavy patient loads, outdated equipment, lack of support and little financial reward.

More than 25 percent of all Americans live in rural areas. Yet rural America holds only 14 percent of our Nation's pharmacies, and 18 percent of the Nation's nurses. In my State of North Dakota, there is a continuing shortage of psychologists in rural areas—a shortage that is expected to increase.

In addition to problems recruiting and retaining these and other health care providers, our rural health care facilities are experiencing other problems. Since 1980, 161 rural community hospitals have been forced to close. Of the remaining 2,700 rural hospitals, as many as 600 face closure. A lack of nurses, physical therapists and others, combined with the risk of hospitals closing, increase the problems rural Americans face in trying to obtain adequate health care.

The legislation we are introducing is designed to attract health care professionals to rural America. This bill promotes well-rounded health care providers by adding a rural health rotation to their health care problems. Current trends in the availability of rural health care personnel show alarming decreases.

I hope my colleagues appreciate this crisis situation developing in rural America and will support this legislation.

Mr. BAUCUS. Mr. President, I am pleased to be an original cosponsor of this important legislation which builds on our recent work in Congress to improve rural health care across the Nation.

Nearly 60 million Americans, almost one-fourth of the U.S. population, live in rural parts of the country. But when it comes to health care, all too often the needs of rural Americans don't get the attention they deserve.

In my own State of Montana, we have about four hospitals for every 10,000 square miles—that's one-fourth the national average. In 1985 we ranked 42d in the Nation in population per physician, with 30 percent fewer physicians for every 100,000 residents than the Nation as a whole. In fact, more than two-thirds of the State's population live outside of our cities. Nearly 60 percent of the counties in Montana are now classified by the Federal Government as "health manpower shortage areas." That's one of the highest in the Nation. In Montana and other rural Western States, a sparse population spread out over an enormous area has always made maintaining access to high quality, modern health care a challenge.

This bill addresses a rural health care issue that needs more attention: attracting and retaining health professionals where they are needed—in rural areas. Even though the country as a whole is experiencing a physician glut, many doctors are not choosing to set up practices in rural areas. As a result, the average age of "country doctors" is increasing since few young physicians are electing to join their ranks after completing their lengthy training period. The problem is geographic distribution.

There are a number of reasons for this problem, including increasing specialization in medicine, the high amount of personal debt often incurred in getting medical education, and the rapidly rising costs of practicing medicine. All of these factors make practicing health care in rural America seem like something of a sacrifice compared to practicing in other parts of the country.

We can't force doctors or other health professionals to locate in rural areas. But we can begin to provide better incentives for those who might be considering a rural medical practice.

For example, the Montana Medical Association recently reported that a full two-thirds of the family practitioners who provide obstetrical care in Montana have net incomes of less than $50,000 a year. And a growing share of that income is being dedicated each year to rapidly rising professional liability insurance. By contrast, the median income of all U.S. neurosurgeons was $142,500 in 1982, nearly three times higher than the earnings of the majority of family practice doctors in Montana.

With those kinds of variations in income potential, it's not surprising that insufficient numbers of young physicians are choosing rural practices.

But just increasing the supply of physicians in America will not solve the problem. There will still be a shortage of skilled health professionals in rural areas until we begin to straighten out some of the incentives that determine where physicians locate.

What this bill does is change those incentives to increase the chances that young physicians will choose to practice in rural areas that suffer from shortages of health professionals. It promotes multidisciplinary training, designed to build "team players" who can function most effectively in rural health care facilities. The bill also encourages the development of training programs to provide students with experience in a rural setting. Most health care workers who practice in rural areas are satisfied with their work, so encouraging students to go there initially is likely to increase the numbers of health professionals in those areas.

We have made great strides in the last few years toward making health care in rural America fairer and more accessible. But more work is needed. I hope that many of my colleagues will join us in supporting this legislation that will help to protect the availability of health care for rural communities.

Mr. GRASSLEY. Mr. President, I am pleased to be a primary cosponsor, with my colleagues Senators BURDICK and INOUYE, of a bill we are introducing today which is designed to increase the supply of health care professionals in rural communities.

Many of us believe that we face a growing problem of shortages in the number of health care professionals practicing in rural communities. In Iowa, for instance, we had in 1986 a gain of 297 physicians starting new practices across all specialties. That sounds pretty good until you consider the fact that 281 physicians ceased practice through retirement, relocation, disability or death. So, the net gain was 16 physicians. In the year before, 1985, my State had a net loss of 14 physicians. Prior to these last 2 years, there had been in Iowa a net gain of at least 75 physicians a year for 8 consecutive years.

The situation is even worse when one considers only family practitioners. In 1986, 82 new family practices were started in Iowa. But we lost 108. So there was a loss of 26 family practitioners in my State. Two years of greatly reduced gains, or losses, in the number of physicians probably cannot be said to make a trend. Yet, it is disquieting.

At the present time, in Iowa 160 communities are actively seeking a total of 250 physicians.

We also appear to be facing a shortage of nurses in Iowa. This matter of a shortage of nurses is one we are hearing a good deal about at the national level also. I understand that there is no consensus as to whether there actually is a national nursing shortage, although goodness knows there seems to be considerable evidence that there is such a shortage.

In Iowa, although there have been increases in the numbers of BSN graduates over the last 2 years, there have been substantial decreases in the number of graduates from other types of nurses education programs. Most of these graduates would practice in Iowa. Between 1986 and 1987, for instance, the number of graduates from BSN programs increased about 15 percent, but the number of graduates from diploma programs declined 18 percent, and the number of ADN graduates declined about 7 percent. The change between 1985 and 1986 for the same types of programs was plus 15 percent, minus 16 percent, and minus 4 percent.

It is also disturbing to note that there have been decreases in the number of people enrolling in nursing programs in Iowa. Although the number of BSN entrants increased about 14 percent between 1985 and 1986, the number of BSN entrants dropped 11 percent between 1986 and 1987. The number of diploma program entrants declined 35 percent between 1986 and 1987, and 25 percent between 1985 and 1986. The number of ADN program entrants declined 1 percent between 1986 and 1987, and 6 percent between 1985 and 1986. The total decrease in entrants to RN programs was 18 percent between 1984 and 1985, and 11 percent between 1985 and 1986.

Mr. President, such numbers will translate in my State into shortages in the work settings in which we need nurses—hospitals, nursing homes, clinics, and doctors offices, to say nothing of the newer settings in which nurses are beginning to work.

A recent report, a Statewide Plan for Nursing, published early this year, concluded that there will be a shortage of from 1,000 to 8,000 RN's and of from 500 to 800 LPN's in 1990 in Iowa. It concluded that, by the year 2000, just 12 years from now, there will be a shortage of from 4,000 to 12,000 RN's and from 1,000 to 2,500 LPN's.

The Report of the Governor's Task Force on Rural Health and Emergency Medical Services, published in November 1987, stressed that "increased problems with shortages of qualified health professionals will impact on availability of services and quality of care. Rural Iowans will be denied access to basic health care services."

My colleagues Senator BURDICK and INOUYE and I are introducing a bill today which we hope will help alleviate the shortages in health care personnel we are experiencing in rural areas. Our bill will establish a grant program in the Department of Health and Human Services from which grants will be made to programs that specialize in preparing health and allied health care personnel.

Those who receive these grants will use the money they provide to fund interdisciplinary training projects designed to do a number of things. These include: Using new methods to train health care practitioners to provide services in rural areas; demonstration of innovative interdisciplinary methods to provide access to health care in rural areas; delivery of health care in rural areas; conducting research on health care issues in rural areas; and designing models for the recruitment of health care providers in rural areas.

The key element in this bill is that applicants to the program will have to demonstrate to the Secretary that the purpose of the activity they contemplate is to establish a long-term collaborative relationship with health care providers in rural areas. They will also have to demonstrate that they have designated a rural health care agency to participate in the training activity they will undertake.

We intend this feature to establish lasting relationships between those who train health and allied health providers and those who are involved in rural areas in health care delivery. We anticipate that this will cause more health care providers to establish themselves in rural areas.

The bill also calls for a study of rural health manpower supply. We anticipate that this study, when completed, will improve our understanding of the dimensions of the supply-demand equation for health care providers in rural areas.

It is the case, Mr. President, that we realize fully that many things affect the supply and demand for health care providers both nationwide and in rural areas. These are things such as reimbursement patterns under medicare, competing career opportunities for women, the demand for nurses in settings other than those in which direct health care is provided. Others surely could be mentioned. These are powerful influences. We are under no illusions that the program which will be authorized by this bill will overcome the negative impact of some of the things I just mentioned.

However, Mr. President, the bill authorizes the Secretary to spend $5 million per year between 1988 and 1991, and, wisely given, we think this money will have a substantial positive effect in our rural communities.

By Mr. KASTEN (for himself, Mr. Lautenberg, Mr. Stevens, and Mr. Reid):

S. 2598. A bill to ensure that waste exported from the United States to foreign countries is managed in a manner so as to protect human health and the environment; to the Committee on Environment and Public Works.

WASTE EXPORT CONTROL ACT

● Mr. KASTEN. Mr. President, I rise today to introduce a bill that would make environmental sanity a central consideration in America's waste export policy.

Over the last few years, the United States has been relying more and more on foreign countries for waste disposal facilities. Most often, these countries are chosen to host our wastes because of their lax environmental regulations, which make their disposal facilities much less expensive than our own domestic facilities.

The environmental damage wrought in foreign countries by American waste exports is well documented. One shipment alone—believed to consist largely of Philadelphia incinerator ash—caused notable harm to an island near Conakry, Guinea, causing its trees to shrivel and die.

This particular example was brought to America's attention by Guinea's Ambassador to this country—and it points to another undesirable side effect of American waste exports. When we dump our waste on foreign countries with little concern for their esosystems, the implications for our foreign policy are considerable—and entirely negative. You can't build a house on sand, and you can't build an ally on a heap of toxic trash.

The Waste Export Act of 1988 is designed to eliminate the environmental abuses that result from America's waste exports. The bill does not seek to prohibit export of waste, but rather to insist that the disposal of exported waste live up to American environmental standards.

The bill reminds Americans that we live in the same world as do the foreign dumping grounds of our waste—and that the repercussions of environmental damage are not limited by national boundaries.

Under the new regime envisioned by this bill, waste exporters would be required to apply to the Government for export permits—and in doing so to certify to the Government that the waste will be disposed of "in a manner providing environmental protection consistent with the requirements for transportation, treatment, storage, or disposal of such or similar waste within the United States."

Enactment of this measure is an essential step toward assuring the environmental health of our country, and of the world as a whole. The peoples of the world are in this together; and the Waste Export Control Act of 1988 makes America a fully responsible member of the community of nations—and a full partner in the struggle for a healthy biosphere.

Mr. President, I ask unanimous consent that the full text of the bill be included in the Record following my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2598

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE

Section 1. This Act may be cited as the "Waste Export Control Act".

FINDINGS AND PURPOSES

Sec. 2. (a) The Congress finds that—

(1) exports of waste from the United States to foreign countries are increasing, in several reported instances exported wastes have been disposed of in a manner that would not be permitted in the United States, and many proposals for future waste exports are unsafe;

(2) waste exports contribute to the trade deficit of the United States and are being undertaken to avoid higher treatment and disposal expenses in the United States which are associated with the cost of complying with environmental laws and regulations in the United States;

(3) export of waste generated in the United States should be allowed only on an exceptional basis, and the United States should not allow any person to export waste to a foreign country unless that person has demonstrated, at his expense, that treatment, storage, and disposal of such waste will be conducted in accordance with the environmental standards that would be required if the waste were disposed of in the United States;

(4) existing Federal laws do not provide for any review by the United States of the effects of its exported wastes on the environment of countries to which the waste is sent;

(5) a Federal permit should be required for any person who exports waste to a foreign country; and

(6) uncontrolled export of waste threatens our coasts and oceans through unsound dumping practices.

(b) The purpose of this Act is to require any export of waste from the United States to a foreign country to be conducted in accordance with a permit issued to the person undertaking such export and pursuant to permit terms and conditions which require management of such waste to be in accordance with environmental standards no less strict than those required within the United States.

PROHIBITION

Sec. 3. Except as provided by this Act, no person shall export waste from the United States to a foreign country.

WASTE EXPORT PERMIT

Sec. 4. (a) Any person may apply to the Administrator for permission to export waste to a foreign country. Each application for a permit under this Act shall include the following information which the Administrator may augment or further define by regulation from time to time as he deems appropriate:

(1) the name and address of the exporter;

(2) the composition, quantities, and concentrations of any wastes to be exported;

(3) the names and addresses of any persons on whose behalf the applicant intends to export waste (including persons who are the generators of such waste);

(4) the estimated frequency or rate at which such waste is to be exported, and the period of time over which such waste is to be exported;

(5) the ports of entry of such waste;

(6) a detailed description of the manner in which such waste will be transported, treated, stored, and disposed of in the receiving country;

(7) the name and address of the ultimate treatment, storage, and disposal facility; and

(8) information demonstrating to the satisfaction of the Administrator that waste exported pursuant to such permit will be transported, treated, stored, and disposed of in a manner providing environmental protection no less strict than is provided by the requirements for transportation, treatment, storage, or disposal of such or similar waste within the United States.

(b) Upon a determination by the Administrator, following notice and opportunity for public comment on the application, that such application complies with the requirements of this Act, the Administrator is authorized to issue a permit to the applicant. If during the public comment period the Administrator receives written notice of opposition to issuance of the permit, the Administrator shall not issue the permit unless he has held an informal hearing (including an opportunity for presentation of written and oral views) on whether the permit should be issued. Each permit shall contain such terms and conditions as the Administrator determines necessary to carry out the purposes of this Act and to protect human health and the environment in the United States and other countries.

(c) Any permit under this section shall be for a term determined by the Administrator but in no event to exceed 5 years. Each permit shall specify mechanisms to ensure continuing compliance with this Act and permit requirements, terms, and conditions. Nothing in this Act shall preclude the Administrator from reviewing, modifying, or revoking a permit at any time during its term. At a minimum, such terms and conditions must be equivalent to and consistent with all standards and requirements that would be applicable under the Resource Conservation and Recovery Act and amendments thereto (42 U.S.C. 6901 et seq.), and with all regulations promulgated under that statutory authority, if such waste were to be generated, treated, stored, managed, transported, or disposed of within the territorial United States.

(d) The Administrator shall assess each applicant for a permit and each permittee under this section such fees as are necessary to cover all costs incurred by the United States in processing and issuing such permit and in ensuring that such permittee complies with the terms and conditions of any permit issued.

ENFORCEMENT

Sec. 5. (a) The Administrator may assess any person who violates any provision of this Act a penalty of up to $25,000 for each day or part thereof of noncompliance for each such violation. In assessing such a penalty, the Administrator shall take into account the seriousness of the violation and any good faith efforts to comply with any such provision.

(b) Any person who exports waste—

(1) without a permit under this Act; or

(2) in knowing violation of any material condition, term, or requirement of a permit issued under this Act;

shall, upon conviction, be subject to a fine of not more than $50,000 for each day or part thereof of violation, or imprisonment not to exceed 5 years, or both. If the conviction is for a violation committed after a first conviction of such person under this subsection, the maximum punishment may be doubled with respect to both fine and imprisonment.

NATIONAL SECURITY

SEC. 6. (a) The Administrator shall, at the direction of the President based on the national security of the United States, take such action as may be necessary to exempt the export of a waste from the United States from the requirements of this Act.

(b) The Administrator shall issue such regulation or regulations as may be necessary to carry out the provisions of this Act.

DEFINITIONS

SEC. 7. (a) As used in this Act, the term—

(1) "Administrator" means the Administrator of the Environmental Protection Agency;

(2) "export" means to send waste from the United States to a foreign country;

(3) "person" means an individual, trust, firm, joint stock company, corporation (including a government corporation), partnership, association, Federal agency, State, municipality, commission, political subdivision of a State, or any interstate body; and

(4) "waste", except as provided in subsection (b), means the same as the term "solid waste" as defined in section 1004(27) of the Solid Waste Disposal Act (42 U.S.C. 6903(27)).

(b)(1) For purposes of this Act, a person shall be deemed to be exporting waste if such person, on his own behalf or on behalf of any other person, arranges for waste to be sent to a foreign country.

(2) For purposes of this Act, the term "waste" does not include baled waste paper, metals, plastics, or other materials exported and destined for recycling or reuse, if net payment is received by the exporter from a person in the country of destination, including any intermediaries, who takes receipt of such material. However, a material is "waste" for purposes of this Act irrespective of any recycling or reuse in the country of destination if such material is—

(i) a hazardous waste as defined by subtitle C of the Solid Waste Disposal Act (42 U.S.C. 6921 et seq.);

(ii) a substance whose storage, treatment or disposal within the United States is regulated under the Toxic Substances Control Act (15 U.S.C. 2601 et seq.);

(iii) mixed municipal solid waste;

(iv) ash or other residue from incineration.

(3) For purposes of this Act, the term "net payment" shall have such meaning as the Administrator shall, by regulation, provide.

SAVINGS CLAUSE

SEC. 8. The requirements of this Act are in addition to requirements of section 3017 of the Solid Waste Disposal Act (42 U.S.C. 6938).●

By Mr. GORE (for himself and Mr. D'AMATO):

S. 2599. A bill to require the Consumer Product Safety Commission to complete rulemaking proceedings regarding all-terrain vehicles in order to promote the safety of consumers; to the Committee on Commerce, Science, and Transportation.

ALL-TERRAIN VEHICLE CONSUMER PROTECTION ACT

● Mr. GORE. Mr. President, today, I am introducing legislation to provide the Consumer Product Safety Commission with additional authority regarding all-terrain vehicle safety. I am delighted to be joined in this effort by Senator D'AMATO, who has been involved in this issue for some time.

Although they may look innocuous, ATV's really are very complex machines that require unique handling capabilities. They have been linked to over 1,000 deaths and more than 350,000 injuries treated in hospital emergency rooms since 1982. The injuries caused by ATV's are often severe, resulting in quadriplegia, ruptured organs, and skull or bone fractures. Tragically, children are often the victims of ATV accidents. In fact, nearly one-half of the injuries and deaths have been caused to children under the age of 16. As the father of four children, I am particularly concerned about the threats to children's safety that are posed by ATV's.

As many of you know, the CPSC and the ATV industry have entered into a consent decree under which the ATV manufacturers will take certain steps to provide notice, warning and training to some purchasers of ATV's. These steps are long overdue. I hope that they will yield safety benefits for American consumers, and am pleased that they are now in place.

However, I believe that more needs to be done to guarantee consumer safety and awareness regarding ATVs, as well as to reimburse individuals who purchased ATVs because they were led to believe ATVs were safe, but now know that they can be very dangerous machines. Therefore, the legislation I am introducing provides the CPSC with new statutory authority and guidelines to continue it's efforts to promote ATV safety.

The legislation would require the CPSC to begin four rulemaking proceedings. The CPSC would consider whether the sale of used three-wheel ATV's by distributors and dealers should be precluded. In addition, the CPSC would determine whether a reasonable voluntary refund should be provided to individuals who purchased three-wheel ATV's or an ATV designed, marketed or purchased for use by a child under the age of 16. Let me emphasize that this would be a voluntary refund program, to be used by anyone who wishes to return their ATV for a reasonable reimbursement.

Hands-on training would also be considered by the CPSC, to be made available free of charge to all prior purchasers and their immediate families. This would build on the consent decree, under which free training is provided only to those who bought an ATV since January 1, 1987. Finally, the CPSC would establish performance and design standards to be applied to all ATV's, together with specifications regarding the appropriate age for safely operating ATV's of various engine and frame sizes.

There are those who will suggest that taking this action now is unwise, that we should wait to see if the consent decree resolves the matter. With 7,000 injuries each month and over 170 deaths per year, we cannot afford to delay. We waited for the CPSC and industry to act, and they did not do so until far too late. It is in part because of this extraordinary delay that this additional Congressional action must be taken. This legislation will help to remove ATV's from the marketplace by affording consumers an option for returning them. In addition, it will provide free training to all those who will continue to use ATV's, so that they will be more safely operated.

The legislation is supported by a broad coalition of interests, including the National Association of Attorneys General, the American Academy of Pediatrics, the National Safety Council, the Consumer Federation of America, Consumers Union, Public Citizen, the U.S. Public Interest Research Group, and others.

I invite our Senate colleagues to join in this effort to protect American consumers.●

● Mr. D'AMATO. Mr. President, I rise as an original cosponsor of the All-Terrain Vehicle Consumer Protection Act of 1988. This bill will help to reduce the unacceptably high number of deaths and injuries on all-terrain vehicles. It also is designed to refine the basic elements of S. 2016, which I introduced on January 28, 1988, and delete portions made moot by subsequent court action.

I am pleased to join Senator GORE, Chairman of the Consumer Subcommittee of the Senate Commerce Committee, in this bipartisan effort to secure refunds for consumers who purchased 3-wheeled ATV's, or adult-sized ATV's for use by children under age 16. I believe that a refund program is the only effective way to get ATV's out of the hands of children who are being killed and maimed in alarming numbers. Consumer participation in the refund program would be voluntary. Our bill directs the U.S. Consumer Product Safety Commission (CPSC) to engage in a rulemaking process to address consumer refunds.

The CPSC's latest data show that there have been 1,037 "reported" ATV deaths since 1982. Sixty-nine deaths were reported in New York State, second only to the 75 deaths reported in California. CPSC describes its own data as "a minimum count of ATV related deaths" because not all deaths have been reported. During 1987, 220 ATV deaths were reported to CPSC; however, CPSC estimates that 367 ATV deaths may have occurred. CPSC also estimates that there may have been over 1,000 ATV deaths just in the 3-year period from 1985 through 1987. Moreover, despite the April 1988 settlement of CPSC's lawsuit against the ATV manufacturers, the safety agency's experts state that "estimated deaths are not expected to decrease in the next few years."

Children under the age of 16 account for 42 percent (or 438) of the total ATV deaths: children under the age of 12 account for 19 percent (or, 193) of the deaths. It is clear that the recent settlement of the Federal Government's imminent hazard case against the five ATV manufacturers (Honda, Kawasaki, Suzuki, and Yamaha, and one American company, Polaris) is not sufficient to protect consumers. Beyond the personal suffering involved, the costs to society exceed $1 billion per year. More needs to be done.

Over the past year I have spoken out against the Department of Justice, and the CPSC for failing to secure consumer refunds for ATV manufacturers. In March of this year, acting as amicus curiae, I filed legal briefs in the U.S. District Court for the District of Columbia opposing the preliminary and final settlement of this case. On April 18, 1988, I joined with a group of other amici including 32 State Attorneys General, public citizen, the U.S. Public Interest Research Group (PIRG), the American Academy of Pediatrics, the American Public Health Association, and the Consumer Federation of America, and argued before Judge Gesell urging him to disapprove the settlement, or least make some key changes.

Judge Gesell refused to approve the proposed final settlement until a provision was deleted that effectively would have stopped the Federal Government—forever—from again seeking consumer refunds if the settlement fails to work. Judge Gesell had the parties limit that ban to a period of 2.5 years—under December 1990. Also, at the urging of the amici, a provision was dropped that would have required the Federal Government to come up with "new and substantial evidence" in order to seek more protection for consumers. I was gratified that these changes were made; however, we cannot afford to wait until the end of 1990 to start the process again. Too many children will die or be seriously injured.

With the exception of Commissioner Anne Graham, who voted against the final settlement of the Government's case against the ATV manufacturers, the CPSC under its current leadership has failed in its mission to protect the public from the imminent and unreasonable risks associated with ATV's. This settlement is a wolf in sheep's clothing. Congress must now act responsibly to fill this gap.

I intend to work with Senator Gore and other interested Senate colleagues effectively to remove 3-wheeled ATV's and adult sized ATV's from the hands of children. Other consumers threatened by the imminent hazards presented by 3-wheeled ATV's, should be able to secure refunds for these vehicles. Other important portions of our bill require CPSC to engage in rulemakings to: First, ban the sale of 3-wheeled ATV's; second, provided free hands on training to all ATV purchasers (not just for those who purchased in 1987 and thereafter, as per the settlement); and third, provide for performance and design standards for ATV's.

I urge my Senate colleagues to cosponsor this bill and work for its adoption by the Senate.

Mr. President, I ask unanimous consent to have a copy of CPSC's latest State-by-State death statistics printed in the Congressional Record at the conclusion of my remarks.

There being no objection, the Statistics were ordered to be printed in the Record, as follows:

DEATHS ASSOCIATED WITH 3- AND 4-WHEELED ALL TERRAIN VEHICLES REPORTED FOR THE PERIOD JAN. 1, 1982 THROUGH MAR. 21, 1988

State	Frequency	Percent	Cumulative	
			Frequency	Percent
Alaska	33	3.2	33	3.2
Alabama	26	2.5	59	5.7
Arkansas	39	3.8	98	9.5
Arizona	18	1.7	116	11.2
California	75	7.2	191	18.4
Colorado	3	.3	194	18.7
Connecticut	4	.4	198	19.1
Florida	30	2.9	228	22.0
Georgia	14	1.4	242	23.3
Iowa	13	1.3	255	24.6
Idaho	12	1.2	267	25.7
Illinois	21	2.0	288	27.8
Indiana	22	2.1	310	29.9
Kansas	15	1.4	325	31.3
Kentucky	19	1.8	344	33.2
Louisiana	35	3.4	379	36.5
Massachusetts	13	1.3	392	37.8
Maryland	4	.4	396	38.2
Maine	12	1.2	408	39.3
Michigan	55	5.3	463	44.6
Minnesota	35	3.4	498	48.0
Missouri	25	2.4	523	50.4
Mississippi	30	2.9	553	53.3
Montana	6	.6	559	53.9
North Carolina	21	2.0	580	55.9
North Dakota	12	1.2	592	57.1
Nebraska	9	.9	601	58.0
New Hampshire	12	1.2	613	59.1
New Jersey	10	1.0	623	60.1
New Mexico	14	1.4	637	61.4
Nevada	9	.9	646	62.3
New York	69	6.7	715	68.9
Ohio	34	3.3	749	72.2
Oklahoma	9	.9	758	73.1
Oregon	14	1.4	772	74.4
Pennsylvania	49	4.7	821	79.2
Rhode Island	2	.2	823	79.4
South Carolina	3	.3	826	79.7
South Dakota	4	.4	830	80.0
Tennessee	34	3.3	864	83.3
Texas	34	3.3	898	86.6
Utah	21	2.0	919	88.6
Virginia	17	1.6	936	90.3
Vermont	7	.7	943	90.9
Washington	20	1.9	963	92.9
Wisconsin	50	4.8	1,013	97.7
West Virginia	23	2.2	1,036	99.9
Wyoming	1	.1	1,037	100.0●

By Mr. MATSUNAGA:

S. 2600. A bill to amend the Federal Unemployment Tax Act with respect to employment performed by certain employees of educational institutions; to the Committee on Finance.

EMPLOYMENT PERFORMED BY EMPLOYEES OF CERTAIN EDUCATIONAL INSTITUTIONS

Mr. MATSUNAGA. Mr. President, I am today introducing legislation to allow the States to extend unemployment compensation benefits to nonprofessional school employees between academic terms. Congressman Robert Matsui of California has introduced similar legislation (H.R. 4178) in the House.

Mr. President, the Social Security Amendments Act of 1983 (Public Law 98-21) contained a provision requiring that the States deny unemployment compensation benefits to nonprofessional educational service employees between academic years or terms if the employees have a "reasonable assurance" of returning to work in the next academic year. Prior to the adoption of this provision, States were granted the option of granting or denying unemployment compensation benefits to such workers during these periods.

Mr. President, the legislation I am introducing today would reinstate the State option to either provide or deny unemployment compensation benefits between academic terms to nonprofessional educational workers such as cafeteria workers, custodians, crossing guards, and secretaries. The current blanket denial of benefits to nonprofessional educational employees is particularly harmful to such workers because they are among the lowest paid workers in the United States. With the exception of educational employees and professional athletes, all other employees with major seasonal occupations are eligible to apply for unemployment compensation benefits. In addition, adequate mechanisms already exist within the Federal-State unemployment compensation system for denying unworthy benefit claims. Upon the enactment of this legislation, nonprofessional educational employees would have to satisfy the eligibility requirements set forth under State law for receiving unemployment compensation benefits.

Mr. President, this legislation is consistent with the basic objective of the unemployment compensation program which is to provide temporary protection for qualified workers who lose their jobs until they may be rehired or find new employment. This legislation would remove an inequity in our current program and I therefore urge my colleagues to support this much needed legislation, and I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2600

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EMPLOYEES PROVIDING SERVICES TO EDUCATIONAL INSTITUTIONS.

(a) In General.—Clauses (ii)(I), (iii), and (iv) of section 3304(a)(6)(A) of the Internal Revenue Code of 1986 are each amended by striking out "shall be denied" and inserting in lieu thereof "may be denied".

(b) Effective Date.—The amendments made by this section shall apply in the case of compensation paid for weeks beginning on or after the date of the enactment of this Act.

By Mr. HEFLIN (for himself, Mr. DeConcini, Mr. Kennedy, and Mr. Specter):

S. 2601. A bill to amend section 371 of title 28, United States Code, to allow a Federal judge who is at least 60 years of age and has completed 20 years of service to retire from regular active service; to the Committee on the Judiciary.

RETIREMENT OF JUDGES FROM REGULAR ACTIVE SERVICE

Mr. HEFLIN. Mr. President, today I a am introducing legislation along with several of my colleagues on the Senate Judiciary Committee, which will permit article III judges to retire from active service and assume senior status between the ages of 60 and 65, if the judge's age and years of service equals 80.

In 1984, Congress amended title 28, United States Code, section 371 to provide a more reasonable system of retirement of Federal judges which took into account a judge's age and years of service. This is referred to as a modified rule of 80. Currently, a judge between the ages of 65 and 70, whose age and years of service total 80, may elect to retire on salary under section 371(a) of title 28, or to assume senior status, under section 371(b).

The legislation I am introducing today would allow an article III judge to assume senior status at an earlier age, with more years of service. It permits the election of senior status between the ages of 60 and 65, if a judge's age and years of service equals 80.

For example, if a judge is 60 years old and has served for a period of 20 years, that judge would be eligible to elect senior status. Likewise, a judge who is 64 years old with 16 years of service would also be eligible for such election. This legislation does not amend section 371(a) in any way.

When an article III judge takes senior status, a vacancy is created, and a successor can be appointed. At the same time, the court is able to rely upon the expertise and experience of a pool of senior judges who continue to carry a considerable caseload. This experienced pool of senior judges may lessen the need to create new judgeships, which carries a significant cost.

I also believe that this legislation is more equitable for those judges who enter judicial service at an earlier age. Take for example 2 judges who entered service on the same date 15 years ago, 1 at age 50, the other at age 35. The first judge could retire or take senior status after 15 years of service, but the second judge would be required to serve twice as long—30 years for the same entitlement.

Let me restate, that this legislation does not amend section 371a), dealing with retirement, but would allow judges to seek senior status at an earlier time.

This legislation is supported by the American Bar Association, and the Judicial Conference of the United States has supported similar proposals.

It is my belief that this bill will confer a great benefit upon the country at a very minimal cost and I would ask my colleagues to lend their support to this legislation.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the Record after the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2601

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RETIREMENT OF JUDGES FROM REGULAR ACTIVE SERVICE.

(a) After Attaining Age 60 and After 20 Years of Service.—Section 371 of title 28, United States Code, is amended by inserting after subsection (d) the following:

"(e) Any justice or judge may retain the office but retire from regular active service under subsection (b), without regard to the provisions of subsection (c), if he or she has attained the following age and service requirements:

"Attained Age:	Years of Service
60	20
61	19
62	18
63	17
64	16.".

(b) Technical Amendments.—Section 371 of title 28, United States Code, is amended—

(1) in subsection (b) by striking out "Any" and inserting in lieu thereof "Subject to the provisions of subsection (e), any"; and

(2) in subsection (c) by striking out "The" and inserting in lieu thereof "Subject to the provisions of subsection (e), the".

SEC. 2. EFFECTIVE DATE.

The amendments made by section 1 apply to any justice or judge of the Untied States appointed to hold office during good behavior who retires on or after the date of the enactment of this Act.

By Mr. MITCHELL (for himself, Mr. Chafee, and Mr. Lautenberg):

S. 2602. A bill to establish the regional marine research trust fund, and for other purposes; to the Committee on Environment and Public Works.

REGIONAL MARINE RESEARCH TRUST FUND

● Mr. MITCHELL. Mr. President, today I am introducing legislation to establish a national trust fund to support research of our marine and coastal waters.

I am very pleased that Senators Chafee and Lautenberg are joining me in introducing this important legislation.

Reports of environmental problems in marine waters have become increasingly frequent. We have heard about beach closings in New Jersey, pollution of Boston Harbor, a large dead zone in the Gulf of Mexico, closing of shellfish areas, high levels of toxics in Puget Sound, and the death of dolphins in the mid-Atlantic. Just last month, we learned of a new threat to the environmental quality of coastal waters—acid rain.

Over the past several months, the Senate Subcommittee on Environmental Protection, which I chair, has held a series of hearings to review environmental trends and conditions in marine and coastal waters around the Nation.

Witnesses at the hearings agreed that coastal waters face significant environmental problems. the Congressional Office of Technology Assessment offered the stark conclusion that—

> In the absence of additional measures to protect our marine waters, the next few decades will witness new or continued degradation in many * * * coastal waters around the country.

In response to this problem, I developed and introduced the Marine Research Act of 1988, S. 2068. I am pleased to report that the full Environment and Public Works Committee reported the Marine Research Act on June 23.

This legislation is intended to expand and strengthen research and assessment of marine and coastal waters. A better marine research program will help us develop the capability to identify and prevent threats to the marine environment before they grow to be unmanageable and costly problems.

The bill provides general authority to establish 10 regional marine research programs. The basic objective of the marine research programs will be to provide a regional focus for planning, coordinating, and conducting marine scientific research. The regional research programs will be developed by the existing marine research institutions working in each region, including universities, State agencies, and private laboratories.

A key element of the bill is a provision for development of a 3-year research plan which sets the goals and priorities for research and monitoring in the marine and coastal waters of the region. Regional research plans will address projects ranging from basic oceanographic research to more specific, applied research activities.

The bill also provides authority for the regional programs to conduct baseline monitoring and assessment of marine environmental quality. Programs are to submit general reports to the State Governors and the public on trends and conditions in the region.

The regional programs will be eligible for support grants of $3 million per year. The bulk of this funding, at least $2.5 million, will be used directly by research organizations to carry out the research and related activities identified in the 3-year research plan. Programs may use up to $500,000 for activities including development of plans, sponsoring technical seminars, and publication of reports and studies.

The bill provides for a total authorization of $33 million. This figure includes $3 million for each region except the tropical region, which is eligible for $1.5 million and the Gulf of Mexico region which is eligible for $5 million, and $1 million to support the activities of the Federal board.

Throughout the development of this legislation, I have heard the concern that we assure a stable and reliable funding base for this research program. A stable funding base would encourage long-range planning and projects and would provide a solid foundation for bringing research institutions into the research planning process.

The legislation we are introducing today provides for a marine research trust fund to support the research program called for in the Marine Research Act. The trust fund would be supported through both direct appropriations and the excess funds in the existing trust fund established in title III of the Outer Continental Shelf Lands Act Amendments of 1978.

The existing trust fund is to provide compensation in the event of environmental damage from activities on offshore lands. The fund is designed to carry a minimum of $100 million and a maximum of $200 million. Revenue for the fund is provided by an existing fee of 3 cents per barrel on oil produced on the Continental Shelf.

At this time, fees and earned interest have generated a balance of over $120 million. The fund is growing at the rate of about $24 million per year—$12 million from fees and about $12 million from interest. No claims have been registered against the fund in the over 8 years of its existence.

In its most recent report to Congress, the Coast Guard has proposed to use authority in the law to administratively remove the fee on the grounds that continued collection will bring the fund over the maximum level in the near future.

The marine research trust fund proposed in this legislation would be funded through a diversion of fees and interest above the $200 million maximum level of the exisiting fund to a new marine research trust fund. For technical reasons, diversion would actually start at $195 million.

The diversion from the existing fund would begin in about 2.5 to 3 years and would provide about $25 to $35 million a year for marine research. Any additional funding needed in the near-term or on an ongoing basis to meet the authorization in the Marine Research Act could be provided through appropriations.

This approach to funding of marine research has two key advantages—it makes use of an existing fee and it applies the revenue to a purpose which is clearly related to the fee.

Passage of this legislation would have several indirect effects. It would have the effect of removing the administrative discretion to suspend the fee, thereby assuring that it will remain in place if needed to replenish the fund. And, it effectively moves the minimum balance in the existing fund from $100 million to about $200 million, thereby increasing the amount on hand in the event of a claim.

I am convinced that responding to the threats to the marine environment will require expanding and strengthening our Marine Research Program. And, I am convinced that a trust fund will provide the stable and reliable funding base which is so important to long range research of complex environments.

While the funding mechanism suggested in this legislation has advantages, some of my colleagues may see disadvantages to this approach or may have suggestions for alternative approaches.

In introducing this bill, I hope to begin a discussion of the best approach to funding the marine research proposed in the Marine Research Act. I look forward to hearing the views of my colleagues on this subject. And, I expect that we may find ways to revise and improve this legislation.

As this legislation develops, we need to be especially careful to assure full coordination with any legislation revising the Federal role in responding to oil spills in marine waters. As oil spill legislation advances in the Congress, I will work to assure that we address the need to fund marine research and to develop the best possible Federal oil spill legislation.

In conclusion, Mr. President, there is growing evidence of threats to the quality of the marine environment. We must assess the seriousness and extent of this problem and consider appropriate response measures. An important first step in protecting the marine environment is to strengthen and expand marine research at the regional level. The legislation I am introducing today offers a stable and reliable funding base to support this important effort.

I hope my colleagues will join me in supporting this legislation and working to improve our understanding of our rich, diverse marine resources.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2602

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REGIONAL MARINE RESEARCH TRUST FUND.

(a) CREATION OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the "Regional Marine Research Trust Fund", consisting of such amounts as may be transferred to such Trust Fund as provided in this section or credited to the Trust Fund under subsection (f).

(b) TRANSFERS TO TRUST FUND.—The Secretary of the Treasury shall transfer monthly into the Regional Marine Research Trust Fund any unobligated balance of the Offshore Oil Pollution Compensation Fund in excess of $195,000,000.

(c) APPROPRIATION OF ADDITIONAL SUMS.—There are hereby authorized to be appropriated to the Regional Marine Research Trust Fund such additional sums as may be appropriate to make the expenditures referred to in subsection (d).

(d) EXPENDITURES.—Amounts in the Regional Marine Research Trust Fund shall be available, as provided in appropriation Acts, to the Regional Marine Research Oversight Board for the purposes of making expenditures to carry out sections 404, 405, 406, 407, and 408 of the Marine Research Act of 1988, but not in excess of $33,000,000 for any fiscal year.

(e) REPORT.—It shall be the duty of the Secretary of the Treasury to hold the Regional Marine Research Trust Fund and to report to the Congress each year on the financial condition and the results of the operations of the Trust Fund during the preceding fiscal year and on the expected condition and operations of the Trust Fund during the next 5 fiscal years.

(f) INVESTMENT.—

(1) In General.—It shall be the duty of the Secretary of the Treasury to invest such portion of the Regional Marine Research Trust Fund as is not, in the judgment of the Secretary, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States. For such purpose, such obligations may be acquired—

(A) on original issue at the issue price, or

(B) by purchase of outstanding obligations at the market price.

(2) Sale of obligations.—Any obligation acquired by the Trust Fund may be sold by the Secretary of the Treasury at the market price.

(3) Interest on certain proceeds.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

(g) Conforming Amendments to Outer Continental Shelf Lands Act Amendments of 1978.—

(1) Section 302(c) of the Outer Continental Shelf Lands Act Amendments of 1978 (43 U.S.C. 1812(c)) is amended—

(A) by striking out "and" at the end of paragraph (2),

(B) by striking out the period at the end of paragraph (3) and inserting in lieu thereof ", and", and

(C) by inserting after paragraph (3) the following new paragraph:

"(4) transfers to the Regional Marine Research Trust Fund.".

(2) Section 302(d)(2) of the Outer Continental Shelf Lands Act Amendments of 1978 (43 U.S.C. 1812(d)(2)) is amended by striking out "not less than $100,000,000 and not more than".

(h) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.●

By Mr. CRANSTON (for himself and Mr. Wilson):

S. 2604. A bill to authorize the conveyance of the vessel, *Lane Victory;* to the Committee on Commerce, Science, and Transportation.

CONVEYANCE OF VESSEL, "LANE VICTORY"

Mr. CRANSTON. Mr. President, today I am pleased to introduce legislation authorizing the Secretary of Transportation to convey the right, title, and interest of the U.S. Government in the vessel, *Lane Victory* to a nonprofit corporation for use as a merchant marine memorial.

The U.S. Merchant Marine Veterans of World War II is a nonprofit organization dedicated to educating the American people about the part played by our merchant marine in World War II. The organization proposes to establish a permanent memorial museum in Los Angeles Harbor, dedicated to the memory of the thousands of merchant seamen who lost their lives during World War II.

Mr. President, many U.S. citizens are unaware of the fact that approximately 7,000 merchant mariners perished in the war and over 600 were prisoners of war in Europe and the Orient.

The merchant marine veterans have expressed the desire to assume full financial and operational responsibility for the vessel *Lane Victory,* which is a World War II merchant vessel and is presently lying in the reserve fleet at Suisan Bay near San Francisco. They have agreed to transport the ship at their own expense to the Los Angeles Harbor where it will be permanently docked and used as a memorial to pay tribute to those who lost their lives in the service of their country.

This Nation owes an outstanding debt to the merchant marine for its contribution to victory in World War II—a memorial to the courage and self sacrifice of those men seems most appropriate and long overdue.

I ask unanimous consent that my statement and the text of the bill be entered into the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2604

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. (a) Notwithstanding another law, the Secretary of Transportation may convey the right, title, and interest of the United States Government in the vessel Lane Victory, United States official number 248094, to a nonprofit corporation (referred to in this Act as the "recipient") for use as a merchant marine memorial if—

(1) the recipient agrees to use the vessel as a non-profit merchant marine memorial museum;

(2) the vessel is not used for commercial transportation purposes;

(3) the recipient agrees to make the vessel available to the Government when the Secretary requires use of the vessel by the Government;

(4) the recipient agrees that when the recipient no longer requires the vessel for use as a merchant marine memorial museum the recipient will—

(A) at the discretion of the Secretary, reconvey the vessel to the Government in as good a condition as when it was received from the Government, except for ordinary wear and tear; and

(B) deliver it to the Government at the place where the vessel was delivered to the recipient;

(5) the recipient agrees to hold the Government harmless for any claims resulting from exposure to asbestos after conveyance of the vessel, except for claims against the Government arising from exposure during the use by the Government under paragraphs (3) or (4) of this subsection; and

(6) the recipient agrees to any other conditions the Secretary considers appropriate.

(b) If a conveyance is made under this Act, the Secretary shall deliver the vessel to the recipient at the place where the vessel is located on the date of enactment of this Act, in its present condition, without cost to the Government.

(c) The Secretary also may convey any unneeded equipment from other vessels in the National Defense Reserve Fleet in order to assist in placing the Lane Victory in operating condition.

Sec. 2. This Act does not require the Secretary to retain this vessel in the reserve fleet for a period longer than two years from the date of enactment of this Act.

By Mr. KENNEDY (for himself, Mr. Simpson, and Mr. Simon):

S. 2605. A bill to amend the Immigration and Nationality Act to extend for 3 years the authorization of appropriations for refugee assistance, and for other purposes; to the Committee on the Judiciary.

REFUGEE RESETTLEMENT EXTENSION ACT

Mr. KENNEDY. Mr. President, today Senator Simpson, Senator Simon, and I are introducing a bill to reauthorize the refugee assistance programs of the Refugee Act of 1980. Spending authority for these programs expires at the end of this fiscal year, so it is our hope that the Senate will be able to act on this noncontroversial, but extremely important, authorization legislation later this summer.

This bill is a tribute to all those who work so selflessly to assist refugees to rebuild their lives in America. It seeks to assure stability and continuity in a program which has undergone considerable fiscal changes in recent months. Therefore, we propose no major changes and seek to promote greater stability.

The bill provides for a 3-year reauthorization. It calls for greater coordination between the various actors in refugee resettlement; it requires attention to adequate funding for the refugees we admit; and it streamlines certain State funding mechanisms. It also would assure that the annual consultations between the President and Congress on refugee admissions ceilings occur well in advance of the fiscal year in which the refugees are actually to be admitted.

Mr. President, I do want to indicate three additional items which I may pursue in the course of this bill's consideration.

First, Senator Simpson and I are working on a proposal to provide for a pilot program to address the long-term dependency of certain Hmong refugees from Laos. This group is having a particularly difficult time in certain parts of the United States in their resettlement.

Second, several months ago, I asked the General Accounting Office to study the cost efficiency of permitting consular officers, as well as Immigration Service officers, to make refugee determinations overseas. Currently, only Immigration officers can decide who is a refugee. It has seemed to me for some time that it makes little sense to fly Immigration Service officials to remote areas of the world to make individual refugee determinations where U.S. consular officials are already present.

But before proceeding, I thought we should first see if the GAO could shed some light on this proposal. The GAO study should be available within a couple of weeks. Depending upon its findings, I may be pursuing an amendment in this area.

Finally, Senator Boschwitz has some insightful proposals regarding continuing medical assistance for refugees. These require further development. But both Senator Simpson and I are working with him on this issue, and I am hopeful we will have something ready by the time the bill is considered.

Mr. President, all Americans can be proud of the role our country has played in providing a new home to thousands of refugees in recent years. I believe this bill meets the high standard of commitment which the American people historically have shown toward the resettlement of the persecuted.

Mr. SIMPSON. Mr. President, I am very pleased to join Senator Kennedy and Senator Simon in introducing legislation to reauthorize domestic settlement activities of the U.S. Refugee Program.

The legislation would provide authorizations of appropriations for 3 years, beginning with fiscal year 1989. It provides for Federal reimbursement of State cash and medical assistance costs, social service programs to aid refugee assimilation and self-sufficiency, medical screening of newly arriving refugees, and reimbursement of certain State costs due to the incarceration of Mariel Cubans.

In addition, the legislation makes certain changes in the Domestic Resettlement Program's rules and procedures: Some of the extensive auditing requirements of voluntary agency activities have been deleted, at the suggestion of the General Accounting Office; incentives for improved consultation with State governments concerning refugee placement policy have been inserted; and a new requirement for matching proposed refugee admission levels with funds to pay for resettlement of that number of refugees has been created. I am confident that these changes will improve the operation of our Domestic Refugee Program.

I and other subcommittee members will be working on specific provisions to assist refugee groups that have experienced particularly severe welfare dependency problems. We intend to have these proposals drafted in time for the Judiciary Committee's consideration of the legislation.

Finally, let me compliment my subcommittee colleagues for the reasonable, bipartisan approach taken to this bill. U.S. refugee policy is a nonpartisan issue, and I believe we best serve the American public and national interest when we approach the issue in this manner. I commend this legislation to my colleagues.

By Mr. SYMMS:

S. 2608. A bill to repeal the requirement that taxpayers include on an income tax return a tax identification number for claimed dependents who have attained the age of 5 years; to the Committee on Finance.

TAXPAYER IDENTIFICAITON NUMBERS

● Mr. SYMMS. Mr. President, I rise today to introduce a bill which will correct a gross inequity perpetuated by the increasing amount of Federal interference in the lives of the American people. This bill would repeal the requirement that children having attained the ripe old age of 5 be issued a Social Security number—for tax identification.

Social Security numbers were designed in the 1930's as a way to administer a supplemental retirement fund. They were never intended to be used as a method for monitoring and regulating taxation—nor should they be. Yet Congress time and time again expands the Federal bureaucracy by linking widely disparate programs together.

This bill would be the first step toward untangling the intricate web of government intervention that is increasingly pervading all walks of life. Let's free our children of an Orwellian number system, and strike a blow for limited government.●

By Mr. DANFORTH (for himself, Mr. Boren, Mr. Durenberger, Mr. Bond, Mr. Baucus, Mr. Karnes, Mr. Riegle, Mr. Heinz, Mr. Wallop, Mr. Burdick, Mr. Daschle, Mr. Kasten, Mr. Quayle, Mr. Pryor, Mrs. Kassebaum, Mr. Symms, Mr. McClure, Mr. Pressler, Mr. Warner, and Mr. McConnell):

S. 2609. A bill to amend the Internal Revenue Code of 1986 to provide that the special rule for proceeds from livestock sold on account of drought apply to livestock used for draft, breeding, dairy or sporting purposes; to the Committee on Finance.

DROUGHT TAX RELIEF FOR OWNERS OF LIVESTOCK

● Mr. DANFORTH. Mr. President, today I am pleased to join Senator Boren and other colleagues in introducing a bill to extend the special rules available for proceeds from livestock sold on account of drought to livestock used for draft, breeding, dairy, or sporting purposes.

Farmers in Missouri and other States around the country are experiencing the worst drought in 50 years. Farmers are watching crops burn in the field, and pastureland has completely dried up. Missouri is so dry that many communities are canceling Fourth of July fireworks celebrations because of the danger of grass and forest fires.

The latest crop and weather information shows that 81 percent of Missouri pastures are rated very poor, and 19 percent are rated poor. There is not a single acre of pastureland in Missouri that has better than a poor rating. Farmers cannot support livestock with these conditions. In fact, many livestock producers are beginning to liquidate their herds because of the shortage of pasture and the high price of feed. With each passing day, more farmers are compelled to sell their foundation herds because they cannot afford to feed these animals.

Currently, section 451(e) of the Internal Revenue Code provides that income from the sale or exchange of livestock solely on account of a drought may at the election of the taxpayer be deferred until the following taxable year. This election is available to taxpayers in areas designated as eligible for assistance by the Federal Government—regardless of whether the designation is made by the President or by an agency or department of the Federal Government—who use the cash method of accounting.

Unfortunately, this election is not available for livestock used for draft, breeding, dairy, or sporting purposes. This bill extends this special tax treatment to such livestock. Thus, if a Missouri farmer normally sells 100 of his cattle annually but due to qualifying drought conditions is forced to sell 150 head this year, including 50 of his breeding cattle, the income from the sale of the additional 50 head will qualify for income deferral under this bill. This is of course in addition to another provision in the Internal Revenue Code, section 1033(e), which allows nonrecognition of gain for the income from the sale of livestock sold solely on account of drought which is reinvested in similar property.

Mr. President, this measure is extremely important to my own State of Missouri, and to all of the drought stricken States in the country. Missouri ranks second in the Nation in numbers of cow/calf operations and sixth in number of dairy operations. Missouri cattle farmers had a gross income in 1987 of $983 million. Yet this year they cannot even find enough feed to sustain their herds. Given the severity of the drought, the Government must do everything possible to grant relief to the farmers who are suffering from this natural disaster. That is why I am offering this measure today. It is not a solution to the drought, but it is a positive step that Congress can take to help those farmers who have been forced to liquidate their herds.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2609

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, SECTION 1. PROCEEDS FROM LIVESTOCK SOLD ON ACCOUNT OF DROUGHT.

(a) IN GENERAL.—Paragraph (1) of section 451(e) of the Internal Revenue Code of 1986 (relating to special rule for proceeds from livestock sold on account of drought) is amended by striking out "(other than livestock described in section 1231(b)(3))".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to sales or exchanges after December 31, 1987, in taxable years ending after such date.●

● Mr. KARNES. Mr. President, under section 451(e) of the Internal Revenue Code, livestock producers, using cash method accounting, are allowed to include income from the sale of livestock in next year's income if they are forced to sell because of drought. Livestock producers can use this provision only if they are not able to sell the livestock as a normal business practice, but due to the drought conditions.

The problem with this tax provision is the 1231(b)(3) exception. Under this exception, livestock held by the producer for draft, breeding, dairy, or sporting purposes are excluded from the drought provisions of section 451(e).

Mr. President, currently the agricultural sector of the economy is experiencing rapid and unforeseen changes in market conditions because of the drought. Livestock prices are dropping rapidly at the same time grain prices are skyrocketing. The skyrocketing grain prices are drawing down stocks owned and managed by the USDA as well as existing free stocks.

According to the Agriculture Department, the current pace of feed stock sales could exhaust the Government's supply of soybeans, a protein source used to feed livestock, by July. The corn stockpiles could be exhausted from Government stocks by October. When those stocks are exhausted it will be very difficult for the Federal Government to affect the prices of those commodities used to feed livestock. The elimination of Government grain stockpiles could mean volatile and unpredictable livestock markets created by drought-driven escalation of the prices of feed.

Mr. President, the market is currently being flooded by livestock from producers who fear that they will not have enough feed. This fear extends not only to the producers who had planned to send their livestock to market for slaughter, but also, to the producers of draft, breeding, dairy, and sporting animals as well. Mr. President, I do not know when feed prices will stabilize, nor is it likely that the livestock producers know.

Livestock producers have been put in a precarious situation by the drought. The cattlemen and women of this country are proud of the fact that they have not come to Washington seeking a handout from the Government. Even now, as the effects of the drought throw their future into doubt, cattle producers are coping largely on their own. I believe that allowing those whose herds are decimated by the drought to have another option available, other than the involuntary conversion provisions of the code, is the only fair thing to do.●

● Mr. RIEGLE. Mr. President, today I am pleased to cosponsor legislation that will offer needed tax relief to farmers who are forced to sell livestock on account of the drought. Under current law, the Internal Revenue Code allows many farmers who sell or exchange livestock solely on account of drought to defer the income on the sale until the following year. Unfortunately, this relief is limited as it applies to the sale of livestock used for draft, breeding, dairy, or sporting purposes. While these taxpayers may make use of another tax benefit if proceeds from the sale of the livestock are reinvested, this bill will extend the drought relief provision in order to give equal treatment to all types of livestock.

We now recognize that there are certain special instances where it is necessary to allow a taxpayer to defer income until the following year. Internal Revenue Code section 451 provides this tax treatment to the extent that a person is forced to sell more livestock than they usually would under normal business practices. This does not allow them to get out of paying their fair share of the tax burden, but allows them to pay it at a time when they are not under extreme hardship. In order to qualify for this special tax treatment, the taxpayers must be in the areas specifically designated as eligible for Federal drought assistance and must use the cash method of accounting.

Mr. President, it only seems fair that farmers who raise dairy cows or breeder cattle, and who are suffering from the consequences of severe drought, should have the option of using the same tax assistance that is given to individuals who raise other types of livestock. Michigan is a State with a diverse agricultural base. However, a drought such as that being experienced this year can affect the whole range of agricultural products grown and raised in our country. I believe that this legislation providing drought tax relief is a needed companion to another bill which I have introduced, the Emergency Agricultural Relief Act of 1988, which would reinstate an emergency assistance program that was enacted in 1986. I hope that quick action will be taken on this legislation to give equal tax treatment to all types of livestock farmers.●

By Mr. CHAFEE:

S. 2610. A bill to amend the Safe Drinking Water Act to control lead in drinking water; to the Committee on Environment and Public Works.

LEAD CONTAMINATION CONTROL ACT

● Mr. CHAFEE. Mr. President, today I am joining with Senator DURENBERGER to introduce legislation in the Senate to protect our children from the adverse health effects of lead poisoning.

We have known since the time of the Romans that lead is a dangerous poison. Yet here we are, in 1988, confronting the problem of lead entering our drinking water supply from lead pipes and lead in drinking water coolers. This is not a problem, like radon, which we have little control over. This is a problem we have created ourselves by using lead in places where it actually comes in contact with our drinking water.

Last December I testified before the House Subcommittee on Health and the Environment on the general problem of lead in drinking water. In particular the hearing focused on the suspicion that lead in certain water coolers could pose a health hazard. Well this is no longer a suspicion. I am shocked to learn that two-thirds, 8 out of 12, of the Halsey Taylor water coolers tested by the Environmental Protection Agency contained lead-lined tanks. Water from one of these tanks contained lead levels 100 times greater than the EPA proposed standard.

It is frightening to think that an unknown number of these tanks could be dispensing water at this very moment to an unsuspecting school-age child. The problem takes on even more urgency when you stop to think about the water use patterns in schools. Water will often sit in water coolers during school periods, or overnight, or even over weekends and vacations. This allows the lead time to leach into the water at alarmingly high concentrations.

Insult was added to injury when, in response to a congressional inquiry, Halsey Taylor indicated that it "never designed or manufactured a water cooler that used a lead-lined or lead tank." Unfortunately independent testing has proven this statement wrong. Now Congress and the executive branch must act quickly to protect public health, especially the health of our children, from this threat.

The legislation we are introducing today will require EPA to ban the manufacture or sale of drinking water coolers containing lead which comes in contact with drinking water supplies, and will initiate a Federal program to help schools identify and replace water coolers containing lead. It will also authorize a Federal program to help schools across the country evaluate the lead contamination levels of their tap water, and to assist schools in taking actions to lower lead levels.

We cannot continue to expose our children to unacceptably high levels of lead. There is no doubt in the medical community that lead, even at relatively low doses, causes impaired intellectual development. I am hopeful that our colleagues in both Houses of Congress will act swiftly to enact this legislation designed to protect our young from the insidious effects of lead poisoning.●

By Mr. TRIBLE (for himself, Mr. Warner, Mr. Bumpers, Mr. Burdick, Mr. Byrd, Mr. Chafee, Mr. Chiles, Mr. Cochran, Mr. Conrad, Mr. D'Amato, Mr. DeConcini, Mr. Dole, Mr. Domenici, Mr. Durenberger, Mr. Helms, Mr. Hollings, Mr. Humphrey, Mr. Inouye, Mrs. Kassebaum, Mr. Lautenberg, Mr. Levin, Mr. Lugar, Mr. Matsunaga, Mr. McClure, Mr. Moynihan, Mr. Pressler, Mr. Pryor, Mr. Reid, Mr. Rockefeller, Mr. Shelby, Mr. Simon, Stafford, Mr. Stennis, Mr. Thurmond, and Mr. Wilson):

S.J. Res. 345. Joint resolution to designate October 8, 1988, as "National Day of Outreach to the Rural Disabled"; referred to the Committee on the Judiciary.

NATIONAL DAY OF OUTREACH TO THE RURAL DISABLED

Mr. TRIBLE. Mr. President, today I am introducing a joint resolution to designate October 8, 1988, as "National Day of Outreach to the Rural Disabled."

One out of four Americans with a work disability lives in rural America. Yet, rehabilitation services and employment opportunities for the disabled have remained a predominantly urban phenomenon.

Too often rural Americans face disabling conditions alone—removed from adequate health and rehabilitation services, isolated from special education programs, limited in transportation, and often deprived of innovative technological devices to aid work. Perhaps worst of all, in a rural culture where physical prowess and productivity are sometimes vital to survival, a disability can lead to low self-esteem and discouragement.

Since 1945, Federal law has designated October as the time to enlist public support and interest in the employment of people with disabilities. Designating October 8, 1988, as the National Day of Outreach to the Rural Disabled will help focus attention on the unmet needs of rural disabled people and highlight their talents and potential contributions to America.

Some innovative approaches toward meeting the needs of rural disabled people are underway. The Future Farmers of America has established an educational scholarship and awards program known as BRIDGE, Building Rural Initiative for the Disabled through Group Effort. As my colleagues know, virtually every rural community in America has an FFA chapter. Through the BRIDGE Program FFA is helping to mobilize the interest and effort of America's farm youth to assist rural disabled people.

Breaking New Ground is a nationwide program assisting physically disabled farmers who want to continue farming and ranching. The program is based at Purdue University's Department of Agricultural Engineering and provides information about modifying farm implements and equipment for farmers with disabilities.

Programs such as BRIDGE and Breaking New Ground are showing us how to reach out toward disabled rural Americans. Designating a National Day of Outreach toward the rural disabled will encourage all Americans to focus on the unique problems faced by rural disabled people. They have a lot to offer if America will tap their potential.

Mr. President, I urge my colleagues to support this measure. I ask that the text of the joint resolution be printed in the Congressional Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

S.J. Res. 345

Whereas approximately 3,400,000 rural Americans of working age are disabled;

Whereas work disabilities are proportionally more prevalent in rural areas than urban areas and the rural disabled are more disadvantaged than their urban counterparts;

Whereas insufficient attention has been given to the unique problems faced by the rural disabled in the United States; and

Whereas there is a need to focus more attention on the unmet needs of the rural disabled, to underscore their potential, and to encourage outreach programs by rural communities to their disabled members: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 8, 1988, is hereby designated "National Day of Outreach to the Rural Disabled", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.

By Mr. LAUTENBERG (for himself and Mr. Specter):

S.J. Res. 346. Joint resolution to designate March 25, 1989, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy"; to the Committee on the Judiciary.

GREEK INDEPENDENCE DAY

● Mr. LAUTENBERG. Mr. President, I rise to introduce a joint resolution designating March 25, 1989, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy". The resolution also asks the President to issue a proclamation calling upon the people of the United States to observe the designated day with appropriate ceremonies and activities.

March 25, 1989, marks the 168th anniversary of the beginning of the revolution which freed the Greek people from the Ottoman Empire. It is appropriate that we celebrate this day together with Greece in order to reaffirm the common democratic heritage between Americans and Greeks.

The ancient Greeks forged the very notion of democracy, placing the ultimate power to govern in the people. As Aristotle said.

> If liberty and equality, as is thought by some, are chiefly to be found in democracy, they will best be attained when all persons alike share in the government to the utmost.

Because the concept of democracy was born in the age of the ancient Greeks, all Americans, whether or not of Greek ancestry, are kinsmen of a kind to the ancient Greeks. America's Founding Fathers drew heavily upon the political and philosophical experience of ancient Greece in forming our Government. For that contribution alone, we owe a heavy debt to the Greeks.

The common heritage which we share has forged a close bond between Greece and the United States, and between our peoples. And it is reflected in the numerous contributions made by present day Greek Americans in New Jersey and across the country to our American culture.

I urge my colleagues to support this resolution as a tribute to these contributions, past and present, which have greatly enriched American life.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 346

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

Whereas the ancient Greeks developed the concept of democracy, in which the supreme power to govern was vested in the people;

Whereas the Founding Fathers of the United States of America drew heavily upon the political and philosophical experience of ancient Greece in forming our representative democracy;

Whereas March 25, 1989, marks the one hundred and sixty-eighth anniversary of the beginning of the revolution which freed the Greek people from the Ottoman Empire;

Whereas these and other ideals have forged a close bond between our two nations and their peoples; and

Whereas it is proper and desirable to celebrate with the Greek people, and to reaffirm the democratic principles from which our two great nations sprang: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That March 25, 1989, is designated as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy", and that the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe the designated day with appropriate ceremonies and activities.●

Mr. SPECTER. Mr. President, today I join my colleague Senator Lautenberg in introducing a joint resolution to designate March 25, 1989, as "Greek Independence Day: a Celebration of Greek and American Democracy."

March 25, 1989, marks the 168th anniversary of when the Greeks began the revolution that would free them from the Ottoman Empire and return Greece to its democratic heritage. It was, of course, the ancient Greeks who developed the concept of democracy in which the supreme power to govern was vested in the people. Our Founding Fathers drew heavily upon the political and philosophical experience of ancient Greece in forming our representative democracy. How fitting, then, that we should recognize the anniversary of the beginning of their effort to return to that democratic tradition.

This democratic form of government is one of the most obvious of the many benefits we gained from the Greek people. The ancient Greeks contributed a great deal to the modern world and particularly to the United States of America, including art and philosophy, science, and law. Today, Greek Americans continue to enrich our culture and to make valuable contributions to American society, business, and government.

It is my hope that the strong support for this joint resolution in Congress will serve as a clear goodwill gesture to the people of Greece with whom we have enjoyed such a close bond throughout history. Accordingly, I urge my colleagues to join us in supporting this important resolution.

By Mr. KENNEDY (for himself, Mr. Simpson, and Mr. Hatfield):

S.J. Res. 347. Joint resolution in support of the restoration of a free and independent Cambodia and the protection of the Cambodian people from a return to power by the genocidal Khmer Rouge; to the Committee on Foreign Relations.

RESTORATION OF A FREE AND INDEPENDENT CAMBODIA

Mr. KENNEDY. Mr. President, I am pleased today to join with Senator Simpson and Senator Hatfield in sponsoring a joint resolution which outlines the steps needed for a peaceful solution to the tragic conflict in Cambodia.

Recent developments in the field suggest that the ingredients for a Cambodian peace are now available, except one—the denial of any role for the murderous Khmer Rouge in Cambodia's future. It was the Khmer Rouge, under Pol Pot, which precipitated Cambodia's current crisis and it would be unconscionable for them to be permitted a role in Cambodia's future.

America cannot allow another holocaust to repeat itself in Cambodia.

Vietnam has finally indicated it will withdraw its troops after a prolonged occupation of Cambodia. I believe Vietnam is committed to this, and is being encouraged by its ally, the Soviet Union.

Cambodian Prince Sihanouk has courageously provided a framework for talks on the future of Cambodia. He is the one Cambodian leader with the credibility and neutrality sufficient to bridge the numerous factions currently dividing the Cambodian people.

The one missing element is the continued specter of Pol Pot and the Khmer Rouge having a role in Cambodia's future. Without their removal, Cambodia's people—including the 300,000 refugees along the Thai-Cambodian border—cannot return to their native lands or rebuild their lives. And Cambodia's neighbors cannot be assured of the future security of their borders and their citizens until the threat of Pol Pot and the Khmer Rouge is removed.

In 1978, I sent a delegation of distinguished Americans to Southeast Asia to examine the refugee situation. They brought back some of the first reports of Pol Pot's terror in Cambodia. The delegation met at that time with the early escapees from Pol Pot's bloodbath who, ironically, were being given refuge in Southern Vietnam under the auspices of the U.N. High Commissioner for Refugees. My delegation was shocked by the tales of brutality shared by these Cambodian refugees.

A few months later, the world learned that these refugees' experiences with the Khmer Rouge were but the tip of the iceberg. Mass executions, the separation of families in the dead of night, food deprivation, the forced abandonment of the cities, were all the order of the day for 4 years of Khmer Rouge tyranny under the Pol Pot.

Never again should Pol Pot and the Khmer Rouge leadership be allowed to set foot in Cambodia. I believe the resolution we are introducing today expresses these concerns and lays the groundwork for United States policy on the kind of future in Cambodia that will best promote the interests of the Cambodian people as well as peace and stability in the region.

ADDITIONAL COSPONSORS

S. 39

At the request of Mr. Moynihan, the names of the Senator from Montana [Mr. Baucus], and the Senator from Alabama [Mr. Heflin] were added as cosponsors of S. 39, a bill to amend the Internal Revenue Code of 1986 to make the exclusion from gross income of amounts paid for employee educational assistance permanent.

S. 684

At the request of Mr. Heinz, the name of the Senator from Alabama [Mr. Shelby] was added as a cosponsor of S. 684, a bill to amend the Internal Revenue Code of 1986 to make permanent the targeted jobs credit.

S. 909

At the request of Mr. Reid, the name of the Senator from Indiana [Mr. Lugar] was added as a cosponsor of S. 909, a bill to require that all amounts saved as a result of Federal Government contracting pursuant to Office of Management and Budget Circular A-76 be returned to the Treasury, that manpower savings resulting from such contracting be made permanent, and that employees of an executive agency be consulted before contracting determinations by the head of that executive agency are made pursuant to that circular.

S. 1081

At the request of Mr. Bingaman, the name of the Senator from Tennessee [Mr. Gore] was added as a cosponsor of S. 1081, a bill to establish a coordinated National Nutrition Monitoring and Related program, and a comprehensive plan for the assessment of the nutritional and dietary status of the U.S. population and the nutritional quality of the U.S. food supply, with provision for the conduct of scientific research and development in support of such program and plan.

S. 1522

At the request of Mr. Riegle, the name of the Senator from Utah [Mr. Hatch] was added as a cosponsor of S. 1522, a bill to amend the Internal Revenue Code of 1986 to extend through 1992 the period during which qualified mortgage bonds and mortgage certificates may be issued.

S. 1774

At the request of Mr. Pryor, the name of the Senator from Pennsylvania [Mr. Heinz] was added as a cosponsor of S. 1774, a bill to promote and protect taxpayer rights, and for other purposes.

S. 1787

At the request of Mr. Daschle, the name of the Senator from New Mexico [Mr. Bingaman] was added as a cosponsor of S. 1787, a bill to amend title 38, United States Code, to prescribe certain presumptions in the case of veterans who performed active service during the Vietnam era.

S. 1851

At the request of Mr. Metzenbaum, the names of the Senator from Alaska [Mr. Stevens], and the Senator from Nevada [Mr. Reid] were added as cosponsors of S. 1851, a bill to implement the International Convention of the Prevention and Punishment of Genocide.

At the request of Mr. Bentsen, his name was added as a cosponsor of S. 1851, supra.

S. 2068

At the request of Mr. Mitchell, the name of the Senator from Louisiana [Mr. Breaux] was added as a cosponsor of S. 2068, a bill to amend the Marine Protection, Research and Sancturaries Act to protect marine and near-shore coastal waters through establishment of regional marine research centers.

S. 2111

At the request of Mr. Hatfield, the name of the Senator from Nevada [Mr. Reid] was added as a cosponsor of S. 2111, a bill to amend the patent law, title 35, United States Code, to prohibit the patenting of genetically altered or modified animals.

S. 2199

At the request of Mr. Chafee, the name of the Senator from Mississippi [Mr. Stennis] was added as a cosponsor of S. 2199, a bill to amend the Land and Water Conservation Act and the National Historic Preservation Act, to establish the American Heritage Trust, for purposes of enhancing the protection of the Nation's natural, historical, cultural, and recreational heritage, and for other purposes.

S. 2231

At the request of Mr. Karnes, his name was added as a cosponsor of S. 2231, a bill to amend the Public Health Service Act to reauthorize nurse education programs established under title VIII of such act, and for other purposes.

S. 2330

At the request of Ms. Mikulski, the name of the Senator from South Carolina [Mr. Hollings] was added as a cosponsor of S. 2330, a bill to promote the integration of women in the development process in developing countries.

S. 2395

At the request of Mr. Wirth, the names of the Senator from Kentucky [Mr. Ford], and the Senator from Virginia [Mr. Trible] were added as cosponsors of S. 2395, a bill to facilitate access to space, and for other purposes.

S. 2411

At the request of Mr. Mitchell, the names of the Senator from Nevada [Mr. Hecht], the Senator from Michigan [Mr. Levin], and the Senator from New Mexico [Mr. Bingaman] were added as cosponsors of S. 2411, a bill to amend the Internal Revenue Code of 1986 to extend the low-income housing credit through 1990.

S. 2449

At the request of Mr. Pryor, the names of the Senator from Vermont [Mr. Leahy], the Senator from Pennsylvania [Mr. Specter], and the Senator from Illinois [Mr. Dixon] were added as cosponsors of S. 2449, a bill to amend title 39, United States Code, with respect to the budgetary treatment of the Postal Service, and for other purposes.

S. 2450

At the request of Mr. Chiles, the name of the Senator from Alaska [Mr. Stevens] was added as a cosponsor of S. 2450, a bill to provide Federal financial assistance to facilitate the establishment of volunteer programs in American schools.

S. 2466

At the request of Mr. Moynihan, the name of the Senator from New York [Mr. D'Amato] was added as a cosponsor of S. 2466, a bill to amend the Public Health Service Act to establish a program of grants to the States for the purpose of providing to the public information on Lyme disease.

S. 2488

At the request of Mr. Dodd, the names of the Senator from North Dakota [Mr. Burdick] and the Senator from New Jersey [Mr. Lautenberg] were added as cosponsors of S. 2488, a bill to grant employees parental and temporary medical leave under certain circumstances, and for other purposes.

S. 2495

At the request of Mr. Bond, the name of the Senator from Arizona [Mr. DeConcini] was added as a cosponsor of S. 2495, a bill to amend the Agricultural Act of 1949 to permit producers to plant supplemental and alternative income-producing crops on acreage considered to be planted to a program crop.

S. 2502

At the request of Mr. Karnes, his name was added as a cosponsor of S. 2502, a bill to establish a task force to conduct a study relating to the reduction in use of chlorofluorocarbons and halons.

S. 2533

At the request of Mr. Sanford, the name of the Senator from Florida [Mr. Graham] was added as a cosponsor of S. 2533, a bill to erect a marker in Potomac Park in Washington, DC, in honor of Matt W. Ransom.

S. 2539

At the request of Mr. Burdick, the name of the Senator from Texas [Mr. Bentsen] was added as a cosponsor of S. 2539, a bill to amend the Agricultural Act of 1969 to provide drought relief to producers of 1988 crops of wheat, feed grains, upland cotton, and for other purposes.

S. 2550

At the request of Mr. Symms, the name of the Senator from Wyoming [Mr. Wallop] was added as a cosponsor of S. 2550, a bill to amend title 23, United States Code, to eliminate a reduction of the apportionment of Federal-aid highway funds to certain States and for other purposes.

SENATE JOINT RESOLUTION 1

At the request of Mrs. Kassebaum, her name was added as a cosponsor of Senate Joint Resolution 1, a joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for women and men.

SENATE JOINT RESOLUTION 270

At the request of Mr. Riegle, the name of the Senator from Nebraska [Mr. Exon] was added as a cosponsor of Senate Joint Resolution 270, a joint resolution designating June 26, through July 2, 1988, as "National Safety Belt Use Week."

SENATE JOINT RESOLUTION 271

At the request of Mr. Quayle, the name of the Senator from New Jersey [Mr. Bradley] was added as a cosponsor of Senate Joint Resolution 271, a joint resolution to designate August 20, 1988, as "Drum and Bugle Corps Recognition Day."

SENATE JOINT RESOLUTION 306

At the request of Mr. Chafee, the names of the Senator from Georgia [Mr. Nunn], the Senator from Florida [Mr. Graham], the Senator from Virginia [Mr. Trible], the Senator from Illinois [Mr. Dixon], and the Senator from Washington [Mr. Adams] were added as cosponsors of Senate Joint Resolution 306, a joint resolution designating the day of August 7, 1988, as "National Lighthouse Day."

SENATE JOINT RESOLUTION 316

At the request of Mr. Sasser, the names of the Senator from New York [Mr. Moynihan], and the Senator from Hawaii [Mr. Inouye] were added as cosponsors of Senate Joint Resolution 316, a joint resolution designating October 1, 1988, as "National Quality First Day."

SENATE JOINT RESOLUTION 319

At the request of Mr. Leahy, the name of the Senator from Utah [Mr. Hatch] was added as a cosponsor of Senate Joint Resolution 319, a joint resolution to designate the period commencing November 6, 1988, and ending November 12, 1988, as "National Disabled Americans Week."

SENATE JOINT RESOLUTION 326

At the request of Mr. Moynihan, the names of the Senator from New York [Mr. D'Amato], the Senator from West Virginia [Mr. Rockefeller], the Senator from North Carolina [Mr. Sanford], the Senator from Maine [Mr. Mitchell], the Senator from Texas [Mr. Bentsen], the Senator from New Hampshire [Mr. Humphrey], the Senator from South Dakota [Mr. Daschle], the Senator from Washington [Mr. Adams], the Senator from Kentucky [Mr. Ford], the Senator from South Carolina [Mr. Hollings], the Senator from New Mexico [Mr. Domenici], the Senator from Missouri [Mr. DANFORTH], the Senator from Virginia [Mr. WARNER], the Senator from Washington [Mr. EVANS], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Arizona [Mr. MCCAIN], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Colorado [Mr. WIRTH], the Senator from Virginia [Mr. TRIBLE], the Senator from Wyoming [Mr. SIMPSON], the Senator from Wyoming [Mr. WALLOP], the Senator from Idaho [Mr. SYMMS], and the Senator from Delaware [Mr. ROTH] were added as cosponsors of Senate Joint Resolution 326, a joint resolution designating June 12 through 18, 1988, as "Lyme Disease Awareness Week."

SENATE JOINT RESOLUTION 342

At the request of Mr. MOYNIHAN, the names of the Senator from Arkansas [Mr. BUMPERS], the Senator from Kentucky [Mr. FORD], the Senator from North Carolina [Mr. HELMS], the Senator from Massachusetts [Mr. KERRY], the Senator from Washington [Mr. ADAMS], the Senator from Alabama [Mr. SHELBY], the Senator from Michigan [Mr. LEVIN], the Senator from Tennessee [Mr. SASSER], the Senator from Arizona [Mr. MCCAIN], the Senator from Texas [Mr. BENTSEN], the Senator from Oklahoma [Mr. BOREN], the Senator from Oklahoma [Mr. NICKLES], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of Senate Joint Resolution 342, a joint resolution to designate the week of November 28 through December 5, 1988, as "National Book Week."

SENATE CONCURRENT RESOLUTION 103

At the request of Mr. DECONCINI, the names of the Senator from Idaho [Mr. SYMMS], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of Senate Concurrent Resolution 103, a concurrent resolution expressing the sense of the Congress that the President should award the Presidential Medal of Freedom to Charles E. Thornton, Lee Shapiro, and Jim Lindelof, citizens of the United States who were killed in Afghanistan.

SENATE RESOLUTION 432

At the request of Mr. MOYNIHAN, the names of the Senator from Delaware [Mr. ROTH], the Senator from Missouri [Mr. DANFORTH], the Senator from Nevada [Mr. HECHT], the Senator from South Carolina [Mr. THURMOND], the Senator from Oregon [Mr. PACKWOOD], and the Senator from Missouri [Mr. BOND] were added as cosponsors of Senate Resolution 432, a resolution to honor Eugene O'Neill for his priceless contribution to the canon of American literature in this the hundredth anniversary year of his birth.

SENATE CONCURRENT RESOLUTION 129—EXPRESSING THE SUPPORT FOR DALAI LAMA

Mr. PELL (for himself, Mr. HELMS, Mr. CRANSTON, and Mr. MURKOWSKI) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 129

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. FINDINGS.

The Congress makes the following findings:

(1) The Congress has previously expressed its concern regarding the policies of the People's Republic of China in Tibet, including the violation of Tibetan human rights, and has called on the Chinese Government to ameliorate the situation.

(2) The Dalai Lama presented a Five Point Peace Plan for the restoration of peace and human rights in Tibet during his visit to the Congress in September 1987. This Peace Plan has received considerable international support.

(3) The Dalai Lama has now prepared a proposal for a democratic system of government for the people of Tibet founded on law, by agreement of the people of Tibet, for the common good and protection of themselves and their environment.

(4) The proposal of the Dalai Lama recognizes that the primary responsibility for the conduct of the foreign affairs, and the exclusive responsibility for the defense, of Tibet will remain with the Government of the People's Republic of China, in order to fulfill its defense responsibility, will be permitted to maintain a restricted number of military bases in Tibet, but these bases must be located away from population centers.

(5) The proposal of the Dalai Lama contains important measures to ensure and enhance the human rights of the Tibetan people to include the following:

(A) Specific steps will be taken to fulfill the goal of transforming the Tibetan plateau into a peace sanctuary. These steps include convening a regional security conference to determine ways to reduce regional tensions and eventually to demilitarize the Tibetan plateau and bordering regions.

(B) Tibet will be founded on a constitution, or basic law, which will provide for a democratic form of government, with an independent judiciary, and a popularly elected chief executive and legislative assembly. The basic law will contain a bill of rights which will guarantee individual human rights and democratic freedoms as expressed in the Universal Declaration of Human Rights.

(C) The basic law of Tibet will ensure the protection of the natural resources of the plateau by requiring the passage of strict laws to protect wildlife and plant life and by effectively converting almost the entire area of Tibet into national park lands or biospheres.

(D) During an interim period, following the signing of an agreement based on the proposal, Tibet will be governed according to a transitional agreement providing for a gradual reorganization of the administration of Tibet, the restoration of human rights to Tibetans, and the return to the People's Republic of China of Chinese recently settled through inducement and involuntary placement by the People's Republic of China in Tibet.

(E) In order to create an atmosphere of trust conducive to fruitful discussions, the Government of the People's Republic of China should respect the human rights of the people of Tibet and not engaged in a policy of transferring Chinese persons to Tibet.

(F) Before ratification of any agreement, the proposal will be submitted to the Tibetan people in popular referendum.

(6) The Dalai Lama has asked the Government of the People's Republic of China and other concerned governments to study carefully, and respond constructively to, the substance of the proposal.

SEC. 2 EXPRESSION OF CONGRESSIONAL SUPPORT FOR THE DALAI LAMA AND HIS PROPOSAL FOR TIBETAN DEMOCRACY.

The Congress—

(1) commends the Dalai Lama for his past efforts to resolve the problems of Tibet through negotiation with the People's Republic of China, and for dissuading the Tibetan people from using violence to regain their freedom;

(2) commends the Dalai Lama for his new proposal in his continued quest for peace, and expresses its support for the thrust of his proposal;

(3) calls on the leaders and the Government of the People's Republic of China to respond positively to the proposal of the Dalai Lama, and to enter into earnest discussions with the Dalai Lama, or his representatives, to resolve the question of Tibet along the lines proposed by the Dalai Lama.

(4) calls on the President and the Secretary of State to express the support of the United States Government for the thrust of the proposal of the Dalai Lama, and to use their best efforts to persuade the leaders and the Government of the People's Republic of China to enter into discussions with the Dalai Lama, or his representatives, regarding the proposal of the Dalai Lama and the question of Tibet.

Mr. PELL. Mr. President, The Dalai Lama has recently proposed a major new intitiative to achieve a just settlement of the problems in Tibet. The popular demonstrations and arrests of the past year are but a symptom of underlying feelings of Tibetans that their culture has been suppressed. Monasteries have been closed, people have been arrested, and freedom of speech and assembly has been stifled. Although the Chinese Government has taken several steps to improve the stiuation, the fundamental cause of the unrest, the Tibetan desire to preserve their way of life, remains as strong as ever.

Today I join with Senators CRANSTON, HELMS, and MURKOWSKI in introducing a resolution expressing the support of Congress for the Dali Lama and his proposal to promote peace, protect the environment, and gain democracy for the people of Tibet.

The thrust of the Dalai Lama's proposal is for democratic rule and the preservation of Tibetan culture. His Holiness the Dalai Lama presented it to the European parliament on June 15 as a means to encourage international support for a constructive dialog between Tibetan leaders and the Government of the People's Republic of China.

His proposal recognizes that China will retain exclusive responsibility for defense and foreign affairs, and calls upon Beijing to enter into negotiations to promote self-government, reduce regional tensions, establish an independent juridicary, and protect the environment of the people of Tibet.

I wholeheartedly support this balanced and constructive initiative of the Dalai Lama, and urge my colleagues to join in a resolution of support for his proposals.

SENATE CONCURRENT RESOLUTION 130—PROVIDING FOR A CONDITIONAL ADJOURNMENT OF THE CONGRESS

Mr. BYRD (for himself and Mr. DOLE) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 130

Resolved by the Senate (the House of Representatives concurring), That when the House adjourns at the close of business on Thursday, June 30, 1988, pursuant to a motion made by the Majority Leader of the House, or his designee, in accordance with this resolution, it stand adjourned until 12:00 o'clock meridian on Wednesday, July 6, 1988, or until 12 o'clock meridian on the second day after the Members are notified to reassemble pursuant to section 2 of this resolution, whichever occurs first, and when the Senate recesses or adjourns at the close of business on Wednesday, June 29, 1988, pursuant to a motion made by the Majority Leader of the Senate, or his designee, in accordance with this resolution, it stand recessed or adjourned until 12:00 o'clock meridian on Wednesday, July 6, 1988, or until 12 o'clock meridian on the second day after the Members are notified to reassemble pursuant to section 2 of this resolution, whichever occurs first.

SEC. 2. The Speaker of the House, after consultation with the Minority Leader of the House, and the Majority Leader of the Senate, after consultation with the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

SENATE RESOLUTION 447—COMMENDING J. LEWEY CARAWAY ON THE OCCASION OF HIS RETIREMENT

Mr. BYRD (for Mr. BUMPERS) (for himself, Mr. PRYOR, Mr. FORD, Mr. STEVENS, Mr. ADAMS, Mr. BOND, Mr. BAUCUS, Mr. WEICKER, Mr. NUNN, Mr. SIMON, Mr. CHILES, Mr. BOREN, Mr. BRADLEY, Mr. BURDICK, Mr. D'AMATO, Mr. ROCKEFELLER, Mr. DOLE, Mr. GORE, Mr. DOMENICI, Mr. KENNEDY, Mrs. KASSEBAUM, Mr. EVANS, Mr. PACKWOOD, Mr. MOYNIHAN, Mr. WIRTH, Mr. HEFLIN, Mr. THURMOND, Mr. DECONCINI, Mr. BINGAMAN, Mr. GARN, and Ms. MIKULSKI) submitted the following resolution; which was considered and agreed to:

Whereas, on June 15, 1988, J. Lewey Caraway retired from service as the Superintendent, Senate Office Buildings after almost fifty-eight years of service to the United States Senate.

Whereas, "Lewey" has served the United States Senate with honor and distinction since joining the staff of the Architect of the Capitol and assigned to the Office of the Superintendent, Senate Office Buildings in 1931;

Whereas, his hard work and outstanding abilities resulted in his appointment to the position of Superintendent, Senate Office Buildings on October 1, 1949;

Whereas, "Lewey" has at all times executed the important duties and responsibilities of his office with great efficiency and diligence; and

Whereas, J. Lewey Caraway has demonstrated dedication and loyalty to the United States Senate as an institution and leaves a legacy of superior and professional service: Now, therefore be it

Resolved, That the United States Senate expresses its deep appreciation and gratitude to J. Lewey Caraway for his years of faithful and exemplary service to his country and to the United States Senate.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to J. Lewey Caraway.

SENATE RESOLUTION 448—RECOGNIZING THE CONTRIBUTIONS OF THE MOST REVEREND FRANCIS T. HURLEY, ARCHBISHOP OF ANCHORAGE

Mr. COHEN (for Mr. STEVENS, for himself and Mr. MURKOWSKI) submitted the following resolution; which was considered and agreed to:

S. RES. 448

Whereas, The Most Reverend Francis T. Hurley has served Alaska since 1970 when Pope Paul VI named him Bishop of the Diocese of Juneau where he worked to improve the community until 1976 when he was appointed as the Second Archbishop of the Archdiocese of Anchorage;

Whereas, Archbishop Hurley has been deeply involved in improving the life of the common man and has developed programs for the elderly, the sick, the hungry and the homeless, and those in despair;

Whereas, Archbishop Hurley has been an outspoken advocate of family unity and has been instrumental in providing services for children, working families, unwed mothers, and battered women;

Whereas, Archbishop Hurley has played a leading role in developing educational programs for young Alaskans and has worked tirelessly to promote development of Alaska's resources through his participation in the Resource Development Council;

Whereas, Archbishop Hurley has been the driving force behind the Brother Francis Shelter which has provided an opportunity for all Alaskans to get involved in their community;

Whereas, Archbishop Hurley's achievements have been recognized by the Anti-Defamation League which has named him as the first Alaska recipient of the Torch of Liberty Award;

Whereas, Archbishop Hurley has lived the greatest commandment, "Do unto others as you would have others do unto you";

Therefore, be it resolved, That the United States Senate honors and recognizes The Most Reverend Francis T. Hurley, Archbishop of Anchorage, for his achievements and his dedication and commitment to the people of Alaska and indeed the world.

SENATE RESOLUTION 449—AUTHORIZING TESTIMONY BY A SENATE EMPOYEE AND REPRESENTATION BY SENATE LEGAL COUNSEL

Mr. BYRD (for himself and Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 449

Whereas, in the case of United States versus Burnley, et al., Case No. 88-0179, pending in the United States District Court for the Southern District of California, counsel for the defendant has served a subpoena for the testimony of Robert Hudson, a former employee of the Senate on the staff of Senator Pete Wilson;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(2) (1982), the Senate may direct its counsel to represent Members and employees of the Senate with respect to any subpoena or order relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate is needed for use in any court for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it *Resolved,* That Robert Hudson is authorized to testify in the case of United States versus Burnley, et al., except concerning matters for which a privilege should be asserted.

SEC. 2. That the Senate Legal Counsel is directed to represent Robert Hudson in the case of United States versus Burnley, et al.

AMENDMENTS SUBMITTED

PLANT CLOSING LEGISLATION

QUAYLE AMENDMENTS NOS. 2490 THROUGH 2492

(Ordered to lie on the table.)

Mr. QUAYLE submitted three amendments intended to be proposed by him to the bill (S. 2527) to require advance notification of plant closings and mass layoffs, and for other purposes; as follows:

AMENDMENT NO. 2490

On page 5, strike lines 18 and 19 and insert:

"er shall not order a plant closing until the end of a 60-day period or a mass layoff until the end of a 30-day period after the employer serves written notice of."

AMENDMENT NO. 2491

Page 2—strike line 18 through line 7 of page 3 and insert in lieu thereof:

during any 30-day period for 100 or more employees excluding any part-time employees;

(3) the term "mass layoff" means a reduction in force which—

(A) is not the result of a plant closing; and

(B) results in an employment loss at the single site of employment during any 30-day period for—

(i)(I) at least 60 percent of the employ-

AMENDMENT No. 2492

Page 2—strike line 18 through line 7 of page 3 and insert in lieu thereof:

during any 30-day period for 75 or more employees excluding any part-time employees;

(3) the term "mass layoff" means a reduction in force which—

(A) is not the result of a plant closing; and

(B) results in an employment loss at the single site of employment during any 30-day period for—

(i)(I) at least 50 percent of the employ-

DOLE AMENDMENT NO. 2493

(Ordered to lie on the table.)

Mr. DOLE submitted an amendment intended to be proposed by him to the bill S. 2527, supra; as follows:

At the end of the bill insert the following: Those provisions of the General Laws of Massachusetts, Chapter 208, signed by Governor Michael Dukakis on July 12, 1984, as the program to alleviate the impact of major dislocations of employment and to assist in the reemployment of dislocated workers must be enacted into Federal law before this bill becomes effective and upon such adoption the provisions of this bill are superseded thereby.

QUAYLE AMENDMENTS NOS. 2494 AND 2495

(Ordered to lie on the table.)

Mr. QUAYLE submitted two amendments intended to be proposed by him to the bill S. 2527, supra; as follows:

AMENDMENT No. 2494

On page 3, line 25, delete "6" and insert "12".

AMENDMENT No. 2495

On page 3, line 25, delete "6" and insert "9".

DOLE AMENDMENT NO. 2496

(Ordered to lie on the table.)

Mr. DOLE submitted an amendment intended to be proposed by him to the bill S. 2527, supra; as follows:

At the end of the bill insert the following: Those provisions of the General Laws of Massachusetts, Chapter 208, signed by Governor Michael Dukakis on July 12, 1984, as the program to alleviate the impact of major dislocations of employment and to assist in the reemployment of dislocated workers must be enacted into Federal law before this bill becomes effective which effective date shall be 10 years from July 31, 1988.

DOMENICI AMENDMENT NO. 2497

(Ordered to lie on the table.)

Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill S. 2527, supra; as follows:

At the appropriate place in the bill, insert the following:

( ) SPECIAL PROCEDURES IN THE EVENT OF A RECESSION.—

( ) IN GENERAL.—The Director of the Congressional Budget Office shall notify the Congress and the President at any time if—

( ) during the period consisting of the quarter during which such notification is given, the quarter preceding such notification, and the four quarters following such notification, such Office or the Office of Management and Budget has determined that real economic growth is projected or estimated to be less than zero with respect to each of any two consecutive quarters within such period, or

( ) the Department of Commerce preliminary reports of actual real economic growth (or any subsequent revision thereof) indicate that the rate of real economic growth for each of the most recent reported quarter and the immediately preceding quarter is less than one percent.

Upon such notification the President shall suspend any regulations issued under this Act requiring the implementation of this Act.

HATCH AMENDMENTS NOS. 2498-2507

(Ordered to lie on the table.)

Mr. HATCH submitted 10 amendments intended to be proposed by him to the bill, S. 2427, supra; as follows:

AMENDMENT No. 2498

On page 6, line 22, strike "as of the time that notice would have been required."

AMENDMENT No. 2499

On page 2, line 18, strike "30-day period for 50" and insert the following: "6-month period for 90 percent".

AMENDMENT No. 2500

On page 2, line 18, strike "50" and insert in lieu thereof "90 percent"

AMENDMENT No. 2501

On page 7, line 2, add the following: "Such statement will not be required if the employer reasonably and in good faith believed such statement would preclude the employer from obtaining the needed capital or business."

AMENDMENT No. 2502

On page 6, line 17, strike "precluded" and replace with "significantly reduced the likelihood".

AMENDMENT No. 2503

On page 9, line 23, strike the period and add the following "; and

"(D) any other payments to the employee which are the result of the employment termination, including other employment or unemployment compensation."

AMENDMENT No. 2504

On page 7, lines 22 through 23, strike "employer demonstrates that the".

AMENDMENT No. 2505

On page 11, line 2, insert after the period "For the purposes of this section reasonable attorneys' fees shall be determined by the court but shall not exceed $75 per hour."

AMENDMENT No. 2506

On page 12, following line 18, insert the following new section:

"Sec. 11. (a) No contract let by any agency or Department of the Federal government shall be terminated in full or in part for the convenience of the government or for any other reason unless the government has first given the contractor sixty (60) days notice in writing of such termination.

(6) In the event that the full or partial termination of any such contract without 60 day notice and results in an employment loss for any of the contractor's employees, any penalties incurred by the contractor for failure to give 60 days notice shall be considered allowable costs allocable to the contract."

AMENDMENT No. 2507

On page 12, strike lines 14-18 and insert in lieu thereof the following: "This Act shall take effect on the date of enactment except that no enforcement of such Act can commence until 6 months following the regulations becoming final."

DOLE AMENDMENT NO. 2508

(Ordered to lie on the table.)

Mr. DOLE submitted the following amendment intended to proposed by him to the bill (S. 2527) supra; as follows:

Insert at the appropriate place:

"It is the sense of the Senate that any bill relating to advance notice of plant closing should be based on the principles underlying the Dukakis Massachusetts plan. Those principles are that advance notice should be voluntary; that there should be incentives for giving of advanced notice; that employers who do not give notice should be ineligible for special governmental assistance and that employees who do not get notice should get additional unemployment assistance."

RETAIL COMPETITION

INOUYE (AND OTHERS) AMENDMENT NO. 2509

Mr. METZENBAUM (for Mr. INOUYE, for himself, Mr. METZENBAUM, and Mr. BYRD) proposed an amendment to the bill (S. 430) to amend the Sherman Act regarding retail competition; as follows:

At the end of the pending matter add the following;

(a) Section 3(2) of the Newspaper Preservation Act (Public Law 91-353; 15 U.S.C. 1803(6)) is amended by inserting after "distribution" the first time it appears the following: "of all or part of such newspaper publication".

(b) Section 3(4) of such Act (15 U.S.C. 1802(4)) is amended by inserting after "produced" the following: "in whole or in part"

(c) Section 4(c) of such Act (15 U.S.C. 1803(6)) is amended by striking out the first sentence and inserting in lieu thereof the following; "It shall not be unlawful for any person to enter into, perform, or enforce a joint operating arrangement not already in effect, if the prior written consent of the Attorney General has been obtained.".

(d) Section 4 of such Act (15 U.S.C. 1803(6)) is amended by adding at the end thereof the following new subsection:

"(d) In any action under any antitrust law challenging joint conduct between the parties to a joint newspaper operating arrangement that has received the limited antitrust exemption provided by subsection (a) or (b) of this section, joint conduct between the parties that is not exempt as part of such arrangement but that is reasonably ancillary to the business of publishing the newspaper publications involved in the arrangement shall not be deemed illegal per se. Such joint conduct shall be judged on the basis of its reasonableness, taking into account all relevant factors affecting competition in properly defined relevant markets.".

METZENBAUM AMENDMENT NO. 2510

Mr. METZENBAUM proposed an amendment to the bill S. 430, supra; as follows:

On page 4, amend section 2 of the pending matter by adding before the period at the end thereof the following: ", except that this section shall not apply when the agreement to set, change, or maintain the resale price of a good or service is an agreement to set, change, or maintain the maximum resale price of a good or service."

NOTICES OF HEARINGS

SUBCOMMITTEE ON ENERGY REGULATION AND CONSERVATION

Mr. METZENBAUM. Mr. President, I would like to announce for the public that the hearing previously scheduled before the Subcommittee on Energy Regulation and Conservation of the Committee on Energy and Natural Resources has been rescheduled to begin at 1 p.m. instead of 10 a.m., on Friday, July 1, 1988, at the Technology Center of LTV Steel Corp., 6801 Brecksville Road, Independence, OH.

For further information, please contact Mr. Bernstein at (202) 224-2315.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. BUMPERS. Mr. President, I would like to announce for the public that the following hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests.

The hearing will be held on July 26, 1988, at 9:30 a.m., in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on S. 2148, the Omnibus Oregon Wild and Scenic Rivers Act of 1988.

Since the subcommittee has heard testimony from a large number of witnesses during three field hearings held earlier on this measure, the number of witnesses for the July 26 hearing will be limited.

If you have any questions regarding the hearing, please contact Tom Williams, of the subcommittee staff, at X47145.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BYRD. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be authorized to meet during the session of the Senate on Wednesday, June 29, to conduct a hearing on drunk-driving legislation (S. 2367 and S. 2523) and related issues.

The PRESIDING OFFICER. Without objection, it is ordered.

COMMITTEE ON THE JUDICIARY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on June 29, 1988, to hold a hearing on judicial nominations.

The PRESIDING OFFICER. Without objection, it is ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. BYRD. The Committee on Veterans' Affairs would like to request unanimous consent to hold a markup on S. 2011, to include compensation, health, Board of Veterans' Appeals, education, vocational rehabilitation, and other benefits legislation, and S. 11, judicial review and BVA legislation on Wednesday, June 29, 1988, in SR-418.

The PRESIDING OFFICER. Without objection, it is ordered.

SUBCOMMITTEE ON RURAL ECONOMY AND FAMILY FARMING

Mr. BYRD. Mr. President, I ask unanimous consent that the Small Business Subcommittee on Rural Economy and Family Farming be authorized to meet during the session of the Senate on Wednesday, June 29, 1988. The purpose of the subcommittee hearing is to help identify prospects for economic development in rural America.

The PRESIDING OFFICER. Without objection, it is ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Securities of the Committee on Banking, Housing, and Urban Affairs, be allowed to meet during the session of the Senate on Wednesday, June 29, 1988, to conduct hearings on S. 2544, the International Securities Enforcement Cooperation Act of 1988.

The PRESIDING OFFICER. Without objection, it is ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, June 29, to hold a hearing on pending ambassadorial nominees.

The PRESIDING OFFICER. Without objection, it is ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, June 29, to receive a briefing on the situation in Haiti.

The PRESIDING OFFICER. Without objection, it is ordered.

ADDITIONAL STATEMENTS

ALCOHOL WARNING LABELS

● Mr. HARKIN. Mr. President, I rise today to focus attention on a problem that continues to plague America, the problem of alcohol abuse. Alcohol is the deadliest and most widely used drug we know today.

Several weeks ago, when it was determined that Accutane, the popular antiacne drug, caused severe birth defects, Federal officials took steps to prevent pregnant women from using it anymore. I applaud that decision. Yet we have failed to adequately address a far more widespead threat to fetal health, identified over 15 years ago—that of fetal alcohol syndrome. Currently, fetal alcohol syndrome is among the three leading causes of birth defects. Overall, statistics show that, 7 years after the Surgeon General recommended pregnant women abstain from using alcohol, alcohol contributes to at least 5,000 birth defects annually.

Despite overwhelming evidence that using alcohol during pregnancy is dangerous, most people underestimate the health threats. A recently conducted public opinion poll found that one-third of the women interviewed believed that an average daily consumption of more than three drinks was safe during pregnancy. Apparently they weren't aware of the abundance of scientific evidence that the use of alcohol can lead to decreased birthweight, behavorial problems and growth abnormalities.

Congress now has the opportunity to pass S. 2047, introduced by my colleague Senator THURMOND. I am a cosponsor of this legislation, which will require a health warning on the labels of all alcoholic beverage containers. It's sad enough that 5,000 babies were born last year with malformed bodies and faces, but it is even sadder that these abnormalities could have been prevented if mothers had been aware of the dangers of alcohol.

Mr. President, at this time, I ask that an article by Dirk Olin of the New Republic, outlining several of the political obstacles to the enactment of S. 2047, be inserted in the CONGRESSIONAL RECORD. I hope my colleagues will not let these obstacles prevent us

from enacting this important health protection measure.

The article follows:

This Dud's for You

(By Dick Olin)

Alexander Pope advised his readers to "drink deep" from the spring of knowledge. America's liquor manufacturers, battling a current legislative proposal to label alcoholic drinks with health warnings, prefer their customers simply to drink deep. The $70 billion-a-year industry is counting on an indifferent White House and some powerful friends in Congress to beat back an influential label lobby.

An unlikely pair leads the proponents of booze warnings on Capitol Hill: Senator Strom Thurmond, the Republican from South Carolina who once so opposed a civil rights bill that he wrestled a colleague to the floor; and Michigan Democratic Representative John Conyers, a founding member of the Congressional Black Caucus. To be sure, the sponsors are pursuing different agendas. Thurmond is a teetotaling fitness fanatic who's been pushing this bill since 1969 (he even discourages tippling by his staff). Conyers deplores the disproportionate share of liquor ads targeted at blacks, who suffer high rates of such alcohol-related problems as high blood pressure and cirrhosis of the liver.

In a regulatory world that hangs hazard tags on everything from aspirin to bubble bath, it's difficult to understand the ruckus over the bill. Thurmond and Conyers simply want alcohol producers to place a series of labels on bottles. One cautions that alcohol is a drug that "may" be addictive; another notes the booze-related risks of hypertension, liver disease, and cancer; the others warn against drinking while pregnant, before driving, or when taking certain drugs. "Certainly we can do no harm in educating and informing," says Thurmond. "Especially with pregnant women."

Opponents argue that labels would have no effect and would cost jobs. Obviously both can't be true. So they also complain that the industry is overtaxed, and argue that labels might prove counterproductive: Liquor would become more attractive to teenagers by being labeled a forbidden fruit. The Beer Institute's James Sanders insists that "labels are a false solution to a complex problem. We're in an election year, and alcohol is being wrongly lumped with drugs in an atmosphere of emotional hysteria. Our only real progress against alcohol abuse can come through the slow process of education." As Conyers points out, however, education is precisely the purpose of labels.

You don't have to be a neo-prohibitionist to recognize that alcohol is a sometimes dangerous and socially damaging drug. A 1983 study by the National Institute on Alcohol Abuse and Alcoholism estimated that overimbibing costs the country $117 billion a year in health care and lost productivity. In 1986 more than one-half of the nation's 46,056 traffic deaths were liquor-related. And, according to the Center for Science in the Public Interest (CSPI), alcohol abuse during pregnancy results in at least 5,000 cases of infant deformity and mental retardation every year. So-called Fetal Alcohol Syndrome is the third-leading cause of birth defects, the only preventable one among the top three.

A recent Gallup Poll found almost 80 percent of the American public in favor of warning labels on alcoholic beverages. Even the Wine Spectator, a pro-industry publication, recently backed labels. "Winemakers can pull the train of health consciousness," wrote managing editor Jim Gordon, "or they can be dragged along behind it as the cigarette makers were."

But whatever the merits of the labeling bill, its prospects don't look bright. It's currently in the Senate Commerce Committee, which isn't known to be overly concerned about health issues. "That committee is interested in promoting American business," notes one congressional aide. "It's always been a burial ground for health bills." What's more, the committee includes some of the members most beholden to the alcohol industry. According to Common Cause, 20 liquor-related PACS spent $1.2 million on campaigns for the House and Senate in 1985–86. On the Commerce Committee, in 1987 Texas Democrat Lloyd Bentsen received more than $50,000 from individuals associated with the alcohol industry, and ranking Republican John Danforth of Missouri received upward of $40,000 from folks connected to his state's gigantic brewer, Anheuser-Busch.

Other committee members who are considered unsympathetic to labeling include Democrat Wendell Ford—whose home state of Kentucky produces more distilled spirits than any other—and Wisconsin Republican Bob Kasten, who watches out for the brewing industries of Milwaukee. Kasten's office claims he has an open mind on the subject, but one aide revealed that the senator is inclined against labels. Alcohol problems derive from abuse, he said, not simply from use, as with cigarettes. "And even so," he added, "the health problems from one night of alcohol abuse generally are just a hangover and empty calories." Three years ago Kasten was arrested in Washington, D.C., for drunk driving. He avoided a criminal record by taking a course on alcohol abuse.

Advocates are not so sure what to make of Tennessee Democrat Albert Gore. He once shrugged off home-state tobacco interests and supported cigarette labels. The liquor label bill, though, has been languishing in the subcommittee he chairs, suggesting that Gore has one eye on Tennessee's huge Jack Daniels distillery. Danforth, meanwhile, is usually identified as the labeling bill's most vocal opponent, a curious stance for the man whose support of reregulated transportation and higher drinking age once earned him the title "Mr. Safety" from Congressional Quarterly.

The other obstacle to a simple labeling initiative is a bureaucratic accident. Ever since repeal of prohibition, the Bureau of Alcohol, Tobacco and Firearms has been an arm of the Treasury Department, not a health agency. As a result, says CSPI's Bruce Silverglade, the bureau is ill-suited to lobby for health regulations. "The bureau is really there to collect taxes," he says. A Treasury spokesman defended the bureau, arguing that it is a "sophisticated agency" responsible for such health information as sulphite labels on wine. He also noted that BATF is studying the label proposal, with findings due out in November.

Proponents worry that such efforts have died on the vine in the past. During the late 1970s President Carter's bureau was preparing to require warnings about liquor-based birth defects. That ended with the Reagan administration. The White House has been silent on the labeling question ever since. Its "Just Say No" campaign against drug abuse originally ignored alcohol altogether.

The irony is that the alcohol industry may actually stand to gain from labels. The cigarette manufacturers, who fought a similar battle against labels 22 years ago, are now receiving some protection from the very provision they once opposed. In a liability suit recently decided by a jury in Newark, New Jersey, Rose Cipollone's husband sought damages against three tobacco companies for her 1984 death by cancer. The only defendant found liable was the maker of cigarettes that she had smoked before the imposition of federal warnings.

Seven alcohol manufacturers currently face similar accusations. The parents of some disabled children in Washington state are suing the companies, claiming that the liquor makers should have warned them about Fetal Alcohol Syndrome. "If it can be proven that the manufacturer knew or should have known about the risk, and there's a failure to warn, then there's a potential claim there," says liability lawyer Victor Schwartz. On the other hand, he points out, plaintiffs would have to prove that a warning actually would have changed the victim's behavior.

What can a label really accomplish? The United States has gotten so tort-happy that my neighborhood hardware stores sells a stepladder tagged with 36 warnings. But however inured we've become the exhortations of consumer watchdogs, the fact remains that stupid drinking hurts a lot of people. And not everyone "already knows" the dangers, as the liquor lobby glibly claims. A recent survey by the National Center for Health Statistics revealed that 43 percent of respondents under age 45 had never even heard of Fetal Alcohol Syndrome. If liability suits continue their present trend, perhaps the liquor industry finally will support labels out of "enlightened" self-interest. It's the consumers' interest, however, that Congress and the White House should be pursuing.●

DEVELOPMENTS IN TAIWAN

● **Mr. SIMON. Mr. President, I wish to call the attention of my colleagues in the Senate to positive and important developments in Taiwan which are creating a freer and more democratic political life for the people of Taiwan. On the eve of the 13th Congress of the Kuomintang Party, I want to commend President Lee Teng-hui and the people of Taiwan on the steps they have taken to promote democracy. I hope that Taiwan's new political agenda is endorsed and given impetus by Congress.**

A noteworthy development of the past year was the constitutional transfer of power from the late President Chiang Ching-kuo to President Lee, who, it should be noted, is a native son of Taiwan. President Lee is an accomplished public servant. He is a former mayor of Taipei, governor of Taiwan, and former Vice President. He entered government service after a successful career as an agricultural economist. Incidentally, he was educated at Iowa State and Cornell University and his doctoral thesis was published by the Cornell University Press.

During his short tenure in office, President Lee has worked to build upon the policies of his predecessor in

opening up Taiwan's political life and increasing contacts between Taiwan and the People's Republic of China. The development of a consensus for democracy and for a positive foreign policy will, I hope, be strengthened during the forthcoming 13th Congress.

Certainly these policies of change will not be easy and will be unsettling to many people in Taiwan. In considering the difficult days ahead, the leaders of the Republic of China should recall Churchill's view of democratic government:

> No one pretends that democracy is perfect or all-wise. Indeed, it has been said that democracy is the worst form of Government except all those other forms that have been tried from time to time.

I commend these words not just to the Government of Taiwan, but to all governments everywhere.●

WE MUST NOT RAID THE SOCIAL SECURITY SURPLUS

● Mr. SYMMS. Mr. President, the commentators on our economic policy and the economic conditions of the U.S. Government have finally noticed the Social Security surplus. Senators will recall the great debate we conducted last April 12–13 about it.

I participated in that debate, as a cosponsor of S. 2211, a bill I joined Senators SANFORD and CONRAD in introducing, to take the Social Security trust funds out of the Gramm-Rudman process by 1990.

My opinion then and my opinion today is that we must place the Social Security system so far outside the political grasp of the Congress or the political appointees of the administration that no possible effort to dip into it for any purpose except the retirement security of our senior population can even be conceived of.

I rise today, however, Mr. President, to warn my colleagues that this emerging Social Security surplus is about to become a political football—and we must not allow this to happen.

I have noticed in the press an increasing chorus of commentators who make the suggestion this large accumulation of wealth in the Social Security trust funds might be invested to do lots of useful things—rebuild our decaying cities, stimulate economic growth in rural or depressed areas, subsidize the education of our children, or modernize our industrial base.

Indeed, I read in the column by Hobart Rowen of the Washington Post, June 16, that Presidential candidate Michael Dukakis is thinking about doing exactly what I say is the wrong thing.

Mr. Rowen quotes him as saying, "There could be a fourth option. Why not explore with Congress the possibility of investing some of the trust fund surplus in the private sector, rather than putting it all in Treasury securities? That would give a lift to national savings and productivity."

Mr. President, it is well known in this city that the columns by Mr. Rowen are very significant inasmuch as he often voices "trial balloon" proposals for important public figures. Indeed, can it be a coincidence that on that very day of June 16, the distinguished Senator from North Carolina [Mr. SANFORD] introduced S. 2520, the Investment in Tomorrow Act of 1988.

Let me quote from this proposal—

> Such investments shall be made, as provided by appropriation Acts, in United States interest-bearing loan government programs for education, economic development of poverty stricken areas, and such public works as highway and bridge construction.

There it is, Mr. President, the full blown proposal to capture the Social Security surplus and use it for politically directed purposes.

You will notice that the language in S. 2520 calls for "appropriation acts" to govern the application of the funds. I certainly agree with the distinguished Senator from North Carolina that we must never permit the administration, or the social Security trustees, to invest the funds at their own discretion—that would be no different from the Soviet system of allocating investments.

But we cannot permit the uses of the Social Security surplus to be determined by appropriations. It does not take a Senator very long to gain an understanding of the nature of the appropriations process—and I am sure America's senior citizens will have the same strong feelings of opposition to the proposal as this Senator.

Mr. President, I ask unanimous consent that the entire article by Hobart Rowen from the Washington Post of June 16 be printed in the RECORD at this point. Also, an article that appeared in that newspaper today by Prof. Alan S. Blinder of Princeton University, and an article from the Wall Street Journal by Irving Kristol on June 17.

Finally, Mr. President, I think it is worth while to include in the RECORD an article from the June 1988 issue of Saving Social Security, the newspaper of the National Committee to Preserve Social Security and Medicare, which expresses the strong concern of senior citizens about the potential for embezzling the Social Security system.

The material follows:

[From the Washington Post, June 16, 1988]

SOCIAL SECURITY SURPLUS: INVEST IT?

(By Hobart Rowen)

Invest a portion of the Social Security trust fund surplus in private corporate stocks and bonds? It's an idea that—at first blush—may horrify some people but may in time be a serious alternative in a perplexing situation.

Belatedly, politicians have caught up with the fact that the Social Security system is generating huge surpluses. With the higher tax rates established by the reforms initiated three years ago, the system is accumulating vast amounts of money that it is not paying out—yet.

For the moment, these surpluses disguise the real budget deficit: if the Social Security surplus were not added in, this year's red-ink total would be almost $40 billion higher than the $150 billion it is said to be—or nearly $190 billion.

Given this stunning bit of arithmetic, as Jodie Allen recently pointed out in Outlook, the huge Social Security surplus looks to some like manna from heaven—a painless, tax-free solution to the budget-deficit problem.

The situation is more complicated: the "cover" that the Social Security surpluses provide for the deficit will grow steadily bigger, until some time around 2010 or 2020, when increased payouts will begin. At the peak, according to former Social Security commissioner Robert Ball, the total trust fund will amount to a mind-boggling $12 trillion, at least a couple of times larger than the entire projected national debt.

Put another way, the Social Security system could "own" the entire national debt—and still face the problem of finding an investment home for the rest of its money.

Allen spelled out the three options generally offered to deal with this puzzle. First, the payroll taxes that are generating surpluses could be cut, because their accumulation may act as a drag on the economy. Reducing taxes, which has great appeal to politicians, presumably would allow consumers to spend, as they see fit, some of the monies now going into the trust fund.

But that, as presidential candidate Michael Dukakis said in a separate interview with The Post, would not be "responsible," because it would drain away contributions set up by a careful, actuarial schedule. This schedule is designed to finance the pensions to be paid to the retiring "baby boom" generation in the next century. And it would be extremely chancy to assume that Congress would at any time willingly restore the Social Security taxes necessary to ensure the promised pensions.

Second, the surplus could be allowed to accumulate in the trust fund while the government continues to borrow from it to pay for current expenses. That, essentially, is what we are doing now. The problem with this option is that it is a copout: the existence of the surplus—which won't last forever—postpones the need to reduce spending and/or raise other taxes to cover the regular deficit.

Third, the trust fund surpluses can be allowed to build up as planned against the needs of the next century, while the next president and Congress make the hard tax and spending choices averted by the second option.

"There could be a fourth option," Dukakis told me recently while he was campaigning in New Jersey. Why not, he said, explore with Congress the possibility of investing some of the trust fund surplus in the private sector, rather than putting it all in Treasury securities? That would give a lift to national savings and productivity.

(Dukakis would not abandon the third option: he's committed to reducing the budget deficit over a four- or five-year span, by spending cuts and tax increases—if necessary—without reducing Social Security benefits.)

Dukakis knows the "fourth option" may cause alarm among those who believe that investing Social Security funds in anything but the government's own securities would be too risky. Some may say it raises the specter of socialism.

But others, including Federal Reserve Board Chairman Alan Greenspan, think it's an idea worth exploring—very cautiously—making sure that only the most conservative private investments are considered.

Greenspan has said publicly that it is "important to recognize that unless we invest our Social Security accounts in private instruments, the surplus by itself doesn't contribute to net savings [in the economy]."

But Greenspan is known to feel that the idea is useful only if, at the same time, the regular budget deficit is reduced. Otherwise, the amount of money that had been borrowed by the Treasury from the trust fund would have to be borrowed directly from the public. In that case, the true government deficit—and the savings rate—would remain exactly the same. Pending further study, Greenspan said: "I don't know where I would come out on it."

Experts like Ball aren't sure, either. But they acknowledge, looking at that $12 trillion buildup, that down the road some way will have to be devised for investment of the extra Social Security funds in the private sector, or in some new form of public projects that generate true savings. This will be controversial as well as exceedingly complicated, but the year 2020 isn't all that far off.

[From Saving Social Security, June 1988]

TRUST FUNDS UPDATE—CONGRESS MOVES TO PROTECT

New legislation to finally and completely remove Social Security from the deficit-reduction process is underway in both the House and Senate. The bills would protect Social Security because Social Security Trust Funds surpluses could not be used to offset deficits in other government programs.

Removing the Social Security Trust Funds from the budget process is the highest priority of National Committee members, according to a recent survey.

Representatives Byron Dorgan, D-N.D., and Mary Rose Oakar, D-Ohio, introduced H.R. 4396, which would remove the Trust Funds from the budget process as of September 30, 1989, the beginning of federal government fiscal year 1990. Dorgan and Ms. Oakar are circulating a "Dear Colleague" letter to Members of Congress, inviting them to co-sponsor the bill. "We must break the habit of relying on Social Security surpluses to offset operating deficits and decide how to balance the budget honestly, before it is too late," the letter says.

Last year, House and Senate leaders considered elimination or reduction of the proposed Social Security Cost of Living Allowance (COLA) as part of an overall spending cut to help balance the budget. Only after the delivery of nearly eight million petition signatures from National Committee members was the proposal dropped. But the threat to future COLAs and other benefits is still there, unless the proposed legislation succeeds in changing the way the federal deficit is counted.

Currently, federal income is less than its obligations, so the budget is running a deficit. The Social Security Trust Funds are running a surplus. To calculate the federal budget, all government income and expenses except Social Security are added and subtracted to achieve a total. Then, the amount of Social Security receipts and expenses for the year are added to that total. Even though the Social Security surplus is earmarked for future retirees and cannot be spent for any other program, Congress allows the surplus to be calculated on paper against the federal deficit so that it appears lower than it actually is. This type of accounting practice has come under fire because it masks the true size of the deficit.

To compound the problem, the federal government currently borrows all the Social Security Trust Funds surpluses, leaving behind IOUs in the form of Treasury notes that will have to be paid when current taxpayers retire. Treasury note-secured Trust Funds are expected to top $1 trillion by 1990. "The federal government is not currently saving to meet these obligations," Dorgan and Ms. Oakar state in their letter.

The anticipated crisis could occur between 2010 and 2020, when baby boomers begin to retire. The government will be forced to repay those IOUs with cash by either borrowing the money or raising taxes—both economically and politically risky ventures. The other alternative is to cut benefits for those retiring at that time. Many in Congress say they feel that efforts should be made now to head off this possible crisis, and they say the best way is to either take Social Security Trust Funds out of the budget process or return the Social Security system to a pay-as-you-go system instead of building up funds to meet future needs.

Whether to allow Trust Funds surpluses to accumulate has been a controversial issue since Social Security was created in 1935. Surpluses accumulated as early as 1937, and were blamed for an economic recession that hit the nation that year. Several commissions were established over the next few decades to study how the Social Security Trust Funds impact the economy. The issue soon became whether Social Security Trust Funds should be counted as part of the federal budget. Finally, under President Lyndon Johnson, the combined, or "unified," budget became the standard practice. But many felt this was just an accounting trick to hide the real cost of the Vietnam War.

In 1983, the Commission on Social Security Reform, chaired by Alan Greenspan, now head of the Federal Reserve, was set up to study the future of the Social Security System and establish the system on firm financial ground. The Commission recommended that Social Security once again be taken out of the budget. Finally, the Gramm-Rudman-Hollings Act of 1985 dictated that the Social Security Trust Funds were not to be used in calculating the federal budget, but that Social Security revenues and expenditures were to be used in calculating the deficit.

After last year's highly controversial attempt to cut the Social Security COLA, a bipartisan National Economic Commission was created to recommend ways to balance the budget. Many fear the Commission has been created as a shield for political leaders who favor unpopular methods of deficit reduction, including increased taxes and cuts in Social Security and other popular federal programs.

The potential political fallout over the budget has many Members of Congress and the administration worried. The present administration would like to continue the deficit calculations as they are now, since to do otherwise would reveal a deficit much higher than presently indicated. Many Democrats, on the other hand, are anticipating a victory in the November elections and are anxious to uncover the true depth of the deficit before the next president takes over. The National Economic Commission is not required to report its findings until March 1989.

Dorgan and Ms. Oakar are hoping to build a consensus among members of Congress that a more realistic approach should be taken in order to preserve the future of the Social Security System, and to unmask the deficit problem so that it can be dealt with. They are also seeking approval from those who are highly respected in Washington for their opinions on Social Security and other senior issues.

Other legislation pending that would remove the Social Security Trust Funds from the budget process includes S. 2211, introduced by Senator Terry Sanford, D-N.C., establishing 1990 as the target date for the new deficit calculations that would not include Social Security.

Also, Rep. Buddy MacKay, D-Fla., has introduced House Concurrent Resolution 279 which would establish a sense of the House that legislation to resolve this problem should be passed within five years. Earlier this year, Senator Lawton Chiles, D-Fla., offered a similar amendment to the budget resolution, but the amendment was tabled.

[From the Washington Post, June 29, 1988]

DON'T RAID THE SOCIAL SECURITY NEST EGG

(By Alan S. Blinder)

The secret is out, Something that students of the Social Security system have known since 1984 is not creeping into the public consciousness and into the minds of politicans: the Social Security trust fund is already generating surpluses, which will cumulate to huge amounts in the first quarter of the 21st century before declining in the next quarter of century. After that, the system may well run out of funds.

The Social Security bulge was created when Congress adopted the Greenspan commission's recommendation to transform Social Security from approximately pay-as-you-go to a more or less funded system in 1983. Under the former pay-as-you-go system, each year's payroll tax receipts roughly covered that year's benefits. The trust fund picked up any surplus or made good any deficit, but was mostly an accounting fiction; its balance typically amounted to less than one year's outlays. The funded plan we now have works quite differently. The trust fund is scheduled to accumulate trillions of dollars and subsequently spend them on benefits.

Why the change? After all, pay-as-you-go worked beautifully for generations of Americans, almost all of whom received more in benefits than they had contributed in taxes. The answer is that demography dictated the change. Because birthrates were so high during the postwar baby boom and have been so low recently, the retired population will grow much faster than the working population after about 2010. Pay-as-you-go financing would then require either sharply higher payroll taxes or sharply lower benefits. The Greenspan commission wisely concluded that this would be unwise and recommended instead that the system accumulate a huge fund while the baby boomers are working and spend it down in their retirement years.

How large the trust fund will grow is impossible to say, for it depends on the evolution of such things as fertility, real wages and real interest rates. Predicting these variables 50 or 60 years ahead is hazardous, to say the least. Under the "moderately pessimistic" assumptions of the Social Security actuaries, the trust fund, which is now under $100 billion, will eventually surpass the astounding sum of $12 trillion and then shrink rapidly. In more meaningful terms, it will rise from about 2 percent of GNP now to more than 30 percent of GNP around the year 2020—and then fall, hitting zero by about 2050 and continuing into the red.

Whatever the true magnitudes, the unprecedented rise and fall of the trust fund presents both opportunities and perils. For example, the current version of Gramm-Rudman-Hollings dubs Social Security "off budget," but nonetheless counts both its income and its outlays in assessing compliance with its deficit-reduction targets. Hence the rising Social Security surplus will make it much easier to meet the Gramm-Rudman targets between now and 1993. The Congressional Budget Office estimates that the annual surplus will be about 1.5 percent of GNP in fiscal year 1993. That means that the balanced-budget target for that year translates into a deficit in the non-Social Security budget of 1.5 percent of GNP, which is well within historical norms and certainly attainable.

But the biggest problems and opportunities come later, when the battle over the disposition of the Social Security bulge will be fought.

The danger is clear. With chronic surpluses in the government budget and trillions sitting in the Social Security kitty, future legislators surely will be tempted to spend some of the largess on worthy causes. This we must resist, for it we fail to squirrel the money away, we will not have the wherewithal to pay the retirement bills when they come due. Congress must realize that the multitrillion-dollar nest egg that will be incubating in the trust fund is not spare money; it is already spoken for. Indeed, it may not be enough.

On the other hand, if we manage to save the coming Social Security surpluses, we'll have a historic opportunity to transform the United States into a low-interest-rate, high-investment society unlike any we have seen in years. According to the actuaries' "moderately pessimistic" projections, assets in the trust fund when it peaks (as a share of GNP) around 2020 may approximate the entire national debt. If the fund continues to invest solely in Treasury securities, it may therefore be able to eliminate the public debt. That, in itself, would give interest rates a mighty shove downward and investment a corresponding shove upward.

But there is even more potentially good news—and an even greater peril. Some fear that persistent large federal budget surpluses will be a drain on economic activity. And if we bungle the job, their fears will be well founded. But if the Federal Reserve does its job well and compensates for fiscal stringency with even lower interest rates, we can replace lower consumption by higher investment while maintaining adequate aggregate demand.

The stakes clearly are high. To win the battle over the Social Security bulge, we need enlightened fiscal and monetary management, which history shows to be elusive. However, one small accounting change might help. If we take Social Security truly off the budget when Gramm-Rudman II expires in 1993 and focus congressional attention on the non-Social Security budget, future members of Congress may be less tempted to spend what they do not have.

[From the Wall Street Journal, June 17, 1988]

That Bizarre Social Security Surplus

(By Irving Kristol)

All of a sudden, while public opinion continues to be dubious about the financial viability of the Social Security system, the possible emergence of an enormous surplus over the next 40 years in the Social Security trust fund is attracting a lot of attention in Washington. It is also creating immense perplexity among economists and legislators, who cannot figure out whether it is good news for the nation, or bad news, or some undecipherable mixture of the two.

The most commonly cited forecast is derived from the Social Security Administration's own statistics. It is based on relatively conservative assumptions and shows that, by 1993, the trust fund will be some $400 billion in surplus. By 1996, that surplus will be more than $600 billion and the "unified federal budget"—which includes Social Security revenue as income to the Treasury—could be in balance. The surplus then grows exponentially to $2.5 trillion in 2005 and perhaps $12 trillion in the 2020s. At that time, the fund—restricted by law to the purchase of Treasury securities—will own the entire national debt, and may even have to seek new avenues of investment.

In the following two decades, however, the fund is paid out in full to the new generation of senior citizens. By 2050 or thereabouts the surplus is back to zero.

BIPARTISAN COMMISSION

It sounds incredible, and may turn out to be fictional, but those projections are regarded as plausible by most economists who have looked into the matter.

How did it happen? Well, back in 1983, a special bipartisan commission was given the assignment of "fixing" the Social Security system, then perceived to be headed for bankruptcy, for the next 75 years. It did its own job with conscientious enthusiasm, increasing Social Security taxes, gradually raising the retirement age in the decades ahead, placing an unindexed tax on Social Security income for those in the upper-middle-income brackets, etc.

The trouble is that the assumptions it made about economic growth and growth in the labor force turn out to have been very, very conservative. In "fixing" Social Security, the commission unwittingly engaged in overkill. Not many people noticed this until recently, though Stuart J. Sweet, then legislative assistant to Sen. Paula Hawkins, was vigorously raising the issue back in 1985. Only now is he getting a serious hearing.

So what does it all mean? The problems posed by these projected surpluses are of a kind to give economists a severe case of vertigo. After all, if the Social Security trust fund were ever to own the entire national debt, what would happen to monetary policy? This is rather like asking an astronomer what would happen if the entire universe fell into one of those "black holes." The Federal Reserve Board would have no Treasuries to sell or buy, the banking system would be cut loose from its moorings, Treasury paper would become a species of "collectibles"—it is just not imaginable.

This is an extreme and unlikely case, to be sure, since it presumably won't be allowed to happen. But there are other more serious and less speculative issues that are being raised.

One such issue that has gained in urgency is whether income from the Social Security system should be counted against the operating deficit of the federal budget. The 1983 commission said it should not. Gramm-Rudman says it should. The arguments on both sides are powerful. In a sense, they represent a conflict between accounting and economic perspectives.

From an accounting point of view, Congress should not be allowed to count as income those revenues that go into a reserve fund, and the Social Security fund is, when all is said and done, precisely that. Remember: Those same projections that show a huge surplus in 2030 also show that in the following two decades, 2030-2050, all of this money will have to be paid out to Social Security recipients. So it would be utterly irresponsible for Congress to look at it as spending money.

On the other hand, from an economic point of view, tax revenue is tax revenue, and, in macro-economic terms, it makes no sense to "sterilize" such a substantial portion of government's revenues through what amounts to a system of large, forced savings. The negative impact on the economy could be severe, even disastrous.

I have to confess that I, along with many others, find much merit in both sides of this argument.

There are some cynical commentators who insist that, though the surpluses may turn out to be real, the problems they pose will not be, since our politicians will surely figure out ways to spend that money and reduce, or even eliminate, any surplus. Perhaps—but that won't be so easy, even if the cynicism about our politicians is understandable.

To begin with, there is a small group of analysts—actuaries, naturally—who insist that the "conservative" estimates on which the projections are based are themselves far too optimistic in their demographic and personal-income estimates. They insist that the Social Security system is actually still in the red, on an actuarial basis, and will remain so into the future. One such analyst happens to be the chief actuary of the Social Security agency itself, who has expressed his views in a memorandum to his superiors.

So long as he (and, one supposes, other actuaries working in this area) holds this ultra-conservative opinion, even though it be a minority opinion, will it be possible for Congress to lay its hot hands on those projected surpluses? I think not. Public opinion would be alarmed; the powerful senior citizens' lobby would be enraged.

But even if the actuarial fears are dispelled, it is unlikely that Congress would find it easy to "raid" the Social Security surplus. The problem it would confront is those last decades (2030-2050) of the scenario, when the surplus melts away to zero. Even though there is in fact a respectable economic case for converting that surplus into a one-year or two-year reserve—Barry Bosworth of the Brookings Institution has argued this case while urging a cut in Social Security taxes—it is hard to see how our politicians could justify a current expenditure of their children's (and our children's) Social Security entitlements. Even if it made economic sense, it would be, politically, a high-risk enterprise.

So it is possible to think, realistically, that those surpluses will actually happen. In which case, we are sailing in uncharted waters. Only Sweden has developed a social security surplus (now 30% of gross domestic product) that can serve as a precedent—a precedent, however, that is hardly a model for Americans.

SWEDISH STATISM

The Swedish surplus is invested in four streams: government bonds, housing bonds, "long-term capital projects" (whatever that means), and new issues of common stock. In effect, the socialist governments of Sweden have socialized the investment process while refraining from outright nationalization of the "means of production." It is, of course, no socialism in any meaningful sense of the term but simply collectivism, "statism." It is not a scenario likely to be attractive to the American people—especially since it is still too early to estimate its effects on the Swedish economy.

Where will it all end? This writer knoweth not. I would expect that, in the years ahead, various arguments for a greater "privatization" of the Social Security system—so that individuals have legal title to their "own" reserves, with considerable leeway on their use—will gain in popularity. Meanwhile, just in case, I think I'll go out and buy a couple of 30-year Treasuries for my grandchildren.●

ATLANTIC FINANCIAL

● Mr. HEINZ. Mr. President, a serious mistake has recently been brought to my attention concerning Atlantic Financial, the largest savings and loan association in my home State of Pennsylvania and one of the 25 largest thrifts in the Nation.

Earlier this year, Atlantic Financial was involved in an acquisition of a troubled institution with serious asset problems. It was in this connection, with Atlantic Financial's assisting FSLIC in its management of troubled loans of the prior institution, that Atlantic Financial was erroneously mentioned as a troubled institution in a recent report to Congress "Asset Holding Corporation Feasibility Study." The Federal Home Loan Bank Board, author of the report, has written a letter of explanation admitting its error in mentioning Atlantic Financial in this report.

Atlantic Financial is a stable, financially sound institution with a commitment to its customers as well as to the community. It is most unfortunate that one of the stronger members of the industry be mistakenly mentioned in this negative fashion.

Mr. President, I would like to see that the reputation of Atlantic Financial Institution is not damaged by an inadvertent inclusion in the Federal Home Loan Bank's report on troubled institutions. And I ask the Bank Board's letter of explanation admitting its error be printed at this point in the Record.

The letter follows:

Federal Home Loan Bank Board,
Washington, DC, June 22, 1988.

Re: Federal Home Loan Bank Board Report to Congress—Asset Holding Corporation Feasibility Study.

Mr. Donald R. Caldwell,
President and CEO, Atlantic Financial,
Bala Cynwyd, PA.

Dear Mr. Calwell: This is to confirm that the reference to Atlantic Financial Federal, page 43 of the report is totally in error. It was never our intention to classify Atlantic Financial as a troubled institution. It was our intention to spell out one method dealing with troubled loans and the fact that Atlantic Financial was cooperating with the FSLIC in assisting it in its management of troubled loans through Atlantic Financial's acquisition of a troubled institution with serious asset problems in West Virginia. Please accept our letter of explanation. If you believe it is necessary we will formalize this explanation and distribute it to those whom you believe may have been adversely affected.

Sincerely,

Stuart D. Root.

RETIREMENT OF REVEREND LEON SULLIVAN

● Mr. HEINZ. Mr. President, I rise today to mark an historic moment for the congregants of the Zion Baptist Church in north Philadelphia and for all those concerned with racial equality and civil rights.

Last Sunday, the Reverend Leon Sullivan, after 38 years as spiritual leader of Zion Baptist, delivered his last sermon and retired to develop his vision of improved working conditions for developing nations.

I have the deepest admiration and respect for Leon Sullivan. Having worked with him for many years, I know him as a spiritual leader and activist in the cause of civil rights. I know his convictions and resolve in seeking a better life for the starving and oppressed has made a tremendous difference in thousands of peoples' lives. And I am fortunate also to know him as a friend and wise counselor.

Leon Sullivan is perhaps best known for what became known as the Sullivan principles. These guidelines for corporate behavior to resist the evil of apartheid in South Africa, and similar corporate codes of conduct elsewhere which they inspired, have made an impact on the lives of those living under unjust political systems.

I therefore take the floor today to pay special tribute to a man of courage and vision who brought a new awareness of rights and responsibilities not only to Philadelphia but internationally. I speak today in recognition of the tremendous fight he has waged to bring education and training to the disadvantaged that they might gain the opportunities so many of the rest of us take for granted. I want to profoundly thank him for all he has done for people in Philadelphia, throughout the United States and around the world.

Mr. President, in a very real sense Leon Sullivan's achievements are endless. They are endless because rather than retiring, he is, as he says, "ending a chapter in my life." He is off to Phoenix to develop an international foundation to provide training in agricultural technology, education, and health care for developing nations. I wish him the very best in his new endeavors.●

LONGS PEAK SCOTTISH HIGHLAND FESTIVAL

● Mr. ARMSTRONG. Mr. President, I rise today to call to the attention of my colleagues the annual Longs Peak Scottish Highland Festival in Estes Park, CO, held the weekend after Labor Day. This highlight of Celtic Festivals of the Rocky Mountains is a family oriented weekend that is both educational and entertaining.

Because of this Festival, Estes Park, CO, has become known as the "Camelot" of the United States. Honored guests of the festival include clan chiefs, generals, consulate heads, and Celtic leaders from Scotland, Canada, and the United States.

The 20,000 expected spectators will enjoy parades, concerts, an international tattoo, competitions of Scottish sports and of Scottish and Irish bands, dancers, and folk music. There will also be a British Isles dog and Highland cattle show.

The festival would not be complete without the gathering of clans, exhibitors, importers and the sale of Celtic crafts and foods. The Longs Peak Scottish Highlands Festival celebrates the early settling of Colorado by British Isles immigrants whose values, customs, and cultural heritage should not be forgotten.

I am sure that the rest of my colleagues will join me in wishing the very best success to the Longs Peak Highland Festival.●

BANKING REFORM

● Mr. GARN. Mr. President, on May 13, I spoke on the floor of the Senate, along with Senator Dixon, Senator Graham, and Senator Bond, urging the House of Representatives to move on banking reform legislation. In my remarks, I noted that the United States was the only major country that did not permit commercial banks or their affiliates to underwrite securities and that even Japan, whose system has mirrored ours, permits certain affiliations between banks and securities firms.

I recently received a very fine white paper from Larry Uhlick of the Institute of International Bankers entitled "Global Survey of Permissible Activities for Banking Organizations in Major Financial Centers Outside the U.S." This study, prepared by the institute in cooperation with bankers' associations from nine countries surveyed and the European Economic Community, confirms my remarks and provides other insights on the trends in other countries to expand the powers of banks operating in their markets.

The study addresses a whole range of permissible activities, including insurance and real estate activities. But the most noteworthy finding of the study is that our own American banking organizations are participating in full securities activities to the same extent as local banks in the countries surveyed. Moreover, the news is even better in Japan. Our banks as well as other non-Japanese banks are permitted to own 50 percent of affiliates engaged in full securities activities in Japan, but this privilege is not accorded to Japan's own banks. Although I have spoken many times about Americans' lack of access to the Japanese market, I find this step to be encouraging. As pointed out in the institute's study, our banks are already conducting the securities activities overseas that the Senate has authorized in S. 1886. Thus, it is even more puzzling to me that the House has not moved on this critical subject.

The trend is clear that the rest of the world is expanding the powers of organizations that deliver financial services, subject to appropriate safeguards, while the House of Representatives sits on its hands. Because these activities are conducted overseas by our own banks, the issue for Congress now is: Are we going to let the competitive position of financial markets in the United States deteriorate as compared to the rest of the world?

I want to thank the institute for its valuable contribution that will aid our deliberations on the important subject of banking reform.●

JUANA BORDAS

● Mr. WIRTH. Mr. President, as education issues assume an increasing proportion of the Senate's deliberations, the dropout problem is one area that deserves our special attention.

In Denver, community activist Juana Bordas has been working with the public school system to implement an innovative and exciting program to bring special support to high risk students.

We are proud of her efforts and extremely hopeful about the potential for success in stemming the dropout tide. I commend the following article, which appeared in the Rocky Mountain News on June 6, to my colleagues for their review.

The article follows:

ACTIVIST PUSHES COMMUNITY INVOLVEMENT

(By Amanda Covarrubias)

Juana Bordas is a fast-talking woman with the energy to rival a classroom of teenagers.

For the past eight months, the longtime Denver community activist has been working to get her latest project—Cities in Schools—off the ground.

The program, now under way in 21 U.S. cities, will place city social service workers in Denver schools to help students deal with the personal and emotional problems that often cause them to drop out.

"We have a real dilemma," she said. "Under compulsory education laws, students have to go to school, but half of them aren't going, and the ones that are there aren't satisfied."

Cities in Schools recognizes what district officials have been saying for years: Schools alone cannot combat the dropout problem. In many cases, children who drop out suffer from low motivation and parental disregard.

"Half the kids in Denver Public Schools come from single-parent families," she said. "Schools are now the dominant institution in America to serve youth, and schools have got to accept that role."

Denver is following the model of other cities around the country that have worked successfully to foster community involvement in schools to combat soaring dropout rates.

Bringing city social workers into the schools would be another step in the "restructuring" of the public school system into a collective of private and public agencies and organizations working together to improve it, Bordas said.

"We need to get others to participate to build some sort of power base," she said. "And it's got to be businesses, because they're the only ones with the political power to pressure the legislature. And they receive the finished product."

Part of the challenge for Bordas and others working to stem the soaring dropout rate is to determine why students drop out. But the reasons are complex, and there are no simple solutions:

There is the boy whose parents do not speak English and keep him out of school so he can serve as a translator between them and their attorneys.

There is the girl who stays out of school to baby-sit her younger sister and brother while their mother goes to the welfare office.

There is the boy who does not make it to school in the morning because he was up all night while his mother and her boyfriend were fighting.

There are the children who stay away from school because they are ashamed of their shabby clothes.

More than anything, students who drop out of school wrestle with the sinking feeling that "nobody cares," says Virginia Castro, head of social services for DPS.

That's where Cities in Schools comes in. A social worker would lend a sympathetic ear to students with problems too overwhelming to cope with alone, and provide the encouragement a wayward kid needs to stay in school.

But mere talk cannot resolve some of the problems kids carry with them to school. For example, a drug-dependent teen-ager might be referred to a counseling center. Or better yet, "let the kid spend some time in a drug-prevention group at the school," Bordas said.

The point is to bring the services to the schools, where the kids—and the problems—are.

A Cities in Schools program in nine Texas school districts has a 95% retention rate for the 5,000 students enrolled, according to the state program director there.

Moving Denver social workers into pilot programs at Manual, North and Montbello high schools and three alternative high schools in the Metropolitan Educational Youth Centers program will cost about $175,000.

They would bolster an overtaxed team of 52 DPS social workers for 110 schools.

Local businesses and industry will be asked to provide jobs for students. Those jobs will be rewards for learning certain skills and getting good grades, Bordas said.

In other cities, including Houston and Washington, Cities in Schools relies heavily on corporate sponsorship.

Because Bordas has had difficulty raising money to get Cities in Schools going, she will merge the operation with another fledgling-group, the Colorado Coalition on Dropout Prevention. The statewide project, run by longtime educator Bernard Valdez, has identical goals. The groups will share resources and money.

By merging, they also will avoid the duplication of effort that causes some dropout prevention programs to trip over each other.

"There's a lack of coordination," Bordas said. "A lot of programs take a piece of the action, but no one puts it together."

Bordas speaks from experience.

Her involvement in dropout prevention dates to 1978, when she started Mi Casa, a program to help Hispanic women learn job skills. In 1979, she started the companion program, Mi Carerra, to teach young women self-improvement and school survival skills.

She is adept at shaking dollars loose from the business community to support educational programs.

"If you tell business people that 50% of your clients are not coming back, that fewer than 50% of them read at adequate levels and that 80% lack important skills, that gets their attention," she said.

She points out that no accountability or quality control exists for schools, unlike businesses that must succeed or go under.

More than anything, Bordas is an optimist with the kind of foresight that some say DPS needs to induce radical change.

"Change is going to happen," she said. "Obviously, there's enough people upset, it is going to happen—from within or from without."●

NINETIETH ANNIVERSARY OF ZOA

● Mr. D'AMATO. Mr. President, this year, the American people joined with Jews the world over to celebrate the 40th anniversary of the State of Israel. This milestone of modern history stood as a symbol of the enduring strength of Judeo-Christian values and the mutually beneficial relationship the United States and Israel have shared over the years. As we look forward to a future of continued prosperity and security for Israel, it is only appropriate that we commemorate the anniversary of an organization who plays a continuing role in fostering strong United States-Israel ties.

The Zionist Organization of America was born on July 4, 1898 in New York, as an umbrella organization for 5,000 members of 36 Zionist groups. On that American Independence Day, the ZOA members came together to express their unified dedication to the formation of a state based on the same democratic ideals as the United States, and to serve as a haven for Jews from across the world.

In ensuing years, as the ZOA expanded into Philadelphia, Pittsburgh, Cleveland, Baltimore, and other cities, activities essential to the strengthening of the American Jewish community and the creation of Israel, such as the promotion of Hebrew language and the establishment of the Jewish National Fund, were undertaken. Later, American Jews would come to experience their vibrant heritage through Young Judea, Hadassah, and a host of other organizations sprung from the ZOA.

In 1917, under the leadership of Louis Brandeis, ZOA was instrumental in the events that led to the issuance of the Balfour Declaration. During the 1940's, ZOA and its members' groups came together to adopt the Biltmore Program, in which the establishment of the Jewish state was clearly defined as the goal of Zionism. By 1944, both the Democratic and Republican platforms included strongly pro-Zionist positions. President Franklin Roosevelt pledged his support for a Zionist solution to the Palestinian problem in an address before the ZOA.

Leaders in the ZOA were decisive in the postwar events that led to the ultimate creation of a Jewish state. Their unswerving commitment to the Biltmore Program helped bring the question of Palestine to the United Nations, where the world community voted on May 14, 1948, to establish the State of Israel.

Since then, the efforts of ZOA in support of Jewry in Israel, in the United States, and worldwide has extended over a broad range of essential services. The Masada program sends over 800 young men and women to Israel yearly. The ZOA House in Israel brings the Jewish cultural experience to 25,000 people visiting Israel each month. Garin Masada opens the doors for life in Israel to the hundreds of recently arrived Ethiopian Jews.

ZOA has been a leader in the fight for greater access to United Nation files on Nazi war criminals, for closing PLO offices in Washington and New York, and for strengthening the close military, economic, and strategic relationship between the United States and Israel.

For nearly a century, ZOA has stood ready to promote the interests of Jews in America, and, for the past 40 years, in the State of Israel. By fostering the special ties between our two nations and by being committed to the unity of the Jewish people, the ZOA is a major influence in the world Jewish community today, and will be for many years to come. I ask that my colleagues join me in honoring ZOA during its milestone 90th anniversary.●

CRISIS AT SMALL BUSINESS ADMINISTRATION

● Mr. BUMPERS. Mr. President, I am deeply concerned by the lack of progress in the House of Representatives on the fiscal year 1988 regular supplemental appropriations measure. In one particular area, disaster lending by the Small Business Administration, Members of Congress should be aware that a crisis is upon us.

Administrator Abdnor, our former colleague, has written to me explaining the dire straits in which SBA finds itself. In a nutshell, SBA is up against the Anti-Deficiency Act. No matter what happens, no more disasters can be declared or serviced by the agency until the supplemental is enacted. As Senators know, tragedy can strike at any time. SBA has borrowed against future budget authority, and they are at the end of their rope.

We will soon be entering the hurricane season, and in my part of the country, tornadoes and thunderstorms are most active in the spring and early summer. No matter what happens, SBA will not be able to come to assistance with loans for homes and businesses damaged by the storms until Congress acts. I would add that the disaster situation this year was very costly because of earthquakes in California last year, flooding in Puerto Rico, and tropical storms in the Pacific affecting Guam and other American territories.

Mr. President, I would add that this situation is unfortunately typical of many important programs, in which we on the Appropriations Committee have been forced to play Russian roulette with public health and safety because of the constraints imposed by the Federal deficit and the Gramm-Rudman law. Many programs have been knowingly underfunded with the hope and the prayer that somehow we will make it through.

I ask that Senator Abdnor's letter to me be reprinted in the RECORD at this point.

The letter follows:

U.S. SMALL BUSINESS ADMINISTRATION,
Washington, DC, June 6, 1988.
Hon. DALE L. BUMPERS,
Chairman, Committee on Small Business, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: In my letter of May 18, 1988 I advised you of the need for the additional funding for the Agency's Disaster Assistance activity that was contained in the Administration's March 17, 1988 supplemental request. The letter pointed out the steps that the Agency was considering in order to cope with the Salary and Expenses shortfall. However, the need for additional operating funds has become so acute as to require further action to avoid the unlawful expenditure of funds which have not been appropriated.

Accordingly, I have determined that, beginning June 3, 1988, it is necessary to cease to consider any requests for disaster declarations, or to issue an SBA declaration pursuant to the declaration of a major disaster by the President, or to designate an economic injury disaster loan area pursuant to a designation by the Secretary of Agriculture, until either a supplemental appropriation for the current fiscal year is approved, or an appropriation for the fiscal year beginning October 1, 1988 is approved.

Further, there can be no assurance that the Agency will be able to accept or process applications for disasters already declared, or make disbursements on loans already approved, until additional funds are available.

Again, I want to assure you that we are doing everything possible in order to continue the necessary functions of this program. However, if relief is not to be provided by the end of June, we will have no other choice but to further reduce or shut down disaster loan-making and servicing efforts in order to avoid any possible anti-deficiency problems.

If you have any questions in response to this serious funding situation, please feel free to call me at your convenience.

Sincerely,

JAMES ABDNOR,
Administrator.●

47TH ANNIVERSARY OF THE RESTORATION OF UKRAINIAN INDEPENDENCE

● Mr. RIEGLE. Mr. President, June 30 of this year will mark the 47th anniversary of the restoration of Ukranian independence, brought about when brave Ukrainian nationalists rose up to fight off the armies of Nazi Germany and the Soviet Union. Although free for only a short time, the establishment of Ukraine as an independent state testified to the Ukrainian people's courage and commitment to liberty.

In celebrating the Ukrainian people's victory over the Nazis and the Soviets, and the brief period of freedom they heroically won, we remember those who provided powerful and inspired leadership, and the bravery of those who joined with their countrymen to defeat the two invading forces.

We honor the thousands of Ukrainian nationalists who were arrested by the Gestapo for their participation in the restoration of the Ukrainian state. And we remember that the brutality of the Nazis, and that of the Soviets which would follow, was unable to silence the Ukrainian resistance movement.

On this anniversary, remember that the fight for national liberation that came to a head 47 years ago, set the tone for the freedom struggle that continues today. The goal of restoring a free and sovereign Ukrainian state lies at the heart of the Ukrainian resistance movement today, and is personified by Yuriy Shukhevych. Until his recent release, Shukhevych had been imprisoned for more than 35 years for his refusal to renounce the beliefs of his father, Gen. Roman Shukhevych of the Ukrainian Insurgent Army. Known as the eternal prisoner, Yuriy Shukhevych is still not free, as he is now forced to live under restrictions imposed by Soviet authorities.

Today, we call on the Soviet authorities to honor the fundamental rights of this man, whose steadfast support for Ukrainian nationalism and human rights has made him a symbol of heroism not only for Ukrainians, but for all mankind.

It is the memory of the triumph of 1941 that is our inspiration as we devise new strategies to penetrate the Soviet system and promote the forces of freedom in Ukraine. Although the weapons we use today are different from those used by the freedom fighters 47 years ago, our commitment to victory is no less than theirs.

We in the West must work to turn the concept of glasnost into an important opportunity for activists in Ukraine to advance the cause of freedom and human rights there.

During this period of peristroyka and glasnost, the Ukrainians must do as the citizens of the Baltic States have done. They must challenge the Soviets to acknowledge the atrocities of the past and to end the persecution which continues today.

We can help in that effort by awakening the world to the realities of the Soviet occupation of the Ukrainian nation, which has been so brutal and painful for its people. By continuing to support the activities of the Voice of America and Radio Free Europe/Radio Liberty, we ensure that vital information reaches the captive Ukrainian people, better enabling them to wage their fight for freedom.

If the Soviets are sensitive to protecting their international reputation when confronted with inhuman facts, then we must work each day to force these facts out into the open. Our outcries often become key links in the chain of events that has for some, ultimately, meant freedom.

On this anniversary of Ukrainian independence, we send a message of courage, hope and solidarity to those struggling now to regain their lost freedoms in Ukraine. The emergence of a new generation of human and national rights activists clearly demonstrates that the hope for a free Ukraine and self-determination for its people continues to live in the hearts and minds of all Ukrainians—even those who have never known freedom.

To all of them, we pledge our steadfast support, as they continue to take risks for freedom, and we reaffirm our belief in the God-given right and destiny of all people to enjoy freedom in their homeland.●

TECHNOLOGY IN NEW MEXICO IS WORLD CLASS

●Mr. BINGAMAN. It was recently my great pleasure to attend a celebration honoring the signing of a contract between the Digital Equipment Corp. and Sandia National Laboratories, two organizations located in Albuquerque, NM. Sandia has awarded a $2.5 million contract to Digital Corp. to purchase VAXstation 2000 computer work stations.

Digital was selected after an extensive worldwide competition, which culminated in the discovery that the highest quality, best technology, and best buy for Sandia's money was in its own hometown. The VAXstation 2000 is a major product of Digital's Albuquerque plant, and delivery of the stations to Sandia is expected in September 1988. Earlier, the VAXstation 2000 was chosen by the U.S. Air Force as its scientific and engineering work system.

The Albuquerque plant is also Digital's computer terminal production facility. Recently, the U.S. Census Bureau decided to use Albuquerque-built Digital terminals to help in the automation of the 1990 census. These contracts, and Digital's earlier decision to move production of the VAXstation 2000 to Albuquerque, are a tremendous vote of confidence for the workers and management of the Albuquerque plant and for the future of technology-based manufacturing in New Mexico.

As the Digital decision shows, the corporations that choose New Mexico as their location benefit greatly from the proximity to other leading facilities and the wide-open opportunity for advancement in technology. Digital itself has obviously been successful in its relationship with New Mexico, as its Albuquerque plant has been recognized as a flagship operation. The plant won this honor because of its use of state-of-the-art manufacturing techniques.

Honors such as these are a further indication of the rapidly expanding field of technology in New Mexico. We have in the Rio Grande corridor one of the largest concentrations of science and technology activity in the Nation. For example, Sematech, the joint industry-Government research consortium for semiconductor manufacturing, recently decided to award New Mexico—one of only five States—a grant to establish a University Center of Excellence. Facilities such as these will help New Mexico lead the way in technological advances nationally and internationally. The contract between Digital and Sandia is an example of this tradition of advancement and excellence.

With the continued involvement of companies such as Digital in New Mexico, the State's technological future looks very bright. As the world enters a new age of scientific advancement and computer technology, the United States can be confident of its place in the competition, thanks in part to the work being done in Albuquerque.●

COSPONSORING S. 2466 AND SENATE JOINT RESOLUTION 326 THE LYME DISEASE INFORMATION GRANT PROGRAM AND "LYME DISEASE AWARENESS WEEK"

● Mr. D'AMATO. Mr. President, I rise today to cosponsor two pieces of legislation introduced recently by my colleague, Senator MOYNIHAN. The first is S. 2466, a bill to establish a program of grants to States to provide information of the diagnosis, prevention, and control of Lyme disease. The second, Senate Joint Resolution 326, National "Lyme Disease Awareness Week," will bring this disease into the open and facilitate a greater recognition of its symptoms among the general public.

This debilitating disease was first diagnosed 13 years ago in Lyme, CT. A tick-borne disease, Lyme disease has spread to more than 33 States from coast to coast and has already reached epidemic proportions in some States. In Westchester County, NY, nearly 550 cases were reported last year. Nationwide, more than 6,000 cases of Lyme disease have been reported to the Centers for Disease Control in the last 6 years.

The symptoms of Lyme disease are often hard to place due to their close resemblance to a host of other ailments. The early symptoms of Lyme disease often include a rash at the site of the tick bite accompanied by a fever, headaches, stiff neck, and muscle aches. Often, these relatively common physical symptoms are ignored by persons who feel that nothing is seriously wrong. However, if left untreated, Lyme disease can cause meningitis, heart disease, paralysis, encephalitis, arthritis, and in extremely rare cases, it may cause death. The real tragedy is that treated early, Lyme disease is easily cured. It is obvious to me that something must be done to stem the spread of this emerging public health threat.

I believe that, together, the two bills I am cosponsoring today will help greatly to curtail Lyme disease. S. 2466 will provide $2.5 million in grants to assist States in providing information on the diagnosis, prevention, and control of Lyme disease. This will help doctors and other health care professionals to recognize and treat the symptoms of this disease. Senate Joint Resolution 326, by designating July 24–30, 1988, as National "Lyme Disease Awareness Week," will inform the public about the threat of Lyme disease, and the means to prevent it. Mr. President, I support these two bills wholeheartedly, and I urge my colleagues to join me in cosponsoring them.●

JOINT STATEMENT OF CHAIRMAN HEFLIN AND VICE CHAIRMAN RUDMAN

●Mr. HEFLIN. Mr. President, on behalf of Mr. Rudman and myself, by vote of the committee the following statement and proposal is submitted:

On September 4, 1980 the Senate adopted Senate Resolution 508 (96th Congress), which provides: "Nothing in the provisions of the Standing Rules of the Senate shall be construed to limit contributions to defray investigate, civil, criminal, or other legal expenses of Members, officers, or employees of the Senate relating to their service in the United States Senate, subject to limitations, regulations, procedures and reporting requirements as shall be promulgated by the Select Committee on Ethics."

Pursuant to that Resolution, on September 11, 1980, the Senate Select Committee on Ethics caused to be published in the Congressional Record for a ten day period of comment from interested parties, proposed Regulations Governing trust funds to defray legal expenses incurred by Members, Officers, and employees of the U.S. Senate by the committee.

The committee now proposes to adopt amendments to the existing regulations, and publishes the following draft amendments on which we invite comments. It is the committee's intention to receive comments for a period of 20 days. All comments must be received by the close of business (5 p.m.), on July 19, 1988. We ask that comments be in writing, and that they be directed to the Select Committee on Ethics, U.S. Senate, Room 220, Hart Senate Office Building, Washington, D.C. 20510.

A brief explanation by the committee of the need for consideration of the amendments accompanies the proposal.

Promulgation of Draft Regulations Governing Legal Expense Funds

COMMITTEE EXPLANATION TO ACCOMPANY PROPOSED AMENDMENTS TO REGULATIONS PROMULGATED PURSUANT TO SENATE RESOLUTION 508

Senate Resolution 508 (96th Congress), and the Regulations adopted pursuant thereto, arose in recognition of the fact that Senate Members, officers, and employees may find it necessary to defend themselves against charges (or, in a rare case, to initiate a civil lawsuit) in proceedings which would not have arisen but for their positions, or by virtue of their service in or to the United States Senate. The expenses of such investigative, civil, criminal, or other legal proceedings could be substantial, thereby requiring Members, officers, and employees to avail themselves of contributions from friends, supporters, constituents, and others in order to defray their legal expenses. The committee wanted Members, officers, and employees of the Senate to be on an equal footing with the public generally regarding the raising of funds to defray legal expenses. Thus, the regulations adopted in 1980 permitted a Senate Member, officer, or employee to establish a legal expense trust fund and accept contributions to defray legal expenses in connection with legal proceedings related to or arising by virtue of service in or to the Senate. A limit of $5,000 per contributor per fiscal year was imposed.

Since the Regulations were established in 1980 the cost of legal services has risen markedly, and the potential cost of defending oneself in a complex case can be overwhelming. The committee also observes that, as compared to the situation in 1980, many lawyers and law firms now have well established pro bono practices available to the general public in cases of need or cases with significant legal issues or important public policy implications.

Therefore, the committee is proposing amendments to the Trust Fund Regulations which would:

First, raise the annual contribution limit from $5,000 to $10,000.

Second, allow acceptance of pro bono legal services in excess of the $10,000 limit in any legal proceeding where the Senate Member, officer, or employee is a defendant; and in any legal proceeding where the Senate Member, officer, or employee is not a defendant, permit acceptance only where allowed by the committee in its sole discretion.

Third, require that the individual or firm (including all members, associates and employees of the firm) providing pro bono services with a value in excess of the $10,000 limit consent and agree not to lobby the Member (including all persons supervised by the Member), officer or employee for whom services are provided during the pendency of the proceeding and for a period of 6 months thereafter.

Fourth, require disclosure of fair market value of services received, and the name and address of the individual or firm providing services, but would not require disclosure of all individuals within a firm who are providing services.

Regulations Governing Trust Funds To Defray Legal Expenses Incurred by Members, Officers, and Employees of the U.S. Senate

CHAPTER THREE—CONTRIBUTIONS

B. How Much May Be Contributed

Contributions from any one source to a legal expense trust fund, when aggregated, shall not exceed $5,000 *[$10,000]* per fiscal year of the trust fund. This limitation shall not apply to the Member, officer, or employee establishing a trust fund, or any relative (as the term "relative" is defined in Section 107(2) of Title I of the Ethics in Government Act of 1978, 2 U.S.C. Section 707(2)) of such individual.

Subject to the qualifications of this paragraph, the above limitation shall not apply to the provision of pro bono legal representation where the member, officer, or employee is a defendant in a legal proceeding. In a legal proceeding where the Member, officer, or employee is not a defendant, pro bono legal representation with a fair market value in excess of the above limitation may be accepted only where the Committee determines, in its sole discretion, that the limitation does not apply. Pro bono legal representation with a fair market value in excess of the above limitation may be accepted in a legal proceeding by a defendant (or as permitted by the Committee in its discretion where the Member, officer, or employee is not a defendant) only from law firms (or lawyers) approved by the Committee, subject to such conditions as the Committee may prescribe.

Any individual or firm providing pro bono legal services with a fair market value in excess of the above limitation, and any Senate Member, officer, or employee accepting such services, hereby expressly consents and agrees that the individual or firm providing such services may not lobby the Senate Member, officer, or employee for whom services are provided, during the period when such services are being provided and for a period of 6 months after pro bono representation is terminated. Lobby shall be interpreted in a manner consistent with the meaning given the term "lobbying" in Senate Rule 37(10)(c). An individual or firm who may not lobby a Senate Member may also not lobby persons supervised by the Member as determined by Senate Rule 37(11). Where a firm is prohibited from lobbying, then all members, associates and employees of the firm are also prohibited from lobbying.

CHAPTER FOUR—DISCLOSURE AND REPORTING REQUIREMENTS

B. What Must Be Reported

All reports filed pursuant to this Chapter shall include the name and address of each contributor who has contributed during the calendar quarter and whose contributions during the fiscal year exceed $25, and the total amount of contributions by such contributor during the calendar quarter.

All reports shall also include the name and address of each individual or other entity to which an expenditure from the fund has been made during each calendar quarter, along with a brief description of the nature and the amount of each expenditure.

Any Member, officer, or employee accepting pro bono legal services (pursuant to the terms of Chapter Three, section B. of these regulations) must report with respect to such services: the name and address of the individual or firm contributing such services; and the fair market value of services provided by such individual or firm.●

HONORING STANLEY KRAJEWSKI

●Mr. LEVIN. Mr. President, on July 14, the Polish American Congress will honor Stanley Krajewski on the occasion of his retirement as editor-in-chief of the Polish Daily News of Detroit. His retirement comes after 40 years as a reporter, staff writer, and editor. He has served as editor-in-chief for 25 years.

But Stanley Krajewski is more than a newspaperman, and a fine one. He is also a leader in the Polish American community, devoting his time and efforts to the Polish National Alliance, the Polish Roman Catholic Union of America, the Polish Falcons of America and the Polish American Congress. He is also a generous friend, benefactor, and advocate of the Orchard Lake Schools.

Stan is also well-known in Michigan for his work in promoting good relations between men and women of different backgrounds. He has been active in the International Institute of Detroit and the Polish-Black Conference. He initiated Catholic-Jewish dialog in the Detroit area. Stan's whole life testifies to the fact that one can be a proud and devoted member of one's own community without sacrificing interest in and concern for the general community. Indeed, in America, our devotion to our country while preserving our own ethnic diversity is a basic element of our pluralistic society.

Stan has received many honors for his outstanding leadership over the years. Among them are the Golden Cross Polonia Restituta from the Polish Government-in-Exile, the Governor's Merit Certificate, the Silver Cross of the Legion of Honor of the Polish Falcons of America and special recognition from the Kosciuszko Foundation of New York City. In 1984, the International Institute inducted Stan into the International Heritage Hall of Fame.

Mr. President, I am proud to salute and congratulate Stan Krajewski on his retirement. He is a good friend and a good man and I know that his retirement does not mean that he will be less active in the community work to which he has devoted so much of his life. My wife, Barbara, joins me in congratulating Stan; his wife, Nina; their two daughters, Corinna and Renata; and three grandchildren, Ashley, Owen, and Trever. Stan Krajewski's life and works have benefited us all. We cheer him on with a traditional and warm "sto lat."●

CONGRATULATIONS TO KATRINA ADAMS OF CHICAGO, IL

● Mr. SIMON. Mr. President, on Monday the almost fairy-tale success of 19-year-old Katrina Adams of Chicago, IL, came to an end at Wimbledon. Katrina, who faced the queen of women's tennis, Chris Evert on court No. 2, had exceeded everyone's hopes and perhaps even her own dreams by winning three successive matches at the all English tennis championships.

Katrina Adams, a professional tennis player for only 6 months and ranked 338 on the ATP computer, had one goal when she came to Wimbledon—win one match in a grand slam tournament. She not only achieved that goal, but she did much better! She won her first match against Valda Lake, 6-3, 6-2, as well as her second contest against Natalie Tauziat, 2-6, 6-4, 6-4, after dropping the first set. She then faced a major challenge—the 15th seeded player at Wimbledon, Sylvia Hanika. She not only won, but she defeated her highly rated opponent convincingly, 6-3, 6-3 by being aggressive at the net and beating Ms. Hanika at her own serve and volley game.

Katrina Adams discontinued her studies at Northwestern University to concentrate on her tennis. She is the daughter of two school teachers from Chicago, who began playing tennis in the Chicago Parks League at age 6. At age 7 she won her first tournament in 10 and under competition in New Orleans, LA.

Although she lost on Monday to one of the all-time great players in Women's Professional Tennis, I am confident that she will join Althea Gibson—the only black woman ever to win the championship at Wimbledon—as a true tennis star. We in Illinois are proud of her accomplishment and wish her much success in the future.●

DESIGNATING THE JOHN J. DUNCAN FEDERAL BUILDING, KNOXVILLE, TN

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be discharged from further consideration of H.R. 4288 and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 4288) to designate the Federal building located at the corner of Locust Street and West Cumberland Avenue in Knoxville, TN, as the "John J. Duncan Federal Building."

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there is no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 4288) was ordered to a third reading, was read the third time, and passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. COHEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RESOLUTION COMMENDING J. LEWEY CARAWAY ON THE OCCASION OF HIS RETIREMENT

Mr. BYRD. Mr. President, on behalf of Mr. BUMPERS and others, I send a resolution to the desk and ask unanimous consent that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 447) commending J. Lewey Caraway on the occasion of his retirement.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. BUMPERS. Mr. President, I am pleased to sponsor along with Senator PRYOR and others this resolution commending J. Lewey Caraway, whom we all know, respect, and love, upon his retirement as Superintendent of Senate Buildings after an unbelievable 58 years of employment with the Senate.

Lewey Caraway, the nephew of Senators Hattie and Thaddeus Caraway, of Arkansas, is a Senate institution. He began his service to the Senate in 1931 and became Superintendent of Senate Buildings in 1949. He was always here, except on those occasions when he could manage to break away and go fishing, a pastime he dearly loved. During his tenure, Senate building space grew dramatically from one to three office buildings for Senators.

Lewey Caraway was the man behind the scene. He endured our complaints, and those of the Senators who preceded us, for a lifetime. We always contacted him when something went wrong; he seldom heard from us when things went right as they usually did. He was at the heart of this institution, a man of quiet dignity who got things done.

And so it is fitting to pass this resolution commending Lewey Caraway and thanking him in this quiet but dignified way for his remarkable years of service. We will miss him, and we will not forget him. May his years of retirement be restful and rewarding.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 447) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 447

Whereas, on June 15, 1988, J. Lewey Caraway retired from service as the Superintendent, Senate Office Buildings after almost fifty-eight years of service to the United States Senate.

Whereas, "Lewey" has served the United States Senate with honor and distinction since joining the staff of the Architect of the Capitol and assigned to the Office of the Superintendent, Senate Office Buildings in 1931;

Whereas, his hard work and outstanding abilities resulted in his appointment to the position of Superintendent, Senate Office Buildings on October 1, 1949;

Whereas, "Lewey" has at all times executed the important duties and responsibilities of his office with great efficiency and diligence; and

Whereas, J. Lewey Caraway has demonstrated dedication and loyalty to the United States Senate as an institution and leaves a legacy of superior and professional service: Now, therefore be it

Resolved, That the United States Senate expresses its deep appreciation and gratitude to J. Lewey Caraway for his years of faithful and exemplary service to his country and to the United States Senate.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to J. Lewey Caraway.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. COHEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TO HONOR THE MOST REVEREND FRANCIS T. HURLEY, ARCHBISHOP OF ANCHORAGE

Mr. COHEN. Mr. President, I send to the desk a resolution on behalf of Senators STEVENS and MURKOWSKI and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 448) honoring the Most Reverend Francis T. Hurley, Archbishop of Anchorage, for his contributions to the city of Anchorage.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 448) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 448

Whereas, The Most Reverend Francis T. Hurley has served Alaska since 1970 when Pope Paul VI named him Bishop of the Diocese of Juneau where he worked to improve the community until 1976 when he was appointed as the Second Archbishop of the Archdiocese of Anchorage;

Whereas, Archbishop Hurley has been deeply involved in improving the life of the common man and has developed programs for the elderly, the sick, the hungry and the homeless, and those in despair;

Whereas, Archbishop Hurley has been an outspoken advocate of family unity and has been instrumental in providing services for children, working families, unwed mothers, and battered women;

Whereas, Archbishop Hurley has played a leading role in developing educational programs for young Alaskans and has worked tirelessly to promote development of Alaska's resources through his participation in the Resource Development Council;

Whereas, Archbishop Hurley has been the driving force behind the Brother Francis Shelter which has provided an opportunity for all Alaskans to get involved in their community;

Whereas, Archbishop Hurley's achievements have been recognized by the Anti-Defamation League which has named him as the first Alaska recipient of the Torch of Liberty Award;

Whereas, Archbishop Hurley has lived the greatest commandment, "Do unto others as you would have others do unto you": therefore, be it

Resolved, That the United States Senate honors and recognizes the Most Reverend Francis T. Hurley, Archbishop of Anchorage, for his achievements and his dedication and commitment to the people of Alaska and indeed the world.

Mr. COHEN. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORIZING THE SECRETARY OF THE SENATE TO TAKE CERTAIN ACTIONS DURING ADJOURNMENT OF THE SENATE

Mr. BYRD. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to receive and refer any appropriations bills received from the House during the adjournment period.

The PRESIDING OFFICER. Without objection, it is so ordered.

DIRECTING SENATE LEGAL COUNSEL TO TAKE CERTAIN ACTIONS

Mr. BYRD. Mr. President, on behalf of myself and Mr. DOLE, I send to the desk a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 449) to authorize testimony of a former Senate employee and representation by the Senate Legal Counsel in the case of *United States* v. *Burnley, et al.*

The PRESIDING OFFICER. Is there further debate on the motion?

Without objection, the motion is agreed to.

There being no objection, the Senate proceeded to consider the resolution.

Mr. BYRD. Mr. President, the United States District Court for the Southern District of California has been hearing testimony on a motion to dismiss a criminal indictment that has been filed, charging a number of individuals with conspiring to import shellfish obtained in Mexican waters into the United States in violation of United States Customs regulations, among other related charges.

One of the defendants in the proceeding has served a subpoena for testimony on a former member of Senator WILSON's staff, Robert Hudson, who, while in that capacity, participated in meetings and conversations concerning the enforcement of Customs regulations with respect to individuals who fish out of San Diego Bay in Mexican waters. The defendant apparently believes that information about these communications is relevant to his claim of selective prosecution. The resolution that is being offered will authorize Mr. Hudson's testimony in this matter and will authorize the Senate Legal Counsel to represent him if any questions of Senate privilege arise.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 449) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 449

Whereas, in the case of *United States* v. *Burnley, et al.*, Case No. 88-0179, pending in the United States District Court for the Southern District of California, counsel for the defendant has served a subpoena for the testimony of Robert Hudson, a former employee of the Senate on the staff of Senator Pete Wilson;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(2) (1982), the Senate may direct its counsel to represent Members and employees of the Senate with respect to any subpoena or order relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate is needed for use in any court for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

Resolved, That Robert Hudson is authorized to testify in the case of *United States* v. *Burnley, et al.*, except concerning matters for which a privilege should be asserted.

SEC. 2. That the Senate Legal Counsel is directed to represent Robert Hudson in the case of *United States* v. *Burnley, et. al.*

THE CALENDAR

Mr. BYRD. Mr. President, I need to inquire of my friend across the aisle, the acting Republican leader, Mr. COHEN, as to whether Calendar Order No. 766 has been cleared on his side of the aisle.

Mr. COHEN. Mr. President, it has been cleared by the minority.

Mr. BYRD. I thank the acting leader.

SUBMISSION OF ASBESTOS MANAGEMENT PLAN

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 766.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 3893) to amend the provisions of the Toxic Substances Control Act relating to asbestos in the Nation's schools by providing adequate time for local educational agencies to submit asbestos management plans to State governors and to begin implementation of those plans.

There being no objection, the Senate proceeded to consider the bill.

Mr. BAUCUS. Mr. President, I am pleased that the Senate has taken up H.R. 3893, legislation deferring the deadline for the completion of inspection and management plans required by the Asbestos Hazard Emergency Response Act. The Senate Environment and Public Works Committee has completed action on companion legislation, S. 2024.

School districts are facing a critical time in regards to complying with the October 12, 1988, deadline under existing law to complete inspection and management plans or be in violation of the law. School districts are making good faith efforts to complete their inspection and maintenance plans but are experiencing difficulty due to the unavailability of trained personnel to complete this task. The longer Congress waits to enact legislation deferring the October 12, 1988, deadline, the greater the likelihood that local education associations will be forced to enter into contracts with inadequately trained and certified inspectors.

In order to insure that local education associations have adequate time to take advantage of the deferral process, the Senate should adopt the House legislation as a fair compromise representing the view of local parents, teachers, school administrators, unions, Governors, and EPA.

Asbestos in public schools poses a serious health threat to our Nation's children and to workers exposed to asbestos. The legislation being considered today will insure continued progress toward insuring that asbestos which is threatening health will be properly managed or removed. The legislation will assure that inspection and management plans are the best possible plans to address the problem by insuring that schools have sufficient time to complete those plans.

Building materials that contain asbestos have enjoyed wide use in the United States since the 1930's. Only recently as a nation, have we recognized the health threat posed by exposure to asbestos fibers in the air.

Asbestos fibers when inhaled penetrate deep into the lung leading to a debilitating lung disease known as asbestosis. Asbestos can also lead to cancer which can be both debilitating and fatal.

Government responded to the health hazard posed by asbestos by developing regulations and offering local officials guidance on how to reduce exposure to asbestos.

Regulations for asbestos have been implemented to protect schools, the workplace, and to direct the renovation and demolition of buildings that contain asbestos.

Beginning in 1982, Congress became increasingly concerned that school children were being unnecessarily exposed to friable asbestos. All schools were required to inspect their buildings for friable materials and to then notify the public of their findings.

Two years later Congress enacted the Asbestos School Hazard Abatement Act which authorized $600 million in grants and loans to schools over a 6-year period for abatement of hazardous conditions involving asbestos.

By 1986, it became apparent that the health threat posed by asbestos necessitated stronger action. The threats posed to health were not being adequately addressed under existing programs.

The Asbestos Hazard Emergency Response Act was enacted to fill this void. All asbestos inspection and abatement contractors were to be certified. Utilizing certified contractors or employees each local education association in the country was required to inspect every school building by October 12, 1988, for the presence of asbestos, a management plan was then requested to be implemented beginning July 9, 1989.

While giving considerable latitude to local managers, this act charted a course for action.

That course of action, namely protecting this Nation's schoolchildren, is as valid today as it was when the law was enacted.

Getting inspectors and managers of asbestos certified and inspecting school buildings was recognized by Congress as the key to seeing this program work. As we approach the October deadline considerable progress is being made as contractors are certified but regional inadequacies have started to become apparent. Many local education associations find themselves confronting the possibility of either developing an inspection and management plan without utilizing certified personnel or being in non-compliance with the law. This problem is particularly acute in rural areas of the country such as Montana.

It is a problem that with a continued strong commitment to take action and time for additional individuals to become certified will correct itself. At the same time local education associations who have ignored the law will not be able to escape complying with the law since under the proposal before us, they will not be able to defer action on their inspection and maintenance plan.

While schools making good faith efforts to comply with the law may defer action on the completion of an inspection and maintenance plan, action will not be delayed on implementation of management plans. It is the intention of this legislation to continue the requirement in existing law that implementation of inspection and management plans begin July 9, 1989.

Briefly, the legislation would allow a local education association to have a deferral from October 12, 1988, until May 9, 1988, to complete its inspection and maintenance plan, if in the case of a public school, a public meeting has been held and a request has been made to the Governor explaining why a deferral is necessary. Any request for a deferral must assure that the public has been provided with either (1) a solicitation for a contract with an accredited asbestos contractor; (2) a letter attesting to enrollment in an EPA accredited training program; or (3) documentation showing that suspected asbestos containing material are awaiting laboratory analysis.

This information would need to be submitted to a Governor by October 12, 1988. The October 12 submittal date utilizes existing deadlines, it will allow the maximum amount of time for a local education association to determine whether or not a deferral is needed. Once a Governor receives a request for a deferral, he would have 30 days to acknowledge that all the information required to qualify for a deferral has been submitted. Acknowledgement will signify that a deferral has been granted. In the case of an LEA whose deferral submittal is deficient, a Governor is required to appraise a school of the basis for the deficiency. An LEA will then have 15 days to correct the deficiency.

An important component of a request for a deferral is assurance that inspection and management plans will be completed by May 9, 1989. In order to insure that plans are developed, a deferral request must insure that a contract will be entered into by December 22, 1988.

The deferral from the October 12 inspection and management plan is meant to provide adequate time to complete the plan. All inspection and management plans are to be submitted to the respective Governor by May 9, 1989. While allowing plans to be submitted up to this date, it is not the intention of the legislation that deferred plans be held until the last moment. Rather, as contractors become available, school personnel are certified and plans are completed, they should be submitted to the Governor for his review.

The legislation does not change the existing deadline in the law for the implementation of management plans. All LEAs must begin to implement their plan on July 9, 1989. A number of AHERA provisions are effective notwithstanding the existence of a management plan. I ask unanimous consent that a brief summation of these provisions be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AHERA PROVISIONS WHICH ARE EFFECTIVE, NOTWITHSTANDING THE EXISTENCE OF A MANAGEMENT PLAN

A. Damaged Friable Surfacing ACM, Damaged Friable Miscellaneous ACM, and Damaged or Significantly Damaged Thermal System Insulation (Sec. 763.90[b]-[d])

As soon as an assessment determines that any of these conditions exist, the LEA must initiate steps to take action, notwithstanding the fact that a management plan has neither been drafted nor approved (sec. 763.90). Moreover, the response action must be both designed and conducted by a person accredited, and TEM must be undertaken if the area exceeds 3,000 square feet.

B. *Friable Surfacing ACM, Thermal Insulation ACM, or Friable Miscellaneous ACM That Has the Potential for Damage (Sec. 763.90[e])*

As soon as an assessment determines that any of these conditions exist, the LEA must at least implement an operations and maintenance program.

C. *Friable Surfacing ACM, Thermal System Insulation ACM, or Friable Miscellaneous ACM That Has Potential for Significant Damage (Sec. 763.90[f])*

As soon as an assessment determines that any of these conditions exist, the LEA must implement an operations and maintenance program; institute preventive measures appropriate to eliminate the reasonable likelihood that the ACM will become significantly damaged, deteriorated, or delaminated; immediately isolate the area and restrict access if necessary to avoid an imminent and substantial endangerment to human health or the environment.

D. *Operations and Maintenance (Sec. 763.91)*

After December 14, 1987, LEAs were/are required to follow operations and maintenance (O&M) requirements listed in section 763.91 whenever any friable ACBM is present or assumed to be present in a building (sec. 763.91). In general, the sec. 763.91 requirements mandate procedures for cleaning; large-scale operation and maintenance activities; small-scale, short duration maintenance activities; and minor or major fiber release episodes.

The O&M management plan requirements mandated by sec. 763.93 are predicated on and identical to the requirements of sec. 763.91. Moreover, EPA regulations do not require that an accredited person develop the O&M plan either under sec. 763.91, or for the purpose of the final management plan (sec. 763.93).

E. *Cleaning (Sec. 763.91[a])*

All areas of a school building where friable ACBM, damaged or significantly damaged thermal system insulation ACM, or friable suspected ACBM assumed to be ACM are present, must be cleaned after the initial inspection and prior to the initiation of any response action (other than O&M activities or repair), unless, within the previous six months the building has been cleaned using methods equivalent to those described in this subsection.

F. *Recordkeeping Requirements Effective (763.94)*

Recordkeeping requirements extend to specific activities undertaken by the LEA and must be maintained as part of the LEA management plan, even if the activities were undertaken prior to management plan development. *Example:* The regulations require that:

"For each preventive measure and response action taken for friable and nonfriable ACBM and friable and nonfriable suspected ACBM assumed to be ACM, the LEA shall provide:

A detailed written description of the measure or action, including methods used, the location where the measure or action was taken, reasons for selecting the measure or action, start and completion dates of the work, names and addresses of all contractors involved, and if applicable, their state of accreditation, and accreditation numbers, and if ACBM is removed, the name and location of storage or disposal site of the ACM (sec. 763.94[b][1])."

Moreover, the regulations at once assume that certain activities may be undertaken by an LEA prior to development of a management plan, and that the recordkeeping requirements extend to the following activities notwithstanding the existence of a management plan:

"For each time that operations and maintenance activities under sec. 763.91(d) are performed, the LEA shall record the name of each person performing the activity, the start and completion dates of the activity, the locations where such activity occurred, a description of the activity including preventive measures used, and if ACBM is removed, the name and location of storage or disposal site of the ACM (sec. 763.94[f]).

For each time that major asbestos activity under sec. 763.91(e) is performed, the LEA shall provide the name and signature, state of accreditation, and if applicable, the accreditation number of each person performing the activity, the start and completion dates of the activity, the locations where such activity occurred, a description of the activity including preventive measures used, and if ACBM is removed, the name and location of storage or disposal site of the ACM (sec. 763.94[g]).

For each fiber release episode under sec. 763.91(f), the LEA shall provide the date and location of the episode, the method of repair, preventive measures or response action taken, the name of each person performing the work, and if ACBM is removed, the name and location of storage or disposal site of the ACM (see 763.94(h)."

G. *All Response Actions Must Be Designed and Conducted By Persons Accredited to Design and Conduct Response Actions (Sec. 763.90)*

AHERA enactment made it unlawful for a person, other than one who has obtained EPA accreditation, to design conduct response actions, other than operations and maintenance.

Mr. BAUCUS. The Governor shall have 90 days to review a plan submitted by May 9, 1989, which is the same as existing law. If the plan is deficient, an LEA is provided 30 days to submit a revised plan. The Governor is authorized to provide up to 30 additional days for an LEA to correct a deficient plan.

The proposed legislation represents a fair balance between assuring that a local education association has sufficient time to develop the best asbestos management plan possible while at the same time maintaining a tight schedule to insure the protection of this Nation's children the users of these schools.

Mr. BURDICK. Mr. President, I rise in support of H.R. 3893 to extend the deadline for completing asbestos inspections and submitting management plans for the Nation's schools.

I particularly want to commend the chairman of the Subcommittee on Hazardous Wastes and Toxic Substances, Senator BAUCUS, for his efforts to develop compromise legislation that meets the concerns of school administrators, school employees, and parent organizations.

It became apparent soon after the regulations were issued under the Asbestos Hazard and Emergency Response Act last October, that the October 12, 1988 deadline for completion of asbestos management plans would be unattainable for many of the Nation's school districts. I have heard from schools in nearly every State on this subject.

The deadline extension we are considering is very reasonable. It lets no one off the hook in terms of complying with the July 9, 1989 date contained in law for initiating implementation of the management plan. It merely assures schools that they will not be assessed penalties because they have been unable to complete asbestos inspections by October 12. Further, this is not a blanket extension. Schools will have to apply to the Governor of their State for a deferral. If a school cannot demonstrate the need for a deferral under outlined criteria, the Governor may refuse the deferral.

The Committee on Environment and Public Works voted to report S. 2024 last Thursday. The House then approved its bill, H.R. 3893 on Monday. The two bills are very nearly identical. Because of the need to act quickly, we have chosen to proceed with consideration of the House passed measure so that we may send a bill to the President by the end of this week without the delay of a conference and additional floor action. By completing action this week, schools will have a clear procedure to follow between now and October 12 to assure that they will not be in violation of the deadline.

Mr. STAFFORD. Mr. President, I am pleased to support the bill now before the Senate, to modify certain deadlines in the Asbestos Hazard Emergency Response Act. I believe the approach taken by the Environment and Public Works Committee and the House of Representatives in producing this legislation is an instructive one.

Early this year school boards around the Nation began pressing Congress to change the deadlines for completing asbestos inspections and management plans. Several bills were introduced to give blanket deadline extensions, regardless of the need for delay in individual cases.

To their credit, key Members in both Houses resisted this pressure for a nationwide delay in protecting students and school workers from the serious threat of asbestos. When it became clear that the Congress would not be stampeded into granting a straight-out delay, parties on all sides of the issue—parents, workers, school boards, and administrators—hammered out a compromise that is the basis for the bill we are considering.

The bill assures continued progress in eliminating asbestos hazards in schools while recognizing that in certain areas of the country, qualified contractors may not be available to do the required work by October 12. No school district gets an automatic extension; parents, teachers, and school workers must be notified that an extension is being sought. And every school must begin to carry out an asbestos management plan on July 9, 1988, the existing deadline in AHERA.

Mr. President, asbestos is a health hazard. If properly managed, the threat can be virtually eliminated. Unfortunately, experience shows that the threat will not be addressed adequately without a Federal push. This bill responds to real resource limitations without relaxing the Federal pressure to address the hazard; it deserves our support.

Mr. LAUTENBERG. Mr. President, I rise today in support of this bill to establish a procedure for school districts to obtain deferrals of the October 12 deadline for submission of their asbestos management plans.

I have a longstanding concern about asbestos in schools. Asbestos is a health hazard when its fibers are released in the air. Children, teachers, other workers in school buildings must be protected from this hazard. Two years ago I helped write a law to put in place a tough asbestos management program for schools. This law, known as AHERA, the Asbestos Hazard Emergency Response Act, sets October 12, 1988 as the deadline for schools to submit to their Governors their plans for the management of all asbestos in their schools. The schools have until July 9, 1989 to begin implementing their plans.

Some schools have told us that they are having difficulty locating and contracting with certified inspectors to help them prepare management plans. The Subcommittees on Superfund and Environmental Oversight and on Hazardous Wastes and Toxic Substances conducted a hearing on this issue earlier this year. We heard testimony that this shortage of properly trained personnel puts schools into an workable situation. Through no fault of their own they may be exposed to fines and penalties because they will miss an important deadline.

Working with representatives of schools, teachers, employees, and parents, the Environment Committee has found a workable solution to this problem. I do not want to delay the start of this program. The health and safety of all concerned is too important. But it is also important to recognize the real obstacles to compliance with the deadline for submission of the plans. The bill we are considering today does not change the benchmark dates in the law. It does allow schools to have extra time to submit plans, without changing the crucial implementation date.

Nothing in this deferral bill stops the forward motion of the AHERA Program. Schools must submit to their Governors either a management plan or a request for a deferral by October 12. The deferral request must include specific evidence, spelled out in the bill, of a good faith effort to meet the deadline and plans for completing inspections and plans. For those who submit appropriate requests, the new deadline for management plans will be May 9, 1989.

The goal is clear: schools must adhere to the AHERA requirements and assure safe school environments. This bill provides a framework for achieving the goal. I urge passage of the bill.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 3893) was ordered to a third reading, was read the third time, and passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. COHEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BILL INDEFINITELY POSTPONED—S. 2024

Mr. BYRD. Mr. President, I ask unanimous consent that Calendar Order No. 769 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT OR RECESS OF THE CONGRESS

Mr. BYRD. Madam President, I send to the desk Senate Concurrent Resolution 130 and ask for its immediate consideration, it being the adjournment resolution.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

Providing for a conditional adjournment of the House from June 29, 1988 until July 6, 1988.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to the consideration of the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 130) was agreed to as follows:

S. CON. RES. 130

Resolved by the Senate (the House of Representatives concurring), That when the House adjourns at the close of business on Thursday, June 30, 1988, pursuant to a motion made by the Majority Leader of the House, or his designee, in accordance with this resolution, it stand adjourned until 12:00 o'clock meridian on Wednesday, July 6, 1988, or until 12 o'clock meridian on the second day after the Members are notified to reassemble pursuant to section 2 of this resolution, whichever occurs first, and when the Senate recesses or adjourns at the close of business on Wednesday, June 29, 1988, pursuant to a motion made by the Majority Leader of the Senate, or his designee, in accordance with this resolution, it stand recessed or adjourned until 12:00 o'clock meridian on Wednesday, July 6, 1988, or until 12 o'clock meridian on the second day after the Members are notified to reassemble pursuant to section 2 of this resolution, whichever occurs first.

SEC. 2. The Speaker of the House, after consultation with the Minority Leader of the House, and the Majority Leader of the Senate, after consultation with the Minority Leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

EXTENSION OF TIME FOR MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that morning business be extended for not to exceed 30 minutes and that Senators may speak therein for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROBERT BYRD: MAN OF MANY PARTS

Mr. MATSUNAGA. Mr. President, I rise to salute a colleague for whom I have great affection and profound regard, our majority leader—ROBERT C. BYRD, who is relinquishing his leadership post at the conclusion of this Congress.

Our friendship goes back to my years in the other Chamber. Shortly after I had announced my candidacy for the Senate in 1976, he called on me and told me then of his intention to run for the Senate Democratic leadership post in the 95th Congress and asked for my support. I expressed my surprise that he should pay me such a premature call as I had not even been nominated, let alone elected to the Senate. He assured me that he had every confidence in my election and spoke as if it was a foregone conclusion. In questioning him on his positions in regard to the leadership role he was seeking, I soon learned that we were not only quite compatible in our political outlook but we both shared a keen interest in the history and parliamentary mechanics of both Houses of Congress. I also learned we had a lot in common. Both of us came from blue collar, rural backgrounds, struggled for an education, were attorneys and entered politics as members of our State legislatures before coming to Washington, initially as Members of the House. I gave him my commitment of support during that 1976 visit and have supported him ever since, and never have I had cause to regret it.

Mr. President, all of us on both sides of the aisle are aware of the distinguished majority leader's great civility and spirit of comity toward his colleagues, even under conditions of acute stress, and indeed he is gracious toward all with whom he comes in contact. On those rare occasions when an action of his might have placed a strain on that spirit, it was brought about by this over-riding focus on accomplishing the people's work of this body. He has brought to his position the skills of "a man of many parts," crafting legislation with the parliamentary precision characteristic of a welder—a trade he once practiced—and the sense of timing of an accomplished fiddler, which he still is. Moreover, he has displayed on this floor the erudition of a scholar in the history of this institution, which he is, and the breadth of vision of a major, national statesman, as he has grown to be.

His energy over the years has been indefatigable. There are not too many among us who are aware of the fact that Robert C. Byrd earned his juris doctorate law degree, cum laude, from American University by attending evening classes while serving full time as a Congressman. Surely this is a most impressive feat since it was accomplished without stinting on his service to his constituents. Indeed, the people of his State are so grateful for his efforts on their behalf that they have voted him into more elective offices than any other individual in the history of West Virginia. Furthermore, he has received the highest percentage of votes ever received by a candidate in a West Virginia statewide, contested general election. He also is the only individual in the history of West Virginia, since the enactment of the 17th amendment provided for popular election to the Senate, to run unopposed for reelection to the Senate in a statewide general election.

Steeped in Senate lore and rules, Robert C. Byrd nevertheless has led this Chamber into the video age so that the people of this country can view our Senate floor deliberations from their living rooms and do so in full. Learned in the past, he has constantly looked to the future and to the Senate's role therein. As majority leader he has served well his colleagues of both parties and he serves his constituents with great ability, but most of all, Mr. President, he serves this Nation with rare distinction and dedication. I am sure he will continue to do so—if less visibly—in Congresses to come. But, Mr. President, this transition in his Senate career should not go unnoticed, nor unappreciated by us all.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I commend my colleague from Hawaii for his remarks. I concur in them. I am pleased that my colleague from Hawaii is on the floor right now because my next remarks really have grown out of a bill that Senator Matsunaga introduced and that passed this body not too long ago. I am pleased to say it has been signed into law by the President.

Mr. President, I ask unanimous consent at the end of my remarks to insert this in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit No. 1.)

Mr. SIMON. I have a radio discourse, a call-in program that my colleague, Senator Alan Dixon was on, in which one of the callers asked about the bill that Senator Matsunaga introduced or was the chief cosponsor of, and which I was honored to be a cosponsor of. In that the caller was critical of this bill.

I might add from time to time any of us will differ on one issue or another. And my colleague, Senator Dixon, and I occasionally will vote differently on an issue but we have known each other for many years. We served together in the State legislature. We were seatmates. I have learned that his instincts on these basic things are sound. But in response to the critical caller our colleague, Senator Dixon said:

"It was an outrageous stain on the American conscience and I think we had to do something about it. We've done that and now it's a matter for the president to decide what he wants to do, but I think the one great dignity of this nation is that we treat people the same in this country whether you're Christian or Jewish, white or black, German, Japanese or Italian or whatever you might be. In this country you're supposed to get an even break and those folks didn't get one."

The caller then says:

"But those folks, they had their free food, free shelter . . ."

Our colleague, Senator Dixon says:

"That's like a darn fool calling in here and saying because you got fed in jail you were treated right. Now that's an outrage!"

The caller says:

"Ya, but . . ."

Our colleague, Senator Dixon says:

"I don't agree with that at all. You know, for a person to say that they got fed while they were held in jail: those people lost their businesses, they lost their families, they lost their human dignity, they were held in jail, but you're satisfied because we fed them. I disagree."

EXHIBIT NO. 1

PENNY FOR YOUR THOUGHTS: JUNE 3, 1988, JIM TURPIN'S GUEST: SENATOR ALAN J. DIXON

Jim Turpin. "From now until about 10:45 this morning it is our pleasure to have Senator Alan Dixon in the studio with us. If you have any questions of the Senator, please feel free to give us a call. I have a number of things I want to talk to him about, as well, but as always you are invited to call in and join in the conversation."

QUESTION ON JAPANESE INTERNMENT DURING WORLD WAR II

Caller. "Yes, Jim, I want to talk to Senator Dixon."

Turpin. "He's right here, go ahead."

Caller. "Senator Dixon?"

AJD. "Yes."

Caller. "I was wondering what you thought about this $20,000 for the Japanese?"

AJD. "Well, I think the gentleman is talking about the reparations bill that was passed concerning the unlawful internment of Japanese during World War II. I think it was an appropriate response to one of the outrageous acts of misconduct in the history of America. My mother was a Tebbenhoff and her mother before her was a Washausen and I'm pure German on my maternal side. In my home town of Belleville, IL, they taught German in the schools up until a few decades ago, but they did not put Germans like my parents in jail during World War II, and they should not have put Japanese in jail. It was an outrageous stain on the American conscience and I think we had to do something about it. We've done that and now it's a matter for the president to decide what he wants to do, but I think the one great dignity of this nation is that we treat people the same in this country whether you're Christian or Jewish, white or black, German, Japanese or Italian or whatever you might be. In this country you're supposed to get an even break and those folks didn't get one."

Caller. "But those folks, they had their free food, free shelter . . ."

AJD. "Oh, that's the most outrageous thing I've ever had anyone say to me. That's like a darn fool calling in here and saying because you got fed in jail you were treated right. Now that's an outrage!"

Caller. "Ya, but . . ."

ADJ. I don't agree with that at all. You know, for a person to say that they got fed while they were held in jail: those people lost their businesses, they lost their families, they lost their human dignity, they were held in jail, but you're satisfied because we fed them. I disagree."

Caller. "No, I'm not saying that."

ADJ. "Well I'm saying I disagree."

Turpin. "I think we've covered that one. Well put, Senator."

Mr. SIMON. Well, I just want the Senator to know I am proud of my colleague, Senator Dixon, and proud that this Senate did what it did in passing Senator Matsunaga's bill, just to make clear to everyone that when a mistake is made, we as a people can rectify that mistake.

Mr. MATSUNAGA. Will the Senator yield?

Mr. SIMON. I am pleased to yield to my distinguished colleague from Hawaii.

Mr. MATSUNAGA. I wish to thank the Senator from Illinois for inserting the comments of his colleague in the Record. He sent me a copy of the tape, and I was truly delighted at how he had responded to criticism of his constituent.

I must say, both Senators from Illinois are strong supporters of the bill which I introduced to compensate the

Japanese-Americans who were interned in American concentration camps during World War II and practically every newspaper in the country has editorialized in favor of the action taken by the Senate. In this bicentennial year of our Constitution, it is time that we remove that ugly blot upon this great country, and which has been on it for 45 years.

I once again want to thank the Senator from Illinois for bringing this matter to the attention of this body.

Mr. SIMON. I thank my colleague.

I not only want to remove that blot, but also, I want to see that we never repeat it against any people in our country.

THE EXECUTIVE CALENDAR

Mr. BYRD. Madam President, I ask the distinguished acting Republican leader, Mr. CHAFEE, if the nomination of Frederick K. Goodwin to be Administrator of the Alcohol, Drug Abuse, and Mental Health Administration has been cleared on that side of the aisle, notwithstanding the fact that it was only reported today from the Committee on Labor and Human Resources.

Mr. CHAFEE. Yes. I inform the distinguished majority leader that that has been cleared and is ready for the action. I thank the majority leader for bringing it up so swiftly.

Mr. BYRD. I thank my friend.

EXECUTIVE SESSION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination of Mr. Frederick K. Goodwin to be Administrator of the Alcohol, Drug Abuse, and Mental Health Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION

The legislative clerk read the nomination of Frederick K. Goodwin, of Maryland, to be Administrator of the Alcohol, Drug Abuse, and Mental Health Administration.

The PRESIDING OFFICER. The question is on agreeing to the confirmation of the nomination.

The nomination was confirmed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the nominee was confirmed.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I ask that the President be immediately notified of the confirmation of the nominee.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

A FRIEND WHO WALKETH CLOSER THAN A BROTHER

Mr. BYRD. Mr. President, I heard with pleasure the remarks by the distinguished Senator from Hawaii, Mr. MATSUNAGA. He caught me unaware as I was about to leave the Chamber, but, inasmuch as I was the subject matter of his comments, I felt I should stay and listen. I am very grateful for his comments, and I am grateful for his friendship.

SPARK MATSUNAGA is a fine Senator, and he is a unique Senator. He is a dedicated, loyal, hard-working, tenacious, sincere, conscientious representative of his people. He is a good Senator for all the Nation.

He spoke of having given me a commitment several years ago to support me as the majority leader in the Senate. Once SPARK MATSUNAGA gives his word, there is no need to ask him again and again. I have found that his word is his bond.

There is a "friend that walketh closer than a brother," we are told in the scriptures. SPARK MATSUNAGA, as far as this Senator is concerned, is a friend that walketh closer than a brother.

There is a destiny that makes us brothers;
  None goes his way alone:
All that we send into the lives of others
  Comes back into our own.
I care not what his temples or his creeds,
  One thing holds firm and fast—
That into his fateful heap of days and deeds
  The soul of man is cast.

I am happy to call SPARK MATSUNAGA my colleague, my friend, and my brother.

FISHING VESSEL SAFETY

Mr. CHAFEE. Mr. President, the House of Representatives today approved a bill which will require the Nation's 33,000 commercial fishing vessels to carry basic life-saving equipment. I introduced similar legislation in the Senate more than 2 years ago, and I am delighted that Congress will have an opportunity this year to finally approve this long overdue measure.

As appalling as it may sound, over 90 percent of the Nation's commercial fishing fleet is virtually exempt from safety regulations. It seems impossible to believe that, but it is true. Every day, fishing vessels that are unstable and unseaworthy are going to sea. Some of these vessels have no life rafts, no survival suits, no emergency position-indicating devices, no bilge alarms, or power-driven bilge pumps. As incredible as it may sound, the captains who operate these boats and endanger their crews are not violating one single regulation.

It is no wonder that commercial fishing is the most dangerous occupation in the United States. According to U.S. Coast Guard figures, an average of 250 fishing boats sink each year. The death rate for commercial fishermen is seven times the national average for all industry groups and twice that of mining, the next most hazardous occupation.

In March 1987, I, along with Senators KERRY and ADAMS, reintroduced the Commercial Fishing Industry Vessel Safety and Compensation Act, S. 849. This bill will require the Secretary of Transportation to develop regulations for the installation, maintenance, and proper use of emergency position-indicating beacons, lifeboats, exposure suits, and signaling devices. These minimum safety requirements will undoubtedly save lives.

Mr. President, it is worth noting that the National Transportation Safety Board, in a report released last year, states unequivocally that the safety elements in S. 849 will reduce fishing vessel casualties and loss of life.

The Senate has held two hearings on this legislation, one under the able leadership of Senator KERRY in the national ocean policy study of the Commerce Committee, and one which I chaired in Rhode Island. At both hearings we heard riveting testimony from families whose loved ones were lost in preventable fishing accidents at sea. These families have become convinced that the lost fishermen were not so much victims of the sea, as victims of negligence. The average fishing vessel today is, plain and simple, an unsafe workplace—a workplace accepted by a government which demands adherence to safety regulations in every other industry, but not in commercial fishing, the most dangerous industry.

The legislation being sent to us from the House, if acted on, will change this. It contains minimal improvements in safety which will save so many lives at so little cost. It will mandate commonsense survival equipment which will give the crew of a sinking vessel at least a chance to live.

I would like to make special mention of Mrs. Peggy Barry, who lost her son in a tragic and preventable fishing accident. Mrs. Barry and her husband, Ambassador Barry, deserve a great deal of credit for keeping the fishing vessel safety issue high on Congress agenda.

Finally Mr. President, let me point out that when this bill was first introduced it contained a title dealing with insurance and compensation issues. This section would have created a workman's compensation type of system for fishing vessel crewmen, which would have replaced the current inefficient, inequitable system of litigation we have today in the fishing industry. However, due to a successful lobbying effort by the Trial Lawyers Association, who managed to defeat this bill on the floor of the House last year, and the inability of the lawyers and the fishermen to agree on an acceptable scheme, this section has been removed, regrettably.

I hope that my colleagues in the Senate will follow the lead of the House of Representatives, and act quickly to give final approval to this legislation. We must not allow more lives to be needlessly lost at sea.

GLOBAL CLIMATE CHANGE AND THE NEED FOR ACTION

Mr. CHAFEE. Mr. President, I would call to the attention of this body, yesterday's New York Times and Boston Globe which carried two stories that should be read by everyone. The Globe headline, on page 1, read: "Would Leaders Call for Drastic Action to Slow Earth's Warming." The Times lead said "Norway and Canada Call for Pact to Protect Atmosphere."

To help those who did not see them, I ask unanimous consent that copies of these articles be printed in the RECORD following my statement.

The PRESIDING OFFICER, without objection, it is so ordered.

(See exhibit 1.)

Mr. CHAFEE. Speaking in Toronto at the first World Conference on Changing Atmosphere, Prime Minister Brundlandt, of Norway, called for a treaty to stabilize the Earth's atmosphere and prevent further degradation. She accurately noted that "[t]he impact of climate change may be greater and more drastic than any challenges mankind has faced with the exception of nuclear war." She went on to say that "[f]or our common future, drastic action has to be taken." Prime Minister Mulroney, of Canada, delivered a similar speech.

Mr. President, I would like to say this. There are many of us who have preached this theme year after year. I am just so glad that now it is getting more attention throughout the world.

On March 31, 41 Members of this body joined me in a letter to President Reagan. I ask unanimous consent that the letter and the administration's response be printed in the Record following the two press articles.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 2.)

Mr. CHAFEE. Our letter delivered the same message as Prime Minister Brundtland and urged the President to call for an international treaty on global climate change. Although I would have preferred to see our country take the lead on this matter, I am pleased to see that at least two of the world's leaders agree with our proposal and are willing to speak out.

What prompted this? It is the realization that human activity is altering our atmosphere and destroying the delicate balance that controls the Earth's climate. We are polluting our air with industrial and agricultural gases. We are releasing record amounts of carbon dioxide by destroying tropical forests and burning more and more coal and oil. The result is a phenomenon known as the greenhouse effect. The Sun's heat comes in, but is unable to escape from the atmosphere. It is trapped.

These gases trap the Sun's heat like the glass in a greenhouse and cause temperatures to rise.

For too long, people have been discounting the importance of this issue by saying "the greenhouse effect is just a theory, there is too much we do not know, it would be premature to put controls in place." Finally, that is starting to change. It must change. We cannot afford to sit by and wait for the problem to solve itself.

Scientists predict that the greenhouse effect will increase average global temperatures by 3 to 9 degrees Farenheit in 40 to 60 years. This is the average. At the higher latitudes the increase will be even greater, reaching as much as 20 degrees.

To put this in perspective, keep in mind that the global temperature has not risen by 3 degrees for more than 10,000 years. Now we are talking about much larger changes in less than 60 years.

The disruption and the devastation that will be caused by such a drastic, rapid change is mind boggling.

Last week, Dr. Jim Hansen, one of the world's foremost authorities on climate told us that four of the hottest years on record occurred in the 1980's and that, based on the first 5 months of 1988, this year will be the warmest yet. The odds of this being the result of natural variation is, according to Dr. Hansen, 1 in 100. He is 99 percent certain that the rising temperature trend is a result of the greenhouse effect. We are no longer just talking about a theory. The greenhouse effect is here and global warming has begun.

What happens with the heat? Well, the Antarctic ice melts, in the Antarctic and Arctic regions. Glaciers melt. the heat and the drought that many parts of our country and the world are experiencing may be harbingers of things to come. Rising sea levels caused by thermal expansion of the oceans and melting ice are another greenhouse-related problem.

To those who say it is premature to consider a global treaty that is aimed at reducing greenhouse gases and protecting the Earth's climate, I would point out that we will never get there if we do not get started. The international process moves slowly enough as it is. We cannot afford to delay any longer. The time for action is now.

I do hope that, in the balance of days, waning days of this administration, that those in authority will recognize this more and more as we proceed. This is a tremendous threat to our globe and who is going to do something about it? Well, the United States has to take the lead. We have to take the lead because, first of all, we are causing more of the heat rise than anybody, any other nation, with the consumption and burning of gasoline, oil, and coal.

Second, we have been traditionally leaders in environmental affairs. I hope we will keep that reputation.

I thank the Chair.

EXHIBIT 1

[From the Boston Globe, June 28, 1988]

WORLD LEADERS CALL FOR DRASTIC ACTION TO SLOW EARTH'S WARMING

(By Dianne Dumanoski)

TORONTO.—As a severe North American drought dramatized the dangers of rising world temperatures and resulting climate change, world leaders and scientists at an international conference here called yesterday for immediate and drastic action to slow the pace of global warming.

"The impact of climate change may be greater and more drastic than any challenges mankind has faced with the exception of nuclear war," Prime Minister Gro Harlem Brundtland of Norway told an audience representing 48 nations. "For our common future, drastic action has to be taken."

Brundtland proposed several immediate measures, including international talks on reducing energy use by the end of the century, an international research and information program on renewable energy and a technology transfer program to help developing countries become more energy efficient and less reliant on polluting fossil fuels.

Prime Minister Brian Mulroney of Canada called for agreement on an international "law of the air" by 1992 to respond to the "global threat to the Earth's atmosphere." He noted the projected global temperature change of about 9 degrees Fahrenheit over the next 60 years "is unprecedented in human history."

The Earth's temperature is expected to rise dramatically over the next half century because human activity is rapidly altering the atmosphere. Increases in carbon dioxide from fossil fuel burning, as well as other gases released by industrial and agricultural activity, are trapping the sun's heat like the glass in a greenhouse and causing temperatures to climb.

Scientists believe even a 1-degree rise in global temperature can cause significant changes in climate and alter rainfall patterns.

While high-ranking ministers and officials were on hand from Canada, Norway, Indonesia and a number of other countries, the absence of their counterparts from the United States was noted by several diplomats and other observers, who described the meeting as an effort to begin an international policy discussion on ways to slow global warming.

Lee Thomas, the US Environmental Protection Agency administrator, was invited and his name appeared on an early conference agenda, but EPA spokesman John Kaspar said yesterday Thomas would not attend. Kaspar called the conference a "technical meeting" and said staff-level attendance seemed "most appropriate" at this point.

United Nations and Canadian officials and US environmentalists, however, attributed the US absence to disagreements within the Reagan administration on the issue and a resulting unwillingness to attend a meeting that may call for an international treaty to reduce the pollution responsible for the so-called "greenhouse effect." Canadians also suggested the United States was afraid of being assailed for its inaction on limiting pollutants that cause acid rain.

Because US leadership was a major factor last fall in concluding an international treaty to protect the ozone layer that shields the Earth from damaging ultraviolet radiation, most observers believe US support is critical. Robert W. Slater of Environment Canada, the country's federal environmental agency, said in an interview, "The US is very important. Nothing will happen without the US."

Scientists such as Michael McElroy of Harvard University and Irving Mintzer of the World Resources Institute stressed the importance of trying to slow the skyrocketing temperatures. A slower rise, they said, would give nations a chance to adapt to the disruptions climate change will cause for water supplies, agriculture and human settlement patterns.

Among other effects of global warming, speakers at the conference said, are that sea levels will rise and flood major areas of countries such as Bangladesh. Stephen Lewis, Canada's ambassador to the United Nations, said the current drought in the United States and Canadian grainbelt added a sense of urgency to the discussion. The moment, he said, is "poignantly auspicious."

Mohammed Sahnoun, Algeria's ambassador to the United States, echoed this sentiment, saying he is convinced the greenhouse effect is contributing to the severity of the drought now gripping northern Africa.

Computer models of the effect of global warming on climates predict rainfall will diminish in the Midwest and southeastern parts of the United States as temperatures rise. Though scientists cannot definitively attribute the current drought to the greenhouse effect, many find it worrisome the pattern of reduced rainfall is occurring precisely where some mathematical models had predicted.

The gathering, titled the World Conference on Changing Atmosphere, was convened by the government of Canada with co-sponsorship from the UN Environment Program and the World Meteorological Organization.

McElroy charged in a speech that both the major party candidates for president, Vice President George Bush and Gov. Michael S. Dukakis of Massachusetts, have failed to show leadership on the issue.

Bush, he added later in an interview, has yet to say anything on the subject, while Dukakis, at a Texas debate, proposed increased use of coal, natural gas and gasohol made from Midwest grain. The coal and natural gas will contribute to global warming, McElroy said, and frequent droughts in the Midwest linked to global warming may make it impossible to grow the crops to produce gasohol.

"Here is a national candidate who has yet to formulate a sensible policy on the environment and energy," said McElroy, adding the candidates "fail to recognize the seriousness of the issue."

[From the New York Times, June 28, 1988]

NORWAY AND CANADA CALL FOR PACT TO PROTECT ATMOSPHERE

(By Philip Shabecoff)

TORONTO, June 27.—The Prime Ministers of Canada and Norway called today for a binding international agreement to protect the atmosphere from pollution.

Speaking at a conference on the changing atmosphere, Prime Minister Brian Mulroney of Canada proposed a global "law of the air," and Prime Minister Gro Harlem Brundtland of Norway called for a treaty to stabilize the earth's atmosphere and prevent further degradation.

The two leaders said that the international community must now act to address a range of assaults on the atmosphere, including the global warming projected to result from the greenhouse effect, damage to the protective ozone layer and the acidification of rain and snow.

Government officials, scientists and environmentalists here said that this was the first time heads of state had proposed an international agreement to protect the atmosphere from a broad range of problems caused by the burning of fossil fuels, industrial pollution and other human activities.

Last year more than 40 nations agreed to act to protect the ozone layer by limiting use of chlorofluorocarbons, a group of industrial chemicals. But as Mr. Mulroney and Mrs. Brundtland made clear, a treaty to protect the atmosphere would require much more sweeping adjustments, including reducing dependence on oil and coal.

The conference, "The Changing Atmosphere: Implications for Global Security," was called by the Government of Canada. While there are representatives here from 48 countries, this meeting was not planned as a formal negotiating session and no international agreements will be reached here. Nevertheless, representatives of the Reagan Administration at the conference said it was much too soon to begin considering an international agreement on protecting the atmosphere. They note that the issues and problems involved are far more complex than those in the effort to protect the ozone layer. Generally, however, government and private participants here expressed a sense of urgency about coming to grips with human-induced climate change. New evidence that a global warming, and resulting changes in weather patterns, may already have begun has garnered special attention.

Dr. James W. Hansen, a climate expert for the National Aeronautics and Space Administration, told a Senate committee last week that the global temperature in the first five months of this year was the warmest on record and that the rising temperature trend is almost certainly a result of the greenhouse effect. The effect results from the buildup of carbon dioxide and other gases in the atmosphere that trap solar radiation within the atmosphere, raising the earth's temperature.

Mathematical models predict that as a result of the greenhouse effect, average global temperatures will rise by three to nine degrees Fahrenheit by the period from 2030 to 2050. A rise of this order would cause disruptive shifts in rainfall patterns and, by melting ice and warming the oceans, cause sea levels to rise by a foot or more. The global temperature has not risen by three degrees for more than 10,000 years, and it has been hundreds of thousands of years since there has been a nine-degree change.

"The impact of world climate change may be greater than any challenge mankind has faced, with the exception of preventing nuclear war," said Prime Minister Brundtland, who is chairwoman of the United Nations' World Commission on Environment and Development.

As the first part of her action plan, Mrs. Brundtland called for an international discussion of ways to reduce energy consumption before the end of this century as a means to reducing carbon dioxide pollution. She said Norway is planning on stabilizing energy use by the year 2000.

Burning of fossil fuels accounts for most of the carbon dioxide humans are adding to the atmosphere, and also accounts for much of the pollution that leads to acid rain.

The Norwegian leader proposed an international research program on renewable energy sources, the transfer of benign energy technology to developing countries and accelerated scientific research into climate problems. She also proposed a "global convention on the protection of the climate," to coordinate research, information exchange and "concrete measures to reduce emissions of harmful substances."

Mr. Mulroney was not as specific in outlining his plan for an international law of the air but Canadian officials here said reduction of fossil fuel use would be among the elements.

William A. Nitze, Deputy Assistant Secretary of State for Environment, Health and Natural Resources, said it would be "premature at the current moment to contemplate an international agreement that set targets for greenhouse gases."

EXHIBIT 2

U.S. SENATE,
COMMITTEE ON ENVIRONMENT
AND PUBLIC WORKS,
Washington, DC, March 31, 1988.

Hon. RONALD W. REAGAN,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: We are writing to urge that you continue and expand recent initiatives on the international environmental problem of the greenhouse effect and global climate change, such as those announced at the conclusion of the December 1987 summit meeting with Soviet General Secretary Gorbachev. Specifically, we urge that, at the next summit meeting with the General Secretary in Moscow and at the upcoming economic summit meeting this June in Toronto, you call upon all nations of the world to begin the negotiation of a convention to protect our global climate. Such a convention could be modeled after the historic Vienna Convention to Protect the Ozone Layer.

You are to be congratulated for including the problem of global climate change as part of the agenda at the December 1987 summit meeting with General Secretary Gorbachev. It is encouraging to observe the growing commitment that our two nations are making to deal with the environmental threat of global warning. Of particular note was the Joint Summit Communique which stated that the "two sides will continue to promote broad international and bilateral cooperation in the increasingly important area of global climate and environmental change."

Scientists have warned us that increasing concentrations of certain pollutants in the atmosphere will increase the earth's temperature over the coming years to a level which has not existed for tens of millions of years. There is some urgency to this matter since scientists predict that, as a result of past pollution, we are already committed to a significant global warming. These greenhouse gases will lead to substantial changes in the climate of our planet with potentially catastrophic environmental and socio-economic consequences.

The predicted global warming and climate changes are expected to occur at a rate and in a fashion that will preclude natural evolutionary responses. The likely effects of the greenhouse effect include rising sea levels, changes in the location of deserts, extremely high temperatures in cities during the summer months, increases in the number and severity of hurricanes, the death of large portions of forests, and the loss of adequate moisture in the mid-continent agricultural belt.

The challenge of reducing this threat to the planet's well being is considerable. One of the most significant greenhouse gases is carbon dioxide, a by-product of fossil fuels. The United States and the Soviet Union are the world's two largest contributors of carbon dioxide. Together, we account for almost one-half of the global total.

For these reasons, the United States and the Soviet Union must take positions of global leadership on this matter and call for a convention on global climate change. Such a convention could address our scientific understanding of the problem, the need for and limits of adaptation as a response to future climate change, as well as strategies to stabilize atmospheric concentrations of greenhouse gases at safe levels.

Negotiations to achieve a climate convention would have to take place on a multilateral basis. However, cooperation between the United States and the Soviet Union is an essential precondition of a successful international response to the greenhouse effect. The problems associated with global climate change provide an historic opportunity for our two countries to cooperate on a long term basis to insure the habitability of Earth. These facts were recognized and endorsed in the recently enacted Global Climate Protection Act (P.L. 100-204, sections 1101-1106).

For these reasons, we urge you and General Secretary Gorbachev to use the upcoming summit meeting scheduled to be held in Moscow as a forum to call for the negotiation of a convention on global climate change and to commit the United States and the Soviet Union to a leadership role in that process. At the same time we suggest that you expand and elevate the level of ongoing bilateral U.S.-U.S.S.R. activity which could enhance our understanding of the problem. We endorse the establishment of a high level working group to study potential responses to climate change, including greenhouse gas emissions reductions and adaptation to climate change. This expanded bilateral activity should be recognized and supported as an important priority within the United States' foreign and environmental policy agenda.

Similarly, we urge you to use the seven nation economic summit that is scheduled to be held during the month of June in Toronto as a forum to urge the negotiation of a global climate convention. At last year's economic summit, the leaders of the seven nations stated: "We underline our own responsibility to encourage efforts to tackle effectively environmental problems of worldwide impact such as . . . climate change. . . ." This year's economic summit is the appropriate opportunity to take the next step and call for a global climate convention.

Thank you for your attention and commitment to this important, international environmental issue. We look forward to working with you and assisting you in our mutual efforts to protect our fragile planet.

Sincerely,

Senators John F. Kerry, Dave Durenberger, Albert Gore, Pete Wilson, Terry Sanford, Max Baucus, George J. Mitchell, Dale Bumpers, Frank Murkowski, David Pryor, John H. Chafee, Robert T. Stafford, Carl Levin, Spark M. Matsunaga, Wyche Fowler, Jr., Tom Harkin, Timothy E. Wirth, Bob Graham, Dennis DeConcini, Steven D. Symms, Bob Packwood, Daniel J. Evans, Frank R. Lautenberg, Donald W. Riegle, Jr., Patrick J. Leahy, Bob Kasten, Jeff Bingaman, Thomas A. Daschle, Nancy Landon Kassebaum, Brock Adams, Alfonse M. D'Amato, Quentin N. Burdick, Arlen Specter, Edward M. Kennedy, Pete V. Domenici, Thad Cochran, William S. Cohen, Claiborne Pell, Richard G. Lugar, William V. Roth, Jr., Dan Quayle, John Heinz.

U.S. ENVIRONMENTAL
PROTECTION AGENCY,
Washington, DC, May 16, 1988.

Hon. JOHN H. CHAFEE,
U.S. Senate,
Washington, DC.

DEAR SENATOR CHAFEE: Thank you for your March 31, 1988 letter to President Reagan, co-signed by forty-one of your colleagues, regarding international initiatives on global climate change. Despite considerable uncertainty regarding the extent of man's influence on the global atmosphere, the possibility of global climate change warrants high-level attention in the international arena. Accordingly, the United States is engaged in a wide range of cooperative research activities—both bilateral and multilateral—to improve our scientific understanding of this issue. The U.S.-Soviet Summit in May and the Toronto Economic Summit in June could provide good opportunities to discuss this issue.

At the December 1987 Summit in Washington, President Reagan and General Secretary Gorbachev agreed to develop cooperative atmospheric science programs between our two nations, including a detailed study on the climate of the future. The United States and the Soviet Union are now negotiating a range of proposed projects for the acquisition, coordination and exchange of space-based data related to global climate change.

Cooperative research with the Soviet Union to help establish the scientific base for documentation and assessment of global climate change has also been conducted for years under the U.S.-U.S.S.R. Agreement on Cooperation in the Field of Environmental Protection. A "protocol", which lays out joint activities in this area for 1988, includes over 30 possible projects, exchanges and experiments.

The United States is also engaged in bilateral programs with other nations with active research programs on this issue. Cooperation with the People's Republic of China, for example, will be carried out under the U.S.-PRC Science and Technology Agreement which covers exchanges on atmospheric science and environmental protection and the US-PRC Protocol for Scientific and Technical Cooperation which specifies five major areas of atmospheric research. Studies on the role of the ocean in climate change are conducted under the U.S.-PRC Bilateral Agreement on Cooperation in Marine and Fisheries Science and Technology. Both countries also support related training and educational exchange programs.

In addition to bilateral activity, the United States supports the establishment by the United Nations Environment Program (UNEP) and World Meteorological Organization (WMO) of an intergovernmental panel to develop methodology for and carry out internationally coordinated assessments of the scientific understanding, magnitude, timing and possible effects of climate change. The results of these assessments, along with other pertinent information, will provide a basis for considering a wide range of options to deal with the global climate issue, including the possibility of a climate convention. The United States will be an active participant in the work of the WMO/UNEP intergovernmental panel.

In addition to UNEP and WMO, over seventy nations including the United States and Soviet Union have endorsed the International Geosphere-Biosphere Program (IGBP). Established in 1986 by the International Council of Scientific Unions, this transdisciplinary research program is directed at improving our understanding of the interactive physical, chemical and biological processes that regulate the total Earth system.

In short, the United States is engaged in numerous cooperative research programs which will improve our scientific understanding of man's influence on the global atmosphere. The upcoming summits will provide us with excellent opportunities to discuss this international cooperation. Our interest in international cooperation serves to supplement our domestic research programs related to global climate change which show an increase in the President's budget request for 1989.

We appreciate your continued interest in global environmental issues and look forward to working with you in the future.

Sincerely,

LEE M. THOMAS.

Mr. CHAFEE. Mr. President, I suggest the absence of a quorum.

Mr. MATSUNAGA. Will the Senator withhold that request?

Mr. CHAFEE. Yes, I will be glad to.

The PRESIDING OFFICER. The Senator from Hawaii.

(The remarks of Mr. Matsunaga pertaining to the introduction of legislation are printed later in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. MATSUNAGA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF TIME FOR MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that morning business be extended for 20 minutes under the same conditions as heretofore.

The PRESIDING OFFICER. Without objection, it is so ordered.

VISIT OF PRESIDENT EVREN OF TURKEY

Mr. BYRD. Mr. President, today I was pleased to host, along with the distinguished Republican leader, Mr. Dole, a luncheon for the President of the Republic of Turkey, Kenan Evren. Recently I led a bipartisan delegation of Senators to Turkey, where we had the pleasure of meeting with President Evren and other senior officials. I am delighted that President Evren was able to visit Washington at this time, the first visit of a Turkish President to the United States in 21 years.

Turkey is a strong and loyal ally of the United States. She occupies a strategic frontier for NATO, bordering not only the Soviet Union but also Iran and Iraq—truly a turbulent part of the world. Turkey guards the Turkish Straits, an extremely vital waterway of great strategic significance. Turkey has the second largest military force within NATO, and is embarked on an important modernization program for her armed forces.

Because of the vital importance of Turkey to the NATO alliance and to the United States, it is important that we assist Turkey in her efforts to modernize her forces and to shoulder fully her portion of the collective security burden. We discussed these issues with President Evren today. The exchanges were valuable and useful.

I also congratulate President Evren, as did many of the other Senators present at our luncheon, for the initiative which has been undertaken by Turkey with regard to improved dialog with Greece. Continuing this dialog, which I hope will facilitate progress on the Cyprus issue and other outstanding questions concerning the security situation in the eastern Mediterranean, could create conditions which improve the overall political and security situation in the southern region of NATO.

Turkey has worked hard at developing her democracy. President Evren is to be commended for his leadership in helping to restore democracy after a period of military rule in Turkey. It is my hope that the strengthening and deepening of democracy in Turkey will continue as it has for the past 8 years.

President Evren shared some thoughtful remarks with us today at lunch. I ask unanimous consent that the full text of these prepared remarks be printed in the Record in order that they may be read by all Senators.

There being no objection, the material was ordered to be printed in the Record, as follows:

Remarks of Kenan Evren, President of the Turkish Republic, at the United States Capitol

Mr. Leader and Distinguished Senators, I thank Senator Byrd and his colleagues for organizing this meeting and thus providing me an opportunity to address you. I am delighted to be here and have an exchange of views with you. I know the Congress has an effective role and an important contribution to make to the formulation of American foreign policy. That is why I believe that it is very useful for me to share my thoughts on Turkish-American relations with you.

Turkish-American relations gained momentum with Turkish membership in NATO. In its early years, our relationship was based on security cooperation, reflecting our mutual strategic interdependence. In fact, for a long time security cooperation remained the only dimension of our relationship. But in the recent years, the consolidation of Turkish democratic achievements and new significant economic strides are transforming our relationship into a multidimensional cooperation. We consider this a healthy development, bringing balance and stability to our relationship.

Let me first dwell on the strategic dimension.

Our cooperation in this field for the past 40 years has been constructive and beneficial. It has contributed in a significant way not only to the security of our countries, but also helped peace and stability in Europe and in the region where Turkey is situated.

Turkey's indispensable contribution to Western security is often mentioned at NATO forums. Located in the most sensitive region of the Alliance, Turkey shares the longest frontier with the Soviet Union, guards the strategic Turkish straits, and maintains the largest NATO army after the U.S. Almost the entire Turkish Armed Forces are allocated to NATO missions and deployed according to Alliance defense plans. The importance of Turkey's contribution to NATO defense and Western security is highlighted by her defense of one third of the NATO-Warsaw Pact dividing line and by her high defense spending which places her among the top four in NATO, despite being the lowest income member. These facts illustrate that Turkey shoulders burdens and responsibilities much beyond her fair share. It is evident that the acceleration of the modernizataion program of the Turkish Armed Forces would be a very cost-effective investment in terms of augmenting Western security and deterrence, especially at a time when the INF Agreement highlights the importance of conventional defense and deterrence in European NATO. Her NATO responsibilities place a great economic burden on Turkey. As a developing country, one of the basic requirements for her economic growth is to keep military expenditures at low levels. It is also evident that democratic stability in a developing country requires a healthy economy.

That is why Turkey receives security assistance from its allies. In principle, we believe that our military requirements should be met through national resources rather than security assistance, which, in fact means incurring high-interest-bearing debts. This is our objective. Moreover, when we reach that objective, alien problems injected into our relations through the appropriation process of security assistance will be eliminated and Turkish-American relations will become healthier and more stable. We sincerely seek the creation of conditions in which Turkish-American relations will be viewed only on their own merits.

Though we have not reached that point yet, there are some indications that we are not far off. For example, Turkey ranks high, in seventh place, among the countries with which the U.S. continuously enjoys a trade surplus. The Turkish deficit in our bilateral trade amounted to 607 million dollars in 1987. This deficit is more than the 1987 U.S. security assistance to Turkey which partially consists of interest-bearing credits. As Turkish exporters will easily eliminate this deficit if practices restricting the access of Turkish exports to the American market are removed, the Turkish government's validity of call for "less aid, more trade" becomes self-evident.

In some American circles there is a misperception about Turkish complaints on security assistance. These circles advocate that the occasional tensions in our relations originate from Turkish dissatisfaction with aid levels, without due understanding of American problems associated with the budget deficit.

It is wrong to assume that Turkey views its relationship with the U.S. from an exclusively assistance perspective. What disturbs us is mortgaging our bilateral relationship to the demands of third parties and certain pressure groups, and that efforts to isolate Turkish-American relations from these alien and harmful influences, often do, not succeed.

The Turkish public is disturbed much more than you might imagine at the provision of security assistance in this fashion and the repeated imposition of the 7 to 10 ratio year after year, according to a predetermined scenario. This ratio, unacceptable to the Administration, has no rational justification and constitutes a source of disappointment for the Turkish Government.

One of the priorities of our foreign policy is the conduct of Turkish-American relations on a healthy and solid basis. To that end, the Turkish government recently ratified the Side Letter which extended the 1980 Turkish-American DECA through 1990. The Turkish people have warm feelings for the U.S. and for the American people. But let me emphasize that the Turkish people are tremendously sensitive to attempts to inject alien factors into Turkish-American relations, particularly at the attempts to pass resolutions in Congress which distort history, encourage terrorism, and legitimize claims on Turkish territory. Our people rightfully expect that issues of intense national sensitivity to Turks should be appraised by the U.S. with due care and in a spirit of mutual respect, on which our entire relationship is based. To this end, I seek your personal understanding and interest.

During my conversations in Washington, President Reagan and members of his Administration expressed satisfaction that the dialogue initiated at Davos between the Turkish and Greek Prime Ministers has been transformed, with the Athens visit of Prime Minister Ozal, into a process of seeking durable solutions to our bilateral differences. They have expressed to me their hope that the two countries would take concrete steps towards peace and reconciliation. If you only recall that Turkey had consistently and tirelessly pursued the initiative to inaugurate a Turkish-Greek negotiating process and rapprochement, you will understand that it is easy for me to assure you that the Turkish government will do all it can to make the process underway durable and successful.

The so-called Turkish threat claimed by Greece is an illusion. Mutual respect for the equilibrium and reciprocal rights and interests established in the Aegean by the Lausanne and Paris treaties constitutes the keystone of Turkish-Greek reconciliation and beneficial cooperation. Leaders of both countries owe it to their peoples to do everything in order to revitalize the Turkish-Greek friendship of the Ataturk-Venizelos era. Although we believe the Cyprus problem should be appraised on its own terms, the developing rapprochement and mutual understanding between Turkey and Greece would have positive repercussions on the situation in Cyprus. Turkey supports the Good Offices Mission for Cyprus of the UN Secretary General. The fundamentals of a bi-zonal, bi-communal federal system as a just and durable solution are contained in the Agreements of 1977–1979 as well as the UNSG's March 29, 1986 document. We hope that on this basis, a political solution can be reached through meaningful inter-communal negotiations. Turkey will do all she can to reach such a solution and will encourage the Turkish Cypriots in the same direction.

During my visit, some have praised the diplomatic initiatives leading to Turkish-Greek dialogue and asked me whether they could help this process. I want to share with you my response to those queries. The most positive American contribution would be continuously to encourage its two allies to seek equitable solutions to their bilateral problems. In the past, Turkey and Greece alone were able to bring about solutions even to their most complex problems. Recent history testifies that involvement of third parties in Turkish-Greek differences further complicates these problems, rather than resolving them. All those who want to see the resolution of Turkish-Greek differences should not overlook this fact, proven by experience.

Now I would like to turn to two other aspects of Turkey which are less well known than her strategic importance and Turkish-U.S. security cooperation.

By reconciling a predominantly Islamic society with secular democracy and achieving economic development within a democratic setting, Turkey constitutes a unique and compelling political model. Secondly, Turkey is a candidate to become one of the major economic partners of the U.S. Since the founding of the modern Turkish Republic by Ataturk, Turkey has made great strides in further developing democratic institutions and creating necessary conditions for smooth functioning of democracy. It is natural that we have had some interruptions along the road, since we have come a long way in a short span of time. Turkey went through such a period in 1980. We ultimately emerged from that with stronger democratic institutions, having further strengthened our democratic institutions in the light of past experience. As the general elections of 1983 and 1987 testify, Turkey today is a free country ruled under a democratic regime. The Turkish constitution and institutions are founded, as their American counterparts, on the rule of law and on respect for the inviolability of human dignity. Turkey is continuously taking new steps to strengthen her democratic institutions and practices. Recent decisions enable Turkey to join those few Western countries providing double guarantees for the protection of human rights. The Turkish constitution explicitly affirms for every Turkish citizen the right to seek justice through an independent judicial system. But, we have moved beyond national means and, by ratifying the European Convention on Human Rights, all Turkish citizens are entitled to petition the European Convention on Human Rights, which is a supra-national body. The Turkish constitution guarantees against torture and mistreatment. To strengthen further these constitutional provisions with international guarantees, Turkey has become the first state to ratify the European Convention on the Prevention of Torture and Inhuman or Degrading Punishment or Treatment. Under that convention, Turkey has opened to international inspection all its prisons, detention and police centers. This is indisputable evidence of the priority the Turkish government attaches to human rights. Likewise, Turkey has ratified the UN convention against torture, other brutal, inhuman treatment and punishment.

As I mentioned, Turkey is on her way to becoming an economic partner with the U.S. Since 1985 Turkey has been among the top 50 trading nations of the U.S. The tripling of Turkish-American trade volume between 1980–87 reflects the momentum in our economic relations. We want this positive trend to continue. But the persistent Turkish deficit in our bilateral trade with the U.S. acts as a brake against faster growth of our trade. This deficit results from practices which restrict the access of Turkish export to the American market, like textiles and steel products, practices contrary to the principles of free trade and equity. Maximum utilization of the growth, potential of Turkish-American trade, will serve our mutual interests. Turkish exports are not much diversified. That is why if Turkey is to import more from the U.S., she has to be able to export these goods without restrictions, and thus eliminate the deficit. This would also encourage the diversification of Turkish exports. The United States over the years has urged other nations to observe reciprocity and equity in trade. Ranking seventh among the countries suffering a deficit with the U.S., the Turkish request for the removal of practices restricting the access of Turkish exports is justified.

Some might think that the U.S. security assistance to Turkey compensates for the trade deficit, and that Turkey therefore should not unduly emphasize this issue. This is not correct. Between 1980–87 the American surplus in trade with Turkey amounted to 4.6 billion dollars. During the same period, grant military and economic assistance to Turkey was less than two billion dollars. It is evident that Turkish priorities lie in benefitting from increased trade opportunities and recognition of the rights in that field.

Let me conclude my remarks by touching on two other promising and positive aspects of our economic relations. First, we have taken important steps to promote and develop the institutional and legal framework of our economic and commercial relations. Under the auspices of the Chambers of Commerce of the two countries, the Turkish-American Business Council was set up. The Turkish-American Economic Consultative Council, composed of government representatives, has become operational. Negotiations for an agreement on the prevention of double taxation have reached an advanced stage. An agreement on the reciprocal promotion and protection of Turkish-American investment has been signed. Early ratification of this agreement, which has been before the Senate for some time now, would be in our mutual interest.

A second development relates to the growing interest of the American business and industrial community in investing in Turkey. We expect more and diversified investments, which have been channelled until now into agro-business, tourism, hotels, energy production and defense industries. I want you to know that we have an open and constructive mind in this regard.

Until recently, Turkish-American relations were conducted exclusively between government representatives discussing military cooperation and assistance. Today, bankers, industrialists and businessmen have moved to the center stage. This healthy development reflects the diversification and enrichment of our relations.

These new dimensions in our relations will strengthen the fabric of our mutual interests and base our relations on a more comprehensive, solid and stable foundation.

To avoid prolonging my remarks unduly, at the outset of my speech I started the discussion of Turkish-American relations with Turkish membership in NATO. But Turkish interest in America dates back to the 16th century. Indeed, 263 years before the emergence of the U.S. as a member of the community of nations, a world-renowned map made in 1513 by the Turkish admiral, Piri Reis, showed American shores. The map is proof of that early interest. The original map is in the Topkapi Museum in Istanbul. Its accuracy, given the limitations of its period, astonishes all who have seen it. It is a pleasure for me to present the replica of the map as a souvenir to the American Senate.

Mr. BYRD. I yield the floor.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

TRIBUTE TO ROBERT C. BYRD

Mr. CHAFEE. I had the privilege today of attending briefly the luncheon sponsored by the distinguished majority leader and Republican leader for President Evren of Turkey. I do want to take this opportunity to pay tribute to the distinguished majority leader for his understanding of the role that Turkey plays in the NATO defense and the efforts that the current administration in Turkey is making to restore democracy to that nation and the leadership that President Evren is providing.

I think it is so fitting that the distinguished majority leader gave that luncheon because he has recognized right from the beginning the role that Turkey plays.

I also would like to join him in hopes that through the efforts that are being made by President Evren in its relationships with Greece that there may be a resolution to these problems that have existed between those two nations for some time. Although there is no cause yet for celebration, certainly there are signs of hopefulness in the situation.

It was a pleasure to meet those who were gathered today at the luncheon. I have heard from others many times about the splendid visit the distinguished majority leader had to Turkey. I think it was in the early part of this year.

Mr. BYRD. February.

Mr. CHAFEE. In February. And the fine role the majority leader has played throughout these NATO relationships with Turkey and the efforts to see that democracy is restored to Turkey, and that there may be a resolution of the difficulties that exist between that nation and Greece.

I thank the Chair.

Mr. BYRD. I thank my distinguished friend from Rhode Island for his succinct remarks. I also thank him for the vision that he has consistently shown in the effort to strengthen NATO and to bring about conciliation between our two NATO friends and allies, and also his consideration and recognition of the importance of Turkey to the allies and the contribution and sacrifices that that country is making to carry her share of the defense burden.

Turkey does not ask for much. We have important bases there. The Turks have been fighting the people to the north for centuries, going back to the time of Peter the Great of Russia, and beyond. Turkey is a valuable ally, standing astride, as it does, the Bosphorus; everything that comes out of that Black Sea has to go right through the straits, the Dardanelles. Turkey is on both sides, in Asia and in Europe. They are fierce fighters. They are courageous. They fought side by side with American boys in Korea. They fought well and bravely. We ought to do whatever we can to help Turkey. Turkey has severe economic problems. Most of her army is located on the border with the Soviet Union. Turkey has the longest border with the Soviet Union of any member of the NATO alliance, the longest border. She is a dependable friend, and I urge all Senators to go to Turkey and really see what Turkey is doing for the peace of the world and what Turkey is doing to maintain herself as a democracy and to lift herself up by her own bootstraps. Senators can never appreciate Turkey's strategic geographical position and her pivotal position in the alliance until they go there and see with their own eyes. I thank the Senator.

NOTIFICATION OF CONFIRMATION

Mr. BYRD. Mr. President, the other day when the Senate confirmed the nomination of Henry F. Cooper, of Virginia, for the rank of Ambassador during his tenure of service as U.S. Negotiator for Defense and Space Arms, I forgot to ask unanimous consent that the President be notified of the confirmation of the nominee. I make that request, as if in executive session, at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

NO MORE ROLLCALL VOTES TODAY

Mr. BYRD. Mr. President, there will be no more rollcall votes today.

INTRODUCTION OF BILLS, RESOLUTIONS, AND STATEMENTS

Mr. BYRD. Mr. President, I ask unanimous consent that Senators may have until 7:30 p.m. today to introduce bills and resolutions, and that they may have until 6 o'clock today to introduce statements.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BYRD. Mr. President, the Senate will convene at 12 noon on next Wednesday, July 6. At 1 o'clock, the Chair will ask the clerk to call the names to establish the presence of a quorum, and a rollcall vote will occur on cloture when that quorum has been established.

It may very well be that there would be a motion to instruct the Sergeant at Arms to help to establish a quorum. That may or may not be necessary.

In any event, there will be a cloture vote at around 1:15 or 1:30, Wednesday, in that general time period. If cloture is invoked, then the plant closing legislation will be the business of the Senate to the exclusion of all other business until completed, according to the rule, unless there is unanimous consent to proceed to other business.

If that cloture motion fails, there will be a second vote on the motion to invoke cloture, and if cloture is then invoked, then the same situation will follow as I have already described.

If cloture fails on the second try, there will be still a third vote on cloture. I hope that the Senate will produce the cloture votes to shut off the filibuster so that the Senate can work its will and complete action on the plant closing bill. So, there will be rollcall votes on Monday.

Mr. CHAFEE. The Senator means Wednesday.

Mr. BYRD. On Wednesday. I thank the distinguished Senator from Rhode Island. Sometimes my thinking process gets ahead of my tongue, or vice versa.

There will be rollcall votes on Wednesday. I hope we can get much work done on Wednesday, Thursday, and Friday. There are appropriation bills and other bills that are ready to go.

And all of this is in the interest of getting the Senate's work done, hoping that we can complete the work of the Senate and adjourn sine die before the new fiscal year begins on October 1 or soon thereafter.

Mr. President, does the distinguished acting Republican leader, Mr. CHAFEE, have anything he would like to say or any further business he would like to transact?

Mr. CHAFEE. I thank the distinguished majority leader. As I understand it, the first vote next Wednesday will be in the vicinity of 1:15.

Mr. BYRD. Circa 1:15, yes.

Mr. CHAFEE. Could we go as far as to say no earlier than 1:15?

Mr. BYRD. No earlier than 1:15. Yes.

May I qualify that? One never knows. Any Senator may make motions and during that hour of debate under the rule, Senators are not precluded from making motions.

CALL OF THE CALENDAR WAIVED

Mr. BYRD. I ask unanimous consent that the call of the calendar be waived on that day.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Put it this way: The distinguished majority leader would not call for a rollcall vote before 1:15.

Mr. BYRD. No.

Mr. CHAFEE. That is good enough for me.

Mr. BYRD. There is no intention of having a rollcall vote before 1:15.

Mr. CHAFEE. Or even a Sergeant at Arms instruction.

Mr. BYRD. That is right.

Mr. CHAFEE. Then we might have as many as a total of three cloture motions, obviously, depending on the results that same Wednesday.

Mr. BYRD. Yes. If the Senate does not invoke cloture on the first motion or on the second motion, then there will be a third vote on invoking cloture.

I thank my friend. I wish him and all Senators a pleasant and safe Independence Day holiday. I wish the same for all officers and employees of the Senate.

Mr. CHAFEE. We certainly reciprocate to the distinguished majority leader and his family.

Mr. BYRD. Mr. President, I thank my friend.

ADJOURNMENT UNTIL WEDNESDAY, JULY 6, 1988, AT 12 NOON

Mr. BYRD. Mr. President, in accordance with the provisions of Senate Concurrent Resolution 130, I move that the Senate stand in adjournment until the hour of 12 noon on Wednesday next, July 6, in this year of our Lord, 1988.

The motion was agreed to, and at 4:41 p.m., the Senate adjourned until Wednesday, July 6, 1988, at 12 noon.

CONFIRMATION

Executive nomination confirmed by the Senate June 29, 1988:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FREDERICK K. GOODWIN, OF MARYLAND, TO BE ADMINISTRATOR OF THE ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

HOUSE OF REPRESENTATIVES—*Wednesday, June 29, 1988*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We look to You, Almighty God, for all those benefits that assist people in their problems and concerns. Yet, O God, we know, too, that You have created us with minds to think, hearts to care, and bodies to act to ease the burdens of the day and the pain of life. Encourage us, gracious God, to accept our responsibilities, to use the abilities and gifts You have given us to do the works of justice and mercy everywhere before us. This we pray, Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. RHODES. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. RHODES. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently, a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 236, nays 128, not voting 40, as follows:

[Roll No. 207]

YEAS—263

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Archer
Aspin
Atkins
AuCoin
Barnard
Bartlett
Bateman
Bates
Beilenson
Bennett
Berman
Bevill
Bilbray
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Coelho
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Frank
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Grant
Green
Guarini
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Horton
Houghton
Hubbard
Huckaby
Hughes
Hutto
Jeffords
Jenkins
Johnson (CT)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCollum
McCurdy
McEwen
McHugh
McMillen (MD)
Mfume
Michel
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Mrazek
Murtha
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Packard
Panetta
Parris
Patterson
Payne
Pease
Pelosi
Pepper
Perkins
Petri
Pickett
Pickle
Price
Quillen
Rahall
Rangel
Ravenel
Richardson
Rinaldo
Robinson
Rodino
Roe
Rose
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schneider
Schulze
Schumer
Sharp
Shaw
Shumway
Shuster
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Solarz
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Sweeney
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Whitten
Wise
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron

NAYS—128

Armey
Badham
Baker
Ballenger
Barton
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Brown (CO)
Buechner
Bunning
Burton
Callahan
Campbell
Chandler
Clay
Clinger
Coats
Coble
Coleman (MO)
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Edwards (OK)
Emerson
Fields
Frenzel
Gallegly
Gallo
Gekas
Gingrich
Goodling
Grandy
Gregg
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Hyde
Inhofe
Ireland
Jacobs
Kolbe
Kyl
Lagomarsino
Latta
Leach (IA)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Lukens, Donald
Lungren
Madigan
Marlenee
Martin (IL)
McCandless
McCrery
McDade
McGrath
McMillan (NC)
Meyers
Miller (OH)
Molinari
Moorhead
Morrison (WA)
Murphy
Nielson
Oxley
Penny
Porter
Pursell
Regula
Rhodes
Ridge
Roberts
Rogers
Roth
Roukema
Rowland (CT)
Saxton
Schaefer
Schroeder
Schuette
Sensenbrenner
Shays
Sikorski
Skeen
Slaughter (VA)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Stangeland
Stump
Sundquist
Swindall
Tauke
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Whittaker
Wolf
Young (AK)
Young (FL)

NOT VOTING—40

Anderson
Biaggi
Boggs
Boulter
Cheney
Clement
Dingell
Dixon
Ford (MI)
Ford (TN)
Gray (IL)
Gray (PA)
Hall (OH)
Hayes (IL)
Hoyer
Hunter
Johnson (SD)
Jones (TN)
Kemp
Konnyu
Lott
Lujan
Mack
MacKay
McCloskey
Mica
Myers
Nagle
Pashayan
Ray
Ritter
Saiki
Spence
Spratt
St Germain
Stratton
Weiss
Wheat
Williams
Wilson

☐ 1021

Mr. SCHAEFER changed his vote from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that he will limit 1-minute speeches today in order to accomplish our legislative business. The Chair will arbitrarily take no more than 8 1-minute speeches on each side, for a total of no more than 16.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate has passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 128. Concurrent resolution expressing the sense of the Senate concerning His Majesty King Bhumibol Adulyadej of Thailand.

The message also announced that the Senate agrees to the amendments of the House to the bill (S. 2188) entitled "An act to amend section 307 of the Federal Employees' Retirement System Act of 1986."

REAPPOINTMENT AS MEMBER TO ADVISORY COMMITTEE ON STUDENT FINANCIAL ASSISTANCE

The SPEAKER. Pursuant to the provisions of section 491 of the Higher Education Act of 1965, as amended by section 407 of Public Law 99-498, the Chair reappoints on the part of the House the following member from private life to the Advisory Committee on Student Financial Assistance:

Mr. Joseph L. McCormick, of Austin, TX.

APPOINTMENT AS MEMBERS TO JOINT CONGRESSIONAL COMMITTEE ON INAUGURAL CEREMONIES

The SPEAKER. Pursuant to the provisions of Senate Concurrent Resolution 105, 100th Congress, the Chair appoints to the Joint Congressional Committee on Inaugural Ceremonies the following Members on the part of the House:

Mr. WRIGHT of Texas;

Mr. FOLEY of Washington; and

Mr. MICHEL of Illinois.

LITHUANIAN COUPLE REUNITED AFTER 8 YEARS OF SEPARATION

(Mr. BROWN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of California. Mr. Speaker, I would like to take a moment this morning to welcome Mr. Pyatras Pakenas, a Soviet divided spouse who just yesterday was reunited with his wife, Dr. Galina Vileshina, in Washington, DC, after nearly 8 years of separation. I would also like to congratulate my friend and colleague, Congressman CLAY SHAW, of Florida, who has worked tirelessly on behalf of Mr. Pakenas.

In 1980, Dr. Vileshina emigrated to this country from the Soviet Union with the belief that her husband would also be allowed to leave Lithuania and join her. She settled in Florida, working as a practicing physician. When it became apparent that the Soviet Government was not going to let Mr. Pakenas out of the country, she quickly became an outspoken representative for divided spouses. She contacted Representative SHAW to bring her case to the attention of the Soviet Government through Soviet Embassy officials and administration representatives.

Her first good news came last year after Dr. Vileshina appeared on the 1987 human rights show on the "Capital to Capital" ABC Television series. Congressman SHAW was able to stand up on live television and ask the Soviets directly about this case. Soon after that show, Dr. Vileshina was granted a visitor's visa to return to the Soviet Union to visit her husband for 10 days. Just before President Reagan's visit to Moscow for the summit, on May 28, Dr. Vileshina received word that her husband would be allowed to leave. Finally, yesterday—1 month from that date—Mr. Petrov landed at Dulles Airport to a joyful reunion with family and friends.

While this reunion is cause for celebration, I also want to call attention to the case of Mr. Benjamin Charny, who has not been allowed to join his family in the United States and receive the medical attention he needs. I wish Dr. Vileshina and her husband every happiness, but we must temper our feelings of success until all divided spouses and families are reunited. Thousands of Soviet Jews still desire to emigrate to the United States and Israel, and hundreds of spouses and other family members remain cruelly separated. Our joy today for Pyatras and Galina must strengthen and embolden our efforts on behalf of these remaining individuals. The future appears encouraging for relations between the United States and the Soviet Union. However, this brighter future must include a greater willingness on the part of the Soviet leadership to approve emigration for those individuals who seek to practice their religion abroad, or, as in the case of Pyatras and Galina, simply desire to live with their loved ones. I urge my colleagues to share both in my joy today, and in my continued commitment to this important issue.

Again I wish to congratulate CLAY SHAW for his compassion and perseverance on this matter, as well as his leadership, as a member of the Capital-to-Capital Steering Committee, in maintaining our strong focus on human rights issues in that program.

A HAPPY ENDING TO THE TRIBULATIONS OF A LITHUANIAN COUPLE

(Mr. SHAW asked and was given permission to address the House for 1 minute.)

Mr. SHAW. Mr. Speaker, I would like to thank my good friend, the gentleman from California [Mr. BROWN], for his very kind remarks in recognizing a very, very happy event.

Mr. Speaker, I rise today before you and my colleagues to inform you of a happy ending to a beautiful love story.

Last evening, Pyatras Pakenas, of Lithuania, was reunited here in Washington, DC, after an 8-year separation from his wife, Dr. Galina Vileshina. That moment marked the end of an 8-year struggle for Pyatras and Galina and a major breakthrough in cooperation with the Soviet Union. Pyatras and Galina both have shown great strength and courage through their separation, and it is only now that they are able to share and live their lives together in peace.

Mr. Speaker, this is a turning point in the lives of Galina Vileshina and Pyatras Pakenas. Let us not forget other separated families and let us work together to bring happy endings to all those who wish to be reunited in this world.

HOUSE SOON TO CONSIDER PLANT CLOSING BILL

(Mr. CLAY asked and was given permission to address the House for 1 minute.)

Mr. CLAY. Mr. Speaker, in the near future we will consider the plant closing bill, the same legislation this body passed as part of the trade bill. The issue is whether or not we should continue to permit employers to harm individual workers, their families, their communities and the country by denying adequate notice of impending mass layoffs and plant closings in circumstances where the employer knows in advance that such action is coming. The simple answer is that we can neither morally nor economically justify this kind of abuse.

Advance notice of plant closings will save $300 million in unemployment compensation alone. Studies have shown that the provision of notice reduces the duration of unemployment for dislocated workers by 27 percent.

The National Academy of Sciences, the GAO, and the President's own plant closing task force all concluded that advance notice is essential to promoting efficient adjustment programs for dislocated workers.

Eighty-six percent of the American people support this legislation. By providing notice, we provide greater opportunity for individuals to control their own lives. Notice is not simply economically essential but morally imperative.

Workers deserve notice. The country can no longer afford the cost of denying them notice. I urge that this body pass this legislation.

AMERICA CELEBRATES ANOTHER GREAT AUTOMOBILE RACE

(Mr. BUECHNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUECHNER. Mr. Speaker, Americans are noted for looking ahead to the future. We celebrate the newest and the fastest, the boldest, and the brightest—appreciating today only as a prelude to tomorrow. However, every now and then an event occurs that causes us to pause in our headlong flight into tomorrow, and to turn our eyes to yesterday. Such an event is the Great Classic Automobile Race currently being run across our country. Last night just beyond the halfway mark they stopped in my district, in the historic town of St. Charles, MO.

Driving a diverse collection of vintage automotive Americana these contestants in their Hupmoblies, Packards, Willys, Pierce Arrows, Studebakers—and a score of other automobile echoes of past glory, will cover over 4,500 miles using only speedometer, stopwatch, pencil and paper to guide their journey; 123 contestants representing 29 States and 4 nations, left Anaheim, CA, on June 22, and will arrive in Boston on July 3.

Billed as the world's preemient race of precision driving, controlled speed, endurance—demanding the ultimate from drivers and machines—these racers carry more than their own individual hopes and dreams of victory. They carry with them a part of what we were—which in large part—has determined what we are today.

As we continue our exploration into the heavens, as we dream of the glories to be found among the stars, it is altogether fitting that we take time to recognize the contributions of those magnificent machines. Gentlemen, ladies, best of luck on the rest of your journey.

HAPPY BIRTHDAY, OCEANSIDE

(Mr. PACKARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PACKARD. Mr. Speaker, I rise today to congratulate the city of Oceanside, CA, on the occasion of its 100th birthday. From the day it was founded by Andrew "Uncle Jack" Meyers in 1881, to its incorporation on July 3, 1888, to present day, Oceanside has been regarded as one of southern California's most colorful cities. Part of this city's great appeal comes from its exciting past. Located here is the San Luis Rey Mission, built by Father Junipero Serra. With its rich history and grand architecture, this mission has become known as the King of Old Missions.

Oceanside is also the home of Camp Pendleton, the largest Marine base in the United States. Founded in 1942, Camp Pendleton now stations 45,000 marines and has become an invaluable resource to the community and a vital asset to our Nation's security.

Oceanside is truly admired for its picturesque coastline. Each year, thousands of visitors are drawn toward this city to relax on the sandy beaches of the Pacific Ocean. To commemorate this special birthday, the Oceanside Centennial Committee has planned numerous events, ranging from a talent pageant to a heritage dress contest. This 4-day celebration is well deserved by the city of Oceanside. For the past 100 years, Oceanside has brought pride to southern California, and I am confident that this tradition will continue. Happy birthday, Oceanside.

TRIBUTE TO CHARLES WILSON OF TEXAS

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute.)

Mr. RICHARDSON. Mr. Speaker, now that the Soviets are withdrawing from Afghanistan, everyone is trying to take credit for this successful U.S. foreign policy initiative. Was it President Carter with his boycott of the Olympics that deserves the credit. Was it President Reagan and his freedom fighter policy that turned the tide?

Mr. Speaker, I believe that, if you ask the Mujahidin the true unbiased group in this matter they would say that the man that made the most difference was the gentleman from Texas [Mr. Wilson]. Here is an example where a Congressman played a positive role and made a major contribution to U.S. foreign policy. Charlie Wilson took up the Mujahidin struggle when it was not fashionable or well-known. Lord knows how many amendments he passed to provide needed assistance at critical times.

So total was his commitment that the gentleman from Texas [Mr. Wilson] probably was in Afghanistan engaging the enemy. Although this a factious statement, this was Charlie Wilson's cause.

Charlie Wilson made a difference, and a tribute in our foreign policy should go to this man who, as a Member of Congress, made a positive contribution to a successful policy and to a people seeking liberation and self-determination.

STEEL IMPORTS FROM NON-VRA COUNTRIES

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, the American Iron and Steel Institute have supplied some new figures that are a little disturbing; namely, that imports of steel into the United States which do not have voluntary restraint agreements rose substantially in the first quarter of 1988. In fact these 15 principal non-VRA countries accounted for 311,000 tons or 57.2 percent of an overall increase of 544,000 tons or 10.8 percent over the 1987 period.

Mr. Speaker, this is disturbing because our steel industry is only now beginning to operate at a profit; not at a big profit, a small profit, and I think that the members of the steel caucus are as concerned about this as am I, and we will look into it to make certain that once again the steel industry of the United States does not revert to the sad plight it went through for so many years while imports poured into this country from overseas.

DISABILITY BENEFITS FOR VICTIMS OF AIDS-RELATED COMPLEX

(Ms. PELOSI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PELOSI. Mr. Speaker, today I am introducing legislation which would make it easier for people with severe and disabling AIDS-related complex [ARC] to get disability benefits from the Social Security Administration. Companion legislation is being introduced today in the other body. I urge my colleagues to support this effort.

This legislation would require the Secretary of Health and Human Services to develop revised medical criteria for assessing disability claims involving ARC. Currently, decisions are made regarding ARC cases without clear medical criteria. By establishing clear rules for decisionmaking, these cases can be decided more objectively and in a shorter period of time.

The Social Security Administration reports that over 1,400 ARC claims have been denied by disability determination services across the country. Of the cases that have been allowed, many have been decided favorably only on reconsideration or following an administrative law judge hearing. These levels of review add cost to the system and delay payments to those who are severely disabled.

I meet frequently with people with AIDS and people with ARC in my district. Among the most frequent complaints is the difficulty that people with ARC have with the Social Security Administration. A person with ARC can be just as ill and just as disabled as a person with AIDS. This legislation will help assure fairness in the disability determination process for people with ARC. I urge my colleagues to join me in advocating these reforms. I hope they will consider cosponsoring this humane legislation.

REMEMBER THE CREW OF THE "LIBERTY"

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, because all of my adult life I have been a strong supporter of the young, dynamic State of Israel, the survivors of a great tragedy at sea have come to my office and asked for some justice, and the justice is simply that they not be shoved down a dark memory hole and that their country act as though the tragedy had never happened.

Mr. Speaker, I speak of the survivors of the crew of the U.S.S. *Liberty*, the United States intelligence ship that was tragically attacked by aircraft of the State of Israel 21 years ago this month.

Now we have had tragedies where in conflict we have killed our own men in a part of the Mediterranean very close to where the *Liberty* lost 34 of its men and 171 others were injured, some of them terribly, in an attack lasting over 2 hours. There were over 821 rockets and machinegun shells pounded into the *Liberty*. In World War II, the island of Sicily about 3 days after our invasion of Italy, our own antiaircraft guns shot down 23 C-47 cargo transports loaded with paratroopers. Shortly after that our Navy ships machinegunned the survivors, who were crashing next to our ships. These were young, healthy paratroopers ready to go into battle, 23 planeloads of them killed by our own fire, a terrible mistake.

Well, Mr. Speaker, such a mistake was the one that Israel perpetrated on the *Liberty*. But this year when we celebrate 37 lost on the U.S.S. *Stark*, in the Persian Gulf, we cannot forget the 34 lost on the *Liberty* and the 171 that were injured. Israel has apologized, and has paid reparations. But the country must remember that we cannot dismiss this tragedy as does Robert Strange McNamara who says, "I don't remember," or LBJ who said "five men were killed in a 5-minute attack."

Mr. Speaker, remember the crew of the *Liberty*.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1989

Mr. LEHMAN of Florida. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4794) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1989, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Florida [Mr. LEHMAN].

The motion was agreed to.

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IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4794) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1989, and for other purposes with Mr. PANETTA in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Tuesday, June 28, 1988, an amendment offered by the gentleman from Pennsylvania [Mr. WALKER] had been disposed of and the reading of this bill was completed.

AMENDMENT OFFERED BY MR. SHAW

Mr. SHAW. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SHAW: Page 57, after line 25, add the following new section:

SEC. 332. (a) The Secretary of Transportation shall conduct a study to determine the appropriateness of the location of the park and ride facilities described in subsection (b) which are being proposed for construction in the vicinity of Fort Lauderdale, Florida, in connection with the high occupancy vehicle lanes being constructed on a north-south interstate route which connects Miami and Jacksonville, Florida.

(b) The park and ride facilities referred to in subsection (a) of this section are the following:

(1) The park and ride facility in the vicinity of the interchange connecting Cypress Creek Road and I-95.

(2) The park and ride facility in the vicinity of the proposed interchange connecting Congress Avenue and I-95.

(c) The Secretary shall submit a report to Congress on the results of such study not later than 60 days after the date of enactment of this Act.

Mr. SHAW (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SHAW. Mr. Chairman, this is a very similar amendment that I offered yesterday evening right before the close of business.

In recent weeks, the inspector general of the Department of Transportation has been conducting an informal inquiry into the lobbying activities of a former employee involving the selection of several sites for a major park and ride project in south Florida. In light of this investigation, and recognizing the controversy generated over several of these sites, I feel that it would be to the best interest of all those involved if the Secretary of Transportation were to conduct a reevaluation of these sites to evaluate not only their usefulness, but also their location for a park and ride lot. The results of such investigation would allow the Florida Department of Transportation to either proceed with the project, confident that the chosen sites were capable of serving their intended purpose, or else consider alternative sites before the beginning of construction.

Mr. Chairman, there has been a black cloud of suspicion that has been hovering over two of these lots. One is directly in my own district and one is directly to the north in Palm Beach County, FL.

I believe that because of the questions that have been raised as to the improprieties and the question as to the fact that both these locations are owned by one individual that these layers of suspicion would best be removed by an independent examination by the Federal Department of Transportation before the Florida Department of Transportation continues.

This is a federally funded project and I believe that we as a Congress have a great responsibility to see that our dollars are being spent properly and at this time I am asking for an investigation of a project that I have worked long and hard for and feel is very necessary to my area.

Mr. LEHMAN of Florida. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we did not see this amendment in advance and our committee has not had time to review it.

The gentleman is a member of the committee that has argued against rule XXI violations with charts and so forth, as they did last night. This is a similar violation.

I assume that my friend, the gentleman from Florida, voted against the rule yesterday because those violations were protected by the rule. This is exactly the same situation here.

As far as I know, the Public Works Committee chairman opposes this amendment. We have had conversations with a high ranking member of the committee, the distinguished gentleman from California [Mr. MINETA], and I understand he opposes it.

I think this matter well deserves the consideration of the inspector general at DOT and should be handled in that manner.

Therefore, Mr. Chairman, I urge my colleagues to defeat the amendment.

Mr. SHAW. Mr. Chairman, will the gentleman yield to me?

Mr. LEHMAN of Florida. I yield to my friend, the gentleman from Florida.

Mr. SHAW. Mr. Chairman, I think the gentleman in looking at my past voting pattern may have assumed that I voted against the rule, but I must advise my friend that I was absent during the vote yesterday and was unable to either support or oppose the rule.

There is an urgency to this matter and it has been cleared on the minority side, but the gentleman is quite correct, it has not been cleared on the majority side.

The gentleman is also correct in that the amendment has been handed to him of late. As a matter of fact, it was yesterday evening when it was delivered, but I would like to emphasize two points: First, that what we are talking about is doing an investigation of an appropriation that has been made and an authorization that has been made. We are not talking about more money. This is not a pork barrel project. This is simply a study to be sure that everybody is acting honestly and above board.

I would also like to advise the gentleman that the study that I am talking about is going to report back to the Congress and that it would come back to the Public Buildings and Grounds Committee, as well as to the gentleman's committee.

It is unusual for this House to hear from a Member that what he wants to do is investigate the dealings with regard to a project that he supports very much, as I do; but I think in this particular instance this examination is necessary.

Mr. Chairman, I would urge my fellow Members to support this amendment. The reason it is on this bill is because the project is going forward. This Congress will only have this one chance to speak to this particular subject and I feel that it is quite important that we do it before my State DOT continues with the project.

Mr. LEHMAN of Florida. Mr. Chairman, I thank my friend, the gentleman from Florida.

I stand corrected on the gentleman's vote on the rule.

I am sure the matter that the gentleman is going forward with in his amendment is well-intended. We just are not familiar with the details of the situation at this time. I can assure the gentleman from Florida [Mr. SHAW] that our committee will work with the gentleman and the Department of Transportation to pursue this in a correct form and as expeditiously as possible, but I do not consider that an amendment in the House is the proper way to do it at this point.

Again, Mr. Chairman, I urge my colleagues to defeat the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. SHAW].

The question was taken; and on a division—demanded by Mr. SHAW—there were—ayes 8, noes 13.

So the amendment was rejected.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, June 28, 1988, it is now in order to consider three amendments to be offered by the gentleman from Illinois [Mr. DURBIN].

AMENDMENT OFFERED BY MR. DURBIN

Mr. DURBIN. Mr. Chairman, I offer an amendment, designated as Durbin amendment No. 34.

The Clerk read as follows:

> Amendment offered by Mr. DURBIN: Page 4, strike lines 3 through 8.

The CHAIRMAN. Pursuant to the order of the House of Tuesday, June 28, 1988, the gentleman from Illinois [Mr. DURBIN] will be recognized for 20 minutes and a Member opposed will be recognized for 20 minutes.

Does the chairman of the subcommittee, the gentleman from Florida [Mr. LEHMAN] oppose the amendment?

Mr. LEHMAN of Florida. Mr. Chairman, I oppose the amendment.

The CHAIRMAN. The gentleman from Florida [Mr. LEHMAN] will be recognized for 20 minutes in opposition to the amendment.

The Chair recognizes the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Chairman, the amendment I am offering today, in fact the three amendments which I am offering today, would accomplish the following:

It would terminate the essential air service subsidies. It would then transfer the funds presently allocated in the transportation bill for that subsidy to the Airport Improvement Program.

The net impact of the passage of those amendments and that change would be to increase the budget authority under the Airport Improvement Program by $150 million. This $150 million would then be available to airports across the United States, large and small, for modernization, for improvement and for increasing their devices and instruments to increase the level of safety at those airports.

I might say at the outset, Mr. Chairman, that I have not been on a warpath against the Essential Air Service Program during my years of service on the Transportation Subcommittee. In fact, I voted for the reauthorization of the program, but since that vote I have had the opportunity on two different occasions at public hearings to have, first, a gentleman who is the president of a regional airline, and second, a gentleman representing the administration, come and tell us stories about this program which raise serious questions in my mind.

Let me tell you briefly the history of the program. Ten years ago when we decided to deregulate the airline industry, we put in place the Essential Air Service Program and said that we would guarantee to airports which lost air service a Federal subsidy which they would be eligible for to maintain their service. Last year in the reauthorization we changed the bill, but over the past 10 years we have invested some $500 million of Federal funds into subsidies directly to regional and commuter airlines so that they can maintain service to communities across the United States.

Let me tell you what we have received for our $500 million investment. Today there are 104 communities receiving EAS subsidies. As we look at those subsidies, we find some things which I think most Members of Congress would find indefensible. We find empty planes, massive subsidies, and a history of outrageous overcharges.

Let me be specific. Joel Murray, the president of Simmons Airlines, testified before this subcommittee at O'Hare Field in Chicago and told the following story of service in Jackson, MI, and I quote Mr. Murray:

> Essential Air Service in Jackson, Michigan. At the present time Jackson is best known as the home of Michigan State Penitentiary. The community is only an hour away from the Detroit Metropolitan Airport. It receives two daily round trips to Detroit under its current EAS subsidy. Simmons boards approximately one passenger per flight on this route and receives a subsidy, the airline receives a subsidy of $20,000 a month for that. This equates to a payment of close to $200 for each Jackson to Detroit passenger.

Mr. Murray went on to tell the Senate in testimony that the only realistic prospect for increasing traffic at Jackson, MI, would be a major prison break, in which event all the passengers would be traveling one way only.

That is not the only instance.

In Wisconsin, we provide six flights per week to one airport where they average fewer than one passenger per day.

In California, we subsidize service to a community that has fewer than two passengers a day.

We know that the Department of Transportation standard suggests that unless your community can generate 20 enplanements per day, you cannot reach a threshold for air sufficiency.

The second part of this program, besides the empty planes, are the massive subsidies, and let me give you some examples. In Wisconsin, we subsidize air traffic per passenger from one Wisconsin airport at seven times the fare. The fare is $40 for the trip. The Federal Government pays out $280 for every passenger who gets on the plane.

In another Wisconsin community, we pay as taxpayers $500 for each passenger who gets on the airplane in one community.

And the average? One passenger per day.

Let me tell you what the kicker is. This community is 30 miles away from an airport hub, and yet we are paying $500 a day to maintain this service.

In Georgia in a community with fewer than one passenger per day, $357 is the Federal subsidy for each passenger who boards on the airline.

In fact, of all the markets that are subsidized, in one-third of them the Federal subsidy is larger than the fare being paid by the passenger, and in 20 percent the subsidy is more than twice the fare being paid by the passenger.

In Tennessee in one community, the per passenger subsidy is three times the fare.

In the State of Maine, we pay $219 for each passenger, 152 percent of the fare. They average two passengers per day, and the airport is 35 miles away from Portland, ME, a major field where they do not have subsidized air service.

In addition to these problems, we have a history of overcharges. The inspector general from the Department of Transportation has testified that he did audits in 1986 and found on the average that 39 percent of the claims were excessive.

Let me quote Mr. Melchner:

> The problem is on hold in claims. Nobody explains to the airline who is submitting the claim and how to put it together. It puts a pretty heavy policing task on us to make sure that it is right after the claim comes in.

And pay particular note to what he says now:

> The attitude in the industry is claim it and let the auditors knock it out later.

He goes on to tell of an airline that overclaimed by $486,000 when they asked for their subsidy.

Losing essential air service will definitely mean that some communities will lose air service altogether.

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I think it is incumbent on Congress to take on the responsibility of protecting those communities, but let us not take on the responsibility of subsidizing those regional and commuter airlines with massive subsidies which in fact do a disservice to the taxpayers. We know now from the Department of Transportation study that of the communities served, about 24, if we eliminated the subsidy, would probably retain some level of service. Seventy would probably lose service, but half of those are within an hour's drive of another major aiport.

I would suggest to the Members of the House that during the course of this debate that they consider whether this program is worthy of our investment of the precious dollars which we have to allocate under the Transportation appropriation.

Mr. Chairman, I yield 4 minutes to the gentleman from Texas [Mr. DeLay].

Mr. DeLAY. Mr. Chairman, I thank the gentleman from Illinois for yielding.

Mr. Chairman, I congratulate the gentleman for bringing an excellent amendment to this floor, and I must, first, warn the Members in this Chamber, and especially those Members who have tobacco growing States, that this is not a tobacco amendment. Listen to what the gentleman from Illinois is talking about. I also want to call attention to the members of the Grace Caucus. Most of the members of the Grace Caucus sent home press releases to their districts calling for the end of waste, fraud, and abuse.

The essential air service does not have fraud in it, but it certainly has waste and abuse. It is wasting the taxpayers' money at a time when we must set the priorities, making it clear that we are not able to waste this kind of money. We need to spend this money on the basic infrastructure needs of our country.

Just think about it. If we spend $29 million on the so-called EAS Program this year, what will we have to show for it? Nothing. A year from now that money will be spent and gone. A tiny number of people will have been transported at a cost that has proven to be more than it is worth. There will be nothing to show for it.

If we adopt these amendments today, we will have $150 million more worth of airport facilities under construction. This time next year, we will have concrete and buildings, access roads, taxiways, terminal space, and gates under construction that will serve many more people than the EAS Program ever will. This $150 million could be a down payment on a new airport for Denver that will serve as a hub for almost every city in the West.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. DeLAY. Mr. Chairman, I am happy to yield to the gentleman.

Mr. ROBERTS. Mr. Chairman, there are 125,000 people the gentleman is going to disenfranchise who now fly to Denver from 6 communities in my district. Is that a tiny number?

Mr. DeLAY. Mr. Chairman, many of the communities that receive this subsidy are within a 1½-hour drive of a major airport.

Mr. ROBERTS. Mr. Chairman, those are 3 to 4 hours. No.

Mr. DeLAY. Mr. Chairman, reclaiming my time, this $150 million could help ease the horrible congestion in Chicago, New York, Atlanta, and dozens of other major airports that we have all been stuck in at one time or another because of delays.

In my district, we have reliever airports that need FAA grants to allow them to be purchased by local communities to ensure that they are not lost to commercial development. Many other Members have reliever airports with grants pending before the FAA.

This $150 million will make the difference in a lot of those cases.

I do not expect many of those Members who represent towns receiving these subsidies to support this amendment. They have to protect their districts, but the rest of us owe it to the thousands of our constituents who pay for this service and who use this country's aviation system to make sure that this money is well spent on improvements that will last and serve us all for years to come.

I cannot think of a more timely or well-crafted package of amendments, and I urge their adoption.

Mrs. SMITH of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. DeLAY. Mr. Chairman, I am happy to yield to the gentlewoman.

Mrs. SMITH of Nebraska. Mr. Chairman, I want to call to the gentleman's attention that he would disenfranchise the one-half million people who live in my district where all 10 of our airports have to be subsidized and most of those cities are at least 300 miles from a hub airport.

Mr. DeLAY. Mr. Chairman, if the gentlewoman would permit me to say so, we are not disenfranchising anyone. If there is a market, it will be served.

Mr. LEHMAN of Florida. Mr. Chairman, I yield 4 minutes to the gentleman from Arkansas [Mr. Hammerschmidt].

Mr. HAMMERSCHMIDT. Mr. Chairman, the Essential Air Service [EAS] Program was first enacted in 1978 as part of the Airline Deregulation Act. It was designed to protect small communities from the loss of air service following airline deregulation.

Just 6 months ago, after extensive hearings and debate, Congress reauthorized the EAS Program. Support for the reauthorization of this program was overwhelming. The vote was 385 to 14 in favor.

Unfortunately, the amendment before us now would eliminate all funds for the EAS Program during fiscal year 1989. This is a serious mistake. If passed, it will mean that many small communities will lose all their air service.

Right now, there are more than 400 communities in 48 States that benefit from the service guarantees of the Essential Air Service Program.

About 150 communities in 32 States actually need a subsidy to keep their air service. Most of them could be expected to lose that service if this program were not funded.

Some of the arguments made against the EAS Program are totally without foundation and grossly misleading.

It is argued that many small communities enplane very few passengers. But most communities enplaned many more before deregulation.

It is the failure of the existing EAS Program that is responsible for the lower passenger levels now. The improvements made by the new EAS Program should correct that.

It is argued that some small communities are very close to other airports.

But the new EAS law deletes from the program those that are within 45 miles of a hub.

It is argued that the EAS Program provides no economic benefit.

But this runs directly contrary to the testimony of many community leaders at our hearing last year who stated that air service greatly benefited their area.

Furthermore, many small airlines got their start and prospered under the EAS Program thereby providing many new jobs in their service area.

Finally, it is argued that the DOT inspector general testified that the program is wasteful. But the DOT and the IG renounced this testimony in a June 20 letter to Senator Exon.

The sad fact is that this amendment is a subtle attempt by some airlines to get more valuable landing slots at a major hub airport. By denying EAS subsidies, these airlines hope to put a few small carriers out of business and then grab their slots at Chicago O'Hare. I urge my colleagues not to let them abuse the legislative process in this way.

In my view, the amount of money for EAS that is now in this bill—about $29 million—is barely enough to keep the existing program going let alone fund the improvements we envisioned when we reauthorized it.

Mr. Chairman, the small communities and rural areas of this Nation have been the main victims of airline deregulation. Let's not take one more slap at them by eliminating their air service entirely. Let's vote "no" on this amendment.

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. HAMMERSCHMIDT. I yield to the gentleman from Minnesota.

Mr. STANGELAND. Mr. Chairman, I rise in strong opposition to the Durbin amendment.

Mr. Chairman, just last year, Congress reauthorized and revised the Essential Air Service [EAS] Program. This program provides important benefits to small communities and rural areas in Minnesota and across the Nation. The EAS Program ensures that all citizens have access to the national air transportation system.

Some may charge that this program is wasteful. But nothing could be further from the truth.

The amount of money needed to support this program has been steadily decreasing. A few years ago, more than $100 million was needed to support essential air service. Now, less than $30 million is being appropriated.

No doubt, there are some communities whose subsidy per passenger is too high. But this is due to the poor management of the program by the Department of Transportation which has caused passenger traffic to drop dramatically at some communities. The gentleman's amendment is a meat ax approach where a scalpel might be better used. The new EAS Program that Congress recently reauthorized should help to bring passenger traffic back up to prederegulation levels and further reduce subsidy per passenger in the long run. But this can only occur if these improvements are given a chance to work. Therefore, I urge you to vote against this amendment and preserve essential air service at small communities.

I would also like to point out that a provision that I sponsored in the new EAS law will give new communities a chance to participate in the EAS Program. But these communities will have to pick up 25 percent of the cost. This provision will greatly benefit several small communities while having a minimal effect on the overall cost.

Therefore, Mr. Chairman, I once again urge the defeat of this amendment.

Mr. LEHMAN of Florida. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. Mineta].

Mr. MINETA. Mr. Chairman, I strongly oppose the amendment to eliminate funding for the Essential Air Service Program. Less than a year ago, on October 1, 1987, this House voted by an overwhelming 385 to 14 to renew the Essential Air Service Program for 10 years.

The EAS Program was originally adopted in 1978 as part of the Airline Deregulation Act. The program assured small communities which were receiving air service when deregulation was enacted that they would continue to receive at least a minimum level of service, supported by Federal subsidy if necessary. The EAS Program benefits more than 400 communities in the 48 States, and 150 of these communities in 32 States would not have air service without EAS subsidies.

The renewal legislation will improve the cost effectiveness of the EAS Program. One of the problems with the original program was that for many communities, the type of aircraft subsidized was so small that it was unacceptable to passengers. As a result, passenger traffic declined and the subsidy cost per passenger grew. The renewal legislation will require better service which should increase traffic and end up reducing the subsidy cost per passenger.

The renewal legislation requires service with aircraft with at least 15 seats, where a city demonstrates that it has enough traffic to support this size aircraft. The renewal legislation will also improve the cost effectiveness of the program by permitting DOT to end subsidies at communities which are within 45 miles of a hub airport. The renewal legislation also permits DOT to authorize enhanced air service if a community is willing to share in the increased subsidy cost.

Mr. Chairman, the cost of the Essential Air Service Program is quite low. Our estimate was that the cost of the renewed program would not exceed $40 million a year and the appropriations bill we are now considering would appropriate $29 million for the first year of the new program. For this relatively low cost, we have a program which is of great importance to 400 communities which are highly dependent on air service.

I strongly urge defeat of this amendment.

Mr. LEHMAN of Florida. Mr. Chairman, I yield 2 minutes to the gentlewoman from Nebraska [Mrs. Smith].

Mrs. SMITH of Nebraska. Mr. Chairman, I rise in opposition to the amendment offered by Mr. Durbin, which would eliminate funding for the Essential Air Service Program.

Just last year, the Congress reauthorized the Essential Air Service Program for another 10 years.

The provision reauthorizing the program was passed in the House by a vote of 385 to 14, certainly an overwhelming margin and a show of the broad support this program has in the House.

In fact, I note that the sponsor of this amendment was among those who voted for the 10-year reauthorization of the program he seeks to eliminate today.

I would urge all my colleagues who voted for the authorization of essential air service to follow through on their commitment to rural America by voting to fund the program.

Mr. Chairman, the Essential Air Service Program is designed to ensure that smaller cities are provided with a minimum of low-cost air service.

Approximately 150 communities across the country now receive essential air service subsidies.

Ten of these cities are in the Third District of Nebraska—Alliance, Chadron, Columbus, Hastings, Kearney, McCook, Sidney, Grand Island, Scottsbluff, and North Platte.

And the Department of Transportation estimates that most of the communities now receiving essential air service subsidies—approximately 70 percent—would lose their air service without the EAS Program.

I think that would be disastrous for Nebraska, and disastrous for the Nation.

Mr. Chairman, I would dispute the contention of those who claim that EAS subsidies provides no significant economic development benefits.

In my district, for example, small manufacturing communities that are hundreds of miles from a major hub airport are especially dependent on the regularly scheduled commuter air service provided by EAS.

Common sense will tell you that if managers cannot get in and out of communities on a regular basis, some plants will be forced to relocate—and a loss of even 20 or 30 jobs would be disastrous for most communities in my district.

And we all know that businesses consider the availability of air service when considering a move to a new location.

I think I can speak for nearly every community served by EAS—or any regularly scheduled air service, for that matter—when I say that air service is important to economic development.

The sponsor of this amendment says the Essential Air Service Program has "no national benefits."

I disagree.

I believe strongly that essential air service is a good, sound investment in the future viability of rural America.

Now, whether guaranteeing residents of smaller, isolated communities at least a bare minimum of transportation mobility is in the national interest, is a matter of opinion.

But a majority of this House has said "yes" to this program—obviously believing it in the national interest—not only by funding essential air service for the last 10 years, but also by reauthorizing the program for another ten.

Mr. Chairman, the relatively modest amount of funding for EAS guarantees rural and isolated communities a link to the national air transportation system.

And at a time when rural America is trying desperately to diversify by attracting new industry, eliminating air service guarantees would be a devastating blow.

I strongly urge a vote against this amendment, and for the committee bill.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mrs. SMITH of Nebraska. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I thank the gentlewoman from Nebraska for yielding.

Mr. Chairman, I just want to say that I think I will support the Durbin amendment, but I think I should observe here that just about 10 days ago in full committee it was the gentleman from Illinois [Mr. DURBIN] who was the only one in our whole committee opposed to a cap of $250,000 subsidy for bees. I guess it all depends on who is getting the sweetener.

Mr. LIGHTFOOT. Mr. Chairman, will the gentlewoman yield?

Mrs. SMITH of Nebraska. I yield to my good friend, the gentleman from Iowa.

Mr. LIGHTFOOT. Mr. Chairman, I thank the gentlewoman for yielding.

Mr. Chairman, I rise in strong opposition to the Durbin amendment. If we are going to solve the problem, let us free up the $10 billion in the trust fund and send it where it should be sent.

Mr. Chairman, our airport and airway system simply is not ready for the Durbin amendment at this point in time. Deregulation has been very good for both the commercial airline industry and the consumers who have saved an estimated $6 billion annually since deregulation took effect. The Essential Air Service Program is a small investment aimed at ensuring fairness in the system without returning to the dark days of regulation. The widespread support for this concept was demonstrated by the vote of 385 to 14 by this body in favor of extending the Essential Air Service Program last October. That amendment, by the way, was supported by the author of the amendment presently under consideration.

I also want to note my disappointment in the manner in which this issue has been framed as a choice between safety and essential air service. This amendment would delete $29 million for vital commercial air service to communities in rural areas across the Nation. That $29 million is less than one-half of 1 percent of the $10 billion surplus that has accumulated in the aviation trust fund. If safety could be improved by spending more money—for which I believe a good case could be made—then we should direct our efforts toward freeing the $10 billion surplus instead of arguing over a relatively miniscule amount of funds that is serving a legitimate and much needed purpose. If the gentleman has uncovered some minor flaws in the program then perhaps we should consider making some changes. But for now, let's not victimize all rural communities that receive a subsidy because of a few flaws that are perceived in the program, and in that regard I urge my colleagues to vote "no" on the Durbin amendment.

Mr. DURBIN. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. PICKLE].

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Mr. PICKLE. Mr. Chairman, I rise in support of this amendment. I do not wish to involve myself so much in the argument about depriving or changing the essential air service. I support the amendment because it is the nearest thing I have to express my feelings about the need to increase funding for airport construction.

As a member of the Committee on Ways and Means, in conjunction with the Committee on Public Works and Transportation we passed legislation last year that said that the Congress must spend 85 percent of the airport and airways trust fund; they must appropriate up to 85 percent of it. If they do not, we are going to cut that in half.

We have asked the Joint Tax Committee to review appropriation of these funds. They told us just last week that the bill before us only spends 74 percent, not 85 percent. We are falling way short of what we need to do. I have talked to the FAA Administrator and I know they want to do what's necessary to protect public safety. I know this committee intends that. But we are not expending enough funds.

At the rate we are going, based on this bill, we will not render essential air safety for this country.

The trust fund now gets 8 percent on passenger tax, 5 percent on freight, we get funds out of fuel, and from international landings.

We have $12 to $13 billion in the trust fund now and approximately half of that is obligated. In other words we have about $7 billion in there not being used and the OMB sits down there like a big mogul and does not spend the money because they just do not want to put it in appropriations.

Now that is wrong. This Congress clearly said we want those funds to be expended for airport development. We expect it. The American people have a right to expect it.

With this amendment there is a controversy about the small airports and essential air service. I am not involved in that dispute. I am saying to you that the American people are demanding action. We should be appropriating these funds, and if you do not want them cut in half, I am telling you as a member of the Committee on Ways and Means that there is a risk that's exactly what is going to happen.

Within the next 30 days I am going to start hearings on these airport and airway trust fund matters because the funds are not being expended and we expect them to be expended.

Mr. Chairman, I rise in support of Mr. DURBIN's amendment.

I do so because it is the only vehicle I see to express my feelings that there should be additional expenditures for airport development. I do not wish to be involved in the question of essential air service. I have no intention of depriving any portion of the country of air service, but I do view with alarm that the Congress is not doing enough to provide safety in our air system.

We are all aware of the vital need in the United States today for improvement of our airport system. The number of people traveling by air has very nearly overloaded the current capacity of our airports. We need new airports and expanded airports, not for convenience alone, but for the safety of the flying public.

Recent news articles report that there will be recordbreaking air traffic this summer. The expected 5-percent increase in airline passengers will mean 100,000 more passengers and 500 more flights a day. Those of us who fly frequently are feeling the crunch, and it will only get worse as the summer progresses.

Personally, I have discussed the need for new and expanded airports with FAA Administrator T. Alan McArtor. He has informed me that there are many more airport projects planned than the FAA can adequately fund because of budgetary constraints.

During recent meetings with Administrator McArtor and staff, the FAA seems willing to do what is necessary to assure safety, and I commend them for their cooperation. The same intent is evident by this committee and the Public Works Committee.

Currently, many cities are requesting funds from the FAA. Recognizing the need for new airports, cities such as Denver, CO, and my home city, Austin, TX, have made plans to develop new airports. These new facilities are an example of what must be done to unclog our airports.

While I believe that for the most part Congress, and this subcommittee in particular, has tried to address the Nation's need for increased airport development, I believe we must do more.

By passing this amendment, we can increase the obligation ceiling for airport development and planning grants by $150 million. The money in the airport and airway trust fund should be used for the purpose it was intended; airport development. The Congress has clearly expressed that it is our intent and our clear position that we expect more of the airport and airways trust fund to be spent for construction and safety.

Congress has said that unless FAA actually spends an appropriate amount of these funds, the tax for the trust fund will be reduced accordingly. As a member of the Ways and Means Committee, I can tell you that we will reduce the tax if the funds are not used for the purpose for which the tax was imposed.

Less than 6 months ago, the Congress passed a law that says the airport user fees will be reduced by 50 percent if the authorized funds are not appropriated within a given period of time. Now we have the first appropriation bill on this matter and I am afraid that we are clearly not meeting the targets of that law.

The Joint Taxation Committee reviewed, at the request of the Ways and Means Committee, the pending bill and estimates that the Congress is only appropriating approximately 74 percent of the authorized funds. This $150 million extra could only raise that percentage a perceptible amount. The Ways and Means Committee establishes the rate that raises the money.

Today the airport and airway trust funds have both $12 and $13 billion in the fund and approximately less than one-half of that amount has been obligated. That means that we have $6 to $7 billion in the trust fund that is not being expended and this bill overall doesn't do it. We have an 8-percent passenger tax, a 5-percent freight tax, $3 land fee, and 12- to 14-cent fuel tax.

We have set these fees in order to have ample money for aviation safety. If we are only spending 74 percent of the authorized funds, you can be sure that our committee is going to revisit this overall trust fund matter. My subcommittee is going to hold hearings in the next month or two on this vital question.

The American people demand better aviation safety and they are entitled to it. And, I think the public is going to demand it. If we need to improve airport development—and I don't think anybody in the Congress on either side of the aisle would question that—then we must raise our sights and tell the administration and OMB that we expect these funds to be appropriated. The OMB sits down the street like a high mogul pinching pennies from a budgetary standpoint just so the expenditure facts would look small. It is my hope that the Congress will make it clear that we expect these funds to be appropriated.

Airport development is a No. 1 priority for the FAA, the airline industry and airport operators. It should be a No. 1 priority for Congress also.

I urge my colleagues to join with me in voting in favor of this important amendment. I wish it was an amendment that increased airport development—and not a question over essential air services; that is, between rural and urban airports. But, Mr. Chairman, we must do better. Later, I hope we will have a chance to address this question more directly.

Mr. LEHMAN of Florida. Mr. Chairman, I yield 4 minutes to the gentleman from Minnesota [Mr. OBERSTAR].

Mr. OBERSTAR. I thank the chairman for yielding.

Mr. Chairman, essential air service is a key element of a compact that was agreed upon in 1978, deregulation for the major airlines in the major metropolitan areas of the United States and protection for rural areas of the United States so they could continue to participate in the Nation's economic growth.

We knew what would happen with deregulation, that air service to the small cities would dry up while the hubs, the major areas, the airlines were already developing the hub and spoke system, would suck all the—like an astronomical black hole—suck all the profitable air service into the major metropolitan areas. And that is exactly what happened.

Many small towns would not have air service today if we had not included the essential air service provision in that 1978 Deregulation Act.

So I do not want to hear people coming around complaining about this subsidy program.

Second, let us have some facts in this debate. The fact is that this is a declining program. It was intended to be; it is. Three hundred thirty-five cities were first designated in the Essential Air Service Program. There are 103 cities participating now and the number is going down each year as is the amount of subsidy going down each year.

We had an allegation by the author of the amendment that the Federal Government paid $1,130 to subsidize air fare for each passenger at an airport in Wisconsin.

Well, you know, that is the Beloit/Janesville Airport. The nearest airport, 16 miles away, the gentleman alleges, is smaller than the Rock County Airport at Beloit. It has no commuter service. It is in no way an alternative to the Essential Air Service.

Furthermore the Department of Transportation has made arrangements to find a carrier and the fare subsidy has dropped to $185 per passenger and it is going down further.

The highest subsidy in February 1987 was $515 for Manitowoc in Wisconsin. That subsidy today is down to $356.

The next highest was for Clinton, IA. There were six subsidies of $200 or more per passenger and that number continues to go down.

The fact is that without Essential Air Service, just like with deregulation of the railroads in the 1960's when the rails and the U.S. mail service conspired to take the railway post office off the tracks, small towns lost rail services; they lost passenger service, they lost less-than-carload service, they lost their economic viability. We do not want to see the same thing happen with Essential Air Service.

Now, the gentleman is also talking about a commuter airline that says it cannot get slots at O'Hare Airport. Well, in fact at O'Hare, Essential Air Service accounts for only 5 percent of the slots on weekdays at O'Hare. Only 22 out of over 2,000 slots at O'Hare Airport are attributable to Essential Air Service aircraft.

Now that is not an awful lot to ask. In fact, the newly enacted Essential Air Service Program is going to upgrade basic air service; it is going to give communities a voice in designing that service and is going to require cost sharing—in fact it does because it is now law—for upgraded service.

Do not fall for the smoke and mirrors. You are not going to transfer money from Essential Air Service and expect to see airport improvements springing up next year. The spendout rate is too slow.

They will not pour a pound of concrete with the amendment of the gentleman from Illinois.

Mr. KANJORSKI. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Pennsylvania.

Mr. KANJORSKI. I thank the gentleman for yielding.

Mr. Chairman, I appreciate my colleague from Minnesota yielding to me. As much as I admire my colleague from Illinois, and even though I know his intentions are good, I must join my colleague from Minnesota in opposing his amendment.

I want to emphasize right at the beginning that my district does not receive any funds under the Essential Air Service Program and thus the success or failure of this amendment will not directly affect my district. My opposition to the amendment is due strictly to its impact on our national air transportation system. The amendment is based on a flawed set of assumptions about the direction our air transportation system should be heading.

If we pass this amendment, we are sending a very clear message to the American people that we do not care whether or not vast portions of our country have access to air transportation. This amendment tells millions of Americans that if they want to fly to other sections of the country they have to move. What is worse is that it tells businesses not to locate in rural areas of the country because they will not have access to air transportation.

If we look back through history at the factors which helped our Nation develop and become a world power, an extensive and diversified transportation system clearly sticks out. Our comprehensive network of railroads, highways, inland waterways, and air corridors has brought our Nation closer together. It has enabled us to grow and prosper in ways our ancestors never dreamed.

Transportation in the United States is not a luxury. It is a necessity. When we built our Interstate Highway System, we did not pass over certain areas of the country just because they were lightly populated. We made the system serve all regions. We must do the same for air transportation, which is no less essential.

If we look at the two biggest problems with our air transportation system today the solution to them should be obvious. One problem is the vast overcrowding at major metropolitan airports. This leads to travel delays and wastes an enormous amount of travelers' time, and it increases the risk of dangerous accidents. The other major problem is that many rural and suburban areas have no air service whatsoever, or substandard service.

The obvious solution is that we should be encouraging the use of more, small, regional airports to relieve the burden on our larger airports, and to provide additional service to areas that need it. By making greater use of smaller regional airports like the Wilkes-Barre/Scranton Airport in Avoca, PA, we can provide direct air service to communities which do not have it, and we can provide connecting service through airports which are currently underutilized.

In a hub and spoke system, as most major airlines currently use, it is not essential that hubs all be in major metropolitan areas. Why should we be paying millions of dollars for airport expansions in the New York or Philadelphia metropolitan areas, for example, when we can provide the same level of service at a much lower cost by making better use of facilities in Wilkes-Barre, Harrisburg, or Allentown?

When Federal Express chose Memphis as its principal hub, Memphis was not a major airline center. What it did have, which Federal wisely recognized, was the ability to expand its operations in a cost-effective and time-efficient manner. There is no reason why we cannot follow that lead with passenger service at other underutilized airports.

The amendment we are considering today would send us down the wrong path. It would lead to even greater concentration of air transportation services. As a result it would widen the disparity between the have and have-not areas of our Nation. We should reject this amendment today and develop a new air transportation policy which encourages the use of smaller, underutilized airports, and discourages the use of larger, crowded airports.

Mr. OBERSTAR. I urge equity for rural America and defeat of the Durbin amendment.

Mr. DURBIN. Mr. Chairman, may I inquire as to how much time remains?

The CHAIRMAN. The gentleman from Illinois [Mr. DURBIN] has 7 minutes remaining, and the gentleman from Florida [Mr. LEHMAN] has 6½ minutes remaining.

Mr. DURBIN. Mr. Chairman, is it my understanding as well that the chairman of the subcommittee in opposition to the amendment will be entitled to close the debate?

The CHAIRMAN. The gentleman is correct, the chairman will have the right to close debate.

Mr. DURBIN. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. CARR].

Mr. CARR. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the amendment. This is a difficult area. I acknowledge that there are cities in America that probably in all due respect need essential air service. There are many cities that in my judgment do not.

But my good friend from Minnesota happened to pick out an example that I have some personal knowledge about, Rock County Airport. I happen to have been born in Rock County and I happen to have learned to fly at Rock County Airport. It is a nice airport but it does not need essential service in my judgment. It is only 47 miles from a major airport in Wisconsin, only 76 miles from a major hub airport in Milwaukee.

In my own State I used to represent Jackson, MI. That is on the essential air service list. It is a simple hour drive from Jackson to Detroit Metropolitan Airport or it is a simple 45-minute drive to Lansing, MI, which has excellent air service.

I am sure that the gentleman can cite to me examples where those kinds of conveniences do not exist and I would readily agree with him. My point, however, is that we had 10 years of transition here. While the Committee on Public Works and Transportation I think tried to do a good job, essentially what we ended up with was a grandfathering of everyone who had it, and an expansion of this program into some kind of an entitlement. I can well appreciate that Members in this Congress who were opposed to the deregulation of the airlines might want to hang on to some form of holdfast economic regulation. But I think the time is past.

I would support, I think, a more rational system of essential air service in the future.

Mr. LEHMAN of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. I thank the gentleman for yielding.

Mr. Chairman, I think it is important to understand that there are some essential services in our country that are important, important to be universal in scope: transportation, communications for example.

Let us talk then about transportation and talk about how it used to be. In the old days we regulated air service and we regulated air service in a way that said to a carrier—

> We will give you some lucrative long-haul routes, you can make some good money off that. But then you also are required to serve this short-haul route that probably is not going to be profitable.

That was a regulatory scheme that we had to provide universal air service. Then deregulation came along. And some folks said—

> We want to be deregulated in the big markets. We want you to fly out of the big Los Angeles/Chicago markets, anywhere you want to go, any place, any fare.

The promise was that if we deregulated so they could access those markets any way they wanted to access them, they would also be required under the EAS then to establish guarantees for the small communities who would otherwise lose all their air service. That was the problem.

If that promise had not been made, I guarantee deregulation would not have happened. But the promise was made. Deregulation happened and the essential air service to the small communities is working. It used to cost nearly $100 million, now it has decreased by almost 70, 75 percent. It gives guarantees for example in my State to communities like Williston, ND, Devils Lake, ND, Jamestown, ND; no, not 40 miles from the nearest population center but hundreds—a hundred or hundreds in some cases. So this is a very important program. We do not make these promises to small communities and then a few years later say—

> As far as we are concerned you can twist in the wind. If you folks want to fly out of O'Hare, out of LAX, you can get any flight you want any direction you want at any fare you want, but you folks in the small communities, sorry about that. We do not have a universal system that cares about you.

Now that does not make sense to me. The strength of this country is to put in place a universal system in transportation that cares about the small as well as the big and that is what the gentleman from Illinois is trying to undo. I hope we will defeat his amendment and defeat it handily.

Mr. LEHMAN of Florida. Mr. Chairman, I yield 1 minute to the gentleman from Kansas [Mr. GLICKMAN].

Mr. GLICKMAN. Mr. Chairman, I rise in strong opposition to the amendment offered by my colleague, Mr. DURBIN of Illinois, which would eliminate funding for the Essential Air Service Program. While Mr. DURBIN's goals of ensuring needed improvements in our aviation infrastructure are made are laudable and ones that I share, I do not think they should come at the expense of a program that for some provides the only means of air travel.

The Essential Air Service Program was established so that people living in smaller communities and rural areas would be assured of air transportation to larger cities and hub airports. It is no exaggeration to state that people living in towns such as Dodge City, Hutchinson, Hays, Liberal, KS, do and numerous other communities around the country would be left stranded without any air service if the EAS Program is eliminated. It concerns me that with the decreasing amount of train and bus service because of deregulation to some of these areas as well as poor highways that we are freezing out a segment of our population from basic transportation services.

Quite frankly, this vote raises a very basic question: Do you think rural and small town America has a future? I think it does—it must—and this amendment would be a strike against the large stretches of this land which are not urbanized.

I have long been an advocate of moving ahead on much needed improvements in our aviation infrastructure and commend Mr. DURBIN for his concerns, but to take away from some what is their only means of travel is not the way to do it. I urge defeat of this amendment.

Mr. LEHMAN of Florida. Mr. Chairman, I yield 1 minute to the gentleman from Kansas [Mr. ROBERTS].

Mr. ROBERTS. Mr. Chairman, I have got to tell you I am a little steamed about this. Talk about the law of unintended effects, shame on you, shame on you. Mr. DURBIN and Mr. DELAY, based on ideology and speculation, what are you going to do with this amendment is disenfranchise air service in my district, six communities including my hometown.

You are like the cowboy who is shooting flies with a shotgun and I have got to tell you I am more than a little tired of it. One hundred twenty-five thousand people in my district will have no air service. We have heard a great hue and cry here to eliminate the fraud, waste, and abuse. Five hundred thousand people in my district overall will be disenfranchised. And why? For 150 million bucks to improve the airports in Chicago and Houston at the expense of my people? Do a little homework. Eighty-five to ninety percent of those passengers that fly on this plane are business oriented, 24 bucks per passenger.

□ 1130

We are spending less money in total than we were in 1976 and 1978, $30 million, and I resent having only 1 minute to respond to this naked attempt to take away essential air service from my district. Shame on you.

I rise in strong opposition to this attack on rural America's access to essential air service. Not only are we suffering dry weather at a critical time for agriculture, we now must suffer another misguided effort to divert all air passenger service to the Nation's urban areas.

As many Members of this body are well aware, the trend toward deregulation in the past 10 years has eroded transportation, communications, banking and health services in rural communities across this country almost to the point of no return. In 1978 the Airline Deregulation Act went into effect. Since then, major air carriers have been able to abandon air services at will, especially to less profitable rural communities.

The same year the Essential Air Service Program was set in place to ensure that small communities would not lose air service through the transition period of deregulation. Well, deregulation and its long lasting effects still are with us. And if the EAS Program is allowed to expire as this amendment envisions more than 130 rural communities across the Nation in 60 congressional districts will be in jeopardy of losing the remaining air service they currently have.

Not only has the EAS Program assisted many rural communities nationwide, it also has proved cost efficient for taxpayers. Last year more than 50,000 Kansas passengers in nine communities, plus thousands more across the country, were served by airlines participating in the EAS Program at a cost to the Federal Government of about $30 million. That is $40 million less than the same air service cost in 1978.

Mr. Chairman, it amazes me that this attack on our rural air services comes just a few short months after this issue received full study, debate, and approval by the Congress. EAS was authorized for another 10 years at a flat $30 million per year. Again, I remind my colleagues this faces up to our responsibility of holding the line on spending because it is less than we were spending previously and because it does not increase yearly.

For rural communities served under this program, EAS represents their last link to the national transportation system. The last thing we need in this great country is further isolation for rural areas by a misguided, ill timed abandonment of a commitment we made a decade ago and renewed just last year.

I urge in the strongest possible terms a vote to defeat this amendment.

The CHAIRMAN. The Chair will state that the gentleman from Florida [Mr. LEHMAN] has 2½ minutes remaining and the gentleman from Illinois [Mr. DURBIN] has 5 minutes remaining.

Mr. LEHMAN of Florida. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Pennsylvania [Mr. COUGHLIN].

Mr. COUGHLIN. Mr. Chairman, this amendment is being touted as a means of providing increased funding for grants in aid to airports.

Let me just point out that the bill presently provides for a 20-percent increase in the obligation ceiling for grants in aid to airports.

Let me tell the Members what this is about. If we transfer even more money into this grants in aid for airports, we are creating a bow wave out there that is going to kill us in the outyears. I take exception to the statement of my dear friend, the gentleman from Texas, because this increase in grants in aid for airports would create a very small outlay this year, but once we obligate those funds, we would have to provide them year after year and we would cut into every other program we have.

So, Mr. Chairman, I certainly urge the Members to defeat this amendment and the succeeding amendments as well.

Mr. DURBIN. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. DELAY].

Mr. DeLAY. Mr. Chairman, I would just like to say, in response to the outlays argument made by my good friend, the ranking minority member, that the outlays will still be prioritized by the subcommittee, and the BA's will be looked at down the road by the subcommittee which does such a credible job.

Let me say to my good friend, the gentleman from Kansas, that I know he is trying to protect his interests in Kansas, and I want to say that every passenger coming out of his district is subsidized $24 to $58. In other words, if they pay $24 to $58 more per ticket, then they would not even need the essential air service and they could continue to fly.

As far as the reference to Houston is concerned, I am more than willing, as I do, to drive from 45 minutes to 1½ hours, depending on traffic, and I drive over 30 miles to get to a hub airport for air service in Houston, because I live completely away from the airport just like those about which we are speaking.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield on that point?

Mr. DeLAY. I cannot yield because I have less than a minute left.

The CHAIRMAN. The time of the gentleman from Texas [Mr. DELAY] has expired.

Mr. DURBIN. Mr. Chairman, I yield myself 4 minutes, the balance of my time.

Mr. Chairman, the gentleman from Kansas, speaking in opposition to this amendment, suggested that there was a promise made when deregulation took place and that promise included the essential air service subsidy. What the gentleman failed to note was that that promise was a 10-year promise, and the promise was kept for 10 years, and some $500 million later in Federal subsidies we have a record which demonstrates that we have lost half the passengers in the subsidized airports during that 10-year period of time.

The Federal Government kept its word. Deregulation took place. On another day and at another time we may debate the wisdom of that decision, but let me tell the Members that this subsidy at this point is indefensible.

Members have come up to me and said, "Congressman DURBIN, I cannot support your amendment. It would be devastating to my community."

I took a look at their communities. Let me give one example. In one community there are two passengers a day, two airplanes coming in and out, one passenger on each of them, and $167 is being paid by the Federal Government for each passenger who gets on board. And guess what? That passenger is 45 miles away from a hub airport.

As the gentleman from Texas [Mr. DELAY] mentioned, many people living in urban areas drive from 45 minutes to 1½ hours and think nothing of it. To ask that of residents of rural areas, I do not believe, is unreasonable.

Another Member came to me outraged at this amendment to eliminate this subsidy. I looked at that Member's airport. Do you know how much the subsidy is? It is $11 a passenger. It is only $11 dollars. Are we suggesting that that passenger cannot afford $11?

I would ask the Members to take a closer look at this. Let me acknowledge at this point that I know the gentleman from Kansas has very heartfelt emotions about this amendment. The gentleman from Kansas, the gentlewoman from Nebraska, and the gentleman from North Dakota can each make very valid arguments for a continued subsidy, and I would gladly support those if I could.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. DURBIN. I will not yield. I do not have enough time.

Mr. ROBERTS. The gentleman had all the time.

Mr. DURBIN. When we look at the program as a whole, I am afraid at this point we cannot justify the outrageous subsidy charges that are being given to some commuter airlines. The cost of this program, some have said, is going down, but let us take a look at what the administration says. Next year it is to go up from $28 to $40 million, and the changes made in the reauthorization last year cannot help but increase the cost of this program.

Let me also add that the aviation trust fund which will be used for the airport management program enhanced by this amendment is going to be appropriated at a level of $170 million below authorization. We are putting $150 million more into it, and to suggest that money is going to larger airports is just totally unfair. Half the money in the Airport Improvement Program goes to primary airports, and the other half goes to reliever and smaller airports, even in the rural areas. To suggest that they are not helped by that is, I think, unfair and inaccurate.

In fact, let me say that putting the money in airport improvement can help rural areas. It can increase capacity so that there are more gates to serve these areas.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield for just 10 seconds?

Mr. DURBIN. I yield for only 10 seconds to my friend, the gentleman from Kansas.

Mr. ROBERTS. Why are you going to put money into local airports in six towns in my district when we are not going to have any air service?

Mr. DURBIN. The question is whether or not the enhancement of that airport would attract a carrier.

Mr. ROBERTS. We have already done that. We have already enhanced the airports.

Mr. DURBIN. Mr. Chairman, I have yielded to the gentleman, and I have answered his question.

Let me say this: If we take a look at some of the communities in the gentleman's State, the service they are receiving for two planes a day is two passengers. We are paying $58, $150, and $200 for two passengers a day.

Mr. ROBERTS. No; it is $24, and the gentleman knows that.

Mr. DURBIN. Regular order, Mr. Chairman.

The CHAIRMAN. Regular order is requested.

Mr. DURBIN. Let me say also that I have supported amendments for rural America. I represent rural America. I have been there. There is not anyone in rural America who can stand up and defend the indefensible subsidies that are included in the EAS subsidy package. For those of us in rural America to turn our backs on these outrageous overcharges and to suggest that we have to live with those excesses in order to provide service to rural America is, I think, an absolute travesty.

Mr. Chairman, let me suggest to the gentleman that $1,130 for 1 passenger in Wisconsin is an outrage. If any Member of this House turned in a voucher for a 35-mile trip and a $1,130 charge, he would catch blazes back in his district, and he should.

Mr. LEHMAN of Florida. Mr. Chairman, I yield such time as he may consume to my friend, the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Chairman, I thank the gentleman for yielding this time to me, and I rise in opposition to the Durbin amendment.

Mr. Chairman, I rise in strong opposition to the Durbin amendment which would eliminate the $29 million appropriated for the Essential Air Services Program.

There are presently about 41 small air carriers that receive the subsidy payments to serve about 140 small communities around the Nation. In Nebraska, we have 11 communities served by two air carriers which receive subsidies from the Essential Air Service Program. If the subsidy payments were to end as proposed by this amendment, these small communities, like Norfolk, NE, would lose all air service and be cut off from the Nation's air transportation system.

Small communities throughout Nebraska rely heavily on the essential air service subsidy. Since much of Nebraska is sparsely populated, many communities' sole link to the Nation's air transportation system is provided by this subsidy program.

Mr. Speaker, while the overall national experience with airline deregulation has produced benefits, recent bankruptcies and consolidations continue to cause great concern for sparsely populated areas. Certainly small communities have not shared in the benefits of deregulation.

We give much lipservice to the issue of rural development, but when we have a program such as the essential air services that is up and running and is resulting in necessary access and "economic development" by providing an efficient means of transportation—it seems ludicrous to eliminate such a worthwhile and beneficial program.

The Essential Air Services Program should be maintained and I urge my colleagues to vote "no" on the Durbin amendment.

Mr. RAHALL. Mr. Chairman, I rise in strong opposition to the Durbin amendment which would strike the $29.1 million included in this measure for the Essential Air Service Program. The EAS Program is extremely important to the rural communities of this Nation, including many in West Virginia, in that without the assistance provided by the program, many of these areas simply would have no air service.

In my home State of West Virginia, there are five communities whose airports receive EAS assistance. Two of these communities, Beckley and Bluefield, are located in my congressional district and I can personally attest to the vital need for EAS support in these areas. The continuation of air service in southern West Virginia will be in severe jeopardy without the assistance provided by the EAS.

Adequate air service is of critical importance in many ways to small communities throughout this country. As my home State continues to suffer from inordinately high levels of unemployment, we are seeking to broaden our economic base by promoting new businesses in the State. One of the most promising areas of development is our tourism industry, for which these community airports are a critical component to ensure further promotion and expansion. Adequate air service is also an important factor in attracting other businesses which we in West Virginia so desperately need.

For these reasons, I urge my colleagues to reject the amendment before us, which would seriously damage the rural air service in this country.

Mr. AKAKA. Mr. Chairman, I rise in opposition to this amendment that would strike $29.1 million in budget authority provided for the Essential Air Service Program.

The Essential Air Service Program is appropriately named because it does just that—it protects small communities from the loss of air service.

The Essential Air Service Program must continue to ensure that adequate air services are provided.

The Pacific Islands rely heavily on air transportation for their economic, social, and political connections to each other and to the mainland. These island communities cannot depend on other air services to takeover any abrupt disruption in service. Any delay could be devastating to the community, not to mention those needing medical attention.

The Pacific island communities have a unique need for air transportation. They are isolated, they lack good intraisland surface transportation, and their air route to Hawaii is a life line for access to the United States. Additionally, these communities are experiencing problems with cargo and mail service that need to be addressed sometime by the Essential Air Service Program.

Airlines in the Pacific must, by geography and role, assume a greater burden of responsibility to the communities they serve. Therefore, the functions and tasks which must be performed by Pacific carriers are unique in the airline industry. Consumer convenience, mobility and safety are the types of considerations and services which directly impact the consumer.

Last October, the House overwhelmingly voted to reauthorize the Essential Air Service Program for 10 years. Now is not the time to cut funding for this program. Now is not the time for Congress to send a message to rural America and the Pacific islands that we don't care about their transportation needs. If this amendment is passed, we will virtually lock in these communities into isolation and economic devastation.

The CHAIRMAN. The gentleman from Florida [Mr. LEHMAN] is recognized for 1 minute to conclude debate.

Mr. LEHMAN of Florida. Mr. Chairman, I rise in opposition to the amendment.

The Essential Air Service Program, which the gentleman from Illinois would eliminate funding for was authorized less than 1 year ago. At that time, an overwhelming majority of the Members voted to continue the program.

Mr. Chairman, I believe our subcommittee and the full Committee on Appropriations have developed a fair and balanced bill. Under our legislation, the Essential Air Service Program would receive a 2-percent increase, which is consistent with the economic summit agreement. The grants in aid for airports program, on the other hand, would receive an increase of $261,275,000—more than a 20-percent increase over fiscal year 1988. This is one of the largest increases in the bill and is the largest program level ever provided for airport development and planning grants.

Mr. Chairman, I would hope the Members could support the committee bill. It is fair; it is balanced; and its adequate to meet our Federal transportation requirements.

I urge a "no" vote on the amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Illinois [Mr. DURBIN].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. DURBIN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 74, noes 333, not voting 24, as follows:

[Roll No. 208]

AYES—74

Archer
Armey
Aspin
Atkins
Bartlett
Barton
Bates
Beilenson
Berman
Bilirakis
Broomfield
Brown (CO)
Bruce
Buechner
Carper
Carr
Chandler
Clay
Conte
Crane
Dannemeyer
Davis (IL)
DeLay
Donnelly
Dornan (CA)
Dreier
Durbin
Fawell
Fields
Florio
Foglietta
Frank
Frenzel
Gallegly
Garcia
Gradison
Green
Guarini
Hamilton
Hefley
Henry
Hertel
Kleczka
Kostmayer
Lancaster
Lewis (CA)
Lowery (CA)
Lungren
McGrath
Miller (CA)
Moorhead
Morrison (CT)
Mrazek
Neal
Owens (NY)
Pease
Pickle
Porter
Ritter
Russo
Schaefer
Scheuer
Schneider
Schroeder
Schulze
Schumer
Sensenbrenner
Shumway
Smith (TX)
Torricelli
Udall
Walker
Weldon
Wolpe

NOES—333

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
AuCoin
Badham
Baker
Ballenger
Barnard
Bateman
Bennett
Bentley
Bereuter
Bevill
Bilbray
Bliley
Boehlert
Boggs
Boland
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Chapman
Chappell
Clarke
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crockett
Darden
Daub
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dorgan (ND)
Dowdy
Downey
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Foley
Ford (MI)
Frost
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Grandy
Grant
Gray (IL)
Gray (PA)
Gregg
Gunderson
Hall (OH)
Hall (TX)
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (LA)
Hefner
Herger
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kolbe
Kolter
Konnyu
Kyl
LaFalce
Lagomarsino
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McEwen
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Michel
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Morella
Morrison (WA)
Murphy
Murtha
Nagle
Natcher
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Payne
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Sabo
Savage
Sawyer
Saxton
Schuette
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Towns
Traficant
Traxler
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weber
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NOT VOTING—24

Anderson
Biaggi
Bonker
Boulter
Brown (CA)
Cheney

Dixon
Ford (TN)
Hayes (IL)
Johnson (CT)
Jones (TN)
Kemp
Lott
Mack
MacKay
Mica
Myers
Ray
Saiki
Spence
Spratt
St Germain
Stratton
Weiss

☐ 1158

Mrs. MEYERS of Kansas and Messrs. LUJAN, SAVAGE, and MOODY changed their vote from "aye" to "no."

Messrs. SENSENBRENNER, BILIRAKIS, WOLPE, and GUARINI changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Chair's understanding is that the gentleman from Illinois [Mr. DURBIN] will not offer the additional amendments.

Mr. DURBIN. Mr. Chairman, I withdraw the two amendments at the desk.

Mr. LEHMAN of Florida. Mr. Chairman, I move to strike the last word.

Mr. SKAGGS. Mr. Chairman, will the gentleman yield?

Mr. LEHMAN of Florida. I yield to the gentleman from Colorado.

Mr. SKAGGS. Mr. Chairman, I thank the gentleman from Florida for yielding.

Mr. Chairman, I want to express my support for H.R. 4794, the Department of Transportation appropriations bill for the fiscal year beginning October 1, 1988.

H.R. 4794 provides $10.8 billion in new budget obligation authority for the programs in the Department of Transportation and related agencies. Over $5.1 billion will go to the Federal Aviation Administration [FAA], and an additional $1.5 billion from the airport and airways trust fund will be used for airport development and planning grants—providing a total of $6.6 billion for the FAA in fiscal year 1989. This is a much needed increase of $882 million over last year's appropriation.

Of special interest to me is the $1.53 billion for the Airport Improvement Program [AIP], an increase of $260 million over the fiscal year 1988 level. I fully support the highest possible level of AIP funding because FAA improvement programs would add much-needed new runways and services to the Nation's aviation system, saving enormous sums in the costs of air transportation delays and passenger lost time. This funding also will help make the new Denver metropolitan airport a reality.

The new Denver airport is the only major airport start proposed by the FAA for the country in the next decade. It is critical to the entire national air transportation system. By improving airline service through Denver, we will improve service to all parts of the country. When flights coming to or leaving Stapleton International Airport back up, there's a backup at airports all across the land.

Because the Nation's entire aviation system will benefit from a new Denver airport, the Federal Government has a clear and substantial responsibility to help fund this project. Appropriately, then, this bill designates the new Denver airport a priority facility for receipt of funds from the Secretary of Transportation's discretionary account under the AIP portion of the bill.

The cost for the new airport is projected at $1.6 billion and the funds Denver will realize from the current Stapleton land will represent a significant portion of the overall funding package—perhaps as much as $400 million. However, those funds alone will not be sufficient to complete the airport. That's one of the reasons why an increase in AIP funding levels is so important.

It's also important to understand the implications of the Denver airport project for similar new airport construction in the future. If national airway capacity is going to keep pace with demand, we'll need several more new airports around the country in the 20 years. Other communities will look to the Denver experience to see how seriously they can take Federal Government pledges to help them fulfill their role in the national air transportation system. So we can't afford anything but a success in Denver—a success that's been supported in every way possible at the Federal level.

This bill demonstrates that the House is committed to expanding the capacity of our Nation's air transportation system, and I urge my colleagues to support it.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. LEHMAN of Florida. I yield to the gentleman from Oregon.

Mr. AuCOIN. Mr. Chairman, I appreciate the gentleman from Florida yielding.

Mr. Chairman, I want to compliment the committee for the product they brought to the floor, and I urge its passage.

Mr. Chairman, I rise in strong support of H.R. 4794 and to commend the committee, my friends Mr. LEHMAN, and Mr. COUGHLIN for producing another Transportation Appropriations bill that addresses the changing needs and challenges of American transportation.

The problems this year were especially complex, given continuing budget constraints and rapidly skyrocketing demands on the 302(b) allocations. But, despite these problems, we have before us another well-rounded bill and I compliment its authors.

If the administration had its way, mass transit funding for fiscal year 1989 would have been restricted to the Washington, DC Metro system. That's it! No recognition that mass transit provides vital service to millions of people and hundreds of cities and towns across the country. No recognition that mass transit provides approximately 2.5 billion miles of service each year. No recognition that without continued support, mass transit across the United States would face serious problems in the near future.

Overcoming this sort of hostility is indicative of the kind of foresight we have come to expect from this committee. An excellent example of a transit program hard at work is the MAX system in Portland, OR. The MAX system has been supported by this committee and UMTA for a number of years. This year we're investing in MAX in a way that will revitalize the business district of Northeast Portland.

This is only one example of the hard work of Mr. LEHMAN, the staff, and committee have accomplished—but I think it well represents the efforts of insuring the continued growth in the state of Oregon.

Yet while the bill invests in many successful projects, I must call to the attention of my colleagues a serious situation facing the Coast Guard. It is my understanding that the Defense authorizing conferees have decided that because the military will become more actively involved in the role of drug interdiction, the star wars to drug wars transfer, that I initiated and the House approved earlier this year, has been eliminated.

For anyone who is concerned about drug interdiction and the future of the Coast Guard, this development is most disturbing. The best estimates I can get show that this will leave the Coast Guard short $252 million in AC&I and $75.4 million in OE.

I look forward to working with Mr. LEHMAN, Mr. COUGHLIN, and other members of the appropriate authorizing and appropriations committees, and with Commandant Yost, to address the potential of any funding shortfall that will severely hamper the vital mission of the Coast Guard.

Mr. VALENTINE. Mr. Chairman, the Transportation appropriations bill we are considering today contains provisions that are important to the Nation. I would like to call special attention to one part of the bill.

Raleigh-Durham International Airport, which serves increasing numbers of citizens throughout North Carolina and the Nation, was chosen last year to be the site of a demonstration project to test an experimental radar system.

Because, under current Federal regulations, the parallel runways at RDU are too close to allow simultaneous landings and takeoffs when visibility is poor, the experimental radar system, known as a radar guidance system, will help remedy this particular safety problem and help pave the way for improved operations at other airports across the country.

Once the radar guidance system is installed, air traffic controllers will receive readings every half-second on the location of airplanes approaching or taking off from RDU's twin runways. Until the radar system is fully operational, however, RDU's current system of guiding planes during landings will be used in conjunction with the experimental radar system.

Initially, RDU was awarded $5 million to be used in the development and construction of the radar system. Under the original terms of the agreement, however, the project was to be of limited duration. Once testing had been successfully completed, the radar system was to be dismantled and RDU would again have to rely on its present system of guiding planes during landings until such time as the radar system received final approval from the Federal Aviation Administration.

Today, as we consider H.R. 4794, the Transportation appropriations for fiscal year 1989, the House has an opportunity not only to ensure that the experimental radar system at RDU is completed but also that it be made a permanent safety feature at the airport.

Just as important, we have the opportunity to take a step that will eventually lead to safer operations at many airports across the country.

The bill before us today includes funds to complete the system, which is scheduled for testing from early 1989 to early 1990, and to retain and upgrade the equipment on a permanent basis.

In the last few years I have watched RDU emerge as a major air travel center on the east coast. Now, with the completion of the American Airline hub at RDU, the need for the experimental radar system is greater than ever before. This equipment is vital to the successful and safe operation of the hub.

At a time when it is not uncommon to hear Members of Congress and the administration, as well as representatives of the major airlines, speak of the approaching day when there will be gridlock in the skies, safe and dependable air travel must be a top priority. This experimental radar system will not only set higher safety standards, it will also increase the numbers of people who can be served by RDU and, later, other airports. In short, it will improve the quality of service to the flying public.

Mr. MARLENEE. Mr. Chairman, in 1978 when Congress deregulated the airline industry, we made a commitment to communities served by commuter and smaller airline services to ensure continuation of their service through Essential Air Service [EAS].

The Durbin amendment to H.R. 4794 would break that commitment by eliminating the entire EAS Program of approximately $29 million for fiscal year 1989.

Seven Montana communities—Lewistown, Glendive, Miles City, Glasgow, Wolf Point, Havre, and Sidney—are presently served by EAS, which allows these communities to be connected with the outside world. Without EAS, people who live in these communities would have to travel several hours to use our air traffic system.

Big Sky Airlines/Northwest Airlink is vital to rural communities in Montana and should be permitted to continue their outstanding service. Under the Durbin amendment, Big Sky would be hard-pressed to continue their current level of service to these communities.

With an annual budget of approximately $29 million a year, EAS is inexpensive when compared to many Federal programs that support transportation to the urban centers in the Eastern United States. Mr. Chairman, I urge the defeat of the Durbin amendment.

Mr. ROWLAND of Connecticut. Mr. Chairman, I rise today in strong support of the Shumway-Eckart-Schneider amendment to the Department of Transportation fiscal year 1989 appropriations bill. Reopening the nine Coast Guard search and rescue stations is essential to the safety of the many people who use our waterways for commercial enterprise and for enjoyment.

Search and rescue is a major priority of the U.S. Coast Guard. During the past 6 years, 614 lives were saved as a result of actions taken by the nine stations that were closed this year. It is ludicrous to justify losing lives in order to save a mere $4.8 million out of a budget of $3.07 billion. A dollar figure should not be placed on saving lives.

The Shumway-Eckart-Schneider amendment does not appropriate new money. It merely provides for the reopening of the stations by earmarking $4.8 million of the money already included in the bill. It is also important to point out that the bill does not take any money away from the Coast Guard's excellent effort to stop the flow of illegal drugs into the United States. The Coast Guard has a critical role in the war against drugs and the reopening of the nine stations can only assist the battle.

The station on Block Island, RI, is practically in my backyard. Many of my constituents visit the island in the summertime. It is estimated that each year, Coast Guard Station Block Island saves 12 lives and $2.1 million in property loss. The dedicated men and women on Block Island respond to nearly 200 calls for assistance annually.

It is a shame that the stations were closed at all and I encourage my colleagues to support this critical amendment.

Mr. BRENNAN. Mr. Chairman, I rise today in support of H.R. 4794, a bill making appropriations for the Department of Transportation and related agencies for fiscal year 1989. This measure appropriates $10.8 billion for transportation programs, including such important programs as the Coast Guard, the Federal Aviation Administration, Amtrak, urban mass transit, and the Federal Highway Administration.

There are many important programs which are funded through this measure and I would like to take a moment and highlight the funding allocated for the Coast Guard. As a member of the Coast Guard Subcommittee, I am well aware of the funding difficulties the Coast Guard has faced in fiscal year 1988. I have supported and spoken in favor of granting adequate funding to the Coast Guard so that they can carry out their important missions involving drug interdiction, search and rescue, and marine safety. The appalling situation we have witnessed this year with drug interdiction partols reduced 55 percent has sent the wrong signal to drug smugglers. I remain hopeful that the funding contained in this measure for drug interdiction, $492 million, will alleviate the reduction in drug interdiction patrols for fiscal year 1989.

I was particularly pleased to support Representative SHUMWAY'S amendment earmarking $4.8 million to reopen nine Coast Guard search and rescue stations which were closed earlier this year. Included in the nine affected stations, is a station located at Eastport, ME. This station serves an extremely important role in marine safety for many Maine fishermen and pleasure boaters. The adoption of this amendment will assist in the saving of lives, as witnessed by the fact 617 lives were saved by these nine stations in 1987.

Another important provision contained in the Coast Guard budget is finding for repairing eroded piers at the South Portland, ME, Coast Guard station. Having personally observed the deteriorating condition of these piers, the $8.6 million will correct this problem and assist the Coast Guard in their day-to-day missions.

Because of the limited time, I have only focused on the important Coast Guard portions of this bill. However, I also want to emphasize the other programs contained in H.R. 4794 are worthy of our support—such as the FAA, urban mass transit, Amtrak, and the Federal Highway Administration.

I urge my colleagues to join me in a strong show of support by voting "yes" on H.R. 4794.

Mr. HOLLOWAY. Mr. Chairman, I am opposed to H.R. 4794 because of its many pork barrel demonstration projects, its continuation of substances for Amtrak and its overall cost to U.S. taxpayers.

However, I would like to express my support for a provision urging the Department of Transportation to drop its proposed rulemaking to reclassify anhydrous ammonia as a poisonous gas. This reclassification could cost farmers millions of dollars in increased transportation costs and could even jeopardize the availability of this widely used fertilizer. Because of its importance to corn production and its very good safety record, I concur with the Appropriations Committee and with U.S. Secretary of Agriculture Richard Lyng that anhydrous ammonia should not be classified as a poisonous gas.

Mrs. COLLINS. Mr. Chairman, the Speaker's task force on safety has prepared a report which concludes that the level of air safety has been eroding over the past 8 years to the point where there is a public perception that it is becoming increasingly dangerous to fly. In conducting oversight of the Federal Aviation Administration over the last year, the Government Activities and Transportation Subcommittee, which I chair, has closely examined the regulatory performance of the FAA as it relates to air safety and has prodded the agency to make reforms in critical safety areas. The subcommittee has reviewed, for example, the FAA's oversight of airline maintenance practices, regulation of airport security, and management of the air traffic control system. The subcommittee has also reviewed internal management, including the agency's handling of airline inspections and airline safety regulations, and human resource management as it relates to the agency's employment practices.

The problems which were identified in the course of those subcommittee investigations and hearings run the gamit. What is clear, is that the FAA has remained relatively static in a rapidly changing air transportation environment. Both the Air Traffic Control System and the airline inspection functions have been stretched thin by demands of a proliferation of air carriers entering the industry, and the steep rise in the number of flights, causing an inordinate number of delays and heavy traffic congestion.

In 1986, for example, the Nation's airports handled a record 58.9 million takeoffs and landings, an increase of approximately 1 million more operations than in 1985. This problem is, of course, compounded by an understaffed air traffic controller work force due to the 1981 firing of over 11,000 air traffic controllers. I am particularly sensitive to this problem of an overburdened, undermanned air traffic system. Chicago's O'Hare Airport led the Nation last year in delayed flights—experiencing 133,000 hours of aircraft delay. In terms of time lost for passengers, that airport experienced 12.3 million hours of passenger delay. Chicago O'Hare also led the Nation in the number of air traffic controller errors last year and, as of June of this year, has experienced 20 systems errors, more than the total number of errors recorded last year. The safety implications of this trend is readily apparent. As more traffic attempts to use limited space, keeping traffic separated becomes more of a challenge for an understaffed, relatively inexperienced work force.

In view of the obvious urgency to rebuild the air traffic controller work force, particularly at Chicago's O'Hare Airport, I find it particularly disturbing that the FAA has apparently failed to adequately recruit and employ minority and female air traffic controllers. My subcommittee recently held hearings in Chicago to examine allegations of race and sex discrimination within the FAA's air traffic control work force at O'Hare. Several controllers testified about discriminatory treatment against them personally and against other blacks and females. What we learned is that nationwide blacks and women represent less than 4 percent and less than 10 percent, respectively, of all air traffic controllers. At O'Hare the shortage is even more acute. There is only 1 black full performance level controller and only 3 female full performance level controllers out of over 100 controllers. Moreover, there have been only 2 black FPL's at O'Hare ever. The FAA readily acknowledges that there is clearly room for progress in this area and has committed to taking more aggressive and innovative initiatives to improve this situation.

Furthermore, the alleged practice of discrimination may impose safety risks. One controller testified about so-called "airplane games"—a deliberate attempt to cause a controller to have a systems error. Another controller testified about being forced to handle more traffic than she was capable of handling. Derogatory literature, with blatantly racist overtones, has surfaced at the O'Hare control tower in the recent past. Clearly, this cannot be tolerated. There is no room for such practices, particularly in key safety-related occupations.

It is my hope that the FAA will be vigilant in erasing vestiges of such attitudes and behavior and continue to pursue affirmative action within its work force.

The CHAIRMAN. Are there any further amendments to the bill?

The Clerk will read.

The Clerk read as follows:

This Act may be cited as the "Department of Transportation and Related Agencies Appropriations Act, 1989".

Mr. LEHMAN of Florida. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. Foley] having assumed the chair, Mr. Panetta, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4794) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1989, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to, and that the bill, as amended, do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The first amendment printed in House Report 100-723 is considered as having been adopted.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. MILLER of Ohio. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 371, noes 40, not voting 20, as follows:

[Roll No. 209]

AYES—371

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Barnard
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CO)
Bruce
Bryant
Bunning
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crockett
Darden
Daub
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
Dickinson
Dicks
Dingell
DioGuardi
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hiler
Hochbrueckner
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Madigan
Manton
Markey
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCrery
McCurdy
McDade
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Pepper
Perkins
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sharp
Shaw
Shays
Shumway
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Robert (OR)
Snowe
Solarz
Staggers
Stallings
Stangeland
Stark
Stokes
Studds
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weber
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NOES—40

Archer
Armey
Bartlett
Barton
Buechner
Burton
Combest
Crane
Dannemeyer
Davis (IL)
DeWine
Dreier
Fields
Frenzel
Gekas
Gregg
Hertel
Holloway
Jacobs
Kemp
Kyl
Latta
Lightfoot
Lukens, Donald
Lungren
McCandless
McEwen
Moorhead
Nielson
Penny
Petri
Sensenbrenner
Shuster
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Stenholm
Stump
Tauke
Walker

NOT VOTING—20

Anderson
Biaggi
Boulter
Brown (CA)
Cheney
Dixon
Hayes (IL)
Jones (TN)
Mack
MacKay
Marlenee
Mica
Myers
Ray
Saiki
Spence
Spratt
St Germain
Stratton
Weiss

☐ 1222

Mr. CRAIG and Mr. HALL of Texas changed their votes from "no" to "aye."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FEDERAL ENERGY MANAGEMENT IMPROVEMENT ACT

Mr. SHARP. Mr. Speaker, I ask unanimous consent that the Committee on Energy and Commerce be discharged from further consideration of the Senate bill (S. 1382) to amend the National Energy Conservation Policy Act to improve the Federal Energy Management Program and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. Foley). Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1382

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Energy Management Improvement Act".

Sec. 2. (a) Title V, part 3 of the National Energy Conservation Policy Act (42 U.S.C. 8251-8261) is amended to read as follows:

"Part 3—Federal Energy Management

"SEC. 541. FINDINGS.

"The Congress finds that—

"(1) the Federal Government is the largest single energy consumer in the Nation;

"(2) the cost of meeting the Federal Government energy requirement is substantial;

"(3) there are significant opportunities in the Federal Government to conserve and make more efficient use of energy through improved operations and maintenance, the use of new energy efficient technologies, and through the application and the achievement of energy efficient design and construction;

"(4) Federal energy conservation measures can be financed at little or no cost to the Federal Government using private investment capital made available through performance contracts as authorized by title VIII of the National Energy Conservation Policy Act; and

"(5) an increase in Federal Government energy efficiency would benefit the Nation by reducing the cost of government, reducing national dependence on foreign energy resources, and demonstrating the benefits of greater energy efficiency to the Nation.

"SEC. 542. POLICY.

"It is the policy of the United States that the Federal Government has the opportunity and the responsibility, with the participation of industry, to promote the efficient use of energy by the Federal Government.

"SEC. 543. PURPOSE.

"It is the purpose of this part to promote the conservation and the efficient use of energy by the Federal Government.

"SEC. 544. DEFINITIONS.

"For the purposes of this part—

"(1) The term 'agency' has the meaning given it in 5 U.S.C. 551(1).

"(2) The term 'community of Federal buildings' means a collection of Federal buildings' and the energy consuming support systems for those building collections.

"(3) The term 'construction' means construction and substantial retrofitting or renovation.

"(4) The term 'energy conservation measures' means measures that are applied to a Federal building or community of Federal buildings that improve energy efficiency and are life cycle cost effective, and that involve energy conservation, cogeneration systems, renewable energy sources, improvements in operations and maintenance efficiencies, or retrofit activities.

"(5) The term 'energy survey' means a procedure to be used in determining energy and cost savings likely to result from use of appropriate energy related maintenance and operating procedures and modifications, including the purchase and installation of particular energy-related equipment, and use of renewable energy sources.

"(6) The term 'Federal building' means any building, structure, or facility, or part thereof, and including the associated energy consuming support system, which is owned or leased by the United States, and which consumes energy.

"(7) The term 'life cycle cost' means the total costs of owning, operating, and maintaining a building over its useful life, including such costs as fuel, energy, labor, and replacement components, determined on the basis of a systematic evaluation and comparison of alternative building systems; except that in the case of leased buildings, the life cycle cost shall be calculated over the effective remaining term of the lease.

"(8) The term 'renewable energy sources' includes but is not limited to sources such as agriculture and urban waste, geothermal energy, solar energy, and wind energy.

"(9) The term 'cogeneration;' shall have the same definition as in section 3(18)(A) of the Federal Power Act (16 U.S.C. 796(f))

"(10) The term 'performance contracting' means a contract underwhich energy conservation measures are installed at reduced or no cost to the government and subsequent payments are linked to energy savings.

"(11) The term 'Secretary' means the Secretary of Energy.

"SEC. 545. ESTABLISHMENT AND USE OF LIFE CYCLE COST METHODS.

"(a) Establishment of Life Cycle Cost Methods.—The Secretary, in consultation with the Director of the Office of Management and Budget, the Secretary of Defense, the Director of the National Bureau of Standards, and the Administrator of the General Services Administration, shall—

"(1) establish practical and effective present value methods for estimating and comparing life cycle costs for Federal buildings or communities of Federal buildings, using the sum of all capital and operating expenses of such buildings over the expected life of the proposed energy conservation measure or twenty-five years, whichever is shorter, and using average fuel costs and a discount rate as determined by the Secretary; and

"(2) develop and prescribe the procedures to be followed in applying and implementing the methods so established.

"(b) Use of Life Cycle Costs.—*(1)* In the design of new Federal buildings and communities of Federal buildings, and the application of energy conservation measures to existing Federal buildings and communities of Federal buildings, selection of design or conservation alternatives by the Federal Government shall be made using life cycle cost methods and procedures established under subsection (a) of this section.

(2) Use in Leased Buildings.—In leasing buildings for its own use or that of another agency, each agency shall give appropriate preference to buildings which minimize life cycle costs.

"(c) Use in Non-Federal Structures.—The Secretary shall make available to the public information on the use of life cycle cost methods in the construction of buildings, structures, and facilities in all segments of the economy.

"SEC. 546. BUDGET TREATMENT FOR ENERGY CONSERVATION MEASURES.

"Each agency, in support of the President's annual budget request to the Congress, shall specifically set forth and identify funds requested for energy conservation measures under section 549.

"SEC. 547. INCENTIVES FOR AGENCIES.

"Each agency shall establish a program of incentives that uses internal resources to encourage that agency to conserve and make more efficient use of energy. Such a program shall consist of arrangements in which the managers of Federal buildings or communities of Federal buildings of the agency retain a portion of the dollar savings which result from their energy conservation measures. Such dollar savings shall remain available for obligation without further appropriation to undertake additional energy conservation measures.

"SEC. 548. INTERAGENCY ENERGY MANAGEMENT TASK FORCE.

"(a) In order to assist the interagency committee organized under section 656 of the Department of Energy Organization Act (42 U.S.C. 7266) to coordinate the activities of the Federal Government in promoting energy conservation and the efficient use of energy and inform non-Federal entities of the Federal experience in energy conservation, an Interagency Energy Management Task Force, referred to in this section as the 'Task Force', shall be established.

"(b) The Task Force shall be composed of the chief energy managers of agencies represented on the interagency committee organized under section 656 of the Department of Energy Organization Act (42 U.S.C. 7266).

"(c) The Task Force shall meet when the Director requests, but not less often than twice a year, to assess the progress of the various agencies in achieving energy savings; to collect and disseminate to agencies, States, local governments, and the public, information on effective survey techniques, innovative approaches to the efficient use of energy, incentive programs developed under section 547, innovative performance contracting methods, the use of cogeneration and renewable resources, and other information and technologies that would promote the conservation and the efficient use of energy; to coordinate energy surveys conducted by the agencies; to develop options for use in conserving energy; and to report to the committee organized under section 656 of the Department of Energy Organization Act (42 U.S.C. 7266).

"(d) The Task Force shall, from time to time, as may be necessary, review the regulations relating to building temperature settings to determine whether or not changes in such regulations would be appropriate to meet the goals of the Act.

"SEC. 549 ENERGY MANAGEMENT GOALS.

"(a) Energy Performance Goal for Federal Buildings.—Each agency shall apply energy conservation measures to and shall improve the design for the construction of its Federal buildings and communities of Federal buildings so that the energy consumption per gross square foot of its Federal buildings and communities of Federal buildings in use during the fiscal year ending September 30, 1995, is at least 10 per centum less than the energy consumption per gross square foot of its Federal buildings and communities of Federal buildings in use during the fiscal year ending September 30, 1985. Except that a building, and the associated energy consumption and gross square footage, that houses energy intensive activities may, at the discretion of the agency operating that building, be excluded from the requirements of this section. Each agency shall identify and list those buildings designated for exclusion from coverage under this section in its periodic report required in section 550.

"(b) Implementation Steps for Federal Buildings Goal.—To achieve the goal set in subsection (a), each agency shall—

"(1) prepare or update a plan describing how the agency intends to meet the goal including designation of staff and identification of high priority projects;

"(2) perform energy surveys of its Federal buildings and communities of Federal buildings to the extent necessary for implementation of this section;

"(3) using the results of the energy surveys, apply to its Federal buildings and communities of Federal buildings the most life cycle cost-effective energy conservation measures in accordance with the methods and procedures specified in section 545;

"(4) among federally funded measures, give priority to those having the highest savings to investment ratio, and

"(5) among measures accomplished with private investment capital, give priority to those having the highest estimated net benefit to the government; and

"(6) ensure that any operation and maintenance procedures applied are continued.

"(c) Energy Performance Goal for Federal Passenger Automobiles.—(1) Each agency shall apply appropriate procurement, operations, and maintenance policies to its passenger automobile fleet so that the fleet's energy consumption per mile driven during the fiscal year ending September 30, 1995, is at least 10 per centum less than the energy consumption per mile driven during the Fiscal Year ending September 30, 1985.

"(2) For purposes of this subsection the term 'passenger automobile' has the meaning given it in section 501(2) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2001(2)), except that the term does not include automobiles designed to perform combat related missions for the Armed Forces or designed to be used in law enforcement or emergency rescue work.

"SEC. 550. REPORTS.

"Each agency shall periodically furnish the Secretary with complete information on its activities under this part; on its progress in achieving the goals set in section 549; on the incentives, activities, and result of its program conducted under section 547; on obstacles encountered and recommendations to overcome such obstacles; and on its progress in achieving the goals established in the Federal Ten Year Plan required by section 381(a)(2) of the Energy Policy and Conservation Act. The Secretary shall report annually to Congress on all activities under this part on the progress made toward achievement of the objectives of this part.".

Sec. 3. Section 101(b) of the National Energy Conservation Policy Act (the Table of Contents) is amended to read as follows:

"Part 3—Federal Energy Management

"Sec. 541. Findings.
"Sec. 542. Policy.
"Sec. 543. Purpose.
"Sec. 544. Definitions.
"Sec. 545. Establishment and use of life cycle cost methods.
"Sec. 546. Budget treatment for energy conservation measures.
"Sec. 547. Incentives for Agencies.
"Sec. 548. Interagency Energy Management Task Force.
"Sec. 549. Energy Management Goals.
"Sec. 550. Reports.".

Sec. 4. Section 381(c) of the Energy Policy and Conservation Act (42 U.S.C. 6361(c) is amended to read:

"(c) The Secretary shall include in the report required under section 550 of the National Energy Conservation Policy Act the steps taken under subsections (a) and (b) of this section.".

MOTION OFFERED BY MR. SHARP

Mr. SHARP. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Sharp moves to strike all after the enacting clause of the Senate bill, S. 1382, and to insert in lieu thereof the text of H.R. 4065 as passed by the House , as follows:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Energy Management Improvement Act of 1988".

SEC. 2. FEDERAL ENERGY MANAGEMENT IMPROVEMENTS.

(a) In General.—Part 3 of title V of the National Energy Conservation Policy Act (42 U.S.C. 8251-8261) is amended to read as follows:

"Part 3—Federal Energy Management

"SEC. 541. FINDINGS.

"The Congress finds that—

"(1) the Federal Government is the largest single energy consumer in the Nation;

"(2) the cost of meeting the Federal Government's energy requirement is substantial;

"(3) there are significant opportunities in the Federal Government to conserve and make more efficient use of energy through improved operations and maintenance, the use of new energy efficient technologies, and the application and achievement of energy efficient design and construction;

"(4) Federal energy conservation measures can be financed at little or no cost to the Federal Government by using private investment capital made available through contracts authorized by title VIII of this Act; and

"(5) an increase in energy efficiency by the Federal Government would benefit the Nation by reducing the cost of government, reducing national dependence on foreign energy resources, and demonstrating the benefits of greater energy efficiency to the Nation.

"SEC. 542. PURPOSE.

"It is the purpose of this part to promote the conservation and the efficient use of energy by the Federal Government.

"SEC. 543. ENERGY MANAGEMENT GOALS.

"(a) Energy Performance Goal for Federal Buildings.—(1) Subject to paragraph (2), each agency shall apply energy conservation measures to, and shall improve the design for the construction of, its Federal buildings to that the energy consumption per gross square foot of its Federal buildings in use during the fiscal year 1995 is at least 10 percent less than the energy consumption per gross square foot of its Federal buildings in use during the fiscal year 1985.

"(2) An agency may exclude from the requirements of paragraph (1) any building, and the associated energy consumption and gross square footage, in which energy intensive activities are carried out. Each agency shall identify and list in each report made under section 548(a) the buildings designated by it for such exclusion.

"(b) Implementation Steps—To achieve the goal established in subsection (a), each agency shall—

"(1) prepare or update, within 6 months after the date of the enactment of the Federal Energy Management Improvement Act of 1988, a plan describing how the agency intends to meet such goal, including how it will implement this part, designate personnel primarily responsible for achieving such goal, and identify high priority projects;

"(2) perform energy surveys of its Federal buildings to the extent necessary;

"(3) using such surveys, apply energy conservation measures in a manner which will attain the goal established in subsection (a) in the most cost-effective manner practicable; and

"(4) ensure that the operation and maintenance procedures applied under this section are continued.

"SEC. 544. ESTABLISHMENT AND USE OF LIFE CYCLE COST METHODS AND PROCEDURES.

"(a) Establishment of Life Cycle Cost Methods and Procedures.—The Secretary, in consultation with the Director of the Office of Management and Budget, the Secretary of Defense, the Director of the National Bureau of Standards, and the Administrator of the General Services Administration, shall—

"(1) establish practical and effective present value methods for estimating and comparing life cycle costs for Federal buildings, using the sum of all capital and operating expenses associated with the energy system of the building involved over the expected life of such system or during a period of 25 years, whichever is shorter, and using average fuel costs and a discount rate determined by the Secretary; and

"(2) develop and prescribe the procedures to be followed in applying and implementing the methods so established.

"(b) Use of Life Cycle Cost Methods and Procedures.—(1) The design of new Federal buildings, and the application of energy conservation measures to existing Federal buildings, shall be made using life cycle cost methods and procedures established under subsection (a).

"(2) In leasing buildings for its own use or that of another agency, each agency shall give appropriate preference to buildings which minimize life cycle costs.

"(c) USE IN NON-FEDERAL STRUCTURES.—The Secretary shall make available information to the public on the use of life cycle cost methods in the construction of buildings, structures, and facilities in all segments of the economy.

"SEC. 545. BUDGET TREATMENT FOR ENERGY CONSERVATION MEASURES.

"Each agency, in support of the President's annual budget request to the Congress, shall specifically set forth and identify funds requested for energy conservation measures.

"SEC. 546. INCENTIVES FOR AGENCIES.

"(a) IN GENERAL.—Each agency shall establish a program of incentives for conserving, and otherwise making more efficient use of, energy as a result of entering into contracts under title VIII of this Act.

"(b) IMPLEMENTATION.—The head of each agency shall, no later than 120 days after the date of the enactment of the Federal Energy Management Improvement Act of 1988, implement procedures for entering into such contracts and for identifying, verifying, and utilizing, on a fiscal year basis, the cost savings resulting from such contracts.

"(c) USE OF SAVINGS.—The portion of the funds appropriated to an agency for energy expenses for a fiscal year that is equal to the amount of cost savings realized by such agency for such year from contracts entered into under title VIII shall remain available for obligation, without further appropriation, to undertake additional energy conservation measures.

"SEC. 547. INTERAGENCY ENERGY MANAGEMENT TASK FORCE.

"(a) IN GENERAL.—To assist the interagency committee organized under section 656 of the Department of Energy Organization Act (42 U.S.C. 7266) to coordinate the activities of the Federal Government in promoting energy conservation and the efficient use of energy and in informing non-Federal entities of the Federal experience in energy conservation, the Secretary shall establish an Interagency Energy Management Task Force (hereafter in this section referred to as the 'Task Force').

"(b) MEMBERS.—The Task Force shall be composed of the chief energy managers of agencies represented on the interagency committee organized under section 656 of the Department of Energy Organization Act.

"(c) DUTIES.—The Task Force shall meet when the Secretary requests, but not less often than twice a year, to—

"(1) assess the progress of the various agencies in achieving energy savings;

"(2) collect and disseminate information to agencies, States, local governments, and the public on effective survey techniques, innovative approaches to the efficient use of energy, incentive programs developed under section 546, innovative contracting methods developed under title VIII of this Act, the use of cogeneration facilities and renewable resources, and other technologies that promote the conservation and efficient use of energy;

"(3) coordinate energy surveys conducted by the agencies;

"(4) develop options for use in conserving energy;

"(5) report to the committee organized under section 656 of the Department of Energy Organization Act; and

"(6) review, from time to time as may be necessary, the regulations relating to building temperature settings to determine whether changes in such regulations would be appropriate to assist in meeting the goals specified in section 543.

"SEC. 548. REPORTS.

"(a) REPORTS TO THE SECRETARY.—Each agency shall transmit a report to the Secretary, at times specified by the Secretary but at least annually, with complete information on its activities under this part, including information on—

"(1) the agency's progress in achieving the goals established by section 543; and

"(2) the procedures being used by the agency pursuant to section 546(b), the number of contracts entered into by such agency under title VIII of this Act, the energy and cost savings that have resulted from such contracts, the use of such cost savings under section 546(c), and any problem encountered in entering into such contracts and otherwise implementing section 546.

"(b) REPORTS TO CONGRESS.—The Secretary shall report annually, with respect to each fiscal year beginning after the date of the enactment of this subsection, to the Congress—

"(1) on all activities carried out under this part and on the progress made toward achievement of the objectives of this part, including a copy of the list of the exclusions made under section 543(a)(2);

"(2) the number of contracts entered into by all agencies under title VIII of this Act, the difficulties (if any) encountered in attempting to enter into such contracts, and proposed solutions to those difficulties; and

"(3) the extent and nature of interagency exchange of information concerning the conservation and efficient utilization of energy.

"SEC. 549. DEFINITIONS.

"For the purposes of this part—

"(1) the term 'agency' has the meaning given it in section 551(1) of title 5, United States Code;

"(2) the term 'construction' means new construction or substantial rehabilitation of existing structures;

"(3) the term 'cogeneration facilities' has the same meaning given such term in section 3(18)(A) of the Federal Power Act (16 U.S.C. 796(18)(A));

"(4) the term 'energy conservation measures' means measures that are applied to a Federal building that improve energy efficiency and are life cycle cost effective and that involve energy conservation, cogeneration facilities, renewable energy sources, improvements in operations and maintenance efficiencies, or retrofit activities;

"(5) the term 'energy survey' means a procedure used to determine energy and cost savings likely to result from the use of appropriate energy related maintenance and operating procedures and modifications, including the purchase and installation of particular energy-related equipment and the use of renewable energy sources;

"(6) the term 'Federal building' means any building, structure, or facility, or part thereof, including the associated energy consuming support systems, which is constructed, renovated, leased, or purchased in whole or in part for use by the Federal Government and which consumes energy; such term also means a collection of such buildings, structures, or facilities and the energy consuming support systems for such collection;

"(7) the term 'life cycle cost' means the total costs of owning, operating, and maintaining a building over its useful life (including such costs as fuel, energy, labor, and replacement components) determined on the basis of a systematic evaluation and comparison of alternative building systems, except that in the case of leased buildings, the life cycle cost shall be calculated over the effective remaining term of the lease;

"(8) the term 'renewable energy sources' includes, but is not limited to, sources such as agriculture and urban waste, geothermal energy, solar energy, and wind energy; and

"(9) the term 'Secretary' means the Secretary of Energy.".

(b) CONFORMING AMENDMENT.—Section 381(c) of the Energy Policy and Conservation Act (42 U.S.C. 6361(c)) is amended to read as follows:

"(c) The Secretary shall include in the report required under section 548(b) of the National Energy Conservation Policy Act the steps taken under subsections (a) and (b) of this section.".

(c) TECHNICAL AMENDMENT.—Part 3 of title V of the table of contents of the National Energy Conservation Policy Act is amended to read as follows:

"PART 3—FEDERAL ENERGY MANAGEMENT

"Sec. 541. Findings.
"Sec. 542. Purpose.
"Sec. 543. Energy management goals.
"Sec. 544. Establishment and use of life cycle cost methods and procedures.
"Sec. 545. Budget treatment for energy conservation measures.
"Sec. 546. Incentives for agencies.
"Sec. 547. Interagency Energy Management Task Force.
"Sec. 548. Reports.
"Sec. 549. Definitions.".

SEC. 3. SURVEY OF ENERGY SAVING POTENTIAL.

(a) IN GENERAL.—The Secretary of Energy shall, using funds appropriated to carry out this section, carry out an energy survey, as defined in section 549(5) of the National Energy Conservation Policy Act, for the purposes of—

(1) determining the maximum potential cost effective energy savings that may be achieved in a representative sample of buildings owned or leased by the Federal Government in different areas of the country; and

(2) making recommendations for cost effective energy efficiency and renewable energy improvements in those buildings and in other similar Federal buildings.

(b) IMPLEMENTATION.—(1) The Secretary shall transmit to the Congress, within 180 days after the date on which funds are appropriated to carry out this section, a plan for implementing this section.

(2) The Secretary shall designate buildings to be surveyed in the project so as to obtain a sample of buildings of the types and in the climates that is representative of the buildings owned or leased by Federal agencies in the United States that consume the major portion of the energy consumed in Federal buildings.

(3) For purposes of this section, an improvement shall be considered cost effective if the cost of the energy saved or displaced by the improvement exceeds the cost of the improvement over the remaining life of a Federal building or the remaining term of a lease of a building leased by the Federal government as determined by the life cycle costing methodology developed under section 544 of the National Energy Conservation Policy Act.

(c) PERSONNEL.—(1) In carrying out this section, the Secretary shall utilize personnel who are—

(A) employees of the Department of Energy; or

(B) selected by the agencies utilizing the buildings which are being surveyed under this section.

(2) Such personnel shall be detailed for the purpose of carrying out this section without any reduction of salary or benefits.

(d) Report.—As soon as practicable after the completion of the project carried out under this section, the Secretary shall transmit a report of the findings and conclusions of the project to the Congress and to the agencies who own the buildings involved in such project.

(e) Authorization of Appropriations.—There is authorized to be appropriated $250,000 to carry out this section.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "A bill to amend the National Energy Conservation Policy Act with respect to the energy policy of the United States."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 4065) was laid on the table.

EXTENDING EXPIRATION DATE OF TITLE II OF THE ENERGY POLICY AND CONSERVATION ACT

Mr. SHARP. Mr. Speaker, I ask unanimous consent that the Committee on Energy and Commerce be discharged from further consideration of the Senate bill (S. 2203) to extend the expiration data of title II of the Energy Policy and Conservation Act, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2203

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That section 281, (42 U.S.C. 6285) of the Energy Policy and Conservation Act is amended by striking "1988" both places it appears and inserting "1990" in its place.

MOTION OFFERED BY MR. SHARP

Mr. SHARP. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Sharp moves to strike all after the enacting clause of the Senate bill, S. 2203, and to insert in lieu thereof the text of H.R. 4604 as passed by the House, as follows:

That section 281 of the Energy Policy and Conservation Act (42 U.S.C. 6285) is amended by striking "1988" both places it appears and inserting in lieu thereof "1990".

SEC. 2. STUDY AND REPORT ON ENERGY POLICY COOPERATION BETWEEN UNITED STATES AND THE OTHER WESTERN HEMISPHERE COUNTRIES.

(a) Study.—The Secretary of Energy, in consultation with the Secretary of State and the Secretary of Commerce, shall conduct a study to determine how best to enhance cooperation between the United States and the other countries of the Western Hemisphere with respect to energy policy including stable supplies of, and stable prices for, energy.

(b) Report.—On completion of the study described in subsection (a), the Secretary of Energy shall—

(1) report the results of such study to the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate;

(2) propose a comprehensive international energy policy for the United States designed to enhance cooperation between the United States and the other countries of the Western Hemisphere; and

(3) recommend such action as the Secretary deems necessary to establish and implement such policy.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 4604) was laid on the table.

WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 4867, DEPARTMENT OF INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 1989

Mr. BEILENSON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 485, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 485

Resolved, That during the consideration of the bill (H.R. 4867) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1989, and for other purposes, all points of order against the following provisions of the bill for failure to comply with the provisions of clause 2 of rule XXI are hereby waived: beginning on page 2, line 3 through page 3, line 10; beginning on page 4, line 18 through page 6, line 18; beginning on page 8, line 12 through page 9, line 22; beginning on page 11, line 12 through "compensation:" on page 12, line 12; beginning on page 12, lines 18 through 20; beginning on page 14, line 21 through page 15, line 3; beginning on page 15, lines 8 through 13; beginning on page 43, line 1 through page 44, line 15; beginning on page 45, lines 1 through 17; beginning on page 52, lines 8 through 13; beginning on page 54, line 14 through page 57, line 12; beginning on page 57, lines 24 through 26; beginning on page 60, line 19 through page 63, line 2; beginning on page 66, line 18 through page 67, line 10; beginning on page 83, lines 17 through 20; beginning on page 84, lines 1 through 11; and beginning on page 84, line 20 through page 85, line 5. In any case where this resolution waives points of order against only a portion of a paragraph, a point of order against any other provision in such paragraph may be made only against such provision and not against the entire paragraph. It shall be in order to consider the amendments printed in the report of the Committee on Rules accompanying this resolution, if offered by Representative Jones of North Carolina, or his designee, said amendments may be offered en bloc, shall be debatable for not to exceed one hour, equally divided and controlled by the proponent and a member opposed thereto, and shall not be subject to amendment. Said amendments on bloc may not be subject to a demand for a division of the question in the House or in the Committee of the Whole. It shall be in order to consider the amendment printed in the report of the Committee on Rules, if offered by Representative Yates of Illinois, or his designee, and all points of order against said amendment for failure to comply with provisions of clause 7 of rule XVI and with clause 2 of rule XXI are hereby waived. Said amendment shall be debatable for not to exceed one hour, to be equally divided and controlled by the proponent and a member opposed thereto, and shall not be subject to amendment. It shall be in order to consider the amendment printed in the report of the Committee on Rules, if offered by Representative Quillen of Tennessee, or his designee, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI are hereby waived. Said amendment shall be debatable for not to exceed one hour, equally divided and controlled by the proponent and a member opposed thereto, and shall not be subject to amendment. It shall be in order to consider the amendment printed in the report of the Committee on Rules, if offered by Representative Walker of Pennsylvania, and all points of order against said amendment for failure to comply with the provisions of clause 2(c) of rule XXI are hereby waived, if the motion to rise and report under clause 2(d) of rule XXI is rejected or not offered.

The SPEAKER pro tempore. The gentleman from California [Mr. Bielenson] is recognized for 1 hour.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. Quillen], and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 485 is the rule providing for consideration of H.R. 4867, making appropriations for the Department of Interior and related agencies for fiscal year 1989. The rule waives clause 2 of rule XXI, which prohibits unauthorized appropriations or legislative provisions in appropriations bills, against specified provisions of the bill listed in the rule. Where points of order are waived against only a portion of a paragraph, a point of order against any other provision in the paragraph may be made only against that particular provision and not against the entire paragraph.

The rule also makes specific provisions for amendments to be offered by Representative Jones of North Carolina, Representative Yates, Representative Quillen, and Representative Walker; and those provisions are as follows:

First, the rules makes in order the amendments printed in the report accompanying this resolution if offered by Representative JONES of North Carolina or his designee. The Jones amendments would add $4 million to the Refugee Revenue Sharing Act, and subtract the equivalent amount from land acquisition funds.

These amendments may be offered en bloc, and are debatable for 1 hour. The amendments are not subject to amendments, nor are the amendments, if offered en bloc, subject to a division of the question in the House or in the Committee of the Whole.

Second, the rule makes in order an amendment printed in the report accompanying this resolution if offered by Representative YATES or his designee. The Yates amendment would retain a process for providing recognition to films to that are historically, culturally, and esthetically significant. But it would not make it illegal to show a colorized or otherwise materially altered film without making certain disclosures, as provided under the bill as originally reported by the Appropriations Committee.

The rule waives clause 7 of rule XVI, which prohibits nongermane amendments, and it also waives clause 2 of rule XXI, against the Yates amendment. The rule provides that the amendment is not subject to amendment, and provides for 1 hour of debate on it.

The film provision was a matter of great controversy in the Rules Committee's deliberations on this rule. The language as reported by the Appropriations Committee, was strongly opposed by senior members of the Judiciary Committee who were concerned that the proposed National Film Commission would have the authority to amend U.S. copyright law. The Rules Committee did not protect the Appropriations Committee's original language from points of order but, instead, permitted the offering of an amendment which would provide formal recognition to the most significant American films without raising the copyright issues that the original measure raised. The members of the Rules Committee believe that this is a fair solution, and we commend the members of the Appropriations Committee and the Judiciary Committee who put forth a great deal of effort to accommodate each other on this complex and controversial issue.

Third, the rule makes in order an amendment printed in this report accompanying this resolution if offered by Representative QUILLEN or his designee. The Quillen amendment would prohibit funds from being used to implement proposed rules dealing with the reimbursement of the Government's costs incurred in reviews of surface coal mining and reclamation operations.

The rule waives clause 2 of rule XXI against the Quillen amendment. It provides that the amendment is not subject to amendment, and it provides for 1 hour of debate on the amendment.

Finally, the rule makes in order an amendment printed in the report accompanying this resolution it offered by Representative WALKER. The Walker amendment would prohibit funds from being expended in any workplace that is not free of the illegal use and possession of drugs.

The rule waives clause 2(c) of rule XXI, which prohibits consideration of amendments to appropriations bills which change existing law, against the Walker amendment, if the motion to rise and report under clause 2(d) of rule XXI is rejected or not offered.

Mr. Speaker, H.R. 4867, the bill for which the Rules Committee has recommended this rule, would appropriate $9.7 billion in fiscal year 1989 for the Department of the Interior (except for the Bureau of Reclamation), and for a number of related agencies including the National Forest Service, the fossil fuels and conservation programs under the Department of Energy, Indian education and health programs, the Smithsonian Institution, and the National Foundation on the Arts and Humanities. This bill funds the critically important programs we have to manage our Nation's great natural resources, and to preserve and protect our national heritage. I urge the adoption of House Resolution 485 so that we can proceed with the consideration of this important bill.

□ 1230

Mr. KASTENMEIER. Mr. Speaker, will the gentleman from California yield?

Mr. BEILENSON. I am pleased to yield to my friend, the gentleman from Wisconsin.

Mr. KASTENMEIER. Mr. Speaker, I have a question for the gentleman from California with reference to the creation of a national film commission. The language in the text of the bill that we have on page 77 to 82 deals with that subject. However, it is my understanding that the gentleman from Illinois [Mr. YATES] will offer an amendment at page 15 in the bill which proposes a different forumlation of a national film commission. But if I understand the gentleman from California correctly, if the Yates amendment is adopted as offered by the gentleman from Illinois there would be two competing sections dealing with the same subject.

Therefore, is it anticipated by the gentleman from California that a point of order shall lie against the former section; that is, that section on page 73 on?

Mr. BEILENSON. The gentleman is correct. It is anticipated that such a point of order will be brought forward, that it will lie, that it will be accepted without any problem whatsoever.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. BEILENSON. I am happy to yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, it was my understanding that the gentleman from Wisconsin [Mr. KASTENMEIER] was ready to offer that point of order. I will tell the gentleman that if he does not do it, I am prepared to do it and make a point of order against that section.

Mr. BEILENSON. Against the original language?

Mr. YATES. Against the original language.

Mr. BEILENSON. I thank the gentleman from Illinois.

Mr. KASTENMEIER. If the gentleman from California will yield further, of course the report and the text of the bill reflects only the former amendment, and I am wondering whether the language that the gentleman from Illinois will offer as a substitute is available to the House?

Mr. BEILENSON. It certainly is. It is printed in the committee report of the Committee on Rules, I will tell the gentleman from Wisconsin, and we have it available for the gentleman right here. We will hand it to him in a moment.

Mr. KASTENMEIER. I thank the gentleman.

Mr. BEILENSON. Mr. Speaker, I reserve the balance of my time.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, today is a red letter day. Today we are beginning consideration of the last of the 13 general appropriations bills. And unless some unforeseen problem arises, this bill along with all the others will be on its way to the Senate before the fourth of July break begins. Compared to our record in recent years, Mr. Speaker, this is a remarkable achievement. If the Senate is able to move these bills as promptly as the House, there is a good chance of avoiding the sort of omnibus continuing resolution that has caused so many problems in the past.

Mr. Speaker, I would like to commend the members of the Appropriations Committee for their good work in moving these bills on schedule.

I would also like to commend the chairmen of this Appropriations subcommittee, the gentleman from Illinois [Mr. YATES], and the ranking Republican Member, the gentleman from Ohio [Mr. REGULA]. They have had to work out solutions to some very difficult problems in order to move their bill to the floor. Up until recently it looked as if we were in for a battle over the colorization of black and white movies. However, with cooperation of key Members on both sides of the issue a compromise has been worked out, which will be offered by the gentleman from Illinois [Mr. YATES].

Mr. Speaker, there is nothing in this rule which restricts the normal open amending process for general appropriations bills. This rule establishes a fair procedure for the consideration of the Department of the Interior and related agencies appropriations bill for 1989. I support the rule and the bill it makes in order.

Mr. Speaker, I have an amendment which I propose to offer at the conclusion of the amendment process on the bill with an hour of general debate. The amendment corrects an error, in my opinion, in the fee charges to the coal industry in those States where the Office of Surface Mining administers the program on its own. I will explain this amendment when it is presented on the floor, but the proposed Office of Surface Mining rule discriminates against Tennessee and against the State of Washington and the mine operators on Indian lands. This rulemaking process and the additional fees should not go into effect, Mr. Speaker, and I will offer the amendment at the appropriate time.

Mr. Speaker, I have no requests for time, and I reserve the balance of my time.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 7 minutes to the gentleman from California [Mr. EDWARDS], the distinguished chairman of the Subcommittee on Civil and Constitutional Rights.

Mr. EDWARDS of California. Mr. Speaker, I thank the gentleman from California for yielding time to me.

Mr. Speaker, I rise to speak on a very narrow point about the bill, but one which is of great importance, I believe, which is that the rule protects a provision, establishing a national film commission to pass on the merits or value of a film. This is an unprecedented and unwarranted extension of Federal power over privately produced works of art. I emphasize that, Mr. Speaker. We should not have an agency or a commission of the Federal Government judging private works of art, films. We certainly would not want them to do it for books or anything else.

This provision creates a commission that will be a new arm of the Federal Government, paid for by the Federal Government, that will judge films and rate them as classics or nonclassics, granting and denying certain protections accordingly.

This is content-based Government regulation of speech. In simple terms, Mr. Speaker, it smacks of censorship.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, would the gentleman tell me how he distinguishes between what is proposed to be done in this bill; namely, to have not a committee of Government people but of lay people who will be in the nature of a peer panel review, and the process such as we have in connection with selections for grants in the National Endowment for the Arts and the National Endowment for the Humanities and the National Science Foundation? The point I am trying to make is I think this is not the first time we have done it. We have done it since we have engaged in the Historic Preservation Program. We have the States of the country designating the buildings that should be designated as historic landmarks and to be registered in the national program. They do not do it for all buildings. They select what they consider to be the outstanding buildings in the country that deserve the designation of national treasures. They are called national landmarks.

This bill proposes an extension of that same kind of critical judgment. As a matter of fact, it is done by people who are not connected with the Government, by the heads of various private organizations, whereas in the case of historic landmarks it is done by Government agencies.

I think this really redounds against the kind of argument the gentleman from California is making. As a matter of fact, we do designate in all kinds of programs what our national treasures should be. We have selected Martin Luther King's home, for example. We have selected Faneuil Hall, the Old State House, which is a national shrine deserving of particular protection.

These are the kinds of treasures we want to protect and preserve into the future. There are landmarks that are not selected. I suppose this is in the nature of a censorship by the gentleman's definition. But the fact remains that we are now engaged in this program of defining what kinds of lands, what kinds of buildings deserve national recognition, recognition as national, distinctive treasures.

We have that program going, which is an extension of the same program. I do not see it as censorship, but I respect the gentleman's point of view.

Mr. EDWARDS of California. Mr. Speaker, I certainly respect the viewpoint of the gentleman from Illinois [Mr. YATES] and have been a friend and admirer of his for more than a quarter of a century. But I would like to respectfully point out that when he talks about designations of historical monuments that we are not talking about works of art, we are not talking about thoughts, we are not talking about books, we are not talking about films, which are protected by the first amendment, while buildings are not. We are in an entirely different game where these are private works of art judged by people being paid for by the Federal Government, traveling with Federal funds, and to some extent making their living off the Federal Government.

Mr. YATES. Mr. Speaker, if the gentleman will yield further, the architectural works of Frank Lloyd Wright, for example, are selected for national distinction not so much because of their historic values; rather, it is because of their artistic values, and that calls for a judgment by a group of people.

☐ 1245

Mr. EDWARDS of California. Mr. Speaker, I think most people can tell the difference between houses and buildings, and books and movies. But the last point I would like to make is that the designation by the National Foundation for the Arts, the granting of Federal funds for worthy artists and authors and so forth, there you are using Federal funds. The key to the problem here is that these are private works of art, private films and you have a Federal agency judging them and allocating benefits accordingly.

I thank the gentleman for yielding.

Mr. FISH. Mr. Speaker, I rise to make a record objecting that this rule would make in order an amendment that would create a National Film Commission to designate certain films as part of a national film registry.

Clearly this amendment represents legislation on an appropriations bill and should not be in order. Moreover, the amendment has not had the benefit of public hearings or debate. This is especially troubling given the complexity of the issues raised by this amendment.

There are copyright implications in the amendment. "Material alteration" is an aspect of moral rights and within the jurisdiction of the copyright and trademark responsibilities of the Judiciary Committee.

I had the opportunity to sit with the House Judiciary Copyright Subcommittee for the 2 days of hearings it held in Geneva on U.S. adherence to the Berne Convention. During the hearings we heard testimony from witnesses of 11 different countries that are all members of Berne. It quickly became clear from their testimony that the issue of moral rights is an extremely complex and controversial one. Each country had varying moral rights laws ranging from strict to very modest and some were reevaluating the effects of their laws. Accordingly, for purposes of U.S adherence to the Berne Convention we made the decision to leave the law with regards to moral rights where it is today and continue to allow it to evolve.

During the House of Representatives consideration of the Berne legislation several members of the Judiciary Committee discussed the need legislatively to address the U.S. moral rights responsibilities outside the context of Berne adherence, particularly with respect to the film industry.

Accordingly, the gentleman from Wisconsin, BOB KASTENMEIER, and the gentleman from California, CARLOS MOORHEAD, the chairman and ranking Republican on the Copyright Subcommittee requested that the Register of Copyrights and the Commissioner of Patents and Trademarks prepare studies of the relevant provisions of the Copyright Act and the Lanham Act as they relate to the use of colorization, panning and scanning, and time compression of preexisting motion pictures. The Copyright Office published a notice in the Federal Register requesting information relevant to this study on May 25, 1988, and a hearing will be held at the Copyright Office on September 8, 1988.

Last week when the copyright subcommittee held a hearing on Congressman GEPHARDT's Film Integrity Act the Register of Copyrights, Ralph Oman testified that:

> The Copyright Office supports the Subcommittee's intention of revisiting the important issue of moral rights after the United States has joined the Berne Union. The Office cannot support any one approach to moral rights legislation concerning the alteration of motion pictures until after the completion of our study on that topic.

I agree with Mr. Oman that before legislating in this area the United States should adhere to Berne and we should await the relevant studies on these issues that have been requested.

Finally, the administration in its letter to the Appropriations Committee on June 15 stated that:

> The bill includes authorizing language for a new agency, the National Film Commission, and provides $500,000 for it to create a National Film Registry, label films as to their cultural and aesthetic merit, and require certain disclosures * * * no hearings have been held on this agency, there is no compelling need for it, and the resources are clearly only a small beginning for what could become a massive and intrusive new federal regulatory authority.

Clearly Mr. Speaker, this issue raises serious policy questions about copyright issues which are clearly within the jurisdiction of the Judiciary Committee. Before we proceed on a proposal of this nature we should have an adequate record on which to base our decision. We do not have that in this case. I have heard nothing which justifies the haste in adopting this particular response to a complex issue.

Mr. BEILENSON. Mr. Speaker, we have heard some of the arguments presented as well to the Rules Committee and we have heard arguments on the amendment and the bill itself. We think it is a good rule.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. FOLEY). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SUNDQUIST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 342, nays 57, not voting 32, as follows:

[Roll No. 210]

YEAS—342

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Armey
Atkins
AuCoin
Baker
Ballenger
Barnard
Bateman
Bates
Beilenson
Bennett
Bereuter
Berman
Bevill
Bilbray
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Bruce
Bryant
Buechner
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Clarke
Clay
Clement
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Courter
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
Dicks
Dingell
DioGuardi
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hatcher
Hawkins
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Inhofe
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Madigan
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCrery
McCurdy
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schuette
Schulze
Schumer
Sharp
Shays
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Studds
Sundquist
Sweeney
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Walker
Watkins
Waxman
Weber
Weldon
Wheat
Whitten
Williams
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—57

Archer
Badham
Bartlett
Barton
Bentley
Bilirakis
Bliley
Brown (CO)
Bunning
Burton
Callahan
Coble
Combest
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeWine
Dickinson
Edwards (CA)
Fawell
Fields
Fish
Frenzel
Grandy
Gregg
Gunderson
Hastert
Hefley
Henry
Herger
Hiler
Hyde
Ireland
Kastenmeier
Kyl
Lewis (FL)
Lungren
Martin (IL)
McCandless
McCollum
Roberts
Schroeder
Sensenbrenner
Shaw
Shumway
Shuster
Smith, Denny (OR)
Smith, Robert (NH)
Stump
Swindall
Tauke
Thomas (CA)
Upton
Vucanovich
Whittaker

NOT VOTING—32

Anderson
Aspin
Biaggi
Boulter
Brown (CA)
Chappell
Cheney
Coughlin
Dixon
Gingrich
Hayes (IL)
Hunter
Jones (TN)
Kemp
Konnyu
Lewis (CA)
Lukens, Donald
Mack
MacKay
Marlenee
McDade
Mica
Myers
Ray
Saiki
Spence
Spratt
St Germain
Stratton
Vander Jagt
Weiss
Wilson

□ 1308

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BEILENSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Resolution 485, the resolution just agreed to.

The SPEAKER pro tempore (Mr. Kleczka). Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION FOR COMMITTEE ON ENERGY AND COMMERCE TO MEET TODAY DURING THE 5-MINUTE RULE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that the Committee on Energy and Commerce be permitted to meet for the balance of the day notwithstanding the fact that the House is meeting under the 5-minute rule.

I understand this request has been cleared with the minority.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. MADIGAN. Mr. Speaker reserving the right to object, the gentleman from California clearly states the situation. The ranking member of the Committee on Energy and Commerce, the gentleman from New York [Mr. Lent] does not object to our meeting this afternoon during the 5-minute rule.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO SIT ON TOMORROW DURING THE 5-MINUTE RULE

Mr. HUGHES. Mr. Speaker, I ask that the Committee on the Judiciary may be permitted to sit while the House is reading for amendment tomorrow, June 30, 1988.

The purpose of the meeting is to continue markup of the antidrug abuse amendments.

The minority has been consulted, and the request has been cleared with the minority.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

GENERAL LEAVE

Mr. YATES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend and their remarks on the bill, H.R. 4867, which we are about to consider, and that I may be permitted to include tables, charts, and other extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 1989

Mr. YATES. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4867) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1989, and for other purposes; and appending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from Ohio [Mr. Regula] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. Yates].

The motion was agreed to.

The SPEAKER pro tempore. The Chair designates the gentleman from Minnesota [Mr. Oberstar] as Chairman of the Committee of the Whole and requests the gentleman from California. [Mr. Bosco] to assume the chair temporarily.

□ 1310

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of Whole House on the State of the Union for the consideration of the bill, H.R. 4867, with Mr. Bosco [Chairman pro tempore] in the chair.

The Clerk read the title of the bill.

By unanimous consent, the bill was considered as having been read the first time.

The CHAIRMAN pro tempore. Under the unanimous-consent agreement, the gentleman from Illinois [Mr. Yates] will be recognized for 30 minutes and the gentleman from Ohio [Mr. Regula] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois [Mr. Yates].

Mr. YATES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am pleased to bring the Interior and related agencies appropriation bill for fiscal year 1989 to the Committee of the Whole.

The total recommended for the bill is $9,696 billion, an increase of $353 million or less than 4 percent over the amount of the bill for fiscal year 1988.

I will tell the committee members, Mr. Chairman, that the bill is within our 302(b) allocation for both discretionary budget authority and discretionary outlays. But it is just within the limit on outlays, Mr. Chairman, and I hope that the Members of the House are cognizant of that statement and I hope that no amendments will be offered to increase the amount of the bill inordinately because we will be exceeding our outlay limit.

As former House Speaker Thomas Brackett Reed, who served as Speaker of the House at about the turn of the century—and he was a great Speaker, Mr. Chairman—as Speaker Reed once said. "It's very difficult to squeeze a tall oak tree back into the acorn from which it grew."

That is what our subcommittee had to do, Mr. Chairman. Our budget allocation has forced the committee to attempt to do the impossible by compressing the Federal natural resource programs under our jurisdiction to fit within the constraints of our allocation. In order to do this, we have reconfigured the Clean Coal Program. Instead of providing $525 million in 1989, as we planned to do in the bill that the Congress approved for the last fiscal year, the new budget authority for clean coal in 1989 will be $100 million.

The bill also provides that an additional $225 million shall become available in 1990, and $200 million more shall become available in 1991. This conforms with the obligational schedule of the Department of Energy.

In preparing this bill, Mr. Chairman, the committee took testimony from over 300 Members of Congress. Overall these amounted to 1,256 individual requests for action by our subcommittee.

I only regret, Mr. Chairman, that we could not comply with the requests of the Members of Congress who came before us, because in my opinion at least 99 percent of those requests deserved to be recognized by our committee. We just did not have the money to do it.

□ 1315

All of them, all of them were worthy requests, and in time I hope that they will be accepted by the Committee on Appropriations. I hope that the budget will permit the things to be done that the Members of Congress ask us to do because by and large their requests were to preserve and protect parks, forests, wildlife refuges, public lands, the treasures, the national resource treasures, that our Nation has and which we must pass on to our children and to the generations to come.

Mr. Chairman, this bill reflects our continuing investment in America and in the American people. We have rejected the administration's requests in the President's budget to curtail land acquisition for our national parks, our national forests, our public lands and wildlife refuges. The President's budget requested only $20 million for land acquisition, for all our resource agencies, for our parks, our forests, our public lands and wildlife refuges. Rather than the $20 million requested by the administration, we are making available approximately $167 million for that purpose, an increase of $145 million over the budget request. The President's land acquisition program, had we complied with it, would only result in our facing higher land prices in years to come, loss of critical habitats, hardships for private land owners, we also included $20 million for State grants from the land and water conservation fund. This is $20 million above the administration's request for the State portion of it.

Under the leadership of the administration the Secretaries of the Interior have pushed for greater private development of public resources. The congressional legislation that was passed in 1902 opened public lands for grazing, mining, logging, oil exploration, and water resource development, and it is interesting to note that the Members of Congress who appeared before us were much more interested in preserving our natural resources, in purchasing lands that were threatened with outside development so that we could add to our natural resources rather than permitting outside exploitation of them.

With respect to Outer Continental Shelf leasing, the committee has responded to the requests of large majorities of the California, Florida, and Massachusetts delegations by providing for moratoria on leasing off the coast of northern California, portions of the eastern Gulf of Mexico and Georges Bank in the North Atlantic to protect environmentally sensitive areas which could be affected by drilling operations.

And one of the initiatives taken by our subcommittee, Mr. Chairman, of which I am particularly proud is an appropriation for the National Endowment for the Humanities. This deals with the deterioration of books in libraries all over the country.

A recent study by the Office of Technology Assessment states, and I quote:

> Even in today's high tech society books are the principal records of human civilization. Over the centuries books have become the most reliable and permanent records available, but, in the last century, that reliability has been threatened by the use of modern acidic paper that becomes brittle and unstable in a relative short time. Books printed since 1850 are deteriorating en masse in libraries the world over.

I may say in passing, Mr. Chairman, the gentleman from New York [Mr. GREEN] earlier called my attention to the very spendid work being done by the New York Public Library in connection with fighting the brittling of books. It has been a leader in making copies, in filming books that have already been brittled, so that their contents are preserved and the civilization presented in those books are preserved for the generations to come. Books are an important part of the American civilization, books from the civilizations in the past and the present, and our committee has given the Endowment on the Humanities the lead role among all the agencies, and libraries and organizations that are engaged in this very necessary process. We have set aside $8 million for microfilming brittle books, including grants for cooperative microfilming projects and awards to individual research libraries to film endangered volumes in their collections.

In connection with the preservation program, the Committee agrees that program funds may be used to cover additional administrative expenses associated with the expanded preservation program.

House Report 100-713 explains the committee actions represented in the bill in considerable detail. For further clarification, I am placing support table into the RECORD to accompany this statement.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1988 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1989

Agency and item	New budget (obligational) authority, fiscal year 1988	Budget estimates of new (obligational) authority, fiscal year 1989	New budget (obligational) authority recommended in bill	Bill compared with—	
				New budget (obligational) authority, fiscal year 1988	Budget estimates of new (obligational) authority, fiscal year 1989
TITLE I - DEPARTMENT OF THE INTERIOR					
Bureau of Land Management					
Management of lands and resources	498,983,000	464,487,000	500,959,000	+1,976,000	+36,472,000
Construction and access	3,430,000	1,338,000	5,431,000	+2,001,000	+4,093,000
Payments in lieu of taxes	105,000,000	105,000,000	105,000,000	---	---
Land acquisition	8,885,000	100,000	11,640,000	+2,755,000	+11,540,000
Oregon and California grant lands	58,475,000	57,434,000	61,445,000	+2,970,000	+4,011,000
Range improvements (indefinite)	8,506,000	8,506,000	8,506,000	---	---
Service charges, deposits & forfeitures (indefinite)	6,600,000	6,000,000	6,000,000	-600,000	---
Miscellaneous trust funds (indefinite)	100,000	100,000	100,000	---	---
Total, Bureau of Land Management	689,979,000	642,965,000	699,081,000	+9,102,000	+56,116,000
United States Fish and Wildlife Service					
Resource management	342,594,000	331,863,000	350,251,000	+7,657,000	+18,388,000
Construction and anadromous fish	25,062,000	7,577,000	23,756,000	-1,306,000	+16,179,000
Migratory bird conservation account	1,000,000	---	---	-1,000,000	---
Land acquisition	51,754,000	1,874,000	50,809,000	-945,000	+48,935,000
National Wildlife Refuge Fund	5,645,000	5,645,000	5,645,000	---	---
Total, United States Fish and Wildlife Service	426,055,000	346,959,000	430,461,000	+4,406,000	+83,502,000
National Park Service					
Operation of the national park system	730,799,000	733,768,000	742,181,000	+11,382,000	+8,413,000
National recreation and preservation	12,935,000	10,204,000	14,093,000	+1,158,000	+3,889,000
Historic preservation fund	28,250,000	---	30,000,000	+1,750,000	+30,000,000
Urban Park recreation fund (rescission)	-1,900,000	---	---	+1,900,000	---
Construction	93,017,000	15,003,000	131,809,000	+38,792,000	+116,806,000
Visitors facilities fund	(4,700,000)	---	---	(-4,700,000)	---
(Liquidation of contract authority)	(31,000,000)	(31,000,000)	(47,000,000)	(+16,000,000)	(+16,000,000)
Land and water conservation fund (rescission of contract authority)	-30,000,000	---	-30,000,000	---	-30,000,000
Land acquisition and state assistance	60,749,000	15,779,000	62,206,000	+1,457,000	+46,427,000
John F. Kennedy Center for the Performing Arts	4,904,000	5,193,000	5,181,000	+277,000	-12,000
Illinois and Michigan Canal National Heritage Corridor Commission	250,000	---	250,000	---	+250,000
American Revolution Bicentennial Administration	---	---	4,765,000	+4,765,000	+4,765,000
Total, National Park Service	899,004,000	779,947,000	960,485,000	+61,481,000	+180,538,000
Geological Survey					
Surveys, investigations, and research	447,747,000	425,003,000	448,056,000	+309,000	+23,053,000
Minerals Management Service					
Leasing and royalty management	168,717,000	171,317,000	170,009,000	+1,292,000	-1,308,000
Payments to States from receipts under Mineral Leasing	---	600,000	---	---	-600,000
Total, Minerals Management Service	168,717,000	171,917,000	170,009,000	+1,292,000	-1,908,000
Bureau of Mines					
Mines and minerals	146,398,000	126,605,000	146,254,000	-144,000	+19,649,000
Office of Surface Mining Reclamation and Enforcement					
Regulation and technology	102,125,000	101,066,000	104,086,000	+1,961,000	+3,020,000
Abandoned mine reclamation fund (definite, trust fund)	199,380,000	159,094,000	191,154,000	-8,226,000	+32,060,000
Total, Office of Surface Mining Reclamation and Enforcement	301,505,000	260,160,000	295,240,000	-6,265,000	+35,080,000
Bureau of Indian Affairs					
Operation of Indian Programs	970,756,000	938,416,000	996,024,000	+25,268,000	+57,608,000
Construction	83,225,000	56,793,000	79,136,000	-4,089,000	+22,343,000
Road Construction	1,000,000	---	---	-1,000,000	---
Miscellaneous payments to Indians	13,340,000	13,955,000	13,952,000	+612,000	-3,000
Tribal trust funds	1,000,000	---	---	-1,000,000	---
Revolving fund for loans (limitation on direct loans)	---	(13,000,000)	---	---	(-13,000,000)
Indian loan guaranty and insurance fund	3,085,000	3,370,000	3,370,000	+285,000	---
Indian loan guaranty and insurance fund (limitation on guaranteed loans)	---	(45,000,000)	---	---	(-45,000,000)
Total, Bureau of Indian Affairs	1,072,406,000	1,012,534,000	1,092,482,000	+20,076,000	+79,948,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1988 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1989—Continued

Agency and item	New budget (obligational) authority, fiscal year 1988	Budget estimates of new (obligational) authority, fiscal year 1989	New budget (obligational) authority recommended in bill	Bill compared with—	
				New budget (obligational) authority, fiscal year 1988	Budget estimates of new (obligational) authority, fiscal year 1989
Territorial and International Affairs					
Administration of territories	78,235,000	71,477,000	82,397,000	+4,162,000	+10,920,000
Trust Territory of the Pacific Islands	41,940,000	2,780,000	28,434,000	-13,506,000	+25,654,000
Compact of Free Association	33,620,000	34,935,000	36,160,000	+2,540,000	+1,225,000
Total, Territorial Affairs	153,795,000	109,192,000	146,991,000	-6,804,000	+37,799,000
Departmental Offices					
Office of the Secretary	47,519,000	51,681,000	49,580,000	+2,061,000	-2,101,000
Office of the Solicitor	23,053,000	25,325,000	24,686,000	+1,633,000	-639,000
Office of Inspector General	17,757,000	18,816,000	18,858,000	+1,101,000	+42,000
Construction Management	1,800,000	1,800,000	1,800,000	---	---
Total, Departmental Offices	90,129,000	97,622,000	94,924,000	+4,795,000	-2,698,000
Total, title I, Department of the Interior:					
New budget (obligational) authority (net)	4,395,735,000	3,972,904,000	4,483,983,000	+88,248,000	+511,079,000
Appropriations	(4,427,635,000)	(3,972,904,000)	(4,513,983,000)	(+86,348,000)	(+541,079,000)
Definite	(4,412,429,000)	(3,958,298,000)	(4,499,377,000)	(+86,948,000)	(+541,079,000)
Indefinite	(15,206,000)	(14,606,000)	(14,606,000)	(-600,000)	---
Rescission	(-31,900,000)	---	(-30,000,000)	(+1,900,000)	(-30,000,000)
(Liquidation of contract authority)	(31,000,000)	(31,000,000)	(47,000,000)	(+16,000,000)	(+16,000,000)
(Limitation on direct loans)	---	(13,000,000)	---	---	(-13,000,000)
(Limitation on guaranteed loans)	---	(45,000,000)	---	---	(-45,000,000)
TITLE II - RELATED AGENCIES					
DEPARTMENT OF AGRICULTURE					
Forest Service					
Forest research	135,510,000	129,279,000	139,865,000	+4,355,000	+10,586,000
State and private forestry	76,469,000	34,781,000	78,143,000	+1,674,000	+43,362,000
National forest system	1,243,391,000	1,159,655,000	1,309,244,000	+65,853,000	+149,589,000
Construction	214,078,000	203,974,000	216,542,000	+2,464,000	+12,568,000
Timber receipts transfer to General Fund (indefinite)	(-78,635,000)	(-79,100,000)	(-79,100,000)	(-465,000)	---
Timber purchaser credits	---	(125,367,000)	(64,000,000)	(+64,000,000)	(-61,367,000)
Mount St. Helens (contract authority)	---	---	(5,333,000)	(+5,333,000)	(+5,333,000)
Land acquisition	49,076,000	3,900,000	42,245,000	-6,831,000	+38,345,000
Timber Roads, Purchaser Election, Forest Service (rescission)	-75,000,000	---	---	+75,000,000	---
Timber Salvage Sales	37,000,000	---	---	-37,000,000	---
Tongass Timber Supply Fund	---	40,699,000	25,264,000	+25,264,000	-15,435,000
Operation and maintenance of recreation facilities	---	31,800,000	---	---	-31,800,000
Acquisition of lands for national forests, special acts	966,000	966,000	966,000	---	---
Acquisition of lands to complete land exchanges (indefinite)	990,000	335,000	335,000	-655,000	---
Range betterment fund (indefinite)	3,605,000	3,875,000	3,875,000	+270,000	---
Miscellaneous trust funds	90,000	90,000	30,000	-60,000	-60,000
Total, Department of Agriculture	1,686,175,000	1,609,354,000	1,816,509,000	+130,334,000	+207,155,000
DEPARTMENT OF ENERGY					
Clean coal technology	50,000,000	---	---	-50,000,000	---
Base program, FY 1989	(525,000,000)	525,000,000	100,000,000	+100,000,000	-425,000,000
Base program, FY 1990	---	---	(225,000,000)	(+225,000,000)	(+225,000,000)
Base program, FY 1991	---	---	(200,000,000)	(+200,000,000)	(+200,000,000)
Supplemental program, FY 1990	---	(575,000,000)	---	---	(-575,000,000)
Supplemental program, FY 1991	---	(600,000,000)	---	---	(-600,000,000)
Supplemental program, FY 1992	---	(600,000,000)	---	---	(-600,000,000)
Fossil energy research and development	326,975,000	166,992,000	357,361,000	+30,386,000	+190,369,000
(By transfer)	(20,894,000)	---	---	(-20,894,000)	---
Naval petroleum and oil shale reserves	159,663,000	185,071,000	185,071,000	+25,408,000	---
Energy conservation	309,517,000	89,359,000	326,138,000	+16,621,000	+236,779,000
Economic regulation	21,565,000	20,772,000	21,010,000	-555,000	+238,000
Emergency preparedness	6,172,000	6,154,000	6,154,000	-18,000	---
Strategic Petroleum Reserve	164,162,000	173,421,000	173,421,000	+9,259,000	---
SPR petroleum	438,744,000	333,555,000	333,555,000	-105,189,000	---
Energy Information Administration	61,398,000	62,856,000	62,856,000	+1,458,000	---
Total, Department of Energy	1,538,196,000	1,563,180,000	1,565,566,000	+27,370,000	+2,386,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1988 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1989—Continued

Agency and item	New budget (obligational) authority, fiscal year 1988	Budget estimates of new (obligational) authority, fiscal year 1989	New budget (obligational) authority recommended in bill	Bill compared with— New budget (obligational) authority, fiscal year 1988	Bill compared with— Budget estimates of new (obligational) authority, fiscal year 1989
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Health Resources and Services Administration					
Indian health services	949,481,000	986,772,000	1,016,667,000	+67,186,000	+29,895,000
Fiscal year 1990	---	(1,003,007,000)	---	---	(-1,003,007,000)
Indian health facilities	62,511,000	---	64,050,000	+1,539,000	+64,050,000
Total, Department of Health and Human Services	1,011,992,000	986,772,000	1,080,717,000	+68,725,000	+93,945,000
DEPARTMENT OF EDUCATION					
Office of Elementary and Secondary Education					
Indian education	66,326,000	67,653,000	68,153,000	+1,827,000	+500,000
OTHER RELATED AGENCIES					
Navajo and Hopi Indian Relocation Commission					
Salaries and expenses	25,270,000	22,973,000	27,723,000	+2,453,000	+4,750,000
Institute of American Indian and Alaska Native Culture and Arts Development					
Salaries and expenses	---	2,467,000	3,094,000	+3,094,000	+627,000
Smithsonian Institution					
Salaries and expenses	201,432,000	216,214,000	208,766,000	+7,334,000	-7,448,000
Construction and improvements, National Zoological Park	8,150,000	5,305,000	5,305,000	-2,845,000	---
Restoration and renovation of buildings	19,254,000	20,835,000	20,835,000	+1,581,000	---
Construction	1,315,000	10,150,000	8,655,000	+7,340,000	-1,495,000
Subtotal	230,151,000	252,504,000	243,561,000	+13,410,000	-8,943,000
National Gallery of Art					
Salaries and expenses	37,352,000	38,543,000	37,831,000	+479,000	-712,000
Repair, restoration and renovation of buildings	---	1,000,000	500,000	+500,000	-500,000
Subtotal, National Gallery of Art	37,352,000	39,543,000	38,331,000	+979,000	-1,212,000
Woodrow Wilson International Center for Scholars					
Salaries and expenses	4,028,000	4,285,000	4,240,000	+212,000	-45,000
Endowment Challenge Fund	---	350,000	---	---	-350,000
Total, Woodrow Wilson International Center for Scholars	4,028,000	4,635,000	4,240,000	+212,000	-395,000
Total, Smithsonian Institution	271,531,000	296,682,000	286,132,000	+14,601,000	-10,550,000
National Foundation on the Arts and the Humanities					
National Endowment for the Arts					
Grants and administration	139,311,000	140,531,000	141,800,000	+2,489,000	+1,269,000
Matching grants	28,420,000	27,200,000	27,200,000	-1,220,000	---
Total, National Endowment for the Arts	167,731,000	167,731,000	169,000,000	+1,269,000	+1,269,000
National Endowment for the Humanities					
Grants and administration	111,935,000	111,735,000	125,000,000	+13,065,000	+13,265,000
Matching grants	28,500,000	28,700,000	28,700,000	+200,000	---
Total, National Endowment for the Humanities	140,435,000	140,435,000	153,700,000	+13,265,000	+13,265,000
Institute of Museum Services					
Grants and administration	21,944,000	21,944,000	22,620,000	+676,000	+676,000
Commission on Film Colorization					
Salaries and expenses	---	---	500,000	+500,000	+500,000
Total, National Foundation of the Arts and the Humanities	330,110,000	330,110,000	345,820,000	+15,710,000	+15,710,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1988 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1989—Continued

Agency and item	New budget (obligational) authority, fiscal year 1988	Budget estimates of new (obligational) authority, fiscal year 1989	New budget (obligational) authority recommended in bill	Bill compared with— New budget (obligational) authority, fiscal year 1988	Bill compared with— Budget estimates of new (obligational) authority, fiscal year 1989
Commission of Fine Arts					
Salaries and expenses	443,000	451,000	475,000	+32,000	+24,000
National Capital Arts and Cultural Affairs					
Grants	4,500,000	---	5,000,000	+500,000	+5,000,000
Advisory Council on Historic Preservation					
Salaries and expenses	1,719,000	1,781,000	1,774,000	+55,000	-7,000
National Capital Planning Commission					
Salaries and expenses	2,948,000	2,962,000	2,962,000	+14,000	---
Franklin Delano Roosevelt Memorial Commission					
Salaries and expenses	28,000	28,000	28,000	---	---
Pennsylvania Avenue Development Corporation					
Salaries and expenses	2,516,000	2,353,000	2,343,000	-173,000	-10,000
Public development	3,000,000	3,095,000	3,175,000	+175,000	+80,000
Total, Pennsylvania Avenue Development Corporation	5,516,000	5,448,000	5,518,000	+2,000	+70,000
United States Holocaust Memorial Council					
Holocaust Memorial Council	2,171,000	2,209,000	2,594,000	+423,000	+385,000
Total, title II, Related Agencies:					
New budget (obligational) authority	4,946,925,000	4,892,070,000	5,212,065,000	+265,140,000	+319,995,000
Appropriations	(5,021,925,000)	(4,892,070,000)	(5,212,065,000)	(+190,140,000)	(+319,995,000)
Definite	(5,017,330,000)	(4,887,860,000)	(5,207,855,000)	(+190,525,000)	(+319,995,000)
Indefinite	(4,595,000)	(4,210,000)	(4,210,000)	(-385,000)	---
(Timber receipt transfer to general fund)	-78,635,000	-79,100,000	-79,100,000	-465,000	---
(By transfer)	20,894,000	---	---	-20,894,000	---
RECAPITULATION					
Total, Department of the Interior and Related Agencies Appropriations:					
New budget (obligational) authority	9,342,660,000	8,864,974,000	9,696,048,000	+353,388,000	+831,074,000
Appropriations	(9,449,560,000)	(8,864,974,000)	(9,726,048,000)	(+276,488,000)	(+861,074,000)
Definite	(9,429,759,000)	(8,846,158,000)	(9,707,232,000)	(+277,473,000)	(+861,074,000)
Indefinite	(19,801,000)	(18,816,000)	(18,816,000)	(-985,000)	---
Rescission	(-106,900,000)	---	(-30,000,000)	(+76,900,000)	(-30,000,000)
(Liquidation of contract authority)	(31,000,000)	(31,000,000)	(52,333,000)	(+21,333,000)	(+21,333,000)
(Timber receipt transfer to general fund)	(-78,635,000)	(-79,100,000)	(-79,100,000)	(-465,000)	---
(By transfer)	(20,894,000)	---	---	(-20,894,000)	---
TITLE I -DEPARTMENT OF THE INTERIOR					
Bureau of Land Management	689,979,000	642,965,000	699,081,000	+9,102,000	+56,116,000
United States Fish and Wildlife Service	426,055,000	346,959,000	430,461,000	+4,406,000	+83,502,000
National Park Service	899,004,000	779,947,000	960,485,000	+61,481,000	+180,538,000
Geological Survey	447,747,000	425,003,000	448,056,000	+309,000	+23,053,000
Minerals Management Service	168,717,000	171,917,000	170,009,000	+1,292,000	-1,908,000
Bureau of Mines	146,398,000	126,605,000	146,254,000	-144,000	+19,649,000
Office of Surface Mining Reclamation and Enforcement	301,505,000	260,160,000	295,240,000	-6,265,000	+35,080,000
Bureau of Indian Affairs	1,072,406,000	1,012,534,000	1,092,482,000	+20,076,000	+79,948,000
Territorial and International Affairs	153,795,000	109,192,000	146,991,000	-6,804,000	+37,799,000
Secretarial Offices	90,129,000	97,622,000	94,924,000	+4,795,000	-2,698,000
Total, Title I - Department of the Interior	4,395,735,000	3,972,904,000	4,483,983,000	+88,248,000	+511,079,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1988 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1989—Continued

Agency and item	New budget (obligational) authority, fiscal year 1988	Budget estimates of new (obligational) authority, fiscal year 1989	New budget (obligational) authority recommended in bill	Bill compared with— New budget (obligational) authority, fiscal year 1988	Bill compared with— Budget estimates of new (obligational) authority, fiscal year 1989
TITLE II - RELATED AGENCIES					
Forest Service	1,686,175,000	1,609,354,000	1,816,509,000	+130,334,000	+207,155,000
Department of Energy	1,538,196,000	1,563,180,000	1,565,566,000	+27,370,000	+2,386,000
Indian Health	1,011,992,000	986,772,000	1,080,717,000	+68,725,000	+93,945,000
Indian Education	66,326,000	67,653,000	68,153,000	+1,827,000	+500,000
Navajo and Hopi Indian Relocation Commission	25,270,000	22,973,000	27,723,000	+2,453,000	+4,750,000
Institute of American Indian and Alaska Native Culture and Arts Development	---	2,467,000	3,094,000	+3,094,000	+627,000
Smithsonian	230,151,000	252,504,000	243,561,000	+13,410,000	-8,943,000
National Gallery of Art	37,352,000	39,543,000	38,331,000	+979,000	-1,212,000
Woodrow Wilson International Center for Scholars	4,028,000	4,635,000	4,240,000	+212,000	-395,000
National Endowment for the Arts	167,731,000	167,731,000	169,000,000	+1,269,000	+1,269,000
National Endowment for the Humanities	140,435,000	140,435,000	153,700,000	+13,265,000	+13,265,000
Institute of Museum Services	21,944,000	21,944,000	22,620,000	+676,000	+676,000
Commission on Film Colorization	---	---	500,000	+500,000	+500,000
Commission of Fine Arts	443,000	451,000	475,000	+32,000	+24,000
National Capital Arts and Cultural Affairs	4,500,000	---	5,000,000	+500,000	+5,000,000
Advisory Council on Historic Preservation	1,719,000	1,781,000	1,774,000	+55,000	-7,000
National Capital Planning Commission	2,948,000	2,962,000	2,962,000	+14,000	---
Franklin Delano Roosevelt Memorial Commission	28,000	28,000	28,000	---	---
Pennsylvania Avenue Development Corporation	5,516,000	5,448,000	5,518,000	+2,000	+70,000
Holocaust Memorial Council	2,171,000	2,209,000	2,594,000	+423,000	+385,000
Total, Title II - Related Agencies	4,946,925,000	4,892,070,000	5,212,065,000	+265,140,000	+319,995,000
Grand total	9,342,660,000	8,864,974,000	9,696,048,000	+353,388,000	+831,074,000

Mr. Chairman, I recommend that the bill be adopted.

Mrs. ROUKEMA. Mr. Chairman, will the gentleman yield?

Mr. REGULA. Mr. Chairman, I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. Mr. Chairman, I rise in support of the Interior appropriations bill for fiscal year 1989, and I commend the members of the committee for approving this bill, as with the other appropriations bills we have considered this year, within the targets set by the budget resolution and last year's budget summit agreement.

In particular, I would like to speak in favor of language approved by the committee which directs the National Park Service, within available funds, to conduct an origin and destination transportation survey within the boundaries of the Delaware Water Gap National Recreation Area, which is partially located within my district. Let me assure my colleagues that this is indeed an important provision of this legislation.

Last year, the National Park Service unveiled a comprehensive management plan for the Delaware Water Gap National Recreation Area. This document will guide the management of the park over the next 10 years, of course, subject to congressional appropriations. The House will consider initial funding for the general management plan next year at this time; that is, if the plan remains on present schedule.

What disturbs me is that the development of recreation facilities, as proposed in the plan, would, by the National Park Service's own estimates, increase visitation to the park by over 300 percent in the next decade. Mr. Chairman, rapid growth in this area of the country is already well-documented. Roads are presently burdened with excessive traffic congestion and gridlock. As a consequence, the region's businesses, emergency services, and residents have been adversely affected.

Therefore, it is important for the National Park Service to conduct this transportation survey. The study, to be conducted in cooperation with the New Jersey Department of Transportation, will help prepare the surrounding communities for the impact associated with implementation of the general management plan. Certainly, the National Park Service should take on this responsibility, as it is this Federal agency which will be imposing the general management plan on the communities of northwest New Jersey.

Mr. REGULA. Mr. Chairman, I yield myself such time as I may consume.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I want to apologize to the House for not having in my remarks acknowledged the magnificent contribution that has been made to the drafting and crafting of this bill by the gentleman from Ohio [Mr. REGULA], the ranking Republican member of our subcommittee. He is in my mind one of the very, very able Members of the House, and he brought all of his wisdom and all of his talents to bear on formulating this bill. It is a pleasure and a joy to have had the opportunity of working with him in committee and outside of committee, and I want the gentleman to know how much I admire, and respect and am devoted to the work he has done and to the friendship that we have.

Mr. REGULA. Mr. Chairman, I thank the gentleman from Illinois [Mr. YATES], the chairman. Certainly, it has been a great satisfaction to work with the chairman. I describe our relationship as partners rather than Republican/Democrat. We are partners in working together, and it is an enriching experience to work with a chairman who cares about this Nation as much as the gentleman from Illinois. I would say to all of the Members that his patience in hearing testimony, his diligence in putting together the facts, is something that we can all be proud of as a colleague of ours in the Congress.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, may I say further that we are very pleased to see that Barbara Wainman is back.

Mr. REGULA. Mr. Chairman, I thank the gentleman from Illinois, and I am sure Barbara is pleased to be back, too. The collegiality of the committee is evidenced by the fact that the chairman quoted a Republican speaker to make his case, and I think it is very evident that he is very bipartisan in all of this.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I think I was referring to the last of the great Republican speakers.

Mr. REGULA. Well, Mr. Chairman, we accept that under today's circumstances, but this bill truly does not have a label, Republican or Democrat, because of the chairman's leadership. I call it a people's bill. We deal in this bill with one of the great assets of America, and that is our public lands.

Mr. Chairman, most people do not realize that one-third of the United States, about 750 million acres, is owned by the people through the Federal Government. This includes parks. It includes the Bureau of Land Management areas. It includes the national forests. It includes assets in this city such as the White House, the land that this building is on, and all collectively it constitutes one-third of the land in America.

Mr. Chairman, I think it is a great responsibility that we in the Congress have for managing these lands well, not only for today, but future generations, and because of the leadership of the gentleman from Illinois [Mr. YATES], the chairman, we have done it well. We have had to do this within budget constraints.

As was pointed out in earlier testimony, we had over 300 requests from Members, good requests, good projects, and again evidence to the fact that the Members care about the quality of the way we use the land in their respective districts. It is difficult to not respond to all of them, but we try to balance the needs. Today we bring a bill that I think represents a balance between conservation, preservation, as well as the development responsibilities of the Government.

I have some differences with the bill on the issue of moratoria. My colleagues have heard the chairman speak about this.

Since 1981 this bill has been used as a vehicle for derailing what should be an important component of our Nation's energy policy—the exploration for and development of our domestic offshore energy resources.

One point on which the administration and opponents of offshore leasing seem to agree is the need for a balanced energy program. But neither the administration, nor offshore leasing opponents practice what they preach. Both would seem to advocate either a policy tilted toward development or one tilted toward conservation.

Our energy policy must be a balanced one and a balanced energy program should include both development and conservation. This bill achieves this in some ways including filling the strategic petroleum reserve, developing technologies to burn our abundant domestic coal resources cleanly, and pursuing promising fossil and conservation research.

These are important weapons in our arsenal as we fight for energy security, but another, equally important one is our countries offshore oil and gas reserves. These important reserves have repeatedly been put off limits by the actions of this committee, actions I strongly oppose.

The repeated inclusion, since 1981 of "one year" bans on the exploration and development of our Outer Continental Shelf oil and gas reserves potentially threatens the long-term energy security of the United States. The bill before you today would unnecessarily lock up some of the most promising portions of the OCS from leasing, including areas offshore California, Florida, and the North Atlantic.

In fact, not only has the committee continued its past trend of moratoria, it has enlarged on previous moratoria in the North Atlantic and even prevented valid, existing leases from being drilled offshore Florida. These actions represent a dangerous policy for the future energy security of this Nation.

In 1978 we adopted a policy for developing the Outer Continental Shelf because of the energy crisis, and the essence of that policy is that we should develop these resources. I do not think anything has happened to change that today. As a matter of fact, we are more dependent on imported oil today than we were in 1973 at the time the first oil embargo was put in place by OPEC.

Mr. Chairman, it seems to me that we do need to have an orderly development of our resources if we are to prosper and grow economically as a nation, to provide the jobs and opportunities that people expect. We recognize that conservation is part of the answer, but not all of the answer.

It would be irresponsible for us to assume that there will be viable alternative fuels to oil in the foreseeable future or that conservation measures alone will solve our energy problems. Energy conservation and alternate energy sources hold the prospect for merely affecting the growth of petroleum imports—not replacing them.

Past successes in reducing oil demand through conservation and other means are being outpaced by declining domestic production. It is estimated that domestic oil production will decline by 28 percent by the year 2000. Given that fact, it is critical to continue to assess the resources of the OCS in an orderly fashion, particularly since in some areas it can take as long as 15 years to bring those resources into production.

This is a nation that is heavily dependent on petroleum resources. We are dependent on them for transportation, for heating, to operate our factories, for many of the economic uses that we have for petroleum that improve the quality of life. We have tried to address that in our committee in several ways. We do provide funds for conservation programs. We do provide funds to fill the strategic petroleum reserve. I might say that with the carryover plus the lower price of oil we can probably look forward to about 63,000 barrels of oil going into the strategic petroleum reserve each day, and that is a safety valve in the case of a shortage in the future.

In essence, the resources we are leasing currently are the resources we will need in the early part of the 21st century. Given that fact, developing the OCS is an investment in this Nation's energy future—not a "drain America first" policy as some have suggested.

The saving grace on the moratoria on the Outer Continental Shelf is that the oil that is there will not go away, however, the Congress prospectively will have to think about developing this resource in an environmentally safe manner.

The experience in drilling on the Outer Continental Shelf has been excellent. The spills have been very limited. We have drilled 8,100 wells without a blowout over the course of about the last 15 years. The total spillage over this period was approximately 210 barrels. Far more is spilled from tankers. Far more oil is put into the oceans by powerboats in flushing their tanks and so on, and so that is not the question.

We have demonstrated not only in the United States, but in the North Sea and many other areas, that we can drill safely and environmentally protect the areas that are used for development on the Outer Continental Shelf. It really becomes a question of esthetics.

In addition to blinding the Nation to its energy resource potential, OCS moratoria also have important economic implications. Imported petroleum accounted for over $40 billion of this Nation's overall trade deficit of $171 billion in 1987—a staggering 24 percent of the total deficit incurred for that year.

In addition, a moratorium which denies the U.S. Treasury the benefit of the substantial bonus revenues which are generated from leasing is also shortsighted. For example, the committee's recent action would reduce expected revenues by over $155 million for the upcoming fiscal year.

Finally, a moratorium on drilling existing leases, which is also included in this bill, could cause further substantial revenue loss. Expenditures to date on the 73 existing leases south of 26 degrees north latitude offshore the western coast of Florida have totaled over $220 million.

If companies decide to sue the Department rather than having their investment tied up for yet another year, the Government could find itself in the unenviable position of returning that investment and losing the revenues from any oil and gas which might be found.

We need to look forward to developing this resource. I do not agree with the moratoria that is in the bill, but that is one of the things that the majority in the committee felt that should be maintained. In our system we respect this approach to legislating.

I would point out, Mr. Chairman, that even now we are dependent on OCS for 12 percent of our oil consumption and 24 percent of our gas. This is mostly from the Gulf of Mexico, plus some offshore California and other areas. I think this illustrates the fact that this is a very important resource and one that needs to be developed.

This bill only addresses the 1-year moratorium on these areas. Since 1981 we have been doing it a year at a time, and it seems to me that the authorizing committee ought to address this as a long-term issue. If we are not going to develop the OCS nationally, let us make it the policy because since 1978 theoretically our policy has been to develop the OCS. We are dependent today on imports for 40 percent of our oil consumption in the United States; 64 percent is used for transportation. Certainly this illustrates our dependency on petroleum.

We have military forces in the Persian Gulf. American fighting men and women are over there protecting Middle East oil supplies, and I do not believe that in the long term this should be a way of life. We should develop our own resources as much as possible. Conservation helps, but it is not adequate to address the problem entirely.

I believe each of us in this body cares deeply about the quality of the environment and the condition in which we leave it for future generations. It is my love of this country's rich national heritage—its majestic national parks, rustic wilderness areas, rich historic sites—that make my work on the Interior Subcommittee a labor of love. But a secure, dependable supply of energy, particularly oil, is as much a part of our quality of life as a visit to the national parks. Luckily, we do not have to make a choice between energy security and environmental quality—we can have both, but not if we continue to promote an unbalanced energy policy.

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Fortunately, I think the bill does address to some extent the energy needs of the United States in the form of clean coal technology demonstrations. The greatest resource we have in terms of energy in these United States is coal. We have the equivalent in Btu's of about 1½ trillion barrels of oil that are proven in the form of coal. The challenge, of course, is to burn this coal to generate electricity, to generate steam power and the many other needs that we have in the energy field, in an environmentally safe and clean way.

Clean coal technology offers that kind of hope for us so that we can use this resource.

This bill provides funding for the continued development of clean coal technology. In the clean coal technology programs the private sector has matched the Federal money, greater than 50 percent as required by law, and in fact the first seven projects were funded 65 percent private and 35 percent Federal, this says very clearly that the private sector is confident that clean coal technologies will be very successful, that it will allow us to use this enormous energy resource that is a great asset of this Nation in an environmentally safe way. It is certainly something that should be of concern to all of us.

In the United States because of the grid system that is set up among the utility companies, electricity produced in Ohio and other Midwestern States, may well be lighting a home in New Hampshire or Massachusetts or even in California, because the utility industry is totally interlocked.

I say this to point out the fact that we are all dependent on the use of coal to produce power that we all use and use very freely. Therefore, it becomes very important to every person in this Nation that we develop clean coal technologies that will allow the use of this asset.

The chairman has very clearly outlined the other features of the bill. It provides money for housing, for people who work in our national parks. It provides for the development of the recreational potential of our national forests. Most people do not realize also that the total visitor days in the national forests are twice as great as in the national parks. We think only of our national parks as a source of recreation, when in reality the national forests provide an enormous recreational opportunity for the people of this Nation. As much as possible, we provide the funding they need to enhance the experience of citizens of our Nation as they take advantage of these opportunities.

We provide funds for the Smithsonian, one of the very popular visitation areas in the Capital, again funded through this bill.

We provide for the trust territories in the Pacific, a responsibility that is very vital to our future in the Pacific areas.

We provide for the Bureau of Indian Affairs, and the chairman has been a giant in making sure that the Indian programs are fair, that we meet the responsibilities of this Nation to the 1.4 million Indians who depend on the U.S. Government to insure that our treaty obligations are carried out. He works diligently to make it absolutely certain that they have health facilities, educational facilities, and that their needs are very adequately met.

The challenges are enormous. We could probably add 50 percent to the amount that we are going to spend in this bill and still spend it wisely, but we recognize the constraints of the Federal deficit. We recognize that there are limitations, and what we have tried to do with the leadership of the chairman, the gentleman from Illinois [Mr. YATES], and the other members of the subcommittee on both sides of the aisle, is to use the money available as wisely as possible to provide good stewardship for the taxpayers of this Nation in taking care of a resource that is so valuable to us and will be valuable even more so for generations to come.

Mr. YATES. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. AUCOIN].

Mr. AUCOIN. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I am proud to be a member of this committee, the committee which brings this bill to the floor, and I rise today in strong support of the product of the weeks and months of our effort.

At this point I want to express my appreciation to the chairman, the gentleman from Illinois, Mr. SID YATES, who has done an outstanding job again this year, as well as to the ranking Republican, the gentleman from Ohio, Mr. REGULA, both of whom are a joy to work with.

I might say that I also extend my congratulations to the membership of this committee on both sides of the aisle, as well as to the ever-patient staff who works with us, for bringing to the floor a good bill, an excellent bill, and by doing so as a result of a consensus, rather than the introduction of acrimony on the issues, so many issues, that are potentially very controversial, This we have done.

For my State of Oregon, more than one-half of which is owned and managed by the Federal Government, this is a make-or-break piece of legislation, not only for this fiscal year, but for every fiscal year to come.

This is an annual bill, and at its best when it is brought before us each year this bill can create opportunities for economic growth and for a better quality of life, or at its worst it can slam shut the doors of opportunity and put the brakes on the economic comeback of Oregon and States like it across the country.

I am pleased to stand before my colleagues today, Mr. Chairman, and tell them as well as my constituents that this bill takes the brakes off and puts into forward motion not only sensitive environmental considerations, but also into forward motion projects that will sustain Oregon's economic comeback, as well as the economic comeback of other resource dependent States.

To promote tourism and recreation, this bill begins commitments to overhaul the lodge and other facilities at Crater Lake National Park; to plan desperately needed expansion of the visitor's center at Fort Clatsop National Memorial in Astoria, OR; to realign and pave the access road to the scenic Yaquina Head Lighthouse on the Oregon coast; to restore the historic old Columbia River Highway; to develop a visitor's center near Baker, OR, to give the historic Oregon Trail long overdue national historical recognition.

To help stabilize Oregon's No. 1 industrial employer, this bill provides a balanced forest service budget for timber sales, while protecting wildlife, wilderness, watersheds, and other critical forest resources as well.

It gives the Bureau of Land Management the wherewithal to keep up its intensive management of the O&C county grant lands.

To protect critical areas with scenic, recreational, and wildlife values, this bill provides $11 million in land and water conservation funds for acquisitions in the Columbia River Gorge alone. That is to name only one of several features like this in the bill.

It also includes for Oregon the Warner Basin potholes, the Klamath Forest Refuge, and the Searose Beach on the Oregon coast, each of which are high priority issues in the conservation community.

And to diversify Oregon's manufacturing economy and to enhance the Nation's economic efficiency, the bill provides research initiatives on pulping technology through the Oregon Graduate Center, as well as modular housing construction research through the University of Oregon.

Finally, Mr. Chairman, I want to tell my colleagues that this bill provides similar opportunities for other States, not just the State of Oregon, but for other States throughout the country, whether it is protecting important lands, researching new energy conservation technologies, or promoting balanced stewardship of our public lands and natural resources. This bill achieves those important objectives. It deserves our backing. It is bipartisanly produced. We bring it to you, having worked extremely hard on it, and I think it should enjoy the backing of Members on both sides of the aisle with resounding support.

Mr. REGULA. Mr. Chairman, I yield 6 minutes to the gentleman from Massachusetts [Mr. CONTE], the ranking minority member on the full committee and a member who has participated, I think, very effectively in our subcommittee because of his high degree of interest in the preservation of our natural resources.

Mr. CONTE. Mr. Chairman, I rise in strong support of this Interior appropriations bill for fiscal year 1989.

At the outset, I want to commend SID YATES and RALPH REGULA for their leadership in presenting to the House a well balanced recommendation. SID YATES is a tough, but fair chairman. He is a man who stands on his principles and who bases his judgments on the facts, and I admire him for that.

During the course of this appropriations cycle, I sat through several hearings, the subcommittee and full committee markups, and I can say without hesitation that no agency or program funded in this bill escapes the careful scrutiny of Chairman YATES or is left high and dry if there is a legitimate need.

It is a real pleasure for me to work with SID and RALPH on this subcommittee. They deserve a lot of credit for a job well done on this bill.

Now let me make a few brief observations about this recommendation.

First, as mentioned before, the bill is within the 302(b) allocations for outlays and budget authority, and it's approximately $353 million more than the amount provided in fiscal year 1988. That's about a 4-percent increase.

The increase is primarily due to the committee's attempt to meet pressing needs identified by the affected agencies and departments, outside groups, and, of course, the 300 or so Members of the House who made requests to the subcommittee. Practically all of these requests are legitimate and important, yet many, many needs went unfunded even with this increase.

The bill provides additional funds for the preservation and conservation of our natural resources.

The Park Service, the BLM, and Forest Service and the Fish and Wildlife Service are custodians of irreplaceable national treasures which must be adequately maintained, preserved, and protected.

And yet, even with this increase, endangered species will vanish from existence and hundreds of thousands of wetlands will be destroyed. In fact, the drought and overdevelopment have caused a virtual crisis for migratory waterfowl in this country.

In 1985, for example, duck breeding populations fell to the lowest level since surveys began in the 1950's, and the numbers have not improved since then. The committee was generous in providing land acquisition and management funds to meet this crisis, but it falls far short of the amount that could be effectively spent.

This is a barebones bill, with no frills or extravagant spending. And you can be sure that the temptation was there to spend more.

I am particularly pleased that no effort was made to provide the President's request for $1.7 billion in clean coal funding. If we don't manage this program carefully, spending reasonable amounts, we're going to have another Synfuels Corporation on our hands, I can't understand my own administration in this regard. We're facing a fiscal crisis and they're requesting another $1.7 billion in corporate subsidies when the Department of Energy has not even spent the funds we gave them in 1985. Two-thirds of the money provided for the first round has not even been spent, and they still have $575 million for Round Two.

I also support the committee's recommendation to stretch out the funding for clean coal too. Although OMB has expressed opposition to this provision, the Secretary of Energy has clearly said that the subcommittee's recommendation "will have little, if any, effect on the execution of the current round of competition." These funds cannot be spent in 1 fiscal year.

The administration has objections to several other language provisions of the bill, including the Buy American language for offshore oil rigs and the OSC leasing moratoria. The OMB position can be best summarized by this excerpt from the statement of administration policy: "Based on a number of objectionable funding and language provisions included in the present version of the bill, the Director of OMB would recommend that the President veto the bill." I will include the entire statement in the RECORD.

Despite this veto threat, I strongly recommend that all Members vote for this bill. Sure we are spending more, but we have an obligation to preserve our natural and cultural resources for the millions and millions of Americans who now enjoy them, and we have an obligation to pass these resources on to the next generation, intact or even improved.

STATEMENT OF ADMINISTRATION POLICY

H.R. 4867—DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, FY 1989 (SPONSORS: MR. WHITTEN, AND MR. YATES)

Based on a number of objectionable funding and language provisions included in the present version of the bill, the Director of the Office of Management and Budget would recommend that the President veto the bill.

The Committee bill undercuts efforts begun in FY 1988 to demonstrate the Nation's ongoing commitment to implement the recommendations of the joint U.S.-Canadian Special Envoys on Acid Rain. It fails to provide the requested funding for the Clean coal technology program for future rounds of project solicitations from FY 1990 through FY 1992, thereby jeopardizing the Federal commitment for acid rain control technologies. It also changes the availability of the $525 million previously appropriated for FY 1989, appropriating only $100 million in FY 1989 and $425 million for FY 1990 and FY 1991. These actions result in a shortfall of $1.775 billion from the total of $2.3 billion requested for the program.

The bill includes $157 million for energy conservation grants that should be financed by States from receipts resulting from petroleum overcharge violation cases, $145 million for land acquisition that should be postponed, if it cannot be foregone, $156 million for discretionary non-critical construction, and $64 million for Indian health facilities despite a 50 percent occupancy rate at these facilities. The enclosure explains why these and other low priority and unnecessary programs should not be funded.

Language has been included that would require that structures on the Outer Continental Shelf (OCS) contain at least 50 percent U.S. labor and materials. The Administration is strongly opposed to this provision. It would seriously delay and increase the cost of oil production from the OCS; it conflicts with the Administration objective of encouraging reliance on indigenous energy sources; it is contrary to U.S. obligations under the General Agreement on Tariffs and Trade—inviting retaliation from countries such as the United Kingdom, Norway, the Netherlands, and Denmark; and it would create a new trade barrier at a time when markets are particularly concerned about creeping protectionism.

The bill also includes language that excludes areas of the North Atlantic, California, and Florida from the offshore leasing program. This moratorium contradicts the statutory mandate of the OCS Lands Act designed to expedite exploration and production consistent with proper balancing of environmental and other concerns. It overrides the process of scientific studies and balancing analysis required by sections 18 and 19 of the OCS Lands Act. Finally, it would reduce anticipated FY 1989 receipts by $165 million—$125 million from California leases and another $40 million from Florida and the North Atlantic leases.

The Administration has serious concerns about the policy implications of language that prohibits the Bureau of Mines from proceeding with the sale of Federal helium operations. The Bureau is currently reviewing the results of an independent study analyzing the issues relating to the valuation and potential distribution operations. Generally, we have found nothing in the study to indicate that the privatization initiative should not proceed.

The Administration urges the House to support fiscally responsible efforts to upgrade our emergency preparedness asserts and to improve the Nation's ability to deal with potential turbulence in world oil markets through enactment of legislation to authorize the sale of the Naval Petroleum Reserve (NPR). The proceeds of this sale should be earmarked for the acquisition of oil for a 10 million barrrel Defense Petroleum Inventory (DPI) and for increasing the fill rate of the Strategic Petroleum Reserve (SPR) to an average rate of 100,000 barrels per day. As many members of Congress have pointed out, now is the time to increase the fill rate of the SPR since oil prices are relatively low. Now is also the time to build the DPI since the NRSs are becoming less adequate for this purpose.

The enclosed fact sheet discusses these and other funding and language provisions that are responsible to the Administration.

INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, FISCAL YEAR 1989 OBJECTIONABLE PROVISIONS

I. FUNDING LEVELS

Clean Coal Technology Program. The bill undercuts efforts begun in FY 1988 to demonstrate the Nation's ongoing commitment to implement the recommendations of the joint U.S.-Canadian Special Envoys on Acid Rain. It fails to provide the requested funding for future rounds of project solicitations from FY 1990 through FY 1992, thereby jeopardizing the Federal commitment for acid rain control technologies. It also changes the availability of the $525 million previously appropriated for FY 1989 and appropriates $100 million in FY 1989 and $425 million for FY 1990 and FY 1991. These actions result in a shortfall of $1.775 billion from the total of $2.3 billion requested for the program.

Fossil Energy Research and Development. The bill would significantly increase spending for fossil energy research and development ($30 million or 9 percent over FY 1988 and $190 million or 114 percent over the request). It would maintain duplicate contractor research efforts that may result in additional future outlays. It includes numerous special-interest items that are inappropriate for Federal research.

Funds have again been earmarked for the magnetohydrodynamics (MHD) program. This year, however, the Committee has reversed its previously stated intention that the level of private cost sharing should increase by five percentage points each year. In FY 1987, the appropriations act set the cost sharing requirement at 20 percent; in FY 1988, it was set at 25 percent; in FY 1989, it should be set at 30 percent.

Energy Conservation. The bill includes increases of $202 million for conservation grants, offset by an expected $45 million in petroleum overcharge receipts. This additional amount is unnecessary because the States that would receive these funds have also received $2.9 billion from petroleum overcharge violation cases that they can use to fund conservation grant activities.

The bill includes significant increases in conservation research and development ($4 million and 3 percent over FY 1988 and $69 million and 77 percent over the request). It includes many special interest items that are inappropriate for Federal research. Particularly troublesome is the stipulation in the bill that the earmarked funds for Northwestern University can be used to expand the energy demonstration and research facility specified in the FY 1988 appropriations act to also include space for life sciences.

Federal Land Acquisition. Substantial funds ($145 million) are added to the President's Budget for land acquisition by the Bureau of Land Management, the National Park Service, the Fish and Wildlife Service, and the Forest Service. Given the 730 million acres already in Federal ownership (one-third of the Nation) and the serious budget situation, discretionary land acquisition should be postponed, if it cannot be foregone. Adding more land is a lower priority than providing quality operations and maintenance of existing lands.

Historic Preservation Fund. Funds ($30 million) are included for the Historic preservation fund whereas the President's Budget proposed no funding. The Federal Government already contributes hundreds of millions of dollars annually to the cause of historic preservation through tax code provisions. Financing State historic preservation offices and the National Trust for Historic Preservation is more properly a State and private responsibility.

Construction. Substantial funds ($156 million) are added to the President's Budget for construction by the Bureau of Land Management, the National Park Service, the Fish and Wildlife Service, and the Bureau of Indian Affairs. Only high priority construction projects, generally devoted to meeting health and safety needs, are proposed in the President's Budget. The additional construction projects are discretionary or non-critical and can be foregone or postponed. New construction is a lower priority than providing quality operations and maintenance of existing facilities.

Operations. A total of $132 million is added to the President's Budget to expand the operating budgets (exclusive of fire suppression) of various Interior bureaus, including the Bureau of Indian Affairs ($51 million), the U.S. Geological Survey ($23 million), the Bureau of Mines ($20 million), and the Fish and Wildlife Service ($18 million). These increases fund numerous lesser priority or special interest projects.

Fire Fighting. The bill adds a total of almost $36 million for fire suppression for the Department of the Interior. These funds are to be used to reimburse fire fighting costs that will be incurred by Interior bureaus in FY 1988. It is premature to add funds over the President's Budget until actual FY 1988 fire costs are known. The Budget represents a conservative estimate based on recent historical experience. If costs prove higher, the shortfall can be made up (with appropriate offsets) in an FY 1989 supplemental or the FY 1990 appropriation.

Forest Service. The bill adds $167 million in discretionary appropriations (excluding land acquisition and fire fighting) for low priority program operations and construction projects. Unwarranted increases include $11 million for research; $43 million for state and private forestry programs that are not a Federal responsibility; $18 million for facility and Mt. St. Helens road construction; $39 million for recreation, fish and wildlife programs; and $12 million for soil, water, and range management.

Reductions in timber harvest administration (−$10 million), road construction (−$30 million), the Tongass National Forest (−$15 million) and other programs (−$17 million) will unduly affect timber sales and forest management.

Indian Health Services. To support increased Indian self-determination, the Administration urges the Congress to adopt the Administration's proposal to set aside funding in the bill for tribal operated hospitals and clinics. With such a distinction, the Federal government can demonstrate its long-term commitment to increasing tribal participation in the management and operation of health facilities. There is widespread support for separate funding among Indians and Alaska Natives. Without separate funding, Indian tribes have no way of knowing whether Federal support for self-determination contracting is waning, increasing, or remaining the same.

Indian Health Facilities. The bill includes $64 million for Indian health facilities. This amount is but the tip of an iceberg since the bill includes only partial funding for several inpatient and outpatient projects estimated to cost an additional $135 million. In addition, the need for these facilities is dubious. Funding for these facilities has continued to increase in recent years despite a 50 percent occupancy rate at IHS hospitals.

National Foundation on the Arts and the Humanities. The bill includes an increase of $15 million (5 percent) that would make no material difference in the quality of American cultural life and cannot be objectively justified. The amounts requested reflect sufficient support for the Federal role in the arts.

National Capital Arts and Cultural Affairs. The bill includes $5 million for general operating support on a non-competitive grant basis to Washington, D.C. arts and cultural organizations—a duplication of existing Federal nationwide competitive grants.

Restoring Hetch Hetchy Valley. The Administration urges support for funds requested to study the idea of restoring the Hetch Hetchy Valley in the Yosemite National Park (CA). (These funds were denied in non-binding report language.) Carrying out such a study is the only way to find out if it is economically and environmentally feasible to restore this valley to its original state of outstanding natural beauty.

Onshore Production Accounting. The Administration opposes the $850 thousand reduction in the Mineral Management Service (MMS) for the Onshore Production Initiative. (These funds were denied in non-binding report language.) The proposed funding level would probably delay the Secretary's compliance with the Federal Oil and Gas Royalty Management Act of 1982 (FOGRMA), which mandates the establishment of a comprehensive production accounting system for all Federal and Indian oil and gas leases.

Abandoned Mine Land (AML) Fund. The Administration objects to adding $32 million to the Abandoned Mine Land Reclamation Fund. Such an add-on is unnecessary because it will only increase the projected AML unobligated balance, which is expected to exceed $350 million by the end of FY 1988.

II. LANGUAGE PROVISIONS

Buy America. Language has been included (section 113) that would require that structures on the Outer Continental Shelf (OCS) contain at least 50 percent U.S. labor and materials. The Administration is strongly opposed to this provision. It would seriously delay and increase the cost of oil production from the OCS; it conflicts with the Administration objective of encouraging reliance on indigenous energy sources; it is contrary to U.S. obligations under the General Agreement on Tariffs and Trade—inviting retaliation from countries such as the United Kingdom, Norway, the Netherlands, and Denmark; and it would create a new trade barrier at a time when markets are particularly concerned about creeping protectionism.

Moratorium on Outer Continental Shelf (OCS) Leasing. The Administration objects to language excluding areas of the North Atlantic (section 112), California (section 111), and Florida (section 110) from the offshore leasing program. This moratorium contradicts the statutory mandate of the OCS Lands Act designed to expedite exploration and production consistent with proper balancing of environmental and other concerns. It overrides the process of scientific studies and balancing analysis required by sections 18 and 19 of the OCS Lands Act. Finally, the Interior Department current estimate is that it would reduce anticipated FY 1989 receipts by $155 million—$125 million from California leases and another $30 million from Florida and the North Atlantic leases.

Privatization of Helium Operations. The Administration has serious concerns about the policy implications of language that prohibits the Bureau of Mines from proceeding with the sale of Federal helium operations. The Bureau is currently reviewing the results of an independent study analyzing the issues relating to the valuation and potential disposition of the helium processing and distribution operations. Generally, we have found nothing in the study to indicate that the privatization initiative should not proceed. However, the study raises certain issues concerning transition and specialized needs of Federal agencies that need to be addressed. The Bureau is continuing its review and has formally solicited public comment on the consultant's report and other relevant issues. Where feasible, and consistent with the President's privatization initiative, the production of such goods and services should be shifted to the private sector in order to reduce Federal expenditures and take advantage of the efficiencies that normally result when services are provided through the competitive marketplace.

SPR Petroleum Account/Naval Petroleum Reserve. The Administration urges the Congress to support fiscally responsible efforts to upgrade our emergency preparedness assets and to improve the Nation's ability to deal with potential turbulence in world oil markets through enactment of legislation to authorize the sale of the Naval Petroleum Reserve (NPR). The proceeds of this sale should be earmarked for the acquisition of oil for a 10 million barrel Defense Petroleum Inventory (DPI) and for increasing the fill rate of the Strategic Petroleum Reserve (SPR) to an average rate of 100,000 barrels per day. As many members of Congress have pointed out, now is the time to increase the fill rate of the SPR since oil prices are relatively low. Now is also the time to build the DPI since the NPRs are becoming less adequate for this purpose.

Federal Tort Claims. By continuing Federal tort claims coverage to tribal contractors, the bill continues the unacceptable practice of maintaining a special class of government contractors effectively immune from responsibility for their tortiously liable conduct. The administration's position on this proposal is stated in a Justice Department letter to Senate Appropriations Committee Chairman Stennis dated September 21, 1987.

Spouse Travel. The Administration requests that the Committee approve substitute language on reimbursement of travel expenses for spouses who accompany prospective Indian Health Service physicians for pre-employment interviews. Under current law, payment of spouse travel for pre-employment interviews of prospective Federal employees is not authorized for any agency except IHS. However, because of the unique conditions of employment faced by PHS physicians employed at remote Indian reservations or traditional Indian lands, a narrowly drawn exception to current law can be accepted. The substitute language would permit spouse travel reimbursement, as determined by the Department of Health and Human Services, only where the pre-employment interview concerns possible employment at remote Indian sites that are not within reasonable commuting distance of a town or city. Thus, spouse travel would not be reimbursed if the pre-employment interview concerns employment near large and medium sized communities.

Legislative Vetoes. The Administration objects strongly to language in the bill prohibiting the Executive Branch from taking certain actions without prior approval of the Appropriations Committees. Such restrictions overstep the constitutional separation of powers principle as enunciated by the Supreme Court in *INS v. Chada.* Most objectionable is an administrative provision that would prevent the National Park Service from reprogramming funds (unless *approved* in advance by the Appropriations Committees) "to maintain law and order in emergency and other unforeseen law enforcement situations and conduct emergency search and rescue operations in the National Park System." This provision is contrary to legal requirements to enforce the law and to preserve life and property.

Impediments to Proper Management. Several provisions in the bill impede the ability of the Executive Branch to manage programs properly and effectively. Examples of such intrusions into Executive Branch responsibilities include prohibitions on changing regional boundaries and office locations of the Forest Service as well as the closing or consolidating of Bureau of Mines research facilities (even though there are no current plans to do so), and implementing proposed eligibility regulations of the Indian Health Service.

The Administration objects to new language concerning Federal management of Federally owned wildlife refuges. State management of Federally owned lands is authorized and is being practiced in accordance with the Fish and Wildlife Act of 1956 and the National Wildlife Refuge System Act of 1966. To constrain this practice is potentially inefficient and inconsistent with our experience in managing under these Acts. Any management by States must conform to Federal standards, and we ask that the language be deleted.

The Administration objects to language for the National Endowment for the Arts that would intrude into the agency's grantmaking process. The language would limit the Endowment's ability to assure an orderly and accountable grantmaking process and intervene in an issue that has long since been settled in a context that fully involved artistic peers, the National Council on the Arts and the Chairman.

Bureau of Indian Affairs. The bill does not include requested language to implement the tribal self-government demonstration project. Although Congress is working on separate authorizing legislation to implement the demonstration project, there is no assurance that such legislation will be enacted before FY 1989. Language is included prohibiting the publishing of higher education regulations required to implement needed program reforms and update provisions included in current law.

The Administration objects to language that would prohibit the closure of Phoenix Indian School until passage of authorizing legislation. It is costly and inefficient to operate a huge 500-student boarding facility with only about 75 students. Furthermore, once legislation passes, it would be highly unfair to these students to move them in the middle of a school year rather than to place them before the 1988-89 school year starts.

Bikini Resettlement Trust Fund. The Administration objects to the inclusion of language providing $5 million to the Bikini resettlement trust fund with the balance of $85 million provided over the next four years. It is inappropriate to provide funds for the resolution of the Bikini resettlement until appropriate documentation and analysis of costs and legal obligations associated with the resettlement have been determined.

Bureau of Land Management (BLM) Recordation and Filing Fees. The Administration objects to the earmarking of BLM recordation and filing fees for claims processing, compliance, enforcement and reclamation involving mining of hard-rock minerals. While increased funding for these activities appears justified, this should be provided via the appropriations process and subject to the scrutiny provided other activities. Any fees (such as the increased fees currently under review) should be credited to the General Fund of the Treasury, as is the case under current law.

Seat Belts on National Park Service Roads. Language is included providing that five percent of the Office of the Secretary funds will become available only after the issuance of a rule requiring the use of seat belts on National Park Service roads. While the intent of the provision may be laudable, the Administration objects to this linkage potentially penalizing the Office of the Secretary. If the Congress believes seat belt use should be required in National parks, it should enact legislation via the authorizing committees.

Employment Ceilings. Section 310 of the bill appears to exempt programs funded by the bill from employment ceilings. The Administration opposes this provision because it prevents effective and efficient management of agency programs and promotes wasteful spending.

Required Supplementals. Sections 101 and 102 of the bill require that supplementals be requested to replenish funds transferred to cover emergencies. The President has constitutional and statutory authority to propose legislation (including supplementals). The President retains discretion on whether and when to request supplemental appropriations.

Employee Details. Section 109 of the bill is superfluous language included to prevent detailing of employees except by Office of Personnel Management regulations.

National Film Commission. The bill includes authorizing language for a new agency, the National Film Commission, and provides $500,000 for it to create a National Film Registry, label films as to their cultural and esthetic merit, and require certain disclosures in the event of alteration of a "registered" film. No hearings have been held on this agency, there is no known compelling need for it, and the resources are clearly only a small beginning for what could well become a massive and intrusive new Federal regulatory authority. Based on the information currently available, the Administration opposes enactment of this authority.

□ 1345

Mr. YATES. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. SHARP].

Mr. SHARP. Mr. Chairman, I would like to commend the committee for their work on the budget for Department of Energy programs.

In particular, the committee has once again acted to restore the ill-conceived budget cuts and program eliminations in the administration's request for energy conservation. Each year the administration has sought to eliminate some of the most successful energy conservation research programs. Fortunately, through the work of Chairman YATES and others on the Appropriations Committee these programs have been protected.

While the committee has protected these programs at about current levels, the overall spending for conservation programs has declined by about two-thirds since 1981, and this does not account for inflation.

The strategic petroleum reserve would continue to be filled at 50,000 barrels per day, as requested by the administration. Few energy programs have as broad bipartisan support as the filling on the strategic petroleum reserve, and there is a consensus that we can do better than 50,000 barrels per day. I recognize that there are serious budget restraints, but I note with some irony that the administration is currently proposing to buy 750 million dollars' worth of uranium over the next 6 years—the equivalent of about 3 years' worth of current production—while we continue to buy oil for the SPR at a rate of about 2 days of current production per year.

I commend the committee for their comments concerning their opposition to the sale of the naval petroleum reserves at this time. While I do not oppose the ultimate sale of the naval petroleum reserves, it is important that the sale make good economic sense. It is by no means clear that a sale of the reserves when oil prices are at their lowest point would provide the taxpayer with a fair value on their investment.

Although the committee has stretched out the appropriation for clean coal, it does not appear that outlays for this important program will be affected in fiscal year 1989. I understand the budgetary pressures on the commitee that forced them to make this action. I look forward to working with the committee in future years to ensure that this program goes forward as contemplated.

I would like to discuss one last aspect of the Interior and related agencies appropriations bill—the moratoria it contains on oil leasing in the Outer Continental Shelf off New England, northern California, and southern Florida. While I am personally very concerned about the energy security of this Nation, I understand and share the frustrations which led to these temporary bans on oil exploration contained in this legislation.

This frustration has resulted from the Department of the Interior's leasing policy which has been overly ambitious and insufficiently sensitive to local and environmental concerns.

Theirs has been a "drill everywhere" policy which has resulted in a "drill nowhere" reality.

If the Department had greater concern for environmental and local concerns about OCS leasing, they could have identified the areas with high oil potential and low environmental impact and targeted them for leasing. This would maximize our oil potential and minimize our environmental risk.

This was precisely the strategy used in a negotiated agreement reached on leasing in the Bering Sea.

The Institute for Resource Management, founded by Robert Redford, convened a group of oil companies, environmental groups, Alaskan native groups, and fishermen to see if a mutually beneficial agreement could be reached.

The oil companies identified the best leasing areas while the other groups identified the most environmentally sensitive areas. They then negotiated back and forth on the areas which held both high oil potential and high environmental risk. Both sides acted in good faith and arrived at an agreement that would have protected the most sensitive environmental areas and still allowed 48.2 million acres to be leased.

In effect, the negotiation did much of the work for the Department of the Interior and offered them a golden opportunity to lease without the conflicts and litigation which have accompanied OCS leasing elsewhere. The Department, however, rejected the settlement and decided to double the amount of acreage available for leasing.

If the Department of the Interior was unwilling to seize the opportunity provided by the settlement in the Bering Sea, why should we believe that local and environmental concerns have been taken into account in any of the other proposed lease sales?

I believe that we should give the affected States the benefit of the doubt until a more open and responsive process has been set up by the Department of the Interior.

It is important for the next administration, whoever is President, to make the OCS leasing process credible so that we can proceed to explore for oil where exploration is most likely to succeed, with the least environmental risk.

A credible, selective leasing program that fairly balances both energy and environmental needs is in the best interest of the Nation, the oil industry and the environment.

The Nation needs the oil to improve our energy security and to hold down world prices. The oil industry needs to maintain domestic production and jobs. And, the environment will be better off under a careful, phased leasing program than with a crash drilling program during the next oil shock.

A balanced OCS leasing program will not solve all our energy problems. We also need a balanced energy policy with greater emphasis on energy conservation, renewable energy development and alternative motor fuels, to name a few options which have suffered under the present administration.

In closing, I would like to commend my colleague from Illinois, Mr. YATES, and the other members of the Appropriations Committee for an excellent bill. I urge support for the bill and for the temporary bans on oil leasing in the Outer Continental Shelf.

Mr. REGULA. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. GREEN], a member of the full committee.

Mr. GREEN. Mr. Chairman, I should like to pursue further with the chairman of the Interior Appropriations Subcommittee his various numbers about the New York Public Library.

Mr. YATES. If the gentleman will yield, I am happy to engage in a colloquy with the gentleman from New York, a member of committee.

Mr. GREEN. As the chairman knows, the National Endowment for the Humanities has, for the last 16 years, supported the research libraries of the New York Public Library with a specific dollar commitment, recognizing the importance of the library's national activities.

In return for that dedicated assistance, the library did not apply for certain other grants from the Endowment for which it might have been eligible.

Now, however, that support is being drastically reduced by the National Endowment of the Humanities because the library is in their words, no longer in perilous financial condition. That has happened, I understand, despite the view of the peer review panel that this dedicated aid continue.

Mr. YATES. I know the grant to the library has been cut back. I do not know the reasons. As the gentleman knows, we do not tell NEH which grants it should or should not make.

Mr. GREEN. I think the gentleman is correct in that policy, and I commend him for it. But, is it not the chairman's understanding that the New York Public Library is now eligible to pursue other grants within the National Endowment for the Humanities, and particularly grants under the book preservation program, for which it may be eligible? As the gentleman from Illinois [Mr. YATES] pointed out, the New York Public Library has a preeminent position nationally in research and the implementation of research regarding book preservation.

Mr. YATES. The gentleman is correct. The New York Public Library can now apply for any grants for which it may be eligible. I do know the library has been a leader in the fight against brittling of books and protecting our civilization as contained in books that are threatened with destruction.

Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Chairman, I rise in support of the bill, and to express my appreciation for the work of the Appropriations Committee and especially the Subcommittee on Interior and Related Agencies ably chaired by the distinguished gentleman from Illinois [Mr. YATES] and the members of the Interior Appropriations Subcommittee.

I am especially pleased to see that the committee has provided for substantial and needed increases in funding over the amounts requested by the President for important programs that are broadly supported by the American people. To a very large extent these increases are in areas which the Interior Authorizing Committee identified as priorities and in fact areas in which the administration proposals would have badly undermined the ability of the land management agencies to properly manage our Nation's resources.

In particular, the bill before us deserves support because of its increases for BLM's riparian area management; wildlife habitat management; soil, water, and air management; cultural resources management; and recreation management. The additional funding to enable BLM to start the process of automating the land records of the Nation, which are in the custody of the BLM's Eastern States Office, is also a sound investment that will protect a vital historical resource and increase its utility at the same time.

The increased funding for BLM land acquisition is also commendable and along the lines recommended by the Interior Committee. The funding for acquisitions in the Carrizo Plain Area of California is especially welcome.

Also, Mr. Chairman, I want to express my support for some of the policy guidance provided in the Appropriations Committee's report accompanying this bill. In particular, the suggestion that BLM should establish a formal mechanism for involving a broad spectrum of the interested public in oversight of the Wild Horse and Burro Program is a sound one that the agency should follow. I would add that such an advisory body should certainly include knowledgeable representatives of the horse industry as well as those with expertise in humane animal management.

Chairman YATES and the Subcommittee on Interior Appropriations have once again withstood administration attempts to undercut National Park Service operations and programs that are vital to our conservation, recreation, and historic preservation efforts. The administration has been disingenuous in its use of the National Park Service budget, as they have attempted to play one program off another and present us with an either/or choice.

The legislation before us today properly rejects the administration's funding approach and instead provides much in the way of the fiscal resources carrying out the long standing bipartisan supported programs of the National Park Service. I applaud the committee's support for the rivers and trails program and welcome the recognition of the importance of science and research in our parks.

The National Park System is a complex array of significant elements of our national heritage. The National Park Service, caretakers of that legacy carry a strong tradition of public support and professionalism in their management of the National Park System. They deserve the support provided in H.R. 4867 of the fiscal resources necessary to maintain and enhance our park and conservation legacy.

This appropriations bill is also a positive step toward bringing more balance to the budget of the Forest Service. In the past, the timber program has been fully financed, with inadequate funding going to programs such as wildlife, recreation, trails and wilderness. These noncommodity programs are vital to the Nation. Although America's 191 million acres of national forests comprise only 8 percent of the land area of the United States, they include 50 percent of the Nations big game animals, 50 percent of the cold water fisheries, 50 percent of anadromous fish spawning grounds, 50 percent of the wild and scenic rivers, 80 percent of the wilderness in the lower 48 States and 43 percent of the outdoor recreation of Federal lands. Furthermore, 153 threatened and endangered plant and animal species are making their last stand on the national forests.

The bill we are considering today would give these programs small but significant increases over their 1988 appropriation levels. National forest recreation would receive a $20-million boost and wildlife and fish an $11 million increase. Funding for recreation and trail construction which was zeroed out in the administration's proposed budget would be restored and given a $2-million increase. It's obvious that Chairmen YATES and WHITTEN and the committee care about these programs and are doing their best to strengthen them.

I am disappointed, however, that this bill increases funding for Forest Service wilderness management by only $2 million for a total budget of only $16 million. The number of national forest wilderness areas has doubled since 1984. Today one out of every six national forest acres is wilderness totaling 32 million acres. Nevertheless, even with this bill, less than 1 percent of the Forest Service's total budget would be spent on wilderness. The Forest Service would spend only 43 cents per acre on wilderness as opposed to over $6 per acre on its nonwilderness lands.

As a result of this consistently low funding for wilderness, the National Wilderness Preservation System is not receiving the protection it needs. Many wilderness areas have too few wilderness rangers, if any at all, to enforce regulations, to maintain proper sanitation to maintain trails and most of all to educate the public on wilderness practices. It is not surprising that studies show that since designation, resource damage has disappointingly occurred in many wilderness areas.

I also feel compelled, Mr Chairman, to note with regret that the appropriations committee has again included in this bill language (in section 314) that deals with possible challenges to existing plans of the Forest Service and Bureau of Land Management. I understand the rationale behind this language, which is aimed essentially at plans involving timber harvests, and I do note that the bill language importantly would not impair ultimate judicial review of a land-managing agency's decisions. These are important limitations on the scope of the language. Nonetheless, it would be better and more appropriate if such language had been omitted entirely.

In conclusion, Mr. Chairman, this is a good bill that is in the best interest of the American people, the owners of the lands and resources whose management is provided for by the bill. I again express my appreciation for the hard work and leadership of the appropriations committee, and especially the gentleman from Illinois [Mr. YATES], and the gentleman from Ohio [Mr. REGULA], and I urge approval of the bill.

Mr. REGULA. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. MILLER], a member of the full committee.

Mr. MILLER of Ohio. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I want to commend the chairman of the committee, the gentleman from Illinois [Mr. YATES], and the ranking minority member, the gentleman from Ohio [Mr. REGULA], as well as all of the members of the committee for their good work. We have had in full committee the opportunity to look at the bill, and we know it to be the product of many, many hours of hearings and markup.

Mr. Chairman, I do, however, have one problem with the bill. I had intended to offer a block of amendments that would have increased funding for the strategic petroleum reserve by reallocating funds from several land acquisition provisions. Knowing that discretion is the better part of valor, I will not do so.

I would, however, like to take this time to comment on the strategic petroleum research [SPR] and the adverse impact that this bill could have on our Nation's energy independence. The chairman of the committee has stated in full committee that the dollars are not there, but I still want to at least attract attention as to what we are doing at the present time, and what I feel we should be doing.

As we all remember, the strategic petroleum reserve was created in 1975 in response to the economic crisis caused by the 1973–74 Arab oil embargo, and since August 1977, more than 500 million barrels of oil have been pumped into caverns located in Texas and Louisiana. By the end of this year, the reserve will contain close to 550 million barrels. The goal for the reserve is 750 million barrels, enough oil to replace imports for 90 days.

At the time the Energy Policy and Conservation Act was approved, it was believed that the mere existence of a large, operational reserve of crude oil would deter future oil cutoffs and would discourage the use of oil as a weapon. Today, as we approach our goal of filling the reserve, the world is awash in oil. The Arab oil cartel no longer has us by the throat, and the industrialized world is back on its feet.

But, we have a problem. We have become complacent. Slowing the fill rate for the reserve is not perceived as a danger. It is my contention, however, that this is precisely the time to worry about our increasing dependency on foreign oil.

Currently about 40 percent of our petroleum needs are being met by imports. In 1973, the year of the embargo, we imported a little more than 36 percent of the oil our economy demanded. Surely we do not want to allow the present glut of oil to lull us into a false sense of security. It hasn't been that long ago that our country and the rest of the world were thrown into turmoil by the oil shortage.

To permit a relapse simply because we did not have the foresight and the fortitude to take preventative action would be most irresponsible. While the supply of oil is plentiful, we should increase the fill rate and take advantage of the bargain prices.

Presently, the fill rate is set at 50,000 barrels per day. The legislation before us today maintains that pace. The fill rate, however, has been as high as 300,000 barrels per day. I'm not advocating a 300,000-barrel-per-day rate, but I think it's clear that the current level is too low. With a fill rate of 50,000 barrels per day, it will take almost 11 years to fill the reserve and attain our goal of 750 million barrels of oil. By comparison, a fill rate of 75,000 barrels per day gets us to our goal in 7.3 years. One-hundred thousand barrels per day would fill the reserve in 5½ years.

I am reminded that by the end of 1978, the SPR was supposed to have contained 250 million barrels, but actually contained only 69 million barrels. It was not until 1980, and the passage of the Energy Security Act (P.L. 96–294), that a minimum fill rate of 100,000 barrels per day was established. To give you some idea of the amount of oil we purchased in the past, Members should note that the fill rate in fiscal year 1981 was 292,000 barrels per day, 215,300 barrels per day in 1982, 228,000 in fiscal year 1983, 192,000 in fiscal year 1984, and 159,000 barrels per day in fiscal year 1985. Then in fiscal year 1986 a dramatic cut was made in the amount of oil purchased for the reserve. Suddenly, the fill rate was down to 49,600 barrels per day. In fiscal year 1987, the rate was 75,000 barrels per day; less that half the fill rate of fiscal year 1985.

In 1987, this country imported roughly 7 million barrels of oil per day. From domestic sources, we produced 10 million barrels per day. By the year 2000, it is estimated that we will be importing 10 million barrels per day and producing only 8 million barrels per day. In other words, our dependency on foreign oil is projected to increase to about 57 percent in the next 12 years. By the year 2000, even if the SPR contained 750 million barrels, it would not be adequate to provide a 90-day cushion against the type of crisis we experienced in the mid-1970's.

Again, I know the chairman and his subcommittee have labored long and hard on this bill, and I congratulate them for their work. Nevertheless, I felt compelled to raise these concerns before the House. Our growing sense of complacency on this matter is making us vulnerable to a disruption. Should this occur, we'll find people lining up at the pumps again. More importantly, our national security and our way of life would be jeopardized. If there ever was a case when an ounce of prevention is worth a pound of cure, this is it.

I hope my colleagues will give due consideration to this high priority and find a way, if not this year certainly next year, to increase funding for the SPR. I think it is self-evident that prudent actions taken today can protect our Nation's future.

I thank the gentleman again for yielding.

□ 1400

Mr. YATES. Mr. Chairman, I yield myself 30 seconds to tell the gentleman from Ohio [Mr. MILLER] that we agree completely with the views of the gentleman. The only reason we do not have a higher fill rate is that we did not have enough money to increase the fill rate, and the prediction of 50,000 barrels per day is based upon a barrel cost of $20.75. If the current price of $17.95 continues, we should be able to increase the fill rate to 63,500 barrels.

Mr. Chairman, I yield 3 minutes to the gentleman from Oklahoma [Mr. SYNAR].

Mr. SYNAR. Mr. Chairman, it is a tribute to the sacred cow lobby that once again, the House of Representatives will not be able to vote to stop a multimillion-dollar drain on the Treasury. Currently, the grazing fee charged by the Forest Service and the Bureau of Land Management is $1.54 per animal unit month [a.u.m.] for land appraised at between $4.05 to $8.55 per a.u.m.

The appropriations bill does nothing to increase the fee. That's too bad. If the House ever has the chance to vote, I think we would increase the fee. It is impossible to defend a public vote to subsidize 2 percent of the American livestock industry at a cost of more than $30 million a year, especially since the public's land is often damaged by overgrazing.

But, last week when I tried to stop an even bigger drain on the Treasury—the pesticide indemnification program—I learned a valuable lesson: it is hard to buck the committee system. That case was a high visibility issue involving human health and taxpayers paying millions of dollars each year to indemnify manufacturers for banned hazardous pesticides. Even under those circumstances, without the support of key committee members, I was unable to get a rule allowing such an amendment to be offered.

And frankly, right now, a few cows chewing up and trampling the land in the West doesn't excite very many Members of Congress. Whether you care about cows or not, I think we should be excited by the fact that more than $30 million of taxpayers' money is being spent each year to support a program whose beneficiaries include Union Oil, Getty Oil, Texaco, and lawyers and doctors engaged in a little weekend ranching. And, this is a program that could being in revenue to the Treasury. But, right now, not enough people care.

So, until people start thinking seriously about other things that could be done with the money, I just want to explain to the American public how we got to the point where, once again, the House will not vote on this issue.

Last year during floor debate on the Interior appropriations bill, I asked Chairman YATES what had happened to a committee provision increasing the grazing fee. He said that it has been taken out in order to give the Interior Committee an opportunity to take legislative action on the subject.

Last September, the legislative subcommittee held hearings on three bills. Nothing has happened since.

Because there was no bill, I went back to the Appropriations Subcommittee this spring and asked them to include in this year's appropriation a provision increasing the fee. I honestly thought that they would do it because last year, during floor debate on this issue, Chairman YATES had said that "if action was not taken by the legislative committee, that I proposed next year to introduce the same provision into my appropriations bill." Furthermore, it would be a way to increase revenues to a cash poor Treasury. But, when the bill came out of subcommittee, there was no increase. When it came out of full committee, there was no increase.

So, I planned to go to the Rules Committee. In exploring the possibility, however, it became clear to me that key members of the authorizing committee would have problems with allowing a vote on the proposal. I realized that my timing was wrong, and going to the Rules Committee would be a little like Don Quixote tilting at windmills.

But, I will try again. Some day, enough people will start asking, why do we care about protecting this subsidy? Some day, enough Members will realize that much more important things could be done with those millions of dollars than feeding the cows owned by 2 percent of the American livestock industry, including the weekend variety. Then they will join me in demanding an up or down vote on this subsidy and we will eliminate it once and for all.

Mr. YATES. Mr. Chairman, I yield such time as he may consume to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Chairman, I would like to express my committee's concern about the brittle book program, and particularly about the preservation efforts of the New York Public Library.

Mr. Chairman, last March my subcommittee held hearings on the crisis our Nation face because our country's books and other records are deteriorating at a rapid rate. I was very concerned to learn that 76 million books in this country will disintegrate if handled. I am pleased to see that this bill includes additional funds to address this problem, and I compliment the chairman on his foresight.

One of the revelations to me during this hearing was the extent to which one institution, the New York Public Library, has assumed major national responsibilities among libraries involved in preservation. The New York Public Library is filming 14,000 deteriorating volumes annually; only the Library of Congress films more. By putting these volumes on film, the New York Public Library is ensuring, for all of us, that the knowledge contained in them will not disappear in a cloud of brittle paper. The NYPL is also making the knowledge more broadly accessible to all. Through the effort to film books, a fragile book that could not travel becomes a set of film that is easily duplicated and can be added to library collections through the Nation and the world.

I understand that the current pattern of Federal financial support for the New York Public Library has been dramatically changed. I am very concerned that the NYPL not be forced to cut back its important preservation program because of a loss of Federal support.

I listened with interest when the gentleman from New York asked the chairman with favorable peer review, if the New York Public Library, would be likely to receive from this expanded preservation program funding concomitant with its national services in preservation. And I appreciate knowing that the library may well receive additional support.

Mr. REGULA. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WELDON].

Mr. WELDON. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, at this time I would like to congratulate the distinguished gentleman from Illinois [Mr. YATES], chairman of the subcommittee and the gentleman from Ohio [Mr. REGULA], the ranking member, as well as the entire subcommittee for crafting I think a very responsive piece of legislation which I am happy to support. I also want to pay special thanks to my two colleagues from Pennsylvania, Mr. MURTHA and Mr. McDADE for the efforts that they put into this bill.

Mr. Chairman, while I am actively supporting this legislation, I do have one concern I would like to discuss briefly at this point time, and that is in regard to a project that I proposed for funding in H.R. 4867.

Both you and I, Mr. Chairman, are aware of the deplorable conditions at the Tinicum National Environmental Center in Pennsylvania. The funding for a proposed education and maintenance facility at this center, which has been authorized in previous years, had the bipartisan support of the entire southeastern Pennsylvania delegation as well as the southern New Jersey delegation. Unfortunately, there was not enough funding available to provide the dollars for the construction of this facility this fiscal year.

However, what I am asking is that the subcommittee endorse the report language included by the Senate. That language recognizes the Fish and Wildlife Service's proposal for a $1 million, 6,600 square foot building at Tinicum to be used for maintenance, storage, and educational workshops. The language also supports the Fish and Wildlife Service's plan to expend $250,000 for site development, and it promises to give consideration to the project for the fiscal year 1990 budget.

Mr. Chairman, I would appreciate your consideration of this request.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. WELDON. Certainly, I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, certainly we know of the good work being done at Tinicum and the value of Tinicum. As the gentleman pointed out, we just ran out of money and we could not fund as many worthwhile projects as we would have liked.

Certainly we will go along with the language of the Senate and will review Tinicum at our next session.

Mr. WELDON. I thank the gentleman from Illinois and the ranking member for their support.

Mr. YATES. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. LEHMAN].

Mr. LEHMAN of California. Mr. Chairman, I rise in strong support of the Interior appropriations bill for 1989. I commend Chairman YATES and members on both sides of the aisle of the Interior Appropriations Subcommittee for their yeoman's work in crafting the bill before us today. For those of us from the West and for all Americans who treasure our natural resources, this bill is one of the most important items we consider every year.

The Department of the Interior manages 727 million acres of land or one-third of the United States. This bill funds our national parks, our forests, our public lands, many of our Nation's energy programs, arts and historic preservation, and programs for native Americans as well. This year's Interior appropriations bill is a modest bill, well under our 1989 budget resolution. It should be pointed out that the Department of the Interior lands funded by this bill actually generate billions of dollars of revenue—almost as much money as appropriated in this bill.

Recent reports, including one from the General Accounting Office, suggest that our Nation's parks are in disrepair. Since 1981, the administration has attempted to place a moratorium on our land acquisition programs, on historic preservation and on grants to States for parks and recreation. The National Park Service backlog for priority construction projects is now $1.5 billion, with employee housing for Park Service employees badly in need of repair and replacement. Despite these conditions, since 1981 the National Park Service budget after inflation has been cut by over $340 million.

Our national forests have suffered as well. For example, in the area of firefighting, over the last 8 years the number of full-time equivalent employees engaged in firefighting activities has declined by about 2,000. This year's budget request for both the Forest Service and the BLM for firefighting were completely inadequate and failed to even begin paying back the costs of last year's devastating fires.

This year's request from the administration also proposed to cut funds from the earthquake hazards program conducted by the U.S. Geological Survey, a matter of great concern to those of us who represent earthquake prone areas.

Mr. Chairman, this bill is very important for those of us from California. It contains money for a much needed visitors' center at Mono Lake, money for essential acquisitions in the Santa Monica Mountains in southern California. It prevents drilling off of our pristine coasts. It protects our redwoods and preserves the best of our streams from those who would desecrate them.

The are just a few examples of areas in which the Interior budget which has been submitted would have fallen short and which this bill begins to remedy. The programs funded in this appropriation bill represent both our heritage from the past and our legacy to the future. What we do here will have tangible and long-lasting impact.

I urge the House to support H.R. 4867 and stand up to our stewardship responsibilities.

I thank the gentleman from Illinois [Mr. YATES], for this bill.

Mr. REGULA. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. MCEWEN].

Mr. McEWEN. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise at this moment for the purpose of engaging my friend and colleague, the gentleman from Ohio [Mr. REGULA] in a colloquy.

I would say to the gentleman from Ohio that on page 20 of the report it reads:

> In light of the recent damage to the memorial panels of the Vietnam Veterans' Memorial, the committee recommends the National Park Service provide around-the-clock protection for the memorial.

I would remind my friend, the gentleman from Ohio, as he knows, legislation was sponsored earlier in the year by not only Members of the Veterans' Affairs Committee but many Members of Congress who were concerned about this damaging action to the Vietnam Memorial. This legislation would require around-the-clock coverage for the memorial. I know the gentleman has taken an interest in this and I trust in his judgment. My question is, does the gentleman feel that this language in the committee report is sufficient to cover the need we face for around-the-clock protection for the Vietnam Memorial in Washington, DC?

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. McEWEN. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I would tell the gentleman from Ohio that we put this language in the report at his request and at his initiative. I discussed this issue with the Director of the Park Service. Based on his statement that the Park Service would provide whatever protection was necessary, around-the-clock if need be, this language was included and I believe that it will meet the objectives as outlined by the gentleman from Ohio I compliment him for his concern and interest in ensuring that this problem has been addressed.

Mr. McEWEN. Mr. Chairman, I rise to express my appreciation to the chairman of the Appropriations Committee, Mr. WHITTEN, the ranking member of the full committee, Mr. CONTE, and to the Interior Appropriations Subcommitee chairman, Mr. YATES, and to my colleague from Ohio, Mr. REGULA, for their strong support and assistance in providing for the protection of the Vietnam Veterans Memorial.

Mr. Chairman, as my colleagues know, the Vietnam Veterans Memorial was attacked by vandals last April when a swatstika-like symbol was scratched into the black granite monument.

Consequently, I introduced H.R. 4618, the Vietnam Memorial Protection Act.

Under the provisions of this legislation, the National Park Service would provide for the constant security at the memorial.

Mr. Chairman, the appropriations bill before the House of Representatives today achieves the same goal as H.R. 4618, and I commend the members of the Appropriations Committee for their actions to maintain around-the-clock protection at the Vietnam Veterans Memorial.

During the 1920's, vandals defaced the Tomb of the Unknowns at Arlington National Cemetery. The U.S. Government took action to ensure that vandalsm would not desecrate this venerable site again. I am pleased that the House of Representatives has taken the appropriate measures to protect the Vietnam Veterans Memorial as well.

Mr. Chairman, since its dedication in 1982, the Vietnam Veterans Memorial has become the most visited memorial in Washington. Last year, 3,800,000 people traveled to the Capital Mall to see this monument. We should not allow vandals to defame this tribute to those veterans who gave their lives in service to their country.

Mr. YATES. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Chairman, I thank the gentleman for yielding me this time, and even more than that, I would like to express my personal appreciation, and that, I know, of many Members of my delegation, to the gentleman from Illinois [Mr. YATES], chairman of the subcommittee and to the gentleman from Ohio, [Mr. REGULA], the ranking member, for the tremendous amount of good that they do for California in this bill.

In that context, I would like to associate myself with the remarks of my colleague from California, Mr. LEHMAN, who spoke earlier. At Mono Lake, in the Santa Monica Mountains, at Lake Tahoe, in the wildlife refuges of the Sacramento and San Joaquin Rivers, and the San Francisco Bay, and protecting the giant sequoias, this bill does more for the environment and for California than any other that we pass in any given year in Congress.

I want to particularly point out that this year the committee has taken up an issue that I think has been neglected for far too long, and that is the impact on the lungs of firefighters who jump into forest fires, and there will be many this year in California, and endanger their health fighting the very expensive forest fires that cost the taxpayers of this country millions of dollars each year. This is particularly important, given the drought conditions we have and the greenhouse effect that is heating and drying the environment of the entire country.

Mr. Chairman, I rise in strong support of the Interior and related agencies appropriations bill for 1989.

All of us in California owe Chairman YATES, the ranking minority member, RALPH REGULA, and the members of the subcommittee, as well as Chairman WHITTEN, a great deal of gratitude for the tremendous support they have provided to our State. Their help each year has made immeasurable contributions to the State's environment, culture, and well-being for which Californians are deeply in debt and always in appreciation.

I am particularly supportive of several items in this bill which benefit my State.

Since fiscal year 1982, the subcommittee has funded the Santini-Burton land acquisition program in the Lake Tahoe Basin. By all accounts the program has been enormously successful, but the program must continue: Lake Tahoe is losing its clarity by 1½ feet each year. In its budget request, the administration did not propose any funding for the Burton-Santini program this year.

This year the subcommittee recommended, and the full committee approved, a total of $7.4 million in funding for the Santini-Burton program in fiscal year 1988: $6 million for acquisition of environmentally sensitive land and $1.4 million to provide grants to local government erosion control efforts.

It is safe to say that the Interior Subcommittee's support of the Santini-Burton program has been the single most important catalyst behind the increasing efforts to preserve the lake. For the friends of Lake Tahoe in California, Nevada, and around the country, the Interior Subcommittee's help has been irreplacable.

I am very pleased that this year the subcommittee recommended an appropriation of $4 million for the creation of a Sacramento River National Wildlife Refuge in northern California. Riparian woodlands along the Sacramento River have dwindled from over 800,000 acres a century and a half ago to only 12,000 acres today. The new refuge will help us preserve the scant habitat we have left and protect a precious environmental resource for future generations.

This bill also includes $4.1 million for construction of a visitor center in the Mono Basin National Forest Scenic Area. My colleague from California, Representative RICHARD LEHMAN, tells me a site for the center has been selected on a bluff overlooking Mono Lake, and the Forest Service is ready to begin construction of a 10,000 square foot facility that will serve 250,000 visitors in its first year. The visitor center will provide an important educational role in teaching travelers the natural history of this beautiful and fragile area.

In addition to the items I have already mentioned which are important to California, I am also very supportive of many other programs under the Interior Subcommittee's jurisdiction that are more national in scope. These include the land and water conservation fund, for which the subcommittee recommended a nearly $140 million increase from the President's request; and, the National Endowments for the Arts and Humanities, which the subcommittee funded above last year's levels.

Of course, all of these programs benefit Californians, but their impact extends nationwide. I am very pleased the subcommittee was able to recommend higher funding levels for them, especially in this extremely difficult year.

Mr. Chairman, I would also like to extend my appreciation to Chairman YATES and the subcommittee for continuing the moratorium on outer Continental Shelf oil and gas leasing in areas off California's coast.

Continuing to rush forward on lease sale 91 is in no one's best interest. Secretary Donald Hodel, Gov. Michael Dukakis, and Vice President BUSH have come to that conclusion come out in support of delaying lease sale 91 so that a new administration, whether Democratic or Republican, has an adequate amount of time to sort out the facts from the fiction and decide whether the sale should go forward.

Just recently a report by the Interior Department's Fish and Wildlife Service has generated new uncertainties about the validity of information generated in support of the lease sale. In the sharply critical report, Federal wildlife experts accused other officials at the Department of Interior of soft-pedaling the "potentially devastating impacts" of oil drilling off the northern California coast.

According to the Fish and Wildlife report;

"Minerals Management has inaccurately painted a picture of a routine operation with few potential impacts when, in fact, offshore development in northern California and the proposed tanker traffic is a high-risk operation in rough seas, in a geologically unstable area, with potentially devastating impacts on coastal resources."

These criticisms by the Fish and Wildlife Service are even stronger and more persuasive than the criticisms submitted in March by the Environmental Protection Agency.

There is one final matter that I would like to briefly address: the National Film Commission. The amendment offered by Mr. YATES is a compromise that has been worked out over the past several days. It significantly modifies a provision contained in the bill as reported out by the Appropriations Committee. The original provision setup a new permanent government agency for the purpose of establishing a national registry. And, in doing so, it would have had the effect of overturning established copyright law as it relates to the ownership of films, and thereby potentially violating fundamental first and fifth amendment principals. It would have, for the very first time, allowed the Government to determine "what is art"; it would have protected selected artistic rights while ignoring other creative contributions; and, it would have required title changes, editing limitations and other restrictions on all films designated as national treasures.

But the true purpose of the original language was to severely restrict, if not to prohibit, colorization. Further, by placing this language in an appropriations bill the authors were bypassing the authorizing committees which not only have jurisdiction over this complex and multifacited matter, but the committees were in the process of holding hearings and had commissioned an indepth study by the copyright office.

A compromise has now been worked out by the authors of the amendment, members of the Judiciary Committee and those in the private sector who were affected. I commend Chairman YATES and all of those involved for their efforts to reach a satisfactory agreement. Under the compromise, a film commission is established to select no more than 25 films per year to be designated as historically, culturally or aesthetically significant for inclusion in a National Film Registry. Any material alteration of such films would require labels to specify how the film has been altered. Further, this compromise, unlike the original language, does not amend existing copyright law.

Again, I greatly appreciate Chairman YATES' willingness to work with us on this matter. I also thank Chairman YATES and the subcommittee for their dedication and hard work. I urge a yes vote on the bill.

Mr. YATES. Mr. Chairman, I yield 1½ minutes to the gentleman from California [Mr. BERMAN].

Mr. BERMAN. Mr. Chairman, I thank the gentleman for yielding time to me. I rise in support of the bill and with particular appreciation for the significant support given in this legislation for the Santa Monica Mountains National Recreation Area.

Mr. Chairman, I would like to engage in a colloquy with the gentleman from Illinois [Mr. YATES], chairman of the subcommittee.

Mr. YATES. If the gentleman will yield, I am happy to engage in a colloquy with him.

Mr. BERMAN. Mr. Chairman, section 8 of the National Film Preservation Act creates a National Film Preservation Board which is made up of the leaders of the many facets of the film industry. Perhaps by oversight, the drafters of the legislation did not include the chairman of the Caucus of Producers, Writers and Directors which is an important group in the film industry in my State of California and elsewhere. The caucus is a membership organization consisting of writers, producers, and directors who are proven successes in their respective fields.

Would you be willing to add the chairman of the caucus to the list of Board members if such an addition were put forth by a Member of the Senate in the House-Senate conference committee on this legislation?

Mr. YATES. It is my understanding that the Caucus of Producers, Writers and Directors serves a very important function in the American television industry.

Needless to say, we cannot anticipate what action the Senate might take if and when it considers this legislation in the future. However, we are well aware that there is every possibility the Senate may have additional recommendations when it comes to who should serve on this prestigious panel, including substitutions of organizations chosen by the House of Representatives. Certainly, the conferences should give every consideration to the Caucus of Producers, Writers and Directors.

Mr. BERMAN. I thank the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, I appreciate the gentleman yielding time to me and want to compliment the gentleman from Illinois, Mr. YATES, and the gentleman from Ohio, Mr. RALPH REGULA, our ranking Republican, and our very good staff. I think this committee has one of the best staffs on the Hill.

This has been a bill, as my friend from Oregon has already described, which has enormous impact on many of our small timber owners and operators in the State of Washington.

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There is an enormous timber supply problem out there. This bill addresses it. At the same time we have put in a historic study this year on old growth timber that has been something of concern to the environmentalists.

Mr. Chairman, I deeply appreciate the committee's support for language dealing with the issue of offshore drilling off the coasts of Washington and Oregon. We have not put moratorium language in this bill but we have worked out a way to try to get cooperation between the Department and the States of Washington and Oregon.

Again I appreciate the chairman's support in preserving the Youth Conservation Corps.

I hope that next year with the new Democratic administration we can recreate the Youth Conservation Corps that we once knew.

I also appreciate the support from the gentleman for the Washington State projects.

I would also say to my chairman and my friends here that this year we had a number of initiatives for the State of Washington dealing with important Bowerman Basin projects, the Henry M. Jackson Visitors Center in the North Cascades, the Preservation of Old Growth in Noisy Creek and an important new Spokane River Centennial Trail.

I would say that my friend from California said it quite well: This is a bill that deals with our parks, deals with our history, deals with our heritage, and also deals with our future.

Mr. Chairman, I again want to commend our chairman. I think he has done an outstanding job with this bill. He has also been a great friend of the American Indian. He does yeoman work in making certain that the tribes have adequate resources and that we live up to our trust responsibilities in that area.

So I hope that the committee will support this legislation. I think it has been worked out in a bipartisan way in the very best traditions and I think it is a bill that deserves the support of the House.

Mr. GORDON. Mr. Chairman, Mr. QUILLEN intended to offer an amendment addressing a proposed permit fee rule change by the Office of Surface Mining. Fortunately, we were able to work out a compromise with the authorizing committee and it was not necessary to offer the amendment. Had this amendment been offered, I would have made the following statement: I rise in strong support of the Quillen amendment. This amendment is needed to protect an already overly burdened industry that is struggling to survive.

The coal industry in Tennessee is depressed. Production has dropped almost 40 percent over the past few years.

Mr. Chairman, I want to start out by making clear what this amendment does not do.

First of all, if does not change any environmental laws or requirements set forth by the Clean Air Act or the Surface Mining Act.

Second, the amendment does not change any occupational mine safety laws or requirements. In fact, the amendment does not change any substantive regulatory or environmental laws.

Finally, this amendment does not give Tennessee coal producers favorable treatment to other States. Tennessee is one of only nine States that the office of surface mining has sole regulatory authority over.

As a practical matter only Tennessee and the State of Washington have any mines that would be affected by the proposed rule change.

Tennessee coal operators pay 35 cents for each ton of mined coal to the Abandoned Mined Land Reclamation Trust Fund. Operators also pay 55 cents for each ton of surface mined coal to the Black Lung Program. However, unlike all States with primacy, Tennessee does not automatically receive State grants of these reclamation funds. Tennessee is only eligible to receive emergency funding from this program.

Thus, the argument cannot be made that Tennessee receives preferential treatment by not having to pay permit fees. Tennessee pays special excise taxes, even though we do not receive automatic funding from the trust funds that these excise taxes support.

Mr. Chairman, what this amendment does do is prevent the Office of Surface Mining from imposing unnecessary permit fees on new applications, renewals, revisions, or permit transfers. This proposed rule change would unduly burden Tennessee and Washington coal operators and I strongly urge the House to support and pass the Quillen amendment.

Mr. RAHALL. I would like to first commend the Subcommittee on Interior for the excellent job they have done in formulating the legislation before us today, the Interior and related agencies appropriation for fiscal year 1989.

Chairman YATES in particular is to be commended for the diligence he shows in consistently bringing such a fine product to the House floor. The great contribution made to this measure by our colleagues RALPH REGULA, JOHN MURTHA, and JOE MCDADE among others is also deeply appreciated.

I am particularly pleased with the $150 million in State grants provided by this bill to continue those efforts aimed at eliminating the health and safety threat faced by coalfield residents from old abandoned coal mine lands under the Abandoned Mine Reclamation Program.

These Federal funds are essential in our ongoing efforts to quench burning refuse piles, seal old mine openings, address subsidence problems, reclaim impoundments and stabilize orphaned surface mined lands through regrading and revegetation.

This legislation also makes available $10 million for the Rural Abandoned Mine Program. Unlike the State grant program. RAMP funds are administered by the Soil Conservation Service and the agency is already planning $2.2 million worth of projects located in several counties within my congressional district for fiscal year 1989.

Also relating to abandoned mine lands, H.R. 4867 provides $1.2 million for the National Mine Land Reclamation Center. West Virginia University is the lead university in this newly established center and the funds will be used to devise more efficient and cost-effective reclamation techniques.

As in the past, this legislation also seeks to provide the necessary resources to the Bureau of Mines, above and beyond the administration budget request, to provide the maximum amount of health and safety protection for the Nation's underground coal miners.

This is being accomplished through the development of mine health and safety technologies, such as those involving the mitigation of respirable dust generation, ground control, and methane prevention. Additional funding is also being provided for Bureau of Mines programs involving acid mine drainage and subsidence control research.

Mr. Chairman, I would also note that H.R. 4867 appropriates $16.7 million in State grants from the land and water conservaton fund and $24.8 million in State grants from the historic preservation fund. While these amounts may not be as high as some would like, they are certainly far above what the administration is seeking.

Mr. BOSCO. I rise in support of H.R. 4867, the Department of Interior appropriations bill, and I would like to commend the gentleman from Illinois [Mr. YATES] for his fine work in bringing this bill to the floor. I would also like to express my appreciation to Mr. YATES' subcommittee and to the full Committee on Appropriatons for ratifying another delay in the Interior Department's proposed lease sale 91 off the northern California coast.

To provide just a little background for my colleagues, lease sale 91 involves Outer Continental Shelf tracts located along two counties in my northern California district. This lease sale was announced early in the Reagan administration and Congress has, with cause, postponed it for each of the past 6 years.

Lease sale 91 is a fatally flawed proposal on environmental and scientific grounds. But we in the California delegation have not been playing a four corners stall offense on proposals for drilling off the California coast. Recognizing the need to expand our domestic sources of energy, our delegation has been willing to negotiate with the administration every step of the way, and under the capable leadership of Mr. PANETTA we have always taken the position that compromise is preferable to polarization and stalemate.

And yet today we face a stalemate. Due to the Interior Department's disregard for valid environmental concerns and its extreme political misjudgment, the debate over offshore oil drilling in California has become one of the most impassioned, polarized, heated, and nonproductive in the State's history. Thousands of citizens turn out at public hearings up and down the coast to voice their firm opposition to any offshore drilling, and both sides have become mistrustful of each other to a fault and firmly opposed to any form of compromise.

We did not have to arrive at this unfortunate state of affairs. Our delegation reached an agreement with the Secretary of the Interior in 1985 that would have provided protection for environmentally sensitive areas of our coast in exchange for limited drilling in other areas, and this agreement had the support of the major environmental groups and local communities and citizens. Yet under pressure from oil interests the Secretary unceremoniously backed out of the agreement, dooming to failure any subsequent negotiations between his Department and the Congress.

Mr. Chairman, if the Secretary had not unilaterally abrogated an agreement, our search for new domestic oil resources might be more productive today, and we could be busy reducing at least a fraction of our unhealthy reliance on imported oil. Instead, it will now be up to the next administration to navigate its way through this highly emotional issue and arrive at a solution that protects legitimate environmental interests while recognizing the need for national energy security.

Mr. SLATTERY. Mr. Chairman, I rise in support of this legislation, and want to commend the members of the Interior Appropriation Subcommittee for their continuing work on behalf of Haskell Indian Junior College in Lawrence, KS.

The increase of $295,000 above the administration's request for Haskell both restores the school's budget to the level provided in fiscal year 1988, and provides a sufficient balance to allow Haskell to improve its instructional programs for Indian students.

Further, the $1.5 million earmarked for remedial construction activities at Haskell will allow for a continued reduction in the backlog of facility repairs on the campus. To date, the backlog has been reduced to approximately $8 million. Earmarking these funds for Haskell will continue to reinforce the Bureau's commitment to resolving this problem, which was identified by the Interior Department's inspector general. I want to commend the Interior Appropriations Subcommittee for their concern and diligence in eliminating the life-threatening conditions on the campus, and for improving the living conditions of Haskell students.

Finally, I want to sincerely thank the subcommittee members, and especially Chairman YATES and his staff, for including in this legislation instruction to the Bureau of Indian Affairs to prepare budget estimates to eliminate employee furloughs at Haskell, and reinitiate a summer instructional program.

Since 1984, because of budgetary constraints, Haskell's administration has been forced not only to cancel summer classes for Indian students, but also furlough instructional personnel for 12 weeks, and some maintenance personnel for 2 weeks.

In visiting the campus, I am convinced that these annual furloughs severely affect employee morale, and unduly hamper the school's ability to attract and retain qualified personnel. This is a deplorable situation, and threatening to Haskell's long-term ability to provide continuing education for Indian students.

I look forward to receiving the Bureau's report, and working with the subcommittee next year to resolve the employee furloughs at Haskell, and to reinstitute summer instructional programs at Haskell, through the fiscal year 1990 appropriation.

Mrs. LLOYD. Mr. Chairman, I rise in support of H.R. 4867, the Interior and related agencies appropriations bill for fiscal year 1989. The bill provides funding to maintain a vigorous Department of Energy program in clean coal, and fossil and energy conservation research and development. The continuation of the programs at a healthy levels will ensure the maximum return on our longstanding Federal investment.

As chairman with responsibility for authorizing the research and development programs for fossil and energy conservation, I can appreciate the difficult budget tradeoffs involved in crafting a balanced funding proposal. The subcommittee chairman has one this and the recommendations mirror the policy directions of the research and development bill, H.R. 4505. I believe that these recommended levels contained in the bill reflect the commitment by the Congress to achieve a secure future, in spite of the lack of support for many of these programs in the administration's budget submission. I would remind my colleagues that energy security will remain a key element of national security.

I congratulate subcommittee chairman, Mr. YATES for bringing a responsible funding package to the floor which recognizes energy R&D priorities. I urge my colleagues to support the bill.

Mr. MCDADE. Mr. Chairman, I rise today in support of H.R. 4867, the Interior appropriations bill for fiscal year 1989. This important legislation funds the Department of the Interior, the Forest Service, Indian education and health, and conservation programs of the Energy Department.

I would like to compliment the chairman and ranking Republican of the subcommittee, SID YATES and RALPH REGULA, for their outstanding leadership in putting together a bill that is both fiscally responsible and responsive to the needs of this Nation. Chairman YATES and Congressman REGULA showed great foresight in drafting a bill that responds to current needs and provides for future generations. They have shown a genuine concern about the wise use and preservation of our natural resources.

H.R. 4867 is the product of extensive public hearings and a thorough review of the programs of the Interior Department and related agencies. An exhaustive examination of the administration's budget request was made by the subcommittee. As in past years, there were a number of areas where priorities were reordered to better meet the Nation's needs.

The bill provides $9.696 billion in budget authority in fiscal year 1989 for Interior Department and related agencies programs. This compares with the administration's $8.864 billion request and the fiscal year 1988 $9.342 billion appropriation. I should point out that the Interior bill, unlike most other appropriations bills, largely pays for itself through revenues generated by the Interior Department and other agencies represented in the bill. Receipts to the Treasury are estimated to reach nearly $8.4 billion during the coming fiscal year.

The committee took the initiative in increasing the administration's recommendations in several areas involving public resources and energy. These include $128.6 million for Federal acquisition through the land and water conservation fund, $27.4 million for Part Service maintenance, $30 million for the historic preservation fund, $20.2 million for control technology and coal preparation, and $186.5 million for weatherization and schools and hospitals.

Much attention has been focused on the moratoria on Outer Continental Shelf oil and gas leasing in areas off California, Massachusetts, and Florida. While I do not support such moratoria, I support the bill because I believe it does, in balance, look to future needs and the possibility of supply descriptions with funding for fossil fuels, energy conservation and the strategic petroleum reserve. The bill also spreads $525 million in budget authority for clean coal demonstration projects over the next 3 fiscal years, providing DOE with enough money to meet its expected obligations.

Our natural resources are protected with moderate funding increases over the 1988 appropriation for the Bureau of Land Management, the Fish and Wildlife Service, the National Park Service and the U.S. Forest Service. The Federal Government will also be able to carry out its responsibilities through funding of the Geological Survey, the Minerals Management Service, the Bureau of Mines and the Office of Surface Mining Reclamation and Enforcement. Unfortunately, there are far greater needs than there are available dollars, but this bill makes a good faith effort to put the Nation's priorities in their proper order.

The bill also provides for cultural, intellectual and educational needs with adequate funding levels for the functions of the Smithsonian Institution, the National Gallery of Art, the Woodrow Wilson International Center for Schools, the National Foundation on the Arts and Humanities, the Commission of Fine Arts and the Advisory Council on Historic Preservation.

I am proud to be associated with this legislation. It provides for the stewardship of our public lands, addresses our energy needs, protects our natural resources and respects our Nation's environment. I urge House passage of H.R. 4867.

The CHAIRMAN. All time has expired.

The Clerk will read.

The Clerk read as follows:

H.R. 4867

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of the Interior and related agencies for the fiscal year ending September 30, 1989, and for other purposes, namely:

TITLE I—DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

MANAGEMENT OF LANDS AND RESOURCES

For expenses necessary for protection, use, improvement, development, disposal, cadastral surveying, classification, and performance of other functions, including maintenance of facilities, as authorized by law, in the management of lands and their resources under the jurisdiction of the Bureau of Land Management, including the general administration of the Bureau of Land Management, $500,959,000, of which not to exceed $1,000,000 to be derived from the special receipt account established by section 4 of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l-6a(i)), $70,000,000 for firefighting and repayment to other appropriations from which funds were transferred under the authority of section 102 of the Department of the Interior and Related Agencies Appropriations Act, 1988, and $23,000,000 for the Automated Land and Mineral Record System Project shall remain available until expended: *Provided,* That appropriations herein made shall not be available for the destruction of healthy, unadopted, wild horses and burros in the care of the Bureau of Land Management or its contractors: *Provided further,* That in fiscal year 1989 all but $742,000 of receipts, and thereafter all receipts from fees established by the Secretary of the Interior for processing of actions relating to the administration of the General Mining Laws shall be available for program operations in Mining Law Administration by the Bureau of Land Management to supplement funds otherwise available, to remain available until expended.

CONSTRUCTION AND ACCESS

For acquisition of lands and interests therein, and construction of buildings, recreation facilities, roads, trails, and appurtenant facilities, $5,431,000, to remain available until expended.

PAYMENTS IN LIEU OF TAXES

For expenses necessary to implement the Act of October 20, 1976 (31 U.S.C. 6901-07), $105,000,000, of which not to exceed $400,000 shall be available for administrative expenses.

LAND ACQUISITION

For expenses necessary to carry out the provisions of sections 205, 206, and 318(d) of Public Law 94-579 including administrative expenses and acquisition of lands or waters, or interest therein, $11,640,000, to be derived from the Land and Water Conservation Fund, to remain available until expended.

OREGON AND CALIFORNIA GRANT LANDS

For expenses necessary for management, protection, and development of resources and for construction, operation, and maintenance of access roads, reforestation, and other improvements on the revested Oregon and California Railroad grant lands, on other Federal lands in the Oregon and California land-grant counties of Oregon, and on adjacent rights-of-way; and acquisition of lands or interests therein including existing connecting roads on or adjacent to such grant lands; $61,445,000, to remain available until expended: *Provided,* That the amount appropriated herein for road construction shall be transferred to the Federal Highway Administration, Department of Transportation: *Provided further,* That 25 per centum of the aggregate of all receipts during the current fiscal year from the revested Oregon and California Railroad grant lands is hereby made a charge against the Oregon and California land grant fund and shall be transferred to the General Fund in the Treasury in accordance with the provisions of the second paragraph of subsection (b) of title II of the Act of August 28, 1937 (50 Stat. 876).

RANGE IMPROVEMENTS

For rehabilitation, protection, and acquisition of lands and interests therein, and improvement of Federal rangelands pursuant to section 401 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701), notwithstanding any other Act, sums equal to 50 per centum of all moneys received during the prior fiscal year under sections 3 and 15 of the Taylor Grazing Act (43 U.S.C. 315, et seq.) and the amount designated for range improvements from grazing fees and mineral leasing receipts from Bankhead-Jones lands transferred to the Department of the Interior pursuant to law, but not less than $8,506,000, to remain available until expended: *Provided,* That not to exceed $600,000 shall be available for administrative expenses.

SERVICE CHARGES, DEPOSITS, AND FORFEITURES

For administrative expenses and other costs related to processing application documents and other authorizations for use and disposal of public lands and resources, for costs of providing copies of official public land documents, for monitoring construction, operation, and termination of facilities in conjunction with use authorizations, and for rehabilitation of damaged property, such amounts as may be collected under sections 209(b), 304(a), 304(b), 305(a), and 504(g) of the Act approved October 21, 1976 (43 U.S.C. 1701), and sections 101 and 203 of Public Law 93-153, to be immediately available until expended: *Provided,* That notwithstanding any provision to the contrary of subsection 305(a) of the Act of October 21, 1976 (43 U.S.C. 1735(a)), any moneys that have been or will be received pursuant to that subsection, whether as a result of forfeiture, compromise, or settlement, if not appropriate for refund pursuant to subsection 305(c) of that Act (43 U.S.C. 1735(c)), shall be available and may be expended under the authority of this or subsequent appropriations Acts by the Secretary to improve, protect, or rehabilitate any public lands administered through the Bureau of Land Management which have been damaged by the action of a resource developer, purchaser, permittee, or any unauthorized person, without regard to whether all moneys collected from each such forfeiture, compromise, or settlement are used on the exact lands damage to which led to the forfeiture, compromise, or settlement: *Provided further,* That such moneys are in excess of amounts needed to repair damage to the exact land for which collected.

MISCELLANEOUS TRUST FUNDS

In addition to amounts authorized to be expended under existing law, there is hereby appropriated such amounts as may be contributed under section 307 of the Act of October 21, 1976 (43 U.S.C. 1701), and such amounts as may be advanced for administrative costs, surveys, appraisals, and costs of making conveyances of omitted lands under section 211(b) of that Act, to remain available until expended.

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Land Management shall be available for purchase, erection, and dismantlement of temporary structures, and alteration and maintenance of necessary buildings and appurtenant facilities to which the United States has title; up to $25,000 for payments, at the discretion of the Secretary, for information or evidence concerning violations of laws administered by the Bureau of Land Management; miscellaneous and emergency expenses of enforcement activities authorized or approved by the Secretary and to be accounted for solely on his certificate, not to exceed $10,000: *Provided,* That appropriations herein made for Bureau of Land Management expenditures in connection with the revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant lands (other than expenditures made under the appropriation "Oregon and California grant lands") shall be reimbursed to the General Fund of the Treasury from the 25 per centum referred to in subsection (c), title II, of the Act approved August 28, 1937 (50 Stat. 876), of the special fund designated the "Oregon and California land grant fund" and section 4 of the Act approved May 24, 1939 (53 Stat. 754), of the special fund designated the "Coos Bay Wagon Road grant fund": *Provided further,* That appropriations herein made may be expended for surveys of Federal lands of the United States and on a reimbursable basis for surveys of Federal lands of the United States and for protection of lands for the State of Alaska: *Provided further,* That an appeal of any reductions in grazing allotments on public rangelands must be taken within thirty days after receipt of a final grazing allotment decision. Reductions of up to 10 per centum in grazing allotments shall become effective when so designated by the Secretary of the Interior. Upon appeal any proposed reduction in excess of 10 per centum shall be suspended pending final action on the appeal, which shall be completed within two years after the appeal is filed: *Provided further,* That appropriations herein made shall be available for paying costs incidental to the utilization of services contributed by individuals who serve without compensation as volunteers in aid of work of the Bureau: *Provided further,* That notwithstanding section 5901(a) of title 5, United States Code, the uniform allowance for each uniformed employee of the Bureau of Land Management shall not exceed $400 annually.

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

For expenses necessary for scientific and economic studies, conservation, management, investigations, protection, and utilization of sport fishery and wildlife resources, except whales, seals, and sea lions, and for the performance of other authorized functions related to such resources; for the general administration of the United States Fish and Wildlife Service; and for maintenance of the herd of long-horned cattle on the Wichita Mountains Wildlife Refuge; and not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by Youth Conservation Corps as if authorized by the Act of August 13, 1970, as amended by Public Law 93-408, $350,251,000, of which $5,000,000, to carry out the purposes of 16 U.S.C. 1535, shall remain available until expended; and of which $6,523,000 shall be for operation and maintenance of fishery mitigation facilities constructed by the Corps of Engineers under the Lower Snake River Compensation Plan, authorized by the Water Resources Development Act of 1976 (90 Stat. 2921), to compensate for loss of fishery resources from water development projects on the Lower Snake River, and which shall remain available until expended: *Provided,* That none of the funds provided herein may be used for the planning, implementation, or financing of agreements or arrangements with entities for the management of United States Fish and Wildlife Service wildlife refuges, exclusive of waterfowl production areas, except for agreements or arrangements existing as of the date of enactment of this Act.

CONSTRUCTION AND ANADROMOUS FISH

For construction and acquisition of buildings and other facilities required in the conservation, management, investigations, protection, and utilization of sport fishery and wildlife resources, and the acquisition of lands and interests therein; $23,756,000, to remain available until expended, of which $2,000,000 shall be available for expenses to carry out the Anadromous Fish Conservation Act (16 U.S.C. 757a-757g).

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l-4-11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the United States Fish and Wildlife Service, $50,809,000, to be derived from the Land and Water Conservation Fund, to remain available until expended.

NATIONAL WILDLIFE REFUGE FUND

For expenses necessary to implement the Act of October 17, 1978 (16 U.S.C. 715s), $5,645,000.

ADMINISTRATIVE PROVISIONS

Appropriations and funds available to the United States Fish and Wildlife Service shall be available for purchase of not to exceed 160 passenger motor vehicles, of which 153 are for replacement only (including 46 for police-type use); not to exceed $400,000 for payment, at the discretion of the Secretary, for information, rewards, or evidence concerning violations of laws administered by the United States Fish and Wildlife Service, and miscellaneous and emergency expenses of enforcement activities, authorized or approved by the Secretary and to be accounted for solely on his certificate; repair of damage to public roads within and adjacent to reservation areas caused by operations of the United States Fish and Wildlife Service; options for the purchase of land at not to exceed $1 for each option; facilities incident to such public recreational uses on conservation areas as are consistent with their primary purpose; and the maintenance and improvement of aquaria, buildings, and other facilities under the jurisdiction of the United States Fish and Wildlife Service and to which the United States has title, and which are utilized pursuant to law in connection with management and investigation of fish and wildlife resources: *Provided,* That the United States Fish and Wildlife Service may accept donated aircraft as replacements for existing aircraft: *Provided further,* That hereafter the Columbian White Tail Deer Refuge shall be known as the Julia Butler Hansen Refuge for the Columbian White Tail Deer.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

For expenses necessary for the management, operation, and maintenance of areas and facilities administered by the National Park Service (including special road maintenance service to trucking permittees on a reimbursable basis), and for the general administration of the National Park Service, including not to exceed $424,000 for the Roosevelt Campobello International Park Commission and not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by Youth Conservation Corps as if authorized by the Act of August 13, 1970, as amended by Public Law 93-408, $742,181,000, without regard to the Act of August 24, 1912, as amended (16 U.S.C. 451), of which not to exceed $52,200,000 to remain available until expended is to be derived from the special fee account established pursuant to title V, section 5201, of Public Law 100-203: *Provided,* That of the funds appropriated from the General Fund of the Treasury, $56,733,000 shall be for interpretation and visitor services, $269,392,000 shall be for maintenance, and $77,726,000 shall be for resources management: *Provided further,* That the National Park Service shall not enter into future concessionaire contracts, including renewals, that do not include a termination for cause clause that provides for possible extinguishment of possessory interests excluding depreciated book value of concessionaire investments without compensation: *Provided further,* That funds appropriated to the National Park Service may be used for the purchase or hire of personnel services without regard to personnel laws as contained in title V of the United States Code, only to provide for the orderly transition from regional finance offices to a central finance office: *Provided further,* That of the funds provided herein, $250,000 is available for the National Institute for the Conservation of Cultural Property.

NATIONAL RECREATION AND PRESERVATION

For expenses necessary to carry out recreation programs, natural programs, cultural programs, environmental compliance and review, and grant administration, not otherwise provided for, $14,093,000.

HISTORIC PRESERVATION FUND

For expenses necessary in carrying out the provisions of the Historic Preservation Act of 1966 (80 Stat. 915), as amended (16 U.S.C. 470), $30,000,000 to be derived from the Historic Preservation Fund, established by section 108 of that Act, as amended, to remain available for obligation until September 30, 1990: *Provided,* That the Trust Territory of the Pacific Islands is a State eligible for Historic Preservation Fund matching grant assistance as authorized under 16 U.S.C. 470w(2): *Provided further,* That pursuant to section 105(1) of the Compact of Free Association, Public Law 99-239, the Federated States of Micronesia and the Republic of the Marshall Islands shall also be considered States for purposes of this appropriation.

CONSTRUCTION

For construction, improvements, repair or replacement of physical facilities, without regard to the Act of August 24, 1912, as amended (16 U.S.C. 451), $131,809,000, to remain available until expended, including $2,950,000 to carry out the provisions of sections 302, 303, and 304 of Public Law 95-290: *Provided,* That for payment of obligations incurred for continued construction of the Cumberland Gap Tunnel, as authorized by section 160 of Public Law 93-87, $47,000,000 to be derived from the Highway Trust Fund and to remain available until expended to liquidate contract authority provided under section 104(a)(8) of Public Law 95-599, as amended, such contract authority to remain available until expended.

LAND AND WATER CONSERVATION FUND

(RESCISSION)

The contract authority provided for fiscal year 1989 by 16 U.S.C. 460l-10a is rescinded.

LAND ACQUISITION AND STATE ASSISTANCE

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l-4-11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the National Park Service, $62,206,000 to be derived from the Land and Water Conservation Fund, to remain available until expended, including $3,300,000 to administer the State Assistance program: *Provided*, That of the amounts previously appropriated to the Secretary's contingency fund for grants to States, $357,000 shall be available in 1989 for administrative expenses of the State grant program.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

For expenses necessary for operating and maintaining the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, $5,181,000: *Provided*, That contracts awarded for environmental systems, housekeeping, protection systems, and repair or renovation of buildings of the John F. Kennedy Center for the Performing Arts may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

ILLINOIS AND MICHIGAN CANAL NATIONAL HERITAGE CORRIDOR COMMISSION

For operation of the Illinois and Michigan Canal National Heritage Corridor Commission, $250,000.

AMERICAN REVOLUTION BICENTENNIAL ADMINISTRATION

For expenses necessary to pay awards resulting from claims by licensees against the American Revolution Bicentennial Administration and its successors, $4,765,000: *Provided*, That payment of awards shall occur no later than 30 days after enactment of this Act.

ADMINISTRATIVE PROVISIONS

Appropriations for the National Park Service shall be available for the purchase of not to exceed 360 passenger motor vehicles, of which 290 shall be for replacement only, including not to exceed 290 for police-type use and 26 buses; to provide, notwithstanding any other provision of law, at a cost not exceeding $100,000, transportation for children in nearby communities to and from any unit of the National Park System used in connection with organized recreation and interpretive programs of the National Park Service; options for the purchase of land at not to exceed $1 for each option; and for the procurement and delivery of medical services within the jurisdiction of units of the National Park System: *Provided*, That no funds available to the National Park Service may be used, unless the proposed transfer is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in House Report 99-714, to maintain law and order in emergency and other unforeseen law enforcement situations and conduct emergency search and rescue operations in the National Park System: *Provided further*, That none of the funds appropriated to the National Park Service may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: *Provided further*, That none of the funds appropriated to the National Park Service may be used to add industrial facilities to the list of National Historic Landmarks without the consent of the owner: *Provided further*, That the National Park Service may use helicopters and motorized equipment at Death Valley National Monument for removal of feral burros and horses: *Provided further*, That notwithstanding any other provision of law, the National Park Service may recover unbudgeted costs of providing necessary services associated with special use permits, such reimbursements to be credited to the appropriation current at that time: *Provided further*, That none of the funds appropriated to the National Park Service may be used to implement an agreement for the redevelopment of the southern end of Ellis Island until such agreement has been submitted to the Congress and shall not be implemented prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full and comprehensive report on the development of the southern end of Ellis Island, including the facts and circumstances relied upon in support of the proposed project.

No funds shall be available for the National Park Service to issue any construction permit for the Potomac Greens interchange on the George Washington Memorial Parkway unless an Environmental Impact Statement is conducted. The Environmental Impact Statement shall be commenced promptly and completed and filed within eighteen months of the date on which Public Law 100-202 was enacted. After completion and filing, the EIS shall be transmitted to the appropriate Congressional Committees for a period of 60 days, during which time the National Park Service shall not issue any construction permit for the Potomac Greens interchange on the George Washington Memorial Parkway.

The Environmental Impact Statement shall review the traffic impact of only the proposed 38-acre development opposite Daingerfield Island west of the George Washington Memorial Parkway: *Provided*, That the National Park Service shall review the impact of the planned development on the visual, recreational and historical integrity of the Parkway.

The Environmental Impact Statement shall also provide an evaluation of alternative acquisition strategies to include but not be limited to appraisal estimates for the access rights, the entire 38-acre parcel, that portion of the 38-acre parcel as defined approximately by the historic district boundary line, and any other recommendations by the National Park Service to mitigate the Parkway degradation effects of the proposed development so as to adequately protect and preserve the Parkway. Such appraisals shall be prepared and filed as soon as is reasonably possible. The National Park Service solely shall determine the legal and factual sufficiency of the Environmental Impact Statement and its compliance with the National Environmental Policy Act of 1969.

The Environmental Impact Statement shall be separate from, independent of, and in no way intended to affect or modify any pending litigation. Notwithstanding any other provision of law, no court shall have jurisdiction to consider questions respecting the factual and legal sufficiency of the Environmental Impact Statement under the National Environmental Policy Act of 1969.

None of the funds in this Act may be used to issue a permit for seismic exploration of Big Cypress National Preserve, Florida, until an environmental impact statement has been completed.

GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

For expenses necessary for the Geological Survey to perform surveys, investigations, and research covering topography, geology, hydrology, and the mineral and water resources of the United States, its Territories and possessions, and other areas as authorized by law (43 U.S.C. 31, 1332 and 1340); classify lands as to their mineral and water resources; give engineering supervision to power permittees and Federal Energy Regulatory Commission licensees; administer the minerals exploration program (30 U.S.C. 641); and publish and disseminate data relative to the foregoing activities; $448,056,000, of which $58,800,000 shall be available only for cooperation with States or municipalities for water resources investigations: *Provided*, That no part of this appropriation shall be used to pay more than one-half the cost of any topographic mapping or water resources investigation carried on in cooperation with any State or municipality.

ADMINISTRATIVE PROVISIONS

The amount appropriated for the Geological Survey shall be available for purchase of not to exceed 19 passenger motor vehicles, for replacement only; reimbursement to the General Services Administration for security guard services; contracting for the furnishing of topographic maps and for the making of geophysical or other specialized surveys when it is administratively determined that such procedures are in the public interest; construction and maintenance of necessary buildings and appurtenant facilities; acquisition of lands for gauging stations and observation wells; expenses of the United States National Committee on Geology; and payment of compensation and expenses of persons on the rolls of the Geological Survey appointed, as authorized by law, to represent the United States in the negotiation and administration of interstate compacts: *Provided*, That activities funded by appropriations herein made may be accomplished through the use of contracts, grants, or cooperative agreements as defined in Public Law 95-224.

MINERALS MANAGEMENT SERVICE

LEASING AND ROYALTY MANAGEMENT

For expenses necessary for minerals leasing and environmental studies, regulation of industry operations, and collection of royalties, as authorized by law; for enforcing laws and regulations applicable to oil, gas, and other minerals leases, permits, licenses and operating contracts; and for matching grants or cooperative agreements; including the purchase of not to exceed eight passenger motor vehicles for replacement only; $170,009,000, of which not less than $51,567,000 shall be available for royalty management activities including general administration: *Provided*, That notwithstanding any other provision of law, funds appropriated under this Act shall be available for the payment of interest in accordance with 30 U.S.C. 1721 (b) and (d): *Provided further*, That not to exceed $3,000 shall be available for reasonable expenses related to promoting volunteer beach and marine clean-up activities: *Provided further*, That of the above enacted amounts, $250,000 proposed for data gathering to help determine the boundary between State and Federal lands offshore of Alaska shall be available only if an equal amount is provided by the State of Alaska from State revenues to match the Federal support for this project.

BUREAU OF MINES

MINES AND MINERALS

For expenses necessary for conducting inquiries, technological investigations, and research concerning the extraction, processing, use, and disposal of mineral substances without objectionable social and environmental costs; to foster and encourage private enterprise in the development of mineral resources and the prevention of waste in the mining, minerals, metal, and mineral reclamation industries; to inquire into the economic conditions affecting those industries; to promote health and safety in mines and the mineral industry through research; and for other related purposes as authorized by law, $146,254,000, of which $84,435,000 shall remain available until expended: *Provided*, That none of the funds in this or any other Act may be used for the closure or consolidation of any research centers or the sale of any of the helium facilities currently in operation.

ADMINISTRATIVE PROVISIONS

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private: *Provided*, That the Bureau of Mines is authorized, during the current fiscal year, to sell directly or through any Government agency, including corporations, any metal or mineral product that may be manufactured in pilot plants operated by the Bureau of Mines, and the proceeds of such sales shall be covered into the Treasury as miscellaneous receipts.

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

REGULATION AND TECHNOLOGY

For necessary expenses to carry out the provisions of the Surface Mining Control and Reclamation Act of 1977, Public Law 95-87, including the purchase of not to exceed 14 passenger motor vehicles, of which 9 shall be for replacement only; and uniform allowances of not to exceed $400 for each uniformed employee of the Office of Surface Mining Reclamation and Enforcement; $104,086,000, and notwithstanding 31 U.S.C. 3302, an additional amount, to remain available until expended, equal to receipts to the General Fund of the Treasury from performance bond forfeitures in fiscal year 1989: *Provided*, That notwithstanding any other provision of law, the Secretary of the Interior, pursuant to regulations, may utilize directly or through grants to States, moneys collected in fiscal year 1989 pursuant to the assessment of civil penalties under section 518 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1268), to reclaim lands adversely affected by coal mining practices after August 3, 1977, to remain available until expended: *Provided further*, That the Secretary of the Interior shall abide by and adhere to the terms of the Settlement Agreement in NWR v. Miller, C.A. No. 86-99 (E.D. Ky.), and not take any actions inconsistent with the provisions of footnote 3 of the Agreement with respect to any State or Federal program.

ABANDONED MINE RECLAMATION FUND

For necessary expenses to carry out the provisions of title IV of the Surface Mining Control and Reclamation Act of 1977, Public Law 95-87, including the purchase of not more than 21 passenger motor vehicles, of which 15 shall be for replacement only, $191,154,000 to be derived from receipts of the Abandoned Mine Reclamation Fund and to remain available until expended: *Provided*, That pursuant to Public Law 97-365, the Department of the Interior is authorized to utilize up to 20 per centum from the recovery of the delinquent debt owed to the United States Government to pay for contracts to collect these debts: *Provided further*, That of the funds made available to the States to contract for reclamation projects authorized in section 406(a) of Public Law 95-87, administrative expenses may not exceed 15 per centum: *Provided further*, That none of these funds shall be used for a reclamation grant to any State if the State has not agreed to participate in a nationwide data system established by the Office of Surface Mining Reclamation and Enforcement through which all permit applications are reviewed and approvals withheld if the applicants (or those who control the applicants) applying for or receiving such permits have outstanding State or Federal air or water quality violations in accordance with section 510(c) of the Act of August 3, 1977 (30 U.S.C. 1260(c)), or failure to abate cessation orders, outstanding civil penalties associated with such failure to abate cessation orders, or uncontested past due Abandoned Mine Land fees: *Provided further*, That the Secretary of the Interior may deny 50 per centum of an Abandoned Mine Reclamation Fund grant, available to a State pursuant to title IV of Public Law 95-87, in accordance with the procedures set forth in section 521(b) of the Act, when the Secretary determines that a State is systematically failing to administer adequately the enforcement provisions of the approved State regulatory program. Funds will be denied until such time as the State and Office of Surface Mining Reclamation and Enforcement have agreed upon an explicit plan of action for correcting the enforcement deficiency. A State may enter into such agreement without admission of culpability. If a State enters into such agreement, the Secretary shall take no action pursuant to section 521(b) of the Act as long as the State is complying with the terms of the agreement: *Provided further*, That expenditure of moneys as authorized in section 402(g)(3) of Public Law 95-87 shall be on a priority basis with the first priority being protection of public health, safety, general welfare, and property from extreme danger of adverse effects of coal mining practices, as stated in section 403 of Public Law 95-87: *Provided further*, That 23 full-time equivalent positions are to be maintained in the Anthracite Reclamation Program at the Wilkes-Barre Field Office.

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

For operation of Indian programs by direct expenditure, contracts, cooperative agreements, and grants including expenses necessary to provide education and welfare services for Indians, either directly or in cooperation with States and other organizations, including payment of care, tuition, assistance, and other expenses of Indians in boarding homes, institutions, or schools; grants and other assistance to needy Indians; maintenance of law and order; management, development, improvement, and protection of resources and appurtenant facilities under the jurisdiction of the Bureau of Indian Affairs, including payment of irrigation assessments and charges; acquisition of water rights; advances for Indian industrial and business enterprises; operation of Indian arts and crafts shops and museums; development of Indian arts and crafts, as authorized by law; for the general administration of the Bureau of Indian Affairs, including such expenses in field offices, $996,024,000, of which not to exceed $71,004,000 for higher education scholarships, adult vocational training, and assistance to public schools under the Act of April 16, 1934 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.), shall remain available for obligation until September 30, 1990, and of which $25,000,000 for firefighting and repayment to other appropriations from which funds were transferred under the authority of section 102 of the Department of the Interior and Related Agencies Appropriations Act, 1988, shall remain available until expended, and the funds made available to tribes and tribal organizations through contracts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (88 Stat. 2203; 25 U.S.C. 450 et seq.) shall remain available until September 30, 1990: *Provided*, That this carryover authority does not extend to programs directly operated by the Bureau of Indian Affairs unless the tribe(s) and the Bureau of Indian Affairs enter into a cooperative agreement for consolidated services; and for expenses necessary to carry out the provisions of section 19(a) of Public Law 93-531 (25 U.S.C. 640d-18(a)), $1,997,000, to remain available until expended: *Provided further*, That none of the funds appropriated to the Bureau of Indian Affairs shall be expended as matching funds for programs funded under section 103(b)(2) of the Carl D. Perkins Vocational Education Act: *Provided further*, That $300,000 of the funds made available in this Act shall be available for cyclical maintenance of tribally owned fish hatcheries and related facilities: *Provided further*, That no part of any appropriations to the Bureau of Indian Affairs shall be available to provide general assistance payments for Alaska Natives in the State of Alaska unless and until otherwise specifically provided for by Congress: *Provided further*, That the Secretary shall take no action to close the school or dispose of the property of the Phoenix Indian School until the Congress has specifically approved the school closure or provided for disposition of the property in legislation: *Provided further*, That none of the funds in this Act shall be used by the Bureau of Indian Affairs to transfer funds under a contract with any third party for the management of tribal or individual Indian trust funds until the funds held in trust for such tribe or individual have been audited and reconciled, and the tribe or individual has been provided with an accounting of such funds, and the appropriate committees of the Congress and the tribes have been consulted with as to the terms of the proposed contract or agreement: *Provided further*, That none of the funds in this Act shall be used to implement any regulations, or amendments to or revisions of regulations, relating to the Bureau of Indian Affairs' higher education grant program that were not in effect on March 1, 1987: *Provided further*, That $120,000 of the amounts provided for education program management shall be available for a grant to the Close Up Foundation: *Provided further*, That if the actual amounts required in this account for costs of the Federal Employee Retirement System in fiscal year 1989 are less than amounts estimated in budget documents, such excess funds may be transferred to "Construction" and "Miscellaneous Payments to Indians" to cover the costs of the retirement system in those accounts: *Provided further*, That notwithstanding any other provision of law, concurrent with the opening of the Western Cheyenne River Consolidated School the following schools shall be permanently closed: Bridger Day School (Howes, SD); Cherry Creek Day School (Cherry Creek, SD); and the Red Scaffold School (Faith, SD).

CONSTRUCTION

For construction, major repair, and improvement of irrigation and power systems, buildings, utilities, and other facilities, including architectural and engineering services by contract; acquisition of lands and interests in lands; preparation of lands for farming; and construction, repair, and improvement of Indian housing, $79,136,000, to remain available until expended: *Provided,* That $1,449,000 of the funds appropriated for use by the Secretary to construct homes and related facilities for the Navajo and Hopi Indian Relocation Commission in lieu of construction by the Commission under section 15(d)(3) of the Act of December 22, 1974 (88 Stat. 1719; 25 U.S.C. 640d-14(d)(3)), may be used for counseling, archeological clearances, and administration related to the relocation of Navajo families: *Provided further,* That $1,100,000 of the funds made available in this Act shall be available for rehabilitation of tribally owned fish hatcheries and related facilities: *Provided further,* That such amounts as may be available for the construction of the Navajo Indian Irrigation Project may be transferred to the Bureau of Reclamation.

ROAD CONSTRUCTION

Not to exceed 5 per centum of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover roads program management costs and construction supervision costs of the Bureau of Indian Affairs.

MISCELLANEOUS PAYMENTS TO INDIANS

For miscellaneous payments to Indian tribes and individuals pursuant to Public Laws 98-500, 99-264, and 99-503, including funds for necessary administrative expenses, $13,952,000, to remain available until expended, of which not to exceed $11,300,000 is made available to the Tohono O'Odham Nation for purposes authorized in the Gila Bend Indian Reservation Lands Replacement Act, Public Law 99-503.

REVOLVING FUND FOR LOANS

During fiscal year 1989, and within the resources and authority available, gross obligations for the principal amount of direct loans pursuant to the Indian Financing Act of 1974, as amended (88 Stat. 77; 25 U.S.C. 1451 et seq.), shall not exceed resources and authority available.

INDIAN LOAN GUARANTY AND INSURANCE FUND

For payment of interest subsidies on new and outstanding guaranteed loans and for necessary expenses of management and technical assistance in carrying out the provisions of the Indian Financing Act of 1974, as amended (88 Stat. 77; 25 U.S.C. 1451 et seq.), $3,370,000, to remain available until expended: *Provided,* That during fiscal year 1989, total commitments to guarantee loans pursuant to the Indian Financing Act of 1974, as amended, may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed resources and authority available.

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans and the Indian loan guarantee and insurance fund) shall be available for expenses of exhibits, and purchase of not to exceed 150 passenger carrying motor vehicles, of which not to exceed 115 shall be for replacement only.

TERRITORIAL AND INTERNATIONAL AFFAIRS

ADMINISTRATION OF TERRITORIES

For expenses necessary for the administration of territories under the jurisdiction of the Department of the Interior, $82,397,000, of which (1) $79,371,000 shall be available until expended for technical assistance; late charges and payments of the annual interest rate differential required by the Federal Financing Bank, under terms of the second refinancing of an existing loan to the Guam Power Authority, as authorized by law (Public Law 98-454; 98 Stat. 1732); grants to the judiciary in American Samoa for compensation and expenses, as authorized by law (48 U.S.C. 1661(c)); grants to the Government of American Samoa, in addition to current local revenues, for support of governmental functions; construction grants to the Government of the Virgin Islands as authorized by Public Law 97-357 (96 Stat. 1709); construction grants to the Government of Guam, as authorized by law (Public Law 98-454; 98 Stat. 1732); grants to the Government of the Northern Mariana Islands as authorized by law (Public Law 94-241; 90 Stat. 272); and (2) $3,026,000 for salaries and expenses of the Office of Territorial and International Affairs: *Provided,* That the territorial and local governments herein provided for are authorized to make purchases through the General Services Administration: *Provided further,* That all financial transactions of the territorial and local governments herein provided for, including such transactions of all agencies or instrumentalities established or utilized by such governments, shall be audited by the General Accounting Office, in accordance with chapter 35 of title 31, United States Code: *Provided further,* That Northern Mariana Islands Covenant grant funding shall be provided according to those terms of the Agreement of the Special Representatives on Future United States Financial Assistance for the Northern Mariana Islands approved by Public Law 99-396, except that should the Secretary of the Interior believe that the performance standards of such agreement are not being met, operations funds may be withheld, but only by Act of Congress as required by Public Law 99-396: *Provided further,* That $540,000 of the amounts provided for technical assistance shall be available for a grant to the Close Up Foundation.

TRUST TERRITORY OF THE PACIFIC ISLANDS

For expenses necessary for the Department of the Interior in administration of the Trust Territory of the Pacific Islands pursuant to the Trusteeship Agreement approved by joint resolution of July 18, 1947 (61 Stat. 397), and the Act of June 30, 1954 (68 Stat. 330), as amended (90 Stat. 299; 91 Stat. 1159; 92 Stat. 495); grants to the Trust Territory of the Pacific Islands, in addition to local revenues, for support of governmental functions; $28,434,000 including $10,304,000 for payment of claims pursuant to the Micronesian Claims Act of 1971, to remain available until expended: *Provided,* That all financial transactions of the Trust Territory, including such transactions of all agencies or instrumentalities established or utilized by such Trust Territory, shall be audited by the General Accounting Office in accordance with chapter 35 of title 31, United States Code: *Provided further,* That the government of the Trust Territory of the Pacific Islands is authorized to make purchases through the General Services Administration: *Provided further,* That all Government operations funds appropriated and obligated for the Republic of Palau under this account for fiscal year 1989, shall be credited as an offset against fiscal year 1989 payments made pursuant to the legislation approving the Palau Compact of Free Association (Public Law 99-658), if such Compact is implemented before October 1, 1989.

COMPACT OF FREE ASSOCIATION

For economic assistance and necessary expenses for the Federated States of Micronesia and the Republic of the Marshall Islands as provided for in sections 122, 221, 223, 232, and 233 of the Compact of Free Association, $36,160,000, including $2,500,000 for the Enjebi Community Trust Fund, to remain available until expended, as authorized by Public Law 99-239: *Provided,* That notwithstanding the provisions of Public Laws 99-500 and 99-591, the effective date of the Palau Compact for purposes of economic assistance pursuant to the Palau Compact of Free Association, Public Law 99-658, shall be the effective date of the Palau Compact as determined pursuant to section 101(d) of Public Law 99-658: *Provided further,* That if the action entitled Juda, et al. v. The United States, No. 88-1206 (Fed. Cir.) is voluntarily dismissed with prejudice and provided that the People of Bikini accept that the following deposit fully meets the obligation of the United States to assist in the rehabilitation and resettlement of Bikini Atoll, to which the full faith and credit of the United States is pledged pursuant to section 103(l)(1) of Public Law 99-239, such obligation shall be satisfied by the deposit of $90,000,000 into the Resettlement Trust Fund for the People of Bikini established pursuant to Public Law 97-257, and governed pursuant to the terms of such trust instrument, such deposit to be in installments of $5,000,000 on October 1, 1988; $22,000,000 on October 1, 1989; $21,000,000 on October 1, 1990; $21,000,000 on October 1, 1991; and $21,000,000 on October 1, 1992: *Provided further,* That the terms of such Resettlement Trust Fund are hereby modified to provide that corpus and income may be expended for rehabilitation and resettlement of Bikini Atoll, except that the Secretary may approve expenditures not to exceed $2,000,000 in any year from income for construction projects on Kili or Ejit: *Provided further,* That one year prior to completion of the rehabilitation and resettlement program, the Secretary of the Interior shall report to Congress on future funding needs on Bikini Atoll. Unless otherwise determined by Congress, following completion of the rehabilitation and resettlement program, funds remaining in the Resettlement Trust Fund in excess of the amount identified by the Secretary as required for future funding needs shall be deposited in the Treasury of the United States as miscellaneous receipts. Upon completion of those needs, the Resettlement Trust Fund shall be extinguished and all remaining funds shall be deposited in the Treasury of the United States as miscellaneous receipts.

DEPARTMENTAL OFFICES

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary of the Interior, $49,580,000, of which not to exceed $10,000 may be for official reception and representation expenses: *Provided,* That 5 per centum of the sum provided under this head shall not be available until on or after the date that final rules are issued by the National Park Service that require use of seatbelts while traveling on National Park Service roads.

OFFICE OF THE SOLICITOR

SALARIES AND EXPENSES

For necessary expenses of the Office of the Solicitor, $24,686,000.

OFFICE OF INSPECTOR GENERAL

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General, $18,858,000.

CONSTRUCTION MANAGEMENT

For necessary expenses of the Office of Construction Management, $1,800,000.

ADMINISTRATIVE PROVISIONS

There is hereby authorized for acquisition from available resources within the Working Capital Fund, 11 aircraft, 7 of which shall be for replacement and which may be obtained by donation, purchase or through available excess surplus property: *Provided*, That no programs funded with appropriated funds in the "Office of the Secretary", "Office of the Solicitor", and "Office of Inspector General" may be augmented through the Working Capital Fund or the Consolidated Working Fund.

GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

Sec. 101. Appropriations made in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities, or other facilities or equipment damaged or destroyed by fire, flood, storm, or other unavoidable causes: *Provided*, That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted: *Provided further*, That all funds used pursuant to this section must be replenished by a supplemental appropriation which must be requested as promptly as possible.

Sec. 102. The Secretary may authorize the expenditure or transfer of any no year appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of forest or range fires on or threatening lands under the jurisdiction of the Department of the Interior; for the emergency rehabilitation of burned-over lands under its jurisdiction; for emergency actions related to potential or actual earthquakes, floods or volcanoes; for the prevention, suppression, and control of actual or potential grasshopper and Mormon Cricket outbreaks on lands under the jurisdiction of the Secretary, pursuant to the authority in section 1773(b) of Public Law 99-198 (99 Stat. 1658); for emergency reclamation projects under section 410 of Public Law 95-87; and shall transfer, from any no year funds available to the Office of Surface Mining Reclamation and Enforcement, such funds as may be necessary to permit assumption of regulatory authority in the event a primacy State is not carrying out the regulatory provisions of the Surface Mining Act: *Provided*, That appropriations made in this title for fire suppression purposes shall be available for the payment of obligations incurred during the preceding fiscal year, and for reimbursement to other Federal agencies for destruction of vehicles, aircraft, or other equipment in connection with their use for fire suppression purposes, such reimbursement to be credited to appropriations currently available at the time of receipt thereof: *Provided further*, That all funds used pursuant to this section must be replenished by a supplemental appropriation which must be requested as promptly as possible.

Sec. 103. Appropriations made in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by sections 1535 and 1536 of title 31, U.S.C.: *Provided*, That reimbursements for costs and supplies, materials, equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

Sec. 104. Appropriations made to the Department of the Interior in this title shall be available for services as authorized by 5 U.S.C. 3109, when authorized by the Secretary, in total amount not to exceed $500,000; hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchase of reprints; payment for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members: *Provided*, That no funds available to the Department of the Interior are available for any expenses of the Great Hall of Commerce.

Sec. 105. Appropriations available to the Department of the Interior for salaries and expenses shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902 and D.C. Code 4-204).

Sec. 106. Appropriations made in this title shall be available for obligation in connection with contracts issued by the General Services Administration for services or rentals for periods not in excess of twelve months beginning at any time during the fiscal year.

Sec. 107. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance changing the name of the mountain located 63 degrees, 04 minutes, 15 seconds west, presently named and referred to as Mount McKinley.

Sec. 108. Notwithstanding any other provisions of law, appropriations in this title shall be available to provide insurance on official motor vehicles, aircraft, and boats operated by the Department of the Interior in Canada and Mexico.

Sec. 109. No funds provided in this title may be used to detail any employee to an organization unless such detail is in accordance with Office of Personnel Management regulations.

Sec. 110. No funds provided in this title may be expended by the Department of the Interior for the conduct of leasing, or the approval or permitting of any drilling or other exploration activity, on lands within the Eastern Gulf of Mexico planning area of the Department of the Interior which lie south of 26 degrees North latitude and east of 86 degrees West longitude.

Sec. 111. No funds provided in this title may be expended by the Department of the Interior for the conduct of leasing, or the approval or permitting of any drilling or other exploration activity within the area identified by the Department of the Interior in the Draft Environmental Impact Statement (MMS 87-0032) for Lease Sale 91 in the Northern California planning area issued December, 1987.

Sec. 112. No funds provided in this title may be expended by the Department of the Interior for the preparation for, or conduct of, preleasing and leasing activities (including but not limited to: calls for information, tract selection, notices of sale, receipt of bids and award of leases) of lands described in, and under the same terms and conditions set forth in section 107 of the Department of the Interior and Related Agencies Appropriations Act, 1986, as contained in Public Law 99-190; or of lands within the 400 meter isobath surrounding Georges Bank, identified by the Department of the Interior as consisting of the following blocks: in protraction diagram NJ 19-2, blocks numbered 12-16, 54-55 and 57-58; in protraction diagram NK 19-5, blocks numbered 744, 788, 831-832, and 1005-1008; in protraction diagram NK 19-6, blocks numbered 489-491, 532-537, 574-576, 578-581, 618-627, 661-662, 664-671, 705-716, 749-761, 793-805, and 969-971; in protraction diagram NK 19-8, blocks numbered 37-40, 80-84, 124-127, and 168-169; in protraction diagram NK 19-9, blocks numbered 13-18, 58-63, 102-105, 107-108, 146-149, 151-152, 191-193, 195-197, 235-237, 240-242, 280-282, 284-286, 324-331, 368-376, 412-420, 456-465, 500-510, 543-554, 587-594, 596-599, 631-637, 640-644, 675-688, 718-733, 762-778, 805-821, 846-865, 887-891, 894-908, 930-950, and 972-994; in protraction diagram NK 19-10, blocks numbered 474-478, 516-524, 560-568, 604-612, 647-660, 692-704, 737-748, 787-792, 830-836, 873-880, 967-968, and 1011-1012; in protraction diagram NK 19-11, blocks numbered 621-632, 665-676, 700, 709-720, 744, 753-764, 785, 797-808, 825-827, 841-852, 856-860, 869, 890-905, 907-909, 929-931, 941-945, 947-949, 973-975, and 985-989; and in protraction diagram NK 19-12, blocks numbered 452-456, 495-499, 536-537, 539-541, 575-577, 579-582, 617-621, 623-624, 661-662, 664-665, and 705-706.

Sec. 113. Section 5 of the Outer Continental Shelf Lands Act (43 U.S.C. 1334) is amended by adding at the end the following section:

"(j)(1) Any vessel, rig, platform, or other structure used for the purpose of exploration or production of oil and gas on the Outer Continental Shelf south of 49 degrees North latitude shall be built—

"(A) in the United States either by a United States chartered corporation or by a joint venture between a United States chartered corporation and a foreign corporation, with at least 50 per centum of total person hours expended in the United States; and

"(B) from articles, materials, or supplies at least 50 per centum of which by cost, shall have been mined, produced, or manufactured, as the case may be, in the United States.

"(2) The requirements of paragraph (1) shall not apply to any vessel, rig, platform, or other structure which was built, or for which a building contract has been executed, on or before October 1, 1988, and shall expire with respect to any vessel, rig, platform, or other structure for which either the bidding or award process has commenced on or after September 30, 1992.

"(3) The Secretary may waive—

"(A) the requirement in paragraph (1)(B) whenever the Secretary determines that 50 per centum of the articles, materials, or supplies for a vessel, rig, platform, or other structure cannot be mined, produced, or manufactured, as the case may be, in the United States; and

"(B) the requirement in paragraph (1)(A) upon application, with respect to any classification of vessels, rigs, platforms, or other structures on a specific lease, when the Secretary determines that at least 50 per centum of such classification, as calculated by number and by weight, which are to be built for exploration or production activities under such lease will be built in the United States in compliance with the requirements of paragraph (1)(A).".

Mr. YATES (during the reading). Mr. Chairman, I ask unanimous consent that the bill be read by title, that title I be considered as read, printed in the RECORD, and open to amendment at any point.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The **CHAIRMAN**. Are there any points of order against title I?

If not, are there any amendments to title I?

AMENDMENT OFFERED BY MR. YATES

Mr. YATES. Mr. Chairman, I offer an amendment made in order by the rule.

The Clerk read as follows:

Amendment offered by Mr. YATES: Page 15, after 13, insert the following:

NATIONAL FILM PRESERVATION BOARD SALARIES AND EXPENSES

For necessary expenses of the National Film Preservation Board, $100,000: *Provided*, That the following may be cited as the "National Film Preservation Act of 1988":

SECTION 1. FINDINGS.

The Congress finds that—

(1) motion pictures are an indigenous American art form that has been emulated tharoughout the world;

(2) certain motion pictures represent an enduring part of our nation's historical and cultural heritage;

(3) it is appropriate and necessary for the Federal Government to recognize motion pictures as a significant American art form deserving of protection.

SEC. 2. NATIONAL FILM PRESERVATION BOARD.

The Secretary of the Interior shall establish a National Film Registry for the purpose of registering films that are culturally, historically or esthetically significant.

SEC. 3. DUTIES OF SECRETARY OF THE INTERIOR.

(a)(1) The Secretary as empowered by the Board shall by rulemaking in accordance with the requirements of the Administrative Procedures Act (5 U.S.C.   )—

(A) establish criteria for guidelines pursuant to which such films may be included in the National Film Registry;

(B) establish criteria pursuant to which films may be removed from the National Film Registry;

(C) establish criteria and procedures to determine whether a version of a film registered on the National Film Registry has been materially altered (including colorization).

In addition, the Secretary shall—

(A) determine, from time to time, in consultation with the Board, which films satisfy the criteria developed pursuant to subparagraph (a)(1)(A) and qualify to be included in the National Film Registry. The Secretary shall not select more than 25 films per year for inclusion in the Registry.

(B) determine, from time to time, in consultation with the Board and in accordance with criteria established under subparagraph (a)(1)(B), which films, if any, should be removed from the National Film Registry;

(C) convene, from time to time, a panel of experts solely to advise the Board on a definition of "material alteration" for purposes of subparagraph (a)(1)(C). Such panel shall be comprised of four persons, one representative each from the Motion Picture Association of America and the National Association of Broadcasters, and two representatives of the film guilds representing directors, writers, cinematographers, editors and set designers;

(D) provide a seal to indicate that the film has been included in the National Film Registry as an enduring part of our national cultural heritage which seal may be used in the promotion of any version of such film that has not been materially altered; and

(E) have published in the Federal Register the name of each film whenever it is included in or removed from the National Film Registry.

(b) APPEALS TO THE SECRETARY.—The exhibitor or distributor of a film may appeal to the Secretary—

(1) objecting to a nomination of such film for inclusion in the National Film Registry;

(2) the failure or refusal of the Secretary to nominate such film for inclusion in the National Film Registry;

(3) the removal of such film from the National Film Registry; or

(4) the determination that a version of a film which is included in the National Film Registry has been materially altered.

The Secretary shall refer such appeals to the Board for decision.

(c) REGISTRY COLLECTION.—The Secretary shall endeavor to obtain by gift from the owner, a copy of an original version of each film included in the National Film Registry for scholarly research. Such films shall be stored in an appropriate place to be determined by the Secretary in consultation with the Administrator of General Services.

SEC. 4. LABELING REQUIREMENTS.

(a) No person shall knowingly distribute or exhibit to the public a materially altered version of a film included in the National Film Registery unless the version is labeled as required by subsection (b).

(b)(1) A label for a materially altered version of a film, other than a colorized version, shall consist of a panel card immediately preceding the commencement of the film which bears the following statement: Materially edited version of original work; certain creative contributors did not participate in this version of the film."

Such a label shall appear in a conspicuous and legible type.

(2) A label for a colorized version of a film shall consist of a panel card immediately preceding the commencement of the film which bears the following statement: "Colorized version of original work; certain creative contributors did not participate."

Such a label shall appear in a conspicuous and legible type.

(3) A label for a film package of a materially altered film, other than a colorized version, shall consist of —

(A) an area of a rectangle on the front of the package which bears the following statement: "Materially edited version of original work; certain creative contributors did not participate in this version of the film."

Such a label shall appear in a conspicuous and legible type in contrast by typography, layout, or color with other printed matter on the package and;

(B) an area of a rectangle on the side of the package which bears the following statement: "Materially edited version of original work; certain creative contributors did not participate in this version of the film."

Such a label shall appear in a conspicuous and legible type in contrast by typography, layout or color with other printed matter on the package.

(4) A label for a film package of a colorized version of a film shall consist of—

(A) an area of a rectangle on the front of the package which bears the following statement: "Colorized version of original work; certain creative contributors did not participate."

Such a label shall appear in a conspicuous and legible type in contrast by typography, layout, or color, with other printed matter on the package; and

(B) an area of a rectangle on the side of the package which bears the following statement: "Colorized version of original work; See front panel."

Such a label shall appear in a conspicuous and legible type in contrast by typography, layout, or color with other printed matter on the package.

SEC. 5. MISUSE OF SEAL.

No person shall knowingly distribute or exhibit to the public a version of a film which bears a seal as described by subparagraph 3(a)(2)(D) of this Act if such film—

(a) is not included in the National Film Registry; or

(b) is included in the National Film Registry where such version has been materially altered.

SEC. 6. REMEDIES.

The several district courts of the United States are invested with jurisdiction, for cause shown, to prevent and restrain violations of Sections 4 and 5 of this Act upon the application of the Commissioner of Patents and Trademarks to the Attorney General of the United States acting through the several United States Attorneys in their several districts. The scope of the relief shall be limited to the prospective application of a label or removal of a seal as appropriate except in cases in which the Commissioner finds a pattern or practice of willful disregard of this Act. In such cases, the United States District Courts are vested with jurisdiction to order civil fines of not more than $10,000 and appropriate injunctive relief.

SEC. 7. LIMITATIONS OF REMEDIES.

The remedies under Section 6 shall be the exclusive remedies under this Act or any other federal or state law, regarding the use of a seal as described by subparagraph 3(a)(2)(D) or labeling of materially altered films.

SEC. 8. NATIONAL FILM PRESERVATION BOARD.

(a) NUMBER AND APPOINTMENT.—The Secretary shall establish a National Film Preservation Board to be made up of the following members:

(1) The President of the Academy of Motion Picture Arts and Sciences;

(2) The President of the Directors Guild of America;

(3) The President of the Writers Guild of America;

(4) The President of the National Society of Film Critics;

(5) The President of the Society for Cinema Studies;

(6) The President of the American Film Institute;

(7) The Chairman of the Department of Theatre, Film and Television, College of Fine Arts at the University of California, Los Angeles;

(8) The Chairman of the Department of Cinema Studies in the Graduate School of Arts and Science at New York University;

(9) The President of the University Film and Video Association;

(10) The President of the Motion Picture Association of America;

(11) The President of the National Association of Broadcasters;

(12) The President of the Association of Motion Picture and Television Producers; and

(13) The President of the Screen Actors Guild.

The Secretary shall appoint a member to serve as Chairperson.

(b) TERM OF OFFICE.—The term of each member of the Board shall be four years from the expiration of his predecessor's term; except that the members first appointed shall serve for terms of one to four years, as designated by the Secretary at the time of appointment, in such manner as to insure that the terms of no more than two of them will expire in any one year. A member whose term has expired shall serve until that member's successor has been appointed.

A vacancy in the Board shall be filled in the manner in which the original appointment was made. Appointments may be made under this subsection without regard to section 5311(b) of title 5, United States Code. Any member appointed to fill a vacancy before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

(c) QUORUM.—Seven members of the Board shall constitute a quorum but a lesser number may hold hearings.

(d) BASIC PAY.—Members of the Board shall serve without pay, except that members of the Board are each authorized to be paid the daily equivalent of the maximum annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day, including travel time, during which they are engaged in the actual performance of duties of the Board. While away from their homes or regular places of business in the performance of services for the Board, members of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed expenses under section 5703 of title 5 of the United States Code.

(e) MEETINGS.—The Board shall meet at least twice each calendar year and the first such meeting shall be within 120 days after the effective date of this section. Meetings shall be at the call of the Chairperson or a majority of its members.

SEC. 9. STAFF OF BOARD; EXPERTS AND CONSULTANTS.

(a) STAFF.—The Chairperson of the Board may appoint and fix the pay of such personnel as the Chairperson considers appropriate.

(b) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The staff of the Board may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of Chapter 51 and subchapter III of Chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual so appointed may receive pay in excess of the annual rate of basic pay payable for GS-16 of the General Schedule.

(c) EXPERTS AND CONSULTANTS.—The Chairperson of the Board may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum rate of basic pay payable for GS-15 of the General Schedule.

SEC. 10. POWERS OF BOARD.

(a) IN GENERAL.—The Board may, for the purpose of carrying out its duties, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Board considers appropriate, to review nominations of films submitted to the Board for inclusion in the National Film Registry and to consult with the Secretary with respect to the inclusion of such films in the Registry and the removal of any films from the Registry, and those powers defined in Section 3. From time to time, the Board may alter the labeling by two-thirds vote of those present.

(b) NOMINATION OF FILMS.—The Board shall consider, for inclusion in the National Film Registry, nominations submitted by representatives of the film industry, such as the guilds and societies representing actors, directors, screenwriters, producers, and film critics, film preservation organizations and representatives of academic institutions with film study programs. The Board shall not nominate more than twenty-five films a year for inclusion in the Registry.

SEC. 11. DEFINITIONS.

As used in sections 1 through 6:

(1) The term "Secretary" means the Secretary of the Interior.

(2) The term "films" means a feature-length, theatrical motion picture after its first theatrical release.

(3) The term "film package" means the original box, carton or container of any kind in which a videotape or disc is offered for sale or rental.

(4) The term "Board" means the National Film Preservation Board.

(5) Material alteration shall include fundamental changes in the film such as colorization, substitution of characters' bodies and faces, significant changes in theme, plot and character.

Excluded from the definition of material alteration are practices such as the insertion of commercials and public service announcements for television broadcast.

SEC. 12. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to the Secretary of the Interior for fiscal year 1989 not to exceed $100,000 and for any subsequent fiscal year such sums as may be necessary.

SEC. 13. EFFECTIVE DATE.

The effective date is date of enactment of this Act. The provisions of this Act shall not apply to any films materially altered prior to said effective date.

Mr. YATES (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. Pursuant to the rule, the amendment is not subject to amendment.

The gentleman from Illinois [Mr. YATES] will be recognized for 30 minutes, and a Member opposed will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, I yield myself 9 minutes.

Mr. Chairman, this is an amendment which proposes to establish within the Department of the Interior a board which would be authorized to select up to 25 films per year and designate them as worthy for inclusion in a National Film Preservation Registry within the Department of the Interior.

The board will be made up of various individuals who are not members of the Government but are made up of various aspects of the film industry, the motion picture industry, and they are to meet at least twice a year for the purpose of determining which films are historic or esthetically deserving of designation within the registry.

This is in keeping with the work of this committee. We deal with the appropriations for the National Endowment for the Arts, for the National Endowment for the Humanities, for the National Art Gallery, for the Smithsonian Institution.

The motion picture is America's indigenous art. It is America's own art. It is well that we should offer this amendment to preserve this kind of art form.

We are now preserving all kinds of historic objects and places. We are preserving landmarks, battlefields, buildings like the Old State House, and Faneuil Hall in Boston; we are preserving brittle books in this bill. Last year we bought the collection of Duke Ellington's compositions for preservation in the Smithsonian.

Motion pictures as well should be preserved and that is the purpose of my amendment; that is what we are about to do in this bill.

They are valuable and I hope that my amendment is accepted by the House.

Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. MRAZEK].

Mr. MRAZEK. I thank the gentleman for yielding.

Mr. Chairman, I would like to express my deep appreciation, admiration and respect for Chairman SIDNEY YATES who has been involved in a whole host of preservation issues.

I can recall not too long ago coming into a committee room in which he had been conducting hearings all day on the question of brittle books; very important works, some of them a couple of hundred years old that are in the Library of Congress, and how we go about saving them from the acidification that the paper is being destroyed from. Now, he has taken on a very controversial issue with this amendment, an issue that has resulted in an amendment that declares for the first time that the U.S. Congress is committed to the belief that certain films of the thousands of motion pictures made in American history, are works of art, that some of them are an enduring part of our national cultural heritage. A film preservation board made up of prestigious American citizens involved in various aspects of film production, film study, film appreciation and film criticism—will have an opportunity for the first time to determine that certain films are works of art, they are national treasures, that this indigenous American art form, an art form that was created in the United States of America, deserves some labeling protection.

This bill will make it clear that anyone who wants to alter these works of art in the future, is going to have to appropriately label them so that future generations will know that they do not represent the original creative vision of directors like John Ford, John Huston, Fred Zinneman, and others who made these works of art. It was a pleasure working with Chairman YATES.

I would also like to extend my appreciation to JACK BROOKS, chairman of the Committee on Government Operations and someone who was able to bring various sides of this contentious issue together in arriving at an important compromise that does create a commission that will provide recognition for the first time of some of the greatest works of art ever produced in the United States of America.

I am proud to have worked with them.

The CHAIRMAN. Is any Member opposed to the amendment?

Mr. YATES. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. YATES].

The amendment was agreed to.

The CHAIRMAN. Are there other amendments to title I?

EN BLOC AMENDMENTS OFFERED BY MR. JONES OF NORTH CAROLINA

Mr. JONES of North Carolina. Mr. Chairman, I offer en bloc amendments.

The Clerk read as follows:

En bloc amendments offered by Mr. JONES of North Carolina:

Amend title I of H.R. 4867 by:

On page 10, line 3, deleting "$50,809,000" and substituting in its place "$46,809,000"; and

On page 10, line 8, deleting "$5,645,000" and substituting in its place "$9,645,000".

□ 1430

The CHAIRMAN. Pursuant to the rule, the amendments en bloc are not subject to amendment or subject to a demand for a division of the question.

The gentleman from North Carolina [Mr. JONES] will be recognized for 30 minutes and a Member opposed to the amendments will be recognized for 30 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, today I am offering a revenue neutral amendment to H.R. 4867 in order to increase the payments owed to counties and local governments under the National Wildlife Refuge Revenue Sharing Act. I am reluctantly taking this step because the Federal Government has not fulfilled a promise it made to counties in which acquired national wildlife refuge lands are located.

Under the Refuge Revenue Sharing Act, the U.S. Fish and Wildlife Service makes payments to counties primarily to compensate them for tax revenues lost when private lands are acquired for the national wildlife refuge system.

Unfortunately, since 1980 there has been a growing shortfall in the refuge revenue sharing fund and a dramatic decline in the percent of entitlement actually paid to counties. The proposed appropriation in H.R. 4867 for the refuge revenue sharing fund would result in the affected counties receiving only 54 percent of what they are owed.

In fact, the last year that the affected counties received full payment of their entitlement was in 1980. The reason for this decline is that while net revenues and supplemental appropriations have remained fairly steady over the years, the value and amount of acquired wildlife refuge land has increased substantially. With the addition of new wildlife refuges each year, the shortfall will continue to grow and the percent of entitlement will continue to get smaller.

The resulting shortfall is disturbing for several reasons. First, counties in which wildlife refuges are located are losing substantial amounts of revenue. In the case of the First District of North Carolina, my own counties will be denied $259,000 otherwise owed to them from the refuge revenue sharing fund. A deficit of this size has an especially serious impact on localities where the amount and value of refuge lands are significant.

Second, I am concerned that the growing deficit will harm the national wildlife refuge system as a whole. It is damaging to the relationship between the Federal and local county governments where refuges are located or proposed to be located. The Fish and Wildlife Service depends on county and State cooperation to implement many of its existing programs, and to support the acquisition of new wildlife refuges.

My amendment is revenue neutral. It does not adversely affect any viable ongoing Fish and Wildlife Service Program. My amendment would shift $4 million out of the Fish and Wildlife Service's land and water conservation fund account which had been allocated for the Hawaii forest birds refuge acquisition project. The Fish and Wildlife Service has confirmed that its land acquisition program for this project has recently stalled and run into problems.

The Service has a large amount of unobligated funds left over for this project from fiscal year 1988 and is likely to obligate little if any of the funds allocated in H.R. 4867. Without any prejudice to Hawaii or the merits of the Hawaiian forest bird project—which is a worthy one—I believe that this money can be redirected without affecting any viable land acquisition efforts in fiscal year 1989.

In summary, I ask your support for my amendment to provide an additional $4 million for refuge revenue sharing—an amount which would enable the Service to pay about 78 percent of the entitlement due to these counties. This modest sum will help ensure the continued strength and growth of wildlife refuge system, and ease the burden on hard-hit local governments.

Mr. FROST. Mr. Chairman, I would like to take this opportunity during the debate on the amendment proposed by my good friend, the Chairman of the Interior Appropriations Subcommittee, to note that I have grave reservations about the creation of a governmental entity to advise or pass judgment on whether or not privately produced films are of classical, artistic or historical value. I understand that many of my colleagues are concerned that the artistic value of many film classics, originally shot in black and white, will be destroyed through the colorization process. My purpose is not to take sides on the issue of colorization, but to express my concern about the first amendment implications of the creation of a governmental entity which will have the ability to affix a stamp of value on a movie.

I should also like to observe that many of the opponents of colorization, both in the Congress and in the artistic community, have expressed their concerns about the colorization activities of Turner Broadcasting, Inc., which owns the MGM-United Artistic film library. However, during the course of the debate on this amendment in the Committee on Rules, the company did make a good faith effort to resolve some of these concerns by outlining its commitment, as a matter of private corporate policy, to the following principles: First, labeling of colorized movies to indicate they are changed from their original theatrical version; second, assuring that the black and white version of a colorized movie will remain available for theatrical, television and videocassette distribution; and third and very importantly, assuring the careful preservation of black and white originals and a commitment to deposit black and white copies of colorized films with the Library of Congress. Mr. Chairman, this commitment actually goes further toward protecting film classics than the amendment in question today. The principle embodied in this commitment applies to all 3,600 films in the Turner film library, not just to the 25 films to be selected annually by the proposed National Film Preservation Board.

Mr. Chairman, the commitment of this private enterprise to preserve black and white film classics and to voluntarily identify to a viewing audience that films have been altered is far preferable to a governmental agency mandating that films with a Government seal of approval as classic or of historical value be so identified. While I am convinced that the proponents of this amendment have only the best intentions in mind, and that is the preservation of a distinct American art form, I must express my grave reservation about the creation of a board to pass judgment on artistic works, and for that reason I oppose the amendment.

MODIFICATION OF EN BLOC AMENDMENTS OFFERED BY MR. JONES OF NORTH CAROLINA

Mr. JONES of North Carolina. Mr. Chairman, I ask unanimous consent to change my amendment, and my modification is at the desk.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Modification of en bloc amendments offered by Mr. JONES of North Carolina: "Strike the first part of the amendment, referring to line 3, page 10; and

"On page 10, line 8, strike '$5,645,000' and insert '$7,645,000'."

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina to modify his amendment?

Mr. YATES. Mr. Chairman, reserving the right to object in connection with this request, as I understand the modification and the amendment as modified, it proposes to increase the amount available in the fund by $2 million, and that portion of the gentleman's original amendment which was to take the money out of the fund for the purchase of the property in Hawaii has been deleted; is that correct?

Mr. JONES of North Carolina. Mr. Chairman, if the gentleman will yield, that is correct.

Mr. YATES. Mr. Chairman, I have no objection, and I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina to modify his amendment?

Mr. WALKER. Mr. Chairman, reserving the right to object, if this is simply, then, an addition amendment, does this present any problems with regard to the 302 allocation available to the committee?

Mr. YATES. Mr. Chairman, if the gentleman will yield, we would still be $1 million under, I say to the gentleman.

Mr. WALKER. So the amendment does not in any way breach the 302 allocation?

Mr. YATES. It does not cause the bill to exceed the discretionary outlay level.

Mr. WALKER. Mr. Chairman, I thank the gentleman.

Mr. JONES of North Carolina. Mr. Chairman, if the gentleman will yield, I think by way of explanation to the Members, I should say that what this amendment does is this: It originally called for $4 million to be added to this fund. we have agreed to reduce that to $2 million, and that is where we are.

Mr. WALKER. Mr. Chairman, I thank the gentleman, and I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina to modify his amendments?

There was no objection.

The CHAIRMAN. The en bloc amendments are modified.

EN BLOC AMENDMENTS, AS MODIFIED, OFFERED BY MR. JONES OF NORTH CAROLINA

(The text of the en bloc amendments, as modified, offered by Mr. JONES of North Carolina is as follows): Amend title I of H.R. 4867 by:

On page 10, line 8, deleting "$5,645,000" and inserting "$7,645,000".

The CHAIRMAN. Does the gentleman from North Carolina wish to yield further time?

Mr. JONES of North Carolina. Mr. Chairman, I yield such time as he may consume to the gentleman from Georgia [Mr. ROWLAND].

Mr. ROWLAND of Georgia. Mr. Chairman, this amendment involves a small amount of money when compared to the budget as a whole.

But for those communities which are being shortchanged under the National Wildlife Refuge Revenue Sharing Act, the losses are very substantial. Five counties in my own Eighth District of Georgia are collectively experiencing shortfalls of nearly $200,000. This is the amount of money the Federal Government is taking out of the tax base of these counties every year.

The shortfalls have to be replaced. And there are only two ways to do this—by cutting back on funding for schools and other vital community services or by increasing property taxes for other landowners.

Mr. Chairman, I can assure you this is a very significant issue to the citizens of these counties. It is also important from the standpoint of fairness.

Payments to the counties under the Refuge Revenue Sharing Act are compensation for lost tax revenues resulting from the acquisition of private land for the national wildlife refuge system. Passage of the Refuge Revenue Sharing Act amounted to a promise by the Federal Government to provide full compensation for the losses in revenue.

Since 1980, the Federal Government has been reneging on this promise. The decline in the percentage of entitlements paid to the counties has continued throughout this decade.

This is an opportunity for the House to right a wrong by restoring part of what has been promised to the people who live closest to our wildlife refuges.

The CHAIRMAN. Does any Member rise in opposition to the amendment?

PARLIAMENTARY INQUIRY

Mr. YATES. Mr. Chairman, I do not rise in opposition, but may I ask the Chair, is it possible to move to strike the last word?

The CHAIRMAN. The Chair will advise the gentleman from Illinois that under the rule the time is controlled, 30 minutes for the gentleman from North Carolina [Mr. JONES] and 30 minutes for a gentleman opposed to the amendment.

Is the gentleman opposed?

Mr. YATES. I was opposed to the original amendment, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Chairman, I yield such time as he may consume to the gentleman from Oregon [Mr. ROBERT F. SMITH].

Mr. ROBERT F. SMITH. Mr. Chairman, I thank the distinguished gentleman from North Carolina for yielding time to me, and I will not take much time.

Mr. Chairman, I have in my own district more than nine national wildlife refuges, and, of course, I am very interested in this amendment, even though it has been amended to a very small amount, to $2 million.

Obviously, what has occurred here is that there has been a promise made by the Federal Government for in lieu taxes of lands within counties that are in national wildlife refuges. Of this tax, only about 54 percent of the money promised has been delivered to these counties.

I live in a county with 75 percent Federal ownership. The Members can understand why I am very concerned about the Bureau of Land Management, Forest Service, and national wildlife refuge fees, because in my case it comes directly, as the gentleman from Georgia indicated, out of the remaining property taxpayers to pony up the difference.

So that means the Federal Government is not a good citizen. They are paying 54 percent of all they promised. Here is a chance at least to begin to remedy that. It ought to be remedied by 100 percent, simply because those counties that house the national wildlife refuges in America house them for all the people in America, not just the West or the East or the South or the North. If that is true, then they ought to be compensated at least for the in lieu property taxes, as was promised in the original act.

So the gentleman's amendment is right on target. It is a very small amount. I think this brings it up to something like 60 percent from 54 percent. It is a meager amount. But the point is made that we ought to begin remedying this situation, and we can take it easy. We do not want it all this year, but we ought to get back to 100 percent funding because it is unfair to the other property taxpayers in America who happen to be surrounded by or who surround a national wildlife refuge.

Mr. Chairman, I encourage the gentleman from North Carolina [Mr. Jones]. I thank him for his amendment, and I stand in full support of it.

Mr. JONES of North Carolina. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. Ortiz].

Mr. ORTIZ. Mr. Chairman, I would like to express my strong support for the amendment offered by the distinguished chairman of the Merchant Marine and Fisheries Committee regarding the National Wildlife Refuge Program.

This revenue neutral amendment will correct a serious financial problem for counties which are home to national wildlife refuges.

Counties containing land that is included in the national wildlife refuge system must forfeit potential tax revenues in order to participate in the system.

Under current operation of the system, reimbursement for counties barely exceeds 50 percent of lost potential tax revenues.

Counties in my congressional district, home of the beautiful and fascinating Lower Rio Grande Valley Wildlife Refuge, lost approximately $91,000 during 1987.

This amendment will reverse the decline in entitlement reimbursement for counties under this program. It will bring reimbursement levels up and ensure that counties receive approximately 75 percent of lost tax revenues.

I believe this is the minimal level of reimbursement required to ensure that counties continue to participate in this program.

I urge my colleagues to support this important amendment.

Mr. JONES of North Carolina. Mr. Chairman, I yield 1 minute to the gentlewoman from Nevada [Mrs. Vucanovich].

Mrs. VUCANOVICH. Mr. Chairman, I rise in strong support of the amendment being offered by my colleague from North Carolina, the chairman of the full committee, Mr. Jones. We in Congress must make sure that counties are properly compensated for the revenue that is lost by acquisition of private land to be included in the national wildlife refuge system.

In my State of Nevada, 87 percent of the land is public. The counties of my State need the revenue derived from private land to sustain their tax base. If the Federal Government decides to acquire private land, and therefore take it out of the local government's tax jurisdiction, it should be responsible for making the appropriate payments provided for by law. The fiscal year 1987 shortfall for Nevada is approximately $64,000. I think this is unacceptable.

□ 1445

Mr. Chairman, I thank the gentleman from North Carolina [Mr. Jones], the chairman, for introducing this amendment, and I urge my colleagues to support it.

Mr. VENTO. Mr. Chairman, it is my understanding this amendment deals with a specific case. I hope that we do not look at it as any kind of precedent. This is appropriations bill for a 1-year period. I understand that the gentleman from North Carolina [Mr. Jones], the chairman of the Committee on Merchant Marine and Fisheries, has made a special effort to try and deal with this specific problem, but, if we would be on a very slippery slope trying to pay wherever we have public lands money to local governments. The cost would be overwhelming and not well understood, much less justified. I would think that we would need all the money in this bill and much more to deal with that sort of policy.

The fact is that the National Government must be a good steward of the public land and in fact does invest significant resources to help State and local governments benefit from such public lands. I take this amendment as a specific instance, where a specific problem exists that this proposal is trying to address, and I well understand that there has been agreement on this compromise amendment today, however I want to add my voice to this debate especially because of some of the statements that have been made this afternoon concerning the meaning of this amendment. I thank Chairman Jones for yielding this time to me and his willingness to compromise and work with the Committee on Appropriations on this matter.

Mr. MAVROULES. Mr. Chairman, I rise in support of the amendment being offered by our colleague, Walter Jones, to increase the refuge revenue sharing fund by $4 million.

As we all know, under the Refuge Revenue Sharing Act the Fish and Wildlife Service makes payments to counties to compensate them for lost tax revenues that have resulted from the acquisition of private lands for additions to the national wildlife refuge system.

Proposals by the administration for fiscal year 1988 would have allowed counties with wildlife refuges to receive only 52 cents on the dollar owed to them under this act. Just 8 years ago, these same counties would have received full payment. This makes the amendment by Mr. Jones all the more critical—it would allow for 78-percent payment to the counties.

And in these times of fiscal responsibility, Mr. Jones has taken steps to ensure that his amendment calling for a $4 million increase in the refuge revenue sharing fund is revenue neutral.

As one of the Members whose district ranks in the top 15 for refuge revenue sharing deficits, this amendment is particularly important. It is unfair that districts in which refuges are located are losing substantial amounts of revenue. My district alone suffered an over $114,000 shortfall in fiscal year 1987.

This figure sounds insignificant to those of us who daily deal in sums of millions and billions.

But to local communities that rely heavily on property taxes to fund schools, social services and the local infrastructure, it can mean the difference between having or not having updated textbooks for our schoolchildren or a meal program for our elderly poor. As a former mayor, I understand and appreciate the local impact. It means that districts with refuges are being penalized for their participation in this valuable environmental program.

The deficit harms the entire refuge system. For example, the Fish and Wildlife Service depends on good relations with the State and county to implement many of its programs, and often relies on the assistance of local authorities to deal with emergency situations such as forest or brush fires. If counties do not feel they are getting their fair share under the program, resentment may build against the Federal Government and the local refuge itself.

Also, States and counties increasingly are reluctant to have refuge lands removed from their tax roles for conservation. The future growth of this system is at stake if localities become hesitant to participate.

As a staunch environmentalist, coming from a district that is well aware of the needs to protect our fragile ecosystem, I urge my colleagues to support Mr. Jones' amendment so that we may continue our commitment to our wildlife refuge system.

Mr. HUGHES. Mr. Chairman, I rise in support of the amendment offered by my colleague from North Carolina [Mr. Jones]. I am deeply concerned over the dramatic decline in payments entitled to counties in which land has been acquired for the National Wildlife Refuge System.

The Federal Government has pledged to fully compensate counties for lost tax revenues in which acquired national wildlife refuge lands are located. However, only 54 percent of the entitlement is actually paid. The lost revenue places a significant hardship on counties that depend on property taxes to fund local school districts and other vital county services.

This growing shortfall is well illustrated in my own district, which has had a revenue loss of some $63,000 in fiscal year 1986, and approximately $67,000 in fiscal year 1987. The local communities cannot afford this substantial loss of resources.

As land values continue to increase, States and counties will surely become reluctant to have land included in the national wildlife refuge. Clearly, it is time for Congress to recognize the potential harm that may come from this reluctance, and to assure sufficient funding for future conservation.

This amendment shifts $4 million from the Fish and Wildlife Service's land and water conservation fund account to the refuge revenue sharing account. It will not jeopardize any viable land acquisition efforts in fiscal year 1989. Instead, the amendment addresses the growing shortfall in payment owed to the counties, and assures the counties' support for the continued acquisition and protection of wetlands and other valuable wildlife habitat.

I congratulate my colleague for offering this amendment. It not only revitalizes the refuge revenue fund—it also secures the future of our National Wildlife Refuge System. I urge your support.

Mr. DYSON. Mr. Chairman, I rise in support of the refuge revenue sharing amendment offered by Chairman JONES. Every year we create new wildlife refuges, and I believe that my colleagues will agree with the positive effects of such actions. Under existing Federal law, the U.S. Fish and Wildlife Service makes payments to counties to compensate them for lost tax revenues resulting from the aquisition of private lands for the National Wildlife Refuge System. Yet our refuge revenue sharing fund has not kept pace. In fact, under the existing appropriations counties will only receive some 54 percent of what they are owed. This means that every refuge we create will receive less money in matching funds for the counties. This is a problem that needs correcting.

Mr. Chairman, the statistics that I have seen show that 21 congressional districts have had shortfalls of over $100,000. My district has had a shortfall of some $46,000. As my district is a rural one, this shortfall has disasterous economic effects. One of these refuges, the Blackwater National Wildlife Refuge, is located in one of the poorer counties in my district. Dorchester County will be severely hurt by the lack of compensating money from the National Wildlife Refuge Revenue Sharing Fund. This should not be the case. The Blackwater National Wildlife Refuge is visited by tourists throughout the United States. It surrounds one of only three rivers in the continental United States that is still wild from beginning to end and still largely untouched by man. It is the most important tourist attraction in the county. Yet the refuge has taken 16,000 acres out of economic circulation in a county whose per capita GNP is $4,000 lower than the national average.

While I strongly support the existence of the Blackwater Refuge, Dorchester County must be compensated for the land taken out of circulation. We do not want the acquisition of national refuges to be hampered by concerns over economic loss. We must provide the funding levels to allow compensation for counties harboring national refuges. As Chairman JONES has indicated, this amendment is revenue neutral. It only transfers money from an unused account to the revenue sharing fund. Mr. Chairman, Chairman JONES has offered this amendment to preserve America's natural beauty, and I urge my colleagues to support his amendment.

Mr. JONES of North Carolina. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The question is on the en bloc amendments as modified, offered by the gentleman from North Carolina [Mr. JONES].

The en bloc amendments as modified, were agreed to.

The CHAIRMAN. Are there other amendments to title I?

Mr. SKAGGS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the Georgetown-Silverplume area of Clear Creek County, CO, which is located in my district, contains a number of diverse historical resources. The National Park Service has completed the first phase of the historic district planning process, a reconnaissance-level survey of the area in 1980, and concluded that the Georgetown-Silverplume area does contain historically significant sites.

It is my understanding that the Senate Appropriations Subcommittee on the Interior has reported its desire to see that $83,000 is earmarked to complete the second phase of the planning process—to evaluate alternatives available to the National Park Service for management and protection of historical sites in Clear Creek County.

These funds would permit the National Park Service to examine the alternatives available for managing and preserving the cultural resources in this area.

I would ask the distinguished chairman if it is also the desire of his panel to see that the National Park Service use $83,000 to complete the second phase of the planning process?

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. SKAGGS. I yield to the gentleman from Illinois.

Mr. YATES. The project sounds like a worthy one and deserving of support. However, I cannot now indicate the committee's intent but will assure the gentleman that we will give it every consideration at conference.

Mr. SKAGGS. Mr. Chairman, I thank the gentleman from Illinois [Mr. YATES], the distinguished chairman, very much, and I yield back the balance of my time.

The CHAIRMAN. Are there other amendments to title I?

If not, the Clerk will read.

The Clerk read as follows:

TITLE II—RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

FOREST RESEARCH

For necessary expenses of forest research as authorized by law, $139,865,000, to remain available until September 30, 1990, of which $3,000,000 shall remain available until expended for competitive research grants, as authorized by section 5 of Public Law 95-307.

STATE AND PRIVATE FORESTRY

For necessary expenses of cooperating with, and providing technical and financial assistance to States, Territories, possessions, and others; and for forest pest management activities, $78,143,000, to remain available until expended, as authorized by law: *Provided*, That a grant of $2,800,000 shall be made to the State of Minnesota for the purposes authorized by section 6 of Public Law 95-495: *Provided further*, That notwithstanding any other provision of law, a grant of $3,600,000 shall be provided to the Washington State Parks and Recreation Commission for construction of the Spokane River Centennial Trail, a grant of $1,350,000 shall be provided to the County of Kootenai, Idaho, for construction of the Idaho Centennial Trail, and a grant of $600,000 shall be provided to the State of Oregon for the Old Columbia River Highway, as authorized by Public Law 99-663 (16 U.S.C. 544j).

NATIONAL FOREST SYSTEM

For necessary expenses of the Forest Service, not otherwise provided for, for management, protection, improvement, and utilization of the National Forest System, and for reimbursement to other appropriation accounts from which funds were transferred in the preceding fiscal years for forest firefighting and emergency rehabilitation of National Forest System lands, and for administrative expenses associated with the management of funds provided under the heads "Forest Research", "State and Private Forestry", "National Forest System", "Construction", and "Land Acquisition", $1,309,244,000 to remain available for obligation until September 30, 1990, and including 65 per centum of all monies received during the prior fiscal year as fees collected under the Land and Water Conservation Fund Act of 1965, as amended, in accordance with section 4 of the Act (16 U.S.C. 460l-6a).

CONSTRUCTION

For necessary expenses of the Forest Service, not otherwise provided for, for construction, $216,542,000, to remain available until expended, of which $35,038,000 is for construction and acquisition of buildings and other facilities; and $181,504,000 is for construction of forest roads and trails by the Forest Service as authorized by 16 U.S.C. 532-538 and 23 U.S.C. 101 and 205: *Provided*, That funds becoming available in fiscal year 1989 under the Act of March 4, 1913 (16 U.S.C. 501), shall be transferred to the General Fund of the Treasury of the United States: *Provided further*, That not to exceed

$64,000,000, to remain available until expended, may be obligated for the construction of forest roads by timber purchasers: *Provided further,* That notwithstanding any other provision of this Act or any other provision of law, there is authorized and appropriated out of the Highway Trust Fund (other than the Mass Transit Account), $5,333,000 of contract authority to be transferred to the Forest Service for road construction to Forest Development Road Standards to serve the Mount St. Helens National Volcanic Monument, Washington: *Provided further,* That the funds authorized by this section shall be available for obligation in the same manner and to the same extent as if such funds were apportioned under chapter 1 of title 23, United States Code, except the Federal share of the cost of this project shall be 100 per centum, and such funds shall remain available until expended: *Provided further,* That $5,333,000 to be derived from the Highway Trust Fund (other than the Mass Transit Account) as authorized and appropriated above is hereby made available to liquidate the obligations incurred against the contract authority as provided for in this Act.

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l-4-11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the Forest Service, $41,645,000 to be derived from the Land and Water Conservation Fund, to remain available until expended and $600,000 for acquisition of land and interests therein and near the White Salmon National Recreational River, Klickitat County, Washington, as depicted on a map entitled "White Salmon River Acquisitions—1988" on file with the Forest Service, pursuant to the Department of Agriculture Organic Act of 1956 (7 U.S.C. 428(a)), to remain available until expended.

TONGASS TIMBER SUPPLY FUND

For necessary expenses for the Tongass National Forest pursuant to section 705(a) of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 539d(a)), as amended, $25,264,000, to remain available until expended.

ACQUISITION OF LANDS FOR NATIONAL FORESTS SPECIAL ACTS

For acquisition of lands within the exterior boundaries of the Cache, Uinta, and Wasatch National Forests, Utah; the Toiyabe National Forest, Nevada; and the Angeles, San Bernardino, and Cleveland National Forests, California, as authorized by law, $966,000, to be derived from forest receipts.

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

For acquisition of lands, to be derived from funds deposited by State, county, or municipal governments, public school districts, or other public school authorities pursuant to the Act of December 4, 1967, as amended (16 U.S.C. 484a), to remain available until expended.

RANGE BETTERMENT FUND

For necessary expenses of range rehabilitation, protection, and improvement, 50 per centum of all moneys received during the prior fiscal year, as fees for grazing domestic livestock on lands in National Forests in the sixteen Western States, pursuant to section 401(b)(1) of Public Law 94-579, as amended, to remain available until expended, of which not to exceed 6 percent shall be available for administrative expenses associated with on-the-ground range rehabilitation, protection, and improvements.

MISCELLANEOUS TRUST FUNDS

For expenses authorized by 16 U.S.C. 1643(b), $30,000 to remain available until expended, to be derived from the fund established pursuant to the above Act.

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations to the Forest Service for the current fiscal year shall be available for: (a) purchase of not to exceed 200 passenger motor vehicles of which ten will be used primarily for law enforcement purposes and of which 190 shall be for replacement only, of which acquisition of 165 passenger motor vehicles shall be from excess sources, and hire of such vehicles; operation and maintenance of aircraft, the purchase of not to exceed two for replacement only, and acquisition of 59 aircraft from excess sources; notwithstanding other provisions of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft; (b) services pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $100,000 for employment under 5 U.S.C. 3109; (c) uniform allowances for each uniformed employee of the Forest Service, not in excess of $400 annually; (d) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (e) acquisition of land, waters, and interests therein, pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); (f) for expenses pursuant to the Volunteers in the National Forest Act of 1972 (16 U.S.C. 558a, 558d, 558a note); and (g) for debt collection contracts in accordance with 31 U.S.C. 3718(c).

None of the funds made available under this Act shall be obligated or expended to change the boundaries of any region, to abolish any region, to move or close any regional office for research, State and private forestry, or National Forest System administration of the Forest Service, Department of Agriculture, without the consent of the House and Senate Committees on Appropriations and the Committee on Agriculture, Nutrition, and Forestry in the United States Senate and the Committee on Agriculture in the United States House of Representatives.

Any appropriations or funds available to the Forest Service may be transferred to the National Forest System appropriation for forest firefighting and the emergency rehabilitation of burned-over lands under its jurisdiction.

The appropriation structure for the Forest Service may not be altered without advance approval of the House and Senate Committees on Appropriations.

Notwithstanding any other provision of law, any appropriations or funds available to the Forest Service may be used to reimburse employees for the cost of State licenses and certification fees pursuant to their Forest Service position and that are necessary to comply with State laws, regulations, and requirements.

Funds appropriated to the Forest Service shall be available for assistance to or through the Agency for International Development and the Office of International Cooperation and Development in connection with forest and rangeland research, technical information, and assistance in foreign countries.

Funds previously appropriated for timber salvage sales may be recovered from receipts deposited for use by the applicable national forest and credited to the Forest Service Permanent Appropriations to be expended for timber salvage sales from any national forest: *Provided,* That not less than $37,561,000 shall be made available to the Forest Service for obligation in fiscal year 1989 from the Timber Salvage Sales Fund appropriation.

None of the funds made available to the Forest Service under this Act shall be subject to transfer under the provisions of section 702(b) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2257) or 7 U.S.C. 147b unless the proposed transfer is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprograming procedures contained in House Report 99-714.

No funds appropriated to the Forest Service shall be transferred to the Working Capital Fund of the Department of Agriculture without the approval of the Chief of the Forest Service.

Funds available to the Forest Service shall be available to conduct a program of not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as if authorized by the Act of August 13, 1970, as amended by Public Law 93-408.

None of the funds made available to the Forest Service in this Act shall be expended for the construction of the Gasquet-Orleans (G-O) road.

None of the funds made available to the Forest Service in this Act shall be expended for the purpose of issuing a special use authorization permitting land use and occupancy and surface disturbing activities for any project to be constructed on Lewis Fork Creek in Madera County, California, at the site above, and adjacent to, Corlieu Falls bordering the Lewis Fork Creek National Recreation Trail until the studies required in Public Law 100-202 have been submitted to the Congress: *Provided,* That any special use authorization shall not be executed prior to the expiration of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt of the required studies by the Speaker of the House of Representatives and the President of the Senate.

None of the funds made available to the Forest Service in this Act may be used to adopt or implement any modifications to the final policy for the Small Business Timber Set-Aside Program which was issued by the Forest Service on June 6, 1985, and published in the Federal Register of June 13, 1985, at pages 24788 to 24793, as corrected in the Federal Register of July 9, 1985, at page 27997.

DEPARTMENT OF ENERGY

CLEAN COAL TECHNOLOGY

The first paragraph under this head in Public Law 100-202 is amended by striking "and $525,000,000 are appropriated for the fiscal year beginning October 1, 1988" and inserting "$100,000,000 are appropriated for the fiscal year beginning October 1, 1988, and shall remain available until expended, $225,000,000 are appropriated for the fiscal year beginning October 1, 1989, and shall remain available until expended, and $200,000,000 are appropriated for the fiscal year beginning October 1, 1990": *Provided,* That this transfer is made pursuant to section 202(b)(1) of Public Law 100-119 (2 U.S.C. 909).

For the purposes of the sixth proviso under this head in Public Law 99-190, funds derived by the Tennessee Valley Authority from its power program are hereafter not to be precluded from qualifying as all or part of any cost-sharing requirement, except to the extent that such funds are provided by annual appropriations Acts: *Provided,* That unexpended balances of funds made available in the "Energy Security Reserve" account in the Treasury for The Clean Coal Technology Program by the Department of the Interior and Related Agencies Appropriations Act, 1986, as contained in Public Law 99-190, shall be merged with this account.

FOSSIL ENERGY RESEARCH AND DEVELOPMENT

For necessary expenses in carrying out fossil energy research and development activities, under the authority of the Department of Energy Organization Act (Public Law 95-91), including the acquisition of interest, including defeasible and equitable interests in any real property or any facility or for plant or facility acquisition or expansion, $357,361,000, to remain available until expended, of which $249,000 is for the functions of the Office of the Federal Inspector for the Alaska Natural Gas Transportation System established pursuant to the authority of Public Law 94-586 (90 Stat. 2908-2909), and pursuant to section 111(b)(1)(B) of the Energy Reorganization Act of 1974, as amended, of the amount appropriated under this head, $3,500,000 shall be available for a grant for an energy center at the University of Oklahoma in Norman, Oklahoma: *Provided,* That no part of the sum herein made available shall be used for the field testing of nuclear explosives in the recovery of oil and gas.

Of the funds herein provided, $35,000,000 is for implementation of the June, 1984 multiyear, cost-shared magnetohydrodynamics program targeted on proof-of-concept testing: *Provided further,* That 25 per centum private sector cash or in-kind contributions shall be required for obligations in fiscal year 1989, and for each subsequent fiscal year's obligations private sector contributions shall increase by 5 per centum over the life of the proof-of-concept plan: *Provided further,* That existing facilities, equipment, and supplies, or previously expended research or development funds are not cost-sharing for the purposes of this appropriation, except as amortized, depreciated, or expensed in normal business practice: *Provided further,* That cost-sharing shall not be required for the costs of constructing or operating Government-owned facilities or for the costs of Government organizations, National Laboratories, or universities and such costs shall not be used in calculating the required percentage for private sector contributions: *Provided further,* That private sector contribution percentages need not be met on each contract but must be met in total for each fiscal year.

NAVAL PETROLEUM AND OIL SHALE RESERVES

For necessary expenses in carrying out naval petroleum and oil shale reserve activities, $185,071,000, to remain available until expended.

ENERGY CONSERVATION

For necessary expenses in carrying out energy conservation activities, $371,562,000, to remain available until expended, including, notwithstanding any other provision of law, the excess amount for fiscal year 1989 determined under the provisions of section 3003(d) of Public Law 99-509 (15 U.S.C. 4502): *Provided,* That $200,000,000 shall be for use in energy conservation programs as defined in section 3008(3) of Public Law 99-509 (15 U.S.C. 4507): *Provided further,* That notwithstanding section 3003(d)(2) of Public Law 99-509 such sums shall be allocated to the eligible programs in the same amounts for each program as in fiscal year 1988, and of which $10,000,000 shall be available for a grant for the energy demonstration and research facility at Northwestern University designated under this head in Public Law 100-202 and as authorized by section 202 of Public Law 99-412 (42 U.S.C. 8281 note): *Provided further,* That the facility may be expanded to encompass space for life sciences in addition to that for material sciences.

ECONOMIC REGULATION

For necessary expenses in carrying out the activities of the Economic Regulatory Administration and the Office of Hearings and Appeals, $21,010,000.

EMERGENCY PREPAREDNESS

For necessary expenses in carrying out emergency preparedness activities, $6,154,000.

STRATEGIC PETROLEUM RESERVE

For expenses necessary to carry out the provisions of sections 151 through 166 of the Energy Policy and Conservation Act of 1975 (Public Law 94-163), $173,421,000, to remain available until expended.

SPR PETROLEUM ACCOUNT

For the acquisition and transportation of petroleum and for other necessary expenses under section 167 of the Energy Policy and Conservation Act of 1975 (Public Law 94-163), as amended by the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35), $333,555,000, to remain available until expended: *Provided,* That notwithstanding 42 U.S.C. 6240(d) the United States' share of crude oil in Naval Petroleum Reserve Numbered 1 (Elk Hills) may be sold or otherwise disposed of to other than the Strategic Petroleum Reserve.

ENERGY INFORMATION ADMINISTRATION

For necessary expenses in carrying out the actitivities of the Energy Information Administration, $62,856,000.

ADMINISTRATIVE PROVISIONS, DEPARTMENT OF ENERGY

Appropriations under this Act for the current fiscal year shall be available for hire of passenger motor vehicles, hire, maintenance, and operation of aircraft; purchase, repair, and cleaning of uniforms; and reimbursement to the General Services Administration for security guard services.

From appropriations under this Act, transfers of sums may be made to other agencies of the Government for the performance of work for which the appropriation is made.

None of the funds made available to the Department of Energy under this Act shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in an appropriations Act.

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, private, or foreign: *Provided,* That revenues and other moneys received by or for the account of the Department of Energy or otherwise generated by sale of products in connection with projects of the Department appropriated under this Act may be retained by the Secretary of Energy, to be available until expended, and used only for plant construction, operation, costs, and payments to cost-sharing entities as provided in appropriate cost-sharing contracts or agreements: *Provided further,* That the remainder of revenues after the making of such payments shall be covered into the Treasury as miscellaneous receipts: *Provided further,* That any contract, agreement, or provision thereof entered into by the Secretary pursuant to this authority shall not be executed prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full and comprehensive report on such project, including the facts and circumstances relied upon in support of the proposed project.

The Secretary of Energy may transfer to the Emergency Preparedness appropriation such funds as are necessary to meet any unforeseen emergency needs from any funds available to the Department of Energy from this Act.

Notwithstanding 31 U.S.C. 3302, funds derived from the sale of assets as a result of defaulted loans made under the Department of Energy Alcohol Fuels Loan Guarantee program, or any other funds received in connection with this program, shall be credited to the Biomass Energy Development account, and shall be available solely for payment of the guaranteed portion of defaulted loans and associated costs of the Department of Energy Alcohol Fuels Loan Guarantee program for loans guaranteed prior to January 1, 1987.

Unobligated balances available in the "Alternative fuels production" account may be used for payment of the guaranteed portion of defaulted loans and associated costs of the Department of Energy Alcohol Fuels Loan Guarantee program, subject to the determination by the Secretary of Energy that such unobligated funds are not needed for carrying out the purposes of the Alternative Fuels Production program: *Provided,* That the use of these unobligated funds for payment of defaulted loans and associated costs shall be available only for loans guaranteed prior to January 1, 1987: *Provided further,* That such funds shall be used only after the unobligated balance in the Department of Energy Alcohol Fuel Loan Guarantee reserve has been exhausted.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

INDIAN HEALTH SERVICE

INDIAN HEALTH SERVICES

For expenses necessary to carry out the Act of August 5, 1954 (68 Stat. 674), the Indian Self-Determination Act, the Indian Health Care Improvement Act, and titles III and XXIII and sections 208 and 338G of the Public Health Service Act with respect to the Indian Health Service, including hire of passenger motor vehicles and aircraft; purchase of reprints; purchase and erection of portable buildings; payments for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; $1,016,667,000, together with payments received during the fiscal year pursuant to 42 U.S.C. 300cc-2 for services furnished by the Indian Health Service: *Provided,* That notwithstanding any other law or regulation, funds transferred from the Department of Housing and Urban Development to the Indian Health Service shall be administered under Public Law 86-121 (the Indian Sanitation Facilities Act): *Provided further,* That funds made available to tribes and tribal organizations through grants and contracts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (88 Stat. 2203; 25 U.S.C. 450), shall remain available until expended: *Provided further,* That $15,000,000 shall remain available until expended, for the Indian Catastrophic Health Emergency Fund and contract medical care: *Provided further,* That of the funds provided, $2,000,000 shall be used to carry out a loan repayment program under which Federal, State, and commercial-type educational loans for physicians and other health professionals will be repaid at a rate not to exceed $25,000 per year of obligated service in return for full-time clinical service in the Indian Health Service. Each individual participating in this program must sign and submit to the Secretary a written contract to accept repayment of educational loans and to serve for the applicable period of service in the Indian Health Service: *Provided further,* That funds provided in this Act may be used for one-year contracts and grants which are to be performed in two fiscal years, so long as the total obligation is recorded in the year for which the funds are appropriated: *Provided further,* That the amounts collected by the Secretary of Health and Human Services under the authority of title IV of the Indian Health Care Improvement Act shall be available for two fiscal years after the fiscal year in which they were collected, for the purpose of achieving compliance with the applicable conditions and requirements of titles XVIII and XIX of the Social Security Act (exclusive of planning, design, construction of new facilities, or major renovation of existing Indian Health Service facilities): *Provided further,* That of the funds provided, $2,500,000 shall remain available until expended, for the Indian Self-Determination Fund, which shall be available for the transitional costs of initial or expanded tribal contracts, grants or cooperative agreements with the Indian Health Service under the provisions of the Indian Self-Determination Act: *Provided further,* That funding contained herein, and in any earlier appropriations Acts for scholarship programs under section 103 of the Indian Health Care Improvement Act and section 338G of the Public Health Service Act with respect to the Indian Health Service shall remain available for expenditure until September 30, 1990.

INDIAN HEALTH FACILITIES

For construction, major repair, improvement, and equipment of health and related auxiliary facilities, including quarters for personnel; preparation of plans, specifications, and drawings; acquisition of sites, purchase and erection of portable buildings, and purchases of trailers; and for provision of domestic and community sanitation facilities for Indians, as authorized by section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a), the Indian Self-Determination Act and the Indian Health Care Improvement Act, $64,050,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS, INDIAN HEALTH SERVICE

Appropriations in this Act to the Indian Health Service, available for salaries and expenses, shall be available for services as authorized by 5 U.S.C. 3109 but at rates not to exceed the per diem equivalent to the rate for GS-18, and for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902), and for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities: *Provided,* That none of the funds appropriated under this Act to the Indian Health Service shall be available for the initial lease of permanent structures without advance provision therefor in appropriations Acts: *Provided further,* That non-Indian patients may be extended health care at all tribally administered or Indian Health Service facilities, if such care can be extended without impairing the ability of the facility to fulfill its responsibility to provide health care to Indians served by such facilities and subject to such reasonable charges as the Secretary of Health and Human Services shall prescribe, the proceeds of which, together with funds recovered under the Federal Medical Care Recovery Act (42 U.S.C. 2651-53), shall be deposited in the fund established by sections 401 and 402 of the Indian Health Care Improvement Act and in the case of tribally administered facilities, shall be available to the tribal organization without fiscal year limitation: *Provided further,* That funds appropriated to the Indian Health Service in this Act, except those used for administrative and program direction purposes, shall not be subject to limitations directed at curtailing Federal travel and transportation: *Provided further,* That with the exception of Indian Health Service units which currently have a billing policy, the Indian Health Service shall not initiate any further action to bill Indians in order to collect from third-party payers nor to charge those Indians who may have the economic means to pay unless and until such time as Congress has agreed upon a specific policy to do so and has directed the Indian Health Service to implement such a policy: *Provided further,* That the Secretary of Health and Human Services may authorize special retention pay under paragraph (4) of 37 U.S.C. 302(a) to any regular or reserve officer for the period during which the officer is obligated under section 338B of the Public Health Service Act and assigned and providing direct health services or serving the officer's obligation as a specialist: *Provided further,* That personnel ceilings may not be imposed on the Indian Health Service nor may any action be taken to reduce the full-time equivalent level of the Indian Health Service by the elimination of temporary employees by reduction in force, hiring freeze or any other means without the review and approval of the Committees on Appropriations: *Provided further,* That funds provided in this Act may be used to reimburse the Indian Health Service travel costs of spouses who accompany prospective Indian Health Service medical professional employees to the site of employment as part of the recruitment process: *Provided further,* That section 103(c) of the Indian Self-Determination Act (88 Stat. 2206), as amended by Public Law 100-202 (101 Stat. 1329-246), is amended by inserting after the word "claims" the words "by any person", and is further amended by inserting after the word "performance" the words "prior to, including, or after December 22, 1987," and is further amended by inserting after the word "investigations," the words "an Indian tribe,": *Provided further,* That none of the funds made available to the Indian Health Service in this Act shall be used to implement the final rule published in the Federal Register on September 16, 1987, by the Department of Health and Human Services, relating to eligibility for the health care services of the Indian Health Service.

DEPARTMENT OF EDUCATION

Office of Elementary and Secondary Education

INDIAN EDUCATION

For necessary expenses to carry out, to the extent not otherwise provided, the Indian Education Act, $68,153,000, of which $49,848,000 shall be for part A and $15,807,000 shall be for parts B and C: *Provided,* That the amounts available pursuant to section 423 of the Act shall remain available for obligation until September 30, 1990.

OTHER RELATED AGENCIES

Navajo and Hopi Indian Relocation Commission

SALARIES AND EXPENSES

For necessary expenses of the Navajo and Hopi Indian Relocation Commission as authorized by Public Law 93-531, $27,723,000, to remain available until expended, for operating expenses of the Commission: *Provided,* That none of the funds contained in this or any other Act may be used to evict any single Navajo or Navajo family who, as of November 30, 1985, was physically domiciled on the lands partitioned to the Hopi Tribe unless a new or replacement home is provided for such household: *Provided further,* That no relocatee will be provided with more than one new or replacement home: *Provided further,* That the Commission shall relocate any certified eligible relocatees who have selected and received an approved homesite on the Navajo reservation or selected a replacement residence off the Navajo reservation or on the land acquired pursuant to 25 U.S.C. 640d-10.

Institute of American Indian and Alaska Native Culture and Arts Development

SALARIES AND EXPENSES

For necessary expenses of the Institute of American Indian and Alaska Native Culture and Arts Development as authorized by Public Law 99-498, $3,094,000, of which not to exceed $250,000 for Federal matching contributions shall be paid to the Institute endowment fund.

Smithsonian Institution

SALARIES AND EXPENSES

For necessary expenses of the Smithsonian Institution, as authorized by law, including research in the fields of art, science, and history; development, preservation, and documentation of the National Collections; presentation of public exhibits and performances; collection, preparation, dissemination, and exchange of information and publications; conduct of education, training, and museum assistance programs; maintenance, alteration, operation, lease (for terms not to exceed ten years), and protection of buildings, facilities, and approaches; not to exceed $100,000 for services as authorized by 5 U.S.C. 3109; up to 5 replacement passenger vehicles; purchase, rental, repair, and cleaning of uniforms for employees; $208,766,000, of which not to exceed $1,206,000 for the instrumentation program shall remain available until expended and, including such funds as may be necessary to support American overseas research centers and a total of $125,000 for the Council of

American Overseas Research Centers: *Provided,* That funds appropriated herein are available for advance payments to independent contractors performing research services or participating in official Smithsonian presentations.

CONSTRUCTION AND IMPROVEMENTS, NATIONAL ZOOLOGICAL PARK

For necessary expenses of planning, construction, remodeling, and equipping of buildings and facilities at the National Zoological Park, by contract or otherwise, $5,305,000, to remain available until expended.

RESTORATION AND RENOVATION OF BUILDINGS

For necessary expenses of restoration and renovation of buildings owned or occupied by the Smithsonian Institution, by contract or otherwise, as authorized by section 2 of the Act of August 22, 1949 (63 Stat. 623), including not to exceed $10,000 for services as authorized by 5 U.S.C. 3109, $20,835,000, to remain available until expended: *Provided,* That contracts awarded for environmental systems, protection systems, and exterior repair or restoration of buildings of the Smithsonian Institution may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

CONSTRUCTION

For necessary expenses for construction, $8,655,000, to remain available until expended: *Provided,* That notwithstanding any other provison of law, the Institution is authorized to transfer to the State of Arizona, the counties of Santa Cruz and/or Pima, a sum not to exceed $150,000 for the purpose of assisting in the construction or maintenance of an access to the Whipple Observatory.

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

For the upkeep and operations of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including services as authorized by 5 U.S.C 3109; payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards, and uniforms, or allowances therefor, for other employees as authorized by law (5 U.S.C 5901-5902); purchase, or rental of devices and services for protecting buildings and contents thereof, and maintenance, alteration, improvement, and repair of buildings, approaches, and grounds; and purchase of services for restoration and repair of works of art for the National Gallery of Art by contracts made, without advertising, with individuals, firms, or organizations at such rates or prices and under such terms and conditions as the Gallery may deem proper, $37,831,000, of which not to exceed $2,320,000 for the special exhibition program shall remain available until expended.

REPAIR, RESTORATION AND RENOVATION OF BUILDINGS

For necessary expenses of repair, restoration and renovation of buildings, grounds and facilities owned or occupied by the National Gallery of Art, by contract or otherwise, as authorized, $500,000 to remain available until expended: *Provided,* That contracts awarded for environmental systems, protection systems, and exterior repair or renovation of buildings of the National Gallery of Art may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

SALARIES AND EXPENSES

For expenses necessary in carrying out the provisions of the Woodrow Wilson Memorial Act of 1968 (82 Stat. 1356) including hire of passenger vehicles, and services as authorized by 5 U.S.C. 3109, $4,240,000.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

NATIONAL ENDOWMENT FOR THE ARTS

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and Humanities Act of 1965, as amended, $141,800,000 shall be available to the National Endowment for the Arts for the support of projects and productions in the arts through assistance to groups and individuals pursuant to section 5(c) of the Act, and for administering the functions of the Act: *Provided,* That none of the funds available to the National Endowment for the Arts may be used to implement a peer panel review process different from that in place as of December 31, 1987.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, $27,200,000, to remain available until September 30, 1990, to the National Endowment for the Arts, of which $18,200,000 shall be available for purposes of section 5(l): *Provided,* That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the Chairman or by grantees of the Endowment under the provisions of section 10(a)(2), subsections 11(a)(2)(A) and 11(a)(3)(A) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.

NATIONAL ENDOWMENT FOR THE HUMANITIES

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, $125,000,000 shall be available to the National Endowment for the Humanities for support of activities in the humanities, pursuant to section 7(c) of the Act, and for administering the functions of the Act.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, $28,700,000, to remain available until September 30, 1990, of which $16,700,000 shall be available to the National Endowment for the Humanities for the purposes of section 7(h): *Provided,* That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the Chairman or by grantees of the Endowment under the provisions of subsections 11(a)(2)(B) and 11(a)(3)(B) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.

INSTITUTE OF MUSEUM SERVICES

GRANTS AND ADMINISTRATION

For carrying out title II of the Arts, Humanities, and Cultural Affairs Act of 1976, as amended, $22,620,000, including not to exceed $250,000 as authorized by 20 U.S.C. 965(b): *Provided,* That none of these funds shall be available for the compensation of Executive Level V or higher positions: *Provided further,* That the Museum Services Board shall not meet more than three times during fiscal year 1989.

NATIONAL FILM COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the National Film Commission, $500,000: *Provided,* That the following may be cited as the "National Film Preservation Act of 1988":

SECTION 1. FINDINGS.

The Congress finds that—

(1) motion pictures are a significant part of our Nation's historical and cultural heritage and uniquely reflect the spirit of their times;

(2) motion pictures are an indigenous American art form that has been emulated throughout the world;

(3) certain motion pictures represent an enduring part of our national cultural heritage;

(4) these motion pictures are being defaced by technologies that directly threaten the integrity of motion pictures and fundamentally alter artistic vision of the artists who created these works; and

(5) it is appropriate and necessary for the Federal Government to recognize motion pictures as a significant American art form deserving of protection.

SEC. 2. ESTABLISHMENT OF NATIONAL FILM COMMISSION.

There is established within the National Foundation on the Arts and the Humanities a commission to be known as the National Film Commission (hereinafter referred to as the "Commission").

SEC. 3. DUTIES OF COMMISSION.

The Commission shall—

(1) establish criteria pursuant to which theatrical motion pictures (hereinafter in this chapter referred to as "films") that are culturally, historically, or esthetically significant may be designated part of a National Film Registry;

(2) determine, from time to time, which films satisfy such criteria and designate those films as part of the National Film Registry;

(3) establish criteria to determine whether a film has been materially altered and make such a determination respecting each film which is a part of the National Film Registry;

(4) determine the content and appropriate form of labeling to effectively disclose to viewers of any film which the Commission determines has been materially altered that such material alteration has occurred;

(5) determine the content and appropriate form of labeling to effectively disclose to viewers of any film which the Commission determines has been materially altered—

(A) that the principal director or principal screenwriter of the film desires to be disassociated from the materially altered version of the film; or

(B) if both the principal director and principal screenwriter of the film are deceased, that, in the opinion of the Commission, they would have desired to be disassociated from the materially altered version of the film;

(6) have the authority to make determinations referred to in paragraph (5)(B);

(7) provide a seal for each film that is a part of the National Film Registry and that has not been materially altered, which may be used by the copyright owner in the promotion of such film, to indicate that the film has been selected by the Commission as an enduring part of our national cultural heritage; and

(8) notify the Copyright Office of the names of all films designated as a part of the National Film Registry and have such names published in the Federal Register.

SEC. 4. MEMBERSHIP.

(a) NUMBER AND APPOINTMENT.—The Commission shall be composed of nine members as follows:

(1) four appointed by the Chairman of the National Endowment for the Arts (after consultation with head of the organization from which the members are to be appointed), of which two shall be members of the Directors Guild of America and two shall be members of the Writers Guild of America;

(2) four appointed by the Chairman of the National Endowment for the Humanities (after consultation with head of the organization from which the members are to be appointed), of which two shall be members of the National Society of Film Critics, and two shall be members of the Society for Cinema Studies; and

(3) one appointed by the President;

A vacancy in the Commission shall be filled in the manner in which the original appointment was made. Appointments may be made under this subsection without regard to section 5311(b) of title 5, United States Code.

(b) TERMS.—(1) Except as provided in paragraphs (2) and (3), members shall be appointed for terms of 3 years.

(2)(A) Of the members first appointed under subsection (a)(1)—

(i) 1 shall be appointed for a term of 1 year;

(ii) 2 shall be appointed for terms of 2 years; and

(iii) 1 shall be appointed for a term of 3 years; as designated at the time of appointment.

(B) Of the members first appointed under subsection (a)(2)—

(i) 2 shall be appointed for terms of 1 year;

(ii) 1 shall be appointed for a term of 2 years; and

(iii) 1 shall be appointed for a term of 3 years; as designated at the time of appointment.

(C) The member first appointed under subsection (a)(3) shall be appointed for a term of 3 years.

(3) Any member appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of his term until his successor has taken office.

(c) BASIC PAY.—Members of the Commission shall serve without pay.

(d) QUORUM.—Five members of the Commission shall constitute a quorum but a lesser number may hold hearings.

(e) CHAIRPERSON.—The Chairperson and Vice Chairperson of the Commission shall be elected by the members of the Commission. The term of office of the Chairperson and Vice Chairperson shall be 3 years.

(f) MEETINGS.—The Commission shall meet at least twice each calender year and the first such meeting shall be within 120 days after the effective date of this chapter. Meetings shall be at the call of the Chairperson or a majority of its members.

SEC. 5. DIRECTOR AND STAFF OF COMMISSION; EXPERTS AND CONSULTANTS.

(a) DIRECTOR.—The Commission shall, without regard to section 5311(b) of title 5, United States Code, have a Director who shall be appointed by the Chairperson and who shall be paid at the rate of basic pay payable for level V of the Executive Schedule.

(b) STAFF.—The Director may appoint and fix the pay of such additional personnel as the Director considers appropriate.

(c) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Director and staff of the Commission may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual so appointed may receive pay in excess of the annual rate of basic pay payable for GS-18 of the General Schedule.

(d) EXPERTS AND CONSULTANTS.—With the approval of the Commission, the Director may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum rate of basic pay payable for GS-18 of the General Schedule.

SEC. 6. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this chapter, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate.

(b) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(c) ADMINISTRATIVE SUPPORT SERVICES.—The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

SEC. 7. REMEDIES.

The principal director or principal screenwriter of a theatrical motion picture which is a part of the National Film Registry, or their heirs, shall have, with respect to a violation of section 119 of title 17, United States Code, all of the remedies a copyright owner would have under sections 502 through 505 of title 17, United States Code, with respect to an infringement of copyright.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to the National Film Commission for fiscal year 1989 not to exceed $500,000 and for any subsequent fiscal year such sums as may be necessary to carry out its duties.

SEC. 9. LIMITATION ON EXCLUSIVE RIGHTS: THEATRICAL MOTION PICTURES.

(a) MATERIAL ALTERATION OF CERTAIN FILMS.—Chapter 1 of title 17, United States Code, is amended by inserting at the end thereof the following new section:

"§119. Limitation on exclusive rights: theatrical motion pictures

"Whenever a theatrical motion picture is a part of the National Film Registry, it shall be unlawful to—

"(1) publicly perform, distribute, sell, or lease such motion picture which the National Film Commission determines has been materially altered without making all disclosures required to be made by the National Film Commission respecting such motion picture; or

"(2) publicly perform, distribute, sell, or lease such motion picture using its original title if such motion picture was originally released in black and white and has been subsequently colorized.".

(b) CONFORMING AMENDMENT.—The table of sections of chapter 1 of title 17, United States Code, is amended by inserting after the item relating to section 118 the following new item:

"119. Limitation on exclusive rights: theatrical motion pictures.".

SEC. 10. NOTIFICATION BY COPYRIGHT OFFICE.

Section 705 of chapter 7 of title 17, United States Code, is amended by inserting at the end thereof the following new subsection:

"(d) Upon notification by the National Film Commission that a theatrical motion picture is a part of the National Film Registry, the Copyright Office shall promptly notify the copyright owner, the Directors Guild of America, and the Writers Guild of America that such motion picture is a part of such Registry.".

SEC. 11. EFFECTIVE DATE.

Sections 1 through 10 of this Act shall take effect on the 120th day beginning after the date of its enactment.

ADMINISTRATIVE PROVISIONS

None of the funds appropriated to the National Foundation on the Arts and the Humanities may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: *Provided*, That none of the funds appropriated to the National Foundation on the Arts and the Humanities may be used for official reception and representation expenses.

COMMISSION OF FINE ARTS

SALARIES AND EXPENSES

For expenses made necessary by the Act establishing a Commission of Fine Arts (40 U.S.C. 104), $475,000.

NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS

For necessary expenses as authorized by Public Law 99-190 (99 Stat. 1261; 20 U.S.C. 956a), as amended, $5,000,000.

ADVISORY COUNCIL ON HISTORIC PRESERVATION

SALARIES AND EXPENSES

For expenses made necessary by the Act establishing an Advisory Council on Historic Preservation, Public Law 89-665, as amended, $1,774,000: *Provided*, That none of these funds shall be available for the compensation of Executive Level V or higher positions.

NATIONAL CAPITAL PLANNING COMMISSION

SALARIES AND EXPENSES

For necessary expenses, as authorized by the National Capital Planning Act of 1952 (40 U.S.C. 71-71i), including services as authorized by 5 U.S.C. 3109, $2,962,000.

FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Franklin Delano Roosevelt Memorial Commission, established by the Act of August 11, 1955 (69 Stat. 694), as amended by Public Law 92-332 (86 Stat. 401), $28,000 to remain available until September 30, 1990.

PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION

SALARIES AND EXPENSES

For necessary expenses, as authorized by section 17(a) of Public Law 92-578, as amended, $2,343,000, for operating and administrative expenses of the Corporation.

PUBLIC DEVELOPMENT

For public development activities and projects in accordance with the development plan as authorized by section 17(b) of Public Law 92-578, as amended, $3,175,000, to remain available until expended.

UNITED STATES HOLOCAUST MEMORIAL COUNCIL

HOLOCAUST MEMORIAL COUNCIL

For expenses of the Holocaust Memorial Council, as authorized by Public Law 96-388 as amended, $2,594,000: *Provided*, That none of these funds shall be available for the compensation of Executive Level V or higher positions: *Provided further*, That $350,000 of the funds appropriated shall be used by the Holocaust Council's Committee to Remember the Children to develop and implement a national educational outreach program with the cooperation of the Capital Children's Museum.

Mr. YATES (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. Are there points of order against title II?

POINT OF ORDER

Mr. KASTENMEIER. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. KASTENMEIER. Mr. Chairman, I make a point of order against the paragraph beginning on page 73, line 15 through page 82, line 6 because it proposes to change existing law and constitutes legislation in an appropriation bill and because it contains an unauthorized appropriation thus violating clause 2, rule XXI.

The rule states in pertinent part:

> No appropriation shall be reported in any general appropriation bill—for any expenditure not previously authorized by law—

And

> No provision changing existing law shall be reported in any general appropriation bill—

The paragraph in question establishes a National Film Commission and provides an appropriation for it, therefore violating clause 2, rule XXI.

I ask for a ruling from the Chair.

Mr. YATES. Mr. Chairman, I concede the point of order.

Mr. KASTENMEIER. Mr. Chairman, I would ask the Chair for a ruling.

The CHAIRMAN (Mr. OBERSTAR). The Chair sustains the point of order.

Are there any other points of order against title II?

If not, are there amendments to title II?

AMENDMENTS OFFERED BY MR. YATES

Mr. YATES. Mr. Chairman, I offer amendments.

The Clerk read as follows:

Amendments offered by Mr. YATES: On page 68, line 8, strike "$208,766,000" and insert $209,266,000".

On page 84, line 4, strike "$2,594,000" and insert "$2,244,000"; and on page 84, beginning on line 6, strike the following:

": *Provided further*, That $350,000 of the funds appropriated shall be used by the Holocaust Council's Committee to Remember the Children to develop and implement a national educational outreach program with the cooperation of the Capital Children's Museum";

Mr. YATES (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. YATES. Mr. Chairman, I ask unanimous consent that the amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. YATES. Mr. Chairman, these amendments will reduce the appropriation of the Holocaust Memorial Council by $350,000, and remove a provision from that account, and provide instead $500,000 to the Smithsonian Institution. The funds will be used by the Smithsonian for a contract with the Capital Children's Museum, to develop and implement a national educational outreach program using the experience gained from the demonstration project and exhibition, "Remember the Children." Recommendations of professional organizations, such as the American Association of Youth Museums, Council of American Jewish Museums, and standing professional committees of the American Association of Museums, should be sought in developing the program.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, we are in agreement with the amendment.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Illinois [Mr. YATES].

The amendments were agreed to.

The CHAIRMAN. Are there other amendments to title II?

If not, the Clerk will read.

The Clerk read as follows:

TITLE III—GENERAL PROVISIONS

SEC. 301. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

SEC. 302. No part of any appropriation under this Act shall be available to the Secretaries of the Interior and Agriculture for use for any sale hereafter made of unprocessed timber from Federal lands west of the 100th meridian in the contiguous 48 States which will be exported from the United States, or which will be used as a substitute for timber from private lands which is exported by the purchaser: *Provided*, That this limitation shall not apply to specific quantities of grades and species of timber which said Secretaries determine are surplus to domestic lumber and plywood manufacturing needs.

SEC. 303. No part of any appropriation under this Act shall be available to the Secretary of the Interior or the Secretary of Agriculture for the leasing of oil and natural gas by noncompetitive bidding on publicly owned lands within the boundaries of the Shawnee National Forest, Illinois: *Provided*, That nothing herein is intended to inhibit or otherwise affect the sale, lease, or right to access to minerals owned by private individuals.

SEC. 304. No part of any appropriation contained in this Act shall be available for any activity or the publication or distribution of literature that in any way tends to promote public support or opposition to any legislative proposal on which congressional action is not complete.

SEC. 305. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 306. None of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency except as otherwise provided by law.

SEC. 307. Except for lands described by sections 105 and 106 of Public Law 96-560, section 103 of Public Law 96-550, section 5(d)(1) of Public Law 96-312, and except for land in the State of Alaska, and lands in the National Forest System released to management for any use the Secretary of Agriculture deems appropriate through the land management planning process by any statement or other Act of Congress designating components of the National Wilderness Preservation System now in effect or hereinafter enacted, and except to carry out the obligations and responsibilities of the Secretary of the Interior under section 17(k)(1) (A) and (B) of the Mineral Leasing Act of 1920 (30 U.S.C. 226), none of the funds provided in this Act shall be obligated for any aspect of the processing or issuance of permits or leases pertaining to exploration for or development of coal, oil shale, phosphate, potassium, sulfur, gilsonite, or geothermal resources on Federal lands within any Forest Service RARE II areas recommended for wilderness designation or allocated to further planning in Executive Communication 1504, Ninety-sixth Congress (House

Document numbered 96-119); or within any lands designated by Congress as wilderness study areas or within Bureau of Land Management wilderness study areas: *Provided*, That nothing in this section shall prohibit the expenditure of funds for any aspect of the processing or issuance of permits pertaining to exploration for or development of the mineral resources described in this section, within any component of the National Wilderness Preservation System now in effect or hereinafter enacted, any Forest Service RARE II areas recommended for wilderness designation or allocated to further planning, within any lands designated by Congress as wilderness study areas, or Bureau of Land Management wilderness study areas, under valid existing rights, or leases validly issued in accordance with all applicable Federal, State, and local laws or valid mineral rights in existence prior to October 1, 1982: *Provided further*, That funds provided in this Act may be used by the Secretary of Agriculture in any area of National Forest lands or the Secretary of the Interior to issue under their existing authority in any area of National Forest or public lands withdrawn pursuant to this Act such permits as may be necessary to conduct prospecting, seismic surveys, and core sampling conducted by helicopter or other means not requiring construction of roads or improvement of existing roads or ways, for the purpose of gathering information about the inventorying of energy, mineral, and other resource values of such area, if such activity is carried out in a manner compatible with the preservation of the wilderness environment: *Provided further*, That seismic activities involving the use of explosives shall not be permitted in designated wilderness areas: *Provided further*, That funds provided in this Act may be used by the Secretary of the Interior to augment recurring surveys of the mineral values of wilderness areas pursuant to section 4(d)(2) of the Wilderness Act and acquire information on other national forest and public land areas withdrawn pursuant to this Act, by conducting in conjunction with the Secretary of Energy, the National Laboratories, or other Federal agencies, as appropriate, such mineral inventories of areas withdrawn pursuant to this Act as the Secretary deems appropriate. These inventories shall be conducted in a manner compatible with the preservation of the wilderness environment through the use of methods including core sampling conducted by helicopter; geophysical techniques such as induced polarization, synthetic aperture radar, magnetic and gravity surveys; geochemical techniques including stream sediment reconnaissance and x-ray diffraction analysis; land satellites; or any other methods the Secretary deems appropriate. The Secretary of the Interior is hereby authorized to conduct inventories or segments of inventories, such as data analysis activities, by contract with private entities deemed by the Secretary to be qualified to engage in such activities whenever the Secretary has determined that such contract would decrease Federal expenditures and would produce comparable or superior results: *Provided further*, That in carrying out any such inventory or surveys, where National Forest System lands are involved, the Secretary of the Interior shall consult with the Secretary of Agriculture concerning any activities affecting surface resources.

SEC. 308. None of the funds provided in this Act shall be used to evaluate, consider, process, or award oil, gas, or geothermal leases on Federal lands in the Mount Baker-Snoqualmie National Forest, State of Washington, within the hydrographic boundaries of the Cedar River municipal watershed upstream of river mile 21.6, the Green River municipal watershed upstream of river mile 61.0, the North Fork of the Tolt River proposed municipal watershed upstream of river mile 11.7, and the South Fork Tolt River municipal watershed upstream of river mile 8.4.

SEC. 309. No assessments may be levied against any program, budget activity, subactivity, or project funded by this Act unless such assessments and the basis therefor are presented to the Committees on Appropriations and are approved by such committees.

SEC. 310. Employment funded by this Act shall not be subject to any personnel ceiling or other personnel restriction for permanent or other than permanent employment except as provided by law.

SEC. 311. Notwithstanding any other provision of law, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Energy, and the Secretary of the Smithsonian Institution are authorized to enter into contracts with State and local governmental entities, including local fire districts, for procurement of services in the presuppression, detection, and suppression of fires on any units within their jurisdiction.

SEC. 312. None of the funds provided by this Act to the United States Fish and Wildlife Service may be obligated or expended to plan for, conduct, or supervise deer hunting on the Loxahatchee National Wildlife Refuge.

SEC. 313. None of the funds made available to the Department of the Interior or the Forest Service during fiscal year 1989 by this or any other Act may be used to implement the proposed jurisdictional interchange program until enactment of legislation which authorizes the jurisdictional interchange.

SEC. 314. The Forest Service and Bureau of Land Management are to continue to complete as expeditiously as possible development of their respective Forest Land and Resource Management Plans to meet all applicable statutory requirements. Notwithstanding the date in section 6(c) of the NFMA (16 U.S.C. 1600), the Forest Service, and the Bureau of Land Management under separate authority, may continue the management of lands within their jurisdiction under existing land and resource management plans pending the completion of new plans. Nothing shall limit judicial review of particular activities on these lands: *Provided, however*, That there shall be no challenges to any existing plan on the sole basis that the plan in its entirety is outdated, or in the case of the Bureau of Land Management, solely on the basis that the plan does not incorporate information available subsequent to the completion of the existing plan: *Provided further*, That any and all particular activities to be carried out under existing plans may nevertheless be challenged.

SEC. 315. (a) From funds appropriated under this Act such sums as are necessary shall be made available to pay forest or wildland firefighters premium pay under the provision of subchapter V of chapter 55 of title 5, United States Code (notwithstanding the limitations of section 5547 of such title), for all premium pay that would have been paid to such forest or wildland firefighter employees, but for the provisions of section 5547 of such title, for all pay periods (and parts thereof) occurring during the fiscal year ending September 30, 1989.

(b) Notwithstanding the provisions of subsection (a), no forest or wildland firefighter employee may be paid premium pay to the extent that the aggregate rate of pay of such employee for the aggregate of all pay periods in any calendar year exceeds the maximum rate for GS-15 as provided under the General Schedule pursuant to subchapter III of chapter 53 of title 5, United States Code.

(c) For purposes of this section, the term "wildland forest firefighter" means any employee of the Department of Agriculture or the Department of the Interior who is assigned to, or in support of, work on forest or wildland wildfire emergencies.

SEC. 316. Section 320 of Pubic Law 98-473 (98 Stat. 1874), is amended by deleting the colon and all that follows the words "quarters of that agency" and inserting a period (.) in place of the colon.

SEC. 317. None of the funds in this Act may be used to plan, prepare, or offer for sale timber from trees classified as giant sequoia (*sequoiadendron giganteum*) which are located on National Forest System or Bureau of Land Management lands.

Mr. YATES (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. Are there any points of order against title III?

If not, are there any amendments to title III?

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: On page 92, after line 16 insert the following new section:

SEC. 318. No funds appropriated under this Act shall be expended in any workplace that is not free of illegal use or possession of controlled substances which is made known to the federal entity or official to which funds are appropriated under this Act. Pursuant to this section an applicant for funds to be appropriated under this Act shall be ineligible to receive such funds if such applicant fails to include in its application an assurance that it has, and will administer in good faith, a policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances by its employees.

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALKER. Mr. Chairman, the amendment I am offering is the drug-free workplace amendment that has been offered in a previous appropriation.

I have talked to the gentlemen on both sides of the aisle, and I think we have an agreement worked out to accept this amendment.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, as the gentleman from Pennsylvania [Mr. WALKER] knows, I have opposed his amendment in the past in its original form, and I recognize the will of the House as evidenced by the acceptance of the amendment in all other appropriations bills, and I am, therefore, willing to accept this amendment.

Mr. WALKER. Mr. Chairman, I thank the gentleman from Illinois [Mr. YATES]. I know that he is not the biggest fan of the concept, but I appreciate his cooperation very much.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. PASHAYAN

Mr. PASHAYAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. PASHAYAN: On page 92, line 16, strike the period at the end thereof and add the following: "until an environmental assessment has been completed and the Giant Sequoia Management Implementation Plan is approved. In any event, timber harvest within the identified groves only will be done to enhance and perpetuate Giant Sequoia. There will be no harvesting of Giant Sequoia specimen trees."

Mr. PASHAYAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PASHAYAN. Mr. Chairman, the distinguished chairman of the subcommittee has seen the language of the amendment. It simply improves the management procedures in respect to the giant redwoods in California.

Section 317 as offered by the Committee on Appropriations fails to recognize some of the dynamic events which has taken place and will take place due to the forest planning process. My amendment seeks only to perfect that which the committee seeks to do.

The Sequoia National Forest and nearly all its 38 giant redwood groves are in the 17th Congressional District, and the management of those redwoods is set forth in the Sequoia National Forest land and resource management plan dated March 1988. The plan is subject to a lawsuit pending in the Federal District Court in Fresno.

Basically my amendment will allow the Forest Service to deliver on a commitment made by regional forester Paul Barker who stated:

> * * * A Forest-wide Giant Sequoia Grove Management Implementation Plan will be developed and incorporated into the Forest Plan as an amendment. Except for emergency rehabilitation due to catastrophic events, no new management activities affecting giant sequoia groves will be undertaken until the plan is completed. This plan will finalize grove boundaries and the allocation of acres to the management categories described in the Forest Plan for all groves. The allocations are: preservation, 3,900 acres; Non-intensive management, 9,300 acres; Intensive management, 0 acres. The Plan will be the result of an environmental analysis and will have full public involvement.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. PASHAYAN. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, the gentleman from California [Mr. PASHAYAN] was kind enough to make the amendment available to us a few minutes ago, and we have discussed it with him. The committee inserted a provision in the bill providing for the prohibition on further cutting of giant sequoia trees. There is a slight ambiguity in connection with the association of the giant sequoias with other redwoods, and it is my understanding that the giant sequoias will not be cut, but that because for other reasons which require that the Forest Service be permitted to continue with the Sequoia Management Implementation Plan, the gentleman offers this amendment.

With that understanding between the gentleman from California [Mr. PASHAYAN] and ourselves, for the next 2 years, as I understand it, during which time the plan is supposed to be worked on and completed, there will be no harvesting of the giant sequoias. We await the recommendation after the plan comes out as to what to do further at that time.

Mr. Chairman, I have no objection to the gentleman's amendment.

Mr. PASHAYAN. Mr. Chairman, I associate myself with the remarks of the gentleman from Illinois [Mr. YATES], and I could not have done a better job in explaining the substance of the provision.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. PASHAYAN. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, we are in agreement with the amendment.

Mr. PASHAYAN. Mr. Chairman, I move to strike the last word.

Mr. PANETTA. Mr. Chairman, I simply want to commend both the chairman and the ranking member for a job well done on this bill.

Mr. Chairman, I rise in strong support of H.R. 4867, the Department of Interior appropriations bill.

As I have so many times in the past, I would again like to express my heartfelt thanks to Chairman YATES, BILL LOWERY, VIC FAZIO, and other members of the subcommittee and full committee for their hard work and, especially, their commitment to restoring some balance to our Nation's offshore leasing program. They have made this effort for some time now, and I can say without question that, literally, millions of Californians are deeply grateful for their work.

This year's bill is especially important because it will allow the next administration a fair opportunity to resolve the difficult issues which have surrounded proposals for offshore leasing in our Nation's most sensitive areas. The bill provides for a delay until the next fiscal year of any leasing in northern California, as well as delays for areas off the Florida and Massachusetts coasts. The report also reflects the committee's understanding that there will be no changes in the current leasing schedule for southern and central California, where the administration had previously deferred scheduled lease sales, and that certain conditions will be respected with respect to a possible supplemental sale in fiscal year 1989.

It is noteworthy that the northern California provisions were not contested in either subcommittee or full committee. This lack of controversy reflects a broad agreement that the sale ought to be deferred. This view is shared by both Vice President BUSH and Governor Dukakis, who both wish to have time to evaluate the impact of oil and gas development in this exceptionally sensitive area. The committee's action also reflects Interior Secretary Hodel's decision essentially to suspend lease sale 91—he has indicated that he will not release the final EIS on lease sale 91, thus indefinitely delaying the sale and allowing the next President the opportunity to review the FEIS and make a decision as to whether to proceed.

This caution with respect to lease sale 91 is well-founded. The area promises to provide only some 16 days' worth of oil, while seriously threatening a variety of critical natural resources. The seriousness of this threat has been documented by both the EPA and the Fish and Wildlife Service, as well as by the more than 5,000 public comments on the DEIS. The Environmental Protection Agency gave its next to lowest rating to the draft EIS on lease sale 91, and found that the DEIS failed to discuss some critical air quality and oil spill issues, and that essential data necessary to assess the impact of oil and gas development was missing. Moreover, the Fish and Wildlife Service, part of the Interior Department, recently issued a stinging criticism of the impacts of the sale. The service raised many of the same concerns as EPA, and concluded by noting that—

> Minerals Management has inaccurately painted a picture of a routine operation with few potential impacts, when in fact offshore development in Northern California and the proposed tanker traffic is a high risk operation in rough seas, in a geologically unstable area, with potentially devastating impacts on coastal resources.

Despite pressure from MMS to weaken its comments, even a later, sanitized set of Fish and Wildlife Service comments contains harsh criticisms of both the environmental impacts of oil and gas development in northern California and deficiencies in the DEIS itself.

The committee bill ensures that there will be sufficient time for the new administration to consider these concerns and to balance the meager hydrocarbon resources in this area against the serious environmental impacts which may occur as a result of oil and gas development.

The committee bill will also ensure that each of the California OCS planning areas will be similarly treated, thereby allowing a comprehensive and long-term approach to the entire California coast to be developed, in discussions with the new administration and the delegation. This approach, rather than a sale area by sale area method, offers the best hope of resolving the concerns of all sides on this issue. It also offers the best hope that the many efforts of the committee to ensure that the Department takes a balanced approach to offshore leasing will, at long last, bear fruit.

If I may, I would also like to thank the chairman for including report language calling upon the Forest Service to seek the balance of the funding needed to complete construction of the Big Sur multiagency facility in fiscal year 1990. Due to budget constraints this year, the Forest Service chose to spread the remaining funding out over fiscal years 1989 and 1990. The committee report language helps to ensure that the balance of the needed funds will, in fact, be requested.

In conclusion, I extend my sincere thanks to Chairman YATES and members of the subcommittee and full committee for their work this year, and I urge my colleagues to support passage of H.R. 4867.

Mr. WHITTEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this bill. The chairman, the ranking member, and the members of the subcommittee are doing a marvelous job here.

Mr. Chairman, today the House, in passing the Interior and related agencies appropriations bill for fiscal year 1989, will complete action on the final appropriations bill for fiscal year 1989.

As my colleagues know, we have Gramm-Rudman provisions which tell us what to do. We have the Committee on the Budget, through the budget resolution, telling us what we can do. And when our colleagues on the other side did not get together on a budget until 53 days after one was due, it left our committee and each subcommittee, and I am a member of each subcommittee, where we had to get together and agree on a preliminary 302(b) subdivision among all 13 subcommittees within the total set by the budget adoped by the House.

We did that, Mr. Chairman, then lo and behold, 53 days late, our colleagues on the other side convinced our colleagues that we should go through it all over again. The last time all the bills passed the House before June 30 was in 1960.

Mr. Chairman, this did not just happen. Our Appropriations Subcommittees proceeded with the development of their bills. There were approximately 250 days of hearings, over 4,500 witnesses, 92,000 pages of hearings and over 1,200 total requests from our colleagues for their areas. The committee members, the subcommittee chairmen, and the ranking minority members, worked hard to meet a schedule they set for themselves. Back in February I told the Speaker barring external factors beyond the control of the committee, the first bill would be on the floor the week of May 16 and the last bill would be on the floor the week of June 20. An external factor—adoption of a budget resolution 53 days after the statutory date of April 15—kept us from meeting our schedule by 1 week.

In order to meet the schedule, Mr. CONTE, the ranking minority members, cooperated every step of the way. There were many others who helped—the Rules Committee, when we requested rules, went out of the way to schedule hearings so we could proceed in an orderly manner.

Especially I do wish to thank the Speaker whose support has meant so much, all these efforts, coming together over the last 5 months, have gotten us to where we are today. I am proud of the efforts of the committee members, the leadership, and the House in this accomplishment.

I also want to compliment the staff who have done so much to help—not only the committee staff, but the floor staff, staff of the Rules Committee, and the leadership staff.

And, again, we have kept the total of appropriations bills below the President's requests, although we made rearrangements of priorities of the various bills to continue essential domestic programs.

□ 1500

Mr. Chairman, this is the first time we have been able to pass all these bills by this date since 1960. We bring you a bill that is within all the limits placed on us, and may I say again if I am going to criticize these limits, it is because they do not distinguish between investment spending, where it may last a hundred years, and spending for emptying wastebaskets where it may last 24 hours.

We have in this bill looked after our own country, and after all, it is our own country that stands behind our money, for money is paper based on what we do for our country.

Mr. Chairman, I congratulate my friend, the gentleman from Illinois, for the great job he has done, and my friend, the gentleman from Ohio, because they have done a great job here.

Mr. Chairman, this culminates a very successful year for our committee and I am proud to report it to my colleagues.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I am very impressed with the material the gentleman gave and I think the committee is to be congratulated for moving the appropriation bills so swiftly.

I was fascinated by one of the figures the gentleman used. I think the gentleman said that he had 1,200 requests from Members of Congress for things from the Appropriations Committee, is that right?

Mr. WHITTEN. That is right. Some of them requested three or four things. You know how that is.

Mr. WALKER. That is an average of three per person.

Mr. WHITTEN. That is right.

Mr. WALKER. That is a pretty big average. Are all of those going to be made a matter of public record? Are those requests a matter of public record?

Mr. WHITTEN. Well, may I say that our colleagues represent territory, and we have got lots of territory.

I will say something else. This is one committee that is bipartisan. We look after every sector of the country.

Some years ago somebody raised a point about looking after districts. I said that everybody is from some district and if they do not look after it, they do not stay here.

Mr. WALKER. Well, Mr. Chairman, if the gentleman will yield further, my question to the gentleman was if we have 1,200 requests, that averages 3 per Member. I am just wondering whether or not each of those 1,200 requests is a matter of public record so that we know what the Members of Congress are requesting in terms of spending from the gentleman's committee. Is that something which, for instance, I could find out, or for instance the news media could find out?

Mr. WHITTEN. I am sorry, I cannot answer the gentleman. There were 92,000 pages of hearings. I will be glad to look it up.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. PASHAYAN].

The amendment was agreed to.

Mr. CONTE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to join my good friend and chairman, the gentleman from Mississippi, Mr. JAMIE WHITTEN, in marking this auspicious occasion.

This Department of the Interior appropriations bill was the 13th and final general appropriations bill that we have brought to the House floor for fiscal 1989. The date is June 29. Hell has indeed frozen over.

No, Mr. Chairman, this is not a miracle. Whether my chairman likes it or not, the reason is the budget summit agreement.

For the first time last year, we junked the Budget Act, and held a budget summit. We wound up with real numbers, not the puff and smoke that comes out of the Budget Committee.

This is what I have been advocating for years. Repeal the Budget Act. Get your key people together, lock them in a room for 25 days, and do not let them out until they have the numbers. And then stick to those numbers.

That is what we have done this year. I want to point out to you that since the enactment of the Budget and Impoundment Control Act of 1974, we have never met all of the deadlines for approving a budget resolution. Over the past 12 years, Congress has been an average of 60 days late in passing a budget resolution.

Not surprisingly, since fiscal 1977 we have had a continuing resolution every year. In fact, there have been an average of three-fourths CR's each year. For fiscal years 1985, 1986, and 1988, there were five CR's. In fiscal 1987 we had six.

Well this year, we are not going to have even one continuing resolution—at least I hope not. We still have the Senate to worry about.

But the key to not having CR's is, of course, to pass the regular appropriations bills. And here we are, just 72 legislative days after we received the President's budget requests, acting on the last bill. The only thing quicker was the Tyson-Spinks fight.

I congratulate the chairman, the subcommittee chairman, the ranking members and all of the members of our committee for this record. I also commend the leadership for scheduling these bills in a timely and regular manner.

And finally, I commend all of the Members of this House for acting on these bills responsibly and without undue rancor or delay. If you do not want continuing resolutions, this is the way it has to be done.

We still have a lot of work to do to get these bills through conference and signed by the President. But as long as we keep our eyes on that budget summit agreement and continue to comply with it, we can do it.

All I can tell you is that it is really different to hear a chorus of "Yankee Doodle" rather than "Jingle Bells" as we finish House action on these bills.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding to me.

I wonder if the gentleman could answer a question I asked here a few minutes ago. Of these 1,200 requests, is that the gentleman's understanding, that that was about the number of requests that were made from Members of Congress?

Mr. CONTE. Oh, maybe 10 percent got through.

Mr. WALKER. About 10 percent of those actually got through, but of the 1,200 requests, is there a public record of those within the committee? Could, for instance, someone find out who made those requests and what they were?

Mr. CONTE. I am sure all you have to do is go through the 13 committee hearings. Most of the Members appeared, or they will write you a letter. If you come to my office, I will be glad to give the gentleman all the letters I got.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, insofar as requests made before our committee, here are the hearings of our committee in these volumes on the desk. Part 12 contains the testimony of Members of Congress requesting action by our subcommittee.

Mr. WALKER. Let me see if I understand how this works, if the gentleman will continue to yield.

In other words, some of these 1,200 requests could be a Member coming and asking for 2 or 3 things; that is a part of the 1,200?

Mr. YATES. If the gentleman will yield further, that may be. For example, I think with respect to an appropriation for historic preservation there were requests by more than 60 Members that the appropriation for historic preservation be approved.

They may have in the course of their requests not only asked for funds for historic preservation, but for the arts and for three or four other things in which they had a particular interest.

Mr. WALKER. Well, let me understand further. In other words, this 1,200 is not necessarily people who have requested special projects for their districts, it is also requests of the committee to do certain things?

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. CONTE] has expired.

(At the request of Mr. WALKER, and by unanimous consent, Mr. CONTE was allowed to proceed for 2 additional minutes.)

Mr. YATES. Mr. Chairman, will the gentleman yield further?

Mr. CONTE. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, for national programs, like historic preservation, for the National Endowment for the Arts, for example, a number of Members came in, none of which could be described as being applicable only to their individual districts.

Mr. CONTE. Well, I will give the gentleman some real concrete examples. On Health and Human Services, Education, part (B) of impact aid, 60 Members requested that the funds not be cut there.

On LIHEAP, 201 Members signed a petition to the gentleman from Kentucky [Mr. NATCHER] and myself asking that we bring that program up to $1.8 billion.

Mr. WALKER. All that would be included in this 1,200 figure.

Mr. CONTE. Yes.

Mr. WALKER. And all that material would be a matter of public record?

Mr. CONTE. Oh, definitely.

Mr. YATES. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. PANETTA] having assumed the chair, Mr. OBERSTAR, Chairman of the Committee on the State of the Union, reported that that Committee, having had consideration the bill (H.R. 4867) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1989, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CONTE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 361, nays 45, not voting 25, as follows:

[Roll No. 211]

YEAS—361

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
Baker
Ballenger
Barnard
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bustamante
Byron
Callahan
Campbell
Cardin

Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crockett
Darden
Daub
Davis (MI)
DeFazio
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hatcher
Hawkins
Hayes (LA)
Hefner
Henry
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Madigan
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCrery
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Michel
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sharp
Shaw
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Staggers
Stallings
Stangeland
Stark
Stokes
Studds
Sundquist
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weber
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—45

Archer
Armey
Bartlett
Barton
Boulter
Bunning
Burton
Combest
Crane
Dannemeyer
Davis (IL)
DeLay
Dornan (CA)
Dreier
Fields
Frenzel
Gekas
Hastert
Hefley
Herger
Hunter
Hyde
Konnyu
Lightfoot
Lukens, Donald
Lungren
Martin (IL)
McCandless
McCollum
Moorhead
Packard
Petri
Roberts
Schaefer
Sensenbrenner
Shays
Shumway
Shuster
Smith, Robert (NH)
Stenholm
Stump
Swindall
Tauke
Upton
Walker

NOT VOTING—25

Anderson
AuCoin
Badham
Biaggi
Cheney
de la Garza
Dixon
Hayes (IL)
Jones (TN)
Kemp
Mack
MacKay
Mica
Miller (CA)
Moody
Myers
Ray
Saiki
Spence
Spratt
St Germain
Stratton
Sweeney
Udall
Weiss

☐ 1530

Mr. ROBERTS and Mr. BOULTER changed their vote from "yea" to "nay."

Mr. PURSELL and Mr. INHOFE changed their vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. AUCOIN. Mr. Speaker, on rollcall 211, the passage of the Interior appropriations bill, I was called off the floor and failed to cast a vote.

Mr. Speaker, I am a member of the committee, and, had I been present and voting, I would have voted for that bill on final passage.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 4867, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL, 1989

Mr. YATES. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 4867, the Department of Interior and related agencies appropriation bill, 1989, the Clerk be authorized to make any necessary technical corrections.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Let the Chair observe for the benefit of Members who have not been in the Chamber during the last moments of the consideration of the bill just passed, the action of the House just completed constitutes a remarkable feat and is a historically significant occasion. Thanks to the leadership and splendid cooperation of all of the Members of the House, and particularly the leadership and cooperation of the gentleman from Mississippi [Mr. WHITTEN], chairman of the Appropriations Committee, and the gentleman from Massachusetts [Mr. CONTE], the distinguished ranking minority member, and the other members of that committee, the House has passed all 13 of the appropriation bills before the end of June.

That fact is the more remarkable when one considers that it has been 28 years or 1960 since that goal was achieved by the end of June, at that time in 1960, the new fiscal year began on July 1, so historically this is unique. We have completed in the House our initial actions on all 13 appropriations bills 3 months ahead of the beginning of the new fiscal year.

So we take our hats off to the distinguished chairman and the distinguished ranking minority member of that committee.

It is our purpose now to return to the fair housing bill.

FAIR HOUSING AMENDMENTS ACT OF 1988

The SPEAKER. Pursuant to House Resolution 477 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1158.

☐ 1535

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1158) to amend title VIII of the act commonly called the Civil Rights Act of 1968, to revise the procedures for the enforcement of fair housing, and for other purposes, with Mr. OLIN [Chairman pro tempore] in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Thursday, June 23, 1988, pending was an amendment to section 6, offered by the gentleman from Florida [Mr. MCCOLLUM].

The gentleman from Florida is recognized for 5 minutes.

Mr. EDWARDS of California. Mr. Chairman, will the gentleman yield briefly to me?

Mr. McCOLLUM. I yield to the gentleman from California.

Mr. EDWARDS of California. Mr. Chairman, I thank the gentleman from Florida for yielding. I will take just a moment.

I would just like to point out to my colleagues and to the chairman that we are well along on this bill. We have one or two major amendments left. Just about all of the amendments offered today were carefully considered by the full Committee on the Judiciary.

We also have an agreement with the National Association of Realtors, with the National Association of Home Builders and with other organizations who used to be in opposition to the fair housing bill. We have a wonderful compromise that satisfies both sides, and I would expect that the bill should not take too long. This is where we are now, and we will take up now the amendment offered by the gentleman from Florida [Mr. McCollum].

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. McCOLLUM. I yield to the gentleman from New York.

MODIFICATION OFFERED BY MR. FISH TO THE AMENDMENT OFFERED BY MR. MC COLLUM

Mr. FISH. Mr. Chairman, the amendment offered by the gentleman from Florida speaks in terms of page 7, striking out lines 3 and all that follows through line 3 on page 8. That refers to the committee bill and not to the amendment in the nature of a substitute dated May 4, 1988.

Therefore, I ask unanimous consent that the beginning of the McCollum amendment read: "Page 5, strike out line 12 and all that follows through line 17 on page 6," inasmuch as it is the amendment in the nature of a substitute that is before this body.

The CHAIRMAN. Is there objection to the modification offered by the gentleman from New York [Mr. Fish]?

There was no objection.

The text of the amendment, as modified, is as follows:

Amendment as modified, offered by Mr. McCollum: Page 5, strike out line 12 and all that follows through line 17 on page 6 and insert in lieu thereof the following:

"(C) a failure to design and construct multifamily dwellings, constructed for first occupancy after the date that is 30 months after the date of enactment of the Fair Housing Amendments Act of 1988, in such a manner that—

"(i) the public use and common use portions of such dwellings are readily accessible to and usable by handicapped persons; and

"(ii) at least 10 percent of such dwellings (but not less than one unit) are, or can be adapted to be, accessible to and usable by handicapped persons, as required by the Uniform Federal Accessibility Standards adopted pursuant to the Architectural Barriers Act of 1968.

Page 8, line 8, strike out "(3)(C)(iii)" and insert in lieu thereof "(3)(C)(ii)".

Mr. McCOLLUM. Mr. Chairman, the amendment I am offering today to the fair housing bill deals with the rehabilitation section of the bill, and it deals with the requirement that is in the bill right now that mandates that 100 percent, all, 100 percent of all new units constructed in multifamily housing, which means four or more units to an apartment or four or more units to a condominium, no matter whether that construction is private or public, 100 percent of all units to be constructed in the future in the United States be constructed in a certain way to supposedly help the handicapped.

I say supposedly because I am all for there being apartments and condominiums constructed to help the handicapped, without any question. The issue before us today though is twofold. One is whether or not the construction required in the bill is adequate to really help the handicapped, and I submit that it is not; and No. 2, whether we need or should we have the requirement that all apartments and condominium units be built in this way to help the handicapped.

For example, under the language of this act, as it is now drafted, there is no requirement that the national standard of Federal accessibility or the ANSI standard, which is an alternative, actually be followed. My amendment would require that in those apartments and those condominium units that are constructed and required under my amendment that the Federal standards be adhered to strictly. That means that under the present language in the bill a person who is wheelchair bound would not necessarily have an apartment constructed for him that he could even turn the wheelchair around in the kitchen or the bathroom.

Under my amendment, by using the Federal standards and the national standards that are strictly adhered to, those bathrooms and those kitchens would have to be constructed with enough space and enough room that one could turn a wheelchair around in it. Under the standards that the bill has in it now, there is no requirement that the refrigerators be built such that the freezer, the top part of an upright refrigerator, be instead down so that a wheelchair person can get hold of that freezer door. There is also no requirement that a stove in the kitchen have all of the handles and the knobs in front of it instead of the back of it where a wheelchair bound person cannot reach it. And there is no requirement in this bill as it is now drafted that a wheelchair bound person would have one of these apartments constructed so that the cabinetry and the light switches in the kitchen areas and so forth would all be adjustable so that he could reach them.

There is a noble intent in the bill to do this, but unfortunately it does not do it because it spells out in four different places in the bill specific ways to comply with this bill, but then it leaves an alternative that says if one could comply with the national standards that exist, the building code standards on handicapped, that will meet these, but one does not have to do that. And the report language in the bill makes it very clear that that is not the case and not the requirement.

The CHAIRMAN pro tempore. The time of the gentleman from Florida [Mr. McCollum] has expired.

(By unanimous consent, Mr. McCollum was allowed to proceed for 5 additional minutes.)

Mr. McCOLLUM. Mr. Chairman, in the language of the committee report on page 27 it talks about the features in the kitchen, and so forth. The committee report says, and I quote:

> The Committee intends that such space be usable by handicapped persons, but this does not necessarily require that a turning radius be provided in every situation. This provision also does not require that fixtures, cabinetry or plumbing be of such a design as to be adjustable.

What I am submitting to my colleagues today is that by the McCollum amendment we would be requiring that every apartment unit that must be constructed for the handicapped be actually usable by the handicapped and meet those Federal standards. That means that the stove that is installed has to be usable by the handicapped. That means that the refrigerator that is in the kitchen can be usable by a wheelchair bound, handicapped person, and that means that the space in the kitchen or the bathroom has to be big enough so that a handicapped, wheelchair bound person can turn around, and that the fixtures and the cabinetry and so forth are adjustable, not that they have to be built that way, but that they are adjustable for that use. In doing that, what we would do as well, and I think it is very significant, is to reduce from 100 percent on all of the apartments that have to be constructed in this country to meet whatever design we put in this legislation and that we put a minimum mandatory 10 percent on all those apartments and condominiums. That is the same 10 percent required currently in public housing, in 202 elderly housing under our law.

It seems to me that is a perfectly legitimate and logical percentage to have. We have about 6 million or 7 million maybe handicapped persons of one type or another in this country but only about 600,000 or 700,000 who are wheelchair bound. We build quite a sizable number of apartments and new condominiums every year. It does not seem to me, nor to anyone I think who really looks at this, that it is necessary that we have every single apartment or condominium built with this larger square footage that would be necessary, and if it were built that way it would simply drive the price of the apartment up to the renter and to the condominium buyer, and in fact the bill as it is now written does that to some extent.

If it were to go to the full standards and to make this meaningful and truly helpful to all of the handicapped, including wheelchair bound, it would be considerably more expensive, which is why the bill did not go that far. So what I am doing is taking the best I can possibly do with this to make those apartments that are built to be suitable, be realistically usable by the handicapped, but reducing the number down from the 100-percent requirement to 10 percent, which is already in the law for public housing. I suggest to my colleagues that this is the best method to be fair, to have this bill protect the handicapped, to protect the apartment dweller, and the renter, and to protect the persons building in the construction of this particular type of unit.

I would urge my colleagues to look very carefully at the amendment.

□ 1545

It has been carefully crafted, carefully worked on, and I submit to you significantly better and an improvement to the existing language in the bill.

I urge its adoption.

Mr. FISH. Mr. Chairman, I move to strike the last word and I rise in opposition to the amendment.

Mr. Chairman, if members of the committee will look at the part of the bill that this amendment is addressed to you will see that basically it leaves the provision in there that the public use and common use portion of dwellings be accessible and then, instead of 100 percent of the dwellings, it says 10 percent of the dwellings should be made accessible and then it strikes entirely the next language which refers to features of the adaptive design of which there are four listed, that would be required.

Now in lieu of that the gentleman would have us utilize this Uniform Federal Accessibility Standards volume which, Mr. Chairman, I submit is known fondly as the "Jungle Gym of Accessibility." It would add a tremendous burden that I am not so sure the gentleman is aware of in terms of costs, totally unnecessarily.

Let me give you an example: on Capitol Hill the Hart Building is an accessible structure and yet I wonder if many of us understood this or know this when we physically enter the Hart Building.

What we are talking about in the standards of adaptive design is the type of dwellings or apartments that most people would not recognize as accessible to the handicapped, whereas under the gentleman's amendment you would clearly have something that most people, including the handicapped, would neither find desirable nor necessary.

I point that out to my friend only because there are so many variations of handicapped status. It may be for example that your hearing or your eyesight is impaired; it may be that you are minus one limb or hand, it may be that you because of arthritis do need grab bars. But the grab bars would not necessarily be wanted in the bathroom or by everybody and there is no need to put them there.

Let me just finish because I think the gentleman talked for a while about kitchens. Of course one of the four adaptive designs does say "usable kitchens and bathrooms." But I am just going to point out that the four adaptive specific designs that are in the legislation that the gentleman's amendment strikes were the subject of intense discussion between members of the committee and interested parties and by the National Association of Homebuilders; that it is one of the factors that goes into making 100 percent accessibility, of course, the cost savings relating to economy, and that gone are some of these savings of standardization if you have the set-aside as proposed in the gentleman's amendment.

The standards that he proposes, Uniform Federal Accessibility Standards, were specifically rejected by the committee which preferred the term adapted to features specifically identified limited to low cost and highly recognizable features.

Mr. Chairman, I would like to read from a letter to me dated June 22 from the National Association of Homebuilders. It is signed by Dale Stuard, president:

> DEAR MR. FISH: On behalf of the 155,000 member firms of the National Association of Home Builders—representing builders, owners and managers of multifamily and single family housing—we offer the following comments with respect to an amendment expected to be offered by Rep. McCollum (R-FL) to delete the Committee language from H.R. 1158 with respect to future multifamily housing construction requirements and establish a set-aside with increased requirements.

The set aside being the 10 percent, and the increase referring to these uniform accessibility standards.

The CHAIRMAN pro tempore (Mr. OLIN). The Chair interrupts the gentleman. The Chair understands that the gentleman intends to withdraw his unanimous-consent request made earlier, is that correct, with respect to modifying the amendment, because the gentleman from Florida's amendment contained, the correct reference that the gentleman was trying to achieve.

Mr. FISH. My unanimous-consent request made at the start of this proceeding? Yes; that is my intention.

The CHAIRMAN pro tempore. The gentleman withdraws that unanimous-consent request?

Mr. FISH. I thank the Chair.

The CHAIRMAN pro tempore. The gentleman withdraws his unanimous-consent request and without objection, the amendment shall be considered as submitted by the gentleman from Florida.

Mr. FISH. If I may proceed with the reading of the letter from the National Association of Homebuilders:

> The proposed amendment would delete legislative language agreed upon after several months of negotiation between disability and civil rights organizations, architects, builders, and managers to achieve a reasonable balance between meeting the intent of the bill, to assure equal opportunity in housing for handicapped individuals, while minimizing both construction costs and potential issues of marketability. The bill as reported by the Committee clearly achieves this goal.
>
> Current laws which establish a set aside of adaptable and accessible housing units result in a serious problem from all perspectives. Many handicapped individuals neither want nor need grab bars, adjustable or removable cabinetry nor other adaptive features. The result from a marketing perspective is clear: units with these features sit vacant with neither the handicapped nor the non-handicapped willing to live in them. In California, as well as other parts of the country, we have owners and managers with projects with waiting lists to occupy the non-handicapped units, while the set aside units sit vacant. Set asides are far more costly than the initial additional construction cost when the unit once built, remains vacant and generates no revenue.
>
> The McCollum amendment which establishes a set aside with greater requirements than the Committee reported bill would result in a higher and more costly standard, thereby destroying the delicate balance between cost, accessibility, and aesthetics by H.R. 1158 as reported by the Committee.
>
> For this reason, we must oppose the McCollum amendment which undermines the uniformity that the Fair Housing Amendments Act achieves.

The CHAIRMAN pro tempore. The time of the gentleman from New York has expired.

(By unanimous consent, Mr. FISH was allowed to proceed for 3 additional minutes.)

Mr. McCOLLUM. Mr. Chairman, will the gentleman yield?

Mr. FISH. I am happy to yield to the gentleman from Florida.

Mr. McCOLLUM. I thank the gentleman for yielding.

I think unfortunately the Homebuilders, in writing that letter, have misread the Uniform Accessibility Standards. And I have done considerable research on that subject.

The grab bars and so forth that the gentleman refers to do not have to be required, do not have to be built. It is only that in the bathrooms and the kitchens and so forth, the cabinetry, the grab bar facilities have to be adaptable. That is, they have to be already put in or they have to be structured such that, at the expense of the tenant or the landlord or whoever under the contracts are involved, if they want to put those in, they can be fit in. In other words, there is space available for that. I am reading from the adaptability section of the actual book that the gentleman refers to on the Uniform Accessibility Standards where it says the units involved, "accessible dwelling units may be designed for either permanent accessibility or adaptability."

I would understand the gentleman's concern if these were actually required. But I think throughout a lot of this debate there has been some great misunderstanding about that. Unfortunately the real problem is the space for the wheelchair handicapped. We need to build that extra space or, for them, this requirement in this bill is meaningless.

Mr. FISH. Mr. Chairman, I must reclaim my time now. Other Members want to contribute to this debate. I will just say that the provision in this committee bill was approved by the member organizations of the 30-odd million handicapped individuals in the United States.

Second, the very provision that this gentleman's amendment struck says "reinforcements in bathroom walls to allow later installation of grab bars." So if that was the intention of the gentleman I am confused as to why one of our few adaptive design provisions was wiped out by the gentleman's amendment.

The CHAIRMAN pro tempore. The time of the gentleman from New York [Mr. FISH] has again expired.

(On request of Mr. MCCOLLUM and by unanimous consent, Mr. FISH was allowed to proceed for 1 additional minute.)

Mr. McCOLLUM. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Florida.

Mr. McCOLLUM. Mr. Chairman, I have great respect for the gentleman from New York. I understand his concern about this. But by striking these provisions in the bill I have substituted more liberal provisions in fact. I understand there is some misunderstanding but I have done a great deal of research on this and I can assure the gentleman from New York that the adaptability feature is in the code and it is not burdensome on the builder. And in fact what is missing in this really is not the adaptability feature but in the presently drafted bill without my amendment there is no ability for the handicapped wheelchair bound to have the space to turn around. That is really the biggest problem. Plus the fact I just do not see why we need to have 100 percent of the apartments and condominiums in this country adaptable to the handicapped when only 10 percent would do. It certainly would save a lot of money if only 10 percent were involved instead of 100 percent when you have to build the largest space that is involved in it, more square footage.

I thank the gentleman for yielding.

Mr. COELHO. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. BRYANT. Mr. Chairman, will the gentleman yield?

Mr. COELHO. I yield to the gentleman from Texas.

Mr. BRYANT. I thank the gentleman for yielding.

Mr. Chairman, I rise to support the Fair Housing Act Amendments of 1988, H.R. 1158. The House Committee on the Judiciary, on which I am privileged to serve, responsibly decided that this important legislation extends fair housing protection to all handicapped individuals, including those with such conditions as epilepsy, cancer, AIDS, or the human immunodeficiency virus [HIV] which causes AIDS, unless there is a direct threat to the health or safety of other persons.

The purpose of this legislation is to clarify the application of the Fair Housing Act with regard to housing discrimination. Sadly, there are those in our society who choose to discriminate against the handicapped, just as there are those who choose to discriminate against others because of the color of their skin or their religious beliefs—concepts that are anathema to most Americans.

That America and the world are in the midst of an AIDS crisis is simply further testimony to the need for this legislation. Although some would have our fellow citizens believe otherwise, AIDS can strike heterosexuals and homosexuals alike, hemophilic children and drug addicts alike. The experts all agree that this debilitating disease, for which there is not yet a cure, cannot be contracted from casual contact. What the opponents of this amendment suggest is that it should be the policy of the United States to condone the right of a landlord to deny decent housing opportunities to an innocent child who has contracted AIDS through a blood transfusion, as well as to any other tragic victim of HIV.

The experts all agree that education, counseling, and avoidance of unnecessary risks are the best ways of preventing the spread of this awful disease, not mindless discrimination that feeds the fears, which President Reagan's Commission on the HIV epidemic has indicated are the greatest barriers to prevention campaigns.

The Presidential Commission, the American Medical Association [AMA], the Association of State and Territorial Health Officials [ASTHO], the National Academy of Sciences [NAS] in its authoritative 1986 report on AIDS, and virtually all respected public health leaders have endorsed vigorous enforcement of section 504 of the Rehabilitation Act of 1973 and enhanced protection from housing and employment discrimination in the private sector.

In fact, the ASTHO's November 1987, "Guide to Public Health Practices: AIDS Confidentiality and Anti-Discrimination Principles Interim Report" concludes that "HIV-related discrimination, actual and perceived, is occurring and is a major obstacle to successfully implementing public health strategies to stop the AIDS epidemic" and that "in general, the presence of AIDS, ARC, or HIV seropositivity should not be grounds for denying or terminating employment or treating seropositive employees differently than other employees."

The board of trustees of the AMA in its 1987 "Prevention and Control of AIDS—An Interim Report" said:

> The AMA believes strongly that AIDS victims and those who test positively for the antibody to the AIDS virus should not be treated unfairly or suffer from arbitrary or irrational discrimination in their daily lives. * * * A sound anti-discrimination approach does not allow reflexive discrimination against AIDS victims based on fear or stereotypes or prejudice. Nor does it require that all employers or other federal fund recipients automatically accommodate a person afflicted with a communicable disease. Instead, based on an individualized analysis of the nature and duration of the handicap and the nature and duration of the communicability, a federal fund recipient must make a reasonable accommodation based on reasonable medical judgments, given the state of medical knowledge at the time. This [is a] sound framework for carefully balancing the two competing concerns—the right of the victim to be free from irrational acts of prejudice and the right of others to be protected against an unreasonable risk of disease. * * *

This legislation is not about AIDS. It is about whether we, as a society, are willing to condone discrimination against people with disabilities. Compassion and justice demand that all Americans be, as the AMA report observed, "free from irrational acts of prejudice."

How we vote on this legislation will reflect whether we believe ignorance and discrimination should prevail or whether we are committed to a public policy that values awareness and fairness as the best means of advancing the public health and our democratic principles.

Mr. COELHO. Mr. Chairman, I rise in opposition to the McCollum amendment that is being offered to this fair housing bill. Mr. FISH and Mr. EDWARDS are to be commended for their leadership in guiding this bipartisan bill to the floor. The McCollum amendment, however, would ruin the balance achieved by the authors of the bill and only further the incidence of discrimination in housing.

I believe that the goals of nondiscrimination that Congress sought to achieve in the Fair Housing Act of 1968 will finally be realized with the passage of this bill. Not only does this bill contain enforcement provisions which are sorely needed, it expands protections to two classes of Americans that experience housing discrimination daily—families with children and people with disabilities. Today, I wish to address the critical problem of housing discrimination which Americans with disabilities face.

Unfortunately, ignorance, stereotypes, and misperceptions have been used to exclude people with disabilities from the mainstream of American life. I am familiar with such prejudice because, as my colleagues know, I have epilepsy and have experienced the ignorance and fears that others have about my disability.

Nowhere is such discrimination more blatant in America today than in the sale and rental of housing to people with disabilities. The prejudice and unfounded fears of landlords, owners, and communities at large have denied housing to many of America's 43 million citizens with disabilities—people who, like me, have epilepsy, or people who are blind or deaf, or people who have mobility impairments and use wheelchairs or veterans who have lost limbs defending our country in foreign wars. All of these individuals will now be covered under the protection of this act.

Twenty years ago Congress established a national policy that it was not acceptable to discriminate in housing practices against minorities. Our Nation's commitment to achieve fair housing for all Americans demands that we act now to eliminate housing discrimination against persons with disabilities, our largest minority.

At this point, Mr. Chairman, I would like to read into the RECORD a letter from the National Association of Home Builders explaining why they oppose the McCollum amendment.

NATIONAL ASSOCIATION OF
HOME BUILDERS,
Washington, D.C., June 22, 1988.

HON. DON EDWARDS,
Chairman, Subcommittee on Civil and Constitutional Rights, Committee on the Judiciary, U.S. House of Representatives, Washington, D.C.

DEAR CHAIRMAN EDWARDS: On behalf of the 155,000 member firms of the National Association of Home Builders—representing builders, owners and managers of multifamily and single family housing—we offer the following comments with respect to an amendment expected to be offered by Rep. McCollum (R-FL) to delete the Committee language from H.R. 1158 with respect to future multifamily housing construction requirements and establish a set-aside with increased requirements.

The proposed amendment would delete the legislative language agreed upon after several months of negotiation between disability and civil rights organizations, architects, builders and managers to achieve a reasonable balance between meeting the intent of the bill, to assure equal opportunity in housing for handicapped individuals, while minimizing both construction costs and potential issues of marketability. The bill as reported by the Committee clearly achieves this goal.

Current laws which establish a set aside of adaptable and accessible housing units result in a serious problem from all perspectives. Many handicapped individuals neither want nor need grab bars, adjustable or removable cabinetry nor other adaptive features. The result from a marketing perspective is clear: units with these features sit vacant with neither the handicapped nor the non-handicapped willing to live in them. In California, as well as other parts of the country, we have owners and managers with projects with waiting lists to occupy the non-handicapped units, while the set aside units sit vacant. Set asides are far more costly than the initial additional construction cost when the unit once built, remains vacant and generates no revenue.

The McCollum amendment which establishes a set aside with greater requirements than the Committee reported bill would result in a higher and more costly standard, thereby destroying the delicate balance between cost, accessibility, and aesthetics achieved by H.R. 1158 as reported by the Committee.

For this reason, we must oppose the McCollum amendment which undermines the uniformity that the Fair Housing Amendments Act achieves.

Sincerely,

DALE STUARD,
President.

I urge my colleagues to join me in defeating the McCollum amendment to send a long overdue message to all disabled Americans. By enacting this legislation we will finally be telling Americans with disabilities that they have the right to live wherever they choose.

□ 1600

Mr. SCHUMER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I understand the concerns of my colleague, the gentleman from Florida [Mr. MCCOLLUM]. I, too, was concerned about the costs associated with adapting 100 percent of the covered units for handicapped use. With a shortage of low-income housing, I did not want to enact a law that would create further disincentives to constructing such housing. Therefore, I too, explored the possibility of designating a percentage of units for handicapped use.

After working with the disability rights groups, the National Association of Home Builders, and the realtors in my district who are currently operating under a similar, but more stringent New York law, I am convinced that the bill's minimal requirements for accessibility are the only way to go. The four requirements in H.R. 1158 represent a carefully crafted compromise between the relevant groups, and are endorsed by the National Low Income Housing Coalition. This compromise strikes the correct balance between the needs of the handicapped and the costs to society of accommodating these individuals.

The set-asides proposed by the McCollum amendment are not favored by anyone—not the disabled community, not the builders. Such units are already required by many State and local building codes. They do not work.

First, they are expensive. The features are elaborate. With only a small percentage of units having to comply, the features will not become standardized, and therefore remain expensive.

Moreover, because these outfitted units resemble hospital rooms, they often remain vacant. There is simply no guarantee of a handicapped person to live in one of these units.

Second, not every handicapped person desires or requires such an outfitted unit. Handicaps differ. Handicaps are not always permanent. A physical disability could suddenly cripple an individual at any time of life.

Thus the bill requires that minimal features be put into place so that handicapped individuals can make further accommodations at their own reasonable expense.

And, under H.R. 1158, States and localities are free to impose more stringent standards than those required at the Federal level, if they so choose.

We are not legislating in a vacuum. We can draw upon the State and local experience. Building codes requiring the set-asides comtemplated by the McCollum amendment have been less than successful. Rigid requirements set out in the recent New York City law have proven very expensive.

The four features required by H.R. 1158 reflect that experience, and present a reasonable framework for tearing down longstanding barriers to discrimination at minimal cost.

Mr. SENSENBRENNER. Mr. Chairman, I move to strike the requisite number of words.

Mr. McCOLLUM. Mr. Chairman, will the gentleman yield?

Mr. SENSENBRENNER. I yield to the gentleman from Florida.

Mr. McCOLLUM. Mr. Chairman, I thank the gentleman very much for yielding.

Mr. Chairman, this concerns me a great deal because I know a compromise of sorts was worked out with the builders involved. The concern I have is fairly simple. Nobody has addessed this concern. Nobody has refuted it, and nobody can. A person who is wheelchair-bound handicapped, the most severely handicapped person we have to deal with here, is not going to be benefitted by this legislation. That person cannot turn around in a kitchen or cannot turn around in a bathroom that is built under the standards that are existing in the bill as drafted. I think that is wrong.

Second, I think that the 10-percent requirement is eminently more fair than the 100 percent requirement, and it does exist in Federal law.

Third, while we are whaling around with letters here. I, too, have a letter. This is from the Department of Housing and Urban Development. It is jointly signed by the head of the department, the Honorable Sam Pierce, and our Attorney General, Ed Meese. The letter is dated with today's date, and it says in part:

We support your amendment as more reasonable alternative to the sweeping building

> code provision in H.R. 1158. Of course, the administration continues to believe that this is a matter best left to states and localities.

I did not do that because it seems to me that that was not the trust of this bill.

The letter continues as follows:

> Your amendment deletes the reasonable requirement that 100 percent of new covered multifamily construction meet the accessibility standards for mobility impaired persons. Fewer than 700,000 Americans require wheelchairs for mobility. Clearly, it is burdensome and unnecessary to require that all of the 400,000 or more new multifamily units constructed each year in this country be accessible under such standard to such a small portion of the handicapped population.
>
> The requirements in the bill are also confusing and may fail to ensure true wheelchair accessibility.

And they would. The letter then goes on to support the concept I have described in great detail. I urge my colleagues to consider this. Yes, there is some compromise with builders in this legislation. I have a lot of respect for their concerns, and an effort was reached to come up with all kinds of details. But the bottom line is that we did not do it right.

Mr. Chairman, I urge my colleagues, when they vote on this, to vote their consciences. I ask my colleagues to vote for construction requirements that do require whatever units we have that have to be constructed for the handicapped to really be constructed for them, and to vote for a number that is responsible and reasonable—10 percent, as provided in my amendment, instead of the 100 percent.

Mr. Chairman, I thank the gentleman from Wisconsin for yielding.

The CHAIRMAN pro tempore (Mr. OLIN). The question is on the amendment, as modified offered by the gentleman from Florida [Mr. MCCOLLUM].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. McCOLLUM. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 78, noes 330, not voting 23, as follows:

[Roll No. 212]

AYES—78

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bliley
Boulter
Brown (CO)
Burton
Combest
Craig
Crane
Dannemeyer
Darden
DeLay
Dickinson
Dornan (CA)
Dreier
Edwards (OK)
Fields
Gallegly
Gekas
Goodling
Gregg
Hall (TX)
Hansen
Hastert
Herger
Huckaby
Hunter
Hyde
Ireland
Konnyu
Kyl
Lancaster
Latta
Lent
Lewis (FL)
Lipinski
Livingston
Lott
Lowery (CA)
Lukens, Donald
Lungren
Marlenee
McCandless
McCollum
McCrery
Miller (OH)
Moorhead
Nielson
Oxley
Packard
Petri
Quillen
Ravenel
Rhodes
Roberts
Sensenbrenner
Shaw
Shumway
Shuster
Slaughter (VA)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Stenholm
Stump
Swindall
Vander Jagt
Vucanovich
Walker
Whittaker
Wylie
Young (FL)

NOES—330

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Buechner
Bunning
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Daub
Davis (IL)
Davis (MI)
DeFazio
Dellums
Derrick
DeWine
Dicks
Dingell
DioGuardi
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (LA)
Hefley
Hefner
Henry
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Hughes
Hutto
Inhofe
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
LaFalce
Lagomarsino
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lightfoot
Lloyd
Lowry (WA)
Lujan
Luken, Thomas
Madigan
Manton
Markey
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Michel
Miller (CA)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Porter
Price
Pursell
Rahall
Rangel
Regula
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sharp
Shays
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Staggers
Stallings
Stangeland
Stark
Stokes
Studds
Sundquist
Swift
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weber
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Yates
Yatron
Young (AK)

NOT VOTING—23

Anderson
Aspin
Biaggi
Cheney
de la Garza
Dixon
Hayes (IL)
Jones (TN)
Kemp
Mack
MacKay
Mica
Moody
Myers
Ray
Saiki
Smith (FL)
Spence
Spratt
St Germain
Stratton
Sweeney
Weiss

☐ 1626

Messrs. FORD of Michigan, BERMAN, PARRIS, and TAUKE changed their vote from "aye" to "no."

Mr. STUMP, Mrs. VUCANOVICH, Mr. PACKARD, and Mr. GALLEGLY changed their vote from "no" to "aye."

So the amendment, as modified, was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. HYDE

Mr. HYDE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. HYDE: On page 11, following line 8, add the following:
>
> PROHIBITION OF PREFERENCES
>
> SEC. 7. Title VIII of such Act is amended by adding the following section after section 804:
>
> PROHIBITION OF PREFERENCES
>
> "SEC. 804. a Nothing in this Act requires, permits, or authorizes any preference in the provision of any dwelling based on race, color, religion, gender or national origin."
>
> Renumber subsequent sections accordingly.

Mr. HYDE. Mr. Chairman, my amendment simply says there really should not be any discrimination either way, for or against people.

I have for years marveled at the Civil Rights Act of 1964 and the commentary in support thereof by the late great Senator Hubert Humphrey, who said that the act says what it means, that you cannot discriminate against people because of their race, their color or their creed.

Now we are talking about fair housing. I have great difficulty after reading the bill and listening to the debate and sitting in the Judiciary Committee trying to figure out what burdens, what responsibilities, are being imposed on real estate salesmen or brokers. Are they to provide access to housing regardless of race or color or creed, or are they to be mindful of the demographic condition of a certain community?

It seems to me under our practice in this country that we have a concept known as integrative housing, that is if you have a large housing complex, if you get over let us say 30 percent black, then the next black who applies for a unit is denied because he is beyond the quota, he is reaching the tipping point, and if too many blacks get in this building, then there will be white flight and you will not have that desirable utopian condition of perfect symmetrical integration.

Well, that is a fine concept, I suppose, if you like a little bit of discrimination for what you think is a beneficent purpose, but it is discrimination. You are preferring the white applicant over the black applicant, although the black applicant may have been on the waiting list for a long time because he does not fit into the demographic scheme of the quotas.

Now, if we are against discrimination, we should be against discrimination. We should be literally colorblind. That was how the Civil Rights Act was sold to Americans and bought by Americans. That is the idea; but if we are going to have a little bit of discrimination up to 30 percent and then we are going to have integrative housing, why do we not say so? Why do we masquerade as opposing discrimination, when we are really for some discrimination, depending on what the goals are or what the timetables are?

Now, I am certainly not a purist in all legislation. I live in the real world and I hope I continue to live in the real world; but the legislation is not real legislation when it says it is against discrimination. It is really against some discrimination. Why do we not say so? Why the hypocrisy?

Now, I know the realtors cut a deal. I know that. Everybody makes tradeoffs, but I am not a part of the deal. Nobody asked me, and I am glad they did not.

I am against discrimination and I am for what the good Senator Humphrey said in debating the original Civil Rights Act. He said, "If the Senator can find any language which provides that an employer will have to hire on the basis of percentage or quota related to color, race, religion, or national origin, I will start eating the pages one after another, because it isn't in there."

Well, when it comes to housing, I am afraid it is in there, not in the bill, it is in some court's mind.

Now, the courts are divided on integrative housing. Legislation is supposed to set policies. It is supposed to provide guidelines for the conduct of the citizens of this country. Instead, we talk in terms of fair housing. I do not know what it means. Does it mean nondiscrimination? How can you prefer somebody because of the color of their skin? That is discrimination, or I do not understand the English language.

Mr. Chairman, this is a simple amendment. It simply says that nothing in this act requires, permits or authorizes any preference in the provision of any dwelling based on race, color, religion, gender, or national origin.

Martin Luther King wrote a book, "Why We Can't Wait." Well, why should a black have to wait to get into a housing project or a housing development because he is above the 30-percent tipping quota? He should not have to wait if he is next in line.

So, Mr. Chairman, I submit this is a sensible amendment and I urge its support.

Mr. EDWARDS of California. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would point out to the gentleman from Illinois [Mr. HYDE] that I, too, knew Senator Humphrey very well. I would guarantee that he would also be against this amendment.

The amendment of the gentleman from Illinois [Mr. HYDE] attempts to deal with the issue of race conscious marketing methods to promote integration. That is called, Mr. Chairman, integration maintenance.

Now, we considered this in great depth in the committee, although we did not have any hearings on it, we did not examine the issue. We know how complicated it is. We did not know the scope, the operation or the effect of these programs. There are a few in the United States. It is a very controversial issue with strong feelings on both sides.

We agreed in the compromise orally that we will have a thorough review before the House attempts to address this issue.

We have agreed, I have agreed as the chairman, to hold hearings in either Cleveland or Chicago where there are some units that have programs of integration maintenance.

Again, both the civil rights community and the National Association of Realtors support the idea of holding hearings later this year and oppose the amendment offered by the gentleman from Illinois [Mr. HYDE].

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, I just have one question. If in a housing area you reach the tipping point of 30 percent, as the gentleman from Illinois alluded to in his remarks, and a black family does want to get housing in that unit and they are first in line, is the white family picked over them?

Mr. EDWARDS of California. That is one of the issues that we will address in the hearings. There are strong proponents of each side of integration maintenance. It is an issue that we are not going to solve in this debate today, and I ask your patience. We are going to look into it. It is an issue of debate in the United States today.

Mr. BURTON of Indiana. Mr. Chairman, if the gentleman will yield further, all I want to know, is that the case today? If it reaches that tipping point today and a black family is next in line for housing, are they discriminated against because the white family is preferred over them to keep that balance?

Mr. EDWARDS of California. This is currently the subject of a lawsuit in Federal Court. There is not any definite answer to that.

Mr. Chairman, I urge a "no" vote on the amendment.

Mr. SENSENBRENNER. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, the amendment of the gentleman from Illinois is necessary to be added to this bill at this time. If I had any confidence that the Subcommittee on Civil and Constitutional Rights would affirmatively address this problem, I would not be rising in support of the amendment today; however, according to last year's report of the Committee on the Judiciary, the Subcommittee on Civil and Constitutional Rights had 71 bills referred to it and did not report out a single bill that was referred to the subcommittee. This subcommittee on which I serve as the ranking Republican member has a reputation of being a graveyard for proposals such as this one.

I think it is important enough to bring up to the floor of the House of Representatives to have a vote.

Now, contrary to what the gentleman from California said, we have never debated this subject at all in the Subcommittee on Civil and Constitutional Rights, much less at length.

The hearings in Chicago which were agreed upon by the gentleman from California [Mr. EDWARDS] came about only as the result of my threatening to object to granting the Judiciary Committee permission to sit several months ago; so these hearings are coming about only because the gentleman from California [Mr. EDWARDS] has been dragged into this kicking and screaming. I think given that kind of attitude, if we defer action on this amendment today we will never see it again. We will never hear of it again and we ought to vote on it.

Now, on the merits of the Hyde amendment, the gentleman from Illinois has hit the nail on the head. In Chicago and in Cleveland, many in the housing business are caught in a catch-22 situation where they will be sued if they do and sued if they do not. That is not what the fair housing law is all about. The Fair Housing Law is designed to give guidance with penalties so that discrimination will not be the law of the land in the sale or rental of housing. That means that this law must be clear, and when there are situations that exist where a real estate firm or an individual real estate sales person will be sued by one group if they take one position on the question of integration maintenance or will be sued by another group, such as the Department of Housing and Urban Development, if they take the other position, then the law needs clarification.

Given the track record of the Subcommittee on Civil and Constitutional Rights, this is the only opportunity that the House will have to clarify this law. We should not blow that opportunity. We should vote in favor of the Hyde amendment.

Mr. FEIGHAN. Mr. Chairman, I move to strike the last word and I rise in opposition to the amendment.

Mr. Chairman, I think, first of all, we should explore what are the purposes and the foundations of the fair housing law, and indeed they are to prevent discrimination in housing, but they are also intended, that law is intended to expand options, to expand alternatives to those who have been the victims of discrimination and those who are now in the various protected classes. That has been the goal of various integration maintenance programs.

As I am sure the gentleman from Illinois will acknowledge, there are in fact very few communities in the entire country that have integration maintenance, or as they are alternatively called, affirmative marketing programs.

There is very much a conflict or a tension between these local programs and local and State laws and the Federal law. It is a tension that we have to resolve, but frankly, I would have to say cannot be resolved by the amendment that has been offered by the gentleman from Illinois.

Cleveland has had, as has Chicago and in New York and a handful of other communities, an experience over a period of time of very aggressive fair housing programs. That has led us to more complicated programs that fall under the ambit of integration maintenance or affirmative marketing programs.

These programs today, in response to the question of the gentleman from Indiana, would not necessarily say to a black family that if 30 percent of the housing project is now occupied by blacks that that next black family would be prohibited from moving in. That may be the result, and in fact if I recall the facts of the Starratt City decision, those were almost the similar facts in that case; but that is not necessarily the result that would follow.

The amendment that we have before us would not only decimate integration maintenance programs, or affirmative marketing programs of that nature, it also would eliminate other integration maintenance programs, or affirmative marketing programs, that are attempting to use local programs and local incentives to bring either white families into traditionally black communities, or black families into traditionally white communities.

□ 1645

I do not think that it is fair to characterize the chairman of the subcommittee as agreeing kicking and screaming to a series of hearings on this issue. In fact, he has been very cooperative with me and other Members who have raised concerns about the tension that exists between local programs and Federal law and recognizes that the fair housing law that we have before us is not adequate to deal with the complexity of this issue.

We have a great deal of debate, not only in the committee and the Congress over this issue, but civil rights organizations themselves have a great deal of debate.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. FEIGHAN. Mr. Chairman. I am happy to yield to the gentleman.

Mr. HYDE. Mr. Chairman, I appreciate everything the gentleman says. I know the gentleman lives with this problem somewhat in his district. I just have difficulty.

We are dealing with a fair housing bill, and so fair housing, especially discrimination in fair housing, is what this bill is all about. I would think we would be more honest, if we had a section in the bill, saying none of the above applies to bona fide integrated maintenance projects or something like that. Then we are admitting that a little discrimination is OK in certain areas. Of course, that runs into the Constitution, which says that no person shall be deprived of equal protection of the law.

All of these things trouble me. I am against discrimination. One has to be for discrimination if one opposed my amendment, even though it is for a good purpose in some communities where it can be abused in others.

Mr. SCHEUER. Mr. Chairman, will the gentleman yield?

Mr. FEIGHAN. I am happy to yield to the gentleman from New York.

Mr. SCHEUER. Mr. Chairman, 25 years ago, I was a developer of the Capitol Park project in Washington, DC, SW. It was the first project that was ever built in this country in a southern city, which Washington was at the time, designed for integrated occupancy. We opened it up and announced it was going to be an integrated project. We did all right from 1959 to 1960. We had a good balance.

When President Kennedy got elected in 1960 and brought in all kinds of outstanding black professionals from all over the country, they found that they had no place to rent in Washington in a quality project but us, and they were referred by white rental agents all over Washington—"You would not be confortable here," wherever "here" was, "but go on down to the Capitol Park project. You would be very welcome there." So they did in droves.

The percentage of black occupants kept going up and up and up and up until it finally hit the 50-percent point. I sat down with my friend, Robert C. Weaver, who was a consultant to me before, on that project, before he became Secretary of HUD, and I said, "Bob, what do I do?" He said, "Let some of those applications fall behind a filing cabinet for a month or two."

At that time we called it enlightenment management practices. The goal was to create and maintain an integrated project. All of the blacks who had applied ultimately got in, but a few of them had to wait a few months while we tried our best to maintain the integrated balance.

The CHAIRMAN pro tempore (Mr. OLIN). The time of the gentleman from Ohio [Mr. FEIGHAN] has expired.

(At the request of Mr. HYDE and by unanimous consent, Mr. FEIGHAN has allowed to proceed for 2 additional minutes.)

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. FEIGHAN. I am happy to yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I take it my good friend from New York is for quotas, and I know they probably worked out in his project, but it is still discrimination.

Mr. FEIGHAN. Mr. Chairman, reclaiming my time, the gentleman from Illinois has come to the conclusion that those who would support integration maintenance are then supporting a form of discrimination. We are waiting, I think, really, for the Supreme Court to tell us whether or not that is the case. In the Starratt City decision, the Supreme Court said yes, in fact, that is the case, that is in fact discrimination, that is the type of discrimination that the fair housing laws do not condone. That is not necessarily an appropriate description of all other forms of integration maintenance or affirmative-marketing programs.

Cleveland was recently identified as the second most segregatged large city in the country. That is not a recognition that we are particularly proud of, but it is one that we are working to remedy. We are remedying it through affirmative marketing and through integration maintenance programs.

This amendment would devastate alternatives of that nature for communities like ours that are working hard at bringing about integrated communities.

Mr. Chairman, I yield back the balance of my time.

Mr. FISH. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this demonstrates a couple of things. One is the wisdom in the committee in avoiding dealing with this question and instead wanting more information about the subject before legislating; and second, how confusing it is, and then the merits of this matter should be the result of field hearings and much more in-depth study.

Mr. Chairman, the reason for the amendment, we are told, is that it will go further to end discrimination, whereas, with the practice as it is, it allows some discrimination. You would think that the NAACP's national legislative director would be aware of this, or you would think that the executive director of the Leadership Conference on Civil Rights with no less than 185 component membership would be aware of this. Yet, both Althea T.L. Simmons, of the National Association for the Advancement of Colored People, and Ralph G. Neas, executive director, Leadership Conference on Civil Rights, have signed a letter dated today, and I will just read one paragraph:

> We believe that the issue of "integration maintenance" should be explored during hearings and thoroughly understood by the Congress before legislative action is taken. Thus, an amendment to be considered on the floor of the House of Representatives at this time is not the proper way to address this matter. For these reasons, we hope that the amendment will be withdrawn or not agreed to.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. FISH. I am happy to yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, I thank the gentleman for reading that letter, because we have here, after 20 years, the leadership conference, comprised of the NAACP and the Urban League, our labor unions, other civil rights organizations, our religious associations, joined with realtors and builders, and we absolutely, deliberately, in subcommittee left this provision of integrated maintenance out. Integration maintenance cannot be resolved here, and I accuse the maker of this amendment of creating mischief. This is a deliberate mischievous product in which he now associates with Dr. Martin Luther King and Senator HUMPHREY, and I would like to tell the Members that the chairman of this committee Mr. EDWARDS, has not put down integration maintenance. Nor has he picked it up.

The committee position in this bill is neutral on the subject, and as the gentleman from New York has pointed out, we are going to have hearings. We need not rush to judgment on this floor and deal with this matter.

I urge that it be soundly rejected.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. FISH. I am happy to yield to the gentleman.

Mr. HYDE. Mr. Chairman, I want to say to my good friend from Michigan that it may be mischievous to him, but I just do not believe in reverse discrimination. I think if one discriminated against somebody, that is terrible; if one discriminated for somebody, that is terrible.

I am in love with the words of the Constitution that say equal protection of the law, and that is all I am interested in. If that is mischievous, I am sorry. It is not my intention to be mischievous. It is my intention to have fair housing mean fair housing both ways one looks at it.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. FISH. I am happy to yield to the gentleman.

Mr. CONYERS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the problem with all of the gentleman's good intentions, which are as good as mine, and mine are as good as his, is that we are not here to dispose of this. I am not arguing against or for this proposal. What we are trying to say to the gentleman, sir, is that the subcommittee has not disposed of it. So the gentleman's good intentions on this floor at this time is not an appropriate way for a deliberative body to deal with this matter. That is all we are saying.

We are going to have hearings.

The CHAIRMAN pro tempore. The time of the gentleman from New York [Mr. FISH] has expired.

(At the request of Mr. HYDE and by unanimous consent, Mr. FISH was allowed to proceed for 2 additional minutes.)

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. FISH. Mr. Chairman, I am happy to yield to the gentleman.

Mr. HYDE. Mr. Chairman, I just want to say to my dear friend from Michigan that if he were in the political minority in this House, he would know how awfully tough it is to try to get a bill up in a subcommittee that the chairman does not care for, to try to get it out of the committee, to try to get it through the Committee on Rules, to try to get a vote on it, to try to get a discharge petition signed. It is impossible.

When a vehicle comes along where one gets a chance, however frustrating, to express oneself on, a Member takes that opportunity.

Mr. Chairman, I am sure the gentleman from California [Mr. EDWARDS] means to have hearings on this just like on so many other issues, but one must grab the train when it goes through the station.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. FISH. I am happy to yield to the gentleman.

Mr. BURTON of Indiana. Mr. Chairman, I just want to ask one question. I thank the gentleman for yielding. Is the gentleman aware of how many bills went through the subcommittee last year that were referred—to the gentleman who just spoke, from Michigan?

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. FISH. I am happy to yield to the gentleman from Michigan.

Mr. CONYERS. Am I aware of the number of bills that went through the subcommittee?

Mr. BURTON of Indiana. That were referred to it.

Mr. CONYERS. I am not.

Mr. BURTON of Indiana. Mr. Chairman, one of the members of the committee just told me that out of 71 that were referred to it, none were reported out.

Mr. CONYERS. Mr. Chairman, I can tell that gentleman that that is probably a pretty big error. We have had a number of bills reported out. The chairman of this subcommittee has been out on the floor with measure after measure.

I would just ask that the integrity of the chairman of this committee should not be impugned. He has agreed to hold hearings. He is coming to Cleveland and/or Chicago. We want to look at integration maintenance. He has not spoken out either for it or against it. It would seem to me then that we ought to just leave it out.

The CHAIRMAN pro tempore. The time of the gentleman from New York [Mr. FISH] has again expired.

(At the request of Mr. SENSENBRENNER and by unanimous consent, Mr. FISH was allowed to proceed for 30 additional seconds.)

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

Mr. FISH. I am happy to yield to the gentleman.

Mr. SENSENBRENNER. Mr. Chairman, the quote that I made about the Subcommittee on Civil and Constitutional Rights having 71 bills referred to it and none reported out came from the 1987 report of the Committee on the Judiciary to the House of Representatives. Zero for 71 is not a very good batting average.

The CHAIRMAN pro tempore. The time of the gentleman from New York [Mr. Fish] has again expired.

Mr. WALKER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise, first of all, because I am a little bit shocked. I happen to live at the Capitol Park Apartments. I have for about 12 years. I now live in a condominium in that area. I am somewhat shocked to find out that I may have been permitted to live there at the expense of someone who is black. I think that would be terribly wrong if that was the case.

I think that if we have come up with a euphemism called integration maintenance that really means quotas, and some of us, because our skin was white, benefited from that quota system, that is terribly wrong. I do not care whether it was for benign purposes or not. That is discrimination, and it should not be permitted.

Mr. SCHEUER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am happy to yield to the gentleman.

Mr. SCHEUER. Mr. Chairman, I do not think the gentleman has to have anything weigh on his conscience. At the time we practiced what was then referred to as enlightened management practices was during the rent-up of that project, from approximately 1958 to 1963, especially during 1961 and 1962, those great first Kennedy years, when thousands of well-educated, talented black professionals came to Washington and found there was only one apartment that would take them. That was a very interim business that we did. No black who applied failed to get in. A few of them had to wait a few months, but what it did was establish the quality of that project as a successful, integrated project, which it has been for the ensuing 25 years, and I think there was a very clear, demonstrable, identifiable social good connected as a result of those so-called enlightened management practices.

Mr. WALKER. Mr. Chairman, reclaiming my time, I think the gentleman just explained to us why we needed to pass a Civil Rights Act in 1964, because what the gentleman just said is that during that startup period from 1958 to 1963, that project was practicing discrimination, pure and simple, and that is what we tried to wipe out when we passed the civil rights law in 1964, to end discrimination.

The gentleman from Illinois was absolutely right when he talked about that law and what was said about that law when it was passed by this Congress. It was said that we were eliminating discrimination, period, that we were not going to try to discriminate amongst people based upon race, color, religion, gender, or national origin, that is what the civil rights law was all about.

Let me make my point. We have now seen some of those things turned on their head, and today, I must admit I had never heard this term before, this new term of integration maintenance, which really means quotas.

I mean, I have been fascinated by this particular kind of debate on the floor. One of my colleagues described the gentleman from Illinois as offering a mischievous amendment, because he said the gentleman from Illinois now associates himself with Martin Luther King.

In 1964 many of us associated ourselves with Martin Luther King, because we thought it was right to end discrimination. Why have we now turned that on its head? What in the world, in the language of this amendment, bothers people here?

Let me read this amendment. This amendment says, "Nothing in this act requires, permits or authorizes any preference"—any preference—"in the provision of any dwelling based in race, color, religion, gender or national origin."

□ 1700

Please, someone, tell me what is wrong in that language. I thought that is precisely what we did in 1964 in the Civil Rights Act. Those are precisely the kinds of things we were trying to achieve then, it seems to me.

Mr. SCHEUER. Mr. Chairman, if the gentleman will yield, I will tell him what is wrong with the language.

Mr. WALKER. Sure, I am glad to yield to the gentleman from New York if he can tell me what I just read there is wrong. Will the gentleman tell me what in that language is wrong?

Mr. SCHEUER. The language, Mr. Chairman, is not constructive.

Mr. WALKER. No, the gentleman is not telling me what is wrong with the language. He is telling me his opinion of what is happening on the floor.

Mr. SCHEUER. The reason it is wrong, and the reason that not a single black leader in this country supports the amendment, and the reason that every civil rights leader black or white supports the so-called enlightened management practices is because they think establishing a project as an integrated project is good, is a social, moral and ethical good, and since every black who applies will get in, that that is a constructive result.

The CHAIRMAN pro tempore (Mr. Olin). The time of the gentleman from Pennsylvania [Mr. Walker] has expired.

(By unanimous consent, Mr. Walker was allowed to proceed for 3 additional minutes.)

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, the vice of what the gentleman's enlightened management practices is, is that he, the landlord, decides whether someone gets in based on the color of their skin.

Mr. WALKER. Precisely.

Mr. HYDE. Whether it is 50 percent, or 33 percent, or 30 percent, not the law, not the Constitution, the gentleman from New York [Mr. Scheuer] will decide whether you, sir, can rent in my project based on the color of your skin.

That is pernicious, not mischievous, pernicious, in my opinion, and I thank the gentleman for yielding.

Mr. WALKER. I thank the gentleman from Illinois.

Let me also make another point. The fact is that in 1964 when all these things were being argued, many people who opposed the Civil Rights Act of 1964 opposed it because they said look, we are better able to handle these problems without the Federal Government getting involved in these things, and all of the blacks in some of those Southern States where we have practiced discrimination, they are better off for it. We have given them good schools, we have got the separate but equal schools down there, and they were better off. That is exactly the argument, I tell the gentleman, that there was some kind of good to be achieved by discrimination in our society. I am amazed that 20 years later we would come back to this floor and have people arguing that there is a good to be derived from discriminating against people on the basis of their race. I think that is appalling. I do not care how many groups support that kind of idea, it is still a bad idea. It was bad in 1964, it was bad in 1984, and it is bad in 1988, and we ought to be adopting amendments like this, because the gentleman from New York, who tried to respond to this language, cannot tell me anything that is wrong in this language.

This is exactly what we have tried to do before. I think it is exactly right that we have developed language that says that we are not going to discriminate in this act or any other act.

We ought to put this kind of language in every bill that comes through here, because we ought not be a society that discriminates against anybody. And I think it is a terrible travesty to have this kind of language described as mischievous, to be described by other people as doing harm to the bill. The fact is we do not want to deal with it here today. We want to deal with the issue later.

We have been too late in dealing with these issues all the way along, and it is high time that we deal with them now. Let us say in this bill that we do not want any racial discrimination, we do not want any sexual discrimination, we do not want any discrimination based upon national origin and all of the rest. That would be the right thing to do.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am very glad to yield to the gentleman from Michigan.

Mr. CONYERS. Mr. Chairman, if the gentleman wants to say that in this bill, he can introduce language to do that.

Mr. WALKER. That is what this language says.

Mr. CONYERS. We did not want to say what this language does.

Mr. WALKER. This language has been introduced, I would say to the gentleman, and that is what this language is.

Mr. CONYERS. What that language does is knock out integration maintenance without our giving it a hearing.

Mr. WALKER. Let me reclaim my time, Mr. Chairman. Let me read to the gentleman what the language says. It does not say anything about integration maintenance. It says nothing in this act requires, permits, or authorizes any preference in the provision of any dwelling based upon race, color, religion, gender, or national origin. That is what the amendment says and that is all it says. It says no discrimination period. We ought to pass it.

The CHAIRMAN pro tempore. The time of the gentleman from Pennsylvania [Mr. WALKER] has again expired.

(On request of Mr. FEIGHAN and by unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. FEIGHAN. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Sure, I am glad to yield to the gentleman from Ohio.

Mr. FEIGHAN. Mr. Chairman, I thank the gentleman for giving me this opportunity. He raised the very valid question about what is wrong with this language, and let me give the gentleman the experience we have in Ohio and I think he will have to decide, as all Members will in their own minds, as to whether or not we are dealing with discrimination.

In Ohio if you are a first-time home purchaser you can receive a lower than market interest rate. Are those individuals being discriminated for or against because as a class they are able to receive a lower than market interest rate? That is an outstanding question.

Mr. WALKER. If the gentleman will allow me to reclaim my time, the gentleman is not giving me any kind of an answer based upon race. He is telling me about experiences, and I asked about the language. I asked about language that we are being asked to vote on, and I am asking what is wrong with this language. The gentleman is not answering my question.

Mr. FEIGHAN. If the gentleman will yield, I would like to continue.

Mr. WALKER. I yield to the gentleman from Ohio.

Mr. FEIGHAN. Similarly, in the Greater Cleveland community there are certain communities that have decided that it is in their best interest to offer lower than market interest rates to black families who will move into predominantly white communities. Is that discrimination? It is certainly an incentive. The question remains: Is it discrimination?

The U.S. Supreme Court has not decided on that type of integration maintenance or affirmative marketing plan as to whether or not discrimination is at play. They have made the decision in the Starrett City.

Mr. WALKER. Let me say to the gentleman from Ohio what he has just described to me, if it is in fact based upon race, it is in fact discrimination. It may be for the best purposes the gentleman can imagine, but it is in fact discrimination, and that is what I said I thought we said in 1964 was wrong, and now the gentleman is simply saying to me there are times when we define that it may be all right.

I do not think that we ought to have a society that steps outside the idea of the Constitution of equal protection under the laws. The gentleman is not describing to me something which is equal protection under the laws. He is describing to me pure and simple discrimination.

I think it is time that we have developed language like this that goes back to the original idea of 1974.

Mr. MFUME. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I appreciate the good will by which the gentleman from Illinois has offered his amendment, and I agree with my colleague from Michigan that it is not a matter of necessarily saying one person has a bad will and another has a good will. I appreciate also this outpouring of compassion from my colleagues on the other side of the aisle as it relates to the denial of opportunity, particularly opportunity as it relates to housing in this particular area.

I am sort of interested at the number of associations that I have seen take place on this floor with the remarks of Dr. Martin Luther King, who I am sure certainly would have appreciated them in 1963 when he came to this great city to make the point that he had to make concerning housing discrimination and a lot of other things.

Let me say this, though, however, we are not here really to take a position simply because we have been asked as a matter of courtesy by the NAACP, by the Conference on Civil Rights, by major labor organizations, by major religious organizations not to take a position today. They are simply saying you may be right or you may be wrong, but let us have an opportunity nationally to just spend a little more time to reexamine the problem.

I may support the gentleman's amendment at a given time if in fact those sorts of hearings yield to me at least an understanding that it is the correct thing to do. I may in fact not do that. But I think that we certainly should take into consideration the request of these organizations that have toiled long and hard in this area, that we simply pause and not be reactive but proactive in such a way that we try to make sure we take advantage of every opportunity to in fact look at this problem for just a little longer.

I believe that if we are going to create opportunities in housing we create opportunity through construction so that people have a place to in fact live in. We are talking about opportunity. Let us create educational opportunities as well. If we are talking about opportunities, let us talk about the creation of job opportunities by job creation.

But let us at least defer, I would hope this one time, to the perfectly legitimate request of these organizations who have simply come to us and said we are not trying to say that the gentleman is right or that the gentleman is wrong, but that we would appreciate a little more study of the issue.

Mr. SCHUMER. Mr. Chairman, will the gentleman yield?

Mr. MFUME. I am more than happy to yield to the gentleman from New York.

Mr. SCHUMER. Mr. Chairman, I thank the gentleman for yielding and want to underscore what the gentleman said. The court case that is now on its way up to the Supreme Court involves Starrett City, a development in my district. Starrett City is the largest and the most successful integrated housing project in the entire country. If one walks through the streets of Starrett City, and sees in a city like New York with its racial problems and racial divisions the kind of harmony that has come about through such a program as all of my colleagues on this side of the aisle have mentioned, I would wager that the gentlemen on that side of the aisle would not offer their amendment, because Starrett City works. Starrett City is people of all creeds and all races working together, and it is a beautiful sight. It gives me hope about the future of race relations in America, and Starrett City has been brought about by a program that we are talking about here that the gentleman's amendment would cut out.

I would further add, to underscore the gentleman's point, that the organizations that have fought for racial harmony and racial equality, the NAACP in New York and the various other organizations, have supported what Starrett City is doing. And we find it so ironic that in New York City, where one of the truly integrated neighborhoods that is working, the Justice Department brings a lawsuit against that neighborhood and, not against the areas where there is so much racial discrimination, where blacks and whites do not live together. But the one area where integration is working, where a dream has been realized, the Justice Department is waging a legal assault. I find that amazing. I find it appalling. I find it like taking something that we treasure and outlawing it for some kind of ideological reason.

If this amendment passes it will wipe out the dream of Starrett City, wipe out the dream of so many other places.

I thank the gentleman for yielding and urge my colleagues to think about the day-to-day consequences in urban America of passing this amendment, the day to day consequences of having integrated programs and integrated projects work.

Mr. GEKAS. Mr. Chairman, will the gentleman yield?

Mr. MFUME. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. Mr. Chairman, the gentleman from Maryland has wisely stated that at the very least this amendment offers some controversy enough to warrant further hearings and further consideration. I am wondering whether in the cause of trying to do what is right the gentleman would support a motion to have the Committee rise and then develop a proper, full response to this amendment?

The CHAIRMAN pro tempore. The time of the gentleman from Maryland [Mr. MFUME] has expired.

(On request of Mr. GEKAS and by unanimous consent, Mr. MFUME was allowed to proceed for 1 additional minute.)

Mr. GEKAS. Mr. Chairman, then without doing harm to the general purpose of the fair housing bill and the momentum which has been built on this project, to allow a full-fledged response and hearings or whatever is required to see whether or not this particular amendment would be suitable in the framework of the total legislation.

Would the gentleman from Maryland then vote in favor of a motion to have the Committee rise, then go into the proper mode for having a full hearing on it, and then come back on the floor fully supportive of either position?

Mr. MFUME. I certainly support the hearing aspect of it, and again I want to underscore and underline it because I think it is important. I think, however, getting this bill through the House is equally as important, and I would not be supportive of allowing the Committee to rise, pushing the issue aside and not moving on what we are here to do.

Mr. GEKAS. Will the gentleman yield further?

Mr. MFUME. Yes, go ahead, I yield to the gentleman from Pennsylvania.

Mr. GEKAS. What we are talking about here is fair housing.

The CHAIRMAN pro tempore. The time of the gentleman from Maryland [Mr. MFUME] has again expired.

(On request of Mr. GEKAS and by unanimous consent Mr. MFUME was allowed to proceed for 1 additional minute.)

Mr. GEKAS. Mr. Chairman, the fair housing bill is well greased now. It can be in a matter of moments voted on to final passage. Even though other Members will have amendments which will be defeated, it is going to pass, and it is going to pass fast, and it is going to become law very soon. We will not be doing damage to the movement, to the momentum that has been built up by allowing further consideration of this important amendment which the gentleman himself acknowledges has at least controversial merit about it, to allow for consideration of it and then come back to the floor, and like that, at the snap of your fingers, this would be passed and we will have fully debated one of the great issues evolving out of this fair housing bill.

Mr. MFUME. Let me say I am flattered that the gentleman thinks that my support of such a motion would in fact cause it to carry, and if for that purpose we could reach that agreement I would do that. However, I cannot guarantee that the gentleman's motion will carry. But I appreciate the flattery, and yes, if that is what the gentleman is saying, let us reach an agreement on this issue, I would be more than happy to support the gentleman in that instance.

The CHAIRMAN pro tempore. The time of the gentleman from Maryland [Mr. MFUME] has again expired.

(On request of Mr. FRANK and by unanimous consent, Mr. MFUME was allowed to proceed for 1 additional minute.)

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. MFUME. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, I would say to my friend I understand his feelings, but this bill requires passage here, and under the Constitution passage in the Senate. While it may be that we will within a few hours, after amendments which the gentleman has kindly announced in advance will be offered knowing they will be defeated, get out of here, none of us can control the course of debate in the other body, which means if we were to delay this for 3, 4, or 5 weeks, with the July 4 holiday coming up and the conventions, we would then get in the situation where extended debate could take place in the other body, and we could go for a year without passing the bill.

□ 1715

So the notion that by rising and having a lengthy process of hearing and consideration we would not be slowing the bill down, if it only required passage in the House that would be a different story. But there is, for better or for worse, the Senate and, delaying this by 3 or 4 weeks, given the occasional propensity of the Senate to take longer on the bill than we do, it would be fatal.

The CHAIRMAN pro tempore (Mr. OLIN). The time of the gentleman from Maryland [Mr. MFUME] has again expired.

(By unanimous consent, Mr. MFUME was allowed to proceed for 30 additional seconds.)

Mr. MFUME. Let me just say again to the gentleman from Illinois who offered the amendment, as I said in the preface of my remarks, I appreciate the good will that he has offered it. I appreciate also the good will of the opposition, particularly as noted from my colleague from the State of Michigan.

Mr. Chairman, I would again urge consideration of the request of the NAACP, the Leadership Council on Civil Rights, major labor and religious organizations that in fact we conduct hearings nationwide before moving to a consensus one way or the other on what I consider to be a very important piece of legislation.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Illinois [Mr. HYDE].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. HYDE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 139, noes 265, not voting 27, as follows:

[Roll No. 213]

AYES—139

Archer
Armey
Badham
Baker
Ballenger
Barnard
Bateman
Bereuter
Bilirakis
Bliley
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Byron
Callahan
Coats
Coble
Coleman (MO)
Combest
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
Dornan (CA)
Dreier
Edwards (OK)
Emerson
Fawell
Fields
Florio
Gallegly
Gallo
Gekas
Gingrich
Gradison
Gregg
Hall (TX)
Hammerschmidt
Hansen
Hastert
Hefley
Herger
Hiler
Holloway
Hopkins
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jenkins
Kasich
Konnyu

Kyl
Latta
Leath (TX)
Lent
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McCrery
McEwen
McGrath
McMillan (NC)
Michel
Miller (OH)
Molinari
Montgomery
Moorhead
Nichols
Nielson
Oxley
Packard
Parris
Petri
Porter
Quillen
Regula
Rhodes
Ridge
Ritter
Roberts
Rogers
Roukema
Saxton
Schaefer
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stangeland
Stenholm
Stump
Sundquist
Swindall
Tauke
Taylor
Thomas (GA)
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Whittaker
Wolf
Wortley
Wylie
Young (FL)

NOES—265

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bartlett
Barton
Bates
Beilenson
Bennett
Berman
Bevill
Bilbray
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coyne
Crockett
Darden
Davis (MI)
DeFazio
Dellums
Derrick
Dicks
Dingell
DioGuardi
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Garcia
Gaydos
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Harris
Hatcher
Hawkins
Hayes (LA)
Hefner
Henry
Hertel
Hochbrueckner
Horton
Houghton
Hoyer
Hubbard
Huckaby
Jacobs
Jeffords
Johnson (CT)
Johnson (SD)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
Manton
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McHugh
McMillen (MD)
Meyers
Mfume
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Natcher
Neal
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Price
Pursell
Rahall
Rangel
Ravenel
Richardson
Rinaldo
Robinson
Rodino
Roe
Rose
Rostenkowski
Roth
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schuette
Schumer
Sharp
Shays
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Snowe
Solarz
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (CA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Wheat
Whitten
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)

NOT VOTING—27

Anderson
Bentley
Biaggi
Cheney
de la Garza
Dixon
Gejdenson
Goodling
Hayes (IL)
Jones (TN)
Kemp
Lewis (CA)
Mack
MacKay
Markey
Mica
Moody
Myers
Nagle
Ray
Saiki
Spence
Spratt
St Germain
Sweeney
Weiss
Williams

□ 1736

Messrs. GRANDY, ASPIN, KOLBE, PASHAYAN, YOUNG of Alaska, FLIPPO, and ACKERMAN changed their vote from “aye” to “no.”

Mr. LENT changed his vote from “no” to “aye.”

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. OLIN). Are there further amendments to section 7?

If not, the Clerk will designate section 8.

The text of section 8 is as follows:

SEC. 8. ENFORCEMENT CHANGES.

Title VIII is amended—

(1) by redesignating sections 815 through 819 as sections 816 through 820, respectively; and

(2) by striking out sections 810 through 813 and inserting in lieu thereof the following:

“ADMINISTRATIVE ENFORCEMENT; PRELIMINARY MATTERS

“SEC. 810. (a) COMPLAINTS AND ANSWERS.—(1)(A)(i) An aggrieved person may, not later than one year after an alleged discriminatory housing practice has occurred or terminated, file a complaint with the Secretary alleging such discriminatory housing practice. The Secretary, on the Secretary's own initiative, may also file such a complaint.

“(ii) Such complaints shall be in writing and shall contain such information and be in such form as the Secretary requires.

“(iii) The Secretary may also investigate housing practices to determine whether a complaint should be brought under this section.

“(B) Upon the filing of such a complaint—

“(i) the Secretary shall serve notice upon the aggrieved person acknowledging such filing and advising the aggrieved person of the time limits and choice of forums provided under this title;

“(ii) the Secretary shall, not later than 10 days after such filing or the identification of an additional respondent under paragraph (2), serve on the respondent a notice identifying the alleged discriminatory housing practice and advising such respondent of the procedural rights and obligations of respondents under this title, together with a copy of the original complaint;

“(iii) each respondent may file, not later than 10 days after receipt of notice from the Secretary, an answer to such complaint; and

“(iv) the Secretary shall make an investigation of the alleged discriminatory housing practice and complete such investigation within 100 days after the filing of the complaint (or, when the Secretary takes further action under subsection (f)(2) with respect to a complaint, within 100 days after the commencement of such further action), unless it is impracticable to do so.

“(C) If the Secretary is unable to complete the investigation within 100 days after the filing of the complaint (or, when the Secretary takes further action under subsection (f)(2) with respect to a complaint, within 100 days after the commencement of such further action), the Secretary shall notify the complainant and respondent in writing of the reasons for not doing so.

“(D) Complaints and answers shall be under oath or affirmation, and may be reasonably and fairly amended at any time.

“(2)(A) A person who is not named as a respondent in a complaint, but who is identified as a respondent in the course of investigation, may be joined as an additional or substitute respondent upon written notice, under paragraph (1), to such person, from the Secretary.

“(B) Such notice, in addition to meeting the requirements of paragraph (1), shall explain the basis for the Secretary's belief that the person to whom the notice is addressed is properly joined as a respondent.

“(b) INVESTIGATIVE REPORT AND CONCILIATION.—(1) During the period beginning with the filing of such complaint and ending with the filing of a charge or a dismissal by the Secretary, the Secretary shall, to the extent feasible, engage in conciliation with respect to such complaint.

“(2) A conciliation agreement arising out of such conciliation shall be an agreement between the respondent and the complainant, and shall be subject to approval by the Secretary.

“(3) A conciliation agreement may provide for binding arbitration of the dispute arising from the complaint. Any such arbitration that results from a conciliation agreement may award appropriate relief, including monetary relief.

“(4) Each conciliation agreement shall be made public unless the complainant and respondent otherwise agree and the Secretary determines that disclosure is not required to further the purposes of this title.

“(5)(A) At the end of each investigation under this section, the Secretary shall prepare a final investigative report containing—

“(i) the names and dates of contacts with witnesses;

“(ii) a summary and the dates of correspondence and other contacts with the aggrieved person and the respondent;

“(iii) a summary description of other pertinent records;

“(iv) a summary of witness statements; and

“(v) answers to interrogatories.

“(B) A final report under this paragraph may be amended if additional evidence is later discovered.

“(c) FAILURE TO COMPLY WITH CONCILIATION AGREEMENT.—Whenever the Secretary has

reasonable cause to believe that a respondent has breached a conciliation agreement, the Secretary shall refer the matter to the Attorney General with a recommendation that a civil action be filed under section 814 for the enforcement of such agreement.

"(d) PROHIBITIONS AND REQUIREMENTS WITH RESPECT TO DISCLOSURE OF INFORMATION.—(1) Nothing said or done in the course of conciliation under this title may be made public or used as evidence in a subsequent proceeding under this title without the written consent of the persons concerned.

"(2) Notwithstanding paragraph (1), the Secretary shall make available to the aggrieved person and the respondent, at any time, upon request following completion of the Secretary's investigation, information derived from an investigation and any final investigative report relating to that investigation.

"(e) PROMPT JUDICIAL ACTION.—(1) If the Secretary concludes at any time following the filing of a complaint that prompt judicial action is necessary to carry out the purposes of this title, the Secretary may commence and maintain a civil action for appropriate temporary or preliminary relief pending final disposition of the complaint under this section. The Secretary shall promptly notify the Attorney General of the filing of any action pursuant to this subsection. Any temporary restraining order or other order granting preliminary or temporary relief shall be issued in accordance with the Federal Rules of Civil Procedure. The commencement of a civil action under this subsection does not affect the initiation or continuation of administrative proceedings under this section and section 812 of this title.

"(2) Whenever the Secretary has reason to believe that a basis may exist for the commencement of proceedings against any respondent under sections 814(a) and 814(c) or for proceedings by any governmental licensing or supervisory authorities, the Secretary shall transmit the information upon which such belief is based to the Attorney General, or to such authorities, as the case may be.

"(f) REFERRAL FOR STATE OR LOCAL PROCEEDINGS.—(1) Whenever a complaint alleges a discriminatory housing practice—

"(A) within the jurisdiction of a State or local public agency; and

"(B) as to which such agency has been certified by the Secretary under this subsection;

the Secretary shall refer such complaint to that certified agency before taking any action with respect to such complaint.

"(2) Except with the consent of such certified agency, the Secretary, after that referral is made, shall take no further action with respect to such complaint unless—

"(A) the certified agency has failed to commence proceedings with respect to the complaint before the end of the 30th day after the date of such referral;

"(B) the certified agency, having so commenced such proceedings, fails to carry forward such proceedings with reasonable promptness; or

"(C) the Secretary determines that the certified agency no longer qualifies for certification under this subsection with respect to the relevant jurisdiction.

"(3)(A) The Secretary may certify an agency under this subsection only if the Secretary determines that—

"(i) the substantive rights protected by such agency in the jurisdiction with respect to which certification is to be made;

"(ii) the procedures followed by such agency;

"(iii) the remedies available to such agency; and

"(iv) the availability of judicial review of such agency's action;

are substantially equivalent to those created by and under this title.

"(B) Before making such certification, the Secretary shall take into account the current practices and past performance, if any, of such agency.

"(4) During the period which begins on the date of the enactment of the Fair Housing Amendments Act of 1988 and ends 40 months after such date, each agency certified for the purposes of this title on the day before such date shall for the purposes of this subsection be considered certified under this subsection with respect to those matters for which such agency was certified on that date. If the Secretary determines in an individual case that an agency has not been able to meet the certification requirements within this 40-month period due to exceptional circumstances, such as the infrequency of legislative sessions in that jurisdiction, the Secretary may extend such period by not more than 8 months.

"(5) Not less frequently than every 5 years, the Secretary shall determine whether each agency certified under this subsection continues to qualify for certification. The Secretary shall take appropriate action with respect to any agency not so qualifying.

"(g) REASONABLE CAUSE DETERMINATION AND EFFECT.—(1) The Secretary shall, within 100 days after the filing of the complaint (or, when the Secretary takes further action under subsection (f)(2) with respect to a complaint, within 100 days after the commencement of such further action), determine whether reasonable cause exists to believe that a discriminatory housing practice has occurred or is about to occur, unless it is impracticable to do so, or unless the Secretary has approved a conciliation agreement with respect to the complaint. If the Secretary is unable to make the determination within 100 days after the filing of the complaint (or, when the Secretary takes further action under subsection (f)(2) with respect to a complaint, within 100 days after the commencement of such further action), the Secretary shall notify the complainant and respondent in writing of the reasons for not doing so.

"(2)(A) If the Secretary determines that reasonable cause exists to believe that a discriminatory housing practice has occurred or is about to occur, the Secretary shall, except as provided in subparagraph (C), immediately issue a charge on behalf of the aggrieved person, for further proceedings under section 812.

"(B) Such charge—

"(i) shall consist of a short and plain statement of the facts upon which the Secretary has found reasonable cause to believe that a discriminatory housing practice has occurred or is about to occur;

"(ii) shall be based on the final investigative report; and

"(iii) need not be limited to the facts or grounds alleged in the complaint filed under section 810(a).

"(C) If the Secretary determines that the matter involves the legality of any State or local zoning or other land use law or ordinance, the Secretary shall immediately refer the matter to the Attorney General for appropriate action under section 814, instead of issuing such charge.

"(3) If the Secretary determines that no reasonable cause exists to believe that a discriminatory housing practice has occurred or is about to occur, the Secretary shall promptly dismiss the complaint. The Secretary shall make public disclosure of each such dismissal.

"(4) The Secretary may not issue a charge under this section regarding an alleged discriminatory housing practice after the beginning of the trial of a civil action commenced by the aggrieved party under an Act of Congress or a State law, seeking relief with respect to that discriminatory housing practice.

"SUBPOENAS; GIVING OF EVIDENCE

"SEC. 811. (a) IN GENERAL.—The Secretary may, in accordance with this subsection, issue subpoenas and order discovery in aid of investigations and hearings under this title. Such subpoenas and discovery may be ordered to the same extent and subject to the same limitations as would apply if the subpoenas or discovery were ordered or served in aid of a civil action in the United States district court for the district in which the investigation is taking place.

"(b) WITNESS FEES.—Witnesses summoned by a subpoena under this title shall be entitled to the same witness and mileage fees as witnesses in proceedings in United States district courts. Fees payable to a witness summoned by a subpoena issued at the request of a party shall be paid by that party or, where a party is unable to pay the fees, by the Secretary.

"(c) CRIMINAL PENALTIES.—(1) Any person who willfully fails or neglects to attend and testify or to answer any lawful inquiry or to produce records, documents, or other evidence, if it is in such person's power to do so, in obedience to the subpoena or other lawful order under subsection (a), shall be fined not more than $100,000 or imprisoned not more than one year, or both.

"(2) Any person who, with intent thereby to mislead another person in any proceeding under this title—

"(A) makes or causes to be made any false entry or statement of fact in any report, account, record, or other document produced pursuant to subpoena or other lawful order under subsection (a);

"(B) willfully neglects or fails to make or to cause to be made full, true, and correct entries in such reports, accounts, records, or other documents; or

"(C) willfully mutilates, alters, or by any other means falsifies any documentary evidence;

shall be fined not more than $100,000 or imprisoned not more than one year, or both.

"ADMINISTRATIVE ENFORCEMENT; HEARING PROCESS

"SEC. 812. (a) CONDUCT OF HEARING.—An administrative law judge appointed under section 3105 of title 5, United States Code, shall conduct a hearing on the record with respect to a charge issued under section 810 of this title.

"(b) SERVICE OF COPIES OF CHARGE.—After the Secretary issues a charge under section 810, the Secretary shall cause a copy thereof to be served—

"(1) on each respondent named in such charge, together with a notice of opportunity for a hearing on the record at a place (in the vicinity in which the discriminatory housing practice is alleged to have occurred or to be about to occur) and at a time (not less than 30 days after the service of such charge) specified in such notice; and

"(2) on each aggrieved person.

"(c) RIGHTS OF PARTIES.—At a hearing under this section, each party may appear in person, be represented by counsel, present

evidence, cross-examine witnesses, and obtain the issuance of subpoenas under section 811. Any aggrieved person may intervene as a party in the proceeding. The Federal Rules of Evidence apply to the presentation of evidence in such hearing as they would in a civil action in a United States district court.

"(d) EXPEDITED DISCOVERY AND HEARING.—(1) Discovery in administrative proceedings under this section shall be conducted as expeditiously and inexpensively as possible, consistent with the need of all parties to obtain relevant evidence.

"(2) A hearing under this section shall be conducted as expeditiously and inexpensively as possible, consistent with the needs and rights of the parties to obtain a fair hearing and a complete record.

"(3) The Secretary shall, not later than 180 days after the date of enactment of this subsection, issue rules to implement this subsection.

"(e) RESOLUTION OF CHARGE.—Any resolution of a charge before a final order under this section shall require the consent of the aggrieved person on whose behalf the charge is issued.

"(f) EFFECT OF TRIAL OF CIVIL ACTION ON ADMINISTRATIVE PROCEEDINGS.—An administrative law judge may not continue administrative proceedings under this section regarding any alleged discriminatory housing practice after the beginning of the trial of a civil action commenced by the aggrieved party under an Act of Congress or a State law, seeking relief with respect to that discriminatory housing practice.

"(g) HEARINGS, FINDINGS AND CONCLUSIONS, AND ORDER.—(1) The administrative law judge shall commence the hearing under this section no later than 120 days following the issuance of the charge, unless it is impracticable to do so. If the administrative law judge is unable to commence the hearing within 120 days after the issuance of the charge, the administrative law judge shall notify the Secretary, the aggrieved person on whose behalf the charge was filed, and the respondent, in writing of the reasons for not doing so.

"(2) The administrative law judge shall make findings of fact and conclusions of law within 60 days after the end of the hearing under this section, unless it is impracticable to do so. If the administrative law judge is unable to make findings of fact and conclusions of law within such period, or any succeeding 60-day period thereafter, the administrative law judge shall notify the Secretary, the aggrieved person on whose behalf the charge was filed, and the respondent, in writing of the reasons for not doing so.

"(3) If the administrative law judge finds that a respondent has engaged or is about to engage in a discriminatory housing practice, such administrative law judge shall promptly issue an order for such relief as may be appropriate, which may include actual damages suffered by the aggrieved person and injunctive or other equitable relief. Such order may, to vindicate the public interest, assess a civil penalty against the respondent—

"(A) in an amount not exceeding $10,000 if the respondent has not been adjudged to have committed any prior discriminatory housing practice;

"(B) in an amount not exceeding $25,000 if the respondent has been adjudged to have committed one other discriminatory housing practice during the 5-year period ending on the date of the filing of this charge; and

"(C) in an amount not exceeding $50,000 if the respondent has been adjudged to have committed 2 or more discriminatory housing practices during the 7-year period ending on the date of the filing of this charge;

except that if the acts constituting the discriminatory housing practice that is the object of the charge are committed by the same natural person who has been previously adjudged to have committed acts constituting a discriminatory housing practice, then the civil penalties set forth in subparagraphs (B) and (C) may be imposed without regard to the period of time within which any subsequent discriminatory housing practice occurred.

"(4) No such order shall affect any contract, sale, encumbrance, or lease consummated before the issuance of such order and involving a bona fide purchaser, encumbrancer, or tenant without actual notice of the charge filed under this title.

"(5) In the case of an order with respect to a discriminatory housing practice that occurred in the course of a business subject to a licensing or regulation by a governmental agency, the Secretary shall, not later than 30 days after the date of the issuance of such order (or, if such order is judicially reviewed, 30 days after such order is in substance affirmed upon such review)—

"(A) send copies of the findings of fact, conclusions of law, and the order, to that governmental agency; and

"(B) recommend to that governmental agency appropriate disciplinary action (including, where appropriate, the suspension or revocation of the license of the respondent).

"(6) In the case of an order against a respondent against whom another order was issued within the preceding 5 years under this section, the Secretary shall send a copy of each such order to the Attorney General.

"(7) If the administrative law judge finds that the respondent has not engaged or is not about to engage in a discriminatory housing practice, as the case may be, such administrative law judge shall enter an order dismissing the charge. The Secretary shall make public disclosure of each such dismissal.

"(h) SERVICE OF FINDINGS AND CONCLUSIONS AND ORDER.—The Secretary shall cause the findings of fact and conclusions of law made with respect to an order issued under subsection (g), together with a copy of such order, to be served on each aggrieved person and each respondent in the proceeding.

"(i) FINALITY OF ORDER; REVIEW.—(1) An order of the administrative law judge is the final order for purposes of judicial review under this title.

"(2)(A) Any party aggrieved by an order of the administrative law judge granting or denying in whole or in part the relief sought may obtain a review of such order under chapter 158 of title 28, United States Code.

"(B) Notwithstanding such chapter, venue of the proceeding shall be in the judicial circuit in which the discriminatory housing practice is alleged to have occurred, and filing of the petition for review shall be not later than 30 days after the order is entered.

"(j) COURT ENFORCEMENT OF ADMINISTRATIVE ORDER UPON PETITION BY SECRETARY.—(1) The Secretary may petition any United States court of appeals for the circuit in which the discriminatory housing practice is alleged to have occurred or in which any respondent resides or transacts business for the enforcement of the order of the administrative law judge and for appropriate temporary relief or restraining order, by filing in such court a written petition praying that such order be enforced and for appropriate temporary relief or restraining order.

"(2) The Secretary shall file in court with the petition the record in the proceeding. A copy of such petition shall be forthwith transmitted by the clerk of the court to the parties to the proceeding before the administrative law judge.

"(k) RELIEF WHICH MAY BE GRANTED.—(1) Upon the filing of a petition under subsection (i) or (j), the court may—

"(A) grant to the petitioner, or any other party, such temporary relief, restraining order, or other order as the court deems just and proper;

"(B) affirm, modify, or set aside, in whole or in part, the order, or remand the order for further proceedings; and

"(C) enforce such order to the extent that such order is affirmed or modified.

"(2) Any party to the proceeding before the administrative law judge may intervene in the court of appeals.

"(3) No objection not made before the administrative law judge shall be considered by the court, unless the failure or neglect to urge such objection is excused because of extraordinary circumstances.

"(l) ENFORCEMENT DECREE IN ABSENCE OF PETITION FOR REVIEW.—If no petition for review is filed under subsection (i) before the expiration of 45 days after the date the administrative law judge's order is entered, the administrative law judge's findings of fact and order shall be conclusive in connection with any petition for enforcement—

"(1) which is filed by the Secretary under subsection (j) after the end of such day; or

"(2) under subsection (m).

"(m) COURT ENFORCEMENT OF ADMINISTRATIVE ORDER UPON PETITION OF ANY PERSON ENTITLED TO RELIEF.—If before the expiration of 60 days after the date the administrative law judge's order is entered, no petition for review has been filed under subsection (i), and the Secretary has not sought enforcement of the order under subsection (j), any person entitled to relief under the order may petition for a decree enforcing the order in the United States court of appeals for the circuit in which the discriminatory housing practice is alleged to have occurred.

"(n) ENTRY OF DECREE.—The clerk of the court of appeals in which a petition for enforcement is filed under subsection (l) or (m) shall forthwith enter a decree enforcing the order and shall transmit a copy of such decree to the Secretary, the respondent named in the petition, and to any other parties to the proceeding before the administrative law judge.

"(o) ATTORNEY'S FEES.—In any administrative proceeding brought under this section, or any court proceeding arising therefrom, the administrative law judge or the court, as the case may be, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorney's fee and costs. The United States shall be liable for such fees and costs to the extent provided by section 504 of title 5, United States Code, or by section 2412 of title 28, United States Code.

"ENFORCEMENT BY PRIVATE PERSONS

"SEC. 813. (a) CIVIL ACTION.—(1)(A) An aggrieved person may commence a civil action in an appropriate United States district court or State court not later than 2 years after the occurrence or the termination of an alleged discriminatory housing practice, or the breach of a conciliation agreement entered into under this title, whichever

occurs last, to obtain appropriate relief with respect to such discriminatory housing practice or breach.

"(B) The computation of such 2-year period shall not include any time during which an administrative proceeding under this title was pending with respect to a complaint or charge under this title based upon such discriminatory housing practice. This subparagraph does not apply to actions arising from a breach of a conciliation agreement.

"(2) An aggrieved person may commence a civil action under this subsection whether or not a complaint has been filed under section 810(a) and without regard to the status of any such complaint, but if the Secretary or a State or local agency has obtained a conciliation agreement with the consent of an aggrieved person, no action may be filed under this subsection by such aggrieved person with respect to the alleged discriminatory housing practice which forms the basis for such complaint except for the purpose of enforcing the terms of such an agreement.

"(3) An aggrieved person may not commence a civil action under this subsection with respect to an alleged discriminatory housing practice which forms the basis of a charge issued by the Secretary if an administrative law judge has commenced a hearing on the record under this title with respect to such charge.

"(b) APPOINTMENT OF ATTORNEY BY COURT.—Upon application by a person alleging a discriminatory housing practice or a person against whom such a practice is alleged, the court may—

"(1) appoint an attorney for such person; or

"(2) authorize the commencement or continuation of a civil action under subsection (a) without the payment of fees, costs, or security, if in the opinion of the court such person is financially unable to bear the costs of such action.

"(c) RELIEF WHICH MAY BE GRANTED.—(1) In a civil action under subsection (a), if the court finds that a discriminatory housing practice has occurred or is about to occur, the court may award to the plaintiff actual and punitive damages, and subject to subsection (d), may grant as relief, as the court deems appropriate, any permanent or temporary injunction, temporary restraining order, or other order (including an order enjoining the defendant from engaging in such practice or ordering such affirmative action as may be appropriate).

"(2) In a civil action under subsection (a), the court, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorney's fee and costs. The United States shall be liable for such fees and costs to the same extent as a private person.

"(d) EFFECT ON CERTAIN SALES, ENCUMBRANCES, AND RENTALS.—Relief granted under this section shall not affect any contract, sale, encumbrance, or lease consummated before the granting of such relief and involving a bona fide purchaser, encumbrancer, or tenant, without actual notice of the filing of a complaint with the Secretary or civil action under this title.

"(e) INTERVENTION BY ATTORNEY GENERAL.—Upon timely application, the Attorney General may intervene in such civil action, if the Attorney General certifies that the case is of general public importance. Upon such intervention the Attorney General may obtain such relief as would be available to the Attorney General under section 814(e) in a civil action to which such section applies.

"ENFORCEMENT BY THE ATTORNEY GENERAL

"SEC. 814. (a) PATTERN OR PRACTICE CASES.—Whenever the Attorney General has reasonable cause to believe that any person or group of persons is engaged in a pattern or practice of resistance to the full enjoyment of any of the rights granted by this title, or that any group of persons has been denied any of the rights granted by this title and such denial raises an issue of general public importance, the Attorney General may commence a civil action in any appropriate United States district court.

"(b) ON REFERRAL OF DISCRIMINATORY HOUSING PRACTICE OR CONCILIATION AGREEMENT FOR ENFORCEMENT.—(1)(A) The Attorney General may commence a civil action in any appropriate United States district court for appropriate relief with respect to a discriminatory housing practice referred to the Attorney General by the Secretary under section 810(g).

"(B) A civil action under this paragraph may be commenced not later than the expiration of 18 months after the date of the occurrence or the termination of the alleged discriminatory housing practice.

"(2)(A) The Attorney General may commence a civil action in any appropriate United States district court for appropriate relief with respect to breach of a conciliation agreement referred to the Attorney General by the Secretary under section 810(c).

"(B) A civil action may be commenced under this paragraph not later than the expiration of 90 days after the referral of the alleged breach under section 810(c).

"(c) ENFORCEMENT OF SUBPOENAS.—The Attorney General, on behalf of the Secretary, or other party at whose request a subpoena is issued, under this title, may enforce such subpoena in appropriate proceedings in the United States district court for the district in which the person to whom the subpoena was addressed resides, was served, or transacts business.

"(d) RELIEF WHICH MAY BE GRANTED IN CIVIL ACTIONS UNDER SUBSECTIONS (a) AND (b).—(1) In a civil action under subsection (a) or (b), the court—

"(A) may award such preventive relief, including a permanent or temporary injunction, restraining order, or other order against the person responsible for a violation of this title as is necessary to assure the full enjoyment of the rights granted by this title;

"(B) may award such other relief as the court deems appropriate, including monetary damages to persons aggrieved; and

"(C) may, to vindicate the public interest, assess a civil penalty against the respondent—

"(i) in an amount not exceeding $50,000, for a first violation; and

"(ii) in an amount not exceeding $100,000, for any subsequent violation.

"(2) In a civil action under this section, the court, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorney's fee and costs. The United States shall be liable for such fees and costs to the extent provided by section 2412 of title 28, United States Code.

"(e) INTERVENTION IN CIVIL ACTIONS.—Upon timely application, any person may intervene in a civil action commenced by the Attorney General under subsection (a) or (b) which involves an alleged discriminatory housing practice with respect to which such person is an aggrieved person or a conciliation agreement to which such person is a party. The court may grant such appropriate relief to any such intervening party as is authorized to be granted to a plaintiff in a civil action under section 813.

"RULES TO IMPLEMENT TITLE

"SEC. 815. The Secretary may make rules (including rules for the collection, maintenance, and analysis of appropriate data) to carry out this title. The Secretary shall give public notice and opportunity for comment with respect to all rules made under this section.".

Mr. SCHEUER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we have had a very spirited debate on the last amendment, and that controversy and that sense of spirit have impregnated the debate on fair housing for the last 25 years.

I hold a picture in my hand that dates back to almost the beginning of the fight for fair housing. I do not know if the cameras can zoom in this close. This picture which I hold in my hand is of an historic event that took place 25 years ago this month. It is a picture of a group at the Civil Rights Leadership Conference gathered in the Rose Garden of the White House.

Some of the people in this picture are: Vice President Lyndon Johnson, Attorney General Robert Kennedy, Martin Luther King. Jim Farmer, the head of CORE, the president of the National Council of Jewish Women, the head of SNICK at that time, a young Atlantan by the name of JOHN LEWIS, and standing right next to JOHN LEWIS, is a young housing developer and one of the leaders of the National Committee Against Discrimination in Housing, JIM SCHEUER, a New York developer.

JOHN and I have worked actively in the civil rights battle ever since. We are both proud to have been in on the beginning. I honor the role that JOHN LEWIS has played.

Both JOHN LEWIS and I have a sense of deep satisfaction in what we are doing today. We came from a very uncertain start back in June 1963. We were all convened in the Rose Garden of the White House to get President Kennedy to sign an Executive order prohibiting discrimination in housing, to reach that goal with a so-called single stroke of the pen. But there were problems. There were political problems and there were other problems, and it did not get signed.

The progress since then has been difficult. It has been controversial; it has been emotion laden. Just as the debate was this afternoon, it has been episodic, and it has been incremental. We have taken two steps forward and one step back. But here 25 years later, we have arrived at a very beautiful point in time.

This is a great, fine bill, embodying the best in America. It provides the opportunity to go to an administrative judge or to a Federal district court judge and get a real result. It is decent, it is fair, and it is in the best traditions of America.

Mr. Chairman, I am proud to have played a minor role over these 25 years, and I know my colleague, the gentleman from Georgia, who was there at the beginning, is proud of his role, a very major role.

Mr. LEWIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. SCHEUER. I yield to my colleague, the gentleman from Georgia, with great pleasure and great pride.

Mr. LEWIS of Georgia. Mr. Chairman, I want to thank my good friend, the gentleman from New York, for yielding. I also want to take this opportunity to thank the gentleman from California [Mr. Edwards] and the gentleman from New York [Mr. Fish] for bringing this bill before us.

Mr. Chairman, during the past few years we have strived to create an open society, and we have made great strides toward the realization of this dream. The legislation we are considering today breaks another link in the chains that have bound our society to the ravages of discrimination. I am very proud to be associated with this legislation.

□ 1745

Today we are considering a fair housing measure which not only protects our Nation's minorities, but it protects the needs of those with disabilities and families with children.

Mr. Chairman, at this point I would like to say just a few words about my colleague from New York. He was with the civil rights movement in 1963 when we visited the White House to urge President Kennedy to issue an Executive order banning discrimination in public housing and other Federal housing programs. He was there during the signing of the Fair Housing Act in 1968. He not only talks, but he is a man of action, and I commend him for his efforts over the years.

(By unanimous consent, Mr. Scheuer was allowed to proceed for 2 additional minutes.)

Mr. LEWIS of Georgia. The most visible signs of racial discrimination are no longer with us. In the past 25 years we have witnessed a nonviolent revolution, not just the removal of racial barriers, but a revolution of values and a revolution of ideas. The face of this Nation has been changed forever.

Mr. Chairman, what we do here today with the passage of this measure will be a significant step on the long and continuous journey on the road to an open society. With the passage of this measure we are saying to the American people that we must look out for the common good, that we are one people, one Nation, one community, one house, the American house.

Mr. Chairman, I want to thank the gentleman from New York [Mr. Scheuer], my good friend, for yielding this time to me.

Mr. SCHEUER. Mr. Chairman, I yield to the gentleman from California [Mr. Edwards].

Mr. EDWARDS of California. Mr. Chairman, I thank the gentleman from New York [Mr. Scheuer] for yielding this time to me, and I want to say how honored we are today to have the two gladiators from the sixties, the gentleman from New York [Mr. Scheuer] and the gentleman from Georgia [Mr. Lewis], and it is very appropriate that they are here today because this is the first major civil rights bill in many a year, and it is a fine bill.

Mr. Chairman, I know when this day ends in 1, 2, 3, 4 hours; we do not know yet, it will be a bright day and a grand day for this House of Representatives.

Mr. SCHEUER. Mr. Chairman, I thank the gentleman from California [Mr. Edwards]. I want to express my sense of admiration and affection for the gentleman for the outstanding leadership role he has played in the civil rights field for a quarter of the century that he has been here, and I congratulate him for this remarkable achievement that we are about to vote on today, and I congratulate the gentleman from New York [Mr. Fish] for his equally stellar role.

Mr. Chairman, I think America can be proud of two such exemplary exponents of everything good that we stand for, Republican and Democrat, standing together giving marvelous leadership to this cause.

The CHAIRMAN pro tempore. (Mr. Olin). The Committee will rise informally to receive a message.

□ 1748

FURTHER MESSAGE FROM THE SENATE

The SPEAKER pro tempore (Mr. Murtha) assumed the chair.

The SPEAKER pro tempore. The Chair will receive a message.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed a bill and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 2344. An act to provide for the reauthorization of appropriations for the Office of Government Ethics, and for other purposes; and

S. Con. Res. 130. Concurrent resolution providing for a conditional adjournment of the House from June 30, 1988, until July 6, 1988, and a conditional recess or adjournment of the Senate from June 29, 1988, until July 6, 1988.

The SPEAKER pro tempore. The Committee will resume its sitting.

FAIR HOUSING AMENDMENTS ACT OF 1988

The Committee resumed its sitting.

AMENDMENT OFFERED BY MR. GEKAS

Mr. GEKAS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Gekas: On page 19, line 7, strike out "may commence" and all that follows through "subsection" in line 11, and insert in lieu thereof the following: "shall refer the matter to the Attorney General with a request that a civil action be commenced under section 814(b)".

On page 37, line 12, after "section" insert "810(e) or".

Mr. GEKAS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GEKAS. Mr. Chairman, the sole purpose of this amendment is to attempt to retain with the Justice Department jurisdiction in a very narrow vein of the prompt judicial action that is called for by one of the sections, E, under the prohibitions or requirements with respect to disclosure and prompt judicial action. The compromise that was reached and accepted by both sides in this controversy I know have agreed to certain allocations of the jurisdiction to hear cases to the HUD or the HUD portion of the total enforcement process. My amendment simply would allow for that single purpose of the prompt judicial action that is required on an individual's complaint to have the Secretary of HUD simply transfer that to the Attorney General, to the Justice Department.

Why?

This would permit the body of law that has arisen over the years within the Justice Department the precedents, the case law, to be applied with these new cases with that body of precedents that would allow expectable and predictable action on the part of the Attorney General. This would go a long way in getting defendants in potential cases to come to the point where they would enter into a consent order because they would know the body of law that is predictable and already embodied in the Attorney General's files, as it were, would give them a reason to feel that their case has no merit or has such little merit that a consent order would be in order.

Mr. Chairman, for those and many other reasons we believe that this part of whatever compromise was reached is not touched by what I am trying to do. This is only for those individual complaints that go directly to the Secretary that require prompt judicial action which under the bill now would go to the HUD structure. We want to put it back into the Justice Department where the expertise already lies.

Mr. EDWARDS of California. Mr. Chairman, I rise in opposition to the amendment.

This bill, Mr. Chairman, reflects most of the negotiations and compromise. The Fish amendment was adopted by a vote of 401 to 0. The Fish amendment restructured the enforcement provision to provide both an administrative process or access to a Federal jury trial for either party to a housing discrimination complaint. In every instance the case would be brought and maintained by HUD attorneys. The Fish package put litigation authority in HUD where it belongs.

The Gekas amendment, Mr. Chairman, would create additional, rather than fewer, distinctions in Federal agency responsibilities between HUD and the Department of Justice in the litigation of fair housing cases. The Gekas amendment would transfer litigation authority to the Department of Justice in cases where prompt judicial action is necessary. And the gentleman from Pennsylvania [Mr. Gekas] notes litigation authority would remain with HUD when an election is made to go to the Federal court under the Fish amendment. The Gekas amendment would unwisely divide the responsibility between the two departments for handling preliminary matters and court cases transferring prompt judicial action litigation authority to the Department of Justice, while keeping court litigation authority in HUD would defeat consistency and would hamper the development of an effective body of total litigation expertise within HUD.

Mr. Chairman, the jurisdiction belongs in HUD. The responsibility belongs to HUD. They have the expertise. Let us keep it there and defeat the amendment.

Mr. GEKAS. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. Mr. Chairman, the gentleman from California [Mr. Edwards] makes mention of the fact that my amendment would divide the authority. Does the gentleman insist that the language, as he contemplates in this bill now, also draws from the Attorney General the authority to act on pattern cases?

Mr. EDWARDS of California. Yes.

Mr. GEKAS. It does?

Does the gentleman mean that the pattern cases do not remain?

Mr. EDWARDS of California. Mr. Chairman, we do not change the law that authorizes and asks the Attorney General to intervene and to bring suit where a pattern or practice of discrimination is alleged.

Mr. GEKAS. So that has remained the same; is that correct?

Mr. EDWARDS of California. Mr. Chairman, we did not change that.

Mr. GEKAS. Mr. Chairman, therefore it is divided under what the committee has decided not to do. That is it decided not to withdraw from the Attorney General the authority to seek jurisdiction and to gain jurisdiction over pattern cases that the gentleman from California [Mr. Edwards] has agreed by the answer that it is already divided.

All we are asking is that the pattern cases be supplemented by the authority of the Justice Department and in individual complaint cases where prompt judicial action is required so that it is not an argument against the Gekas amendment to say that this divides the authority. The authority is already divided, and the committee never took one step to withdraw from the Attorney General already existing jurisdiction and pattern cases.

So, no matter what the position of the gentleman from California [Mr. Edwards] might be, I want the record to be clear that my amendment does not create a division of authority. It simply bolsters the ability of the Justice Department to use its case law authority and precedent to wiser use in individual complaint cases.

Mr. EDWARDS of California. Mr. Chairman, the gentleman from Pennsylvania [Mr. Gekas] is talking about a different type of case. What the amendment offered by Mr. Gekas would do would bifurcate individual cases. We want them to remain where HUD is in charge.

Mr. SENSENBRENNER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. This amendment does violate the agreement that was reached relative to the enforcement of the fair housing complaints that were adopted by a vote of 401 to 0 last week.

But, Mr. Chairman, even if it did not violate the agreement, I think that it is bad policy because all the gentleman for Pennsylvania's amendment does is to strikes out the authority of the Secretary of HUD to commence and maintain a civil action for appropriate temporary or preliminary relief pending final dispositon of the complaint under the section that is referred to. That would mean that under the amendment of the gentleman from Pennsylvania [Mr. Gekas] that the Secretary of HUD could file a fair housing complaint against someone who was alleged to have committed a discriminatory practice. If the Secretary of HUD decided that he needs an injunction to keep the property off the market pending disposition of the complaint, then the matter has got to go over to the Justice Department, and the Justice Department bureaucracy has got to get its act together, and go into court, and by the time they could go into court I could submit that the house probably would be sold or the apartment would be rented, and as a result of that there really would not be any relief that would be appropriate.

□ 1800

But even if the relief was appropriate and the Justice Department was successful in getting an injunction, then under the amendment offered by the gentleman from Pennsylvania it is required to go back to HUD for the conciliation procedure and if by consent of the parties the administrative law judge ends up adjudicating the case, then it stays in HUD.

This is nothing but a mishmash that will get the wheels to fall off adequate enforcement of fair housing complaints when an injunction is necessary and it should be defeated for that reason.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. SENSENBRENNER. I yield to the gentleman from New York.

Mr. FISH. Mr. Chairman, I want to congratulate the gentleman for a remarkably clear, succinct and understandable analysis of this amendment and the mischief it would cause. I hope everybody now understands where we are and that we can put this issue to rest and turn back this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. Gekas].

The amendment was rejected.

AMENDMENT OFFERED BY MR. SENSENBRENNER

Mr. SENSENBRENNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Sensenbrenner: On page 28, line 12, delete "$10,000" and insert in lieu thereof "$2500".

On page 28, line 15, delete "$25,000" and insert in lieu thereof "$5000".

On page 28, line 20, delete "$50,000" and insert in lieu thereof "$10,000".

Mr. SENSENBRENNER (during the reading). Mr. Chairman. I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Mr. Chairman, I offer an amendment that strengthens conciliation of fair housing complaints.

H.R. 1158 makes a major change to the 1968 Fair Housing Act by providing that administrative law judges can assess fines in fair housing cases brought by the Secretary of HUD on behalf of an aggrieved party. Fines for conviction under the new fair housing law are far too high. For the first offense, a fine of up to $10,000 is allowed; for the second offense, a fine of up to $25,000; and for each subsequent offense within a 7-year period, a fine of up to $50,000.

This fine structure is flat out corporate capital punishment. For many landlords and realtors, these fines could put them out of business. We are dealing with first-time fines of up to $10,000. Do we really want to hit Mary Jane Realtor with a $10,000 fine because she failed to show the same apartments to different testers? Do we really want to put small business folks out of business on an initial violation? I think not.

In addition, it was clear at the committee level that the violations accrue to the real estate license holder, not necessarily the person who commits the violation. For example, the violations of each associate in a firm would accrue to the license holder. Do we want to subject the license holder to $25,000 and $50,000 fines because of initial violations of different associations, even associates in different offices?

This cumulative fine structure to a license holder means that a salesperson with no prior record can be fined $50,000 for a technical violation of the law if two other salespeople in different offices in the same firm have been convicted previously. That flat out is overkill.

The fines thus create an incentive for complainants not to settle cases where they agree to the entry of kind of a consent decree, but to litigate at Federal taxpayer expense to seek retribution against realtors and landlords.

The fines would also create a legal atmosphere where practicing lawyers advising the real estate industry would be loathe to recommend that their clients settle for fear of confiscatory fines for subsequent violations. Many of the cases are now settled for their nuisance value because it does not cost enough to justify the litigation; however, they may not settle if they know that the mere fact that they settled, and the mere fact that they conciliated would be considered as indicating a violation or the existence of a pattern or practice, thus generating large fines. This is something which is very much counterproductive to the objectives of this bill.

I offer an amendment to make the fines more fair and realistic. Under my amendment, the fines would be as follows: For the first offense, the fine would be up to $2,500; for the second offense, up to $5,000; and for each subsequent offense within a 7-year period, a fine of up to $10,000.

I would point out that in the 1980 law which passed the House of Representatives with the strong support of my colleague, the gentleman from California, the gentleman from Michigan, and others, the maximum fine in that bill was $10,000.

What this amendment does is reduces that, but it continues the cumulative effect of the fine that is contained in this year's bill.

Mr. Chairman, I urge support for my amendment for a fair and more realistic fine structure that will mean that more of these cases will be conciliated, fewer of these cases will be litigated, and I think that we would see a more realistic approach to the enforcement of this bill on the part of attorneys both for the Government, as well as those advising the real estate industry.

Mr. FISH. Mr. Chairman, I rise to oppose the amendment.

Mr. Chairman, I appreciate my colleague, the gentleman from Wisconsin, addressing the question of the fines and penalties in this legislation. They are significant figures.

My reason for rising in opposition to the gentleman reducing those is that the very people involved in this process have no objection to the present structure.

We started off with one set of fines in the bill and during the committee deliberations they were reduced by the gentleman from Florida and scaled down. This was actually over the objections of the Department of Housing and Urban Development.

I have a letter signed by Secretary Samuel R. Pierce, dated June 21, in which he refers to the plan of the gentleman from Wisconsin to introduce an amendment to reduce the amount that an administrative law judge can be empowered to assess as a civil penalty, and I quote:

> I would strongly oppose such an amendment. It is vital that the Fair Housing Amendments Act contain the promise of stiff penalties for those who violate the law.

Now, the other group that you would think would be quite concerned over the size of these penalties would be the realtors. I am happy to say that the realtors support the bill as we have brought it to the floor. They are not urging the adoption of any amendments to this legislation at this time, including this one, that goes directly to fines that can be assessed against them.

So in other words, the Cabinet officer empowered to enforce the provisions of this bill, the HUD Secretary has been concerned from the start about fines that would discourage discrimination. Secretary Pierce was involved in negotiations in the three Congresses to bring us to this day and he strongly feels that the fines in their present form are necessary. Again, the very people who are potentially most affected by them are not objecting.

One further thought and that is, Mr. Chairman, and then I will stop, the tougher and higher fines actually would encourage early settlement of cases. As we know, in H.R. 1158 during the first 100 days, the Secretary of HUD will endeavor to bring the case to a resolution through conciliation or arbitration. The more success we have in that process—then the fewer cases would go to Federal court or before an administrative law judge.

So for those reasons, Mr. Chairman, I do urge a "no" vote, with all due respect to my colleague, the gentleman from Wisconsin.

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

Mr. FISH. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. Mr. Chairman, the gentleman from Wisconsin is not opposed to stiff fines for people who are convicted of violating the fair housing law. Had the feature of the cumulative effect accruing to the license holder not been in this bill, I would stongly support the fine structure that is contained in the committee reported bill; but what we are doing is that someone who is prosecuted for a first violation might be subjected to the fines at the third violation and subsequent violation because other people who work for the same license holder have been convicted of a fair housing law violation. I think that this is the feature of the bill that is going to cause lawyers who represent people who are accused of fair housing violations to litigate everything.

When I graduated from law school and started practicing law, the State of Wisconsin had a mandatory 1-year driver's license revocation for anybody who was convicted of driving while intoxicated. Anybody who represented a client who was accused of DWI because of that high and Draconian penalty automatically asked for a jury trial in court and made the plea to the jury that "there but for the grace of God go you, Mr. or Ms. Juror," and a fair number of people got off because of hung juries or because of a finding of innocence.

But the sum and substance of the high penalties or potential penalties was that the courts got clogged up and people who were accused of drunken driving sometimes had to wait a year or two to get their jury trials even in very, very small counties in Wisconsin.

So, the legislature with that kind of a track record was convinced to reduce the penalty, and we now have fewer cases going to trial, more people pleading no contest to drunken driving and going into a group dynamics course, which is to try to show them the consequences of the act of driving while intoxicated.

The CHAIRMAN pro tempore (Mr. OLIN). The time of the gentleman from New York [Mr. Fish] has expired.

(At the request of Mr. Sensenbrenner, and by unanimous consent, Mr. Fish was allowed to proceed for 2 additional minutes.)

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield further?

Mr. FISH. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. I am afraid, Mr. Chairman, that with the Draconian penalties that are contained in this bill what happened in Wisconsin when we had near capital punishment for drivers who were picked up for drunken driving is going to happen here and you are going to see people litigating every single complaint and that is going to clog the system down and we are not going to be able to accomplish the justice that is required.

Now, by having the penalties accrue to the license holder at a lower level, we are still going to be able to get at firms that do not adequately train their salespeople and do what the law requires them to do, but at the same time we are not going to be able to sock a $50,000 fine to someone who has done a technical violation of the law simply because two other people within the same license holder's shop have been convicted previously.

Mr. SMITH of Florida. Mr. Chairman, I move to strike the last word and I rise in opposition to the amendment.

Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from Wisconsin and, frankly, I am a little surprised that he would even offer this. The gentleman was well aware of the debate carried on in the Judiciary Committee at the time it was originally considered. The gentleman is well aware now that this bill is a significant well-crafted and generally agreed upon product.

This is not a bill that is the subject of significant debate any longer. This is a breakthrough. This is a real vital contribution made by almost every side to an issue that has been significantly contentious for 20 years.

The fine structure was higher. At the time that the Judiciary Committee considered this bill, it frankly was not agreed to by all parties and was not the beloved child of everyone interested in this issue; but the fine structure appeared to me to be significantly and onerously high and did not take into account the real fact of the real world.

The license holder ultimately is the responsible party, that is the realtor. It is not the salesman, but the broker.

Well, in many places in this country realtors' offices have 10, 15, or 20 people at any given time who hang their salesman's license in what in some places they call realtor associates in that office. They have gone through a course. They have got to pass a State test, in most States, I would hope in all States, and those people understand what they should and should not do, can or cannot do with reference to the question of discrimination in housing; however, there are times, we know it because that is one of the reasons we have a fair housing law to begin with, when people violate those laws and violate the moral principles.

Now, at any given time within say a 10-year period you could have 400 or 500 people come in and out of that broker's shop, the realtor's office. We want to make sure that we do not have a confiscatory schedule of fines because out of those 400 or 500 people one or two did the wrong thing.

By the same token, you do not want to reward what might be a pattern and practice in that office with a fine structure so small that the realtor finds it is more economically feasible to continue the discrimination practice and pay the fine that the court added than to be caught and have to discontinue.

So, we settled on what we thought was an appropriate structure, signed off by everybody who was involved in this, obviously except the gentleman from Wisconsin [Mr. Sensenbrenner].

Now, there is an amendment on a bill which is fully agreed to, which the realtors have agreed to, which HUD agreed to, which the Civil Rights groups agreed to, which all the parties over the years who have been fighting each other, not being able to agree, have come to agree to.

I would suggest that lowering these fines, which this amendment does, from first offense $10,000 to $2,500; second offense, from $25,000 to $5,000; and third offense, from $50,000 to $10,000, violates the kind of crafted agreement we tried to make, and further violates the spirit of what we are attempting to do, and that is to ensure compliance with the terms of it so we do not have to fine people, so that the salesmen would be instructed by brokers as to what the right thing is to do, so that there would not be any question that a person who violates this more than once in his office through the agency process, because he or she as the broker is reliable, is going to watch what goes on in that office and not condone any kind of discriminatory practice.

This violates the agreement. It violates the crafting, and further, it almost says to would-be violators, "Go ahead. You can afford 10 grand over a 3-year period. What does it mean to you?"

The CHAIRMAN. The time of the gentleman from Florida [Mr. Smith] has expired.

(By unanimous consent, Mr. Smith of Florida was allowed to proceed for 2 additional minutes.)

Mr. SMITH of Florida. Mr. Chairman, if you want to red line, you probably can make more money in 10 years if you are a busy office than you would if you did not, even though you have to pay a fine if they catch you.

□ 1815

Not only that, since this bill left Judiciary, it has come again under a further agreement which made it possible for people to go directly from the adlaw proceeding to the district court, a remedy they did not have previously under the bill which would, in effect, obviate the necessity of these fines being levied by an administrative law judge, because now they can go right to court under a different section entirely.

It just seems to me that this product is fine, just fine the way it is. I have not had one realtor, not one, from anywhere in the United States since this amendment was known as a possibly intended amendment for today to call me or write me and say, "Support it, those fines are too high." They, too, realize that the time is over for even attempting to reward what are discriminatory practices. They are willing to live within this, and we should be willing to live with it.

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Florida. I am happy to yield to the gentleman.

Mr. SENSENBRENNER. Mr. Chairman, the fines that we are discussing here have nothing to do with a pattern or practice suit. These are just the fines that accrue for convictions in an administrative law judge court. My amendment only deals with those fines. My amendment does not touch the fines for pattern or practice suits which are prosecuted by the Justice Department in the Federal district court. The fine there is $50,000 for the first offense and $100,000 for each subsequent time.

Mr. CHAIRMAN pro tempore. The time of the gentleman from Florida [Mr. Smith] has expired.

(By unanimous consent, Mr. Smith of Florida was allowed to proceed for 2 additional minutes.)

Mr. SMITH of Florida. Mr. Chairman, reclaiming my time, on that point, I did not say this had anything to do with pattern and practice suits brought by the Justice Department. I said that we have a fine structure which in fact anticipates pattern and practice by a step-up provision. We are trying by having the fines increased within that 7-year period for a second or third offense to prevent the possibility of a pattern or practice even into two or three times, and this has nothing to do with the Justice Department. This has to do with individuals who go into a real estate office and are subjected to discriminatory practices.

We all know that pattern and practice may exist, and there is a remedy for that as well. We are giving a secondary remedy where it happens so infrequently, but still may be viewed as happening under some kind of intentional business practice as opposed to some totally honest mistake.

The CHAIRMAN pro tempore. The time of the gentleman from Florida [Mr. Smith] has expired.

The question is on the amendment offered by the gentleman from Wisconsin [Mr. Sensenbrenner].

The amendment was rejected.

The CHAIRMAN pro tempore. Are there further amendments to section 8?

If not, the Clerk will designate section 9.

The text on section 9 is as follows:

SEC. 9. CONFORMING AMENDMENT TO TITLE IX.

Section 901 is amended by inserting ", handicap (as such term is defined in section 802 of this Act), familial status (as such term is defined in section 802 of this Act)," after "sex" each place it appears.

The CHAIRMAN pro tempore. Are there amendments to section 9?

AMENDMENT OFFERED BY MR. DORNAN OF CALIFORNIA

Mr. DORNAN of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Dornan of California: Page 39, line 25, after "Act" and before the ")" insert "and which is understood to include, with regard to individuals who have not attained the age of 18 years, persons before birth".

Mr. DORNAN of California. Mr. Chairman, this is a very simple and straightforward amendment. I had discussed it with the chairman at the point in the bill in section 5 where the word "familial" is first used and followed by a description.

Much was discussed last Thursday and today about discrimination, since this House, in an overwhelming defeat of the Shaw amendment submitted by my friend and colleague from Florida which was by a separation of 176 votes shows that the membership of this House does not want young families turned away at the door for rental property. I believe that most Members in this House would feel that a young family, a father and a mother—to use the Biblical term—with child—should not be turned away either. If a young couple arrives and the mother is 5, 6, 7, 8 months pregnant, it is particularly noticeable in the last few months, and I can visualize some hard-hearted landlord saying, "Well, it is a good thing you did not get here a few weeks from now, because I could not turn you away, but right now there is no room at the inn. Go find a stable somewhere." I deliberately used some Biblical imagery there.

I would hope that the chairman would accept this amendment, that we would not even have a vote on it, because I think it is rather obvious that people are prejudiced against when somebody sees the potential of a family, and that person, that preborn child, is there obvious in the womb.

With the passage of the Dornan amendment, Congress will do two things: First, it will end housing discrimination against pregnant women; and second, it will once and for all put the Congress on record as defining a preborn child—or fetus—as a person, and granting that person protection under the law.

Just yesterday, we debated abortion here on the floor of the House, and the only argument the proabortion side could muster was that the question of when life begins was up to the individual and that none of us were wise enough to make such a determination. As anyone who knows me will tell you, I am not one to go around quoting leftwing writers. However, I recently read an excellent argument against that very point by the Marxist Christopher Hitchens that is worth repeating. Writing in Crisis magazine, Hitchens said:

> Look, once you allow that the occupant of the womb is even potentially a life, it cuts athwart any glib invocation of "the woman's right to choose." If the unborn is a candidate member of the next generation, it means that it is society's responsibility. * * *

He added,

> All the nonsense that we hear about mediate and immediate animation, the point where a soul enters the unborn and so on, is at best beside the point. It has in common with the sectarian feminist view a complete contempt for science and the theory of evolution—which establishes beyond reasonable doubt that life is a continuum that begins at conception because it can't begin anywhere else.

What Hitchens is saying in the first quote is simply that the fetus deserves the benefit of the doubt. It has always perplexed me that my proabortion colleagues refuse to give the benefit of the doubt to preborn persons, but are quick to give it to criminals, Communist dictators in Central America and the Warsaw Pact, and drug users, who they consider victims. My Democratic colleagues like to think theirs is the "party of compassion." But where is the compassion for the preborn child among the proabortionists within the Democratic Party?

Mankind has always been clear concerning the question of when life begins. The awarding of damages to infants in the womb, charges of homicide against those who kill fetuses in attacks on mothers, even the sparing of pregnant women condemned to death until their children are born—all these precedents illustrate that we have always considered fetuses people, not some biological entity whose future is subject to the whim of the mother-to-be.

In thinking about this issue it is important to remember that abortion is a practice that 30 years ago was viewed with disgust by virtually all decent people. As Tom Landess has written:

> Contrary to popular assertions, abortion was not considered sordid because it was performed in filthy back-alley offices; it was performed in such places because it was considered sordid. Americans have never hesitated to transgress publicly when they felt halfway decent about what they were doing, as in the case of Prohibition. Yet no crime was committed so surreptitiously as the murder of the unborn.

The Federal Government has an obligation to its citizens to provide moral leadership. It is an obligation that I take seriously. That is why I think this vote to get the House on record as recognizing that a preborn child is a person with rights under the law is so important.

Mr. EDWARDS of California. Mr. Chairman, I rise in opposition to this amendment.

Mr. Chairman, during the course of hearings over many, many weeks and many, many months, and, indeed, since 1980, we have had hearings on housing discrimination. We did find disturbing levels of discrimination against families with children. We did not see any indication or cases of discrimination against pregnant women. There is no need for this amendment, and I urge a "no" vote.

Mr. FISH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from California [Mr. Dornan].

Mr. DORNAN of California. Mr. Chairman, I thank the gentleman from New York for yielding.

Mr. Chairman, I cannot believe what I just heard, that there has been no evidence of prejudice against a young couple where the young wife is pregnant. I will submit myself. When I got out of the Air Force with three young children, 24 years of age, my wife was pregnant. I was turned away. Members, you know what happens, from many rental properties, not only because of the children, but when I was alone with my wife, she was visibly pregnant, and before they even asked if we had children, they said, "No, goodbye."

If we would pass the other one so overwhelmingly the other day, I am confident we are going to be able to pass this by the same margin today.

I will ask for a vote in a few minutes.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. Dornan].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. DORNAN of California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 241, noes 159, not voting 31, as follows:

[Roll No. 214]

AYES—241

Annunzio
Applegate
Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bennett
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Boggs
Boland
Bonior
Boulter
Broomfield
Brown (CO)
Bruce
Buechner
Bunning
Burton
Byron
Callahan
Carr
Chapman
Clinger

Coats
Coble
Coleman (MO)
Combest
Coughlin
Courter
Craig
Crane
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
DeLay
Derrick
DeWine
Dickinson
DioGuardi
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Dreier
Durbin
Dwyer
Dyson
Edwards (OK)
Emerson
English
Erdreich
Fawell
Fields
Flake
Flippo
Florio
Foglietta
Gallegly
Gallo
Gaydos
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Gradison
Grandy
Gray (IL)
Gregg
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jenkins
Johnson (SD)
Jontz
Kanjorski
Kaptur
Kasich
Kildee
Kolbe
Kolter
Kyl
LaFalce
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Madigan
Manton
Marlenee
Martin (NY)
Mavroules
Mazzoli
McCrery
McDade
McEwen
McGrath
McHugh
McMillan (NC)
Meyers
Michel
Miller (OH)
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Murtha
Natcher
Nelson
Nichols
Nielson
Oakar
Oberstar
Obey
Ortiz
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Penny
Perkins
Petri
Pickle
Porter
Pursell
Rahall
Ravenel
Regula
Rhodes
Richardson
Rinaldo
Ritter
Roberts
Robinson
Rogers
Rostenkowski
Roth
Roukema
Rowland (CT)
Russo
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Skeen
Skelton
Slattery
Slaughter (VA)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Staggers
Stallings
Stangeland
Stenholm
Stump
Sundquist
Swindall
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torricelli
Traficant
Traxler
Upton
Vander Jagt
Visclosky
Volkmer
Vucanovich
Walker
Watkins
Weber
Weldon
Whittaker
Wolf
Wortley
Wylie
Yatron
Young (AK)
Young (FL)

NOES—159

Ackerman
Akaka
Alexander
Andrews
Anthony
Aspin
Atkins
AuCoin
Barnard
Bateman
Bates
Beilenson
Berman
Boehlert
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bryant
Bustamante
Campbell
Cardin
Carper
Chandler
Chappell
Clarke
Clay
Clement
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coyne
Crockett
DeFazio
Dellums
Dicks
Dingell
Downey
Dymally
Early
Eckart
Edwards (CA)
Espy
Evans
Fazio
Feighan
Fish
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Garcia
Gephardt
Gordon
Grant
Gray (PA)
Green
Guarini
Hatcher
Hawkins
Hayes (LA)
Horton
Houghton
Hoyer
Hughes
Jeffords
Johnson (CT)
Jones (NC)
Kastenmeier
Kennedy
Kennelly
Kleczka
Kostmayer
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lowry (WA)
Luken, Thomas
Markey
Martin (IL)
Martinez
Matsui
McCandless
McCurdy
McMillen (MD)
Mfume
Miller (CA)
Miller (WA)
Mineta
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Neal
Nowak
Olin
Owens (NY)
Payne
Pease
Pelosi
Pepper
Pickett
Price
Quillen
Rangel
Ridge
Rodino
Roe
Rose
Rowland (GA)
Roybal
Sabo
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schumer
Sisisky
Skaggs
Slaughter (NY)
Smith (FL)
Snowe
Solarz
Stark
Stokes
Stratton
Studds
Swift
Synar
Torres
Towns
Vento
Walgren
Waxman
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates

NOT VOTING—31

Anderson
Bentley
Biaggi
Cheney
de la Garza
Dixon
Fascell
Gejdenson
Goodling
Hayes (IL)
Jones (TN)
Kemp
Konnyu
Lewis (CA)
Mack
MacKay
McCloskey
McCollum
Mica
Moody
Myers
Nagle
Ray
Saiki
Spence
Spratt
St Germain
Sweeney
Udall
Valentine
Weiss

□ 1843

Messrs. AuCOIN, ANTHONY, and MILLER of Washington changed their vote from "aye" to "no."

Messrs. HAMMERSCHMIDT, DAVIS of Michigan, SHAYS, YATRON, MAVROULES, MOAKLEY, DWYER of New Jersey, LIPINSKI, KOLTER, GRAY of Illinois, TRAXLER, and ANNUNZIO, Mrs. PATTERSON, Messrs. KANJORSKI, RICHARDSON, GAYDOS, MURTHA, and HEFNER, Mrs. BOGGS, Mr. FLAKE, and Mr. PANETTA changed their votes from "no to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore. (Mr. OLIN). Are there any other amendments to section 9?

The Clerk will designate section 10.

The text of section 10 is as follows:

SEC. 10. TECHNICAL AMENDMENT RELATING TO CIVIL ACTION.

Section 818 (as so redesignated by section 8 of this Act) is amended by striking out the last sentence thereof.

The CHAIRMAN pro tempore. Are there amendments to section 10?

The Clerk will designate section 11.

The text of section 11 is as follows:

SEC. 11. CONFORMING AMENDMENTS TO TITLE 28, UNITED STATES CODE.

(a) JURISDICTION.—Section 2342 of title 28, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting "; and" in lieu thereof; and

(3) by inserting after paragraph (5) but before the matter beginning "Jurisdiction is invoked" the following:

"(6) all final orders of an administrative law judge under section 812 of the Fair Housing Act.".

(b) DEFINITION.—Section 2341(3) of title 28, United States Code, is amended—

(1) by striking out "and" at the end of subparagraph (B);

(2) by striking out the period at the end of subparagraph (C) and inserting "; and" in lieu thereof; and

(3) by adding at the end the following:

"(D) the administrative law judge, when the order is under section 812 of the Fair Housing Act.".

□ 1845

The CHAIRMAN pro tempore (Mr. OLIN). Are there any amendments to section 11? If not, the Clerk will designate section 12.

The text of section 12 is as follows:

SEC. 12. DISCLAIMER OF PREEMPTIVE EFFECT ON OTHER ACTS.

Nothing in the Fair Housing Act as amended by this Act limits any right, procedure, or remedy available under the Constitution or any other Act of the Congress not so amended.

The CHAIRMAN pro tempore. Are there any amendments to section 12? If not, the Clerk will designate section 13.

The text of section 13 is as follows:

SEC. 13. EFFECTIVE DATE AND INITIAL RULEMAKING.

(a) EFFECTIVE DATE.—This Act and the amendments made by this Act shall take effect on the 180th day beginning after the date of the enactment of this Act.

(b) INITIAL RULEMAKING.—In consultation with other appropriate Federal agencies, the Secretary shall, not later than the 180th day after the date of the enactment of this Act, issue rules to implement title VIII as amended by this Act. The Secretary shall give public notice and opportunity for comment with respect to such rules.

The CHAIRMAN pro tempore. Are there any amendments to section 13? If not the Clerk will designate section 14.

The text of section 14 is as follows:

SEC. 14. SEPARABILITY OF PROVISIONS.

If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of the Act and the application of the provision to other persons not similarly situated or to other circumstances shall not be affected thereby.

The CHAIRMAN pro tempore. Are there any amendments to section 14?

AMENDMENT OFFERED BY MR. BURTON OF INDIANA

Mr. BURTON of Indiana. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BURTON of Indiana: Page 42, after line 2, insert the following:

SEC. . DEFINITION OF TERM HANDICAP.

Section 802 (as amended by section 5 of this Act) is further amended by adding at the end of subsection (h) the following:

"Such term also does not include any current infection with the etiological agent for acquired immune deficiency syndrome.".

Mr. BURTON of Indiana (during the reading). Mr. Chairman, I ask unanimous consent the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. EDWARDS of California. Mr. Chairman, I reserve a point of order against the amendment.

Mr. Chairman, to what section does the amendment apply?

The CHAIRMAN pro tempore. The amendment is in section 14; it adds a new section at the end of the bill.

Does the gentleman insist on his point of order?

Mr. EDWARDS of California. I do not insist on my point of order, Mr. Chairman.

The CHAIRMAN pro tempore. The gentleman from California withdraws his point of order.

Mr. BURTON of Indiana. Mr. Chairman, the definition in the bill regarding a handicapped person has been broadened to the extent that it goes way beyond the bounds of what would normally be a handicapped person.

For instance a person who has acquired immune deficiency syndrome would be considered a handicapped person under this bill. My amendment deals with this particular issue.

Mr. Chairman, this bill would prohibit a landlord from refusing to sell or rent housing to a handicapped person or to someone who plans to allow handicapped people to reside there. That sounds quite fair of course. No one should discriminate against persons who are handicapped. The problem is the bill in section 802 defines handicapped as a physical or mental impairment which substantially limits one or more of such person's major life activities or a record of having such an impairment or being regarded as having such an impairment.

Unfortunately, Mr. Chairman, we no longer have a commonsense meaning for the word handicapped, thanks to a recent Supreme Court decision.

In March the Court ruled, the School Board of Nassau County versus Arline, that the definition of handicapped included persons with contagious diseases. In addition in two 1978 court cases the meaning of handicapped was also extended to include alcoholics and those addicted to illegal drugs. This means these people are now protected by law against discrimination unless Congress changes the law to protect our citizenry, of course.

Fortunately the bill was amended in full committee to exclude current drug addicts from being considered handicapped. But current alcoholics will still get the same protection as handicapped persons unless the bill is amended today on the floor.

In addition, persons with contagious diseases also get handicapped protection unless they pose a direct threat to the health or safety of other individuals.

Mr. Chairman, the problem is the burden of proving that threat falls on the landlord of the project. There is also the possibility that the Supreme Court's Arline decision which said that persons with contagious diseases are considered handicapped, would extend the extraordinary protections of the fair housing bill to AIDS patients.

Under the fair housing bill for example, a landlord would have the burden of proving that the AIDS patient is a danger to the health of others. While AIDS is of course difficult to transmit except through intimate contact, many opportunistic infections which AIDS patients have are clearly more casually transmitted, such as infectious tuberculosis and cytomegalovirus.

In summary, Mr. Chairman, I, like all Members of this body, am compassionate toward the victims of AIDS. However, there are certain limits beyond which we should not go.

By stating that AIDS is a handicap, you are discriminating against every other terminal disease. Cancer is a perfect example. A contagious disease is not a handicap by traditional definition. Handicap as defined in the bill in section 802 is a physical or mental impairment that substantially limits one or more of a person's major life activities.

A handicapped person is not a threat to the public health however; in many cases a victim of AIDS may be.

Under the fair housing bill a landlord would have the burden of proving that the AIDS patient is a danger to the health of others. I do not know how he could do that unless he was a scientist who had had a blood test taken on the potential resident.

Even if AIDS is very difficult to transmit, many opportunistic infections which AIDS patients may contract are clearly more casually transmitted.

As I said before, examples are infectious tuberculosis and cytomegalovirus. That is a virus that causes cell enlargement and ultimately birth defects.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I am happy to yield to my colleague.

Mr. FRANK. I thank the gentleman for yielding.

Many of us read with interest the report of the Watkins Commission, 13 appointees of President Reagan, a majority of whom joined their chairman in specifically endorsing this kind of antidiscrimination provisions we have got in this bill. We noted with interest Vice President Bush has endorsed the protection against discrimination of people with the AIDS virus or with AIDS.

I am wondering whether the gentleman from Indiana has tried to change the Vice President's mind and whether he can tell us he is making any progress since he and the Vice President are on very different sides of this issue.

The CHAIRMAN pro tempore. The time of the gentleman from Indiana [Mr. BURTON] has expired.

(By unanimous consent, Mr. BURTON of Indiana was allowed to proceed for 1 additional minute.)

Mr. BURTON of Indiana. As I understand it, Mr. Chairman, the Vice President's position is regarding employment and it did not——

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, the Watkins Commission report was not limited to employment. And telling people they can have a job and not a house is, of course, half way.

I think the gentleman is trying to take back what the Vice President said and he is not doing his candidate any service.

Mr. BURTON of Indiana. If I may take back my time, the purpose of my amendment is not to discriminate against AIDS patients. The problem is that a landlord is going to be put in a position of having to admit people into a project who may be a danger to the health, to the public health of other people in that project. For instance, pregnant women if exposed to many diseases carried by AIDS patients may contract those diseases and become terminally ill from them.

It may also endanger the life of the fetus that that woman may be carrying.

So I think broadening the definition of handicapped persons to include AIDS patients is a serious mistake.

The AIDS issue I do not think should be addressed in this particular piece of legislation.

Mr. WAXMAN. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, as I read this bill, the AIDS issue is not brought up specifically in this legislation. The gentleman from Indiana is now trying to insert it into the fair housing debate.

Now the bill provides that if anyone poses a risk, then he or she cannot be covered by the provisions that say you cannot discriminate against somebody's handicap.

There is no health or safety reason for this amendment because if an AIDS patient, a cancer patient, a tuberculosis patient, any patient poses a risk of adverse health consequences to someone else, they can be discriminated against.

But the reality is that having AIDS alone is not a risk to someone else.

The U.S. Supreme Court held that if there is no risk threatened and someone is handicapped they cannot be discriminated against.

I think the gentleman from Indiana has a quarrel with the Supreme Court, not with this bill.

Vice President Bush endorsed the commission that the President of the United States formed which urged that we have nondiscrimination for people with AIDS or the AIDS infection.

The reason you do not want discrimination is because it serves no purpose. It serves no purpose at all to discriminate against these people.

If the purpose is to say that there is a threat to health, the bill covers that. If the purpose is to say, "We do not like people who have AIDS," that is no different than people used to say, "We don't like people who have cancer" or "we don't like people who have leprosy."

If they are not a threat to anyone else, then there is no reason for the discrimination. If there is a health threat, then the bill provides that there cannot be protection from discrimination.

I urge defeat of this amendment. It is contrary to all the scientific information, contrary to what the Surgeon General, what the Secretary of Health and Human Services, the President's Commission, the Public Health Service, the Centers for Disease Control, the National Institutes of Health, the American Medical Association, all of what they have to say including the statement of the Vice President of the United States George Bush.

□ 1900

Mr. Chairman, this is either an amendment where the author does not understand the bill or it is mean spirited in purpose, and I urge the defeat of it.

AMENDMENT OFFERED BY MR. DANNEMEYER TO THE AMENDMENT OFFERED BY MR. BURTON OF INDIANA

Mr. DANNEMEYER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. Dannemeyer to the amendment offered by Mr. Burton of Indiana: At the end of the proposed amendment insert: "Such term also does not include any current impairment that consists of alcohol abuse, or any infectious, contagious, or communicable disease (whether or not such disease causes a physical or mental impairment (including any impairment which manifests itself in child abuse or violence against other persons) that would be a direct threat to the property, health, or safety of others.".

Mr. EDWARDS of California. Mr. Chairman, I reserve a point of order on this amendment.

We have not seen it yet.

The CHAIRMAN pro tempore (Mr. Olin). The gentleman from California [Mr. Edwards] reserves a point of order on the amendment.

Mr. EDWARDS of California. And will the clerk deliver a copy of the Dannemeyer substitute amendment to this desk?

The CHAIRMAN pro tempore. Does the Chair understand that the gentleman has offered this amendment as an amendment to the amendment?

Will the gentleman from California answer the question? Did he offer this as an amendment to the amendment or as a substitute for the amendment?

Mr. DANNEMEYER. Mr. Chairman, I offered it as an amendment to the amendment.

Mr. WAXMAN. Mr. Chairman, I, too, wish to reserve a point of order on the amendment.

The CHAIRMAN pro tempore. The gentleman from California [Mr. Waxman] reserves a point of order on the amendment.

The Chair does not consider that the amendment is properly drafted, if that is the gentleman's purpose. Will the gnetleman redraft his amendment? It is not clear. Can the gentleman from California clarify that point?

Mr. DANNEMEYER. It is my request, Mr. Chairman, that the language of this amendment that I now offer be added to the Burton amendment, at the end of the amendment.

The CHAIRMAN pro tempore. The Clerk will again report the amendment.

The Clerk reread the amendment.

The CHAIRMAN pro tempore. The gentleman from California [Mr. Dannemeyer] is recognized for 5 minutes to address his amendment.

Mr. DANNEMEYER. I thank the Chair.

Mr. Chairman, in 1973, Congress adopted and brought into our law the concept of "handicapped" as a means of providing assistance for persons who suffer from that affliction. In 1976 the Attorney General under the Carter administration brought out an opinion which said that "handicapped" included drug addicts and alcholics. This was under the employment section of the Civil Rights Act.

In 1978 Congress rejected that opinion of the Attorney General and by specific legislation said the employment section of the Civil Rights Act did not extend to a person who is a drug addict or alcoholic. That is the law today. No matter what we do with this legislation, that is the law today. "Handicapped" does not apply to a drug addict or an alcoholic.

This bill, when it was being considered in committee, also dealt with the definition of "handicapped" for housing purposes. An amendment was offered excluding from the definition of "handicapped" a person who is a drug addict. That is in this bill.

This Member from California, when the bill was in committee, offered an amendment to exclude from the definition of "handicapped" in this bill a person who is an alcoholic, and that amendment narrowly lost. Also when this bill was being considered in committee, this Member offered an amendment to the definition of "handicapped" in this bill that excluded within the definition of "handicapped" a person with a communicable disease in a contagious state, which is a novel approach in our society. That amendment was rejected on a straight party line vote.

The amendment I am now offering to the House for its consideration will say as a matter of policy that we do not, for the purpose of a subsidy law of this country, establish that the definition of a handicapped person includes an alcoholic or a person with a contagious disease, a disease in a contagious state, whatever the communicable disease may be, including the virus for AIDS, including tuberculosis, including hepatitis, and including meningitis. Any communicable disease, this amendment says, does not come within the definition of a handicapped person.

Why do we need this amendment? The Arline decision was handed down by the Supreme Court last year interpreting what Congress meant when it defined "handicapped," and that decision broke new ground. The Supreme Court, interpreting the act of Congress, said the definition of "handicapped" included a person with a communicable disease.

The applicant in that state happened to be a teacher with tuberculosis, and the Supreme Court returned the case to the trial court for the determination of whether or not the tuberculosis of the applicant so afflicted the individual as to subject other persons to the risk of getting that communicable disease. In other words, could they meet the test of being otherwise qualified?

Mr. EDWARDS of California. Mr. Chairman, if the gentleman will yield, we are going to accept his amendment. It is already covered in the bill. We will accept the gentleman's amendment to the Burton amendment, and then we will have a vote or a debate on Burton plus Dannemeyer. But insofar as the gentleman's amendment to the Burton amendment is concerned, it is already in the bill. Any person that is a direct threat to health and safety is already not covered under the bill.

Mr. DANNEMEYER. Mr. Chairman, I thank the gentleman from California for his observation. I intend to ask for a rollcall vote on my amendment. The policy question we are being asked to resolve here this evening is whether or not a person with a communicable disease fits within the definition of a handicapped person. I do not think we should be doing this as a policy matter. I do not think we should be including within the definition of a handicapped person somebody who is an alcoholic.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I am happy to yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, I have a question. The burden of proof rests with the landlord on whether or not a person who may have a communicable disease is contagious.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. DANNEMEYER] has expired.

(By unanimous consent, Mr. DANNEMEYER was allowed to proceed for 3 additional minutes.)

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield further?

Mr. DANNEMEYER. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, the burden of proof, as I understand the bill, rests with the landlord, so my question is: How is the landlord to determine whether or not a person who has tuberculosis or AIDS or any other communicable disease is in a state where they could communicate that disease? He is not a scientist. How could he determine that?

Mr. DANNEMEYER. The question of the gentleman from Indiana goes to the very guts of why this gentleman is offering the amendment. It deals with the burden of proof. A landlord is betwixt and between. How will they know what the status is of a person seeking rental accommodation? Is that person in an infectious state?

There is an issue of burden of proof. The applicant will contend that the burden of proof is on the landlord. I say as a matter of policy we should say that no person with a communicable disease in a contagious state fits within the definition of a handicapped person. That would put the burden of proof on the applicant in that instance to establish that they are without exception.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to may friend, the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, I thank the gentleman for yielding.

The question I have is on the language. Is the gentleman saying that alcoholic abuse automatically is a direct threat? I am a little unclear on the language.

What we are saying in our bill is that if you use alcohol in a way that causes a direct threat, you are excludable. This language seems to me to say that, but the language of the amendment seems not to conform to the language the gentleman is speaking here on the floor. So I want to ask him, is he saying in this amendment that alcoholic abuse will never qualify you for protection, that you can discriminate against alcoholics automatically, or can you discriminate only against alcoholics who can be shown to be a threat?

Mr. DANNEMEYER. If the alcoholic has recovered and is no longer suffering from that affliction, then they would not be exempted from the definition of a handicapped person.

Mr. FRANK. Suppose that someone is still suffering from alcoholism and is maybe undergoing treatment but has not yet reached the stage of abstinence and is still having a problem. The gentlemen's language is unclear to me. As I read the language, I thought it said what we say in the bill, that an alcoholic is OK and protected unless he is a direct threat.

Is the gentleman saying that anyone who is currently an alcoholic and has not fully recovered would be a threat automatically?

Mr. DANNEMEYER. That is correct. I believe that a person who is an alcoholic and who has currently not recovered should not come within the definition of the term, "handicapped."

Mr. FRANK. Mr. Chairman, if the gentleman will yield further, I say to the gentleman from California that I think the gentleman from California [Mr. EDWARDS] was responding to the language. The explanation the gentleman gives is not consistent with our understanding of the language. What we say in the bill is, if you have these conditions are you are a threat to life, safety, or property, if you are an alcoholic and you fall asleep with the stove on or you smoke in bed, then you are excludable. But if you are an alcoholic, a Vietnam-returned veteran or anyone else struggling to try to live with this condition and you are undergoing treatment, we would protect you. But the gentleman from California would not. We should be on the square with that.

The CHAIRMAN. The time of the gentleman from California [Mr. DANNEMEYER] has expired.

(On request of Mr. FISH, and by unanimous consent, Mr. DANNEMEYER was allowed to proceed for 2 additional minutes.)

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to my friend, the gentleman from New York.

Mr. FISH. Mr. Chairman, in the gentleman's amendment, it says:

> Such term also does not include any current impairment that consists of alcohol abuse, or any infectious, contagious, or communicable disease.

Mr. DANNEMEYER. That is correct.

Mr. FISH. Mr. Chairman, in the Arline case, which did not deal with housing but with the workplace, the Supreme Court said:

> The fact that some people who have contagious diseases may pose a serious health threat to others under certain circumstances does not justify excluding from coverage all persons with actual or perceived contagious diseases. Such exclusion would mean that those accused of being contagious would never have the opportunity to have their condition evaluated in the light of medical evidence and a determination made as to whether or not they were otherwise qualified. Rather, they would be vulnerable to discrimination on the basis of mythology, precisely the sort of injury Congress sought to prevent.

My first question to the gentleman is this: Is this amendment an attempt to overrule the Supreme Court in the Arline case?

Mr. DANNEMEYER. It is.

Mr. FISH. It is. Well, I am glad to get that on the table.

Mr. DANNEMEYER. That is right.

Mr. FISH. It did seem that this was rather straightforward, that they were contagious diseases.

Mr. DANNEMEYER. Yes; that is right.

Mr. FISH. The gentleman is not allowing for the state of medical knowledge about the transferability, for example, of a disease?

Mr. DANNEMEYER. Mr. Chairman, if I may reclaim my time, my amendment specifically excludes from the definition somebody with a communicable disease that is in an infectious, contagious state, and I think that should be recognized. In other words, what I am saying is that if it is not in an infectious, contagious state, if a person has had a communicable disease, then they are no longer suffering from it it is no longer contagious.

Mr. FISH. Mr. Chairman, if the gentleman will yield further, the word "state," does not appear in his amendment.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. DANNEMEYER] has expired.

(On request of Mr. FISH, and only by unanimous consent, Mr. DANNEMEYER was allowed to proceed for 3 additional minutes.)

Mr. FISH. Mr. Chairman, will the gentleman yield further?

Mr. DANNEMEYER. I yield to the gentleman from New York.

□ 1915

Mr. FISH. Mr. Chairman, the problem I have in reconciling the law at present with the amendment is that reference is made to this infectious, contagious disease, and yet in the amendment when it talks about this, reference is made to it as a state.

In other words, the gentleman from California [Mr. DANNEMEYER] sees something different between having a contagious disease and having a disease of which the contagion is at a point when it can be transferred.

Mr. DANNEMEYER. Mr. Chairman, I am not sure that I understand the point of the gentleman from New York [Mr. FISH] at this point.

Mr. FISH. Mr. Chairman, I am just using the language of the gentleman because the state of medicine; I do want to get the gentleman from California [Mr. WAXMAN] in this colloquy at some point, is that I understand in a case of AIDS is that, which I presume he considers a contagious disease——

Mr. DANNEMEYER. One of many.

Mr. FISH. Is that it is not susceptible to transfer by casual contact.

Mr. DANNEMEYER. Mr. Chairman, would the gentleman from New York [Mr. FISH] like to ask the question about the opportunistic diseases that persons with the virus have that themselves are communicable?

For instances, in the gentleman's State of New York; maybe the gentleman from New York [Mr. FISH] missed it, about 2 months ago came in the medical literature, evidence of about 5 or 6 percent of those who have the virus who are otherwise asymptomatic have a form of infectious tuberculosis, and I do not think it is good public policy for our society to say to a group who has infectious tuberculosis has an opportunistic disease in the sense that they have the virus for AIDS, that that is a class of person as to whom we should be extending antidiscrimination status.

Frankly, it is absurd, but it is all illustrative of this euphoria going on in our culture right now whereby too many of our public health officials have been treating the AIDS epidemic as a civil rights issue, not a public health issue.

Mr. Chairman, the uninfected of our society have as much civil rights not to get infected as the civil rights of those infected not to have problems in terms of their associations.

Mr. FISH. Mr. Chairman, if the gentleman will yield again, I think we have established the fact that where the Arline case said that, referring to contagious diseases, that not all people infected with contagious diseases should be treated equally, the gentleman from California [Mr. DANNEMEYER] would like to overrule that and say in his amendment that if someone has a contagious disease there are no exceptions made for the state of the medical art as to whether or not it takes an extremely intimate act that would be not common in the rental premise.

Mr. DANNEMEYER. Mr. Chairman, my amendment would be consistent with the dissenting opinion of Justices Rehnquist and Scalia, and I think it is illustrative of a necessity for us to develop congressional intent here.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. Mr. Chairman, I yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, I want to enter into a colloquy with the gentleman.

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. DANNEMEYER] has expired.

(By unanimous consent, Mr. DANNEMEYER was allowed to proceed for 2 additional minutes.)

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, under the gentleman's amendment, if a child contracts spinal meningitis, which is a contagious disease, and develops a physical impairment as a result of that contagious disease, will the child be covered under the definition of "handicapped" once the disease has been cured and is no longer contagious but the child continues to have the impairment?

Mr. DANNEMEYER. The gentleman is correct.

Mr. BARTLETT. Then an individual is only excluded from the definition of "handicapped" under the amendment of the gentleman from California [Mr. DANNEMEYER] if he develops a physical or mental impairment as a result of the contagious disease. The exclusion is only during the period of the contagion.

Mr. DANNEMEYER. The gentleman is correct.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, I would just like to reemphasize one point, and that is that the burden of proof is being placed on whether or not a person had a communicable disease and is in a contagious state upon a person who really has no way of knowing; they are not a scientist or a doctor, and that being the landlord, and I think that is unworkable, and for that very reason alone I think that these amendments ought to be passed.

Mr. Chairman, I thank the gentleman from California [Mr. DANNEMEYER] for yielding this time to me.

Mr. WAXMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, H.R. 1158, the Fair Housing Amendments Act of 1988, represents an important step forward—as it currently stands—by extending the protections of the Fair Housing Act to people with disabilities. Such individuals, including individuals with contagious diseases, face discrimination in housing on a daily basis. In light of the explicit provision added by the Judiciary Committee—that the act does not extend housing protection to any individual who poses a direct threat to the health or safety of others—there is certainly no need for the amendment offered by my colleague that would strip an entire category of individuals from the protection of this act. I urge that the amendment be defeated.

I am particularly pleased to note that this act approaches one of the most urgent issues associated with handicap-based discrimination—coverage of persons with AIDS and people infected with the Human Immunodificiency Virus—the AIDS virus—by adopting the same approach which we used in passing the Civil Rights Restoration Act this session. Under the provisions of this bill, we will assure that HIV-infected persons are protected from medically unjustified discrimination in housing in the same way that they are in the employment programs covered by the Civil Rights Restoration Act. That is, no discrimination will be permitted against persons who pose no direct threat to the health or safety of others because they pose no significant risk of transmitting the AIDS virus in the kind of normal social interactions which form the context for housing decisions.

The need to protect asymptomatic HIV-infected persons from housing discrimination is acute. The Centers for Disease Control estimates that a million or more Americans have been infected with the AIDS virus. Moreover, these are persons who are fully capable of maintaining their living situations, as well as working. Thus there is no economic reason from a landlord's perspective, for example, for eviction.

Under this bill, we would use the definition of individual with handicap established by the Rehabilitation Act of 1973, as amended. The Rehabilitation Act definition includes three categories of persons: those who have a physical impairment which substantially limits a major life activity; those who have a record of such an impairment; and those who are regarded as having such an impairment. 29 U.S.C. 706(7)(B). An asymptomatic HIV-infected person would be covered by at least two parts of that definition, and thus would be protected from medically unjustified housing discrimination by this bill.

First, such a person, although asymptomatic, meets the criteria for the first category, that is, having a physical impairment which substantially limits a major life activity.

The primary and most authoritative agency regulations interpreting this part of the definition state that physical impairment "means any physiological disorder or condition * * * affecting" certain bodily systems including the reproductive and hemic systems. 45 CFR 84.3(j)(2)(i) (1985). The AIDS virus does far more than "affect" the hemic system. It destroys essential white blood cells (T-lymphocytes or T-helper cells), which are the primary agents for repelling infection. "Specifically, the disease destroys, and generates qualitative abnormalities, in the victim's T-helper/inducer cells, which enable other components of the immune system to function." *Ray* v. *School District of DeSoto County,* 666 F. Supp. 1524, 1529 (M.D.Fla. 1987). As the AIDS virus multiplies, the T-helper cells are killed. Further, it is testing of blood which is the method by which HIV infection is ascertained. Blood is tested to ascertain whether antibodies to defend against HIV have been produced and are present in the bloodstream. Presence of the antibodies is treated as the best proxy for presence of the viral infection itself. Thus, there is from HIV infection alone, a clear "physical impairment" to at least one major bodily system.

Moreover, this impairment does substantially limit what is indisputably a major life activity—procreation and childbirth. For both men and women, HIV information means that one should not engage in sexual intercourse without use of a condom. Thus, in order to protect one's partner from a risk of infection, the man or woman who is infected with the AIDS virus—even if entirely asymptomatic—must essentially forego procreation. For women who are infected with the AIDS virus and already pregnant, the risk of transmitting the virus to their newborn child may well mean that many women will decide to obtain abortions.

The second category of Rehabilitation Act definition which covers asymptomatic HIV-infected persons is the one referring to those who are "regarded" as having a physical impairment which limits a major life activity. From the outset, Congress has intended this part of the definition to include those persons who were treated by others as being handicapped, even if they in fact had no limiting physical impairment. The recent decision of the United States Supreme Court in *School Board of Nassau County* v. *Arline,* 107 S. Ct. 1123 (1987), correctly held that "an impairment might not diminish a person's physical or mental capabilities, but could nevertheless substantially limit that person's ability to work as a result of the negative reactions of others to the impairment * * * Few aspects of a handicap give rise to the same level of public fear and misapprehension as contagiousness * * * The Act is carefully structured to replace such reflexive reactions to actual or perceived handicaps with actions based on reasoned and medically sound judgments." *Id.* at 1130 (emphasis added).

Under this part of the definition of handicapped individual, the act makes clear that even if a particular physical condition did not substantially limit one's activities, the attitudes of others toward the condition could constitute the limitation. Again, the agency regulations spell this out in their definition of the phrase, "is regarded as having an impairment." 45 CFR 84.3(j)(2)(iv) (1985). Housing, like employment, is an essential component of life. Thus, baseless fears that HIV-infected persons would transmit the AIDS virus to those living with or near them would have the effect of limiting those infected persons' abilities to obtain housing and thus care for themselves.

I should point out that the "regarded as" provision adds the class of persons who do not actually have the infection, but may be perceived as having the infection. This would include an individual who simply went in for HIV-testing or an individual who was asked by an employer or landlord to undergo HIV-testing because the person was suspected of being infected—a request which, as the committee report accompanying this bill points out, would not be valid.

It is important that Congress take this step of extending protection against housing discrimination to all HIV-infected persons, and I am pleased that this bill will have that effect. This bill represents a historic step forward and I urge my colleagues to pass it without any weakening amendments.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, the gentleman is explaining it exactly right. I would just reemphasize for the Members that they have already voted for precisely the position that is in this bill if they voted for the Grove City bill because in the Grove City bill this formulation that is being protected against discrimination unless a person is a direct threat within the President's bill. It was in the bill that the House committee had, it was in the alternative of the gentleman from Wisconsin [Mr. SENSENBRENNER], so all three were for that.

Mr. WAXMAN. Mr. Chairman, I urge our position on this amendment.

Mr. OWENS of New York. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I yield to the gentleman from New York.

Mr. OWENS of New York. Mr. Chairman, I want to associate myself with the remarks of the gentleman. Section 504 of the Rehabilitation Act of 1973 thoroughly covers this case, and we should not try to fix something that is not broken. It has been in existence for 10 years, and we should let that section rule in this case.

Mr. Chairman, I rise in strong support of the Fair Housing Amendments Act—H.R. 1158—as one more critical step in the great stride toward freedom for Americans with disabilities.

The Supreme Court of the United States has quoted with approval the statement of Representative Vanik that society's treatment of people with disabilities constitutes one of our Nation's "shameful oversights" that has caused individuals with disabilities to be "shunted aside, hidden, and ignored" *Alexander* v. *Choate,* 105 S.Ct. 712, 718; 1985. H.R. 1158 begins to address and correct such a shameful oversight in our laws prohibiting discrimination in housing. To the types of housing discrimination prohibited under the Fair Housing Act, H.R. 1158 adds prohibitions of discrimination on the basis of a person's handicap.

It is unfortunate and unacceptable that people with disabilities encounter pervasive discrimination when they seek to obtain suitable housing. Ignorance, misperceptions, and outright prejudice cause some providers of housing to refuse to rent or sell their housing units to individuals with disabilities; an article in Perspectives: The Civil Rights Quarterly documented the following examples of such discrimination:

> In a western city, a landlord refused to rent an apartment to a blind professional woman. How could he be sure she wouldn't start a fire trying to cook herself a meal, he asked?
>
> In another major city, a man confined to a wheelchair was prohibited from renting a second-floor apartment because the elevator would have been his only exit, violating a city fire ordinance.
>
> One suburban man, diagnosed a schizophrenic, received heavy medication causing severe relaxation of his facial muscles. His landlord, saying that he bothered other tenants, evicted the man from his apartment.
>
> (Mike Jackman, "Enabling the Disabled: Paternalism is Enemy No. 1", Perspectives (Winter-Spring 1983) p. 23, 24).

In other instances, barriers built into the architecture—stairs, narrow doorways, inaccessible bathrooms, and so forth—prevent persons with disabilities from obtaining access to housing that would otherwise be suitable. This bill, for the first time, makes such discrimination on the basis of handicap an unlawful interference with the right of all Americans to Fair Housing.

Section 5(b)(h) of H.R. 1158 provides a definition of the term "handicap," based upon the language of existing statutes and court decisions addressing discrimination on the basis of handicap. Pursuant to this definition, a person has a "handicap" if any of the following three circumstances occur: First, the person has "a physical or mental impairment which substantially limits one or more of such person's major life activities;" second, the person has "a record of having such an impairment;" or third, the person is "regarded as having such an impairment." This three-pronged definition is drawn directly from the definition of individuals with handicaps under title V of the Rehabilitation Act of 1973, which includes section 504—the nondiscrimination provision covering Federal agency activities and programs that receive Federal financial assistance. The Rehabilitation Act definition has been implemented and explained in Department of Justice coordinating regulations, 28 CFR Part 41, originally issued by the Department of Health, Education, and Welfare in 1977; in regulations issued by numerous individual Federal agencies to cover the programs and activities they conduct, and those conducted by recipients of Federal grants of those agencies; and in some court decisions, for example, *School Board of Nassau County* v. *Arline*, 107 S.Ct. 1123; 1987. The prior history of interpretation and application will enlighten the application of the identical terms in the H.R. 1158 definition. The definition of "handicap" presented in section (b)(h) neither expands nor restricts the current interpretation of "individuals with handicaps" as it is used in section 504. All of the physical or mental impairments that constitute handicaps under section 504 will also constitute handicaps under this bill. While it is not possible to devise a comprehensive list of all the types of impairments included, it is clear that the term encompasses such diseases and conditions as orthopedic, visual, speech, and hearing impairments, cerebral palsy, epilepsy, muscular dystrophy, multiple sclerosis, autism, AIDS and infection with the AIDS virus, cancer, heart diseases, diabetes, mental retardation, and emotional illness.

It is important to underscore that this definition clearly intends to include persons with AIDS and all who are infected with the HIV virus, whether or not they show symptoms of the disease. Various classifications and terminology have been used, but individuals are included if they have AIDS, AIDS-related-complex, or seropositivity, whether they have symptoms of the disease or are asymptomatic. The definition is intended to reflect a developing consensus in case law and administrative interpretations that all who test positive for the AIDS virus have a "handicap" and are within the scope of protection afforded by such laws against discrimination on the basis of handicap. Such coverage of AIDS is consistent with the observation of the Supreme Court in School Board of Nassau County versus Arline, that "society's accumulated myths and fears about disability and disease are as handicapping as are the physical limitations that flow from actual impairment. Few aspects of a handicap give rise to the same level of public fear and misapprehension as contagiousness." 107 S.Ct. at p. 1129. The need for Federal statutory protection prohibiting discrimination against AIDS-infected people in housing is one of the explicit recommendations in the recently issued report of the Presidential Commission on the Human Immunodeficiency Virus Epidemic.

The bill was amended in the committee to exclude "current illegal use of or addiction to a controlled substance; as defined in section 102 of the Controlled Substances Act, 21 U.S.C. Sec. 802. This amendment provides that individuals who are currently using or are currently addicted to illegal drugs are not protected as handicapped individuals under this bill.

The second and third prongs of the definition of "handicap" in section 5(b)(h), relating, respectively, to having "a record of having such an impairment" and "being regarded as having such an impairment," are intended to make the prohibitions of discrimination applicable to individuals who, although they do not have a physical or mental impairment included in subsection (1) of the definition, either have a record—whether accurate or not—of having once had such an impairment or who are denied a housing opportunity because they are treated as if they had such a physical or mental impairment even though they actually have no impairment or have a physical or mental impairment that does not meet the criteria of subsection (1). These subsections address situations in which discrimination occurs because a housing provider mistakenly assumes that an individual has a particular impairment, is erroneously told that such an impairment exists, or overreacts to a minor impairment or a person's history of prior impairment.

Section 6 (a) and (b) of H.R. 1158 add provisions dealing with discrimination on the basis of handicap to the list of discriminatory housing practices contained in the act. Pursuant to these amendments, it will be unlawful to discriminate in sale or rental, or to otherwise prevent an individual from obtaining a dwelling, because of a handicap of: The potential buyer or renter, a prospective tenant or resident, or any associates of the buyer or renter.

Section 6(f)(2) establishes a prohibition against discrimination in the terms, conditions, or privileges of a sale or rental; and against discrimination in the provision of services or facilities associated with a dwelling. These would prohibit unequal treatment or denials of services because of an individual's handicap, and would guarantee that a person will not be discriminatorily barred from access to such things as clubhouse and recreation facilities, parking privileges, cleaning and janitorial services, and other facilities, uses of premises, benefits, and privileges made available to other tenants, residents, and owners. To eliminate such discrimination, modifications of such terms, conditions, privileges, services, or facilities will be required to bring them into compliance with the requirements of this section.

These general prohibitions of discrimination on the basis of handicap contained in subsections (f)(1) and (f)(2) are supplemented by some more specific requirements set out in section 6(f)(3)—a provision regarding occupant-funded modifications, a provision regarding "reasonable accommodations," and a provision regarding accessibility features in future housing construction. Pursuant to subsection (A), it is an unlawful act of discrimination to refuse to permit a person with a disability to make reasonable modifications of premises if necessary for that person's full enjoyment. Such modifications are but a minor inconvenience to housing providers, but operate as a substantial and discriminatory barrier to safety and full enjoyment for the person with a disability.

Subsection (B) makes it an unlawful act of discrimination to refuse to make reasonable accommodations in rules, policies, practices, or services if necessary to permit a person with a handicap equal opportunity to use and enjoy a dwelling. The term "reasonable accommodation" is drawn from existing regulations and case law dealing with discrimination on the basis of handicap. A discriminatory rule, policy, practice, or service is not defensible simply because "That's the way we've always done it;" appropriate modifications must be made. The term "reasonable" has been interpreted to mean that feasible, practicable modifications are called for, but that extreme, infeasible modifications are not required. Such reasonable accommodations may require the changing of a rule, policy, or practice, or the modification of the manner of location in which services are provided if necessary to permit a person with a disability an equal opportunity to use and enjoy a dwelling.

Subsection (C) places some minimum requirements regarding accessibility upon "covered multifamily dwellings" designed and constructed for first occupancy more than 30 months after the date of enactment of the act. The term "covered multifamily dwellings" refers to all dwellings in buildings of two or more units that have elevators, and ground floor dwellings in buildings of two or more units that do not have elevators. This definition clearly does not require the application of accessibility features to second, third, and higher floor "walk-up" apartments.

Physical barriers are one of the most serious forms of discrimination facing citizens with disabilities. Today, in 1988, after State and local codes calling for accessible construction have been around for years in various jurisdictions, after many years of experience with the American National Standard for Buildings and Facilities—"Providing Accessibility and Usability for Physically Handicapped People," ANSI A117.1, after numerous National Barriers Awareness Days, after decades of calls from disability and elderly groups for accessibility requirements, after numerous articles in architecture and design journals regarding accessibility, the continuing failure to design and build housing having accessibility features and instead persisting in the erection of barriers to substantial segments of our society is closely akin to intentional, malicious discrimination.

H.R. 1158 applies significant but relatively modest standards regarding accessibility in new housing construction. Many State and local building codes, the Uniform Federal accessibility Standards, and the ANSI standard, A117.1-1986, provide accessibility standards that are quite specific, comprehensive, and detailed. H.R. 1158 does not go as far as these; it seeks to assure only that certain basic, uniform features of adaptable design are incorporated in new multifamily housing construction. The requirements are that on the ground floor of nonelevator buildings and on all floors served by elevators dwellings must be designed and constructed to include the following features: First, accessibility and usability by persons with disabilities of public use and common use portions; second, that all doors to and in such dwellings are sufficiently wide to allow passage of wheelchairs; and third, that premises contain certain specified features of adaptive design; that is, an accessible route into and through the dwelling; light switches, electrical outlets, thermostats, and other controls in accessible locations; reinforcements in bathroom walls to allow later installation of grab bars; and usable kitchens and bathrooms that permit an individual in a wheelchair to maneuver about the space. The features of adaptive design were negotiated with the input of the housing industry, and are intended to further the goal of establishing minimal standards to eliminate discriminatory barriers to persons with disabilities, with an incidental side benefit of fostering uniformity in the housing industry. These basic features of adaptability are so essential for the equal access of persons with disabilities, and are so easy to incorporate in housing design and construction, that failure to comply with them constitutes an unlawful act of discrimination. Compliance with these minimum standards will eliminate a great deal of the barriers which discriminate against persons with disabilities in their attempts to obtain equal housing opportunities.

The leisurely, often half-hearted pace with which our Nation has sought to promote not just equal access to housing but equal opportunity in all realms of life for persons with disabilities is inexcusable and must cease. In the words of Dr. Martin Luther King, Jr., "We have come to the day when a piece of freedom is not enough for us as human beings nor for the Nation of which we are part. We have been given pieces, but unlike bread, a slice of which does diminish hunger, a piece of liberty no longer suffices . . . Freedom is one thing—you have it all, or you are not free". It is long past time to make real the promise of equal opportunity for all Americans with disabilities—not in pieces, but in its totality. H.R. 1558 is one more crucial element in our Nation's pursuit of that goal.

Mr. HENRY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me say that as one of those who was in the district minority in opposing the Grove City remedy which passed this body several weeks ago, one of the reasons in which I did so was for my concern that religious institutions in particular be allowed to make behavorial judgments and some of the concerns that some of us felt were valid. I continue to be of the belief that at some point along the line we are going to have to address some of these problems through some revision in the Rehabilitation Act in section 504 and likewise in the title IX provisions and others in which religious principles and behavorial issues relative to questions of religious predisposition are in fact under the Constitution legitimate bases for discrimination in the sense of judgments appropriate to the conduct of a religious body as a religious body.

However, Mr. Chairman, I must say that I have very, very serious reservations and must speak out against the amendment of the gentleman from California [Mr. DANNEMEYER]. The whole issue of contagious disease, first of all, is overly broad. We are not talking here just about alcoholism, or drug abuse or, in fact, acquired immune deficiency syndrome, but measles, the common cold, influenza. When does the list stop? Who is accountable for making these judgments? What are the liabilities associated with the realtor, or agent or landlord in making these kinds of judgments?

The intent perhaps, even if overly broad, is commendable, but the language is very common, very slippery, and dangerous and overly broad.

Finally, just by way of brief closing, let me say that it is very difficult, particularly for some of us who in terms of our personal belief systems approach these questions of such emotional difficulty from a very conservative, personal perspective in terms of what we would want for ourselves or want for others in our society. But all individuals enjoy protection under our Constitution, and that protection ought to be reflected in the laws that we pass in this body.

Mr. Chairman, the difficulty is, of course, that in certain areas we have sought not only to protect classes against discrimination, but in fact to affirmatively promote certain classes and certain instances in order to render some degree of equity in accord to past injustice. That in fact is what part of the problem is and the struggle over the definition of "handicapped." To what extent are we seeking promoting protections, as it were, for people as opposed to simply honoring protections afforded to all individuals under this Constitution? That is where the area of debate more rightly belongs on this issue of handicapped in order to get the separate and full and careful consideration in a different kind of environment and clearly more clearly crafted language.

Mr. Chairman, for that reason I would urge my colleagues to vote against the language of the gentleman from California [Mr. DANNEMEYER].

Mr. SENSENBRENNER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment of the gentleman from California [Mr. DANNEMEYER], and I think the gentleman from Michigan [Mr. HENRY] is abundantly clear that the Dannemeyer amendment is overly broad.

I can see a hypothetical situation where you have a black family where one of the children has a common cold, and the common cold is a contagious disease just as much as spinal meningitis and measles, and mumps and AIDS, and the realtor discriminates in the sale or rental of the housing to that family. A charge is brought by the Secretary of HUD against the realtor for discrimination; one, because the family was black; and two, because the family had children.

□ 1930

If this amendment were in there, they could say, "Well, I have a defense." There was one member of the family who had a contagious disease.

The way this amendment is drafted, it says that any infectious, contagious or communicable disease, whether or not such disease causes a physical or mental impairment during the period of contagion. I think that would be a defense. Even though the obvious common cold was not the reason for the discrimination, there was discrimination based upon one or more of the protected classes.

So I would hope the the Dannemeyer amendment would be voted down. I do intend to support the Burton amendment. The Burton amendment is more narrowly drawn, but the Dannemeyer amendment leaves a loophole that anybody who is guilty of kind of discrimination can drive a truck through and probably get off the hook.

Mr. MILLER of Washington. Mr. Chairman, will the gentleman yield?

Mr. SENSENBRENNER. I yield to the gentleman from Washington.

Mr. MILLER of Washington. Mr. Chairman, I rise in opposition to the amendment, and I rise in support of the Fair Housing Amendments Act of 1988. I believe that this act is important because it extends nondiscrimination protection in the private housing market to persons with handicaps, including people who use wheelchairs, people who have diseases such as cerebral palsy, and people with AIDS and other infectious or contagious diseases.

The Judiciary Committee added an amendment to this legislation which states that the protections afforded under this act are not afforded to those handicapped persons whose tenancy would pose a direct threat to the health, safety, or tenancy of other people. This same standard applies to handicapped persons in section 504 of the Rehabilitation Act of 1973, most recently reaffirmed in the Civil Rights Restoration Act.

What this bill does, quite simply, is provide that housing opportunities may be limited only by medically justifiable health dangers, not by prejudice or groundless fear. In the case of AIDS, overwhelming medical evidence shows that the infection cannot be transmitted by casual contact. Thus, there is no reason to exclude people with infectious diseases, including AIDS, from the Fair Housing Amendments Act.

To my mind, there is no difference between denying housing to AIDS victims because of ignorant fears and denying housing to black or Jewish Americans because of ignorant prejudice.

I urge my colleagues to support this bill and oppose any amendments which would dilute this needed protection.

The CHAIRMAN pro tempore (Mr. OLIN). The question is on the amendment offered by the gentleman from California [Mr. DANNEMEYER] to the amendment offered by the gentleman from Indiana [Mr. BURTON].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. DANNEMEYER. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. The Chair will count. A quorum is present.

Mr. DANNEMEYER. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

On a division (demanded by Mr. DANNEMEYER) there were—ayes 7, noes 89.

So the amendment to the amendment was rejected.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Indiana [Mr. BURTON].

The question was taken; and the Chairman pro tempore announced that the noes appear to have it.

Mr. BURTON of Indiana. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. The Chair will count. A quorum is present.

Mr. BURTON of Indiana. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

On a division (demanded by Mr. BURTON of Indiana) there were—ayes 10, noes 84.

So the amendment was rejected.

PARLIMENTARY INQUIRY

Mr. DANNEMEYER. Mr. Chairman, I have a parlimentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. DANNEMEYER. Mr. Chairman, how many are required for a quorum?

The CHAIRMAN pro tempore. One hundred.

Mr. DANNEMEYER. Mr. Chairman, when the yeas and nays on the last vote are added, what do we get?

The CHAIRMAN pro tempore. There were several Members who did not vote.

AMENDMENT OFFERED BY MR. DANNEMEYER

Mr. DANNEMEYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DANNEMEYER: Page 42, after line 2, insert the following:

SEC. . MODIFICATION OF RENTAL HOUSING BY HANDICAPPED PERSONS.

Section 804 (as amended by section 6 of this Act) is further amended by striking out the period at the end of subsection (f)(3)(A) and inserting in lieu thereof ", except that, in the case of a rental, no modification need be permitted unless the renter first agrees to restore the interior of the premises to the condition that existed before the modification, reasonable wear and tear excepted unless previously negotiated with the landlord.

Mr. EDWARDS of California. Mr. Chairman, I reserve a point of order on the amendment.

Mr. Chairman, will the gentleman from California yield?

Mr. DANNEMEYER. I yield to the gentleman from California.

Mr. EDWARDS of California. Mr. Chairman, we have agreed to this amendment on this side, and I withdraw the point of order.

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. Mr. Chairman, we have also agreed to this amendment, and I hope we will not need a rollcall vote.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. DANNEMEYER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DANNEMEYER

Mr. DANNEMEYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DANNEMEYER: Page 41, after line 22, insert the following:

SEC. . ELIMINATION OF UNNECESSARY REPORTS.

Section 808 (as amended by section 7 of this Act) is further amended—

(1) in subsection (e)—

(A) by inserting "; and" at the end of paragraph (4);

(B) by striking out "; and" at the end of paragraph (5) and inserting a period in lieu thereof; and

(C) by striking out paragraph (6); and (2) by striking out subsection (f).

Mr. DANNEMEYER. Mr. Chairman, I think the Members should be advised that there is a vast increase in paperwork that is provided in this legislation. My amendment would delete the requirement of the Housing and Urban Development Agency to prepare yet more paperwork for us to try to find time to read.

This amendment strikes the report required on pages 12 and 13 of the bill. The bill requires an annual report to Congress and to the public on the data on race, color, religion, sex, national origin, age, handicap, and family characteristics of persons or households or applicants for or participants in or beneficiaries or potential beneficiaries of programs administered by the Department to the extent such characteristics are in the range of the following laws:

Title VI of the Civil Rights Act of 1964; title 8 of the Civil Rights Act of 1968; seciton 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975; Equal Credit Opportunity Act, section 1978 revised statutes; section 527 of the National Housing Act; section 109 of the Housing and Community Development Act of 1974; section 3 of the Housing and Urban Development Act of 1968; Executive Orders of 11063, 11246, 11625, 12250, 12259, and 12432.

Now, this amendment will, of course, be of some comfort to people working in the bureaucracy because it is going to give them endless opportunities for expanding the preparation of paperwork and filing cabinets and reports to Congress, which some of us find difficult in terms of the time to read. Nobody knows how much this paperwork will cost.

I think what we should do is just give it the kind of attention which it deserves and delete it from this act.

Mr. Chairman, I ask for an "aye" vote.

Mr. EDWARDS of California. Mr. Chairman, I am opposed to this amendment on this side.

The reporting requirements necessary are necessary to provide Congress with statistical information on the degree of continuing discrimination. We need to know how the enforcement procedure is working and whether it needs to be improved. Without this information, we just do not know whether housing discrimination remains a problem, how the enforcement mechanism is working, or rather if it needs improvement. We need this information. In writing this bill we need it very badly.

Mr. Chairman, I urge a no vote on the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. DANNEMEYER.]

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. DANNEMEYER. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. The Chair will count. A quorum is present.

Mr. DANNEMEYER. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

On a division (demanded by Mr. DANNEMEYER) there were—ayes 6, noes 91.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. DANNEMEYER

Mr. DANNEMEYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DANNEMEYER: Page 41, after line 22, insert the following:

SEC. . ACCESS BY HANDICAPPED PERSONS.

Section 804 (as amended by section 6 of this Act) is further amended—

(1) in subsection (f)(3)(A), by striking out "full enjoyment of the premises" and inserting "ready access to the dwelling" in lieu thereof; and

(2) in subsection (f)(3)(B), by striking out "equal opportunity to use and enjoy" and inserting "ready access to and use of" in lieu thereof.

□ 1945

Mr. DANNEMEYER. Mr. Chairman, in the law as it is written today, there is language which says that a handicapped person is to be afforded ready access to the dwelling. This legislation will change that terms of access to a new definition that is new to our law, and it will substitute for the words ready access to the dwelling "full enjoyment of the premises."

Members may well ask what is the big deal, what is the difference between ready access to the dwelling and full enjoyment of the premises. There is a distinction. There is a distinction with a difference. A body of case law and administrative regulation has developed around the term "ready access to the dwelling." If we change these words of art at this point to a new definition, we are then laying the foundation for rejecting the existing interpretation of the law by inserting in a new test, and I question whether or not it makes good sense to put this new test into the law—"full enjoyment of the premises." I think the existing language of the law is adequate for the purposes of serving the interests of why this whole act is in existence, and I would ask for the Members' vote.

Mr. Chairman, I yield back the balance of my time.

Mr. SENSENBRENNER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I see nothing wrong with the change in definition that this bill contains insofar as the addition of handicapped as a protected person.

In the case of this bill, we are talking about housing. We are talking about a place where people live one-half to two-thirds of their lives, and perhaps even more than that in the case of a handicapped person. It seems to me that if we establish handicapped as a protected class which this bill does and which I am in favor of, we ought to give the full possible enjoyment of the premises to those who buy and rent them, and by striking the words "full enjoyment" and going back to the existing term "ready access," we are giving less than full protection to the handicapped. That is why this amendment ought to be rejected.

I am comfortable with allowing a new body of case law and a new body of regulations to be developed, because we are talking about a new protected class, and we are talking about the place where people live their lives.

I hope that the membership will join me in voting this amendment down.

Mr. Chairman, I yield back the balance of my time.

Mr. FISH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have very little to add to what the gentleman from Wisconsin said except to say that as the author of the bill in front of the Members, as the principal sponsor of the bill, dated February 19, I had in there the two cases that are struck by this amendment that terms ready access, but in the course of the consideration by the committee, I became convinced that the current words of "full enjoyment and equal opportunity" were more apt. The reason for that was partially what was said by the sponsor of the amendment, that ready access is a very known term, and he is right there. That is the problem with it, because if ready access refers to the ability to get into and out of housing, not the ability to live a useful life in that housing, we are not talking about reaching the types of modifications that a person may require, and as we all know, these modifications to a dwelling will vary according to the needs dictated by the impairment.

I think that this was a big improvement in the legislation, and I think it would be a great mistake to go back to the language "ready access" at this point. Therefore, I hope the Committee will turn down the amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. EDWARDS of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we agree on this side with the gentleman from New York [Mr. FISH] and the gentleman from Wisconsin [Mr. SENSENBRENNER] and urge a no vote.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. DANNEMEYER].

The amendment was rejected.

AMENDMENT OFFERED BY MR. DANNEMEYER

Mr. DANNEMEYER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DANNEMEYER: At the end of the bill, add the following new section:

"SEC. . RULE OF CONSTRUCTION.

"Title VIII is amended by adding at the end thereof the following new section:

"RULE OF CONSTRUCTION

"Nothing in the title shall be construed to require any person or group of persons selling, renting, or leasing property to exercise a higher degree of care for a person having a disability than for a person who does not have a disability; nor shall this title be construed to relieve any person or group of persons of any obligation generally imposed on all persons regardless of any disability in a written lease, rental agreement, or contract of purchase or sale."

POINT OF ORDER

Mr. EDWARDS of California (during the reading). Mr. Chairman, reserving a point of order, we do not have a copy of 1C.

The CHAIRMAN pro tempore. The Clerk will continue to report the amendment.

The Clerk completed the reading of the amendment.

The CHAIRMAN pro tempore. The gentleman from California [Mr. DANNEMEYER] is recognized for 5 minutes.

Mr. DANNEMEYER. Mr. Chairman, the House earlier this evening voted to not exclude from the definition of a handicapped person somebody who is an alcoholic. That is what we did earlier this evening.

When Members consider the law of foreseeability that lawyers studied in law school under tort law, it tells them that the owner of property has a duty of foreseeability to guard against risks that are known or reasonably could be anticipated with respect to the ownership of property. Think what we are doing. We are seeing with this legislation that owners of property have to rent to persons who are alcoholics. We know that alcoholics sometimes drink too much and, as a result of their inebriation, they are incapable of taking care of themselves.

It is foreseeable that if an owner of real property has a second-story apartment house, for instance, with an outside rail that an alcoholic who was inebriated was going to sit on that rail and fall over and hurt themselves when they land, when that happens, not if but when that happens, a lawsuit will be filed, of course, by the person who fell off the rail, and a claim will be made that the landlord had a duty to fence off all of the areas that had rails in the apartment house in order to preclude the possibility that an alcoholic would get inebriated, sit on the rail and fall on the ground under the doctrine of foreseeability.

Another aspect of this legislation, considering we are including within the definition of handicapped, somebody suffering a mental impairment, and I am not making this case up, because this has actually reached the appellate court level, the owner of a commercial property was sued because a tenant assaulted an adjoining tenant, and the person who was injured sued the landlord because the landlord had not taken action to protect his tenants from being damaged by a person who was a tenant in the building.

Look at the burden we are placing on the owner of property. Is the owner of property supposed to conduct a detailed background investigation on all tenants and find out whether or not they have sustained any mental impairment, and if they have not, then the landlord is going to be liable for any physical activity which one tenant visits upon another tenant in connection with the occupancy of the real property?

What my amendment says is this: that the adoption of this legislation does not place on the owner of property any increased duty or a higher degree of care than what would be owed to an individual who is not afflicted with the handicap that we are including within the definition of this bill. In other words, under the doctrine of foreseeability, the duty of an owner of property is no greater than somebody who would be called a normal person, and I think it is a perfectly rational amendment to recognize the hole into which we are digging ourselves with this legislation.

The two examples I have given are just among many that could be cited to the Members of this body as to what this legislation is going to do and the happy hunting ground it is going to create for the trial lawyers of America in terms of maintaining causes of action on behalf of people who are injured on premises of other persons' property.

For this reason, I ask for your "aye" vote.

Mr. MORRISON of Connecticut. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this amendment is flawed in many ways, and I will not bore my colleagues with a long list. I suggest that this amendment deserves the same fate as the last few amendments from the gentleman from California. I hope that we can properly dispatch the amendment and get on with the passage of this important legislation.

To the extent that this amendment has an effect on the protections which are provided under this bill, it undercuts the protections that we have already endorsed and adopted with respect to the handicapped. To the extent that it seeks to change the standards of tort law established by the several States, it is clearly unconstitutional. It has no basis in this statute.

We have no authority to be amending the tort law of each State. The States will react as they have under their proper authority with respect to the law, to the factual situations that arise. Nothing in this legislation purports to change that tort law or has any effect on that tort law and, therefore, what this amendment does is not to correct something done by this bill but reach out to take on ourselves a right that we do not have, to establish the tort law of each and every State.

For that reason and many others, Mr. Chairman, I ask my colleagues to reject this amendment.

The CHAIRMAN pro tempore. Does the gentleman from California [Mr. EDWARDS] insist on his point of order?

Mr. EDWARDS of California. Mr. Chairman, I do not insist on my point of order.

Mr. SWINDALL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment primarily because I am concerned about the fact that this bill, if it passed without this amendment, will have the net effect of substantially increasing the rent that individual tenants will have to pay. The reason for that is, without this amendment, the landlord's liability is substantially increased. I think it is very naive to believe that landlords are going to absorb that increase of liability. They will simply take out more insurance which will cost them more money which will be passed along to the tenants in the form of rent increases.

I was a practicing lawyer, and I can tell you, as a practicing lawyer, that what this bill does without this amendment is place landlords in a position where they will be sued more frequently, because it is true that they will know in advance that individuals are residing in their apartment complexes who are mentally handicapped and, as a result of that handicap, they must take precautions to avoid the type of injuries to the individuals themselves as well as other tenants. I can assure the Members that every single plaintiff's attorney will stand in the courtroom and say, "This individual knows that this person was mentally handicapped and must be held under the law of every State that I know of to a higher standard of care."

We cannot at one time place the landlord in the position of increased liability without at the same time increasing the exposure to lawsuits as well as to damages. With this amendment, Members will have put the landlord exactly where he was found beforehand. If we are going to insist on individuals who are mentally handicapped being accepted, wherever, at least be rational enough to make certain that the landlord is not exposed to increased coverage in terms of their insurance.

It would be, I think, very, very detrimental to those individual who are eking out as it is a living to have their apartment rent increased because of a piece of legislation that we know will increase the landlord's responsibility. In the name of compassion for the low-income tenants, Members must adopt this amendment. Otherwise, mark my words, they will come back to the Members and say, "Why am I having to pay more rent, because once again Congress was trying to do me a favor?"

This kind of favor tenants do not need.

☐ 2000

Mr. SENSENBRENNER. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, the argument that failure to adopt this amendment is going to raise insurance rates is a complete red herring. Any apartment owner who takes our liability insurance as a part of the homeowner's coverage on the property is not going to have increased or decreased coverage based upon the fact that someone who has got a mental handicap or physical handicap or is an alcoholic or what have you might become a tenant sometime during the term of that policy. The insurance coverage is going to be based upon what the landlord deems is necessary to protect his investment and to protect his assets from a lawsuit, whether it is by a tenant, whether it is by a guest of a tenant in the building or whether it is by a passerby who happens to slip on the ice because the landlord failed to shovel the sidewalk.

I would hope that this amendment would be rejected because the provisions of it will allow for backdoor discrimination simply by saying that there is a higher standard of care that is required or not required for a protected class. I hope that the Members vote no on this amendment, and I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. OLIN). The question is on the amendment offered by the gentleman from California [Mr. DANNEMEYER].

The amendment was rejected.

Mr. CHAIRMAN pro tempore. Are there further amendments to section 14?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

Mr. FEIGHAN. Mr. Chairman, today marks a milestone in the history of fair housing legislation; and it's one that's long overdue.

I want to congratulate DON EDWARDS, the chief sponsor of the bill and chairman of the Civil Rights Subcommittee, PETER RODINO, the chairman of the full committee, and all the other members and staff who have worked long and hard to reach an agreement on fair housing.

The civil rights community and the National Association of Realtors also deserve our praise for forging this historic consensus. I believe that this new spirit of cooperation will mark the beginning, not the end, of their long-term partnership to end discrimination in housing.

With passage of this bill, the House stands up in strong support of free and equal access to housing for all Americans, for protecting the housing rights of the handicapped and the disadvantaged, and for a fair housing law with "teeth." Today, we come close to finishing the job that we started 20 years ago with passage of the Fair Housing Act.

There is still at least one more issue Congress needs to address: the tension between State and local laws, which may encourage programs designed to eliminate segregated housing, and Federal law, which may circumscribe forms of benign racial steering. If the Starlet City case is any indication, this tension could pose a serious problem for certain types of integration maintenance programs. But I'm delighted that my colleague, DON EDWARDS, has recognized that Congress needs to closely examine this issue, and has agreed to hold hearings on integration maintenance later this summer.

Mr. Chairman, I anticipate the speedy enactment of a fair housing bill this Congress. And I look forward to the day in the not so distant future when housing segregation and racial prejudice are faded memories of the past.

When Congress passed this Nation's first comprehensive fair housing law in 1968, it expressed the hope that a guarantee of equal housing would erode the segregated housing patterns that existed in 1968, and still, in large measure, exist today. But nearly two decades of experience with title VIII suggests that "open housing" does not inevitably produce integration.

As current studies show, "white flight" and polarization continue to plague many of our communities despite Congress' declaration in title VIII that equal housing opportunity is the law of the land. Continuing patterns of housing segregation present an issue that remains to be resolved as Congress considers further amendments to title VIII; namely, the extent to which property owners, agents, and brokers are permitted to engage in race conscious marketing to create or preserve integrated housing patterns.

Such race conscious marketing may place disproportionate burdens on minorities. This is true because whites have demonstrated a tendency to leave, or not enter, neighborhoods that are viewed as integrated or of changing racial balance. To deter white flight, and thus maintain an acceptable level of integration, some communites have adopted marketing techniques designed to discourage, or even prohibit, further minority movement into a neighborhood or dwelling once a "topping point" has been reached. As the recent case of *United States* v. *Starrett City* demonstrates — F.2d — (2d Cir. 1988), these techniques, and particularly racial quotas, may operate to make housing otherwise unavailable to members of minority groups—the very persons that title VIII was intended to protect.

The current ambiguity over the legality of race conscious marketing to preserve or create integration may also present difficult compliance problems for real estate brokers and agents. Real estate brokers cannot be assured that race conscious activities for the benign purpose of maintaining integration are legally permissible. Yet, such programs are being pursued in a number of communities around the country, and real estate brokers often participate in them.

If Congress does intend to permit some race conscious marketing of real estate—as many of us believe—the fundamental fairness dictates that real estate brokers and agents be told with precision what is permissible, so they may conduct their business in complete compliance with the law. I am delighted that DON EDWARDS, chairman of the Civil Rights Subcommittee, has agreed to conduct hearings on this issue in the near future to explore these problems in greater detail.

Mr. GUARINI. Mr. Chairman, today we have a historic opportunity to ensure that housing is made available to all of our citizens. H.R. 1158, the Fair Housing Amendments Act of 1988, ensures that civil rights and free access to housing be afforded to many who have been discriminated against due to age and physical or mental disabilities.

This legislation extends protections under the Fair Housing Act of 1968 which prohibits discrimination in the sale or rental of housing on the basis of race, color, religion, or national origin. In 1974, the law was amended to prohibit discrimination on the basis of gender, as well. Twenty years after banning housing discrimination, discrimination and segregation in housing continue to be pervasive; with over 2 million instances of housing discrimination occurring each year.

H.R. 1158 would provide HUD the authority, for the first time, to directly enforce the Fair Housing Act. This measure enables HUD to sue violators on behalf of victims of discrimination. This enforcement authority will send a signal to those who discriminate that we are not going to stand for it.

Families and children get strong protection under the bill as well. For many years, access to many forms of housing have been closed to families with children for a range of reasons. This legislation opens all forms of housing to parents with children under 18 except those which are designed for persons aged 55 or over. With the increase in homeless families with children on our street, this move represents a quantum leap forward.

The handicapped are also added to the list of those protected under the Fair Housing Act. Multifamily dwellings with four or more units will be asked to meet standards which provide access to the handicapped. These standards include making hallways and doors wide enough and kitchens and bathrooms large enough to accommodate wheelchairs, as well as putting light switches at appropriate heights. Opening access to multifamily housing for the handicapped is not only equitable, but long overdue. The handicapped face obstacles which many of us rarely think of, but are a daily reality. This bill is a compassionate way to open housing to the physically and mentally handicapped and meet the needs of these people who for so long have been overlooked.

I would like to thank PETER RODINO, chairman of the House Judiciary Committee, for his leadership in developing a piece of legislation that will improve the quality of life for so many who have faced discrimination for so long.

Mr. BONKER. Mr. Chairman, I am pleased to rise today to voice my strong support for H.R. 1158, the Fair Housing Amendment Act of 1988. I expect that before the day is over this body will have passed this important legislation and done its part to improve our Nation's commitment to equal access to housing for all Americans.

We should be especially proud of the bipartisan spirit that has prevailed during the careful crafting of these fair and very much needed amendments. In particular, we must recognize the fine leadership of our distinguished colleagues, DON EDWARDS and HAMILTON FISH, JR., who have earned the respect of members of both sides of the aisle with their work on this bill.

Their leadership has brought us this compromise which responds to the needs of competing interests without sacrificing fundamental fairness for those who may face discrimination in obtaining decent, affordable, and desirable housing. It has been a difficult challenge to develop a legislative initiative to protect fair-housing opportunities for all. We must recognize, however, that we have pased many well-crafted laws that did not fulfill our high expectations. I do not believe that this law will end all of the prejudicial treatment which exists in the housing marketplace, but it will make it more difficult for those who choose to defy our Nation's laws and belief in equality for all.

A vigorous round of applause must also go to the wide array of national organizations that worked so hard to reach this agreement. For example, both the National Association of Home Builders and the National Association of Realtors played critical roles in bringing this legislation before the House.

Mr. Chairman, like all of my colleagues, I have received many letters supporting H.R. 1158, as well as some letters in opposition. I am satisfied that the compromise reached through the leadership of Mr. EDWARDS and Mr. FISH, together with such diverse groups as the National Associations of Home Builders and Realtors, the American Association of Retired Persons, the Children's Defense Fund, the Consortium for Citizens with Developmental Disabilities, the Leadership Conference on Civil Rights, and many others, addresses the principal concerns about these amendments.

I would like to speak briefly to three important issues that have been raised about this legislation.

First, the compromise satisfactorily provides for meaningful options to redress discriminatory actions against those who would deny access to housing for protected classes of citizens. The role of the Department of Housing and Urban Development in resolving complaints is strengthened by providing for a new system of administrative law judge [ALJ] hearings and administrative sanctions. Yet, HUD's important role of attempting to have the parties to the discrimination complaint work out the problem through mutual conciliation is preserved.

I am a strong proponent of using conciliation and mediation to resolve serious conflicts. Just this past Thursday, June 23, in my capacity as chairman of the Select Aging Committee's Subcommittee on Housing and Consumer Interests, I hosted a congressional forum to examine the importance of mediation in resolving conflicts. Chairman KASTENMEIER of the Judiciary Committee's Subcommittee on the Courts and Civil Liberties joined me in hosting this event. As was demonstrated at our forum, nonadversarial methods, such as conciliation, work effectively when the parties to a dispute want to mutually agree to a settlement. Without that mutual commitment and respect, however, conciliation is not an effective or appropriate remedy.

I believe the new roles for HUD combined with the option for a court trial at the request of any of the affected parties, will provide a reasonable range of options for determining whether or not discrimination has occurred and, if so, a range of sanctions for remedying such behavior. The legislation ensures that fundamental due process protections are available to all parties.

The second issue I wish to address, Mr. Chairman, concerns the provisions which provide reasonable safeguards for families with children who face discrimination in their attempts to obtain housing. We pride ourselves on our national commitment to the sanctity of the family. Yet, the fact that far too many families have been denied the ability to rent or purchase a particular dwelling because they have children makes a mockery of our commitment to our Nation's families. We must be deeply shamed by findings from HUD's latest poll which show that 75 percent of the rental units surveyed restrict or bar children. As a result, many children live in overcrowded or substandard housing—or have no home at all. No wonder our homelessness crisis involves growing numbers of families. This bill ensures a Federal commitment to providing a decent place for children to live.

Opponents of the bill argue that it will force housing for the elderly to include children, thereby ruining the character of senior housing and creating difficulties for older Americans. As chairman of the Aging Committee's Subcommittee on Housing, I was especially concerned about this charge—I have worked throughout my 14 years in Congress to promote housing options designed to meet the special needs of the elderly.

Fortunately, I find the charge unwarranted. I am satisfied that H.R. 1158 has anticipated this problem and effectively ensures that "housing for older persons," as defined, will be protected. It is important to note that this bill is strongly supported by such major Senior citizen advocacy groups as the National Council of Senior Citizens, the American Association of Retired Persons, the Villers Advocacy Associates, and the many other aging-related members of generations united.

Mr. Chairman, the third aspect of H.R. 1158 that I wish to mention is the landmark inclusion of tens of millions of Americans with disabilities under the umbrella of the Fair Housing Act. While our Nation has made great progress in according disabled citizens with many of the rights that the rest of us take for granted, equal opportunity to rent or buy housing has remained but a dream for far too many persons with disabilities.

Unfortunately, our society remains riddled with fears and stereotypes about disabilities and the victims of disabling illnesses and conditions. These fears and stereotypes cannot be allowed to keep doors close to so many of our fellow citizens—this legislation will help to ensure that more doors to decent housing open wide to all Americans.

We know that there has been considerable uproar in some quarters over the concern that these amendments will force landlords to rent to people that may cause harm to other tenants or the neighborhood. I am convinced that the provisions that: First specifically exclude current illegal users and addicts of controlled substances from the definition of handicapped persons; and second, specifically state that the bill does not require that housing be made available to a person "whose tenancy would constitute a direct threat to the health and safety of other individuals," should more than adequately provide assurances to those with these concerns.

In closing, Mr. Chairman, I strongly urge my colleagues to move quickly to vote for passage of the fair housing amendments without further delay. This legislation is essential to millions of Americans. Let's continue our leadership and send this bill to the Senate so we can put H.R. 1158 before the President for his signature in the very near future.

Mr. KOLBE. Mr. Chairman, for the past decade, the real estate industry and the Nation's leading civil rights groups have been at loggerheads over how to strengthen Federal fair housing laws. That changed dramatically this week, when both sides agreed to support an amended version of H.R. 1158, the Fair Housing Amendments Act. I rise in support of this compromise legislation.

H.R. 1158 amends the Civil Rights Act of 1968 in several important ways. First, it provides a new mechanism with which the Department of Housing and Urban Development can enforce the Federal fair housing law.

Under the bill—as under existing law—HUD is required to conduct and complete an investigation of any complaint of discrimination within 100 days after it is filed. During that period, HUD may seek to reconcile the two parties. Under existing law, if reconciliation fails, HUD has no further recourse to enforce the law. the Justice Department may get involved only if a pattern of housing discrimination exists.

H.R. 1158 changes that process. It requires HUD to file a charge against the party accused of discrimination if the reconciliation process fails, provided that "reasonable cause" to do so exists.

The heart of the compromise embodied in H.R. 1158 allows either party to request a jury trial in Federal district court within 20 days of the filing of charges. If neither party wants a jury trial, the case goes to an administrative law judge for a hearing and decision. I applaud this compromise, which substantially strengthens enforcement while preserving the constitutional rights of all parties involved.

Second, H.R. 1158 adds handicapped to the list of persons protected from housing discrimination. This protection is long overdue, and the authors of H.R. 1158 are to be commended for making it such a high priority in this bill.

H.R. 1158 is careful to exclude illegal substance abusers from the definition of handicapped. It clarifies that nothing in the bill requires that a dwelling be made available to a person "whose tendency should constitute a direct threat to the health and safety of another individual," and that is important language.

While passing out these words of praise about H.R. 1158, I must be candid and tell you that I take exception to the third major provision of the bill. This would add families with children under the age of 18 to the list of persons protected from housing discrimination. This is the "familial status" provision. It allows "housing for older persons" to exclude families with children only under rigidly defined circumstances, namely:

In public housing projects specifically designed and operated to assist older persons (such as Sec. 202); or

In dwellings intended for and at least 90 percent occupied by at least one person 55 years of age or older per unit and—the use of the conjunction "and" is significant—that "provide significant facilities and services specifically designed to meet the physical or social needs of such persons"; or

In dwellings that are intended for and occupied solely by persons 62 years of age or older.

A more reasonable approach to this issue was offered in a floor amendment during the debate on H.R. 1158, offered by the distinguished gentleman from Florida [Mr. SHAW].

The Shaw amendment would have reaffirmed the right of local zoning boards—not the Federal Government—to decide whether private residences can be "adults only". It did this by striking the provision in H.R. 1158 that adds families with children under the age of 18 to the list of persons protected from housing discrimination.

Let me state emphatically that this is not a civil rights issue. There is no reliable evidence of housing discrimination against families with children. The most significant obstacle facing such families in the rental market is affordability, rather than bias against children. Rather, the issue here is whether property owners and renters can have control over their own residences and the character of their community.

In particular, many older adults want to live in retirement communities that do not accept children as permanent residents. Some make this choice for medical reasons, other purely as a preference. But it is a preference that should not be denied them by a capricious action of the Federal Government.

Unfortunately, when put to a vote, the Shaw amendment was unsuccessful. This is regrettable. But it would be wrong to defeat H.R. 1158 solely for that reason. To turn back now would be to defeat H.R. 1158 solely for that reason. To turn back now would be to destory a compromise that was 9 years in the making. Moreover, there is a strong possibility that the issues addressed by the Shaw amendment will be decided otherwise by the other body.

Mr. Chairman, H.R. 1158 has all the makings of a true compromise. Nobody got everything they wanted, but the final product is clearly superior to the status quo. I urge my colleagues to support this bill.

Mr. HAYES of ILlinois. Mr. Chairman, today I express my support for the passage of H.R. 1158, the Fair Housing Amendments Act of 1988.

As you know, this historic legislation will provide an effective enforcement mechanism for the Fair Housing Act of 1968 through new, urgently needed powers that provide the means to appropriately respond to complaints filed with the Department of Housing and Urban Development [HUD]. Additionally, key to this legislation are provisions which extend protection for housing discrimination not only to those with handicaps but also to families with children under 18 years of age.

As an original sponsor of this bill, as well as a Representative of a district with many, many housing concerns, it is clear to me that discrimination in housing is a pervasive problem in need of strong governmental intervention.

The facts that have been provided by HUD are absolutely staggering. It has been estimated that cases involving housing discrimination number around 2 million each year. Also, based on HUD information, black families in the market to purchase a home stand a 48-percent chance of encountering discrimination, and for blacks searching for rental property, there is a 72-percent chance of encountering discrimination. These figures are totally appalling and certainly illustrate the fact that H.R. 1158 is sorely needed and its passage has long been overdue.

Finally, it is significant to note the historic alliance in support of this bill. Organizations such as the National Realtors Association, the Leadership Conference on Civil Rights, AARP, ACLU, Thie Children's Defense Fund, and the AFL-CIO have all endorsed the passage of this legislation.

I am certainly pleased to lend my support to this measure and would ask that my colleagues vote in favor of the passage of this bill. No American should be denied access to housing of their choice, and this legislation will help to prevent such discrimination.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker, having resumed the chair, Mr. OLIN, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1158) to amend title VIII of the act commonly called the Civil Rights Act of 1968, to revise the procedures of the enforcement of fair housing, and for other purposes, pursuant to House Resolution 477 he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

(By unanimous consent Mr. FOLEY was allowed to speak out of order.)

LEGISLATIVE PROGRAM

Mr. FOLEY. Mr. Speaker, I take this time in connection with the distinguished Republican leader to advise the House on the schedule for the remainder of the evening and for tomorrow.

We are about to vote, of course, on final passage of this bill, and that will conclude the legislative business for this evening.

Tomorrow the House will meet at 10 a.m. and there will be 1-minute speeches, followed by the consideration of the conference report on the water and power appropriation bill for fiscal 1989, followed by a motion to go to conference on the welfare bill. My understanding is that there will be a motion to instruct the conferees.

Following that, the House will adjourn for the July 4 recess. I would expect that to occur sometime between 1 and 2:30 tomorrow.

Mr. Speaker, we have sent to the Members tonight, the gentleman from Illinois, Mr. MICHEL, and myself, a proposed schedule for the months of July and August. It should be in the Members' offices tomorrow morning. It will indicate that during the months of July and August there will be some Mondays on which there will be suspension votes debated, but there will be no votes on those. They will be postponed until the subsequent Tuesday, and there will be no Fridays on which votes will be scheduled. I suggest to the Members that they consult the schedule in order to allow them to plan their July and August schedules.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, let me just applaud the majority leader for the initiative he has taken here, because what it has done for the months of July and August, frankly, is allow for Tuesday, Wednesday, and Thursday, kind of a reversion to the old T&T days. But I think we will all recognize that if we do our job, and the Speaker made mention of the fact that we had accomplished one of our goals, and that was to get every one of our appropriation bills out of the House of Representatives by the end of June, and that sets us on the right track. While last night we had to make a little special request for an adjustment in the program, and we made up for it today, we appreciate that consideration on the part of the majority, and particularly giving us the sufficient advance notice now all the way up until Labor Day, for all practical purposes, that we will be having Mondays and Fridays vote free, but work will be scheduled on Tuesday, Wednesday, and Thursday. And if I might take the liberty of saying, having given that good a schedule, it is rather difficult to then honor special requests that will be made surely upon the majority leader and upon the minority leader from time to time. Since you have given us this much, can you not give us another inch or two or three?

If we want to keep our schedule and get out of here on time and do all the kinds of things we have to do, I think it is magnanimous on the part of the majority leader to have scheduled the program the way he has.

Mr. FOLEY. Mr. Speaker, I would only say to the gentleman from Illinois that we will be taking these Friday and Monday schedules without votes in the anticipation that Members will be in their home districts following the home district schedule, which is also important to the work of the Members.

MOTION TO RECOMMIT OFFERED BY MR. BURTON OF INDIANA

Mr. BURTON of Indiana. Mr. Speaker, I offer a motion to recommit with instructions.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BURTON of Indiana. Yes, sir, I am.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BURTON of Indiana moves to recommit the bill, H.R. 1158 to the Committee on the Judiciary with instructions to report it back forthwith with the following amendment:

Page 42, after line 2, insert the following:

SEC. . DEFINITION OF TERM HANDICAP.

Section 802 (as amended by section 5 of this Act) is further amended by adding at the end of subsection (h) the following: "Such term also does not include any current infection with the etiological agent for acquired immune deficiency syndrome.".

Mr. BURTON of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentlemen from Indiana?

There was no objection.

The SPEAKER. The gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

Mr. BURTON of Indiana. Mr. Speaker, this is the amendment that we debated earlier in the day. It has to do with the broadening of the definition of the term "handicapped."

Mr. Speaker, persons with contagious diseases get handicapped protection unless they pose a direct threat to the health or safety of other individuals. The problem with this, as I said earlier, is the burden of proving that threat falls on the landlord, and the landlord not be qualified to make that determination. That fact is enough to pass this amendment.

There is also the possibility that the Supreme Court's Arline decision, which said that persons with contagious diseases are considered handicapped, would extend the extraordinary protections of the fair housing bill to AIDS patients. Under the fair housing bill, a landlord would have the burden of proving that the AIDS patient is a danger to the health of others.

While AIDS is, of course, difficult to transmit except through intimate contact, and of course there is some concern about whether that is absolutely correct, many opportunistic infections which AIDS patients have are clearly more casually transmitted, such as infectious tuberculosis and others.

Mr. Speaker, this amendment I think is very important and I hope that the House will see its wisdom. The fact of the matter is, as I have said before, Mr. Speaker, we are putting a burden of proof on the landlord that he cannot live with. He simply cannot decide whether or not a person is contagious.

The broadening of this term will cause a multitude of problems, and for that reason this amendment is very, very important and I urge its passage.

The SPEAKER. Does the gentleman from California [Mr. EDWARDS] seek recognition in opposition to the motion to recommit?

Mr. EDWARDS of California. Yes, Mr. Speaker, I do.

The SPEAKER. The gentleman from California [Mr. EDWARDS] is recognized for 5 minutes.

Mr. EDWARDS of California. Mr. Speaker, I yield to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, I thank the distinguished chairman of the subcommittee for yielding and again congratulate him for his efforts on this bill. I rise in strong opposition to this amendment.

First of all, think of what the proponent of the motion to recommit has just said. The landlord cannot meet this burden, he cannot make a determination. So whether or not an individual is contagious, that individual in question could be discriminated against arbitrarily and capriciously. For that reason alone this amendment ought to be rejected.

But let me point out to my colleagues what the Watkins Commission report said because the gentleman offers this motion to recommit in the name of the health of the Nation. Admiral Watkins and the commission says this amendment is exactly the kind of an amendment that will undermine the health of the Nation.

Let me read from chapter 9 of that report. "HIV-related discrimination is impairing this Nation's ability to limit the spread of the epidemic."

He goes on to say, "However, public health officials will not be able to gain the confidence and cooperation of infected individuals or those at high risk for infection if such individuals fear that they will be unable to obtain the medical and support services they need because of discrimination based on a positive HIF antibody test."

He goes on to say and concludes:

> Therefore, discrimination against persons with HIV infection in the workplace setting, or in the areas of housing, schools and public accommodations, is unwarranted because it has no public health basis.

This is the commission appointed by the President of the United States. Vice President BUSH has said there ought to be a guarantee of antidiscrimination in order to protect the public health.

Mr. FISH. Mr. Speaker, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from New York.

Mr. FISH. Mr. Speaker, I thank my friend for yielding, and there is very little I can add to the eloquence of the gentleman from Maryland [Mr. HOYER] in speaking against this motion to recommit.

Simply put, if passed it would say that someone with AIDS is not a handicapped person so they would not be protected in the sale of rental of property. As we know, there is no proof that AIDS is a contagious disease except in the most intimate of circumstances.

As the gentleman has already alluded to, the President's HIV Commission, chaired by Admiral Watkins, called for Federal antidiscrimination protection, including protection in housing, and I think our colleague should be reminded that we are dealing with a bill concerning fair housing. People with AIDS have a right to decent housing, and this motion should be resoundingly defeated.

Mr. HOYER. In the furtherance of public health, we ought to defeat this motion to recommit with instructions.

Mr. EDWARDS of California. Mr. Speaker, I yield back the balance of my time.

The SPEAKER. The question is on the motion to recommit.

PARLIAMENTARY INQUIRY

Mr. DANNEMEYER. Mr. Speaker, the gentleman from Indiana [Mr. BURTON] had 5 minutes. Has he consumed all of that 5 minutes?

The SPEAKER. The gentleman from Indiana was required to use that time or lose it The Chair does not have a record of the time consumed.

Mr. BURTON of Indiana. Mr. Speaker, I cannot reserve the balance of my time?

The SPEAKER. The gentleman from Indiana cannot reserve time on a motion to recommit.

The question is on the motion to recommit.

The Chair will announce that if a recorded vote is ordered on the pending question, it is the intention of the Chair, pursuant to the provisions of clause 5, rule XV, that any vote on final passage, if ordered, will be a 5-minute vote.

The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

□ 2015

RECORDED VOTE

Mr. BURTON of Indiana. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 63, noes 334, not voting 34, as follows:

[Roll No. 215]

AYES—63

Archer
Armey
Bartlett
Barton
Bennett
Bentley
Boulter
Brown (CO)
Burton
Callahan
Coble
Combest
Craig
Crane
Dannemeyer
Daub
DeLay
Dickinson
Dreier
Edwards (OK)
Emerson
Fawell
Fields
Gallegly
Gekas
Gingrich
Hansen
Hastert
Hefley
Herger
Holloway
Hunter
Kyl
Latta
Livingston
Lott
Lowery (CA)
Lukens, Donald
McCandless
McEwen
Meyers
Molinari
Nelson
Nielson
Packard
Petri
Regula
Roth
Schaefer
Sensenbrenner
Shumway
Shuster
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Stump
Sundquist
Swindall
Walker
Weber
Young (FL)

NOES—334

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Baker
Ballenger
Barnard
Bateman
Bates
Beilenson
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Bosco
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Buechner
Bunning
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Darden
Davis (IL)
Davis (MI)
DeFazio
Dellums
Derrick
DeWine
Dicks
Dingell
DioGuardi
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallo
Garcia
Gaydos
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (LA)
Hefner
Henry
Hertel
Hiler
Hochbrueckner
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Lent

Levin (MI)
Levine (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lowry (WA)
Lujan
Luken, Thomas
Lungren
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCrery
McCurdy
McDade
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Natcher
Neal
Nichols
Nowak
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Rogers
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sharp
Shaw
Shays
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith, Robert (OR)
Snowe
Solarz
Spratt
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Studds
Swift
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weldon
Wheat
Whittaker
Whitten
Williams
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)

NOT VOTING—34

Anderson
Badham
Biaggi
Boucher
Cheney
de la Garza
Dixon
Gejdenson
Gray (PA)
Hayes (IL)
Jones (NC)
Jones (TN)
Kemp
Konnyu
Leath (TX)
Lewis (CA)
Mack
MacKay
Madigan
McCollum
Mica
Moody
Myers
Nagle
Oakar
Ray
Roe
Saiki
Spence
St Germain
Stratton
Sweeney
Weiss
Wilson

☐ 2033

Mr. JOHNSON of South Dakota and Mr. DORNAN of California changed their vote from "aye" to "no."

Mr. EDWARDS of Oklahoma and Mrs. MEYERS of Kansas changed their vote from "no" to "aye."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SENSENBRENNER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. The Chair will remind Members that this is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 376 nays 23, not voting 32, as follows:

[Roll No. 216]

YEAS—376

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Baker
Ballenger
Barnard
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Bosco
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crockett
Darden
Daub
Davis (IL)
Davis (MI)
DeFazio
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hastert
Hatcher
Hawkins
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lungren
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCrery
McCurdy
McDade
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Michel
Miller (CA)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Natcher
Neal
Nelson
Nichols
Nowak
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spratt
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Studds
Sundquist
Swift
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weldon
Wheat
Whittaker
Whitten
Williams
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—23

Archer
Armey
Bartlett
Barton
Boulter
Burton
Combest
Crane
Dannemeyer
DeLay
Dreier
Fields
Hansen
Hunter
Livingston
Lukens, Donald
McCandless
McEwen
Miller (OH)
Nielson
Shumway
Stump
Swindall

NOT VOTING—32

Anderson
Badham
Biaggi
Boucher
Cheney
de la Garza
Dixon
Gejdenson
Hayes (IL)
Jones (NC)
Jones (TN)
Kemp
Konnyu
Leath (TX)
Lewis (CA)
Mack
MacKay
Madigan
McCollum
Mica
Moody
Myers
Nagle
Oakar
Ray
Saiki
Spence
St Germain
Stratton
Sweeney
Weiss
Wilson

☐ 2044

Mr. NIELSON of Utah changed his vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. EDWARDS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 1158, FAIR HOUSING AMENDMENTS ACT OF 1988

Mr. **EDWARDS** of California. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 1158, the Clerk be directed to make such technical corrections as may be necessary to reflect the action of the House.

The **SPEAKER**. Is there objection to the request of the gentleman from California?

There was no objection.

□ 2045

MESSAGE FROM THE SENATE

The **SPEAKER**. The Chair lays before the House the following message from the Senate. The Clerk read as follows:

S. Con. Res. 130

Resolved by the Senate (the House of Representatives concurring), That when the House adjourns at the close of business on Thursday, June 30, 1988, pursuant to a motion made by the majority leader of the House, or his designee, in accordance with this resolution, it stand adjourned until 12:00 o'clock meridian on Wednesday, July 6, 1988, or until 12 o'clock meridian on the second day after the Members are notified to reassemble pursuant to section 2 of this resolution, whichever occurs first, and when the Senate recesses or adjourns at the close of business on Wednesday, June 29, 1988, pursuant to a motion made by the majority leader of the Senate or his designee, in accordance with this resolution, it stand recessed or adjourned until 12:00 o'clock meridian on Wednesday, July 6, 1988, or until 12 o'clock meridian on the second day after the Members are notified to reassemble pursuant to section 2 of this resolution, whichever occurs first.

Sec. 2. The Speaker of the House, after consultation with the minority leader of the House, and the majority leader of the Senate, after consultation with the minority leader of the Senate, shall notify the Members of the House and the Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

FAIR HOUSING AMENDMENTS ACT OF 1988

(Mr. **EDWARDS** of California asked and was given permission to extend his remarks at this point in the Record.)

Mr. EDWARDS of California. Mr. Speaker, I would like to comment briefly on a modification that was made to one of the provisions in the bill last week. My colleague from Massachusetts offered an amendment to make it clear that nothing in this act requires a dwelling to be made available to an individual whose tenancy would result in substantial physical damage to the property of others. As my friend Mr. Frank pointed out, we had discussed this issue in the full Judiciary Committee and we had agreed to make this clarification in the bill on the floor.

I believe it would also be useful to clarify the parameters of this particular provision. As is clear from the provision, we intend that there would have to be some substantial physical damage to property for this exception to apply. Thus, for example, the normal wear and tear on a residence that might be expected on the part of an individual who uses a wheelchair, such as the nicking of doorframes or of walls, would not come within this provision. In addition, the individual's tenancy would have to be shown to cause substantial physical harm to significant pieces of property. Thus, the fact that a person might damage some minor piece of property would also not allow this provision to take effect.

As we noted when we adopted the underlying provision which this amendment modified, the purpose of including these provisions is simply to allay any unnecessary fears on the part of landlords or owners. The bill as it stands covers all people with disabilities: people who use wheelchairs, people with cerebral palsy, people with AIDS and people infected with HIV, and people with mental impairments. It is understandable, although not justified, that landlords and owners may experience some fear and concern in extending housing protection to such individuals. The purpose of this provision, therefore, is to meet the real and legitimate concerns of landlords and owners, without allowing fear, stereotype, and prejudice to govern housing decisions.

PRISON OVERCROWDING

(Mr. **ORTIZ** asked and was given permission to address the House for 1 minute.)

Mr. **ORTIZ**. Mr. Speaker, yesterday I introduced a bill designed to assist State and local governments in addressing one of the most pressing problems facing our country.

I am talking about the dilemma of prison overcrowding. Throughout our Nation this problem has reached crisis proportions. It is no longer an emergency, it is a disaster.

From one end of the country to the other, the population of many prisons is at record levels and most correctional facilities are seriously overcrowded.

And, at the same time, new and tougher drug enforcement laws have increased these pressures in recent years.

The negative consequences of this problem are many and varied.

But one of the most troublesome aspects of this crisis is that too often criminals must be released after serving only a portion of their sentence. And sometimes, those convicted of crimes cannot be sent to jail at all.

Courts must become overreliant on alternatives such as probation, restitution, and community service because imprisonment is a limited sentencing option.

The problem of prison overcrowding can hit home with devastating effect.

Earlier this year, in Bexar County, TX, a man suspected of making death threats against several people was not arrested due to lack of space in local jails.

A few days later he was charged with murder in the brutal stabbings of three teenage girls and their 11-year-old brother.

This is a tragic example of what can happen when we are forced to compromise the enforcement of our laws due to overcrowded prisons.

It is extremely difficult, particularly in this time of severe budgetary restraints, to keep up with the ever-increasing prison population.

In addition, the much-needed passage of new and tougher drug enforcement laws further taxes our overburdened prison systems, particulary in areas on the frontline of the war against drugs.

While we in Congress have attempted to address this problem through a variety of Federal funding programs and grants, the crisis remains.

However, I believe we can successfully deal with this difficult issue and we can do so without unnecessarily compromising the peace and safety of our families, homes, and communities.

This is why I have introduced a bill which would deal with this problem in a logical and cost-effective manner.

Under current law, local law enforcement agencies are entitled to a share of the proceeds when they cooperate with Federal officials in drug arrests and related property seizures.

This is known as equitable sharing and utilizes moneys held in the U.S. Department of Justice Assets Forfeiture Fund and the U.S. Customs Assets Forfeiture Fund.

Often, the amount of funds our State and local law enforcement agencies are entitled to through equitable sharing is quite large. These funds are then put to good use in future drug enforcement efforts.

This is an excellent way of encouraging local cooperation and increasing the effectiveness and efficiency of our drug enforcement efforts.

But while we increase drug enforcement and strengthen our laws, we must be sure that we pay attention to the burden this places on the penal facilities at which these criminals are incarcerated, for various amounts of time.

This is why the legislation I have proposed would mandate that 50 percent of funds secured through equitable sharing be made available to local governments to be used for prison construction, expansion, maintenance, and operation.

Local governments would be able to determine their own priorities regarding prison funding and law enforcement by requesting lesser percentages if they so desire.

In this way we can enforce our laws thoroughly and, most importantly, do our best to keep the criminals who break them behind bars.

And, just as importantly, we can do so without calling on the taxpayer to once again foot the bill for the prison overcrowding problem.

Mr. Speaker, I believe that this bill is extremely timely as a new omnibus Anti-Drug Abuse Act makes its way through the Congress.

As we consider this legislation we must be mindful of the increased burden that fervent enforcement of drug laws can place on the States and localities.

As a former sheriff and current member of the Select committee on Narcotics Abuse and Control, I can tell you that State and local officials are eager to work with the Federal Government to eradicate the devastating plight of illicit drugs.

While law enforcement assistance may capture headlines, the direct effect of tough laws and tough enforcement on the prison overcrowding problem cannot be ignored.

By tying prison funding directly to drug enforcement efforts we can live up to this responsibility.

In addition, we can be sure that those areas on the frontline of the war against drugs will receive their fair share of such assistance.

We have the funds available, we only need apply them intelligently.

I do not claim that this bill completely solves the prison overcrowding problem. However, I believe it is a step in the right direction.

By addressing prison overcrowding in this way, I believe we can make substantial progress in assisting State and local governments with this critical problem.

I ask my colleagues to join me and support this much-needed legislation.

GROWING OLD—A TIME OF OPPORTUNITY

(Mr. PEPPER asked and was given permission to address the House for 1 minute and to include extraneous material.)

Mr. PEPPER. Mr. Speaker, on the 25th of May of this year I had the honor to attend commencement exercises of the University of Massachusetts Gerontological Institute and to receive an honorary doctor of laws degree. This was an exciting occasion for me, but even more exciting was the commencement exercises of a graduating class of the Gerontological Institute, the average age of which was 67 years.

Mr. Speaker, on that occasion a very eloquent and moving address was delivered by the Honorable Elsie Frank, Massachusetts Association of Older Americans president, which pointed out to the elderly that this is not an occasion when the old would look down upon the young receiving their honorary degrees or their degrees of graduation. This is an occasion when the young were looking upon the old who were receiving their graduate degrees and beaming their blessings upon them.

This address by this moving lady, able and eloquent as it was, is an inspiration to all of the older people of America not to accept old age as a time of becoming idle and indolent, but as a time of taking hold of new opportunities in life, going to school, getting a better education, taking better training, sharing the motivation of a dynamic country.

So Mr. Speaker, I include the address of Mrs. Frank, the lovely mother of our distinguished colleague, the gentleman from Massachusetts [Mr. FRANK] in the RECORD immediately following my remarks:

GREETINGS TO GRADUATES—UNIVERSITY OF MASSACHUSETTS GERONTOLOGY INSTITUTE

(By Elsie Frank, President)

As I stand before you this evening, participating in this memorable occasion, having been accorded the honor to offer greetings; when I have the privilege of sharing a platform with Congressman Pepper; when I have the pleasure to publicly congratulate the graduates, as well as those receiving other awards: Then I have to tell you that a longer life is a great gift!

I take this occasion to once again acknowledge my joy in the reversal in role models that we have at University of Massachusetts Gerontology Institute graduations. Instead of proud parents beaming lovingly and proudly at their children, we have children and grandchildren beaming lovingly and proudly and taking pictures of their parents and grandparents.

We are in the midst of a demographic revolution that will affect every aspect of our society and the revolution is the aging of the population. University of Massachusetts Gerontology Institute has begun the adjustments that have to be made—especially in attitudes towards elders, in standards and expectations, changes in attitudes that exceed the imagination. Congratulations graduates—you are contributing to a positive view of the aging population, rather than the negative outcome of intergenerational competition. You are proving that all age groups have something to contribute to society; that we need each other; have reciprocal responsibilities and together constitute a viable national community.

I see you before me vigorous, mentally alert and still young in outlook. When I meet some of you in the lunchroom at the Gerontology Institute, the conversations are so stimulating, so exciting about the future. In short, we are not at all the same people as the elderly of previous times. You are resisting the notion that a particular calendar age is an inevitable cutoff point in life. Instead, to quote Dr. Alan Pifer, "You are experiencing a period of rebirth, with the awakening of new interests and enthusiasm for life, and new possibilities for being productive." More and more, our country will need the contributions its older citizens are making.

Education is no longer exclusively for the young and with your cooperation U/Mass Gerontology Institute is demonstrating flexibility in reaching out to adult learners—accelerating the trend toward higher education for an aging society. By taking advantage of the opportunities offered by the institute, you have overcome the negative stereotype that education is not appropriate in later years. You are now ready to demonstrate that in addition to invaluable life experiences and the seasoned judgment that comes with age, people can continue to learn and continue to be productive; that you are ready, willing and able to be involved and active in all areas of society. Activism is an excellent way to keep our brains oiled, to remain mentally alert, to be in the mainstream and to be involved with the political, social and economic life of our country. So, graduates, you are now an important force in the future because here at U/Mass Gerontology Institute you have gained the social service skills and advocacy skills which will lead to political skills.

You have grabbed the opportunity to keep active, to be recognized as a strength in society and at the same time fulfill the need we all have to make our lives meaningful by standing up on our own, with a better idea of what to do with the rest of your lives. As a matter of fact, the prospect is bright that an aging society holds the potential for becoming a society that is more humane and more caring than ever before in history.

I salute you.

H.R. 4937—REVIEWING THE SAFETY OF PESTICIDES

(Mr. ROBERTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROBERTS. Mr. Speaker, we have a real need to return the policies and processes that govern the safety of pesticide residues in our Nation's food supply. As a farm State Representative, nothing troubles me more than the apparent lack of consumer confidence in the products that my farmers grow and sell.

Yesterday, I introduced a bill that addresses this issue head on. H.R. 4937 would implement a list of well publicized recommendations developed by a panel of experts at the National Academy of Sciences. The bill mandates an aggressive schedule for reviewing the safety of pesticides, and institutes tough new safety standards for pesticide residues in food products. Last, this bill establishes an energetic program for research and education for perfecting integrated pest management systems.

The agriculture community has always been committed to the safest, soundest food supply possible—this bill advances that commitment.

The regulations, laws, and the agencies that govern the manufacture, sale, and use of pesticides lack credibility in the eyes of the American public. In short the American people believe that the processes and institutions that protect the safety and soundness of our food supply do not last or are broken. The public's diminished confidence coupled with the complexity of the issues, make pesticide residues in food an easy mark for charges of risk. Far too often, I have seen the press give considerable weight to various and recurrent aspersions of the integrity of our food supply, rather than the simple fact oft repeated by the regulatory agencies of this town: The United States has the safest and soundest food in the greatest supply, of any nation in the world.

Fortunately, the public's perception of dietary risk from pesticide residues is far out of proportion to actual risks. This failure of public confidence is not an indictment of the capabilities of individuals or the leadership of the Environmental Protection Agency, the Food and Drug Administration, and the U.S. Department of Agriculture, instead the failure of confidence is attributable to a failed process.

In May 1987, the National Academy of Sciences [NAS], released a report, Pesticide Residues in Food: the Delaney Paradox. This report explicitly detailed the regulatory gridlock facing EPA due to a disconnect between two statutes—the principal pesticide regulatory law, the Federal Insecticide, Fungicide, and Rodenticide Act [FIFRA], and the Federal, Food, Drug, and Cosmetic Act [FDCA], the main statute governing the safety of food products, drugs, and medical devices. The authors of the report reconfirmed the safety and soundness of our food supply, but concluded that EPA was severely hindered in applying a consistently rational standard of regulations for pesticide residues.

The NAS report made several conclusions and recommendations which constitute the intention of the bill I am introducing today. I would like to relate two of the most pertinent insights from that report:

> Pesticide residues in food, whether marketed in raw or processed form or governed by old or new tolerances, should be regulated on the basis of consistent standards. Current laws and regulations governing residues in raw and processed food are inconsistent with this goal (p. 11).
>
> A negligible risk standard for carcinogens in food, applied consistently to all pesticides and to all forms of food, could dramatically reduce total dietary exposure to oncogenic pesticides with modest reduction of benefits (p. 12).

I am confident the NAS report's conclusions and recommendations would help EPA and FDA garner a higher, broader level of public confidence in Federal regulatory activities.

The purpose of my bill is twofold: to implement the NAS report with respect to pesticide registration and tolerance setting, and to accelerate USDA's research and extension efforts in integrated pest management [IPM]. A renewed national commitment to IPM, the content of title III of my bill, is clearly the best way the Government can begin to help free our farmers from the recurrent threat of economic disaster brought on by unanticipated, unpredictable chemophobia, which is only rarely justified by a scientifically sound assessment of pesticide risks.

Title II of the bill is a direct and streamlined effort to amend the FDCA consistent with the findings of the NAS report: the regulation of pesticide residues should be consistent across all food products.

The NAS panel pointed out that pesticide residues which concentrate in processed food are regulated under section 409 of the FDCA. Section 409 permits absolutely no consideration of a pesticide's benefits, even if they are extraordinarily high, and without exception prohibits tolerances for pesticides that have been found to induce cancer in man or animal, even when the risk of cancer, from a scientific perspective, is essentially nil. Pesticide residues on raw agricultural commodities, on the other hand, are regulated under section 408 of the FDCA, which permits consideration of benefits, as well as the actual safety of a pesticide for humans. My bill would unify the two standards, to provide for a consistently strict standard of safety for pesticide tolerances under section 408.

The NAS panel found that the consistent application of a one-in-a-million standard of safety, known as negligible risk, for all pesticides—new and old—and to all forms of food, could dramatically reduce dietary exposure to potential carcinogens with modest loss of benefits. My bill implements this finding by establishing under section 408 a consistent standard of safety for pesticide chemicals, which according to validated tests and other evidence raise prudent concerns of risk. The bill further facilitates this consistent treatment of oncogenic risk by addressing the inconsistency of regulation for old and new chemicals.

For example, title I assures that a reregistration of an older pesticide under FIFRA is the functional equivalent of an initial registration for a new pesticide, and it mandates that sound scientific data needed to carry out risk assessments on both new and old pesticides will be submitted to the agency and reviewed in a timely manner. In other words, my bill eliminates the bias against new chemicals by requiring applicants for reregistration to sustain the same burden, based on equally complete and modern data, as applicants for a new registration.

The efficacy of the bill's stringent standard of food safety is embodied in the negligible risk concept of title II of the bill. It is patterned on the risk standard applied by the U.S. Food and Drug Administration in regulating the safety of food additives. FDA has concluded that it is possible, using conservative methods of quantitative risk assessment and taking into account all relevant scientific evidence, to identify levels of exposure to oncogenic residues that are safe under the protective standard embodied in the FDCA's section 409. It is, of course, never possible to establish scientifically the absolute absence of risk for any food substance or, for that matter, any chemical exposure or other human activity. FDA's judgment, however, is that upper-bound risks of one in a million over the lifetime of the exposed population, when calculated using currently accepted, conservative methods of risk assessment, is the functional equivalent of no risk at all. That is the concept we adopt in this bill.

In its final recommendation, the NAS panel pointed out that much of the potential exposure to oncogenic residues in processed food is concentrated among a relatively small number of compounds, many of which were registered prior to 1978. The subsequent advances of technology available to pesticide regulators, and more stringent standards of risk suggest that the safety data for these older chemicals be reviewed. The panel thus recommended that EPA focus its energies on reducing actual and potential risks from the most worrisome pesticides on the most consumed crops. My bill helps EPA in this area by specifically authorizing the Agency to promulgate tolerances posing somewhat greater than negligible risk if such action allows the Agency to substantially reduce other risks to man or the environment posed by another, frequently older pesticide chemical used to control the same pest on the same crop. The bill also helps by more fully integrating the food safety provisions of FIFRA and the FDCA. In fact, it goes further by mandating important changes in the reregistration process which should finally provide EPA the tools and authorities needed to bring the persistent backlog of older pesticides into compliance with contemporary scientific risk assessment methods and health protection standards.

Lastly, my bill acts on another unmistakable reality. Mother Nature and her pests will continue to challenge producers for the food on our table. This bill authorizes an important new integrated pest management research and education initiative targeted toward crops that may be minor in terms of acreage grown, but which can be major in terms of a balanced, healthy diet, as well as potential dietary exposure to residues in food. The American Farm Bureau Federation has endorsed the IPM concept as another pest control system to enhance both the variety and flexibility of tools available to the agricultural producer.

I know of no industry more responsive to consumer demands than production agriculture. As the wealth of nations has increased, so has the demand for a diversity of foodstuffs—meats, breads, fruits, and vegetables—as well as the availibility of those products. In large part the variety and availibility of food products, is directly attributable to production practices that depend upon the prudent use of pesticides. It is ironic that the tools responsible for this cornucopia of goods now constitute a marketing liability. The American public demands a reduction of dietary risk associated with pesticide residues. No group of people stands more really to satisfy that demand than the agriculture community. The concerns of my farmers for the safety and quality of their product do not end at the farm gate, their concern for the integrity of the product on the dinner table is second to none.

A failure of this Congress to recognize and draw upon the resources that the agriculture community can bring to bear to improve the safety and quality of our food products, would only result in an inadequate solution to a very serious problem.

CARIBBEAN REGIONAL DEVELOPMENT ACT OF 1988

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. CROCKETT] is recognized for 5 minutes.

Mr. CROCKETT. Mr. Speaker, I am today joining my distinguished colleagues, the Honorable DON BONKER, chairman of the Subcommittee on International Economic Policy and Trade, the Honorable DANTE FASCELL, chairman of the Committee on Foreign Affairs, and nine other Members in introducing a bill to promote equitable and participatory development, national and regional economic integration, and food security and self-reliance in the Caribbean through responsive aid and development policies and programs.

This bill has been nearly a year in the making. It is principally the product of two consultations that the Subcommittee on Western Hemisphere Affairs, which I have the honor to chair, and the Subcommittee on International Economic Policy and Trade sponsored in Barbados in September 1987 and February 1988 with a broad cross-section of Caribbean government and society.

What we heard in those consultations was that our aid is not getting to and benefiting the people who need it. Our consultations produced a series of guidelines for U.S. aid policy that would more effectively promote equitable and just development in the Caribbean.

Our bill would mandate an economic aid program for the Caribbean that would promote—

Greater food self-sufficiency through increased staple food production for domestic consumption;

Integrated rural development efforts designed to increase farm employment opportunities, enhance the quality of rural life, and retard rural-urban migration;

Small- and medium-scale, locally owned cooperative and community-based agro-industries engaged in the processing of indigenous resources for local consumption and for export;

Provision of the necessary credit to small- and medium-sized farm and manufacturing enterprises;

The expansion of tourism and the increased development impact of tourism through its fuller integration into the local economy;

Fuller and more effective use of and support for Caribbean regional institutions;

Upgrading of the managerial and technical skills of the Caribbean people;

More environmentally conscious development practices, and the protection of worker rights and public health;

An increased emphasis on women's role in development;

Continuing consultation with the governments and people of the Caribbean in the formulation and implementation of U.S. assistance programs; and

More effective evaluation and reporting to Congress.

We believe that this bill points the way both toward the more effective use of scarce foreign aid dollars, and toward a more effective process of foreign aid programming through increased consultation with the intended recipients and beneficiaries.

The Caribbean region is extremely important to the United States—not only because of its strategic significance, but also because we are inextricably linked together by extensive patterns of migration. Yet this vital region remains the stepchild of the U.S. hemispheric policy, receiving a mere pittance compared to the aid we lavish on Central America. It is time for us to stop thinking of the Caribbean as our back door, and realize that it is in fact our front door. We neglect poverty and hopelessness in this region at our peril.

To address these concerns, our aid must reach the people and respond to their aspirations. This bill would accomplish that objective. I hope it will receive the support of my colleagues.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. MACKAY] is recognized for 5 minutes.

Mr. MACKAY. Mr. Speaker, due to a previous committment I missed several votes. Had I been able to vote, I would have voted for approval of the Journal, against the amendment of Mr. DURBIN, for final passage of H.R. 4794, for House Resolution 485, for final passage of H.R. 4867 and against the amendments of Mr. MCCOLLUM, Mr. HYDE, Mr. GEKAS, Mr. SENSENBRENNER, Mr. DANNEMEYER and Mr. SWINDALL to H.R. 1158.

I appreciate having this opportunity to state my position on these measures.

AUTHORIZATION TO FUND THE RESTORATION OF THE PACIFIC WAR MEMORIAL ON THE ISLAND OF CORREGIDOR

The Speaker pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, today, I and 35 of my colleagues are introducing legislation to direct the American Battle Monuments Commission [ABMC] to restore, operate, and maintain the Pacific War Memorial and other historical and memorial sites on the island of Corregidor in the Republic of the Philippines.

Our bill authorizes an appropriation of $6 million, the projected cost of the restoration, and authorizes the American Battle Monuments Commission to receive private and corporate contributions to offset this cost. Funds collected in excess of the authorized amount would be reverted to the U.S. Treasury.

This legislation is conditioned on an agreement to be finalized between the governments of the United States and the Republic of the Philippines, that would allow the American Battle Monuments Commission to oversee the restoration and maintain the memorial. As you know, the ABMC does a fine job of maintaining memorials and cemeteries worldwide.

Mr. Speaker, in April 1987, I was privileged to lead a congressional delegation to Corregidor to investigate reports that the Pacific war memorial, as well as other historical sites on the island, had fallen prey to neglect and vandalism. My distinguished colleagues, J. ROY ROWLAND, of Georgia, and CLAUDE HARRIS, of Alabama, as well as leaders of the Disabled American Veterans Service Organization, accompanied me on the trip.

Sadly, we found the reports to be true. There was almost total desecration of the site. A once magnificent monument to American and Filipino veterans was near complete ruin.

The memorial was surrounded by stagnant water, its walls were cracked, and there were holes in its flooring as well as in the roof of the adjacent museum where artifacts had been destroyed by the weather. Most buildings had been reduced to skeletal frames or rubble. The grounds were in need of much repair and the island and its access roads had been overrun with vegetation. Nearby artillery emplacements had been ravaged by scavengers who had stolen and sold the metal for scrap. There was no electrical power. We all knew immediately that we had a job to do.

Following our visit to Corregidor, our delegation met with Philippine President Corazon Aquino and other government officials to discuss security on the island and other aspects of the restoration proposal. President Aquino and her staff shared our concern and have been very cooperative. Security has been placed on the island and our two governments are in the process of finalizing the agreement.

The Disabled American Veterans committed $100,000 to the project on the spot, and later presented then-Navy Secretary James Webb with an initial $34,000 for materials and supplies to be used by Navy Seabees for preliminary repairs on the memorial and museum. On January 22, 1988, the Seabees completed a 1-month project on the island that included roof, ceiling and wall repairs in the museum. A new water tank was installed, walkways were replaced, and the marble wall panels of the memorial were cleaned. The seabees also painted and conducted other general maintenance.

I returned to Corregidor in April of this year to witness these major improvements, and I can tell you that the work of the Seabees and the work of the Philippine Government has vastly improved both the site and the facilities. But there is much more to be done.

In my 22 years in the Congress, no project has fallen into place like this one. The spirit of cooperation between Capitol Hill, the military, the State Department, private organizations, and the Philippine Government has been great. This bill will enable us to continue the work that we've begun. All that remains is for a final agreement to be reached that will allow the American Battle Monuments Commission to complete the restoration. Just recently, Gen. Fidel Ramos, Chief of Staff of the Philippine Armed Forces, met with me in my office and assured me that his government is working hard to finalize the agreement. He felt we could be receiving an official response from the Philippine Government regarding the agreement within the next few weeks.

Mr. Speaker, the Pacific War Memorial and other historic landmarks on Corregidor must not be allowed to deteriorate further. It is important that they be restored and maintained. The spirit of the Americans and Filipinos who fought side by side on Corregidor against tremendous adversity should not be allowed to fade into history. Freedom was put to a severe test on Corregidor and emerged the victor. It is important that we remember what happened there. As one veteran put it: "Too much blood was shed on Corregidor to ever forget it, ever dismiss it, or ever demean it."

I'm sure my colleagues share my feelings that the Pacific War Memorial should be restored and properly cared for.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Ray (at the request of Mr. Foley) for today and the balance of the week on account of illness.

Mr. Cheney (at the request of Mr. Michel) for today on account of medical reasons.

Mr. Weiss (at the request of Mr. Foley) for today and the balance of the week on account of illness.

Mr. Myers of Indiana (at the request of Mr. Michel) on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Rhodes) to revise and extend their remarks and include extraneous material:)

Mr. Sundquist, for 60 minutes, on July 12.

Mr. Quillen, for 60 minutes, on July 12.

Mr. Hefley, for 5 minutes, today, and 5 minutes, on June 30.

(The following Members (at the request of Mr. Garcia) to revise and extend their remarks and include extraneous material:)

Mr. Crockett, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. MacKay, for 5 minutes, today.

Mr. Montgomery, for 5 minutes, today.

Mr. Mfume, for 15 minutes, on June 30.

Mr. Lowry of Washington, for 60 minutes, on July 7, 11, 12, and 13.

Mr. Obey, for 60 minutes, on July 7, 11, 12, and 13.

Mr. Gonzalez, for 60 minutes, on June 30 and July 6.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Frost, following remarks of Mr. Jones of North Carolina on his amendment to H.R. 4867 in the Committee on the Whole today.

Mr. AuCoin, following the vote on passage of Interior Appropriations bill, in Committee of the Whole today.

(The following Members (at the request of Mr. Garcia) and to include extraneous matter:)

Mr. Skelton in two instances.

Mr. Smith of Florida in two instances.

Mr. Fauntroy.

Mr. Montgomery.

Mr. Stark.

Mr. Hamilton.

Mr. Lantos.

Mr. Frank.

Mr. Yatron.

Mr. Bonior.

Mr. Donnelly.

Mr. Matsui.

Mr. Markey.

Mr. Vento.

Mr. MacKay.

Mr. Sikorski.

Ms. Pelosi in two instances.

(The following Members (at the request of Mr. Rhodes) and to include extraneous matter:)

Mr. Gekas.

Mr. Broomfield.

Mr. Crane in three instances.

Mr. McEwen.

Mr. Solomon in two instances.

Mr. Ritter in two instances.

Mr. McCandless.

Mr. Marlenee in two instances.

Mr. Fish.

Mr. Weldon.

Mr. Porter.

Mr. Courter.

Mr. Ridge.

Mr. Coble.

Mr. Rowland of Connecticut.

Mr. Hastert.

Mr. Wolf.

SENATE CONCURRENT RESOLUTION REFERRED

A concurrent resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 128. Concurrent resolution expressing the sense of the Senate concerning His Majesty King Bhumibol Adulyadej of Thailand; to the Committee on Foreign Affairs.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2188. An act to amend section 307 of the Federal Employees' Retirement System Act of 1986.

ADJOURNMENT

Mr. GARCIA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 53 minutes p.m.), the House adjourned until tomorrow, Thursday, June 30, 1988, at 10 a.m.)

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3895. A letter from the Secretary of Transportation, transmitting the views of the Department on the proposed inclusion of the text of H.R. 1101 in the Department's 1989 appropriations bill, H.R. 4794; to the Committee on Appropriations.

3896. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled, "University of the District of Columbia President's Discretionary Fund FY 1987 Annual Report," pursuant to D.C. Code section 47-117(d); to the Committee on the District of Columbia.

3897. A letter from the Acting Director, Department of Housing and Community Development, Government of the District of Columbia, transmitting a copy of a report compiled by the Office of the Inspector General entitled, "Audit of the Home Purchase Assistance Fund for the Fiscal Year Ended September 30, 1987," pursuant to D.C. Code section 45-2205(b); to the Committee on the District of Columbia.

3898. A letter from the Secretary of Education, transmitting a copy of final regulations—National Institute on Disability and Rehabilitation Research—Field—Initiated Research, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

3899. A letter from the Secretary of Health and Human Services, transmitting the sixth report on the status of health personnel, pursuant to 42 U.S.C. 295h-2(c); to the Committee on Energy and Commerce.

3900. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of reports of political contributions by John Florian Kordek, of Illinois, Timothy Lathrop Towell, of Ohio, and Harry E. Bergold, of Flordia, Ambassadors-designate and members of their families, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3901. A letter from the Records Officer, U.S. Postal Service, transmitting notice of a computer matching program between the Postal Service and the State of Florida Office of the Auditor General, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3902. A Communication from the President of the United States, transmitting notification of his designation of Anne E. Brunsdale as Vice Chairman of the U.S. International Trade Commission, pursuant to 19 U.S.C. 1330(c)(1); to the Committee on Ways and Means.

3903. A letter from the Director, Office of Alcohol Fuels, Department of Energy, transmitting notification that the report on the use of alcohol fuels, due on April 1, has been delayed inasmuch as the availability of the data has become less timely and will be delivered as soon as possible this year, pursuant to 26 U.S.C. 4041 note; to the Committee on Ways and Means.

3904. A letter from the Secretary of Health and Human Services, transmitting the interim reported entitled "Development of Prospective Payment Methodology for Outpatient Hospital Surgical Services," pursuant to Public Law 99-509, section 9343(f) (100 Stat. 2041); to the Committee on Ways and Means.

3905. A letter from the Secretary of Labor, transmitting the quarterly report on the expenditure and need for worker adjustment assistance training funds under the Trade Act of 1974, pursuant to 19 U.S.C. 2296(a)(2); to the Committee on Ways and Means.

3906. A letter from the General Counsels, Departments of Education and the Treasury, transmitting a draft of proposed legislation to establish a College Savings Bond Program and to amend the Internal Revenue Code of 1986 to provide that gross income of an individual shall not include income from certain savings bonds the proceeds of which are used to pay certain postsecondary educational expenses, and for other purposes; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ST GERMAIN: Committee on Banking, Finance and Urban Affairs. H.R. 4352. A bill to amend the Stewart B. McKinney Homeless Assistance Act to extend programs providing urgently needed assistance for the homeless, and for other purposes; with amendments (Rept. 100-718, Pt. 2). Ordered to be printed.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 4481. A bill to provide for the closing and realigning of certain military installations during a certain period; with amendments (Rept. 100-735, Pt. 3). Ordered to be printed.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 2513. A bill to require that a study be undertaken regarding the fishery resources and habitats of the Russian River (California) basin; with an amendment (Rept. 100-740, Pt. 1). Ordered to be printed.

Mr. ST GERMAIN: Committee on Banking, Finance and Urban Affairs. H.R. 4351. A bill to amend the Stewart B. McKinney Homeless Assistance Act to extend the housing and shelter programs for the homeless; with amendments (Rept. 100-741). Referred to the Committee on the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SIKORSKI (for himself and Mr. Waxman):

H.R. 4939. A bill to amend the Safe Drinking Water Act to control lead in drinking water; to the Committee on Energy and Commerce.

By Mr. STOKES (for himself, Mr. Bustamante, Mr. Dymally, Mrs. Boggs, Mrs. Collins, Mr. Gonzalez, Mr. Wheat, Mr. Roybal, Mr. Hayes of Illinois, Mr. Rangel, Ms. Oakar, Mr. Towns, Mr. Frank, Mr. Bevill, Mr. Lewis of Georgia, Mr. Clay, Mr. Fauntroy, Mr. Chapman, Mr. Roe, Mr. Torres, Mr. Owens of New York, Mr. Hawkins, Mr. Garcia, Mr. Dixon, Mr. Conyers, Mr. Fazio, Mr. Nowak, Mr. Akaka, and Mr. Blaz):

H.R. 4940. A bill to amend the Public Health Service Act with respect to improving the health of individuals who are members of minority groups and who are from disadvantaged backgrounds by providing for an increase in the number of such individuals in the health professions; to the Committee on Energy and Commerce.

By Mr. KOLTER:

H.R. 4941. A bill to provide that certain regulations not be used in administering the Trade Adjustment Assistance Program; to the Committee on Ways and Means.

H.R. 4942. A bill to extend the period in which a certain notification under subchapter A of chapter 2 of title II of the Trade Act of 1974 is in effect; to the Committee on Ways and Means.

By Mr. CROCKETT (for himself, Mr. Bonker, Mr. Fascell, Mr. Leland, Mr. de Lugo, Mr. Towns, Mr. Fauntroy, Mr. Dymally, Mr. Richardson, Mr. Brown of California, Mr. Bustamante, and Mr. Weiss):

H.R. 4943. A bill to promote equitable and participatory development, national and regional economic integration, and food security and self-reliance in the Caribbean through responsive aid and development policies and programs; to the Committee on Foreign Affairs.

By Mr. DERRICK:

H.R. 4944. A bill to amend title XVI of the Social Security Act to permit an individual receiving SSI benefits who becomes entitled to OASDI benefits or veterans' compensation or pension and, as a result, ceases to be eligible to receive such SSI benefits, to be treated as receiving SSI benefits for purposes of determining eligibility to receive Medicaid benefits; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. DINGELL (for himself (by request), Mr. Markey, Mr. Lent, and Mr. Rinaldo):

H.R. 4945. A bill to amend the Federal securities laws in order to facilitate cooperation between the United States and foreign countries in securities law enforcement; to the Committee on Energy and Commerce.

By Mr. JEFFORDS (for himself, Mr. Boehlert, Mr. Gunderson, Mr. Hopkins, Mr. Houghton, Mr. Obey, Mr. Martin of New York, Mr. McHugh, Mr. Gilman, Ms. Snowe, and Mr. Roth):

H.R. 4946. A bill to revise the authority of the Secretary of Agriculture to set the price at which milk will be supported as a result of the 1988 drought disaster; to the Committee on Agriculture.

By Mr. KASTENMEIER (for himself and Mr. McCandless):

H.R. 4947. A bill to amend title 18, United States Code, to preserve personal privacy of individuals with respect to certain library use and use of services involving the rental or purchase of video tapes, and for other purposes; to the Committee on the Judiciary.

By Mr. MONTGOMERY (for himself, Mr. Solomon, Mr. Applegate, Mr. Hammerschmidt, Mr. Mica, Mr. Wylie, Mr. Dowdy of Mississippi, Mr. Stump, Mr. Evans, Mr. McEwen, Ms. Kaptur, Mr. Smith of New Jersey, Mr. Penny, Mr. Burton of Indiana, Mr. Staggers, Mr. Bilirakis, Mr. Rowland of Georgia, Mr. Ridge, Mr. Florio, Mr. Rowland of Connecticut, Mr. Gray of Illinois, Mr. Dornan of California, Mr. Kanjorski, Mr. Smith of New Hampshire, Mr. Stenholm, Mr. Davis of Illinois, Mr. Harris, Mr. Johnson of South Dakota, Mr. Jontz, Mr. Solarz, Mr. Stratton, Mr. Lagomarsino, Mrs. Byron, Mr. Gonzalez, Mr. Bennett, Mr. de la Garza, Mrs. Lloyd, and Mr. Dyson):

H.R. 4948. A bill to direct the American Battle Monuments Commission to restore, operate, and maintain the Pacific War Memorial and other historical and memorial sites on Corregidor in the Republic of the Philippines; to the Committee on Veterans' Affairs.

By Ms. PELOSI:

H.R. 4949. A bill to require the Secretary of Health and Human Services to develop and implement specific criteria for determining the eligibility of individuals with symptomatic human immunodeficiency virus infection for disability-related benefits under titles II and XVI of the Social Security Act, and for other purposes; to the Committee on Ways and Means.

By Mr. HERTEL (for himself, Mr. Ridge, Mr. Bennett, Mr. Hochbrueckner, Mrs. Boxer, Mr. Huckaby, Mr. Davis of Michigan, Mr. Staggers, Mr. Ford of Michigan, Mr. Traxler, Mr. Bilbray, Mr. Dicks, Mr. AuCoin, Mr. Lowry of Washington, Mr. Wolpe, Mr. Bonior of Michigan, Mr. Bruce, Ms. Slaughter of New York, Mr. Perkins, Mr. Atkins, Mr. Tallon, Mr. Hughes, Mr. Campbell, Mr. Kleczka, Mr. Carr, Mr. Coleman of Texas, Mr. Thomas A. Luken, Mr. Sabo, Mr. Beilenson, Mr. Hayes of Illinois, Mr. Gray of Illinois, Mr. Foglietta, Mr. Morrison of Connecticut, Mr. Owens of New York, Mr. Donnelly, Mr. Rowland of Connecticut, Mrs. Lloyd, Mr. Kildee, Mr. Traficant, Mr. Lewis of Georgia, Ms. Pelosi, Mr. Mfume, Mr. Bryant, Mr. Swift, Mr. Penny, Mr. Rodino, Mr. Dellums, Mr. Feighan, Mr. Coyne, Mr. Ackerman, Mr. Nowak, Mr. Matsui, Mr. Scheuer, Mr. Vento, Mr. DeLay, and Mr. Denny Smith):

H.R. 4950. A bill to amend title 10, United States Code, to establish in the Department of Defense a Defense Acquisition Agency to perform all acquisition functions of the Department of Defense, and for other purposes; to the Committee on Armed Services.

By Mr. STARK:

H.R. 4951. A bill to amend the Internal Revenue Code of 1986 to require employers to provide health benefits plans to employees; to the Committee on Ways and Means.

By Mr. THOMAS of California:

H.R. 4952. A bill to amend the Federal Election Campaign Act of 1971 to require that all contributions in elections for Federal office be subject to that act; to the Committee on House Administration.

By Mr. VANDER JAGT:

H.R. 4953. A bill to reauthorize the Sleeping Bear Dunes National Lakeshore Advisory Commission; to the Committee on Interior and Insular Affairs.

By Mr. BOULTER (for himself, Mr. Crane, Mr. Barton of Texas, Mr. Fields, Mr. DeLay, Mr. Coble, Mr. Smith of Texas, and Mr. Schaefer):

H. Con. Res. 326. Concurrent resolution to request that the President submit a report to Congress regarding the stability of the Government of Panama; jointly, to the Committees on Foreign Affairs and Merchant Marine and Fisheries.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

427. By the SPEAKER: Memorial of the Legislature of the State of Florida, relative to a proposed amendment to the Constitution to require a balanced Federal budget; to the Committeee on the Judiciary.

428. Also, memorial of the Legislature of the State of Florida relative to the allocation of funds for the Cape Canaveral sand transfer plant; to the Committee on Public Works and Transportation.

429. Also, memorial of the Legislature of the State of New York, relative to extending the State of New York Mortgage Agency's program authority through the year 1992; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 485: Mr. LaFalce.

H.R. 639: Mr. Dymally and Mr. Hall of Texas.

H.R. 640: Mr. Thomas of Georgia and Mr. Weiss.

H.R. 772: Mr. Lipinski.

H.R. 1078: Mr. Andrews, Mr. Matsui, and Mr. Smith of Florida.

H.R. 1270: Mr. Weber, Mr. Wyden, Mr. Alexander, Mr. Brennan, Mr. Gibbons, Mr. Carr, and Mr. Wolpe.

H.R. 1580: Mr. Vento, Mr. Jontz, Mr. Lehman of California, Mr. Durbin, Mr. Williams, and Mr. Coyne.

H.R. 1769: Mr. Torres, Mr. Mavroules, and Mr. Wheat.

H.R. 2148: Mr. Davis of Michigan and Mr. de Lugo.

H.R. 2229: Mr. Davis of Michigan and Mr. Hertel.

H.R. 2532: Mr. Traficant and Mr. Lagomarsino.

H.R. 2626: Mr. Gordon.

H.R. 2776: Mr. Bateman and Mr. Grant.

H.R. 2926: Mr. Roe and Mr. Chapman.

H.R. 3068: Mr. Neal.

H.R. 3132: Mr. Garcia.

H.R. 3182: Mr. Boulter, Mr. Clay, Mr. Moakley, Mr. Smith of Texas, Mr. Oberstar, Mr. Skelton, Mr. Chapman, Mr. Thomas of California, Mr. Moorhead, Mr. Gallegly, Mr. Beilenson, Mrs. Saiki, Mr. Skaggs, Mr. Andrews, Mr. Bartlett, Mr. Packard, Mr. Wheat, Mr. Neal, Ms. Slaughter of New York, and Mr. Hastert.

H.R. 3245: Mr. MacKay, Mr. Craig, Mr. Rowland of Connecticut, Mr. Lipinski, Mr. McCurdy, Mr. Coelho, Mr. Carr, Mrs. Smith of Nebraska, Mr. Bilirakis, and Mr. McMillen of Maryland.

H.R. 3314: Mr. Gallegly, Mr. Moody, and Mr. Levine of California.

H.R. 3490: Mr. Smith of Texas.

H.R. 3664: Mr. Davis of Michigan, Mr. Rowland of Connecticut, Mr. Hayes of Louisiana, Mr. Bates, Mr. Ray, Mr. Stallings, Mr. Carper, Mr. Bosco, Mr. Moakley, Mr. Cooper, Mr. Nielson of Utah, Mr. Tauke, Mr. Synar, Mr. Mineta, Mrs. Boxer, Mr. Holloway, Mr. Sundquist, Mr. Hiler, Mr. Gordon, Mr. Boucher, Mr. Craig, Mrs. Morella, Mr. Conte, Mr. DeFazio, and Mr. AuCoin.

H.R. 3726: Mr. Owens of New York, Mrs. Collins, Mr. Espy, Mr. Foglietta, Mr. Fazio, Mr. Neal, Mr. Hayes of Illinois, Mr. Gray of Illinois, Mr. Savage, Mr. Kolter, Mr. Dellums, and Mr. Fauntroy.

H.R. 3845: Mr. Craig.

H.R. 3978: Mr. Dwyer of New Jersey, Mr. Garcia, Mr. Roe, Mr. Studds, and Mr. Sunia.

H.R. 3999: Mr. Boehlert, Mr. Sundquist, Mrs. Morella, and Mr. Davis of Illinois.

H.R. 4074: Mr. Boulter.

H.R. 4142: Mrs. Boxer.

H.R. 4178: Ms. Kaptur, Mr. Vento, and Mr. Ackerman.

H.R. 4190: Ms. Slaughter of New York and Mr. Chapman.

H.R. 4198: Mr. Lehman of Florida and Mr. Martinez.

H.R. 4277: Mr. Shaw and Mr. Dreier of California.

H.R. 4302: Mr. Burton of Indiana, Mr. Edwards of Oklahoma, Mr. Rhodes, Mr. Armey, and Mr. Molinari.

H.R. 4373: Mr. MacKay, Mr. Owens of New York, Mr. Bustamante, and Mr. Clement.

H.R. 4377: Mr. Towns.

H.R. 4384: Mr. Stark and Mr. Manton.

H.R. 4437: Mr. DeFazio and Mr. Denny Smith.

H.R. 4441: Mr. Owens of New York, Mr. Dellums, Mr. McCollum, Mr. Ravenel, Mr. Spratt, Mr. Derrick, and Mr. Akaka.

H.R. 4478: Mr. Mica, Mr. Myers of Indiana, Mr. Frank, and Mr. Schuette.

H.R. 4511: Mr. Smith of Texas and Mr. Johnson of South Dakota.

H.R. 4516: Mr. Ravenel.

H.R. 4599: Mr. Aspin.

H.R. 4657: Mr. Frank.

H.R. 4691: Mr. Hughes, Mr. Frost, Mr. Armey, Mr. Brown of California, Mr. McEwen, and Mr. Mollohan.

H.R. 4694: Mr. Coelho.

H.R. 4708: Mr. Tallon, Mr. Lantos, Mr. Studds, and Mr. DioGuardi.

H.R. 4763: Mr. Sawyer.

H.R. 4793: Mr. Kennedy, Mr. Weiss, Mr. Crockett, Mr. Foglietta, Mr. Hansen, Mr. Torres, Mr. Goodling, Mr. Akaka, and Mr. Dwyer of New Jersey.

H.R. 4866: Mr. Garcia, Mr. Sabo, Mr. Towns, Mr. Roe, Mr. Gilman, Ms. Pelosi, Mr. Fauntroy, Mrs. Boxer, Mr. Smith of Florida, Mr. Stark, Mrs. Collins, Mr. Bevill, Mr. Fazio, and Mr. Rangel.

H.R. 4870: Mr. Lewis of Florida, Mr. Rinaldo, Mr. Robinson, Mr. Stangeland, Mr. Williams, Mr. Clarke, Mr. Blaz, Mr. Gunderson, and Mr. Rowland of Connecticut.

H.R. 4896: Mr. Alexander, Mr. Akaka, Mr. Bevill, Mr. Dingell, Mr. Henry, Mr. Kildee, Mr. Lightfoot, Mr. Roe, Mr. Schuette, and Mr. Towns.

H.J. Res. 342: Mr. Baker, Mr. Boehlert, Mr. Burton of Indiana, Mr. Brown of Colorado, Mr. Fascell, Mr. Hiler, Mr. Kanjorski, Mrs. Lloyd, Mr. Livingston, Mr. Martin of New York, Mr. Myers of Indiana, Mr. Neal, Mr. Torricelli, Mrs. Vucanovich, Mr. Tauzin, Mr. Walgren, and Mr. Waxman.

H.J. Res. 441: Mr. Gallegly, Mr. Lungren, Mr. Buechner, Mr. Synar, Mr. Lantos, Mr. Wyden, Mr. Fazio, Mr. Sisisky, Mr. Watkins, Mr. Wolpe, Mr. Biaggi, Mr. Neal, Mr. Solomon, Mr. English, Mr. Hochbrueckner, Mr. Vento, and Mr. Inhofe.

H.J. Res. 452: Mr. Kasich, Mr. de la Garza, Mr. Bunning, and Mr. Bevill.

H.J. Res. 540: Ms. Pelosi.

H.J. Res. 543: Mr. Lewis of Florida, Mr. Hertel, Mr. Smith of Florida, Mr. Weber, Mr. Buechner, Mr. LaFalce, Mr. Morrison of Washington, Mr. Skaggs, Mrs. Patterson, Mr. Gray of Illinois, Mr. Hansen, Mr. Spratt, Mr. Jones of North Carolina, Mr. Hutto, Mr. Kasich, Mr. Hefley, and Mr. Henry.

H.J. Res. 544: Mr. Erdreich and Mr. Early.

H.J. Res. 554: Mr. Florio and Mr. Livingston.

H.J. Res. 555: Mr. Dwyer of New Jersey, Ms. Kaptur, Mr. Swindall, Mr. Bliley, Mr. Porter, Mr. Bevill, Mr. Gallegly, Mr. Holloway, and Mr. Davis of Illinois.

H.J. Res. 557: Mr. Neal, Mr. Atkins, Mr. Rowland of Connecticut, Mr. Florio, Mrs. Morella, Mr. Leland, Mr. McCloskey, Mr. Yatron, Mrs. Kennelly, Mr. Foley, Mr. Lott, Mr. Lantos, Mr. Young of Alaska, Mr. Clay, and Mr. McDade.

H.J. Res. 569: Mr. Brown of Colorado, Mrs. Martin of Illinois, Mr. Anthony, Mr. Weldon, Mr. Smith of Florida, Mr. Rangel, Mr. Bonior of Michigan, Mr. Dingell, Mr. Foley, Mr. Murtha, Mr. Gordon, Mr. Derrick, Mr. Bilbray, Mr. Flake, Mr. Manton, Mr. Shays, Mr. Kennedy, Mr. Aspin, Mr. Montgomery, Mr. Moody, Mr. Weiss, Mr. Waxman, Mr. Nagle, Mr. AuCoin, Mr. Torres, Mr. Akaka, Mr. Beilenson, Mr. Gallo, Mr. Grandy, Mr. Lent, Mr. Smith of New Jersey, Mr. Vander Jagt, Mr. Jacobs, Mr. de Lugo, Mrs. Kennelly, Mr. Green, Mrs. Morella, Ms. Oakar, Mr. McGrath, Mr. Packard, Mr. Lungren, Mr. Shaw, Mr. Florio, Mr. Olin, Mr. Ortiz, Mr. Hughes, Mr. Hertel, Mr. Russo, Mr. Guarini, Mr. Mineta, Mrs. Lloyd, Mr. Leland, and Mr. Fascell.

H.J. Res. 570: Mr. DeFazio, Mr. Brennan, Mr. Robinson, Mr. Bilbray, Mr. Hayes of Louisiana, Mr. Tallon, Mr. Holloway, Mr. Harris, Mr. Dymally, Mr. Spratt, Ms. Kaptur, Mr. Atkins, Mr. Fauntroy, Mr. Akaka, Mr. Nielson of Utah, Mr. Yatron, Mr. Matsui, Mrs. Lloyd, Mrs. Boxer, Ms. Pelosi, Mr. Lagomarsino, Mr. McEwen, Mr. Walgren, Mr. Thomas of Georgia, Mr. Bonker, Mr. Bartlett, Mr. Henry, Mr. Rangel, Mr. Traxler, Mr. Moakley, Mr. Lowry of Washington, Mr. Carr, Mr. Wolpe, Mr. Berman, Mr. McCloskey, Mr. Hall of Texas, Mr. Blaz, Mrs. Bentley, Mr. Coleman of Texas, Mr. Volkmer, Mr. Mack, Mr. Owens of New York, Mr. Fazio, Mr.

CHAPMAN, Mr. ROE, Mr. BIAGGI, Mrs. COLLINS, Mr. LANCASTER, Mr. DWYER of New Jersey, Mr. BEVILL, Mr. MCDADE, Mr. LELAND, and Mr. LANTOS.

H.J. Res. 571: Mr. FOLEY, Mr. BENNETT, Mr. BERMAN, Mr. COURTER, and Mr. DYMALLY.

H.J. Res. 578: Mr. DAVIS of Michigan, Mr. NOWAK, Mr. HAYES of Louisiana, Mr. ROE, Mr. MOAKLEY, Mr. ANDERSON, Mr. GUARINI, Mr. HENRY, and Mr. CHAPPELL.

H.J. Res. 583: Mr. LUNGREN, Mr. OWENS of New York, Mr. BEVILL, Mr. MCHUGH, Mr. MRAZEK, Mr. MURTHA, Mr. DARDEN, Mr. DAUB, Mr. BATES, Mr. FAWELL, Mr. RODINO, Mr. SAWYER, Mr. GARCIA, Mr. NATCHER, Mr. SCHEUER, Mr. DE LA GARZA, Mr. GUNDERSON, Mr. HAYES of Illinois, Mr. JONES of North Carolina, Mr. HYDE, Mr. KOLTER, Mr. HUGHES, Mr. BIAGGI, Mr. MCCLOSKEY, Mr. MATSUI, Mr. MURPHY, Mr. NIELSON of Utah, Mr. OWENS of Utah, Mr. MOAKLEY, Mr. RAVENEL, Mr. FIELDS, Mr. FRENZEL, Mr. GALLO, Mr. SAVAGE, Mr. CLAY, Mr. SKELTON, Mr. CONYERS, Mr. AKAKA, Mr. HOYER, Mr. KASICH, Mr. KANJORSKI, and Mr. SPENCE.

H. Con. Res. 232: Mrs. KENNELLY.

H. Con. Res. 263: Mr. PENNY, Mr. DENNY SMITH, Mr. NEAL, and Mr. BALLENGER.

H. Con. Res. 266: Mr. SCHUETTE and Mrs. MEYERS of Kansas.

H. Con. Res. 303: Mr. SMITH of New Jersey, Mr. DAUB, Mr. TOWNS, Mr. MARTINEZ, Mr. CONTE, Mr. BLAZ, and Mr. LANTOS.

H. Con. Res. 320: Mr. OWENS of New York, Mr. SAVAGE, Mr. FOGLIETTA, Mr. HAYES of Illinois, Mr. MILLER of California, Mr. RANGEL, Mr. FRANK, Mr. MOODY, Mr. EDWARDS of California, Mr. ATKINS, Mr. WYDEN, Mr. BROWN of California, Mr. PANETTA, Mr. MATSUI, Mrs. COLLINS, Mr. STUDDS, Mr. BATES, Mr. MOAKLEY, Mr. DORGAN of North Dakota, Mr. WHEAT, Mr. KENNEDY, Mr. FAZIO, and Mr. KOLTER.

H. Res. 411: Mr. MCGRATH, Mr. TOWNS, Mr. ATKINS, Mr. WAXMAN, Mr. MRAZEK, Mr. BORSKI, Mr. LIPINSKI, Mr. DWYER of New Jersey, Mr. FROST, Mr. STOKES, Mr. CHAPMAN, Mr. WEISS, Mr. SWINDALL, Mr. KONNYU, Mr. SIKORSKI, Mr. WOLPE, Mr. WEBER, Mr. BOULTER, Mr. MCEWEN, Ms. SLAUGHTER of New York, and Mr. BURTON of Indiana.

H. Res. 462: Mr. DAVIS of Illinois, Mr. GINGRICH, Mr. BUECHNER, Mr. SWINDALL, Mr. ARMEY, and Mr. NIELSON of Utah.

H. Res. 467: Mr. MACK, Mr. SCHAEFER, Mr. WHITTAKER, Mr. SHARP, Mr. ROE, and Mr. LEWIS of Florida.

H. Res. 471: Mr. PENNY, Mrs. MORELLA, Mr. FROST, Mr. BUSTAMANTE, Mr. SMITH of Florida, Mr. GLICKMAN, Mr. RUSSO, Mr. WEBER, Mr. UPTON, Mr. WAXMAN, Mr. FASCELL, Mr. LANTOS, Mr. ATKINS, Mr. TOWNS, Mr. FAWELL, Mr. EVANS, Mr. OWENS of Utah, Mr. ARMEY, and Mr. FAZIO.

PETITIONS, ETC.

Under clause 1 of rule XXII,

203. The SPEAKER presented a petition of the Bar Association of Montgomery County, MD, relative to the creation of a southern division of the U.S. district court, H.R. 1596; which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

EMPLOYEE HEALTH BENEFIT IMPROVEMENT ACT OF 1988

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. STARK. Mr. Speaker, access to health care should be considered a basic right of every American. Unfortunately, our society has not yet reached that goal, and it appears that we are slipping further away from it every year. In fact, as recently noted by Governor Dukakis of Massachusetts, we stand alone with South Africa as one of the ony two industrialized nations in the world which do not provide basic health coverage to all of their citizens.

I am introducing today the Employee Health Benefit Improvement Act of 1988 to assure vital health insurance protection to every working American. Its enactment would move us a long way toward the target of assuring every American's basic right to high-quality health services.

In 1986 there were an estimated 36.9 million Americans without health insurance and another 7 to 10 million Americans with partial coverage for a portion of the year. From all signs, the number of uninsured Americans is growing; 14.9 percent of the nonfarm population were not covered in 1980, while almost 18 percent were not covered in 1986.

The most startling statistic associated with the uninsured is that the majority are employed. Nineteen million people or 55 percent of the uninsured were employees and almost 70 percent of this population live in families of full-time, full-year workers. For most of these families, the family head experienced no unemployment.

Certain industries appear to provide health insurance coverage less often then others. For example, a study in my own State of California found that while 78.2 percent of all employees received health insurance as a fringe benefit, only 32 percent of employees in agriculture, forestry, and fishing, 38 percent in retail business, and 24 percent working in personal services received health insurance.

The shift from basic manufacturing industries to traditionally low-wage manufacturing, retail, and service industries has accelerated the increase in the uncovered population. The California research found that only 9 percent of employees in durable goods manufacturing were uninsured. In contrast, 66 percent of clothing workers and 61 percent of retail workers were uncovered.

The uninsured are more likely to be poor than the nonpoor. While 17.3 percent of the total population under age 65 does not have any coverage, 37.7 percent of the population below the Federal poverty level are uncovered. Almost 75 percent of uncovered workers earn less than $10,000 per year.

There is also great variability among the States in the proportion of the population without health insurance, ranging from a low of 9.7 percent in Connecticut to a high of 25.2 percent in Oklahoma.

For all of these families without adequate health insurance coverage, any encounter with the health care delivery system, no matter how minor or seemingly routine, presents serious financial consequences. The unsurprising result is that these families do not seek appropriate health care when they need it.

A recent survey by the Robert Wood Johnson Foundation confirmed a distressing decline in access to care since the foundation's 1982 study. This decline in access was particularly harsh for the poor, minorities, and for the uninsured. For example, 13.5 million Americans reported not receiving medical care for financial reasons. The study found an 8-percent decline in physician visits by the poor in fair or poor health between 1982 and 1986.

Lack of health insurance coverage often means that proper care is delayed until the problem is serious. Research shows that uninsured persons are less likely to see a physician in a year, less likely to have children appropriately immunized, less likely to receive prenatal care, and less likely to see a physician if they have serious symptoms.

Medical care for the uninsured often begins at the hospital, instead of beginning as it should with primary medical care provided in a physician's office. This means that not only do these individuals not receive the kind of early and comprehensive care which could solve problems before they are serious, but the care they do receive is provided in the most expensive health care setting, the hospital.

Moreover, the increase in bad debt and charity care is putting a difficult burden on the backs of those hospitals which try to step in and shoulder the load. In 1985, hospitals provided $7.4 billion in uncompensated care. This is a particularly difficult burden for public hospitals which have only about 21 percent of hospital beds, but provide 55 percent of all charity care.

Unfortunately the increase in uncompensated care has led to dumping of patients from some private hospitals to the public hospitals and to those private hospitals which will care for unsponsored patients. I only had to look as far as my own district to find a young man inappropriately dumped who died as a result of his lack of proper care.

The bill I am introducing today, Mr. Speaker, is not a panacea for all of the problems I have enumerated, but it is a start. I am sure that not all of its provisions can withstand the scrutiny to which it will undoubtedly be subjected, but it begins the process. Moreover, I am hopeful that it will enhance a debate that focuses not simply on mandatory employment-related benefits, but more importantly on the broader issue of what is the best, most efficient way to assure every citizen's right to basic health protection.

I know that there will be those who will claim that enactment of this bill will hinder the international competitiveness of the United States. I would point out two things.

First, all of the industrialized democracies which are our major trading partners, including Japan, Canada, and West Germany, already provide a higher level of health benefits to their citizens than do we.

Second, for the most part, the sectors of our economy which lag behind in providing health benefits are not those deeply involved in international trade.

There will also be those who claim that many businesses, particularly small businesses cannot afford health benefits as they cannot pass on the cost of employee health insurance to their customers. The bill responds to those concerns by capping the cost of group insurance for small employers at an affordable level.

To those who would say that we are simply providing more money to fed the fires of health sector inflation, I do promise that the Health Subcommittee will continue its work on hospital and physician cost containment. We have made much progress in recent years, but more can and should be done.

We should also remember that we cannot continue to allow some employers to have a free ride at the expense of everyone else. Employers who provide health insurance presently pay five times for health care—first for their own employees, second through the payroll tax for Medicare, third through State and Federal income tax for Medicaid, fourth through local property taxes for the public hospitals and the medically indigent, and fifth through hidden cross subsidies built into hospital charges in order to pay for uncompensated care.

We need to carefully consider the content of a minimum health benefit package. My bill uses Medicare as a model for the benefit package and adds coverage for maternal and child health benefits. This certainly does not constitute the final word in a minimum benefit package. Similarly, the levels for the deductibles and copays in my bill are not carved in stone. The goal should be to protect families from financial devastation while setting levels which are affordable and sustainable.

I am sure that the creation of a minimum benefit package is an issue on which there are many opinions, including those who would subtract and those who would add benefits. I look forward to that discussion.

Another important benefit issue is that over the last several years the States have mandated a host of benefits and services which must be included in group health insurance policies in those States. Although these mandates may make sense in isolation, they do present problems for companies and unions

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

operating on a multi-state scale. In response, many corporations have chosen to self-insure and thereby avoid these mandates under the protection of ERISA.

We no longer have a level playing field in the health insurance field, a fundamental lack of equity between the larger companies which can self insure and the smaller ones which tend not to be able to do so.

In the past, I have sponsored bills to allow the States to mandate various types of health care. However, I would pre-empt these State mandates in this bill in the hope that we can move from a patchwork quilt of mandates to a national program which truly responds to the needs of every citizen. Nevertheless, I continue to be seriously concerned about the impact of a Federal mandate, and whether it will reduce the level of services to some. As a result I look forward to a vigorous discussion of the pros and cons of State mandates versus Federal pre-emption.

The bill would impose a tax on every employer which did not provide a minimum level of health benefits to every employee working more than 17.5 hours per week. The benefits would have to be equal in scope to those provided by Medicare except that the plan could impose a deductible of up to $1,000 per individual and $1,500 per family.

In order to make group health coverage affordable to all, the bill would establish risk pools in each State. Each State would have the option of creating its own pool, but the Secretary of Health and Human Services would be empowered to establish a pool in any State which did not voluntarily do so. Premiums for insurance from the pool would be capped at 150 percent of the statewide average premium for similar insurance.

Low-income employees would receive assistance in paying their share of insurance premiums—capped at 20 percent through an income tax credit similar to the existing earned income tax credit. The self-employed would be encouraged to purchase health insurance through an increase to 100 percent in the deduction for health insurance premiums. A detailed summary of the bill is attached.

Mr. Speaker, the goal of comprehensive health benefits for all is one that has eluded us since the Congress first took up the question of universal health insurance in 1918. I hope that the rising level of interest in responding to this problem will mean that we can finally make meaningful progress toward solving it. I hope that my proposal will make a contribution toward that end.

A summary of the bill follows:

EMPLOYEE HEALTH BENEFIT IMPROVEMENT ACT OF 1988

I. TAX ON FAILURE TO PROVIDE GROUP HEALTH COVERAGE

Employers would be subject to a tax not to exceed $100 per employee for each day for which coverage under a group health plan meeting the minimum requirements was not provided to an employee or dependent family member.

The Secretary of HHS may waive the tax if failure to provide coverage was due to reasonable cause.

II. EMPLOYERS AND EMPLOYEES COVERED

All employers would be required to provide coverage and all employees would be required to participate.

III. REQUIREMENTS FOR GROUP HEALTH PLANS

A plan would be required to provide benefits similar in amount, duration, and scope to Medicare except that the plan may impose a deductible payment of up to $1,000 per individual or $1,500 per family (indexed annually by the CPI). No copays or deductibles above these limits would be allowed.

A plan would also be required to provide benefits related to pregnancy, including prenatal care, labor and delivery, post-partum care up to 60 days, neonatal care, post-neonatal care up to one year, without deductible or coinsurance.

Benefits could not be subject to a pre-existing condition limitation. The plan need not cover outpatient prescription drugs. The Secretary of HHS would determine whether plans met the minimum requirements.

IV. CONTINUATION OF COVERAGE

Employers would be required to continue coverage to employees for 60 days following involuntary termination under the same conditions and with the same benefits.

V. RELATIONSHIP TO STATE HEALTH INSURANCE REQUIREMENTS

States could not mandate benefits in excess of the minimum benefits of the Act, although employers would be free to provide a higher level of benefits.

The Secretary would be authorized to accept State certification of plans if he determines that the State's requirements equal the requirements of the Act.

VI. EMPLOYER CONTRIBUTIONS

Employers must contribute at least 80% of the cost of the plan.

VII. INCLUSION OF SELF-INSURED PLANS

Employers using self-insured plans to provide benefits would have to meet the minimum benefit requirements in order to avoid sanctions.

VIII. STATE HEALTH CARE POOLS

Qualified state health care pools would be those which make coverage available to all employers in the State, and to all individuals, and for which premiums do not exceed 150 percent of the average cost for similar coverage in the State. Losses would be paid by all employers in the State, in proportion to each employer's wages paid in the State.

An excise tax would be imposed on all employers in a State which fails to establish a qualified health care pool.

In any State which fails to establish a pool, the Secretary, through a competitive bidding process, would designate an entity to operate a pool. Losses from the pool would be paid by the excise tax.

IX. ASSISTANCE TO LOW-INCOME EMPLOYEES

Low-income employees would be eligible for an income tax credit similar to the earned income credit up to 50% of the premiums of the employee health plan.

X. DEDUCTIBILITY OF HEALTH INSURANCE FOR THE SELF-EMPLOYED

The deduction for self-employed health insurance would increase from 25% to 100%.

XI. DEFINITIONS

Employee: An individual (other than a nonresident alien) who works at least 17 and ½ hours per week.

Family member: spouse, all children under eighteen, any dependent child under 26, any dependent child who became disabled before the age of eighteen.

Wages and Employment: As defined by FICA.

FLAWS OF H.R. 3436

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. CRANE. Mr. Speaker, H.R. 3436, the Medicare Long-term Home Care Catastrophic Protection Act, introduced by my colleague, CLAUDE PEPPER, was recently defeated by a bipartisan coalition, in which I was an active participant.

I opposed this bill because it bypassed all committee hearings, and has been all but immune to proper legislative procedure. A bill dealing with an issue of such magnitude demands complete congressional scrutiny. In addition, H.R. 3436 lacks a comprehensive approach to long-term care and fails to address the exorbitant costs of long-term nursing home stays. H.R. 3436 stifles development of the private sector and discourages it from developing strategies which would ensure that all older Americans can afford long-term health care insurance. This bill forces employers, employees, and self-employed persons to share a $30 billion tax hit over 5 years. Furthermore, it underestimates utilization of the program, and thus underestimates what the actual costs will be. The revenue raised under this bill is significantly less than the costs produced by it, and this bill expands Medicare at a time when its current programs are suffering from fiscal difficulties. H.R. 3436 can only result in additional taxes, further Government debt, and volatile eruption of the welfare state.

I believe that the following "Potomac Watch" column by Paul A. Gigot, entitled, "Elderly Lobby Peppers the House on Health Bill," which appeared in the Wall Street Journal of Friday, May 6, 1988, is an excellent enumeration of the state of affairs surrounding H.R. 3436 and the power of the senior citizens lobby, which managed to railroad the bill to the floor of the House. This article eloquently puts forth the prodigious flaws of H.R. 3436, and I urge all of my colleagues to read it in its entirety.

[From the Wall Street Journal, May 6, 1988]

ELDERLY LOBBY PEPPERS THE HOUSE ON HEALTH BILL

(By Paul A. Gigot)

Virginia Democrat (and soon to be senator) Chuck Robb often deplores the "politics of entitlement"—the idea that government benefits are owed to Americans simply as a right of existence, regardless of need or obligation. Washington is now witnessing another case study in this egregious form of politics, as the King Kong known as the senior-citizen lobby muscles in on an even greater share of the nation's wealth.

Monday on Capitol Hill was "Pepper Day," as in Florida Democrat Claude Pepper, at 87 years old the eternal flame of the nation's gray panthers. Mr. Pepper gave a little pep talk to a few hundred seniors, who then dispersed to do what they really came for—to remind the members what could happen to their political careers if they opposed Mr. Pepper's bill on long-term health care. Teams of seniors visited each House member's office, leaving—subtle hint—a bag of green peppers behind at each.

Lobbying is no crime, but there is something both disingenuous and surreal about today's elderly lobby. For one thing, every official figure on income and poverty shows that the elderly as a group are better off than Americans of other ages; they already receive nearly 60% of all federal non-defense benefits.

For another, individuals 65 and older have traditionally been our most far-sighted and generous citizens. They may resist cuts in Social Security, but it's hard to believe they also want to burden their grandkids with the costs of their cosseting by the government. Yet the lobby pursues a policy agenda that suggests their members are all greedy grandfolk. They always want more—preferably in a federal program others will have to pay for.

The current campaign is on behalf of "long-term care," a phrase whose political beauty is that no reasonable person can oppose it. But Mr. Pepper's proposal is the welfare state on cocaine—a political high followed by a tax-revenue craving. The bill proposes a rise in the payroll tax, but no one expects that would raise enough money since no one really knows how much demand to expect for the bill's subsidized "home-care" service. Tens of billions of dollars is a conservative estimate. In fact, no one even knows what "home care" means—a maid, a cook?—although the bill would establish a new army of inspectors to somehow enforce it.

The bill is so wild that even many liberal Democrats oppose it, though only sotto voce, lest they offend the elderly lobby. And no one is better than Mr. Pepper at wielding that lobby's clout. He used his chairmanship of the House Rules Committee, for example, to win a promise from Speaker Jim Wright for a straight floor vote on his bill later this month. No hearings. No messy committees. Otherwise, Mr. Pepper threatened to offer his own bill as a floor amendment to Mr. Wright's pet, the catastrophic health-care bill.

With the House now facing a public up-or-down vote, the lemmings have started to run. Mr. Pepper suddenly has 150 cosponsors. Republican strategists, fretting that opposition will damage them in November, are thinking about voting yes to make the vote unanimous and therefore less meaningful as a political test.

Ohio Rep. Willis Gradison, a GOP student of health-care policy who opposes the bill, says House strategy is to let "the Senate save us from ourselves." But while the Senate may be able to kill Paul Simon's (D., Ill.) companion bill, that's only because Sens. Ted Kennedy and George Mitchell plan to push even more comprehensive long-term-care bills next year.

The threat of nursing-home costs obviously worries the elderly or anyone with aging parents, but the elderly lobby endorses only statist solutions. The American Association of Retired Persons, the biggest elderly lobby, has a membership (more than 28 million) as politically diverse as the nation, but it endorses tax increases and new federal programs with the fervor of Great Society Democrats. AARP supports the Pepper bill, even though a spokesman says it could stand "some improvement."

Jack Carlson, executive director of AARP for only four months until January, says he was forced out in part because he was exploring some non-statist proposals such as expanding private insurance. "I hadn't advocated any," he says, "but I was just getting the staff work together to present to the board." More than the executive board, Mr. Carlson says, the Washington staff sets AARP's political agenda—and the staff members want only government answers. (An AARP spokesman attributes Mr. Carlson's departure to "differences in management style.")

Another person who has felt the bite of the elderly lobby is Phillip Longman, until recently an aide to Rep. Buddy MacKay (D., Fla.). Mr. Longman made the mistake of talking to CBS's "West 57th Street" program about the elderly lobby last month, where he was quoted as saying such offensive things as, "It doesn't matter if it's a Republican or a Democrat. There's no one on the horizon who would dare go up against the AARP."

After the show ran, he says, "the phone calls started." Mr. MacKay's office received daily calls complaining about Mr. Longman's comments and saying he was a liability. Mr. Longman was fired within two weeks. An AARP spokesman and Mr. MacKay's chief aide both say they aren't aware that AARP had anything to do with the phone calls, but Mr. Longman wonders. He says, "I went down in flames."

BED AND BREAKFASTS: A STEP FORWARD FOR LEXINGTON, MO

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. SKELTON. Mr. Speaker, America is being put on notice today: Small town and rural America are beginning to understand the benefits of a strong tourism industry for their community and are taking advantage of this knowledge in creative and innovative ways.

My hometown of Lexington, MO, is an outstanding example of this new appreciation of tourism. Standing as one of Missouri's most historic towns, this small community recently approved a bed and breakfast ordinance. The Lexington City Council, which had the foresight to approve this ordinance, has already received the first application for a license to operate a bed and breakfast establishment. The city of Lexington should be congratulated for taking advantage of its wealth of historical attractions by planning comfortable, accessible accommodations for its many visitors.

To understand the vitality of tourism in a small, rural community like Lexington, it is important to understand the history of the city in which I have spent most of my life.

Lexington, nicknamed "Missouri's historic city," is located about 40 miles east of Kansas City and is one of the Show-Me-State's oldest cities. Founded in 1822 by settlers from Lexington, KY, the city was named county seat of Lafayette County the following year. During the middle of the 19th century, Lexington served as one of the main river ports on the mighty Missouri River, with factories and docks dotting the waterfront. Farming also provided a prosperous living for many early Lexingtonians, and continues to do so today as the city is the largest apple producer in Missouri.

Trade also proved a prosperous venture in Lexington, for as early as 1822, John, James, and Robert Aull had established a thriving trade business that used pack mules and ox teams to transport goods as far southwest as Santa Fe. Lexington's successful shipping trade route extended as far east as Wheeling, WV.

Lexington, MO, also stands as the site for two famous historical events—one connected with the city's prosperous steamboating industry and the second a battle during the War Between the States.

On the morning of April 9, 1852, the *Saluda*—a 179-foot steamboat carrying cargo and more than 200 passengers bound for Salt Lake City, UT—attempted to leave Lexington on Missouri River waters that were both high and swift. Pushing ahead at full steam, the boat suddenly exploded, killing nearly everyone on board. The people of Lexington responded by saving any passengers they could and adopting many of the children who were left orphaned by the explosion.

Eleven years later, from September 18 to September 20, 1861, the Civil War Battle of Lexington, also called The Battle of the Hem Bales, raged between the Union and Confederate forces. The battle, eventually won by the Confederate troops, has earned recognition as one of the largest battles in the Western campaign of the war. The Anderson House, which served as a hospital during the battle and also as a station for sharpshooters, stands today as a mecca for tourists visiting the scene of the battle and is furnished in the period of the Civil War. The Civil War Battle of Lexington State Park remains the only historical park of its type in Missouri.

Throughout its history, Lexington also has housed five colleges, including the world's first Masonic college, the Central College for Women, and the Wentworth Military Academy, which remains a vital part of the Lexington community to this day.

Finally, a bird's eye view of the history of Lexington would not be complete without a mention of the Lafayette County Courthouse, built in 1847–49, which stands as Missouri's oldest courthouse still in use. This two-story, colonial structure includes a stately wooden clock tower and massive stone columns.

In other words, Mr. Speaker, this quiet, warm, and friendly town of nearly 6,000 stands as stark example of what rural America can be. Lexington, having been the home of five colleges, the site of a 3-day Civil War Battle, the headquarters of the famous westward freighting firm that founded the Pony Express, and home to the State's oldest courthouse still in use, has realized its treasure of tourist attractions and is taking advantage of them. In fact, the Lexington Chamber of Commerce already has begun sponsoring mini-tours through nine ante-bellum homes in the Lexington community. This obviously will be an attractive drawing card for tourists.

Again, I congratulate the city of Lexington for its recent approval of a bed and breakfast ordinance and I congratulate my hometown for its recognition of tourism's potential in rural America.

ALBANY TIMES-UNION EDITORIAL CALLS FOR RENEWED CONTRA AID

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. SOLOMON. Mr. Speaker, honest men can honestly disagree about many things, but that no longer includes the treachery of the Communist rulers of Nicaragua. They do not have, never had, and never will have any intention of introducing in that tragic land anything that resembles democracy.

Although in Washington there remain individuals who will never be persuaded no matter how thoroughly the Ortegas convert Nicaragua into a Soviet outpost, there are some clearer heads in the heartland of America. As an example, I enter in today's RECORD a June 27 editorial of the Albany Times-Union from my district.

This editorial simply recites the obvious. Thanks to congressional meddling in foreign policy, the Contras are at the point of disintegration. The Sandinistas are behaving exactly as Contra supporters predicted. And finally, real reform will come in Nicaragua only when the Contras are assured of remaining a viable force.

Beyond that, I will let this excellent editorial speak for itself.

[From the Albany (NY) Times Union, June 27, 1988]

CONTRA DISINTEGRATION

From the ruling Sandinista point of view, the "peace talks" in Managua are right on track.

For the past few weeks the contras, believing themselves abandoned by the U.S. Congress, have been isolated in government-designated areas in Nicaragua. At the same time, the stinting "humanitarian" aid that was promised them has been slow in coming, mostly because of Sandinista obstructionism.

The peace talks have done little but underscore the contra claim that the Sandinistas have no intention of instituting democratic reforms and even less of allowing the system to be fundamentally altered.

As a result, the contras have taken to retreating to the Honduran border where they hope to hold out until they can regroup and receive some aid, somehow. Their situation is so unpromising that last week all employees of the contra support group worldwide received notice of dismissal. The contras are no longer able to keep them on the payroll, even though they number a mere 350 to 400.

Secretary of State George Shultz, meanwhile, has accused the Sandinista peace negotiators of reneging on promises to create democracy and of subjecting contra negotiators to harassment and intimidation during the talks. According to Mr. Shultz, the resistance delegation was "treated virtually as prisoners, refused permission to meet with democratic leaders and threatened with harm by Defense Minister Humberto Ortega if they refused to sign an agreement."

The evolution of events is just as many critics of the Leninist government in Managua had predicted. Indeed, things have gone pretty much as the Sandinistas—at one time or another—have implied they would when they boasted that their people's revolution was irreversible.

The promise of reforms made to the neighboring Central American nations and the agreement to sit down with the contras to discuss peace have been merely a charade, a means to temporize while the contras—and their sources of support—wither.

This jig should be up. It's time for the Congress to realize that major change and reform in Nicaragua will come only as a result of direct contra pressure—as events proved when the contras were still active in the field.

Rep. Jack Kemp has recommended a $105 million aid package of humanitarian and military aid. The contras need both.

SAUDI ARABIA AND KUWAIT MAKE NEW FINANCIAL CONTRIBUTIONS TO THE PLO

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 29, 1988

Mr. SMITH of Florida. Mr. Speaker, Sunday's edition of the New York Times reports that Saudi Arabia and Kuwait will be contributing $50 million to finance the PLO's subversive activity in the West Bank and Gaza. This announcement comes at the same time that the Reagan administration is considering a $1.8 billion sale of 40 F/A-18 advanced aircraft, and hundreds of highly sophisticated missiles, including Maverick D and G models, to the Government of Kuwait.

The continued financing of the PLO by Saudi Arabia and Kuwait is one example of how these countries are engaging in activities that undermine America's foreign policy objective in the Middle East.

How does it help the United States if the unrest in Israel continues and is fueled by outside parties? A cornerstone of American foreign policy in the Middle East traditionally has been the support and promotion of a strong and democratic Israel. The latest financial contribution to the PLO by Saudi Arabia and Kuwait directly undermines that policy. The current dispute in the West Bank and Gaza is an Israeli-Palestinian one and should be resolved by the parties to the conflict—not the PLO, Saudi Arabia, or Kuwait.

Furthermore the reality of a politically and financially strong PLO flies in the face of our antiterrorism policy. The PLO is the godfather and role model of all modern terrorist organizations. This terrorist organization is responsible for, and has been implicated in, the premeditated murder of thousands of innocent people—including dozens of American citizens.

The PLO's commitment to the use of violence as a means of advancing its anti-Western objectives is well known. Its charter explicitly states that "armed struggle is the only way to liberate Palestine, thus it is an overall strategy, not merely a tactical phase." Last year, Congress passed legislation which states unambiguously that "the PLO and its affiliates are a terrorist organization and a threat to the interests of the United States, its allies, and to international law.

Mr. Speaker, Saudi Arabia and Kuwait are not fully committed to helping us achieve our most fundamental policy goals in the Middle East. Our arms sale policy must be based on greater considerations than simply which countries have the means to purchase our weaponry. It is unwise to arm these Arab States with our most sophisticated military weaponry until they are willing to help, not hinder, our efforts in the Middle East.

For these reasons, I am hopeful that President Reagan will reevaluate his plans to sell a $1.8 billion arms package to Kuwait.

UKRAINIAN NATIONAL ASSEMBLY APPROVES D.C. BUREAU WHILE CATHOLICS IN UKRAINE MUST MEET SECRETLY

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. RITTER. Mr. Speaker, I am delighted to report that the annual meeting of the Ukrainian National Association's Supreme Assembly was held at the Soyuzivka resort in New York earlier this month * * * openly and freely. Among other announcements, I am pleased to report that the Ukrainian National Association will open an office in Washington, DC, for governmental relations, effective July 1.

Unlike the participants at the Soyuzivka meeting, Catholics in Ukraine still must meet secretly to celebrate the Christian Millennium of Kievan Rus. Let us hope that glasnost will extend to assembly of Ukrainian Catholics and their ability to worship freely. To emphasize this point I include an article from the June 19, 1988 issue of the Ukrainian Weekly.

CATHOLICS IN UKRAINE SECRETLY MARK CHRISTIAN MILLENNIUM OF KIEVAN RUS

JERSEY CITY, NJ.—While news of the official celebrations of the so-called Millennium of the Russian Orthodox Church have made headlines throughout the world during this past week, as divine liturgies were held amid eccesiastical pomp in a state that has been militantly atheistic for the better part of this century, the outlawed Ukrainian Catholic Church commemorated the 1,000th anniversary of Christianity by holding secret masses in the woods, its members reported.

As the Russian Orthodox Church hierarchs gathered, first in Moscow and then in Kiev, the site of the baptism of Kievan Rus' by Prince Volodymyr the Great in 988, representatives of the approximately 4-million-member Ukrainian Catholic Church gathered outside such villages as Buniv and Bilichin throughout western Ukraine to solemnly honor their 10-centuries-old faith. The Ukrainian Catholic, or Uniate, Church has been banned in the USSR since its liquidation by Stalin in 1946.

According to reports provided by the Reuters news service, the liturgies took place independently of official celebrations in Kiev, where, on June 14, a jubilee service in St. Volodymyr's Cathedral was attended by Russian Orthodox Church leaders and their guests.

Stepan Khmara, a Ukrainian Catholic Church activist and medical doctor, who spent seven years in labor camp for "anti-

Soviet agitation and propaganda," reported that such forest liturgies, "lisovi sluzhby" were celebrated on May 29 and June 5. "The powers that be doubtless knew about the masses, but this time they chose to turn a blind eye," he said in an interview with Reuthers.

One of the 186 Ukrainian Catholics who last year signed a petition for legalization of the Church addressed to both General Secretary Mikhail Gorbachev and Pope John Paul II, the Rev. Mykhaylo Kutz officiated at the Bilichin liturgy in a woodland chapel rebuilt after authorities destroyed it, Mr. Khmara reported.

In an interview conducted by Reuters late Tuesday evening, June 14, Mr. Khmara explained that in 1946 Stalin accused Uniates of collaborating with the Nazi German invaders and forced their Church to merge with the Russian Orthodox Church. He added that not a single Uniate bishop had agreed to this merger (by this time, they, along with Metropolitan Josyf Slipyj, had been arrested). Of these hierarchs, 11 died in labor camps in the 1940s and 1950s.

Mr. Khmara said that the Church has survived and currently ministers to several million faithful at liturgies in private apartments and forests which the police periodically break up.

The Kiev-based Ukrainian Culturological Club, according to Mr. Khmara, has objected to the Millennium jubilee-celebrations billed as the Millennium of Russian Christianity, stating that, Ukraine was where the faith was born.

Reuters reported that ordinary Kiev residents say the celebrations should have begun in their city rather than Moscow, because it was in the Dnipro River that Prince Volodymyr baptized his people.

Mr. Khmara welcomed as a small victory for the Church the fact that two Uniate bishops and several priests and laymen met in Moscow last week with Cardinal Jan Willebrands of the Netherlands, one of three Vatican representatives at the Millennium celebrations.

Roman Catholic and Russian Orthodox representatives are due to set out their position on the Uniate problem at a meeting in a monastery in Finland next month.

But Mr. Khmara said he expected little from this meeting as Uniates would not be involved. He said the aim of the Church was to achieve legal status, but not at any price. "We will preserve the integrity of our Church. * * * We will not allow the government to interfere in our affairs as the Russian Orthodox Church has bowed to the state," he said.

BUDGET DEFICITS CRUCIAL PROBLEM

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. OWENS of Utah. Mr. Speaker, as we approach this election year, budget deficits continue to be one of the most crucial problems facing our Nation. The Congressional Budget Office appropriately pointed out last year that "Our fiscal policy since 1981 has allowed people living today to enjoy higher consumption at the expense of those who will be living tomorrow."

We can look back at the escalating deficits that culminated in a record $220.9 billion deficit in fiscal year 1986 and try pointing the finger—was it Congress or was it the President—but the reality is that pointing fingers won't provide solutions.

During this election year, both parties are reevaluating their positions on various issues of the day. I have written the chairman of the Democratic Platform Drafting Committee, Representative BILL GRAY, to ask that the Democrats consider adopting a platform in favor of a constitutional amendment to balance the budget similar to House Joint Resolution 321.

The Democrats have always been a party concerned about fiscal responsibility and have always been a party concerned about the health and welfare of our children. But we have always come short of recognizing that our children's health and our fiscal health require that the principle of balanced budgets be enshrined in our most basic, founding document, the U.S. Constitution.

BETHESDA BAPTIST CHURCH CELEBRATES 100TH ANNIVERSARY

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. DIOGUARDI. Mr. Speaker, I rise today to pay tribute to the Bethesda Baptist Church located in my congressional district as they proudly celebrate their 100th anniversary. For this past century this church has committed herself to continuous, unbroken service to the Lord, the New Rochelle community, and to Westchester County.

The church's history is a unique story of humble beginnings. The Bethesda Baptist Church was organized at the home of Jacob Owens in 1888 by 15 black men and women interested in worshipping God in a way which was more suitable to their own feelings and desires. This inspired group of individuals begat the first black Baptist church in New Rochelle. Prior to this organization, worship services were held at the St. Catherine A.M.E. Zion Church or in the white churches of the community. The name "Bethesda" was offered by Rev. Guy Powell, of Brunswick County, VA, who helped to guide the procedure for the establishment of a new church. A building was not readily acquired and church services were held for a short period at the home of Brother Owens. However, over a period of many years as Bethesda made spiritual progress, acquired facilities became unsuitable—Bethesda needed a larger place to worship. On September 15, 1918, the present structure was dedicated.

The Bethesda Baptist Church has realized incredible growth over the past 100 years. Their original church was built at a cost of $3,500; her present building is valued at more than $1 million with visions of expansions to include an improved educational facility for use by both church members and the community.

The church has been a substantial contributor to mission and educational causes and contributes regularly to individuals in the church seeking to advance themselves either in the ministry or in the community. Her community outreach is manifested in the establishment of a clothing store for the needy, and a food program for the hungry. Bethesda has also opened her doors to house 19 homeless men.

The Bethesda Baptist Church has been blessed with many pastors who continually strive to spread God's word and to develop this great church to what it is today. The first pastor, Rev. Henry Cremer, has been succeeded by many able and spiritually minded pastors, including the late Dr. J.B. Boddie, Dr. J.R. Henderson, Rev. C.M. Long, Sr., and Rev. R.L. Thompson. Under the present pastorate of Rev. Allen Paul Weaver, Jr., bold and energetic programs have been enacted to improve their building and to promote growth in membership.

From a humble beginning, Bethesda has risen to become a beacon light in the community. Bethesda has been able to achieve vast accomplishments throughout the years and she looks toward the future with renewed dedication and expectations.

A TRIBUTE TO LEONARD COLEMAN

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. COURTER. Mr. Speaker, I rise today to recognize and honor Mr. Leonard Coleman, a remarkable individual from Atlantic Highlands, NJ. It gives me enormous pride to inform my fellow colleagues about Len, who after 6 years of service to the State of New Jersey is leaving State government.

Mr. Coleman has had a strong desire to serve humanity all of his life. He began his outstanding career in public service in 1976, when he worked for 4 years in Africa as a missionary for the Protestant Episcopal Church of the United States. Upon returning to America, he proudly served as president of the Greater Newark Chamber Urban Coalition.

In 1982, Mr. Coleman joined the administration of Gov. Thomas Kean as the commissioner of the Department of Energy. He later served as the community affairs commissioner in 1986, when Kean began his second term. As the community affairs commissioner, he has also dutifully served as the chairman of the State's Housing and Mortgage Finance Agency and the Hackensack Meadowlands Development Commission.

In addition to his professional career, Mr. Coleman was distinguished as an all-American high school football player.

Mr. Coleman will be leaving the Kean administration to become a vice president in the municipal finance department of Kidder, Peabody and Co.

Mr. Speaker, I ask that my colleagues join me in saluting this outstanding public servant and wishing Mr. Coleman many more years of health and great success.

A TRIBUTE TO LEONARD P. MATLOVICH

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. PELOSI. Mr. Speaker, I rise to pay tribute to Leonard Matlovich, a decorated war hero and a symbol in the battle for human rights, who died from the complications of AIDS on June 22, 1988.

In the words of Michael Bedwell, the executor of his estate, "Leonard would want to be remembered for his struggles for peoples' civil rights, which grew out of his love for his country and his belief that the rights he had been taught to believe in applied to everyone."

We have lost a dedicated warrior in the battle for justice and human dignity.

Mr. Speaker, I commend the following article to my colleagues' attention. It highlights the significant career of this remarkable man.

[From the New York Times, June 24, 1988]

GAY AIRMAN WHO FOUGHT OUSTER DIES FROM AIDS

(By Alfonso A. Narvaez)

Leonard P. Matlovich, a former Air Force technical sergeant who became a rallying point for the national homosexual rights movement when he was expelled from the service after publicly declaring his homosexuality, died of complications from AIDS Wednesday at the home of a friend in West Hollywood. He was 44 years old.

Mr. Matlovich, a decorated veteran of the Vietnam War who served 12 years in the Air Force, was a human relations counselor at Langley Air Force Base in Hampton, Va., in March 1975, when he challenged Air Force regulations barring homosexuals from service by notifying his superior officer that he was a homosexual.

Six months later a three-member panel of Air Force officers concluded that the sergeant was unfit for military service despite his exemplary record. The panel recommended a general discharge but the base commander ordered that he be given an honorable discharge. A general discharge does not mean forfeiture of military benefits but is one step less than an honorable discharge.

BRONZE STAR AND PURPLE HEART

Mr. Matlovich, who had been awarded the Bronze Star for bravery, the Purple Heart for injuries from a land mine in Da Nang, and an Air Force commendation, challenged the ruling and began a five-year fight to be reinstated. In November 1980, however, he agreed to drop his effort in return for a $160,000 out-of-court settlement from the Air Force. The settlement vacated a Federal court ruling two months earlier ordering that he be reinstated with back pay.

In his testimony before the Air Force Administrative Discharge Board in 1975, Sergeant Matlovich said he had his first homosexual experience two years earlier, when he was 30 years old. He also said that he had had homosexual tendencies since he was 12 but that he had tried to overcome them.

He described himself as an "Air Force brat" who was born in a military hospital in Savannah, Ga., and moved with his parents—his father was a master sergeant in the Air Force—from base to base around the world.

He said he wanted to follow in his father's footsteps and enlisted in the Air Force in May 1963, when he was 19. He volunteered for assignment to Vietnam and served three tours of duty there.

Mr. Matlovich is survived by his parents, who live in Florida, and a sister Margaret Wrobel.

H.R. 2470—A CATASTROPHE FOR SENIORS

HON. ALFRED A. (AL) McCANDLESS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. MCCANDLESS. Mr. Speaker, if the President signs the catastrophic medical insurance bill, H.R. 2470, it will be a catastrophe for all Americans over the age of 65. All seniors who have even a meager outside income beyond their Social Security will have to pay a huge 15-percent surtax on their regular income tax return in 1989. The bill provides that by 1993 this rate will nearly double, and all those eligible for Medicare—whether they elect to sign up for Medicare or not—will pay a 28-percent surcharge.

The following editorial from the Wall Street Journal of June 17, 1988 points this out in detail:

[From the Wall Street Journal, June 17, 1988]

THE AARP TAX

The 28 million members of the American Association of Retired Persons may think that belonging to this group costs only the modest annual fee of $5. They'll know better if President Reagan signs the catastrophic-health bill that the lobbying group just rammed through Congress. The bill is a massive tax increase on Americans over 65. The new tax will pay for extended medical care that 90% of them already get from private insurance, former employers or Medicaid.

This soak-the-elderly-rich expansion of Medicare will start big and get huge. The Treasury says the catastrophic program will cost $1.3 billion next year, $12 billion in 1992 and $17 billion in 1995. To pay for all this, there will be a "supplemental premium"—a tax based on a beneficiary's wealth as measured by his income-tax liability. This will introduce direct redistribution of wealth into a welfare program.

The proposed new Medicare premiums are enough to cause fibrillations in the healthiest 65-year-olds. The new rates apply to those eligible for Medicare who pay at least $150 a year in income taxes, which is nearly half the people over 65. Beginning next year, this will hit those who make as little as $6,000.

For 1989, the additional Medicare payment will be $22.50 per $150 of taxes, with a cap of $800 per person. The couple who pay an extra $1,600 next year will pay an extra $2,100 a year by 1993. The Treasury estimates that by 2005, couples will pay closer to $8,000 a year.

Put another way, next year the elderly will pay a staggering 15% surcharge on their income taxes. By 1993, this rate will nearly double, to a 28% surcharge.

This income-based premium is supposed to pay for two-thirds of the cost of the catastrophic coverage. The other third will come from increases in a flat surcharge. Everyone eligible for Medicare will pay a flat premium increase of $4 a month next year in addition to the current $24.80 a month. The flat premium will rise to more than $10 a month by 1993.

What wonderful benefits will the elderly get for all this? Nothing that many don't already have. As to the rest, the price of federal coverage will exceed what it would cost for private insurance. The bill doesn't include long-term home care, which even the House just voted down despite the best efforts of Claude Pepper. Instead, the program expands coverage of long-term hospital stays, nursing-home and hospice care. There is also a prescription-drug program that essentially turns the pharmaceutical industry into a government subsidiary by funneling federal dollars toward unlimited drug prescriptions. Not coincidentally, AARP itself has a huge drug-dispensing operation, and comes out a big winner under the bill.

If you think these premiums bash the elderly, just wait. Removing the price mechanism from big-ticket health items will drive up demand to unknowable levels. The Congressional Budget Office assures that the higher premiums will cover the costs. But an internal report from the Office of Management and Budget casts doubt on the sanguine view. In 1992, OMB estimates, the program will cost $2.4 billion more than the premiums bring in. Premiums would have to skyrocket, or the program would require funding from the general budget. Past experience with federal entitlements suggests that OMB's prediction is closer to the mark.

HHS Secretary Otis Bowen's bright idea back in 1986 to become the driver of the liberals' catastrophic-health bandwagon puts the White House in a tough spot. Faced with signing this bill, President Reagan must soon choose between the elderly and the AARP. He should veto this catastrophic tax.

INVESTING IN INFRASTRUCTURE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for Wednesday, June 29, 1988, into the CONGRESSIONAL RECORD:

Each year in my questionnaire I ask 9th District residents what are the major problems in their community. The top responses always include poor roads and infrastructure. Hoosiers recognize that few things are more important than the physical foundations upon which they build their lives. Without sound roads, bridges, airports, waterways, water and sewer systems, and electrical power—the nation's infrastructure—commerce, safety, health, even family ties and friendships, would suffer. Almost everyone thinks we need to invest more in infrastructure, but the catch comes on how to pay for it.

Many of us take infrastructure for granted and need to be reminded how important it is. Overflowing sewers, dry faucets, potholes, traffic congestion, and air travel delays are typically signs of weak infrastructure. Communities and businesses depend on infrastructure for basic services and for quick and easy movement of goods and people. Sound infrastructure helps get children to school and people to hospitals, allows us to maintain personal contacts, and ensures more productive, healthier lives.

One estimate is that 65% of the interstate highway system is in need of repair and that 25% of our bridges are dangerous. A bridge collapses every two days in this country. The average age of the 184 principal locks in the inland waterway system is 40 years, and an estimated 3,000 dams in populated areas are unsafe. The costs of meeting sewer needs by the year 2000 could reach $108 billion. And since the last commercial airport opened in 1974, air traffic has doubled.

Strangely, while everyone acknowledges the critical importance of good infrastructure, and while our needs continue to expand, public investment has been dropping. Total public spending on infrastructure has fallen from 3.6% of the gross national product (GNP) in 1960 to 2.6% in 1985. Public works spending in the late 1960s accounted for 13.5% of government budgets, compared to 6.6% in 1984. The federal portion of total government spending for public works dropped from 32% in 1980 to 27% in 1984, and the state portion dropped slightly from 24% to 23%. At the same time, local governments raised their share of spending from 44% to 50%.

The federal government contributes to infrastructure repair and construction largely through spending from aviation, highway, transit, and waterways trusts funded by user fees. But the Administration and the Congress have been hesitant to increase trust fund spending because of federal budget deficit pressures. The burden of financing has thus been shifting to states and localities. Federal sewage treatment grants are being phased out and replaced with federal seed money for state revolving loans; revenue sharing has been eliminated; and cost-sharing is now mandatory for many water projects. Reduced federal funding often forces state and local governments to choose projects more carefully and spend funds more efficiently. Yet, federal requirements—such as project design and wage standards—also increase their costs, and 1986 tax reform changes have restricted their ability to raise funds and attract private investment.

Many states are now beginning to meet costs by raising taxes, building their own trust funds with revenues raised for public works, and creating infrastructure banks which help local governments finance public works. Some states may give tax credits to businesses which invest in public works. Indiana is trying to meet needs by spending dollars more efficiently—stressing management changes and technological innovation. Many localities are increasing user fees for waste disposal, transportation, sewage treatment, and water supply services. Growing communities are also charging developers to pay for new public works projects.

According to one study, the nation must double its yearly spending on public works projects, infusing up to $90 billion a year to repair and expand infrastructure. At the federal level, some advocate a $50 billion national fund, matched by state and local funds, to provide resources for public works. Others suggest faster spending of federal trust funds, higher user fees, and an easing of 1986 tax reform restrictions. It is widely agreed that we should clarify the roles of federal, state, and local involvement in project decisions, reduce restrictions on federal and state grants to allow their use for operations and maintenance, and increase local control of projects to encourage innovation.

Other steps should be taken. States and localities must continue their efforts to strengthen existing and new systems. These efforts include timely inspections and maintenance, better management techniques to reduce waste, innovative changes such as noncorrosive snow and ice melting, and increased regional planning to meet common needs. Operational improvements at airports—peak time landing fees and improved air traffic control systems—could also reduce congestion without building new runways.

While private-sector capital investment has increased some 50% between 1975 and 1985, further private funds may be needed. Recent projects have included privately-owned toll bridges, roads, and sewage systems. Many private groups can design, build, and operate public works at a lower cost, while local governments retain policy control over the projects. Privatization should be expanded where it can meet needs safely and efficiently.

Both public and private interests must invest more in infrastructure research and development (R&D). Spending by the federal government on such R&D is less than 1% of what it spends on infrastructure construction. Improved public works technologies, including the use of robotics and new materials such as maintenance-free pavement and bridge metal more resistant to corrosion, may help increase efficiency and safety, cost less, and foster growth. We must also increase education and training of builders and managers of public works.

Safe and healthy populations, strong economies, and future growth depend on a sound physical framework. Meeting current needs and planning for future ones will be costly, but neglecting them will cost more.

SUPPORT CENTRAL AMERICAN PEACE PLAN

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. VENTO. Mr. Speaker, like many of my colleagues, I was very disappointed by the recent suspension of the peace talks between the Sandinista government of Nicaragua and the Contras. These talks, which had already resulted in a temporary cease-fire agreement, were aimed at finding the way toward an agreement on a permanent cease-fire in Central America and a way to end the war which has taken so many lives over nearly a decade.

There are some who have been quick to assess blame for the suspension of these peace talks. Unfortunately, many of these same critics have disparaged the peace process, led by Costa Rican President Oscar Arias, from the very beginning. The critics would rather abandon the peace process and what it has achieved to date in favor of a return to the failed policy of providing lethal aid to the Contras. Such a change of course at this late date would, in my opinion, be a tragic mistake.

Rather than abandoning the peace process today, we should renew our efforts to persuade both sides in this conflict of the benefits from achieving a permanent cease-fire and the enactment of democratic political reforms consistent with the Arias peace plan. Surely the Contras realize that there must be a better future for them than continuing to operate a guerilla war from neighboring countries. Surely the Government of Nicaragua must realize that it cannot indefinitely postpone honoring the commitments to democratic political reform which it has promised on numerous occasions. Our Nation's policy must be to help both sides get back to the negotiating table as soon as possible. A recent editorial in the June 16, 1988, St. Paul Pioneer Press Dispatch describes how high the stakes are if the peace process fails.

[From the St. Paul Pioneer Press Dispatch, June 16, 1988]

RESUMING CONTRA AID WOULD END PEACE HOPE

This is not the time to revive military aid to the contras.

True, the negotiations between the contras and the Sandinista government in Nicaragua broke down last week and no immediate peace talks are scheduled. But for Washington to approve a military aid package now could destroy the truce and derail the opportunity to end the war.

It is discouraging that the negotiations broke down. For a time it appeared that agreement might be reached on the next step to end the conflict. Reports were that the contras had accepted a timetable for laying down their arms in stages as the government progressed toward broader democracy. Then, rather than referring political questions to a forum in which all political parties would be represented, the contras suddenly wanted far reaching political changes completed in a matter of weeks. They also demanded that all anti-Sandinista prisoners be released within five days.

This change in negotiations strategy—seemingly designed to stall if not undermine the talks—came about after Col. Enrique Bermudez, the contra military commander, joined the discussions.

One of the Sandinista stumbling blocks to peace is Interior Minister Tomas Borge, who controls the police and administers press laws. It has not gone unnoticed that whenever peace negotiations have resumed, Borge's men have shut down another radio station or detained an editor. Remarkable coincidence, particularly in view of the fact that free speech and free press are items of major importance to the contras. It does raise questions about the sincerity of the government toward establishing democratic principles.

So, there's a standoff.

What's needed now is not a heavy-handed American interference in the process but more intense activity on the part of Latin American nations. Costa Rica's President Oscar Arias urged the Nicaraguan talks as part of a regional peace effort. Joao Baena Soares, secretary general of the Organization of American States, has been monitoring the talks. Those leaders should now work to get the two parties back to the bargaining table.

How they do that should be left to them. The American commitment should be to keep hands off and let the peace process work.

THE U.S. HOUSE OF LORDS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. CRANE. Mr. Speaker, in framing the U.S. Constitution, our Founding Fathers created, at that time, the only popularly elected body of our Government. The body was to be called: The U.S. House of Representatives. The intent in creating this body was to make the House the closest and most representative of the will of the people.

In recent years, as many of us are well aware, the trend in the House of Representatives has been toward its membership enjoying de facto lifetime tenures. Today, most House elections are more of a formality than a contest, in which candidates are encouraged to actively argue their positions before the electorate. In this year's Presidential election, with no incumbents running for office, the voters were offered an overflowing abundance of candidates from which to pick and choose.

An article that appeared in the April 18, 1988, issue of the Wall Street Journal, which I am respectfully submitting with this statement, discusses voters' cynicism resulting from no contest House races, and calls for the need to give the voters more of a choice in their elected leaders. Increasingly, fewer citizens are voting in House elections. Decreasing voter participation is the sign of ineffective self-government, which is sorely in need of reform.

The time has come for us to reaffirm the true meaning of this body in which we so dutifully serve: The U.S. House of Representatives.

[From The Wall Street Journal, Apr. 18, 1988]

THE U.S. HOUSE OF LORDS

With no incumbent running, this year has marked the most wide-open presidential election since 1968. But precisely the opposite situation exists in races for the House of Representatives. Never before have so few outcomes been in doubt, with the effect that most House incumbents now enjoy de facto lifetime tenture.

Two recent independent political surveys confirm that in all but a few districts the elections for the House this November will be a mere formality. Roll Call, a Capitol Hill newspaper, concludes than in only 96 out of 435 House races is there any contest at all. In 78% of the races the incumbent is either unopposed or faces token opposition. Charles Cook, a political analyst whose conclusions are summarized nearby, says the Democrats have all but won control of the House for the 18th consecutive election. He finds only 16 seats where the outcome is seriously in doubt. Roll Call can find only 12.

The House was meant to be the electoral body most representative of and closest to the people. Instead, 98.4% of incumbents running for reelection were returned to office in 1986. David R. Mayhew, chairman of the political science department at Yale University, calls that result "shocking" and warns against a tide of voter cynicism. He says the House is "becoming too impenetrable to be representative." Senate races also tilt too much in favor of incumbents, but less so because of the greater role issues play in those contests.

In part the incumbent advantage is due to superior name recognition and the ability to respond to constituent problems. But incumbents have passed laws that go much further in cutting the political deck in their favor. While challengers can raise only $1,000 from an individual (the same amount as in 1974), incumbents shovel in money from a huge network of political-action committees that rarely give to challengers. The Journal's Brooks Jackson reports that, as of January, House members had campaign kitties of $64.5 million, compared with $1.5 million for their challengers. Gerrymandering has dramatically shrunk the number of competitive districts. And House members send out nearly a billion pieces of self-promoting mail—12,000 items go out for every incoming letter.

Another reason why incumbents find it easier to win votes is that there are increasingly fewer voters. People have responded to the lack of competitive House elections by simply not voting in them. In 1986, only 33% of eligible voters cast ballots for the House—the lowest turnout since the wartime election of 1942. Participation goes up where the outcome isn't settled. In Florida, only 25% of eligible voters cast ballots in the state's humdrum 1986 House elections. In the hotly contested U.S. Senate election over 38% voted, though even that figure is discouraging.

Several analysts believe that these trends could undermine the very legitimacy of the House. Some 150 years ago Britain faced a similar problem. Parliamentary boundaries had not been redrawn to reflect population changes for centuries, with the result that many "rotten boroughs" had only a handful of voters and a few none at all. Many landowners served in Parliament for life, and there were fears Britain might cease to be an effective democracy. "Many bitterly said the House of Commons was merely another House of Lords," says historian Paul Johnson.

Just as the Reform Act of 1832 redrew British districts and injected fresh blood into Parliament, similar dramatic action will have to be taken or more Americans will sink into electoral cynicism. Campaign-finance reform is desirable, starting with a lifting of the $1,000 contribution limit and new laws making it easier for parties to spend money on key races. But merely relying on incumbents to inject more competition into politics is like asking banks to make their vaults less secure. That's why voter initiatives to limit gerrymandering—such as those by California's Don Sebastiani—are important. The Supreme Court has also served notice that the most extreme gerrymanders won't survive court challenges.

Voters were offered a wide range of choices in this year's presidential race. A baker's dozen of candidates ran, and for the first time a black is in the ranks of the front-runners. It's time voters had the same kind of real choices—and the chance for an occasional surprising coutcome—in races for Congress.

TRIBUTE TO SGT. ROBERT LEWIS JENKINS

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. SKELTON. Mr. Speaker, today I would like to honor Sfc. Robert Lewis Jenkins of the-Missouri National Guard's 110th Engineering Battalion. On July 23, 1988, Sergeant Jenkins ends 42 years of service as a National Guardsman.

Along with his wife Ethel and his three children, Sergeant Jenkins has been a lifelong resident of Lexington, MO, where he has been an active part of community affairs.

After serving 2 years in the U.S. Navy, Sergeant Jenkins joined the Missouri Army National Guard on January 11, 1949, and has actively served in that unit to this day. He served as a noncommissioned officer for 4 years and was appointed as second lieutenant in the Missouri Army National Guard where he acted as platoon leader, commander of "C" company in Lexington, MO, and as battalion S2 for the 110th Engineering Battalion. In 1973 he resigned his commission to rejoin the enlisted ranks.

Sergeant Jenkins has faithfully served and guided the lives of many young soldiers over the last 42 years and has installed a sense of devotion to duty and pride. He has constantly set a high standard for others to follow. His attitude and professionalism is not only a credit to himself, but also to his unit and battalion, the Missouri National Guard and the U.S. Army. Sergeant First Class Jenkins will be missed by those who have had the opportunity to work for and with him.

I know that my colleagues will join with me in saluting this gentleman for his many years of service to both State and country.

JUDICIAL REVIEW—VETERANS DESERVE BETTER

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. SOLOMON. Mr. Speaker, we have seen much in the press this year advocating judicial review of claims by America's veterans. As one might expect, much of the media have treated this complex issue in an overly simplistic and one-sided manner.

Mr. Speaker, I oppose judicial review legislation as envisioned by S. 11. This bill would give many of America's most needy veterans unrealistic expectations as to the benefits they might receive. Judicial review would often exhaust their finances, waste their time, and in the end dash their hopes. Veterans deserve better.

The law now states that when there is balanced uncertainty involving a veterans' case, the veteran, not the Government, is to be given the benefit of the doubt.

Legislation currently under consideration by the Senate Veterans' Affairs Committee would create an adversarial method of decisionmaking beyond the Board of Veterans Appeals thus driving a wedge between the Veterans' Administration and the men and women it serves. There are many other reasons for opposing judicial review legislation. Consider this—the judicial branch of our Government, the branch which would implement judicial review, strongly opposes the legislation.

Judge Stephen Breyer, a former Harvard Law School professor, recently testified on behalf of the Judicial Conference of the United States in opposition to S. 11. The Judicial Conference, chaired by the Chief Justice of the United States is composed of 26 judges from around the country, who represent each level of the judicial branch. They are the policy making body of the judicial branch. Outlined below are some of the objections raised by the conference and I quote:

> Litigation has become not only frustrating, but expensive and frequently unrewarding. Thus the question becomes, to what avail is it to expand judicial review to government-administered benefit programs when the expense and delay involved effectively prohibit the needy from obtaining relief? Judicial review in such a case would favor only the wealthiest and most aggressive of those seeking benefits.
>
> Reserving federal trial and appellate courts for matters vital to our national interest that only they can resolve is more necessary today than at any previous point in history. The influx of veterans' benefit cases into the federal court system, as contemplated in S. 11, can not be accommodated without sacrificing services to the American public.
>
> Any such litigation in the courts would be expensive and fraught with delay. The experience with Social Security cases is illustrative. Because of the large numbers of criminal cases and others that have priority, the social security cases move very slowly through the court system, and it is not unusual to find an appeal in the court of appeals involving a claim filed five or more years prior to the submission to the appeal to a three-judge panel. Because of the heavy caseload of the courts, such delay is inevitable.
>
> In addition, factual questions are not susceptible to judicial standardization. Thus, the decisions of the federal courts in those matters would inevitably lack uniformity. Persons with similar claims against one federal agency could receive different results depending on where they file their claim for judicial review. This in turn could cause the Veterans Administration to treat those who seek benefits differently, depending upon the region in which a claim is filed. This would certainly not seem fair.

Mr. Speaker, the Judicial Conference recommends Congress not authorize judicial review of veterans' claims. They conclude "We must move toward taking a large volume of conflicts out of the courts, not putting new ones in the courts." It would behoove the Congress to pay close attention to our Federal judges. They know what they are talking about.

DRUG LEGALIZATION DEBATE

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. SMITH of Florida. Mr. Speaker, some of the people who call for the legalization of drugs are trying to convince the American people that drugs are not a crime and health problem but rather an economic problem governed by supply and demand. They argue that if drugs were legalized and somehow controlled like alcohol demand actually would decrease.

I would suggest, however, that these people err in looking at the Prohibition Era in the United States for their arguments in support of legalization. Instead, I direct their attention to what occurred in China in the 19th century when opium was legalized.

To support my position, I direct their attention to an excellent opinion piece from the Christian Science Monitor of June 20, 1988. Ms. Margaret Y.K. Woo makes an excellent argument against legalizing cocaine and heroin in this century.

For the benefit of my colleagues, the commentary follows:

[From the Christian Science Monitor, June 20, 1988]

DRUG DELUSIONS

(By Margaret Y.K. Woo)

The proposal to legalize drugs as an attempt to solve the drug-related crime problem in America has the aura of an "Alice in Wonderland" contradiction between reality and illusion. Stripped to its minimum, the proposal is simply a laissez faire response to an ever-growing problem.

Will it work? Laissez faire has not always been as effective in addressing social problems as its proponents think. It has failed to take care of the aged, the handicapped, or the disadvantaged in this country. Similarly, laissez faire will not address the drug problem in America.

The argument for legalizing drugs relies on a market theory of supply and demand: If drugs were legalized, the price of drugs would come down, and with high profits taken away, crimes associated with the buying and selling of drugs would be eliminated.

The argument ignores the dangerously addictive nature of drugs. Experts say that only 10 percent of those who drink are problem drinkers, while 75 percent of the users of a drug like crack become addicted. Consequently, a lower price coupled with the addictive nature of drugs would lead to greater consumption—causing more, not fewer, problems for the United States.

One need not look far back in history to find the ill effects of a drug that was given virtually free rein in one country.

In 19th-century Imperial China, opium was considered fashionable and was widely available among the elite. Opium was shipped into the country in vast quantities by the West, primarily by the British East India Company at first.

In the mid-19th century, when the East India Company lost its monopoly, the price of opium dropped; the result, as private investments in the business soared, was a sharp increase, not a decrease, in opium sales.

The same arguments relating to legalization of drugs were made then as are made today. Some argued that those selling drugs were not much different from those who sold alcohol, and that they were simply supplying a product the Chinese wanted in the first place.

The Imperial Chinese government also considered bringing the opium trade under government monopoly as a way of addressing the economic and crime problems created by the opium trade. The government, however, recognizing that legalization would not solve the problem of addiction and seeing the effect of drug addition on its subjects, rejected the idea.

Indeed, what had evolved by then was a nation effectively stifled by the addictive nature of opium. In 19th-century China, as much as 10 percent of the population may have used the drug. As the addictive nature of the drug worked to hinder the judgment and destroy the health of the imperial bureaucracy, China was crippled for more than a hundred years and weakened for foreign subjugation.

Legalizing drugs and increasing their availability fail to address addiction, a problem that cannot be overestimated. The easy availability and widespread use of one drug, opium, has had a devastating effect on one nation.

I would hate to see the same thing happen to another.

SUMMING UP THE SUMMIT

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. RITTER. Mr. Speaker, I noted with interest that the June 12, 1988, issue of the Ukrainian Weekly announced that the paper would include a new column, "Glasnost Diary: recording changes in the USSR."

The staff states "the constantly changing situation in the Soviet Union today whets one's appetite for more information." That sums up my feelings completely and I could not say it better. Thus, I am pleased to advise my colleagues that the "Glasnost Diary" will regularly provide tidbits which will attempt to objectively report the effects of General Secretary Mikhail Gorbachev's policy.

As the ranking Republican on the Helsinki Commission, I believe these reports will be important to all of us. Mr. Speaker, in that same issue of the Weekly, their editorial, "Summing Up The Summit" makes the perfect background for the instituting of the new column. I include the editorial at this point.

[From the Ukrainian Weekly]

SUMMING UP THE SUMMIT

"The United States views human rights as fundamental, absolutely fundamental to our relationship with the Soviet Union and all nations." This was the message powerfully and repeatedly expressed by President Ronald Reagan, through his words and his deeds, while he was in Moscow on May 28 through June 1, for the U.S.-Soviet summit meeting.

While in the Soviet capital—the first U.S. president to journey there in 14 years—President Reagan caused quite a bit of discomfiture for his host, General Secretary

Mikhail Gorbachev. But other sectors of Soviet society were pleased with the president's mission and what some Soviet commentators derisively referred to as his "preaching." One well-kown former political prisoner, journalist Vyacheslav Chornovil, summed up the reaction of most human rights activists when he said, "This is welcome moral support."

President Reagan had pledged, on the eve of his arrival in the Soviet Union, to make human rights the priority on his agenda. He kept his word.

On May 29, according to press reports, he and Mr. Gorbachev had a heated discussion about human rights, including freedom of religion and the right to emigrate, and the general secretary reportedly became irritated at Mr. Reagan's insistence on discussing these issues—issues the Soviet leader would prefer to avoid. The president also presented a list of 14 cases the U.S. wanted to see resolved; the cases represented the broad spectrum of the dissident movement, including Ukrainian national rights defenders such as Lev Kukianenko and Baltic activists like Balys Gajauskas and the Revs. Sigitas Tamkevicius and Alfonsas Svarinskas, as well as family reunification and refuseniks' cases. Many more cases, according to informed sources, were raised in sessions of the working group on human rights.

The next day, the president hosted a tea for 96 dissidents and their families. Here again, the issue of human rights was front and center. While applauding the recent changes in the USSR and the "hopeful signs," such as the releases of more than 300 political and religious prisoners, President Reagan stressed: ". . . yet the basic standards the Soviet Union agreed to almost 13 years ago in the Universal Declaration of Human Rights, still need to be met."

At the Danilov Monastery, a visit that some feared would bolster the USSR's propaganda about religious freedom and the so-called "Millennium of the Russian Orthodox Church," the president again proved equal to the task. He said, referring to the recent reopening of the monastery, "We share the hope that this monastery is not an end in itself, but the symbol of a new policy of religious tolerance that will extend to all peoples of all faiths. . . . that soon all the many Soviet religious communities that are now prevented from registering or are banned altogether, including the Ukrainian Catholic and Ukrainian Orthodox Churches, will be able to practice their religions freely and openly. . ."

On May 31, the president succeeded in eloquently explaining to Soviet intellectuals and students Americans' understanding of the concepts of freedom and democracy. Here, too, he noted the positive changes in the USSR, but noted that these had not yet been institutionalized.

The nadir of the president's Soviet sojourn came in response to a question posed by a student. President Reagan cited bureaucracy, not the Soviet system, as a cause of repression in the USSR. He then repeated this assertion in a press conference. Later, in an effort to explain the widely criticized remark, administration officials said that the president had made a poor choice of words in an effort to refrain from blaming his host personally for human rights abuses.

In the end, though, when one sums up the summit's pluses and subtracts the minuses (the president's faltering performance during extemporaneous remarks), what one saw at the summit, was a forceful President Reagan continuously challenging General Secretary Gorbachev to put into effect the standards that he claims are part and parcel of glasnost, perestroika and demokratizatsia. And that is why, seen in terms of human rights, the summit can only be considered a triumph and is sure to be praised, not only by the 12.5 percent of the American public (as President Reagan noted) that traces its roots to lands now incorporated into the USSR, but also by those who see the importance of human freedom and understand that without freedom there can never be true trust among nations or genuine world peace.

THE DEATH OF WAYNE S. BROWN

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. OWENS of Utah. Mr. Speaker, the State of Utah and the Nation have lost one of America's greatest leaders in converting scientific research into commercial application with the death recently of Wayne S. Brown of Salt Lake City, UT. Mr. Brown; his wife, Joyce; his son, Gary; daughter-in-law, Melissa; and granddaughter, Lindsey, died as the result of a tragic plane crash near Albuquerque, NM.

Dr. Wayne Brown was universally recognized as one of the world's foremost experts on the transfer of technology from university research labs into the marketplace. He was the founder and president of Utah Innovation Center, Inc., a program established through the National Science Foundation to move technical innovation into production, and assist struggling entrepreneurs. He also founded and directed the separate Utah Innovation Foundation, which set up international symposiums on marketing technology.

Dr. Brown cofounded the Utah Technology Finance Corp., Kenway, Inc., a computer-controlled materials recovery company which merged in 1978 with Eaton Corp., Native Plants, a biotechnology company, and Terra Tek, a diversified geoscience company. These companies have achieved international reputations.

In addition to his enormous contribution to innovative technology, Dr. Brown had also served as a dean of the University of Utah's College of Engineering. University President Chase N. Peterson said,

> Wayne Brown was the epitome of a great teacher, a great dean, and a great entrepreneur. Through his vision, energy, and application, he helped foster the concept of technology transfer. Today, we are seeing the fruits of his work in the movement of ideas and inventions from the academic arena into the marketplace.

Joyce Brown was a key financial adviser to her husband and served as a corporate head of Kenway. She was an accomplished painter and art collector.

Wayne was a close friend of mine—a personal friend of 10 years' standing, and a neighbor, as was his son, Gary. Their loss is a great personal sadness to me and to their countless friends.

Mr. Speaker, I know my colleagues will want to join me in expressing sympathy to Dr. and Mrs. Brown's four surviving children, eight grandchildren, and countless friends, here and abroad, and will join me in paying tribute to this distinguished man.

YONKERS SAVINGS AND LOAN ASSOCIATION OBSERVES 100TH ANNIVERSARY

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. DIOGUARDI. Mr. Speaker, I rise today to commemorate the 100th anniversary of the founding of the Yonkers Savings and Loan Association, a prominent savings and loan institution located in my congressional district.

It is my great pleasure to congratulate the directors, officers and employees of this fine bank for their 100 years of continuous public service. They have made, and continue to make, an invaluable contribution to their community by making homeownership possible for the people of the city of Yonkers.

At the time of its founding in 1888, Yonkers Savings and Loan had a total of $19,400 in assets and served the needs of 60 customers. It has grown from these humble origins over the course of a century to comprise $127 million in assets and 15,000 accounts. Presently under the direction of president Richard F. Komosinski, the Yonkers Savings and Loan Association is justifiably proud of its status as the only hometown thrift to have served the community continuously for the past century.

I would like to congratulate the Yonkers Savings and Loan for a century of good service and prosperity, and I wish it well as it embarks on its second 100 years.

A TRIBUTE TO MIKE TYSON

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. COURTER. Mr. Speaker, last night, I had the opportunity to witness one of the biggest events in sports history, the Mike Tyson versus Michael Spinks Heavyweight Championship Fight.

Mike Tyson, a native of New York, was adopted by Cus D'Amato at the age of 13. His growing interest in boxing and the support of Mr. D'Amato helped him to develop a single-minded goal to become the best heavyweight fighter in the world. At the age of 21, Mike has been a professional boxer since 1985 with a career record of 34–0. Thirty of those wins were by knockout.

I'm sure that my colleagues will join with me in congratulating my constituent, the "undisputed Heavyweight Champion of the World," Mike Tyson. Indeed, it was evident by those who viewed this spectacular event that once again Mike proved he is the one and only champ. His determination and love for his sport drove him to reach the pinnacle of the boxing world.

I'd like to remind my colleagues that the time it has taken me to read this statement is almost equivalent to the entire match last evening. I would hope you would join me in honoring Mr. Tyson as a great American and a positive role model for the youth of our society today.

PHYLLIS DE YOUNG TUCKER

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Ms. PELOSI. Mr. Speaker, I rise to pay tribute to Phyllis de Young Tucker, one of San Francisco's most prominent civic, cultural, philanthropic, and social leaders, who died last night in her home.

She was the last surviving daughter of M.H. de Young, cofounder of the San Francisco Chronicle.

Mrs. Tucker retained the vigor and bustling enthusiasm late in life that earned her many honors for years of service to charitable, public service, and musical organizations.

She left a rich legacy to the community. To many in the Bay Area, she was best known for her work in founding Guide Dogs for the Blind, which she served as honorary president until her death.

That was, however, only one of a myriad of activities that, for many years, kept Mrs. Tucker busy enough to employ two secretaries to handle a staggering amount of correspondence.

She was a cheerful presence—a small, blond woman who not only managed good works on the grand scale but maintained friendships throughout the world.

She filled the role of hostess at formal events with warmth and elegance. She was a founder and chairwoman of the San Francisco Cotillion Club, through which several generations of socially prominent young women made their social debuts.

She served the community as a hostess for prominent visitors. For instance, Mrs. Tucker headed the reception committees for King Paul and Prime Minister Nobusuke Kishi of Japan when they visited San Francisco.

On other occasions, she and her husband, the late Nion R. Tucker, were received by royalty in Europe and by Emperor Hirohito and the Empress at the Imperial Palace in Tokyo.

Although she loved the chance to entertain her friends, Mrs. Tucker devoted by far the greater share of her energies to her family and to the role she described in her biography in "Who's Who in America" as, quite simply, "civic worker."

She was far more than that. She served as chairwoman of the San Francisco Opera Association. She was president of the San Francisco Hospital Auxiliary.

There were many other organizations that felt her presence. She was a director of the M.H. de Young Memorial Museum, which was founded and then given to the city by her father, president of the San Francisco Youth Association for 9 years, president of the Junior League and a board member of many musical organizations.

Invariably, when she took an assignment she filled it with great energy. She was a founder of the University of San Francisco Symposium and presided, year after year, as chairman of the scholarly meetings held on the campus by distinguished academicians.

In World War II, she joined the local branch of the American Women's Voluntary Services. Soon, she was chairwoman of the San Francisco unit of the busy organization. Then, she was statewide vice president and, for 15 years, a national director.

She was one of the owners of the San Francisco Chronicle and a director of the Chronicle Publishing Co.

She married Nion R. Tucker in a ceremony presided over by Archbishop Edward J. Hanna in 1918 and later had two children. A daughter, Nan Tucker McEvoy, maintains a home in Washington, DC, and an apartment in San Francisco, and a son, Nion R. Tucker, Jr., a Marine lieutenant, died in World War II of wounds suffered during the landing on Iwo Jima.

Mrs. Tucker's immediate survivors are her daughter and a grandson, Nion Tucker McEvoy of San Francisco. She leaves a niece, Mrs. Francis A. Martin Jr., and a nephew, Michael H. Tobin.

Phyllis de Young Tucker will be missed by her family, her friends, and all of San Francisco.

HOUSE CONCURRENT RESOLUTION —

HON. BEAU BOULTER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. BOULTER. Mr. Speaker, today I am introducing a concurrent resolution requesting the President submit an unclassified report to Congress regarding the stability of the Government of Panama.

Since the Federal indictment of General Noriega in Panama on drug and racketeering charges in February, the Government of Panama has become increasingly unstable and more hostile toward the United States.

There is a growing concern among Americans about United States security interests in Panama and for the safety of the over 30,000 American citizens and troops stationed there. This report is of particular importance when we consider the facts that:

Noriega installed Solis Palma as President of Panama—an act condemned by the U.S. State Department and a bipartisan majority in Congress.

Eighty percent of the cocaine coming into the United States is supplied by the Medellin Cartel, which funnels most of its drug money and product through Panama.

Approximately 70 percent of the ships going through the Panama Canal are either going to or coming from the United States.

In 1988, 18 percent of U.S. exports and 10 percent of imports will transit the canal.

The 1977 Panama Canal Treaty stipulates that a Panamanian will take over as Administrator of the canal in 1990, and in 2000 the canal will become the property of Panama.

In view of these facts, the question remains as to how an unfriendly Panamanian regime in control of a neutral Panama Canal Zone will affect United States interests and the safety of United States citizens in Panama.

In an effort to help answer that question, I urge my colleagues to demonstrate strong bipartisan support for this concurrent resolution. Below is the text.

H. CON. RES. —

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. FINDINGS.

The Congress finds the following:

(1) The Senate gave its advice and consent to the ratification of the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal (hereafter referred to in this concurrent resolution as the "Neutrality Treaty") and to the ratification of the Panama Canal Treaty on the assumption that the Government of Panama would respect and adhere to the Statement of Understanding which—

(A) was issued by the Government of the United States and the Government of Panama;

(B) was incorporated as an amendment to Article IV of the Neutrality Treaty; and

(C) requires that Panama assure the Panama Canal remain open and secure to ships of all nations.

(2) Recent events in Panama indicate a political environment in which the Government of Panama is becoming increasingly unstable and more hostile toward the United States.

(3) The existence of a government in Panama that is unstable and hostile toward the United States casts doubts on whether Panama would adhere to the commitment made by the Panamanian Government, in the Neutrality Treaty and the Statement of Understanding, to guarantee open transit to vessels of all nations after control of the Panama Canal is transferred to Panama.

(4) The commitment made by Panama to guarantee unrestricted transit of commercial vessels of all nations, and expedited transit by the United States of vessels of war and auxiliary vessels (as defined in Annex A to the Neutrality Treaty), is jeopardized so long as the Panamanian Government is unstable and hostile toward the United States.

SEC 2. REPORT TO CONGRESS.

It is the sense of the Congress that the President should, not later than 60 days after the date of adoption of this concurrent resolution, submit an unclassified report to the Congress addressing—

(1) the current and projected stability of the Government of Panama;

(2) the likelihood that an unstable Panamanian Government, hostile to the United States, will comply with the provisions of the Neutrality Treaty and the Statement of Understanding which guarantee—

(A) secure, open, and unrestricted transit through the Panama Canal to vessels of all nations; and

(B) expeditious transit of vessels of war and auxiliary vessels of the United States and, in case of need or emergency, the ability of such vessels to go to the head of the line of vessels in order to transmit the Panama Canal rapidly;

(3) the options of the United States regarding the ultimate transfer of the Panama Canal if the government then in

power in Panama is either not recognized by, or is hostile to, the United States; and

(4) the options of the United States, after the Panama Canal is transferred to Panama, if the Canal is being used for the illicit trafficking of drugs to the United States, and such use is allowed to continue by the Panamanian Government.

STAR POWER: AN ENERGY SOURCE BOTH EAST AND WEST AGREE ON

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mrs. MORELLA. Mr. Speaker, my constituent Stephen O. Dean, who is the president of Fusion Power Associates in Gaithersburg, MD, recently brought to my attention a column in the Christian Science Monitor by Robert C. Cowen, who is the natural science editor for the respected publication. "Star power: an energy source both East and West agree on," which was printed in the Monitor's May 31, 1988, edition, provides a good overview of recent and possible future, internationally cooperative experiments in regard to this important developing technology. I recommend this article to all Members who have an interest in this important issue.

The text of the article follows:

STAR POWER: AN ENERGY SOURCE BOTH EAST AND WEST AGREE ON

(By Robert C. Cowen)

Some 40 physicists and engineers from Japan, the European Community, the Soviet Union, and the United States are setting up shop near Munich to pursue the quest to harness hydrogen fusion—the kind of nuclear reaction that powers the stars.

Their joint effort to design what may be the next big experiment in that quest is a fruit of improved East-West relations. It comes at a propitious time.

The recent United Nations 1988 State of the World Population Report predicts there will be 6 billion of us by century's end. It warns that this increasing people pressure is seriously damaging basic natural resources upon which earthly life depends.

Seen in this perspective, the elusive goal of fusion power is still worth pursuing. Fusion, nuclear fission with its radioactive waste, and sunshine appear to be humanity's only major options for long-term energy supply. Conservation can stretch our resources. But we will need increasing energy supplies as population grows. There's lots of coal. But the climate-changing carbon dioxide that burning coal emits will probably limit its use.

We can't neglect fusion, even though its practical application remains several decades in the future, despite 30 years of extensive research. This realization, plus the benefits of pooling resources and sharing costs, inspired several years of negotiations leading to the project agreement signed in April at the Vienna headquarters of the International Atomic Energy Agency.

The international team that arrived at West Germany's Max Planck Institute for Plasma Physics in Garching this month now has $240 million (including funds for support work in the partner nations) to do its job. It is to design the International Thermonuclear Experimental Reactor (ITER) by the end of 1990. This will be the basis for new discussions about whether and how to proceed with the experiment.

Fusion researchers in several countries have made some progress over the past three decades. ITER will build on that progress to both carry forward fusion research and begin studies of the engineering problems a working power plant will involve.

Fission power relies on energy released when atoms of certain heavy elements such as uranium split into lighter components. Fusion power uses energy released when nuclei of light elements such as hydrogen literally fuse together to form a heavier element such as helium. Present fusion work aims at using a reaction in which deuterium (doubly heavy hydrogen) fuses with tritium (triply heavy hydrogen). The reacting gas must reach temperatures on the order of 100 million degrees C.

The first major goal has been to use magnetic fields to control this hot gas, which can't touch container walls, long enough for self-sustaining fusion to take place. Machines currently operating or authorized in Europe, Japan, and the United States should reach that goal within the next five years. ITER designers are to come up with a proposal to carry the research forward from there.

Deuterium is abundant in sea water. Tritium can be made in a blanket of lithium that absorbs neutrons produced by a fusion reactor. Eventually, engineers will probably learn to use deuterium alone as fusion fuel. Thus the ITER design project is a good start on a global effort to develop star power as a source of abundant energy for all humanity.

THE NICARAGUA ISSUE

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. McEWEN. Mr. Speaker, Nicaraguan dictator Daniel Ortega, currently meeting with fellow dictator Fidel Castro, is warning the administration and Congress not to renew assistance to the Nicaraguan freedom fighters.

The fact of the matter, Mr. Speaker, is that the Sandinistas have repeatedly violated all of the agreements they have signed including the recent Sapoa cease-fire. The facts are there for all to see—and for many Members of Congress and the Democrat leadership to ignore.

According to a recent report by the Nicaraguan Permanent Commission of Human Rights, an independent monitoring group founded in 1977, five areas have been violated numerous times by the Sandinistas: freedom of expression, forced military recruitment, popular tribunals, granting of amnesty to political prisoners, and allowing workers the right to strike.

Just last week Mr. Ortega was threatening to "wipe out" and make "vanish from existence" members of the political opposition and the folks running the independent newspaper La Prensa. Let the opposition know, he warned, "let them be sure that we will wipe them out. They can vanish from existence if they do not act in accordance with the patriotism that the country demands."

These comments and the Sandinista violations come as no surprise to this Member or many of my colleagues on this side of the aisle. We have repeatedly warned that the Marxist-Sandinistas will never democratize nor will they ever give up their power peacefully. To appease the Sandinistas and cut off aid to the resistance, we cautioned, would end any hope of democracy for the Nicaraguan people.

However, the Democrat leadership, who worked so diligently to cut off U.S. aid and starve the resistance, did just that; they put their trust in a group with the moral equivalence of Stalin and Beria. As daily violations occur the appeasers refuse to admit they made a mistake in trusting that illegitimate government in Managua. If one lies down with dogs, Mr. Speaker, one gets up with fleas.

Finally, I wish to submit into the RECORD two recent editorials from the Washington Post regarding the Democrat leadership's foreign policy efforts.

DAVID BONIOR'S DEMOCRATS

Perhaps it was not the Sandinistas' purpose to use their talks with the contras to destroy them, but the results have been going that way. The talks opened with the contras at an immense disadvantage after Congress cut off their arms supply and, with it, their option to resume battle and their capacity to demonstrate strong patronage. The Sandinistas withheld agreement on terms of delivery of nonlethal American aid to contras remaining inside Nicaragua, so most contras have had to withdraw to Honduras. Further, the Sandinistas withheld agreement on the terms of their promised democratization. The Managua talks broke down on this issue last Thursday, and at once a regime spokesman publicized and blew a back channel to the contras, greatly burdening the faction regarded as most ready to risk political competition in Sandinista Nicaragua. Repression of the legal unarmed political opposition continues apace. An ill-defined cease-fire still holds, but the Sandinistas would have a commanding position if a shooting war resumed.

For the collapse of the negotiation that is at the core of the whole Central American reach for peace and democracy, the contras and the Reagan administration blame Managua. On this basis, some American legislators are trying to stir up support for a new vote on contra aid. A newly subdued House Speaker Jim Wright says he doesn't lay blame because he doesn't know what happened. His leadership colleague, David Bonior, indicates that some Republicans, if not the contras, appeared eager to have the talks fail precisely in order to seek new military aid. If you can believe this, you are qualified to be chief deputy Democratic whip.

To say that contra aid is dead is not to utter a self-fulfilling prophecy but to draw the only proper conclusion from the involuntary unilateral disarmament, dispersal, isolation and demoralization that the Sandinistas, other Central Americans, congressional Democrats and the Reagan administration by its miscues have forced upon the contras. In these circumstances, the useful and honorable thing to do is to lean on the Sandinistas politically for what it is worth. A Sandinista "peace" is all but ensured in Nicaragua. Democracy, the other part of what was supposed to be a bargain, is not. It is conceivable that David Bonior's Democrats could stop chasing ghosts and playing political games and bring themselves to be marginally helpful in a cause they insist they embrace, or at least to stop hurting?

SUPERDIPLOMAT JIM WRIGHT

House Speaker Jim Wright, representing presumably like-minded Democrats on the Nicaragua issue, is showing signs of impatience with the pace of cease-fire talks between the Sandinistas and the rebels. He calls upon the two parties to bargain in "good faith" and warns them both not to use the current 60-day cease-fire to prepare for resumption of further war.

Mr. Wright is good at elevated appeals. His latest sounds like pure statesmanship. Certainly it is unsurpassed in its evenhandedness. But what is Mr. Wright really doing? Mr. Wright fashions himself as a disinterested arbiter, a superdiplomat. Actually, he is the leader of the political element that took the military card out of the hands of the contras, even while the Sandinistas' military card remained very much available to them. In his advice to the two sides not to reopen the war, he speaks as one who has the power—and the demonstrated readiness to use it—to enforce his will on the rebels but who has not shown a similar power (or disposition?) to enforce his will on the regime. Mr. Wright is not an impartial diplomatic arbiter but a key player.

At this point it is hard to visualize a House so repelled by transgressions by the Sandinistas that it would turn contra aid back on. The working assumption must be that there will be no change in the congressional decision to deny the contras a military card as they bargain for the political future of their country. It then becomes all the more important for those who support this position to seek other ways to help move Nicaragua toward democracy. These other ways come down to putting nonmilitary pressure on the Sandinistas to respect their solemn pledges of peace and democracy.

How are Mr. Wright and the Democrats doing? In recent days the Sandinistas have been on an antidemocratic tear, finding openings to gang up on striking workers, detain leaders of the internal political opposition and silence media critics, meanwhile taking a hard line in cease-fire talks with the contras. From Mr. Wright one would expect the kind of words to the Sandinistas that would tend to balance the odds—the odds he helped to unbalance by cutting off military aid. Instead there is earnest counsel to both sides to bargain in good faith and get the negotiations back on track. It is a pathetic performance.

TRIBUTE TO VOICE OF DEMOCRACY WINNER

HON. OWEN B. PICKETT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. PICKETT. Mr. Speaker, each year, the Veterans of Foreign Wars sponsor the Voice of Democracy scriptwriting contest for more than 300,000 high school students from throughout the Nation. Winning contestants from each State came to Washington recently for the 1988 national competition, and the Veterans of Foreign Wars were able to give nine scholarship awards totaling more than $42,000.

Those of us from southeastern Virginia are very proud of Heather Ward of Norfolk, who won our State competition. Heather's essay truly captures the essence of good American citizenship, and I would like to share it with the House at this time.

AMERICA'S LIBERTY—OUR HERITAGE

Come, stand with me on the imaginary time line of history. Look back to the seventeenth century. Do you see a nation being born? Oh yes, it is a small nation at this point, and it looks as if it might not survive because of its uncaring Mother: England. The crucial beginning, which culminates in the America we know today, did survive. The infant survived and grew because of the liberty it desired. The events, the documents and the people that make up our heritage preserved our liberty for us. Now, look ahead . . . see the generations after us on the time line? See; we are a part of the heritage for them. It is our birthright, our responsibility as citizens to uphold the liberty we have, for them. The country has reached its adulthood. It has passed from its infancy through its youth and rebellion to become a mature nation with a purpose: to exemplify liberty to the world.

From the difficult birth America underwent, it grew quickly. Men like John Smith and William Bradford were influential during this time, and their commitment to maintaining liberty was expressed in their documents such as the Mayflower Compact. In the elected legislature in Jamestown, the infant took its first step toward a democratic form of government. This step led to many others, and before long our nation was beginning to walk.

Soon, America entered its youth. Those who were influential during this time realized the rebellious bend of the nation toward its Mother, England, and they articulated the sentiment of American liberty in the Declaration of Independence. Franklin, Jefferson, and others all knew children reach an age when it is time for them to be on their own. America was ready, and the Revolutionary War began. America wanted to be free; America wanted liberty.

Today, we celebrate the anniversary of one of our greatest documents of liberty; the Constitution. It provides opportunities for each citizen to be a part of the heritage that will preserve liberty for future generations. We, today, can be a part of the events our nation involved in by serving in the military to defend our liberty. We, today, can contribute to the writings of our nation by writing to our elected officials, letting them know of our views to insure that we the people continue to exhibit our liberties as we enter our third century of adulthood as a nation. We, today, can be a part of those who influence our country by working for or in the government, and just by being responsible citizens, committed, as those in our heritage, to American Liberty. The liberty will remain. It will remain for future generations because we today can be a part of American Heritage for them.

Now, look forward on the time line. Do you see generations yet to come living with the liberty we are blessed with today? We play an important role in preserving the liberty for them.

We are a part of American Liberty.

We are a part of American Heritage.

A FOND FAREWELL FOR PALATINE'S CHIC ANDERSON

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. CRANE. Mr. Speaker, I extend my farewell wishes for an outstanding representative of the educational community. Gerald "Chic" Anderson is retiring after 30 years in Palatine-Schaumburg High School District 211, spending the last two decades at one of the finest high schools in my district, Palatine High School. Mr. Anderson's career has been long and distinguished. He started his service to the district 211 community by teaching and coaching at Fremd High School and Conant High School. Mr. Anderson then made a move that has brought legendary status to himself. He joined the staff of Palatine High School.

At Palatine, Anderson coached and taught physical education, business law, and business education. He later assumed the rigorous and demanding position of athletic director for Palatine High School. He skillfully maintained Palatine's 22 sports, 61 athletic teams, 75 coaching positions, physical education programs, and the school's health and driver education departments.

While Chic will leave Palatine High School in capable hands, he will still maintain his presence in the area as a leader in athletic programs. He will assume expanded public relations and coordination activities for the Prairie State Games. These games have been nicknamed appropriately "the State Olympics."

I wish Chic and his wife Mary Lou the best of luck in their new endeavors. District 211 and Palatine High School will surely feel the loss of one of the community's leading citizen and finest teacher. He leaves with the well wishes of the entire community.

A TRIBUTE TO JUDGE RICHARD J. DARONCO

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. DIOGUARDI. Mr. Speaker, I rise today to pay tribute to Federal Judge Richard J. Daronco whose life recently ended tragically. Judge Daronco, who was Federal judge for the Southern District of New York, was an institution in his home town of Pelham, NY, and a composite of all that is good in America and its judicial system. He was a good and loving son, husband, and father and will be deeply missed by all those who knew him.

Mr. Speaker, I invite each Member to join me in recognizing this great man who was appointed to the Federal bench last year and who met an untimely and tragic death. I also ask that the House join me in extending condolences to his family and friends.

JUDGE ROTENBERG HONORED

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. FRANK. Mr. Speaker, One of the great Judges in our country's history was the late Franklin Flaschner, who contributed an enormous amount to the administration of justice in the State of Massachusetts, and it is very appropriate that the American Bar Association has named the award it gives to outstanding judges after Judge Flaschner. It is also extremely appropriate that the winner of that award this year is Judge Ernest Rotenberg, of the Probate Court in Bristol County, MA.

I have known Judge Rotenberg for 20 years, and I congratulate those who selected him for this award. His high intelligence, his deep compassion, his unyielding dedication to justice, and his temperament combine to make him an ideal Judge. We in Massachusetts are extremely lucky to have the benefit of Judge Rotenberg's superb service on the bench.

The accompanying article from the Sun Chronicle of Attleboro gives a good account of the sort of work that Judge Rotenberg has done to merit this award, and I ask that it be printed here.

The article follows:

[From the Attleboro Sun Chronicle; June 10, 1988]

JUDGE ROTENBERG WINS NATIONAL AWARD

(By John Hoey)

ATTLEBORO.—Bristol County Probate Judge Ernest Rotenberg, who two years ago created a national furor by restoring punishment therapy for severely autistic students, has been awarded one of his profession's highest honors.

Rotenberg, 63, will receive the Franklin N. Flaschner Award which recognizes the outstanding judge "in the nation of a court with limited and special jurisdiction." There are 29,000 such judges serving in municipal, county, state and federal courts.

"This is the highlight of my life," says Rotenberg who has been on the bench for 15 years.

Rotenberg is the first Massachusetts judge to receive the 10-year-old award.

The award is named for the late Massachusetts chief justice of the District Court.

The Attleboro native and lifelong resident entered the national spotlight in 1986 when he stopped the Massachusetts Office For Children from closing the Behavior Research Institute of Rhode Island. The Office for Children rescinded BRI's license after a student died at the school while undergoing aversive therapy.

After initially being shocked by the treatments, Rotenberg ruled that spanking, pinching, static noise and water sprays were legitimate measures to control the self-destructive behavior of severely autistic students.

The alternatives to the "aversive therapy" were heavy doses of drugs and physical restraints such as straightjackets.

"Ordinarily, (the State) would have warehoused them," said Rotenberg. "I thought of these kids who would have been relegated to a back room somewhere and never seen the light of day.

Drug treatments, he said, would have turned the students into "zombies . . . It would be like beating them over the head with a club . . . The choice was simple."

The decision touched off a nationwide debate on the merits of aversive therapy. Strong support came from the parents of the 64 BRI students, but harsh criticism was leveled by child advocacy groups and the Massachusetts Office For Children which monitors the school's group homes throughout Bristol County.

Rotenberg not only was the first judge to overrule a state agency on a treatment decision, but also awarded parents of the students a record of $600,000 in court costs from the state.

"The point was, if you're going to harm people, you're going to pay," he said. "They harmed those kids."

Rotenberg demonstrated "integrity, intellectual courage, impartiality, diligence in judicial duties, sound judgment and decisiveness in judicial rulings," wrote Robert Brink, executive director of the institute, in a nomination letter.

While it was the BRI case which brought Rotenberg into the public eye, his efforts to improve judicial education and quality played a large role in his winning the award.

In 1975, Rotenberg reduced a huge backlog of domestic cases in his court by developing one of the country's earliest and most successful mediation procedures. He now has one of the highest early case settlement rates in the state.

The process not only lead to more efficient court administration but also lessens the friction between parties in custody, divorce and estate cases.

"I try like mad to let them know that I'm interested in them as people," he said, "Listening is the most important part of the job."

He does some of that listening while sitting on his chamber floor, doing magic tricks for the children caught in the middle of a custody battle. It is his way of putting the children at ease so they speak honestly about their parents.

The most difficult task, he said, is determining whether one parent's child abuse claims against another are real or lies.

"If you're wrong, you will regret it until the day you die," he said. "Of course it does help to do a little magic."

Rotenberg had been a trial lawyer for 25 years before becoming a judge. He established a lucrative private practice and then became an assistant district attorney in 1968.

As a prosecutor he began the case against Antone Costa who murdered and dismembered at least two women in Truro.

"That man was the most vicous killer," Rotenberg recalled.

While sitting in the courtroom Costa would read Hitler's Mein Kampf.

"He wanted to give me a message," said Rotenberg who is Jewish.

A year later Rotenberg was appointed a special assistant attorney in charge of ending human rights violations at Bridgewater State Hospital. Those victims were later chronicled in a controversial film entitled "Titicut Follies."

He has also written numerous articles and a definitive book on probate and family mediation, organized seminars for experienced judges and helped produce educational videotapes for new judges.

The award will be presented Aug. 6 at the American Bar Association's annual meeting in Toronto.

NEW ZEALAND DEFENSE POLICY

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. BROOMFIELD. Mr. Speaker, defense cooperation between the United States and New Zealand has virtually ceased as a result of that country's adoption of policies which prevent United States naval vessels from visiting New Zealand ports.

I have stated my concern over this policy on numerous occasions. My particular concern is that the action of the New Zealand Government could result in similar developments elsewhere that would threaten the framework of military cooperation which supports the Western alliance.

To my mind, the New Zealand decision to prevent port calls by United States vessels not only led to suspension of obligations toward New Zealand under the alliance between Australia, New Zealand and the United States [ANZUS]. It also threatens regional security in the South Pacific by driving a wedge between two historical partners.

New Zealand Ambassador Tim Francis has recently written me to clarify his Government's positions on these issues. I commend Ambassador Francis' comments to my colleagues in Congress.

NEW ZEALAND EMBASSY,
Washington, DC, 22 June 1988.

Hon. WILLIAM S. BROOMFIELD,
House of Representatives, Rayburn House Office Building, Washington DC.

DEAR MR. BROOMFIELD: I welcomed the opportunity to call on you recently to discuss relations between our two countries. I certainly value the opportunity to exchange views on subject of common concern and look forward to maintaining a dialogue with you over the course of my tour here.

I thought it might be useful to set out how New Zealand sees its relationship with the United States, certainly one of our most diverse, longstanding and important associations. We have shared values—in particular our common commitment to democratic processes and concern for freedom, individualism, human rights and the role of law—a common language and historical and cultural bonds. We have common political interests, particularly in the South Pacific, Asia and Antarctica, and have pursued, both internally and externally, similar economic policies based on the market economy and the need for a more open international trading environment. In short, we are natural partners.

Recently New Zealand and the United States have had a disagreement over New Zealand's adoption of a non-nuclear policy. Our policy, and the reasons for it, are not as well understood here as we would like. It is a policy for us, arising out of our perception of our geostrategic circumstances. We do not suggest that it be adopted by others, whose circumstances will of course differ. It does not make us a neutral or isolationist country. On the contrary, we are firmly committed to the western alliance of democracies and stand ready to contribute, both regionally and internationally, by helping to create stability and security in our part of the world (the South Pacific, Antarctica and East Asia) and through a constructive contribution to international arms control and disarmament efforts. In this latter, most important area, the New Zealand Government has supported the efforts and applauded the achievements of the United States Administration.

In the South Pacific we have developed extensive political and diplomatic links and directed most of our development aid there. We have progressively built up our own defence capabilities to ensure that we can continue to contribute to the security needs of the region. The steps we have taken include the upgrading of our aerial surveillance efforts and our maritime capabilities, and a much broader and more ambitious exercise programme in the region. It is regrettable, indeed ironic, that while these efforts have been going forward, the loss of defence cooperation with the United States, principally the loss of access to training and joint exercises with the United States, has been costly for us. We have, of course, in cooperation with Australia, taken steps to ensure that New Zealand does, indeed, operate effectively throughout the South Pacific. Nevertheless we doubt that it would have been in the interests of the United States to weaken our capability in the conventional area on account of a disagreement in the nuclear field. We hope that conventional defence cooperation will be resumed at some point in the not too distant future as it is in both our interests that New Zealand continues to play a helpful and supportive role in maintaining the security of our part of the globe. We are able and willing to share that burden in conventional terms and, indeed, that is just what we do.

Our firm attitude that our non-nuclear policy is not for export is reflected in our support for the South Pacific Nuclear Free Zone concept developed in the South Pacific Forum. The Treaty recognizes each Party's right to establish its own policy on port visits. But regarding the introduction of nuclear weapons into the region generally, we believe, as do Australia and the other Pacific Forum member countries, that the Treaty, with the support of the nuclear powers, can help preserve the South Pacific region from competition among the nuclear weapons states. It is good that the Soviet Union and China have signed the protocols to the Treaty and that the United States and Great Britain have indicated they will not act in ways inconsistent with the treaty. Nevertheless, we hope that the United States and United Kingdom will sign the protocols in due course.

I hope you will find these comments helpful in your further consideration of these various issues, which I know you follow with keen interest. I certainly hope that I have made the New Zealand perspective clear: that our people and government regard the United States as a natural partner and a close friend and that our difference on a particular policy issue cannot diminish those feelings.

Kind regards.

Yours sincerely,

H.H. FRANCIS,
Ambassador.

H.R. 4939, THE LEAD CONTAMINATION CONTROL ACT OF 1988

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. SIKORSKI. Mr. Speaker, the prospect of injury to the mind has always been more frightening to us than the thought of injury to the body. And most of us would wish harm on ourselves before we would see it perpetrated on our children.

This is why lead poisoning is so terrible.

It harms the body, but it is particularly damaging to the mind. It harms adults, but it hurts little children far more.

We've known that lead is hazardous for a long time, and we've acted aggressively to control its presence in the environment: Lead in gasoline is being phased out, although not quickly enough. Lead in paint and in baby food tins has been banned altogether. Lead in the air has been reduced by 80 percent. And the average level in human blood fell 37 percent between 1976 and 1980.

But despite this progress, we've recently discovered that lead is far more pervasive, and far more dangerous, than ever suspected. And the measures taken so far to control lead poisoning have completely missed the major source: The water we drink. The scope of this problem is staggering.

HAZARDOUS LEVELS OF LEAD IN DRINKING WATER

Forty-two million Americans, including 3.8 million children under the age of 6, drink water that exceeds the EPA's proposed lead standard of 20 parts per billion [ppb]. The EPA is now considering a tighter standard of 10 ppb, which would mean that far more people are actually at risk. Experts tell us there is no level of lead "safe" to humans.

One in eleven, or 9.1 percent of America's preschool children—1.5 million children under age 6—have lead levels meeting the U.S. Center for Disease Control's [CDC] definition of acute lead poisoning.

Two hundred and forty-one thousand kids drink water with enough lead in it to impair their intellectual development. It rivals the epidemic of mind-numbing drugs in our schools, but there is no local dealer to blame: Just water fountains and plumbing. Our kids can't "Just Say No" to this problem: Only we can protect them from it.

Like the polio epidemic of 50 years ago, this silent crippler stalks our children's playgrounds and school hallways, striking without warning: 82,000 children risk growth impairment—their bodies—and 82,000 risk impaired blood cell formation—their health.

And the most vulnerable groups in our society are at the greatest risk: 680,000 unborn children and their mothers are exposed to levels of lead in drinking water high enough to cause miscarriage, low birth weight, and retarded fetal growth and development.

If this epidemic—identified by the American Academy of Pediatrics as the most serious toxicological threat to America's children—were foisted upon us by some outside source, we would not tolerate it. If it were drugs, we'd spend billions on interdiction, treatment, and enforcement. If it were poor schools, there would be Presidential commissions and solemn calls for reform.

But lead, the gray killer of our children's minds and bodies, is so silent and pervasive as to be mundane. The solution is similarly short on drama and long on action: A serious commitment by Government to use the means available to eradicate lead contamination from our drinking water supplies. I am pleased that my colleagues HENRY WAXMAN and JOHN CHAFEE can join me today in introducing legislation to do just that.

H.R. 4939, THE LEAD CONTAMINATION CONTROL ACT

Recall water coolers with lead-lined tanks: Our bill starts by hitting the most potentially dangerous source of lead in drinking water: Water coolers with lead lined tanks. After being told by a major manufacturer, Halsey-Taylor, that the company had never produced Water coolers with lead-lined tanks, our subcommittee was shocked to discover that an EPA study found 8 out of 12 Halsey-Taylor coolers sampled contained such tanks. The water in these coolers, which can sit for hours in the lead-lined tank, has been found to contain lead at 100 times the proposed EPA standard. Letting your kid drink from one of these is like handing her a glass of lead koolaid. Our bill requires the immediate identification and recall of all such coolers and holds the manufacturer responsible for all costs.

Ban manufacture and sale of water coolers containing lead: Second, the bill bans the manufacture and sale of water coolers that contain lead. Last winter, in a survey conducted with the cooperation of most manufacturers, the Subcommittee on Health and the Environment found that hundreds of thousands of coolers currently in use contain lead solder in parts of the machine that come into contact with drinking water. While manufacturers have voluntarily stopped using lead in water coolers, this provision adds a necessary legal certainty.

Help schools identify and eliminate lead contamination: Third, the bill creates a Federal/State partnership to help schools identify and correct lead contamination in their water supplies. Technical guidance documents provided by the EPA will assist each State in the development and implementation of a program to test for and clean up lead contamination in schools. Federal grant assistance will be made available to help defray the cost of each State's testing and remedial action program.

Tough Federal standard for lead in drinking water: Fourth, the bill requires the EPA to set a tough new standard for lead contamination of drinking water. More than a decade ago, the National Academy of Sciences recommended that the EPA dramatically tighten its current drinking water standard for lead. While the Agency now concurs on the need to do so, OMB pressures and Agency red tape have slowed action to a glacial pace. The Lead Contamination Control Act would break this logjam, requiring EPA to set a 10 ppb standard within 6 months.

Water systems that fail to meet the standard would be required to utilize treatment methods that minimize corrosivity and reduce the lead content of water where it enters the distribution system. If these central treatment methods fail to solve the problem, as confirmed by retesting, then the water system operator will be required to replace all lead pipes and fixtures owned by the system, unless it can be demonstrated that they contribute less than 10 ppb lead to the water. A public education and assistance program to help consumers minimize exposure would also be required at this stage.

Lead Screening and Poisoning Prevention Program: Finally, the bill sets up a lead Screening and Poisoning Prevention Program to help identify and refer for treatment, children found to have elevated levels of lead in their blood.

CONCLUSION

Mr. Speaker, we are only now beginning to fully understand the nature and extent of the lead contamination problem. In light of what we are learning, it would be unconscionable if we did not act to protect our children. My legislation begins by addressing the most acute threat, lead lined coolers, and by protecting the most vulnerable and easy to reach group, schoolchildren. It goes on to address the more fundamental issue by implementing a tightened standard for lead in drinking water, as recommended by the National Academy of Sciences 10 years ago. This new standard is tough. But that's as it should be when the lives and minds of millions of children are at stake.

THE INTERNATIONAL SECURITIES ENFORCEMENT COOPERATION ACT OF 1988

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. MARKEY. Mr. Speaker, today I am joining in the introduction of the International Securities Enforcement Cooperation Act of 1988, along with Chairman DINGELL of the Committee on Energy and Commerce, the committee's ranking minority member, Mr. LENT, and the ranking minority member of the Subcommittee on Telecommunications and Finance, Mr. RINALDO. This legislation, which the Securities and Exchange Commission has described as the first "comprehensive legislative effort to deal with the internationalization of the securities markets," is introduced upon request of the Commission.

While the particulars of this legislation must be fully scrutinized by the Congress, the policy bases underlying it are clearly praiseworthy. The burgeoning trading of securities across international borders is now an irrevocable fact of economic life. The Subcommittee on Telecommunications and Finance, which I chair, held a hearing last July to examine this phenomenon and the challenges it represents for our regulatory and enforcement structure. While internationalization presents great opportunities for expanded economic growth, it similarly presents great opportunities for fraudulent activity. The attractiveness of the U.S. securities markets for domestic and foreign investors is rooted in large measure in the fairness and integrity of those markets, and we cannot countenance backdoor violations of our securities laws. We need a modern regulatory mechanism to deal with the realities of a modern international marketplace.

No better example of the potential for international securities fraud could be found than the civil complaint filed 2 days ago by the SEC against Stephen Wang, a market analyst with Morgan Stanley, and Fred Lee, a Taiwanese investor who also conducted business in Hong Kong. The SEC has alleged an elaborate scheme of trading on inside information involving at least 25 corporate clients of Morgan Stanley and moved quickly to freeze allegedly ill-gotten assets which Lee was attempting to transfer to a Hong Kong bank. Had this occurred, it could have created enormous enforcement problems.

Other high profile enforcement cases, such as that involving investment banker Dennis Levine, demonstrate the increasing likelihood that insider trader and other securities law violations will be conducted through entities outside of the United States. Levine conducted his illicit trading through a Bahamian Bank and used all available means to evade U.S. securities surveillance mechanisms. In these kinds of cases, cooperation of foreign governmental authorities can be crucial.

Mr. Speaker, the bill being introduced today would attempt to improve international securities enforcement through an essentially three-prong approach. First, it would give the SEC discretion to assist foreign governmental authorities by conducting investigations on their behalf. This is an extremely important provision in helping to gain the cooperation of foreign authorities in our own investigations, and mirrors an approach I have been considering in the development of a comprehensive insider trading bill. The bill would also seek an exemption from the Freedom of Information Act to protect the confidentiality of records produced on behalf of foreign authorities, and would permit the SEC to sanction securities professionals based upon violations of foreign securities laws and regulations.

Mr. Speaker, the evils posed by insider trading and securities fraud have been the focus of unprecedented public attention in the last 2 years. Now is the time for Congress to move forward and effectively address these problems. In that regard, I have joined in the introduction, upon request, of this legislative proposal. I also intend to introduce shortly legislation designed to enhance the detection and enforcement of insider trading cases, and I believe that a comprehensive approach to insider trading legislation is an essential component of a strategy to win back the confidence of all investors in the fairness and integrity of our securities markets, whose confidence has been so jolted by the egregious activities brought to light in the last 2 years.

DEPARTMENT OF TRANSPORTATION FUNDING AND URBAN TRANSIT SYSTEMS

HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. ANDREWS. Mr. Speaker, today the House debated and passed H.R. 4794, making appropriations for the Department of Transportation for fiscal year 1989. This bill establishes our support for something which may often be taken for granted in this country but which is absolutely essential for its well being—our system of transportation. In many ways, America's transportation system is the lifeblood of her economy. We depend on our air, ground, and water systems to move goods. We depend on the same systems for safe and reliable personal transportation.

Beyond this, though, we depend on the improvement and expansion of these systems to meet our growing needs for the future. It is essential that we at the Federal level continue to recognize our responsibilities as leaders in this area.

In this regard, I want to commend Chairman LEHMAN and the other members of the Department of Transportation Appropriations Subcommittee for their recognition of this Federal responsibility. More specifically, I want to commend them for their support of Federal aid for urgently needed urban transit systems in our cities.

The initial funding provided in this bill for a light rail transit system for my home of Houston provides a good example. The 20-mile system, which was approved by local voters in a special referendum earlier this year, is an important element of a comprehensive, region-wide effort to improve basic mobility in the Houston metropolitan area.

The rail segment will link Houston's innovative and cost-effective suburban busway system to the downtown and other major regional employment centers. The citizens of the Houston area have pledged substantial local support for this project, and the Federal support pledged in this bill will provide the supplement necessary to begin to make it a reality.

Again, I commend the chairman and members of the subcommittee for their leadership, and I am glad to lend my strong support to this measure.

ALCOHOL- AND DRUG-FREE GRADUATION PARTIES A SUCCESS AT AREA HIGH SCHOOLS

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. WOLF. Mr. Speaker, I would like to bring to the attention of the House all the individuals in northern Virginia who in some way have participated and contributed to the overwhelming success of all-night graduation parties, free of alcohol and drugs, held in area schools.

The Fairfax and Arlington County schools that incorporated alcohol- and drug-free graduation celebrations during the month of June developed the idea after a similar successful party was organized last year at South Lakes High School in Reston, VA, by parent Caren Schumacher.

These parties over the course of several months have taken a positive turn and the students' attitudes toward these celebrations have developed from skepticism to excitement and enthusiasm with over half of all seniors from the participating high schools taking part in these alcohol- and drug-free graduation parties.

Area parents, business leaders, teachers, principals, students and community leaders have become involved in ensuring the success of these parties through contributions, prizes, and extensive planning. One of the prizes even included a new car donated by JKJ Chevrolet.

I recently wrote to the President, along with Representative COLEMAN from Missouri—(who has three children enrolled in the Fairfax County school system) and Representative PARRIS who represents the Eighth District of Virginia, asking that he meet with one student from each of the participating high schools. President Reagan will be meeting with one student from each high school on July 1 before he leaves by helicopter for Camp David.

I would like to recognize the students who, after attending high school graduation parties throughout the night, submitted their names and won a meeting with the President of the United States and the parent coordinators who have worked so hard to ensure the success of these parties.

The names of the parent coordinators are: Caren Shumacher, Peggy Jeens, Shirley Wheeler, Yvonne Gritzner, Carol Beaulieu, Janis Miller, Ken Grimm, Lt. Col. Frank Graves, Harriett Smart, Jane Pope, Mary Lou Chatelier, Valerie Smith, Gertrude Walsh Anderson, Jean Harris, Charlene Foley, Lucy Murad, Judy Diederich, Claire Luke, Gayle Werling, John Harrald, Claudia Kiely, Betty Darlene Peterson, and Patricia Forbes.

The names of the students are: Wayne Soegmarto, Robb Ross Patterson, Jennifer Gay Poulton, Alexander Joseph Gregory, Sarwar Ali, Cynthia Havens, Meredith Jane Pope, Martha Michelle Crabb, Douglas Edgecomb, Richard Mullen, Elizabeth Murane, John Patrick Foley, Patrick McNeill, Susan Lee Mercado, Amy Ruth Stein, Cindy Mack, and Carl Grable.

I believe these parties are an extremely positive approach to reducing the use of alcohol and drugs by teenagers in northern Virginia and I commend everyone involved in these worthwhile celebrations. I urge every Representative to encourage high schools within their districts to develop graduation celebrations like Fairfax and Arlington counties' all-night parties, free of alcohol and drugs. These parties offer a responsible alternative to typical graduation night activities and make a positive statement regarding the use of alcohol and drugs in general.

BATTLE OF KOSOVO REMEMBERED

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. GEKAS. Mr. Speaker, today marks the 599th anniversary of the Battle of Kosovo where the Turks overpowered and defeated the Serbian army in 1389. Although this great loss resulted in 500 years of Turkish rule over the Serbian nation, Americans of Serbian descent annually celebrate this occasion not because their ancestors were defeated and their homeland pillaged by the Turks, but because the Serbian people endured this time of hardship without losing their religious faith or their heritage and traditions.

The Turkish drive to conquer Europe began in the early 1300's. By 1371, their campaign led them to the banks of the Maritsa River where they soundly defeated the Serbians led by King Mrnyavchevick. Despite this disastrous setback, the Serbians continued to resist their aggressors until the battle of Kosovo in 1389. The defeat of the Serbians at Kosovo led to their incorporation into the Ottoman Empire for nearly 500 years.

Subjected to the cruel and brutal treatment of the Ottoman Turks throughout this long period of time, the Serbians endured these hardships and remained united generation after generation with the memory of their defeat at Kosovo. The memory of this defeat inspired the Serbian people to face and overcome these tremendous odds in the name of freedom. As the Ottoman Empire gradually faded away in the late 1800's, the Serbs were given the opportunity to regain their autonomy and eventually their independence in 1882. With the end of World War I, the Serbians led the way to establishing a nation state which would incorporate themselves, the Croatians, and the Slovenians. This newly created state would become the Kingdom of Yugoslavia.

With the Communist invasion of Yugoslavia in 1945, the newly empowered regime banned the celebration of the Battle of Kosovo in an attempt to destroy the heritage and unity of the Serbian people. Over the course of their amazing history, the Serbian people have certainly demonstrated their capacity to cope with extreme hardship and adversity. Their celebration of this defeat and the subsequent brutality of the Turks embodies the very endurance and determination of the Serbian people. Therefore, it is with pride, Mr. Speaker, that I invite my colleagues in the U.S. House of Representatives to join me and the Serbian people of my district as well as the entire Nation in commemorating this great battle and the ongoing struggle of the Serbian people.

CORNWALL CELEBRATES ITS BICENTENNIAL

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. FISH. Mr. Speaker, I rise in honor of the bicentennial of the Town of Cornwall, in Orange County in my home district of New York.

Cornwall was one of 121 towns founded 200 years ago, on March 7, 1788, as part of a strategy by George Clinton, then the Governor of New York, to thwart ratification of the U.S. Constitution, which he opposed. The Governor figured that the residents of the new towns, who were mainly farmers, were independent-minded and would oppose a strong Federal Government as envisioned in the Constitution. Fortunately, the State of New York proved him wrong by ratifying the Constitution in July 1788.

The area of Cornwall was settled in the late 1600's, mainly by farmers of English, Dutch, and Scottish descent who were moving from Long Island and Westchester County. Brickyards became an important early industry for the town, which used its proximity to the Hudson River for shipping.

After the Civil War, Cornwall became home for literary figures, including poet and writer Nathaniel Parker Willis. As editor of a New York City magazine, he extolled the fresh air, pleasant climate and beautiful scenery of the area. Cornwall then became a summer resort for Manhatten residents, who built summer homes or stayed in newly-built hotels.

Today most residents work at the nearby U.S. Military Academy at West Point, at corporations along the Hudson River Valley, or in New York City.

Mr. Speaker, I am looking forward to joining the Cornwall Annual Independence Day Parade, to be held this Sunday. It will be an all-day affair for the whole family, complete with children's games, bands and fireworks. The celebration will take on a special significance in this bicentennial year for Cornwall.

Mr. Speaker, I am proud of the people of Cornwall and wish them all the best.

CYPRUS: THE SINE QUA NON

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. PORTER. Mr. Speaker, yesterday I joined other members of the Foreign Affairs Committee and Appropriations Foreign Operations Subcommittee to welcome President Kenan Evren of Turkey and to have an opportunity to hear his views and exchange ideas. We were delighted that so eminent a man, the leader of a great nation which we value immensely as an ally and friend, could visit Members of Congress.

As these meetings often do, the discussion immediately focused on obstacles to an even closer relationship. Our colleague from Michigan, BILL BROOMFIELD raised, forcefully, the lack of progress on the reunification of Cyprus. President Evren then proceeded with an inordinately long and detailed recital of the history of the birth and division of Cyprus and the reasons for the presence of Turkish troops.

Mr. Speaker, with all due respect, we have heard this again and again and we feel 5 years from now President Evren will return for another visit and we will hear it yet again. The past may be prolog, but it is the past. What we need in the present is progress for the future. Fourteen years have gone by. Turkish troops are still there and this small island is still, tragically, divided. It's time for the Turks to tell us what they will do to change the status quo, to cause Mr. Denktash to negotiate in good faith, to remove the troops and to reestablish a unified Cyprus.

I know the Turks will say these remarks of mine are pro-Greek. They are not. They are pro-Cyprus. If better relations—more trade, technology, and security assistance from the United States—is truly desired, our Turkish friends must realize that the reunification of Cyprus is the sine qua non.

FOUR D.C. MATH AND SCIENCE TEACHERS SELECTED FOR NATIONAL HONOR

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. FAUNTROY. Mr. Speaker, it gives me great pleasure to acknowledge before my colleagues in the Congress that four public school teachers from the District of Columbia have been named to join the 1988 national honor roll of 84 mathematics and science teachers sharing $420,000 in enrichment grants from the GTE Foundation.

It is with pride and admiration for their service to our young people that I announce these local winners: mathematics teacher Estelle D. Feeling and science teacher Dorothy A. Hampton, both from Howard D. Woodson High School; mathematics teacher Gail P. Radcliff and science teacher Theresa D. McDougald, both from Anacostia High School.

These four 1988 D.C. winners of the GTE Growth Initiatives for Teachers [GIFT] Program grants join 38 former award recipients from the District of Columbia, bringing the total grant value of this 5-year program in the District to $315,000. A panel of distinguished mathematics and science educators, under the guidance of the Educational Testing Service and the GTE Foundation, annually selects the GIFT fellows as math and science teacher teams to encourage shared learning experiences in these disciplines. Each team receives a GTE grant of $5,000, matched by a grant from the local school district, for a total $10,000 to fund the school enrichment project proposed by the instructional team. A $2,500 grant is also awarded each team member to fund appropriate professional development. Finally, each GIFT winner also participates in a GTE-sponsored seminar held at GTE Laboratories in Waltham, MA; at GTE's corporate headquarters in Stamford, CT; and here in Washington, DC.

This year's winners from the District of Columbia have proposed projects that will truly enhance the academic skills and the career preparation of their students. Feeling and Hampton's project at Woodson High School will involve 130 students in computer-simulated activities, data collection, and the application of mathematical processes. McDougald and Radcliff's project will bring gifted ninth-graders from Kramer Junior High School to Anacostia High for advanced instruction in such areas as anaerobic respiration, environmental pollution, and genetics. Both teams will sponsor student projects for exhibition at the annual science and math fair.

On behalf of all the people of the District of Columbia, I salute these teachers—along with the students, administrators, and parents who inspire them to do their work so well—for their dedication to enriching our Nation by investing in the irreplaceable minds and lives of our young people. The extraordinary creativity and commitment represented by their selection as GTE Growth Initiatives for Teachers award winners truly comprise a daily gift these teachers share with all of us by encouraging our children to reach beyond mediocrity to the highest levels of personal, professional, and civic achievement. I commend the GTE Foundation for sponsoring this valuable annual competition and these four District of Columbia winners from Woodson and Anacostia High Schools for exemplifying the best in their teaching profession.

SOUTH AFRICA CONTINUES HUMAN RIGHTS VIOLATIONS AGAINST ITS BLACK POPULATION

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. LANTOS. Mr. Speaker, the brutal violation of human rights by the white minority government of South Africa continues. It has chosen to ignore the outcry of almost all other nations around our globe against its vicious policies.

Yesterday, as cochairman of the Congressional Human Rights Caucus, I sent a telegram to President P.W. Botha urging clemency for the "Sharpeville Six." These six blacks were "convicted" by a South African court of murdering the deputy mayor of Sharpeville—despite the fact that the court admitted that none of the accused had committed the crime! The six are to be executed, and a South African court has refused their appeal.

Mr. Speaker, it would be the ultimate miscarriage of justice to take the lives of these men. It is the cry of all decent human beings that the lives of the "Sharpeville Six" should be spared. I urge my colleagues in the Congress to join us in urging clemency for these tragic victims.

Just a few days ago, Mr. Speaker, we commemorated the 12th anniversary of Soweto. We held a solemn anniversary here on the steps of the U.S. Capitol—at the same time that thousands of people throughout the world held similar commemorations—to mark the brutal murder of 1,000 young black students and the wounding of an additional 5,000. These residents of the segregated community of Soweto had gathered to protest the fact that they were not allowed to be educated in their native languages.

Have conditions improved over the dozen years since the tragedy at Soweto? Unfortunately, Mr. Speaker, they have not. Conditions have worsened. Since the imposition of the "state of emergency" by the white minority government in 1985, it has been even more difficult to monitor conditions in South Africa. Nevertheless, we know that over 30,000 black South Africans have been detained, and over 8,000 of those are children. They have been detained without trial and imprisoned with dangerous criminals; many have been tortured, and others have been killed.

Mr. Speaker, the House can and should take action against these repressive South African policies. As you know, 2 years ago on June 18, 1986, the House took a significant step when we adopted legislation imposing sanctions against the South African Government and economy and requiring divestment of United States investment in South Africa. This legislation became law over the President's veto.

These limited sanctions have not had the desired effect of moving the Pretoria regime from its apartheid system, and further action is necessary. I am delighted to be a cosponsor of H.R. 1580, which was introduced by my neighbor and good friend Congressman RON DELLUMS. This legislation imposes even stronger economic sanctions—complete divestment from South Africa and an embargo on United States trade.

Mr. Speaker, apartheid is one of the most abhorrent and repugnant systems on the face of the Earth. South Africa's policy of state-sponsored, state-enforced racism and discrimination must be opposed. We must continue the struggle against the persecution of our fellow human beings in South Africa.

GREATER AUTONOMY FOR LITHUANIA

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. DONNELLY. Mr. Speaker, I rise today to speak on an issue of international importance, the continued struggle for independence by the people of Lithuania.

As you know, this week marks the opening of the 19th Conference of the Communist Party in Moscow. This is the first such all-party conference in 15 years, and will be a major confrontation between General Secretary Gorbachev and the conservative wing of the Soviet Communist party. At stake are the reforms advocated by Secretary Gorbachev in his policy of "perestroika," the restructuring of the Soviet economic and social structure.

Secretary Gorbachev has stated publicly that he is committed to a policy of greater regional sovereignty. As the Soviet leadership begins its conference, we hope that reforms offered by Mr. Gorbachev to improve human rights in the Soviet Union will include proposals to end the Soviet domination of Lithuania and the other Baltic Nations, Latvia and Estonia.

The U.S. Government has never recognized the Soviet Union's annexation of Lithuania, and continues to view this nation as a sovereign state. By maintaining their unique cultural heritage, national language, and religious beliefs clearly distinct from the Soviet Union, Lithuanians have kept their deep historic roots and maintained their vibrant resolute spirit.

As in past years, Congress and President Reagan again this year designated June 14 as "Baltic Freedom Day." This commemoration corresponds nearly to the day with the Soviet annexation of Lithuania, which occurred on June 15, 1940, and with the start of the mass deportations of Lithuanians which occurred in 1941. During the week of June 14-21, an estimated 36,000 Lithuanians were deported by the Soviets. Many more were beaten and arrested.

The Moscow Conference is an ideal opportunity for the Soviet Government to provide Lithuanians with a greater degree of autonomy, self-rule, and religious freedom. The Lithuanian delegation to the conference has been urged by the nationalist Lithuanian Restructuring Movement to adopt a platform calling for greater economic, cultural, and national autonomy for Lithuania. Nearly 60,000 people attended the June 24 rally in Vilnius supporting these needed reforms.

Mr. Speaker, the American people will not rest until the independence of the Lithuania and her Baltic neighbors has been granted. Our Government will continue to keep their plight in the forefront of the world's issues.

INTRODUCTION OF INTERNATIONAL SECURITIES ENFORCEMENT COOPERATION ACT OF 1988

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. DINGELL. Mr. Speaker, I am joined today by Representatives MARKEY, LENT, and RINALDO in introducing legislation, the International Securities Enforcement Cooperation Act of 1988, to strengthen the enforcement hand of the Securities and Exchange Commission.

Increasing internationalization of the securities markets has made enforcement of the Federal securities laws more difficult. A number of technological developments and market linkages have made it easier for insider traders and investment scam artists to evade U.S. surveillance and enforcement. We need to discourage attempts to violate the U.S. securities laws and to circumvent procedures for the detection and investigation of violations. We need to send a strong message to securities regulators and to would-be violators worldwide.

It is relatively easy for persons to open accounts with foreign banks or brokerages in countries that have blocking statutes or bank secrecy laws, or in the name of foreign corporations that issue bearer shares, and then do trades in U.S. markets without revealing their identities. The SEC's efforts to obtain vital information in the past were in many instances totally frustrated and ad hoc resort to the Federal courts to compel production of foreign-based evidence proved to be time consuming, expensive, and strained foreign relations. There has been some indication lately that the memoranda of understanding and related agreements negotiated recently with a number of foreign countries may require strengthening and supplementation.

Accordingly, the SEC has developed the legislation which we are introducing today, to address this problem by facilitating greater international cooperation.

Title I, Assistance to Foreign Securities Authorities, would permit the Commission to assist foreign securities authorities by conducting investigations on their behalf. In return, the Commission anticipates that foreign securities officials will obtain similar authority to investigate violations on the Commission's behalf. A memorandum of understanding recently entered into with Canadian securities requires that those authorities seek this investigative power, and the bill requires the Commission, in deciding whether to provide investigative assistance, to consider whether "the requesting authority has agreed to provide reciprocal assistance in securities matters to the Commission."

The bill would permit the Commission to assure confidential treatment for records that would be produced under reciprocal arrangements with foreign securities authorities. Such assurances will promote mutual assistance in securities enforcement. The legislation would also make clear the Commission's rulemaking authority to provide access to Commission by foreign officials, as well as by domestic enforcement officials.

Finally, Title II, Foreign Misconduct by Securities Professional in Foreign Country as Basis for Restricting Professionals Activities in the U.S. Securities Industry, would permit the SEC to institute an administrative proceeding against a securities professional based upon a finding of a foreign court or foreign securities authority that the professional engaged in illegal or improper conduct. We do not want this country to become a haven for securities professionals with a proven track record of fraudulent behavior in other countries.

Companion legislation, S. 2544, was introduced last week in the Senate by Senators RIEGLE, PROXMIRE, GARN, and DODD. We look forward to working with our colleagues in the House and Senate in moving this measure to final passage as quickly as possible. To that end, a hearing is anticipated in July in our Subcommittee on Telecommunications and Finance. We are committed to getting the SEC the necessary tools to carry out its statutory mandate to provide fair and honest markets in a rapidly changing environment.

THE INTRODUCTION OF THE VIDEO AND LIBRARY PRIVACY PROTECTION ACT OF 1988

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. KASTENMEIER. Mr. Speaker, I am pleased to introduce, along with my colleague ALFRED MCCANDLESS, a bill that will protect the privacy rights of video stores and library users. I have long been concerned that the privacy rights of the American people are gradually—and immeasurably—being diminished. The advent of computers has provided countless new opportunities to compile and store records that contain highly confidential information. The American people must know that their private lives are just that—private.

This bill takes a discreet area where troublesome invasions of privacy—by both private individuals and the Government—are more and more frequently occurring, and it declares that those invasions must end.

While for the most part attempts to obtain the records of video and library users have been unsuccessful, the attempts continue. Furthermore, there is unfortunately one well-known case where an attempt was successful. Last year, during the hearings on the nomination of then-Judge Robert Bork to the U.S. Supreme Court, a local newspaper reporter went to Judge Bork's video store and obtained his rental records. He then wrote an article describing Judge Bork's taste—and that of his family—in movies. That the Borks chose "All American" classic movies was fortunate for him, but irrelevant. We must protect the privacy of video store and library users no matter what kind of material they want to view or read.

After the Bork incident, my colleague ALFRED MCCANDLESS introduced a bill relating to the privacy of video store users. Since the important privacy issues addressed in that bill apply equally to library patrons, we made the decision to expand the original bill so that it would apply to both video and library use.

My concerns about library use are longstanding. I firmly believe that the first amendment protects the freedom to read. American citizens must know that when they enter a library, they need not worry that a government agent, or a reporter, or anyone else, will be able to find out what they are reading. People must not be deterred from reading by fears of governmental or private "snoops."

My colleague DON EDWARDS, chairman of the Judiciary Committee's Subcommittee on Civil and Constitutional Rights, has begun important and revealing hearings into the FBI's Library Awareness Program. I serve on that subcommittee, and the testimony I have heard so far has confirmed my fears about invasion of library patron privacy. There are allegations that the FBI has tried to obtain circulation records from various libraries, and that it has asked librarians to report suspicious behavior by library patrons. To their credit, most, if not all, librarians have resisted these efforts, which I believe at best represent unwise policy, and at worst are a blatant violation of the first amendment.

The FBI apparently denies that it is interested in obtaining circulation and other library records. If this is true, then this bill will not affect the Library Awareness Program. If it is not true, this bill will still not affect the FBI's efforts to recruit librarians to report suspicious activities. Whatever the extent of the FBI's efforts, and whatever the fate of this bill, the Congress will continue to closely scrutinize the Library Awareness Program.

In general, the bill prohibits the disclosure of personally identifiable information about the patrons of video stores and libraries. It permits disclosure only in certain narrow circumstances, such as with the user's specific and informed consent, or when there is a court order. It permits an aggrieved party to sue for violations of the law, and to obtain injunctive relief and damages.

Thirty-eight States and the District of Columbia have laws prohibiting the disclosure of library records in a variety of circumstances. In addition, following the disclosure of Judge Bork's video records, several States have enacted video store privacy laws. This bill will create a uniform national standard, and will send a strong message that the Federal Government will not tolerate such invasions of privacy.

This country's freedom depends upon the freedom of each and every American citizen to read and view whatever he or she wishes. Informed decisions can only be made if the American people are informed. We must protect these freedoms from all intrusions.

IMPACT OF THE DROUGHT ON DAIRY FARMERS

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. JEFFORDS. Mr. Speaker, livestock and dairy producers in the heartland are being devastated by the drought. Cattle prices are dropping as beef producers and dairymen liquidate part or all of their herds because feed, pasture, and water are not available.

Secretary Lyng has been responsive to the plight of affected producers by allowing haying and grazing on set-aside acres and by approving Emergency Feed Program provisions in some counties. However, it is becoming clear that additional legislative measures are necessary to address the full scope of the drought.

While fully recognizing the need to help crop farmers, ranchers, and dairy farmers in hard-hit regions, I believe it is equally important to recognize the drought's impact on dairymen, beef producers and others dependent upon purchased feed. In the last 2 months, feed prices to the dairy farmer have increased by 25 percent in the Northeast—and the number could go higher. Soybean prices have more than doubled; corn prices are over $3, up from $1.80 just a few months ago; and other grains have had similar increases.

Since 1983, dairy price supports have been reduced from $13.10 to the current rate of $10.60 per hundred pounds of milk. Dairy farmers were able to absorb these cuts because, to a large extent, grain price reductions offset these lower milk prices.

We now face a dramatically different situation. The farm bill requires the Secretary of Agriculture to cut the support price for milk from $10.60/hundredweight to $10.10/hundredweight if Government purchases are expected to exceed 5 billion pounds next year. The Secretary has no flexibility to take into account feed grain price increases due to the drought when determining whether or not to trigger this price cut.

The primary function of the Milk Price Support Program is to ensure an adequate and affordable supply of milk and milk products. When production outstrips demand, the Federal Government purchases these surpluses, and when supplies are short these surpluses are released into the marketplace.

However, output does not respond to changes in production costs and milk prices overnight. Production is now declining because of higher feed prices and the culling of dairy cows due to the drought. However, it may not decline fast enough to bring anticipated production for 1989 down below the five billion pound trigger and avoid a price support cut. I am concerned that the dairy program, as now written, lacks the flexibility to prevent "overkill" in the reduction of the dairy industry's production capacity.

Dairy farmers in many regions of the country, including the Northeast, are already operating on the thinnest of margins. During testimony at a recent Dairy Subcommittee hearing in Vermont, Springfield Farm Credit Bank economists estimated that each 15-percent increase in feed prices is equivalent to a 50 cent cut in support prices, in terms of net effect on dairy farm income in the Northeast. With feed prices up 25 percent and climbing, it is obvious that numerous dairy farmers are in serious difficulty and are now evaluating whether or not to continue farming.

This is a critical time for family dairy farmers. Many producers are at the crossroads. If we do not send a signal that Congress understands this fact, we may lose too many dairy farms too quickly. Instead of an orderly disinvestment of excess production capacity, we could see a mass exodus from dairying that leaves the country unable to meet its domestic needs. This happened in the mid-1970's, needlessly, and I want to make sure it doesn't happen again.

The legislation I am introducing today would give the Secretary of Agriculture discretion to avoid price cuts built into the current law, even if Government purchases are likely to be over 5 billion pounds. In addition, it would provide the Secretary with the flexibility to increase prices to reflect grain price increases that dairy farmers are experiencing due to the drought.

I have also prepared a bill that will legislatively block the January 1, 1989 price cut. Although I am not introducing this proposal now, I believe it may become necessary to reassure dairy producers should the severe drought continue. If it becomes clear that grain prices will experience a sustained increase that threatens our domestic milk production, I will push for legislation to block future price cuts and provide for increases in the support price to offset feed cost increases.

It may be hard for some to believe that we may be in danger of running short of dairy products. After all, just 5 years ago surplus butter and cheese were rotting in Government storage caves.

But let's look at the situation today. We do not have enough cheese for the Temporary Emergency Food Assistance Program, which provides free surplus cheese to the elderly and poor whose food stamps are not quite enough for the full month. USDA projects that at the end of this year, we will have no surplus cheese in storage, no surplus nonfat dry milk in storage, and only 153 million pounds of butter in storage. This compares to 1983, when we had over 2.6 billion pounds of these products in storage.

Fortunately, we have abundant stocks of most grains, with the exception of soybeans, to prevent the drought from producing shortages this winter. In fact, the surplus stocks are useful because they allow USDA to release grain in an orderly manner and help moderate price increases—to the benefit of consumers and farmers dependent on purchased feed.

With the dairy program, there are no stocks to sell back to the trade. Any product shortages caused by the drought will translate directly into higher consumer prices for dairy products.

It is the responsibility of Congress to protect both consumers and farmers, to the extent possible, from rapid fluctuations in prices. This is what the dairy price support program was designed to do. We need to act now to ensure that the program is allowed to function properly.

A PERFECT 26-0 SEASON

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. COBLE. Mr. Speaker, perfection is often difficult to find in our daily lives. We strive to be perfect, but often come up short. So, it is rare when one finds an example of perfection. On June 11, 1988, perfection was achieved in the Sixth District of North Carolina. On that date, Southern Alamance High School of Graham completed a perfect 26 and 0 season by capturing the North Carolina 3-A baseball championship.

The Patriots completed their march toward perfection with a 15 to 3 victory over Erwin High School of Asheville. It was the first State baseball title for Southern Alamance since 1965. It may have taken 23 years to achieve, but it was accomplished in great style. To quote the Daily-Times News of Burlington, NC: "Winning a title is one thing, but to do it with a perfect season is something else. In a one-game comparison it's like a no-hitter, or a perfect game."

Congratulations are in order to Principal Ben Howard, baseball coach David Vaugh, the Patriot baseball team, and the entire staff and student body at Southern Alamance High

School. It takes a total team effort to achieve a perfect 26 and 0 season. Everyone, including the fans, deserve some of the credit for making it happen. Let's all celebrate the achievement of Southern Alamance High School's baseball team. It was, in a word, perfect.

CURRENT NUMBERS ON THE ECONOMY

HON. BUDDY MacKAY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. MACKAY. Mr. Speaker, when we look at current numbers on the economy, there are some very encouraging signs. Unemployment is at a level that is reminiscent of the early seventies. We've had one of the longest continuous periods of economic growth in our history. These are good numbers when you take a look at the short term.

In a very real sense, when we look at those numbers, they are masking something else. Masking, I believe, a very real economic decay in our economy. These positive statistics mask the fact that this growth has been propelled by extraordinary Federal budget deficits; they mask the fact that this country, over the decade of the 1980's, will probably have a net trade deficit that comes close to $1 trillion.

They mask the fact that, when we look at one industry after another that are essential to this country's future, what we find in basic high-technology service, agriculture, is that our firms are not holding their position, either here or abroad, nor is their performance matching that which they were able to sustain in the 1950's and the 1960's. In a very real sense what we are seeing is a dry rot that is undermining the foundations of one industry after another. In the long term, I believe this is very ominous.

America now faces the task of determining the causes of and the remedy for this situation. There must be a shift in the national macroeconomic policy because we simply must return to a pattern of earning rather than borrowing a higher standard of living. The Nation's ominous economic situation can also be blamed on antiquated economic policies that are based upon principles and circumstances that were once very pertinent but are increasingly irrelevant. We are dealing with economic systems far different from our own and our policies, obviously, need to accommodate that.

Above and beyond the Government policies, there are a series of moves that must be made by American firms. These moves are crucial to the enhancement of American industry's ability to provide goods and services that are fully competitive, in terms of price, quality, service, innovation, and marketing.

An unwillingness of firms to make long-term investments is caused, in part, by the hyperspeculation that we saw in the financial markets and a loss of confidence that we see in many firms wherein they are more fearful of raiders and speculators than they are confident in the necessity to produce the goods and services required to produce jobs and remain competitive.

But an equally important cause of the poor performance of American industry is the antiquated, highly adversary relationship between workers and management. Our work relationships and ownership patterns, while appropriate for the past, are not good enough for today and certainly not adequate for tomorrow. A survey by the Yankelovich firm indicates that only 7 out of every 100 American workers think that if they make any extra effort it will be reflected in a real gain to them. These workers believe that the benefits will go to stockholders, they'll go to managers, they'll go to their boss, but not to the workers. By contrast, 9 out of 10 Japanese workers think if they work harder they will get a benefit.

The challenge is how to create an environment, through participation, through ownership, through other relationships, where our people are willing and able to work harder and smarter.

Many forms of employee ownership exist in the United States. Many more will be developed in the future, and the relationships among these systems need to be better understood. Each is best suited to a specific set of circumstances. Employee stock purchase plans may be better suited for smaller, start-up companies. In large public companies, stock purchase plans are probably considered solely as investment by the employee, not as a license to speak out and participate as employee owners. ESOP's, despite some abuses, have a large constituency and great importance since they serve as the primary vehicle for employee leveraged buyouts.

It is clear that changes in our traditional free enterprise system must occur to make it more productive and competitive, or our industrial base will continue to suffer. Changes in many forms are needed, but one which seems to be particularly appropriate and promising is that of increased employee participation and ownership.

I appreciate having this opportunity to state my position on these issues.

A TRIBUTE TO THE GREENVILLE SYMPHONY ORCHESTRA

HON. THOMAS J. RIDGE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. RIDGE. Mr. Speaker, I rise today to recognize an outstanding institution in my district, the Greenville Symphony Orchestra. The orchestra will enter its 16th year with the upcoming season and I am pleased to have this opportunity to say a few words about it.

The orchestra was founded by local merchants who were interested in collaborating their talent and love for music. This tradition continues today as the ensemble is composed of area doctors, teachers, businesspersons, and many other professions.

Originally, the symphony's only home was the local high school auditorium. As interest grew, the orchestra performed at several high schools throughout the area. Now, thanks to Thiel College in Greenville, the orchestra enjoys a permanent concert hall, the William A. Passavant Memorial Center.

One very important function of the orchestra is exposing the youth, from kindergarten on up, to the high cultural and educational value of classical music. By traveling to area schools and getting the children involved, be it clapping along with a Sousa march or singing the words to "Pop Goes the Weasel," the orchestra helps to develop an interest in a type of music which many kids disregard without even trying.

The orchestra has accompanied such notables as the Pittsburgh Opera Company, Ms. Florence Quivaer, currently with the Metropolitan Opera, and many other ballets and musical shows.

It is a credit to the organization that they have accomplished so much, over such a long time period, while working with a minimal budget.

The Greenville Symphony Orchestra is an inspirational and integral part of the community, and is highly worthy of praise. I would like to congratulate them for their past success, as well as wish them all the best in the years to come.

PHANTOM BEDS

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. MONTGOMERY. Mr. Speaker, recently staff members from the Veterans' Affairs Committee, responding to alarming rumors regarding the VA Medical Center System, conducted an onsite survey of 16 hospitals across the Nation.

On Monday, I informed Members of the House that more than 1,700 beds had been closed in the 16 VA hospitals they surveyed. Why have hospital directors decided to unofficially take those beds out of service? Because in many cases they are having trouble hiring enough staff to provide care for the patients who would occupy the beds. The problem is mainly nurses, pharmacists and certain highly skilled technicians. Part of the problem is due to the shortage of nurses throughout the Nation. In areas where recruitment is possible, the VA hospital does not have the resources. Fierce competition from the private sector makes it extremely hard for VA to recruit quality staff.

The VA is forced to make special pay provisions to match salaries of the private sector. But the Administration refuses to ask the Congress for enough extra money to pay these salaries. So Congress must add funds to the budget every year. Again this year, Chairman BOLAND's Subcommittee on HUD-Independent Agencies has added $240 million above the President's request for medical care; $45 million is for special pay—more than double the amount requested by the Administrator. Why is it always left to the Congress to provide an adequate health care budget for our veterans?

Keeping people in technical positions almost becomes a fiscal impossibility. As one Director put it, "We are presently caught in a catch-22 paying for the cost of contract nursing" and special pay rates, by being forced to take funds away from other accounts such as equipment, maintenance, and repair.

Mr. Speaker, this is no way for our system to operate. Local VA hospital directors must be given the resources to care for sick veterans when such care is needed. For too many years VA has been told to keep silent and absorb the cuts imposed on the agency by the Office of Management and Budget.

TRIBUTE TO DAVID MERTES

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. MATSUI. Mr. Speaker, it is with great pleasure that I rise today to pay tribute to a distinguished member of the Sacramento community, Mr. David Mertes, chancellor and superintendent of the Los Rios Community College district. It is an honor to salute this outstanding gentleman.

For over 20 years, David has devoted himself to the educational field. He has been a member of the San Ramon High School faculty as well as serving as a professor of the Stockton College staff. David has also served as lecturer of Zoology for the University of California Extension Program. Prior to the Los Rios appointment, Mertes was the president of the Santa Barbara Community College district and before this, president of the College of San Mateo.

As chancellor of the Los Rios district, David is responsible for approximately 65,000 credit and noncredit students. He oversees the operations of American River, Cosumnes River, and Sacramento city colleges, and many off-campus learning centers in the greater Sacramento region.

David has been the recipient of many distinguished academic honors during his career. Among them, he has been a Dernham Research Fellow for the American Cancer Society, California division, Science Faculty Fellow, National Science Foundation, and Research Fellow of the zoology department for the University of the Pacific.

Mr. Speaker, on behalf of the Sacramento community and the State of California, I want to congratulate David on a job very well done. His dedication to the education of our young men and women has touched almost all of us. For this we have been lucky. I offer my very best wishes to David and I wish him the best of luck in the coming years.

MRS. MONDOLA CHERRY TO RETIRE AFTER 30 YEARS

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. BROWN of California. Mr. Speaker, I would like to honor and pay tribute to Mrs. Mondola Cherry, who this year is retiring from Riverside County's Department of Public Social Services after more than 30 years of service.

Since 1959, Mrs. Cherry has been instrumental in bringing about sweeping changes both in Riverside County and in the State of California. Joining the department as a social worker, she was promoted to child welfare supervisor in 1965. Later that year, Mrs. Cherry was named deputy director of public social services. As the county has grown, Mondola Cherry has made sure that the department kept pace with the new changes. Some of her many accomplishments include the development of an Emergency Response Program; the initiation of a public relations committee to improve communications with the public; and the coordination of a pilot project to establish a child abuse index.

Her decades of work in social services have added up to much more than a career—they have established a legacy of rare dedication to helping society's most vulnerable, its elderly and its children. I believe that government at all levels has a responsibility to offer support, whenever needed, to the disadvantaged in our society. I am proud to share this deep commitment with her.

America is, in many ways, the wealthiest nation in the world. We have one of the highest standards of living. Yet many Americans face the daily oppression of poverty. While individuals retain the basic responsibility for insuring that their own needs are met, Government plays a critical role in providing a helping hand to those in need.

No nation is without its poor and needy, and no amount of money spent on this problem will totally vanquish poverty, illiteracy, hunger, or homelessness. But we can try to remove as many of the stumbling blocks as possible, giving the poor an opportunity to free themselves from the grip of poverty. Mrs. Cherry's helping hand has been vital in giving Riverside's disadvantaged the fighting chance they deserve. I would like to take this opportunity to express my thanks to her for her great efforts to create a better standard of living for the young and old living in the 36th Congressional District.

SUPPORT OF WHO/UNICEF EFFORTS AT CHILD HEALTH AND WELFARE

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. WOLPE. Mr. Speaker, I would like to take this opportunity to applaud the joint statement of the World Health Organization and UNICEF issued by President Reagan and General-Secretary Gorbachev at the recent Moscow summit meeting. The joint communique reads as follows:

"Both leaders reaffirmed their support for the WHO/UNICEF goal of reducing the scale of preventable childhood deaths through the most effective methods of saving children. They—the President and the General-Secretary—urge other countries and the international community to intensify efforts to achieve this goal."

In a very real sense, WHO/UNICEF is helping to assure the physical well-being and intellectual soundness of future generations. It is too easy to forget about the needs of the world's most needy children, a group of individuals traditionally without representation. It is encouraging to see that the two superpower leaders have recognized the importance of international efforts to improve the lot of our children.

I hope, Mr. Speaker, that we too can help. If we can take the lead, along with WHO/UNICEF, in the fight against hunger and childhood death, our position throughout the world as a humanitarian force will be assured. Mr. Reagan has made an important move in this direction, and it is my sincere hope and desire that we encourage the next administration in its efforts to continue this initiative.

TRIBUTE TO FRANK CUNNINGHAM

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. WELDON. Mr. Speaker, I rise today to pay tribute to an exemplary member of my district. Frank Cunningham of Broomall, PA, has devoted his life to a distinguished career of public service with the Philadelphia branch of the Federal Customs Department. His record of accomplishment and devotion to the public good can stand as an example to all of us involved in Government.

Frank spends most of his time tracking down drug lords by following their money and banking transactions. His hard work and dedication have led to several large "busts" in the past few years, ranging from several hundred thousands to several million dollars. In this era of growing drug threat and associated crime, Frank's work plays a vital, but often thankless role in preserving the values of integrity of our society.

Frank's job often calls him away from his home and family on weekends, in the middle of the night, and at family celebrations, but he continues with enthusiasm and positive professionalism. If Frank utilized his talents in the private sector, he would reap large financial rewards for his extra devotion, but he places the public good above his own personal aggrandizement, and we as a community benefit from his talent and commitment.

Let us recognize Frank Cunningham for his selfless devotion to a critical cause in our society and the excellence that he has established as his personal trademark.

THE AMERICAN SPIRIT IN SCOBEY COUNTRY

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. MARLENEE. Mr. Speaker, the people of this great Nation—the United States of America—have an amazing variety of historical backgrounds and cultures.

These exist and are nurtured in the thousand communities across the land of this Great Republic. Regardless of whether they are newcomers or whether their families have been here for generations, they either know or become aware that their heritage as American citizens is the most unique to all the Nations in the world today.

Every American citizen born here or naturalized has the opportunity to know of these rights, privileges and responsibilities of American citizenship and our forms of government which make them possible.

For some individuals born here or naturalized, that awareness comes easier to some than it does for others. But, regardless, these opportunities and responsibilities for each individual are firmly imbedded in that great instrument, the U.S. Constitution in all that it states and implies.

Coming as I do from a northeastern Montana community—sparsely populated, but with vigorous and resourceful people—a community known in Montana as Scobey country—I can never remove from my mind an almost overwhelming feeling of humility and awe that I have been chosen, for so long, to represent the third largest congressional district in area of this great Republic.

When my grandparents came to Scobey country in northeastern Montana, just after the turn of the century, to put down their roots as farmers and ranchers, I am sure they never even dreamed that one of their Grandsons would become one of the two Congressmen from the fourth largest State in the Union.

Our ranch in Scobey country, after more than 85 years still is in the family, and my brother and partner Lanny and his family are doing a great job of running things at our Big Sky ranch while also being vigorously active in community and civic affairs.

Despite the sparse population in Scobey country, which only 75 years ago—in 1913—was linked with the railroad—the mixture of national origins of the people in my rural area is impressive. Although predominately Scandinavian, Scobey country includes Indians, Orientals, French, Germans, Scotch, Irish, English, Ukranians, Russians, Latin Americans, southeastern Europeans, Middle Easterners—a virtual rainbow of whites, reds, brown and blacks.

Above all, I continue to be gratified and amazed at how these citizens of all ages eagerly absorb the true American spirit in Scobey country by being a welcome part of so many outstandingly successful community projects for area betterment through volunteer efforts and monetary contributions, which could not otherwise have become reality.

And, as swarms of former residents of Scobey country and casual tourists flock into their area now for the homesteaders diamond jubilee—with observances in the communities of Flaxville, Scobey, Peerless, and Richland—for fun and good fellowship, it also brings into sharper focus their greater awareness of the significance of our national Independence Day, the Fourth of July.

All of these individuals have an affection for their origins in other cultures while at the same time recognizing the great values of American citizenship in their individual lives.

My hope is that all people in the thousands of other communities in this great Republic are as fully aware of these things, and as actively vigorous in their efforts as the folks of Scobey country, especially during trying times.

COMMENDING GEORGE SEAMAN

HON. RON de LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 29, 1988

Mr. DE LUGO. Mr. Speaker, one of the Virgin Islands' finest naturalists, George A. Seaman, has issued a warning about a new hazard to the waters of the Caribbean: a proposed garbage dump off the island of Saba in the Netherlands Antilles.

Mr. Seaman recently wrote to the Prime Minister of the Netherlands Antilles to strongly and eloquently protest tentative plans to allow a stateside company to dump its garbage in the Saba Bank. Such a plan would be nothing short of disastrous.

"The Saba dump proposal presented in the gloved hand of economic benefit, if accepted, would mark us as the Pariah and Judas of the entire West Indies for we would have sold them all down the drain," Seaman wrote to Prime Minister Don Martina.

Fortunately, with a little public pressure, the Saba dump proposal itself went down the drain. But we can expect similar threats in the future as stateside companies turn to the Caribbean as the solution to their garbage disposal problems.

I am submitting Mr. Seaman's letter to the Prime Minister, as well as my related letter and a newspaper column from the Virgin Islands Daily News, which capture the seriousness of this threat to our waters. I urge the administration and all my colleagues in the Congress to read these materials and join me in finding a solution to this urgent problem.

The material follows:

MAY 17, 1988.

Prime Minister DON MARTINA,
Fort Amsterdam,
Willenstad, Curacao,
Netherlands Antilles.

DEAR PRIME MINISTER DON MARTINA: As a naturalist and long resident of Saba, I wish to present to you my anxiety and horror at the mere thought, much less the devastating possibility, that the "Saba Bank" might be used as a dump for the world's garbage and toxic waste. The very idea that something so heinous and shattering could ever be considered leaves me in emotional and mental paralysis!

Of the world's many disastrous and agonizing recent events, the Saba Bank "Waste Dump" must be equated with the Near East's fratricidal wars, Ethiopia's famine and the invasion of Afganistan. They all represent cruel and mindless scourges upon humanity.

The Saba dump proposal presented in the gloved hand of economic benefit, if accepted, would mark us as the Pariah and Judas of the entire West Indies for we would have sold them all down the drain.

I will say no more. I would only like to make a suggestion: have Waste Central lease one of the Great Lakes and use that for their dump!

Sincerely yours,
GEORGE A. SEAMAN,
Former U.S. Fish and Wildlife Biologist.

COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, DC, June 27, 1988.

Ms. LIZ WILSON,
P.O. Box 444,
Christiansted, St. Croix,
Virgin Islands.

DEAR LIZ: Thank you for sending me a copy of George Seaman's letter to Prime Minister Don Martina of the Netherlands Antilles and Bill Steif's column from the May 23 edition of the Virgin Islands Daily News regarding the dumping of waste materials on the Saba Bank reef. Both the letter and the column were very revealing.

I share Mr. Seaman's "horror" at the potential enviromental, ecological and health damages threatened by the dumping of wastes in the Saba Bank reef. Were these materials to drift toward the shores of our islands, the possible impact could be irreversible—endangering the delicate ecological balance of our islands and perhaps, also, the health of our citizens.

I am outraged that any company could obtain uncontrolled rights to perpetually dump wastes in our beautiful region. The fact that these rights were obtained at "bargain rates" makes the arrangement, in my view even more unconscionable.

My thanks to Mr. Seaman for his concern for the irreplaceable natural resources of our islands, and for expressing himself so convincingly to Prime Minister Martina—apparently his eloquence succeeded in alerting the Prime Minister and others to the issue. Also, Bill Steif's column has raised the issue to needed public attention. I am gratified that the Saba Executive Council did reject the proposal, and cannot but speculate that the decision was influenced by Mr. Seaman's alert disclosures.

I am also pleased to know that you participated in the execution of the letter, which proved to be so important. I appreciate your sending it to me. Please extend my gratitude to Mr. Seaman for his conscientious and successful effort in this matter.

Sincerely,
RON DE LUGO,
Chairman, Subcommittee
on Insular and
International Affairs.

[From the Virgin Islands Daily News, May 23, 1988]

VIGILANCE IS NEEDED TO STOP WASTE-DUMPING IN OUR REGION

(By William Steif)

The news is that the Saba Bank seems to have been saved from becoming a monstrous dump, at least 70 miles long, for trash and toxic wastes from the U.S. mainland.

The Saba Bank is a big reef, 20 to 60 feet below the Caribbean's surface, off the five-square-mile island of Saba, 90 milies east of St. Croix.

Last year, a Philadelphia outfit named Waste Central Inc. proposed to the Netherlands Antilles government, which included Saba, that it buy the unrestrained, perpetual right to dump wastes on the Saba Bank. The company offered to pay $1 a ton, to be split evenly between the Netherlands Antilles and Saba, whose population is about 1,000 people.

The idea was to build the island of "Caribbea" atop the coral, using reinforced concrete containers 117 inches in diameter and 117 inches high. The trash would go into the containers, which would be sunk onto the reef.

The proposal said "in excess of 70 nautical miles of 'barrier reef' will be created." At some point, presumably, the concrete boxes of waste would reach the sea's surface, and then these imaginative entrepreneurs could cover them with sand dredged from the bottom and grow palm trees, or whatever.

There was—and is—an economic motive to all this. Cities in the northeastern United States today pay as much as $80 to $125 a ton for removal of garbage. Removing hazardous waste, which would go into Caribbea, too, is much more expensive.

You can haul a lot of garbage from New York, Boston, Philadelphia or Baltimore to the Caribbean and make big bucks if it only costs you $1 a ton to dump it.

The idea appalled George A. Seaman, who lived on Saba for 19 years after retiring from 20 years with the U.S. Fish and Wildlife Service in the Virgin Islands.

Seaman, born Dec. 16, 1904, in Frederiksted, returned to St. Croix several months ago because of a heart condition. But the feisty, white-bearded naturalist expressed "horror" at the proposal while still living on Saba and recently wrote Netherlands Antilles Prime Minister Don Martina that the "Saba dump proposal, if accepted, would mark us as the Pariah and Judas of the entire West Indies."

Seaman added, ironically: "I would only like to make a suggestion: Have Waste Central lease one of the Great Lakes and use that for their dump."

Randall Weiner, general counsel of the Ralph Nader-spawned New York Public Interest Research Group, also heard about Waste Central's proposal. He wrote about it in a monthly magazine, Multinational Monitor, several months ago and his piece was picked up by a Friends of the Earth periodical.

On the phone the other day, Weiner told me it appears that Saba's people have come to their senses. He said Tom Van't Hof, a Dutch government marine biologist on Saba, recently phoned him and told him Saba's Executive Council—the local government—on April 21 sent this telegram to Don Martina:

"Seeing that Waste Central Inc.'s proposal cannot pass the environmental phase to the satisfaction of our advisors, the Executive Council of Saba has decided to discontinue any further negotiation with Waste Central."

Weiner also said Quirino Richardson, head of environmental services for all the Netherlands Antilles, is developing a policy for all the Dutch West Indies from his base in Curacao. That policy, said Weiner, generally will be "negative."

But he warned that "this definitely won't be the last time" the United States—or any First World, industrialized nation—will try to dump its waste in the Third World. We've already seen such an attempt in Haiti, and I seem to recall Guyana is in some type of "negotiation" on this, too.

Weiner believes there may still be a boom in trash reefs unless we're "vigilant." I thank him for his vigilance: After all, on a clear night you can see the flares of St. Croix's Hess Oil refinery from the western end of the Saba Bank.

And I'm sure it wouldn't take too many months for some of those concrete boxes to deteriorate, with their contents drifting ashore in the Virgin Islands.

Nor was sentiment in Saba unanimous. For example, Saba's tourism minister, Vernon Hassell, was quoted on Philadelphia radio station WCAU that environmental concerns were "overblown." He told interviewer Ira Melman that disintegration of the trash reef simply would mean the junk would drift to the Virgin Islands, meaning no problem to Saba.

Seaman called the whole trash reef idea "a monstrosity." He said he'd never lived in a place I cared for more.

But he added: "I can see the spearhead of so-called development there. The average, simple person is not aware, only looks at the money."

For the Virgin Islands, this was a close call. Vigilance is the key.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, June 30, 1988, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 6

10:00 a.m.

Governmental Affairs

Federal Services, Post Office, and Civil Service Subcommittee

To resume hearings to review whether Federal agencies are improperly hiding consultant costs in their budgets, the costs of consultants, and allegations that the Inspector General is not enforcing current laws regarding consultant contracts.

SD-342

JULY 8

9:30 a.m.

Joint Economic

To hold hearings on the employment-unemployment situation for June.

Room to be announced

JULY 11

9:30 a.m.

Special on Aging

To resume hearings to examine certain problems and challenges surrounding the provision of health care to rural communities, and to review recommendations and innovative strategies to deal with these problems.

SD-628

2:00 p.m.

Energy and Natural Resources

To hold hearings on the nominations of Joseph F. Salgado, of California, to be Deputy Secretary of Energy, Donna R. Fitzpatrick, of the District of Columbia, to be Under Secretary of Energy, and Robert O. Hunter, Jr., of California, to be Director of the Office of Energy Research, Department of Energy.

SD-366

Finance

Health Subcommittee

To hold hearings on patient outcome assessment research.

SD-215

JULY 12

10:00 a.m.

Banking, Housing, and Urban Affairs

To hold oversight hearings on the Federal Reserve's Second Monetary Policy Report of 1988.

SD-538

Commerce, Science, and Transportation

Merchant Marine Subcommittee

To hold hearings on S. 2510, to make certain United States-flag vessels eligible for operating-differential subsidies under the Merchant Marine Act, 1936.

SR-253

Energy and Natural Resources

Mineral Resources Development and Production Subcommittee

To hold oversight hearings on the Department of Interior royalty management program.

SD-366

JULY 13

9:00 a.m.

Labor and Human Resources

Business meeting, to mark up S. 2488, to grant employees parental and temporary medical leave under certain circumstances, S. 1808, to require the Secretary of Health and Human Services to determine the appropriate regulatory classification of the transitional devices of the Medical Device Amendments, S. 2229, to authorize funds for fiscal years 1989, 1990, and 1991 for health research and related teaching facilities, and training of professional health personnel as contained in title VII of the Public Health Service Act, and S. 1950, to authorize funds for adolescent family life demonstration projects.

SD-430

9:30 a.m.

Small Business

Rural Economy and Family Farming Subcommittee

To resume hearings to identify prospects for economic development in rural America.

SR-428A

10:00 a.m.

Banking, Housing, and Urban Affairs

To continue oversight hearings on the Federal Reserve's Second Monetary Policy Report of 1988.

SD-538

JULY 14

9:30 a.m.

Agriculture, Nutrition, and Forestry

Agricultural Credit Subcommittee

To resume oversight hearings on the implementation of the Agricultural Credit Act (P.L. 100-233).

SR-332

Veterans' Affairs

To hold oversight hearings to examine the extent of post traumatic stress disorder on veterans.

SD-628

JULY 27

9:30 a.m.

Governmental Affairs

Oversight of Government Subcommittee

To hold oversight hearings to review the Department of Defense safety program for chemical and biological warfare research.

SD-342

JULY 28

9:30 a.m.

Governmental Affairs

Oversight of Government Management Subcommittee

To continue oversight hearings to review the Department of Defense safety program for chemical and biological warfare research.

SD-342

AUGUST 11

9:00 a.m.

Veterans' Affairs

To hold oversight hearings to review certain veterans health care programs.

SH-216

HOUSE OF REPRESENTATIVES—*Thursday, June 30, 1988*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We see so clearly, O God, the things that separate us and all the differences of history and geography and tradition between us and all people. Yet, in this time of prayer, we ask to see more clearly those values that bind us together as one people. As we are all created by Your hand as You have breathed into us the very breath of life, so let us as a united people give You thanks and praise for the precious gift of life. And, O God, as we focus on You and Your grace to us, may we also treat those people about us with a measure of the love that You have already given. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 3893. An Act to amend the provisions of the Toxic Substances Control Act relating to asbestos in the Nation's schools by providing adequate time for local educational agencies to submit asbestos management plans to State Governors and to begin implementation of those plans; and

H.R. 4288. An Act to designate the Federal Building located at the corner of Locust Street and West Cumberland Avenue in Knoxville, TN, as the "John J. Duncan Federal Building".

PROTESTING CHINA'S CALLOUS DISREGARD FOR THE IMPLICATIONS OF ITS ARMS TRANSFERS IN THE MIDDLE EAST

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, I am initiating strong bipartisan protest letters to the Government of the People's Republic of China and to Secretary Shultz that I would urge my colleagues to sign. These letters protest China's callous disregard for the implications of its arms transfers in the Middle East. We and the Chinese, Mr. Speaker, have appropriately come a long way in improving relations with each other but Congress and the administration cannot stand idly by when the Chinese repeatedly destabilize the Middle East and undermine both America's interests in the region's stability and the regional stability with its dangerous arms transfers. Silkworm missiles have rained death and destruction in the Iran-Iraq War. They continue to threaten international shipping and our ships and personnel in the Persian Gulf.

Despite American efforts, Mr. Speaker, China remains a major weapon supplier to Iran. China has introduced an intermediate range ballistic missile into the Middle East and Saudi Arabia which could have devastating consequences. Now we read that China may sell ballistic missiles to Syria.

Mr. Speaker, we must tell China that their reckless policies will no longer be tolerated by this Government. We must reassess our technology transfers to China, if the Chinese do not choose to act more responsibly.

I urge my colleagues to join in calling on the Chinese to change their dangerous and destabilizing course in this region.

FEDERAL GOVERNMENT SHOULD NOT TAX INTEREST ON STATE AND LOCAL BONDS

(Mr. COMBEST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COMBEST. Mr. Speaker, today I am introducing a resolution that I hope will put Congress on record opposing Federal intrusions into an area long considered to be within the domain of State and local governments.

Recently, the Supreme Court ruled that the Constitution does not prevent the Federal Government from taxing the interest on State and local bonds. It is important that we respect the special functions of each level of government in our federalist system. In the past, Congress has understood the important role of public purpose bonds and refrained from interfering in the financial matters of our States, cities and counties.

Taking away the tax exemption of State and municipal bonds will be self-defeating. Eliminating the exemption will remove the incentive to purchase these bonds, which fund only local public projects such as schools, bridges, prisons, and water facilities. Consequently, a major source of revenue for State and local governments will all but disappear and their ability to fund necessary local projects will be drastically impaired.

Because the projects they finance are initiated and funded at the local level, municipal bonds provide an effective and efficient way to address the needs of local constituencies. Providing these services is one of the most important functions of government at these levels.

I ask my colleagues to cosponsor this resolution and preserve the traditional tax exempt status of public purpose municipal bonds.

THE MONTGOMERY GI BILL—ALIVE AND WELL

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, tomorrow marks the third anniversary of the Montgomery GI bill. Three years ago, new active duty recruits and members of the National Guard and selected reserve were first offered the opportunity to participate in this new educational assistance program for the All Volunteer Force. Since that time, over 514,000 young men and women have signed up for the GI bill-active duty, and over 90,000 members of the selected reserve have gone to school under the program.

As originally enacted in 1984, the GI bill was established as a 3-year test. But for the support and commitment on the part of my colleagues in the Congress and you, Mr. Speaker, today would mark the ending of this program.

The following participation rates for May 1988, clearly demonstrate the popularity of the GI bill: Army, 91.9 percent; Navy, 72.1 percent; Air Force, 75.7 percent; Marine Corps, 74.0 percent; and DOD wide, 80.4 percent. Additionally, I want to point out that the basic pay reductions, which are required under the Montgomery GI bill-active duty, have returned over $462 million to the Treasury. The program is not free—which proves these young men and women want an education.

On behalf of the hundreds of thousands of young men and women who are now able to further their education under the GI bill, I want to thank all of my colleagues for ensuring that the program is still alive and well.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface **indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.**

MONTGOMERY PEACETIME GI BILL—A SUCCESS STORY

(Mr. SOLOMON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SOLOMON. Mr. Speaker, I also would like to speak on the success of the Sonny Montgomery peacetime GI bill. The previous speaker, Congressman MONTGOMERY, is a little modest because he did not mention that he is the father of the peacetime GI bill which is really the reason why we have a successful all-voluntary military today.

Ladies and gentlemen, you would be so proud of the young men and women who are enlisting in record numbers in the military today. One of the reasons they are is because of the success of the peacetime GI bill that SONNY MONTGOMERY has just talked about. Not only has it been a great incentive for young men and women with rising educational costs today to enlist in the military but it has also been a great retention because many young men and women who were staying in the military for just a short time now are making careers out of the military.

So I want to commend the gentleman from Mississippi for his fantastic work in developing this program which really is making our military today such a fine success.

SPENTAGON REPLACES PENTAGON

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, if Willie Sutton were alive today, he would be a Pentagon consultant. Why? Because that's where the money is. The Spentagon has replaced the Pentagon.

During his lifetime, Sutton made a career of robbing banks. He assaulted some 20 banks for a total haul of around $1 million. When asked why he robbed banks, he replied, "Because that's where the money is." But Sutton's lifetime earnings were pocket-change compared to what is available from the public treasury.

The Pentagon spends $300,000 every minute of every day, 7 days a week, 365 days a year. A 4-minute Spentagon spree totals more than Willie Sutton earned in his entire lifetime.

No wonder the Willie Suttons of the 1980's are prowling the halls of the Pentagon. That's where the money is.

The Pentagon does not need more ethics laws. I will settle for armed guards and K-9 patrols.

OUTRAGE AT MEXICAN GOVERNMENT'S DECISION TO FREE CONVICTED TERRORIST

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, as a regular participant in the Mexico-United States interparliamentary conferences, I am shocked and outraged by the Mexican Government's decision to free a convicted terrorist wanted in the United States.

The Mexican decision to send William Morales to Cuba instead of returning him to the United States is an inexcusable, calculated offense that can only be interpreted as a deliberate slap in the face by the Mexican Government. It threatens to make a complete mockery of any professed cooperation between our two nations to combat international terrorism.

That the Mexicans would release this particular individual is doubly outrageous because he was personally linked with a plot to bomb the meeting of Mexican and United States Congressmen in Puebla, Mexico, in 1983, a meeting that a number of us were scheduled to attend.

Apparently there are certain members of the Mexican Government whose hostility for the United States cannot be disguised. I hold those individuals personally responsible for this offense directed against the United States.

UPDATE ON TRADE IMBALANCE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, since Ronald Reagan took office, imports have skyrocketed. West Germany had an increase of 850 percent; England 430 percent; France 380 percent; Taiwan 270 percent; and good old Japan 230 percent.

But the President said, "Don't panic." He would drive the value of the dollar down and that would do it all. He drove it down to dangerously low levels and the best that could happen is we had a 1 month deficit of just $10 billion.

Ladies and gentlemen, we need a trade bill. Our trading partners keep laughing at us all the way to the bank and the American workers keep hurting and keep crying. What is wrong with us?

The sad truth is if Ronald Reagan would have coupled a good trade policy with some of his other economic measures we would not have this problem today.

One other thing I would say: we should also give the American workers the courtesy of a plant closing notice. Otherwise I could not blame them for giving every politician in DC a job service notice on election day.

ACID RAIN IS SECOND LARGEST KILLER OF ESTUARIES IN THE CAROLINAS

(Mr. RAVENEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAVENEL. Mr. Speaker, we in the Carolinas have been blessed with some of the most beautiful, natural areas in this country. Our coastal estuaries are a sportsman's paradise and our Blue Ridge Mountains harbor a diversity of life almost unique in a temperate zone. Yet, both are threatened with devastation by a killer known as acid rain. A recent environmental defense fund study concluded that acid rain is the second largest contributor of deadly quantities of nitrogen into our estuaries. Upon visiting Mount Mitchell, I was appalled to see the forests ravaged by what looked like a great forest fire. Unquestionably, the cause of this tragic destruction is a killing fog estimated to be as much as 1,000 times as acidic as normal rainfall. I urge my Democrat colleagues to bring legislation to the floor of this House that will control this despoiler of our environment—acid rain. The time is late and the need is getting desperate.

□ 1015

INITIAL HASC HEARING ON PENTAGON PROCUREMENT SCANDAL PROVIDES A BLEAK PICTURE OF MANAGEMENT PRACTICES

(Mr. BRENNAN asked and was given permission to address the House for 1 minute.)

Mr. BRENNAN. Mr. Speaker, yesterday the House Armed Services Committee began a series of hearings on the Pentagon procurement scandal. The information provided by Under Secretary Costello was disappointing.

In what has been described as the "biggest Pentagon procurement scandal" in history, there has not yet been one single person suspended or fired from their current job at the Pentagon. This is absolutely amazing after 2 years of investigation.

This sends absolutely the wrong signal to the American taxpayer and to the honest civil servant at the Pentagon. The business-as-usual management practice by Pentagon officials indicates a real lack of aggressiveness concerning this scandal.

If a member of my staff were stealing typewriters and I had reasonable grounds to believe they were, they would be fired. We would not wait until there is a trial and the appeals are all exhausted.

I, and I think, all Americans would like to see more aggressive action by Pentagon officials to deal with this scandal.

Mr. Speaker, I urge Secretary Carlucci to take action to remove from Pentagon payrolls those against whom they have strong evidence of corruption.

D.C. RESIDENCY REQUIREMENT FOUND WANTING AGAIN

(Mr. PARRIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PARRIS. Mr. Speaker, 48 hours ago Congress in its wisdom, and consistent with its constitutional responsibilities, adopted my amendment to eliminate the residency requirement in personnel practices in this city. That action elicited a fairly strong reaction in some quarters, particularly from the city's leadership.

During that debate I informed my colleagues that the D.C. Director of Personnel, Mr. Theodore Thornton, actually lived in Columbia, MD, even though he is responsible for enforcing the District's residency requirement itself. The next day the Mayor indicated that in his opinion Thornton was in compliance with the requirement, even though 40 policemen and firemen had been threatened with actions against their job security because they had the same living arrangements as he did.

This morning the city newspaper reported that Thornton is resigning his position as D.C. Director of Personnel and is simultaneously being hired by the city as a consultant, with the same duties, with the same office, and with the same compensation. This is nothing more than a public admission that he does not in fact meet the residency requirement.

This has happened before with the Director of Labor and others. There is no change in status. It is a paperwork exercise. It reflects one of the fundamental problems with the residency requirement.

It is simply not being evenhandedly applied, it is unfair and it ought to be eliminated, and soon.

REAGAN APPROVES CONCEPT OF WAITING PERIOD FOR PURCHASE OF HANDGUNS

(Mr. FAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAZIO. Mr. Speaker, the other day at his press conference in Toronto, President Reagan endorsed the concept of a uniform, national waiting period for the purchase of handguns. This is a law that has been on the books in California for many years. The 15-day waiting period allows the State of California to determine whether a prospective purchaser of a handgun has a history of mental illness, has a felony in his background, or perhaps is not a citizen.

The President's support gives new impetus to legislation that is before the Congress in this session. Coming from a President who has traditionally given his unequivocal support to the National Rifle Association's views, I am hopeful that despite the opposition of some groups like the NRA, the President's wisdom can be compelling and the Congress can report out that bill. Members of Congress need to express their will on what is a very rational way to prevent some of the carnage that occurs when the wrong people—people who have no right to bear arms in many of our States—are allowed to own them. Quickie, over-the-counter handgun sales, when allowed in certain jurisdictions, undermine the laws of other States where waiting periods are in effect. Yet, waiting periods do not take away the right of handgun ownership for those who are legally entitled to own them.

A national waiting period—a delay of a few days—is small enough price to pay to curb the unnecessary and senseless violence caused by handguns. It is time for Congress to say no to those who reject the arguments of law enforcement agencies across the land—the NRA first and foremost—and enact this bill.

A BILL TO ISSUE A SILVER COIN IN COMMEMORATION OF THE 100TH ANNIVERSARY OF STATEHOOD FOR IDAHO, MONTANA, NORTH AND SOUTH DAKOTA, WASHINGTON, AND WYOMING

(Mr. CRAIG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRAIG. Mr. Speaker, I rise today to introduce an important bill to several States in the West and Midwest and to my own State of Idaho. This measure would create a commemorative silver coin to mark the 100th anniversaries of the States of Idaho, Montana, North and South Dakota, Washington, and Wyoming. These States will be celebrating their centennials through 1989. I believe this measure is the ideal way to recognize and to celebrate the centennials of these six States.

Our States have a great deal in common, not only in geographical placement, but in the ways of life of our citizens. For example, each of these States places a high priority on natural resources; we live with them and by them. From North Dakota who leads the Nation in the production of wheat, to the State of Washington who leads in lumber, to my own State of Idaho who mines roughly 40 percent of U.S. silver, we depend upon our natural resources.

Mr. Speaker, I am aware of similar legislation in the Senate which would strike a commemorative coin from the metal palladium. While I respect the efforts of this legislation, I believe a coin struck in silver would be the preferred one for the centennial celebrations.

It is an important fact that most of these six States, particularly my State of Idaho, devote much effort to the mining of silver. Thus, a silver coin is the most fitting alternative. In addition, a silver coin would serve to help our mining industries in the recovery now underway.

Mr. Speaker, a silver coin is the appropriate metal to be used in the striking of a commemorative coin for our centennial celebrations. It would be consistent with the history and economy of the region.

PERSONAL EXPLANATION

(Mr. HAYES of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYES of Illinois. Mr. Speaker, due to personal family concerns, I was unable to be in attendance for the official business of the House on yesterday. Had I been in attendance, I would have voted in support of the final passage of H.R. 1158, the Fair Housing Amendments Act of 1988, and would have opposed all weakening amendments.

Mr. Speaker, I ask unanimous consent that my statement in support of this legislation, of which I am a sponsor, be inserted in the permanent RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

DEPLORING MEXICO'S DECISION TO FREE TERRORIST WILLIAM MORALES

(Mr. KOLBE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOLBE. Mr. Speaker, I consider myself a friend of Mexico and have through the years applauded the efforts of both the United States and Mexico to improve their economic and political relationships. But friends must also express their dismay, and today I do express my dismay at Mexico's decision this week to free convicted terrorist William Morales.

The leader of a radical Puerto Rican separatist group, Morales has been implicated in more than 50 terrorist attacks in the United States. These include a 1975 bombing in New York that killed 4 people and injured 60 others.

In 1979, Morales escaped from detention at New York's Bellevue Hospital. He fled to Mexico, where a Mexican judge convicted him in connection with the murder of a Mexican federal law enforcement officer and sent him to prison. Since 1983, the United States has sought to extradite Morales here to complete his sentence. Incredibly, the Mexican Government not only refused this request but on Friday they freed Morales from detention without officially notifying the United States.

Morales was allowed to get on a plane and leave for Cuba, where presumably he is now plotting more terrorist bombings against American citizens.

Implicit in this decision to release Morales is Mexico's official support for Puerto Rican separatists, who advocate the overthrow of the Puerto Rican Government by force. This is clearly at odds with the Puerto Rican people, who voted overwhelmingly in free elections to remain part of the United States.

Mr. Speaker, William Morales' acts are criminal, not political. His preferred instrument of political change is not the ballot but the bomb. I urge Mexico to join with the United States in reaffirming our joint commitment to fighting international terrorism.

A SALUTE AND A COMMENDATION TO SPEAKER WRIGHT

(Mr. GRAY of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRAY of Illinois. Mr. Speaker, I rise to salute and to commend our distinguished Speaker for doing a superb job.

This morning, at 9:30 a press conference was held in the Rayburn Room, pointing out that not since 1960—and, Mr. Speaker, you and I were both here 28 years ago—have all 13 appropriation bills been passed by June 30. In addition to that, Mr. Speaker, you pointed out, rightly so, that this Congress has accepted leadership, and that seven major areas have been addressed by this House of Representatives before June 20—a Clean Water Act, a highway bill, a trade bill, a housing bill, an education bill, a farm credit bill, and a Civil Rights Restoration Act.

I think that is a superb job, Mr. Speaker, and I take my hat off to you.

PERMISSION FOR COMMITTEE ON RULES TO FILE REPORT ON RULE PROVIDING FOR CONSIDERATION OF H.R. 4174, SMALL BUSINESS ADMINISTRATION REAUTHORIZATION AMENDMENT ACT OF 1988

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until 5 p.m. today, June 30, 1988, to file a privileged report on a rule providing for the consideration of H.R. 4174, Small Business Administration Reauthorization Amendment Act of 1988.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

Mr. WALKER. Reserving the right to object, Mr. Speaker, I would just ask the gentleman, do we expect this to be an open rule?

Mr. FOLEY. Yes. Mr. Speaker, if the gentleman will yield, I would inform the gentleman that I expect this to be an open rule, and this request has been approved by the leadership on the Republican side.

Mr. WALKER. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON VETERANS' AFFAIRS

The SPEAKER laid before the House the following communication from the chairman of the Committee on Veterans' Affairs, which was read and referred to the Committee on Appropriations:

COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC, June 28, 1988.

Hon. JIM WRIGHT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Section 5004 of title 38, United States Code, requires that the Committees on Veterans' Affairs adopt a resolution approving major medical construction projects and leases of $500,000 or more proposed by the Veterans' Administration for each fiscal year. The House Committee on Veterans Affairs met on June 28, 1988, and authorized the construction of various projects in Fiscal Year 1989 by unanimous voice vote.

A copy of the Resolution adopted by the Committee and a listing of the projects authorized are enclosed.

Sincerely yours,
G.V. (SONNY) MONTGOMERY,
Chairman.

GENERAL LEAVE

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on H.R. 4567, making appropriations for energy and water development for the fiscal year ending September 30, 1989, as well as the Senate amendments reported in disagreement, and that I may include extraneous material and tables.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

CONFERENCE REPORT ON H.R. 4567, ENERGY AND WATER DEVELOPMENT APPROPRIATION, 1988

Mr. BEVILL. Mr. Speaker, I call up the conference report on the bill (H.R. 4567) making appropriations for energy and water development for the fiscal year ending September 30, 1989, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of June 22, 1988, at page H 4617).

The SPEAKER. The gentleman from Alabama [Mr. BEVILL] will be recognized for 30 minutes and the gentleman from Indiana [Mr. MYERS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Alabama [Mr. BEVILL].

Mr. BEVILL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to present the conference report on the fiscal year 1989 energy and water development appropriation bill for your favorable consideration. Our colleagues will recall that debate on this bill occurred in the House on May 17. The bill was passed by 384 to 20 in the House and 92 to 5 in the Senate.

Mr. Speaker, our conference committee meeting was held on Wednesday, June 22. I wish to compliment our friends from the other body, particularly the Senator from Louisiana [Mr. JOHNSTON] the chairman of the Senate Subcommittee, and the Senator from Oregon [Mr. HATFIELD] the ranking minority member, for the fine spirit of compromise displayed in the conference meeting. I also wish to thank my colleagues, the House conferees, for their support and their valuable contributions during the conference deliberations.

Now I would like to comment on various aspects of the conference agreement.

Mr. Speaker, this bill is one that will be signed by the President. It is below the subcommittee's section 302(b) allocation for budget authority and is $313 million below the budget request.

Mr. Speaker, for the various agencies and programs under the jurisdiction of the Energy and Water Development Subcommittee, the committee of conference recommends

$17,831,995,000 in new budget authority. This amount is $312,552,000 less than the budget request, $44,495,000 over the House bill and $124,906,000 less than the Senate bill.

The conference agreement we present to you today is the culmination of an intense 4 months of effort on the part of the House committee and the same review by the Senate committee. During this period we have heard testimony from hundreds of witnesses—contained in eight hearing volumes of thousands of pages. This is the first appropriation bill conferenced for fiscal year 1989. Bringing it up at this time and at this level, is an indication that Congress is serious about deficit reduction and attempting to avoid a comprehensive continuing resolution.

The House considered the energy and water development appropriation bill on the floor in 1 day. The Senate had a total of 45 numbered amendments to the bill. But, within those 45 amendments, there are nearly 400 individual items in disagreement. The conference agreement represents the best efforts of the House and Senate conferees to achieve consensus on those 400 items. Many items had to be reduced or changed to accomplish agreement with the Senate. In addition, we had to keep in mind the need to have a bill that was acceptable to the administration.

Your House conferees did their best to maintain the House position. However, to bring back a conference report that is within the budget allocation for the energy and water development programs, a great many items had to be compromised.

We would like more money for energy, for the weapons program, and for the water projects. But if we stayed within the 302(b) allocation and comply with the budget summit agreement, we could not provide all of the funds for all of the programs and projects to the extent we would have liked.

With regard to the provision in the House bill dealing with a drug free workplace, the Senate-passed version strikes this provision. The conferees strongly agreed with the intent of the House provision; however, many had problems with the wording and satisfactory modification of the wording was not achievable within the limitations of the conference. The Senate conferees indicated that there would be a provision included in one of the Senate-passed appropriation bills. This provision will have Government-wide application. With this assurance, the House conferees receded to the Senate position.

Mr. Speaker, the conference agreement contains $3,236,261,000 in title I for the Army Corps of Engineers. This is $22,071,000 less than the bill as passed by the House and $186,000 less than the Senate-passed bill. These funds will finance 337 water resources projects in the planning or construction phase.

For title II, the Bureau of Reclamation, the conferees recommend a total of $993,621,000 which is $138,000 more than the House-passed bill and the same as the Senate-passed bill. This will fund 121 water resources projects in the planning or construction phase.

In my view, the conference agreement provides for a financially prudent and environmentally sound Water Resources Development Program.

The conference agreement contains $13,156,112,000 for the Department of Energy programs in title III. This includes $2,142,326,000 for energy supply, research and development activities; $325,743,000 for power marketing administrations; $369,832,000 for the nuclear waste disposal fund; and $922,116,000 for general science and research activities. The energy accounts include $148,789,000 for solar, geothermal, and electric energy systems and storage; $610,468,000 for nuclear energy; and $351,500,000 for magnetic fusion. The conference agreement provides a total of $8,100,000,000 for atomic energy defense activities. This is an increase of $350,636,000 over the fiscal year 1988 level and equal to the President's budget request.

Mr. Speaker, the conference agreement includes $446,001,000 for six independent agencies and commissions in title IV, including $110,700,000 for the Appalachian Regional Commission, $231,000,000 for the Nuclear Regulatory Commission, and $103,000,000 is provided for the Tennessee Valley Authority.

I will insert a table in the Record at this point which summarizes the financial aspects of the conference agreement.

I would like to call Members' attention to several minor typographical errors in the conference report printed in the June 22, 1988, Congressional Record. In the portion of the report dealing with amendment No. 10, the amended amendment contains the word "previous." It should be "previously." In the paragraph dealing with amendment No. 11, the first number should be $1,370,714,000 rather than $1,379,714,000. In this same paragraph, the second number should be $1,378,833,000 rather than $1,378,333. In the portion of the report dealing with amendment No. 12, the period at the end of the amended amendment typed in italics should be stricken. In the paragraph dealing with amendment No. 17, the first number should be $14,250,000 instead of $14,150,000. In the portion of the report dealing with amendment No. 24, the amended amendment in italics contains the word "Administration." It should be "Administrative." In the paragraph dealing with amendment No. 31, the second number should be $8,092,100,000 instead of $8,092,000,000. In the portion of the report dealing with amendment No. 34, the third paragraph should be in italics.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY

	Fiscal year 1988 enacted	Fiscal year 1989 estimates	House	Senate	Conference
TITLE I - DEPARTMENT OF DEFENSE - CIVIL					
DEPARTMENT OF THE ARMY					
Corps of Engineers - Civil					
General investigations	138,767,000	129,271,000	142,405,000	140,411,000	142,405,000
Construction, general	1,200,175,000	1,227,570,000	1,193,687,000	1,184,735,000	1,184,735,000
Flood control and coastal emergencies	20,000,000	25,000,000	25,000,000	20,000,000	20,000,000
Flood control, Mississippi River and tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee	317,704,000	334,297,000	337,980,000	337,980,000	337,980,000
Operation and maintenance, general 1/	1,400,000,000	1,372,894,000	1,378,833,000	1,362,894,000	1,370,714,000
General Regulatory Functions	55,262,000	60,427,000	60,427,000	60,427,000	60,427,000
Revolving Fund	---	35,174,000	---	10,000,000	---
General expenses	115,200,000	123,465,000	120,000,000	120,000,000	120,000,000
Total, title I, Department of Defense - Civil: New budget (obligational) authority	3,247,108,000	3,308,098,000	3,258,332,000	3,236,447,000	3,236,261,000
TITLE II - DEPARTMENT OF THE INTERIOR					
Bureau of Reclamation					
General investigations	16,590,000	12,286,000	13,761,000	14,250,000	14,250,000
Construction program	703,716,000	698,236,000	709,332,000	712,905,000	712,305,000
Operation and maintenance	151,000,000	183,231,000	192,331,000	183,231,000	187,731,000
Loan program	32,309,000	19,022,000	29,022,000	26,022,000	26,022,000
(Limitation on direct loans)	(31,972,000)	(17,766,000)	(27,766,000)	(24,766,000)	(27,766,000)
General administrative expenses	51,690,000	50,313,000	48,313,000	48,313,000	48,313,000
Emergency fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Working Capital fund	---	7,900,000	---	7,900,000	4,000,000
Colorado River Dam fund (by transfer, permanent authority)	(-7,003,000)	(-2,485,000)	(-2,485,000)	(-2,485,000)	(-2,485,000)
Total, Bureau of Reclamation	956,305,000	971,988,000	993,759,000	993,621,000	993,621,000
Total, title II, Department of the Interior:					
New budget (obligational) authority	956,305,000	971,988,000	993,759,000	993,621,000	993,621,000
(Limitation on direct loans)	(31,972,000)	(17,766,000)	(27,766,000)	(24,766,000)	(27,766,000)
(By transfer)	(-7,003,000)	(-2,485,000)	(-2,485,000)	(-2,485,000)	(-2,485,000)
TITLE III - DEPARTMENT OF ENERGY					
Energy Supply, Research and Development Activities:					
Operating Expenses	1,646,724,000	1,732,118,000	1,811,190,000	1,895,594,000	1,828,394,000
Plant and Capital Equipment	341,633,000	237,642,000	261,432,000	312,832,000	313,932,000
(By transfer)	(104,000,000)	---	---	---	---
Subtotal	1,988,357,000	1,969,760,000	2,072,622,000	2,208,426,000	2,142,326,000
Isotope production and distribution fund	---	16,243,000	---	---	---
Uranium Supply and Enrichment Activities:					
Operating Expenses	916,000,000	1,103,300,000	1,060,680,000	1,106,600,000	1,063,080,000
Plant and Capital Equipment	34,000,000	80,700,000	72,400,000	75,000,000	70,000,000
Total	950,000,000	1,184,000,000	1,133,080,000	1,181,600,000	1,133,080,000
Gross revenues	(-1,301,000,000)	(-1,276,000,000)	(-1,276,000,000)	(-1,276,000,000)	(-1,276,000,000)
General Science and Research Activities:					
Operating Expenses	627,423,000	266,254,000	737,916,000	716,916,000	714,916,000
Plant and Capital Equipment	177,075,000	98,732,000	191,200,000	217,700,000	207,200,000
Subtotal	804,498,000	364,986,000	929,116,000	934,616,000	922,116,000
Basic research user facilities	---	972,613,000	---	---	---
Nuclear Waste Disposal Fund	360,000,000	448,832,000	369,832,000	369,832,000	369,832,000
Atomic Energy Defense Activites:					
Operating Expenses	6,253,465,000	6,632,025,000	6,627,025,000	6,657,025,000	6,660,925,000
Plant and Capital Equipment	1,495,899,000	1,467,975,000	1,472,975,000	1,435,075,000	1,439,075,000
Subtotal	7,749,364,000	8,100,000,000	8,100,000,000	8,092,100,000	8,100,000,000
Departmental Administration:					
Operating Expenses	389,536,000	394,925,000	396,503,000	396,503,000	396,503,000
Plant and Capital Equipment	5,977,000	7,162,000	7,162,000	7,162,000	7,162,000
Subtotal	395,513,000	402,087,000	403,665,000	403,665,000	403,665,000
Miscellaneous revenues	-233,896,000	-224,273,000	-240,725,000	-240,725,000	-240,725,000
Net appropriation	161,617,000	177,814,000	162,940,000	162,940,000	162,940,000

1/ Reflects transfer of $55,262,000 to "General Regulatory Functions" in FY88 Enacted.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY—Continued

	Fiscal year 1988 enacted	Fiscal year 1989 estimates	House	Senate	Conference
Power Marketing Administrations					
Operation and maintenance, Alaska Power Administration	3,026,000	3,159,000	3,159,000	3,159,000	3,159,000
Operation and maintenance, Southeastern Power Administration	27,400,000	36,267,000	36,267,000	36,267,000	36,267,000
Operation and maintenance, Southwestern Power Administration	16,648,000	15,389,000	15,389,000	15,389,000	15,389,000
Construction, rehabilitation, operation and maintenance, Western Area Power Administration	242,512,000	295,928,000	270,928,000	270,928,000	270,928,000
(By transfer, permanent authority)	(7,003,000)	(2,485,000)	(2,485,000)	(2,485,000)	(2,485,000)
Subtotal	289,586,000	350,743,000	325,743,000	325,743,000	325,743,000
Federal Energy Regulatory Commission					
Salaries and expenses	100,000,000	106,760,000	108,760,000	108,760,000	108,760,000
Revenues Applied	-100,000,000	-106,760,000	-108,760,000	-108,760,000	-108,760,000
Subtotal	---	---	---	---	---
Geothermal Resources Development Fund					
Geothermal loan guarantee and interest assistance program	72,000	75,000	75,000	75,000	75,000
Total, title III, Department of Energy:					
New budget (obligational) authority	12,303,494,000	13,585,066,000	13,093,408,000	13,275,332,000	13,156,112,000
Operating Expenses	(10,248,910,000)	(11,692,855,000)	(11,088,239,000)	(11,227,563,000)	(11,118,743,000)
Plant and Capital Equipment	(2,054,584,000)	(1,892,211,000)	(2,005,169,000)	(2,047,769,000)	(2,037,369,000)
(By transfer)	(111,003,000)	(2,485,000)	(2,485,000)	(2,485,000)	(2,485,000)
TITLE IV - INDEPENDENT AGENCIES					
Appalachian Regional Commission:					
Appalachian regional development programs	107,000,000	---	107,000,000	110,700,000	110,700,000
Delaware River Basin Commission:					
Salaries and expenses	203,000	205,000	205,000	205,000	205,000
Contribution to Delaware River Basin Commission	263,000	263,000	263,000	263,000	263,000
Total, Delaware River Basin Commission	466,000	468,000	468,000	468,000	468,000
Interstate Commission on the Potomac River Basin:					
Contribution to Interstate Commission on the Potomac River Basin	379,000	---	79,000	379,000	379,000
Nuclear Regulatory Commission:					
Salaries and expenses	392,800,000	450,000,000	420,000,000	430,000,000	420,000,000
Revenues	-196,400,000	-247,500,000	-189,000,000	-193,500,000	-189,000,000
Total, Nuclear Regulatory Commission	196,400,000	202,500,000	231,000,000	236,500,000	231,000,000
Susquehanna River Basin Commission:					
Salaries and expenses	197,000	192,000	192,000	192,000	192,000
Contribution to Susquehanna River Basin Commission	249,000	262,000	262,000	262,000	262,000
Total, Susquehanna River Basin Commission	446,000	454,000	454,000	454,000	454,000
Tennessee Valley Authority:					
Tennessee Valley Authority Fund	103,000,000	75,973,000	103,000,000	103,000,000	103,000,000
Total, title IV, Independent agencies:					
New budget (obligational) authority	407,691,000	279,395,000	442,001,000	451,501,000	446,001,000
Grand total, all titles:					
New budget (obligational) authority	16,914,598,000	18,144,547,000	17,787,500,000	17,956,901,000	17,831,995,000
(Limitation on direct loans)	(31,972,000)	(17,766,000)	(27,766,000)	(24,766,000)	(27,766,000)
(By transfer)	(104,000,000)	---	---	---	---

□ 1030

Mr. MYERS of Indiana. Mr. Speaker, as has already been presented, the House for the first time in 28 years has completed its responsibilities on the 13 appropriations bills in a timely fashion, and the House Members and the Appropriations Committees should be commended for this.

And now we bring to the floor the first conference report on those 13 bills, and I am quite sure that the Appropriations Committee, particularly the House side I can speak for, hope and expect to bring all conference reports to the floor for consideration before the end of this fiscal year.

I particularly want to thank the gentleman from Alabama [Mr. BEVILL], the chairman, and other members of our committee and particularly the gentlewoman from Nebraska [Mrs. SMITH] who was prepared last night in my unavoidable absence to take the responsibility of managing this report. I also want to thank each member of the staff of our committee who worked very diligently and the Senate Members, Senator JOHNSTON as well as Senator HATFIELD.

Mr. Speaker, this was not an easy conference, as none of them will be, particularly in light of the budget summit agreement last December, and then with the restrictions necessarily imposed by our 302(b) allocations. This year we had a particular problem, I suppose, as other subcommittees are going to have. The fact is that the Senate had a higher 302(b) allocation than the House. The 302(b) allocations, for those who are not familiar, are the allocations made to the various subcommittees on the budget.

So we did have a difference when we went to the conference that we just

could not live with. I am pleased that the other body, the Senate, was willing to compromise with us. The conference report we bring to the floor now is $125 million below the figure they had in their bill. It is $44.5 million above the figure we had, but it still is within the limitations placed by the 302(b) allocations and the summit. It is $313 million below the President's request. It is my understanding this bill is acceptable to the OMB. And I am quite certain the President will sign the bill.

Mr. Speaker, it is a good bill, and we have come to the floor for a good many years, the chairman, and I and other members of the Appropriations Committee, particularly the gentleman from Mississippi [Mr. Whitten], the full committee chairman, for a great number of years. I think this is one of the best bills ever, even though it is very tight, very close, and, as the gentleman from Alabama [Mr. Bevill], the chairman, has explained here, there are no new starts, and there are a lot of worthy, outstanding, good, needed programs that should have been started this year. Unfortunately, we just simply do not have the money this year to adequately fund both ongoing programs and start new projects.

So in our wisdom we have had no new starts this year in water projects or other major domestic energy projects. I know a lot of people would have liked to have seen it otherwise, but this is a good bill.

Mr. Speaker, we have worked out the differences with the other body, maybe not to the satisfaction of everyone, but that is what a conference is all about. It is a bill I think everyone can accept, and I hope they will support it today.

Mr. Speaker, I reserve the balance of my time.

Mr. BEVILL. Mr. Speaker, I yield such time as he may consume to our fellow colleague, the gentleman from California [Mr. Fazio].

Mr. FAZIO. Mr. Speaker, I rise in strong support of the conference report. I rise in strong support of the conference report on the fiscal year 1989 energy and water development appropriations bill.

I would like to thank my chairman, Congressman Tom Bevill, and my ranking minority member, Congressman John Myers, for the first-rate job they have done with this bill.

Chairman Bevill has said that this is the most difficult bill he has ever put together as chairman of the subcommittee. I share his view and respect him and his outstanding subcommittee staff for the fairness and prudence manifested in this act.

This is, of course, a very big country. There is a great deal of work to be done in water development, in energy research, supply and regulation, and in defense of this Nation that must be funded every year in this bill.

This bill helps our competitiveness in the most tangible sense: it funds our Nation's infrastructure. Infrastructure that moves cargo in our ports, that transfers water to our cities and sends electricity to communities. As our economy becomes even more integrated in the global community, this bill helps to ensure that we stay ahead, or at least even with, our competitors around the world. It protects, and sometimes creates jobs.

This bill funds basic scientific research and technology development that will help shape the infrastructure of tomorrow, so that the Nation we leave our children will be competitive as well.

As the only member of the subcommittee from California, I would like to underscore to my California colleagues that this bill does much for our State. Although some important new-start construction projects were not funded—one in my district, in fact—there are Corps of Engineers and Bureau of Reclamation items included in this bill which can positively impact every Californian in some way. All told, there are well over 100 California projects in the bill, from harbor dredging up in Crescent City to canal lining down in the Imperial Valley.

There is continued funding for flood protection projects throughout the State. I am particularly pleased with those studies included in the Corps of Engineers and Bureau of Reclamation budgets which will help us to address the flood control problems in Northern California, where the devastating flood of February 1986 is a recent memory. Many communities in the region, including Sacramento, are discussing the need for greater flood protection. The Federal investigations will provide the information and impetus for a decision in those communities.

There is also substantial funding in this bill which will benefit California's maritime commerce industry. Ports and harbors from Oceanside in the south to, again, Crescent City in the north would receive help from the Corps of Engineers to deepen channels, dredge harbors, and build breakwaters. An item of particular importance to my district is funding to continue deepening the 47-mile Sacramento Deepwater Ship Channel.

The conferees also adopted a provision which would require that no new, long-term contracts for water from the Central Valley project are executed prior to May 1, 1989. The provision will not effect the renewal of existing water contracts, nor will it impair the Bureau's ability to execute temporary contracts. It applies only to the new 1-million acre-feet of water made available by the coordinating operating agreement between the State water project and the Federal Central Valley project. The provision merely seeks to ensure this huge allocation is not made too hastily, and that a number of outstanding concerns in California are taken into account. Additionally, the delay will ensure that new water allocations are made by the next administration, which can be held fully accountable by Congress for the fair allocation of water.

I also want to point out that the conferees provided $65 million in borrowing authority to the Bonneville Power Administration for construction of the northern portion of the third A.C. intertie. This funding will help ensure expeditious completion of the intertie, which should be finished and supplying some 1,600 megawatts of electricity between the Pacific Northwest and the Pacific Southwest by the mid-1990's. It is my understanding that the initiation of Federal construction of the intertie will not preclude additional non-Federal participation in the northern portion of the intertie.

I would also like to express my disapproval of report language included by the Senate regarding an order by the Federal Energy Regulatory Commission (FERC Docket No. EF87-20011-003). I believe the FERC decision was well reasoned and reflects an appropriate balance between regional and nonregional interests that Congress intended in establishing FERC's review over BPA's nonregional rates. In contrast to the Senate's declaration that this order reverses 6 years of established Commission precedent, I note that this is the first time the Commission has addressed the issue of whether all sales to California should be considered nonfirm for purposes of section 7(k) rate review by the FERC.

I am pleased that funding appears in this bill to help resolve a chronic flood control problem at the Glenn-Colusa Irrigation District's intake on the Sacramento River. This provision was included with my support and with the support of northern California's Representatives Doug Bosco and Wally Herger. We realize that Glenn-Colusa's irrigation activity conflicts with young, migrating salmon. Unless this conflict is resolved satisfactorily, permits could be denied, irrigation could cease and very substantial economic damages would then be done to a large area of California.

Hopefully, our provision will allow the corps to contribute vital flood control element to a successful program to preserve the fish. Fish preservation is itself a very important goal. In our view, moreover, solving the fish conflict satisfactorily is the only way to preserve the viability of many millions of dollars worth of public facilities and many millions more of regional economic activity. These were our purposes for sponsoring the funding.

I am sure I speak for my colleagues when I thank the chairman and ranking minority members of the House and Senate subcommittees for recognizing the importance of this matter and the appropriateness of the Corps of Engineers making a vital flood control contribution to the solution.

The conferees have also added funding to continue U.S. leadership in research and development of renewable and alternative energy sources, as well as conservation research. Most importantly, the conferees provided a substantial increase over the administration's request for further research and development into photovoltaic energy system technologies.

We took this step in support of renewable energy in order to maintain our Nation's leadership position in this important renewable energy technology. The Japanese and the West Germans see the benefit in investing in these renewable technologies. In the current fiscal year, West Germany and Japan cutspent the United States by 50 percent and 20 percent on research into photovoltaics. Even the Netherlands and India currently outspend the United States in this critical technology. They are clearly investing in anticipation that the United States will back away from the potential multibillion markets for renewable energy industries. They are certainly convinced, as we once were of the significant return in future economic productivity and growth that investments in these technologies will yield.

The conferees recognized that we have made an enormous investment in these photovoltaic technologies and that these past investments are close to paying off both in energy produced and as important, as an emerging growth sector of our economy.

In conclusion, Mr. Speaker, I would just like to point out to the Members that George Urian, a good friend and staff member of the Energy and Water Development Subcommittee of the Committee on Appropriations, is retiring after 27 years of service with the committee. As most of the Members know, George has worked on the water resources section of our bill for some 22 years. If you are a Member who represents a community which has had a harbor dredged, a dam built, or flood protection expanded during that time, in one way or another George Urian is partially responsible. He's the one who has helped me and other members of this subcommittee sort through the projects and determine those with merit. His counsel has been extremely valuable.

I know we will all miss him greatly. George, we wish you all the best in the coming years.

Mr. Speaker, this conference report represents a fiscally sound compromise that continues a long and vital Federal investment in the Nation's economy, public safety, and national security. I urge my colleagues to join me in supporting it.

Mr. MYERS of Indiana. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Nebraska [Mrs. SMITH], a very valued member of this subcommittee.

Mrs. SMITH of Nebraska. Mr. Speaker, I thank the gentleman from Indiana [Mr. MYERS] for yielding this time to me.

Mr. Speaker, I rise as a member of the Appropriations Subcommittee on Energy and Water Development in support of this conference report on H.R. 4567, making appropriations for energy and water development for fiscal year 1989. I ask unanimous consent to revise and extend my remarks.

I support this bill even though it does not provide full funding for every undertaking wanted and needed for my State. But it does address the major energy and water concerns of Nebraska.

As a member of the committee of conference on this bill, I want to thank my colleagues in the House for sticking up for Nebraska when it counted.

My amendments approved by the conferees added $13.6 million to the President's budget requests for Nebraska projects for fiscal year 1989, bringing the Nebraska total to about $40 million, up from only $33.3 million the current fiscal year.

I commend our distinguished subcommittee chairman, the gentleman from Alabama [Mr. BEVILL]; the subcommittee's ranking minority member, the gentleman from Indiana [Mr. MYERS]; the distinguished chairman of our counterpart subcommittee in the other body, the gentleman from Louisiana [Mr. JOHNSTON]; the gentleman from Oregon [Mr. HATFIELD]; and all the conferees for bringing this excellent bill to the House for consideration and final approval in such timely fashion.

Once again our subcommittee is the first to bring up an appropriation conference report to send to the President.

Our subcommittee has had this distinction in the past; I note, however, this is the first conference report on energy and water development to be brought up separately from a continuing resolution since October 17, 1985.

The House has nearly always done its work on its version of this bill and other appropriations measures with far greater dispatch than the other body.

This year, however, both bodies are moving right along, the result mainly of the nonpartisan spirit in which members of the energy and water appropriations subcommittees of both bodies work together.

This nonpartisan cooperative spirit of working together for developing and strengthening our energy and water all over America is chiefly the reason that the House version passed the House on May 17 with such a huge majority of 384 to 20, and in the other body on June 15 by a vote of 92 to 5.

I submit to you that putting together a complex 5,000-piece jigsaw puzzle is simple compared to making appropriations bills faithfully reflect the wishes of and win the approval of such large majorities in the Congress. Adding the negative votes together, only 25 Members of the House and Senate dissented to these measures.

Then came the task of putting these two complicated bills together. As all Members are aware, it takes sophisticated computer systems to compare the differences in the two versions involving thousands of line items and pages and pages of report and bill language.

The Senate struck the Walker drug-free workplace amendment. The conferees agreed on the laudable intent of this legislation but were unable to produce a compromise within the limitations of the conference. The Senate conferees assured us that there would be a Governmentwide provision in a Senate-passed appropriations bill. The House accepted this guarantee and receded to the Senate on this issue.

Yet, because of extraordinary staff in both bodies, many of whom had to work into the wee hours, the conferees were able to reconcile nearly 400 individual items in disagreement contained within 45 Senate amendments to the bill. We had to keep in mind that the bill has to be acceptable to the White House.

To do that, we eliminated, for now, Senate language, the so-called McClure amendment, mandating that the Office of Management and Budget [OMB] must comply with congressional intent as set forth in this conference report and the reports accompanying the House bill and the Senate amendments.

This is a momentous issue, amounting to a policy struggle between the Congress and the executive branch and one that I feel deeply about.

Because of OMB's flat refusal to obey congressional intent in documents accompanying the appropriations bills covering the current fiscal year, Nebraska's North Loup Division came within a hair of being aborted without completing the crucial Davis Creek Dam feature.

Senator DAVID KARNES and I had to appeal to the President to overturn OMB's unexpected refusal to release funds for proceeding with this feature as clearly directed by Congress in the report documents.

Then, as a result of publicity arising from our struggle, funds in this bill for Davis Creek Dam for construction in fiscal year 1989 were challenged on the floor of the House this year on May 17. This forced the entire Nebraska congressional delegation, supported by Governor ORR of Nebraska, to work together to successfully defeat this challenge.

Many other projects suffered from OMB's refusal to obey report language. So I am sure we have not heard the last about this issue.

As Chairman BEVILL has presented here in detail, this is a carefully crafted conference report. It meets every budget test.

It is below the subcommittee's section 302(b) allocation for budget authority and $313 million below the budget request.

The committee of conference recommends $17,831,195,000 in new budget authority. This is $312,552,000 less than the budget request, $44,495,000 more than the House bill and $124,906,000 less than the Senate bill.

The conferees provided $9.7 billion for domestic water resource and energy programs. They provided $8.1 billion for atomic energy defense—consistent with the budget summit agreement and the Defense authorization bill.

I want to restate Chairman BEVILL's observation that this conference report is the culmination of an intense 4 months of effort by the House and Senate committees. During this period we have heard testimony from hundreds of witnesses—contained in eight hearing volumes of thousands of pages.

Accomplishing all this within the timeframe we set for ourselves demonstrates we are serious about doing our part about deficit reduction and about avoiding the continuing resolution chaos of both 1987 and 1988.

We are claiming success. But it was achieved with great pain. The funds in this bill rarely reflect our preferences. We would like more for energy, for the weapons program, and for water-resource development.

The facts are that a severe drought is pinching many of our friends and neighbors in the West and in the East. Besides threatening our vital food supply complex, the drought is impacting the 25,000 miles of our inland waterways. We are all aware of reports about dozens of barges being grounded in some of our rivers, particularly the Mississippi River.

To address consequences of the deepening drought, the conferees directed the Army Corps of Engineers to use available funds for emergency drought planning. Existing law provides sufficient authority for the corps to address certain emergency situations.

Contingency plans, based on the drought of the 1930's are in place regarding the "spending" of carryover water for hydroelectric power generation, navigation, and maintenance of minimum flows for other purposes.

Existing law, Public Law 84-99, empowers the Army Corps to provide emergency water supplies for both people and animals in areas declared by the Secretary of the Army as suffering emergency drought conditions.

This emergency water assistance includes drilling water wells and paying for transportation of emergency water supplies. Communities and individuals would have to pay for the water itself. The corps would pay for transportation only.

The conferees are keenly aware that the drought could get a lot worse as fiscal year 1989 gets underway, and they stand ready to provide additional reprogramming authority as necessary with respect to available funds.

As hard as we have tried to address every concern expressed to the subcommittee, not every one of our colleagues is pleased with what we have done. Indeed, to stay within the budget constraints, we had to spread significant pain around. A great many items had to be compromised.

To help the Senate find its nearly $125 million in reductions to meet the conference figures, I was among subcommittee members who had to take some heavy hits. Construction funds for two water projects impacting on western Nebraska were reduced for now by nearly $3.3 million, an 8.3-percent cut in funds earmarked for all of Nebraska.

We also eliminated any new construction starts on any water or energy projects. This included requests from many universities for initial funding for technology research facilities. These universities included one in our chairman's home State of Alabama as well as my own State's University of Nebraska.

But dissent will be heard. We will hear some colloquys to clarify the intent of some bill and report language. We may hear from colleagues who oppose one or more of the amendments in technical disagreement.

As a member of the committee of conference, I am particularly grateful for my colleagues' support when together we headed off a Senate move to cut in half $300,000 in water project planning funds earmarked for Nebraska and saved seven other of my amendments as well.

The Senate conferees had the slides greased so that my amendment would be cut in half to $150,000 and the reduction divided among five other States.

I insisted this money be retained for Nebraska because our State had received minuscule amounts from this fund, known as section 22 coordination funds administered through the Army Corps of Engineers.

Nebraska received only $20,000 in the current fiscal year, down from $30,000 the previous year, and up only slightly from the $17,000 allocated for each of the 2 years of 1985 and 1986.

I pointed out to the Senate conferees that Governor Orr had presented testimony to the committee requesting a total of $455,000 to address a backlog of water project studies.

I said that for years Nebraska got peanuts from this account. I said that $150,000 just won't do it, and $300,000 is only a good beginning. We have large-scale water problems, and adequate planning money is long overdue. Federal law limits these funds to $300,000 per year for any one State.

I provide for the RECORD this list of priority study projects from Michael Jess, Governor Orr's director of the State department of water resources:

First. Instream flows below Gavins Point and Fort Randall on the Missouri River.

Second. Restoration of the rainwater basin in the Holdrege area.

Third. Public-use maps for the Salt Valley near Lincoln.

Fourth. Comprehensive resources including recreation, historical, and cultural aspects on the Missouri River from Sioux City to Rulo.

Fifth. Backwater areas of the Missouri River for selected wildlife habitat.

Sixth. Statewide instream flow data for fish and wildlife.

My colleagues and I also staved off attempts to shave some of my other funding amendments, agreeing only to a temporary reduction in funds for repairing leaking dikes at the Glendo Dam and Reservoir in Wyoming. This project provides water for Nebraska's big Pathfinder Irrigation District.

The conference committee did reduce President Reagan's budget request of $14.8 million for continuing construction of the North Loup Division by $1.8 million.

But one of my amendments, however, provided an additional $10 million earmarked for constructing the project's Davis Creek Dam feature. Total North Loup funding, therefore, is $23 million for fiscal year 1989, about the same as scheduled for construction in the current year.

Fortunately, the conference reduction would not delay construction because Federal law provides that funds essential for keeping the work on schedule can be reprogrammed from other projects.

We also beat back Senate attempts to eliminate or reduce funds for the Missouri national recreation and bank stabilization project, the South Platte-Frenchman Valley project, and the Bostwick Irrigation District.

This bill approved by the House-Senate conference includes my amendments as follows:

$10,000,000 for proceeding with construction of the North Loup Division's Davis Creek Dam, plus $13,000,000 for continuing construction of other portion's of the division, which has been under construction since 1976.

$2,000,000 for initiating repair and rehabilitation of certain dikes of the Glendo Dam and Reservoir, serving Nebraska and Wyoming water users, to prevent severe seepage problems and to thereby restore full flood-control capacity.

$800,000 for the Prairie Bend Project for advanced planning, up from $500,000 this year.

$300,000 earmarked for the State of Nebraska for planning assistance from the Army Corps of Engineers under section 22 of the Water Resources Act of 1974, up from only $26,000 this year.

Unspecified amount for the Missouri National Recreation and Bank Stabilization Project, Nebraska and South Dakota, operation and maintenance. This would be in addition to the budget request of $75,000 for construction of project facilities. Operation and maintenance funds were approved in lump sum by the Conferees without earmarking funds for individual projects.

$100,000 for the Lincoln County Bank Stabilization Demonstration Project for plans and specifications, down from $300,000 this year.

$100,000 for the South Platte/Frenchman Valley Project for expediting planning; with other funds requested in the President's budget the total available in fiscal year 1989 would be $175,000, down from $200,000 this year.

$100,000 for the Bostwick Irrigation District for a new survey of severe seepage and drainage problems on the upper Courtland Canal.

$660,000 for the Farwell Irrigation District for helping to solve its severe drainage problems, up from $360,000 this year.

$100,000 for continuing the Loup River Basin study, down from $200,000 this year.

$600,000 for the O'Neill Unit, advanced planning, up from $500,000 this year.

$160,000 Wood River, Grand Island, new flood-control survey.

$1,116,000 for the Harlan County Reservoir, operation and maintenance, up from $1,029,000 this year.

$600,000 for initiating the York, Nebraska, ground water recharge demonstration project. Total cost: about $1,000,000.

$5,202,000 for the Gavins Point Dam/Lewis and Clark Lake, operation and maintenance, down from $5,473,000 this year.

$3,547,000 for the Papillion Creek and Tributaries Lakes, Omaha, construction, up from $2,500,000 this year.

$500,000 for the Papillion Creek and Tributaries Lakes, Omaha, operation and maintenance, up from $446,000 this year.

$623,000 Salt Creek and Tributaries Lakes, operation and maintenance, down from $862,000 this year.

$120,000 Antelope Creek, Lincoln, new flood-control survey.

I urge my colleagues to approve this conference report.

Mr. MYERS of Indiana. Mr. Speaker, I yield 1 minute to the gentleman from Washington [Mr. Morrison] who has worked very closely with our subcommittee.

Mr. MORRISON of Washington. Mr. Speaker, I thank the gentleman for yielding this time to me, and I want to add my voice to those commending the leadership of this particular appropriations subcommittee for the outstanding job that they do.

I would ask that I now participate in a colloquy with both the gentleman from Alabama [Mr. Bevill] and the gentleman from Indiana [Mr. Myers].

Mr. Speaker, the section of the subcommittee's report accompanying H.R. 4567 dealing with the Bureau of Reclamation's operation and maintenance account indicates the subcommittee included funding in that account for a new lighting system at Grand Coulee Dam to replace the outdated, inefficient system currently being used there. It is my understanding that the conference agreement also contains funding for this project, and I would ask the chairman and ranking member of the subcommittee if my understanding is correct.

Mr. BEVILL. The gentleman is correct.

Mr. MYERS of Indiana. Yes, the gentleman is correct.

Mr. MORRISON of Washington. Thank you.

Mr. MYERS of Indiana. Mr. Speaker, will be gentleman yield?

Mr. MORRISON of Washington. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Yes, the gentleman has worked very closely with this committee and, yes, the funds are there.

Mr. MORRISON of Washington. Mr. Speaker, I thank the gentlemen very much. Both the gentleman from Washington [Mr. Foley] and I share this project and express our appreciation to the subcommittee and for the conference reports.

Mr. Speaker, I yield back the balance of my time.

Mr. MYERS of Indiana. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon [Mr. Robert F. Smith].

Mr. ROBERT F. SMITH. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise to enter into a colloquy with the distinguished chairman.

Mr. Speaker, I call your attention to page 695 of the report to accompany House Joint Resolution 395, the continuing appropriations measure for fiscal year 1988. Is it your understanding that $3 million was earmarked from funds available for railroad rehabilitation for a project to remedy damages caused by flooding in Harney County, OR?

Mr. BEVILL. Yes.

Mr. ROBERT F. SMITH. This project has been addressed by prior Congresses has it not? For example, Public Law 99-662 authorized the expenditure of $3.37 million for "structural and nonstructural measures to prevent flood damage resulting from rising lake levels at Malheur and Harney Lakes, OR." Isn't that correct?

Mr. BEVILL. The gentleman from Oregon is correct.

Mr. ROBERT F. SMITH. It is my understanding that your committee considers this project in Harney County to be a 1988 new start?

Mr. BEVILL. The gentleman from Oregon is correct.

Mr. ROBERT F. SMITH. I thank the chairman for his strong support—together with that of the House Committee on Appropriations—for the rehabilitation of the railroad in Harney County, OR, and look forward to this project moving ahead as a 1988 new start.

Mr. MYERS of Indiana. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania [Mr. Walker].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, some people may think it is a blessing that my voice is gone today, but I will try to struggle through here.

On page 60 of the committee's report it deals with the subject matter of the drug-free workplace, and I quote from the report.

The report says the conferees strongly agree with the intent of the provision included by the House. The conferees agreed that this issue should be addressed on a Governmentwide basis and understand that this matter will be addressed in a subsequent appropriation bill in such a manner that it applies to all Federal Government agencies.

First I have a question about that particular language in the committee report.

Is it also the gentleman's understanding that what we do will apply to not only Government agencies, but Government grants and contracts?

Mr. BEVILL. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Alabama [Mr. Bevill].

Mr. BEVILL. The gentleman is correct; that is my understanding.

Mr. WALKER. And let me ask the gentleman about this.

I have shown the gentleman some language that has been developed on the Senate side, and it has been agreed to by this gentleman.

Is it your understanding that this is the language that will go into the Treasury conference report and thereby cover the Governmentwide bases that are referred to in the gentleman's conference report?

Mr. BEVILL. This is in substance, the statements that were made in the conference by Senator Bennett Johnston, the chairman, and agreed to by the ranking minority Member, Senator Mark Hatfield.

Mr. WALKER. Mr. Speaker, I thank the gentleman from Alabama [Mr. Bevill].

Mr. Speaker, I ask that this particular language be included in the Record at this point.

SUBSTITUTE LANGUAGE FOR A "DRUG FREE WORKPLACE"

Sec. . (a) No department, agency, or instrumentality of the United States receiving appropriated funds under this Act for fiscal year 1989, or under any other Act appropriating funds for fiscal year 1989, shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its work places are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of such department, agency, or instrumentality.

(b) No funds so appropriated to any such department, agency, or instrumentality shall be available for payment in connection with any grant, contract, or other agreement, unless the recipient of such grant, contractor, or party to such agreement, as the case may be, has in place and will continue to administer in good faith a written policy, adopted by such recipient, contractor, or party's board of directors or other governing authority, satisfactory to the head of the department, agency, or instrumentality making such payment, designed to ensure that all of the workplaces of such recipient, contractor, or party are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of such recipient, contractor, or party.

Mr. WALKER. Furthermore, Mr. Chairman, is it your understanding that that particular language has been agreed to by Senator Stennis, by Sen-

ator HATFIELD and by the House Democratic leadership along with people from the House appropriations leadership? Is that the gentleman's understanding?

Mr. BEVILL. Yes, Mr. Speaker. In other words, the intent of the gentleman from Pennsylvania [Mr. WALKER] is obviously there. It was reported by all conferees. It was just a question of the mechanics of how to carry it out, and the intent is, of course, to make this apply to all appropriations rather than having a provision in each of the 13 appropriation bills.

Mr. WALKER. Mr. Speaker, I thank the gentleman for that, but my question is with regard to this specific language.

Is it the understanding of the gentleman from Alabama [Mr. BEVILL] that there have been negotiations and this language has been developed and in fact is agreed to by the various parties involved?

Mr. BEVILL. Yes.

Mr. WALKER. That is the gentleman's understanding.

Mr. Speaker, let me ask the gentleman from Indiana [Mr. MYERS], who I realize was out of town yesterday when some of this negotiating was taking place. Is his understanding similar to that of the chairman of the subcommittee?

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Indiana [Mr. MYERS].

Mr. MYERS of Indiana. Mr. Speaker, as has already been explained, during the conference, we did insist upon the language of the gentleman from Pennsylvania [Mr. WALKER] even though we thought there was some difficulty, as we discussed during consideration of the House bill. We also had compromise language which the gentleman placed in later appropriations bills. We found, however, that this provision could not be included in the conference report due to parliamentary objections. The Senate insisted on not including the language in this bill with the understanding that a compromise would probably be included in the Treasury bill. That is the bill the conferees thought was suitable at the time. The specific language of a compromise, however, was never agreed upon in our conference.

Mr. WALKER. No, I understand.

Mr. MYERS of Indiana. We considered several versions of language. Now, if there has been agreement on specific language, I cannot substantiate that today. I do believe there will be Governmentwide language to carry out the intent of the gentleman from Pennsylvania [Mr. WALKER]. Nevertheless, I could not give him an assurance today on any specific language.

□ 1045

Mr. WALKER. I understand that. The gentleman was out of town yesterday when we were going over most of this; but the language that I have introduced in the RECORD is the language that has now been agreed to as a part of the negotiations, and that is what I am trying to establish.

Mr. Speaker, I yield further to the gentleman from Indiana.

Mr. MYERS of Indiana. That is my understanding this morning, both from the gentleman from Pennsylvania and from staff members, that that is the working agreement that has been struck.

Mr. WALKER. All right.

Mr. MYERS of Indiana. I personally have not been a party to that.

Mr. WALKER. Mr. Speaker, I thank the gentleman.

One more question with regard to the conference. Is it the gentleman's understanding then that as a result of putting all this material into the General Government's provision of the Treasury bill, the gentleman's appropriation, along with all other appropriations, would be included by that act of putting it into the Treasury bill; is that the gentleman's understanding?

Mr. MYERS of Indiana. As in the colloquy previously with the chairman, the gentleman from Alabama [Mr. BEVILL], that was the understanding that we struck in our conference. The provision will apply to all 13 appropriation bills.

Mr. WALKER. Mr. Speaker, I thank the gentleman.

I would say that is my understanding as well. I have reviewed this with attorneys and with people who have assured me that the language that is in the agreed upon compromise does in fact include any other act appropriating funds for the fiscal year 1989, so in fact by acting on that one bill we would include virtually all the appropriations for the Federal Government.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

Mr. MYERS of Indiana. Mr. Chairman, I yield 1 more minute to the gentleman from Pennsylvania.

Mr. WALKER. Not only will we include appropriations that are affected by the appropriations here in the House, but because this language goes even further and includes all instrumentalities of the Federal Government, it would include those appropriations which are not covered under the appropriations we bring to the House floor.

Mr. MYERS of Indiana. That is the understanding, if the gentleman will yield further. As we explained before, the original language was very difficult to implement and to carry it out would be penalizing the wrong people. I think this compromise language does clarify it. This language has been drafted to cover all Government, which everyone agrees to.

Mr. WALKER. The gentleman understands that the language that I first offered on the floor is what I could get away with under the parliamentary procedures, and this gentleman has been perfectly willing along the line to negotiate language which would in fact be implementable by the Federal agencies. I think that is what we have arrived at. The OMB has cleared this language and I think now we have provided something which can be implemented by the various agencies.

Mr. MYERS of Indiana. Mr. Speaker, if the gentleman will yield one more time, everyone is in agreement about a drug-free society, not only in the working place. The original language, however, would have penalized the wrong people.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania [Mr. WALKER] has again expired.

Mr. MYERS of Indiana. Mr. Speaker, I yield 1 more minute to the gentleman from Pennsylvania.

Mr. WALKER. I agree, Mr. Speaker, with the gentleman. What we have arrived at now is language which I think the OMB understands can be implemented. We recently passed out of the Government Operations Committee as of yesterday a full implementation bill for this, once again which OMB is satisfied with, so I think we have proceeded down the line so that we can in fact create drug-free workplaces.

Mr. MYERS of Indiana. We all want to get tough, on illegal drug abuse, but we do not want to hurt the wrong people.

Mr. WALKER. Mr. Speaker, I thank the gentleman.

Mr. MYERS of Indiana. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Speaker, I rise in support of the conference report, most especially because it does include some funding for the superconductor super collider project. This is a high energy physics project that is currently in the final competition to determine what sites shall be selected in the country. There are seven States, one of which is my State of Texas.

The members of the Appropriations Committee have worked very hard this year to try to fund the various projects under their jurisdiction in this particular subcommittee.

On this particular project, there was a request from the President for $363 million. The committee in the House and the committee in the Senate with jurisdiction could not in good conscience fund that level. They did fund a compromise level of $100 million.

In view of the extraordinary budget restrictions that we are operating under this year, I want to commend the committee for doing that, and commend the conference committee for the language that is in the bill that does allow some money to be spent on activities that could lead to construction, although construction itself is prohibited.

I think this project is very vital to maintain our competitiveness in the world economy, our preeminence in high energy physics research.

Mr. Speaker, I would urge my colleagues to support the bill when that time comes.

Mr. MYERS of Indiana. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, the gentleman from Minnesota was concerned about the Sauk Lake, MN, cleanup project that we funded in our bill with $300,000 for the corps to clean up silt, weeds and other aquatic growth. We had it in our report table. The Senate had other tables. We did not put any tables in the conference, but it is agreeable to both the House and the Senate that the project would be included.

Mr. Speaker, is that the understanding of the gentleman, the Sauk Lake would be $300,000 in the tables?

Mr. BEVILL. Mr. Speaker, will the gentleman yield?

Mr. MYERS of Indiana. I yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Speaker, I thank the gentleman for yielding.

The gentleman is correct, and I commend the gentleman for the leadership that he has exhibited in putting this conference together.

Mr. MYERS of Indiana. Well, Mr. Speaker, I thank the gentleman.

The gentleman from Minnesota [Mr. STANGELAND], of course, has worked very close in the authorizing committee, and I want to make sure there was an understanding that there was an agreement.

Mr. MILLER of California. Mr. Speaker, I am pleased to rise in support of the conference report on the fiscal year 1989 energy and water development appropriations bill. As the chairman of the House Interior Water and Power Resources Subcommittee I have a strong interest in seeing this bill pass.

I would like to take this opportunity to make a brief comment on conference report language concerning an April 6, 1988, Federal Energy Regulatory Commission [FERC] ruling (Docket No. EF87-20011-003). On April 6 FERC ruled that all power marketed outside the Northwest region by the Bonneville Power Administration [BPA] must be considered nonfirm. This decision was good news for California utilities and ratepayers, who will benefit if BPA surplus power is sold at lower, nonfirm rates.

The conference report contains language which originated in the Senate committee report concerning the April 6, 1988 FERC ruling. The report language expresses concern about the ruling and urges FERC to reexamine its decision. I strongly support the April 6 FERC ruling. It is a legally valid, well reasoned decision that should be reaffirmed if FERC determines there is a need to review it.

The April 6 ruling reflects the balance between regional and nonregional interests that Congress intended in establishing broad Commission review over BPA's nonregional rates. As the U.S. Court of Appeals for the Ninth Circuit has stated repeatedly, this broad Commission review was intended to protect California customers from excessive rates resulting from BPA's regional bias.

The Pacific Northwest Power Marketing Act specifically limits the sale of electric energy outside the Pacific Northwest region to surplus energy and surplus peaking capacity. It follows that any sale of power by BPA outside of the region must be considered to be nonfirm.

Mr. Speaker, FERC's April 6 ruling that all power sold outside the Northwest region by BPA must be considered nonfirm is a legally sound decision. I am confident that the ruling will be reaffirmed should FERC determine there is a need to review it.

Mr. PICKLE. Mr. Speaker, I wish to speak today about the future of education in the United States.

In order to maintain our economic competitiveness in the world, we must continue to be technologically adept. Technological inventiveness requires a steady supply of bright new minds entering the field. Unfortunately, we have seen a drop in the number of students enrolling in science and engineering programs in our universities. We must encourage the youth of our Nation to enter these disciplines to guarantee a foundation for the future.

The superconducting super collider is a project that will stimulate enrollment in these important areas. It will improve higher education both regionally and nationally. The chosen site will be able to more easily recruit top notch scientists to area colleges and universities. Visiting researchers from around the globe will use and improve this facility, rather than our scientists going to other nations. The SSC will have a dramatic appeal to inspire young people to pursue careers in science and engineering. The technology required to build and operate such a project will stimulate high-technology industry, causing a greater need for these students.

If we are to keep pace in today's high-technology world economy, projects such as the super collider are a necessity. It is with a sense of urgency that I call upon my fellow Members to support super collider funding this year, before we lose our competitive advantage.

Mr. AuCOIN. Mr. Speaker, I rise in support of the fiscal year 1989 conference report and would like to take this opportunity to address an issue of importance to me and the Pacific Northwest.

As a Pacific Northwest member of the House Appropriations Committee, whose Subcommittee on Energy and Water Development annually reviews the ratepayer financed budget of the BPA, I am naturally concerned that the BPA continue to have sufficient authority to meet its electric utility responsibilities to its customers. As such, I wish to speak in support of House amendment No. 34.

Amendment No. 34 clarifies and affirms the BPA's current authority to incur obligations, on behalf of its electric ratepayers, but does not grant the agency any new obligational authority. I am informed that this language has been drafted to clarify a legal interpretation issue that BPA and the Office of Management and Budget [OMB] believed they could not resolve administratively, although I understand they are in policy agreement.

THE TRANSMISSION SYSTEM ACT

Mr. Speaker, the initial understanding of how the Office of Management and Budget [OMB] would carry out the annual budget process to foster the financial flexibility of the Federal Columbia River Transmission System Act (Public Law 93-454) was reflected in correspondence in 1974 between John C. Whitaker, then Under-Secretary of Interior, and Mr. Frank Zarb, then Associate Director of the Office of Management and Budget. Congress relied on these letters in passing the Transmission System Act. This correspondence was incorporated into the legislative history of the Transmission System Act.

However, OMB recently raised several questions regarding the manner in which the budget and appropriations provisions of the Transmission System Act are implemented.

I am pleased to report officials at OMB, including Mr. Robert Dawson, Associate Director at OMB, have worked diligently and forthrightly to make the Transmission System Act flexibilities workable under today's circumstances. The understandings reached between BPA and OMB are memorialized in a letter Mr. Dawson recently sent to Joseph Salgado, Acting Deputy Secretary of Energy.

THE BPA BUDGET PROCESS

Mr. Dawson's letter specifies that, "Consistent with the Anti-Deficiency Act, OMB reaffirms that BPA's budgets will be adequate to meet its cash requirements for annual and multiyear programs * * *" In applying its commitment, OMB should keep several facts in mind. The purpose of the Anti-Deficiency Act was to prevent agencies from creating obligations they could not pay from available resources. BPA's Transmission System Act authorities satisfy this purpose by appropriating the BPA fund, not the amount in the fund at any particular moment, to satisfy BPA's obligations, by making available borrowing authority, by requiring the Administrator to raise rates to meet BPA's revenue requirements, and by deferring Treasury payments if BPA has an unanticipated revenue shortfall. A deferral of Treasury payments brings BPA's cash outlays in a fiscal year within available cash receipts and borrowing authority. These Transmission System Act authorities assure that BPA's cash requirements in a particular year will not exceed its ability to pay and there will be no deficiency.

THE AUTHORITY OF BPA TO ENTER INTO OBLIGATIONS

Although many issues were resolved by OMB and BPA, some were not. Amendment No. 34 to the bill is essential to clarifying these remaining questions. It assures the continuance of BPA's existing ability to incur multiyear obligations, as was intended by the Transmission System Act, and means that the President's budget will include a BPA budget adequate to meet BPA's cash requirements for its annual and multiple year programs.

Under the Transmission System Act, BPA incurs its obligations, including multiyear obligations, pursuant to the appropriation for an indefinite period made by Congress in creating the BPA fund. As Congress intended, BPA creates its obligations based on its statutory duty to set rates at levels sufficient to assure that BPA's costs are paid when due.

In passing the Transmission System Act, Congress never intended to limit BPA's authority to enter into obligations by the amount of unobligated cash in the BPA fund at the time the obligation is created plus available borrowing authority, even for discretionary purposes. Such an interpretation of BPA's authority would substantially remove the financial flexibility Congress intended to confer on BPA by creating the BPA fund. Instead, Congress intended that BPA create obligations it deems necessary or appropriate, regardless of the amount of available cash plus borrowing authority in the BPA fund at the time the obligation is created.

To meet its obligations, BPA adjusts its rates for power and other services accordingly. In the unforseen event that BPA has cash insufficient to pay all of its costs when due, BPA is directed by law to defer its payments to the U.S. Treasury. Deferrals remain an obligation to be repaid by BPA's ratepayers and BPA must subsequently be repayed with interest.

Congress' purpose was to avoid having BPA's contractors carry the risk of a BPA revenue shortfall. Without such authority, the widely fluctuating revenue swings BPA experiences from time to time due to the weather and changes in commodity prices for aluminum, oil and gas would put BPA contractors in an unreasonable position. It would also impair BPA's ability to meet construction, maintenance and other deadlines in a business-like manner. This amendment confirms this authority, which BPA has exercised continuously since 1974, notwithstanding the very recent questions raised by OMB.

BUDGET APPORTIONMENT AND RESCISSION

Mr. Speaker, another clarification that this section relates to is the budget apportionment responsibilities of the OMB. As Mr. Dawson's letter states, OMB is required to apportion such funds as are needed to pay BPA's obligations, lawfully incurred, when due. BPA's authorities permit OMB to apportion BPA's budgets only for the purpose of achieving effective and economical use of BPA's budgetary resources in given year, including BPA's borrowing authority.

Apportionment to achieve the most effective and economical use of BPA funds means that OMB can apportion in a way that allows the Administrator to achieve the same purpose by spending less, or to save money by more efficient operations, or if developments subsequent to the submittal of the budget make the use of the money unnecessary. It clearly does not permit OMB to withhold funds for fiscal policy reasons, or for the purpose of setting priorities.

Any withholding of BPA funds, whether from borrowing authority or BPA's revenues, in order to effect savings or due to subsequent events must be considered in the context of not violating BPA's mission and broad authorities to provide safe, economical and reliable electric power and transmission services, and to protect, mitigate and enhance fish and wildlife. It is not a savings or efficiency to stop BPA from funding measures the Administrator determines are necessary to fulfill his duties in a business-like manner.

OMB may not apportion BPA's budgetary resources to avoid the necessity for a deficiency or supplemental appropriation. The Transmission System Act specifies the order for payment of BPA's obligations, and if BPA has insufficient cash and borrowing authority in a fiscal year, the Transmission System Act provides for BPA to defer payments to the Treasury. The amount deferred is not forgiven and BPA remains obligated to repay it.

Under the 1974 Congressional Budget and Impoundment Control Act, Public Law No. 93-344, any proposed action by the OMB to withdraw or delay the authority to incur an obligation to make an expenditure or to pay an existing obligation is a rescission requiring notice to Congress. Mr. Dawson's letter notes that "if Congress changes the President's budget request for borrowing authority in an appropriations act, OMB will not reduce the amount provided in a statute unless there is a subsequent legislative enactment." OMB's obligations to seek congressional approval are much broader under the Congressional Budget and Impoundment Control Act.

Once a BPA program proposal has been included in the President's budget submitted to Congress, OMB may not revise either that budget or a congressionally revised budget in an appropriation act, or take other action, where the effect would be to withdraw or delay BPA's authority to incur a lawful obligation or to make an expenditure to pay an existing obligation. It is assumed, for purposes of this amendment, that, consistent with the Congressional Budget Impoundment and Control Act, OMB may not reduce the amount of BPA borrowing authority apportioned to BPA unless Congress is properly notified pursuant to 2 U.S.C. 583 (Public Law No. 93-344, title X, § 1012) and Congress has approved the reduction by affirmative action within 45 days of the notice. Absent proper notice by OMB and affirmative action by Congress, BPA should proceed as though the OMB proposal had not been made.

SUMMARY

It is my belief that the clarifications represented both by the letter and Amendment No. 34 of the Conference Report No. 100-724 on H.R. 4567, the fiscal year 1989 Energy and Water Development Appropriation Act, will ensure the continuance of current budget practices for the BPA intended by Congress when it passed the Transmission System Act.

In summary, Mr. Speaker, these clarifications are important, not only for BPA to efficiently manage a highly unpredictable hydroelectric system, such as during our current drought, but are significant tools available to the BPA to help it to operate in such a manner as to control its costs and collect revenues sufficient to assure repayment of the Federal investment to the U.S. Treasury.

Mr. BROOKS. Mr. Speaker, I rise in support of the conference report on H.R. 4567, the energy and water appropriations bill. I am particularly interested in the provisions regarding the superconducting super collider [SSC]. The bill allows $100 million in funding for the SSC, including funds for research and development, capital equipment, and engineering activities and the design of technical systems.

The SSC will be the largest, most advanced scientific instrument ever built. It will put the United States on the cutting edge of technological advances gained from increased knowledge of the basic forces in the universe. The SSC will be the preeminent facility for scientific research well into the 21st century. If the United States does not build the SSC, other countries are poised to do so—the Soviet Union and Western Europe both have collider projects on the drawing boards—and our opportunity will be lost.

While the research to be conducted at the SSC is basic and abstract, the potential benefits that will flow from SSC construction and operation will be anything but abstract. Potential benefits from the project include advances in computers, electronics, telecommunications, power generation, cryogenics, optics, and superconducting magnet technology. Also, new biomedical diagnostics and treatment, and exotic new materials are likely outcomes of SSC research.

Basic scientific research has provided the United States with technological and scientific advances which keep U.S. industries competitive with our foreign competitors; many of these countries are spending two to three times our Nation's expenditure levels for basic research.

The SSC enjoys support from a broad coalition of government, business, labor, and academic groups. More importantly, a recent poll indicates that 58 percent of Americans support the SSC.

The SSC will serve a valuable role in future developments in basic and applied science. It will, in addition, stimulate the development of new education resources, provide fertile ground for the development of our next generation of scientists, and expand our frontiers of knowledge about the nature of matter.

I urge my colleagues to join me in support of the conference report on the energy and water appropriations.

Mr. STANGELAND. Mr. Speaker, I rise in strong support of the conference report on H.R. 4567, the Energy and Water Development Appropriations Act for fiscal year 1989.

First, let me congratulate and thank the leadership of the Appropriations Committee and the Energy and Water Subcommittee. In particular, I want to thank Chairman JAMIE WHITTEN, ranking minority member SILVIO CONTE, subcommittee chairman TOM BEVILL, and ranking minority member JOHN MYERS. These gentlemen have done a good job in a very difficult situation. Funding for the Corps of Engineers water resources program is not as much as some of us would like, but it does represent a fair and workable compromise. The lack of "new starts" in the corps' construction general account may be particularly disappointing to some.

As the ranking Republican of the Water Resources Subcommittee in the House Public Works and Transportation Committee, I know the value of the corps' programs. I also know how great this Nation's water needs are and will continue to be. And yet many needs will go unaddressed—at least for now and in the next fiscal year. The devastating drought and its impact on commercial, inland navigation presents just one example of the corps vital role in aiding navigation and the national economy. We, in Congress, need to continue our commitment to the corps and all who benefit from their efforts in navigation, flood control, water supply, and other areas.

Mr. Speaker, let me also express my gratitude for the provisions in the bill that will aid northwest Minnesota. H.R. 4567 includes funding for some truly worthwhile projects such as the Streambank erosion control project along Red Lake River near Gentilly, the cleanup project for Sauk Lake and its tributaries, the flood control feasibility study for Crookston, and the section 22 planning assistance to States that will help prevent flood damage in the Red River basin.

Mr. Speaker, H.R. 4567 is a good bill. I urge all of my colleagues to support it. These appropriations will help keep the corps on track and the Nation's water resources in good shape.

Mr. DELAY. Mr. Speaker, I rise in strong support of the conference report of the energy and water appropriations for fiscal year 1989.

The appropriations bills are not easy to fashion in the climate of budget restraint that we are in today. There are many requests from Members that cannot all be satisfied with the limited funds available. Hard choices must be made.

I must therefore compliment the managers for bringing us this conference report, with the hard decisions made, in such a timely fashion.

This bill contains no funding for starting new construction projects. That was a difficult decision for the members of the conference but one that I think is sound when we are trying to hold the line on the Nation's deficit.

The bill does contain funding for the ongoing construction of the Freeport Harbor deepening and widening project in my district, a project which will have a profound impact on the economy of Brazoria County, TX. I appreciate the allocation of the full Corps of Engineers request for this project.

Mr. Speaker, this bill also contains funding for many other flood control and navigation projects in Texas. On behalf of my constituents, I thank the committee for bringing us a conference report which meets the basic needs of our State, but which is also a responsible approach to our budget deficit.

One other aspect of the bill I would like to mention is the funding for the superconducting super collider. Of all the science projects in the various appropriations bills, no project is more important to the scientific community of our Nation than the SSC.

The House and Senate conferees agreed to keep funding for the superconducting super collider—a project that I strongly support—at $100 million. Although this amount is substantially less than the $363 million sought by the President, it is the minimum that must be funded to keep the project moving forward.

Why should the SSC be built? The SSC will enable scientists to bring us closer to the answers to fundamental questions about the nature of matter and energy, providing unprecedented insights into the world of elementary particles.

Is it worth it? Absolutely. We will all benefit from its effects in the growth and diversification of industries and in the development of new devices and techniques for science and medicine. Basic physics research repays society handsomely for the financial support it receives.

I urge all my colleagues to join me in strong support of this conference report.

Mr. MYERS of Indiana. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BEVILL. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appear to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 384, nays 17, not voting 30, as follows:

[Roll No. 217]

YEAS—384

Akaka
Andrews
Annunzio
Anthony
Applegate
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clement
Clinger
Coats
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crockett
Darden
Daub
Davis (IL)
Davis (MI)
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennelly
Kildee
Kleczka
Kolbe
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lungren
Mack
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Michel
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Russo
Sabo
Savage
Sawyer
Saxton
Schaefer
Schneider
Schroeder
Schuette
Schulze
Schumer
Shaw
Shays
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (OR)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—17

Archer
Coble
Crane
Dannemeyer
Dreier
Frenzel
Gregg
Kennedy
Lukens, Donald
Moody
Ritter
Sensenbrenner
Smith, Robert (NH)
Solomon
Swindall
Tauke
Upton

NOT VOTING—30

Ackerman
Alexander
Anderson
Biaggi
Bosco
Cheney
Clay
Coelho
de la Garza
Dixon
Edwards (OK)
Gordon
Jones (TN)
Kemp
Kolter
Lancaster
Lewis (CA)
Lipinski
MacKay
Mica
Miller (CA)
Nagle
Ray
Roybal
Saiki
Scheuer
Sharp
Spence
Sweeney
Weiss

□ 113

Messrs. MOODY, TAUKE, COBLE, RITTER, and DONALD E. "BUZ" LUKENS changed their vote from "yea" to "nay."

Mr. DENNY SMITH changed his vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1115

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore (Mr. GRAY of Illinois). The Clerk will designate the first amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 3: Page 3, line 4, after "Nebraska" insert ": *Provided further*, That not to exceed $20,500,000 shall be available for obligation or research and development activities".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 3, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in desagreement.

The text of the amendment is as follows:

Senate amendment No. 10: Page 4, line, 23, after "99-662" insert ": *Provided further*, That the Secretary of the Army acting through the Chief of Engineers is directed to use, immediately upon enactment of this Act $8,700,000 previously appropriated in Public Law 100-202, and $9,600,000 of the total sum appropriated for design, testing and construction in fiscal year 1989 of juvenile fish passage facilities at the Little Goose, Lower Granite, McNary, Lower Monumental, Ice Harbor, and The Dalles projects on the Columbia and Snake Rivers as described in the report accompanying this Act: *Provided further*, That within available funds, $240,000 shall be available for the engineering and design of the Morgan County Port Access Channel, Morgan County, Alabama; and in addition, $118,000,000, to remain available until expended, is hereby appropriated for construction of the Red River Waterway, Mississippi River to Shreveport, Louisiana, project and for compliance with the directions given to the Secretary of the Army in the fiscal year 1988 Energy and Water Development Act, Public Law 100-202, regarding the construction of this project, and the Secretary is directed to continue the design of locks and dams 4 and 5 on the accelerated schedule in fiscal year 1989 in order to initiate the first phase of construction of locks and dams 4 and 5 by April 1990, and with funds provided in this title or previously appropriated to the Corps of Engineers, the Secretary further is directed to fund previously awarded and directed construction contracts and to award continuing contracts in fiscal year 1989 of construction and completion of each of the following features of the Red River Waterway: in pool 3, Fausse Revetment Downstream Extension; and in pool 4, Westdale Realignment, Hammell Revetment, Bull Revetment, and Williams Revetment Downstream Extension. None of these contracts are to be considered fully funded".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 10 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: ": *Provided further*, That the Secretary of the Army acting through the Chief of Engineers is directed to use, immediately upon enactment of this Act $8,700,000 previously appropriated in Public Law 100-202, and $9,600,000 of the total sum appropriated for design, testing and construction in fiscal year 1989 of juvenile fish passage facilities at the Little Goose, Lower Granite, McNary, Lower Monumental, Ice Harbor, and The Dalles projects on the Columbia and Snake Rivers as described in the report accompanying this Act; and in addition, $118,000,000, to remain available until expended, is hereby appropriated for construction of the Red River Waterway, Mississippi River to Shreveport, Louisiana, project and for compliance with the directions given to the Secretary of the Army in the fiscal year 1988 Energy and Water Development Act, Public Law 100-202, regarding the construction of this project, and the Secretary is directed to continue the design of locks and dams 4 and 5 on the accelerated schedule in fiscal year 1989 in order to initiate the first phase of construction of locks and dams 4 and 5 by April 1990, and with funds provided in this title or previously appropriated to the Corps of Engineers, the Secretary further is directed to fund previously awarded and directed construction contracts and to award continuing contracts in fiscal year 1989 for construction and completion of each of the following features of the Red River Waterway: in pool 3, Fausse Revetment Downstream Extension; and in pool 4, Westdale Realignment, Hammell Revetment, Bull Revetment, and Williams Revetment Downstream Extension. None of these contracts are to be considered fully funded".

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 12: Page 6, line 13, strike out all after "Dakota" down to and including "Oklahoma" in line 20.

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 12 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows: ": *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, shall allow an entity of the State of Oklahoma that is responsible for the development of the water and natural resources of the Arkansas River and Red River basins in southeast Oklahoma to operate and occupy, at no expense to such entity of the State, the Visitors Center at Crowder Point on Lake Eufaula, Oklahoma, provided that the State of Oklahoma signs a cost sharing agreement for the construction of the Visitors Center according to the cost sharing provisions of Public Law 99-662".

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 13: Page 6, line 20, after "Oklahoma" insert ": *Provided further*, That not to exceed $8,000,000 shall be available for obligation for national emergency preparedness programs".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 13, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 14: Page 6, line 20, after "Oklahoma" insert ": *Provided further*, That of the funds appropriated under this heading, $500,000 shall be available only for providing low water access to Lake

Koocanusa, Montana, as the Secretary of the Army determines is necessary to alleviate low water impact on existing access facilities at the Libby Dam Project administered by the Forest Service of the Department of Agriculture: *Provided further,* That funds unused for the project described in the preceding proviso shall be transferred to the Department of Agriculture for purposes of carrying out maintenance and the Department's other responsibilities with respect to that project".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 14, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 24: Page 15, after line 23, insert:

WORKING CAPITAL FUND

For acquisition of computer capacity for the Administrative Systems Modernization project, $7,900,000, to remain available until expended, as authorized in section 1472 of title 43, United States Code (99 Stat. 571).

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 24 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

WORKING CAPITAL FUND

For acquisition of computer capacity for the Administrative Systems Modernization project, $4,000,000, to remain available until expended, as authorized in section 1472 of title 43, United States Code (99 Stat. 571).

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 25: Page 20, after line 11, insert:

SEC. 205. Of the appropriations for the Central Utah Project, in this or any other Act, not more than $17,000,000 of the total in any one fiscal year may be expended by the Secretary for all administrative expenses; except that this provision shall only become applicable after legislation to raise the authorization ceiling for the Colorado River Storage Project Act is approved by the Congress and signed by the President, otherwise the existing administrative expense limitation shall remain in effect: *Provided,* That the Inspector General of the Department of the Interior shall annually audit expenditures by the Bureau of Reclamation to determine compliance with this section: *Provided further,* That none of the Bureau of Reclamation's appropriations shall be used to fund the audit: *Provided further,* That the Bureau of Reclamation shall not delay or stop construction of the project due to this limitation and shall apply all the remaining appropriations to completion of this project, unless continuation of work on the Central Utah project would cause administrative expenses attributable to the Central Utah project to be paid from funds available for other Bureau of Reclamation projects and thereby delay their construction.

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 25, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 29: Page 22, line 22, strike out "$929,116,000" and insert "$934,616,000".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 29 and concur therein with an amendment, as follows: In lieu of the sum stricken and inserted in said amendment, insert "$922,116,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 30: Page 23, line 13, after "Fund" insert ": *Provided further,* That of the amount herein appropriated not to exceed $11,000,000, at an annualized rate, may be provided to the State of Nevada for the period July 1, 1988 through June 30, 1989, for the conduct of its oversight responsibilities pursuant to the Nuclear Waste Policy Act of 1982, Public Law 97-425, as amended, of which not more than $1,500,000 may be expended for socioeconomic studies and not more than $1,500,000 may be expended on transportation studies: *Provided further,* That not more than $5,000,000, at an annualized rate, may be provided to affected local governments, as defined in the Act, to conduct appropriate activities pursuant to the Act: *Provided further,* That none of the funds herein appropriated may be used directly or indirectly to influence legislative action on any matter pending before Congress or a State legislature or for any lobbying activity as provided in 18 U.S.C. 1913".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 30, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 32: Page 23, line 25, after "vehicles" insert ": *Provided,* That no funds appropriated for operating expenses or construction for new production reactor capacity may be obligated until 30 days after the Secretary of Energy has presented to Congress the acquisition strategy report for new production reactor capacity, as required by the Energy and Water Appropriations Act for Fiscal Year 1988—Public Law 100-202, and has certified, with appropriate documentation, that the preferred technology, design and site selected for new production reactor capacity, best satisfies the considerations required under Public Law 100-202".

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 32, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 34: Page 25, after line 13, insert: No funds appropriated or made available under this or any other Act shall be used in this and all future years, to preclude the Bonneville Power Administration from creating obligations in excess of available cash plus borrowing authority for all authorized purposes, whether or not such obligations are mandated by prior law, unless such action has been specifically approved hereafter by an Act of Congress.

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BEVILL moves that the House recede from its disagreement to the amendment of the Senate numbered 34 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

Without fiscal year limitation, the Bonneville Power Administration continues to be authorized to incur obligations for authorized purposes and may do so in excess of borrowing authority and cash in the Bonneville Power Administration fund.

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 36: Page 30, after line 16, insert:

SEC. 305. Funds received as restitution for petroleum pricing violations under section 209 of the Economic Stabilization Act of 1970, 12 U.S.C. section 1904 note, as incorporated into the Emergency Petroleum Allocation Act of 1973, as amended, 15 U.S.C. section 751 et seq. are, when appropriated or expended by States with unemployment in excess of 10 percent, deemed to be consistent with the restitutionary purposes for which they were received.

MOTION OFFERED BY MRS. BOGGS

Mrs. BOGGS. Mr. Speaker, I offer a motion, and I ask unanimous consent that it be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Louisiana?

There was no objection.

The text of the motion is as follows:

Mrs. BOGGS moves that the House recede from disagreement to the Senate amendment 36 and concur therein with an amendment as follows:

SEC. 305. (a) During fiscal year 1989, the Department of Energy, in the case of any State with unemployment in excess of 10 percent as determined by the Bureau of Labor Statistics, shall give priority in approving plans for the use of funds available to such State under the Agreement approved on July 7, 1986 in Re: The Department of Energy Stripper Well Exemption Litigation, M.D.L. No. 378.

(b) Any plan described in subsection (a) submitted in fiscal year 1989 shall be deemed approved by the Department of Energy if the Department fails to act on the plan within 45 calendar days after such submittal and if the Governor or a designated State official certifies in writing that the use of such funds provided in such plan is consistent with the applicable terms of such agreement.

(c) It is the intent of Congress that the purpose of this provision is to help such States gain prompt approval of such plans for the purposes proposed by such States so long as such plans are consistent with the terms and conditions of such agreement.

The SPEAKER pro tempore. The gentlewoman from Louisiana [Mrs. BOGGS] is recognized for 30 minutes.

Mrs. BOGGS. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, I thank the distinguished gentlewoman for yielding time to me.

Mr. Speaker, I rise in support of the amendment offered by the gentlelady from Louisiana, the dean of her delegation and a very able and distinguished Member. The narrow amendment was worked out last night with Members of the Louisiana delegation and subcommittee Chairman SHARP and myself. It is reasonable and modest and, most importantly, consistent with existing law and court-approved agreements.

I also want to commend Congressmen JIMMY HAYES and TAUZIN for their cooperation and efforts in working out this Senate nongermane legislative provision on an appropriation bill. I have indicated to them and our Committee on Appropriations a strong message that while we were willing to resolve this issue today, our patience with the other body in adding legislation of this nature to appropriations bills has disappeared. Future efforts this year, including any continuing resolution, will not receive similar kindness.

I also want to thank other Members and citizen groups who supported Congressman SHARP and myself in opposing the Senate provision. Their interest and help was important.

Mr. Speaker, the amendment is far narrower than the Senate bill. It clearly does not overturn or modify court orders or existing law. It only applies to stripper well funds. It does not apply to Exxon or other oil overcharge funds. It is for 1 fiscal year only. It does not change the terms or requirements of any law, consent order, or court order or court approved agreement. Even as the stripper well agreement, the terms and conditions of that agreement continue to apply. It does not broaden in any way the uses for which such funds may be made by the States under stripper well. The opportunities for energy conservation and low income assistance are preserved.

Relevant correspondence on this matter follow:

COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, June 27, 1988.

DEAR COLLEAGUE: When the Conference report on H.R. 4567, the Energy and Water Development Appropriation bill, is considered later this week, several industry, labor, environmental, energy, public power, farmer, and other organizations urge you to vote no on a motion to recede and concur in a nongermane Senate Amendment No. 36 in disagreement. The Senate amendment would change the rules, contrary to court orders, for some States to use oil overcharge revenues. A no vote will not kill the Conference Report but it will require the Senate to drop the unconstitutional provision.

The letter from these organizations follows:

Next week, the House of Representatives will consider the conference report to accompany the Energy and Water Development Appropriation bill, H.R. 4567. At that time, you will be asked to vote on an amendment in disagreement, a provision which would allow states with unemployment levels above 10 percent to spend oil overcharge funds for any purpose. The undersigned organizations urge you to vote against that provision.

Oil overcharge monies, collected from companies which violated past pricing regulations, are designed to provide restitution to energy consumers who were overcharged in the first place. The distribution of oil overcharge funds in instances where the actual purchaser can no longer be identified has been carefully and deliberately considered by the courts and the Congress. As a result of current law, court orders and settlement agreements which have been agreed to by all parties, including the states, the funds must be used for low-income weatherization and fuel assistance programs, energy conservation programs, and evergy projects approved by the Department of Energy.

Our concerns with this amendment are several. First, it ignores the benefits that evergy conservation and assistance programs have for those very energy users who deserve restitution. Use of those monies for the Low-Income Home Energy Assistance Program has obvious importance for those unable to meet high fuel bills. Moreover, funding conservation programs serves the multiple purposes of improving our domestic energy supply/demand balance, protecting the environment, and reducing energy expenditures for all sectors of the economy.

Second, passage of this provision would in effect overturn court orders and court-approved agreements that have literally been years in the making. While this is unjustified on substantive grounds, it therefore also holds open the possibility that its legality will undergo future legal challenge. That could delay expenditures of oil overcharges funds by all states and threaten future distribution of funds to the states.

Third, this provision would set a dangerous precedent by allowing states to use monies already set aside for a specific set of purposes for any state program. Because there would be no guidelines for how states could use these funds, they could be used for any purpose whatsoever regardless of the merit.

For these reasons, we again ask that you reject this provision, which has never been the subject of consideration or review by any House committee. Its passage would threaten the long-awaited expenditures of oil overcharge monies and reduce funding for badly-needed energy conservation and low income assistance programs.

Sincerely,

Gary L. Groesch, Executive Director, Alliance for Affordable Energy; Marc Ledbetter, Senior Associate, American Council for an Energy Efficient Economy; Michael Baly III, Vice President of Government Relations, American Gas Association; Larry Hobart, Executive Director, American Public Power Association; Edwin Rothschild, Deputy Director, Citizen Labor Energy Coalition; Ellen Berman, Executive Director, Consumer Energy Council of America; Nicholas Fedoruk, Director, Energy Conservation Coalition; Brad Oelman, Vice President of Corporate Relations, Owens-Corning Fiberglas Corporation; Ruth Caplan, Executive Director, Environmental Action; David Conrad, Legislative Representative, Friends of the Earth; Ken Menzer, Executive Vice President, Mineral Insulation Manufacturers Association; Edward L. Block, Executive Director, National Association of Community Action Agencies; Michael V. Dunn, Director of Legislative Services, National Farmers Union; The Honorable Mary Lou Munts, Commissioner, Wisconsin Public Service Commission, Vice-Chair, NARUC Committee on Energy Conservation, National Association of Regulatory Utility Commissioners.

John D. Dingell, Chairman, Committee on Energy and Commerce; Philip R. Sharp, Chairman, Subcommittee on Energy and Power Committee on Energy and Commerce.

Mr. Speaker, I want to make it quite clear that this practice of the other body legislating on energy related issues on appropriations bills in unacceptable. It circumvents the legislative process. It gets us in conflicts with our colleagues on the Appropriations Committee. It is a time-waster. I intend to seek a remedy in regard to future changes in the House rules.

Mrs. BOGGS. Mr. Speaker, I thank the gentleman from Michigan for his kind remarks and I yield back the balance of my time.

The SPEAKER pro tempore. The gentleman from Indiana [Mr. Myers] is recognized for 30 minutes.

Mr. MYERS of Indiana. Mr. Speaker, I yield such time as he may consume to the gentleman from Louisiana [Mr. Livingston].

Mr. LIVINGSTON. Mr. Speaker, I thank the gentleman for yielding me this time. I just want to take this opportunity to thank the gentleman from Michigan [Mr. Dingell], and the gentlewoman from Louisiana [Mrs. Boggs], and my colleagues, the gentlemen from Louisiana [Mr. Tauzin and Mr. Hayes] for working out this compromise. I think it is in the best interest of the State of Louisiana which is dearly in need of some flexibility with which to handle the moneys that are involved in this proposal.

I think it is a good compromise and I applaud the Members who had an opportunity to put it together. I particularly want to commend the gentleman from Alabama [Mr. Bevill], chairman of the subcommittee, and the gentleman from Indiana [Mr. Myers] the ranking minority member for working out this agreement.

Mr. MYERS of Indiana. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Louisiana [Mrs. Boggs].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the last amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 44: Page 38, after line 16, insert:

Sec. 510. Such sums as may be necessary for fiscal year 1989 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

MOTION OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Bevill moves that the House recede from its disagreement to the amendment of the Senate numbered 44 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

Sec. 509. Such sums as may be necessary for fiscal year 1989 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

Mr. MYERS of Indiana (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama [Mr. Bevill].

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO FILE REPORT ON H.R. 4338, AMENDING MARINE PROTECTION, RESEARCH, AND SANCTUARIES ACT OF 1972

Mr. STUDDS. Mr. Speaker, I ask unanimous consent that the House Committee on Merchant Marine and Fisheries have until 5 p.m. today, June 30, 1988, to file its report on H.R. 4338, to amend the Marine Protection, Research, and Sanctuaries Act of 1972.

The SPEAKER pro tempore (Mr. Gray of Illinois). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

NATIONAL LITERACY DAY

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 304) designating July 2, 1988, as "National Literacy Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 304

Whereas literacy is a necessary tool for survival in our society;

Whereas thirty-five million Americans today read at a level which is less than necessary for full survival needs;

Whereas there are twenty-seven million adults in the United States who cannot read, whose resources are left untapped, and who are unable to offer their full contribution to society;

Whereas illiteracy is growing rapidly, as two million three-hundred thousand persons, including one million two-hundred thousand legal and illegal immigrants, one million high school dropouts, and one hundred thousand refugees, are added to the pool of illiterates annually;

Whereas the annual cost of illiteracy to the United States in terms of welfare expenditures, crime, prison expenses, lost revenues, and industrial and military accidents has been estimated at $225,000,000,000;

Whereas the competitiveness of the United States is eroded by the presence in the workplace of millions of Americans who are functionally or technologically illiterate;

Whereas there is a direct correlation between the number of illiterate adults unable to perform at the standard necessary for available employment and the money allocated to child welfare and unemployment compensation;

Whereas the percentage of illiterates in proportion to population size is higher for blacks and Hispanics, resulting in increased economic and social discrimination against these minorities;

Whereas the prison population represents the single highest concentration of adult illiteracy;

Whereas one million children in the United States between the ages of twelve and seventeen cannot read above a third grade level, 13 per centum of all seventeen-year-olds are functionally illiterate, and 15 per centum of graduates of urban high schools read at less than a sixth grade level;

Whereas 85 per centum of the juveniles who appear in criminal court are functionally illiterate;

Whereas the 47 per centum illiteracy rate among black youths is expected to increase to 50 per centum by 1990;

Whereas one-half of all heads of households cannot read past the eighth grade level and one-third of all mothers on welfare are functionally illiterate;

Whereas the cycle of illiteracy continues because the children of illiterate parents are often illiterate themselves because of the lack of support they receive from their home environment;

Whereas Federal, State, municipal, and private literacy programs have only been able to reach 5 per centum of the total illiterate population;

Whereas it is vital to call attention to the problem of illiteracy, to understand the severity of the problem and its detrimental effects on our society, and to reach those who are illiterate and unaware of the free services and help available to them; and

Whereas it is also necessary to recognize and thank the thousands of volunteers who are working to promote literacy and provide support to the millions of illiterates in need of assistance: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 2, 1988, is designated as "National Literacy Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

Mr. FLORIO. Mr. Speaker, I would like to thank the chairman of the Subcommittee on Census and Population, Mr. DYMALLY, for bringing this resolution to the floor today. I introduced House Joint Resolution 544, the House companion to Senate Joint Resolution 304, to designate July 2, 1988, as "National Literacy Day." For the last 2 years, the Congress and the President have approved similar resolutions calling attention to the large numbers of Americans that cannot function in our society because they are illiterate as well as the countless volunteers who give of themselves to help those in need.

Mr. Speaker, studies indicate that 27 million Americans cannot read a newspaper, cannot fill out a job application, cannot maintain a checkbook, or understand the warning label on a bottle of medicine. In short, our Nation has 27 million people that form a class of functional illiterates that are uneducated, untrainable, and economically dependent. And these numbers are growing every year. The Department of Education estimates that, every year, 2.3 million more illiterates, including high school dropouts, unlettered pass-along graduates and immigrants, are added to our society.

We are paying a high price in our Nation for this unfortunate deficiency. As chairman of the House Subcommittee on Commerce, Consumer Protection and Competitiveness, I am concerned that our Nation's competitiveness is being eroded by the presence in the workplace of millions of Americans who are functionally or technologically illiterate. There is a direct correlation between the number of illiterate adults unable to perform at the standard necessary for available employment and the money that is allocated to child welfare costs and unemployment compensation.

Social and economic discrimination problems are propounded because illiteracy is highest among blacks and Hispanics. The high percentage of illiterate juveniles in criminal court indicate that illiteracy fosters crime. Of concern to our Nation's strength is the fact that illiteracy directly impacts our military capability. Millions of dollars of damage is still done to expensive equipment because many men and women in the service are unable to read and comprehend even the simplified manuals.

The total costs related to our Nation's literacy are estimated to exceed $225 billion annually. Chronic unemployment is a further problem that illiterate individuals in our Nation need to deal with. Up to 75 percent of the unemployed lack the basic skills to get a job or be trained for a job.

Disturbingly, Federal funding for literacy programs has not been sufficient to address a problem reaching mass proportions. Federal, State, municipal and private literacy programs have only been able to reach 5 percent of the total illiterate population. The annual amount of money spent by our Federal Government for this problem amounts to $17 per person for a total of $352 million. The Department of Education estimates that only 2 million people are reached annually by these programs.

The total cost of illiteracy to our Nation cannot be measured accurately. However, our Nation is paying dearly in lost productivity and human misery. We hear of sad stories of people suffering tragedies because they could not read: The industrial worker killed because he could not read a warning sign; the mother who gave her sick child pink detergent instead of stomach medicine because she could not decipher medicine labels; the mother who thought she was signing a routine field trip permission slip for her daughter only to discover that she had relegated her daughter to a home for the retarded.

It is for these reasons that we call attention to the problem of illiteracy in our Nation by designating July 2, 1988, as National Literacy Day. We must begin to recognize this problem in order to find solutions and obliterate illiteracy. I would like to, at this point, commend the thousands of volunteers in our Nation, including Caryl Mackin-Wagner of Focus on Literacy of New Jersey, that are working tirelessly to help illiterate individuals in their communities. Thirty-three States have formed literacy councils and activities by volunteer organizations, colleges and schools are increasing.

I urge the support of my colleagues in this worthwhile effort.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION AMENDMENTS OF 1988

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1856) to amend chapter 25 of title 44, United States Code, to provide on authorization for the National Historical Publications and Records Commission programs, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. McCANDLESS. Mr. Speaker, reserving the right to object, I will not object but would ask the distinguished gentleman from Texas [Mr. BROOKS], chairman of the Government Operations Committee, to explain to the rest of the body what we are doing here.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. McCANDLESS. I yield to the gentleman from Texas.

Mr. BROOKS. Mr. Speaker, I thank the gentleman for graciously yielding.

Mr. Speaker, S. 1856 will reauthorize the National Historical Publications and Records Commission's programs for an additional 5 years and will make minor changes in the provisions of chapter 25, title 44, United States Code, that establish the NHPRC's membership and functions.

S. 1856 is similar in content and purpose to H.R. 3933, which was considered by the Committee on Government Operations earlier this year and passed the House overwhelmingly on March 30, 1988. Its authorization level represents a compromise between the House figure and the level originally proposed by the Senate.

The NHPRC, an entity of the National Archives and Records Administration, was created in the legislation that established the National Archives over 50 years ago. Since that time, it has carried out the vital work of leading the efforts to preserve and publish documents that play an important role in our Nation's history. For nearly a quarter of a century, the NHPRC's grants program has assisted local projects for the preservation and publication of such documents.

S. 1856 will make some minor adjustments in the statutory description of the Commission's work and in the composition of the Commission, reducing its number from 17 to 15 while expanding the range of groups who name representatives to the Commission. It also reauthorizes the Commission's grants program at a level of $6 million for fiscal year 1989, $8 million for fiscal year 1990, and $10 million for fiscal years 1991, 1992, and 1993.

The NHPRC has enjoyed broad bipartisan support since its creation, and Members from both sides of the aisle and both Houses of Congress have been instrumental in moving this reauthorization through the legislative process. Chairman GLEN ENGLISH, of our Government Information, Justice, and Agriculture Subcommittee, has been most interested in this bill, and his ranking minority member, AL McCANDLESS of California, as well as the ranking Republican on the full committee, FRANK HORTON of New York, have been extremely cooperative. In the other body, Senators JOHN GLENN, BILL ROTH, and JOHN HEINZ have offered strong support for this measure, and Senator JIM SASSER of Tennessee, chairman of the Governmental Affairs Government Efficiency Subcommittee, has worked hard to achieve reauthorization of the NHPRC through S. 1856.

Mr. Speaker, the activities of the National Historical Publications and Records Commission are crucial not only to our citizens but to the generations that will follow ours. In seeking to keep historical records across the Nation from being lost to the ravages of time and neglect, the NHPRC helps us understand how our Government and our society work, and it will continue to do so for years to come. It is worthy of our support, and I urge adoption of S. 1856.

Mr. McCANDLESS. Mr. Speaker, I thank the distinguished gentleman from Texas for his explanation.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mrs. BOGGS. Mr. Speaker, reserving the right to object, obviously I will not object, but I represent the House of Representatives on the Commission. I wanted to thank all of those involved in it and the chairman of the committee for their gracious understanding of the needs of the Commission.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1856

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Historical Publications and Records Commission Amendments of 1988".

SEC. 2. MEMBERSHIPS AND TERM OF MEMBERS OF COMMISSION.

(a) MEMBERSHIP.—Section 2501 of title 44, United States Code, is amended to read as follows:

§ 2501. Creation; composition; appointment and tenure; meetings

"(a) The National Historical Publications and Records Commission shall consist of 15 members as follows:

"(1) the following ex officio members:

"(A) the Archivist of the United States, who shall be chairman;

"(B) the Librarian of Congress (or an alternate designated by the Librarian);

"(C) one Senator, appointed by the President of the Senate;

"(D) one Representative, appointed by the Speaker of the House of Representatives;

"(E) one member of the judicial branch of the Government, appointed by the Chief Justice of the United States;

"(F) one representative of the Department of State to be appointed by the Secretary of State; and

"(G) one representative of the Department of Defense to be appointed by the Secretary of Defense;

"(2) one member from each of the following organizations, appointed by the governing council or board of the respective organization:

"(A) the American Historical Association;

"(B) the Organization of American Historians;

"(C) the Society of American Archivists;

"(D) the American Association for State and Local History;

"(E) the Association for Documentary Editing; and

"(F) the National Association for Government Archives and Records Administrators; and

"(3) two other members, outstanding in the fields of the social or physical sciences, the arts, or archival or library science, appointed by the President of the United States.

"(b)(1) The members appointed under subsection (a) shall be appointed for terms of 4 years, except that—

"(A) a member appointed under subsection (a)(1)(D) shall be appointed for a term of 2 years; and

"(B) the Archivist and the Librarian of Congress are permanent ex officio members.

"(2) A member may continue to serve after the expiration of a term until a successor has been appointed, but not to exceed one year.

"(c) The Commission shall meet at least annually and at call of the Chairman.".

(b) EFFECTIVE DATE AND IMPLEMENTATION OF STAGGERING OF TERMS.—The amendment made by this section shall be effective on January 1, 1989, and shall apply to the appointment of any member on the expiration of a predecessor's term as follows:

(1) The next two members appointed to such Commission after such date shall be appointed pursuant to section 2501(a)(2) (E) and (F) of title 44, United States Code, as amended by this section.

(2) Notwithstanding section 2501(b)(1), the first members appointed pursuant to section 2501(a)(2) (B) and (C) after January 1, 1991, shall be appointed for terms of one year.

SEC. 3. EXECUTIVE DIRECTOR, STAFF, TRANSPORTATION EXPENSES.

Section 2503 of title 44, United States Code, is amended to read as follows:

"§ 2503. Executive director, staff, transportation expenses

"(a) The Commission may appoint, without reference to chapter 51 of title 5, an executive director. The Chairman may appoint such other employees as may be necessary to carry out the purposes of this chapter.

"(b) Members of the Commission shall be allowed travel expenses (including per diem allowance in lieu of subsistence) in the same amount and to the same extent as persons serving intermittently in the Government service are allowed travel expenses under section 5703 of title 5, United States Code.".

SEC. 4. DUTIES AND FUNCTIONS.

Section 2504 of title 44, United States Code, is amended to read as follows:

"§ 2504. Duties; authorization of grants for historical publications and records programs; authorization for appropriations

"(a) The Commission shall make plans, estimates, and recommendations for historical works and collections of sources it considers appropriate for preserving, publishing or otherwise recording at the public expense. The Chairman of the Commission shall transmit to the President and the Congress from time to time, and at least biennially, the plans, estimates, and recommendations developed and approved by the Commission.

"(b) The Commission shall cooperate with, assist and encourage appropriate Federal, State, and local agencies and nongovernmental institutions, societies, and individuals in collecting and preserving and, when it considers it desirable, in editing and publishing papers of outstanding citizens of the United States, and other documents as may be important for an understanding and appreciation of the history of the United States.

"(c) The Commission may conduct institutes, training and educational programs, and recommend candidates for fellowships related to the activities of the Commission and may disseminate information about documentary sources through guides, directories, and other technical publications.

"(d) The Commission may recommend the expenditure of appropriated or donated funds for the collecting, describing, preserving, compiling and publishing (including microfilming and other forms of reproduction) of documentary sources significant to the history of the United States and for the activities described in subsection (c).

"(e) The Archivist of the United States may, within the limits of available appropriated and donated funds, make grants to State and local agencies and to nonprofit organizations, institutions, and individuals, for those activities in subsection (d) after considering the advice and recommendations of the Commission.

"(f)(1) For the purposes specified in this section, there is hererby authorized to be appropriated to the National Historical Publications and Records Commission—

"(A) $6,000,000 for fiscal year 1989;

"(B) $8,000,000 for fiscal year 1990; and

"(C) $10,000,000 for each of the fiscal years 1991, 1992, and 1993.

"(2) Amounts appropriated under this subsection shall be available until expended when so provided in appropriation Acts.".

SEC. 5. CONFORMING AMENDMENT.

The table of contents for chapter 25 of title 44, United States Code, is amended to read as follows:

"Sec.
"2501. Creation; composition; appointment and tenure; vacancies; meetings.
"2502. Vacancies.
"2503. Executive director; staff; transportation expenses.
"2504. Duties; authorization of grants for historical publications and records programs; authorization for appropriations.
"2505. Special advisory committees; membership; reimbursement.
"2506. Records to be kept by grantees.".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 1125

COMMENDING THE KING, THE PARLIAMENT, AND THE PEOPLE OF TONGA ON THE OCCASION OF THE CENTENNIAL OF TREATY BETWEEN THE UNITED STATES AND TONGA AND 21ST ANNIVERSARY OF CORONATION OF, AND 70TH BIRTHDAY OF, HIS MAJESTY KING TAUFA'AHAU TUPOU IV

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs be discharged from further consideration of the concurrent resolution (H. Con. Res. 319) commending His Majesty King Taufa'ahau Tupou IV, the Parliament, and the people of the Kingdom of Tonga on the occasion of the centennial of the Treaty of Amity, Commerce, and Navigation between the United States and the Kingdom of Tonga and the 21st anniversary of the coronation of, and 70th birthday of, His Majesty King Taufa'ahau Tupou IV, and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from California?

Mr. LAGOMARSINO. Mr. Speaker, reserving the right to object, I yield to the gentleman from California to explain the resolution.

Mr. DYMALLY. I thank the gentleman for yielding.

Mr. Speaker, this resolution which is supported by the administration and was reported out unanimously by the Subcommittee on Asian and Pacific Affairs of the Committee on Foreign Affairs does three things: First, it congratulates the people and the King of Tonga on the occasion of the King's 70th birthday.

Second, it congratulates the King on the occasion of the 21st anniversary of his coronation.

Third, the resolution commends the centennial of the ratification of the Treaty of Amity, Commerce, and Navigation between the United States and the Kingdom of Tonga.

This resolution is particularly timely since a presidential delegation is already on its way to Tonga to participate in celebrations commemorating the three events I have just described.

The resolution expresses the appreciation of the Congress for the close and warm relations between the United States and Tonga.

Mr. LAGOMARSINO. Mr. Speaker, further reserving the right to object, I rise to urge passage of House Concurrent Resolution 319 regarding the Kingdom of Tonga, which I introduced with Mrs. PAT SAIKI of Hawaii and Mr. SUNIA of American Samoa.

This legislation should be well received by the people of Tonga and the South Pacific islands as they place a great deal of emphasis on protocol and recognition. Tongan etiquette is particularly complex. Complete sets of words in the Tongan language are reserved exclusively to refer to the King, nobles, and persons of honor, and to others. There are certain proper Tongan ways in which to eat, sit, stand, dress, and talk. The details of appropriate Tongan manner would literally take volumes to fill and make our own rules of protocol fairly simple by comparison.

It is appropriate and necessary according to South Pacific custom that longstanding relationships be given due recognition. It is, therefore, fitting that the United States acknowledge the 100-year-old Treaty of Amity, Commerce, and Navigation with the Kingdom of Tonga. The people of Tonga have scheduled several days of celebrations in July to commemorate three events.

The first event to be celebrated is the 100th anniversary of the Treaty of Amity, Commerce, and Navigation between the Kingdom of Tonga and the United States. The treaty explicitly provides that all ports of Tonga shall be open to the ships-of-war of the United States. This is in stark contrast to New Zealand law which effectively bans the entrance of our naval vessels. Tonga has continued to cooperate with the United States in defense activities and has indicated a desire to see our security relationship enhanced.

The July celebrations will also center on the 70th birthday and 21st anniversary of the coronation of His Majesty King Taufa'ahau Tupou IV of the Kingdom of Tonga. As many heads of state and island officials are expected to be in attendance, it is very important to United States-Pacific island relations for appropriate recognition to be shown.

A Presidential delegation is enroute to Tonga led by our colleague from the Pacific islands of Hawaii, PAT SAIKI, who will be able to personally deliver the congressional message to the Government of the Kingdom of Tonga. In the operative section of the resolution, the Congress:

First, congratulates His Majesty King Taufa'ahau Tupon IV on the occasion of his 70th birthday and 21st anniversary of his coronation;

Second, extends the appreciation of the American people to the King, the parliament, and the people of Tonga for their efforts to maintain a close and friendly relationship with the United States;

Third, expresses the belief that the United States should continue close and friendly relations with the Kingdom of Tonga through mutual cooperation with the goal of fostering economic development, political stability, and peace in the South Pacific region; and

Fourth, requests the Presidential delegation to convey the sincerest best wishes and congratulations of the Congress.

I would like to thank the chairman and vice chairman of the Subcommittee on Asian and Pacific Affairs for their suggestions and cooperation in moving this legislation through the subcommittee. I also want to acknowledge the support of Mr. FASCELL and Mr. BROOMFIELD, chairman and vice chairman of the full Foreign Affairs Committee to permit this legislation to be given timely consideration before the House.

I would also like to thank Senator FRANK MURKOWSKI for the interest he has shown in this legislation and his efforts to support the concurrent resolution on the Senate side.

I believe House Concurrent Resolution 319 appropriately recognizes the lengthy and warm relationship that the United States has shared with the Kingdom of Tonga. The congressional message of the resolution demonstrates the concern and interest of the United States for the people of Tonga and all the peoples of the Pacific islands.

Mr. BROOMFIELD. Mr. Speaker, the people and the monarchy of the Kingdom of Tonga have been staunch friends of the United States in the South Pacific from the time of the signing of the Treaty of Amity, Commerce, and Navigation between our two countries 100 years ago. Since those years, we have been bound together through shared values in human rights and personal liberties.

Over the years, we have strengthened these ties through economic cooperation, competitive sporting events and cultural exchanges. At a time when relations with other South Pacific nations have become more strained over issues such as visits of our naval ships, Tonga has welcomed our ships and cooperated in defense activities to the benefit of both countries.

It is therefore with pleasure that I urge my colleagues to support this resolution that celebrates the centennial of the Treaty of Amity, Commerce, and Navigation, and congratulates His Majesty, the King of Tonga on his 70th birthday and the 21st anniversary of his coronation. I also wish to congratulate our colleague, Congressman BOB LAGOMARSINO, for his leadership in bringing this resolution before us today.

Mr. SUNIA. Mr. Speaker, the Kingdom of Tonga is a true friend of the United States. And our relationship with Tonga has been a staunch and long-term alignment which we have enjoyed. Tonga is also the last of the kingdoms which existed in the Pacific Islands before and since discovery of the world's largest ocean.

This week Tonga is celebrating the 100th anniversary of its government as a democratic monarchy with close ties to the British throne. As the delegate from American Samoa, I represent the many Tongans who live in my territory. They participate in the economic and social life of our territory. There are frequent visitations by our two peoples, and we have become a gateway for Tonga to the North, the West, and South Pacific.

There are also conclaves of Tongans here in the United States, in cities on the west coast and in the State of Texas. One of the most popular modern group of entertainers, the Jets, are Tongans whose residence is in the State of Minnesota. Here in the Untied States, they have become accustomed to hard work and are going through the route of all immigrant groups, and they are making a good account of themselves.

Mr. Speaker, I think it is proper, then, that we extend to our friends in the Kingdom of Tonga a warm message of congratulations for a century of modern government.

Mr. LAGOMARSINO. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 319

Whereas July 1, 1988, commemorates the centennial of the Treaty of Amity, Commerce, and Navigation between the United States and the Kingdom of Tonga;

Whereas the Head of State, His Majesty King Taufa'ahau Tupou IV, the Parliament, and the people of Tonga enjoy a constitutional monarchy and share with the Government and people of the United States the same ideals of liberty, peace, democracy, and progress;

Whereas the Kingdom of Tonga maintains a historically close relationship with the United States generally, and American Samoa and the State of Hawaii in particular, and engages in economic cooperation, competitive sporting events, and cultural exchanges with the United States;

Whereas His Majesty King Taufa'ahau Tupou IV of the Kingdom of Tonga celebrates his 70th birthday and the 21st anniversary of his coronation on July 4, 1988;

Whereas the Kingdom of Tonga and the United States cooperate in defense activities in the South Pacific to the mutual benefit of both countries; and

Whereas relations between the Kingdom of Tonga and the United States have been, and continue to be, close and warm: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That, on the occasion of the centennial of the Treaty of Amity, Commerce, and Navigation between the United States and the Kingdom of Tonga and the 21st anniversary of the coronation of, and 70th birthday of, His Majesty King Taufa'ahau Tupou IV of the Kingdom of Tonga—

(1) the Congress—

(A) commends His Majesty King Taufa'ahau Tupou IV, the Parliament, and the people of the Kingdom of Tonga for their efforts to maintain a close and friendly relationship with the United States;

(B) commends His Majesty King Taufa'ahau Tupou IV for his 21 years of dedicated leadership on behalf of the people of Tonga; and

(C) recognizes that the pursuit of economic and social development by the Kingdom of Tonga within circumstances ensuring peace, freedom, and full sovereignty is most important for the stability of the South Pacific and the interests of the United States; and

(2) it is the sense of the Congress that—

(A) the United States should continue close and friendly relations with the Kingdom of Tonga through mutual cooperation to ensure economic development, political stability, and peace in the South Pacific; and

(B) the Presidential delegation attending the July celebrations in the Kingdom of Tonga in honor of the centennial of the Treaty of Amity, Commerce, and Navigation between the United States and the Kingdom of Tonga and the 21st anniversary of the coronation of, and 70th birthday of, His Majesty King Taufa'ahau Tupou IV should convey the sincerest best wishes and congratulations of the Congress.

SEC. 2. The Clerk of the House of Representatives shall transmit a copy of this resolution to the President with the request that such copy be transmitted to the Government of the Kingdom of Tonga.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. DYMALLY

Mr. DYMALLY. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. DYMALLY: Page 2, line 3, strike out all after the resolving clause and insert:

SECTION 1. EXPRESSION OF CONGRESSIONAL VIEWS.

The Congress—

(1) congratulates His Majesty King Taufa'ahau Tupou IV of the Kingdom of Tonga on the occasion of his 70th birthday and the 21st anniversary of his coronation;

(2) extends the appreciation of the American people to His Majesty King Taufa'ahau Tupou IV, the Parliament, and the people of the Kingdom of Tonga for their efforts to maintain a close and friendly relationship with the United States;

(3) believes that the United States should continue close and friendly relations with the Kingdom of Tonga through mutual cooperation, with the goal of fostering economic development, political stability, and peace in the South Pacific region; and

(4) requests that the Presidential delegation attending the July 1988 celebration in the Kingdom of Tonga in honor of the 70th birthday of His Majesty King Taufa'ahau Tupou IV, as well as the 21st anniversary of his inauguration and the centennial of the Treaty of Amity, Commerce, and Navigation between the United States and the Kingdom of Tonga, should convey the sincerest best wishes and congratulations of the Congress.

SEC. 2. TRANSMITTAL OF COPY OF RESOLUTION.

The Clerk of the House of Representatives shall transmit a copy of this concurrent resolution to the President with the request that it be transmitted to the Government of the Kingdom of Tonga by the Presidential delegation attending the July 1988 celebrations in the Kingdom of Tonga.

Mr. DYMALLY (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from California [Mr. DYMALLY].

The amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the concurrent resolution.

The current resolution was agreed to.

AMENDMENT TO THE PREAMBLE OFFERED BY MR. DYMALLY

Mr. DYMALLY. Mr. Speaker, I offer an amendment to the preamble.

The Clerk read as follows:

Amendment to the preamble offered by Mr. DYMALLY:

Whereas the Kingdom of Tonga maintains a historically close relationship with the United States, including economic cooperation, competitive sporting events, and cultural exchanges with the United States;

Whereas the people of Tonga share many of the same values as the United States, including a commitment to human rights and personal liberty;

Whereas the Kingdom of Tonga and the United States cooperate in defense activities in the South Pacific to the mutual benefit of both countries;

Whereas his Majesty King Taufa'ahau Tupou IV of the Kingdom of Tonga celebrates his 70th birthday and the 21st anniversary of his coronation on July 4, 1988; and

Whereas on July 1, 1988, the people of Tonga will be commemorating the centennial of the Treaty of Amity, Commerce, and Navigation between the United States and the Kingdom of Tonga: Now, therefore, be it

The SPEAKER pro tempore. The question is on the amendment to the preamble offered by the gentleman from California [Mr. DYMALLY].

The amendment to the preamble was agreed to.

TITLE AMENDMENT OFFERED BY MR. DYMALLY

Mr. DYMALLY. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Title amendment offered by Mr. DYMALLY: Amend the title to read as follows: "Concurrent Resolution congratulating His Majesty King Taufa'ahau Tupou IV and the people of Tonga on the occasion of the King's 70th birthday, the 21st anniversary of the King's coronation, and the celebration of the centennial of the Treaty of Amity, Commerce, and Navigation between the United States and the Kingdom of Tonga."

The title amendment was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Concurrent Resolution 319, the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. LOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, I do this for the purpose of receiving the legislative schedule for the balance of the week and for next week, and that purpose I yield to the distinguished majority leader, the gentleman from Washington [Mr. FOLEY].

Mr. FOLEY. I thank the distinguished Republican whip and acting Republican leader for yielding.

Mr. Speaker, we have concluded the business for today and for this week and, as scheduled, the House will begin today its Independence Day/District work period.

The House will return on Wednesday, the 6th of July at noon and at that time consider H.R. 4174, the Small Business Administration Reauthorization and Amendment Act, subject to a rule. The House will be in session on Thursday, July 7 at 10 a.m. and will consider H.R. 4481, military base-closings bill, subject to a rule. The House will not be in session on Friday, July 8. In addition to that, it may be possible to schedule conference reports, possibly the conference report on the Department of Defense authorization for fiscal year 1989, and other conference reports.

Mr. LOTT. I thank the gentleman for that information.

I would like to thank the leader for giving forward and keeping the commitment to get this H.R. 4481, the military base-closings legislation up here for consideration in the House.

The only question I might have—earlier this week it had been indicated that perhaps we would have trade legislation or trade bill back on the floor for consideration either on Wednesday or Thursday of this week. Do you see any prospect that that legislation might be scheduled sometime next week?

Mr. FOLEY. Well, it is possible. We intend to schedule the plant-closing notification when that legislation is received from the other body and, along with that, schedule the trade legislation so the two will be scheduled together or in very close proximity.

But we are awaiting action on the plant-closing bill from the other body. It is possible next week we could have either or both bills. But I think it is more likely we will have them the week following.

Mr. LOTT. Probably the week following. It is hard for us to tell when the other body might complete action on that. But since they have not completed action and since they will not even take it up until next Tuesday, I would presume that there is not much likelihood that it would be brought up next week.

Mr. FOLEY. I think the more probable estimate would be the week following.

Mr. LOTT. I thank the gentleman.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, JULY 6, 1988

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday, July 6, 1988.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

AUTHORIZING THE SPEAKER TO ACCEPT RESIGNATIONS, AND TO APPOINT COMMISSIONS, BOARDS, AND COMMITTEES NOTWITHSTANDING ADJOURNMENT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that, notwithstanding any adjournment of the House until Wednesday, July 6, 1988, the Speaker be authorized to accept resignations, and to appoint commissions, boards, and committees authorized by law or by the House.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

VACATING SPECIAL ORDER

Mr. McMILLAN of North Carolina. Mr. Speaker, I ask unanimous consent that the special order previously entered into by the gentleman from Texas [Mr. DELAY] for 60 minutes for today be vacated.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from North Carolina,

There was no objection.

THE 20TH REUNION OF GRADUATING CLASS OF WACO HIGH SCHOOL, WACO, TX

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. BARTON] is recognized for 5 minutes.

Mr. BARTON of Texas. Mr. Speaker, this weekend I am going to participate in one of the perennial rituals of Americana, a ritual called the annual high school reunion. In my case it is the 20th reunion of the graduating class of Waco High School in Waco, TX, whose mascot is the Fighting Waco High Tigers.

The Waco High School class of 1968 was 256 strong. It was a class of notable accomplishments in a year that was notable for the tumult and excitement that was generated. I take you back to that year: it was the year in which President Lyndon Johnson announced that he was not going to seek another term as President of the United States, resulting in a Democratic convention in Chicago orchestrated by then-Mayor Daley which resulted in riots, upheaval, and finally the nomination of Hubert Humphrey to run against Richard Nixon in the fall campaign, in which Richard Nixon became the President of the United States. It was a year in which there were hippies in San Francisco advocating free love, hang loose, take it easy, do your own thing. It was a year in which you could buy a brandnew 1968 Mustang automobile for $2,298 fully equipped. If you had more expensive tastes you could buy a Lincoln or a Cadillac for between $7,000 and $8,000. A pound of bacon cost 49 cents. Permanent press shirts were just coming into vogue. You could buy the best shirt possible for $5 down at your local men's store. It was a year in which we held an Olympics, Peggy Flemming won the Olympic gold medal for ice skating; it was a year of famous events. Tiny Tim was married on national television, Julie and David Eisenhower were married in the Rose Garden. But it was also a year in which almost 3 million young Americans graduated from high school. One of those high schools was Waco, TX. The class of Waco High School was notable for its own achievements. Our football team beat the hated archrivals from across town, the Richfield Rams, 27 to nothing. It was also a year in which our track team sent several people to the State track meet. Our choir, our band won several meets and sent several people to their various State contests. It was a year, on a more serious level, in which we graduated the first integrated class of Waco High School. In fact one of the leaders of our class, Mike Tyler, a young black man, received an athletic scholarship to Rice University and was a commissioner and student leader in the class.

It was a year in which several of my classmates after graduating entered the military and served in Vietnam with distinction. Several of them gave their lives for defending freedom in Vietnam later after their graduation.

So I would like to take this time, Mr. Speaker, to congratulate the Waco High School class of 1968 and their reunion this weekend.

Talking about the less famous people: we have Charles Green who was somewhat the hippie in Waco High School in 1968. He is now a psychologist in West Virginia. We have Richard Baker, middle linebacker now married to the homecoming queen, Lois Chambers. They live in Waco. Pat Hoerner, who played on the baseball team, has just set up a new company here in Virginia with H. Ross Perot. They won the Postal Service contract from the Post Office to make it a little bit more efficient. I mentioned Mike Tyler, all-State halfback, now an insurance agent somewhere in the Midwest.

Bill Cottingham, the only high school graduate that year to get an academy appointment. He went to the Air Force Academy. He is now an F-111 pilot stationed temporarily here at the Pentagon. The quarterback of our football team, Dennis Gilliam, now a banker in Waco. Last and probably least the 145-pound middle linebacker JOE BARTON, yours truly, now the U.S. Representative to the Sixth Congressional District.

Congratulations Waco High School class of 1968. Good luck in the future. I hope we have a great time this weekend.

EFFORTS CONTINUE TO BE MADE TO IMPROVE HOUSE TELEPHONE SYSTEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. ROSE] is recognized for 5 minutes.

Mr. ROSE. Mr. Speaker, last week, I advised the House that every effort was being made by our telephone service contractor and our House staff to locate and solve the recent problems with our telephone system. We have been utilizing for several months the system 85 switches designed, constructed and installed for the House by AT&T.

Since my remarks, the around-the-clock efforts of senior AT&T designers, engineers, and technicians appear to have isolated the software glitches in our system. The level of service this week has been very acceptable and I must commend all those involved for their dedicated and determined efforts.

However, the work of the past few days to eliminate our system's unique problems has not been completed. It has been decided by AT&T that additional switching capacity will be installed within our facility to insure a continued reliable and acceptable House system. Such expanded capacity will require additional equipment that has been delivered to the House and is presently being installed. This installation will be completed next week. I do not expect this additional switching equipment to cost the House any additional funds beyond the terms of our original contract. It is a part of AT&T's total effort to provide the service expected and guaranteed when the House accepted their proposal.

Speaking for the members of the Subcommittee on Office Systems of the Committee on House Administration, let me say that I appreciate the cooperation and patience of Members and all of the staffs of Members, committees and support offices.

COIN COLLECTOR SPEAKS OUT AGAINST COIN DESIGN CHANGES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, "like it or not, the current coin styles are decent, recognizable, and accepted by the vast majority of the country. Is the change needed? Who says so?" Mr. Allan Sherry, a coin collector from Riverdale, NY, asked me these questions in a recent letter. He, like many other coin collectors, recognizes that the proposals to change designs on our circulating coins is not supported by the general public, or by many numismatists.

Mr. Sherry cites several valid and thought provoking reasons why we should not change coin designs. His comments reflect the opinions of the majority of American citizens who have written to the Subcommittee on Consumer Affairs and Coinage regarding this issue. Letters opposing the coin design changes come from both collectors and non-collectors. While I value the opinions of all citizens who write to me, I find the views of collectors to be particularly interesting with regard to this proposal.

To change coin designs would benefit coin collectors. The addition of new designs would naturally add to the value of their collections. Change would also benefit those who have been lobbying for such legislation. I believe that this has become a personal crusade for some, and that little consideration is being given to the very real, detrimental effects that coin design changes would have on our budget deficit.

The following are excerpts from Mr. Sherry's letter:

RIVERSIDE, NY.

DEAR CONGRESSMAN ANNUNZIO: I support your rejection of new coin designs for a host of reasons, including:

1. Just because there is permission by law to change designs is not a valid reason for doing so.

2. People wishing to make the changes also do not necessarily have valid reasons for wishing the changes to be made.

3. It costs money to make the changes at a time when governmental spending is basically out of control, requiring curbs wherever possible.

4. The basic reason for the changes are as much for personal aggrandizement as for logical reasons, a reason NOT to opt for change.

5. By past performance, if based on commemorative coinage designs, these have been overall, pitifully poor, unattractive, lacking everything in comparison to the designs in circulation now.

6. The U.S. Mint should be mandated to be at least competitive in quality with its own past examples, and those of other mints (such as the Royal Canadian Mint) in quality of strikes and handling, and durability of current designs. * * * They aren't getting it right, so why give them added problems with new designs?

7. There are lots of places in the commemorative programs and bullion programs for new designs (most of them pitifully poor). No need to put ugliness, already exemplified, into circulation, watering-down our image which is already not the best, anymore.

8. Merely being bored with current designs, or to liven up the coin hobby, is not a business-like reason to meddle with what likely will be the last classical coinage this country is likely to produce, those of current designs.

9. To a degree, the coin hobby underwrites a lot of profitability for the U.S. Mint * * *, and many will buy, for a premium, sets or individual coins with the new designs when offered. They have to keep their collections complete. But, this also is not valid reason for changing the designs. Those aftermarket bigwigs, dealers, always make out on such changes, and the U.S. Mint/Government creates their market in coin design changes, and thus these people are for it. But it is not a valid reason to make changes in designs.

10. Like it or not, the current coin styles are decent, recognizable, and accepted by the vast majority of the country. Is the change needed? Who says so?

11. If the minting process produced top quality examples of coinage, in terms of the process with these current designs, I'd say then they might be capable of turning out something new of equal quality. But they have not yet, so why give them something new to make excuses about?

I have been reading about your reasons for not preferring to make coin design changes in Numismatic News, Representative Annunzio. I collect coins as a hobby, and among my friends in that hobby, most do not want coin design changes for my reasons, and a few others. They, too, would collect the new ones, but many of us feel the Mint has not done a good job in terms of quality, just quantity. Others I've spoken with feel that the collectors programs have fallen short of expectations. * * * Perhaps the people at the Mint are just not capable or ready to do new coins. * * *

If my reasons do not altogether coincide with yours, the point is mutual if these harebrained meddlers in our midst are denied. Don't cave in, Mr. Annunzio! You have lots of support among collectors, just not a lot among a small minority of people who likely believe they are doing the right things, but for many invalid reasons. * * *

Thanks for your interest in coinage, Representative Annunzio.

Sincerely,

ALLAN SHERRY.

It is my hope that my colleagues in the House of Representatives will consider the comments of Mr. Sherry, a coin collector who ardently opposes coin design changes. Mr. Sherry can see beyond the personal gain that he might enjoy to the far-reaching problems which will accompany coin design change at this time. Mr. Sherry's comments come from a member of the very community which coin design legislation purports to benefit. I ask my fellow Members to recognize that there is sound opposition to this proposal from the coin collecting community.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. MACKAY] is recognized for 5 minutes.

Mr. MACKAY. Mr. Speaker, due to a previous commitment I missed several votes. Had I been able to vote, I would have voted for final passage of H.R. 1158 and for the conference report on H.R. 4567.

I appreciate having this opportunity to state my position on these measures.

JUDGE ELVIN DAVENPORT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. CROCKETT] is recognized for 5 minutes.

Mr. CROCKETT. Mr. Speaker, this past weekend the Detroit community lost one of its most eloquent and respected judicial officers, when retired judge Elvin L. Davenport passed away after a long illness.

Judge Davenport was a pioneer on the recorders court in Detroit, serving as the first elected black judge of that court from 1957 until his retirement in 1977. He was a wise and gifted jurist, with a sense of fairness and a passion for justice that were clear to all those who came before him.

I had the great good fortune of serving with Judge Davenport on the recorders court, and of knowing him not only as a colleague but as a trusted friend. I will miss him, and our entire community will miss him.

For the benefit of those who were not privileged to know Judge Davenport, I offer the article in the Monday, June 27, Detroit News which chronicles his life:

JUDGE ELVIN L. DAVENPORT DIES; FIRST BLACK ON RECORDER'S COURT

(By Domenica Marchetti)

Elvin L. Davenport, a respected retired judge who was the first black elected to Detroit's Recorder's Court, died Sunday at Harper Hospital of cardiac arrest. He was 88.

Known as a skilled and fair jurist, Mr. Davenport also maintained a passion for roses. Until two years ago, he meticulously tended his rose garden.

He was born and raised on a farm in northeast Virginia, one of nine children.

To earn money for college, he worked as a porter with the Canadian Pacific Railroad in the 1920s. He received a bachelor's degree from Temple University, and in 1929, earned his law degree from Howard University in Washington.

Mr. Davenport moved to Detroit in 1929, and in 1931 he passed the State Bar of Michigan examination. The Depression was not an easy time to get a law practice started, especially for a black man, so Mr. Davenport sold insurance on the side to earn extra money.

He was appointed an assistant Wayne County prosecutor in 1945. In 1956, he was appointed to the Common Pleas bench, and less than a year later, then-Gov. G. Mennen Williams appointed him to the Recorder's Court bench. At the next election in 1957, he became the first black ever elected to Recorder's Court, a position he held until his retirement 20 years later.

During his tenure on the bench, Mr. Davenport, a tall, thin, bespectacled man with a quiet, courtly manner, earned a reputation for being interested in presenting the jury only with the simple truth. He disdained the use of legal technicalities and tricks to influence a case.

"He used an occasional pointed comment, or more frequently a humorous example to steer attorneys back on track when they went off it," said Herb Levitt, a court administrator and longtime acquaintance of Mr. Davenport.

"He never had to stomp or bang the gavel. He had the force of personality. The feeling that this guy was on top of everything kept everyone in line," recalled Levitt, a former newspaper reporter.

In one instance, as Mr. Davenport was about to sentence a pimp in the presence of a group of high school students, the convicted man stated that money was the most important thing in the world and that he felt respected when he drove his expensive car through the streets. The judge replied: "That isn't respect. All they are saying is, "There goes another pimp in a Cadillac.' "

If there was one passion Mr. Davenport had besides his love for the law, it was roses. Working in his rose garden, which held up to 120 varieties, was the perfect form of relaxation, the judge believed. It was a hobby he kept up until two years ago, when he and Victoria, his wife of 24 years, moved to an apartment on Lafayette.

"He had grown up on a farm, and he never forgot his origin," Mrs. Davenport said. "His plants were an extension of his love for nature and the earth. He treated the roses with gentleness and care. The same love he had for the flowers he transferred to his friends and family," she said.

Mr. Davenport was also a lover of the arts, Mrs. Davenport said. He was well-versed in literature and extremely fond of the opera.

Mr. Davenport was also active in many associations. He was a member of the State Bar of Michigan, the Michigan Judges Association and past-president of the Wolverine Bar Association. He also was a member of the American Judicature Society, the National Bar Association, the Detroit Bar Association and the American Academy of Political and Social Science.

He was a lifelong member of the National Association for the Advancement of Colored People (NAACP), a member of the Howard University Alumni Association and a member of Omega Psi Phi fraternity. He served on the board of directors of the Boy Scouts of America and was a member of the American Rose Society.

Mrs. Davenport said the judge had been ill for more than a year. He suffered a stroke on March 29 from which he recovered, she said.

In addition to his wife, Mr. Davenport is survived by a son, Donald; a daughter, Mildred Wilson; a stepson, Charles W. Anderson III; a stepdaughter, Victoria Anderson Pinderhughes; and eight grandchildren.

Visitation and burial arrangements will be announced by McFall Brothers Funeral Home, 9419 Dexter Blvd.

Services will be Wednesday at 1 p.m. at Bethel A.M.E. Church, 5050 St. Antoine. Memorial contributions may be made to the Elvin L. Davenport Scholarship Fund, Howard University School of Law, Washington.

SERBIANS OBSERVE ANNIVERSARY OF KOSOVO

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, this week on, June 28, Serbians throughout the world observed the anniversary of a momentous event in the history of Serbia, and, although it is not generally known, in the history of the Western World. It was 599 years ago that the Serbian Army was defeated by the Ottoman Turks, who were then sweeping westward toward Vienna.

For more than a century, the Turks had been moving north and west, across the Peleponnesian peninsula, Bulgaria, and what is modern Yugoslavia. Taking advantage of the quarrels among the local princes, they had pressed forward like an inexorable tide. The Byzantine empire had fallen and Constantinople had been neutralized earlier in the 14th century.

Finally recognizing the magnitude of the long range implications for our civilization of this advance, Hungarians and Magyars, Serbs, and Bulgars contested the advance of the Ottoman empire under Murad I, the Ottoman sultan. Finally Prince Lazar of the Serbian empire, leading a force of mainly Serbian soldiers, met the Turks in battle at Kosovo, in what is now the western part of Yugoslavia.

At the start of the battle, a Serbian knight, Milosh Kobilic succeeded in getting into the tent of Murad and killed him. The Turks regrouped around Bayazid, Murad's son, and in a fierce day-long battle, destroyed the Serbian Army and ended the Serbian Empire. Lazar himself was captured and executed on the field of Kosovo, which is known as the plain of blackbirds.

Historical books say that his body was decapitated and his head displayed in glee by the Turks. Kosovo has become a sacred sit for all Serbians as a result.

The battle had been so bloody that June 28 has been recognized ever since as Vidovan, or widow's day. It is so remembered even today in Yugoslavia, and particularly in Serbia. With Kosovo, the Balkan bulwark against the East, was destroyed. No longer would Balkan heroes protect the West from the Hun and the Mongol, the Ottoman and the Russian. Not for two centuries, until the battle of Lepanto would the threat of the Turks to the West be broken.

So the Serbs remember this day as a day of national calamity. Even today, the Montenegran people of the area wear a black band on their caps for this "Waterloo of the Serbian empire." For our ancestors and for the entire West, June 28, 1389, was indeed a black day.

Next year will be the 600th anniversary. And Kosovo is more sacred than ever.

Coincidentally, even today, this field of battles, this widow maker, Kosovo, is in the news and is the source of conflict among local peoples. Although Kosovo is now a part of Yugoslavia, Serbs and other Yugoslavs have become a minority people in their own country.

Since Albania forms the western border of Yugoslavia, Albanians have migrated in large numbers eastward into Kosovo until they are now the majority people in this area. By some estimates, Kosovo now is 85 percent ethnically Albanian.

Over the past 10 years violence has broken out in the area as part of a movement by Albanians to create a greater Albania, including parts of southern Yugoslavia and Kosovo. To date, it is claimed the Albanian Government has not encouraged this movement. In a nation which suffered 1.7 million deaths in World War II, the prospect of civil war is nothing short of horrifying. You may remember, Mr. Speaker, that World War I also broke out in Slovenia, one of the six republics is now composing Yugoslavia. The Serbians and the other Slavics in the country do not want another war. World Wars I and II were too destructive.

However, as the numbers of ethnic Albanians grow, the process accelerates. In some parts of the region, as in western Macedonia, virtually all of the ethnic Slavs have been driven out of the region.

Kosovo, after having fallen into obscurity for six centuries, is again of critical importance to the survival of Yugoslavia and in some measure, to the safety of the West.

Congress now is considering a concurrent resolution, decrying the fate of ethnic Albanians in Serbian Yugoslavia. It has never been a condition for offering legislation to know what one was talking about, but in this instance such legislation is like lighting a match to find a gas leak.

I point out that this morning—the Human Rights Caucus, with Congressman JOE DIOGUARDI chairing, held a hearing on this issue of alleged persecution of Albanians by the Yugoslavia Government.

The distinguished gentleman from Connecticut welcomed a statement from me as a first-generation Serbian-American in which I did not defend the Yugoslavia Government but outlined that there are other inflammatory issues in Yugoslavia that the Yugoslavia Government one I am most concerned about is that are forcing Serbians out of Kosovo.

Who are these Serbs, that we should take any interest at all in their concerns? Although relatively few in number, their national traits have made them at home in America. They are a proud group, fiercely independent, self-reliant, dependable as friends, loyal as citizens, family oriented. I am honored to say that they are my people.

Americans of Serbian ancestry have served this Nation in every war since World War I. Considering their tiny proportion of the population, they have produced four rank officers in our military. Serbian Americans have won the Congressional Medal of Honor in each of our last four wars. And the late Capt. Lance Peter Sijan, USAF, was the first Air Force Academy graduate to receive a posthumous CMH for his bravery as a POW in North Vietnam.

During World War II, the late Gen. Draza Mihailovich, a Serbian hero, saved the lives of some 500 American airmen who have vowed they will pay proper tribute to him before they all have left this Earth—those men braved deeds in the face of the Nazis as the Serbian Chetniks reached out for the fallen American airmen.

Today, the entire scientific world is seeking to rediscover the electric and electronic advances of the greatest inventive mind of the 20th century, Nicolas Tesla—a Serbian by birth and an American by choice.

I am sure that various Members of the House and of the Senate have asked themselves why we should concern ourselves with American citizens who involve themselves in the quarrels of the inhabitants of the countries of their forebears.

As a free American, born here of Serbian immigrant parents, permit me to try to answer that question in terms of U.S. national interests. I am pleased that my parents came here, because we, their children, have been able to grow up in a society of free men and women who enjoy the blessings of liberty.

Americans of Serbian background have been well aware, and proud, that these blessings of freedom are precisely what their forebears struggled for in the old homeland. In the course of the 19th century, after nearly 500 years of Turkish domination, the Serbs fought successfully to regain their independence, and toward the end of the century were successful in establishing democratic political institutions. All of this was done with virtually no help from the outside and with great sacrifices.

But there is more than this identity of aspirations that brought Serbs and Americans together. The Serbs fought as our allies in two world wars, and with untold suffering.

More important, in terms of United States national interests, is the role of Serbs in Yugoslavia. They are the most numerous, nearly twice as large as the next largest group, the Croats. They were the principal instrument in the creation of Yugoslavia in 1918—the ones who sacrificed the most on its behalf and in the interwar years they were the strongest supporters of the common state. There have been allegation that in those years the Serbs abused their dominant position. Recent studies, both here and in Yugoslavia, have demonstrated that such was not the case. But whatever history's ultimate judgment on that question, it remains a fact that there cannot be a Yugoslavia without strong Serbian support.

No one should lose sight of this fact, because United States foreign policy is committed to an integral Yugoslav state. It was so 40 years ago, and I believe that that is still U.S. policy.

At the same time it is important to note that recent years have witnessed disintegrative forces at work in Yugoslavia. The actions of the Albanians against the Serbs in Yugoslavia's Kosovo province in recent years is only the most visible of these. One result is that the Serbs, who are convinced that they have generally been getting the short end of the stick in Tito's Yugoslavia, have been asking themselves why they should continue to support a common state if others seemingly do not want to do so.

This has, it seems to me, important implications for the United States. I believe that the Congress should avoid taking actions that may further contribute to disintegration in Yugoslavia, and thereby undermine United States policy. Moreover, I should also like to add that I believe that the State Department needs to be more on the alert. While I cannot prove it, I have the distinct impression that the State Department has for far too long been taking the Serbs for granted.

This does not mean that any group in Yugoslavia should be free of criticism. But Members of the Congress should keep in mind that no nationality group in Yugoslavia favors a Communist system. Unfortunately, there are times when some of these groups blame each other for their plight. Consequently, if Members of the Congress are inclined to respond to injustices in Yugoslavia, they should do so on behalf of all the peoples there. To align themselves with one or another group, especially groups that do not share America's policy objective of an integral Yugoslavia, would, in my opinion, be sheer folly.

I urge caution, Mr. Speaker, regarding House Concurrent Resolution 162 and Senate Concurrent Resolution 65, about the alleged mistreatment of Albanians in Yugoslavia. They are in an overwhelming majority in the province of Kosovo, and have in effect sought to create a state within a state. Although Kosovo is theoretically an autonomous province of Serbia, the Serbian authorities have by design or otherwise been powerless in matters concerning Kosovo. In short, the Kosovo Albanians have created an almost impossible situation for the Yugoslav Government.

I am not defending the Government of Yugoslavia but I want to make certain that the Members are aware of what is happening in Kosovo regarding the Serbs.

In 1941, the Albanians joined the fascist Italians, and formed a Great Albania under their tutelage. This country, was set up after the Balkan wars of 1912, included the Serbian Plain of Kosovo. One of the first acts of the new, occupational regime was to expell over 100,000 Serbs who lived there. In 1943, the Albanians provided the Nazis with a full-fledged legionary SS division, the 23d "Skanderbeg."

Yet, after the war, as after the previous two wars, the Balkan and World War I, all this was forgotten and forgiven by the Serbs.

Moreover, the Communist Government of Yugoslavia forbade Kosovo Serbs to come back to their hearths, in compliance with an accord reached by Tito and the Albanian Communist leadership.

True, for 20 years after the war, Communists ruled Kosovo by police and martial law, because in 1945, a whole division of the Yugoslav Army had been wiped out in an Albanian uprising.

But, in 1963, Tito gave the Kosovo Albanians autonomous status, and in 1966 fired the man he claimed was responsible for repression against them.

The Communist Party in Kosovo, the courts, the administration, the police, business, industry, education—everything but the army—was turned over to ethnic Albanians. The official language of this Serbian province became Albanian, while its school children were educated with the aid of textbooks shipped in from neighboring Enver Hoxha's Albania.

From 1966 until today, the Kosovo Albanians have meticulously worked at driving out of their region everyone who is not an Albanian, or does not want to become one. Many thousands of ethnic Kosovo Turks have left for Turkey, Kosovo Gypsies have been pressured into declaring themselves Albanian, while Kosovo Serbs have been driven out, en masse; 200,000 of them have left in the last two decades, under pressure.

Even according to the controlled, Communist Yugoslav press, Albanian chauvinists are using murder, rape, pillage, humiliation, property damage, desecration—their age-old, proven methods—to ensure their goal of an ethnically clean Kosovo.

And all this is happening not in an occupied country at a time of war, but in a socialist, self-managing Yugoslavia, a legal state at peace, an honored member of the United Nations, an alleged friend of the United States.

The Albanian movement in the Kosovo region of Yugoslavia is a typical example of the excalation of nationalism directed against the Serbian population in the province, but also against the integrity of the Yugoslav federal establishment and against the state itself.

Slogans extolled by Albanian nationalists during the massive demonstrations which erupted in Kosovo in 1981, are still circulated and are characteristic in this regard. Four kinds of slogans were forwarded.

The first type was explicit—irredentist: "We are Albanians—not Yugoslavs," and "We are children of Skender Beg—the army of Enver Hoxha." Maps of a great Albania including Sanjak and large portions of the Serbian and Macedonian republics as well as northern Greece were joined with Enver Hoxha's portraits and the Albanian flag.

The second type of slogans, also nationalistic, were more complex. The loudest slogan was: "We want a republic, Kosovo republic," and "Republic by threat or force." This demand could have a double meaning—directed toward a secession from Yugoslavia or toward a republic in the framework of the Yugoslav federal system. However, according to the 1974 Yugoslav Constitution, the republic is a sovereign state with the right of secession. Once established and supported by irredentism the republic could lead in two directions—in and out of Yugoslavia. In the latter case it would produce two Albanian states, like North and South Korea, North and South Vietnam, Cypress, Palestine, et cetera, or the merging of both into a Great Albania.

The third type of slogan has a sociopolitical character: "down with the bourgeoisie," "down with revisionism," and was extolled by the Albanian Communist Marxist-Leninist Party in Western Europe.

Last but not least slogans against the Serbian national minority in Kosovo, which encouraged the ongoing exodus of the Serbs from the Province, dominated.

What is the impact of the Kosovo problem today?

The significance is threefold: Yugoslav, Balkan, and European, involving also the United States and the Western World.

Albanian demands for a separate republic will destabilize Yugoslavia which is already going through a serious economic and political crisis. It would require the reshuffling of the neighboring federal republics of Servia, Montenegro, and Macedonia, in which part of ethnic Albanians are living. This will impose a fundamental revision of the Yugoslav federation to which none of the mentioned republics would agree. The Serbs in the Albanian republic would be left at the mercy of Albanians and that will inevitably augment the already existing pressure on them. As already mentioned, it would offer to the new republic the right of secession.

The Kosovo-Republic means the revival of the Prizrend league from the past, and would cross beyond the Yugoslav borders, stimulating Albanian demands against Greece and North Epyrus, Greek and Serbian minorities in Albania proper are already deprived of all basic national and religious rights. It could encourage Bulgarian aspirations toward Yugoslav Macedonia. Taken together, it would destabilize the entire Balkan region and open the way to the Soviet access to the Adriatic, the Aegean and the Mediterranean seas. The eventual merging of two Albanian states into one would challenge the status quo and the southern flank of NATO, jeopardizing the integrity of Italy, Greece, and Turkey. When moving out of the status quo the Pandora box can provoke innumerable problems.

This statement is not directed against the Albanian people who have the human and democratic right to live in peace and to strive toward a better life. Especially not against the common people who suffer from poverty and try to overcome the heavy burden inherited from the past. But sympathy goes to the Serbian minority in Kosovo which has the same rights and is forced to leave the domicile of their forefathers. An ethnically pure Albanian Kosovo which is today the goal of Albanian nationalists reminds one of racist theories against which this great country fought during the war. Albanians, Serbs, Montenegrins, Macedonians, Turks, have to find a democratic solution to live together in their common state of Yugoslavia which was created in wars and revolutions and is not ready to surrender without resistance, especially in what concerns the Serbs.

Yes, Mr. Speaker, in their native country, Serbians have suffered for these last 600 years the fate of a conquered people. From the battle of Kosovo in 1389, the Serbs were under the dominance of the Turkish empire for nearly five centuries.

It is hard for us in the West ever to imagine a repression lasting for a decade or even a generation. Except for a few brief decades, Serbs were captives in their native land for five long centuries. Try to imagine the time span. America had not yet been discovered when Serbia went under the Ottoman empire. The American Revolution was four centuries away. The bow and arrow was still the standard arms of armies. Shakespeare and Chaucer were in the future. Thomas Aquinas was dead only a century and Martin Luther was a century in the future.

Yet, despite the oppression of Turk and Albanian, Fascist and Communist, these Serbian people endure. No, more than endure. They remain a key to the survival of Yugoslavia, even today. A lesser people would have disappeared from history entirely. The Latin classic poet Juvenal wrote the history of the Serbian people in one line. "Forsan et haec olim meminisse juvabit." Some day we will be strengthened by the memory of these days.

There is a Serbian saying "Niko Nerva sto Srbi enia" which means no one has the strength of the Serbians.

[From Insight magazine, July 4, 1988]

Independence Breeds Dependence

Once again an array of commercial banks, international do-good organizations and Western governments have joined forces to bail out a limping socialist economy. And once again their beneficiary—this time Yugoslavia—has promised radical economic reforms in return for their help. Few believe those promises can be kept.

Yugoslavia, like its East Bloc neighbors, has fallen victim to the bane of all centrally planned economies: a paralyzing rigidity that precludes adaptation. Prices are controlled by the state, bankruptcy is unthinkable for inefficient industries propped up by liberal subsidies, and in today's increasingly hard times worker layoffs remain unheard-of.

But Belgrade has vowed that this will be the year for change. In return for support in improving its dire economic position, Yugoslavia has promised radical economic reforms. Some of the more superficial changes have already occurred; price controls have been lifted, many subsidies removed. But the subsequent belt-tightening had not added to the popularity of the government's efforts. Inflation stands at 150 percent, unemployment is at 13 percent, living standards have plummeted by one-third since the beginning of the decade, and the country's leaders have accumulated a staggering $21 billion foreign debt.

Given the pain caused by even small adjustments, more radical changes will be met with heartfelt opposition. In any case, the government's promises for such change have in the past been honored more in the breach. So why are the World Bank, the International Monetary Fund, the U.S. government and some 450 commercial banks willing to ante up with loans totaling almost $1 billion?

Gertrude Schroeder, professor of economics at the University of Virginia and a consultant to the CIA, says it is "because Yugoslavia is a breakaway state from the Soviet bloc and has maintained its independence for decades. We want to keep Yugoslavia from going under because it is feared that then it will have no recourse but to turn back to the Soviet Union."

In the past, keeping Moscow at arm's length has let Yugoslavia leaven its system with more of the free market than is common among its line-toeing neighbors. This independent streak encourages the nation's creditors to continue funneling in funds.

But bankrollers who are expecting more of a free market economy are overly optimistic, according to most analysts, who base their opinions on Belgrade's history of failed efforts at reform and on its bizarre musical-chairs political system. Divided into six republics and two autonomous regions, Yugoslavia has a presidency that annually rotates among regional leaders, making political consistency and consensus virtually unattainable. "Using the past as a record, one would predict little progress" on reform, says Schroeder. "What is critical is getting some national-level leader around which a consensus for reform could be built, and I don't see such a leader emerging." The solution, she says, is "a Gorbachev type" or another Tito.

When Marshal Josip Broz Tito, the charasmatic postwar leader of Yugoslavia, died in 1980, he took much of the country's national unity with him to the grave. The legacy of two of his most radical breakaway policies has meant even more division among already squabbling Yugoslavs.

One such policy is the workers' self-management system by which the proletarian controls his own destiny through a workers council. This system has serious deficiencies, highlighted lately because of the country's decline. It seems that when workers are given control they have an unfortunate tendency to vote themselves raises—often—even at the expense of profits and investment. Because they control their own awards and benefits, workers have little incentive to be more productive.

In fact, the entire economic system, once touted as visionary, is facing rampant inefficiency from management on down. One of the worst culprits has been the lack of any incentives to change.

"They have an economy in which enterprises and producers don't have to worry about poor performance because they are more or less automatically bailed out by the banks that they control and by the political system," says Paul Marer, professor of international business at Indiana University at Bloomington. Thus an inefficient company will avoid firing workers and other painful measures to cut costs because management is convinced that the banks—generally controlled by producers and politicians, according to Marer—will always lend a hand. Attempts at reform by the central government are easily thwarted by an industry hand in glove with local politicians. Indeed, Yugoslavia's biggest postwar scandal erupted after revelations of a scam to circumvent the country's restrictions on the growth of the money supply, a popular inflation-cutting measure.

Many firms, finding themselves strangled by the reform, began issuing promissory notes to banks. The IOUs would be rubber-stamped by compliant bankers (who in some cases were also running the "borrower" companies), all with the tacit compliance of local politicos. The whole scheme blew up in 1986 when a giant agro-industrial company was found to have issued almost $1 billion worth of notes with nothing to back them up. As the scheme unraveled, some 2,300 firms were caught with IOUs totaling more than $80 million and zero funds to back up the swirling masses of paper debt. Several careers were ruined, including those of the vice president and the economics minister.

Incest between business and politics, says Marer, is another reason Yugoslavia's economy is such a shambles. "Communist countries have the problem of an almost pervasive interference in economic decisons by politicians," he explains. "But where in the Soviet Union the interference is mostly at the top, the highest levels of the party, in Yugoslavia it is at the state, regional and local level."

Tito's other less-than-successful innovation as a leader was allowing a certain independence among his country's myriad nationalities. Before his death he put into place the constitutional changes that provide for rotation at the top levels of government, giving each state its turn at heading the country and the Communist Party.

But given the disparities among the republics and the violent strength of regional loyalties, this may not have been the best plan. "Tito saw the danger of the national [regional] differences and instituted this ghastly annual rotation system," says an analyst of East European politics. It, more than anything, has exacerbated the nation's problems and hindered economic reforms.

"When you try to impose reforms in an environment where there's no national leadership, just different regional leaders struggling for the interests of their regions, reform is difficult to implement," says Laura Tyson, professor of economics at the University of California at Berkeley.

Many of the attempts to smooth regional differences were to have the opposite effect in the long run. Poorer regions were loaded up with new industries to address economic imbalances; nationalistic sentiments were encouraged in pre-*glasnost* openness. But many of the new industries became cumbersome white elephants; flourishing nationalist aspirations in certain regions were too much for the inflexible political system to handle. In Slovenia, long considered the most liberal and westernized of the republics, a drive for more democracy, economic liberalization and autonomy has angered hard-liners in Belgrade and led to the arrest of regional youth movement leaders.

In Kosovo, an autonomous region that borders Albania and is part of the Serbian Republic, there have been violent anti-Serbian demonstrations and requests for republic status. There have even been demands for secession and union with Albania from more rabid nationalists.

While all those activities reflect an unusually high tolerance for dissension for a communist country, regional tensions and imbalances may ultimately stand in the way of economic and political reform. "In regions that are less developed, any major deterioration in economic conditions that were attributed to the reforms could lead to instability, like in the case of Kosovo" says Gertrude Schroeder. This prompts poorer states to encourage a continuation of subsidies and heavy-handed, centralized decision making, while the reverse is true in the richer states, like Slovenia and Croatia.

All of this is done through the regional Communist Party apparatus, which has meant a fragmentation of the party that does little to advance a consensus on any changes, let alone the radical economic reforms needed, says Tyson. And because even the national party leadership rotates each year, no leader can rally the power and support to alter the status quo.

The decentralized political system is the perennial scapegoat for Yugoslavia's paralysis, but many see other roadblocks to reform. "The problem is that the Yugoslavs find themselves in a predicament," says Walter Roberts, diplomat in residence at George Washington University. "They would like to step out from the strict communist [economic] dogma without making the political concessions required."

But as the country sinks deeper into its financial doldrums, the politicians may have little choice in the matter. Says Roberts: "They will find the strength to change because they cannot survive without it." Danielle Pletka

GENERAL LEAVE

Mrs. BENTLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

□ 1145

THE PLIGHT OF POLITICAL PRISONERS IN NICARAGUA

The SPEAKER pro tempore (Mr. SKAGGS). Under a previous order of the House, the gentleman from Texas [Mr. DELAY] is recognized for 5 minutes.

Mr. DELAY. Mr. Speaker, first let me say that I appreciate the fine work that the gentlewoman from Maryland

[Mrs. BENTLEY] is doing in the field of human rights for the Serbs in Yugoslavia, and that is why I come to the well for this short period of time. I also have a human rights concern, and that concern is with the political prisoners in Nicaragua.

It seems that through this whole peace process that has been going on for almost a year now, there is one group of people that has been forgotten, and those are the political prisoners that are being held in Nicaragua, and held in what has not been defined as 56 political prisons—56 prisons in a country of 3 million people. That is as if we would have 56 prisons in the Washington, DC, metroplex or 56 prisons in the metroplex around Houston, TX. The idea of having 56 prisons in this country is just unbelievable.

□ 1200

And the treatment of these citizens is also unbelievable. The citizens of Nicaragua are denied due process or a fair trial. They are often randomly thrown into jail for the sole purpose of political intimidation, and the conditions of these prisons have been described as absolutely inhumane and unbelievable. These prisoners are put into 4 x 4 cells with no lights, no ventilation, just a pipe coming down from the top of the ceiling for ventilation with a bucket in the corner. They are let out twice a day for about 10 or 15 minutes to take care of their human needs, and gather up some water and some food, and my colleagues can imagine the heat in these cells down in Central America that they are having to endure.

I have before me, Mr. Speaker, a list of over 4,000 of these prisoners that are being held by the Sandinistas in Nicaragua. I also have and will bring to the attention of the body pictures of people that have been killed, maimed, destroyed by the Sandinistas while they were imprisoned, and the gentleman from South Carolina [Mr. TALLON] and I have decided to try to raise the visibility of the plight of these people in Nicaragua, and we are today introducing a resolution that has approximately 200 bipartisan cosponsors calling for human rights in Nicaragua, calling on the Sandinista government to live up to the peace treaty that they signed 0 back in August and in September calling for amnesty for the political prisoners, no more torture of these political prisoners and allow us to inspect these prisons that the Sandinista government or allow international groups to inspect the prisons that the Sandinista government denies exists.

Mr. Speaker, we are going to have a hearing sponsored by the Human Rights Caucus of this House. I might say that the cochairmen of that Human Rights Caucus, the gentleman from California [Mr. LANTOS] and the gentleman from Illinois [Mr. PORTER] are also cosponsoring this resolution. And we are having a hearing on July 12, and participants in this hearing are going to be former members of the Directorate of Security, the Directors of the Nicaraguan Human Rights Commission, the Mothers of Political Prisoners, and the Political Prisoner Association in Nicaragua and former political prisoners who will testify before this hearing on July 12. I invite all Members to participate in this hearing, and please cosponsor this resolution so that we can express the sense of Congress at the horror of the treatment of common, everyday citizens in Nicaragua by the Sandinista government.

PHILIPPINE MILITARY BASES AGREEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. SKELTON] is recognized for 5 minutes.

Mr. SKELTON. Mr. Speaker, the regularly scheduled 5-year review of the 1947 United States-Philippine Military Base Agreement has entered its third month in Manila. I am increasingly disturbed by what I read in the press concerning the future of the United States-Philippine security relationship and this review.

The review process is relatively straightforward. A 1979 amendment to the Military Bases Agreement [MBA] established the requirement for a complete and thorough review and assessment of the MBA every 5 years, including its objectives, its provisions, its duration and the manner of implementation. The intent of the review provision is to ensure that the agreement continues to serve the mutual security interests of both the United States and the Republic of the Philippines. The first review was successfully completed in 1983.

The current agreement extends until September 15, 1991, at which time it is extended indefinitely unless terminated upon 1 year's notice by either nation. Therefore, United States presence at Clark Air Base and Subic Bay Naval Base in the Philippines is assured until September 15, 1992, but the years beyond are not yet open for discussion. The current review deals with the existing agreement and covers the remaining years of the MBA; our security relationship with the Philippines for the years beyond 1992 will be subject to negotiation of a new agreement which, according to the new Constitution of the Philippines, will require a treaty to be approved by the Philippine Congress and passed by plebiscite if the Congress so directs.

Two recent pieces of legislation in the Philippines may impact adversely on United States base rights. In June 1988, the Philippine Senate passed the Freedom From Nuclear Weapons Act which, if it becomes law, will effectively require us to terminate military operations in the Philippines. The Senate also passed a bill which directs the Philippine President to notify the United States that the Philippines does not intend to extend the current base agreement. The stated purpose of this legislation is to preclude extending the current agreement. It also puts the Philippine Congress in a key position for shaping the post-1992 security relationship with the United States. Both of these bills carry ominous consequences for United States security interests in the region and for our bilateral relationship with the Philippines.

Equally ominous is the rhetoric surrounding the current MBA review. Some Philippine officials appear to be challenging the very assumptions on which our security relationship is built. This is particularly troublesome given our close historical ties and the success of our security alliance in deterring threats to the Philippines and maintaining peace and security in the Southeast Asia region.

In my mind, there is much uncertainty on whether we will be able to retain our base rights in the Philippines after the current agreement ends. I have talked about this with the United States commanders in the Pacific, who have completed a study of alternative bases for United States forces currently located in the Philippines. I am anxiously awaiting a detailed report from the Secretary of Defense on the results of this study, particularly cost estimates for any relocation and estimates of the effect the moves will have on our defense posture in the Pacific. We have to be ready to locate our forces elsewhere in the region—for example, to Guam, Saipan, Tinian, or to other countries.

Certainly, the United States facilities in the Philippines have played a vital role in our security posture. Our unequivocal support for President Aquino and our historical ties with the Philippines are strong, and they will remain strong because the preservation of United States-Philippines relations is in the mutual interest of both countries. However, we should be prepared to move to alternate bases if the Government of the Philippines imposes unworkable restrictions on our ability to operate the facilities or if the Government simply demands "rent" in the form of a massive compensation package.

In the final analysis, some facilities are more valuable than others and no single set of facilities is irreplaceable. This maxim applies to Clark and Subic Bay today as it did to bases in Thailand in the 1970's. American bases around the world are expressions of our mutual defense relationships and if the mutuality disappears from the relationship, we will not stay where we are not wanted. The essence of flexibility requires a willingness to develop other alternatives if the political or economic costs exceed benefits. I am pleased that the Department of Defense has made a comprehensive study of alternative basing sites and I look forward to discussing the results of the study with defense and military officials.

NATIONAL SAFETY BELT USE WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. DINGELL] is recognized for 60 minutes.

Mr. DINGELL. Mr. Speaker, I rise today in recognition of House Joint Resolution 485 and National Safety Belt Use Week. The resolution referred to authorized and requested the President to issue a proclamation designating National Safety Belt Use Week as June 26 to July 2, 1988. It urges the American people to wear safety belts and to also have their children use safety belts.

Mr. Speaker, I am pleased to report that this legislation was signed at the White House this morning in an appropriate ceremony.

It is only fair to note that safety belt laws work—especially with the young people of our country. A recent Harris poll indicates that 76 percent of the children in States with seatbelt laws do buckle up and that their safety is significantly enhanced. In States without safety belt laws, only 37 percent of the children polled used their safety belts.

Parents are the most influential people in getting their children to buckle up, and they clearly have a responsibility to pass on this life-saving advice to their children.

Mr. Speaker, I yield to the gentleman from Texas [Mr. BARTON], my dear friend, for such comments as he might choose to make.

Mr. BARTON of Texas. Mr. Speaker, I appreciate the opportunity to participate with the gentleman from Michigan [Mr. DINGELL] in this special order.

I would like to refresh my colleagues' memories that last year at approximately this time I participated in a similar special order at which time I confessed that I had not been a uniform practitioner of wearing seatbelts, that in the coming year I would attempt to reform myself and do so. I have not only done that; I have been able to convince my children and family to do the same.

I would like to relay another story to the Members, a consequence of that action. My son named Brad is 17, and he was given his driver's license approximately 2 years ago. About a month and half ago a Saturday afternoon, Brad wanted to go into Dallas. We live in Ennis, TX, which is about 35 miles from Dallas, and he wanted to purchase something for his upcoming junior-senior prom. So we told him that it was all right; my wife and I, and he proceeded to drive into Dallas. He put his seatbelt on. About halfway in, he fell asleep. He was going up over an overpass on Interstate 45, and he fell asleep. The car hit the guardrail on the right-hand side of the overpass, turned 180 degrees, went over and hit the left guard rail on the opposite side of the overpass and then did a 360 and came to rest against the guard rail at the end of the overpass. Brad had his seatbelt on, and obviously he was scared to death, but he was not injured at all.

Mr. Speaker, it took $3,400 to repair the automobile, but he was able to walk away from the scene of the accident. The police officer that investigated said that had he not had his seatbelt on, he would have in all probability been thrown from the car and could quite conceivably have been killed.

So, as a consequence of the gentleman's actions of encouraging and getting me to cosponsor this legislation and participate in this special order I can honestly say that there is a very good probability that my son is alive today.

Mr. Speaker, I commend the gentleman from Michigan [Mr. DINGELL] not only for his efforts and those like his that have encouraged the use of seatbelts, and I want to thank him for convincing me that I needed to not only preach it, but practice it.

□ 1215

As I said, I think it has saved my son's life, and I am very grateful for that. I would encourage all parents to encourage their driving age children to wear seatbelts and for them to wear seatbelts. Seatbelts do save lives. It has been proven over and over again, but I am here to witness to one event that has happened in my family that certainly made it a success story.

Mr. Speaker, I commend the gentleman from Michigan for his efforts and I promise to continue to work with the gentleman to publicize the wearing of seatbelts.

Mr. DINGELL. Mr. Speaker, I want to thank my good friend, the gentleman from Texas, who is a very valuable Member of this body and a valuable member of the Committee on Energy and Commerce, of which I am also a member. I am delighted to note that his use and the use by his family of seatbelts made possible the safety of those dear to him. Certainly this is my experience, and I would urge others to learn from the experience of those of us who have been involved in accidents where seatbelts did in fact save lives.

I can report to the House that on two separate occasions my family was involved in accidents in which seatbelts played a prominent part in preventing injury or death to members of my family. I would urge all my colleagues and others interested in the safety and security of their families to enagage in a similar practice for precisely the same reasons.

Mr. Speaker, I yield to my good friend, the gentlewoman from New York [Ms. SLAUGHTER].

Ms. SLAUGHTER of New York. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I am delighted to be here today to talk about the use of seatbelts and what it has meant to us. I recall what it was like back in the days when we tried to get the child restraint laws through, and obviously getting those through has made a significant difference in the death and maiming rate of babies and children, children who would have lost their lives or would be doomed to live their lives in paralysis or severe brain injury.

I remember quite vividly before I came here, I was a member of the New York State Legislature and one of the most contentious laws that we passed in New York was the seatbelt law. Those members who argued against it argued on the grounds that it was the constitutional right of every American for their heads to go through the windshield, that they were in total control of their automobiles and it was nobody else's business, anyway.

Well, there are certainly good arguments against that. Obviously, if you are in control and restrained in your seat when trouble comes and not bouncing around under your dashboard, you will be better able to control your automobile, hopefully control the accident, and perhaps not hit someone else.

All of us pay dearly for increased automobile insurance where the accident rate is high. Health costs go up. Unemployment insurance goes up.

If you talk to people who have dealt with a head injury, in New York we often have to send them to other States, talk to them about what it is like to try to learn for 6 months just how to use a spoon again, as simple a thing like that which we take for granted.

In my home village of Fairport, NY, a young man who was a very accomplished musician just ready to go away on a full scholarship for music was paralyzed from the neck down in an automobile accident. All of us are poorer for losing the music that he would have made. All of us can think of cases just like it.

My staff in Albany was in an automobile accident one night when their car hydroplaned on the interstate highway, rolled over three times, completely totaled, every piece of glass smashed, everything inside the car flew out from the impact except the three occupants who were securely fastened in by seatbelts and came to work the next day.

When we passed that bill, I know I was very impressed by an ophthalmologist from my district who called me and talked to me about what it was like to try to take glass out of eyes. I think all of us will agree that is a pretty graphic demonstration of what it is like to go through the windshield.

One of my young interns this summer has a father who is a neurologist. He told me yesterday that his father said that he can tell the accidents that come in, he knows already who had seatbelts and who did not, because the damage is so much less severe.

Mr. Speaker, I am always pleased to speak on this floor as a Member of Congress of the United States, but I am also a mother. I know what it means, and everybody who has ever said to me, "I don't want a seatbelt law," has consistently said, "but I want my children to wear them."

We are facing one of the most heavily traveled holidays in America, the Fourth of July. Please, America, please buckle up. We want you to live.

Mr. DINGELL. Mr. Speaker, I thank the gentlewoman for her very valuable participation in this special order. Her comments are indeed a wise and prudent warning to all Americans about the need for buckling up as they drive not only during the Fourth of July weekend, but on all other holidays and at all other times, too.

The reduction and elimination of highway deaths and injuries is a matter of high national priority. Not only are there humane and other considerations which are extremely important, but the Nation must recognize the enormous and overwhelming costs that we confront from the deaths, injuries, property destruction, loss of working time, and the inability of citizens to contribute fully to the national society. Beyond this, there is, of course, the overwhelming cost. This exists by reason of the huge level of injuries, damages and medical care, which impacts not only on individuals, but also on insurance companies. These matters, in turn, impinge upon the profitability of corporations and other individuals who might be involved in litigation relative to these matters.

Mr. Speaker, I am delighted to yield to my good friend, the gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. Mr. Speaker, I thank the gentleman so much for yielding to me just a few minutes.

I want to express my appreciation to my distinguished colleague, the gentleman from Michigan, for taking this special order on this occasion.

I am very concrete evidence of the value of seatbelts. I faced the inglorious circumstance just 3 years ago traveling along on a highway from Lansing back to Kalamazoo in the middle of the winter and hit an ice patch, suddenly found my car out of control, turned over in a bank, rolled over entirely, and emerged without a scratch. It was one of the most frightening experiences of my life. Up to that point in time, I think I was one of those who in the abstract would accept the importance of seatbelts, but would occasionally be somewhat casual about my own utilization of seatbelts, but never again. Those seatbelts go on religiously when I travel, no matter how short the distances I do travel. What happened that day was extraordinary, not a scratch, and I just hope that somehow that word can really begin to be understood by Americans throughout our land of the enormous value of the wearing of seatbelts. They do make a difference in the saving of both limbs and lives.

I hope that this kind of effort that the gentleman from Michigan is engaged in today will help to expand the awareness on the part of all Americans of the tremendous value of seatbelts.

So I want to express again my appreciation to the gentleman for his leadership and his continued effort on behalf of this most important subject.

Mr. DINGELL. Mr. Speaker, I thank my dear friend, the gentleman from Michigan, for his very valuable contribution to the discussion of safety belts and the need for their use.

Mr. Speaker, we have had the opportunity to meet families who survived automobile accidents because they had the foresight to buckle up. These families, who are alive today because they chose to wear safety belts, traveled from across America to join us in a celebration this week. These people are survivors of the frightening reality which occurs in the form of automobile accidents.

The Eggenberger family of Flat Rock, MI, whom I have had the honor of serving in Washington, survived an automobile accident because they were buckled up.

The children, Stacey, Jessica, and Robert Eggenberger, were riding with their mother when two deer darted in front of their car. The car hit the second deer head on. The deer rolled up the hood and hit the windshield causing extensive damage to the front and the side of the car. Because they were wearing safety belts, none of them sustained serious injuries. We rejoice in the Eggenbergers' prudence and the wisdom to use safety belts at a time when peril was not foreseen.

In 1985, 91 percent of the occupants killed in automobile accidents were not wearing their safety belts. Unrestrained occupants were 40 percent more likely to be injured in an accident and twice as likely to require hospitalization as occupants who were under the restraint of safety belts.

Traffic accidents cost the Federal Government $7½ billion in 1980. This included money paid to victims through public assistance programs, tax losses, and costs incurred by the Federal Government to its employees who were injured in accidents.

We applaud those who have survived accidents because they chose to buckle up. We hope our efforts through this resolution will encourage more Americans to follow suit and to buckle up as a preventive measure against needless injury and death.

There are 29 families who have joined us in Washington for these ceremonies who are sharing with us similar stories of survival.

Mr. Speaker, I will insert into the RECORD at this time a short synopsis of the happy endings of each of these family stories.

Mr. Speaker, I want to thank again my friends and colleagues who participated in this special order.

Mr. Speaker, I include the following material on children survivors:

CHILDREN SURVIVORS

ARKANSAS

Who: Michele Renee Dare, 9 years old, 4th grade, and Ryan Keith Dare, 7 years old, 1st grade.

Story: Michele and Ryan were traveling to their uncle's house for Thanksgiving dinner when their car was struck head-on by a drunk driver. Their parents were unrestrained and sustained multiple injuries and loss of consciousness. Ryan was secured in a car seat and suffered only a bloody nose. Michele, who was wearing her safety belt, later wrote: "I believe in safety belts because they save lives. . . . When you teach just one person to wear their safety belt, that one person can teach another person, and so on. . . . I decided never to stop wearing my safety belt."

CALIFORNIA

Who: Jesse Delgado, 12 years old, 6th grade.

Story: Jesse and his younger brother were riding with their uncle when another car swerved into their lane forcing a collision. The car was totalled, but because all of the passengers were buckled up, no one was hurt.

CALIFORNIA

Who: Stephen Philson, 14 years old, 8th grade.

Story: Stephen was riding in the front seat of his mother's car. As they approached an intersection, a car coming through the intersection hit the left side of the car. Both Stephen and his mother had their safety belts on. Stephen was unhurt. His mother suffered minor neck strain.

CALIFORNIA

Who: Sophia Harang, 7 years old, 3rd grade.

Story: Sophia has been involved in three traffic accidents in the last few years. The first occurred when she was four months old. The Harang vehicle was traveling through an intersection when another car jumped the light causing a collision. Because Sophia had been secured in an infant restraint seat and her mom was buckled up, no one was hurt.

When Sophia was four years old, she and her brother were riding with their mother when their car was rear-ended on a freeway ramp by a car whose brakes failed. The impact caused a chain reaction and three vehicles were damaged. Both children and mother were buckled up and unharmed.

At 5 years old, Sophia was riding with her family to Disneyland. Their car was rear-ended by a car at a stoplight. Again, no one was hurt and everyone was buckled up.

COLORADO

Who: Jesse Froh, 6 years old, Kindergarten.

Story: Jesse and his mom were riding in a car driven by a friend. They were driving on a highway when a car driven by a 16-year-old pulled out in front of them. Although Jesse suffered a broken back and his mother suffered a cracked sternum, the paramedics and physicians said that they would not have survived if they had not been wearing their safety belts.

DISTRICT OF COLUMBIA

Who: Scott Becker, 11 years old, 6th grade.

Story: Scott was riding with his mother. His mom approached an intersection and, because she had a green light, proceeded through at about 15 to 20 m.p.h. Another vehicle ran the red light at 50 m.p.h. and struck their car. Both Scott and his mom were buckled up. Scott suffered only bruised abdominal muscles. The staff at Children's Hospital said that without a belt, Scott could have been seriously injured or killed.

DISTRICT OF COLUMBIA

Who: Frederick D. Thompson, 11 years old, 5th grade.

Story: Frederick was riding with his father, an off-duty police officer, when a vehicle pulled out from an alley broadsiding the Thompson car. The front and rear doors and the front fender on the driver's side were badly damaged. Both Frederick and his dad were buckled up. Frederick sustained no injuries.

FLORIDA

Who: Scott Lieberman, 6 years old, Kindergarten.

Story: Scott was riding in the family car. His dad was making a left turn when another driver approaching the intersection ran a red light and hit their car, bounced off and hit another car. The impact caused the Lieberman car to spin around 180 degrees. All of the Liebermans were buckled up and escaped injury.

ILLINOIS

Who: Tiffany K. Skrynek, 10 years old, 4th grade.

Story: Tiffany was riding with her mom in the front seat when the right wheels of their car dropped off the pavement causing the car to slide. Her mom had a difficult time controlling the car because the cruise control had been set at 55 m.p.h. The car went to the left, then right, and left again before it flipped over into a five-foot ditch. Rescue personnel and police at the scene said both would have been killed if they had not been wearing their safety belts.

KANSAS

Who: Michelle Sinn, 11 years old, 5th grade.

Story: Michelle was riding with her mother and two other children on a country road when their car slid down a hill, teetered on a bridge, and finally fell over the edge of the bridge into a creek. Her mother said the accident left such an impression that she and her children never ride in a vehicle without buckling up. The children also ask friends riding with them to buckle up. Had they not had seat belts on, Michelle's mom is certain there would have been serious injuries.

MARYLAND

Who: Callie Virginia Cornelius, 12 years old, 6th grade, and Amelia Marie Cornelius, 9 years old, 3rd grade.

Story: Callie and Amelia were riding with their parents in a minivan when a car pulled out from a side road. To avoid hitting the car, their father applied the brakes. The road was wet causing the minivan to spin around and go backward up an embankment. The minivan came to rest on the driver's side. Everyone in the minivan was securely belted, and walked away from the accident without suffering serious injury.

MARYLAND

Who: Brittany M. Dean, 5 years old, preschool

Story: Brittany was riding with her family. They were stopped at a light, waiting to make a left-hand turn. The left-hand turn arrow turned green and as the Dean vehicle began to turn left, another driver ran a red light and hit the Deans on the right-hand passenger side. Everyone was buckled up and no injuries resulted.

MASSACHUSETTS

Who: E. Courtney Moore, 8 years old, 2nd Grade.

Story: Courtney was riding with her mother when their car was struck by an oncoming vehicle, bounced over a curb, spun around and was hit again. Buckled up, they survived and walked away. The crash made such an impression on Courtney that when she returned home, she wrote a story to share with her friends at school. The family's deep commitment to safety belts had been prompted several years earlier when Courtney's aunt was left paralyzed from the waist down by a traffic crash.

MICHIGAN

Who: Stacey Eggenberger, 11 years old, 5th grade; Jessica Eggenberger, 9 years old, 4th grade; and Robert Eggenberger, 8 years old, 1st grade.

Story: Stacey, Jessica, and Robert were riding with their mother and another adult when two deer darted across the street in front of them. The car hit the second deer head-on. It rolled up the hood and hit the windshield. Thanks to safety belts, the Eggenbergers sustained no serious injuries. The front and side of their car had extensive damage. Mrs. Eggenberger said, "I'm afraid not to use safety belts. I won't start the car until everyone has their safety belts on."

MICHIGAN

Who: Danan Benion, 5 years old, Kindergarten.

Story: Danan was riding with her mom. As the Benion car made a left turn, a car ran a red light and hit the Benion car. Because Danan and her mom were both buckled up, they suffered only bruises.

MICHIGAN

Who: Brandon Langefeld, 7 years old, 1st grade; and Amanda Langefeld, 12 years old, 7th grade.

Story: Brandon and Amanda were riding with their mom when she attempted to make a left turn from a cener left turn lane. The intersection was busy and cars were backed up a long distance. The people in the second and third lanes allowed her to go through and the truck driver in the second lane motioned her on. She mistook his signal for an all-clear message and continued her turn. The vehicle was broadsided by a car traveling 55 mph. The windows of the car were shattered; the radio popped out of the dash; and tie-rods were broken. The car was demolished. A police officer said he'd never seen such a serious accident without a fatality. The Langefelds and the officer were convinced safety belts saved all of them from death or serious injury. The Langefelds suffered only minor cuts and bruises.

MINNESOTA

Who: James Naylon, 10 years old, 4th grade; and Chaya Naylon, 7 years old, 1st grade.

Story: James and Chaya were riding with their father when another car ran a stop sign. Their father couldn't stop in time and hit the other car on the driver's side. Everyone in the Naylon car had their safety belts on. The police report said that there would have been severe injuries had the safety belts not been worn.

MISSOURI

Who: Jennifer Lynn Kail, 12 years old, 6th grade.

Story: Jennifer was traveling with her family when their car was hit by a drunk driver, driving with a revoked license. The impact caused the car to skid about 80 yards where it hit an embankment—missing a passing train by only 10 or 15 feet. The car was totalled. Everyone in the Kail car was wearing safety belts. Jennifer did suffer a laceration, but her mother said, "we feel our injuries were minor compared to what probably would have happened if we had been unbelted."

NEW JERSEY

Who: Nicole Rabello, 9 years old, 4th grade.

Story: While Nicole and her 6-month-old sister, Danielle, were asleep in the back seat of the car, their mother blacked out at the wheel. The car crossed the center line, struck and knocked down a utility pole. It then rolled over and landed on its roof 18 feet into a wooded area off the roadway. The vehicle's windshield was shattered. Mrs. Rabello was suspended upside down bleeding profusely from the face. Her hand was pinned under the car. Nicole unbuckled herself, removed her sister from the child safety seat and exited the car by forcing open the driver's side rear door, which was partially blocked by a tree. Nicole flagged down a passing motorist and asked them to call the police to help her mother. Mrs. Rabello made a complete recovery.

NEW YORK

Who: Derek Dement, 8 years old, 2nd grade.

Story: Derek was riding with his mom when she fell asleep at the wheel. The car hit a guard rail on the passenger side and then hit a guard rail on the driver's side before going off the road into a gully. The car rolled end over end and came to rest in an apple orchard. Both were wearing their safety belts and were unharmed.

NEW YORK

Who: Lea Kone, 9 years old, 3rd grade.

Story: Lea was riding with her mom when they were rear-ended by a semi-trailer on a major road. There was a good deal of vehicle damage but neither Lea nor her mom suffered serious injury. Lea's mom had just reminded her to buckle up before the accident occurred.

PENNSYLVANIA

Who: Aimee Michelle Diggan, 11 years old, 5th grade, and Matthew Robert Diggan, 6 years old, 1st grade.

Story: The family was traveling on a highway when their car hit an ice patch and slid into a guard rail. The car flipped over before landing upright. The family was taken to the emergency room where they were treated for minor injuries. Everyone had been wearing a safety belt.

OREGON

Who: Jennifer Chisholm, 7 years old, first grade.

Story: Jennifer was riding with her mom when a car passed on the right side, drifted into their lane and forced their car onto the shoulder. Her mom lost control of the car and the vehicle hit a bank, flipped over, slid on its side, rolled again and landed upside down. The top was crushed to the dashboard and pushed to the rear of the vehicle on the passenger's side. All objects in the vehicle were thrown out—except mother and daughter who remained secured to their seats. Jennifer received lacerations on her head and face. Her mother walked away unharmed. The investigating officer originally wrote up the accident as fatal, until he saw the victims at the hospital.

TENNESSEE

Who: Chaz Edward Chappell, 7 years old, 2nd grade.

Story: Chaz was riding with his mother when they were hit by a car whose driver had fallen asleep and ran a stop sign. The impact lifted their vehicle onto a sidewalk and into a large tree, breaking the tree in half. The vehicle was totaled. The other driver, who was not wearing a safety belt, went through the windshield. Chaz and his mother were not injured.

TEXAS

Who: Shawn Lee Wooley, 7 years old, 1st grade.

Story: Shawn was traveling in the car with his family. As their car approached an overpass, another car ran a stop sign, and continued through the intersection hitting one car and then the Wooley's car. On impact, the Wooley's car spun 360 degrees and ended up on the grass next to an embankment which sloped down to the highway below. The whole family was buckled up and no one was injured.

VIRGINIA

Who: Gerard S.L. Baynham, 9 years old, 3rd grade, and Justin T.L. Baynham, 6 years old, Kindergarten.

Story: Gerard and Justin were traveling with their mom when their car was hit from behind, forcing it into a guardrail. Their mom brought the car back onto the road where it was broadsided. The last collision forced the car in the direction of the median strip. Their mom applied the brakes causing the car to turn 180 degrees. It stopped, facing oncoming traffic. Fortunately, there was enough time for the other vehicles to stop, limiting the extent of the damage. Everyone was wearing safety belts. Except for minor cuts and bruises, everyone was able to walk away.

WASHINGTON

Who: Grayson Nootenboom, 8 years old, 1st Grade, and Terra Nootenboom, 6 years old, Kindergarten.

Story: Grayson and Terra were riding with their mom and dad. Everyone but dad was wearing lap/shoulder belts. During the ride, Terra asked her dad why he was not wearing his safety belt. He couldn't think of a good reason, and so buckled up at her request. Soon after, the car hit black ice on a curve and swerved in and out of an oncoming lane, hit the shoulder and rolled over one and a half times before coming to rest on driver's side. The occupants were hanging sideways from safety belts in midair. The family exited through the place where the windshield had been. Their car was totaled.

WASHINGTON

Who: Steven Webb, 7 years old, 1st grade.

Story: Steven was riding with his family when their car was hit by another car running a red light. The driver's side front panel was crushed by the impact. Everyone in his family was secured by safety belts. Mrs. Webb writes: "Steven often tells the story of how he and his brother weren't injured because they were buckled up while the little boy in the other car was bleeding because he wasn't buckled."

Mr. SHAW. Mr. Speaker, the inclusion of National Safety Belt Use Week into the laws of our Nation is an important step for the Government. This week would encourage people both young and old to wear their seatbelts. Not only that but it would be rewarding for those who have already dedicated themselves to using seatbelts on a regular basis.

Documented evidence shows that seatbelts save lives and prevent serious injuries. In 1985, 91 percent of traffic fatalities occurred in auto accidents when the passengers were not using their seatbelt. Unrestrained passengers were also twice as likely to incur injuries that require hospitalization as restrained passengers.

The miraculous experience of a family in my district supports the use of seatbelts in a way that numbers and percentages cannot begin to do. Earlier this year 6-year-old Scott Lieberman, a kindergardener, was riding in the family car. He and his father were heading home when his father attempted a left turn. A driver in an approaching car ignored the red light in front of him barreling through the intersection. This car then hit their car, bounced off and hit another. The Lieberman's car then proceeded to spin around 180 degrees. The miracle in this story is that both Scott and his father escaped serious injury only because they were buckled up.

On a more personal note, both of my sons were involved in auto accidents in which they may have been maimed or killed if they were not wearing safety belts. I learned from them to buckle up.

There is another less subjective argument for National Safety Belt Use Week and that is that it could help reduce the Federal deficit. How you ask? Well, by encouraging seatbelt use there will be a reduction of cost to the employer, because traffic fatalities cost employers up to $120,000 per death and $1.9 billion annually. Added to this, traffic deaths and injuries cost an average of $69.4 billion. This money could be used in better ways, for instance to reduce the deficit. For a nation concerned with fiscal responsibility, this is one way to make a difference.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise today in support of National Safety Belt Use Week. I have been a strong supporter of this resolution in years past and am pleased that the focus on this important topic is being extended this year from 1 day to 1 week.

I thank the esteemed gentleman from Michigan, Mr. DINGELL, and my good friend and fellow colleague on the Public Works and Transportation Committee, BUD SHUSTER, for sponsoring this resolution. I hope that this action will encourage people across the country to use their safety belts each and every time they are traveling in an automobile.

Mr. Speaker, we have heard thousands of stories of Americans whose lives were saved because they took an extra 5 seconds to buckle up.

In fact, the American Coalition for Traffic Safety sponsored an event yesterday to commemorate the National Safety Belt Use Week by bringing in children from around the United States whose lives have been saved by safety belts. These children are living memorials to the effectiveness of safety belts and the best advertising available to encourage their use.

Sadly, we have also heard the stories of thousands who have been killed or seriously injured as a result of failing to take that small extra step to buckle up. The "if only" wishes of families and friends of those whose lives are lost and maimed so needlessly haunt them forever.

I support this resolution wholeheartedly and hope it will serve to encourage even more usage of safety belts and, in turn, save lives.

Mr. MCEWEN. Mr. Speaker, this is "National Safety Belt Use Week," June 26–July 2. And it is an especially appropriate time, as we approach a holiday weekend, to remind everyone to drive safely, as well as to buckle up.

We all know that safety belts are proven to be effective, particularly child safety belts. Estimates show that at least 500 children a year will lose their lives because they weren't wearing seatbelts. These are children who would have otherwise survived. I have four children of my own, and I know I would not drive without fastening them in their seats, as well as fastening my own seatbelt.

Not wearing seatbelts costs our society not only lives, but also in cash. Traffic deaths and injuries cost this country in terms of higher insurance costs, property damage, medical bills, and emergency services, not to mention the lost productivity and tax revenue. We have got to stop wasting lives and money if we want this country to remain on top. One way to do this is the simple measure of buckling that seatbelt.

I am proud to be a cosponsor of this resolution to encourage the American public to wear safety belts. And I want to thank the sponsors of this resolution, Mr. DINGELL and Mr. SHUSTER, for their efforts to educate Americans as to the effectiveness of safety belts, and encourage their participation in "National Safety Belt Use Week." And I hope everyone will remember, as they head home for the holiday that celebrates the making of this country, the Fourth of July, to help preserve it by wearing their seatbelt.

Mr. SMITH of Florida. Mr. Speaker, I am proud to be a cosponsor of "National Safety Belt Use Week."

Seatbelts are proven lifesavers. Accordingly, 32 States and the District of Columbia have adopted mandatory seatbelt laws for cars. Many States also have mandatory child restraint laws in cars, schoolbuses, however, still escape any type of mandatory seatbelt law.

Each year over 20 million students are transported daily to and from school on the familiar yellow schoolbus. Despite the growing concern for the use of safety belts and the adaptation of the seatbelt law by many States, our Nation's schoolchildren cannot buckle up for safety simply because seatbelts are not a required feature on a schoolbus.

An estimated 7,000 children are injured annually in schoolbus accidents. In light of the pressing need to reduce these unnecessary injuries. I have introduced the National Schoolbus Safety Act of 1987. This bill mandates the installation of seatbelts in all new schoolbuses. In addition, it also mandates the annual inspection of schoolbuses to ensure their utmost safety for our Nation's schoolchildren.

This bill has attracted many supporters: The Center for Auto Safety; National Coalition for Seatbelts on Schoolbuses; American College of Emergency Physicians; the New Jersey State PTA: the American Academy of Pediatrics; the American Medical Association; parent groups such as Bus Us Safely and Parents for Safety in New York; the Wellesley, Massachusetts Chapter of League Women Voters; and the Director of the Delaware Office of Highway Safety. All of these groups believe, as I do, that safety belts play a major role in saving lives.

Children are our future. Congress has a responsibility to provide our children with the safest form of transportation. We find seatbelts in cars and airplanes, but not on the one vehicle which is specially designed for children. Until seatbelts are a required feature on schoolbuses, we are not providing optimum safety to our children.

I urge my colleagues to seriously consider the importance and value of "National Safety Belt Use Week" by cosponsoring the National Schoolbus Safety Act of 1987.

Mr. SAXTON. Mr. Speaker, I am pleased to participate in the activities of "National Safety Belt Use Week" which we are now celebrating. It is important to reemphasize the importance of buckling up.

Seatbelts do save lives. It is a fact. Safety belt use cuts in half the chance of a death or serious injury in highway crashes.

A case in point is 9-year-old Nicole Rabello from Whiting, NJ. Nicole, her mother, and baby sister, Danielle all survived a tragic and serious car accident because they were wearing seatbelts.

While Nicole and her 6-month-old sister, Danielle, were asleep in the back of the car, their mother blacked out at the wheel. The car crossed the center line, struck and knocked down a utility pole. It then rolled over and landed on its roof 18 feet into a wooded area off the roadway. The vehicle's windshield was shattered. Mrs. Rabello was suspended upside down, bleeding. Her hand was pinned under the car. Nicole unbuckled herself, removed her sister from the child safety seat and exited the car by forcing open the driver's side rear door, which was partially blocked by a tree. Nicole flagged down a passing motorist and asked them to call the police to help her mother. Mrs. Rabello made a complete recovery.

Stories with happy endings is what we all like to hear and the use of seatbelts will greatly enhance the chance of surviving a highway accident.

In my district in the towns of Medford, Manchester, and Pennsauken, programs to promote the use of safety belts have been successful. Since January, seatbelt use in these towns has risen 65 percent. The local law enforcement agencies have been promoting the use of seatbelts by hanging posters in the community, hosting prevention workshops with a hands-on demonstration of the Convincer, a simulator of a car accident, and also by issuing warnings to motorists who are not wearing their seatbelts. "We care about your safety!" is their motto and with an increase of seatbelts use of 65 percent, our citizens are listening.

The next time you enter a vehicle, remember that six out of seven Americans will be involved in a serious highway crash in their lifetime. So as Nicole Rabello would tell you, grab that seatbelt and buckle up; it could save your life.

Mr. MARKEY. Mr. Speaker, I am extremely pleased that Congress and the President have recognized that there is no more important step we can take to insure public safety than to promote the proper use of safety belts. Auto accidents are the No. 1 cause of fatalities among Americans under the age of 38. It is of critical importance that we in government do everything within our power to make auto travel as safe as possible.

Seatbelts remain the most effective tool we have to protect people in the event of an accident. Over 2,200 lives were saved last year as a result of safety belt use. While the percentage of Americans using seatbelts is increasing, we cannot rest until their use, by every person in every State, is automatic.

It is vital that we in Congress play a greater role in publicizing the need for safety belt use. The establishment of June 26 through July 2, 1988 as "National Safety Belt Use Week" is an important step in that direction. The week should be a time to explain the importance of wearing seatbelts and to reflect on the progress we have made in the fight for auto safety. With the passage of this bill, I hope that next year we will be able to look back and see that we in the 100th Congress have made a significant contribution to improving safety on our road and protecting the lives of our citizens.

Mr. CARR. Mr. Speaker, this year, "National Safety Belt Use Week," June 26 through July 2, ushers in the Fourth of July weekend, traditionally the summer holiday during which Americans by the millions travel by automobile to their favorite locations to celebrate the anniversary of our Nation's birth.

Whether they are driving to their favorite campground for a long weekend or simply traveling across town to the backyard barbecue of friends or relatives—more of them are likely to reach their destinations safely this year because of safety belt use laws.

Currently, 32 States and the District of Columbia have safety belt use laws on the books. And studies have shown that where there are belt laws in effect, more people buckle up. In fact, research has shown that up to three times as many people wear their safety belts when encouraged to do so by legislation than did before a law was passed in their State.

The passage of these laws has largely been due to the dedication and commitment of safety advocates who have joined together to form safety belt use coalitions in each of the 50 States and in the District of Columbia. These concerned citizens come from the rank of the automotive companies, the health and medical community, law enforcement organizations, schools, and civic organizations, and many other fields.

There has always been one overriding objective to the passage of these laws. That is to reduce the suffering due to traffic accidents. And while the most dire consequence of an auto accident is the loss of life, Americans also pay a heavy price in injuries.

Injuries caused by auto accidents can range in degree from discomfort to disfigurement to disability, but the most important fact about these injuries is that many of them can be prevented by the regular use of safety belts. A recent study conducted by the University of North Carolina found that the current level of safety belt use is mitigating 100,000 or more injuries each year and that figure could easily double if belt use in the United States matched the high levels of compliance experienced in European countries and in Australia.

In my congressional district in Michigan, I have three examples of how safety belts have saved lives. Brandon and Amanda Langefeld, ages 7 and 14 from Clarkston, MI, were riding with their mom when she attempted to make a left turn from a center left turn lane. The intersection was busy and cars were backed up a long distance. The people in the second and third lanes allowed her to go through and the truck driver in the second lane motioned her on. She mistook his signal for an all-clear message and continued her turn. The vehicle was broadsided by a car traveling 55 miles per hour. The windows of the car were shattered; the radio popped out of the dash; and the tie-rods were broken. The car was demolished. A police officer said he'd never seen such a serious accident without a fatality. The Langefelds and the officer were convinced safety belts saved all of them from death or serious injury. The Langefelds suffered only minor cuts and bruises.

Five-year-old Danan Benion of Pontiac, MI, was riding with her mom. As the Benion car made a left turn, a car ran a red light and hit the Benion car. Because Danan and her mom were both buckled up, they suffered only bruises.

Ours is a government of laws, and safety belt use laws represent the most benevolent form of legislation: that which saves innocent lives. Americans can make this year's Fourth of July celebration even more joyous by buckling up.

Mr. HOCHBRUECKNER. Mr. Speaker, I stand to call attention to "National Safety Belt Use Week," June 26 through July 2, 1988. I would like to take this opportunity to say a few words on behalf of common sense.

On last year's "National Safety Belt Use Day," I spoke about how wearing a seatbelt allowed a Suffolk County police officer named Robin Kane to walk away from a devastating car wreck. No doubt many of the Members in this room can tell similar tales of how a safety belt spared the life of someone they knew.

Still, many people do not bother to take a second or two to fasten their seatbelts before driving off. In a recent survey of automobile travelers in my home State of New York, the first State to enact a mandatory safety belt use law, 46 percent of the car users did not.

Apparently, drivers and passengers do not realize the dangers which they face when failing to invest a few moments of their time into a commonsense procedure, which could safeguard them from injury and death. Approximately every 10 minutes someone dies in a traffic accident. Every day roughly 140 people die in cars. That is the equivalent of a major airplane crash once every 24 hours on our roads.

Over a year's time, motor vehicle accidents in the United States kill more than 40,000 people. They also account for nearly 3 million individual injuries, more than 4 million hospital days, and over 15 million lost days of work each year. According to the National Highway Traffic Safety Administration, 91 percent of the occupants killed in auto accidents in 1985 were not wearing their safety belts.

The National Safety Council estimates that 12,000 to 15,000 lives could be saved annually if all passenger car occupants used safety belts at all times. In 1987, buckling up reportedly saved 2,435 lives and prevented 28,900 injuries. This is significant because in automobile accidents, the most severe injuries are generally caused by the second collision, in which the abrupt change in momentum accompanying the sudden stop caused by the accident causes the occupants to be thrown against the interior of the automobile. Automobile passengers can be protected from this second collision by seatbelts.

The importance of wearing safety belts cannot be overemphasized. That is why I am pleased to be able to rise to speak in support of "National Safety Belt Use Week."

Mr. SHUSTER. Mr. Speaker, I am pleased to have joined my distinguished colleague, Congressman JOHN DINGELL, in sponsoring House Joint Resolution 485, designating the week of June 26 through July 2, 1988 as "National Safety Belt Use Week."

Thirty-two States and the District of Columbia have enacted seatbelt laws, and child passenger protection laws are in place in all 50 States and the District of Columbia. Because of increased belt use, over 8,000 lives have been saved between 1983 and 1987, one-third of these in 1987 alone.

Seatbelts are the most effective safety device in a car. A 40-mile-per-hour impact sends a person's body toward the dash board at 60-feet per second. Without a seatbelt, trying to stop oneself with arms and hands would be like bench pressing 3,500 pounds.

Mr. Speaker, I want to thank the over 250 Members who have cosponsored this important resolution and have helped increase the awareness that seatbelts save lives.

Mr. KILDEE. Mr. Speaker, I rise in strong support for House Joint Resolution 485, a resolution to designate the period of June 26 through July 2, 1988, as "National Safety Belt Use Week." I am a cosponsor of this resolution which was introduced by Representatives JOHN DINGELL and BUD SHUSTER. I commend Chairman DINGELL for requesting this time to allow Members of the House to express their support for the use of seatbelts.

It is a pleasure to speak before this body in support of a resolution that represents Congress' commitment to saving lives. Seatbelts were directly responsible for saving 2,200 lives in 1986 and preventing approximately 20,000 injuries. Currently there are 32 States and the District of Columbia which have mandatory seatbelt use laws that apply to nearly 205,000,000 persons. I believe that the remaining States should adopt similar laws to protect their residents.

My wife and I and our three teenage children all use seatbelts everytime we ride in an automobile. The life of one of my children was probably saved as a result of this prudent practice.

The higher speed limits on most of our expressways increases the likelihood of injury in the event of an accident, making the use of seatbelts even more important. I also would like to point out that of all the measures a person can take to protect his or her self, wearing a seatbelt is indeed the simplest.

Although great progress has been made to make the public more aware of the advantages of increased seatbelt and child safety seat use, the designation of the period from June 26 through July 2, 1988, as "National Safety Belt Use Week," will serve to focus the Nation's attention on the importance of buckling up. Mr. Speaker, House Joint Resolution 485 reaffirms our Nation's commitment to the universal use of seatbelts and child safety seats, which greatly reduces the risk of death and injury on our highways and byways.

Mr. COELHO. Mr. Speaker, I would like to take part in commemorating June 26 through July 2, 1988, as "National Safety Belt Use Week." I share with Mr. DINGELL and Mr. SHUSTER the importance of designating such a week. As many of my colleagues know I acquired my epilepsy in a car accident, and I have since been a strong advocate of safety belt use, which has proven to be an effective deterrent to head injuries.

Currently there are 32 States that have enacted safety belt use laws. But this matter should have national recognition. Quite simply, safety belts save lives and prevent injuries. In 1985, 91 percent of the occupants killed in auto accidents were not wearing their safety belts. Statistics show an increase in seatbelt use when the importance is recognized, such as in the passage of legislation.

The importance of "National Safety Belt Week" is to inform the Nation. When seatbelts are properly worn they provide excellent protection in a wide variety of crashes, but improper use can significantly limit their effectiveness, while no use at all can be fatal. We must learn from other people's good fortune. That is why I would like to recognize Stephen Philson. Stephen is a young man from my district whose life was saved because he had his seatbelt on. Stephen is one of 37 people who will be honored this week at a Capitol Hill luncheon commemorating National Safety Belt Use Week. I believe that through proper education of seatbelt use for drivers as well as passengers we can save thousands of fatalities and injuries each year.

Mr. TOWNS. Mr. Speaker, I am pleased to join the gentleman from Michigan in today's celebration of "National Safety Belt Use Week." The issue of seatbelt and child restraint use is not one to be taken lightly. Seatbelts are one of the best ways to protect American auto travelers from injury or even death.

Thousands of Americans lose their lives every year on our Nation's roadways. Many of these deaths could have been avoided with the proper use of seatbelts. It is our responsibility as public officials to protect the public by educating them about the advantages of seatbelts and child restraints. "National Safety Belt Use Week" is an important educational tool to make Americans aware of the effectiveness of safety belts. Hopefully, this legislation will result in a decrease in injuries and deaths in the months ahead.

Mr. TRAXLER. Mr. Speaker, as America observes the National Safety Belt Use Week, it is appropriate that we pause to consider the true significance of the impetus for this observance and the implications for all Americans. Indeed, for the thousands among us who have escaped death or serious injury through the use of safety belts, the setting aside of the week of June 26 through July 2 to commemorate "National Safety Belt Use Week" truly qualifies as a celebration of life.

Nevertheless, this observance is more than a personal celebration among survivors of automobile accidents. It also provides the occasion for us to recognize and honor the many people and organizations across the Nation who have contributed so much to making the safety belt a way of life for millions of Americans.

Thanks to the tireless efforts of law enforcement agencies, health and insurance professionals, State agencies, educational and safety organizations, public interest groups, the automotive industry, and most important, concerned private citizens, 32 States and the District of Columbia have passed safety belt use laws covering 205 million persons. The magnitude of this achievement can be most fully appreciated when we remember that, before 1984, not one State had legislated safety belt use.

Moreoever, the impact of safety belt use laws has been profound. Safety belt use among drivers has risen from less than 14 percent in 1984 to 42 percent in 1987. Among States with safety-belt-use laws, 52 percent of motorists observed in 1987 wore their safety belts, compared to only 27 percent in States without laws. Yet, more than just behavior has changed. According to the National Highway Traffic Safety Administration, the national fatality rate is the lowest in history at 2.4 deaths per 100 million miles traveled.

NHTSA also estimates that more than 8,000 lives have been saved by safety belts for the years 1983 through 1987. Of those, State safety-belt-use laws were credited with saving more than 2,800 lives. In addition, the University of North Carolina Highway Safety Research Center estimates that the severity of 100,000 injuries is reduced each year as a result of States having passed safety belt use laws.

Research continues to demonstrate dramatically that public opinion is solidly behind safety belt use laws. A national survey conducted by Lawrence Research of Santa Ana, CA, in December 1987 revealed that 80 percent of Americans believe safety belt use laws in the United States are saving a significant number of lives. The survey also showed that 92 percent of those questioned believe strongly in the efficacy of safety belts and laws requiring their use. Regarding attitudes toward safety belt use laws themselves, three out of four persons living in States with safety belt use laws favor these laws and nearly 70 percent of those who live in a State without a law favor safety-belt legislation for their State.

We are reminded during the week of observance that the potential lifesaving and injury-preventing benefits of safety belt use laws offer an alternative to tragedy on our Nation's highways. In fact, it is estimated that if 70 percent of passenger car occupants regularly wore their safety belts, more than 8,000 lives could be saved each year.

Hence "National Safety Belt Use Week," sponsored by the American Coalition for Traffic Safety, can serve not only as a celebration of life for safety belt and child safety seat survivors and a recognition of those who have worked so hard to encourage the passage of safety belt use laws and compliance with those laws, but it can also serve as the inspiration for the saving of many more lives as more and more people get into the habit of buckling up.

Mr. BONIOR. Mr. Speaker, as we approach the Fourth of July holiday, a peak travel and vacation time for Americans, it is only fitting we observe "National Safety Belt Use Week."

When we think of the Fourth of July we think of summer, of vacation from school and that special time of year when children can afford to be carefree. However, with the increased travel by us on the highways during the summer months, neither children nor their parents can afford to be careless, especially when it comes to wearing safety belts.

Children are the future of our country, and State safety belt use laws are nothing less than an investment in our Nation's future. There is no better way of protecting children—as well as their parents—from death and serious injury in auto accidents than by wearing safety belts.

Thanks to the vigorous activities of many highly motivated people, 205 million American men, women, and children are now covered by safety belt use laws, and more than 100 million of them buckle up on a regular basis.

It is easy to think of the more than 8,000 lives that have been saved by safety belt use over the past 4 years as a mere statistic—until you think of the pain and suffering caused by automobile crashes. A recent Louis Harris poll revealed that 68 percent of children in the United States worry about their parents being killed in an auto accident.

The survey also showed that children have a very sophisticated understanding of the efficacy of safety belts and are knowledgeable about the status of safety belt use laws. Nearly 8 out of 10 kids believe safety belts save lives and 83 percent know whether or not their State had a safety belt use law.

But perhaps what was most significant about the survey was the fact that kids were influenced to buckle up more by their parents than by any other role model, including entertainers, sports figures, or even police officers. In other words, when parents buckle up, kids do the same. And kids want their parents to buckle up more often; they want those with the most profound influence on them to do the right thing, to set the proper example.

As we celebrate "National Safety Belt Use Week," June 26 through July 2, 1988, let's keep in mind as adults that our children do look to us as role models, and if we buckle up, so will they.

Mr. WYDEN. Mr. Speaker, in a national survey on children's attitudes toward safety belt use laws released this week by Louis Harris and Associates, nearly half of the kids said they wished their parents would buckle up more often.

This should come as no surprise. Children are deeply concerned about their parents, and believe urging their parents to buckle up is something they can do to help protect them.

The survey showed that more than two-thirds of young people worry a great deal about adults being hurt or killed in an auto crash. That's a heavy burden for them to carry. We can help ease their concerns by doing something that nearly 80 percent of them know protects us: wearing our safety belts.

That's one of the many reasons I was proud to cosponsor the resolution declaring June 26 through July 2 National Safety Belt Use Week. It's one of the things we can do to encourage all Americans to buckle up and help allay the fears of our youngsters.

As effective as children are in getting us to change our behavior, we are extremely influential in affecting the behavior of our children. Children interviewed in the Harris survey indicated their parents are the persons most influential in getting them to buckle up. Thus, it is our responsibility to help our children form a lifelong, lifesaving habit, by securely fastening them in child-passenger safety seats.

Every State in the Nation now has a child-passenger restraint law. So, we are not only doing the right thing, we're obeying the law.

A HISTORIC FISCAL YEAR

The SPEAKER pro tempore (Mr. Skaggs). Under a previous order of the House, the gentleman from Maryland [Mr. Hoyer] is recognized for 60 minutes.

Mr. HOYER. Mr. Speaker, I thank the House for giving me unanimous consent to address the House at this time. I want to tell the staff that I have no intention of using 1 hour. I do not know whether there are any other speakers, but I will not prolong this more than 15 or 20 minutes.

Mr. Speaker, I rise to reiterate that which has already been said on the floor of this House with respect to the position that we are in on this date, June 30, 1988. June 30 of each year used to be the end of the fiscal year. In 1974, that was changed so that October 1 of every year is the beginning of the fiscal year.

Since 1960, this House has not passed its 13 appropriations bills prior to June 30 of any year. That is 28 years.

Speaker Jim Wright observed in a press conference today that the House had accomplished that feat this year. Indeed, we are here on Thursday afternoon having completed the business of the House of Representatives. We can go on our Fourth of July break proud of the fact that we have done what we should do every year, but which we have been unable to do for the past 28 years.

There has been discussion, Mr. Speaker, about the administration of Speaker Wright, of the fairness of Speaker Wright, of the ability of the Speaker to have this House work its will on behalf of the American public. Nothing speaks more eloquently to the ability to administer a House or a Senate, a legislative body, than do the results, that is, the legislation that that House passes.

Mr. Speaker, let me also congratulate and acknowledge the outstanding work of Chairman Whitten from the State of Mississippi and Silvio Conte from the State of Massachusetts, the chairman and ranking member of the Appropriations Committee. Of course, Speaker Wright can set objectives, Speaker Wright can say that we are going to pass all the appropriation bills by June 30, but it is then left to the chairman of the Appropriations Committee, James Whitten, and the ranking member of that committee, Silvio Conte, to implement that objective.

Mr. Speaker, there has been some discussion on this floor about a House divided, that the House that has been made a partisan institution, that it has in face been politicized. Clearly, there is partisanship in this House. Clearly, politics plays a role in a democratically elected legislative body; but, Mr. Speaker, let me review for you the passage of the 13 appropriation bills.

The Energy and Water Subcommittee passed its bill first. This date, June 30, we have just passed the conference committee report, which means that both the Senate and the House have completed their work on the Energy and Water bill. That bill is now on its way to the President of the United States by June 30, a significant accomplishment for Chairman BEVILL, the Senate and the Congress.

□ 1230

The energy and water bill was passed through this House on May 17 with 384 Members of the House of Representatives voting for it. That does not reflect a House that is divided. That does not reflect leadership that is not effective.

On May 18 the military construction bill passed the House; 382 Members of the House of Representatives voted for that bill.

The legislative branch bill was next to pass a day later on May 19. I am very pleased to be joined here on the floor of the House by the distinguished chairmen of the Legislative Appropriations Subcommittee, the gentleman from California [Mr. FAZIO]. He has perhaps one of the most difficult jobs of any of the subcommittee chairman because, of course, his budget deals with the personal administration of the office of every Member of this House, and so they all focus on his bill. Under his leadership, an overwhelming majority of 277 Members of the House supported his bill.

The foreign assistance bill, usually one of the most controversial bills and sometimes a bill that is impossible to pass, passed this House on May 25; 382 Members voted for that bill.

Next was the committee on which I serve, the Treasury, Postal and General Government Subcommittee. Under Chairman ROYBAL's leadership, that bill passed on June 14 with 362 votes. Only 46 Members in this House voted against that particular bill.

Next was another subcommittee on which I have the privilege and honor of serving, the Labor, Health and Education Subcommittee, a bill dealing with some of the most vital programs that will be funded by the Congress this year. These are programs that deal with the essence of whether America is going to provide the kind of quality of life and opportunity that America has historically stood for and in which the American public believe. Among our goals is providing a good education for our children so that America can be competitive in the world, so that America can provide the kind of resources for business growth, for high tech that it needs, the provisions of which demand that we have a well-educated citizenry. That bill also provides for the health of this Nation. It includes funding for the National Institutes of Health and for the basic biomedical research that this country undertakes in some of the vital areas including, of course, the AIDS epidemic which is the principal health challenge that confronts this country and all the world. That bill passed on June 15 under the very able leadership of one of the giants of this House, the gentleman from Kentucky [Mr. NATCHER]. That bill passed 362 to 46.

Next was Commerce, Justice and State, a very tough bill, because its allocation of money was very, very tight. That subcommittee deals with the vital areas of law enforcement, the administration of justice and the carrying out of our international obligations as well as the functioning of the Commerce Department, so important to the economic welfare of this Nation. That bill passed with 314 votes for it.

The Agriculture and rural development bill is under the tutelage and shepherding of our chairman of the committee whom I have already mentioned, the gentleman from Mississippi [Mr. WHITTEN]. That bill passed on June 16 with 343 Members of the House voting for it.

Next was a bill that has historically been one of the most controversial we have dealt with along with the foreign operations bill, and that is the Defense bill. We all believe that we need and must have a strong defense to ensure not only our own liberty but also to ensure the liberty and freedom of our allies, and as the President has rightfully stated, so that we are strong enough to negotiate a deescalation of tensions in our world. That bill passed with 360 votes.

Next, on June 22, was the HUD bill, the HUD and independent Agencies bill, a subcommittee again chaired by one of the giants of this House, the gentleman from Massachusetts [Mr. BOLAND]. The gentleman from Massachusetts [Mr. BOLAND] is retiring this year. Congressman BOLAND was one of John Fitzgerald Kennedy's closest friends in this House and one of his strongest supporters when he ran for President. Congressman BOLAND's bill was passed with 377 votes for it.

We then just this week passed the District of Columbia appropriations bill, a bill that is very, very controversial all the time, but passed overwhelmingly with 283 votes, well over a majority.

The next to the last bill to pass was the Transportation bill which provides for the funding of mass transit in this country, for roads throughout this country, for airports, for vital transportation links, without which this country could not effectively function—371 Members voted for that bill.

Also, yesterday the last bill to pass was the Interior bill under the able leadership of the gentleman from Illinois [Mr. YATES]. I failed to mention that the gentleman from Florida [Mr. LEHMAN] chairs the Transportation Subcommittee. It is a testimony to his leadership and to the respect that he has in this institution that so many Members supported his bill.

Next, the gentleman from the State of Illinois [Mr. YATES], chairman of the Interior Subcommittee, had his bill on the floor yesterday, and it passed 361 to 45.

Mr. Speaker, that is the litany of the 13 appropriations bills. For those who may not know, last year no appropriation bill was passed individually through the Congress and sent to the President. All the bills were incorporated in a continuing resolution.

I am hopeful, Speaker WRIGHT is hopeful, the gentleman from Mississippi [Mr. WHITTEN] is hopeful, I know the gentleman from Massachusetts [Mr. CONTE], our ranking member, is hopeful, those bills will be passed by the Senate, will go to conference, and then we will send them individually to the President of the United States for his consideration.

Mr. Speaker, this historic performance by the Committee on Appropriations, as I said at the outset, is a testimony in large part to the setting of a goal and the leadership that Speaker WRIGHT and the gentleman from Washington [Mr. FOLEY] and the gentleman from California [Mr. COELHO], the majority whip, have given to this House, and it is appropriate at this halfway point in our year that we reflect upon those accomplishments.

Mr. Speaker, let me now point to some historic accomplishments of the 100th Congress under the leadership of Speaker WRIGHT.

Two of the first things that we did was pass, over the President's veto, the Clean Water Act of 1987. That was H.R. 1 of the 100th Congress. Americans strongly support the attaining of a clean environment, of a healthful environment, and, of course, one of the necessities in accomplishing that objective is to guarantee clean water. The President vetoed the bill because he thought it was too expensive. The Congress, on both sides of the aisle in the House and in the Senate, disagreed with the President, and that bill passed notwithstanding the vote of the President of the United States. That bill will help clean up our streams and protect the one precious resource upon which all human life depends.

Next I would like to talk about the Transportation authorization bill, which seeks to maintain the infrastructure of this country, and to increase the ability for people to travel over our highways, and the ability of people to have mass transit to get in and out of our urban areas, to centers of employment as well as the ability of persons to fly both within the country and internationally is critical to our economic welfare. H.R. 2 was the highway authorization bill that spoke to the ability of this Nation to rehabilitate and to construct needed highways and byways in this country.

Mr. Speaker, the next bill of the 100th Congress was H.R. 3, the trade bill. Under Speaker WRIGHT's leadership, we passed the trade bill. The trade bill incorporated within its terms a provision that was designed to make sure employees of manufacturing plants would have notification when those plants were to close. It just required 60 days' notice. The polls show that the overwhelming majority, over 80 percent, of the American public supports that bill. They believe it is fair, believe it is just, for a company to tell its employees for whatever reasons, "We have got to close down, and you are going to have to find a new job. You may have to relocate your family." They believe it is fair to tell a community that one of its centers for its tax base and for its employment is going to be shut down. The President thought that 60 days was too much notice perhaps for whatever reasons, and he vetoed that plant-closing bill.

Of course, he also vetoed the trade bill, because the plant-closing provision was within it. The Speaker, the gentleman from Illinois [Mr. Rostenkowski] and the U.S. Senate believe that a trade policy for America is important, and we are going to pass a trade bill, and we are going to pass a plant-closing bill. We hope the President signs both those bills that we have already passed. We believe America supports those bills very strongly. The public believes that America ought to have a trade policy that looks to the creation of an environment in which there is not only free trade but fair trade. The public believes not only in the ability of our trading partners to sell their goods in the United States but also the ability of American workers and American owners to sell overseas the products they produce in the same kind of fair market that we provide here in this country.

The Speaker observed earlier today that we passed H.R. 4 for the first time in this decade, moving forward on one of the most critical items on the domestic agenda—housing. We do not have enough housing, Mr. Speaker, in America to provide adequate shelter for those at the margins, for those who cannot afford an average cost, for instance, in Washington of $172,000. We need adequate housing for those of limited income, and those newly married who seek to have adequate housing as they start out with the creation of families. We passed a housing bill. We need to do more. That was a significant first step under Speaker Wright's leadership.

We also passed H.R. 5, the education bill. I said earlier that the Labor-Health bill passed overwhelmingly to fund education. This Congress and the American public believe that education is at the heart of providing a quality of life for individuals and for society. Without good educational opportunity, young people will not be able to succeed, and if they will not be able to succeed, our Nation will not succeed. This was the first legislation passed during this decade, Mr. Speaker, that increases America's commitment to quality education in an age when our children will have to cope with superconductors and super colliders.

America will not survive unless the next generation is better educated than we were. Speaker Wright has made the education bill one of the must-pass pieces of legislation in this Congress. It has passed. It is law, and in this year's appropriation bill we are funding some of the proposals incorporated in that bill.

Mr. Speaker, we have also dealt with issues that confront all Americans as they relate to health. We have passed a catastrophic illness bill. How many millions of Americans have been fearful of the devastation that would be visited upon them and their families should they confront an illness of catastrophic proportions, that their insurance would either not cover or the absence of insurance would ensure that they would be bankrupt, penniless, and their families would be left uncared for. This was one of the must-pass bills that Speaker Wright spoke about earlier in the 100th Congress. It has passed now. This country is a more secure and equitable country for the passage of that catastrophic health-care bill.

I am pleased to yield to my colleague, my good friend, the gentleman from the State of Maryland [Mr. Mfume].

Mr. MFUME. Mr. Speaker, I thank the gentleman very much for yielding.

I would ask the gentleman, would not also the major housing bill be considered one of those musts-to-have priorities that you were referring to earlier?

Mr. HOYER. Mr. Speaker, the gentleman is absolutely correct. As I said in my statement, housing is continuing. We have spoken to it in H.R. 5. We need to do much more. It is one of the critical domestic issues confronting this country and that will confront the next administration.

Mr. MFUME. Mr. Speaker, I raised it, and I agree with the gentleman. I certainly agreed with the Speaker at his setting that as a priority, and we are happy that the housing bill passed. It does for urban areas, for rural areas for that matter, for our Nation a tremendous amount of good, and when Members look at the fact there has not been a major housing bill in this Nation for almost a decade, I think it underscores and underlines the significance of it and why, in fact, that had to be a priority.

□ 1245

So I thank the gentleman for yielding. I wanted to make sure that for me at least we talked about the aspect of housing and the Speaker's leadership on this issue because it has meant a great deal to many of us who represent people nationally who have a great and ongoing concern about affordable housing in this Nation.

Mr. HOYER. I again thank the gentleman for his contribution. He is a member of the Banking, Finance and Urban Affairs Committee and of the Housing and Community Development Subcommittee, and as such is one of the experts in this House on the issue of housing. He is also one of the leaders both on H.R. 5 and on looking to expanding upon the work that was accomplished in H.R. 5.

We know that there are literally millions of people in the wealthiest Nation in the world who do not have adequate places to live. We know that there are millions of people in this Nation who are underhoused, who have a quality of dwelling that we would not want for them or for their children.

So we know there is much to be done, but we have taken, as the gentleman points out, for the first time in this decade a significant step toward ensuring the adequate supply of housing in this Nation.

Mr. Speaker, we also passed under Speaker Wright's leadership and in a bipartisan way in some respects, but again over the President's veto, the restoration of the Civil Rights Act which had been adversely affected by the Supreme Court, in what is commonly known as the Grove City decision. This Congress said that this Nation is committed to the civil rights of every American. We were not trying to single out simply a program at some institution that ought to be open to all, irrespective of race, color, religion or national origin, but all programs. In this Nation, we are committed to guaranteeing the pursuit of happiness to every American irrespective of what kind or type or sex that American might be. That restoration of the Civil Rights Act was overwhelmingly passed.

And last night, just last night, Mr. Speaker, under Speaker Wright's leadership and the able leadership of the gentleman from New Jersey [Mr. Rodino], chairman of the Judiciary Committee of this House, who will be retiring this year, one of the great fighters for civil rights in this Nation, and also under the able leadership of the gentleman from California, Mr. Don Edwards, and I might say the gentleman from Ohio, Mr. Jim Sensenbrenner, a Republican on the committee, we passed the Fair Housing Act of 1988. What the Fair Housing Act of 1988 does is it puts teeth in the Fair Housing Act of 1968. It says we meant what we said, we are going to have an effective enforcement mechanism to make sure that if Americans are discriminated against in one of the basic needs of any individual, that is shelter, that there will be a mechanism to redress that grievance.

Mr. Speaker, that legislation passed overwhelmingly with bipartisan leadership, and it will be a hallmark of the 100th Congress.

Speaker WRIGHT also observed earlier today that we passed a vital farm credit bill to stop the epidemic of farm foreclosures which has been sweeping America's heartland for the past 6 years, a critically necessary piece of legislation.

Mr. Speaker, I would be incorrect, however, if I said to you and the Members in this House or the American public that the House has now finished its agenda. It has not. There is much that remains to be done, not only for the balance of this term of the Congress of the United States, but next year under a new administration.

Mr. Speaker, we need to deal with and are going to deal with in the coming days the drug epidemic afflicting our Nation that undermines our young people, that provides for criminal risk for so many millions of Americans in both urban and suburban and indeed in rural areas of our Nation. We have 10 committees, at the instruction of Speaker WRIGHT, and under the leadership of the majority leader, Mr. FOLEY, working on coming up with additional ways and means to confront the drug crisis.

In addition, Mr. Speaker, when we return we will be addressing welfare reform. That legislation has passed this House, passed the Senate, and we are going to conference. Under the leadership of the gentleman from Tennessee, Mr. HAROLD FORD, and the gentleman from New York, Mr. TOM DOWNEY in the House, and Senator MOYNIHAN in the Senate, we are going to move forward on legislation which will try to break the welfare cycle. This legislation is an effort to get people off welfare and onto payrolls, and off welfare and into training programs, if these Americans get off welfare they will become tax paying Americans, who can provide adequately for their families with skills that they have been able to attain through the training programs that are provided in that bill.

Everybody in this House believes that the welfare system needs to be reformed to build in incentives to get off welfare, to get the kind of self respect that having a job and providing one's own income for oneself and for one's family gives to an individual.

There will be much more that needs to be done, Mr. Speaker, but this brief overview I hope points out how effective the leadership of Speaker WRIGHT has been and how active this Congress has been in passing legislation critical to the quality of life in this Nation.

Mr. Speaker, I look forward to returning after the July 4 break and passing the appropriation bills of which I have spoken, sending them to the President and moving on with the agenda of the American public.

DEVELOPING MINORITY-OWNED SMALL BUSINESSES IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. MFUME] is recognized for 15 minutes.

Mr. MFUME. Mr. Speaker, just last week I took to the floor and this microphone to describe for Members of the House what I consider to be an imperative as it relates to minority business development and enterprise in our Nation, and to urge much more support for efforts that I have underway to codify the Minority Business Development Administration.

Since that time I have been pleased to learn from persons representing the Vice President that he in fact supports those efforts to codify the MBDA and is prepared to make that an integral part of his administration. I urge however Members of the House to be mindful of the fact that we ourselves have that obligation and must move forthrightly to do just that.

Earlier today we took a step in that direction. In the Subcommittee on Minority Business Enterprise and Procurement, under the leadership of the gentleman from Missouri [Mr. SKELTON] and under the fine bipartisan leadership also of the gentleman from Massachusetts [Mr. CONTE], the ranking minority member, we were able to enter into a markup and to offer for consideration an amendment in the form of a substitute that was in fact passed overwhelmingly by Members of the committee and sent on to the full committee for consideration. I say it is a giant step because since 1969 the Minority Business Development Agency has acted pretty much in a precarious manner. It has existed solely under an Executive order, and so again my sincere thanks go out to the gentleman from Missouri [Mr. SKELTON], the chariman of the subcommittee, and to the gentleman from Massachusetts [Mr. CONTE], the ranking minority member, and to all of the other members of the committee who represent both parties and who worked long and hard with me and the staff in formulating language that we all could in fact agree upon.

In many ways I believe that as a result of that the bill has been strengthened, and I am quite happy that today we were able to offer that joint substitute in the form of a committee print, and have it adopted by the committee.

We all know that over the years Americans of African ancestry or of Latin ancestry or Native Americans or Americans because of their ethnic or racial or religious backgrounds have at points in time suffered the effects of racial discrimination. That discrimination I think has moved to impair the ability of the minority business community to access resources and markets essential to economic viability. Both the Congress and various administrations have sought over the years to formulate programs designed to counteract the perpetuated inequities, and one such administration was the Nixon administration, which in 1969 issued Executive Order 1158 establishing the Minority Business Development Agency, and subsequently issued Executive Order 11625 which moved to strengthen that agency.

Today as we ask the question whether or not there remains a compelling need for special Federal programs to provide socially and economically disadvantaged persons with the opportunity, the opportunity for full participation in our free enterprise system, the answer unfortunately remains a resounding yes. The need to devote Federal resources to assist minority businesses in overcoming economic disadvantages is no less apparent today, and is evidenced by the continuing enactment of legislation providing for those opportunities for racial and ethnic minorty groups to participate in Federal, State and local programs.

The Minority Business Development Agency was created to preserve and to strengthen minority businesses, and this is the only agency of our Government created specifically to promote the creation and/or expansion of minority businesses.

The Executive order I mentioned earlier under which the MBDA currently operates identified a compelling Government interest in obtaining social and economic justice and in improving the functioning of our national economy. Those means were further established through the Cabinet-level agency under the direct supervision of the Secretary of Commerce.

Not until 1987 and again this year had any administration, or for that matter anyone else, formally challenged the aptness of the MBDA's operation from within the Commerce Department, but last year and again this year persons who subscribed to that point of view have proposed a transfer of the functions of the MBDA to the Small Business Administration. Proponents suggest that such transfer will consolidate similar programs and allow for improved coordination. But I would warn my colleagues that these same proponents are the ones who have argued for the abolishment of the SBA just 3 years ago, charging the agency was ineffective in carrying out its mandate. The SBA, they said, was charged with mismanagement and with corruption.

So to advocate today for the SBA to encompass functions of another agency under the guise of more efficient and more enhanced services is to further burden the SBA and is also hypocritical.

Moreover, while the SBA proclaims they want to bring about more efficient and effective service to minority businesses, their budget requests for their agency show no sensitivity toward this opportunity and no real desire to provide services. For fiscal year 1989 that agency has called for the elimination of the SBA direct loans now provided to minorities. These loans are loans of the last resort and can only be made, if the applicant cannot secure funds from any other source.

In this year's budget they call for a reduction in the amount of loan guarantees, and as we know, these guarantees entice lenders to make loans to the minority businesses in the first place.

They call for the elimination of the minority assistance now provided through consulting contracts under the 7(j) program.

They went further to call for the elimination of business development expense funds, the elimination of the special incentives to minority enterprise small business investment companies, otherwise known as MESBIC's, which as we know encourages MESBIC's to provide venture capital in the first place. And they also propose to phase out management assistance being provided through the small business development centers.

So to me, cumlatively this shows no indication of any desire to provide adequate services to minority businesses in this Nation.

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Now if we look at the institutional history of the SBA, we are aware that it was created in 1954 to service and to assist small businesses in this Nation and has done a good job in many respects in attempting to do that.

The Nation realized in 1969 that the SBA, while empowered to do certain things, did not have the power to do what it could and should do in the development and fostering of minority business enterprise in this Nation.

So there are unequivocal differences between the functions and the activities of the SBA which seeks to ensure that all small business concerns encounter fairness and competition in services; it is more of a financing and direct lending function as opposed to the MBDA, which seeks to provide fundamental rights of minority businesses to fully participate in this Nation's economic structure.

The Minority Business Development Administration offers management and technological commercialization assistance, acquisitions assistance, franchishing assistance and private sector assistance, all of which the SBA has no similar programs for.

Most minority businesses served by the SBA are companies that are certified as 8(a) firms. Currently there are 3,000 8(a) firms certified as compared to 700,000 minority business enterprises.

So clearly they represent a greater need.

All of the clients that the MBDA services out of the universe of clients, only 3.5 percent are 8(a) companies.

So the creation of MBDA within the Department of Commerce was carefully thought out and recognized the Federal Government's role in helping to remove the barriers with which minority businesses are faced.

Therefore codifying this agency within the Department of Commerce is our opportunity to continue to provide for equitable participation of minority businesses in the mainstream of American business. The substitute which was offered today addressed concerns about access to equity capital, not through the originally proposed revolving fund, but rather through the mandate of a study into alternate ways of providing access capital.

We were able to agree in that committee to other minor changes in the language that all of the committee members have been aware of. The legislation is broken down basically into six general parts with the first four sections setting out the purpose in the act, defining terms and establishing the Minority Business Development Administration. Titles I through IV outline the MBDA's activities and duties in four areas. Those areas are market development, capital formation, management education development, research and information.

Title V of the bill sets forth the MBDA's administrative and miscellaneous powers.

So, Mr. Speaker, it is extremely important that we act as a legislative body to place the MBDA on stable ground. And not only is the agency subject to the whimsical views of changing administrations and for that matter changing Congresses, but it is also subject to appropriation struggles without proper authorization. 0

This year, alone, appropriations in the House were held off of all programs still awaiting authorizations.

The Minority Business Development Administration was categorized with this group of programs. However, the problem with the MBDA being lumped into that category is that it has never gone through the authorization process before simply because it operates on an Executive order. Thus the appropriations for Commerce have been passed upon in the House without any funding at all this year for the MBDA.

The commitment to aiding minority businesses then must become a fundamental, must become an integrated part of the American economic system at all levels and in establishing that integral part, the MBDA again has to be placed on solid ground.

So today, Mr. Speaker, we took a giant step to rid the MBDA of its vulnerable status by codifying it and thereby bringing it under the control of an agency with greater reach and greater participation by the Congress in providing ourselves with the chance and the opportunity to play a role in further strengthening the objectives and the goals of that agency.

It is my hope that this matter will be quickly resolved when it reaches full committee level and that we will have an opportunity on the floor of the House to vote in the affirmative on it shortly. I commend my colleagues, Senator KERRY and others in the other body who have moved expeditiously with companion legislation. I commend the Vice President for his encouraging remarks this past week and remind him that those of us who have wedded ourselves to the commitment of making sure this agency has full cabinet-level status and is codified will in fact be watching and matching his words and his actions.

I thank the chairman of the subcommittee, the gentleman from Missouri [Mr. SKELTON], for moving to markup and helping us to get the sort of hearings that we need on it; to the ranking minority member, the gentleman from Massachusetts [Mr. CONTE] who bent over backward to make sure that we crafted legislation which was bipartisan in nature and that we work together as a team.

All of those and all members of the subcommittee and, hopefully, all members of the full committee, certainly have my thanks and appreciation for their efforts in this regard.

UNITED STATES SPACE POLICY: A STATEMENT OF PURPOSE

The SPEAKER pro tempore (Mr. SKAGGS). Under a previous order of the House, the gentleman from Colorado [Mr. HEFLEY] is recognized for 5 minutes.

Mr. HEFLEY. Mr. Speaker, very briefly, having served on the Science, Space, and Technology Committee in my brief time in this Congress I have shared the concern of many of us regarding our space program. It seems that ever since the *Challenger* disaster our space program has been in the doldrums and we have been struggling in our committee to try to come to a consensus on direction because I think all of us agree that space is too important for us to lose our preeminence.

So, Mr. Speaker, in light of the recurrent debate over the Nation's space policy, I would like to address the state of American space program and suggest a course that the program might take in the coming years.

I do not want to take the time of this body today to go through that in detail because I discovered in trying to do this I could not do it in a concise manner because it is a complex, broad-ranging issue.

Mr. Speaker, in light of the recurrent debate over the Nation's space policy, I would like to address the state of the American space program and suggest a course for that program might take in the coming years.

Some months ago the gentleman from Pennsylvania [Mr. GRAY] expressed disapproval of NASA's plans for an international space station, saying he couldn't see how the Nation could fund houses in space and not houses on the Earth.

I disagree with the gentleman but admit his dilemma is wellfounded. At a time when our Nation is faced with social problems and budget woes of a critical nature, NASA has asked for yearly funding increases of up to $1 billion during each of the next 5 years. Ironically, that is the same period during which we must demonstrate our greatest austerity.

But Mr. GRAY'S remarks also reflect the space program's greatest problem—a growing lack of commitment to space exploration by this Government and by the people themselves. Twenty years ago, his suggestion would have been dismissed as outrageous or unthinkable. Today, it was greeted with the kind of apathy and resignation which has placed our space program in jeopardy.

As of this moment, sufficient money has been provided to fund a wide variety of manned and unmanned missions through 1993. Most of this will comprise "flying off" the backlog of missions caused by the *Challenger* disaster of 1986. But included in that backlog will be such projects as the Hubble space telescope, which will enable us to see back nearly to the dawn of time; and the two great interplanetary probes, Galileo and Magellan, which will continue this Nation's mastery of such exploration.

But the period after 1993 is ill-defined and uncertain. This House has voted $10.7 billion in funding for NASA next year. Yet this included little more than half of the increase requested and that amounted to a maintenance budget. The space station has been pushed back another year and various "distractions" continue to place that project in peril. Since most of the Nation's future space plans revolve around that station, its loss could amount to the eventual demolition of our space program, as stated by Mr. ROE last month.

In February, the President issued his space policy, which established a new direction for America's space program. Several of my colleagues on the subcommittee have sought to further define that policy through legislation.

In light of these developments, I would like to examine the place of the space program and further expand upon the space policy debate by proposing this Nation adopt a 20-year plan for space exploration.

I propose further that we take steps to update that long-range plan by 5 years every year in an ongoing evaluation and review process.

Last, I suggest that we adopt the recommendation of the National Commission on Space [NCS] for a lunar scientific outpost early in the next century. This interim goal would enable us to continue the work pioneered by Project Apollo and lunar oxygen supplies could produce the basis for a Moon-based "gas station," possibly setting the stage for future exploration and commercial development. Last, such a base would provide tangible, concrete, scientific results, a framework in which the space agency can work and that the public can see and appreciate.

My proposal builds on the groundwork set by the NCS, by the Ride report that followed, by the President's space policy and by the legislation proposed by the gentleman from California [Mr. BROWN]. But, more importantly, it sets this Nation on the course of reviewing spaced exploration as a long-term prospect, rather than a subject for "panic and response."

For too long, we have heard the refrain: "Americans are no good at long-range planning." For so long, in fact, that phrase has become a cliche. I believe it is time that we as a nation learn how to plan for the long-term and time that we, as legislators, initiate the steps to guide that process.

REASONS FOR A SPACE PROGRAM

Contrary to common thought, the United States has always had a well-defined, if low-key, space policy. A report by the Rand Corp. outlined the strategic needs of our space program in 1950, 8 years before *Explorer I.*

It is also a fact that our scientists had a program that would have placed a satellite in Earth orbit before *Sputnik I.* But funding was stretched out, resulting in a delay of a few months which enabled the Soviets to be first.

In retrospect, that 40-year-old study has produced a space program well-suited to our strategic needs. When the Rand study identified strategic and meteorological reconnaissance as the main reasons to launch Earth satellites, it began a process which not only led to our matchless "spy-in-the-sky" capabilities but, through technological transfers, or "spin-offs," brought advances in remote-sensing and weather forecasting.

While national security has done much to power America's space program, free enterprise has played a role as well. Private industry built upon—and sometimes kept alive—aerospace technologies to produce such achievements as the Atlas and the Centaur, two breakthroughs in technology which continue to form a major part of our launch capacity.

Communications satellites were the first space-based industry to be commercialized. Though profit margins in this arena continue to be larger for users than for suppliers, it is well to note that the first sale of Comsat stock—at $20 a share in May 1964—was the most oversubscribed issue in the history of Wall Street. The return permitted the Government to cut its initial subsidy by almost $400 million and netted sizable profits for AT&T and IT&T, the original "anchor tenants."

Other, unplanned developments have touched our lives in a number of ways. Project Apollo's need for high-speed computers gave early impetus to our Nation's electronics industry which are being felt to this day, and other spin-offs, such as rechargeable pacemakers and insulin infusion pumps have developed thanks to space technology.

But perhaps the most important offshoots of our early space policy and achievements were a renewed national pride and international respect that they engendered, along with a renewed desire by the American people to dream and aim high. The Nation, frightened by Sputnik, turned to mathematics and the sciences and our colleges and universities thrived. The space program stimulated higher education, especially.

If you question the rallying abilities of space for our people, their interest in exploring the unknown, just look at our most popular movies, our books, and the way we choose to look at the world. Space lifts our spirits, as individuals and as a nation.

Ironically, it is within this last area that we have grown most deficient. While we grew first complacent, then bored by our space achievements, our space preeminence has deteriorated.

As we look toward the exploration of space, we must answer many fundamental questions, not the least of which is how prolonged exposure to the environment of space affects the human body. We must find sources of oxygen and fuel for long duration space flight. After all, a trip to the Moon takes 2½ days, compared to 2½ years to go to Mars. We are presently doing little to gain such experience.

Where once the United States could claim a 2-to-1 edge in manned flight hours, the Soviets now hold a better than 3-to-1 advantage over us. One cosmonaut, Yuri Romanenko, has spent 430 days, 19 hours in space, almost a quarter of our total flight time as a nation. Another recently completed 326 consecutive days in space.

But manned space is merely the most noticeable area of spaceflight erosion. The first steps toward international cooperation in space came through the American launch of British and Canadian communications and application satellites. Today, French and Soviet remote-sensing satellites produce higher quality data than our own Landsat. Further, the British Interplanetary Society recently observed that several other nations are developing their own comsats. Two of those may use U.S. launch vehicles. Those two, and others like them, may also look elsewhere, to Ariane, to the Chinese or the Soviets.

The Chinese have opened five offices in this country to market their rockets. Meanwhile, the Soviets are offering incentives that undercut anything U.S. industry or Arianespace can put on the table.

More important that this has been the loss of America's pioneering instinct. America's space program sometimes trailed in the early going, but its products defined innovation to the world. We were establishing the cutting edge of technology.

For example, last year the Soviet Union launched the Energiya, a hydrogen-fueled rocket rated the world's most powerful. Yet its launch came only after 20 years of frustrating work, scrapped designs and frequent failure by the Soviets. And, in the end, Energiya emerged as a rocket not quite comparable to the Saturn V we scrapped 15 years ago. Some even suggest that Energiya's hydrogen engines were derived from American engine technology, 30-year-old theories.

But laterly, this balance of innovation appears to be shifting. In 1969, the Japanese augmented their space program by contracting with McDonnell Douglas to manufacture Delta rockets, which they called N-1. They tinkered with the vehicles, improved them and eventually developed a hydrogen-powered upper stage for the Delta, a machine impressive enough that McDonnell Douglas is now considering import of the Japanese engine for use aboard the American Delta II.

Some may say that the United States has no need of the hydrogen engine until now and now that a need for the system has been found, it's cheaper to buy it ready-made from the Japanese. But I believe a subtle shift has taken place and the relaxed teacher is now learning from the energetic pupil.

Some would say that this is the natural order of things, an accepted, even awaited diffusion of knowledge and technology throughout the world as part of a global market. The problem is that the United States has lately been lax in pursuing innovations of its own. We start off well, pushing the outside of the technological envelope, then we drop the idea. Too often these days we are content to accept the improvements of other nations, rather than doing work of our own. I suggest, Mr. Speaker, that what we are seeing is the start of an intellectual balance-of-trade deficit.

NATIONAL PRESTIGE

Prestige is at stake as well, and, in international affairs, we know that prestige, images produced by perceptions, whether factual or not, spread through the world in this age of rapid communication with the speed of a gale-driven forest fire.

Space enthusiasts like to draw analogies between the naval expeditions of the Ming Dynasty in the 15th century and our space programs. The seven voyages of Cheng Ho were the largest undertaken by the human race up to that time. Over a span of 28 years, the Ming armadas visited nearly every inhabited land in the Indian Ocean and reached southern Africa on their final journey. In 1433, the court bureaucracy scrapped the ships, claiming the voyages served no useful purpose, and China entered a long period of withdrawal.

The story's good though misleading. While space buffs use the story to illustrate the "no-turning-back" need to continue exploration, the Ming voyages produced little save prestige.

But prestige is coin of the realm in international affairs. Cosmonaut Yuri Gagarin radioed socialist greetings to the Third World during his 1961 space flight and the French have routinely used their expensive Concorde (built jointly with the British) as a tool of diplomacy and enterprise.

Author Walter McDougall notes that a 1961 poll, taken after the flights of Gagarin and Shepard, revealed that 41 percent of all West Europeans surveyed believed that the Soviet Union was ahead in military strength and 39 percent gave Russia the edge in overall scientific achievement.

"It would be folly to deny that the allies' estimates of the balance of power in the future are based in part on the expectation that Western science and technology will maintain a decisive lead over the Soviet bloc," said a 1958 report by the Rand Corp.

Viewed in this light, government expenditures for space exploration are essential. Space exploration serves national security interests, and the prestige it engenders is a valuable diplomatic tool to establish a positive environment for the conduct of international affairs. McDougall notes that governments have traditionally been the financiers of basic research and development work, such as space; and the public interest fostered by such a program can reap benefits far removed from the immediate. In short, space is a good investment and an area for the government to assert international leadership.

PROBLEMS CONFRONTING TODAY'S PROGRAM

Yet it is precisely in these areas of policy and program and investment leadership that we are lacking. After months of debate, the President unveiled his space policy in February. The document reiterated the importance of national security in space matters, established the goal of a permanent manned presence in space (including an endorsement for the space station) and encouraged the development of new technologies (Project Pathfinder) and a commercial space industry.

The space policy was long-awaited and, generally, well-received. But some of its provisions, and the budget request that followed a week later, raised questions about the administration's true commitment to its policy.

For example, the President's budget request proposed a $2.7-billion increase in funding for science programs, with approximately $2.3 billion of that for the space program. This is "seed money," a good investment in the future. But that $2.7 billion was also 90 percent of the discretionary funding provided by November's budget summit. Since science must compete with housing under our budget process, we have been presented with a politically untenable situation if that situation remains unchanged. And the space program will suffer as a result.

The space policy also reemphasized the need for a space station and then endorsed an appropriation of $700 million over 5 years for a commercially-developed space facility, a man-tended free-flyer that could either extend the orbital duration of the space shuttle or increase on-orbit opportunities for microgravity research. It could also be used to develop hardware and techniques for the space station. But no one has said clearly where this money will come from. If taken from the space station budget, it could cripple that program—and the infrastructure that forms the basis for America's space future—beyond repair.

Another example, NASA's Project Pathfinder will begin developing the technologies we need for the next 50 years to live in space, to develop it and to go to the planets. We have been living the past 20 years on the technologies of Project Apollo and Pathfinder is a start toward regaining lost ground and forging the future. The White House first recognized this with a $120 million appropriation for Pathfinder in fiscal year 1989—then cut the amount by $20 million. Hardly a ringing endorsement.

This apparent ambivalence toward space funding comes at a critical time in its history. Mr. NELSON points out that we have been building a space infrastructure for the future, a stage traditionally more expensive than short-term exploration.

My colleague from Pennsylvania, Mr. WALKER, points out that even had the President's $2.3 billion increase for NASA been granted by the budget committee, that amount would merely have been enough to maintain the program's current level, with no new starts provided. He estimates that, to have a realistic space program for the 21st century, we would need to double current space-investment funding levels.

While not a "NASA basher," I must sadly admit upon reflection that the space agency has contributed to this sense of ambivalence. NASA's staff has realistically presented this Nation with requirements for future exploration and options for commercial development, often in the face of sometimes desperate cries for long-range goals that too often translate into another Project Apollo. NASA has given up Pathfinder and a 3-year study period to determine our future options. It has set up an Office of Exploration to study these options and to regularly update the findings of the Ride report. Perhaps that is not exciting but it is a steady, research-oriented approach that knows no deadline.

Nonetheless, I believe NASA's leadership has too often failed to act as a forceful advocate for its program. Instead, it has tried to play politics, tried to please too many competing factions and, in the end, has failed to satisfy anyone. The debate surrounding the commercially developed space facility is one example of this.

At another time, with the right amount of private investment, the CDSF could be an attractive option. It would enable the United States to enter the field of microgravity research on a large scale, an area in which we have long lagged.

Yet funding the use of the CDSF could further delay the space station. In this time of constrained spending, a $700 million CDSF looks like an attactive alternative to the $16 billion space station. Certainly microgravity research holds remarkable promise, including cures for blindness and diabetes. But the CDSF will never be anything more than a microgravity processing facility. It cannot be used as a staging area for large Earth satellites or deep-space explorations or as a testbed for human endurance studies that are absolutely essential to long-duration spaceflights. Arguments that not having the CDSF will cost the U.S. leadership in microgravity research are somewhat moot; we have not had leadership in microgravity research since the end of Skylab in 1974. We could probably become a meaningful participant again but the potential is uncertain.

Geostationary satellites and deep-space exploration are two areas of unquestioned U.S. dominance in space, according to the Ride report. The space station is needed if the visions of the Paine Commission and Ride report are to be realized. In that light, funding CDSF at the peril of the space station amounts to staking our space future to the uncertain promise of microgravity research.

Under pressure, NASA administrators have testified they would not abandon the space station for the CDSF but maintain they could use both. It's small wonder that my colleague from Florida, Mr. MACKAY, accused NASA of being unrealistic in their dealings with Capitol Hill.

This ambivalence on the part of the President, Congress, and NASA's leadership has failed to build on public support for the space program. Space is like motherhood—no one criticizes it, but few have taken the time to explain what it is.

A magazine poll once showed that most Americans were squarely behind the space program. But most believed its greatest potential was in the areas of space manufacturing and national defense. The treatment of burn victims was third on the list. And, at the same time, an overwhelming majority back a flight to Mars. Given the current state of the art, it is clear that public support, while strong, is ill-defined. Military applications of space are a reality but we know it will be years before space manufacturing moves into any kind of operational phase and, given the dangers of space flight, it is probably too early to consider blasting burn victims to orbiting wards.

Given this public attitude, it is our duty as elected representatives to guide our progress in space. Rather than continuing our complaints about lack of a long-term direction, we must act and begin to establish a long-range national view of space.

A PROPOSAL

Italian author Luigi Barzini once wrote that, whether we know it or not, all Americans are products of the Enlightenment, 18th-century philosophies continually working out the problems of our experiment in democracy. So thinking and innovating is an American birthright, the world has come to expect it of us.

But lately, we appear to have pulled back from the cutting edge of space technology. This is nothing new; after all it took 50 years to complete the Washington Monument. As I have noted, Americans have long reacted to opportunities or threats, often with stunning innovations, only to scrap those innovations in a short time. This is "panic and response" and that has been the American way. But it is a philosophy that it outdated and we are losing out to nations with a longer view. We must change our approach and, as elected leaders, show the courage to lead the way.

It is in that light that I have proposed we adopt a 20-year plan for space exploration. It is a proposal which fits into and gives purpose to over 2 years of national debate on space policy. It would explain the "why" for space station and define the context for debate while its projected results provide tangible returns to the Nation, along with the national self-respect and pride that comes from space achievement.

The precedents for such a long-range plan are clear. The NCS report viewed fiscal realities over a 20-to-30-year period and recommended that space be funded at a level of 0.5 percent of the GNP through 2000, then slightly less than one-half of 1 percent. As a point of reference, this year's NASA proposal ranges between 0.25 and 0.33 percent of the GNP. Such budget would provide an early context toward fulfilling Mr. BROWN's goal of human settlement in space and extend Mr. WALKER's long-time vision of a commercial infrastructure in space by returning to the Moon.

Let me emphasize that none of this is carved in stone; one NCOS staffer noted that America should pursue a space program that is best for America. Recently, the Science, Space and Technology Committee endorsed study of a "Man to Mars" mission, a program that may offer some advantages is the realm of physics. Should these theories prove true and should such a mission prove within our reach, based on sound financial reasoning, available technology and the gains in knowledge judged available, it should be considered. But the decision should be made on the basis of scientific and fiscal reality, with an eye toward the long-term, rather than toward a new Apollo or any program dominated by publicity.

I believe establishing a scientific base on the Moon as a first step has several advantages over a mission to Mars. First, we have already been to the Moon and the outpost would be a logical, if long-delayed, follow-on to project Apollo. It would correct a 20-year-old mistake that discarded two Saturn V rockets and the experienced people then available to lead a follow-on project to demonstrate such things as manufacturing oxygen and materials on the Moon.

Second, the returns from a lunar outpost are surer than the other schemes envisioned. A journey to Mars would require expertise in human endurance that we do not have. Lunar prospecting and microgravity processing are intriguing but may not yield economic benefits for years, if ever. A lunar outpost will provide the basis for later prospecting, astronomy, and exploration. More importantly, it would yield substantive, unquestionable scientific results, results you could immediately look at and evaluate. I believe those results could fire the public imagination as a shuttle or a space station, unfortunately, cannot.

Lastly, it appears to be the least expensive, realistic option available to us. The Ride report estimated that a Mars mission would be most exciting in terms of returns and interest but added it would be the longest and most expensive in terms of national and financial commitment. Isn't it better, then, to choose a project with a lesser cost and a shorter commitment that will, nonetheless, provide the groundwork and lessen the costs for later, more ambitious missions?

Some may think this lacks imagination. President Kennedy undertook projects Apollo after his advisors had assured him that a moon landing was one area we stood an even chance of winning, largely because the goal was so far away. Yet it is fair to conclude that those advisors also realized that the hardware and technologies were already in development.

First and foremost, the lunar outpost—America's space future and our reputation as a reliable joint-venture partner with other nations we have committed to work with—requires the international space station in some form. Both the NCOS and the Ride reports emphasize that this facility is the key to virtually all of America's future space plans as a staging area, as a test bed and as processing facility. The National Research Council has approved the station's baseline design and, at an estimated $16 billion, it is unlikely to get any cheaper than it is now. It is time to end the debate and move out.

Second, the observatory will require the technologies of Project Pathfinder. As I said, President Kennedy made his decision to go to the Moon on the basis of what was winable. But the Saturn rocket was already under development, Project Mercury was underway and the Apollo concept was under study. The groundwork had been laid to build on.

Pathfinder would do the same thing. That project would develop the technologies to process resources from alien worlds, new propulsion systems which could cut travel times between the Earth and Mars to 2 months, new energy systems and robotics to extend our capabilities. And, once developed, these would provide the tools for greater plans beyond the Moon at a later date. As with the space station, better—and probably cheaper—now than later. And, as with a return to the Moon, we will be making a correction long overdue.

It will also require the development of a low-cost, heavylift launch vehicle as suggested by the President early this year. It's estimated that building the space station will require at least 14 space shuttle launches. Anyone who has followed the shuttle program and the U.S. launch in general, knows that this is pressing the limits. The proper heavy-lift vehicle could halve the number of launches while reducting the hazards posed by manned missions.

Lastly, I believe the nature of this outline—a space station and a lunar scientific outpost—lends itself to international cooperation. The model is already in place in Antarctica, in the periodic "international" visits to the Soviet Mir and aboard the space shuttle. And, by its very nature, it would establish space as the next natural frontier for the expansion of mankind rather than any short-term "goal," launched amid great fanfare then quickly forgotten.

CONCLUSION

Mr. Speaker, the gentleman from Philadelphia is correct in his appraisal of our current economic situation. We teeter on the edge of worldwide economic depression, social problems mount and our Federal budget deficit has become so great as to threaten our financial markets, our standing in the world, indeed, our standing in the world.

Despite this, I am optimistic. I believe that we will, through debate and compromise, arrive at solutions to these, the problems of today. But we must not scrap our future in order to solve the problems of the present. Near-term and long-term technological rewards to provide new products, businesses and jobs require judicious commitment and investment starting now.

I will not pretend that my proposal is a simple one. While the literature to direct this effort has been published and discussed for years, implementing a long-range program requires nothing less than a change in attitude by America and those of us elected to be its leaders. We, in this country, like to think of ourselves as young and yet, among democracies, we are the second oldest in tenure. It is time for this country to scrap its philosophy of starts-and-stops, of panic-and-response and begin to take the judicious, long view of a mature nation.

I believe that America has the resources to maintain a leadership role in space exploration by recognizing its strengths and weaknesses, building on or correcting them; and by developing the healthy qualities of sustained, multiyear planning; of political, fiscal and philosophical realism.

Space is admittedly an expensive proposition, the results of which may not be seen for many years or even many generations. Yet our literature, our past words and the actions of our adversaries and allies all point to space as the cutting edge of the future. It is the new "high ground" in the national security context and it also provides a unique laboratory in which to develop new technologies. The world respects the innovator and the United States, from the middle of the 18th century to the present, has been identified as the leading producer of ideas that have improved the well-being of people around the world. If we choose to withdraw from the exploration of space, we likewise abdicate our role as a leader in ideas. And, with that, something uniquely American will die.

Like it or not, man is destined to go into space. The Soviets are going; the Europeans, Chinese, and the Japanese will quickly follow and the others are not that far behind. The question before us is whether the United States will choose to make the investment needed now to lead this visionary adventure of pioneering the space frontier and reaping its rewards, or whether it will follow the lead of others more farsighted, adventurous and persistent.

BILL OF RIGHTS FOR THE AMERICAN HOMEOWNER, LEASEHOLDER, RENTER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, today I have introduced a bill that I believe is vital, with the cosponsorship of several of my very distinguished colleagues of the Subcommittee on Housing and Community Development which I have the honor of chairing, Messrs. KENNEDY, GARCIA, HUBBARD, FLAKE, Ms. PELOSI, and Mr. TRAFICANT as cosponsors.

So today I would entitle the remarks that I wish to address to my colleagues, as they leave for the July 4 district work period—and I hope will give careful study and reading to the RECORD when it is printed tonight because I believe it is the first of several programs that I will be offering—this one I would call a bill of rights for the American homeowner and leaseholder or renter.

America has had very serious and vast transformations in what the students of the subject matter call demographics. That is, compared to three, four, decades ago our families are much smaller, the population of our country has increased quite a bit, geometrically, since the 1930's and the initiation then of the programs that the national leaders and Congress got together to meet the crisis of that day.

Unfortunately for us it seems as if we have to wait here until the crisis is on us and we are floundering, and hopefully that will not happen, but I am afraid as I have spoken previously in the remarks I have entitled "My Advice to the Privileged Orders," well I finished that, which was a course of discussion for at least 2½ years; mostly it was outlining, as has not been done in discussion or debate, the very basic fundamental challenges American society has confronted since its founding.

It is ironic, as I have said previously in these advice to the special or privileged classes, that here as we are about to celebrate the 200th anniversary next year, in March 1989, this form of government, that is the Constitution, which is the fundamental law of the land which sets forth the governmental structure, we have not celebrated 200 years yet. We celebrated the 200th anniversary of the Declaration of Independence, the struggle of the Revolutionary War in 1976. But since then and last year I am afraid so many of us thought that celebrating the writing of the Constitution was equivalent with celebrating the Bicentennial of our Government, and that is not so. The Constitution was finally completed in September 1787, but then it took some time to sell it to the majority of the States or the Colonies, and by the time it was ready to be implemented it was not until March 3, 1789.

Only God and destiny can tell us whether we will be able and fortunate enough to say on March 3, 1989, next year, that we can still boastfully say that the system is operated as we have always conceived it to be.

We have grave dangers, some of them glossed over, but which inescapably we will have to confront, that go to the heart of the matter. That is whether our system, based on a balancing of powers, is really going to survive.

So today the real question is whether we in our time will have the faith in the American people as those leaders in Congress did during the grave emergencies of the Depression and war and, up to now, I am afraid we have become fat and complacent and in many ways arrogant. This, as I have said in my remarks, addressing generally the extent, size, variety, and complexity of these problems, is what Shakespeare wrote all about when he said: "When a people become complacent and proud and arrogant and the gods seal their eyes to their defects, they soon are sunk in their processes of destruction," and, in his words: "strutting, laughing at, by those watching these proud and arrogant complacent people strut."

□ 1315

It is true that prosperity and well-being do tend to make a people forget the struggles and ardor of those struggles that gained them liberty and self-government. The 20th century has been hostile to self-government, not friendly. Yet we survive, but only because the people were faithfully led. And it was faith and the discharge of that faith mutually by those people elected as their agents, which under our system is the vital part if it is functioning, and to the extent it does not function, to that extent we are in serious trouble. To that extent we have become victims of the consequences of these misgotten and foolish leaders, demagogic and ignorant and blissfully unaware of the limitations of the powers the Constitution sets forth, but to which Congresses have rather complacently, sometimes supinely, submitted without challenge. And this means that that faith is not being kept by the agents of the people who, as they are under the Constitution, are the source of all power.

So, as I say, this is the time to have a bill of rights for the American homeowner. That means the spinal column of our country, the vital essence of our society, the newly married couple that decides to have their own little nest and have their family. That is the bulwark of our strength. But in the last 6 years it has become an empty dream.

We have brought these things out in endless hearings that we have had here in Washington, and also in historic hearings, pioneering hearings out in the field, in the country and in the densely urbanized areas of our country, from the South Bronx to Philadelphia and south to our Nation's Capital, and then from Detroit to California where we find a newer land, a newer people, so to speak. And they confront a different set of problems, but nevertheless just as vexing and complex in their extent as those facing the older sections of our country and the older housing stocks.

But around our ears, more than housing is collapsing around us, because a house does not stand isolated and alone. It has to have a water supply, drainage, sewage, and streets. That is what is known as the infrastructure, and that is collapsing around our ears.

I have reminded my colleagues on this subcommittee that we cannot talk just about housing. This is all we have been doing. But we have got to remember that we should not forget that other half of the descriptive phrase of our subcommittee, and that is community development.

Every day in the city of New York, this vast, steaming metropolis, more water is wasted each day than is consumed. This is the precious substance that is the essence of life—water.

Why is that? Well, partly because they have such outmoded systems as wooden pipes or delivery systems. So they are having a tremendous waste. The resources of the city of New York alone are inadequate to confront that problem.

Every other day in our country a bridge collapses. When it happens out in some out-of-the-way place, nobody cares that it happens. In New York City, when it is a very vital link in transportation, yes, we care.

But what are the resources of those entities that try to firm up this infrastructure that is crumbling around our ears? We have had five communities, all in New England, that have had their water systems collapse overnight. This is happening at a time when the Federal administration in power withdraws the commitment the Federal Government has to such things as this. Were it not for our subcommittee and the majority Members of both the House and the Senate most of the time, the President's budget since the beginning, in 1981, would have zeroed everything out, as they have done in housing. For instance, this administration has reduced by 80 percent the allocation of credit for housing or assisted housing, as we call it. Well, we cannot have a Nation that is still dynamic and still growing straitjacketed and not expect to have problems.

So today I have introduced what will be known as H.R. 4959, which in effect will reaffirm our commitment to a national housing promise.

I started to say that just about 6½ percent of our American families today can afford to buy a new single-family dwelling unit. The average national index of cost is so prohibitive that no more than 6½ percent of the American people can afford to buy a brandnew, spanking, newly constructed home. This is not good. We have now, as our subcommittee first pointed out on December 4, 1982, a considerable segment of our American people rootless, homeless, and wandering our country as refugees do in other lands. That is not allowable for us in America.

But what is the reason for this? Well, I brought this out before in an endless number of specific remarks that I have made showing the root causes, the development of these causes and their contributing factors, as to why we got to this point.

Why is it that as of 3½ years ago America is a debtor nation for the first time since 1914? It is basically for the same reason that for a substantial number of Americans we are houseless and homeless.

There was a time when we had Presidents who cared. We had Franklin Roosevelt at the height of the Depression, when everybody was broke and the Treasury was broke, and yet he and the Congresses had faith in the American people. That is the backbone of the American people, the home occupant, the homeowner, a little family trying to hold itself together. The only thing that anchors down a family to its country and its soil is a home.

Now, what did they do? Did they say, "Oh, well, no, we can't do it because of the budget deficiency"? Did they say, "No, we can't do that"?

No, they started such programs as the HOLC, the Home Owners Loan Corporation. And they heard then the same voices we are hearing now from those who are in power today saying, "You can't do that because it will be abused, it is a waste of money, and you don't have the money. What are you going to do, lend borrowed money?"

No, they went on ahead and did it. And when the program closed out, the bulk of the American families that owned homes that were threatened with foreclosure saved their homes, and when the program closed out, at just about the time the war was going to break out, it brought in $400 million to the U.S. Treasury. Now, $400 million in 1940 would be like several billion today. This was what having faith in that substantial strength of America meant.

Today we have seen what happened with the Federal Reserve Board and its previous Chairman. When I introduced an impeachment resolution against him, I had a lot of criticism, and everybody thought I was publicity seeking. Well, I was in dead earnest because the substance of America had been sold down the river, for which we are paying now and for which we still have to get the full bill of accounting. But when I saw that this same powerful Chairman who was going to dictate the fiscal and monetary policies and, therefore, the economic policy of the Congress, met in secret with the head of the First National City Bank of New York, Walter Wriston, and H.L. Bunker Hunt, the billionaire from Texas who thought he was so smart that by using over 35 billion dollars' worth of bank credit allocations, he could go over and compete with those old European speculators and corner the silver market—and he lost his pants and all that bank credit—I knew something was going to happen. They had that secret meeting. The banks met to see how they could rescue him. They were willing to allocate, as they continue to do, vast segments of American credit resources, banking resources.

Everybody has forgotten what banks are. The Congresses are not here to do the bidding of the bankers, but one would not think so sitting in on the hearings of the Banking Committee and other places. Banks are chartered, or are supposed to be, for public need and convenience. But they have become the most powerful entities in our society. They determine our coinage. I have brought that out before.

In this bill, H.R. 4959, I am saying all this, and the descriptive introductory clause of the bill is this: To establish a national housing trust to assist first-time home buyers.

Now, what do we mean by "first-time home buyers," and how do we define them? We set up this trust. And how is it going to be administered? Well, we are not going to have the Federal Reserve Board as members of the trust of the Secretary of HUD, under whose aegis we would have it administered through FHA. We will have the savings and loan institutions that are today as dead as a doornail. At risk right now is the insurance fund not only for the S&L's but for the banks, too, because FDIC is headed that way.

What do we do, sit here and wait until this crisis engulfs us to the point where everything is lost? That is the real danger to this country, not a foreign invasion. We inside the United States face this danger.

So all this does is say, "Look, fellows, just bring that jam from up on that top shelf, where only the H.L. Bunker Hunts and all those guys are able to get it, and bring it down here where the common folk can reach it. They will know what to do." That is all.

So we allocate a national credit allocation of $6 billion to be apportioned over a period of 3 years through the trust fund. It is going to be a trust fund, and it cannot be used for any other purpose. Eligible will be those families whose median income does not exceed 115 percent of the median average in that area and who have not been homeowners in the immediate past 3 years. We are targeting these brandnew would-be homeowners who could own their own homes if given a little help.

We cap interest rates at 6 percent, and that is the nub of the matter. The S&L's in the State of Texas are dead. Even the stronger ones are losing money. They may not be bankrupt, but nobody can stay in business if they keep losing money. And we have had a record number of bank closings already since January 1.

Everybody might think that this is a Texas phenomenon. Let me assure my colleagues that this is a national problem. All throughout the Nation these institutions are in trouble.

Now, do we want to sit here and say, "At no time will I allow the taxpayers' money to be used as a rescue"? That is not the issue. The issue is, are we going to sit here and wait until the insurance fund is bankrupt and we cannot pay the insurance on the covered and insured depositors or account holders? We will be yelling to bail them out, but by then we are in crisis and we would not be thinking right. Let us do this now, and we will save the S&L's. This mechanism that I would use here will actually administer it, and this new would-be home buyer will go to an S&L that will have and will be enabled to keep a home mortgage portfolio, as they were intended to be functioning when they were founded.

□ 1330

So all I am saying is nothing. I am not doing anything radical. I am just bringing good old-fashioned, old-time religion which worked back into the system by just bringing it back and giving the people that priceless allocation of credit resources for one of the musts in human existence, which is shelter. Everywhere throughout the globe in human existence a person has got to have three basic things, and shelter is one of them I firmly believe, and so do the colleagues that have signed on with me. These are all responsible, hard-working, very knowledgeable members of the Subcommittee on Housing and Banking. The mechanism is to affirm our faith in those institutions that worked until they strayed from the basics.

Mr. Speaker, S&L's were founded specifically by the Congress because a framework is needed of financial institutional reference to create the credit so that one can have a homebuilder build at an affordable cost that he can sell at an affordable rate and stabilize that mortgage by making it a 30-year stretchout with a fixed stable rate of interest. As I have said since the day I came to the Congress, and that was 27 years ago when nobody gave a hoot or a gehinny, because who would think that it was legal to charge over 10-percent interest?

In fact today most everyone I talk to in and out of Congress knows that there are laws protecting against usury. Let me say, "There aren't," and I pointed that out when I got here the first month I got here.

I came from Texas where the Texas State Senate had just defeated an attempt to get the small borrower in the clutches of the loan shark. And I saw those tracks coming up here to the Nation's Capital, but I never dreamed that beast would take over, and it has.

Mr. Speaker, there are no protections, and there have not been any since 1865 when Abraham Lincoln had just been killed and the Congress passed the National Currency Act which set up the first framework roughly of the national banking system and abolished the usury law. And nothing. This is why a person cannot get 10-percent, not 11-percent, not 15-percent, but 21-percent prime interest rates in 1980 and 1981. No nation, as I have said ad nauseum here in the history of known mankind's activity can endure with extortionist rates of interest otherwise known as usury. No civilization. The history of interest rates parallels the rise and the fall of vast empires. This is why we are floundering, and we are addressing it here by capping it and saying no more than 6 percent for 30 years. And we will have the real resources of this Nation. We have the secondary mortgage institutions. We will bring them into the trust, FNMA. Well, what are these institutions? They have the best of two worlds. They are supposed to be semi-private or quasi-private, but, my gosh, my colleagues ought to see the salaries the officers get. And they are living off of what? Well, it has to be off of the primary market.

If we have an unhealthy or a broke primary market, how can the secondary market be any good? This seems to escape all of our refined economists and financiers and all. And what we have had is rampant, unrestrained greed because all through mankind's history one of the reasons governments have been founded has been to control that. So when we take the top away from the corner, we should not be surprised, and we should not be wringing our hands, and shedding tears and gnashing our teeth. What else was to be expected?

The Congress helped with the passage of two fundamental acts in 1980 and 1982. I was against both. I was the only one, I might say, so I do not know. The only credentials I have to show whether I was right or wrong is what is happening now, the realities of a broken down savings and loan system, a floundering financial institution. It would not take much.

We are now dependent upon forces external to our shores as to what we can do or cannot do or what will happen to us because we have been living off of foreign borrowed money. And I am convinced that no matter how magnanimous, no matter how generous, no banker is in the charity business whether he is dealing with the Government or anybody else.

And concomitant with that has been the unanswered questions that I have been raising since the middle and the late sixties with the first credit crunch of 1966 in June. And that is how come President Franklin Roosevelt and also in the sequela war known as the Korean war President Truman had to wage war on borrowed money as they had to.

As a matter of fact, here in World War II, as I said before, on the Federal level we were using 46½ percent of our total gross national product on the Federal level to prosecute and win the war. But Roosevelt and the administration never had to pay even 2 percent on an average to service the debt. Truman neither.

But now, as much as 14½ percent on Treasury T-bills? All of this travail that the Congress went there on this abomination known as the Gramm-Rudman-Hollings to balance the budget in 1991 they said.

Mr. Speaker, I call it Grammbo legislation because it was so violative of the Constitution that the Supreme Court knocked out half of it, half of the original Gramm-Rudman-Hollings, as some of us predicted. All right.

The first year; that is the year before last, on March 15, Gramm-Rudman-Hollings was supposed to announce a savings; that is, a reduction, of the national debt of $15 billion, but what they did not announce is that that same day the interest charges to service that debt rose $30 billion. Oh, how are we going to balance the budget if we are cutting this and saving that, but we are paying more over here, twice as much as was said would be saved? Anybody can tell you that. Any grammar school child can tell you that that kind of arithmetic is a declining arithmetic. It is not an addition. It is a subtraction.

So who is worried about how the system was changed and in what manner in servicing the debt?

As I am talking here just this day we will be dishing out way over $500 million on interest. By definition interest is the most inflationary economic factor known to man because it is something for nothing. This is exactly why ancient civilizations prohibited it by penalty of death.

As the Lord Jesus Christ was preaching, the law of that land was that interest and usury were punishable by death. So all through history it has been regulated.

We talk about the Japanese competition, yes. And what I am doing here is what I told the mortgage bankers 4 years ago. I had just met with two Members of the Japanese Diet, brilliant fellows who were members of the housing component of the Diet and two Japanese industrialists in construction. They were evaluating the American market, and they showed me how they were ready to come in and they could set up a single family dwelling unit at 10,000, finance it at no more than 7½ percent, and I told the mortgage banker; I said, "You're going to have the same thing happen among you fellows because of your accustomed uncontrolled greed. As happened to our automobile manufacturers, you're going to be invaded and displaced."

Well, up to now that has not happened only because there have been some factors there that have contributed to that not happening, but I said, "You gentleman aren't going to tell me that we in America don't have the wit and the will to do the same thing and even do it cheaper at 6 percent.

It's just a fact that you're all on a big joyride, even more so now within several money manias, your real estate investment trusts, your collateral money manias."

They were beginning to see at that point some of the insidious effects of the so-called money market, uninsured, which today is a time bomb ticking.

When I asked the new Chairman of the Federal Reserve Board, Mr. Greenspan, last autumn in his first appearance before a committee, I said, "Sir, what do you intend to do with that 22½ percent of that financial segment that's insured that grew up in this mutual money market?"

And he said, "Nothing."

Well, to me, and I am no expert, it seems like that is a time bomb ticking. And sooner or later it is going to have to be addressed.

Now the Congress did not do anything when that was developing because it regulated the banks. They were under regulation to the extent they could be, but these money market funds were sucking out; the technical word, "disintermediating" the other financial institutions. That is sucking money out from them in order to go to these high-yielding mutuals or rather money markets, and this is what is happening now in Texas. The regulator that did not regulate when he should have is now trying to piece the parts together, stitch them together.

But what are they doing? They are a fiction of the imagination. They are dead as a doornail, but they are offering high yields, 9, 9½ percent. Naturally when they see FSLIC deposits, or whatever you want to call them, are insured up to $100,000, that is a big selling point, and the others, the regular plotting institutions, cannot pay that high yield, so they are going to see their funds subtracted, and that is what is happening.

But the institution is as dead as a doornail. What is going to happen when the day of reckoning hits and that insurance fund is not there to meet the protection that has been promised by the Government? That is what I want to know.

□ 1345

That is when I want to ask my colleagues who tell me today, "Oh, no, never taxpayers' money." I want them to tell me in a few months whether they are going to refuse to vote to save those insured funds.

Mr. MFUME. Mr. Speaker, will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from Maryland.

Mr. MFUME. Mr. Speaker, I thank the gentleman for yielding to me.

I have to admit to the gentleman that I felt compelled to come back to the floor of the House while listening to the gentleman's comments.

I thank the gentleman for the leadership that he has brought to this House on banking and financial matters and for the real institutional history that the gentleman has provided to many of us. Speaking as one of the Members of Congress with the least seniority to the gentleman from Texas, one of the highest seniority Members, we appreciate that and we appreciate the leadership that the gentleman brings with what obviously is a burning desire and commitment to the area of banking and to the area of housing and related matters, whether they are financial, structural, social, or systemic.

The gentleman is also to be commended on doing, as he did today with the introduction of his legislation to establish a National Housing Trust to assist first-time homebuyers, I think that is extremely important because it is the beginning of a process of making a major recommitment in reestablishing Federal housing policies by setting up assistance for those families who had the opportunity and want to become first-time homebuyers, but for a number of reasons did not.

So because of that and the gentleman's very real leadership, both as a member of the Banking Committee and as Chair of the Housing Committee and the help he has given to others, we appreciate that.

I had indicated earlier in my prior remarks that because of my own markup on my own legislation that took place earlier I could not get to the gentleman's press conference this morning, but I commend the gentleman nonetheless on the effort and thank the gentleman for this ongoing commitment to the issues. It is very real and it ought to at least call our attention to them, so that we might look at them in a more serious vein and begin the process of a logical debate and discussion, rather than being as an ostrich and sticking our heads in the ground assuming that the storm will not affect us.

So again I thank the gentleman for yielding and I thank him for his leadership.

Mr. GONZALEZ. Well, Mr. Speaker, I thank my very distinguished colleague, the gentleman from Maryland. We appreciate the gentleman being a member of the subcommittee. It has made a big difference since his advent to the Congress. He has contributed, he has been a faithful attendant to the hearings, and therefore he knows whereof he speaks and I am deeply grateful for the gentleman's kind and generous remarks, but above all the gentleman's outstanding service on the Subcommittee on Housing.

The gentleman may be in his first year, but let me tell the gentleman, he came here running.

Yes, that is the whole idea. I have spent a lot of hours speaking here about the troubles and the problems and who has done it and who is to blame and all of that, but I have always said that never has been enough. I have always offered, since 25 years ago, some suggestion in the way of legislation. For instance, for years and years, 25 years, I have introduced an audit of the Federal Reserve Board bill. Everybody would say, "Oh, but how can you?"

The chairman would come in and say, "We have got to maintain independence."

But what independence? They are not talking about independence. It is known as the Federal Reserve Board. It is the one that is now deciding the fateful decisions on our economic well-being, monetary, fiscal policy, but because it has not been accountable to anybody, either to the Congress who created it in 1913 or the President of the United States, it has now left America so vulnerable that even if the Federal Reserve Board cannot control interest rates overnight, because they are now dependent on these external forces that through the years and through the abdication of these powerful entities, the Federal Reserve Board has that name Federal, but it is not a Federal agency.

I say that it is time that we go back to the 1913 original act and its intention and we ought to federalize the Federal Reserve Board.

The Federal Reserve Board Act of 1913 defined what was going to be the Federal Reserve Board as the fiscal agent of the U.S. Treasury, but it is the other way around now. The Treasury is the lapdog of the Federal Reserve Board, but the intention of Congress was that this would be an instrumentality following the Great Depressions of 1907 and 1908, and after hearings and deliberations under the famous Pujo Committee in the House of Representatives, it finally structured the Federal Reserve Board in the Federal Reserve Board Act of 1913; but within 10 years we had this encrustment known as the Open Market Committee and that, of course, was when the whole congressional intent was undone.

Why? Because it is the so-called Open Market Committee, it is everything but open, it is very closed, they do not account to anybody. They are the ones that set the interest rates on T-bills. That means they have the power to make or destroy any administration. We know that and everybody else knows it, but nobody wants to do anything about it.

The Federal Reserve Board is just another human entity, but it is the private commercial bank system's entity. It is not the Federal Government's.

And since when has there ever been an infallible human institution?

They do not want an audit. Why? Why should they not want an audit? By whom? By the only arm the Congress has, the GAO.

They fought us tooth and nail when we had my fellow Texan, Chairman Wright Patman, the greatest American ever to sit on the Banking Committee, and we got to the point where we had hearings and it looked as if we were going to get a vote on getting an audit. You would have thought that we were threatening the pillars of the institutional life of this country, so we never have had that.

Who constitutes the Federal Reserve Board? The private banking system.

Who are the Federal Board district members? The private banking system representatives from the banks around it.

Well, I know we had a scandal there, and after 1 year of importuning my chairman then, we finally had the chairman say, "All right, we will have an in-House review of this matter."

What it was, a leak had come out of the Open Market Committee that had benefited one of the New York banks, but that member on his return home and when we were raising the issue, died.

So then finally after raising our voices and shouting and whatnot in committee hearings, the chairman finally said, "All right. Can you tell me why Congressman GONZALEZ' request that you answer these questions about this leak have not been answered?"

So he said, "All right. We are going to appoint an in-House committee." So they did.

He said, "We are going to get an attorney." Well, they did, but who did they get? They got the attorney for the bank that had profited.

So they came back and we did not hear from them for a year. Finally I raised my voice again and they came in and said, "All right. Here is a report."

I had that report printed in the RECORD several years ago.

The long and short of it was, yes, there was a leak, but it was a mistake. They could not find any culprit. Well, of course not. He had already been buried.

This is the kind of thing that was going on, the Chairman holding himself up in what was supposed to be a secret meeting in Florida with the head of the First City National Bank, as I said awhile ago, and this great billionaire from Texas, Bunker Hunt. Why? Because the bank did not want to lose all that credit they foolishly had given this man to speculate with.

It continues to happen. We have had such speculation that the bubble has to burst.

We are not only an external debtor nation, we are the biggest debtor nation in the world right now. We are about three times more in debt than all the Third World countries put together. We are also a domestic debtor nation. We have about 2 trillion dollars' worth of internal debt, that is private debt.

Oh, you know, all I am saying in this bill is, look, housing is a priority. We cannot tolerate having rootless, homeless Americans, families, that is; not the traditional hobo or ne'er-do-well or the vagabond, but families. I have seen mothers and fathers with two children trying to live in a car in a park under an underpass, so this bill I think would bring to all these institutions and say, "OK, let's work for the people now."

Mr. Speaker, I place copies of H.R. 4959 and sundry at the point in the RECORD.

H.R. 4959

A bill to establish a National Housing Trust to assist first-time homebuyers

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Housing Trust Act".

SEC. 2. NATIONAL HOUSING TRUST.

(a) ESTABLISHMENT.—There is established the National Housing Trust, which shall be in the Department of Housing and Urban Development and shall provide assistance to first-time homebuyers in accordance with this Act.

(b) BOARD OF DIRECTORS.—The Trust shall be governed by a Board of Directors, which shall be composed of—

(1) the Secretary of Housing and Urban Development, who shall be the chairperson of the Board;

(2) the Secretary of the Treasury;

(3) the chairperson of the Board of Governors of the Federal Reserve System;

(4) the chairperson of the Board of Directors of the Federal Deposit Insurance Corporation;

(5) the chairperson of the Federal Home Loan Bank Board; and

(6) the chairperson of the Board of Directors of the Federal National Mortgage Association.

(c) POWERS OF TRUST.—The Trust shall have the same powers as the powers given the Government National Mortgage Association in section 309(a) of the Federal National Mortgage Association Charter Act.

(d) STAFF AND ADMINISTRATIVE SUPPORT.—The Secretary of Housing and Urban Development, with the assistance of the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, shall provide the Trust with such offices, staff, and administrative support as the Trust may require to carry out this Act.

SEC. 3. ASSISTANCE FOR FIRST-TIME HOMEBUYERS.

(a) IN GENERAL.—The Trust shall provide assistance payments for first-time homebuyers so that the rate of interest payable on the mortgages by the homebuyers does not exceed 6 percent.

(b) ELIGIBILITY REQUIREMENTS.—Assistance payments may be made under this Act only under the following conditions:

(1) FIRST-TIME HOMEBUYER.—The homebuyer is an individual who (and whose spouse) has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property with respect to which assistance payments are made under this Act.

(2) MAXIMUM INCOME OF HOMEBUYER.—The aggregate annual income of the homebuyer and the members of the family of the homebuyer residing with the homebuyer, for the 12-month period preceding the date of the application of the homebuyer for assistance under this Act, does not exceed 115 percent of the median income for a family of 4 persons in the metropolitan statistical area involved.

(3) PRINCIPAL RESIDENCE.—The property securing the mortgage is a single-family residence and is the principal residence of the homebuyer.

(4) MAXIMUM MORTGAGE AMOUNT.—The principal obligation of the mortgage does not exceed the principal amount that could be insured with respect to the property under the National Housing Act.

(5) MAXIMUM INTEREST RATE.—The interest payable on the mortgage is established at a fixed rate that does not exceed a maximum rate of interest established by the Trust taking into consideration prevailing interest rates on similar mortgages.

(6) RESPONSIBLE MORTGAGEE.—The mortgage has been made to, and is held by, a mortgagee that is federally insured or that is otherwise approved by the Trust as responsible and able to service the mortgage properly.

(7) INSURED OR CONVENTIONAL MORTGAGE.—The mortgage—

(A) is insured under the National Housing Act; or

(B) is covered by private mortgage insurance and is for a principal amount that does not exceed 90 percent of the appraised value of the property.

(c) TERMS OF ASSISTANCE.—

(1) SECURITY.—Assistance payments under this Act shall be secured by a lien on the property involved. The lien shall be subordinate to all mortgages existing on the property on the date on which the first assistance payment is made.

(2) REPAYMENT.—Assistance payments under this Act shall be repayable, without interest, upon the sale of the property for which the assistance payments are made.

SEC. 4. NATIONAL HOUSING TRUST FUND.

(a) ESTABLISHMENT.—There is established in the Treasury of the United States a revolving fund, to be known as the National Housing Trust Fund.

(b) ASSETS.—The Fund shall consist of—

(1) any amount approved in appropriation Acts under section for purposes of carrying out this Act;

(2) any amount received by the Trust as repayment for payments made under this Act; and

(3) any amount received by the Trust under subsection (d).

(c) USE OF AMOUNTS.—The Fund shall, to the extent approved in appropriations Acts, be available to the Trust for purposes of carrying out this Act.

(d) INVESTMENT OF EXCESS AMOUNTS.—Any amounts in the Fund determined by the Trust to be in excess of the amounts currently required to carry out the provisions of this Act shall be invested by the Trust in obligations of, or obligations guaranteed as to both principal and interest by, the United States or any agency of the United States.

SEC. 5. DEFINITIONS

For purposes of this Act:

(1) The term "Fund" means the National Housing Trust Fund established in section 4.

(2) The term "Trust" means the National Housing Trust established in section 2.

SEC. 6. REGULATIONS.

The Board of Directors of the Trust shall issue any regulations necessary to carry out this Act.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this Act $2,000,000,000 for each of the fiscal years 1989, 1990, and 1991. Any amount appropriated under this section shall be deposited in the Fund and remain available until expended.

H.R. 4959—SUMMARY OF CHAIRMAN HENRY B. GONZALEZ' LEGISLATION TO ESTABLISH A NATIONAL HOUSING TRUST FUND

Congressman Henry B. Gonzalez (D. TX), Chairman of the Subcommittee on Housing and Community Development, has introduced legislation which would establish a National Housing Trust to assist first-time home buyers. This National Housing Trust Fund would be established within the Department of Housing and Urban Development to provide assistance to first-time home buyers. While a part of HUD, the Trust would be directed by a Board of Directors to be composed of the Secretary of HUD, the Secretary of the Treasury, the Chairman of the Federal Reserve Board, the Chairman of the FDIC, the Chairman of the Federal Home Loan Bank Board, and the Chairman of the Federal National Mortgage Association.

The purpose of the National Housing Trust Fund would be to provide federal assistance to first-time home buyers in the form of an interest rate buy-down. Federal funds would be used to provide an interest rate on a 30-year fixed rate mortgage down to a level not to exceed 6 percent. The home buyer would be eligible for assistance if his or her income does not exceed 115 percent of the area median income and that the property securing the mortgage is a single-family residence and the principal residence of the home buyer. The maximum mortgage amount would be the amount permissible under the FHA mortgage insurance program which varies according to the geographical areas but would not exceed $104,000. The average mortgage amount to be assisted under this legislation is assumed to be approximately $80,000. The interest rate payable on the mortgage would be established by the HUD Secretary and the Board of Directors taking into account the prevailing interest rates. Mortgages eligible for assistance would be both FHA-insured and conventional mortgages. The conventional mortgage eligible for assistance could not exceed 90 percent of the value of the property and covered by private mortgage insurance. The subsidy payment made to buy down the interest rate on the mortgage must be repaid by the home owner upon sale of the property.

This bill would make use of the available mortgage credit delivery system—federally-insured lending institutions to originate the mortgages and the federal subsidy would be made available through the offices of FNMA and FHLMC who already have an extensive network involving the delivery of mortgage credit throughout the country.

Funding for the National Housing Trust fund will total $6 billion over the next 3 fiscal years.

This legislation begins the process of making a major commitment in re-establishing the federal housing policies by setting forth a new way of providing desperately needed home ownership assistance to those families, who once had the opportunity to be home owners. Since 1984 the rates of home ownership have been declining. No longer do we have a traditional mortgage lending institution available to provide mortgage credit; no longer do we have federal policy committed to assisting families to become home owners; and no longer do we have the shared commitment to continue the American dream of home ownership. This legislation attempts to change that direction and to consolidate the long-time federal commitment of home ownership in the form of much needed assistance to first-time home buyers. It provides direct federal assistance totalling $6 billion that could provide assistance to some 200,000 families over the next 3 years.

COMMUNICATION FROM THE SPEAKER

The SPEAKER pro tempore (Mr. SKAGGS). The Chair lays before the House the following communication:

WASHINGTON, DC,
June 30, 1988.

I hereby designate the Honorable THOMAS FOLEY to act as Speaker pro tempore and to sign enrolled bills and joint resolutions through July 6, 1988.

JIM WRIGHT,
Speaker of the House of Representatives.

The SPEAKER. Without objection, the designation is accepted.

LEGISLATION TO CONVERT PORTIONS OF THE FEDERAL FLEET TO VEHICLES USING CLEANER FUELS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. FAZIO] is recognized for 15 minutes.

Mr. FAZIO. Mr. Speaker, I am today introducing legislation that will establish the Federal Government as a leader in this country's evolution to cleaner fuels. Designed to be integrated into the Clean Air Act amendments currently under consideration, the bill sets a schedule for converting portions of the Federal fleet to vehicles capable of running on alcohol, natural gas, or electricity.

Dozens of cities in this country are still in very serious violation of EPA's standards for safe air. My own home city of Sacramento is the 12th most polluted city in terms of ozone and the 14th worst for carbon monoxide. Current ozone levels are causing permanent scarring and premature aging of the lungs, worsening respiratory problems, and may be reducing resistance to infections. Children, because they play so vigorously outdoors, have been especially affected. High carbon monoxide levels are particularly harmful for people with heart conditions and may be harming fetuses during key developmental stages.

We don't have to put up with this, but changing it requires a willingness to plan and take active control of our future. One key strategy in reducing air pollution is to increase the proportion of vehicles on the road that run on cleaner fuels. Use of methanol, ethanol, natural gas, or electricity can dramatically reduce emissions of both carbon monoxide and the hydrocarbons that form ozone.

The Federal Government has an invaluable role to play in helping the country make this change, in part because of a chicken-and-egg problem; consumers won't buy alternative fuel cars because the fuel is not for sale, and companies don't sell the fuel because there's no demand. This bill requires that the Government install alcohol or natural gas pumps to service its own fleet, where there are no commercial pumps available, and that the Government sell these fuels to the public, again until there are commercial suppliers. This way, the public can begin to get experience with these vehicles, and we will gradually create enough of a market to entice the commercial fuel companies to install their own alcohol or natural gas pumps.

This bill is cost-effective in several ways. First, it only applies to Federal fleets located in areas with the worst air, where the ozone or carbon monoxide levels create a serious or severe risk to health. Second, those fleets are only required to be converted at the rate of 10 percent of the fleet per year, which is the normal rate of turnover for Federal vehicles anyway. Third, the requirement does not begin until 1993, by which time at least two of the major American auto manufacturers expect to be producing some of these vehicles in commercial quantities, with the consequent price reductions. The long leadtime is important in giving the auto industry time to plan ways to meet this new demand; from the perspective of our major manufacturers, 1993 is tomorrow.

I appreciate the enthusiastic support of so many of my colleagues for this bill. Mr. SHARP has been involved and helpful from the beginning, and another 40 of our colleagues have joined as original cosponsors. The support is bipartisan and from every region of the country. Clearly, we share a desire to see the Federal Government use its great potential for leadership in an area so vital to the health and well-being of the public.

Mr. Speaker, I am submitting the bill for printing in the RECORD:

H.R. 4968

A bill requiring the use by the Federal Government of certain vehicles capable of operating on alcohol or natural gas fuels or on electricity in areas not in compliance with the Clean Air Act, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REQUIRED USE IN NONATTAINMENT AREAS.

(a) IN GENERAL.—With respect to any fleet of passenger automobiles and light-duty trucks owned or leased for more than 60 days by the United States for operation in an area designated under the Clean Air Act as an area of serious or severe health endangerment for ozone or carbon monoxide, or both—

(1) 10 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 1993;

(2) 20 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 1994;

(3) 30 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 1995;

(4) 40 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 1996;

(5) 50 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 1997;

(6) 60 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 1998;

(7) 70 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 1999;

(8) 80 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 2000;

(9) 90 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 2001; and

(10) 100 percent of the vehicles of such fleet to be used in such area shall be alternative fuel vehicles after September 30, 2002.

(b) Required Operation.—The Administrator of the General Services Administration and the Secretary of Defense, with the concurrence of the Secretary of Energy shall, before October 1, 1992, issue regulations to ensure that a vehicle acquired pursuant to subsection (a)—

(1) shall be supplied with alcohol, natural gas, or electricity, as appropriate, in its primary area of operation, using commercially available fueling facilities to the maximum extent practicable; and

(2) shall be operated exclusively on such fuel except when operated so as to make it impracticable to obtain such fuel.

(c) Considerations.—(1) Funds appropriated for carrying out this Act shall be applied on a priority basis, for expenditure first in areas of the United States which the Administrator of the Environmental Protection Agency determines have the most severe air pollution problems.

(2) A Federal officer or agent responsible for deciding which types of alternative fuel vehicles to acquire in order to comply with subsection (a) shall consider as a factor in such decision which types of vehicles yield the greatest reduction in pollutants emitted per dollar spent.

(d) Consultation.—A Federal officer or agent responsible for deciding which types of alternative fuel vehicles to acquire in order to comply with subsection (a) shall, on an expedited and informal basis, consult with the Environmental Protection Agency and with the lead State or local agency charged with air quality planning for the area in which the vehicles will be operated. The purpose of such consultation shall be to obtain relevant information—

(1) with respect to considerations under subsection (c)(2); and

(2) to facilitate the coordination of this Act with other Federal, State, and local programs, such as any plans by a State to install alternative fuel pumps near a location where vehicles acquired under subsection (a) will be operated.

(e) Availability to the Public.—At Federal facilities where vehicles acquired under subsection (a) are supplied with alcohol or natural gas, such fuel shall be offered for sale to the public for use in other vehicles, unless—

(1) such fuel is commercially available for vehicles in the vicinity of such Federal facilities;

(2) security considerations prevent the offering for sale of such fuel at such facility; or

(3) the area served by the facility comes into full compliance with the national ambient air quality standards for ozone and carbon monoxide.

(f) Cost of Vehicles to Federal Agency.—(1) Funds appropriated under this Act for the acquisition of vehicles under subsection (a) shall be applicable only—

(A) to the portion of the cost of vehicles acquired under subsection (a) which exceeds the cost of comparable conventional fueled vehicles;

(B) to the portion of the costs of fuel storage and dispensing equipment attributable to such vehicles which exceeds the costs for such purposes required for conventional fuel vehicles; and

(C) to the portion of the costs of operating and maintaining such vehicles which exceeds the costs for such purposes required for comparable conventional fueled vehicles.

(2) The Secretary of Energy shall ensure that the cost to any Federal agency receiving a vehicle under subsection (a) shall not exceed the cost to such agency of a comparable conventional fueled vehicle.

(g) Exemption.—The incremental cost of vehicles acquired under subsection (a) over the cost of comparable conventional fueled vehicles shall not be applied to any calculation with respect to a limitation under law on the maximum cost of individual vehicles which may be acquired by the United States.

(h) Fleet Average Fuel Economy.—In any calculation of the average fuel economy of the fleet of passenger automobiles acquired in a fiscal year by the United States, vehicles acquired under subsection (a) shall be measured in terms of miles per BTU or per kilowatt hour, as appropriate.

(i) Studies.—Vehicles acquired under subsection (a) may be included in any Federal Government study of the environmental effects or military applications of vehicles operated on natural gas, alcohol fuels, or electricity.

SEC. 2. OPERATION OF OTHER FEDERAL VEHICLES.

A gasoline powered vehicle operated in an area designated under the Clear Air Act as an area of serious or severe health endangerment for carbon monoxide which is not a dual energy vehicle or a natural gas dual energy vehicle shall, after March 31, 1989, be supplied with fuel which blends oxygenates with gasoline at its primary fueling facility. Such vehicle shall be operated exclusively on such fuel except when operated—

(1) so as to make it impracticable to obtain such fuel; or

(2) in an area during any month in which such area is a nonattainment area for ozone under the Clean Air Act, unless the Administrator determines that the use of blended fuel in those months would improve air quality.

SEC. 3. EXEMPTIONS.

The requirements of section 1(a) of this Act shall not apply to vehicles—

(1) being operated as an experiment in the use of alternative fuels other than alcohol, natural gas, or electricity; or

(2) with respect to which the Secretary of Defense has claimed an exemption based on national security considerations.

SEC. 4. AIR QUALITY AND HEALTH STUDY.

(a) Comprehensive Analysis.—The Administrator, in cooperation with the Department of Energy National Laboratories, shall prepare a comprehensive analysis with respect to the air pollutant emission, air quality impact, and human health risks, including toxicity to consumers at self-service fuel pumps, associated with the storage, distribution, and use of significant amounts of alcohols or natural gas as transportation fuels as compared to diesel and gasoline fuels. The Administrator shall include an analysis of the usefulness of alcohols, natural gas, and electricity as substitute transportation fuels to assist areas of the United States in attaining national ambient air quality standards prescribed under section 109 of the Clean Air Act.

(b) Report.—The Administrator shall, before October 1, 1991, submit a report to the Congress detailing the results of the comprehensive analysis prepared under subsection (a).

(c) Funding.—There are authorized to be appropriated to carry out the purposes of this section $975,000 for the fiscal year ending September 30, 1990.

SEC. 5. DEFINITIONS AND CRITERIA.

(a) Definitions.—For purposes of this Act—

(1) the term "acquired" means purchased or leased for a period of 60 days or more;

(2) the term "Administrator" means the Administrator of the Environmental Protection Agency;

(3) the term "alcohol" means a mixture containing 85 percent or more methanol, ethanol, or other alcohols by volume;

(4) the term "alternative fuel vehicle" means a dual energy vehicle, a natural gas dual energy vehicle, a dedicated alcohol vehicle, a dedicated natural gas vehicle, or an electric vehicle;

(5) the term "dedicated alcohol vehicle" means a vehicle designed to operate exclusively on alcohol;

(6) the term "dedicated natural gas vehicle" means a vehicle designed to operate exclusively on natural gas;

(7) the term "dual energy vehicle" means a vehicle which—

(A) is capable of operating on alcohol and on conventional fuel;

(B) provides equal or superior energy efficiency, as calculated during fuel economy testing for the Federal Government, while operating on alcohol as it does while operating on conventional fuel; and

(C) meets the criteria set forth in subsection (b);

(8) the term "electric vehicle" means any vehicle capable of operating exclusively on energy derived from a source of electricity, including batteries capable of being charged by electric current, solar energy, and any other source of electricity;

(9) the term "natural gas dual energy vehicle" means a vehicle which—

(A) is capable of operating on natural gas and on conventional fuel;

(B) provides equal or superior energy efficiency, as calculated during fuel economy testing by the Federal Government, while operating on natural gas as it does while operating on conventional fuel; and

(C) meets the criteria set forth in subsection (b); and

(10) the term "vicinity" means an area the Secretary of Energy determines to be the area a commercial supplier of alcohol or natural gas fuels would reasonably expect to serve.

(b) Criteria for Vehicles.—No vehicle shall be considered an alternative fuel vehicle under this section unless the vehicle meets each of the following criteria:

(1) The emission rates for air pollutants, designated by the Administrator, emitted from such vehicle are less than those for comparable vehicles which do not use such alternate fuels.

(2) The vehicle emits formaldahyde at a level no greater than that which the Admin-

istrator determines to be appropriate for the protection of the public health.

SEC. 6. FUNDING

There are authorized to be appropriated for the fiscal year ending September 30, 1993, $10,000,000; for the fiscal year ending September 30, 1994, $7,000,000; for the fiscal year ending September 30, 1995, $7,000,000; and for the fiscal year ending September 30, 1996, $5,000,000, to carry out the purposes of this Act except for the study under section 4. The authority of the Secretary to obligate amounts authorized under this Act shall be effective for any fiscal year only to the extend provided in advance by appropriation Acts.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCMILLAN of North Carolina) to revise and extend their remarks and include extraneous material:)

Mr. DELAY, for 5 minutes, today.

Mr. BARTON of Texas, for 5 minutes, today.

(The following Members (at the request of Mr. SKAGGS) to revise and extend their remarks and include extraneous material:)

Mr. DORGAN of North Dakota, for 5 minutes, today.

Mr. JOHNSON of South Dakota, for 5 minutes, today.

Mr. ROSE, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. FAZIO, for 15 minutes, today.

Mr. FRANK, for 60 minutes, today.

Mr. WEISS, for 60 minutes, on July 6.

Mr. MACKAY, for 5 minutes, today.

Mr. CROCKETT, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. HOYER, for 60 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. MCMILLAN of North Carolina) and to include extraneous matter:)

Mr. PETRI.

Mr. HASTERT.

Mr. ROTH.

Mr. MCEWEN.

(The following Members (at the request of Mr. SKAGGS) and to include extraneous matter:)

Mr. CLAY.

Mr. FAZIO.

ENROLLED BILLS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 4639. An act to amend the Higher Education Act of 1965 to prevent abuses in the Supplemental Loans for Students Program under part B of title IV of the Higher Education Act of 1965, and for other purposes, and

H.R. 4731. An act to extend the authority for the Work Incentive Demonstration Program.

BILL AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on June 28, 1988, present to the President, for his approval, a bill and joint resolutions of the House of the following titles:

H.R. 4162. An act to make the International Organizations Immunities Act applicable to the Organization of Eastern Caribbean States.

H.J. Res. 485. Joint resolution designating June 26 through July 2, 1988, as "National Safety Belt Use Week," and

H.J. Res. 587. Joint resolution designating July 2 and 3, 1988, as "United States-Canada Days of Peace and Friendship."

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER pro tempore. Pursuant to the provisions of Senate Concurrent Resolution 130 of the 100th Congress, the House stands adjourned until 12 noon, Wednesday, July 6, 1988.

Thereupon (at 1 o'clock and 56 minutes p.m.), pursuant to Senate Concurrent Resolution 130, the House adjourned until Wednesday, July 6, 1988, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3907. A letter from the Director, Office of Management and Budget, transmitting the Reagan administration's position for funds to study the feasibility of restoring Hetch Hetchy Valley to Yosemite National Park; to the Committee on Appropriations.

3908. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed letter(s) of offer to Korea for defense articles (Transmittal No. 88-36), pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

3909. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed letter(s) of offer to Malaysia for defense articles (Transmittal No. 88-37), pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

3910. A letter from the Secretary of Labor, transmitting a report on the analysis of the rates of inflation affecting older Americans based on an experimental reweighted consumer price index, pursuant to 29 U.S.C. 2 nt.; to the Committee on Education and Labor.

3911. A letter from the Secretary of Labor, transmitting a draft of proposed legislation to amend the Job Training Partnership Act to add an enriched program option of employment and training for at-risk youth to the title II-B Summer Youth Employment and Training Program, to revise the method for allocating funds under that program, and for other purposes; to the Committee on Education and Labor.

3912. A letter from the Director, Defense Security Assistance Agency, transmitting notificaton of the Department of the Air Force's proposed letter(s) of offer and acceptance [LOA] to Korea for defense articles and services (Transmittal No. 88-36), pursuant to 22 U.S.C. 2776(b) ; to the Committee on Foreign Affairs.

3913. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed letter(s) of offer and acceptance [LOA] to Malaysia for defense articles and services (Transmittal No. 88-37), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3914. A letter from the Benefits and Risk Manager, the Fourth District Farm Credit Institutions, transmitting the 1987 annual report for the fourth district farm credit institutions amended retirement plan, pursuant to 31 U.S.C. 9503 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

3915. A letter from the Chairman, U.S. Merit Systems Protection Board, transmitting the Board's report entitled, "Sexual Harassment in the Federal Government: An Update," pursuant to 5 U.S.C. 1205(a)(3); to the Committee on Post Office and Civil Service.

3916. A letter from the Clerk of the House, transmitting the annual compilation of personal financial disclosure statements and amendments thereto filed with the Clerk of the House of Representatives, pursuant to 2 U.S.C. 703(d)(1) (H. Doc. No. 100-209); to the Committee on Standards of Official Conduct and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 3964. A bill to establish a National Park System Review Board, and for other purposes; with an amendment (Rept. 100-742). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4315. A bill to provide for the inclusion of certain lands within the John Muir National Historic Site; with an amendment (Rept. 100-743). Referred to the Committee of the Whole House on the State of the Union.

Mr. MONTGOMERY: Committee on Veterans' Affairs. Budget allocation report of the Committee on Veterans' Affairs pursuant to section 302(b) of the Congressional Budget Act of 1974 (Rept. 100-745). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONIOR. House Resolution 486. H.R. 4174, a bill to amend the Small Business Act and the Small Business Investment Act of 1958, and for other purposes (Rept. 100-746). Referred to the House Calendar.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4519. A bill to provide for the disposition of certain lands in Arizona under the jurisdiction of the Department of the Interior by means of an exchange of lands, and for other purposes, referred to the Committees on Education and Labor and Merchant Marine and Fisheries for a period ending not later than July 14, 1988, for consideration of such provisions of the bill as reported by the Committee on Interior and Insular Affairs as fall within the jurisdiction of those committees pursuant to clause 1(g) and (n), rule X, respectively. (Rept. 100-744, pt. 1). Ordered to be printed.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 4338. A bill to amend the Marine Protection, Research, and Sanctuaries Act of 1972 to impose special fees on the ocean disposal of sewage sludge, and for other purposes; with an amendment, Referred to the Committee on Public Works and Transportation for a period ending not later than August 5, 1988, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(p), rule X (Rept. 100-747, pt. 1). Ordered to be printed.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 1115. A bill to amend the Consumer Product Safety Act to establish uniform safety standards; with an amendment, referred to the Committees on Education and Labor and the Judiciary, for a period not to exceed forty-five legislative days, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of those committees pursuant to clause 1(g) and (m), rule X, respectively (Rept. 100-748, pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DYSON:

H.R. 4954. A bill to amend the Agricultural Act of 1949 to permit farmers to hay and graze on set-aside acreage with respect to a crop of wheat or feed grains if their farms were situated in areas declared natural disasters by the Secretary of Agriculture during the preceding calendar year; to the Committee on Agriculture.

By Mr. ANNUNZIO (for himself, Mr. Wylie, and Mr. Hiler):

H.R. 4955. A bill to amend the Federal Home Loan Mortgage Corporation Act to remove the ownership restrictions placed on nonvoting preferred stock of the corporation; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BENNETT (for himself, Mrs. Boxer, Mr. Ridge, Mr. Hertel, Mr. Rodino, Mr. Roth, Mr. Moody, Miss Schneider, Mr. Bonker, Mr. Gejdenson, Mr. Stark, Mr. Foglietta, Mr. Hochbrueckner, Mr. Saxton, Mr. Frank, Mr. Lantos, Ms. Slaughter of New York, Mr. Penny, Mr. Brown of California, Mr. Beilenson, Mr. Dicks, Mr. Dellums, Mr. Sikorski, and Mr. Jontz):

H.R. 4956. A bill to amend title 10, United States Code, to strengthen conflict-of-interest restrictions relating to defense procurement; to the Committee on Armed Services.

By Mr. BEREUTER:

H.R. 4957. A bill to amend the provisions of the International Financial Institutions Act to promote an increased role by the International Bank for Reconstruction and Development and the African Development Bank in advising on mechanisms to promote increased debt-for-development swaps for charitable, educational, and scientific activities, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BONKER (for himself, Mr. Roybal, Mrs. Morella, Mr. Bennett, Mr. Walgren, Mr. Annunzio, Mr. Gray of Illinois, Mr. Yates, Mr. McMillen of Maryland, Mr. Morrison of Washington, Mr. Lantos, Miss Schneider, Mr. Horton, Mr. Owens of New York, Mr. de la Garza, Mr. Roe, Mr. Bosco, Mrs. Boxer, Mr. Harris, Mr. Morrison of Connecticut, Mr. Lowry of Washington, Mr. Berman, Mr. Dicks, Mr. Lehman of California, Mr. Obey, Mr. Dymally, Mr. Bereuter, Mr. Fauntroy, Mr. Lancaster, Mr. Coelho, Mr. Dwyer of New Jersey, Mr. Dellums, Mr. Towns, Mr. Hammerschmidt, Mr. Wheat, Mr. Goodling, Mr. Wise, Mrs. Lloyd, Mr. Robinson, Mr. Garcia, Mr. Frost, Mr. Schuette, Mr. Sabo, Mr. Synar, Mr. Tallon, Mr. Frank, Mr. Boucher, Mr. Smith of Florida, Mr. Ridge, Mr. Edwards of California, Mr. Shumway, Mr. Florio, Mr. Clement, Ms. Snowe, Mr. Kolter, Mr. Fawell, Mr. Bateman, Mr. Biaggi, Mr. Armey, Mr. Downey of New York, and Mr. Leland):

H.R. 4958. A bill to amend chapters 83 and 84 of title 5, United States Code, to expedite the processing of applications of Federal employees seeking retirement benefits, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. Gonzalez (for himself, Mr. Hubbard, Mr. Garcia, Mr. Kennedy, Mr. Flake, Ms. Pelosi, and Mr. Traficant):

H.R. 4959. A bill to establish a National Housing Trust to assist first-time homebuyers; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BOUCHER (for himself, Mr. Markey, and Mr. Dingell):

H.R. 4960. A bill to amend the Securities Exchange Act of 1934 to provide for the fair, equitable, and voluntary arbitration of customer-broker disputes, and for other purposes; to the Committee on Energy and Commerce.

By Mr. COLEMAN of Texas:

H.R. 4961. A bill to direct the Secretary of State to construct, operate, and maintain an extension of the American Canal at El Paso, TX; jointly, to the Committees on Foreign Affairs and Interior and Insular Affairs.

By Mr. CRAIG (for himself, Mr. Chandler, and Mr. Lowry of Washington):

H.R. 4962. A bill to require the Secretary of the Treasury to mint and issue five-dollar coins in commemoration of the 100th anniversary of the statehood of Idaho, Montana, North Dakota, South Dakota, Washington, and Wyoming; to the Committee on Banking, Finance and Urban Affairs.

By Mr. DWYER of New Jersey (for himself, Mr. Kanjorski, Mr. Sabo, Mrs. Boxer, Mr. Lagomarsino, Mr. Bonker, Mr. Roe, Mr. Evans, Mr. Florio, Mr. Derrick, Mr. Smith of Florida, Mr. Morrison of Connecticut, Mr. Wolpe, Mr. Erdreich, Mr. Chapman, Mr. Hyde, Mr. Skelton, Ms. Oakar, Mr. Petri, Mr. Davis of Illinois, Mr. Bustamante, Mr. DeFazio, Mr. Slattery, and Mr. Pickett):

H.R. 4963. A bill to ensure that checks for retired and retainer pay and to pay benefits under the retired serviceman's family protection plan and the survivor benefit plan are delivered early if the usual delivery date falls on a Saturday, Sunday, or holiday; to the Committee on Armed Services.

H.R. 4964. A bill to ensure that checks to pay benefits under title IV of the Federal Mine Safety and Health Act of 1977 are delivered early if the usual delivery date falls on a Saturday, Sunday, or holiday; to the Committee on Education and Labor.

H.R. 4965. A bill to ensure that checks to pay benefits under the Railroad Retirement Act of 1988 are delivered early if the usual delivery date falls on a Saturday, Sunday, or holiday; to the Committee on Energy and Commerce.

H.R. 4966. A bill to ensure that checks to pay annuities under the civil service retirement system and the Federal employee retirement system are delivered early if the usual delivery date falls on a Saturday, Sunday, or holiday; to the Committee on Post Office and Civil Service.

By Mr. ERDREICH:

H.R. 4967. A bill to amend the Housing Act of 1949 to reduce the rental payments required to be paid by families residing in rural rental housing; to the Committee on Banking, Finance and Urban Affairs.

By Mr. FAZIO (for himself, Mr. Sharp, Mr. Wise, Mr. Gephardt, Mr. Miller of California, Mr. Durbin, Mr. Fascell, Mr. Neal, Mr. Leland, Mr. Anderson, Mr. Tauke, Mr. Dannemeyer, Mr. Brown of Colorado, Mr. Richardson, Mr. Udall, Mr. Edwards of California, Mrs. Collins, Mr. Glickman, Mr. Ackerman, Mr. Lagomarsino, Mr. Penny, Mr. Owens of New York, Mr. Schumer, Mr. Frank, Mr. Fauntroy, Mr. Garcia, Mr. Jontz, Mr. Atkins, Mr. Green, Mr. Foglietta, Mr. Lehman of California, Mr. Moorhead, Mr. Skaggs, Mr. Beilenson, Mr. Dixon, Mr. Hughes, Ms. Pelosi, Mr. Matsui, Mr. Berman, Mr. Fish, Mr. Rhodes, and Mr. Mineta):

H.R. 4968. A bill requiring the use by the Federal Government of certain vehicles capable of operating on alcohol or natural gas fuels or on electricity in areas not in compliance with the Clean Air Act, and for other purposes; to the Committee on Energy and Commerce.

By Mr. FLORIO:

H.R. 4969. A bill to establish a Department of Environmental Protection; to the Committee on Government Operations.

By Mr. KASTENMEIER:

H.R. 4970. A bill to amend title 35 of the United States Code relating to animal patents; to the Committee on the Judiciary.

H.R. 4971. A bill to regulate the use of genetically engineered animals in agricultural activities, and for other purposes; jointly, to the Committees on Agriculture, Energy and Commerce, and Science, Space and Technology.

By Mr. KASTENMEIER (for himself and Mr. Moorhead) (both by request):

H.R. 4972. A bill to authorize appropriations for the Patent and Trademark Office in the Department of Commerce, and for other purposes; to the Committee on the Judiciary

By Mr. LEHMAN of Florida:

H.R. 4973. A bill to amend title 28, United States Code, and the Tariff Act of 1930 to provide amounts from the Department of Justice Assets Forfeiture Fund and the Customs Forfeiture Fund to assist State residential drug treatment programs; jointly, to the Committees on the Judiciary, Ways and Means, and Energy and Commerce.

By Mr. MAVROULES (for himself and Mr. Frank):

H.R. 4974. A bill to amend the Federal Water Pollution Control Act to establish a grant program for operation and maintenance of certain treatment works; to the Committee on Public Works and Transportation.

By Mr. NIELSON of Utah (for himself, Mr. Cheney, Mr. Hubbard, Mr. Skeen, Mr. McEwen, Mr. Combest, Mr. Edwards of Oklahoma, Mr. Young of Alaska, Mr. Stallings, Mr. Watkins, Mr. Campbell, Mr. Bliley, Mr. Lujan, Mr. Hansen, Mr. Stump, Mr. Pashayan, Mr. Inhofe, Mr. Barton of Texas, Mr. Whittaker, Mr. Coats, Mr. Marlenee, Mrs. Vucanovich, Mr. Rogers, Mr. Bilirakis, Mr. Oxley, Mr. Moorhead, Mr. Schaefer, Mr. Dannemeyer, and Mr. Craig):

H.R. 4975. A bill to provide for a viable domestic uranium industry, to establish a program to fund reclamation and other remedial actions with respect to mill tailings at active uranium and thorium sites, to establish a wholly-owned Government corporation to manage the Nation's uranium enrichment enterprise, operating as a continuing, commercial enterprise on a profitable and efficient basis, and for other purposes; jointly, to the Committees on Energy and Commerce, Interior and Insular Affairs, Science, Space and Technology, and Ways and Means.

By Mr. PEPPER (for himself, Mr. MacKay, and Mr. Mica):

H.R. 4976. A bill to authorize the Attorney General to make grants to the government of Dade County, FL, and to certain police departments in such county; jointly, to the Committees on the Judiciary and Energy and Commerce.

By Mr. TORRICELLI (for himself, Mr. Bonker, Mr. Brooks, Mr. Jeffords, Mr. Hyde, Mr. Coelho, Mr. Richardson, Mr. Feighan, Mr. Dymally, Mr. Berman, Mr. Kostmayer, Mr. Smith of Florida, Mr. Lantos, Mr. Frost, Mr. Weiss, Mrs. Saiki, Mr. Schuette, and Mr. Barton of Texas):

H.R. 4977. A bill to amend the International Claims Settlement Act of 1949 to provide for the payment of claims of nationals of the United States against Vietnam; to the Committee on Foreign Affairs.

By Mr. ATKINS (for himself, Mr. Foley, Mr. Coelho, Mr. Solarz, Mr. Leach of Iowa, Mr. Ridge, and Mr. Dornan of California):

H.J. Res. 602. Joint resolution in support of the restoration of a free and independent Cambodia and the protection of the Cambodian people from a return to power by the genocidal Khmer Rouge; to the Committee on Foreign Affairs.

By Mr. HOYER (for himself, Mr. Conte, and Mr. Early):

H.J. Res. 603. Joint resolution designating September 14, 1988, as "National Medical Research Day"; to the Committee on Post Office and Civil Service.

By Mr. WELDON:

H.J. Res. 604. Joint resolution designating February 5 through 11, 1989, as "National Burn Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. DeLAY (for himself, Mr. Tallon, Mr. Applegate, Mr. Archer, Mr. Armey, Mr. Badham, Mr. Baker, Mr. Ballenger, Mr. Bartlett, Mr. Barton of Texas, Mr. Bateman, Mrs. Bentley, Mr. Bereuter, Mr. Bilbray, Mr. Bilirakis, Mr. Bliley, Mr. Boehlert, Mr. Boulter, Mr. Bryant, Mr. Burton of Indiana, Mr. Bustamante, Mrs. Byron, Mr. Callahan, Mr. Carper, Mr. Chandler, Mr. Chapman, Mr. Coats, Mr. Coble, Mr. Combest, Mr. Courter, Mr. Craig, Mr. Crane, Mr. Dannemeyer, Mr. Darden, Mr. Daub, Mr. Davis of Illinois, Mr. Derrick, Mr. DeWine, Mr. Dickinson, Mr. DioGuardi, Mr. Dorgan of North Dakota, Mr. Dornan of California, Mr. Dreier of California, Mr. Dyson, Mr. Edwards of Oklahoma, Mr. Emerson, Mr. English, Mr. Erdreich, Mr. Espy, Mr. Fawell, Mr. Fazio, Mr. Fields, Mr. Fish, Mr. Ford of Michigan, Mr. Gallegly, Mr. Gallo, Mr. Gekas, Mr. Gilman, Mr. Gingrich, Mr. Grandy, Mr. Grant, Mr. Gray of Pennsylvania, Mr. Green, Mr. Gregg, Mr. Gunderson, Mr. Hall of Texas, Mr. Hansen, Mr. Harris, Mr. Hastert, Mr. Hayes of Louisiana, Mr. Hefley, Mr. Hefner, Mr. Henry, Mr. Herger, Mr. Hertel, Mr. Hiler, Mr. Holloway, Mr. Horton, Mr. Houghton, Mr. Hoyer, Mr. Hubbard, Mr. Huckaby, Mr. Hunter, Mr. Hutto, Mr. Hyde, Mr. Inhofe, Mr. Ireland, Mr. Jeffords, Mrs. Johnson of Connecticut, Mr. Kasich, Mr. Konnyu, Mr. Kyl, Mr. Lagomarsino, Mr. Lancaster, Mr. Lantos, Mr. Latta, Mr. Lent, Mr. Lewis of California, Mr. Lewis of Florida, Mr. Lightfoot, Mr. Lipinski, Mr. Livingston, Mrs. Lloyd, Mr. Lott, Mr. Lowry of Washington, Mr. Lungren, Mr. Madigan, Mr. Manton, Mr. Martin of New York, Mrs. Martin of Illinois, Mr. McCandless, Mr. McCollum, Mr. McCrery, Mr. McCurdy, Mr. McDade, Mr. McMillan of North Carolina, Mrs. Meyers of Kansas, Mr. Michel, Mr. Miller of Ohio, Mr. Miller of Washington, Mr. Molinari, Mr. Moorhead, Mr. Morrison of Washington, Mr. Mrazek, Mr. Nielson of Utah, Mr. Ortiz, Mr. Packard, Mrs. Patterson, Mr. Penny, Mr. Pepper, Mr. Pickett, Mr. Price of North Carolina, Mr. Pursell, Mr. Quillen, Mr. Rahall, Mr. Ravenel, Mr. Rhodes, Mr. Richardson, Mr. Ridge, Mr. Rinaldo, Mr. Ritter, Mr. Roberts, Mr. Robinson, Mr. Roe, Mr. Rogers, Mr. Roth, Mr. Rowland of Connecticut, Mr. Rowland of Georgia, Mr. Saxton, Mr. Schaefer, Mr. Schulze, Mr. Sensenbrenner, Mr. Shaw, Mr. Shays, Mr. Shumway, Mr. Sisisky, Mr. Skeen, Mr. Skelton, Mr. Slattery, Mr. Smith of New Jersey, Mr. Smith of Texas, Mr. Denny Smith, Mr. Smith of New Hampshire, Mr. Robert F. Smith, Ms. Snowe, Mr. Stallings, Mr. Stangeland, Mr. Stenholm, Mr. Stump, Mr. Sundquist, Mr. Swindall, Mr. Tauke, Mr. Tauzin, Mr. Taylor, Mr. Thomas of Georgia, Mr. Thomas of California, Mr. Upton, Mr. Valentine, Mrs. Vucanovich, Mr. Walker, Mr. Watkins, Mr. Weldon, Mr. Whittaker, Mr. Wilson, Mr. Wise, Mr. Wolf, Mr. Wortley, Mr. Wylie, and Mr. Young of Florida):

H. Con. Res. 327. Concurrent resolution expressing the sense of the Congress that Nicaragua should fulfill its pledge to proclaim a general amnesty and release all political prisoners in accordance with the Esquipulas II agreement; to the Committee on Foreign Affairs.

By Mr. COMBEST:

H. Res. 487. Resolution expressing the sense of the House of Representatives that Federal laws regarding the taxation of State and local government bonds should not be changed in order to increase Federal revenues; to the Committee on Ways and Means.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

430. By the SPEAKER: Memorial of the Legislature of the State of Louisiana, relative to airbags or other automatic passenger restraints in new automobiles; to the Committee on Energy and Commerce.

431. Also, memorial of the Legislature of the State of Louisiana, relative to methods of funding certain programs required under title III of the Superfund Amendments and Reauthorization Act of 1986; to the Committee on Energy and Commerce.

432. Also, memorial of the Senate of the Commonwealth of Puerto Rico, relative to tariffs on certain agricultural products which are not produced in the United States; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 47: Mr. Rinaldo.

H.R. 1638: Mr. Johnson of South Dakota and Mr. Murtha.

H.R. 1810: Mr. Crockett.

H.R. 2640: Mr. Lewis of California, Mr. Stump, and Mr. McCrery.

H.R. 3112: Mr. Bonker and Mr. Levin of Michigan.

H.R. 3560: Mr. Traxler.

H.R. 3719: Mr. Stallings, Mr. Robert F. Smith, Mr. Price of North Carolina, Mr. Mack, Mr. Sikorski, Mr. Ritter, and Mr. Donald E. Lukens.

H.R. 3723: Mr. Penny.

H.R. 3788: Mr. Anderson, Mrs. Roukema, and Mr. Yates.

H.R. 3964: Mr. Fuster, Mr. Slattery, and Mr. Conyers.

H.R. 4015: Mr. Stump, Mr. Gordon, and Mr. Weber.

H.R. 4111: Mr. Smith of New Jersey.

H.R. 4127: Mr. Solomon, Mr. Stratton, Mr. McDade, Mr. McCrery, Mr. Bennett, Mr. Kleczka, Mr. Bonior of Michigan, Mr. Donnelly, and Mr. Early.

H.R. 4142: Mr. Horton.

H.R. 4156: Mr. DeWine, Mr. Chapman, and Mr. Hughes.

H.R. 4170: Mr. Carper, Mr. Clinger, Mr. Jenkins, and Mr. Richardson.

H.R. 4335: Mr. Carper, Mr. Solarz, and Mr. Kennedy.

H.R. 4402: Mr. Owens of New York.

H.R. 4472: Mr. Horton.

H.R. 4498: Mr. Boehlert, Mr. Vento, Mr. Traxler, and Mr. Wolpe.

H.R. 4576: Mr. Crockett.

H.R. 4644: Mr. Dwyer of New Jersey.

H.R. 4661: Mr. Rodino, Mr. Towns, and Mr. Beilenson.

H.R. 4678: Mrs. Roukema, Mr. Thomas of Georgia, Mr. DioGuardi, Mr. McMillan of North Carolina, Mr. Lehman of Florida, Mr. Edwards of California, Mr. Lowry of Washington, Mr. Fazio, Mr. LaFalce, and Mr. Biaggi.

H.R. 4763: Mr. Aspin.

H.R. 4829: Mr. Weiss, Mr. Guarini, Mr. Frost, Ms. Pelosi, Mr. Florio, Mr. Gradison, Mrs. Saiki, Mr. Bonker, Mr. Towns, Mr. Neal, Mr. Martinez, Mr. Bateman, Mr. Fascell, Mr. Hawkins, and Mr. Rangel.

H.J. Res. 464: Mr. Grant, Mr. Jacobs, Mr. Lungren, Mr. Dornan of California, Mr. Coleman of Missouri, Mr. Taylor, and Mr. Whittaker.

H.J. Res. 488: Mr. Chandler, Mr. Panetta, Mr. Mack, Mr. Dicks, Mr. Bevill, Mr. Biaggi, Mr. Molinari, Mr. Leach of Iowa, Mr. McHugh, Mr. Lujan, Mr. Fawell, Mr. Gingrich, Mr. Hochbrueckner Mr. Waxman, Mr. Hawkins, Mr. Richardson, Mr. Rodino, Mr. Savage, Mr. Sawyer, and Mr. Crane.

H.J. Res. 568: Mr. Solomon, Mr. Guarini, Ms. Slaughter of New York, Mr. Stratton, Mr. Wolf, Mr. Dwyer of New Jersey, Mr. Lipinski, Mr. Bateman, Mr. Walgren, Mr. Dornan of California, Mr. Bevill, Mr. Montgomery, Mr. Inhofe, Mr. Mineta, Mr. Gallegly, Mr. Jeffords, Mr. Harris, Mr. Weber, Mrs. Collins, Mr. Holloway, Mrs. Patterson, Mr. Badham, Mr. Vento, Mr. Sundquist, Mr. Schulze, Mr. Gejdenson, Mr. Weldon, Mr. Donald E. Lukens, Mr. Oberstar, Mr. Courter, Ms. Kaptur, Mr. Jenkins, Mr. Owens of Utah, Mr. Young of Florida, Mr. Hefner, Mr. Bonior of Michigan, Mr. Levin of Michigan, and Mr. Matsui.

H.J. Res. 571: Mr. Kanjorski, Mr. Owens of Utah, Mr. Rinaldo, Mr. Jones of North Carolina, Mr. Thomas of Georgia, Mr. LaFalce, Mr. Yatron, Mr. Hefner, Mr. Rahall, Mr. Pursell, and Mr. Kolter.

H.J. Res. 590: Mr. Anderson, Mr. Fields, and Mr. Rinaldo.

H. Con. Res. 237: Mr. Chappell.

H. Con. Res. 277: Mr. Sikorski, Mr. Dellums, Mr. Olin, Mr. Bustamante, Mr. Durbin, Mr. Gray of Pennsylvania, Mr. Dorgan of North Dakota, Mr. Hall of Ohio, Mr. Traxler, Mr. Penny, Mr. Matsui, Mr. Espy, and Mrs. Collins.

H. Con. Res. 305: Mr. Akaka, Mr. Chapman, Mr. Clinger, Mrs. Collins, Mr. Conte, Mr. Evans, Mr. Garcia, Mr. Sikorski, Mr. Waxman, and Mr. Weiss.

H. Con. Res. 316: Mr. Fauntroy, Mr. Hayes of Illinois, Mr. Robinson, and Mr. Alexander.

EXTENSIONS OF REMARKS

MANDATORY ARBITRATION IN SECURITIES

HON. RICK BOUCHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. BOUCHER. Mr. Speaker, our entire financial system is ultimately reliant on the twin principles of trust and confidence. This is true with regard to the relationship the Government has with its citizens when it issues currency, and it is true with regard to the relationship between broker/dealers and their clients.

The legislation I am introducing today along with the chairman of the Telecommunications and Finance Subcommittee, Mr. MARKEY, and the chairman of the Energy and Commerce Committee, Mr. DINGELL, attempts to reestablish and reinforce confidence in our securities markets by implementing an improved system of arbitration which may be used to resolve disputes between securities dealers and their clients.

We are all aware that since the market crash of October 1987 there has been a crisis of investor confidence in the markets. At a recent hearing of the Telecommunications and Finance Subcommittee on the current mandatory securities arbitration process James Meyer, president of the North American Securities Administrators Association, testified that:

> The events of last October provided additional incentive for designing an arbitration reform proposal. Thousands of investors with complaints arising from the market crash got a second rude shock when they learned, frequently to their surprise, that they would have no recourse other than arbitration.

The ire of these investors is understandable when one considers that currently customers must sign agreements to enter into the securities market for either option or margin accounts. Similar agreements are not required for a customer entering into the commodities market.

The arbitration system the securities industry forces onto these customers is run by the exchanges themselves. There are no rules of evidence. The arbitrators are paid by the exchanges. The locations and times of the hearings are often set at the convenience of the arbitrators and brokers with little regard for the investor seeking redress. When the investor does win awards it is seldom for the full amount of loss, and in some cases do not even cover the cost of travel and attorneys fees. There are no written decisions and few records are kept. Nothing is made public and appeals to the courts are extremely unlikely except in the most blatent cases of misconduct, and not necessarily even in those cases.

Is it any wonder that a customer who had lost a good deal of their money through unsanctioned trades by their broker, who had no choice but to sign an arbitration agreement in order to open his or her account, who may not have even been aware that they were giving up their right to go to court when they signed the agreement, and who felt that the arbitration system run by the industry had treated them unfairly, would not have confidence in dealing with the securities industry again?

Of course not. Yet the Subcommittee on Telecommunications and Finance, as well as the Securities and Exchange Commission is aware that this is precisely what has happened in countless cases. This is why the staff at the Securities and Exchange Commission has recently formally recommended that the Commission take steps to reimpose a system of voluntary, rather than mandatory, arbitration. The specific bill Mr. MARKEY, Mr. DINGELL and myself are introducing today is also endorsed by both the North American Securities Administrators Association, and the Consumer Federation of America.

We need to be very clear about the intent of this legislation. Our legislation will in no way prevent brokers and their clients from using arbitration to resolve disputes, or prevent them from signing predispute arbitration agreements at the time a securities contract is originated.

Arbitration, particularly in cases involving small investors, can be an efficient and effective method of resolving securities disputes. Larger and more sophisticated investors are familiar with the arbitration process and its benefits. Many of these sophisticated investors currently opt to voluntarily sign arbitration agreements when they deal in the commodities exchanges where mandatory predispute arbitration agreements are not permitted.

The key word is not arbitration, which our bill will retain and enhance. The key word is mandatory. Our legislation will simply make the arbitration system with regard to securities equivalent to the way it was prior to the June 1987 Supreme Court decision in the McMahon versus Shearson case. I believe the security industry was able to operate quite effectively prior to that decision under the voluntary, rather than the compulsory, arbitration system. I am confident it will continue to do so after our bill is passed into law.

I have seen no evidence that the litigation costs for securities firms have dropped substantially since the McMahon decision, and I see no reason why litigation costs would rise dramatically if we overturn that decision with this legislation.

Many people in the securities industry have argued to me that their research indicates that the arbitration system is not only fair, but actually works to the customer's advantage. If that is indeed the case, then there should be no problem to presenting this evidence to the customer at the time of contract origination in which case I would expect the majority of customers to sign arbitration clauses willingly.

In short if arbitration is attractive to the consumer they will go to arbitration willingly. If the industry operated arbitration system cannot be shown to give the consumer a fair shake it is clearly unfair to mandate that they sign compulsory arbitration agreements as a condition for dealing in securities.

Our legislation will resolve this issue by making it clear that arbitration clauses are voluntary, and that the signing of such an agreement is not a precondition for a customer to enter into a securities account agreement. And by making it very clear to the consumer that they are indeed signing such an agreement by requiring that such clauses be contained on a * * * must be separately signed.

The legislation also makes a number of procedural reforms in the arbitration system which are designed to make the system fairer for both sides in the dispute. These reforms include stipulating that there be ample opportunity for customers to receive documents from their brokers which are necessary to prepare their case. That the arbitrators provide a brief written opinion indicating the reasons for their decision and the elements of their award. It requires that a majority of the arbitrators not be substantially involved in the industry, unless the customer requests otherwise and that reasonable biographical information about the arbitrators be provided to the customer.

Mr. Speaker, the securities industry is, and should be, a regulated industry. It is clearly in the best long-term interests of the industry, and the Nation for us to resolve disputes through a system that is not only fair and efficient, but that appears to the customers who are complaining that it is fair and efficient. The current securities-run, mandatory arbitration system does not have these qualities. Observers on the left, right, and center agree that the system needs reform. The legislation we are introducing today is a balanced attempt to achieve that reform and reassure uneasy investors.

A section-by-section analysis of the bill follows:

SECTION-BY-SECTION ANALYSIS OF SECURITIES ARBITRATION REFORM ACT OF 1988 AS INTRODUCED BY REPRESENTATIVE BOUCHER

SECTION 1. SHORT TITLE

Section 1 of the bill states that the bill may be cited as the "Securities Arbitration Reform Act of 1988."

SECTION 2. MINIMUM STANDARDS FOR ARBITRATION AGREEMENTS; RULEMAKING AUTHORITY

Section 2 of the bill amends the broker-dealer registration and regulation provisions of section 15(c) of the Securities Exchange Act of 1934 (Exchange Act) by adding a new paragraph (7). This new paragraph seeks to achieve two major objectives: invalidate all existing and future pre-dispute arbitration agreements between brokers or dealers [1] and

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[1] For purposes of this explanation, the term "dealer" incorporates the term, "municipal securities dealer."

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

customers and direct the SEC to develop appropriate rules to ensure the voluntariness of any entry by customers into such agreements.

Currently, the Exchange Act does not address the issue of mandatory pre-dispute arbitration clauses. Typically, a customer is presented with a brokerage contract containing many provisions, including a binding agreement to arbitrate future disputes. No explanation as to the consequences of accepting the arbitration clause accompanies the agreement. Moreover, the broker is in no way constrained from conditioning entry into the brokerage contract on the customer's willingness to accept the arbitration clause.

Section 2 would address this situation by adding a paragraph (7)(A) to section 15(c) that expressly prevents brokers, dealers and municipal securities dealers from entering into pre-dispute arbitration agreements with customers unless entered into in accordance with the provisions of the section.

Subparagraph (B) directs the SEC to establish procedures to effectuate the requirements of subparagraph (A). In order to give additional guidance to the SEC and in order to ensure that decisions to enter into such agreements will be truly voluntary on the part of the customer, subparagraph (B) specifies certain minimum requirements to be incorporated in such rules. First, each pre-dispute arbitration agreement must be on a separate page and must be separately signed. This segregation seeks to assure that the arbitration clause does not get lost among other material, that it is easily identified and understood, that it is made clear that signing the clause is not a condition for opening an account, and that it is endorsed as a wholly independent agreement.

Second, a pre-dispute arbitration agreement must not constitute a condition for doing business with a customer. At present, customers, are increasingly required to sign a pre-dispute arbitration clause in order to open an account. Penetration of these binding, involuntary agreements has become widespread in the securities industry and it is very difficult to open an option or margin account without signing such a document. While diversity exists in the area of cash accounts, the trend is clearly toward mandatory clauses for such accounts as well. In addition to the prohibition on making the signing of the agreement a condition of doing business, this provision prohibits customers that opt not to sign the pre-dispute arbitration agreement from being discriminated against by brokers and dealers on the basis of fees or access to any privileges, benefits or services.

Third, the bill specifically directs the SEC to prescribe the form in which disclosures are to be made to the customer in the separate arbitration agreement. It establishes that all information necessary to the exercise of an informed and voluntary decision by the customer be clearly and prominently disclosed. The intent of this provision is to ensure that information such as the absence of a right to appeal an arbitral decision is disclosed clearly to the customer before he signs.

Subparagraph (C) expressly voids all agreements already in existence that were entered into without benefit of the protections of this section. Congress, having made a judgment that mandatory pre-dispute arbitration agreements are unfair to customers, should not leave intact those unfair agreements for persons forced to sign such clauses in the past.

In its entirety, therefore, this section seeks to prevent contracts of adhesion from being imposed upon customers who wish to enter into brokerage arrangements with securities firms. In general, it is designed to ensure that customers who sign binding arbitration clauses do so with adequate knowledge of how the arbitration process works, what rights they are waiving, and with express acknowledgment that their decision to submit controversies to arbitration is voluntary.

SECTION 3. SUPERVISION OF ARBITRATION PROCEDURES BY SELF-REGULATORY ORGANIZATIONS

Section 3 of the bill, via subsection (a), amends section 6(b) of the Exchange Act by adding a new paragraph (9) which provides that an exchange shall not be registered as a national securities exchange unless the Commission determines that the rules of the exchange governing arbitration procedures provide for the fair, equitable, and expeditious resolution of controversies and disputes between customers and members of the exchange (and persons associated with members). While the bill does not elaborate upon the precise rules that must be adopted, it enumerates certain minimum requirements the rules must incorporate in furtherance of the overall objectives of fairness, equity, and expeditiousness.

The general charge to the exchanges contained in paragraph (9)(A), that the exchanges develop rules to provide for the fair, equitable, and expeditious resolution of controversies and disputes, represents the recognition that there are sometimes competing objectives to be realized in the arbitration process. Arbitration, as an alternative to courts, has value in its relative efficiency and low cost. To the extent that considerations of fairness militate against cost and time savings (by, for example, permitting more extensive discovery before the arbitral hearing), it will be necessary for both the exchange and the arbitrator to balance these objectives in order jointly to optimize them. While arbitration cannot and should not duplicate judicial resolution, it can and should be perceived as a fundamentally fair process.

Paragraph (9)(A) makes explicit the right to adequate and timely access to documents and witnesses. Explicit reference is made to the taking of depositions, as the arbitrator deems necessary, limited in scope by the general mandate to provide for the fair, equitable and expeditious resolution of the dispute. These criteria are intended to assure adequate discovery without allowing discovery to be used by the parties as a dilatory tactic or as a means of escalating expense. One of the most commonly highlighted flaws in securities arbitration as it currently exists is the lack of consistent and adequate rights to discovery. Frequently, where production of documents, for example, is compelled, the documents are not required to be produced until the commencement of the hearing. The lack of authority on the part of the arbitrator to enforce such orders may result in an incomplete or inadequate presentation of the facts and, as a consequence, a resolution that may not reflect justice in the case. Paragraph (9)(A) seeks to address this problem by directing the exchanges to develop procedures to enable the arbitrator to enforce such discovery.

Paragraph (9)(B) requires the arbitrator to issue a brief written statement in which the reasons for the decision are set forth and the elements of the award are disclosed. This provision serves the purpose of promoting greater clarity in the award process. Traditionally, arbitrators, to a greater extent than judges, have sought to do Solomonic justice by "splitting the baby" and rendering partial awards in tough cases. This provision seeks to make it more difficult for an arbitrator to make an award based upon unprincipled reasoning. Arbitration should not function as enforced settlement, in which both parties are willing to give something up because they are afraid of the outcome of a judicial proceeding. Rather, it should strive to reach an appropriate resolution based upon the facts of the case. The significant difference between judicial and arbitral resolution should be speed, cost, and efficiency rather than the accuracy or quality of justice. This provision does not, however, require a lengthy opinion, nor does it require "legal reasoning" of the sort unfamiliar to a "lay" arbitrator. It seeks simply to commit the arbitrator to a reason or reasons, briefly stated, for the decision. The paragraph compels the arbitrator to separate out the various elements of the award so that the claimant knows precisely what he has won and for what reasons.

Paragraph (9)(C) makes several changes to the current system of arbitrator selection. First, it provides that a single arbitrator will be the norm unless the customer prefers a panel of arbitrators. Current procedures call for a single arbitrator only in small (under $50,000) disputes. The preference for a single arbitrator reflected in this bill responds to concerns about the inconvenience and higher cost associated with arbitrations that do not proceed on consecutive days. Because an arbitration may take several days to complete, requiring several part-time arbitrators to conform their schedules decreases the likelihood of disposing of the case quickly.

Where there is a single arbitrator, the bill prohibits a person from serving—unless the customer requests otherwise—if he has been engaged as an associated person of a broker or dealer or substantially engaged in the representation of any broker or dealer (or associated person). If the customer consents to a panel of more than one arbitrator, then a majority of the arbitrators—again, unless the customer requests otherwise—must not have been so engaged. This provision addresses several concerns. In particular, it recognizes that an arbitrator with knowledge of and ties to the industry may be prejudiced in favor of his industry colleagues. While there is also the concern that an individual with such ties may have disproportionate influence over other arbitrators on a panel, there is the recognition that knowledge on the part of an arbitrator can be helpful to the panel in complex cases. This can perhaps obviate in part the need for expert witnesses. If, however, the customer has concerns about industry affiliations, he can opt for a single arbitrator. On the other hand, if a customer believes that the complexity of his case is such that he would be best served if all arbitrators were to have industry experience and familiarity, he can so elect. This provision seeks to provide the customer with maximum flexibility.

Paragraph (9)(D) requires the exchange to develop rules to ensure that the customer receives sufficient biographical information about potential arbitrators to enable him to exercise informed challenges.

Subsection (b) of section 3 of the bill repeats the provisions of subsection (a) described above as an amendment to section

15A of the Exchange Act. Subsection (b) adds a new paragraph 12 to section 15A(b), which applies to associations of brokers and dealers. It would provide that an association of brokers and dealers be registered as a national securities association only if it complies with the provisions of this subsection.

SECTION 4. WAIVERS OF RIGHTS AND REMEDIES INVALID

Section 4 of this bill amends the contract validity provisions of section 29 of the Exchange Act. Subsection (a)(1) of the bill makes a technical amendment to section 29(a) to substitute the words "of a self-regulatory organization" for the words "of an exchange required thereby".

Subsection (a)(2) of the bill adds a new sentence to the end of section 29(a). This new sentence provides that conditions, stipulations, or provisions binding a person to waive substantive or procedural defenses, rights and remedies provided by the Exchange Act (or rules thereunder or those of an exchange) are void unless they are predispute arbitration agreements that conform with the requirements of the bill. The intent of this provision is to prevent language in *Shearson/American Express* v. *McMahon*, 107 S. Ct. 2332 (1986) that might be construed to permit waivers of rights other than rights to litigate claims under the Exchange Act. It is not designed, however, to prevent settlements of disputes that have arisen between a broker or dealer and a customer or to affect the ability of members or persons associated with members to contract among themselves to waive such rights or remedies. The exception with respect to section 28(b) fo the Exchange Act is intended to preserve the ability of such parties to so contract.

SECTION 5. EFFECTIVE DATE; DEADLINES FOR REGULATIONS

The effective date provision in section 5(a) of the bill makes explicit the bill's applicability to all contracts to arbitrate future disputes, whether entered into prior to the date of enactment or subsequent to such date. The sections of the bill that invalidate contracts not in compliance with the requirements of the bill, sections 2 and 4, will take effect immediately upon enactment. In effect, all existing contracts will be void as of the date of enactment, and no new agreements may be entered into after that time and before the date by which the SEC must issue rules to carry out the mandate of section 2 (within one year of enactment). During this time, those parties that wish to go to arbitration may do so if a dispute arises. The exchange rules in existence as of the date of enactment will continue to apply until new rules in compliance with section 3 of the bill are adopted. Such rules must be in place within 3 months of enactment.

FARMERS EXEMPTION BILL

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. KASTENMEIER. Mr. Speaker, today I am pleased to introduce a bill, Transgenic Animal Patent and Regulatory Reform Act, aimed at responding to availability of patent protection for transgenic animals. As my colleagues know, as of April 1, 1988, it is possible to obtain patent protection for genetically altered animals.

What is a transgenic animal?

Researchers have developed techniques that allow them to insert genes from one organism into another. For example, it is possible to alter the genome of a mouse so that it can be used as a medical model for cancer research. In the near term these types of transgenic animals are the most likely commercial product. In the long term, greater than 5 years, it will be possible to genetically alter livestock to produce leaner meat and more disease resistant animals. Some researchers have also produced transgenic animals that can produce pharmaceutical products from their mammary glands.

Issues:

Is the Patent Office decision legally correct?

In light of the Supreme Court decision in Chakrabarty (1980) allowing for the patenting of micro-organisms, the Patent Office decision is legally sound.

Is the patenting of animals in the public interest?

Advocates of patent protection argue that it provides a necessary incentive to conduct research on transgenic animals; is necessary to protect American businesses from foreign competition; and will reduce animal suffering, enhance medical research and improve human health through leaner meat and new drugs to treat human diseases.

Opponents of patent protection argue that it will increase animal suffering; that patent protection produces economic concentration; that farmers will be disadvantaged; and that the Federal regulatory framework is inadequate to protect human health and the environment?

Summary of the bill:

The granting of patents for transgenic animals is approved, but the rights patent owners obtain are more limited than those applicable to other types of inventions. The bill adopts a number of limitations similar to those applicable to patented plants in the Plant Variety Protection Act. Specifically, the legislation states that it is not an act of patent infringement for a person to engage in research or experimentation on a patented animal. Such research and experimentation exception is designed to further the development of science as well as to encourage parties to invent around the patent. The research exemption is limited to persons who do not have a commercial purpose, although the legislation would permit such use in connection with the generation of data to be used to obtain Federal premarket approval.

The Second set of exemptions protect farmers from the intrusion of Federal patent law into the reproduction or use activities that occur on a family farm. Under current patent law, a farmer who obtains a patented animal would likely also obtain the right to use the animal for the intended use, such as milking or slaughter. It is uncertain, however, whether the farmer would be liable for an act of patent infringement if the farmer reproduced the patented animal. Therefore, the legislation proposes that onfarm reproduction is not an act of patent infringement. The bill provides two types of farmer exemptions: The broad exemption is limited to small family farmers; the second exemption which applies to larger farmers, does not extend to subsequent sale of a patented animal for further reproduction, because to do so would permit the farmer to become a direct competitor with the patent owner without any research and development investment. The parameters of the farmers exemption are open to further modification when this bill is marked up. It is possible that a consensus involving agricultural interests and the biotechnology industry will emerge to narrow this exemption.

The legislation establishes a regulatory scheme within the Department of Agriculture to coordinate and review research in the agriculture field. Under the bill, biomedical research would continue to be regulated by the Department of Health and Human Services, including the Food and Drug Administration and the National Institutes of Health. The Environmental Protection Agency would be granted regulatory authority with respect to the release of genetically altered animals into the wild.

The Department of Agriculture would be required to review experiments and the commercialization of transgenic animals which have applicability to the agricultural sector. The criteria to be used includes an assessment of whether the work poses an unreasonable risk to human health, welfare, or the environment. The applicant/researcher bears the burden of demonstrating the absence of risk.

CONGRATULATIONS TO FOTH AND VAN DYKE ON ITS 50TH ANNIVERSARY

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. ROTH. Mr. Speaker, 50 years ago a young German immigrant decided to start his own company. Equipped with only his dedication and desire, he took three small offices in downtown Green Bay and hired his first four employees. Today the business that Herbert Foth started back in 1938 has expanded into one of the largest engineering and architectural firms in the country. But as this firm, Foth and Van Dyke, is now celebrating its 50th anniversary and looking ahead to even more success, it is also fondly reminded of its modest beginnings.

The early years of the firm showed slow but steady growth. The handful of employees under Mr. Foth worked diligently to spread the name of the young civil engineering firm. In the early forties their persistence was rewarded with their first major client. Brown County of northeast Wisconsin and the Austin Straubel Field project represented not only a breakthrough in business but also a start to a long and prosperous history of designing airfields.

In the 1950's the firm continued its expansion with municipal and airport work. Instrumental in this growth was the addition of a former World War I pilot, Jack Horner. Mr. Horner had also worked for the Civil Aeronautics Administration. His influence quickly helped to establish the firm as one of the leading airport designers in the Midwest.

When it seemed that the firm was really about to make it on its own; disaster struck. On Thanksgiving Day in 1952 a fire totally destroyed their offices. Their equipment was lost, their design drawings were ruined, and almost all of their records were gone. The hard work and devotion that had brought them to the brink of success was now all in vain.

But the devastation of losing everything soon bred a desire to get it all back. The fire could easily have been the last page in this firm's history, instead it was only a temporary setback and in some ways even an inspiration to continue. For in the face of adversity the firm pulled together and rebuilt.

In September 1967 Joseph Van Dyke joined the firm. With his addition the firm changed its name to Foth and Van Dyke, the name it still bears today. Under Mr. Van Dyke's leadership the firm expanded and grew to a national level.

A key to this expansion was the firm's ability to adapt and diversify. As the world around them changed the firm began pushing itself into new areas. The first of these adventures was an environmental laboratory constructed in the 1960's. It proved to be so successful that the firm continued to increase its number of clients as well as broaden its area of expertise.

Suddenly a small Wisconsin civil engineering firm was being nationally recognized for its engineering excellence. Foth and Van Dyke was now considered an authority on environmental protection, especially on wastewater technology. In 1978 it received both multiple State and National design awards and employed nearly 80 people.

In the last 10 years Foth and Van Dyke has continued its development in such areas as solid and hazardous waste management, resource recovery, architecture, site development, electrical and mechanical engineering, economic and business planning and production systems engineering.

The firm has also expanded geographically. In addition to offices in Green Bay, the firm now has offices in Madison, Milwaukee, and La Crosse, WI, and in Minneapolis, MN

On its 50th anniversary, the firm is ranked 212 among the Nation's top 500 design firms. And in the last few years the Foth and Van Dyke team has grown to over 300 people.

As the officers and employees now take the time to look back over their 50-year history they will no doubt marvel at their small beginnings. But they will also recognize those same basic ingredients that make their company great today. The risks haven't gotten any smaller, they've gotten bigger; and the rewards haven't gotten any easier, they've just gotten better.

Please join me in wishing Foth and Van Dyke a happy 50th anniversary.

WILLIAM B. FRANKLIN

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. KOLBE. Mr. Speaker, I lost a good friend this past weekend. More important, the Sonoita Valley and southern Arizona lost a friend and protector. William B. Franklin died after a courageous bout with cancer.

Ben Franklin, the name he was better known by—Ben always pointed out that any kid with the last name Franklin who was born and raised in Philadelphia was going to be called Ben regardless of what his first name was—came to southern Arizona nearly three decades ago. He first came to my family's guest ranch and repeated visits there led him and his wife, Sydney, to decide that they should leave the hustle and bustle of the San Francisco Bay area and raise their family in southern Arizona. So, 20 years ago they came to Arizona.

Ben had been enormously successful in his advertising business in San Francisco. He could have comfortably retired and spent his time on two passions which he loved: racing cars and ocean sailing. He did pursue those off and on after he moved to Arizona, but Ben was not someone who could turn his back on problems that he saw.

In this case, it was the beauty of Arizona that had attracted Ben to our State, and its disappearance under the hand of ill-planned developments that brought Ben into the fray. He saw what had happened in the valley across the mountains with an over-sold and under-planned development. And he saw developers eying the magnificent Sonoita Valley, one of the last rural settings, a spectacular valley of rolling hills, streams and large oak trees just an hour from Tucson. He knew that without action, the same would happen to that valley that he had adopted.

Ben didn't just lament the possible fate of Sonoita; he took action. He put together a group of investors to buy some of the major land holdings in the valley and then proceeded to sell large pieces of the ranch to people with a similar vision, thus protecting the cattle ranch flavor and the vistas which make the valley so special.

When another large land holding was endangered by the kind of checker board development that characterized so much of land development in Arizona 20 years ago, Ben single-handedly convinced the boards of supervisors in two counties that the development not only wouldn't add to the economic base of the counties, but would prove to be a significant drain on their resources. Today, I'm pleased to be able to tell you, the Empire-Cienega Ranch has been acquired by the Bureau of Land Management and will be preserved for generations to come as one of the most important riparian habitats in the Southwest.

I shall miss Ben, not only for what he did to help save the community and valley where I grew up, but for his unfailing optimism and his vision of what a better future might be. We shall all miss him.

Mr. Speaker, I would like to include in my remarks an article written just a few weeks before Ben's death by another resident of the Sonoita Valley, a free-lance journalist. Jeff Smith's remembrance of Ben captures far more eloquently than I ever could the indomitable spirit of this wonderful individual:

SAVIOR OF SONOITA

(By Jeff Smith)

Kids need heroes growing up and I've been luckier than most: I've had four pretty good ones.

Cochise was the first, back in my cowboys-and-Indians phase. Indians-and-cowboys more like; I always liked an underdog. And while Geronimo got most of the ink, Cochise was the intellect behind the Apache freedom fighters, the class of the field.

Then there was H.M. Smith. My dad. He'd have been your hero, too, if you'd known him. The man was funnier than a whoopie cushion, a gifted and imaginative blasphemer, a man with a lot of hard bark on him. The world beat him up for 63 years and he never said Uncle. His own mother named him Hubert Mortimer, and even that couldn't get him down.

Stirling Moss was the idol of my teenage years. You probably never heard of him either. Moss was the greatest race car driver who ever lived. Don't believe what anybody else tells you about Juan Fangio, Mario Andretti, or any of those hot-shoes. Moss was the man. He might scatter an engine more often than some, but he was indisputably the fastest, which is what racing really is about. The term race-face was coined with Moss in mind.

My fourth hero is one of the few men I know who shares my appreciation of Stirling Moss. He never met my dad and we haven't discussed Cochise, but given Ben Franklin's decency and integrity I am certain he must be a fan of my favorite Indian. Ben Franklin of course is by far the most widely known of my heroes—patriot, diplomat, inventor, and aphorist of the caliber of Shakespeare and Twain.

Wrong Ben Franklin.

My hero comes, with one exception, from an altogether different background and one not usually fitted for producing heroic virtues. His real name is William Buell Franklin and he comes from Philadelphia ("Every boy named Franklin who ever came from Philadelphia is nicknamed Ben," he explained to me many years ago) by way of San Francisco, where he was an advertising executive, and Sonoita, where he is, to put it bluntly and inelegantly, a real-estate developer.

If anyone had told me, in the flower of my youthful idealism, that I would find a hero in a West Coast ad man turned real-estate huckster, one of us would have been badly hurt. But Ben Franklin's heroism is inextricably wound up in the unheroic nature of the enterprises he has so energetically pursued.

To my mind the man is the patron saint of Sonoita.

I first heard of Ben back in the late '60s or early '70s at the height of the land-fraud game in southern Arizona. Rio Rico had boomed and busted like an overinflated balloon—big and glossy and full of nothing—and a similar scam was being floated to promote a similar "planned community" on the Empire Ranch, straddling the Pima/Santa Cruz county line in the Sonoita Valley.

Questionable sales and development tactics here, as in Florida and elsewhere, had drawn national attention, and I was covering the story locally. A fellow reporter who also was on the case suggested I talk to one of his sources, a real-estate developer, "but a good-guy developer, and a completely honest man," he told me, "named Ben Franklin.

Ben had been born to a Main Line Philly family that owned the Penn Central Railroad, I learned. He made his own way as partner in a San Francisco ad agency, and had come to the Sonoita cattle country on vacation. He stayed at the Rail X Ranch, where Jim Kolbe was growing up, and he fell in love with the country. Ben wanted to settle in that gorgeous grassland, and he wanted to see it stay the way Mother Nature constructed it.

He went partners with a retired industrialist from Back East, and together they bought or optioned large chunks of ranchland, and planned how they could sell it to other lovers of the pristine, with minimal physical and visual impact without carving it into a stamp-sized gridwork of trailer lots, and for a fair price.

All virtually unheard-of concepts in the arena of Arizona land development.

And when Ben saw what was happening to Rio Rico on the west side of the Santa Rita Mountains, and heard that the same shysters wanted to do it to Empire Ranch on the east side of the Santa Ritas, he went to work. Or to war.

He hired a hydrologist to study, map and report on the groundwater situation, which was, as Ben suspected, inadequate to the grandiose schemes of the developer. He took out ads in the Tucson and Nogales papers, alerting public and politician alike to the facts and to the dangers. Ben Franklin spent a lot of his time, and his money, providing the background and the evidence our county governments needed to make an enlightened decision. Based in large part on this private, personal, individual effort, the Empire Ranch plan was torpedoed.

Ben Franklin had saved the Sonoita Valley.

And since then he has kept right on saving it, in smaller skirmishes, quieter battles, behind-the-scenes help when the local little guys were beset by big-bucks out-of-towners with bogus ideas about how to turn rural Santa Cruz County into a country club for the privileged, and turn a quick-and-dirty profit in the process. Ben Franklin is no hayseed. He comes from old money and has plenty of new money from his own enterprises. He makes no secret of it, nor any attempt to masquerade as a have-not. But the poor, the rich, the in-between of Sonoita, Patagonia, Elgin and Canelo know him for what he is, like him for it, love him for it because he's a straight-ahead, stand-up guy.

I like the man, love the man really, because he drove me up a canyon one late autumn afternoon in his Porsche-powered dune buggy, hopped out and hiked up a hill to show me a chunk of dirt I could buy and build a house on, and dream my dreams on, and some day, by God, be buried under. And he and another friend I'll be forever grateful to, made it possible for me to buy into this dream, and made me welcome in the neighborhood. Not because I could pay top dollar, but because they figured the gene pool needed a little mongrelizing. I appreciate that.

And I appreciate the oomph and the appetite of the man, batting around the backwoods in his old diesel Scout, or tromping the hilltops and gullies in a pair of L.L. Bean gumshoes. Here's a man in his 60s, racing a vintage Porsche RS Spyder at Laguna Seca, cruising to Tucson in a somewhat faded 911 with a hand-tweaked gorilla motor under the bonnet, riding the trails on a BMW motorcycle.

The lad looks like Young Santa Claus before the elf went to fat and his beard got long and snowy. But the twinkle in the eye was there since way back when, and stays lit eternally. He loves his Jack Daniels and roast beef and Yorkshire pudding, relishes a tale well-told rather than a dirty joke. Here's a Rabelaisian character you can take anywhere. He does himself proud in any company, any circumstance.

I guess today they'd call him a positive role-model. I still call him my hero.

DR. WILLIAM C. BABER RETIRES

HON. ALAN B. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. MOLLOHAN. Mr. Speaker, the community of Clarksburg, WV, lost an institution earlier this month when Dr. William C. Baber finally retired from his podiatry practice. For over 50 years, Dr. Baber had served the community from his office in the Union National Bank; that's longer than most of the town's residents have been alive.

While Clarksburg has lost a professional institution, we are lucky to retain a good friend. Dr. Baber will remain in Clarksburg, honing his golf skills and enjoying the many friends he has made during his career. I am submitting a public farewell letter Dr. Baber published in the Clarksburg Exponent as well as an article from the same newspaper reporting his retirement.

ON MY RETIREMENT

I, Dr. William C. Baber, Chiropodist and Podiatrist, am announcing my retirement as of June 1, 1988.

I want to sincerely thank all of you wonderful people who have been my patients over the years, many of my dearest patients have passed away, but when I think of those as well as those who are living—I thank God for all who have made my life so happy and rewarding.

My practice began in August 1933. I have enjoyed all of it because of you people. My thanks to each of you who have heard about my retiring and have said and done so many nice things.

My sincere thanks to the office girls who have worked for me. I know the patients appreciated them as much as I did.

My thanks to my only Landlord—The Union National Bank—for treating me so wonderfully over the years.

My thanks to my family for having so much patience with me, especially my wife.

My thanks to my deceased Mother who was such a help throughout the early years.

And thanks to the one to whom I am so indebted, My one and only God.

Love to all,

WILLIAM C. BABER.

DR. WILLIAM C. BABER RETIRES AFTER 54 YEARS IN PRACTICE

Dr. William C. Baber, who has practiced podiatry in Clarksburg since August of 1933, has officially closed his practice and entered an active retirement.

He was born in Richwood on July 15, 1909 and graduated from Richwood High School. Dr. Baber finished at the top of his class at Temple University in Philadelphia, in June 1933.

Dr. Baber noted that in the 54 years of his practice here he has only had one landlord: the Union National Bank of West Virginia. His office has always been located in the bank building.

"I grew up in Richwood but I never was much of a ramp eater," he said of the early spring wild plant peculiar to the Appalachian area.

"I moved to Clarksburg and worked here for a while in the men's clothing business for George R. Koon, then went to school. When I got to be 21 years old I had a little money and just took off for school.

"Temple was considered the outstanding school at that time as far as curriculum was concerned but it no longer has a podiatry school."

Dr. Baber and his wife, the former Madge E. Smith, were married in 1934. They are the parents of one son William C. Baber II.

The retiree has been a member of Sunny Croft Country Club since 1936, was on the first board of directors and has been president of the club.

"Sometimes I like to think I'm a golfer. I shoot in the low 80s now but last year I shot less than my age—two strokes less than my age," he said and noted that he is 78 years old.

He has also been president of the West Virginia Podiatry Society, past president of the Clarksburg Kiwanis Club of which he is a 50-year member, and a member of the state and national Kiwanis groups "for over 50 years."

Dr. and Mrs. Baber are avid bridge players. He is a past president of the West Virginia Bridge Association.

"One year I won the state bridge championship and I won the championship at Sunny Croft and at the Clarksburg Country Club in the same year," he stated.

Dr. Baber has one brother, Harding Baber, who is retired and lives in Clarksburg.

"He got mixed up and joined the Lions Club," Dr. Baber joked.

"I knew I was going to retire when the fellows at P. J. Kelly's had a surprise party for me and really put on the dog. This was Friday, May 27. They had a hard time getting me out of my office."

Dr. Baber noted that he will still see some of his patients in local nursing homes. He is signed up with more than four such facilities.

He explained that his next currrent project is "to improve my golf game so I can win a quarter. I've been playing golf since 1935 and still don't know all I want to about the game. I have plenty to do. There is always something around home to be done.

"I have known so many wonderful people in my life, and the thing I am proudest of is the fine people I have treated and the excellent friends I have made," he concluded.

THE AMNESTY INTERNATIONAL REPORT MANDATES REFORMS TO END SECURITY FORCE VIOLENCE IN NORTHERN IRELAND

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. BIAGGI. Mr. Speaker, as Chairman of the 115-Member Ad Hoc Congressional Committee for Irish Affairs, I want to bring to the attention of my colleagues a critically important report released this week by Amnesty International entitled, "United Kingdom-Northern Ireland: Killings by Security Forces and Supergrass Trials."

This report culminates a lengthy investigation by Amnesty International into practices and policies of the British security forces operating in the north of Ireland, which have been the subject of increased attention of late. This report also focuses on the so-called "Supergrass" policy, which is the use of paid informants who present uncorroborated testimony in criminal trials. It is the crown jewel of a criminal justice system which already makes a mockery of due process and justice.

I wish to insert at this time the introduction to the report which covers the contents of this much awaited and startling investigation. In subsequent days, I will insert other relevant portions for your information.

In addition, in the very near future, I will be sending a letter to Secretary of State Shultz to urge that the United States express its concern about the issues raised in the Amnesty report as well as press the British Government to agree to the judicial inquiry and begin necessary reforms in the system.

UNITED KINGDOM-NORTHERN IRELAND: KILLINGS BY SECURITY FORCES AND SUPERGRASS TRIALS

1. INTRODUCTION TO REPORT

This report covers two main areas of concern in Northern Ireland in the 1980s: killings by security forces and "supergrass" trials. It examines shortcomings in the administration of justice by the Government of the United Kingdom in responding to violent civil unrest.

A series of fatal shootings by security forces in Northern Ireland has given rise to serious allegations of an official policy of deliberate, planned killings of suspected members of armed opposition groups. The official procedures for investigating such killings have failed to answer adequately these allegations. Officers of the Royal Ulster Constabulary (RUC), that is the Northern Ireland police force, falsified and concealed information crucial to the investigation of the killing of six unarmed suspects in 1982. The senior English police officer initially appointed to lead an official inquiry stated that his efforts to establish the facts were obstructed. The inquiry concluded that RUC officers had conspired to pervert the course of justice. The government stated in January 1988, however, that no officers would be prosecuted for reasons of "national security" and "public interest" and that the report of the inquiry would not be made public. These developments have seriously called into question the government's commitment to investigate fully disputed killings by its security forces, make the findings public and prevent the possibility of unlawful killings in the future.

Amnesty International is therefore convinced that a wide-ranging judicial inquiry is essential. The inquiry is needed to provide a full and public account of the circumstances surrounding the killings, to evaluate official investigative procedures and to assess legislation governing the use of lethal force. Such an inquiry is also vital to prevent future unlawful killings and to ensure that all disputed killings by security forces are promptly investigated and publicly clarified.

Ten "supergrass" trials took place in Northern Ireland between 1983 and 1985. The trials were based on the testimony provided by "supergrasses"—that is, participants in the crimes charged who informed against large numbers of their alleged accomplices. Sixty-five of more than 200 defendants prosecuted at these trials were convicted on the uncorroborated testimony of "supergrasses". Some defendants spend up to five years in prison before being released on appeal. Although the Court of Appeal quashed all but one of these convictions, the Government of the United Kingdom has denied as recently as October 1987 that the procedures and rules of evidence applied in the "supergrass" trials failed to guarantee the basic right to a fair trial. Because of some procedures and rules of evidence, Northern Ireland "Diplock courts" may have convicted defendants who would be acquitted or perhaps not even tried in the ordinary court system.

The current period of civil conflict has continued in Northern Ireland since civil rights marches in 1968. There are armed opposition groups in both the Catholic and Protestant populations. The republican armed opposition groups, such as the Irish Republican Army and the Irish National Liberation Army, whose membership is predominantly of Roman Catholic background, are opposed to British presence in Northern Ireland and fight for a United Ireland. To that end, they are engaged in a campaign of murdering members of the security forces and others through bombings, military-style attacks, and assassinations. They also carry out execution-style killings of suspected informers and mete out punishment in the form of beatings and maimings to alleged common criminals. Security forces personnel are at serious risk at all times from these groups, including when they are unarmed and off duty. Loyalist armed opposition groups, notably the Ulster Defence Association, the Ulster Volunteer Force and the Ulster Freedom Fighters favour Northern Ireland's remaining a part of the United Kingdom and have also engaged in violent activities, including bombings and murder, directed mainly against the Catholic population. They also carry out punishment beatings and shootings of alleged informers or common criminals. Loyalist forces are drawn from the Protestant community, which makes up some two-thirds of the population of Northern Ireland. According the government, between 1969 and 1987 there were approximately 2,300 conflict-related deaths in Northern Ireland that were attributed to armed opposition groups. The Irish Information Partnership, which publishes data on the conflict in Northern Ireland, gives a figure of 2,170 for such deaths during this period. According to the Information Partnership, 1,065 deaths were caused by the IRA, 442 deaths by other republican armed groups and 663 deaths by loyalist armed groups.

Amnesty International takes no side in such conflicts. It opposes, as a matter of principle, the torture and killing of prisoners by anyone, including opposition groups. Amnesty International holds that governments are responsible for bringing those who commit violent crimes to justice. In meeting this responsibility and in seeking to ensure the security of their societies, however, governments must act in accordance with international standards for the protection of human rights.

Amnesty International considers that it is particularly in situations of civil strife involving violent crimes that a government should ensure that safeguards remain in place to maintain the impartial administration of justice. The organization examined its concerns in Northern Ireland in light of the International Covenant on Civil and Political Rights and the European Convention on Human Rights, both of which have been ratified by the United Kingdom Government. These treaties provide for the right to life, the right to a fair trial and the right to equal treatment under the law.

Amnesty International has monitored the observance of human rights in Northern Ireland for many years and has repeatedly expressed to the United Kingdom Government its concerns about human rights violations there. The organization has drawn attention to situations in which some people arrested and held in Northern Ireland were denied rights available to other detainees, in Northern Ireland, as well as in other parts of the United Kingdom. In the early 1970s Amnesty International voiced serious concerns about internment without charge or trial in Northern Ireland. The organization subsequently reported numerous incidents of incommunicado detention, allegations of ill-treatment and convictions of defendants solely on the basis of statements of admission obtained under duress. Amnesty International published two reports, in 1972 and in 1978, about the ill-treatment and torture of political prisoners by the security forces. Allegations that detainees are ill-treated continue to be of concern, but their numbers have diminished considerably since the beginning of the 1980s with the introduction of measures for supervising the interrogation of suspects.

Since 1982 Amnesty International has been concerned about allegations that six unarmed people were killed by security forces in that year as part of a policy to eliminate suspected government opponents instead of arresting them. Five of the victims were members of republican armed opposition groups. As part of the organization's investigation into these incidents, Amnesty International examined in detail how the procedures for investigating disputed killings functioned, how the law was applied and what action was taken by the government. The organization also monitored other incidents of killings by the security forces since late 1982 and found that 49 people had been killed, 19 of whom were unarmed. Although the report gives details about all 49 killings, it has focused on the 1982 incidents because they highlight the organization's concerns both about current legislation governing the use of lethal force and about the investigative procedures.

Most recently, the organization has called for full and public clarification of the circumstances in which three unarmed members of the Irish Republican Army (IRA) were shot dead in the British colony of Gibraltar on 6 March 1988. They had reportedly been under surveillance for weeks while making preparations for a bombing attack. Parts of the body of contradictory evidence suggest that British security forces targeted the three and deliberately killed them without properly challenging or attempting to arrest them. Some eye-witnesses alleged that the soldiers continued to fire at the IRA members as they lay on the ground. Amnesty International is investigating this incident and will send observers to the inquest into the three deaths which is to take place in the summer of 1988. This report does not cover the organization's concerns about the incident in Gibraltar.

International standards, as established in the United Nations Code of Conduct for Law Enforcement Officials and the European Convention on Human Rights, place more stringent requirements on the use of force than those applied by the United Kingdom in Northern Ireland. The international standards address force in terms of "absolute necessity" and "strict necessity", while the law in Northern Ireland permits the use of force "as is reasonable in the circumstances" in preventing crime or in effecting lawful arrest. Amnesty International does not question the need for a government's security forces to carry or discharge lethal weapons in the course of duty. However, the organization is concerned that the law is inadequate to prevent or deter the excessive us of lethal force by security forces.

Amnesty International is also concerned that the existing procedures for investigating disputed killings—that is, police investigations, criminal proceedings and inquests are ineffective in bringing to light the full circumstances about such incidents. Few killings involving serious allegations of unlawful use of lethal force have resulted in the prosecution of security force personnel and most of those prosecuted have been acquitted. The procedures primarily relied on for determining the facts in such cases are police investigations and inquests.

Initial police investigations into the killings of the six unarmed people in 1982 were obstructed by senior officers of the Royal Ulster Constabulary (RUC), who invoked the Official Secrets Act to falsify and conceal crucial information. John Stalker, the senior British police officer in charge of the subsequent investigation, has stated publicly that his inquiry was officially obstructed.

The inquiry begun by John Stalker in 1984 and completed in April 1987 under the direction of Chief Constable Colin Sampson revealed that police officers had conspired to pervert the course of justice. The United Kingdom Government, however, announced in January 1988 that no prosecutions for such offenses would take place for reasons of "national security" and "public interest". In February the government said that two additional inquiries had been initiated to determine whether disciplinary proceedings against police officers were warranted. Five and a half years after the killings, the government has still not given a full and public account of the circumstances surrounding those killings. Moreover, the government has refused to publish the findings of the Stalker/Sampson inquiry. The government's decision not to make public the findings of the inquiry lends credibility to allegations of an official policy of deliberate and planned killings.

The main procedure for publicly clarifying the facts concerning a disputed killing, the coroner's inquest, is also of concern to Amnesty International while coroners' courts in England and Wales can bring in a verdict of unlawful killing, coroners' courts in Northern Ireland have been barred since 1959 from making such a judgment. In 1980 inquest verdicts in Northern Ireland were further restricted solely to "findings" regarding the cause of death. The coroners' offices in England and Wales summon jurors in the order presented on a list of names randomly chosen from the population, but coroners' court juries in Northern Ireland are selected and summoned by senior RUC officers. Other restrictions, which apply throughout the United Kingdom, hinder the family in trying to clarify the circumstances of a suspicious death. For example, legal aid is not available to families to engage legal representatives or expert advice. In addition, forensic and eyewitness reports are not made available to the family or its legal representatives until the beginning of the inquest.

Inquests are frequently delayed for long periods of time. Coroner investigating the six deaths which occurred in 1982 stated in 1983 that "the unexplained delay by the Director of Public Prosecutions" prevented him from carrying out his duties. The coroner resigned in 1984, charging grave irregularities in police records. By mid-May 1988 the inquests into the 1982 deaths had still not taken place.

Existing investigative procedures have failed to eliminate the possibility that the six people shot by security forces in 1982 were killed with premeditation and that the killings resulted from an official policy, at some level, to eliminate or permit elimination of individuals suspected of belonging to armed opposition groups. John Stalker publicly stated that he discovered sufficient evidence to convince him that RUC officers murdered or otherwise unlawfully killed at least five of the six people. Amnesty International believes that such a statement by a senior police officer who conducted an official investigation must be regarded with utmost seriousness

The concerns about killings by security force personnel which are raised in this report have been presented to the government in correspondence stretching over the past three years. The most detailed response of the government to Amnesty International's concerns about the killings is included in the Appendix to this report.

Since 1985 Amnesty International has repeatedly asked the government to establish an independent judicial inquiry to review all of the disputed killings since 1982 with a view to estabishing effective investigative procedures for disputed killings by security forces. The organization has also urged that the inquiry review current legislation governing the lethal use of force. In connection with the six killings which occurred in 1982, Amnesfy International believes that the judicial inquiry should address allegations of an official policy to eliminate or permit the elimination of government opponents. All methods and findings of the inquiry should be made public.

Amnesty International continues to urge the government to establish such a judicial inquiry because it believes it to be vital in order to ensure that effective procedures and safeguards are instituted against the occurrence of unlawful killings and if disputed killings do occur, they are fully and promptly investigated and publicly clarified.

Amnesty International has also been monitoring the judicial procedures and rules of evidence used in the "Diplock courts" in Northern Ireland. These courts have a single judge and no jury. Between 1983 and 1985 more than 200 defendants accused of committing or promoting violent acts were prosecuted during 10 "supergrass" trials in these courts. The defendants included alleged members of both republican and loyalist armed opposition groups. A key element of the prosecution's evidence in all of the trials was the testimony, often uncorroborated, of one witness who had been an alleged accomplice to the crimes charged, commonly known as the "supergrass". Sixty-five of the 120 defendants who were convicted at the trials were prosecuted and convicted solely on the basis of the uncorroborated testimony of "supergrasses". Sixty-four of the 65 were acquitted on appeal, although some spent up to five years in detention.

Amnesty International is not aware of any prosecutions in England or Wales based solely on uncorroborated "supergrass" testimony since the mid-1970s. The dangers of reliance on such testimony are generally acknowledged in the United Kingdom. But some safeguards available in ordinary courts are not available in "Diplock court" proceedings used in Northern Ireland. In ordinary courts, a jury is responsible for weighing evidence and deciding on defendants' guilt or innocence. "Diplock courts" have no jury. A single senior judge, as arbiter of both law and fact, instructs himself on the dangers of accepting uncorroborated accomplice testimony.

Amnesty International is concerned that some of the procedures and rules of evidence applied in "Diplock courts" appear to vary so substantially from those of ordinary courts that "Diplock courts" may have convicted defendants who otherwise would be acquitted, or perhaps not even brought to trial. Such proceedings would be contrary to the United Kingdom's international legal obligation to afford all people equal rights, including the right to a fair trial, regardless of their political beliefs.

There have been no trials in the "Diplock courts" based on uncorroborated accomplice evidence since 1985. Amnesty International remains concerned, however, that the government continues to maintain that the procedures applied were satisfactory in guaranteeing the defendants' right to a fair trial.

The organization has registered a number of other concerns related to "supergrass" testimony. Some individuals were detained for long periods of time prior to their trials. Over half of the trials had more than 20 defendants, the largest involving 37 defendants. Several trials exceeded 100 days' duration. In some of the trials, there had not been full disclosure to the court of inducements offered to the "supergrass" to obtain his testimony.

In December 1987 Amnesty International submitted a detailed memorandum to the government outlining its concerns about the fairness of the trials and proposing a number of specific recommendations. An edited version of the memorandum forms the basis of Chapters 8 through 15 in this report. It urged the government to consider the apparent disparity between a lack of safeguards for defendants in the "Diplock court" system and protection available to defendants in ordinary United Kingdom courts. The recommendations included adopting a policy against authorizing prosecutions based solely on the uncorroborated evidence of a "supergrass"; reviewing the number of defendants tried concurrently and the complexity of such trials; and ensuring that the trials take place within a reasonable time. For the government's most detailed reply on this issue, please see the Appendix to this report.

SECURITIES ARBITRATION REFORM ACT OF 1988

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. DINGELL. Mr. Speaker, today I join Representatives BOUCHER and MARKEY in introducing legislation, the Securities Arbitration Reform Act of 1988, to provide for voluntary, fair and equitable arbitration of customer-broker disputes.

On February 11, 1987, the Subcommittee on Oversight and Investigations opened an inquiry into the adequacy of the current self-regulatory system and the Commission's oversight thereof in connection with complaints against broker-dealers for securities-law violations. We were particularly concerned about increasing numbers of complaints in connection with churning and violations of suitability requirements, as well as complaints that arbitration procedures are rife with conflicts of interest—since the arbitrators are peers of the brokerage firm being sued—and are inadequate to enforce the statutory rights of customers against broker-dealers.

On June 8, 1987, the U.S. Supreme Court handed down a 5 to 4 decision in Shearson/American Express Inc. et al. versus McMahon et al. holding predispute agreements to arbitrate Exchange Act fraud claims "enforce[able] * * * in accord with the explicit provisions of the Arbitration Act." Justice Blackmun, in his strenuous dissenting opinion—joined in by Justices Brennan and Marshall—noted his support for the work of the subcommittee and specifically stated that Congress appears to be the last resort for the defrauded investor: "Thus, there is hope that Congress will give investors the relief that the Court denies them today."

In response to that invitation and the outcry from public investors, our Subcommittee on Telecommunications and Finance held hearings on these issues and the need for reform on March 31 and June 9, 1988. A hearing on the introduced bill is scheduled for July 12.

At the same time, the Securities and Exchange Commission is to be commended for its actions on behalf of investors in this area. The Commission has been working with the Securities Industry Conference on Arbitration to improve their Uniform Code of Arbitration. Further, the SEC has announced that it will take up its staff's legislative recommendation on arbitration at an open meeting on July 7. That proposal would prohibit broker-dealers from limiting or conditioning access to brokerage services on the signing of a predispute arbitration agreement. The SEC proposal also would provide for Commission authority to adopt necessary or appropriate rules to assure that investors receive timely and adequate notice of their rights. I commend the Commission for this action and I look forward to reviewing their recommendation.

I urge my colleagues to support the American investor with a favorable vote on this legislation when it is brought to the floor:

U.S. House of Representatives,
Committee on Energy and Commerce,
Washington, DC, June 8, 1988.

Hon. David S. Ruder,
Chairman, Securities and Exchange Commission, Washington, DC.

Dear Chairman Ruder: This is with reference to the Commission's decision to place on the calendar for consideration early next month legislation and regulations banning mandatory pre-dispute arbitration contracts between brokers and customers.

In light of the June 8, 1987 Supreme Court opinion *Shearson* v. *Eugene McMahon, et al.* upholding the enforceability of pre-dispute arbitration agreements with respect to fraud claims under the federal securities laws, the issue of voluntariness must be addressed. The day after the *McMahon* decision, a *Newsday* article, "Ruling Limits Investors' Right to Sue in Disputes," reported:

The brokerage industry was delighted with the ruling, said Edward O'Brien, president of the Securities Industry Association, a Wall Street trade association. O'Brien, rejecting claims that arbitration panels are biased as "really absurd," maintained that arbitration is "demonstratively faster, more efficient and less expensive" for investors.

Asked what investors should do if they prefer to go through the time and expense of a jury trial, O'Brien said, "They then shouldn't open a brokerage account." [emphasis added]

This suggests that, if customers refuse to sign a pre-dispute arbitration agreement, they should not be able to open up a brokerage account. I understand that the firms increasingly are moving in that direction. As Justice Blackmun stated in *McMahon*: "Both the Securities Act of 1933 and the Securities Exchange Act of 1934 were enacted to protect investors from predatory behavior of securities industry personnel." A trend toward mandatory pre-dispute arbitration contracts raises serious questions about investor protection and the enforcement of the antifraud provisions against misbehavior by brokerage firms.

With respect to the futures markets, Section 5a(11) of the Commodity Exchange Act clearly states that each contract market shall

(11) provide a fair and equitable procedure through arbitration or otherwise (such as by delegation to a registered futures association having rules providing for such procedures) for the settlement of customers' claims and grievances against any member or employee thereof: *Provided, That (i) the use of such procedure by a customer shall be voluntary* and (ii) the term "customer" as used in this paragraph shall not include another member of the contract market; . . . [emphasis added]

Investors in the securities markets deserve the same protections.

I commend you for going forward on this matter and look forward to reviewing the Commission's recommendations.

Please make this letter a part of the public record of these proceedings.

Sincerely,

John D. Dingell,
Chairman.

U.S. House of Representatives,
Committee on Energy and Commerce,
Washington, DC, February 11, 1987.
Subcommittee on Oversight and Investigations

Hon. John S.R. Shad,
Chairman, Securities and Exchange Commission, Washington, DC.

Dear Chairman Shad: Pursuant to Rules X and XI of the Rules of the U.S. House of Representatives, the Subcommittee on Oversight and Investigations is conducting an inquiry into the adequacy of the current self-regulatory system and the Commission's oversight thereof in connection with complaints against broker-dealers for securities-law violations. We are particularly concerned about increasing numbers of complaints in connection with churning and violations of suitability requirements, as well as complaints that arbitration procedures are rife with conflicts of interest (since the arbitrators are peers of the brokerage firm being sued) and are inadequate to enforce the statutory rights of customers against broker-dealers.

This issue is receiving broad national attention.

On January 4, 1987, CBS "60 Minutes" did a segment on an 84-year-old widow named Mrs. Evelyn Anderson whose Paine Webber stockbroker put her into index options in violation of suitability requirements and churned a $321,262.00 account down to $820.00. She filed a lawsuit against Paine Webber and the broker claiming that, in a six-month period in 1984, they lost approximately $200,000.00 of her estate and generated commisions in excess of $90,000.00. Like many customers, she signed a mandatory agreement waiving the right to sue in federal court and agreeing to settle disputes in arbitration. Mrs. Anderson's case went to arbitration and, after attorney's fees and expenses, she received only $125,000.00 of her losses back.

On December 3, 1986, the Miami Review carried an article, "Securities Safeguards: How Secure?," that reported on a $47 million dollar lawsuit by investors whose accounts were churned and placed in unsuitable and highly-leveraged government bond trades by two Dean Witter Reynolds Inc. brokers, John Kenning and John Carpenter. The article states that the scheme grew because two self-regulatory organizations (SROs), one brokerage house, and the SEC did not act on the information they had: all had knowledge of serious allegations against Kenning three years before the SEC finally filed suit. The Commission's Associate Regional Administrator passed the buck to the industry: ". . . the responsibility . . . is . . . up to the brokerage industry to supervise their employees and to make sure people . . . are adequately trained and adequately supervised."

Five months ago, however, the General Accounting Office (GAO) reported a sharp increase, from 375 in 1982 to 551 in 1983 and 528 in 1984, in securities law violations committed by broker-dealers that were not detected by the SROs. "Securities Regulation: Securities and Exchange Commission Oversight of Self-Regulation," GAO/GGD-86/-83 (September 1986). Some of those missed violations were serious and the GAO report noted: "While some of the violations were missed for understandable reasons such as violations missed through human error, some were caused by more disturbing reasons such as inadequate SRO procedures." GAO report, p. 21. The GAO found "unexperienced examiners and relatively low salary levels at SROs" as well as "weaknesses in examination procedures, misapplication or apparent unfamiliarity with rules, and errors by individual examiners." GAO report, pp. 24–25. The report said that the Commission is referring more responsibility to the SROs notwithstanding that "Commission regional offices considered the SROs to be less able than the Commission to identify and take effective action on sales practice cases." GAO report, p. 62.

For the years 1985 and 1986, please identify the number of complaints received by the Commission and the SROs in connection with possible churning or suitability violations, how many of these complaints resulted in investigations and their status, how many resulted in SEC enforcement action or SRO disciplinary action, how many were dropped and who made that decision subject to what guidelines, how many were referred to arbitration and, of these latter, how many resulted in findings for the investor and how many for the brokerage house.

The Subcommittee is informed that the Commission has submitted an amicus curiae brief on the side of the securities industry rather than investors in the Supreme Court case *Shearson/American Express, Inc. and Mary McNulty* v. *Eugene McMahon, et al.*, No. 86-44 (1986) concerning whether antifraud cases brought under the Securities Exchange Act of 1934 and the Racketeer Influenced and Corrupt Organizations Act are barred by predispute agreements between brokers and their customers to arbitrate disputes arising out of those contractual relationships. The Commission's position is a reversal of the position the Commission took in a 1975 case in which the SEC said arbitration could not be used to settle fraud claims under Section 10(b) of the 1934 Act and Rule 10b-5 thereunder.

Furthermore, the Commission's brief in the McMahon case argues the expansiveness of the SEC's post-1975 regulatory authority and that arbitration is adequate to enforce the firm's duties because:

> . . . Since 1975 the Securities and Exchange Commission has had extensive authority to oversee and to regulate the arbitration procedures prescribed by stock exchange and other self-regulatory organizations for use by members (such as petitioner Shearson) in disputes with their customers. See Section 19 of the Exchange Act, 15 U.S.C. 78s. This regulatory authority, as its exercise to date demonstrates, can ensure that such arbitration procedures are adequate to protect statutory rights.

Yet, time and time again, the Commission has advised the Committee of serious *limitations* on your authority and in the arbitration process itself. For example, an August 1986 report prepared by the staff of the Commission's Division of Market Regulation stated: *The Commission has no authority to review a specific arbitration to assure either compliance with the procedural requirements of the Code or accurate interpretations of underlying federal securities law or other claims by the arbitrators.* The Commission has no authority to overturn an arbitration award, just as it cannot do so in other private dispute resolutions, such as civil litigation. (p. 3)

Arbitrations have historically been considered to be private dispute resolution forums. They have not been open to the public, arbitrators generally do not provide written opinions explaining their awards and the awards are generally not known to the public unless disclosed by the parties. (p. 5) (emphasis added)

Please provide the Subcommittee with copies of any documents, memoranda, or notes which discuss, analyze, memorialize, evidence or otherwise relate to the Commission's position on this matter in connection with the 1975 case and its current position in the McMahon case. Advise us of any legislative or regulatory changes you deem appropriate to improve the arbitration process and your oversight thereof.

We would appreciate receiving your response by the close of business on Friday, April 24, 1987. If you have any questions, please contact Michael F. Barrett (225-4441) or Consuela M. Washington (225-2927) of the staff.

Thank you for your cooperation.

Sincerely,

JOHN D. DINGELL,
Chairman, Subcommittee on Oversight and Investigations.

VA HOSPITALS NEED A SUPPLEMENTAL

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. MONTGOMERY. Mr. Speaker, in recent months, I and members of the Veterans' Affairs Committee have received with increasing frequency reports of inadequate resources at many VA hospitals across the country. Based on these reports, as well as the committee's own site visits to medical facilities, there is but one conclusion: VA hospitals are suffering from serious professional staff shortages and insufficient funds to care for current work loads.

The bottom line is insufficient funding. The annual productivity reductions mandated by OMB, inadequate funds for special pay and equipment, failure to request funds for activation of new facilities and failure to request funds to implement new programs, have caught up with the agency.

Mr. Speaker, I am deeply concerned about this situation, as are many VA employees who are being forced to cope with circumstances that must be reversed for the sake of those hospitalized veterans who need and deserve quality health care.

A supplemental appropriation is needed now to alleviate the problems for the remainder of this fiscal year and I hope it is forthcoming.

The following letter from a VA nurse is one of several received from VA medical staff that are being brought to the attention of our committee:

MAY 26, 1988.

Mr. MONTGOMERY,
Veterans' Affairs Committee, U.S. House of Representatives, Washington, DC.

DEAR MR. MONTGOMERY: I am a staff nurse on Ward 7C at [West Coast] VAMC and recently spoke with members of Representative Wyden's and Senator Cranston's offices about my concerns regarding the frequently unsafe care patients currently received due to poor staffing.

During my 2½ years at the VA, I have been a strong patient care advocate and work hard to see that my patients receive the care and teaching necessary to recuperate and to maintain good health. I have never been afraid to stand up for patient rights. It is because of my deep concern for patients that I write to you.

Morale is the lowest I've ever seen. This discontent is directly related to cuts made a month ago. Because of previous experience, I recognize that nurses at the VAMC work much harder and carry larger patient loads than those working in the private sector. It is usually our love for the veteran that keeps us at jobs that are more demanding and lower paying than jobs at many local hospitals. But many of us now feel that we are asked to do the impossible. We are tired, overworked and angry about the poor quality of care we are forced to deliver because staffing is so inadequate. In the last several weeks, patient care has become adversely affected and health is severely compromised.

Apparently, the hospital became financially overextended when one of our nursing units did not open with the move to our new facility, and some funding was lost. One measure used to pay back those funds was to cut staff. I do not know how many positions were lost hospital-wide, but many were sacrificed. All part-time student nurses were laid off as well as 20 RNs (more than 100 hours of nursing care per day) who had not been permanently appointed. There was hope on the part of the administration that the patient census would drop and that there would be adequate staff to care for patients. We were told that things would improve at the end of the fiscal year. The census has not dropped and nurses are over-extended, overworked and unable to provide good care.

Initially, I sent several memos to the Associate Chief of Nursing Services protesting my assignments when I believed that the patient load was so great as to place patients in jeopardy. Things didn't improve, and writing more memos seemed to be pointless. I spoke briefly with the Hospital Director and with the Associate Chief of Nursing Services on May 18 expressing again my concerns and to inform them that I was considering notifying JCAH. It is my hope that working with you and Congress, instead, will bring more immediate results. It is not my intention to be a hothead or a trouble maker. I just want patients to receive an optimal level of nursing care, and nurses to carry reasonable workloads.

The VA formerly used a formula to determine how many hours of care patients needed each shift to receive good, complete care based on their acuity. Patient acuity refers to the level of care a patient requires based on a number of factors. A patient with an acuity of I requires little nursing interventions, whereas a category IV often requires several hours of care. Acuities reflect time, not health. A patient who is confused and incontinent may be a category IV even if he is not seriously ill. Like EPA mileage estimates, the time actually required often varies, but at least the formula is a tool to measure against. On May 17, during a meeting with my head nurse, and myself, the Associate Chief of Nursing Services informed me that the hospital is not using the acuity system to allocate staffing requirements; 7C is a 40-bed ward with 30 medical and 10 intermediate care beds. Currently, we often run the day shift with only 4 staff available. With 38-40 caregiver hours, we often attempt to meet needs that often require in excess of 70 hours of care. Evening and night shifts are similarly understaffed.

On my wing, with 22 patients, I have at times had patient acuities that translate into greater than 45 hours of care, with only myself and one other staff member to deliver that care. The VA has not been staffing to meet acuities. Unfortunately, ignoring acuity levels does not mean that I can become a super-woman and handle the heavy load safely.

Some specific instances of which I am aware of unsafe care:

On May 17th, I worked a 10½ hour shift nonstop. One patient had chest pains off and on throughout the day that necessitated close observation and evaluation. While I spent so much time with him, the other 21 patients were taken care of by my one support staff. Nine a.m. medications were not delivered to all patients until after noon. One of my surgical patients did not receive a needed dressing change.

On May 19th, I worked 6 hours before I was able to take a break. One patient had a hematocrit of 19, (the male normal being 42 to 52; hematocrit is a measure of the blood's ability to carry nutrients and oxygen to the cells) and it took over 45 minutes to locate his doctors. During that time, I was tied to a phone and routine care was set aside. Because of numerous demands on my time, 0900 meds were not completely passed until after 1:00. My head nurse helped with care, but was involved for more than three hours discharging one of the patients. Had she not had the time to do so, that patient would have been forced to prolong his hospitalization. We are not adequately staffed to follow up care or track down problems.

On May 22, only three staff were assigned to care for 36 patients. My head nurse came in on overtime for 6 hours and helped me with 20 of those patients. One patient had been on the wing for 24-30 hours and had surgical dressing as ordered for each shift. None had been done since he transferred from his old ward the day before. He has a colostomy stoma that opens directly into his incision and stool often gets into his wound. I found a patient who had had an IV hung 30 hours earlier. It is anyone's guess when that bag had quit running; his arm was red and painful when I removed the line.

These are just a few specific instances of poor care. Many of our patients get minimal pericare or baths. Several patients have unnecessary groin rashes or bed sores. Some patients do not report pain because they don't want to "bother the nurses."

In the last month, I have often been afraid to go to work. I have been incredibly stressed out both on and off the job. I am sick and tired of seeing patients receive such shabby care. I am determined to see conditions improve. I am willing to assist you in any way and hope this letter is a useful start.

It is not my intention to blame the hospital administration or nursing service. I understand that money doesn't grow on trees. But the end of the fiscal year is far away, and patients are in danger today. We need better staffing.

Thank you,

A VA Nurse.

CONVENTIONAL ARMS CONTROL AT A CROSSROADS

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. FASCELL. Mr. Speaker, recent successes in the area of nuclear arms reductions have placed renewed emphasis on the urgent need to address the question of conventional military arms and forces in Europe. This heightened attention was underscored recently by Democratic Presidential Candidate Michael Dukakis when he wisely called for conventional defense initiative [CDI] deployments and rejected SDI deployments. Governor Dukakis' call for greater attention to NATO's conventional deterrent is fully in keeping with the security needs of the NATO alliance in the coming years and has been echoed by other Western leaders including Vice President BUSH. Afterall, the prevention of nuclear war is very closely linked with the establishment of stability and security in the conventional arms sphere.

It is with this imperative in mind that the Foreign Affairs Committee has initiated what will be a series of joint hearings with the Congressional Commission on Security and Cooperation in Europe on the establishment of conventional stability and security in Europe. The first of these hearings was held on June 23d with the Honorable Rozanne Ridgway, Assistant Secretary of State for European and Canadian Affairs, and the Honorable Ronald Lehman, Assistant Secretary of Defense for International Security Policy, as witnesses. We hope that these two distinguished experts will return to complete their testimony at further hearings we hope to hold in mid-July.

On the basis of the testimony heard at the first hearing, it is quite clear that conventional arms control is at a significant crossroads. The inconclusive 14-year-old mutual balanced force reductions talks [MBFR], conducted between a limited number of NATO and Warsaw Pact countries and focused on reductions in Central Europe including the two Germanies, the Benelux countries, Poland and Czechoslovakia, seemingly is about to give way to a new 23-nation forum within the framework of the Helsinki process. This forum will include all the NATO and Warsaw Pact countries and will focus on reductions of manpower and armaments in all of Europe, from the Atlantic to the Ural Mountains. These new negotiations are being called the conventional stability talks [CST] by the Western nations because they have as their goal three main elements to establish greater military stability in Europe:

The establishment of a stable and secure balance of conventional forces at lower levels; it seems that the primary Western objective will be significant cuts in military equipment and weaponry, not in manpower. A built-in "geographic asymmetry" faces NATO in the form of an enormous ocean separating the United States from its allies. The huge difficulties this entails for reinforcement in times of crisis mitigates against NATO support for large-scale troop cuts.

The elimination of disparities in conventional forces prejudicial to stability and security; for NATO this means the elimination of asymmetries in key offensive weapons in which the Warsaw Pact has a clear edge, notably tanks and artillery. For the Warsaw Pact, the prime focus will be reductions in NATO tactical aircraft in Europe.

The elimination of the capability for launching surprise attack and for initiating large-scale offensive military action.

While many, particularly our French and German allies, have welcomed and encouraged these developments, certain strong reservations with the new focus of conventional arms control have also risen. First, there is concern that the new CST forum with its larger composition and much wider area of applicability will not be a suitable venue for serious negotiation on conventional weapons. The MBFR negotiation, with a mandate restricted only to Central Europe, has been unable to reach an agreement after 14 years of deliberations.

Second, there is skepticism that any arms control forum linked to the Conference on Security and Cooperation in Europe [CSCE] can ever produce militarily-significant results on the order of those anticipated and needed in a post-INF Europe. Many observers feel the very public nature of the negotiations within the CSCE process would make it an unsuitable venue for highly sensitive, complex arms control negotiations.

Furthermore, many long-time human rights activists are very concerned that linking the CST to CSCE will forever overwhelm the important human rights component of the Helsinki accords with arms control issues and, as the Soviets have fought for so long to attain, eventually turn the CSCE process into an all-European disarmament conference without human rights.

On the important question of linkage, both Ambassadors Ridgway and Lehman emphasized that, while the new CST talks will be loosely within the framework of the CSCE process, it will, in practice, be an autonomous negotiation setting its own timetable, agenda, membership procedure and decisionmaking mechanism.

Almost lost in all these developments is the future of the MBFR negotiations. Both witnesses at our hearing were vague on this issue, but it seems that once CST gets off the ground MBFR will disappear. It will either be simply closed down or concluded by a very limited, face-saving agreement which could serve as a graceful lead-in to the CST.

One of the main factors holding up the start of the CST negotiation is its relationship to the CSCE process. Both East and West now agree that part of the linkage of the CST to CSCE should be expressed in the fact that the ongoing preliminary talks to work out a mandate for the CST cannot conclude and the actual CST started until the Vienna CSCE follow-up negotiations are completed. These talks, initiated in the fall of 1986, have been stalled over the usual disagreements between East and West over human rights issues.

Specifically, the West throughout the Vienna Conference, has emphasized that it will not agree to end the meeting until the soviets have undertaken several important steps in the human rights area which would constitute balance for the enormous strides envisaged in the security field. Both witnesses at the hearing reiterated this important point. These measures have never been precisely defined by Western negotiators but are known to include the release of most Soviet political prisoners, drastically improved rates of emigration for Soviet Jews, better guarantees for the rights of those seeking emigration, resolution of all bilateral family reunification cases and an end to jamming of Western radio broadcasts. The Soviets, despite promising reports, have yet to take the requisite concrete steps in the human rights sphere, obviously hopeful that the United States and NATO will eventually moderate their human rights demands in order to get to the CST as soon as possible, most likely this autumn.

Conventional arms control is an area where the Soviets are going to try to maximize divisions and problems within the NATO alliance. Indications of these efforts are already clear and we in the West need to coordinate our positions very closely. At the recent Moscow summit, General Secretary Gorbachev pushed various conventional arms control initiatives he knew would have a divisive effect on NATO. He reiterated calls for large-scale troop cuts of half a million on each side and proposed, as a first step, a mutual exchange of data on the numbers and disposition of troops in Europe. It was precisely this issue—disagreement over the number of troops in Europe—which blocked progress in MBFR for so long. The NATO alliance actually was the first to advocate an exchange of data on military forces in Europe as an integral component of, but not as a precondition for, the elimination of asymmetries and imbalances in conventional forces in Europe. These early Western efforts at MBFR and the Stockholm

Conference on Confidence and Security-Building Measures in Europe [CDE] were rejected by the Soviets as intrusive attempts to spy on Warsaw Pact military forces.

The Soviets also keep raising the question of whether the CST talks will cover weapons systems capable of handling nuclear warheads. The West says adamantly "No" while the East keeps pushing for it, probing soft spots in NATO, hoping to widen rifts in the Alliance on the key issue of the maintenance of a tactical nuclear deterrent capability in Europe.

My concern is that the administration's lack of consensus with our key European allies over the direction and forum of the conventional stability talks will unwittingly place into jeopardy our desires to negotiate a meaningful conventional arms control agreement and to enhance human rights within Eastern Europe and the Soviet Union.

We in the West need to have our own arms control and human rights objectives in harmony thereby precluding exploitation by the Soviets. While we recognize the inherent linkage of arms control and human rights, we certainly should not adopt a mandate or a forum structure that holds progress in either hostage to the other.

That remains my primary objective in the joint hearings now underway before the Foreign Affairs Committee and the Commission on Security and Cooperation in Europe.

THE NATIONAL FILM PRESERVATION BOARD

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. KASTENMEIER. Mr. Speaker, I want to say a few words about the Yates amendment to H.R. 4867, the interior and related agencies appropriations bill, that establishes a National Film Preservation Board within the Department of the Interior. I, too, am a film fan and believe that classic films are part of our national heritage. I have long been interested in the idea of protecting these films, and over the last year, the Subcommittee on Courts, Civil Liberties and the Administration of Justice, which I chair, has had several hearings and many consultations on this issue.

The issue or moral rights for film directors and screenwriters was first presented to the Congress approximately 1 year ago, in the context of our consideration of the Berne International Copyright Convention. My bill to implement Berne contained a strong provision protecting the moral rights of artists. After the hearing on Berne, it was apparent that this provision in my bill could not survive, and the House passed the bill 420–0 without that provision. It was also apparent that there was a great deal of interest in finding a way to protect films. For this reason, the subcommittee promised the proponents of the moral rights provision that we would continue our consideration of the issue, and last week we held a hearing on H.R. 2400, the Gephardt Film Integrity Act.

Now the Yates amendment has been made a part of the interior appropriations bill, and I have followed its progress with great interest. While I might not agree with all the particulars of the bill, I share many of the goals of my friends and colleagues who have proposed this amendment. I am glad that the various interested parties have found language that seems to satisfy them, and so far as I am concerned, the matter of moral rights in the motion picture context is settled for the foreseable future.

I note also that, at my request and that of my colleague, CARLOS MOORHEAD, the Copyright Office is continuing its study of films and the effects of new technology on them. I look forward to receiving its report.

GLASNOST AND ETHIOPIA

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. ROTH. Mr. Speaker, in a recent New York Times essay, William Safire has drawn up an excellent list of 15 actions Mr. Gorbachev could take to persuade the skeptics that he is serious about glasnost. On that list is an action-item that Mr. Gorbachev could take right now to stop the senseless killing and starvation of innocent lives in Ethiopia: "Order your 2,000 advisers in Ethiopia to persuade Colonel Mengistu to stop practicing genocide-by-starvation on his own people."

We are told that Mr. Gorbachev told President Reagan at the recent Moscow summit that he has little control over comrade Mengistu. Hogwash. The Soviet Union has poured $5 billion in arms and weapons to the Mengistu regime. Soviets, Cubans, and East Germans have free rein and constant access and influence in Mengistu's inner circle. Mr. Gorbachev's priorities, however, are clearly not to see food delivered to the innocent children caught up in the Northern conflict, but instead, to step up the delivery of weapons to the area. The patina of glasnost wears thin when the focus is on Ethiopia:

Windbags of Change

London.—The British press is knocked out by the "New Russian Revolution," end of the cold war, winds of change—oh, what a lovely peace.

Few observers consider the roots of glasnost. Economic realists in the Soviet Union, led by the K.G.B.'s Yuri Andropov in the early 80's, recognized Communism's failure. They put a new clique in place to overhaul the Soviet machine without losing control of the levers of political power.

Central to the Andropov plan was the mobilization of both the intelligentsia and "masses" against the 18 million party members who had been living of the fat of the land. Enter glasnost—the "freedom" to criticize only those past and present targeted by the new elite—which has seduced so many Western leaders into wanting to press financing and technology on the overhaulers.

I don't want to be the skunk at the garden party. Here are 15 suggestions to Mr. Gorbachev for changes that would begin to silence the surly squares who used to be the ruling circles.

1. Shut down the East Bloc support network for terrorism. Bulgaria, East Germany, Hungary and Yugoslavia operate training camps and offer safe haven to Red Guard and P.L.O. terrorists; a word from you could end that.

2. Reconfigure your military forces from offensive to defensive. Soviet generals conduct only offensive war games; NATO has only defensive games. (The feint-toward-Iran maneuver, drawing NATO troops southward, was especially distressing to our war-gamers.) Soviet forces are equipped with long flexible pipe to refuel vehicles rolling forward; take that kind of equipment out of your force structure.

3. Publish a telephone directory. Stop treating the phone book as a military secret, and drop the barriers that make it impossible for your people to dial the outside world. In that connection,

4. *Permit internal computer networking.* Stop waiting for Western computer help; allow your institutes and academies to hook into each other. Use the analogy of Lenin and electrification, if your less daring comrades object to the loss of central control of information.

5. *Stop jamming Radio Free Europe.* On the eve of the summit talks, you revoked the visas of two crack R.F.E. Sovietologists, displaying your fear of uneuphoric coverage. Let the broadcasters and their signals into the Soviet Union; if you must jam, jam the innocuous Voice of America.

6. *Tear down the Berlin Wall,* and order border guards to stop killing people who try to cross the Iron Curtain. As long as you treat your inhabitants as prisoners, no fundamental change in the perception of the Soviet Union as the home of the gulag is possible. And in that connection,

7. *Stop encouraging anti-Semitism in the guise of free speech or religious liberty.* Organizations like Pamyat and pet church leaders have found it easy to spread anti-Jewish hatred under glasnost. Your record on emigration is not nearly as good as Brezhnev's; drop your new requirement of a family connection abroad and let the refuseniks—all of them—go.

8. *Cancel your agreement to rent Fidel Castro's army to prop up a regime in Angola;* instead, you have increased those 40,000 mercenaries by 15 percent in recent months. And while you're in Africa,

9. *Order your 2,000 advisers in Ethiopia to persuade General Mengistu to top practicing genocide-by-starvation on his own people.*

10. *Permit Natan Sharansky's book, "Fear No Evil," to be published in the Soviet Union,* which would be more relevant than the publication of Pasternak; then publish your own accurate figures on your defense budget, troop strength and the reality of your current deficit.

11. *Stop using the U.N. as a staging area for K.G.B. spying in the U.S.,* and quit using your Mount Alto location in Washington as a huge, intrusive listening station.

12. *Permit an opposition party;* without it, all talk of secret ballots and competing candidates is meaningless.

13. *While you're rewriting history tell the truth about Felix Dzerzhinsky,* the first secret police chief, whose reputation your K.G.B. supporters insist you protect.

14. *Pledge to refrain from rolling your tanks* if coming uprisings get out of hand in Rumania and Poland.

15. *Follow up your syndication of Gary Hart's new column in Moscow News* with fearless publication of pundits like William F. Buckley, Jeane Kirkpatick and Pat Buchanan. For openers, run today's Essay.

VOICE OF DEMOCRACY WINNER

HON. ALAN B. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. MOLLOHAN. Mr. Speaker, Kim Elizabeth Bryant, of Wheeling, WV, is this year's State winner of the Voice of Democracy Scriptwriting Contest sponsored by the Veterans of Foreign Wars of the United States. Her winning essay was based on the theme of "America's Liberty—Our Heritage."

Mountaineers are especially conscious of the blessings of liberty. I am submitting Miss Bryant's price-winning script, which I hope my colleagues will enjoy as much as I did:

AMERICA'S LIBERTY—OUR HERITAGE

From the time we were children, we learned of our family heritage. Great-grandma's quilt was taken out of the attic and given a place of honor on the maple trundle bed she slept in as a child; Aunt Martha's heirloom tea set was used only on Christmas Day; and Uncle Albert proudly wore his dress uniform on Veteran's Day, never failing to pass down stories of family bravery that reached as far back as 1776. However, there's another "family"—the fortunate people living in America—that has been given an even greater, more precious heritage—liberty.

This heritage of liberty has passed through the hands and hearts of countless generations like a family tradition. Liberty may, in fact, be something of a time-honored, well-loved family recipe for success and equality. However, the recipe of liberty that was to be so vital in supporting our nation could only be mixed with complete independence from England. The courageous founding fathers of America realized that they would have to pay—and pay very, very dearly for freedom. But the ability to give their children an heirloom that would affect not only their lives, but also the lives of their descendents—this is why the colonists strove so stubbornly to obtain independence. The sacrifices they made enriched the recipe of freedom, and their sweat and tears and lives went into the making of the first batch of Americans.

The next step was to write the recipe down in the form of our Constitution so that it would not be lost. Much thoughtful stirring went into the rough draft. Basic human rights, fairness, responsibility, patriotism, and citizenship were the main ingredients in this declaration of unity. More importantly, our forefathers thought not only of themselves as they wrote, but also of their descendents that must live on this food of liberty. They realized the importance of keeping the recipe fairly simple—easily adaptable to almost any change of what was going to be needed by future generations.

All of the citizens of our fledgling country were well-fed on liberty, and America thrived and grew and prospered. When the time was right, new ingredients were added in the form of amendments, and America did not suffer for it. By no means—in fact, the value of the family receipe increased a hunderdfold when such things as a sprinkling of voting rights or the cup of emancipation was stirred in. As new groups of Americans were found that were not receiving their fair share, more was added so that there would be enough for all to share liberty.

This family recipe is our heritage, and we must keep watch constantly so that it does not fall into the wrong hands or become lost. If even one ingredient is left out, the whole formula, and consequently the family, suffers. The structure that makes it so nourishing is an interlocking net that will unravel if one basic human right is cut out or overlooked. The heritage of liberty our forefathers gave us is the single-most important heirloom in America today; we must be sure it is given to future generations.

Noted newspaper editor and publisher William Allen White said, "Liberty is the only thing you cannot have unless you are willing to give it to others." How true his statement rings! Liberty is our heritage because it was given to us by our ancestors. We are instilled with pride in America's liberty by our elders, who were in turn given this invaluable gift by their elders, and theirs before them. By listening to their stories, we gain appreciation for our recipe, and begin to learn how the ingredients mix together to form a heritage of freedom. Unless we are willing to take on the responsibility of passing on the tradition of liberty to our children, liberty will be lost. From generation to generation, the custom of infusing the young people of America with the knowledge of their heritage has carried on, and must continue. The hope is passed on; a breath from an elder fans the spark of liberty that exists as a glowing ember, and the heritage bursts into a flame that shines from the youth of America.

DEBT RELIEF FOR SUB-SAHARAN AFRICA

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. GARCIA. Mr. Speaker, during a speech Secretary of the Treasury James Baker delivered to the African Development Bank and the African Development Fund in Abidjan, Ivory Coast, he suggested that the United States was willing to "expand the range of options within the Paris Club so that creditor governments . . . can, on a case-by-case basis, provide concessional interest rate reschedulings for the poorest countries" in sub-Saharan Africa.

At the same time, the Secretary suggested that U.S. "laws, policy, and budgetary realities constrain us" from extending relief. I, along with my colleagues WALTER FAUNTROY, MERV DYMALLY, GEORGE CROCKETT, RON DELLUMS, CHUCK SCHUMER, and DON PEASE, am introducing a bill today that would permit the U.S. Government to extend such relief.

This is in keeping with actions taken by our allies on this issue. Approximately 1 week after Secretary Baker suggested that he was not against governments extending debt relief, both France and West Germany developed plans to provide relief. French President Francois Mitterand announced that his Government would forgive approximately one-third of the debt owed to it by sub-Saharan African nations.

In the recent Toronto economic summit, the summit declaration stated that the G-7 welcomed proposals to ease the debt burden of the world's poorest nations. I believe that we should, therefore, aid the administration in its desire to help the world's poorest nations, most of which are located in sub-Saharan Africa. My bill would do precisely that.

A recent study compiled by a group of national black organizations, including the Congressional Black Caucus, on U.S. foreign policy toward the black world contained some startling statistics. United States Government aid to sub-Saharan Africa dropped by 24 percent last year alone. This is at a time when, as Secretary Baker put it in Abidjan, African nations are experiencing "slow or negative economic growth, coupled with rapidly growing populations, balance of payment and fiscal problems . . ."

I believe it is our responsibility to help these nations. It is not only in our political and strategic interest, it is also an act of humanity to help the poor and needy of Africa. Some of the circumstances surrounding their economic problems, things such as adverse weather patterns, are beyond their control. Their survival depends on the magnanimity of the industrialized nations. I am asking the United States to do no more than France and West Germany.

This bill does not mandate forgiveness. It merely gives the administration the authority to extend it. I am hopeful that once he believes he has that authority, Secretary Baker, in keeping with his speech at Abidjan and the Toronto declaration, will exercise it. I would hasten to add, however, that it is not my intention to have this bill take the place of or in any way be responsible for lowering the already low levels of foreign aid extended to sub-Saharan Africa by the United States Government.

I am including a copy of the bill as part of my statement. I urge my colleagues to cosponsor this legislation.

The bill follows:

SECTION 1. UNITED STATES GOVERNMENT LENDING INSTITUTIONS TO BE ALLOWED TO FORGIVE OUTSTANDING DEBT OF CERTAIN SUB-SAHARAN NATIONS.

(a) FINDINGS.—The Congress finds that—

(1) throughout the 1980's, the nations of sub-Saharan Africa have experienced slow or negative growth; Whereas, throughout such period, such nations have also had severe balance of payments and fiscal problems; Whereas such conditions are not conducive to a stable economic and political climate;

(2) in response to such worsening economic problems, such nations have made an effort to pursue policies that would foster economic growth and development;

(3) many of the problems facing such nations, such as drought and famine, have been beyond the control of such nations;

(4) the Secretary of the Treasury, in a speech to the Africa Development Bank on June 21, 1988, stated ". . . the build-up of rescheduled debt often presents a difficult problem for the poorest countries . . ."; and

(5) the Toronto Economic Summit Declaration stated that the G-7 summit nations ". . . welcome proposals made to ease further the debt service burdens of the poorest countries that are undertaking internationally approved adjustment programs . . .".

(b) UNITED STATES GOVERNMENT LENDING INSTITUTIONS TO BE ALLOWED TO FORGIVE DEBT OF CERTAIN SUB-SAHARAN NATIONS.—

The President shall authorize any agency or instrumentality of the United States Government with the authority to extend credit to a foreign nation to forgive part or all of any outstanding loan made by such agency or instrumentality to any sub-Saharan African nation which has experienced and is experiencing difficulty in making debt service payments of the nation in a timely manner, and the per capita gross national product of which for calendar year 1986 does not exceed $500.

(c) FORGIVE DEFINED.—As used in subsection (b), the term "forgive", with respect to a loan made to a debtor, means—

(1) release the debtor from the obligation to repay part of all of the loan;

(2) provide an interest subsidy to the debtor with respect to the loan;

(3) extend the maturity of the loan; or

(4) take other action which would reduce the total outstanding debt of the debtor.

(d) CONSTRUCTION OF SECTION.—This section shall not be construed to authorize the President to reduce any assistance which is to be provided to any foreign country under the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.), the Export-Import Bank Act of 1945 (12 U.S.C. 635 et seq.), the Arms Export Control Act (22 U.S.C. 2751 et seq), or any other law.

IN HONOR OF SFC KEVIN MAYHEW

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. APPLEGATE. Mr. Speaker, it is my greatest pleasure to extend my congratulations to Sfc Kevin Mayhew and the 1st platoon, Delta Company, 4th Battalion, 8th Cavalry, 3d Armored Division [SPEARHEAD]. He, along with the rest of his platoon, has proven in an exemplary manner his skills and abilities in the execution of a near perfect tank gunnery firing exercise, winning the prestigious Canadian Army Trophy. This is something that has never before been accomplished by an American Army unit.

By playing a vital role in the Canadian Army Trophy competition, he has been able to show the precise and demanding qualities and characteristics set forth by the U.S. Army. Not only do we in the United States realize this accomplishment, but the entire world has recognized and acknowledged this victory.

I also would like to extend congratulations to Kevin's parents, Mr. and Mrs. Kenneth Mayhew. Their son has performed a great task for both them and our country. This is something they surely take pride in, along with the rest of the Nation. The difficulty of perfoming such a task is possibly not fully understood by most, but let me assure you that it deserves the greatest of accolades by all.

Mr. Speaker, I would like to take this opportunity to provide my colleagues with the full congratulatory remarks extended to Sfc Kevin Mayhew's parents by Thomas N. Griffin, Jr., major general, U.S. Army, commanding.

DEPARTMENT OF THE ARMY,
HEADQUARTERS, 3D ARMORED DIVISION,
New York, July 23, 1987.

DEAR MR. & MRS. MAYHEW: On June 19, 1987, 1st Platoon, Delta Company, 4th Battalion, 8th Cavalry, 3d Armored Division (SPEARHEAD) accomplished a magnificant feat which had never before been done by an American unit. On that date our soldiers executed a near perfect tank gunnery firing exercise at the Grafenwoeher Training Area in Germany and, in doing so, won the prestigious Canadian Army Trophy surpassing 23 other teams representing 6 NATO countres including the United States. This victory is one of the most important peacetime achievements for the United States Army and it has been accorded international recognition as well as the accolades of people in the highest echelon of our Defense Department.

I am proud to inform you that your son SFC Kevin Mayhew played an instrumental role in achieving this important victory. His performance was absolutely superb and you can take great pleasure in knowing that he is a true professional who has made a significant contribution to his unit, his Army and his country. You can also take assurance in the facts that Kevin is, on a daily basis, performing a mission which is vital to maintaining the NATO alliance as well as deterring war in Europe. His performance during the Canadian Army Trophy competition has helped send a message to our potential adversaries that the American Army today is strong and ready.

I extend to you my warmest regards and share in the pride you must have for Kevin. He is an excellent soldier.

Sincerely,

THOMAS N. GRIFFIN, Jr.

INTRODUCTION OF THE SECURITIES ARBITRATION REFORM ACT OF 1988

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. MARKEY. Mr. Speaker, today my colleague Representative BOUCHER is introducing the Securities Arbitration Reform Act of 1988. As a cosponsor of this bill, I rise in support of it and of the important protections it would afford investors. This bill would restore to investors their basic right to seek judicial redress of wrongs committed against them by securities brokers and dealers. It would also ensure that investors who elect to resolve their disputes by arbitration can participate in an arbitration process that is fair, equitable, and expeditious.

At present, investors wishing to invest in securities are, far more often than not, required by brokerage houses to sign agreements to submit all future disputes between them and their brokers to arbitration, and to waive their rights to litigate their claims in court. Typically, these "predispute arbitration clauses" are buried in the midst of a customer account agreement, unaccompanied by any disclosure as to its existence or explanation as to its significance. In my view, these clauses are contracts of adhesion. Those few customers aware of such clauses and who attempt to strike them from the agreement rarely succeed in doing so. The emerging reality is that basic access to the securities markets is increasingly conditioned upon customers signing a contract to waive their rights to trial, to the Federal rules of civil procedure, and to appeal. The day is coming when the only real choice an investor has is between submitting to a predispute arbitration clause on the one hand and staying out of the market on the other. When asked last summer what investors should do if they prefer to go through the time and expenses of a jury trial, the president of the Securities Industry Association responded, "they then shouldn't open a brokerage account."

Restoring to investors the right to choose judicial resolution of future disputes is a basic investor protection that will go some distance toward restoring individual investor confidence so severely damaged after the October crash. Smaller investors feel strongly that the decks are stacked against them; they see insider trading abuses, the development of high-technology trading strategies available only to institutions and unprecedented volatility driven by such strategies. It is critical that these investors be afforded more, not less choice, that they be given a greater, not a lesser degree of self-determination. Otherwise, we will face a marketplace populated exclusively by large institutions, betting against one another.

It was only after the October 19 market crash that many investors realized they had signed contracts which included pre-dispute arbitration clauses. Confronted with abuses of discretion, misexecution of orders, and other wrongs committed against them, they were shocked to learn they had no recourse to the courts of law. Instead of being able to elect arbitration as part of a rational decision after the claim had arisen, they were compelled to do so when even the existence of such claim, not to mention its complexity and magnitude, was a matter of hypothesis and speculation.

Interestingly, investors in stock index futures were not met with such a troubling surprise. The commodities laws, unlike the securities laws, have long required that a customer's entry into an agreement to arbitrate future disputes must be voluntary and may not be a condition of the broker's doing business with the customer.

Arbitration does have an important role to play in the resolution of disputes. Smaller claims are simply not economically feasible to litigate in court. The expertise of industry arbitrators may be desirable to customers with larger more complex disputes. This bill in no way discourages the use of arbitration where the customer thinks it is appropriate. In fact, it seeks to enhance the process in several significant ways to make it fairer in actuality and appearance. Moreover, under the charters of the securities exchanges, which oversee the arbitration process, customers can always elect to proceed to arbitration of their claims, notwithstanding their refusal to sign a pre-dispute arbitration clause. Claims that should be arbitrated will continue to be arbitrated after passage of this bill.

Some within the retail brokerage industry argue that to permit customers this choice is to deny brokers and dealers their freedom to do business as they please. The plain truth is that brokers are engaged in a regulated industry. Like others entrusted with a public franchise and a public trust, they cannot always do business exactly as they please. A broker is subject to numerous rules of conduct to which the corner grocer is not. Permissible conduct toward brokerage customers is circumscribed in numerous ways. The public interest in affording investors a choice, in providing them with basic fairness, and in assuring them the preservation of their fundamental rights is sufficiently strong to justify prohibiting brokers and dealers from imposing upon their customers these contracts of adhesion.

I commend the SEC staff, in its legislative recommendation to the SEC, for its strong endorsement of the concept that customer entry into agreements to arbitrate be voluntary. I await the SEC's action on July 7 on this issue, and hope that the Commission members join us in calling for free investor choice. In this post-crash era of investor alienation from the markets, we must move boldly to restore confidence in our marketplace and I believe this legislation is a critical first step along that path.

ENERGY AND ANWR

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. YOUNG of Alaska. Mr. Speaker, many of our colleagues are aware of our energy dependence upon other nations, and the fact that the picture is not looking any brighter for the foreseeable future. Nevertheless, legislation before the Congress to open to environmentally-sound oil and gas leasing the Coastal Plain of the Arctic National Wildlife Refuge in my district—the State of Alaska—is the bright spot in terms of responding to this growing international threat. Today I submit for the RECORD an article from the Birmingham News, which underscores the need for prompt action by the Congress on this subject. Because of the vast support nationwide for this legislation, I will do this daily.

[From the Birmingham (AL) News, Aug. 26, 1987]

CARIBOU AND OIL

Environmentalists and oil interests have spent most of this year gearing up for the expected debate in Congress over whether to open the coastal plain of the Arctic National Wildlife Refuge up for oil and gas drilling.

It is the largest untapped potential source of oil and gas in the United States, and the last undisturbed wilderness on the nations Arctic Ocean coastline.

Our nation has decided over and over, as a matter of public policy, that conservation is in the national interest. We should do everything possible to protect the ecology of the ANWR coastal plain, including protection for the Porcupine caribou herd using that area for calving.

But that does not rule out developing the area to boost domestic oil production and enhance our energy security. Although the conservationist Alaska Coalition has made it clear it will settle for nothing less than pristine wilderness, experience at nearby Prudhoe Bay has shown that we do not have to choose between oil and caribou.

We can have both.

The Central Arctic caribou herd is a smaller group that shares the wildlife refuge with the Porcupine herd. Its principal calving area includes the Prudhoe Bay oil field. That herd was estimated at 3,000 in 1972 and has grown to 13,000 in 1985, despite the fact that production at Prudhoe Bay began in 1977. Environmentalists, *Congressional Quarterly* reports, "criticize those numbers as guesswork, and say any increase in caribou is largely because the oil drilling drove out wolves, the main predator on caribou."

So, the environmentalists would have us disregard as guesswork the clear evidence that caribou and oil development can coexist, with the caribou actually thriving, and base policy decisions vital to the future of the entire nation on the speculation that development could reduce the size of a larger caribou herd next door.

Yes, we must be very careful in our development of oil resources on the fragile Arctic coastline. Yes, we must ensure that all the lessons of Prudhoe Bay are used to minimize the disruption of the ANWR coastal plain.

But we also must look to our nation's energy needs, not just now but in the future, when tensions in the Middle East could disrupt our economy and threaten our security even more than the oil embargo of the 1970s.

We must explore the potential of the Arctic National Wildlife Refuge.

DROUGHT RELIEF FOR DAIRY FARMERS NEEDED

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. ROTH. Mr. Speaker, Wisconsin dairy farmers have been particularly hard hit by the severe drought that has blanketed the Midwest. The drought has already caused serious damage to Wisconsin crops with an estimated loss of at least 30 percent. In fact, many of Wisconsin's farmers are now selling their dairy cows and heifers because of the acute lack of forage.

I commend Agriculture Secretary Lyng for his prompt authorization of emergency haying, grazing and harvesting of acreage in the Conservation Reserve Program. However, it is evident that additional disaster relief measures are desperately needed.

With the reduced yield of hay crops and the dramatic rise in feed grain prices, many dairy farmers cannot meet production costs. If the dry weather continues through July, as recently predicted by the National Weather Service, many Midwestern dairy farmers may have little choice but to liquidate their herds. In an effort to avoid a critical disruption in milk production throughout the country, I have urged Secretary Lyng to forego any cut to the dairy price next January 1, 1989.

More important, I call upon the members of the House and Senate Agriculture Committees to seriously consider an increase in the dairy price support for the drought-affected areas. The price support increase would go a long way in helping offset the rapid rise in livestock feed costs for Midwestern dairy farmers.

In the coming weeks, the House and Senate Agriculture Committees will undoubtedly be considering emergency drought relief measures. I encourage my colleagues to keep in mind the devastating impact the drought has had on dairy farmers. Specifically, there must be no 50-cent cut. And a targeted increase in the price support for drought-affected areas will certainly help Midwestern farmers minimize the economic hardships placed on them by the drought.

A DICTATOR IS ALWAYS A DICTATOR, NO MATTER WHERE HE IS

HON. GEO. W. CROCKETT, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. CROCKETT. Mr. Speaker, a recent event in our own country makes it clear that a dictator will always be a dictator and will always treat his people ruthlessly, no matter where he is.

Earlier this month, Paraguayan ruler Gen. Alfredo Stroessner, the longest-running dictator in the world, came to the United States to address the United Nations. But he and his entourage did not leave Paraguay far behind. When he encountered a group of Paraguayan exiles peacefully protesting human rights violations and the lack of democracy in their country, General Stroessner sent out his troops in downtown New York City, just as he has always done in downtown Asuncion, Paraguay.

Several members of the official delegation accompanying the general crossed Park Avenue and proceeded to beat the protestors. The next day, the general cut short his stay and he and his party went off for sightseeing in Florida. But unlike Paraguay, in a free country there is recourse for victims of such abuse. A complaint was filed with the New York City Police Department and an investigation ensued. Because of a claim of "limited immunity" as members of the official delegation, the perpetrators were able to leave the country. However, according to the New York City Police, if the individuals in question ever return to the United States, they would be subject to a summary arrest.

Ambassador Robert E. White, former U.S. Ambassador to Paraguay, who has been refused entry into Paraguay by the Government, recently wrote the following article for the Washington Post on this incident. I commend it to my colleagues' attention.

[From the Washington Post, June 4, 1988]

SOMETHING ROTTEN IN PARAGUAY

(Robert E. White)

Gen. Alfredo Stroessner was in New York last week. Something must be wrong. Never before during his 34-year reign has the Paraguayan dictator left his "island without a sea" simply to attend a United Nations conference.

The most obvious objective for his trip was to change his suffering reputation. His government has become an international pariah, stigmatized by the growing opposition at home and abroad. Despite the strong man's efforts, his image remains tainted.

Stroessner got a chilly reception at the U.N. He addressed the plenary session despite the conspicuous absence of more than half of the assembly—including U.S. Ambassador Vernon Walters.

That night a group of more than 30 Paraguayans were protesting outside his hotel. As they continued their peaceful demonstration, about 12 of Stroessner's huge entourage launched a sneak attack on the group—apparently forgetting they were on Park Avenue, not in Asuncion. A number of protesters were beaten, and one was hospitalized overnight for injuries.

Having effectively stranded himself in the United States with no hospitable forum to address—even the White House denied his request for a meeting—Stroessner left New York empty-handed to nurse his wounds at Disney World and then went home.

Since the military coup that brought Stroessner to power on May 4, 1954, the general has built a model dictatorship through patronage and corruption—and brute force when necessary. Last February there was a reenactment of the electoral farce performed with clockwork precision every five years, in which Stroessner was "reelected" for the seventh consecutive time.

Critics of his misrule are more visible now than ever before. Despite the fear of torture, exile or death, leaders such as Domingo Laino continue to campaign vigorously for a peaceful transition to democracy. The struggles of Laino and many others are beginning to shatter the silence that for years has allowed the dictatorship to violate human rights with impunity. The force closures of ABC Color newspaper and Radio Nanduty also have increased international criticism of Paraguay.

The latest condemnation came from Pope John Paul II. During the pope's May visit, he rebuked Stroessner in a way not heard since he lashed out at the Duvalier regime in Haiti. In addition, both the U.N. Human Rights Commission and the Organization of American States have condemned the government for lack of respect toward civil and political rights.

Concern for Paraguay is not limited to human rights issues. Paraguay has an alarming history of involvement in drug production and trafficking. When the Marseilles drug ring was broken in 1971, Paraguay was found to be the transfer point for drug shipments between France and the United States. It was estimated that during the drug network's five years of operation $2.5 billion worth of heroin was shipped into the United States annually. Furthermore, several high-ranking members of the regime were implicated in the Marseilles operation.

Last March 29 a House subcommittee was told that Paraguay is both a major producer of marijuana (3,000 metric tons per year) and a major transit point for cocaine (more than a ton passes through each year). State Department testimony during the same hearing acknowledged that there are "indications that officials of the Stroessner government and his Colorado Party are involved in the trafficking."

The current catchword in U.S.-Latin American relations is "Panamanization"—allowing a dictator to twist U.S. concerns into anti-U.S. sentiment, as Gen. Manuel Noriega has done with Washington's misguided sanctions against Panama. Following the Panamanian dictator's lead, Stroessner could turn ineffective U.S. pressure into another no-win situation for the United States.

This time, the mistakes of Panama can be avoided. Instead of pointless rhetoric and counterproductive sanctions, the United States should work with its allies in the region—specifically Brazil and Argentina—to exercise coordinated influence in Paraguay. In joining forces with other nations, the United States would not be viewed as an interfering behemoth but rather as an integral part of conscious, multilateral efforts by the international community to promote long overdue reform in Paraguay.

PUNJAB: A TROUBLED STATE

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. FAZIO. Mr. Speaker, I rise today to draw the attention of the Members to the continuing Government sponsored violence in the Punjab. As the attached articles from the New York Times and the New Republic indicate, the Prime Minister Rajiv Gandhi's central government continues to utilize excessive methods to deal with the Sikh uprising in the Punjab.

I urge my colleagues to review this article and consider the extreme methods now being employed in violation of the basic fundamental rights of the Sikh minority in India:

[From the New York Times, June 12, 1988]

PUNJABIS DISBAND SECRET MILITANTS

(By Sanjoy Hazarika)

AMRITSAR, INDIA, June 9.—The Punjab Government has disbanded and disarmed a group of Sikh extremists that it had financed and armed for several months to attack and confront other militants, a top security official said today.

"It was an operation mounted with the best of intentions, in good faith, but the people running it did not know how to handle such matters," the official said. "The fellows went out of hand."

His remarks were the first official admission that the state's Government has used one band of extremists against others. The official said the group of extremists was small, not more than 14 people, led by a man named Santokh Singh Kala. Security and police officials said the group's members had not been very effective in the antiterrorist operations.

The officials emphasized that the operation had been limited to the Amritsar region and was viewed at first as a limited part of the Government's strategy against extremism. But strong differences among police officials surfaced earlier this summer about the group's usefulness and led to its quiet withdrawal.

HUNDREDS OF EXTREMISTS

There are hundreds of anti-Government extremists in the Punjab, although more than 200 of them surrendered to security forces last month at the Golden Temple here, the major shrine of the Sikh faith, after a 10-day seige.

Home Affairs Minister Buta Singh and other senior officials here recently denied knowledge of the pro-Government group. But officials familiar with the secret operation said the faction had a few successes, like the one last year when they ousted a group of militants based at a Sikh shrine near the Golden Temple. They said the group had killed a few suspected extremists.

The group was set up, according to these officials, sometime last year in Amritsar, one of the three districts in Punjab that have been worst hit by Sikh extremism. "These people were won over and willing to operate against the other groups," an official said. But they proved ineffective and they resorted over the months to robbery and extortion, the officials said.

UNDER OFFICIAL CUSTODY

"Now they are more or less under unofficial custody," said one of these officials, who added that the group's members were disarmed several weeks ago and were being detained by the central reserve police force, a paramilitary organization. He did not say how much the Government had paid the group.

Julio F. Rebeiro, the adviser on law and order to the state's Governor, was in Amritsar this week to supervise a Government plan to clear a corridor around the Golden Temple by demolishing scores of houses and stores in a 100-foot belt around the borders of the complex. The corridor is to be completed by the end of the year and is aimed at helping security forces monitor the movements of people around the temple.

This project was stalled Tuesday when thousands of residents and storeowners rallied in the narrow streets and bazaars around the complex, waving black flags against the Government and blocking bulldozers and trucks that had been brought there to begin the demolition. They then brought out holy Sikh and Hindu books and began reciting prayers.

The Government, surprised by the outburst, hastily backed down from its plan and announced that it would first find alternative sites for stores and homes for those who would be affected by the operation.

[From the New Republic, July 4, 1988]

INSIDE THE TEMPLE

(By Paul Glastris)

Punjab, the state in northwest India where most of the country's Sikhs live, is in a bloody mess. Last spring Prime Minister Rajiv Gandhi's central government took control of Punjab, declaring that the Sikh-dominated state government had failed to hold the line against Sikh militants fighting for a separate homeland. Paramilitary forces were increased; restrictions on citizens' rights were tightened. The result: the killings rose. In 1987, 1,230 people were gunned down in Punjab. This year the number of killings already stands at nearly 1,400.

The situation is not one of utter panic. The fields are still being tended, except on farms where whole families have been killed or forced to flee by gunmen. During the day the roads are still choked with the traffic of various centuries: bullock carts, bicycle rickshaws, water buffalo, mini-vans, tractors, and the ever present green trucks of the police and paramilitary. Stores remain open—even liquor vendors, the perennial targets of the militants (fundamentalist Sikhs condemn alcohol consumption).

Historically, invaders from the north and west have had to cross Punjab to get to the rest of India, and Punjabis have developed a certain comfort with weapons and violence. In one ten-block stretch of Amritsar there are five shops specializing in "Guns and Ammo." Even before the terrorism began, the state had the highest murder rate in India.

But fear is there. It's not just the number of murders people fear, but the seeming randomness of the attacks. Gunmen commonly spray busy street-sides with bullets. Furthermore—this is what American press reports don't prepare you for—it's not just the terrorists people are afraid of; it's also the police and paramilitary. This is one reason the government is losing the war against the terrorists.

The government did win a major battle in May. For some time hundreds of well-armed militants had been living inside the Golden Temple complex of Amritsar, the Vatican of Sikhdom. This allowed them to force their views on the resident Sikh high priests who formulate the religious and political edicts of the faith. It was also a powerful symbol of defiance to the Gandhi government. On May 9, a militant inside the temple shot and seriously wounded a security officer. That sparked a siege during which government security personnel surrounded the complex, cut off all supplies, and engaged in gun battles. Several days later the last of the militants inside the temple surrendered.

What made the siege remarkable was the government's restraint. Though a number of militants were killed, there was little damage to the sacred shrine, and were no civilian casualties. In June 1984, when the Indian army faced a similar force of Sikh militants inside the temple, it blasted its way into the complex with tanks, demolishing a revered gold-domed building, the Akal Tacht, the supreme seat of Sikh religious authority. A library that contained sacred Sikh scriptures written by the gurus who founded the religion 400 years ago also went up in flames. Worst of all, hundreds of innocent Sikh worshipers were killed—some, according to a well-documented book by two BBC journalists, by summary execution.

The army's 1984 excesses fueled Sikh outrage and weakened the case of moderate Sikhs who advise cooperation with the government. The moderates' work is rendered especially admirable by the militants' practice of gunning down Sikhs who speak out against them. Even Sikh moderates, though, hype the "threat" that India's secular democracy poses to Sikh religious identity.

The vast majority of Sikhs don't support the terrorists or share their desire to secede from India. But nearly all Sikhs have grievances against the government in New Delhi. In 1984 Hindu rioters in New Delhi butchered thousands of innocent Sikhs in retaliation for the killing of Prime Minister Indira Gandhi by her Sikh bodyguard. The government's own commission of inquiry found that the riots were organized with help from members of Gandhi's ruling Congress (I) Party. Most of the organizers have yet to be tried. There are political grievances too, such as the government's program of constructing canals to divert local river waters (a major source of Punjab's famous agricultural abundance) to drier neighboring states.

In July 1985 Rajiv Gandhi signed an accord with the prominent Sikh moderate leader Sant Harchand Singh Lonowal. The accord took courage, and Lonowal paid for his: Sikh extremists assassinated him. The accord then bogged down. The terrorists' ranks and the killings, which had decreased in 1985, began climbing again.

The government insists that its fight is only with the militants, not the Sikhs—a people who, until a few years ago, were widely admired throughout India. But the cultural defamation and the disregard for innocent lives convince many Sikhs otherwise. At the very least, most Sikhs (and many non-Sikhs) believe that for political reasons the government is purposely mishandling the terrorist problem to keep the crisis going. India is 80 percent Hindu, yet Gandhi—a Hindu—has been losing popular support. A violent religious minority threatening public safety and national unity might lead Hindu voters to rally around him.

Inderjit Kaur, a Sikh mother of four, was one of the worshipers trapped in the Golden Temple during the 1984 raid. Found barely alive, with two bullets in her body, she was taken to a nearby hospital. While recuperating, her name was entered in the official government records as one of the "innocent civilians injured during the army action," according to the newsmagazine *India Today*. Nevertheless, Kaur was later taken to a jail in the city of Jodhpur. There, she and 365 other Sikhs were kept, on vague charges, for almost four years. The "Jodhpur *détenus*," as they are known, became a cause célèbre with international groups such as Amnesty International as well as among Sikhs, both extremist and moderate. The government used the *détenus* as a bargaining chip in its negotiations with Sikh political and militant leaders, treating innocent civilians as political bait. Last March, as part of a larger peace initiative, the government released Inderjit Kaur and 39 other *détenus*. Over 300 remain in jail.

I heard numerous bitter accusations of torture at the hands of security personnel. A journalist in Amritsar who had just visited a nearby jail told us he saw inmates covered with welts. In 1986 a commission sponsored by the state government and headed by a respected former judge looked into reports of torture of Sikhs at an interrogation center in the Patiala district of Punjab. The commission concluded that the reports were true: tactics included the use of electric shocks, fecal matter, and wooden logs that cause great pain, but leave no marks, when rolled across the thighs.

Another practice that does not fill the average Sikh with affection for his government is the so-called "fake encounter": deliberate killings of suspected terrorists during staged incidents or after capture. The government denies that its forces engage in such tactics. But another 1986 government-sponsored commission found that almost all of the 35 "encounters" it investigated were "faked." Plenty of the victims are ruthless terrorists whom the government would have trouble prosecuting (the terrorists routinely intimidate witnesses from testifying against them). But such tactics naturally alienate Sikhs. Ashok Singh Bhai, who runs the Sikh Institute in Chandigarh, the Punjab capital, showed me a recent newspaper headline: "12 TERRORISTS KILLED IN PUNJAB, THREE POSITIVELY IDENTIFIED." "If the police can't identify whom they've killed," complains Bhai, "how do they know they are terrorists?"

The security forces are trying to do a difficult job in rooting out Sikh militants, and they have the dead troops to prove it. But corruption within the forces, especially among the local police, undermines much of that hard-earned legitimacy. Dr. Shavinder Kaur Jauhal, a Sikh pediatrician from Ferozpur, complained: "The police take bribes. They arrest young men and demand 1,000 rupies for their release. If their families can't pay, the boys are killed." Police harassment, according to *India Today*, "has become a way of extorting money by force that has virtually no checks on it now." The Gandhi-appointed puppet governor of Punjab, S. S. Ray, receives hundreds of petitions each day about false arrests and disappearances of innocent people. (Describing his attempts to get close to the people of the state, Ray once said, "I have played tennis in every district in the Punjab.")

The press in India only occasionally takes on the central government's repression. American reporters in India almost never do. In April a pro-militant journalist was arrested for doing what a hundred other more objective journalists have done: interviewing terrorists inside the Golden Temple.

An impediment to the press is the lack of reliable, objective viewpoints. The politics of Punjab is a morass; people who criticize government actions, or defend them, usually do so to advance complicated religious or political agendas that have decades- or even centuries-old roots in Punjab history. I was introduced to a Sikh "civil rights" lawyer who said his clients were 300 innocent young Sikh men currently in jail. How did he know they were innocent? I asked. Because, he responded, no one could be found to testify against them. Pointing out that terrorists have been known to intimidate witnesses, I asked if his clients had killed anyone. "Oh yes," he said, "but only enemies of the Sikhs." When asked who these enemies are, the lawyer offered as an example "Nirankaris." Nirankaris are followers of a peaceful sect of Sikhism that orthodox Sikhs consider heretical. The militants have been gunning them down for several years.

Two weeks before the recent siege, my wife and I went to the Golden Temple to talk with one of the militants' chief spokesmen, Nirvair Singh. He is a leader of the Khalistan Commando Force, one of several armed groups fighting the government. It was evening when we took off our shoes and entered the temple complex. The marble tiles underfoot were still warm from the sun. We could see the temple sitting on an island in the middle of a large pool, its golden image shimmering on the surface of the water. As we moved along the tiled walkway that surrounds the pool we could hear the amplified voices of chanters inside the temple singing ethereal hymns from Sikh scripture. Along the walkways we saw young men wearing blankets across their chests, with rifle barrels poking out of the top.

We were ushered into a room where Nirvair Singh—tall and handsome, in his 30s—stood among a dozen younger bearded-and-turbaned men. Behind them on the wall was a banner that read "*Khalistan Zindabad*"—long live Khalistan. Khalistan is the name of the Sikh nation the militants wish to create. "Like others, we are fighting a war of freedom," Singh declared, "because people of every community have a right to have a place where they can feel free." Asked how free Hindus and Muslims would be in a Sikh-controlled state, Singh insisted that people of all religions would be able to worship as they please. We then broached the subject of the killing of innocent people. The butchering of entire Sikh families is a gruesome trend that began last fall. Police, of course, blame the militants, who they say are slaughtering families suspected of cooperating with the security forces. Singh, however, claimed that "no true Sikh would kill women and children." Who, then, is doing the killing? "The government," Singh responded. "They have Sikhs killed by hired assassins and we are being blamed."

The "hired assassins" line may sound far-fetched, but it is believed by large numbers of non-militant Sikhs, and it's taken seriously by many I talked to: from moderate Sikh intellectuals and journalists to a Western diplomat specializing in the politics of Punjab. They say the police, paramilitary, and Indian intelligence have organized ex-militants, smugglers, and other criminals willing to kill for money, into an army to hunt down the militants, their families, and other collaborators. In return, the gangs get the freedom to commit money-making crimes unimpeded by the government. After denying this for months, the government recently admitted it had financed and armed one such group. It has not admitted the group killed innocent families, only that the project "went out of hand" and had to be disbanded.

Proof of government complicity in these killings, if it exists, is certainly hard to come by. Steven Weisman, the New York Times's New Delhi correspondent, told me he went to the village where one of these government "death squad" killings allegedly occurred. The villagers he interviewed gave such wildly different versions of the events—some insisting the killings didn't even take place in their village—that he gave up on the story.

The killing of families remains a mystery, but it is understandable why the Sikhs put the government on their list of suspects, right beside the militants. If a solution to the terrorist menace in Punjab still exists, it undoubtedly includes the kind of courageous political settlement Rajiv Gandhi tried to bring about in 1985. But such settlements require trust; and with his own security forces jailing, torturing, ransoming, and killing innocent people, the prime minister these days is running a bit short on trust.

FEDERAL RETIREMENT APPLICATIONS PROCESSING ACT OF 1988

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. BONKER. Mr. Speaker, today I am introducing a bill to expedite the processing of retirement applications of Federal employees. The bill will assist Federal employees who wish to retire by requiring both the Federal agencies where they are employed and the Office of Personnel Management [OPM] to process retirement applications and related documentation in a more timely manner.

Before I discuss the provisions of this legislation, I would like to acknowledge those who have worked to develop this bill. First, I must commend Senator HEINZ and Senator GRASSLEY for introducing this legislation in the Senate on June 6, 1988. Mr. HEINZ has crafted an excellent approach to improving the system that currently does not serve our Federal retirees adequately. I have made only a few modifications to the bill, S. 2469, that Senator HEINZ authored.

Mr. Speaker, I want to thank my colleagues in the House who have joined me today as original cosponsors. It is obvious to me that with 60 cosponsors and a great deal of interest from other Members, a large number of us have heard horror stories from our constituents regarding unconscionably late pension benefit payments to Federal retirees. Both Democrats and Republicans alike are interested in making sure that Federal retirees are served fairly by the Government to which they contributed so much.

I am also pleased to say that the OPM is very supportive of our legislative effort to resolve the prolems in processing retirement applications. And I understand that this legislation is supported by the American Federation of Government Employees and the National Association of Retired Federal Employees. In fact, I am not aware of opposition to this bill.

Mr. Speaker, the objective of this legislation is to direct all Federal agencies to do a better job at processing the applications and supporting documentation of employees who plan to retire. Unfortunately, the facts we have about the effectiveness of Federal agencies in submitting retirement applications to the OPM indicates a very poor record. Many retirees wait 6 months or more for their first retirement check to arrive. It's obvious that for most individuals, a delayed retirement check would be as difficult to handle as a delayed pay check. Many retirees who do not receive their first check on time are forced to dip into savings, borrow from family, friends, or financial institutions, or simply go without some of the necessities of life. Federal retirees deserve better treatment.

It is important to note that agency retirement statistics from March 1988, and several other months reveal that the delays that many retirees experience are not the fault of OPM. In fact, OPM must wait for each retiree's agency to provide his or her retirement records and supporting documents before they can authorize the first annuity check. Once this has been done, the Treasury Department processes the check, and the Postal Service delivers it, usually within 20 days. The data that the OPM has provided to us shows that in March 1988, only 45 percent of the retirement applications made by all agencies were received by OPM within 30 days after the retiree left the agency. The worse news is that 29 percent were received between 31 and 60 days of separation and that an unconscionable 26 percent were received after 60 days. Some applications didn't get to OPM until even later. None of us can be proud of this record, including those agencies that put retirees in such a difficult spot.

Therefore, my legislation attempts to go to the root of the delays—the employees' agencies. I ask unanimous consent that following my statement several tables be printed in the RECORD that show agency retirement statistics from several months during the past 2 years.

Mr. Speaker, the bill I am introducing today amends title 5 of the United States Code to mandate that several important actions be taken by Federal agencies to improve the process for retirement by employees. First, it requires agencies to provide, in a consistent and timely manner, retirement counseling to advise retirees of the necessary procedures that they must complete to retire and collect benefits. Although this is currently done in many agencies, it is necessary to instruct agencies to carry out this important duty within 4 months of the intended date of separation, at the latest.

Second, the bill mandates that Federal agencies ensure that each new employee's personnel file is up to date within 180 days of the date that the employee joins the agency. This can be done very easily through verification of employee files subsequent to hiring and transfers. I believe it is essential that agencies make sure that each employee has an accurate employment record shortly after they are hired; this will prevent time-consuming investigations that must take place just prior to retirement when mistakes in personnel files are discovered years after they have been made.

Third, my legislation requires that once an agency has been notified by an employee of his or her intention to retire, that agency must take the appropriate measures in anticipation of separation to expedite the processing of the application and the necessary certificates. This process must begin 4 months prior to retirement at the latest.

Fourth, this legislation requires the OPM to make annual reports to Congress on Federal agency processing of retirement applications. The report will address the accuracy and completeness of the applications that agencies submit to OPM, and the timeliness of the applications. The OPM must also report on the time it takes OPM to process the applications and authorize the annuity payments. In the future, Congress will have a much better record of the deficiencies, as well as the good work of Federal agencies in getting initial payments to retirees as a result of the enactment of this legislation.

Fifth, agencies that have poor records in processing applications for retirement will have to prepare a corrective action plan, which specifies actions that will be taken to correct the problems that have created delays. Each agency's inspector general will review its corrective action plan and work with the agency to improve the application process.

Mr. Speaker, this legislation will not cost any money. I am informed that each agency has the personnel to process applications in a timely manner. But if we learn from the reports that the OPM will provide to Congress that this is for some reason beyond the capabilities of certain agencies, we will at least be able to develop other means to correct this sorry situation based on those reports. I have been told that some agencies are already starting to clean up their shops simply because we have drafted this legislation. I believe that when this bill is signed into law, we will already have accomplished some of our objectives.

I look forward to working on this bill with members of the Committee on Post Office and Civil Service and particularly my distinguished colleague Mr. ACKERMAN, who chairs the Subcommittee on Compensation and Employee Benefits. In addition, I would be pleased to have more cosponsors, and suggestions from my colleagues regarding this important issue for so many Federal employees.

CIVIL SERVICE SEPARATIONS—MARCH 1988 ANALYSIS

[Compiled by the Office of Personnel Management (OPM)]

	0 to 30 days		31 to 60 days		Over 60 days	
	Number	Percent	Number	Percent	Number	Percent
Quarterly Analysis—June 1987 to March 1988						
June 1987	5,570	56	3,298	33	1,092	11
September 1987	4,602	55	2,754	33	1,022	12
December 1987	3,767	56	1,778	26	1,259	18
March 1988	5,079	45	3,342	29	3,026	26

The "Big 13" agencies represent 93 percent of the records submitted in March 1988. Decreases or increases in submissions may be directly attributed to the activities of any one "Big 13" agency or to a combination of these agencies.

"BIG 13" AGENCY PERFORMANCES/RECORDS SUBMITTED WITHIN 30 DAYS

Agency	In percent			March 1988 records
	September 1987	December 1987	March 1988	
Veterans' Administration	82	68	77	1,166
Post Office	78	83	81	1,802
Air Force	63	75	54	917
Army	59	45	40	2,588

"BIG 13" AGENCY PERFORMANCES/RECORDS SUBMITTED WITHIN 30 DAYS—Continued

Agency	In percent			March 1988 records
	September 1987	December 1987	March 1988	
Interior	57	48	34	140
Army Corps of Engineers	54	36	38	141
Navy	48	44	30	1,161
Health & Human Services	46	40	1	564
Agriculture	39	44	26	427
Transportation	35	30	29	221
D.C. Government	13	5	5	164
Treasury	6	1	2	783
Justice	1	30	9	102

AGENCY RETIREMENT STATISTICS—MARCH 1988

Department/agency	0 to 30 days		31 to 60 days		Over 60 days		Total number of records
	Number	Percent	Number	Percent	Number	Percent	
House of Representatives	10	32	8	26	13	42	31
United States Senate	17	77	5	23		0	22
Architect of the Capital		0		0		0	0
Library of Congress		0	12	63	7	37	19
Government Printing Office	3	43	4	57		0	7
General Accounting Office	3	60	1	20	1	20	5
Supreme Court	4	80		0	1	20	5
Administrative Office/U.S. Court	18	17	22	21	64	62	104
Treasury/White House		0		0		0	0
CIA		0	1	6	15	94	16
Department/Agriculture	110	26	149	35	168	39	427
Department/Commerce		0		0	5	100	5
Department/Interior	47	34	55	39	38	27	140
Department/Justice	9	9	65	64	28	27	102
Department/Labor	14	14	35	34	54	52	103
Department/Navy	352	30	429	37	380	33	1,161
U.S. Postal Service/MN	1,802	81	268	12	162	7	2,232
Department/State	4	9	12	28	27	63	43
Department/Treasury	17	2	131	17	635	81	783
Department/Army	1,025	40	1,202	46	361	14	2,588
U.S. Tax Court		0		0	2	100	2
National Credit Union Administration		0	3	75	1	25	4
Federal Communications Commission		0	3	33	6	67	9
Federal Reserve Board		0		0		0	0
Federal Trade Commission		0		0	1	100	1
Interstate Commerce Commission		0		0	1	100	1
Nuclear Regulatory Commission	5	33	6	40	4	27	15
Smithsonian Institution		0		0		0	0
National Gallery of Art		0	1	50	1	50	2
International Trade Commission		0	1	50	1	50	4
Veterans' Administration	896	77	253	22	17	1	1,166
ACTION		0		0		0	0
Equal Employment Opportunity Commission		0	7	39	11	61	18
General Services Administration	11	14	39	46	34	40	84
National Science Foundation	2	24	1	13	5	63	8
Securities and Exchange	5	33	6	40	4	27	15
Federal Deposit Insurance Corporation		0		0	9	100	9
Department/Air Force	498	54	266	29	153	17	917
National Endowment/Arts	2	50		0	2	50	4
Railroad Retirement Board	2	67	1	33		0	3
Consumer Products Safety Commission	1	25	2	50	1	25	4
National Labor Relations Board	2	17	4	33	6	50	12
Tennessee Valley Authority		0	1	50	1	50	2
USIA	1	6	6	35	10	59	17
EPA	9	23	17	45	12	32	38
Department/Transportation	63	29	115	52	43	19	221
Overseas Private Investment Corporation	1	100		0		0	1
Agency/International Development		0	3	23	10	77	13
Small Business Administration		0	9	69	4	31	13
Department/HHS	6	1	59	10	499	88	564
Farm Credit Administration		0		0	3	100	3
NASA	16	22	20	29	34	49	70
Federal Home Loan Bank	1	16	4	67	1	17	6
Export-Import	1	50	1	50		0	2
U.S. Soldiers and Airmen	1	25	3	75		0	4
Department/Housing	16	64	6	24	3	12	25
Department/Energy	24	39	23	38	14	23	61
Selective Service System		0		0	3	100	3
Federal Mediation and Conciliation Service	1	100		0		0	1
Panama Canal Commission	17	77	5	23		0	22
Army Corps of Engineers	53	38	37	26	51	36	141
D.C. Government	8	5	38	23	118	72	164
Total	5,077	45	3,340	29	3,025	26	11,442

HONORING BLESSED ROSE PHILLIPINE DUSCHENE UPON HER CANONIZATION

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. BUECHNER. Mr. Speaker, this Sunday Pope John Paul II will elevate Blessed Rose Phillipine Duschene to sainthood in the Basilica of St. Peter. This heroic woman was a pioneer missionary to the new world, founding the first free school west of the Mississippi in St. Charles, MS, in 1818 and the first convent of the Society of the Sacred Heart of Jesus in the United States in Florissant, MS, in 1820.

When Pope John Paul II canonizes Blessed Phillipine, she will become the first saint from the Archdiocese of St. Louis. It is fitting that this nun, who pioneered education and missionary efforts in the new frontier and became an inspiration for all generations, should now receive the recognition she so deserves. Her example embodies the spirit of independence and self-determination which enabled the inhabitants of the frontier to blaze new trails in this Nation under God.

Born in Grenoble, France on August 29, 1769, Blessed Phillipine was surrounded by the fire and rebellion of the French Revolution. As a young girl, she applied her family's characteristic strong will toward a moral and virtuous life. One story tells of how Phillipine "discarded her dolls and threw herself into this ministry. To the children of the families she visited with her mother she gave her small possessions. To the beggars who came to the house she gave her spending money. 'But Phillipine,' her parents protested, 'we give you that for your pleasure,' 'This is my pleasure,' said Phillipine."

Despite her father's objections and the uncertainty of the times, Phillipine's desire to enter the noviceship burned deeply. The year was 1787, and 18-year-old Phillipine was removed from the formal preparation to religious life. The French Revolution resulted in the expulsion of many religious communities, including her teachers, the Visitation Sisters. But, Phillipine continued her personal preparation for service by compassion and immediate contact with human suffering and misery. She was true to her tasks, receiving abilities equal them.

After an effort to resume the Visitation convent's work failed, the determined Duschene discovered the Society of the Sacred Heart, and offered this new group's founder, St. Madeline Sophie Barat, the convent's buildings. Barat brought a new direction and focus to Rose Duschene's life. Mother Barat tempered Duschene's desire to mission to the Indians in North America. Though the idea was reintroduced to Phillipine in 1806, she finally set off for America in 1818. After 11 tumultuous weeks on the Atlanta, Duschene's delegation landed at New Orleans. Forty-seven days later, the group reached St. Louis on May 29, the feast of the Sacred Heart.

Bishop Louis William DuBourg sent Rose and her companions to St. Charles where they found French, Creole, and English Catholics, poor and in need. It was here these women, opened the first free school west of the Mississippi. Phillipine's efforts blossomed, with the founding of a convent, a boarding school, and a novitiate in Florissant, MS. Her accomplishments would later include an orphanage, academy, free school in St. Louis, and a series of her society's houses from New Orleans to St. Louis.

Despite her success, Blessed Phillipine had still not realized her lifelong dream of working with the Indians. So the 71-year-old future saint embarked on a journey west carrying the dream she had held since her childhood. She arrived in what was to become Kansas with the hope to minister to the Native Americans, but could not master the Potawatomi language. But this builder of Catholic America knew a language spoken among every nation and every race. . . the language of kindness and love. Indians named her "Woman Who Always Prays," inspired by her dedication and unwavering faith.

She returned to St. Charles where on November 18, 1852 her life ended. We remember her now as her sainthood begins. We recall the words of Father Pierre Jean DeSmet: "No greater saint ever died in Missouri," he said, "or perhaps in the whole union."

More important than the death of Mother Rose Phillipine Duschene, however, is the example she gave to both the people of the frontier, and we who reflect today. "I marvel at the power of grace," Mother Duschene said, "which makes me happy in the separation from all I love best and without any success which could make me forget my sacrifices."

Mother Duschene may have thought at one time that she was unsuccessful, in fact she wrote from Florissant in 1820, "Saints are needed for work among souls so little prepared. I am all the more distressed not to be one." This humble frontier missionary has been proven otherwise.

On May 12, 1940 Mother Duschene was given the title of "Blessed" and "declared worthy of veneration and imitation."

Mr Speaker, I join the people who remember Blessed Phillipine and pray for her intercession as they celebrate her canonization. I congratulate the Archdiocese of St. Louis and those who have worked to honor and commemorate Blessed Phillipine Duschene.

THE CRISIS IN CIVIL ACTIONS FOR WORKERS INVOLVED IN ASBESTOS-RELATED CLAIMS

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. DONNELLY. Mr. Speaker, I would like to submit for the record a copy of a resolution which was recently adopted by the general court of the State of Massachusetts, addressing the problem of judicial review of asbestos-related damage suits. While the crisis in the District Court of Massachusetts is particularly acute, this situation exists nationally, and I urge my colleagues attention to this growing problem in our civil court system.

RESOLUTIONS URGING THE U.S. DISTRICT COURT FOR MASSACHUSETTS AND THE MASSACHUSETTS CONGRESSIONAL DELEGATION TO ALLOCATE ALL NECESSARY RESOURCES TO ENSURE THE EFFECTIVE DISPOSITION OF ASBESTOS-RELATED CLAIMS

Whereas, many citizens of the Commonwealth suffering from asbestos-related diseases are currently seeking redress for their injuries through the U.S. District Court; and

Whereas, there are almost 2800 cases relating to asbestos disease, making up more than one-third of the civil docket, currently pending in the U.S. District Court in Massachusetts; and

Whereas, the plaintiffs in these cases have been subject to long inordinate delays, some spanning more than seven years, in having their cases brought to trial and, along with their families, are enduring the serious hardships resulting from these delays; and

Whereas, there have been many victims who have died from their diseases and whose families are still awaiting court assignment of their cases, therefore prolonging the period of grief and anguish which they have already endured; and

Whereas, the administration of asbestos disease cases in the U.S. District Court in Massachusetts has been shown to be one of the worst in the Nation with the length of disposition averaging over six years, more than five times the length of non-asbestos case dispositions, and the U.S. District Court, is at least nine years away from eliminating the current backlog of asbestos cases under its present rate of scheduling; and

Whereas, these delays and inaction add to the physical, emotional and economic suffering of the victims and their families and are insensitive to their need for support and right to litigation; and

Whereas, the demand for remedial action by the court has been urged by local governmental bodies, community and civic groups, organized labor and thousands of private citizens from across the Commonwealth; therefore be it

Resolved, that the members of the Massachusetts House or Representatives join with the victims and their families, and with all others concerned, to urge the U.S. District Court and the U.S. Congress to allocate all necessary resources to ensure that asbestos cases are no longer effectively discriminated against, but are expedited, rather, with the same deliberate speed as non-asbestos cases on the civil docket, and request that the chief justice of the U.S. District Court in Massachusetts commit publicly to a definite timetable and to streamlined procedures which will eliminate the present asbestos-case backlog by a specific date; and be it further

Resolved, that a copy of these resolutions be forwarded by the Clerk of the House of Representatives to Chief Justice Frank H. Freedman of the U.S. District Court in Massachusetts and the Massachusetts congressional delegation.

FALSE PROMISES

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. McEWEN. Mr. Speaker, Nicaraguan Dictator Daniel Ortega is off on an official visit to see his Marxist comrade-in-arms and fellow Dictator Fidel Castro, who welcomed his recent arrival in Havana with a 21-gun salute and a bear hug.

Commandante Ortega deserves such fine treatment from his long-time mentor and island neighbor. He has had a very successful year. Not in Nicaragua, Mr. Speaker, where the economy is in ruins. No, this is not where he has made his most impressive marks. It is the U.S. Congress.

The Nicaraguan dictator has racked up a list of foreign policy successes that would make Lenin and Stalin proud.

He has won a majority in the House with his false promises of democratization and peace while his Interior Ministry thugs take to the streets of Managua and fill Thomas Borge's prisons and harass the opposition newspaper La Prenza.

As the dictators meet to affirm their solidarity against the United States and democracy, the freedom fighters starve in the jungles—courtesy of the majority leadership in Congress.

PRICE CAPS: A CONCEPT TO EXAMINE

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mrs. COLLINS. Mr. Speaker, in May, the Federal Communications Commission [FCC] adopted a further notice of proposed rulemaking regarding price cap regulation. As one who has been critical of many FCC operations in the past, I was pleased to see that this new proposed rulemaking, comprising nearly 300 pages in length including appendicies, put more "meat on the bones" on this concept than did the first FCC effort in August, 1987.

Price caps are a marked departure from the current rate-of-return regulation now imposed on the regulated telecommunications industry. I believe we should thoroughly examine this effort to ascertain if benefits to consumers are increased by price caps, if cross-subsidies can be eliminated, if quality of service can be accurately monitored, and if it would encourage innovation by providing marketplace incentives to lower prices and encourage companies to deploy new technologies and services for consumers more rapidly. All of us would agree, I believe, that rate-of-return regulation is badly outdated. For nearly 50 years, this has been the method of regulating telecommunications utilities. Rate-of-return regulation has placed more emphasis on profits companies can make rather than on what prices consumers must pay.

The telecommunications environment is changing rapidly and State, as well as Federal, jurisdictions are evaluating regulatory alternatives to rate-of-return regulation. Nearly one-half of the States have evaluated or are evaluating a variety of alternatives to rate-of-return in their legislatures or public utility commissions. In my home State of Illinois, the General Assembly in 1985 passed a major rewrite of the Public Utility Act introducing more competition in the telecommunications industry, while preserving protection for those consumers who are unable to easily afford universal service.

It is my understanding from reading the proposed rulemaking that price caps will not affect the State commissions' ability to regulate local rates since the plan applies only to the Federal interstate portion of telephone regulation. That is an important distinction to be made in order that we do not try to radically alter regulation of the local loop in this process.

In conclusion, Mr. Speaker, I look forward to ongoing discussions about this new form of regulation. A hearing is planned in the House Telecommunications Subcommittee, on which I serve, for mid-July and others may follow. I believe that as we deliberate on this important matter, the regulatory process should go forward. Mid-course corrections to the plan can and should be made. Price caps are worth examining to see if they meet the key test: "Will the American consumers markedly benefit from them or not?"

ONE MAN'S VIEW

HON. JAMES H. BILBRAY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. BILBRAY. Mr. Speaker, I rise today to call to the attention of my colleagues an article recently published in the Henderson Home News concerning the Great Basin National Park in Nevada, and of the rightful pride Senator HARRY REID may take in his efforts in bringing this magnificent area to the Nation's attention and to protect it for generations of Americans to come.

Senator REID, who preceded me in representing Nevada's First Congressional District in the Congress, recognized the unique beauty of these lands had to be preserved. Leading efforts within Nevada, and working closely with our colleagues on the Interior Committee, Senator REID led the Nation's focus to the majestic beauty of Wheeler and Baker Peaks, and rallyed congressional action to dedicate this crown jewel as a national park. Without his leadership and efforts, the Great Basin National Park would not have been dedicated last year.

Mr. Speaker, I commend the article, written by the respected former Governor of Nevada, Mike O'Callaghan, to my colleagues:

The article follows:

ONE MAN'S VIEW

(By Mike O'Callaghan)

Great Basin National Park is everything that Sen. Harry Reid hoped it would be when he was fighting to make it a legal reality. The snow on towering, 13,063 foot Wheeler Peak and on lesser 12,298 foot Baker Peak greeted the visitors from rapidly heating Clark County last week.

The campgrounds all the way from Lower Lehman Creek at 7,500 feet up to the 9,950 foot level Wheeler Peak Campground were filled for the long Memorial Day weekend. The license plates on the vehicles of visitors were from at least 11 states including Ohio and Michigan.

Carolyn, my wife, and I stopped for refreshments with Juanita Miller at Major's Place before making the sharp turn east on the way to Baker last Thursday. During our stop at Major's Place we learned the trout were biting on Silver Creek and in the reservoir. The next day before heading up to the park we caught our limit of trout in the Silver Creek Reservior to make certain we had dinner that evening.

A short hike on a park nature trail and up a couple of ridges to get some photos of Wheeler Peak was a good way to start the visit. Then we jumped in our rig and drove to the snow and Wheeler Peak Campground.

The air was crisp and the camp fires were surrounded by entire families getting ready for dinner. The kids, in warm clothes, were throwing snowballs and some grandparents were taking pictures of the young ones. You could easily imagine they were taking pictures of the present activities but their minds probably were wandering back over the years to their earlier days.

The following morning was spent at Cave Lake, which was surrounded by Las Vegans, and then on for a visit in Ely with pal Nobuo Nakashima. Later in the day we viewed the Robinson mining project at Ruth and then attended services at St. Michael's Church in McGill.

We planned to spend the next day, Sunday, hiking into Stella and Teresa Lakes and up to the bristlecone pines in the park. Mother Nature took over and early Sunday morning the temperature in Baker dropped to the thirties and a snowstorm along with even colder weather dominated the upper levels of Great Basin National Park. Several inches of fresh snow covered the mountains and by late afternoon, while we were busy catching another dinner at Silver Creek Reservoir, the storm continued to swirl around the cloud covered peaks. It wasn't a day for a pleasant hike at the 10,000 foot level of the park.

I'm glad we had to settle for more Silver Creek trout that evening as we watched the snow stick to the sagebrush outside of Baker. The trout were delicious and planning for our next trip to hike into the lakes was like dessert.

If you are planning a summer trip with the family don't overlook White Pine County or the Great Basin National Park near Baker. If it is during a recess of Congress let's hope you run into the Harry Reid family enjoying the mountains. After all, the legislative leader who helped create the Great Basin National Park should find time to enjoy it at every opportunity.

ASSURING THE COMPETITIVENESS OF U.S. FINANCIAL INSTITUTIONS

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. LAFALCE. Mr. Speaker, as we approach this holiday weekend during which we celebrate the most important single event in our history as a nation, I would like to discuss a matter that will have significance in our economic history. The Congress is now considering whether to shed the shackles of the Glass-Steagall Act from our Nation's banks and declare them independent to compete in world markets. I believe this action will be necessary in order to preserve the preeminence of the United States in the world's financial markets.

The potential loss of our place at the top of financial markets was brought home to me by a very good white paper prepared by the Institute of International Bankers entitled "Global Survey of Permissible Activities for Banking Organizations in Major Financial Centers Outside the United States." The Institute prepared this study to show the developments in the powers of banking organizations in nine major countries and in the European Economic Community. It is clear that the trend in other countries is to permit banks to engage in securities, insurance, and real estate activities as well as to hold investments in industrial companies.

The developments in the European Community are of particular interest. Just as 1776 is a noteworthy date here, 1992 will take on a great deal of significance for banks that are based in European Community member states. By that year, a unified banking system will be implemented that will include authority for banks from different member states to conduct full securities activities in all of the other member states. Thus, there will be a single banking market in Europe in which banks will have access to 321 million people. This is but one example of the progressiveness on the issue of bank powers in other countries.

It is worthy of note that American banks are taking advantage of the authority to engage in full securities activities as well as other business lines abroad. However, if they can engage in these activities overseas and provide services to their customers abroad, why should consumers of financial products and services come to New York, Chicago, or Los Angeles where banks and other U.S. financial institutions are narrowly and artificially limited in the financial products and services that they may offer?

The Institute is to be commended for making this valuable contribution as we debate the future of the financial industry in this country. We did not hesitate to look to the work of philosophers from abroad to formulate the fundamentals of the American ideal of government. Accordingly, we also should not shy way from the learning in other countries on how best to structure our financial system in the context of an increasingly global and internationally integrated market for financial services and products.

SANTA BARBARA VICTORIA STREET COMMUNITY HOUSE

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. LAGOMARSINO. Mr. Speaker, I would like to take this opportunity today and recognize the remarkable efforts of those members of the Santa Barbara community who worked toward the purchase of the Victoria Street Community House to provide a permanent home for three local charities. They include the Council of Christmas, the Retired Seniors Volunteer Program, and the Child Abuse and Listening Mediation.

Mr. Speaker, under the outstanding leadership and direction of Larry Crandell and Richard Berti, several business and civic leaders of the Santa Barbara community donated hundreds of hours of their time and energy on behalf of the charities to gain the financial support of the community in order to purchase the building site located at the corner of Chapala and Victoria Streets in Santa Barbara. The group was able to raise the $1,250,000 through several major grants, gifts, small donations, individual loans, and a consortium of five Santa Barbara lending institutions who provided the mortgage financing for the purchase of the building.

The building will provide space for the three agencies benefitting abused children and their families, as well as the elderly and the indigent. In addition, the building will also provide space to other community nonprofit agencies serving the needs of the Santa Barbara community.

Mr. Speaker, community cooperation is the hallmark of this project. I applaud the efforts of these devoted citizens showing real volunteer spirit through pooling resources to provide services to the community in a more efficient manner.

RALPH "SAM" SPENCER

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. KOSTMAYER. Mr. Speaker, on Tuesday, June 28, 1988, Ralph "Sam" Spencer passed away at age 71. With Sam's passing, I lost a friend and the people of Bucks County and Tullytown lost a dedicated citizen, devoted to community service. Sam was born and raised in Apollo, PA, served his country in World War II as a member of the U.S. Navy, and spent the last 27 years living and serving the people in the community of Tullytown, PA.

Sam dedicated much of his life to local government. Sam served as a member of the Tullytown Borough Council for the last 3 years, he was a Borough Democratic Committeeman for 20 years, he had been a member of the Bucks County Executive Board for the Democratic Party, and was a founding officer of the Tullytown Democratic Club.

Fortunately, Sam's energies were not spent on politics alone. He was a vital member of many of the area's volunteer organizations. Sam was a lifetime member of the Volunteer Firemen of Armstrong County, and was also a member of the Tullytown Volunteer Fire Company. He was an active member of both American Legion Post 961 of Tullytown and Fallsingtown American Legion Post 834. Sam was involved with many service projects as a member of the Bristol Moose Lodge, the Tullytown Lions Club, and the Fairless Works Retirement Club. In recognition of his long years of community service he received the Tullytown Lifetime Community Service Award.

Tullytown Borough is a small community of only 2,500 souls. Sam Spencer's efforts were felt by everyone who lived there and many people throughout the entire county. Personally, he was a source of great support, and taught me invaluable lessons about life and human nature. Sam Spencer passed away with the knowledge that he was loved and respected by many, and that he made the lives of people around him better. Sam is survived by his wife, Francis, his daughter, Linda Mazenko, four grandchildren and one great grandchild.

URANIUM REVITALIZATION ACT

HON. HOWARD C. NIELSON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. NIELSON of Utah. Mr. Speaker, on behalf of my colleague, Mr. CHENEY, who is absent today because of illness, and 27 other Members of the House, I have today introduced legislation to revitalize the domestic uranium industry and reform the Government's enrichment operations.

The background of this legislation is as follows: Back in April, 47 of us introduced H.R. 4489, the Uranium Revitalization, Tailings Reclamation and Enrichment Act. This legislation was patterned after S. 2079, which was approved by the other body on March 30 by a vote of 62 to 28.

H.R. 4489 includes three titles. Title I would repeal the requirement of section 161(v) of the Atomic Energy Act that enrichment of foreign uranium be restricted in order to maintain a viable domestic industry. Instead, it imposes for an interim period charges for the use of foreign uranium above specified levels.

Title II of H.R. 4489 creates a system for funding the reclamation of mill tailings based on contributions by the Federal Government, nuclear utilities and the owners or licensees of mill tailings sites.

Title III creates a Government enrichment corporation to operate the Federal Enrichment Program as a commercial enterprise.

The pending free trade agreement with Canada has a direct bearing on H.R. 4489 because it would repeal with respect to Canadian uranium the statutory requirement for restrictions on the enrichment of foreign uranium without providing any alternate program to preserve a viable domestic industry.

It has been proposed that the administration include in the legislation implementing the free trade agreement the program of charges for the use of foreign uranium contained in title I of H.R. 4489.

In an effort to develop an alternative to this proposal, the administration has conducted extensive negotiations in recent weeks with the utility industry and the uranium producers. There has emerged from these negotiations a compromise alternative to the title I program. The compromise proposes a 5-year $750 million procurement program to buy domestic uranium for use in enrichment operations. The Secretary of Energy would purchase the uranium through competitive bidding with funds from a uranium revitalization fund, which would also be used to fund the reclamation of mill tailings. The fund would be financed by a $450 million contribution from the U.S. Enrichment Corporation, a $300 million contribution from uranium producers and a $1 billion contribution from the licensees of nuclear reactors. $1 billion would be available from the fund for the reclamation of mill tailings in accordance with existing law.

The compromise includes the provisions of title II of H.R. 4489 for the reclamation of mill tailings, and title III, which creates the enrichment corporation.

Mr. Speaker, it is not yet clear whether the compromise I have described can be included in the legislation implementing the free trade agreement. Discussions are still ongoing between Congress and the administration on that issue and many of us continue to believe that it would be appropriate to include the compromise as part of the agreement.

On Tuesday, June 28, Chairman UDALL held hearings before the Interior Committee on H.R. 4489 and the compromise proposal. Because of interest expressed by other members, we are today introducing the compromise in legislative form so that both the original bill, H.R. 4489, and the compromise will be formally pending before the appropriate committees of the House.

NATIONAL MEDICAL RESEARCH DAY

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. HOYER. Mr. Speaker, today it is my great pleasure to introduce a resolution which designates September 14, 1988, as "National Medical Research Day." This year we are celebrating the centennial of the National Institute of Health, and it is indeed appropriate that to continue the momentum generated by this 100th anniversary celebration we commemorate the priceless contributions made to the health and well-being of the citizens of the United States and the world by America's medical research enterprise.

The breakthroughs in health promotion and disease prevention generated by the Federal centers for medical research—the National Institutes of Health, the Alcohol, Drug Abuse, and Mental Health Administration, the Centers for Disease Control, and the Veterans' Administration—as well as research undertaken through private sector initiatives has saved countless lives and improved the health of virtually every American and member of the world community. The list of health and economic benefits provided by medical research and the promise of new treatments and potential cures for the diseases and illnesses that still plague humankind serve as ample justification for the celebration of October 1 as National Medical Research Day.

Diseases that once killed or incapacitated millions—such as tuberculosis and polio—have been virtually eradicated. Medical research has also led to the discovery of DNA as the molecular basis for inheritance, the development of new, innovative pharmacological and surgical techniques to combat cancer and heart disease, the discovery of the causative agents and possible treatment and cures for infectious diseases such as AIDS and legionnaire's disease and the identification of the genetic basis for addictive disorders. As the result of these and other advances, American medical research has become the envy of the entire world.

ASSURE TIMELY DELIVERY OF CIVIL SERVICE, RAILROAD AND MILITARY RETIREMENT, AND BLACK LUNG BENEFIT CHECKS

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. DWYER of New Jersey. Mr. Speaker, today I have introduced a package of four bills to insure the timely delivery of Federal pension checks to railroad retirees, military retirees, civil service annuitants and recipients of black lung benefits.

Currently, the Post Office receives benefit checks on a specified date, usually the first or third of the month. In the event the date of disbursement falls on a Saturday, Sunday or a holiday, the Post Office will deliver the checks on the next available business day. As a result, retirees many times must wait several days before they receive their check. In some instances, these checks have already been delivered several days in advance to the Postal Service, which must then hold the checks until the designated date of delivery. For those individuals who depend on their monthly checks as their sole source of income, this delay can pose an unnecessary hardship.

As a result, in 1977 Congress approved Public Law 65-216, which included a provision to provide for the early delivery of Social Security benefit checks whenever the regular delivery date for payment of either Social Security or Supplemental Security Income checks falls on a Saturday, Sunday, or a legal public holiday. Unfortunately, Congress never extended this courtesy to the 4.4 million recipients of civil service, railroad and military retirement benefits and black lung benefits.

My legislative package would simply assure other Federal retirees the same treatment already afforded to recipients of Social Security benefits. Under my legislation, railroad retirees, military retirees, civil service annuitants and recipients of black lung benefits would be assured early delivery of their benefit checks in the event the day regularly designated for delivery falls on a weekend or a legal public holiday. Thus my legislation would place this smaller group of retirees on equal footing with recipients of Social Security benefits. I urge my colleagues to support this long overdue legislation.

HONORING JOE ANDERSON

HON. J. DENNIS HASTERT

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. HASTERT. Mr. Speaker, one of the most outstanding civil leaders in my congressional district, Joe K. Anderson of St. Charles, has just recently been selected to receive one of the highest honors in Scouting, the Distinguished Eagle Scout Award.

During the past four decades, Joe Anderson has focused his attention on his community. He has provided leadership to many organizations including serving as president of the Kane County Livestock Association, as president of the St. Charles Community Chest, as commander of American Legion Post 342 in St. Charles and as president of the Rotary Club.

He was founder of the Tri-City Salvation Army and has been a 25-year member of the Tri-City Red Cross Board of Directors. He has served three terms on the St. Charles School Board and one term as a member of the board of directors of Augustana College. A decade ago, he was selected as recipient of the Charlemagne Award for outstanding contribution to his community, St. Charles.

His career with Scouting dates back more than 50 years. He earned his Eagle Scout Badge in 1933 and became an assistant Scoutmaster in 1937. He has served as chairman of the Two Rivers Council annual golf outing and has helped raise more than $50,000 in support of Scouting activities. Just last year he received the Silver Beaver Award in recognition of his distinguished service to youth.

Mr. Speaker, today I salute Joe K. Anderson and commend him for his sense of service to his community and to youth, our future leaders.

EXTENSION OF AMERICAN CANAL PROJECT

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. COLEMAN of Texas. Mr. Speaker, I rise today to introduce a piece of legislation that directs the Secretary of State acting through the Commissioner of the International Boundary and Water Commission to construct, operate, and maintain an extension of the American Canal in El Paso, TX.

The construction and operation of an extension of the American Canal which would lie wholly in the United States would provide for a more equitable distribution of waters between the United States and Mexico, reduce water losses, and eliminate many hazards to public safety.

In 1976, this construction program was authorized to be administered by the U.S. Bureau of Reclamation. The American Canal Extension, a feature of the Rio Grande project, would be located along the Rio Grande within the city of El Paso, county of El Paso, in southwestern Texas. The extension project would consist of enlarging about 1.4 miles of the existing American Canal, constructing a 13-mile extension of the American Canal, modifying traffic and drainage structures, and eliminating a portion of the existing Franklin Canal.

This project would bestow numerous benefits upon this area in southwest Texas, and the canalization effort enjoys the support of local, State and Federal agencies. The two most directly involved Federal agencies, the Bureau of Reclamation and the International Boundary and Water Commission, have voiced favorable opinions for this project in view of the fact that numerous benefits would arise from the extension of the American Canal.

Primarily, this extension would result in the salvage of between 12,000- and 22,000-acre feet of water lost annually due to seepage. Water transportation losses fluctuate greatly in the Franklin Canal as well as the Rio Grande due to the dirt lining and seepage losses, and salvaged water could increase annual allotments to each water right acre if a cement lined canal was available. The value of this amount of water that would be conserved to a community such as El Paso is enormous.

Another benefit would be derived would be the elimination of health and safety hazards to the citizenry of El Paso. The current use of the Franklin Canal, located in a downtown area, has created a health and safety problem in that refuse and garbage are illegally dumped in the canal, creating a breeding ground for bacteria. Disease-carrying mosquitos, spiders, scorpions, and snakes breed and live in the vegetation along the canal, and stagnant water during the months when irrigation is not carried through the Franklin Canal creates further health problems due to contamination.

In addition, a number of drownings occur every year in the canal because of its proximity to public housing. The 5.5 miles of the Franklin Canal I am proposing to eliminate have the heaviest density of population per square mile than any other area of El Paso. The average size of family in this area is 5.6 persons, and the largest percentage of children in the families are less than 13 years of age and have no access to public or private swimming pools. The proposed extension would render the Franklin Canal obsolete and it could be filled in for some more beneficial public use in the area.

The possibility of international friction between Mexico and the United States would also be reduced if the American Canal is extended. The present canal does not allow optimal control over the portion of water belonging to the United States and illegal diversion of water is taking place by Mexican farmers. It is widely believed that potentially disruptive international issues might arise from the commingling of the waters of the United States and the waters of Mexico in this reach of the Rio Grande, while such issues would not arise if a canal extension were constructed and operated wholly on the American side of the river. The proposed extension would eliminate that diversion and would eliminate the source of potential disputes and tension.

This project would have the added benefit of creating construction jobs as well as other employment opportunities in a border area that is beset with economic problems and high unemployment as well as address numerous problems involving this community's most vital natural resource—water.

I ask for the support of my colleagues for this worthwhile project.

A TRIBUTE TO OBIE HENEGAR

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mrs. LLOYD. Mr. Speaker, today I proudly rise to pay tribute to Obie Henegar, a most special resident of my district. Mr. Henegar will retire from service to the city of Oak Ridge on July 8, 1988, where he has been director of the Oak Ridge Senior Center since its 1977 opening. Under his leadership, the Senior Center has grown dramatically in progress and attendance. Mr. Henegar should receive special commendation for his involvement with the Senior Olympics, a much acclaimed and much needed program.

The proud father of five children and seven grandchildren, he has served his nation and his city well these last 40 years. After service in the U.S. Marine Corps from 1948 to 1950, he worked at the Oak Ridge Gaseous Diffusion Plant and joined the city of Oak Ridge Recreation and Parks Department in 1964.

Mr. Speaker, I am deeply honored to be given the opportunity to herald such a fine public servant. In fact, I hope to personally thank and congratulate Mr. Henegar in the very near future. We must always remember the importance of those who demonstrate their love for our institutions and our people with devoted service. Mr. Henegar is just such a man, and I know his importance to the great city of Oak Ridge will long continue.

LEGISLATION TO PUMP $1 BILLION INTO THE SAVINGS AND LOAN INDUSTRY INTRODUCED

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. ANNUNZIO. Mr. Speaker, today I am introducing legislation that will pump roughly $1 billion into the savings and loan industry, and it will be done without costing the taxpayers 1 cent.

Mr. Speaker, in December 1984 the Federal Home Loan Bank Board created 15 million shares of participating preferred stock of the Federal Home Loan Mortgage Corporation [Freddie Mac]. The stock was distributed to the savings and loan industry to improve the capital position of individual institutions. However, the value of the stock has never really increased because of a restriction that the stock can only be held by members of the Federal Home Loan Bank System. In short, that means that savings and loan institutions can only sell the stock to each other, an extremely small market. Because of the small market, the price of the stock has been undervalued and there has been little sales activity in the Freddic Mac stock.

The legislation that I am introducing today, along with the gentleman from Ohio [Mr. WYLIE], and the gentleman from Indiana [Mr. HILER], would remove the ownership restriction on the Freddie Mac stock. It would allow the stock to be sold to anyone, regardless of their affiliation with the Federal Home Loan Bank System. It must be pointed out that while this bill will indeed raise an impressive amount of money for the savings and loan industry, it will in no way interfere with the operation of the Federal Home Loan Mortgage Corporation since this is nonvoting stock.

I want to commend Senator ALFONSE D'AMATO of New York, who introduced this legislation in the Senate earlier this month. Senator D'AMATO has indeed come up with an important way to raise money for the thrift industry and at no cost to the taxpayers. I commend him for his vision in this area, and I am happy to be the House sponsor of the companion legislation.

At the present time, the Freddie Mac stock is held by some 2,900 savings institutions. For the most part, since the issuance of the stock, the trading price has remained fairly constant. However, since the first introduction of the legislation to lift the restrictions, there has been a dramatic increase in the price of the stock. On June 3, the stock was being traded at a price of $62 per share. On Monday of this week, June 27, the value of the stock had increased to $91.50. Nearly a $30 jump in 3 weeks. This increase was brought about by the belief that the restrictions on Freddie Mac stock ownership would be removed by the Congress. If the stock has increased in value merely on speculation that Congress will act, you can imagine the increase that will take place once the restrictions are lifted.

Savings and loan officials have estimated that at the very least, passage of this legislation will increase the total value of the outstanding Freddie Mac shares by nearly $1 billion. That money will immediately boost the capital position of savings and loans throughout the country. That is money that can be used to make housing loans, which in turn will generate more income for the savings and loan industry.

Mr. Speaker, it is my fondest hope that this legislation can be passed by the House quickly, so that we can get the money to the savings and loan industry as quickly as possible. I hope that we can use whatever expedited procedures are available to pass this much needed legislation.

LOGAN AIRPORT FEE STRUCTURE

HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. HOUGHTON. Mr. Speaker, unfortunately a point of order was made against language in the Department of Transportation appropriation bill concerning MASSPORT's PACE Program to boost landing fees at Logan Airport for operators of small private planes.

This was unfortunate because the MASSPORT proposal blatantly discriminates against smaller and lighter aircraft and could have profound and far-reaching consequences for air service throughout this country.

MASSPORT's plan departs from the traditional method of determining airport landing fees and instead uses a per landing basis. The increases, which are scheduled to go into effect July 1, could hurt the economies of more than 40 communities in the northeast and mid-Atlantic regions that depend either exclusively or primarily on commuter aviation for access to the major carriers at hub airports.

Logan Airport has decided that it can ignore Secretary Burnley's request to delay implementing a radical landing fee structure and the U.S. District Court in Boston is being asked to rule that the PACE plan violates Federal statutes that prohibit airports from unjustly discriminating against air carriers.

Mr. Speaker, Logan Airport is the beneficiary of Federal funding as evidenced by the money appropriated in this transportation bill. Logan Airport is introducing a discriminatory fee structure that goes against Federal policy. At the very least, Logan should give the Federal Government time to investigate this fee structure.

JUNETEENTH DAY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. RANGEL. Mr. Speaker, I would like to share the passing of a special occasion with my colleagues. It is called Juneteenth Day, the day which commemorates the freeing of the last black slaves in America. Juneteenth Day is celebrated on June 19; and it represents a very important date in black history; and in America's movement toward a truly democratic society.

When Abraham Lincoln made the Emancipation Proclamation on January 1, 1863, he declared all slaves in the Confederate States free. These States were still resisting the Union, and hence ignored the proclamation. On June 19, 1865, Gen. Gordon Granger landed near Galveston, TX, and informed the slaves of their freedom. The news quickly spread through the remaining Confederacy, thus marking the beginning of the celebration of Juneteenth Day.

With the Fourth of July celebration only a few days away, I believe it is fitting to share this special day with you and my colleagues. This is a part of the American experience that we must take note of.

Juneteenth Day is celebrated with a lot in mind: The pain and suffering of the road toward the abolition of slavery was a long and emotional one. In celebrating this day we can capture the joy and thanksgiving with which our forefathers celebrated their freedom.

ST. LOUIS POSTAL SERVICE RATED NO. 1 IN QUALITY OF SERVICE

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 30, 1988

Mr. CLAY. Mr. Speaker, I want to share with my colleagues the article in the spring issue of the Postal Life magazine praising the St. Louis Division of the U.S. Postal Service for being No. 1 in delivering quality service. Postal employees in St. Louis are to be commended for their hard work in turning around the St. Louis Postal Division.

It was not long ago that St. Louis was ranked 56th out of 58 cities in a nationwide study by the banking industry of post offices on how fast mail gets from point to point. Back in 1984 and 1985 I was in constant contact with the Postmaster General about St. Louis' mail delivery. While the St. Louis Postal Service was being unfairly maligned by certain elements in the business community which used its own unscientific methods to rate the St. Louis postal system, nevertheless there was ample concern expressed by my constituents about their mail delivery. The Postmaster General responded quickly to my request for an investigation into the quality of postal services in St. Louis and steps were taken to improve mail service. One of the corrective steps was the assignment of John Goodman as the executive assistant for customer relations in St. Louis. Goodman, now St. Louis Postmaster, has worked closely with the postal employees to make St. Louis No. 1 in delivering quality service. John Goodman credits postal employees for the turnaround and the success they have achieved. Cooperation between management and employees proves that teamwork pays off. The ultimate winners are the postal customers who expect and are receiving prompt, courteous and efficient service.

The St. Louis Division of the Postal Service received the "Eagle Award" for having the best overall quality/service performance in its region. In addition, St. Louis soared from a 56th place finish to first place nationwide in how fast it moves mail. The St. Louis statistics speak for themselves: 6 percent reduction in mishandlings and 14 percent reduction in delayed mail; 28 percent improvement in parcel post service performance, 16 percent in express mail service, and 5 percent in priority mail service.

The U.S. Postal Service increasingly has come under attack by the Reagan administration which advocates turning over mail services to the private sector. This would destroy universal mail service by allowing private companies to skim off the profits of delivering mail to the cities while forcing the Postal Service to serve the less profitable rural areas. The House recently voted to remove the Postal Service from the Federal budget, a status it had from 1973 to 1985, which would stop the administration's back door attempt at privatization and remove the Postal Service from the annual budget battles waged by Congress and the administration. Last year's budget battle resulted in cuts in post office retail window hours, curtailed weekend mail sorting and suspension of some 700 capital-improvement projects. These cutbacks resulted in a public outcry for better service. Hopefully, the Senate will follow the House's lead on the off-budget bill to permit the Postal Service to operate an efficient national mail system. The St. Louis Postal Service is making its contribution in providing quality service, we in Congress should as well:

DELIVERING QUALITY

They were at the bottom of everybody's list. They ranked 56th out of 58 cities in the Phoenix-Hecht Report, a nationwide study by the banking industry of post offices and how fast mail gets from point to point. In studies conducted by the Chamber of Commerce and local newspapers, more than 60 percent of the people interviewed said that the Postal Service "hurt their business." They were even at the bottom of their own region's quality and service ratings. St. Louis had nowhere to go but up.

And up it went. Last year, the St. Louis Division was number one in the Central Region in terms of quality and service, winning the region's coveted "Eagle" quality award, an award given each fiscal year to the division in the Central Region having the best overall quality/service performance. And what about that 56th place in the Phoenix-Hecht Report? St. Louis finished the year tied for first place.

THE SEARCH FOR QUALITY

The amazing turnaround of the St. Louis Division illustrates that quality service can be achieved. Throughout the nation, companies and organizations in both the private sector and in the government have implemented quality programs in order to make "Made in the U.S.A." once again synonymous with quality.

American companies such as Ford, Chrysler, Alcoa, and Xerox have made the same kind of comeback as St. Louis. Through emphasizing quality, they have turned themselves around and have begun to regain the markets they had lost to foreign manufacturers.

But quality defects still nag American business—and the Postal Service, too.

Consider these facts:

One quarter of American workers don't produce anything; they simply fix other workers' mistakes, a recent article in Business Week reported.

IBM estimated last year that it would take $2.66 billion of additional revenue to generate the same amount of profit that could be realized if each employee removed work product defects.

More than two-thirds of postal customer complaints originate in areas of misdelivery, delay, nonreceipt and change of address, all areas having to do with making errors.

Reworked mail costs and Postal Service more than $300 million a year, and that's just the tip of the iceberg.

Quality control experts in the Postal Service estimate that just a 1 percent reduction in machine letter mishandlings could save more than $30 million a year.

Clearly, this is a big money game. It costs the Postal Service millions to redo, rework, or repair what wasn't done right the first time. And not only does it cost money, it drives customers to competitors and endangers the very survival of the Postal Service. Today, the organization faces tough competition from private industry in many areas of its business, particularly Express Mail and Parcel Post, and the threat of dismemberment if those who espouse privatization have their way.

The message is clear, John G. Mulligan, Senior Assistant Postmaster General for Operations Support, said, recently: "The Postal Service has to deliver quality or get beaten by its competitors."

A WINNER

Delivering quality became the number one concern of the St. Louis Division employees when they set out to change their service and their image. As impossible as it seemed at the time, they decided to set their cap for the "Eagle" award.

And in 1987, they won it all. The victorious division had the greatest overall improvement in the quality control testing area with a 6 percent reduction in mishandlings and a 14 percent reduction in delayed mail. Its composite First-Class Mail Origin-Destination Information System (ODIS) score of 92.0 was tied for best in the region and amounted to a 12 percent improvement over the fiscal year '86 score.

In addition, St. Louis achieved a 28 percent improvement in Parcel Post service performance, 16 percent in Express Mail service, and a 5 percent improvement in Priority Mail service.

How did this happen? How did St. Louis transform itself from the bottom of the heap to become No. 1?

UPBEAT ATTITUDE

General Manager/Postmaster John C. Goodman, a man who is enthusiastic about his job and about the people with whom he works, says it was postal people who turned the division around. "When we started our quality campaign in 1986," he says, "we had an attitude problem. So attitude is what we concentrated our efforts on.

"We immediately embarked on a program to tell our people how necessary they are, how good they already were, and how much better they could be. Things were so bad here, and the press was so down on us that we were willing to try anything to boost morale. We appealed to everyone's sense of pride and gave them a dose of good, old-fashioned praise.

Goodman says mailings were sent to employees' homes telling them how important the team was and how important they were to the team. Articles were placed in the division newsletter praising postal people for their work and encouraging them to do even better. New training programs were established to help employees know their jobs better. "We appealed to their competitive spirit," says Goodman.

"Our plan was very basic. We wanted to give our employees the information, the training and the tools they needed to do their jobs and then praise them when they did them right. Very simple, very basic. But it works.

"As soon as any office showed progress," continues Goodman, "we would immediately make up signs thanking everyone for the job they had done. We visited stations and branches and associate offices, telling the people how appreciative we were of their work.

"Managers sometimes spend a lot of time on about 5 percent of workers—those who do a lousy job—and let the 95 percent who are doing a good job fend for themselves. We made a conscious effort to devote our time to that 95 percent. We made a decision to always have an upbeat attitude. We would be honest about our situation, but we always tried to leave employees with a positive attitude.

"We had all the tools for success here in St. Louis. Our people are professionals, but after being beaten on the head for three years with negative comments, they had understandably developed some bad feelings. Now they have a lot to be proud of."

GOOD PLANNING

Planning also played a bit part in St. Louis' comeback. "In 1985, we developed plans for everything," says quality control manager Thomas Fields. "How to sort mail, how to label it, how to transport it. And as long as we conform to that plan, which is the textbook definition of quality, everything turns out fine. It's when we don't that problems crop up."

Part of the plan was to begin to emphasize quality in every phase of division operations and involve everyone who worked there. "We started with quality talks to all mail processing people in small groups of about 20," says Fields. "I went armed with statistics about the operations. I talked about missorts and mishandlings and what they cost us, and I asked for their help. The intent of those talks was to increase understanding and create awareness of the problems and gain commitment for change."

"I remember one SLM [letter sorting machine] group I talked with. I gave them the statistics for their unit and asked for their help. They came up to me after the talk and said, 'We're better than that, and we're going to prove it,' and they did.

"The interesting point is that those talks worked. I think it's because we sent a clear message that quality is all important—plus it was a signal to employees that we cared about their work.

"We often don't give employees sufficient credit. The average postal employee is highly motivated and dedicated and cares about this business, and if you involve them in solving problems, they will do their share."

Supervisor of mails Ernestine Hendricks agrees. She thinks that part of the secret to St. Louis' success is tapping employee's wealth of skills and knowledge. "I try to listen to my people," she says. "No one knows the job better than they do. If you've got a problem, ask for their help. As a supervisor, I'm not afraid to admit my employees might know more than I do."

BEAUTIFUL MACHINES

Fields says the division also has made an intense effort to introduce quality into its automation program. "Optical character readers and bar code sorters are beautiful machines," he says with genuine pride, "but they tend to be fragile. By that I mean something can go wrong very quickly without you knowing it. It's the kind of operation that you have to give attention to on an ongoing basis, day-in and day-out.

"The beauty is that most of the problems in automation can be traced to a very small number of underlying causes. For example, one of the problems with the sorters is that they will sometimes overlap two letters, and the back one will not get a bar code sprayed on it. When that happens, it just tags along whereever the one overlapping it goes. That means a missort.

"But the solution to the problem is simple. You just have to make sure the belts in the machine are not worn or loose. The trouble is, the machine runs along just fine when the belts are loose or worn, so you are unaware that this is happening unless you take the time to check. If lots of letters don't have bar codes, then you can bet the cause is worn belts. All a supervisor has to do to prevent this problem is to check for uncoded missorts periodically. It's that simple, but it takes a commitment to doing things right the first time."

THE RIGHT TOOLS

Telling people to "do it right the first time" becomes an empty slogan unless management enables them to do just that. Employees must be motiviated and provided with the tools to do the job right: A clear message of what is expected, good training, supplies, praise, pleasant surroundings, and the information necessary to do their jobs—all of these are important to a quality operation.

St. Louis employees, justifiably proud of their "Eagle" award and their improved status, believe that most people want to do a good job and will do so if given a little help from management. Window clerks Alva Mosley and Levi Loggins think that getting the right information to employees is crucial to doing a good job. "For instance," says Mosley, who has been a window clerk for 18 years, "take the recent rate raise. We are the ones people always ask questions of during a rate raise, so when prices go up, we need to be told what is happening as soon as possible."

Loggins, a 28-year postal veteran agrees: "We also need to have enough new stamps too, particularly three-cent ones. During the rate increase three years ago, we ran out of two-cent stamps and that made the customers mad. They think if we raise the rates, we ought to keep the right stamps on hand. The current rate change went a lot smoother because we were informed and had the necessary supplies."

Lula Brown, a mail handler in St. Louis for 17 years, believes a pat on the back motivates her to do a good job. More than anything, "It doesn't cost anything to say 'thank you, you did a good job.'"

She also sees training as crucial to the ability to do a good job. "When I first came into the Postal Service, we didn't have on-the-job-training like we do now. Now we have instructors who show you how to do it the right way. One woman told me she had been putting mail in this one section in the wrong place for months, because no one had ever shown her the right way. You have to know the right way from the start."

Brown's fellow mail handler for 17 years, William Caldwell agrees that training is important. "In earlier years there was very little training. A new person would come in, and they would say 'go over there,' and that was about it for training. It was kind of sink or swim."

Caldwell, now an acting 204 B supervisor three days a week, says training has improved 100 percent over what it used to be. "I recently was assigned to a new position and a supervisor spent the whole day with me. When the day was done, I knew every job on the floor."

Anita Brown, a distribution clerk in St. Louis for 20 years, says that supervisors sometimes find it difficult to set aside the time they need to train employees or check their work because they've got so much to do. "But supervisors should always be given the time to instruct and show," she says. "That is the biggest help."

A sign is prominently displayed in the St. Louis Postal Employee Development Center (PEDC) that goes a long way to explain how the division made itself No. 1 against a lot of odds: "If you think training's expensive, try ignorance."

TEAM WORK

Letter carrier Lenson Staples, a big, soft-spoken man who has been delivering the mail for 29 years, exemplifies the kind of employee who helped boost St. Louis to the top. He realizes how important he and the mail he carries are to his customers. "The other day," he explains, "an elderly woman on my route told me that she had come down to wait for me at 9:30, and I don't even get to her house until 1:30. Now I can't fail a customer like that."

When a customer is waiting for a letter or a check that's due on a certain day, and when that day comes, nothing about this job pleases Staples more than being able to pull that letter out of his bag and give it to the customer—on time. "And to be able to provide that kind of quality service," he says, "requires the cooperation and team work of a whole lot of people in the Postal Service."

HOUSE OF REPRESENTATIVES—*Wednesday July 6, 1988*

The House met at 12 noon and was called to order by the Speaker pro tempore [Mr. FOLEY].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
June 30, 1988.

I hereby designate the Honorable THOMAS S. FOLEY to act as Speaker pro tempore on Wednesday, July 6, 1988.

JIM WRIGHT,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Gracious God, our prayers of intercession reach out to all people who experience the tragedies of life and who are in need of Your strength and Your grace. We specially remember those in our land who suffer from drought, particularly those farmers whose livelihood is threatened. May our prayers be with them and their families and with the entire communities that are weakened. May Your grace cause us to be drawn closer to You and to one another so that we can learn to share the pains of life and better express our unity as a people. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 4775. An act making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1989, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 4775) "An act making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1989, and for other purposes," and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. STENNIS, Mr. DECONCINI, Mr. PROXMIRE, Ms. MIKULSKI, Mr. HATFIELD, Mr. DOMENICI, and Mr. D'AMATO to be the conferees on the part of the Senate.

INDEPENDENT COUNSEL LEGISLATION

(Mr. FRANK asked and was given permission to address the House for 1 minute.)

Mr. FRANK. Mr. Speaker, some people claim that "I don't want to say I told you so," but I find, personally, that is one of the few pleasures that improves with age.

Several of us said on this floor some time ago that there were no serious constitutional issues with regard to the independent counsel legislation we were considering. The independent counsel bill was originally passed in 1978 by two Democratic Houses and two Democratic Presidents. It deals with a limited class of cases where the Justice Department would not be the best ones to investigate because they would be investigating people close to themselves. That seemed in 1978 and again in 1982 to be overwhelmingly clear. The last time we considered this the Reagan administration raised a series of constitutional issues which many of us felt to be specious.

The Supreme Court has just spoken 7 to 1. Chief Justice Rehnquist, who was elevated by President Reagan, wrote a firm opinion rejecting every single one of the administration's claims. Justice O'Connor joined in. Justice Scalia was isolated in the dissent, noted more for its vigor than its scholarship.

Mr. Speaker, we now have the answer to a question that never seemed to us to be a serious one. The Constitution is a sensible and reasonable document, and when it is necessary to have prosecutions' investigations of important criminal possibilities, we can do it in the right way.

THE AFTERMATH OF THE PERSIAN GULF INCIDENT

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, our Persian Gulf policy has put Captain Rogers right in the hotbox. He had no choice but to protect his crew and protect his ship. This is a great tragedy for sure, and we cannot fault Captain Rogers.

America is entrapped by an ill-advised policy in the gulf. Our taxpayers are protecting the oil interests of Japan and Europe while they ship us Toyotas and toasters. This is stupid.

Our troops now face a kneejerk terrorist response. In fact, I say that today there are no Americans who are safe outside the continental United States. In fact, there may be a danger now within, and this issue may be much different than what we understood and came to learn in Vietnam perhaps.

Mr. Speaker, I think it is time that we had an international global force that takes care of the gulf sealanes, and that America stops assuming the burden of all these protective services all over the world.

FORECASTING A CONFRONTATION WITH SOUTH AFRICA

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARLENEE. Mr. Speaker, the headlines for today should read: "United States preparing for war—an ugly war—against South Africa."

Legislation is being prepared that would only—and I emphasize "only"—be used against a nation that was considered a threat to the people and security of the United States of America. The Congressional Black Caucus, liberal groups, and some misguided church groups are striving to destabilize a peaceful, prosperous, and heretofore stable country of the world. The ensuing chaos will lead to hardship, hunger, and hurt for many, but, more especially, among those blacks, in low-paying jobs. Conditions should make it perfect for the Communist African National Congress to take over South Africa.

If the Democrat leadership wants to pass the most ugly American bill ever conceived, we must make certain that they and they alone receive credit for the ugly American legislation of sanctions and human misery.

Mr. Speaker, let us not shoot ourselves in the foot while bypassing leg-

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□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

islation that would destabilize and put economic hardship on South Africa, a friendly and Christian nation.

TRAGEDY IN THE GULF POINTS UP A FLAWED POLICY

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, the shooting down of Iranian Air flight 665 was a tragic accident causing the unintended death of 290 men, women, and children. Clearly it was not the intentional result of American policy nor that of the beleaguered American ship's captain who gave the order to fire.

Nonetheless, it was the disastrous consequence of the flawed and heedless policy of the Reagan administration in the Persian Gulf. It was an accident waiting to happen.

Brazenly ignoring the mandate of the War Powers Act, the President has kept thousands of American servicemen at risk in a situation of ever increasing hostilities.

The death of 290 innocents must not be permitted to justify the stubborn continuation of a wrongheaded policy.

Now is the time for President Reagan to lower America's profile of belligerence in the Persian Gulf, at long last to obey the War Powers Act and to concentrate on diplomatic efforts to bring the war between Iran and Iraq to an end.

That would be the best way to guarantee free and open access to the gulf by all nations.

U.S. SERVICE PERSONNEL IN AN UNTENABLE POSITION IN THE GULF

(Mr. ROTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTH. Mr. Speaker, from the very beginning some of us here in Congress have had strong reservations about our role in the Persian Gulf. We expressed our reservations and we cast votes against an enlarged role for the United States in the Persian Gulf.

We have placed our servicemen and women in an untenable situation. Constantly on heightened alert, American servicemen are being asked to accomplish a mission which is beyond human capability. We cannot maintain men and equipment in such a heightened situation of readiness without some accident happening. At times our mission is described as one of keeping the sealanes open for the flow of oil. At other times we are said to be keeping the Soviets out of the area. Sometimes we state that the freedom of navigation is the principle we are pursuing. Still again, we are told that the resolution of the Iran-Iraq conflict is our main objective.

But in all of this, one thing is clear escalating the U.S. presence is not helping to accomplish these ever-changing objectives. It is only resulting in higher tensions, casualties, wounded, and an evermore dangerous situation. The answer is not more ships but few ships, the fewer the better.

The Iran-Iraq war is not our fight. Yet our presence in the Persian Gulf area now involves over 10,000 Navy servicemen. These men are concentrated in a body of deadly water no larger than our own Great Lakes. This is unfair to our servicemen and their families. It is unfair to our taxpayers, who are paying millions and millions everyday. It is not our fight.

Now, after this tragedy, American policymakers and politicians are saying that we will pay reparations. That is checkbook diplomacy. Politicians make mistakes, and the taxpayers pay for the mistakes.

No, Mr. Speaker, it is time for us to change our foreign policy and bring some common sense back to this area of the world.

VIRGINIA FARMERS EXTEND A HELPING HAND TO DROUGHT RIDDEN OHIO FARMERS

(Mr. PAYNE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PAYNE. Mr. Speaker, last Friday it was my privilege and my pleasure to take part in the first effort by Virginia farmers to assist their Ohio counterparts now suffering from severe drought.

Mr. Eugene Morris of Charlotte Court House organized this effort to send more than 2,000 bales of hay to Ohio. Mr. Morris credits Mr. Charles Newton, also of Charlotte County, with partnership status in the project.

No story on this subject can be related without a thank you to the Goodyear Tire & Rubber Co., and Mr. Walter McClenny, the company's representative in this undertaking. Goodyear has been a good corporate citizen of Danville, VA, which is in the Fifth District, and the company has a long history of involvement in farm-related issues.

But the central element in this story is Mr. Morris and the Charlotte County farmers who conceived the idea of assisting Ohio farmers in the same way that they assisted Virginia farmers 2 years ago. Mr. Morris and his neighbors saw and remembered the heartbreak and destruction of Virginia's earlier disaster, and wanted to help those who had earlier helped Virginia farmers.

This is the neighborly way we do things in Virginia. Beyond that, we hope this will send a signal to other communities not touched by this year's drought, that they, too, can help those presently in need of this kind of assistance.

UNIFORM DRINKING AGE: A SUCCESS STORY FOR THE EIGHTIES

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, on July 1, the State of Wyoming became the final brick in the now unbroken wall of States across the country that have taken decisive action to stem the carnage that drunk driving has caused in our country. On that date, Wyoming became the 50th and final State to adopt 21 as the legal drinking age.

I applaud the State of Wyoming and all of the other States for adopting this sane, uniform drinking age and eliminating the unnecessary loss of life that occurred on our Nations "blood borders."

This coherent, uniform national standard would have never been achieved without leadership from Congress. The Federal Government used its power of the purse to encourage the States to coordinate their efforts to achieve a desirable end.

Since Congress and President Reagan worked to enact the legislation encouraging a uniform minimum drinking age of 21, deaths of 18 to 20 years olds on our highways have dropped an astounding 33 percent.

While not an appropriate way to proceed in every case, Federal encouragement of uniform State laws in some areas have proven to be a proper and effective legislative tool for our federal system.

□ 1215

NO NEED TO RUSH INTO REVISING THE SOCIAL SECURITY ACT

(Mr. OWENS of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS of New York. Mr. Speaker, there is a well-founded rumor that an attempt will be made to create a stampede and rush through a major revision of the Social Security Act. Welfare reform; we may not realize it, but welfare reform is an amendment of the Social Security Act. The aid to dependent children is title IV of the Social Security Act. The Senate bill, welfare reform bill, under the pressure of the White House is far more punitive and far less honest about the resources that will be needed to provide education, job training, child care, and jobs.

Mr. Speaker, the House bill has its shortcomings, but it is more realistic about the resources needed to make this change in the Social Security law more realistic and more humane. Rumor is that pressure will be mounted to adopt the punitive Senate version without a House-Senate conference. This stampede must be resisted. Indeed we should postpone consideration of welfare reform altogether for this session of Congress. There is no need to rush into this revision of the Social Security Act.

Mr. Speaker, we should have more time to discuss many more questions and many more components of the bill. For example, we should discuss the fact that under one section of the Social Security Act children are paid only $123 a month to sustain themselves. Under another section of the same Social Security Act, the Social Security survivors insurance, children receive $352 per month. The same act, $352 versus $123. That is a question we ought to really consider, why that inequity, as we consider the Social Security Act revision the welfare reform. We should postpone it. We do not need the imprimatur of the administration on the Welfare Reform Act.

Let us take more time and consider what we are doing. We have 50 years of history here. This is a 50-year-old act that ought to have much more deliberation before it is modified in any way.

GET THE FACTS ON THE PERSIAN GULF TRAGEDY

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, we have one incredible privilege when we get sworn into this great deliberative body, and that is a top secret clearance. Without having to go through any background checks, every Member, on both sides of the aisle, any age, any gender, as soon as we are sworn in, will get a top secret security clearance, giving he or she access to almost everything secret in the U.S. Government.

Mr. Speaker, I believe that events surrounding this tragedy in the Persian Gulf will unfold very quickly in the next few days. Every Member here will have the chance to find out the real truth.

There is a briefing at 2 o'clock in the Foreign Affairs room, 2172. Every Member who is responding to any press questions or coming up with any suggestions, no matter how humanitarian, about reparations, owes it to the American people and to our naval fighting men in the gulf to go to that top secret briefing and find out what really this Iranian airliner was doing.

When the Soviets brutally with cold calculation over hours shot down a Korean Airlines jumbo jet, a 747, I went up the wall and across the ceiling. I thought of all those families crying for their relatives who were just floating around out there dead in the ocean. My heart goes out to those people waiting at the Dubai airport for their relatives.

Mr. Speaker, I expect that this will turn out to be what it appears to be, a terrible tragedy where 290 people died. This is especially tragic when we consider that a stupid air crew and stupid tower were broadcasting on a military transponder channel mode 2. The aircraft departs in the midst of a hot combat scene where ships had just been sunk out in that very narrow Strait of Hormuz. Given this information, I can only conclude that the major culpability is on the part of the Iranians, their air controllers and those pathetic pilots whose mistakes cost 290-some people their lives, including their own. But we should reserve judgment. If reparations are due, you can be sure that no country in the world will respond as warmly and as generously as these United States of America.

But let us hold the rhetoric down until the facts are in. Let us find out as Members of Congress what we can glean out of this top secret briefing this afternoon.

SINGAPORE RIGHTS RESOLUTION

(Mr. CHANDLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHANDLER. Mr. Speaker, last summer, the Government of Singapore detained 22 young men and women without trial for conspiring to undermine the Government. None were ever charged with a specific crime and none were tried. Since then, all but one have been released with the help of congressional pressure.

Last April, however, eight of the detainees were reimprisoned after issuing a public statement about their mistreatment, along with one of their lawyers. In an official statement made on April 28, the Government warned its domestic opponents against becoming agents of foreign powers and declared that foreign governments have no role to play on human rights issues in Singapore.

On May 6, the Government arrested yet another human rights lawyer, Francis Seow, whose nephew lives in my district. Seow, a lawyer for two of the detainees, was arrested hours after presenting a habeas corpus application that challenged the legality of the Government's arrests of his clients.

He has since been imprisoned for at least 1 year without charge or trial because the Government claims he is not telling the truth. With no evidence against him, he can only be convicted on his own confession. Since he has not confessed, the Government concludes he is not telling the truth.

As of May 23, 8 of the 11 prisoners that have been arrested—1 more after Seow—are still being held. Seow's family fears he is being tortured, and they know that he has been deprived sleep, interrogated for extended periods and beaten.

This resolution, to be introduced today by the gentleman from Ohio [Mr. FEIGHAN] expresses congressional concern over these human rights violations and political restrictions.

It calls on the Government of Singapore to release peaceful political opponents and permit them to exercise their rights of free speech and association, and

It urges the State Department to continue to meet all segments of Singaporean society and raise human rights concerns prominently in its dealings with governmental officials.

I rise in strong support of this bill and urge all of my colleagues to give it their full support.

TRIBUTE TO ALFRED SCHNEIDER

(Mr. BUECHNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUECHNER. Mr. Speaker, I rise today to pay tribute to a dear friend, Alfred Schneider, who passed away suddenly after suffering a heart attack at his home in Kirkwood, MO.

I knew Alf for many years, and truly came to appreciate his selfless efforts and exemplary service to our community.

He graduated in 1946 from John Burroughs School, where he was a star halfback and led the football team to an undefeated season in his senior year. He graduated in 1950 with a degree in mechanical engineering from Vanderbilt University in Nashville, TN.

Alf and Jeanne Schneider were the perfect couple, sharing and warm. Not only was he devoted to his wife, Jeanne, and his nine wonderful children, he was devoted to his church and his community. Alf and I shared a great love of sports, and we had the opportunity to coach several football teams together along with his best buddy and brother, Bill. Alf believed that leadership and character could be developed through sports, and he devoted countless hours of his time to promote that cause.

In 1956, Alf devised the Kirkwood plan, an after-school, year-round sports program for youths. The program later evolved into the Kirkwood Little Giant Football League. He served as director of this program and then the St. Louis Junior Football League throughout the 1970's, and under his leadership, hundreds of young people were given the opportunity to participate in sports activities. During that time, he was also the director of the Kirkwood Athletic Conference.

Alf was also a loyal employee. Until his untimely death, he worked for 30 years as a sales engineer and manufacturers' representative for the Rhodes Equipment Co. in Brentwood.

Alf was committed to everything that he did. He served as a great inspiration to all of us especially those young Kirkwood Cardinals. His spirit will live on, not only through the programs that he helped develop and nurture, but through the countless people whose lives he touched. Alf Schneider will be sorely missed by all of us. There is an empty space in my heart because Alf Schneider was my friend and I loved him—and those boys and girls—Bommaritos, Denos, Hunkins, Harris, Miller, Cox, and hundreds of others—that he touched with his love of life—they, too, have lost a friend. But we all know that God welcomes Alf Schneider—they're probably coaching a team or playing tennis as we speak.

ONE FISH IN A FOUL SEA

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, Attorney General Meese said yesterday that he had to step down to pursue opportunities in the private sector. I guess we should be grateful that this time Mr. Meese will resign before pursuing those activities.

No one can dispute that Meese's resignation was politically clever. By announcing his resignation while the MacKay report is still secret, Mr. Meese can claim that the report vindicates him even though the report is likely to be damning. And once out of office, he can no longer be investigated for ethical violations.

The Vice President's surrogates claim that the Meese resignation has cleared the air around the Bush campaign, but the odor of 8 years of corruption is not so easily cleansed.

The issue was not just Ed Meese. It was this administration's disdain for Government that led to its appalling lack of ethical standards. Ed Meese is just one fish in a foul sea.

Just consider a partial list of Bush-Reagan appointees who have resigned under a cloud: Richard Allen, Anne Gorsuch Burford, Michael Deaver, John Fedders, Edwin Gray, Rita Lavelle, Robert McFarlane, Lyn Nofziger, Oliver North, Theodore Olsen, Melvyn Paisley, John Poindexter, Paul Thayer, and James Watt. American voters will remember the hall of shame in November.

SELF-DEFENSE IS STILL THE FIRST PRIORITY

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, the event of Sunday, July 3, in the Persian Gulf was a tragedy. The loss of innocent life is always tragic. But we must avoid being too quick to assign the blame for that tragedy to our own Navy.

The currently available accumulation of facts make Captain Rogers' action the only safe and reasonable course under the circumstances. The downed plane started from a military air base in a theater of intense hostilities. The *Vincennes* attempted to warn the plane away at least seven times on both military and civilian radio channels, and received no response. The *Vincennes* was, at that very moment, under hostile attack on the surface of the sea. The airliner was transponding on military, not civilian, mode. In effect, it was telling the world that it was a war plane.

It is right and proper that we hold our Armed Forces to a high standard of ethics and competence in the performance of their duties. But, after the fact of such an event, it is folly to make that standard superhuman. When a captain fails to protect his ship adequately, his career is ended prematurely. Now, when a captain acts to preserve his command and his men, the undertone is that he should somehow have saved both his ship and at the same time ignored the threat.

Unless the facts change substantially, Captain Rogers did well and deserves our support and commendation.

AN INTERNATIONAL INVESTIGATION OF THE DOWNING OF THE IRANIAN AIRBUS IS NEEDED

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, the governing board of the International Civil Aviation Organization [ICAO], composed of 34 countries, will meet on the 14th of this month to authorize the investigation of the July 3 tragic downing of an Iranian civilian airliner. I am pleased to learn that the administration intends to fully cooperate with the ICAO investigation. I applaud this decision.

While it is important that our Navy formally review the incident, I believe that the ICAO investigation is an appropriate action, and I call upon the ICAO to expand their review to include the rules governing the operation of all civilian aircraft in the Persian Gulf.

The ICAO is a credible international body and would conduct a thorough and professional investigation of the July 3 incident. United States and Iran cooperation with the ICAO may be the only way to ensure that all the facts are known.

This tragic incident serves as a reminder of the futility of the Iran-Iraq war. Cessation of the war is the only long-term solution to avoid repetition of loss of innocent life. I urge the U.N. Security Council to adopt and enforce the United States-supported Resolution 598 demanding a worldwide arms embargo on Iran and Iraq.

Let us hope that the Iranian authorities will now seek a diplomatic solution to the bloody Iran-Iraq war and end the ongoing hostilities in the gulf.

I commend President Reagan for apologizing to the Iranian Government for the accident. Americans are caring and compassionate people. Paying compensation to the families of those lost in that incident is a matter that should be seriously considered.

However, when considering the payment of compensation to the Iranian families—we should not forget the families of the 50 Americans held hostage in the Tehran United States Embassy in 1979 or the families of the American hostages now being held in Lebanon. Shouldn't these families and those who have lost their loved ones to Iranian-supported terrorism be compensated for their anguish and suffering also?

It is unfortunate that Iran has turned its back on peace. Let us hope that a new diplomatic initiative can be started. Let us hope that this sad incident will make the Iranian Government realize that all countries are paying a high price for its policies in the gulf. Now is the time for Tehran to seek a diplomatic solution to the ongoing war with Iraq.

MEXICO RELEASES PUERTO RICAN TERRORIST

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, on June 25, the Mexican Foreign Ministry shocked many Americans by releasing William Morales, a Puerto Rican nationalist convicted in New York in 1979 for possessing and transporting illegal weapons. Escaping after serving less than 1 month of 99-

year sentence, Morales ended up in Mexico where he murdered a Mexican police officer and spent 5 years in a Mexican prison.

The release of Morales is a grave insult to the United States which has sought his extradition since 1983. Mr. Speaker, last December we were granted permission for his extradition. Morales' flight to Cuba also lends credibility to concerns that Mexico City and Moscow are building stronger ties.

Finally, the timing of this gaffe could not be worse. With the Mexican Presidential elections scheduled for today, many Americans—myself included—were optimistic that the ruling PRI party would demonstrate its commitment to hold fair elections and its commitment to political reform. Instead of earning praise, the recent action by the Mexican Foreign Ministry calls for a close examination of the direction of United States-Mexico relations.

□ 1230

THE DOUBLE STANDARD OF THE HOUSE OF REPRESENTATIVES

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, a few moments ago we heard the gentleman from New York [Mr. SCHUMER] read off a list of names of administration personnel who the gentleman claims make up the sleaze factor of the administration.

PARLIAMENTARY INQUIRY

Mr. WALKER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. FOLEY). The gentleman will state it.

Mr. WALKER. Mr. Speaker, if a Member were to list a similar group of Members of the House who have had an ethical cloud cast upon them, would it be proper to read such a list on the House floor?

The SPEAKER pro tempore. (Mr. FOLEY). It is not proper, as the Chair has previously stated, under the rule against personalities in debate, unless the Members' names are subjects of a report being debated from the Committee on Standards of Official Conduct or are otherwise being raised under questions of privilege.

Mr. WALKER. Mr. Speaker, I thank the Chair, because it is very interesting that once again we have this double standard in the House of Representatives, that a Member can come on and criticize the administration and criticize a whole list of people, some of whom have never had any charges brought against them whatsoever, and call that a sleaze factor; but in the House of Representatives, if we have Members of the House who have similar kinds of clouds assigned to them, it cannot be mentioned in this well.

PERMISSION FOR SUBCOMMITTEE ON CRIMINAL JUSTICE OF COMMITTEE ON THE JUDICIARY TO SIT DURING 5-MINUTE RULE FOR REMAINDER OF THIS WEEK

Mr. FRANK. Mr. Speaker, I ask unanimous consent that the Subcommittee on Criminal Justice of the Committee on the Judiciary may be permitted to sit during the 5-minute rule for the remainder of this week for the purpose of conducting hearings on the impeachment matter now under its jurisdiction.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 4174, SMALL BUSINESS ADMINISTRATION REAUTHORIZATION AND AMENDMENT ACT OF 1988

Mr. BONIOR. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 486 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 486

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4174) to amend the Small Business Act and the Small Business Investment Act of 1958, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and the amendment made in order by this resolution and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Small Business, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Small Business now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered by titles instead of by sections, each title shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of clause 7 of rule XVI and with clause 5(a) of rule XXI are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The gentleman from Michigan [Mr. BONIOR] is recognized for 1 hour.

Mr. BONIOR. Mr. Speaker, I yield the customary 30 minutes, for purposes of debate only, to the gentleman from Ohio [Mr. LATTA], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 486 allows for the consideration of H.R. 4174, the Small Business Administration Reauthorization and Amendment Act. House Resolution 486 provides for an open rule allowing all germane amendments to be considered. It also makes in order a Small Business Committee amendment in the nature of a substitute now printed in the bill to be considered as original text for the purpose of amendment under the 5-minute rule.

The committee substitute shall be considered by title rather than by section. Each title shall be considered as read. The rule waives clause 7 of House rule XVI which prohibits consideration of nongermane amendments against the committee substitute. The rule also waives clause 5(a) of House rule XXI which prohibits appropriations in a legislative bill against the committee substitute.

The rule allows 1 hour of general debate on the bill to be equally divided and controlled by the chairman and ranking minority member of the Committee on Small Business.

The rule also allows one motion to recommit with or without instructions.

Mr. Speaker, this is clearly a fair rule under which to consider this very important piece of legislation. H.R. 4174 is essential to continuing and expanding the economic role of small businesses in our society.

Our Nation's small businesses form the foundation of the U.S. free enterprise system. Our Nation was built by entrepreneurs who established themselves in the shipping, printing, farming, and mercantile business.

Today, entrepreneurs can still live the American dream by creating their own business enterprise. These persons are the visionaries and the inventors whose work will advance us into the next technological age. These persons are those who were good enough at their trade or their interest to turn it into a thriving business and to turn themselves into employers instead of employees.

An estimated 18 million businesses in the United States can be classified as small businesses—those with 500 employees or less. Only 7,000 businesses can be classified as large businesses.

More importantly, small businesses with employees account for most of the jobs in the United States. Some 93 percent of the workers in the United States work for a small business.

Small businesses can be found in all areas of the economy—agriculture, mining, construction, transportation, wholesale and retail trade, finance, insurance and real estate—to name just a few. They provide jobs for American workers, tax revenue for local, State, and Federal Governments, and a sense of pride and accomplishment for their owners.

The Small Business Administration has been and continues to be an important resource for the small business community. The SBA provides both financial backing and information resources to small and disadvantaged businesses. The SBA also assists small businesses in identifying and securing Federal contracting opportunities.

Small business entrepreneurs find it hard to obtain long term, low interest rate financing from normal financing sources because of their limited credit histories and of the smaller size of their financing requirements.

Minorities, women, the disabled and the disadvantaged face even greater obstacles when attempting to start their own business. When a business is too small to qualify for a loan on its own, the SBA steps in and guarantees the loan. Handicapped individuals and disabled veterans who need funding for a small business concern can obtain a loan through the SBA. An individual seeking to establish a business in a high unemployment area can obtain a loan from the SBA that they could never have obtained elsewhere. The SBA gives small firms the financial ability to be productive; it gives the poor, middle class, minority, disabled and others the chance to create a business.

I have had many opportunities to experience firsthand SBA's role as a resource for small business. In 1987, the SBA worked with me when I sponsored two small business conferences in my district, the 12th District of Michigan. The SBA provided individual consultations to business and participated in panel discussions on issues in the small business community. The goal of these conferences was to give business people an idea of the opportunities available to them for improving their sales and expanding their markets.

Reauthorization of the many programs which I have mentioned is very important to the operation of the SBA and to the small business community which it serves. H.R. 4174 provides ample authorizations for these and several new programs over the next 3 years. Most program levels remain essentially the same; the overall budget represents only a 4-percent increase each year to cover inflation. Authorization levels are $470 million, $514 million and $566 for fiscal years 1989, 1990, and 1991.

H.R. 4174 is a logical followup to the trade bill that Congress passed but was not signed by the President. The purpose of H.R. 4174 is to enhance small business competitiveness in national and international markets. The bill's provisions seek to enhance export opportunities, increase the information exchange between small businesses and potential customers, facilitate technology transfers, increase small businesses' ability to compete against imports, and insure greater representation for small businesses in international trade negotiations.

To improve the ability of small businesses to engage in international trade, the bill expands the role of the SBA's Office of International Trade to include the promotion of small business exports. The office is directed to promote sales opportunities for small business goods and services abroad, provide current and complete export information to small businesses, and encourage small business participation in trade fairs and other overseas export development activities.

The bill contains several provisions meant to improve the financial assistance programs within the SBA. One important provision would increase to $500,000 the amount of the SBA loan guarantee that is available to small firms. This increase is needed because small firms have found it difficult to obtain financing for equipment improvements. If small firms can improve their equipment as needed, they can remain competitive with larger, wealthier firms.

H.R. 4174 establishes a Certified Lender Program to encourage lenders to provide guaranteed loans of $50,000 or less. The bill also increases the scope of the surety bond guarantee program which allows small businesses to provide a guarantee that they will fulfill their contract. This program is particularly important to firms engaged in building or manufacturing.

To strengthen the Disaster Loan Program, the bill establishes an official definition of "disaster." Disaster would be defined as any sudden event which causes severe damage or economic injury. An official definition is necessary because the SBA has interpreted disaster very narrowly. H.R. 4174 will insure that the SBA will assist businesses when they had financial or physicial losses due to natural catastrophes.

This definition includes, for instance, oil spills and industrial accidents that result in the contamination of fish. This contamination can put commercial fisheries out of business.

To increase economic development in rural areas, H.R. 4174 would require the SBA to establish an outreach program. The SBA would hold procurement and export trade seminars as well as act as a resource for small businesses struggling to establish themselves in a rural area.

The SBA plays an important role in promoting small business contracts with agencies of the United States. H.R. 4174 would establish a uniform appeal procedure applicable to all small businesses that directly affect the procurement strategy of an agency. Disputes would be resolved at the organizational level rather than at the buying level whose actions are being challenged. H.R. 4174 also would increase the number of procurement center representatives who assist small businesses seeking contract opportunities with the Federal Government.

If we are truly interested in making U.S. businesses productive and competitive, we must support efforts to keep small business as a viable and growing part of the economy. The passage of H.R. 4174 is essential to the continuation of the SBA and its work in the small business community. I believe that H.R. 4174 is a good bill, one which will enable small business to expand both in U.S. markets and in international markets.

The cost of the program has been kept close to this year's level; and, in the end, the efforts of SBA should pay for themselves in increased tax revenues from small businesses, a more favorable trade balance, and continued American prosperity. I urge my colleagues to vote for this rule and for H.R. 4174, the Small Business Reauthorization Act.

□ 1245

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Michigan [Mr. BONIOR] has ably explained the provisions of the rule. I will not repeat them.

However, there are a few points I would like to make. One of the reasons for the germaneness waiver in the rule is that the committee substitute contains provisions dealing with South Africa.

Mr. Speaker, South Africa may be a legitimate subject for debate, but it seems to me questionable that a bill to reauthorize the Small Business Administration is the proper place to deal with this issue.

The bill made in order by this rule provides in part that a small business concern shall not be eligible for any program or activity conducted under the authority of this act or the Small Business Investment Act if such concern engages in trade or other commercial activity with South Africa. Mr. Spaker, if we are going to deal with the subject of South African sanctions on a series of separate bills, it seems to me that we are going to end up with an uncoordinated foreign policy in this area.

Mr. Speaker, I should also note that the administration opposes this bill in its present form, because it reauthorizes Small Business Administration programs in excess of the 1989 budget and includes several other proposals it finds objectionable.

Mr. Speaker, specificially the administration opposes the enactment of H.R. 4174 unless it is amended to delete the prohibition on SBA assistance to firms transacting business with certain firms in South Africa, delete provisions creating new and unnecessary duplicative lending programs to assist firms engaged in or adversely affected by international trade, eliminate the requirement in section 102 that preferred and certified lenders of SBA loans of $50,000 or less have a share in the guarantee fee collected from borrowers, delete the proposed increase in the guarantee percentage for the preferred lenders program, delete section 105 which would vary the level of the guarantee and the surety bond guarantee program by the amount guaranteed, require a lesser, 70-percent, preferred surety bond guarantee in return for SBA's delegation of its underwriting and servicing authorities and delete the statutory limitation on the amount of annual guarantee authority that may be allocated to preferred sureties, delete section 121 which would broaden the definition of a disaster under the disaster loan program and could result in hundreds of millions of dollars in new direct disaster loans, and the following budgetary provision proposed by the administration: the elimination of direct lending, the consolidation of guaranteed lending programs, the elimination of business development expenses, the elimination of section 7(j) contract and grants, the phaseout of the small business development centers, the transfer of the Minority Business Development Agency to SBA, the sale of loan assets, the increase of user and guarantee fees, the elimination of disaster assistance to borrowers with credit elsewhere, the elimination of the pollution control bond guarantee program, and the consolidation of the pollution control bond guarantee fund into the business loan and investment fund. In fiscal year 1989, these provisions would reduce outlays by $833 million over the funding levels provided in the bill.

Mr. Speaker, the rule before us is an open rule, and hopefully the House will at least have an opportunity to clear up the problems mentioned by the administration before final consideration of the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. BONIOR. Mr. Speaker, I yield 4 minutes to my distinguished colleague, the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I rise in support of the rule and in support of the bill.

Mr. Speaker, I represent a district that has lost an awful lot of work, and the small business community has basically been the institution to bring us back. I have to give credit to the chamber of commerce in our region and all the small business community, and today I rise in behalf of the Youngstown and Warren, OH, and northeast Ohio area, one of the most hard-hit areas in all of America.

I give thanks and praise to the chairman, the gentleman from New York [Mr. LAFALCE], for his leadership. We have a Small Business Administration that wants to be expanded and cries out for expansion, and the President has tried to kill it. I hope that we set in place today the mechanics that, regardless of what change comes in November, we will expand this program.

One of the tragedies that we have that I have seen in my community that has been really hit hard is the fact that many times we have Government incentive programs that give new marginal entities grants to go into business and oftentimes they fail while the small existing businessman and businesswoman cannot even get a conventional loan or line of credit let alone some Government assistance.

I believe we are in the right ballpark. I do not believe it is pork barrel and that it is subsidizing business. I think it is incentivizing our programs economically that make a lot of sense. It is good to see that we will carry on with that tradition.

Today I will be offering a Buy America amendment which has become standard language, and I hope the House would again find favor with the amendment.

There is not a whole lot of money in here for procurement. We have set a standard and a practice, and it would cover those expenditures and purchases of the SBA.

Mr. Speaker, I hope all Members would not only vote in favor of this particular bill later today but would also vote so overwhelmingly that the next administration will have no choice but to strengthen it rather than to tear it down.

Mr. LATTA. Mr. Speaker, I have no further requests for time.

Mr. BONIOR. Mr. Speaker, let me just conclude by also expressing my thanks and appreciation to the wonderful work of the gentleman from New York [Mr. LAFALCE], who has done, I think, a magnificent job not only with the committee but with this legislation. He is thoughtful, and he has crafted it in a fine way and which reflects well upon not only his work but upon this body and hopefully will be of benefit to the small business community throughout the country.

Let me just reemphasize again that small businesses, 18 million in this country, 93 percent of our workers worked in small businesses, and this bill is a good example of Government and the private sector working together to make things happen and to make our society a better place to live.

Mr. LATTA. Mr. Speaker, I yield back the balance of my time.

Mr. BONIOR. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled bills on Thursday, June 30, 1988:

H.R. 3893. An act to amend the provisions of the Toxic Substances Control Act relating to asbestos in the Nation's schools by providing adequate time for local educational agencies to submit asbestos management plans to State Governors and to begin implementation of those plans; and

H.R. 4288. An act to designate the Federal Building located at the corner of Locust Street and West Cumberland Avenue in Knoxville, TN, as the "John J. Duncan Federal Building."

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Public Works and Transportation; which was read and, without objection, referred to the Committee on Appropriations:

COMMITTEE ON PUBLIC WORKS
AND TRANSPORTATION,
Washington, DC, June 29, 1988.

Hon. JIM WRIGHT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the provisions of the Public Buildings Act of 1959, as amended, the House Committee on Public Works and Transportation approved the following projects on June 21, 1988:

LEASE PROSPECTUSES

Department of the Army, Los Angeles, California.

Multiple Agencies, Los Angeles, California.

Internal Revenue Service, Chamblee, Georgia.

Multiple Agencies, Pershing Point Plaza, Atlanta, Georgia.

Military Entrance Processing Station, Portland, Maine.

Drug Enforcement Administration, Boston, Massachusetts.

Environmental Protection Agency, Las Vegas, Nevada.

Social Security Administration, One Lefrak Plaza, Queens, New York.

Corps of Engineers, Galveston, Texas.

Executive Office of the President, McLean, Virginia.

State Unclassified Mail and Pouch Operations, Northern Virginia.

11(b) RESOLUTIONS

Baltimore, Maryland.

Minneapolis, Minnesota.

The original and one copy of the authorizing resolution is enclosed.

Sincerely,

Glenn M. Anderson,
Chairman.

There was no objection.

SMALL BUSINESS ADMINISTRATION REAUTHORIZATION AND AMENDMENT ACT OF 1988

The SPEAKER pro tempore. Pursuant to House Resolution 486 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4174.

□ 1255

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4174) to amend the Small Business Act and the Small Business Investment Act of 1958, and for other purposes, with Mr. Akaka in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from New York [Mr. LaFalce] will be recognized for 30 minutes and the gentleman from Pennsylvania [Mr. McDade] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New York [Mr. LaFalce].

Mr. LaFALCE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong support of the bill H.R. 4174, the Small Business Administration Reauthorization and Amendment Act of 1988. This bill was developed in close cooperation with many members of the committee and has strong bipartisan support. In fact, it was overwhemingly ordered reported from the committee by a vote of 37 to 5.

The purpose of the legislation is to reauthorize the Small Business Administration programs for fiscal years 1989 through 1991, to make necessary amendments to the Small Business Act and the Small Business Investment Act, and to improve the ability of small businesses to compete internationally.

Title I of the bill provides authorizations and program levels for each fiscal year from 1989 through 1991. These amounts are $470 million in fiscal year 1989, $514 million in fiscal year 1990, and $566 million in fiscal year 1991. For loan guarantees, the amounts are based upon the 1988 authorized levels with a 4-percent increase each year to cover inflation; direct loans and pollution bonds are kept at 1988 appropriated levels; and surety bonds are increased by 25 percent to cover the program demand anticipated from a new preferred surety bond guarantees program authorized by the bill.

Title I also makes a number of needed amendments to small business programs.

Currently, small businesses which need small amounts of financial assistance are generally unable to secure it through SBA programs. This is especially true for new businesses, particularly in the area of services, an area which includes a rapidly increasing number of women-owned businesses. Some years ago direct loan funds were available to fill part of this need, but now those funds are virtually gone. Guaranteed loans have not been an adequate replacement for this funding because, due to the economies of scale involved in the processing and servicing of loans, it is more profitable for lenders to make larger loans. Thus many lenders simply will not make business loans in amounts less than $50,000.

In order to encourage SBA's most proficient lenders to provide guaranteed loans of $50,000 or less, the bill allows these lenders to solely utilize their own forms without regard to any SBA forms and to retain one-half of the 2-percent fee collected from borrowers.

The bill authorizes the establishment of a preferred surety bond program under which SBA would delegate authority to surety companies to approve bonds without prior SBA approval.

I believe that we must do more to help those small firms which are our builders and manufacturers. Many of those firms would like to bid on the procurement needs of Federal, State, and local governments, as well as the private sector, but they must provide a guarantee that they will perform. That guarantee is a surety bond which insures their performance.

The SBA surety bond guarantees program is designed to assist them in getting bonds by reimbursing surety companies for most of the losses they pay due to a small contractor breaching or failing to perform a contract. Despite the program, too many small firms still cannot get the necessary bonding.

Accordingly, the bill directs SBA to establish a preferred surety bond program. This program would be analogous to the existing preferred lenders program and would authorize SBA to delegate bond approval authority to those companies which demonstrate their proficiency with program requirements and which justify the placing of additional trust in their judgment. This should encourage major surety companies, which do not now participate in the program, to contribute their expertise by participating.

As is the case regarding small business loans, it is difficult for small businesses to obtain surety bonds for less than $100,000. Many sureties will not bother with such small bonds unless there is some additional incentive to do so.

To address this situation the bill increases the SBA guarantee on bonds of $100,000 or less from the current 80 to 90 percent.

In order to provide better assistance to disaster victims, the bill directs SBA to counsel disaster victims in filing applications and to provide them information relevant to loan processing and closing and prompt disbursement of loan proceeds.

The bill also expands the eligible use of loan proceeds to help alleviate future disasters. It does this by authorizing SBA to increase the amount of a disaster loan by an additional 20 percent if it determines such increase is necessary or appropriate in order to protect the damaged or destroyed property from possible future disasters by taking mitigating measures, including, but not limited to, construction of retaining walls and sea walls, grading and contouring land, relocating utilities, and modifying structures.

Current law allows for unsecured disaster loans of $5,000 or less. In light of inflation, the bill increases this limit on uncollateralized loans to $10,000. This will also help to simplify loan processing and reduce redtape.

Specifically, the bill finds and declares that the purpose of the SBA's development company program includes fostering economic development in both urban and rural areas by providing long-term financing for small business concerns. In order to carry out this objective, the SBA is directed to place greater emphasis on the needs of rural areas and the promotion of the development company program in such areas—those outside of official urbanized areas with populations of less than 100,000.

The bill also provides that a certified development company in a rural area shall be deemed to have satisfied the requirements of a full-time professional staff and professional management ability if it contracts with another certified development company, which has such staff and management ability and which is located in the same general area, to provide such services.

Title II of the bill authorizes and directs the Small Business Administration to assist small businesses to improve their ability to compete in international markets by: First, enhancing their ability to export; second, facilitating technology transfers; third, enhancing their ability to compete against imports; fourth, increasing their access to long-term capital; fifth, disseminating information on State, Federal, and private programs designed to enhance the ability of small business to compete in international markets; and sixth, ensuring that small business interests are represented in international trade negotiations.

Among other things, title II increases the SBA's loan guarantee authority to $1 million for loans for fixed assets to be used in the production of goods and services involved in international trade. It would be $750,000 for other purposes.

Small businesses, unlike large businesses, do not have the resources to employ individuals whose sole responsibility is to seek out Government contracts. Procurement Center representatives [PCR's], therefore, assist small businesses to identify and secure Federal contracting opportunities. A special class of PCR's, known as breakout PCR's, help to convert previous sole source contracts for spare parts into competitive contracts that small businesses may compete for in an open market.

The bill provides authorization to hire seven new PCR's and also removes some barriers to the increased effectiveness of the Breakout PCR Program. These changes deal with access to information, appeal rights, the installations at which these PCR's are to be placed, and the training of Government personnel.

Mr. Chairman, this is a good bill which deserves the support of all Members of the House. In conclusion, I want to thank all the members of the Small Business Committee who have worked long and hard to develop this bill so that it could be presented to the House today. Particularly, I want to thank the ranking minority member of the committee, Representative JOE McDADE and the other members of the committee who contributed proposals which were included in the committee's amendment, Mr. SKELTON, Mr. HATCHER, Mr. OLIN, Mr. CONYERS, Mr. LANCASTER and Mr. CONTE. All of these colleagues suggested major provisions which were included in the legislation, and many other members of the committee suggested other provisions which also helped to improve the bill.

Mr. Chairman, I reserve the balance of my time.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. LAFALCE. Mr. Chairman, I am happy to yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, I want to compliment the gentleman from New York and the gentleman from Pennsylvania for bringing this bill to the floor, but also on the fact that it is a multiyear bill.

□ 1300

Most of the authorization bills that come on the floor are for 1 year only, and by the time they get passed the year is up. This is for 3 years.

Mr. LAFALCE. The gentleman is correct.

Mr. SMITH of Iowa. That means that the agency will have some opportunity to plan for next year. When they make up their budget proposal for next year they will have to go by the authorization that is in front of them instead of making up their own dreamed-up authorization, and I want to compliment the gentleman for having a multiyear bill.

Mr. LAFALCE. I thank the distinguished gentleman from Iowa [Mr. SMITH], chairman of the Appropriations Subcommittee with jurisdiction over the SBA and the former chairman of this full committee. Without his assistance over the past year and a half we would not have been able to perform the job I think the committee has been able to perform.

Mr. Chairman, I reserve the balance of my time.

Mr. McDADE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong support of the bill before us today.

Before I go any further, I want to express my appreciation to the distinguished gentleman from New York [Mr. LAFALCE], the chairman of the committee, for the leadership that he has shown in bringing us to this point. He has done a superb job, I think, in managing the committee and making sure that all points of view were heard as we got to the point that we are today.

I also want to commend my friend, the gentleman from Iowa [Mr. SMITH], whom I have been privileged to serve with on the Appropriations Committee and who has had such a strong interest in this subject matter for as long as I can remember.

I also want to commend my good friend, the gentleman from Massachusetts, Mr. SILVIO CONTE, who is also a colleague on the Appropriations Committee and has served on this committee longer than I think he wants to admit, and has done yeoman's work for the small business community throughout his service in the Congress.

And I also thank all of the Members of the subcommittee who have contributed, as the chairman has indicated, and there are an awful lot of people who have contributed to this work product on both sides of the aisle. We have had able leadership from our staff, who have exercised superb judgment in guiding us through the pitfalls as we brought the legislation along, and we are grateful to all of them.

Mr. Chairman, this bill will authorize programs and activities for the U.S. Small Business Administration during the next 3 fiscal years. The measure reflects broad bipartisan support for the continuation of the U.S. Small Business Administration as an independent Federal agency charged with assisting and promoting the development and growth of the Nation's small businesses.

This is fully consistent with the President's own commitment to maintaining a strong, vigorous small business sector and a Federal agency that can assist small businesses. More than 18 million men and women nationwide own and operate small businesses. I believe they not only need but deserve to have a strong voice in their government. They need to be heard on the issues that concern them and have a say in the formulation of policies and legislation that can affect their bottom line, which is really the economic growth of this Nation. We have tried to see to that in this bill.

During the hearing process, we undertook a tough review of SBA's programs and activities. H.R. 4174 represents our best efforts to address program weaknesses that we were able to document and strengthen existing programs to make the agency work better with the Nation. It also attempts to develop innovative, forward looking initiatives that will assist America's small businesses in today's business environment while helping them to cope with the new competitive demands and challenges confronting those small business concerns.

Our bill is a bipartisan approach to the task of providing the support and assistance our Nation's small business men and women need to sustain their commitment to making our economy second to none.

The chairman has ably reviewed some of the costs and program highlights, and I want to emphasize that our programs and activities authorized under the bill have been maintained at the level enacted in the fiscal year 1986, adjusted for an inflation rate of 4 percent. Direct loans and pollution bonds have been held to the fiscal year 1986 appropriation levels. However, surety bonds have been increased by 25 percent, and that is for one good reason, an enormous requirement, a huge demand higher than anticipated.

Title II of the bill directs the Small Business Administration to assist small businesses to enhance their ability to compete in a global economy. It really is the first time that we have tried to do this, and it is, in my judgment, a thoroughly important and needed first step.

The Small Business Administration is the chief Federal agency charged with the responsibility of assisting the Nation's small businesses. I believe it is important to review the broad scope of its services and available assistance to small businesses.

The agency guarantees loans made by banks and other institutions to eligible small businesses. It offers direct loans to specific target groups, including businesses located in areas suffering from high unemployment, or owned by Vietnam era or disabled veterans, handicapped individuals, and organizations employing the handicapped.

When disaster strikes at home, the SBA is there to make direct loans to help community businesses recover and rebuild, and they have done a fine job in the past in trying to make that program work, and the committee has toughened it up over the years.

The SBA assists minority entrepreneurs by providing management and technical assistance and administering a special procurement program for them.

The agency ensures that the small businesses of the Nation will receive a fair proportion of Federal Government contracts for the purchases of needed goods and services and in many cases introduces needed competition in the procurement requirements.

Firms requiring specialized technical and management assistance can obtain it through this agency.

Small contractors in need of surety bonds can utilize the SBA Surety Bond Guarantee Program.

This is just a sampling of the full spate of services and assistance the agency has to offer.

Mr. Chairman, in my judgment, the bill before the body is a responsible and reasoned approach to maintaining an important Federal agency that continues to provide valuable assistance and services to our Nation's small business men and women, and I strongly urge my colleagues to support it.

Mr. LAFALCE. Mr. Chairman, I yield 6 minutes to the gentleman from Virginia [Mr. OLIN].

Mr. OLIN. Mr. Chairman, I am pleased to rise in support of H.R. 4174, the Small Business Reauthorization and Amendment Act of 1988. This is a very good bill and I strongly support it.

First, I want to thank Chairman LAFALCE for his efforts on this bill, and for his assistance and support in including disaster relief language in this legislation. I also want to thank the ranking minority member of the committee, Congressman MCDADE, for his support.

There are many important provisions in H.R. 4174, but I want to speak about several measures which I think are particularly important—the disaster relief provisions. I have been working in the area of disaster relief for several years, and I appreciate the cooperation of the members and staff of the Small Business Committee in including this language in the bill.

My interest in disaster relief began on November 5, 1985, when my congressional district, the Sixth District of Virginia, suffered a terrible flood. This flood turned out to be the worst in recorded history—my entire district was a disaster area. Thousands of people were effected. Many lost their homes or were forced to find temporary shelter. More than 300 businesses suffered severe flood damage.

As most of my colleagues know, the Federal Government responds to disasters through two agencies, the Federal Emergency Management Agency [FEMA] and the Small Business Administration [SBA]. FEMA is responsible for immediate emergency relief and small monetary grants, while SBA is responsible for providing special disaster loans.

In the case of the flood in my district, there were problems with the activities of both agencies. But the problems with SBA were the worst.

When the flood victims turned to the SBA for help, they were confronted with another disaster—a morass of redtape, multiple forms, and misinformation. Disaster relief loans were difficult to get. The SBA could not or would not give the victims adequate information. Numerous applications were refused. Many people could not understand the complex forms and gave up.

After 6 months or more of waiting, only half of those who completed the grueling process had their loans approved. But that didn't complete the process and, at that late date, out of 1,300 legitimate applications only a handful of flood victims—only five or six—were receiving any money. In the wake of a disaster people are confused and desperate. They need rapid assistance and simple, accurate information. They don't need more hassles—and they don't need excuses.

As a result of these problems the Small Business Committee agreed to hold a hearing in the Sixth District. During this hearing we heard a lot of excuses, but we finally got the loans completed. This hearing caused me to conclude that the problems with the SBA needed drastic solutions.

At first I thought that it would be best to take the Disaster Loan Program away from the SBA. I thought that this program might be better administered if the loans were made by local banks, with Federal guarantees. After meeting with many bankers and other financial and disaster relief experts, I concluded that this would not be effective and I abandoned the idea.

Then I found that the SBA had recognized the problem and was making some changes on its own. To their credit, disaster loan officials within the SBA realized that they had a big problem and they took steps to correct the more obvious ones. I met with SBA officials on several occasions, and encouraged them to continue their efforts.

The reforms instituted by SBA include: Simplifying forms, which should make it much easier for people to fill them out. Improving services for the disaster victims, including providing help in completing applications and loan closing assistance. And reducing the paperwork required for unsecured and secured loans.

I am pleased with these changes, but more needs to be done. The provisions included in the SBA reauthorization will augment the steps already taken by SBA.

Section 22 of the bill is a statement that Congress intends that SBA should provide assistance and counseling to disaster victims when they file for loans. This policy statement is intended to show congressional support for the actions that SBA has already taken and to encourage them to continue making improvements.

Section 25 of H.R. 4174 allows SBA to increase the amount of the loan up to an additional 20 percent for use in implementing mitigation procedures. Many areas of the Nation are subject to reoccurring flooding. Future damage can often be prevented by making changes to a structure or the surrounding property. These measures include construction of retaining walls, grading and contouring land, relocating utilities, and modifying structures—improvements which are known as mitigation measures.

Rebuilding or repairing a structure without implementing mitigation measures, which often happens under the current policy, leaves that structure subject to future damage. It just doesn't make sense to rebuild something exactly like it was before a disaster, only to have it subjected to the same damage a few years later. Even worse, these situations can cost the Government additional money in the form of grants and other assistance.

The mitigation provisions in the SBA bill compliment the mitigation measures contained in the Federal Disaster Relief Act (H.R. 2707) which was passed by the House on March 17. While H.R. 2707 assists the mitigation efforts of communities and towns, the provision in the SBA reauthorization will assist mitigation efforts by families and individuals.

Section 26 raises the unsecured loan amount that SBA can approve from $5,000 to $10,000. It takes less time and less paperwork to approve unsecured loans, than it does to approve secured loans. In fact, most of the processing delays associated with disaster loans result from the low amount allowed for unsecured loans. Raising the rate will result in less delays.

This measure will save money. SBA data indicates that there is little difference in the default rate between $5,000 and $10,000, but the Government would save a substantial amount in processing costs if the rate is increased. In fact, SBA has informed my office that savings will result from increasing this rate.

Furthermore, provisions in the FEMA bill that passed the House increased disaster grants to $10,000. It makes no sense to keep the unsecured loan rate at $5,000 when outright grants can be obtained for $10,000.

In addition, H.R. 4174 expands the definition of disasters to include ocean conditions resulting economic loss. This should streamline the loan process in cases of red tide and other reoccurring conditions.

These measures have been received favorably by a number of organizations including the National Association of Counties, the National Governor's Association, and the National Association of Flood Plain Managers.

In addition to the disaster relief language, H.R. 4174 contains many provisions which will update and streamline other SBA programs. This is a good bill, and I urge my colleagues to join with me in supporting its passage.

Mr. McDADE. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. Conte].

Mr. CONTE. Mr. Chairman, I rise in support of H.R. 4174, the SBA Reauthorization and Amendment Act of 1988.

At the outset I want to commend the gentleman from upstate New York, Mr. LaFalce, and my good friend for many years, the gentleman from Pennsylvania, Mr. Joe McDade, the ranking minority member, for their leadership in bringing this bill to the floor. I have been on this committee for many years. As the gentleman from Pennsylvania, Mr. Joe McDade, said, I have been on the committee for longer than I wish to remember. But these two gentleman have really provided some outstanding leadership, and there is great harmony and teamwork on that committee in the last year and they have reported out a lot of good legislation. I want to thank all of the members on the committee who have worked hard on this bill.

Mr. Chairman, I support H.R. 4174 for a number of reasons: Briefly, because it level funds all current programs, establishes a small loan program, enhances the surety bond program, provides for voluntary participation in SBIR, maximizes the effectiveness of Breakout Procurement Center representatives, expands upon the disaster loan program, and incorporates the small business title to the trade bill.

Particularly important to me is section 113—Procurement Center Representatives. On February 8, 1988, I introduced H.R. 3921 to enhance the powers of Breakout Procurement Center representatives. At my suggestion, H.R. 3921 was incorporated into H.R. 4174 as section 113.

BPCR's are advocates of competition in the procurement process. Their main function is to identify items being procured on a sole source basis and to break out the item for competition. BPCR's also counsel and encourage small businesses to compete for the breakout.

Section 113 is the direct result of recommendations made by the SBA in its fiscal year 1986 annual report to Congress on the BPCR Program. The SBA has identified problem areas that impede the effectiveness of the small business procurement program. Section 113 modifies the Small Business Act to address those concerns.

Specifically, it modifies the law to allow BPCR's access to classified data up to the limit of their security clearance; strengthens the BPCR appeal process; allows the Administrator to make flexible staffing decisions; and provides for an educational component for Procurement Center personnel.

The latest data from the SBA show that in fiscal year 1987 the total operating cost of the breakout program was $3.8 million. The total dollar savings of actions/items purchased under breakout amount to $163.8 million. Section 113 will not cost a dime, but it will dramatically increase the effectiveness of the BPCR's. As a direct result of section 113, small business will receive a greater portion of Government contracts and enhanced small business competition will generate substantial cost savings to the taxpayers. A savings which CBO estimates at $20 to $50 million annually.

H.R. 4174 is vital to America's small businesses. It is responsive to their needs. It is good policy and when properly implemented will do much to promote and strengthen our small businesses. Therefore, I urge all of my colleagues to support this important legislation.

Mr. Chairman, several amendments will be offered today. I would like to comment briefly on just two. One would drop section 125, the set-aside provision. The other would add a provision for management and technical assistance for women owning small business concerns.

Dropping section 125 that provides for fair distribution in setasides is cause for concern. This section places a 50-percent cap on small business participation in certain industrial classifications and gives the SBA options for enforcement.

Section 125 was written in response to section 921 of Public Law 99-661, the Defense Authorization Act of 1987; 921 started in the Armed Services Committee where there was concern that small business was getting a disproportionate share of Government contracts in certain SIC codes. If 921 were enacted, the SBA estimates 50,000 small businesses would be adversely impacted and small business contracts with the Government would drop by $2.5 billion.

Mr. Chairman, 99 percent of all business in America is small business. Only 1 percent is classified as big business. Yet that 1 percent accounts for 100 percent of Government contracts in a great many SIC codes, but no effort was made to limit their participation in Government contracting. We should be writing legislation to benefit small business, not the 1 percent that constitutes big business. While we will be dropping this section because of jurisdictional issues, we will shortly be going into conference with the Senate to address 8(a) reform and set-asides. I feel strongly that certain concepts must remain foremost on our agenda in order to protect small business.

First. If a small business participation cap is to be set there should be a menu of enforcement remedies offered to the SBA for implementation.

Second. Participation caps should be placed upon individual SIC codes within targeted industry categories—not upon the aggregate industry amount.

Third. Offset provisions must be required to mitigate against the anticipated loss to small business. Such provisions should include:

Mandatory increases in those targeted SIC codes not reaching the participation cap; and

Require nontargeted SIC code growth across the board with a small business participation floor of at least 5 percent in all appropriate SIC codes.

Diversifying small business participation in Government procurement is important for several reasons: Increased small business competition will save tax dollars, will stimulate innovation, will protect the defense mobilization base, and will diversify the employment base of many local economies. Therefore, any mandatory limitation on small business participation must be offset by mandatory increased opportunities in areas of underutilization. This is the quid pro quo for limiting small business participation in certain segments of Government contracting.

I would also like to go on record in support of an amendment offered by the chairman to provide for management and technical assistance for women-owned business enterprises. This is critical and long overdue. It is one of eight recommendations made by our committee to increase women business enterprise participation in the economy. It provides for a public-private partnership in the form of demonstration projects. Essentially the Government is going into business with our women entrepreneurs—they benefit, we benefit. I fully support this amendment and commend the Chair for his initiative.

☐ 1330

Mr. LaFALCE. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota [Mr. Dorgan].

Mr. DORGAN of North Dakota. Mr. Chairman, I appreciate the chairman of the committee yielding this time to me, and I want to compliment the chairman on the work he does. Let me also compliment the ranking minority leader on the work he does on these important issues.

I intend to offer an amendment to title I, and I want to take this time to explain what I am doing and why I am doing it. I will not then take my full time under the 5-minute rule. I understood from the chairman of the committee that he had no objection, and likely the ranking minority member will have no objection.

Let me explain what is happening at the moment. We have a disaster program in the SBA. We have it for a very good purpose. We occasionally have circumstances occur around this country where a natural disaster happens and we need to move some people and some resources into those areas to try to help out. At the current time we are experiencing a disaster in the middle part of this country, a disaster called a drought. It is different than a tornado. When a tornado comes rushing down suddenly, it touches the ground and wipes out most of the value of the property. That is a catastrophe in a small community which, normally speaking, everybody understands is a disaster. We rush in with an army of people and separate them into teams and put up tents and process loans and do all the sorts of things that are necessary, the things we do to help one another, the things neighbors do to lend a helping hand.

Well, we have had over the last several months a drought across the Midwest that is very serious. It is no less serious than a tornado. That drought has come through, and with our small grains crops it has wiped out two-thirds or three-fourths of the value of the small grains in North Dakota. It does not matter what happens from now forward; it can rain in perfect order and in perfect amounts, but two-thirds to three-fourths of the value of the small grains crops is gone. It is a disaster. The small Main Street business person who depends on agriculture for his or her livelihood, who depends on the agricultural producer to come in and purchase on Main Street, is going to suffer some serious economic injury in our part of the country. I have discovered in recent days that there is money available at the SBA for disaster loans, but no loans will be processed at the SBA at this time. No disaster declarations will be made at the SBA at this time.

Why? Because there is no administrative money available, they say, to process loans or to make disaster declarations.

Well, there is something wrong down there. There is something wrong with this process, and I have been trying to find out what it is. The SBA says that we need a supplemental appropriations bill to appropriate some money to provide for the 200 or 300 people we need, the temporary people we need on board to continue to process these applications.

I do not know whether the Small Business Administration ought to try and pull resources in from other areas to create some task forces to do this, or whether we need to put more pressure on people here in Congress to pass a supplemental. I suppose both things need to be done, but the point that needs to be made here is that the reason we have disaster programs is that when disasters occur, we want to provide help to those folks, and if disasters that are occurring occur at a time when we have a logjam here on some legislative initiatives, or where we have an administrator who is unable to create a task force to do what is necessary, then we need to evaluate those programs.

The amendment I offer today attempts to establish a priority in the SBA. It says the SBA: Shall give the disaster loan program a sufficiently high priority in allocating appropriated funds for administrative expenses to ensure that there are sufficient funds at all times to carry out such program.

I had a discussion a while ago with my good friend, the gentleman from Iowa [Mr. Smith] about the supplemental. We obviously need to move the supplemental because there are moneys in that supplemental to provide for these emergencies or for these SBA personnel so these disaster loans can be processed and we can move forward.

In my part of the country that is critically important right now. Notwithstanding that, if for some reason the supplemental is snagged and we are not able to move that forward, I would hope that the gentleman from New York [Mr. LaFalce] and I and others could prevail on the Administrator at the SBA to pull in resources from around the SBA—they have 4,000 or 5,000 people down at the SBA—to pull in some resources and create some special task forces on a temporary basis or on an emergency basis to process these loans and make these declarations where a disaster declaration is appropriate.

So, Mr. Chairman, I raise that point today on the floor of the House simply to say that we need action. First, we need action by the Congress, yes, but if for some reason that is snagged and for reasons I do not understand we are not able to get that moving in the next couple of days, I hope we can prevail on the Administrator at SBA to take whatever action is necessary to reorganize resources so that we can move forward with processing of disaster declarations and also disaster loans for the small business men and women out there who need them. I will offer this amendment in title I.

Mr. Chairman, I appreciate the gentleman from New York granting me this time.

Mr. McDADE. Mr. Chairman, I am delighted to yield 3 minutes to our colleague, the gentleman from California [Mr. Dreier].

And in doing so, I shall inform the House that yesterday was his 36th birthday. So we offer him belated birthday wishes. A lot of people around here think he is much too young to be in Congress. He has been in Congress 8 years already.

Mr. DREIER of California. Mr. Chairman, I thank my friend, the gentleman from Pennsylvania very much for that recognition. I also thank him for yielding this time to me, and I want to complement him for his diligent efforts on the Small Business Committee. And, of course, I offer to the chairman of the committee the same thanks.

Even though the gentleman from Pennsylvania [Mr. McDade] provided me with that nice laudatory statement, I am still compelled to rise in opposition to the bill. It is very difficult for me to do this, and I still do echo all the kind remarks voiced by our colleagues up to this point on the diligence and hard work of the staff and the senior members of the committee.

Nevertheless, Mr. Chairman, I am compelled to rise in opposition to the bill because I am concerned that this bill really does very little to promote small business growth and access to capital. One of the most important things that I think we need to do is to provide access to capital.

Actually, Mr. Chairman, if we were serious about helping the small business person in this country, there are a number of things we could have done in this bill. For instance, we could have reduced governmental regulation of capital markets by actually standardizing the disclosure requirements for public offerings. We could increase public funds in investments in small businesses. We should expedite legislation for small business investment. Most of us have supported legislation to enact the Corporation for Small Business Investment [COSBI].

We could create tax incentives for investment in small business. We could restore the capital gains differential on small business stock. We could restore the investment tax credit for new and used equipment for small business, and we could prohibit mandated employee benefits. Also, Mr. Chairman, I believe we should not increase the minimum wage.

Needless to say, this bill does none of these things, and I recognize that this bill could not have addressed a lot of these issues. However, the bill actually perpetuates a number of programs that are costly. This concerns me because many of these programs are very costly and inconsequential, and, quite frankly, based on a lot of information we have received, they are ineffective.

Second, the bill increases funding for the Small Business Development Center Program in spite of the fact that the program has been geared more to the benefit of the universities and colleges than to small businesses. And I should say, Mr. Chairman, that I represent 18 colleages and universities, so this is sort of a difficult position for me to take on this issue. College professors, quite frankly, are the last choice of small business owners for management assistance and advice. Moreover, the Small Business Development Center, the SBDC Program, operates in direct competition with private business counsellors, most of whom are small businesses.

The bill also maintains funding for direct loans, even though financing through the guaranteed loan program is available, accessible, and, as we have clearly seen in committee, more efficient. The default rate for SBA direct loans currently about 30 percent, is the highest of all SBA finance programs. I see no virtue in helping people into bankruptcy.

Furthermore, the bill maintains a separate minority business development agency, the MBDA, even though its functions are virtually diplicated by the Small Business Development Centers.

Mr. Chairman, overall this bill creates a host of costly new programs while maintaining a number of existing programs that provide no defined benefits to the small business community.

Mr. Chairman, I, as one of the few Members who are opposed to this bill, recognize that the legislation most likely will pass. I nevertheless urge my colleagues to vote in opposition to it.

Mr. LAFALCE. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. LANCASTER].

Mr. LANCASTER. Mr. Chairman, I rise today to speak in strong support of H.R. 4174, the Small Business Administration Reauthorization Act. I worked hard with my colleagues on the Small Business Committee to craft this legislation, under the leadership of our chairman, JOHN LAFALCE. Let me draw your attention, in particular, to two provisions which will improve SBA's effectiveness in assisting small businesses. I think these examples demonstrate the careful study that went into this refinement of the Small Business Act.

Nine months ago, Congressman DAVID PRICE and I hosted Small Business Committee field hearings in North Carolina to focus on the problems that small businesses have in obtaining their share of Federal contracts. These hearings were made possible, and successful, by the active participation of Chairman LAFALCE and Procurement Subcommittee Chairman NICK MAVROULES. A successful revision of SBA's charter was a serious commitment for them, not empty rhetoric.

Statistics had shown us that North Carolina ranked dead last out of 50 States in Federal procurement dollars returning to our State. I found the situation inexplicable and inexcusable, since there are 22 Federal purchasing offices in North Carolina, with nine of these responsible for spending $550 million last year. During the afternoon portion of our hearing, in Sanford, NC, we brought together contracting officers and small business specialists from four military facilities in and around my district whose combined purchasing power totaled some $300 million. All of us were determined to correct the situation in North Carolina. All of us were determined to expand opportunities for small business people in Federal contracting. As the afternoon progressed, one recommendation stood out in statement after statement by these experts: North Carolina desperately needed its own SBA Procurement Center representative, or PCR, to work with contracting officers at these facilities and ensure that small businesses were given a fair shot at contracts.

I was dismayed to discover that responsibility for procurement throughout the entire State of North Carolina was covered by a PCR stationed in Charleston, SC, whose responsibilities included both the Carolinas.

Mr. Speaker, this is not a parochial issue—it is a small business issue—an issue of fairness. We wanted to address this problem not only in North and South Carolina, but in a number of instances in other States.

This legislation authorizes seven new PCR positions, one of which will, I hope, find a home in North Carolina. First hand, through the testimony and experience of contracting experts, I have learned the value of these Procurement Center representatives in helping small businesses gain access to opportunities for Federal contracting.

Another provision of the bill represents a significant improvement in the Federal Government's effectiveness in providing disaster assistance to small businesses. It makes clear, once and for all, that a toxic red or brown tide which wrecks havoc on the shellfishing, restaurant, and tourist industries of America's coastline is a physical disaster. There will be no more equivocating, no more delays while Congress forces SBA to attend to its mission. The necessity of this particular provision was brought home to me personally last November, when Congress had to force SBA to declare the devastation in coastal North Carolina a disaster.

These programs and provisions may seem insignificant. I assure you, that for the small business people of an area like the Third District of North Carolina, they are not. For the owners of small businesses in America's coastal areas whose livelihood is presently held hostage to SBA's recalcitrance when a toxic red tide strikes, they are not. For small businessowners where there is potential for Federal contracting, and who desperately need a direct advocate in their struggle to break into the Federal procurement market, they are not.

This reauthorizing legislation represents a renewed awareness of the importance of small business, replacing—and I do not hesitate to speak frankly here—an attitude of continuing disregard by the present administration. This is a realization that the statistics are right—our intuitions are right—the small businessperson is the real source of innovation and dynamism in our Nation's economy. And out of this renewed realization comes a bill offering us a stronger, more sophisticated SBA. The reauthorization was approached by a thorough examination of the problems facing small business in the real world—and of how we in Washington could most efficiently use the SBA to assist them.

I urge my colleagues to cast their vote for this thoughtful and positive revision of our Federal Government's small business assistance.

□ 1330

Mr. McDADE. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey [Mr. GALLO].

Mr. GALLO. Mr. Chairman, I thank the gentleman from Pennsylvania [Mr. McDADE] for yielding this time to me.

Mr. Chairman, I would be remiss if I did not congratulate the chairman of our committee, the gentleman from New York [Mr. LAFALCE] and our ranking member, the gentleman from Pennsylvania [Mr. McDADE] for developing a very fine bill and bringing that cooperation together and the differing thoughts and the processes that we went through, bringing that all together, and actually bringing a bill that is a bipartisan bill with a good answer to some of the serious problems that we have in small business. I believe that small business has been the backbone of this country and it will continue to thrive as long as we have thoughtful legislation such as in here today.

Mr. Chairman, as a member of the House Small Business Committee, I rise in strong support of H.R. 4174, a bill to reauthorize the programs and activities of the U.S. Small Business Administration. Chairman LaFalce and ranking minority member, Joseph McDade, have done an outstanding service to the small business community by moving this reauthorization bill through the committee process and bringing it expeditiously to the House floor for consideration.

H.R. 4174 reauthorizes the programs of the U.S. Small Business Administration based on 1988 authorized levels with a 4-percent increase each year to cover inflation. Among the important programs of the SBA, I strongly support the guaranteed loan programs, the Small Business Development Centers, [SCORE], the Small Business and Minority Business Investment Companies, the minority set-aside program—as reformed in H.R. 1807—and the Surety Bond Guaranty Program.

The Small Business Administration has survived its trial by fire through 6 years of attempts to abolish it, to cut its funding and to merge it with the Department of Commerce. What has emerged is a stronger agency that is ready to meet the special needs and new challenges of American small businesses.

One of the most important new challenges is a greater presence of American small businesses in the international trade market. So, in addition to the continuation of many valuable domestic programs, this bill commits $5 million in Federal matching funds for the national network of Small Business Development Centers to expand their activities in small business export promotion.

Because the SBDC's are jointly funded by the SBA and State governments, they are uniquely qualified to be the focal point of our efforts to encourage small businesses to grow through exporting.

On May 13, 1988, I sponsored a small business export finance seminar in my district. This conference attracted the participation of over 250 companies in my district that are either currently involved in exporting or are considering expansion into foreign markets. Through the efforts of the New Jersey SBDC, this conference brought together all the relevant State and Federal agencies and the major regional lending institutions to assist conference attendees.

Since the omnibus trade bill has not yet been approved by the Congress, I am especially pleased that the committee has incorporated these provisions into the reauthorization bill. The trade component of this bill is a valuable addition to the SBA's overall responsibilities, creating 25,000 jobs for every $1 billion increase in export levels. It is a smart investment that encourages States like New Jersey to provide the matching funds through their small business development centers.

Mr. Chairman, I urge my colleagues to support this bill and add their votes of confidence for the owners and operators of small businesses across the country.

Mr. LaFALCE. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. Mfume].

Mr. MFUME. Mr. Chairman, I rise in strong support of H.R. 4174, and I take this time also to commend the chairman of that committee, the gentleman from New York [Mr. LaFalce], my colleague and friend, as well as the ranking minority member, the gentleman from Pennsylvania [Mr. McDade] for their extreme diligence in working out a compromise measure that has, as my colleagues know, just about the entire support of the Committee on Small Business.

Mr. Chairman, we have looked at a number of issues regarding this bill as it relates to Federal procurement, surety bond guarantees, disaster assistance, export assistance, and other areas that I think we are better off with, and I am sure I speak on behalf of small businesses nationwide when I say that small businesses will be better off as a result of this bill.

Mr. Chairman, I certainly urge my colleagues to vote in support of this bill.

Mr. McDADE. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri [Mr. Coleman].

Mr. COLEMAN of Missouri. Mr. Chairman, I want to thank the gentleman from Pennsylvania [Mr. McDade] for yielding this time to me. I do not serve on the Committee on Small Business, but I do want to explain an amendment which I will be offering later on.

Mr. Chairman, I support H.R. 4174 and commend both the gentleman from Pennsylvania [Mr. McDade] and the gentleman from New York [Mr. LaFalce] for bringing this bill to the floor for us this afternoon.

Mr. Chairman, about a year ago a bipartisan group of almost 50 Members here in the House joined with me in introducing four pieces of legislation which comprises our rural development initiative to begin the process of economic development in this Nation's rural communities. As a member of the Committee on Agriculture, I and many of my colleagues who cosponsored this legislation with me recognize that traditional commodity programs would not address many of the problems of rural areas and that we must take new approaches to rebuilding the Nation's smaller communities. Part of our initiative is focusing on Federal policy to assist small businesses located in rural areas of the country. The vehicle to accomplish that goal was H.R. 2028, a bill to provide guidance and oversight for programs for the development of rural businesses and to implement the commitment of the Federal Government to the goal of encouraging greater economic opportunity for rural area entrepreneurs. I plan to offer this legislation as an amendment to H.R. 4174 this afternoon.

The Subcommittee on Energy and Agriculture of the Committee on Small Business held hearings on this bill in October of last year, and I must say that the testimony was positive and favorable toward it. So under the amendment that I will be offering, the Federal Government would focus some attention on rural areas of the country when it comes to Federal procurement practices and policies, management and technical assistance to small businesses located in rural areas.

Mr. Chairman, I yield back the balance of my time.

Mr. LaFALCE. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. Price].

Mr. PRICE of North Carolina. Mr. Chairman, I rise today in support of H.R. 4174, the Small Business Administration Reauthorization and Amendment Act of 1988.

This bill reaffirms the strong congressional commitment to our Nation's small businesses. Under this legislation, the Small Business Administration [SBA] can continue to guarantee commercial loans to qualified businesses; to make direct loans to small businesses owned by Vietnam era and disabled veterans; and to provide management and technical assistance to small firms along with many other important programs.

These are proven programs vital to our Nation's continued economic growth and development, and I urge my colleagues to support them.

The bill also makes critical changes in the existing operations of SBA, two of which I would like to highlight today. First, the committee directs the SBA to place a greater emphasis on the needs of rural areas. Specifically, SBA is required to develop a plan for greater outreach efforts to our Nation's rural communities which would include procurement and export trade seminars. We have held similar seminars in my district and they have been met with an enthusiastic response.

Too often, our rural areas have been left out of the economic growth of our country, and it is a critical step to target these rural area's businesses, and potential businesses, for special attention.

The committee bill also corrects a current gap in SBA's Procurement

Center Representative Program. The procurement center representative works with Federal installations, both military and civilian, to ensure that small businesses receive fair consideration in the buying activities of these installations.

Last year, Chairman LAFALCE, at the request of Mr. LANCASTER and myself, conducted field hearings in Raleigh and Sanford, NC. At these hearings, it became apparent that the effort of small businesses to obtain contracts from Federal installations was hindered by the lack of a full-time procurement center representative in North Carolina. This is particularly significant because there are 22 Federal purchasing offices in North Carolina, and 9 of those centers were responsible for making $552.1 million in Federal purchases in fiscal year 1987.

Other States have similar problems, and so Mr. LANCASTER and I added an amendment, which was accepted unanimously by the Small Business Committee, which would provide for an additional seven Procurement Center representatives across the country. We feel this is an important step forward in ensuring that Federal installations are more responsive to the talents of small businesses in North Carolina and other similarly affected areas. We also believe that this will help the Federal Government get the best product at the lowest price.

I want to commend Chairman LAFALCE and his staff for their careful and thoughtful work on this legislation. The bill is a responsible, balanced package which continues existing programs and, as the changes I outlined indicate, makes important changes in areas currently neglected by SBA. I urge my colleagues to support this bill.

Mr. JONES of North Carolina. Mr. Chairman, it is heartening that the bill before us makes clear that events such as red tides which devastate commercial fishing in coastal waters are disasters eligible for SBA assistance programs.

Last winter, the North Carolina coast suffered the first occurrence of red tide in the history of the State. It ruined our shellfish industry for months and had equally devastating effects on our finfish industry and on coastal recreation and tourism. The loss to our people was conservatively estimated to be in the millions of dollars.

This was an economic disaster as severe in every way as if a hurricane had struck our coast.

When we sought help from the Small Business Administration, we were refused. We were told that a red tide was not the type of disaster contemplated in the statute.

Fortunately, Congress reacted quickly and compassionately. It enacted a statute making clear that the North Carolina red tide was a disaster that triggered eligibility for SBA aid programs. The SBA aid did not solve our red tide problem, but it did help some people directly, and it sent a message to our people that the Federal Government cared about their plight.

If, in the future, North Carolina or some other State is inflicted with a red tide, we should not have to ask Congress to pass an ad hoc piece of legislation. That is why I am so pleased with this bill. It makes clear that the definition of "disaster" includes "ocean conditions resulting in the closure of customary fishing waters."

Mr. CHANDLER. I rise in support of H.R. 4174, the Small Business Administration Reauthorization and Amendment Act for fiscal years 1989–91. While it is by no means perfect, it is a fair compromise to reauthorize a somewhat controversial, but generally needed and widely used program.

Unfortunately, many misconceptions exist about the Small Business Administration. This article in the May 9, 1988, edition of the Puget Sound Business Journal responds to many of these myths. I submit it for the consideration of my colleagues:

[From the Puget Sound Business Journal, May 9, 1988]

DISPELLING SOME OF THE MYTHS SURROUNDING THE SBA

(By John Talerico)

[Editor's note: To coincide with Small Business Week, May 8–14, the business Journal solicited this commentary from SBA District Director John Talerico.]

Do you know what Inermec Corp., FX McRory's, Scan Design, Molbak's Nurseries, and Uwajimaya Inc. have in common? How about Nike Shoes, Federal Express, Godfather Pizza, and Apple Computer?

Answer: They received financial assistance from the U.S. Small Business Administration. Indeed, some of these firms got their start from SBA-sponsored financial and management assistance programs while others borrowed money from the SBA to sustain growth.

The SBA is a small, independent agency of the government which was created by Congress in 1953. Its sole mission is to help people get into business, and stay in business. The agency accomplishes this through a variety of financial, management, and government procurement programs delivered through 64 district offices across the nation. There are two such offices in Washington state, located in Seattle and Spokane.

Small business is a significant force in our national and state economies. There are some 15 million independently owned and operated small businesses nationwide. About half of these operate part time, the rest full time.

Small businesses employ 48 percent of the private sector work force, contribute 42 percent of all sales in the country and are responsible for 38 percent of the gross national product. Small businesses provided more than half of all new jobs in the economy last year.

Jobs generated by small businesses are likely to be filled by younger workers, older workers, and women. Many of these workers prefer, or are only able, to work part time, and thus can be more easily accommodated by small employers.

More than 263,000 businesses are registered in Washington state. Of these, 90,540 report that they have employees, and 98 percent of these have fewer than 100 employees. The state's civilian work force is about 2.05 million people, and more than 900,000 of these individuals work for firms with fewer than 100 employees.

In recent years a series of budget battles between the Reagan Administration and the U.S. Congress, targeted the U.S. Small Business Administration for virtual elimination. Congressional efforts to retain the agency prevailed, and through a combination of compromises and reductions in its budget, the SBA has emerged from the skirmishes as a leaner and more efficient organization.

Streamlining and program improvement continues with each budget cycle of the Congress, and cost-saving revisions will likely continue. Yet, despite significant reductions in our staff and budgets, we are doing more with less. We have doubled our effort and redoubled our enthusiasm to assist the nation's small-business community.

We have expanded our partnerships with the private sector to help us accomplish our job, at no additional cost to the taxpayer.

In Washington state last year, the SBA approved nearly $52 million in guaranteed and direct loans for some 385 small businesses. In addition SBA reached more than 20,000 small business through counseling services and training programs provided by our resource partners such as SCORE (the all-volunteer Service Corps of Retired Executives), a network of Small Business Development Centers throughout the state which are funded 50 percent by SBA, and teams of graduate business students at university-based Small Business Institutes.

Our office also conducts circuit rides to all parts of the state by our SCORE counselors, enabling current or prospective small business operators to receive individual counseling at more than 35 locations.

During the budget battles a lot of charges about SBA and its programs were made by our most vocal critics in an effort to fuel support for the agency's demise. As a consequence, a negative picture was painted which has to this day left our clientele confused about what we do.

Many do not know that the SBA was not abolished, and that we are still in business. Most importantly we want to dispel these myths about the agency and set the record straight:

Myth: The SBA provides grants to help start a new business.

Fact: The SBA does not provide grants. It does provide loans to qualified borrowers. More than 90 percent of our lending is through the SBA guarantee of bank loans. Potential borrowers should discuss their financial needs with their bankers, and ask if an SBA guarantee would enable the bank to make a loan.

Myth: The SBA only makes loans to women and minorities.

Fact: The SBA loans to all qualified borrowers regardless of ethnic origin, race or sex. Last year the SBA made business loans to more than 17,000 businesses nationally, worth more than $2.7 billion in guaranteed loans. Another 10,000 loans were made to homeowners and businesses through our Disaster Loan Program as well.

Myth: The SBA reaches less than 1 percent of the small businesses in the United States.

Fact: Considering the fact that nationally there are close to 8 million full-time small businesses, our 3,500 employees didn't do such a bad job last year. We counseled and trained more than 550,000 small business clients nationwide and conducted more than 52,000 telephone calls on our toll-free hotline, and many times that number through our 64 district offices. More than six million publications describing how to start, manage and develop a successful small business were distributed to potential and existing business owners.

On a more local level, a recent survey of Washington state businesses reported that nearly a third of small business respondents have had contact with SBA through one of its many programs.

Myth: The SBA makes and guarantees special low interest rate loans to small businesses.

Fact: Our loans have an interest rate of up to 2¼ percent over New York prime rate for less than seven years maturity and 2¾ percent for seven years or more. A special low interest rate program for handicapped applicants is available for borrowers who meet all other regular SBA loan criteria and cannot get financing elsewhere.

Myth: Anybody can start a small business if they can get the money.

Fact: Even with proper financing, many small businesses fail. Statistics show that the major reason for failure is poor management practices. Though proper training can often avert such failures, 80 percent of all small businesses fail in their first five years of operation for reasons other than financial. One of the toughest jobs we have at SBA is to advise many clients not to go into business. While the rewards are many, the risks are too.

Myth: The SBA only helps minority contractors in securing government contracts.

Fact: SBA has a special minority small business set-aside program (popularly known as the SBA 8(a) program) which last year awarded federal contracts worth some $2.5 billion to minority-owned firms.

However, this was a very minor portion of the $62 billion SBA helped all small business firms receive in government contracts. We conduct special seminars and programs to instruct small businesses on how to sell to the government. The U.S. Government is the largest purchaser of goods and services in the world.

Myth: SBA makes a lot of bad loans, and costs the taxpayers a lot of money because of it.

Fact: The Seattle District Office of SBA has financed nearly $1 billion in lending to nearly 10,000 small businesses since it was created in 1954. Our loss rate is between five and six percent. As with all lenders, our record is not perfect.

Our biggest regret is that over the years SBA never kept track of the thousands of new jobs created by our financial assistance or of the many millions of dollars in taxes generated. These figures would far exceed this loss rate many times over. We are now keeping such records.

Last year SBA's $36 million in financing to 254 businesses created or maintained an estimated 3,708 jobs in the Seattle District area alone.

Myth: The SBA requires reams of paperwork to apply for financial assistance, and it takes months to process the loan.

Fact: The SBA application for an SBA loan or loan guaranty requires only five relatively simple SBA forms other than the bank's normal loan application. If all documentation is provided and complete, the average turnaround time is less than 10 working days.

Under our bank Certified Lender Program. SBA responds to the bank within three working days. Under our Preferred Lenders Program, our participating banks actually have the authority to make the SBA guarantee without prior submission to SBA. Most delays in processing applications are due to the fact that incomplete information is provided.

Such myths have perpetuated misunderstanding about SBA and what it does. We want to clear up these misconceptions. We know that SBA can still make many improvements, and we are working on more than a few. In spite of severe budget and personnel reductions, we want to provide the very best service to our small business community.

Finally, we would like to be recognized as a viable and contributing economic development agency. We have been mistaken for too long as being a social agency whose programs are limited to a select few. We would like the public to know that our programs are available to all, and that our goal is to help establish new businesses, and to create new jobs, which in turn generate taxes and help our local, state and national economies.

We want to advocate policies which will encourage and assist small businesses in their growth and development, and the levels of government to recognize the economic significance of our small business communities.

Mr. MARLENEE. Mr. Chairman, I am pleased to rise in support of H.R. 4174, the Small Business Administration Reauthorization and Amendment Act of 1988, which reaffirms and enhances my efforts to strengthen the relationship between Federal agencies and rural businesses.

Of particular importance in this bill is an amendment that takes an important first step toward a comprehensive development plan for rural America. This provision requires Federal agencies to develop rural area business enterprise plans to encourage contractors and grantees to use small businesses located in rural areas. It directs the SBA to provide any necessary technical or financial assistance to those businesses.

I have long supported the effort to put rural businesses on an equal footing with their urban cousins when it comes to bidding for Federal Government contracts. This provision should go a long way toward supporting and encouraging greater economic opportunity for our rural business men and women.

The past several years of tough times for American agriculture have threatened the existence of many businesses and, in fact, have forced many to close. This measure will aid the economic diversity of our rural economy, and is only the first step toward strengthening and rebuilding our rural business community.

There is no reason why the Defense Department, for instance, doesn't purchase more of its clothing, food, and other products from businesses that are located in rural areas of the country. A number of Montana businesses—like A&S Industries of Poplar—are already doing a profitable business with the Federal Government. We need to encourage similar business relationships with other rural businesses.

The amendment directs Federal agencies to provide direct assistance, procurement assistance, and management and technical assistance to rural small businesses and provide incentives for greater subcontracting by Federal prime contractors and grant recipients with those businesses.

Rural America will benefit from other provisions in H.R. 4174 that greatly expand the Small Business Administration's role in rural areas. SBA will be required to focus much more of its programs on the needs of these areas, including giving a greater priority to financing for small business concerns, holding procurement and export trade seminars, and helping individuals in the formation of export trading companies and pools.

Consideration is also given in H.R. 4174 to small businesses suffering from the adverse effects of such natural disaster as drought. This bill doubles the loan limit for unsecured disaster loans from $5,000 to $10,000.

Also of particular significance in H.R. 4174 is continued funding for the Service Corps of Retired Executives [SCORE], a volunteer program that has greatly helped small businesses in Montana.

I have been a longstanding supporter of SCORE and have been particularly aware of SCORE volunteers who have endured the impact of funding cuts and, despite this, have continued their commitment to deliver cost-free services to small business owners and those who desire to start companies. Small businesses in Montana and throughout this country have benefited from the counsel and assistance of SCORE volunteers.

The ability of small businesses to compete is further enhanced in this bill through provisions that allow greater guarantees for surety bonds needed by builders and manufacturers and expand loan guarantees for qualified small businesses.

In brief, H.R. 4174 takes some significant steps toward helping small businesses, particularly those in rural areas that continue to struggle under adverse economic conditions. With these concerns in mind, I commend my colleagues for passage of this important legislation.

Mrs. COLLINS. Mr. Chairman, the measure before us reauthorizes the Small Business Administration for fiscal years 1989 through 1991.

Included in the bill is a provision requiring SBA to establish a pilot program to identify and review industry categories in which the Federal Government makes substantial purchases, but makes less than 15 percent of those purchases from small business, including small disadvantaged business. Under that pilot program, SBA is required to make "substantial and sustained efforts" to increase Federal purchases from small business in each of the categories identified—aincluding requiring individual Federal agencies to formulate and implement detailed plans for increasing contract awards in targeted industries to small business.

I applaud that initiative in this era of increasing big business at a time when small business is receiving a reduced share of Federal contract dollars. I remind my colleagues, however, of the continuing need to hold SBA's feet to the fire in terms of its implementation of existing programs designed to provide small business and small disadvantaged business with increased opportunities to provide goods and services to the Federal Government.

The Government Activities and Transportation Subcommittee, which I chair, recently held hearings on SBA's administration of Public Law 95-507. That statute, which has been on the books for 10 years, except in certain limited cases, requires that all major companies bidding or making an offer on contracts worth over $500,000—$1 million for construction—must submit subcontracting plans which are to become a material part of the contract. Such plans must include percentage subcontracting goals for small business and small disadvantaged business.

Although primary responsibility for Public Law 95-507 rests with the individual contracting agencies, SBA has been assigned general oversight authority in that regard. Specifically, SBA has two principal functions: First, to review and advise contracting agencies on the adequacy of subcontracting plans prior to contract adoption; and second, to determine contractor compliance with those goals throughout the life of the contract.

In testimony before my subcomnmittee, SBA reported that for fiscal year 1987, that it had reviewed 7,133 proposed subcontracting plans submitted by the Department of Defense and various civilian agencies. Of the proposed plans, 706 were returned to the contracting agency with specific recommendations for improvement. Of the 706 initially found unacceptable, the acquisition agencies failed to negotiate improvement in 101 cases.

Additionally, during the life of various contracts, SBA conducted 5,827 contract reviews at the sites of major Federal prime contractors. The purpose of those reviews was to determine whether the prime contractors had complied with their subcontracting plans, including the percentage goals for small business and small disadvantaged business. Only two companies were found by SBA to be in final noncompliance.

As impressive as those numbers and findings may appear, it is evident that the program is not working as intended. As determined by the Government Activities and Transportation Subcommittee, one major contracting agency, General Services Administration, for example, is providing only minimal subcontracting opportunities for small business and small disadvantaged business as subcontractors on major GSA contracts. At GSA, small business, with the implicit approval of SBA, is receiving only 10 percent of total major contract dollars, while minority small business is receiving only 0.006 percent.

That in turn, raises serious concerns regarding the adequacy of the SBA reviews in suggesting that SBA may be more interested in compiling impressive numbers of reviews, regardless of their thoroughness and irrespective of the content of the contracting plans.

I would urge then, that SBA during the next several fiscal years, take full account of the measures already in place to aid small business and small disadvantaged business business in achieving an equitable share of Federal contract dollars. To that end, SBA should better target its limited resources to provide meaningful results and not just impressive sounding numbers as concerns its review and inspection efforts.

Mr. **McDADE.** Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. **LaFALCE.** Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. **AKAKA.** Pursuant to the rule, committee amendment in the nature of a substitute now printed in the reported bill is considered as an original bill for the purpose of amendment, and each title is considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Small Business Administration Reauthorization and Amendment Act of 1988".

The **CHAIRMAN.** Are there any amendments to section 1?

The Clerk will designate title I.

The text of title I is as follows:

TITLE I—ADMINISTRATION AND REAUTHORIZATION PROVISIONS

SEC. 101. PROGRAM LEVELS AND AUTHORIZATIONS.

Section 20 of the Small Business Act is amended by striking subsections (b) through (x), by redesignating subsections (y) and (z) as subsections (b) and (c), and by adding the following new subsections:

"(d) The following program levels are authorized for fiscal year 1989:

"(1) For the programs authorized by section 7(a) of this Act, the Administration is authorized to make $49,000,000 in direct and immediate participation loans; and of such sum, the Administration is authorized to make $13,000,000 in loans as provided in paragraph (10), $19,000,000 in loans as provided in paragraph (11), and $17,000,000 in loans to disabled veterans and Vietnam era veterans as defined in section 1841 of title 38, United States Code, under the general terms and conditions of section 7(a) of this Act.

"(2) For the programs authorized by section 7(a) of this Act and section 504 of the Small Business Investment Act of 1958, the Administration is authorized to make $3,371,000,000 in deferred participation loans and guarantees of debentures; and of such sum, the Administration is authorized to make $5,000,000 in loans as provided in paragraph (10), $65,000,000 in loans as provided in paragraph (11), $16,000,000 in loans as provided in paragraph (12), and $468,000,000 in loans as provided in paragraph (13) and guarantees of debentures as provided in section 504.

"(3) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make $36,000,000 in direct purchases of debentures and preferred securities and to make $272,000,000 in guarantees of debentures.

"(4) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $1,600,000,000, of which not more than $400,000,000 may be in guarantees under the preferred surety bond program authorized by section 411(d) of the Small Business Investment Act of 1958.

"(5) For the programs authorized by sections 404 and 405 of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $50,000,000.

"(e) There are authorized to be appropriated to the Administration for fiscal year 1989, $470,000,000. Of such sum, $228,000,000 shall be available to carry out the programs referred to in paragraphs (1) through (3) of subsection (d); $14,000,000 shall be available to carry out the provisions of sections 404 and 405 of the Small Business Investment Act of 1958; $20,000,000 shall be available to carry out the provisions of section 412 of the Small Business Investment Act of 1958; and $208,000,000 shall be available for salaries and expenses of the Administration, of which up to $2,600,000 shall be available for the operations of the Service Corps of Retired Executives. There also are hereby authorized to be appropriated such sums as may be necessary and appropriate for the carrying out of the provisions and purposes, including administrative expenses, of sections 7(b)(1) and 7(b)(2) of this Act; and there are authorized to be transferred from the disaster loan revolving fund such sums as may be necessary and appropriate for such administrative expenses.

"(f) The following program levels are authorized for fiscal year 1990:

"(1) For the programs authorized by section 7(a) of this Act, the Administration is authorized to make $49,000,000 in direct and immediate participation loans; and of such sum, the Administration is authorized to make $13,000,000 in loans as provided in paragraph (10), $19,000,000 in loans as provided in paragraph (11), and $17,000,000 in loans to disabled veterans and Vietnam era veterans as defined in section 1841 of title 38, United States Code, under the general terms and conditions of section 7(a) of this Act.

"(2) For the programs authorized by section 7(a) of this Act and section 504 of the Small Business Investment Act of 1958, the Administration is authorized to make $3,503,000,000 in deferred participation loans and guarantees of debentures; and of such sum, the Administration is authorized to make $5,000,000 in loans as provided in paragraph (10), $65,000,000 in loans as provided in paragraph (11), $16,000,000 in loans as provided in paragraph (12), and $487,000,000 in loans as provided in paragraph (13) and guarantees of debentures as provided in section 504.

"(3) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make $37,000,000 in direct purchases of debentures and preferred securities and to make $272,000,000 in guarantees of debentures.

"(4) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $1,664,000,000, of which not more than $416,000,000 may be in guarantees under the preferred surety bond program authorized by section 411(d) of the Small Business Investment Act of 1958.

"(5) For the programs authorized in sections 404 and 405 of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $50,000,000.

"(g) There are authorized to be appropriated to the Administration for fiscal year 1990, $514,000,000. Of such sum, $259,000,000 shall be available to carry out the programs referred to in paragraphs (1) through (3) of subsection (f); $14,000,000 shall be available for the purpose of carrying out the provisions of sections 404 and 405 of the Small Business Investment Act of 1958; $22,000,000 shall be available to carry out the provisions of section 412 of the Small Business Investment Act of 1958; and $219,000,000 shall be available for salaries and expenses of the Administration, of

which $2,700,000 shall be available for the operations of the Service Corps of Retired Executives. There also are hereby authorized to be appropriated such sums as may be necessary and appropriate for the carrying out of the provisions and purposes, including administrative expenses, of sections 7(b)(1) and 7(b)(2) of this Act; and there are authorized to be transferred from the disaster loan revolving funds such sums as may be necessary and appropriate for such administrative expenses.

"(h) The following program levels are authorized for fiscal year 1991:

"(1) For the programs authorized by section 7(a) of this Act, the Administration is authorized to make $49,000,000 in direct and immediate participation loans; and of such sum, the Administration is authorized to make $13,000,000 in loans as provided in paragraph (10), $19,000,000 in loans as provided in paragraph (11), and $17,000,000 in loans to disabled veterans and Vietnam era veterans as defined in section 1841 of title 38, United States Code, under the general terms and conditions of section 7(a) of this Act.

"(2) For the programs authorized by section 7(a) of this Act and section 504 of the Small Business Investment Act of 1958, the Administration is authorized to make $3,639,000,000 in deferred participation loans and guarantees of debentures; and of such sum, the Administration is authorized to make $5,000,000 in loans as provided in paragraph (10), $65,000,000 in loans as provided in paragraph (11), $16,000,000 in loans as provided in paragraph (12), and $506,000,000 in loans as provided in paragraph (13) and guarantees of debentures as provided in section 504.

"(3) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make $39,000,000 in direct purchases of debentures and preferred securities and to make $272,000,000 in guarantees of debentures.

"(4) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $1,731,000,000, of which not more than $433,000,000 shall be in guarantees under the preferred surety bond program authorized by section 411(d) of the Small Business Investment Act of 1958.

"(5) For the programs authorized in sections 404 and 405 of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $50,000,000.

"(i) There are authorized to be appropriated to the Administration for fiscal year 1991, $566,000,000. Of such sum, $297,000,000 shall be available to carry out the programs referred to in paragraphs (1) through (3) of subsection (h); $1,000,000 shall be available for the purpose of carrying out the provisions of section 403 of the Small Business Investment Act of 1958; $14,000,000 shall be available to carry out the provisions of sections 404 and 405 of the Small Business Investment Act of 1958; $22,000,000 shall be available to carry out the provisions of section 412 of the Small Business Investment Act of 1958; and $232,000,000 shall be available for salaries and expenses of the Administration, of which $2,800,000 shall be available for the operations of the Service Corps of Retired Executives. There also are hereby authorized to be appropriated such sums as may be necessary and appropriate for the carrying out of the provisions and purposes, including administrative expenses, of sections 7(b)(1) and 7(b)(2) of this Act; and there are authorized to be transferred from the disaster loan revolving funds such sums as may be necessary and appropriate for such administrative expenses.".

SEC. 102. FORM SIMPLIFICATION AND PREFERRED FINANCING.

(a) Certified Loan Program.—Section 7 of the Small Business Act (15 U.S.C. 636) is amended by adding to subsection (a) the following new paragraph:

"(19) During fiscal years 1989, 1990, and 1991, in addition to the preferred lenders program authorized by the proviso in section 5(b)(7), the Administration is authorized to establish a certified loan program for lenders who establish their knowledge of Administration laws and regulations concerning the loan guarantees program and their proficiency in program requirements. In order to encourage certified lenders and preferred lenders to provide loans of $50,000 or less in guarantees to eligible small business loan applicants, the Administration shall allow participating lenders in the certified loan program and in the preferred loan program (A) to solely utilize the forms of the lender without regard to any forms of the Administration and (B) to retain one-half of the fee collected pursuant to section 7(a)(16) on such loans: Provided, That a participating lender may not retain any fee pursuant to this paragraph if the amount committed and outstanding to the applicant would exceed $50,000 unless such amount was not approved under the provisions of this paragraph. The designation of a lender as a certified or preferred lender shall be suspended or revoked at any time that the Administration determines that the lender is not adhering to its rules and regulations or if the Administration determines that the loss experience of the lender is excessive as compared to other lenders: Provided further, That any suspension or revocation of the designation shall not affect any outstanding guarantee: And provided further, That the Administration may not reduce the per centum of guarantee as a criterion of eligibility for such designation.".

(b) Reports.—The Administration shall take such steps as it deems appropriate to expand participation in the certified loan program and shall report to the Small Business Committees of the Senate and the House of Representatives on the amount of loans approved and the amount of losses sustained under the provisions of section 7(a)(19) of the Small Business Act. An interim report shall be submitted not later than one year after the date of enactment of this title and a final report shall be submitted not later than two years after the date of enactment.

SEC. 103. GUARANTEE PERCENTAGES FOR PREFERRED LENDERS.

Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by striking "reduce its participation below the per centums stated in this paragraph if" in the second proviso in paragraph (2) and inserting "not reduce its participation below the per centums stated in this paragraph even if".

SEC. 104. IMMINENT BREACH OF SURETY BOND CONTRACTS.

Section 411(b) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(b)) is amended—

(1) by striking "; and" from paragraph (2) and inserting in lieu thereof a period;

(2) by inserting at the end of such paragraph (2) the following: "In no event shall the Administration make a payment to a surety under this subsection which exceeds the per centum of the guarantee of the bond or which would exceed the amount of the potential guarantee liability, and it shall make such payments only if the Administration determines that the surety has taken appropriate steps to liquidate any expenditures it has made to avoid a breach."; and

(3) by striking paragraph (3).

SEC. 105. GUARANTEE PERCENTAGES FOR SURETY BONDS.

Section 411 of the Small Business Investment Act of 1958 (15 U.S.C. 694b) is further amended by striking subsection (c) and inserting in lieu thereof the following:

"(c) Any guarantee or agreement to indemnify under this section shall obligate the Administration to pay to the surety a sum (1) in the case of a guarantee under subsection (a), not to exceed 90 per centum of the loss incurred and paid by a surety if the total amount of the contract at the time of execution of the bond or bonds is $100,000 or less and 80 per centum of the loss incurred and paid by a surety if the total amount of the contract at the time of execution of the bond or bonds exceeds $100,000, less any amounts paid pursuant to subsection (b) of this section, or (2) in a case in which subsection (b) applies, the amount determined under subsection (b): Provided, That the Administration may reduce the per centum below the amounts stated only by a determination made on a case-by-case basis.".

SEC. 106. PREFERRED SURETY BOND GUARANTEES PROGRAM.

(a) Concerning Administering of Bonds.—Section 411 of the Small Business Investment Act of 1958 (15 U.S.C. 694b) is further amended—

(1) by inserting "and" at the end of paragraph (3) of subsection (a);

(2) by striking paragraphs (4) through (6), inclusive, of subsection (a) and inserting in lieu thereof the following:

"(4) there is a reasonable expectation that such person will perform the covenants and conditions of the contract with respect to which such bond is required, and the terms and conditions of such bond are reasonable in the light of the risks involved."; and

(3) by adding the following at the end of subsection (d): "The Administration, in its discretion, may authorize any surety, without further Administration approval, to issue, monitor and service such bonds subject to the Administration's guarantee: Provided, That the Administration determines that such surety has underwriting expertise and the capability to approve, issue, monitor and service such bonds: Provided further, That the Administration shall suspend or revoke this delegation of approval authority if it determines that the surety is not adhering to its rules and regulations or if it determines that the loss experience of the surety is excessive as compared to other surety companies, but any suspension or revocation of the delegation shall not affect any outstanding guarantee.".

(b) Report.—The Administration shall report to the Committees on Small Business of the Senate and the House of Representatives on the amount of surety bond guarantees issued pursuant to section 411(d) of the Small Business Investment Act of 1958 and on the amount of losses sustained thereon. An interim report shall be submitted on or before February 1, 1990, and a final report on or before February 1, 1991.

SEC. 107. EXAMINATIONS OF SMALL BUSINESS INVESTMENT COMPANIES.

Section 310 of the Small Business Investment Act of 1958 (15 U.S.C. 687b) is amended by striking the second sentence of subsection (b) and by adding the following new subsection to such section:

"(c) Each small business investment company shall be examined at least every two years in such detail so as to determine whether or not—

"(1) it has engaged solely in lawful activities and those contemplated by this title;

"(2) it has engaged in prohibited conflicts of interest;

"(3) it has acquired or exercised illegal control of an assisted small business;

"(4) it has made investments in small businesses for not less than four years in the case of section 301(d) licensees and in all other cases, not less than five years;

"(5) it has invested more than 20 per centum of its capital in any individual small business;

"(6) it has engaged in relending, foreign investments, or passive investments; or

"(7) it has charged an interest rate in excess of the maximum permitted by law:

Provided, That the Administration may waive the examination (A) for up to one additional year if, in its discretion, it determines such a delay would be appropriate, based upon the amount of debentures being issued by the company and its repayment record, the prior operating experience of the company, the contents and results of the last examination and the management expertise of the company, or (B) if it is a company whose operations have been suspended while the company is involved in litigation or is in receivership.".

SEC. 108. MINIMUM LIFE OF LIMITED PARTNERSHIP SMALL BUSINESS INVESTMENT COMPANIES.

Section 301 of the Small Business Investment Act of 1958 (15 U.S.C 681) is amended by striking from subsection (a) "has succession for a period of not less than thirty years unless sooner dissolved by its shareholders or partners" and inserting in lieu thereof ", if incorporated, has succession for a period of not less than thirty years unless sooner dissolved by its shareholders, and if a limited partnership, has succession for a period of not less than ten years,".

SEC. 109. PERIODIC SMALL BUSINESS INVESTMENT COMPANY DEBENTURE SALES.

(a) In General.—Title III of the Small Business Investment Act of 1958 is amended by adding at the end thereof the following new section:

"PERIODIC ISSUANCE OF GUARANTEES AND TRUST CERTIFICATES

"Sec. 322. The Administration shall issue guarantees under section 303 and trust certificates under section 321 at periodic intervals, including not less than two per year, and shall do so at such other times as it deems appropriate, taking into consideration the amount and number of such guarantees or trust certificates.".

(b) Clerical Amendment.—The table of sections for title III is amended by adding the following new item:

"Sec. 322. Periodic issuance of guarantees and trust certificates.".

SEC. 110. GENERAL ACCOUNTING OFFICE EVALUATION OF THE SERVICE CORPS OF RETIRED EXECUTIVES.

The Comptroller General shall, not later than June 1, 1989, transmit a report to the Small Business Committee of the Senate and the House of Representatives on the functions being performed by volunteers in the Service Corps of Retired Executives and the Active Corps of Executives. Such report shall include his evaluation of the programs and shall include conclusions and recommendations concerning the efficiency and cost effectiveness of such volunteers.

SEC. 111. PARTICIPATION IN THE SMALL BUSINESS INNOVATION AND RESEARCH PROGRAM.

Subsection (j) of section 9 of the Small Business Act (15 U.S.C 638(j)) is amended as follows:

(1) by striking "and" at the end of paragraph (4);

(2) by striking the period at the end of paragraph (5) and inserting a semicolon; and

(3) by adding the following new paragraphs:

"(6) standardized and orderly withdrawal from program participation by an agency having a SBIR program; at the discretion of the Administration, such directives may require a phased withdrawal over a period of time sufficient in duration to minimize any adverse impact on small business concerns; and

"(7) the voluntary participation in a SBIR program by a Federal agency not required to establish such a program pursuant to subsection (f).".

SEC. 112. SBA PROGRAM DATA AND EVALUATION.

The Small Business Administration shall develop a comprehensive system to systematically acquire data on the number of small businesses which participate in Administration programs, the nature and extent of their participation, the type of business, the results of such participation, and such other information as the Administration deems appropriate. The data shall be compiled and maintained to permit a statistically valid analysis and computation and evaluation of costs and benefits. The Administration shall submit a report to the Small Business Committees of the Senate and the House of Representatives not later than July 31, 1988. Such report shall include its conclusions and recommendations and estimate of the costs involved in implementing such a program and shall implement the system for all program assistance made available on or after October 1, 1988.

SEC. 113. PROCUREMENT CENTER REPRESENTATIVES.

Subsection (l) of section 15 of the Small Business Act (15 U.S.C. 644) is amended—

(1) by striking the term "unrestricted" in subparagraph (D) of paragraph (2) each place such term appears;

(2) by amending subparagraph (E) of paragraph (2) to read as follows:

"(E) have access to procurement records and other data of the procurement center commensurate with the level of such representative's approved security clearance classification;";

(3) by amending paragraph (3) to read as follows:

"(3) A breakout procurement center representative is authorized to appeal the failure to act favorably on any recommendation made pursuant to paragraph (2). Such appeal shall be filed and processed in the same manner and subject to the same conditions and limitations as an appeal filed by the Administrator pursuant to subsection (a).";

(4) by amending paragraph (6) to read as follows:

"(6) For purposes of this subsection, the term 'major procurement center' means a procurement center that, in the opinion of the Administrator, purchases substantial dollar amounts of other than commercial items and which has the potential to incur significant savings as the result of the placement of a breakout procurement center representative."; and

(5) by adding the following new paragraph:

"(7)(A) At such times as the Administrator deems appropriate, the breakout procurement center representative shall conduct familiarization sessions for contracting officers and other appropriate personnel of the procurement center to which such representative is assigned. Such sessions shall acquaint the participants with the provisions of this subsection and shall instruct them in methods designed to further the purposes of such subsection.

"(B) The breakout procurement center representative shall prepare and personally deliver an annual briefing and report to the head of the procurement center to which such representative is assigned. Such briefing and report shall detail the past and planned activities of the representative and shall contain such recommendations for improvement in the operation of the center as may be appropriate. The head of such center shall personally receive such briefing and report and shall, within sixty calendar days after receipt, respond, in writing, to each recommendation made by such representative.".

SEC. 114. GUARANTEES-TECHNICAL.

(a) Technical Amendment.—Section 4(c) of the Small Business Act (15 U.S.C. 633(c)) is amended—

(1) by striking from paragraph (1) "III" and inserting in lieu thereof "III, IV"; and

(2) by striking from paragraph (2) "III" and inserting in lieu thereof "III, IV".

(b) Repealer.—Section 403 of the Small Business Investment Act of 1958 (15 U.S.C. 694) is hereby repealed.

(c) Debentures.—(1) Section 504 of the Small Business Investment Act of 1958 is amended to read as follows:

"PRIVATE DEBENTURE SALES

"Sec. 504. (a) Notwithstanding any other law, rule, or regulation, the Administration shall sell to investors, either publicly or by private placement, debentures pursuant to section 503 of this title as follows:

"(1) Of the program levels otherwise authorized by law for fiscal year 1986, an amount not to exceed $200,000,000.

"(2) Of the program levels otherwise authorized by law for each of fiscal years 1987 and 1988, an amount not to exceed $425,000,000.

"(3) All of the program levels authorized for fiscal year 1989 and subsequent fiscal years.

"(b) Nothing in any provision of law shall be construed to authorize the Federal Financing Bank to acquire—

"(1) any obligation the payment of principal or interest on which at any time has been guaranteed in whole or in part under section 503 of this title and which is being sold pursuant to the provisions of the program authorized in this section;

"(2) any obligation which is an interest in any obligation described in paragraph (1); or

"(3) any obligation which is secured by, or substantially all of the value of which is attributable to, any obligation described in paragraph (1) or (2).".

(2) The table of contents for title V of such Act is amended by adding after the item relating to section 503 the following new item:

"Sec. 504. Private debenture sales.".

(d) TECHNICAL AMENDMENTS TO SECTION 505.—(1) Section 505 of the Small Business Investment Act of 1958 is amended by striking from subsection (a) "all of a" and by inserting in lieu thereof "all or a".

(2) Such section is further amended by inserting the following title at the beginning of such section:

"POOLING OF DEBENTURES".

(3) The table of contents for title V of such Act is amended by adding after the item relating to section 504 the following new item:

"Sec. 505. Pooling of debentures.".

SEC. 115. SECONDARY MARKET IN DEVELOPMENT COMPANY LOANS.

Section 5 of the Small Business Act (15 U.S.C. 634) is amended by striking from subsection (g) "except those" and by inserting in lieu thereof "except separate trust certificates shall be issued for loans approved".

SEC. 116. DEVELOPMENT COMPANY DEBENTURES.

Section 503(a)(2) of the Small Business Investment Act of 1958 (15 U.S.C. 697(a)(2)) is amended by inserting before the period at the end thereof the following: ": Provided, That the Administration shall not decline to issue such guarantee when the ownership interests of the small business concern and the ownership interests of the property to be financed with the proceeds of a loan made pursuant to subsection (b)(1) are not identical because one or more of the following classes of relatives have an ownership interest in either the small business concern or the property: father, mother, son, daughter, wife, husband, brother, sister: Provided further, That the Administrator or his designee has determined on a case-by-case basis that such ownership interest, such guarantee, and the proceeds of such loan, will substantially benefit the small business concern".

SEC. 117. DEVELOPMENT COMPANY LOANS: POLICY.

(a) POLICY.—Section 501 of the Small Business Investment Act of 1958 (15 U.S.C. 695) is amended by redesignating subsections (a) and (b) as subsections (b) and (c), respectively, and by adding the following new subsection prior thereto:

"(a) The Congress hereby finds and declares that the purpose of this title is to foster economic development in both urban and rural areas by providing long term financing for small business concerns through the development company program authorized by this title. In order to carry out this objective, the Administration is hereby directed to place greater emphasis on the needs of rural areas and the promotion of the development company program in such areas, and is further directed to develop a plan for greater outreach of procurement and export trade seminars in such areas. As used in this title, the term 'rural areas' means those localities outside of official urbanized areas with populations of less than 100,000.".

(b) TECHNICAL AMENDMENTS TO THE SECTION.—(1) Title V of such Act is further amended by inserting the following heading at the beginning of section 501:

"STATE DEVELOPMENT COMPANIES"

(2) The table of contents of such Act is amended by inserting before the item relating to section 502 the following new item:

"Sec. 502. state development companies.".

SEC. 118. DEVELOPMENT COMPANY LOANS: LEASED PREMISES.

(a) IN GENERAL.—Section 502 of the Small Business Investment Act of 1958 (15 U.S.C. 696) is further amended by adding the following at the end thereof:

"(4) If the project is to construct a new facility, up to 33 per centum of the total project may be leased, if reasonable projections of growth demonstrate that the assisted small business concern will need additional space within three years and will fully utilize such additional space within ten years.".

(b) TECHNICAL AMENDMENTS TO THE SECTION.—(1) Title V of such Act is further amended by inserting the following heading at the beginning of section 502:

"LOANS FOR PLANT ACQUISITION, CONSTRUCTION, CONVERSION, AND EXPANSION".

(2) The table of contents of such Act is amended by inserting before the item relating to section 503 the following new item:

"Sec. 502. loans for plant acquisition, construction, conversion, and expansion.".

SEC. 119. DEVELOPMENT COMPANIES: FULL TIME STAFF.

Section 503(d) of the Small Business Investment Act of 1958 (15 U.S.C. 697(d)) is amended—

(1) by inserting "(1)" after "(d)";

(2) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively; and

(3) by adding at the end thereof the following new paragraph:

"(2) A company in a rural area shall be deemed to have satisfied the requirements of a full-time professional staff and professional management ability if it contracts with another certified development company, which has such staff and management ability and which is located in the same general area, to provide such services.".

SEC. 120. DISASTER LOAN POLICY.

Section 2 of the Small Business Act (15 U.S.C. 631) (as amended by section 202) is further amended by adding at the end the following new subsection:

"(g) In administering the disaster loan program authorized by section 7 of this Act, to the maximum extent possible, the Administration shall provide assistance and counseling to disaster victims in filing applications, providing information relevant to loan processing, and in loan closing and prompt disbursement of loan proceeds.".

SEC. 121. DEFINITION OF DISASTER.

(a) IN GENERAL.—Section 3 of the Small Business Act (15 U.S.C. 634) is amended—

(1) by redesignating the second subsection (j) as subsection (k);

(2) by striking the period at the end of subparagraph (B) of paragraph (1) of such subsection and inserting "; and"; and

(3) by adding at the end of such subsection the following new paragraph (2):

"(2) the term 'disaster' means a sudden event which causes severe damage or economic injury including, but not limited to, floods, hurricanes, tornadoes, earthquakes, fires, explosions, volcanoes, windstorms, landslides or mudslides, tidal waves, ocean conditions resulting in the closure of customary fishing waters, riots, civil disorders, or other catastrophies.".

(b) NATURAL DISASTERS.—Section 7 of the Act is amended by striking from paragraph (1) of subsection (b) "floods, riots or civil disorders, or other catastrophies:" and inserting in lieu thereof "natural or other disasters:".

SEC. 122. DISASTER MITIGATION ACTIONS.

Section 7 of the Small Business Act (15 U.S.C. 636) is further amended—

(1) by inserting prior to the semicolon at the end of subsection (b)(1)(A) the following: ": And provided further, That the Administration may increase the amount of the loan by up to an additional 20 per centum if it determines such increase to be necessary or appropriate in order to protect the damaged or destroyed property from possible future disasters by taking mitigating measures, including, but not limited to, construction of retaining walls and sea walls, grading and contouring land, relocating utilities and modifying structures".

SEC. 123. UNSECURED DISASTER LOANS.

Section 7(c) of the Small Business Act (15 U.S.C. 636(c)) is further amended by striking at the end of paragraph (6) "refinancing." and inserting in lieu thereof "refinancing: Provided further, That the Administration shall not require collateral for loans of $10,000 or less which are made under paragraph (1) of subsection (b).".

SEC. 124. NATIONAL DIRECTORY OF SMALL BUSINESSES.

The Small Business Administration shall undertake a study to determine the feasibility and need for developing an expanded national directory of small businesses to effectuate fully the purposes of section 15(a) of the Small Business Act. The Agency shall examine existing resources such as the PASS system, the advocacy data base, and other resources to ascertain the costs and other requirements necessary to effectuate such a directory, including a concern's capability, standard industrial codes and Federal supply numbers identifying such capability, and other data deemed relevant. The Small Business Administration shall submit a report to the Small Business Committees of the Senate and the House of Representatives not later than January 1, 1989. This report shall include conclusions and recommendations and an estimate of the costs involved in implementing such a system.

SEC. 125. SMALL BUSINESS PROCUREMENT.

(a) FAIR DISTRIBUTION.—Section 3(a)(2) of the Small Business Act (15 U.S.C. 632(a)(2)) is amended to read as follows:

"(2)(A) The Administration shall make substantial and sustained efforts to ensure that there is a broad distribution of set-asides, awarded pursuant to section 15, across all categories of goods and services purchased by the Government.

"(B) The Administration shall establish a test program designed to avoid the improper concentration of set-asides, awarded pursuant to section 15, in the following industry categories:

"(i) construction;

"(ii) architectural and engineering services (including surveying and mapping services);

"(iii) shipbuilding and ship repair;

"(iv) refuse systems and related services; and

"(v) clothing and textile supplies.

"(C) For each industry identified in subparagraph (B), the Administration shall attempt to assure that not more than 50 per centum of the dollar value of total contract awards let by Federal agencies in each such industry shall be awarded pursuant to section 15. To effectuate this purpose the Administration may engage in activities, consistent with the other provisions of this Act, that are designed to—

"(i) establish separate numerical set-aside goals for such industry categories;

"(ii) limit the activity of procurement center representatives with respect to such industry categories;

"(iii) reduce the relevant numerical size standard for such industries; or

"(iv) employ any combination of actions described under clauses (i), (ii), and (iii), or *authorized pursuant to this Act, as may be considered appropriate.*

"(D)(i) In order to increase the participation of small business concerns in industry categories where they are underrepresented, the Administration shall establish a test program for the identification and systematic review of industry categories that—

"(I) are the recipients of substantial purchases by the Federal Government;

"(II) have less than 15 per centum of such annual purchases made from small business concerns in each such industry; and

"(III) have significant amounts of small business productive capacity that has not been utilized by the Federal Government.

"(ii) The Administration shall make a substantial and sustained effort to participate with Federal agencies in joint activities designed to increase the annual amounts expended by the Federal Government with small business concerns in each industry category identified pursuant to clause (i). To effectuate this purpose, the Administration may require such Federal agencies, as appropriate, to formulate and implement a plan, approved by the Administrator, designed to increase awards to small business concerns. Such plan shall identify specific target industries (or parts thereof), shall assess the potential of small business concerns to satisfy agency requirements, and shall contain a detailed time-phased strategy (with incremental numerical goals) for increasing awards to small business concerns.".

(b) PUBLIC PARTICIPATION.—Section 3(a)(3) of the Small Business Act (15 U.S.C. 632(a)(3)) is amended to read as follows:

"(3)(A) An interested person may petition the Administrator at any time to review an action (including an omission to act) pursuant to paragraph (2), or any designation of an industry category made under section 15(a)(3), if the petitioner presents credible evidence that such action, omission or designation—

"(i) is not likely to further the purposes of this subsection or section 15; and

"(ii) has or is likely to cause the petitioner to suffer financial loss.

"(B) The Administrator shall render a final determination on any petition filed under subparagraph (A) before the end of the thirty day period beginning on the date that such petition is received by the Administration. Such determination shall be reviewable in the manner prescribed in chapter 7 of title 5, United States Code.".

(c) SCOPE AND DURATION OF TEST PROGRAMS.—(1) Section 3(a)(4) of the Small Business Act (15 U.S.C. 632(a)(4)) is amended to read as follows:

"(4)(A) The test programs conducted pursuant to paragraph (2) shall be based on the most current procurement data reasonably available and shall include, at least, two fiscal years of contract awards. Administrative actions, if any, formulated pursuant to paragraph (2)(C) shall be made effective within one hundred and eighty days after the effective date of this paragraph.

"(B) Paragraphs (2), (3), and (4) of this subsection shall cease to be effective after September 30, 1991.".

(2) Paragraph (5) of section 3(a) of the Small Business Act is repealed.

(d) USE OF SET-ASIDE AUTHORITY.—Subsection (i) of section 15 of the Small Business Act (15 U.S.C. 644(i)) is amended by—

(1) inserting "(1)" immediately after "(i)"; and

(2) adding the following new paragraph:

"(2) Contracts set-aside for small business pursuant to this Act are authorized without regard to any other provision of law that directly or indirectly imposes a maximum dollar value on the size of such contracts.".

(e) RELATIONSHIP WITH OTHER LAWS.—Any adjustment to the numerical size standards establishing the eligibility for any program or activity conducted under the Small Business Act or Small Business Investment Act of 1958 shall be made in accord with and subject to the provisions of such Acts and shall be made without regard to any other provision of law.

(f) MARKET SEGMENTATION.—The Small Business Administration shall, pursuant to section 15(a)(3) of the Small Business Act (15 U.S.C. 644(a)(3)), segment the shipbuilding and ship repair industry category as follows:

(1) nuclear shipbuilding;

(2) nonnuclear shipbuilding; and

(3) nonnuclear ship repair, which shall be further segmented by, at least, East coast facilities and West coast facilities.

SEC. 126. INELIGIBILITY OF SMALL BUSINESSES ENGAGED IN BUSINESS WITH SOUTH AFRICA.

(a) DENIAL OF PARTICIPATION.—Section 3(a) of the Small Business Act (15 U.S.C. 632(a)) is amended by adding at the end the following new paragraph:

"(5)(A) Notwithstanding any other provision of law, a small business concern shall not be eligible for any program or activity conducted under the authority of this Act or the Small Business Investment Act of 1958 (15 U.S.C. 661 et seq.) if such concern engages in trade or other commercial activity with—

"(i) the Government of South Africa;

"(ii) any South African entity; or

"(iii) any entity located in South Africa other than an entity (I) involved in antiapartheid activity, or (II) which provides educational, housing, or humanitarian assistance to individuals throughout South Africa on a nondiscriminatory basis.

"(B) For purposes of this paragraph—

"(i) the term 'South Africa' includes—

"(I) the Republic of South Africa;

"(II) any territory under the administration (legal or illegal) of South Africa; and

"(III) the 'Bantustans' or 'homelands' to which South African blacks are assigned on the basis of ethnic origin, including the Transkei, Bophuthatswana, Ciskei, and Venda; and

"(ii) the term 'South African entity' means—

"(I) a corporation, partnership, or other business association or entity organized in South Africa; or

"(II) a branch office, agency, or sole proprietorship in South Africa of a person that resides or is organized outside of South Africa.

"(C) Any contract (or subcontract) awarded to a small business concern that violates this Act shall be revoked by the contracting agency after opportunity for a hearing on the record in accordance with chapter 5 of title 5, United States Code.

"(D) This paragraph shall cease to be effective on the date that the prohibitions described in the Comprehensive Anti-Apartheid Act of 1986 (Public Law 99-440) terminate under section 502 of such Act.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this title.

SEC. 127. WOMEN-OWNED BUSINESS.

Section 303 of Public Law 96-302 (15 U.S.C. 631b) is amended by adding the following new subsection:

"(e) The information and data required to be reported pursuant to subsection (a) shall separately detail those portions of such information and data that are relevant to—

"(1) small business concerns owned and controlled by socially and economically disadvantaged individuals as defined pursuant to section 8(d) of the Small Business Act; and

"(2) small business concerns owned and controlled by women.".

SEC. 128. PROCUREMENT CENTER REPRESENTATIVE.

(a) EMPLOYMENT OF REPRESENTATIVES.—(1) Within 180 days after the effective date of this title, the Small Business Administration shall have completed such measures as may be necessary to employ seven traditional procurement center representatives to be stationed in States where no such representatives are stationed or designated to be stationed as of such effective date.

(2) The representatives employed pursuant to paragraph (1) shall be in addition to and not in lieu of any representatives that may be employed pursuant to any other provision of law or under any exercise of administrative discretion.

(b) AUTHORIZATION OF APPROPRIATIONS.—In order to carry out the provisions of this section, there are authorized to be appropriated—

(1) for fiscal year 1989, $350,000;

(2) for fiscal year 1990, $367,000; and

(3) for fiscal year 1991, $385,875.

SEC. 129. PROMULGATION OF RULES.

Notwithstanding any law, rule, or regulation, the Small Business Administration shall promulgate final regulations to be effective on publication to carry out the provisions of this title within six months after the date of enactment.

The CHAIRMAN. Are there any amendments to title I?

AMENDMENT OFFERED BY MR. MCDADE

Mr. McDADE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McDADE: Page 28, line 12, strike all of section 125 and redesignate the remaining sections.

Mr. McDADE. Mr. Chairman, as included in the committee's amendment, section 125 requires SBA to develop a new program for small business set-aside contracts, that is, those which an agency sets aside solely for bidding by small business. At the present time there are some five industries which are dominated by small business due to excessive amounts of Federal procurement needs being set-aside for them, at least in some geographical marketing areas. These industries are: construction, architectural and engineering services, ship building and ship repair, refuse systems and related services, and clothing and textile supplies. Withdrawing such a high amount of our procurement needs from open competition is not good for the small business community nor is it good for the Government or other businesses which are engaged in those industries, and the current system must be changed.

Although section 125 sought to correct the situation, I agreed with the chairmen of the Committees on Government Operations and Armed Services to offer a floor amendment to this bill to strike it. Instead, we will deal with this issue in the upcoming conference on H.R. 1807 which the Senate may pass this week.

I urge support for the amendment.

Mr. **LaFALCE**. Mr. Chairman, if the gentleman will yield, I would certainly accept this amendment. In fact I believe the gentleman from Pennsylvania [Mr. McDADE] is offering it on behalf of himself and myself, so there is no objection to the amendment.

The **CHAIRMAN**. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. McDADE].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. LAFALCE

Mr. **LaFALCE**. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LaFalce: On page 36, line 19, strike out "SEC. 129." and insert in lieu thereof "SEC. 130.".

On page 36, after line 18, insert the following:

"SEC. 129. MANAGEMENT AND TECHNICAL ASSISTANCE FOR WOMEN-OWNED SMALL BUSINESS.

(a) ESTABLISHMENT.—Subsection (c) of section 8 of the Small Business Act (15 U.S.C. 637(c)) is amended to read as follows:

"(c)(1) Subject to the requirements of paragraph (2), the Administration shall provide financial assistance to private organizations to conduct demonstration projects for the benefit of small business concerns owned and controlled by women.

"(2) No amount of financial assistance shall be provided pursuant to this subsection unless the recipient organization agrees, as a condition of receiving such assistance, that—

"(A) it will obtain, after its application has been approved but prior to the disbursement of funds pursuant to this subsection, cash contributions from private sector sources in an amount at least equal to the amount of funds such organization will receive under this subsection; and

"(B) it will provide the types of services and assistance to present and potential women owners of small business concerns as are described in paragraph (3). For the purposes of this subsection such concerns may be either 'start-up' businesses or established 'on-going' concerns.

"(3) The types of services and assistance referred to in (2)(B) shall include the following:

"(A) Financial Assistance, which assistance shall include training and counseling in how to apply for and secure business credit and investment capital; prepare and present financial statements; manage cash flow and otherwise manage the financial operations of a business concern.

"(B) Management Assistance, which assistance shall include training and counseling in how to plan, organize, staff, direct and control each major activity and function of a small business concern; and

"(C) Marketing Assistance, which assistance shall include training and counseling in how to identify and segment domestic and international market opportunities; prepare and execute marketing plans; develop pricing strategies; locate contract opportunities; negotiate contracts; and utilize varying public relations and advertising techniques.

"(4) Applications for financial assistance pursuant to this subsection shall be evaluated and ranked in accordance with predetermined selection criteria that shall be stated in terms of relative importance. Such criteria and their relative importance shall be made publicly available and stated in each solicitation for applications made by the Administration. Such criteria shall include—

"(A) a criterion that specifically refers to the experience of the offering organization in conducting programs or on-going efforts designed to impart or upgrade the business skills of women business owners or potential owners;

"(B) a criterion that specifically refers to the present ability of the offering organization to commence a demonstration project within a miminum amount of time; and

"(C) a criterion that specifically refers to the ability of the applicant organization to provide training and services to a representative number of women who are both socially and economically disadvantaged.

"(5) The financial assistance authorized pursuant to this subsection shall be made by grant, contract, or cooperative agreement and may contain such provision, as necessary, to provide for payments in lump sum or installments, and in advance or by way of reimbursement.

"(6)(A) The Administration shall prepare and transmit a report to the Committees on Small Business of the Senate and House of Representatives on the effectiveness of all demonstration projects conducted under the authority of this subsection. Such report shall provide information concerning—

"(i) the number of individuals receiving assistance;

"(ii) the number of start-up business concerns formed;

"(iii) the gross receipts of assisted concerns;

"(iv) increases or decreases in profits of assisted concerns; and

"(v) the employment increases or decreases of assisted concerns.

"(B) The report required pursuant to (A) shall cover at least a 24 month period and shall be submitted not later than 30 months after the effective date of this paragraph.

"(7) This subsection shall cease to be effective after September 30, 1991.".

(b) TECHNICAL.—Subsection (b) of section 8 of the Small Business Act (15 U.S.C. 637(b)) is amended by—

(1) striking out "and" at the end of paragraph (14);

(2) striking out "public." at the end of paragraph (15) and inserting in lieu thereof "public; and" and

(3) by adding the following new paragraph:

"(16) to make studies of matters materially affecting the competitive strength of small business, and of the effect on small business of Federal laws, programs, and regulations, and to make recommendations to the appropriate Federal agency or agencies for the adjustment of such programs and regulations to the needs of small business.".

(c) AUTHORIZATION.—There is authorized to be appropriated $10,000,000 to carry out the demonstration projects required pursuant to subsection (a). The initial projects authorized to be financed by this section shall be funded by January 31, 1989. Notwithstanding any other provision of law, the Small Business Administration may use such expedited acquisition methods as it deems appropriate to achieve the purposes of this subsection, except that it shall insure that all eligible sources are provided a reasonable opportunity to submit proposals.

(d) DEFINITION.—For the purposes of this section, the term "small business concern owned and controlled by women" means any small business concern—

(1) that is at least 51 per centum owned by one or more women; and

(2) whose management and daily business operations are controlled by one or more of such women.

Mr. **LaFALCE** (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The **CHAIRMAN**. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. **LaFALCE**. Mr. Chairman, I offer an amendment to H.R. 4174 that would provide for management training and technical assistance demonstration projects for women entrepreneurs.

Women owned business is the fastest growing segment of our economy. Women presently own 3.7 million businesses in the United States, and are going into business at a rate twice that of men. There is a great need among these emerging businesses for management and technical expertise to enhance their chances for success, and to maximize the benefits our Nation can gain from this important and growing economic resource.

A comprehensive study by Dun and Bradstreet has concluded that lack of management skill is the primary cause of business failure by small business. Women entrepreneurs face the same problems and the same barriers that confront all small business owners, but they face more of them. Women are not groomed for entrepreneurship to the same extent as are males; sex stereotyping in education prompts women to elect fewer science, mathematics, and technical subjects in school; women are not encouraged to acquire practical knowledge of finance-related skills; and employment experience in related areas, shown to be critical to entrepreneurial success, are either denied, or achieved at greater cost.

For these reasons women business owners must work harder, wait longer, and be satisifed with less than their male counterparts. While the need for management and technical training for women is well documented, the Federal Government has given only sporadic and passive support for such activities. We cannot afford to remain passive in this issue.

During April and May of this year, our committee held a series of six hearings on the special problems facing women business owners. Those hearings had a profound effect upon most members of the committee. We were impressed with the surprising growth of this dynamic subset of the small business community, and amazed to learn the extent of their impact on the U.S. economy, estimated at $250 billion annually.

During the course of the hearings, it became clear that women-owned business is a gold mine for future economic growth. It also became clear that in order to reap the full benefit of this national resource, the Federal Government must assume the role of catalyst in releasing the energies and business abilities latent within the female half of our population.

Based on the hearings and the hearing record, it was concluded that legislation was badly needed to address this problem revealed during the committee hearings. Unfortunately, our hearings were not completed until after the committee had considered and marked up H.R. 4174.

In particular, the committee found that present sources of management training and technical assistance were inadequate for the needs of emerging women business owners. The committee also found that certain management training programs within the private sector are offering services that greatly enhance the probability of success for participating business concerns far beyond the national average.

The best known of these programs is the American Woman's Economic Development Corporation [AWED] in New York City, which has been highly successful in eliminating the gap in expertise and management skills. AWED has significantly improved the profitability and success rates for many businesses in the New York area. The Women's Economic Development Corp. [WEDCO] in Minnesota (targeted for low income women) and the Corporation for Economic Development [CfED] in Washington, DC, have also made a major difference for their participants. The National Association of Women Business Owners [NAWBO] has designed programs to assist women acquire skills needed for growing businesses. NAWBO has also made international trade a specific priority. These are examples of organizations that have demonstrated the effectiveness of high quality private sector programs in business development. In short, such programs work.

This amendment would require SBA to solicit proposals from organizations such as these—as well as any other qualified private sector organizations—to provide services to a broader cross-section of America's population centers where women owned businesses are concentrated. It is the committee's expectation that such demonstration projects, leveraged with a relatively small amount of seed money, will help to maximize the ability of women owned firms to achieve success.

The hearings convinced the committee that "hands on" task-oriented assistance programs similar to these models should be supported as public/private demonstration project to assist women entrepreneurs. While it is anticipated that several organizations may be funded, it is not our intent to allow this program to degenerate into "pork barrel" for dozens of recipients. Given the limited resources available, if this program is to be effective, it should be limited to experienced organizations with sufficient specialized background to ensure its success.

The amendment would authorize the expenditure of $10 million over 3 years for a pilot program, funded on a matching public/private partnership basis, to provide sustained high quality management training and technical assistance programs in a limited number of geographic test areas for women business owners. After approval of such assistance programs, matching funds would be required prior to the disbursement of Federal funds. The amendment is based on the findings and policy recommendations contained in the committee report filed in response to the committee hearings, and has strong bipartisan support.

With upgraded skills, women-owned business has the potential to greatly assist the American economy for years to come. I urge my colleagues to support this amendment, not because it will benefit women business owners, but because it will benefit our Nation.

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Mr. CONTE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I speak for myself and the ranking minority member, the gentleman from Pennsylvania [Mr. McDade]. We strongly support this amendment.

This amendment is one of eight now, I believe, with the other recommendations in this bill.

I want to commend the chairman for offering this amendment to help women entrepreneurs get ahead in the small business world. This bill, not only with this amendment, but with the other recommendations puts them in a better position.

Mr. Chairman, I strongly recommend adoption of the amendment.

Mr. VENTO. Mr. Chairman, I rise in support of the amendment offered by Mr. LaFalce to H.R. 4174, the Small Business Administration reauthorization, that would provide $10 million for the next 3 years for pilot projects for management and technical assistance for small businesses owned by women.

I must commend the chairman and the Small Business Committee for holding a series of important hearings this past spring on the problems unique to women in business. The chairman's amendment for demonstration projects to provide special management and technical assistance, speaks strongly to the need to remove the remaining barriers to women in business.

Awareness regarding the extent of the difficulties faced by women has heightened. Just last week, Time magazine ran a story entitled, "She Calls All the Shots," on successful entrepreneurs who happen to be women. These women were referred to as trailblazers; breaking new ground in industries like construction, transportation, and communications while maintaining their involvement in retail trade and service industries. The article clearly points out that women are still facing discrimination in the business world. It is this discrimination that catapults them into their own businesses only to face further obstacles.

Women in some areas of the country are able to obtain some assistance in acquiring the necessary managerial and technical skills required to run a small business. In Minnesota, for example, the Women's Economic Development Corporation [WEDCO], provides business assistance to targeted groups of low-income women. In fact, it was the testimony of this group and the few others around the country during the committee's hearings that pointed out the efficacy of this kind of assistance and the need for more. Technical and managerial training services must be made more readily available to all women. Demonstration projects like those created by this provision should get the ball rolling in the right direction.

As has been clearly documented, women are making up more and more of the business community in our country. Of the 13 million soleproprietorships, at least 3.7 million are owned and operated by women. This figure is close to double that of 10 years ago. While this phenomenon is encouraging for women who want to start up a business, it is not enough to level the playing field for this group of individuals who provide much of the innovation and dynamism necessary for a healthy economy.

Mr. Chairman, I must again thank the gentleman from New York for his insightful work in this area. His committee has done much in the way of improving the chances for women entrepreneurs to succeed in business.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. LaFalce].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SISISKY

Mr. SISISKY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Sisisky: Page 36, after line 23, insert the following new section and redesignate the succeeding sections accordingly:

SEC. . SMALL BUSINESS EXPORT STRATEGY DEVELOPMENT PILOT PROGRAM.

(a) Establishment of Program.—The Administrator shall establish, for fiscal years 1989, 1990, and 1991, a small business export strategy development pilot program involving competitive matching awards to small business concerns which have engaged, or are seeking to engage, in export trade. Such awards shall be used primarily for the development of innovative viable export trade strategies by such concerns.

(b) First and Second Phase Awards; Number and Amount of Awards.—

(1) FIRST PHASE COMPETITIVE MATCHING AWARDS.—Under the pilot program the Administration shall, for each of fiscal years 1989, 1990, and 1991, award 10 first phase competitive matching awards, not to exceed $25,000 each, to small business concerns located in each of 5 regions designated by the Administration for participation in the pilot program. Such awards shall be used to fund the export trade strategies described in the export strategy development proposal submitted by the concern.

(2) SECOND PHASE AWARDS.—During September 1991, the Administration shall award 1 second phase award, not to exceed $10,000, to a small business concern located in each of the 5 regions designated by the Administration for participation in the pilot program. Such awards shall be made to recipients of first phase awards which best developed export trade strategies and knowledge of foreign markets and shall be used to encourage publicizing the successful export strategies which were the subject of its award.

(c) ELIGIBILITY AND SUBMISSION OF PROPOSALS.—(1) Any small business concern (as defined for purposes of section 3 of the Small Business Act (15 U.S.C. 632)) which has been in operation for at least 2 years shall be eligible to submit an export strategy development proposal to the Administration for a first phase award for fiscal years 1989, 1990, and 1991.

(2) Any such proposal shall be submitted to the regional Administrator for the region in which the business is located not less than 120 days before the beginning of the fiscal year for which the award is sought.

(d) CRITERIA FOR THE SELECTION OF RECIPIENTS.—(1) The Administrator shall establish criteria for the selection of award recipients which shall include criteria which would require, among other things, that the recipient—

(A) have been in business not less than 2 years immediately before the submission of its proposal;

(B) have had not less than 1 year of experience in marketing any product or service on which its proposal is based; and

(C) through specific plans detailed in their proposals, indicate potential to develop strategies and knowledge essential for success in increasing exports to foreign countries, demonstrate a likelihood of achieving the objectives of the proposal, and provide assurances to the Administration that such concern—

(i) shall have financial resources to match the amount of the first phase award with an equal investment of its own resources, and

(ii) shall use such award, and an equivalent amount of its own resources, to develop an innovative, coordinated package of export-enhancement strategies not used before by the farm firm which could include (but are not limited to) strategies such as adaptation or redesign of products or services to meet foreign market requirements, post-sale customer follow-up, translation of sales and product documentation, advertising in foreign trade journals, and participating in foreign trade shows.

(2) The Administration shall make every reasonable effort to make awards in a manner to ensure that—

(A) at least one small business concern from each State within the regions selected for participation in the pilot program receives an award under this section, and

(B) approximately one-half of the awards are made to businesses seeking to enter export trade as a new component of its business operation and approximately one-half of the awards are made to businesses which already have some export sales (but only if the export sales of the business do not exceed 5 percent of its total sales during the preceding year).

(e) ADVISORY BOARD.—The Administrator shall appoint from among existing advisory boards of the Small Business Administration an Export Advisory Committee composed of 10 individuals selected by the Administrator to advise the Administrator concerning the pilot program authorized under this section. Such members shall include individuals who represent and have extensive knowledge in small business and international trade.

(f) REPORT BY THE RECIPIENT.—Each recipient shall submit, not less than 30 days before the end of the fiscal year for which it receives an award, unless the regional administrator grants an extension of such time, a report to the Administration documenting the progress of the recipient toward meeting the export trade objectives stated in its proposal. Such report shall also describe the strategies and knowledge gained under the pilot program. A separate portion of the report shall contain details of the recipient's use of funds under the program including award funds and the recipient's own matching resources.

(g) REPORT BY THE ADMINISTRATOR.—The Administrator shall submit a final report to the Congress describing, among other things, the number of awards made under the pilot program and the success of the recipients in developing and promoting export trade strategies and knowledge.

(h) AUTHORIZATION OF APPROPRIATIONS.—Of the amounts authorized pursuant to subsections (e), (g), and (i) of section 20 of the Small Business Act—

(1) $1,385,000 shall be available during each fiscal year to make first phase competitive matching awards in the regions designated by the Administration for participation in the pilot program, with an equal dollar amount of such awards being made in each such region,

(2) $500,000 shall be available during each fiscal year to make small businesses aware of, and to encourage their participation in, the pilot program under this section (through contracts with small businesses experienced in outreach to the small business community), and

(3) $115,000 shall be available during each fiscal year to provide for administration of the program.

(i) DEFINITIONS.—For purposes of this section—

(1) the term "matching award" means an award of Federal funds under the condition that the recipient expend such funds and an equivalent amount of its own resources to pay for the costs described in its export proposal;

(2) the terms "Administration" and "Administrator" mean the Small Business Administration and the Administration, respectively; and

(3) the term "regional administrator" means a regional administrator of the Administration.

Mr. SISISKY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SISISKY. Mr. Chairman, the amendment I have to offer would create a small business export strategy development pilot program which I believe is an important first step to encouraging small- and medium-size businesses to enter the exporting market.

This pilot program is designed to motivate and bring small- and medium-size businesses who have some or no experience in exporting. The program will create a system of matching funds and awards to encourage small businesses to implement specific export trade strategies.

I did not originate this idea. In fact this pilot program is based on one of the final recommendations to both Congress and the White House, from among the over 2,000 recommendations generated during the year preceeding the 1986 White House Conference on Small Business.

It is an idea whose time has come. We can not hope to reduce the trade deficit unless more export trade is generated. It is really quite that simple.

There are approximately 20,000 small- and medium-size businesses in the United States who would economically benefit from a more active export effort. The problem has always been, however, how do you motivate a business to enter into such a complicated effort when many of them do not have the staff to examine the exporting process. So far the programs at the Department of Commerce and Small Business Administration have had limited success because many small businesses simply do not use these programs. Moreover, while the Department of Commerce and the Small Business Administration provide some export assistance, their relatively limited efforts have not encouraged many small businesses to expand exports.

The advantage of this program is that small businesses are asked to figure out how to encourage other small businesses to look to the export arena. This program encourages them to use already existing programs but at the same time create new innovative twists.

I realize this program is a very small start, but with a large, well planned outreach program it is my hope that the program will motivate many small businesses to initiate exporting initiatives even if they don't win an award. Being exposed to other small businesses that have succeeded in new markets is a much needed role model.

I would like to thank Chairman LAFALCE, Congressman MCDADE and all of my colleagues for their support.

Mr. LAFALCE. Mr. Chairman, if the gentleman will yield, I have no objection to the amendment, and I rise in support of the amendment.

Mr. McDADE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the gentleman from Virginia has discussed the amendment very kindly with this side. We are pleased to accept it. We have no objection, and we think it is a good idea.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in support of the amendment offered by Mr. SISISKY to create a pilot program for assisting small businesses with promoting their goods and services overseas. Mr. SISISKY and I first began working on this proposal over a year ago, and I am pleased that this excellent idea is being offered today. The role our Nation's 18 million small businesses play in job creation and economic growth is well known. From 1981 to 1986, small businesses were responsible for about 6 million of the 9 million net new jobs created by the U.S. economy, and have added nearly 2 million since then. Clearly, small businesses are at the heart of our economy, and must be at the forefront of our efforts to strengthen U.S. competitiveness in the world economy.

Recently, our trade picture has brightened as exports have risen precipitously. However, if the trade recovery is to continue, our small businesses will have to play as strong a role in creating export markets and opportunities as they have played in creating domestic opportunities. To do so, they will need the Federal Government's help, and I commend the small business committee for including extensive provisions intended to help smaller employers expand their markets overseas.

While the committee bill already includes expanded programs to help small businesses look overseas, the amendment offered by Mr. SISISKY is unique in that it will encourage small firms themselves to generate their own creative marketing strategies to sell their products overseas. Under the program, firms will compete for matching $25,000 grants to implement new marketing strategies and techniques. The export marketing grant program will be a competition from which everyone wins: The 3-year pilot program will generate 150 innovative export marketing plans which all small businesses may seek to emulate.

Mr. Chairman, small business people themselves have repeatedly demonstrated that it is their ingenuity and resourcefulness which helps drive our economy. The modest pilot program which this amendment creates will take advantage of that ingenuity at a time when our national interests need it most, and I urge its approval.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. SISISKY].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. COLEMAN OF MISSOURI

Mr. COLEMAN of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLEMAN of Missouri: Page 36, after line 23, add the following new section:

SECTION 130. RURAL AREA BUSINESS DEVELOPMENT PLANS.

(a) IN GENERAL.—Section 8 of the Small Business Act (15 U.S.C. 637) is amended by adding after subsection (j) the following new subsection:

"(k)(1) Each Federal agency having substantial procurement or grant-making authority (as determined by the Administrator) shall develop rural area business enterprise development plans. Such plans shall establish rural area enterprise development objectives for the agency and methods for encouraging prime contractors and grantees to use small business concerns located in rural areas. Such plans shall, to the extent possible, be designed to coordinate programs developed under paragraph (3) with the program administered under subsection (a) of this section.

"(2) The Administrator shall establish uniform guidelines for all Federal agencies used in establishing the rural area business development programs.

"(3) To the extent permitted by law, and consistent with its primary mission, each Federal agency required to develop a rural area business development plan under this subsection shall, to accomplish the objectives set forth in its plan, establish programs to provide direct assistance, procurement assistance, and management and technical assistance to small business concerns located in rural areas.

"(4) Each such agency shall (to the extent permitted by law and consistent with its primary mission) establish rural area small business development programs to develop and implement incentive techniques to encourage greater subcontracting by Federal prime contractors with small business concerns located in rural areas.

"(5) Each such agency shall encourage recipients of Federal grants and cooperative agreements to achieve reasonable rural area business participation in contracts let as a result of such grants and agreements. In any case in which the State and local governments are the recipients of such grants and agreements, such encouragement shall be consistent with principles of federalism.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1988.

Mr. COLEMAN of Missouri (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COLEMAN of Missouri. Mr. Chairman, I am pleased to rise today to speak in support of my amendment to expand rural business opportunities and the Federal commitment to rural entrepreneurial development.

More than a year ago I and more than 50 Members of the House introduced four bills—comprising our Rural Development Initiative [RDI]—to start the process of economic development in this Nation's rural communities. In doing this we recognized that traditional commodity programs would not address many of the problems of rural areas and that we must take new approaches to rebuilding the Nation's small communities.

Portions of RDI have already been put in place. The bill that I wish to offer to the House as an amendment to the Small Business reauthorization legislation, H.R. 2028, would require Federal agencies with substantial procurement or grantmaking authority to develop rural area business enterprise plans. The Small Business Committee in H.R. 4174 wisely has said that small businesses should reap some of the benefits of Federal procurement policies. My amendment takes that policy one step further and says that rural small businesses should fully participate in Federal procurement. I believe that is a goal the Congress should strive for. Rural areas can supply many of the goods and services in the industries that are named in section 125 of H.R. 4174 as reported by the Small Business Committee.

Each agency, under the guidance of the SBA Administrator, would provide direct assistance, procurement assistance and management and technical assistance to small business concerns located in rural areas. Each Federal agency also would develop incentive techniques to encourage greater subcontracting by Federal prime contractors with small business concerns located in rural areas.

Each agency would encourage recipients of Federal grants and cooperative agreements to achieve reasonable participation in contracts that are let under these grants and agreements with rural area businesses.

Finally, Mr. Chairman, my amendment to the SBA reauthorization bill would enhance the Federal policy already recognized by the Small Business Committee as being a worthwhile goal that can be achieved as negligible cost. That goal is putting small businesses into the Federal procurement loop. My amendment expands this policy to include rural small businesses, too. We are not talking about a large Federal program; we are talking about a little more leg work, if you will, by Federal policymakers. It does not set up any kind of set-aside program. It is, simply, a statement of policy.

Rural communities have much to offer in the way of competitive business advantages: lower tax and real estate rates, a lower cost-of-living, a desirable quality-of-life, a clean environment, and a legendary work ethic. Adding to these assets are recent technological developments, such as fiber optics and satellite telecommunications, that obviate the need for suppliers, manufacturers, and information service providers to be located in the immediate vicinity of their customers. That's why CityBank of New York has been able to move its entire credit card operation to South Dakota.

If the families and businesses that comprise our rural communities are to survive into the 1990's, and beyond, we must develop a national rural policy designed to meet their specific needs. The key to the success of that policy will be economic diversification, and my amendment today represents the formation of a partnership between Federal agencies and local entrepreneurs to promote that diversification. It is a positive step vital to the future well-being of America's rural communities and the millions of rural Americans who call those communities home. I urge my colleagues approve the language which I offer today.

Mr. LaFALCE. Mr. Chairman, if the gentleman will yield, I have no objection to the amendment.

Mr. McDADE. Mr. Chairman, I move to strike the least word.

Mr. Chairman, I want to commend the gentleman from Missouri. I think it is an excellent amendment. I think it is a fine initiative, and we on this side are happy to accept it.

Mr. DREIER of California. Mr. Chairman, I would just like to tell the gentleman from Missouri that I support his amendment and commend him for offering it. As the gentleman said, it would simply require Federal procuring agencies to develop business development plans for rural areas in an effort to encourage greater economic opportunity for rural area small businesses.

The amendment is necessary, Mr. Chairman, because the economic situation in rural America is not improving. Agriculture exports have declined, urbanization of the country's population continues, people are still being displaced from farming, and rural economies remain rigidly specialized. Agriculture enterpries represent over 21 percent of the U.S. labor force, yet 62 percent of those jobs are in urban areas. Furthermore, most of the small business job creation in the last 8 years has taken place in urban areas.

The Coleman amendment will help to rejuvenate our rural areas by promoting economic diversification and the creation and expansion of small businesses. The Federal Government needs to increase its commitment to rural enterprise development, and I urge my colleagues to support the Coleman amendment.

Mr. BEREUTER. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Missouri. His amendment is identical to his bill, H.R. 2028, which I was pleased to cosponsor in April 1987.

The gentleman from Missouri is to be commended for the attention and legislative focus he brings to rural America. H.R. 2028 is part of a legislative package designed to implement innovative approaches to rural development. The rural development initiative recognizes that the problems facing rural America are not confined to the farm. They are a complex set of problems that involve the economies, services, social structure and livelihood of rural communities.

The traditional view of agricultural price supports and loan rates will not guarantee prosperity for rural America. Congress must seek broader solutions to a broader range of issues that impact on rural communities.

In 1985 Congress responded to the desperate conditions that plunged American agriculture into the worst depression since the 1930's. Those policies began to work, though adjustments may continue to be needed as the dimensions of the current drought become known.

But, Congress stopped short of taking bolder action that would bring long-term relief to rural Americans and the communities in which they live. As we look to the 1990's, rural communities must begin to diversify their economies. The rural development initiative authored by the gentleman from Missouri offers a blueprint for action. His amendment today is an important and necessary step toward achieving broader reform in our rural development programs.

The pending amendment will require each Federal agency with substantial procurement or grantmaking authority to develop rural area business enterprise development plans. These plans will focus rural development objectives for the agency and establish methods for encouraging prime contractors and grantees to use rural small businesses. Federal agencies will provide direct assistance, procurement assistance, and management and technical assistance to small businesses in rural areas. This emphasis and assistance should encourage the diversified economic base that is very much needed in rural communities.

There are many opportunities for small businesses to work cooperatively with the Federal Government. The problem is getting the information into the hands of the small businessman and giving him the guidance to work his way through the maze of Government procurement. Small, rural businesses have much to contribute to the Federal Government. Let's give them a chance.

Mr. Chairman, the amendment offered by the distinguished gentleman from Missouri [Mr. Coleman] is an excellent addition to the pending bill. I urge its adoption.

Mr. COMBEST. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Missouri.

Although it is my sincere opinion that the bill we are debating today contains some unwise and unwarranted provisions, this is one amendment that should be adopted and one that I wholeheartedly support.

I was pleased that the Small Business Committee included language in the reauthorization that calls for greater involvement on the part of the Small Business Administration in rural economic development. This amendment strengthens this language and its intent.

For too long, support and encouragement for small businesses in rural America has been limited and inconsistent. Many small businessmen and women in my west Texas district feel that existing Federal policies regarding grants and procurement tend to exclude them in favor of their urban counterparts.

It is time that rural businesses be given reasonable access to Government procurement and grant programs. It is time to provide some long needed attention to the task of promoting rural economic development. I urge my colleagues to support this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. Coleman].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DORGAN OF NORTH DAKOTA

Mr. DORGAN of North Dakota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Dorgan of North Dakota: Page 26, line 4, after "loan proceeds" insert "and shall give the disaster loan program a sufficiently high priority in allocating appropriated funds for administrative expenses to ensure that there are sufficient personnel at all times to carry out such program".

Mr. DORGAN of North Dakota (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. DORGAN of North Dakota. Mr. Chairman, this is the amendment I described in general debate, in which I indicated that we have a real serious problem with the SBA having no administrative money, they say, to process disaster loans or to make disaster declarations, for that matter. This is occurring at a time when across the Midwest we have a drought that is devastating the crops, creating havoc and economic damage on the main streets of small town rural America.

We need the disaster loans. We need the disaster programs and we need to have the SBA crank up the effort to make sure resources are available to take care of this need.

This amendment says that the SBA shall give the disaster loan program a sufficiently high priority in allocating appropriated funds for administrative expenses to assure that there are sufficient personnel at all times to carry out that program.

We need to unsnarl the problems that now prevent the SBA either administratively or legislatively from moving forward on these disaster loans. We need to do that quickly; we need to put this amendment in this authorization bill to try to move this process forward.

Mr. JOHNSON of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. DORGAN of North Dakota. I am happy to yield to my colleague, the gentleman from South Dakota.

Mr. JOHNSON of South Dakota. Mr. Chairman, I rise today in support of the amendment being offered by my colleague from North Dakota. The Dakotas are among the most severely hit drought areas in the country and the damage is going to be seen on the farms and ranches as well as the main streets of our rural communities.

Agriculture is the leading income generator in South Dakota and as we've learned from the hard times of the early 1980's, when farmers and ranchers are hurting, the bank, the impliment dealer, the grocery store and every other business in town is hurt as well. The impact is already being felt. I've heard from machinery dealers who report that their sales machinery are off 80 percent and sales on parts are down by half and they aren't sure if they can make it work one more year.

The SBA seems to be saying that because it ran out of money to process loans, there would be no more disasters after June 3. We cannot confine our disasters to the first half of the year. Mr. Chairman, it is a disaster every time another business closes its doors and families are forced to leave their homes and I urge my colleagues to support this amendment.

Mr. DORGAN of North Dakota. Mr. Chairman, I thank the gentleman from South Dakota for his support.

Let me say that I read a press report this morning which quoted a lumber yard manager on a main street in a North Dakota community saying that in one day recently the only thing he sold was one box of nails.

The point is that the crops have been decimated by drought, but it is not just the agricultural producers who are hurt. It is especially them, but it is also the main streets of America that rely on, and in turn serve, that agricultural producer.

We have a problem and we need to see it addressed. We hope that the SBA will crank up the disaster programs and make the loans available where necessary.

I thank the chairman of the committee for his indulgence.

Mr. LAFALCE. Mr. Chairman, if the gentleman will yield, the committee has no objection to the amendment and we are very willing to accept it.

Mr. DREIER of California. Mr. Chairman, I move to strike the last word.

Mr. Chairman, on behalf of the minority, the gentleman from Pennsylvania [Mr. MCDADE] has asked me to convey his best wishes. We recognize there is a very serious concern, especially for those in the heartland of this country.

I just myself returned from the Midwest last night. There is a very clear recognition of it, and I am happy to let the gentleman know that the minority is in support of his amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Dakota [Mr. DORGAN].

The amendment was agreed to.

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AMENDMENT OFFERED BY MR. KASICH

Mr. KASICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KASICH: Page 36, after line 18, insert the following new section (and redesignate the succeeding section accordingly):

SEC. 129. DEBT COLLECTION.

The Small Business Act is amended by adding after section 23 the following new section:

"SEC. 24. DEBT COLLECTION.

"(a) CONTRACT AUTHORITY.—(1) Subject to the availability of appropriations, the Administrator shall enter into contracts for collection services to recover indebtedness owed by any person to the United States, which indebtedness—

"(A) arises out of the activities of the Administration;

"(B) is delinquent by more than 3 months; and

"(C) the Administrator has not actively attempted to negotiate, litigate, or reschedule in order for the indebtedness owed the United States to be repaid.

"(2) Each contract entered into under this section shall provide that the person with whom the Administrator enters into such contract shall submit to the Administrator at least once each 6 months a status report on the success of the person in collecting delinquent debts. Section 3718 of title 31, United States Code, shall apply to any such contract to the extent that such section is not inconsistent with this subsection.

"(b) REPORTS TO CREDIT REPORTING AGENCIES.—To the extent otherwise allowed by law, the Administrator shall disclose to all major credit reporting agencies information concerning any debt of more than $100 owed by a person to the United States which arises out of activities of the Administration and is delinquent by more than 31 days.".

Mr. KASICH (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. KASICH. Mr. Chairman, this amendment basically says that as we begin to build delinquencies within the SBA that we use credit agencies and credit bureaus and collection agencies to pursue this delinquent debt.

Mr. Chairman, let me tell the Members that in December 1985 I asked the GAO to do a study on the amount of outstanding debt owed to the Federal Government which includes the amount of outstanding debt that is owed in taxes. We have heard one Presidential candidate talk about that, but there also are nontax moneys that are owed to the Federal Government and, in fact, right now, or as of 1987, we had $32 billion in outstanding loans, fees, fines owed to the Federal Government, and that is not even connected to income taxes.

In December 1985, the GAO did a study on the amount of outstanding delinquent debt. That total was $64 billion, in December 1985, $64 billion. The number today is in the area of $82 billion in growth in delinquent debt. We have gone from $64 to $82 billion in a couple of short years, and I said at the time, back in 1985, that before we knew it the delinquent debt would be up to $100 billion.

I think we are going to see that in the next few years unless we start to crack down on people who owe money to the Federal Government.

The single biggest way we can do this is to use credit bureaus and collection agencies and also to use the IRS checkoff, and many of us in the House are familiar with that. If someone is going to get a rebate from the Federal Government on their income taxes and they owe the Federal Government $100, and the rebate is going to be $100, they just deduct it and it ends up that they do not get anything back, and the Federal Government collects its money.

Unfortunately the provisions in the law that permitted this to happen have expired. I have introduced a bill to extend that authority. Instead of using it to collect delinquent debt, we have tried to use this provision to fund the welfare bill. It is tied up, and we do not know when we are ever going to have this power renewed again in the Federal Government. More and more we have to be aggressive in the area of collection agencies and credit bureaus.

Mr. Chairman, what we are trying to do is essentially have more fiscal accountability in the Federal Government. We are trying to eat into this $82 billion, in this time of Gramm-Rudman, at a time of growing deficits, and it is clear that we have an awful lot of money out there that can be collected if we make some effort.

The administration has recognized what can be gained by being more aggressive. The chairman of the Committee on the Budget, the gentleman from Pennsylvania [Mr. GRAY], has recognized the importance of being more aggressive in the area of debt. The SBA itself has done a pretty good job. They have been one of the most aggressive agencies. The amount of debt the SBA holds is $2.3 billion, and it is interesting to note, back last year in 1987, the SBA wrote off, in other words, said they could not collect $730 million.

While the SBA has become more aggressive lately, I would argue that an awful lot of the debt written off, almost $1 billion in due debt to the SBA, was written off because we had not made an aggressive effort to try to pursue this debt.

What I tried to do here today is to say that we ought to use these tools; we ought to define them in statute. The SBA has become more aggressive in this area, but what we find is a kind of cyclical pattern in agencies, that they may use it one day, but in another administration, one may not see it done. I want to lock this provision into statute. I think it makes good sense to become more aggressive in this area.

We also provide the head of the SBA with some discretion in terms of trying to work out some of the debt problems, so that if there is an effort being made, we will defer these people being referred to collection agencies. I think the amendment makes very good sense and falls in line with the amendments which have been passed in the DOD authorization bill that is now law and in the State Department authorization bill, the Coast Guard authorization bill, and the maritime authorization bill.

I understand that the chairman is going to accept this amendment, and I want to express my deep appreciation for his understanding of this difficult problem, and I want to thank the staff of both the minority and majority for assisting us in drafting something that makes sense.

Mr. Chairman, I yield back the balance of my time.

Mr. LAFALCE. Mr. Chairman, I move to strike that last word.

Mr. Chairman, I want to thank the gentleman for offering this amendment. I am not going to object to the amendment. It came to my attention this morning.

Mr. Chairman, I do have some reservation about it, however, that I hope we will be able to iron out in conference. First of all, it appears that the amendment would make it mandatory for the Small Business Administration to enter into such contracts for collection services at all times. It would seem to me that there are some instances when it might not be advisable to do that, and they would want to have the prerogative to enter into such contracts or not, and it seems to me we are going to have to give some leeway. Second, there is a law on the books that came out of the Committee on Banking, Finance and Urban Affairs called the Debt Collection Practices Act, and I have some qualms as to whether this amendment might contradict or deviate from the terms of the Debt Collection Act or be redundant. We are going to have to make sure that those issues are taken care of in conference. I just want the gentleman to understand that.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. LAFALCE. Mr. Chairman, I am happy to yield to the gentleman.

Mr. KASICH. Mr. Chairman, I think it is a very important point that the gentleman raises when he talks about the Debt Collection Act. The Debt Collection Act of 1982 can easily be labeled a failure. The reason is that the Debt Collection Act of 1982 provided great discretion in terms of agencies and departments and burdens being forced to actually contract in order to chase these delinquent debts down. The problem is, for the gentleman so that he can follow this, because I think this is important, back in 1981, the amount of delinquent debt, both tax and nontax, was $29 billion. That was in 1981. In 1982 it was $42 billion, and now it is going to be up in the vicinity of $80-some billion.

We have had a $53 billion increase in delinquent debt since 1981, and what I am saying to the gentleman is we cannot afford to provide discretion anymore in the area of being able to use these kinds of tools. I would agree with the gentleman that the head of the SBA ought to be in a position to say, "I think we are working this one out or working that one out," but the caseloads are so big that they never assign these things, and what we have is a lot of money that remains uncollected because of no effort to actually try to use these tools.

I want to work with the gentleman as we go to conference in exploring this overall issue, but a $53 billion increase, that is unbelievable, and I am sure the gentleman knows these numbers, that a $53 billion increase in delinquent debt since 1981 is incredible, and we have made virtually no effort in the Federal Government to try to collect these moneys.

I appreciate the gentleman's reservations, and I am really glad to work with him on this.

Mr. DREIER of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, speaking on behalf of the minority and the gentleman from Pennsylvania [Mr. MCDADE], we are happy to accept the amendment, and I will say to my friend, the gentleman from Ohio, that anything we can do to address the problem of a $53 billion in obligations increase owed to the U.S. Government, we have got to proceed with that, and I am strongly in support of the amendment.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. DREIER of California. I am happy to yield to the gentleman.

Mr. KASICH. Mr. Chairman, I want to give the gentleman the total one more time, the total of delinquent debt, totaling right now, and this is IRS and non-IRS debt, which is $83.2 billion. The non-IRS debt at the current time is over $20 billion owed to the Federal Government from all the agencies, bureaus, and departments, so this is something that we really have to go to work on.

I appreciate the gentleman's statement.

Mr. DREIER of California. Mr. Chairman, I thank the gentleman for his contribution.

I should say, contrary to the way it may have appeared, both the majority and minority are strongly backing him and accepting it.

The CHAIRMAN. The question on the amendment offered by the gentleman from Ohio [Mr. KASICH].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TRAFICANT: At the end of title 1, add the following new section as follows:

Section (a). The Administrator shall award to a domestic firm a contract that, under the use of competitive procedures, would be awarded to a foreign firm, if—

1. the final product of the domestic firm will be completely assembled in the United States;

2. when completely assembled not less than 50 percent of the final product of the domestic firm will be domestically produced; and

3. the difference between the bids submitted by the foreign and domestic firms is not more than 6 percent.

(b) This section shall not apply to the extent to which the Administrator determines that—

1. such applicability would not be in the public interest;

2. compelling national security considerations require otherwise; or

3. the United States Trade Representative determines that such an award would be in violation of the General Agreement on Tariffs and Trade or an international agreement to which the United States is a party.

(c) For purposes of this section—

1. the term "domestic firm" means a business entity that is organized under the laws of the United States and conducts operations in the United States; and

2. the term "foreign firm" means a business entity not described in paragraph (1).

(d) This section shall apply only to contracts for which—

1. amounts are made available pursuant to this Act; and

2. solicitations for bids are issued after the date of enactment of this Act.

(e) The Administrator shall report to the Congress on contracts covered under this Act and entered into with foreign entities in fiscal year 1988 and shall report to the Congress on the number of contracts that meet the requirements of subsection (a) but which are determined by the United States Trade Representative to be in violation of the General Agreement on Tariffs and Trade or an international agreement to which the United States is party. The Administrator shall also report to the Congress on the number of contracts covered under this Act and awarded based upon the parameters of section 215. The Administrator shall submit such report to the Committee on Small Business of the House of Representatives and the Committee on Small Business of the Senate by January 1, 1990.

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TRAFICANT. Mr. Chairman, this is the standard Buy American amendment that has been offered to many authorization bills in the House, and it would apply to SBA as well.

Mr. Chairman, I just have one brief statement. At the time when America was embarking upon the construction of the great railroads, we were importing iron rails from England at a record pace. President Lincoln at the time said, "Yes, it is true we give England the money, and they have our money, and they give us the rails and we build our railroad." He said, "But if we could build the rails, we would have the rails as well as the money."

Mr. Chairman, I think the amendment speaks for itself. It provides an opportunity for American entities to produce a product in the United States, at least 50 percent of its components originating domestically, and it has the provision in it that where the Administrator of the SBA shall give a report to the Congress on contracts covered under this act that were awarded to both foreign firms and to domestic firms, in an annual report. The Congress could recognize where these procurement dollars are going and how the taxpayer dollars of America are being expended.

Mr. Chairman, I appreciate the fact that the chairman of the committee is in support, and I would hope that all Members of this body would support the legislation and find favor with the same.

Mr. LaFALCE. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. Mr. Chairman, I am happy to yield to the gentleman.

Mr. LaFALCE. Mr. Chairman, I would have no objections to the gravamen of this amendment. In conference we may have to work in order to ensure that the amendment is not in contradiction with any international pact that we have or might have at that time. I surely, for example, would not want it to violate the auto pact with Canada or the United States-Canadian Free Trade Agreement if we enter into such a pact, et cetera. On that assumption, and also on the assumption that we would be able to deal with any such defect in conference, I would offer no objections to it.

Mr. TRAFICANT. Mr. Chairman, reclaiming my time, I would like to say that there are provisions in the amendment which speak to those concerns, and I believe they are quite well covered, and according to a conversation we have had relative to this amendment, I support the gentleman's position, and I commend him on the fact of the small business international trade and competitiveness section as well.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. Mr. Chairman, I am happy to yield to the distinguished gentleman from Pennsylvania [Mr. McDade].

Mr. McDADE. Mr. Chairman, we are very happy to accept the amendment.

Mr. TRAFICANT. Mr. Chairman, I yield back to the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. Traficant].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. STALLINGS

Mr. STALLINGS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Stallings: At the end of page 36, add the following new section:

SEC. . INCREASED CONTRACT OPPORTUNITIES.

(a) Study.—Not later than 180 days after the effective date of this section, the Office of the Chief Counsel for Advocacy of the Small Business Administration (hereinafter referred to in this section as the "Office") shall conduct and complete a study to determine the extent to which the employees of Federal agencies and departments are performing professional and technical services for foreign governments (or other non-domestic entities) for which there are responsible domestic sources that are willing to perform such services. In performing such study, the Office shall consult with the Department of Commerce, other relevant agencies and departments of government, trade and professional associations, and other organizations representing the interests of small business concerns.

(b) Review.—If the Office concludes, after a review of the findings contained in the report required by (a), that any agency or department of government unfairly competes with the legitimate interests of domestic business concerns, the Office shall, in concert with the appropriate agency or department, develop recommendations to eliminate such unfair competition, including the use of contracts with domestic business concerns. Each agency and department head shall afford the Office such assistance and cooperation as may be necessary to achieve the purposes of this subsection.

(c) Exclusions.—Nothing contained in this section shall be construed as authorizing any agency or department head to take any action or refrain from taking any action that is adverse to a compelling national interest. In the event that a disagreement arises between the Office and an agency or department head pursuant to this section, the matter shall be referred to the Administrator of the Office of Federal Procurement Policy for final resolution."

Mr. STALLINGS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. STALLINGS. Mr. Chairman, the purpose of this amendment is to enlist the assistance of the Small Business Administration in an effort to expand certain international markets for U.S. firms.

In the field of professional and technical services, there has been a lack of attention to the unfair competition faced by U.S. businesses of all sizes, and small businesses in particular. That is competition from U.S. Government agencies.

In the professional and technical services area, the United States Government agencies—not German, Japanese, or other foreign firms—are the single largest competitors for United States firms. These U.S. Federal agencies aggressively market their services to foreign governments. Furthermore, when a foreign government approaches a U.S. Government agency with a requirement for services, it is the Federal agency that fulfills that requirement with its own personnel. This practice represents a major barrier for U.S. firms attempting to export their services.

This amendment would require the Small Business Administration's Office of Advocacy, working in consultation with other appropriate agencies, to identify those professional and technical services which U.S. Government agencies are providing to foreign governments or international markets with Federal employees and unfairly competing with U.S. firms. An effort would then be made to eliminate that competition through the use of contracts with U.S. firms, and particularly, but not exclusively, small businesses.

The amendment permits exceptions when the use of contractors violates compelling national interests. In the event of a difference between SBA and a department or agency, the Administrator of the Office of Federal Procurement Policy would provide a final resolution.

This amendment will help open doors to U.S. firms that have heretofore been closed by our own Government, using our own tax dollars. This will help firms, particularly small businesses, identify and penetrate foreign markets. It will help these firms get their foot in the door, which in turn will give them the foreign trade experience they need to expand their international marketing activities.

The problem of Government competition is particularly critical in the professional and technical services area, including such industries as architecture, engineering, surveying, and mapping. Government agencies routinely receive requests from foreign governments for professional and technical services. The requests include such activities as feasibility studies, technical services, preparation of construction bid documents, consulting services, training services, as well as actual data collection, systems development, surveying, mapping, and design. In each case, Federal agencies fulfill the needs of foreign clients with Federal employees.

For example, United States firms have endeavored to help the Chinese Government develop the Three Gorges project—that would be the largest hydroelectric project in the world. The Bureau of Reclamation has hired a few specialists from the private sector, but those people were hired to wear the Bureau's hat, not their company's. The Chinese Government has invested several million dollars planning this project. But that money has gone to the U.S. Government, not to U.S. firms.

The National Mapping Division of the United States Geological Survey has had recent projects in Chad, Zaire, Egypt, and Saudi Arabia. The USGS handles these projects with their own people, while there are numerous U.S. firms that have the capability and expertise to do this work. Rather than winning contracts from these Government agencies and gaining the international experience needed to leverage further overseas work, these U.S. firms are left sitting on the sidelines.

This amendment is supported by several organizations. The Management Association for Private Photogrammetric Surveyors [MAPPS] has been a leader on this issue, and the amendment also has the support of such groups as the American Consulting Engineers Council, the Contract Services Association, the Electronic Industries Association, the Professional Services Council, the Western Federation of Professional Surveyors, and others.

Beginning in 1955, it has been U.S. policy that the Federal Government will not start or carry on any commercial activity to provide a service or product for its own use if such product or service can be procured from private enterprise through ordinary business channels. This amendment carries forward that policy and breaks down a major trade barrier that the U.S. Government has erected for many U.S. businesses in the professional and technical services areas.

Mr. LaFALCE. Mr. Chairman, will the gentleman yield?

Mr. STALLINGS. I am happy to yield to the gentleman from New York.

Mr. LaFALCE. Mr. Chairman, the committee has no objection to the amendment offered by the gentleman from Idaho.

Mr. McDADE. Mr. Chairman, will the gentleman yield?

Mr. STALLINGS. I am happy to yield to the gentleman from Pennsylvania.

Mr. McDADE. Mr. Chairman, the gentleman has kindly shown us the amendment. We have had a chance to examine it, and we have no objection to it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho [Mr. STALLINGS].

The amendment was agreed to.

The CHAIRMAN. Are there other amendments to title I?

The Clerk will designate title II.

TITLE II—SMALL BUSINESS INTERNATIONAL TRADE AND COMPETITIVENESS

SEC. 201. SHORT TITLE.

This title may be cited as the "Small Business International Trade and Competitiveness Act".

SEC. 202. DECLARATION OF POLICY.

Section 2 of the Small Business Act (15 U.S.C. 631) is amended by redesignating subsections (b) through (e) as subsections (c) through (f), respectively, and by inserting after subsection (a) the following:

"(b)(1) It is the declared policy of the Congress that the Federal Government, through the Small Business Administration, acting in cooperation with the Department of Commerce and other relevant State and Federal agencies, should aid and assist small businesses, as defined under this Act, to increase their ability to compete in international markets by—

"(A) enhancing their ability to export;

"(B) facilitating technology transfers;

"(C) enhancing their ability to compete effectively and efficiently against imports;

"(D) increasing the access of small businesses to long-term capital for the purchase of new plant and equipment used in the production of goods and services involved in international trade;

"(E) disseminating information concerning State, Federal, and private programs and initiatives to enhance the ability of small businesses to compete in international markets; and

"(F) ensuring that the interests of small businesses are adequately represented in bilateral and multilateral trade negotiations.

"(2) The Congress recognizes that the Department of Commerce is the principal Federal agency for trade development and export promotion and that the Department of Commerce and the Small Business Administration work together to advance joint interests. It is the purpose of this Act to enhance, not alter, their respective roles.".

SEC. 203. CHANGES IN EXISTING SMALL BUSINESS ADMINISTRATION INTERNATIONAL TRADE OFFICE.

Section 22 of the Small Business Act (15 U.S.C. 649) is amended—

(1) by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following:

"(b) The Office, working in close cooperation with the Department of Commerce and other relevant Federal agencies, Small Business Development Centers engaged in export promotion efforts, regional and local Administration offices, the small business community, and relevant state and local export promotion programs, shall—

"(1) assist in developing a distribution network for existing trade promotion, trade finance, trade adjustment, trade remedy assistance and trade data collection programs through use of the Administration's regional and local offices and the Small Business Development Center network;

"(2) assist in the aggressive marketing of these programs and the dissemination of marketing information, including computerized marketing data, to the small business community; and

"(3) give preference in hiring or approving the transfer of any employee into the Office or to a position described in paragraph (8) below to otherwise qualified applicants who are fluent in a language in addition to English. Such employees shall accompany foreign trade missions if designated by the director of the Office and shall be available as needed to translate documents, interpret conversations and facilitate multilingual transactions including providing referral lists for translation services if required.";

(2) in subsection (c), as redesignated, by redesignating paragraphs (1) through (3) as (6) through (8), respectively, and by inserting the following before paragraph (6), as redesignated:

"(1) in cooperation with the Department of Commerce, other relevant agencies, regional and local Administration offices, the Small Business Development Center network, and State programs, develop a mechanism for (A) identifying sub-sectors of the small business community with strong export potential; (B) identifying areas of demand in foreign markets; (C) prescreening foreign buyers for commercial and credit purposes; and (D) assisting in increasing international marketing by disseminating relevant information regarding market leads, linking potential sellers and buyers, and catalyzing the formation of joint ventures, where appropriate;

"(2) in cooperation with the Department of Commerce, actively assist small businesses in the formation and utilization of export trading companies, export management companies and research and development pools authorized under section 9 of this Act;

"(3) work in conjunction with other Federal agencies, regional and local offices of the Administration, the Small Business Development Center network, and the private sector to identify and publicize existing translation services, including those available through colleges and universities participating in the Small Business Development Center Program;

"(4) work closely with the Department of Commerce and other relevant Federal agencies to—

"(A) collect, analyze and periodically update relevant data regarding the small business share of United States exports and the nature of state exports (including the production of Gross State Product figures) and disseminate that data to the public and to Congress;

"(B) make recommendations to the Secretary of Commerce and to Congress regarding revision of the SIC codes to encompass industries currently overlooked and to create SIC codes for export trading companies and export management companies;

"(C) improve the utility and accessibility of existing export promotion programs for small businesses; and

"(D) increase the accessibility of the Export Trading Company contact facilitation service;

"(5) make available to the small business community information regarding conferences on exporting and international trade sponsored by the public and private sector."; and

(3) by adding after subsection (c), as redesignated, the following new subsections:

"(d) The Office shall work in cooperation with the Export-Import Bank of the United States, the Department of Commerce, other relevant Federal agencies, and the States to develop a program through which export specialists in the regional offices of the Administration, regional and local loan officers, and Small Business Development Center personnel can facilitate the access of small businesses to relevant export financing programs of the Export-Import Bank of the United States and to export and pre-export financing programs available from the Administration and the private sector. To accomplish this goal, the Office shall work in cooperation with the Export-Import Bank and the small business community, in-

cluding small business trade associations, to—

"(1) aggressively market existing Administration export financing and pre-export financing programs;

"(2) identify financing available under various Export-Import Bank programs, and aggressively market those programs to small businesses;

"(3) assist in the development of financial intermediaries and facilitate the access of those intermediaries to existing financing programs;

"(4) promote greater participation by private financial institutions, particularly those institutions already participating in loan programs under this Act, in export finance; and

"(5) provide for the participation of appropriate Administration personnel in training programs conducted by the Export-Import Bank.

"(e) The Office shall—

"(1) work in cooperation with other Federal agencies and the private sector to counsel small businesses with respect to initiating and participating in any proceedings relating to the administration of the United States trade laws; and

"(2) work with the Department of Commerce, the Office of the United States Trade Representative, and the International Trade Commission to increase access to trade remedy proceedings for small businesses.

"(f) The Office shall report to the Committees on Small Business of the House of Representatives and the Senate on a annual basis as to its progress in implementing the requirements under this section.

"(g) The Office, in cooperation, where appropriate, with the division of Economic Research of the Office of Advocacy, and with other Federal agencies, shall undertake studies regarding the following issues and shall report to the Committees on Small Business of the House of Representatives and the Senate, and to other relevant Committees of the House and Senate within 6 months after the date of enactment of the Small Business International Trade and Competitiveness Act with specific recommendations on—

"(1) the viability and cost of establishing an annual, competitive small business export incentive program similar to the Small Business Innovation Research program and alternative methods of structuring such a program;

"(2) methods of streamlining trade remedy proceedings to increase access for, and reduce expenses incurred by, smaller firms;

"(3) methods of improving the current small business foreign sales corporation tax incentives and providing small businesses with greater benefits from this initiative;

"(4) methods of identifying potential export markets for United States small businesses; maintaining and disseminating current foreign market data; and devising a comprehensive export marketing strategy for United States small business goods and services, and shall include data on the volume and dollar amount of goods and services, identified by type, imported by United States trading partners over the past 10 years; and

"(5) the results of a survey of major United States trading partners to identify the domestic policies, programs and incentives, and the private sector initiatives, which exist to encourage the formation and growth of small business.".

SEC. 204. AUTHORIZATION OF APPROPRIATIONS.

Section 20 of the Small Business Act (15 U.S.C. 631) is amended by adding the following at the end of subsection (c) (as redesignated by section 101): "There are hereby authorized to be appropriated to the Administration for each of fiscal years 1988, 1989, 1990, and 1991, $3,500,000 to carry out the provisions of section 22 of this Act and section 211 of the Small Business International Trade and Competitiveness Act, of which $350,000 is authorized to reimburse volunteers in the Service Corps of Retired Executives for their expenses in performing on-site counseling to actual or potential small business exporters, in participating in training sessions for such small businesses, and in preparing materials for use at such training sessions or during counseling.".

SEC. 205. EXPORT FINANCING PROVIDED BY THE ADMINISTRATION.

Section 7(a)(14) of the Small Business Act (15 U.S.C. 636(a)(14)) is amended to read as follows:

"(14)(A) The Administration under this subsection may provide extensions and revolving lines of credit for export purposes and for pre-export financing to enable small business concerns, including small business export trading companies and small business export management companies, to develop foreign markets. No such extension or revolving line of credit may be made for a period or periods exceeding 18 months. A bank or participating lending institution may establish the rate of interest on extensions and revolving lines of credit as may be legal and reasonable.

"(B) When considering loan or guarantee applications, the Administration shall give weight to export-related benefits, including opening new markets for United States goods and services abroad and encouraging the involvement of small businesses, including agricultural concerns, in the export market.

"(C) The Administration shall aggressively market its export financing program to small businesses.".

SEC. 206. SMALL BUSINESS DEVELOPMENT CENTERS.

(a) AUTHORIZATION OF APPROPRIATION.—Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended by adding the following at the end of subsection (c) (as redesignated by section 101): "There are hereby authorized to be appropriated to the Administration for each of fiscal years 1988, 1989, 1990, and 1991, $5,000,000 to carry out the provisions of section 21(a)(6).".

(b) SBDC INFORMATION DISSEMINATION AND SERVICE DELIVERY.—Section 21 of the Small Business Act (15 U.S.C. 648) is amended—

(1) in subsection (a)(1), by inserting after "enterprises;" the following: "management and technical assistance regarding small business participation in international markets, export promotion and technology transfer;";

(2) in subsection (a), by redesignating paragraphs (2) through (4) as paragraphs (3) through (5), respectively, and by inserting the following after paragraph (1):

"(2) The Small Business Development Centers shall work in close cooperation with the Administration's regional and local offices, the Department of Commerce, appropriate Federal, State and local agencies and the small business community to serve as an active information dissemination and service delivery mechanism for existing trade promotion, trade finance, trade adjustment, trade remedy and trade data collection programs of particular utility for small businesses.";

(3) by adding at the end of subsection (a) the following new paragraph:

"(6) Any applicant which is funded by the Administration as a Small Business Development Center may apply for an additional grant to be used solely to assist—

"(A) with the development and enhancement of exports by small business concerns; and

"(B) in technology transfer,

as provided under subparagraphs (B) through (G) of subsection (c)(3). Applicants for such additional grants shall comply with all of the provisions of this section, including providing matching funds, except that funding under this paragraph shall be effective for any fiscal year to the extent provided in advance in appropriations Acts and shall be in addition to the dollar program limitations specified in paragraphs (4) and (5). No recipient of funds under this paragraph shall receive a grant which would exceed its pro rata share of a $15,000,000 program based upon the populations to be served by the Small Business Development Center as compared to the total population of the United States. The minimum amount of eligibility for any State shall be $100,000.";

(4) in subsection (c)(3), by striking subparagraph (B) and by inserting the following new subparagraph (B):

"(B) assisting in technology transfer, research and development, including applied research, and coupling from existing sources to small businesses, including—

"(i) working to increase the access of small businesses to the capabilities of automated flexible manufacturing systems;

"(ii) working through existing networks and developing new networks for technology transfer that encourage partnership between the small business and academic communities to help commercialize university-based research and development and introduce university-based engineers and scientists to their counterparts in small technology-based firms; and

"(iii) exploring the viability of developing shared production facilities, under appropriate circumstances;";

(5) in subsection (c)(3), by redesignating subparagraphs (C) through (H) as subparagraphs (H) through (M), respectively, and by inserting the following new subparagraphs after subparagraph (B):

"(C) in cooperation with the Department of Commerce and other relevant Federal agencies, actively assisting small businesses in exporting by identifying and developing potential export markets, facilitating export transactions, developing linkages between United States small business firms and prescreened foreign buyers, assisting small businesses to participate in international trade shows, assisting small businesses in obtaining export financing, and facilitating the development or reorientation of marketing and production strategies; where appropriate, the Small Business Development Center may work in cooperation with the State to establish a State international trade center for these purposes;

"(D) assisting small businesses in developing and implementing marketing and production strategies that will enable them to better compete within the domestic market;

"(E) developing a program in conjunction with the Export-Import Bank and local and regional Administration offices that will enable Small Business Development Centers to serve as an information network and to assist small business applicants for Export-Import Bank financing programs, and otherwise identify and help to make available export financing programs to small businesses;

"(F) working closely with the small business community, small business consultants, State agencies, universities and other appropriate groups to make translation services more readily available to small business firms doing business, or attempting to develop business, in foreign markets;

"(G) in providing assistance under this subsection, applicants shall cooperate with the Department of Commerce and other relevant Federal agencies to increase access to available export market information systems, including the CIMS system;";

(6) in subsection (c), by adding the following new paragraphs:

"(5) In any State (A) in which the Administration has not made a grant pursuant to paragraph (1) of subsection (a), or (B) in which no application for a grant has been made by a Small Business Development Center pursuant to paragraph (6) of such subsection within 60 days after the effective date of any grant under paragraph (a)(1) to such center, the Administration may make grants to a nonprofit entity in that State to carry out the activities specified in paragraph (6) of subsection (a). Any such applicants shall comply with the matching funds requirement of paragraph (4) of subsection (a). Such grants shall be effective for any fiscal year only to the extent provided in advance in appropriations Acts, and each State shall be limited to the pro rata share provisions of paragraph (6) of subsection (a).

"(6) In performing the services identified in paragraph (3), the Small Business Development Centers shall work in close cooperation with the Administration's regional and local offices, the local small business community, and appropriate State and local agencies.

"(7) The Deputy Associate Administrator of the Small Business Development Center program, in consultation with the Small Business Development Centers, shall develop and implement an information sharing system which will—

"(A) allow Small Business Development Centers participating in the program to exchange information about their programs; and

"(B) provide information central to technology transfer."; and

(7) by redesignating subsections (d) through (k) as subsections (e) through (l), respectively, and inserting the following new subsection after subsection (c):

"(d) Where appropriate, the Small Business Development Centers shall work in conjunction with the relevant State agency and the Department of Commerce to develop a comprehensive plan for enhancing the export potential of small businesses located within the State. This plan may involve the cofunding and staffing of a State Office of International Trade within the State Small Business Development Center, using joint State and Federal funding, and any other appropriate measures directed at improving the export performance of small businesses within the State.".

SEC. 207. CAPITAL FORMATION.

(a) LOAN LIMITATIONS.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) by striking "and" at the end of clause (i) of paragraph (2)(B) and by adding after clause (ii) the following new clauses:

"(iii) not less than 85 percent of the financing outstanding at the time of disbursement if such financing is a loan under paragraph (16) and is less than $1,176,470; and

"(iv) less than 85 percent of the financing outstanding at the time of disbursement if such financing is a loan under paragraph (16) and exceeds $1,176,470;";

(2) by amending paragraph (3) to read as follows:

"(3) No loan shall be made under this subsection—

"(A) if the total amount outstanding and committed (by participation or otherwise) to the borrower from the business loan and investment fund established by this Act would exceed $750,000, except as provided in subparagraph (B);

"(B) if the total amount outstanding and committed (on a deferred basis) solely for the purposes provided in paragraph (16) to the borrower from the business loan and investment fund established by this Act would exceed $1,000,000, such amount to be in addition to any financing solely for working capital, supplies, or revolving lines of credit for export purposes up to a maximum of $250,000; and

"(C) if effected either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate basis if the amount would exceed $350,000.";

(3) by adding the following new paragraphs after paragraph (15):

"(16)(A) The Administration may guarantee loans under this paragraph to assist any eligible small business concern in an industry engaged in or adversely affected by international trade in the financing of the acquisition, construction, renovation, modernization, improvement or expansion of productive facilities or equipment to be used in the United States in the production of goods and services involved in international trade, if the Administration determines that the appropriate upgrading of plant and equipment will allow the concern to improve its competitive position. Each such loan shall be secured by a first lien position or first mortgage on the property or equipment financed by the loan. The lender shall agree to sell the loan in the secondary market as authorized in sections 5(f) and 5(g) of this Act within 180 days of the date of disbursement.

"(B) A small business concern shall be considered to be engaged in or adversely affected by international trade for purposes of this provision if such concern is, as determined by the Administration in accordance with regulations that it shall develop—

"(i) in a position to significantly expand existing export markets or develop new export markets; or

"(ii) adversely affected by import competition in that it is—

"(I) confronting increased direct competition with foreign firms in the relevant market; and

"(II) can demonstrate injury attributable to such competition.

"(17) The Administration shall authorize lending institutions and other entities in addition to banks to make loans authorized under this subsection."; and

(4) by redesignating the existing paragraph (16) as paragraph (18).

(b) DEVELOPMENT COMPANY LIMITS.—Section 502(2) of the Small Business Investment Act of 1958 (15 U.S.C. 636(a)(3)) is amended by striking "$500,000" and by inserting in lieu thereof "$750,000".

(c) REPORT.—The Administrator of the Small Business Administration shall report to the Committees on Small Business of the House of Representatives and the Senate within 6 months after the date of enactment of this title as to the viability of creating cooperative Federal-State guarantee programs, particularly for purposes of export financing, to encourage States to coinsure Federal loans, thus permitting the Federal Government to reduce its exposure.

SEC. 208. SMALL BUSINESS INNOVATION RESEARCH.

Section 6 of Public Law 97-219, as amended by Public Law 99-443, is further amended by adding the following at the end of subsection (a): "The report also shall include the Comptroller General's recommendations as to the advisability of amending the Small Business Innovation Research program to—

"(1) increase each agency's share of research and development expenditures devoted to it by 0.25 percent per year, until it is 3 percent of the total extramural research and development funds, and targeting a portion of the increment at products with commercialization or export potential;

"(2) make the Small Business Innovation Research program permanent with a formal congressional review every 10 years, beginning in 1993;

"(3) allocate a modest but appropriate share of each agency's Small Business Innovation Research fund for administrative purposes for effective management, quality maintenance, and the elimination of program delays; and

"(4) include within the Small Business Innovation and Research program all agencies expending between $20,000,000 and $100,000,000 in extramural research and development funds annually.".

SEC. 209. GLOBALIZATION OF PRODUCTION.

Within one year after the date of enactment of this title, the Administrator of the Small Business Administration shall submit a written report to the Committees on Small Business of the House of Representatives and the Senate, prepared by the Administration in conjunction with the Bureau of the Census and in cooperation with other relevant agencies, that would—

(1) analyze to the extent possible the effect of increased outsourcing and other shifts in production arrangements on small firms, particularly manufacturing firms, within the United States subcontractor tier and to the extent that such data is not available determine methods by which such data may be collected;

(2) assess the impact of specific economic policies, including, but not limited to, procurement, tax and trade policies, in facilitating outsourcing and other international production arrangements; and

(3) make recommendations as to changes in government policy that would improve the competitive position of smaller United States subcontractors, including recommendations as to incentives which could be provided to larger corporations to maximize their use of United States subcontractors and assist these subcontractors in changing production and marketing strategies and in obtaining new business in domestic and foreign markets.

SEC. 210. SMALL BUSINESS TRADE REMEDY ASSISTANCE.

Not later than December 1, 1988, the Comptroller General of the United States shall conduct a study and submit a report to the Committee on Governmental Affairs and the Committee on Small Business of the Senate, as well as to other appropriate committees of the Senate, and to the Committee on Small Business and the Committee on Ways and Means of the House of Representatives on the costs incurred by small businesses in pursuing rights and remedies under the trade laws. Such report shall include an analysis of—

(1) the costs incurred by small businesses (and trade associations whose membership is primarily small business) in pursuing investigations under the trade remedy laws, including—

(A) antidumping investigations and proceedings under title VII of the Tariff Act of 1930;

(B) countervailing duty investigations and proceedings under section 303 or title VII of the Tariff Act of 1930;

(C) unfair trade practice investigations under section 337 of the Tariff Act of 1930;

(D) investigations under chapter 1 of title III of the Tariff Act of 1974;

(E) import relief investigations under chapter 1 of title II of the Trade Act of 1974;

(F) market disruption investigations under section 406 of the Trade Act of 1974; and

(G) national security relief investigations under section 232 of the Trade Expansion Act of 1962;

(2) the extent of assistance and information provided by the Trade Remedy Assistance Office of the United States International Trade Commission;

(3) the ability of small businesses to generate the information and resources needed for such investigations; and

(4) the costs and benefits to the Federal Government of either—

(A) providing reimbursement to small businesses for legal expenses incurred in pursuing trade remedies; or

(B) providing direct legal assistance to small businesses.

SEC. 211. NATIONAL SEMINAR ON SMALL BUSINESS EXPORTS.

(a) SEMINAR.—The Administration shall conduct a National Seminar on Small Business Exports within one year following the date of the enactment of this title in order to develop recommendations designed to stimulate exports from small companies. The Seminar shall build upon the information collected by the Administration through previously conducted regional small business trade conferences.

(b) ASSISTANCE BY EXPERTS.—For the purpose of ascertaining facts and developing policy recommendations concerning the expansion of United States exports from small companies the Seminar shall bring together individuals who are experts in the fields of international trade and small business development and representatives of small businesses, associations, the labor community, academic institutions, and Federal, State and local governments.

(c) RECOMMENDATIONS CONCERNING UTILITY OF INTERNATIONAL CONFERENCE.—The Seminar shall specifically consider the utility of, and make recommendations regarding, a subsequent International Conference on Small Business and Trade that would—

(1) help establish linkages between United States small business owners and small business owners in foreign countries;

(2) enable United States small business owners to learn how others organize themselves for exporting; and

(3) foster greater consideration of small business concerns in the GATT.

SEC. 212. TRADE NEGOTIATIONS.

It is the sense of the Congress that the interests of the small business community have not been adequately represented in trade policy formulation and in trade negotiations. Therefore, it is the sense of the Congress that the Administrator of the Small Business Administration should be appointed as a member of the Trade Policy Committee and that the United States Trade Representative should consult with the Small Business Administration and its Office of Advocacy in trade policy formulation and in trade negotiations.

Further, it is the sense of the Congress that the United States Trade Representative would better serve the needs of the small business community with full-time staff assistance with responsibilities for small business trade issues.

Further, it is the sense of the Congress that the United States Trade Representative should appoint a special trade assistant for small business.

SEC. 213. PROMULGATION OF REGULATIONS.

Notwithstanding any law, rule, or regulation, the Small Business Administration shall promulgate final regulations to carry out the provisions of this title within six months after the date of enactment of this title.

SEC. 214. EFFECTIVE DATE.

This title shall become effective on the date of its enactment.

Mr. MFUME. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise for the purpose of engaging in a brief colloquy with the chairman of the committee, the distinguished gentleman from New York [Mr. LAFALCE].

Mr. Chairman, this deals specifically with the previous amendment to title I of H.R. 4174. Was not the amendment specifically dealing with size standards in five selected industries and not so much with the broader concept of set-asides as relates to small disadvantaged and minority businesses?

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Mr. LAFALCE. Mr. Chairman, will the gentleman yield?

Mr. MFUME. I yield to the gentleman from New York.

Mr. LAFALCE. Mr. Chairman, the gentleman's understanding is absolutely correct.

Mr. MFUME. Are set-asides and minority business set-asides for that purpose and the concept of those pretty much protected in light of this amendment?

Mr. LAFALCE. Totally. They were not affected by it one iota.

Mr. MFUME. Has there been, or will there be, or does there exist a previous commitment with the leadership on both sides in the committee to revisit the issue of set-asides as it relates to these selected industries at a future time?

Mr. LAFALCE. The issue of size standards?

Mr. MFUME. Yes.

Mr. LAFALCE. Yes, we expect that the bill, H.R. 1807, coming out of the Senate will address that issue, and there has been an understanding with the chairmen and ranking minority members of the committees of jurisdiction to deal with the issues in that conference.

Mr. MFUME. I thank the gentleman very much and yield back the balance of my time.

The CHAIRMAN. Are there amendments to title II?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mrs. BOGGS] having assumed the chair, Mr. AKAKA, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4174) to amend the Small Business Act and the Small Business Investment Act of 1958, and for other purposes, pursuant to House Resolution 486, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third read of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DREIER of California. Madam Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 342, nays 40, not voting 49, as follows:

[Roll No. 218]

YEAS—342

Akaka
Andrews
Anthony
Applegate
Aspin
Atkins
AuCoin
Baker
Ballenger
Barnard
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Buechner
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
Dellums

Derrick
DeWine
Dickinson
Dingell
DioGuardi
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Florio
Foglietta
Foley
Frank
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hayes (IL)
Hayes (LA)
Hefner
Herger
Hertel
Hiler
Hochbrueckner
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Konnyu
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Madigan
Manton
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCrery
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Ravenel
Ray
Regula
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Robert (OR)
Snowe
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—40

Archer
Armey
Bartlett
Barton
Bateman
Brown (CO)
Bunning
Burton
Combest
Craig
Dannemeyer
DeLay
Dornan (CA)
Dreier
Fawell
Frenzel
Gekas
Hastert
Hefley
Henry
Holloway
Inhofe
Kolbe
Kyl
Livingston
Lukens, Donald
Mack
McCandless
McCollum
Moorhead
Nielson
Petri
Roth
Sensenbrenner
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Stump
Thomas (CA)
Walker

NOT VOTING—49

Ackerman
Alexander
Anderson
Annunzio
Badham
Biaggi
Bosco
Boulter
Bryant
Cheney
Crane
Crockett
DeFazio
Dicks
Dixon
Dowdy
Dymally
Fields
Flippo
Ford (MI)
Ford (TN)
Gray (PA)
Gregg
Hansen
Hatcher
Hawkins
Ireland
Jones (TN)
Kemp
Kolter
Lehman (CA)
Lewis (FL)
Lungren
MacKay
Markey
McCurdy
Mica
Moody
Myers
Rangel
Richardson
Rodino
Scheuer
Shumway
Solarz
Spence
Vander Jagt
Williams
Wortley

The Clerk announced the following pairs:

On this vote:

Mr. Annunzio for, with Mr. Boulter against.

Mr. Ford of Michigan for, with Mr. Hansen against.

Mr. Hawkins for, with Mr. Crane against.

Mr. LIVINGSTON and Mr. HASTERT changed their vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LaFALCE. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4174, the bill just passed.

The SPEAKER pro tempore (Mrs. BOGGS). Is there objection to the request of the gentleman from New York?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1516, TONGASS TIMBER REFORM ACT

Mr. GORDON, from the Committee on Rules, submitted a privileged report (Rept. No. 100-750) on the resolution (H. Res. 488) providing for the consideration of the bill (H.R. 1516) to require annual appropriations of funds necessary to support timber management and resource conservation on the Tongass National Forest, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR THE CONSIDERATION OF H.R. 4481, DEFENSE SAVINGS ACT OF 1988

Mr. GORDON, from the Committe on Rules, submitted a privileged report (Rept. No. 100-751) on the resolution (H. Res. 489) providing for the consideration of the bill (H.R. 4481) to provide for the closing and realigning of certain military installations during a certain period, which was referred to the House Calendar and ordered to be printed.

"DISCOVERY" HERALDS OUR RETURN TO SPACE

(Mr. GREEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN. Mr. Speaker, an extraordinarily distinguished group of citizens from a range of disciplines has just completed at the request of NASA an examination of our Nation's long-term options in space and space exploration. As the preparation of the space shuttle *Discovery* on the launching pad at Cape Canaveral heralds our return to space, this series of reports provides us with the opportunity, indeed the obligation, to choose America's destiny in space.

The National Research Council states: For the past 30 years scientific investigation has been neither the only objective of the space program of the United States nor even the dominant one. The steering group proposes that as the Nation considers its future in space, the advance of science and its applications to human welfare be adopted and implemented as an objective no less central to the space program of the United States than any other such as the capability of expanding man's presence in space.

The science program proposed is wide-ranging in physics, astronomy, and life sciences. It also includes Mission to Planet Earth, certainly a high-priority project, as we contemplate global warming and the shrinking of the ozone layer.

Mr. Speaker, I commend the report to my colleagues and urge them to adopt it as a blueprint for NASA in the years ahead.

Mr. Speaker, I include with my statement the following material:

SPACE SCIENCE IN THE TWENTY-FIRST CENTURY: IMPERATIVES FOR THE DECADES 1995 TO 2015

(Report of the Study Steering Group, Space Science Board, Commission of Physical Services, Mathematics, and Resources, National Research Council)

INTRODUCTION

The past quarter century of space science has been extraordinarily productive. The United States has held the lead in space science during most of these years, exploring new worlds, discovering new phenomena in space, and providing new ways to observe and predict changes in the global environment. The national space science program has amply fulfilled the objective of the National Aeronautics and Space Act of 1958 to extend "human knowledge of the Earth and of phenomena in the atmosphere and in space."

Moreover, it has contributed substantially to other objectives set forth in the act, including the development of space technology, the preservation of U.S. leadershp in space, and the fostering of international cooperation. National investment in space science has produced a treasure of trained people and facilities that can continue to be productive far into the future. It is a perishable treasure, however, and it is eroding rapidly with the present lack of scientific missions and the aging of academic facilities.

For the past 30 years, scientific investigation has been neither the only objective of the space program of the United States, nor even the dominant one. The Apollo project and the development of the Space Transportation System and, more recently, of the Space Station were not primarily designed to respond to requirements set by the various disciplines of space science. Instead, establishing a human presence in space and accomplishment of large engineering projects for their own sake have driven a major part of our space program since the establishment of NASA in 1958. The steering group for this study recommends that the present ordering of priorities in the national space program be changed.

The steering group proposes that, as the nation considers its future in space, the advance of science and its applications to human welfare be adopted and implemented as an objective no less central to the space program of the United States than any other, such as the capability of expanding man's presence in space. Other related activities, such as the development of space technology, should be carried out so as to maximize scientific return. The steering group believes that attaining the objectives of science can provide any degree of challenge to the development of space technology that may be desired. This will ensure that the scientific and engineering resources available are effectively utilized in the national interest, as required by the act of 1958. This same standard—obtaining the greatest scientific advance for the available resources—should prevail when determining the balance between manned and unmanned space activities as well.

Provided the nation recovers full access to space rapidly after the *Challenger* accident, a large number of scientific missions will be in space—or well along toward launch—by the last years of this century. These missions promise a rich harvest of scientific results that will significantly improve our understanding of the universe. The challenge to the space sciences is to take a bold leap forward after 1995, carrying them closer to answers for the most fundamental questions about the nature of the universe. By responding to this challenge, space science will also contribute to our understanding of the delicate ecological balance that sustains life on Earth. Together, these advances will provide deeper insight into the world and our relation to it. Applications of this knowledge will directly enhance the quality of life for all humans. Moreover, new technology developed to meet the requirements of science will have many earth-bound applications.

Someday it may be possible to launch and maintain factories in space where we can profitably manufacture exotic materials. Today, there is no way to predict whether or not this will be feasible. Only a grasp of the underlying science, developed from performance of fundamental experiments in the low-gravity environment of space, will allow us to decide whether or not these aspirations are realistic, and, if so, to select the most promising avenues for development. The steering group believes that such beneficial applications of space technology as these have their best—and perhaps only—chance to flourish if science is made the principal objective of the civilian space program.

This study focuses on large-scale scientific undertakings. There is every reason to believe that, if they are to succeed, they must be built on a solid foundation of supporting research and technology, and on such small-scale exploratory projects as the present Explorer, Observer, Spartan, and suborbital programs. Supporting research must include stable funding for vigorous theoretical and laboratory studies. It is these that will provide the framework for understanding the data obtained from scientific missions.

The past 40 years of international activities at high altitudes and in space have generated a remarkable range of scientific achievements. The twenty-first century promises to build on these achievements at an accelerating rate, provided the nation furnishes the necessary resources and does not repeat its mistake of denying itself a sturdy, redundant system of access to space. Automated spacecraft, remote sensing instruments, and manned space stations will continue to add profound insights into the nature of the universe.

This report discusses the opportunities for space science in the period from 1995 to 2015. The study on which this report is based was devoted to six subjects: (1) the planet Earth; (2) planetary and lunar exploration; (3) solar system space physics; (4) astronomy and astrophysics; (5) fundamental physics and chemistry (relativistic gravitation and microgravity science); and (6) life sciences. Each subject was developed by a separate task group and is discussed in an individual volume. Collectively, these volumes set forth the scientific opportunity that exists in space research and its applications. Exploiting this opportunity should be the paramount consideration in the national debate on the goals of the civilian space program. This overview volume contains a perspective on progress in the six disciplines of space science. It also includes the prospects for major achievements by 1995 from missions already under way or awaiting new starts. Finally, it presents a set of long-range goals for these disciplines during the first two decades of the twenty-first century.

□ 1445

THE 200TH ANNIVERSARY OF MARYLAND'S RATIFICATION OF THE CONSTITUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 5 minutes.

Mrs. BENTLEY. Madam Speaker, this past April 28, we in Maryland celebrated the 200th anniversary of our State's ratification of the Constitution. Indeed it's a great honor to live in a State which has been a part of the world's greatest democracy since its very beginning. It has been a time for celebration, kudos, and pats on the back, yet—more importantly—it affords us an opportunity for appreciating the liberties given to us by our Bill of Rights. We've grown so accustomed to them that we often take them for granted.

Over the past month two churches in my district celebrated very special anniversaries. These two great events as well as the commemoration of Maryland's bicentennial as one of the United States had caused me to reflect upon the vast importance of the freedom of every American to worship as they choose. This is a right whose fundamental importance is overlooked by many Americans. This is certainly not the case, Madam Speaker, with the people who make up these two wonderful congregations. It is only right that the histories and accomplishments of these two houses of worship be honored here. They are both living examples of the phrase "freedom of religion" inscribed in the Constitution so long ago.

On May 8, 1988, the Prince of Peace Lutheran Church in Rosedale, MD, celebrated its 60th anniversary. It was founded by a small group of men and women who were determined to worship the way they wished despite the financial limitations placed upon them by the Great Depression. Their efforts and perseverance bore fruit; the church is now a strong and viable member of the community it serves. It sponsors a senior center, a day care center, and a counseling center—all of which are available not only to members of the congregation but to the entire community as well. Prince of Peace also sponsors many youth-oriented activities, such as Sunday school classes as well as Boy, Girl, and Cub Scout troops. I offer my heartiest congratulations to Pastor Harold Hand as well as to all the church's parishioners—past and present—who have helped to make it such a positive force in the community over the past six decades.

I also had the distinct honor to attend the 75th anniversary celebration of St. John's Evangelical Lutheran Church in Essex, MD, on May 22. It too was founded by a group of pious men and women who wished to worship their God in a way closest to their own hearts—an ideal which truly epitomizes the idea of "freedom of religion." Here again a seed was planted that later grew into something big and great. The church now consists of some 750 baptized members in its congregation, and its good works reach far into the community. It has been involved with establishing a food pantry program for the needy as well as a counseling service for the troubled. It too has sponsored Boy and Girl Scout activities in an effort to reach out to the younger parishioners.

St. John's has known four different pastors and two different buildings, yet its mission of serving the Lord and the people of the community has never wavered. Once again I would like to acknowledge publically the efforts of Pastor Ken Nehmer, Bishop Zumbrun, and all the wonderful souls who make up the congregation of St. John's for all their efforts. What they have done over the past three-quarters of a century is nothing short of a miracle.

Indeed I can say with little doubt that my district is a much better place than it would have been without Prince of Peace and St. John's. There would be a tremendous gap in each community it serves were it not for their presence. However, I also salute them because they are living examples of what can happen when people take full advantage of their constitutional liberties. Each church is here today because a small group of people made a commitment years ago to exercise their right of free worship. Look at how much the community at large benefited in each instance.

Therefore, Madam Speaker, in this period of national celebration, I urge you to remember that what we are honoring is not just a yellowed document under a glass case. It is something much larger than this or the men who wrote it. It is an ideal—one which certainly can be said to live in the hearts of the parishioners of these two churches.

Indeed, freedoms are nothing unless they are used.

CONGRESS MUST NOT DESTROY INDIAN RIGHTS TO SERVE THE ECONOMIC INTERESTS OF THE NON-INDIAN GAMBLING INDUSTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. UDALL] is recognized for 10 minutes.

Mr. UDALL. Mr. Speaker, when President Reagan went to Russia for his summit meeting, the hopes of this country went with him, particularly with respect to human rights for Russian citizens and the citizens of other repressive regimes. We recently passed a concurrent resolution in the House commending the President for furthering the cause of world human rights at the summit.

However, Mr. Speaker, there was at least one low point during the President's visit. In responding to a question posed by a student at Moscow University, the President showed an embarrassing and disappointing lack of knowledge about the rights and status of Indian tribes in this country.

Either through that lack of knowledge or through insensitivity, the President failed to admit that the history of this country's treatment of the first American has not been a good one. Either through lack of knowledge or insensitivity, the President failed to concede that Indian tribes and their members are at the bottom of this Nation's social and economic ladder. Either through lack of knowledge or insensitivity, the President failed to acknowledge that the rights and resources of Indian tribes and people remain under constant attack by the non-Indian society.

Unfortunately, Mr. Speaker, the President is not alone in his failure to understand the status of Indian people in this country.

The President—and many others in this country—do not appreciate that this great Nation of ours is built upon the heritage of the Indian tribes.

The President—and many others in this country do not understand that we took that heritage from them without their consent and, in many cases, over their strong objection.

The President—and many others in this country—either do not know or do not care that, in taking this land from the Indians, we made solemn promises to them that we would respect and protect the few rights and resources we left them.

The President—and many others in this country—obviously do not know or do not care that we, as a nation, have broken many of these promises when it has suited our needs or when keeping them would have been inconvenient to us.

Obviously, the President and many others in this country do not agree with Justice Hugo Black when he stated in his dissenting opinion in the case of FPC versus Tuscarora Indian Nation, "Great Nations, like great men, should keep their word."

Mr. Speaker, I am willing to admit that the past record of our treatment of Indian tribes has not always comported with the high principles and standards of democracy and universal justice. But I also want to be able to say to the Soviet Government and other oppressive regimes around the world that our past record is just that—a "past record". I want so much to be able to say to those regimes that our recent history and our future resolve is one of keeping those promises and keeping faith with our Indian tribes and people.

However, as the 100th Congress draws to a close and the 200th anniversary of our Constitution draws near, we once more stand upon the brink of one more breach of faith with the Indian tribes—not for some higher public good—not for some sacred principle, but to preserve the profits of the non-Indian gambling industry of this Nation.

When the rate of unemployment in this Nation edges over 7 percent, alarm bells ring in the economic and political hallways of the country. Indian tribes and people on the reservations have had to live with unemployment rates of 50 to 80 percent with little sense of outrage in this compassionate society.

Life below the poverty line is a remote fear for most Americans. Life above the poverty line is a distant dream for all but a few Indian people on the reservations.

Mr. Speaker, it is frustrating to me and it must be enraging to the Indians that I must once again remind the House of the great debt we owe the Indian tribes and the many promises we made them.

It is frustrating to me and it must be demeaning to the Indian people that I must once again remind the House of the desperate condition and great need of our American Indian citizens.

So it would be most understandable if all but the most callous of us would rejoice that a few Indian tribes have found an economic enterprise which has cut their reservation unemployment rate by half or more without the aid of the taxpayers' dollars. With the severe cutbacks in Federal funding in recent years, it would be understandable if we were elated that revenue from this enterprise has helped Indian tribes to build health clinics, alcohol and drug rehabilitation centers, housing, and community buildings; to fund scholarship programs for the young and burial programs for the elderly; to support child welfare programs and aid to the elderly and handicapped; and to meet a number of other desperate economic and social needs.

It would be understandable if we were rejoicing and if we were elated. But we are not.

Why? The economic enterprise these tribes have turned to in their great need is gaming, traditionally and immoral activity. If these Indian tribes were alone in turning to this activity, we could oppose their gaming activities on moral grounds.

But look around us. How many States have not adopted or are not considering adopting a State lottery to bolster State revenues? How many States do not permit and derive profit from horse racing, dog racing, off-track-betting, jai alai, poker, blackjack, casinos or some other form of commercial gambling? How many church and service organizations do not run a bingo game or casino night to support their worthy causes?

While I am personally opposed to gaming and, in particular, government gaming, I'm afraid the time for moral outrage is past. Gambling as a source of governmental revenue and charitable funding is too well established to raise moral arguments against the Indians.

Mr. Speaker, the Indian tribes, using treaties we forced upon them, laws were passed without their consent, and our own courts, sued to vindicate their right to self-government, so jealously guarded by them and so solemnly promised by us. They went to our courts to fight for their right to engage in gaming activities without hindrance by State governments. And they won.

In the economic wasteland of the reservations that we have fostered, some of the tribes have found a small ray of hope for economic betterment. A chance for better health, better education, better jobs, a better future. But we can't permit that. Powerful economic forces have mobilized to insure that it does not happen.

The most effective way to prevent it is to take away their right to self-government to make that choice for themselves and to subject them to the laws and jurisdiction of the States. And that is what we are asked to do—to destroy that tribal right of self-government by unilaterally imposing upon them State rule.

And what is the justification given for once again breaking our word to the Indians? The opponents of Indian gaming activities raise the specter of organized crime. In 15 years of commercial gaming activity on Indian reservations, there has not been one clearly proven case of organized crime infiltrating Indian gaming. Yes, there has been whispered rumors of such activity. And, yes, there is a potential and I too share that concern.

However, the opponents of Indian gaming, with little evidence, assert that the infiltration of organized crime is a clear and present danger and the only remedy is State jurisdiction. They say the tribes and the Federal Government cannot handle organized crime; only the States can. They would have us believe that the FBI, the Justice Department, and other Federal law enforcement agencies cannot do what the States can.

And who are these opponents of Indian gaming who have raised the specter of organized crime? Who are these entities who are demanding that we break our word to the Indian tribes and destroy another aspect of their right of self government? The Indian opponents that are instructing us in the evils of organized crime are the gambling casino operators of Nevada, the Horse Track Owners Association, and American Greyhound Track Operator's Association.

Mr. Speaker, let us be candid. This debate is not based upon moral high ground, crime control, and a level paying field. It is, quite simply, economics. The gambling lords of Nevada and the race track owners of the country perceive an economic threat to their profits from the bingo game on the little Tulalip Indian Reservation in Washington and the card parlor on the Cabazon Reservation in California.

In their view, it is wrong that the few dollars being earned by Indian tribes from gaming for health, education and social programs are being diverted from the crap tables of their casinos and the betting windows of their tracks.

And they clearly intend to stop it. They have poured thousands of dollars into a lobby effort to secure the enactment of legislation imposing State jurisdiction on Indian tribal gaming activities. Why? Because past history has shown that, with State control, the competing Indian economic activity, one way or another, will be suppressed in favor of the non-Indian interests.

Mr. Speaker, I note for the record that, on November 18, 1983, I introduced the first bill providing for additional regulation of gaming on Indian reservations. I did so not to destroy the right of tribes to engage in that activity, but to protect them as they engaged in it and to protect the gaming public. And I did so within the spirit of tribal self-government. I assured them I would not support the unilateral imposition of State jurisdiction over their governments.

But I think that I have shown myself to be a realist in the legislative process. Recognizing the real and fabricated concerns of non-Indian interests and over the strong objection of Indian tribes, I laid on the table a compromise offer which included significant State jurisdiction over class III gaming activities while retaining only basic tribal governmental rights. No reasonable person could say that this was anything other than an honest attempt at compromise. In fact, it went well beyond a mid-point compromise.

The horse and dog track interests sneered at the offer and reiterated their demand for total domination of Indian rights. The casino owners expressed a willingness to accept my compromise subject to certain changes which brought it right back to State control. Their unwillingness to accept such an honest, good faith offer of compromise only reinforces the conviction that their concern is not organized crime in Indian gaming, but the suppression of Indian competition.

Mr. Speaker, I reluctantly take my compromise off the table and revert to my support for the language of my bill, H.R. 2507, which will provide effective regulation of Indian gaming within the context of our solemn promises to the Indian tribes. Still, I am willing to consider compromise if the non-Indian gaming industry is willing to respect Indian rights and are willing to leave a small piece of the pie for the Indian people.

Until then, I must oppose legislation damaging to Indian self-government and Indian rights. It may be that an intransigent non-Indian gaming industry has the economic power and political muscle to shove State rule over Indian governments down the throat of the tribes or to simply destroy the right by a Federal ban. But it will be done without my consent and without my support.

Mr. Speaker, I call upon the Members of the House who believe in the integrity of this Nation's word and who believe that the fight for human rights begins at home to oppose all efforts to destroy the right of Indian tribes to self-government and to unilaterally impose State control over their affairs.

A TRIBUTE TO THE LATE HONORABLE GLADYS NOON SPELLMAN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. MORELLA] is recognized for 60 minutes.

Mrs. MORELLA. Mr. Speaker, my colleague, the gentleman from Maryland [Mr. HOYER], had a special order scheduled, and I hope that he will be here to participate. In the interest of time, I would like to get started now on this special order to pay tribute to the late Honorable Gladys Noon Spellman.

Mr. Speaker, I am pleased to join in honoring an outstanding Congresswoman from the State of Maryland and a Washington area legend—the late Gladys Noon Spellman. Gladys Spellman remains a model of dedicated service to the public. In remembering her today, I know that we will also learn from her.

As a member of the Prince Georges County Board of Commissioners and as a Member of the U.S. House of Representatives, Gladys Spellman worked hard both to represent and to assist her constituents. Mrs. Spellman's determination and compassion are legendary. One admirer remembers that, "If there was a thunderstorm, she would always expect lots of calls to her home about 2 in the morning, when people's basements would start to flood. She'd get up, get her flashlight, and go out to inspect."

It is difficult to capture Mrs. Spellman's spirit in words. Former Prince Georges County Executive Winfield Kelly used to warmly refer to Gladys Noon Spellman as "Madame Tinkerbell" because she possessed a magical ability to float into a crowded room, bubbling with happiness and cheer.

But she is remembered as much for the positive results she achieved as for her winning smile. Mrs. Spellman successfully supported the early funding of Metro and many other local causes. As chair of the Compensation and Employee Benefits Subcommittee of the Post Office and Civil Service Committee, she was influential in opposing measures that would have reduced Federal pay increases or required freezes in hiring for Government workers.

Almost a decade after she suffered her stroke, her name lives on. A senior citizens apartment house in College Park, a long-term care facility at Prince Georges General Hospital Center, and a special fund for public policy studies at the University of Maryland are all named after Gladys Spellman. Each year, Prince Georges County gives an award in her name to the year's outstanding female employee. When I was a member or the Maryland Legislature, we renamed the Baltimore-Washington Parkway the Gladys Noon Spellman Highway. These are all fitting tributes to the late Maryland Congresswoman's work.

But I know Gladys Spellman best as a role model for women and as a continued inspiration to those of us who work in Congress on behalf of Federal employees. I remember that Mrs. Spellman would periodically commend a Federal worker in a "Beautiful Bureaucrat" column in her constituent newsletter. In doing so, she insisted that the vast majority of Federal employees were people who, "far from slowing down the wheels of Government are really the people who keep them churning." If bureaucrats are those who keep the wheels of Government churning, then Gladys Noon Spellman was surely one of the most Beautiful Bureaucrats of them all.

She will be remembered.

Mrs. BENTLEY. Mr. Speaker, will the gentlewoman yield?

Mrs. MORELLA. I am hapy to yield to the gentlewoman from Maryland.

Mrs. BENTLEY. Mr. Speaker, I thank the gentlewoman for yielding.

Mr. Speaker, I want to join with the gentlewoman from Maryland [Mrs. MORELLA] in this special order and I commend her for taking advantage of this opportunity to talk about that wonderful lady, Gladys Noon Spellman. I see her name every day as I am riding the Baltimore-Washington Parkway, and I am sure, if she were alive today, she would say, "Let's widen the road."

And then she would probably be out there leading the way to do it.

I did not have the good fortune of working with her because, unfortunately, her illness came long before I was elected to the Congress. But I, too, remember what the people thought of her and how all of her colleagues respected her. They respected her because she was a doer, as the gentlewoman described so aptly. Whenever something happened that demanded action, she would get out there and go after it.

□ 1500

She was very well respected throughout the State of Maryland and by everyone who was associated with her.

Mrs. MORELLA. Mr. Speaker, I thank the gentlewoman from Maryland [Mrs. Bentley] for echoing how we feel about this woman of which this House can be proud.

Mr. CONTE. Mr. Speaker, I rise today to join my colleagues in paying tribute to a former colleague and dear friend who recently passed away after a very long illness.

Gladys Noon Spellman, a former Member of Congress from Maryland, died last month, nearly 8 years after she suffered a cardiac arrest and slipped into a coma.

Gladys came to this body as part of the post-Watergate class of 1974. Like so many others in that class, she brought with her a freshness and an abiding respect for this body and the ideals for which it stands. Her position as the chairman of a Post Office and Civil Service Committee subcommittee gave her a platform to show her dedication to the principles of equity and fairness both inside and out of the Federal Government.

Mr. Speaker, so often we hear patriotic phrases such as Government "of the people, for the people, and by the people." Perhaps more than anyone, Gladys represented that creed. A friend of mine and a constituent of Mrs. Spellman remembers to this day when the gentlelady from Maryland, in the middle of a parade route, stopped her trek and went directly into the front yard of my friend. She spent at least 5 minutes in that yard that day just talking, one on one. It wasn't so much the topic that is important. The point is that Gladys Noon Spellman never forgot why she was in Congress and who elected her as the Representative in the Prince Georges County area.

I remember so well October 31, 1980, days before the general election, when Gladys suffered her cardiac arrest. There was so much sadness that day, so much grief. This gentle, sweet woman had effectively been taken from us after far too short a time. We all felt deprived of something very special. It was a sad day for Congress, for the people of Prince Georges County, and for me as a person.

She served in the House of Representatives for only three terms. But she will be remembered as an outstanding Member who gave of herself tirelessly. She was a grand lady.

Prior to serving in Congress, Gladys established herself as a community leader throughout Maryland. She served on the county council immediately prior to her election to Congress, and was quite active in the PTA and other civic associations. She will always be remembered as one who realized that the Federal Government does not consist merely of self-serving bureaucrats but of decent, hard-working, everyday Americans.

In the coming days, when I think of Gladys Spellman, I will think of a caring, concerned, compassionate, lovely woman who represented Prince Georges County with diligence and honor. My wife Corinne remembers, too, the times we spent with Gladys and her husband Reuben during her 6 years in Congress.

Mr. Speaker, saying farewell to a beloved colleague is never an easy thing to do. But I know, in my heart, there will always be a little bit of Gladys. For that, I feel very honored.

Mr. MILLER of Ohio. Mr. Speaker, I want to join my House colleagues today in remembering one of the most impressive and conscientious Members of Congress—Gladys Noon Spellman. This courageous lady slipped into a coma in October 1980 and never recovered.

She will be long remembered as a dedicated Representative for the citizens of Prince Georges County, MD. Her outstanding public service career began in 1962 as a member of the Prince Georges County Board of Commissioners. She became a member of the county council in 1971 and remained a member of that governing body until being elected to Congress in 1974.

She combined her interest in civic affairs and local government with a genuine concern for the residents of her district—especially Federal workers and their families. She was a leader in the reform movement for civil service and a champion of employee benefits, rights, and compensation for Federal workers. Well liked, and well respected by Members of both parties, she had an influence upon legislation and policies that will remain for years to come.

It is with deep regret that we mark her passing. I want to extend my personal sympathy to her family and let them know that her service to this great Nation was in keeping with the highest standards of public service and dedication. We miss her leadership.

Mrs. SCHROEDER. Mr. Speaker, I thank my colleague for organizing this special order honoring the memory of Congresswoman Gladys Noon Spellman.

Gladys was one of the founding members of the Congresswomen's Caucus, later the Congressional Caucus for Women's Issues. She was part of the core group that shaped the legislative agenda for the caucus. Savvy and energetic, she helped us start moving ahead on equity for women in education, the workplace, health care, and pension rights.

Some of my fondest memories of Gladys, as well as some of my most important political lessons, came when we served together on the Committee on Post Office and Civil Service. I already knew that civil servants are too easy a target for generalizations about the waste and laziness of Government workers. Gladys taught me how to fight those generalizations.

Gladys once said that "every day is Get-Federal-Employees-Day on Capitol Hill. * * * The image most voters across the country have is that Government workers are overpaid and lazy. The fact is that they make marvelous whipping boys for a lot of politicians." Fortunately for the Federal workers, Gladys taught a lot of us that Government workers are dedicated to public service and care deeply about serving the Government of the United States.

Last month, I was saddened by the news of Gladys' death, but I also recalled the time we worked together and the example she set for us on good representation. We miss Gladys but she will be forever a part of the memory of this institution.

Mr. HUGHES. Mr. Speaker, I rise to pay tribute to the memory of our late friend and colleague, Gladys Spellman.

There can be no doubt that this institution is a different and a better one because of the work of Gladys Spellman. To those of us who entered this House as Members of the class of 1974, Gladys Spellman will be remembered as a leader in helping to modernize this great institution and make it more responsive to the concerns of the American people.

But even before winning her seat in the Congress, Gladys was well-known to the people of this area as reformer in Prince Georges County government, where she eventually was elected chairperson of the county board of commissioners. Her work as President of the National Association of Counties brought her abilities to the attention of a national audience, and was instrumental in the enactment of Federal revenue-sharing legislation.

Gladys Spellman was a rising star in this body when she was tragically stricken 8 years ago. Although it became necessary to vacate her seat, the memory of her good work, her collegiality, and her effectiveness as a Representative of her constituency and a trustee for her country still resonate within these walls.

Mr. Speaker, I want to join with my colleagues in extending our heartfelt condolences to the family and the many friends of Gladys Spellman.

Mr. de la GARZA. Mr. Speaker, when a great human being dies all rise to offer their eulogies in recognition of that person's accomplishments and good deeds.

Today we gather to pay tribute to our former Maryland colleague Gladys Spellman. With her passing the State of Maryland has lost one of its most respected and beloved leaders.

There is no question that this is indeed an instance when the usual plaudits just do not seem enough, but Gladys Spellman's life needs no embellishment. Her accomplishments speak for themselves and are remembered by those she so fervently represented.

It was a privilege and a pleasure to have had the opportunity to work with Gladys Spellman, and to her family go my deepest sympathies.

GENERAL LEAVE

Mrs. MORELLA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore (Mr. Hayes of Louisiana). Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Badham (at the request of Mr. Michel), for today and the balance of the week, on account of illness in the family.

Mr. Myers (at the request of Mr. Michel), for today and the balance of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Shays) to revise and extend their remarks and include extraneous material:)

Mr. Walker, for 60 minutes, today.

Mrs. Bentley, for 5 minutes, today.

Mrs. Bentley, for 60 minutes, on July 7, 12, 13, and 14.

Mrs. Bentley, for 60 minutes, on July 25, 26, and 27.

Mrs. Bentley, for 60 minutes, on July 31.

(The following Members (at the request of Mr. Lewis of Georgia) to revise and extend their remarks and include extraneous material:)

Mr. Annunzio, for 5 minutes, today.

Mr. Udall, for 10 minutes, today.

Mr. Frank, for 60 minutes, today.

Mr. Bennett, for 60 minutes, today.

Mr. Clay, for 60 minutes, on July 7 and 14.

Mrs. Morella (at her own request), for 60 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Bereuter, to revise and extend his remarks on the Coleman amendment to H.R. 4174 before the Coleman vote in the Committee today.

(The following Members (at the request of Mr. Shays) and to include extraneous matter:)

Mr. Whittaker.

Mr. Porter in two instances.

Mr. Frenzel.

Mr. Stangeland.

Mr. Gilman.

Mr. Quillen.

Mr. Miller of Ohio in three instances.

Mr. Weldon.

Mrs. Bentley.

(The following Members (at the request of Mr. Lewis of Georgia) and to include extraneous matter:)

Mr. Anderson in 10 instances.

Mr. Gonzalez in 10 instances.

Mrs. Lloyd in five instances.

Mr. Hamilton in 10 instances.

Mr. Brown of California in 10 instances.

Mr. Annunzio in six instances.

Mr. Jones of Tennessee in 10 instances.

Mr. de la Garza in 10 instances.

Mr. Lantos.

Mr. Ackerman.

Mr. Kostmayer.

Mr. Sawyer.

Mr. Montgomery.

Mr. Garcia.

Mr. Leland.

Mr. Murtha.

Mr. de la Garza.

Mr. Tallon.

Mr. Roybal.

Mr. Biaggi.

Mr. Feighan.

Mr. Lowry of Washington.

ENROLLED BILLS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 3893. An act to amend the provisions of the Toxic Substances Control Act relating to asbestos in the Nation's schools by providing adequate time for local educational agencies to submit asbestos management plans to State Governors and to begin implementation of those plans; and

H.R. 4288. An act to designate the Federal building located at the corner of Locust Street and West Cumberland Avenue in Knoxville, TN, as the "John J. Duncan Federal Building."

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled bill and a joint resolution of the Senate of the following titles:

S. 1856. An act to amend chapter 25 of title 44, United States Code, to provide an authorization for the National Historical Publications and Records Commission programs, and for other purposes; and

S.J. Res. 304. Joint resolution designating July 2, 1988, as "National Literacy Day."

ADJOURNMENT

Mrs. MORELLA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 1 minute p.m.), the House adjourned until tomorrow, Thursday, July 7, 1988, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3917. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Army's proposed letter(s) of offer to Greece for defense articles (Transmittal No. 88-21), pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

3918. A letter from the Secretary of Defense, transmitting a report on tank barriers; to the Committee on Armed Services.

3919. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting a copy of the Corporation's annual report for calendar year 1987, pursuant to 12 U.S.C. 1827(a); to the Committee on Banking, Finance and Urban Affairs.

3920. A letter from the Auditor, District of Columbia, transmitting a copy of his report entitled, "Contracts Between Associates for Renewal in Education, Inc. and the Department of Human Services," pursuant to D.C. Code section 47-117(d); to the Committee on the District of Columbia.

3921. A letter from the Auditor, District of Columbia, transmitting a copy of his report entitled, "Contracts Between KOBA Associates, Inc. and the Department of Human Services," pursuant to D.C. Code section 47-117(d); to the Committee on the District of Columbia.

3922. A letter from the Secretary of Education, transmitting a copy of final regulations for the drug prevention programs in higher education, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

3923. A letter from the Secretary of Education, transmitting a report on programs and activities assisted under the Women's Educational Equity Act of 1978, pursuant to 20 U.S.C. 3347(a); to the Committee on Education and Labor.

3924. A letter from the Assistant Secretary, Legislative Affairs, Department of State, transmitting the views of the administration with respect to those provisions of H.R. 4639 that would extend to students from the Federated States of Micronesia and the Republic of the Marshall Islands eligibility for certain student and assistance programs under title IV of the Higher Education Act; to the Committee on Education and Labor.

3925. A letter from the Secretary of Health and Human Services, transmitting a report, the "Study of the National Incidence and Prevalence of Child Abuse and Neglect: Final Report" and the Department's summary analysis of the study, pursuant to 42 U.S.C. 5101(b)(8); to the Committee on Education and Labor.

3926. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting notification of a proposed commercial technical assistance agreement involving the manufacture abroad of military equipment in Taiwan, pursuant to 22 U.S.C. 2776(d); to the Committee on Foreign Affairs.

3927. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Army's proposed letter(s) of offer to Greece of defense articles and services (Transmittal No. 88-21), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3928. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Air Force's proposed letter(s) of offer and acceptance to Egypt for defense articles and services (Transmittal No. 85-35), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3929. A communication from the President of the United States, transmitting a report on the July 3, 1988, actions by armed forces of the United States in the Persian Gulf. (H. Doc. No. 100-210); to the Committee on Foreign Affairs and ordered to be printed.

3930. A letter from the Chairman, Federal Energy Regulatory Commission, transmitting the annual report of the Commission on its compliance with the Government in the Sunshine Act covering calendar year

1987, pursuant to 5 U.S.C 552b(j); to the Committee on Government Operations.

3931. A letter from the Chairman, Securities and Exchange Commission, transmitting the annual report of the Commission's compliance with the Government in the Sunshine Act for calendar year 1987, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

3932. A letter from the Chief, Insurance and Employee Benefits Directorate of MWR Operations, Air Force Military Personnel Center, Department of the Air Force, transmitting a copy of the annual report on the Air Force nonappropriated fund retirement plan for civilian employees for the plan year ending September 30, 1987, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

3933. A letter from the Kaufmann & Goble Associates, transmitting a copy of the Sacramento farm credit employees' retirement plan covering calendar year 1987, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

3934. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting a notification of proposed refunds of offshore lease revenues, pursuant to 43 U.S.C 1339(b); to the Committee on Interior and Insular Affairs.

3935. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting a notification of proposed refunds of offshore lease revenues, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3936. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting a notification of proposed refunds of offshore lease revenues, pursuant to 3 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3937. A letter from the Chief Immigration Judge, Executive Office for Immigration Review, Department of Justice, transmitting a report of grants of suspension of deportation of certain aliens of good character, pursuant to 8 U.S.C. 1254(c); to the Committee on the Judiciary.

3938. A letter from LeBoeuf, Lamb, Leiby & MacRae, transmitting notification, on behalf of the National Council on Radiation Protection and Measurements, that the report of the independent auditors will be delayed, pursuant to Public Law 88-376, section 14(b) (78 Stat. 323); to the Committee on the Judiciary.

3939. A letter from the Secretary, Department of Commerce, transmitting a draft of proposed legislation to repeal the Fish and Seafood Promotion Act of 1986; to the Committee on Merchant Marine and Fisheries.

3940. A letter from the Secretary, Department of Transportation, transmitting a draft of proposed legislation to amend the Federal Aviation Act of 1958 to terminate the Essential Air Service Program, and for other purposes; to the Committee on Public Works and Transportation.

3941. A letter from the Secretary, Department of Transportation, transmitting a draft of proposed legislation to amend the Urban Mass Transportation Act of 1964 to provide authorizations for appropriations, and for other purposes; to the Committee on Public Works and Transportation.

3942. A letter from the Chairperson, Railroad Retirement Board, transmitting a copy of the 17th actuarial valuation of the railroad retirement system, pursuant to 45 U.S.C. 321f-1; jointly, to the Committees on Energy and Commerce and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FASCELL: Committee on Foreign Affairs. H.R. 3822. A bill to strengthen the system of congressional oversight of the intelligence activities of the United States; with an amendment (Rept. 100-705, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. PEPPER: Committee on Rules. H.R. 4481. A bill to provide for the closing and realigning of certain military installations during a certain period (Rept. 100-735, Pt. 4). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government Operations. Report on the FCC public reference rooms are a mess (Rept. 100-749). Referred to the Committee of the Whole House on the State of the Union.

Mr. BEILENSON: Committee on Rules. House Resolution 488. Resolution providing for the consideration of H.R. 1516, a bill to require annual appropriations of funds necessary to support timber management and resource conservation on the Tongass National Forest (Rept. 100-750). Referred to the House Calendar.

Mr. BONIOR: Committee on Rules. House Resolution 489. Resolution providing for the consideration of H.R. 4481, a bill to provide for the closing and realigning of certain military installations during a certain period (Rept. 100-751). Referred to the House Calendar.

SUBSEQUENT ACTION ON BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X:

[The following action occurred on July 1, 1988]

The Committee on Interior and Insular Affairs discharged from further consideration of H.R. 4208; H.R. 4208 referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GARCIA (for himself, Mr. Fauntroy, Mr. Dellums, Mr. Dymally, Mr. Crockett, Mr. Pease, Mr. Schumer, and Mr. LaFalce):

H.R. 4978. A bill to require the President to authorize U.S. Government lending institutions to forgive the outstanding debt of certain sub-Saharan nations; jointly, to the Committees on Banking, Finance and Urban Affairs and Foreign Affairs.

By Mr. ROYBAL:

H.R. 4979. A bill to amend title XVI of the Social Security Act by extending eligibility for supplemental security income benefits, increasing such benefits, promoting the efficient administration of such program, and for other purposes; to the Committee on Ways and Means.

By Mr. SMITH of Iowa:

H.R. 4980: A bill to authorize Small Business Administration disaster assistance to concerns affected by the 1988 drought, and for other purposes; to the Committee on Small Business.

By Mr. FEIGHAN (for himself, Mr. Petri, Mr. Ackerman, Mr. Akaka, Mr. Atkins, Mr. Beilenson, Mr. Berman, Mr. Bonker, Mr. Borski, Mr. Boucher, Mrs. Boxer, Mr. Brown of California, Mr. Bustamante, Mr. Chandler, Mr. Clarke, Mr. Clinger, Mr. Conte, Mr. DeFazio, Mr. Dellums, Mr. Downey of New York, Mr. Edwards of California, Mr. Frank, Mr. Fuster, Mr. Gilman, Mr. Green, Mr. Hochbrueckner, Mr. Jeffords, Mr. Kennedy, Mr. Kolter, Mr. Kostmayer, Mr. Lantos, Mr. Levin of Michigan, Mr. Levine of California, Mr. Lowry of Washington, Mrs. Meyers of Kansas, Mr. Miller of Washington, Mr. Moody, Mrs. Morella, Mr. Mrazek, Ms. Pelosi, Mr. Pepper, Mr. Porter, Mr. Rodino, Mr. Scheuer, Miss Schneider, Mr. Sikorski, Ms. Slaughter of New York, Mr. Studds, Mr. Waxman, Mr. Weiss, and Mr. Wolpe):

H. Con. Res. 328. Concurrent resolution regarding the protection and promotion of basic human rights in the Republic of Singapore; to the Committee on Foreign Affairs.

By Mr. HERTEL:

H. Con. Res. 329. Concurrent resolution expressing the sense of the Congress that the President should call a White House Conference on Children and Youth in 1990; to the Committee on Education and Labor.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

433. By the SPEAKER: Memorial of the Legislature of the State of California, relative to child care services; to the Committee on Education and Labor.

434. Also, memorial of the Legislature of the State of Alaska, relative to the determination of the State's boundaries with the Soviet Union and Canada; to the Committee on Foreign Affairs.

435. Also, memorial of the House of Representatives of the Commonwealth of Massachusetts, relative to asbestos related claims; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 276: Mr. Schumer.

H.R. 592: Mr. Tauzin, Mr. Erdreich, and Mr. Blaz.

H.R. 593: Mr. McCollum.

H.R. 639: Mr. Traxler.

H.R. 722: Mr. Schumer.

H.R. 918: Mr. Kennedy

H.R. 919: Mr. Burton of Indiana.

H.R. 1028: Mr. Nichols, Mr. Gallo, Miss Schneider, Mr. Montgomery, Mr. Dowdy of Mississippi, Mr. Dorgan of North Dakota, Ms. Snowe, Mr. Gephardt, Mr. Hastert, Mr. Harris, Mr. Rinaldo, Mr. Clarke, and Mr. Lewis of California.

H.R. 1272: Mr. Conyers.

H.R. 1376: Mr. Solomon.

H.R. 1645: Mr. Michel, Mr. Bonior of Michigan, Mr. Sundquist, Mr. Latta, Mr. Shuster, Mr. Perkins, Mrs. Martin of Illinois, Mr. Skaggs, Mr. Houghton, Mr. Green, Mr. Rogers, Mr. Hatcher, Mr. Mack, Ms. Kaptur, Mr. Tauzin, Mr. Torres, Mr. Porter, Mr. Boulter, Mr. Swift, Mr. Whitten, Mrs. Schroeder, Mrs. Kennelly, Mr. Leach of Iowa, Mr. Burton of Indiana, Mr. Gekas, Mr. Payne, Mr. Dornan of California, Mr. Jenkins, Mr. Levine of California, Mr. Weber, Mr. Roth, and Mr. Vento.

H.R. 1729: Mr. Mack and Mr. Marlenee.

H.R. 1770: Mr. Rinaldo.

H.R. 1917: Mr. Callahan.

H.R. 2036: Mr. Kastenmeier, Mr. Weiss, and Mr. Sabo.

H.R. 2113: Mr. Alexander, Mrs. Martin of Illinois, and Mr. Espy.

H.R. 2238: Mr. Rhodes, Mr. Swift, Mr. Hochbrueckner, and Mr. Lantos.

H.R. 2537: Mr. Bustamante.

H.R. 2769: Mr. Inhofe.

H.R. 2852: Mr. Wyden.

H.R. 3045: Mr. Hatcher, Mr. Fazio, and Mr. DeFazio.

H.R. 3119: Mr. Weiss, Mr. Shays, and Mr. Stark.

H.R. 3241: Mr. Solarz, Mr. Gray of Pennsylvania, and Mr. Blaz.

H.R. 3332: Mr. Hertel, Mr. Davis of Michigan, and Mr. MacKay.

H.R. 3647: Mr. de Lugo, Mr. Savage, Mr. Frank, Mr. DeFazio, and Mrs. Boxer.

H.R. 3791: Mr. Bilirakis and Mr. Florio.

H.R. 3889: Mr. Sisisky, Mr. Kanjorski, Mr. Brooks, Mr. Gordon, Mr. Young of Alaska, Mr. Bilirakis, Mr. Skelton, Mr. Boland, Mr. Thomas of California, Mr. Walker, Mr. Coleman of Missouri, Mrs. Morella, Mr. Young of Florida, Mr. Leath of Texas, and Mr. Coleman of Texas.

H.R. 3934: Mr. Bunning, Mr. Lagomarsino, Mr. Schaefer, Mr. Herger, Mr. Petri, Mr. DioGuardi, Mrs. Meyers of Kansas, Mr. Davis of Illinois, Mr. Neal, Mr. Weldon, and Mr. Clinger.

H.R. 3978: Mr. Torricelli.

H.R. 4036: Mr. Beilenson.

H.R. 4060: Mr. Tallon, Mr. Florio, Mr. Hall of Ohio, Mr. Mineta, Mr. Frost, Mr. Towns, and Mr. Akaka.

H.R. 4077: Mr. Espy, Mr. Dyson, Mr. Owens of New York, Mr. Jontz, Mr. Fauntroy, Mr. Rangel, Mr. Foglietta, Mr. Garcia, and Mr. Towns.

H.R. 4221: Mr. Montgomery, Mr. Schaefer, Mrs. Morella, Mr. Schumer, Mr. Markey, and Mr. Dowdy of Mississippi.

H.R. 4270: Mr. Shays, Mr. Chandler, and Mr. Miller of Washington.

H.R. 4285: Mrs. Meyers of Kansas, Mr. Slaughter of Virginia, and Mr. McEwen.

H.R. 4373: Mr. Kanjorski, Mr. Tauzin, Mr. McCrery, Mr. Hubbard, and Mr. Price of North Carolina.

H.R. 4396: Mr. Lancaster, Mr. Hutto, Mr. Gilman, Mr. Petri, Mr. Clay, Mrs. Bentley, Mr. Rangel, Mr. McCollum, Mr. Dyson, Mr. Lewis of Florida, Mr. Frost, Mr. Schaefer, Mr. Kildee, and Mr. Dwyer of New Jersey.

H.R. 4398: Mr. Mineta, Mr. Swift, Mr. Foglietta, Mr. Sikorski, Mr. Mavroules, Mr. Evans, Mr. Studds, Mr. Weiss, and Mr. Frank.

H.R. 4438: Mr. Hubbard, Mr. Gordon, Mr. Clarke, Mr. Slattery, Mr. Bereuter, Mr. Bunning, Mr. Hansen, and Mr. Wolpe.

H.R. 4441: Mr. Lehman of Florida, Mr. Flake, Mr. Smith of New Jersey, and Mr. Henry.

H.R. 4442: Mr. Kennedy.

H.R. 4468: Mr. Gilman.

H.R. 4479: Mr. Ridge.

H.R. 4482: Mr. Lightfoot, Mr. Tauke, and Mr. Holloway.

H.R. 4489: Mr. Owens of Utah.

H.R. 4531: Mr. Herger, Mr. Davis of Illinois, and Mr. Madigan.

H.R. 4632: Mr. Coats and Mr. Gregg.

H.R. 4652: Mr. Parris.

H.R. 4690: Mr. Nielson of Utah, Mr. Dornan of California, Mr. Solomon, Mr. Donald E. Lukens, Mr. Gallo, Mr. Schaefer, Mr. Armey, and Mr. Lott.

H.R. 4758: Mr. Chappell.

H.R. 4767: Mr. Harris.

H.R. 4842: Mr. Taylor.

H.R. 4894: Mr. McMillen of Maryland.

H.R. 4902: Mr. Hughes and Mr. Sharp.

H.R. 4907: Mr. Pickle.

H.R. 4929: Mr. Hansen and Mr. Sundquist.

H.R. 4934: Mr. Hubbard.

H.J. Res. 152: Mr. Tallon, Mr. Skaggs, Mr. Sawyer, Mr. Evans, and Mr. Owens of Utah.

H.J. Res. 370: Mr. Atkins, Ms. Oakar, Mr. Dwyer of New Jersey, and Mr. Espy.

H.J. Res. 453: Mr. Baker, Mr. Ballenger, Mrs. Bentley, Mr. Bliley, Mr. Conte, Mr. Crane, Mr. Dannemeyer, Mr. Dreier of California, Mr. Dornan of California, Mr. Dickinson, Mr. Edwards of Oklahoma, Mr. Gekas, Mr. Henry, Mr. Herger, Mr. Hunter, Mrs. Johnson of Connecticut, Mr. Latta, Mr. Lott, Mr. Lungren, Mr. McCandless, Mr. Packard, Mr. Parris, Mr. Regula, Mr. Livingston, Mr. DeLay, Mr. Hubbard, Mr. Moorhead, Mr. Molinari, Mr. Gallo, Mr. Callahan, Mr. Huckaby, Mr. Pashayan, Mr. Petri, Mr. Ritter, Mr. Rhodes, Mr. Schulze, Mr. Shaw, Mr. Smith of Texas, Mr. Denny Smith, Mr. Slaughter of Virginia, Mr. Skeen, Mr. Swindall, Mr. Tauke, Mr. Wylie, Mr. Young of Florida, Mr. Roth, Mr. Roberts, Mr. Pursell, Mr. Taylor, Mr. McCrery, Mr. Bunning, Mr. Coughlin, Mr. Evans, Mr. Dyson.

H.J. Res. 478: Mr. Fish, Mr. Wyden, Mrs. Morella, Mr. Gejdenson, Mr. Derrick, Mr. Florio, Mr. Bunning, Mr. AuCoin, Mr. Foley, Mr. Synar, Mr. McHugh, Mr. Gray of Pennsylvania, Mr. Mfume, Mr. Martinez, Mr. Sawyer, Mr. Solarz, Mr. Jeffords, Mr. Tauzin, Mr. Levine of California, Mr. Mack, Mr. Miller of Washington, Mr. McDade, Mr. Nelson of Florida, Mr. MacKay, Mr. Wylie, Mr. Coyne, Mr. Martin of New York, Mr. Solomon, Mr. Gilman, Mr. Houghton, and Mr. Lent.

H.J. Res. 489: Mrs. Meyers of Kansas, Mr. Parris, Mr. Goodling, Mr. Mfume, Mr. Gunderson, Mr. Hunter, Mr. Applegate, Mr. Dannemeyer, Mr. Florio, Mr. Ackerman, and Mr. Davis of Michigan.

H.J. Res. 509: Mr. Taylor, Mr. Traficant, Mr. McMillen of Maryland, Mr. Panetta, Mrs. Morella, Mr. McEwen, Mr. Traxler, and Mr. Chappell.

H.J. Res. 518: Mr. Gray of Pennsylvania, Mr. Dannemeyer, Mr. Lewis of Georgia, Mr. Hall of Ohio, and Mr. Fascell.

H.J. Res. 520: Mr. Lipinski, Mr. Lungren, Mr. Brown of Colorado, and Mr. Dwyer of New Jersey.

H.J. Res. 533: Mr. Fauntroy, Mr. Fazio, Mr. Lewis of Georgia, Mr. Edwards of California, Mr. Ackerman, Mr. Owens of New York, and Mr. Garcia.

H.J. Res. 543: Mr. Kildee, Mr. Kostmayer, Mr. Porter, and Mr. McMillen of Maryland.

H.J. Res. 583: Mrs. Johnson of Connecticut, Mr. Rahall, Mr. Lewis of Florida, Mrs. Morella, Mr. Evans, Mr. Tallon, Mr. Green, Mr. Visclosky, Mr. Wilson, Mr. Young of Alaska, Mr. Wyden, Mr. Sunia, Mr. Dymally, Mr. Lewis of Georgia, Mr. Wortley, and Mr. Fazio.

H.J. Res. 592: Mr. Robert F. Smith, Mr. Biaggi, Mr. Sabo, Mr. Tauzin, Mr. Ireland, Mr. Hayes of Illinois, Mr. Bonker, Mr. Shays, Mr. Matsui, Mr. Holloway, Mr. Atkins, Mr. Rangel, Mr. Lipinski, Mr. Smith of Florida, Mr. Murphy, Mr. Pashayan, Mr. Rahall, Mr. McDade, Mr. Moakley, Mr. Lagomarsino, Mr. Lent, Mr. Lewis of California, Mr. Lehman of California, Mr. Lungren, Mr. Levin of Michigan, Mr. Lowry of Washington, Mr. Donald E. Lukens, Mr. Lancaster, Mr. Levine of California, Mr. Mack, Mr. Mavroules, Ms. Slaughter of New York, Mr. St Germain, Mr. Rowland of Georgia, Mr. Shumway, Mr. Rodino, Mr. Rinaldo, Mr. Savage, Mrs. Patterson, Mr. Panetta, Mr. Shuster, Mr. Sharp, Mr. Scheuer, Mr. Owens of Utah, Mr. Nichols, Mr. Shaw, Mr. Manton, Mr. Thomas A. Luken, Mr. Lewis of Georgia, Mr. Leland, Mr. Nielson of Utah, Mr. Bruce, Mr. Mineta, Mrs. Roukema, Mr. Solomon, Mr. Smith of New Jersey, Mr. Skaggs, Mr. Yatron, Mr. Thomas of California, Mr. Wolpe, Mr. Taylor, Mr. Tauke, Mr. McEwen, Mr. Valentine, and Mr. Wortley.

H. Con. Res. 263: Mr. Davis of Illinois, and Mr. Gilman.

H. Con. Res. 318: Mr. Coleman of Missouri.

H. Con. Res. 326: Mr. Bartlett, Mr. Lott, Mr. Armey, and Mr. Dornan of California.

H. Res. 396: Mr. Walker, Mr. Buechner, and Mr. Fish.

H. Res. 467: Mr. Shuster and Mr. Bilirakis.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

204. By the SPEAKER: Petition of the city council, city and county of Honolulu, Hawaii, relative to the Island of Kaho' Olawe; to the Committee on Armed Services.

205. Also, petition of the council of the city of New York, New York, NY, relative to lethal plastic bullets; to the Committee on Foreign Affairs.

206. Also, petition of the city of McAllen, McAllen, TX, relative to bonds for local and State public purpose projects; to the Committee on the Judiciary.

SENATE—*Wednesday, July 6, 1988*

The Senate met at 12 noon and was called to order by the Honorable RICHARD C. SHELBY, a Senator from the State of Alabama.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Almighty God, infinite, eternal, and unchangeable—"Great is the Lord, and greatly to be praised; and His greatness is unsearchable." Psalm 145:3.

"The Lord liveth, in truth, in judgment, and in righteousness; and the nations shall bless themselves in Him, and in Him shall they glory."—Jeremiah 4:2.

Thank You for another great celebration of our Nation's birth. Thank You for our Founding Fathers who took You seriously and envisioned a nation whose God is the Lord. Thank You for the blessings of the holiday—families together—safety in travel and return—rest and relaxation.

Grant to the Senators and their staffs grace and wisdom for the busy days ahead that Thy will may be done on Earth as it is in heaven. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 6, 1988.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable RICHARD C. SHELBY, a Senator from the State of Alabama, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. SHELBY thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RESERVATION OF THE MAJORITY LEADER'S TIME

Mr. BYRD. Mr. President, I ask unanimous consent to reserve my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESERVATION OF THE MINORITY LEADER'S TIME

Mr. DOLE. Mr. President, I make the same request so that the Senator from Wisconsin may proceed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Wisconsin is recognized.

EITHER DUKAKIS OR BUSH WOULD MAKE AN EXCELLENT PRESIDENT

Mr. PROXMIRE. Mr. President, when GEORGE BUSH and Michael Dukakis are nominated the country will have the best choice for President our country has had in this Senator's long memory. Either would make an excellent President of the United States. The country has the opportunity to choose between two men who have both had long records of public service in positions of major responsibility. Both have acquitted themselves extremely well.

GEORGE BUSH would be the first genuine war hero who has been a candidate for President since General Eisenhower. Courage and patriotism should count in a President. BUSH showed both as a fighter pilot in World War II. Imagine having a President who thoroughly understands the Central Intelligence Agency as only one who has run the Agency can understand it. How fortunate to have a President who has a genuine and substantial background in foreign policy. BUSH has been both our Ambassador to China and our Ambassador to the United Nations. He has also served as a top Presidential spokesman on foreign policy for the past 8 years as Vice President of the United States. In each of these critical leadership positions GEORGE BUSH has served with force and intelligence. He has endured years of public and press scrutiny. He has never abused the very substantial power he has wielded. He has shown none of the erratic behavior, the bitterness or psychological trauma that has bedeviled so many of our recent Presidents. He is normal, cheerful and friendly. He likes people. People who know him well like him. How can I vote against the paragon? Two reasons: First, he is wrong on the issues—wrong on taxes, wrong on Contra aid, and wrong on SDI. Second, his opponent, Michael Dukakis.

Now about Governor Dukakis?

Michael Dukakis offers a superlative record of public service. He has, what I believe is, a rare qualification. He has been elected Governor of Massachusetts. Then he was defeated. After 4 years he came back. He was reelected as Governor. What I like about that record is that Dukakis knows what it means to lose. He has shown that rare and precious quality—the ability to learn from his mistakes. Unlike the reaction most of us have had to defeat, Dukakis actually built on it. After his first defeat for reelection Mike Dukakis spent 4 constructive years, teaching, studying, running a highly successful public information television program. His first term had been a great success for his State, but he had alienated many people. Michael Dukakis learned that he had to work more closely with people, as the chief executive of a State, and how he learned how to do it! The result has been a smashingly successful Dukakis term as Governor in his second round. He lifted his State from suffering the worst unemployment of any major industrial State in the Union when he took over as Governor to enjoying the lowest rate of unemployment thanks in significant part to Dukakis' management. His terms have been distinguished for absolute honesty. Unlike recent Presidents of the United States, Dukakis as Governor did not rely on old cronies, pals, friends of long acquaintance. This is critically important, Mr. President. The success or failure of an administration depends on the quality of the people the President appoints more than on any other factor. The Presidency is far too big a job for even the most hands-on, intelligent, diligent President to master by himself. The President must rely for the success of his administration on the people he appoints. In fact, the country has become so complex with the annual trillion dollar government business so enormous that the President must rely on his top subordinates themselves to pick administrators to whom they can delegate decisions vital to the Nation's progress. Dukakis has an obviously strong intelligence. He

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

has shown by his remarkable record in Massachusetts that he has precisely the kind of experience necessary to cope with our country's most serious and difficult problem—our massive deficit.

Unfortunately, the remaining months of the 1988 campaign are likely to be marred by negative criticism of their opponent by both of these good men. Criticism makes news. It may advance the prospects of the candidate who most vigorously criticizes his opponent. It suits the disposition of the press which recognizes controversy as more newsworthy than harmony. But the American people should not be deceived. GEORGE BUSH and Michael Dukakis are two superlative candidates for President. The country will be well served by either.

SENATOR DIXON'S CALL FOR ACTION IN DEFENSE DEPARTMENT SCANDAL

Mr. PROXMIRE. Mr. President, one of the ablest and most effective Members of this body is Senator ALAN DIXON of Illinois. I was vividly reminded of that fact the day after the fourth of July when I read a letter by ALAN DIXON in the Chicago Tribune spelling out in detail the kind of action we need to meet the defense procurement scandal that has embarrassed our Government and could threaten our national security.

Mr. President, I ask unanimous consent that the letter from Senator DIXON to the Chicago Tribune, carried in the July 5 issue of the Tribune be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune, July 5, 1988]

VOICE OF THE PEOPLE—PENTAGON SCANDAL DEMANDS NEW ACTION

WASHINGTON.—As a member of the Senate Armed Services Committee, I am deeply concerned with the revelations of yet another procurement scandal at the Department of Defense. This latest scandal sends us the same message as the past scandals—that something is fundamentally wrong with our procurement system and we suffer from poor management and leadership at the highest levels of the Defense Department.

I am the author of several pieces of legislation designed to correct the deficiencies in defense acquisition practices. I introduced the legislation that created the office of the undersecretary of defense for acquisition.

When I introduced this legislation in 1986, I was fought tooth and nail by then Defense Secretary Weinberger and former Navy Secretary Lehman. The defense establishment wanted to continue "business as usual." I am sad to say that the department's opposition resulted in the reforms I was proposing being watered down. I wanted this office to be responsible for supervising the entire defense acquisition system but the services resisted this essential reform.

The Congress nonetheless authorized very direct and explicit responsibilities and duties for this position, but the Defense Department continued to fight necessary change. In fact, the first undersecretary of defense for acquisition resigned because he got little or no cooperation from the colleagues and superiors in the department.

I also sponsored two amendments that relate to reform of the defense procurement process. But these amendments were opposed by elements within the department who now are subjects of the investigation into procurement abuses.

The first clarified the appropriate relationship between the U.S. government and its contractors and subcontractors involving technical data rights. The second involved the appropriate policy for procuring production special tooling and production special test equipment. Both were intended to promote the fair and evenhanded application of all defense acquisition policies and regulations.

I intend to continue to push for procurement reform as I have in the past. We cannot allow the corrective measures that my colleagues and I have labored long and hard on to be shunted aside.

I will therefore sponsor new legislation to strengthen the role of the undersecretary of defense for acquisition.

The intent is to establish the undersecretary as the true procurement czar within the Defense Department. It also will establish parameters for contractors, consultants and government officials involved in defense procurement. We will not get good management of defense contracting until we make good management someone's top priority and give him the tools to do the job.

We cannot legislate against greed and corruption. There always will be some individuals who will put personal gain above all else. But if we re-establish the integrity of the procurement system, we can eliminate the worst aspects of the "buddy" system and other faults caused by lax management.—Sen. Alan Dixon

Mr. PROXMIRE. Mr. President, I thank my good friends, the Democratic leader and the Republican leader, for so graciously permitting me to go ahead.

RECOGNITION OF THE REPUBLICAN LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

AIR TRAGEDY IN THE GULF

Mr. DOLE. Mr. President, the Persian Gulf war has claimed another 290 victims—the result of Sunday's tragic incident, in which a civilian jumbo jet was accidentally shot down by a missile from the American cruiser *Vincennes.*

Any comment on this terrible tragedy must start with an expression of deep grief for the victims and for their families. America mourns for them, as it has mourned for so many others—including far too many of our own countrymen—who have become innocent victims of the gulf war.

This terrible tragedy has raised some important questions; we are pursuing the search for answers, as we should.

One issue to consider is whether a more effective and stringent international agreement could be reached on some of the technical matters related to this incident, to minimize the chances for a reoccurrence. The logical place to start discussions on these matters is in ICAO, the International Civil Aviation Organization based in Montreal. The kinds of technical questions which might be raised include these:

Can we achieve some kind of binding international agreement clarifying the correct use of military, versus civilian, communication and electronic identification channels?

Can we achieve clearer, and more stringently enforced, civilian air corridors—especially in regions where hostilities or military incidents could readily occur?

Can we create an electronic system, so that we can be sure that warning messages, or other communications, which have been sent are actually received—a kind of electronic "return receipt?"

If these and other questions could be resolved, legitimate civilian air traffic could proceed in greater safety; and operational decisions by military officers could be made in greater confidence.

But this much is clear, too: Whatever its proximate causes, the root cause for this tragedy is the continuation of a vicious war, which neither side can win. We can never be 100 percent sure there will be no more such incidents until the gulf war ends.

We can only pray that Sunday's terrible toll of more than 200 Iranians dead will lead the Khomeini regime to reconsider its adamant refusal to abide by the U.N.-sponsored cease-fire—a cease-fire which has been on the table for so long, awaiting only Teheran's acceptance.

Meanwhile, we must continue to press hard on the Soviet Union—and all other states with influence in the region—to cooperate in efforts to implement the cease-fire, and bring the killing to a halt.

At the same time, let us take this occasion to reaffirm the goals of our own policy in the region, lest no one mistake—or use the *Vincennes* incident to distort—our aims.

We are not in the gulf to make war on anyone—but to urge all sides to peace.

We are not there to threaten anyone—but only to assist our allies and friends, who legitimately insist on their, and our, right to free passage in these international waters.

We are not there to attack anyone—but we will defend ourselves, when our vessels and personnel are attacked or threatened.

Finally, we are not there because we want to be there—but we will stay, as long as our national interest demands.

And let me take this occasion to say one last word. For any tempted today to second-guess Capt. Will Rogers III, the captain of the *Vincennes*, let me suggest they remember the intense pressure on a commander in combat—the life-and-death decisions that must be made in a matter of minutes, or even seconds.

Let me suggest they reacquaint themselves with the rules of engagement under which the *Vincennes* operated—based on the only principle that makes any sense: An American captain and crew must be empowered to take any actions necessary to insure their own safety, when attacked or threatened.

Let me suggest any tempted to such Monday-morning quarterbacking pause a moment to remember another American warship, the *Stark*, and recollect the national anguish we endured when it failed to defend itself against an apparent threatened attack.

And let me suggest, finally, that they search out and talk to family members of the crew of the *Vincennes*. Ask them what they think of Captain Rogers and his actions.

I suspect the answer those family members would give could serve for us all: The captain and men of the *Vincennes* have done their duty, in the finest traditions of this Nation. They deserve our thanks, and our thankful prayers for their safety.

BICENTENNIAL MINUTE

JULY 1, 1935: SENATE PARLIAMENTARIAN ESTABLISHED

Mr. DOLE. Mr. President, 53 years ago this week, on July 1, 1935, the Senate officially established the post of Parliamentarian. Today the Parliamentarian has become such an integral part of the functioning of this Chamber that it is hard to believe that the Senate went so long without one.

In the 19th century the average session of Congress lasted perhaps 6 months of the year, and the volume of legislation handled was minuscule by current standards. Vice Presidents presided daily in the Senate Chamber and took pride in knowing the Senate rules. In fact, Thomas Jefferson wrote a rules manual while he presided as Vice President. The Senators also had the time to debate the fine points of parliamentary procedures, and tended to be far better versed in the rules and precedents than today's busy legislators. Under these circumstances, the function of the Parliamentarian could be carried on sporadically and unofficially by various clerks at the front desk.

While it is surprising that none of these clerks were designated as Parliamentarian before 1935, it is not surprising that the Office was created in the middle of the New Deal. This came at a time when the Senate's legislative load had increased dramatically. On July 1, 1935, the Senate promoted its journal clerk, Charles Watkins, to the new combined post of Parliamentarian and Journal Clerk. Two years later, the titles were divided and Watkins, on July 1, 1937—51 years ago—became solely the Parliamentarian. He held the position until his retirement in 1964.

Under Charles Watkins, and his successors, Floyd Riddick, Murray Zweben, Robert Dove, and Alan Frumin, the Senate Parliamentarians have played an ever expanding and essential role, advising the presiding officers, the leadership, committee chairmen and other Senators, and helping us all to operate within the rules and precedents of this institution.

Mr. President, I reserve any time I have remaining.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

Mr. BYRD. Mr. President, may we have the unfinished business laid down?

WORKER ADJUSTMENT AND RETRAINING NOTIFICATION ACT

The ACTING PRESIDENT pro tempore. The clerk will report the unfinished business, Calendar No. 735, S. 2527.

The assistant legislative clerk read as follows:

A bill (S. 2527) to require advanced notification of plant closings and mass layoffs, and for other purposes.

Pending:

Wilson Amendment No. 2487, to take into account inability to operate due to shortages of supplies created by government programs or other reasons.

The Senate resumed consideration of the bill.

Mr. BYRD. Mr. President, has there been a division of time provided for?

The ACTING PRESIDENT pro tempore. There has not.

Mr. BYRD. I ask unanimous consent that the time may be equally divided between the majority leader and the minority leader.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

DEFENSE DEPARTMENT BRIEFING

Mr. BYRD. I yield myself 30 seconds.

Mr. President, there will be a briefing today in room S-407, for both Republican and Democratic Senators, and it will pertain to the shooting down of the Iranian plane. Secretary of Defense Carlucci and others will be there to brief Senators.

Mr. President, I yield such time as he may require to the Senator from Washington.

Mr. ADAMS. I thank the majority leader. I very much appreciate that.

Mr. BYRD. How much time does the Senator wish?

Mr. ADAMS. I would like to have 12 minutes.

Mr. BYRD. Mr. President, I yield 12 minutes to the distinguished Senator.

The ACTING PRESIDENT pro tempore. The Senator from Washington is recognized for 12 minutes.

U.S. POLICY IN THE PERSIAN GULF

Mr. ADAMS. Mr. President, I am going to speak on the incident that happened over the weekend. I am not here to state or discuss military policy, which I think has been discussed too much. The question is not what the *Vincennes* was doing but why she was there.

Over the weekend, yet another incident took place in the Persian Gulf. Most of the world's attention has been focused on the tragic downing of a commercial aircraft and the accompanying loss of civilian life. While there is still a great deal we do not know about that incident, I expect that the investigation now underway may give us answers to most of our questions. I am prepared to wait for that investigation to make that determination and not be commenting on technical aspects.

What I am afraid of, however, is that by focusing only on the specifics of that incident, which we are doing in great detail, we will ignore the broader policy questions that are involved. While finding out what happens is important, it is critical that we understand why it happened—and the answer to that question involves more than a discussion of technology.

I feel an infinite sorrow and empathy for the captain of that ship, a terrible decision to have to make under terrible circumstances. What I am trying to do, and what I am going to address, is, how do we prevent our service people, who are in harm's way, from having to be faced with this kind of situation again and again and again?

Mr. President, for over a year now, a number of colleagues and I have been trying to get the country to address the policy in the Persian Gulf. I made that effort because of the law, but far more important than that, because of our national well-being. There is no question about our legal obligation.

The War Powers Resolution is the law of the land, and it was created to deal precisely with the sort of situation we are facing in the gulf. The law says that when American forces are involved in hostilities, Congress must authorize the continued deployment of those forces. That has not happened so far. What has happened is that we have had a Presidential policy and Presidential directives that have been put in place without the formal congressional involvement required by the law and by the Constitution.

What concerns me, Mr. President, is that these have been driven by external forces and pressures. There has never been an internal consistency or core to our policy. Our decision to reflag the Kuwaiti vessels, for example, was not a result of careful study of costs and consequences. It was a reflexive response—the possibility that the Soviets might be asked to provide protection to the Kuwaiti vessels. It was reflex.

Other decisions have followed the same course. After the U.S.S. *Roberts* was damaged by a mine, the President decided to beef up our minesweeping operations and seek international support. After studies showed that neutral shipping was the target of increased attacks, the President gave our forces freedom to come to the aid of non-American-flag vessels.

After the U.S.S. *Stark* was hit, the President modified the rules of engagement to allow our forces to fire before they were actually under attack. In each case, these were policy decisions made in response to external events and made exclusively by the President. The Congress was never asked to give its consent to these decisions.

There are a number of things which bother me about this situation. Some people have focused on the legal question as an end in and of itself.

Mr. President, I want you and others who have listened to this to understand that this is not a legal debate in my view, though the legal debate is certainly present. That has never been my position. I have sought to use the War Powers Resolution as a vehicle for achieving a coherent foreign policy—not a military policy—which can command the support of the American people, provide real guidance to our forces in the gulf, send a clear message to our adversaries, and draw the support of our allies. I have only sought to use the War Powers Resolution as a vehicle for conducting a debate about both our legitimate policy interests in the region—and we have them—and the appropriate means to achieve them.

I will be frank: I do not understand why the President has been unwilling to support that effort. There is no question about the fact that we have legitimate interests in the region. There is no desire that I have been able to detect for a withdrawal of U.S. forces from the gulf. And there should be no question about the desirability of developing a national consensus to support that presence. By now we should have learned at least one lesson from Vietnam: We cannot conduct a successful military operation over a sustained period of time without the support of the Congress and the country. The War Powers Resolution is not a divisive force. It is a vehicle for building that consensus. And that consensus is critical to our moral, political, and military ability to sustain a presence in the gulf to protect our interests.

Mr. President, this latest tragedy in the gulf may lead to additional challenges to American interests. That, at least, is the threat being made by Iran. We all hope that calmer heads will prevail, but we cannot be sure that they will. Given the uncertainty of those threats, and the certainty that additional combat may take place in the gulf itself, it is critical that we have a well-defined policy in place, as I stated before, not just a military policy but an overall policy. No harm can come from an expression of congressional support for a continued presence in the gulf; and a great deal of good would come from a congressional statement of our goals and the means we are willing to use to achieve them.

Right now we have no such statement from the Congress or from the President. We just cannot continue to lurch from incident to incident. We need a clear statement of strategy. In the past, I have suggested the elements which might make up such a statement. I repeat today: It is my desire to see the United States adopt a truly neutral role in the Gulf, one which does not tilt toward Iran or Iraq. A critical step in doing that is the termination of the reflagging regime. Beyond that, we need to develop a policy which formally involves our allies in the Gulf and throughout the world.

There is just simply no excuse for us having to maintain the primary military role in the region when the other nations in the world have a far greater stake in the freedom of navigation and movement of oil. The instability there is created by the war. We have go get other nations into this, Mr. President, to bring an end to that war. That achieves our policy goals. If the Soviets are sincere let us test their sincerity about their cooperation to stop that war and to achieve a cease-fire.

If the United Nations is to be more than a symbol of our hopes and become an instrument of our desires, then it ought to stop the debate and begin to impose an arms embargo in the region. And if the Chinese want to become respected players in international affairs, they ought to end their policy of selling sophisticated weapons to Iran.

Those are my suggestions. Others may have additional thoughts. But the point is that those thoughts need to be expressed, debated, and the issue needs to be decided by a formal vote. As long as we allow our policy to be shaped by others or external events, we are going to continue to give control of our future and our destiny to others who do not share our interests.

Mr. President, this latest tragedy in the gulf will, no doubt, be the subject of extensive congressional investigation. But I say that we ought not second guess our commanders in the field unless we are willing to take a look at the policies created by our commander and chief. It does not make much sense to criticize the people who accept their responsibilities, as the captain did, when we have not discharged our own. So far, the Congress has not been willing or able to do what it is obligated by law to do. I hope that situation will change in the days ahead.

In that context, Mr. President, let me close by making a few comments about my own plans relative to the War Powers Resolution. In the past, I have filed resolutions designed to implement the War Powers Act and require Congress to authorize continued deployment of our forces in the gulf. I have also offered a specific amendment to the DOD authorization bill. I am personally prepared to take that action again. But before I do, I want to consult with my colleagues, both those who have supported and those who have opposed those efforts in the past. I have no interest in putting the Senate through yet another ritualistic dance.

I do not want to do that and I state that, I say to our leader, in all sincerity and I want to work with him and the minority leader and others.

My interest is in finding a way to get the Senate to address the kind of basic policy issues I have been raising over the last year. I hope there will be a way to do it.

Mr. President, the President of the United States has said that we have three things that we want to do: Achieve freedom of navigation, maintain the flow of oil, and prevent Soviet penetration.

Mr. President, all I can see out of our present policy is the war's worse. The oil flow is more interrupted. The freedom of navigation is in jeopardy. We are placed in a position of always being on the defensive, and I guess the only thing you can say we have accomplished is to prevent Soviet penetration, and I do not know whether the Soviets want to do that or not. They may want us just pinned down in the eyes of world opinion pursuing only a military policy.

Mr. President, I hope we will debate this. I hope we will get to the point. I hope we will decide the policy.

I say to the leader I appreciate more than I can tell him the opportunity to state this and I look forward to trying to achieve a consensus for a foreign policy in this area that will stop that war because that will provide freedom of navigation, a free flow of oil, and prevent Soviet penetration.

Thank you, Mr. President, and I thank the leader. I appreciate that.

Mr. BYRD. Mr. President, the Senator is very welcome.

I ask unanimous consent that the Senator be deemed to have been given consent to speak out of order.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WORKER ADJUSTMENT AND RETRAINING NOTIFICATION ACT

The Senate continued with the consideration of the bill.

Mr. BYRD. Mr. President, the remainder of time on this side, I will yield to either Mr. KENNEDY or to Mr. METZENBAUM.

I yield to Mr. KENNEDY.

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, how much time do we have remaining?

The ACTING PRESIDENT pro tempore. Ten minutes.

Mr. KENNEDY. Mr. President, I would yield myself 5 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, since beginning consideration of the Worker Adjustment and Retraining Notification Act 2 weeks ago, we have seen that a filibuster can assume many forms. What began as the announced intention by opponents of this bill to offer a substitute and a few other amendment soon ripened into a concerted effort to stall the legislation. The tactics of our opponents have now become clear—delay, dilute, and dissemble.

The efforts to delay are obvious. We have heard long speeches repeating the same tired arguments over and over again. We have seen numerous trivial amendments offered and, when sponsors of the bill agreed to accept those amendments, we have seen demands for rollcall votes. We have witnessed the ridiculous spectacle of forcing Senators to come to the floor repeatedly for rollcall votes of 95 to 0 or 96 to 0—votes that accomplish little more than technical changes in the bill's language.

The efforts to dilute this already modest bill are no less apparent. Amendments have been filed to reduce the notice period below the 60 days that is a bare minimum for adjustment efforts, to eliminate or curtail the already limited coverage of mass layoffs, to create new exceptions that would leave gaping holes in the law's operation, and to increase the numbers of workers who must lose their jobs before notification is required.

Despite the fact that we have been debating advance notice legislation for over a year and a half, this is the first we have seen of this avalanche of amendments. Last May we debated advance notice in committee, and we saw none of these amendments. Last July we debated advance notice on the floor of the Senate, as a part of the trade bill, and we saw none of these amendments. This past spring we dealt with the advance notice provisions in conference. We heard many constructive suggestions from our friends in the House, but we heard none of these amendments from the Members of the Senate minority who were on that conference committee. But in the past 2 weeks, opponents of advance notice have offered dozens of amendments. For 18 months we heard nothing from them, and now all of a sudden they have ideas about every number, every word, every comma in this bill.

Finally, I would observe that the opponents of this legislation have dissembled in the past 2 weeks. They have hidden behind rumors of compromise and behind their dozens of weakening amendments, in an effort to convince the workers of this country that they too support the concept of advance notice. But I have listened to the speeches of those who supported the Kassebaum substitute, and what I heard was continued opposition to the idea that companies should be required to give notice before closings and mass layoffs. Just let one of our opponents speak long enough, and he will reveal his true feelings—that he is against required notice for workers and that all the rest is just a smokescreen for that opposition

The time for talk is past. There has been a year and a half to talk. There has been ample opportunity to revisit every feature of this bill in the past 2 weeks. Fairness demands that we give workers 60 days to prepare for the loss of their jobs. Effective adjustment efforts depend on advance notice for State agencies to establish workers assistance centers. Government savings in unemployment payments depend on notice and effective adjustment. The case for this bill is, quite simply, overpowering. I urge my colleagues to invoke cloture and to act quickly to enact this proposal into law.

MAGNITUDE OF RECENT WORKER DISLOCATION

Mr. METZENBAUM. Mr. President, in the discussion of this matter, it has been suggested that plant closings and worker dislocation have peaked out—that few workers are losing their jobs due to plant closings and mass layoffs. The argument made is that because so few workers will be affected, there is little reason to require advance notice. Nothing could be further from the truth.

A recent survey by the Bureau of Labor Statistics that covered just over half of the States found that over 400,000 workers in those States lost their jobs due to plant closings and mass layoffs in 1987. Three of the hardest hit States were Texas, Wisconsin, and Minnesota. Indeed, the Bureau of Labor Statistics found nearly 50,000 jobs were lost in Texas, 43,000 jobs were lost in Wisconsin, and 22,000 jobs were lost in Minnesota due to plant closings or mass layoffs in 1987. Other States also were hard hit by mass layoffs and plant closings—14,000 workers in Arizona, 22,000 in Missouri, and 24,000 in New York.

The Bureau of Labor Statistics numbers prove that worker dislocation was still an enormous problem in 1987. Worker dislocation is still an enormous problem in 1988. Unfortunately, workers are likely to lose their jobs due to plant closings and mass layoffs through the 1980's and into the 1990's.

It is time for us to mandate the common decency of 2 months advance warning for these workers. It is the right thing to do. It is the humane thing to do. It is the decent thing to do.

This morning, as I was flying in from Cleveland, there came to my attention an editorial in the Plain Dealer entitled "Fair Protection for Workers." What they say in that editorial is:

> What remains is a fair and reasonable bill that will reduce the burden on thousands of workers and all branches of Government when plants are closed. . . . When workers are given sufficient notice of a plant's closing, they can look for new jobs or arrange for re-training and avoid the unemployment lines. Their communities can search for new businesses to fill vacated manufacturing space or to land new industry. Unemployment compensation payments can be avoided; welfare costs are reduced.

They go on to say:

> Many Republicans, sensing a no-win situation, have dropped their earlier opposition to the legislation and last week offered some compromises. But any further weakening of the proposal would leave a paper tiger that wouldn't be of much value to anybody. The Senate should pass the proposal as is, so lawmakers can get on with clearing other badly needed legislation.

Mr. President, I ask unanimous consent that the entire editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Cleveland Plain Dealer, July 6, 1988]

FAIR PROTECTION FOR WORKERS

President Reagan may have won an earlier battle against plant-closing notification legislation, but he's about to lose the war. The Senate is expected to resume debate on the issue today, and the betting on the Hill is that it will pass with a veto-proof majority. That's as it should be, for the measure has been relieved of its more excessive features. What remains is a fair and reasonable bill that will reduce the burden on thousands of workers and all branches of government when plants are closed.

That, of course, isn't how business interests see the bill. While they may not object strenuously to the specific aspects of the legislation sponsored by Sen. Howard Metzenbaum, they agonize over what they regard as a precedent for future government meddling in the arena of labor-management relations. That's a valid concern for the future, but it's not a sufficient excuse for failing to do what's right by workers and their communities today.

The principle behind the legislation has been understood and appreciated for years by such countries as Canada, Great Britain, France, Sweden and Japan, which all require prior notification of plant closings. When workers are given sufficient notice of a plant's closing, they can look for new jobs or arrange for re-training and avoid the unemployment lines. Their communities can search for new businesses to fill vacated manufacturing space or to land new industry. Unemployment compensation payments can be avoided; welfare costs are reduced.

The Senate legislation has been carefully crafted so as to allow some options for companies in trouble. Companies closing plants because of "unforeseeable" business developments are exempted from provisions of the legislation. Notice also is not required of companies consolidating operations within a community. And companies under financial stress, for whom plant closing notification could create problems in obtaining capital, also are exempted.

Many Republicans, sensing a no-win situation, have dropped their earlier opposition to the legislation and last week offered some compromises. But any further weakening of the proposal would leave a paper tiger that wouldn't be of much value to anybody. The Senate should pass the proposal as is, so lawmakers can get on with clearing other badly needed legislation.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. DOLE. Mr. President, I yield 5 minutes to the distinguished Senator from Idaho so that he may speak out of order, and ask that the time come out of the time under my control.

The ACTING PRESIDENT pro tempore. The Senator from Idaho is recognized.

Mr. McCLURE. Mr. President, I thank the distinguished Senator from Kansas, the Republican leader.

PIETRO ANTONIO BEVINETTO

Mr. McCLURE. Mr. President, this past Sunday, July 3, the Committee on Energy and Natural Resources and the U.S. Senate lost a long-time staff member and friend, Pietro Antonio Bevinetto. Known to all as Tony, he was an acknowledged expert in parks, wilderness, and land management issues, and would have celebrated his 12th year in the Senate this month.

A Wyoming native, Tony first came to the Senate to work for former Senator Cliff Hansen on "loan" from the National Park Service. Tony's experience in the Park Service included a stint at Grand Teton National Park, where he served as assistant park superintendent. Prior to joining the National Park Service, Tony had served from 1963 to 1971 as assistant director of the Wyoming Travel Commission, and from 1956 to 1963 as advertising director and writer for Laramie Newspapers, Inc. Tony was a graduate of the University of Wyoming with two bachelor of science degrees; and from 1952 to 1953 served in the U.S. Air Force, 93d Bomb Squadron, 19th Bomb Group, 20th Air Force, where he was awarded the Korean Service Medal and the United Nations Medal.

While Tony's specific expertise in parks, forests, wilderness, rivers and public lands issues was well known by his colleagues and peers throughout the legislative and executive branches and in the recreation, environmental and conservation communities, Tony will perhaps best be remembered not for just his knowledge of these issues but for the love and appreciation of the lands and people represented by these issues. He didn't just know park legislation, he knew and loved parks. He wasn't just an advocate of wilderness, he understood why wilderness was important and necessary. He didn't just acknowledge the importance of timber harvest and grazing to our Western States, he felt for the people in those industries and considered himself one of them. Without a doubt, Tony brought to his position as professional staff member of the Energy and Natural Resources Committee a true and unique understanding of the land and of all the people who use it and love it.

Moreover, he brought to all of us who knew him a special human side that somehow is so often lacking in our busy "Washington World." He gave to each of us a gentle but tough, down-to-earth commonsense approach to problem solving, laced liberally with a most special sense of humor and a true caring. The Committee on Energy and Natural Resources considers more public legislation than any other committee, and the subcommittee dealing with public lands, forests, and parks handles fully half our workload, touching people in every State. For 12 years Tony handled that immense responsibility with sensitivity, compassion, and intelligence, and always with his own dry humor.

His job at Grand Teton was one of the most difficult in the Park Service, but he once described it as "fluffing the moose because the visitors didn't like scrawny animals." He maintained that same low-key approach to his work here. He was a public servant who never abused the enormous influence he had and who was never unkind. For all of us who knew him, he was, in Cardinal Newman's phrase, a gentleman. Mr. President, Tony was truly one of those unique people able to reach out and touch so many, and I am proud and honored to have been so closely associated with him these past 12 years.

Mr. President, on behalf of all of my colleagues and staff of the Energy and Natural Resources Committee, and for the hundreds of Tony's friends from all walks of life, I would like to express our profound sympathy to Tony's wife Elsie and daughters Kirsten and Libby. We share in your grief and in your love for Tony. We also will miss him very much.

The ACTING PRESIDENT pro tempore. The Senator from Utah.

Mr. HATCH. Mr. President, I join in and would like to be associated in the statement of the distinguished Senator from Idaho. I would appreciate that.

Might I ask, Mr. President, how much time I have?

The ACTING PRESIDENT pro tempore. The Senator from Utah has 16 minutes and 30 seconds.

WORKER ADJUSTMENT AND RETRAINING NOTIFICATION ACT

The Senate continued with the consideration of the bill.

Mr. HATCH. Mr. President, in the existing tight budget situation, some of my colleagues have decided that they can achieve several domestic policy objectives by requiring private employers to provide a vast array of benefits to all employees, regardless of the actual costs of such mandates or the actual desires of employees.

Proponents of this methodology claim that since the cost to the Federal Government of such mandates is negligible, there is no real cost to the economy. This, of course, is hogwash.

Today we have the proof. Through the fine effort of the National Foundation for the Study of Employment Policy, we now have a better understanding of what the actual costs of these proposals will be. And, we will have a better basis for deciding whether we in Congress should be forcing these costs upon employees, employers, and, in fact, all consumers.

This study, performed by Robert R. Nathan Associates, Inc., estimates some of the direct and indirect costs to private sector employers and employees of four specific legislative proposals, including the plant closing provisions contained in the Senate-passed version of the omnibus trade bill.

Now, I want to share with you a few specific details. Any time you make economic assumptions, costs may vary. But the specifics of the plant closing provisions were not changed significantly during consideration by the conference committee. The costs associated with this legislation are substantially the same. As a matter of fact, one or two changes made in the conference report would make the bill even more costly.

The Nathan study finds that the so-called simple plant closing bill will cost at least $1 to $2 billion per year. These costs include administrative costs of $962 million per year, an average of $6 million per year in loss of trained staff, and an average of $850 million per year in penalties.

Let me break this down a little further. Mandatory notice legislation will impose both direct and indirect costs on the public and the private sector. The Nathan study reports that, for employers, the costs may include:

First. Direct administrative cost of developing and implementing management information systems capable of generating reliable data on which to base notification decisions—that is, a technologically sophisticated, state-of-the-art crystal ball with which to see into the future;

Second. Direct administrative costs of providing written notification to affected parties;

Third. Indirect legal cost of demonstrating to a court that business conditions that led to a closing or layoff for which notification was not given were not reasonably foreseeable;

Fourth. Direct penalty cost of not complying with the mandate;

Fifth. Indirect talent-drain cost of losing employees before expiration of the notification period; and

Sixth. Indirect credit, sales, and productivity losses that could occur after signaling the market and employees of the impending closure or layoff.

The Nathan estimates were based on U.S. General Accounting Office data describing notification procedures at worksites of over 100 employees. It should be noted that the Nathan estimates do not include public sector costs which were difficult to assess, or the legal cost employers may incur to petition the court for exemptions. Nor does it include the potential costs of unnecessary credit losses, sales losses, and productivity losses that often occur if the market knows of a company's potential failure or existing financial instability.

The report was based on the following assumptions:

First, if a 60-day mandate had been in effect during 1983 and 1984, all establishments with at least 100 employees would have attempted to comply;

Second, all employers who provided notice of at least 15 days would have been able, under a mandate, to provide 60 days notice; and

Third, employers who provided no notice or notice of fewer than 15 days would have been able to provide 2 weeks notice if a 60-day mandate had been in effect.

The Nathan study also assumed the accuracy of the GAO estimate that 1.3 million workers lost their jobs because of closures and layoffs at 16,200 establishments with 60 or more employees during 1983-84. Of these, 1,021,400 worked at 7,400 establishments with at least 100 employees. Employers at 6,500 of these larger establishments provided notice of fewer than 60 days to approximately 897,000 employees. At least 15 days notice was provided, however, to 343,000 workers.

When the Nathan study combined these assumptions they calculated the costs as follows:

Incremental administrative cost of $1.9 billion;

Incremental talent drain cost of $12 million; and

Penalty cost of $1.7 billion.

Honestly, Mr. President, these costs are just the tip of the iceberg. The Nathan cost estimates are very conservative. I would reiterate that the potential costs of litigation and productivity decline are enormous and they are not included in these final cost calculations.

The study also assessed the performance of foreign labor markets which were constrained by plant closing laws. Let me quote from the summary:

> The Nathan study compared the performance of labor markets in countries with and countries without advance notice laws or general practices and found significant differences. Employment growth in the United States, Hong Kong, Korea, and Taiwan—countries without advance notice laws or practices—averaged 3.2 percent per year since 1982. In contrast, employment growth in Canada, Western Europe, Brazil, Mexico, and Singapore—countries with advance notice laws or practices—averaged only 1.6 percent per year since 1982. All four countries without advance notice laws or practices say their unemployment rates declined between 1982 and 1986. In contrast, only 6 of 20 foreign countries with advance notice laws or practices say their unemployment rates declined.
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> * * * If only one-tenth of the difference were attributable to advance notice policies, and if they had been in effect in the United States since 1982, by 1986 the U.S. economy would have employed approximately 460,000 workers. Almost one-half million jobs would be gone today if plant closing legislation were enacted in 1986.

That was a direct quote from the Robert R. Nathan Associates' finding.

I might add that Robert R. Nathan's group has constantly been hired by the trade unions of America to do economic analyses and research for them, so I would think they would hardly find any reasons to disagree with Nathan Associates. Further, these findings are absolutely consistent with the data and observations provided by the Organization of Economic Cooperation and Development [OECD] and other sources regarding the dire employment situation facing many of our allies and trading partners.

I say to my colleagues: American mimicry of these policies which have plagued the workers of other nations is not progressive labor policy. And, when the proponents argue that the lack of a mandatory notice law breeds unfairness, our question must be; unfairness to whom? Certainly not American working men and women who need and want a healthy, growing economy in order to find new jobs, in order to keep inflation and interest rates down, and in order to pursue and maintain a standard of living which is envied all over the world.

We should not be lured into passing this legislation because of its euphemistic title. No one is opposed to notifying workers of an impending closing or layoff as far in advance as possible, and we all enthusiastically support readjustment and retraining opportunities. But the title conceals the costs. We cannot be so irresponsible as to ignore the costs of this proposal—costs which include lost jobs, reduced wage and benefit increases, stagnant economic growth, and slack efforts in research. Long-term progress will be sacrificed if funds must be diverted into meeting the requirements of this bill and defending basic business decisions in court. Job creation and economic expansion will come to a screeching halt.

And, who is the real loser? It is the American worker. In the long run, the working men and women of America will pay for this entire labor agenda if it is enacted. They will pay for it through their own paychecks, through reduced wages, reduced benefits, reduced work hours, lost jobs and higher prices. These proposals are an indirect tax on all Americans. Let me read the final paragraph of a Wall Street Journal editorial dated February 16, 1988:

> Some Members of Congress may believe they're representing workers' best interests by federally mandating a large menu of benefits not provided for in collective-bargaining agreements. But one point to keep in mind is the possibility that some of this well-meaning legislation actually could cause a loss of jobs. These will be expensive laws, and ultimately their costs won't be borne entirely by executives or shareholders. They will fall on consumers and workers, in higher prices or fewer jobs.

I urge my colleagues to review these studies and recognize that their findings portend very negative effects for our Nation as a result of this legislation. The choice we face is very clear. We have an opportunity—right now—to lift up the future rather than to mourn the past or to protect the status quo. I urge my colleagues on both sides of the aisle to reject this restrictive, burdensome legislation.

Since nobody has filibustered this bill from the beginning, even though the majority leader has chosen, in his wisdom, to have a cloture vote today, I recommend that everybody vote for cloture. There has never been an attempt to filibuster at this particular point and, of course, this bill now does have several Hatch amendments in it that certainly make it better than it was, but certainly not good enough that will be something to help the country.

With that, I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. HATCH. How much time does the Senator from Utah have?

The ACTING PRESIDENT pro tempore. The Senator from Utah has 5 minutes 45 seconds.

Mr. HATCH. I yield the remainder of my time to the distinguished Senator from Texas.

The ACTING PRESIDENT pro tempore. The Senator from Texas.

Mr. GRAMM. Mr. President, the week before we all went back home for recess, my opinion concerning the motive behind this bill went back and forth between two motivations.

I looked at the facts, and the facts are that the layoff rate today is at a 20-year low. The layoff rate today is 40 percent less than it was when Jimmy Carter was President. We are opening six plants in America today for every one that is closing. Fifteen new businesses are started every day for one that closes.

So I asked myself, why is there this sudden surge of interest in the so-called plant closing legislation? Well, I thought for one moment that maybe somebody really thinks this is going to help America. So I looked at the facts around the world, and the facts are about as clear-cut as they can be.

Those areas of the world that have government dictate concerning the operation of business that limit the ability of the entrepreneur to open businesses or close businesses in response to economic forces almost uniformly have higher unemployment rates and lower growth rates than the United States. In fact, Europe has had plant-closing legislation for 15 years in most of the major industrial countries of Western Europe. They have not created a job in 10 years, and today they squander billions of dollars trying to shut down obsolete plants instead of spending the money to create new plants to invest in new technology in order to create new jobs.

With any kind of objective review of the facts, I really came down to two premises: No. 1, that the primary motivation behind this bill was politics. It is a Presidential election year and I thought there might be some people who think that you can make a political issue out of this. But knowing my colleagues, I immediately rejected that possibility.

Then I came upon a second thesis, and that is that our Democratic colleagues think that their candidate, Mike Dukakis, is going to be elected President. They believe that if he is elected President, then he is going to raise taxes on the working men and women of America; that he is going to increase deficit spending. They have concluded that this is going to produce a massive recession in America, producing massive layoffs and perhaps the legislation before us is their way of preparing for that eventuality. They will have legislation that says to working people: "We took away your job; we put you out of work; we mortgaged your future, but, oh, by the way, just so you remember who the good guys are, we gave you 60-day notice."

I guess, Mr. President, I was sort of willing to leave it there in my mind thinking that our cause here is a hopeless task. But during the recess when I was back home in one of my cities in south Texas, I had a partisan from my political party come up and tell me that we needed to wake up to the fact that this was a political issue in the country. That, in fact, it was hurting Republicans if we were holding up this bill. After all, what issue could be related to this bill that might be so important that we should risk political harm to prevent this bill from being adopted?

I thought for a minute, and I said: "Well, I guess there are just some old, tired issues that maybe America has outgrown like private property, like freedom. I guess those are the issues that stand in the way of those of us who oppose this bill who view this bill to be politics at its worst, who believe that this bill is an anathema to the American system and to everything for which this country stands.

If this bill had been brought up for debate in this great body in the time of Jefferson, Adams, Washington, and Madison, it would not have garnered the support of a parcel of pickpockets. But it has support today because of the underlying politics that there are more people working in plants than there are people who run plants, and also people do not understand the issue.

Mr. President, I have looked in vain at our Constitution to find a provision that says we have the right to say to a man, "Your business may be going broke. Your whole life's work may be destroyed, and yet we are going to come in and say to you, 'Squander your life substance, but you do what we tell you to do in leaving your plant open,' even though that may destroy your ability to ever build your business."

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. GRAMM. Mr. President, I thank the Chair for his indulgence.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. KENNEDY. Mr. President, how much time remains?

The ACTING PRESIDENT pro tempore. Two minutes fifty-four seconds remain.

Mr. KENNEDY. How is that divided?

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts controls all the time left.

Mr. KENNEDY. Unless there is someone further who wants to speak, Mr. President, I suggest the absence of a quorum.

Mr. GRAMM. Mr. President, will the Senator withhold? I was so swollen up with this speech, if the Senator will yield me that time, I would be grateful.

Mr. KENNEDY. To speak in behalf of cloture or in opposition?

Mr. GRAMM. On behalf of America.

Mr. KENNEDY. Is that going to be different from what we have heard?

Mr. GRAMM. No, it is what has been said. I am not sure what the gentleman heard.

Mr. EXON. Will the Senator yield me 2 minutes of his remaining time?

Mr. KENNEDY. I do not want to be disrespectful to my good friend and colleague from Texas, but the Senator has not spoken. I yield him my time.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska.

Mr. EXON. Mr. President, I have been listening with interest to the talk or reasoning, or lack thereof, of my distinguished friend and colleague from Texas. I simply remind him that, as far as this Senator is concerned, this is not a political measure; this is a measure of fairness. To try and say what Jefferson or those great founders of this institution, including George Washington, would do under the circumstances is taking leave of their reasoning beyond any point that I think is reasonable.

What this bill simply says is that if a company, primarily a corporation, more likely, would be affected by this measure, if they are going to close down, they are required to give 60 days' notice, or if they are going to have mass layoffs in the next 60 days, they are required to give notice. I think this, in an industrial world, that those great founders of our country did not live in, is entirely reasonable.

Show me a businessman who does not know that he is going to close a major plant—and this has to do with major plants—in the next 60 days or have a mass layoff in the next 60 days and I will show you a businessman who should not be in the industrial business sector in the first instance. I hope that we pass this measure, which I think is the ultimate of fairness.

CLOTURE MOTION

The ACTING PRESIDENT pro tempore. All time having expired, 1 hour having passed since the Senate convened, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on S. 2527, a bill to require advance notification of plant closings and mass layoffs, and for other purposes.

Senators Harry Reid, J.J. Exon, Daniel K. Inouye, George J. Mitchell, Brock Adams, Claiborne Pell, Howard Metzenbaum, Bob Graham, Jeff Bingaman, Lloyd Bentsen, Bill Bradley, Edward M. Kennedy, Paul Simon, Wendell Ford, J. Bennett Johnston, and Tom Daschle.

Mr. BYRD addressed the Chair.

The ACTING PRESIDENT pro tempore. The majority leader.

Mr. BYRD. I wonder if this proposal would be agreeable to Senators, that we vote at 2 p.m. today on the motion to invoke cloture without a prior quorum call and Senators could have some additional time if they wish to debate at this point.

Mr. KENNEDY. Mr. President, I have no objection. However the majority leader and minority leader want to proceed seems perfectly satisfactory to me.

Mr. EXON. Reserving the right to object, may I inquire of the majority leader on the timing. Was it not prearranged that we would have the beginning of the cloture vote at 1 o'clock? Was that the schedule or was I misinformed?

Mr. BYRD. No, that was not the schedule. The schedule was to begin the automatic quorum call at 1 o'clock.

Mr. EXON. I would like to remind the majority and minority leaders that at 2 o'clock the Armed Services Committee, on which the Senator from Texas, the Senator from Massachusetts, and myself serve, has a very important meeting scheduled in regard to the difficulties in the Persian Gulf, and I know there are other meetings with those who will testify at that meeting scheduled later on. Would it be possible to schedule the vote so that that 2 o'clock meeting will not be interrupted?

Mr. BYRD. Mr. President, in response to the distinguished Senator from Nebraska, perhaps this would resolve the problems of all Senators; namely, that we begin the rollcall vote on the motion to invoke cloture at 1:45 p.m. and that the vote be a 30-minute rollcall vote, this to allow the Senators on Armed Services to vote and to attend their meeting and to allow other Senators perhaps to resolve scheduling difficulties.

Mr. EXON. I thank the leader for that consideration. I have no objection.

Mr. METZENBAUM. Mr. President, will the Senator yield for a question?

Mr. BYRD. Yes.

Mr. METZENBAUM. Is there any possibility if we are able to invoke cloture—and my guess is we will—about coming to an agreement with respect to a time certain for final passage?

Mr. BYRD. The distinguished Republican leader and I discussed this earlier, and we hope to continue those discussions in light of the possibility cloture will be invoked, after which, if it is invoked, perhaps we can pursue that course.

Mr. METZENBAUM. I thank the leader.

Mr. BYRD. Mr. President, I ask unanimous consent that there now be 20 minutes to be equally divided for further debate, and then that the Senate stand in recess until the hour of 1:45 p.m. today, at which time the vote proceed on the cloture motion without any further quorum call.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. BYRD. I thank all Senators.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. GRAMM. Mr. President, I yield myself the 10 minutes allotted to this side.

The ACTING PRESIDENT pro tempore. The Senator from Texas is recognized for 10 minutes.

Mr. GRAMM. Mr. President, if someone had come before this body and said that we ought to have an employer notification program, since, after all, the employer puts up the capital, invests the money, builds the building, buys the equipment, institutes contracts with the electric company and the water company, hires people and therefore in looking at the transactions between the employer and the employee the employer has a stronger claim to be notified of the termination of an employment transaction than the employee, people would think he was crazy. I believe such a proposal would hardly be given serious consideration in this body. And yet we have before us a proposal which says that the Federal Government is going to mandate that the employer give the employee 60 days' notice.

Now, Mr. President, what other than politics would differentiate the treatment of those two parties to that transaction? I think nothing but politics would dictate it.

Mr. President, anybody who says that an employer who has the capacity to do so ought to give his employee the maximum amount of notification is a person with whom I agree. If a company, whether it be a proprietorship or a corporation, has the wherewithal to notify workers when it has to close a plant or work to see that they can transfer to another part of the company, if the company has operations that stay open somewhere else, I think that company benefits in terms of employee loyalty, in terms of the consumer of their product recognizing that they are good corporate citizens, and because clearly they have done the right thing.

Mr. President, it is a far cry from that circumstance to passing a law which says that an employer has to give 60 days' notice in which he has to continue to operate the plant, has to continue to employ people, whether there is a market for his product or not, whether he can pay his bills or not, whether his company is destroyed or not, whether the work of a lifetime ends up being wiped out by that decision or not. In fact, what this bill says is that if a businessperson, an entrepreneur goes out and spends a lifetime to build a business and if something happens and they lose their ability to sell their product, and therefore the result of their whole lifetime is being wiped out in something that is far more a financial disaster to the owners of the company, whether the owner be one person or whether it be a retirement fund, the closing of a plant is more of a disaster to the owner of the company than it is to the person who works there because the person who works there can go on and work somewhere else. The owner of the company has lost his wealth. In the case of retirees that have invested by their retirement fund buying the stock of the company, that wealth is lost. A person may have worked 30 years and paid into a retirement fund and that retirement fund buys the common stock of the company and it closes. That wealth is lost. Nothing can make that up. They cannot just snap their fingers and go out and recreate that wealth.

Now, Mr. President, what this bill says is that if a company is going broke, if the life savings of the people who invested in it are being lost, we are going to make that company stay open and destroy that investment to force them to give 60 days' notice.

Now, other than the obvious fact that we have no constitutional right to do that, other than that obvious inconvenience, let us look at the practical side of it.

In my State we had what amounts to a depression 3 years ago, and that depression hit us first in the oil industry and then all across our State—in the real estate industry, the banking industry, the savings and loan industry. Businesses all over Texas had to lay people off, and they hated it. But the alternative to laying people off was to destroy the company and close its doors. The alternative to laying off

200 people was to eliminate the jobs of 400 people by the company's going bankrupt.

Mr. President, today all over Texas, as our economy starts to recover, these companies that cut back from 500 jobs to 50 and held onto their bootstraps to survive are now employing 50, 100, or 200 people. If this bill had been in effect 3 years ago when this economic catastrophe swept through Texas, literally thousands of businesses that are recovering would be bankrupt today and out of business forever. Who would that benefit? Is the ability to give somebody 60-day notice worth it if it destroys the company and eliminates everybody's job that works for that company and prevents that company from ever opening its doors again? I think not.

The great tragedy here, Mr. President, is that we are doing this because this is good politics. Quite frankly, I have less hostility toward the viewpoint that this is somehow a good idea, which in my mind is simply lack of knowledge of the experience of the nations of the world that have tried this wrongheadedness, than for the view of the many who say this is good politics; forget about it, it is going to happen anyway.

The plain truth is, Mr. President, that we are a little bit like this farmer who has a goose that lays the golden egg. This goose regularly lays this golden egg and we rejoice in it. And then suddenly the goose stops laying the golden egg, and rather than going back and looking at the fact that the coop has burned down, that the lake was drained, that the goose was not fed, that the dog was let loose in the barnyard to chase the goose around and suddenly one day it stopped laying the golden egg, rather than going back to try to rebuild the coop and fill the pond back up, feed the goose again and protect the goose from the dog, we call out the veterinarian to operate on the goose.

Now, the tragedy is, Mr. President, this bill is going to destroy jobs, growth, and opportunity. This bill is not going to overcome the genius and productivity of the American economy. It will survive in spite of the disease of economic troubles and the absurd prescription of the doctor which is this bill and the Congress. I have no doubt about the future of America. It will overcome every constraint that we put in its way. But that future will be a little less bright, opportunities will be fewer, economic growth will be less because of this bill. That to me represents an unnecessary tragedy. That is why I am opposed to this bill. I am not for plant closings. I am against plant closings. I want to debate legislation to open up plants, and to create jobs. I am not interested in spreading the miseries and rubbing everybody's nose in it. This bill is bad legislation and it assaults a fundamental premise that the American system is built on. That premise is private profit. We have no right to require an American citizen, an investor, an entrepreneur, to destroy their life's savings to force them to keep a plant open when they might salvage their business and ultimately create jobs for their employees by closing.

I hate to see a plant close or to lay people off, but there is something worse; that is, plants closing that never open, and people being laid off that are never called back.

That is what is wrong with this bill. Mr. President, I am certain that it is going to pass. I believe it is going to become law but I wanted to make it clear that I am against it. It is a law that I hope some day we are enlightened enough to repeal. I may be an old and ancient one if I am fortunate enough to be here, but if I am I will rejoice when that day comes.

I yield the floor.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. SIMON addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Illinois.

Mr. SIMON. I yield myself as much time as I may consume.

My friend, the distinguished Senator from Texas, says this is not a cure-all. Of course it is not a cure-all. This is just one part of what is needed in this country. We have to encourage research. We have to encourage improved productivity. We have to encourage people to get jobs here. That is why the senior Senator from Texas, Senator BENTSEN, has been pushing a trade bill, so we can get those jobs in this country.

But the argument that my friend, Senator GRAMM, uses when he says we are taking things away from business can be used against Social Security, you can use that against unemployment compensation, and you can use it against all kinds of things.

I simply point out to any Senators who may not have made up their mind yet that there are two very important—some people would call them loopholes. They are things that will permit businesses that really are under dire circumstances to avoid this. Any business where the circumstances were not reasonably foreseeable as of the time that the notice would have been required is exempt. That is a pretty massive loophole; and, also, the employer was actively seeking capital or business which if obtained would have enabled the employer to avoid or postpone the shutdown, and the employer reasonably and in good faith believed that giving the notice required would have precluded the employer from obtaining the needed capital or business. Those are pretty massive loopholes.

Then finally, Mr. President, I used to be in business. I had a small publishing business and had four small plants. I guess anyone who is in business does not like writing out those checks to the Government. But the one I always regretted writing the most was the one for unemployment compensation because very rarely was I laying people off, and very rarely was I the cause of that unemployment compensation check that I had to write out. What we are doing right now in this is to discourage needless expenditures by business. This is a business protection bill as well as a protection bill for workers. Responsible businesses give notice. But we are saying here to businesses that are not giving notice that we are going to have to do it so we will not have to pay out as much money in unemployment compensation. If workers are given enough advanced notice, they can get other jobs. We do not need to spend money for a nonproductive purpose like unemployment compensation.

I think this bill makes a great deal of sense. I hope we will pass the cloture motion and we will pass the bill, and do it quickly.

May I inquire of the Chair how much time I have left?

The PRESIDING OFFICER (Mr. DASCHLE). The Senator has 6 minutes remaining.

Mr. SIMON. I reserve the balance of my time.

Mr. BYRD. Will the Senator yield?

Mr. SIMON. I am pleased to yield to the majority leader.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, at 1:45 p.m., the Senate will vote on the motion to invoke cloture without the mandatory quorum call or without any quorum call being entered. If that cloture motion should fail, there will be an immediate vote on the second motion to invoke cloture. If that vote should fail, then there will be a third opportunity for Senators to invoke cloture. If cloture is invoked during the afternoon, then the plant-closing bill will remain the pending business before the Senate to the exclusion of all other business. And if it is not invoked this afternoon, there will be a vote on cloture on tomorrow. I hope that cloture will be invoked. The first rollcall vote this afternoon will be a 30-minute rollcall vote.

I ask unanimous consent that the call for the regular order be automatic at the conclusion of 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, if Senators are here, I hope they will come to the floor and vote early on the rollcall vote and not wait until the last minute; because if all Senators have voted, it will be possible then to close the vote and proceed either to the next cloture vote or further action on the bill. So if the Senators are here, they should take advantage of the opportunity to vote early and help to expedite the business of the Senate.

I thank the distinguished Senator for yielding.

Mr. SIMON. Mr. President, I reserve the remainder of my time.

As I understand our situation, if I yield back the remainder of my time, we will be in recess until 1:45. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. SIMON. I yield back the remainder of my time.

RECESS UNTIL 1:45 P.M.

The PRESIDING OFFICER. The Senate stands in recess until 1:45 p.m.

Thereupon, at 1:22 p.m., the Senate recessed until 1:45 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. Daschle).

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on S. 2527, a bill to require advance notification of plant closings and mass layoffs, and for other purposes, shall be brought to a close?

The yeas and nays are automatic under the rule, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. Biden] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. Boschwitz], the Senator from Rhode Island [Mr. Chafee], the Senator from Nevada [Mr. Hecht], the Senator from North Carolina [Mr. Helms], the Senator from Arizona [Mr. McCain] and the Senator from Alaska [Mr. Murkowski] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 88, nays 5, as follows:

[Rollcall Vote No. 222 Leg.]

YEAS—88

Adams
Armstrong
Baucus
Bentsen
Bingaman
Bond
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Gore
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Heflin
Heinz
Hollings
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Thurmond
Trible
Warner
Weicker
Wilson
Wirth

NAYS—5

Humphrey
McClure
Rudman
Symms
Wallop

NOT VOTING—7

Biden
Boschwitz
Chafee
Hecht
Helms
McCain
Murkowski

The PRESIDING OFFICER (Mr. Adams). On this vote the yeas are 88, the nays are 5. Three-fifths of the Senators duly chosen having voted in the affirmative, the motion is agreed to.

Mr. BYRD. Mr. President, it appears that it might be possible to get a time agreement on the bill. The distinguished Senator from California, [Mr. Wilson], has an amendment pending, and I understand in talking with the Republican leader that the Senator from California would be willing to have a 40-minute time agreement on his amendment, the time to be equally divided. I make that request.

The PRESIDING OFFICER. Is there an objection? The Chair hears none, and it is so ordered.

Mr. BYRD. I am advised by the Republican leader that there is an amendment by Mr. Quayle. I wonder if a 1-hour time agreement on that would be agreeable.

Mr. President, I make that request—to be equally divided in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, are there any other amendments?

Mr. DOLE. Will the majority leader yield?

Mr. BYRD. Yes.

Mr. DOLE. During the discussion of the Wilson amendment and the Quayle amendment, I think I will be able to determine if further amendments will be offered. I have not checked yet with the distinguished Senator from Utah [Mr. Hatch], or my colleague, Senator Kassebaum. And I have a few amendments pending. I am not certain I will call them up, but I will be in a position to notify the majority leader.

Mr. BYRD. All right, Mr. President, that is progress.

Mr. President, are Senators willing to preclude any second-degree amendments to these two amendments? I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank all Senators. Hopefully we can inquire as to whether or not there are other amendments and perhaps arrive at a time for final vote today.

Mr. President, I ask unanimous consent that on tomorrow, provided the action on the pending bill is concluded today, immediately at the conclusion of morning business the Senate proceed to the consideration of the DC Appropriation bill.

The PRESIDING OFFICER. Is there objection? Hearing no objection, it is so ordered.

Mr. BYRD. Mr. President, I yield the floor.

AMENDMENT NO. 2487

Mr. WILSON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. Mr. President, I have an amendment at the desk. As I understand the agreement entered into at the request of the majority leader, we have a time limit. How much time is afforded both sides?

The PRESIDING OFFICER. Forty minutes equally divided.

Mr. WILSON. I thank the Chair.

The PRESIDING OFFICER. The amendment is pending. The Senator is recognized.

Mr. WILSON. I thank the Chair.

Mr. President, the pending amendment is very like that which was offered by Senator Dole last week when he asked that we take account of such things as the natural disaster currently afflicting the farmers of the Midwest, the South, and the West—the terrible drought. The Dole amendment would exempt employers who are occasioned by such a natural disaster, some unforeseen act to require laying off significant numbers of their employees. Under the existing bill, section 3(b)(2) of the bill provides an exception to the 60-day notice requirement for a plant closing or mass layoff if it is caused by business circumstances that were not reasonably foreseeable.

Mr. President, that language expresses a reasonable intention. My quarrel with it is that it is not sufficiently precise. It leaves to someone a question of judgment as to whether or not the circumstances that are raised by an employer as a defense against the provisions of required notice were reasonably foreseeable. For the very same reason that Senator Dole last week offered his amendment I urge the amendment that is pending in the interest of achieving clarification and fairness. Basically, we should not demand notice when the layoff or closing is beyond the control of the employer. We will do nothing good in that respect than simply aggravate a sick economic situation imperiling the balance of his employees.

Under the amendment that I have offered notice would not be necessary if it is a response to an inability to acquire materials necessary for an employer who is engaged in manufacturing his product or for an employer who is engaged in the provision of services to provide those services.

As an example, a recent news story in the New York Times reported that we had stopped in the United States all imports of certain cotton diapers from China even though there is no indication they are being traded in violation of fair trade laws, the laws against dumping and subsidies. Rather, the restrictions arose from a complaint from a domestic manufacturer under the terms of the multifiber arrangement. If the diaper service cannot lay hands upon sufficient diapers in order to go forward with its operation, and if the employer as a result is compelled to lay off his employee because it does not make business sense to stay in that diaper service, he would not be required to give advance notice. In other words, if he is out of business because his own Government will not let him buy fairly traded goods that he needs, then his own Government should not further penalize him by requiring him to stay in operation beyond the point where it makes economic sense to do so.

Another example, under the present steel program, U.S. companies are restricted from importing fairly traded semifinished steel. The steel quota system has hurt companies in my State, California, who have had trouble acquiring supplies from U.S. companies, either because of the uneconomic total cost when transportation costs are figured in or because of the simple lack of supply. Unfortunately, even when no domestic supply exists and the short supply exemption provided by the Commerce Department in order to provide relief from restrictive quotas is invoked, that process is both complex, it is highly uncertain, and it leaves a number of those operations engaged in fabrication of steel products from being able to achieve the supply they need, not just the supply of demand, but even to satisfy current demand. And it has had the effect, in short, of leaving California steel-consuming companies in doubt on availability until the last minute. Sometimes notice is later than that as the long lead time for steel means inevitable delays in delivery.

So in short, the Wilson amendment would not require notice when a U.S. manufacturer is cut off from his raw materials.

Another example, after changes made last week in the Dole amendment on natural disasters which struck the words "directly or indirectly," it is not clear what its effect would be on meatpackers. Specifically, it is likely that next year at some unknown time cattle will be unavailable to meatpackers. This shortage will result from the present drought, which has raised feed prices, which has led to a larger than normal slaughter within recent weeks, which will mean smaller herds for slaughter next year, which means very likely shortages next year, and a reduction in the normal slaughter and the normal supply of beef to packers. It is not clear from last week's debate if the impact from the drought on meatpackers will be covered by the Dole amendment as modified at the insistence of the Senator from Ohio, Mr. METZENBAUM. The Wilson amendment clarifies the situation. There are other examples that come to mind. Whether we are talking about manufacturing, whether we are talking about services, or, in the last example, whether we are talking about the provision of stock, and in short, the language in the present Metzenbaum bill that is before us simply does nothing nearly far enough in clarifying that situation where we should not penalize an employer because through circumstances utterly beyond his control he is unable to continue operation at the current level, unable to meet demand, or unable even to sustain a level of activity substantially less than market demand, which is the situation for those California steel employers who could double their employee rolls if in fact they were provided with adequate semifinished steel to satisfy the market demand for their product.

It is unfair, and it is necessary that we not aggravate what are obviously situations of fluctuating demand and therefore fluctuating employment, and occasioned further hardship to the employer which will threaten his further operation threatening the balance of his employees.

Mr. President, if the argument be raised in opposition to this amendment that it is not necessary because it is surplusage, and that it deals with situations already covered by the broad generalization contained in section 3(b) subparagraph 2, the language, "by business circumstances not reasonably foreseeable," that is not good enough. If the worst argument or the strongest argument that can be raised against this amendment is that it is surplusage, I will say that it is clearly refuted by the fact that without this kind of specificity that we are adding, which surplusage does no harm, but without this specificity there is serious question as to whether or not these plain commonsense fairness situations would be covered. It would be left to someone not designated in the legislation to make a determination. Some bureaucrat somewhere would determine whether or not it is fair to the employer to exempt him from the notice provisions imposed by this legislation.

Mr. President, how much time remains?

Mr. HARKIN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Senator has 11 minutes remaining.

Mr. HARKIN. Parliamentary inquiry: Mr. President, under what order are we operating now? Is there a definite time limit on the Wilson amendment?

The PRESIDING OFFICER. There are 40 minutes equally divided, and the Senator from California has the floor and has 11 minutes remaining.

Mr. HARKIN. How much time is remaining on the entire amendment?

The PRESIDING OFFICER. The manager of the bill has 20 minutes remaining.

Mr. HARKIN. The Senator from California—I pose the parliamentary inquiry—has 11 minutes remaining.

The PRESIDING OFFICER. The Senator is correct.

Who yields time?

Mr. HARKIN. Mr. President, will the Senator from California yield?

Mr. WILSON. Mr. President, I reserve the remainder of my time.

Mr. METZENBAUM. Mr. President, I inquire of my colleague from Iowa if he is seeking recognition in connection with this amendment.

Mr. HARKIN. Yes; I am. I am seeking recognition in connection with the amendment and for some clarification.

Mr. METZENBAUM. Will the Senator from Iowa be good enough to wait until the Senator from Ohio has concluded his remarks?

Mr. HARKIN. I appreciate that.

Mr. METZENBAUM. I yield myself 7 minutes.

Mr. President, in essence, the Wilson amendment provides that there is no notice if an employer is unable to obtain sufficient supplies.

Frankly, the Wilson amendment excuses employers from the notice requirement of a plant closing or mass layoff caused by "the inability of the employer to obtain at competitive cost sufficient supplies" of materials to be used in production.

How many times must we beat this dead horse? How often do we have to return to the same issue, time and time again? How many more redundant amendments must we table? The overwhelming majority of Senators realize that the bill excuses from notice any plant closing or mass layoff that is "caused by business circumstances that were not reasonably foreseeable as of the time that notice would have been required." Indeed, I believe my colleague from California understands that employers who suddenly and unexpectedly find themselves unable to obtain the raw materials needed in production could qualify for this exemption. It depends upon the factual situation. I doubt very much that many employers would face such a severe and unexpected shortage, but if they did, the bill affords them an exemption from the notice requirement.

The conference report on the bill as it was approved in the trade bill is clear that such events as "a sudden, unexpected and dramatic change in business conditions such as price (or) cost" are grounds for reducing the notice requirement. If an employer suddenly and unexpectedly finds that it is unable to obtain production materials such that it is impossible to continue operations, that employer may shutdown the business before the expiration of the notice period under the bill as it stands now. The exemption currently in the bill is more than sufficient to cover the situation envisioned by Senator WILSON. There is no need for this new exemption.

The exemption provided in the bill is drafted so as to provide a standard protection against unforeseen business circumstances for all employers.

Do we have to nit-pick the details of every kind of unforeseen circumstances? We should not be amending the bill to spell out every scenario that would qualify an employer for the exemption. Rather, we should set the overall standard. The circumstances of each case will dictate whether the exemption applies. We cannot anticipate those circumstances, and we should not try, as Senator WILSON does with his amendment.

I should point out that my colleague is on the record as unalterably opposed to mandatory notice of plant closings and mass layoffs.

My colleague from California has voted consistently against providing the protection of mandatory notice in the event of plant closings or mass layoffs. There has been no indication of any willingness to accept the concept of this legislation at all. But now we find, in the late hours, that he comes forth with an amendment that would provide a special kind of exemption.

I might understand the amendment better if someone had been voting or indicated they wanted the bill and thought there was a problem here. But here is a Senator who recently said about the mandatory notice provision, "The plant-closing provision is stupid."

Tell that to the workers who have given 20 and 30 years of their lives for a plant, and suddenly the plant closes down, without any notice; and they say to the employer, "Why couldn't you have given me 60 days' notice?" Then the employer says to them, "A plant-closing notice would be stupid."

Here is a Senator who is on record as saying this is a "narrow, parochial, and counterproductive proposal that has few short-term benefits for workers but levies a great long-term cost on the entire Nation."

What I said last week to my colleague from Texas, Senator GRAMM, holds true for Senator WILSON: We could rewrite every comma and every period. We could change the semicolons. We could change the colons. We could turn this bill on its side, and Senator WILSON would still vehemently oppose this bill. The reasoning behind his amendment, therefore, is suspect.

Apart from being unnecessary, the amendment is ridiculously vague. It is full of ambiguous phrases that invite lawsuits. Who will determine what defines a "sufficient supply" of materials? Is that enough for 1 week, 1 month, 3 months, 2 days? Who will decide what a "competitive cost" is? Is that something actually the same as the cost that had been paid, or is it some cost that is within 2 percent, 5 percent, 10 percent, or 50 percent? The courts will decide.

I do not want to make litigation. I do not want to make lawyers rich with this bill. I have heard the bill criticized as being a lawyer's kind of bill. This bill is not a lawyer's bill but this amendment is an amendment to play into the hands of the lawyers.

I only wish my colleague from California would understand the importance of a mandatory advance notice law, a law without the gaping loopholes he proposes in his amendment.

I hope he would understand that what we are talking about is giving people a chance to readjust, retrain, find new work, and let the employer help them in that respect, rather than send them into the jobless lines for unemployment compensation. This is a bill to help keep people working. We do not want to go in the direction of just getting them unemployment compensation.

What effect would this amendment have had on the 200 steelworkers in Emeryville, CA, who lost their jobs on no notice whatsoever when Judson Steel closed its doors in 1986? With the giant loophole proposed by Senator WILSON, the same thing could happen to those workers in 1988. It is a mystery to me why Senator WILSON apparently believes that those 200 steelworkers—and thousands more workers throughout California—should not be entitled to 60 days notice before being tossed onto the street. Regrettably, his amendment would do nothing to help those workers.

Unfortunately, the courts would have to decide. It is clear, without a doubt, that this amendment will lead to litigation over those terms.

As I have repeatedly said, we are seeking to minimize the confusion over this law. The Wilson amendment simply adds to the confusion and for no good reason because the hypothetical situation it seeks to address is already covered by the bill.

I intend to move to table the Wilson amendment at the appropriate point.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator reserves the remainder of his time.

Who yields time?

Mr. HARKIN. Mr. President, I wonder if the Senator from California or perhaps the Senator from Ohio will yield 4 or 5 minutes.

Mr. METZENBAUM. How much time does the Senator from Ohio have remaining?

The PRESIDING OFFICER. The Senator from Ohio has 10 minutes remaining.

Mr. METZENBAUM. I yield 5 minutes to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, I appreciate the Senator's yielding me this time inasmuch as I feel that I am going to be a supporter of the Wilson amendment.

I would like to say to my friend from Ohio that I am not one of those who thinks this is a stupid bill. I happen to be a strong supporter of the plant-closing bill. I think my votes, my speeches, the positions I have taken are clearly indicative of that.

However, a unique situation has erupted this late spring and early summer in my home State and in the State of the Senator from Ohio and in other States. I am speaking of the tremendous drought facing us. We primarily think of a drought in terms of dried up corn, beans, wheat, oats, and grain crops. We do not think about the residual effect this drought is having on the livestock industry.

Mr. President, I have been in conversation with some of our meatpackers in Iowa, and it has come to my attention that the provision that is in the bill, S. 2527, regarding the exemption for unforeseen business circumstances may not in fact reach certain problems they face. Because of the vagaries of the meatpacking business, the weather, and Federal agriculture policies, it is difficult to ever fully know what the supply is going to be at any one given point in time. The packers go out and buy their livestock, they buy the hogs, they buy the cattle, but they have no control over the supply. Many of the smaller packers may indeed be in competition with some of the bigger ones for that reduced supply of livestock and it is the smaller packers that I am concerned about. Sometimes they cannot compete with the giants. If the supply is adequate, they can get enough raw material; they can get enough animals in to keep their people employed and to keep operating.

But because of the huge liquidations that are now going on, a lot of farmers sending their cattle or their hogs to market early anticipating that feed will not be available later on, we may come to a period yet this fall where the supplies of the meat products will be in very short supply. If that happens then, the big packers, the IBP's, Cargills, and the others, are able to go out and get their supply. The smaller ones will not be able to. Yet some of the smaller ones are the ones paying the higher wages, they are some of the ones who have union employees and are paying good wages; yet because of the circumstances they are not able to keep their people employed and they lay them off for a while. This happens a lot in the summer because of the vagaries of the pork industry where right now I guess the demand for sausage is down. They lay some of their pork people off and bring them back in a couple of weeks or months later.

One of the smaller packers I have been in contact with is FDL Foods of Dubuque, IA. It is a good company with healthy labor-management relations. FDL has been a fine corporate citizen of Dubuque for over 30 years. Iowa wants to keep companies like FDL.

It is their opinion, and I think I share that opinion with them and with the Senator from California, that the exemption provisions in the bill are not specific enough to address this kind of a specific industry and instance.

I believe the amendment as drafted by the Senator from California will address their situation.

I would just point out to my friend from Ohio, the distinguished leader on this bill, who has done a great job and for whom I have the utmost admiration, that the wording in S. 2527 says that an employer may order plant closing or mass layoff before the conclusion of the 60-day period if the closing or layoff is caused by business circumstances that were not reasonably foreseeable as of the time that notice would have been required.

I think there is a problem with that, "as of the time that notice would have been required." Quite frankly, an argument could be made that this would not fit the meatpacking industry. So that is why I feel the amendment drafted by the Senator from California regarding the inability of the employer to obtain at competitive costs sufficient supplies of materials really addresses the unique situation that we have in the meatpacking industry.

And that is why I feel constrained to support his amendment.

The Senator may have others in his home State that this applies to that I cannot speak to, but I sure can speak to the meatpacking industry in my State, and this amendment is one that will be sorely needed by them.

The PRESIDING OFFICER. The Senator has consumed the 5 minutes that was yielded to him.

Who seeks recognition?

The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I have a lot of respect for my colleague and also my good friend from Iowa, and I want to say to him that without this amendment, in all likelihood that situation is already covered.

Let me point out to him, first of all, the response I gave to the Senator from California having to do with unforeseeable circumstances, and we believe that that would take care of the situation he mentioned. But let me go further: He may not be aware of the fact that Senator DOLE and Senator KARNES offered an amendment which we accepted the other day providing that no notice under this act shall be required if the plant closing or mass layoff is due to any form of natural disaster such as a flood, earthquake, or the drought currently ravaging the farmlands of the United States.

We specifically provided to take care in a drought that causes a problem for those meatpackers that results in the mass layoffs or plant closing; it is already provided for in the amendment that was already adopted and accepted by the Senator from Ohio.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WILSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILSON. Mr. President, could you tell me against whose time the quorum call is being charged?

The PRESIDING OFFICER. As always, under the rules, the time is charged against the Senator who called the quorum.

Mr. WILSON. Could you tell me, Mr. President, how much time remains to the Senator from Ohio and how much time remains to the Senator from California?

The PRESIDING OFFICER. The Senator from Ohio has 27 seconds remaining. The Senator from California has 10 minutes and 23 seconds remaining.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from California has the floor.

Mr. WILSON. Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from California reserves the remainder of his time.

Mr. METZENBAUM Mr. President, I wonder if the Senator from California is prepared to yield back his time in order that the Senator from Ohio can offer a motion to table?

Mr. WILSON. I beg the Senator's pardon?

Mr. METZENBAUM. Is the Senator from California prepared to yield back the remainder of his time in order that I may make a motion to table?

Mr. WILSON. No, I object to that.

Mr. METZENBAUM. I doubt that there is anything more I need to say.

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

The Senator from California has the floor.

Mr. WILSON. Thank you, Mr. President.

Mr. President, I listened with interest to my colleague from Ohio. I think that in the colloquy that he had with our friend from Iowa, the Senator from Iowa, Mr. HARKIN, it became clear why this amendment is necessary. Frankly, whatever the good intentions of the Senator from Ohio, his language is inadequate. Indeed, what he sought to do was to allay the fears of the Senator from Iowa by pointing out that the Dole and Karnes amendment of last week would deal with the specific situation of stock shortages traceable in some way, in some significant measure, to a drought or other natural disaster.

Well, the problem, of course, Mr. President, is that the language of the Dole-Karnes amendment does not state over what period that causality will be traced; how far into the future after the cessation of a drought will that language apply. Is it simply in the year of the drought? Is it in the year after the drought ends? Is it 2 years after it? Well, that is not clear and it is not going to get clear from that language. So the answer is, we should make it clear.

The same thing remains true with regard to the other examples that I cited, which were simply examples. What we have put into this amendment is a standard and it is a reasonable standard. The language is very easy to understand. It does not give rise to lawsuits. The language, the phrases, all have accepted meaning in the law.

So what we have found is that the Metzenbaum language is vague. It expresses a good intention but it is inadequate in that it will give rise to serious questions of fact that will have to be disputed, and they will be disputed in court. That is not much of a remedy, particularly for small business men and women, be they manufacturers or suppliers of services who are struggling to remain in business. Should they have to be put to the further expense of defending a lawsuit against their own Government when all they are seeking is the legitimate exemption that should be theirs when, through circumstances totally beyond their control, they are denied an adequate supply of raw materials with which to either manufacture goods or to supply services? Now that is the basic issue and it is very simple.

Whatever his good intentions, the Senator from Ohio simply has not gone far enough. Rather than creating lawsuits, this amendment would eliminate them, because it does provide a standard, and an entirely reasonable and fair standard, without which this legislation is seriously lacking.

And since my friend from Ohio has flattered me by quoting some of that deathless rhetoric, I will be fair to him and say that the criticism was aimed at legislation that had not undergone the several amendments that have since improved this legislation and made it less harmful, despite its good intentions, than as it was introduced.

The Dole amendment is one such. This is another. What this says is that if an employer, through no fault of his own or her own, is deprived of sufficient raw material to continue manufacturing his product at a given level of activity, then he will be exempted from the notice requirements and the penalties that attach to violation of this legislation. It says that someone who provides services and who is constrained from providing services and employing the same number of people that it has been his habit to employ because he cannot get raw materials, because of the voluntary restraint agreement or because of a natural disaster, or for whatever means, is prevented from being required to suffer unfairly a penalty that he should not be required to suffer and that inevitably will pass on to what remaining employees he is able to keep on his payroll.

Competitive costs is a phrase that is understood in the law. So are import restraint programs. They refer to voluntary restraint; they refer to the multifiber arrangements; they refer to statutory restraints; section 201 relief, all of those things with which Members of this body are long familiar. And whether or not imposed by statute means that it would apply to either administrative relief or that compelled by a statute. It would apply in the case of a voluntary restraint agreement or the multifiber arrangement, as well as something that has been enacted in statute; for example, the steel import quotas, the textile bill, both of which have failed but they are examples of what we are talking about in terms of something imposed by statute.

And whether or not imposed unilaterally or bilaterally. The 201 relief is unilateral. Voluntary restraint agreements are bilateral. The multifiber arrangement is multilateral. What difference does it make to the employer or his employees if they cannot get what they need in order to work?

The worst objection, the strongest argument raised by the Senator from Ohio against this amendment is that it is redundant. Well, my God, if we do nothing worse on this floor than be redundant, the Republic will be safe, indeed.

But this is not a case of redundancy. It is a case, rather, of clarifying and giving needed relief to a provision that, however well intended, is vague and imprecise in its terms to the point where, necessarily, it will result in disputes as to whether or not something was reasonably foreseeable or whether or not the employer should have made some Herculean arrangement, whether possible or not, to prevent it.

Now, that just is not fair, Mr. President—not fair to the employer, more importantly not fair to those employees whom he is struggling to keep on his payroll while he is struggling to keep the doors open.

If it seems to the Senator from Ohio that I was, perhaps, harsh in the emphatic criticism I made of his bill as introduced, well, I do not intend to hurt his feelings. I am concerned about employees. I know what his intention is. But I think that, very likely, certainly as the bill was introduced, it risks serious harm to the continued employment of a number of people whom he would like to see employed. We all would like to see that. There is no argument about that.

There is an argument as to whether or not the effect of this bill will be achieved. I will tell you that, without this amendment, it is very clear that this good intention will result in a number of people likely losing their jobs, perhaps, ironically, while a lawsuit is in progress, because the employer really cannot keep his doors open. How foolish. How counterproductive to the very purpose, the stated purpose of the legislation.

So, Mr. President, whether we are talking about meatpackers in Iowa, steelworkers in California, or a diaper service in New York City, all these people want to do is work. And if they are denied that opportunity, not through any fault of their own or their employer, but because the employer cannot get what he needs to keep the doors open, it is crazy to add a further penalty.

Mr. President, I yield back the remainder of my time and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I move to lay the amendment on the table.

The PRESIDING OFFICER. The Senator from Ohio moves to lay the amendment on the table.

Mr. METZENBAUM. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, I suggest the absence of a quorum. I suggest the cloakrooms inform Senators that a rollcall is about to begin.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CONRAD). Without objection, it is so ordered.

There being no further debate, the question is on agreeing to the motion to table the amendment of the Senator from California, amendment No. 2487. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Nevada [Mr. HECHT], the Senator from North Carolina [Mr. HELMS], and the Senator from Alaska [Mr. MURKOWSKI] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 58, nays 37, as follows:

[Rollcall Vote No. 223 Leg.]

YEAS—58

Adams
Baucus
Bentsen
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cohen
Conrad
Cranston
Danforth
Daschle
DeConcini
Dixon
Dodd
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Graham
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Proxmire
Reid
Riegle
Rockefeller
Roth
Sanford
Sarbanes
Shelby
Simon
Stafford
Stennis
Weicker
Wirth

NAYS—37

Armstrong
Bond
Cochran
D'Amato
Dole
Domenici
Evans
Garn
Gramm
Grassley
Harkin
Hatch
Hatfield
Heinz
Humphrey
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Nickles
Pressler
Pryor
Quayle
Rudman
Sasser
Simpson
Specter
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NOT VOTING—5

Biden	Hecht	Murkowski
Boschwitz	Helms	

So the motion to lay on the table, amendment No. 2487, was agreed to.

Mr. METZENBAUM. I move to reconsider the vote by which the motion was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. If the Senate will be in order, we can proceed with the business of the Senate.

The majority leader.

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow the foreign operations appropriations bill follow the D.C. appropriations bill, and that the majority leader, after consultation with the minority leader, may go back and forth between those two bills at any time.

The PRESIDING OFFICER. Is there objection?

Mr. ARMSTRONG. Mr. President, reserving the right to object, I wonder if the leader would withhold that for a moment while I consult with the Republican leader.

Mr. BYRD. Yes. I withhold that.

Mr. President, I withdraw the request. I put it like this: I ask unanimous consent that at the conclusion of morning business on tomorrow, the Senate proceed to the consideration of the foreign operations appropriations bill, to be followed by the D.C. appropriations bill.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that the time on the amendment by Mr. QUAYLE be reduced to 20 minutes under the control of Mr. QUAYLE, 10 minutes under the control of Mr. METZENBAUM.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I yield the floor.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. I ask unanimous consent that I be permitted to proceed as if in morning business for 5 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. QUAYLE. Mr. President, reserving the right to object, we are going to try to finish this and vote at around 4 o'clock. You add 20 minutes and 10 minutes, that is 30 minutes, which gets you to 4 o'clock. I do not have any problem. That means the vote may be at 4:05 and it may be somewhat of an inconvenience. Could the Senator wait for the disposition of this amendment? I am not going to object, Mr. President. I just want to point out to the Senator from Arkansas that we are attempting to vote at 4 o'clock. If he wants to go ahead, fine.

Mr. BUMPERS. I thank the Senator.

Mr. President, for many years as the chairman and ranking member of the Senate Public Lands Subcommittee on Energy——

The PRESIDING OFFICER. Will the Senator suspend for one moment.

Mr. KENNEDY. Was the question put, Mr. President?

The PRESIDING OFFICER. Without objection——

Mr. KENNEDY. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

AMENDMENT NO. 2492

The PRESIDING OFFICER. The amendment of the Senator from Indiana is at the desk.

Mr. QUAYLE. Yes. Mr. President, I call up an amendment that has been filed, amendment No. 2492.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Indiana [Mr. QUAYLE] proposes an amendment numbered 2492.

Mr. QUAYLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Page 2—strike line 18 through line 7 of page 3 and insert in lieu thereof:

during any 30-day period for 75 or more employees excluding any part-time employees;

(3) the term "mass layoff" means a reduction in force which—

(A) is not the result of a plant closing; and

(B) results in an employment loss at the single site of employment during any 30-day period for—

(i)(I) at least 50 percent of the employ-

Mr. QUAYLE. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator is recognized for 10 minutes.

Mr. QUAYLE. Mr. President, this is the so-called compromise amendment that was discussed last week before we adjourned. This is the amendment that would have ensured, in my judgment, passage of this legislation. It would have given a convincing vote on this legislation that, if a veto would have been forthcoming—perhaps there would not have been—there would have been enough votes to have overridden the veto.

The offer on this compromise was made Tuesday evening to the manager of this bill. It was withdrawn Wednesday morning. That is perfectly proper. I am going to offer this compromise amendment to try to get the Senate to come to grips with this legislation and to pass it and we can have a good bipartisan vote on this bill.

Mr. KENNEDY. Mr. President, the Senator from Indiana is entitled to be heard. He was accommodative in working out the time limit. Could we have order in the Senate so we could listen to the Senator and respond to his arguments? I thank the Chair.

The PRESIDING OFFICER. The Senator is correct.

The Senator from Indiana may proceed.

Mr. QUAYLE. Mr. President, this compromise amendment deals with two parts of the bill. It deals with the layoff provision and it deals with the definition of a plant closing. Under the layoff provision, the current legislation says that notice will be given if a third of the work force is laid off. We increase a third of the work force to 50 percent of the work force.

Let me remind the Senate that this only applies to businesses of 1,000 employees or less because even under my amendment, on those layoffs that involve more than 500 employees, notice must be given. So what you are talking about basically are employers from around 150 to 200 employees to those of about 1,000. We felt, in a spirit of trying to reach an accommodation, moving that one-third to 50 percent would certainly be something that would be done for the layoffs from these small- and medium-sized businesses. Those over 500 notice legislation call for that. But this is a provision particularly when you have the 6-month time period in this legislation, 6 months if in fact you are going to hire them back for 6 months—you do not have to give notice. If it is over 6 months, you have to give notice. What we are trying to do is make it a little bit larger pull and, as I said, in the spirit of compromise this was offered. We took the 50 percent, which I think is a step in the right direction.

The other change deals with the definition of plant closing. Right now Members of the Senate may be under the misimpression that if in fact you lay off people, it would have to be at least a third. That is not necessarily the case because you could lay off people in the way the legislation is drafted, lay off 50 people on a site, and you may have 500 people, or you may have 1,000 people. If you lay off 50 people and it closes down an operating unit or a facility—only 50 people—that constitutes a plant closing even though it really may be in the minds of the employer a layoff. So what you have is a rather unique definition of plant closing. Under the definition of plant closing is this layoff provision. We had hoped to get that up to 100 or 150. We talked originally about 100. The compromise was 75, splitting the difference. So this amendment is very straightforward. It increases the mass layoff provision from 33 percent to 50 percent.

On the definition of plant closing, which says that if you close an operating unit or facility, instead of 50 employees, 75 employees, if this amendment would be adopted; and if in fact this offer could be reconstituted as it was Tuesday evening, withdrawn Wednesday morning, I guarantee not only my support but you will have a significantly large bipartisan vote for the plant-closing legislation. And it will become law this year.

If we do not pass this amendment, we could go on and get the final vote. I do not know where the votes are, and I do not know where the votes are anticipating an override. If this amendment is adopted I am not entirely convinced that you might be able—those of us that have been on opposite sides of this—to prevail on the President to either sign the bill or let it become law without his signature. But that may not be the choice of the Senate. But I figured in the closing hours of this debate we ought to at least have one more go at it.

I offer this compromise amendment as it was proposed Tuesday evening last week in hopes that we can in fact get a good vote on this and the bill would pass. I imagine there will be still some dissent, but a dissent that would not register enough to sustain any kind of veto.

Again, Mr. President, this takes up the mass layoff provision notice requirement from 33 percent to 50 percent but again this would only apply to those that have employees of a thousand and under. Those that have employees of a thousand or more this would not apply to. So basically it is affecting those employers of 150, 200, 300 or 400 people—from a third to 50 percent. Then—which is probably another part of this legislation—I doubt if too many Senators really know that you can have a layoff and not really constitute a third but have a layoff and only have 50 people laid off, and you would have to give notice. It is the way the definition of plant closing is written in this legislation.

The definition of plant closing says if you have a facility or an operating unit, even though you may have a thousand employees or 2,000 employees, if you close down a facility, or an operating unit of 50 employees, that constitutes a plant closing even though your plant is going to remain open. You may lay off 1 percent, 2 percent of your total employees at that particular site and that by the definition is a plant closing. It is sort of a backdoor way in saying, well, on the one side we are saying mass layoffs is really a third, but on the other side it only really is 50.

So in the spirit of compromise we take the 50 up to 75 and we take the one-third up to 50 percent. The spirit in which this compromise was offered was one of compromise and accommodation. Unfortunately, it had to be withdrawn, and in the spirit of compromise and hoping to see legislation pass I offer it here this afternoon and hope to get a good vote on it.

I retain the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. Who yields to the Senator?

Mr. METZENBAUM. Mr. President, I yield the Senator from Massachusetts 5 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 5 minutes.

Mr. KENNEDY. Mr. President, hopefully we are coming into the final moments of the debate on this issue. I think all of us who have supported this proposal welcome the very strong bipartisan support of the Members of this Chamber to reach a final conclusion because that is really the message that the acceptance of cloture demonstrates. I think it is important to note that the collision that has been built up over this particular proposal over really about a year and a half is assembled again. It is actually expanded. I think the early years is a clear indication that the membership wants this issue resolved, and that we should move on to other matters.

I want to express appreciation to the Senator from Indiana for the spirit in which he has offered this amendment. He has accepted the concept that workers ought to have notification when we are going to have layoffs and when we are going to have plant closings. I think this is important. Those of us who worked with him when he was former chairman of the Manpower Committee of the Labor Committee know that he takes these issues, particularly with regard to this type of a question, seriously.

So now in the final hours we find an adjustment of the numbers, questioning about the definitions, but nonetheless the Senator from Indiana has accepted that Americans—and in this case we are talking about millions of Americans, many of them who have worked over a lifetime—at least ought to be given the opportunity for notification when they are going to be laid off, and in so many instances laid off means losing their jobs or if they are going to lose their job.

That is an important achievement. I commend the Senator for reaching that conclusion at the end of this debate.

Mr. President, one fundamental point; that is, for every little adjustment that is made, moving from 50 to 75, moving from a third to a half, we are talking about hundreds of thousands of workers. It may be simple in the final hours here just to say all we are going from really is a third to a half. This is really not very many. All we are really doing is changing the numbers from 50 to 75. We are talking about hundreds of thousands of workers who in one instance will get notification, so that they can put their lives together and the lives of their family, the lives of their children, so that they can acquire training, go on into other types of endeavors and employment, and those that will not because somehow they just did not make that mathematical kind of an equation.

Mr. President, I would certainly hope this amendment would not be accepted because that is what we are talking about. We are talking about hundreds of thousands of lives, and families that will be affected should that particular amendment be accepted.

Finally, Mr. President, these numbers and these figures that are included in this proposal do not come out of whole air. They are not just numbers that are picked up and sound good, 60 and 50 and whatever the numbers are. This is on the basis of studies that have been done by the National Academy of Sciences, by the Office of Technology Assessment, and in the one instance the 60 days is absolutely essential, the bare minimum in order for training programs to have effect. Then they review the other kinds of figures and times and dates to make sure that we would not be affecting adversely the smaller businesses and those that might be most at risk. Sure there has been some modification, and I think as one who had supported some adjustment in those numbers that happened to be the fact, and no one is walking away from that. But the basic point that has to be accepted is that the bare numbers that we have in this legislation are really the bare minimum, in terms of time and in terms of equity and fairness in balancing off those that would be affected either by layoffs or be unemployed.

So, Mr. President, I would hope that we might be able to reject this amendment. We have had I think an adequate debate on both the numbers, the times, and the implications that this is going to have in terms of the American economy.

I will not take the time of the Senate now to reiterate the past studies and records that have taken place in various countries. Canada, our closest neighbor, follows much more elaborate procedures than this.

The time is past. We now have to decide whether it is going to be notice for those who will be laid off.

I hope the amendment of the Senator from Indiana will be rejected.

Mr. METZENBAUM. I yield myself 5 minutes.

Mr. President, the Quayle amendment proposes a significant reduction in the number of workers who would benefit from the advance notice requirement.

I think the Senator from Indiana has actually been trying very hard to bring about a resolution of the differences that exist in this body. But I think the time has passed, and we are not going to be able to achieve that objective.

This is the 7th day that this bill has been on the floor. For the previous 6 days, the main focus of debate has been notice for mass layoffs. The substitute bills offered by Senator Kassebaum, Senator Domenici and others all accepted the basic plant closing coverage. There was virtual unanimity in the Senate on the plant closing section of the bill. Now on the 7th day, Senator Quayle seeks a major change in the basic coverage of plant closings.

We cannot allow this last-minute attempt to cut into plant closing protections. It is unwarranted. It is contrary to the position taken on this floor just last week by those who supported the Domenici and Kassebaum substitutes.

The Quayle amendment also changes the basic definition of a "mass layoff." By increasing the percentage of the work force to 50 percent, the amendment eliminates notice for tens or hundreds of thousands of workers each year. What can you say to those workers? They still will be out of work for more than 6 months through no fault of their own. They still must support their families, pay the rent, put food on the table. They still will have to pick up the pieces of their shattered dreams. The only difference is that Senator Quayle would not give them 60 days' advance notice. There is nothing you can say to those workers, because Quayle's amendment is simply unfair.

We have gone far enough. We cannot and should not go any further. We have crafted a compromise that is fair to workers, to their communities and to employers.

We have accepted a number of amendments. We think that to go any further would be unfair to the communities and to the employers.

As the Plain Dealer, in Cleveland, said today:

> Many Republicans, sensing a no-win situation, have dropped their earlier opposition to the legislation and last week offered some compromises. But any further weakening of the proposal would leave a paper tiger that wouldn't be of much value to anybody. The Senate should pass the proposal as is, so lawmakers can get on with clearing other badly needed legislation.

I could not agree more with the Plain Dealer, of Cleveland.

I urge all my colleagues to reject Senator Quayle's attempts to weaken this bill. I will move to lay this amendment on the table.

Mr. QUAYLE. I yield myself the remainder of my time.

Mr. President, first, let me state to the chairman of the committee that in the past we had very minor differences on how we ought to address dealing with the dislocated workers and the employment issue. We have had some philosophical differences with respect to what the role of the Government should be, particularly in plant closing legislation.

He is absolutely right: This Senator has come a long way toward adopting what will prove to be good public policy. But I know where the votes are, and I know the politics of the situation.

Now, confronted with having some sort of mandated plant closing legislation, I am willing to try to find some degree of moderation and something I think will be a very good approach and could swallow hard but live with it. He is absolutely right. I was prepared to swallow hard and live with the offer that my friend, Senator Metzenbaum, made last Tuesday evening, after a lot of discussion.

I want to congratulate the Senator from Ohio for attempting to work out something. As he said, the hour is apparently too late. We were in the process of having it worked out last week. Unfortunately, the offer had to be withdrawn Wednesday morning, and we are here this Wednesday, a week later, still debating the plant closing legislation.

I did want to offer this amendment. I do not believe it should be categorized as unfair. As a matter of fact, if things had worked out the way it was anticipated, this probably would have been a Metzenbaum-Quayle amendment, and then I am sure it would have been labeled very fair. In the spirit of compromise, it would have been a decent, civil thing to do for the working people in America. It did not work out that way. I am the sole author now, and I do not want it categorized as an unfair amendment, because this would have been the most fair and humane amendment to come along in a long time.

We are adults and know the situation. I do not know where the votes are on an override—in the Senate or in the House.

The spirit of the offer was: "If we are willing to make this offer, the Senator from Indiana and the others should be with us on the override." That is the situation that would have been worked out. We would still have dissent on this side, still would have a number of Senators voting against it. That is not the situation.

Mr. President, to summarize what this amendment does, for those who may be listening, the compromise amendment increases the threshold for mass layoffs from 33 to 50 percent. The definition of plant closing which closes down an operating unit or a facility can be as small as 50 employees, and we increase it to 75 employees.

This amendment, in my judgment, is a substantive, significant amendment. I do not believe it will do the untold damage that the Senator from Massachusetts has pointed out—millions of people.

I think it addresses the layoff provision, which has been a real issue all along. The Kassebaum amendment addresses the layoff provision. I have had a number of amendments filed dealing with the layoff provision.

I do not think there is any dispute, and there has never really been any dispute, as to whether employers should give notice to employees. That has not been in dispute between myself and the Senator from Massachusetts. The dispute has been on how we are going to enforce that, whether it should be mandated or voluntary, along the Dukakis plan in Massachusetts.

The Dukakis plan in Massachusetts is a voluntary approach, and some thought that would have been a preferable route to go—not that we want to get into praising Mr. Dukakis of Massachusetts. We will leave that to others. We like to bandy his name around when it fits our needs, and here it fits our needs, because his was a voluntary approach in Massachusetts; and the Senator from Indiana and others wanted a voluntary approach rather than the mandatory approach that the legislation has.

Be that as it may, Mr. President, this compromise amendment is a fair amendment. We can close this book and vote on it. Then the Senator from Ohio and the Senator from Massachusetts and the Senator from North Dakota, the Presiding Officer [Mr. Conrad] can sleep well tonight, knowing that this is going to be enacted into law this year. However, I am not so sure how well they should sleep in passing this bill as it is.

They can say, "We'll do it next year and keep doing it again and again, and eventually it will become law. Something will."

But you send this train down and if it does not make it all the way, then you have to start over and see what other compromises have to be made. I am saying this compromise will shut the chapter of plant-closing legislation, put it on the books, and then we will see how it takes place.

We have the Bumpers amendment on there that will give us a study back later on to see how well it has gone. Hopefully, it will not be the type of situation that is in Europe. This is a more modest approach. I will admit to that.

But if this amendment is not adopted, then the outcome of this legislation this year I would say is in doubt. I do not think anybody has a firm count on a veto override. I think many Senators, some on this side, indicated to me, though they may vote for it on final passage, they will be willing to support the President if in fact he vetoes it, and we still have the House of Representatives.

If you want legislation this year, this is the way to get it. If you want to just continue the political battle, which everyone has a right to do, we will continue it and then that will be the choice that the Senate will make in a very short period of time.

I retain the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Ohio controls 1 minute and 40 seconds.

Mr. METZENBAUM. Mr. President, how much time does the Senator need?

Mr. KENNEDY. The time the Senator from Ohio does not need.

Mr. METZENBAUM. I yield 45 seconds.

Mr. KENNEDY. Mr. President, if we accept the Quayle proposal, I do not know the names of those hundreds of thousands of workers or who their families are that will lose out with it. Maybe we will know the handful of Senators who grudgingly after 1½ years accepted what the American people understand is fairness and decency.

I do not quite believe that that is a deal that this Senate would hope to make. I think those American families are entitled to notification. And I would hope for the reasons stated earlier that this amendment would not be accepted.

Mr. METZENBAUM. Mr. President, I ask my colleague from Indiana if he would be good enough to yield to me 1 minute of his time. He has 5 minutes and 9 seconds remaining.

Mr. QUAYLE. I yield 1 minute.

Mr. METZENBAUM. I thank my colleague.

Mr. President, I address myself briefly to the matter of so-called negotiations that were going on. They continued for several days. They involved Senators KASSEBAUM, DANFORTH, QUAYLE, PACKWOOD, and other Senators.

We are, indeed, looking to see if we could find some solution so that as many Members as possible could join in supporting this legislation. We did not want to leave any workers by the wayside and we do not want to leave any workers by the wayside.

We think all workers are entitled to the 60 days' plant-closing notice, but in the legislative process there oftentimes is some give and take and the Senator from Indiana would come up with an idea, the Senator from Ohio would come up with an idea and the conversations continued as well with the Senator from Kansas.

The facts are that we never were able to come to a conclusion where the Senator from Indiana was able to say "If I could get this particular agreement I know that we would be able to bring 2, 4, 6, 8, 10 Senators along with us." He had to check with his Members on that side.

The Senator from Ohio had the same kind of responsibility in order to determine how far the Members on this side were willing to go.

It is only fair to point out we never were able to come to agreement.

I do want to indicate to my colleague from Indiana that the negotiations were all conducted in an amicable and meaningful way. I think each person was trying to move toward the solution of the differences. We were unable to reach that solution, but I do appreciate the efforts that he made, and the efforts the Senator from Kansas made, and I tried with them that we might reach a solution.

I hope that we will be able to bring along enough Senators so that the President will see fit not to veto this legislation. If the President does veto it, I hope in the interest of fairness, decency, and humaneness to workers terminated by reason of a strike or layoff we will be able to put the measure into law over that veto.

I thank my colleague for the additional time.

The PRESIDING OFFICER. The Senator's time has expired. The Senator from Indiana has 4 minutes and 27 seconds remaining.

Mr. QUAYLE. Mr. President, I yield myself the remainder of the time.

Mr. President, I think all has probably been said about this amendment.

Just in final summary, this is the compromise amendment that unfortunately had to be withdrawn. It was offered on Tuesday evening. It was withdrawn Thursday morning.

I offer it today to give one last shot at working out a position that in fact will guarantee that this bill be enacted into legislation. Without it, I think the legislation is in doubt.

I think that the amendment is not only a reasonable one but does in fact go a little bit toward the concerns I and others have on how we are going to deal with these layoff provisions. The layoff provisions have been the most sensitive matters and so I offer this compromise amendment, and it is a compromise amendment, the Senator from Ohio having made that offer a week ago Tuesday night, having been a very effective manager of this bill trying to see if things could be worked out and unfortunately they were not. That does not mean that the Senator does not in fact have to pass judgment and to look at this amendment, look at it on its merits and hopefully will vote for the amendment and then we can be on with it. If not, we will probably be revisiting this issue periodically.

Mr. METZENBAUM. Mr. President, I move to lay the amendment on the table and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Ohio to lay on the table the amendment of the Senator from Indiana.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Nevada [Mr. HECHT], the Senator from North Carolina [Mr. HELMS], and the Senator from Alaska [Mr. MURKOWSKI] are necessarily absent.

The PRESIDING OFFICER (Mr. SANFORD). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 63, nays 32, as follows:

[Rollcall Vote No. 224 Leg.]

YEAS—63

Adams
Baucus
Bentsen
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Heflin
Heinz
Hollings
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Roth
Sanford
Sarbanes
Sasser
Shelby
Simon
Stafford
Stennis
Weicker
Wirth

NAYS—32

Armstrong
Bond
Cochran
Dole
Domenici
Evans
Garn
Gramm
Grassley
Hatch
Hatfield
Humphrey
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Nickles
Pressler
Quayle
Rudman
Simpson
Specter
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NOT VOTING—5

Biden
Boschwitz
Hecht
Helms
Murkowski

So the motion to lay on the table amendment No. 2492 was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. KENNEDY. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The **PRESIDING OFFICER.** There will be order in the Senate.

The majority leader.

Mr. BYRD. Can we have the third reading?

The **PRESIDING OFFICER.** The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. BYRD. Mr. President, I have conferred with the distinguished Republican leader.

Mr. QUAYLE. Mr. President, can we have order?

The **PRESIDING OFFICER.** There will be order in the Senate.

Mr. BYRD. Mr. President, I have conferred with the distinguished Republican leader and it seems that we might be able to have a vote on final passage at 5:30 p.m. today.

RECESS UNTIL 5 P.M.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 45 minutes and that, upon the reconvening of the Senate at 5 o'clock p.m. today there be 30 minutes for debate to be equally divided between the distinguished Senator from Ohio and the distinguished Republican leader or their designees, and that the vote occur then at 5:30 p.m. today without any further intervening action or debate.

The **PRESIDING OFFICER.** Is there objection?

Mr. DOLE. Mr. President, reserving the right to object.

The **PRESIDING OFFICER.** The Republican leader.

Mr. DOLE. I shall not object. I withdraw it.

There being no objection, the Senate, at 4:14 p.m., recessed until 5 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. REID).

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum and ask unanimous consent for the time to be evenly divided.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I understand we are voting at 5:30. There are approximately 10 minutes remaining for each side; am I correct?

The **PRESIDING OFFICER.** There are about 12 or 12½ minutes remaining to each side.

Mr. KENNEDY. Mr. President, I yield myself 5 minutes.

Mr. President, as we come to the final consideration of this legislation today, I think it is appropriate to consider where we started and where we have come from and to really make just a brief comment about the nature of the debate.

Those who have opposed plant closing legislation over the period of this time have stated that if we had plant closing and plant layoff notification on the law books this would somehow be a serious threat to the American business enterprise, that it would somehow distort our economy, that it would make us less competitive, and that it would put an extraordinary burden, unfair burden on the American business community.

I would like to believe, and I do believe, that those responses to those particular charges have been adequate and sufficient to bring us to a position in just a few moments where the Senate in an overwhelming vote will indicate, Republican and Democrat alike, that what is really involved in this legislation is a very simple and understandable American value, and that is the American value of fairness, fairness to men and women who have devoted in many instances their lifetime to a particular corporation, a particular business, and a particular industry and deserve more than a pink slip at the end of a Friday afternoon to indicate to them that their lives will be disrupted, in many instances dramatically changed in ways that, of course, could have been predictable but because of the decision that was made by American business they would not receive the benefit of adequate notification.

This is a very measured piece of legislation. It is a very modest piece of legislation. There is no question that during the course of debate, I think a very strong case would have been for a more extensive not only notification but to the communities to lessen the impact in terms of the communities where many of these plants exist.

But, nonetheless, it is an important fundamental concept of American fairness and equity and it is one which the overwhelming majority of the American people believe in. With the passage of this legislation, I certainly hope that this President would reconsider his position, which has announced earlier, and say that fairness and equity go hand in hand with the American tradition.

Only a few days ago we celebrated Independence Day. One of the basic concepts of that Independence Day and the Declaration of Independence was a declaration of fairness and equity for the American people. Mr. President, I hope that the President would reconsider his position and state that he believes, as I think a strong majority of this body believes and the House of Representatives believes, that the American workers, American families, deserve this kind of fairness and this kind of equity.

I wish to again commend the Senator from Ohio for his diligence and for his perseverence, and the members of his staff and my own staff who have worked so tirelessly, and many others on our Human Resources Committee. It has been not only those on the Democratic side. We have had extremely important support from our brethren on the other side of the aisle in our committee in fashioning this legislation. And that should be underscored as well when the Senate calls the roll.

Mr. President, I reserve the remainder of my time.

The **PRESIDING OFFICER.** The Senator's 5 minutes have expired.

The Senator from Ohio has 7 minutes remaining. The Senator from Kansas has 12 minutes remaining. Who yields time?

Mr. DOLE. Mr. President, as was indicated, we are going to complete action on this bill at 5:30. I think there have been a number of amendments adopted that have at least improved it some.

As we have indicated from the start, there have been a number of Republican Senators who attempted and have detailed a wide variety of problems that this sweeping legislation may bring about. I know you can argue about equity and what we should do. I guess the matter of controversy is not whether Senators on this side of the aisle, care less than Senators on that side of the aisle, about Americans who receive a paycheck from someone else—as opposed to being the owner of the business. The issue is not that we are opposed to providing fair and reasonable notice of mass employment termination due to the closing of business. Or that we do not support effective and beneficial retraining of Americans seeking to compete with products from abroad.

As a nation, we are all in this together, especially when it comes to competing in international trade. We all want to win in that competition. Frankly, we are not doing very well and have not done very well for years.

All Americans have an interest in ensuring that our fellow citizens—those on the front line of this competition—are guaranteed that they are well prepared through training and are granted the respect they deserve from employers.

I do not know of a single colleague who stood here on either side and said it was a bad idea to give somebody notice if their plant was going to close and that they were going to lose their jobs. In fact, a large number of collective bargaining agreements have addressed this issue and the right is already protected. In most other cases, where employers have the opportunity and where they can do it from an economic standpoint, notice is given. There is an increasing number of employers who provide notice. My view is that they should, when it comes to plant closing.

Then, what is the reason for all the fuss? I guess we have to ask ourselves why someone would get the Federal Government involved. There are some who cannot wait to get the Federal Government involved in mandated benefits, mandated notice. And maybe that seemed to be a good idea to some who look at it without getting into details. Why should it, the Federal Government, demand everybody who has more than 100 employees to keep records? And there are going to be thousands of small businessmen and women who are going to have to compile records now to satisfy requirements in this bill. And again, the Federal Government is taking another step in the direction of telling you what you can do and when you can do it. If you have worked all your life and open up a business; if you have more than 100 employees; if you are going to have a layoff; if you are going to have a plant closing; the Federal Government is going to tell you precisely what you need to do.

Now, where do we stop? Many States have some plant closing notices. The Massachusetts plan has a voluntary program supported, I understand, by Governor Dukakis, who will be the Presidential candidate on the Democratic ticket. The Massachusetts program is not a mandatory plan. He would not go that far. But now he is going around the country complaining because we do not want to go with a mandatory plan.

Why doesn't he ask that his legislature provide a mandatory plant closing in the State of Massachusetts? It seems to me that if he wants to be consistent, then that is precisely what he should recommend to the State legislature. Maybe they could get it done yet this year.

But there are situations where notice has not been given and there are some exceptions—the 100-worker exception, the faltering-companies exception, and one for companies who could not reasonably foresee circumstances that create the need to close the plant. And I must say that there was an amendment that I offered, which was adopted, that would cover acts of God, including the drought, where hundreds of businesses are going to be closed because the farmers do not produce anything. And that means processors, that means meatpacking plants, that means elevators, that means a lot of people who have not yet felt the impact of the drought. First it is the farmer and then it is everybody else down the line or up the line.

It would seem to me that in some of these circumstances, where no one has control over whether or not your business is open or closed, you should not have been required to give notice. If you are going broke, you feel sorry for your employees. But you are the one whose name is on the note at the bank and you are the one who has to make the payments. You are going to be out of business if the provisions of this bill would have applied.

But, wisely, the Senate adopted, by unanimous vote, a provision that said, well, you are exempt.

I think there were many of us who said, "Well, plant closings, OK. Let's go for plant closing."

I think there is more concern about the layoff provision. At one time, we almost had an agreement worked out on each side that would have made this bill much more palatable. It might even have gotten the President to sign it. Maybe he will sign it now. Maybe he will let it become law, I am not certain.

But now we have the proponents come into the fray with a proposal requiring employers to give a 60-day notice prior to implementing a layoff. And that could be in response to a change in business and circumstances and a lot of other things that we cannot decide in the United States Congress what some businessman or businesswoman in Montana or Kansas or California or Missouri or some other State has to contend with.

I have discussed this, or at least had a communication from someone who spent a little time looking at the layoffs, and looking at the issue in detail. He argues that, quite frankly, a very real possible result from this layoff provision is:

> . . . once a company has made the layoffs, it will obviously be slow and reluctant to hire workers. Because, if layoffs were again necessary, it would have to go through the notification process again. The requirement, therefore, would directly and seriously hurt the very workers it is designed to help.

I think it is unfortunate that the real efforts—and I want to commend the distinguished Senator from Utah, Senator HATCH, for his leadership—did not bring about a compromise. He has offered six or seven amendments that have been adopted by overwhelming margins making clarifications and changes in the bill that were necessary. Now, they were described by some as stalling tactics, and they were brushed aside by others, as was an amendment by my colleague from Kansas, Senator KASSEBAUM, brushed aside as a killer amendment. Well, the Kassebaum amendment was a real alternative and would have provided us with a real plant-closing bill.

I can understand a simple requirement of notice in the event of plant closing. I have said, even when they were debating whether or not to veto the trade bill, I said the plant-closing notice requirements is not enough reason for this Senator to veto a trade bill. But it was vetoed.

But if we want to provide what is essentially mandatory 60 days' severance pay for a certain class of workers, we should debate that policy issue. But I do not know why we should pass complicated legislation which is going to provide a lot of job security for lawyers, more than it does for the rank-and-file employees.

I guess the bill will pass today. It will obviously pass with a pretty good margin. It is going to be hailed, as the Senator from Massachusetts hailed it, as a victory for the working people. And who is against working people? None that I know of. In fact, some of us even know working people and we know what their desires are and their goals are. As far as I know, they do not want the Federal Government telling them everything they ought to be doing.

But the impact of this bill may be a big victory for the labor leaders of America. And they have a lot of clout in this body, as I said last week, and they know how to exercise it. They laid down the law: no more amendments; so there are not going to be any more amendments. They told the other side: No more amendments. That is a lot of influence and a lot of clout.

But what about those who sign the paycheck? Not the big business. I am not so worried about them. They did not care either way. They told us they have got bargaining agreements. They do not care. What about the person with 101 employees or 150 employees or 200 employees: A small business. It seems to me we are going to be penalizing the very people we thought we were helping.

So I regret we are unable to work out a better compromise I do not know what the President is going to do when he gets this bill. It is mandatory. It goes far beyond the Massachusetts voluntary program that has been hailed by some as a model, and I would guess that the candidates on that side will now move on to another model called the Federal model.

There are some in this body who want the Federal Government to get into everything, to make every decision, whether it is education or agriculture or business or whatever. I guess we are going to have an opportunity to make a decision here in the next few months, whether we want to go more in that direction or more in the direction of letting Americans make their own decisions.

But, finally I want to commend my colleague from Utah, Senator HATCH, and my colleague from Indiana, Senator QUAYLE. They were the principals on this side of the aisle and they made every effort they could to make this a bill that was acceptable and a bill that would be beneficial to the workers. But, again, when the word came from the labor leaders: "No more amendments, no more efforts to compromise," my friends on the other side closed ranks behind the labor leaders and said: "Let us go for it," and that is precisely what we have.

Maybe the labor leaders understand people with a business of 100 or more. I doubt it. They are used to big business. And they should have some influence—they play an important role in this country. But more people do not belong, than do belong, to labor unions.

How is this bill going to affect the average businessman and businesswoman?

So the Record will reflect that there were a number of amendments that were offered and accepted, thoughtful amendments by the Senator from Utah and others. And they were voted on and they passed by margins of 93 to 0. For those who said the bill was perfect, we should not touch it at all, the Record is right there and disproves every claim made by those who claim we cannot change this bill.

The **PRESIDING OFFICER**. The time of the minority leader has expired.

The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I did not intend to get into this matter but my friend from Kansas talks about this being a big victory for the labor leaders and that labor union leaders laid down the law. Let me say to him that I managed this bill. I managed it when it was first offered on the trade bill. I was there in the conference committee. I managed it on the floor of the Senate as a separate bill. And I say, without any equivocation, I have been in touch with the labor leaders and with no exception they said: Use your own judgment. We trust your judgment.

Labor leaders never dictated this matter. What happened was that after my colleagues on the other side voted down cloture, then a number of Members on this side said: That is enough; we have gone as far as we can. They are not labor leaders. They are U.S. Senators who came to that conclusion, and I was one of those Senators.

Now the Senate is about to vote on the plant-closing provision for the third time in a year. We said over and over again we want this bill. The American people want it. Last July 9, almost a year ago to the day, 60 Senators voted to retain mandatory notice of plant closings and mass layoffs as part of the trade bill. We got the 60 votes because we compromised and made changes and modifications in order to bring more people on board.

This past April, 63 Senators voted for the trade bill on final passage, even after the President had announced he would veto the bill because of the plant-closing provision.

Now we are voting on the plant-closing provision as a freestanding bill. I continue to believe it belongs in the trade bill. But I, along with Senators KENNEDY, ROTH, and others, have offered it as a separate piece of legislation because it is terribly important to American workers and communities. This seems to be the only way to force the issue.

My remarks today are addressed to my Republican colleagues who have chosen not to support this provision in the past. This is your chance. This is your chance to support a reasonable compromise. This is your chance to put aside the rhetoric. This is your chance to recognize that as a matter of common sense, as a matter of economic reality, and as a matter of simple human decency, American workers are entitled to 60 days advance notice before losing their jobs.

I know you've been looking for a compromise. Well, I want you to understand that what we have is a compromise. We modified our original bill last spring in committee, and modified it again on the Senate floor last summer. The House Republicans made further changes in the conference this past March. And now, this past week, we have accepted nine amendments on the floor, amendments offered by Senators BUMPERS, PRYOR, HATCH, DOLE, and KARNES.

This bill is a compromise. But we have compromised far enough. There is a world of difference between a compromise and a copout; a world of difference between compromise and capitulation. The American people have run out of patience. They have spoken overwhelmingly in favor of mandatory notice. Eighty-six percent of the American people want this law. Cities, towns, counties, religious groups, civil rights organizations, labor unions, and newspapers across the country all want this law.

You do not have to believe me. Listen to the voices of those who typically identify with the business community. The Wall Street Journal—the bible of the business community—had this to say on its front page in April:

> The plant-closings language is nothing more than a modest effort to make sure that the few companies inclined to do so don't hide plans to close a plant until the last minute, leaving workers and communities in the lurch. It is squarely in the tradition of such social reforms as the child labor and minimum wage laws. These act to soften the social consequences of free market decisions and thus permit the market continued public acceptance without the sort of deep Government involvement often practiced abroad.

Listen to what Robert J. Samuelson, a nationally syndicated probusiness columnist, wrote earlier this year:

> No one should think that organized labor—the main sponsor of the plant-closing legislation—is actually the principal force behind it. There are certain modest standards of decency that people expect from companies. When these standards are widely violated, public pressure builds for a political solution. On plant closings and layoffs, companies aren't measuring up.

Perhaps you want more of a no-frills approach. Then listen to one of America's leading conservative commentators, James Kilpatrick, who discussed this bill recently on national television:

> For one Republican, I'm getting awfully tired of having my party depicted as one [that] wants to grind the faces of the poor and won't be compassionate enough to say "Let's give these guys who've been working for us for 15 and 20 years, give them 60 days notice." I think it's a fair, humane thing to do, and I don't understand the President's position.

But the most eloquent voice is that of small town America. Among the editorials from newspapers across America supporting the plant closing provision, one of the most moving came from the Worthington Daily Globe. Worthington is a town of some 10,000 people, located in the southwestern part of Minnesota. This is what its newspaper had to say:

> The 60-day notice requirement is more complex than a simple labor/management confrontation. By this date, enough American cities and enough American communities of all sizes have been blighted, wounded and even brutalized by plant closings and wholesale layoffs that much of the Nation has an interest in making it more difficult for industry to simply and summarily pull up stakes and be on its way.

The editorial continues:

> Communities—mayors and supermarket managers, school superintendents, and restaurant operators, county auditors, and auto parts dealers, teachers and theater owners—are being heard to cry out . . . They are saying something must be done. . . . It is not salutary for the social fabric of a community or a nation when one small group can realize advantage by causing great distress for many others.
>
> The proposal that companies be required to file a 60-day notice before plants are closed or before great numbers of workers are idled is a welcome development, especially for those myriad small communities across the land which are largely at the mercy of single industries which now may leave any day, even at a whim.

Members of the Senate, I simply urge that you do what is right, what makes sense as a matter of public policy, what is fair and just and decent. Vote for this modest—but—necessary plant-closing bill.

It will be a victory for the country; for all of the people of this Nation.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MATSUNAGA. Mr. President, I ask unanimous consent that I may speak in support of S. 2527.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MATSUNAGA. Mr. President, we are finally near the end of what has been one of the more contentious debates in recent memory. As I have in the past, I rise in strong support of advance notice of plant closing and mass layoff legislation.

I would like briefly to address several of the arguments that have been raised by opponents of the pending legislation, S. 2527. I believe that several of these arguments deserve a more direct response than they have hitherto received.

At the outset, Mr. President, I want to set straight a misplaced assumption that has fueled opposition to advance notice legislation. The misplaced assumption is that American management can restore competitiveness to trade-impacted industries the easy way, through so-called slash-and-burn techniques that result in major employee layoffs and plant capacity reductions. Based on this mistaken assumption, opponents argue that if the economy is to prosper, American managers must have unfettered discretion to do as they see fit in the business sphere, regardless of the consequences which may befall their employees or the communities in which they are situated.

Mr. President, it is very tempting—but also very short-sighted—to believe that American industry can overcome its competitiveness problems in the coming years simply by cutting capacity to get back to profitability. There is broad consensus among economists that the utility of such a strategy is now limited, and will become even more restricted in the future. Far more than cutbacks, what will increasingly be needed to bolster productivity in the U.S. economy are improvements in technology innovation and human resource utilization. In short, opponents of advance notice legislation have substantially exaggerated the significance of layoffs and capacity reductions as means of restoring competitiveness.

Mr. President, in another argument repeatedly raised by opponents of advance notice legislation, we have heard references to the "European Disease." What opponents are alluding to is the rigidity of industrial relations systems in many western European countries, and the lack of flexibility needed to adjust to change in the global economy. The fact of the matter is that rather than adjusting to changing conditions, too many Western European countries prop up declining industries through a wide variety of methods. The result is economic stagnation, as evidenced by high unemployment rates.

Mr. President, no one here who supports the pending legislation disputes these facts about Western Europe. But what opponents of the legislation have tried to do is imply that enacting an advance notice requirement will bring the United States close to the rigid Western European model of industrial relations. This kind of argument inflates advance notice legislation out of all proportion to reality. In point of fact, industrial relations systems in Western Europe are rigid for reasons that transcend the existence of advance notice laws.

For example, many Western European countries have enacted regulations that make it difficult to dismiss workers on other than disciplinary grounds. These laws go well beyond requiring employers to give advance notice of plant closings or layoffs. Additionally, there has been steady growth in the power of enterprise work councils in many Western European countries, and this growth has eroded managerial prerogative. Finally, Western European governments have deployed subsidization, bankruptcy, regional development, and other socioeconomic policies for the purpose of cushioning employment in declining sectors.

The basic point, Mr. President, is that when we talk about the "European Disease," it is necessary to look at the overall scheme of industrial relations in Western Europe. It is highly misleading to single out advance notice laws in Western Europe, as some opponents have done, and then to attribute European stagnation—as evidenced by high unemployment rates—to such notice laws.

What has been largely overlooked in all of the emphasis on the "European Disease" is the fact that some of our principal competitors in the prosperous Asian-Pacific rim have advance notice laws. In particular, it should be noted that Japan, since 1947, has had an advance notice statute which is substantially broader than S. 2527. Japan's statute is applicable to virtually all dismissals of company employees, on other than disciplinary grounds. The only exception to this law is a dismissal due to a natural calamity, such as a fire or earthquake. Any collective bargaining agreement in Japan's private sector that does not contain provision for at least 30 days advance notice of any employee dismissal is automatically subject to the requirements of the advance notice law. Japanese courts have not been remiss in enforcing this regulation.

Clearly, the fact that Japan has such a broad regulation has not impaired its international competitiveness, because the Japanese have built into their overall industrial relations system a variety of features that give it much flexibility. Among such features are an emphasis on job security, joint consultation, and dispute settlement by mediation, all of which facilitate the ability of management and labor in Japan to cooperate in adjusting to economic change. In no small measure, it is the flexibility engendered by these features which has repeatedly enabled Japan's economy to overcome the vagaries of international trade.

Again, Mr. President, the basic point is that an inference one way or other about any country's economic competitiveness cannot validly be made by viewing that country's notice of plant closing or dismissal laws in isolation. Thus, it is highly misleading to conclude that a country suffers from economic stagnation because it has an advance notice statute. Equally misleading is the implication that a country enjoys economic prosperity because it does not have a plant closing regulation. It is always necessary in these kinds of analyses to consider the country's overall industrial relations system, before jumping to any conclusion about the effect of advance notice legislation. Opponents of the pending measure have largely ignored this fundamental point, in their effort to paint advance notice legislation as the "Europeanization" of American Labor Relations.

Ultimately, opponents of advance notice legislation fall back on pure ideology. They argue that enactment of the pending measure will open the door to unprecedented Government regulation of business sometime in the future. Under this ad horrendum reasoning, any Government regulation of private enterprise, regardless of its merit, is automatically deemed to be undesirable because it allegedly sets the stage for new efforts by the Government to constrict managerial prerogative. But by no reasonable stretch of the imagination does enactment of S. 2527, the advance notice legislation, portend the adoption of pervasive Government oversight, in the image of the rigid European scheme.

The only other plausible argument raised by opponents of advance notice is that S. 2527 is overly complex. The irony is that what complexity there is has largely resulted from dilution of the original legislation, by creation of loopholes and qualifications, to make it acceptable to opponents. If the existing provisions of S. 2527 need to be simplified, then we should by all means work on a bipartisan basis to streamline the bill. But the fact that S. 2527 may not be perfect is not a valid reason for efforts by opponents to eviscerate this legislation.

Mr. President, I urge my colleagues to vote in favor of S. 2527.

PLANT CLOSING LEGISLATION AND THE PREEMPTION ISSUE

Mr. MITCHELL. Mr. President, I am a cosponsor of the plant closing bill, as introduced following the President's veto of the original omnibus trade bill.

I voted in support of the original plant closing provision of the trade bill, and I believe the President made a serious mistake in vetoing the legislation because of it. The decision was insensitive to the American working men and women, and ill timed, in light of the serious trade challenges facing the United States.

I am proud to be a cosponsor of both the new trade bill, which has had its plant closing provision removed in order to facilitate further action, and the new stand-alone plant closing bill, S. 2527, which the Senate is considering today.

One of the reasons I support the plant closing bill is because the State of Maine already has its own plant closing law. In one form or another, Maine has had a plant closing law since the mid-1970's.

The Maine law is all at once similar, narrower, and tougher than the proposal now before the Senate:

It is similar because both the Maine law and the proposed Federal plant closing bill require 60 days advance notice before a plant shutdown. The Maine law applies to industrial or commercial establishments with 100 or more employees, while this Senate bill also exempts employers with less than 100 full-time employees.

The Maine law is narrower because it does not apply directly to layoffs.

The Maine law is tougher because unlike the proposed Senate bill, it includes provisions for mandatory severance pay for employees with more than 3 years of service, equal to 1 week's pay for each year of employment.

The State of Maine freely chose its own plant closing law, structured according to the needs of Maine's people and industry. I respect that choice—and the Federal Government also should respect it.

The Federal Government should provide minumum standards in any area of industry, health or environmental policy, or other area of Federal concern—but it should not substitute its judgment for the States by limiting the standards which State law can impose.

Federal plant closing legislation can supplement and complement State laws. But the Federal Government should not unnecessarily displace State discretion.

In setting social and economic policy, Federal and State Governments often must act in partnership with one another. That is part of the character of the American Federal system, and a necessary part of that character is allowing States to operate as laboratories of democracy.

If States wish to act beyond the minimum standards of a Federal law, they should be allowed to do so. That is the legislative intent of the bill now before the Senate, and that is a very important basis for my cosponsorship and support.

Under section 6 of S. 2527, the rights and remedies provided to employees "are in addition, and not in lieu of, any other contractual or statutory rights," except that the period of advance notification "shall run concurrently with any period of notification required by contract or by any other statute."

This is an important provision and it represents an important principle of American federalism. Persons who may oppose other specifications of the bill still can support this provision—as an affirmation of both private industry's collective bargaining rights and State rights under the Constitution.

The legislation preserves the right of the State of Maine, or any other State, to act according to the needs and conscience of its own people. And it preserves the rights of States, if appropriate and chosen, to pioneer beyond the limits of Federal action.

Mr. WARNER. Mr. President, I rise today to express my views with regard to the issue of plant closing legislation. This bill is certainly not a perfect piece of legislation. Its troubled history on the floor of the Senate is a clear indication of that.

Last July it was attached in the Senate as an amendment to the omnibus trade bill; a bill to which it bore little relationship. That amendment, which survived the 7-month House-Senate conference on the trade bill, provided a principal reason for the President to veto the entire trade bill. I voted against the conference report and supported the President's veto, because, as I said at the time, I believed that the trade bill was no place for such an important issue which had received such scant attention. I regret that this issue became so partisan. This is an important matter that required the Senate to seriously address what would be best for business, labor, and the American people.

Now we have had several days of debate to fully consider, discuss, and explore the implications and consequences of this mandatory notification requirement. I admit that I continue to have misgivings about several provisions in the legislation.

I am very concerned by the loss of flexibility of American businesses to respond to changing economic fortunes. Small- and medium-sized businesses are the engines of job creation in our economy because of the risks they are willing to take. I am concerned that this legislation will make American businesses, particularly small businesses, less willing to expand and take on extra workers. I am also concerned that the layoff notification provisions are too stringent and may threaten the long-term economic vitality of an enterprise.

I believe, however, that the goal of this legislation is both necessary and beneficial. Too often in the United States we view labor relations as an adversarial relationship. However, the relationship between labor and management should be a mutually beneficial relationship. As a matter of equity and fairness, employers should give employees some reasonable notice of plant closings and major layoffs and should provide worker readjustment training and assistance.

There is another aspect to plant closings which must be recognized and addressed. In many cases, the closing of a plant or a mass layoff may dramatically affect a whole community.

In large urban areas with a diverse economic base, the closing of one plant or the failure of one industry may not be a fatal blow to the community. But for many sections of the country, the failure of a key business may have devastating impact on the area and all its people. In parts of Virginia, particularly the southwest, the economic vitality of a whole community may be dependent on the economic fortunes or management decisions of one industry or even one plant.

In some cases, businesses and communities grow up together around the natural resources on which the industry is dependent. These communities are dedicated to and dependent on one industry. In many cases this dependence is encouraged by the primary business.

Communities pursue businesses, make major improvements, and give major tax concessions for businesses to locate in the area: revenue bonds are passed, roads and schools are built, public services are installed. Service industries grow up around the major business in these towns; banks extend credit, homes and businesses are built, and lives are planned on the basis of a key company's in a community.

To be sure, no one can guarantee the continued prosperity of an industry or a community; but equity demands that these relationships cannot be ignored and they are not represented at any bargaining table between management and labor.

This consideration further justifies a requirement that employers give 60 days notice of plant closings or mass layoffs and assist displaced workers in readjustment and training. Communities must have some opportunity to prepare for the economic dislocation caused by the loss of a major source of community prosperity.

Mr. President, I have seen how successful worker notification and retraining can be. Several years ago, a major plant in the southwestern part of Virginia announced plans to close. Because of advance notification and worker retraining assistance, the people of the community were able to prepare for the closing, cultivate alternative investments in the community, retrain workers to attract new industry and avoid the worst manifestations of economic dislocation caused by the plant's shutdown.

During consideration of this bill. I have supported amendments which would have improved this legislation; amendments which would provide employers with more flexibility to respond to changing conditions, clear up ambiguities, rationalize the layoff provisions. A number of these amendments were accepted. Last Tuesday the Senate approved an amendment to exempt businesses affected by natural disasters from the 60-day notice requirement.

On final passage, Mr. President, we are each faced with the question of whether we will vote for or against the bill as amended. While the bill is not everything I would have it be, I am convinced of the need for the legislation and believe that the amendments accepted over the course of the last several days have improved the bill. Therefore, Mr. President, I will vote for this legislation.

Mr. BYRD. Mr. President, I strongly support the passage of this vital piece of legislation that is good common sense, fair play, and a better way to do business.

The Worker Adjustment and Retraining Notification Act deals with an issue that is supported by four out of five Americans, according to a recent Washington Post-ABC News poll. A study by the General Accounting Office [GAO] found that one-third of all businesses with 100 or more employees gave no advance notice of a pending plant closing or layoffs. Where advance notice was given, 36 percent of the businesses gave less than 2 weeks' notice, and 50 percent gave less than 1 month's advance notice for plant closings. In addition, a 1985 survey by the Bureau of Labor Statistics found that in more than half the layoffs involving 50 or more employees, workers did not receive more than a 1 day's notice.

Mr. President, how can a worker make adequate plans to deal with the economic consequences of losing his or her job due to a plant closing, or being laid off, often for an indefinite period of time, when they receive such short notice?

In my own State of West Virginia, the unemployment rate has been at least 2 percentage points above the U.S. average since 1980, and in the mid-1980's, West Virginia's unemployment rate was running at almost double the national average. Since 1981, West Virginia has ranked among the top three States in terms of unemployment. With this type of employment situation in the State, it isn't likely that a worker can easily go out and find another job to fill the economic gap caused by a plant closing or a mass layoff. Without advance notice the situation is even more difficult.

Sixty days' advance notification can assist workers in adjusting to imminent unemployment, and in finding reemployment. According to the National Academy of Sciences, statistical evidence suggests that advance notice of shutdowns or layoffs is associated with shorter periods of unemployment after these events. Advance notification allows the worker to take advantage of job-placement and training programs and to more effectively plan for his future.

This is particularly important in West Virginia, where our unemployment has primarily been in the mining and manufacturing sectors. Since 1980, West Virginia has lost 80,000 manufacturing and mining jobs. For these workers that have lost their jobs, improved basic educational skills and vocational retraining are imperative to enable them to make the transition to new occupations. Studies have shown that the best time to undertake such programs is prior to the displacement of the worker.

The 60-day advance notice required by this bill also allows the soon-to-be-displaced worker additional time to evaluate his financial options, to budget and save for a period of unemployment, and, in general, to economically prepare for providing for his family.

Unfortunately, West Virginia has been a national leader in plant closings. I strongly believe that it is eminently fair to our workers, their families, and the communities affected by plant closings and layoffs, that businesses provide advance notice so that all the parties can effectively work together to mitigate the devastating effects of closings and layoffs.

I want to commend the Senator from Ohio, [Mr. METZENBAUM], and the Senator from Massachusetts, [Mr. KENNEDY], for their leadership on this issue. I urge my colleagues to support this advance notification legislation, and establish a just and fair policy that will help workers and communities prepare for the economic and emotional upheaval that results from plant closings and layoffs.

Mr. METZENBAUM. Mr. President, have the yeas and nays been requested?

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. METZENBAUM. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The hour of 5:30 o'clock having arrived, the question is, Shall the bill pass?

The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Nevada [Mr. HECHT], the Senator from North Carolina [Mr. HELMS], the Senator from Alaska [Mr. MURKOWSKI], are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 72, nays 23, as follows:

[Rollcall Vote No. 225 Leg.]

YEAS—72

Adams
Baucus
Bentsen
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Hatfield
Heflin
Heinz
Hollings
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
McCain
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Roth
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Warner
Weicker
Wirth

NAYS—23

Armstrong
Bond
Cochran
Dole
Domenici
Evans
Garn
Gramm
Grassley
Hatch
Humphrey
Lugar
McClure
McConnell
Nickles
Pressler
Quayle
Rudman
Symms
Thurmond
Trible
Wallop
Wilson

NOT VOTING—5

Biden
Boschwitz
Hecht
Helms
Murkowski

So the bill (S. 2527), as amended, was passed, as follows:

S. 2527

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Worker Adjustment and Retraining Notification Act".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title.
Sec. 2. Definitions; exclusions from definition of loss of employment.
Sec. 3. Notice required before plant closings and mass layoffs.
Sec. 4. Exemptions.

Sec. 5. Administration and enforcement of requirements.
Sec. 6. Procedures in addition to other rights of employees.
Sec. 7. Procedures encouraged where not required.
Sec. 8. Authority to prescribe regulations.
Sec. 9. Effect on other laws.
Sec. 10. Report on employment and international competitiveness.
Sec. 11. Effective date.

SEC. 2. DEFINITIONS; EXCLUSIONS FROM DEFINITION OF LOSS OF EMPLOYMENT.

(a) DEFINITIONS.—As used in this Act—

(1) the term "employer" means any business enterprise that employs—

(A) 100 or more employees, excluding part-time employees; or

(B) 100 or more employees who in the aggregate work at least 4,000 hours per week (exclusive of hours of overtime);

(2) the term "plant closing" means the permanent or temporary shutdown of a single site of employment, or one or more facilities or operating units within a single site of employment, if the shutdown results in an employment loss at the single site of employment during any 30-day period for 50 or more employees excluding any part-time employees;

(3) the term "mass layoff" means a reduction in force which—

(A) is not the result of a plant closing; and

(B) results in an employment loss at the single site of employment during any 30-day period for—

(i)(I) at least 33 percent of the employees (excluding any part-time employees); and

(II) at least 50 employees (excluding any part-time employees); or

(ii) at least 500 employees (excluding any part-time employees);

(4) the term "representative" means an exclusive representative of employees within the meaning of section 9(a) or 8(f) of the National Labor Relations Act (29 U.S.C. 159(a), 158(f)) or section 2 of the Railway Labor Act (45 U.S.C. 152);

(5) the term "affected employees" means employees who may reasonably be expected to experience an employment loss as a consequence of a proposed plant closing or mass layoff by their employer;

(6) subject to subsection (b), the term "employment loss" means (A) an employment termination, other than a discharge for cause, voluntary departure, or retirement, (B) a layoff exceeding 6 months, or (C) a reduction in hours of work of more than 50 percent during each month of any 6-month period;

(7) the term "unit of local government" means any general purpose political subdivision of a State which has the power to levy taxes and spend funds, as well as general corporate and police powers; and

(8) the term "part-time employee" means an employee who is employed for an average of fewer than 20 hours per week or who has been employed for fewer than 6 of the 12 months preceding the date on which notice is required.

(b) EXCLUSIONS FROM DEFINITION OF EMPLOYMENT LOSS.—(1) In the case of a sale of part or all of an employer's business, the seller shall be responsible for providing notice for any plant closing or mass layoff in accordance with section 3 of this Act, up to and including the effective date of the sale. After the effective date of the sale of part or all of an employer's business, the purchaser shall be responsible for providing notice for any plant closing or mass layoff in accordance with section 3 of this Act. Notwithstanding any other provision of this Act, any person who is an employee of the seller (other than a part-time employee) as of the effective date of the sale shall be considered an employee of the purchaser immediately after the effective date of the sale.

(2) Notwithstanding subsection (a)(6), an employee may not be considered to have experienced an employment loss if the closing or layoff is the result of the relocation or consolidation of part or all of the employer's business and, prior to the closing or layoff—

(A) the employer offers to transfer the employee to a different site of employment within a reasonable commuting distance with no more than a 6-month break in employment; or

(B) the employer offers to transfer the employee to any other site of employment regardless of distance with no more than a 6-month break in employment, and the employee accepts within 30 days of the offer or of the closing or layoff, whichever is later.

SEC. 3. NOTICE REQUIRED BEFORE PLANT CLOSINGS AND MASS LAYOFFS.

(a) NOTICE TO EMPLOYEES, STATE DISLOCATED WORKER UNITS, AND LOCAL GOVERNMENTS.—An employer shall not order a plant closing or mass layoff until the end of a 60-day period after the employer serves written notice of such an order—

(1) to each representative of the affected employees as of the time of the notice or, if there is no such representative at that time, to each affected employee; and

(2) to the State dislocated worker unit (designated or created under title III of the Job Training Partnership Act) and the chief elected official of the unit of local government within which such closing or layoff is to occur.

If there is more than one such unit, the unit of local government which the employer shall notify is the unit of local government to which the employer pays the highest taxes for the year preceding the year for which the determination is made.

(b) REDUCTION OF NOTIFICATION PERIOD.—(1) An employer may order the shutdown of a single site of employment before the conclusion of the 60-day period if as of the time that notice would have been required the employer was actively seeking capital or business which, if obtained, would have enabled the employer to avoid or postpone the shutdown and the employer reasonably and in good faith believed that giving the notice required would have precluded the employer from obtaining the needed capital or business.

(2)(A) An employer may order a plant closing or mass layoff before the conclusion of the 60-day period if the closing or mass layoff is caused by business circumstances that were not reasonably foreseeable as of the time that notice would have been required.

(B) No notice under this Act shall be required if the plant closing or mass layoff is due to any form of natural disaster, such as a flood, earthquake, or the drought currently ravaging the farmlands of the United States.

(3) An employer relying on this subsection shall give as much notice as is practicable and at that time shall give a brief statement of the basis for reducing the notification period.

(c) EXTENSION OF LAYOFF PERIOD.—A layoff of more than 6 months which, at its outset, was announced to be a layoff of 6 months or less, shall be treated as an employment loss under this Act unless—

(1) the extension beyond 6 months is caused by business circumstances (including unforeseeable changes in price or cost) not reasonably foreseeable at the time of the initial layoff; and

(2) notice is given at the time it becomes reasonably foreseeable that the extension beyond 6 months will be required.

(d) DETERMINATIONS WITH RESPECT TO EMPLOYMENT LOSS.—For purposes of this section, in determining whether a plant closing or mass layoff has occurred or will occur, employment losses for 2 or more groups at a single site of employment, each of which is less than the minimum number of employees specified in section 2(a) (2) or (3) but which in the aggregate exceed that minimum number, and which occur within any 90-day period shall be considered to be a plant closing or mass layoff unless the employer demonstrates that the employment losses are the result of separate and distinct actions and causes and are not an attempt by the employer to evade the requirements of this Act.

SEC. 4. EXEMPTIONS.

This Act shall not apply to a plant closing or mass layoff if—

(1) the closing is of a temporary facility or the closing or layoff is the result of the completion of a particular project or undertaking, and the affected employees were hired with the understanding that their employment was limited to the duration of the facility or the project or undertaking; or

(2) the closing or layoff constitutes a strike or constitutes a lockout not intended to evade the requirements of this Act. Nothing in this Act shall require an employer to serve written notice pursuant to section 3(a) of this Act when permanently replacing a person who is deemed to be an economic striker under the National Labor Relations Act: *Provided*, That nothing in this Act shall be deemed to validate or invalidate any judicial or administrative ruling relating to the hiring of permanent replacements for economic strikers under the National Labor Relations Act.

SEC. 5. ADMINISTRATION AND ENFORCEMENT OF REQUIREMENTS.

(a) CIVIL ACTIONS AGAINST EMPLOYERS.—(1) Any employer who orders a plant closing or mass layoff in violation of section 3 of this Act shall be liable to each aggrieved employee who suffers an employment loss as a result of such closing or layoff for—

(A) back pay for each day of violation at a rate of compensation not less than the higher of—

(i) the average regular rate received by such employee during the last 3 years of the employee's employment; or

(ii) the final regular rate received by such employee; and

(B) benefits under an employee benefit plan described in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(3)), including the cost of medical expenses incurred during the employment loss which would have been covered under an employee benefit plan if the employment loss had not occurred.

Such liability shall be calculated for the period of the violation, up to a maximum of 60 days, but in no event for more than one-half the number of days the employee was employed by the employer.

(2) The amount for which an employer is liable under paragraph (1) shall be reduced by—

(A) any wages paid by the employer to the employee for the period of the violation;

(B) any voluntary and unconditional payment by the employer to the employee that is not required by any legal obligation; and

(C) any payment by the employer to a third party or trustee (such as premiums for health benefits or payments to a defined contribution pension plan) on behalf of and attributable to the employee for the period of the violation.

In addition, any liability incurred under paragraph (1) with respect to a defined benefit pension plan may be reduced by crediting the employee with service for all purposes under such a plan for the period of the violation.

(3) Any employer who violates the provisions of section 3 with respect to a unit of local government shall be subject to a civil penalty of not more than $500 for each day of such violation, except that such penalty shall not apply if the employer pays to each aggrieved employee the amount for which the employer is liable to that employee within 3 weeks from the date the employer orders the shutdown or layoff.

(4) If an employer which has violated this Act proves to the satisfaction of the court that the act or omission that violated this Act was in good faith and that the employer had reasonable grounds for believing that the act or omission was not a violation of this Act the court may, in its discretion, reduce the amount of the liability or penalty provided for in this section.

(5) A person seeking to enforce such liability, including a representative of employees or a unit of local government aggrieved under paragraph (1) or (3), may sue either for such person or for other persons similarly situated, or both, in any district court of the United States for any district in which the violation is alleged to have occurred, or in which the employer transacts business.

(6) In any such suit, the court, in its discretion, may allow the prevailing party, a reasonable attorney's fee as part of the costs.

(7) For purposes of this subsection, the term, "aggrieved employee" means an employee who has worked for the employer ordering the plant closing or mass layoff and who, as a result of the failure by the employer to comply with section 3, did not receive timely notice either directly or through his or her representative as required by section 3.

(b) EXCLUSIVITY OF REMEDIES.—The remedies provided for in this section shall be the exclusive remedies for any violation of this Act. Under this Act, a Federal court shall not have authority to enjoin a plant closing or mass layoff.

SEC. 6. PROCEDURES IN ADDITION TO OTHER RIGHTS OF EMPLOYEES.

The rights and remedies provided to employees by this Act are in addition to, and not in lieu of, any other contractual or statutory rights and remedies of the employees, and are not intended to alter or affect such rights and remedies, except that the period of notification required by this Act shall run concurrently with any period of notification required by contract or by any other statute.

SEC. 7. PROCEDURES ENCOURAGED WHERE NOT REQUIRED.

It is the sense of Congress that an employer who is not required to comply with the notice requirements of section 3 should, to the extent possible, provide notice to its employees about a proposal to close a plant or permanently reduce its workforce.

SEC. 8. AUTHORITY TO PRESCRIBE REGULATIONS.

(a) The Secretary of Labor shall prescribe such regulations as may be necessary to carry out this Act. Such regulations shall, at a minimum, include interpretative regulations describing the methods by which employers may provide for appropriate service of notice as required by this Act.

(b) The mailing of notice to an employee's last known address or inclusion of notice in the employee's paycheck will be considered acceptable methods for fulfillment of the employer's obligation to give notice to each affected employee under this Act.

SEC. 9. EFFECT ON OTHER LAWS.

The giving of notice pursuant to this Act, if done in good faith compliance with this Act, shall not constitute a violation of the National Labor Relations Act or the Railway Labor Act.

SEC. 10. REPORT ON EMPLOYMENT AND INTERNATIONAL COMPETITIVENESS.

Two years after the date of enactment of this Act the Comproller General shall submit to the Committee on Small Business of both the House and Senate, the Committee on Labor and Human Resources, and the Committee on Education and Labor a report containing a detailed and objective analysis of the effect of this Act on employers (especially small and medium-sized businesses), the economy (international competitiveness), and employees (in terms of levels and conditions of employment). The Comptroller General shall assess both costs and benefits, including the effect on productivity, competitiveness, unemployment rates and compensation, and worker retraining and readjustment.

SEC. 11. EFFECTIVE DATE.

This Act shall take effect on the date which is 6 months after the date of enactment of this Act, except that the authority of the Secretary of Labor under section 8 is effective upon enactment.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I yield to the Senator from Ohio [Mr. METZENBAUM].

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. METZENBAUM. Mr. President, I rise to indicate my appreciation to all of those who have participated in this resounding message to the country with this vote. The plant-closing bill should be the law of the land. It is the fair, the decent, and the humane thing to do.

I particularly express my appreciation to Senator KENNEDY, chairman of the Labor and Human Resources Committee, who has been so helpful in connection with the passage of this legislation; the majority leader of the Senate, who has stood with me and helped as this measure has been on the floor for the last 7 days; and to two staff assistants who have been solidly working morning, noon, and night, and sometimes in the middle of the night, Jim Brudney and Al Cacozza, who certainly have given so much of themselves. It was a great victory for all of us and we are very grateful to all who participated in the end result. The numbers speak for themselves.

Mr. President, let me say one more word in acknowledgment to the many courtesies expressed by the minority leader of the Senate, by Senator QUAYLE, Senator HATCH, Senator DANFORTH, Senator GRAMM, and others who were involved in this entire debate.

It is very reassuring, and I am very appreciative of that fact.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, so that Senators may know what the program is for the rest of the day, there is a conference report on the energy and water appropriations bill. Senator JOHNSTON is here and is ready to proceed to that conference report.

I inquire of the Senator, and all Senators: Does anyone want a rollcall vote on the adoption of the conference report?

Mr. JOHNSTON. Mr. President, I say to the leader I have not received any request nor do I have any desire for a rollcall vote on the conference report.

Mr. BYRD. All right. I am told by the leadership on this side of the aisle—and I am on the wrong side of the aisle at the moment—that there are no requests for a rollcall vote.

Mr. STENNIS. Mr. President, may we have quiet?

The PRESIDING OFFICER. The Senate is not in order.

The majority leader.

Mr. BYRD. Mr. President, there is a small business measure on which there is a time agreement. It would be well I think if we could dispose of that today. I believe Mr. WEICKER is prepared. We are trying to ascertain on my side of the aisle whether or not our manager is prepared. That is S. 1993. Calendar Order No. 753. There are several amendments listed with an overall time agreement. Senators will find it on page 3 of the Calendar of Business.

I would alert Senators that it may very well be that the Senate will take up that bill yet today.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT—FISCAL YEAR 1989—CONFERENCE REPORT

Mr. BYRD. Mr. President, I submit a report of the committee of conference on H.R. 4567 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4567) making appropriations for energy and water development for the fiscal year ending September 30, 1989, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of June 30, 1988.)

Mr. BYRD. Mr. President, I ask for the yeas and nays on the adoption of the conference report.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that the vote on the adoption of the conference report occur at 10 o'clock tomorrow morning.

Mr. DOLE. Mr. President, reserving the right to object, I shall not object.

Mr. BYRD. Mr. President, temporarily I withdraw that request.

I ask unanimous consent that upon the adoption of the conference report on the energy-water bill the Senate then go to the foreign operations appropriations bills.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Under the previous order I believe the D.C. appropriations bill is locked in behind the foreign ops appropriations bill.

The PRESIDING OFFICER. The majority leader is correct.

Mr. BYRD. Mr. President, I ask unanimous consent that the vote on the adoption of the conference report on the energy-water appropriations bill occur at 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Is there objection? Hearing none, it will be so ordered.

Mr. BYRD. Mr. President, I would like to revise the previous order.

I ask unanimous consent that immediately following the adoption of the conference report on the energy-water appropriations bill the Senate then turn to the consideration of Calendar Order No. 753, S. 1993, a bill to inform and strengthen the Minority Small Business Development Program which is under a time agreement, that upon the disposition of that bill the Senate then turn to the foreign operations appropriations bill to be followed immediately by the D.C. appropriations bill.

The PRESIDING OFFICER. Is there objection to the majority leader's request? Hearing none, it will be the order.

Mr. BYRD. I thank the Chair. I thank the Republican leader. I thank all Senators. There will be no more rollcall votes today.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I am pleased to present the conference report on the fiscal year 1989 energy and water development appropriation bill. This conference report on the bill, H.R. 4567 passed the House of Representatives by a vote of 384 yeas to 17 nays on June 30, 1988. The bill passed the Senate on June 14, 1988, by a vote of 92 yeas to 5 nays and passed the House of Representatives on May 17, by a vote of 384 to 20.

The conference on this bill was held on Wednesday, June 22 and the conference report was printed in the CONGRESSIONAL RECORD on June 22. Of course, the printed conference report has been available since that time also. Therefore, I will not undertake to elaborate on the disposition of all the items that were in conference.

The conference agreement provides $17,831,995,000 in new budget obligational authority. This amount is $312,552,000 less than the President's budget request. It is $44,495,000 over the House-passed bill, and $124,906,000 less than the Senate-passed bill. The principal reason for this difference is that the conferees decided to use the lower 302(b) allocation of the House for this appropriation bill.

Title I of the bill provides appropriations for the U.S. Army Corps of Engineers Civil Works Program. The conference agreement provides $3,236,261,000, which is $22 million less than the House bill and $186,000 less than the Senate bill.

For title II, the Bureau of Reclamation in the Department of the Interior, the conference agreement includes a total of $993,621,000, the same as the Senate-passed bill.

A total of $13,156,112,000 is provided in title III for the Department of Energy programs, projects, and activities. Of this amount, $8.1 billion is for atomic energy defense activities, the same as the President's budget request.

Title IV provides appropriations for independent agencies and commissions and total $446 million. Of this amount, $110.7 million is for the Appalachian Regional Commission, $231 million is for the Nuclear Regulatory Commission, and $103 million is for the Tennessee Valley Authority. A table showing the disposition of the various differences between the House and the Senate by appropriation accounts was included in the CONGRESSIONAL RECORD of June 30, 1988. This appears on page H4946 for those who are interested in the detailed aspects of the conference agreement.

Mr. President, this is the first conference report of the 13 annual appropriation bills. We are, of course, anxious to get our work done in a timely manner this year. I do not know of any problems in connection with this appropriation conference report. It is a clean bill—and a good bill, and I understand that the President will approve this bill in its current form. Naturally, we would have preferred to have more money—especially for the science and technology programs under our jurisdiction. These are all highly important functions and activities that keep our Nation in the forefront. Many of these efforts represent the very basic scientific and technological foundation of our Nation and we simply must maintain sufficient budgetary resources to keep these programs funded at a healthy level.

In light of our budget difficulties, I believe this is a sound and responsible measure, however.

I recommend to the Senate that this conference report be approved promptly so as to complete action on this appropriation bill and clear it for the President's consideration and approval.

Mr. President, I wish to express our appreciation and thanks to our House colleagues lead by the chairman of the House subcommittee, the distinguished gentleman from Alabama [Mr. BEVILL] and the ranking minority member, the distinguished gentleman from Indiana [Mr. MYERS]. I also want to thank again my friend and able colleague from the State of Oregon [Mr. HATFIELD]. It is always a joy to work with him. Also, I want to express my appreciation to all of the Senate conferees who are members of our subcommittee.

Mr. President, I am very pleased that this is the first of the 13 regular appropriation bills to clear the last congressional hurdle. Let me repeat that the bill provides $17,831,000,000 in the new budget authority. This amount is $312 million less than the President's budget request. It is $44 million over the House-passed bill and $124 million less than the Senate-passed bill.

The principal reason for this difference is that the conferees decided to use the lower 302(b) allocation of the House for this appropriation bill. And for this reason and others, we expect no problem with this bill being signed by the President.

Mr. President, I ask unanimous consent that it be in order at this time, prior to the adoption of the conference report—which will not be until the 10 o'clock vote in the morning—that we may adopt the amendments which are in disagreement, and that it be in order for the Chair to lay before the Senate certain amendments which are in disagreement.

The **PRESIDING OFFICER** (Mr. GRAHAM). Is there objection? The Chair hears none, and it is so ordered.

The clerk will report the amendments.

The assistant legislative clerk read as follows:

Resolved, That the House agree to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4567) entitled "An Act making appropriations for energy and water development for the fiscal year ending September 30, 1989, and for other purposes.".

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 3, 13, 14, 25, 30, and 32 to the aforesaid bill, and concur therein.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 10 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *: Provided further, That the Secretary of the Army acting through the Chief of Engineers is directed to use, immediately upon enactment of this Act $8,700,000 previously appropriated in Public Law 100-202, and $9,600,000 of the total sum appropriated for design, testing and construction in fiscal year 1989 of juvenile fish passage facilities at the Little Goose, Lower Granite, McNary, Lower Monumental, Ice Harbor, and The Dalles projects on the Columbia and Snake Rivers as described in the report accompanying this Act; and in addition, $118,00,000, to remain available until expended, is hereby appropriated for construction of the Red River Waterway, Mississippi River to Shreveport, Louisiana, project and for compliance with the directions given to the Secretary of the Army in the fiscal year 1988 Energy and Water Development Act, Public Law 100-202, regarding the construction of this project, and the Secretary is directed to continue the design of locks and dams 4 and 5 on the accelerated schedule in fiscal year 1989 in order to initiate the first phase of construction of locks and dams 4 and 5 by April 1990, and with funds provided in this title or previously appropriated to the Corps of Engineers, the Secretary further is directed to fund previously awarded and directed construction contracts and to award continuing contracts in fiscal year 1989 for construction and completion of each of the following features of the Red River Waterway: in pool 3, Fausse Revetment Downstream Extension; and in pool 4, Westdale Realignment, Hammell Revetment, Bull Revetment, and William Revetment Downstream Extension. None of these contracts are to be considered fully funded.*

Resolved, That the House recede from its disagreement to the amendment of the amendment of the Senate numbered 12 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken by said amendment, and insert: *: Provided further, That the Secretary of the Army, acting through the Chief of Engineers, shall allow an entity of the State of Oklahoma that is responsible for the development of the water and natural resources of the Arkansas River and Red River basins in southeast Oklahoma to operate and occupy, at no expense to such entity of the State, the Visitors Center at Crowder Point on Lake Eufaula, Oklahoma, provided that the State of Oklahoma signs a cost sharing agreement for the construction of the Visitors Center according to the cost sharing provisions of Public Law 99-662*

Resolved, that the House recede from its disagreement to the amendment of the Senate numbered 24 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Working Capital Fund

For acquisition of computer capacity for the Administrative Systems Modernization project, $4,000,000, to remain available until expended, as authorized in section 1472 of title 43, United States Code (99 Stat. 571).

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 29 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: *$922,116,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 34 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Without fiscal year limitation, the Bonneville Power Administration continues to be authorized to incur obligations for authorized purposes and may do so in excess of borrowing authority and cash in the Bonneville Power Administration fund.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 36 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Sec. 305. (a) During fiscal year 1989, the Department of Energy, in the case of any State with unemployment in excess of 10 percent as determined by the Bureau of Labor Statistics, shall give priority in approving plans for the use of funds available to such State under the Agreement approved on July 7, 1986 In Re: The Department of Energy Stripper Well Exemption Litigation, M.D.L. No. 378

(b) Any plan described in subsection (a) submitted in fiscal year 1989 shall be deemed approved by the Department of Energy if the Department fails to act on the plan within 45 calendar days after such submittal and if the Governor or a designated State official certifies in writing that the use of such funds provided in such plan is consistent with the applicable terms of such Agreement.

(c) It is the intent of Congress that the purpose of this provision is to help such States gain prompt approval of such plans for the purposes proposed by such States so long as such plans are consistent with the terms and conditions of such Agreement.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 44 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Sec. 509. Such sums as may be necessary for fiscal year 1989 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

Mr. **JOHNSTON**. Mr. President, these amendments are noncontroversial and have been agreed to in the conference, and we urge that the Senate concur in these amendments.

I ask unanimous consent that it now be in order to consider those amendments en bloc.

The **PRESIDING OFFICER**. Is there objection? The Chair hears none, and it is so ordered.

Is there debate on the amendments?

Mr. **JOHNSTON**. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 10, 12, 24, 29, 34, 36, and 44.

The **PRESIDING OFFICER**. The question is on agreeing to the motion.

The motion was agreed to.

Mr. **HATFIELD**. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. **JOHNSTON**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. **JOHNSTON**. Mr. President, we will adopt the conference report tomorrow at 10.

I thank the chairman of the full committee, Senator STENNIS, who has given his leadership in this matter. It is a pleasure to serve under him.

This is the last energy and water appropriation bill that he will be connected with in his illustrious service in the Senate. I think it is noteworthy to mention that because not only has he been the chairman of the full committee and has given us great leadership, but also, for years he was the chairman of this subcommittee and led it through many of its most productive years—years in which many projects around the country were conceived and planned and executed. I would simply like to note that fact and to mention that we shall miss him on that subcommittee.

I also thank and commend the distinguished ranking minority member, Senator HATFIELD, with whom it is a great pleasure always to work—sometimes in the present mode of chairman and ranking minority member, sometimes in reverse of that mode; but we really cannot tell the difference, because it is a team operation. It is always a pleasure to work with him.

Mr. **HATFIELD**. Mr. President, I thank my colleagues of the Senate for their cooperation with this year's first appropriations measure, the fiscal year 1989 Energy and Water Development Bill. As we all experienced last year, the enactment of an omnibus continuing resolution led to some important agreements with the executive branch but overall reflected poorly on the congressional budget process.

Mr. President, I want to express congratulations to our committee chairman, the distinguished Senator from Mississippi, for setting such an ambitious schedule for the committee this year, and equal credit to my colleague from Louisiana for seeing that we stayed on that schedule.

With all 13 appropriations bills now reported out of committee prior to the July 4th recess, I believe we not only have met all of the requisite budgetary goals but have fulfilled another major goal, that is to bring to the Senate for independent action each of the separate spending measures.

Mr. President, regarding the energy and water development bill, the conference report of which is before the Senate today, there is one unique and somewhat historic event which has taken place in conjunction with that bill, it involves what I would refer to as a major "summit agreement" between the Bonneville Power Administration, within the Department of Energy, and the Office of Management and Budget.

For all the bad publicity the OMB may get here in the Congress I must report that on this very important yet delicate negotiations, I have received friendly and professional responses particularly from Associate Director Bob Dawson and his staff.

For the information of my colleagues and for the historic record, I would like at this time to outline the history of Bonneville's Self Financing Act and describe each of the five major issues which were resolved between OMB and Bonneville along with the one item for which additional legislative clarification has been provided:

Mr. President, in 1974 Congress enacted the Federal Columbia River Transmission System Act, which gave BPA additional authority to carry out its functions in a business-like and financially flexible manner. The act established the BPA fund, a separate fund in the U.S. Treasury, and authorized BPA to make expenditures from the BPA fund without further appropriation and without fiscal year limitation. BPA's revenues, including those from the sale of power and related services, are deposited in the BPA Fund. To pay the costs of the Federal Columbia River Power System, BPA is authorized to make expenditures from the revenues in the fund and from moneys borrowed by BPA from the U.S. Treasury. BPA may make expenditures without further appropriation and without fiscal year limitation, subject to such directives or limitations as Congress may include in an appropriations act. In enacting the Transmission System Act, Congress gave BPA the ability to carry out its mission free from the uncertainty inherent in the annual appropriations process.

In exchange for this financial flexibility, BPA ratepayers assumed the obligation of paying higher interest rates for funds BPA borrowed from the U.S. Treasury than would have been available under no-year appropriations. BPA is required to set its rates for power and related services at levels sufficient to pay all of its costs, including repayment of the Federal investment in the BPA power system. This assures that the BPA power system will be supprted by BPA ratepayers and will not be a burden on Federal taxpayers. The BPA fund, therefore, is "self-financed" by means of a permanent, indefinite appropriation.

BPA's costs, including the program costs for which it borrows funds from the U.S. Treasury, now include the BPA construction program; conservation; protection, mitigation, and enhancement of fish and wildlife; and other costs incurred by BPA in implementing its various authorities, including the Pacific Northwest Electric Power Planning and Conservation Act, Public Law No. 96–501 and the Transmission System Act.

Mr. President, recently the Office of Management and Budget raised several issues vital to implementing the Transmission System Act. The initial understanding of how the Office of Management and Budget [OMB] would carry out the annual budget process to foster the financial flexibility of the Transmission System Act was reflected in correspondence in 1974 between John C. Whitaker, then Under-Secretary of Interior, and Mr. Frank Zarb, then Associate Director of the Office of Management and Budget. Congress relied on these letters in passing the Transmission System Act. However, the assurances in the letters were not made a part of the law, and OMB recently raised several questions regarding the manner in which the budget and appropriations provisions of the Transmission System Act are implemented. To enable BPA to meet its mission in the most effective manner, it is imperative that these budget process issues be resolved.

I am pleased to report that BPA and OMB were able to resolve several of these difficult questions. Officials at OMB, including Mr. Robert Dawson, Associate Director at OMB, have worked diligently and forthright to make the Transmission Act flexibilities workable under todays circumstances.

The understandings reached between BPA and OMB are memorialized in a letter Mr. Dawson recently sent to Joseph Salgado, Acting Deputy Secretary of Energy. Mr. President, with your permission I would like to insert that letter into the record, as well as the original 1974 Zarb-Whitaker correspondence upon which it is based.

Mr. President, I must emphasize that Mr. Dawson's letter acknowledges BPA's flexibility to use efficiently its borrowing authority and sets further sound principles for implementing certain of the budget and appropriations provisions of the Transmission Act. These principles are consistent with the intent of the act and the 1974 correspondence between Messrs. Whitaker and Zarb and are important not only for BPA to manage a highly unpredictable hydroelectric system, but are significant in order for Bonneville to collect revenue in order to repay the Treasury. In reaffirmation of the 1974 letters, OMB will send to the Department of Energy a separate annual planning allowance for BPA's annual obligation of budget authority and employment requirements. The OMB will also set annual planning targets at levels to enable BPA to meet its planning schedules and its statutory obligation to meet its customer's loads and transmission requirements. Furthermore, the letter describes the OMB's reaffirmation that BPA budgets will be adequate to meet its annual and multiple-year cash requirements.

Mr. Dawson's letter also specifies the processes regarding preparation and revision of the BPA Budget. Mr. Dawson's letter states that, "Consistent with the Anti-Deficiency Act, OMB reaffirms that BPA's budgets will be adequate to meet its cash requirements for annual and multi-year programs. * * *" I am reassured by OMB's commitment. In applying its commitment, OMB should keep several facts in mind. The purpose of the Anti-Deficiency Act was to prevent agencies from creating obligations they could not pay from available resources. BPA's Transmission System Act authorities satisfy this purpose by appropriating the BPA fund, not the amount in the fund at any particular moment, to satisfy BPA's obligations, by making available borrowing authority, by requiring the Administrator to raise rates to meet BPA's revenue requirements, and by deferring Treasury payments if BPA has an unanticipated revenue shortfall. A deferral of Treasury payments brings BPA's cash outlays in a fiscal year within available cash receipts and borrowing authority. The deferred amounts remain an obligation to be paid at a later time. The combination of these Transmission Sytem Act authorities assures that BPA's cash requirements in a particular year will not exceed its ability to pay and there will be no "deficiency."

Mr. President, at this point I think it worthwhile to describe and confirm one BPA budget issue that has been raised and resolved in the Dawson letter. From time to time, BPA has sufficient cash in the BPA fund to pay an obligation that BPA has planned to pay by borrowing from the U.S. Treasury. As has been BPA's practice in accordance with the Transmission System Act, BPA uses current revenues to pay program costs that BPA would otherwise have paid through borrowing from the U.S. Treasury. Subsequently, BPA borrows from the U.S. Treasury as needed to meet expenses. In other words, BPA defers borrowing until a later date, even into future fiscal years, when BPA requires cash to pay expenses as they come due. This is an effective and businesslike cash management practice because it delays and minimizes borrowing until necessary and thereby enables BPA to avoid unnecessary borrowing cost and accounting work. Mr. Dawson's letter expressed OMB's understanding that this sound practice is permitted by the financial flexibility of the Transmission System Act.

Mr. President, although many issues were resolved by OMB and BPA, some were not. Amendment No. 34 of the bill is essential in clarifying these remaining questions and in allowing BPA to continue to provide reliable services to its customers in the Pacific Northwest and California. It is my understanding that this section will assure the continuance of BPA's existing ability to incur multiyear obligations, as was intended by the Transmission System Act, for transmission lines, for electric power to meet its customers' needs, and for other purposes. It also has the effect of ensuring that the President's budget will include a BPA budget adequate to meet BPA's cash requirements for its annual and multiple-year program. Finally, amendment 34 assures that adequate resources will be available to meet the Administrator's program planning schedules.

Mr. President, I must also emphasize that this section of the bill does not create new authority in the Bonneville Power Administration, but rather clarifies and affirms existing practices authorized by prior BPA legislation.

One example of how this section clarifies existing authority relates to BPA's authority to enter into obligations. BPA has broad authority to enter into obligations without prior congressional action, except where Congress has specifically required prior authorization for certain projects and activities, and subject to any other specific directives or limitations that Congress may include in an appropriations act. Under the Transmission System Act, BPA incurs its obligations, including multiyear obligations, pursuant to the appropriations for an indefinite period made by Congress in creating the BPA Fund. As Congress intended, BPA creates its obligations based on its statutory duty to set rates at levels sufficient to assure that BPA's costs are paid when due.

In passing the Transmission System Act, Congress never intended to limit BPA's authority to enter into obligations by the amount of unobligated cash in the BPA fund at the time the obligation is created plus available borrowing authority, even for discretionary purposes. Such an interpretation of BPA's authority would substantially remove the financial flexibility Congress intended to confer on BPA by creating the BPA Fund.

Instead, Congress intended that BPA create obligations it deems necessary to appropriate, not limited to the amount of available cash plus borrowing authority in the BPA fund at the time the obligation is created. To meet its obligations, BPA adjusts its rates for power and other services accordingly. Thus, BPA's obligations are not subject to available revenues. In the unforeseen event BPA has cash insufficient to pay all of its costs when due, BPA is directed by law to defer its payments to the U.S. Treasury, but most subsequently make payment with interest on the deferred amount.

Congress' purpose in establishing this authority was to avoid having BPA's contractors carry the risk of a BPA revenue shortfall. Without such authority the widely fluctuating revenues swings BPA experiences from time to time due to the weather and changes in commodity prices for aluminum, oil and gas would put BPA contractors in an unreasonable position. It would also impair BPA's ability to meet construction, maintenance and other deadlines in a businesslike manner. This section of the bill confirms this authority, which BPA has exercised continuously since 1974 notwithstanding the very recent questions raised by OMB.

Mr. President, another clarification that this section relates to is the budget apportionment responsibilities of the OMB. As Mr. Dawson's letter states, OMB is required to apportion such funds as are needed to pay BPA's obligations, lawfully incurred, when due. BPA's authorities permit OMB to apportion BPA's budgets only for the purpose of achieving effective and economical use of BPA's budgetary resources in a given year, including BPA's borrowing authority.

Apportionment to achieve the most effective and economical use of BPA funds means that OMB can apportion in a way that allows the Administrator to achieve the same purpose by spending less, or to save money by more efficient operations, or if developments subsequent to the submittal of the budget make the use of the money unnecessary. It clearly does not permit OMB to withhold funds for fiscal policy reasons, or for the purpose of setting priorities.

Any withholding of BPA funds, whether from borrowing authority or BPA's revenues, in order to effect "savings" or due to "subsequent events" must be considered in the context of not violating BPA's mission and broad authorities to provide safe, economical, and reliable electric power and transmission services, and to protect, mitigate. and enhance fish and wildlife. I wish to particularly emphasize that BPA now has essential responsibilities for funding measures that offset the damage done to Columbia River fish stocks by the Federal hydroelectric dams on the Columbia River and its tributaries. It is not a "savings" or "efficiency" to stop BPA from funding measures the Administrator determines are necessary to fulfill his duties in a business-like manner.

OMB may not prevent BPA from implementing programs BPA deems appropriate. Furthermore, because BPA has authority to create obligations without prior congressional approval (except in limited circumstances specified in statute) or further appropriation, OMB's authority to limit BPA's obligations and expenditures is very restricted. For instance, BPA may create an obligation that has not been reflected in a budget submitted to Congress, however, before BPA can make an expenditure for the obligation, BPA must include the planned expenditure in a budget submitted to the Congress.

OMB may not apportion BPA's budgetary resources to avoid the necessity for a deficiency or supplemental appropriation. The Transmission System Act specifies the order for payment of BPA's obligations, and if BPA has insufficient cash and borrowing authority in a fiscal year, the Transmission System Act provides for BPA to defer payments to the Treasury. The amount deferred is not forgiven and BPA remains obligated to repay it. BPA is required to take into account the amount deferred when it next adjusts its rates, if that amount has not been repaid by that time.

Under the 1974 Congressional Budget and Impoundment Control Act, Public Law No. 93-344, any proposed action by the OMB to withdraw or delay the authority to incur an obligation to make an expenditure or to pay an existing obligation is a rescission requiring notice to Congress. Mr. Dawson's letter notes that "if Congress changes the President's budget request for borrowing authority in a appropriations act, OMB will not reduce the amount provided in a statute unless there is a subsequent legislative enactment." I do not disagree with Mr. Dawson's statement, but

OMB's obligations to seek congressional approval before revising BPA's budget, or otherwise delaying a BPA program, are much broader under the Congressional Budget and Impoundment Control Act.

Once a BPA program proposal has been included in the President's budget submitted to Congress, OBM may not revise either that budget or a congressionally revised budget in an appropriation act, or take other action, where the effect would be to withdraw or delay BPA's authority to incur a lawful obligation or to make an expenditure to pay an existing obligation. It is assumed, for purposes of this amendment, that, consistent with the Budget Impoundment and Control Act, OMB may not reduce the amount of BPA borrowing authority apportioned to BPA unless Congress is properly notified pursuant to 2 U.S.C., § 683 (Public Law No. 93-344, title X, § 1012) and Congress has approved the reduction by affirmative action within 45 days of the notice. Absent proper notice by OMB and affirmative action by Congress, BPA should proceed as though the OMB proposal had not been made.

It is my belief that the clarifications represented both by the letter and amendment 34 of the bill will ensure the continuance of current budget practices. In conclusion, I would like to thank OMB again for its cooperation in working to overcome the difficult hurdles inherent in making the complexities of the appropriations process conform to the intent of Congress as expressed in the Transmission System Act.

I ask unanimous consent to have the letter to which I referred printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, June 16, 1988.

Hon. JOSEPH F. SALGADO,
Under Secretary, Department of Energy, Washington, DC.

DEAR MR. SALGADO: I understand that there have been concerns raised about certain issues related to implementation of the 1974 Federal Columbia River Transmission System Act, P.L. 93-454 (16 U.S.C. Sec. 838), referred to as the Transmission System Act. The provisions of the Transmission System Act gave the Bonneville Power Administration (BPA) more flexibility to operate in a businesslike manner than previously had existed under the appropriations process.

The initial understandings about how the Office of Management and Budget (OMB) would carry out the annual budget process to foster the financial flexibility of the Act were reflected in correspondence in 1974 between John C. Whitaker, then Under Secretary of Interior, and Frank Zarb, then Associate Director of OMB. The OMB believes a reaffirmation and clarification of specific procedures and principles are in order to achieve the intent and purpose of the 1974 letters because, in the 14 years since these initial understandings, a number of circumstances have changed. For instance, BPA has been given major new statutory electric load growth and resource acquisition responsibilities under the Pacific Northwest Electric Power Planning and Conservation Act of 1980 (Regional Power Act). Also, the Federal budget process has been modified as a result of implementing the Congressional Budget and Impoundment Control Act of 1974 and the Balanced Budget and Emergency Deficit Control Act of 1985 (commonly known as the Gramm-Rudman-Hollings Act), as amended. Additionally, BPA was transferred from the Interior Department to the Department of Energy (DOE) under the Department of Energy Organization Act of 1977.

The Zarb/Whitaker letters recognized that ". . . regional interests in the Pacific Northwest are prepared to assume the higher costs associated with the form of financing in the Federal Columbia River Transmission System Act (FCRTSA) in exchange for the assurance that BPA would be given the flexibility and capability to provide the transmission facilities required on a timely and reliable basis." We reaffirm this understanding, and recognize that these understandings also apply to the new responsibilities given to BPA by the Regional Power Act. In keeping with these understandings, the OMB will reinstitute the practice of indicating the budgetary and employment requirements for the BPA within the total DOE allowance. In addition, the annual planning targets for the "out years", to the greatest extent possible, would be set at levels to enable BPA to meet its planning schedules and its transmission and electric utility load growth responsibilities under law. In addition to reaffirming these principles, there are other matters that require further clarification.

The Transmission System Act created the BPA Fund, a separate fund in the U.S. Treasury, and authorized BPA to pay the costs of the Federal Columbia River Power System from the Fund without further appropriation and without fiscal year limitation. BPA's revenues from the sale of power and other services, and bond proceeds from funds borrowed from the U.S. Treasury, are deposited in the Fund. In exchange for this financial flexibility, which removed BPA from the annual appropriations process, BPA ratepayers were obligated to pay higher interest rates for funds borrowed from the U.S. Treasury. BPA is "self-financed" in that it is required by law to set its rates at levels sufficient to pay all of its costs, including repayments of the Federal investment in that system, and its revenues and funds borrowed from the U.S. Treasury became available without further legislative action. As such, monies desposited in the BPA Fund are available for obligation and expenditure as a permanent, indefinite appropriation.

In addition, the financial flexibility of the Transmission System Act permits BPA, as has been BPA's practice, to use current revenues to pay for program costs for which borrowing authority had been obligated, deferring the actual issuance of bonds to the U.S. Treasury to a later date (even beyond the end of a fiscal year) as needed to pay authorized expenses. Such practice does not supersede the priority of payments established in the 1974 Act.

The annual budgets of BPA are to be submitted to DOE, OMB and the Congress. Once a BPA proposal has been included in the President's budget and has completed this budget process, OMB will apportion BPA's budgetary resources (the amounts available to enter into obligations in a given year). This includes the amount of borrowing authority identified in the budget.

If Congress changes the President's budget request for borrowing authority for BPA in an appropriations act, OMB will apportion the amount in the statute. OMB will not reduce the amount provided in statute unless there is a subsequent legislative enactment.

The President, of course, has the right to amend his budget proposals or to propose changes to an enacted budget. Any amendment to the budget would be subject to the same budget approval process as described above.

The President's budget submitted for BPA to Congress includes such funds as are necessary to meet BPA's lawful obligations. Consistent with the Anti-Deficiency Act, OMB reaffirms that BPA's budgets will be adequate to meet its cash requirements for annual and multiple-year programs, thereby ensuring that adequate resources are available to meet the Administrator's planning schedules.

The BPA budget submitted to Congress includes, and OMB apportions, such funds as are necessary to meet BPA's lawful obligations. OMB can apportion BPA funds and borrowing authority for the purpose of achieving the most economical and efficient use of such funds and borowing authority, consistent with the legal and contractual obligations of BPA. OMB will not apportion BPA funds in such a manner as to cause BPA to operate inconsistent with its statutory authorities, including its statutory requirements to operate consistent with sound business principles.

I believe that these interpretations achieve the intent of the Transmission System Act by allowing BPA to operate in a flexible, businesslike manner. If I can be of any further assistance to you, please advise.

Sincerely,

ROBERT K. DAWSON,
Associate Director, Natural Resources, Energy and Science.

[The correspondence between the Department of Interior and the Office of Management and Budget follows:]

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, June 4, 1974.

Hon. JOHN C. WHITAKER,
Under Secretary of Interior, Washington, DC.

DEAR JOHN: In a memorandum of March 29, 1974, the Office of Management and Budget recognized that regional interests in the Pacific Northwest are prepared to assume the higher costs associated with the form of financing in the Federal Columbia River Transmission System Act in exchange for the assurance that the Bonneville Power Administration (BPA) would be given the flexibility and capability to provide the transmission facilities required on a timely and reliable basis.

I have reviewed your letter of May 31, which seeks to clarify the budget procedures for the BPA under the proposed act. The letter accurately reflects the understanding reached between this Office and the Department of the Interior that a separate annual planning ceiling for BPA would be sent to the Department which will be adequate to the greatest extent possible, to enable the BPA to meet its planning schedules. This procedure, which will provide necessary financial flexibility, assumes enactment of legislation substantially the same as the Administration bill recently introduced in the Congress.

Sincerely,

Frank G. Zarb,
Associate Director.

U.S. Department of the Interior,
Office of the Secretary,
Washington, DC, May 31, 1974.

Mr. Frank G. Zarb,
Associate Director, Office of Management and Budget, Washington, DC.

Dear Mr. Zarb: Your memorandum of March 29 recognizes that regional interests in the Pacific Northwest are prepared to assume the higher costs associated with the financing represented by the proposed act in exchange for the flexibility and capability to provide in the Pacific Northwest the transmission facilities required on a timely and reliable basis. Based on further discussions between your staff and mine, our understanding of the procedures necessary to implement the bill are summarized below.

BPA will submit to the Department of Interior a budget consistent with the provisions and the purposes of the proposed act, which will be within the debt ceiling of the bonds BPA can have outstanding. We anticipate that in addition to the information BPA's budget now includes, the document will contain a program and financing schedule which derives the "net outlay" budget control figure, and a complete presentation of the status of the "Bonneville Power Administration Fund" as described in the proposed act.

After program and policy review within the Department, the budget will then be sent to OMB and will be sufficent to enable BPA to meet planning schedules. It is our understanding that a separate annual planning ceiling for BPA would be sent by OMB to the Department in order to provide necessary flexibility to BPA. To the greatest extent possible, the annual planning ceiling will be set at a level to enable BPA to meet its planning schedules. The Department will treat BPA's planning ceiling completely separate from other Department ceiling(s).

BPA's budget authority, which is to be derived from outstanding authority within the bond debt limit available, application of revenues, and other funding derived from the authorities of the bill, will be on a multiyear basis in order to allow BPA necessary year to year program flexibility.

Ltr. to F. Zarb, OMB, Subj: New Budget Procedures for BPA Under the Proposed Federal Columbia River Transmission System Act.

The procedures set forth above assume enactment of legislation substantially the same as the Administration bill recently introduced in Congress (S. 3362 and H.R. 14168).

We anticipate that this letter and any response by you will become part of the legislative history in Senate and House hearings now scheduled for June 6 and 7 respectively.

Sincerely yours,

John C. Whitaker,
Under Secretary of the Interior.

[Memorandum for Under Secretary John C. Whitaker from the Executive Office of the President, Office of Management and Budget, Washington, DC, March 29, 1974.]

From: Frank G. Zarb, Associate Director
Subject: Federal Columbia River Transmission System Act

The Department of the Interior has recently submitted to this Office for review a bill "to enable the Secretary of the Interior to provide for the operation, maintenance and continued construction of the Federal transmission system in the Pacific Northwest by use of the revenues of the Federal Columbia River Power System and the proceeds of revenue bonds, and for other purposes."

The bill authorizes the Bonneville Power Administration to finance its construction, operation, and maintenance activities through the sale of bonds and notes and the use of revenues. The Bonneville Power Administration would be allowed to sell its obligations to the Secretary of the Treasury, up to the limit of $1.25 billion on outstanding debt, at an interest rate comparable to the prevailing private market rates for similar utility bonds.

The Office of Management and Budget recognizes that regional interests in the Pacific Northwest are prepared to assume the higher costs associated with this form of financing in exchange for the assurance that the Bonneville Power Administration would be given the flexibility and capability to provide the transmission facilities required on a timely and reliable basis.

The Office of Management and Budget understands its role in providing this flexibility and capability to be as follows. The annual planning ceiling for the Department of the Interior will indicate this Office's estimates of both budgetary and employment requirements for the Bonneville Power Administration. These estimates will be adequate, up to the ceiling on the bonds that may be outstanding, and subject to the overall demands placed on Federal budgetary resources, to enable the Administration to meet its planning schedules.

Please be advised that this understanding is based on enactment of legislation the same as or not substantially different from the proposed legislation which the Department transmits to the Congress.

U.S. Department of the Interior,
Office of the Secretary,
Washington, DC, March 27, 1974.

Mr. Frank G. Zarb,
Associate Director, Office of Management and Budget, Washington, DC.

Dear Mr. Zarb: Donald Hodel has recommended, based on discussions between representatives of Interior, OMB and Treasury, that we agree to Treasury's proposed modifications to the legislation we recently submitted for your review, subject to certain firm agreements to be reflected in a Memorandum of Understanding between OMB and Interior. The Memorandum of Understanding would recognize that the regional interests in the Pacific Northwest are prepared to assume the higher costs associated with this form of financing BPA's future construction of transmission facilities in exchange for assurance that BPA will have the flexibility and capability to provide the transmission facilities required within the region on a timely and reliable basis. Therefore, the basic understanding must recite that the budget planning allowance for BPA, including personnel ceilings, will be separate from the planning allowance for the Department of the Interior and will be adequate, up to the ceiling of the bonds BPA can have outstanding, to enable BPA to meet planning schedules.

The substance of the Memorandum of Understanding stated above is consistent with the expectations of the interests in the Pacific Northwest which will be relying upon BPA to provide the transmission facilities to move the generation from new thermal plants to their load centers. Absent such understanding, we cannot commit their continued support for the arrangement which has been proposed.

Sincerely yours,

John C. Whitaker,
Under Secretary of the Interior.

Mr. STAFFORD. Mr. President, as Members are aware, the conference report on H.R. 4567 contains report language adopting Senate Appropriations Committee report language which is not otherwise contradicted by the conference report itself. This is of course standard procedure and is in itself not troublesome.

However, as I stated during the Senate debate on H.R. 4567 on June 14, I am very concerned about language in the Senate Appropriations Committee report on that bill stating that it is the opinion of the committee that the cost-sharing requirements of the Water Resources Development Act of 1986 do not apply to the Yazoo Backwater Pumping Plant project of the Corps of Engineers.

Since there is no statement of managers language in the conference report to contradict the Senate committee report language, it appears that the conferees either mistakenly failed to include such language, or have by default endorsed the Senate committee's language. Although the Senate committee report language merely states the opinion of that committee and does not mandate a reduction in the required cost sharing, I nonetheless believe it helpful to once again briefly revisit the topic of the applicability of the new cost-sharing reforms to the Yazoo Backwater Pumping Plant.

The Yazoo Backwater pumping project has been very controversial for a number of years—the dispute basically revolving around the project's severe environmental impacts and what some see as its questionable economic merits. As a result of this controversy, a major issue during the conference proceedings on the Water Resources Development Act of 1988 was whether or not the Yazoo project should be subject to the new cost-sharing formulas which that bill would put into place.

This controversy was ultimately resolved in section 103(e) of the 1986 act. That provision makes the new cost-sharing rules applicable to flood control, other projects, and separable elements thereof on which the Secretary determines physical construction had not begun by April 30, 1986.

In the case of the Yazoo Backwater project, the Secretary has made such a determination.

There was no question during the conference on Public Law 99-662, and there is no question now that physical construction—actual moving of earth or other environment altering activity—on the Yazoo Backwater project did not begin until May 5, 1986, when two bulldozers and their operators began clearing land for access channels to the future pumping station. These facts are clearly documented in both the log of the contractor on the job and by the log of the Corps of Engineers construction inspector at the site.

So, Mr. President, despite any claims to the contrary, an examination of the history of Public Law 99-662, the substance of its provisions, and the specific facts relating to the project, clearly reveal that the Yazoo Backwater pumping project must be cost shared under the new cost-sharing policy.

Mr. President, as has been stated on this floor many times, the new cost-sharing policies implemented by the Water Resources Development Act of 1988 are essential components of the new foundation on which rests a viable and responsible water resources development program of the Corps of Engineers. That new foundation is very fragile, and as soon as we attempt to circumvent cost-sharing reforms on either a case-by-case or generic basis, we will have begun the process of its destruction.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter from the Assistant Secretary of the Army for Civil Works which was sent to the conferees on H.R. 4567, and an editorial entitled "Watering the Truth" which appeared in the June 27, 1988, Washington Post.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE ARMY,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, DC, June 15, 1988.

HON. J. BENNETT JOHNSTON,
Chairman, Subcommittee on Energy and Water Development, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: We are taking this opportunity to advise you of the Army's objection to the apparent intent in recent Senate action on Fiscal Year 1989 appropriations to avoid cost sharing on the Yazoo Backwater Pumping Plant in Mississippi. Physical construction on this project began on May 5, 1986, several days after the effective date of cost-sharing provisions of the Water Resources Development Act of 1986, Public Law 99-662. Therefore, the project is subject to cost sharing.

It took years of negotiations between the Executive and Legislative Branches to reach agreement on the water project cost-sharing and financing reforms embodied in Public Law 99-662. In implementing the act, we have worked diligently to fairly and consistently apply its provisions to the Army Civil Works program. Any attempt to evade the impact of cost-sharing reforms jeopardizes the future of the entire Federal water resources development program and, therefore, should be of serious concern to all Senators and Members of Congress.

We urge you to reconsider and oppose efforts to exempt this or any other project from cost-sharing reforms.

Sincerely,

ROBERT W. PAGE,
Assistant Secretary of the Army (Civil Works).

[From the Washington Post, June 27, 1988]

WATERING THE TRUTH

The Senate Appropriations Committee has found a new way of controlling the government that is spread before it. It has gone into the Orwellian business of rewriting history. The current object of this new sideline is a proposed water project in Mississippi improbably named the Yazoo Backwater Pumping Plant.

Water projects used to be financed entirely with federal funds. Everyone enjoyed swimming in the stream. Jimmy Carter and Ronald Reagan both tried for fiscal and other reasons to change the system. In 1986 Mr. Reagan won the war that Mr. Carter had begun; Congress reluctantly agreed to make the state and local beneficiaries of a project pay part of its cost. The idea was not merely to save money but to discourage projects that turned out to benefit only a few already well-off people; Mr. Carter also had in mind protecting the environment against the damage that water projects do.

The new rules were supposed to apply to all projects on which "physical construction" had not begun by May 1, 1986. It was understood that the Yazoo project would be one of those; a member of the Mississippi delegation voted against the agreement precisely because the Yazoo plant would be affected. But it's amazing what a little historical research can do. The Appropriations Committee, whose chairman is John Stennis of Mississippi, announced in its report on the relevant bill this year that it had found—you won't believe it—that some work had been performed on the Yazoo project by contractors on April 29, 1986. Therefore, the committee said, the cost-sharing rules did not apply, and the Corps of Engineers was instructed to proceed with the Yazoo project in the traditional fashion.

The committee's discovery was news to the corps. The assistant secretary of the Army for civil works papered the Hill with letters of protest, saying that work on the Yazoo plant began May 5, 1986, and "any attempt to evade" the cost-sharing rules would have serious consequences. The chairman and ranking minority member of the Environment and Public Works Committee took the unusual step for the clubby Senate of issuing a similar warning. But all that was too late; the bill had already passed. Now the question is what to do about the project in conference with the House, whose bill and report are silent on it but whose appropriations chairman, Jamie Whitten, is also from Mississippi.

The administration and appropriations committees are in a dispute over the force of report language generally—the administration claims it isn't binding, the appropriators say the administration ignores the language at its peril—and the Yazoo end-around is part of that. It is part of an environmental dispute as well. The Yazoo is a tributary of the Mississippi; it will back up and flood when the Mississippi is too high. The backwater pumping plant will protect against this freeing land for farming. Environmentalists, who think the $106 million plant won't be built if local interests have to bear part of the cost, want the acreage left as wetlands instead.

But the real issue here has nothing to do with the great public policy questions of wetlands versus development, comity between the White House and Congress, even who should pay for water projects. It is a child's issue—whether a powerful committee of Congress is going to be compelled to tell the truth and obey the law. The conferees are the ones in a backwater; they should get out of it.

Mr. STAFFORD. Mr. President, as I have discussed, the conference report on H.R. 4567, the energy and water development appropriations bill, references Senate Appropriations Committee report language expressing that committee's opinion on the applicability of the cost-sharing reforms of Public Law 99-662 to the Yazoo backwater pumping facility in Mississippi.

In a statement made on the floor of the Senate subsequent to the Senate's passage of H.R. 4567, my good friend from Wisconsin, Senator KASTEN, expressed his many concerns about the Yazoo project.

Although in his statement he addressed the issue of cost sharing for all of the remaining flood control work in the Yazoo basin, I did not hear the Senator address the specific issue of cost sharing for the Yazoo backwater pumping plant.

Mr. KASTEN. Mr. President, I thank my good friend from Vermont for his attention to my remarks and I will be glad to elaborate on the specific issue of the applicability of cost sharing to the Yazoo backwater pumping plant.

In my statement, I expressed concern that the Corps of Engineers has interpreted the cost sharing provisions of Public Law 99-662 as not applying to most of the remaining work yet to be undertaken in the Yazoo basin.

As Members are aware, the entire Yazoo basin project is estimated to cost approximately $1.4 billion and it unfortunately appears to be the case that the corps has interpreted most of this work as not requiring new cost sharing. However, it has always been very clear that the provisions of Public Law 99-662 were intended to, and do indeed, apply to the Yazoo backwater pumping project which accounts for about $100 million of this amount.

Mr. President, on behalf of the taxpayers of Wisconsin and the waterfowl that depend on the vitality of the Mississippi Delta, I remain very concerned that most of the Yazoo project yet remains exempt from cost sharing. Were this whole project subject to cost sharing, as opposed to only certain of its components, I believe that the taxpayers and the environment would be far better served.

Mr. STAFFORD. Mr. President, I thank the Senator for his clarification.

FUNDING FOR LOS ALAMOS NEUTRON SCATTERING CENTER

Mr. DOMENICI. Mr. President, I would like to take a moment of the chairman's time to thank him for the assistance he has provided to me on a number of issues important to my home State of New Mexico. Chairman JOHNSTON and the distinguished ranking minority member, Senator HATFIELD, have done an outstanding job in crafting the fiscal year 1989 energy and water development appropriations bill now before us, and I am confident that this will be the first fiscal year 1989 appropriations bill signed into law by the President.

Before final action on this bill, I would like to seek a clarification on one item in the Department of Energy relating to the Los Alamos Neutron Scattering Center, or LANSCE, as it is called.

The Los Alamos Neutron Scattering Center is intended as a national facility for neutron-scattering research. The President has requested a total of $7.1 million for the continued construction and operation of the center in fiscal year 1989. The conference agreement on the energy and water development appropriations bill includes the $4 million in construction funding requested by the President. It also includes an increase of $1.7 million above the President's request for the operation of the LANSCE facility as a national user facility.

Mr. President, page 29 of the report accompanying the fiscal year 1989 energy and water development appropriations bill outlines this recommendation for the LANSCE facility. However, if one looks at the overall budget request for operations of LANSCE, it totals $3.1 million. The $1.7 million in addition to the President's request would provide a total operating budget for the center of $4.8 million for fiscal year 1989.

Could the chairman of the subcommittee tell me if this is his understanding of the recommendation for the total operating budget of the Los Alamos Neutron Scattering Center?

Mr. JOHNSTON. I say to the Senator from New Mexico that he is correct. As I understand it, the operating budget of the Los Alamos Neutron Scattering Center is in three components. The total recommendation by the President for the operation of the facility is $3.1 million for fiscal year 1989. However, this amount falls short of the amount needed to commission the proton storage ring at LANSCE and to support the national user program. The increase of $1.7 million recommended in the conference report will adequately support these activities for a total operating budget for LANSCE of $4.8 million for fiscal year 1989.

Mr. DOMENICI. I thank the chairman for this clarification and for the subcommittee's support for this important research endeavor at Los Alamos National Laboratory in New Mexico.

Mr. SASSER. Mr. President, I would like to ask the distinguished chairman of the subcommittee if he would clarify the intent of the conference as it relates to the Tennessee Valley Authority.

Mr. JOHNSTON. I would be pleased to respond to the Senator from Tennessee.

Mr. SASSER. The Senate report specifically earmarks $200,000 from within available funds for design and construction of a greenway project along the North Chickamauga Creek near Hixson, TN. What was the action of the conferees on this Senate language?

Mr. JOHNSTON. This item was discussed by the conferees during the conference with the House and the House specifically receded to the Senate position.

Mr. SASSER. I appreciate the Senator's clarification of this matter. I would assume then that the boilerplate language in the conference report would serve to direct the TVA to proceed with this project. Is that correct?

Mr. JOHNSTON. That is correct. The action of the conferees was to direct TVA to proceed on the greenway project.

Mr. SASSER. I thank the distinguished chairman of the subcommittee.

Mr. DODD. I would like to commend Senator JOHNSTON and his colleagues on the Appropriations Energy and Water Development Subcommittee for bringing this year's bill and conference report to the Senate in such a timely fashion.

I would also like to congratulate the conference committee for including in the Department of Energy's energy storage account, $1.5 million for a joint laboratory-industry initiative in proton exchange membrane fuel cell technology. The Senate had approved $3 million in its version of the bill—an amount which would have set this program on far firmer footing—but the conference committee settled on half that amount due to overall budget considerations.

This program is an important step forward in the development of the notion that our national laboratories and private sector entities should work more closely with one another in order to promote effective technology transfers.

I would like to ask Senator JOHNSTON whether or not it is his understanding, as it is mine, that the institutions responsible for developing and promoting this program are Los Alamos National Laboratory and the International Fuel Cell Corp. [IFC]?

Mr. JOHNSTON. The Senator is correct. It is my understanding that Los Alamos and IFC have discussed at some length and in some detail, the development and implementation of this particular program.

Mr. DODD. I thank the Senator and congratulate him again for including this appropriation in the energy and water conference report. I would also like to thank Senator DOMENICI and Senator WEICKER for their efforts, as well. Finally, I would like to recognize my constituents employed at IFC, located in South Windsor, CT, for their initiative with Los Alamos. They have developed a model program which I hope the Department of Energy will recognize in next year's budget request.

Mr. DOMENICI. Mr. President, one of the most significant items in this bill to me is an appropriation of $2 million to be expended in fiscal year 1989 to continue the important Acquias Renovation Program in New Mexico.

This program was authorized in the 1986 Water Resources Development Act, and initial construction money was appropriated in the current fiscal year.

Very soon, I anticipate that the first construction contracts will be let, with as many as 10 or 12 components going into construction this year. That is good news for New Mexico.

The Office of Management and Budget, as I understand it, has now taken a position that projects, such as the Acquias Program, for which the administration did not request money, require an actual line item in the conference report, rather than a mention in the statement of managers or the underlying committee reports.

Frankly, Mr. President, such an approach would require a radical change in the way that Congress has developed appropriations bills for a generation or more. While that change could have merit, that change needs to be worked out between the administration and Congress, and not simply be dumped upon one small project, such as the Acquias Program.

For this reason, Mr. President, I would like to ask the distinguished floor managers of the bill if they agree with me that the inclusion of the $2 million for the Acquias Program, is a directive to the Corps of Engineers to expend that money in fiscal year 1989, and that this line item is just as valid a directive as if it were included in the statute itself?

Mr. JOHNSTON. The Senator from New Mexico is correct. The $2 million for the Acquias Program is an integral part of what will soon be law, and it is the intent of the floor managers that the money must be apportioned during fiscal 1989.

Mr. HATFIELD. I agree with the Senator from Louisiana, and we will insist that the corps apportion the $2 million we have appropriated for the Acquias.

Mr. DOMENICI. I thank my colleagues.

TECHNICAL CORRECTION

Mr. HATFIELD. Mr. President, there is a typographical error which appears in the conference report on H.R. 4567 in a Department of Energy section titled "Prior Year Balances" accompanying amendment No. 32.

In the list of previously appropriated projects identified in that section, project number 87-D-149 is misidentified and should read "Reduced Chemical Discharge". As well, the project entitled "Productivity Retention Program" should be identified as project 86-D-149.

Mr. President, unfortunately those two project numbers and their descriptions were transposed and should be corrected as I have stated.

Mr. JOHNSTON. Mr. President, I concur in the correction to the conference manager's report.

The PRESIDING OFFICER. The correction submitted as a notation to the RECORD will be so noted in the RECORD, without objection.

Mr. HATFIELD. Mr. President, I would like to associate myself with the remarks of our very able chairman, the Senator from Louisiana [Mr. JOHNSTON], in regard to the retirement from the Senate of the Senator from Mississippi and the fact that this is the first of the appropriation bills to be passed this session and the last of this particular appropriation bill in which the Senator from Mississippi will be a participant.

Mr. President, I joined the Appropriations Committee at a time when the Senator from Mississippi was the chairman of the subcommittee. As we do on the Republican side, we rotate around the new members of the committee our first choice of a subcommittee. My first choice, whether I had gone first or last in the rotation, was the Energy-Water Subcommittee, for a number of reasons, one of which was that there was this very outstanding Senator from Mississippi, whom many of us had taken as a role model, who was the chairman of that subcommittee; and I wanted to learn the rules of the game and I wanted to learn the ropes of the committee. I felt there would be no better tutor than the Senator from Mississippi. So I became the ranking Republican member of that committee under his chairmanship. It was indeed a time of great learning and great understanding that came to me through his patience and his wisdom.

I continue to learn under the chairmanship of Senator JOHNSTON, as well. It has been a pleasure to be on this committee, under two most distinguished chairmen, Senator STENNIS and Senator JOHNSTON.

I want to make note of that little historic vignette in my life, which was very important to me, and hopefully it contributed to my work on the committee.

Mr. JOHNSTON. I thank the Senator.

The PRESIDING OFFICER. The yeas and nays having been ordered previously, the vote has been scheduled for 10 a.m. tomorrow.

Mr. BYRD. Mr. President, I ask unanimous consent that the rollcall vote on the adoption of the conference report on the Energy-Water appropriation bill occur at 10:15 a.m. tomorrow, rather than 10 o'clock, as previously ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there now be a period for morning business and that Senators may speak for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE 1988 JULY QUARTERLY REPORT

Mr. BYRD. Mr. President, the mailing and filing date of the July Quarterly Report required by the Federal Election Campaign Act, as amended, is Friday, July 15, 1988. All principal campaign committees supporting Senate candidates in the 1988 races must file their reports with the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510-7116. You may wish to advise your campaign committee personnel of this requirement.

The Public Records Office will be open from 8 a.m. until 9 p.m. on the filing date for the purpose of receiving these filings. In general, reports will be available 24 hours after receipt. For further information, please do not hesitate to contact the Office of Public Records on (202) 224-0322.

DEMOCRACY IN GUATEMALA

Mr. KENNEDY. Mr. President, last month, two army officers tried to mount a rebellion against Vinicio Cerezo's democratically elected government in Guatemala. The coup attempt failed, the soldiers were arrested, and the government survived. The following week, eight civilians were charged with sedition and accused of instigating the coup.

Last month's effort to overthrow the Cerezo government ended in failure, but the events of Wednesday, May 11—which put the fragile Guatemalan democracy in peril if only for one brief moment—should not pass unnoticed.

The first thing to be said is that the American people care about democracy in this hemisphere and, more specifically, we support democratic rule in Guatemala. Those people in Guatemala, who, for whatever reason, may be tempted to move against their democracy and who, for whatever reason, may look to the north for friends should harbor no illusions about where the American people stand. We are—all of us, Republican and Democrat alike—behind Vinicio Cerezo and in support of democracy in Guatemala.

It was in November 1985, for the first time in 16 years, that the people of Guatemala went to the polls and elected a civilian president. And it was in January 1986, after 20 years of military rule, that President Cerezo took the oath of office. Vinicio Cerezo has now been President of Guatemala for 2½ years. During those years as President, Vinicio Cerezo has demonstrated great personal courage and a continuing commitment to democratic institutions. His task has not been an easy one—to bring peace to a torn and troubled land, to gain the trust and confidence of a beleaguered and fearful military establishment, to build democratic institutions that can command respect and deference from all elements of Guatemalan society, to heal the wounds of decades of violence. With his efforts, Vinicio Cerezo has won the admiration of the world. It is absolutely essential that he now be permitted to complete his term of office.

Perhaps one of the most significant aspects of the May coup attempt was the positive role played by the Guatemalan Minister of Defense, Gen. Hector Alejandro Gramajo Morales, and the top leadership of the Guatemalan military. General Gramajo was himself a target of the coup, and he—with the high command—moved quickly to restore discipline to the two army bases—in Jutiapa and in Retalhuleu—that were involved.

The threat from the right—from disgruntled army officers allied with extremist political leaders and powerful business interests—has not diminished. Democracy in Guatemala is still in peril. According to recent reports, discontent from the right has been building for several reasons. For one thing, in compliance with the Central American peace agreement, President Cerezo's government made tentative overtures to Marxist guerrillas and began talks aimed at ending the 20-year old insurgency. For another, the government allowed four dissident political leaders to return and to meet with their friends and supporters. And finally—and perhaps most threatening to the Guatemalan oligarchy—the government has now opened talks with the labor unions.

The most recent reports are encouraging. It appears that the top leaders of the military have now become as sensitive to threats from the right as they have been in the past to threats from the left. In an article in this morning's New York Times, General Gramajo is quoted as saying: "Radical, ultra-conservative groups pose just as much danger to Guatemala's security as Marxist guerrillas. Both support theories and dogmas that do not respect the people's right to choose their own government."

But the turmoil inside Guatemala still continues, and violence still threatens the fabric of that society. Memories of the ugly past were rekindled last week—June 30, 1988—when an organizer of the Democratic Socialist Party, Salamon Eduardo Figueroa Tobar, was gunned down in his hometown after returning from exile.

Now more than ever, it is important for the United States to show its support for President Cerezo, for General Gramajo and for all those people in Guatemala—military and civilian alike—who have risked so much to build and protect democratic institutions. The message from Washington should be clear and unambiguous. We want democracy to work in Guatemala, and we will do what we can to guarantee the success of that most important undertaking.

Mr. President, I ask unanimous consent that news reports of the attempted coup d'etat be printed at this point in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Washington Post, May 12, 1988]

Guatemala Says Army Revolt Fails—Two Officers Held After Short-Lived Rebellion Against Civilian Rule

(By Alfonso Anzueto)

Guatemala City, May 11.—Two Army officers tried to mount a rebellion today against President Vinicio Cerezo's civilian government, but the effort failed and they were arrested, Guatemala's defense minister announced.

Troops were deployed to protect the capital, said the defense minister, Gen. Hector Alejandro Gramajo Morales.

In a news conference, Gramajo called the incidents "acts of indiscipline" that were short-lived and said the rest of the Army's 74 bases and installations were not involved.

"They were immediately neutralized and the officers involved immediately change their attitude," he said.

Gramajo, reading a prepared statement, did not confirm an earlier Defense Ministry statement that a coup attempt had taken place.

In Washington, State Department spokeswoman Phyllis Oakley said preliminary reports indicated that some military units were involved in a coup attempt. She reaffirmed U.S. support for civilian democracy in Guatemala.

The two ringleaders met with officers and soldiers at bases in Jutiapa, 75 miles south of the capital, and Retalhuleu, 115 miles south-west of Guatemala City, and led them toward the capital this morning, Gramajo said.

He gave no details and refused to identify the two officers by name or rank.

He also said the officers and soldiers involved were fooled by "speculation and disinformation" propagated by civilians, whom he did not identify.

One of the ringleaders temporarily blocked the road leading from Guatemala City to El Salvador, prompting the Army to deploy extra troops around the capital, he said. Otherwise, Guatemala City remained calm but tense throughout the morning.

The defense minister did not say how many soldiers were involved, what kind of arms they used or if there was any violence. He also did not say if there were other arrests or any disciplinary action taken at the two bases involved.

Cerezo, a lawyer and leader of the Christian Democratic Party, was elected in November 1985. It was the first election in 16 years in which the military did not field a candidate.

Nearly halfway through his term, Cerezo faces allegations of continued government human rights abuses, discontent over economic measures and a powerful military.

While the Cerezo government has wanted the world to see the country as safe for the return of exiles, including leftist leaders, the military has made known it does not welcome them.

Both the Cerezo administration and military leaders have opposed a prompt resumption of peace talks with leftist guerrillas, who have been fighting the civilian government and a succession of military or military-dominated governments for 27 years.

Cerezo succeeded Gen. Oscar Humberto Mejia Victores, who seized power in August 1983 from another military ruler, Gen. Efrain Rios Montt. Rios Montt had come to power after young Army officers overthrew the right-wing government of Gen. Fernando Romeo Lucas Garcia in March 1982.

On Monday, the national police said gunmen fired at the house of Mario Sandoval Alarcon, leader of the right-wing National Liberation Movement over the weekend.

[From the New York Times, May 12, 1988]

A Military Revolt Is Thwarted, Guatemala Reports

Guatemala, May 11.—Two army officers tried to stage a rebellion today against President Vinicio Cerezo's civilian Government, but the effort failed and they were arrested, the Defense Minister announced.

Troops were deployed to protect the capital, said the Defense Minister, Gen. Hector Alejandro Gramajo Morales.

At a news conference, General Gramajo Morales called the incidents "acts of indiscipline" that were short-lived. He said only two of the army's 74 bases and installations were involved.

"They were immediately neutralized, and the officers involved immediately changed their attitude," he said.

General Gramajo Morales, reading a prepared statement, did not confirm an earlier Defense Ministry statement that a coup attempt had taken place.

In Washington, a State Department spokeswoman, Phyllis Oakley, said preliminary reports indicated that some military units were involved in a coup attempt, but she had no details. She reaffirmed American support for civilian democracy in Guatemala.

The Defense Minister said the two ringleaders had met with officers and enlisted men at bases in Jutiapa, 75 miles south of the capital, and Retalhuleu, 115 miles southwest of Guatemala City, and had led them toward the capital on Wednesday morning. He gave no details and refused to identify the two officers by name or rank.

He also said the officers and soldiers involved had been fooled by "speculation and disinformation" propagated by civilians who he did not identify.

One of the rebels temporarily blocked the road leading from Guatemala City to El Salvador, prompting the army to deploy extra troops around the capital, he said. Otherwise, Guatemala City remained quiet through the morning.

The Defense Minister did not say how many soldiers were involved, what kind of arms they used or if there was any violence. He also did not say if there were other arrests or any disciplinary action at the two bases.

Mr. Cerezo, a lawyer and leader of the Christian Democratic Party, was elected in November 1985. It was the first election in 16 years in which the military did not field a candidate.

Nearly halfway through his term, Mr. Cerezo faces reports of continued human rights abuses, economic discontent and a powerful military.

While the Cerezo Government has wanted the world to see the country as safe for the return of exiles, including leftist leaders, the military has made it known that it does not welcome them.

Both the Government and military leaders have opposed an early resumption of peace talks with leftist guerrillas, who have been fighting a succession of Governments for 27 years.

[From the New York Times, May 15, 1988]

Guatemalan Army Arrests Six Officers—High Command Acts Quickly To Suppress Dissent After Military Coup Attempt

(By James LeMoyne)

Panama City, May 14.—The Guatemalan Army high command appears to be moving quickly to suppress the internal dissent in the military that diplomats say led to a failed coup attempt on Wednesday.

In a move that seemed designed as much to bolster his own command over the army as to lend support to the civilian Government of President Vinicio Cerezo, the Defense Minister, Gen. Héctor Gramajo, announced Friday that he has placed six mutinous officers under arrest and suspended or ordered the retirement of three others.

He said army investigators had discovered that eight civilians were also involved in supporting the attempted coup and that their names were being given to the Government for possible prosecution.

General Gramajo's surprisingly strong effort to seek punishment for those involved in the failed coup appeared to confirm that he and other top commanders were not part of the rebellion and consider it to have been directed against them, as much as against the civilian Government.

Diplomats and Guatemalan and political analysts said in interviews in Guatemala on Wednesday and Thursday that a number of field officers have strongly criticized General Gramajo in recent months for "selling out" to President Cerezo, who they consider to be a leftist and also incompetent.

ANIMATED NATIONAL DEBATE

Mr. Cerezo has reacted carefully to the failed coup. His caution appears to reflect a measure of the vulnerability he feels as the first elected civilian president after decades of de facto and often brutal military rule.

But Mr. Cerezo may be able to take a harder stand now that General Gramajo appears to be supporting punishment for those involved in the mutiny that was led by two combat battalions. Public opinion would also appear to support stronger steps by Mr. Cerezo.

The attempted rebellion has ignited an unusually animated public debate among Guatemalans on the value of democracy, the dominant role of the army in the country's political life and on the sagging political performance of Mr. Cerezo and his Government.

Newspapers, radios and television stations have encouraged a virtually nonstop discussion of these issues, citing pedestrians in the capital, leading politicians, army commanders and university lecturers who have argued that the cost and benefits of an elected government or outright military rule.

Judging from the voices being heard, there is broad public opposition to a military takeover. But there is also widespread criticism of Mr. Cerezo as a well-meaning, but administratively incompetent leader.

The arrests of army officers and investigation of civilians suspected of backing the mutiny now present Mr. Cerezo with the delicate problem of finding a punishment that persuades the public of the Government's strength, but does not create further discontent in the army.

The coup attempt started Wednesday morning when troops from two battalions in widely distant parts of the country began a coordinated march on the capital. Their uprising soon ended without shots being fired when the top commanders of the army opposed it and when support from key battalions in the capital failed to materialize.

SOME UNANSWERED QUESTIONS

Few political analysts in Guatemala believe, however, that two battalions would march on the capital without the assurance that they were going to be joined by other powerful units.

There are signs that Mr. Cerezo must continue to tread carefully. Opposition political parties have twice refused to back a resolution in the national Congress supporting "the process of democratization" in Guatemala and asking the army to remain "firm and loyal."

While several congressional deputies contended in statements to the press that they oppose a military takeover, most used the failed coup to warn Mr. Cerezo that he is in deep political trouble and should not readily count on their support.

In another sign of discontent, someone painted slogans declaring "The Communists will not pass" on several houses Thursday in the western town of Jutiapa, where one of the battalions that mutinied is based.

In addition, a group calling itself the Officers of the Mountains, which is believed to be made up of disgruntled field commanders who supported the failed coup, has issued at least six communiqués criticizing the Government and army command.

[From the New York Times, May 13, 1988]

IN GUATEMALA, A RESTIVENESS ON THE RIGHT

(By James Lemoyne)

GUATEMALA, May 12—Guatemala's civilian Government weathered a coup attempt this week but remains seriously threatened by disgruntled army officers allied to far-right groups, Guatemalan politicians and diplomats here say.

The Government of President Vinicio Cerezo appears to have survived the coup principally because the army high command did not support mutinous younger officers. But senior army officials are facing sharp criticism from conservative officers who could force the issue in the months ahead, diplomats and army official here say.

"There is real discontent from younger officers who don't like the direction of the Government," said a diplomat here who monitors the army. "They accuse the top commanders in the army of having sold out to Cerezo and no longer really representing the military."

CRITICISM FROM RIGHTIST CIVILIANS

The coup attempt Wednesday came after several months of strong rumors of discontent in the army, unexplained transfers of principal army commanders and harsh criticism of the civilian Government by extreme rightist businessmen and politicians allied to the military. The businessmen and politicians have been angered by a Government package of tax increases passed last year and Government efforts to begin modest land redistribution.

The coup attempt, which was characterized by the Defense Minister after it was suppressed as "acts of indiscipline," began Wednesday morning when troops from two battalions stationed in widely separated parts of the country marched on the capital.

After troops in important units in the capital would not support the rebels, senior army commanders persuaded the mutinous troops and their officers to return to their bases, military officers and diplomats here said.

"The Government is lucky that the commander of the army did not back the coup," a diplomat here said.

President Cerezo is struggling to survive as the first elected civilian leader to govern the country after more than 30 years of de facto military rule. He has repeatedly sought to reassure discontented army officers and says that his chief objective is simply to finish his five-year term in office.

Diplomats and several Guatemalan politicans say that Mr. Cerezo, who was elected in 1985, will quickly have to compromise to reduce discontent in the army. They say the army high command will also have to address demands by officers who say that the civilian Government is too "leftist," that the army is losing influence and that its budget is too low.

PRESIDENT APPEALS FOR CALM

Mr. Cerezo appealed for calm in a speech Wednesday to a business group here that was televised. He conceded that there was serious discontent in the army and among some civilians, which he said was motivated by "old attitudes and the phantasm of Communism."

The President's current difficulties appear to represent another chapter in decades of failed effort by Guatemala's political, economic and military elite on open political debate and an effective civilian government.

After taking over the Government with the help of the United States Central Intelligence Agency in a 1954 coup that they described as a crusade against Communism, the Guatemalan Army and business leaders have repeatedly allied to topple and create governments. The military has killed tens of thousands of suspected leftists in a country where social discontent is chronic, spurred by the highest concentration of property ownership, the lowest tax rate, and one of the lowest levels of wages in Latin America.

The official who defused the uprising appears to have been the Minister of Defense, Gen. Héctor Alejandro Gramajo Morales. Diplomats say that General Gramajo is convinced that it is in the military's interest to support Mr. Cerezo to broaden international and American backing for the Government.

BACKING FROM BUSINESS INTERESTS

But the general is under heavy fire from young officers in field commands. They issued proclamations before and during the attempted coup that said that they would keep up their pressure on high command and that General Gramajo is out of touch with his troops.

After the coup failed, General Gramajo denounced what he called "radical civilians" who had "disinformed" army officers to encourage the uprising. The general said he would give the names of the civilian troublemakers to the Attorney General for investigation.

Diplomats and Guatemalan politicans say the younger officers are backed by powerful businessmen who believe Mr. Cerezo's tax and land redistribution steps will lead to a stronger civilian government that will eventually reduce their enormous economic and political power.

[From the Miami Herald, May 12, 1988]

COUP FAILS IN GUATEMALA; TWO OFFICERS ARRESTED

GUATEMALA CITY.—Two army officers tried to mount a rebellion against President Vinicio Cerezo's civilian government Wednesday, but the effort failed and they were arrested, the defense minister announced.

Troops were deployed to protect the capital, said the defense minister, Gen. Hector Alejandro Gramajo Morales.

In a news conference, Gramajo Morales called the incidents that originated at two army bases "acts of indiscipline" that were short-lived and said the rest of the army's 74 bases were not involved.

"They were immediately neutralized and the officers involved immediately changed their attitude," he said.

Gramajo Morales, reading a prepared statement, did not confirm an earlier Defense Ministry statement that a coup attempt had taken place.

In Washington, State Department spokeswoman Phyllis Oakley reaffirmed U.S. support for civilian democracy in Guatemala.

The two ringleaders met with officers and soldiers at bases in Jutiapa, 75 miles south of the capital, and Retalhuleu, 115 miles southwest of Guatemala City, and led them toward the capital on Wednesday morning, Gramajo Morales said.

He gave no details and refused to identify the two officers by name and rank.

He also said the officers and soldiers involved were fooled by "speculation and disinformation" propagated by civilians, whom he did not identify.

One of the ringleaders temporarily blocked the road leading from Guatemala City to El Salvador, prompting the army to deploy extra troops around the capital, he said. Otherwise, Guatemala City remained calm but tense throughout the morning.

The defense minister did not say how many soldiers were involved, what kind of arms they used or if there was any violence.

He also did not say if there were other arrests or any disciplinary action taken at the two bases involved.

Some rebel soldiers were "tricked" by officers leading the uprising into believing they were moving to back the Cerezo government, Gramajo said.

He said brief negotiations were held between the pro-government and rebel officers, who then abandoned their revolt and returned to their bases without a shot being fired.

Cerezo, a lawyer and leader of the Christian Democratic Party, was elected in November 1985. It was the first election in 16 years in which the military did not field a candidate.

Nearly halfway through his term, Cerezo faces continued reports of human rights abuses, discontent over economic measures and interference from the powerful military.

While the Cerezo government has wanted the world to see the country as safe for the return of exiles, including leftist leaders, the military has made known it does not welcome them.

Both the Cerezo administration and military leaders have opposed a prompt resumption of peace talks with leftist guerrillas, who have been fighting the civilian government and a succession of military or military-dominated governments for 27 years.

Cerezo succeeded Gen. Oscar Humberto Mejia Victores, who seized power in August 1983 from another military rule, Gen. Efrain Rios Montt.

Rios Montt came to power after young army officers staged a coup in March 1982 that overthrew the rightist government of Gen. Fernando Romeo Lucas Garcia.

On Monday, police said gunmen fired at the house of Mario Sandoval Alarcon, leader of the rightist National Liberation Movement, over the weekend. They said that last week hand grenades were tossed at the homes of two men who served in the governments of Rios Montt and Mejia Victores.

There were no claims of responsibility.

[From the Miami Herald, May 15, 1988]

COUP ATTEMPT RAISES FEARS OVER MILITARY'S POWER IN GUATEMALA

(By Andres Oppenheimer)

GUATEMALA CITY—"Guatemala has two presidents," former President Juan Jose Arevalo once said. "One of them has a maching gun, with which he is always threatening the other."

The words of Arevalo, a civilian who survived 29 coup attempts during his six years in office in the 1940s, came back to Guatemalans last week when a group of army officers launched a failed coup attempt—the first such challenge to the country's 2-year-old democratic government.

President Vinicio Cerezo, a moderate who took office in January 1986 after a string of military regimes, conceded at the end of the week that Wednesday's army insurgency was more serious than was originally admitted by his government.

"We wanted to minimize the seriousness of the action because we realized that it was part of the rebels' plan to maximize it," Cerezo said. "They were counting on other officers to join them if the action appeared to be successful."

The coup attempt has prompted new worries in Washington over Central America's future. With the democracies of El Salvador and Honduras facing their worst political crises in years, many U.S. officials fear a new wave of military dictatorships—and more bloodshed—in the region.

By Saturday, 11 senior officers—including three colonels—and up to 20 junior officers were identified as leaders of the coup attempt. Cerezo said seven rightist civilians, including the director of a nightly news television program, were being investigated for allegedly having helped plan the rebellion.

It is unlikely that those involved in the insurgency will be punished harshly. So far, one military officer, a captain, has been expelled from the army, and three others have been suspended for up to 12 months. Any disciplinary measures against the colonels who led the rebellion have not been announced.

The coup attempt was launched by a mysterious group known as "Officers of the Mountains," which has sent five unsigned communiques to the Guatemalan media in recent weeks accusing Cerezo of corruption, having Communist sympathies, and not enough material support for army battalions fighting leftist guerrillas in the mountains.

Specifically, the rebel officers and their political allies cite Cerezo's efforts to talk the guerrillas into entering the political arena and renouncing violence—a strategy the officers say gives the rebels underserved legitimacy.

As evidence of Cerezo's alleged leftist sympathies, the rebel officers cite the Guatemalan first lady's trip to Cuba in January to participate in an international health conference, as well as the arrival in Guatemala of a permanent correspondent of the Cuban Prensa Latina new agency and a journalist from the Soviet news agency Tass.

The "Officers of the Mountains" and major Guatemalan news media run by rightist politicians have made a scandal out of the recent visit here of a Cuban ballet group, and that of the Cuban national soccor team, which is to face the Guatemalan team today.

Guatemala has no diplomatic relations with Cuba or the Soviet Union, and Cerezo said Friday that he has no intention to start any.

"In any other country, these complaints would seem off-the-wall," one foreign political analyst said. "But in Guatemala's political context, things like the visit of a Cuban soccor team are major irritants."

Most foreign diplomats scoff at the right-wing officers' charges that Cerezo is a closet Marxist. The U.S. State Department said after the coup attempt that it stands "fully behind" Cerezo and Guatemala's democratic experiment.

Cerezo, while saying he will go ahead with plans to have a negotiating team meet with Guatemala's guerrillas later this month in Costa Rica, conceded Friday that "we will have to pay more attention to some demands [of the rebel officers] which may be justified."

He cited the case of equipment shortages, which the rebel officers say force them to fight against Guatemala's estimated 1,200 leftist guerrillas without proper weapons or medical supplies.

COUP ATTEMPT IN GUATEMALA

Mr. LUGAR. Mr. President, young democratic governments are fragile, vulnerable to change through coercion and take time to nurture and grow. This was true of our own Government 200 years ago, and it is true of fledgling democracies around the world today. Yet, democratic governments are the best warranty against human rights abuses, the indiscriminate use of power, institutional bias and reckless policy. One of the young and fragile democracies that recently survived a threat to its survival is the 2-year-old civilian government in Guatemala.

On May 11, 1988, Guatemalan President Vinicio Cerezo successfully thwarted a military coup attempt against his civilian government. This is the first democratically elected regime in Guatemala in 30 years. Since assuming office in January 1986, President Cerezo has made important progress in bringing democratic reform to Guatemala. Mr. President, I was co-chairman of the official U.S. observer delegation to the 1985 Guatemalan presidential elections that brought Mr. Cerezo to office. I believed then, and I believe now, that it is in the best interests of the United States to continue to voice strong support for the constitutional government in Guatemala.

In the nearly 2 years that he has been in office, President Cerezo has faced strong opposition from elements in the military and civilian communities. Opposition forces within Guatemala view President Cerezo's tax reform, land redistribution and democratization programs a serious threat to their political and economic power. Some in the military who oppose democratic change have charged that the army's high command has abandoned its standards and traditional values and sold out to Cerezo in order to broaden international and American backing for the government.

One of the greatest challenges facing the Cerezo regime has been the need to repair Guatemala's tarnished image stemming from its history of human rights violations. I am pleased to report, Mr. President, that a number of positive, though measured, steps have been taken, including permitting the International Committee on the Red Cross to operate in the country and the creation of a nine-member human rights commission. Mercifully, the number of politically-motivated killings has dropped dramatically in recent years. Although much remains to be done, I believe it is important for us to support every genuine effort to reduce human rights abuses.

Mr. President, the presence of a democratically elected government in Guatemala is important and in the interests of both Guatemala and the United States. All of us want to see an end to the fighting in Nicaragua and the advent of freedom and democracy in that beleaguered country. The signing of the Central American peace accord, the Arias Plan, in Guatemala City in August 1987 marked an important first step in ending oppression in Central America. It remains to be seen how far the Cerezo regime—and the four other signatories—will go in implementing the provisions in the accords calling for a free press and elections, amnesty for political prisoners, respect for human rights, and negotiations to end internal insurgencies and aid to rebel groups. Our support for the process of democracy in all of Central America cannot waiver, whatever the final outcome of the Nicaraguan conflict.

It seems to me, Mr. President, that the failure of the May 11 military coup attempt against the Cerezo government should be viewed as a positive sign for democracy in Central America. We should not lose sight of the fact that senior military leaders acted decisively to deny success to the coup plotters and to defend democracy in Guatemala. It is important to reiterate that, while the United States has a very limited economic and military assistance program with Guatemala, this assistance would be automatically terminated in the event of a successful military coup.

In my view, a military coup or the termination of U.S. assistance programs are not in the best interests of Guatemala or the United States. We should, therefore, encourage President Reagan to continue to use the full range of diplomatic initiatives to bolster democracy in Guatemala. We should take every opportunity to encourage the forces of democracy in Guatemala to continue their fight for freedom, liberty and democratic progress, and to pursue economic and judicial reform as well as improvements in human rights practices.

TRIBUTE TO SENATOR ROBERT C. BYRD

Ms. MIKULSKI. Mr. President, for 12 years now, Democrats in the Senate have entrusted their reins of leadership to the sure, able hands of Robert C. Byrd. As majority leader, he has guided us on the floor of the U.S. Senate with a high degree of integrity and unparalleled parliamentary skill. Time and again, he proved himself to be a man of keen intellect, scholarly achievement, and cracker-barrel wit.

At the end of this year, Robert C. Byrd, the Senator from West Virginia, will step aside as Senate majority leader. Bob Byrd is a leader, and a leader he will continue to be, as chairman of the important Senate Appropriations Committee. There he will be able to pursue the goals he holds dearest: serving his home State and leading the Senate in meeting its fiscal responsibilities.

I hold especially fond memories of the help and assistance Senator Byrd gave to me when I first came to the Senate last year. He was one of the "Gallahads," as I call them, who helped me get my committee assignments, and showed me how things work in the more senior legislative body. I will always remain grateful for Senator Byrd's help.

His guidance clear, his direction firm and his advice kind, he made sure that the first woman in our party elected to the U.S. Senate in her own right got off to the right start.

Senator Byrd leaves the post of majority leader with a distinguished record of achievement. His accomplishments include protecting the Social Security System for our elderly citizens, shepherding through education legislation for our young, and reasserting the Senate's role in U.S. foreign policy.

He also worked successfully to open the Senate to television, bringing floor proceedings to TV sets across America. And he has worked tirelessly to develop an effective U.S. trade policy to keep American workers and industry competitive with the rest of the world.

All the while, he has worked effectively for his home State of West Virginia, which is evidenced by his record popularity among his constituents. As a fifth term Senator, he has served longer in the U.S. Senate than anyone else in West Virginia's history. He is also the only person in the State's history to run unopposed for the U.S. Senate in a general election.

Robert Byrd is a man of many firsts. He is also the first sitting Member of Congress to earn a law degree attending night classes at American University. And he did that in addition to fulfilling his Senate duties.

The commitment to education he has shown as a Senator extends to West Virginia as well. In 1969 he set up the Robert C. Byrd Scholastic Recognition Award to promote academic excellence in West Virginia's high school students.

In 1984, he won Senate passage for the Robert C. Byrd Honors Scholarship Program, a national plan distributing over 4,000 college scholarship awards to high school seniors throughout the country.

Throughout his leadership years in the Senate, Robert Byrd set an example that will be hard to follow. He will surely rank as one of the great majority leaders in the history of this old and illustrious body.

He has done himself and his State proud, and I want to congratulate him for that. I look forward to working with him in his new leadership role.

PERSIAN GULF INCIDENT

Mr. PELL. Mr. President, the shoot down of the Iran Air jet is a truly tragic accident and I wish to express my heartfelt condolences to the loved ones, relatives, and friends of the victims of this horrible misfortune. I hope very much that the administration will give serious consideration to utilizing authority under existing law to provide financial compensation to the families of the victims. The accident raises many perplexing questions—including questions about the nonresponse of the Iran Air pilot to warnings and the inability of the ship's radar to identify the incoming aircraft—but these must await the outcome of the investigations.

The accident again raises concerns about the policy under which the United States has unilaterally assumed the role of policeman of the Persian Gulf. Our naval forces are protecting shipping in some of the world's most congested waterways and under heavily trafficked skies. Operating as we do just a few miles from a hostile Iran, our ships must be continually on guard. Too much vigilance can produce a tragedy like the Iran Air shoot down; too much caution could produce another *Stark*.

I again urge consideration of the U.N. naval peacekeeping force to protect nonbelligerent, noncontraband U.N.-flagged shipping in the gulf. This proposal, which was put forward last year by Secretaries Vance and Richardson, could enhance gulf security while reducing the risks of future tragedies. The United Nations option could also help ease United States-Iran tensions which, if the present course is maintained, could become so enflamed as to make any future relationship impossible with this strategically important country.

MAJORITY LEADER ROBERT C. BYRD

Mr. KENNEDY. Mr. President, all of us who have worked with our extraordinary colleague, Senator Robert C. Byrd, regret his decision to step down as Senate majority leader at the end of this Congress.

Senator Byrd's great talent as Democratic leader, above and beyond his remarkable parliamentary skills, has been his ability to work effectively with all 99 other Senators, majority and minority alike. Time and again in his tenure as our leader, he has enabled a closely divided Senate not only to act, but to act wisely, in meeting the Nation's challenges.

No one has served this Senate more faithfully, more effectively, or more fairly than Bob Byrd. In the long and distinguished history of this institution, there may never have been another Senator with the surpassing knowledge, respect, and affection for this institution that Bob Byrd has in such abundance.

In the course of recent years, in addition to the demanding duties of his position as leader and his diligent service to the people of West Virginia, he has become a distinguished and prolific historian of the Senate in his own right. Few of us ever find ourselves in the Senate Chamber late on a Friday afternoon at the end of a long week of Senate work, to hear Senator Byrd deliver one of his patented accomplished addresses on a particular period of Senate history. But I suspect that all of us have come across these addresses at one time or another, spread out in the pages of the Congressional Record. And all of us have marveled at the incredible detail and the industry, intelligence, and insight with which he has examined the great events, the great days, and the great debates of this body's great past.

It is said that genius is the capacity for taking infinite pains—and to some extent that is the secret of Senator Byrd's genius. Probably no Senator in history has had a greater mastery of the complexities—and the possibilities—of the Senate rules than Bob Byrd. Time and again under his leadership, that mastery has enabled the Senate to cool inflamed passions, resolve angry gridlocks, and work its will.

Senator Byrd is also as much at home composing a unanimous-consent agreement as he is at playing the fiddle or reciting a poem, and the many facets of his talents never cease to amaze and impress us all.

Above all, however, ranks his commitment to the public interest and his numerous outstanding accomplishments on the issues. Day in and day out for the dozen years of his service as Democratic leader, he has summoned us, on both sides of the aisle, to advance the great issues of the time. There would have been no Panama Canal treaties without Bob Byrd. Social Security would have been a lesser system and 30 million senior citizens would have been poorer Americans without Bob Byrd. The Senate would have a lesser constitutional role in U.S. foreign policy without Bob Byrd. And the Senate today would still be mired in the antediluvian pretelevision era without Bob Byrd.

If we succeed in putting a plant closing notification law on the statute books this year, it will be because of the leadership of Bob Byrd. And if, in some future year, we finally succeed in reforming our flawed and corrosive system of election campaign financing, it will be because of the groundwork laid by the leadership of Bob Byrd.

In countless other ways, on countless other issues, our majority leader has succeeded in nudging, urging, cajoling and inspiring the Senate into doing the right thing and accomplishing the public's business.

He has also marshaled an impressive support apparatus for Democrats in the Senate. He has put together the best Democratic policy committee that our party has ever had, and it is one of the reasons why our party's detour into the minority in recent years was as brief as it was. Like all of us elected before 1986, Bob Byrd has been in the majority and minority, and majority is better.

Through his skillful leadership in framing the issues and presenting them to the country, Bob Byrd deserves credit, more than anyone else, for restoring our Democratic majority in 1986. Truly, in so many ways, he has been a Senator's Senator, a Senator for all seasons.

Most of all, though, I welcome this chance to pay tribute to Bob Byrd as a friend. I am grateful to him for literally hundreds of personal kindnesses and generous acts of friendship in the 26 years we have served together.

Now, our friend, colleague, and leader is shifting gears at the peak of his ability. It is a privilege for me to take this opportunity to praise him for a thousand jobs well done, and to wish him well in his challenging new role as chairman of the Senate Appropriations Committee.

FOREIGN CURRENCY REPORTS

In accordance with the appropriate provisions of law, the Secretary of the Senate herewith submits the following report(s) of standing committees of the Senate, certain joint committees of the Congress, delegations and groups, and select and special committees of the Senate, relating to expenses incurred in the performance of authorized foreign travel:

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1988

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Isabel Christy S. Lee:									
Philippines	Peso	32,211	1,596.00					32,211	1,596.00
United States	Dollar				2,145.04				2,145.04
Senator Rudy Boschwitz:									
Switzerland	Franc	589.90	420.00					589.90	420.00
Senator David Karnes:									
Switzerland	Franc	589.90	420.00					589.90	420.00
Charles Riemenschneider:									
Switzerland	Franc	589.90	420.00					589.90	420.00
Charles F. Conner:									
Switzerland	Franc	589.90	420.00					589.90	420.00
Janet Breslin:									
United States	Dollar				3,459.00				3,459.00
Hong Kong	Dollar	2,520.70	324.00	183.75	23.00	128.23	16.48	2,832.68	363.48
Thailand	Baht	2,422	97.00					2,422	97.00
India	Rupee	6,535	500.00	2460	188.00			8,995	688.00
Indonesia	Rupiah	892,350	540.00	226,800	137.00			1,119,150	677.00
John Ziolkowski:									
United States	Dollar				3,514.00				3,514.00
Hong Kong	Dollar	2,520.70	324.00	183.75	23.00	128.23	16.48	2,832.68	363.48
Thailand	Baht	2,422	97.00					2,422	97.00
Indonesia	Rupiah	785,550	475.00	226,800	137.00			1,012,350	612.00
India	Rupee	6,535	500.00	2460	188.00			8,995	688.00
Switzerland	Franc	589.90	420.00					589.90	420.00
David K. Voight:									
United States	Dollar				2,929.00				2,929.00
Philippines	Peso	17,479.47	840.00					17,479.47	840.00
India	Rupee	3,372	258.00	1650	126.00			5,022	384.00
Hong Kong	Dollar	2,520.70	324.00	183.75	23.00	128.23	16.48	2,832.68	363.48
Darwin Joseph Rian:									
United States	Dollar				2,557.42				2,557.42
Japan	Yen	59,532	484.00					59,532	484.00
Thailand	Baht	9,755.33	388.27			9,071.19	359.38	18,826.52	747.65
John Podesta:									
United States	Dollar				2,347.00				2,347.00
West Germany	Mark	240.79	143.00					240.79	143.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1988—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Italy	Lira	755,196	618.00	328,125	266.46			1,083,323	884.46
Great Britain	Pound	398.96	726.00			43.93	77.48	442.89	803.48
Belgium	Franc	5,075	145.00					5,075	145.00
Switzerland	Franc	554.78	395.00					554.78	395.00
Senator Patrick Leahy:									
United States	Dollar				2,157.56				2,157.56
West Germany	Mark	240.79	143.00					240.79	143.00
Italy	Lira	1,510,392	1,242.00	328,125	266.46			1,838,517	1,508.46
Great Britain	Pound	398.96	726.00			43.93	77.48	442.89	803.48
Belgium	Franc	5,075	145.00					5,075	145.00
Switzerland	Franc	589.90	420.00					589.90	420.00
Eric Newsom:									
United States	Dollar				2,347.00				2,347.00
West Germany	Mark	240.79	143.00					240.79	143.00
Italy	Lira	755,196	618.00	328,125	266.46			1,083,323	884.46
Great Britain	Pound	398.96	726.00			43.93	77.48	442.89	803.48
Belgium	Franc	5,075	145.00					5,075	145.00
Ellen Lovell:									
United States	Dollar				2,347.00				2,347.00
West Germany	Mark	240.79	143.00					240.79	143.00
Italy	Lira	755,196	618.00	328,125	266.46			1,083,323	884.46
Great Britain	Pound	398.96	726.00			43.93	77.48	442.89	803.48
Belgium	Franc	5,075	145.00					5,075	145.00
Total			16,814.27		25,713.86		718.74		43,246.87

PATRICK LEAHY,
Chairman, Committee on Agriculture, Nutrition, and Forestry, Apr. 21, 1988.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1988

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Ted Stevens:									
Bahrain	Dollar		156.00						156.00
Kuwait	Dollar		228.00						228.00
Israel	Dollar		462.00						462.00
Belgium	Dollar		195.00						195.00
Senator Warren B. Rudman:									
Bahrain	Dollar		156.00						156.00
Kuwait	Dollar		228.00						228.00
Israel	Dollar		462.00						462.00
Belgium	Dollar		195.00						195.00
Senator Alfonse M. D'Amato:									
Bahrain	Dollar		156.00						156.00
Kuwait	Dollar		228.00						228.00
Israel	Dollar		462.00						462.00
Belgium	Dollar		195.00						195.00
Sean O'Keefe:									
Bahrain	Dollar		156.00						156.00
Kuwait	Dollar		228.00						228.00
Israel	Dollar		462.00						462.00
Belgium	Dollar		195.00						195.00
Francis J. Sullivan:									
Bahrain	Dollar		156.00						156.00
Kuwait	Dollar		228.00						228.00
Israel	Dollar		462.00						462.00
Belgium	Dollar		195.00						195.00
Richard L. Collins:									
France	Dollar		194.00						194.00
Chad	Dollar		468.00						468.00
Niger	Dollar		258.00						258.00
Mali	Dollar		318.00						318.00
Cote d'ivoire	Dollar		300.00						300.00
Liberia	Dollar		260.00						260.00
Mauritania	Dollar		103.00						103.00
Senegal	Dollar		147.00						147.00
United Kingdom	Dollar		192.00						192.00
Rocky L. Kuhn:									
Guatemala	Dollar		90.00						90.00
Hong Kong	Dollar		162.00						162.00
Hong Kong	Dollar	2,520.70	324.00	183.75	23.00	128.23	16.48	2,832.68	363.48
Thailand	Baht	2,422	97.00					2,422	97.00
Indonesia	Rupiah	892,350	540.00					892,350	540.00
India	Rupee	6,535	500.00					6,535	500.00
United States	Dollar				3,487.00				3,487.00
Indonesia	Rupiah			226,800	137.25			226,800	137.25
India	Rupee			2,460	2,460	188.00		2,460	188.00
James D. Bond:									
Venezuela	Dollar		350.00						350.00
Richard L. Collins:									
Venezuela	Dollar		350.00						350.00
James D. Bond:									
Guatemala	Dollar		450.00						450.00
Costa Rica	Dollar		246.00						246.00
Robert M. Walker:									
Germany	Dollar		50.00						50.00
Portugal	Dollar		115.00						115.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1988—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Italy	Dollar		339.00						339.00
Greece	Dollar		159.00						159.00
Turkey	Dollar		90.00						90.00
Brussels	Dollar		147.00						147.00
United States	Dollar				2,049.00				2,049.00
Total			11,454.00		5,884.25		16.48		17,354.73

JOHN C. STENNIS,
Chairman, Committee on Appropriations, Apr. 25, 1988.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS, FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1987

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Frank R. Lautenberg:									
Soviet Union	Dollar		1,200.00		400.00				1,600.00
United States	Dollar				3,079.00				3,079.00
Robert M. Walker:									
Egypt	Dollar		271.00						271.00
Saudi Arabia	Dollar		130.00						130.00
Bahrain	Dollar		195.00						195.00
Oman	Dollar		646.00						646.00
Kenya	Dollar		346.00						346.00
Somalia	Dollar		75.00						75.00
United States	Dollar				4,281.00				4,281.00
Total			2,863.00		7,760.00				10,623.00

JOHN C. STENNIS,
Chairman, Committee on Appropriations, June 9, 1988.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1988

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
George K. Johnson, Jr.:									
United Kingdom	Pound	150	250.00					150	250.00
Spain	Dollar		774.00						774.00
Frederick F.Y. Pang:									
Federal Republic of Germany	Mark	1,287.40	785.00			823.28	502.00	2,110.68	1,287.00
Senator Timothy E. Wirth:									
Belgium	Franc	6,481	195.00					6,481	195.00
Poland	Zloty	17,949	57.17			54,300	172.93	72,249	230.10
Federal Republic of Germany	Mark	326.26	199.00					326.36	199.00
T. Scott Bunton:									
Belgium	Franc	6,481	195.00					6,481	195.00
Poland	Zloty	17,949	57.17					17,949	57.17
Federal Republic of Germany	Mark	326.36	199.00					326.36	199.00
Robert K. Griffith, Jr.:									
Belgium	Franc	6,481	195.00					6,481	195.00
Poland	Zloty	131,448	418.62					131,448	418.62
Federal Republic of Germany	Mark	326.36	199.00					326.36	199.00
John J. Hamre:									
Belgium	Franc	6,481	195.00					6,481	195.00
Poland	Zloty	142,000	443.75					142,000	443.75
Federal Republic of Germany	Mark	326.36	199.00					326.36	199.00
Senator Steven D. Symms:									
Philippines	Peso	9,253	444.69					9,253	444.69
Pakistan	Rupee	6,570	376.50					6,570	376.50
Bahrain	Dinar	19.60	52.00					19.60	52.00
Kuwait	Dinar	37.98	139.00					37.98	139.00
Saudi Arabia	Riyal	1,350	360.00					1,350	360.00
Belgium	Franc	3,430	97.50					3,430	97.50
Federal Republic of Germany	Mark	330.34	199.00					330.34	199.00
United States	Dollar				5,861.00				5,861.00
Robert E. Bayer:									
El Salvador	Colon	385	73.00					385	73.00
United States	Dollar				1,225.00				1,225.00
Richard D. Finn, Jr.:									
Federal Republic of Germany	Mark	532.35	315.00					532.35	315.00
United States	Dollar				348.00				348.00
Senator Sam Nunn:									
United States	Dollar				840.52				840.52
Senator John Glenn:									
Federal Republic of Germany	Mark	1,019.07	603.00					1,019.07	603.00
Senator William S. Cohen:									
Federal Republic of Germany	Mark	309.27	183.00					309.27	183.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1988—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator John McCain:									
Federal Republic of Germany	Mark	179.07	105.96					179.07	105.96
Carl M. Smith:									
Federal Republic of Germany	Mark	604.07	353.62					604.07	353.62
Judith A. Freedman:									
Federal Republic of Germany	Mark	675	403.00					675	403.00
James M. Bodner:									
Federal Republic of Germany	Mark	531	314.20					531	314.20
Anthony H. Cordesman:									
Federal Republic of Germany	Mark	1,019.07	603.00					1,019.07	603.00
Senator Richard C. Shelby:									
Federal Republic of Germany	Mark	1,019.07	603.00					1,019.07	603.00
Austria	Schilling	1,658.16	141.00					1,658.16	141.00
Switzerland	Franc	285.12	216.00					285.12	216.00
Belgium	Franc	6,962	197.00					6,962	197.00
United States	Dollar				2,122.52				2,122.52
Senator Carl Levin:									
Switzerland	Franc	299.15	200.00					299.15	200.00
Austria	Schilling	2,323.78	185.00					2,323.78	185.00
Belgium	Franc	13,924	394.00					13,924	394.00
Poland	Zloty	233,136	622.50					233,136	622.50
Gregory J. Weaver:									
Belgium	Franc	6,950	197.00					6,950	197.00
United Kingdom	Pound	286.81	506.00					286.81	506.00
Switzerland	Franc	299.15	200.00					299.15	200.00
Austria	Schilling	2,323.78	185.00					2,323.78	185.00
Belgium	Franc	13,924	394.00					13,924	394.00
John J. Hamre:									
Switzerland	Franc	299.15	200.00					299.15	200.00
Austria	Schilling	2,323.78	185.00					2,323.78	185.00
Belgium	Franc	13,924	394.00					13,924	394.00
Poland	Zloty	233,136	622.50					233,136	622.50
Senator Dan Quayle:									
Federal Republic of Germany	Mark	1,019.07	603.00					1,019.07	603.00
Switzerland	Franc	299.15	216.00					299.15	216.00
Belgium	Franc	6,950	197.00					6,950	197.00
United Kingdom	Pound	289.68	506.00					289.68	506.00
Henry D. Sokolski:									
Federal Republic of Germany	Mark	1,019.07	603.00					1,019.07	603.00
Switzerland	Franc	299.15	216.00					299.15	216.00
Belgium	Franc	13,900	394.00					13,900	394.00
United Kingdom	Pound	289.68	506.00					289.68	506.00
Total			17,667.18		10,397.04		674.93		28,739.15

SAM NUNN,
Chairman, Committee on Armed Services, Apr. 14, 1988.

AMENDED CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1987

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Delegation Expenses:									
France	Franc			8,755.20	1,459.20	10,059.24	1,676.54	18,814.44	3,135.74
The following United States Senators and staff traveled with a delegation headed by Senator Strom Thurmond. Senator Strom Thurmond and Robert Bott were authorized by the Senate Committee on Armed Services. Senator Mark O. Hatfield, Yvonne L. Hopkins, Vickie Mitchell, Jeffrey Andrews, Kathryn Hook, Linda Wiggins, Holly Richardson, Mary P. Wells, and Jeff Kull traveled under the authority of the Republican leader. Reports of their expenditures appear in the report of the authorizing source:									
Senator Edward M. Kennedy:									
Poland	Zloty					58,070.50	223.86	58,070.50	223.86
	Dollar						73.27		73.27
Gregory Craig:									
Poland	Zloty					58,070.50	223.86	58,070.50	223.86
	Dollar						73.27		73.27
Total					1,459.20		2,270.80		3,730.00

SAM NUNN,
Chairman, Committee on Armed Services, Apr. 19, 1988.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE BUDGET, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1988

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Douglas Cook:									
Hong Kong	Dollar	2,520.70	324.00					2,520.70	324.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON THE BUDGET, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1988—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
People's Republic of China	Yuan	1,503.69	404.00					1,503.69	404.00
Japan	Yen	30,374	242.00					30,374	242.00
South Korea	Won	275.260	348.00					275.260	348.00
Philippines	Peso	2,818.02	134.00					2,818.02	134.00
United States	Dollar				2,139.56				2,139.56
Randall DeValk:									
Hong Kong	Dollar	2,520.70	324.00					2,520.70	324.00
People's Republic of China	Yuan	1,503.69	404.00					1,503.69	404.00
Japan	Yen	30,374	242.00					30,374	242.00
South Korea	Won	275.260	348.00					275.260	348.00
Philippines	Peso	2,818.02	134.00					2,818.02	134.00
United States	Dollar				2,139.56				2,139.56
Richard Doyle:									
Hong Kong	Dollar	2,520.70	324.00					2,520.70	324.00
People's Republic of China	Yuan	1,503.69	404.00					1,503.69	404.00
Japan	Yen	30,374	242.00					30,374	242.00
South Korea	Won	275.260	348.00					275.260	348.00
Philippines	Peso	2,818.02	134.00					2,818.02	134.00
United States	Dollar				2,139.56				2,139.56
Douglas Olin:									
France	Dollar		194.00						194.00
Chad	Dollar		318.00						318.00
Niger	Dollar		258.00						258.00
Mali	Dollar		218.00						218.00
Cote d'Ivoire	Dollar		250.00						250.00
Liberia	Dollar		110.00						110.00
Mauritania	Dollar		93.00						93.00
Senegal	Dollar		97.00						97.00
Total			5,894.00		6,418.68				12,312.68

LAWTON CHILES,
Chairman, Committee on the Budget, Mar. 31, 1988.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON ENERGY AND NATURAL RESOURCES, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1988

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
James T. Bruce:									
Japan	Dollar				2,397.00				2,397.00
Mary Louise Wagner:									
Japan	Yen	138,112	1,141.42					138,112	1,141.42
United States	Dollar				2,397.00				2,397.00
Paul J. Gilman:									
Japan	Yen	94,112	777.79					94,112	777.79
United States	Dollar				2,397.00				2,397.00
Allen P. Stayman:									
Republic of Marshall Islands	Dollar		1,186.63						1,186.63
United States	Dollar				3,724.00				3,724.00
Laura C. Hudson:									
Republic of Marshall Islands	Dollar		1,160.71						1,160.71
United States	Dollar				3,724.00				3,724.00
Total			4,266.55		14,639.00				18,905.55

J. BENNETT JOHNSTON,
Chairman, Committee on Energy and Natural Resources, May 19, 1988.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON ENERGY AND NATURAL RESOURCES, FOR TRAVEL FROM OCT. 1 TO DEC. 31, 1987

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
James P. Beirne:									
Australia	Dollar	1,086.07	780.00					1,086.07	780.00
United States	Dollar				5,593.00				5,593.00
New Zealand	Dollar	917.59	659.00					917.59	659.00
New Caledonia	Dollar	896.71	644.00					896.71	644.00
Frank M. Cushing:									
Australia	Dollar	652.64	468.00					652.64	468.00
United States	Dollar				5,593.00				5,593.00
New Zealand	Dollar	917.59	659.00					917.59	659.00
New Caledonia	Dollar	896.71	644.00					896.71	644.00
Allen P. Stayman:									
Australia	Dollar	1,086.07	780.00					1,086.07	780.00
United States	Dollar				5,593.00				5,593.00
New Zealand	Dollar	917.59	659.00					917.59	659.00
New Caledonia	Dollar	896.71	644.00					896.71	644.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ENERGY AND NATURAL RESOURCES, FOR TRAVEL FROM OCT. 1 TO DEC. 31, 1987—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Total			5,937.00		16,779.00				22,716.00

J. BENNETT JOHNSTON,
Chairman, Committee on Energy and Natural Resources, Mar. 22, 1988.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ENERGY AND NATURAL RESOURCES FOR TRAVEL FROM APR. 1 TO JUNE 30, 1987

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator J. Bennett Johnston:									
Sweden	Krona	5,687.40	896.00					5,687.40	896.00
France	Franc	5,282.28	876.00					5,282.28	876.00
Senator James A. McClure:									
Sweden	Krona	5,687.40	896.00					5,687.40	896.00
France	Franc	5,282.28	876.00					5,282.28	876.00
Senator Daniel J. Evans:									
Sweden	Krona	5,687.40	896.00					5,687.40	896.00
France	Franc	4,382.28	726.75					4,382.28	726.75
Senator Frank H. Murkowski:									
Sweden	Krona	5,687.40	896.00					5,687.40	896.00
France	Franc	2,912.28	482.97	4,434.78	735.46			7,347.06	1,218.43
Senator Chic Hecht:									
Sweden	Krona	5,687.40	896.00					5,687.40	896.00
France	Franc	5,282.28	876.00					5,282.28	876.00
Daryl H. Owen:									
Sweden	Krona	5,687.40	896.00					5,687.40	896.00
France	Franc	5,282.28	876.00					5,282.28	876.00
D. Michael Harvey:									
Sweden	Krona	5,687.40	896.00					5,687.40	896.00
France	Franc	5,282.28	876.00					5,282.28	876.00
Frank M. Cushing:									
Sweden	Krona	5,687.40	896.00					5,687.40	896.00
France	Franc	5,282.28	876.00					5,282.28	876.00
Benjamin S. Cooper:									
Sweden	Krona	5,687.40	896.00					5,687.40	896.00
France	Franc	5,282.28	876.00					5,282.28	876.00
Marilyn F. Meigs:									
Sweden	Krona	5,687.40	896.00					5,687.40	896.00
France	Franc	5,282.28	876.00					5,282.28	876.00
Delegation expenses: [1]									
Sweden							7,891.55		7,891.55
France							5,990.44		5,990.44
Allen P. Stayman:									
Republic of Marshall Islands	Dollar		300.00				706.02		1,006.02
United States	Dollar				2,584.33				2,584.33
Laura C. Hudson:									
Republic of Marshall Islands	Dollar		300.00				706.02		1,006.02
United States	Dollar				2,584.33				2,584.33
James P. Beirne:									
Republic of Marshall Islands	Dollar		300.00				706.02		1,006.02
United States	Dollar				2,584.33				2,584.33
Total			18,077.72		8,488.45		16,000.05		42,566.22

[1] Delegation expenses include direct payments and reimbursements to the Department of State under authority of Sec. 502(b) of the Mutual Security Act of 1954 as amended by Sec. 22 of P.L. 95–384, and S. Res. 179, agreed to May 25, 1977.

J. BENNETT JOHNSTON,
Chairman, Committee on Energy and Natural Resources, Mar. 22, 1988.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1988

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Lloyd Bentsen:									
Taiwan	New Taiwan dollar	4,247	149.00					4,247	149.00
Thailand	Baht	9,684	388.00			3,068.89	177.87	12,752.89	565.87
Hong Kong	Dollar	6,301.80	810.00	100	12.85	498.40	64.06	6,900.20	886.91
Japan	Yen	61,468	484.00			25,684	202.23	87,152	686.23
United States	Dollar				3,826.25				3,826.25
Jeffrey M. Lang:									
Taiwan	New Taiwan dollar	4,247	149.00					4,247	149.00
Thailand	Baht	9,684	388.00			3,068.89	177.87	12,752.89	565.87
Hong Kong	Dollar	6,301.80	810.00	100	12.85	498.40	64.06	6,900.20	886.91
Japan	Yen	61,468	484.00			25,684	202.23	87,152	686.23
United States	Dollar				2,653.00				2,653.00
Gina Despres:									
Russia	Ruble	348	600.00					348	600.00
United States	Dollar				2,689.88				2,689.88
Senator John D. Rockefeller IV:									
Japan	Yen	94,380	726.00	2,000	15.38	26,093	204.22	122,473	945.60

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1988—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Taiwan	New Taiwan dollar	8,499	298.00	2,105	73.81	200	7.01	10,804	378.82
Korea	Won	91,640	116.00	5,000	6.33	3,841	4.86	100,481	127.19
United States					3,995.00				3,995.00
Ira Wolf:									
Japan	Yen	94,380	726.00	2,000	15.38	23,117	181.27	119,497	922.65
Taiwan	New Taiwan dollar	8,499	298.00	2,105	73.81	786	27.56	11,390	399.37
Korea	Won	91,640	116.00	5,000	6.33	42,268	53.50	138,908	175.83
United States	Dollar				2,329.00				2,329.00
Senator Thomas A. Daschle:									
Japan	Yen	96,768	756.00	4,150	32.41	39,220	305.63	140,138	1,094.04
Korea	Won	361,920	464.00	5,000	6.41	121,442	155.69	488,362	626.10
United States	Dollar				2,136.00				2,136.00
Rita M. Lewis:									
Japan	Yen	96,768	756.00	4,150	32.41	52,743	411.27	153,661	1,199.68
Korea	Won	361,920	464.00	5,000	6.41	117,225	150.28	484,145	620.69
United States	Dollar				2,136.00				2,136.00
Senator Max Baucus:									
Japan	Yen	162,540	1,260.00			20,242.50	160.65	182,782.50	1,420.65
United States	Dollar				2,397.00				2,397.00
Rodger Schlickeisen:									
Japan	Yen	162,540	1,260.00			20,242.50	160.65	182,782.50	1,420.65
United States	Dollar				2,397.00				2,397.00
Total			11,502.00		24,853.51		2,710.91		39,066.42

LLOYD BENTSEN,
Chairman, Committee on Finance, May 10, 1988.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1988

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Joseph R. Biden:									
West Germany	Mark	895.71	561.00					895.71	561.00
France	Franc	5,309.44	976.00					5,309.44	976.00
Belgium	Franc	6,766	195.00					6,766	195.00
United Kingdom	Pound	402.61	726.00	406.34	739.40			808.95	1,465.40
United States	Dollar				4,871.00				4,871.00
Senator Rudy Boschwitz:									
Japan	Yen	59,532	484.00					59,532	484.00
Thailand	Baht	9,755.33	388.27			9,071.19	359.38	18,826.52	747.65
United States	Dollar				2,344.65				2,344.65
Senator Frank Murkowski:									
Japan	Yen	98,688	771.00			21,701	168.00	120,389	939.00
United States	Dollar				3,477.00				3,477.00
Jamie Boucher:									
Japan	Yen	98,688	771.00			21,701	168.00	120,389	939.00
United States	Dollar				2,849.00				2,849.00
Peter W. Galbraith:									
Pakistan	Rupee	6,691.30	385.00					6,691.30	385.00
India	Rupee	3,758.40	288.00					3,758.40	288.00
Bangladesh	Taka	225	7.19					225	7.19
Sri Lanka	Rupee	5,205.20	169.00	8,914.00	289.42			14,119.20	458.42
Switzerland	Franc	462.50	332.00					462.50	332.00
United States	Dollar				3,444.00				3,444.00
Bradley Gordon:									
Japan	Yen	59,532	484.00					59,532	484.00
Thailand	Baht	9,755.33	388.27			9,071.19	359.38	18,826.52	747.65
United States	Dollar				2,449.76				2,449.76
Lizabeth Tankersley:									
West Germany	Mark	895.71	561.00					895.71	561.00
France	Franc	5,309.44	976.00					5,309.44	976.00
Belgium	Franc	6,766	195.00					6,766	195.00
United Kingdom	Pound	402.61	726.00	406.34	739.40			808.95	1,465.40
United States	Dollar				2,623.00				2,623.00
Amendment to 3d quarter of 1987:									
George W. Ashworth:									
Kuwait	Dinar	100,000	356.00					100,000	356.00
Bahrain	Dinar	56.565	150.00					56.565	150.00
Saudi Arabia	Riyal	540	144.00					540	144.00
Oman	Riyal	151.034	393.00					151.034	393.00
United Arab Emirates	Dirham	1,005.58	274.00					1,005.58	274.00
United Kingdom	Pound	142.40	226.00					142.40	226.00
United States	Dollar				2,885.00				2,885.00
Amendment to 4th quarter of 1987:									
Senator Larry Pressler:									
Nicaragua	Dollar		150.00						150.00
John B. Ritch III:									
West Germany	Mark	610.46	386.00					610.46	386.00
France	Franc	5,309.44	976.00					5,309.44	976.00
Belgium	Franc	6,766	195.00					6,766	195.00
United Kingdom	Pound	1,282.02	2,361.00					1,282.02	2,361.00
United States	Dollar				3,847.00				3,847.00
Total			14,994.73		30,558.63		1,054.76		46,608.12

CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, Apr. 22, 1988.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), SELECT COMMITTEE ON INTELLIGENCE, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1987

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
L. Britt Snider			370.00		2,109.00				2,479.00
James Dykstra			414.00		2,081.00				2,495.00
Merrill Kelly			353.00		2,025.00				2,378.00
R. Charlene Packard			414.00		2,081.00				2,495.00
Keith Hall			357.00		2,258.00				2,615.00
James Martin			357.00		2,258.00				2,615.00
James Currie			466.00		2,250.00				2,716.00
Edward Levine			466.00		2,396.00				2,862.00
Marvin Ott			706.00		2,250.00				2,956.00
Jeanne MlcNaughton			706.00		2,250.00				2,956.00
James Currie			388.00		780.50				1,168.50
L Britt Snider			388.00		780.50				1,168.50
John Elliff			297.65		780.50				1,078.15
R. Charlene Packard			388.00		780.50				1,168.50
Sven E. Holmes			348.00		746.60				1,094.60
James Dykstra			348.00		771.49				1,119.49
Christopher Straub			1,212.04		2,743.00				3,955.04
Natalie Bocock			1,283.82		2,743.00				4,026.82
Charles Battaglia			2,545.00						2,545.00
Senator Arlen Specter			570.00						570.00
Senator David L. Boren			774.00						774.00
David Holliday			841.00						841.00
Robert Morgan			841.00						841.00
Gerry Cater			841.00						841.00
David Holliday			1,837.00		3,191.00				5,028.00
Robert Morgan			1,837.00		3,191.00				5,028.00
Blythe Thomas			1,962.00		3,191.00				5,153.00
Regina Genton			545.00		2,568.00				3,113.00
Sven E. Holmes			1,232.00		2,893.00				4,125.00
Natalie Bocock			1,232.00		2,893.00				4,125.00
John Despres			600.00		2,689.00				3,289.00
Senator Bill Bradley			600.00		2,689.00				3,289.00
Total			25,519.51		55,389.09				80,908.60

DAVID L. BOREN,
Chairman, Select Committee on Intelligence, Apr. 12, 1988.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), SENATE CAUCUS ON INTERNATIONAL NARCOTICS CONTROL, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1988

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Helen Albert:									
Mexico	Dollar		300.00						300.00
Jamaica	Dollar	1,287.73	235.85					1,287.83	235.85
The Bahamas	Dollar		370.00						370.00
United States	Dollar				1,077.00				1,077.00
John Bentivoglio:									
Mexico	Dollar		300.00						300.00
Jamaica	Dollar	1,478.63	270.75					1,478.63	270.75
The Bahamas	Dollar		470.00						470.00
United States	Dollar				1,077.00				1,077.00
Timothy Carlsgaard:									
Mexico	Dollar		300.00						300.00
Jamaica	Dollar	1,478.63	270.75					1,478.63	270.75
The Bahamas	Dollar		370.00						370.00
United States	Dollar				1,077.00				1,077.00
Brian Hanson:									
Bolivia	Dollar		337.50						337.50
Peru	Inti	19,167	300.00					19,167	300.00
Ecuador	Dollar		150.00						150.00
United States	Dollar				1,529.00				1,529.00
Total			3,674.85		4,760.00				8,434.85

JOSEPH R. BIDEN, JR.,
Chairman, Senate Caucus on
International Narcotics Control, Mar. 31, 1988.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), UNITED STATES SENATE ARMS CONTROL OBSERVER GROUP, AUTHORIZED BY THE MAJORITY AND THE MINORITY LEADER FOR TRAVEL OCT. 9-13, 1987

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Claiborne Pell:									
England	Pound	188.47	309.19					188.47	309.19
Switzerland	Franc	557.40	365.75					557.40	365.75

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), UNITED STATES SENATE ARMS CONTROL OBSERVER GROUP, AUTHORIZED BY THE MAJORITY AND THE MINORITY LEADER FOR TRAVEL OCT. 9-13, 1987—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Ted Stevens:									
England	Pound	208.47	342.00					208.47	342.00
Switzerland	Franc	597.40	392.00					597.40	392.00
Senator John H. Glenn, Jr.:									
England	Pound	208.47	342.00					208.47	342.00
Switzerland	Franc	521.50	342.20					521.50	342.20
Senator Richard G. Lugar:									
England	Pound	208.47	342.00					208.47	342.00
Switzerland	Franc	597.40	392.00					597.40	392.00
Senator Don Nickles:									
England	Pound	208.47	342.00					208.47	342.00
Switzerland	Franc	597.40	392.00					597.40	392.00
George W. Ashworth:									
England	Pound	208.47	342.00					208.47	342.00
Switzerland	Franc	573	376.00					573	376.00
Robert G. Bell:									
England	Pound	208.47	342.00					208.47	342.00
Switzerland	Franc	597.40	392.00					597.40	392.00
Wallace D. Burnett:									
England	Pound	208.47	342.00					208.47	342.00
Switzerland	Franc	597.40	392.00					597.40	392.00
Lucia M. Chavez:									
England	Pound	208.47	342.00					208.47	342.00
Switzerland	Franc	597.40	392.00					597.40	392.00
C. Richard D'Amato:									
England	Pound	208.47	342.00					208.47	342.00
Switzerland	Franc	597.40	392.00					597.40	392.00
Kenneth Myers:									
England	Pound	208.47	342.00					208.47	342.00
Switzerland	Franc	597.40	392.00					597.40	392.00
Jan Paulk:									
England	Pound	208.47	342.00					208.47	342.00
Switzerland	Franc	597.40	392.00					597.40	392.00
David Smith:									
England	Pound	208.47	342.00					208.47	342.00
Switzerland	Franc	597.40	392.00					597.40	392.00
Delegation expenses: [1]									
England							6,992.53		6,992.53
Switzerland							9,433.07		9,433.07
Total			9,417.14				16,425.60		25,842.74

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[1] Delegation expenses include direct payments and reimbursements to the Department of State and to the Department of Defense under authority of Sec. 502(b) of the Mutual Security Act of 1954, as amended by Sec. 22 of P.L. 95-384, and S. Res. 179, agreed to May 25, 1977.

CLAIBORNE PELL,
Chairman, May 24, 1988.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), UNITED STATES SENATE CENTRAL AMERICAN NEGOTIATIONS OBSERVER GROUP, AUTHORIZED BY THE MAJORITY AND THE MINORITY LEADER FOR TRAVEL JAN. 11-14, 1988

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Christopher Dodd:									
Costa Rica	Colon	16,912	246.00					16,912	246.00
Senator Barbara Mikulski:									
Costa Rica	Colon	16,912	246.00					16,912	246.00
Senator John McCain:									
Costa Rica	Colon	16,912	246.00					16,912	246.00
Senator Phil Gramm:									
Costa Rica	Colon	16,912	246.00					16,912	246.00
Lorne Craner:									
Costa Rica	Colon	34,562	502.73					34,562	502.73
Robert H. Dockery:									
Costa Rica	Colon	39,462	574.00					39,462	574.00
United States	Dollar				372.22				372.22
Yvonne L. Hopkins:									
Costa Rica	Colon	16,912	246.00					16,912	246.00
Edward L. King:									
Costa Rica	Colon	28,187	410.00					28,187	410.00
Bruce McColm:									
Costa Rica	Colon	39,462	574.00					39,462	574.00
Janice O'Connell:									
Costa Rica	Colon	39,462	574.00					39,462	574.00
United States	Dollar				372.22				372.22
Delegation expenses: [1]									
Costa Rica							451.09		451.09
El Salvador							254.01		254.01
Guatemala							254.01		254.01
Honduras							433.99		433.99
Nicaragua							264.00		264.00
Total			3,864.73		744.44		1,657.10		6,266.27

[1] Delegation expenses include direct payments and reimbursements to the State Department and to the Defense Department under authority of Sec. 502(b) of the Mutual Security Act of 1954, as amended by Sec. 22 of P.L. 95–384, and S. Res. 179, agreed to May 25, 1977.

ROBERT C. BYRD,
Majority Leader.
CHRISTOPHER J. DODD,
Delegation Chairman, May 11, 1988.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), UNITED STATES SENATE CENTRAL AMERICAN NEGOTIATIONS OBSERVER GROUP, AUTHORIZED BY THE MAJORITY AND MINORITY LEADERS, FOR TRAVEL NOV. 6–9, 1987

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Christopher J. Dodd:									
Costa Rica	Colon	16,297.50	246.00					16,297.50	246.00
Senator John McCain:									
Costa Rica	Colon	16,297.50	246.00					16,297.50	246.00
Senator James Sasser:									
Costa Rica	Colon	16,297.50	246.00					16,297.50	246.00
Senator Steve Symms:									
Costa Rica	Colon	10,865.00	164.00					10,865.00	164.00
United States	Dollar				506.00				506.00
Senator Terry Sanford:									
Costa Rica	Colon	16,297.50	246.00					16,297.50	246.00
Lorne Craner:									
Costa Rica	Colon	12,730.00	192.15					12,730.00	192.15
Charles R. D'Amato:									
Costa Rica	Colon	16,297.50	246.00					16,297.50	246.00
Robert H. Dockery:									
Costa Rica	Colon	16,297.50	246.00					16,297.50	246.00
Yvonne L. Hopkins:									
Costa Rica	Colon	16,297.50	246.00					16,297.50	246.00
Barbara Larkin:									
Costa Rica	Colon	16,297.50	246.00					16,297.50	246.00
Bruce McColm:									
Costa Rica	Colon	16,297.50	246.00					16,297.50	246.00
Janice M. O'Connell:									
Costa Rica	Colon	16,297.50	246.00					16,297.50	246.00
Sam Routson:									
Costa Rica	Colon	15,502.50	234.00					15,502.50	234.00
Robert M. Walker:									
Costa Rica	Colon	16,297.50	246.00					16,297.50	246.00
Delegation Expenses: [1]									
Costa Rica							1,813.94		1,813.94
El Salvador							547.65		547.65
Honduras							564.84		564.84
Nicaragua							384.85		384.85
Total			3,296.15		506.00		3,311.28		7,113.43

[1] Delegation expenses include direct payments and reimbursements to the State Department and to the Defense Department under authority of Sec. 502(b) of the Mutual Security Act of 1954, as amended by Sec. 22 of P.L. 95–384, and S. Res. 179, agreed to May 25, 1977.

ROBERT C. BYRD,
Majority Leader.
CHRISTOPHER J. DODD,
Delegation Chairman, May 11, 1988.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), UNITED STATES SENATE CENTRAL AMERICAN NEGOTIATIONS OBSERVER GROUP, AUTHORIZED BY THE MAJORITY AND THE MINORITY LEADERS FOR TRAVEL OCT. 9–12, 1987

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Christopher J. Dodd:									
Guatemala	Quetzal	21.20	8.00					21.20	8.00
	Dollar		80.00						80.00
Costa Rica	Colon	10,636	164.00					10,636	164.00
Robert H. Dockery:									
Guatemala	Quetzal	21.20	8.00					21.20	8.00
	Dollar		80.00						80.00
Costa Rica	Colon	10,636	164.00					10,636	164.00
Janice M. O'Connell:									
Guatemala	Quetzal	21.20	8.00					21.20	8.00
	Dollar		80.00						80.00
Costa Rica	Colon	10,636	164.00					10,636	164.00
Bruce McColm:									
Guatemala	Quetzal	21.20	8.00					21.20	8.00
	Dollar		80.00						80.00
Costa Rica	Colon	10,636	164.00					10,636	164.00
Sally Walsh:									
Guatemala	Quetzal	21.20	8.00					21.20	8.00
	Dollar		80.00						80.00
Costa Rica	Colon	10,636	164.00					10,636	164.00
Delegation expenses: [1]									
Guatemala							876.84		876.84
Nicaragua							296.05		296.05
Costa Rica							693.35		693.35
El Salvador							294.04		294.04
Total			1,260.00				2,162.28		3,422.28

[1] Delegation expenses include direct payments and reimbursements to the Department of State and to the Department of Defense under authority of Sec. 502(b) of the Mutual Security Act of 1954, as amended by Sec. 22 of P.L. 95–384, and S. Res. 179, agreed to May 25, 1977.

ROBERT C. BYRD,
Majority Leader.
CHRISTOPHER DODD,
Delegation Chairman, May 13, 1988.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), UNITED STATES SENATE CENTRAL AMERICAN NEGOTIATIONS OBSERVER GROUP, FOR TRAVEL SEPT. 18–20, 1987

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Christopher J. Dodd:									
El Salvador	Dollar		75.00						75.00
Costa Rica	Colon	5,235.70	82.00					5,235.70	82.00
Senator John McCain:									
El Salvador	Dollar		50.00						50.00
Costa Rica	Colon	5,235.70	82.00					5,235,70	82.00
Senator Terry Sanford:									
El Salvador	Dollar		75.00						75.00
Costa Rica	Colon	5,235.70	82.00					5,235.70	82.00
Lorne Craner:									
El Salvador	Dollar		55.00						55.00
Costa Rica	Colon	5,235.70	82.00					5,235.70	82.00
C. Richard D'Amato:									
El Salvador	Dollar		75.00						75.00
Costa Rica	Colon	5,235.70	82.00					5,235.70	82.00
Robert Dockery:									
United States	Dollar				330.00				330.00
Costa Rica	Colon	5,235.70	82.00					5,235.70	82.00
Mexico	Peso	230,250	150.00					230,250	150.00
El Salvador	Dollar		75.00						75.00
Yvonne Hopkins:									
El Salvador	Dollar		75.00						75.00
Costa Rica	Colon	5,235.70	82.00					5,235.70	82.00
Edward L. King:									
El Salvador	Dollar		75.00						75.00
Costa Rica	Colon	5,235.70	82.00					5,235.70	82.00
Barbara Larkin:									
El Salvador	Dollar		75.00						75.00
Costa Rica	Colon	5,235.70	82.00					5,235.70	82.00
Al Lehn:									
El Salvador	Dollar		75.00						75.00
Costa Rica	Colon	5,235.70	82.00					5,235.70	82.00
Bruce McColm:									
El Salvador	Dollar		50.00						50.00
Costa Rica	Colon	5,235.70	82.00					5,235.70	82.00
Janice O'Connell:									
El Salvador	Dollar		75.00						75.00
Costa Rica	Colon	5,235.70	82.00					5,235.70	82.00
United States	Dollar				330.00				330.00
Mexico	Peso	230,250	150.00					230,250	150.00
Sam Routson:									
El Salvador	Dollar		55.00						55.00
Costa Rica	Colon	4,028.30	63.09					4,028.30	63.09
Delegation expenses:									
El Salvador							1,087.98		1,087.98
Costa Rica							666.07		666.07
Honduras							507.24		507.24
Nicaragua							314.26		314.26
Total			2,232.09		660.00		2,575.55		5,467.64

[1] Delegation expenses include direct payments and reimbursements to the State Department and to the Defense Department under authority of Sec. 502(b) of the Mutual Security Act of 1954, as amended by Sec. 22 of P.L. 95–384, and S. Res. 179, agreed to May 25, 1977.

ROBERT C. BYRD,
Majority Leader.
CHRISTOPHER DODD,
Delegation Chairman, May 11, 1988.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), AUTHORIZED BY THE MAJORITY LEADER FOR TRAVEL JANUARY 5–18, 1988

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator J. James Exon:									
Philippines	Peso	11,648	560.00					11,648	560.00
Australia	Dollar	600.60	420.00					600.60	420.00
New Zealand	Dollar	487.50	325.00					487.50	325.00
Senator John Melcher:									
Philippines	Peso	13,941.96	670.00					13,941.96	670.00
Australia	Dollar	710.71	497.00					710.71	497.00
New Zealand	Dollar	522.28	348.00					522.28	348.00
Senator Larry Pressler:									
Philippines	Peso	13,941.96	670.00					13,941.96	670.00
Australia	Dollar	710.71	497.00					710.71	497.00
New Zealand	Dollar	522.28	348.00					522.28	348.00
Senator Howell Heflin:									
Philippines	Peso	7,368.86	354.10					7,368.86	354.10
Australia	Dollar	555.38	388.08					555.38	388.08
New Zealand	Dollar	451.38	300.90					451.35	300.90
Senator Tom Harkin:									
Republic of Korea	Won	394,410	498.00					394,410	498.00
Philippines	Peso	3,485.49	167.57					3,485.49	167.57
Australia	Dollar	710.71	497.00					710.71	497.00
New Zealand	Dollar	522.28	348.00					522.28	348.00

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), AUTHORIZED BY THE MAJORITY LEADER FOR TRAVEL JANUARY 5–18, 1988—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Abbott Saffold:									
Philippines	Peso	7,311.61	351.52					7,311.61	351.52
Australia	Dollar	508.71	356.00					508.71	356.00
New Zealand	Dollar	522.28	348.00					522.28	348.00
Richard D. Finn:									
Philippines	Peso	8,226.54	395.22					8,226.54	395.22
Australia	Dollar	578.58	404.60					578.58	404.60
New Zealand	Dollar	382.83	255.03					382.83	255.03
William A. Gillon:									
Philippines	Peso	6,525.96	313.74					6,525.96	313.74
Australia	Dollar	603.46	422.00					603.46	422.00
New Zealand	Dollar	379.50	253.00					379.50	253.00
Adele Hanson:									
Philippines	Peso	6,319.40	303.81					6,319.40	303.81
Australia	Dollar	391.82	274.00					391.82	274.00
New Zealand	Dollar	522.28	348.00					522.28	348.00
Jeff Subko:									
Philippines	Peso	6,596.50	317.14					6,596.50	317.14
Australia	Dollar	683.71	478.12					683.71	478.12
New Zealand	Dollar	402	268.00					402	268.00
Sally Walsh:									
Philippines	Peso	9,781.96	470.00					9,781.96	470.00
Australia	Dollar	710.71	497.00					710.71	497.00
New Zealand	Dollar	372.28	248.00					372.28	248.00
Delegation expenses: [1]									
Philippines							5,240.00		5,240.00
Australia							1,143.50		1,143.50
New Zealand							4,637.07		4,637.07
Total			13,191.83				11,020.57		24,212.40

[1] Delegation expenses include direct payments and reimbursements to the Department of State and to the Department of Defense under authority of Sec. 502(b) of the Mutual Security Act of 1954 as amended by Sec. 22 of P.L. 95–384, and S. Res. 179, agreed to May 25, 1977.

ROBERT C. BYRD,
Majority Leader.
JAMES EXON,
Delegation Chairman, Apr. 12, 1988.

AMENDED CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), AUTHORIZED BY THE MAJORITY LEADER, FOR TRAVEL AUG. 14–23, 1987

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Daniel Patrick Moynihan:									
Switzerland	Franc	297.65	190.00					297.65	190.00
Soviet Union	Dollar		1,218.00						1,218.00
Senator Paul S. Sarbanes:									
Soviet Union	Dollar		1,218.00						1,218.00
Senator Terry Sanford:									
Soviet Union	Dollar		1,218.00						1,218.00
Walter J. Stewart:									
Switzerland	Franc	297.65	190.00					297.65	190.00
Soviet Union	Dollar		1,218.00						1,218.00
C. Richard D'Amato:									
Switzerland	Franc	297.65	190.00					297.65	190.00
Soviet Union	Dollar		1,218.00						1,218.00
Jan Paulk:									
Switzerland	Franc	297.65	190.00					297.65	190.00
Soviet Union	Dollar		1,218.00						1,218.00
Delegation expenses: [1]									
Switzerland							1,924.87		1,924.87
Soviet Union							4,168.78		4,168.78
Total			8,068.00				6,093.65		14,161.65

[1] Delegation expenses include direct payments and reimbursements to the Department of State and to the Department of Defense under authority of Sec. 502(b) of the Mutual Security Act of 1954, as amended by Sec. 22 of P.L. 95–384, and S. Res. 179, agreed to May 25, 1977.

ROBERT C. BYRD,
Majority Leader.
DANIEL PATRICK MOYNIHAN,
Chairman of Delegation, June 9, 1988.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), AUTHORIZED BY THE REPUBLICAN LEADER, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1988

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
J. Philip Reberger:									
Pakistan	Rupee	3,988.71	229.50					3,988.71	229.50
Bahrain	Dinar	19.604	52.00					19.604	52.00
Kuwait	Dinar	24.32	89.00					24.32	89.00
Saudi Arabia	Riyal	975	260.00					975	260.00
Belgium	Franc	6,259	177.94					6,259	177.94

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), AUTHORIZED BY THE REPUBLICAN LEADER, FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1988—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Germany	Mark	247.34	149.00					247.34	149.00
R. Ian Butterfield:									
Belgium	Franc	21,040	591.00					21,040	591.00
United States	Dollar				883.00				883.00
Senator William V. Roth, Jr.:									
Belgium	Franc	7,013.82	197.00					7,013.82	197.00
United States	Dollar				1,965.00				1,965.00
Neal Manne:									
Czechoslovakia	Koruna	2,284	255.00					2,284	255.00
Romania	Leu	1,924	231.00					1,924	231.00
Israel	Shekel	395	263.00					395	263.00
Bahrain	Dinar	56.2	149.00					56.2	149.00
Pakistan	Rupee	4,588	164.00					4,588	264.00
United States	Dollar				839.00				839.00
John L. Doney:									
Philippines	Peso	8,877.86	426.82					8,877.86	426.82
Australia	Dollar	610.71	427.00					610.71	427.00
New Zealand	Dollar	421.28	280.85					421.28	280.85
J. Philip Reberger:									
United States					5,647.00				5,647.00
Philippines	Peso	5,701.79	274.01					5,701.79	274.01
Senator John Chafee:									
Egypt	Pound	589.11	269.50					589.11	269.50
Israel	Dollar		104.65						104.65
Jordan	Dollar		10.67		54.79		204.07		269.53
Bahrain	Dinar	17.99	47.75			5.87	15.58	23.86	63.33
Spain	Peseta	18,194.21	163.25					18,194.21	163.25
United States	Dollar				2,952.00				2,952.00
William F. Powers, Jr.:									
Egypt	Pound	551.57	251.86					551.57	251.86
Israel	Dollar		80.80						80.80
Jordan	Dollar		11.44		54.79		204.08		270.31
Bahrain	Dinar	31.19	82.77			5.87	15.58	37.06	98.35
Spain	Peseta	18,849.53	169.13					18,849.53	169.13
United States	Dollar				2,952.00				2,952.00
Gregory F. Chapados:									
Israel	Shekel	936.32	616.00					936.32	616.00
United States	Dollar				610.00				610.00
Belgium	Franc	6,630	195.00					6,630	195.00
Total			6,318.94		15,957.58		439.31		22,715.83

ROBERT J. DOLE,
Republican Leader, May 11, 1988.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), AUTHORIZED BY THE COMMITTEE ON APPROPRIATIONS AND THE REPUBLICAN LEADER, FOR TRAVEL JAN. 11-24, 1988

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Mark O. Hatfield:									
Greece	Drachma	52,381	402.00					52,381	402.00
Cyprus	Pound	191.29	426.00					191.29	426.00
Turkey	Lira	475,904	446.00					475,904	446.00
Italy	Lire	747,864	612.00					747,864	612.00
Senator James A. McClure:									
Greece	Drachma	52,381	402.00					52,381	402.00
Cyprus	Pound	191.29	426.00					191.29	426.00
Turkey	Lira	475,904	446.00					475,904	446.00
Italy	Lire	747,864	612.00					747,864	612.00
Gerald W. Frank:									
Greece	Drachma	52,381	402.00					52,381	402.00
Cyprus	Pound	191.29	426.00					191.29	426.00
Turkey	Lira	475,904	446.00					475,904	446.00
Italy	Lire	747,864	612.00					747,864	612.00
Jan Paulk:									
Greece	Drachma	52,381	402.00					52,381	402.00
Cyprus	Pound	191.29	426.00					191.29	426.00
Turkey	Lira	475,904	446.00					475,904	446.00
Italy	Lire	747,864	612.00					747,864	612.00
Janet Lamos:									
Greece	Drachma	52,381	402.00					52,381	402.00
Cyprus	Pound	191.29	426.00					191.29	426.00
Turkey	Lira	475,904	446.00					475,904	446.00
Italy	Lire	747,864	612.00					747,864	612.00
Delegation expenses: [1]									
Greece							1,608.80		1,608.80
Cyprus							2,268.04		2,268.04
Turkey							3,116.19		3,116.19
Italy							3,781.22		3,781.22
Total			9,430.00				10,774.25		20,204.25

[1] Delegation expenses include direct payments and reimbursements to the Department of State and to the Department of Defense under authority of Sec. 502(b) of the Mutual Security Act of 1954 as amended by Sec. 22 of P.L. 95–384, and S. Res. 179, agreed to May 25, 1977.

JOHN C. STENNIS,
Chairman, Committee on Appropriations.
ROBERT J. DOLE,
Republican Leader.
MARK O. HATFIELD,
Delegation Chairman, May 25, 1988.

AMENDED CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMISSION ON SECURITY AND COOPERATION IN EUROPE, FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1987

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Jane S. Fisher:									
Austria	Schilling	31,033.4	2,394.00	360	27.77			31,393.4	2,421.77
United States	Dollar				1,210.00				1,210.00
Senator Frank Lautenberg:									
Poland	Zloty	124,392	438.00	51,333.33	173.33	8,269.33	28.00	183,995	639.33
Romania	Leu	31,192.05	471.00			20,705.96	312.66	51,898.01	783.66
United States	Dollar				666.00				666.00
Total			3,303.00		2,077.10		340.66		5,720.76

DENNIS DeCONCINI,
Chairman, Commission on Security and
Cooperation in Europe, Mar. 8, 1988.

AMENDED CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), AUTHORIZED BY THE MAJORITY LEADER FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1987

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Sharon Waxman:									
Poland	Zloty			51,333.33	173.33	8,269.33	28.00	59,602.66	201.33
James McQueeny:									
Poland	Zloty			51,333.33	173.33	8,269.33	28.00	59,602.66	201.33
Total					346.66		56.00		402.66

ROBERT C. BYRD,
Majority Leader, May 20, 1988.

AMENDED CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), AUTHORIZED BY THE MAJORITY LEADER FOR TRAVEL FROM APR. 1 TO JUNE 30, 1987

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Christopher Doherty:									
Poland	Zloty					58,070.50	223.87	58,070.50	223.87
	Dollar						72.28		73.28
Nancy Soderberg:									
Poland	Zloty					58,070.50	223.86	58,070.50	223.86
	Dollar						73.27		73.27
Gregory Craig:									
Poland	Zloty	125,970	510.00					125,970	510.00
United States	Dollar				1,327.00				1,327.00
Senator James R. Sasser:									
Spain	Peseta	19,770.06	159.00			20,951.29	168.50	40,721.35	327.50
Bahrain	Dinar	117.62	312.00					117.62	312.00
Robert M. Walker:									
Spain	Peseta	19,770.06	159.00			20,951.29	168.50	40,721.35	327.50
Bahrain	Dinar	117.62	312.00					117.62	312.00
Richard L. Collins:									
Spain	Peseta	19,770.06	159.00			20,951.29	168.50	40,721.35	327.50
Bahrain	Dinar	117.62	312.00					117.62	312.00
C. Richard D'Amato:									
Spain	Peseta	19,770.06	159.00			20,951.29	168.50	40,721.35	327.50
Bahrain	Dinar	117.62	312.00					117.62	312.00
Saudi Arabia	Riyal	551.25	147.00					551.25	147.00
Kuwait	Dinar	49.295	178.00					49.295	178.00
United Arab Emirates	Dirham	579.14	165.00					579.14	165.00
United States	Dollar				1,071.00				1,071.00
Total			2,884.00		2,398.00		1,268.28		6,550.28

ROBERT C. BYRD,
Majority Leader, May 20, 1988.

AMENDED CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), AUTHORIZED BY THE REPUBLICAN LEADER, FOR TRAVEL FROM APR. 1 TO JUNE 30, 1987

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Delegation Expenses:									
France	Franc			39,398.40	6,566.40	45,266.58	7,544.43	84,664.98	14,110.83
Total					6,566.40		7,544.43		14,110.83

Note.—The following United States Senators and staff traveled with a delegation headed by Senator Strom Thurmond. Senator Strom Thurmond and Robert Bott were authorized by the Senate Committee on Armed Services. Senator Mark O. Hatfield, Yvonne L. Hopkins, Vickie Mitchell, Jeffrey Andrews, Kathryn Hook, Linda Wiggins, Holly Richardson, Mary P. Wells, and Jeff Kull traveled under the authority of the Republican leader. Reports of their expenditures appear in the report of the authorizing source.

ROBERT J. DOLE,
Republican Leader, May 11, 1988.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95-384—22 U.S.C. 1754(b), AUTHORIZED BY THE MAJORITY LEADER, JAN. 4-19, 1988

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Ernest F. Hollings:									
Italy	Lire	191,390	163.58					191,390	163.58
Kenya	Shilling	16,226.35	852.00					16,226.35	852.00
Zambia	Kwacha	1,160.32	148.00					1,160.32	148.00
Zimbabwe	Dollar	425	250.00					425	250.00
Spain	Peseta	425.16	382.00					425.16	382.00
Senator Terry Sanford:									
Italy	Lire	191,390	163.58					191,390	163.58
Kenya	Shilling	16,226.35	852.00					16,226.35	852.000
Zambia	Kwacha	1,160.32	148.00					1,160.32	148.00
Zimbabwe	Dollar	425	250.00					425	250.00
Spain	Peseta	425.16	382.00					425.16	382.00
Walter J. Stewart:									
Italy	Lire	502,590	435.56					502,590	435.56
Kenya	Shilling	16,226.35	852.00					16,226.35	852.00
Zambia	Kwacha	1,160.32	148.00					1,160.32	148.00
Zimbabwe	Dollar	425	250.00					425	250.00
Spain	Peseta	425.16	382.00					425.16	382.00
Delegation expenses: [1]									
Kenya							1,508.93		1,508.93
Zambia							175.14		175.14
Zimbabwe							1,803,56		1,803.56
Spain							1,475.00		1,475.00
Total			5,658.12				4,962.63		10,621.35

[1] Delegation expenses include direct payments and reimbursements to the Department of State and the Department of Defense under authority of Sec. 502(b) of the Mutual Security Act of 1954 as amended by Sec. 22 of P.L. 95-384, and S. Res. 179, agreed to May 25, 1977.

ROBERT C. BYRD,
Majority Leader.
ERNEST F. HOLLINGS,
Delegation Chairman, June 14, 1988.

MANASSAS NATIONAL BATTLEFIELD PARK

Mr. WARNER. Mr. President, I rise today to bring to the Senate's attention my concern on a continuing controversy regarding potential development of a parcel of land known as the William Center adjacent to the Manassas National Battlefield Park in Prince William County, VA.

At the outset I want to make it clear that I have not taken a firm position relative to any of the several conflicting interests.

I have made two recent on-site inspections, have listened to representatives of each of the basic five interest groups, and have had many consultations with Members of the House and Senate.

I am purposely keeping an open mind until the Senate receives more information and until I have a clearer understanding of the support I can expect to receive from other Senators.

Further, I have been very limited in public statements so as not to raise expectations that are not likely to be met by Congress.

I believe it is a responsibility of the Senate to compile a complete record on the complex issues involved, analyzing all legislative options including acquiring part or all of the property, restricting the scope of development on the property, allowing development of part or all of the property and preserving the historical value of this treasured national park.

To put this issue into perspective, when I came to the Senate in 1979 one of the first problems I worked to resolve was the expansion of the Manassas National Battlefield Park.

Prior to 1979, the House of Representatives had passed legislation five times to add contiguous properties of significant historical value to the park, but the Senate had failed to act and give like support.

It is important to note that not one of these bills proposed to include the William Center tract into the park.

After conducting several town hall meetings in Prince William County, meeting with many interested groups, and personally surveying these historic properties, I became committed to seeking a solution to this 5-year stalemate.

With the cooperation of the House of Representatives sponsor, Congressman Herbert Harris, the Prince William County Board of Supervisors, and interested citizens and historic preservation groups, and members of the Virginia congressional delegation, legislation which I sponsored became law to expand the park by 1,500 acres to its present-day total of 4,520 acres.

During the hearing before the Senate Energy and Natural Resources Committee, no witness advocated the historical significance of part or all of the parcel of land which is now the focus of so much national controversy.

The reason for this lack of support in 1980 as contrasted to the thundering support today is a question the Senate must analyze.

Prince William County had long expressed its intention to retain this tract of land for commercial development.

As Early as 1974, the county designated this parcel for nonresidential use in its comprehensive plan. Given the property's extensive frontage on interstate 66, the county recognized it as its centerpiece for economic growth.

In addition to enlarging the park, a key feature of the 1980 legislation was to address the need to provide a reliever route to reduce or eliminate traffic on Routes 29 and 234 through the park—section 2(c) Public Law 96-442.

This proposed reliever route, the Route 234 bypass, was specifically included with the idea in mind of protecting the park from traffic degradation not due to visitation.

Regrettably, the construction of the Route 234 bypass north of Interstate 66 to Catharpin has not occurred to date.

The State of Virginia's current position of this issue will hopefully be examined by the Senate.

It was my hope that my 1980 legislation to expand the park's boundaries by including the most historic surrounding properties would achieve a proper balance among the historic, economic, and environmental interests—no single one of which is more important than the other.

I believed my 1980 legislation was an equitable compromise which maximized historical and environmental considerations and minimized economic losses to the community and to private landowners.

I continue to be guided by these same principles when considering the current controversy of the proposed William Center development.

Opposition to the current proposals for development of the William Center tract, particularly the new concept of a 1.2-million-square-foot shopping mall with contiguous residential and office development, has prompted several legislative proposals in the House of Representatives.

One approach I will highlight today will soon be before the Senate.

The Senate fiscal year 1989 transportation appropriations bill includes language prohibiting the State of Virginia from using any Federal highway funds for various transportation—road—improvements in the vicinity of the Manassas National Battlefield Park.

Hopefully, the Senate will not address this bill on the floor until the Energy and Natural Resources Subcommittee on Public Lands, National Parks and Forests has held hearings.

In recent days, I offered to the Senate Appropriations Committee substitute language to provide $2.8 million to begin the planning and design of the much-needed Route 234 bypass, an interchange with Interstate 66, and lane improvements on Interstate 66.

To preserve the rights of all, my amendment stipulated that these funds would not be available until the Department of the Interior, the Department of Transportation, the State of Virginia, Prince William County Board of Supervisors, and the owners of the property executed a legally binding memorandum of understanding.

This memorandum of understanding would address two fundamental issues.

First, all parties would have to agree on the size and type of development on the parcel which would be compatible with the park.

Second, all parties would have to agree and devise a plan to close Route 29 and Route 234 as they travel through the park upon the completion of the Route 234 bypass.

Since the Appropriations Committee did not have time, or in my judgment, the opportunity to receive a full presentation of all of the competing interests involved in this issue, it declined to act on my amendment.

In final action the Senate Appropriations Committee slightly modified the House prohibition of funds to prevent the construction of any interchange with Interstate 66 or any roads which would provide access to Route 29 or Route 234 near the park.

The current Senate language, like the House Transportation Appropriations language, continues to restrict—unfairly, in my opinion—the right of the State of Virginia to address its most urgent transportation needs.

I have by a recent letter, asked Governor Baliles to give the Senate his views on this issue.

Further, both the Senate and House prohibitions fail to address directly the appropriate use of this property or the historical considerations.

I say again that I do not at this time because of the need for more information, support or oppose the proposed William Center development.

But, I do oppose the Senate taking action on one piece of this complex puzzle, namely roads, without the benefit of a full examination of the facts involved and the interests of all parties.

Virginia's Governor Gerald Baliles has made transportation improvements one of the top priorities of his administration.

I have worked with the Governor to achieve the State's transportation goals.

Additionally, Prince William County is proposing a November bond referendum for $10 million for an interchange with Interstate 66, and a portion of the Route 234 bypass south of Interstate 66.

The Senate and House prohibition would not allow the county to move forward with its number one transportation priority of an interchange with Interstate 66 and the Route 234 bypass south of the park.

Although the county has been working with the State for 14 years on the planning of these roads, is that treating the interests of local government fairly?

Further, this language falls short of, I assume, its intended goal of stopping development of the William Center.

If this language becomes law, it will restrict the development access to Interstate 66.

Unfortunately, it does not address the development itself or the historical interests.

The property currently has access to Route 29, and the end result could well be a development that relies completely on the existing roads that would only increase traffic through the park.

Both of these results, in my judgment, would be unwise.

A second approach under active consideration by the House of Representatives is a bill providing for a legislative taking of the property.

This approach would allow the Federal Government to take title to the property immediately following enactment.

The undetermined amount of Federal payment to the property owner would be established later.

The House Interior and Insular Affairs Committee is scheduled to mark up this proposal in the very near future.

The measure would provide for a legislative taking of the property, payment by the Federal Government from the Department of Justice's judgment appropriations fund of a sum to be later determined, plus a further authorization of $30 million for road construction from the National Park Service's budget. That's a significant amount of taxpayer's money for one national park and will be closely scrutinized in the Senate.

I am advised that estimates for acquisition of the William Center tract, as cited by the National Park Service, vary between $50 to $70 million.

The price could easily go higher.

Such a single land acquisition for one national park could well exceed the total annual funds appropriated by Congress for land acquisition by the National Park Service for the entire nationwide park system of 334 parks and sites. Last year Congress appropriated only $50 million for land acquisition the entire system.

Further, the Park Service advises me that there is currently a backlog of authorized land acquisitions—in previous years—for all national parks of approximately $1.5 billion. Are Senators likely to let the Manassas acquisitions take precedence over all these other authorizations? I am considering this option but I want to know the views of other Senators before I decide. I must not unduly raise expectations.

My 1980 legislation, which expanded the park's boundaries by 1,500 acres, was estimated to cost $8.7 million.

The Park Service has already spent $6.8 million in acquiring 800 of the 1,500 acres.

As an example of the cost involved in expanding the park, the acquisition of the Brawner Farm—a piece of property identified at the time by historians as crucial to the Second Battle of Manassas—cost the Federal taxpayer far more than expected.

The National Park Service appraised the property at $812,000, however, a court awarded the landowners $4.2 million for their 312 acres.

At the time the Senate was considering the 1980 legislation, proposals within the Park Service estimated that the cost of the William Center tract was approximately $7 million.

Because the William Center's estimated cost in 1980 equaled the cost of all the other properties proposed for inclusion in the park—because of Prince William County's desire to retain this tract for commercial development—and because no one testified to this property's historical value—the Congress did not include it in the 1980 park expansion legislation.

The bottom line, Mr. President, is that the Federal taxpayer will bear the cost if this property is added to the Manassas National Battlefield Park. The Interior Department, which in a sense is representing the taxpayers, is firmly in opposition to this approach.

Before the Senate can make an informed judgment on the merits of this proposal or any others we must begin to create a public record on these many complex issues.

The Senate as a deliberative body has the responsibilities for holding public hearings and debating the merits of legislation before it makes decisions.

Therefore, I have asked the Senate Energy and Natural Resources Committee, which has jurisdiction over national park issues, to provide an opportunity to discharge our duties of considering fully any legislation relating to the Manassas National Battlefield Park, before the Appropriation Committee acts.

I believe it is important to keep in mind that the Transportation Appropriations Committee did not hold a hearing on this issue and many unanswered questions remain.

There are significant gaps of information on this issue which I believe must be satisfied before the Senate approves the provision in the transportation appropriations bill.

I am still awaiting information from the State of Virginia on the impact of the appropriations language on the Governor's transportation initiatives from the area, as well as the impact of the House bill which requires a closing of State Routes 29 and 234 through the park.

Mr. President, the controversy concerning development of land buffering the Manassas National Battlefield Park is an extremely complex one that demands the Senate's consideration.

The problem, as I see it, involves five main interests—each of which should be weighed fairly.

The first interest is the Commonwealth of Virginia in which State the park exists and which has jurisdiction over the roads in and around the park.

Further, it involves the State's obligation to improve them.

Second, Prince William County, an integral unit of government, must be given a fair review of its decisions affecting its citizens, their tax base, and its plans for roads in the area, over which it shares jurisdiction with the State.

Prince William County is one of the fastest growing counties in the Nation with an annual propulation increase of 14,000.

Despite one of the highest property tax rates in Virginia, the county faces a growing problem of having an adequate tax base to provide basic services to its citizens.

Prince William estimates that the William Center will become a major source of revenue and reemployment, generating needed revenues.

Third, the historic and scenic integrity of the park must be protected.

My commitment to the preservation of the park has been proven by my 1980 legislation to expand the park's boundaries as well as my efforts to secure Federal funding to acquire the additional properties.

In the fiscal year 1986 Interior appropriations bill, for example, I was pleased to get $2.4 million to continue the purchase of the historical properties identified for acquisition in my 1980 bill.

Without doubt, at least a portion of the William Center tract is significant to the Second Battle of Manassas because Stuart's Hill was the command post for Confederate Gen. Robert E. Lee.

The Senate, however, must allow an opportunity for the National Park Service and other experts in the field of historic preservation to discuss the significance of this property.

Fourth, the Federal taxpayer as represented by the Department of the Interior and the Department of Transportation—road costs—must present to the Senate their opinions on the priority land and transportation needs of the Manassas National Battlefield Park.

And, fifth, the owners who have exercised their rights within our American free enterprise system to purchase property and plan its development in accordance with Federal, State, and local regulations must be given consideration.

Mr. President, again I say that it would not be fair for the Senate to take action on the transportation appropriations bill without hearing from all interests.

I ask my colleagues, whether you support or oppose the development, or have yet to form an opinion, to join with me in calling for hearings on this complex issue before the Senate is asked to support a transportation construction prohibition around the Manassas National Battlefield Park.

Following a complete discussion of these interests through the regular committee process, the Senate will then have all the facts available on this issue.

Only then will we be able to make an informed decision on the appropriate use of this property and whether any Federal funds should be appropriated.

Until this information is available, I believe it would be premature for the Senate to take a definitive position on the Manassas National Battlefield Park issue as called for in the transportation appropriations bill.

I welcome any questions other Senators may have on this issue and I will bring this matter to the Senate's attention again when the fiscal year 1989 transportation appropriations bill comes to the floor.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Chirdon, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of February 3, 1987, the Secretary of the Senate, on June 30, 1988, during the adjournment of the Senate, received a message from the House of Representatives announcing that the House has passed the following bill and joint resolution, without amendment:

S. 1856. An act to amend chapter 25 of title 44, United States Code, to provide an authorization for the National Historical Publications and Records Commission programs, and for other purposes; and

S.J. Res. 304. Joint resolution designating July 2, 1988, as "National Literacy Day."

The message also announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 130. Concurrent resolution providing for a conditional adjournment of the House from June 30, 1988, until July 6, 1988, and a conditional recess or adjournment of the Senate from June 29, 1988, until July 6, 1988.

ENROLLED BILLS SIGNED

The message further announced that the Speaker has signed the following enrolled bills:

S. 2188. An act to amend section 307 of the Federal Employees' Retirement System Act of 1986;

H.R. 3893. An act to amend the provisions of the Toxic Substance Control Act relating to asbestos in the Nation's schools by providing adequate time for local educational agencies to submit asbestos management plans to State Governors and to begin implementation of those plans;

H.R. 4288. An act to designate the Federal building located at the corner of Locust Street and West Cumberland Avenue in Knoxville, TN, as the "John J. Duncan Federal Building";

H.R. 4639. An act to amend the Higher Education Act of 1965 to prevent abuses on the Supplemental Loans for Students Program under part B of title IV of the Higher Education Act of 1965, and for other purposes; and

H.R. 4731. An act to extend the authority for the Work Incentive Demonstration Program.

MESSAGES FROM THE HOUSE

At 12:22 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4567) making appropriations for energy and water development for the fiscal year ending September 30, 1989, and for other purposes; it recedes from its disagreement to the amendments of the Senate numbered 3, 13, 14, 25, 30, and 32 to the said bill, and agrees thereto; and that it recedes from its disagreement to the amendments of the Senate numbered 10, 12, 24, 29, 34, 36, and 44 to the said bill, each with an amendment, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1158. An act to amend title VIII of the Act commonly called the Civil Rights Act of 1968 to revise the procedures for the enforcement of fair housing, and for other purposes;

H.R. 1841. An act to provide for the establishment of additional safety requirements for fishing industry vessels, and for other purposes;

H.R. 2772. An act to authorize the Lyman-Jones, West River, and Oglala Sioux rural water development projects;

H.R. 4101. An act to amend the Federal Trade Commission Act to strengthen the authority of the Federal Trade Commission respecting fraud committed in connection with sales made with a telephone;

H.R. 4503. An act to amend the Public Health Service Act to revise and extend the programs establishing migrant health centers and community health centers; and

H.R. 4612. An act to amend title 28, United States Code, to provide for an exclusive remedy against the United States for suits based upon certain negligent or wrongful acts or omissions of U.S. employees committed within the scope of their employment, and for other purposes.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 319. Concurrent resolution congratulating His Majesty King Taufa'ahau Tupou IV and the people of Tonga on the occasion of the King's 70th birthday and the 21st anniversary of the King's coronation, and the celebration of the centennial of the treaty of Amity, Commerce, and Navigation between the United States and the Kingdom on Tonga.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

At 1:02 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bill and joint resolution:

S. 1856. An act to amend chapter 25 of title 44, United States Code, to provide an authorization for the National Historical Publications and Records Commission programs, and for other purposes; and

S.J. Res. 304. Joint resolution designating July 2, 1988, as "National Literacy Day."

The enrolled bill and joint resolution were subsequently signed by the acting President pro tempore [Mr. SHELBY].

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1841. An act to provide for the establishment of additional safety requirements for fishing industry vessels, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 2772. An act to authorize the Lyman-Jones, West River, and Oglala Sioux Rural Water Development Projects; to the Committee on Energy and Natural Resources.

H.R. 4101. An act to amend the Federal Trade Commission Act to strengthen the authority of the Federal Trade Commission respecting fraud committed in connection with sales made with a telephone; to the Committee on Commerce, Science, and Transportation.

H.R. 4306. An act to amend the National School Lunch Act to require eligibility for free lunches be based on the nonfarm income poverty guidelines prescribed by the Office of Management and Budget; to the Committee on Agriculture, Nutrition, and Forestry.

H.R. 4612. An act to amend title 28, United States Code, to provide for a exclusive remedy against the United States for suits based upon certain negligent or wrongful acts or omissions of United States employees committed within the scope of their employment, and for other purposes; to the Committee on the Judiciary.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 4503. An act to amend the Public Health Service Act to revise and extend the programs establishing migrant health centers and community health centers.

MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 1158. An act to amend title VIII of the act commonly called the Civil Rights Act of 1968 to revise the procedures for the enforcement of fair housing, and for other purposes.

ENROLLED BILLS SIGNED

The ACTING PRESIDENT pro tempore [Mr. SHELBY] reported that on today he had examined and signed the following enrolled bills, previously signed by the Speaker of the House of Representatives:

S. 2188. An act to amend section 307 of the Federal Employees' Retirement System Act of 1986;

H.R. 3893. An act to amend the provisions of the Toxic Substances Control Act relating to asbestos in the Nation's schools by providing adequate time for local educational agencies to submit asbestos management plans to State Governors and to begin implementation of those plans;

H.R. 4288. An act to designate the Federal Building located at the corner of Locust Street and West Cumberland Avenue in Knoxville, Tennessee, as the "John J. Duncan Federal Building";

H.R. 4639. An act to amend the Higher Education Act of 1965 to prevent abuses on the Supplemental Loans for Students programs under part B of title IV of the Higher Education Act of 1965, and for other purposes; and

H.R. 4731. An act to extend the authority for the Work Incentive Demonstration Program.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, July 6, 1988, he had presented to the President of the United States the following enrolled bill and joint resolution:

S. 1856. An act to amend chapter 25 of title 44, United States Code, to provide an authorization for the National Historical Publications and Records Commission programs, and for other purposes;

S. 2188. A bill to amend section 307 of the Federal Employees' Retirement System Act of 1986; and

S.J. Res. 304. Joint resolution designating July 2, 1988, as "National Literacy Day".

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3491. A communication from the President of the United States, transmitting, pursuant to law, a report on the incident in the Persian Gulf involving the USS *Vincennes* and the USS *Elmer Montgomery;* to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD, from the Committee on Appropriations, with amendments:

H.R. 4867. A bill making appropriations for the Department of Interior and related agencies for the fiscal year ending September 30, 1989, and for other purposes (Rept. No. 100-410).

By Mr. LAUTENBERG, from the Committee on Appropriations, with amendments:

H.R. 4794. A bill making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1989, and for other purposes (Rept. No. 100-411).

By Mr. CRANSTON, from the Committee on Veterans Affairs, without amendment:

S. 2611. An original bill to amend the Internal Revenue Code of 1986 to provide for the disclosure of income information to the Veterans' Administration for purposes of verifying information provided about their incomes by beneficiaries of programs under which income is relevent to eligibility; and to amend title 38, United States Code, to protect against the misuse of such information, and for other purposes (Rept. No. 100-412).

By Mr. GLENN, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 508. A bill to amend title 5, United States Code, to strengthen the protections available to Federal employees against prohibited personnel practices, and for other purposes (Rept. No. 100-413).

By Mr. INOUYE, from the Select Committee on Indian Affairs, with an amendment in the nature of a substitute:

S. 1735. A bill to clarify the Federal relationship to the Lac Vieux Desert Bank of Lake Superior Chippewa Indians as a distinct Indian tribe, to clarify the status of members of the band, to transfer title to trust lands, and for other purposes (Rept. No. 100-414).

By Mr. INOUYE, from the Select Committee on Indian Affairs, without amendment:

H.R. 2615. A bill to provide that certain lands shall be in trust for the Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation, California (Rept. No. 100-415).

By Mr. GLENN, from the Committee on Governmental Affairs, without amendment:

S. 2350. A bill to clarify the investigatory powers of the United States Senate.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. CRANSTON, from the Committee on Veterans' Affairs:

S. 2611. An original bill to amend the Internal Revenue Code of 1986 to provide for the disclosure of income information to the Veterans' Administration for purposes of verifying information provided about their incomes by beneficiaries of programs under which income is relevant to eligibility; and to amend title 38, United States Code, to protect against the misuse of such information, and for other purposes; placed on the calendar.

By Mr. DASCHLE:

S. 2612. A bill to revise the price support rate for dairy; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BYRD (for Mr. Bentsen (for himself, Mr. Danforth, Mr. Byrd, Mr. Packwood, Mr. Sarbanes, Mr. Garn, Mr. Kennedy, Mr. Hatch, Mr. DeConcini, Mr. Thurmond, Mr. Glenn, Mr. Roth, Mr. Leahy, Mr. Chafee, Mr. Stennis, Mr. Heinz, Mr. Nunn, Mr. Bond, Mr. Chiles, Mr. Cohen, Mr. Johnston, Mr. D'Amato, Mr. Ford, Mr. Kasten, Mr. Bumpers, Mr. McClure, Mr. Cranston, Mr. Murkowski, Mr. Boren, Mr. Nickles, Mr. Inouye, Mr. Simpson, Mr. Heflin, Mr. Specter, Mr. Burdick, Mr. Trible, Mr. Melcher, Mr. Wilson, Mr. Pell, Mr. Adams, Mr. Baucus, Mr. Bingaman, Mr. Bradley, Mr. Breaux, Mr. Conrad, Mr. Daschle, Mr. Dixon, Mr. Dodd, Mr. Exon, Mr. Fowler, Mr. Gore, Mr. Graham, Mr. Harkin, Mr. Kerry, Mr. Lautenberg, Mr. Levin, Mr. Matsunaga, Mr. Metzenbaum, Ms. Mikulski, Mr. Mitchell, Mr. Moynihan, Mr. Pryor, Mr. Reid, Mr. Riegle, Mr. Rockefeller, Mr. Sanford, Mr. Sasser, Mr. Shelby, Mr. Simon, and Mr. Wirth)):

S. 2613. A bill to enhance the competitiveness of American industry, and for other purposes; read the first time.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DASCHLE:

S. 2612. A bill to revise the price support for dairy; to the Committee on Agriculture, Nutrition, and Forestry.

DAIRY FARM MAINTENANCE ACT

● Mr. DASCHLE. Mr. President, I rise today to introduce legislation that addresses the serious financial hardship that the drought is now inflicting on this country's dairy farmers.

Like many other Senators, I have been working over the last several weeks to fashion a comprehensive drought relief package. It now appears likely that the Senate will quickly act on a bill that provides basic income protection for ranchers and producers of both program and nonprogram crops. But it is important that that package also address the growing crisis confronting America's dairy producers.

My bill consists of two basic provisions:

First, it provides for an immediate increase of 50 cents per hundredweight in the milk price support. This would raise the support from the current level of $10.60 to $11.10.

Second, the bill would limit the 50-cent price cut that is likely to occur on January 1, 1989, to 25 cents, if CCC dairy purchases are projected to fall within the range of 5 to 8 billion pounds. Should USDA project purchases exceeding 8 billion pounds, the Secretary would have the discretion to cut the price support up to 50 cents per hundredweight. This authority would continue for 1990 as well.

Mr. President, there are several reasons why I believe a proposal such as this is needed. Before the current disaster ever materialized, farmers were already suffering from a 50-cent-per-hundredweight cut that went into effect earlier this year. As a result of this cut, many of the smaller dairy farmers saw their net incomes reduced by half or more.

With feed and forage costs skyrocketing as a result of the drought, many producers are now operating in the red. Estimates of the increase in the average feed costs nationwide range from 15 to 45 percent. In some areas, the feed costs are much higher, if, indeed, feed is even available.

Clearly, some sort of immediate action is needed. Almost all drought-relief proposals that have been advanced to date call for an elimination of the price cut that is likely this coming January. That does not address the problem that exists now. Without some sort of immediate relief, many small dairy farmers will be forced to drastically reduce their herds or go out of business altogether. If we allow that to happen, three things will almost certainly follow:

The number of family dairy farmers will be permanently diminished. Given the problems already facing our dairy producers, it is unlikely that we will see reentry after the drought is over. This will only strengthen a preexisting trend toward the consolidation of production in regionally concentrated, corporate operations.

The sell-off in dairy herds will only further depress the beef market, exacerbating the financial problems of cattle producers.

The price of milk and other dairy products will go up, hurting both consumers and retailers.

Mr. President, I remain concerned about the effect that an increase in the milk price support might have on long-term production. Major increases in the dairy surplus will only undermine support for the dairy program and will hurt dairy farmers in the long run. Huge surpluses will also prove costly to the Government at a time when deficit reduction is a top priority.

I do not believe that the price increase called for in my bill will provide an incentive for a major increase in dairy production. It will simply serve to offset some of the drought-induced cost increases of the last several months. Conventional estimates suggest that a 15-percent increase in dairy feed costs has the same effect on the milk producers' bottom line as a 50-cent cut in the price level. Few dairy producing regions will have seen an increase in feed costs less than 15 percent this year, and some areas have already suffered increases several times that.

However, should the dairy surplus become too high, my bill provides room for a price rollback after the first of the year. I believe this to be a balanced, responsible approach—one which provides immediate disaster relief yet also addresses the larger issues of production control and budgetary restraint.

Mr. President, I also remain concerned about the ongoing regional shift in dairy production. The increase in the support level will help both dairy farmers who are directly affected by the drought and those who are not. I would have preferred to target the increase to designated drought areas, but it would be impossible to implement such a plan in time to do anyone any good during the crisis. And in any case, the increase in feed costs is affecting dairy operations nationwide, even if the effect is much more severe in some areas than others. I remain committed to resolving the issue of regional disparities in the dairy program, but a drought of disastrous proportions is not the right time.

I urge my colleagues to support this legislation to provide badly needed disaster relief and protect this country's family dairy farms.

I ask unanimous consent that a copy of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2612

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Dairy Farm Maintenance Act of 1988".

SECTION 1. REVISION OF DAIRY PRICE SUPPORT.

Paragraph (D) of section 201(d)(1) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)(1)(D)) is amended as follows—

(a) in clause (i) by striking out "clause (ii), if for any of the calendar years 1988, 1989, and 1990," and inserting in lieu thereof "clause (iv), if for the calendar year 1988,";

(b) by redesignating clause (ii) as clause (iv); and

(c) by adding immediately after clause (i) the following new clauses:

"(ii) Effective upon the date of enactment of this Act, the Secretary of Agriculture shall increase by 50 cents the rate of price support for milk as in effect on such date.

"(iii) Subject to clause (iv), if for any of the calendar years 1989 and 1990, the level of purchases of milk and the products of milk under this subsection (less sales under section 407 for unrestricted use), as estimated by the Secretary on January 1 of such calendar year, will—

"(I) exceed 8,000,000,000 pounds (milk equivalent), on January 1 of such calendar year, the Secretary may reduce by 50 cents the rate of price support for milk as in effect on such date;

"(II) exceed 5,000,000,000 pounds (milk equivalent), on January 1 of such calendar year, the Secretary may reduce by 25 cents the rate of price support for milk as in effect on such date.".

SEC. 2. EFFECTIVE DATE.

The amendments provided for by this Act shall be effective upon the date of enactment.●

ADDITIONAL COSPONSORS

S. 714

At the request of Mr. Specter, the names of the Senator from Florida [Mr. Chiles], and the Senator from North Dakota [Mr. Burdick] were added as cosponsors of S. 714, a bill to recognize the organization known as the Montford Point Marine Association, Inc.

S. 950

At the request of Mr. Heflin, the name of the Senator from Rhode Island [Mr. Pell] was added as a cosponsor of S. 950, a bill to establish a specialized corps of judges necessary for certain Federal proceedings required to be conducted, and for other purposes.

S. 1391

At the request of Mr. Karnes, his name was added as a cosponsor of S. 1391, a bill to amend the Surface Transportation Assistance Act of 1982.

S. 1738

At the request of Mr. Wilson, the name of the Senator from Oregon [Mr. Packwood] was added as a cosponsor of S. 1738, a bill to make long-term care insurance available to civilian Federal employees, and for other purposes.

S. 1743

At the request of Mr. Durenberger, the name of the Senator from Missouri [Mr. Danforth] was added as a cosponsor of S. 1743, a bill to amend the Internal Revenue Code of 1986 to restore income averaging for farmers.

S. 1805

At the request of Mr. Mitchell, the name of the Senator from North Dakota [Mr. Burdick] was added as a cosponsor of S. 1805, a bill to protect certain pensions and other benefits of veterans and survivors of veterans who are entitled to damages in the case of "In re: 'Agent Orange' Product Liability Litigation".

S. 1817

At the request of Mr. Kennedy, the name of the Senator from Ohio [Mr. Glenn] was added as a cosponsor of S. 1817, a bill to amend the Internal Revenue Code of 1986 to provide that gross income of an individual shall not include income from U.S. savings bonds which are transferred to an educational institution as payment for tuition and fees.

S. 2098

At the request of Mr. Hollings, the name of the Senator from Michigan [Mr. Levin] was added as a cosponsor of S. 2098, a bill to amend the Federal Aviation Act of 1958 to prohibit discrimination against blind individuals in air travel.

S. 2129

At the request of Mr. Baucus, the names of the Senator from Idaho [Mr. Symms], the Senator from Minnesota [Mr. Boschwitz], and the Senator from Alabama [Mr. Heflin] were added as cosponsors of S. 2129, a bill to amend the Internal Revenue Code of 1986 to repeal the application of the uniform capitalization rules with respect to animals produced in a farming business.

S. 2199

At the request of Mr. Chafee, the names of the Senator from New Mexico [Mr. Bingaman], and the Senator from New York [Mr. Moynihan] were added as cosponsors of S. 2199, a bill to amend the Land and Water Conservation Act and the National Historic Preservation Act, to establish the American Heritage Trust, for purposes of enhancing the protection of the Nation's natural, historical, cultural, and recreational heritage, and for other purposes.

S. 2240

At the request of Mr. Johnston, the names of the Senator from Alabama [Mr. Shelby], and the Senator from New Mexico [Mr. Bingaman] were added as cosponsors of S. 2240, a bill to amend the act to reauthorize the State Mining and Mineral Resources Research Institute Program, and for other purposes.

S. 2299

At the request of Mr. Leahy, the name of the Senator from Michigan [Mr. Levin] was added as a cosponsor of S. 2299. a bill to eliminate the exemption for Congress from the application of certain provisions of Federal law relating to employment, and for other purposes.

S. 2348

At the request of Mr. Pryor, the name of the Senator from South Carolina [Mr. Hollings] was added as a cosponsor of S. 2348, a bill to amend title 31, United States Code, to permit the

Comptroller General of the United States to review and decide protests of Federal Government employees relating to converting to contractor performance certain functions performed by such employees.

S. 2351

At the request of Mr. Domenici,, the name of the Senator from Alabama [Mr. Heflin] was added as a cosponsor of S. 2351, a bill to amend the Internal Revenue Code of 1986 to repeal the capitalization rules for freelance writers, artists, and photographers.

S. 2361

At the request of Mr. Leahy, the names of the Senator from Michigan [Mr. Riegle], the Senator from North Dakota [Mr. Conrad], the Senator from Hawaii [Mr. Inouye], and the Senator from New Jersey [Mr. Bradley] were added as cosponsors of S. 2361, a bill to amend title 18, United States Code, to preserve personal privacy with respect to the rental, purchase, or delivery of video tapes or similar audio visual materials and the use of library materials or services.

S. 2396

At the request of Mr. Mitchell, the name of the Senator from North Dakota [Mr. Burdick] was added as cosponsor of S. 2396, a bill to amend title 38, United States Code, to expand the period considered as the Vietnam era in the case of veterans who served in the Republic of Vietnam.

S. 2397

At the request of Mr. Dixon, the name of the Senator from Alaska [Mr. Murkowski] was added as cosponsor of S. 2397, a bill to amend the United States Warehouse Act to specifically allow States to require grain elevators with Federal warehouse licenses to participate in State grain indemnity funds or to require collateral security.

S. 2404

At the request of Mr. Hollings, the name of the Senator from Nebraska [Mr. Exon] was added as cosponsor of S. 2404, a bill to amend title XX of the Social Security Act to provide for additional funds under such title and to reserve such funds for child day care services, to create a National Advisory Commission on Child Care, and for other purposes.

S. 2411

At the request of Mr. Mitchell, the names of the Senator from New Hampshire [Mr. Rudman], and the Senator from Georgia [Mr. Fowler] were added as cosponsors of S. 2411, a bill to amend the Internal Revenue Code of 1986 to extend the low-income housing credit through 1990.

S. 2469

At the request of Mr. Heinz, the names of the Senator from Wisconsin [Mr. Proxmire], the Senator from Utah [Mr. Hatch], the Senator from California [Mr. Wilson], and the Senator from Arizona [Mr. DeConcini] were added as cosponsors of S. 2469, a bill to amend chapters 83 and 84 of title 5, United States Code, to expedite the processing of retirement applications of Federal employees, and for other purposes.

S. 2484

At the request of Mr. Danforth, the name of the Senator from Ohio [Mr. Glenn] was added as a cosponsor of S. 2484, a bill to amend the Internal Revenue Code of 1986 to enhance the incentive for increasing research activities.

S. 2487

At the request of Mr. Metzenbaum, the name of the Senator from Maryland [Ms. Mikulski] was added as a cosponsor of S. 2487, a bill to award a congressional gold medal to Mrs. Jesse Owens.

S. 2495

At the request of Mr. Bond, the name of the Senator from Texas [Mr. Bentsen] was added as a cosponsor of S. 2495, a bill to amend the Agricultural Act of 1949 to permit producers to plant supplemental and alternative income-producing crops on acreage considered to be planted to a program crop.

S. 2580

At the request of Mr. Domenici, the name of the Senator from New Mexico [Mr. Bingaman] was added as a cosponsor of S. 2580, a bill to establish the Petroglyph National Monument in the State of New Mexico, and for other purposes.

S. 2603

At the request of Mr. Melcher, the names of the Senator from Tennessee [Mr. Sasser], and the Senator from Alabama [Mr. Shelby] were added as cosponsors of S. 2603, a bill to amend the Agricultural Act of 1949 to provide drought relief, and for other purposes.

S. 2609

At the request of Mr. Danforth, the name of the Senator from Iowa [Mr. Grassley] was added as a cosponsor of S. 2609, a bill to amend the Internal Revenue Code of 1986 to provide that the special rule for proceeds from livestock sold on account of drought apply to livestock used for draft, breeding, dairy or sporting purposes.

SENATE JOINT RESOLUTION 291

At the request of Mr. Cochran, the names of the Senator from North Carolina [Mr. Helms], and the Senator from Idaho [Mr. McClure] were added as cosponsors of Senate Joint Resolution 291, a joint resolution to designate the month of September 1988 as "National Sewing Month."

SENATE JOINT RESOLUTION 296

At the request of Mr. Shelby, the name of the Senator from Minnesota [Mr. Boschwitz] was added as a cosponsor of Senate Joint Resolution 296, a joint resolution designating April 1989 as "National Outdoor Power Equipment Safety Month."

SENATE JOINT RESOLUTION 319

At the request of Mr. Leahy, the name of the Senator from Utah [Mr. Hatch] was added as a cosponsor of Senate Joint Resolution 319, a joint resolution to designate the period commencing November 6, 1988, and ending November 12, 1988, as "National Disabled Americans Week."

SENATE JOINT RESOLUTION 320

At the request of Mr. Hatch, the names of the Senator from Nevada [Mr. Hecht], the Senator from New York [Mr. D'Amato], the Senator from Arizona [Mr. DeConcini], the Senator from Iowa [Mr. Grassley], the Senator from Idaho [Mr. McClure], the Senator from South Carolina [Mr. Thurmond], the Senator from Ohio [Mr. Glenn], the Senator from Arkansas [Mr. Bumpers], the Senator from Tennessee [Mr. Gore], the Senator from California [Mr. Wilson], the Senator from Alaska [Mr. Stevens], the Senator from Connecticut [Mr. Weicker], and the Senator from Rhode Island [Mr. Pell] were added as cosponsors of Senate Joint Resolution 320, a joint resolution to commemorate the 50th anniversary of the passage of the Food, Drug and Cosmetic Act.

SENATE JOINT RESOLUTION 321

At the request of Mr. Bradley, the names of the Senator from California [Mr. Wilson], and the Senator from Ohio [Mr. Glenn] were added as cosponsors of Senate Joint Resolution 321, a joint resolution to designate the period commencing February 19, 1989, and ending February 25, 1989, as "National Visiting Nurse Associations Week."

SENATE JOINT RESOLUTION 326

At the request of Mr. Moynihan, the name of the Senator from Maryland [Ms. Mikulski] was added as a cosponsor of Senate Joint Resolution 326, a joint resolution designating June 12 through 18, 1988, as "Lyme Disease Awareness Week."

SENATE JOINT RESOLUTION 342

At the request of Mr. Moynihan, the names of the Senator from Nebraska [Mr. Exon], the Senator from Arizona [Mr. DeConcini], the Senator from Tennessee [Mr. Gore], the Senator from Nevada [Mr. Reid], the Senator from West Virginia [Mr. Byrd], and the Senator from Louisiana [Mr. Breaux] were added as cosponsors of Senate Joint Resolution 342, a joint resolution to designate the week of November 28 through December 5, 1988, as "National Book Week."

SENATE JOINT RESOLUTION 346

At the request of Mr. Lautenberg, the names of the Senator from New York [Mr. D'Amato], the Senator from Massachusetts [Mr. Kerry], and the Senator from Maryland [Mr. Sar-

BANES] were added as cosponsors of Senate Joint Resolution 346, a joint resolution to designate March 25, 1989, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

SENATE CONCURRENT RESOLUTION 103

At the request of Mr. DECONCINI, the names of the Senator from North Dakota [Mr. CONRAD], and the Senator from Minnesota [Mr. BOSCHWITZ] were added as cosponsors of Senate Concurrent Resolution 103, a concurrent resolution expressing the sense of the Congress that the President should award the Presidential Medal of Freedom to Charles E. Thornton, Lee Shapiro, and Jim Lindelof, citizens of the United States who were killed in Afghanistan.

SENATE RESOLUTION 432

At the request of Mr. MOYNIHAN, the name of the Senator from Nebraska [Mr. EXON] was added as a consponsor of Senate Resolution 432, a resolution to honor Eugene O'Neill for his priceless contribution to the canon of American literature in this the hundredth anniversary year of his birth.

AMENDMENTS SUBMITTED

RETAIL COMPETITION

HATCH AMENDMENT NO. 2511

(Ordered to lie on the table.)

Mr. HATCH submitted an amendment intended to be proposed by him to the bill (S. 430) to amend the Sherman Act regarding retail competition; as follows:

At the end of the bill, add the following:

SEC. 3. (a) This Act may be cited as the "Trademark Protection Act of 1988".

(b) The Congress finds that—

(1) the importation and/or sale of gray market goods (which are, for purposes of this Act, goods manufactured abroad to which a foreign trademark is lawfully applied but which are imported into the United States without the authorization of the United States owner of the identical or similar trademark), fundamentally violate United States trademark law;

(2) gray market goods cause confusion to consumers that trademark laws are designed to avoid because such goods, intended for sale abroad, frequently differ in their physical characteristics from goods intended for sale in the United States, such as—

(A) gray market cosmetics may contain ingredients that are either banned in the United States or are otherwise considered less desirable from the perspective of a United States consumer;

(B) gray market vehicles may not include safety devices common in vehicles manufactured for sale in the United States market;

(C) gray market batteries may have shorter lives when sold to a United States consumer simply because of delays and lack of care in transshipment; and

(D) gray market goods are frequently not subject to the same quality control, warranties provided in the United States and other features that consumers may expect from a particular trademarked good;

(3) whether or not consumers are confused by gray market goods, the importation or sale of such goods deprives United States trademark owners of their investment in their trademark;

(4) trademarks foster vigorous competition and increased research and development and such interbrand competition ultimately benefits consumers with lower prices and increased quality and selection;

(5) the loss of goodwill occasioned by gray market goods is in violation of fundamental tenants of our trademark laws; and

(6) the importation and sale of gray market goods in the United States must be prevented to preserve the integrity of our trademark system.

(c) The Act of July 5, 1946, the Lanham Trademark Act (15 U.S.C. 1051 et seq.), is amended by adding at the end thereof the following new section:

"SEC. 51. (a) No person may import into or sell within the United States any good that is manufactured outside the United States if such good, or the label, sign, print, package, wrapper, or receptable, bears a trademark that is identical to a trademark—

"(1) owned by a person that is a citizen of the United States or by a corporation or other entity created within the United States under the laws thereof or the laws of one of the States, the District of Columbia, one of the territories, or the Commonwealth of Puerto Rico, without regard to the citizenship of its incorporators, shareholders, officers, or directors, and

"(2) registered by such person with the Patent and Trademark Office under the provisions of this Act,

unless such person consents to such importation or sale.

"(b) The prohibitions of subsection (a) apply regardless—

"(1) of whether the foreign manufacturer of the goods or foreign trademark owner whose trademark appears on the goods is related in any way, by corporate affiliation or otherwise, to the owner of the United States trademark;

"(2) of whether the owner of the United States trademark owns or has registered the trademark abroad; or

"(3) of whether the owner of the United States trademark has authorized the use of the trademark abroad.

"(c) The Secretary of the Treasury shall exclude from entry into the United States any goods the importation of which is in violation of subsection (a), provided that the person who owns the trademark in question in the United States and who has registered that trademark with the Patent and Trademark Office files a copy of the certificate of registration for such trademark with the Secretary of the Treasury.

"(d) Any owner of a United States trademark may bring an action against the importer or seller of goods that bear identical trademarks in violation of section (a) in any Federal district court to enjoin such importation or sale and to obtain money damages and lost profits for the wrongful use of a trademark by reason of such importation or sale, under the provisions of this Act.

"(e) For purposes of this section, the term—

"(1) 'person' means any individual or entity including but not limited to any corporation or partnership; and

"(2) 'United States' means the territory comprising the 50 States, the District of Columbia, and Puerto Rico.

"(f) The exceptions to the prohibitions of section 526(a) of the Tariff Act of 1930, set forth in section 526(d) of that Act, apply to the prohibitions set forth herein.

"(g) The Secretary may promulgate regulations to implement subsection (b) but such regulations must enforce subsection (b) fully for any owner of a trademark in the United States regardless of whether—

"(1) such trademark owner or its subsidiary or other affiliate manufactures or sells goods bearing an identical or similar trademark abroad;

"(2) such trademark owner owns and/or has registered such trademark abroad; or

"(3) such trademark owner has authorized the use of such trademark abroad.".

NOTICE OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding the following oversight hearing on Thursday, July 7, 1988, in Senate Russell 485, beginning at 1:30 p.m., on "A Community-Based Mental Health Initiative for Indian People."

Those wishing additional information should contact the Indian Affairs Committee at 224-2251.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LEAHY. Mr. President, I wish to announce that the Committee on Agriculture, Nutrition, and Forestry will hold a hearing on Tuesday, July 12, 1988, at 9:30 a.m. in SR-332 to receive testimony on drought related legislation.

For further information, please contact Bob Young of the committee staff at 224-2035.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES AND SELECT COMMITTEE ON INTELLIGENCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet jointly with the Select Committee on Intelligence during the session of the Senate on Wednesday, July 6, 1988, in executive session to receive a briefing on recent combat activities in the Persian Gulf, including the shooting down of an Iranian commercial airliner by United States military forces.

The PRESIDING OFFICER. Without objection, it is ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, July 6, to hold a hearing on the Overseas Private Investment Corporation Amendments Act, S. 2006.

The PRESIDING OFFICER. Without objection, it is ordered.

ADDITIONAL STATEMENTS

McCOLLUM TO ADVOCATE FOR MINNESOTA'S ELDERLY

● Mr. DURENBERGER. Mr. President, a former intern in my Minnesota office has been appointed as the acute care ombudsman for the Minnesota Board on Aging. Angie McCollum will assist consumers, concerned citizens, physicians, hospitals and public agencies to ensure seniors have access to acute care services and prevent premature discharges from hospitals.

Her diverse experience will prove to be an asset for the position. Her background includes: management of quality assurance, utilization review, DRG's, third-party negotiations, discharge planning, and risk management as well as physician liaison and patient advocacy. She has worked in developing effective relationships with people at all levels of health care concerns: public and private organizations, PRO's medical staff, HMO's, PPO's, CMP's, and the community.

I am pleased and honored that she will be a part of Minnesota's leading role in coordinating and overseeing effective health care.

Mr. President, I would like to insert into the Record an article about Angie's appointment from the Council of Hospital Corporations.

The article follows:

[From the Council of Hospital Corporations]

McCollum To Advocate for Minnesota's Elderly

(By Angie McCollum)

The Office of Ombudsman for Older Minnesotans in the Minnesota Board on Aging has a new position: acute care ombudsman. When the Minnesota Legislature established the office in 1987, it not only incorporated the Board on Aging Long Term Care Ombudsman Program into the office, but also expanded its function to advocate for acute care patients.

The expanded program is a result of senior citizens' complaints of premature hospital discharge and difficulty accessing acute care services, a problem perceived by older citizens to have been exacerbated by the federal prospective payment program, DRGs.

Angie McCollum, the recently hired acute care ombudsman, has a broad background, which includes management of quality assurance, utilization review, DRGs, third-party negotiations, discharge planning, and risk management as well as physician liaison and patient advocate. She has worked in developing effective relationships with people at all levels of health care concerns: public and private organizations, PRO, medical staff, HMOs, PPOs, CMPs and the community.

McCollum is a graduate of Metropolitan State University in the Health Care Administration Program. She is a diplomate of the American Board of Quality Assurance Utilization Review.

In a recent interview, McCollum said as acute care ombudsman, she will respond to complaints of premature discharge or denial of access to acute care, and advocate for a satisfactory resolution.

Following are excerpts from the interview:

What's the difference between the ombudsman role and existing agencies?

Existing agencies have the responsibility of enforcement of state and federal laws and regulations. The ombudsman office acts as an advocate for consumers, and is not subject to the limitations of regulation. It can broadly respond to any and all disputes consumers may have through negotiation or mediation. The ombudsman office is able to act independently of the interests of provider or government to respond to the concerns of the consumer.

Will your work replace that of another office?

No. This is new. There's no model to follow. We are working very hard to get everything in place before July 1. No other state has a similar office. In fact, other states are following our progress with interest and looking to Minnesota for leadership.

Do you see this office as a long-term position?

Yes.

Have you established a mission and goals?

Minnesota statutes, 256.974—256.9744 defines the mission and goals of the acute care ombudsman. The office will not refuse complaints regarding problems other than Medicare related complaints, but will attempt to refer consumers to the respective agencies.

Number one, we are the advocates for the patient, but we will work with hospitals and physicians to facilitate solutions to complaints.

I don't see my role as a adversarial because hospitals and doctors want patients to be hospitalized, if justified. We are not going to push for hospital admission just for the sake of patient advocacy, but work within the Medicare guidelines.

How will consumers and facilities know about the program?

A brochure describing how the acute care ombudsman can assist consumers will be available July 1, when the program will be fully operational. At that time, every acute care facility will be required to post the address and telephone number of the office in a conspicuous place.

I will be involved in outreach through educational programs. We've begun to work with the PRO and Blue Cross at the fiscal intermediary.

Who monitors what your office accomplishes?

We are under the Board on Aging, which consists of 25 individuals appointed by the governor. The Board will be required to report directly to the Legislature on the progress of the program.

For further information, contact Angie McCollum, acute care ombudsman, Office of Ombudsman, Minnesota Board on Aging, Suite 204, Metro Square, St. Paul, Minnesota 55101. Telephone: (612) 296-2770.●

INFORMED CONSENT: MONTANA

● Mr. HUMPHREY. Mr. President, I urge my colleagues to join me in support of informed consent legislation, S. 272 and S. 273 and I ask unanimous consent that the following letter from the State of Montana be inserted in the Record. The letter follows:

Polson, MT.

Dear Senator Humphrey: I'm 35 years old. I had an abortion when I was 17. At that time abortions were illegal unless the pregnancy was a threat to the mother's health. My pregnancy posed no threat to me, but I was forced into terminating it by my mother. My mother made plans to get an abortion by convincing 3 psychologists that I was suicidal. The first doctor asked me if I wanted an abortion and I told him the truth—no. This really made my mother unhappy that I told him so she sought another doctor who didn't care. About a week later I was in the hospital in terrific pain and despair following my abortion. No one bothered to tell me that I would need major surgery until the night I checked into the hospital. No one bothered to tell me the consequences.

I still dream of that baby often. I think if I would have had some help, I would have handled it much better. I am fine now and have two beautiful boys aged 14 and 10. I'm sure that all I can do now is pray for forgiveness.

Florence Baylor.[1]

THE 50TH WEDDING ANNIVERSARY OF CHARLES AND JEAN MELONY

● Mr. DURENBERGER. Mr. President, it is indeed a pleasure for me to deliver a salute today to two very special friends back in Minnesota. Charles and Jean Melony of Tonka Bay, MN, will be celebrating their 50th wedding anniversary on August 6.

Charles has been a faithful volunteer in my Minneapolis office for over 7 years now, performing a list of tasks which would resemble material read in a filibuster. A brief summary of his "job description" includes dealing with supplies and equipment, and acting as our GSA liaison. Beyond those chores, he has conducted office space searches and lease negotiations and is responsible for the many machines and services which provide communications into and out of my Minneapolis office.

To most he is just a kind man with the patience of a saint and the wisdom of an older brother. This dear man, with his wife, has built a record of achievement and respect which is found exclusively in the background of this Nation's "great men."

A native Minneapolitan, Charles grew up on the banks of Minnehaha Creek. He attended the University of Minnesota where he met his bride-to-be, Jean Given, of Bemidji, MN. Having accomplished what he set out to do at the university—obtain a degree in mechanical engineering and find a wife, Charles and Jean began their new life together in the shadow of their first home—the family-owned Curtis Hotel. Charles performed nearly every service found in a full-service, luxury hotel. He eventually assumed the role of president of the landmark hostelry which hosted Presidents and diplomats, actors, and business tycoons.

Jean and Charles began as two temporary residents of the Curtis, but found permanent residence in south Minneapolis. In this house on Bryant

Avenue South, the Melony family grew to five in all—Jean and Charles and their three daughters, Linda, Mary and Sally. Like most families today, as the children left home, the dwelling which once had been too small became too roomy. Today, Charles and Jean live out in the Lake Minnetonka area.

I am filled with gratitude for the many things the Melonys have done for me, especially since they have reached their golden years, and could be spending more time at their summer home on Blue Island in Lake Namakan. But Charles is a dedicated and responsible volunteer and I know, sure as it is July, that he will appear and do his thing.

I wish that all my colleagues in the Senate could be fortunate enough to have a Charles Melony to help them. I thank Charles for all of his hard work and Jean for sharing him with my Senate office.●

ST. JOSEPH'S HOSPITAL AND MEDICAL CENTER TREATS TWO AFGHAN RESISTANCE FIGHTERS

● Mr. LAUTENBERG. Mr. President, last week Afghan resistance fighter Akbar Khan left New Jersey after receiving greatly needed medical treatment at St. Joseph's Hospital and Medical Center in Paterson, NJ.

St. Joseph's Hospital participated in the Intergovernmental Committee for Migration's Afghan Relief project and provided necessary treatment for a gunshot wound that Akbar sustained in his right shoulder. Earlier in the year, St. Joseph's treated another Afghan resistance fighter, Muhammed Ismail, for a hand grenade injury which shattered his right hand. In that accident, Muhammed lost several fingers.

St. Joseph's recognized that it was in a position to assist Akbar and Muhammed and offered to help. Thanks to the services the hospital provided, Akbar and Muhammed recovered from the injuries they received while fighting Soviet troops in Afghanistan. Now both have returned to their family and friends in Afghanistan.

A number of extremely dedicated individuals worked hard to facilitate Akbar and Muhammed's medical care while they were in New Jersey. Sister Jane Frances Brady and Doctors Napolean A. Valdez and Vincent K. McInerney at St. Joseph's Hospital and Medical Center were particularly instrumental in ensuring that Akbar and Muhammed received quality care and necessary attention.

Mr. President, St. Joseph's Hospital and Medical Center provided important services to Akbar Khan and Muhammed Ismail. I commend them for working to provide the necessary medical treatment that these Afghan resistance fighters desperately needed.●

TONY BEVINETTO

● Mr. JOHNSTON. Mr. President, over the weekend the Senate lost a good servant and many of us lost a good friend. Tony Bevinetto, a longtime staff member of the Senate Energy and Natural Resources Committee, died at his home on Sunday after a long, courageous, and dignified bout with cancer.

Since 1979, Tony served as a professional staff member on the Committee on Energy and Natural Resources. For 2 years before that, Tony was a legislative assistant to our former colleague, Senator Cliff Hansen of Wyoming. During his tenure in the Senate, Tony was the key staff member for issues related to public lands, national parks, wilderness, wild and scenic rivers, trails, and a whole host of other recreation-related programs. Tony was perfect for his job. For in carrying out his day to day tasks, he brought together love and respect for the outdoors with his love and respect for the Senate and the people with whom he worked. It was a very special union that served the country and the Senate well for almost 12 years, and will endure for generations to come as people see and enjoy the many magnificent places that Tony played a role in protecting and enhancing.

Mr. President, those of us who know Tony will always remember him as a person with very special qualities. He was a professional in the best sense of that word. He did his work in a bipartisan and evenhanded manner. Everybody got a fair shake from Tony. He took great pride in always seeing both sides of an issue and being certain that "the big kids," as he often referred to Senators, got all the facts.

Tony also had a marvelous sense of humor that he lavishly and unselfishly shared with everyone—friends, fellow staffers, or even strangers. He was just one of those people who made folks laugh and feel at ease in almost any situation. He enjoyed hearing a good story almost as much as he enjoyed telling one. His humor and good nature were infectious and you could not help but feel better after a visit with Tony.

Finally, and most importantly Mr. President, Tony Bevinetto was one of those rare human beings that everyone just seemed to like. During his entire career as a Senate staff member, I never heard one person say anything bad about Tony. Given the pivotal role he played over the years in formulating and staffing so many contentious and controversial issues, that is a truly remarkable achievement.

Mr. President, my thought and prayers are with his widow, Elsie, and his two children, Kirsten and Libby. They should be very proud of Tony and what he accomplished during his career in the Senate. I feel most fortunate to have known Tony, and I will miss him very much.

CONGRATULATIONS PITMAN ELEMENTARY AND MIDDLE SCHOOLS ODYSSEY OF THE MIND COMPETITION

● Mr. LAUTENBERG. Mr. President, I rise to recognize a group of outstanding young people from Gloucester County, NJ. Pitman Elementary and Middle School students captured the gold and bronze medals in the Odyssey of the Mind world finals held recently at the University of Maryland.

The bronze medal went to the Pitman Middle School team for their participation in the "Atlantis" division. This competition required creation of a vessel for the illusion of a deep sea expedition to Atlantis. The students designed, constructed and operated by themselves a mechanically moveable deep sea turtle that could hold one or more team members. Their team: Tara Bullock, Kim Davis, Melissa Higbee, Gabrielle Hirst, Jill Khun, and David Semler, led by their substitute coach, Lesley Bullock, impressed the audience by their creativity. These energetic youngsters dedicated their program to their coach, Brian Farr who could not attend their competition.

The Pitman Elementary students; Jane Steffeo, Randi Benach, Stefanie Abbott, Scott Szymanski, Geoff Stafford, Jeff DiLisi, and Amy Johnson, competed with 49 other championship teams from across the Nation, including three other countries. Their first prize winning competition, "Straddle Structure," was a nonverbal problem which required they build a balsa wood structure that would bear more weight than those of the other teams. The structure had to straddle an octagon base with a wooden platform placed over it. Four members of the team then had to put universal weights on top, and another watched to make sure that each weight was lowered properly. After each weight was added, three seconds had to elapse before putting on the next. The structure held up a weight up to 573.24 pounds before it collapsed.

The other part of this competition consisted of a skit dealing with the consequences of world collapse if a nuclear bomb were exploded and the balance of power between the United States and the U.S.S.R. went out of control. The third part involved a closed question and answer session with the judges.

The Pitman students put on an impressive showing, demonstrating much poise and confidence beyond their years. I am proud to express my heartiest congratulations to them and to their coaches, Lesley Bullock and Joyce Corsey.

These fine young people have proved that learning can be an exciting challenge. May their futures be bright and continue to be full of many more enriching learning experiences.●

BLACK REVOLUTIONARY WAR MEMORIAL

● Mr. GORE. Mr. President, on June 28 of this year I appeared before the National Capitol Memorial Commission in support of the siting of the Black Revolutionary War Memorial in Constitution Gardens. I was pleased to be a part of this decision. I respectfully request that my remarks before the Commission be entered in the RECORD.

The remarks follow:

REMARKS OF SENATOR ALBERT GORE, JR.

Distinguished members of the Commission, I would like to thank you for giving me this opportunity to speak on behalf of the heroic black patriots of the Revolutionary War.

Almost three years ago, Congresswoman Nancy Johnson and I were proud to introduce legislation in support of the Patriots Memorial. This legislation gained overwhelming support from both the House of Representatives and the Senate and was signed by President Reagan in January of 1987. The decision now before you is whether the memorial should stand in the Black Revolutionary War Patriot Foundation's preferred site, between the Lincoln Memorial and the Washington Monument and across from a memorial to the Declaration of Independence.

As you know, this memorial would honor the more than 5,000 black soldiers of the American Revolution and the tens of thousands of slaves who fled slavery during that time. The Memorial will remind us of the early beginnings of the black struggle for equality. And it will stimulate the people who visit the monument to think about those whom this nation has taken for granted, those men and women who fought for this country's freedom even when it would not grant them theirs. As Maurice Barboza has said, "This is not just a memorial for black people. It's a memorial to a concept that transcends color: freedom."

That is indeed a worthy goal, one with which all Americans can identify. With this memorial, Maurice Barboza has found a way to bring us together as one people, in our hearts and in our history.

Members of the Commission, this memorial will remind us how important the pursuit of liberty once was and how important the cause of liberty must always be. I urge your favorable consideration.●

PETROGLYPH NATIONAL MONUMENT ESTABLISHMENT ACT—S. 2580

● Mr. BINGAMAN. Mr. President, I am pleased to join my colleague Senator DOMENICI in introducing the Petroglyph National Monument Establishment Act of 1988.

This legislation would create the Petroglyph National Monument as a unit of the National Park System located along the West Mesa escarpment outside Albuquerque, NM. It authorizes acquisition of lands within the proposed boundaries and provides for inclusion, upon application, of lands owned by the city of Albuquerque and the State of New Mexico. The Secretary of the Interior is authorized to enter into cooperative agreements with Federal, State, and local public departments and agencies to provide management and interpretation of monument resources.

The National Trust for Historic Preservation has identified this area as one of the 11 most endangered historic places in our country. The rock art remains remarkably intact but is being subjected to ever-increasing damage because of its accessibility and the rapid encroachment of the city of Albuquerque which is pushing up against the edge of the West Mesa escarpment. Damage by gunfire, attempts to remove the rocks, and use of heavy equipment for residential and commerical development are but a few examples of the many threats.

The city of Albuquerque, State of New Mexico, and public spirited groups such as the Friends of the Albuquerque Petroglyphs are to be commended for their dedicated efforts to preseve this unique area, yet there is a need for immediate Federal action if we are to save it for future generations.

It has been estimated that between 15,000 and 17,000 petroglyphs can be found along the 17-mile-long volcanic escarpment of the West Mesa. This area, called the Las Imagines National Archeological District, is one of the most richly endowed prehistoric rock art sites in the United States, perhaps even the world. The rock art is dramatic, complex, and unique in content. Figures are numerous and bold.

The religious roots of Pueblo and Hispanic cultures are visible along this escarpment. Many petroglyphs are from the late Pueblo period, dating from 1300 to 1650 A.D. and a great number of the figures are of continuing significance to the Pueblo people. Cruciform petroglyphs carved by early Spanish colonists are found on the same sites as prehistoric Indian rock art.

This legislation will enable us to protect critical segments of the escarpment and immediately adjacent lands through a working partnership between the city of Albuquerque, State of New Mexico, and Federal Government. I encourage my colleagues to preserve this national treasure and support establishment of the Petroglyph National Monument.●

CABRINI MEDICAL CENTER TREATS AKBAR KHAN

● Mr. LAUTENBERG. Mr. President, I would like to bring to my colleagues' attention the tremendous services that Cabrini Medical Center in New York provided for Afghan resistance fighter Akbar Khan.

Together with St. Joseph's Hospital and Medical Center in Paterson, NJ, Cabrini Medical Center helped to treat Akbar Khan for a gunshot wound he sustained in his right shoulder while fighting Soviet troops in Afghanistan. The gunshot wound left his shoulder fractured and caused Akbar a tremendous amount of pain.

Cabrini Medical Center recognized that it was in a position to assist Akbar and offered to help. The surgery and care the hospital provided helped Akbar recover from his shoulder injury. Akbar returned home to Afghanistan just last week.

A number of extremely dedicated individuals worked hard to facilitate Akbar's treatment at the hospital. The hospital's president Sister Josephine Tsuei and Doctors George Truchly and David Chiu were instrumental in ensuring that Akbar received quality care for his injury.

Mr. President, Cabrini Medical Center demonstrated that it cared about the plight of Akbar Khan and all Afghan resistance fighters injured in the war with the Soviet Union. I commend the hospital for recognizing that Akbar needed medical treatment and for graciously helping him to recover from his severe injury.●

BUFFALO'S REBIRTH

● Mr. MOYNIHAN. Mr. President, last Saturday, the Economist, printed an article about Buffalo, which I would like my colleagues to read.

Since 1983, Buffalo has experienced a great renaissance. Unemployment has fallen 6.5 to 5.5 percent; new construction has taken place; and the State University of New York at Buffalo has undergone a large expansion. Signs for Buffalo's rebirth continue to be positive. New revitalization programs are planned to enhance the appearance of the city and economic growth continues.

Mr. President, I ask that the full text of the Saturday, July 2, 1988 article in the Economist, about Buffalo, appear in the RECORD at this time.

The article follows:

[From the Economist, July 2, 1988]

SHUFFLING BACK TO PROSPERITY

(Though few citizens of the Big Apple would admit it, New York city in not the only town in New York state. In one of a series of occasional articles on some of America's larger small cities, we look at Buffalo.)

To most Americans, Buffalo has a "negative image". It conjures up boundless snowdrifts, rusting steel mills and intractable unions. Try recruiting people from elsewhere to work there. Dr. Thomas Tomasi does, in his capacity as director of the Roswell Park cancer centre, and he admits it is an uphill struggle. Mr. Steven Sample does, as president of the State University of New York's campus at Buffalo. He says getting staff to agree to move there is one thing; getting their wives or husbands to come too is a much taller order.

Once there, they love it, say those who have stayed, such as Mr. Jeremy Wainwright of M&T Bank, who came from London, Brussels and New York. And the weather is not so bad. Dr. Tomasi recalls how he had more trouble with snow when he lived in Albuquerque than he does now in Buffalo. Buffalo's one terrible snowstorm, in 1977, has simply stuck in people's minds, says its Representative Henry Nowak. What is more, says Mr. Stanford Lipsey, publisher of the Buffalo news, the termperature in Buffalo never rises above 100 degrees: though Lake Erie generates snow squalls in winter that can bury the city, it acts as a giant airconditioner in summer.

Until recently, Buffalo deserved its negative image. At its nadir in 1983, the year Bethlehem Steel closed its plant there, it had 12 percent unemployment and little to show the world but the rusting hulks of its other heavy industry, grain milling. It was not always thus. When the Erie canal, linking the Hudson river with the Great Lakes, reached the shores of the lake at Buffalo in 1825, followed later by the railways, the pent-up produce of the prairies flooded out through the port like water over Niagara Falls.

Buffalo, whose name comes from the French beau fleuve, handled and milled the Great Plains' grain. The city grew at a heady rate, producing millionaires and presidents (Cleveland and Fillmore called Buffalo home; McKinley was assassinated there and Theodore Roosevelt inaugurated). The best architects were commissioned to build some fine buildings. Those still standing include a splendid Louis Sullivan office block and city hall reminiscent of Stalin's more extravagant secular cathedrals in Moscow.

As it grew, Buffalo rapidly filled up with Italians, Irish, Poles and blacks. Politically, it has remained a city typical of New York state, with pugnacious, often racially divided politics. City hall is now ruled by a former worker in a grain-elevator, Mr. James Griffin, who has brought a baseball stadium and fiscal sense, but not peace, to the city's affairs.

Economically, though, Buffalo is a Great Lakes city. The abundant water and the cheap power derived from Niagara Falls attracted the steel and chemical industries. The port, however, has never recovered from the opening of the St. Lawrence Seaway in 1959, which removed the need to unload the grain ships before they reached the Atlantic. Buffalo rapidly lost business to Canada. Its economic fall was to be longer and more painful than that of other northern industrial cities. By 1975 Boston was recovering. By 1980 Baltimore. By 1985 Pittsburgh. Even Cleveland was on the way back when Buffalo was still gasping, its population shrunk to barely half its boom-time size.

The decline bred an inferiority complex about more than just the weather. It took outsiders to tell Buffalo it had the sort of assets that many would yearn for at the end of the growth-weary 1980s. It is a city where a large farmhouse 20 minutes from the centre costs no more than a small apartment in San Francisco. Its policy of magnet schools (parents choosing their children's school according to the subjects it specialises in) provides unusually good education. It has a good philharmonic orchestra, a splendid collection of twentieth-century art and access to sailing and fishing.

Of more practical interest to businessmen are transport, sewer and power systems put in place for a much bigger population, huge chunks of fallow land in the heart of the city and a bridge that leads straight to the fastest growing part of America's biggest trading partner, the Hamilton-to-Toronto shore of Lake Ontario. There is also a big university, whose steady improvement is emphasized by the recent decision of its president, Mr. Sample, not to apply for the presidency of the better-known University of Michigan at Ann Arbor. Mr. Sample's greatest achievement was to win in 1986 a big federal contract for the national earthquake centre in competition with the University of California at Berkeley.

Buffalo's renaissance is real. Five years after the steel shutdown, unemployment has fallen to 5.5 percent, just below the national average (through above the New York state's). Yet the recovery is fragile. Buffalo still depends on old industries: making radiators for General Motors and tires for Dunlop, shipping limestone to power stations. Except for a handful of companies in the city centre (making things such as software for lawyers), high-technology, that balm of Boston and Pittsburgh, has stayed away.

The renaissance has been led not by private investment, as in those cities, but by public money. Mr. Nowak reckons he has brought home $900m in federal funds from his membership of the House of Representatives' public-works committee, including urban-development action grants to help build everything from sewers to cinemas. The federal taxpayer forked out most of the $597m for a smart new electric train that goes up and down the pedestrians-only Main Street (but virtually nowhere else useful). The New York state taxpayer built the university's $700m new complex at Amherst, north of the city, and produced half the cost of Pilot Field, a splendid new baseball stadium right in the middle of town where the minor-league but improving Bisons can be watched by bankers from their offices ten stories above the plate.

Private investment has only just begun to match public. A few years ago a "Group of 18" local businessmen approached New York's Governor Mario Cuomo to ask for reform of the port authority. The group then began to think about extending Buffalo's recovery and attracted an energetic image-maker from Houston to do as president of the Greater Buffalo Development Foundation. He thinks Buffalo has two advantages to exploit. Making the most of its low rents, it can offer back-room banking, shuffling the paper for Manhattan banks. And it is already becoming quite a medical centre. It hopes to draw more and more medical-technology firms to the area around Roswell Park, making a sort of x-ray Valley.

Buffalo still makes little use of its position. Of the 14m people who visit Niagara Falls each year most see nothing more of the city than its airport. The shore of Lake Erie is all but inaccessible from downtown Buffalo, hidden behind urban freeways and a moonscape of slag left by the steel companies. That mattered little when the lake was "dead" from phosphate eutrophication. Now it is clean, but if people want to bathe they go to Canada.

Mr. Nowak has procured Federal money for a pier that by-passes the industrial sites to give people a chance to fish and walk along the lake. A businessman has plans to redevelop the 1,400-acre Bethlehem Steel site on the waterfront as industrial and office parks, beaches, and boating marinas. Both admit that they are years behind Cleveland in making use of Lake Erie.

Buffalo casts a competitive eye at its Ohio neighbour. Yet it has one thing that Cleveland does not: a bridge to Canada. Even before the free-trade agreement between Canada and the United States takes effect, Buffalo's proximity to Toronto has brought both trade and investment from the north. Canadians are building office blocks in Buffalo. More than 800,000 trucks cross the Peace bridge every year into and out of Buffalo. Most go straight through, but if Buffalo can get good at storing and trans-shipping products, as it did before with grain, it could hardly fail to benefit from its closeness to Canada.●

VETERANS OF THE WAR OF 1812

● Mr. MOYNIHAN. Mr. President, this past Friday, an article appeared in the New York Times which I would like to share with my colleagues.

Recently, the remains of 28 Americans, who gave their lives for the United States, were located at a battlefield in Fort Erie, ON. They are now being returned to the United States. These 28 soldiers were killed at the Battle at Snake Hill during some of the most brutal fighting of the war. These American militiamen were holding back a British siege at Snake Hill. Now, they will be laid to rest with full military honors at a veterans' grave yard at Bath, NY—from where they are believed to have come. After 174 years, they will be laid to rest with their comrades.

The excavation of these remains represents an important step in the quest for a more accurate history of the War of 1812. It is my hope that we can continue to uncover more of the facts surrounding this not insignificant event in American history.

Mr. President, I ask that the complete text of the article from the July 1, 1988, New York Times be included in the Record at this time.

The article follows:

[From the New York Times, July 1, 1988]

AFTER 174 YEARS, 28 MIA'S RETURN

(By John F. Burns)

FORT ERIE, ONTARIO, June 30.—Some were only boys when they marched to war in Canada in the summer of 1814, American greenhorns off to challenge British Redcoats steeled in battles with Napoleon.

Today, 28 of the Americans finally went home. In aluminum coffins covered with the Stars and Stripes, saluted by fife and drum, the remains of soldiers who were as young as 16 when they fell in the War of 1812 were symbolically returned by Canada to the 3d United States Infantry, which performs on ceremonial occasions at the White House.

From here, a procession of hearses took the coffins on a 100-mile drive to a veterans' cemetery at Bath, N.Y., where a full military funeral was held before reburial on Friday.

The pageantry that unfolded on the grass at Old Fort Erie, where the American invaders died holding off a British siege, grew from a chance discovery in the spring of 1987.

1,900 DIED IN NIAGARA CAMPAIGN

After a builder's backhoe turned up bones along a sandy promontory beside Snake Hill, scene of a fierce nighttime battle on the night of Aug. 14–15, 1814, Canada ordered a full-scale archeological dig. What transpired, with the aid of military historians and pathologists from Washington, has thrown light on one of America's least celebrated foreign wars.

More than 1,900 Americans died in the 15-week Niagara campaign, which ended with the American commander, Gen. Jacob Brown, retreating across the Niagara River.

It was a defeat for the United States and an effective end to the war, but for Canada the campaign proved to be the seal of nationhood. Never again were the British colonies of North America to be actively threatened with absorption into the United States, the end that Jefferson and others foresaw when the war began.

What was left was the common carnage of war. Most of the American officers who were killed at Snake Hill and Chippawa and Lundy's Lane were returned for burial at home, according to the military practice of the time. But for the enlisted men and volunteers, death meant a nameless burial in a common grave.

In the case of many of the victims of Snake Hill whose skeletons were uncovered on the one-acre plot beside Lake Erie, death appeared to have been uncommonly brutal, with one man's legs shot away, another's chest destroyed by what the archeologists judged was a 6-pound cannonball.

Many in the crowd here seemed to feel that the sadness of the soldiers' deaths had been relieved by the ceremony today. Military units descended from the Canadian and American regiments that battled against each other 174 years ago marched, wheeling first to a bagpipers' version of "Amazing Grace," then to a brass band playing "O Valient Hearts," a hymm that Canadians commonly sing in remembrance of their war dead.

"They are the oldest of the M.I.A.'s," said Vincent Dunn, a high school art teacher in Fort Erie.

Mr. Dunn, in his 40's, played a part in the discovery of the Americans' remains by agreeing to the archeological dig on property he owns along the Lake Erie shore. In doing so, he said, he thought often of his twin brother, Robert, a Canadian Air Force fighter pilot who disappeared while flying an F-101 Starfighter over the North Sea off the Netherlands in 1967.

MONTHS OF LABORATORY WORK

After months in a forensic laboratory at the Royal Ontario Museum in Toronto, the soldiers' remains began their journey home today with a flypast by four Air National Guard Phantom jets as the cortege passed the midpoint of the Peace Bridge leading from Fort Erie to Buffalo.

From there, it was onward to the cemetery at Bath, a small community 30 miles from Elmira that was chosen by the United States because of archival evidence that many of those who fought at Fort Erie were militiamen from the Finger Lakes region of upstate New York.

In the hope of identifying some of the soldiers, experts from the United States Army and the Smithsonian Institution worked for months to link the skeletons to contemporary accounts of how some soldiers died. But the effort foundered on the absence of any personal possessions or documentation among the skeletons.

Confirmation that the bodies were those of American casualties came primarily from the array of brass and pewter uniform buttons found with the skeletons. Some were inprinted with an eagle clutching a laurel in its claw, others with a stylized letter "I," signifying infantry, others with the letters "U.S."

SHREDS OF MATERIAL REMAIN

Shreds of material, mostly in battle gray, also conformed with what was known of the United States Army uniforms worn during the Niagara campaign. In some cases, the clothing was fashioned from a civilian homespun, suggesting a militiaman rather than a regular soldier.

At the ceremonies today, the bitterness sown by the fighting seemed a faraway thing. But historians on both sides still disagree about the responsibility for the war.

In a document distributed to reporters by United States Army representatives, the war was attributed to "the trouble the United States was experiencing with the British" during the Napoleonic Wars. But a Canadian historian, Carl Benn, dismissed the suggestion that Britain provoked the invasion.

"That was a pretext," he said. "What really drove this thing was the Americans and their sense of Manifest Destiny. If they'd succeeded, at least Ontario, and perhaps all of Canada, would be part of the United States today."●

PROPHETIC WORDS FROM WILL STEIGER

● Mr. BOSCHWITZ. Mr. President, I rise today to remind my colleagues of some words of wisdom from 10 years ago—words that were spoken by Congressman William Steiger of Wisconsin, a staunch supporter of the 1978 cut in the tax on capital gains. Unfortunately, Bill Steiger's efforts were undone by the Tax Reform Act of 1986, which repealed the 60-percent capital gains exclusion.

The Tax Reform Act imposes a tax penalty on investments that return capital gains. Bill Steiger was an early champion of the view that when capital gains tax rates are high, as they are now, there is a tendency to hold assets or not to invest. In contrast, he argued, when rates are lowered, assets turn over more quickly and are put to more productive and risk-oriented uses that generate additional tax revenues.

During House proceedings in 1978 when a capital gains tax cut was being debated, Congressman Steiger argued that a reduction in capital gains taxes would help the economy expand. He produced a report of the tax committee of the executive council of the American Federation of Labor (which consisted of, among others, George Meany), which stated:

> One tax which has an important effect in slowing up investment in new venture enterprises is the present capital gains tax. If this is not repealed by the new 1942 Revenue Act, it should be sharply modified to tax capital gains at lower rates, and to liberalize the provision for the deduction of capital losses. Failure to take such action in earlier laws has led to a sharp reduction in capital available for new venture enterprises, because of the heavy taxes involved if the business venture is successful, and because of the denial of reasonable credit against other profits if the new venture is not successful.

As additional support for his argument, Bill Steiger cited four independent economic analyses which concluded that lower rates on capital gains taxes would stimulate investment, create more jobs, broaden the tax base, and increase Federal revenues.

As was the case in 1978, our current tax system discourages capital formation which, in turn, affects investment and growth. The Tax Code now rewards short-term investments that produce current income and penalizes long-term, growth-oriented investments.

Former Chairman of the SEC, Harold M. Williams, accurately describes the issues:

> I believe that legislation (reducing capital gains tax rates) would contribute importantly to meeting our growing capital needs, to added confidence in the continued growth of our nation's economy and to the necessary revitalization of our securities markets. . . . (I)t would provide increased incentive for securities investment and risk taking. Second, to the extent that what is characterized as gain reflects the impact of inflation rather than real gain, it would reduce the confiscatory aspect of what is in part a tax on principal rather than appreciation. And in my view, these would be important steps toward drawing forth additional necessary investment capital.

I appreciate the wisdom of Congressman Bill Steiger as expressed so eloquently during the 1978 debate over the capital gains tax cut. During the current debate over the capital gains tax, I urge my colleagues to keep Congressman Steiger's thoughts in mind.●

1988: UTAH MUSEUM OF NATURAL HISTORY'S YEAR OF THE DINOSAUR

● Mr. HATCH. Mr. President, Utah is Dinosaur Country. For over 80 years, paleontologists have traveled to the badlands and canyons of eastern Utah to study the remains of these giant reptiles of the Mesozoic Era—240 to 65 million years ago. Their efforts produced thousands of bones that have helped solve mysteries surrounding a most remarkable group of animals. The discovery of such dazzling sites as Dinosaur National Monument, the Cleveland-Lloyd quarry, and dozens of other lesser known sites, has established Utah as a prominent region for dinosaur research. In recent years, dinosaur research in Utah has progressed rapidly, and the future promises to be as productive as the rich past.

Throughout 1988, the Utah Museum of Natural History will present the "Year of the Dinosaur" and will feature a series of educational programs and activities on the topic of dinosaurs and the Mesozoic Era. Each event conveys the results of current research on dinosaurs and the world they inhabited. Our premise is that this area of scientific discovery should not be reserved for the specialist alone but should be enjoyed by all people. It is our goal to present new information on dinosaurs and offer experiences on paleontology in particular. This project represents an important contribution toward one of the museum's primary responsibilities: to present and interpret Utah's natural heritage for the citizens and visitors of the State through educational programs and activities.

The Utah Museum of Natural History has designed the "Year of the Dinosaur" for the entire community and its visitors. Lectures and field trips will complement a variety of interactive exhibits. Dinosaurs' contributions to the arts will also be addressed, for we regard this to be another area of man's fascination with these ancient reptiles. As a program package, the "Year of the Dinosaur" offers a unique vehicle by which to explore the amazing world of dinosaurs.●

JERRY O. WILLIAMS

● Mr. LUGAR. Mr. President, today I would like to pay tribute to Jerry O. Williams, a truly outstanding man, who has made the American dream a reality.

Married and the father of two children, Mr. Williams was born in Indianapolis, IN. He attended DePauw University where he earned a BA. He also holds a BS from Purdue University and an MS from the University of Pennsylvania.

He has been mentioned in Black Enterprise, Business Week, USA Today, and most recently Fortune, as one of tomorrow's most promising chief executives.

I would like to have printed in the CONGRESSIONAL RECORD the article that appeared in the May 9, 1988, issue of Fortune magazine.

The article is as follows:

FINDING A HOME AT AM

Jerry O. Williams grew up poor in Indianapolis. His father, who had only a fifth-grade education, drove a truck for a scrap iron company. But the family—Williams has six sisters—was close-knit and had lofty goals. Williams started delivering newspapers at age 8 and has worked hard ever since. President and chief operating officer of Chicago's AM International since 1985, he is set to become the first black chief executive of a Fortune 500 industrial company. "Jerry is very focused and very tough-minded" says CEO Merle Banta 55, former McKinsey consultant who ran his own sporting and leisure goods business before becoming AM's Chief in 1984. "If I leave, he is my successor, and I've told the board." The betting is that Banta will go before he is 60.

For the deceptively easygoing Williams, the corporate ladder has closely resembled an obstacle course. He has changed jobs more often—five times—than any of Fortune's other prospective CEO's, and put in three separate tours at General Electric alone. "I have a love-hate relationship with GE", he says. "It is a great place to learn things, but I prefer a smaller environment."

William's biggest break came in 1975, after he left GE a second time to become vice president of planning and development at Maremont, a $300-million-a-year Chicago auto supply firm. It was there that he hooked up with President Richard Black. After Maremont was bought by a Swiss company, Williams returned to GE for a third tour. That lasted only 4 months, until Black, who has moved to AM International as chief executive, lured Williams with his first big operating job: running the $115 million Bruning division, which makes graphics equipment for architects and engineers. "One of the problems black executives have is that they rise up too high in staff jobs and they can't break out," says Black. "Jerry has managed his career just like he manages a job—very well." In answer to a question from Fortune, Williams says he thinks he would have risen faster if he had been white. "There are a lot of people I know who have been held back because of the color of their skin," he say. "But it is easy to be paranoid about it, and I try not to let it bother me."

Black describes Williams as the point man in AM's recovery in 1984 from a bout with bankruptcy, and as a wizard at operations." We thought Bruning was running at peak efficiency," says Black, "and he tripled earnings." Sales of graphics equipment are surging, thanks partly to a weak dollar that has hit AM's overseas competitors; indeed, business is so good that the company is struggling to meet delivery dates. Williams's tour has not been all triumphs. Two years after he campaigned for the purchase of a computer-aided design firm, he recommended that it be sold. He says now that he was overly optimistic about industry conditions.

People who work for Williams describe him as a textbook manager. He negotiates strategic and financial objectives with division presidents and then tries to stay out of their way. Says Gerald McConnell, president of the Multigraphics division: "He gives you the latitude you need, but he's not so far away that he can't challenge you when you need to be challenged." Even as a top manager, Williams has faced special obstacles because of his race. When Williams took over Bruning in 1982, Thomas Rooney, now its president, says, "there was a lot of skepticism." The doubts multiplied when started downsizing the operation, but after he tripled profits, Rooney say, "his status went up quite a bit."

Becoming a chief executive would fulfill ambitions that Williams's mother nurtured 40 years ago. "She was a great inspiration for us," he recalls. "The word can't wasn't allowed in our house." She set up what the family called the "Williams Scholarship Fund," a system in which the older children helped to pay for the education of the younger ones. Four of Williams's sisters graduated from college, and one is a doctor. Williams has undergraduate degrees in math and electrical engineering, and a master of science and engineering.

He is involved in a Chicago minority training program, but Williams does not see himself as a leader anywhere but on the job. "I wouldn't be effective because I don't have the patience," he says. "One thing about corporations is that you can make a decision quickly and get things done. I just want to be one of the top 500 CEO's in the country."●

HONORING NANCY DAVIS REAGAN ON HER BIRTHDAY

● Mr. D'AMATO. Mr. President, I rise today to pay tribute to our First Lady on the occasion of her birthday.

Nancy Davis Reagan has led what many would consider a charmed life. Born, I am proud to say, in New York City, Mrs. Reagan led a successful acting career, later, of course, becoming our First Lady when her husband, Ronald Reagan was elected President of the United States in 1980.

As this country's drug and drug-related problems reached epidemic proportions, Mrs. Reagan has become a leader in our Nation's war against drugs by initiating the "Just Say No" campaign. With the ultimate goal of eliminating all drug abuse, "Just Say No" reassures Americans of all ages that it's OK to say no to peer pressure and refuse drugs, that it's "cool" to say no.

Mrs. Reagan's work is not limited to just drug-related causes. Her involvement in other activities includes serving as honorary chairperson of many charities. When first lady of California, she became involved with the Foster Grandparent Program. More recently, she has combined this with the war against drugs. It is hoped that by giving troubled teenagers another resource for dealing with their problems, these foster grandparents can help prevent drug addiction. Mrs. Reagan's work also includes visits to disabled children and numerous public service announcements for the American Cancer Society.

Like so many n this Senate, I am personally very fond of Mrs. Reagan. Her remarkable strength of character and genuine concern for people, as well as the tremendous support she has given her husband during his two terms as President, has won her the deep affection and respect of the American people. To all of us, she is truly an inspiration.●

THE EXECUTIVE CALENDAR

Mr. BYRD. Mr. President, I inquire of the able Republican leader as to whether or not the nominations beginning on page 5 of the Executive Calendar under the Air Force, continuing on page 6 with Air Force and Army, page 7 Army and Marine Corps, page 8

Marine Corps and Navy, page 9 Navy, page 10 Navy, page 11 Navy, page 12 Navy, page 13 through Navy, and on page 14 nominations placed on the secretary's desk in the Air Force, Army, Foreign Service, National Oceanic and Atmospheric Administration, Navy are cleared for action on his side of the aisle?

Mr. DOLE. Yes, those have been cleared on this side of the aisle.

Mr. BYRD. Mr. President, I thank my friend.

EXECUTIVE SESSION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider en bloc the foregoing nominations, that they be agreed to en bloc, that the motion to reconsider en bloc be laid on the table, that the President be immediately notified of the confirmations, that Senators who may wish to supply statements for the RECORD to be appropriately placed may do so, and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

IN THE AIR FORCE

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Melvin F. Chubb, Jr., [redacted]FR, U.S. Air Force.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Gordon E. Fornell, [redacted]FR, U.S. Air Force.

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Kenneth L. Peek, Jr., [redacted]FR, U.S. Air Force.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Donald O. Aldridge, [redacted]FR, U.S. Air Force.

IN THE ARMY

The following-named officer for appointment to the grade indicated, under the provisions of title 10, United States Code, section 601(a), in conjunction with assignment to a position of importance and responsibility designated by the President under title 10, United States Code, section 601(a):

To be lieutenant general

Maj. Gen. Johnnie H. Corns, [redacted]. U.S. Army.

The following-named officer for appointment to the grade indicated, under the provisions of title 10, United States Code, section 601(a), in conjunction with assignment to a position of importance and responsibility designated by the President under title 10, United States Code, section 601(a):

To be lieutenant general

Maj. Gen. Robert D. Hammond, [redacted] U.S. Army.

The following-named officer for appointment to the grade indicated, under the provisions of title 10, United States Code, section 601(a), in conjunction with assignment to a position of importance and responsibility designated by the President under title 10, United States Code, section 601(a):

To be lieutenant general

Maj. Gen. Leonard P. Wishart, III, [redacted] U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Vincent M. Russo, [redacted], U.S. Army.

IN THE MARINE CROPS

The following-named officer to be placed on the retired list in the grade of lieutenant general under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Frank E. Petersen, [redacted] U.S. Marine Corps.

IN THE NAVY

The following-named officer, under the provisions of title 10, United States Code, section 5148(b), to be assigned as judge advocate general of the Navy:

To be judge advocate general of the Navy

Rear Adm. Everett D. Stumbaugh, [redacted]/2500, Judge Advocate General's Corps, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Roger F. Bacon, [redacted], U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be admiral

Adm. Powell F. Carter, Jr., [redacted]/1120, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Peter M. Hekman, Jr., [redacted] U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. William O. Studeman, [redacted]/1630, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be admiral

Adm. Huntington Hardisty, [redacted]/1310, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be admiral

Vice. Adm. James R. Hogg, [redacted]/1110, U.S. Navy.

The following-named rear admirals (lower half) in the line of the Navy for promotion to the permanent grade of rear admiral, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law.

UNRESTRICTED LINE OFFICER

To be rear admiral

Harold John Bernsen.
Jeremy Michael Boorda.
Lyle Franklin Bull.
Stanley Earl Bump.
John Frederick Calvert.
Henry Goodman Chiles, Jr.
Edward William Clexton, Jr.
Francis Raymond Donovan.
William Adam Dougherty, Jr.
Thomas Witherspoon Evans.
Roberta Louise Hazard.
Virgil Lusk Hill, Jr.
Michael Peter Kalleres.
Eric Alton McVadon, Jr.
Richard David Milligan.
John Kenneth Ready.
Robert Theodore Reimann.
Roger Lee Rich, Jr.
David Neil Rogers.
Robert Lee Toney.

RESTRICT LINE—ENGINEERING DUTY OFFICER

To be rear admiral

George Richard Meinig, Jr.
Robert Leavy Topping.

RESTRICT LINE—AERONAUTICAL ENGINEERING DUTY OFFICER

To be rear admiral

Thomas Cherrill Betterton.

SPECIAL DUTY OFFICER (INTELLIGENCE)

To be rear admiral

Thomas Aloysius Brooks.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Jerome L. Johnson, [redacted]/1310, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Robert K. U. Kihune, [redacted]/1110, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be admiral

Adm. Frank B. Kelso, II [redacted]/1110, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 5035, to be assigned as vice chief of naval operations in the grade of admiral:

To be vice chief of naval operations

Vice Adm. Leon A. Edney, [redacted]/1310, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 711, to be reassigned in his current grade to be senior Navy member of the Military Staff Committee of the United Nations and to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be senior Navy member of the Military Staff Committee of the United Nations

Vice Adm. Charles R. Larson, [redacted]/1120, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 5141, to be chief of naval personnel and to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be chief of naval personnel and vice admiral

Rear Adm. (Selectee) Jeremy M. Boorda, [redacted]/1110, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. John S. Disher [redacted]/1310, U.S. Navy.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE, ARMY, FOREIGN SERVICE, NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, NAVY

Air Force nominations beginning Joe E. Burton, and ending George P. Taylor, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 20, 1988.

Air Force nominations beginning Ali N. Baser, and ending David E. Paquette, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 20, 1988.

Air Force nominations beginning Maj. Dana O. Adams, [redacted] and ending Maj. Bruce G. Simpson, [redacted], which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 20, 1988.

Air Force nominations beginning Walter A. Aichel, and ending William W.C. Young, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 20, 1988.

Air Force nominations beginning Joel B. Alexander III, and ending Christina M.K. Zieno, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 20, 1988.

Army nominations beginning James E. * Agnew, and ending Maria D. * Zamarripa, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 20, 1988.

Foreign Service nomination of Richard K. Archi, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of June 14, 1988.

Foreign Service nominations beginning John D. Perkins, and ending James A. Moorhouse, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 14, 1988.

National Oceanic and Atmospheric Administration nominations beginning William L. Stubblefield, and ending David K. Zimmerman, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 20, 1988.

Navy nominations beginning Ofelia Maral Borlongan, and ending Robert Davis Winesett, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 20, 1988.

Navy nominations beginning William Edward Adkins, and ending Kenneth Mitch Williams, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 20, 1988.

THE CALENDAR

Mr. BYRD. Mr. President, if I may address an inquiry to the Republican leader, have calendar orders numbered 768, 773, and 774 been cleared on his side of the aisle?

Mr. DOLE. Each of those have been cleared on this side of the aisle.

Mr. BYRD. Mr. President, I thank the leader.

I ask unanimous consent that the Senate proceed to the consideration of those calendar orders seriatim.

The PRESIDING OFFICER. Without objection, it is so ordered.

CODIFICATION OF CERTAIN DEFENSE-RELATED PERMANENT FREESTANDING PROVISIONS OF LAW

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 4229) to amend title 10, United States Code, to codify in that title certain defense-related permanent freestanding provisions of law.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 4229) was ordered to a third reading, was read the third time, and passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORIZATION OF APPROPRIATIONS FOR U.S. TRADE REPRESENTATIVE, U.S. INTERNATIONAL TRADE COMMISSION, AND U.S. CUSTOMS SERVICE

The PRESIDING OFFICER. The clerk will report the next item.

The assistant legislative clerk read as follows:

A bill (S. 2595) to authorize appropriations for fiscal year 1989 for the Office of the U.S. Trade Representative, the U.S. International Trade Commission, and the U.S. Customs Service.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. Is there further debate? If not, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2595

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE.

Paragraph (1) of section 141(f) of the Trade Act of 1974 (19 U.S.C. 2171(f)(1)) is amended—

(1) by striking out "1988" in subparagraphs (A) and (B) and inserting in lieu thereof "1989", and

(2) by striking out "$15,172,000" in subparagraph (A) and inserting in lieu thereof "$15,393,000".

SEC. 2. UNITED STATES INTERNATIONAL TRADE COMMISSION.

Paragraph (2) of section 330(e) of the Tariff Act of 1930 (19 U.S.C. 1330(e)(2)) is amended—

(1) by striking out "1988" and inserting in lieu thereof "1989", and

(2) by striking out "$35,386,000" and inserting in lieu thereof "$37,069,000".

SEC. 3. UNITED STATES CUSTOMS SERVICE.

(a) IN GENERAL.—

(1) Paragraph (1) of section 301(b) of the Customs Procedural Reform and Simplification Act of 1978 (19 U.S.C. 2075(b)(1)) is amended to read as follows:

"(1) FOR NONCOMMERCIAL OPERATIONS.—There are authorized to be appropriated for fiscal year 1989, not to exceed $394,000,000 for the salaries and expenses of the United States Customs Service that are incurred in noncommercial operations.".

(2) Subsection (b) of section 301 of the Customs Procedural Reform and Simplification Act is amended—

(A) by striking out "1988" in paragraphs (2) and (3) and inserting in lieu thereof "1989",

(B) by striking out "$615,000,000" in paragraph (2) and inserting in lieu thereof "$652,000,000",

(C) by striking out "$118,309,000" in paragraph (3) and inserting in lieu thereof "$142,262,000", and

(D) by adding at the end thereof the following new paragraph:

"(4) CUSTOMS COOPERATION COUNCIL.—There are authorized to be appropriated to the Secretary of the Treasury for fiscal year 1989, $1,600,000 for payment to the Customs Cooperation Council.".

(b) Increase in Number of Employees.—Subsection (g) of section 301 of the Customs Procedural Reform and Simplification Act (19 U.S.C. 2075(g)) is amended by adding at the end thereof the following new paragraph:

"(3) The total number of employees of the United States Customs Service shall be equivalent to at least 16,799 full-time employees.".

SEC. 4. INCONSISTENT DECISIONS OF CUSTOMS OFFICERS.

(a) In General.—Section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) is amended—

(1) by inserting "or (c)" after "provided in subsection (b)" in subsection (a), and

(2) by adding at the end thereof the following new subsection:

"(e) Inconsistent Decisions.—

"(1) Notwithstanding any other provision of this section, or of section 515, any decision described in subsection (a) that is inconsistent with any other decision made by a customs officer in any district or port of entry with respect to the same, or substantially similar, merchandise shall be immediately reviewed and reconciled by the Commissioner of Customs.

"(2)(A) Any importer, customs broker, or port authority may submit a written petition to the Commissioner of Customs requesting immediate review of any inconsistent decisions under paragraph (1).

"(B) The Commissioner of Customs, within the 10-day period (excluding Saturdays, Sundays, and legal holidays) beginning on the date on which a petition is filed with the Commissioner of Customs, shall—

"(i) make a determination which reconciles the inconsistency between the inconsistent decisions of customs officers that are the subject of the petition, and

"(ii) provide written notice of such determination to the regional commissioners of customs, the district and area directors of each customs region, and to the petitioner.

"(C) If the Commissioner of Customs fails to make a determination with respect to a petition filed under subparagraph (A) within the 10-day period described in subparagraph (A), each regional commissioner of customs and each district and area director shall apply the decision involved in the petition that results in the lowest applicable rate of duty on the merchandise.

"(3) Determinations made by the Commissioner of Customs under this subsection shall be final and conclusive upon all persons unless a civil action contesting such determination is commenced in the United States Court of International Trade in accordance with chapter 169 of title 28, United States Code, within the time prescribed by section 2636 of such title.

"(4) The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this subsection.".

(b) Effective Date.—The amendments made by this section shall take effect on the date that is 30 days after the date of enactment of this Act.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL TRAILS SYSTEM IMPROVEMENT ACT

The PRESIDING OFFICER. The clerk will report the next item.

The assistant legislative clerk read as follows:

A bill (S. 1544) to amend the National Trails System Act to provide for cooperation with State and local governments for the improved management of certain Federal lands, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and insert in lieu thereof, the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Trails System Improvements Act of 1988".

SEC. 2. FINDINGS.

Congress hereby finds that—

(1) State and local governments have a special role to play under the National Trails System Act in acquiring and developing trails for recreation and conservation purposes.

(2) Many miles of public land rights-of-way have been granted to the railroads by the United States, and much of this mileage could be suitable for trail use at such time as it may be abandoned.

(3) The United States should retain any residual interest it may have in such public land rights-of-way and relinquish it, where appropriate, in favor of State and local governments or other nonprofit entities for trail purposes.

SEC. 3. NATIONAL TRAILS SYSTEM ACT AMENDMENTS.

Section 9 of the National Trails System Act (16 U.S.C. 1248) is amended by adding the following new subsections after subsection (b):

"(c) Commencing upon the date of enactment of this subsection, any and all right, title, interest, and estate of the United States in all rights-of-way of the type described in the Act of March 8, 1922 (43 U.S.C. 912), shall remain in the United States upon the abandonment or forfeiture of such rights-of-way, or portions thereof, except to the extent that any such right-of-way, or portion thereof, is embraced within a public highway no later than one year after a determination of abandonment or forfeiture, as provided under such Act.

"(d)(1) All rights-of-way, or portions thereof, retained by the United States pursuant to subsection (c) which are located within the boundaries of a conservation system unit or a National Forest shall be added to and incorporated within such unit or National Forest and managed in accordance with applicable provisions of law, including this Act.

"(2) All such retained rights-of-way, or portions thereof, which are located outside the boundaries of a conservation system unit or a National Forest but adjacent to or contiguous with any portion of the public lands shall be managed pursuant to the Federal Land Policy and Management Act of 1976 and other applicable law, including this section.

"(3) All such retained rights-of-way, or portions thereof, which are located outside the boundaries of a conservation system unit or National Forest which the Secretary of the Interior determines suitable for use as a public recreational trail or other recreational purposes shall be managed by the Secretary for such uses, as well as for such other uses as the Secretary determines to be appropriate pursuant to applicable laws.

"(e)(1) The Secretary of the Interior is authorized where appropriate to release and quitclaim to a unit of government or to another entity meeting the requirements of this subsection any and all right, title, and interest in the surface estate of any portion of any right-of-way to the extent any such right, title, and interest was retained by the United States pursuant to subsection (c), if such portion is not located within the boundaries of any conservation system unit or National Forest. Such release and quitclaim shall be made only in response to an application therefor by a unit of State or local government or another entity which the Secretary of the Interior determines to be legally and financially qualified to manage the relevant portion for public recreational purposes. Upon receipt of such an application, the Secretary shall publish a notice concerning such application in a newspaper of general circulation in the area where the relevant portion is located. Such release and quitclaim shall be on the following conditions:

"(A) If such unit or entity attempts to sell, convey, or otherwise transfer such right, title, or interest or attempts to permit the use of any part of such portion for any purpose incompatible with its use for public recreation, then any and all right, title, and interest released and quitclaimed by the Secretary pursuant to this subsection shall revert to the United States.

"(B) Such unit or entity shall assume full responsibility for any and all legal liability which might arise with respect to such right-of-way.

"(C) Notwithstanding any other provision of law, the United States shall be under no duty to inspect such portion prior to such release and quitclaim, and shall incur no legal liability with respect to any hazard or any unsafe condition existing on such portion at the time of such release and quitclaim.

"(2) The Secretary is authorized to sell any portion of a right-of-way retained by the United States pursuant to subsection (c) located outside the boundaries of a conservation system unit or National Forest if any such portion is—

"(A) not adjacent to or contiguous with any portion of the public lands; or

"(B) determined by the Secretary, pursuant to the disposal criteria established by section 203 of the Federal Land Policy and Management Act of 1976, to be suitable for sale.

Prior to conducting any such sale, the Secretary shall take appropriate steps to afford a unit of State or local government or any other entity an opportunity to seek to obtain such portion pursuant to paragraph (1) of this subsection.

"(3) All proceeds from sales of such retained rights of way shall be deposited into the Treasury of the United States and credited to the Land and Water Conservation Fund as provided in section 2 of the Land and Water Conservation Fund Act of 1965.

"(4) The Secretary of the Interior shall annually report to the Congress the total proceeds from sales under paragraph (2) during the preceding fiscal year. Such report shall be included in the President's annual budget submitted to the Congress.

"(f) As used in this section—

"(1) The term 'conservation system unit' has the same meaning given such term in the Alaska National Interest Lands Conservation Act (Public Law 96-487; 94 Stat. 2371 et seq.), except that such term shall also include units outside Alaska.

"(2) The term 'public lands' has the same meaning given such term in the Federal Land Policy and Management Act of 1976.".

SEC. 4. IDITAROD HISTORIC TRAIL ADVISORY COUNCIL.

Section 5 of the National Trails System Act (16 U.S.C. 1241), as amended, is further amended as follows: In subsection 5(d) after the phrase "each of which councils shall expire ten years from the date of its establishment." insert "establishment, except that the Advisory Council established for the Iditarod Historic Trail shall expire twenty years from the date of its establishment.".

SEC. 5. CONDEMNATION.

(a) Nothing in this Act shall be construed as authorizing the Secretary of the Interior to use condemnation proceedings to retain or acquire all or any portion of a right-of-way described in this Act.

(b) Nothing in this Act shall be construed to expand or diminish existing condemnation authorities contained in the National Trails System Act, as amended.

The **PRESIDING OFFICER.** Is there an amendment to the committee substitute? If not, the question is on agreeing to the committee amendment in the nature of a substitute.

The amendment was agreed to.

The **PRESIDING OFFICER.** If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. **BYRD.** Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. **DOLE.** I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER TO INDEFINITELY POSTPONE H.R. 3925

Mr. **BYRD.** Mr. President, I ask unanimous consent that Calendar Order No. 731, H.R. 3925, be indefinitely postponed.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

INDEPENDENT SAFETY BOARD ACT AMENDMENTS

Mr. **BYRD.** Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 623.

The **PRESIDING OFFICER** laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 623) entitled "An Act to amend the Independent Safety Board Act of 1974 to authorize appropriations for fiscal years 1988, 1989, and 1990, and for other purposes", do pass with the following amendments:

Strike out all after the enacting clause, and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Independent Safety Board Act Amendments of 1988".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

(a) GENERAL AUTHORIZATION.—Section 309 of the Independent Safety Board Act of 1974 (49 U.S.C. App. 1907) is amended by adding at the end the following: "There are authorized to be appropriated for the purposes of this Act not to exceed $25,400,000 for the fiscal year ending September 30, 1988; $27,000,000 for the fiscal year ending September 30, 1989; and $28,600,000 for fiscal year ending September 30, 1990. Such sums shall remain available until expended.".

(b) ESTABLISHMENT OF EMERGENCY FUND.—Section 309 of such Act is further amended by inserting "(a)" after "309." and by adding at the end the following new subsection:

"(b) An emergency fund of $1,000,000 is authorized for expenditure by the Board to be available for necessary expenses, not otherwise provided for, of the Board for accident investigations. There is authorized to be appropriated such sums as may be necessary to establish the emergency fund under the preceding sentence and to replenish the fund annually. Such sums are authorized to remain available until expended.".

SEC. 3. ELIMINATION OF CERTAIN NOTICE REQUIREMENTS.

(a) REPORTS.—Section 304(a)(2) of the Independent Safety Board Act of 1974 (49 U.S.C. App. 1903(a)(2)) is amended by striking "and to cause notice of the issuance and availability of such reports to be published in the Federal Register".

(b) SAFETY RECOMMENDATIONS.—The last sentence of section 307(a) of the Independent Safety Board Act of 1974 (49 U.S.C. App. 1906(a)) is amended to read as follows: "The Board shall make copies of each such recommendation and response thereto available to the public at reasonable cost.".

SEC. 4. TRAINING SCHOOLS.

Section 304(b) of the Independent Safety Board Act of 1974 (49 U.S.C. App. 1903(b)) is amended by redesignating paragraph (10) as paragraph (11) and by inserting after paragraph (9) the following new paragraph:

"(10) The Board may at any time utilize on a reimbursable basis the services of the Transportation Safety Institute of the Department of Transportation (established for the purpose of developing courses and conducting training in safety and security for all modes of transportation) or any successor organization. The Secretary shall continue to make available such Institute or successor organization (A) to the Board for safety training of employees of the Board in the performance of all of their authorized functions, and (B) to such other safety personnel of Federal, interstate, State, local, and foreign governments and non-governmental organizations as the Board may from time to time designate in consultation with the Secretary. Utilization of such training at the Institute or successor organization by any designated non-Federal safety personnel shall be at a reasonable fee to be established periodically by the Board in consultation with the Secretary. Such fee shall be paid directly to the Secretary for the credit of the proper appropriation, subject to the requirements of any annual appropriation, and shall be an offset against any annual reimbursement agreement entered into between the Board and the Secretary to cover all reasonable direct and indirect costs incurred for all such training by the Secretary in the administration and operation of the Institute or successor organization. The Board shall maintain an annual record of all such offsets. In providing such training to Federal employees, the Board shall be subject to chapter 41 of title 5, United States Code (relating to training of employees).".

SEC. 5. PAYMENT FOR GOODS AND SERVICES.

Section 304(b)(6) of the Independent Safety Board Act of 1974 (49 U.S.C. App. 1903(b)(6)) is amended by striking "and" before "(G)" and by striking the period at the end and inserting the following: "; and (H) require payment or other appropriate consideration from Federal agencies, and State, local, and foreign governments for the reasonable cost of goods and services supplied by the Board and to apply the funds received to the Board's appropriations.".

Amend the title so as to read: "An Act to amend the Independent Safety Board Act of 1974 to authorize appropriations for fiscal years 1987, 1988, 1989, and 1990, and for other purposes.".

Mr. **FORD.** Mr. President, there is no greater concern among the traveling public than the assurance of safe passage. And in my view, the Federal Government has no greater role than undertaking the necessary steps to enhance transportation safety.

In this regard, the National Transportation Safety Board plays a critical role. By determining the probable cause of accidents in our aviation, highway, rail, pipeline, and maritime industries, the Board's experts are able to make recommendations to Federal, State, and local agencies to prevent future accidents from occurring. Additionally, the NTSB is responsible for conducting special studies and investigations on matters pertaining to transportation safety, as well as reviewing and evaluating the performance of other transportation agencies in achieving safety. In each of these areas, the Board's insight has been particularly helpful to the Commerce Committee as we attempt to work with the Department of Transportation, and particularly, the Federal Aviation Administration, on safety matters.

The bill before us will enable the NTSB to continue its fine work in transportation safety by providing funding for fiscal years 1988 through 1990. S. 623 will also enable the Board to supplement its operational accounts with revenues received from other governmental entitites for services rendered. One example of work done was the assistance provided to NASA on the 1986 space shuttle *Challenger* accident investigation, not to mention training regularly provided State and local safety officials. In total, these funding levels and increased flexibilities are badly needed to ensure that the NTSB can continue staffing and program levels at current levels.

After nearly a year of consideration, our colleagues in the House of Representatives passed a substitute for the

Senate bill on April 12. That legislation, which is before us today, accomplished nearly everything the Senate agreed to last March when it first passed the NTSB authorization. I urge my colleagues to support final passage of S. 623 today, so it can be sent to the President for his approval.

Mr. President, the National Transportation Safety Board has been operating nearly 18 months without an authorization bill. With enactment of this legislation, we will resolve that longstanding situation. In this regard, I hope that the President will not repeat his veto of the NTSB authorization bill sent to him at the end of the 99th Congress. The safety of the traveling public calls for more responsible action.

Passage of S. 623 is long overdue. It is needed to ensure that the National Transportation Safety Board has adequate funding and policy guidance from the Congress for the coming years. And it is needed to ensure the continued Federal effort to improve transportation safety. I urge my colleagues to join me supporting final passage.

Mr. HOLLINGS. Mr. President, I want to express my strong support for final passage of S. 623, legislation to authorize funds for the National Transportation Safety Board for fiscal years 1988, 1989, and 1990.

This bill is very straightforward. It will provide the necessary funding for the NTSB for the next 3 fiscal years, allowing a continuation of current staffing and program activity levels. It creates an emergency fund of $1 million for use by the Board in any future year in which its resources are stretched thin by an unusually high number of accidents. And the bill gives the Safety Board greater flexibility in operating its training programs, recovering costs from other governmental agencies, and in notifying the public of reports and safety recommendations.

The NTSB play a very important role in our efforts to increase the safety of the Nation's transportation systems. The Safety Board's determination of probable cause of an accident and subsequent safety recommendations have contributed vast amounts of knowledge about the safe operation of our aviation, rail, motor carrier, maritime, and pipeline industries, and led to the increased safe movement of both people and goods.

I urge my colleagues to join in supporting this legislation, in order that it can be sent to the President for final approval. It is very similar to the bill which unanimously passed the Senate last year. And after taking the long, and circuitous path through the House committee structure, the present bill was finally approved in April.

The NTSB is an important part of our efforts to ensure transportation safety. The legislation before us will provide the Safety Board with the resources it needs to adequately fulfill that responsibility. I urge its final passage.

Mr. DANFORTH. Mr. President, I am pleased to lend my support to this bill authorizing funding for the National Transportation Safety Board [NTSB] for fiscal years 1989 and 1990. As noted by NTSB Chairman, Jim Burnett, during the Senate hearing on S. 623, the NTSB is mandated with a formidable responsibility to investigate our Nation's most tragic transportation accidents and from the wreckage extract invaluable information that can help us to improve the safety of both the traveling public and transportation workers alike. As a long-time transportation safety advocate, I recognize the critical importance of providing this agency with the tools it needs to meet the challenge of its unique mandate.

The legislation we are voting on today was approved by the House earlier this year, and does contain resources and tools needed by the NTSB, including reasonable levels of funding authority for fiscal years 1989 and 1990, as well as a number of streamlining amendments that will serve to enhance the efficiency of NTSB operations. I would urge my colleagues to join me in voting for S. 623 with the expectation that its provisions will quickly be enacted into law.

Mr. KASTEN. Mr. President, I welcome the Senate's action to move toward enactment of S. 623, to authorize funding for the National Transportation Safety Board [NTSB] for fiscal years 1989 and 1990. I also am pleased to note that this bill includes a number of amendments that are expected to reduce the agency's expenditures and better utilize staff capabilities.

Specifically, the legislation we are considering today, which passed the House on April 12, 1988, includes no new initiatives, but does provide for the following:

First, funding levels of $27 and $28.6 million would be authorized for fiscal years 1989 and 1990, respectively. These increases reflect additional office expenses, cost-of-living adjustments for staff, and the new costs associated with the Federal personnel retirement system.

Second, certain Federal Register notice requirements which are felt to be unnecessary would be deleted, thus saving $25,000 annually.

Third, payment, which would be applied to the NTSB's appropriations, would be required from Federal agencies, and State, local, and foreign governments who request assistance with accident investigations for the reasonable cost of goods and services supplied.

Fourth, tuition funds collected from non-NTSB employees attending accident investigation training courses would be directed to NTSB's appropriations in order to offset costs.

Fifth, the NTSB would be provided with continuing authority for a $1 million emergency fund for use in years where there are an unusually large number of accidents, with funds to remain available until expended and replenished when used.

I am pleased to support this bill in recognition of the importance of NTSB's ongoing work in investigating aviation, rail, motor carrier, marine, and pipeline accidents, and in issuing safety recommendations aimed at preventing similar accidents from occurring in the future. The NTSB's efforts are well-respected by Federal, State, and local governments and the private sector in this country and internationally. I urge my colleagues to join me in this vote of approval and appreciation for work well done.

Mr. BYRD. Mr. President, I move that the Senate concur in the amendments of the House.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to.

ALTERNATIVE MOTOR FUELS ACT

Mr. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1518.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1518) entitled "An Act to amend the Motor Vehicle Information and Cost Savings Act to provide for the appropriate treatment of methanol and ethanol, and for other purposes", do pass with the following amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Alternative Motor Fuels Act of 1987".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds and declares that—

(1) the achievement of long-term energy security for the United States is essential to the health of the national economy, the well-being of our citizens, and the maintenance of national security;

(2) the displacement of energy derived from imported oil with domestically produced energy will contribute to an improved international trade balance for the United States and increased employment opportunities for our citizens;

(3) the Nation's security and economic interests require that the Federal Government should assist a clean-burning, domestically produced transportation fuel to reach a threshold level of commercial application at

which it can successfully compete with petroleum-based fuels;

(4) alcohols appear to be the alternative liquid fuel with the best technological and economic prospect of displacing significant quantities of petroleum-based transportation fuels;

(5) there are proven coal reserves in the United States sufficient to provide alcohol fuel for transportation use for at least the next four hundred years;

(6) the use of alcohols and natural gas to displace gasoline and diesel fuel in the Nation's automobiles, trucks, and buses will significantly reduce reliance on imported oil and enhance the Nation's security and environment;

(7) Federal and State agencies and the energy and motor vehicle industries have already established a base of information about alcohols and natural gas as transportation fuels, which this Act will further develop; and

(8) Federal and State governments should assist in bringing alcohol fueled vehicles to a level of commercial application comparable to other alternative fueled vehicles and should provide incentives for the adoption of nonpetroleum alternatives, and competition in the marketplace should then determine which alternative fuels become commercially accepted.

(b) PURPOSES.—The purposes of this Act are to provide—

(1) that the Federal Government shall—

(A) continue the development of an alcohol fuels commercial application program by increasing the purchases and use of alcohol fueled light duty vehicles, including passenger automobiles and light duty trucks, and the use of alcohol fueled heavy duty vehicles, including trucks, buses, and other heavy duty applications;

(B) in cooperation with heavy duty engine and vehicle manufacturers, establish a commercial application program for the operation of alternative fueled trucks;

(C) establish a program for the operation of alcohol, natural gas, and LP-gas fueled buses in urban areas;

(D) assist State and local entities in purchasing alcohol, natural gas, and LP-gas fueled buses;

(E) study the feasibility of a small, relocatable methane to methanol plant;

(F) remove disincentives to the use of alternative transportation fuel;

(G) promote the availability and use of alternative transportation fuels;

(H) promote the manufacture and purchase of alternative fueled vehicles by assisting engine and vehicle manufacturers in demonstrating the engine's capability to operate on alternative fuels;

(I) increase the commercial availability of alcohol fuels; and

(J) complement, support, and further existing State and manufacturer sponsored alcohol fuel programs; and

(2) for the establishment of an Interagency Commission on Methanol to develop and coordinate the implementation of a national methanol energy policy.

SEC. 3. AMENDMENT OF ENERGY POLICY AND CONSERVATION ACT.

Title III of the Energy Policy and Conservation Act is amended by adding at the end the following new part:

"PART J—ENCOURAGING THE USE OF ALTERNATIVE FUELS

"SEC. 400AA. ALTERNATIVE FUEL USE BY LIGHT DUTY FEDERAL VEHICLES.

"(a) DEPARTMENT OF ENERGY PROGRAM.—(1) Beginning in the fiscal year ending September 30, 1990, the Secretary shall ensure, with the cooperation of other appropriate agencies and consistent with other Federal law, that the maximum number practicable of the passenger automobiles and light duty trucks acquired annually for use by the Federal Government shall be alcohol powered vehicles, dual energy vehicles, natural gas powered vehicles, or natural gas dual energy vehicles.

"(2) In any determination of whether the acquisition of a vehicle is practicable under paragraph (1), the cost of such vehicle to the United States shall not be considered as a factor unless the initial cost of such vehicle exceeds the initial cost of a comparable conventional fueled vehicle by at least 5 percent.

"(3) The Secretary shall, to the extent practicable and consistent with this part, ensure that the number of dual energy vehicles acquired under this subsection is at least as great as the number of alcohol powered vehicles acquired under this subsection, and that the number of natural gas dual energy vehicles acquired under this subsection is at least as great as the number of natural gas powered vehicles acquired under this subsection.

"(b) STUDIES.—(1) The Secretary, in cooperation with other Federal agencies regulating motor vehicles for safety and environmental purposes, shall conduct studies related to the vehicles acquired under subsection (a), including—

"(A) projects to demonstrate the performance of such vehicles,

"(B) an evaluation of the performance of such vehicles in cold weather,

"(C) an evaluation of the performance of such vehicles at high altitude,

"(D) a study of the fuel economy, safety, and emissions of such vehicles, and

"(E) a comparison of the operation and maintenance costs of such vehicles to the operation and maintenance costs of other passenger automobiles and light duty trucks.

"(2)(A) The Secretary shall conduct a study of the advisability and feasibility of the government selling vehicles acquired under subsection (a) to the public. Such study shall take into account existing laws governing the sale of government vehicles and specifically focus on when to sell such vehicles and what price to charge so as to best induce the public to purchase such vehicles without compromising studies of the use of such vehicles authorized under this part.

"(B) The Secretary shall report the results of the study conducted under subparagraph (A) to the Congress within 6 months after the date of the enactment of this part.

"(c) AVAILABILITY TO THE PUBLIC.—At locations where vehicles acquired under subsection (a) are supplied with alcohol, alcohol shall be offered for sale to the public for use in other vehicles, unless—

"(1) alcohol is commercially available for vehicles in the vicinity of such locations;

"(2) security considerations prevent the offering for sale of alcohol at such location; or

"(3) the sale of alcohol at such location is otherwise impracticable or inappropriate or not in accordance with applicable Federal law.

"(d) FEDERAL AGENCY USE OF DEMONSTRATION VEHICLES.—(1) Upon the request of the head of any agency of the Federal Government, the Secretary shall ensure that such Federal agency be provided with vehicles acquired under subsection (a) to the maximum extent practicable.

"(2)(A) Funds appropriated under this section for the acquisition of vehicles under subsection (a) shall be applicable only to the portion of the cost of vehicles acquired under subsection (a) which exceeds the cost of comparable conventional fueled vehicles.

"(B) The Secretary shall ensure that the cost to any Federal agency receiving a vehicle under paragraph (1) shall not exceed the cost to such agency of a comparable conventional fueled vehicle.

"(3) Only one-half of the vehicles acquired under this section by an agency of the Federal Government shall be counted against any limitation under law, Executive order, or executive or agency policy on the number of vehicles which may be acquired by such agency.

"(4) Any Federal agency receiving a vehicle under paragraph (1) shall cooperate with studies undertaken by the Secretary under subsection (b).

"(e) DETAIL OF PERSONNEL.—Upon the request of the Secretary, the head of any Federal agency may detail, on a reimbursable basis, any of the personnel of such agency to the Department of Energy, to assist the Secretary in carrying out his duties under this section.

"(f) EXEMPTIONS.—(1) Vehicles acquired under this section shall not be counted in any calculation of the average fuel economy of the fleet of passenger automobiles acquired in a fiscal year by the United States.

"(2) The incremental cost of vehicles acquired under this section over the cost of comparable conventional fueled vehicles shall not be applied to any calculation with respect to a limitation under law on the maximum cost of individual vehicles which may be acquired by the United States.

"(g) DEFINITIONS.—For purposes of this part—

"(1) the term 'acquired' means leased for a period of sixty continuous days or more, or purchased;

"(2) the term 'alcohol' means a mixture containing 85 percent or more methanol, ethanol, or other alcohols by volume;

"(3) the term 'alcohol powered vehicle' means a vehicle designed to operate exclusively on alcohol;

"(4) the term 'dual energy vehicle' means a vehicle which—

"(A) is capable of operating on alcohol and on conventional fuel; and

"(B) provides equal or superior energy efficiency, as calculated during fuel economy testing for the Federal Government, while operating on alcohol as it does while operating on conventional fuel;

"(5) the term 'natural gas dual energy vehicle' means a vehicle which—

"(A) is capable of operating on natural gas and on conventional fuel; and

"(B) provides equal or superior energy efficiency, as calculated during fuel economy testing by the Federal Government, while operating on natural gas as it does while operating on conventional fuel; and

"(6) the term 'natural gas powered vehicle' means a vehicle designed to operate exclusively on natural gas.

"(h) FUNDING.—(1) For alcohol powered vehicles and dual energy vehicles, there is authorized to be appropriated for the fiscal year ending September 30, 1990, $5,000,000, for the fiscal year ending September 30, 1991, $3,000,000, for the fiscal year ending September 30, 1992, $2,000,000, and for the fiscal year ending September 30, 1993, $2,000,000, to carry out the purposes of this section. For natural gas powered vehicles and natural gas dual energy vehicles, there

is authorized to be appropriated for the fiscal year ending September 30, 1990, $1,000,000.

"(2) The authority of the Secretary to obligate amounts to be expended under this section shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance by appropriation Acts.

"SEC. 400BB. ALTERNATIVE FUELS TRUCK COMMERCIAL APPLICATION PROGRAM.

"(a) ESTABLISHMENT.—The Secretary, in cooperation with manufacturers of heavy duty engines, and other Federal agencies, shall establish a commercial application program to study the use of alcohol, natural gas, and LP-gas in heavy duty trucks and other heavy duty applications if appropriate.

"(b) AVAILABILITY TO THE PUBLIC.—At locations where trucks or other heavy duty applications operating under the commercial application program established under subsection (a) are supplied with alcohol, alcohol shall be offered for sale to the public for use in other vehicles, unless—

"(1) alcohol is commercially available for trucks or other heavy duty applications in the vicinity of such locations;

"(2) security considerations prevent the offering for sale of alcohol at such location; or

"(3) the sale of alcohol at such location is otherwise impracticable or inappropriate or not in accordance with applicable Federal law.

"(c) FUNDING.—(1) There is authorized to be appropriated for the period encompassing the fiscal years ending September 30, 1989, September 30, 1990, September 30, 1991, and September 30, 1992, a total of $3,000,000 for alcohol powered vehicles and dual energy vehicles, and a total of $3,000,000 for natural gas powered vehicles and natural gas dual energy vehicles, to carry out the purposes of this section.

"(2) The authority of the Secretary to obligate amounts to be expended under this section shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance by appropriation Acts.

"SEC. 400CC. ALCOHOL, NATURAL GAS, AND LP-GAS FUELED BUS PROGRAM.

"(a) IN GENERAL.—The Secretary, in cooperation with other Federal agencies regulating motor vehicles for safety and environmental purposes, shall, beginning in the fiscal year ending September 30, 1989, assist in the acquisition of buses capable of operating on alcohol, buses capable of operating on natural gas, and buses capable of operating on LP-gas.

"(b) TESTING.—The Secretary, in cooperation with other Federal agencies regulating motor vehicles for safety and environmental purposes, shall test in urban settings the emissions levels, durability, and fuel economy of buses purchased under subsection (a), comparing the different types with diesel powered buses, as such buses will be required to operate under Federal safety and environmental standards applicable to such buses for the model year 1991.

"(c) FUNDING.—(1) There is authorized to be appropriated for the period encompassing the fiscal years ending September 30, 1989, September 30, 1990, September 30, 1991, and September 30, 1992, a total of $4,000,000 to carry out the purposes of this section.

"(2) The authority of the Secretary to obligate amounts to be expended under this section shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance by appropriation Acts.

"(d) DEFINITIONS.—For purposes of this section—

"(1) the term 'bus' means a vehicle which is designed to transport 30 individuals or more; and

"(2) the term 'LP-gas' means hydrocarbon mixtures consisting predominantly of propane and butanes.

"SEC. 400DD. INTERAGENCY COMMISSION ON ALTERNATIVE MOTOR FUELS.

"(a) ESTABLISHMENT.—There is established a commission to be known as the Interagency Commission on Alternative Motor Fuels, which shall develop a national alternative motor fuels policy and coordinate efforts to implement such policy.

"(b) MEMBERSHIP.—The Commission shall be composed of members as follows:

"(1) The Secretary of Energy, or the designee of the Secretary, who shall be the chairperson of the Commission;

"(2) the Secretary of Defense or the designee of such Secretary;

"(3) the Administrator of the Environmental Protection Agency or the designee of such Administrator;

"(4) the Secretary of Transportation or the designee of such Secretary;

"(5) the Postmaster General or the designee of the Postmaster General;

"(6) the Administrator of the General Services Administration or the designee of such Administrator;

"(7) the Administrator of the Occupational Safety and Health Administration or the designee of such Administrator; and

"(8) such other officers and employees of the Federal Government as may be appointed to the Commission by the Secretary.

"(c) OPERATIONS.—(1) The Commission shall meet as necessary to carry out the purposes of this section, at the call of the chairperson of the Commission.

"(2) One-third of the Commission shall constitute a quorum.

"(3) No member of the Commission shall receive additional pay, allowances, or benefits by reason of the service of such member on the Commission.

"(4) The Secretary shall provide the Commission with such staff and office facilities as the Secretary, following consultation with the Commission, considers necessary to permit the Commission to carry out its duties under this section.

"(d) DUTIES.—(1) The Commission shall study the following issues or ensure that such issues are studied:

"(A) The need for and benefits from use of alternative motor fuels in the United States.

"(B) The economics of significant near-term alternative motor fuels.

"(C) Environmental benefits that can be obtained from use of alternative motor fuels.

"(D) Energy security benefits that can be obtained from alternative motor fuel use.

"(E) Environment, health, and safety problems related to the use of significant near-term alternative motor fuels.

"(F) Benefits to the military from the availability of alternative motor fuels under both peacetime and war time conditions.

"(G) National alternative motor fuels policies in other nations, with special emphasis on the alcohol fuels program of Brazil, and the extent to which those policies may serve as models for a national alternative motor fuels policy in the United States.

"(H) Existing State and local laws and regulations regarding alternative motor fuels, and the extent to which such laws and regulations may impede the achievement of the purposes set forth in the Alternative Motor Fuels Act of 1987.

"(I) Whether the purposes set forth in the Alternative Motor Fuels Act of 1987 may be achieved by action of the private market, or whether and what kind of governmental action beyond that contained in this and other Acts may be necessary.

"(2) The Commission shall develop a long-term plan for the commercialization of alcohols, natural gas, and other potential alternative motor fuels.

"(3)(A) The Commission shall ensure communication between representatives of all Federal agencies that are involved in alternative motor fuels demonstration and commercialization projects or that have an interest in such projects.

"(B) The Commission shall establish a clearinghouse for the exchange of information between persons working with, or interested in working with, the commercialization of alternative motor fuels.

"(e) PRIVATE SECTOR ADVISORY PANEL.—(1) The chairperson of the Commission shall, consistent with the Federal Advisory Committee Act, establish a private sector advisory panel to inform the Commission about matters related to alternative motor fuels. Such chairperson shall appoint the members of the panel.

"(2) The members of the panel shall be persons employed in the private sector or by State or local government who are knowledgeable about alternative motor fuels and their possible uses and the production of alternative motor fuels and vehicles powered by such fuels. Such members may not be full-time officers or employees of the Federal Government.

"(3) The panel shall meet at the call of the chairperson of the Commission.

"(f) DETAIL OF FEDERAL PERSONNEL.—Upon request of the Commission, the head of any Federal agency may detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties under this section.

"(g) REPORTS.—(1) The Commission shall, not later than September 30 of each of the years 1989, 1990, and 1991, submit an interim report to the Congress setting forth the actions taken and findings made by the Commission under subsection (d).

"(2) The Commission shall, not later than September 30, 1992, submit a final report to the Congress setting forth the actions taken and findings made by the Commission under subsection (d), including the details of the plan required by subsection (d)(2).

"(3) The results of any study or studies undertaken under subsection (d) shall be made available to the public at such times and in such manner as determined appropriate by the Secretary.

"(h) TERMINATION.—The Commission and the panel shall terminate upon submission of the final report of the Commission under subsection (g)(2).

"(i) DEFINITIONS.—For purposes of this section—

"(1) the term 'Commission' means the Interagency Commission on Alternative Motor Fuels established in subsection (a); and

"(2) the term 'panel' means the private sector advisory panel established in subsection (e)(1).

"SEC. 400EE. STUDIES AND REPORTS.

"(a) METHANOL STUDIES.—(1) The Secretary shall undertake a study of the comparative

costs of methanol based on natural gas, methanol based on coal, and methanol based on other resources. Such study shall include a study of various sizes of facilities for each resource, and shall—

"(A) identify the optimum size for obtaining maximum economies of scale;

"(B) identify the largest size feasible consistent with current and projected near-term demand for methanol; and

"(C) consider and quantify 'learning curve' benefits associated with the sequential construction of additional facilities.

"(2)(A) In conducting studies under paragraph (1), the Secretary shall include a study of methanol plants that are—

"(i) capable of utilizing current domestic supplies of unutilized natural gas;

"(ii) relocatable; or

"(iii) suitable for natural gas to methanol conversion by natural gas distribution companies.

"(B) For purposes of this paragraph, the term 'unutilized natural gas' means gas that is available in small remote fields and cannot be economically transported to natural gas pipelines, or gas the quality of which is so poor that extensive and uneconomic pretreatment is required prior to its introduction into the natural gas distribution system.

"(b) Environmental Study.—The Administrator, in accordance with existing law, shall complete, within two years after the date of the enactment of this section, a comprehensive analysis with respect to the environmental impacts associated with the storage, distribution, and use of significant amounts of methanol as transportation fuel as compared to existing diesel and gasoline fuels.

"(c) Reports.—(1) The Secretary, with the cooperation, where appropriate, of the Administrator, shall submit semiannual reports of the actions taken and findings made under this part to the Congress. The first such report shall be submitted no later than September 30, 1988. The last such report shall be submitted no later than September 30, 1992.

"(2) The last report referred to in paragraph (1) shall summarize all actions taken and findings made under this part.

"(d) Funding.—(1) There is authorized to be appropriated to carry out the purposes of this section $975,000 for the fiscal year ending September 30, 1989.

"(2) The authority of the Secretary to obligate amounts to be expended under this section shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance by appropriation Acts.".

SEC. 4. USE OF NONSTANDARD FUELS.

No guaranty or warranty with respect to any passenger automobile or light-duty truck acquired by the United States after October 1, 1988, shall be voided or reduced in effect by reason of the operation of such vehicle with any fuel for which a currently effective waiver, which includes a limitation regarding Reid vapor pressure with respect to such fuel, has been issued by the Administrator of the Environmental Protection Agency under section 211(f) of the Clean Air Act (42 U.S.C. 7545(f)).

SEC. 5. FUEL EFFICIENCY STANDARDS.

(a) Alcohol Powered Vehicles.—If a manufacturer manufactures an alcohol powered vehicle, such vehicle shall be treated as if it were propelled by fuel, for purposes of any applicable Federal average fuel economy standard. The vehicle's fuel economy shall be based on the nonalcohol fuel content of the alcohol suitable for use in operating such vehicle. For purposes of this section, a gallon of the alcohol suitable for use in operating such vehicles shall be considered to contain 15 one-hundredths of a gallon of nonalcohol fuel.

(b) Dual Energy Vehicles.—If a manufacturer manufactures a dual energy vehicle, the fuel economy of such vehicle for purposes of any applicable Federal average fuel economy standard shall be determined by adding the fuel economy of such vehicle while operating on alcohol, as calculated under subsection (a), to the fuel economy of such vehicle while operating on conventional fuel, and dividing such sum by two.

(c) Natural Gas Powered Vehicles.— If a manufacturer manufactures a natural gas powered vehicle, such vehicle shall be treated as if it were propelled by fuel, for purposes of any applicable Federal average fuel economy standard. The vehicle's fuel economy shall be based on the fuel content of the energy suitable for use in operating such vehicles. For purposes of this section, 100 cubic feet of the energy suitable for use in operating such vehicles shall be considered to contain 0.823 gallons equivalent of natural gas, and a gallon equivalent of natural gas shall be considered to have a fuel content of 15 one-hundredths of a gallon.

(d) Natural Gas Dual Energy Vehicles.— If a manufacturer manufactures a natural gas dual energy vehicle, the fuel economy of such vehicle for purposes of any applicable Federal average fuel economy standard shall be determined by adding the fuel economy of such vehicle while operating on natural gas, as calculated under subsection (c), to the fuel economy of such vehicle while operating on conventional fuel, and dividing such sum by two.

(e) Determination of Fuel Economy Standard.—(1) Vehicles described in subsection (a) or (c) shall not be taken into account in any determination of maximum feasible average fuel economy for the purpose of establishing a Federal average fuel economy standard.

(2) Vehicles described in subsection (b) or (d) shall be treated as if they will be operated exclusively on conventional fuels in any determination of maximum feasible average fuel economy for the purpose of establishing a Federal average fuel economy standard.

(3) Except as provided in paragraphs (1) or (2), alcohol and natural gas shall not be treated as a fuel for purposes of establishing a Federal average fuel economy standard.

(f) Applicability.—(1) Subsections (a), (b), (c), and (d) shall not apply to vehicles manufactured before the model year 1991.

(2) Fuel economy credits generated as a result of the application of subsections (a), (b), (c), and (d) shall not be available to a manufacturer for application to any model year before the model year 1991.

(g) Definitions.—For purposes of this section—

(1) the term "alcohol" means a mixture containing 85 percent or more methanol, ethanol, or other alcohols by volume;

(2) the term "alcohol powered vehicle" means a vehicle designed to operate exclusively on alcohol;

(3) the term "dual energy vehicle" means a vehicle which—

(A) is capable of operating on alcohol and on conventional fuel; and

(B) provides equal or superior energy efficiency, as calculated during fuel economy testing for the Federal Government, while operating on alcohol as it does while operating on conventional fuel;

(4) the term "natural gas dual energy vehicle" means a vehicle which—

(A) is capable of operating on natural gas and on conventional fuel; and

(B) provides equal or superior energy efficiency, as calculated during fuel economy testing by the Federal Government, while operating on natural gas as it does while operating on conventional fuel; and

(5) the term "natural gas powered vehicle" means a vehicle designed to operate exclusively on natural gas.

Mr. BYRD. Mr. President, I move that the Senate disagree to the House amendment and agree to the conference requested by the House on the disagreeing votes of the two Houses and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer (Mr. Graham) appointed, from the Committee on Commerce, Science, and Transportation: Mr. Hollings, Mr. Gore, Mr. Rockefeller, Mr. Danforth, and Mr. McCain; and from the Committee on Governmental Affairs: Mr. Glenn, Mr. Levin, and Mr. Roth.

ORDER THAT H.R. 4174 BE PLACED ON THE CALENDAR WHEN IT ARRIVES FROM THE HOUSE

Mr. BYRD. Mr. President, I ask unanimous consent that H.R. 4174, the Small Business Administration authorization bill, be placed on the calendar when it arrives from the House.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE FAIR HOUSING AMENDMENTS ACT OF 1988

Mr. BYRD. Mr. President, I understand that the Senate has received from the House, H.R. 1158, the Fair Housing Amendments Act of 1988; am I correct?

The PRESIDING OFFICER. That is correct.

Mr. BYRD. I thank the Chair.

Mr. President, on behalf of Mr. Kennedy, I ask that the bill be read for the first time.

The PRESIDING OFFICER. The clerk will read the bill for the first time.

The assistant legislative clerk read as follows:

A bill (H.R. 1158) to amend title VIII of the Act commonly called the Civil Rights Act of 1968 to revise the procedures for the enforcement of fair housing, and for other purposes.

Mr. BYRD. Mr. President, I ask that the bill be read a second time.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. I object.

The PRESIDING OFFICER. There is objection. The bill will be read a second time on the next legislative day.

OMNIBUS TRADE AND COMPETITIVENESS ACT OF 1988

Mr. BYRD. Mr. President, on behalf of Mr. Bentsen, I introduce the trade bill, a bill to enhance the competitiveness of American industry, and for other purposes, and I ask for its first reading.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2613) to enhance the competitiveness of American industry, and for other purposes.

Mr. BYRD. Mr. President, I ask for the second reading of the bill.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, I object.

The PRESIDING OFFICER. There is objection. The bill will be read a second time on the next legislative day.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there be a period for morning business not to extend beyond 20 minutes and that Senator Simpson be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Wyoming.

TONY BEVINETTO REMEMBERED

Mr. SIMPSON. Mr. President, I thank the majority leader, as always, for his courtesies and also the minority leader for his. My remarks will be brief. Sometimes we do these things in a perfunctory manner, without all the care and attention we should give. I do not want to do that. I just want to speak for a few moments about a friend, a longtime friend of mine, Pietro Antonio Bevinetto—Tony to all who knew him, who succumbed to cancer at his home after a very long and very tough and gut-hard-fought battle.

It is not really possible for me to let this sad moment slip by without offering some reflections on a unique friend of nearly a lifetime, my pal of nearly 40 years who was known to many of us here in the Senate as he worked here among us.

He began his totally loyal 12 years of service to the Senate as a legislative staff member of my predecessor, Cliff Hansen, of Wyoming, who left such a great heritage for me and taught me so much and served as my counsel when I came here and before. Tony was then "on loan" from the National Park Service where he served as Assistant Superintendent of Grand Teton National Park. Tony brought with him not only his remarkable technical expertise about public lands and national parks, but he brought a distinctive and unique understanding of the out of doors; the creation; nature. Very swiftly, Tony became an institution within our Senate institution. He became a member of the Senate Energy and National Resource Committee. While he weighed and balanced and analyzed the efforts of the experts—and there are sure a lot of them in this town, and also authorities, there are a lot of them, too—there was never any question. He was the authority. He was the expert.

He drew from his two bachelor of science degrees from the University of Wyoming, from his experience as an advertising director and newspaper reporter, from his time as the assistant director of the Wyoming Travel Commission, from his various experiences in the Air Force, and his true love of the land as he formed his opinions on public lands management. Wyoming people loved him. He was always the guy to go to when it came time to cut through the hype and the hoorah and the exaggeration of the process of public debate. When it came to the management of parks, forests, wilderness, and rivers, Tony's word was "the word", and we all knew that.

Earlier today, our friend, Senator Jim McClure, the ranking Republican on the Energy Committee, observed that Tony did not just know park legislation; he loved parks. He was not just an advocate of wilderness, he understood its importance. He did not just acknowledge the importance of timber harvest and grazing to our Western States, he felt for those people and he considered himself one of them.

Senator McClure said he believed that Tony Bevinetto had a special human side. Indeed. That is one so often lacking in this city. How true that is, how extraordinarily true that is. I knew it so well because my time with Tony goes back further than anyone here in this Chamber.

Of course, he had a unique relationship with Malcolm Wallop, our other colleague, my dear friend from Wyoming, who knew him so well and worked with him so long.

I came to know Tony during our time together at the University of Wyoming. I assure you that we were a very odd couple, an odd combination at one of the early local watering holes in Laramie, WY, "The Buff," it was called. Tony at 5-foot-3 and me at 6-foot-7, each of us weighed in above 200 pounds—260 for me in those days when I had hair and weighed 260 and thought beer was food. I told you about those days.

I had a real girth. I bought my clothes at the "husky" rack in clothing stores. So when Tony and I would see each other, it was always a source of great amusement. He weighed about 230 at 5-foot-3. It was great amusement when Tony would wheel around—we always knew where we were in relation to each other standing there—and he would wheel around with his eyeballs at my midsection and say, "Where is Al?" I would scan the room at a vantage point high above Tony's head and say, "Has anyone here seen Tony?"

Everyone had a good laugh as one of us would belly up and the other strained to peer over.

He brought a great deal of laughter to life, just as he did here. Those who know him know of what I speak.

So I followed Tony throughout his career, and he watched mine. I sought his counsel, his shared spirit, his optimism, his support, his celebration of life. He was truly a rainbow of life.

When he worked in the Grand Teton National Park as assistant superintendent, someone asked him to describe his job. He said, "My job is trying to fluff up the moose because park visitors don't like scrawny and ugly animals."

That was Tony. Through his remarkable native intelligence and craft, he brought great joy, love, and fellowship wherever he went. He was fair, tough, and wise with a huge capacity for human loving and caring, as big as his frame, as huge as his frame.

The many people who were honored to number Tony among their friends knew of this ability to love and be loved. That certainly is the essence of existence and requires real strength and grace.

So those are qualities and strengths that Tony Bevinetto leaves behind, the ones I shall forever draw fondly to my mind when somebody says, "Where is Tony?"

We know where he is: With his Creator who created the very Earth that he loved and spent a lifetime of stewardship over.

So my deep sympathy goes to Tony's supporting and loving wife, Elsie, a great lady herself, his two fine daughters, Kirsten and Libby, effervescent and dear ladies, too. I shall join them in missing Tony's voice, his easy life, his bright and curious and all-encompassing eyes, and the smile you could see a mile.

So let us instead of mourning, which is surely what I would prefer to want to do from my heart, I shall think of the fact we must not do that; we should celebrate a beautiful life lived. Let us try to do that.

I thank the Chair.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

TRIBUTE TO TONY BEVINETTO

Mr. WARNER. Mr. President, I would like to associate myself with the remarks of my distinguished colleague from Wyoming. We came to the

Senate together. We served in many capacities together and at one time I was privileged to serve on the Energy Committee. During the course of that service, I took several trips with Tony Bevinetto. They were memorable trips.

I do not know of anyone who loved the land, particularly our national parks and national forests and the streams and nature, more than Tony. He was greatly respected not only for his professional expertise but for his love of this country. Indeed, we miss him, and we wish his family well. He leaves a proud heritage for his family. I thank the Chair.

Mr. SIMPSON. Mr. President, I thank my colleague from Virginia.

ORDER FOR ADJOURNMENT UNTIL 9:45 A.M. TOMORROW

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:45 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TOMORROW

Mr. BYRD. Mr. President, I ask unanimous consent that the call of the calendar be waived on tomorrow; that no motions or resolutions over under the rule come over; that there be a period for morning business following the recognition of the two leaders under the standing order, to extend until the hour of 10:15 a.m.; and that Senators may speak during that period for morning business for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL TOMORROW AT 9:45 A.M.

Mr. SIMPSON. In accordance with the previous order, I move that the Senate stand in adjournment until 9:45 a.m. tomorrow.

The motion was agreed to, and the Senate, at 6:31 p.m., adjourned until 9:45 a.m., Thursday, July 7, 1988.

NOMINATIONS

Executive nominations received by the Senate July 6, 1988:

DEPARTMENT OF STATE

CHARLES A. GILLESPIE, JR., OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF CHILE.

WILLIAM H. TWADDELL, OF RHODE ISLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE ISLAMIC REPUBLIC OF MAURITANIA.

THE JUDICIARY

MARVIN J. GARBIS, OF MARYLAND, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF MARYLAND VICE JOSEPH H. YOUNG, RETIRED.

DEPARTMENT OF ENERGY

ELIZABETH ANNE MOLER, OF VIRGINIA, TO BE A MEMBER OF THE FEDERAL ENERGY REGULATORY COMMISSION FOR A TERM EXPIRING OCTOBER 20, 1991, VICE CHARLES G. STALON, TERM EXPIRED.

CHARLES G. STALON, OF ILLINOIS, TO BE A MEMBER OF THE FEDERAL ENERGY REGULATORY COMMISSION FOR THE REMAINDER OF THE TERM EXPIRING OCTOBER 20, 1989, VICE C.M. NAEVE, RESIGNED.

NATIONAL ADVISORY COUNCIL ON EDUCATIONAL RESEARCH AND IMPROVEMENT

NOREEN C. THOMAS, OF WASHINGTON, TO BE A MEMBER OF THE NATIONAL ADVISORY COUNCIL ON EDUCATIONAL RESEARCH AND IMPROVEMENT FOR A TERM EXPIRING SEPTEMBER 30, 1991 (REAPPOINTMENT).

NATIONAL COUNCIL ON THE HANDICAPPED

ROBERT S. MULLER, OF MICHIGAN, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HANDICAPPED FOR A TERM EXPIRING SEPTEMBER 17, 1991 (REAPPOINTMENT).

SECURITIES INVESTOR PROTECTION CORPORATION

JAMES G. STEARNS, OF NEVADA, TO BE A DIRECTOR OF THE SECURITIES INVESTOR PROTECTION CORPORATION FOR A TERM EXPIRING DECEMBER 31, 1991 (REAPPOINTMENT).

CONFIRMATIONS

Executive nominations confirmed by the Senate July 6, 1988:

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL ON THE RETIRED LIST PURSUANT TO THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. MELVIN F. CHUBB, JR., [redacted]FR, U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. GORDON E. FORNELL, [redacted]FR, U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL ON THE RETIRED LIST PURSUANT TO THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. KENNETH L. PEEK, JR., [redacted]FR, U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. DONALD O. ALDRIDGE, [redacted]FR, U.S. AIR FORCE.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601(A), IN CONJUNCTION WITH ASSIGNMENT TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. JOHNNIE H. CORNS, [redacted] U.S. ARMY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601(A), IN CONJUNCTION WITH ASSIGNMENT TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. ROBERT D. HAMMOND, [redacted] U.S. ARMY.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601(A), IN CONJUNCTION WITH ASSIGNMENT TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. LEONARD P. WISHART III, [redacted] U.S. ARMY.

THE FOLLOWING-NAMED OFFICER TO BE PLACE ON THE RETIRED LIST IN GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. VINCENT M. RUSSO, [redacted] U.S. ARMY.

IN THE MARINE CORPS

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE OF LIEUTENANT GENERAL UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

FRANK E. PETERSEN, [redacted] U.S. MARINE CORPS.

IN THE NAVY

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 5148(B), TO BE ASSIGNED AS JUDGE ADVOCATE GENERAL OF THE NAVY:

To be judge advocate general of the Navy

REAR ADM. EVERETTE D. STUMBAUGH, [redacted]/2500, JUDGE ADVOCATE GENERAL'S CORP, U.S. NAVY.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. ROGER F. BACON, [redacted] U.S. NAVY.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be admiral

ADM. POWELL F. CARTER, JR., [redacted]/1120, U.S. NAVY.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. PETER M. HEKMAN, JR., [redacted]/1110, U.S. NAVY.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. WILLIAM O. STUDEMAN, [redacted]/1630, U.S. NAVY.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be admiral

ADM. HUNTINGTON HARDISTY, [redacted]/1310, U.S. NAVY.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be admiral

VICE ADM. JAMES R. HOGG, [redacted]/1110, U.S. NAVY.

THE FOLLOWING-NAMED REAR ADMIRALS (LOWER HALF) IN THE LINE OF THE NAVY FOR PROMOTION TO THE PERMANENT GRADE OF REAR ADMIRAL, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 624, SUBJECT TO QUALIFICATIONS THEREFOR AS PROVIDED BY LAW.

UNRESTRICTED LINE OFFICER

To be rear admiral

HAROLD JOHN BERNSEN.
JEREMY MICHAEL BOORDA.
LYLE FRANKLIN BULL.
STANLEY EARL BUMP.
JOHN FREDERICK CALVERT.
HENRY GOODMAN CHILES, JR.
EDWARD WILLIAM CLEXTON, JR.
FRANCIS RAYMOND DONOVAN.

WILLIAM ADAM DOUGHERTY, JR.
THOMAS WITHERSPOON EVANS.
ROBERTA LOUISE HAZARD.
VIRGIL LUSK HILL, JR.
MICHAEL PETER KALLERES.
ERIC ALTON MCVADON, JR.
RICHARD DAVID MILLIGAN.
JOHN KENNETH READY.
ROBERT THEODORE REIMANN.
ROGER LEE RICH, JR.
DAVID NEIL ROGERS.
ROBERT LEE TONEY.

RESTRICTED LINE—ENGINEERING DUTY OFFICER

To be rear admiral

GEORGE RICHARD MEINIG, JR.
ROBERT LEAVY TOPPING.

RESTRICTED LINE—AERONAUTICAL ENGINEERING DUTY OFFICER

To be rear admiral

THOMAS CHERRILL BETTERTON.

SPECIAL DUTY OFFICER (INTELLIGENCE)

To be rear admiral

THOMAS ALOYSIUS BROOKS.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. JEROME L. JOHNSON, [redacted]/1310, U.S. NAVY.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. ROBERT K.U. KIHUNE, [redacted]/1110, U.S. NAVY.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be admiral

ADM. FRANK B. KELSO, II, [redacted]/1110, U.S. NAVY.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 5035, TO BE ASSIGNED AS VICE CHIEF OF NAVAL OPERATIONS IN THE GRADE OF ADMIRAL:

To be vice chief of naval operations

VICE ADM. LEON A. EDNEY, [redacted]/1310, U.S. NAVY.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 711, TO BE REASSIGNED IN HIS CURRENT GRADE TO BE SENIOR NAVY MEMBER OF THE MILITARY STAFF COMMITTEE OF THE UNITED NATIONS AND TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be senor Navy member of the military Staff Committee of the United Nations

VICE ADM. CHARLES R. LARSON, [redacted]/1120, U.S. NAVY.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 5141, TO BE CHIEF OF NAVAL PERSONNEL AND TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be chief of naval personnel and vice admiral

REAR ADM. (SELECTEE) JEREMY M. BOORDA, [redacted]/1110, U.S. NAVY.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. JOHN S. DISHER, [redacted]/1310, U.S. NAVY.

IN THE AIR FORCE

AIR FORCE NOMINATIONS BEGINNING JOE E. BURTON, AND ENDING GEORGE P. TAYLOR JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF JUNE 20, 1988.

AIR FORCE NOMINATIONS BEGINNING ALI N. BASER, AND ENDING DAVID E. PAQUETTE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF JUNE 20, 1988.

AIR FORCE NOMINATIONS BEGINNING MAJ. DANA O. ADAMS, [redacted] AND ENDING MAJ. BRUCE G. SIMPSON, [redacted] WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF JUNE 20, 1988.

AIR FORCE NOMINATIONS BEGINNING WALTER A. AICHEL, AND ENDING WILLIAM W.C. YOUNG, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF JUNE 20, 1988.

AIR FORCE NOMINATIONS BEGINNING JOEL B. ALEXANDER III, AND ENDING CHRISTINA M.K. ZIENO, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF JUNE 20, 1988.

IN THE ARMY

ARMY NOMINATIONS BEGINNING JAMES E. AGNEW, AND ENDING MARIA D. ZAMARRIPA, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF JUNE 20, 1988.

IN THE NAVY

NAVY NOMINATIONS BEGINNING OFELIA MARAL BORLONGAN, AND ENDING ROBERT DAVIS WINESETT, JR. WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF JUNE 20, 1988.

NAVY NOMINATIONS BEGINNING WILLIAM EDWARD ADKINS, AND ENDING KENNETH MITCH WILLIAMS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF JUNE 20, 1988.

IN THE FOREIGN SERVICE

FOREIGN SERVICE NOMINATIONS OF RICHARD K. ARCHI, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF JUNE 14, 1988.

FOREIGN SERVICE NOMINATIONS BEGINNING JOHN D. PERKINS, AND ENDING JAMES A. MOORHOUSE, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF JUNE 14, 1988.

IN THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION NOMINATIONS BEGINNING WILLIAM L. STUBBLEFIELD, AND ENDING DAVID K. ZIMMERMAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF JUNE 20, 1988.

EXTENSIONS OF REMARKS

PHILADELPHIA PRESERVATION HEARING

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. KOSTMAYER. Mr. Speaker, on Friday, June 24, I chaired a field hearing of the Subcommittee on National Parks and Public Lands in Philadelphia. The subject of the hearing was H.R. 4127, legislation introduced by Hon. MORRIS K. UDALL, chairman of the Interior and Insular Affairs Committee. H.R. 4127 legislation would establish the American Heritage Trust and its purpose is to secure a stable funding source for the continued preservation of our Nation's natural, cultural, and historic resources.

Mr. Speaker, I would like to submit for the record my opening statement and the testimony of the Governor of Pennsylvania, Bob Casey.

Preserving open space and creating more recreational opportunities for all Americans is a national priority and a good investment in the future.

I commend these statements to my colleagues, Mr. Speaker, and encourage their support for this important legislation.

The statements follow:

OPENING STATEMENT BY HON. PETER H. KOSTMAYER

The Subcommittee on National Parks and Public Lands is meeting in Philadelphia today to hear testimony on H.R. 4127, a bill introduced by Representative Morris K. Udall of Arizona. This bill provides for the establishment of a new trust fund based on the existing Land and Water Conservation Fund and Historic Preservation Fund. The trust fund would be used to purchase more park land and to provide for the development of more recreational facilities.

We have an extensive witness list for today's hearing. To facilitate consideration of H.R. 4127, we have grouped witnesses into panels. I would ask the assistance of each witness in presenting their testimony or summarizing their statements in 5 minutes or less so that we may accommodate all the witnesses who are scheduled to testify. I would also add that the hearing record will remain open for 10 working days to accommodate those who may wish to submit statements for the record for the subcommittee's consideration.

I want to welcome my colleague from Maryland, Mrs. Byron, and to thank her for her interest in this legislation and for traveling to Philadelphia.

The Land and Water Conservation Fund was created in 1965 and is the only federal program that provides for parkland acquisition and the development of recreational facilities. Since its inception, the LWCF has helped to acquire almost 6 million acres of parkland and to develop tens of thousands of recreational facilities. In the last twenty years, federal grants have been matched by state and local funds for a total investment in our nation's recreational needs of over $6 billion. For example, in my district of Bucks County, Pennsylvania, over $2.6 million have been invested in such important projects as the purchase of Delhaas Woods, a 94 acre tract of coastal forestland, development of a marsh nature preserve in Bristol Borough, a grant to the Historical and Museum Commission for a rehabilitation project in Washington Crossing State Park, acquisition of Five Mile Woods in Lower Makefield Township; and the construction of a bikeway in Sellersville, to name just a few.

Although the LWCF is authorized at $900 million per year, on average, only $200 million has been appropriated. As a result, there is an outstanding, unobligated balance in the LWCF of approximately $5.7 billion.

H.R. 4127, as introduced by the Chairman of the Committee on Interior and Insular Affairs, and cosponsored by over 175 members of Congress including Mrs. Byron and myself, addresses this very issue by establishing the American Heritage Trust—a mechanism by which the LWCF would be expanded and eventually would become self supporting. Quite simply, this would be accomplished by securing the unobligated balance and placing it into a trust fund. These funds would continue to be augmented by revenues from Outer Continental Shelf leasing and revenues from the sale of surplus property.

Preserving America's open space and creating more recreational facilities for all Americans in our cities, our suburbs and the countryside is a high priority of this subcommittee.

My district of Bucks County as well as parts of nearby Chester, Montgomery, Lehigh and Northampton counties and many areas in the states of Delaware and New Jersey, are threatened by constant development pressure. Even the President's Commission's Report on Americans Outdoors noted the rapid loss of open space—approximately 1.4 million acres are lost each year to urbanization. I am particularly concerned about this loss of open space. Not only should we be acquiring more park land and more recreational facilities, but we must also concentrate on preserving the natural charm and character of our nation's countryside. In this vein, I am currently investigating ways in which the federal government can get involved in the important issue of farmland and open space preservation. This issue has been recognized as being extremely important as more and more states and localities pass referendums issuing bonds and other creative financing mechanisms to go toward the purchase of development rights. Pennsylvania most recently approved such a bond issue and other states such as California, Massachusetts and Maryland have also been active in this approach to open space preservation.

The report of the President's Commission on Americans Outdoors contained many findings on this subject. In fact, one of the most frequently echoed sentiments from thousands of citizens and public officials alike was the need for a continuing and dependable source of funding to stimulate further investments at the local, state and federal level in parkland acquisition and recreational facility development.

A recent report by the United States Department of Agriculture notes that acreage almost equal to the land mass of the state of Delaware is lost each year to development. At this rate, land equal in size to the combined states of Connecticut, New Hampshire and Vermont will be urbanized by the year 2000.

We must stop this dangerous trend and the Land and Water Conservation Fund may be the best way to do it. The Land and Water Conservation Fund is perhaps the most important federal program available to preserve our nation's open space and historical sites.

TESTIMONY OF ROBERT P. CASEY, GOVERNOR OF PENNSYLVANIA

Mr. Chairman and members of this subcommittee, I am Karen A. Miller, Secretary of the Pennsylvania Department of Community Affairs, and it is my pleasure and honor to testify on behalf of Robert P. Casey, Governor of Pennsylvania, in support of the American Heritage Trust Act, H.R. 4127. I thank you for the opportunity to present testimony on this extremely important legislative initiative.

Pennsylvania is blessed with a rich natural and cultural heritage which must be preserved if our past is to continue to serve as prologue for our future. After all, America starts here—in Pennsylvania—and every year millions of Americans come to our Commonwealth to visit the scenes of our republic's birth and to learn how our democracy began.

We take our history and our resources seriously. In fact, Pennsylvania's constitution guarantees the people's right to the preservation of the natural, scenic, historic and aesthetic values of the state's environment. On behalf of the people, the Commonwealth is named trustee of the state's public natural resources for all generations to come.

As trustee, the Commonwealth maintains and conserves our natural, historic and recreational resources. Our work is vital to the continuing recovery of Pennsylvania's economy. Tourism is the state's second largest industry. An estimated $8 billion a year is spent on outdoor recreation. The quality of life afforded by our unmatched outdoor and historic resources is a key factor in business location decisions.

Our proper stewardship of these resources is mandatory if we are to assure a high quality of life and continued economic growth for Pennsylvania's citizens now and in the future.

Representative Udall's bill will play a critical role in our effort. This program builds on what already has been achieved through the Land and Water Conservation Fund (LWCF) and the Historic Preservation Fund (HPF), two highly effective programs financed by the leasing of America's outer continental shelf oil reserves.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

The funds—representing the investment in our natural and man-made environments of revenues from the sale of a natural resource—have created a strong federal, state and local preservation partnership. Local and private expenditures triggered by the federal investment greatly exceed the required match. And the return on the federal dollars is far superior to that experienced in most federal programs.

The impact of even relatively small grants on Pennsylvania communities targeted by state planners has been dramatic.

For example, for over 90 years, Williamsport's old City Hall served as a visual landmark and the seat of government. But when the City moved its offices elsewhere, the vacant building rapidly deteriorated. At one point the City considered demolishing the structure to make room for a supermarket.

Fortunately, in 1979 an Historic Preservation Fund grant of only $10,300 paid for a feasibility study which persuaded the City to save the building for private development. The property was sold, and, after more than $1 million in private investment, the old City Hall, converted into private offices, still stands as a public monument to Williamsport's past.

Land and Water Conservation Fund grants provided $5.6 million to develop recreational facilities at Nockamixin State Park in historic Bucks County. State-owned swimming pool, bike and boat rental and vending concessions financed by the fund are leased by private operators. Development of the park prompted nearby housing, restaurant and riding stable construction. The combined public and private investments created new jobs, expanded the local tax base, improved area property values and enriched the quality of life for thousands of visitors from a three-state area.

Local governments in every region of our state also have benefited from LWCF grants.

In the southwest, a $1.1 million grant stimulated the $35 million private renaissance of Pittsburgh's deteriorated North Shore area. The initial LWCF grant helped develop the Allegheny Landing Riverfront Park, which is the keystone of a 91-acre complex of office buildings and housing. When completed, the North Shore Complex will employ 2,000, contribute millions in city tax revenues and offer a major tourist attraction with a stunning view of the Golden Triangle where the Ohio River begins.

In the northeast, LWCF financing helped convert 100 acres of an old, played-out Lackawanna County coal mining strip into McDade Park, a county park and regional recreation center. Capitalizing on its past, the park offers tours of a typical coal mine and a museum which reflects the area's coal mining heritage. In a short period, the park has become a major tourist attraction, contributing jobs and dollars to the local economy.

In the southeast, LWCF funds helped pay for 36 neighborhood swimming pools in Philadelphia. And in nearby Bucks County, LWCF assistance enabled the acquisition of Delhaas Woods, the largest, least disturbed coastal plain forest remaining in Pennsylvania. Now these endangered wetlands—along with 13 rare plant species—will be preserved, forever safe.

In the 23 years since the program began, $135 million in LWCF grants have financed more than 200 state recreational projects, as well as 1,100 local projects benefiting 650 communities.

Upwards of $1 million was used to aid the Pennsylvania Conservation Corps, which provides employment, job training and educational opportunities for economically disadvantaged young people between the ages of 18 and 25. Through the Corps' efforts, long-delayed recreation, conservation and historic preservation projects are being completed.

Pennsylvania also has received $17 million in Historic Preservation Funds since the program began 17 years ago. These monies have helped pay for the restoration of 144 designated historic properties and aided local planning agencies in identifying 80,000 additional properties which may be historically significant.

As a result of HPF programs in Pennsylvania, private developers have spent over $1.7 billion in rehabilitating historic structures throughout our Commonwealth.

We have been grateful for the contributions made to our state by both the LWCF and the HPF. But, in the past few years, we've watched with concern as both recreation and preservation programs have faced radically reduced and unstable funding in a time of increasing demand. For 1988, Pennsylvania's LWCF allocation was only $680,000, down from $15.6 million in 1980. Since 1985, the government approved only 121 local government LWCF applications submitted by Pennsylvania communities.

The picture is not better under the Historic Preservation Fund. Our grants now run about $600,000 a year, a full million dollars below what was appropriated in 1980. These reduced levels restrict the role the state plays to surveying and planning only. Acquisition and development projects vital to the preservation of our state and national heritage cannot be funded at all.

Pennsylvania supports expanding the federal-state partnership which has done so much to protect our heritage. As Governor of the nation's fifth most populated state, I endorse the concept of a trust fund which takes the revenues from the liquidation of our natural resources and reinvests them into our natural and man-made environments.

I further support the concept of a trust fund which will acquire and protect federal lands, while also helping state and local governments fill unmet, "close-to-home" recreation needs.

America's—and Pennsylvania's—natural, cultural and recreational heritage currently is at risk. We must act now to protect the resources which make us strong—our wild and scenic rivers, our state parks and game lands, our historic sites. We must also act so state and local governments have the ability to provide recreational opportunities accessible to all the people.

I strongly support passage of the American Heritage Trust Act and creation of the two trust funds so Pennsylvania and the other 49 states will be able to fulfill their obligations to protect and preserve the legacy of natural and cultural riches passed on by those who came before us.

IN CELEBRATION OF THE CITY OF SANGER'S CENTENNIAL 1888-1988

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. LEHMAN of California. Mr. Speaker, today I rise to acknowledge and pay tribute to the city of Sanger as it celebrates its centennial birthday. Located in the heart of California's San Joaquin Valley, the city of Sanger can be proud of its heritage and the many contributions which the community and its residents have made to the area, the State, and the Nation.

Named for an Indiana railroad executive, Joseph Sanger, Jr., the community was originally founded as a railway junction by the Southern Pacific Railroad Co. in 1888 connecting the communities of Porterville and Fresno. The Sanger Depot, constructed in 1887 by Southern Pacific, remains as the oldest structure in Sanger.

Although it quickly became a major shipping point for the wide variety of agricultural commodities which flourished and rapidly developed in the fertile soil of the area, Sanger was also the terminus for a 60-mile flume that was used to carry lumber from the high Sierra forests to mills in the community and elsewhere in the San Joaquin Valley. The flume was considered then and reportedly is still the world's largest lumber flume.

Located in the shadow of the majestic Sierra Nevada mountain range, Sanger continues to benefit from its location adjacent to the mountains. The mighty Kings River, which has its headwaters in Kings Canyon National Park, is a major source of irrigation, municipal, and industrial water for Sanger and the surrounding valley communities, and serves as a major recreation resource for valley and State residents. Thousands of people enjoy the swimming, fishing, rafting, and boating offered by the Kings River, and year-round mountain recreation such as camping, hiking, skiing, and hunting are only minutes away from Sanger's doorsteps.

Because of its proximity and affinity for the mountains, Sanger was officially designated as the Nation's Christmas Tree City by the U.S. Department of the Interior on April 28, 1926. Today hundreds of people join the city of Sanger every December as it celebrates the distinction by making the trek to the General Grant Sequoia Tree, located in Kings Canyon National Park's Grant Grove, for a special Christmas program.

Today Sanger's economy is dominated by agriculture and industry. Dozens of different agricultural commodities, such as grapes, peaches, plums, citrus, vegetables, cattle, and sheep are grown, packed and processed in and around the community. It is also the home for industry, manufacturing products such as clothing, and product containers.

Incorporated as a city in 1911, Sanger is a thriving community of 15,000 residents who continue to make their livelihood in agribusiness, industry, and recreation. It is the third largest city in Fresno County, and Sanger residents take pride in the growth and development of the community, as well as the many contributions by its residents. Sanger's heritage is rich in cultural diversity and it remains the home for many Americans of German, Italian, Armenian, Japanese, and Hispanic ethnicity. Its sons and daughters have served with distinction in the U.S. military, contributed to the arts and sciences, played professional sports, and have been elected and continue to serve in State and Federal governments.

As one of those who was born and raised in Sanger, CA, it gives me a great deal of pride and honor to pay tribute to this fine all-American town. It is with great pleasure that I extend, on behalf of the 100th Congress, a special 100th birthday wish to the city of Sanger.

AFFORDABLE HOUSING AND THE HOMELESS: ISSUES WE CAN NO LONGER AVOID

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. MAVROULES. Mr. Speaker, I rise today in hopes of arousing a compassionate and understanding response to an issue that too many are still unwilling to confront: our Nation's lack of affordable housing and its frequent and shameful result: homelessness.

I ask my colleagues, what if they had no home? No roof over their heads? No walls, no floor, no roof to protect them or their family from the elements. Or the stigma.

We are not as far removed from that possibility as we may comfort ourselves into believing. An ugly twist of fate could force this harsh situation onto any of us. It illicits an atavistic, almost primal fear. It is a difficult issue; a painful and frightening issue. Yet we must confront it.

I ask: What if you were not as lucky as you are?

In 1949, Congress made a commitment to the American people. It promised to provide a "decent home and suitable living environment" for every American. We have retreated from this promise.

During the 1980's, Federal housing assistance has declined over 75 percent, from $33 billion to under $8 billion. This drastic decrease makes Congress' commitment of 39 years ago impossible. We must reverse the insensitivity and inertia of our failed housing policies of the last 8 years. Our policies have been an ineffective and capricious patchwork of politically expedient stop-gap measures while whole families suffer the consequences.

This is not only an economic issue; this is not only a social issue. This is a moral issue which tests our commitment to uphold the values upon which this country is built.

It is all too common and convenient to blame the homeless for their plight. This myopic view does not take into account minorities, the elderly, the handicapped, the mentally ill, veterans, the unemployed, and the children.

It is the manifest responsibility of the 100th Congress to keep the promise of its predecessors and act definitively. We must increase the availability of safe, affordable housing.

By not correcting this housing atrocity, we are ignoring the needs and denying the rights of millions of Americans. It is a callous dismissal of a fundamental American right.

The problem is so pervasive that it has reached crisis proportions. For millions of our citizens the American dream has become a nightmare. This issue demands our immediate and undivided attention. We can no longer abstain from addressing it. To do so is cruel; to do so is selfish; to do so is cowardly.

Housing costs must be reduced. Whether rented or owned, affordable housing must be made available through a structured plan of programs on the Federal, State, and local level. Additionally, our objectives can only be accomplished through a collaborative effort among and between all levels of government, community-based organizations, religious groups, businesses, and industry. It is a necessary symbiosis among sometime desperate and competing elements of society.

Three proposals that offer workable solutions to our homeless and housing crisis are the Community Housing Partnership Act, the Stewart B. McKinney Homeless Assistance Act, and most recently, the Affordable Housing Act. With modifications and compromise these proposals offer a starting point from which we can begin to build a coherent and compassionate housing program.

The Community Housing Partnership Act uses the nonprofit sector to develop cost-efficient housing projects. Title I of the bill allocates training and education funds to nonprofit groups and organizations.

It discourages housing cost escalation by reducing the profit factor. Ideally, competition will act to further reduce costs. This act may not alone solve our housing shortage or reduce skyrocketing costs, but nonprofit sector involvement is one of the necessary steps for overcoming this tragic situation.

Another step, requisite to addressing the housing problem, is the need for more stringent guidelines and strong punitive action to fight discrimination. We need more effective weapons in our battle against this insidious problem.

Housing discrimination, illegal due to title VIII of the 1968 Civil Rights Act, is not strongly enough condemned or punished. Our antidiscrimination enforcement mechanism are, at the very most, inadequate.

Under the present legislation, HUD's only tool to fight even the most blatant cases of discrimination is purely arbitrary persuasion. Our citizenry is owed a much fairer shake.

Yet what of the immediate needs of today's homeless and hungry?

A year ago the Stewart B. McKinney Homeless Assistance Act was signed into law. This act offers 18 different programs designed to aid the homeless. I supported its authorization and will continue to support its reauthorization.

The McKinney Act has provided a beginning. Its passage was significant but without a total commitment from Congress, its impact will remain marginal. It is a first step down the road to solving this national tragedy.

Homeless assistance programs must receive the highest priority on our legislative agenda. With the cooperation of cities and towns around the country this program has offered hope and some relief, though still not enough.

Today my good friend Congressman BARNEY FRANK introduced The Affordable Housing Act. I am proud to say that I am an original cosponsor of this measure.

This is an important piece of legislation that courageously confronts our housing needs. An MIT study estimates that the United States will suffer a shortfall of 7.5 million low-cost housing units by the year 2000.

Unless we act now, nearly 19 million Americans could face homelessness. This proposed legislation takes our 1949 Federal housing policy commitment at its word. It demonstrates courage, commitment, and compassion.

We must continue to work towards understanding this unnecessary and debilitating tragedy. Not only personally debilitating, but destructive to our Nation. It is a problem that weakens and destroys our country's social, moral, and economic fabric. We all become its victims.

Is there any issue which warrants stronger consideration than putting a roof over the heads of America's homeless? The further down we let the housing situation slip on our national agenda, the further we will impede our social and economic progress. In closing, I ask all of you again, what if you were not as lucky as you are?

ANDREI GROMYKO AND RAOUL WALLENBERG—ARE WE CLOSER TO UNRAVELING THE MYSTERY OF WALLENBERG'S DISAPPEARANCE?

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. LANTOS. Mr. Speaker, last week at the Soviet Communist Party Conference in Moscow, one of the delegates called for the removal of Soviet President Andrei Gromyko. Also the conference adopted a proposal that the post of Soviet President be strengthened and eventually given to Party Secretary General Mikhail Gorbachev. These potential changes are complex, because the current Soviet President is a supporter of Gorbachev.

At the same time, however, the departure of Mr. Gromyko could lead to the unraveling of the mystery of Raoul Wallenberg's disappearance. Wallenberg, who was responsible for saving as many as 100,000 Hungarians from Nazi death camps during 1944, was abducted by Soviet troops in Budapest in January 1945, and he has been incarcerated in Soviet prisons since that time.

The American and Swedish Governments have repeatedly pressed the Soviets for information about his whereabouts, but the only official Soviet statement made about Wallenberg was made by Andrei Gromyko in 1957. At that time he was Deputy Foreign Minister, and he signed an official note reporting that Wallengberg had died 10 years earlier in a Soviet prison. Reliable information from former Soviet prison inmates, however, have reported seeing Wallenberg in recent years.

The retirement of Andrei Gromyko and the welcome upsurge of Glasnost in the Soviet Union may well remove an important obstacle to the release of Wallenberg from Soviet prisons and to information about his experiences in the Soviet Gulag over the last 43 years.

Mr. Speaker, A.M. Rosenthal has written a particularly insightful and thoughtful column on this topic which was published in yesterday's

New York Times. I include it in the RECORD for the benefit of my colleagues.

[From the New York Times, July 5, 1988]

THE CONNECTION

(By A.M. Rosenthal)

There sits Andrei Gromyko at the Party conference, face of stone. Fifty years of obedience to Soviet czars behind him, removal from office ahead, but still a force and still the key to a mystery within a mystery that haunts history and millions of people around the world.

Soon Mr. Gromyko will lose the title of President that was his reward for serving Josef Stalin, serving Nikita Khrushchev, serving Mikhail Gorbachev and all the Soviet rulers between. Mr. Gorbachev wants the presidency to be strengthened and given to him.

Mr. Gromyko will take with him a professional lifetime of secrets about Soviet governments. But the one secret that arouses the most passion and emotion and a restless, ceaseless search for an answer has to do not with the use of power but simply with the life, work and fate of one good man named Raoul Wallenberg.

One day in June 1944, American representatives in Stockholm approached this young Swede, then about 32. They asked him if he would do something that would put his life in daily peril. They asked him to go to Budapest and try to save Jews from the Germans and the Hungarian Fascists.

Wallenberg came from a well-known Swedish family. He studied at the University of Michigan and entered the family business. He was an eager, bright young man, pleasant and fairly ordinary.

Other fairly ordinary young men were slaughtering hundreds of thousands of Hungarian Jews, in the streets, in the fields, in the camps. Those ordinary young Germans had guns and furnaces. Wallenberg had only a post as an attaché from neutral Sweden, some money from Jews abroad and overarching courage.

Wallenberg saved thousands of Jews. He gave them Swedish identification papers, hid them in houses hung with Swedish flags. He marched into the midst of the killers, and said "Ich bin Wallenberg," as if that were armor against Hell.

Hundreds of thousands of Jews were murdered by the Germans, but for those he saved, for their descendants and many who just know his story, his name is blessed.

In January 1945, the Russians entered Budapest. On January 17, Wallenberg went to meet Soviet officers to get aid for the Jews; he disappeared.

For 12 years, the Soviet Union denied he was a prisoner. Then in 1957, Moscow said yes, he had been imprisoned by the Soviet Union since the day he vanished, but according to an official note, he had died in prison in 1947. His body and all papers had disappeared and nobody was alive who could give further testimony.

The man who signed that note was Andrei Gromyko, then a deputy foreign minister. It was not the truth. Raoul Wallenberg was seen by Soviet prisoners for years after 1947. And reports of his still being alive in one camp or another continued even long after the Gromyko letter.

Some of the reports may be wrong. But Wallenberg students and historians—there are Wallenberg committees all over the world—are convinced that he lived years after Mr. Gromyko said he was long dead.

The mystery within a mystery: What happended to Wallenberg, and why has Moscow hidden the truth for 43 years?

Possibly the Russians seized him because Moscow was paranoid about all foreigners in the war zone and kept him because he might be useful some day. Then the Wallenberg story became an embarrassment to the Soviet state and its top officials. One official, Andrei Gromyko, stayed in high position from regime to regime.

There was hope when Mr. Gorbachev came to power that he would order the full story told at once or at least when Mr. Gromyko left office.

But here is something new. It was revealed at the historic Communist Party meeting that Mr. Gromyko is one of four top "conservative" Politburo members who helped Mr. Gorbachev achieve power.

Westerners think of the Soviet drama as between hard-liners and reformers, bad guys and good guys. Mr. Gorbachev knows he was chosen by the orthodox Communists like Mr. Gromyko, as well as the reformers, to lead the country out of chaos.

He is not the head of a faction. To remain in power, he has to represent old-timers and new-timers. So he may not be eager to call a man important to his own Politburo constituency a liar while taking his job away.

But still—perhaps one day Mr. Gorbachev will decide that it would be in the interest of Soviet esteem around the world to allow the full story to be told. That would be the best monument to Raoul Wallenberg, that ordinary, good young Swede. His mourners everywhere could rest at last.

TENTH ANNIVERSARY OF THE INDEPENDENCE OF THE SOLOMON ISLANDS

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. SOLARZ. Mr. Speaker, July 7, 1988, marks the 10th anniversary of the independence of the Solomon Islands, one of America's staunchest friends in the Western Pacific. The decade since independence has seen many changes both in the United States and in the Solomon Islands, but even when there have been differences between our countries, the underlying friendship has remained firm.

Our friendship with the people of the Solomons was born in the turmoil of war. Many place names in the Solomons became familiar to Americans during World War II. Guadalcanal, where the national capital of Honiara is located, has an especially important place in the history of both our countries.

During the years since the war in the Pacific ended, America has tended to pay less attention to the area. Fortunately, this attitude is now changing, and both the Congress and the country are beginning to give the Pacific Island countries the attention they rightfully deserve.

With just under 300,000 inhabitants, the Solomon Islands has one thousandth of the population of the United States. From a demographic perspective, it is a young country. Their last census showed almost half the population was 14 years of age. As those children grow into adults, so will their nation grow and progress.

Although still a developing nation, the Solomon Islands, unlike many other developing countries, already enjoys the benefits of a strong democracy. To its credit, it is also playing an increasingly large part on the world stage through active participation in world and regional organizations such as the United Nations and the South Pacific Forum.

As befits two sister democracies, there has been a close and consistently growing relationship between the United States and the Solomon Islands, which has been marked by a broadening of diplomatic ties. The United States maintains a consultate in Honiara, and our Ambassador in neighboring Papua New Guinea is accredited to Honiara and visits frequently. The Solomon Islands Ambassador to the United States, Hon. Francis Saemala, is a nonresident, but through frequent visits, he has become a familiar figure here in Washington. He is aided by a charge d'affaires in New York and an honorary consul in Washington.

As we celebrate the 10th anniversary of the independence of the Solomon Islands, I think it's safe to predict that the next 10 years will be characterized by a continuing strengthening of our bilateral relationship, both politically and economically. Last year, less than 1,000 Americans visited the Solomons. As the ties between our two countries continues to grow, it is my hope that this people-to-people contact will also expand substantially, and that many more Americans will have an opportunity to visit the Solomons.

So, to the people of the Solomon Islands on this occasion of national celebration, let me again reaffirm the deep respect the American people and Government have for you and all your accomplishments, and reiterate that we look forward to continuing to work closely with you as allies and friends.

A SALUTE TO CHARLES W. HALES

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. STOKES. Mr. Speaker, on Saturday, July 9, 1988, members of El Hasa Temple No. 28 of the Ancient Egyptian Arabic Order Nobles and El Hasa Court No. 47, Daughters of Isis, will honor Charles W. Hales, imperial convention director, with a testimonial banquet at the Bond Court Hotel. It is a special pleasure for me as a longtime and personal friend of Charlie's to join with all of his close friends in saluting him on this auspicious occasion.

Mr. Speaker, simply by virtue of the number of people and organizations that are coming together in honor of this special man, we can say that he has touched the lives of many people in a very positive way. I would like to take his opportunity to share with my colleagues a glimpse of the good deeds and accomplishments of my good friend, Charlie Hales.

Charlie spends most of his time with an organization that he has come to love and that is the Masons. He was initiated into El Hasa Temple No. 28 in 1950. During 1964–65, he served as illustrious potentate and in 1967 he was chosen "Noble of the Year." Charlie has served as the Imperial Convention Director since 1975. During his tenure as convention director, Charlie has contributed much to the development and operation of Shrine conventions.

Mr. Speaker, as you can see, Charlie Hales has set aside an inordinate amount of his time to service in the Masons. He was equally as busy and dedicated during his years with the Greater Cleveland Regional Transit Authority. In his positions as Director of Internal Audit and Senior Auditor, he successfully contributed to the management and growth of the transit system.

Mr. Speaker, Charlie is also a community activist. He lends his time and expertise to a number of organizations and groups. They include the Delta Mc Delta National Honor Society; the 21st Congressional District Caucus; the Cleveland Treatment Center; and the Cuyahoga Democratic Party Executive Committee. In addition, outside the Cleveland area he is affiliated with the National Association of Black Meeting Planners. Because of the leadership that he has provided this particular group, he was selected as their "Outstanding Convention Planner" last year.

As you can see, Mr. Speaker, my friend, Charlie Hales, has many friends. He has friends in the Masons. He has friends that he has worked with at the transit authority and he has friends in the community. It is the friendship and respect that these people have for Charlie Hales that will bring them together this Saturday. At this time, I ask my colleagues to join in saluting my good friend and a very special person, Charlie Hales.

EIGHTEEN-UNIT NCS HOUSING PROJECT TO BEGIN IN JULY

HON. TOM SAWYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. SAWYER. Mr. Speaker, across the Nation, many small neighborhoods that were once thriving parts of our communities have fallen prey to economic and demographic changes. As a result, these neighborhoods that once flourished are abandoned and become havens for crime and other public health and safety hazards.

The Department of Housing and Urban Development sponsors several programs that provide assistance to neighborhood revitalization efforts and for projects for the construction of affordable housing for those who otherwise could not afford homes. In many cases these two goals coincide, and generate innovative projects which meet both our burgeoning housing needs, and also instill old neighborhoods with a sense of new life and community pride.

One such effort is conducted through the Neighborhood Reinvestment Corporation, and its subsidiary, the Neighborhood Housing Services [NHS]. In my own district, NHS has been active in forming a partnership among several community leaders that has led to the planning of an 18-unit housing project in which the homes will be designed and built by the future homeowners themselves. The Herald, a newspaper in my district, recently ran a story which describes this exciting and significant project in greater detail. I would like to share that story with the rest of my colleagues.

EIGHTEEN-UNIT NCS HOUSING PROJECT TO BEGIN IN JULY

(By Jack Simonds)

Construction is expected to begin in mid-July on a new 18-unit housing project developed by the Neighborhood Conservation Service (NCS).

The "user designed" and partially "owner built" homes, along Frank Avenue between Haven and Elsen Avenues, will cost around $650,000 and has been funded by grants from the Department of Housing and Urban Development (HUD); Urban Development Action Grants program ($145,000); the State Department of Development ($250,000) and NCS's parent organization Neighborhood Reinvestment Corporation (NRC) which has granted $75,000 for land development, architectural services and some contruction costs.

NCS executive director Jerry Petrik said at May 8 ribbon-cutting ceremonies the project is unique.

"What makes this project so unique is that it is not just another new construction project, but it is a project that will have two unique factors."

"Each individual home will be designed by the owner along with the architect. This is called the user-design construction. It will also be owner built. That means the owners will be partaking of some of the construction of each of the units. In this way, the new homeowners will not only be owning a new home, but will be building a part of the community. They'll feel more involved in their neighborhoods, their communities and their homes." Petrik said.

Five area lenders are participating in the project, including Society National Banks, Great Northern Savings, Peoples Federal Savings Bank, First National Bank of Ohio and Bank One of Akron.

Those lenders will provide reduced homeowner loans.

The city donated the tract of land, which borders a landfill.

The 18 new homes will have three bedrooms and will be valued at around $60,000. Typical mortgage amounts will range between $20,000-$30,000, Petrik told well-wishers that day.

TO QUALIFY FOR the program, a family or individual must have an approximate average yearly income hovering between $14,000-$21,000, with family size also factored in. Candidates must also have a good credit history and meet criteria set forth by the lenders.

Mortgage amounts for families will remain stable for the first five years. On the sixth year an added $8,000 mortgage at six percent will be included to satisfy requirements from HUD.

Although the three grants have served in reducing some of the buying costs, it is the owners' agreement to perform some of the construction work which also reduces overall costs, Petrik said.

"The families will also be reducing costs because they will be doing some of the work. They're going to be working as a group, working on each other's homes," Petrik said.

That work includes insulation, painting, landscaping and roofing work and shaves off around $2,000 per unit. Petrik said.

Participants must agree to live at the homes for five years or forfeit grant benefits.

"Residents of South Barberton looked at their neighborhood and said; "We have to do something. We have to bring young people back to the neighborhood.

"So this is a partnership, not just something the developers and lenders said: 'Let's go out and make some money and build some houses'," Petrik said.

"It was from the residents' interest, and enthusiasm the project was conceived at all."

At least 10 of the homes will be sold using the owners-participation factor, Petrik added with the remaining homes sold using normal downpayment plans, but all 18 could be sold under the partially owner built option if demand is there.

Applications are being taken at the NCS office on a first-come, first-served basis. For further details, contact NCS at 753-0377.

The total project is expected to be completed within a year and will begin in mid-July.

CONGRATULATIONS TO MS. HAINES

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. KOSTMAYER. Mr. Speaker, I would like to congratulate Ms. Vivian M. Haines of Rushland, PA, on the occasion of her induction as president of the National School Nurses Association [NSNA] for 1988-89.

Ms. Haines began her career of service more than 30 years ago as a staff nurse at Mercer Hospital. In 1962 she became a school nurse, an occupation which she actively pursues to the present day. While a school nurse, Ms. Haines served as school nurse liaison for the Pennsylvania Department of Education as well as coordinator of health services for 1985-86 for the Council Rock School District.

Long committed to education, she returned to Trenton State College for a masters of health education in 1972. Since that time she has achieved the rank of school nurse practitioner and served as an adjunct professor. Ms. Vivian Haines has shown a commitment and enthusiasm to her profession which I am sure has greatly impressed her peers. I am certain that she will be an outstanding president of the NSNA.

Mr. Speaker, I hope my colleagues join me in extending the warmest congratulations to Ms. Vivian M. Haines on the eve of her induction.

SANCTIONS MAY HURT NOT HELP SOUTH AFRICA'S BLACKS

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. PORTER. Mr. Speaker, the House will soon consider H.R. 1580, the Anti-Apartheid Amendments Act of 1988. It is with growing frustration that we watch continued acts of discrimination and abuse practiced by the South African regime. We are unanimous that apartheid must end. There are, however, many of us who continue to believe that the imposition of sanctions in accordance with H.R. 1580 will not further the cause of freedom for South Africa's black majority.

I am inserting a copy of a recent letter I received from Mr. Warren L. Batts, chairman and chief executive officer of Premark International, regarding the adverse effects sanctions and disinvestment would have on his company's efforts to help South Africa's nonwhite population. Mr. Batts' letter illustrates the counterproductive results on education, community development and social justice projects that enactment of H.R. 1580 would have. I commend his letter to my colleagues' attention and consideration:

> Premark International is a diversified international company with $2 billion in sales which maintains its corporate headquarters in Deerfield, Illinois.
>
> One of our operating units—Tupperware—has a small operation in South Africa. It represents only 1% of our sales and profits, and its loss through mandatory disinvestment would not be a major financial burden to Premark. However, because of its involvement in the fight against apartheid through education, community development, and social justice projects, its disinvestment would be a serious loss to the many nonwhites affected by its presence.
>
> Three members of our Board of Directors recently visited Tupperware South Africa to reassess our presence there. The group spoke with dozens of black and white South Africans of all points of view, including many in leadership positions in the black communities. We are more convinced than ever that the economic slowdown caused by sanctions and disinvestment will fall disproportionately hard on blacks, will not contribute to the dismantling of apartheid, and is opposed by the great majority of black South Africans.
>
> Disinvestment by American companies will remove from South Africa one of the most positive forces for change, both in business and in the society at large. For example, our Tupperware subsidiary, although small, has helped fund a medical clinic, a legal clinic, an old age center, a primary school, and preschool child care, as well as housing loans and scholarships for black employees. In total, Tupperware South Africa's contributions to community projects total more than 12% of its payroll. Beyond its financial commitments, Tupperware people of all colors work closely with nonwhite South Africas to design and implement these programs. As importantly, through its normal business, Tupperware trains literally thousands of non-white South Africans to be independent sales dealers, a significant contribution in a country where the black unemployment rate is over 30%. We know that other American companies have similar achievements and that American companies have led the change toward equal economic opportunities throughout South African industry. To require disinvestment by Tupperware and other American companies is to neutralize valued allies in the struggle against apartheid and to withdraw some of the most effective builders of a post-apartheid society.
>
> It is most ironic that sanctions and disinvestment are being considered by the Congress as a means of helping black South Africans. The results of the 1986 sanctions—higher black unemployment, withdrawal of American companies and their social commitments, and a dangerous swing to the right by the government—have all been negative for blacks. Most black South Africans realize that further sanctions will only make the situation worse. Unfortunately, their voices are not being heard in Washington because a few prominent South Africans are erroneously assumed to speak for the millions who will be hurt by United States policy.
>
> Congress should not pursue this course of action without a responsible understanding of the effects it will have on many innocent people.

INTERNATIONAL COMMUNITY CONCERNED ABOUT THE PLIGHT OF THE PEOPLE OF MOZAMBIQUE

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. GEJDENSON. Mr. Speaker, I rise today to call your attention to a matter of grave consequence to the international community concerned about the plight of the people of Mozambique who have been, and continue to be, terrorized by RENAMO [Mozambique National Resistance Movement]. I want to join my Senate colleagues in commending the State Department on its recent issuance of the report, "Summary of Mozambican Refugee Accounts of Principally Conflict-Related Experience in Mozambique," and urge the administration to address the serious policy issues that emanate from the report's findings.

Background: RENAMO was created by the Rhodesian secret services in 1977 to punish Mozambique for assistance to Zimbabwean liberation movements. With Zimbabwean independence, the sponsorship of RENAMO was taken over by the South African Defense Force. South African direct support for RENAMO diminished with the Nkomati accord. However, there is evidence that South Africa remains a critical sponsor of RENAMO and provides priority items that are required for its terrorist activities, including high technology communication support. With neither the government nor RENAMO in position to win a military victory in the foreseeable future, the conflict is likely to continue with brutal and persistent suffering for the Mozambican people.

Mozambique's human and economic problems cannot be solved by military conflict and the suffering will persist as long as civil strife continues. The United States needs to do much more to work within the region to foster peaceful resolution of the conflicts. It must be clear in its condemnation of RENAMO and of its South African supporters.

Report Findings: The terse, carefully worded State Department document indicates that the level of violence perpetrated by RENAMO against the civilian population is extraordinarily high with conservative estimates of murder to be about 100,000. Refugees reported systematic forced transportation of supplies for RENAMO, rape, burning of villages, mutilations, forced asphyxiation, and other violent and obscene crimes at the hands of RENAMO forces.

The U.S. press reported that one refugee told of people fleeing when RENAMO guerrillas attacked, leaving a big pot of food cooking in the village. When people returned after the guerrillas left, the refugee was quoted in the interview, a woman found parts of her small daughter stirred into the boiling pot.

Moreover, the relationship between RENAMO and the population focuses on the brutal extraction of food and labor, with little or nothing in return. RENAMO has not attempted to seek civilian support for its insurgency. Instead, the people hope only for survival. Given their treatment at the hands of RENAMO forces, it is not surprising that refugee report little support for RENAMO among the civilian population.

About 2 million Mozambicans are refugees or displaced persons within the country. Most of them left their homes with little or no resources to draw on.

Next Steps: What do we conclude from this devastating report? First and foremost, the international community needs both a thorough accounting regarding South Africa's continued clandestine support for RENAMO, and an announcment by the South African Government that its support for these vicious and ruthless terrorists has ceased, once and for all.

Second, the administration must redouble its efforts to assure that the United States maintains its share of the cost of aiding the Mozambican people who are fleeing this terror. Three million dollars is needed to meet the rising costs of United Nations refugee assistance for Mozambicans in neighboring states. We should use the funds currently available in the President's Emergency Refugee and Migration Assistance Fund that was established to handle just such emergency refugee needs. We can do no less for a people who are suffering under the continuous force of inhuman, barbaric, and systematic terrorism.

An unwillingness to protest South Africa's role in the reign of terror perpetrated on the people of Mozambique by RENAMO is tantamount to acquiescence. This silence on the part of the United States has been deafening. Could it be due to the administration's reluctance to criticize South Africa—RENAMO's principle supporter?

IN RECOGNITION OF ROOSEVELT HIGH SCHOOL, FRESNO, CA

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. LEHMAN of California. Mr. Speaker, I rise today to honor and commend Roosevelt High School, in Fresno, CA, for its recent recognition as one of California's finest secondary education institutions. Roosevelt was given this honor by the California State Department of Education in the 1988 California distinguished schools competition.

Roosevelt was chosen for this honor from a field of 800 candidate schools throughout California. A total of 62 high schools were chosen as the State's finest, based upon highest performance or greatest improvement on a variety of indicators, including the California Assessment Program, scholastic aptitude test, student enrollment in academic courses, and demographic data. This recognition follows Roosevelt's earlier statewide recognition in the State academic decathlon.

For the Nation to prepare for the future and meet the challenges which lie ahead, all children and young adults must receive quality education. Teachers must be trained and adequately compensated for their efforts. Parents must be involved and supportive of these efforts, and administrators and policymakers must work to provide the necessary resources. It is only through a combination of these ingredients that programs will be developed to meet the many and diverse needs of the Nation's students.

Roosevelt High School has taken these key ingredients and has provided to its students the type of education which is vital for all of America's youth. Let Roosevelt stand as an example and inspiration as we seek to give all students in this country the chance to be the best they can be, for themselves and for the future of this great Nation.

I congratulate all those associated with Roosevelt High School and extend to them the praise they deserve.

IRVING BERLIN HONORED

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. MAVROULES. Mr. Speaker, I would like to take this opportunity to highlight a poem written by one of my constituents honoring Irving Berlin in the year of his centennial. I was particularly moved by this poem by Mr. Maurice Goldsmith, which pays homage to one of America's most talented, patriotic composers.

Our lives by years cannot be dated,
Our deeds and hopes best mark the span.
By eternal God are people created,
The calendars were made by man.
When we start to count our flowers,
We cease to count weeds.
When we start to count blessings,
We cease to count needs.
When we start to count laughter,
We cease to count tears.
When we count happy memories,
We cease to count years.
God bless Irving Berlin.
God bless America.

CONGRESSMAN LEE HAMILTON DISCUSSES CHALLENGES TO SECRETARY GENERAL GORBACHEV'S REFORMS IN THE SOVIET UNION

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. LANTOS. Mr. Speaker, I would like to call to the attention of my colleagues in the Congress an extremely interesting and insightful article by our colleague LEE HAMILTON of Indiana, which appeared in the Christian Science Monitor last week.

This particularly important article discusses the Communist Party Conference in Moscow and the challenges that are emerging to the reforms proposed by General Secretary Gorbachev. It identifies the principal obstacle as internal bureaucratic opposition, the problem of implementing the economic reforms, nationality unrest within the Soviet Union, and the potential for unrest in Eastern Europe.

Chairman HAMILTON speaks on this topic with considerable authority and experience. As chairman of the Subcommittee on Europe and the Middle East, he has had long experience in foreign affairs. In recent months, he has held a series of hearings on the prospects for reform and change in the Soviet Union. Chairman HAMILTON is particularly well qualified to discuss change in the Soviet Union, opposition to that change, and the implications for United States policy.

Mr. Speaker, I commend these thoughtful views to my colleagues.

CHALLENGES TO GORBACHEV'S REFORMS

(By Lee H. Hamilton)

The Soviet Party Conference in Moscow this week will help to clarify the future course of General Secretary Mikhail Gorbachev's reform program. His call for perestroika is a call for fundamental change. The three-year-old experiment is bold—and the process of reform is fragile.

Among the problems Mr. Gorbachev faces, four stand out: internal opposition; translating economic proposals into action; and the twin threats of nationality unrest in the Soviet Union and upheaval in Eastern Europe.

Who supports Gorbachev? He has the backing of the Politburo. Scientific and technical elites, intellectuals, and many young people also support him, but they are a narrow social base for reform.

He also has opponents. Many Soviets are reluctant to trade stability for change. Workers and bureaucrats see reform as a threat to their economic security. Reform means price increases and the potential loss of guaranteed jobs. For the military, it means doing more with less. Communist Party members fear diminished power, privileges, and control. Gorbachev has acknowledged that opposition to his program is widespread and includes officials at the highest levels. These opponents will block change if they gain the upper hand.

Can Gorbachev's economic proposals be translated into practice? Already there is evidence of delay in carrying out promised reforms. He is asking people to make sacrifices now for uncertain payoffs later. They are being told to work harder, but so far see no improvement in the quantity of food or the quality of goods and services.

Under the old system, central planners made decisions and plant managers fulfilled the plan. Now managers are being told to meet the demands of the market—or go out of business. But many managers are ill-equipped for these new responsibilities. They know best how to follow orders; they do not know how to respond to the sudden call for initiative and independence. They may deal with Gorbachev's reforms as they have dealt with past calls for change: by giving a new name—perestroika—to old ways of doing business.

Last year's figures show zero growth in the Soviet economy, and Western experts say reform could take 10 to 15 years to show significant results. The Soviets hope that trade and joint ventures can speed the process, but success will depend on tough internal decisions, not foreign capital. The key question is whether the economic reform program can sustain political support for long enough to make it work.

Can Gorbachev keep the USSR together? He has described the nationality question as "the most fundamental, vital issue of our society." Seventy years of Soviet rule have not eliminated strains among the more than 100 nationality groups within the USSR. Recent months have seen nationalist protests in all three Baltic Republics, demonstrations by hundreds of thousands of Armenians, and violence by Azerbaijanis. Kazakhs have rioted in Alma-Ata, and Crimean Tartars have demonstrated in Moscow. Armenians, Jews, and Volga Germans want to emigrate. The problems are as complex and varied as the national groups themselves, and cannot be ignored. Recent unrest demonstrates how one group's expression of grievances legitimizes another's discontent.

Economic reform compounds the nationality question. If nationality groups feel they don't have a stake in the success of economic and political reform, they won't support it. Their price for support may be greater cultural freedom and political control over their own affairs. But for Gorbachev to yield this kind of power could undermine the basic dynamic of his reform program. So far, nationality disturbances appear to have weakened Gorbachev and given his critics ammunition to use against him.

Gorbachev's reforms perhaps are challenged most by unrest and unpredictability in Eastern Europe. Economies in the region are in terrible shape, and the pressure for change is enormous. Governments lack popular support and fear pluralism. To the extent they are trying to solve their problems, they want economic reform without sharing political power. This formula is not working in Poland, where the population has shown it will not support reform it had no voice in shaping.

The Soviets offer little guidance on what form change in Eastern Europe should take, or how far it will be permitted to go. Gorbachev's example of reform suggests that Eastern Europe should follow suit, but he has also stated that there is no one road to socialism. Political explosion in the region will endanger reform if the Soviets, as they have in past crises, use force to suppress revolt. Perestroika and Gorbachev may not survive a repeat of 1956 or 1968.

What does all this mean for the United States? Recent internal changes in the USSR—more freedom, improved human rights, the potential of a better life for the Soviet people—are positive. We hope the Party Conference advances this process. But it is not up to us, nor is it within our power, to "help" Gorbachev. He must face his own problems and find his own solutions.

What the US can do and should do is take advantage of the new Soviet willingness to negotiate on matters that are in our interest. Following the Moscow summit, we should work to sustain an environment in which further agreements on arms control and progress on other issues—such as the Middle East, Central America, and human rights—is possible. To the extent that change in the USSR offers a chance to reduce tensions in a dangerous world, we should seize the opportunity. The stakes are too high for us not to try.

CAPT. JEREMIAH J. WALSH, USMC

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. McEWEN. Mr. Speaker, I wish to insert the following letter of appreciation for the perusal of my colleagues on a job well done by Capt. Jeremiah J. Walsh:

HOUSE OF REPRESENTATIVES,
Washington, DC, July 6, 1988.

Capt. JEREMIAH J. WALSH,
Marine Corps Liaison Officer, Department of the Navy, Washington, DC.

DEAR CAPTAIN WALSH: This is just a note to thank you for the many courtesies which you have extended to me during your tenure with the U.S. House of Representatives Marine Corps Liaison Office.

Your dedication and commitment to the Marine Corps and to the Congress of the United States were consistently demonstrated by your willingness to always get the job done. I congratulate you on your new assignment at the Amphibious Warfare School in Quantico, Virginia, and I am sure that you will bring the same enthusiasm and energy to Quantico that you displayed on Capitol Hill.

It gives me great pleasure to join with your family and many friends in extending my best wishes to you for your continued success in all your endeavors. Semper Fi.

With personal regards.

Sincerely,

BOB MCEWEN,
Member of Congress.

ENERGY AND ANWR

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. YOUNG of Alaska. Mr. Speaker, many of our colleagues are aware of our energy dependence upon other nations, and the fact that the picture is not looking any brighter for the foreseeable future. Nevertheless, legislation before the Congress to open to environmentally sound oil and gas leasing the Coastal Plain of the Arctic National Wildlife Refuge in my district—the State of Alaska—is the bright spot in terms of responding to this growing international threat. Today I submit for the RECORD an article from the Omaha World-Herald, which underscores the need for prompt action by the Congress on this subject. Because of the vast support nationwide for this legislation, I will do this daily.

[From the Omaha World-Herald, July 27, 1987]

OIL EXPLORATION JUSTIFIED IF ENVIRONMENT PROTECTED

Twenty years of drilling for oil in Alaska without any appreciable environmental problems should be enough to show that oil development can exist in harmony with the environment. Congress should keep that in mind as it debates whether to open a small part of the Alaska National Wildlife Refuge for oil exploration.

Federal law prohibits oil and gas development unless the environment is protected. Oil exploration in Alaska's Prudhoe Bay, about 65 miles from the wildlife refuge, has shown that such work can even benefit the environment and wildlife.

Since Prudhoe Bay was opened to oil work, the caribou herd in the area has grown from about 3,000 animals to more than 15,000 animals—a faster rate of growth than some areas without oil development have experienced. The number of muskoxen, birds and fish has remained constant or increased, Interior Department officials report. The increases were accomplished by keeping construction out of sensitive habitat areas, designing pipelines to avoid migration routes and doing most of the construction work during the winter, when some animals hibernate or migrate.

The same kind of precautions could be taken at the wildlife refuge, where less than one-half of 1 percent of the refuge's acres would be affected by the oil work.

A dependable supply of domestic oil is needed to help the United States avoid becoming the target of foreign oil suppliers' attempts to increase the price by restricting supplies. The wildlife refuge has been identified as the outstanding oil and gas frontier remaining in the United States.

Sierra Club officials and other environmental groups have opposed a bill that would allow the development work. Their concern for the preservation of the area is understandable. The refuge is a national treasure that needs to be protected.

But oil exploration doesn't pose the automatic danger that some environmentalists and members of Congress say it does. An environmentally sound oil development plan that would help, safeguard the nation's energy future should be supported.

DROUGHT RELIEF LEGISLATION

HON. ARLAN STANGELAND

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. STANGELAND. Mr. Speaker, the Fourth of July weekend was no holiday picnic for countless farmers, barge operators, utilities, and consumers suffering from the "Drought of 1988." Since no relief from Mother Nature is in sight, Congress must provide some relief of its own in the closing days of the second session.

National attention is focusing on the plight of the farmers and the inland waterway industry—and all for good reason. With record heat and drought conditions, the parched Midwest and Southeast are leaving farmers empty-handed and barge operators high and dry. Aside from personal calamities for individuals and families, the drought presents real threats to our overall economy and national security.

America's rivers, the original and unpaved highways of this Nation, must remain free and clear. Everyone—from the producer to the transporter to the ultimate consumer—loses if these commercial lifelines stop flowing.

And the threat goes beyond economics. National security and water quality are certainly at risk, as well. Fish and wildlife, wetlands and recreational opportunities are all on the endangered list as the drought continues.

The Department of Agriculture, the Army Corps of Engineers, the Coast Guard, and other Federal agencies are working to address the problem. But more needs to be done. In times like these, it is entirely appropriate for Congress to step in and provide additional funds and authorities. We need legislation that is responsive to the crisis and at the same time responsible to the taxpayers.

As a member of both the Agriculture Committee and the Public Works and Transportation Committee, I am aware of current authorities to provide relief to farmers and to the inland waterways. The Department of Agriculture and the Army Corps of Engineers, as members of the Interagency Drought Task Force, are taking a hard look at increased opportunities. We need to get their final recommendations as soon as possible.

In the meantime, I encourage each Member of this body to work with me and others to explore possibilities for a workable relief package. Only through a cooperative effort based on collective knowledge and experience will we be able to ease the suffering and head off further loss.

A HISTORICAL MOMENT FOR MALTA AND THE UNITED STATES

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. FEIGHAN. Mr. Speaker, I welcome the Prime Minister of Malta, Dr. Eddie Fenech Adami, to the United States. While in Washington, the Prime Minister will meet with President Reagan and Members of Congress. The purpose of Dr. Fenech Adami's visit to this country is to reinforce and expand the ties between the United States and the Republic of Malta.

Since the Prime Minister's electoral victory in May 1987, the Government of Malta has attempted to maintain good relations with all states, but more importantly, is seeking the right conditions for membership in the European Economic Community and closer ties to the United States.

In just over a year, Malta has incorporated the European Convention of Human Rights into its laws and has ratified international conventions to strengthen and protect individual human rights. The current government has adopted a program of national reconciliation to help heal political wounds with the opposition and has enacted legislation to redress past injustices. Finally, there is a marked increase in the coincidence of Malta's voting pattern in the United Nations General Assembly that is friendlier to the West and the United States.

Mr. Speaker, I urge my colleagues to welcome Prime Minister Eddie Fenech Adami to the United States and to support his determination to restore the traditional friendly ties and expand economic relations between our two countries.

THE PLIGHT OF THE RODOS FAMILY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. ACKERMAN. Mr. Speaker, I rise to express a feeling of frustration in the plight of the Rodos family, Soviet Jews whose repeated appeals to emigrate from the Soviet Union have been denied. Although many well-known refuseniks have been granted exit visas within the last 2 years such as Ida Nudel, Yosef Begun, and Natan Shcharansky, there are over 50,000 remaining refuseniks in the Soviet Union, including 1,700 who have wanted to emigate since 1977.

The Rodos situation is particularly distressing. Victor Rodos is an electrical engineer in Moscow who initially applied for an exit visa for himself and for his family in October 1987. The family was denied permission to emigrate in February 1988, ostensibly due to Victor's access to state secrets more than 12 years ago. Upon graduation from the Moscow Aviation Institute in 1972, Mr. Rodos began working at the Soviet defense industry where he was employed until 1976. Mr. Rodos subsequently worked in civil construction, a job involving no security clearance, until his employment was terminated in May 1988. Although access to state secrets is frequently used by the authorities as an excuse to deny exit visas, it is unlikely that Mr. Rodos worked with sensitive information as a recent university graduate. Moreover, over a decade has passed since his association with the Soviet defense industry; the significance of any dated sensitive information would be of questionable value.

Elena Rodos is the mother of two boys, ages 10 and 3. The Rodos family have a modest dream—the desire to raise their children as Jews free from any religious presecution. Tragically, I have just been informed that the Rodos family has again been denied a request to emigrate and were told not to reapply until 1997. I find this situation totally unacceptable. I recently initiated a letter signed by all members of the New York congressional delegation, appealing to General Secretary Gorbachev on behalf of the Rodos family. Unfortunately, no official Soviet response has been forthcoming.

The aspiration for religious freedom is at the very foundation of the American dream. Therefore, I firmly believe that Americans have the moral imperative to champion this basic human right. Americans must speak out forcefully in support of religious freedom; an international call to conscience must be made.

I make this appeal for the Rodos family as part of the Call to Conscience, a weekly appeal to the Soviet Government by Members of Congress via floor statements and correspondence on behalf of refuseniks. The Soviets must understand that the United States has adopted the cause of the refuseniks and their quest for religious freedom.

Although the relaxation of emigration restrictions on some of the more well-known refuseniks has been encouraging, we must recognize that there has been no significant improvement in the human rights situation in the U.S.S.R. The Rodos case is indicative of that of the multitude of Soviet Jews who yearn for religious freedom.

Only time will reveal the true intentions of Mikhail Gorbachev's policy of glasnost. For most Soviets, it may represent a genuine relaxation of tight control. However, for Soviet Jews, glasnost may represent little more than a facade under which oppression and abuse continue unabated.

I appeal to the Soviet leadership to allow the Rodos family to emigrate. Moreover, I pray for the day when the U.S.S.R. will allow all Soviet Jews who wish to emigrate, permission to do so. I will neither rest nor tire until that day comes.

THE INTERNATIONAL FUND FOR IRELAND

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues correspondence with the Agency for International Development regarding allegations raised about the activities of the International Fund for Ireland and Northern Ireland.

As the primary international supporter of the International Fund for Ireland [IFI], the United States has a strong interest in its operations and practices. U.S. law authorizing the disbursements of economic support funds for the IFI, states that these funds should "be distributed in accordance with the principles of equality of opportunity and nondiscrimination in employment, without regard to religious affiliation." This legislation also directs that these funds be used to improve the economic conditions of the most disadvantaged groups in Northern Ireland.

The reply by the Agency for International Development [AID] addresses concerns raised by the Council of Presidents of Irish-American Organizations regarding policies and programs of the Fund.

Included below are: a March 16, 1988, letter from the Council of Presidents of Irish-American Organizations to House Foreign Affairs Committee chairman, DANTE FASCELL; my May 24, 1988, letter to AID; AID's June 27, 1988 response. Not included is a longer preliminary report on the Fund prepared by the Irish-American Unity Conference. This report accompanied the council's letter to Chairman FASCELL and my letter to AID.

The correspondence follows:

CONGRESS OF THE UNITED STATES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, May 24, 1988.

Hon. ALAN WOODS,
Administrator, Agency for International Development, Washington DC.

DEAR MR. ADMINISTRATOR: A letter to members of Congress from the Council of Presidents of Irish-American Organizations regarding the International Fund for Ireland (IFI) was recently referred to the subcommittee.

In the attached letter, the Council raises many serious allegations about the management and activities of the International Fund. I would appreciate your comments on this letter.

Specifically, I ask that you address allegations that:

Funds are not being used in a manner consistent with the intent of Congress, namely the promotion of improved economic conditions for the most needy, job creation, and the elimination of religious discrimination;

IFI projects are reinforcing discrimination against Catholics and solidifying their economic isolation;

Funds are being wasted;

Review and evaluation of the use of funds is inadequate; and

The structure of the Fund is fundamentally flawed, as it relies on the agencies responsible for past discriminatory policies to implement new programs.

I appreciate your consideration of this matter and look forward to your prompt reply.

With best regards.

Sincerely yours,

LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East.

COUNCIL OF PRESIDENTS OF
IRISH AMERICAN ORGANIZATIONS,
March 16, 1988.

Representative DANTE FASCELL,
Chairman, House Foreign Affairs Committee, House of Representatives, Washington, DC.

DEAR REPRESENTATIVE FASCELL: In June of 1986 Congress initiated appropriations for the International Fund for Ireland. This Fund came into effect in September of that year and to date America has provided $85,000,000, and another $35,000,000 is due to be forwarded during the current year. As you know, the purpose of this Fund was to promote economic development in the north of Ireland and in border counties so as to insure the prosperity enjoyed by a broader section of the community.

After a careful review of the first annual report of the Fund issued in January of 1988 and on-site visits by a number of our representatives, we have concluded that the American contribution to this Fund is not being used as Congress intended. Moreover, fears that we expressed in 1986 in the discussion around the establishment of the Fund and the American contribution to it appear to be coming to fruition. We have concluded that this money is being used to reinforce discrimination against Catholics and to solidify their economic isolation.

A summary list of our analysis, questions and recommendations is attached. A recent visit with the American observer to the Fund has done nothing to allay our fears that the funds are being misused. Our concerns are not simply with the misuse of the funds with respect to programmatic waste but also in the very design of the Fund, and the review and evaluation of funds to be distributed. The specific complaints which we have documented in the report also underscore the fact that the structure of the Fund is fundamentally flawed as it employs the very agencies responsible for implementing and sustaining anti-Catholic discrimination.

We believe the intend of Congress is being ignored and the goodwill of the American taxpayer is being usurped. We ask that any further appropriation to this Fund await a more complete examination and audit by the General Accounting Office of the funds expended and the programs denied funds. We ask for a meeting with you to further explain our concerns and formally request Congressional hearings into this matter so that any further investment of American funds serves to promote peace and prosperity for Ireland and not reinforce the very tenets of partition.

Thank you for your consideration of our request. In response please contact Elizabeth Logue, National Secretary of the Irish American Unity Conference at 201-444-4786 or at the address below.

Sincerely,
John Finucane, National President, American Irish Political Education Committee, Malloy Building, Suite 201, 2 North Liberty Drive, Stony Point, New York 10980; Rachel Hoffman, National President, American Protestants for Truth About Ireland P.O. Box 357 Gwynedd, PA 19436; Nick Murphy, National President, Ancient Order of Hibernians, 22 London Terrace, New City, New York 10956; Robert C. Linnon, Ph.D., National President, Irish American Unity Conference, P.O. Box 7609, Washington, DC 20044; Martin Galvin, Publicity Director, Irish Northern Aid, 299 Broadway, Suite 1400, New York, NY 10007; Kathleen Holmes, Chairwoman, American Irish Congress, P.O. Box 8, Lynbrook, NY 11563; Gerard L. Keogh, Esq., Brehon Law Society, 99 Wall Street, New York, NY 10005.

AGENCY FOR INTERNATIONAL DEVELOPMENT,
Washington, DC, June 27, 1988.

Hon. LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East, Committee on Foreign Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This is in reply to your letter of May 24, in which you request comments on certain allegations made by the Council of Presidents of Irish American Organizations in relation to the International Fund for Ireland.

I would like to respond point by point to the specific allegations that you have listed in your letter.

1. "Funds are not being used in a manner consistent with the intent of Congress; (a) namely the promotion of improved economic conditions for the most needy, (b) job creation, and (c) the elimination of religious discrimination."

a. ". . . The promotion of improved economic conditions for the most needy . . ."

The legislation states that: The U.S. contributions "may be used only to support and promote economic and social reconstruction and development in Ireland and Northern Ireland . . ." While the legislation does not expressly target the most needy, the IFI Board has interpreted its mandate to include the whole of Northern Ireland and six border counties of Ireland. Within this geographic boundary, that has been particularly affected by instability, the Board established key program areas, which were designed to secure lasting economic benefits. Although these programs apply throughout the entire area covered by the Fund, special consideration is given to project proposals from particularly disadvantaged locales.

The IFI Board is very conscious of the needs of areas of greatest deprivation. It has already supported a number of projects in such areas as North and West Belfast, Derry and Newry. It has also conducted consultations with community leaders in these deprived areas to encourage the identification and development of projects which would be appropriate for Fund support. At the June Board meeting, a strategy to assist the most depressed areas we fully discussed. Thus, the Fund has and will continue to give increased attention to these areas and to people in need, thereby supporting and promoting economic and social reconstruction and development in Ireland.

b. ". . . Job Creation . . ."

The Fund has accepted that job creation is an important element of IFI financed projects. The Fund has sought to create long-term viable employment rather than short-term jobs. It has tailored its programs to avoid duplication with existing job creation programs of government agencies from both jurisdictions.

Projects already approved by the Fund have resulted in new jobs. Of the $23.71 million commiitted by the end of April 1988 (excluding the $17.6 million for the investment companies), the projections of new jobs are as follows: 1,474 long-term jobs and 588 short-term/construction jobs. The indirect employment created by ancillary activities associated with Fund-financed projects will be significantly higher. Jobs will also be generated through the investment companies. A recent decision by the Northern Ireland investment company to approve a U.S.-Irish joint venture ($450,000) will create more than 200 new jobs. Thus, the Fund has and will continue to give emphasis to job creation as an important element of its projects.

c. " . . . Eliminate Religious Discrimination . . ."

The Anglo-Irish Agreement Support Act of 1986 states that disbursements for the International Fund should "be distributed in accordance with the principles of equality of opportunity and nondiscrimination in employment, without regard to religious affiliation."

Visits to the Fund, project site visits, and review of documentation by A.I.D. Officials and the U.S. Observer to the Fund affirm that the Fund has adhered to these requirements. A.I.D. has every confidence in the Board. The existence of the Fund into created unparalleled opportunities for constructive dialogue and collaboration between agencies and communities on both sides of the border.

The Board, Secretariat, Advisory Council and the program teams are equally represented by Northern Ireland and Ireland officials. The cross-community composition of these management units insures that no religious discrimination takes place. This is further strengthened by all grantees having to agree to the following: "Acceptance of a grant or loan under this scheme will be deemed to signify the applicant's acceptance of the principle of equality of opportunity and nondiscrimination in employment with regard to religious affiliation and that the applicant will be expected to use the money in accordance with this principle." The geographical spread of approved projects in the target area also demonstrates that the needs of both religious communities are being addressed.

Thus, the Fund is extremely careful that its resources are and will be distributed in an equitable fashion and completely free of any possible religious discrimination. In this way, the Fund is endeavoring to contribute to the elimination of religious discrimination.

2. "IFI projects are reinforcing discrimination against Catholics and solidifying their economic isolation."

There is no evidence to support this conclusion. As mentioned above, the Fund's underlying operating principles include equality of opportunity and religious nondiscrimination. All Fund officials from both jurisdictions emphatically hold to these principles.

Fund policies and procedures have been established to attract and to approve viable project proposals from all communities. As mentioned above, the Fund has taken measures to explore with leaders of the more depressed communities what more the Fund might do to help. These discussions have taken place in areas such as West and North Belfast (where a high proportion of Catholics reside).

Some of the programs are helping in areas of high unemployment. The Business Enterprise Program, for example, has supported four local enterprise projects in West Belfast ($1.5 million), two similar projects in areas of North Belfast contiguous to West Belfast ($.4 million), a center in Derry ($.8), and a cooperative in Newry ($37,000). All of these projects are designed to encourage small business development through the provision of suitable incubator accommodation and advisory services. The Fund is also working with groups such as the West Belfast Development Board to help increase economic activities in this depressed area and to take measures to increase the inflow of private investment and industry.

Thus, the Fund is endeavoring through its fair and equitable approach, to ensure no discrimination or economic isolation of any religious group. Quite the contrary, the Fund is committed to financing viable activities which contribute to long-term sustained economic growth particularly in those areas of greatest deprivation.

3. "IFI funds are being wasted"

We understand concerns have been raised that the IFI funds being wasted by sending people to other countries for training programs and by supporting urban development projects in small towns. Further clarification of the rationale and implementation of these programs show that U.S. taxpayers' money is not being misused.

Overseas training is conducted largely under the Wider Horizons Program. The program was established in response to a specific mandate within the agreement to authorize the Fund. The enabling language calls for: ". . . contact, diaglogue and reconciliation between nationalists and unionists throughout Ireland and to provide wider horizons for people of both traditions in Ireland including opportunities for industrial training and work experience overseas."

Furthermore, the Agreement with Canada requests the Fund: "to establish a Youth Training and Exchange Program which would: build knowledge and understanding of diverse societies and outlooks by bringing together young people from Ireland and

Canada in practical living and work experience situations."

The Wider Horizons Program not only encourages the learning of valuable and relevant new technical skills, but provides the opportunity to be exposed to a less provincial outlook by practical work experience, training and vocational education overseas. It seeks to correct the traditional insularity of residents of Ireland, north and south, through the creation of opportunities for persons from both traditions to work together off the island in European or North American locations. All projects supported by this program involve not only cross-community participation (in Northern Ireland) but also cross-border participation. Reconciliation activities are an important part of this unique program. Extensive pre-training orientation and post training activities emphasize the development of close personal and working relationships between all participants and a focus upon the social and political differences in Ireland. It is estimated that the program will allow 4,000 people to benefit from overseas visits and exchanges.

The Fund is also supporting urban development projects in small towns. It believes that to varying degrees, these towns all face serious economic problems affecting both communities. Many of their populations are mixed Protestants and Catholic and the jobs created by the Fund will benefit both communities. The program seeks to revitalize the commercial centers of small towns where both communities interact on neutral ground.

An A.I.D. team recently visited Ireland to review the program of the Fund. They found the criteria for project selection to be clear, the assessment of projects to be extensive, and the decisions made on approved projects to be justified. While the team looked extensively at the programs about which there had been some criticism, it concluded that activities financed by the Fund contributed to the economic and social development of the Fund's geographical target area.

4. "Review and evaluation of the use of funds is inadequate."

The IFI has set up a comprehensive appraisal and approval system. The Board has agreed upon criteria for project assessment and delegated authority to its program sector teams, composed of technical officials from both jurisdictions, to review and make recommendations for Fund approval. Well-qualified officials, with equal representation from Northern Ireland and Ireland, participate fully in review and approval procedures. Thus, the review process is extensive and cannot be judged as inadequate.

The evaluation process is not as yet developed, as the projects financed by the Board have only recently commenced. Project activities have not advanced sufficiently to warrant formal evaluation. Meanwhile, in accordance with the monitoring system, the program teams periodically visit ongoing projects to ensure they are being properly implemented. Thus, we believe the Fund's review procedures are adequate and its monitoring process quite comprehensive. The formal evaluation process is being established now that project activities have commenced.

5. "The structure of the Fund is fundamentally flawed, as it relies on the agencies responsible for past discriminatory policies to implement new programs."

The question is framed in such a way as to presume that the Fund is working with agencies that have conclusively practiced discrimination. We have no evidence that this is true. The Fund has, on the other hand, set up systems which provide for an extremely wide appraisal and monitoring net. Approval decisions are made upon clearly specified criteria by Fund management units with cross-community participation and equal representation by Northern Ireland and Ireland officials. Officials for each of these units have been chosen for their professional competence, personal integrity and their commitment to Fund principles. Any hint of discrimination would be addressed immediately.

We have over the past months been asked questions about the Fund which deal with many of the issues raised by your letter and the attachment. We are enclosing for your information some of our responses.

It is our conclusion that, in general, the Fund is progressing satisfactorily and is operating in a manner consistent with the intent of the authorizing legislation.

We will, as you are aware, be preparing the FY 1988 Annual Report to Congress on the International Fund for Ireland which is submitted in September 1988, and will provide additional information on the progress of the Fund and their projects.

If you have further questions regarding the operations of the Fund, please do not hesitate to contact me.

Sincerely,

ALAN WOODS,
Administrator.

A TRIBUTE TO VFW POST NO. 65 OF ROSEDALE, MD

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mrs. BENTLEY. Mr. Speaker, It is with great honor and respect that I salute the Adm. Winfield Scott Schley VFW Post No. 65 of Rosedale, MD, during the occasion of its 75th anniversary.

In the past I have stated that veterans are one of America's greatest treasures; indeed the members of this outstanding post are no exception. Too often people forget about our vets; that's why I thank God for any organization which attempts to right this wrong. Post No. 65 has over the past three-quarters of a century established an exemplary reputation in terms of fighting for the rights of those who fought for our Nation. Consequently I am very proud to retell the history of this great Post here.

The Adm. Winfield Scott Schley VFW Post was named for the hero of the Battle of Santiago during the Spanish-American War. It was first organized by veterans of that war in 1899, thereby making it the oldest veterans organization in Maryland. When the Veterans of Foreign Wars was founded in 1914, the post became the oldest in the State and the 65th oldest VFW post in the country. A year later the ladies auxiliary to the post was founded, making it the oldest veterans auxiliary in Maryland.

Post No. 65 has been the mother VFW post in Maryland during its years of existence. At one time it had an active membership of over 1,500 veterans. In addition, many of these vets started other post organizations. It was also the first post to honor veterans of the Civil War, a tradition that endures until this day.

Mr. Speaker, I urge you as well as all my colleagues to join me in saluting Mr. Harry R. Correa, Jr., post quartermaster, as well as all the other members for being part of such a winning team. I love America's veterans—each and every one—and I wish to commend the Adm. Winfield Scott Schley Post No. 65 for all the good it has done during its many years of existence.

TRIBUTE TO JOHN (CHICK) DONOHUE

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. GARCIA. Mr. Speaker, I rise today to pay tribute to John (Chick) Donohue of the Bronx in New York City.

Chick and I both grew up in the South Bronx and have known each other for many years. He is a strong supporter of unions and a member of the sandhog union in New York. We have worked together with union leaders and activists such as Richard Fitzsimmon and Phil Smith. As a sandhog, Chick has for many years and for many long hours worked in the city's water tunnels. In addition, he has the distinguished honor of being a former marine.

This alone would be sufficient reason for the recognition I want to give my friend Chick today. But I am moved particularly by a more recent accomplishment. Chick Donohue has completed the requirements at Harvard University's John F. Kennedy School of Government for the degree of masters in public administration. This by a man who dropped out of Rice High School in Harlem years ago and today has a family living in the Bronx. Not only did he continue his ethic of working long hours late into the night at Harvard, but he carried with him his belief in unionism to Harvard where he played a vital role in organizing the Harvard Union of Clerical and Technical Workers.

I have enclosed a recent newspaper article reiterating Chick's achievements. I commend it to all of my colleagues. It is a true success story. It is a story about one person's devotion and determination to improve himself, to set an example for his family and colleagues, and to move forward in life with his convictions and beliefs in the labor movement. I trust that Chick will put his new degree to use to continue these goals. I join Chick's many friends to congratulate him for his recent accomplishment.

A SANDHOG AMID THE IVY

(By Dennis Duggan)

CAMBRIDGE, MA.—John (Chick) Donohue lifted a glass of champagne amid the tears of joy and gales of laughter in the yellow-and white striped tent at Harvard yesterday, then the Bronx sandhog just quipped, "I finally snuck under the tent."

"God Bless America," said Donohue tossing down the bubbly. "It's a great country."

The 46-year-old sandhog, who works in water tunnels, wore his brown hardhat, to which he had attached an orange pro-union balloon, and passed out union pins before being graduated with 413 classmates from the John F. Kennedy School of Government.

"Hiya brother," Dohohue shouted cheerily to his admirers as he marched onto the rain-splattered JFK Memorial Park alongside the Charles River to receive his diploma.

His classmates smiled, his friends cheered, and his family, including his wife, Terri, and their two children, Audra, 12, and Brian, 14, cried and tried hard to take the event in stride.

Donohue's diploma states he is a master in public administration. But what it doesn't say is even more interesting.

It didn't say, for instance that Donohue was a high school dropout from Rice High School in Harlem or that he worked long tough hours hundreds of feet below the earth's surface or that he was an ex-Marine.

Nor did it say how his family endured financial hardship and the absence of a father during the past year to help Donohue's dream of going to Harvard come true.

But as proud as Donohue was of his newly minted diploma he was not about to forget that he is an ardent unionist and a member of the sandhogs union in New York.

"I am always going to be a sandhog. Just like George Meany who said that he was always going to be a plumber." He said he doubts he will go back to working as a sandhog and is hoping to bring his academic learning out to the frontlines of trade unionism.

And even though he is proud of his Harvard diploma, he couldn't resist taking a shot at what he can now call his alma mater.

"This university is antiunion," he said referring to the school's efforts to overturn the results of a vote last month to allow the unionization of the school's 3,700 clerical and technical workers.

In a close election, the workers voted for a union, and Donohue, studying into the wee hours every night, still found time to help organize and win the election for the Harvard Union of Clerical and Technical Workers.

On his graduation gown he had pasted a sticker that read "It's not Anti-Harvard to be Pro-Union," And though he shunned the spotlight, ("I don't want credit for the new union," he said) Kevin Callwood, a fellow classmate said "Don't believe that for a minute. He worked damn hard for that union."

Callwood, from Washington, looked admiringly at Donohue and said: "He took this place by storm. I really admire him. I know how hard he struggled just to get here but he never once complained. Chick to me is an example of a true public servant."

His wife, Terri, said there was no question about Donohue's taking time off to go to Harvard. It cost us at least $50,000 including $20,000 for his tuition and books," she said. "We took a second mortgage on our house on 235th Street, the kids did without some things.

"But I knew Chickie could do this, and we stood behind him all the way even though it took more money and more effort than we ever dreamed it would."

His daughter, Audra, a seventh-grade student at St. Barnabas in the Bronx, clapped her hands with glee when Donohue arrived at the family table in the tent he said he had "snuck under."

"I got that line from a book about Tip O'Neill, [former U.S. House Speaker Thomas P. O'Neill Jr.] he said. When Tip worked here cleaning the yard he used to see the students drinking champagne at these exercises, and he said that someday he was going to sneak under one of those tents."

At Harvard, Donohue got a lot of help from Mary Naus and Betty Miele who typed his papers. "Chick was a breath of fresh air around here," said Miele who is also secretary to the school's academic dean.

"Around here, if you don't have a lot of degrees people tend to look down on you. But Donohue was not one of those or an elitist. He is a very smart guy who also happens to have street smarts and boy, are we going to miss him."

CELEBRATING THE 225TH ANNIVERSARY OF FILIPINO AMERICANS' PRESENCE IN THE UNITED STATES

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. LOWRY of Washington. Mr. Speaker, the week of the anniversary of our Nation's independence is an excellent time for us to be reminded of the 225th anniversary of the Filipino presence in the continental United States. Today, I am inserting into the RECORD a resolution on this important milestone that was adopted by the board of trustees of the Filipino American National Historical Society in Seattle, WA.

Filipino Americans are a unique cultural and racial group of Asian Americans who number approximately 1.25 million in the United States. In the United States persons of Filipino ancestry are citizens by birth or by naturalization, permanent residents, or are resident aliens. The Filipino American heritage, rooted in the traditions of the Philippines, has been shaped and molded by the experience of Filipinos in the United States.

Filipino Americans, or Pinoys, are a diverse people. They include the immigrant, Philippine-born, first-generation old timers; U.S. permanent residents since the 1920's; newtimers whose ranks have burgeoned since the 1965 amendments to the restrictive Immigration Nationality Act of 1924; and the much overlooked, American-born Pinoys. This last group ranges from newborn babies to great-grandparents up to the 10th generation. Because they are of mixed white, Indian, Mexican, other Latino, black, and other Asian and Pacific parentages, their Filipino ancestry is not always readily known.

Filipino Americans have added greatly to our national culture in the arts, the humanities, the sciences, politics, the helping professions, and other key areas of endeavor. Biased immigration laws and discriminatory practices inhibited and undermined these efforts. In celebrating the 225th anniversary of the Filipino presence in the continental United States, we should seek to learn more about the history and culture of these important Americans. We should also rededicate ourselves to ridding our Nation, finally and completely, of the cancer of inequality and the injustice of racial discrimination and bias.

The resolution follows:

A RESOLUTION

Whereas, it has been documented that Filipinos were the first Asians to settle permanently in the continental United States, specifically in the State of Louisiana as early as 1763, by way of the Manila galleon trade between the Spanish colonies of Mexico and the Philippines from 1565 to 1815;

Whereas, although the Manila-Acapulco galleon trade is documented in Philippine colonial history, the Philippine-United States connection was not popularized until Marina Espina's recent scholarly research on the descendants of those Spanish-speaking Filipino seamen in New Orleans (commonly known as "Manilamen" and "Filipino Cajuns") had substantiated and cemented the Filipino presence in Early American history, thus, making a significant contribution of substantive knowledge to American history and Asian American studies;

Whereas, the documentation of subsequent arrivals of Filipinos from the Philippines to the Continental United States during the eighteenth and nineteenth centuries constitutes a monumentally historical discovery which significantly extends the time-line of Filipino American history well beyond its previously recognized post-World War I starting point;

Whereas, citizens and residents of Philippine descent number more than one million to make up the largest Asian/Pacific American ethnic group in the United States; and

Whereas, 1988 will mark the two hundred and twenty-fifth anniversary of the Filipino presence in the Continental United States; Now, therefore,

Be it resolved, That the members of the Board of Trustees of the Filipino American National Historical Society have designated the Year 1988 as a year-long national observance of the Two Hundred and Twenty-Fifth Anniversary of Filipinos in Continental United States;

Be it also resolved, That the Filipino American National Historical Society shall appeal to all Filipino Americans and Filipino American organizations throughout the United States to join in this celebration by uniting in a common purpose to promote understanding, education, enlightenment, appreciation and enrichment through the identification, gathering, preservation and dissemination of the history and culture of Filipino Americans in the United States; and

Be it further resolved, That the Filipino American National Historical Society shall petition federal, state, county and municipal governments, schools, colleges, universities, libraries, archives, museums, churches, corporations, businesses, concerned institutions, and media throughout the United States to lend their resources and energy to promote this Two Hundred and Twenty-Fifth observance as an occasion for all Americans to learn and appreciate more about Filipino Americans and their contributions to our nation.

Adopted by the Board of Trustees, Filipino American National Historical Society, February 21, 1987, Seattle.

FRED CORDOVA,
President.

SIXTEEN OUTSTANDING YOUTHS

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. WELDON. Mr. Speaker, I would like to take this opportunity to recognize 16 outstanding youths and two inspirational adults from my district. This group comprised the National Championship team of the Science Olympiad. The Science Olympiad competition is a series of scientific challenges in which the students can compete.

The 16 youths from Haverford Senior High School in Havertown, PA, include seniors Sean Brennan, Marek Gootman, Jon Melman, Brian Stoltz, Mike Strieb, Eugene Tang, Gary Ventriglia, Mike Vichnin, and juniors Papatya Bucak, Anthony Doe, Andy Kresch, Eric Rescorla, Mitch Ross, Nhat Tran, Erica White, and Jessica Wolf. The capable and creative students along with coaches Roger Demos and Alicia Peterson deserve credit for their outstanding efforts and achievements.

Last March, the team competed in the regional competition of the Science Olympiad earning five gold medals, one silver medal, and one bronze medal. At the State competition on April 15, 1988, the Haverford team pulled together once again and came out victorious with seven gold medals. Finally, pooling their efforts, each member of this group made a significant personal accomplishment as well as an outstanding academic achievement. On May 21, 1988, the Haverford High School team became the National Champions of the Science Olympiad.

I would like to commend these youths on a fine group, and individual, achievement. They did a great job representing their school, the Seventh district, and the State of Pennsylvania by meeting the challenges and becoming the National Champions of the Science Olympiad.

JUST WHAT IS THE DEFINITION OF AN AMERICAN COMPANY?

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. FRENZEL. Mr. Speaker, printed below is an article by Norman L. Dobyns of Northern Telecom which discusses the difficulty of determining the definition of an American company. He points out that there are many inconsistencies in our laws that sometimes discriminate against foreign-owned countries in the United States some of which may provide more jobs and use more locally produced products than U.S.-owned companies.

The message of Mr. Dobyns should be carefully considered when we consider protectionist legislation, or when we take positions which provide for less than national treatment for foreign-owned countries operating in the United States.

The article follows:

[From Across the Board, February 1988]

MORE OR LESS AMERICAN MULTINATIONAL COMPANIES

(By Norman L. Dobyns)

As one born in the shadow of Spencer's Mountain (which became Walton's Mountain in the television series) and raised in rural Virginia in the 1930s, I grew up believing in America as an isolated community. Everyone I knew was an isolationist, a protectionist, and an America-Firster. We raised and grew what we needed; to us, free trade meant buying our staples on the cuff at the general store.

I can vividly recall the publication, more than four decades ago, of Wendell Willkie's book One World, a plea for international cooperation that galvanized all of us jingoists and protectionists into fervent denunciation of "one-worlders."

The debates I grew up with centered on the isolationists and protectionists versus the one-worlders. Now, in 1988, the debate is much the same, but the world is different. In political and diplomatic terms, one world has never been more than a dream. But in economic and financial terms, global trading and investment have created a one-world marketplace.

Economic nationalism and jingoism won't lead to an understanding of that kind of marketplace. Rational decisions on trade policy simply do not permit hostile attitudes to multilateral cooperation. Congress must come to an understanding not only of the global marketplace, but also of the internationalization of business. Our lawmakers cannot continue to rely on definitions of corporate nationality that bear no relationship to the real world.

To promote U.S. exports and competitiveness, the Government wants to grant special support and targeted assistance to selected U.S. companies, to favor them over "foreign" companies. Fair enough; that is what Government is supposed to do. But how do we determine in today's complex mix of interlinked corporate structures who is "U.S." and who is "foreign"? It is far from a simple question, and there is virtually no help in Federal statutes.

Any policy that defined Northern Telecom as a non-U.S. corporation undeserving of Government support, for instance, would attract vehement resistance from the tens of thousands who either work for the company or are economically tied to it in our plant communities and in the markets we serve.

In marketplace terms, foreign is as foreign does. So I would propose a definition that embraces the full scope and range of a corporation's presence.

To start, let's agree that stock ownership or corporate ownership is too narrow a definition. A company's nationality is a more complex mix of characteristics than the geographic spread of its ownership reflects. We must also look at factors such as where the company is incorporated or chartered; the citizenship of its managers and employees; and the distribution of its capital investment by geographic area. We must look at the number of employees and the number, size, and nature of the company's facilities in each area; the amount of continuing and projected investment in each country; the taxes the company pays to Federal, state, and local governments; its contributions to community charitable, cultural, and educational activities; its contribution to exports and whether the company complies with host-country import and export regulations abroad, and the source, reinvestment, or repatriation of the firms's profits. We need to look, too, at corporate behavior on such issues as global sourcing and product content.

Taken by itself, ownership may in fact disguise the true nationality of a company that contributes massively to the United States' economic well-being, and may distract policy-makers from making critical assessments of companies whose management decisions actually deprive the United States of economic benefit.

If we are going to abandon our policy of "national treatment," which grants foreign companies the same trading privileges in the United States as domestic firms—a guarantee against discriminatory restrictions—we need to create new definitions to distinguish among marketplace participants. We need to develop more precision in determining who will be treated "nationally."

What is an American company, for example, when we adopt "Buy American" provisions? What is an American consumer product when General Electric sells its consumer electronics operations to Thompson of France? What is an American computer when Bull of France and NEC of Japan own a formerly American-owned computer manufacturer? Which company is a U.S. telecommunications company: ITT, which sold nearly all its worldwide telecommunications manufacturing operations, including those in the United States, to a French company? Or GTE, which allied with West Germany's Siemens Company and Fujitsu of Japan? Or Northern Telecom, a Canadian-owned company, which is the only major telecommunications equipment manufacturer still producing telephone sets in the United States?

AT&T is said to be a U.S. company, but it is allied with equipment producers throughout Europe and Asia, and it no longer produces residential telephone sets in the United States. This is important, because most of the U.S. trade imbalance in telecommunications equipment is in telephone sets. So a company perceived as American is partly responsible for our trade imbalance in telecommunications equipment.

There are multiple references to "foreign" in the U.S. Code, but no specific definition of the word. Who or what is foreign in legal terms depends on whether we are addressing a company's citizenship, incorporation, stock ownership, product content, or location. A typical definition labels a company as "foreign" when more than 20 percent of its owners are not U.S. citizens.

The most restrictive statutes include provisions on U.S. citizenship, state of incorporation, principal place of business, nationality of stockholders, nationality of management, control, and stock ownership. Among them are:

The Foreign Assistance Act of 1969/Overseas Private Investment Corporation (OPIC);

The Federal Communications Act of 1984;

The Armed Services Procurement Act of 1974;

The Merchant Marine Act of 1920 and Shipping Act of 1916;

The Atomic Energy Act of 1954; and

The Deep Seabed Hard Mineral Resources Act.

A number of statutes do not include provisions defining U.S. citizenship or dealing with nationality of management and nationality and ownership of stock. Provisions in these statutes are sufficiently broad to be less restrictive to foreign firms. A few examples:

The Export Trading Company Act of 1982;

The Export Administration Act of 1979;

The Foreign Agent Registration Act;

The Mining Act of 1972;

The Mineral Lands Leasing Act;

The Geothermal Steam Act of 1970;

The Foreign Corrupt Practices Act of 1977; and

The Securities Investor Protection Act of 1970.

Each of these statutes takes a somewhat different approach to foreignness, depending on whether one is a principal owner of stock, a broadcasting executive, a defense contractor, a mariner, a contractor of nuclear facilities, or a miner. In all these private-sector ventures, it is the obvious intent of U.S. law to restrict the commercial activities of so-called foreign participants.

But provisions in some other statutes are more broadly applicable, and restrict the activities of few, if any, private-sector participants. Generally, the less restrictive statutes reflect the interests of our lawmakers in promoting international trade.

The relevant statutes go back to the 1920s: their inconsistencies make it apparent that lawmakers have been ambivalent about foreignness for some time, depending on the issue and the mood of the times. The mood recently has made it likely that they will return to the restrictive approach of the 1930s.

This is precisely the wrong time for Congress to be considering protectionist legislation, and it is precisely the wrong time for our trading partners to plan for protectionist responses if Congress adopts protectionism as a national policy. The current economic nationalism in Washington places the world's economy in jeopardy. One component of that economic nationalism is a flawed understanding of foreignness. I am certain that Congress would move quickly away from protectionist proposals if our lawmakers understood who in this country is helped and who is hurt by them.

Congress needs to be able to assess the costs and benefits of proposed legislation from the perspective of new forms of corporate nationality. Perhaps the role of the Congressional Budget Office should be expanded to include a capability to assess both the flow of trade and investment worldwide and the corporate decisions that bear on global competitiveness. Perhaps the President should appoint a commission on global trade and investment to direct media and public attention to the dire consequences of pursuing national trade policies without understanding what is really happening in the world marketplace.

Every U.S. policy-maker today is committed to promoting economic competitiveness. But how do we do that when the budget deficit is funded by foreign investment? How do we do that when the U.S. petroleum industry is basically in the import business? How do we do that when U.S. auto-makers manufacture cars abroad for export to the United States, or when Japanese automakers manufacture cars in the United States for export to Japan? Or when IBM imports products that it cannot make cost-effectively here? So which company is more American: one with 60 percent of its employees in the United States but owned 80 percent by foreigners, or one with 20 percent of its employees in the United States but owned 80 percent by Americans?

Associations and coalition groups that persist in denying membership to "foreign" companies in order to promote the interests of U.S. companies will surely become anachronisms in a world trading environment dominated by new MNCs. Private-sector business organizations that deny participation in public policy formulation to the overwhelmingly successful entities in their industries will themselves soon become irrelevant to the trade debate.

Similarly, the U.S. Government's approach to trade is no longer rational. Only U.S. companies can be members of the Industry Sector Advisory Committees (ISACs). So the Government tends to hear mostly from domestic protectionists and special pleaders, not from successful MNCs whose products dominate world trade in their industries and whose investments provide employment and economic growth in the United States.

For example, Northern Telecom is denied the opportunity to participate in ISAC 5, the industry advisory committee on telecommunications. The U.S. Government contents itself with advisories from supposed U.S. telecommunications companies, some of which no longer produce in the United States, and from companies it defines as U.S. companies but that are linked in a subordinate role to French and German equipment producers. We at Northern Telecom have installed more digital switches in the United States and in the world than any other producer—but we are not permitted to advise the Department of Commerce.

WARWICK, NY'S BICENTENNIAL

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. GILMAN. Mr. Speaker, this month the town of Warwick, in Orange County, NY, is commemorating the 200th anniversary of its establishment with appropriate festivities.

The town of Warwick was initially a rich agriculture producing region and these farming interests continue in the town today. The famous "Black Dirt" region in the Wallkill River valley remains one of the Nation's leading producers of onions and truck vegetables.

During Revolutionary times, the town of Warwick was a center of patriot activity and some of the original settlers of Warwick are still remembered today because of their contributions to the cause of American freedom. The Wisner family, the Burt family, and many other Warwick families are remembered today due to their contributions to the Independence movement.

The village of Warwick, from whence the town received its name, has been settled from about 1720 and undoubtably received its name from the English community of Warwick—the original home of many of its early settlers. The village of Florida, also in the town of Warwick, also predates the Revolution. Named from the Latin for "flowery," Florida, NY, was the birthplace of William H. Seward, one of our Nation's outstanding Secretaries of State and a statesman who for many years was considered a leading candidate for President.

The hamlet of Pine Island is known far and wide as a thriving agricultural community. Settled by many Polish and Eastern European immigrants, the Pine Island area is also known for its wray hospitality and atmosphere. The village of Greenwood Lake, in the eastern part of the town of Warwick, is on the northern end of beautiful Greenwood Lake, shared as a natural and recreational resource by both the States of New York and New Jersey.

In more recent years, the town of Warwick has been experiencing an explosion of growth as more and more New York City commuters become captivated by the physical charms and neighborly brotherhood that Warwick has to offer.

As the government and people of the town of Warwick prepare to celebrate its bicentennial, I invite my colleagues to join in saluting them upon this milestone occasion.

VA HOSPITALS NEED A SUPPLEMENTAL

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. MONTGOMERY. Mr. Speaker, in recent months, I and other members of the Veterans' Affairs Committee have received with increasing frequency reports of inadequate resources at many VA hospitals across the country. Based on these reports, as well as the committee's own site visits to medical facilities, there is but one conclusion: VA hospitals are suffering from serious professional staff shortages and insufficient funds to care for current work loads.

The bottom line is insufficient funding. The annual productivity reductions mandated by OMB, inadequate funds for special pay and equipment, failure to request funds for activation of new facilities and failure to request funds to implement new programs, have caught up with the agency.

Mr. Speaker, I am deeply concerned about this situation, as are many VA employees who are being forced to cope with circumstances that must be reversed for the sake of those hospitalized veterans who need and deserve quality health care.

A supplemental appropriation is needed now to alleviate the problems for the remainder of this fiscal year and I hope it is forthcoming.

The following letter from a VA nurse is one of several received from VA medical staff that are being brought to the attention of our committee:

May 11, 1988.

Congressman G.V. Montgomery,
U.S. House of Representatives,
Washington, DC.

Dear Congressman Montgomery: I have been employed by [a Midwestern Veterans Administration hospital] as a Neuroscience Clinical Nurse Specialist for slightly more than one year. After working in two state government hospitals and one private hospital, I have been truly impressed with the history, tradition, organization, and quality of personnel of the VA system. It seems that many of the elements required for excellence in health care are in place.

It saddens me to see this, and then to see the level of care that we are giving. Just yesterday, I walked into a patient's room at

4:00 p.m. and found that he had not eaten his lunch. He could not feed himself, and no one had had time to feed him. I fed this unfortunate blind and paralyzed man a dry roast beef sandwich (no condiments), two pineapple slices, and some juice. On days with short staffing, patients miss appointments and scheduled therapies because there is no one to transport them. Did you know that we are commonly out of bedpans, urinals, water pitchers, and blankets? We have also been out of suction machines, suction catheters, feeding bags for tube feedings, and other supplies.

I am sure this is not the type of care you want to provide to our veteran patients.

Bright, young nurses with 3-4 years of experience are resigning (or considering resignation) because they can work less, be paid more, and be assured of adequate supplies in the private sector. This has a serious negative impact on the morale and retention of the remaining nurses. Morale spirals downward when nurses realize that VA Hines is in an inferior position in the competition for new recruits. Our lower salaries and hiring restrictions place us at a severe disadvantage.

There is much more to say, but here is my point: We already have the things that are difficult to obtain—history, tradition, shared values, organization, quality personnel, and even land and buildings. We are restricted in carrying out our mission by things that are relatively easy to obtain—staffing and supplies. All that is required is money.

I implore you to consider measures that will allow the VA to recruit and retain its nursing staff, assure adequate supplies, and deliver a level of care that we can all view with pride.

Sincerely,

———— ————,

A VA Nurse.

FRANK DROZAK WILL BE MISSED

HON. JAMES H. (JIMMY) QUILLEN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. QUILLEN. Mr. Speaker, the Nation lost one of its great labor leaders June 11 with the passing of Seafarers International Union President Frank Drozak.

Frank was a courageous man who never shrank in the face of adversity. From humble beginnings in rural Alabama, he rose through the ranks of his union by keeping the welfare of its members and the future of the U.S. merchant marine his highest priorities

Frank Drozak's commitment to our national defense was made the hard way, while risking his life at sea. Mr. Speaker, I, too, served during World War II, and had the opportunity to observe first hand the enormous contributions and sacrifices made by the merchant marine during that dangerous time. It comes to my mind whenever the U.S.-flag fleet is threatened with extinction, which unfortuantely is daily.

Frank Drozak was a good friend to me and to the working men and women of our country. He will be greatly missed. I ask my colleagues to join me in extending sympathy to his family.

CONGRATULATING CAPITOL AND PARK POLICE FORCE ON JULY 4 HOLIDAY CELEBRATION

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. MURTHA. Mr. Speaker, I want to commend both the Capitol Police and Park Police on a phenomenal job with crowd control during Monday's Fourth of July celebration activities. Both groups handled themselves in a very professional manner.

I understand there were approximately 555,000 people at Monday's events, somewhat more than last year's attendance. The police forces acted in an alert, helpful, and respectful manner in controlling this enormous crowd.

The D.C. Metropolitan Police Force also handled themselves well. They dealt with the traffic situation with great efficiency and helped with crowd control. It was obvious the efforts of all the police forces were perfectly coordinated.

Again, congratulations on a job well done.

WINNING ESSAY

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. TALLON. Mr. Speaker, I am very proud to report that John Ronald Pigate, from Timmonsville, SC, is our State's winner of the Voice of Democracy broadcast scriptwriting contest sponsored by the Veterans of Foreign Wars and its ladies auxiliary. This organization is to be commended for its work to motivate the Nation's young people through the Voice of Democracy Scholarship Program.

While only a recent high school graduate, John has already exhibited great communications skills during his high school debate career. John has won many contests and awards. He also was chosen to attend the South Carolina Governor School for the Arts. His family, school, church, and State are proud of all of his fine accomplishments. I know that John has a promising future ahead and I wish him well in whatever he chooses to do.

I think that our colleagues will find John's essay most patriotic and insightful as I did.

AMERICA'S LIBERTY—OUR HERITAGE

(By John Ronald Pigate)

"What light is to the eyes—what air is to the lungs—what love is to the heart, liberty is to the soul of man. Without liberty, the brain is a dungeon, where the chained thoughts die with their pinions pressed against the hingeless doors". Though this statement, Robert Green Ingersoll captured the undeviating message of liberty—the same message that inspired the great men of our past. Born in a log cabin near Hodgenville, Kentucky, Abraham Lincoln had less than one year of formal schooling. Contained in his library were a few law books which he found in the bottom of a barrel, and several classics such as Robinson Crusoe and Pilgrim's Progress, but through his determination and will to succeed, Abraham Lincoln became the President of the United States—a revelation of "America's Liberty—Our Heritage".

In order to provide ourselves and our posterity with the same liberty granted by our forefathers, we must preserve "America's Liberty—Our Heritage". Without liberty everything else is rendered useless. How could we enjoy a comfortable home with a few acres of land without private ownership of property? How could we express our opinion without freedom of speech? How could we attend the church of our choice without freedom of religion? Liberty is essential to success, happiness, and peace of mind.

Two hundred years ago, during a sweltering summer, a group of thirty-nine men commenced to formulate the Constitution of the United States. Through much debate and deliberation, they finally settled on a verdict of declaration. Excitement filled the musty room as they completed a journey of creating their own government—a democracy. Though some of them were unschooled, they possessed a love and devotion for this country that a head knowledge could not give them. This very conscientiousness and concern for the infancy of democracy is what has made America great.

Our liberty was not freely granted. It was through much toil and effort that we live in such a country today. Many were opposed for their stand for freedom. Young men were driven out of their very homes. Many gave the most precious gift of all—their lives. Nathan Hale—"I regret that I have but one life to give for my country". These were the last words uttered from this mouth as the hangman swung the rope into position. Nathan Hale captured the true meaning of patriotism in one sentence, the patriotism that we should have as loyal American citizens. Many men in our history have exercised their patriotism in fighting for our country. The soldiers from the Vietnam, Korean, and World Wars were perhaps the greatest advocators of our freedom.

As a young American, I will strive to preserve the wholesomeness of our country. But how? You may ask. How can I make a difference? Well, number one, I can become involved in political affairs. I recently helped campaign for a local politician as she ran in the congressional race. It proved to me that to become interested in political affairs, I must first get involved. Secondly, I must help preserve the family. The family unit is the core of American society, around which everything else revolves. To create a society void of the family unit is like building a house upon the sand. Finally, I can preserve America's liberty by simply—caring.

Caring involves the investing of our time and talent. We must give of ourselves now so that we may reap the benefits later. A democracy is not built strictly by laws and regulations. It is through loyalty, commitment, and a love for one's country that we can preserve "America's Liberty—Our Heritage".

HAPPY 100TH BIRTHDAY, LUCIA SAPP

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. BIAGGI. Mr. Speaker, as the U.S. Representative of the 19th Congressional District of New York, I am pleased and proud to ask you to join me in sending best wishes to one of my special constituents who recently celebrated a milestone in her life—the 100th anniversary of her birth.

Lucia Sapp, who currently resides at the Kingsbridge Heights Nursing Home located in the Bronx, turned 100 years old on June 21, 1988. Mrs. Sapp was not always a resident of the Bronx, however. She was born in Charleston, SC, and in 1908 she graduated from Scofield Industrial School, where she excelled in dressmaking and sewing. She relocated to New York City in 1924, and held various interesting jobs until the 1960's when she began a career caring for an elderly stroke victim in the Bronx. In 1969, at the young age of 79, Mrs. Sapp retired from employment, and because she had grown to like the Bronx community so much, moved there.

Mrs. Sapp did not always have an easy life. She lost her parents while she was very young, but fortunately, Mrs. Sapp's grandfather, a Civil War veteran, cared for her like his very own.

As an original member of the House Select Committee on Aging, I am very impressed by Mrs. Sapp. I think her life's experiences have been a challenge at the very least. But what rings out loud and clear is Mrs. Sapp's innate ability to survive and contribute to an ever changing world. She has seen so much happen in our country in the last 100 years, but she never lost sight of what the ideals of this Nation are. We are basically a caring society, and Mrs. Sapp's commitment to caregiving, even when she was close to 80 years of age, is but another example of what makes our Nation so great.

Those of us who are a few years younger than Mrs. Sapp should definitely take heed from her advice and wisdom. When quizzed about her long and fruitful life, she offered three tips to live by. One: "Don't worry." The second, "Do unto others as you would have them do unto you," and the last is "Hear, but don't hear."

I think warmest congratulations are in order for Mrs. Sapp. I plan to join her friends and loved ones, including her nephew, Benjamin Manegalt, and her colleagues from the Mount Calvary Baptist Church in Harlem at a celebration next Wednesday, July 13, in toasting her continued health. I will take your warm wishes with me.

AIDS AND THE THIRD WORLD: A THREAT TO DEVELOPMENT

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. LELAND. Mr. Speaker, I would like to bring to the attention of my colleagues an issue brief recently released by the House Select Committee on Hunger. The issue brief is entitled "AIDS and the Third World: A Threat to Development" and looks at the links between the spread of AIDS in developing countries and the progress being made to reduce hunger and poverty in these countries.

The statistics in the issue brief are shocking. As of June 1, 96,433 cases of AIDS have been reported, but the World Health Organization [WHO] estimates that the actual number is probably twice as large. Cases have been reported in 129 of the world's 170 countries. Even more alarming, though, is WHO's estimate that there are 5 to 10 million people who have been infected, most of whom will be developing cases of AIDS in the next 5 to 10 years.

The implications of the AIDS pandemic for development are several. Essential assistance programs that the U.S. Government has supported could be endangered. Immunization, the promotion of breastfeeding and blood transfusions for anemic children could all be threatened by the spread of AIDS. As the majority of those infected in the Third World are between the ages of 20 and 45, food production, economic growth and care for children and the elderly are also endangered. Setbacks in any of these areas could threaten the lives and well-being of millions who have not been exposed to the virus.

It is essential that the Congress focus on this issue. On June 30, the Select Committee on Hunger held a hearing on AIDS and development which was a first step toward understanding the wider impact of AIDS. I hope that my colleagues will join me in looking at this issue further and in ensuring that the U.S. Government is responding effectively and adequately to this enormous problem.

I urge my colleagues to read the following piece on AIDS and the Third World:

AIDS IN THE THIRD WORLD: A THREAT TO DEVELOPMENT

AIDS, the Acquired Immune Deficiency Syndrome, carries a double threat to developing countries. The most immediate danger is for the tens of thousands of people who are suffering from infections resulting from AIDS and for the millions more who carry the virus. But the threat of AIDS extends to many more in developing countries. AIDS, in fact, endangers the overall development of the Third World. Immunization, breastfeeding, food production, economic growth are all affected by AIDS. Setbacks in any of these areas could eventually threaten the lives and well-being of millions who have not been exposed to the virus. This issue brief will examine AIDS in developing countries and will focus in particular on the potential impact of AIDS on development.

AIDS: THE DISEASE

AIDS is caused by the deadly human immunodeficiency virus (HIV) which destroys the body's ability to fight off infection. The known modes of transmission of the disease are through sexual contact, transfusions with contaminated blood, the use of contaminated needles, and from infected mothers to their children before or during birth. Once infected with the virus, a person is infected for life, and, to date, there is neither a preventative vaccine nor a cure. Of those infected, roughly twenty-five to fifty percent will develop AIDS within five-to-ten years. A person, once infected, may carry the virus for ten years or more without any signs of the disease; it is these symptomless carriers who unknowingly fuel the epidemic.

As of June 1, 1988, AIDS has been reported in 129 of the world's 170 countries. In the developing world, the continent of Africa has been hardest hit, though several Latin American countries have serious AIDS problems. To date, Asia has experienced only low levels of infection, but the virus is present and spreading, with every country in Asia now reporting HIV infections. Worldwide, 96,433 cases of AIDS have been reported, but health officials believe that the actual number of cases is more than 200,000. The World Health Organization (WHO) estimates that between five and ten million people have been infected with the virus.

AIDS IN THE THIRD WORLD

According to official statistics, the United States has more cases of AIDS than any other country in the world. The statistics are misleading, however; many developing countries underreport AIDS cases, partly because of the stigmas associated with the disease and partly because of a general inability to collect accurate information on their populations.

The epidemiology of the virus in the Third World is also quite different from that in the United States. The ratio of infection between males and females in developing countries is roughly one to one, whereas in the U.S. infection rates are much higher for males due to the prevalence of the disease among homosexual males and intravenous drug users.

In the Third World, poverty and underdevelopment have directly contributed to the rapid spread of AIDS. Developing countries do not have health systems which can begin to address the complicated needs of AIDS patients. In some countries, funds have been transferred from existing health programs into the fight against AIDS, endangering the already over-extended primary health care systems. In other countries, hospitals are able to provide little or no care for patients with AIDS. The treatment for AIDS in Kashenye, Tanzania, for example, is "a few days in bed, some aspirin and then home to die."

The poor health status of the population and inadequate health care system fuel the AIDS epidemic in the Third World. Coinfection with other diseases, in particular sexually-transmitted diseases, increases a person's susceptibility to contracting AIDS. Malnutrition weakens the body's immune system, making it less able to fight off the ravages of AIDS. Further, the use of contaminated needles and unsanitary medical equipment can directly transmit the virus. Contaminated blood supplies are also a serious concern. Screening blood supplies requires specialized start-up equipment, training for medical personnel and imported chemicals to do the tests. The total cost—about $3 per unit of blood—is more than many developing countries are able to spend. Hospitals in some African nations therefore can unknowingly infect patients by supplying contaminated blood.

Low literacy rates contribute to the problem by reducing the availability of information to those at risk of infection. Prevention efforts are obviously difficult if the population cannot read pamphlets or other literature on the subject. Similarly, radio and television messages are of little use for the majority of the poor who do not have access to either form of communication. As a result, people in developing countries are often deprived of the only means of protecting themselves from AIDS: knowledge on how the disease is spread.

THE IMPACT OF AIDS ON DEVELOPMENT AND DEVELOPMENT PROGRAMS

The spread of AIDS poses a serious threat to development and to development assistance programs. Programs need to be re-evaluated not only to better address the AIDS-related issues, but also to strengthen health and health information services in developing countries.

The immediate concern is that much of the progress made in the developing world in recent years could be endangered or even reversed by the AIDS epidemic.

Child survival programs face several challenges as a result of AIDS. Jonathan Mann, the director of the World Health Organization's (WHO) Special Program on AIDS, has warned that "the projected gains in infant and child health from . . . the child survival initiatives may be tragically cancelled by AIDS." The reasons for this are simple. One-half of all infected mothers pass the virus onto their children. One-half of all children born carrying the virus die within the first year of life (and it is assumed that the other half die shortly thereafter.) Therefore, in the Ugandan capital of Kampala, where twenty-four percent of pregnant women are infected with the AIDS virus, the infant mortality rate will rise by 60 deaths per thousand as a direct result.

Specific aspects of the child survival efforts are directly affected by AIDS. Immunization programs that save the lives of one million children annually are threatened by the association of needles with AIDS. Unsterile needles can transmit the virus, though there is no evidence that this has occurred within any immunization program. Nevertheless, the U.S. Agency for International Development (AID) and others involved in immunization programs are upgrading their sterilization and training efforts to ensure that no needles carry the virus, and they are also developing non-reusable needles. Presently, 3.5 million children die every year from diseases which are preventable through immunizations. It is not known how many more will die because their mothers are afraid they may contract AIDS through immunizations and fail to have the children innoculated.

Another child survival effort, the promotion of breastfeeding, is threatened by the fear of the virus being passed to the child through breastmilk. Although scientists have isolated the virus in breastmilk, there have been no more than six reported cases of transmission through breastfeeding worldwide, and these cases have been disputed by some AIDS researchers. The benefits of breastfeeding, including improved nutrition for infants and less frequent pregnancies, will be endangered if mothers chose to turn to formula due to fears about the transmission of AIDS. Formula, apart from being less nutritious, is often given to infants from unsterile bottles, made with contaminated water, and can be overdiluted. Mothers must be educated on the relatively insignificant risks of transmitting AIDS through breastfeeding compared to the health risks involved in abandoning breastfeeding.

A third component of the child survival program, combating anemia caused by malaria, is also threatened by AIDS. Children suffering from severe anemia need blood transfusions to live. However, blood banks in developing countries, especially outside capital cities, often carry blood that is infected with HIV. Efforts are underway to provide blood banks with simple and effective tests for the virus, but until these are available, blood transfusions will lead to HIV infection.

The economic consequences of AIDS pose a serious threat to continued development in the Third World. Unlike most diseases which attack either the young or old, the AIDS virus most frequently attacks men and women between the ages of twenty and forty-nine. In fact, international volunteers have reported going into some remote African villages and finding only old people and children.

The effects of the disproportionate impact of AIDS on this age group are several. As the young and the old no longer have family members to raise them or to care for them, the traditional family structures and social security systems begin to fall apart. The impact is also felt in food production, where the most productive workers may be ill or dead as a result of AIDS. Observers have described fields in Uganda being abandoned as there is no one left to tend them.

In many developing countries, urban areas have been the hardest hit by AIDS, with the most severely affected group being urban professionals. Developing countries, having only a small cadre of educated people capable of running the economy and providing professional services, will be crippled if AIDS spreads significantly among this group. In particular, economic reform and growth programs, as well as the expansion of social services, could be severely affected.

Finally, foreign experts and technicians may be less willing to work in countries with large infected populations. Many developing countries desperately need professionals from abroad: doctors, engineers, technical consultants, private investors and students returning from foreign study. If these people stay away, frightened for their health, many countries will be far less able to address the enormous economic and social challenges before them.

WHAT IS BEING DONE?

The International Response—On February 1, 1987, the WHO Global Program on AIDS was established to address the worldwide AIDS crisis. WHO has developed a global AIDS strategy which it has begun to implement around the world—as of April 1, 1988, WHO had provided technical and financial support to over 120 countries. The global strategy has three objectives: to prevent HIV infection; to reduce the personal and social impact of HIV infection and required care for those already infected; and to coalesce national and international efforts. Under the global strategy, each country develops its own national AIDS prevention and control program along certain guidelines. Assistance from international donors is then coordinated to meet the needs of the national program. WHO has also been instrumental in coordinating and funding AIDS research, monitoring the incidence of AIDS, predicting future trends and assessing the economic and social impact of AIDS.

WHO's budget for the AIDS program has expanded substantially in the past three years. In 1987, the total budget was $34 million. In 1988, it is expected to reach $66 million, and by 1989, the program will require $90 to $100 million. Major contributors include the United States, Canada, Australia, Japan, France, the United Kingdom, Switzerland, the Scandanavian countries and the European Community.

The U.S. Government's Response—The Agency for International Development has established an AIDS Working Group within the Bureau for Science and Technology which has a full-time staff of two. AID's Africa Bureau has also designated a staff member to coordinate its efforts on AIDS.

Funding for AIDS efforts increased significantly after 1986, but now appears to be leveling off. In FY 1986, AID reprogrammed $2 million from various accounts and donated it to the WHO AIDS program. As there was still no specific foreign assistance appropriation for AIDS in FY 1987, AID donated $5 million to WHO from different development accounts and, additionally, allocated $3 million for the purchase of condoms to be used in AIDS prevention programs and $6 million for various education and prevention programs. In FY 1988, Congress appropriated $30 million for AIDS, half for WHO, and half for AID's bilateral programs. The House approved $35 million for FY 1989, again with half going to WHO and half to bilateral programs.

AID's bilateral program consists of two efforts—known as AIDSCOM and AIDSTECH—which are intended to support WHO's global program. AIDSCOM is responsible for supporting education and information on AIDS in the Third World, and AIDSTECH provides technical assistance, such as screening blood banks. Some observers have expressed the concern that these programs have not been fully integrated into the WHO program and indigenous efforts. Currently, the Africa Bureau at AID is designing a separate program that is designed to work more with indigenous organization involved in AIDS-related activities.

There is also growing concern over the U.S. contribution to WHO's efforts. For the past two years, the U.S. has contributed approximately twenty-five percent of WHO's AIDS budget. However, the Administration recommended no increase in the U.S. contribution to the WHO program in FY 1989, even though WHO plans to expand its budget for the AIDS program by $25-$35 million next year. The House foreign aid bill called for a $17.5 million contribution to WHO—an increase of $2.5 million—but this would still place the U.S. share at only eighteen percent of the total WHO program. Such a reduction would severely hamper WHO's ability to carry out its AID program.

The spread of AIDS in the developing world will require an extraordinary response. The response to this threat must be in the form of additional funding for AIDS programs in order to help those infected, to prevent others from being infected, and to protect and expand development assistance efforts. The U.S. Government must also work closely with WHO and must coordinate its program with indigenous efforts to stop the spread of AIDS. If these steps are taken now, the world may be spared a much more costly and tragic future. The alternative is a rapidly expanding epidemic, fatal to millions, which has the potential of severely slowing or even reversing development in large areas of the Third World.

HOW SWEET IT IS

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. DE LA GARZA. Mr. Speaker, you and I both know the best and the sweetest onions are grown in the fertile soils of the Rio Grande Valley of Texas.

And I would like to mention that our famous new onion, the 1015Y SuperSweet Onion, has been gaining on its better known competitors.

The Farmland News paper published by the Farmland Industries, Inc., Kansas City, MO, recently devoted a full page to the 1015 onion and one of its premier growers, Mr. Bobby Sparks of the S.R.S. Farms based in Mercedes, TX, in my congressional district.

The entire article is offered by me so that our colleagues in Congress can read about the fields of 1015 onions which Mr. Sparks raises to perfection.

It makes no difference how you eat them: raw like an apple, fried in an onion ring, sauteed in a sauce or simmered in a soup—the receipe list is endless. The 1015 is the new-age onion for the 1990's!

HOW SWEET IT IS

First came designer jeans, and after that everything came in designer models.

Now it's onions. Not your ordinary garden variety type either, but onions designed to be so sweet you can eat them like apples; and, it takes two hands to hold one.

Origin of design? Texas—where else?

A Texas A&M horticulturalist spent 14 years breeding various types of onions until he came up with the perfect onion. It's called the Texas Grano 1015Y. Most people just call it the 1015.

Dr. Leonard Pike, the 1015 designer, was dubbed the "Onion King" by the South Texas onion growers.

That's an appropriate title because last year, just three years after the 1015 was "designed," the South Texas growers shipped more than three million, 50-pound bags of 1015's out of the state with a price tag of $22 per bag.

"The 1015Y is named for its Rio Grande Valley planting date which is Oct. 15," Pike said, "and the Y indicates it's a yellow onion. This new onion has added nearly $200 million to the South Texas economy since the growers began marketing it."

He added, "This past season, the demand was really strong, which is what brought the higher prices. Every acre that was planted was sold."

A Rio Grande Valley grower who has taken advantage of the new 1015 is Bobby Sparks who was reared in the Valley and is a long-time member of the La Feria Co-op Gin.

"I've been growing onions for 15 years, and my dad grew them for 10 years before that," Sparks said. "We also grow cotton, sugar cane, corn, milo, tomatoes, cannery beets and popcorn."

He added, "This 1015 onion is remarkable. People from all over have been calling about them."

He says the 1015 gets a big boost every spring when the winter visitors leave for their northern homes taking the onions back with them.

"They go home and tell everyone about the 1015, and the word really spreads," Sparks said. "It costs us about $500 to $600 per acre to grow the 1015 onions. Most other vegetables cost around $1,000 per acre.

Sparks, who grew five million pounds of 1015's last year, plants the onion seeds a half-inch deep in sandy/loam soil, and they grow on top of the ground. Everything is irrigated in the Valley.

The 1015's come in two sizes; the jumbo which is at least 3½ inches in diameter, and the colossal which is more than five inches in diameter.

"Once people eat it, they start looking for it" Sparks said. "It's a hot item all over the United States now, and is catching on overseas as well."

In 1984, south Texas onion growers planted between 300 and 500 acres. In 1985, that increased to 1,000 and 1,500 acres; in 1986, to 4,200 acres, and last year, more than 5,000 acres.

"They found out that they didn't need to plant so much because of the high yields," Pike said, pointing out that the average for regular onion yields is about 400 sacks per acre, while the 1015 brings an average 800 sacks per acre. Some yields have been as high as 1,500 sacks per acre.

"I imagine the acreage planted will level off to about 4,500 acres, at least until the export market picks up," Pike said.

The onions, about the size of a softball or larger, have a mild sweet flavor.

"They won't bring tears to your eyes when you cut them," said Pike. "They are disease-resistant and handle well."

He added, "Now buyers all over the country are specifying they want the Texas 1015 onion, and while they're asking for it they are also asking for more and more Texas produce in general. It's amazing that an onion has grown in such popularity; you'd think it would be a strawberry or a peach."

The Texas researchers say that with the late freeze last year and all the heavy spring rains, the onion harvest kept many farmers in south Texas from going broke.

Pike's research team developed four varieties of onions—the 1015Y; the 1025Y, a yellow that's planted Oct. 25; the 1030Y (Oct. 30), and the 1105Y (Nov. 5).

"I wanted to make it as simple as possible for the multitude of onion growers," he said. "Somehow, the numbers stuck. Two years ago the South Texas Onion Committee tried to promote it as the Texas Super Sweet, but the consumers had already locked in on the numbers, so the name was changed back to Texas 1015 Super Sweet."

The onion, which has also caught the attention of the onion ring industry because of its size and single center that was bred into it, was named the "sweetest, mildest onion in the world," last year in the National Raw Onion Taste-Off competition held in McAllen. It won the national taste-off competition in California in 1985 as well.

Texas Agricultural Commissioner Jim Hightower proudly displayed the Texas 1015 Super Sweet at an international food trade show in New York and the Texas Department of Agriculture is now proposing that onion growers who grow the 1015 register with the department.

"The growers want it regulated from cheaters who say they're selling the 1015Y but really are not," Pike said. "If it does have to be registered, it will be the first crop that I've ever heard of that has been regulated by variety."

BIOLOGICAL WARFARE TESTING: AN ARMS CONTROL PERSPECTIVE

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. FASCELL. Mr. Speaker, in a recent hearing involving three subcommittees of three different committees in the U.S. House of Representatives many of us were encouraged to hear that the United States does not possess nor plan to possess biological weapons. At the same time, however, many of us were distressed to learn that the research planned with deadly pathogens at a "high-level aerosol containment" facility in Dugway, UT, does pose some potentially significant public health risks and public safety dangers of a possible epidemic magnitude equal to or even greater than AIDS.

A hearing of three different subcommittees—the Subcommittee on Arms Control, International Security and Science of the Committee on Foreign Affairs, the Subcommittee on Energy and Environment of the Committee on Interior and Insular Affairs, the Subcommittee on Military Installations and Facilities of the Committee on Armed Services—was somewhat unusual but was called for due to the important and overlapping concerns of public health, safety, defense needs and arms control. I recommend that other committees of the Congress and other Members of Congress give more specific attention to this issue before Congress is asked to approve military construction funds for the Dugway aerosol test facility in the fiscal year 1991 budget.

As chairman of the Subcommittee on Arms Control, International Security, and Science I was particularly interested in the arms control aspects of biological warfare testing. It seems to me that biological warfare testing poses a special and complex arms control problem. Many aspects of biological warfare testing seem to defy the usual assumptions that Congress and the general public make about weaponry and defense research. For instance, when we speak of biological weapons it is not live ammunition we are talking about but living ammunition. Research and development for biological defense seems to create unusual public safety dangers and serious risks to the public health. The line between offensive and defensive biological agents seems fuzzy at best and biological agents don't seem to need the normal forms of weaponry to deliver their lethal effect. These examples illustrate the dilemma of trying to analyze biological weapons and their policy implications in traditional frames of reference.

BIOLOGICAL WARFARE POLICY

According to administration witnesses at the hearing U.S. policy regarding biological warfare adheres to the following basic tenets:

The United States does not possess biological weapons and we have renounced their use by stating very clearly that we have a no-use under any circumstances policy regarding biological weapons;

The United States has destroyed all of its biological munitions since signing the Biological Weapons Convention;

The United States has renounced the use, possession, and development of biological weapons;

The U.S. biological warfare program focuses solely on the need to defend against threat biological agents developed by other countries.

Such policy statements indicate that the intent of the biological warfare program is defensive in nature. However, it is certain that questions regarding defensive intent will be raised by opponents to the program and by other nations who are signatories to the Biological Weapons Convention as long as the U.S. program is expanding in funding, building new facilities with aerosol capabilities which are sometimes portrayed as offensive, and experimenting with new pathogens and vaccines. Some of the recommendations made by witnesses at the hearing, such as openness in testing and use of stimulants in testing rather than pathogens, might be useful in dispelling the perceptions within the United States and from other countries that the United States is embarking on new research in biological warfare which may be designed to eventually give us offensive capabilities in biological warfare. Such moves toward openness, safer use of stimulants, and bilateral/multilateral talks on biological warfare would certainly be positive moves toward promoting arms control in this area.

DUGWAY AEROSOL TESTING FACILITY

According to administration witnesses at the hearing:

There is no production of pathogens nor any production of genetically-engineered organisms at Dugway. Pathogenic test substances come to Dugway, shipped in the open mail, from private laboratories contracted by the Department of Defense outside Dugway;

Currently, there are no plans to use genetically-engineered material in the aerosol test facility at Dugway;

There will not be a request from the Department of Defense for military construction money for the aerosol test facility at Dugway until the fiscal year 1991 budget.

It is important to note that the Department of Defense will not be making any request for military construction at Dugway for this high-level aerosol containment facility until fiscal year 1991. This will allow Congress more time to adequately address the public health, safety, defense, and arms control aspects of the biological warfare test facility issue. Public health and safety concerns raised by the private witnesses were very serious and apply not only to Dugway but to any other similar test facilities.

PUBLIC HEALTH AND SAFETY CONCERNS

The medical and public health message seems to be bluntly clear—biological warfare research is dangerous not only to those who do the research and testing but also to those who live with the researchers and testers and ultimately to all of us.

Pathogens are biological agents which cause disease and as long as the military insists on using them in testing there will always be the possibility of a serious accident or epidemic. All the pathogens that the Army acknowledges using can cause pneumonia and death. Because secrecy surrounds some of the pathogens tested this may preclude rapid and correct treatment thereby increasing the risks of an epidemic.

Safety plans to monitor employees, their families, and their contacts should an accident occur seem inadequate thereby posing enormous risks to the general public in addition to workers and their families. A virulent disease could be carried unwittingly out of the test facility and spread to family, neighbors, community and then possibly beyond State and national borders without anyone knowing the origin or nature of the disease.

The most striking comparison was drawn to one witness' description of the difference between a bullet and a microbe. A bullet is shot, wounds or kills, and comes to rest. A microbe can survive, multiply, and spread infection perhaps indefinitely through humans, animals, water, soil, or air.

Biological weapons designed and built with modern biotechnology will leave us no reasonable opportunity to protect the public.

From the public health point of view biological warfare research seems to pose unnecessary dangers of potentially uncontrollable proportions which must be addressed to assure public safety.

The testimony of Dr. Jay A. Jacobson may reflect the view of other infectious disease doctors, doctors and medical researchers working on AIDS and public health experts in expressing his personal view that he is in daily warfare with infectious diseases and he does not want his own military services producing more potential problems and diseases in the likely event of some accident. Accidents do happen and it would seem to be a much wiser course to focus Department of Defense research on naturally existing diseases so that such research could benefit medical science and the world population rather than on development of new pathogens with potentially dangerous implications fo the public health.

The public health and safety concerns related to the biological warfare testing issue demand much more attention and oversight by the Congress. It is my hope that there will be very careful consideration of health and safety questions by the appropriate committees in the House and in the Senate as well as the appropriate agencies within the executive branch.

WITNESSES

There were two panels of witnesses at the May 3 hearing on biological warfare testing. The witnesses in the administration panel included: the Honorable Lyn Hansen, Assistant Director for Multilateral Affairs, U.S. Arms Control and Disarmament Agency, Roger Harrison, Deputy Assistant Secretary in the Bureau of Politico-Military Affairs, Department of State, Richard E. Sanderson, Director, Office of Federal Activities, Environmental Protection Agency, Thomas J. Welch, Deputy Assistant to the Secretary of Defense (Atomic Energy and Chemical Matters), Department of Defense, and Michael Poling, Deputy Assistant Secretary for Lands and Minerals Management, Department of the Interior. The private panel included the following witnesses: Dr. Jay Jacobson, associate professor, internal medicine, Division of Infectious Diseases, University of Utah School of Medicine and LDS Hospital, Salt Lake City, UT, the Honorable James Leonard (retired), chief negotiator, Biological Weapons Convention, James Rifkin, president, Foundation on Economic Trends, and Dr. Anthony Robbins, professor of public health, Boston University School of Public Health and past president of the American Public Health Association.

RECOMMENDATIONS

Several recommendations and observations that were made by Members of Congress and witnesses at the hearing warrant our thorough and careful examination in the Congress and in the executive branch.

First. Openness. If our biological warfare purposes are purely defensive then it would seem logical that no biological warfare research needs to be secret. Openness would show that our purposes are totally defensive.

Second. Civilian rather than military. If there is no offensive element to our biological warfare research and development then we should seriously consider making it a civilian defense program. Such a development would clarify the peaceful and purely defensive intent of the program.

Third. Biological defense is futile. Biological threats are so inherently numerous and can be genetically engineered into so many variations that an effective defense might prove to be impossible and futile.

Fourth. Simulants far safer than pathogens for defensive research. Simulants are adequate to the needs of developing adequate protective clothing. Simulants are safer than virulent agents for this research.

Fifth. Commission. A commission to oversee the biological warfare program and make sure that health and safety measures were adequate to the risks involved was suggested by several witnesses and Members of Congress. The idea would be to have a truly independent commission responsible to the Congress which could first make recommendations as to whether or not there should be a biological warfare program in the first place and, if so, to recommend health and safety measures which should be taken to assure that any and all new biological warfare programs pose no danger to the public.

THE SSI COMPREHENSIVE IMPROVEMENTS ACT OF 1988

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. ROYBAL. Mr. Speaker, today I am introducing the Supplemental Security Income [SSI] Comprehensive Improvements Act of 1988. As you know, SSI was enacted some 15 years ago to provide the most needy of our citizens with a minimum income. However, I am greatly concerned that while this program is intended to provide a "safety net" of income support for the poorest and most vulnerable of our elderly, blind and disabled citizens, information provided to my Select Committee on Aging indicates that it is in fact characterized by inadequate benefit levels, large gaps in service, insufficient outreach activities, and overly rigid eligibility requirements.

I would like to briefly summarize some of these disturbing facts. First, the Federal benefit level only brings the poorest of our citizens up to 75 percent of the poverty level. This benefit standard amounts to only $354 per month, or less than $90 per week. While States are permitted to supplement this benefit, only about half provide a general supplementation to people on the SSI Program, and only four presently provided enough of a supplement to raise the benefit to the poverty level. The median State supplement is about $36 per month, or only about $9 per week.

In addition, numerous studies document that the SSI Program only reaches about half of those who are eligible. For a nation which has such a wealth of communication resources, we are failing miserably when one of the major reasons given for nonparticipation in the SSI Program is that a majority of the eligible population has never even heard of it.

Another serious problem is that since the program was first established some 14 years ago, the asset eligibility test has been cut virtually in half in real dollar terms because it has not kept pace with inflation. Consequently, a substantial number of poor Americans who otherwise would be eligible no longer are because of the erosion of this asset test standard.

Other groups of needy individuals, such as the homeless, some disabled children those with a drug or alcohol problem, or those over age 50 with no work history in the past 5 years, often are not covered by the program and fall between the cracks of existing Federal assistance programs.

Based on these and other serious concerns, the bill I have introduced today includes the following provisions:

Raises the Federal benefit standard to the annual poverty guideline, with annual increases tied to changes in the Consumer Price Index.

Raises the asset test to $4,200 for an individual and $6,300 for a couple with annual increases tied to the Consumer Price Index. When SSI was first established, the asset standard for an individual living alone was $1,500; for a couple, $2,250. In 1988, the asset limit is $1,900 for an individual and $2,850 for a married couple. These limits are scheduled to increase in 1989 to $2,000 for an individual and $3,000 for a couple. No further increases are scheduled thereafter. The $4,200 asset test for an individual and $6,300 for a couple in this legislation are the levels which would exist if the 1974 levels had kept pace with inflation.

Extends SSI coverage to eligible individuals in the U.S. Territories of Guam, the Virgin Islands, American Samoa, and the Commonwealth of Puerto Rico.

Provides a benefit standard as if all beneficiaries are individuals and eliminates the one-third reduction in benefits for individuals living in a household of another. The current provision that SSI recipients living in another person's household receive a one-third reduction in benefits is a serious disincentive to shared housing living arrangements. Shared housing has proven to be a particularly effective way for older individuals to help deal with the problems associated with increased frailty, vulnerability, and a lack of mobility. By penalizing individuals from residing in shared housing arrangements through the present reduction in SSI benefits, we are discouraging alternatives which are beneficial to both society and the individual.

Increases the allowance for SSI beneficiaries who are confined to a nursing home or other eligible facility to $50 per month, with annual increases based on the Consumer Price Index. Current law sets an individual's SSI benefit standard to $30 for personal needs. This amount has only been raised by $5 since SSI began.

Excludes in-kind assistance from the definition of income.

Increases the cash income disregard to $40 of monthly income from any source and $130 of monthly earned income with future indexing based on the Consumer Price Index. Presently, up to $20 of monthly income from virtually any source is disregarded, and $65 per month in earned income plus one-half remaining earnings are disregarded in determining SSI eligibility.

Disregards interest income below $100 so that it does not reduce monthly SSI income. Present law discourages SSI recipients from saving by reducing benefits if they receive interest income above certain levels.

Requires that unemployment compensation and workers compensation benefits be treated as earned income for SSI purposes. Presently, workers are permitted to retain the first $65 of earnings plus one-half of the remainder. However, unearned income receives much less favorable treatment. Only the first $20 is disregarded. A serious problem arises, for instance, when a parent of an SSI child loses his/her job and begins to receive unemployment or workers compensation benefits. Even though these benefits are meant to be a replacement of lost wages, it is treated by SSA as unearned income for SSI purposes. As a result, it is possible that the family may lose SSI eligibility completely if someone becomes unemployed.

Creates a new category of SSI beneficiaries—individuals who meet asset and eligibility criteria who exhibit at least two of the following characteristics; homeless; over age 50 with no work history in the previous 5 years; illiterate—unable to follow written instructions; chronic or inappropriate behavior, not severe; drug or alcohol problem, not severe; or chronic dependency on welfare.

Clarifies language on disabled children eligibility—requires SSA to contract with the Institute of Medicine to undertake a study to develop more appropriate and meaningful definitions of childhood disability to replace the "comparable severity" standard. Presently, the definition of eligibility for children under 18 years of age is defined such that they must "suffer from any medically determinable physical or mental impairment of 'comparable severity' to an adult impairment." Oftentimes this is harder to prove for children than for adults.

Directs SSA to publish a "Notice of Proposed Rulemaking" which revises the "Listing of Impairments" as outlined by the report submitted to the Associate Commissioner for Disability on April 1, 1986.

Directs SSA to undertake a complete review and revision of childhood "Listing of Impairments" using experts in childhood disability as their advisers.

Requires the Secretary of HHS to establish a category of "presumptive disability" at birth for genetic or inborn conditions which have an extremely high probability of resulting in disability under the existing standards. Presently, SSA does not make a finding of disability in very young children with genetic or congenital impairments who have not yet evidenced the developmental deficits they will show at a later age. For instance, children with Down's syndrome often do not display the required level of developmental deficit until age 3.

Mandates SSA to establish and conduct an ongoing program of outreach to potentially eligible children. Requires SSA to enter into appropriate agreements with other agencies to send notices to individuals receiving benefits or services under programs administered to them. Only one-fourth of all potentially eligible children are enrolled in the SSI Program. Presently, SSA makes no outreach efforts to potentially eligible children.

I firmly believe it is time that we as a nation stop making a half-hearted attempt at assisting poor elderly, blind, and disabled Americans. We must not delay any longer in implementing a comprehensive policy for restoring SSI to an appropriate level of assistance, eligibility requirements, and program participation levels. I urge my colleagues to support this important measure.

H.R. 4979

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES IN ACT.

(a) SHORT TITLE.—This Act may be cited as the "SSI Improvements Act of 1988".

(b) AMENDMENTS TO THE SOCIAL SECURITY ACT.—Except as otherwise specifically provided, whenever in this Act an amendment is expressed in terms of an amendment to or repeal of, a section or other provision, the reference shall be considered to be made to that section or other provision of the Social Security Act (P.L. 74-271).

SEC. 2. CHANGE IN INCOME AND RESOURCE ELIGIBILITY STANDARDS AND BENEFITS UNDER SSI PROGRAM; ELIMINATION OF DISPARATE TREATMENT OF ELIGIBLE INDIVIDUALS AND COUPLES; ELIGIBILITY OF SPECIALLY DISADVANTAGED INDIVIDUALS FOR SSI BENEFITS.

(a) IN GENERAL.—Subsections (a) and (b) of section 1611 (42 U.S.C. 1382(a) and (b)) are amended to read as follows:

"DEFINITION OF ELIGIBLE INDIVIDUAL

"SEC. 1611. (a) Each aged, blind, disabled, or specially disadvantaged individual—

"(1) whose income, other than income excluded pursuant to section 1612(b), is at a rate of not more than the official poverty line (as defined by the Office of Management and Budget) for calendar year 1989 or any calendar year thereafter, and

"(2) whose resources, other than resources excluded pursuant to section 1613(a), are not more than (A) $6,311 (or, if greater, the amount determined under section 1617) if such individual is living with such individual's spouse, or (B) 4,208 (or, if greater, the amount determined under section 1617) otherwise, shall be an eligible individual for purposes of this title.

"AMOUNTS OF BENEFITS

"(b) The benefit under this title for an individual shall be payable at the rate equal to the official poverty line (as defined by the Office of Management and Budget) for calendar year 1989 or any calendar year thereafter, reduced by the amount of income, not excluded pursuant to section 1612(b), of such individual.".

(b) SPECIALLY DISADVANTAGED INDIVIDUALS.—Section 1614(a) (42 U.S.C. 1382c(a)) is amended—

(1) in paragraph (1)(A)—

(A) by striking "or is" and inserting "is"; and

(B) by inserting "or is a specially disadvantaged individual (as determined under paragraph (5))," before "and"; and

(2) by adding at the end the following new paragraphs:

"(5) An individual shall be considered to be specially disadvantaged for purposes of this title if the individual is not disabled and is described by 2 or more of the following subparagraphs:

"(A) The individual has attained age 50 and, throughout the 5-year period immediately preceding the date the individual applies for benefits under this title, the individual's monthly earnings have not exceeded the amount designated by the Secretary ordinarily to represent substantially gainful activity.

"(B) The individual—

"(i) is unable to read or unable to write in the individual's native language at or above the second grade level; or

"(ii) is unable to comprehend simple written instructions.

"(C) The individual—

"(i) is a homeless individual (within the meaning of section 103 of the Stewart B. McKinney Homeless Assistance Act (P.L. 100-77)); or

"(ii) is chronically unable to function with others in a group setting and has a history of—

"(I) unreasonable hostility to others;

"(II) violence toward others (other than in situations in which the individual acted reasonably to protect the physical safety of the individual or others);

"(III) causing others to reasonably fear that the individual will become violent (other than in situations in which the individual acted reasonably to protect the physical safety of the individual or others); or

"(IV) an inability to obtain or hold employment due to erratic, or unusual and inappropriate, behavior.

"(D) The individual uses 1 or more drugs or alcohol and such use affects, on an ongoing basis, the individual's ability to—

"(i) obtain food, clothing, or shelter; or

"(ii) participate in substantially gainful activity.

"(E) The individual has received benefits under title IV, XVI, or XIX for 36 or more months during the immediately preceding 60-month period.

"(6)(A) An individual applying for benefits under this title by reason of the applicability of subparagraph (B), (C), or (D) of paragraphs (5) to such individual shall not be eligible for such benefits unless such applicability is supported by medical, psychiatric, or psychological evaluations, or the evaluation of a professional social worker, whichever is appropriate.

"(B) The rules of paragraph (4) shall apply in like manner to the entitlement of specially disadvantaged individuals to continue to receive benefits under this title based on special disadvantage.".

(c) CONFORMING AMENDMENTS.—

(1) AMENDMENTS RELATED TO CHANGE IN INCOME AND RESOURCE ELIGIBILITY STANDARDS AND BENEFITS, AND ELIMINATION OF DISPARATE TREATMENT OF ELIGIBLE INDIVIDUALS AND COUPLES.—

(A) Section 1611(c) (42 U.S.C. 1382(c)) is amended—

(i) in paragraph (1), by striking "(and eligible spouse's, if any)";

(ii) in paragraph (2)(A), by striking "the individual and the eligible spouse, if any, of"; and

(iii) in paragraph (5), by striking "(and his eligible spouse, if any)";

(B) Section 1611(e) (42 U.S.C. 1382(e)) is amended—

(i) in paragraphs (1)(A), (1)(D), (1)(E), (1)(F), (2), and (3)(A), by striking "or eligible spouse" each place it appears;

(ii) in paragraph (1)(B)—

(I) by striking "or his eligible spouse (if any)"; and

(II) by striking "(subject to subparagraph (E))—" and all that follows and inserting "(subject to subparagraph (E)) at an annual rate not to exceed $360 per year, reduced by the amount of any income not excluded pursuant to section 1612(b).";

(iii) in paragraphs 1(B) and 1(G), by striking "or spouse";

(iv) in paragraph (1)(F), by striking "or an eligible spouse"; and

(v) by striking paragraph (5).

(C) Section 1611(f) (42 U.S.C. 1382(f)) is amended by striking "(and" and all that follows through "States)".

(D) Section 1611(g) (42 U.S.C. 1382(g)) is amended—

(i) by striking "or any individual and his spouse (as the case may be)";

(ii) in paragraph (3), by striking "or eligible spouse";

(iii) by striking "or such individual and his spouse (as the case may be)" each place it appears;

(iv) by striking "specified in sections 1611(a)(1)(B) and 1611(a)(2)(B)" and inserting "determined under the applicable subparagraph of section 1611(a)(2)"; and

(v) by striking "he or they" and inserting "such individual".

(E) Section 1611(h) (42 U.S.C. 1382(h)) is amended—

(i) by striking "or any individual and his spouse (as the case may be)";

(ii) by striking "he or they" each place it appears and inserting "such individual"; and

(iii) by striking "or an eligible spouse".

(F) Section 1612(a)(2)(A) (42 U.S.C. 1382a(a)(2)(A)) is amended—

(i) by striking "(and his eligible spouse, if any)" each place it appears;

(ii) by striking "(and spouse)" each place it appears;

(iii) by striking "or his eligible spouse";

(iv) by striking "or such spouse";

(v) by striking "or spouse";

(vi) by striking "(or such individual and his eligible spouse)" each place it appears;

(vii) by striking ", or such individual and his spouse, were" and inserting "was"; and

(viii) by striking "he (or he and his eligible spouse)" and inserting "such individual".

(G) Section 1612(b) (42 U.S.C. 1382a(b)) is amended—

(i) by striking "(and his eligible spouse)";

(ii) in paragraph (2)(B), by striking "or an eligible spouse";

(iii) in paragraph (3)(A), by striking "(and such spouse, if any)" each place it appears;

(iv) in paragraphs (4)(A), (4)(B), (4)(C), and (5), by striking "(or such spouse)";

(v) in paragraph (6), by striking "(and spouse)";

(vi) in paragraph (8), by striking "(or spouse)"; and

(vii) in paragraph (13), by striking "(and spouse if any)".

(H) Section 1613(a) (42 U.S.C. 1382b(a)) is amended—

(i) by striking "(and his eligible spouse, if any)";

(ii) in paragraph (3), by striking "(and such spouse)"; and

(iii) in paragraph (7)—

(I) by striking "(or spouse)";

(II) by striking "(or spouse's)";

(III) by striking "(and eligible spouse if any)"; and

(IV) by striking "(or eligible spouse)".

(I) Section 1613(c) (42 U.S.C. 1382b(c)) is amended—

(i) in paragraph (1)—

(I) by striking "(and his eligible spouse, if any)"; and

(II) by striking "or eligible spouse" each place it appears; and

(ii) in paragraph (2), by striking "or eligible spouse".

(J) Section 1613(d) (42 U.S.C. 1382b(d)) is amended—

(i) in paragraph (2), by striking "or of such individual and his spouse"; and

(ii) in paragraph (3), by striking ", or of such individual" and all that follows through "1611(a)" and inserting "to exceed the amount determined under the applicable subparagraph of section 1611(a)(2)".

(K) Section 1614 (42 U.S.C. 1382c) is amended—

(i) by striking subsection (b) and redesignating subsections (c), (d), (e), and (f), as subsections (b), (c), (d), and (e), respectively; and

(ii) in subsection (e) (as so redesignated)—

(I) by striking paragraph (1) and redesignating paragraphs (2) and (3), as paragraphs (1) and (2), respectively; and

(II) by striking "and Eligible Spouses" in the heading.

(L) Section 1615(c) (42 U.S.C. 1382d(c)) is amended by striking "or eligible spouse".

(M) Section 1619(a)(1) (42 U.S.C. 1382h(a)(1)) is amended—

(i) by striking "(or eligible spouse)"; and

(ii) by striking "1611(b)(1) (or, in the case of an individual who has an eligible spouse, under section 1611(b)(2))" and inserting "1611(b)".

(N) Section 1621(b) (42 U.S.C. 1382i(b)) is amended—

(i) in paragraph (1)(B), by striking "and who does not have an eligible spouse (as determined under sect on 1611(b)(1))"; and

(ii) in paragraph (2)(B)—

(I) by striking "1611(a)(3)(B)" and inserting "1611(a)(2)(B)"; and

(II) by striking "1611(a)(3)(A)" and inserting "1611(a)(2)(A)".

(O) Section 1621(d)(1) (42 U.S.C. 1382i(d)(1)) is amended by striking "or eligible spouse".

(P) Section 1631(a)(2) (42 U.S.C. 1383(a)(2)) is amended—

(i) in subparagraph (A)—

(I) by striking "or to his eligible spouse (if any) or partly to each";

(II) by striking "(or spouse)" each place it appears; and

(III) by striking "or eligible spouse"; and

(ii) in subparagraphs (B) and (C)(i), by striking "or spouse".

(Q) Section 1631(b)(1)(A) (42 U.S.C. 1383(b)(1)(A)) is amended—

(i) by striking "his eligible spouse (or from the estate of either)" and inserting "the estate of such individual";

(ii) by striking "or his eligible spouse"; and

(iii) in clause (i), by striking ", whether or not the individual's eligible spouse,".

(R) Section 1631(b)(1)(B) (42 U.S.C. 1383(b)(1)(B)) is amended—

(i) in clause (i), by striking "or his eligible spouse"; and

(ii) in clause (ii)—

(I) by striking "or eligible spouse";

(II) in subclauses (I) and (II), by striking "or their"; and

(III) in subclause (II), by striking "or spouse".

(S) Section 1631(b) (42 U.S.C. 1383(b)) is amended—

(i) by striking paragraph (2) and redesignating paragraphs (3), (4), and (5), as paragraphs (2), (3), and (4), respectively; and

(ii) in paragraph (3) (as so redesignated)—

(I) by striking "(or an individual and his or her spouse)";

(II) by striking "(and spouse if any)" each place it appears; and

(III) by striking "specified in paragraph (1)(B) or (2)(B) of section 1611(a)" and inserting "determined under subparagraph (A) or (B) of section 1611(a)(2)".

(T) Section 1631(c)(1) (42 U.S.C. 1383(c)(1)) is amended by striking "or eligible spouse".

(U) Section 1631(e)(1)(B) (42 U.S.C. 1383(e)(1)(B)) is amended by striking "(or eligible spouses)".

(V) Section 1631(j)(1)(A) (42 U.S.C. 1383(j)(1)(A)) is amended by striking "(or eligible spouse)".

(W) Section 1632(b)(1) (42 U.S.C. 1383a(b)(1)) is amended by striking "(other than such person's eligible spouse)".

(2) AMENDMENTS RELATED TO ELIGIBILITY OF SPECIALLY DISADVANTAGED INDIVIDUALS FOR BENEFITS.—

(A) Sections 1601, 1602, 1611(e)(3)(A), 1614(a)(1), 1631(a)(5), and 1631(a)(6) (42 U.S.C. 1381, 1381a, 1382(e)(3)(A), 1382c(a)(1), 1383(a)(5), and 1383(a)(6)) are each amended by striking "or disabled" and inserting ", disabled, or specially disadvantaged".

(B) The heading of section 1614 (42 U.S.C. 1382c(a)(1)) is amended by striking "or Disabled" and inserting "Disabled, or Specially Disadvantaged".

(C) Section 1631(a)(4)(B) (42 U.S.C. 1383(a)(4)(B)) is amended—

(i) by striking "or blindness" each place it appears and inserting ", blindness, or special disadvantage"; and

(ii) by striking "or blind" each place it appears and inserting ", blindness, or specially disadvantaged".

(D) Section 1631(a)(5) (42 U.S.C. 1383(a)(5)) is amended—

(i) by inserting "special disadvantage (as determined under section 1614(a)(5))," before "or disability (as";

(ii) by inserting ", to be specially disadvantaged," before "or to be under"; and

(iii) by inserting ", special disadvantage," before "or disability ceases".

SEC. 3. EXTENSION OF SSI PROGRAM TO PUERTO RICO, THE VIRGIN ISLANDS, GUAM, AND AMERICAN SAMOA.

(a) IN GENERAL.—

(1) TITLE XVI AMENDMENT TO DEFINITION OF UNITED STATES.—Section 1614(e) (42 U.S.C. 1382c(e)) is amended by striking "and the District of Columbia" and inserting ", the District of Columbia, Puerto Rico, the Virgin Islands, Guam, and American Samoa".

(2) TITLE XI AMENDMENT TO DEFINITION OF STATE.—Section 1101(a)(1) (42 U.S.C. 1301(a)(1)) is amended—

(A) by inserting "XVI," after "XI,";

(B) by striking the 5th sentence; and

(C) by inserting "and in title XVI" after "part B of title IV".

(b) REPEAL OF PROGRAM OF GRANTS TO PUERTO RICO, THE VIRGIN ISLANDS, AND GUAM FOR AID TO THE AGED, BLIND, OR DISABLED.—Section 303(b) of the Social Security Amendments of 1972 (P.L. 92-603) is hereby repealed.

SEC. 4. ELIMINATION OF ONE-THIRD BENEFIT REDUCTION FOR INDIVIDUALS LIVING IN RESIDENCE OF ANOTHER.

(a) IN GENERAL.—Section 1612(a)(2)(A) (42 U.S.C. 1382a(a)(2)(A) is amended—

(1) by striking clause (i) and redesignating clauses (ii) and (iii), as clauses (i) and (ii), respectively; and

(2) in clause (ii) (as so redesignated), by striking "and the provisions of clause (i) shall not be applicable".

(b) CONFORMING AMENDMENTS.—Section 1621(c) (42 U.S.C. 1382a(c)) is amended—

(1) by striking "the reduction" and all that follows through "nor shall"; and

(2) by inserting "shall not" after "(a) or (b))".

SEC. 5. INCREASE IN PERSONAL NEEDS ALLOWANCE FOR INSTITUTIONALIZED RECIPIENTS.

Section 1611(e)(1)(B) (42 U.S.C. 1382(e)(1)(B)), as amended by section 2(c)(2)(B)(i) of this Act, is amended by striking "$360" and inserting "$600 (or, if greater, the amount determined under section 1617)".

SEC. 6. INCREASE IN CASH INCOME DISREGARD.

(a) GENERAL INCOME DISREGARD.—Section 1612(b)(2)(A) (42 U.S.C. 1382a(b) (2) (a)) is amended by striking "$240" and inserting "$480 (or, if greater, the amount determined under section 1617)".

(b) EARNED INCOME DISREGARD.—Section 1612(b)(3)(A) (42 U.S.C. 1382a(b)(3)(A)) is amended by striking "$10" and inserting "$30".

SEC. 7. EXCLUSION FROM INCOME OF HOME ENERGY ASSISTANCE, IN KIND PAYMENTS, AMD $100 OF INTEREST INCOME.

(a) In GENERAL.—Section 1612(b) (42 U.S.C. 1382a(b)) is amended.

(1) by striking "and at the end of paragraph (12);

(2) by striking the period at the end of paragraph (13) and inserting a semicolon; and

(3) by adding at the end of the following new paragraphs:

"(14) assistance furnished to such individual for home energy conservation;

"(15) benefits received by such individual in kind; and

"(16) the first $100 per year (or proportionately smaller amounts for shorter periods) of interest income not excluded under paragraph (3) or (12).".

(b) CONFORMING AMENDMENTS.—Sections 1612(a)(2)(A) (42 U.S.C. 1382a(a)(2)(A)) and 1621(c) (42 U.S.C. 1382a(c)) are each amended by striking "or kind".

SEC. 8. TREATMENT OF UNEMPLOYMENT COMPENSATION AND WORKMEN'S COMPENSATION AS EARNED INCOME FOR SSI PURPOSES.

Section 1612(a)(1) (42 U.S.C. 1382a(a)(1)) is amended—

(1) by striking "and" at the end of subparagraph (C); and

(2) by adding after and below subparagraph (D) the following new subparagraph:

"(E) unemployment compensation benefits paid under any State law and worker's compensation benefits paid under any Federal or State law; and".

SEC. 9. ELIMINATION OF DOUBLE COUNTING UNDER RETROSPECTIVE BUDGETING.

Section 1611(c)(2) (42 U.S.C. 1382(c)(2)) is amended by striking "(or, if the Secretary so determines, for such month and the following month)" each place it appears.

SEC. 10. EXTENSION OF COST-OF-LIVING ADJUSTMENTS.

(a) IN GENERAL.—Section 1617(a)(1) (42 U.S.C. 138f(a)(1)) is amended—

(1) by striking "(a)(1)(A), (a)(2)(A), (b)(1), and (b)(2)" and inserting "(a)(2)(A), (a)(2)(B), (b)(1), and (e)(1)(B)"; and

(2) by inserting "subsections (b)(2)(A) and (b)(4) of section 1612," after "section 1611,".

(b) ROUNDING.—Section 1617(a)(2) (42 U.S.C. 1382f(a)(2)) is amended by inserting after "the next lower multiple of $12" the following: "except that an amount obtained with respect to section 1611(e)(1)(B) or subsections (b)(2)(A) and (b)(4) of section 1612 shall be rounded, when not a multiple of $1, to the next lower multiple of $1, but in no case shall the resulting increase in such amount be less than $1".

(c) CONFORMING AMENDMENTS.—

(1) Section 1617(b) (42 U.S.C. 1382f(b)) is amended by striking "section 1611 of this title" and inserting "sections 1611 and 1612".

(2) Section 1617 (42 U.S.C. 1382f) is amended by striking subsection (c).

(3) Section 211(a)(1)(A) of Public Law 93-66 is amended to read as follows:

"(A) the amounts determined under subsections (a) (1) and (b) of section 1611 of such Act shall each be increased by 50 percent for each such essential person, and".

SEC. 11. AMENDMENTS RELATING TO DETERMINATION OF CHILDHOOD DISABILITY.

(a) NEW CRITERIA FOR DETERMINATION DISABILITY IN CHILDREN.—Section 1614(a)(3)(A) (42 U.S.C. 1382c(a)(3)(A)) is amended—

(1) by striking "An individual" and inserting "(i) An individual (other than a child who has attained the age of 18 years)"; and

(2) By adding after and below the end the following new clause:

"(ii) A child who has not attained the age of 18 years shall be considered to be disabled for purposes of this title if the child suffers from any medically determinable physical or mental impairment which severely interferes with the activities of daily living, as measured by the degree and extent to which medical support and intervention is required to enable the child to engage in such activities. Any child who is born with any genetic or congenital condition which is extremely likely to result in disability shall be presumed to be disabled from birth for purposes of this title until the child attains the age of 3 years, at which time a determination shall be made as to whether the child is disabled within the meaning of the preceding sentence.".

(b) STUDY TO DEVELOP BETTER CRITERIA FOR DETERMINING DISABILITY IN CHILDREN.—The Secretary of Health and Human Services shall enter into a contract with the Institute of Medicine of the National Academy of Sciences under which the Institute agrees to develop appropriate and meaningful criteria which may be used to determine whether or not a child should be considered to be disabled for purposes of title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), and agrees to complete the development of such criteria before the close of the first calendar quarter beginning more than 1 year after the date of the enactment of this Act.

(c) IMMEDIATE PUBLICATION OF CHILDHOOD MENTAL IMPAIRMENT LISTING.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall publish a revision of the listings of mental and emotional disorders under the April 1, 1987, edition of section 112.00 of part B of Appendix I of subpart P of part 404 of title 20, Code of Federal Regulations, as a notice of proposed rulemaking, and, in such notice, explain and justify each deviation of such revised listings deviates from the recommendations contained in the Revised Childhood Listings of Mental Impairments submitted by the Mental Impairment Listings Workgroup to the Associate Commissioner for Disability on April 1, 1986.

(d) REVIEW OF ALL CHILDHOOD LISTINGS.—Within 12 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall solicit and obtain the advice of experts in childhood disability for the purpose of reviewing and revising all childhood listings to take account of age-appropriate medical and functional criteria developed by such experts. Within 18 months after such date of enactment, the Secretary shall publish the revised listings as a notice of proposed rulemaking along with the recommendations of such experts, and shall identify and explain any deviation from such recommendations in such revised listings.

(e) OUTREACH TO CHILDREN POTENTIALLY ELIGIBLE FOR SSI BENEFITS BY REASON OF DISABILITY.—As soon as is practicable after the enactment of this Act, the Secretary of Health and Human Services shall establish and conduct an ongoing program of outreach to children who are potentially eligible for benefits under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.) by reason of disability. For such purpose, the Secretary shall enter into arrangements with any Federal department or agency which may have knowledge of children who are receiving benefits or services under programs administered by such department or agency, who are not receiving benefits under such title, but who may be eligible for such benefits by reason of disability, under which such department or agency will notify the parents or guardians of such potentially eligible children of such potential eligibility. In addition, the Secretary shall take such additional steps as may be necessary to identify such potentially eligible children and notify the parents or guardians of such children of such potential eligibility.

SEC. 12. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act shall apply to calendar quarters beginning after the date of the enactment of this Act.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Friday, July 8, 1988, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 11

9:30 a.m.

Special on Aging

To resume hearings to examine certain problems and challenges surrounding the provision of health care to rural communities, and to review recommendations and innovative strategies to deal with these problems.

SD-628

2:00 p.m.

Energy and Natural Resources

To hold hearings on the nominations of Joseph F. Salgado, of California, to be Deputy Secretary of Energy, Donna R. Fitzpatrick, of the District of Columbia, to be Under Secretary of Energy, and Robert O. Hunter, Jr., of California, to be Director of the Office of Energy Research, Department of Energy.

SD-366

Finance

Health Subcommittee

To hold hearings on patient outcome assessment research.

SD-215

2:30 p.m.

Foreign Relations

To hold hearings on the Berne Convention for the Protection of Literary and Artistic Works (Treaty Doc. 99-27).

SD-419

JULY 12

9:30 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings on drought relief measures.

SR332

Finance

Taxation and Debt Management Subcommittee

To hold hearings on miscellaneous tax measures, including S. 1239, S. 1821, S. 2078, S. 2409, S. 2484, H.R. 1961, and H.R. 2792.

SD-215

Judiciary

To hold hearings on H.R. 3911, to provide increased penalties for certain major frauds against the United States.

SD-226

10:00 a.m.

Banking, Housing, and Urban Affairs

To hold oversight hearings on the Federal Reserve's Second Monetary Policy Report of 1988.

SD-538

Commerce, Science, and Transportation

Merchant Marine Subcommittee

To hold hearings on S. 2510, to make certain United States-flag vessels eligible for operating-differential subsidies under the Merchant Marine Act, 1936.

SR-253

Energy and Natural Resources

Mineral Resources Development and Production Subcommittee

To hold oversight hearings on the Department of the Interior royalty management program.

SD-366

Governmental Affairs

Business meeting, to mark up S. 2449, to revise certain U.S. Code provisions with respect to the budgetary treatment of the U.S. Postal Service, and S. 2478, to improve the Federal budget process by establishing biennial budgeting.

SD-342

JULY 13

9:30 a.m.

Small Business

Rural Economy and Family Farming Subcommittee

To resume hearings to identify prospects for economic development in rural America.

SR-428A

10:00 a.m.

Banking, Housing, and Urban Affairs

To continue oversight hearings on the Federal Reserve's Second Monetary Policy Report of 1988.

SD-538

Finance

To hold hearings on proposed legislation to make technical corrections relating to the Tax Reform Act of 1986.

SD-215

Labor and Human Resources

To hold hearings on AIDS treatment research and approval.

SD-430

11:00 a.m.

Foreign Relations

Business meeting, to consider pending nominations and treaties.

SD-419

JULY 14

9:00 a.m.

Commerce, Science, and Transportation

To hold hearings on the nomination of Leslee K. Alexander, of Tennessee, to be a Member of the Board of Directors of the Corporation for Public Broadcasting.

SR-253

Labor and Human Resources

Business meeting, to mark up S. 2488, to grant employees parental and temporary medical leave under certain circumstances, S. 1808, to require the Secretary of Health and Human Services to determine the appropriate regulatory classification of the transitional devices of the Medical Device Amendments, S. 2229, to authorize funds for fiscal years 1989, 1990, and 1991 for health research and related teaching facilities, and training of professional health personnel as contained in title VII of the Public Health Service Act, and S. 1950, to authorize funds for adolescent family life demonstration projects.

SD-430

9:30 a.m.

Agriculture, Nutrition, and Forestry
Agricultural Credit Subcommittee

To resume oversight hearings on the implementation of the Agricultural Credit Act (P.L. 100-233).

SR-332

Commerce, Science, and Transportation
Communications Subcommittee

To hold hearings on the modified final judgement regarding AT&T divestiture and open network architecture.

SR-253

Veterans' Affairs

To hold oversight hearings to examine the extent of post traumatic stress disorder on veterans.

SD-628

10:00 a.m.

Banking, Housing, and Urban Affairs

Business meeting, to consider S. 2467, to remove the ownership and transferability restrictions placed on nonvoting preferred stock of the Federal Home Loan Mortgage Corporation (FHLMC), S. 2544, to amend the Federal securities laws in order to facilitate cooperation between the United States and foreign countries in securities law enforcement, and the nominations of Timothy L. Coyle, of California, and Jack R. Stovkvis, of New York, each to be an Assistant Secretary of Housing and Urban Development, and James B. Werson, of California, to be a Member of the Board of Directors of the National Corporation for Housing Partnerships.

SD-538

1:30 p.m.

Finance
Social Security and Family Policy Subcommittee

To hold hearings on S. 2441, to require the Secretary of Health and Human Services to provide annual personal earnings and benefit statements to workers covered by Social Security, and S. 2461, to amend part E of title IV of the Social Security Act to extend and improve the independent living program.

SD-215

JULY 26

9:30 a.m.

Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 2148, to designate specified river segments in Oregon as scenic, wild, or recreational rivers.

SD-366

JULY 27

9:30 a.m.

Governmental Affairs
Oversight of Government Management Subcommittee

To continue oversight hearings to review the Department of Defense safety program for chemical and biological warfare research.

SD-342

JULY 28

9:30 a.m.

Governmental Affairs
Oversight of Government Management Subcommittee

To continue oversight hearings to review the Department of Defense safety program for chemical and biological warfare research.

SD-342

AUGUST 2

9:00 a.m.

Commerce, Science, and Transportation
Communications Subcommittee

To hold hearings on S. 2044, to require further review by the Federal Communications Commission (FCC) to ensure thorough deliberation on proposed changes in the method of regulation of interstate basic service rates, and to review FCC price cap proceedings.

SR-253

AUGUST 10

9:30 a.m.

Commerce, Science, and Transportation
Consumer Subcommittee

To hold hearings on S. 2047, to require health warning labels on containers of alcoholic beverages.

SR-253

AUGUST 11

9:00 a.m.

Veterans' Affairs

To hold oversight hearings to review certain veterans health care programs.

SH-216

HOUSE OF REPRESENTATIVES—*Thursday, July 7, 1988*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We pray, O God, for a spirit that brings our hearts and souls and minds together so that we may discover the unity of our humanity that we so earnestly desire. Enable us to understand the health that comes when reason and spirit and strength are sought as complements of an attitude of health and wholeness. Bless us all, O God, now and evermore. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 4229. An act to amend title 10, United States Code, to codify in that title certain defense-related permanent free-standing provisions of law.

The message also announced that the Senate agrees to the amendments of the House to the bill (S. 623), "An act to amend the Independent Safety Board Act of 1974 to authorize appropriations for fiscal years 1988, 1989, and 1990, and for other purposes."

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 1518), "An act to amend the Motor Vehicle Information and Cost Savings Act to provide for the appropriate treatment of methanol and ethanol, and for other purposes," and agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints from the Committee on Commerce, Science, and Transportation: Mr. Hollings, Mr. Gore, Mr. Rockefeller, Mr. Danforth, Mr. McCain; and from the Committee on Governmental Affairs: Mr. Glenn, Mr. Levin, and Mr. Roth to be the conferees on the part of the Senate.

AT&T BUILDING FACTORY IN THAILAND

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, AT&T has announced it will build another new factory in Thailand. They will produce telephones, mainly for the U.S. market. The factory will make 5 million telephones per year, and they will employ 1,000 people. They will get cheap labor, by the way, at 47 cents an hour, and they will get tax breaks from Thailand.

But that is not the only gift they will get. America is going to help out, too. We will give them tax deferrals on all the income they make in Thailand, and if they make any profits on the sales of these phones to United States consumers and they reinvest those in Thailand, they will not even have to pay taxes to Uncle Sam.

Maybe that is why the phone company keeps saying, "Reach out and touch somebody."

Mr. Speaker, our American workers would like to "reach out and choke somebody." I think we had better do something to take care of America, because nobody has figured it out. Maybe this is why we have such a staggering national debt.

IRAN MUST ANSWER CERTAIN QUESTIONS BEFORE COMPENSATION IS ADDRESSED

(Mr. CRAIG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CRAIG. Mr. Speaker, the loss of 290 civilian lives in the Iranian jetliner incident is a terrible human tragedy. Our hearts go out to the families of the dead.

But we need to remember that the United States missile cruiser *Vincennes* was not in the Strait of Hormuz gunning for civilian airliners. It was there protecting neutral shipping from Iranian attacks.

As the Iranian jetliner closed in, our ship was already fending off the attacks on one of its helicopters by Iranian gunboats.

Why did the Iranians launch a civilian aircraft from a dual-purpose military base into a combat zone? Why did the Iranian captain not make the plane's civilian status known, ignoring seven direct requests for identification.

The question of compensation is a moot point until these and other questions are answered.

Remember, it was the outlaw Iranian regime which held United States citizens hostage for many months. It was a group connected to the Iranians which bombed our marines in Lebanon. Really now, who owes whom?

COMPASSION, COMPENSATION, AND CAUTION

(Mr. DOWNEY of New York asked and was given permission to address the House for 1 minute.)

Mr. DOWNEY of New York. Mr. Speaker, the tragic death of 290 individuals on Iran Air flight 655 gives all of us pause, and the sentiments of many here in the Congress to pay immediate reparations to Iran for this terrible tragedy is understandable. But now may not be the best time to act solely on sentiment.

There is, in this reparations issue, a much larger issue—the question of demands that need to be placed upon the Iranian Government by the United States. For instance, while pro-Iranian terrorists still hold nine American hostages somewhere in the bowels of Beirut, our Government must not be in the position of giving anything, including money, to Iran. Reparations for the downing of flight 655 should not be made until all American hostages are home. In fact, before any of the economic consequences of flight 655 are addressed, there are policy questions, like Tehran's continued use of international terrorism as an extension of its foreign policy, that Iran must answer. This is a sensible demand for Washington to make.

This is, for sure, a time to be compassionate. But it is also a time to be hardheaded in addressing Iran's terrorist bent that has made the gulf such a dangerous place to begin with.

SOUTH CAROLINA SURVEY REVEALS CONSEQUENCES OF ACID RAIN

(Mr. RAVENEL asked and was given permission to address the House for 1 minute.)

Mr. RAVENEL. Mr. Speaker, Medway Plantation is an old 17th-century rice plantation on the Cooper River 22 miles above Charleston, SC. Today, Medway grows valuable pine timber on most of its 6,800 acres. Its stands of hardwood provide excellent game habitat and a number of freshwater ponds abound with bream and bass. I recently received a letter from Medway's manager, Mr. Robert Hortman, that contains some alarming information. He has been monitoring

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

rainfall at Medway since June 1987. His results show that even on the Carolina coast, rainfall is often more acidic than vinegar. Over the past year, Mr. Hortman recorded the acidity of 55 rainfalls. Almost 20 percent of these recorded a pH of less than 4. Two occurrences this May registered a pH of 3, more than 100 times as acidic as normal rainfall. Like our mountains, our Carolina low country is threatened by a silent killer—acid rain. I urge my colleagues to act this year to stem its deadly ravages.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 4441

Mr. TRAXLER. Mr. Speaker, I ask unanimous consent to have my name deleted as a cosponsor of H.R. 4441.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EDWARD THAXTER GIGNOUX U.S. COURTHOUSE

Mr. CLEMENT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 4525) to designate the U.S. courthouse located at 156 Federal Street in Portland, ME, as the "Edward Thaxter Gignoux U.S. Courthouse."

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. HAMMERSCHMIDT. Mr. Speaker, reserving the right to object, I yield to the gentleman from Tennessee [Mr. CLEMENT] to explain his request.

Mr. CLEMENT. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, this legislation would honor one of the finest judges in the country, Judge Edward Thaxter Gignoux by naming the U.S. courthouse in Portland, ME, after him.

Judge Gignoux began his very distinguished judicial career in 1957, when President Eisenhower appointed him to the U.S. District Court for Maine. At the time, he was only 41 and the youngest district judge in the country. Until 1979, he was also the only trial judge in Maine.

Judge Gignoux won recognition for his successful handling of many important cases such as the one involving Indian land claims in Maine and the Judge Hastings bribery case in Florida. Success in those cases required the kind of special courage to resist political and social pressure and the special judicial wisdom that have marked Judge Gignoux throughout his career.

The high esteem in which he is held in the legal community is reflected by the fact that he was rated one of the 11 outstanding judges in the country by Lawyers magazine at one time. It is also reflected by his consideration for appointment to the U.S. Supreme Court in 1970.

Naming the U.S. courthouse where Judge Gignoux has served with such excellence for over 25 years is a most appropriate way to show our appreciation for his many contributions to the State of Maine and the Nation.

Mr. HAMMERSCHMIDT. Mr. Speaker, I thank the gentleman for his explanation.

Further reserving the right to object, Mr. Speaker, I want to express my support for H.R. 4525, which would name a U.S. courthouse in Portland, ME, in honor of Judge Edward Thaxter Gignoux.

Judge Gignoux was appointed to the bench in 1957 by President Eisenhower, and was at that time the youngest district judge in the country. During his more than 25 years on the bench, Judge Gignoux has earned the reputation of being an intelligent, competent, and fair trial judge.

This bill is strongly supported by the four members of the Maine delegation who have expressed their respect and high regard for Judge Gignoux. Naming the courthouse in Portland, ME, where Judge Gignoux presided, is a truly appropriate honor for this distinguished public servant.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

H.R. 4525

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF BUILDING.

The United States Courthouse located at 156 Federal Street in Portland, Maine, shall be known and designated as the "Edward Thaxter Gignoux United States Courthouse".

SEC. 2. LEGAL REFERENCES TO BUILDING.

Any reference in any law, regulation, document, record, map or other paper of the United States to the building referred to in section 1 is deemed to be a reference to the "Edward Thaxter Gignoux United States Courthouse".

Ms. SNOWE. Mr. Speaker, I rise in strong support of H.R. 4525, legislation to designate the U.S. courthouse in Portland, ME, as the "Edward Thaxter Gignoux United States Courthouse." This measure, whose companion bill was adopted by the Senate on April 22 in a voice vote, is designed to honor an outstanding Federal judge who presided in Maine for more than 30 years.

Edward T. Gignoux was appointed to the Federal bench in 1957 by President Eisenhower. As a Federal judge, he served with great distinction until 1983, when he retired to assume senior status. Throughout his entire career, Judge Gignoux was widely respected for his intellect, fairness, and integrity. When called upon to resolve difficult cases, his decisions consistently demonstrated compassion, wisdom, and courtesy.

Due to serious illness, Judge Gignoux will not return to work this year. H.R. 4525 is intended to commemorate Judge Gignoux's fine career by renaming the U.S. courthouse, in which he presided over for so many years, in his honor.

Mr. Speaker, I urge all of my colleagues to join me, and my distinguished colleague from Maine who has sponsored this legislation in the House, in supporting this legislation to rename the U.S. courthouse in Portland, ME, after Judge Edward T. Gignoux. Approving this measure so that President Reagan can sign it into law is a touching and appropriate manner in which the 100th Congress can honor Judge Gignoux.

Mr. BRENNAN. Mr. Speaker, I rise today as the sponsor of H.R. 4525. This bill designates the U.S. courthouse in Portland, ME, as the Edward Thaxter Gignoux United States Courthouse.

By passing this legislation, the 100th Congress will appropriately show the respect and admiration that this superb judge deserves.

Judge Gignoux has served with great distinction for 30 years. He is held in highest esteem by other judges—the legal profession—and most importantly the people of Maine.

He was appointed to the Federal bench by President Eisenhower in 1957, and was, at the time the youngest Federal district judge in the country. He has truly been one of the most brilliant Federal judges in the history of this Nation.

In 1970, he was considered for a spot on the Supreme Court. Although he was not appointed, his reputation grew and Chief Justice Warren Burger called on him to preside over one of the major trials of the last 20 years—the retrial of the Chicago Seven. Although his primary service was in Maine, he was frequently called to preside in other parts of the country.

In 1981, American Lawyer magazine named him as one of the outstanding 11 judges in America.

In case after case, Judge Gignoux ruled as an extremely learned, competent and compassionate trial judge. He is truly a judge's judge.

If the naming of public buildings is based on merit, I think there would be virtual unanimous agreement by Democrats and Republicans and indeed all the people of Maine that Justice Gignoux demonstrated the highest level of competence—indeed his standard of excellence warrants this tribute.

On a personal note, it is an honor for me to sponsor this bill on behalf of Judge Gignoux since, as a trial attorney, I appeared before him many times. I often thought during a trial this is how a court should be run—this should be the standard. Even when I lost, I felt I was treated fairly—with respect to my client and with much dignity in the process.

I urge my colleagues to join with me to pass this legislation.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 1015

Mr. CLEMENT. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation be discharged from further consideration of the Senate bill (S. 2248) to designate the U.S. Courthouse located at 156 Federal Street in Portland ME, as the "Edward Thaxter Gignoux United States Courthouse," and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2248

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF BUILDING.

The United States Courthouse located at 156 Federal Street in Portland, Maine, shall be known and is designated as the "Edward Thaxter Gignoux United States Courthouse".

SEC. 2. LEGAL REFERENCES TO BUILDING.

Any reference in any law, regulation, document, record, map, or other paper of the United States to the building referred to in section 1 is deemed to be a reference to the "Edward Thaxter Gignoux United States Courthouse".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 4525) was laid on the table.

GENERAL LEAVE

Mr. CLEMENT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill and the House bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 1720, FAMILY WELFARE REFORM ACT OF 1987

Mr. ROSTENKOWSKI. Mr. Speaker, pursuant to clause 1 of the House rule XX and by direction of the Committee on Ways and Means, the Committee on Education and Labor, and the Committee on Energy and Commerce, I move to take from the Speaker's table the bill H.R. 1720, to replace the existing AFDC program with a new Family Support Program which emphasizes work, child support, and need-based family support supplements, to amend title IV of the Social Security Act to encourage and assist needy children and parents under the new program to obtain the education, training, and employment needed to avoid long-term welfare dependence, and to make other necessary improvements to assure that the new program will be more effective in achieving its objectives with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference requested by the Senate.

The SPEAKER. Does the gentleman from Illinois [Mr. ROSTENKOWSKI] seek time on the motion?

Mr. ROSTENKOWSKI. Yes, I do, Mr. Speaker.

The SPEAKER. The gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 1 hour.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this motion simply allows the House to go to conference with the Senate on H.R. 1720, the Family Welfare Reform Act of 1987.

H.R. 1720 passed the House on December 16, 1987. The bill is designed to create work, education, and training opportunities for welfare recipients, promote family responsibility through work and better child support enforcement, and encourage family formation by providing benefits to needy children living with both parents. The Senate amendment, although similar in purpose, is much more limited in scope and imposes several unworkable requirements on the States.

The Nation's Governors—through the National Governors' Association—have endorsed the House bill and expressed deep concern over a number of provisions in the Senate amendment. The Governors are especially troubled by several new work and training requirements included in the Senate amendment. They argue that mandated participation levels, without adequate resources or sufficient State flexibility could spell disaster for the new program. These concerns can only be addressed in a conference with the Senate.

Mr. Speaker, I want to stress that this is purely a procedural motion. The adoption of the motion in no way reflects support or opposition to any aspect of the Senate amendment. It merely allows the House to go to conference as quickly as possible so that we can begin work on a final welfare reform bill that will reflect the best aspects of both the House and Senate version of H.R. 1720.

Mr. Speaker, I yield to the gentleman from Colorado [Mr. BROWN].

Mr. BROWN of Colorado. Mr. Speaker, I thank the gentleman from Illinois [Mr. ROSTENKOWSKI] for yielding to me.

Mr. Speaker, I have no comments on the motion that is before the House at this time.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield back the balance of my time.

The SPEAKER. Without objection, the previous question is ordered on the motion.

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois [Mr. ROSTENKOWSKI].

The motion was agreed to.

A motion to reconsider was laid on the table.

MOTION TO INSTRUCT CONFEREES OFFERED BY MR. BROWN OF COLORADO

Mr. BROWN of Colorado. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BROWN of Colorado moves that the managers on the part of the House, at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 1720, be instructed—

(1) to assure that no more will be spent in carrying out the bill than the $2.8 billion authorized by the Senate amendment; and

(2) to permit no impediments which would disallow work beyond those contained in the Senate amendment.

The SPEAKER. The gentleman from Colorado [Mr. BROWN] is recognized for 1 hour.

Mr. BROWN of Colorado. Mr. Speaker, I would like to divide that 1 hour evenly between the majority and minority, and I therefore, yield 30 minutes of that time to the gentleman from Illinois [Mr. ROSTENKOWSKI], the chairman of the Ways and Means Committee.

Mr. ROSTENKOWSKI. Mr. Speaker, I thank the gentleman from Colorado.

Mr. BROWN of Colorado. Mr. Speaker, the motion before the House is a simple and direct one. I believe this House has an opportunity to move forward with regard to welfare reform. We have an opportunity to reach a compromise that can move this Nation ahead.

Mr. Speaker, there are several very difficult points though that, if this House moves off of, we stand in danger of losing any progress in the welfare reform area. The first of that is cost.

We suggest in the motion to instruct that we ought to stay with the Senate figures, so the $2.8 billion is the Senate number over a 5-year period. We are suggesting that the conference worth should not exceed the $2.8 billion limit that is in the Senate bill.

And second, we think it is wrong to make it illegal to refer people out to jobs. The Senate bill has several restrictions in this area, but, as the body knows, the House has several additional, so in the second amendment or second instruction we are simply suggesting that we would not increase restrictions on referring people to work over and above what the Senate already does.

Mr. Speaker, it is a simple, direct instruction, but we think it is fundamental, if we are to reach an agreement with regard to workfare and with regard to welfare reform. To exceed these instructions we think puts the bill in danger of being vetoed, and I suspect a veto that can be maintained.

So, Mr. Speaker, I urge the adoption of this instruction to the conferees.

Mr. Speaker, I yield 3 minutes to the gentleman from Connecticut [Mr. ROWLAND].

Mr. ROWLAND of Connecticut. Mr. Speaker, this motion is perhaps one of the most important votes that we will take in the 100th Congress. And, I think the issue is very simple. If Members want the final welfare reform bill to be signed into law, they should vote for this motion to instruct conferees.

I say this because it is very obvious that the conferees from the House side will be dominated by Members who don't like the Senate version. They don't think it spends enough; they don't like the Senate-passed work requirements; and in short, they will push to have the conference adopt the $7 billion approach contained in the House version.

Well, some may ask: "What is the matter with that? Aren't we supposed to side with the work the Ways and Means Committee did?" My response is, if the conferees deviate—in any significant manner—from the Senate version in these important areas of total cost and work requirements, then we won't have a welfare reform bill, period. Because, the President rightly will not sign it.

All we are saying with this motion is that we want the House conferees to be realistic on the cost of the program and not exceed the Senate figure of $2.8 billion. Is that so unreasonable? I don't think so. And, I would point out to the Members, this constitutes an increase in welfare reform spending of $1.7 billion above and beyond the Michel-Brown alternative which many of us supported last fall.

I will predict right now that if this motion fails—and the House conferees have no direction as to how much they can spend—the bill will end up probably in the range of $4 or $5 billion in new welfare expenditures. Do you really want that?

We are also saying through this motion that we want the House conferees to retain the Senate language in the area of work. Right now, the House bill has absolutely no requirement that welfare recipients work or even participate in the education or training programs. None, whatsoever. The Senate saw through this sham and put in limited client participation standards which State welfare agencies must meet.

Under the Senate bill, a mere 22 percent of the total welfare recipient population must be enrolled in the program after 4 years. Is that so outrageous? One out of five? Quite frankly, I think the figure is way too low. Under our Michel-Brown alternative, we provided for participation standards that would reach 70 percent of the nonexempt population within 9 years.

Although I'm not happy that the Senate capped the standards at the level they did, at least they are in the bill. That is important—and I suggest critical—to whether or not this program will put a dent in the problems which we all know revolve around our welfare system. Unfortunately, you can bet that one of the first things to go out the window in conference will be participation standards, if this motion does not prevail.

Another key provision likely to get trashed relates to work requirements in the AFDC-UP Program. To hear some Members talk, you might think that the Senate has voted to force welfare parents to go rake leaves down at the local park full time, and all but abandon their little children.

Nonsense! Let's keep in mind a few facts. The AFDC-UP Program, by definition, means that both parents are in the household. And, the only reason they are on welfare is because the father and mother are both unemployed. Given these critical distinctions from the regular AFDC program, doesn't it make some sense that we require a nominal work requirement from either the father or mother?

And, I stress nominal. The Senate endorsed a work effort by one of the two parents of 16 hours per week, maximum. In other words, 2 days out of a typical 5-day workweek. Draconian? Hardly.

Overall, I must say that the Senate bill is far, far, better than what was passed by the House last December. In a sense it is being very charitable to even call the House bill welfare reform. It's more welfare—that's for sure—but without the reform.

At the outset, I said that this vote was a critical one. It is. If you want the welfare reform bill to have some semblance of reality in cost, then you should vote for this motion. If you want some mimium work effort or requirement on able bodied welfare recipients, then you should vote "aye." Above all, if you want welfare reform at all, please support this motion so that the final conference report will contain the elements that are absolutely required in order to avoid what otherwise will be a veto of this legislation.

I urge adoption of the motion to instruct conferees.

Mr. BROWN of Colorado. Mr. Speaker, I thank the gentleman from Connecticut [Mr. ROWLAND] for his comments, and I reserve the balance of my time.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to the motion to instruct.

For the first time in decades, we are on the verge of a significant improvement in our Nation's welfare system. When we began this process, there were many skeptics. They questioned our ability to achieve true reform during a time of tight Federal resources and reminded us of our historical inability to enact welfare reform legislation.

So far we have proven the skeptics wrong. This time is different. We have a President who has asked us for welfare reform. The House and Senate have passed responsible bills which echo the basic views of most American citizens: that our Nation's welfare system should be redesigned to emphasize work and family responsibility. And we have consensus that simply doing nothing—failing to reform the system—is not good enough. I don't know anyone who defends the status quo. We have come a long way. Success is within our reach.

The motion to instruct conferees threatens that success and should be opposed for three reasons.

First, it unnecessarily ties the hands of the conferees. Although work and training requirements are an integral part of both bills, the Senate amendment would impose heavy new burdens on the States and could leave them without adequate resources to carry out those requirements. The conferees must strike a balance between the more restrictive Senate bill and the House bill—which gives Governors both the flexibility they have sought and the resources they need to implement the program.

Second, with or without this motion, the congressional budget resolution requires that welfare reform be budget neutral. The cost of the bill will be determined by the policy decisions that are made in conference. But the conference report that will be brought back to you will be deficit neutral. The conferees should not be bound by an arbitrary spending limit that is unrelated to the purposes for which the money will be spent.

Third, I want a bill that the President will sign. Obviously, to gain the President's support the bill's cost must be closer to the Senate amendment. This will be worked out in conference. Now is not the time to issue ultimatums and bottom lines.

Let's not kid ourselves. Whether we adopt this motion or not, we will face many difficult choices if we are to deliver on our commitment for a deficit neutral welfare reform bill. To achieve that goal we must be creative; the conferees' hands should not be tied.

Mr. Speaker, I urge my colleagues to oppose the motion to instruct.

□ 1030

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. Downey].

Mr. DOWNEY of New York. Mr. Speaker, I want to repeat a couple points that the chairman, the gentleman from Illinois [Mr. Rostenkowski] made to our colleagues.

First of all, this bill will be deficit neutral. We will raise the money that we need to provide for this program.

Second, while I, personally, would like to see the House numbers with respect to welfare reform more like $5.7 billion, it is far more likely that that number is going to come down and come down dramatically because of what the Senate has done and because we would like to have a Presidential signature.

But let us not quibble about the details of welfare reform, because there are important differences between the parties as to how we get people to work. Work, instead of welfare, interestingly enough, is not something we argue about anymore. This bill is designed to take people who have been unproductive and make them productive. That is what it does.

There is some disagreement on the Republican side as to how to do that and we can work with the Senate and the other Republican conferees to deal with those problems.

But there is something, my colleagues, that none of us disagree with, and that is that America faces international competition, the likes of which it has never faced before. This welfare reform bill is less about welfare than it is about America's ability to compete.

We cannot argue with demographics. We cannot even argue, to a certain extent, about what is happening in the world economy.

Let me cite some statistics that I think bear on this debate. In 1978, 10 years ago, 25 percent of the work force was between the ages of 16 and 24. By 1995, 7 short years from now, 16 percent will be in that age bracket.

What does that mean? It means there will be 5 million fewer young people to work.

What is happening to the supply of labor in this country? It is frightening. Over 1 million young Americans drop out of school each year. That is more than a quarter of any high school class. One out of eight 17-year-olds is functionally illiterate. One child out of five lives in poverty, and those children who live in poverty are 33 percent more likely not to finish school. That is the supply. It is diminishing. The labor supply is less educated. It is less talented.

Now, what is the demand for labor in the future? Well, by 1990, more than 50 percent of all jobs will require education and training beyond the high school level. The skill level will be higher, not lower, in the future. By the year 2000, it is expected between 5 and 15 million new manufacturing jobs with entirely new skills and a like number of service jobs will disappear.

Also, by the year 2000, and this is critically important, the vast majority of new jobs will be located in smaller companies. These are the companies lease capable of providing training and remediation that the work force of the future will need.

Also, workers will change jobs between five and six times in the future.

So on the one hand, we have a supply of labor that is increasingly less educated, and on the other hand we have a demand for labor that requires greater education and greater skills.

Now, let us talk about costs, since that is the thrust of the motion offered by the gentleman from Colorado [Mr. Brown]. Employers already spend in this country, I say to my colleagues, $210 billion on training which is both formal and informal—$210 billion.

Teenage pregnancies in this country cost us $16 billion a year.

The remediation that is needed in the workplace in terms of lost productivity for the workers costs us $25 billion a year, and the costs of dropouts for Americans who have not finished high school in foregone taxes and in lost productivity is $240 billion.

Where do I get these statistics? Not from the American Public Welfare Association, but from Business Week.

Now, let me quote Ann McLaughlin, the Secretary of Labor.

> Without immediate action—

Says Mrs. McLaughlin—

> large segments of our community will end up uneducated, untrained, and unemployed in the workplace of today and tomorrow, perhaps even unemployable.

Give us the flexibility to deal with the other body, to fashion a bill that will make sure that we do not turn our backs on the next generation of Americans.

By simply saying we can only spend $2.8 billion, we have decided the price of the product before we know what it is we want to buy. That is crazy.

I further suggest to my colleagues that the Governors of the 50 States are prepared to work with us and fashion a bill that is accessible to the House, to the Senate and to the President.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 3 minutes to the chairman of the Committee on Education and Labor, the gentleman from California [Mr. Hawkins].

Mr. HAWKINS. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I join with the gentleman from Illinois [Mr. Rostenkowski] and the gentleman from New York [Mr. Downey] in opposition to the motion to instruct the conferees.

I want to address specifically that part of the instruction which says to permit no impediments which would disallow work beyond those contained in the Senate amendments. If anyone knows what that means, then certainly I think that individual would be a genius, because there is no specific implication in such language that would allow almost anything to be done, and certainly it would allow a mandatory workfare provision of the worst possible type, one which was defeated and proved to be ineffective in many States, including California under then Governor Reagan.

Now, there is a specific reason for not including that particular language along with the other language pertaining to the $2.8 billion restriction. If welfare reform is to work, then it is essential that it include training, that it include remedial education and that it include a quality child care program. With these requirements, any work requirement would then become not mandatory or would not need to become mandatory, but permissive.

There is no study that has ever been done which indicates that welfare recipients do not desire to work, that they are those who do not want a job, but there are reasons why some individuals are discouraged from working, and this language would permit that situation to prevail.

There is a great reason, for example, for providing to a mother a decent child care program for the children. We are thinking of the children in this instance.

Parents out of a natural urge are willing to do that which is necessary to provide security, a future, and certainly self-respect for their children; but if they are required to do certain work provisions or to live by certain work provisions without caring for their children, we create, therefore, a disincentive. This language would remove the incentive for parents to work productively. Such a provision is vague. It is demeaning. It is demoralizing and it is unworthy, I would suggest, of a democratic society. With such a provision, I would think that then we would have no right to be preaching to others on human rights.

Mr. Speaker, I suggest that this instruction should be defeated.

Mr. BROWN of Colorado. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois [Mr. Michel].

Mr. MICHEL. Mr. Speaker and my colleagues, personally I compliment the gentleman from Colorado [Mr. Brown] for all the good work that he has done, particularly on our side, heading up the task force on welfare reform when we were initially putting together the kind of package we thought would be most desirable for the House to consider, and for his motion to instruct the conferees today, I certainly rise in support of it.

I think we all want to see the enactment this year of a responsible welfare reform bill that will help welfare recipients to achieve an independent future.

As I understand it, the motion to instruct is designed to help us enact the bill. The cost of the Senate bill, $2.8 billion, is frankly at the outer limit of what not only the President would accept, but I think frankly what the American people as well want to accept at this time.

The fact is that poll after poll has shown substantial majorities of the American people opposed to increases in welfare benefits, period. The House-passed bill would spend substantial amounts on benefit increases, thus ballooning the cost probably in excess of some $7 billion. That was part of the argument that we made during the course of the deliberation here itself.

The Senate bill, like our Republican proposal when we considered it here in the House, does not provide for such exorbitant increases.

The motion to instruct calls on the conferees to limit total costs to the Senate level, and I certainly support that goal.

The motion also addresses the issue of House-passed impediments thrown in the path of work requirements, including provisions allowing people to refuse a job if the wage is below the total cost of their welfare related benefits.

It seems to me we need to be encouraging people to accept work, not making it easier for them to turn down jobs, and acceptable jobs. The motion to instruct would move us in this direction, and that is a good objective.

I should also note that while the motion to instruct does not address the issue of work requirements where both parents are receiving welfare, there is no question but what the President is strongly in support of such requirements and has indicated to Members his intention to veto any bill without those requirements. So I would urge the conferees to work out an acceptable work requirement in this regard.

Taking all these measures into account, as I said, I think we would all like to see some welfare reform bill enacted into law, targeted, as we attempted to do on our side early in the deliberations, and certainly being somewhat responsible as much as we possibly can on the overall limits of what we have, what we can and cannot spend in this area.

Mr. Speaker, I support the motion to instruct wholeheartedly and hope there will be sufficient number of Members here in the House to do likewise to give the conferees that kind of direction in the conference.

Mr. BROWN of Colorado. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Speaker, if there has been anything on which common consensus has seemed assured during this 100th Congress, it has been the need for welfare reform. Therefore, it came as no surprise to anyone that a couple of weeks ago the Senate approved its version of welfare reform by the overwhelming vote of 93 to 3. What I found particularly interesting to note was the great similarity of the Senate's bill to the Carper substitute, which this body never had the chance to vote upon because of the modified closed rule.

As I said, it is with some reluctance to the chairman and to the gentleman from New York [Mr. DOWNEY] in particular, because I know how hard he worked on this proposal, but we are here in support of the motion to instruct, but had we had the opportunity in free and open debate to debate the issues of the motion to instruct and some that are not in the motion to instruct I certainly would not be here today.

There are many, many differences between the House and Senate versions of welfare reform, but there are two in particular on which this instruction to the House conferees focuses:

First, the cost should not exceed $2.8 billion; and

Second, there should not be restrictions on referring able-bodied welfare recipients to work.

I certainly agree with these two instructions, but I must admit my considerable disappointment that there is not a third instruction advising conferees to agree with the Senate language requiring participation in work programs by at least one parent when a two-parent home is receiving welfare benefits. I am honestly baffled by the amount of controversy created by this provision. How many non-welfare-recipient couples do you know who assume a right to have both parents stay home full time with the children? Most people I know consider it fortunate if even one parent can stay at home rather than contributing to the family income. Is it punitive or un-American to ask for 16 hours of work a week in exchange for participation in a program which offers not only direct monetary benefits, cut education, training, child care, health care, and other benefits as well?

I find I must agree with the article in the most recent New Republic magazine which states that the Senate bill is far too soft to bring about the radical reform in the welfare program which has been predicted, but that the Senate bill is still far preferable to the "much inferior House bill." The Senate provisions are not punitive, stark, make-work ideas. They include more training and education than work, more exemptions than requirements, more carrot than stick. I would rather see us instruct our conferees to accept more of the Senate's provisions.

Be that as it may, however, the two instructions included here are good ones and worthy of your support. You have never had the opportunity to vote specifically on the two basic principles included in this motion to instruct the conferees. Take this opportunity to show you do care about releasing recipients from the bonds of welfare dependency in a meaningful way.

Vote "yes" on this motion to instruct the conferees on welfare reform.

Mr. BROWN of Colorado. Mr. Speaker, I yield 3 minutes to the gentleman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Speaker, the bottom line is very simple. It is downright cruel to isolate young women with small children in often very undesirable housing situations where young studs are outside the door pushing drugs day in and day out.

☐ 1045

It is much more humane, much more compassionate to help to assure that those young women stay in high school and finish their high school education and then stay involved part time with day care support in some adult situation where their own abilities and talents can grow so that by the time their youngest child is 3 or 6, they have the personal abilities, the skills, the strength, the confidence to become the economic as well as the emotional parent of their child.

If welfare reform is to mean anything, it is to mean this system turns around to focus on the abilities and strengths of women who have become dependent on welfare, and not only provides them with good transition benefits, day care support and health care, which both bills do in one way or another, and which a conference committee can work out, but much more profoundly important, that if they target the resources at the development of that woman's capability to not only work but accept a career direction; the Senate bill does a much better job than does the House bill of preventing women's isolation not only from the larger adult communities in which their understanding of their skills and abilities could grow but from training, from job training, from posthigh school education settings, that she desperately needs if she is to become the full parent of her children.

These instructions to the conferees are very narrow. They only deal with the issue of money and, yes, I agree with my colleague, the gentleman from New York, the bill could be deficit neutral, but it is deficit neutral by raising taxes. We cannot have deficit neutral welfare reform by raising taxes, or deficit neutral day care by raising taxes, and deficit neutral in bills coming before us by raising taxes and keep the economy moving and jobs out there to employ the welfare recipients.

We do need to cap the dollar amount, and this series of instructions does that responsibly, but the second part of the instructions is dedicated specifically to this issue of assuring that the program will be one that will hook welfare women into their own development and their own career development, their skills and abilities so that work and independence will be a real possibility, not a hoped for possibility.

Mr. BROWN of Colorado. Mr. Speaker, I yield 4 minutes to the gentleman from Virginia [Mr. OLIN].

Mr. OLIN. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in favor of the motion to instruct also, and, like the gentleman from Texas [Mr. STENHOLM], I rise reluctantly, because I recognize the need for welfare reform. There is no question about that. I think everyone in the House agrees with that. I am very much aware of the amount of work that the committee has done on this bill, and I am very much aware of the desire of the committee to have as much flexibility as possible in the conference with the Senate.

Mr. Speaker, I do not favor the Senate bill in total, but I think that really for two basic reasons I favor this motion to instruct. The first one is the amount of money, and the second is the flexibility that is represented in the Senate bill, the flexibility with regard to the job question. I do not think anybody in the House feels that we can solve the welfare problem by throwing money at it. We have 3.7 million mothers on welfare, and if Members look at the estimate of what this bill is going to accomplish, the House bill, it is estimated that in about 4 years we might have gotten 25,000 people into a position of self-sufficiency at a cost of $5.9 billion. That would be $150,000 per person.

It has been said that the money is going to be raised to pay for this bill either at the $5.9 billion or the $2.8 billion level. I am certainly not convinced that we have new revenue specific enough to really back that question up, and I think that we need to keep in mind the practical facts of the situation.

In order for a woman with children on welfare to become self-sufficient, that woman has to be trained, educated to the extent needed, and the woman has to have a certain amount of support in day care, and transportation or other support, Medicaid, and then that woman has to find a job. The job has to pay as least $4 to $5 an hour or the woman is not any better off than she was in the first place.

Mr. Speaker, I happen to live in an area where there are a tremendous number of men and women working on full-time, 40-hour-a-week jobs right now at $4 an hour. A huge number are working at $5 an hour.

I just think that we have to think in this program of the need to match the training and education to the actual availability of jobs, and everybody knows that, so that we are not training 10 times the people we are able to place, but we need to match; we need to match that situation so that we move along State by State, locality by locality. We find out both what it takes to be successful in that particular area with regard to the support and the time and how long we have to stay with the people, how much help they need in advancing to the point where they get self-sufficient.

Mr. Speaker, I know I am not telling anybody anything they do not know, but I think it is going to take, once we start this program and we get the States working on it, and they are working on it now to some extent, it is going to take years until we have a chance of making a sizable bite into the total welfare rolls of 3.7 million people. I do not think that we need to be too concerned about the fact that we might start the program in a more modest way. I think it makes sense. I think it would be foolish and foolhardy to approach the program and suddenly we are going to do away with welfare. It is just not going to happen. The jobs are not there. The people will require training, and we do not know how much support for what length of time it is really going to take with individual women to get them into the position of self-sufficiency.

Mr. Speaker, for those reasons, I am not totally reluctant to support this motion to instruct. I think that we ought to approach this program modestly, carefully, without overly optimistic expectations, but approach it, and I think the motion to instruct will put us on the right track. I think that it will encourage us then to consider the practicality of the situation and have a program that is not so costly and flexible enough to work.

Mr. BROWN of Colorado. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Speaker, I support the motion of the gentleman from Colorado [Mr. BROWN] to instruct. It is a simple and very general motion, about as tender an instruction as this House could give to any set of conferees.

The Brown motion asks the conferees to maintain some semblance of fiscal sobriety by not exceeding the $2.8 billion which the Senate bill adds to our welfare budget. It directs the conferees not to approve the lavish increase of $7.1 billion in the House's open-handed bill.

Mr. Speaker, I do not think that is asking too much at a time when we are worried about national deficits. It's not asking too much if we are trying to structure a program that phases in nicely so as not to disrupt existing programs and so as to get the most beneficial effect out of the programs that we want to establish.

I think we should be demanding that our conferees accept this kind of fiscal discipline. The people are asking for discipline. I really have trouble believing that this House thinks that $7.1 billion of additional spending is what the people want in this situation.

In addition, the motion asks the conferees not to enact new barriers to work. As I recall, the House bill had three specific barriers to work. One of them was the so-called little Davis-Bacon provision which said that a welfare beneficiary had to get some complicated local current prevailing wage or remain on welfare even when work was available. The Senate bill provides that a beneficiary has only to earn at least what he or she are getting under welfare. That does not seem to me to be terribly restrictive.

The House bill also had a barrier to extended use of the CWEP program in which local governments ask welfare recipients to do work in the local jurisdiction as a condition of receiving welfare benefits. Local government certainly should not be barred from enforcing such conditions.

I think the welfare bill would be much improved if the House conferees would follow these instructions, but the pending motion is even more important than that. Motions to instruct are often mischievous. This motion to instruct cuts a little deeper. This motion to instruct is going to tell us whether we can enact a welfare bill or not. That's how important it is.

It is widely known that despite the popularity of the Senate bill, by a margin of 90 votes, many of those who voted were on the thin edge of an affirmative vote. It is anticipated that the administration cannot stand more than $2.8 billion in extra cost which is embodied in this motion.

This motion, whether it succeeds or not, is going to tell us whether we can have welfare reform or not. I think most Members of this House want a welfare reform bill. I think most Members of this House do not expect a $7.1 billion welfare bill.

If those conferees do not do what this motion asks them to do whether the motion is passed or not, it is really unlikely there will be welfare reform this year. That does not mean the conferees are not going to work hard. I am going to. I expect to be a conferee, and I will do my best to bring back a bill that works. If we do not follow these guidelines, we are kidding ourselves if we think we can achieve and enact welfare reform this year.

I want to be very blunt about the differences between the two bills. The House bill was rather partisan. The Senate bill was much less so. The House bill pays off the welfare system, and the Senate bill does its best to pay off the beneficiaries of the system, to put people back to work.

Mr. Speaker, to repeat, if the House passes this motion, it will not guarantee success of welfare reform, but if the House does not pass the motion and the conferees do not follow the instructions, it almost guarantees failure of welfare reform.

I think that would be a sad thing, and for that reason I am going to vote for the Brown motion, and I urge all Members to do so, too.

Mr. BROWN of Colorado. Mr. Speaker, the motion that is before the body is a very reasonable and limited one. All it says is that we ought to ask the conferees to keep the cost reasonable, stay with the Senate figures of $2.8 billion, do not go above them. It also says do not add needless restrictions on work, do not add restrictions on work above the Senate level. That is all the instructions say. I am convinced they are the key toward getting welfare reform. If we go beyond these levels, we are going to have a bill that the President will veto, and that this body cannot pass ultimately.

This effort, this instruction, is not a partisan effort. It is a bipartisan effort. The "Dear Colleague" that went out included the signatures of four Democratic Members as well as two Republicans. It is a modest, reasonable effort, and if Members want welfare reform, vote "aye" on the motion to instruct.

Mr. DOWNEY of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am going to fill in the time here for a moment, because I am waiting for one of our colleagues, the gentleman from Michigan [Mr. LEVIN], who desires to speak on this matter pending his arrival.

Mr. Speaker, I think this question of cost has got to be one that has concerned all of us, because in fashioning the bill that the House put together, we recognized that the fiscal climate was such that if we spent too much money we would not pass it in the House, and we were unlikely to get a Presidential signature. I daresay that the offeror of the Senate bill would have preferred to spend more money than he did, and this question of cost has to be equated with the question of effectiveness.

Mr. Speaker, I see my friend, the gentleman from Virginia [Mr. OLIN] here, and I want to deal with that question of effectiveness if I can for a moment. What the Senate has said in their bill is very interesting. They say that 22 percent of all people in the system by a certain date must be participating in work, training and education. I have no problem with mandating a requirement level for the number of people to participate. I think that is a good idea. What we have further said is that we are going to cap the amount of money that we allow to be spent for work, education and training.

What the Governors have told us is that when we do this, we simply do not have the resources to educate, train or do a job search for people. The money is not there. It is a little like saying, "Everyone is going to be required to have a high school diploma, but we are not going to be able to have the time to provide the teachers; therefore, we will issue them the diploma without them having to go to class." That does not provide for a trained work force, and it demeans the whole process. That is one of my problems with the Senate bill. That is one of my problems with trying to limit the cost, if we want to be effective.

If we want to see people educated and trained, we have to be prepared to spend the money to do it. We cannot just say it, wave a wand, and expect it to happen, have a cap, and believe it will work. It will not.

Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. LEVIN].

☐ 1100

Mr. LEVIN of Michigan. Mr. Speaker, I appreciate the distinguished gentleman from New York [Mr. DOWNEY], acting chairman of the subcommittee, yielding time to me, and I join him in opposing this motion to instruct. He has spelled out very clearly why this bill should go to conference.

The House bill has "work" as its centerpiece. It is the Senate bill that throws up impediments to work by requiring, for example, heads of households who qualify for the UP program to spend time in make-work in what has sometimes been called CETA type jobs rather than looking for full-time, private sector jobs. This provision has been touted as a new work requirement. In fact, it is the opposite and its effect would be pernicious.

Not only would it absorb resources that could be used to target on the unskilled, it would also mislead the public. Make work, CWEP jobs, are not a substitute for real jobs in the private sector.

The gentleman from Minnesota talked about one of the limitations we placed in the House on CWEP because we want in our House bill people placed in real, permanent jobs in the private sector and not in makeshift jobs. It is fascinating that Republicans are coming here, some anyway, defending a program that is make shift in nature instead of the permanent, full-time, private sector jobs that we are trying to place people into.

Mr. DOWNEY of New York. Mr. Speaker, will the gentleman yield?

Mr. LEVIN of Michigan. I am glad to yield to the gentleman from New York.

Mr. DOWNEY of New York. Mr. Speaker, I was amazed to read in the Wall Street Journal editorial of 2 days ago the basic point the gentleman has made, that there are many jobs out there, and that what we need to do as opposed to the make-work approach, which is in the Senate bill of the CETA type job, is that we should just provide the job search to put people in private sector, full-time jobs as opposed to creating make-work jobs. And the Wall Street Journal editorial went on to say that they were deeply disturbed, and they are by many things, but they were particularly disturbed at the attempts made by our Republican friends to create a whole new make-work program to put welfare recipients to work when there are private sector jobs going begging.

It is an excellent point the gentleman makes and I commend him for it.

Mr. LEVIN of Michigan. In the bill constructed by the House it strives, and I think we should have bipartisan support on this, to train people, educate people to go permanently into the work flow.

So are there any differences between the House and the Senate bills? The answer is clearly "Yes." Are these differences significant? They are. Can they be resolved? I think we join together in the hope that they can be.

That is the job of the conference. It should be allowed to do its job.

I urge that Members oppose the motion to instruct. I am convinced with the spirit of bipartisanship that we can come out of the conference with a bill that can be passed by both Houses, and I hope signed by the President.

Mr. BROWN of Colorado. Mr. Speaker, I yield an additional 3 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Speaker, I want to comment on the Wall Street Journal article and the comments made by my colleague in the preceding minutes of this debate. The article in the Wall Street Journal specifically referred to the Dole amendment that required 16 hours of work by a member of a two-parent family where both parents were unemployed and, therefore, the family was receiving welfare, or of certain welfare recipients.

This motion to instruct does not specifically support that amendment. The motion to instruct is talking about impediments to work and prefers the Senate position over the House position.

I personally believe that this 16 hours of work is not out of line. I personally believe that it is a very good thing for a woman, instead of staying home all day every day with young children, where day care is provided, for them to have 16 hours a week working with other adults in other jobs. But I do not believe it should substitute for serious education or training, and I think those are the kinds of issues that the conference committee can resolve.

All the motion to instruct does is to say that some of the barriers to work that are in the House bill, that are so high and so difficult to surmount and that will keep many people out of the work force, be rejected, and that the work restrictions that are responsible in the Senate bill be maintained.

I support the motion to instruct. It is very simple, it is very narrow. It is perfectly responsible from the budget point of view and from the point of view of encouraging education, work, training, and employment in our welfare program.

Mrs. KENNELLY. Mr. Speaker, I rise today in support of the motion to go to conference on welfare reform, and in opposition to the motion to instruct the conferees.

We have come a long way since our very first hearing in the Subcommittee on Public Assistance 2 years ago. We heard from proponents and opponents alike. Our final product may not be everything we wanted, but it is a sound beginning to a major overhaul of the welfare system. I know that my colleagues, the distinguished chairman of the Committee on Ways and Means and the chairman of the Subcommittee on Public Assistance, worked very hard to bring and pass the welfare bill on the floor of the House.

The Senate recently passed its version of welfare reform. Now, we have two distinctly different bills to reconcile. I would like to point out to my colleagues that it is not unusual for the House and Senate to produce bills of different substance and philosophy. We agree that is imperative to reform the welfare system. But no matter what the two bills say, one thing is clear; the Ways and Means Committee worked long and hard on its bill—the least we should do is to meet to discuss and hammer the differences out. All the provisions of this bill, like all others, deserve to have a fair shake from the conferees.

I have several concerns about the Senate bill. Work requirements for the Unemployed Parent Program undermine two fundamental principles in our welfare reform package. We give States flexibility to design work programs according to State needs and target scarce resources to recipients who are most likely to be long-term dependents on the welfare system. Mistakenly, the Senate proposal which would require 100 percent participation in workfare for UP families, would force the States to spend precious resources on families who may not need this type of assistance.

I am also concerned about rigid participation requirements for work programs. The participation quotas in the Senate bill would severely limit the ability of States to operate well-targeted and cost-effective programs. Participation quotas tend to force States to spread their resources thinly over a large number of recipients and restrict State flexibility to design programs based on the specific conditions and needs in each State.

The substantive differences dictate that we go to conference with the Senate. If our goal is to put forth the best bill possible, then we certainly can look forward to an active debate on the merits of the two bills. Independently, both the House and Senate came up with good provisions for child care and child support enforcement. The conference will be useful to join these bills to make fundamental improvements in these areas—in this way we will be able to come up with the best policies for children in our country.

I urge my colleagues to support the motion to go to conference and defeat the Brown motion.

Mr. DOWNEY of New York. Mr. Speaker, I yield back the balance of my time.

Mr. BROWN of Colorado. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the motion to instruct.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion to instruct offered by the gentleman from Colorado [Mr. BROWN].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 227, nays 168, not voting 36, as follows:

[Roll No. 219]

YEAS—227

Archer
Armey
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bennett
Bentley
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boucher
Broomfield
Brown (CO)
Bruce
Buechner
Bunning
Burton
Byron
Callahan
Campbell
Carper
Chandler
Chapman
Chappell
Clarke
Clinger
Coats
Coble
Coleman (MO)
Combest
Coughlin
Courter
Craig
Crane
Dannemeyer
Darden
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Edwards (OK)
Emerson
English
Erdreich
Fawell
Fish
Flippo
Gallegly
Gallo
Gaydos
Gekas
Gilman
Gingrich
Glickman
Goodling
Gradison
Grandy
Grant
Green
Gunderson
Hall (TX)
Hammerschmidt
Hansen
Harris
Hastert
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hiler
Holloway
Hopkins
Horton
Houghton
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Kaptur
Kasich
Kolbe
Konnyu
Kostmayer
Kyl
Lagomarsino
Lancaster
Latta
Leach (IA)
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lott
Lowery (CA)
Lujan
Luken, Thomas
Lukens, Donald
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McCrery
McCurdy
McDade
McEwen
McGrath
McMillan (NC)
McMillen (MD)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Mollohan
Montgomery
Moorhead
Morrison (WA)
Neal
Nichols
Nielson
Olin
Oxley
Packard
Parris
Pashayan
Patterson
Payne
Penny
Petri
Pickett
Porter
Price
Pursell
Quillen
Ravenel
Regula
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Rogers
Roth
Roukema
Rowland (CT)
Rowland (GA)
Saiki
Saxton
Schaefer
Schneider
Schuette
Schulze
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spratt
Stallings
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Upton
Valentine
Vander Jagt
Volkmer
Vucanovich
Walker
Watkins
Weber
Weldon
Whittaker
Wise
Wolf
Wylie
Yatron
Young (AK)
Young (FL)

NAYS—168

Akaka
Alexander
Andrews
Anthony
Applegate
Atkins
AuCoin
Bates
Beilenson
Berman
Boland
Bonior
Bonker
Borski
Boxer
Brennan
Brooks
Brown (CA)
Bustamante
Cardin
Carr
Clay
Clement
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coyne
Crockett
Davis (MI)
de la Garza
Dellums
Derrick
Dicks
Dingell
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dymally
Early
Eckart
Edwards (CA)
Espy
Evans
Fascell
Fazio
Feighan
Florio
Foglietta
Foley
Ford (MI)
Frank
Frost
Garcia
Gejdenson
Gephardt
Gibbons
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Guarini
Hall (OH)
Hamilton
Hawkins
Hayes (IL)
Hertel
Hochbrueckner
Hoyer
Jacobs
Jones (NC)
Jontz
Kanjorski
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
LaFalce
Lantos
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lowry (WA)
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McHugh
Mfume
Miller (CA)
Mineta
Moakley
Moody
Morella
Morrison (CT)
Murphy
Murtha
Nagle
Natcher
Nelson
Nowak
Oakar
Oberstar

Obey
Ortiz
Owens (NY)
Owens (UT)
Panetta
Pease
Pelosi
Pepper
Perkins
Pickle
Rahall
Rangel
Robinson
Rodino
Roe
Rose
Rostenkowski
Roybal
Russo
Sabo
Savage
Sawyer
Schroeder
Schumer
Shays
Sikorski
Smith (FL)
Smith (IA)
St Germain
Staggers
Stark
Stokes
Stratton
Studds
Swift
Synar
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Walgren
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wolpe
Wyden
Yates

NOT VOTING—36

Ackerman
Anderson
Annunzio
Aspin
Badham
Biaggi
Boggs
Bosco
Boulter
Bryant
Cheney
DeFazio
Dixon
Dwyer
Dyson
Fields
Flake
Ford (TN)
Frenzel
Gregg
Hatcher
Jones (TN)
Kemp
Kolter
Lehman (CA)
Lungren
MacKay
Mica
Mrazek
Myers
Ray
Richardson
Scheuer
Solarz
Spence
Wortley

□ 1125

The Clerk announced the following pairs:

On this vote:

Mr. Lungren for, with Mr. Solarz against.

Mr. Frenzel for, with Mr. Ford of Tennessee against.

Mr. Boulter for, with Mr. Annunzio against.

Mr. GORDON changed his vote from "yea" to "nay."

Ms. SLAUGHTER of New York, Messrs. VALENTINE, GAYDOS, and MOLLOHAN, Ms. KAPTUR, and Messrs. SKAGGS, VOLKMER, BEVILL, and SKELTON changed their vote from "nay" to "yea."

So the motion to instruct was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. The Chair appoints the following conferees on H.R. 1720, the Family Welfare Reform Act:

From the Committee on Ways and Means, for consideration of the House bill (except title X), and the Senate amendment (except sections 203(b)(5), 203(b)(6), 302, 303, 402(d), and 509), and modifications committed to conference: Messrs. Rostenkowski, Downey of New York, Ford of Tennessee, Pease, and Matsui, Mrs. Kennelly, and Messrs. Archer, Vander Jagt, Frenzel, and Brown of Colorado.

From the Committee on Education and Labor, for consideration of title I and sections 202, 511, and 804 of the House bill, and title II and sections 502, 503, 506, 507, and 508 of the Senate amendment, and modifications committed to conference: Messrs. Hawkins, Ford of Michigan, Kildee, Williams, Martinez, Solarz, Jeffords, Gunderson, Tauke, and Henry.

From the Committee on Energy and Commerce, for consideration of title IV of the House bill, and sections 203(b)(5), 203(b)(6), 302, 303, 402(d), 402(f), 404, 508, 509, 510, and 704 of the Senate amendment, as well as that portion of section 201 of the Senate amendment which adds a new section 417(f)(6) to the Social Security Act, and modifications committed to conference: Messrs. Dingell, Waxman, Scheuer, Walgren, Wyden, Dowdy of Mississippi, Madigan, Dannemeyer, Whittaker, and Tauke.

From the Committee on Agriculture, for consideration of title X and section 801 of the House bill, and modifications committed to conference: Messrs. de la Garza, Panetta, Glickman, Staggers, Olin, Espy, Emerson, Lewis of Florida, Schuette, and Herger.

□ 1130

PROVIDING FOR CONSIDERATION OF H.R. 4481, DEFENSE SAVINGS ACT OF 1988

Mr. BONIOR. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 489 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 489

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4481) to provide for the closing and realigning of certain military installations during a certain period, and the first reading of the bill shall be dispensed with. All points of order against consideration of the bill for failure to comply with the provision of clause 2(*l*)(6) of rule XI are hereby waived. After general debate, which shall be confined to the bill and to the amendments made in order by this resolution, and which shall not exceed two and one-half hours, with forty-five minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, with forty-five minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Government Operations, with thirty minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, and with thirty minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Rules, the bill shall be considered for amendment under the five-minute rule. In lieu of the amendments now printed in the bill, it shall be in order to consider an amendment in the nature of a substitute consisting of the text of the amendment printed in the report of the Committee on Rules accompanying this resolution as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of clause 7 of rule XVI and with clause 5(a) of rule XXI are hereby waived. It shall be in order to consider an amendment in the nature of a substitute printed in the report of the Committee on Rules, if offered by Representative Armey of Texas, and all points of order against said amendment for failure to comply with the provisions of clause 5(a) of rule XXI are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text by this resolution. The previous question shall be considered as ordered on the bill and amendments thereto of final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Michigan [Mr. Bonior] is recognized for 1 hour.

Mr. BONIOR. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Ohio [Mr. Latta] and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 489 provides for the consideration of H.R. 4481, the Defense Savings Act of 1988, a bill providing for the closing or realigning of certain military bases within a designated period of time.

Mr. Speaker, the rule allows a total of 2½ hours of general debate. The time allotted to each of the four committees of jurisdiction shall be equally divided and controlled by the chairman and ranking minority members of each committee. General debate time is broken down this way: Armed Services Committee, 45 minutes; Government Operations Committee, 45 minutes; Merchant Marine Committee, 30 minutes; and Rules Committee, 30 minutes.

Mr. Speaker, the rule waives clause 2 (l)(6) of House rule XI against consideration of the bill which requires a 3-day layover before a bill can be considered.

House Resolution 489 provides for an open rule allowing germane amendments to be considered.

Mr. Speaker, the rule makes in order an amendment in the nature of a substitute which is printed in the report accompanying this resolution as original text for amendment under the 5-minute rule. This is the substitute agreed to by the Committees on Rules, Armed Services, Government Operations, and Merchant Marine.

The rule waives clause 7 of House rule XVI which prohibits nongermane amendments, as well as clause 5(a) of House rule XXI prohibiting appropriations in a legislative bill against consideration of the committees' substitute.

The rule also makes in order an amendment in the nature of a substitute now printed in the report accompanying this resolution if offered by Representative Armey of Texas. The rule waives clause 5(a) of House rule XXI against the substitute because it contains an appropriation in a legislative bill.

The rule provides one motion to recommit with or without instructions.

Mr. Speaker, this is a very fair rule under which to consider this legislation. Four committees have cooperated in bringing one version of the bill to the Rules Committee. The rule allows Mr. Armey to bring up his substitute and it allows consideration of other germane amendments to either the Armey substitute or the committees' substitute or the bill.

No matter your opinion of the bill or the substitutes, this is a fair rule by which to consider them.

Mr. Speaker, I reserve the balance of my time.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, not one major military base has been closed in this country during the decade of the 1980's. Even though the needs of the military are constantly changing, and some bases have outlived their military usefulness, current law and the skill of Members in fighting the closure of bases in their own districts have prevented the closing of unnecessary installations. Yet, many of these same Members complain about the size of the defense budget.

Mr. Speaker, the gentleman from Texas [Mr. Armey], along with the chairman and ranking Republican member of the Committee on Armed Services, recognized this problem and introduced H.R. 4481, the bill before us today. The bill was considered and amended by a total of four different committees. By the time the bill had been worked over by four committees its original chief sponsor found it had changed almost beyond recognition.

In his written statement presented to the Rules Committee yesterday, the gentleman from Texas [Mr. Armey] stated as follows:

> The bill as it emerged from committee is vastly more complicated than current law and certainly more complicated than the bill as introduced. It contains a number of new obstacles to closing bases that will make it even more difficult to achieve savings in this area than it is today.

Because the amended bill is so different from the original proposal, the gentleman from Texas [Mr. Armey] in a letter signed by a total of 101 Members asked the Rules Committee to make in order an amendment in the nature of a substitute which would be similar to the original bill. The rule before you today does that. It allows for consideration of the Armey substitute.

Because there were so many committees involved the rule makes in order as an original bill a substitute which contains elements reported by each of the committees involved in amending the bill.

Both the new committee substitute and the Armey substitute will be open to amendment on the floor. A waiver of the germaneness rule is provided for the new committee substitute since it contains congressional review procedures and expedited review procedures which were not in the original bill. Points of order are also waived against both the committee substitute and the Armey substitute because technically they both contain appropriations in a legislative bill. The waiver is included because each substitute allows the General Services Administration to be reimbursed directly from the proceeds of a military base sale for any expenses incurred in selling the property. Since the money goes directly to the General Services Administration, rather than back into the general treasury and then through the appropriation process to the General Services Administration, technically there is an appropriation on legislation and the waiver is necessary.

Mr. Speaker, the administration supports House passage of base closings legislation in the form of the Armey substitute in lieu of the version recommended by the House Armed Services and Government Operations Committees.

The administration supports the Armey substitute because it would facilitate an efficient and timely base closure program. The administration opposes the Armed Services/Government Operations version because it requires explicit congressional approval of the base closure package which would likely derail the entire program. Moreover, the Armed Services/Government Operations version contains several objectional provisions, according to the administration, particularly in regard to the new economic and environmental requirements and the time during which cost savings must be achieved, which in combination would make base closures more rather than less difficult.

Mr. Speaker, because this rule at least gives the House an opportunity to vote in the Armey substitute, I will support it.

Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. Armey].

Mr. ARMEY. Mr. Speaker, I thank the gentleman from Ohio [Mr. Latta] for yielding this time to me.

Let me begin by thanking the Committee on Rules for their consideration in granting me this rule, one that specifically allows me to offer my amendment in the form of a substitute. I appreciate the manner in which the Committee on Rules has worked on this project, and I appreciate the courtesy and the consideration from the committee.

I would like to take a moment, Mr. Speaker, to bring to the attention of the Members of this body, particularly those on the Democrat side of the aisle, that there has been an unfortunate error in the Democrat study group's briefing sheet on this bill today. We have been in discussion with the study group. We understand they are sending out a correction on the error, but in the interests of everybody receiving that information let me just say the briefing sheet implied that under the substitute the money to begin base closing would come solely from new appropriations, while the committee bill would transfer the money from other DOD accounts.

In fact, both bills provide that the up front base closing money shall come from three sources: appropriations, transfer from DOD accounts, and proceeds from the sale of excess base property. The difference between the committee's markup and my bill is that the substitute provides for the authorizations for appropriations now while the committee intends to provide it in next year's Defense bill.

Mr. Speaker, let me repeat. Both bills provide for the initial base closure cost to be provided from new appropriations and transfers from DOD accounts. There is no difference between them in that respect.

Mr. Speaker, I thank the gentleman from Ohio [Mr. Latta] for yielding this time to me, and let me again thank the Committee on Rules for their courtesy and their consideration in granting this rule.

Mr. LATTA. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. Porter].

Mr. PORTER. Mr. Speaker, I thank the gentleman from Ohio [Mr. Latta], my distinguished colleague, for yielding this time to me.

Mr. Speaker, today's upcoming floor debate on base closings represents an important step by the House in coming to grips with our budget deficit and the consequences it will have for our economy and the future of our children. I am happy that the rule, as it should be, is an open one. It has been clear for sometime that our fiscal imbalances could not continue unchecked. The deficit requires that our Government in this Congress restrain unnecessary spending.

In introducing H.R. 4481 the gentleman from Texas [Mr. Armey], our colleague, has responded to the need to untie the hands of the Department of Defense, the largest single department spending about $300 billion a year, so that they can spend that money more efficiently. There are over 3,800 U.S. military installations in the United States and its territories, and, Mr. Speaker, we spend over $22 billion a year on these military bases. I do not think anyone in the Chamber would deny that some of these bases could be closed or realigned without diminishing our Nation's security.

□ 1145

While it is impossible to say exactly how much savings can be achieved, the estimates of $2 to $5 billion justify passage of base closing legislation.

The question, Mr. Speaker, is, What legislation? In all candor the House is ambivalent about this question. We want to give the DOD the chance to save money. But we are concerned that bases in our own districts might be affected adversely. The bottom line is that we are willing to support the principle of base closing necessary to a strong and efficient defense posture, provided the procedure—is a fair procedure—that in deciding what bases should be closed or realigned, that we adopt procedures that are fair to every Member, every area of the country, and every district.

We are all aware of instances where base closings were used as political leverage or political revenge. Whether it was in the Amarillo Air Base in Texas in the 1960's, which Lyndon Johnson closed in revenge, the installations in Massachusetts in the 1970's, or President Carter's attempt to use military bases to influence the outcome of the B-1 bomber debate, bases have been used repeatedly for less than admirable political goals.

The Great Lakes Naval Training Center and Fort Sheridan in my district have been mentioned in the past as targets for closure. Both times, however, they were part of a political hit list, rather than responsible decisionmaking.

The Great Lakes Naval Training Center is the largest naval training facility in the continental United States and trains over 30,000 seamen every year. If it were to be closed, it would have to be rebuilt somewhere else at a cost of many billions of dollars.

Fort Sheridan is the headquarters of the Recruit Training Command, the headquarters of the 4th Army, and more importantly, it is the only available Army installation in the Midwest that would be available in the event of a national crisis.

But, Mr. Speaker, we have to be very concerned about allowing politics to influence base closings, as in the past, closings that might undermine rather than enhance our Nation's defense and also cause the public to distrust our motives on this sensitive issue.

Mr. Speaker, along with my colleagues, the gentlemen from Illinois [Mr. DAVIS] and [Mr. EVANS], I will be offering amendments later that we believe will strengthen the bill and make it more fair. One of the amendments would increase the Commission from 9 to 15 members and require consultation with congressional leaders and chairmen and ranking members of the appropriate committees and subcommittees in the House and the Senate and would require, most importantly, in making the selections, a regional balance on the Commission.

The second amendment we will be offering will require that the senior staff of the Commission be independent. With 3,800 bases, 500 of them major bases, to review between now and December, there is a great danger, it seems to me, that we will be overly influenced by the executive branch and that the Commission will simply be overwhelmed by the magnitude of their work and will simply rubber stamp the Department of Defense lists. We have to worry that the professional staff of the Commission, if it was all staff members from the Department of Defense, would then simply make the judgment for the Commission.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The time of the gentleman from Illinois [Mr. PORTER] has expired.

Mr. LATTA. Mr. Speaker, I yield 2 additional minutes to the gentleman from Illinois.

Mr. PORTER. Mr. Speaker, we have to worry that if the senior staff of the Commission came from the Department of Defense alone, it would simply overwhelm the Commission and the judgment of the professional staff would become simply the judgment of the Commission. What we require of this Commission is an original judgment, an independent judgment. So it seems to me, Mr. Speaker, that the amendment that we will offer second that does not permit the DOD senior staff to become the senior staff of the Commission is one that is very important, in making sure that the final result is a fair one.

Again, Mr. Speaker, I think the Members want to have legislation that assures that any base closings are free from politics, determined solely on the basis of what best serves our Nation's defense, and that can only be guaranteed by fair procedures and a fair composition of the Commission and staff.

So, Mr. Speaker, I will be working on the floor today to offer these amendments that will make the procedure more fair and the result one that all of us can live with.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Speaker, first of all, I want to compliment the Rules Committee for giving all Members of the House this opportunity. This is, obviously, a crucial issue today, and it is absolutely vital that both Members and staff follow the debate carefully, because in the bill that is coming to the floor today there are some formulas that are involved in calculating how bases get closed. The formulas are absolutely vital in achieving what it is that we want to do, which is the orderly closing of bases.

The committee tried to take a thoughtful approach to this problem, and what the Armed Services Committee did in this bill is to say that our goal is to close bases, but we have variety of problems out there when it comes to closing bases.

First, what do you do about the economic impact on communities?

Second, what do you do about the tremendous environmental concerns that come about whenever you try to get into the area of closing bases?

What the Armed Services Committee tried to do was to address those issues. We tried to address the environmental concerns, not burden local communities with the cleanup costs.

We tried to affect what happens to local communities when people find themselves in a position where they may lose their jobs. So we have an economic impact fund that is established in the bill.

We tried to establish procedures in the area of retraining, which, of course, is kind of a code word on both sides of the aisle as to how to deal with hardships that can be created by unemployment.

We put all these things together and we have a good bill here, but it still has some basic flaws.

I am going to offer two amendments today that I will explain when we get to the armed services debate and also in the amendment period. One is to extend the period of time at which to calculate savings in order to close bases. For those Members who have not studied the bill, what the bill provides is a formula and we must save certain amounts of money in a certain period of time in order to close bases. If the savings that we make over a period of time do not outweigh the costs of closing the base, we cannot close it. We have a formula that is established that is designed to do this. Frankly, the formula is flawed and I will offer an amendment to extend the period of time in which we calculate cost savings. The chairman of the committee is going to support this amendment, and there is strong bipartisan support for this amendment.

Additionally, there will be another amendment that will address the issue of disapproval in the House of a list of bases, rather than approval. This is, obviously, an essential element and we will get into a more thorough discussion of that later.

I support base closings. I supported the bill of the gentleman from Texas [Mr. ARMEY] from the beginning, but I look at the product that the Armed Services Committee has produced and I believe it is a very thoughtful bill that addresses many of the essential problems that affect local communities when it comes to base closings. If we would accept a couple amendments that I am going to offer which will extend the period of time in which we calculate cost savings, which means we will include more bases in the formula; and No. 2, if we pass in the House an amendment that says we should have disapproval of this list, rather than approval, then I think we have a very decent product. It is something that people on both sides of the aisle can support and it is something that makes very good sense for communities and very good sense in these times of tight budgets.

Mr. Speaker, I appreciate the gentleman yielding me this time and we will have further discussion as we move through the debate.

Mr. LATTA. Mr. Speaker, I yield myself 30 seconds.

I just take this time to compliment the gentleman from Texas [Mr. ARMEY] for all of his hard work on this piece of legislation. I do not think that it would be before us today if it had not been for the initiative and the hard work of the gentleman from Texas [Mr. ARMEY]. I just want to compliment the gentleman for a job well done.

I hope that this House will take a hard look at these proposals and will come down on the side of the bill of the gentleman from Texas, because I think that if we go forward with this legislation as it is before us right now with the amendments that have been made to the Armed Services Committee and the other committees, we are going to have a more difficult time in closing some of the unwanted bases. What we want to do is to do that and to save the taxpayers some money. The only way we can do it is to approve the legislation of the gentleman from Texas. I hope we will do exactly that.

Mr. Speaker, I yield back the balance of my time.

Mr. BONIOR. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. RUSSO. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 388, nays 2, not voting 41, as follows:

[Roll No. 220]

YEAS—388

Akaka
Andrews
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Durbin
Dymally
Dyson
Early
Eckart
Edwards (CA)
Emerson
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Mack
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Regula
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roe
Rogers
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—2

Alexander
Stratton

NOT VOTING—41

Ackerman
Anderson
Annunzio
Badham
Biaggi
Bosco
Boulter
Bryant
Cheney
Coleman (TX)
de la Garza
DeFazio
Dixon
Dwyer
Edwards (OK)
English
Fields
Flake
Ford (TN)
Goodling
Gregg
Hall (OH)
Hatcher
Jones (TN)
Kemp
Kolter
Lehman (CA)
Lloyd
Lungren
MacKay
Mica
Mrazek
Myers
Ray
Richardson
Rodino
Rose
Scheuer
Solarz
Spence
Wortley

Mrs. ROUKEMA changed her vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

☐ 1216

CONFERENCE REPORT ON H.R. 4264, NATIONAL DEFENSE AUTHORIZATION ACT, FISCAL YEAR 1989

Mr. ASPIN submitted the following conference report and statement on the bill (H.R. 4264) to authorize appropriations for fiscal year 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes:

CONFERENCE REPORT (H. REPT. 100-753)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R.

4264) to authorize appropriations for fiscal year 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SECTION 1. SHORT TITLE

This Act may be cited as the "National Defense Authorization Act, Fiscal Year 1989".

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS

This Act is organized into two divisions as follows:

(1) Division A—Department of Defense and Other National Defense Authorizations.

(2) Division B—Military Construction Authorizations.

SEC. 3. TABLE OF CONTENTS

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Organization of Act into divisions.
Sec. 3. Table of contents.
DIVISION A—DEPARTMENT OF DEFENSE AND OTHER NATIONAL DEFENSE AUTHORIZATIONS
TITLE I—PROCUREMENT
PART A—FUNDING AUTHORIZATIONS
Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense Agencies.
Sec. 105. Chemical demilitarization program.
Sec. 106. Reserve components.
Sec. 107. Authorized multiyear contracts.
PART B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS
Sec. 111. Army programs.
Sec. 112. Navy programs.
Sec. 113. Air Force programs.
Sec. 114. Interim infantry anti-tank weapon.
Sec. 115. Source selection authority for the palletized loading system.
Sec. 116. Bigeye binary chemical bomb.
Sec. 117. Management of certain defense procurement programs.
Sec. 118. Modifications in chemical demilitarization program.
Sec. 119. Report on Navy aircraft requirements.
TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION
PART A—AUTHORIZATIONS AND FUNDING FOR SPECIFIC PROGRAMS
Sec. 201. Authorization of appropriations.
Sec. 202. Funding for ICBM modernization programs.
Sec. 203. DARPA nuclear monitoring program.
Sec. 204. Grant for semiconductor cooperative research program.
Sec. 205. Airship program.
Sec. 206. Extended air defense.
Sec. 207. Product evaluation activity.
Sec. 208. Chemical weapons convention compliance monitoring program.
Sec. 209. Optoelectronics Materials Center.
PART B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS
Sec. 211. Trident II missile program.
Sec. 212. Balanced Technology Initiative.
Sec. 213. Advanced Tactical Aircraft and Advanced Tactical Fighter programs.
Sec. 214. Air-to-air missile project office.
Sec. 215. Training in advanced manufacturing technologies.
Sec. 216. Prohibition on obligation of funds for cancelled antisatellite weapon program.
Sec. 217. Long-range conventional cruise missile.
Sec. 218. Seek Spinner Missile program.
Sec. 219. Depressed-trajectory ballistic missiles.
Sec. 220. Requirement of competition for award of grants and contracts to colleges and universities for certain purposes.
PART C—STRATEGIC DEFENSE INITIATIVE
Sec. 221. Funding for the Strategic Defense Initiative for fiscal year 1989.
Sec. 222. Report on allocation of SDI funding for fiscal year 1989.
Sec. 223. Development and testing of anti-ballistic missile systems or components.
Sec. 224. Accidental launch protection.
PART D—STRATEGIC PROGRAMS
Sec. 231. B-1B Bomber program.
Sec. 232. Advanced Technology B-2 Bomber program.
Sec. 233. Sense of Congress on strategic missile modernization programs.
PART E—OTHER PROGRAMS
Sec. 241. Advanced Submarine Technology Program.
Sec. 242. Prohibition on testing electromagnetic pulse in Chesapeake Bay.
Sec. 243. Report on space control capabilities.
Sec. 244. Report on competition for development of Advanced Tactical Reconaissance System.
TITLE III—OPERATION AND MAINTENANCE
PART A—AUTHORIZATIONS OF APPROPRIATIONS
Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Humanitarian assistance.
Sec. 304. Tripler Army Medical Center.
Sec. 305. Assistance to the 1990 Goodwill Games.
Sec. 306. Inauguration assistance.
PART B—LIMITATIONS
Sec. 311. Prohibition on financing certain activities by direct appropriations.
Sec. 312. Prohibition on joint use of Dobbins Air Force Base with civil aviation.
Sec. 313. Prohibition on purchase of Toshiba products for resale in military exchange stores.
Sec. 314. Limitation on funding for United States Southern Command airlift.
Sec. 315. One-year extension of limitation on Army depot maintenance funding.
Sec. 316. Operation of SR-71 depot rework facility.
Sec. 317. Management of civilian personnel during fiscal years 1989 and 1990.
Sec. 318. Limitation on operation of existing Poseidon class submarines U.S.S. James Monroe and U.S.S. Henry Clay.
PART C—PERMANENT LAW CHANGES
Sec. 321. Limitation on private operation of commissary stores.
Sec. 322. Allowable costs with respect to certain service contracts performed overseas.
Sec. 323. Authority to continue support of scouting activities overseas.
Sec. 324. Transfers and exchanges of certain documents, historical artifacts, and condemned and obsolete combat materiel.
Sec. 325. Qualifications for head of auditing function in military departments.
Sec. 326. Prohibition on certain depot maintenance workload competitions.
Sec. 327. Report on manpower, mobility, sustainability, and equipment.
Sec. 328. Lease of aircraft for Fleet Electronic Warfare Support Group activities.
PART D—CONTRACTING OUT
Sec. 331. Requirements for certain circular A-76 procedures.
Sec. 332. Performance of firefighting and security guard functions at Amchitka, Alaska.
PART E—DEFENSE SUPPLIES SECURITY AND CONTROL
Sec. 341. Defense supply management studies and modernization plan.
Sec. 342. Supply security and control improvements.
Sec. 343. Inventory investigations.
Sec. 344. Reports to the Secretary of the Treasury of losses of munitions.
PART F—STUDIES AND REPORTS
Sec. 351. Study of Department of Defense safety standards for transportation of hazardous materials.
Sec. 352. Report on the use of degradable plastic items by Department of Defense.
Sec. 353. Navy participation in feasibility study of Sunset Harbor Project, California.
TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS
PART A—ACTIVE FORCES
Sec. 401. End strengths for active forces.
Sec. 402. Repeal of mandatory reductions in strength of active duty officer corps.
Sec. 403. Temporary reduction in number of Air Force colonels.
PART B—RESERVE FORCES
Sec. 411. End strengths for Selected Reserve.
Sec. 412. End strengths for Reserves on active duty in support of the Reserves.
Sec. 413. Clarification of applicability of prior amendments relating to number of members in certain grades authorized to be on active duty in support of the Reserves.
PART C—MILITARY TRAINING
Sec. 421. Authorization of training student loads.
PART D—AUTHORIZATION OF APPROPRIATIONS
Sec. 431. Authorization of appropriations for military personnel for fiscal year 1989.

TITLE V—MILITARY PERSONNEL POLICY

PART A—OFFICER PERSONNEL POLICY

Sec. 501. Selection boards.
Sec. 502. Removal from promotion list.
Sec. 503. Selective early retirement for certain pre-DOPMA Navy and Marine Corps officers.
Sec. 504. Technical revision of section 638 of title 10, United States Code.

PART B—JOINT OFFICER PERSONNEL POLICY

Sec. 511. Waiver authority with respect to selection of officers for the joint specialty.
Sec. 512. Joint specialty officers in critical joint duty assignments.
Sec. 513. Promotion policy objectives for officers with the joint specialty.
Sec. 514. Length of joint duty assignments.
Sec. 515. Additional transition provisions for implementation of prerequisite for promotion to initial flag and general officer grade.
Sec. 516. Extension of transition to joint duty assignment staffing requirements.
Sec. 517. Counting of officers with critical occupational specialty involving combat operations for purposes of joint duty assignment staffing and tour lengths.
Sec. 518. Service by captains and Navy lieutenants in joint duty assignment to be counted for all officer personnel laws concerning such service.
Sec. 519. Technical amendments.

PART C—MISCELLANEOUS

Sec. 521. Testing of new entrants for drug and alcohol abuse.
Sec. 522. Requirement to accept persons enlisting in the Air Force on gender-free basis.
Sec. 523. Military education for Army National Guard civilian technicians.
Sec. 524. Expansion of military spouse employment preference.
Sec. 525. Manpower cost estimates for major defense acquisition programs.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

PART A—PAY AND ALLOWANCES

Sec. 601. Military pay raise for fiscal year 1989.
Sec. 602. Allowance for transportation of household goods.

PART B—SPECIAL PAY FOR CRITICAL PERSONNEL

Sec. 611. Aviator retention bonus.
Sec. 612. Medical officer retention bonus.
Sec. 613. Special pay for critically short wartime health specialists in the Selected Reserve.

PART C—OTHER PERSONNEL BENEFITS

Sec. 621. Housing lease indemnity program.
Sec. 622. Retired pay inversions resulting from court-martial punishment.
Sec. 623. Travel and transportation allowances for emergency travel.
Sec. 624. Travel and transportation allowances incident to voluntary extension of overseas tours of duty.
Sec. 625. Civilian clothing allowance.

PART D—BENEFITS RELATING TO INCAPACITATION OF CERTAIN RESERVE MEMBERS IN LINE OF DUTY

Sec. 631. Compensation for certain Reserve members.
Sec. 632. Travel for dependents of certain members.
Sec. 633. Injury, disability, and death compensation coverage for ROTC cadets during military training activities.

PART E—HEALTH CARE MANAGEMENT PROVISIONS

Sec. 641. Requirement to submit end strengths and manpower report for medical personnel.
Sec. 642. Requirements with respect to certain Navy medical personnel.
Sec. 643. Provisions relating to Navy health profession personnel.
Sec. 644. Sharing of health-care resources between the Department of Defense and the Veterans' Administration.
Sec. 645. Extension of termination date for former Public Health Service hospitals and requirement that such hospitals be cost effective.
Sec. 646. Eligibility of certain institutions to receive reimbursement under CHAMPUS.

PART F—MISCELLANEOUS

Sec. 651. Limited extension of certain medical benefits for former spouses.
Sec. 652. Technical correction to Survivor Benefit Plan coverage of former spouses.
Sec. 653. Annuity for certain surviving spouses.
Sec. 654. Report on definition of dependent for certain purposes.

TITLE VII—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

PART A—ORGANIZATION

Sec. 701. Assistant Secretary of Defense for Command, Control, and Communications.
Sec. 702. Designation in each military department of Assistant Secretary with responsibility for financial management.
Sec. 703. General Counsels of military departments.
Sec. 704. Deferral of retirement date for Chairman of the Joint Chiefs of Staff.

PART B—FORCE STRUCTURE

Sec. 711. Assignment of combatant forces.
Sec. 712. Responsibility and authority of Commander of Special Operations Command.
Sec. 713. Strategic air defense alert mission.
Sec. 714. Reports on budgets for unified and specified commands.
Sec. 715. Report on initial review of unified command plan and initial review of service roles and missions.

PART C—PERSONNEL-RELATED PROVISIONS

Sec. 721. Regulations for delivery of military personnel to civil authorities when charged with certain offenses.
Sec. 722. Annuities for judges of United States Court of Military Appeals

PART D—OTHER

Sec. 731. Annual net assessments.
Sec. 732. Linkage of national military strategy and weapon acquisition programs.
Sec. 733. Report on funding for the ammunition production base.
Sec. 734. Sense of Congress concerning declassification of classified information.
Sec. 735. Advance payment of administrative claims.
Sec. 736. Energy efficiency incentive.

TITLE VIII—ACQUISITION POLICY AND MANAGEMENT

PART A—ACQUISITION MANAGEMENT

Sec. 801. Integrated financing policy.
Sec. 802. Competitive prototype strategies.
Sec. 803. Delegation of authority to approve certain contract justifications.
Sec. 804. Evaluation of contracts for professional and technical services.
Sec. 805. Procurement of critical aircraft and ship spare parts.
Sec. 806. Incentives for innovation.
Sec. 807. Regulations on use of fixed-price development contracts.
Sec. 808. Department of Defense advisory panel on government-industry relations.
Sec. 809. Report on simplification and streamlining of acquisition procedures.

PART B—DEFENSE INDUSTRIAL BASE

Sec. 821. Maintenance and improvement of the defense industrial base.
Sec. 822. Source for procurement of certain valves and machine tools.
Sec. 823. Critical technologies plan.
Sec. 824. Defense memoranda of understanding.
Sec. 825. Department of Defense offset policy.
Sec. 826. Allowability of costs to promote the export of defense products.

PART C—POLICIES RELATING TO DEFENSE CONTRACTORS

Sec. 831. Additional prohibitions on persons convicted of felonies related to defense contracts.
Sec. 832. Limitation on allowability of costs of contractors incurred in certain proceedings.
Sec. 833. Air travel expenses of defense contractor personnel.
Sec. 834. Standards for contractor inventory accounting systems.
Sec. 835. Equal employment opportunities relating to an Army contract.

PART D—MISCELLANEOUS

Sec. 841. Procurement Technical Assistance Cooperative Agreement Program.
Sec. 842. Product evaluation.
Sec. 843. Contract goal for minorities in printing-related services.
Sec. 844. Extension of contract goal for small and disadvantaged businesses.
Sec. 845. Deadline for certain small business regulations.
Sec. 846. Safeguarding of military whistleblowers.

TITLE IX—MATTERS RELATING TO ARMS CONTROL

Sec. 901. Sense of Congress on expanding confidence-building measures.
Sec. 902. Sense of Congress on START talks.
Sec. 903. Sense of Congress concerning role of Congress in arms control and defense policies.
Sec. 904. Sense of Congress on the five-year ABM Treaty review.
Sec. 905. Revision of annual report on Soviet compliance with arms control commitments.
Sec. 906. Annual report on arms control strategy.
Sec. 907. Report on antiballistic missile capabilities and activities of the Soviet Union.

Sec. 908. Analysis of alternative strategic nuclear force postures for the United States under a potential START Treaty.
Sec. 909. On-Site Inspection Agency.
Sec. 910. Coordination of verification policy and research and development activities.

TITLE X—MATTERS RELATING TO NATO COUNTRIES AND OTHER ALLIES

Sec. 1001. Increase in annual dollar limitation on acquisition and cross-servicing agreements with allied countries.
Sec. 1002. Authority to waive surcharges on certain sales to NATO.
Sec. 1003. Authority of military departments to loan and borrow from foreign countries materials, supplies, and equipment for research and development purposes.
Sec. 1004. Sense of Congress on need for modernization of theater nuclear capabilities of NATO.
Sec. 1005. Report on NATO Defense Program for fiscal year 1990.
Sec. 1006. Improvement in defense research and procurement liaison with Israel.
Sec. 1007. Modification of requirement concerning designation of major non-NATO allies.
Sec. 1008. Call for continued defense burdensharing discussions with allies.
Sec. 1009. Contributions by Japan to global stability.

TITLE XI—DRUG INTERDICTION

Sec. 1101. Annual guidelines to the military departments.
Sec. 1102. Lead agency for detection.
Sec. 1103. Communications Network.
Sec. 1104. Enhanced drug interdiction and law enforcement assistance by the Department of Defense.
Sec. 1105. Enhanced drug interdiction and enforcement role for the National Guard.
Sec. 1106. Funding of activities related to drug interdiction.
Sec. 1107. Report on needed legislation.

TITLE XII—GENERAL PROVISIONS

PART A—FINANCIAL AND BUDGET MATTERS

Sec. 1201. Transfer authority.
Sec. 1202. Increase in fiscal year 1988 defense funds transfer authorization.

PART B—FISCAL YEAR 1988 UNAUTHORIZED APPROPRIATIONS

Sec. 1211. Authority for obligation of certain unauthorized fiscal year 1988 defense appropriations.
Sec. 1212. Limitation on obligation for certain unauthorized appropriations.
Sec. 1213. Repeal of certain general provisions.

PART C—NAVAL VESSELS AND SHIPYARDS

Sec. 1221. Naming of Trident submarine the U.S.S. Melvin Price.
Sec. 1222. Naming of Navy ship the U.S.S. Bob Hope.
Sec. 1223. Rate of progress payments on naval ship repair contracts.
Sec. 1224. Limitation on repair of naval vessels in foreign shipyards.
Sec. 1225. Competition between public and private shipyards.
Sec. 1226. Depot-level maintenance of ships.
Sec. 1227. Report on effects of naval shipbuilding on maritime industries.
Sec. 1228. Report on encouragement of construction in United States shipyards of combatant vessels for allies.
Sec. 1229. Report on small patrol boats of Navy.

PART D—MISCELLANEOUS

Sec. 1231. Report on susceptibility of defense computer assets to computer viruses.
Sec. 1232. Reassessment of Soviet electronic espionage capability from Mount Alto embassy site.
Sec. 1233. Technical amendments.

TITLE XIII—FOREIGN RELATIONS MATTERS

Sec. 1301. Sense of Congress concerning the Panama Canal and the United States Southern Command.
Sec. 1302. Limitation on assistance to Panamanian Defense Force.
Sec. 1303. Sense of Congress concerning indictment of General Noriega of Panama on drug-related charges.
Sec. 1304. Sense of Congress on introduction of Armed Forces into Nicargua for combat.
Sec. 1305. Human rights violations by the government of Poland.
Sec. 1306. Conditions for sale or other transfer of F-15 aircraft to Saudi Arabia.
Sec. 1307. Restriction on sale of arms to certain nations.
Sec. 1308. United States bases in the Republic of the Philippines.
Sec. 1309. Annual assessment of security at United States bases in the Philippines.
Sec. 1310. Economic sanctions against Ethiopia.

TITLE XIV—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

PART A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS

Sec. 1401. Operating expenses.
Sec. 1402. Plant and capital equipment.
Sec. 1403. Funding limitations.

PART B—RECURRING GENERAL PROVISIONS

Sec. 1421. Reprogramming.
Sec. 1422. Limits on general plant projects.
Sec. 1423. Limits on construction projects.
Sec. 1424. Fund transfer authority.
Sec. 1425. Authority for construction design.
Sec. 1426. Authority for emergency construction design.
Sec. 1427. Funds available for all national security programs of the Department of Energy.
Sec. 1428. Availability of funds.

PART C—MISCELLANEOUS PROVISIONS

Sec. 1431. Review of the inertial confinement fusion program.
Sec. 1432. Assistance to communities affected by closing of N Reactor.
Sec. 1433. Review of waste isolation pilot plant in New Mexico.
Sec. 1434. Authority to loan personnel and facilities to community development organizations near Hanford Reservation.
Sec. 1435. New production reactor.
Sec. 1436. Nuclear test ban readiness program.

PART D—DOE DEFENSE NUCLEAR FACILITIES SAFETY OVERSIGHT BOARD

Sec. 1441. Establishment of Defense Nuclear Facilities Safety Board.
Sec. 1442. Transfer.

TITLE XV—NATIONAL DEFENSE STOCKPILE

Sec. 1501. Authorized disposals.
Sec. 1502. Authorization of acquisitions.
Sec. 1503. Technical and clarifying amendments.

TITLE XVI—CIVIL DEFENSE

Sec. 1601. Authorization of appropriation.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

Sec. 2001. Short title.

TITLE XXI—ARMY

Sec. 2101. Authorized construction and land acquisition projects.
Sec. 2102. Family housing.
Sec. 2103. Improvements to military family housing units.
Sec. 2104. Defense access roads.
Sec. 2105. Authorization of appropriations, Army.
Sec. 2106. Extension of certain prior year authorizations.

TITLE XXII—NAVY

Sec. 2201. Authorized construction and land acquisition projects.
Sec. 2202. Family housing.
Sec. 2203. Improvements to military family housing units.
Sec. 2204. Defense access roads.
Sec. 2205. Authorization of appropriations, Navy.
Sec. 2206. Acquisition of housing at certain naval air stations.

TITLE XXIII—AIR FORCE

Sec. 2301. Authorized construction and land acquisition projects.
Sec. 2302. Family housing.
Sec. 2303. Improvement to military family housing units.
Sec. 2304. Authorization of appropriations, Air Force.
Sec. 2305. Extension of certain previous authorizations.

TITLE XXIV—DEFENSE AGENCIES

Sec. 2401. Authorized construction and land acquisition projects.
Sec. 2402. Family housing.
Sec. 2403. Improvements to military family housing units.
Sec. 2404. Afcent School.
Sec. 2405. Conforming storage facilities.
Sec. 2406. Defense access roads.
Sec. 2407. Authorization of appropriations, defense agencies.
Sec. 2408. Resiting of overseas contingency medical facility.
Sec. 2409. Extension of certain previous authorizations.
Sec. 2410. Reynolds Army Community Hospital, Fort Sill, Oklahoma, and Seoul Army Community Hospital, Seoul, Korea.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

Sec. 2501. Authorized construction and land acquisition projects.
Sec. 2502. Authorization of appropriations, NATO.

TITLE XXVI—GUARD AND RESERVE FACILITIES

Sec. 2601. Authorized Guard and Reserve construction and land acquisition projects.
Sec. 2602. Aircraft parking ramp/holding pad at Yeager Airport, Charleston, West Virginia.
Sec. 2603. Construction of replacement facilities at O'Hare Air Reserve forces facility, Illinois.

TITLE XXVII—EXPIRATION OF AUTHORIZATIONS; EFFECTIVE DATE

Sec. 2701. Expiration of authorizations and amounts required to be specified by law.
Sec. 2702. Effective date.

TITLE XXVIII—GENERAL PROVISIONS

PART A-PROGRAM CHANGES

Sec. 2801. Long-term facilities contracts.
Sec. 2802. Increase in foreign housing leasing authority.
Sec. 2803. Reports on real property transactions.
Sec. 2804. Notification requirement relating to acquisition of interest in land.
Sec. 2805. Planning assistance for impacted communities.

PART B—MISCELLANEOUS

Sec. 2811. Prohibition of funding for certain military construction contracts on Guam.
Sec. 2812. Brooke Army Medical Center.
Sec. 2813. Community planning assistance.
Sec. 2814. Fort DeRussy, Hawaii.
Sec. 2815. Wurtsmith Air Force Base, Michigan.
Sec. 2816. Location of hazardous waste storage facility at Pearl Harbor Naval Shipyard.
Sec. 2817. Solicitation for proposals for office space for Navy.
Sec. 2818. Third Infantry Division Memorial.
Sec. 2819. Commission on alternative utilization of military facilities.

PART C—REAL PROPERTY TRANSACTIONS

Sec. 2821. Land exchange, Alameda County, California.
Sec. 2822. Land conveyance, Lompoc, California.
Sec. 2823. Land easement, Orange County, California.
Sec. 2824. Land exchange, San Diego, California.
Sec. 2825. Land transfer, Washington, District of Columbia.
Sec. 2826. Land conveyance, Okaloosa County, Florida.
Sec. 2827. Transfer of land, Suitland Federal Center, Maryland.
Sec. 2828. Air Force plant at Columbus, Ohio.
Sec. 2829. Land conveyance, Fort Jackson, South Carolina.

DIVISION A—DEPARTMENT OF DEFENSE AND OTHER NATIONAL DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

PART A—FUNDING AUTHORIZATIONS

SEC. 101. ARMY

Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement for the Army as follows:

(1) For aircraft, $2,883,700,000.

(2) For missiles, $2,605,200,000.

(3) For weapons and tracked combat vehicles, $2,915,100,000.

(4) For ammunition, $2,064,036,000.

(5) For other procurement, $4,580,346,000, of which—

(A) $872,671,000 is for tactical and support vehicles;

(B) $2,811,727,000 is for communications and electronics equipment; and

(C) $895,948,000 is for other support equipment.

SEC. 102. NAVY AND MARINE CORPS

(a) AIRCRAFT.—Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement of aircraft for the Navy in the amount of $9,169,253,000.

(b) WEAPONS.—Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement of weapons (including missiles and torpedoes) for the Navy in the amount of $5,972,181,000. Amounts authorized under the preceding sentence are available as follows:

(1) For ballistic missile programs, $1,872,538,000.

(2) For other missile programs, $3,203,737,000.

(3) For torpedo programs, $700,054,000 as follows:

For the MK-48 torpedo program, $431,014,000.

For the MK-50 torpedo program, $198,547,000.

For the Vertical Launched ASROC program, $17,552,000.

For the modification of torpedoes and related equipment, $3,289,000.

For the torpedo support equipment program, $25,988,000.

For the antisubmarine warfare range support program, $22,664,000.

(4) For other weapons, $108,440,000, of which—

(A) $19,449,000 is for the MK-15 close-in weapon system; and

(B) $54,557,000 is for the close-in weapon system modification program.

(5) For spares and repair parts, $87,412,000.

(c) SHIPBUILDING AND CONVERSION.—Funds are hereby authorized to be appropriated for fiscal year 1989 for shipbuilding and conversion for the Navy in the amount of $9,056,100,000. Amounts authorized under the preceding sentence are available as follows:

For the Trident submarine program, $1,368,100,000.

For the SSN-688 nuclear attack submarine program, $1,493,600,000.

For the SSN-21 nuclear attack submarine program, $1,488,000,000.

For the aircraft carrier service life extension program (SLEP), $135,400,000.

For the DDG-51 guided missile destroyer program, $2,207,300,000.

For the LHD-1 amphibious assault ship program, $737,500,000.

For the MHC coastal minehunter program, $197,200,000.

For the TAO-187 fleet oiler program, $284,900,000.

For the AO (Jumbo) conversion program, $84,900,000.

For the TAGOS ocean surveillance ship program, $159,600,000.

For the AOE fast combat support ship program, $363,900,000.

For the landing craft, air cushion (LCAC) program, $192,600,000.

For outfitting and post delivery, $343,100,000.

(d) OTHER PROCUREMENT, NAVY.—Funds are hereby authorized to be appropriated for fiscal year 1989 for other procurement for the Navy in the amount of $4,817,750,000. Amounts authorized under the preceding sentence are available as follows:

(1) For the ship support equipment program, $649,740,000.

(2) For the communications and electronics equipment program, $1,548,164,000.

(3) For aviation support equipment, $550,692,000.

(4) For the ordnance support equipment program, $1,135,671,000.

(5) For civil engineering support equipment, $109,061,000.

(6) For supply support equipment, $126,495,000.

(7) For personnel and command support equipment, $470,731,000.

(8) For spares and repair parts, $227,196,000.

(e) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement for the Marine Corps in the amount of $1,297,265,000.

SEC. 103. AIR FORCE

Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement for the Air Force as follows:

(1) For aircraft, $16,125,024,000.

(2) For missiles, $7,716,533,000.

(3) For other procurement, $8,196,782,000, of which—

(A) $605,087,000 is for munitions and associated support equipment;

(B) $279,768,000 is for vehicular equipment;

(C) $1,893,245,000 is for electronics and telecommunications equipment; and

(D) $5,418,682,000 is for other base maintenance and support equipment.

SEC. 104. DEFENSE AGENCIES

Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement for the Defense Agencies in the amount of $1,205,100,000.

SEC. 105. CHEMICAL DEMILITARIZATION PROGRAM

Funds are hereby authorized to be appropriated for fiscal year 1989 for the chemical demilitarization program under section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521) in the amount of $179,500,000, of which—

(1) $44,300,000 is for procurement;

(2) $17,900,000 is for research, development, test, and evaluation; and

(3) $117,300,000 is for operation and maintenance.

SEC. 106. RESERVE COMPONENTS

Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement of aircraft, vehicles, communications equipment, and other miscellaneous equipment for the reserve components of the Armed Forces as follows:

For the Army National Guard, $240,000,000.

For the Air National Guard, $216,500,000.

For the Army Reserve, $30,000,000.

For the Naval Reserve, $75,000,000.

For the Air Force Reserve, $232,000,000.

For the Marine Corps Reserve, $50,000,000.

SEC. 107. AUTHORIZED MULTIYEAR CONTRACTS

(a) ARMY.—Subject to subsections (d) and (e), the Secretary of the Army may enter into multiyear contracts in accordance with section 2306(h) of title 10, United States Code, for procurement of the following:

(1) CH-47D helicopter modification.

(2) Multiple Launch Rocket System (MLRS).

(3) T-700 helicopter engine.

(4) AH-64 Apache helicopters.

(5) M1 Abrams tanks for 3,000 tanks.

(b) NAVY AND MARINE CORPS.—Subject to subsections (d) and (e), the Secretary of the Navy may enter into multiyear contracts in accordance with section 2306(h) of title 10, United States Code, for procurement of the following:

(1) AV-8B aircraft.

(2) UHF Follow-On Satellite System.

(c) AIR FORCE.—Subject to subsections (d) and (e), the Secretary of the Air Force may enter into multiyear contracts in accordance with section 2306(h) of title 10, United States Code, for procurement of the following:

(1) F-16 aircraft.

(2) Defense Meteorological Satellite Program (DMSP).

(d) Conditions.—A multiyear contract authorized by this section may not be entered into unless each of the following conditions is satisfied:

(1) The Secretary of Defense certifies to Congress that the current five-year defense program fully funds the support costs associated with the multiyear program.

(2) The proposed multiyear contract provides for production at not less than minimum economic rates given the existing tooling and facilities.

(3) The proposed multiyear contract—

(A) achieves a 10 percent savings as compared to the cost of current negotiated contracts, adjusted for changes in quantity and for inflation; or

(B) achieves a 12 percent savings as compared to annual contracts if no recent contract experience exists.

(e) Negotiated Priced Options.—The Secretary of Defense may instruct the Secretary of the military department concerned to incorporate into a proposed multiyear contract under this section negotiated priced options for varying the quantities of end items to be procured over the period of the contract.

Part B—Program Requirements, Restrictions, and Limitations

SEC. 111. ARMY PROGRAMS

(a) ADATS Air Defense Weapon.—(1) The Secretary of the Army may obligate funds appropriated for fiscal year 1989 for procurement of the ADATS Air Defense Weapon system in the amount of $85,000,000 for production of five fire units and 60 missiles to be used specifically for production qualification testing and operational testing. Funds may be obligated for such purpose only after the Director of Operational Test and Evaluation of the Department of Defense certifies to the Committees on Armed Services of the Senate and House of Representatives that he has approved the plan for the qualification testing and operational testing for such system.

(2) The Secretary of the Army may obligate funds for procurement and advanced procurement for such system for any fiscal year after fiscal year 1989 only after—

(A) the operational tests for such system are completed;

(B) the Secretary of Defense certifies to the Committees on Armed Services of the Senate and House of Representatives that the system meets or exceeds the operational performance criteria of the Army;

(C) the Director of Operational Test and Evaluation of the Department of Defense provides to those Committees his evaluation of the performance of the system; and

(D) the Comptroller General of the United States provides to those Committees his evaluation of the performance of the system.

(b) Mortars.—The Secretary of the Army may not obligate funds appropriated for fiscal year 1989 for procurement of 120-millimeter mortars or 4.2-inch mortars (or for procurement of ammunition for either such mortar) until the Secretary does each of the following:

(1) Submits to Congress a new master plan for Army mortars, including a description of the status of 4.2-inch mortars (and the ammunition for such mortars) and the status of any proposed upgrade of such mortar or ammunition.

(2) Certifies to Congress that the current five-year defense plan provides for funding for the initiatives set forth in such master plan.

(3) Completes the analysis (referred to as an "Arsenal Act analysis") of the cost-effectiveness of using domestic sources (as provided under section 4532 of title 10, United States Code) for manufacture of 120-millimeter mortars that was specified in section 122(a)(2) of Public Law 99-661.

(c) 155-Millimeter Base Burn Assembly Units.—(1) If the contractor for low-rate initial production of base burn assembly units for the 155-millimeter M864 artillery projectile certifies to the Secretary of the Army that the contractor is willing to finance the expenses of preparing facilities and equipment at (and otherwise "facilitizing") a Government-owned contractor-operated Army ammunition plant for production of such base burn assembly units, the Secretary shall contract with that contractor for production of not less than 96,000 of such units with funds appropriated for such program for each of fiscal years 1989 and 1990 (for a production rate of not less than 8,000 units per month under the program for those fiscal years).

(2) In carrying out the program for production of such base burn assembly units, the Secretary of the Army, through the use of competitive procedures, shall select a second source producer for such base burn assembly units during fiscal year 1989.

SEC. 112. NAVY PROGRAMS

(a) AH-1W Ground Support Equipment.—Of the amount appropriated pursuant to section 102 for the Navy for procurement, $55,000,000 may be obligated only for the procurement of AH-1W ground support equipment.

(b) Trident II Missile Program.—(1) Of the amounts appropriated pursuant to section 102 for the Navy for the procurement of missiles for fiscal year 1989, $1,865,609,000 may be obligated only for the Trident II missile program.

(2) In achieving any undistributed reduction required to be made in programs, projects, or activities for which funds have been appropriated to the Department of Defense for fiscal year 1989, no reduction may be made in the amount of funds available for the Trident II missile program.

(c) DDG-51 Destroyer Program Competition.—Notwithstanding the proviso to the item relating to the DDG-51 destroyer program in the paragraph under the heading "Shipbuilding and Conversion, Navy" in title III of the Department of Defense Appropriations Act, 1988 (as contained in section 101(b) of Public Law 100-202), the Secretary of the Navy may limit competition for the shipbuilding portion of the DDG-51 destroyer program for any fiscal year to the two shipyard contractors to which such competition was limited on December 21, 1987 (the day before the date of the enactment of Public Law 100-202), if the Secretary certifies to the Committees on Armed Services of the Senate and House of Representatives that the limitation of such competition to those contractors either—

(1) would likely result in a lower total cost to the United States for the fiscal year 1989 program than would result from including other shipyard contractors in the competition; or

(2) is necessary to meet the cost, schedule, or performance requirements of the Navy or such other requirements of the Navy as may be determined by the Secretary.

(d) Use of Prior Year Funds for DDG-51 Destroyer Program.—(1) There are hereby authorized to be transferred to the shipbuilding and conversion program for the Navy for fiscal year 1988, to the extent provided in appropriation Acts, amounts that were appropriated for the Department of Defense for fiscal year 1988 or any prior fiscal year that remain available for obligation and that are no longer required for the purpose for which originally appropriated. The total amount transferred pursuant to the authority of this section may not exceed $730,000,000. Amounts transferred pursuant to this section shall be used for the procurement of one DDG-51 class guided missile destroyer.

(2) The authority to transfer amounts under this subsection is in addition to any other authority to transfer amounts provided in this or any other Act.

(3) A transfer pursuant to the authority provided by this section shall not extend the period of availability for obligation of the amounts so transferred.

(e) Marine Corps Tactical Radios.—Amounts previously appropriated to the Navy for procurement of TSEC/KY-67 (Bancroft) radios and that are available for obligation may be obligated only for procurement of SINCGARS radios.

(f) 5-Inch Semiactive Laser-Guided Projectile Program.—Of the funds appropriated or otherwise made available for other procurement for the Navy for fiscal year 1989, the Secretary of the Navy shall make available such funds as necessary for the 5-inch semiactive laser-guided projectile program in order to complete production qualification of 150 of such projectiles, with 50 such projectiles to be produced by each of the three established competitive sources.

SEC. 113. AIR FORCE PROGRAMS

(a) Air National Guard Use of Certain Aircraft.—The Secretary of the Air Force may authorize the Air National Guard to use the eight C-130 aircraft (and support equipment related to such aircraft) that are in long-term storage at Air Force plant #6, Marietta, Georgia. Of funds appropriated for the Air Force for fiscal year 1989 for modification of C-130 aircraft, $17,500,000 shall be available only to refurbish such aircraft for full operational use.

(b) Air Force Launch Facility.—Funds appropriated or otherwise made available to the Air Force for fiscal year 1989 may not be obligated or expended in connection with the launch facility at Vandenberg Air Force Base, California (designed for the launch of Titan IV expendable launch vehicles), identified as the SLC-7 Launch Facility.

SEC. 114. INTERIM INFANTRY ANTI-TANK WEAPON

(a) Determination of Interim Infantry Anti-Tank Weapon.—The Secretary of the Army shall select an interim infantry anti-tank weapon from among the Milan II weapon, the Bofors Bill weapon, Dragon Generation II weapon, and the Marine Corps Dragon Generation III weapon. The selection shall be based on the Secretary's determination of which of such weapons is the most effective weapon on the basis of all of the operational testing and evaluation of those weapons conducted as of June 1, 1989. The Secretary shall manage the program for the weapon selected so that such weapon is ready to enter into low-rate initial production during fiscal year 1990.

(b) OT&E Assessment.—The Director of Operational Test and Evaluation of the Department of Defense shall conduct an independent assessment of the operational tests and evaluations referred to in subsection (a). The Director shall submit a report on such assessment to the Committees on Armed Services of the Senate and House of Representatives not later than June 1, 1989.

SEC. 115. SOURCE SELECTION AUTHORITY FOR THE PALLETIZED LOADING SYSTEM

Section 259(b) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100–180; 101 Stat. 1068) is amended by striking out "The Under Secretary of Defense for Acquisition" at the beginning of the second sentence and inserting in lieu thereof "The Acquisition Executive for the Department of the Navy".

SEC. 116. BIGEYE BINARY CHEMICAL BOMB

(a) Authorized Procurement for Testing.—(1) Except as provided in paragraph (2), funds appropriated or otherwise made available to the Department of Defense for fiscal years before fiscal year 1989 for procurement under the BIGEYE binary chemical bomb program may be obligated or expended in connection with such program only for procurement of production-configured bombs. Any bombs procured under the preceding sentence may be used only in conducting required follow-on operational testing scheduled to be performed during fiscal years 1989 and 1990.

(2) Any such funds not obligated for the purpose described in paragraph (1) may be used for the purpose of maintaining program continuity for the BIGEYE bomb program.

(3) None of the funds referred to in paragraphs (1) and (2) may be used for low-rate initial production.

(b) Conditions for Obligation of Funds for Procurement.—Except as provided in subsection (f), funds appropriated or otherwise made available to the Department of Defense after the date of the enactment of this Act may not be obligated or expended for procurement of the BIGEYE binary chemical bomb, or for any component of such bomb or the assembly of such bomb, until the reports required by subsections (c) and (d) have been submitted in accordance with those subsections and only then if neither of those reports includes a certification that one or more of the production certification conditions has not been met.

(c) Certification by Director, OT&E.—Upon the completion of operational and developmental tests conducted in connection with the BIGEYE binary chemical bomb program, the Director of Operational Test and Evaluation of the Department of Defense shall submit to Congress a report certifying, with respect to each of the production certification conditions, whether or not, in the judgment of the Director, such condition has been met.

(d) Certification by Comptroller General.—Upon the submission of the report under subsection (c), the Comptroller General of the United States shall submit to Congress a report certifying, with respect to each of the production certification conditions, whether or not, in the judgment of the Comptroller General, such condition has been met.

(e) Production Certification Conditions.—For purposes of this section, the term "production certification conditions" means, with respect to the operational and development tests of the BIGEYE bomb, each of the following:

(1) That the operational and developmental tests conducted in connection with such program after the date of the enactment of this Act were realistic and adequate.

(2) That the plan and objectives for those tests were clear, well defined, and properly quantifiable.

(3) That the design of those tests supports a valid statistical analysis of data.

(4) That the criteria for a no-test were adequately defined in the plan for those tests.

(5) That the performance of such bomb in those tests met or exceeded the standards established for the tests.

(6) That the BIGEYE bomb program is otherwise ready to proceed into full-scale production.

(f) FY89 Authorized Activities.—Of amounts appropriated or otherwise made available to the Department of Defense for fiscal year 1989, $15,000,000 may be obligated or expended for procurement for the BIGEYE program without regard to the limitations contained elsewhere in this section, but only for the purposes of maintaining program continuity, maintaining the subcontractor base, and procuring piece parts and components. Such funds may not be obligated or expended for low-rate initial production or for final assembly.

SEC. 117. MANAGEMENT OF CERTAIN DEFENSE PROCUREMENT PROGRAMS

(a) Stretchout Impact Statement.—The Secretary of Defense shall submit to Congress, at the same time the budget for any fiscal year is submitted to Congress under section 1105 of title 31, United States Code, a statement of what the effect would be during the fiscal year for which the budget is submitted of the stretchout of a major defense acquisition program if either of the following applies with respect to that program:

(1) The final year of procurement scheduled for the program at the time the statement is submitted is more than two years later than the final year of procurement for the program as specified in the most recent annual Selected Acquisition Report for that program.

(2) The proposed procurement quantity for that fiscal year is less than 90 percent of the procurement quantity proposed for the same fiscal year in the most recent annual Selected Acquisition Report for that program.

(b) Changes in Certain Costs To Be Included.—A statement under subsection (a) with respect to a major defense acquisition program shall contain an estimate of the projected increase in unit cost and the projected increase in total program cost for the system being procured under the program compared to the program specified in the most recent annual Selected Acquisition Report for that program.

(c) Identification of Stretched Out Programs.—The Secretary shall include in a statement under subsection (a) identification of all major acquisition programs for which the proposed procurement quantity for that fiscal year is less than 80 percent of the baseline production rate for that fiscal year, as defined by section 2432(c)(3)(C)(i) of title 10, United States Code, and an explanatory statement for the lower procurement rate for each program.

(d) Limitations.—(1) Subsection (a) shall apply only for major defense acquisition programs for which procurement is proposed at a rate of six or more units per year.

(2) Subsection (a) shall not apply if the total procurement quantity has been increased, compared to the program specified in the most recent annual Selection Acquisition Report for that program, and subsection (a)(2) does not apply.

(e) Report on Establishing Maximum Production Rates.—Not later than March 15, 1989, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the feasibility and effect of establishing maximum production rates by December 1990 for certain major defense acquisition programs. The report shall identify and discuss ten programs, of which seven shall be programs for the procurement of conventional, tactical, or dual-capable systems.

(f) Definition.—For purposes of this section, the term "major defense acquisition program" has the meaning given that term in section 2430 of title 10, United States Code.

SEC. 118. MODIFICATIONS IN CHEMICAL DEMILITARIZATION PROGRAM

(a) Extension of Deadline for Completion of Program.—Subsection (b) of section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1512(b)) is amended—

(1) by striking out "September 30, 1994" in paragraphs (1) and (3)(A) and inserting in lieu thereof "the stockpile elimination deadline";

(2) in paragraph (3)(B), by striking out "within 30 days" and all that follows in that paragraph and inserting in lieu thereof "not later than the earlier of (A) 30 days after the date on which the decision to defer is made, or (B) 30 days before the stockpile elimination deadline."; and

(3) by adding at the end the following new paragraphs:

"(4) If the Secretary determines at any time that there will be a delay in meeting the requirement in paragraph (1) for the completion of the destruction of chemical weapons by the stockpile elimination deadline, the Secretary shall immediately notify the Committees on Armed Services of the Senate and House of Representatives of that projected delay.

"(5) For purposes of this section, the term 'stockpile elimination deadline' means April 30, 1997.".

(b) Requirement for Successful Completion of Operational Verification.—Such section is further amended by striking out subsection (k) and inserting in lieu thereof the following:

"(k) Operational Verification.—(1) Until the Secretary of the Army successfully completes (through the prove-out work to be conducted at Johnston Atoll) operational verification of the technology to be used for the destruction of live chemical agents and munitions under this section, the Secretary may not conduct any activity for equipment prove out and systems test before live chemical agents are introduced at a facility (other than the Johnston Atoll facility) at which the destruction of chemical agent and munitions weapons is to take place under this section. The limitation in the preceding sentence shall not apply with respect to the Chemical Agent Munition Disposal System in Tooele, Utah.

"(2) Upon the successful completion of the prove out of the equipment and facility at Johnston Atoll, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report certifying that the prove out is completed.

"(3) If the Secretary determines at any time that there will be a delay in meeting the deadline of December 31, 1990, scheduled by the Department of Defense for completion of the operational verification at Johnston Atoll referred to in paragraph (1), the Secretary shall immediately notify the Committees of that projected delay.".

SEC. 119. REPORT ON NAVY AIRCRAFT REQUIREMENTS

Not later than December 1, 1988, the Secretary of Defense shall submit to Congress a detailed report on the current and projected requirements of the Navy for aircraft. The

Secretary shall include in such report the following information:

(1) The plans of the Department of Defense to alleviate existing shortfalls of Navy aircraft.

(2) The plans of the Department of Defense to maintain or reduce the current average age of Navy combat aircraft.

(3) The plans of the Department of Defense to modify Navy aircraft to make such aircraft effective against current and projected threats.

(4) The level of funding required to carry out the plans referred to in paragraphs (1), (2), and (3) during fiscal years 1990 through 1994.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

PART A—AUTHORIZATIONS AND FUNDING FOR SPECIFIC PROGRAMS

SEC. 201. AUTHORIZATION OF APPROPRIATIONS

Funds are hereby authorized to be appropriated for fiscal year 1989 for the use of the Armed Forces for research, development, test, and evaluation, in amounts as follows:

For the Army, $5,198,444,000.

For the Navy (including the Marine Corps), $9,383,162,000.

For the Air Force, $14,680,825,000.

For the Defense Agencies, $8,707,727,000, of which—

(1) $155,900,000 is authorized for the activities of the Deputy Under Secretary of Defense, Test and Evaluation; and

(2) $123,400,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. FUNDING FOR ICBM MODERNIZATION PROGRAMS

(a) Program Funds.—Of the funds appropriated pursuant to section 201 for the Air Force, the amount of $790,000,000 shall be available for ICBM modernization programs.

(b) Allocation.—Of the amount specified in subsection (a)—

(1) $40,000,000 shall be available for continued development and flight testing of the MX missile; and

(2) not more than $750,000,000 shall be available in total for the small ICBM program and the MX Rail-Garrison program.

(c) Limitations on Obligation.—Of the amount specified in subsection (b)(2)—

(1) the amount obligated before the Presidential determinations are made under subsection (d) for the small ICBM program may not exceed $250,000,000; and

(2) the amount obligated before the Presidential determinations are made under subsection (d) for the MX Rail-Garrison program may not exceed $250,000,000.

(d) Presidential Determination.—During the period beginning on January 21, 1989, and ending on March 31, 1989, the President shall—

(1) determine whether to continue or to terminate either or both of the programs referred to in subsection (c); and

(2) based upon that determination, determine how to allocate among those and other programs the funds described in subsection (b)(2) which as of the time of the determination remain available for obligation.

(e) Report.—Not later than 10 days after the date of the President's determination under subsection (c), but in no event later than April 10, 1989, the President shall submit to the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives a report on his actions under subsection (d), including a statement of—

(1) his decision with respect to continuation or termination of the ICBM modernization programs referred to in subsection (c); and

(2) how the funds described in subsection (b)(2) that remain available for obligation are to be obligated.

SEC. 203. DARPA NUCLEAR MONITORING PROGRAM

Of the amount appropriated pursuant to section 201 for Defense Agencies, $37,600,000 shall be available only to the Defense Advanced Research Projects Agency for the nuclear monitoring program.

SEC. 204. GRANT FOR SEMICONDUCTOR COOPERATIVE RESEARCH PROGRAM

Of the amount appropriated pursuant to section 201 for Defense Agencies, $100,000,000 shall be available only to make grants under section 272 of Public Law 100-180.

SEC. 205. AIRSHIP PROGRAM

Of the amounts appropriated pursuant to section 201, the Secretary of Defense may make available an amount not to exceed $25,000,000 for the Airship Program.

SEC. 206. EXTENDED AIR DEFENSE

Of the amount appropriated pursuant to section 201 for Defense Agencies, $25,000,000 may be obligated only upon approval of the Director of Defense Research and Engineering for the purpose of research and development in connection with anti-tactical missile systems. If any such funds are made available to a firm in an allied country, those funds may not be obligated until the Secretary of Defense enters into a cooperative program with that country for that purpose.

SEC. 207. PRODUCT EVALUATION ACTIVITY

Of the amounts appropriated pursuant to section 201, $17,500,000 shall be available only for the product evaluation activity provided for under section 2369 of title 10, United States Code, as added by section 842 of this Act.

SEC. 208. CHEMICAL WEAPONS CONVENTION COMPLIANCE MONITORING PROGRAM

Of the amounts appropriated pursuant to section 201, $6,800,000 shall be available only to conduct a program to develop and demonstrate compliance monitoring capabilities in support of the Convention on the Prohibition of Chemical Weapons proposed by the United States in the Conference on Disarmament.

SEC. 209. OPTOELECTRONICS MATERIALS CENTER

Of the amounts appropriated pursuant to section 201 for Defense Agencies, $14,500,000 shall be available only for the establishment of an Optoelectronics Materials Center at a university in the United States and for the acquisition of associated facilities.

PART B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS

SEC. 211. TRIDENT II MISSILE PROGRAM

(a) Trident II Missile.—Of the amount appropriated pursuant to section 201 for the Navy, $580,889,000 may be obligated only for the Trident II missile program.

(b) Undistributed Reduction.—In achieving any undistributed reduction required to be made in programs, projects, or activities for which funds have been appropriated to the Department of Defense for fiscal year 1989, no reduction may be made in the amount of funds available for the Trident II missile program.

SEC. 212. BALANCED TECHNOLOGY INITIATIVE

(a) Amounts Authorized.—Of the amounts appropriated pursuant to section 201—

(1) $263,000,000 may be obligated only for research and development in connection with those programs, projects, and activities initiated pursuant to section 222 of the Department of Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3845) or section 215 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 100 Stat. 1050); and

(2) $50,000,000 may be obligated only for research and development under the Balanced Technology Initiative and only for new and innovative programs, projects, and activities that have not been designated for funding under a provision of law referred to in clause (1).

(b) Determination of Source of Funds.—The Director of Defense Research and Engineering shall determine the amount of the funds appropriated to the Army, Navy, Air Force, and Defense Agencies pursuant to section 201 that are to be allocated (as provided in subsection (a)) for the Balanced Technology Initiative. The Director shall make such determination on the merits of the programs, projects, and activities referred to in section 215(b) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 that are carried out by the Army, Navy, Air Force, and Defense Agencies, taking into consideration ongoing technology research and exploitation opportunities.

(c) Prohibition Regarding Undistributed Reductions.—No portion of any undistributed reduction may be applied against the funds allocated under subsection (a) or against any funds made available for the Balanced Technology Initiative that are in addition to the funds specified in subsection (a).

(d) Prohibition on Use of Funds for SDI.—None of the funds allocated under subsection (a) may be used in connection with any program, project, or activity in support of the Strategic Defense Initiative.

(e) Report.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives a report on the implementation of this section. The report shall include the following:

(1) The amount allocated under subsection (a) for each program, project, or activity and the identification of the source of such amount.

(2) Identification of other ongoing research and development projects not provided for under this section that should be included in the Balanced Technology Initiative in order to improve conventional defense capabilities.

(3) For each program, project, or activity for which funds have been allocated under subsection (a) or which is identified under paragraph (2), a five-year funding plan that is sufficient to maintain significant progress in research and development under such program, project, or activity, including a description of the major milestones for each such program, project, or activity and the projected dates for achieving those milestones.

SEC. 213. ADVANCED TACTICAL AIRCRAFT AND ADVANCED TACTICAL FIGHTER PROGRAMS

(a) Advanced Tactical Aircraft, Navy.—Of the amounts made available to the Department of Defense pursuant to section 201 for the Advanced Tactical Aircraft program of the Navy, not more than 50 percent of such amounts may be obligated or expended unless the Secretary of Defense certifies to Congress that the Navy has budgeted sufficient funds for fiscal year 1990 through 1994 to participate in the demonstration and val-

idation program (including source selection) for the Advanced Tactical Fighter of the Air Force.

(b) ADVANCED TACTICAL FIGHTER, AIR FORCE.—Of the amounts appropriated pursuant to section 201, not more than $350,000,000 may be obligated or expended for the Advanced Tactical Fighter program of the Air Force unless the Secretary of Defense certifies to Congress that the Air Force has budgeted sufficient funds for fiscal years 1990 through 1994 to participate in the full scale development of the Advanced Tactical Aircraft of the Navy.

SEC. 214. AIR-TO-AIR MISSILE PROJECT OFFICE

(a) LIMITATION.—Subject to subsection (b), amounts appropriated pursuant to section 201—

(1) may not be obligated in excess of $20,000,000 for the Advanced Air-to-Air Missile (AAAM) program; and

(2) may not be obligated in excess of $10,000,000 for the Advanced Medium Range Air-to-Air Missile (AMRAAM) program.

(b) JOINT PROGRAM OFFICE.—Subsection (a) shall cease to apply upon the establishment by the Secretary of the Navy and the Secretary of the Air Force of a joint program office, to operate under the guidance of the Office of the Secretary of Defense, for co-development of the Advanced Air-to-Air Missile and the product improved Advanced Medium-Range Air-to-Air Missile.

SEC. 215. TRAINING IN ADVANCED MANUFACTURING TECHNOLOGIES

(a) FUNDS FOR PURCHASE AND INSTALLATION OF EQUIPMENT.—Of the amounts appropriated pursuant to section 201, not more than $15,000,000 may be obligated for the purchase of high technology manufacturing equipment and the installation of such equipment in a private, nonprofit center for advanced technologies for the purpose of training, in a production facility, machine tool operators in skills critical to the defense technology base to build, operate, and maintain such equipment.

(b) REQUIREMENTS.—Funds may not be obligated for the purpose described in subsection (a) until—

(1) the Secretary of Defense, the Secretary of Commerce, the Secretary of Labor, and the Secretary of Education enter into a memorandum of understanding concerning the participation of their respective departments in a project to demonstrate the training of machine technicians in a production facility;

(2) the Secretary of Defense approves the obligation of such funds for such purpose; and

(3) a period of 60 days elapses after the Secretary of Defense submits to the Committees on Armed Services of the Senate and House of Representatives a report that sets forth—

(A) a detailed explanation of proposed Federal expenditures,

(B) a description of the cost-sharing arrangements between the Government agencies concerned and the private sector, and

(C) a description of how the proposed program furthers the industrial and technological goals of the Department of Defense.

(c) CONFORMING AMENDMENT.—Section 219(b) of Public Law 100-180 is repealed.

SEC. 216. PROHIBITION ON OBLIGATION OF FUNDS FOR CANCELLED ANTISATELLITE WEAPON PROGRAM

(a) PROHIBITION.—Residual fiscal year 1988 ASAT funds may not be obligated for the ASAT program.

(b) RESIDUAL FISCAL YEAR 1988 ASAT FUNDS DEFINED.—For purposes of this section, the term "residual fiscal year 1988 ASAT funds" means funds in the amount of $16,000,000 which were appropriated to the Department of Defense for fiscal year 1988 for research, development, test, and evaluation for the Air Force which—

(1) were originally made available for the ASAT program; and

(2) which remain available for obligation following cancellation of that program by the Secretary of Defense.

(c) ASAT PROGRAM DEFINED.—For purposes of subsections (a) and (b), the term "ASAT program" means the program of the Air Force to develop an F-15 launched miniature homing vehicle antisatellite weapon.

SEC. 217. LONG-RANGE CONVENTIONAL CRUISE MISSILE

(a) REPORT.—Not later than December 31, 1988, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the plans and projected expenditures for the Long-Range Conventional Cruise Missile program of the Department of Defense.

(b) CONTENT OF REPORT.—The Secretary shall include in such report the following:

(1) The 5-year funding plan for the program.

(2) A discussion of how the program might be carried out under a joint entity of the military services.

(3) A discussion of the military missions that a long-range conventional cruise missile would be designed to fulfill.

(4) A list of the validated military requirements prescribed for a long-range conventional cruise missile.

(5) An estimate of when a long-range conventional cruise missile system incorporating the most recent advances in guidance, propulsion, mission planning, and munitions technologies would be ready for full-scale engineering development and testing of initial operating capability.

SEC. 218. SEEK SPINNER MISSILE PROGRAM

Funds appropriated or otherwise made available to the Department of Defense pursuant to this Act or any Act enacted after the date of the enactment of this Act may not be obligated or expended for the Seek Spinner Missile program in any configuration.

SEC. 219. DEPRESSED-TRAJECTORY BALLISTIC MISSILES

(a) ESTABLISHMENT OF DEFINITION.—Not later than April 1, 1989, the Secretary of Defense shall prescribe a definition of what constitutes a depressed trajectory for a strategic ballistic missile. The definition shall be prescribed in coordination with the Director of Central Intelligence. The Secretary shall prescribe such definition in specific quantitative terms so as to clearly distinguish ballistic missile trajectories which are depressed from other ballistic missile trajectories, including minimum-energy ballistic missile trajectories, so that if the United States and the Soviet Union mutually observe a policy of non-flight testing of depressed-trajectory strategic ballistic missiles, the observance of that policy—

(1) would, to the maximum possible degree, reduce the potential for a short-time-of-flight attack on strategic aircraft or other strategic assets the survivability or effectiveness of which depends on timely receipt of adequate warning of attack, but

(2) would not significantly affect present or planned practices of the United States for the testing of ballistic missiles that are not intended for development of a depressed-trajectory capability.

(b) REPORT.—Not later than April 1, 1989, the Secretary of Defense shall submit to Congress a report on depressed-trajectory strategic ballistic missiles (as defined under subsection (a)), which shall be prepared in coordination with the Director of Central Intelligence. The report shall set forth the definition prescribed under subsection (a) and shall include each of the following:

(1) An evaluation of the ability of the United States to monitor flight tests by the Soviet Union of depressed-trajectory strategic ballistic missiles (as defined under subsection (a)) on dedicated or nondedicated test ranges.

(2) A description of any past flight test of a ballistic missile by the United States or by the Soviet Union that would qualify as a test of a depressed-trajectory strategic ballistic missile as defined under subsection (a).

(3) An evaluation of the possibility that the Soviet Union could deploy depressed-trajectory ballistic missiles (as defined under subsection (a)) with sufficient confidence in the reliability of those missiles for use in an attack on the United States without further flight testing.

(c) FLIGHT-TEST LIMITATION.—During the flight-test limitation period, no funds appropriated or otherwise made available to the Department of Defense may be used for flight testing of a depressed-trajectory ballistic missile (as defined under subsection (a)).

(2) For purposes of this section, the term "flight-test limitation period" means the period—

(A) beginning on the later of—

(i) June 1, 1989; or

(ii) the end of the 60-day period beginning on the date of the submission of the report under subsection (b); and

(B) ending on September 30, 1989.

If the end of the 60-day period described in subparagraph (A)(ii) is after August 1, 1989, the flight-test limitation period shall begin on August 1, 1989.

(d) REMOVAL OF LIMITATION.—The limitation under subsection (c) shall cease to apply if the President certifies to Congress in writing that the Soviet Union has, after the beginning of the flight-test limitation period, carried out a flight test of a depressed-trajectory ballistic missile (as defined under subsection (a)).

(2) If the President makes a certification under paragraph (1), funds to enable the United States to carry out a flight test of a depressed-trajectory strategic ballistic missile may be provided in accordance with procedures applicable with respect to the transfer of funds, and any request by the President or the Secretary of Defense with respect to such a transfer shall be promptly considered by the appropriate committees of Congress.

SEC. 220. REQUIREMENT OF COMPETITION FOR AWARD OF GRANTS AND CONTRACTS TO COLLEGES AND UNIVERSITIES FOR CERTAIN PURPOSES

(a) REQUIREMENT OF COMPETITION.—Chapter 139 of title 10, United States Code, is amended by inserting after section 2360 the following new section:

"§2361. *Award of grants and contracts to colleges and universities: requirement of competition*

"(a) The Secretary of Defense may not make a grant or award a contract to a college or university for the performance of research and development, or for the construction of any research or other facility, unless the grant or contract is made or awarded using competitive procedures.

"(b) A provision of law enacted after the date of the enactment of this section may not be construed as modifying or superseding the provisions of subsection (a) unless that provision of law specifically refers to this section and specifically states that such provision of law modifies or supersedes the provisions of this section.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2360 the following new item:

"2361. Award of grants and contracts to colleges and universities: requirement of competition.".

PART C—STRATEGIC DEFENSE INITIATIVE

SEC. 221. FUNDING FOR THE STRATEGIC DEFENSE INITIATIVE FOR FISCAL YEAR 1989

(a) AMOUNTS AUTHORIZED.—Of the amounts appropriated pursuant to section 201 or otherwise made available to the Department of Defense for research, development, test and evaluation for fiscal year 1989, not more than $3,738,000,000 may be obligated for the Strategic Defense Initiative.

(b) SPECIFIED ACTIVITIES.—Of the amounts available for the Strategic Defense Initiative program under subsection (a)—

(1) not less than $350,000,000 shall be available only for Ground Based Kinetic Interceptor Systems;

(2) not less than $225,000,000 shall be available for the Free Electron Laser technology integration experiment; and

(3) not more than $85,000,000 shall be available for the Space-Based Interceptor program.

(c) DEFENSE-WIDE MISSION SUPPORT.—Of the amount made available pursuant to subsection (a), $21,000,000 may be used for defense-wide mission support of the Strategic Defense Initiative.

(d) RESTRICTION ON USE OF FUNDS.—Amounts appropriated to or for the use of the Department of Defense for fiscal year 1989 may not be used to establish a Strategic Defense System Operational Test and Evaluation activity.

SEC. 222. REPORT ON ALLOCATION OF SDI FUNDING FOR FISCAL YEAR 1989

(a) REPORT.—The Secretary of Defense shall submit to the Committees on Armed Services and the Committees on Appropriations of the Senate and the House of Representatives a report on the allocation of funds appropriated or otherwise made available for the Strategic Defense Initiative for fiscal year 1989. The report shall specify the amount of such funds allocated for each program, project, or activity of the Strategic Defense Initiative within each appropriation account.

(b) DEADLINE FOR REPORT.—The report required by subsection (a) shall be submitted not later than 90 days after the date of the enactment of legislation appropriating funds for the Strategic Defense Initiative Organization of the Department of Defense for fiscal year 1989.

SEC. 223. DEVELOPMENT AND TESTING OF ANTIBALLISTIC MISSILE SYSTEMS OR COMPONENTS

(a) USE OF FUNDS.—(1) Funds appropriated to the Department of Defense for fiscal year 1989, or otherwise made available to the Department of Defense from any funds appropriated for fiscal year 1989 or for any fiscal year before 1989, shall be subject to the limitations prescribed in paragraph (2).

(2) The funds described in paragraph (1) may not be obligated or expended—

(A) for any development or testing of antiballistic missile systems or components except for development and testing consistent with the development and testing described in the March 1988 SDIO Report; or

(B) for the acquisition of any material or equipment (including any long lead materials, components, piece parts, test equipment, or any modified space launch vehicle) required or to be used for the development or testing of antiballistic missile systems or components, except for material or equipment required for development or testing consistent with the development and testing described in the March 1988 SDIO Report.

(3) The limitation under paragraph (2) shall not apply to funds transferred to or for the use of the Strategic Defense Initiative for fiscal year 1989 if the transfer is made in accordance with section 1201 of this Act.

(b) DEFINITION.—As used in this section, the term "March 1988 SDIO Report" means the report entitled, "Report to Congress on the Strategic Defense Initiative", dated March 23, 1988, prepared by the Strategic Defense Initiative Organization and submitted to certain committees of the Senate and House of Representatives pursuant to section 1102 of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 10 U.S.C. 2431 note).

SEC. 224. ACCIDENTAL LAUNCH PROTECTION

(a) FINDINGS.—Congress makes the following findings:

(1) The United States is a signatory to the 1972 Anti-Ballistic Missile Treaty.

(2) The Soviet Union has deployed approximately 1,400 land-based intercontinental ballistic missiles and approximately 900 sea-based ballistic missiles.

(3) There have been several accidents involving ballistic missiles, including the loss of a submarine of the Soviet Union due to inadvertent missile ignition and the inadvertent landing in China of a test missile of the Soviet Union.

(4) Proliferation of ballistic missile technology, such as the action of the People's Republic of China in providing ballistic missiles to Saudi Arabia, raises the possibility of future nuclear threats.

(b) SENSE OF CONGRESS.—It is the sense of Congress—

(1) that the Secretary of Defense should direct the Strategic Defense Initiative Organization to give priority to development of technologies and systems for a system capable of protecting the United States from the accidental launch of a strategic ballistic missile against the continental United States; and

(2) that such development of an accidental launch protection system should be carried out with an objective of ensuring that such system is in compliance with the 1972 Anti-Ballistic Missile Treaty.

(c) REPORT.—Not later than March 1, 1989, the Secretary of Defense shall submit to Congress a report on the status of planning for development of a deployment option for such an accidental launch protection system.

PART D—STRATEGIC PROGRAMS

SEC. 231. B-1B BOMBER PROGRAM

(a) CONDITION ON OBLIGATION OF FUNDS.—The Secretary of Defense may not obligate funds appropriated for fiscal year 1989 for enhancements or mission-specific equipment or modifications for the B-1B aircraft until the Secretary submits to the Committees on Armed Services of the Senate and House of Representatives the report required by section 243(e)(3) of Public Law 100-180 (101 Stat. 1064). After that report is submitted, funds may be obligated for such purposes only as specifically authorized by law.

(b) REPORT ON ENHANCEMENT PROGRAM.—(1) The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report setting forth—

(A) the total cost—

(i) of fixing any discrepancies in the baseline; and

(ii) of the enhancements planned or programmed for the B-1B aircraft; and

(B) a description of each type of such fix or enhancement.

(2) Such report shall be submitted in conjunction with the submission of the President's budget for fiscal year 1990 pursuant to section 1105 of title 31, United States Code.

(c) EXPLORATION OF ALTERNATIVE ELECTRONIC WARFARE SYSTEMS.—Of the amounts appropriated to the Air Force pursuant to section 201, the sum of $15,000,000 shall be available only for the purpose of conducting a preliminary evaluation of whether existing electronic warfare systems could be used to replace portions of the ALQ-161 system of the B-1B aircraft in the event that the current plan of the Air Force for recovery of that system fails to achieve the desired results.

SEC. 232. ADVANCED TECHNOLOGY B-2 BOMBER PROGRAM

(a) PROGRAM MANAGEMENT INITIATIVE.—The Secretary of Defense shall require that the cost, performance, and management initiative for the Advanced Technology B-2 Bomber program established pursuant to section 121 of Public Law 100-180 (101 Stat. 1040) include the creation of a full performance matrix.

(b) GAO COST REVIEW.—(1) The Comptroller General of the United States shall review the costs of the Advanced Technology Bomber program. In reviewing such costs, the Comptroller General shall act independently of the Department of Defense.

(2)(A) The Secretary of Defense shall ensure that the Comptroller General is given direct, full, and timely access to all information and materials specified in subparagraph (B) in order for the Comptroller General to carry out the cost review required by paragraph (1).

(B) Information and materials referred to in subparagraph (A) are information and materials that are held by, or otherwise available to, the Department of Defense (including the Department of the Air Force) or any contractor for the Advanced Technology Bomber program (including any subcontractor) and that are required by the Secretary of the Air Force for the purpose of performing the required Independent Cost Analysis of the Advanced Technology Bomber program and by the Secretary of Defense for the purpose of performing the Cost Analysis Improvement Group review of that program.

(3) The Comptroller General shall submit a report on the program cost review under this subsection to the Armed Services Committees not later than March 1, 1989.

(c) REPORT ON TOTAL PROGRAM COST.—The Secretary of Defense shall submit to Congress a report setting forth the total program cost, in constant and in current dollars, of the Advanced Technology B-2 Bomber program. Such report shall be submitted not later than March 1, 1989.

(d) COST MONITORING AND TRACKING.—The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall conduct an evaluation of the current system for monitoring and tracking costs for the Advanced Technology Bomber program

and shall prepare an assessment of that system. Not later than March 1, 1989, the Secretary shall submit to the Armed Services Committees a report setting forth the Secretary's findings, based upon such evaluation and assessment, with respect to that system and any recommendations of the Secretary for improving that system.

(e) DEFINITION.—For purposes of this section, the term "Armed Services Committees" means the Committees on Armed Services of the Senate and House of Representatives.

SEC. 233. SENSE OF CONGRESS ON STRATEGIC MISSILE MODERNIZATION PROGRAMS

It is the sense of Congress that the authorization of funds in this Act for research and development for both the small intercontinental ballistic missile system (the so-called Midgetman system) and for the rail-garrison MX system does not constitute a commitment or express an intent by Congress to provide funds to procure and deploy the Midgetman missile or to deploy any MX missiles in a rail-garrison basing mode or both.

PART E—OTHER PROGRAMS

SEC. 241. ADVANCED SUBMARINE TECHNOLOGY PROGRAM

(a) FISCAL YEAR 1989 FUNDING.—(1) Of the amount appropriated pursuant to section 201 for Defense Agencies, the Secretary of Defense shall make $65,000,000 available only for the purpose of continuing the Advanced Submarine Technology Program initiated in section 211 of Public Law 100-180 (101 Stat. 1048). Amounts appropriated for such purpose for fiscal year 1989 may be used only for that program.

(2) The Secretary of Defense may use funds appropriated for fiscal year 1989 for such program only—

(A) for submarine hull, mechanical, and electrical technologies; and

(B) for nonnuclear propulsion technologies.

(3) Funds appropriated for fiscal year 1989 for such program may be used for research relating to the effect on submarine design of weapons, sensors, or communications equipment, but may not be used for research on weapons, sensors, or communications equipment.

(4) Funds appropriated for fiscal year 1989 for such program may be used only for exploratory development, advanced technology development, and (as necessary) basic research to support the overall objectives of the program.

(b) PURPOSE OF PROGRAM.—(1) Congress established the Advanced Submarine Technology Program in light of the large amount of activity by the Soviet Union in the area of naval submarines and the declining advantage of the United States in submarine technology.

(2) The purpose of the Advanced Submarine Technology Program is to explore innovative state-of-the-art technologies for advanced submarines and to augment the existing United States submarine technology base in order to establish a sound and increasing submarine technology base.

(3) Congress recognizes that research and development activities with respect to submarine weapons and sensors and high density innovative and advanced nuclear plant systems are necessary and important. However, in light of the purpose of the program to augment the submarine technology base, Congress has in this section provided separate authorization for funding to augment the technology base for submarine hull, mechanical, and electrical systems.

(4) Section 211(a) of Public Law 100-180 is amended—

(A) by striking out the second and third sentences of paragraph (1); and

(B) by striking out paragraph (2).

(c) MANAGEMENT OF PROGRAM BY DARPA.—In carrying out the provisions of section 211(a) of Public Law 100-180 that the Advanced Submarine Technology Program be carried out through the Director, Advanced Research Projects Agencies (DARPA), the Secretary of Defense shall provide that the overall management of the execution of such program, including the administration of funds appropriated for the program, be vested in the Director. In managing such program, the Director shall take into consideration the advice of the advisory board established pursuant to congressional direction as part of the fiscal year 1988 budget process.

(d) FIVE-YEAR PLAN.—(1) Not later than October 31, 1988, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report setting forth a detailed five-year plan for the Advanced Submarine Technology Program. The plan shall update the report submitted pursuant to section 211(b)(1) of Public Law 100-180.

(2) The report under paragraph (1) shall include the following:

(A) Identification of each of the technologies to be studied or developed under the program.

(B) With respect to each of the technologies to be developed—

(i) identification of responsibility for the execution of the program and the management of the program; and

(ii) milestones for obligating funds under the program and for major program reviews under the program.

(3) Section 211(b)(2) of Public Law 100-180 is repealed.

(e) ANNUAL REPORTS.—Not later than December 1 of each of the years 1989 through 1994, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the Advanced Submarine Technology Program. Each report shall describe—

(1) the activities carried out under the program during the preceding fiscal year;

(2) the obligation of funds for the program during that fiscal year;

(3) activities accomplished under the program during that fiscal year;

(4) ongoing activities under the program; and

(5) major decisions made by the Director of the Defense Advanced Research Projects Agency that were not supported by the advice of the advisory board referred to in subsection (c) and the reasons why the decisions were so made.

Each such report shall also describe how the matters set forth in paragraphs (1) through (4) meet the criteria established in the five-year plan for the program set out in the report under subsection (d).

(f) PROGRAM DURATION.—In providing funds under this section for the Advanced Submarine Technology Program for fiscal year 1989, Congress expects that the program will be continued in the five-year defense plan of the Secretary of Defense and that the management of the program will continue to be executed through the Defense Advanced Research Projects Agency for an additional three-to-five years.

(g) PROHIBITION ON CONTRACTOR MANAGEMENT.—The Director, Defense Advanced Research Projects Agency, may not carry out the Advanced Submarine Technology Program through obligation of all funding to a single contractor or through the use of management by a single public or private shipyard. The Director, in allocating funds under the program and in light of the purposes of the program, shall seek to obligate funds to a wide variety of recipients.

SEC. 242. PROHIBITION ON TESTING ELECTROMAGNETIC PULSE IN CHESAPEAKE BAY

The Secretary of the Navy may not carry out an electromagnetic pulse program in the Chesapeake Bay area in connection with the Electromagnetic Pulse Radiation Environment Simulator Program for Ships (EMPRESS II).

SEC. 243. REPORT ON SPACE CONTROL CAPABILITIES

(a) REPORT.—Not later than the date on which the President submits the budget for fiscal year 1990 to Congress under section 1105 of title 31, United States Code, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a comprehensive report on space control capabilities of the Armed Forces.

(b) CONTENT OF REPORT.—The report shall include the following matters:

(1) A description of requirements for space control capabilities related to deterrence and warfighting objectives, including space surveillance and anti-satellite capabilities, that have been validated by the Chairman of the Joint Chiefs of Staff and transmitted to the commander of the United States Space Command.

(2) A net assessment of the space control capabilities of the United States and the Soviet Union.

(3) An assessment of current deficiencies in United States space control capabilities and recommendations for overcoming those deficiencies.

(4) A 5-year plan for improving ground- and space-based surveillance systems and their associated command, control, and communications systems and the cost and schedule for implementing the plan.

SEC. 244. REPORT ON COMPETITION FOR DEVELOPMENT OF ADVANCED TACTICAL RECONNAISSANCE SYSTEM

Not later than 90 days after the date of the enactment of this Act, the Secretary of the Air Force shall submit to Congress a report outlining the plans of the Secretary for establishing, to the maximum extent practicable, competition in the development and production of components for the Advance Tactical Reconnaissance System.

TITLE III—OPERATION AND MAINTENANCE

PART A—AUTHORIZATIONS OF APPROPRIATIONS

SEC. 301. OPERATION AND MAINTENANCE FUNDING

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal year 1989 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance in amounts as follows:

For the Army, $22,103,900,000.
For the Navy, $24,852,100,000.
For the Marine Corps, $1,817,000,000.
For the Air Force, $21,855,600,000.
For the Defense Agencies, $7,685,400,000.
For the Army Reserve, $794,900,000.
For the Naval Reserve, $979,200,000.
For the Marine Corps Reserve, $77,500,000.
For the Air Force Reserve, $1,033,900,000.
For the Army National Guard, $1,801,200,000.
For the Air National Guard, $1,971,000,000.

For the National Board for the Promotion of Rifle Practice, $4,300,000.

For the Court of Military Appeals, $3,500,000.

For Environmental Restoration, Defense, $500,000,000.

For Humanitarian Assistance, $13,000,000.

(b) GENERAL AUTHORIZATION FOR CONTINGENCIES.—There are authorized to be appropriated for fiscal year 1989, in addition to the amounts authorized to be appropriated in subsection (a), such sums as may be necessary—

(1) for unbudgeted increases in fuel costs; and

(2) for unbudgeted increases as the result of inflation in the cost of activities authorized by subsection (a).

SEC. 302. WORKING CAPITAL FUNDS

Funds are hereby authorized to be appropriated for fiscal year 1989 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working-capital funds in amounts as follows:

For the Army Stock Fund, $291,900,000.

For the Navy Stock Fund, $184,700,000.

For the Air Force Stock Fund, $186,900,000.

For the Defense Stock Fund, $25,000,000.

SEC. 303. HUMANITARIAN ASSISTANCE

(a) PURPOSE.—The amount authorized in section 301 for humanitarian assistance shall be used for the purpose of providing transportation for humanitarian relief for persons displaced or who are refugees because of the invasion of Afghanistan by the Soviet Union. Of the amount authorized in such section for such purpose, not more than $3,000,000 may be used for distribution of humanitarian relief supplies to the non-Communist resistance organization at or near the border between Thailand and Cambodia.

(b) AUTHORITY TO TRANSFER FUNDS.—The Secretary of Defense may transfer to the Secretary of State not more than $3,000,000 of the funds appropriated pursuant to the authorization in section 301 for humanitarian assistance to provide for (1) paying for administrative costs of providing the transportation described in subsection (a), and (2) the purchase or other acquisition of transportation assets for the distribution of relief supplies in the country of destination.

(c) TRANSPORTATION UNDER DIRECTION OF THE SECRETARY OF STATE.—Transportation provided with funds appropriated pursuant to the authorization in section 301 for humanitarian assistance shall be under the direction of the Secretary of State.

(d) MEANS OF TRANSPORTATION TO BE USED.—Transportation for humanitarian relief provided with funds appropriated pursuant to the authorization in section 301 for humanitarian assistance shall be by the most economical commercial or military means available, unless the Secretary of State determines that it is in the national interest of the United States to use means other than the most economical available. Such means may include the use of aircraft and personnel of the reserve components of the Armed Forces.

(e) AVAILABILITY OF FUNDS.—Amounts appropriated pursuant to the authorization in section 301 for humanitarian assistance shall remain available until expended, to the extent provided in appropriations Act.

(f) REPORTS.—The Secretary of Defense shall submit to the Committees on Armed Services and Foreign Relations of the Senate and the Committees on Armed Services and Foreign Affairs of the House of Representatives a report, not later than 60 days after the date of the enactment of this Act. The Secretary shall also submit a report to those committees not later than June 1, 1989, and not later than June 1 of each year thereafter, until all funds available under this section have been obligated. Each such report shall contain (as of the date on which the report is submitted) the following information:

(A) The total amount of funds obligated for humanitarian relief under the humanitarian relief laws specified in paragraph (2).

(B) The number of scheduled and completed flights for purposes of providing humanitarian relief under the humanitarian relief laws specified in paragraph (2).

(C) A description of any transfer (including to whom the transfer is made) of excess nonlethal supplies of the Department of Defense made available for humanitarian relief purposes under section 2547 of title 10, United States Code.

(2) The humanitarian relief laws referred to in paragraph (1) are the following:

(A) This section.

(B) Section 331 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3856).

(C) Section 331 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1078).

SEC. 304. TRIPLER ARMY MEDICAL CENTER

The Secretary of the Army shall establish, during fiscal year 1989, a video teleconferencing center at the Tripler Army Medical Center, Hawaii.

SEC. 305. ASSISTANCE TO THE 1990 GOODWILL GAMES

(a) AUTHORITY TO PROVIDE ASSISTANCE.—The Secretary of Defense may provide logistical support and personnel services to Federal, State, and local governmental entities in connection with the 1990 Goodwill Games to be held at Seattle, Washington. Except as provided in subsection (b), such support and services shall be provided by the Secretary on a reimbursable basis.

(b) REIMBURSEMENT WAIVER.—(1) The Secretary may waive the requirement for reimbursement for logistical support and personnel services provided under this section to ensure the security of persons and property in connection with such games if—

(A) the Attorney General of the United States certifies to the Secretary that there are significant potential threats to the security of persons or property, or both, at such games and that other Federal entities and the State and local entities concerned do not have the capability to deal adequately with such potential threats;

(B) the Attorney General recommends that the requirement for reimbursement for assistance under this section be waived because—

(i) such assistance is necessary to provide the degree of security that is essential in the national interest; and

(ii) unusual circumstances for such assistance make it impractical for other Federal entities or the State or local entities concerned to reimburse the Secretary for such assistance.

(2) Waivers under paragraph (1) shall be made by the Secretary on the case-by-case basis.

(c) AUTHORIZATION.—There is authorized to be appropriated for fiscal year 1989 the amount of $5,000,000 for the purpose of carrying out this section.

(d) RESTRICTION ON FUNDS.—Funds made available to or for the use of the Department of Defense may not be used to provide logistical support or personnel services in connection with the Goodwill Games referred to in subsection (a) unless such funds have been specifically appropriated for such purpose.

(e) COMPUTATION OF AMOUNTS.—In computing the amount that has been expended in carrying out the provisions of this section, the Secretary shall include the pay and allowances of members of reserve components of the Armed Forces called or ordered to active duty (including active duty for training) to provide support for the Goodwill Games referred to in subsection (a), but shall exclude the pay and nontravel related allowances of other members of the Armed Forces serving on active duty.

SEC. 306. INAUGURATION ASSISTANCE

(a) FURNISHING OF MATERIALS, SUPPLIES, AND SERVICES.—During fiscal year 1989, the Secretary of Defense may, as the Secretary determines to be appropriate and under such conditions as the Secretary may prescribe, lend materials or supplies and provide materials, supplies, or services of personnel to the Inaugural Committee established under the first section of the Presidential Inaugural Ceremonies Act (36 U.S.C. 721 et seq.) or to the joint committee described in section 9 of that Act.

(b) ADDITIONAL AUTHORITY.—The authority provided by subsection (a) is in addition to the authority provided by section 2543 of title 10, United States Code.

PART B—LIMITATIONS

SEC. 311. PROHIBITION ON FINANCING CERTAIN ACTIVITIES BY DIRECT APPROPRIATIONS

(a) PROHIBITION.—During fiscal year 1989, the Secretary of the Navy may not take any action with respect to converting or planning the conversion of the operation of an activity specified in subsection (b) from operation as an activity financed by the Naval Industrial Fund (as authorized by section 2208 of title 10, United States Code) to operation as an activity financed by direct appropriations.

(b) ACTIVITIES COVERED.—An activity referred to in subsection (a) is any of the following:

(1) Naval Avionics Center, Indianapolis, Indiana.

(2) Naval Civil Engineering Laboratory, Port Hueneme, California.

(3) Naval Air Engineering Center, Lakehurst, New Jersey.

SEC. 312. PROHIBITION ON JOINT USE OF DOBBINS AIR FORCE BASE WITH CIVIL AVIATION

The Secretary of the Air Force may not enter into an agreement that would provide for or permit the joint use of Dobbins Air Force Base, Marietta, Georgia, by the Air Force and civil aircraft.

SEC. 313. PROHIBITION ON PURCHASE OF TOSHIBA PRODUCTS FOR RESALE IN MILITARY EXCHANGE STORES

(a) PROHIBITION.—During the three-year period beginning on the date of the enactment of this Act, no product manufactured or assembled by Toshiba America, Incorporated, or Toshiba Corporation (or any of its affiliates or subsidiaries) may be purchased by the Department of Defense for the purpose of resale of such product in a military exchange store or in any other morale, welfare, recreation, or resale activity operated by the Department of Defense (either directly or by concessionaire).

(b) EXCEPTION.—The prohibition in subsection (a) shall not apply to microwave ovens manufactured or assembled in the United States.

SEC. 314. LIMITATION ON FUNDING FOR UNITED STATES SOUTHERN COMMAND AIRLIFT

Funds appropriated for operation and maintenance for the Air Force for fiscal year 1989 may not be obligated or expended in connection with any contract for aircraft with short takeoff and landing capability until—

(1) the Secretary of Defense approves a requirements document and an acquisition plan, including costs and schedule information, for an aircraft with short takeoff and landing capability for the United States Southern Command; and

(2) the Secretary of Defense submits both the document and the plan to the Committees on Armed Services of the Senate and the House of Representatives.

SEC. 315. ONE-YEAR EXTENSION OF LIMITATION ON ARMY DEPOT MAINTENANCE FUNDING

(a) ONE-YEAR EXTENSION.—Section 314 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1074) is amended—

(1) in subsection (a), by striking out "fiscal year 1988" and inserting in lieu thereof "fiscal year 1989"; and

(2) in subsection (b)(1)(C), by striking out "fiscal year 1989" and inserting in lieu thereof "fiscal year 1990".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1988.

SEC. 316. OPERATION OF SR-71 DEPOT REWORK FACILITY

The Secretary of the Air Force shall ensure that the facility used for depot support and rework for the SR-71 fleet of aircraft at Palmdale, California, shall remain operational through September 30, 1989.

SEC. 317. MANAGEMENT OF CIVILIAN PERSONNEL DURING FISCAL YEARS 1989 AND 1990

(a) PROHIBITION ON MANAGEMENT BY END-STRENGTH.—During fiscal years 1989 and 1990, the civilian personnel of the Department of Defense may not be managed on the basis of any end-strength or any similar or related methodology, and the management of such personnel during that fiscal year shall not be subject to any constraint or limitation (known as an "end-strength") on the number of such personnel who may be employed on the last day of such fiscal year.

(b) WAIVER OF CIVILIAN PERSONNEL CEILINGS.—Section 115(b)(2) of title 10, United States Code, shall not apply with respect to fiscal years 1989 and 1990 or with respect to the appropriation of funds for that year.

(c) SEMIANNUAL REPORTS.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives semiannual reports on the obligation of funds appropriated for civilian personnel of the Department of Defense for fiscal years 1989 and 1990. Each report shall include—

(1) for each appropriation account, the amounts authorized and appropriated for such personnel for fiscal years 1989 and 1990; and

(2) for each appropriation account and for the entire Department—

(A) the actual number of such personnel employed, and the amount of funds obligated for such personnel, as of the end of each six-month period described in the report; and

(B) the projected number of such personnel to be employed, and amount of funds that will be obligated for such personnel, as of the end of each of fiscal years 1989 and 1990.

SEC. 318. LIMITATION ON OPERATION OF EXISTING POSEIDON CLASS SUBMARINES U.S.S. JAMES MONROE AND U.S.S. HENRY CLAY

Effective as of September 1, 1989, no funds appropriated to the Department of Defense for fiscal year 1989 or a prior year may be obligated or expended—

(1) to overhaul, operate, or deploy the U.S.S. Henry Clay (SSBN 625); or

(2) to overhaul, operate, maintain, or deploy the U.S.S. James Monroe (SSBN 622).

PART C—PERMANENT LAW CHANGES

SEC. 321. LIMITATION ON PRIVATE OPERATION OF COMMISSARY STORES

Section 2482 of title 10, United States Code, is amended by adding at the end the following new sentences: "A contract with a private person for the operation of any commissary store may not require or permit the contractor to carry out functions for the procurement of products to be sold in the store or to engage in functions relating to the overall management of a commissary system or the management of any such store. Such functions shall be carried out by personnel of the Department of Defense under regulations approved by the Secretary of Defense.".

SEC. 322. ALLOWABLE COSTS WITH RESPECT TO CERTAIN SERVICE CONTRACTS PERFORMED OVERSEAS

(a) CERTAIN SEVERANCE PAY COSTS NOT ALLOWABLE.—Section 2324(e)(1) of title 10, United States Code, is amended by adding at the end the following new subparagraph:

"(M) Costs of severance pay paid by the contractor to foreign nationals employed by the contractor under a service contract performed outside the United States, to the extent that the amount of severance pay paid in any case exceeds the amount paid in the industry involved under the customary or prevailing practice for firms in that industry providing similar services in the United States, as determined under regulations prescribed by the Secretary of Defense.".

(b) EFFECTIVE DATE.—Subparagraph (M) of section 2324(e)(1) of title 10, United States Code, as added by paragraph (1), shall apply with respect to any contract entered into after the end of the 180-day period beginning on the date of the enactment of this Act.

SEC. 323. AUTHORITY TO CONTINUE SUPPORT OF SCOUTING ACTIVITIES OVERSEAS

(a) AUTHORITY.—(1) Chapter 155 of title 10, United States Code, is amended by adding at the end the following new section:

"§2606. Scouting: cooperation and assistance in foreign areas

"(a) Subject to subsection (b), the Secretary concerned may cooperate with and assist qualified scouting organizations in establishing and providing facilities and services for members of the armed forces and their dependents, and civilian employees of the Department of Defense and their dependents, at locations outside the United States.

"(b) Cooperation and assistance under subsection (a) shall be provided under regulations prescribed by the Secretary of Defense and may be provided only if the President determines that such cooperation and assistance is necessary in the interest of the morale, welfare, and recreation of members of the armed forces.

"(c) Personnel of a qualified scouting organization, including officials certified by that organization as representing that organization, who are performing duties in connection with cooperation and assistance provided under subsection (a) may be furnished—

"(1) transportation at the expense of the United States while traveling to and from, and while performing, such duties in the same manner as civilian employees of the United States; and

"(2) available office space (including space for recreational activities for Boy Scouts and Girl Scouts), warehousing, utilities, and a means of communication, without charge.

"(d) Supplies of a qualified scouting organization may be transported at the expense of the United States if the Secretary concerned determines, under regulations prescribed under subsection (b), that the supplies are necessary to the cooperation and assistance provided under this section.

"(e) The Secretary concerned may reimburse a qualified scouting organization for all or part of the pay of an employee of that organization for any period during which the employee was performing services under subsection (a). Any such reimbursement may not be made from appropriated funds and shall be made under regulations prescribed under subsection (b).

"(f) For the purposes of this section, employees of a qualified scouting organization performing services under subsection (a) may not be considered to be employees of the United States.

"(g) In this section, the term 'qualified scouting organization' means the Girl Scouts of the United States of America and the Boy Scouts of America.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2606. Scouting: cooperation and assistance in foreign areas.".

(b) FUNDING DURING FISCAL YEAR 1988.—No funds may be appropriated for fiscal year 1988 by reason of the enactment of this section. Funds appropriated to the Department of Defense in Public Law 100-202 for operation and maintenance for fiscal year 1988 may be used for the purposes of section 2606 of title 10, United States Code, as added by subsection (a).

SEC. 324. TRANSFERS AND EXCHANGES OF CERTAIN DOCUMENTS, HISTORICAL ARTIFACTS, AND CONDEMNED AND OBSOLETE COMBAT MATERIEL

(a) AUTHORITY.—(1) Section 2572 of title 10, United States Code, is amended to read as follows:

"§2572. Documents, historical artifacts, and condemned or obsolete combat materiel: loan, gift, or exchange

"(a) The Secretary concerned may lend or give items described in subsection (c) that are not needed by the military department concerned (or by the Coast Guard, in the case of the Secretary of Transportation), to any of the following:

"(1) A municipal corporation.

"(2) A soldiers' monument association.

"(3) A museum, historical society, or historical institution of a State or a foreign nation.

"(4) An incorporated museum that is operated and maintained for educational purposes only and the charter of which denies it the right to operate for profit.

"(5) A post of the Veterans of Foreign Wars of the United States or of the American Legion or a unit of any other recognized war veterans' association.

"(6) A local or national unit of any war veterans' association of a foreign nation which is recognized by the national govern-

ment of that nation (or by the government of one of the principal political subdivisions of that nation).

"(7) A post of the Sons of Veterans Reserve.

"(b)(1) Subject to paragraph (2), the Secretary concerned may exchange items described in subsection (c) that are not needed by the armed forces for similar items held by any individual, organization, institution, agency, or nation.

"(2) The Secretary concerned may not make an exchange under paragraph (1) unless the monetary value of property transferred to the United States under the exchange is not less than the value of the property transferred by the United States. The Secretary concerned may waive the limitation in the preceding sentence in any case in which the Secretary determines that the item to be received by the United States in the exchange will significantly enhance the historical collection of the property administered by the Secretary.

"(c) This section applies to the following types of property held by a military department or the Coast Guard: books, manuscripts, works of art, historical artifacts, drawings, plans, models, and condemned or obsolete combat materiel.

"(d)(1) A loan or gift made under this section shall be subject to regulations prescribed by the Secretary concerned and to regulations under section 205 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 486).

"(2) The United States may not incur any expense in connection with a loan or gift under subsection (a).".

(b) Clerical Amendment.—The item relating to such section in the table of sections at the beginning of chapter 153 is amended to read as follows:

"2572. Documents, historical artifacts, and condemned or obsolete combat materiel: loan, gift, or exchange.".

SEC. 325. QUALIFICATIONS FOR HEAD OF AUDITING FUNCTION IN MILITARY DEPARTMENTS

(a) Department of the Army.—Section 3014(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5) The head of the office or other entity established or designated by the Secretary to conduct the auditing function shall have at least five years of professional experience in accounting or auditing. The position shall be considered to be a career reserved position as defined in section 3132(a)(8) of title 5.".

(b) Department of the Navy.—Section 5014(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5)(A) The head of the office or other entity established or designated by the Secretary to conduct the auditing function shall have at least five years of professional experience in accounting or auditing. The position shall be considered to be a career reserved position as defined in section 3132(a)(8) of title 5.

"(B) The position of regional director within such office or entity, and any other position within such office or entity the primary responsibilities of which are to carry out supervisory functions, may not be held by a member of the armed forces on active duty.".

(c) Department of the Air Force.—Section 8014(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5) The head of the office or other entity established or designated by the Secretary to conduct the auditing function shall have at least five years of professional experience in accounting or auditing. The position shall be considered to be a career reserved position as defined in section 3132(a)(8) of title 5.".

(d) Effective Dates.—(1) The requirements of sections 3014(c)(5), 5014(c)(5)(A), and 8014(c)(5) of title 10, United States Code (as added by subsections (a), (b), and (c), respectively), shall apply with respect to any person appointed on or after the date of the enactment of this Act as the head of the office or other entity designated for conducting the auditing function in a military department.

(2) Subparagraph (B) of section 5014(c)(5) of title 10, United States Code (as added by subsection (b)), shall take effect at the end of the one-year period beginning on the date of the enactment of this Act.

SEC. 326. PROHIBITION ON CERTAIN DEPOT MAINTENANCE WORKLOAD COMPETITIONS

(a) In General.—Chapter 146 of title 10, United States Code, is amended by adding at the end the following new section:

"§2466. Prohibition on certain depot maintenance workload competitions

"The Secretary of Defense may not require the Secretary of the Army or the Secretary of the Air Force, in selecting an entity to perform any depot maintenance workload, to carry out a competition for such selection—

"(1) between or among maintenance activities of the Department of the Army and the Department of the Air Force; or

"(2) between a maintenance activity of either such department and a private contractor.".

(b) Clerical Amendment.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2466. Prohibition on certain depot maintenance workload competitions.".

SEC. 327. REPORT ON MANPOWER, MOBILITY, SUSTAINABILITY, AND EQUIPMENT

(a) Report Requirement.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a comprehensive report on the readiness of the Armed Forces, in terms of manpower, mobility, sustainability, and equipment, to perform their assigned missions. The report shall be based on the manpower and other resources planned for the Armed Forces in the 1990–1991 biennial budget for the Department of Defense.

(b) Matters To Be Included in Report.—The Secretary shall include the following in the report required by subsection (a):

(1) A detailed analysis of trends in readiness and sustainability of the military forces of the United States over the five-year period 1985 to 1989 and, based on the current Five Year Defense Plan or other planning document approved by the Secretary, a projection of such trends over the succeeding five-year period.

(2) A detailed evaluation of the readiness and sustainability of the unified combatant commands and the specified combatant commands of the Armed Forces.

(3) A discussion of—

(A) the readiness and sustainability of the military forces of the United States in terms of the standards approved by the Secretary of Defense;

(B) the readiness and sustainability of allied forces of the United States; and

(C) the readiness and sustainability of potential enemy forces.

(4) A list of all improvements that need to be made in the readiness and sustainability of the manpower, mobility, and equipment of the Armed Forces to correct major shortfalls of the unified combatant commands and the specified combatant commands, the relative priority of each such improvement, and the estimated cost of each such improvement.

(5) Such other information regarding the readiness of the Armed Forces, in terms of manpower, mobility, sustainability, and equipment, as the Secretary considers appropriate.

(c) Priority for Improvements.—The relative priority of the improvements referred to in subsection (b)(4) shall be determined by the Secretary on the basis of the improvements necessary to ensure the ability of the Armed Forces to perform their assigned missions and the ability of the United States to meet its military commitments.

(d) Report Deadline.—The Secretary shall submit the report required by subsection (a), together with such comments and recommendations as the Secretary considers appropriate, not later then February 15, 1989.

SEC. 328. LEASE OF AIRCRAFT FOR FLEET ELECTRONIC WARFARE SUPPORT GROUP ACTIVITIES

The Secretary of the Navy may lease aircraft for Fleet Electronic Warfare Support Group activities in accordance with section 2401 of title 10, United States Code, if the cost of such a lease is less than the cost of operating and maintaining the same number of existing aircraft of the Navy for that purpose.

Part D—Contracting Out

SEC. 331. REQUIREMENTS FOR CERTAIN CIRCULAR A-76 PROCEDURES

(a) In General.—Chapter 146 of title 10, United States Code, as amended by section 326, is further amended by adding at the end the following new section:

"§2467. Cost comparisons: requirements with respect to retirement costs and consultation with employees

"(a) Requirement To Include Retirement Costs.—(1) In any comparison conducted by the Department of Defense under Office of Management and Budget Circular A-76 (or any successor administrative regulation or policy) of the cost of performing commercial activities by Department of Defense personnel and the cost of performing such activities by contractor personnel, the Secretary of Defense shall include retirement system costs (as described in paragraphs (2) and (3)) of both the Department of Defense and the contractor.

"(2) The retirement system costs of the Department of Defense shall include (to the extent applicable) the following:

"(A) The cost of the Federal Employees' Retirement System, valued by using the normal-cost percentage (as defined by section 8401(23) of title 5, United States Code).

"(B) The cost of the Civil Service Retirement System under subchapter III of chapter 83 of such title 5.

"(C) The cost of the thrift savings plan under subchapter III of chapter 84 of such title 5.

"(D) The cost of the old age, survivors, and disability insurance taxes imposed under section 3111(a) of the Internal Revenue Code of 1986.

"(3) The retirement system costs of the contractor shall include the cost of the old age, survivors, and disability insurance

taxes imposed under section 3111(a) of the Internal Revenue Code of 1986, the cost of thrift or other retirement savings plans, and other relevant retirement costs.

"(b) Requirement To Consult DOD Employees.—(1) Each officer or employee of the Department of Defense responsible for determining under Office of Management and Budget Circular A-76 whether to convert to contractor performance any commercial activity of the Department—

"(A) shall, at least monthly during the development and preparation of the performance work statement and the management efficiency study used in making that determination, consult with civilian employees who will be affected by that determination and consider the views of such employees on the development and preparation of that statement and that study; and

"(B) may consult with such employees on other matters relating to the that determination.

"(2)(A) In the case of employees represented by a labor organization accorded exclusive recognition under section 7111 of title 5, United States Code, consultation with representatives of that labor organization shall satisfy the consultation requirement in paragraph (1).

"(B) In the case of employees other than employees referred to in subparagraph (A), consultation with appropriate representatives of those employees shall satisfy the consultation requirement in paragraph (1).

"(3) The Secretary of Defense shall prescribe regulations to carry out this subsection. The regulations shall include provisions for the selection or designation of appropriate representatives of employees referred to in paragraph (2)(B) for purposes of consultation required by paragraph (1).".

(b) Clerical Amendment.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2467. Cost comparisons: requirements with respect to retirement costs and consultation with employees.".

SEC. 332. PERFORMANCE OF FIREFIGHTING AND SECURITY GUARD FUNCTIONS AT AMCHITKA, ALASKA

(a) Authority To Contract.—The Secretary of the Navy may contract for the performance of firefighting and security guard functions required by the Navy at the over-the-horizon radar site at Amchitka, Alaska.

(b) Inapplicability of Limitation on Use of Funds.—Section 2693 of title 10, United States Code, shall not apply with respect to the authority provided in subsection (a).

Part E—Defense Supplies Security and Control

SEC. 341. DEFENSE SUPPLY MANAGEMENT STUDIES AND MODERNIZATION PLAN

(a) Defense Inventory Security and Control Enhancement Study.—(1) The Secretary of Defense shall carry out a study to determine the effectiveness of Department of Defense procedures for ensuring security and control of supplies at Department of Defense depots.

(2)(A) Not later than 18 months after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the results of the study. The Secretary may submit the report in both classified and unclassified forms if the Secretary considers it necessary to do so in the interest of national security.

(B) The Secretary of Defense, at the same time as the Secretary submits the report to Congress under subparagraph (A), shall transmit a copy of the report to the Comptroller General of the United States.

(3) The Comptroller General shall—

(A) review the report transmitted by the Secretary of Defense under paragraph (2)(B); and

(B) submit to the Committees on Armed Services of the Senate and the House of Representatives, within 90 days after the date on which the Comptroller General receives such report, any findings and recommendations on procedures for ensuring the security and control of supplies at Department of Defense depots that the Comptroller General considers appropriate.

(b) Analysis of Sales of Surplus Munitions.—The Secretary of Defense shall—

(1) conduct a cost-benefit analysis of the practice of selling surplus Department of Defense munitions to the public and to licensed dealers; and

(2) submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than 180 days after the date of the enactment of this Act, a report containing a description and discussion of each such practice.

(c) Supply Traceability Enhancement.—The Secretary of Defense shall—

(1) develop improved methods for the identification of and accounting for individual items of ammunition, explosives, and other Department of Defense supplies that are susceptible to pilferage; and

(2) submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than one year after the date of the enactment of this Act, a report containing a description and discussion of each such method.

(d) Supply System Modernization Plan.—The Secretary of Defense shall—

(1) prepare a plan for the modernization of the supply facilities and supply distribution procedures of each of the military departments and Defense Agencies of the Department of Defense; and

(2) not later than one year after the date of the enactment of this Act, transmit a copy of such plan to the Committees on Armed Services of the Senate and the House of Representatives.

SEC. 342. SUPPLY SECURITY AND CONTROL IMPROVEMENTS

(a) Security and Control of Supplies: Reports, Funding, Procedures.—(1) Part IV of subtitle A of title 10, United States Code, is amended by adding at the end the following new chapter:

"CHAPTER 171—SECURITY AND CONTROL OF SUPPLIES

"Sec.

"2891. Security and control of supplies: annual report.

"2892. Miscellaneous procedures.

"§2891. Security and control of supplies: annual report

"(a) The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report for each of fiscal years 1989, 1990, and 1991 on security and control of Department of Defense supplies. Each such report shall be submitted not later than four months after the end of the fiscal year for which the report is submitted.

"(b) Each report shall include the following:

"(1) A summary of each of the physical inventory program plans of the Department of Defense, the Defense Logistics Agency, and the military departments for the fiscal year in which the report is submitted.

"(2) A discussion of the deficiencies, if any, in the security and control of Department of Defense supplies in the fiscal year preceding the year in which the report is submitted and a discussion of the extent to which such deficiencies have been corrected.

"(3) A discussion of—

"(A) research and development projects carried out by the Department of Defense in such preceding fiscal year for the improvement of the inventory and recordkeeping capabilities of the Department;

"(B) any proposals for expeditious application of any new technology resulting from such projects; and

"(C) the budget needs for research and development for such purpose in the fiscal year in which the report is submitted and any subsequent fiscal year for which the budget needs have been determined.

"(4) The budget authority made available to the Department of Defense for inventory control functions in the fiscal year in which the report is submitted and in each of the five fiscal years preceding such fiscal year.

"(5) The budget authority proposed for such purpose in the budget submitted to Congress under section 1105 of title 31 for the fiscal year following the fiscal year in which the report is submitted.

"(6) The budget authority needed for such purpose in each of the five fiscal years following the fiscal year for which such budget is submitted.

"(7) An evaluation of the effectiveness of supply inventory control in the fiscal year preceding the fiscal year in which the report is submitted, the criteria used by the Secretary to make such evaluation, and the information considered by the Department in making the evaluation, including the value of supplies lost or stolen or for which accountability has otherwise been lost.

"(8) The aggregate statistics for all incidents of theft, fraud, or breach of security involving Department of Defense supplies that were investigated by military or civilian law enforcement agencies during the fiscal year preceding the fiscal year in which the report is submitted (including incidents involving munitions), a summary description of all such incidents (including the circumstances under which the incidents occurred), and the lessons learned by the Department of Defense from such incidents.

"§2892. Miscellaneous procedures

"(a) The Secretary of Defense shall require an investigation of each discrepancy in an accounting for supplies of the Department of Defense involving an amount exceeding the amount determined under procedures prescribed by the Secretary. The Secretary shall prescribe procedures that provide for random investigation of physical inventory discrepancies, regardless of the value of the property involved in the discrepancy.

"(b) The Secretary shall, to the extent feasible, require that the job function of supply ordering and the job function of supply receiving be performed by different offices and individuals.

"(c) The Secretary shall ensure—

"(1) that the employees of the Department of Defense and members of the armed forces assigned to manage Department of Defense supplies are skilled in the management of such supplies; and

"(2) that no employee of the Department of Defense and no member of the armed forces is assigned to perform such function for disciplinary reason.".

(2) The tables of chapters at the beginning of such part and such subtitle are each

amended by adding at the end the following new item:

"171. Security and Control of Supplies.......2891".

(b) REPORT EXCEPTION.—The Secretary of Defense may omit in the report for any fiscal year under section 2891 of title 10, United States Code, as added by subsection (a), the information relating to any of fiscal years 1983 through 1988, described in subsection (b)(4) of such section, for which the Secretary determines that there are inadequate records.

SEC. 343. INVENTORY INVESTIGATIONS

(a) UNDERCOVER INVESTIGATIONS.—(1) Congress finds that the use of undercover investigative techniques by the Department of Defense enhances the ability of the Department of Defense to detect and investigate theft of Government property (including munitions) from the Department of Defense supply system.

(2) The Secretary of Defense is urged to continue to conduct undercover investigations to detect and investigate thefts referred to in paragraph (1).

(b) INVENTORY SECURITY INCIDENT REPOSITORY.—The Secretary of Defense shall establish and maintain a centralized computer system for recording and organizing information on theft, fraud, and breach of security and incidents involving the loss of Department of Defense supplies (including munitions).

SEC. 344. REPORTS TO THE SECRETARY OF THE TREASURY OF LOSSES OF MUNITIONS

(a) IN GENERAL.—Chapter 161 of title 10, United States Code, is amended by adding at the end the following new section:

"§2722. Theft or loss of ammunition, destructive devices, and explosives: report to Secretary of Treasury

"(a) IN GENERAL.—The Secretary of Defense shall report the theft or other loss of any ammunition, destructive device, or explosive material from the stocks of the Department of Defense to the Secretary of the Treasury within 72 hours, if possible, after the discovery of such theft or loss.

"(b) EXCLUSION FOR CERTAIN ITEMS.—The Secretary of Defense may exclude from the reporting requirement under subsection (a) any item referred to in that subsection if—

"(1) the Secretary determines that the item represents a low risk of danger to the public and would be of minimal utility to any person who may illegally receive such item; and

"(2) the exclusion of such item is specified as being excluded from the reporting requirement in a memorandum of agreement between the Secretary of Defense and the Secretary of the Treasury.

"(c) DEFINITIONS.—In this section:

"(1) The term 'explosive materials' means explosives, blasting agents, and detonators.

"(2) The terms 'destructive device' and 'ammunition' have the same meanings as provided in paragraphs (4) and (17), respectively, of section 921 of title 18.".

(b) CLERICAL AMENDMENTS.—(1) Chapter 161 of such title is further amended—

(A) by striking out the chapter heading at the beginning and inserting in lieu thereof the following:

"CHAPTER 161—PROPERTY RECORDS AND REPORT OF THEFT OR LOSS OF CERTAIN PROPERTY"; and

(B) by adding at the end of the table of sections at the beginning of such chapter the following new item:

"2722. Theft or loss of ammunition, destructive devices, and explosives: report to Secretary of the Treasury.".

(2) The tables of chapters at the beginning of part A, and at the beginning of part IV of part A, of such title are each amended by striking out the item relating to chapter 161 and inserting in lieu thereof the following:

"161. Property Records and Report of Theft or Loss of Certain Property........ 2722".

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect with respect to thefts and losses discovered more than 180 days after the date of the enactment of this Act.

PART F—STUDIES AND REPORTS

SEC. 351. STUDY OF DEPARTMENT OF DEFENSE SAFETY STANDARDS FOR TRANSPORTATION OF HAZARDOUS MATERIALS

Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the adequacy of Department of Defense safety standards for the transportation of hazardous materials.

SEC. 352. REPORT ON THE USE OF DEGRADABLE PLASTIC ITEMS BY DEPARTMENT OF DEFENSE

(a) STUDY.—The Secretary of Defense shall conduct a study of the use of disposable plastic items by the Department of Defense during fiscal year 1989 in order to identify the types of such items used by the Department of Defense and to determine the approximate quantity of those items used annually by the Department of Defense and to identify which of those items are degradable and which are not degradable.

(b) REPORT.—Not later than March 1, 1990, the Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the results of the study required by subsection (a). The report shall include—

(1) recommendations of the Secretary concerning the feasibility of substituting degradable plastic items for nondegradable plastic items identified in the study that are needed by the Department of Defense; and

(2) a description of—

(A) the availability of degradable plastic items that are suitable substitutes for the nondegradable plastic items identified; and

(B) any additional cost to the United States that would result from conversion to the use of such degradable plastic items over the cost of continued use of the nondegradable plastic items.

SEC. 353. NAVY PARTICIPATION IN FEASIBILITY STUDY OF SUNSET HARBOR PROJECT, CALIFORNIA

(a) REQUIRED FUNDING.—The Secretary of the Navy shall obligate not less than $100,000 as the contribution by the Department of the Navy to the feasibility study by the Army Corps of Engineers of the Sunset Harbor Project, California, which was authorized by Public Law 99-662.

(b) SOURCE OF FUNDS.—For the purpose described in subsection (a), the Secretary of the Navy may use operation and maintenance funds appropriated to or for the use of the Department of the Navy for fiscal year 1989.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

PART A—ACTIVE FORCES

SEC. 401. END STRENGTHS FOR ACTIVE FORCES

The Armed Forces are authorized end strengths for active duty personnel as of September 30, 1989, as follows:

(1) The Army, 771,800, of which not more than 106,927 may be officers.

(2) The Navy, 593,200, of which not more than 72,610 may be officers.

(3) The Marine Corps, 197,200, of which not more than 20,120 may be officers.

(4) The Air Force, 575,100, of which not more than 105,038 may be officers.

SEC. 402. REPEAL OF MANDATORY REDUCTIONS IN STRENGTH OF ACTIVE DUTY OFFICER CORPS

(a) PUBLIC LAW 99-661.—Section 403 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3859) is amended by striking out the last line (relating to September 30, 1989) in the table in subsection (a).

(b) PUBLIC LAW 100-180.—Section 402(c) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1081) is repealed.

(c) LIMITATIONS FOR FISCAL YEAR 1990.—(1) The number of officers serving on active duty (excluding officers in categories specified in paragraph (2)) as of September 30, 1990, may not exceed—

(A) in the case of the Army, 106,427; and

(B) in the case of the Air Force, 102,438.

(2) Officers in the categories described in section 403(b) of the National Defense Authorization Act for Fiscal Year 1987 shall be excluded in counting officers under this subsection.

SEC. 403. TEMPORARY REDUCTION IN NUMBER OF AIR FORCE COLONELS

The number of officers that (but for this section) would be authorized under section 523 of title 10, United States Code, and other applicable provisions of law to be serving on active duty in the Air Force in the grade of colonel during fiscal year 1989 is hereby reduced by 125, and the number of such officers that (but for this section) would be so authorized to be serving on active duty during fiscal year 1990 is hereby reduced by 250.

PART B—RESERVE FORCES

SEC. 411. END STRENGTHS FOR SELECTED RESERVE

(a) AUTHORIZATION.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 1989, as follows:

(1) The Army National Guard of the United States, 457,300.

(2) The Army Reserve, 320,600.

(3) The Naval Reserve, 152,600

(4) The Marine Corps Reserve, 43,600.

(5) The Air National Guard of the United States, 115,200.

(6) The Air Force Reserve, 83,600.

(7) The Coast Guard Reserve, 13,000.

(b) CONFORMING AMENDMENTS.—(1) Section 411(c) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1082) is amended by striking out "or subsection (b)" and inserting in lieu thereof "or section 411(a) of the National Defense Authorization Act, Fiscal Year 1989".

(2) Section 411(d) of such Act is amended by striking out "subsections (a) and (b)" and inserting in lieu thereof "subsection (a) and by section 411(a) of the National Defense Authorization Act, Fiscal Year 1989".

SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES

Within the strengths prescribed in section 411, the reserve components of the Armed Forces are authorized, as of September 30, 1989, the following number of Reserves to be serving on full-time active duty or, in the case of members of the National Guard, full-

time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 25,725.

(2) The Army Reserve, 13,329.

(3) The Naval Reserve, 21,991.

(4) The Marine Corps Reserve, 1,945.

(5) The Air National Guard of the United States, 7,948.

(6) The Air Force Reserve, 657.

SEC. 413. CLARIFICATION OF APPLICABILITY OF PRIOR AMENDMENTS RELATING TO NUMBER OF MEMBERS IN CERTAIN GRADES AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVES

The provisions of section 5 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1020) shall not apply to the amendments made by subsections (a)(2) and (b)(2) of section 413 of such Act.

PART C—MILITARY TRAINING

SEC. 421. AUTHORIZATION OF TRAINING STUDENT LOADS

(a) IN GENERAL.—For fiscal year 1989, the components of the Armed Forces are authorized average military training student loads as follows:

(1) The Army, 80,281.

(2) The Navy, 65,925.

(3) The Marine Corps, 18,064.

(4) The Air Force, 36,857.

(5) The Army National Guard of the United States, 19,561.

(6) The Army Reserve, 17,190.

(7) The Naval Reserve, 3,136.

(8) The Marine Corps Reserve, 3,459.

(9) The Air National Guard of the United States, 2,868.

(10) The Air Force Reserve, 1,827.

(b) ADJUSTMENTS.—The average military student loads authorized in subsection (a) shall be adjusted consistent with the end strengths authorized in parts A and B. The Secretary of Defense shall prescribe the manner in which such adjustment shall be apportioned.

PART D—AUTHORIZATION OF APPROPRIATIONS

SEC. 431. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL FOR FISCAL YEAR 1989

There is hereby authorized to be appropriated to the Secretary of Defense for military personnel for fiscal year 1989 a total of $78,461,000,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 1989.

TITLE V—MILITARY PERSONNEL POLICY

PART A—OFFICER PERSONNEL POLICY

SEC. 501. SELECTION BOARDS

(a) INFORMATION FURNISHED TO BOARDS.—Section 615 of title 10, United States Code, is amended—

(1) in subsection (a), by striking out clause (4) and inserting in lieu thereof the following:

"(4) information or guidelines relating to the needs of the armed force concerned for officers having particular skills, including guidelines or information relating to the need for either a minimum number or a maximum number of officers with particular skills within a competitive category;"; and

(2) by adding at the end the following new subsection:

"(c) Information or guidelines furnished to a selection board under subsection (a) may not be modified, withdrawn, or supplemented after the board submits the report to the Secretary of the military department concerned pursuant to section 617(a) of this title, except that, in the case of a report returned to a board pursuant to section 618(a)(2) of this title for further proceedings because of a determination by the Secretary of the military department concerned that the board acted contrary to law, regulation, or guidelines, the Secretary may modify, withdraw, or supplement such information or guidelines as part of a written explanation to the board as provided in that section.".

(b) RECOMMENDATIONS FOR PROMOTION.—Section 616(a) of such title is amended by inserting "(as noted in the guidelines or information furnished the board under section 615(a) of this title)" after "particular skills".

(c) REPORTS OF SELECTION BOARD.—Section 617(a)(2) of such title is amended by inserting "(as noted in the guidelines or information furnished the board under section 615(a) of this title)" after "concerned".

(d) ACTION ON REPORTS.—(1) Subsection (a) of section 618 of such title is amended to read as follows:

"(a)(1) Upon receipt of the report of a selection board submitted to him under section 617(a) of this title, the Secretary of the military department concerned shall review the report to determine whether the board has acted contrary to law or regulation or to guidelines furnished the board under section 615(a) of this title. Following such review, unless the Secretary concerned makes a determination as described in paragraph (2), the Secretary shall submit the report as required by subsection (b) or (c), as appropriate.

"(2) If, on the basis of a review of the report under paragraph (1), the Secretary of the military department concerned determines that the board acted contrary to law or regulation or to guidelines furnished the board under section 615(a) of this title, the Secretary shall return the report, together with a written explanation of the basis for such determination, to the board for further proceedings. Upon receipt of a report returned by the Secretary concerned under this paragraph, the selection board (or a subsequent selection board convened under section 611(a) of this title for the same grade and competitive category) shall conduct such proceedings as may be necessary in order to revise the report to be consistent with law, regulation, and such guidelines and shall resubmit the report, as revised, to the Secretary in accordance with section 617 of this title.".

(2) Subsection (c)(1) of such section is amended—

(A) by striking out ", modification,"; and

(B) by adding at the end the following: "If the authority of the President under this paragraph to approve or disapprove the report of a selection board is delegated to the Secretary of Defense, it may not be redelegated except to an official in the Office of the Secretary of Defense.".

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect 60 days after the date of the enactment of this Act and shall apply with respect to selection boards convened under section 611(a) of title 10, United States Code, on or after that effective date.

SEC. 502. REMOVAL FROM PROMOTION LIST

(a) AUTHORITY TO REMOVE.—The first sentence of section 5905(a) of title 10, United States Code, is amended to read as follows: "The President may remove the name of any reserve officer from a promotion list established under this chapter.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to removal actions taken by the President on or after the date of the enactment of this Act.

SEC. 503. SELECTIVE EARLY RETIREMENT FOR CERTAIN PRE-DOPMA NAVY AND MARINE CORPS OFFICERS

(a) CONFORMANCE TO ARMY AND AIR FORCE PROVISIONS.—Subsection (a)(2) of section 613 of the Defense Officer Personnel Management Act (Public Law 96-513; 10 U.S.C. 611 note) is amended—

(1) by striking out "or" at the end of clause (B);

(2) by striking out the period at the end of clause (C) and inserting in lieu thereof "; or"; and

(3) by adding at the end the following new clause:

"(D) selected for early retirement under section 638 of title 10, United States Code.".

(b) TECHNICAL AMENDMENTS.—Such section is further amended—

(1) by striking out "on the effective date of this Act" in the matter in subsection (a)(1) preceding clause (A) and inserting in lieu thereof "on September 15, 1981"; and

(2) by striking out "on the day before the effective date of this Act" each place it appears in such section and inserting in lieu thereof "on September 14, 1981".

SEC. 504. TECHNICAL REVISION OF SECTION 638 OF TITLE 10, UNITED STATES CODE

Subsection (a) of section 638 of title 10, United States Code, is amended to read as follows:

"(a)(1) A regular officer on the active-duty list of the Army, Navy, Air Force, or Marine Corps may be considered for selective early retirement by a selection board convened under section 611(b) of this title if the officer is described in any of subparagraphs (A) through (D) as follows:

"(A) An officer holding the regular grade of lieutenant colonel or commander who has failed of selection for promotion to the grade of colonel or, in the case of an officer of the Navy, captain two or more times and whose name is not on a list of officers recommended for promotion.

"(B) An officer holding the regular grade of colonel or, in the case of an officer of the Navy, captain who has served at least four years of active duty in that grade and whose name is not on a list of officers recommended for promotion.

"(C) An officer holding the regular grade of brigadier general or rear admiral (lower half) who has served at least three and one-half years of active duty in that grade and whose name is not on a list of officers recommended for promotion.

"(D) An officer holding the regular grade of major general or rear admiral who has served at least three and one-half years of active duty in that grade.

"(2) The Secretary of the military department concerned shall specify the number of officers described in paragraphs (1)(A) and (1)(B) which a selection board convened under section 611(b) of this title may recommend for early retirement. Such number may not be more than 30 percent of the number of officers considered in each grade in each competitive category.".

PART B—JOINT OFFICER PERSONNEL POLICY

SEC. 511. WAIVER AUTHORITY WITH RESPECT TO SELECTION OF OFFICERS FOR THE JOINT SPECIALTY

The last sentence of section 661(c)(3)(D) of title 10, United States Code, is amended—

(1) by inserting "for officers in the same pay grade" after "under this paragraph";

(2) by striking out "5 percent" and inserting in lieu thereof "10 percent"; and

(3) by inserting "in that pay grade" after "number of officers".

SEC. 512. JOINT SPECIALTY OFFICERS IN CRITICAL JOINT DUTY ASSIGNMENTS

(a) FLEXIBILITY FOR CRITICAL JOINT DUTY ASSIGNMENT POSITIONS.—Section 661(d)(2) of title 10, United States Code, is amended—

(1) by inserting "(A)" after "(2)";

(2) by striking out the last sentence; and

(3) by adding at the end the following:

"(B) Until January 1, 1994, at least 80 percent of the positions designated by the Secretary under subparagraph (A) shall be held at all times by officers who have the joint specialty. On and after January 1, 1994, each position so designated may (subject to subparagraph (C)) be held only by an officer who has the joint specialty.

"(C) The Secretary of Defense may, on a case-by-case basis, waive the requirement in the second sentence of subparagraph (B) with respect to a particular assignment of an officer to a position designated as a critical joint duty assignment position. The authority of the Secretary to make such a waiver may be delegated only to the Chairman of the Joint Chiefs of Staff.

"(D) During the period beginning on October 1, 1992, and ending on January 1, 1993, the Secretary of Defense shall submit to Congress a report on the operation, to the date of the report, of the first sentence of subparagraph (B) and on the Secretary's projection for the use of the waiver authority provided under subparagraph (C), including the Secretary's estimate of the average annual number of waivers to be provided under subparagraph (C).".

(b) REVISION OF ANNUAL REPORT.—Section 667 of such title is amended—

(A) by redesignating paragraph (16) as paragraph (17); and

(B) inserting after paragraph (15) the following new paragraph:

"(16) During the period of the applicability of the first sentence of subparagraph (B) of section 661(d)(2) of this title, information on critical positions not filled by officers with the joint specialty, including—

"(A) a listing by organization of the joint duty assignment positions which were not filled by officers with the joint specialty;

"(B) an explanation of the reasons such positions were not filled by officers with the joint specialty, described by the categories of such reasons; and

"(C) the percentage of critical joint duty assignment positions held by officers who have the joint specialty.".

SEC. 513. PROMOTION POLICY OBJECTIVES FOR OFFICERS WITH THE JOINT SPECIALTY

Section 662(a) of title 10, United States Code, is amended by inserting "to the next higher grade" in paragraphs (1) and (3) after "promoted".

SEC. 514. LENGTH OF JOINT DUTY ASSIGNMENTS

Section 664 of title 10, United States Code, is amended as follows:

(1) Subsection (a) is amended—

(A) by striking out "three years" in paragraph (1) and inserting in lieu thereof "two years"; and

(B) by striking out "three and one-half years" in paragraph (2) and inserting in lieu thereof "three years".

(2) Subsection (c)(1) is amended—

(A) by striking out "has been" and inserting in lieu thereof "is"; and

(B) by striking out "before such assignment begins".

(3) Subsection (d)(2) is amended by inserting "which is less than the applicable standard prescribed in subsection (a)" after "Hawaii".

(4) Subsection (f) is amended—

(A) by striking out "or" at the end of paragraph (2);

(B) by striking out the period at the end of paragraph (3) and inserting in lieu a semicolon; and

(C) by adding at the end the following new paragraphs:

"(4) a joint duty assignment outside the United States or in Alaska or Hawaii for which the normal accompanied-by-dependents tour of duty is prescribed by regulation to be at least two years in length, if the officer serves in the assignment for a period equivalent to the accompanied-by-dependents tour length (except that not more than 6 percent of all joint duty assignments may be considered to be under this paragraph at any time); or

"(5) a joint duty assignment with respect to which the Secretary of Defense has granted a waiver under subsection (b), but only in a case in which the Secretary determines that the service completed by that officer in that duty assignment shall be considered to be a full tour of duty in a joint duty assignment.".

(5) Subsection (g)(3) is amended by striking out "shall be excluded—" and all that follows in that subsection and inserting in lieu thereof "shall be excluded if the officer served less than 10 months in that assignment.".

(6) Such section is further amended by adding at the end the following new subsection:

"(h) CONSTRUCTIVE CREDIT.—(1) The Secretary of Defense may accord constructive credit in the case of an officer (other than a general or flag officer) who, for reasons of military necessity, is reassigned from a joint duty assignment within 60 days of meeting the tour length criteria prescribed in subsection (f)(1), (f)(2), (f)(4), or (g)(2). The amount of constructive service that may be credited to such officer shall be the amount sufficient for the completion of the applicable tour of duty requirement, but in no case more than 60 days.

"(2) For the purpose of computing under subsection (e) the average length of joint duty assignments during a fiscal year, the amount of any constructive service credited under this subsection with respect to a joint duty assignment to be counted in that computation shall be excluded.

"(3) This subsection shall not apply in the case of an officer who serves less than 10 months in the joint duty assignment.".

SEC. 515. ADDITIONAL TRANSITION PROVISIONS FOR IMPLEMENTATION OF PREREQUISITE FOR PROMOTION TO INITIAL FLAG AND GENERAL OFFICER GRADE

(a) NAVY NUCLEAR PROPULSION OFFICERS.—(1) Section 619(e) of title 10, United States Code, is amended—

(A) by striking out "January 1, 1992" in the second sentence of paragraph (1) and inserting in lieu thereof "January 1, 1994"; and

(B) by adding at the end the following new paragraph:

"(5) Not later than March 1 of each year from 1989 through 1994, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the implementation during the preceding calendar year of the transition plan developed by the Secretary pursuant to section 1305(b) of Public Law 100-180 (101 Stat. 1173) with respect to service by qualified nuclear propulsion officers in joint duty assignments.".

(2) Section 1305(b) of Public Law 100-180 is amended by striking out "January 1, 1992" each place it appears and inserting in lieu thereof "January 1, 1994".

(3) The Secretary of Defense, after consultation with the Chairman of the Joint Chiefs of Staff, shall revise the transition plan developed pursuant to section 1305(b) of Public Law 100-180 to take account of the amendments made by paragraphs (1) and (2). The Secretary shall include with the first report of the Secretary under section 619(e)(5) of title 10, United States Code, as added by paragraph (1)(B), a report on the actions of the Secretary in revising such transition plan.

(b) WAIVER AUTHORITY.—(1) Paragraph (2) of section 619(e) of title 10, United States Code, is amended—

(A) by striking out "and" at the end of subparagraph (C); and

(B) by striking out subparagraph (D) and inserting in lieu thereof the following:

"(D) in the case of an officer who served in a joint duty assignment that began before January 1, 1987, if the officer served in that assignment for a period of sufficient duration (which may not be less than 12 months) for his service to have been considered a full tour of duty under the policies and regulations in effect on September 30, 1986; and

"(E) until January 1, 1994, in the case of an officer who—

"(i) served in an assignment (other than a joint duty assignment) that began before October 1, 1986, and that involved significant experience in joint matters (as determined by the Secretary) if the officer served in that assignment for a period of sufficient duration (which may not be less than 12 months) for his service to have been considered a full tour of duty under the policies and regulations in effect on September 30, 1986; or

"(ii) served in a joint duty assignment for not less than two years during which the officer is selected for promotion to the grade of brigadier general or rear admiral (lower half).".

(2) Paragraph (3)(C) of such section is amended by striking out "paragraph (2)(B), (2)(C), or (2)(D)" and inserting in lieu thereof "paragraph (2) (other than under subparagraph (A) of that paragraph)".

SEC. 516. EXTENSION OF TRANSITION TO JOINT DUTY ASSIGNMENT STAFFING REQUIREMENTS

(a) GENERAL EXTENSION.—Subsection (a) of section 406 of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433; 100 Stat. 1033) is amended to read as follows:

"(a) JOINT DUTY ASSIGNMENTS.—(1) Section 661(d) of title 10, United States Code, shall be implemented as rapidly as possible and (except as provided under paragraph (2)) not later than October 1, 1989.

"(2) The first sentence of section 661(d)(2)(B) of such title shall apply with respect to positions designated under the first sentence of section 661(d)(2)(A) of that title as critical joint duty assignment positions which become vacant after January 1, 1989.".

(b) TRANSITION.—Subsection (b)(1)(B) of such section is amended by striking out clauses (ii) and (iii) and inserting in lieu thereof the following:

"(ii) waive the requirement for the length of a joint duty assignment in the case of a joint duty assignment begun by an officer before January 1, 1987, if the officer served in that assignment for a period of sufficient

duration (which may not be less than 12 months) to have been considered a full tour of duty under the policies and regulations in effect on September 30, 1986; or

"(iii) consider as a joint duty assignment any tour of duty begun by an officer before October 1, 1986, that involved significant experience in joint matters (as determined by the Secretary) if the officer served in that assignment for a period of sufficient duration (which may not be less than 12 months) for his service to have been considered a full tour of duty under the policies and regulations in effect on September 30, 1986.".

(c) Deadline for Initial Selection of Officers for the Joint Specialty.—Subsection (b)(3) of such section is amended by striking out "two years after the date of the enactment of this Act" and inserting in lieu thereof "on October 1, 1989".

SEC. 517. COUNTING OF OFFICERS WITH CRITICAL OCCUPATIONAL SPECIALTY INVOLVING COMBAT OPERATIONS FOR PURPOSES OF JOINT DUTY ASSIGNMENT STAFFING AND TOUR LENGTHS

(a) Staffing.—Section 661(d)(4) of title 10, United States Code, is amended by striking out "one-third" and inserting in lieu thereof "25 percent".

(b) Tour Lengths.—Section 664(e)(2) of such title is amended by striking out "10 percent" and inserting in lieu thereof "12½ percent".

SEC. 518. SERVICE BY CAPTAINS AND NAVY LIEUTENANTS IN JOINT DUTY ASSIGNMENT TO BE COUNTED FOR ALL OFFICER PERSONNEL LAWS CONCERNING SUCH SERVICE

Section 661 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f) Treatment of certain service.—Any service by an officer in the grade of captain or, in the case of the Navy, lieutenant in a joint duty assignment shall be considered to be service in a joint duty assignment for purposes of all laws (including section 619(e)(1) of this title) establishing a requirement or condition with respect to an officer's service in a joint duty assignment.".

SEC. 519. TECHNICAL AMENDMENTS

(a) Amendments Relating to Joint Duty Assignments.—(1) Section 154(b)(1)(B) of title 10, United States Code, is amended by striking out "served in at least one joint duty assignment (as defined under section 668(b) of this title)" and inserting in lieu thereof "completed a full tour of duty in a joint duty assignment (as defined in section 664(f) of this title)".

(2) Section 164(a)(1)(B) of such title is amended by striking out "served in at least one joint duty assignment (as defined under section 668(b) of this title)" and inserting in lieu thereof "completed a full tour of duty in a joint duty assignment (as defined in section 664(f) of this title)".

(3) Sections 3033(a)(2)(B), 5033(a)(2)(B), 5043(a)(2)(B), and 8033(a)(2)(B) of such title are amended by striking out "joint duty assignment" and inserting in lieu thereof "full tour of duty in a joint duty assignment (as defined in section 664(f) of this title)".

(b) Correction of Erroneous Subsection Designation.—Section 668 of such title is amended by redesignating subsection (f) as subsection (c).

Part C—Miscellaneous

SEC. 521. TESTING OF NEW ENTRANTS FOR DRUG AND ALCOHOL ABUSE

(a) Revision of Mandatory Testing Program.—(1) Section 978 of title 10, United States Code, is amended to read as follows:

"§978. Drug and alcohol abuse and dependency: testing of new entrants

"(a)(1) Except as provided in paragraph (2), the Secretary concerned shall require each member of the armed forces under the Secretary's jurisdiction, within 72 hours after the member's initial entry on active duty after enlistment or appointment, to—

"(A) undergo testing (by practicable, scientifically supported means) for drug and alcohol use; and

"(B) be evaluated for drug and alcohol dependency.

"(2) The Secretary concerned shall require an applicant for appointment as a cadet or midshipman to undergo the testing and evaluation described in paragraph (1) during the physical examination given the applicant before such appointment. The Secretary concerned shall require a person to whom a commission is offered under section 2106 of this title following completion of the program of advanced training under the Reserve Officers' Training Corps program to undergo such testing and evaluation during the precommissioning physical examination given such person.

"(b) A person who refuses to consent to testing and evaluation required by subsection (a) may not be retained in the armed forces, and any original appointment of such person as an officer shall be terminated, unless that person consents to such testing and evaluation.

"(c)(1) The enlistment or appointment of a person who is determined, as a result of an evaluation conducted under subsection (a)(1)(B), to be dependent on drugs or alcohol at the time of such enlistment or appointment shall be void.

"(2) A person whose enlistment or appointment is voided under paragraph (1) shall be referred to a civilian treatment facility.

"(d) The testing and evaluation required by subsection (a) shall be carried out under regulations prescribed by the Secretary of Defense in consultation with the Secretary of Transportation. Those regulations shall apply uniformly throughout the armed forces.

"(e) In time of war, or time of emergency declared by Congress or the President, the President may suspend the provisions of subsection (a).".

(2) The item relating to that section in the table of sections at the beginning of chapter 49 of such title is amended to read as follows:

"978. Drug and alcohol abuse and dependency: testing of new entrants".

(b) Regulations.—The Secretary of Defense shall prescribe regulations for the implementation of section 978 of title 10, United States Code, as amended by subsection (a), not later than 60 days after the date of the enactment of this Act.

(c) Effective Date.—The testing and evaluation program prescribed by that section shall be implemented not later than October 1, 1989.

(d) Conforming Amendment.—Section 513(b)(2) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1091) is repealed.

SEC. 522. REQUIREMENT TO ACCEPT PERSONS ENLISTING IN THE AIR FORCE ON GENDER-FREE BASIS

(a) Requirement.—(1) Chapter 833 of title 10, United States Code, is amended by inserting after section 8251 the following new section:

"§8252. Regular Air Force: gender-free basis for acceptance of original enlistments

"(a) Except as provided in subsection (b), in accepting persons for original enlistment in the Regular Air Force, the Secretary of the Air Force may not—

"(1) set a minimum or maximum percentage of persons who may be accepted for such an enlistment according to gender for skill categories or jobs; or

"(2) in any other way base the acceptance of a person for such an enlistment on gender.

"(b) Subsection (a) shall not apply with respect to an enlistment specified as being for training leading to designation in a skill category involving duty assignments to which, under section 8549 of this title, female members of the Air Force may not be assigned.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 8251 the following new item:

"8252. Regular Air Force: gender-free basis for acceptance of original enlistments.".

(b) Implementation.—The Secretary of the Air Force shall develop a methodology for implementing section 8252 of title 10, United States Code, as added by subsection (a), not later than October 1, 1989.

(c) Effective Date.—Such section shall apply with respect to persons accepted for original enlistment in the Regular Air Force after September 30, 1989.

(d) Repeal of FY 89 Requirement for Specified Percentage of Air Force Enlistees To Be Women.—Section 551(a) of the Department of Defense Authorization Act, 1985 (10 U.S.C. 8251 note), is repealed.

SEC. 523. MILITARY EDUCATION FOR ARMY NATIONAL GUARD CIVILIAN TECHNICIANS

(a) Phase-Out of Program Requiring Out-of-State Training.—A civilian technician of the Army National Guard whose military occupational specialty has been approved by the Secretary of the Army in accordance with subsection (b) for training under the Reserve Component Noncommissioned Officers Education Program by an appropriate National Guard school (as defined in subsection (f)) shall, if such technician is not already qualified in that military occupational specialty, receive military training in that military occupational specialty through that school rather than through the Military Education Program.

(b) Approval of State Courses.—(1) Each National Guard school which receives from the Department of the Army a training program for National Guard training for a military occupational specialty as part of the Reserve Component Noncommissioned Officers Education Program shall implement that training program by the end of the 45-day period beginning on the receipt of such program by the school or as soon thereafter as feasible. The Secretary of the Army shall, not later than 45 days after any such school notifies the Secretary that it has implemented such a training program, determine whether or not such school has properly implemented such program. Upon the approval by the Secretary of the implementation of such program by such school, subsection (a) shall apply with respect to military education of civilian technicians of the Army National Guard of that State in the applicable military occupational specialty.

(2) In the case of a National Guard school for which a program has not been approved under paragraph (1) with respect to a mili-

tary occupational specialty, the Secretary of the Army may, subject to subsection (d), require a civilian technician of the Army National Guard in that State with that military occupational specialty to receive training through the Military Education Program.

(c) SPECIAL RULE FOR LEADERSHIP TRAINING.—A civilian technician of the Army National Guard who is required by the National Guard Bureau to receive leadership training through courses known as Primary Leadership Development courses shall receive such training through the appropriate State National Guard school.

(d) TRANSITION.—In the case of a civilian technician of the Army National Guard for whose military occupational specialty there is not, as of the date of the enactment of this Act, a program of training approved under subsection (b) for an appropriate National Guard school, the technician shall, at his request, be given the Skill Qualification Test appropriate for his military occupational specialty and skill level. If the technician passes the test and, if necessary for his military occupational specialty, successfully completes the Army National Guard Battle Skills Course for the appropriate grade, the Secretary of the Army may not require the technician to receive training through the existing Military Education Program and may not reduce the technician in military grade, or deny the technician a military promotion, by reason of failure to receive training through the Military Education Program.

(e) REPORT.—The Secretary of the Army shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the implementation of the Reserve Component Noncommissioned Officers Education Program. The report shall discuss the implementation of such program at each State National Guard school and shall explain, in any case in which the implementation of a training program has not been approved under subsection (b), the reasons for the withholding of such approval. Such report shall be submitted not later than December 31, 1988.

(f) DEFINITIONS.—For purposes of this section:

(1) The term "National Guard school", with respect to a civilian technican, means a National Guard school of that technician's State, or (2) a regional National Guard school designated by the Secretary of the Army for the region including that technician's State.

(2) The term "State" includes the District of Columbia and any commonwealth, territory, or possession of the United States.

SEC. 524. EXPANSION OF MILITARY SPOUSE EMPLOYMENT PREFERENCE

Section 806(b)(2) of the Military Family Act of 1985 (10 U.S.C. 113 note) is amended—

(1) by striking out "hiring" the first place it appears;

(2) by inserting "civilian" before "position" the first place it appears; and

(3) by striking out "above Grade GS-1 (or its equivalent)".

SEC. 525. MANPOWER ESTIMATES FOR MAJOR DEFENSE ACQUISITION PROGRAMS

Section 2434 of title 10, United States Code, is amended—

(1) in subsection (a)(2), by striking out "90 days" and inserting in lieu thereof "30 days";

(2) by redesignating subsection (b) as subsection (c) and in paragraph (3)(A) of that subsection striking out "both in total personnel and" and inserting in lieu thereof "in total personnel or in"; and

(3) by inserting after subsection (a) the following new subsection (b):

"(b) EXCEPTIONS.—(1) Subsection (a)(2) shall not apply during time of war or during a national emergency declared by Congress or the President.

"(2) The 30-day period specified in subsection (a)(2) shall be reduced to 10 days in the case of a major defense acquisition program if the manpower estimate submitted by the Secretary of Defense under subsection (a)(2) with respect to that program indicates that no increase in military or civilian personnel end strengths described in subsection (c)(3)(B) will be required.".

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

PART A—PAY AND ALLOWANCES

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1989

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—Any adjustment required by section 1009 of title 37, United States Code, in elements of compensation of members of the uniformed services to become effective during fiscal year 1989 shall not be made.

(b) INCREASE IN BASIC PAY AND BAS.—The rates of basic pay and basic allowance for subsistence of members of the uniformed services are increased by 4.1 percent effective on January 1, 1989.

(c) INCREASE IN BAQ.—(1) The rates of basic allowance for quarters for members of the uniformed services are increased by 7 percent effective on January 1, 1989.

(2) The President may allocate the increase in the rates of basic allowance for quarters provided in paragraph (1) among pay grades and dependency categories so that the resulting rates of basic allowance for quarters, expressed in the case of each such rate as a percentage determined under paragraph (3), are as nearly as practicable the same.

(3) The percentage of the rate of basic allowance for quarters for any pay grade and dependency status to be applied for the purpose of paragraph (2) is the percentage that results from dividing such rate by the national median cost of housing (as determined by the Secretary of Defense) for members of that pay grade and dependency status.

(4) An allocation under paragraph (2) may not reduce the rate of basic allowance for quarters for members in any pay grade and dependency status below the rate in effect with respect to such members on December 31, 1988.

(5) The Secretary of Defense may establish separate rates of basic allowance for quarters for commissioned officers credited with over four years of active service as enlisted members or warrant officers.

(d) INCREASE IN CADET AND MIDSHIPMAN PAY.—Effective January 1, 1989, section 203(c)(1) of title 37, United States Code, is amended by striking out "$504.30" and inserting in lieu thereof "$525".

SEC. 602. ALLOWANCE FOR TRANSPORTATION OF HOUSEHOLD GOODS

(a) ALLOWANCE.—Section 406(b)(1) of title 37, United States Code, is amended—

(1) by striking out "within such weight allowances prescribed by the Secretaries concerned" in subparagraph (A) and inserting in lieu thereof "within the weight allowances listed in subparagraph (C)"; and

(2) by adding at the end the following new subparagraph:

"(C) Under regulations prescribed by the Secretary of Defense, the weight allowance to which a member is entitled under subparagraph (A) is determined in accordance with the following table:

"Pay Grade	Without Dependents	With Dependents
0-10 to 0-6	18,000	18,000
0-5	16,000	17,500
0-4	14,000	17,000
0-3	13,000	14,500
0-2	12,500	13,500
0-1	10,000	12,000
W-4	14,000	17,000
W-3	13,000	14,500
W-2	12,500	13,500
W-1	10,000	12,000
E-9	12,000	14,500
E-8	11,000	13,500
E-7	10,500	12,500
E-6	8,000	11,000
E-5	7,000	9,000
E-4[1]	7,000	8,000
E-4[2]	3,500	7,000
E-1	2,000	5,000
E-2	1,500	5,000
E-3	1,500	5,000

"[1] Member with more than two years of service computed under section 205 of this title.

"[2] Member with less than two years of service computed under section 205 of this title.".

(b) EFFECTIVE DATE.—The weight allowances in section 406(b)(1)(C) of title 37, United States Code (as added by subsection (a)), shall apply with respect to transportation of baggage and household effects occurring after June 30, 1989.

PART B—SPECIAL PAY FOR CRITICAL PERSONNEL

SEC. 611. AVIATOR RETENTION BONUS

(a) BONUS AUTHORIZED.—(1) An aviation officer described in subsection (b) who, during the period beginning on January 1, 1989, and ending on September 30, 1989, executes a written agreement to remain on active duty in aviation service for at least one year may, upon the acceptance of the written agreement by the Secretary concerned, be paid a retention bonus as provided in this section.

(2) The amount of such bonus shall be not more than—

(A) $12,000 for each year covered by the agreement, if the officer agrees to remain on active duty to complete 14 years of commissioned service; or

(B) $6,000 for each year covered by the agreement, if the officer agrees to remain on active duty for one or two years.

(3) The term of the agreement and the amount of payment may be prorated as long as an agreement under this section does not extend beyond the date on which the officer would complete 14 years of commissioned service.

(4) Upon the officer's acceptance of the agreement, the total amount payable becomes fixed and may be paid in either a lump sum or in installments.

(b) COVERED OFFICERS.—(1) This section applies to an officer of a uniformed service who—

(A) is entitled to aviation career incentive pay under section 301a of this title 37, United States Code;

(B) is in a pay grade below pay grade 0-6;

(C) is qualified to perform operational flying duty;

(D) has completed at least six but less than 13 years of active duty;

(E) has completed any active duty service commitment incurred for undergraduate aviator training; and

(F) is in an aviation specialty designated by the Secretary concerned, and approved by the Secretary of Defense or by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, as critical.

(2) For purposes of paragraph (1)(F), an aviation specialty shall be considered subject to designation as critical when there exists a current shortage of officers in that specialty.

(c) ADDITIONAL PAY.—A retention bonus under this section is in addition to any other pay and allowances to which an officer is entitled.

(d) REFUNDS.—(1) Refunds shall be required, on a pro rata basis, of sums paid under this section if the officer who has received the payment fails to complete the total period of active duty specified in the agreement, as conditions and circumstances warrant.

(2) An obligation to reimburse the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

(3) A discharge in bankruptcy under title 11, United States Code, that is entered less than 5 years after the termination of an agreement under this section does not discharge the member signing such agreement from a debt arising under such agreement or under paragraph (1). This paragraph applies to any case commenced under title 11, United States Code, after January 1, 1989.

(e) CERTAIN PAY AGREEMENTS PROHIBITED.—An agreement for special pay under section 301b of title 37, United States Code, may not be accepted by the Secretary of Defense after December 31, 1988.

(f) REGULATIONS.—This section shall be administered under regulations prescribed by the Secretaries concerned and approved by the Secretary of Defense or the Secretary of Transportation, as appropriate.

(g) DEFINITIONS.—In this section:

(1) The term "aviation service" means the service performed by an officer holding an aeronautical rating or designation (except a flight surgeon or other medical officer).

(2) The term "aviation specialty" means a community of pilots or other designated aeronautical officers identified by type of aircraft or weapon system.

(3) The term "operational flying duty" has the meaning given such term by clause (6) of section 301a(a) of title 37, United States Code.

(4) The terms "grade", "member", "pay", "Secretary concerned", and "uniformed services" have the meanings given those terms by section 101 of title 37, United States Code.

(h) REPORTS.—(1) Not later than November 15, 1988, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report describing the manner in which the authority provided in this section is to be used. The report shall include a description of the relative level of payments between officers with various amounts of aviation service by aviation specialty.

(2) Not later than December 1, 1988, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a comprehensive report on the retention of aviators in the Armed Forces. The report shall include, at a minimum, the following:

(A) An analysis of aviator requirements and inventories (current and projected) of the Armed Forces by grade and years of service, including a list of those aviators who are assigned to duty other than operational flying duty and a justification for such assignments.

(B) An analysis of current and projected aviator retention rates in the Armed Forces and of those current and projected retention rates actually needed to meet the requirements of the Armed Forces.

(C) Such recommendations as the Secretary considers appropriate regarding—

(i) the initial active duty service commitment of aviators;

(ii) the integration of the aviator career incentive pay under section 301a of title 37, United States Code, and the retention bonus under this section into a structure that more efficiently supports the retention requirements for aviators in the Armed Forces; and

(iii) changes in the aviator management policies of the Armed Forces that would eliminate the disincentives cited by aviators as retention detractors.

(D) Specific proposals for such legislation as the Secretary considers necessary to retain on active duty the aviators required to meet the needs of the Armed Forces.

(i) LIMITATION ON OBLIGATIONS.—The total amount of payments made to officers of the Air Force during fiscal year 1989 under this section may not exceed $36,200,000.

(j) TERMINATION OF AUTHORITY.—If both reports required by paragraphs (1) and (2) of subsection (h) are not received by the committees named in such paragraphs by the respective dates specified in such paragraphs, the authority to make payments under this section shall terminate effective December 2, 1988.

SEC. 612. MEDICAL OFFICER RETENTION BONUS

(a) BONUS AUTHORIZED.—(1) A medical officer described in subsection (b) who, during the period beginning on January 1, 1989, and ending on September 30, 1989, executes a written agreement to remain on active duty for at least two years may, upon acceptance of the written agreement by the Secretary concerned, be paid a retention bonus as provided in this section.

(2) The amount of such retention bonus shall be not more than $20,000 for each year covered by the agreement.

(b) COVERED OFFICERS.—This section applies to an officer of a uniformed service who—

(1) is an officer of the Medical Corps of the Army or the Navy or an officer of the Air Force designated as a medical officer;

(2) is in a pay grade below pay grade 0-7;

(3) has at least eight years of creditable service (computed as described in section 302(g) of title 37, United States Code); and

(4) has completed any active duty service commitment incurred for medical education and training.

(c) LIMITATION ON TOTAL COMPENSATION.—The Secretary of Defense shall ensure that no officer receives pay under this section which, when added to all other pay and allowances such officer receives pursuant to titles 10 and 37, United States Code, results in such officer receiving total compensation in an amount that exceeds the total compensation paid to comparable physicians (considering age, education, experience, certification, training, and other appropriate criteria), as determined by the Secretary, who are civilian physicians employed in the private sector in employment other than self-employment. The Secretary shall target payments under this section to officers in categories in which the most severe shortages exist in the Department of Defense.

(d) ADMINISTRATION AND IMPLEMENTATION.—The provisions of subsections (a) and (b) of section 303a of title 37, United States Code, shall apply to the administration of this section as if a reference to this section were included in the list of sections referred to in such subsections.

(e) REFUNDS.—(1) Refunds shall be required, on a pro rata basis, of sums paid under this section if the officer who has received the payment fails to complete the total period of active duty specified in the agreement, as conditions and circumstances warrant.

(2) An obligation to reimburse the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

(3) A discharge in bankruptcy under title 11, United States Code, that is entered less than 5 years after the termination of an agreement under this section does not discharge the member signing such agreement from a debt arising under such agreement or under paragraph (1). This paragraph applies to any case commenced under title 11, United States Code, after January 1, 1989.

(f) DEFINITIONS.—In this section, the terms "grade", "member", "pay", "Secretary concerned", and "uniformed services" have the meanings given those terms by section 101 of title 37, United States Code.

(g) REPORTS.—(1) Not later than November 15, 1988, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report describing the manner in which the authority provided in this section is to be used. The report shall include a description of the relative level of payments between officers in various categories.

(2)(A) Not later than December 1, 1988, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report containing the following:

(i) An analysis of current and projected requirements of the Armed Forces for health professionals by speciality and years of service, including a list of requirements for physicians who are assigned to duties other than duties consisting primarily of providing patient care and a justification for those requirements.

(ii) The Secretary's assessment of the adequacy of the existing compensation system for such health care professionals.

(iii) Such recommendations for legislation as the Secretary considers necessary to attract and retain on active duty the health care professionals needed to meet the needs of the Armed Forces.

(B) The Secretary shall include in his report a draft of legislation which, if enacted, would establish either—

(i) a compensation system which provides total compensation that is competitive with the compensation paid comparable health care professionals (considering age, education, experience, certification, training, and other appropriate criteria) who are health care professionals employed in the private sector in employment other than self-employment; or

(ii) a single military health care professional incentive compensation program (in lieu of special pay provided under chapter 5 of title 37, United States Code) which provides incentive compensation in sufficient amounts to ensure that the total amount of such compensation to which such health care professionals are entitled under the provisions of titles 10 and 37, United States Code, is competitive with the compensation paid comparable health care professionals (considering age, education, experience, cer-

tification, training, and other appropriate criteria) who are health care professionals employed in the private sector in employment other than self-employment.

(h) Limitation on Obligations.—The total amount of payments made during fiscal year 1989 under this section may not exceed $30,000,000.

(i) Termination of Authority.—If both reports required by paragraphs (1) and (2) of subsection (g) are not received by the committees named in such paragraphs by the respective dates specified in such paragraphs, the authority to make payments under this section shall terminate effective December 2, 1988.

SEC. 613. SPECIAL PAY FOR CRITICALLY SHORT WARTIME HEALTH SPECIALISTS IN THE SELECTED RESERVE

(a) In General.—(1) An officer of a reserve component of the Armed Forces described in paragraph (2) who executes a written agreement under which the officer agrees to serve in the Selected Reserve of an armed force for a period of not less than one year nor more than three years, beginning on the date the officer accepts the award of special pay under this section, may be paid special pay at an annual rate not to exceed $10,000.

(2) An officer referred to in paragraph (1) is an officer in a health care profession who is qualified in a specialty designated by regulations as a critically short wartime specialty.

(3) Special pay under this section shall be paid annually at the beginning of each twelve-month period for which the officer has agreed to serve.

(b) Refund Requirement.—An officer who voluntarily terminates service in the Selected Reserve of an armed force before the end of the period for which a payment was made to such officer under this section shall refund to the United States the full amount of the payment made for the period on which the payment was based.

(c) Inapplicability of Discharge in Bankruptcy.—A discharge in bankruptcy under title 11, United States Code, that is entered less than 5 years after the termination of an agreement under this section does not discharge the person receiving such special pay from the debt arising under the agreement.

(d) Termination of Agreement Authority.—No agreement under this section may be entered into after September 30, 1990.

(e) Purpose of Program.—The authority provided under this section shall be used only for the purpose of establishing and conducting a pilot test program to determine the effect that the program provided for in this section has on the retention of officers who are qualified in specialties designated by regulation as critically short wartime specialties.

(f) Regulations.—(1) This section shall be administered under regulations prescribed by the Secretary concerned and approved by the Secretary of Defense.

(2) As used in paragraph (1), the term "Secretary concerned" has the same meaning as provided in section 101(5) of title 37, United States Code.

(g) Limitations on Obligations.—The total amount of payments made during fiscal year 1989 as the result of agreements entered into under this section may not exceed $4,000,000.

(h) Report.—(1) Not later than September 1, 1988, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report containing a description of the manner in which the pilot test program provided for in this section is to be structured, including the minimum periods of service to be required for various levels of special pay under this section.

(2) Not later than February 1, 1990, the Secretary also shall submit to such committees an evaluation of the effectiveness of the program and recommendations for its continuation or modification.

(i) Effective Date.—The authority to enter into agreements under this section shall take effect 30 days after the date on which the committees referred to in subsection (h)(1) receive the report required by such subsection.

Part C—Other Personnel Benefits

SEC. 621. HOUSING LEASE INDEMNITY PROGRAM

(a) In General.—(1) Chapter 53 of title 10, United States Code, is amended by adding at the end the following new section:

"§1055. Waiver of security deposits for members renting private housing; authority to indemnify landlord

"(a) The Secretary of Defense may carry out a program under which the Secretary of a military department agrees to indemnify a landlord who leases a rental unit to a member of the armed forces against a breach of the lease by the member or for damage to the rental unit caused by the member. In exchange for agreement for such indemnification by the Secretary, the landlord shall be required to waive any requirement for payment by the member of a security deposit that the landlord would otherwise require.

"(b)(1) For purposes of carrying out a program authorized by subsection (a), the Secretary of a military department, to the extent funds are provided in advance in appropriation Acts, may enter into an agreement with any landlord who agrees to waive the requirement for a security deposit in connection with the lease of a rental unit to a member of the armed forces under the jurisdiction of the Secretary. An agreement under this paragraph shall provide that—

"(A) the term of the agreement shall remain in effect during the term of the member's lease and during any lease renewal periods with the lessor;

"(B) the member shall not pay a security deposit;

"(C) the Secretary (except as provided in subparagraphs (D) and (E)) shall compensate the landlord for breach of the lease by the member and for damage to the rental unit caused by the member or by a guest or dependent of the member;

"(D) the total liability of the Secretary for a breach of the lease or for damage described in subparagraph (C) may not exceed an amount equal to the amount that the Secretary determines would have been required by the landlord as a security deposit in the absence of an agreement authorized in this paragraph;

"(E) the Secretary may not compensate the landlord for any claim for breach of the lease or for damage described in subparagraph (C) until the landlord exhausts any remedies available to the landlord (including submission to binding arbitration by a panel composed of military personnel and persons from the private sector) against the member for the breach or damage; and

"(F) the Secretary shall be subrogated to the rights of the landlord in any case in which the Secretary compensates the landlord for breach of the lease or for damage described in subparagraph (C).

"(2) Any authority of the Secretary of a military department under this section shall be exercised under regulations prescribed by the Secretary of Defense.

"(c)(1) The Secretary of a military department who compensates a landlord under subsection (b) for a breach of a lease or for damage described in subsection (b)(1)(C) may issue a special order under section 1007 of title 37 to authorize the withholding from the pay of the member of an amount equal to the amount paid by the Secretary to the landlord as compensation for the breach or damage.

"(2) Before the Secretary of a military department issues a special order under section 1007 of title 37 to authorize the withholding of any amount from the pay of a member for a breach or damage referred to in paragraph (1), the Secretary concerned shall provide the member with the same notice and opportunity for hearing and record inspection as provided an individual under section 5514(a)(2) of title 5. The Secretary concerned shall prescribe regulations, subject to the approval of the President, to carry out this paragraph. Such regulations shall be as uniform for the military departments as practicable.

"(d) In this section, the term 'landlord' means a person who leases a rental unit to a member of the armed forces.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"1055. Waiver of security deposits for members renting private housing; authority to indemnify landlord.".

(b) Effective Date.—Section 1055 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1988.

SEC. 622. RETIRED PAY INVERSIONS RESULTING FROM COURT-MARTIAL PUNISHMENT

(a) In General.—Section 1401a(f) of title 10, United States Code, is amended by inserting after the second sentence the following: "However, in the case of a member who, after initially becoming eligible for retired pay, is reduced in grade pursuant to a sentence of a court-martial, such computation may not be based on a grade higher than the grade in which the member is retired.".

(b) Effective Date.—The amendment made by subsection (a) shall take effect on the first day of the first month that begins after the date of the enactment of this Act and shall apply to the computation of the retired or retainer pay of members who initially become entitled to such pay on or after such effective date.

SEC. 623. TRAVEL AND TRANSPORTATION ALLOWANCES FOR EMERGENCY TRAVEL

(a) In General.—Section 411e(a) of title 37, United States Code, is amended by striking out "incident to the serious illness or injury or the death of a dependent of the member" and inserting in lieu thereof "incident to a personal emergency of the member".

(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to travel performed after September 30, 1988.

SEC. 624. TRAVEL AND TRANSPORTATION ALLOWANCES INCIDENT TO VOLUNTARY EXTENSION OF OVERSEAS TOURS OF DUTY

(a) Change From Mandatory to Permissive.—Section 411g(a) of title 37, United States Code, is amended by striking out "is entitled" and inserting in lieu thereof "may be paid".

(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to agreements to extend overseas tours *of duty made on and after the date of the enactment of this Act.*

SEC. 625. CIVILIAN CLOTHING ALLOWANCE

Section 419 of title 37, United States Code, is amended—

(1) by striking out "member" each place it appears and inserting in lieu thereof "officer";

(2) by striking out "is entitled" and inserting in lieu thereof "may be paid"; and

(3) by striking out "member's" and inserting in lieu thereof "officer's".

PART D—BENEFITS RELATING TO INCAPACITATION OF CERTAIN RESERVE MEMBERS IN LINE OF DUTY

SEC. 631. COMPENSATION FOR CERTAIN RESERVE MEMBERS

(a) AUTHORIZATION OF COMPENSATION.—Subsections (g) and (h) of section 204 of title 37, United States Code, are amended to read as follows:

"(g)(1) A member of a reserve component of a uniformed service is entitled to the pay and allowances provided by law or regulation for a member of a regular component of a uniformed service of corresponding grade and length of service whenever such member is physically disabled as the result of an injury, illness, or disease incurred or aggravated—

"(A) in line of duty while performing active duty;

"(B) in line of duty while performing inactive-duty training (other than work or study in connection with a correspondence course of an armed force or attendance in an inactive status at an educational institution under the sponsorship of an armed force or the Public Health Service); or

"(C) while traveling directly to or from such duty or training.

"(2) In the case of a member who receives earned income from nonmilitary employment or self-employment performed in any month in which the member is otherwise entitled to pay and allowances under paragraph (1), the total pay and allowances shall be reduced by the amount of such income. In calculating earned income for the purpose of the preceding sentence, income from an income protection plan, vacation pay, or sick leave which the member elects to receive shall be considered.

"(h)(1) A member of a reserve component of a uniformed service who is physically able to perform his military duties, is entitled, upon request, to a portion of the monthly pay and allowances provided by law or regulation for a member of a regular component of a uniformed service of corresponding grade and length of service for each month for which the member demonstrates a loss of earned income from nonmilitary employment or self-employment as a result of an injury, illness, or disease incurred or aggravated—

"(A) in line of duty while performing active duty;

"(B) in line of duty while performing inactive-duty training (other than work or study in connection with a correspondence course of an armed force or attendance in an inactive status at an educational institution under the sponsorship of an armed force or the Public Health Service); or

"(C) while traveling directly to or from such duty or training.

"(2) The monthly entitlement may not exceed the member's demonstrated loss of earned income from nonmilitary or self-employment. In calculating such loss of income, income from an income protection plan, vacation pay, or sick leave which the member elects to receive shall be considered.".

(b) LIMIT ON TOTAL COMPENSATION.—Such section is further amended by redesignating subsection (i) as subsection (j) and by inserting after subsection (h) the following new subsection (i):

"(i)(1) The total amount of pay and allowances paid under subsections (g) and (h) and compensation paid under section 206(a) of this title for any period may not exceed the amount of pay and allowances provided by law or regulation for a member of a regular component of a uniformed service of corresponding grade and length of service for that period.

"(2) Pay and allowances may not be paid under subsection (g) or (h) for a period of more than six months. The Secretary concerned may extend such period in any case if the Secretary determines that it is in the interests of fairness and equity to do so.

"(3) A member is not entitled to benefits under subsection (g) or (h) if the injury, illness, disease, or aggravation of an injury, illness, or disease is the result of the gross negligence or misconduct of the member.

"(4) Regulations with respect to procedures for paying pay and allowances under subsections (g) and (h) shall be prescribed—

"(A) by the Secretary of Defense for the armed forces under the jurisdiction of the Secretary; and

"(B) by the Secretary of Transportation for the Coast Guard when the Coast Guard is not operating as a service in the Navy.".

(c) CONFORMING AMENDMENT FOR INACTIVE-DUTY TRAINING.—Section 206(a) of such title is amended by striking out "for a period of 30 days or less" in paragraph (3)(A)(i).

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to persons who, after the date of enactment of this Act, incur or aggravate an injury, illness, or disease, or who die as the result of incurring or aggravating an injury, illness, or disease.

SEC. 632. TRAVEL FOR DEPENDENTS OF CERTAIN MEMBERS

(a) TRAVEL AUTHORIZED.—Paragraph (2) of section 411h(a) of title 37, United States Code, is amended to read as follows:

"(2) A member referred to in paragraph (1) is a member of the uniformed services who—

"(A) is serving on active duty or is entitled to pay and allowances under section 204(g) of this title (or would be so entitled were it not for offsetting earned income described in that section);

"(B) is seriously ill or seriously injured; and

"(C) is hospitalized in a medical facility in or outside the United States.".

(b) TRAVEL TO BURIAL CEREMONIES.—Section 411f(a) of such title is amended by striking out "for a period of 30 days or more in order to" and inserting in lieu thereof "or inactive duty in order that such dependents may".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1988.

SEC. 633. INJURY, DISABILITY, AND DEATH COMPENSATION COVERAGE FOR ROTC CADETS DURING MILITARY TRAINING ACTIVITIES

(a) AUTHORITY TO PRESCRIBE TRAINING.—(1) Subsection (a) of section 2109 of title 10, United States Code, is amended to read as follows:

"(a) For the further practical instruction of members of, and designated applicants for membership in, the program, the Secretary of the military department concerned may prescribe and conduct practical military training, in addition to field training and practice cruises prescribed under section 2104(b)(6) of this title. The Secretary concerned may require that some or all of the training prescribed under this subsection must be completed by a member before the member is commissioned.".

(2) Subsection (b) of such section is amended—

(A) by striking out "may—" and inserting in lieu thereof ", with respect to practical military training prescribed under this section and field training and practice cruises prescribed under section 2104(b)(6) of this title, may—"; and

(B) by striking out "field training" each place it appears and inserting in lieu thereof "such training".

(3)(A) The heading of such section is amended to read as follows:

"§2109. Practical military training".

(B) The item relating to such section in the table of sections at the beginning of chapter 103 of such title is amended to read as follows:

"2109. Practical military training.".

(b) COVERAGE FOR INJURY, DISABILITY, AND DEATH.—Section 8140 of title 5, United States Code, is amended—

(1) in subsection (a)—

(A) by striking out "disability or death from an injury" and inserting in lieu thereof "an injury, disability, or death"; and

(B) by striking out "field" before "training";

(2) in subsection (f), by striking out "while attending field training or a practice cruise under chapter 103 of title 10" and inserting in lieu thereof "by a military department in a facility of a military department"; and

(3) by adding at the end thereof the following new subsection:

"(g) For purposes of this section, the term 'applicant for membership' includes a student enrolled, during a semester or other enrollment term, in a course which is part of Reserve Officers' Training Corps instruction at an educational institution.".

(c) TRAINING INCLUDED WITHIN CERTAIN DEFINITIONS.—(1) Paragraph (22)(D) of section 101 of title 38, United States Code, is amended—

(A) by striking out "field"; and

(B) by inserting "for a period of not less than four weeks and which must be completed by the member before the member is commissioned" after "title 10".

(2) Paragraph (23) of such section is amended—

(A) by striking out "and" at the end of clause (A);

(B) by striking out the period at the end of clause (B) and inserting in lieu thereof "; and"; and

(C) by inserting after clause (B) the following new clause:

"(C) training (other than active duty for training) by a member of, or applicant for membership (as defined in section 8140(g) of title 5) in, the Senior Reserve Officers' Training Corps prescribed under chapter 103 of title 10.".

(d) PAY STATUS WHILE IN CERTAIN TRAINING.—Section 209(c) of title 37, United States Code, is amended by striking out "field training or practice cruises under section 2109 of title 10" and inserting in lieu thereof "training or practice cruises under chapter 103 of title 10 if the training or cruise is of at least four weeks duration and must be completed before the cadet or midshipman is commissioned.".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply only with respect to training performed after September 30, 1988.

PART E—HEALTH CARE MANAGEMENT PROVISIONS

SEC. 641. REQUIREMENT TO SUBMIT END STRENGTHS AND MANPOWER REPORT FOR MEDICAL PERSONNEL

(a) END STRENGTH REQUIREMENT.—Section 115(b)(1) of title 10, United States Code, is amended by adding at the end the following new subparagraph:

"(D) At the same time the President submits the budget for any fiscal year to Congress pursuant to section 1105 of title 31, the Secretary of Defense shall submit to Congress recommendations for the end strength levels for medical personnel for each component of the armed forces as of the end of that fiscal year. For purposes of this subparagraph, the term 'medical personnel' includes—

"(i) in the Army, members of the Medical Corps, Dental Corps, Nurse Corps, Medical Service Corps, Veterinary Corps, and Army Medical Specialist Corps;

"(ii) in the Air Force, members designated as medical officers, dental officers, Air Force nurses, medical service officers, and biomedical science officers;

"(iii) in the Navy, members of the Medical Corps, Dental Corps, Nurse Corps, and Medical Service Corps;

"(iv) enlisted personnel engaged in or supporting medically-related activities; and

"(v) such other personnel as the Secretary considers appropriate.".

(b) MANPOWER REPORT REQUIREMENT.—Section 115(b)(3)(B) of such title is amended—

(1) by striking out "and" at the end of clause (ii);

(2) by striking out the period at the end of clause (iii) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new clause:

"(iv) the manpower required to perform the medical missions of the armed forces and the Department of Defense.".

SEC. 642. REQUIREMENTS WITH RESPECT TO CERTAIN NAVY MEDICAL PERSONNEL

Of the amount appropriated for operation and maintenance for the Navy for fiscal year 1989, $15,000,000 shall be available only for the pay and allowances of those civilian employees of the Navy—

(1) hired after September 30, 1988, to perform duties in support of Navy medical treatment facilities; and

(2) only to the extent that the number of such employees hired after that date results in a greater number of such employees performing those duties for the Navy than were performing those duties for the Navy on September 30, 1988.

SEC. 643. PROVISIONS RELATING TO NAVY HEALTH PROFESSION PERSONNEL

(a) REPEAL.—Section 723 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1116) is repealed.

(b) MINIMUM REQUIREMENTS.—(1) Of the total number of officers authorized to be serving on active duty in the Navy as of September 30, 1989, under section 401(2), 11,940 shall be available only for assignment to duties in health profession specialties.

(2) Of the total number of officers authorized to be serving on active duty in the Navy as of September 30, 1990, 12,240 shall be available only for assignment to duties in health profession specialties.

(3) Of the total number of officers authorized to be serving on active duty in the Navy as of September 30, 1991, 12,510 shall be available only for assignment to duties in health profession specialties.

SEC. 644. SHARING OF HEALTH-CARE RESOURCES BETWEEN THE DEPARTMENT OF DEFENSE AND THE VETERANS' ADMINISTRATION

Of the total amount appropriated for operation and maintenance for the Department of Defense for fiscal year 1989, $20,000,000 shall be available only for sharing health-care resources between the Department of Defense and the Veterans' Administration under section 5011 of title 38, United States Code, or under section 1535 of title 31, United States Code.

SEC. 645. EXTENSION OF TERMINATION DATE FOR FORMER PUBLIC HEALTH SERVICE HOSPITALS AND REQUIREMENT THAT SUCH HOSPITALS BE COST EFFECTIVE

Section 1252(e) of the Department of Defense Authorization Act, 1984 (42 U.S.C. 248d(e)), is amended—

(1) by striking out "1988" in the first sentence and inserting in lieu thereof "1990";

(2) by striking out "which identifies" in the second sentence and all that follows through the end of that sentence and inserting in lieu thereof the following: "which (1) identifies the facility whose status is being terminated, (2) specifies the date on which such status is being terminated, and (3) certifies that more cost-effective medical and dental care for members and former members of the uniformed services or their dependents is available elsewhere in the same geographic area."; and

(3) by inserting after the third sentence the following: "Each such copy of the order shall include a copy of the certification required in clause (3) of the second sentence of this subsection and shall contain cost data substantiating the termination decision and identifying how more cost-effective care could be provided to the affected individuals.".

SEC. 646. ELIGIBILITY OF CERTAIN INSTITUTIONS TO RECEIVE REIMBURSEMENT UNDER CHAMPUS

(a) ACTIVE-DUTY DEPENDENTS.—(1) Section 1079(b) of title 10, United States Code, is amended by adding at the end of paragraph (1) the following: "The Secretary of Defense may exempt a patient from paying such amount if the hospital to which the patient is admitted does not impose a legal obligation on any of its patients to pay for inpatient care.".

(2) Section 1079 of such title is further amended by adding at the end the following new subsection:

"(m)(1) Subject to paragraph (2), the Secretary of Defense may, upon request, make payments under this section for a charge for services for which a claim is submitted under a plan contracted for under subsection (a) to a hospital that does not impose a legal obligation on any of its patients to pay for such services.

"(2) A payment under paragraph (1) may not exceed the average amount paid for comparable services in the geographic area in which the hospital is located or, if no comparable services are available in that area, in an area similar to the area in which the hospital is located.

"(3) The Secretary of Defense shall periodically review the billing practices of each hospital the Secretary approves for payment under this subsection to ensure that the hospital's practices of not billing patients for payment are not resulting in increased costs to the Government.

"(4) The Secretary of Defense may require each hospital the Secretary approves for payment under this subsection to provide evidence that it has sources of revenue to cover unbilled costs.".

(b) RETIREES AND THEIR DEPENDENTS.—(1) Section 1086(b) of title 10, United States Code, is amended in paragraph (3) by adding at the end the following: "The Secretary of Defense may exempt a patient from paying such charges if the hospital to which the patient is admitted does not impose a legal obligation on any of its patients to pay for inpatient care.".

(2) Section 1086 of such title is further amended by adding at the end the following new subsection:

"(h)(1) Subject to paragraph (2), the Secretary of Defense may, upon request, make payments under this section for a charge for services for which a claim is submitted under a plan contracted for under subsection (a) to a hospital that does not impose a legal obligation on any of its patients to pay for such services.

"(2) A payment under paragraph (1) may not exceed the average amount paid for comparable services in the geographic area in which the hospital is located or, if no comparable services are available in that area, in an area similar to the area in which the hospital is located.

"(3) The Secretary of Defense shall periodically review the billing practices of each hospital the Secretary approves for payment under this subsection to ensure that the hospital's practices of not billing patients for payment are not resulting in increased costs to the Government.

"(4) The Secretary of Defense may require each hospital the Secretary approves for payment under this subsection to provide evidence that it has sources of revenue to cover unbilled costs.".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply with respect to medical care received after September 30, 1988.

PART F—MISCELLANEOUS

SEC. 651. LIMITED EXTENSION OF CERTAIN MEDICAL BENEFITS FOR FORMER SPOUSES

(a) MEDICAL COVERAGE.—Section 1076 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f)(1) A person described in paragraph (2) shall be considered a dependent for purposes of this section for a period of one year after the date of the person's final decree of divorce, dissolution, or annulment. In addition, if such a person purchases a conversion health policy within the one-year period referred to in the preceding sentence, such person shall be entitled, upon request, to medical and dental care prescribed by section 1077 of this title for a period of one year after the purchase of the policy for any condition of the person that existed on the date on which coverage under the policy begins and for which care is not provided under that policy.

"(2) A person referred to in paragraph (1) is a person who would qualify as a dependent under section 1072(2)(G) but for the fact that the person's final decree of divorce, dissolution, or annulment is dated on or after April 1, 1985.

"(3) In this subsection, the term 'conversion health policy' means a health insurance plan with a private insurer, developed through negotiations between the Secretary of Defense and a private insurer, that is available for purchase by or for the use of persons described in paragraph (2).".

(b) CONFORMING AMENDMENT.—Section 645(c) of the Department of Defense Authorization Act, 1985 (10 U.S.C. 1072 note) is repealed effective as of the effective date of section 1076(f) of title 10, United States Code (as added by subsection (a)).

(c) TRANSITION.—Any person who qualified as a dependent under section 645(c) of the Department of Defense Authorization Act, 1985, as in effect before its repeal by subsection (b), shall remain qualified as a dependent as specified in that section and shall become eligible for benefits in accordance with section 1076(f) of title 10, United States Code (as added by subsection (a)), when no longer qualified as a dependent pursuant to such section 645(c).

(d) EFFECTIVE DATE.—Section 1076(f) of title 10, United States Code, as added by subsection (a), shall take effect on the date of enactment of this Act or 30 days after the Secretary of Defense first makes available a conversion health policy (as defined in such section), whichever is later. Such section shall apply to persons whose decree of divorce, dissolution, or annulment becomes final after the date of the enactment of this Act.

SEC. 652. TECHNICAL CORRECTION TO SURVIVOR BENEFIT PLAN COVERAGE OF FORMER SPOUSES

(a) INCLUSION OF FORMER SPOUSES IN SAVINGS PROVISION.—Section 1451(e)(1) of title 10, United States Code, is amended—

(1) by striking out "widow or widower" in subparagraph (A) and inserting in lieu thereof "widow, widower, or former spouse"; and

(2) by inserting "or former spouse" in subparagraph (B) after "A spouse".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to payments under the Survivor Benefit Plan established under subchapter II of chapter 73 of title 10, United States Code, for periods after February 28, 1986.

SEC. 653. ANNUITY FOR CERTAIN SURVIVING SPOUSES

(a) ANNUITY.—(1) The Secretary concerned shall pay an annuity to the qualified surviving spouse of each member of the uniformed services who—

(A) died before November 1, 1953; and

(B) was entitled to retired or retainer pay on the date of death.

(2) A qualified surviving spouse for purposes of this section is a surviving spouse who has not remarried and who is eligible for an annuity under section 4 of Public Law 92-425 (10 U.S.C. 1448 note).

(b) AMOUNT OF ANNUITY.—(1) An annuity payable under this section shall be paid at the rate of $165 per month, as adjusted from time to time under subsection (c).

(2) An annuity paid to a surviving spouse under this section shall be reduced by the amount of dependency and indemnity compensation (DIC) to which the surviving spouse is entitled under section 411(a) of title 38, United States Code.

(c) COST-OF-LIVING INCREASES.—Whenever retired or retainer pay is increased under section 1401a(b)(2) of title 10, United States Code, each annuity that is payable under this section shall be increased at the same time and by the same total percent. The amount of the increase shall be based on the monthly annuity payable before any reduction under this section.

(d) RELATIONSHIP TO OTHER PROGRAMS.—An annuity paid to a surviving spouse under this section is in addition to any pension to which the surviving spouse is entitled under subchapter III of chapter 15 of title 38, United States Code, or section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978 (38 U.S.C. 521 note), and any payment made under the provisions of section 4 of Public Law 92-425. An annuity paid under this section shall not be considered as income for the purposes of eligibility for any such pension.

(e) DEFINITIONS.—For purposes of this section:

(1) The terms "uniformed services" and "Secretary concerned" have the meanings given those terms in section 101 of title 37, United States Code.

(2) The term "surviving spouse" has the meaning given the terms "widow" and "widower" in paragraphs (3) and (4), respectively, of section 1447 of title 10, United States Code.

(f) EFFECTIVE DATE.—Annuities under this section shall be paid for months beginning after the month in which this Act is enacted. No benefit shall accrue to any person by reason of the enactment of this section for any period before the first month referred to in the preceding sentence. No benefit shall be paid to any person under this section unless an application for such benefit has been filed with the Secretary concerned by or on behalf of such person.

SEC. 654. REPORT ON DEFINITION OF DEPENDENT FOR CERTAIN PURPOSES

(a) REPORT.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the desirability of providing in law a more uniform and consistent definition of the term "dependent" for the purpose of determining the eligibility of a person, based upon the relationship of such person to a member or former member of the uniformed services, for various rights and benefits provided by law, including the following:

(1) Pay and allowances under title 37, United States Code.

(2) Rights and benefits (including eligibility for travel and commissary store privileges) under chapters 53 and 54 of title 10, United States Code.

(3) Medical and dental care under chapter 55 of title 10, United States Code.

(b) DEADLINE FOR REPORT.—The Secretary shall submit the report required by subsection (a) not later than March 15, 1989, together with such comments and recommendations for legislation as he considers appropriate.

TITLE VII—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

PART A—ORGANIZATION

SEC. 701. AUTHORITY TO ESTABLISH POSITION OF ASSISTANT SECRETARY OF DEFENSE FOR INTELLIGENCE

Paragraph (3) of section 136(b) of title 10, United States Code, is amended to read as follows:

"(3)(A) One of the Assistant Secretaries shall be the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence. He shall have as his principal duty the overall supervision of command, control, communications, and intelligence affairs of the Department of Defense.

"(B) Notwithstanding subparagraph (A), one of the Assistant Secretaries established by the Secretary of Defense may be an Assistant Secretary of Defense for Intelligence, who shall have as his principal duty the overall supervision of intelligence affairs of the Department of Defense.

"(C) If the Secretary of Defense establishes an Assistant Secretary of Defense for Intelligence, the Assistant Secretary provided for under subparagraph (A) shall be the Assistant Secretary of Defense for Command, Control, and Communications and shall have as his principal duty the overall supervision of command, control, and communications affairs of the Department of Defense.".

SEC. 702. DESIGNATION IN EACH MILITARY DEPARTMENT OF ASSISTANT SECRETARY WITH RESPONSIBILITY FOR FINANCIAL MANAGEMENT

(a) DEPARTMENT OF THE ARMY.—(1) Section 3016(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(4) One of the Assistant Secretaries shall be the Assistant Secretary of the Army for Financial Management. The Assistant Secretary shall have as his principal responsibility the exercise of the comptroller functions of the Department of the Army, including financial management functions. The Assistant Secretary shall be responsible for all financial management activities and operations of the Department of the Army and shall advise the Secretary of the Army on financial management.".

(2) Chapter 303 of such title is amended by adding at the end the following new section:

"§3022. Financial management

"(a) The Secretary of the Army shall provide that the Assistant Secretary of the Army for Financial Management shall direct and manage financial management activities and operations of the Department of the Army, including ensuring that financial management systems of the Department of the Army comply with subsection (b). The authority of the Assistant Secretary for such direction and management shall include the authority to—

"(1) supervise and direct the preparation of budget estimates of the Department of the Army and otherwise carry out, with respect to the Department of the Army, the functions specified for the Comptroller of the Department of Defense in section 137(c) of this title;

"(2) approve and supervise any project to design or enhance a financial management system for the Department of the Army; and

"(3) approve the establishment and supervise the operation of any asset management system of the Department of the Army, including—

"(A) systems for cash management, credit management, and debt collection; and

"(B) systems for the accounting for the quantity, location, and cost of property and inventory.

"(b)(1) Financial management systems of the Department of the Army (including accounting systems, internal control systems, and financial reporting systems) shall be established and maintained in conformance with—

"(A) the accounting and financial reporting principles, standards, and requirements established by the Comptroller General under section 3511 of title 31; and

"(B) the internal control standards established by the Comptroller General under section 3512 of title 31.

"(2) Such systems shall provide for—

"(A) complete, reliable, consistent, and timely information which is prepared on a uniform basis and which is responsive to the financial information needs of department management;

"(B) the development and reporting of cost information;

"(C) the integration of accounting and budgeting information; and

"(D) the systematic measurement of performance.

"(c) The Assistant Secretary shall maintain a five-year plan describing the activities the Department of the Army proposes to conduct over the next five fiscal years to improve financial management. Such plan shall be revised annually.

"(d) The Assistant Secretary of the Army for Financial Management shall transmit to the Secretary of the Army a report each year on the activities of the Assistant Secretary during the preceding year. Each such report shall include a description and analysis of the status of Department of the Army financial management.".

(3) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"3022. Financial management.".

(b) Department of the Navy.—Section 5016(b) of such title is amended by adding at the end the following new paragraph:

"(3) One of the Assistant Secretaries shall be the Assistant Secretary of the Navy for Financial Management. The Assistant Secretary shall have as his principal responsibility the exercise of the comptroller functions of the Department of the Navy, including financial management functions. The Assistant Secretary shall be responsible for all financial management activities and operations of the Department of the Navy and shall advise the Secretary of the Navy on financial management.".

(2) Chapter 503 of such title is amended by adding at the end the following new section:

"§5025. Financial management

"(a) The Secretary of the Navy shall provide that the Assistant Secretary of the Navy for Financial Management shall direct and manage financial management activities and operations of the Department of the Navy, including ensuring that financial management systems of the Department of the Navy comply with subsection (b). The authority of the Assistant Secretary for such direction and management shall include the authority to—

"(1) supervise and direct the preparation of budget estimates of the Department of the Navy and otherwise carry out, with respect to the Department of the Navy, the functions specified for the Comptroller of the Department of Defense in section 137(c) of this title;

"(2) approve and supervise any project to design or enhance a financial management system for the Department of the Navy; and

"(3) approve the establishment and supervise the operation of any asset management system of the Department of the Navy, including—

"(A) systems for cash management, credit management, and debt collection; and

"(B) systems for the accounting for the quantity, location, and cost of property and inventory.

"(b)(1) Financial management systems of the Department of the Navy (including accounting systems, internal control systems, and financial reporting systems) shall be established and maintained in conformance with—

"(A) the accounting and financial reporting principles, standards, and requirements established by the Comptroller General under section 3511 of title 31; and

"(B) the internal control standards established by the Comptroller General under section 3512 of title 31.

"(2) Such systems shall provide for—

"(A) complete, reliable, consistent, and timely information which is prepared on a uniform basis and which is responsive to the financial information needs of department management;

"(B) the development and reporting of cost information;

"(C) the integration of accounting and budgeting information; and

"(D) the systematic measurement of performance.

"(c) The Assistant Secretary shall maintain a five-year plan describing the activities the Department of the Navy proposes to conduct over the next five fiscal years to improve financial management. Such plan shall be revised annually.

"(d) The Assistant Secretary of the Navy for Financial Management shall transmit to the Secretary of the Navy a report each year on the activities of the Assistant Secretary during the preceding year. Each such report shall include a description and analysis of the status of Department of the Navy financial management.".

(3) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"5025. Financial management.".

(c) Department of the Air Force.—Section 8016(b) of such title is amended by adding at the end the following new paragraph:

"(3) One of the Assistant Secretaries shall be the Assistant Secretary of the Air Force for Financial Management. The Assistant Secretary shall have as his principal responsibility the exercise of the comptroller functions of the Department of the Air Force, including financial management functions. The Assistant Secretary shall be responsible for all financial management activities and operations of the Department of the Air Force and shall advise the Secretary of the Air Force on financial management.".

(2) Chapter 803 of such title is amended by adding at the end the following new section:

"§8022. Financial management

"(a) The Secretary of the Air Force shall provide that the Assistant Secretary of the Air Force for Financial Management shall direct and manage financial management activities and operations of the Department of the Air Force, including ensuring that financial management systems of the Department of the Air Force comply with subsection (b). The authority of the Assistant Secretary for such direction and management shall include the authority to—

"(1) supervise and direct the preparation of budget estimates of the Department of the Air Force and otherwise carry out, with respect to the Department of the Air Force, the functions specified for the Comptroller of the Department of Defense in section 137(c) of this title;

"(2) approve and supervise any project to design or enhance a financial management system for the Department of the Air Force; and

"(3) approve the establishment and supervise the operation of any asset management system of the Department of the Air Force, including—

"(A) systems for cash management, credit management, and debt collection; and

"(B) systems for the accounting for the quantity, location, and cost of property and inventory.

"(b)(1) Financial management systems of the Department of the Air Force (including accounting systems, internal control systems, and financial reporting systems) shall be established and maintained in conformance with—

"(A) the accounting and financial reporting principles, standards, and requirements established by the Comptroller General under section 3511 of title 31; and

"(B) the internal control standards established by the Comptroller General under section 3512 of title 31.

"(2) Such systems shall provide for—

"(A) complete, reliable, consistent, and timely information which is prepared on a uniform basis and which is responsive to the financial information needs of department management;

"(B) the development and reporting of cost information;

"(C) the integration of accounting and budgeting information; and

"(D) the systematic measurement of performance.

"(c) The Assistant Secretary shall maintain a five-year plan describing the activities the Department of the Air Force proposes to conduct over the next five fiscal years to improve financial management. Such plan shall be revised annually.

"(d) The Assistant Secretary of the Air Force for Financial Management shall transmit to the Secretary of the Air Force a report each year on the activities of the Assistant Secretary during the preceding year. Each such report shall include a description and analysis of the status of Department of the Air Force financial management.".

(3) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"8022. Financial management.".

(d) Number of Assistant Secretaries in the Department of the Air Force.—Section 8016(a) of such title is amended by striking out "three" and inserting in lieu thereof "four".

(e) Effective Dates.—(1) The amendments made by subsections (a) and (b) shall take effect on January 20, 1989.

(2) The amendments made by subsections (c) and (d) shall take effect on July 1, 1989, except that such amendments shall take effect on such earlier date, but not before January 21, 1989, as may be prescribed by the President in advance by Executive Order.

SEC. 703. GENERAL COUNSELS OF MILITARY DEPARTMENTS

(a) Requirement for Advice and Consent of Senate.—Sections 3019, 5019, and 8019 of title 10, United States Code, are each amended by inserting ", by and with the advice and consent of the Senate" after "President".

(b) Applicability.—The amendments made by this section shall apply to appointments made under sections 3019, 5019, and 8019, respectively, of title 10, United States Code, on and after the date of the enactment of this Act.

SEC. 704. DEFERRAL OF RETIREMENT DATE FOR CHAIRMAN OF THE JOINT CHIEFS OF STAFF

Notwithstanding the limitation contained in the first sentence of subsection (b) of section 1251 of title 10, United States Code, the President may defer until October 1, 1989, the retirement of the officer serving as Chairman of the Joint Chiefs of Staff for the term which began on October 1, 1987.

Part B—Force Structure

SEC. 711. ASSIGNMENT OF COMBATANT FORCES

Section 162(a) of title 10, United States Code, is amended—

(1) in paragraph (1), by inserting "or to the United States element of the North American Air Defense Command" in the first sentence after "combatant commands";

(2) in paragraph (2), by inserting "or to the United States element of the North American Air Defense Command" after "combatant commands"; and

(3) in paragraph (3), by inserting "or to the United States element of the North American Air Defense Command" after "combatant command".

SEC. 712. RESPONSIBILITY AND AUTHORITY OF COMMANDER OF SPECIAL OPERATIONS COMMAND

Section 167(e) of title 10, United States Code, is amended—

(1) by striking out "activities, including the following functions:" and inserting in lieu thereof "activities.

"(2) The commander of such command shall be responsible for, and shall have the authority to conduct, the following functions relating to special operations activities (whether or not relating to the special operations command):";

(2) by striking out subparagraphs (F) and (G);

(3) by redesignating subparagraphs (B) through (E) as subparagraphs (D) through (G), respectively,;

(4) by inserting after subparagraph (A) the following new subparagraphs:

"(B) Preparing and submitting to the Secretary of Defense program recommendations and budget proposals for special operations forces and for other forces assigned to the special operations command.

"(C) Exercising authority, direction, and control over the expenditure of funds—

"(i) for forces assigned to the special operations command; and

"(ii) for speical operations forces assigned to unified combatant commands other than the special operations command, with respect to all matters covered by paragraph (4) and, with respect to a matter not covered by paragraph (4), to the extent directed by the Secretary of Defense.".

(5) by striking out paragraph (2) (as in effect immediately before the enactment of this Act) and inserting in lieu thereof the following:

"(3) The commander of the special operations command shall be responsible for—

"(A) ensuring the combat readiness of forces assigned to the special operations command; and

"(B) monitoring the preparedness to carry out assigned missions of special operations forces assigned to unified combatant commands other than the special operations command.

"(4)(A) The commander of the special operations command shall be responsible for, and shall have the authority to conduct, the following:

"(i) Development and acquisition of special operations-peculiar equipment.

"(ii) Acquisition of special operations-peculiar material, supplies, and services.";

(6) by striking out "(3) Subject to" and inserting in lieu thereof "(B) Subject to";

(7) by striking out "paragraph (1)(G)" and inserting in lieu thereof "subparagraph (A)"; and

(8) by designating the sentence beginning "The staff of the commander" as subparagraph (C).

SEC. 713. STRATEGIC AIR DEFENSE ALERT MISSION

(a) LIMITATION.—Except as provided in subsection (b)(2), the Secretary of the Air Force may not make any change in the alert status of any Air National Guard unit in the strategic air defense mission in the northern portion of the United States, or in the deployment of units assigned to that mission, from that status and deployment as in effect on April 10, 1988.

(b) REPORT.—(1) After the North Warning System and the Over-the-Horizon Backscatter Radar System are deployed and in operation as replacements for the Distant Early Warning (DEW line) system, the Secretary of Defense, acting through the Chairman of the Joint Chiefs of Staff, shall submit to Congress a report on those systems. The report shall—

(A) describe the implementation of those systems and their operational capability and effectiveness as demonstrated up to the time of the report;

(B) describe plans, in light of those new systems, for the forward deployment of the interceptor aircraft from United States bases during periods of heightened international tension; and

(C) clarify the alert status in the strategic air defense mission, under those new systems, of elements of the Air Force (including elements of the reserve components) at Air Force bases in the northern portions of the United States.

(2) The limitation in subsection (a) shall cease to apply 180 days after the date on which Congress receives the report required by paragraph (1).

(c) INTERIM REPORT.—Not later than February 1, 1989, the Secretary of Defense, acting through the Chairman of the Joint Chiefs of Staff, shall submit to Congress a report setting forth in detail each of the following:

(1) A description of the radar surveillance system and the alert and non-alert interceptor aircraft which will be available during each of fiscal years 1989, 1990, and 1991 along the northern border of the United States to carry out the strategic air defense mission.

(2) A description of the specific contributions to the strategic air defense mission expected to be made by the units identified in subsection (a) during each of those fiscal years.

(3) A specific recommendation as to whether the limitation in subsection (b) should be renewed and made permanent after fiscal year 1989.

SEC. 714. REPORTS ON BUDGETS FOR UNIFIED AND SPECIFIED COMMANDS

(a) REPORTS BY COMMANDERS OF COMBATANT COMMANDS.—(1) The commander of each of the unified and specified commands shall, not later than April 1, 1989, prepare an independent report on the implementation of the resource allocation provisions of title 10, United States Code, enacted by the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433) that are specified in paragraph (2) and any other resource allocation provision enacted by that Act which the commander concerned considers appropriate.

(2) The sections of title 10, United States Code, referred to in paragraph (1) are the following:

(A) Section 153(a)(4) (A), (B), (C), and (D), relating to advice on requirements, program, and budget.

(B) Section 163(b)(2), relating to the role of the Chairman as spokesman for the commanders of the unified and specified combatant commands.

(C) Section 166, relating to budget proposals for such commands.

(b) MATTERS TO BE INCLUDED.—Each report required by subsection (a) shall address the following matters:

(1) The status of implementation of each of the provisions referred to in subsection (a)(2) and any other related resource allocation provisions.

(2) For any provision referred to in subsection (a)(2) that is not fully implemented and for which the commander is responsible or shares responsibility, the date estimated by the commander concerned for final implementation of such provisions.

(3) An evaluation of the effect that each provision referred to in subsection (a)(2) has had or will have on (A) improving decisions within the Department of Defense with respect to the allocation of resources, and (B) improving the implementation of such decisions.

(4) With respect to section 166 of title 10, United States Code, the assessment by the commander, supported by actual examples, of what the effect would be of a small budget (in an annual amount of not more than $50,000,000) that would be managed by the Chairman of the Joint Chiefs of Staff but which would be controlled for execution by the commander and that would be available for activities to which the commander assigns a high priority, such as—

(A) JCS/non-JCS exercises (including foreign country participation);

(B) on-going contingencies;

(C) command and control;

(D) training; and

(E) selected operations.

(5) The views of the commander on the optimum role of the unified and specified commands in resource allocation decisionmaking and execution within the Department of Defense.

(6) The assessment of the commander concerning the degree to which that optimum role is played, as of the time of the preparation of the report, by his command.

(7) The assessment of the commander of whether current law, regulations, policies, and procedures provide the latitude for his command to play that optimum role.

(c) REPORT BY CHAIRMAN OF JOINT CHIEFS OF STAFF.—(1) The Chairman of the Joint Chiefs of Staff shall, not later than April 1, 1989, prepare a report on the implementation of the resource allocation provisions of title 10, United States Code, enacted by the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433) that are specified in paragraph (2) and any other resource allocation provision enacted by that Act which the Chairman considers appropriate.

(2) The sections of title 10, United States Code, referred to in paragraph (1) are the following:

(A) Section 113(g), relating to annual guidance by the Secretary of Defense to the heads of Department of Defense components.

(B) Section 153(a)(2)(A), relating to the preparation of strategic plans.

(C) Section 153(a)(3)(C), relating to the preparation and review of contingency plans.

(D) Section 153(a)(4), relating to advice by the Chairman to the Secretary of Defense concerning the requirements, programs, and budget of the Department of Defense.

(E) Section 163(b)(2), relating to the role of the Chairman as spokesman for the commanders of the unified and specified combatant commands.

(F) Section 166, relating to budget proposals for such commands.

(d) MATTERS TO BE INCLUDED.—The report required by subsection (c) shall address the following matters:

(1) The status of implementation of each of the provisions referred to in subsection (c)(2) and any other related resource allocation provisions.

(2) For any provision referred to in subsection (c)(2) that is not fully implemented, the

date estimated by the Chairman for final implementation of such provisions.

(3) An evaluation of the effect that each provision referred to in subsection (c)(2) has had or will have on (A) improving decisions within the Department of Defense with respect to the allocation of resources, and (B) improving the implementation of such decisions.

(4) The views of the Chairman on the optimum role of the unified and specified commands, the Joint Staff, and the Chairman in resource allocation decisionmaking and execution within the Department of Defense.

(5) The assessment of the Chairman concerning the degree to which those optimum roles are played, as of the time of the preparation of the report, by the unified and specified commands, the Joint Staff, and the Chairman.

(6) The assessment of the Chairman of whether current law, regulations, policies, and procedures provide the latitude for the unified and specified commands, the Joint Staff, and the Chairman to play those optimum roles.

(e) Submission of Reports.—The commanders of the unified and specified commands shall each submit the report required by subsection (a) to the Secretary of Defense. The Chairman of the Joint Chiefs of Staff shall submit the report required by subsection (c) to the Secretary. The Secretary shall transmit those reports, without change, to the Committees on Armed Services of the Senate and House of Representatives not later than April 1, 1989, together with such comments on the reports and such recommendations as the Secretary considers appropriate.

SEC. 715. REPORT ON INITIAL REVIEW OF UNIFIED COMMAND PLAN AND INITIAL REVIEW OF SERVICE ROLES AND MISSIONS

(a) Report Requirement.—Not later than April 1, 1989, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the implementation of sections 153(b) and 161(b) of title 10, United States Code.

(b) Initial Review of Service Roles and Missions.—With respect to the initial report of the Chairman of the Joint Chiefs of Staff to the Secretary of Defense under such section 153(b) (relating to the assignment of functions (or roles and missions) to the Armed Forces), the report under subsection (a) shall particularly describe how such report addressed each of the matters that the Chairman was required (under the second sentence of such section) to consider in preparing the report.

(c) Initial Review of the Unified Command Plan.—With respect to the initial review of the Chairman under such section 161(b) (relating to the missions, responsibilities, and force structures of the unified and specified combatant commands), the report under subsection (a) shall particularly describe how such review took into consideration each of the matters specified in paragraphs (1) through (10) of section 212(a) of the Goldwater-Nickles Department of Defense Reorganization Act of 1986 (Public Law 99-433; 100 Stat. 1017).

(d) Matters To Be Included.—The report under subsection (a) shall describe, with respect to the reports referred to in subsections (b) and (c)—

(1) the Secretary's evaluation of each of the findings and conclusions of the Chairman in each such report;

(2) how the Secretary has implemented (or proposes to implement) each of the recommendations in each such report; and

(3) such recommendations for further legislative and administrative action as the Secretary considers appropriate based on his review of the reports.

PART C—PERSONNEL-RELATED PROVISIONS

SEC. 721. REGULATIONS FOR DELIVERY OF MILITARY PERSONNEL TO CIVIL AUTHORITIES WHEN CHARGED WITH CERTAIN OFFENSES

(a) Not later than 90 days after the date of enactment of this Act, the Secretary of Defense shall ensure that the Secretaries of the military departments have issued uniform regulations pursuant to section 814 of title 10, United States Code, to provide for the delivery of members of the Armed Forces to civilian authority when such members have been accused of offenses against civil authority. Such regulations shall specifically provide for the delivery of such members to civilian authority, in appropriate cases, when such members are accused of parental kidnapping and other similar offenses, including criminal contempt arising from such offenses and from child custody matters, and shall specifically address the special needs for the exercise of the authority contained in section 814 of title 10, United States Code, when members of the Armed Forces assigned overseas are accused of offenses by civilian authorities.

(b) Not later than 120 days after the enactment of this Act, the Secretary of Defense shall transmit to the Committees on Armed Services of the Senate and House of Representatives a copy of all regulations promulgated under section 814 of title 10, United States Code, as a result of this section and any recommendations that the Secretary may have concerning the need for additional legislation related to the amenability of members of the Armed Forces to civil authority.

SEC. 722. ANNUITIES FOR JUDGES OF UNITED STATES COURT OF MILITARY APPEALS

(a) In General.—Section 867 of title 10, United States Code (article 67 of the Uniform Code of Military Justice), is amended by adding at the end the following new subsection:

"(i)(1) A judge of the United States Court of Military Appeals who is separated from civilian service in the Federal Government after completing the term of service for which he was appointed as a judge of the court is eligible for an annuity under this subsection. An individual who is a former judge of the court who is separated from civilian service in the Federal Government and who completed the term of service on the court for which he was appointed is eligible for an annuity under this subsection. A judge or former judge who is eligible for an annuity under this subsection shall be paid that annuity if he elects, at the time he becomes eligible to receive that annuity, in lieu of any other annuity for which he may be eligible at the time of such election (whether an immediate or a deferred annuity) under subchapter III of chapter 83 or chapter 84 of title 5 or any other retirement system for civilian employees of the Federal Government. Such an election may not be revoked.

"(2) The annuity of a judge or former judge under this subsection is 80 percent of the rate of pay for a judge in active service on the United States Court of Military Appeals as of the date on which the judge or former judge is separated from civilian service.

"(3) Nothing in this subsection affects any right of a judge or former judge to participate in the thrift savings plan under subchapter III of chapter 84 of title 5.

"(4) The Secretary of Defense shall prescribe by regulation a program to provide annuities for survivors and former spouses of judges and former judges who receive an annuity under this subsection. That program shall, to the maximum extent practicable, provide benefits and establish terms and conditions that are similar to those provided under survivor and former spouse annuity programs under retirement systems for civilian employees of the Federal Government. The program may include provisions for the reduction in the annuity paid the judge or former judge as a condition for the annuity. An election by a judge or former judge to receive an annuity under this subsection terminates any right or interest which any individual may have to an annuity under any other retirement system for civilian employees of the Federal Government based on the service of the judge or former judge.

"(5) The Secretary of Defense shall periodically increase annuities and survivor annuities paid under this subsection in order to take account of changes in the cost of living. The Secretary shall prescribe by regulation procedures for increases in annuities under this subsection. Such system shall, to the maximum extent appropriate, provide cost-of-living adjustments that are similar to those that are provided under other retirement systems for civilian employees of the Federal Government.

"(6) A retired judge or former judge of the court who is receiving an annuity under this subsection and who is appointed to a position in the Federal Government shall, during the period of such retired judge's or former judge's service in such position, be entitled to receive only the annuity under this subsection or the pay for that position, whichever is paid at the higher rate.

"(7) A retired judge or former judge who is entitled to an annuity under this subsection and who later is appointed as a justice or judge of the United States to hold office during good behavior and who retires from that office, or from regular active service in that office, shall be paid either (A) the annuity under this subsection, or (B) the annuity or salary to which he is entitled by reason of his service as such a justice or judge of the United States, as determined by an election by the judge or former judge at the time of such retirement from the office, or from regular active service in the office, of justice or judge of the United States. Such an election may not be revoked.

"(8) Annuities and survivor annuities paid under this subsection shall be paid out of the Department of Defense Military Retirement Fund.".

(b) Deadline for Establishment of Survivor Program.—The Secretary of Defense shall establish the program required by paragraph (4) of section 867(i) of title 10, United States Code, as added by subsection (a), not later than one year after the date of the enactment of this Act.

(c) Technical Amendment.—Section 867(a)(4) of title 10, United States Code, is amended by inserting "or an annuity under subsection (i) or subchapter III of chapter 83 or chapter 84 of title 5" after "retired pay" both places it appears.

(d) Effective Date.—Subsection (i) of section 867 of title 10, United States Code, as added by subsection (a), shall apply with respect to judges of the United States Court of Military Appeals whose term of service on such court ends on or after the date of the enactment of this Act and to the survivors of such judges.

PART D—OTHER

SEC. 731. ANNUAL NET ASSESSMENTS

Section 113(j) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(j)";

(2) by striking out the second sentence; and

(3) by adding at the end the following:

"(2) Each such report shall—

"(A) include a comparison of the defense capabilities and programs of the armed forces of the United States and its allies with the armed forces of potential adversaries of the United States and allies of the United States;

"(B) include an examination of the trends experienced in those capabilities and programs during the five years immediately preceding the year in which the report is transmitted and an examination of the expected trends in those capabilities and programs during the five years covered by the Five-Year Defense Program submitted to Congress during that year pursuant to section 114(g) of this title;

"(C) reflect, in the overall assessment and in the strategic and regional assessments, the defense capabilities and programs of the armed forces of the United States specified in the budget submitted to Congress under section 1105 of title 31 in the year in which the report is submitted and in the five-year defense program submitted in such year; and

"(D) identify the deficiencies in the defense capabilities of the armed forces of the United States in such budget and such five-year defense program.

"(3) The Secretary shall transmit to Congress the report required for each year under paragraph (1) at the same time that the President submits the budget to Congress under section 1105 of title 31 in that year. Such report shall be transmitted in both classified and unclassified form.".

SEC. 732. LINKAGE OF NATIONAL MILITARY STRATEGY AND WEAPON ACQUISITION PROGRAMS

(a) FINDINGS.—Congress makes the following findings:

(1) The Final Report to the President by the President's Blue Ribbon Commission on Defense Management (the "Packard Commission"), the Defense Acquisition Study of the Center for Strategic and International Studies, and the Report of the Commission on Integrated Long-term Strategy (referred to as "Discriminate Deterrence") have separately identified significant deficiencies in the integration of weapon acquisition programs of the Department of Defense with national military strategy.

(2) There is no established process involving the Office of the Secretary of Defense and the Joint Staff in which strategy, policy, operational concepts, and resource constraints are fully debated, coordinated, and translated into weapon acquisition programs. The dominant role of setting requirements for new weapon systems remains with the headquarters staffs of the military departments, and the requirements developed by those departments often do not appear to have been rigorously evaluated in terms of their overall contribution to national military strategy.

(3) The requirements and planning process of the Department of Defense is not constrained by realistic projections of future defense budgets. Consequently, the process is fiscally unrealistic and, therefore, largely ignored in the subsequent planning and budgeting process. This process often results in disparate plans that do not optimize the potential contribution of the acquisition programs of each military department to the objectives of national military strategy.

(b) SENSE OF CONGRESS.—In light of the findings in subsection (a), it is the sense of Congress that—

(1) to ensure that the United States develops and acquires the proper mix of weapon systems to support national military strategy most effectively and efficiently, the Office of the Secretary of Defense and the Joint Staff should better define the links between national military strategy and specific acquisition programs;

(2) the Office of the Secretary of Defense, the Joint Staff, and the headquarters of the unified and specified combatant commands should more clearly define the necessary operational capabilities and concepts of operations as part of the requirements process and should explicitly consider alternative acquisition programs based on probable levels of resources likely to be approved by Congress and trade-offs among the acquisition programs of the military departments;

(3) the Secretary of Defense should ensure that resulting acquisition programs clearly reflect the objectives of national military strategy; and

(4) the Secretary of Defense should commission an independent study to assess the degree to which the development and acquisition of weapon systems is currently linked to and determined by the national military strategy and to recommend improvements where necessary or desirable.

SEC. 733. REPORT ON FUNDING FOR THE AMMUNITION PRODUCTION BASE

(a) SENSE OF CONGRESS.—It is the sense of Congress—

(1) that the maintenance of the inactive portion of the Government-owned ammunition production base is critical to the defense of the United States; and

(2) that sufficient funding should be provided to maintain this base to meet surge requirements and mobilization requirements of the military departments.

(b) STUDY OF ALTERNATIVES.—The Secretary of Defense shall study alternatives to the current method of providing funds for maintenance of the ammunition production base in order to determine if there are methods other than the current one which would better ensure that appropriate levels of funds are used for the maintenance of that production base.

(c) REPORT.—The Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the alternative methods considered by the Secretary under subsection (b) for providing funds for the ammunition production base. The Secretary shall include in the report such comments and recommendations with respect to such methods, including recommendations for legislation, as the Secretary considers appropriate. The report shall be submitted not later than December 1, 1988.

SEC. 734. SENSE OF CONGRESS CONCERNING DECLASSIFICATION OF CLASSIFIED INFORMATION

It is the sense of Congress that the Secretary of Defense should take all reasonable measures to declassify classified material under the control of the Department of Defense that the Secretary determines to be no longer required in the interest of national security to be protected from unauthorized disclosure.

SEC. 735. ADVANCE PAYMENTS OF ADMINISTRATIVE CLAIMS

(a) INCREASE IN MAXIMUM PAYMENT.—Subsection (a) of section 2736 of title 10, United States Code, is amended to read as follows:

"(a)(1) In the case of a person who is injured or killed, or whose property is damaged or lost, under circumstances for which the Secretary of a military department is authorized by law to allow a claim, the Secretary of the military department concerned may make a payment to or for the person, or the legal representatives of the person, in advance of the submission of such a claim or, if such a claim is submitted, in advance of the final settlement of the claim. The amount of such a payment may not exceed $100,000.

"(2) Payments under this subsection are limited to payments which would otherwise be payable under section 2733 or 2734 of this title or section 715 of title 32.

"(3) The Secretary of a military department may delegate the authority to make payments under this subsection to the Judge Advocate General of an armed force under the jurisdiction of the Secretary. The Secretary may delegate such authority to any other officer or employee under the jurisdiction of the Secretary, but only with respect to the payment of amounts of $25,000 or less.

"(4) Payments under this subsection shall be made under regulations prescribed by the Secretary of the military department concerned.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to any claim which would otherwise be payable under section 2733 or 2734 of title 10, United States Code, or under section 715 of title 32, United States Code, and which has not been finally settled on or before the date of the enactment of this Act.

SEC. 736. ENERGY EFFICIENCY INCENTIVE

(a) ENERGY CONSERVATION INCENTIVE.—In order to provide additional incentive for the Secretary of a military department to enter into contracts under title VIII of the National Energy Conservation Policy Act (42 U.S.C. 8287 et seq.), the Secretary may use the first-year energy cost savings (as defined in subsection (d)) realized under any such contract in the manner provided in subsection (b). The amount of savings available for use under subsection (b) shall be determined as provided in subsection (c) and shall remain available for obligation until expended.

(b) AUTHORIZED USES OF SAVINGS—First-year energy cost savings may be used as follows:

(1) One-half of the amount of such savings may be used for the acquisition of energy conserving measures at a military installation in addition to any such energy conserving measures provided for that installation under a contract entered into under title VIII of the National Conservation Energy Policy Act.

(2) One-half of the amount of such savings may be used for any morale, welfare, or recreation facility or service that is normally provided with appropriated funds, or for any minor military construction project (as defined in section 2805(a) of title 10, United States Code), that will enhance the quality of life of members of the Armed Forces at the military installation at which the energy cost savings were realized.

(c) DETERMINATION OF AMOUNT OF SAVINGS.—Not more than 90 days after the end of the first year during which energy savings measures have been in operation under a contract entered into by the Secretary of a military department under title VIII of the National Energy Conservation Policy Act, the Secretary of the military department concerned shall determine the amount of first-year energy cost savings realized under the terms of the contract during that year by the military department concerned by reason of the energy savings measures acquired and installed at that installation pursuant to that contract.

(d) DEFINITION.—For purposes of this section, the term "first-year energy cost savings" means the savings realized by the United States during the first year of a contract entered into by the Secretary of a military department under title VIII of the National Energy Conservation Policy Act.

TITLE VIII—ACQUISITION POLICY AND MANAGEMENT

PART A—ACQUISITION MANAGEMENT

SEC. 801. INTEGRATED FINANCING POLICY

(a) IN GENERAL.—(1) Chapter 137 of title 10, United States Code, is amended by adding at the end the following new section:

"§2330. Integrated contract financing, return on investment, and risk-sharing policy

"(a) PLAN.—The Secretary of Defense shall develop and keep current a plan that ensures that Department of Defense policies referred to in subsection (d) are structured to meet the long-term needs of the Department of Defense for industrial resources and technology innovation. In developing the plan and keeping such plan current, the Secretary shall take into consideration the following:

"(1) The five-year defense program submitted to Congress under section 114(g) of this title each year.

"(2) Department of Defense mobilization plans.

"(3) The different characteristics of separate segments and tiers of private industry.

"(4) The profitability of contracts negotiated by the Department of Defense in each fiscal year.

"(b) REVIEW.—Each year the Secretary of Defense shall review the plan developed under subsection (a) and shall report the results of such review to the Committees on Armed Services of the Senate and the House of Representatives in conjunction with the submission of the five-year defense program in such year.

"(c) USE OF INFORMATION ON PROFITABILITY.—The Secretary of Defense, in negotiating any contract, shall use the most current information on profitability developed or obtained by the Secretary of Defense. The Secretary shall submit a report to Congress each year in conjunction with the submission of the five-year defense program on the extent to which current negotiated contracts have prevented excessive contractor profits, determined on the basis of information obtained by the Secretary of Defense.

"(d) APPLICABILITY.—Subsection (a) applies to the following policies applicable to Department of Defense contractors:

"(1) Policies relating to progress payments or other financing of contractors by the Department of Defense.

"(2) Policies relating to the return on contractor investment under Department of Defense contracts.

"(3) Policies relating to the allocation of contract risk between the Department of Defense and a contractor.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following:

"2330. Integrated contract financing, return on investment, and risk-sharing policy.".

(b) ADVISORY COMMITTEE ON STUDY METHODOLOGY.—(1) The Secretary of Defense shall appoint, in accordance with paragraph (3), an advisory committee consisting of five members for the purpose of recommending to the Secretary a financial analysis methodology for any return on investment study conducted by the Secretary.

(2) In recommending a financial analysis methodology under paragraph (1), the advisory committee shall provide recommendations on the desirability of using separate calculations for—

(A) the return on assets;

(B) the return on sales;

(C) capital-to-labor ratios;

(D) asset turnover;

(E) total investment in research and development; and

(F) such other measures of rate of return on investment as the Secretary determines to be appropriate.

(3) Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall appoint the members of the committee, with representation from both the public and private sectors.

(4) The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the advisory committee appointed under this subsection.

(5) Not later than November 1, 1989, the advisory committee shall submit to the Secretary of Defense a report containing the financial analysis methodology recommended for use in the conduct of the study referred to in paragraph (1). The committee shall cease to exist 90 days after submission of its report.

(6) Not later than 90 days after receipt of the report from the advisory committee, the Secretary of Defense shall transmit the report to Congress, together with the Secretary's views on the committee's report.

SEC. 802. COMPETITIVE PROTOTYPE STRATEGIES

Section 2365 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e) TERMINATION.—This section shall cease to be effective on September 30, 1991.".

SEC. 803. DELEGATION OF AUTHORITY TO APPROVE CERTAIN CONTRACT JUSTIFICATIONS

Section 2304(f) of title 10, United States Code, is amended—

(1) in paragraph (1)(B)(ii), by striking out "or a delegate" and all that follows through the semicolon and inserting in lieu thereof "(or the head of the procuring activity's delegate designated pursuant to paragraph (6)(A));";

(2) in paragraph (1)(B)(iii), by striking out "(without further delegation)" and inserting in lieu thereof "or that senior procurement executive's delegate designated pursuant to paragraph (6)(B)"; and

(3) by adding at the end the following:

"(6)(A) The authority of the head of a procuring activity under paragraph (1)(B)(ii) may be delegated only to an officer or employee who—

"(i) if a member of the armed forces, is a general or flag officer; or

"(ii) if a civilian, is serving in a position with a grade under the General Schedule (or any other schedule for civilian officers or employees) that is comparable to or higher than the grade of brigadier general or rear admiral (lower half).

"(B) The authority of the senior procurement executive of an agency under paragraph (1)(B)(iii) may be delegated only to—

"(i) an Assistant Secretary of Defense; or

"(ii) with respect to the element of the Department of Defense (as specified in section 111(b) of this title) carrying out the procurement action concerned, an officer or employee serving in or assigned or detailed to that element who—

"(I) if a member of the armed forces, is serving in a grade above brigadier general or rear admiral (lower half); or

"(II) if a civilian, is serving in a position with a grade under the General Schedule (or any other schedule for civilian officers or employees) that is comparable to or higher than the grade of major general or rear admiral.".

SEC. 804. EVALUATION OF CONTRACTS FOR PROFESSIONAL AND TECHNICAL SERVICES

(a) ESTABLISHMENT OF CRITERIA.—Within 120 days after the date of the enactment of this Act, the Secretary of Defense shall establish criteria to ensure that proposals for contracts for professional and technical services are evaluated on a basis which does not encourage contractors to propose mandatory uncompensated overtime for professional and technical employees. In establishing such criteria, the Secretary shall consider the recommendations of the advisory committee established under subsection (b). The Secretary shall, before implementing such criteria, transmit to the Committees on Armed Services of the Senate and House of Representatives a report containing such criteria and the recommendations made by the advisory committee.

(b) ADVISORY COMMITTEE.—(1) Within 30 days after the date of the enactment of this Act, the Secretary of Defense shall establish an advisory committee to make recommendations on the criteria to be adopted by the Secretary. The advisory committee shall be composed, at a minimum, of such representatives as the Secretary considers appropriate from the Office of the Under Secretary of Defense for Acquisition, the Office of the Comptroller of the Department of Defense, the Acquisition Executives of the military departments, the Defense Contract Audit Agency, the Office of the Inspector General of the Department of Defense, and professional and technical services industries.

(2) In developing the recommendations, the advisory committee shall address the following issues:

(A) How the Department of Defense can best be assured that it receives the best quality services for the amounts expended and that the contractors supplying such services follow sound personnel management practices and observe established labor-management policies and regulations.

(B) Whether contract competitions should be structured in a manner that requires offerors to compete on the basis of factors other than the number of hours per week its professional and technical employees of similar annual salaries work.

(C) Whether the Department of Defense can allow contractors to maintain different accounting systems (for example, 40-hour work week, full time accounting) and still allow the Department to evaluate proposals on the basis of a work rate of 40 hours per week and 2,080 hours per year.

SEC. 805. PROCUREMENT OF CRITICAL AIRCRAFT AND SHIP SPARE PARTS

(a) IN GENERAL.—(1) Chapter 141 of title 10, United States Code, is amended by inserting after section 2382 the following:

"§2383. Procurement of critical aircraft and ship spare parts: quality control

"(a) In procuring any spare or repair part that is critical to the operation of an aircraft or ship, the Secretary of Defense shall require the contractor supplying such part to provide a part that meets all appropriate *qualification and contractual quality requirements as may be specified and made available to prospective offerors. In establishing the appropriate qualification requirements, the Secretary of Defense shall utilize those requirements, if available, which were used to qualify the original production part, unless the Secretary of Defense determines in writing that any or all such requirements are unnecessary.*

"(b) In this section, the term 'spare or repair part' has the meaning given such term by section 2323(f) of this title.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2382 the following new item:

"2383. Procurement of critical aircraft and ship spare parts: quality control on second sources.".

(b) EFFECTIVE DATE.—Section 2383 of title 10, United States Code, as added by subsection (a), shall apply with respect to contracts entered into after the end of the 180-day period beginning on the date of the enactment of this Act.

SEC. 806. INCENTIVES FOR INNOVATION

(a) IN GENERAL.—(1) Section 2305(d) of title 10, United States Code, is amended by adding at the end the following:

"(4)(A) Whenever the head of an agency requires that proposals described in paragraph (1)(B) or (2)(B) be submitted by an offeror in its offer, the offeror shall not be required to provide a proposal that enables the United States to acquire competitively in the future an identical item if the item was developed exclusively at private expense unless the head of the agency determines that—

"(i) the original supplier of such item will be unable to satisfy program schedule or delivery requirements; or

"(ii) proposals by the original supplier of such item to meet the mobilization requirements are insufficient to meet the agency's mobilization needs.

"(B) In considering the responses to solicitations requiring proposals described in paragraph (1)(B) or (2)(B), the head of an agency shall base any evaluation of items developed exclusively at private expense on an analysis of the total value, in terms of innovative design, life cycle costs, and other pertinent factors, of incorporating such items in the system.".

(2) Section 2305(d)(3) of such title is amended by adding at the end the following: "Such objectives may not impair the rights of prospective contractors or subcontractors otherwise provided by law.".

(b) CLARIFYING AMENDMENT.—Paragraphs (1)(B) and (2)(B) of such section are each amended by inserting "response to" before "a solicitation".

SEC. 807. REGULATIONS ON USE OF FIXED-PRICE DEVELOPMENT CONTRACTS

(a) IN GENERAL.—(1) Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall revise the Department of Defense regulations that provide for the use of fixed-price type contracts in a development program. The regulations shall provide that a fixed-price contract may be awarded in such a program only if—

(A) the level of program risk permits realistic pricing; and

(B) the use of a fixed-price contract permits an equitable and sensible allocation of program risk between the United States and the contractor.

(2)(A) The regulations also shall provide that a firm fixed-price contract in excess of $10,000,000 may not be awarded for the development of a major system.

(B) A waiver of the requirement prescribed in regulations under subparagraph (A) may be granted by the Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, but only if the Secretary determines and states in writing that the award is consistent with the criteria specified in clauses (A) and (B) of paragraph (1) and the regulations prescribed under such paragraph. The Secretary may delegate the authority in the preceding sentence only to a person who holds a position in the Office of the Secretary of Defense at or above the level of Assistant Secretary of Defense.

(b) DEFINITIONS.—In this section, the term "major system" has the meaning given such term by section 2302(5) of such title.

(c) EXPIRATION.—Paragraph (2) of subsection (a) shall cease to be effective two years after the date of the enactment of this Act.

SEC. 808. DEPARTMENT OF DEFENSE ADVISORY PANEL ON GOVERNMENT-INDUSTRY RELATIONS

(a) ESTABLISHMENT OF ADVISORY PANEL.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall establish an advisory panel to study and make recommendations to the Secretary on ways to enhance cooperation between the Department of Defense and industry regarding matters of mutual interest, including—

(1) procedures governing the debarment and suspension of contractors from doing business with the Department of Defense;

(2) the role of self-governing oversight programs established by defense contractors;

(3) expanded use of alternative dispute resolution procedures; and

(4) the desirability of establishing a permanent advisory panel on government-industry relations.

(b) MEMBERSHIP OF ADVISORY PANEL.—The Secretary of Defense shall appoint persons to the advisory panel who are especially qualified to serve on such panel by virtue of their education, training, and experience in defense acquisition matters. The Secretary shall include on the membership of such panel an appropriate balance of persons from government, private industry, and academia.

(c) REPORT DEADLINE.—(1) The Secretary shall require the advisory panel to submit its findings and recommendations to him not later than 180 days after the date on which the panel is appointed.

(2) The Secretary shall transmit a copy of the report of the advisory panel to Congress, together with such comments and recommendations thereon as the Secretary determines appropriate, within 30 days after the date on which the report is submitted to the Secretary.

SEC. 809. REPORT ON SIMPLIFICATION AND STREAMLINING OF ACQUISITION PROCEDURES

(a) REPORT ON ACQUISITION SIMPLIFICATION PROGRAMS.—The Under Secretary of Defense for Acquisition shall submit to Congress a report on the current programs of the Under Secretary regarding simplification of procedures governing the acquisition process of the Department of Defense. The report shall include an assessment of the results of those programs.

(b) MATTERS TO BE INCLUDED.—The report under subsection (a) shall include the following:

(1) A timetable to effectuate regulation reform measures based on the lessons learned from the conduct of the programs referred to in subsection (a).

(2) In the case of a program referred to in subsection (a) which has not been completed—

(A) the methodology to be used in evaluating such program; and

(B) a timetable for completing an assessment of the results of the program.

(3) A comprehensive analysis of the effects that existing laws, regulations, and guidelines applicable to procurement by the Department of Defense have on the capability of the Department of Defense efficiently and effectively to meet the national defense needs of the United States, including any recommendations for legislation that the Under Secretary considers appropriate to improve that capability.

(4) A description of the results of the studies undertaken by the Under Secretary in conjunction with the Inspector General of the Department of Defense and the Comptroller of the Department of Defense regarding the responsibilities of the Under Secretary under section 133(d) of title 10, United States Code, to prescribe policies for the prevention of duplicative audit and oversight of contractor activities by different elements of the Department of Defense.

(5) A discussion of the feasibility and desirability of each of the following:

(A) Structuring the audit and oversight of a contractor by the Department of Defense in a manner that reasonably relates to the extent of the risk assumed by the contractor in the type of of contract that is subject to the audit and oversight.

(B) Granting authority to a senior official of the Department of Defense to receive and promptly resolve complaints of acquisition officials and contractors of the Department of Defense regarding allegations of duplicative oversight activities.

(C) Establishing a formal independent means within the Department of Defense to ensure quality, integrity, and professionalism in the performance of audit and oversight activities.

(D) Establishing and implementing a policy that prohibits an organization within the Department of Defense with responsibility for oversight of contractor activities from conducting an audit or review of an activity in the Department of Defense if another such oversight organization of the Department of Defense has conducted an audit or review of that activity within a fixed period of time preceding the proposed audit or review, unless the audit or review proposed to be conducted is substantially different in type and scope from the prior audit or review and there is a compelling reason not to rely on the prior audit or review.

(c) DEADLINE FOR REPORT.—The report required by subsection (a) shall be submitted not later than December 1, 1988.

(d) COORDINATION OF ANNUAL AUDIT PLANS BY AUDIT AND OVERSIGHT ELEMENTS OF DOD.—Section 133(d)(1) of title 10, United States Code, is amended by adding at the end the following new sentence: "Such policies shall provide for coordination of the annual plans developed by each such element for the conduct of audit and oversight functions within each contracting activity.".

PART B—DEFENSE INDUSTRIAL BASE

SEC. 821. MAINTENANCE AND IMPROVEMENT OF THE DEFENSE INDUSTRIAL BASE

(a) FINDINGS.—Congress finds the following:

(1) A strong defense industrial base in the United States is essential to the national se-

curity and significantly enhances the capability of United States manufacturers and producers—

(A) to develop technologically superior defense material rapidly and to produce such material efficiently in cost-effective quantities during peacetime; and

(B) to expand productive capacity rapidly to meet the demands of a national emergency.

(2) A strong and responsive defense industrial base is a basic deterrent to aggression and, thus, helps to preserve peace.

(3) Studies conducted over a 10-year period by Congress, the General Accounting Office, the Department of Defense, and others have consistently shown a steady, unchecked erosion of the defense industrial base in the United States.

(4) Despite the uniformly adverse findings contained in the reports on such studies, the United States still lacks a coherent industrial base policy that is directly linked to national security strategy.

(5) Reliable methods for assessing the weaknesses and strengths of the defense industrial base have not been utilized.

(6) The development and implementation of an effective program for the restoration and maintenance of the defense industrial base is unlikely to occur without improved centralized policy direction and management.

(7) Existing programs and authorities designed to restore and maintain the defense industrial base have received inconsistent and, frequently, inadequate allocations of resources and management attention from the military departments and the Defense Agencies because the Office of the Secretary of Defense has not exercised strong leadership in defense industrial base management.

(8) Procurement policies, regulations, and practices of the Department of Defense do not sufficiently encourage—

(A) investment in advanced manufacturing technology and modernization of manufacturing facilities and equipment;

(B) the entry of efficient commercial producers into the defense procurement market; and

(C) continued participation of efficient producers in defense procurement competitions.

(b) AMENDMENTS TO TITLE 10.—(1) Chapter 148 of title 10, United States Code, is amended—

(A) by redesignating sections 2501 and 2502 as sections 2506 and 2507, respectively; and

(B) by striking out the chapter heading and the table of sections and inserting in lieu thereof the following:

"CHAPTER 148—DEFENSE INDUSTRIAL BASE

"Sec.

"2501. Centralized guidance, analysis, and planning.

"2502. Policies relating to defense industrial base.

"2503. Defense industrial base office.

"§2501. Centralized guidance, analysis, and planning

"The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall—

"(1) provide overall policy guidance and direction to the military departments and the Defense Agencies on matters relating to the maintenance, expansion, and readiness of the defense industrial base of the United States;

"(2) analyze the capabilities of the defense industrial base of the United States to fulfill the requirements of national defense strategy in time of peace and the expanded requirements of national defense strategy in time of war or national emergency;

"(3) develop clear standards for assessing military mobilization requirements and the manner in which those requirements will be met;

"(4) develop and direct the implementation of plans, programs, and policies that promote the ability of the defense industrial base of the United States to fulfill the requirements of the Department of Defense; and

"(5) identify and plan for the procurement of items of supply that—

"(A) are suitable substitutes for military standard items of supply, or suitable substitutes for subsystems or components of military standard items of supply, that are anticipated to be unavailable from existing sources in quantities that are sufficient to meet planned requirements in time of war or national emergency; and

"(B) are commercially available from domestic sources.

"§2502. Policies relating to defense industrial base

"(a) ACQUISITION POLICIES.—The Under Secretary of Defense for Acquisition shall establish and implement policies requiring—

"(1) for each major defense acquisition program an analysis of the capabilities of the defense industrial base to develop, produce, maintain, and support such program;

"(2) the consideration of requirements for efficient manufacture during the design and production of the systems to be procured under the major defense acquisition program;

"(3) the use of advanced manufacturing technology, processes, and systems during the research and development and production phases of the acquisition of a weapon system under a major defense acquisition program;

"(4) to the maximum extent practicable for each major defense acquisition program, the development of an acquisition plan that provides for contract solicitations which encourage competing offerors to acquire, for use in the performance of the contract, modern technology, production equipment, and production systems (including hardware and software) that increase the productivity of the offerors and reduce life cycle costs;

"(5) the encouragement of domestic source investment in advanced manufacturing technology production equipment and processes through—

"(A) recognition of the contractor's investment in advanced manufacturing technology production equipment and processes in the development of the contract objective; and

"(B) increased emphasis in source selections to the efficiency of production;

"(6) the expanded use of commercial manufacturing processes rather than processes specified by the Department of Defense;

"(7) elimination of barriers to, and facilitation of, the integrated manufacture of commercial items and items being produced under defense contracts; and

"(8) the expanded use of commercial products as set forth in section 2325 of this title.

"(b) ANALYSIS.—(1) In the conduct of any analysis required under subsection (a)(1), the following factors, as appropriate, may be considered:

"(A) The availability of essential raw materials, special alloys, and composite materials.

"(B) The availability of components, subsystems, production equipment, and facilities that are essential for—

"(i) the sustained production of a system that is fully capable of performing its purpose;

"(ii) the uninterrupted maintenance and repair of such system; and

"(iii) the sustained operation of such system.

"(C) The availability of required special tooling and production test equipment.

"(D) The identification of components or subsystems that are available solely from sources outside the United States.

"(E) Planned alternatives, if appropriate, for fulfilling requirements that during peacetime are fulfilled by sources outside the United States.

"(2) In the conduct of the analysis required under subsection (a)(1), the Under Secretary shall minimize the paperwork burden on the contractor, its subcontractors, and suppliers.

"(c) ASSESSMENTS.—(1) The Under Secretary of Defense for Acquisition shall ensure that, for each major defense acquisition program—

"(A) the capability of the domestic defense industrial base to meet program requirements has been assessed by the military department or Defense Agency carrying out such program; and

"(B) the capability of the domestic defense industrial base to meet the aggregate requirements for all such programs has been assessed in the Office of the Secretary of Defense.

"(2) For purposes of this subsection, the term 'domestic defense industrial base' means industries producing in the United States and Canada.

"§2503. Defense industrial base office

"The Under Secretary of Defense for Acquisition may establish within the Office of the Under Secretary of Defense for Acquisition a defense industrial base office to be the principal office in the Department of Defense for the development of policies and plans regarding the conduct of programs for the improvement of the defense industrial base of the United States. The defense industrial base office shall, at a minimum—

"(1) develop and propose plans and programs for the maintenance and fostering of defense industrial readiness in the United States;

"(2) develop and propose plans and programs to encourage the utilization by the defense industries of the United States of advanced manufacturing technology and processes and investment in improved productivity;

"(3) propose, consistent with existing law, the repeal or amendment of such Defense Acquisition Regulations and other regulations and policies as may be necessary to eliminate any adverse effect that the regulations and policies may have on investment in improved productivity; and

"(4) evaluate and propose for testing innovative ideas for improving defense industrial readiness in the United States, including ideas for improving—

"(A) manufacturing processes; and

"(B) the acquisition procedures of the Department of Defense.".

(2) The items relating to chapter 148 in the tables of chapters at the beginning of part IV of subtitle A of title 10, United States Code, and at the beginning of such subtitle, are each amended to read as follows:

"148. Defense Industrial Base .... 2501".

(c) Analysis of Defense Industrial Base Capability.—(1) The Under Secretary of Defense for Acquisition shall require each military department to provide to the Under Secretary at least one analysis of the type described in section 2502(a)(1) of title 10, United States Code (as added by subsection (b)) for an acquisition program carried out by such department. The Under Secretary shall compile and analyze the data obtained from such analysis in order to ascertain whether the industrial base is capable of supporting these programs.

(2) A program may not be selected for an analysis under this subsection if production of the system to be acquired under such program has begun.

(3) All analyses required under this subsection shall be completed not later than September 30, 1990.

(4) Not later than February 1, 1991, the Under Secretary of Defense for Acquisition shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the analyses required under this subsection.

SEC. 822. SOURCE FOR PROCUREMENT OF CERTAIN VALVES AND MACHINE TOOLS

(a) In General.—Section 2507 of title 10, United States Code, as redesignated by section 821, is amended by adding at the end the following new subsection:

"(d) Valves and Machine Tools.—(1) During fiscal years 1989, 1990, and 1991, funds appropriated or otherwise made available to the Department of Defense may not be used to enter into a contract for the procurement of items described in paragraph (2) that are not manufactured in the United States or Canada.

"(2) Items covered by paragraph (1) are the following:

"(A) Powered and non-powered valves in Federal Supply Classes 4810 and 4820 used in piping for naval surface ships and submarines.

"(B) Machine tools in the Federal Supply Classes for metal-working machinery numbered 3405, 3408, 3410 through 3419, 3426, 3433, 3438, 3441 through 3443, 3445, 3446, 3448, 3449, 3460, and 3461.

"(3) The Secretary of Defense may waive the requirement of paragraph (1) with respect to the procurement of an item if the Secretary determines that—

"(A) the restriction would cause unreasonable costs or delays to be incurred;

"(B) United States producers of the item would not be jeopardized by competition from a foreign country and that country does not discriminate against defense items produced in the United States to a greater degree than the United States discriminates against defense items produced in that country;

"(C) satisfactory quality items manufactured in the United States or Canada are not available;

"(D) the restriction would impede cooperative programs entered into between the Department of Defense and a foreign country and that country does not discriminate against defense items produced in the United States to a greater degree than the United States discriminates against defense items produced in that country;

"(E) the procurement is for an amount less than $25,000 and simplified small purchase procedures are being used; or

"(F) the restriction would result in the existence of only one United States or Canadian source for the item.".

(b) Termination.—The restriction in section 2507(d) of title 10, United States Code, as added by subsection (a), may be renewed with respect to any item by the Secretary of Defense at the end of fiscal year 1991 for an additional two fiscal years if the Secretary determines that a continued restriction on that item is in the national security interest.

SEC. 823. CRITICAL TECHNOLOGIES PLAN

(a) In General.—(1) Chapter 139 of title 10, United States Code, is amended by adding at the end the following new section:

"§2368. Critical technologies plan

"(a) Annual Plan.—(1) Not later than March 15 of each year, the Under Secretary of Defense for Acquisition, in consultation with the Assistant Secretary of Energy for Defense Programs, shall submit to the Committees on Armed Services of the Senate and the House of Representatives a plan for developing the 20 technologies considered by the Secretary of Defense and the Secretary of Energy to be the technologies most essential to develop in order to ensure the long-term qualitative superiority of United States weapon systems.

"(2) In selecting the technologies to be included in the plan, the Secretary of Defense and the Secretary of Energy shall consider both product technologies and process technologies.

"(3) Such plan shall be submitted in both classified and unclassified form.

"(b) Content of Plan.—Each plan submitted under subsection (a) shall include, with respect to each technology included in the plan, the following matters:

"(1) The reasons for selecting such technology.

"(2) The milestone goals for the development of such technology.

"(3) The amounts contained in the budgets of the Department of Defense, the Department of Energy, and other departments and agencies for the support of the development of such technology for the fiscal year in which the plan is submitted.

"(4) A comparison of the relative positions of the United States and the Soviet Union in the development of such technology.

"(5) The potential contributions that the allies of the United States can make to meet the needs of the alliance for such technology.

"(6) With respect to the development of such technology, a comparison of the relative positions of the United States and other industrialized countries that are prominent in the development of such technology and the extent to which the United States should depend on other countries for the development of such technology.

"(7) The potential contributions that the private sector can be expected to make from its own resources in connection with development of civilian applications for such technology.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2368. Critical technologies plan.".

(b) First Report.—The first report under section 2368 of title 10, United States Code (as added by subsection (a)), shall be submitted in 1989.

SEC. 824. DEFENSE MEMORANDA OF UNDERSTANDING

(a) In General.—Chapter 148 of title 10, United States Code, as amended by section 821, is further amended by adding after section 2503 the following new section:

"§2504. Defense memoranda of understanding

"In the negotiation and renegotiation of each memorandum of understanding between the Department of Defense and one or more foreign countries (or any instrumentality of a foreign country) relating to research, development, or production of defense equipment, the Secretary of Defense shall—

"(1) consider the effect of such proposed memorandum of understanding on the defense industrial base of the United States; and

"(2) regularly solicit and consider information or recommendations from the Secretary of Commerce with respect to the effect on the United States industrial base of such memorandum of understanding.".

(b) Clerical Amendment.—The table of sections at the beginning of such chapter, as amended by section 821, is further amended by adding at the end the following new item:

"2504. Defense memoranda of understanding.".

SEC. 825. DEPARTMENT OF DEFENSE OFFSET POLICY

(a) Findings.—Congress makes the following findings:

(1) Many contracts entered into by United States firms for the supply of weapon systems or defense-related items to foreign countries and foreign firms are subject to contractual arrangements under which United States firms must agree—

(A) to have a specified percentage of work under, or monetary amount of, the contract performed by one or more foreign firms;

(B) to purchase a specified amount or quantity of unrelated goods or services from domestic sources of such foreign countries; or

(C) to invest a specified amount in domestic businesses of such foreign countries.

Such contractual arrangements, known as "offsets", are a component of international trade and could have an impact on United States defense industry opportunities in domestic and foreign markets.

(2) Some United States contractors and subcontractors may be adversely affected by such contractual arrangements.

(3) Many contracts which provide for or are subject to offset arrangements require, in connection with such arrangements, the transfer of United States technology to foreign firms.

(4) The use of such transferred technology by foreign firms in conjunction with foreign trade practices permitted under the trade policies of the countries of such firms can give foreign firms a competitive advantage against United States firms in world markets for products utilizing such technology.

(5) A purchase of defense equipment pursuant to an offset arrangement may increase the cost of the defense equipment to the purchasing country and may reduce the amount of defense equipment that a country may purchase.

(6) The exporting of defense equipment produced in the United States is important to maintain the defense industrial base of the United States, lower the unit cost of such equipment to the Department of Defense, and encourage the standardized utilization of United States equipment by the allies of the United States.

(b) Amendment to Title 10.—(1) Chapter 148 of title 10, United States Code, as amended by sections 821 and 824, is further amended by adding after section 2504 the following new section:

"§2505. Offset policy; notification

"(a) Establishment of Offset Policy.—The President shall establish, consistent with the requirements of this section, a comprehensive policy with respect to contractual offset arrangements in connection with

the purchase of defense equipment or supplies which addresses the following:

"(1) Transfer of technology in connection with offset arrangements.

"(2) Application of offset arrangements, including cases in which United States funds are used to finance the purchase by a foreign government.

"(3) Effects of offset arrangements on specific subsectors of the industrial base of the United States and for preventing or ameliorating any serious adverse effects on such subsectors.

"(b) TECHNOLOGY TRANSFER.—(1) No official of the United States may enter into a memorandum of understanding or other agreement with a foreign government that would require the transfer of United States defense technology to a foreign country or a foreign firm in connection with a contract that is subject to an offset arrangement if the implementation of such memorandum or agreement would significantly and adversely affect the defense industrial base of the United States and would result in a substantial financial loss to a United States firm.

"(2) Paragraph (1) shall not apply in the case of a memorandum of understanding or agreement described in paragraph (1) if the Secretary of Defense, in consultation with the Secretary of Commerce and the Secretary of State, determines that a transfer of United States defense technology pursuant to such understanding or agreement will result in strengthening the national security of the United States and so certifies to Congress.

"(3) If a United States firm is required under the terms of a memorandum of understanding, or other agreement entered into by the United States with a foreign country, to transfer defense technology to a foreign country, the United States firm may protest the determination to the Secretary of Defense on the grounds that the transfer of such technology would adversely affect the defense industrial base of the United States and would result in substantial financial loss to the protesting firm. The Secretary of Defense, in consultation with the Secretary of Commerce and the Secretary of State, shall make the final determination of the validity of the protesting firm's claim.

"(c) NOTIFICATION REGARDING OFFSETS.—If at any time a United States firm enters into a contract for the sale of a weapon system or defense-related item to a foreign country or foreign firm and such contract is subject to an offset arrangement exceeding $50,000,000 in value, such firm shall notify the Secretary of Defense of the proposed sale. Notification shall be made under this subsection in accordance with regulations prescribed by the Secretary of Defense in consultation with the Secretary of Commerce.

"(d) DEFINITIONS.—In this section:

"(1) The term 'United States firm' means a business entity that performs substantially all of its manufacturing, production, and research and development activities in the United States.

"(2) The term 'foreign firm' means a business entity other than a United States firm.".

(2) The table of sections at the beginning of chapter 148 of such title, as amended by sections 821 and 824, is further amended by adding at the end the following new items:

"2505. Offset policy; notification.
"2506. Limitation on use of funds: procurement of goods which are other than American goods.
"2507. Miscellaneous procurement limitations.".

(c) NEGOTIATIONS.—(1) The President shall enter into negotiations with foreign countries that have a policy of requiring an offset arrangement in connection with the purchase of defense equipment or supplies from the United States. The negotiations should be conducted with a view to achieving an agreement with the countries concerned that would limit the adverse effects that such arrangements have on the defense industrial base of each such country.

(2) Every effort shall be made to achieve such agreements within two years after the date of the enactment of this Act.

(d) REPORTS.—(1) Not later than November 15, 1988, the President shall submit to Congress a comprehensive report on contractual offset arrangements required of United States firms for the supply of weapon systems or defense-related items to foreign countries or foreign firms. Such report shall include, at a minimum, the following:

(A) An analysis of the amount and type of contractual offsets required of United States firms by the governments of foreign countries or by foreign firms.

(B) An assessment of the benefits for and costs to United States manufacturers of defense products at all tiers that result from requirements of foreign governments for contractual offset arrangements in the case of products procured from United States firms.

(C) An assessment of the benefits for and the costs to United States manufacturers of defense products at all tiers that would result from restriction of the ability of foreign governments or foreign firms to require contractual offsets in the case of defense products procured from United States firms.

(D) An assessment of the benefits and costs of a United States policy that requires reciprocal offsets in the procurement of defense products from those countries whose governments have a policy of requiring contractual offsets in the case of defense products procured from United States firms.

(E) An assessment of the impact that elimination of contractual offset requirements in international sales of defense products would have on the national security of the United States.

(F) Recommendations for a national policy with respect to contractual offset arrangements.

(G) A preliminary discussion of the actions referred to in paragraph (2).

(2) Not later than March 15, 1990, the President shall transmit to Congress a report containing a discussion of appropriate actions to be taken by the United States with respect to purchases from United States firms by a foreign country (or a firm of that country) when that country or firm requires an offset arrangement in connection with the purchase of defense equipment or supplies in favor of such country. The report shall include a discussion of the following possible actions:

(A) A requirement for an offset in favor of the United States or United States firms in any case in which the Department of Defense or any other department or agency of the United States purchases goods from such foreign country or a firm of such country.

(B) A demand for offset credits from such foreign country to be used, to the extent practicable, to meet offset obligations of United States firms to such foreign country or to a firm of such country.

(C) A reduction in assistance furnished such foreign country by the United States.

(D) A requirement for alternative equivalent advantages in the case of any such foreign country or a firm of such country if the United States does not purchase a sufficient volume of goods from such country or firm for a requirement described in subparagraph (A) to be effective.

(3) The President shall report to Congress at least once each year, for a period of 4 years, on the progress of the negotiations referred to in subsection (c). The first such report shall be submitted not later than one year after the date of the enactment of this Act.

(4) In this subsection, the terms "foreign firm" and "United States firm" have the same meanings as are provided in section 2505(d) of title 10, United States Code, as added by subsection (b).

SEC. 826. ALLOWABILITY OF COSTS TO PROMOTE THE EXPORT OF DEFENSE PRODUCTS

(a) IN GENERAL.—Section 2324(f) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5) The regulations shall provide that costs to promote the export of products of the United States defense industry, including costs of exhibiting or demonstrating products, shall be allowable to the extent that such costs—

"(A) are allocable, reasonable, and not otherwise unallowable;

"(B) with respect to the activities of the business segment to which such costs are being allocated, are determined by the Secretary of Defense to be likely to result in future cost advantages to the United States; and

"(C) with respect to a business segment which allocates to Department of Defense contracts $2,500,000 or more of such costs in any fiscal year of such business segment, are not in excess of the amount equal to 110 percent of such costs incurred by such business segment in the previous fiscal year.".

(b) REGULATIONS.—The Secretary of Defense shall prescribe final regulations under paragraph (5) of section 2324(f) of title 10, United States Code (as added by subsection (a)), not later than 90 days after the date of the enactment of this Act. Such regulations shall apply with respect to costs referred to in such paragraph that are incurred by a Department of Defense contractor (or a subcontractor of such a contractor) on or after the first day of the contractor's (or subcontractor's) first fiscal year that begins on or after the date on which such final regulations are prescribed.

(c) REPORT.—Not later than two years after the date of the enactment of this Act, the Comptroller General of the United States and the Inspector General of the Department of Defense shall each submit to the Committees on Armed Services of the Senate and House of Representatives a report that includes the following:

(1) An assessment of whether the regulations required by section 2324(f)(5) of title 10, United States Code (as added by subsection (a)), provide the appropriate incentives to stimulate exports by the United States defense industry and provide cost savings to the United States.

(2) An assessment of whether such regulations provide appropriate criteria to ensure that costs allowed are reasonably likely to provide future cost savings to the United States.

(d) TERMINATION.—Section 2324(f)(5) of title 10, United States Code (as added by subsection (a)), shall cease to be effective three years after the date of the enactment of this Act.

PART C—POLICIES RELATING TO DEFENSE CONTRACTORS

SEC. 831. ADDITIONAL PROHIBITIONS ON PERSONS CONVICTED OF FELONIES RELATED TO DEFENSE CONTRACTS

(a) IN GENERAL.—Section 2408(a) of title 10, United States Code, is amended to read as follows:

"(a) PROHIBITION.—(1) An individual who is convicted of fraud or any other felony arising out of a contract with the Department of Defense shall be prohibited from each of the following:

"(A) Working in a management or supervisory capacity on any defense contract.

"(B) Serving on the board of directors of any defense contractor.

"(C) Serving as a consultant to any defense contractor.

"(D) Being involved in any other way, as determined under regulations prescribed by the Secretary of Defense, with a defense contract.

"(2) Except as provided in paragraph (3), the prohibition in paragraph (1) shall apply for a period, as determined by the Secretary of Defense, of not less than five years after the date of the conviction.

"(3) The prohibition in paragraph (1) may apply with respect to an individual for a period of less than five years if the Secretary determines that the five-year period should be waived in the interests of national security. If the five-year period is waived, the Secretary shall submit to Congress a report stating the reasons for the waiver.".

(b) EFFECTIVE DATE.—Section 2408(a) of title 10, United States Code, as amended by subsection (a), shall apply with respect to individuals convicted after the date of the enactment of this Act.

SEC. 832. LIMITATION ON ALLOWABILITY OF COSTS OF CONTRACTORS INCURRED IN CERTAIN PROCEEDINGS

(a) LIMIT ON COSTS.—Section 2324(e) of title 10, United States Code, is amended—

(1) by adding at the end of paragraph (1) the following:

"(N) Except as provided in paragraph (2), costs incurred in connection with any civil, criminal, or administrative action brought by the United States that results in a determination that a contractor has violated or failed to comply with any Federal law or regulation if the action results in any of the following:

"(i) In the case of a criminal action, a conviction (including a conviction pursuant to a plea of nolo contendere).

"(ii) In the case of a civil or administrative action, (I) a determination by the Secretary of Defense that the violation or failure to comply was knowing or willful, and (II) the imposition of a monetary penalty.

"(iii) A final decision by an appropriate official of the Department of Defense to debar or suspend the contractor or to rescind, void, or terminate a contract awarded to such contractor if such decision is based on a determination by the Secretary of Defense that the violation or failure to comply was knowing or willful.";

(2) by redesignating paragraph (2) as paragraph (3); and

(3) by inserting after paragraph (1) (as amended by paragraph (1)) the following:

"(2) If a civil, criminal, or administrative action referred to in paragraph (1)(N) is resolved by consent or compromise pursuant to an agreement entered into by a contractor and the United States, the contractor's costs that are otherwise not allowable under paragraph (1)(N) may be allowed to the extent provided in such agreement.".

(b) REGULATIONS.—The Secretary of Defense shall prescribe regulations to implement section 2324(e)(1)(N) of title 10, United States Code, as added by subsection (a), not later than 90 days after the date of the enactment of this Act.

SEC. 833. AIR TRAVEL EXPENSES OF DEFENSE CONTRACTOR PERSONNEL

(a) AIR FARE DISCOUNT AGREEMENTS.—The Administrator of General Services shall enter into negotiations with commercial air carriers with a view to achieving agreements that permit personnel of contractors who are traveling solely in the performance of covered contracts to be transported by such carriers at the same discount air passenger transportation rates as such carriers charge for travel by Federal Government employees traveling at Government expense.

(b) ALLOWABLE COSTS.—Not later than 120 days after the first agreement goes into effect between the Administrator of General Services and a commercial air carrier under subsection (a), the Secretary of Defense shall prescribe regulations that provide that costs for travel by commercial air carrier by an employee of a defense contractor that exceed the air passenger transportation rates established under the agreement are not allowable costs under section 2324 of title 10, United States Code, under a covered contract if—

(1) the rate was available; and

(2) travel could have reasonably been performed under the conditions required by the air carrier to qualify for such rate.

(c) COVERED CONTRACT.—In this section, the term "covered contract" has the meaning given such term by section 2324(k) of title 10, United States Code.

(d) EXPIRATION.—This section shall cease to be effective three years after the date of the enactment of this Act.

SEC. 834. STANDARDS FOR CONTRACTOR INVENTORY ACCOUNTING SYSTEMS

(a) IN GENERAL.—(1) Chapter 141 of title 10, United States Code, is amended by adding at the end the following new section:

"§2410b. Contractor inventory accounting systems: standards

"The Secretary of Defense shall prescribe in regulations—

"(1) standards for inventory accounting systems used by contractors under contract with the Department of Defense; and

(2) appropriate certification and enforcement requirements with respect to such standards.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2410b. Contractor inventory accounting systems: standards.".

(b) REGULATIONS.—(1) The Secretary of Defense shall prescribe the regulations required by paragraph (1) of section 2410b of title 10, United States Code, as added by subsection (a), not later than 30 days after the date of the enactment of this Act.

(2) The Secretary of Defense shall prescribe the regulations required by paragraph (2) of section 2410b of title 10, United States Code, as added by subsection (a), not later than 180 days after the date of the enactment of this Act.

SEC. 835. EQUAL EMPLOYMENT OPPORTUNITIES RELATING TO AN ARMY CONTRACT

No funds appropriated pursuant to any authorization in this Act or in any previous Act may be expended or obligated for the performance of contract number DA AJ09-88-C-A093 by a contractor outside the United States unless the Secretary of the Army secures a commitment from the contractor that it will support equal employment opportunities for all individuals irrespective of race, color, religion, sex, or national origin in its employment practices.

PART D—MISCELLANEOUS

SEC. 841. PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENT PROGRAM

(a) LIMITATION.—Section 2414 of title 10, United States Code, is amended to read as follows:

"§2414. Limitation

"(a) IN GENERAL.—The value of the assistance furnished by the Secretary to any eligible entity to carry out a procurement technical assistance program under a cooperative agreement under this chapter during any fiscal year may not exceed—

"(1) in the case of a program operating on a Statewide basis, $300,000; or

"(2) in the case of a program operating on less than a Statewide basis, $150,000.

"(b) DETERMINATIONS ON SCOPE OF OPERATIONS.—A determination of whether a procurement technical assistance program is operating on a Statewide basis or on less than a Statewide basis shall be made in accordance with regulations prescribed by the Secretary of Defense.".

(b) PROCUREMENT TECHNICAL ASSISTANCE FOR INDIAN TRIBAL ORGANIZATIONS.—Section 807(a)(2) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1128) is amended by striking out "for fiscal year 1988," and inserting in lieu thereof "for fiscal years 1988 and 1989,".

SEC. 842. PRODUCT EVALUATION

(a) IN GENERAL.—Chapter 139 of title 10, United States Code, as amended by section 823, is further amended by adding at the end the following new section:

"§2369. Product evaluation activity

"(a) ESTABLISHMENT.—The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall establish a program for the supervision and coordination of product evaluation activities within the Department of Defense.

"(b) CONDUCT OF PRODUCT EVALUATION.—(1) The Secretary of each military department and the head of each Defense Agency may, subject to supervision and coordination by the Under Secretary of Defense for Acquisition, establish and conduct appropriate product evaluation activities.

"(2) The purpose of each product evaluation activity established under paragraph (1) is to evaluate products developed by private industry independent of any contract or other arrangement with the United States in order to determine the utility of such products to the Department of Defense.

"(c) COST SHARING.—As a condition to conducting an evaluation of any product under this section, the producer of the product shall be required to pay one half of the cost of conducting such evaluation. For product development proposed by a small business concern (within the meaning of section 3 of the Small Business Act (15 U.S.C. 632)), the Secretary of Defense may pay up to 85 percent of the cost of product evaluation if the small business concern agrees to a not-for-profit contract.".

(b) TECHNICAL AMENDMENT.—The table of sections at the beginning of such chapter, as amended by section 823, is further amended by adding at the end the following new item:

"2369. Product evaluation activity.".

SEC. 843. CONTRACT GOAL FOR MINORITIES IN PRINTING-RELATED SERVICES

(a) Test Program.—The Public Printer shall establish and, during fiscal years 1989 and 1990, carry out a test program for increasing its award of contracts to small and disadvantaged businesses for the printing, binding, and related services needed by the Department of Defense. The program shall have a goal of procuring in each such fiscal year from such businesses printing, binding, and related services equivalent to not more than 5 percent of the value of the printing, binding, and related services which were procured in the preceding fiscal year by the Government Printing Office from non-Government sources for the Department of Defense. The Public Printer may use such procurement procedures as he considers necessary to facilitate achievement of such goal.

(b) Covered Entities.—In this section, the term "small and disadvantaged businesses" means the small business concerns, historically Black colleges and universities, and minority institutions described in section 1207(a) of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3973).

(c) Enforcement.—Any person who, for the purpose of securing a contract under subsection (a), misrepresents the status of any concern or person as a small business concern referred to in subsection (b), is subject to the penalties set forth in section 1207(f) of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3974).

(d) Section 1207 Goals.—For the purpose of determining whether the Department of Defense has attained the goals set forth in section 1207 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3973), the Secretary of Defense may count any procurements by the Public Printer in the program established under subsection (a).

SEC. 844. EXTENSION OF CONTRACT GOAL FOR SMALL AND DISADVANTAGED BUSINESSES

Section 1207 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3973) is amended in subsections (a) and (h) by striking out "and 1989" and inserting in lieu thereof "1989, and 1990".

SEC. 845. DEADLINE FOR CERTAIN SMALL BUSINESS REGULATIONS

Section 3(a)(4)(C) of the Small Business Act (15 U.S.C. 632) is amended by inserting at the end the following: "Such regulations shall apply with respect to contracts entered into on or after October 1, 1988.".

SEC. 846. SAFEGUARDING OF MILITARY WHISTLEBLOWERS

(a) Military Whistleblower Protection.—(1) Section 1034 of title 10, United States Code, is amended to read as follows:

"§1034. Communicating with a Member of Congress or Inspector General; prohibition of retaliatory personnel actions

"(a) Restricting Communications With Members of Congress and Inspector General Prohibited.—(1) No person may restrict a member of the armed force in communicating with a Member of Congress or an Inspector General.

"(2) Paragraph (1) does not apply to a communication that is unlawful.

"(b) Prohibition of Retaliatory Personnel Actions.—No person may take (or threaten to take) an unfavorable personnel action, or withhold (or threaten to withhold) a favorable personnel action, as a reprisal against a member of the armed forces for making or preparing a communication to a Member of Congress or an Inspector General that (under subsection (a)) may not be restricted. Any action prohibited by the preceding sentence (including the threat to take any action and the withholding or threat to withhold any favorable action) shall be considered for the purposes of this section to be a personnel action prohibited by this subsection.

"(c) Inspector General Investigation of Certain Allegations.—(1) If a member of the armed forces submits to the Inspector General of the Department of Defense (or the Inspector General of the Department of Transportation, in the case of a member of the Coast Guard) an allegation that a personnel action prohibited by subsection (b) has been taken (or threatened) against the member with respect to a communication described in paragraph (2), the Inspector General shall expeditiously investigate the allegation.

"(2) A communication described in this paragraph is a communication to a Member of Congress or an Inspector General that (under subsection (a)) may not be restricted in which the member of the armed forces makes a complaint or discloses information that the member reasonably believes constitutes evidence of—

"(A) a violation of a law or regulation; or

"(B) mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety.

"(3) The Inspector General is not required to make an investigation under paragraph (1) in the case of an allegation made more than 60 days after the date on which the member becomes aware of the personnel action that is the subject of the allegation.

"(4) If the Inspector General has not already done so, the Inspector General shall commence a separate investigation of the information that the member believes evidences wrongdoing as described in subparagraph (A) or (B) of paragraph (2). The Inspector General is not required to make such an investigation if the information that the member believes evidences wrongdoing relates to actions which took place during combat.

"(5) Not later than 30 days after completion of an investigation under this subsection, the Inspector General shall submit a report on the results of the investigation to the Secretary of Defense and the member of the armed forces concerned. In the copy of the report submitted to the member, the Inspector General may exclude any information that would not otherwise be available to the member under section 552 of title 5.

"(6) If, in the course of an investigation of an allegation under this section, the Inspector General determines that it is not possible to submit the report required by paragraph (5) within 90 days after the date of receipt of the allegation being investigated, the Inspector General shall provide to the Secretary of Defense and to the member making the allegation a notice—

"(A) of that determination (including the reasons why the report may not be submitted within that time); and

"(B) of the time when the report will be submitted.

"(7) The report on the results of the investigation shall contain a thorough review of the facts and circumstances relevant to the allegation and the complaint or disclosure and shall include documents acquired during the course of the investigation, including summaries of interviews conducted. The report may include a recommendation as to the disposition of the complaint.

"(d) Correction of Records When Prohibited Action Taken.—(1) A board for the correction of military records acting under section 1552 of this title, in resolving an application for the correction of records made by a member or former member of the armed forces who has alleged a personnel action prohibited by subsection (b), on the request of the member or former member or otherwise, may review the matter.

"(2) In resolving an application described in paragraph (1), a correction board—

"(A) shall review the report of the Inspector General submitted under subsection (c)(5);

"(B) may request the Inspector General to gather further evidence; and

"(C) may receive oral argument, examine and cross-examine witnesses, take depositions, and, if appropriate, conduct an evidentiary hearing.

"(3) If the board elects to hold an administrative hearing, the member or former member who filed the application described in paragraph (1)—

"(A) may be provided with representation by a judge advocate if—

"(i) the Inspector General, in the report under subsection (c)(5), finds that there is probable cause to believe that a personnel action prohibited by subsection (b) has been taken (or threatened) against the member with respect to a communication described in subsection (c)(2);

"(ii) the Judge Advocate General concerned determines that the case is unusually complex or otherwise requires judge advocate assistance to ensure proper presentation of the legal issues in the case; and

"(iii) the member is not represented by outside counsel chosen by the member; and

"(B) may examine witnesses through deposition, serve interrogatories, and request the production of evidence, including evidence contained in the investigatory record of the Inspector General but not included in the report submitted under subsection (c)(5).

"(4) The Secretary concerned shall issue a final decision with respect to an application described in paragraph (1) within 180 days after the application is filed. If the Secretary fails to issue such a final decision within that time, the member or former member shall be deemed to have exhausted the member's or former member's administrative remedies under section 1552 of this title.

"(5) The Secretary concerned shall order such action, consistent with the limitations contained in sections 1552 and 1553 of this title, as is necessary to correct the record of a personnel action prohibited by subsection (b).

"(6) If the Board determines that a personnel action prohibited by subsection (b) has occurred, the Board may recommend to the Secretary concerned that the Secretary take appropriate disciplinary action against the individual who committed such personnel action.

"(e) Review by Secretary of Defense.—Upon the completion of all administrative review under subsection (d), the member or former member of the armed forces who made the allegation referred to in subsection (c)(1), if not satisfied with the disposition of the matter, may submit the matter to the Secretary of Defense. The Secretary shall make a decision to reverse or uphold the decision of the Secretary of the military department concerned in the matter within 90 days after receipt of such a submittal.

"(f) Post-Disposition Interviews.—After disposition of any case under this section, the Inspector General shall, whenever possible, conduct an interview with the person making the allegation to determine the views of that person on the disposition of the matter.

"(g) Regulations.—The Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall prescribe regulations to carry out this section.

"(h) Definitions.—In this section:

"(1) The term 'Member of Congress' includes any Delegate or Resident Commissioner to Congress.

"(2) The term 'Inspector General' means—

"(A) an Inspector General appointed under the Inspector General Act of 1978; and

"(B) an officer of the armed forces assigned or detailed under regulations of the Secretary concerned to serve as an Inspector General at any command level in one of the armed forces.".

(2) The item relating to such section in the table of sections at the beginning of chapter 53 of such title is amended to read as follows:

"1034. Communicating with a Member of Congress or Inspector General; prohibition of retaliatory personnel actions.".

(b) Deadline for Regulations.—The Secretary of Defense and the Secretary of Transportation shall prescribe the regulations required by subsection (g) of section 1034 of title 10, United States Code, as amended by subsection (a), not later than 180 days after the date of the enactment of this Act.

(c) Report.—(1) The Inspector General of the Department of Defense (and the Inspector General of the Department of Transportation with respect to the Coast Guard) shall submit to Congress a report on the activities of the Inspector General under section 1034 of title 10, United States Code, as amended by subsection (a). The report shall include, in the case of each case handled by the Inspector General under that section, a description of—

(A) the nature of the allegation described in subsection (c) of that section;

(B) the evaluation and recommendation of the Inspector General with respect to the allegation;

(C) any action of the appropriate board for the correction of military records with respect to the allegation;

(D) if the allegation is determined to be meritorious, any corrective action taken; and

(E) the views of the member or former member of the armed forces making the allegation (determined on the basis of the interview under subsection (f) of that section) on the disposition of the case.

(2) The Inspector General shall include with the report under this subsection copies of the individual case reports for each such allegation.

(3) The report under this subsection shall be submitted not later than February 1, 1990.

(d) Effective Date.—The amendment to section 1034 of title 10, United States Code, made by subsection (a)(1), shall apply with respect to any personnel action taken (or threatened to be taken) on or after the date of the enactment of this Act as a reprisal prohibited by subsection (b) of that section.

TITLE IX—MATTERS RELATING TO ARMS CONTROL

SEC. 901. SENSE OF CONGRESS ON EXPANDING CONFIDENCE-BUILDING MEASURES

(a) Findings.—Congress makes the following findings:

(1) Approximately two years have passed since the Conference on Confidence- and Security-Building Measures and Disarmament in Europe (CDE) adjourned in Stockholm following the adoption of measures designed to increase openness and predictability of military activities in Europe.

(2) To date, there have been seven formal observations and challenge inspections which have been conducted in accordance with the Stockholm agreements.

(3) The military leaders of the North Atlantic Treaty Organization have concluded that the Stockholm observations and inspections have positively contributed to an improved understanding of Warsaw Pact forces and capabilities.

(4) The Conventional Stability Talks (CST), which may begin before the end of 1988, will likely require careful and potentially prolonged negotiation.

(5) New negotiations will also begin under the auspices of the Conference on Security and Cooperation in Europe (CSCE) as a follow-on to the Stockholm conference.

(6) The confidence-building measures established at Stockholm could, if expanded, contribute significantly to the success of the CDE follow-on conference and also to the establishment of a procedural framework for verifying a future CST agreement.

(b) Sense of Congress.—It is the sense of Congress that the President should give high priority to developing, in coordination with the North Atlantic Treaty Organization allies of the United States, stabilizing and verifiable proposals for expanding the regime of confidence-building measures in conjunction with the follow-on to the Conference on Confidence- and Security-Building Measures and Disarmament in Europe (CDE) and the new Conventional Stability Talks (CST).

SEC. 902. SENSE OF CONGRESS ON START TALKS

It is the sense of Congress that any agreement negotiated by the President to achieve a reduction and limitation on strategic arms (through the strategic arms reduction talks in Geneva or otherwise)—

(1) should not prevent the United States from deploying a force structure under the agreement which emphasizes survivable strategic systems and, in particular, should not in any way compromise the security of the United States ballistic-missile carrying submarine force, and

(2) should not prohibit or limit the deployment of non-nuclear cruise missiles.

SEC. 903. SENSE OF CONGRESS CONCERNING ROLE OF CONGRESS IN ARMS CONTROL AND DEFENSE POLICIES

It is the sense of Congress—

(1) that Congress, in exercising its authority under the Constitution "to raise and support Armies" and "provide and maintain Navies" and, in the case of the Senate, to advise and consent to the ratification of treaties, has a role to play in formulating arms control and defense policies of the United States, but

(2) that Congress, in exercising that authority, should not usurp, undermine, or interfere with the authority of the President under the Constitution to negotiate and implement treaties, especially in the case of treaties which affect arms control and defense policies of the United States.

SEC. 904. SENSE OF CONGRESS ON THE FIVE-YEAR ABM TREATY REVIEW

(a) Findings.—Congress makes the following findings:

(1) The Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems, With Associated Protocol (hereinafter in this section referred to as the "ABM Treaty" or the "Treaty") in Article XIV, Paragraph 2, reads as follows: "Five years after entry into force of this Treaty, and at five-year intervals thereafter, the Parties shall together conduct a review of this Treaty.".

(2) Such Treaty entered into force on October 3, 1972, and the third five-year anniversary date specified for the conduct of the review contemplated in the Treaty, therefore, was October 3, 1987.

(3) As a fundamental principle of the canons of legal construction, a specified number of years after a specific and determinable date means the specified anniversary of such date and therefore the third five-year review of the ABM Treaty should have begun on or about October 3, 1987.

(4) The Parties to the Treaty have not met as required by the Treaty because the United States refused to meet on the date specified in the Treaty for such meeting (October 3, 1987) and has refused since such date to propose a date for the meeting.

(b) Sense of Congress.—In light of the findings in subsection (a), it is the sense of Congress that the President should, without any further delay, propose an early date to conduct the overdue five-year review of the ABM Treaty. The President shall inform Congress of the results of that review immediately after it takes place.

SEC. 905. REVISION OF ANNUAL REPORT ON SOVIET COMPLIANCE WITH ARMS CONTROL COMMITMENTS

(a) Amendment to Public Law 99-145.—The text of section 1002 of the Department of Defense Authorization Act, 1986 (22 U.S.C. 2592a), is amended to read as follows:

"(a) Annual Report.—Not later than December 1 of each year, the President shall submit to Congress a report containing the findings of the President with respect to the compliance of the Soviet Union with its arms control commitments and any additional information necessary to keep Congress currently informed.

"(b) Matters To Be Included.—The President shall specifically include in each such report the following:

"(1) A summary of the current status of all arms control agreements in effect between the United States and the Soviet Union.

"(2) An assessment of all violations by the Soviet Union of such agreements and the risks such violations pose to the national security of the United States and its allies.

"(3) A net assessment of the aggregate military significance of all such violations.

"(4) A statement of the compliance policy of the United States with respect to violations by the Soviet Union of those agreements.

"(5) What actions, if any, the President has taken or proposes to take to bring the Soviet Union into compliance with its commitments under those agreements.

"(c) Contingent Additional Information.—If the President in any second consecutive report submitted to Congress under this section reports that the Soviet Union is not in full compliance with all arms control agreements between the United States and the Soviet Union, the President shall include in such report an assessment of what ac-

tions are necessary to compensate for such violations.

"(d) Classification of Reports. Each report under this section shall be submitted in both classified and unclassified versions.".

(b) Effective Date.—The amendment made by subsection (a) shall take effect beginning with the report to be submitted under section 1002 of the Department of Defense Authorization Act, 1986, in 1990.

SEC. 906. ANNUAL REPORT ON ARMS CONTROL STRATEGY

(a) In General.—The President shall submit to Congress each year, not later than December 1, a report containing a comprehensive discussion and analysis of the arms control strategy of the United States. The President shall include in each such report the following:

(1) A description of the nature and sequence of the future arms control efforts of the United States.

(2) A net assessment of the current effects of arms control agreements on the status of, and trends in, the military balance between the United States and the Soviet Union and between the North Atlantic Treaty Organization (NATO) and the Warsaw Pact.

(3) A comprehensive data base on the military balance of forces of the United States and the Soviet Union, and the balance of forces of NATO and the Warsaw Pact countries, that are affected by arms control agreements in existence as of the time of the report between the United States and the Soviet Union and between NATO and the Warsaw Pact, including an explanation of the methodology used to analyze the effects on such forces.

(4) A net assessment of the effect that proposed arms control agreements between the United States and the Soviet Union and between NATO and the Warsaw Pact would likely have on United States force plans and contingency plans, including an assessment of the effect that such proposed agreements would have on the risks and costs to the United States.

(5) An assessment of the effect that proposed treaty sub-ceilings, asymmetries, and other factors or qualifications affecting a treaty or arms control proposal would have on the military balance between the United States and the Soviet Union and between NATO and the Warsaw Pact, including an assessment of how such factors increase deterrence and reduce the risk and cost of war.

(6) A statement of the strategy the United States and NATO will use to verify and deter noncompliance with proposed arms control treaties between the United States and the Soviet Union and between NATO and the Warsaw Pact.

(7) A discussion of the extent to which and the manner in which the United States intends to consult with its allies regarding proposed arms control agreements between the United States and the Soviet Union and between NATO and the Warsaw Pact.

(8) A discussion of how the United States proposes to tailor its defense structure in order to ensure that the national security can be preserved with or without arms control agreements.

(b) Explanation of Methodology.—In reporting on the current effect of arms control agreements on the status of, and trends in, the military balance of power between the United States and the Soviet Union and between NATO and the Warsaw Pact (required under paragraphs (2) and (3) of subsection (a)), the President shall—

(1) specify the methodology used in analyzing the military balance between the United States and the Soviet Union and express the results of such analyses in terms of (A) static comparisons, and (B) comparisons that include dynamic factors; and

(2) discuss all major scenarios, assumptions, and contingencies, including political confrontation, full-scale war, and serious confrontations not involving full-scale war.

(c) Form of Report.—The President shall submit such report in both classified and unclassified form.

SEC. 907. REPORT ON ANTIBALLISTIC MISSILE CAPABILITIES AND ACTIVITIES OF THE SOVIET UNION

(a) Study.—The President shall conduct a study regarding the antiballistic missile capability and activities of the Soviet Union. In conducting the study, the President shall assess each of the following:

(1) The military capabilities and significance of the extensive network of large-phased array radars of the Soviet Union.

(2) Whether the Soviet Union is developing or producing mobile or transportable engagement radars in violation of the 1972 Antiballistic Missile Treaty.

(3) The ability of the Soviet Union to develop an effective exoatmospheric antiballistic missile defense without using widespread deployments of traditional engagement radars.

(4) The ability of air defense interceptor missiles of the Soviet Union, now and in the future, to destroy warheads of ballistic missiles in flight.

(5) Whether silos or other hardened facilities of the Soviet Union located outside of the existing antiballistic missile site permitted near Moscow under the terms of the 1972 Antiballistic Missile Treaty are or could be associated with antiballistic missile defenses not permitted under that Treaty.

(6) Whether the Soviet Union is developing terminal antiballistic missile defenses.

(7) Whether the existing antiballistic missile site near Moscow that is permitted under the terms of that Treaty conceals or could conceal development, testing, or deployment by the Soviet Union of a widespread antiballistic missile system.

(8) Activities of the Soviet Union regarding boost-phase intercepts of ballistic missiles.

(9) The status of laser programs, particle-beam programs, and other advanced technology programs of the Soviet Union comparable to programs conducted by the United States under the Strategic Defense Initiative.

(10) The consequences for the United States of a successful effort by the Soviet Union to deploy an effective nationwise or limited antiballistic missile system.

(b) Assessment of Ability of United States to Counter a Soviet ABM System.—In conducting the study required by subsection (a), the President shall also assess the ability of the United States to counter effectively an effective antiballistic missile system deployed by the Soviet Union. Such assessment shall consider both the deployment by the Soviet Union of a nationwide, and of a limited, antiballistic missile system. In assessing the ability of the United States to counter effectively such a system, the President—

(1) shall consider the ability of the United States to modify (A) existing strategic offensive forces (including modifications involving the development of additional penetration aids), and (B) current strategic doctrine and tactics; and

(2) shall consider whether the actions of the United States described in paragraph (1) could be accomplished over the same period of time that the Soviet Union would require to deploy such an antiballistic missile system.

(c) Report.—Not later than January 1, 1989, the President shall submit to Congress a report, in both a classified and an unclassified version, specifying the results of the study conducted pursuant to this section. The report shall include such recommendations as the President considers appropriate, including recommendations with regard to maintaining the deterrent value of the strategic forces of the United States in light of the antiballistic missile capability and activities of the Soviet Union described in the report.

SEC. 908. ANALYSIS OF ALTERNATIVE STRATEGIC NUCLEAR FORCE POSTURES FOR THE UNITED STATES UNDER A POTENTIAL START TREATY

(a) Findings.—Congress makes the following findings:

(1) The United States and the Soviet Union are currently engaged in talks regarding the reduction of strategic nuclear arms.

(2) Such talks could result in a treaty requiring deep reductions in the strategic forces of the United States.

(3) Any such Strategic Arms Reduction Treaty (START) cannot be ratified without the advice and consent of the Senate.

(4) Any such START Treaty should result in a stable balance of strategic forces between the United States and the Soviet Union which enhances the security of the United States.

(5) Congress should provide funds for the forces permitted under such a treaty that are required to ensure the stability of the force balance under such a treaty.

(6) Congress faces critical resource choices for fiscal year 1989 and subsequent fiscal years, and the resource choices made by Congress for those years could substantially influence the strategic force posture of the United States in the period after such a treaty goes into effect.

(b) Presidential Report.—Before entering into any Strategic Arms Reduction Treaty or other agreement with the Soviet Union for the reduction of strategic arms, but not later than September 15, 1988, the President shall submit to Congress a comprehensive report on the implications such a treaty or agreement might have on the strategic force postures of the United States during the 1990s. The report shall include the following:

(1) A description of alternative force postures that might be permitted for the United States under such an arms reduction agreement, including the posture recommended by the President.

(2) The estimated costs, over at least a seven-year period, associated with each alternative force posture.

(3) The damage limitation capability, the survivability, and the retaliatory potential of such force posture, and the implications for strategic stability, assessed with regard to the likely force postures of the Soviet Union under such an agreement and the first-strike potential of such force postures.

(4) The likely effect of a breakout by the Soviet Union from such an arms control agreement on the survivability and of the force posture of the United States under such an agreement recommended by the President under paragraph (1).

(c) Form of Report.—The President shall submit the report under subsection (b) in both classified and unclassified form.

SEC. 909. ON-SITE INSPECTION AGENCY

(a) REPORT REQUIREMENTS.—(1) Not later than six months after the date of the enactment of this Act, the officers named in paragraph (2) shall each submit to the Committee on Armed Services, the Committee on Foreign Affairs, and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on Armed Services, the Committee on Foreign Relations, and the Select Committee on Intelligence of the Senate an unclassified report, with classified annexes as necessary, on the responsibility of each such officer for the monitoring and verification of arms control agreements. Each such report—

(A) shall address specifically any responsibility the officer submitting the report has with respect to on-site inspections (whether inspections of facilities of the United States or inspections of facilities of another party to the agreement); and

(B) shall set forth the organizational elements of each department or agency over which the officer submitting the report has jurisdiction which have functions related to the monitoring or verification of arms control agreements.

(2) Officers referred to in paragraph (1) are the following:

(A) The Secretary of Defense.

(B) The Secretary of State.

(C) The Director of Central Intelligence.

(D) The Director of the United States Arms Control and Disarmament Agency.

(b) MATTERS TO BE INCLUDED.—Each report under subsection (a) shall—

(1) describe in detail the monitoring and verification activities carried out with respect to the INF Treaty,

(2) evaluate the effectiveness with which these functions have been implemented, and

(3) include recommendations for any future organizational or policy changes that may be necessary in view of the experience of implementing the INF Treaty.

(c) INF TREATY DEFINED.—For purposes of subsection (b), the term "INF Treaty" means the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Elimination of Their Intermediate-Range and Shorter-Range Missiles (signed at Washington on December 9, 1987).

(d) BUDGET REQUESTS.—Any request submitted to Congress by the Executive Branch for authorization of appropriations for the On-Site Inspection Agency for any fiscal year shall, as a separate activity, provide details of all funding and of all military and civilian personnel requested for that Agency for that fiscal year, including the number of such personnel of the Department of Defense and other agencies that will be assigned to on-site inspection activities and to support such activities during that fiscal year.

SEC. 910. COORDINATION OF VERIFICATION POLICY AND RESEARCH AND DEVELOPMENT ACTIVITIES

(a) REPORT.—Not later than June 30, 1989, the President shall submit to Congress a report reviewing the relationship of arms control objectives of the United States with research and development of improved monitoring systems for arms control verification. The review shall include the participation of the Secretaries of Defense, State, and Energy, the Director of Central Intelligence, and the Director of the United States Arms Control and Disarmament Agency.

(b) FINDINGS AND RECOMMENDATIONS.—The report shall include the findings of the President, and such recommendations for improvements as the President considers appropriate, with respect to the following:

(1) The status of coordination among the officers named in subsection (a) in the formulation of the policy of the United States regarding arms control verification.

(2) The status of efforts to ensure that such policy is formulated in a manner which takes into account available monitoring technology.

(3) The status of efforts to ensure that research and development on monitoring technology evolves concurrently with such policy.

TITLE X—MATTERS RELATING TO NATO COUNTRIES AND OTHER ALLIES

SEC. 1001. INCREASE IN ANNUAL DOLLAR LIMITATION ON ACQUISITION AND CROSS-SERVICING AGREEMENTS WITH ALLIED COUNTRIES

Section 2347(a)(1) of title 10, United States Code, is amended by striking out "$100,000,000" and inserting in lieu thereof "$150,000,000".

SEC. 1002. AUTHORITY TO WAIVE SURCHARGES ON CERTAIN SALES TO NORTH ATLANTIC TREATY ORGANIZATION

Section 21(e) of the Arms Export Control Act (22 U.S.C. 2761(e)) is amended by adding at the end the following:

"(3)(A) The President may waive the charges for administrative services that would otherwise be required by paragraph (1)(A) in connection with any sale to the Maintenance and Supply Agency of the North Atlantic Treaty Organization in support of—

"(i) a weapon system partnership agreement; or

"(ii) a NATO/SHAPE project.

"(B) The Secretary of Defense may reimburse the fund established to carry out section 43(b) of this Act in the amount of the charges waived under subparagraph (A) of this paragraph. Any such reimbursement may be made from any funds available to the Department of Defense.

"(C) As used in this paragraph—

"(i) the term 'weapon system partnership agreement' means an agreement between two or more member countries of the Maintenance and Supply Agency of the North Atlantic Treaty Organization that—

"(I) is entered into pursuant to the terms of the charter of that organization; and

"(II) is for the common logistic support of a specific weapon system common to the participating countries; and

"(ii) the term 'NATO/SHAPE project' means a common-funded project supported by allocated credits from North Atlantic Treaty Organization bodies or by host nations with NATO Infrastructure funds.".

SEC. 1003. AUTHORITY OF MILITARY DEPARTMENTS TO LOAN AND BORROW FROM CERTAIN ALLIES MATERIALS, SUPPLIES, AND EQUIPMENT FOR RESEARCH AND DEVELOPMENT PURPOSES

(a) IN GENERAL.—Chapter 6 of the Arms Export Control Act (22 U.S.C. 2796c) is amended by adding at the end the following new section:

"SEC. 65. LOAN OF MATERIALS, SUPPLIES, AND EQUIPMENT FOR RESEARCH AND DEVELOPMENT PURPOSES.—(a)(1) Except as provided in subsection (c), the Secretary of Defense may loan to a country that is a NATO or major non-NATO ally materials, supplies, or equipment for the purpose of carrying out a program of cooperative research, development, testing, or evaluation. The Secretary may accept as a loan or a gift from a country that is a NATO or major non-NATO ally materials, supplies, or equipment for such purpose.

"(2) Each loan or gift transaction entered into by the Secretary under this section shall be provided for under the terms of a written agreement between the Secretary and the country concerned.

"(3) A program of testing or evaluation for which the Secretary may loan materials, supplies, or equipment under this section includes a program of testing or evaluation conducted solely for the purpose of standardization, interchangeability, or technical evaluation if the country to which the materials, supplies, or equipment are loaned agrees to provide the results of the testing or evaluation to the United States without charge.

"(b) The materials, supplies, or equipment loaned to a country under this section may be expended or otherwise consumed in connection with any testing or evaluation program without a requirement for reimbursement of the United States if the Secretary—

"(1) determines that the success of the research, development, test, or evaluation depends upon expending or otherwise consuming the materials, supplies, or equipment loaned to the country; and

"(2) approves of the expenditure or consumption of such materials, supplies, or equipment.

"(c) The Secretary of Defense may not loan to a country under this section any material if the material is a strategic and critical material and if, at the time the loan is to be made, the quantity of the material in the National Defense Stockpile (provided for under section 3 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b)) is less than the quantity of such material to be stockpiled, as determined by the President under section 3(a) of such Act.

"(d) For purposes of this section, the term 'NATO or major non-NATO ally' means a member country of the North Atlantic Treaty Organization (other than the United States) or a foreign country other than a member nation of NATO designated as a major non-NATO ally under section 1105 of the National Defense Authorization Act for Fiscal Year 1987 (22 U.S.C. 2767a).".

(b) CLERICAL AMENDMENT.—The heading for such chapter is amended to read as follows:

"CHAPTER 6—LEASES OF DEFENSE ARTICLES AND LOAN AUTHORITY FOR COOPERATIVE RESEARCH AND DEVELOPMENT PURPOSES".

SEC. 1004. SENSE OF CONGRESS ON NEED FOR MODERNIZATION OF THEATER NUCLEAR CAPABILITIES OF NATO

(a) FINDINGS.—Congress makes the following findings:

(1) The security of the North Atlantic Treaty Organization (NATO) alliance will continue for the foreseeable future to rely on a modern and credible nuclear deterrent.

(2) NATO should make every effort to achieve the goal of raising the threshold for the use of nuclear weapons in the event of a conflict in Europe.

(3) While recognizing that there is a critical need for improvements in conventional forces, Congress also recognizes that the United States will have to devote defense resources in the future to the continuing modernization of the theater nuclear capabilities of NATO.

(4) The modernization of the theater nuclear capabilities of NATO is a continuing process and stems from the 1983 Montebello decision by NATO to reduce the stockpile of nuclear weapons in Europe while taking steps to ensure that the remaining nuclear weapons of the alliance are responsive, survivable, and effective.

(5) Programs to modernize theater nuclear forces, which had a high priority for NATO before the ratification of the Intermediate-range Nuclear Forces (INF) Treaty, are at least as important following the ratification of that treaty in May 1988.

(6) The NATO Nuclear Planning Group recently reaffirmed its endorsement of development by the United States of a new missile for delivery of theater nuclear weapons as a follow-on to the current Lance missile, with a view toward an eventual decision on deployment of such a follow-on missile.

(b) Sense of Congress.—In light of the findings in subsection (a), it is the sense of Congress that—

(1) modernization of the theater nuclear capabilities of the North Atlantic Treaty Organization is essential to the deterrence strategy of the NATO alliance, particularly in light of the requirements of the Intermediate-range Nuclear Forces (INF) Treaty for the destruction of intermediate-range nuclear weapons;

(2) continued modernization by the United States of theater nuclear capabilities should be undertaken in close consultation with other NATO member nations; and

(3) the United States should proceed with ongoing activities to meet the identified requirement of the NATO alliance for development of a new missile for delivery of theater nuclear weapons as a follow-on to the Lance missile.

SEC. 1005. REPORT ON NATO DEFENSE PROGRAM FOR FISCAL YEAR 1990

(a) Report.—The Secretary of Defense shall submit to Congress a report setting forth in detail the programs of the Department of Defense in support of the North Atlantic Treaty Organization (referred to as the "NATO Defense Program") for fiscal year 1990. The report shall include—

(1) an identification of each such program by program element; and

(2) a description of each such program and the level of funding requested by the President for each such program in the budget for fiscal year 1990.

(b) Submission of Report.—The report under subsection (a) shall be submitted in conjunction with the submission to Congress of the President's budget for fiscal year 1990 pursuant to section 1105 of title 31, United States Code.

SEC. 1006. IMPROVEMENT IN DEFENSE RESEARCH AND PROCUREMENT LIAISON WITH ISRAEL

The Secretary of Defense, in consultation with the Under Secretary of Defense for Acquisition, shall designate for duty in Israel an individual or individuals to serve as the primary liaison between the procurement and research and development activities of the United States Armed Forces and those of the State of Israel.

SEC. 1007. MODIFICATION OF REQUIREMENT CONCERNING DESIGNATION OF MAJOR NON-NATO ALLIES

Section 1105(f) of the National Defense Authorization Act for Fiscal Year 1987 (22 U.S.C. 2767a) is amended—

(1) by striking out "Not later than January 1 of each year, the Secretary" and inserting in lieu thereof "The Secretary";

(2) by inserting ", whenever they consider such action to be warranted," after "Secretary of State"; and

(3) by inserting "to be added to or deleted from the existing designation of countries" in paragraph (1) after "countries".

SEC. 1008. CALL FOR CONTINUED DEFENSE BURDEN-SHARING DISCUSSIONS WITH ALLIES

It is the sense of Congress that the President should continue the discussions (called for by Congress in section 1254(b)(1) of Public Law 100-204) with countries which participate in mutual defense alliances with the United States, especially the member nations of the North Atlantic Treaty Organization and Japan, for the purpose of reaching an agreement for a more equitable distribution of the burden of financial support for the alliances.

SEC. 1009. CONTRIBUTIONS BY JAPAN TO GLOBAL STABILITY

(a) Findings.—The Congress makes the following findings:

(1) As noted by Congress in section 1012(a)(1) of Public Law 100-180 and in section 812(a)(1) of Public Law 99-93, the alliance of the United States and Japan is the foundation for the security of Japan and peace in the Far East and is a major contributing factor to the democratic freedoms and the economic prosperity enjoyed by both the United States and Japan.

(2) In keeping with the declaration made at the 1983 meeting in Williamsburg, Virginia, of the leaders of the leading industrialized democracies that "the security of our countries is indivisible and must be approached on a global basis", the Government of Japan, in actions welcomed by the United States—

(A) continues to fulfill the pledge made by the Prime Minister of Japan in May 1981 to develop the capabilities to defend the territory of Japan and the airspace and sealanes around Japan to a distance of 1,000 nautical miles by 1990,

(B) has increased the amount of assistance provided to other countries during fiscal year 1988 by 6.5 percent over the amount of such assistance provided during fiscal year 1987, and

(C) is, according to recent reports, actively involved in increasing its contributions to the stability of the Republic of the Philippines.

(3) Japan could, because of its recent history and economic status, best fulfill a politically acceptable and significant role in maintaining the security of the leading industrialized democracies by increasing spending for its Official Development Assistance program in the manner described by Congress in section 1012(b) of Public Law 100-180.

(4) The failure of the United States and Japan to agree on the appropriate level of the contribution by Japan to maintaining the security of the leading industrialized democracies could weaken the long-term vitality, effectiveness, and cohesion of the alliance between the United States and Japan.

(b) Annual Report.—The Secretary of Defense shall include with the annual report submitted pursuant to section 1003 of Public Law 98-525 (22 U.S.C. 1928 note) a report on the Official Development Assistance program of the Government of Japan. Such report shall be prepared each year in coordination with the Secretary of State and the Administrator of the Agency for International Development and shall include a description of the amount and nature of spending under such program by recipient, including distinguishing between grant aid, loans, and credits.

(c) Policy on Discussions With Japan.—It is the sense of Congress that in the discussions with Japan referred to in section 1008 for the purpose of reaching a more equitable distribution of the burden of financial support for the security of the leading industrialized democracies, the objective of such discussions should include the establishment of a schedule for increases in spending under Japan's Official Development Assistance program and its defense programs so that, by 1992, the level of spending on those programs (stated as a percentage of gross national product) will approximate the average of the levels of spending by the member nations of the North Atlantic Treaty Organization on official development assistance and defense programs (stated as a percentage of their respective gross national products).

(d) Report.—Not later than 180 days after the date of the enactment of this Act, the President shall submit to Congress a report on the progress of the discussions described in subsection (c) with respect to Japan.

(e) Further Congressional Action.—It is the sense of Congress that if, in the judgment of Congress, the report of the President under subsection (d) does not reflect substantial progress toward a more equitable distribution of the burden of maintaining the security of the leading industrialized democracies, Congress should review the extent of the distribution of the mutual security burden between the United States and Japan and should consider whether additional legislation is appropriate.

TITLE XI—DRUG INTERDICTION AND LAW ENFORCEMENT SUPPORT

SEC. 1101. ANNUAL GUIDELINES TO THE MILITARY DEPARTMENTS

Section 113 of title 10, United States Code, is amended by adding to the end the following new subsection:

"(l) The Secretary of Defense, with the advice and assistance of the Chairman of the Joint Chiefs of Staff, shall provide annually to the Secretaries of the military departments and to the commanders of the combatant commands written guidelines to direct the effective detection and monitoring of all potential aerial and maritime threats to the national security of the United States. Those guidelines shall include guidance on the specific force levels and specific supporting resources to be made available for the period of time for which the guidelines are to be in effect.".

SEC. 1102. LEAD AGENCY FOR DETECTION

(a) Department of Defense To Serve as Lead Agency.—(1) The Department of Defense shall serve as the single lead agency of the Federal Government for the detection and monitoring of aerial and maritime transit of illegal drugs into the United States.

(b) Presidential Determination.—Not later than 15 days after the date of the enactment of this Act, the President may designate an agency other than the Department of Defense as the single lead agency for the purpose stated in subsection (a). Before making such a designation, the President shall notify the Committees on Armed Services of the Senate and House of Representatives of the proposed designation and shall submit to those committees a detailed report setting forth the reasons for such designation.

SEC. 1103. COMMUNICATIONS NETWORK

(a) Integration of C3I Assets.—(1) The President shall direct that command, control, communications, and technical intelligence assets of the United States that are dedicated to the interdiction of illegal drugs be integrated by the Secretary of Defense into an effective communications network.

(2) Not later than 90 days after the date of the enactment of this Act, the President shall submit to Congress a report setting forth the plan of the President for the integration of

assets by the Secretary of Defense under paragraph (1).

(b) PLAN FOR RESPONSIBILITY FOR OPERATING C3I NETWORK.—Not later than 120 days after submission of the report required by subsection (a)(2), the President shall develop a plan for the assignment of responsibility for operating the communications network described in subsection (a)(1) and shall submit to Congress a report on such plan. The plan shall ensure that assignment of the responsibility for operating the communications network referred to in subsection (a)(1) is made not later than 60 days after the date on which the report required by this subsection is submitted to Congress.

SEC. 1104. ENHANCED DRUG INTERDICTION AND LAW ENFORCEMENT SUPPORT BY THE DEPARTMENT OF DEFENSE

(a) REVISION OF SUPPORT FOR CIVILIAN LAW ENFORCEMENT AGENCIES.—Chapter 18 of title 10, United States Code, is amended to read as follows:

"CHAPTER 18—MILITARY SUPPORT FOR CIVILIAN LAW ENFORCEMENT AGENCIES

"Sec.

"371. Use of information collected during military operations.
"372. Use of military equipment and facilities.
"373. Training and advising civilian law enforcement officials.
"374. Maintenance and operation of equipment.
"375. Restriction on direct participation by military personnel.
"376. Support not to affect adversely military preparedness.
"377. Reimbursement.
"378. Nonpreemption of other law.
"379. Assignment of Coast Guard personnel to naval vessels for law enforcement purposes.
"380. Enhancement of cooperation with civilian law enforcement officials.

"§371. Use of information collected during military operations

"(a) The Secretary of Defense may, in accordance with other applicable law, provide to Federal, State, or local civilian law enforcement officials any information collected during the normal course of military training or operations that may be relevant to a violation of any Federal or State law within the jurisdiction of such officials.

"(b) The needs of civilian law enforcement officials for information shall, to the maximum extent practicable, be taken into account in the planning and execution of military training or operations.

"(c) The Secretary of Defense shall ensure, to the extent consistent with national security, that intelligence information held by the Department of Defense and relevant to drug interdiction or other civilian law enforcement matters is provided promptly to appropriate civilian law enforcement officials.

"§372. Use of military equipment and facilities

"The Secretary of Defense may, in accordance with other applicable law, make available any equipment (including associated supplies or spare parts), base facility, or research facility of the Department of Defense to any Federal, State, or local civilian law enforcement official for law enforcement purposes.

"§373. Training and advising civilian law enforcement officials

"The Secretary of Defense may, in accordance with other applicable law, make Department of Defense personnel available—

"(1) to train Federal, State, and local civilian law enforcement officials in the operation and maintenance of equipment, including equipment made available under section 372 of this title; and

"(2) to provide such law enforcement officials with expert advice relevant to the purposes of this chapter.

"§374. Maintenance and operation of equipment

"(a) The Secretary of Defense may, in accordance with other applicable law, make Department of Defense personnel available for the maintenance of equipment for Federal, State, and local civilian law enforcement officials, including equipment made available under section 372 of this title.

"(b)(1) Subject to paragraph (2) and in accordance with other applicable law, the Secretary of Defense may, upon request from the head of a Federal law enforcement agency, make Department of Defense personnel available to operate equipment (including equipment made available under section 372 of this title) with respect to—

"(A) a criminal violation of a provision of law specified in paragraph (4)(A); or

"(B) assistance that such agency is authorized to furnish to a State, local, or foreign government which is involved in the enforcement of similar laws.

"(2) Department of Defense personnel made available to a civilian law enforcement agency under this subsection may operate equipment for the following purposes:

"(A) Detection, monitoring, and communication of the movement of air and sea traffic.

"(B) Aerial reconnaissance.

"(C) Interception of vessels or aircraft detected outside the land area of the United States for the purposes of communicating with such vessels and aircraft to direct such vessels and aircraft to go to a location designated by appropriate civilian officials.

"(D) Operation of equipment to facilitate communications in connection with law enforcement activities specified in paragraph (4)(A).

"(E) Subject to joint approval by the Secretary of Defense, the Attorney General, and the Secretary of State, in connection with a law enforcement operation outside the land area of the United States—

"(i) the transportation of civilian law enforcement personnel; and

"(ii) the operation of a base of operations for civilian law enforcement personnel.

"(3) Department of Defense personnel made available to operate equipment for the purpose stated in paragraph (2)(C) may continue to operate such equipment into the land area of the United States in cases involving the pursuit of vessels or aircraft where the detection began outside such land area.

"(4) In this subsection:

"(A) The term 'Federal law enforcement agency' means an agency with jurisdiction to enforce any of the following:

"(i) The Controlled Substances Act (21 U.S.C. 801 et seq.) or the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.).

"(ii) Any of sections 274 through 278 of the Immigration and Nationality Act (8 U.S.C. 1324-1328).

"(iii) A law relating to the arrival or departure of merchandise (as defined in section 401 of the Tariff Act of 1930 (19 U.S.C. 1401) into or out of the customs territory of the United States (as defined in general headnote 2 of the Tariff Schedules of the United States) or any other territory or possession of the United States.

"(iv) The Maritime Drug Law Enforcement Act (46 U.S.C. App. 1901 et seq.).

"(B) The term 'land area of the United States' includes the land area of any territory, commonwealth, or possession of the United States.

"(c) The Secretary of Defense may, in accordance with other applicable law, make Department of Defense personnel available to any Federal, State, or local civilian law enforcement agency to operate equipment for purposes other than described in paragraph (2) only to the extent that such support does not involve direct participation by such personnel in a civilian law enforcement operation unless such direct participation is otherwise authorized by law.

"§375. Restriction on direct participation by military personnel

"The Secretary of Defense shall prescribe such regulations as may be necessary to ensure that the provision of any support (including the provision of any equipment or facility or the assignment or detail of any personnel) to any civilian law enforcement official under this chapter does not include or permit direct participation by a member of the Army, Navy, Air Force, or Marine Corps in a search and seizure, an arrest, or other similar activity unless participation in such activity by such member is otherwise authorized by law.

"§376. Support not to affect adversely military preparedness

"Support (including the provision of any equipment or facility or the assignment or detail of any personnel) may not be provided to any civilian law enforcement official under this chapter if the provision of such support will adversely affect the military preparedness of the United States. The Secretary of Defense shall prescribe such regulations as may be necessary to ensure that the provision of any such support does not adversely affect the military preparedness of the United States.

"§377. Reimbursement

"(a) To the extent otherwise required by section 1535 of title 31 (popularly known as the 'Economy Act') or other applicable law, the Secretary of Defense shall require a civilian law enforcement agency to which support is provided under this chapter to reimburse the Department of Defense for that support.

"(b) An agency to which support is provided under this chapter is not required to reimburse the Department of Defense for such support if such support—

"(1) is provided in the normal course of military training or operations; or

"(2) results in a benefit to the element of the Department of Defense providing the support that is substantially equivalent to that which would otherwise be obtained from military operations or training.

"§378. Nonpreemption of other law

"Nothing in this chapter shall be construed to limit the authority of the executive branch in the use of military personnel or equipment for civilian law enforcement purposes beyond that provided by law before December 1, 1981.

"§379. Assignment of Coast Guard personnel to naval vessels for law enforcement purposes

"(a) The Secretary of Defense and the Secretary of Transportation shall provide that there be assigned on board every appropriate surface naval vessels at sea in a drug-interdiction area members of the Coast Guard who are trained in law enforcement and have powers of the Coast Guard under title 14, including the power to make arrests and to carry out searches and seizures.

"(b) Members of the Coast Guard assigned to duty on board naval vessels under this section shall perform such law enforcement functions (including drug-interdiction functions)—

"(1) as may be agreed upon by the Secretary of Defense and the Secretary of Transportation; and

"(2) as are otherwise within the jurisdiction of the Coast Guard.

"(c) No fewer than 500 active duty personnel of the Coast Guard shall be assigned each fiscal year to duty under this section. However, if at any time the Secretary of Transportation, after consultation with the Secretary of Defense, determines that there are insufficient naval vessels available for purposes of this section, such personnel may be asigned other duty involving enforcement of laws listed in section 374(b)(4)(A) of this title.

"(d) In this section, the term 'drug-interdiction area' means an area outside the land area of the United States (as defined in section 374(b)(4)(B) of this title) in which the Secretary of Defense (in consultation with the Attorney General) determines that activities involving smuggling of drugs into the United States are ongoing.

"§380. Enhancement of cooperation with civilian law enforcement officials

"(a) The Secretary of Defense, in cooperation with the Attorney General, shall conduct an annual briefing of law enforcement personnel of each State (including law enforcement personnel of the political subdivisions of each State) regarding information, training, technical support, and equipment and facilities available to civilian law enforcement personnel from the Department of Defense.

"(b) Each briefing conducted under subsection (a) shall include the following:

"(1) An explanation of the procedures for civilian law enforcement officials—

"(A) to obtain information, equipment, training, expert advice, and other personnel support under this chapter; and

"(B) to obtain surplus military equipment.

"(2) A description of the types of information, equipment and facilities, and training and advice available to civilian law enforcement officials from the Department of Defense.

"(3) A current, comprehensive list of military equipment which is suitable for law enforcement officials from the Department of Defense or available as surplus property from the Administrator of General Services.

"(c) The Attorney General and the Administrator of General Services shall—

"(1) establish or designate an appropriate office or offices to maintain the list described in subsection (b)(3) and to furnish information to civilian law enforcement officials on the availability of surplus military equipment; and

"(2) make available to civilian law enforcement personnel nationwide, tollfree telephone communication with such office or offices.".

(b) CLERICAL AMENDMENT.—The item relating to such chapter in the tables of chapters at the beginning of subtitle A, and at the beginning of part I of subtitle A, of title 10, United States Code, is amended to read as follows:

"18. Military Support for Civilian Law Enforcement Agencies............................. 371".

SEC. 1105. ENHANCED DRUG INTERDICTION AND ENFORCEMENT ROLE FOR THE NATIONAL GUARD

(a) FUNDING ASSISTANCE.—(1) The Secretary of Defense may provide to the Governor of a State who submits a plan to the Secretary under paragraph (2) sufficient funds for the pay, allowances, clothing, subsistence, gratuities, travel, and related expenses of personnel of the National Guard of such State used—

(A) for the purpose of drug interdiction and enforcement operations; and

(B) for the operation and maintenance of the equipment and facilities of the National Guard of such State used for such purposes.

(2) The Secretary may provide funds under paragraph (1) to the Governor of a State who submits to the Secretary a plan specifying how personnel of the National Guard of that State are to be used in drug enforcement and interdiction operation by a National Guard of a State if—

(A) such operations are conducted at a time when personnel of the National Guard of the State are under the command and control of State authority and are not in Federal service; and

(B) participation by a National Guard personnel in such operations is service in addition to annual training required under section 502 of title 32, United States Code.

(3) Before funds are provided to the Governor of a State under this section, the Secretary of Defense shall consult with the Attorney General of the United States regarding the adequacy of the plan submitted by the Governor to the Secretary.

(4) Of the amounts appropriated pursuant to section 1106, the Secretary shall, for the purposes of paragraph (1), make available—

(A) not more than $30,000,000 for operations and maintenance for the National Guard, and

(B) not more than $30,000,000 for National Guard personnel.

(5) Nothing in this subsection shall be construed as a limitation on the authority of any unit of the National Guard of a State, when such unit is not in Federal service, to perform law enforcement functions authorized to be performed by the National Guard by the laws of the State concerned.

(b) TRAINING CRITERIA.—The Secretary of Defense shall prescribe and enforce training criteria for the National Guard to enhance the capability of the National Guard to assist in drug abuse control activities.

(c) PRESIDENTIAL REPORT.—Not later than 120 days after the date of the enactment of this Act, the President shall submit to Congress a report on the past effectiveness of using members of the National Guard for drug interdiction efforts, consistent with applicable law, along the borders and at the ports of entry of the United States and on the potential for the effective use of such members for such purpose in the future.

SEC. 1106. FUNDING OF ACTIVITIES RELATED TO DRUG INTERDICTION

(a) AUTHORIZATION OF APPROPRIATIONS.—(1) In addition to the amounts otherwise authorized to be appropriated by this Act, there is hereby authorized to be appropriated to the Department of Defense for fiscal year 1989 the sum of $210,000,000. Amounts appropriated pursuant to the preceding sentence shall be available only for transfer to other appropriations available to the Department of Defense and may be used only for the purposes stated in paragraph (2).

(2) Funds transferred under paragraph (1) may be used only for the mission of the Department of Defense set forth in section 113(l) of title 10, United States Code, as added by section 1101, for the activities of the Department of Defense under section 1103, and for National Guard drug interdiction activities described in section 1105. Such funds shall be available for obligation for the same period, and for the same purpose, as the appropriation to which transferred.

(b) TRANSFER OF FY87 FUNDS.—Of the amounts appropriated for the Navy for procurement of aircraft for fiscal year 1987, and which remain unobligated on the date of the enactment of this Act, the sum of $90,000,000 shall be available only for the purposes set forth in subsection (a)(2). Such amount may be transferred to any appropriation made for the Department of Defense for fiscal year 1989 and shall be merged with, and be available for the same purpose as, the appropriation to which transferred. The period of the availability for obligation of any amount so transferred shall not be extended as a result of such transfer.

(c) NOTICE TO CONGRESS.—(1) The Secretary of Defense may not transfer any funds appropriated pursuant to subsection (a) to another appropriation for obligation pursuant to this section and may not transfer or obligate any funds made available under subsection (b) until—

(A) the Secretary submits to the Committees on Armed Services of the Senate and the House of Representatives a report with respect to that transfer described in paragraph (2); and

(B) a period of 60 days elapses after the report is received by those committees.

(2) A report under paragraph (1) with respect to a transfer of funds shall set forth in detail the Secretary's proposal for the obligation of such funds, including a statement of the following:

(A) The appropriation account or accounts to which the funds are proposed to be transferred.

(B) The activities proposed to be undertaken using those funds.

(C) The relationship between those activities and the drug interdiction strategy of the United States.

SEC. 1107. REPORTS

(a) PROPOSALS.—Not later than December 1, 1988, the President shall submit to Congress a report containing—

(1) legislative proposals to enhance the capability of the Department of Defense to perform the functions provided for in this title and in the amendments made by this title; and

(2) estimates of the amounts necessary to carry out such proposals.

(b) RADAR COVERAGE AND SOUTHERN BORDER.—(1) The President shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report assessing the potential effect on drug interdiction and on the drug abuse problem in the United States of—

(A) carrying out radar coverage along the southern border of the United States; and

(B) pursuing drug smugglers detected by such radar coverage with rotor-wing and fixed-wing aircraft of the Department of Defense and of civilian law enforcement agencies.

(2) The President shall include in such report an assessment of the relative effectiveness—

(A) of carrying out the operations described in clauses (A) and (B) of paragraph (1) on a full-time basis;

(B) of carrying out such operations only during the hours of darkness; and

(C) the feasibility and cost of carrying out such operations under each of the conditions specified in clauses (A) and (B).

(3) The report under paragraph (1) shall be submitted not later than July 20, 1988.

(c) PURSUIT BY AIRCRAFT.—(1) Not later than 15 days after the date of the enactment of this act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report containing the following information:

(A) The total number of times suspected drug smugglers flying aircraft into the United States have been pursued by aircraft operated by or with the support of personnel of the Department of Defense under the authority of section 374(c)(2)(B) of title 10, United States Code, as in effect on the day before the date of the enactment of this Act.

(B) The number of times civilian law enforcement officials were present at the location and at the time the suspected drug smugglers were forced to land their aircraft in the United States as a result of the pursuit of the aircraft operated by or with the support of Department of Defense personnel.

(C) The number of times such officials were not present at the location and at the time such suspected smugglers were forced to land their aircraft in the United States.

(2) Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to such committees a report containing the following information:

(A) The total number of times suspected drug smugglers described in paragraph (1) have been pursued into the United States by aircraft operated by or with the support of Department of Defense personnel under the authority of section 374(b)(2)(C) of title 10, as amended by section 1104.

(B) The number of times civilian law enforcement officials were present at the location and at the time the suspected drug smugglers were forced to land their aircraft in the United States as a result of the pursuit of the aircraft operated by or with the support of Department of Defense personnel.

(C) The number of times such officials were not present at the location and at the time such suspected smugglers were forced to land their aircraft in the United States as a result of the pursuit of the aircraft operated by or with the support of Department of Defense personnel.

(D) Such other information and such recommendations as the Secretary considers appropriate regarding the use of Department of Defense personnel for purposes authorized in section 374(b) of title 10, United States Code, as amended by section 1104.

TITLE XII—GENERAL PROVISIONS

PART A—FINANCIAL AND BUDGET MATTERS

SEC. 1201. TRANSFER AUTHORITY

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in title I, II, or III for any fiscal year between any such authorizations for that fiscal year (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations for any fiscal year that the Secretary of Defense may transfer under the authority of this section may not exceed $3,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) NOTICE TO CONGRESS.—The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this section.

SEC. 1202. INCREASE IN FISCAL YEAR 1988 DEFENSE FUNDS TRANSFER AUTHORIZATION

Section 1201 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1153) is amended—

(1) in subsection (a)—

(A) by inserting "of this Act or any prior defense authorization Act" in paragraph (1) before "for any fiscal year";

(B) by striking out "$2,000,000,000" in paragraph (2) and inserting in lieu thereof "$4,000,000,000"; and

(2) by striking out subsection (d) and inserting in lieu thereof the following:

"(d) SPECIFIED PURPOSES.—In determining the purposes for which the authority provided by subsection (a) will be used, the Secretary of Defense shall ensure that to the extent that the total dollar amount of transfers under such authority exceeds $2,000,000,000, an appropriate portion of that authority is used to transfer to military personnel accounts and operation and maintenance accounts of the Department of Defense for fiscal year 1988 (1) funds for depot maintenance activities in amounts sufficient to reduce service backlogs which would otherwise occur, (2) funds for pay of civilian personnel in amounts sufficient to reduce furloughs, reductions-in-force, or release of on-call employees into a nonpay status which would otherwise be required due to insufficient funding for civilian personnel of the Department of Defense for fiscal year 1988, and (3) funds for pay of military personnel.

"(e) NOTICE TO CONGRESS.—The Secretary of Defense shall submit to Congress notice of each transfer made under the authority of this section. After the total dollar amount of such transfers equals or exceeds $2,000,000,000, the notice required by the preceding sentence with respect to any transfer shall be submitted not less than 15 days before the transfer is made, and any such notice shall then include identification of specific actions that the Secretary is taking in order to ensure that the transfer is made in compliance with subsection (f).

"(f) CONTROL OF OUTLAYS.—In the case of any transfer under the authority of this section after the total dollar amount of such transfers equals or exceeds $2,000,000,000, the Secretary of Defense may carry out such transfer only to the extent that such transfer, and the expenditure of funds so transferred, do not result in an increase in outlays by the Department of Defense during fiscal year 1988.".

PART B—FISCAL YEAR 1988 UNAUTHORIZED APPROPRIATIONS

SEC. 1211. AUTHORITY FOR OBLIGATION OF CERTAIN UNAUTHORIZED FISCAL YEAR 1988 DEFENSE APPROPRIATIONS

(a) AUTHORITY.—The amounts described in subsection (b), totaling $10,624,600,000, may be obligated and expended for programs, projects, and activities of the Department of Defense in accordance with fiscal year 1988 defense appropriations except as otherwise provided in section 1212.

(b) COVERED AMOUNTS.—The amounts referred to in subsection (a) are the amounts provided for programs, projects, and activities of the Department of Defense in fiscal year 1988 defense appropriations that are in excess of the amounts provided for such programs, projects, and activities in fiscal year 1988 defense authorizations.

(c) DEFINITIONS.—For the purposes of this part:

(1) FISCAL YEAR 1988 DEFENSE APPROPRIATIONS.—The term "fiscal year 1988 defense appropriations" means amounts appropriated or otherwise made available to the Department of Defense for fiscal year 1988 in the Department of Defense Appropriations Act, 1988 (as contained in section 101(b) of Public Law 100-202).

(2) FISCAL YEAR 1988 DEFENSE AUTHORIZATIONS.—The term "fiscal year 1988 defense authorizations" means amounts authorized to be appropriated for the Department of Defense for fiscal year 1988 in the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180).

SEC. 1212. LIMITATION ON OBLIGATION FOR CERTAIN UNAUTHORIZED APPROPRIATIONS

(a) PROGRAMS NOT AVAILABLE FOR OBLIGATION.—Amounts described in section 1211(b) may not be obligated or expended for the following programs, projects, and activities of the Department of Defense (for which amounts were provided in fiscal year 1988 defense appropriations):

(1) Satellite Systems Survivability program under research, development, test, and evaluation for the Air Force in the amount of $5,300,000.

(2) Maxicube Cargo System under research, development, test, and evaluation for the Army in the amount of $10,000,000.

(3) Coastal Defense Augmentation in the amount of $20,000,000.

(4) Defense Meteorological Satellite program under research, development, test, and evaluation for the Navy in the amount of $40,000,000.

(5) P-3C aircraft under procurement of National Guard and Reserve equipment in the amount of $193,800,000.

(6) AN/SQR-17 Acoustic Processors for the Mobile In-shore Undersea Warfare group under procurement of National Guard and Reserve equipment in the amount of $10,000,000.

(b) LIMITATION ON CERTAIN PROGRAMS.—

(1) FORWARD AREA AIR DEFENSE HEAVY SYSTEM.—Funds appropriated or otherwise made available for the Army for procurement of missiles for fiscal year 1988 may not be obligated for advance procurement for the Forward Area Air Defense Line-of-Sight Forward-Heavy (LOS-F-H) system until—

(A) the Secretary of Defense certifies to the Committees on Armed Services of the Senate and House of Representatives that it is responsible to obligate funds for such purpose before operational testing of such system; and

(B) the Director of Operational Test and Evaluation of the Department of Defense

certifies to those committees that he has approved the issues and criteria associated with the operational testing of such system.

(2) A-6 AIRCRAFT CONFIGURATION.—None of the funds appropriated for the procurement of aircraft for the Navy for fiscal year 1988 or 1989 may be obligated or expended for procurement of any A-6 aircraft configured in the F model configuration (as described in connection with the A-6E/A-6F aircraft program in the Selected Acquisition report submitted to Congress for the quarter ending December 31, 1986).

(3) TANK PROCUREMENT.—Funds appropriated for procurement of weapons and tracked combat vehicles for the Army for modification of M60 tanks in the amount of $90,000,000 may be used only for procurement or modification of M1 Abrams tanks, of which $30,000,000 shall be used for facilitization of Annison Army Depot and initiation of the retrograde and modification programs for M1 tanks.

(c) PROGRAM LIMITATIONS.—All limitations and requirements set forth in division A of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180) shall apply to the obligation of funds authorized by section 1211(a) in the same manner as if the funds made available for obligation by such section had been authorized in that Act.

(d) TRANSFER AUTHORITY.—For the purposes of section 1201 of the National Defense Authorization Act for Fiscal Years 1988 and 1989, authorizations in section 1211(a) shall be deemed to have been made available to the Department of Defense in such Act.

(e) For purposes of section 1201 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1153), the amount of $279,100,000 (the sum of the amounts described in subsection (a) of this section) shall be deemed to have been authorized by such Act in equal amounts for the Army, Navy, and Air Force for the following purposes:

(1) Depot maintenance activities in amounts sufficient to reduce service backlogs which would otherwise occur.

(2) Pay of civilian personnel in amounts sufficient to reduce furloughs, reductions-in-force, or release of on-call employees into a nonpay status which would otherwise be required due to insufficient funding for civilian personnel of the Department of Defense for fiscal year 1988.

(3) Pay of military personnel in amounts sufficient to provide necessary costs of maintaining authorized end strengths.

SEC. 1213. REPEAL OF CERTAIN APPROPRIATIONS GENERAL PROVISIONS

Sections 8040, 8098, and 8122 of the Department of Defense Appropriations Act, 1988 (as contained in section 101(b) of Public Law 100-202), are repealed.

PART C—NAVAL VESSELS AND SHIPYARDS

SEC. 1221. NAMING OF TRIDENT SUBMARINE THE U.S.S. MELVIN PRICE

(a) FINDINGS.—The Congress finds that—

(1) the late Honorable Melvin Price served the people of the United States and the 21st Congressional District of Illinois as a Member of the House of Representatives for 44 consecutive years with loyalty, dedication, and warm personal friendship until his death on April 22, 1988;

(2) Melvin Price served as a member of the Committee on Armed Services of the House of Representatives for 40 years and did so with total dedication to the goal of maintaining a strong national defense.

(3) In 1964, Melvin Price became the first chairman of the Research and Development Subcommittee of the Committee on Armed Services of the House of Representatives, and in 1975 became the first military veteran to serve as chairman of that committee, a position he held for 10 years.

(4) Melvin Price was a member of the Joint Committee on Atomic Energy from its establishment in 1946 until 1977 and served as the first chairman of that committee.

(5) Melvin Price played a major role in successfully advocating the peaceful use of nuclear energy and the military application of nuclear power for Navy ships and submarines.

(6) Melvin Price has left an indelible mark on the history of the Nation as a result of his 44 years of unselfish efforts to maintain the strength and readiness of the Armed Forces.

(b) SENSE OF CONGRESS.—In light of the findings expressed in subsection (a), it is the sense of Congress that the Secretary of the Navy should name the next Trident ballistic missile submarine to be named after the enactment of this Act the U.S.S. Melvin Price.

SEC. 1222. NAMING A NAVY SHIP THE U.S.S. BOB HOPE

(a) FINDINGS.—The Congress finds that—

(1) Bob Hope has unselfishly dedicated his time and efforts for over 50 years to the morale and welfare of the men and women of the Armed Forces;

(2) Bob Hope has served his nation in three wars by entertaining members of the Armed Forces aboard ships at sea and in combat zones ashore;

(3) Bob Hope has during peacetime entertained the men and women of the Armed Forces in all regions of the world and at every season of the year;

(4) Bob Hope has placed his own safety and convenience second to that of improving the morale of the members of the Armed Forces; and

(5) Bob Hope has earned the undying respect and fond esteem of all of his countrymen for his dedicated and patriotic endeavors.

(b) SENSE OF CONGRESS.—In light of the findings expressed in subsection (a), it is the sense of Congress that the Secretary of the Navy should name an appropriate ship of the United States Navy the U.S.S. Bob Hope.

SEC. 1223. RATE OF PROGRESS PAYMENTS ON NAVAL SHIP REPAIR CONTRACTS

Section 7312(a) of title 10, United States Code, is amended by inserting "not less than" after "shall be".

SEC. 1224. LIMITATION ON REPAIR OF NAVAL VESSELS IN FOREIGN SHIPYARDS

(a) IN GENERAL.—Section 7309 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c)(1) A naval vessel (or any other vessel under the jurisdiction of the Secretary of the Navy) the homeport of which is in the United States may not be overhauled, repaired, or maintained in a shipyard outside the United States.

"(2) Paragraph (1) does not apply in the case of voyage repairs.".

(b) CLERICAL AMENDMENTS.—(1) The heading of that section is amended to read as follows:

"§7309. Restrictions on construction or repair of vessels in foreign shipyards".

(2) The item relating to such section in the table of sections at the beginning of chapter 633 of such title is amended to read as follows:

"7309. Restrictions on construction or repair of vessels in foreign shipyards.".

(c) EFFECTIVE DATE.—Subsection (c) of section 7309 of title 10, United States Code, as added by subsection (a), shall apply with respect to any contract for overhaul, repair, or maintenance of a vessel that is entered into after the end of the 30-day period beginning on the date of the enactment of this Act.

SEC. 1225. COMPETITION BETWEEN PUBLIC AND PRIVATE SHIPYARDS FOR OVERHAUL OF NAVAL VESSELS

(a) IN GENERAL.—(1) Chapter 633 of title 10, United States Code, is amended by adding at the end the following new section:

"§7313. Overhaul of naval vessels: competition between public and private shipyards

"The Secretary of the Navy should ensure, in any case in which the Secretary awards a project for repair, alteration, overhaul, or conversion of a naval vessel following competition between public and private shipyards, that each of the following criteria is met:

"(1) The bid of any public shipyard for the award includes—

"(A) the full costs to the United States associated with future retirement benefits of civilian employees of that shipyard consistent with computation methodology established by Office of Management and Budget Circular A-76; and

"(B) in a case in which equal access to the Navy supply system is not allowed to public and private shipyards, a pro rata share of the costs of the Navy supply system.

"(2) Costs applicable to oversight of the contract by the appropriate Navy supervisor of shipbuilding, conversion, and repair are added to the bid of any private shipyard for the purpose of comparability analysis.

"(3) The award is made using the results of the comparability analysis.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"7313. Overhaul of naval vessels: competition between public and private shipyards.".

(b) EFFECTIVE DATE.—Section 7313 of title 10, United States Code, as added by subsection (a), applies to any award by the Secretary of the Navy after September 30, 1988, for repair, alteration, overhaul, or conversion of a naval vessel following competition between public and private shipyards.

SEC. 1226. DEPOT-LEVEL MAINTENANCE OF SHIPS

(a) REQUIREMENT THAT CERTAIN WORK BE CARRIED OUT IN THE UNITED STATES.—The Secretary of the Navy shall require that, to the extent feasible and consistent with policies of the Navy regarding family separations, not less than one-half of the depot-level maintenance work described in subsection (b) (measured in cost) shall be carried out in the United States.

(b) WORK COVERED.—Depot-level maintenance work referred to in subsection (a) is depot-level maintenance work for naval vessels that is scheduled as of October 1, 1988, to be carried out in Japan during fiscal years 1989, 1990, and 1991.

SEC. 1227. REPORTS ON EFFECTS OF NAVAL SHIPBUILDING PLANS ON MARITIME INDUSTRIES

(a) ANNUAL REPORT.—The Secretary of Defense shall submit to Congress in 1989, 1990, and 1991 a report on how, under the current Five-Year Defense Plan of the Department of Defense, programs for naval shipbuilding and conversion, for naval vessel repair, and for procurement of support equipment for naval vessels could be expected to affect the private-sector shipbuilding and ship repair *industries of the United States in terms of the effectiveness and preparedness of those industries for mobilization in their role in the sealift component of the conventional deterrent of the United States.*

(b) Time for Submission.—The report under subsection (a) for any year shall be submitted to Congress at the same time that the Secretary submits his annual report to Congress for that year under section 113(c) of title 10, United States Code.

SEC. 1228. REPORT ON ENCOURAGEMENT OF CONSTRUCTION IN UNITED STATES SHIPYARDS OF COMBATANT VESSELS FOR ALLIES

(a) Report Requirement.—The Secretary of the Navy shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on—

(1) the manner in which the Secretary has complied, as of the date of the report, with the provisions of section 1455 of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 761); and

(2) plans of the Secretary for such compliance in the future.

(b) Matters To Be Included.—The report shall include information regarding the following:

(1) Instances in which the Secretary has encouraged United States shipyards to construct combatant vessels for nations friendly to the United States.

(2) Steps taken by the Secretary to ensure that no effort has been made by any element of the Department of the Navy to inhibit, delay, or halt the provision of any United States naval system which has been approved for export to an allied nation.

(3) Instances in which the Secretary has encouraged United States firms to participate in construction programs outside of the United States in shipyards of allied nations.

(4) Future plans of the Secretary for complying with the requirements of each of subsections (a)(1) through (a)(3) of that section.

(c) Submission of Report.—The report required by subsection (a) shall be submitted not later than 90 days after the date of the enactment of this Act.

SEC. 1229. REPORT ON SMALL PATROL BOATS OF NAVY

(a) Report Requirement.—The Secretary of the Navy shall submit to the Committees on Armed Services of the Senate and House of Representatives a report regarding the capability of the Navy to carry out missions requiring the use of small patrol boats. The Secretary shall include in the report—

(1) a discussion of the contingencies that would require the use of small patrol boats rather than larger warships;

(2) an evaluation of the existing capability of the Navy to carry out missions requiring the use of small patrol boats;

(3) a discussion of any plans the Navy has for eliminating the Navy's shortage of such boats; and

(4) such recommendations as the Secretary considers appropriate to strengthen the capabilities of the Navy to carry out effectively missions that would require the use of such boats.

(b) Small Patrol Boat Defined.—For purposes of this section, a small patrol boat is a patrol boat that is less than 150 feet in length.

(c) Deadline for Submission of Report.—The report required by subsection (a) shall be submitted not later than 90 days after the date of the enactment of this Act.

Part D—Miscellaneous

SEC. 1231. REPORT ON SUSCEPTIBILITY OF DEFENSE COMPUTER ASSETS TO COMPUTER VIRUSES

The Secretary of Defense shall submit to Congress a report on the susceptibility of vital Department of Defense computer systems to so-called computer viruses and shall describe the steps which have been taken and are planned to be taken to protect the Department of Defense computer systems and records against computer viruses. Such report shall be submitted not later than March 1, 1989, in classified and unclassified form.

SEC. 1232. REASSESSMENT OF SOVIET ELECTRONIC ESPIONAGE CAPABILITY FROM MOUNT ALTO EMBASSY SITE

(a) Finding.—The Congress finds that the report submitted by the Secretary of Defense pursuant to section 1122 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180)—

(1) contains insufficient detail (even in the classified portion) for a review and assessment of the present and potential capabilities of the Government of the Soviet Union to intercept United States communications involving diplomatic, military, and intelligence matters from facilities on Mount Alto in the District of Columbia, as required by subsection (a) of that section; and

(2) does not contain a determination of the Secretary of Defense as to whether or not the present and proposed occupation of facilities on Mount Alto by the Soviet Union is consistent with the national security of the United States, as required by subsection (b) of that section.

(b) Submission of New Report.—Not later than 60 days after the date of the enactment of this Act, the President shall submit a report to Congress which meets the requirements of section 1122 of the National Defense Authorization Act for Fiscal Years 1988 and 1989.

SEC. 1233. TECHNICAL AMENDMENTS

(a) Amendment to Title 10.—Section 2343(b) of title 10, United States Code, is amended by striking out "section" before "2306a".

(b) Amendment to Title 37.—Section 101(5) of title 37, United States Code, is amended by striking out "secretary" and inserting in lieu thereof "Secretary".

(c) Amendments to Public Law 100-180.—(1) Paragraph (1) of section 802(a) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1123) is amended by inserting end quotation marks and a period after "section." at the end of such paragraph.

(2) Section 803(a) of such Act (101 Stat. 1125) is amended by inserting "the first place it appears" after "paragraph (1),".

(3) The amendments made by this section shall apply as if included in the enactment of Public Law 100-180.

TITLE XIII—FOREIGN RELATIONS MATTERS

SEC. 1301. SENSE OF CONGRESS CONCERNING THE PANAMA CANAL AND THE UNITED STATES SOUTHERN COMMAND

(a) Findings.—The Congress finds that—

(1) the security of, and the free flow of shipping through, the Panama Canal are vital interests of the United States; and

(2) the continued ability of the United States Southern Command (which currently has its headquarters in the Republic of Panama) to carry out assigned missions, especially the mission of defense of the Panama Canal, is essential to protecting and promoting the interests of the United States.

(b) Sense of Congress.—In light of the findings in subsection (a), it is the sense of Congress that the President should take all steps necessary to ensure the continued ability of the United States Southern Command (or any successor command) to carry out assigned missions, especially the mission of defense of the Panama Canal.

SEC. 1302. LIMITATION ON ASSISTANCE TO PANAMANIAN DEFENSE FORCE

(a) Limitation.—The President may not use any funds appropriated to or for the use of any department, agency, or other entity of the United States for the purpose of providing assistance to the Panamanian Defense Force. The limitation in the preceding sentence shall cease to apply upon the submission by the President to Congress of a certification by the President—

(1) that no armed forces of the Soviet Union, the Republic of Cuba, or the Republic of Nicaragua are present in the Republic of Panama (other than military attachés accredited to the Republic of Panama); and

(2) that General Manuel Noriega has relinquished command of the Panamanian Defense Force and no longer holds any official position of leadership (either military or civilian) in the Republic of Panama.

(b) Clarification.—Subsection (a) does not prohibit the President from obligating or expending any funds necessary for—

(1) the defense of the Panama Canal,

(2) the collection of intelligence,

(3) the maintenance of United States Armed Forces in the Republic of Panama, or

(4) the protection of United States interests in the Republic of Panama.

(c) Report.—Not later than 30 days after the date of the enactment of this Act, the President shall submit to Congress a detailed report, in both classified and unclassified form, indicating—

(1) whether (and to what extent) military, paramilitary, or intelligence personnel of the Soviet Union, Cuba, or Nicaragua are present in the Republic of Panama; and

(2) whether (and to what extent) the Panamanian Defense Force has coordinated with, cooperated with, supported, or received support from, any such personnel.

SEC. 1303. SENSE OF CONGRESS CONCERNING INDICTMENT OF GENERAL NORIEGA OF PANAMA ON DRUG-RELATED CHARGES

(a) Findings.—The Congress finds that—

(1) General Manuel Noriega, the commander of the Panamanian Defense Force, was indicted on February 5, 1988, in the United States District Courts for the Southern District and for the Middle District of Florida on a number of serious drug-related charges against the laws of the United States, including charges involving trafficking in illegal drugs, protecting and supporting drug traffickers, and laundering of drug-related money; and

(2) there have been reports in the news media and from other sources that discussions between officials of the United States and General Noriega may have occurred concerning arrangements under which General Noriega would give up political power and leave the Republic of Panama in exchange for which the United States would file a motion to dismiss the indictments referred to in paragraph (1).

(b) Sense of Congress.—It is the sense of Congress—

(1) that the United States should not conduct or authorize any negotiations or discussions, and should not make any arrange-

ments, with General Manuel Noriega which would involve any effort by the United States to dismiss the indictments referred to in subsection (a)(1); and

(2) that any such negotiation, discussion, or arrangement—

(A) would be incompatible with the high priority that the United States places on the war on drugs;

(B) would not further the prospects for restoring noncorrupt, democratic government to the Republic of Panama; and

(C) would not serve the interests of the United States.

SEC. 1304. SENSE OF CONGRESS ON INTRODUCTION OF ARMED FORCES INTO NICARAGUA FOR COMBAT

Congress hereby reaffirms the sense of Congress expressed in the first session of the 99th Congress (in section 1451 of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 760)), that United States Armed Forces should not be introduced into or over Nicaragua for combat. However, nothing in this section shall be construed as affecting the authority and responsibility of the President or Congress under the Constitution, statutes, or treaties of the United States in force.

SEC. 1305. HUMAN RIGHTS VIOLATIONS BY THE GOVERNMENT OF POLAND

(a) Findings.—Congress makes the following findings:

(1) The government of Poland, headed by General Wojciech Jaruzelski, has violated internationally recognized human rights of the people of Poland, including the right to peaceably assemble, the right to strike, the right to freely associate, and the right to due process.

(2) The Jaruzelski government has retaliated against the justified, peaceful protests of workers at Nowa Huta, Poland, through the use of violence and force.

(3) The Jaruzelski government has prosecuted and imprisoned a number of persons for politically related offenses.

(4) The Jaruzelski government has to date refused to take steps which would guarantee the right of the people of Poland to participate in the management of the economy of Poland and has refused to accept the principle of pluralism in the national life of Poland.

(b) Sense of Congress.—It is, therefore, the sense of Congress—

(1) that the use of force against the workers of Nowa Huta and intimidation against other strikers in Poland should be condemned; and

(2) that improvement in relations between the United States and Poland must be predicated on an improvement in internationally recognized human rights in Poland, including the release of political prisoners, steps toward trade union pluralism and the rights of independent trade unions to organize, and steps toward genuine national reconciliation and dialogue.

SEC. 1306. CONDITIONS FOR SALE OR OTHER TRANSFER OF F-15 AIRCRAFT TO SAUDI ARABIA

(a) Notwithstanding any other provision of law, any sale or other transfer to Saudi Arabia by the United States of F-15 aircraft shall be subject to the following conditions:

(1) Any such F-15 aircraft sold or otherwise transferred to Saudi Arabia shall be limited to models A, B, C, and D.

(2) The United States shall not sell or otherwise transfer to Saudi Arabia the F-15-E with a ground attack capability and shall not upgrade existing Saudi aircraft to that capability.

(3) Saudi Arabia shall not possess more than 60 F-15 aircraft at any time, except that additional replacement F-15 aircraft may be held in the United States, at the expense of Saudi Arabia, for shipment to Saudi Arabia only after the President notifies Congress that the existing inventory of F-15 aircraft held by Saudi Arabia is less than 60 and, then, only on a one-for-one replacement basis as each F-15 aircraft is totally removed from the inventory of Saudi Arabia.

(b) The President may waive subsection (a) if the President certifies to Congress that such action is in the national interest.

SEC. 1307. RESTRICTION ON SALE OF DEFENSE ARTICLES TO CERTAIN NATIONS

(a) Restriction.—During fiscal year 1989, the United States may not make any sale of defense articles subject to section 36(b) of the Arms Export Control Act (22 U.S.C. 2776(b)) to any nation which has acquired intermediate-range ballistic missiles made by the People's Republic of China.

(b) Presidential Certification.—(1) The restriction in subsection (a) shall cease to apply with respect to any nation which has acquired such missiles upon certification by the President to Congress that that nation does not have chemical, biological, or nuclear warheads for those missiles.

(2) If the President makes a certification under paragraph (1) in the case of any nation, the President shall notify Congress promptly of any evidence that, after the date of such certification, such nation has acquired chemical, biological, or nuclear warheads for those missiles.

SEC. 1308. UNITED STATES BASES IN THE REPUBLIC OF THE PHILIPPINES

(a) Congressional Findings.—Congress makes the following findings:

(1) The United States has maintained military bases in the Philippines since 1947 pursuant to the United States-Philippine Military Bases Agreement and maintained military bases in the Philippines for many years before that under other arrangements.

(2) Clark Air Force Base, Subic Bay Naval Base, and the other United States military installations in the Philippines significantly promote the mutual interests of the United States and the Philippines and contribute to regional and global security.

(3) These installations are also important to the development of democratic institutions and to economic progress in the Western Pacific and Southeast Asia.

(4) The United States military installations in the Philippines employ a loyal and highly skilled cadre of Filipinos and make a substantial contribution to the Philippine economy.

(5) The Military Bases Agreement as currently in effect has a fixed term lasting until September 16, 1991, after which it continues in effect subject to termination by either party on one year's notice.

(6) Pursuant to a 1979 amendment to that agreement, the President of the United States pledged to the Government of the Republic of the Philippines to undertake "best efforts" to obtain security assistance for the Philippines, and such pledge was reiterated by the President of the United States in 1983 as part of a five-year review of the agreement.

(7) The United States and the Republic of the Philippines are currently engaged in a second five-year review of the Military Bases Agreement.

(8) Officials of the Government of the Republic of the Philippines have indicated to officials of the United States that the United States should significantly increase compensation for the use by the United States of military bases in the Philippines.

(9) The provision of multilateral economic assistance to the Republic of the Philippines should be considered separately from the provision of security assistance by the United States to the Republic of the Philippines in return for United States basing rights in the Philippines.

(b) Report on Facilities.—(1) The Secretary of Defense shall submit to Congress a report on the existing United States military facilities in the Republic of the Philippines. The report shall include analysis of the following:

(A) The costs and benefits of maintaining those facilities, including the costs to the United States of the operation and maintenance of those facilities and any other costs associated with those facilities and the economic and social benefits and other benefits of those facilities to the Republic of the Philippines.

(B) Potential alternative locations for those facilities.

(C) The strategic value to the United States of having military facilities located in the Philippines and of having such facilities at the potential alternative locations considered.

(D) The costs and benefits of relocating those facilities to the potential alternative locations, including—

(i) the cost to the United States of operation and maintenance and other costs,

(ii) the economic, social, and other costs to the Philippines, and

(iii) the economic, social, and other benefits to the government and community at each alternative location.

(E) The availability of skilled indigenous personnel at the potential alternative locations and the cost of training such personnel to work at such installations.

(2) The report shall be prepared in consultation with the Secretary of State and shall be submitted to Congress not later than six months after the date of the enactment of this Act.

SEC. 1309. ANNUAL ASSESSMENT OF SECURITY AT UNITED STATES BASES IN THE PHILIPPINES

The Secretary of Defense shall submit to Congress an annual report assessing security at United States military facilities in the Republic of the Philippines. Each such report shall include an assessment of the cooperation provided by the Philippine Government, at both the national and local level, in improving such security. The report required by this subsection shall be submitted to Congress not later than May 1 each year.

SEC. 1310. ECONOMIC SANCTIONS AGAINST ETHIOPIA

(a) Statements of Policy.—The Congress—

(1) condemns the Government of Ethiopia for its blatant disregard for human life as demonstrated by its use of food as a weapon, its forced resettlement program, and its human rights record;

(2) in the strongest terms possible, urges the Government of Ethiopia to allow foreign relief personnel to return to the north and to allow the international relief campaign to resume operations at its own risk, while retaining full control over its assets and having access to adequate aircraft and fuel;

(3) in the strongest terms possible, urges rebel groups to cease attacks upon relief vehicles and relief distribution points and to respect the impartiality of the international relief campaign;

(4) urges the President and the Secretary of State (through direct representations to the Government of Ethiopia and certain rebel groups and through sustained multilateral initiatives involving other Western donors, the United Nations, and the Organization of African Unity) to focus world pressure and opinion upon the combatants in northern Ethiopia, to press for an "open roads/own risk" policy that will facilitate the resumption of international relief efforts in the north, to press the Government of Ethiopia and the rebel groups to reach a pragmatic, enduring political settlement, and to press the Government of Ethiopia to implement genuine and effective reform of its failed agricultural policies; and

(5) urges the President and the Secretary of State to engage in direct discussion with the Soviet Union in order that the peaceful resolution of the crisis in northern Ethiopia becomes a high priority of the Soviet Union and that the approach of the Soviet Union is consistent with that of the West.

(b) SANCTIONS.—(1) Notwithstanding any other provision of law, the President is authorized to, and is hereby strongly urged to, impose such economic sanctions upon Ethiopia as the President determines to be appropriate (subject to paragraphs (2) and (3)) if, at any time after the date of the enactment of this Act, the Government of Ethiopia engages in any of the following outrages:

(A) Forced resettlement.

(B) Forced confinement in any resettlement camp.

(C) Diversion of international relief to the military.

(D) Denial of international relief to any persons at risk because of famine.

(E) Seizure of international relief assets provided by the United States.

(F) Prohibition of end-use monitoring of food distribution by international relief personnel.

(2) In imposing sanctions pursuant to paragraph (1) on imports from Ethiopia, the President shall give priority consideration to those products which constitute major imports from Ethiopia, unless the President determines that sanctions against such products would have an adverse effect on economic interests of the United States.

(3) If a sanction imposed pursuant to paragraph (1) involves the prohibition or curtailment of exports to Ethiopia, that sanction may only be imposed under the authority and subject to the requirements of section 6 of the Export Administration Act of 1979.

(c) REPORTS TO CONGRESS.—Not more than 15 days after the date of the enactment of this Act and at the end of each 90-day period thereafter, the President shall submit to Congress a report stating whether or not, during the 90-day period preceding the date of the report, the Government of Ethiopia engaged in any conduct described in subsection (b). Each such report shall describe the response of the United States to any such conduct.

(d) REGULATION AUTHORITY.—The President shall issue such regulations, licenses, and orders as are necessary to implement any sanction imposed under this section.

(e) EXPIRATION.—The authority provided by subsection (b) shall expire on June 1, 1990.

TITLE XIV—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

PART A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS

SEC. 1401. OPERATING EXPENSES

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1989 for operating expenses incurred in carrying out national security programs (including scientific research and development in support of the Armed Forces, strategic and critical materials necessary for the common defense, and military applications of nuclear energy and related management and support activities) as follows:

(1) For weapons activities, $3,567,629,000, to be allocated as follows:

(A) For research and development, $1,052,546,000.

(B) For weapons testing, $524,238,000.

(C) For production and surveillance, $1,909,445,000.

(D) For program direction, $81,400,000.

(2) For defense nuclear materials production, $1,556,772,000 to be allocated as follows:

(A) For uranium enrichment for naval reactors, $169,000,000.

(B) For production reactor operations, $587,976,000.

(C) For processing of defense nuclear materials, including naval reactors fuel, $511,717,000, of which $72,300,000 shall be used for special isotope separation.

(D) For supporting services, $259,679,000.

(E) For program direction, $28,400,000.

(3) For environmental restoration and management of defense waste and transportation, $739,624,000, to be allocated as follows:

(A) For environmental restoration, $170,925,000. Such funds may also be used for plant and capital equipment.

(B) For waste operation and projects, $532,042,000.

(C) For waste research and development, $58,460,000.

(D) For hazardous waste process planning, $8,377,000.

(E) For transportation management, $9,720,000.

(F) For program direction, $3,100,000.

(4) For verification and control technology, $146,200,000.

(5) For nuclear materials safeguards and security technology development program, $75,400,000.

(6) For security investigations, $40,000,000.

(7) For naval reactors development, $555,400,000.

SEC. 1402. PLANT AND CAPITAL EQUIPMENT

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1989 for plant and capital equipment (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, land acquisition related thereto, and acquisition and fabrication of capital equipment not related to construction) necessary for national security programs as follows:

(1) For weapons activities:

Project 89-D-101, general plant projects, various locations, $26,500,000.

Project 89-D-121, general plant projects, various locations, $29,194,000.

Project 89-D-122, production waste storage facilities, Y-12 Plant, Oak Ridge, Tennessee, $2,000,000.

Project 89-D-125, plutonium recovery modification project, Rocky Flats Plant, Golden, Colorado, $4,000,000.

Project 89-D-126, environmental, safety, and health upgrade, Phase II, Mound Plant, Miamisburg, Ohio, $800,000.

Project 88-D-102, sanitary wastewater systems consolidation, Los Alamos National Laboratory, Los Alamos, New Mexico, $7,600,000.

Project 88-D-103, seismic upgrade, Building 111, Lawrence Livermore National Laboratory, Livermore, California, $5,400,000.

Project 88-D-104, safeguards and security upgrade, Phase II, Los Alamos National Laboratory, Los Alamos, New Mexico, $7,300,000.

Project 88-D-105, special nuclear materials research and development laboratory replacement, Los Alamos National Laboratory, Los Alamos, New Mexico, $22,000,000.

Project 88-D-106, nuclear weapons research, development, and testing facilities revitalization, Phase II, various locations, $72,352,000

Project 88-D-122, facilities capability assurance program, various locations, $79,341,000.

Project 88-D-123, security enhancements, Pantex Plant, Amarillo, Texas, $7,500,000.

Project 88-D-124, fire protection upgrade, various locations, $6,500,000.

Project 88-D-125, high explosive machining facility, Pantex Plant, Amarillo, Texas, $13,000,000.

Project 88-D-126, personnel radiological monitoring laboratories, various locations, $5,000,000.

Project 87-D-104, safeguards and security enhancement, Phase II, Lawrence Livermore National Laboratory, Livermore, California, $8,500,000.

Project 87-D-122, short-range attack missile II (SRAM II) warhead production facilities, various locations, $26,000,000.

Project 86-D-103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $12,000,000.

Project 86-D-104, strategic defenses facility, Sandia National Laboratories, Albuquerque, New Mexico, $3,237,000.

Project 86-D-123, environmental hazards elimination, various locations, $5,203,000.

Project 86-D-130, tritium loading facility replacement, Savannah River Plant, Aiken, South Carolina, $31,800,000.

Project 85-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase I, various locations, $6,800,000.

Project 85-D-105, combined device assembly facility, Nevada Test Site, Nevada, $12,200,000.

Project 85-D-112, enriched uranium recovery improvements, Y-12 Plant, Oak Ridge, Tennessee, $1,281,000.

Project 84-D-124, environmental improvements, Y-12 Plant, Oak Ridge, Tennessee, $4,775,000.

Project 84-D-211, safeguards and site security upgrading, Y-12 Plant, Oak Ridge, Tennessee, $2,775,000.

(2) For materials production:

Project 89-D-140, additional separations safeguards, Savannah River, South Carolina, $5,300,000.

Project 89-D-141, M-area waste disposal, Savannah River, South Carolina, $3,600,000.

Project 89-D-142, reactor effluent cooling water thermal mitigation, Savannah River, South Carolina, $1,000,000.

Project 89-D-146, general plant projects, various locations, $35,260,000.

Project 89-D-148, improved reactor confinement system, design only, Savannah River, South Carolina, $2,000,000.

Project 88-D-153, additional reactor safeguards, Savannah River, South Carolina, $5,700,000.

Project 88-D-154, new production reactor, design only, site to be determined, $35,000,000.

Project 87-D-152, environmental protection plantwide, Savannah River, South Carolina, $2,224,000.

Project 87-D-159, environmental, health, and safety improvements, Phases I, II, and III, Feed Materials Production Center, Fernald, Ohio, $50,000,000.

Project 86-D-148, special isotope separation project, Idaho Falls, Idaho, $28,000,000.

Project 86-D-149, productivity retention program, Phases I, II, III, and IV, various locations, $72,140,000.

Project 86-D-152, reactor electrical distribution system, Savannah River, South Carolina, $6,000,000.

Project 86-D-156, plantwide safeguards systems, Savannah River, South Carolina, $12,800,000.

Project 85-D-139, fuel processing restoration, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho, $65,000,000.

Project 84-D-134, safeguards and security improvements, plantwide, Savannah River, South Carolina, $11,584,000.

Project 82-D-124, restoration of production capabilities, Phases II, III, IV, and V, various locations, $5,879,000.

(3) For defense waste and environmental restoration:

Project 89-D-170, general plant projects, waste operations and projects, and waste research and development, various locations, $28,000,000.

Project 89-D-171, Idaho National Engineering Laboratory road renovation, Idaho, $4,000,000.

Project 89-D-172, Hanford environmental compliance, Richland, Washington, $12,000,000.

Project 89-D-173, tank farm ventilation upgrade, Richland, Washington, $1,800,000.

Project 89-D-174, replacement high level waste evaporator, Savannah River, South Carolina, $3,520,000.

Project 89-D-175, hazardous waste/mixed waste disposal facility, Savannah River, South Carolina, $3,500,000.

Project 88-D-173, Hanford waste vitrification plant, Richland, Washington, $22,500,000.

Project 87-D-173, 242-A evaporator crystallizer upgrade, Richland, Washington, $1,944,000.

Project 87-D-177, test reactor area liquid radioactive waste cleanup system, Phase III, Idaho National Engineering Laboratory, Idaho, $911,000.

Project 87-D-180, burial ground expansion, Savannah River, South Carolina, $2,068,000.

Project 87-D-181, diversion box and pump pit containment buildings, Savannah River, South Carolina, $6,371,000.

Project 86-D-175, Idaho National Engineering Laboratory security upgrade, Idaho, $2,084,000.

Project 83-D-148, nonradioactive hazardous waste management, Savannah River, South Carolina, $13,000,000.

Project 81-T-105, defense waste processing facility, Savannah River, South Carolina, $92,462,000.

(4) For naval reactors development:

Project 89-N-101, general plant projects, various locations, $7,000,000.

Project 89-N-102, heat transfer test facility, Knolls Atomic Power Laboratory, Niskayuna, New York, $2,800,000.

Project 89-N-103, advanced test reactor modifications, Test Reactor Area, Idaho National Engineering Laboratory, Idaho, $1,600,000.

Project 89-N-104, power system upgrade, Naval Reactors Facility, Idaho, $600,000.

Project 88-N-102, expended core facility receiving station, Naval Reactors Facility, Idaho, $5,900,000.

Project 88-N-103, material handling and storage modifications, Knolls Atomic Power Laboratory, Niskayuna, New York, $2,700,000.

Project 88-N-104, prototype availability facilities, Knolls Atomic Power Laboratory, Kesselring Site, West Milton, New York, $6,000,000.

(5) For capital equipment not related to construction:

(A) For weapons activities, $272,254,000, including $8,240,000 for the defense inertial confinement fusion program.

(B) For materials production, $102,500,000.

(C) For defense waste and environmental restoration, $52,716,000.

(D) For verification and control technology, $8,400,000.

(E) For nuclear safeguards and security, $4,800,000.

(F) For naval reactors development, $48,000,000.

SEC. 1403. FUNDING LIMITATIONS

(a) Programs, Projects, and Activities of the Department of Energy Relating to the Strategic Defense Initiative.—Of the funds appropriated to the Department of Energy for fiscal year 1989 for operating expenses and plant and capital equipment, not more than $262,000,000 may be obligated or expended for programs, projects, and activities of the Department of Energy relating to the Strategic Defense Initiative.

(b) Inertial Confinement Fusion.—Of the funds appropriated to the Department of Energy for fiscal year 1989 for operating expenses and plant and capital equipment, $163,770,000 shall be obligated or expended for the defense inertial confinement fusion program.

(c) SRAM II.—Funds appropriated to the Department of Energy for fiscal year 1989 for facilities for production of the warhead for the short-range attack missile II (SRAM II) (project 87-D-122) may be obligated only—

(1) for facilities which are suitable for production of a warhead compatible with both the SRAM-A and the SRAM II; and

(2) after the Nuclear Weapons Council certifies that the design of the warhead is compatible with both the SRAM-A and the SRAM II.

(d) Special Isotope Separation Project.—Funds appropriated or otherwise made available to the Department of Energy for the special isotope separation project, Idaho Falls, Idaho, may not be obligated or expended for site preparation for such project before March 1, 1989.

(e) Plutonium Recovery Modification Project—Funds appropriated or otherwise made available for the plutonium recovery modification project (project 89-D-125), Rocky Flats Plant, Golden, Colorado, may not be obligated or expended until the later of—

(1) 60 days after the President submits the report (relating to modernization of the nuclear weapons complex) required by section 3132 of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1988 (Public Law 100-180; 101 Stat. 1239); or

(2) February 15, 1989.

Part B—Recurring General Provisions

SEC. 1421. REPROGRAMMING

(a) Notice to Congress.—(1) Except as otherwise provided in this title—

(A) no amount appropriated pursuant to this title may be used for any program in excess of the lesser of—

(i) 105 percent of the amount authorized for that program by this title; or

(ii) $10,000,000 more than the amount authorized for that program by this title; and

(B) no amount appropriated pursuant to this title may be used for any program which has not been presented to, or requested of, the Congress.

(2) An action described in paragraph (1) may be taken after a period of 30 calendar days (not including any day on which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after receipt by the Committees on Armed Services and on Appropriations of the Senate and House of Representatives of notice from the Secretary of Energy (in this title referred to as the "Secretary") containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action.

(b) Limitation on Amount Obligated.—In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

SEC. 1422. LIMITS ON GENERAL PLANT PROJECTS

(a) In General.—The Secretary may carry out any construction project under the general plant projects provisions authorized by this title if the total estimated cost of the construction project does not exceed $1,200,000.

(b) Report to Congress.—If at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $1,200,000, the Secretary shall immediately furnish a complete report to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives explaining the reasons for the cost variation.

SEC. 1423. LIMITS ON CONSTRUCTION PROJECTS

(a) In General.—(1) Except as provided in paragraph (2), construction on a construction project may not be started or additional obligations incurred in connection with the project above the total estimated cost, whenever the current estimated cost of the construction project, which is authorized by section 1402 of this title, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

(2) An action described in paragraph (1) may be taken after a period of 30 calendar days (not including any day on which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after receipt by the Committees on Armed Services and on Appropriations of the Senate and House of Representatives of notice from the

Secretary of Energy (in this title referred to as the "Secretary") containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action.

(b) Exception.—Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

SEC. 1424. FUND TRANSFER AUTHORITY

(a) In General.—Funds appropriated pursuant to this title may be transferred to other agencies of the Government for the performance of the work for which the funds were appropriated, and funds so transferred may be merged with the appropriations of the agency to which the funds are transferred.

(b) Specific Transfer.—The Secretary of Defense may transfer to the Secretary of Energy not more than $100,000,000 of the funds appropriated for fiscal year 1989 to the Department of Defense for research, development, test, and evaluation for the Defense Agencies for the performance of work on the Strategic Defense Initiative. Funds so transferred—

(1) may be used only for research, development, and testing for nuclear directed energy weapons, including plant and capital equipment related thereto;

(2) shall be merged with the appropriations of the Department of Energy; and

(3) may not be included in calculating the amount of funds obligated or expended for purposes of the funding limitation in section 1403(a).

SEC. 1425. AUTHORITY FOR CONSTRUCTION DESIGN

(a) In General.—(1) Within the amounts authorized by this title for plant engineering and design, the Secretary may carry out advance planning and construction designs (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such planning and design does not exceed $2,000,000.

(2) In any case in which the total estimated cost for such planning and design exceeds $300,000, the Secretary shall notify the Committees on Armed Services and on Appropriations of the Senate and House of Representatives in writing of the details of such project at least 30 days before any funds are obligated for design services for such project.

(b) Specific Authority Required.—In any case in which the total estimated cost for advance planning and construction design in connection with any construction project exceeds $2,000,000, funds for such design must be specifically authorized by law.

SEC. 1426. AUTHORITY FOR EMERGENCY CONSTRUCTION DESIGN

In addition to the advance planning and construction design authorized by section 1402, the Secretary may perform planning and design utilizing available funds for any Department of Energy defense activity construction project whenever the Secretary determines that the design must proceed expeditiously in order to meet the needs of national defense or to protect property or human life.

SEC. 1427. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY

Subject to the provisions of appropriation Acts and section 1421, amounts appropriated pursuant to this title for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

SEC. 1428. AVAILABILITY OF FUNDS

When so specified in an appropriation Act, amounts appropriated for operating expenses or for plant and capital equipment may remain available until expended.

Part C—Miscellaneous Provisions

SEC. 1431. REVIEW OF THE INERTIAL CONFINEMENT FUSION PROGRAM

(a) Establishment.—(1) Within 30 days after the date of the enactment of this Act, the Secretary of Energy shall establish a review body to be known as the Program Review Group on Inertial Confinement Fusion (hereafter in this section referred to as the "Review Group").

(2) It shall be the function of the Review Group to review thoroughly the accomplishments, management, goals, and anticipated contributions of the defense inertial confinement fusion program, for both the civilian and military sectors. Such review shall include—

(A) an assessment of the most promising technologies for continuation of the program; and

(B) an assessment of the potential contributions of the program under a prohibition of underground nuclear testing and under a limitation of underground nuclear testing to levels of 1 kiloton, 5 kilotons, and 10 kilotons.

(3) The Secretary of Energy shall appoint to serve on the Review Group only persons who, because of experience in the scientific disciplines associated with the development and testing of nuclear weapons, are most qualified to make findings of fact and recommendations to Congress and the Secretary concerning that program.

(b) Reports.—The Review Group shall submit to the Secretary and the Committees on Armed Services and on Appropriations of the Senate and House of Representatives an interim report and a final report containing the results of its review, together with such recommendations regarding priorities for future work in the inertial confinement fusion program as it determines appropriate. The interim report shall be submitted before January 15, 1990, and the final report shall be submitted before September 15, 1990.

(c) Review and Comment by the Secretary.—(1) The Secretary of Energy shall review both the interim and final reports of the Review Group and submit to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives the following:

(A) An assessment of the budgetary priority, under current and anticipated budget restraints, that should be given to the inertial confinement fusion program of the Department of Energy in relation to the budgetary priority that should be given to core defense research and development programs of the Department to carry out the defense missions of the Department.

(B) Such additional comments regarding such reports as the Secretary considers appropriate.

(2) The Secretary shall submit his assessment and comments on each report referred to in subsection (b) not later than 30 days after receiving such report.

(d) Termination.—Upon the submission of its final report, the Review Group shall cease to exist.

SEC. 1432. ASSISTANCE TO COMMUNITIES AFFECTED BY CLOSING OF N REACTOR

The Secretary of Defense may make grants, conclude cooperative agreements, and supplement funds made available under Federal programs administered by agencies other than the Department of Defense in order to assist the State of Washington and local communities near Hanford Reservation, Washington, in planning community adjustments required by the closure of the N Reactor.

SEC. 1433. REVIEW OF WASTE ISOLATION PILOT PLANT IN NEW MEXICO

(a) Contract Requirement.—The Secretary of Energy shall enter into a contract with the New Mexico Institute of Mining and Technology (hereafter in this section referred to as the "Institute") to conduct independent reviews and evaluations of the design, construction, and operations of the Waste Isolation Pilot Plant in New Mexico (hereafter in this section referred to as the "WIPP") as they relate to the protection of the public health and safety and the environment. The contract shall be for a period of one year, beginning on March 31, 1989, and shall be renewable for four additional one-year periods with the consent of the Institute and subject to the authorization and appropriation of funds for such purpose.

(b) Content of Contract.—A contract entered into under subsection (a) shall require the following:

(1) The President of the Institute shall appoint a Director and Deputy Director, who shall be scientists of national eminence in the field of nuclear waste disposal, shall be free from any biases related to the activities of the WIPP, and shall be widely known for their integrity and scientific expertise. The Director shall carry out the work under the contract through a group known as the Environmental Evaluation Group and shall report directly to the President of the Institute.

(2) The Director shall appoint staff. The professional staff shall consist of scientists and engineers of recognized integrity and scientific expertise who represent scientific and engineering disciplines needed for a thorough review of the WIPP, including such disciplines as geology, hydrology, health physics, environmental engineering, probability risk analysis, mining engineering, and radiation chemistry. The disciplines represented in the staff shall change as may be necessary to meet changed needs in carrying out the contract for expertise in any certain scientific or engineering discipline. Scientists employed under the contract shall have qualifications and experience equivalent to the qualifications and experience required for scientists employed by the Federal Government in grades GS-13 through GS-16.

(3) Scientists employed under the contract shall have an appropriate support staff.

(4) The Director and Deputy Director shall each be appointed for a term of 5 years, subject to contract renewal, and may be removed only for misconduct or incompetence. The staff shall be appointed for such terms as the Director considers appropriate.

(5) The rates of pay of professional staff and the procedures for increasing the rates of pay of professional staff shall be equivalent to those rates and procedures provided for the General Schedule pay system under chapter 53 of title 5, United States Code. The fringe benefits available to the professional staff of the Institute shall also be available to professional staff under the contract.

(6) To the maximum extent practicable, preference in the hiring of staff for the Environmental Evaluation Group shall be given to persons involved in the scientific evalua-

tion group for WIPP immediately before the date of the enactment of this Act.

(7) Offices of the Environmental Evaluation Group shall be established in Carlsbad, New Mexico, and in Albuquerque, New Mexico, for carrying out the contract. The Director shall designate one of the offices as the administrative headquarters for carrying out the contract.

(8) The results of reviews and evaluations carried out under the contract shall be published.

(c) ADMINISTRATION.—The contract entered into under subsection (a) shall be administered under the direction of the President of the Institute. Such President shall establish general policies and guidelines to be used by the Director in carrying out the work under the contract. The Director shall be solely responsible for determining reviews and evaluations to be conducted by the Environmental Evaluation Group.

(d) FUNDING.—Funding for the contract shall be from amounts appropriated under section 1401. The amount of the initial one-year contract shall be not less than $1,060,000.

(e) CONSTRUCTION.—Nothing in this section shall be construed as affecting actions undertaken before the date of the enactment of this Act in furtherance of the requirements of this section.

SEC. 1434. AUTHORITY TO LOAN PERSONNEL AND FACILITIES TO COMMUNITY DEVELOPMENT ORGANIZATIONS NEAR HANFORD RESERVATION

(a) AUTHORITY TO LOAN PERSONNEL.—(1) The Secretary of Energy shall allow each contractor and subcontractor of the Department of Energy carrying out operating, engineering, research and development, or construction management at the Hanford Reservation, Washington, to loan personnel in accordance with this section to the community development organization known as the Tri City Industrial Development Council serving Benton and Franklin Counties, Washington. Any such loan shall be for the purpose of assisting in the diversification of the local economy by reducing reliance by local communities on national security programs at Hanford Reservation.

(2) A contractor shall continue to compensate any personnel loaned by the contractor under paragraph (1). Any such compensation shall be allowed as a cost for which the Department of Energy may reimburse the contractor under the contract.

(3) The Secretary of Energy may not obligate or expend more than $500,000 in each of fiscal years 1989 and 1990 for loans of personnel under this section. The amount of such obligations or expenditures shall be measured by the cost of compensation paid to such personnel by the contractor and reimbursed by the Department of Energy.

(b) AUTHORITY TO LOAN FACILITIES.—The Secretary of Energy may loan facilities of the Federal Government being used by contractors of the Department of Energy at Hanford Reservation, Washington, to any community-based organization. However, any loan of a facility under this subsection may be made only if use of the facility by such an organization would not adversely affect Department of Energy programs, as determined by the Secretary.

(c) DURATION OF PROGRAM.—The authority to loan personnel and facilities under this section, and the loan of any personnel or facilities pursuant to such authority, shall terminate on September 30, 1990.

SEC. 1435. NEW PRODUCTION REACTOR

(a) RECOMMENDATIONS REGARDING NEW PRODUCTION REACTOR.—Not later than July 31, 1988, the Secretary of Energy shall submit to the Committees on Armed Services of the Senate and House of Representatives a report containing the Secretary's recommendation for the site for construction of a new production reactor and the Secretary's recommendation for the preferred technology for a new production reactor.

(b) REPORT CONTAINING INFORMATION PERTAINING TO NEW PRODUCTION REACTOR.—At the same time the budget for fiscal year 1990 is submitted to Congress pursuant to section 1105 of title 31, United States Code, the Secretary of Energy shall submit to the Committees on Armed Services of the Senate and House of Representatives a report containing—

(1) a discussion of the administrative and legislative changes that would be necessary to shorten the time period necessary to attain the initial operational date of a new production reactor; and

(2) any recommendations for such additional action that the Secretary considers appropriate.

SEC. 1436. NUCLEAR TEST BAN READINESS PROGRAM

(a) FINDINGS.—The Congress makes the following findings:

(1) On September 17, 1987, the United States and the Soviet Union announced that they would resume full-scale, stage-by-stage negotiations on issues relating to nuclear testing, including further intermediate limitations on nuclear testing leading to the ultimate objective of a comprehensive nuclear test ban.

(2) It was agreed that the first step in these negotiations would be to reach agreement on verification measures that will make possible the ratification of the Threshold Test Ban Treaty of 1974 and the Peaceful Nuclear Explosions Treaty of 1976.

(3) To achieve the agreement on verification measures, the United States and the Soviet Union have agreed to design and conduct a Joint Verification Experiment at the test sites of each country during the summer of 1988.

(4) At the Moscow summit in May 1988, President Reagan and General Secretary Gorbachev reaffirmed their commitment to negotiations on "effective verification measures which will make it possible to ratify the Threshold Test Ban Treaty of 1974 and Peaceful Nuclear Explosions Treaty of 1976, and proceed to negotiating further intermediate limitations on nuclear testing leading to the ultimate objective of the complete cessation of nuclear testing as part of an effective disarmament process".

(b) ESTABLISHMENT OF PROGRAM.—The Secretary of Energy shall establish and support a program to assure that the United States is in a position to maintain the reliability, safety, and continued deterrent effect of its stockpile of existing nuclear weapons designs in the event that a low-threshold or comprehensive ban on nuclear explosives testing is negotiated and ratified within the framework agreed to by the United States and the Soviet Union.

(c) PURPOSES OF PROGRAM.—The purposes of the program under subsection (b) shall be the following:

(1) To assure that the United States maintains a vigorous program of stockpile inspection and non-explosive testing so that, if a low-threshold or comprehensive test ban is entered into, the United States remains able to detect and identify potential problems in stockpile reliability and safety in existing designs of nuclear weapons.

(2) To assure that the specific materials, components, processes, and personnel needed for the remanufacture of existing nuclear weapons or the substitution of alternative nuclear warheads are available to support such remanufacture or substitution if such action becomes necessary in order to satisfy reliability and safety requirements under a low-threshold or comprehensive test ban agreement.

(3) To assure that a vigorous program of research in areas related to nuclear weapons science and engineering is supported so that, if a low-threshold or comprehensive test ban agreement is entered into, the United States is able to maintain a base of technical knowledge about nuclear weapons design and nuclear weapons effects.

(d) CONDUCT OF PROGRAM.—The Secretary of Energy shall carry out the program provided for in subsection (b). The program shall be carried out with the participation of representatives of the Department of Defense, the nuclear weapons production facilities, and the national nuclear weapons laboratories.

(e) ANNUAL REPORT.—The Secretary of Energy shall submit to Congress each year an unclassified report (with a classified annex as necessary) that describes the progress made to the date of the report in achieving the purposes of the program required to be established under subsection (b).

PART D—DOE DEFENSE NUCLEAR FACILITIES SAFETY OVERSIGHT BOARD

SEC. 1441. ESTABLISHMENT OF DEFENSE NUCLEAR FACILITIES SAFETY BOARD

(a) ESTABLISHMENT.—(1) The Atomic Energy Act of 1954 (68 Stat. 919; 42 U.S.C. 2011 and following) is amended by adding at the end the following new chapter:

"CHAPTER 21. DEFENSE NUCLEAR FACILITIES SAFETY BOARD

"SEC. 311. ESTABLISHMENT.

"(a) ESTABLISHMENT.—There is hereby established an independent establishment in the executive branch, to be known as the 'Defense Nuclear Facilities Safety Board' (hereafter in this chapter referred to as the 'Board').

"(b) MEMBERSHIP.—(1) The Board shall be composed of five members appointed from civilian life by the President, by and with the advice and consent of the Senate, from among United States citizens who are respected experts in the field of nuclear safety with a demonstrated competence and knowledge relevant to the independent investigative and oversight functions of the Board. Not more than three members of the Board shall be of the same political party.

"(2) Any vacancy in the membership of the Board shall be filled in the same manner in which the original appointment was made.

"(3) No member of the Board may be an employee of, or have any significant financial relationship with, the Department of Energy or any contractor of the Department of Energy.

"(4) Not later than 180 days after the date of the enactment of this chapter, the President shall submit to the Senate nominations for appointment to the Board. In the event that the President is unable to submit the nominations within such 180-day period, the President shall submit to the Committees on Armed Services and on Appropriations of the Senate and to the Speaker of the House of Representatives a report describing the reasons for such inability and a plan for submitting the nominations within the next 90 days. If the President is unable to submit the nominations within that 90-day period,

the President shall again submit to such committees and the Speaker such a report and plan. The President shall continue to submit to such committees and the Speaker such a report and plan every 90 days until the nominations are submitted.

"(c) Chairman and Vice Chairman.—(1) The President shall designate a Chairman and Vice Chairman of the Board from among members of the Board. The Chairman and Vice Chairman and other Board members may be reappointed to such offices.

"(2) The Chairman shall be the chief executive officer of the Board and, subject to such policies as the Board may establish, shall exercise the functions of the Board with respect to—

"(A) the appointment and supervision of employees of the Board;

"(B) the organization of any administrative units established by the Board; and

"(C) the use and expenditure of funds.

"(3) The Chairman may delegate any of the functions under this paragraph to any other member or to any appropriate officer of the Board.

"(4) The Vice Chairman shall act as Chairman in the event of the absence or incapacity of the Chairman or in case of a vacancy in the office of Chairman.

"(d) Terms.—(1) Except as provided under paragraph (2), the members of the Board shall serve for terms of five years. Members of the Board may be reappointed.

"(2) Of the members first appointed—

"(A) One shall be appointed for a term of one year;

"(B) One shall be appointed for a term of two years;

"(C) One shall be appointed for a term of three years;

"(D) One shall be appointed for a term of four years; and

"(E) One shall be appointed for a term of five years,

as designated by the President at the time of appointment.

"(3) Any member appointed to fill a vacancy occurring before the expiration of the term of office for which such member's predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of that member's term until a successor has taken office.

"(e) Quorum.—Three members of the Board shall constitute a quorum, but a lesser number may hold hearings.

"SEC. 312. FUNCTIONS OF THE BOARD.

"The Board shall perform the following functions:

"(1) Review and evaluation of standards.—The Board shall review and evaluate the content and implementation of the standards relating to the design, construction, operation, and decommissioning of defense nuclear facilities of the Department of Energy (including all applicable Department of Energy orders, regulations, and requirements) at each Department of Energy defense nuclear facility. The Board shall recommend to the Secretary of Energy those specific measures that should be adopted to ensure that public health and safety are adequately protected. The Board shall include in its recommendations necessary changes in the content and implementation of such standards, as well as matters on which additional data or additional research is needed.

"(2) Investigations.—(A) The Board shall investigate any event or practice at a Department of Energy defense nuclear facility which the Board determines has adversely affected, or may adversely affect, public health and safety.

"(B) The purpose of any Board investigation under subparagraph (A) shall be—

"(i) to determine whether the Secretary of Energy is adequately implementing the standards described in paragraph (1) of the Department of Energy (including all applicable Department of Energy orders, regulations, and requirements) at the facility;

"(ii) to ascertain information concerning the circumstances of such event or practice and its implications for such standards;

"(iii) to determine whether such event or practice is related to other events or practices at other Department of Energy defense nuclear facilities; and

"(iv) to provide to the Secretary of Energy such recommendations for changes in such standards or the implementation of such standards (including Department of Energy orders, regulations, and requirements) and such recommendations relating to data or research needs as may be prudent or necessary.

"(3) Analysis of design and operational data.—The Board shall have access to and may systematically analyze design and operational data, including safety analysis reports, from any Department of Energy defense nuclear facility.

"(4) Review of facility design and construction.—The Board shall review the design of a new Department of Energy defense nuclear facility before construction of such facility begins and shall recommend to the Secretary, within a reasonable time, such modifications of the design as the Board considers necessary to ensure adequate protection of public health and safety. During the construction of any such facility, the Board shall periodically review and monitor the construction and shall submit to the Secretary, within a reasonable time, such recommendations relating to the construction of that facility as the Board considers necessary to ensure adequate protection of public health and safety. An action of the Board, or a failure to act, under this paragraph may not delay or prevent the Secretary of Energy from carrying out the construction of such a facility.

"(5) Recommendations.—The Board shall make such recommendations to the Secretary of Energy with respect to Department of Energy defense nuclear facilities, including operations of such facilities, standards, and research needs, as the Board determines are necessary to ensure adequate protection of public health and safety. In making its recommendations the Board shall consider the technical and economic feasibility of implementing the recommended measures.

"SEC. 313. POWERS OF BOARD.

"(a) Hearings.—(1) The Board or a member authorized by the Board may, for the purpose of carrying out this chapter, hold such hearings and sit and act at such times and places, and require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such evidence as the Board or an authorized member may find advisable.

"(2)(A) Subpoenas may be issued only under the signature of the Chairman or any member of the Board designated by him and shall be served by any person designated by the Chairman, any member, or any person as otherwise provided by law. The attendance of witnesses and the production of evidence may be required from any place in the United States at any designated place of hearing in the United States.

"(B) Any member of the Board may administer oaths or affirmations to witnesses appearing before the Board.

"(C) If a person issued a subpoena under paragraph (1) refuses to obey such subpoena or is guilty of contumacy, any court of the United States within the judicial district within which the hearing is conducted or within the judicial district within which such person is found or resides or transacts business may (upon application by the Board) order such person to appear before the Board to produce evidence or to give testimony relating to the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt of the court.

"(D) The subpoenas of the Board shall be served in the manner provided for subpoenas issued by a United States district court under the Federal Rules of Civil Procedure for the United States district courts.

"(E) All process of any court to which application may be made under this section may be served in the judicial district in which the person required to be served resides or may be found.

"(b) Staff.—The Board may, for the purpose of performing its responsibilities under this chapter—

"(1) hire such staff as it considers necessary to perform the functions of the Board, but not more than the equivalent of 100 full-time employees; and

"(2) procure the temporary and intermittent services of experts and consultants to the extent authorized by section 3109(b) of title 5, United States Code, at rates the Board determines to be reasonable.

"(c) Regulations.—The Board may prescribe regulations to carry out the responsibilities of the Board under this chapter.

"(d) Reporting Requirements.—The Board may establish reporting requirements for the Secretary of Energy which shall be binding upon the Secretary. The information which the Board may require the Secretary of Energy to report under this subsection may include any information designated as classified information, or any information designated as safeguards information and protected from disclosure under section 147 or 148 of this Act.

"(e) Use of Government Facilities, Etc.—The Board may, for the purpose of carrying out its responsibilities under this chapter, use any facility, contractor, or employee of any other department or agency of the Federal Government with the consent of and under appropriate support arrangements with the head of such department or agency and, in the case of a contractor, with the consent of the contractor.

"(f) Assistance From Certain Agencies of the Federal Government.—With the consent of and under appropriate support arrangements with the Nuclear Regulatory Commission, the Board may obtain the advice and recommendations of the staff of the Commission on matters relating to the Board's responsibilities and may obtain the advice and recommendations of the Advisory Committee on Reactor Safeguards on such matters.

"(g) Assistance From Organizations Outside the Federal Government.—The Board may enter into an agreement with the National Research Council of the National Academy of Sciences or any other appropriate group or organization of experts outside the Federal Government chosen by the Board to assist the Board in carrying out its responsibilities under this chapter.

"(h) Resident Inspectors.—The Board may assign staff to be stationed at any Department of Energy defense nuclear facility to carry out the functions of the Board.

"(i) SPECIAL STUDIES.—The Board may conduct special studies pertaining to adequate protection of public health and safety at any Department of Energy defense nuclear facility.

"(j) EVALUATION OF INFORMATION.—The Board may evaluate information received from the scientific and industrial communities, and from the interested public, with respect to—

"(1) events or practices at any Department of Energy defense nuclear facility; or

"(2) suggestions for specific measures to improve the content of standards described in section 312(1), the implementation of such standards, or research relating to such standards at Department of Energy defense nuclear facilities.

"SEC. 314. RESPONSIBILITIES OF THE SECRETARY OF ENERGY.

"(a) COOPERATION.—The Secretary of Energy shall fully cooperate with the Board and provide the Board with ready access to such facilities, personnel, and information as the Board considers necessary to carry out its responsibilities under this chapter. Each contractor operating a Department of Energy defense nuclear facility under a contract awarded by the Secretary shall, to the extent provided in such contract or otherwise with the contractor's consent, fully cooperate with the Board and provide the Board with ready access to such facilities, personnel, and information of the contractor as the Board considers necessary to carry out its responsibilities under this chapter.

"(b) ACCESS TO INFORMATION.—The Secretary of Energy may deny access to information provided to the Board to any person who—

"(1) has not been granted an appropriate security clearance or access authorization by the Secretary of Energy; or

"(2) does not need such access in connection with the duties of such person.

"SEC. 315. BOARD RECOMMENDATIONS.

"(a) PUBLIC AVAILABILITY AND COMMENT.—Subject to subsections (g) and (h) and after receipt by the Secretary of Energy of any recommendations from the Board under section 312, the Board promptly shall make such recommendations available to the public in the Department of Energy's regional public reading rooms and shall publish in the Federal Register such recommendations and a request for the submission to the Board of public comments on such recommendations. Interested persons shall have 30 days after the date of the publication of such notice in which to submit comments, data, views, or arguments to the Board concerning the recommendations.

"(b) RESPONSE BY SECRETARY.—(1) The Secretary of Energy shall transmit to the Board, in writing, a statement on whether the Secretary accepts or rejects, in whole or in part, the recommendations submitted to him by the Board under section 312, a description of the actions to be taken in response to the recommendations, and his views on such recommendations. The Secretary of Energy shall transmit his response to the Board within 45 days after the date of the publication, under subsection (a), of the notice with respect to such recommendations or within such additional period, not to exceed 45 days, as the Board may grant.

"(2) At the same time as the Secretary of Energy transmits his response to the Board under paragraph (1), the Secretary, subject to subsection (h), shall publish such response, together with a request for public comment on his response, in the Federal Register.

"(3) Interested persons shall have 30 days after the date of the publication of the Secretary of Energy's response in which to submit comments, data, views, or arguments to the Board concerning the Secretary's response.

"(4) The Board may hold hearings for the purpose of obtaining public comments on its recommendations and the Secretary of Energy's response.

"(c) PROVISION OF INFORMATION TO SECRETARY.—The Board shall furnish the Secretary of Energy with copies of all comments, data, views, and arguments submitted to it under subsection (a) or (b).

"(d) FINAL DECISION.—If the Secretary of Energy, in a response under subsection (b)(1), rejects (in whole or part) any recommendation made by the Board under section 312, the Board shall either reaffirm its original recommendation or make a revised recommendation and shall notify the Secretary of its action. Within 30 days after receiving the notice of the Board's action under this subsection, the Secretary shall consider the Board's action and make a final decision on whether to implement all or part of the Board's recommendations. Subject to subsection (h), the Secretary shall publish the final decision and the reasoning for such decision in the Federal Register and shall transmit to the Committees on Armed Services and on Appropriations of the Senate and to the Speaker of the House of Representatives a written report containing that decision and reasoning.

"(e) IMPLEMENTATION PLAN.—The Secretary of Energy shall prepare a plan for the implementation of each Board recommendation, or part of a recommendation, that is accepted by the Secretary in his final decision. The Secretary shall transmit the implementation plan to the Board within 90 days after the date of the publication of the Secretary's final decision on such recommendation in the Federal Register. The Secretary may have an additional 45 days to transmit the plan if the Secretary submits to the Board and to the Committees on Armed Services and on Appropriations of the Senate and to the Speaker of the House of Representatives a notification setting forth the reasons for the delay and describing the actions the Secretary is taking to prepare an implementation plan under this subsection. The Secretary may implement any such recommendation (or part of any such recommendation) before, on, or after the date on which the Secretary transmits the implementation plan to the Board under this subsection.

"(f) IMPLEMENTATION.—(1) Subject to paragraph (2), not later than one year after the date on which the Secretary of Energy transmits an implementation plan with respect to a recommendation (or part thereof) under subsection (e), the Secretary shall carry out and complete the implementation plan. If complete implementation of the plan takes more than 1 year, the Secretary of Energy shall submit a report to the Committees on Armed Services and on Appropriations of the Senate and to the Speaker of the House of Representatives setting forth the reasons for the delay and when implementation will be completed.

"(2) If the Secretary of Energy determines that the implementation of a Board recommendation (or part thereof) is impracticable because of budgetary considerations, or that the implementation would affect the Secretary's ability to meet the annual nuclear weapons stockpile requirements established pursuant to section 91 of this Act, the Secretary shall submit to the President, to the Committees on Armed Services and on Appropriations of the Senate, and to the Speaker of the House of Representatives a report containing the recommendation and the Secretary's determination.

"(g) IMMINENT OR SEVERE THREAT.—(1) In any case in which the Board determines that a recommendation submitted to the Secretary of Energy under section 312 relates to an imminent or severe threat to public health and safety, the Board and the Secretary of Energy shall proceed under this subsection in lieu of subsections (a) through (d).

"(2) At the same time that the Board transmits a recommendation relating to an imminent or severe threat to the Secretary of Energy, the Board shall also transmit the recommendation to the President and for information purposes to the Secretary of Defense. The Secretary of Energy shall submit his recommendation to the President. The President shall review the Secretary of Energy's recommendation and shall make the decision concerning acceptance or rejection of the Board's recommendation.

"(3) After receipt by the President of the recommendation from the Board under this subsection, the Board promptly shall make such recommendation available to the public and shall transmit such recommendation to the Committees on Armed Services and on Appropriations of the Senate and to the Speaker of the House of Representatives. The President shall promptly notify such committees and the Speaker of his decision and the reasons for that decision.

"(h) LIMITATION.—Notwithstanding any other provision of this section, the requirements to make information available to the public under this section—

"(1) shall not apply in the case of information that is classified; and

"(2) shall be subject to the orders and regulations issued by the Secretary of Energy under sections 147 and 148 of this Act to prohibit dissemination of certain information.

"SEC. 316. REPORTS.

"(a) BOARD REPORT.—(1) The Board shall submit to the Committees on Armed Services and on Appropriations of the Senate and to the Speaker of the House of Representatives each year, at the same time that the President submits the budget to Congress pursuant to section 1105(a) of title 31, United States Code, a written report concerning its activities under this chapter, including all recommendations made by the Board, during the year preceding the year in which the report is submitted. The Board may also issue periodic unclassified reports on matters within the Board's responsibilities.

"(2) The annual report under paragraph (1) shall include an assessment of—

"(A) the improvements in the safety of Department of Energy defense nuclear facilities during the period covered by the report;

"(B) the improvements in the safety of Department of Energy defense nuclear facilities resulting from actions taken by the Board or taken on the basis of the activities of the Board; and

"(C) the outstanding safety problems, if any, of Department of Energy defense nuclear facilities.

"(b) DOE REPORT.—The Secretary of Energy shall submit to the Committees on Armed Services and on Appropriations of the Senate and to the Speaker of the House of Representatives each year, at the same time that the President submits the budget to Congress pursuant to section 1105(a) of title 31, United States Code, a written report concerning the activities of the Department of Energy under this chapter during the year preceding the year in which the report is submitted.

"SEC. 317. JUDICIAL REVIEW.

"Chapter 7 of title 5, United States Code, shall apply to the activities of the Board under this chapter.

"SEC. 318. DEFINITION.

"As used in this chapter, the term 'Department of Energy defense nuclear facility' means any of the following:

"(1) A production facility or utilization facility (as defined in section 11 of this Act) that is under the control or jurisdiction of the Secretary of Energy and that is operated for national security purposes, but the term does not include—

"(A) any facility or activity covered by Executive Order No. 12344, dated February 1, 1982, pertaining to the Naval nuclear propulsion program;

"(B) any facility or activity involved with the assembly or testing of nuclear explosives or with the transportation of nuclear explosives or nuclear material; or

"(C) any facility that does not conduct atomic energy defense activities.

"(2) A nuclear waste storage facility under the control or jurisdiction of the Secretary of Energy, but the term does not include a facility developed pursuant to the Nuclear Waste Policy Act of 1982 (96 Stat. 2201; 42 U.S.C. 10101 et seq.) and licensed by the Nuclear Regulatory Commission.

"SEC. 319. CONTRACT AUTHORITY SUBJECT TO APPROPRIATIONS.

"The authority of the Board to enter into contracts under this chapter is effective only to the extent that appropriations (including transfers of appropriations) are provided in advance for such purpose.

"SEC. 320. ANNUAL AUTHORIZATION OF APPROPRIATIONS.

"Authorizations of appropriations for the Board for fiscal years beginning after fiscal year 1989 shall be provided annually in authorization Acts.".

(2) The table of contents at the beginning of the Atomic Energy Act of 1954 is amended by adding at the end the following:

"CHAPTER 21. DEFENSE NUCLEAR FACILITIES SAFETY BOARD

"Sec. 311. Establishment.
"Sec. 312. Functions of the Board.
"Sec. 313. Powers of Board.
"Sec. 314. Responsibilities of the Secretary of Energy.
"Sec. 315. Board recommendations.
"Sec. 316. Reports.
"Sec. 317. Judicial review.
"Sec. 318. Definition.
"Sec. 319. Contract authority subject to appropriations.
"Sec. 320. Annual authorization of appropriations.".

(b) SALARY FOR BOARD MEMBERS AT EXECUTIVE SCHEDULE LEVEL III.—Section 5314 of title 5, United States Code, is amended by inserting after "Members, Nuclear Regulatory Commission." the following:

"Members, Defense Nuclear Facilities Safety Board.".

(c) REQUIREMENTS FOR FIRST ANNUAL REPORT.—(1) Before submission of the first annual report by the Defense Nuclear Facility Safety Board under section 316(a) of the Atomic Energy Act of 1954 (as added by subsection (a)), the Board shall conduct a study on whether nuclear facilities of the Department of Energy that are excluded from the definition of "Department of Energy defense nuclear facility" in section 318(1)(C) of such Act (hereafter referred to as "non-defense nuclear facilities") should be subject to independent external oversight. The Board shall include in such first annual report the results of such study and the recommendation of the Board on whether non-defense nuclear facilities should be subject to independent external oversight.

(2) If the Board recommends in the report that non-defense nuclear facilities should be subject to such oversight, the report shall include a discussion of alternative mechanisms for implementing such oversight, including mechanisms such as a separate executive agency and oversight as a part of the Board's responsibilities. The discussion of alternative mechanisms of oversight also shall include considerations of budgetary costs, protection of the security of sensitive nuclear weapons information, and the similarities and differences in the design, construction, operation, and decommissioning of defense and non-defense nuclear facilities of the Department of Energy.

(d) REQUIREMENTS FOR FIFTH ANNUAL REPORT.—The fifth annual report submitted by the Defense Nuclear Facilities Safety Board under section 316(a) of the Atomic Energy Act of 1954 (as added by subsection (a)) shall include—

(1) an assessment of the degree to which the overall administration of the Board's activities are believed to meet the objectives of Congress in establishing the Board;

(2) recommendations for continuation, termination, or modification of the Board's functions and programs, including recommendations for transition to some other independent oversight arrangement if it is advisable; and

(3) recommendations for appropriate transition requirements in the event that modifications are recommended.

SEC. 1442. TRANSFER

The Secretary of Energy, to the extent provided in appropriations Acts, shall transfer to the Defense Nuclear Facilities Safety Board established by section 311 of the Atomic Energy Act of 1954 (as added by section 1441) from sums available for obligation for national security programs such sums as may be necessary, as determined by such Board, for the operation of the Board during fiscal year 1989, but in no case may more than $7,000,000 be transferred for such purpose. Sums transferred shall be available to such Board to carry out its responsibilities under chapter 21 of the Atomic Energy Act of 1954 (as added by section 1441) and shall remain available until expended.

TITLE XV—NATIONAL DEFENSE STOCKPILE

SEC. 1501. AUTHORIZED DISPOSALS

(a) AUTHORITY.—Notwithstanding section 5(b) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98d(b)) but subject to subsection (c), the President may during fiscal year 1989 dispose of materials in the National Defense Stockpile in accordance with this section. The value of the materials disposed of may not exceed $180,000,000 and may only be made as specified in subsection (b).

(b) MATERIALS AUTHORIZED TO BE DISPOSED.—Any disposal pursuant to the authority in subsection (a) shall be made from materials in the National Defense Stockpile previously authorized for disposal by law and from the following materials in the National Defense Stockpile, such materials having been determined to be excess to stockpile requirements:

Material	Quantities
Asbestos, chrysotile	2,100 short tons
Asbestos, crocidolite	36 short tons
Celestite	13,500 short dry tons
Iodine	772,000 pounds
Kyanite	1,200 short dry tons
Manganese dioxide, battery grade, natural ore.	65,000 short dry tons
Mercury	7,500 flasks
Mica, muscovite block (S&L)	181,000 pounds
Mica, muscovite splittings	750,000 pounds
Mica, phlogopite splittings	589,000 pounds
Quartz	1,249,000 pounds
Silicon Carbide	44,000 short tons
Talc, block and lump	990 short tons
Talc, ground	1,100 short tons
Thorium nitrate	6,520,000 pounds
Tin	5,000 metric tons
Tungsten ores and concentrates.	1,000,000 pounds
Vegetable tannin chestnut	3,500 long tons
Vegetable tannin quebracho	77,000 long tons.

(c) DISPOSALS DURING FISCAL YEAR 1989.—The President may dispose of materials under this section during fiscal year 1989 only to the extent that the total amount received (or to be received) from such disposals does not exceed the amount expended from the National Defense Stockpile Transaction Fund during fiscal year 1989 for purposes authorized under section 9(b)(2) of such Act.

SEC. 1502. AUTHORIZATION OF ACQUISITIONS

(a) ACQUISITIONS.—During fiscal year 1989, the President shall obligate $180,000,000 out of the funds of the National Defense Stockpile Transaction Fund (subject to such limitations as may be provided in appropriations Acts) for the following purposes:

(1) The acquisition of strategic and critical materials under section 6(a)(1) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98e(a)(1)).

(2) Transportation, storage, and other incidental expenses related to such acquisition.

(3) The upgrading of stockpile materials under section 6(a)(3) of such Act (50 U.S.C. 98e(a)(3)) and evaluations, tests, and other incidental expenses related to such upgrades.

(4) Other authorized uses of such funds under section 9(b)(2) of such Act (50 U.S.C. 98h(b)(2)).

(b) NEW UPGRADE PROGRAMS.—Of the amount specified in subsection (a), at least $20,000,000 shall be obligated to initiate new programs for upgrading stockpile materials. The Stockpile Manager shall submit to Congress by October 1, 1988, a report containing a plan for the use of such $20,000,000 for upgrading stockpile materials.

SEC. 1503. TECHNICAL AND CLARIFYING AMENDMENTS

(a) SEMI-ANNUAL REPORT.—Section 11(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h-2(a)) is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (5) and (6), respectively; and

(2) by inserting after paragraph (2) the following new paragraphs:

"(3) information with respect to the activities by the Stockpile Manager to encourage the conservation, substitution, and development of strategic and critical materials within the United States;

"(4) information with respect to the research and development activities conducted under sections 2 and 8;".

(b) ANNUAL MATERIALS PLAN.—Section 11(b) of such Act (50 U.S.C. 98h-2(b)) is amended—

(1) in the first sentence, by striking out "such fiscal year" and inserting in lieu thereof "the next fiscal year";

(2) in the second sentence, by striking out "planned" and all that follows through "critical materials" and inserting in lieu thereof "all planned expenditures from the National Defense Stockpile Transaction Fund"; and

(3) by adding at the end the following new sentence: "Any proposed expenditure or disposal detailed in the annual materials plan for any such fiscal year, and any expenditure or disposal proposed in connection with any transaction submitted for such fiscal year to the appropriate committees of Congress pursuant to section 5(a)(2), that is not obligated or executed in that fiscal year may not be obligated or executed until such proposed expenditure or disposal is resubmitted in a subsequent annual materials plan or is resubmitted to the appropriate committees of Congress in accordance with section 5(a)(2), as appropriate.".

TITLE XVI—CIVIL DEFENSE

SEC. 1601. AUTHORIZATION OF APPROPRIATION

There is hereby authorized to be appropriated $147,893,000 for fiscal year 1989 for the purpose of carrying out the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2251 et seq.).

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE

This division may be cited as the "Military Construction Authorization Act, 1989".

TITLE XXI—ARMY

SEC. 2101. AUTHORIZED CONSTRUCTION AND LAND ACQUISITION PROJECTS

(a) INSIDE THE UNITED STATES.—The Secretary of the Army may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

ALABAMA

Anniston Army Depot, $6,000,000.
Fort McClellan, $7,900,000.
Redstone Arsenal, $14,800,000.
Fort Rucker, $2,110,000.

ALASKA

Fort Wainwright, $29,740,000.
Fort Richardson, $6,250,000.

ARIZONA

Fort Huachuca, $1,200,000.

ARKANSAS

Pine Bluff Arsenal, $7,500,000.

CALIFORNIA

Fort Ord, $13,050,000.
Sierra Army Depot, $380,000.

COLORADO

Pueblo Army Depot, $3,200,000.

DISTRICT OF COLUMBIA

Walter Reed Army Medical Center, $1,600,000.

GEORGIA

Fort Benning, $24,350,000.

HAWAII

Fort Shafter, $15,700,000.

ILLINOIS

Rock Island Arsenal, $10,980,000.
Savanna Army Depot, $2,270,000.
Fort Sheridan, $3,280,000.

KENTUCKY

Fort Campbell, $20,500,000.
Lexington-Bluegrass Depot, $770,000.

MARYLAND

Aberdeen Proving Ground, $17,000,000.
Fort Detrick, $6,500,000.
Fort Ritchie, $9,100,000.

NEW JERSEY

Fort Dix, $6,200,000.

NEW YORK

United States Military Academy, West Point, $11,150,000.

NORTH CAROLINA

Fort Bragg, $36,602,000.

OKLAHOMA

Fort Sill, $3,700,000.

OREGON

Umatilla Army Depot, $3,600,000.

PENNSYLVANIA

Letterkenny Army Depot, $1,900,000.

TEXAS

Fort Bliss, $3,800,000.
Corpus Christi Army Depot, $7,400,000.
Fort Hood, $15,900,000.
Red River Army Depot, $88,400,000.
Fort Sam Houston, $3,250,000.

UTAH

Dugway Proving Ground, $12,800,000.
Tooele Army Depot, $92,300,000.

VIRGINIA

Fort A.P. Hill, $9,900,000.
Fort Eustis, $5,000,000.
Fort Lee, $4,800,000.
Fort Pickett, $4,000,000.
Vint Hill Farms Station, $800,000.

WASHINGTON

Fort Lewis, $19,800,000.

WISCONSIN

Fort McCoy, $2,100,000.

VARIOUS LOCATIONS

Classified Locations, $3,600,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Army may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

GERMANY

Ansbach, $15,000,000.
Friedberg, $1,300,000.
Giessen, $6,300,000.
Grafenwoehr Training Area, $7,000,000.
Hohenfels Training Area, $36,960,000.
Karlsruhe, $2,550,000.
Mainz, $19,550,000.
Mannheim, $14,400,000.
Rheinberg, $12,400,000.
Schweinfurt, $9,700,000.
Stuttgart, $3,350,000.
Vilseck, $44,600,000.
Wiesbaden, $13,900,000.
Worms, $1,300,000.
Wuerzburg, $33,650,000.
Various Locations, $18,000,000.

HONDURAS

SITE 5, $3,050,000.

ITALY

Various Locations, $1,250,000.

JAPAN

Various Locations, $7,900,000.
Various Locations, $5,300,000.

KOREA

Camp Casey, $3,700,000.
Camp Gary Owen, $1,150,000.
Camp Greaves, $1,540,000.
Camp Hovey, $3,200,000.
Camp Kittyhawk, $1,350,000.
Camp Libby, $1,150,000.
Camp Page, $670,000.
Camp Sears, $1,100,000.
Camp Stanley, $1,200,000.
Camp Stanton, $1,400,000.
K-16 Army Airfield, $670,000.
Taegu, $990,000.
Yongsan, $1,400,000.
Various Locations, $6,200,000.
Various Locations, $9,200,000.

KWAJALEIN

Kwajalein, $15,490,000.

VARIOUS LOCATIONS

Various Locations, $9,750,000.

SEC. 2102. FAMILY HOUSING

(a) CONSTRUCTION AND ACQUISITION.—The Secretary of the Army may, using amounts appropriated pursuant to section 2105(a)(6)(A), construct or acquire family housing units (including land acquisition) at the following installations in the number of units shown, and in the amount shown, for each installation:

Fort Wainwright, Alaska, one hundred and fifty units, $27,000,000.

Fort Irwin, California, two hundred and sixty-three units, $24,000,000.

Helemano, Hawaii, one hundred units, $11,400,000.

Schofield Barracks, Hawaii, forty units, $4,450,000.

Fort Leavenworth, Kansas, two hundred and seventy-two units, $20,000,000.

Fort Drum, New York, one hundred units, $10,000,000.

Fort Bliss, Texas, one hundred and eight units, $9,100,000.

Augsburg, Germany, thirty-four units, as described in section 2103(b).

Hohenfels, Germany, eighty-eight units, $8,400,000.

(b) PLANNING AND DESIGN.—The Secretary of the Army may, using amounts appropriated pursuant to section 2105(a)(6)(A), carry out architectural and engineering services and construction design activities with respect to the construction or improvement of family housing units in an amount not to exceed $10,628,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

(a) IN GENERAL.—Subject to section 2825 of title 10, United States Code, the Secretary of the Army may, using amounts appropriated pursuant to section 2105(a)(6)(A), improve existing military family housing units in an amount not to exceed $72,300,000.

(b) WAIVER OF MAXIMUM PER COST FOR CERTAIN IMPROVEMENT PROJECTS.—Notwithstanding the maximum amount per unit for an improvement project under section 2825(b) of title 10, United States Code, the Secretary of the Army may carry out projects to improve existing military family housing units at the following installations in the number of units shown, and in the amount shown for each installation:

Pearl Harbor, Hawaii, eight units, $550,000.

Augsburg, Germany, convert unused attic space and upgrade fourteen units into forty-eight adequate units, as authorized in section 2102(a), $3,360,000.

Taegu, Korea, ninety-six units, $4,450,000.

SEC. 2104. DEFENSE ACCESS ROADS

The Secretary of the Army may, using amounts appropriated pursuant to section 2105(a)(4), make advances to the Secretary of Transportation for the construction of defense access roads under section 210 of title 23, United States Code, at Fort Belvoir, Virginia, in the amount of $1,000,000.

SEC. 2105. AUTHORIZATION OF APPROPRIATIONS, ARMY

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1988, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $2,417,701,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $463,182,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $299,620,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $16,200,000.

(4) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $1,000,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $98,328,000.

(6) For military family housing functions—

(A) for construction and acquisition of military family housing facilities, $197,278,000;

(B) for support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,340,093,000, of which not more than $52,190,000 may be obligated or expended for the leasing of military family housing in the United States, the Commonwealth of Puerto Rico, and Guam, and not more than $175,510,000 may be obligated or expended for the leasing of military family housing units in foreign countries; and

(C) for the Homeowners Assistance Program as authorized by section 2832 of title 10, United States Code, $2,000,000, to remain in effect until expended.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $78,000,000 (the balance of the amount authorized for the construction of the Central Distribution Center, Red River Army Depot, Texas).

SEC. 2106. EXTENSION OF CERTAIN PRIOR YEAR AUTHORIZATIONS

(a) EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1985 PROJECTS.—Notwithstanding the provisions of section 607(a) of the Military Construction Authorization Act, 1985 (Public Law 98-407, 98 Stat. 1515), authorizations for the following projects authorized in section 101 of that Act, as extended by section 2107(a) of the Military Construction Authorization Act, 1987 (division B of Public Law 99-661) and section 2105(a) of the Military Construction Authorization Act, 1988 (division B of Public Law 100-180) shall remain in effect until October 1, 1989, or the date of enactment of an Act authorizing funds for military construction for fiscal year 1990, whichever is later:

(1) Barracks modernization in the amount of $660,000 at Argyroupolis, Greece.

(2) Barracks modernization in the amount of $660,000 at Perivolaki, Greece.

(b) EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1986 PROJECTS.—Notwithstanding the provisions of section 603(a) of the Military Construction Authorization Act, 1986 (Public Law 99-167), authorizations for the following projects authorized in sections 101 and 102 of that Act as extended by section 2105(b) of the Military Construction Authorization Act, 1988 and 1989 (division B of Public Law 99-180), shall remain in effect until October 1, 1989, or the date of enactment of an Act authorizing funds for military construction for fiscal year 1990, whichever is later:

(1) Child care center in the amount of $470,000 at Karlsruhe, Germany.

(2) Modified record fire range in the amount of $2,850,000 at Nuernberg, Germany.

(3) Flight simulator building in the amount of $2,900,000 at Wiesbaden, Germany.

(4) Multi-purpose training ranges in the amount of $20,000,000 at Wildflecken, Germany.

(5) Air conditioning upgrade in the amount of $5,900,000 at Schofield Barracks, Hawaii.

(6) Child care center in the amount of $1,350,000 at Camp Darby, Italy.

(7) Dining facility modernization in the amount of $4,350,000 at Fort Leavenworth, Kansas.

(8) Family housing, new construction, 6 units, in the amount of $596,000 at Fort Myer, Virginia.

(c) EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1987 PROJECTS.—Notwithstanding the provisions of section 2701(a) of the Military Construction Authorization Act, 1987, (division B of Public Law 99-661), authorizations for the following projects authorized in sections 2101, 2102, and 2103 of that Act shall remain in effect until October 1, 1989, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1990, whichever is later:

(1) Child development center/religious education facility in the amount of $820,000 at Yuma Proving Ground, Arizona.

(2) Primary water supply connection in the amount of $2,150,000 at Fort Riley, Kansas.

(3) Material test facility in the amount of $9,700,000 at Dugway Proving Ground, Utah.

(4) Barracks modernization in the amount of $3,700,000 at foreign various location 276.

(5) Dining facility in the amount of $2,100,000 at Giessen, Germany.

(6) Aircraft maintenance hangar in the amount of $7,100,000 at Hanau, Germany.

(7) Contingency facility in the amount of $4,300,000 at Palmerola Air Base, Honduras.

(8) Seventy manufactured home spaces in the amount of $1,100,000 at Aberdeen Proving Ground, Maryland.

TITLE XXII—NAVY

SEC. 2201. AUTHORIZED CONSTRUCTION AND LAND ACQUISITION PROJECTS

(a) INSIDE THE UNITED STATES.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

ALABAMA

Naval Station, Mobile, $19,700,000.

ALASKA

David Taylor Research Center Detachment, Ketchikan, $12,000,000.

Naval Air Station, Adak, $29,000,000.

ARIZONA

Marine Corps Air Station, Yuma, $11,770,000.

CALIFORNIA

Marine Corps Air-Ground Combat Center, Twentynine Palms, $26,630,000.

Marine Corps Air Station, Camp Pendleton, $9,450,000.

Marine Corps Air Station, El Toro, $3,970,000.

Marine Corps Air Station, Tustin, $10,990,000.

Marine Corps Base, Camp Pendleton, $64,460,000.

Marine Corps Logistics Base, Barstow, $1,190,000.

Mountain Warfare Training Center, Bridgeport, $3,200,000.

Naval Air Station, Moffett Field, $650,000.

Naval Air Station, North Island, $6,150,000.

Naval Amphibious Base, Coronado, $870,000.

Naval Amphibious School, San Diego, $10,100,000.

Naval Aviation Depot, Alameda, $8,290,000.

Naval Aviation Depot, North Island, $2,110,000.

Naval Construction Battalion Center, Port Hueneme, $7,000,000.

Naval Construction Training Center, Port Hueneme, $10,080,000.

Naval Hospital, Lemoore, $2,160,000.

Naval Ocean Systems Center, San Diego, $8,660,000.

Naval Post Graduate School, Monterey, $3,140,000.

Naval Civil Engineer Corps Officers School, Port Hueneme, $7,420,000.

Naval Security Group Detachment, San Diego, $1,950,000.

Naval Shipyard, Mare Island, $6,450,000.

Naval Space Surveillance Field Station, San Diego, $3,760,000.

Naval Station, Treasure Island, San Francisco, $5,000,000.

Naval Submarine Base, San Diego, $3,150,000.

Naval Supply Center, Oakland, $1,550,000.

Naval Supply Center, San Diego Annex, North Island, $1,695,000.

Naval Training Center, San Diego, $7,980,000.

Naval Weapons Center, China Lake, $12,260,000.

Naval Weapons Station, Seal Beach, $13,890,000.

Navy Public Works Center, San Diego, $500,000.

Navy Public Works Center, San Francisco, $15,810,000.

Pacific Missile Test Center, Point Mugu, $20,470,000.

Personnel Support Activity, San Diego, $1,180,000.

Shore Intermediate Maintenance Activity, San Diego, $10,720,000.

Submarine Training Facility, San Diego, $10,301,000.

CONNECTICUT

Naval Security Group Activity, Groton, $1,170,000.

Naval Submarine Base, New London, $6,660,000.

DISTRICT OF COLUMBIA

Commandant, Naval District Washington, $38,100,000.

Naval Research Laboratory, Washington, $19,800,000.

FLORIDA

Naval Air Station, Cecil Field, $340,000.

Naval Air Station, Jacksonville, $8,810,000.

Naval Air Station, Key West, $850,000.

Naval Air Station, Pensacola, $25,600,000.

Naval Aviation Depot, Jacksonville, $14,180,000.

Naval Hospital, Pensacola, $2,250,000.

Naval Legal Service Office, Mayport, $1,450,000.

Naval Station, Mayport, $3,060,000.

Naval Supply Center, Pensacola, $2,640,000.

Naval Technical Training Center, Pensacola, $2,840,000.

Naval Training Center, Orlando, $23,810,000.

GEORGIA

Marine Corps Logistics Base, Albany, $5,740,000.

Naval Submarine Base, Kings Bay, $56,330,000.

HAWAII

Marine Corps Air Station, Kaneohe Bay, $24,270,000.

Naval Legal Service Office, Pearl Harbor, $2,380,000.

Naval Station, Pearl Harbor, $8,370,000.

Naval Submarine Base, Pearl Harbor, $11,250,000.

Naval Submarine Training Center, Pacific, Pearl Harbor, $1,780,000.

Naval Supply Center, Pearl Harbor, $8,350,000.

Navy Public Works Center, Pearl Harbor, $3,760,000.

ILLINOIS

Naval Training Center, Great Lakes, $3,440,000.

Naval Public Works Center, Great Lakes, $1,930,000.

KENTUCKY

Naval Ordnance Station, Louisville, $19,000,000.

LOUISIANA

Naval Station, Lake Charles, $3,700,000.

MAINE

Naval Air Station, Brunswick, $530,000.

MARYLAND

David Taylor Naval Ship Research Development Center, Annapolis, $1,860,000.

Naval Academy, Annapolis, $540,000.

Naval Air Test Center, Patuxent River, $1,250,000.

Naval Explosive Ordnance Disposal Technology Center, Indian Head, $7,380,000.

Naval Intelligence Command Headquarters, Suitland, $114,000,000.

Naval Medical Data Services Center, Bethesda, $5,930,000.

Naval Ordnance Station, Indian Head, $1,270,000.

Naval Surface Warfare Center Detachment, White Oak, $2,540,000.

MISSISSIPPI

Naval Air Station, Meridian, $3,100,000.

Naval Construction Training Center, Gulfport, $4,070,000.

Naval Station, Pascagoula, $25,700,000.

Supervisor of Shipbuilding, Pascagoula, $6,000,000.

NEVADA

Naval Air Station, Fallon, $9,470,000.

NEW JERSEY

Naval Weapons Station, Earle, $30,400,000.

NEW MEXICO

Naval Ordnance Missile Test Station, White Sands, $8,090,000.

NEW YORK

Naval Station, New York, $23,395,000.

NORTH CAROLINA

Marine Corps Air Station, Cherry Point, $32,380,000.

Marine Corps Air Station, New River, $8,400,000.

Marine Corps Base, Camp Lejeune, $23,450,000.

OKLAHOMA

Naval Air Detachment, Tinker Air Force Base, $38,080,000.

PENNSYLVANIA

Naval Air Development Center, Warminster, $1,270,000.

Naval Shipyard, Philadelphia, $10,300,000.

Navy Aviation Supply Office, Philadelphia, $1,400,000.

Navy Ships Parts Control Center, Mechanicsburg, $2,050,000.

RHODE ISLAND

Naval Education and Training Center, Newport, $11,560,000.

Naval Justice School, Newport, $2,060,000.

Surface Warfare Officers School Command, Newport, $4,750,000.

SOUTH CAROLINA

Naval Hospital, Beaufort, $2,260,000.

Naval Shipyard, Charleston, $640,000.

Naval Supply Center, Charleston, $1,090,000.

Naval Weapons Station, Charleston, $22,250,000.

TENNESSEE

Naval Air Station, Memphis, $10,090,000.

TEXAS

Naval Station, Galveston, $8,110,000.

Naval Station, Ingleside, $31,850,000.

VIRGINIA

Atlantic Fleet Headquarters Support Activity, Norfolk, $1,700,000.

Fleet Combat Training Center, Atlantic, Dam Neck, $4,700,000.

Marine Corps Combat Development Command, Quantico, $14,290,000.

Marine Corps Detachment, Camp Elmore, $1,690,000.

Marine Environmental Systems Facility, Dam Neck, $5,000,000.

Naval Air Station, Oceana, $2,690,000.

Naval Amphibious Base, Little Creek, $8,270,000.

Naval Amphibious School, Little Creek, $640,000.

Naval Aviation Depot, Norfolk, $8,950,000.

Naval Guided Missiles School, Dam Neck, $4,450,000.

Naval Legal Service Office, Norfolk, $1,080,000.

Naval Medical Clinic, Norfolk, $2,470,000.

Naval Ophthalmic Support and Training Activity, Yorktown, $1,970,000.

Naval Security Group Activity, Northwest, Chesapeake, $5,400,000.

Naval Supply Center, Norfolk, $6,660,000.

Naval Supply Center, Williamsburg, $3,300,000.

Naval Surface Warfare Center, Dahlgren, $25,442,000.

Naval Weapons Station, Yorktown, $12,360,000.

Navy Public Works Center, Norfolk, $4,410,000.

WASHINGTON

Naval Air Station, Whidbey Island, $11,010,000.

Naval Station, Everett, $38,400,000.

Naval Supply Center, Bremerton, $5,740,000.

Strategic Weapons Facility, Pacific, Silverdale, $15,060,000.

Trident Refit Facility, Bangor, $990,000.

VARIOUS LOCATIONS

Land Acquisition, $36,895,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

ANTIGUA

Naval Support Facility, $6,470,000.

GUAM

Fleet Surveillance Support Group, $20,972,000.

Naval Security Group Detachment, $400,000.

Naval Supply Depot, $7,660,000.

Navy Public Works Center, $6,720,000.

ICELAND

Naval Air Station, Keflavik, $12,000,000.

ITALY

Naval Air Station, Sigonella, $7,950,000.

Naval Support Activity, Naples, $4,750,000.

JAPAN

Marine Corps Air Station, Futenma, Okinawa, $3,280,000.

Marine Corps Base, Camp Butler, Okinawa, $2,840,000.

PHILIPPINES

Navy Public Works Center, Subic Bay, $28,340,000.

SPAIN

Naval Communication Station, Rota, $400,000.

VARIOUS LOCATIONS

Classified Location, $4,990,000.

Host Nation Infrastructure Support, $500,000.

SEC. 2202. FAMILY HOUSING

(a) CONSTRUCTION AND ACQUISITION.—The Secretary of the Navy may, using amounts appropriated pursuant to section 2205(a)(6)(A), construct or acquire family housing units (including land acquisition), at the following installations in the number of units shown, and in the amount shown for each installation:

Marine Corps Air-Ground Combat Center, Twentynine Palms, California, one hundred units, $9,470,000.

Marine Corps Air Station, El Toro, California, one hundred units and eighty mobile home spaces, $10,120,000.

Marine Corps Base, Camp Pendleton, California, three hundred and thirty-two units and access roads, $28,510,000.

Naval Station, Long Beach, California, three hundred units, $26,110,000.

Naval Public Works Center, San Diego, California, three hundred and fifty-six units, $31,830,000.

Navy Public Works Center, San Francisco, California, three hundred units, $35,736,000.

Naval Submarine Base, Kings Bay, Georgia, two hundred and fifty units, $19,860,000.

Naval Air Station, Glenview, two hundred and sixty units, $23,000,000.

Naval Station, New York, New York, one hundred and fifty units, $14,900,000.

Naval District Washington, District of Columbia, two units at 2,100 square feet each, $330,000.

(b) PLANNING AND DESIGN.—The Secretary of the Navy may carry out architectural and engineering services and construction design activities, using amounts appropriated pursuant to section 2205(a)(6)(A), with

respect to the construction or improvement of military family housing units in an amount not to exceed $2,315,000.

SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

(a) In General.—Subject to section 2825 of title 10, United States Code, the Secretary of the Navy may, using amounts appropriated pursuant to section 2205(a)(6)(A), improve existing military family housing units in an amount not to exceed $61,589,000.

(b) Waiver of Maximum Per Unit Cost for Certain Improvement Projects.—Notwithstanding the maximum amount per unit for an improvement project under section 2825(b) of title 10, United States Code, the Secretary of the Navy may carry out projects to improve existing military family housing units at the following installations in the number of units shown and in the amount shown for each installation:

Navy Public Works Center, San Diego, California, six units, $284,400.

Navy Public Works Center, Pensacola, Florida, one unit, $34,900.

Navy Public Works Center, Great Lakes, Illinois, three hundred and fifty-six units, $17,214,000.

Navy Public Works Center, Great Lakes, Illinois, one hundred and two units, $6,181,200.

Naval Security Group Activity, Winter Harbor, Maine, thirty units, $2,920,600.

Naval Security Group Activity, Winter Harbor, Maine, twenty units, $920,000.

Naval Air Station, Fallon, Nevada, one hundred and six units, $8,129,300.

Marine Corps Air Station, Cherry Point, North Carolina, two units, $94,300.

Marine Corps Air Station, Cherry Point, North Carolina, two hundred and eighty-two units, $11,957,200.

Navy Ships Parts Control Center, Mechanicsburg, Pennsylvania, seventy-five units, $5,415,500.

Naval Air Station, Whidbey Island, Washington, eleven units, $632,600.

Navy Public Works Center, Guam, two hundred and twelve units, $18,473,800.

SEC. 2204. DEFENSE ACCESS ROADS

The Secretary of the Navy may, using amounts appropriated pursuant to section 2205(a)(5), make advances to the Secretary of Transportation for the construction of defense access roads under section 210 of title 23, United States Code, at the following locations and in the following amounts:

Marine Corps Air Ground Center, Twentynine Palms, California, $2,900,000.

Navy Public Works Center, San Diego, California, $719,000.

Navy Public Works Center, San Francisco, California, $800,000.

Naval Station, Everett, Washington, $4,400,000.

Naval Submarine Base, Kings Bay, Georgia, $3,000,000.

SEC. 2205. AUTHORIZATION OF APPROPRIATIONS, NAVY

(a) In General.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1988, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $2,369,875,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $1,296,450,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $101,272,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $16,300,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $138,276,000.

(5) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $11,819,000.

(6) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, $250,770,000; and

(B) for support of military housing (including functions described in section 2833 of title 10, United States Code), $554,988,000 of which not more than $18,434,000 may be obligated or expended for the leasing of military family housing in the United States, the Commonwealth of Puerto Rico, and Guam, and not more than $23,982,000 may be obligated or expended for the leasing of military family housing units in foreign countries.

(b) Limitation on Total Cost of Construction Projects.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $55,048,000 (the balance of the amount authorized for the construction of the Headquarters Building, Naval Intelligence Command Headquarters, Suitland, Maryland).

(c) Restriction on Certain Funding.—None of the funds appropriated pursuant to subsection (a)(1) may be obligated for use or expended at Hunters Point Annex, Naval Station, Treasure Island, San Francisco, California, until the Secretary of the Navy has transmitted to the Committees on Armed Services of the Senate and the House of Representatives a report containing (1) a description of the activities planned by the Department of the Navy at such location during fiscal years 1989 through 1993, and (2) a statement explaining the environmental impact of such activities, especially with respect to the planned porting of ships and the development of the land at such location during such fiscal years.

SEC. 2206. ACQUISITION OF HOUSING AT CERTAIN NAVAL AIR STATIONS

(a) Authority to Acquire.—(1) The Secretary of the Navy may, using funds appropriated pursuant to section 2205(a)(6)(A), acquire all right, title, and interest in and to 264 family housing units situated on the Naval Air Station at Glenview, Illinois, and constructed in 1956 with financing provided under title VIII of the National Housing Act.

(2) The Secretary of the Navy may, using funds that remain available from savings realized in carrying out military family housing projects of the Department of the Navy during any fiscal year before fiscal year 1990, acquire all right, title, and interest in and to 72 family housing units at Sunnyvale, California, near the Naval Air Station, Moffett Field, which were constructed in 1952 with financing provided under title VIII of the National Housing Act, except that no such funds may be obligated for such purpose until the expiration of 30 days after the date on which the Secretary transmits to the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives a report on the proposed obligation of such funds.

(3) The Secretary may also acquire the leasehold interests in the housing units referred to in paragraphs (1) and (2) which are held in private ownership.

(4) The amount paid by the Secretary for such units and leasehold interests may not exceed an amount equal to the fair market value of such units and interests.

(5) The authority to acquire the housing units referred to in paragraphs (1) and (2) shall include the authority to acquire other real property improvements related to such units.

(b) Occupancy Charges.—(1) Notwithstanding any other provision of law and except as provided in paragraph (2), a charge may be made against the basic allowances for quarters of any member of the Armed Forces to whom a housing unit referred to in subsection (a) is leased after the acquisition of the privately held leasehold interest in such unit by the Secretary. Such a charge may not exceed an amount equal to 75 percent of the amount of the basic allowances for quarters to which the member is entitled.

(2) A member of the Armed Forces who, on the date on which the privately held leasehold interest referred to in subsection (a) is acquired by the Secretary, has in effect an unexpired lease on one of the housing units described in subsection (a) shall be charged rent on such unit (after such acquisition) in accordance with the terms of the lease until the lease expires.

(c) Expiration of Acquisition Authority.—The authority under this section for the Secretary to acquire the leasehold interests referred to in subsection (a) shall expire on October 1, 1994.

TITLE XXIII—AIR FORCE

SEC. 2301. AUTHORIZED CONSTRUCTION AND LAND ACQUISITION PROJECTS

(a) Inside the United States.—The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amounts shown for each of the installations and locations inside the United States:

ALABAMA

Gunter Air Force Base, $8,150,000.
Maxwell Air Force Base, $17,800,000.

ALASKA

Eielson Air Force Base, $7,650,000.
Elmendorf Air Force Base, $20,540,000.
King Salmon Airport, $2,850,000.
Shemya Air Force Base, $14,860,000.

ARIZONA

Davis-Monthan Air Force Base, $980,000.
Luke Air Force Base, $4,550,000.
Williams Air Force Base, $11,130,000.

ARKANSAS

Blytheville Air Force Base, $2,150,000.
Little Rock Air Force Base, $4,550,000.

CALIFORNIA

Beale Air Force Base, $8,900,000.
Castle Air Force Base, $20,400,000.
Edwards Air Force Base, $5,200,000.
George Air Force Base, $23,550,000.
March Air Force Base, $4,900,000.
Mather Air Force Base, $2,740,000.
McClellan Air Force Base, $3,080,000.
Onizuka Air Force Base, $4,300,000.
Travis Air Force Base, $10,400,000.
Vandenberg Air Force Base, $8,550,000.

COLORADO

Buckley Air National Guard Base, $25,800,000.
Cheyenne Mountain Complex, $6,500,000.
Lowry Air Force Base, $12,000,000.
Peterson Air Force Base, $13,300,000.
United States Air Force Academy, $10,240,000.

DELAWARE

Dover Air Force Base, $1,000,000.

FLORIDA

Avon Park, $3,700,000.

Cape Canaveral Air Force Station, $19,380,000.

Eglin Air Force Base, $11,020,000.

Eglin Air Force Base, Auxiliary Field 9, $27,400,000.

Homestead Air Force Base, $6,200,000.

MacDill Air Force Base, $4,580,000.

Patrick Air Force Base, $1,126,000.

Tyndall Air Force Base, $6,000,000.

GEORGIA

Moody Air Force Base, $800,000.

Robins Air Force Base, $31,500,000.

HAWAII

Hickam Air Force Base, $4,250,000.

IDAHO

Mountain Home Air Force Base, $1,400,000.

ILLINOIS

Chanute Air Force Base, $6,500,000.

Scott Air Force Base, $14,500,000.

INDIANA

Grissom Air Force Base, $1,850,000.

KANSAS

McConnell Air Force Base, $680,000.

LOUISIANA

Barksdale Air Force Base, $7,300,000.

England Air Force Base, $3,100,000.

MAINE

Loring Air Force Base, $3,000,000.

MARYLAND

Andrews Air Force Base, $2,550,000.

MASSACHUSETTS

Hanscom Air Force Base, $12,400,000.

MICHIGAN

Wurtsmith Air Force Base, $10,690,000.

MISSISSIPPI

Columbus Air Force Base, $2,950,000.

Keesler Air Force Base, $4,550,000.

MISSOURI

Whiteman Air Force Base, $64,300,000.

MONTANA

Malmstrom Air Force Base, $19,470,000.

NEBRASKA

Offutt Air Force Base, $2,450,000.

NEVADA

Indian Springs, $3,150,000.

Nellis Air Force Base, $6,700,000.

NEW HAMPSHIRE

New Boston Air Force Station, $4,500,000.

Pease Air Force Base, $10,950,000.

NEW JERSEY

McGuire Air Force Base, $3,550,000.

NEW MEXICO

Cannon Air Force Base, $4,100,000.

Holloman Air Force Base, $2,900,000.

Kirtland Air Force Base, $13,000,000.

NEW YORK

Griffiss Air Force Base, $700,000.

NORTH CAROLINA

Seymour Johnson Air Force Base, $3,050,000.

NORTH DAKOTA

Grand Forks Air Force Base, $13,290,000.

Minot Air Force Base, $6,250,000.

OHIO

Wright-Patterson Air Force Base, $11,455,000.

OKLAHOMA

Altus Air Force Base, $2,300,000.

Tinker Air Force Base, $12,650,000.

SOUTH CAROLINA

Charleston Air Force Base, $5,000,000.

SOUTH DAKOTA

Ellsworth Air Force Base, $8,650,000.

TENNESSEE

Arnold Engineering Development Center, $213,800,000.

TEXAS

Bergstrom Air Force Base, $2,800,000.

Brooks Air Force Base, $2,750,000.

Carswell Air Force Base, $3,500,000.

Dyess Air Force Base, $3,470,000.

Goodfellow Air Force Base, $2,350,000.

Kelly Air Force Base, $29,300,000.

Lackland Air Force Base, $14,039,000.

Laughlin Air Force Base, $1,910,000.

Randolph Air Force Base, $6,150,000.

Reese Air Force Base, $990,000.

Sheppard Air Force Base, $10,700,000.

UTAH

Hill Air Force Base, $10,740,000.

WASHINGTON

Fairchild Air Force Base, $17,580,000.

McChord Air Force Base, $13,100,000.

WYOMING

F.E. Warren Air Force Base, $6,000,000.

VARIOUS LOCATIONS

Base 80, $987,000.

Base 81, $2,800,000.

Classified, $4,000,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

BELGIUM

Kleine Brogel, $1,900,000.

CANADA

Forward Operation Locations, $600,000.

GERMANY

Bitburg Air Base, $1,060,000.

Einsiedlerhof Air Base, $1,500,000.

Hahn Air Base, $16,650,000.

Hessich-Oldendorf Air Station, $740,000.

Norvenich Air Base, $2,300,000.

Pruem Air Station, $620,000.

Ramstein Air Base, $6,000,000.

Rhein-Main Air Base, $5,000,000.

Sembach Air Base, $3,550,000.

Spangdahlem Air Base, $10,270,000.

Wenigerath Air Base, $1,700,000.

Zweibrucken Air Base, $1,300,000.

GREENLAND

Sondrestrom Air Base, $5,950,000.

Thule Air Base, $1,830,000.

GUAM

Anderson Air Force Base, $900,000.

ICELAND

Naval Air Station, Keflavik, $1,100,000.

ITALY

Aviano Air Base, $7,600,000.

JAPAN

Kadena Air Base, $1,850,000.

Misawa Air Base, $4,550,000.

Yokota Air Base, $500,000.

KOREA

Camp Humphreys, $3,350,000.

Kunsan Air Base, $17,330,000.

Osan Air Base, $10,750,000.

NETHERLANDS

Camp New Amsterdam, $10,300,000.

Volkel Air Base, $2,300,000.

OMAN

Masirah Air Base, $2,800,000.

Seeb Air Base, $7,100,000.

PANAMA

Howard Air Force Base, $2,600,000.

PHILIPPINES

Clark Air Base, $28,940,000.

PORTUGAL

Lajes Field, $4,850,000.

TURKEY

Incirlik Air Base, $9,590,000.

Pirinclik Air Station, $1,500,000.

UNITED KINGDOM

RAF Alconbury, $2,650,000.

RAF Bentwaters, $5,430,000.

RAF Feltwell, $500,000.

RAF Lakenheath, $10,170,000.

RAF Mildenhall, $7,150,000.

RAF Upper Heyford, $3,830,000.

RAF Welford, $3,720,000.

VARIOUS LOCATIONS

Base 30, $3,850,000.

Base 79, $1,900,000.

Base 82, $2,800,000.

Classified Locations, $16,473,000.

SEC. 2302. FAMILY HOUSING

(a) CONSTRUCTION AND ACQUISITION.—The Secretary of the Air Force may, using amounts appropriated pursuant to section 2304(a)(5)(A), construct or acquire two hundred sixty family housing units (including land acquisition) at Clark Air Base, Philippines, in the amount of $19,920,000.

(b) PLANNING AND DESIGN.—The Secretary of the Air Force may, using amounts appropriated pursuant to section 2304(a)(5)(A), carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $7,000,000.

SEC. 2303. IMPROVEMENT TO MILITARY FAMILY HOUSING UNITS

(a) IN GENERAL.—Subject to section 2825 of title 10, United States Code, the Secretary of the Air Force may, using amounts appropriated pursuant to section 2304(a)(5)(A), improve existing military family housing units in an amount not to exceed $153,765,000.

(b) WAIVER OF MAXIMUM PER UNIT COST FOR CERTAIN IMPROVEMENT PROJECTS.—Notwithstanding the maximum amount per unit for an improvement project under Section 2825(b) of title 10, United States Code, the Secretary of the Air Force may carry out projects to improve existing military family housing units at the following installations in the number of units shown and in the amount shown for each installation:

Gunter Air Force Station, Alabama, twenty-three units, $1,136,000.

Maxwell Air Force Base, Alabama, fifty units, $2,722,000.

Eielson Air Force Base, Alaska, ninety-six units, $7,943,000.

Elmendorf Air Force Base, Alaska, forty-eight units, $3,818,000.

Davis-Monthan Air Force Base, Arizona, one unit, $60,000.

Luke Air Force Base, Arizona, one hundred fifty-two units, $5,975,000.

McClellan Air Force Base, California, thirty units, $3,207,000.

Peterson Air Force Base, Colorado, one unit, $74,000; eighty units, $3,527,000.

Bolling Air Force Base, District of Columbia, one hundred and ten units, $4,018,000.

Eglin Air Force Base, Florida, fifty units, $2,138,000.

MacDill Air Force Base, Florida, four units, $279,000.

Robins Air Force Base, Georgia, one hundred and sixty units, $6,861,000.

Scott Air Force Base, Illinois, four units, $184,000.

Grissom Air Force Base, Indiana, one hundred and eighty-six units, $6,788,000.

Barksdale Air Force Base, Louisiana, two units, $185,000; one hundred and fourteen units, $6,200,000.

England Air Force Base, Louisiana, one hundred and six units, $5,830,000.

Andrews Air Force Base, Maryland, five units, $338,000.

Pease Air Force Base, New Hampshire, one unit, $121,000.

McGuire Air Force Base, New Jersey, one hundred units, $4,921,000.

Kirtland Air Force Base, New Mexico, four units, $240,000; one hundred and fifteen units, $4,894,000.

Plattsburgh Air Force Base, New York, one hundred and seventy-four units, $10,600,000.

Minot Air Force Base, North Dakota, one unit, $65,000.

Shaw Air Force Base, South Carolina, one hundred and thirty units, $4,703,000.

Carswell Air Force Base, Texas, one hundred and eighty-one units, $7,869,000; sixteen units, $600,000.

Dyess Air Force Base, Texas, one unit, $64,000.

Kelly Air Force Base, Texas, one hundred and one units, $3,381,000.

Randolph Air Force Base, Texas, two units, $199,000.

Reese Air Force Base, Texas, one hundred and eighty-eight units, $6,816,000.

Ramstein Air Base, Germany, two hundred and forty units, $16,000,000; eight units, $706,000; nine units, $1,039,000.

Andersen Air Force Base, Guam, one unit, $167,000; one hundred and twenty units, $8,000,000.

Misawa Air Base, Japan, one hundred and eighty units, $8,707,000.

Yokota Air Base, Japan, eighty-one units, $5,629,000.

Osan Air Base, Korea, ten units, $447,000.

Clark Air Base, Philippines, eighty-two units, $4,203,000.

RAF Alconbury, United Kingdom, twenty-five units, $1,119,000.

RAF Greenham Common, United Kingdom, one hundred nineteen units, $5,588,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE

(a) In General.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1988, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $2,143,981,000, as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $855,877,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $229,353,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $16,500,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $119,800,000.

(5) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, $180,685,000; and

(B) for support of military housing (including functions described in section 2833 of title 10, United States Code), $741,766,000 of which not more than $16,612,500 may be obligated or expended for leasing of military family housing units in the United States, the Commonwealth of Puerto Rico, and Guam; and not more than $74,268,500 may be obligated or expended for the leasing of military family housing units in foreign countries.

(b) Limitation on Total Cost of Construction Projects.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $133,000,000 (the balance of the amount authorized for the construction of the J-6 facility, Arnold Engineering Development Center, Tennessee).

(c) Restriction on Certain Funding.—None of the funds appropriated pursuant to subsection (a)(2) may be obligated for use or expended in Panama until the Secretary of Defense transmits to the Committees on Armed Services of the Senate and the House of Representatives a copy of the plans of the activities to be carried out by the Department of Defense in Panama during the five-year period beginning on the date of the enactment of this Act.

SEC. 2305. EXTENSION OF CERTAIN PREVIOUS AUTHORIZATIONS

Notwithstanding the provisions of section 2301(a) of the Military Construction Authorization Act, 1987, (division B of Public Law 99-661), authorizations for the following projects authorized in sections 2301 and 2302 of that Act shall remain in effect until October 1, 1989, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1990, whichever is later:

(1) KC-135 CPT Simulator Facility, in the amount of $890,000 at Minot Air Force Base, North Dakota.

(2) Add to and alter Avionics Maintenance Shop, in the amount of $1,150,000 at Pease Air Force Base, New Hampshire.

(3) KC-135 CPT Simulator facilities in the amount of $660,000 at Robins Air Force Base, Georgia.

(4) Land acquisition in the amount of $230,000 at the United States Air Force Academy, Colorado Springs, Colorado.

(5) Land acquisition Auxiliary Field in the amount of $3,700,000, at Laughlin Air Force Base, Texas.

(6) KC-135 CPT Simulator facility in the amount of $3,500,000, at Beale Air Force Base, California.

(7) KC-135 CPT Simulator facility in the amount of $3,000,000 at Plattsburgh Air Force Base, New York.

(8) Bitburg, Germany, three hundred and thirty-two units of family housing, $26,414,000.

(9) La Junta, Colorado, forty units of family housing $4,000,000.

TITLE XXIV—DEFENSE AGENCIES

SEC. 2401. AUTHORIZED CONSTRUCTION AND LAND ACQUISITION PROJECTS

(a) Inside the United States.—The Secretary of Defense may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

DEFENSE COMMUNICATIONS AGENCY

Arlington Service Center, Virginia, $742,000.

DEFENSE LOGISTICS AGENCY

Defense Fuel Support Point, Adak, Alaska, $19,000,000.

Defense Depot, Tracy, California, $590,000.

Defense Fuel Support, Pearl City, Hawaii, $1,900,000.

Defense Reutilization and Marketing Office, Fort Campbell, Kentucky, $1,600,000.

Defense Reutilization and Marketing Office, Offutt Air Force Base, Nebraska, $430,000.

Defense Depot, Mechanicsburg, Pennsylvania, $460,000.

Defense Reutilization and Marketing Office, Carswell Air Force Base, Texas, $350,000.

Defense Depot, Ogden, Utah, $6,000,000

Cheatham Annex, Virginia, $450,000.

DEFENSE MAPPING AGENCY

Hydrographic/Topographic Center, Brookmont, Maryland, $5,209,000.

DEFENSE MEDICAL FACILITIES OFFICE

Marine Corps Base, Camp Pendleton, California, $5,000,000.

March Air Force Base, California, $3,000,000.

Naval Station, North Island, California, $7,200,000.

Naval Station, Treasure Island, California, $11,000,000.

Tyndall Air Force Base, Florida, $800,000.

Fort Benning, Georgia, $700,000.

Robins Air Force Base, Georgia, $3,600,000.

Fort Leonard Wood, Missouri, $1,450,000.

Kirtland Air Force Base, New Mexico, $2,550,000.

Seymour Johnson Air Force Base, North Carolina, $3,700,000.

Fort Sill, Oklahoma, $54,000,000.

Marine Corps Recruit Depot, Parris Island, South Carolina, $4,100,000.

Corpus Christi, Texas, $6,100,000.

Dyess Air Force Base, Texas, $950,000.

NATIONAL DEFENSE UNIVERSITY

Fort McNair, District of Columbia, $28,000,000.

NATIONAL SECURITY AGENCY

Fort Meade, Maryland, $2,230,000.

Classified Locations, $20,000,000.

OFFICE OF THE SECRETARY OF DEFENSE

Fort Belvoir, Virginia, $3,000,000.

Classified Location, $4,200,000.

STRATEGIC DEFENSE INITIATIVE ORGANIZATION

Falcon Air Force Station, Colorado, $65,000,000.

(b) Outside the United States.—The Secretary of Defense may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

DEFENSE COMMUNICATIONS AGENCY

Yokota Air Base, Japan, $785,000.

DEFENSE LOGISTICS AGENCY

Defense Reutilization and Marketing Office, Bitburg, Germany, $800,000.

Defense Reutilization and Marketing Office, Kaiserslautern, Germany, $500,000.

DEFENSE MEDICAL FACILITIES OFFICE

Downs Barracks, Germany, $4,200,000.

Geilenkirchen Air Base, Germany, $450,000.

Hahn Air Base, Germany, $18,500,000.

Patch Barracks, Germany, $4,700,000.

Rhein-Main Air Base, Germany, $14,200,000.

Smith Barracks, Germany, $5,100,000.

Spangdahlem Air Base, Germany, $1,250,000.

Wildflecken, Germany, $4,800,000.

Camp Howze 2nd Infantry Division, Korea, $780,000.

Seoul, Korea, $55,000,000.

Taegu Air Base, Korea, $4,400,000.

Royal Air Force, High Wycombe, United Kingdom, $720,000.

Royal Air Force, Lakenheath, United Kingdom, $41,000,000.

Base 54, $12,800,000.

Classified Locations, $19,500,000.

DEFENSE NUCLEAR AGENCY

Headquarters, Field Command, Johnston Island, $2,644,000.

DEPARTMENT OF DEFENSE DEPENDENT SCHOOLS

Aschaffenburg, Germany, $8,151,000.
Bad Kissingen, Germany, $1,620,000.
Baumholder, Germany, $1,940,000.
Erlangen, Germany, $3,890,000.
Gelnhausen, Germany, $1,482,000.
Giessen, Germany, $7,627,000.
Wildflecken, Germany, $2,752,000.
Keflavik, Iceland, $5,434,000.
Aviano, Italy, $9,450,000.
Pusan, Korea, $1,980,000.
Seoul, Korea, $7,332,000.
Brunssum, Netherlands, $8,863,000.

DEPARTMENT OF DEFENSE SECTION VI SCHOOLS

Fort Buchanan, Puerto Rico, $9,110,000.

NATIONAL SECURITY AGENCY

Classified Locations, $11,250,000.

STRATEGIC DEFENSE INITIATIVE ORGANIZATION

Pacific Missile Range, Kwajalein, $16,000,000.

SEC. 2402. FAMILY HOUSING

The Secretary of Defense may, using amounts appropriated pursuant to section 2407(a)(10)(A), construct or acquire three family housing units (including land acquisition) at classified locations in the total amount not to exceed $400,000.

SEC. 2403. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

Subject to Section 2825 of title 10, United States Code, the Secretary of Defense may, using amounts appropriated pursuant to section 2407(a)(10)(A), improve existing military family housing units in an amount not to exceed $113,000.

SEC. 2404. AFCENT SCHOOL

The Secretary of Defense may, using amounts appropriated pursuant to section 2407(a)(2), contribute funds in the amount of $8,863,000 to the Government of the Netherlands (in its capacity as construction agent) for the United States' share of the cost of the International Elementary and High School project in Brunssum, the Netherlands.

SEC. 2405. CONFORMING STORAGE FACILITIES

Section 2404(a) of the Military Construction Authorization Act, 1987 (Public Law 99-661), is amended to read as follows:

"(a) AUTHORITY TO CONSTRUCT.—The Secretary of Defense may, using not more than $10,000,000 appropriated for fiscal year 1987, not more than $5,000,000 appropriated for fiscal year 1988, and not more than $9,300,000 appropriated for fiscal year 1989, carry out military construction projects not otherwise authorized by law for conforming storage facilities.".

SEC. 2406. DEFENSE ACCESS ROADS

The Secretary of Defense may, using amounts appropriated pursuant to section 2407(a)(5), make advances to the Secretary of Transportation for the construction of defense access roads under section 210 of title 23, United States Code, at Fort Meade, Maryland, in the amount of $12,000,000.

SEC. 2407. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1988, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of $711,550,000, as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $236,311,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $262,010,000.

(3) For military construction projects at Fort Sam Houston, Texas, authorized by section 2401(a) of the Military Construction Authorization Act, 1987, $23,000,000.

(4) For military construction projects at Fort Lewis, Washington, authorized by section 101(a) of the Military Construction Authorization Act, 1985, $72,000,000.

(5) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $12,000,000.

(6) For unspecified minor construction projects under section 2805 of title 10, United States Code, $6,000,000.

(7) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $8,000,000.

(8) For architectural and engineering services and for construction design under section 2807 of title 10, United States Code, $62,229,000.

(9) For conforming storage facilities constructed under the authority of section 2404 of the Military Construction Authorization Act, 1987, $9,300,000.

(10) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, $513,000; and

(B) for support of military housing (including functions described in section 2833 of title 10, United States Code), $20,187,000, of which not more than $17,179,000 may be obligated or expended for the leasing of military family housing units in foreign countries.

(b) LIMITATION OF TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 2401 may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $27,000,000 (the balance of the amount authorized under section 2401(a) for the construction of a medical facility at Fort Sill, Oklahoma); and

(3) $27,500,000 (the balance of the amount authorized under section 2401(b) for the construction of a medical facility at Seoul, Korea).

(c) RESTRICTION ON CERTAIN FUNDING.—Of the amounts appropriated pursuant to this section or otherwise made available to the Department of Defense for fiscal year 1989, not more than $65,000,000 may be obligated or expended for use in planning and construction of a National Test Facility for the Strategic Defense Initiative at Falcon Air Force Base, Colorado.

SEC. 2408. RESITING OF OVERSEAS CONTINGENCY MEDICAL FACILITY

Section 2141(b) of the Military Construction Authorization Act, 1988 and 1989 (division B of Public Law 100-180; 101 Stat. 1201) is amended by striking out "RAF Wethersfield, United Kingdom, $740,000." under the heading "DEFENSE MEDICAL FACILITIES OFFICE" and inserting in lieu thereof "Boscombe Downs, United Kingdom, $740,000.".

SEC. 2409. EXTENSION OF CERTAIN PREVIOUS AUTHORIZATIONS

Notwithstanding the provisions of section 2401(a) of the Military Construction Authorization Act, 1987 (division B of Public Law 99-661), authorizations for the following project authorized in section 2401 of that Act shall remain in effect until October 1, 1989, or the date of the enactment of an Act authorizing appropriations for military construction for fiscal year 1990, whichever is later:

DECCO Computer Center and Administrative Facility in the amount of $7,600,000 at Scott Air Force Base, Illinois.

SEC. 2410. REYNOLDS ARMY COMMUNITY HOSPITAL, FORT SILL, OKLAHOMA, AND SEOUL ARMY COMMUNITY HOSPITAL, SEOUL, KOREA

Subject to section 2401, the Secretary of Defense may enter into one or more contracts, in advance of appropriations therefor, for the construction of the military construction projects authorized by section 2401 at Reynolds Army Community Hospital, Fort Sill, Oklahoma, and the Seoul Army Community Hospital, Seoul, Korea, if each such contract limits the amount of payments that the Federal Government is obligated to make under such contracts to the amount of appropriations available, at the time such contract is entered into, for obligation under such contract.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

SEC. 2501. AUTHORIZED CONSTRUCTION AND LAND ACQUISITION PROJECTS

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Infrastructure Program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1988, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Infrastructure Program, as authorized by section 2501, in the amount of $492,000,000.

TITLE XXVI—GUARD AND RESERVE FACILITIES

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS

There are authorized to be appropriated for fiscal years beginning after September 30, 1988, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 133 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, $203,859,000; and

(B) for the Army Reserve, $84,411,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserves, $54,900,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $154,758,000, and

(B) for the Air Force Reserve, $63,600,000.

SEC. 2602. AIRCRAFT PARKING RAMP/HOLDING PAD AT YEAGER AIRPORT, CHARLESTON, WEST VIRGINIA

There is authorized to be constructed, with funds remaining available as the result of savings on construction projects of the Air National Guard of the United States for which funds were appropriated for fiscal year 1987, an aircraft parking ramp/holding pad for the Air National Guard of the United States at Yeager Airport at Charleston, West Virginia, in the amount of $3,300,000, except that no such funds may be obligated for such purpose until the expiration of 30 days after the date on which the Secretary of the Air Force transmits to the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives a report on the proposed obligation of such funds.

SEC. 2603. CONSTRUCTION OF REPLACEMENT FACILITIES AT O'HARE AIR RESERVE FORCES FACILITY, ILLINOIS

(a) In General.—(1) The Secretary of the Air Force may use the proceeds received from the sale of four parcels of land under the jurisdiction of the Secretary at O'Hare International Airport (known as parcels 1, 2, 3, and 4a) for the construction of Air Force Reserve facilities on other land at such airport under the jurisdiction of the Secretary.

(2) The Secretary may provide for the construction of such Air Force Reserve facilities with funds received from the sale of the parcels referred to in paragraph (1) or may permit the City of Chicago to construct such facilities and, upon completion of the construction, have the ownership of such facilities transferred to the Secretary.

(b) Additional Use of Funds.—The Secretary may also use the funds from the sale of the parcels referred to in subsection (a)(1) to meet expenses other than construction expenses incurred by the Secretary in connection with the construction of the facilities referred to in such subsection.

(c) Excess Funds.—Funds not expended for purposes specified in this section shall be paid into the miscellaneous receipts of the Treasury.

TITLE XXVII—EXPIRATION OF AUTHORIZATIONS; EFFECTIVE DATE

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW

(a) Expiration of Authorizations After Two Years.—Except as provided in subsection (b), all authorizations contained in titles XXI, XXII, XXIII, XXIV, and XXV for military construction projects, land acquisition, family housing projects and facilities, and contributions to the NATO Infrastructure Program (and authorizations of appropriations therefor) shall expire on October 1, 1990, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1991, whichever is later.

(b) Exception.—The provisions of subsection (a) do not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the NATO Infrastructure Program (and authorizations of appropriations therefor), for which appropriated funds have been obligated before October 1, 1990, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1991, whichever is later, for construction contracts, land acquisition, family housing projects and facilities, or contributions to the NATO Infrastructure Program.

SEC. 2702. EFFECTIVE DATE

Except as otherwise specifically provided, this division shall take effect on October 1, 1988, or the date of enactment of this Act, whichever is later.

TITLE XXVIII—GENERAL PROVISIONS

Part A—Program Changes

SEC. 2801. LONG-TERM FACILITIES CONTRACTS

Section 2809(a)(3) of title 10, United States Code, is amended by striking out "20 years" and inserting in lieu thereof "32 years".

SEC. 2802. INCREASE IN FOREIGN HOUSING LEASING AUTHORITY

Section 2828(e)(2) of title 10, United States Code, is amended by striking out "36,000" and inserting in lieu thereof "38,000".

SEC. 2803. REPORTS ON REAL PROPERTY TRANSACTIONS

Subsections (a), (b), and (e) of section 2662 of title 10, United States Code, are amended by striking out "$100,000" each place it appears and inserting in lieu thereof "$200,000".

SEC. 2804. NOTIFICATION REQUIREMENT RELATING TO ACQUISITION OF INTEREST IN LAND

Section 2672 of title 10, United States Code, is amended—

(1) in subsection (a)(1), by striking out "Subject to subsection (b), the" and inserting in lieu thereof "The";

(2) by striking out subsection (b); and

(3) by redesignating subsection (c) as subsection (b).

SEC. 2805. PLANNING ASSISTANCE FOR IMPACTED COMMUNITIES

(a) Modification of Authority.—Paragraph (1) of section 2391(b) of title 10, United States Code, is amended to read as follows:

"(1) The Secretary of Defense may make grants, conclude cooperative agreements, and supplement funds available under Federal programs administered by agencies other than the Department of Defense in order to assist State and local governments in planning community adjustments and economic diversification required (A) by the proposed or actual establishment, realignment, or closure of a military installation, (B) by the cancellation or termination of a Department of Defense contract or the failure to proceed with an approved major weapon system program, (C) by a publicly-announced planned major reduction in Department of Defense spending that would directly and adversely affect a community, or (D) by the encroachment of a civilian community on a military installation, if the Secretary determines that an action described in clause (A), (B), or (C) is likely to have a direct and significantly adverse consequence on the affected community or, in the case of an action described in clause (D), if the Secretary determines that the encroachment of the civilian community is likely to impair the continued operational utility of the military installation.".

(b) Condition on Assistance.—Section 2391(b) of such title is further amended—

(1) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively; and

(2) by inserting after paragraph (3) the following new paragraph:

"(4) In the case of a publicly-announced planned major reduction in Department of Defense spending that will directly and adversely affect a community, assistance may be made under paragraph (1) only if the publicly-announced planned major reduction will result in the loss of 1,000 or more full-time Department of Defense and contractor employee positions over a five-year period in the locality of the affected community.".

Part B—Miscellaneous

SEC. 2811. PROHIBITION OF FUNDING FOR CERTAIN MILITARY CONSTRUCTION CONTRACTS ON GUAM

(a) In General.—Except as provided in subsection (b), no funds appropriated pursuant to authorizations made by this division may be obligated or expended with respect to any contract for a military construction project on Guam if any work is carried out on such project by any person who is a nonimmigrant alien described in section 101(a)(15)(H)(ii) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(ii)).

(b) Exception.—In any case in which there is no acceptable bid made in response to a solicitation by the Secretary of a military department for bids on a contract for a military construction project on Guam and the Secretary concerned makes a determination that the prohibition contained in subsection (a) is a significant deterrent to obtaining bids on such contract, the Secretary concerned may make another solicitation for bids on such contract and the prohibition contained in subsection (a) shall not apply to such contract after the 21-day period beginning with the date on which the Secretary concerned transmits a report concerning such contract to the Committee on Armed Services of the Senate and the House of Representatives.

(c) Effective Date.—The provisions of this section shall apply to contracts entered into, amended, or otherwise modified on or after the date of the enactment of this Act.

SEC. 2812. BROOKE ARMY MEDICAL CENTER

(a) Increase in Project Authority.—(1) Section 2401(a) of the Military Construction Authorization Act, 1987 (division B of Public Law 99-661; 100 Stat. 4034), is amended by striking out "$241,000,000" in the item relating to Fort Sam Houston, Texas, under the heading relating to Defense Medical Facilities Office and inserting in lieu thereof "$275,000,000".

(2) The limitation on the total cost of projects carried out under section 2401 of such Act is hereby increased by $34,000,000.

(b) Conforming Amendment.—Section 2403(a)(2) of such Act is amended by striking out ", but the" and all that follows through "beds".

SEC. 2813. COMMUNITY PLANNING ASSISTANCE

(a) Additional Authority.—In addition to the authority under any other provision of law, the Secretary of Defense may provide community planning assistance under section 2391(b) of title 10, United States Code, in the following amounts:

(A) Not to exceed $350,000 for communities located near newly established light infantry division posts.

(B) Not to exceed $250,000 for communities located near newly established Navy strategic dispersal program homeports.

(C) Not to exceed $150,000 for communities located near Whiteman Air Force Base, Knob Noster, Missouri.

(b) Expiration of Authority.—The authority to provide community planning assistance under subsection (a) expires on September 30, 1991.

SEC. 2814. FORT DERUSSY, HAWAII

(a) Use.—The Secretary of the Army shall administer Fort DeRussy, Hawaii, as the primary rest and recreation area for members of the Armed Forces in the Pacific.

(b) PROHIBITION.—Notwithstanding any other provision of law, funds appropriated or otherwise available to the Department of Defense may not be used in any way, directly or indirectly, for the purpose of selling, leasing, renting, excessing, or otherwise disposing of any portion of the land constituting Fort DeRussy, Hawaii (as constituted on the date of the enactment of this Act).

(c) IMPLEMENTATION OF PLAN.—(1) Section 2740(d) of the Military Construction Authorization Act, 1987 (Public Law 99-661; 100 Stat. 4051), is amended—

(A) by striking out "PAYMENT OF EXCESS INTO TREASURY" in the subsection heading and inserting in lieu thereof "EXCESS AMOUNT"; and

(B) by striking out "shall deposit" and all that follows through the period and inserting in lieu thereof "may use such amount for the implementation of the plan established by the Secretary of the Army on March 1, 1988, for the future use and development of Fort DeRussy, Hawaii, except that such amount may not be used to pay for the construction of nonappropriated-fund projects identified in such plan. The Secretary shall deposit any part of such amount not used for such purpose at the end of the ten-year period beginning on the date of the enactment of the Military Construction Authorization Act, 1989, into the Treasury as miscellaneous receipts.".

(2) Section 2332(d) of the Military Construction Authorization Act, 1988 and 1989 (division B of Public Law 100-180; 100 Stat. 1223), is amended—

(A) by striking out "PAYMENT OF EXCESS INTO TREASURY" in the subsection heading and inserting in lieu thereof "EXCESS AMOUNT"; and

(B) by striking out "shall deposit" and all that follows through the period and inserting in lieu thereof "may use such amount for the implementation of the plan established by the Secretary of the Army on March 1, 1988, for the future use and development of Fort DeRussy, Hawaii, except that such amount may not be used to pay for the construction of nonappropriated-fund projects identified in such plan. The Secretary shall deposit any amount not used for such purpose at the end of the ten-year period beginning on the date of the enactment of the Military Construction Authorization Act, 1989, into the Treasury as miscellaneous receipts.".

SEC. 2815. WURTSMITH AIR FORCE BASE, MICHIGAN

The library building located on the Wurtsmith Air Force Base, Michigan, is hereby designated as the "General Earl T. O'Loughlin Library". Any reference to such building in a law, rule, map, document, record, or other paper of the United States shall be considered to be a reference to the "General Earl T. O'Loughlin Library".

SEC. 2816. LOCATION OF HAZARDOUS WASTE STORAGE FACILITY AT PEARL HARBOR NAVAL SHIPYARD

The Secretary of the Navy may not construct a hazardous waste storage facility for the Pearl Harbor Naval Shipyard at a location closer than 600 feet to a public school.

SEC. 2817. SOLICITATION FOR PROPOSALS FOR OFFICE SPACE FOR NAVY

(a) IN GENERAL.—The Administrator of General Services, in coordination with the Secretary of the Navy, shall issue solicitation for proposals for the acquisition of such office and related space within the National Capital Region as the Secretary determines necessary to meet the needs of the Navy within such region.

(b) REPORT.—The Secretary, after consultation with the Administrator, shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report regarding the proposals received in response to the solicitation issued pursuant to subsection (a). Such report shall include a comparative cost analysis of meeting the office and related space needs of the Navy within the National Capital Region by means of lease, lease-purchase, and military construction, respectively. The report shall identify, and include recommendations for meeting, the current and long-term office and related space needs of the Navy within the National Capital Region.

(c) DEADLINE FOR REPORT.—The report required by subsection (b) shall be submitted not later than 90 days after the date established by the Administrator for receiving responses to the solicitation for proposals issued pursuant to subsection (a).

SEC. 2818. THIRD INFANTRY DIVISION MEMORIAL

(a) IN GENERAL.—The Society of the Third Infantry Division may establish, on grounds in Arlington National Cemetery selected pursuant to subsection (b)(1), a memorial in honor and in commemoration of the members of the "Rock of the Marne" of the Third Infantry Division, United States Army, who bravely served their country in World War I, World War II, and the Korean conflict.

(b) ADMINISTRATIVE PROVISIONS.—(1) The Secretary may select a suitable site on grounds in Arlington National Cemetery upon which may be established the memorial authorized in subsection (a).

(2) The design and plans for such memorial shall be subject to the approval of the Secretary of the Army, the American Battle Monuments Commission, the National Capital Planning Commission, and the Commission of Fine Arts.

(3) The United States shall not be liable for any expense in connection with the construction of the memorial authorized by subsection (a).

(4) The maintenance and care of the memorial authorized under this section shall be the responsibility of the Secretary of the Army.

(c) EXPIRATION OF AUTHORITY.—The authority provided in this section shall expire at the end of the 5-year period beginning on the date of the enactment of this Act unless—

(1) construction of the memorial authorized in subsection (a) is commenced within such period; and

(2) before construction of the memorial begins, the Society of the Third Infantry Division certifies to the Secretary of the Army the amount available for the construction of the memorial and the Secretary determines that such amount is sufficient to complete the memorial.

SEC. 2819. COMMISSION ON ALTERNATIVE UTILIZATION OF MILITARY FACILITIES

(a) ESTABLISHMENT OF COMMISSION.—Within 30 days after the date of the enactment of this Act, the President shall establish a Commission on Alternative Utilization of Military Facilities. The Commission shall be composed of representatives from the Department of Defense, the Bureau of Prisons of the Department of Justice, the National Institute on Drug Abuse of the Department of Health and Human Services, and the General Services Administration.

(b) REPORT REQUIREMENTS.—The Commission shall, on a biannual basis—

(1) prepare a report listing active and nonactive military facilities that the Secretary of Defense has identified as subjects for closure, as being underutilized in whole or part, or as being excess to the needs of the Department of Defense;

(2) identify those facilities, or parts of facilities that could be effectively utilized or renovated to serve as minimum security facilities for nonviolent prisoners;

(3) identify those facilities, or parts of facilities, that could be effectively utilized or renovated to serve as drug treatment facilities for nonviolent drug abusers; and

(4) transmit a list of such facilities to the President and to the Congress.

(c) DEADLINE FOR REPORTS.—The first report required by subsection (b) shall be submitted to the President and Congress not later than October 1, 1988. Subsequent reports under such subsection shall be submitted not later than September 1 of every second year after submission of the first report through fiscal year 1996.

PART C—REAL PROPERTY TRANSACTIONS

SEC. 2821. LAND EXCHANGE, ALAMEDA COUNTY, CALIFORNIA

(a) IN GENERAL.—(1) Subject to subsections (b) through (d), the Secretary of the Army may convey to the County of Alameda, California, and to the City of Dublin, California, the real properties referred to in paragraph (2) in exchange for conveyance to the United States of approximately 445 acres of real property, together with improvements thereon, of the property described in paragraph (3).

(2) The properties authorized to be conveyed by the Secretary are as follows:

(A) Approximately 35 acres of real property, together with improvements thereon, at the Reserve Forces Training Center, County of Alameda, California, to the County of Alameda, California.

(B) Approximately 12 acres of real property, together with improvements thereon, at such center to the City of Dublin, California.

(3) The property to be conveyed to the United States is a parcel of land consisting of approximately 445 acres, together with improvements thereon, located in the County of Alameda, California, which is under the jurisdiction of the East Bay Regional Park District, County of Alameda, California, and which was conveyed to such district by the United States by a deed dated February 2, 1973.

(4) The instrument of conveyance conveying the property referred to in paragraph (3) to the United States may, at the option of the East Bay Regional Park District—

(A) include a right of reversion on behalf of such district in the event that the property conveyed to the United States is no longer needed by the Department of the Army (as determined by the Secretary of the Army); and

(B) reserve to such district an easement consisting of not more than 25 acres along the most eastern boundary of the property for use by such district as a part of the Regional Trail System of such district.

(b) ADDITIONAL CONSIDERATION.—If the fair market value of the properties conveyed by the United States pursuant to subsection (a) exceeds the fair market value of the property conveyed to the United States pursuant to such subsection, the County of Alameda, California, the City of Dublin, California, or the East Bay Regional Park District, as appropriate, shall pay the difference to the United States. Any such payment shall be covered into the Treasury as miscellaneous receipts.

(c) LEGAL DESCRIPTION AND SURVEYS.—The exact acreage and legal description of the real property to be conveyed pursuant to this section (including the easement referred

to in subsection (a)(4)) shall be determined by surveys that are satisfactory to the Secretary. The cost of such surveys shall be borne by the County of Alameda or the City of Dublin.

(d) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with the conveyances made pursuant to this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2822. LAND CONVEYANCE, LOMPOC, CALIFORNIA

(a) In General.—Subject to subsections (b) through (d), the Secretary of the Army may convey, without reimbursement, to the City of Lompoc, California, all right, title, and interest of the United States in and to a tract of real property (including improvements thereon) of approximately 100 acres located adjacent to the real property conveyed to the City pursuant to section 834 of the Military Construction Authorization Act, 1985 (Public Law 98-407; 98 Stat. 1526).

(b) Use of Property.—(1) The conveyance authorized by subsection (a) shall be subject to the condition that the real property conveyed shall be used only for educational purposes or the purposes provided in section 834 of the Military Construction Authorization Act, 1985 (Public Law 98-407; 98 Stat. 1526), or both.

(2) If the property conveyed pursuant to subsection (a) is not used for the purposes described in paragraph (1), all right, title, and interest in and to such property shall revert to the United States, which shall have the right of immediate entry thereon.

(c) Legal Description and Surveys.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by surveys that are satisfactory to the Secretary. The cost of any such survey shall be borne by the City.

(d) Other Terms and Conditions.—The Secretary may require such other terms and conditions with respect to the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2823. LAND EASEMENT, ORANGE COUNTY, CALIFORNIA

(a) In General.—Subject to subsections (b) through (e), the Secretary of the Navy may grant an easement to Orange County, California, for the construction and maintenance of flood control improvements (hereafter in this section referred to as "county improvements") on a tract of land owned by the United States, consisting of approximately 32 acres, located at the northern boundary of the Marine Corps Air Station, El Toro, California, and may grant such temporary rights to Orange County as the Secretary determines necessary for the construction of such improvements.

(b) Consideration.—(1) In consideration for the conveyance by the Secretary under subsection (a), Orange County shall convey to the United States a parcel of real property consisting of approximately one and one-half acres located adjacent to the Marine Corps Air Station, Tustin, California.

(2) The United States shall also be entitled to such flood control improvements at the Marine Corps Air Station, El Toro, California, as the Secretary and Orange County shall agree upon.

(3) The county improvements and additional flood control improvements shall be constructed at no cost to the United States.

(c) Payment of Excess Into Treasury.—If the fair market value of the easement described in subsection (a) exceeds the fair market value of the real property conveyed to the United States under subsection (b), Orange County shall pay the difference to the United States. Any such payment shall be covered into the Treasury as miscellaneous receipts.

(d) Legal Description of Property.—The exact acreages and legal descriptions of the real property to be conveyed under this section shall be determined by surveys which are satisfactory to the Secretary. The cost of any such survey shall be borne by Orange County.

(e) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with the transaction authorized by this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2824. LAND EXCHANGE, SAN DIEGO, CALIFORNIA

(a) Exchange Authorized.—Subject to subsections (b) through (e), the Secretary of the Navy may convey to the San Diego Unified Port District of San Diego, California, such real property under the jurisdiction of the Navy in the City of San Diego, California, as the Secretary determines appropriate in exchange for one or more parcels of land, together with improvements thereon and consisting of approximately 32 acres, located adjacent to the San Diego Naval Station, San Diego, California, and owned by the San Diego Unified Port District.

(b) Limitation on Value of Property Exchanged.—The fair market value of the real property conveyed by the Secretary under subsection (a) may not exceed the fair market value of the real property received by the Secretary under such subsection, as determined by the Secretary.

(c) Notice to Committees.—The Secretary may not enter into an exchange under this section until the Secretary has notified the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives of the details of the proposed exchange and a period of 21 days has elapsed following the day on which the committees receive the notification.

(d) Legal Description of Property.—The exact acreages and legal descriptions of the real property to be conveyed under this section shall be determined by surveys which are satisfactory to the Secretary. The cost of any such survey shall be borne by San Diego Unified Port District.

(e) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with the transaction authorized by this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2825. LAND TRANSFER, WASHINGTON, DISTRICT OF COLUMBIA

(a) In General.—The Administrator of General Services shall transfer, without consideration, to the Secretary of the Navy approximately 6 acres of real property (including Building 197 located thereon) located at a site referred to as the Southeast Federal Center near the Washington Navy Yard, Washington, D.C., and bounded on the east by Isaac Hull Avenue, on the north by Tingey Street, on the west by Buildings 116 and 118, and on the south by property owned by the Department of the Navy.

(b) Design of Building.—The Secretary of the Navy shall use not more than $9,200,000 of the amount appropriated pursuant to section 2205(a)(4) to initiate the redesign of Building 197 referred to in subsection (a).

SEC. 2826. LAND CONVEYANCE, OKALOOSA COUNTY, FLORIDA

Section 809(c) of the Military Construction Authorization Act, 1979 (Public Law 95-356; 92 Stat. 587), is amended by inserting before the period the following: "and a third parcel containing forty-two acres".

SEC. 2827. TRANSFER OF LAND, SUITLAND FEDERAL CENTER, MARYLAND

The Administrator of General Services shall transfer, without consideration, to the Secretary of the Navy such parcel of vacant land located at the Suitland Federal Center, Suitland, Maryland, as the Administrator, after consultation with the Secretary, determines—

(1) to be excess to the present and anticipated future needs of the General Services Administration at the Suitland Federal Center; and

(2) adequate to accommodate the needs of the Navy for the construction and operation of a facility to serve as the Naval Intelligence Command Headquarters authorized by section 2201.

SEC. 2828. AIR FORCE PLANT AT COLUMBUS, OHIO

(a) In General.—The Secretary of the Air Force may sell or lease, or issue a permit to another agency within the Department of Defense for use of, all or any portion of Air Force Plant No. 85 located in Columbus, Ohio. Any such action shall be carried out in accordance with applicable law except to the extent that such law is inconsistent with this section.

(b) Authority of Secretary.—(1) The Secretary shall provide that each deed entered into for the transfer of such property shall contain a covenant warranting that all remedial action necessary to protect human health and the environment with respect to any environmental contamination at the plant at the time of the sale, including any remedial action found to be necessary with respect to such contamination after the date of such transfer, has been or will be conducted by the United States. Such covenant shall be in lieu of any other covenant or other action required by any applicable law with respect to environmental restoration to be taken by the Federal government at the plant before such transfer.

(2) In any case in which the Secretary provides a permit to another agency within the Department of Defense to use any portion of the plant, the Secretary may provide for the environmental restoration of such portion by such other agency with funds available to the Department of the Air Force for environmental restoration.

(3) To the extent that the Secretary decides to take remedial action with respect to environmental contamination in any portion of the plant before the sale or lease of such portion, the Secretary may use funds provided by the purchaser or lessor for such purpose.

(c) Deduction of Expense From Proceeds of Sale or Lease.—The Secretary may use the proceeds of any sale or lease of the property described in subsection (a) to credit the accounts from which funds were expended by the Secretary for reasonable and necessary expenses, other than for environmental restoration, incurred in connection with the sale or lease. The Secretary may also use the proceeds of such sale or lease directly for the purpose of environmental restoration at the plant. The remaining proceeds of the sale or lease shall be credited to the general fund of the Treasury.

(d) Additional Terms.—The Secretary may require such additional terms and conditions in connection with any sale or lease entered into under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2829. LAND CONVEYANCE, FORT JACKSON, SOUTH CAROLINA

(a) Authority To Sell.—Subject to subsections (b) through (e), the Secretary of the Army may sell and convey all right, title, and interest of the United States in and to a parcel of land, consisting of a total of approximately 32 acres, that comprises a portion of Fort Jackson, South Carolina and is excess to the needs of the Army.

(b) Competitive Bid Requirement; Minimum Sale Price.—(1) The Secretary shall use competitive procedures for the sale of land referred to in subsection (a).

(2) In no event may any of the land referred to in subsection (a) be sold for less than the fair market value of the land, as determined by the Secretary.

(c) Use of Proceeds of Sale.—(1) The Secretary may use the proceeds from the sale of the land referred to in subsection (a) for the rehabilitation of military family housing at Fort Jackson, South Carolina.

(2) Any proceeds of the sale not used for such purpose shall be covered into the Treasury as miscellaneous receipts.

(d) Legal Description of Lands.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey that is satisfactory to the Secretary.

(e) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with any transaction authorized by this section as the Secretary considers appropriate to protect the interests of the United States.

And the Senate agree to the same.

From the Committee on Armed Services, for consideration of the entire House bill (except sections 4101 through 4110), and the entire Senate amendment (except sections 938 and 949), and as exclusive conferees with respect to any proposal to report in total disagreement:

Les Aspin,
Charles Bennett,
Samuel S. Stratton,
Bill Nichols,
G.V. Montgomery,
Pat Schroeder,
Beverly Byron,
Nicholas Mavroules,
Ike Skelton,
Dave McCurdy,
Thomas M. Foglietta,
Marilyn Lloyd,
Norman Sisisky,
Richard Ray,
John M. Spratt, Jr.,
Frank McCloskey,
Solomon P. Ortiz,
George (Buddy) Darden,
Tommy F. Robinson,
Albert G. Bustamante,
Barbara Boxer,
Ben Blaz,
James V. Hansen,

From the Committee on Armed Services, solely for consideration of sections 209, 212, 935, and 936 of the House bill, and section 223 of the Senate amendment, and modifications committed to conference:

Les Aspin,
Charles Bennett,
Pat Schroeder,
Nick Mavroules,
Dave McCurdy,
Thomas M. Foglietta,
John M. Spratt, Jr.,
Frank McCloskey,
Barbara Boxer,

From the Permanent Select Committee on Intelligence, for consideration of matters within the jurisdiction of that committee under clause 2 of Rule XLVIII:

Louis Stokes,
Robert W. Kastenmeier,
Robert A. Roe,
Henry J. Hyde,
Dick Cheney,

From the Committee on Education and Labor, solely for consideration of sections 4101 through 4110 of the House bill, and modifications committed to conference:

Augustus F. Hawkins,
William D. Ford,
Joseph M. Gaydos,
William Clay,
Austin J. Murphy,
Pat Williams,
Jim Jeffords,
Tom Petri,
Steve Bartlett,

From the Committee on Armed Services, solely for consideration of sections 4101 through 4110 of the House bill, and modifications committed to conference:

Les Aspin,
Frank McCloskey,

From the Committee on Energy and Commerce, for consideration of sections 3141 through 3150 of the House bill, and sections 3141 through 3144 of the Senate amendment, and modifications committed to conference:

John D. Dingell,
Philip R. Sharp,
Norman F. Lent,

From the Committee on Foreign Affairs, for consideration of sections 234, 303, 304, 318, 354, 937, 940, 944, 946, 947, 948, 950, 952, 953, and 959 of the House bill, and sections 232, 233, 234, 237, 303, 806, 807, 809, 911, 912, 913, 914, 915, 922, 924, 926, 928, 930, 931, 932, 933, 934, 937, 939, 941, 943, 948, 949, 950, and 952 of the Senate amendment, and modifications committed to conference:

Dante B. Fascell,
Lee H. Hamilton,
Gus Yatron,
Stephen J. Solarz,
Bill Broomfield,
Benjamin A. Gilman,

From the Committee on Government Operations, for consideration of section 921 of the Senate amendment, and modifications committed to conference:

Jack Brooks,
John Conyers,
Cardiss Collins,
Glenn English,
Henry A. Waxman,
Frank Horton,
Bill Clinger,

From the Committee on the Judiciary, for consideration of sections 304, 954, and 1103 of the House bill, and sections 918, 940, 941, and 951 of the Senate amendment, and modifications committed to conference:

Bob Kastenmeier,
Carlos J. Moorhead,
Bill McCollum,

From the Committee on Merchant Marine and Fisheries, for consideration of section 921 of the Senate amendment, and modifications committed to conference:

Walter B. Jones,
Gerry E. Studds,
Dennis M. Hertel,
Don Young,
Norman F. Lent,

From the Committee on Post Office and Civil Service, for consideration of section 917 of the Senate amendment, and modifications committed to conference:

William D. Ford,
Bill Clay,
Gary L. Ackerman,
Gene Taylor,
Benjamin A. Gilman,

From the Committee on Rules, for consideration of section 921 of the Senate amendment, and modifications committed to conference:

Claude Pepper,
Joe Moakley,
Butler Derrick,
Tony Beilenson,
Martin Frost,
James H. Quillen,
Gene Taylor,

From the Committee on Small Business, for consideration of sections 820 and 821 of the Senate amendment, and modifications committed to conference:

John J. LaFalce,
Joseph M. McDade,

From the Committee on Ways and Means, for consideration of sections 938 and 949 of the Senate amendment, and modifications committed to conference:

Dan Rostenkowski,
Sam Gibbons,
Ed Jenkins,
Tom Downey,
Bill Frenzel,

From the Committee on Armed Services, for consideration of sections 938 and 949 of the Senate amendment, and modifications committed to conference:

Les Aspin,
George (Buddy) Darden,
Managers on the Part of the House.

Sam Nunn,
John C. Stennis,
J.J. Exon,
Carl Levin,
Edward M. Kennedy,
Jeff Bingaman,
Alan J. Dixon,
John Glenn,
Albert Gore, Jr.,
Timothy E. Wirth,
Richard Shelby,
John Warner,
Strom Thurmond,
Bill Cohen,
John McCain,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4264) to authorize appropriations for fiscal year 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SUMMARY STATEMENT OF CONFERENCE ACTION

The conferees recommend authorization for the Department of Defense for procurement, research and development, test and evaluation, operation and maintenance, working capital funds, military construction and family housing, weapons programs of the Department of Energy, and civil defense totaling $221.1 billion. This figure is $0.1 billion above the amount requested by the President, $0.1 billion above the Senate amendment, and $0.1 billion below the House bill.

The budget summit between the President and the Congress in November 1987 resulted in an agreement that national defense spending for fiscal year 1989 would be $299.5 billion. This agreement was reflected in the Budget Resolution.

The authorizations included in this Act are substantially less than the functional ceiling of $299.5 billion for national defense provided in the Budget Resolution. The primary reason for this difference is that, although the military end strengths and pay raise are authorized in this Act, the actual funding for military pay and benefits (approximately $78.5 billion) is not reflected in this Act.

SUMMARY TABLE OF AUTHORIZATIONS

The defense authorization act provides authorizations for appropriations but does not provide budget authority. Budaget authority is provided in appropriations acts.

In order to relate the conference recommendations to the Budget Resolution, matters in addition to the dollar authorizations contained in this Act must be taken into account. A number of programs in the defense function are authorized permanently or, in certain instances, authorized in other annual legislation. In addition, the authorization act establishes personnel levels and includes a number of legislative provisions affecting military compensation.

The table below summarizes authorizations included in the Act for fiscal year 1989 and, in addition, summaries the implication of the conference action for the budget totals for National Defense (Budget Function 050).

SUMMARY OF FUNDS RECOMMENDED FOR AUTHORIZATION
(Dollars in Millions)

	Amended Request 1989	House Change	FY89 House Authorized	Senate Change	FY89 Senate Authorized	Senate +/- House	Conference Change	FY89 Conference Authorized	Budget Authority Implication
PROCUREMENT									
Aircraft Procurement, Army	2,791.5	167.5	2,959.0	3.4	2,794.9	-164.1	92.2	2,883.7	2,883.7
Missile Procurement, Army	2,586.6	100.1	2,686.7	-44.8	2,541.8	-144.9	18.6	2,605.2	2,605.2
Procurement of W&TCV, Army	2,960.6	5.5	2,966.1	-1.4	2,959.2	-6.9	-45.5	2,915.1	2,915.1
Ammuniton, Army	2,007.8	43.8	2,051.6	27.7	2,035.5	-16.1	56.2	2,064.0	2,064.0
Other Procurement Army	4,774.0	-531.2	4,242.8	7.2	4,781.2	538.3	-193.7	4,580.3	4,580.3
Aircraft Procurement, Navy	8,980.0	291.5	9,271.5	96.2	9,076.2	-195.3	279.3	9,259.3	9,259.3
Weapons Procurement, Navy	6,271.8	-448.0	5,823.8	-78.7	6,193.1	369.3	-299.6	5,972.2	5,972.2
Shipbuilding & Conversion, Navy	9,130.1	-4.0	9,126.1	-74.0	9,056.1	-70.0	-74.0	9,056.1	9,056.1
Other Procurement Navy	4,789.7	423.7	5,213.4	46.5	4,836.2	-377.2	28.1	4,817.8	4,817.8
Coastal Defense Augmentation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Procurement, Marine Corps	1,157.3	173.0	1,330.3	10.0	1,167.3	-163.0	140.0	1,297.3	1,297.3
Aircraft Procurement, AF	16,630.0	-216.2	16,413.8	-373.9	16,256.1	-157.7	-505.0	16,125.0	16,125.0
Missile Procurement, AF	8,158.0	-95.9	8,062.1	-146.6	8,011.4	-50.7	-441.5	7,716.5	7,716.5
Other Procurement AF	8,393.5	-329.1	8,064.4	-75.5	8,318.0	253.6	-196.7	8,196.8	8,196.8
Procurement, Defense Agencies	1,216.1	-65.6	1,150.5	-8.2	1,207.9	57.4	-11.0	1,205.1	1,205.1
Natl Guard & Reserve Equipment	0.0	816.1	816.1	443.0	443.0	-373.1	843.5	843.5	843.5
Defense Production Act Purch									27.5
Chemical Munitions Destruction	162.9	16.6	179.5	11.6	174.5	-5.0	16.6	179.5	179.5
Total Procurement	80,009.9	347.7	80,357.6	-157.5	79,852.4	-505.2	-292.5	79,717.4	79,744.9
RESEARCH AND DEVELOPMENT									
RDT&E, Army	5,030.7	194.2	5,224.9	-22.3	5,008.4	-216.5	167.7	5,198.4	5,198.4
RDT&E, Navy	9,216.2	130.7	9,346.9	58.4	9,274.6	-72.3	167.0	9,383.2	9,383.2
RDT&E, Air Force	14,932.1	-218.3	14,713.8	-210.4	14,721.7	7.9	-251.3	14,680.8	14,680.8
RDT&E, Defense Agencies	8,667.8	-895.8	7,772.0	38.4	8,706.2	934.2	-239.4	8,428.4	8,428.4
Director Test & Evaluation	166.9	15.0	181.9	-16.0	150.9	-31.0	-11.0	155.9	155.9
Director Operational Test & Eval	143.4	-10.0	133.4	-10.0	133.4	0.0	-20.0	123.4	123.4
Total RDT&E	38,157.1	-784.2	37,372.9	-161.8	37,995.3	622.3	-186.9	37,970.2	37,970.2

SUMMARY OF FUNDS RECOMMENDED FOR AUTHORIZATION (Dollars in Millions)

	Amended Request 1989	House Change	FY89 House Authorized	Senate Change	FY89 Senate Authorized	Senate +/- House	Conference Change	FY89 Conference Authorized	Budget Authority Implication
OPERATIONS AND MAINTENANCE									
O & M, Army	22,085.2	-9.9	22,075.3	57.2	22,142.4	67.1	18.7	22,103.9	22,103.9
O & M, Navy	24,945.8	47.0	24,992.8	-66.1	24,879.7	-113.1	-93.7	24,852.1	24,852.1
O & M, Marine Corps	1,792.0	50.0	1,842.0	0.0	1,792.0	-50.0	25.0	1,817.0	1,817.0
O & M, Air Force	21,950.0	-59.6	21,890.4	-51.3	21,898.7	8.3	-94.4	21,855.6	21,855.6
O & M, Defense Agencies	7,725.7	-4.6	7,721.1	-88.8	7,636.9	-84.2	-40.3	7,685.4	7,685.4
O & M, Army Reserve	794.9	0.0	794.9	0.0	794.9	0.0	0.0	794.9	794.9
O & M, Navy Reserve	979.2	0.0	979.2	0.0	979.2	0.0	0.0	979.2	979.2
O & M, Marine Corps Reserve	77.5	0.0	77.5	0.0	77.5	0.0	0.0	77.5	77.5
O & M, Air Force Reserve	1,028.5	5.4	1,033.9	0.0	1,028.5	-5.4	5.4	1,033.9	1,033.9
O & M, Army Natl Guard	1,797.0	0.0	1,797.0	8.3	1,805.3	8.3	4.2	1,801.2	1,801.2
O & M, Air Natl Guard	1,965.4	5.6	1,971.0	0.0	1,965.4	-5.6	5.6	1,971.0	1,971.0
Rifle Practice	4.3	0.0	4.3	0.0	4.3	0.0	0.0	4.3	4.3
Claims, Defense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Court of Military Appeals	3.5	0.0	3.5	0.0	3.5	0.0	0.0	3.5	3.5
Environmental Restoration	500.0	0.0	500.0	0.0	500.0	0.0	0.0	500.0	500.0
Humanitarian Assistance	0.0	13.0	13.0	13.0	13.0	0.0	13.0	13.0	13.0
Goodwill Games	0.0	5.0	5.0	0.0	0.0	-5.0	5.0	5.0	5.0
Total Operations & Maintenance	85,649.0	51.9	85,700.9	-127.7	85,521.3	-179.6	-151.5	85,497.5	85,497.5
REVOLVING AND MANAGEMENT FUNDS									
Army Stock Fund	321.9	-15.0	306.9	-30.0	291.9	-15.0	-30.0	291.9	291.9
Navy Stock Fund	204.7	0.0	204.7	-20.0	184.7	-20.0	-20.0	184.7	184.7
Air Force Stock Fund	206.9	25.0	231.9	-20.0	186.9	-45.0	-20.0	186.9	186.9
Defense Stock Fund	30.0	-5.0	25.0	0.0	30.0	5.0	-5.0	25.0	25.0
National Defense Stockpile	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Revolving/Management Funds	763.5	5.0	768.5	-70.0	693.5	-75.0	-75.0	688.5	688.5
Military Personnel									78,461.0
Title XI									
Drug Related Assistance	0.0	0.0	0.0	0.0	0.0	0.0	210.0	210.0	210.0
Prior Year Transfer							[90.0]	[90.0]	0.0

SUMMARY OF FUNDS RECOMMENDED
FOR AUTHORIZATION
(Dollars in Millions)

	Amended Request 1989	House Change	FY89 House Authorized	Senate Change	FY89 Senate Authorized	Senate +/- House	Conference Change	FY89 Conference Authorized	Budget Authority Implication
MILITARY CONSTRUCTION									
Milt Construction, Army	895.0	-19.3	875.7	-1.0	894.0	18.3	-16.7	878.3	1,127.6
Milt Construction, Navy	1,594.2	-59.3	1,534.9	-63.1	1,531.1	-3.8	-30.1	1,564.1	1,581.1
Milt Construction, Air Force	1,273.6	-32.7	1,241.0	-57.8	1,215.8	-25.2	-52.1	1,221.5	1,248.5
Milt Construct, Defense Agencies	712.0	17.3	729.3	-28.6	683.4	-45.9	-21.1	690.9	690.9
NATO Infrastructure	502.1	0.0	502.1	-10.1	492.0	-10.1	-10.1	492.0	492.0
Milcon, Army National Guard	138.3	24.5	162.8	46.9	185.2	22.4	65.6	203.9	203.9
Milcon, Air National Guard	147.5	3.6	151.1	4.3	151.8	0.6	7.3	154.8	154.8
Milcon, Army Reserve	79.9	0.3	80.2	4.3	84.2	4.0	4.5	84.4	84.4
Milcon, Navy Reserve	48.4	0.0	48.4	16.7	65.1	16.7	6.5	54.9	54.9
Milcon, Air Force Reserve	58.8	0.0	58.8	4.8	63.6	4.8	4.8	63.6	63.6
Total Military Construction	5,449.9	-65.6	5,384.3	-83.7	5,366.2	-18.1	-41.5	5,408.4	5,701.6
FAMILY HOUSING									
Family Housing, Army	1,528.3	9.1	1,537.4	-5.0	1,523.3	-14.1	9.1	1,537.4	1,537.0
Family Housing, Navy/Marines	795.4	0.0	795.4	9.5	805.0	9.5	10.3	805.8	805.6
Family Housing, Air Force	923.0	-0.5	922.5	-3.5	919.5	-3.0	-0.5	922.5	922.4
Family House, Defense Agencies	20.7	0.0	20.7	0.0	20.7	0.0	0.0	20.7	20.7
Homeowners Assistance Fund	2.0	0.0	2.0	0.0	2.0	0.0	0.0	2.0	5.0
Total Family Housing	3,269.4	8.6	3,278.0	1.0	3,270.4	-7.6	18.9	3,288.3	3,290.7
Davis-Bacon/Service Contract Act	-310.0	310.0	0.0	310.0	0.0	0.0	310.0	0.0	0
Allowance, Proposed Legislation	-239.3	239.3	0.0	239.3	0.0	0.0	239.3	0.0	0
Enacted in Prior Years									-741.9
TOTAL DEPARTMENT OF DEFENSE	212,749.4	112.7	212,862.1	-50.4	212,699.0	-163.1	30.7	212,780.2	290,822.4
DOE NATIONAL SECURITY PROGRAMS	8,100.0	35.0	8,135.0	65.8	8,165.8	30.8	35.0	8,135.0	8,135.0
MARAD Ready Reserve Force									110.8
CIA Retirement									144.5
FEMA Civil Defense Salaries	28.3	0.0	28.3	-4.4	23.9	-4.4	-2.0	26.3	76.0
FEMA Civil Defense Planning	132.1	0.0	132.1	-20.6	111.5	-20.6	-10.5	121.6	251.8
Intelligence Community staff									23.7
Selective Service Sal/Expenses									26.1
TOTAL OTHER DEFENSE	160.4	0.0	160.4	-25.0	135.4	-25.0	-12.5	147.9	632.8
TOTAL NATIONAL DEFENSE	221,009.8	147.7	221,157.5	-9.6	221,000.2	-157.3	53.2	221,063.1	299,590.2

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS AND OTHER NATIONAL DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

AIRCRAFT PROCUREMENT, ARMY

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $2,791.5 million for Army aircraft procurement. The House bill would authorize $2,959 million. The Senate amendment would authorize $2,794.9 million. The conferees recommend authorization of $2,883.7 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	AIRCRAFT PROCUREMENT, ARMY														
1	GOLDEN KNIGHTS REPLACEMENT AIRCRAFT	2	13,699				0		0		0				0
2	C-20 AIRCRAFT	1	20,000				0		0		0				0
3	C-12 CARGO AIRPLANE	0	0				0		0		0				0
4	CESSNA SKYLANE	2	194				0		0		0				0
5	RC-12H/K RECON AIRPLANE	3	43,752	6	69,394	6	69,394	6	69,394		0			6	69,394
6	EH-60 HELICOPTER (QUICKFIX) (MYP)	0	23,950				0		0		0				0
6	LESS: ADVANCE PROCUREMENT (PY)	0	(16,700)				0		0		0				0
7	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
8	AH-64 ATTACK HELICOPTER (APACHE)	77	852,186	72	809,076	72	849,076	72	849,076		0		40,000	72	849,076
8	LESS: ADVANCE PROCUREMENT (PY)	0	(41,186)		(36,000)		(36,000)		(36,000)		0				(36,000)
9	ADVANCE PROCUREMENT (CY)	0	36,000		36,000		92,000		76,000		16,000		40,000		76,000
10	UH-60 BLACKHAWK (MYP)	72	435,700	72	428,368	72	428,368	72	412,868		15,500		(15,500)	72	412,868
10	LESS: ADVANCE PROCUREMENT (PY)	0	(155,700)		(176,800)		(176,800)		(176,800)		0				(176,800)
11	ADVANCE PROCUREMENT (CY)	0	208,400		205,600		205,600		205,600		0				205,600
	MODIFICATION OF AIRCRAFT														
12	OV-1 SURVEILLANCE AIRPLANE (MOHAWK)	0	11,300		18,396		6,184		18,396		(12,212)		(6,000)		12,396
12	LESS: ADVANCE PROCUREMENT (PY)	0	0		(6,184)		(6,184)		(6,184)		0				(6,184)
13	ADVANCE PROCUREMENT (CY)	0	6,184				0		0		0				0
14	RC-120	0	0		31,900		31,900		31,900		0				31,900
15	RU-21	0	0		7,508		7,508		7,508		0				7,508
16	RV-1	0	0				0		0		0				0
17	AH-1S	0	0		29,271		41,271		29,271		12,000		10,000		39,271
18	AH-64	0	68,451		17,330		17,330		17,330		0				17,330
19	GROUND PROXIMITY WARNING SYSTEM	0	0				0		0		0				0
20	CH-47 CARGO HELICOPTER (MODS)	0	229,617		235,487		235,487		217,687		17,800		(10,000)		225,487
20	LESS: ADVANCE PROCUREMENT (PY)	0	(59,900)		(63,600)		(63,600)		(63,600)		0				(63,600)
21	CH-47 ADVANCE PROCUREMENT (CY)	0	67,200		84,400		84,400		61,100		23,300		0		84,400
22	CH-54	0	0				0		0		0				0
23	OH-58	0	27,011		17,376		17,376		17,376		0				17,376
24	UH-1	0	7,390				0		0		0				0
25	UH-60	0	38,998		28,412		28,412		28,412		0				28,412
26	ARMY HELICOPTER IMPROVEMENT PROGRAM (AHI	0	160,082		161,000	12	204,000		161,000	12	43,000	12	43,000	12	204,000
26	LESS: ADVANCE PROCUREMENT (PY)	0	(21,982)		(22,000)		(22,000)		(22,000)		0				(22,000)
27	ADVANCE PROCUREMENT (CY)	0	22,000		22,000		22,000		22,000		0				22,000
28	AIRBORNE AVIONICS	0	972		2,732		2,732		2,732		0				2,732
29	ASE MODIFICATIONS	0	96		13,050		13,050		13,050		0				13,050
30	MODIFICATIONS UNDER $2.0M (AIRCRAFT)	0	0				0		0		0				0
31	ACFT 9WW	0	25,797		23,978		23,978		3,978		20,000		0		23,978
32	SOF AIRCRAFT	0	41,600		96,309		96,309		96,309		0				96,309
32	LESS: ADVANCE PROCUREMENT (PY)	0	0		(13,400)		(13,400)		(13,400)		0				(13,400)
33	ADVANCE PROCUREMENT (CY)	0	13,400		56,100		56,100		56,100		0				56,100
	SPARES AND REPAIR PARTS										0				
34	SPARES AND REPAIR PARTS	0	617,122		552,169		552,169		552,169		0				552,169
35	AIRCRAFT SURVIVABILITY EQUIPMENT	0	65,692		97,011		87,711		97,011		(9,300)		(9,300)		87,711
35	LESS: ADVANCE PROCUREMENT (PY)	0	0		(12,000)		(12,000)		(12,000)		0				(12,000)
36	ADVANCE PROCUREMENT (CY)	0	12,000				0		0		0				0
37	AVIONICS SUPPORT EQUIPMENT	0	23,663		22,230		22,230		22,230		0				22,230
38	COMMON GROUND EQUIPMENT	0	28,125		32,323		32,323		32,323		0				32,323
39	AIR TRAFFIC CONTROL	0	2,885				0		0		0				0
40	INDUSTRIAL FACILITIES	0	17,640		20,997		20,997		20,997		0				20,997
41	WAR CONSUMABLES	0	3,068		3,067		3,067		3,067		0				3,067
	NIGHT VISION DEVICES						38,000		0		38,000		0		0
	TOTAL AIRCRAFT PROCUREMENT ARMY		2,718,406		2,791,500		2,958,988		2,794,900		164,088		92,200		2,883,700

Strengthening the armor-antiarmor balance

Both the House report (H. Rept. 100-563) and the Senate report (S. Rept. 100-326) emphasized the need to strengthen conventional defenses, especially in light of ratification of the INF treaty. Both reports note the deterioration of the armor-antiarmor balance and the need to reverse that deterioration in order to preserve an effective deterrent in NATO. To that end, the conferees recommend numerous changes to the budget request to strengthen conventional defense capabilities.

The conferees recommend multiyear procurement contracts for the two primary antiarmor systems, the M1 tank and the AH-64 helicopter, based on comprehensive master plans developed during the past year. The conferees provided additional procurement aned R&D funds for urgent improvements to existing antitank missiles, including the Hellfire and TOW 2 missiles. The conferees recommended increased production rates for the Hellfire and Maverick missiles. The conferees also recommed acceleration of the development of future promising antiarmor systems, including a Block 3 version of the M1 tank, the fiber optic guided missile, the hypervelocity missile, and the sense and destroy armor (SADARM) program.

The conferees note that the serious deterioration of the armor-antiarmor balance cannot be reversed in one year and will require sustained investment by the Department of Defense. The conferees emphasize the urgent nature of the current problem, especially in the immediate post-INF security environment in Europe, and direct the Secretary to insure that these programs receive sufficient funds in the upcoming Five Year Defense Program for fiscal years 1990 to 1994.

Guardrail/Common Sensor Aircraft

The amended budget request included $69.4 million for six RC-12K GUARDRAIL/Common Sensor (GRCS) aircraft.

The House bill would authorize the requested amount.

The fiscal year 1989 Intelligence Authorization Act (H.R. 4387), passed by the House of Representatives, would prohibit the procurement of more than three aircraft and sensors until the Army had presented a plan that includes the contribution of Remotely Piloted Vehicles (RPVs) and other reconnaissance assets to support Army airborne signal intelligence (SIGINT) requirements. Other studies that would be required by H.R. 4387 include the Army plans for a new aircraft develpment program and its relationship to RC-12K procurement, and the modeling and simulation tools used to certify the GRCS.

The conferees endorse these reporting requirements and the program contingency. The conferees believe that this report can be completed by November 1, 1988, and will not adversely affect contract plans. The conferees further agree that the Army must carefully consider all available SIGINT assets, current and future, in setting GRCS force levels, but note that since the termination of the Precision Location Strike System (PLSS), the GRCS is integral to supporting follow-on force attack targeting requirements.

AH-64 Attack Helicopter

The amended budget request contained $773.1 million for procurement of 72 aircraft and $36 million for advance procurement to continue production in fiscal year 1990.

The House bill would authorize $813.1 million for 72 aircraft for fiscal year 1989 and $40 million for procurement of two combat mission simulators. The House bill would also authorize $92 million for advance procurement, and would direct the Army to enter into a multiyear contract if certain criteria (specified in Section 114 of the House bill) were satisfied.

The Senate amendment would authorize $813.1 million for this program. The increase of $40 million would be authorized because it is not possible to procure 72 aircraft with the funds requested by the Army. The Senate amendment would also authorize $76 million for advance procurement, and would direct the Army to enter into a multiyear contract for 72 aircraft over a three-year period if certain conditions could be satisfied. The Senate amendment would also specify that none of the $40 million authorized to properly price the request in fiscal year 1989 could be obligated unless the Army does enter into a multiyear contract and the unit price for helicopters in fiscal year 1989 does not exceed the unit price negotiated under the terms of the multiyear contract.

The conferees recommend an authorization of $813.1 million, with not less than $20 million to be provided to procure a mission simulator. The remaining $20 million in additional authorization may be used to properly price the AH-64 procurement in fiscal year 1989, subject to the same conditions specified by the Senate report (S. Rept. 100-326). If the funds are not required, they may be used to procure an additional mission simulator.

The conferees recommend an authorization of $76 million for advance procurement and direct the Army to negotiate a multiyear contract, subject to the restrictions outlined in section 107. The conferees note that the Army has developed two alternative approaches to a multi-year contract: a three-year multiyear contract for 72 aircraft per year, and a four-year multiyear contract for 60 aircraft per year. The Army may pursue either approach, subject to the conditions specified in section 107. The conferees do believe, however, that it would be desirable to retain the highest practical production rate consistent with overall Army budget resources.

The conferees direct that not less than one battalion of AH-64 helicopters be provided to the Reserve Component each year.

OV-1 Surveillance Aircraft

The amended budget request contained $12.2 million for the modification of OV-1 surveillance aircraft.

The House bill would deny all funding for the modification program.

The Senate amendment would approve the program at the requested level.

The conferees recommend an authorization of $6.212 million. The conferees express concern over the overall affordability of the OV-1 modification program. The conferees doubt that it is appropriate or affordable to modify the entire fleet of OV-1 aircraft.

Army helicopter improvement program

The amended budget request contained $161 million for the Army Helicopter Improvement Program (AHIP).

The House bill would authorize $204 million for 36 aircraft.

The Senate amendment would authorize the requested amount.

The Senate recedes.

The conferees have learned of the Army's plans to modify 16 existing AHIPs to the armed reconnaissance configuration and understand the cost to perform the modification could have been lowered if the modification were performed during the baseline AHIP upgrade. The conferees are concerned that if the Army has a requirement to modify additional AHIP aircraft to the armed configuration, additional funding will be required. This does not seem prudent in the existing budget environment. The conferees direct that the 36 AHIP aircraft authorized in fiscal year 1989 and future AHIP aircraft have the structural and electrical modifications (required for the armed reconnaissance configuration) installed during the baseline AHIP modification. This will allow the Army to equip cost-effectively fiscal year 1989 and future AHIPs with armament in the event the Army chooses to do so at a later date.

MISSILE PROCUREMENT, ARMY

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $2,586.6 million for Army missile procurement. The House bill would authorize $2,686.7 million. The Senate amendment would authorize $2,541.8 million. The conferees recommend authorization of $2,605.2 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
MISSILE PROCUREMENT, ARMY															
1	CHAPARRAL	122	30,189	368	57,907	368	57,907	368	57,907		0			368	57,907
2	NON LINE OF SIGHT AIR DEFENSE SYSTEM	0	0				0		0		0				0
3	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
4	ADS HVY MSL SYSTEM	0	0	60	118,500	60	118,500		33,500	60	85,000		0	60	118,500
4	LESS: ADVANCE PROCUREMENT (PY)	0	0		(33,500)		(33,500)		(33,500)		0				(33,500)
5	ADVANCE PROCUREMENT (CY)	0	33,500		23,750		23,750		23,750		0				23,750
6	CLASSIFIED PROGRAM	0	0				0		0		0				0
7	OTHER MISSILE SUPPORT	0	4,505		4,540		4,540		4,540		0				4,540
8	PATRIOT(MYP)	715	867,142	815	828,435	815	828,435	815	828,435		0			815	828,435
8	LESS: ADVANCE PROCUREMENT (PY)	0	(34,700)		(47,100)		(47,100)		(47,100)		0				(47,100)
9	ADVANCE PROCUREMENT (CY)	0	40,100		37,400		37,400		37,400		0				37,400
10	STINGER(MYP)	4,200	159,626	6,750	281,248	6,750	281,248	6,750	281,248		0			6,750	281,248
10	LESS: ADVANCE PROCUREMENT (PY)	0	(22,064)		(38,780)		(38,780)		(38,780)		0				(38,780)
11	ADVANCE PROCUREMENT (CY)	0	33,891				0		0		0				0
12	STINGER PEDESTAL MOUNT	0	43,633		92,242		92,242		117,242		(25,000)		0		92,242
13	LASER HELLFIRE SYSTEM	5,000	168,358	5,000	180,502	6,000	215,502	5,000	180,502	1,000	35,000		25,000	5,000	205,502
14	TOW 2 (MYP)	12,000	159,739	12,000	143,682	12,000	143,682	12,000	143,682		0			12,000	143,682
14a	TOW 2 RETROFIT						24,400		0		24,400		0		0
15	PERSHING	0	5,710				0		0		0				0
16	MULTIPLE LAUNCH ROCKET SYSTEM (MYP)	72,000	487,443	48,000	426,041	72,000	483,341	48,000	426,041	24,000	57,300		(5,000)	48,000	421,041
16a	MLRS BINARY WARHEAD				16,600		0		16,600		(16,600)		(16,600)		0
16	LESS: ADVANCE PROCUREMENT (PY)	0	(82,700)		(56,600)		(56,600)		(56,600)		0				(56,600)
17	ADVANCE PROCUREMENT (CY)	0	0		20,800		20,800		20,800		0				20,800
18	ARMY TACTICAL MISSILE SYS (ATACMS)	0	7,325	66	78,100	66	78,100	66	78,100		0			66	78,100
18	LESS: ADVANCE PROCUREMENT (PY)	0	0		(1,800)		(1,800)		(1,800)		0				(1,800)
19	ADVANCE PROCUREMENT (CY)	0	1,800		4,300		4,300		4,300		0				4,300
MODIFICATION OF MISSILES															
20	PATRIOT MODS	0	29,000		40,185		40,185		40,185		0				40,185
21	CHAPARRAL MODS	0	31,228		8,129		8,129		8,129		0				8,129
22	HAWK MODS	0	35,671		27,592		27,592		27,592		0				27,592
23	TOW MODS	0	18,021		19,097		19,097		34,297		(15,200)		15,200		34,297
24	DRAGON MODS	0	7,258		17,281		17,281		17,281		0				17,281
25	LANCE MODS	0	0		15,359		15,359		15,359		0				15,359
26	PERSHING MODS	0	9,293		980		980		980		0				980
27	MLRS MODS	0	4,506		32,860		32,860		32,860		0				32,860
28	AN/TSQ-73 MODS	0	0		1,289		1,259		1,289		0				1,289
SPARES AND REPAIR PARTS											0				
29	SPARES AND REPAIR PARTS	0	246,600		254,302		254,302		254,302		0				254,302
30	AIR DEFENSE TARGETS	0	21,363		22,076		22,076		22,076		0				22,076
31	ITEMS LESS THAN $2.0M (MISSILES)	0	1,740		2,148		2,148		2,148		0				2,148
32	PRODUCTION BASE SUPPORT	0	11,574		9,035		9,035		9,036		0				9,035
	TOTAL MISSILE PROCUREMENT ARMY		2,320,751		2,586,600		2,686,700		2,541,800		144,900		18,600		2,605,200

Army tactical missile system

The amended budget request contained $76.3 million to procure 66 Army Tactical Missiles Systems (ATACMS) in fiscal year 1989 and $4.3 million for advance procurement in fiscal year 1990.

The House bill would authorize the requested levels, but included a provision (Sec. 111(b)) that would restrict the obligation of certain funds until the Secretary of Defense certified that the total requirement for ATACMS had been established and submitted a report outlining the requirement and the associated acquisition strategy.

The Senate amendment would authorize the requested levels and would impose no obligation restrictions.

The House recedes.

The conferees support the ATACMS program, but believe that the Department of the Army should conduct an analysis of total requirements for the system. The Department is directed to conduct that analysis and provide the results to Congress with the submission of the fiscal year 1990 budget request.

The conferees understand that the Army could save approximately $12 million in future budgets if all of the fuzes for ATACMS submunitions could be procured at economic production rates. The conferees invite the Army to proceed with any administrative actions possible to achieve those savings. If legislative relief is required, the conferees direct the Army to propose such changes at the time the fiscal year 1990 budget request is submitted.

WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $2,960.6 million for Army weapons and tracked combat vehicles. The House bill would authorize $2,966.1 million. The Senate amendment would authorize $2,959.2 million. The conferees recommend authorization of $2,915.1 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

				-----Revised------		-----House------		-----Senate------				---Conference---		---Conference---	
P-1		FY 1988 Estimate		FY 1989 Request		Authorization		Authorization		House +/- Senate		Change to Request		Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	PROCUREMENT OF W&TCV,ARMY														
	TRACKED COMBAT VEHICLES														
1	CARRIER, COMMAND POST LIGHT, FT, M577A2	0	0				0		0		0				0
2	BRADLEY FIGHTING VEHICLES (MYP)	586	694,926	581	714,100	550	694,100	581	714,100	(31)	(20,000)			581	714,100
2	LESS: ADVANCE PROCUREMENT (PY)	0	(13,926)		(31,900)		(31,900)		(31,900)		0				(31,900)
3	ADVANCE PROCUREMENT (CY)	0	35,600		31,800		31,800		31,800		0				31,800
3a	BRADLEY PRIOR YEAR SAVINGS												(30,000)		(30,000)
4	BRADLEY FVS TRAINING DEVICES	0	0				0		0		0				0
5	BRADLEY FVS TRAINING DEVICES (MOD)	0	5,900		3,800		3,800		3,800		0				3,800
6	FIELD ARTILLERY AMMUNITION SUPPORT VEH	48	28,700				0		0		0				0
7	RECOVERY VEHICLE, MED, FT, M88A1	0	0	80	107,900	80	102,900	80	107,900		(5,000)		(5,000)	80	102,900
7	LESS: ADVANCE PROCUREMENT (PY)	0	0		(24,100)		(24,100)		(24,100)		0				(24,100)
8	ADVANCE PROCUREMENT (CY)	0	24,100		22,300		22,300		22,300		0				22,300
9	ABRAMS TANK SERIES ROLL (MYP)	645	1,624,266	545	1,366,672	545	1,366,672	545	1,366,672		0			545	1,366,672
9	LESS: ADVANCE PROCUREMENT (PY)	0	(173,116)		(235,072)		(235,072)		(235,072)		0				(235,072)
10	ABRAMS ADVANCE PROCUREMENT (CY)	0	166,000		212,100		252,100		256,200		(4,100)		40,000		252,100
10a	M-1 TANK PRIOR YEAR SAVINGS												(26,600)		(26,600)
11	M60 SERIES TANK TRAINING DEVICES	0	0		14,500		0		0		0		(14,500)		0
12	M1 SERIES TANK TRAINING DEVICES	0	4,700				0		0		0				0
	MODIFICATION OF TRACKED COMBAT VEHICLES														
13	CARRIER, MOD	0	36,300		38,500		38,500		38,500		0				38,500
14	FIST VEHICLE (MOD)	0	0				0		0		0				0
15	BFVS SERIES (MOD)	0	45,100		62,900		62,900		62,900		0				62,900
16	HOWITZER, MED SP FT 155MM M109 SER(MOD)	0	1,374		42,726		42,726		25,226		17,500		(4,500)		38,226
16	LESS: ADVANCE PROCUREMENT (PY)	0	0		(12,726)		(12,726)		(12,726)		0				(12,726)
17	ADVANCE PROCUREMENT (CY)	0	12,726				0		0		0				0
18	TANK, COMBAT, 105MM, GUN, M60SER (MOD)	0	80,100		9,900		9,900		0		9,900		(9,900)		0
19	TANK, M1 SERIES (MOD)	0	30,200				0		0		0				0
20	9WW	0	700		600		600		600		0				600
21	MOB TNG BASE EQUIP	0	0				0		0		0				0
22	HOST NATION SUPPORT	0	29,700		13,038		13,038		13,038		0				13,038
	SUPPORT EQUIPMENT AND FACILITIES														
23	SPARES AND REPAIR PARTS	0	381,100		400,500		400,500		400,500		0				400,500
24	ITEMS LESS THAN $2.0M (TCV-WTCV)	0	1,900		2,700		2,700		2,700		0				2,700
25	PRODUCTION BASE SUPPORT (TCV-WTCV)	0	28,731		40,829		40,829		31,029		9,800				40,829
26	REGIONAL MAINTENANCE TRAINING SITES-EQUI	0	17,100		16,200		16,200		16,200		0				16,200

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	-----Revised------ FY 1989 Request Quantity	FY 1989 Request Amount	-----House------ Authorization Quantity	Authorization Amount	-----Senate------ Authorization Quantity	Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	---Conference--- Change to Request Quantity	Change to Request Amount	---Conference--- Authorization Quantity	Authorization Amount
	WEAPONS AND OTHER COMBAT VEHICLES										0				
27	9MM POW COMPETITION	0	0				0		0		0				0
28	HOWITZER, LIGHT, TOWED, 105MM, M119	76	29,900	88	28,800	88	28,800	88	20,000		8,800		0	88	28,800
29	HOWITZER, MED, TOWED, 155MM, M198	0	0				0		0		0				0
30	MACHINE GUN, 7.62MM, M60	0	0				0		0		0				0
31	SQUAD AUTOMATIC WEAPON (SAW) 5.56MM	6,400	12,100	6,175	11,500	6,175	11,500	6,175	11,500		0			6,175	11,500
32	GRENADE LAUNCHER, AUTO, 40MM, MK19-3	0	1,000	800	12,000	800	12,000	800	12,000		0			800	12,000
33	LAUNCHER, SMOKE GRENADE	3,088	1,900	2,435	1,600	2,435	1,600	2,435	1,600		0			2,435	1,600
34	MORTAR, 81MM, M252	0	0				0		0		0				0
35	MORTAR, 120MM	0	0				5,000		0		5,000		5,000		5,000
36	M16 RIFLE	60,000	26,100	49,800	22,300	49,800	22,300	49,800	22,300		0			49,800	22,300
37	SNIPER WEAPON SYSTEM	500	1,900	600	1,900	500	1,900	500	1,900		0			500	1,900
38	PERSONAL DEFENSE WEAPON, 9MM	23,418	6,300	33,078	7,000	33,078	7,000	33,078	7,000		0			33,078	7,000
39	VEH RAPID FIRE WPN SYS-BUSHMASTER (MYP)	852	32,500	853	32,600	853	32,600	853	32,600		0			853	32,600
39	LESS: ADVANCE PROCUREMENT (PY)	0	(10,100)		(3,100)		(3,100)		(3,100)		0				(3,100)
40	ADVANCE PROCUREMENT (CY)	0	2,100		2,400		2,400		2,400		0				2,400
41	M16A1 RIFLE MODS	0	6,400		1,800		1,800		1,800		0				1,800
42	MODIFICATIONS LESS THAN $2.0M (WOCV-WTCV	0	4,600		4,500		4,500		4,500		0				4,500
43	SPARES AND REPAIR PARTS	0	12,500		26,500		26,500		26,500		0				26,500
44	ITEMS LESS THAN $2.0M (WOCV-WTCV)	0	3,300		4,200		4,200		4,200		0				4,200
45	PRODUCTION BASE SUPPORT (WOCV-WTCV)	0	16,706		9,333		9,333		24,333		(15,000)				9,333
			---------		---------		---------		---------		---------		---------		---------
	TOTAL WEAPONS AND TRACKED COMBAT VEHICLE		3,207,187		2,960,600		2,966,100		2,959,200		6,900		(45,500)		2,915,100

M1 tanks

The amended budget request contained $1,131.6 million to procure 545 M1 tanks and $212.1 million for advance procurement for fiscal year 1990. Subsequent to the budget submission, the Army determined that it intends to keep the M1 tank in production, to replace all current M60 tanks in the National Guard with M1s, and to retrofit early model M1s with the 120mm cannon.

The House bill would endorse this plan, authorize $1,131.6 million for tank procurement for the Army and $252.1 million for advance procurement, and direct the Army to enter into a five-year multiyear contract for 3,000 tanks, subject to the restrictions specified in section 114 of the House bill. The House report (H. Rept. 100-563) directed the Secretary of Army to report on the plan to equip the National Guard with M1 tanks. The House report further specified that the Army may not enter into the multiyear contract until the Secretary of Defense certifies that sufficient funds have been budgeted in the Five Year Defense Program for fiscal years 1990 to 1994 to support the new acquisition strategy.

The Senate amendment would authorize $1,131.6 million for procurement in fiscal year 1989 an $256.2 million for advance procurement. It would also specify that the Army should consider a multiyear contract for continued production. The Senate amendment would also endorse the Army's plans for modernizing the National Guard and would authorize $15 million to modify facilities to initiate modification of early model M1 tanks with the 120mm smoothbore cannon.

The conferees recommend an authorization of $1,131.6 million for procurement in fiscal year 1989 and $252.1 million for advance procurement. The conferees direct the Army to proceed with a multiyear contract for up to 3,000 tanks, subject to the conditions specified in section 102. The conferees also support the directive certification requirements associated with the M1 tank multiyear program as outlined in the House report (H. Rept. 100-563).

Prior year funding availability

The conferees recommend a reduction of $56.6 million in Weapons and Tracked Combat Vehicles because of the availability of prior year funds which are no longer required for their original purpose. The conferees understand that $26.6 million appropriated to procure M1 tanks and $30 million to procure M2 fighting vehicles is excess to original requirements and is available either to be transferred or rescinded.

AMMUNITION, ARMY

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $2,007.8 million for Army ammunition. The House bill would authorize $2,051.6 million. The Senate amendment would authorize $2,035.5 million. The conferees recommend authorization of $2,064 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	-----Revised------ FY 1989 Request Quantity	Amount	-----House------ Authorization Quantity	Amount	-----Senate------ Authorization Quantity	Amount	House +/- Senate Quantity	Amount	---Conference--- Change to Request Quantity	Amount	---Conference--- Authorization Quantity	Amount
	PROCUREMENT OF AMMUNITION, ARMY														
1	NUCLEAR WEAPONS SUPPORT MATERIEL	0	2,366		8,874		8,874		8,874		0				8,874
2	PROJ, 155MM XM				[ ]		[ ]		[ ]		0				[ ]
3	CTG, 5.56MM, ALL TYPES	0	0		57,139		78,239		57,139		21,100		21,100		78,239
4	CTG, 5.56MM, BALL M193	57,542	8,181				0		0		0				0
5	CTG, 5.56MM, TRACER	9,496	2,200				0		0		0				0
6	CTG, 5.56MM, TRACER CLIP	4,886	1,182				0		0		0				0
7	CTG, 5.56MM, BLANK M200	155,915	16,263				0		0		0				0
8	CTG, 5.56MM, BLK M200, LKD F/SAW	32,209	5,914				0		0		0				0
9	CTG, 5.56MM, 4 BALL M855/1 TRCR M856 LKD	0	0				0		0		0				0
10	CTG, 5.56MM BALL M16-A2	36,490	8,082				0		0		0				0
11	CTG, 5.56MM, PLASTIC M862	8,000	2,661				0		0		0				0
12	CTG, 5.56MM TRACER M16-A2	16,190	4,929				0		0		0				0
13	CTG, 7.62MM ALL TYPES	0	0		37,325		51,825		37,325		14,500		14,500		51,825
14	CTG, 7.62MM, 4 BALL M80/1 TRCR M62 LKD	52,360	14,291				0		0		0				0
15	CTG, 7.62MM, BALL M80 LKD/M13	0	0				0		0		0				0
16	CTG, 7.62MM, LKD 4 BALL ITRACER OHF	0	0				0		0		0				0
17	CTG, 7.62MM, BLANK M82 LKD/M13	52,683	13,010				0		0		0				0
18	CTG, CAL .45, BALL M1911	11,540	1,281	12,360	1,325	12,360	1,325	12,360	1,325		0			12,360	1,325
19	CTG, CAL .50, PLASTIC LKD 4 BALL/1 TRACE	1,810	2,267	2,765	2,980	2,765	2,980	2,765	2,980		0			2,765	2,980
20	CTG, CAL .50, LKD 4 BALL/1 TRCR W/M15A2L	0	0				0		0		0				0
21	CTG, CAL .50 BALL LKD W/M9 LINK	0	0				0		0		0				0
22	CTG, CAL .50 BLANK T928 W/M9 LK	0	0	227	198	227	198	227	198		0			227	198
23	CTG, 20MM, LKD TP-T M220 SERIES MLB M14A	3,701	12,616	1,904	6,337	1,904	6,337	1,904	6,337		0			1,904	6,337
24	CTG, 20MM, LKD 4 TP M55A2/1TP-T M220	1,388	4,041	1,004	2,871	1,004	2,871	1,004	2,871		0			1,004	2,871
25	CTG, 25MM, HEI-T M792 W/F	0	0				0		0		0				0
26	CTG, 25MM, TPT LKD M793 MLB M28	1,080	11,039	1,145	10,232	1,145	10,232	1,145	10,232		0			1,145	10,232
27	CTG, 25MM AP TRAINING RD	602	15,000	2,354	45,164	2,354	45,164	2,354	45,164		0			2,354	45,164
28	CTG, 30MM, LKD TP M788	0	0	634	6,021	634	6,021	634	6,021		0			634	6,021
29	CTG, 40MM, ALL TYPES	0	0		30,643		30,643		30,643		0				30,643
30	CTG 40MM HEDP M430	428	4,856				0		0		0				0
31	CTG 40MM TP F/MK19	2,376	28,485				0		0		0				0
32	CTG 40MM GREEN STAR PARACHUTE	128	2,267				0		0		0				0
33	CTG, 40MM, PRAC M781	1,838	3,154				0		0		0				0
34	CTG 40MM WHITE STAR CLUSTER M585 F/LCHR	277	6,505				0		0		0				0
35	CTG 40MM RED STAR PARA M662 F/LCHR M79/M	93	1,676				0		0		0				0
36	CTG, 40MM TACTICAL CS M651	146	2,563				0		0		0				0
37	CTG 60MM ILLUM XM721	48	7,787				0		0		0				0
38	CTG 60MM SMOKE WP XM722	43	4,533	36	4,061	36	4,061	36	4,061		0			36	4,061
39	CTG, 60MM,HE M720W/M734 MOF	304	26,809				0		0		0				0
40	60MM METAL PARTS	0	9,600				0		0		0				0
41	CTG 81MM ILLUM XM853	0	0				0		0		0				0
42	CTG, 81MM HE, M821	274	60,222				0		0		0				0

P-1 LINE	ITEM	FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
43	CTG, 81MM: SMOKE, RP, XM819	0	0				0		0		0				0
44	CTG, 81MM; 1/10 RNG, PRAC,M880	34	4,830	19	4,471	19	4,471	19	4,471		0			19	4,471
45	CTG, 4.2 IN M3 M329 HE W/FUZE PD	180	19,712	200	20,000	200	20,000	200	20,000		0			200	20,000
46	CTG, 4.2 IN MORTAR ILLUMINATING	0	0	193	37,435	193	37,435	193	37,435		0			193	37,435
47	CTG, 120MM MORTAR HE, XM933	0	0				0		0		0				0
47a	CTG, 120MM MORTAR, ALL TYPES						35,000		0		35,000		35,000		35,000
48	CTG, 120MM MORTAR HE W/PD FUZE	14	4,435				0		0		0				0
49	CTG, 120MM MORTAR ILLUM, XM930	0	0				0		0		0				0
50	CTG, 120MM MORTAR SMOKE,XM929	0	0				0		0		0				0
51	CTG, 120MM MORTAR TNG 1/10	16	2,070				0		0		0				0
52	CTG, 105MM, BLANK M395	127	3,154				0		0		0				0
53	CTG, 105MM, M314A3 SER ILLUM W/F F/HOWIT	84	18,530				0		0		0				0
54	CTG, 105MM, TP-T, M490	41	4,928	120	14,893	120	14,893		0	120	14,893	(120)	(14,893)		0
55	CTG, 105MM, DS-TP M724	162	25,448	176	25,767	176	25,767	176	25,767		0			176	25,767
56	CTG, 105MM, APFSDS-T M833	51	32,526				0		0		0				0
57	CTG, 105MM, APFSDS-T, (XM900E1)	0	0				0	16	30,906	(16)	(30,906)	16	30,906	16	30,906
58	CTG, 120MM APFSDS-T M829	79	77,273	57	130,614	57	130,614	57	130,614		0			57	130,614
59	CTG, 120MM HEAT-MP-T,M830(MYP)	31	53,026	17	29,501	17	29,501	17	29,501		0			17	29,501
60	CTG, 120MM TP-T M831 (MYP)	68	63,573	50	44,240	50	44,240	50	44,240		0			50	44,240
61	CTG, 120MM TPCSDS-T, M865(MYP)	114	83,680	117	75,659	117	75,659	117	75,659		0			117	75,659
62	CTG, SUBCAL 35MM F/TANK	40	1,971	112	5,493	112	5,493	112	5,493		0			112	5,493
63	PROJ 155MM, HE, ICM, M483	235	98,735	221	103,238	221	103,238	221	103,238		0			221	103,238
64	M42/M46 GRENADE PARTS FOR M483	0	13,300				13,000		0		13,000		13,000		13,000
65	PROVE-OUT M483	0	5,600				0		0		0				0
66	PROJ, 155MM ILLUM M485 W/O FUZE	190	43,565				0		0		0				0
67	PROJ, 155MM WP SMOKE XM761/M825	65	23,404	60	19,459	60	19,459	60	19,459		0			60	19,459
68	PROJ, 155MM, HE, ADAM, M731	7	29,700	13	51,525	13	51,525	13	51,525		0			13	51,525
69	PROJ, 155MM, HE, RAAMS M718	9	16,000	19	22,300	19	22,300	19	22,300		0			19	22,300
70	PROJ, 155MM, HE, RAAMS M741	0	0	18	21,200	18	21,200	18	21,200		0			18	21,200
71	PROJ, 155MM DP BASEBLEED XM864	91	70,125	149	111,677	149	111,677	169	127,377	(20)	(15,700)	20	15,700	169	127,377
72	PROJ, 155M, HE, COPPERHEAD (EA)	2,900	117,860				0		0		0				0
73	CLASSIFIED PROJECT				[ ]		[ ]		[ ]		0				[ ]
74	PROJ, 155MM, TRAINING, M804	113	14,489	121	15,690	121	15,690	121	15,690		0			121	15,690
75	CHARGE, PROPELLING, M155MM, GREEN BAG M3	0	0				0		0		0				0
76	CHARGE, PROPELLING, 155MM, RED BAG M203	242	108,911	274	129,663	274	129,663	285	134,663	(11)	(5,000)	11	5,000	285	134,663
77	CHARGE, PROPELLING, M155MM, RED BAG M119	215	19,713	279	29,100	279	29,100	279	29,100		0			279	29,100
78	CTG, 155MM, TP M623	0	0				0		0		0				0
79	PROJ, 8-INCH, ANTI-ARMOR (SADARM) XM836	0	0				0		0		0				0
80	PROJ, 8 IN HE ICM M509A1	0	0				0		0		0				0
81	PROJ, 8 IN HE RAP M650	43	42,382	36	37,005	36	37,005	36	37,005		0			36	37,005
82	FUZE, PROXIMITY, M732	0	0				0		0		0				0
83	FUZE, PD M739/M739A1	0	0				0		0		0				0
84	FUZE, MTSQ M577/M577A1	755	43,171	75	5,644	75	5,644	75	5,644		0			75	5,644
85	FUZE, MTSQ M582/M582A1	195	11,729	132	10,329	132	10,329	132	10,329		0			132	10,329
86	FUZE, ET XM762	0	0	161	23,162	161	23,162	161	23,162		0			161	23,162
87	PRIMER, PERC, M82	1,472	2,562	362	706	362	706	362	706		0			362	706
88	TRAINING DEVICE, MINE SYSTEM	0	5,026		198		198		198		0				198

P-1 LINE	ITEM	FY 1988 Estimate		-----Revised----- FY 1989 Request		-----House----- Authorization		-----Senate----- Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
89	GROUND IMP MINE SCAT SYS AT M75(MYP)	75	16,000	24	5,023	24	5,023	24	5,023		0			24	5,023
90	CANISTER MINE PRACTICE XM88 (VOLCANO)	1	677	8	2,411	8	2,411	8	2,411		0			8	2,411
91	CANISTER MINE (VOLCANO) XM87	12	18,697	48	73,902	48	73,902	48	73,902		0			48	73,902
92	ROCKET, MTR MK22 F/MICLIC USMC M58A1	1,311	6,000	2,302	7,833	2,302	7,833	2,302	7,833		0			2,302	7,833
93	LINE CHARGE M58A3 (MICLIC)	1,975	20,573	3,679	35,724	3,679	35,724	3,679	35,724		0			3,679	35,724
94	MINE AT XM84	0	0				0		0		0				0
95	MODULAR PACK MINE SYSTEM	3,171	61,849	3,678	33,050	3,678	33,050	3,678	33,050		0			3,678	33,050
96	PURSUIT DERERRENT MUNITION (SOF)	53	12,123				0		0		0				0
97	DEMOLITION MUNITIONS & OTHER	0	28,189		22,442		22,442		22,442		0				22,442
98	LINEAR SHAPED CHARGE (SOF)	6,000	296	73,000	2,808	73,000	2,808	73,000	2,808		0			73,000	2,808
99	CTG, 105MM HERA XM913	0	0				0		0		0				0
100	LIGHTWEIGHT MULTI-PURPOSE WEAPON	74	60,136	77	71,564	77	71,564	77	71,564		0			77	71,564
101	LIGHT WGT MULTI PURPOSE SYSTEM TRNR	0	0	5,591	3,253	5,591	3,253	5,591	3,253		0			5,591	3,253
102	HYDRA 70 RKT HE W/M433 RS FUZE	18	7,786	39	16,645	39	16,645	39	16,645		0			39	16,645
103	HYDRA 70 RKT, ILLUM M257 WHD	0	0				0		0		0				0
104	HYDRA 70 RKT, SMOKE, XM264	0	0				0		0		0				0
105	HYDRA 70 RKT, MPSM PRAC M267 WHD	27	14,095	8	3,786	8	3,786		0	8	3,786	(8)	(3,786)		0
106	HYDRA 70 RKT, HE/PD (M151/M423/MK66)	21	6,899	17	5,191	17	5,191		0	17	5,191	(17)	(5,191)		0
107	HYDRA 70 RKT, XM274 SIG PRACTICE	105	30,000	154	44,340	154	44,340	154	44,340		0			154	44,340
108	GRENADE, ALL TYPES	0	1,675	0	6,886		6,886		6,886		0				6,886
109	GRENADE LNHR SMK SCR RED PHOS UK L8A3J80	0	0				0		0		0				0
110	GRENADE LAUNCHER SMK IR SCREENING M76	168	8,738				0		0		0				0
111	SIGNALS, ALL TYPES	0	15,967		1,233		1,233		1,233		0				1,233
112	SIMULATORS, ALL TYPES	0	6,406		4,083		4,083		4,083		0				4,083
113	AMMO COMPONENTS/SUPPORT, ALL TYPES	0	21,684		27,383		27,383		27,383		0				27,383
114	CAD/PAD	0	4,731		6,778		6,778		6,778		0				6,778
115	ITEMS LESS THAN $2.0M (MISC-AMMO)	0	7,295		10,947		10,947		10,947		0				10,947
116	SPARES AND REPAIR PARTS	0	986		2,483		2,483		2,483		0				2,483
117	AMMUNITION PECULIAR EQUIPMENT	0	8,870		8,940		8,940		8,940		0				8,940
118	NITROGUANIDINE (LB)	0	12,814		15,767		15,767		15,767		0				15,767
119	WAR RESERVE STOCKPILING(EXPL/PROPELLANTS	0	0		35,000		35,000		35,000		0		(35,000)		0
120	AMMO SWW/ELT	0	2,858		2,781		2,781		2,781		0				2,781
121	HOST NATION SUPPORT	0	0		29,105		29,105		29,105		0				29,105
122	PROVISION OF INDUSTRIAL FACILITIES	0	137,561		172,831		172,831		172,831		0				172,831
123	COMPONENTS FOR PROVE-OUT	0	8,264		14,403		14,403		14,403		0				14,403
124	LAYAWAY OF INDUSTRIAL FACILITIES	0	19,417		19,623		19,623		19,623		0				19,623
125	RDX FACILITY	0	262,700				0		0		0				0
126	JEFFERSON PROVING GROUND MODERNIZATION	0	0		993		993		993		0				993
127	MODERNIZATION PROJECTS	0	0				0		0		0				0
999	CLASSIFIED PROGRAMS	0	137,199		138,453		73,653		138,453		(64,800)		(20,100)		118,353
	AMMUNITION-GENERAL INCREASE						25,000		0		25,000		0		0
	TOTAL AMMUNITION ARMY		2,273,692		2,007,800		2,051,600		2,035,536		16,064		56,236		2,054,036

OTHER PROCUREMENT, ARMY

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $4,774 million for Army other procurement. The House bill would authorize $4,242.8 million. The Senate amendment would authorize $4,781.2 million. The conferees recommend authorization of $4,580.3 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	OTHER PROCUREMENT, ARMY														
	TACTICAL AND SUPPORT VEHICLES														
1	TACTICAL TRAILERS/DOLLY SETS	0	26,399		21,697		21,697		21,697		0				21,697
2	MOTORCYCLE, GEO, 2W, ROUGH TERRAIN	2,117	7,648	1,138	4,271	1,138	4,271		0	1,138	4,271		0	1,138	4,271
3	SEMITRAILER FB BB/CONT TRANS 22 1/2 T	687	10,296	1,720	25,764	1,720	25,764	1,720	25,764		0			1,720	25,764
4	SEMITRAILER FB BB/CONT TR 34T M872 C/S	0	0	68	2,069	68	2,069	68	2,069		0			68	2,069
5	SEMITRAILER LB 40T M870A1 (CCE)	323	6,766	318	6,601	318	6,601	318	6,601		0			318	6,601
6	SEMITRAILER, TANK, 5000G	100	6,373	341	21,477	341	21,477	341	21,477		0			341	21,477
7	SEMITRAILER, TANK, 7500G, BULKHAUL	363	10,983	328	10,246	328	10,246	328	10,246		0			328	10,246
8	SEMITRAILER VAN ELECTRONIC 3-6T 2W M373A	0	0	209	6,009	209	6,009	209	6,009		0			209	6,009
9	SEMITRAILER VAN CGO SUPPLY 12T 4WHL M129	0	0				0		0		0				0
10	HI MOB MULTI-PURP WHLD VEH (HMMWV)(MYP)	3,824	106,233	6,360	158,415	6,360	158,415	6,360	158,415		0			6,360	158,415
11	SMALL UNIT SUPPORT VEHICLE (SUSV)	242	38,046	51	8,794	51	8,794	51	8,794		0			51	8,794
12	TRUCK, 6T, 6X6, ABT (MYP)	3,865	277,260	3,104	224,454	3,104	224,454	3,104	224,454		0			3,104	224,454
13	HEAVY EQUIP TRANSPORTER	0	0	153	46,489	153	46,489	153	46,489		0			153	46,489
14	TRUCK, 10T, 8X8, ABT	1,467	239,297	1,523	239,300	1,523	239,300	1,523	239,300		0			1,523	239,300
14a	REPEAL TRUCK LEGISLATIVE PROVISION				[-239,300]		0		0		0				0
15	TRUCK, TRACTOR, LINE HAUL, M915A1	377	20,700	288	23,151	288	23,151	288	23,151		0			288	23,151
16	MODIFICATION OF IN-SERVICE EQUIPMENT	0	1,961		100		100		100		0				100
17	SHOP EQUIPMENT, AUTO MAINT & REP	144	1,176	211	1,872	211	1,872	211	1,872		0			211	1,872
18	ITEMS LESS THAN $2.0M (TAC VEH)	0	1,908		569		569		569		0				569
19	PASSENGER CARRYING VEHICLES	382	11,570	185	2,197	185	2,197	185	2,197		0			185	2,197
20	GENERAL PURPOSE VEHICLES	660	13,434	23	1,286	23	1,286	23	1,286		0			23	1,286
21	TRUCK, CARGO, PICKUP, 4X2	454	4,021	45	400	45	400	45	400		0			45	400
22	TRUCK, CARRYALL	264	3,628	21	300	21	300	21	300		0			21	300
23	SPECIAL PURPOSE VEHICLES	206	7,157	783	13,824	783	13,824	783	13,824		0			783	13,824
24	SPARES AND REPAIR PARTS	0	48,300		75,696		75,696		75,696		0		(33,000)		42,696
25	PRODUCTION BASE SUPPORT (TAC)	0	1,765		690		690		690		0				690
	NBC VEHICLE						0		0		0		10,000		10,000
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT														
26	JCSE EQUIPMENT (CINCFOR)	0	3,689		43,029		43,029		43,029		0				43,029
27	CLASSIFIED PROJECT 9WW	0	9,709		7,627		7,627		7,627		0				7,627
28	TRI-TAC EQUIPMENT	0	145,500		115,731		43,631		115,731		(72,100)		(36,200)		79,531
29	RPTR/TERM ASSMBLGS	0	0				0		0		0				0
30	RADIO TERMINALS AN/TRC-170	0	0				0		0		0				0
31	MAINTENANCE SYSTEM AN/ARM-164	0	0				0		0		0				0
32	COM SYS CON EL AN/TYQ-16	0	0				0		0		0				0
33	ANDVT-TAC TERM, CV-3591	0	0				0		0		0				0
34	MOB SUBSCRIBER EQUIP	0	1,019,800		995,700		995,700		995,700		0				995,700
35	MOD OF IN-SVC EQ (TRI-TAC)	0	12,426		23,077		23,077		23,077		0				23,077
36	SINCGARS FAMILY	0	23,499		267,177		113,177		267,177		(154,000)		(44,300)		222,877
37	HAND CRANK GENERATOR, G-76	0	0				0		0		0				0

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	-----Revised------ FY 1989 Request Quantity	FY 1989 Request Amount	-----House------ Authorization Quantity	Authorization Amount	-----Senate------ Authorization Quantity	Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	---Conference--- Change to Request Quantity	Change to Request Amount	---Conference--- Authorization Quantity	Authorization Amount
38	IMP HF RADIO FAMILY	0	7,000				0		0		0				0
39	OPTICAL LONG HAUL TRAN SYS	0	9,906				0		0		0				0
40	POWER SUPPLY, PP-6148/U (SOF)	0	2,160				0		0		0				0
41	SOF MOD RADIOS (SOF)	0	2,485		6,334		6,334		6,334		0				6,334
42	ANTENNA GROUP OE-254	9,000	6,049				0		0		0				0
43	SMALL UNIT TRANSCEIVER	2,442	4,546	2,894	4,692	2,894	4,692	2,894	4,692		0			2,894	4,692
44	SMALL UNIT TRANSCEIVER (SOF)	61	114	61	99	61	99	61	99		0,			61	99
45	MOD OF IN-SVC EQUIP (CSC)	0	955		6,303		6,303		6,303		0				6,303
46	SWASIA COMM INFRASTRUCTURE	0	31,455		11,513		11,513		11,513		0				11,513
47	ITEMS LESS THAN $2.0M (CSC-C-E)	0	5,602		2,728		2,728		2,728		0				2,728
48	SOF ITEMS UNDER $2.0 MILLION (CSC-C-E)	0	1,400		1,000		1,000		1,000		0				1,000
49	SPEC OPS COMM SUP ELMT (SOF)	0	0				0		0		0				0
50	AR TELECOM AUTO PR (ATCAP)	0	5,436		4,573		4,573		4,573		0				4,573
51	C-E FACILITIES/PROJECTS	0	4,660		2,912		2,912		2,912		0				2,912
52	SOUTHCOM C3 UPGRADE	0	8,107				0		0		0				0
53	ELECTROMAG COMP PROG(EMCP)	0	0				0		0		0				0
54	TRANSMISSION MEDIA (EUCOM)	0	0				0		0		0				0
55	TRANSMISSION MEDIA (PACOM)	0	0				0		0		0				0
56	WW TECH CON IMP PR(WWTCIP)	0	0				0		0		0				0
57	DIGITAL EQUIPMENT (DSCS)	0	14,271		7,000		7,000		7,000		0				7,000
58	INTERCONNECT FACILITY (DSCS)	0	3,787		3,000		3,000		3,000		0				3,000
59	JAM RESISTANT SECURE COM (JRSC)	0	8,931		3,000		3,000		3,000		0				3,000
60	DSCS OPERATIONS CONTROL SYS (DOCS)	0	63,299		42,442		42,442		42,442		0				42,442
61	MOD IN-SVC EQUIP (DSCS)	0	1,262		3,300		3,300		3,300		0				3,300
62	MPK SAT UHF TERM, AN/PSC-3 (SOF)	202	4,078	52	1,291	52	1,291	52	1,291		0			52	1,291
63	VEH SAT UHF TERM, AN/VSC-7 (SOF)	30	1,128	16	588	16	588	16	588		0			16	588
64	SINGLE CHANNEL OBJECT TACT TERM (SCOTT)	0	1,165	18	55,100		0	18	55,100	(18)	(55,100)		(18,600)	18	36,500
65	MOD IN-SVC EQUIP (TAC SAT)	0	3,398		3,422		3,422		3,422		0				3,422
66	EUCOM C3 (NWS)	0	16,213				0		0		0				0
67	PACOM C3(NWS)	0	19,417				0		0		0				0
68	EUCOM ALTERNATE SPT HQ (ASH)	0	0				0		0		0				0
69	USAREUR TACTICAL COMD & CONTROL SYS(UTAC	0	9,126		5,845		5,845		5,845		0				5,845
70	IFF COMSEC	0	4,466		4,791		4,791		4,791		0				4,791
71	TRUNK ENCRYPTION DEVICES (TED)	0	9,999		6,626		6,626		6,626		0				6,626
72	MINTERM KY-99	0	0				0		0		0				0
73	BATTLEFIELD ELEC COEI SYS (BECS)	0	0		22,903		22,903		22,903		0				22,903
74	AUTO KEY DC KGX-93/TSEC	0	1,068		978		978		978		0				978
75	SEC VO IMPRV PRG (COMSEC)	0	19,029		22,700		22,700		22,700		0				22,700
76	DED LOOP ENCRYP DEV KG-84	0	16,407		8,621		8,621		8,621		0				8,621
77	TNK ENCRP DEV TSEC/KG-93	0	0				0		0		0				0
78	TSEC/KG-94	0	0				0		0		0				0

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
79	ADDS COMSEC KEY GENERATOR (KG-87)	0	0		294		294		294		0				294
80	COMSEC MODULE, TSEC/KGV-13	0	5,000		6,160		6,160		6,160		0				6,160
81	FREQ MODULE, KGV-10/TSEC	19,184	6,505	31,395	10,837	31,395	10,837	31,395	10,837		0			31,395	10,837
82	TEMPEST (COMSEC)	0	1,165				0		0		0				0
83	ADDS COMSEC KOK-13	0	194		98		98		98		0				98
84	ADDS COMSEC SECURE MODULE (THORNTON KGV-	0	0				0		0		0				0
85	TSEC/KGV-11/SECURE MODULE	0	388				0		0		0				0
86	ITEMS UNDER $2.0 MILLION (COMSEC)	0	3,862		3,125		3,125		3,125		0				3,125
87	ITEMS UNDER $2.0 MILLION (COMSEC) SOF	0	200		200		200		200		0				200
88	INFORMATION SYSTEMS CONUS/WESTERN HEMISP	0	20,000		14,058		14,058		14,058		0				14,058
89	LOCAL AREA NETWORK (LAN)	0	0				0		0		0				0
90	INFORMATION SYSTEMS (EUCOM)	0	8,738		3,890		3,890		3,890		0				3,890
91	INFORMATION SYSTEMS (PACOM)	0	7,961		7,018		7,018		7,018		0				7,018
92	ARMY OPNS CTR	0	0				0		0		0				0
93	PENTAGON TELECOM CTR (PTC)	0	0				0		0		0				0
94	CALIBRATION SETS EQUIPMENT	0	17,461		21,852		21,852		21,852		0				21,852
95	TMDE MODERNIZATION	0	14,951		16,826		16,826		16,826		0				16,826
96	4TH PSYOP GROUP (SOF)	0	12,136		11,245		11,245		11,245		0				11,245
97	ALL SOURCE ANALYSIS SYSTEM (ASAS)-TIARA	0	34,600		23,143		23,143		23,143		0				23,143
98	SINGLE SOURCE PROCESSOR - SIGINT	0	3,810		4,610		4,610		4,610		0				4,610
99	HIGH FREQUENCY COMINT SYSTEM (HF COMINT)	0	0	1	27,156	1	27,156	1	27,156		0			1	27,156
100	COMMANDERS TACTICAL TERMINAL	0	12,388		22,980		0		22,980		(22,980)		(4,000)		18,980
101	TRAILBLAZER	0	0				0		0		0				0
102	TAC ELEC SURV SYS	0	3,397		4,693		0		4,693		(4,693)		0		4,693
103	MANPACK RADIO SYSTEM (MRDFS)	2	5,243	42	11,930	42	11,930	42	11,930		0			42	11,930
104	MOD IN-SVC EQ (INT SPT) TIARA	0	18,238		38,192		38,192		38,192		0				38,192
105	ITEMS LESS THAN $2.0M (INT SPT-C-E)	0	4,923		675		675		675		0				675
106	FT DEVENS TRAINING SUPPORT	0	0				0		0		0				0
107	TROJAN	0	25,436		4,470		4,470		4,470		0				4,470
108	ITEMS LESS THAN $2.0M (FCI/S&IA-C-E)	0	6,192		588		588		588		0				588
109	INTEL DATA HANDLING SYS (IDHS)	0	25,151		16,305		13,771		16,305		(2,534)		0		16,305
110	TECH RECON AND SURV SYS (TECRAS)	0	0				0		0		0				0
111	ITEMS LESS THAN $2.0M (FCI/S&IA-C-E)	0	0				0		0		0				0
112	ITEMS LESS THAN $2.0M (GDIP-C-E)	0	1,300		1,300		1,300		1,300		0				1,300
113	STARNET/VIABLE	0	0		9,041		9,041		9,041		0		(7,041)		2,000
114	BATTERY COMPUTER SYSTEM	0	0				0		0		0				0
115	AMC INFORMATION PROCESSING EQUIPMENT	0	13,000		25,723		13,023		25,723		(12,700)		(12,700)		13,023
116	ADV FIELD ARTILLERY TACT DATA SYS	0	26,000		57,715		0		0		0		(57,715)		0
117	ARMY DATA DISTRIBUTION SYSTEM-ADDS	0	100,000		74,491		17,491		74,491		(57,000)		(20,000)		54,491
118	TRADOC AUTOMATION	0	2,342		467		467		467		0				467
119	USAREUR TACTICAL AUTOMATION	0	0				0		0		0				0
120	LIFE CYCLE SOFTWARE SUP. (LCSS)	0	9,174		9,240		9,240		9,240		0				9,240
121	ADPE FOR NON TAC MGT INFO SYS	0	335				0		0		0				0
122	SUPERCOMPUTERS	0	40,078				0		0		0				0

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	-----Revised------ FY 1989 Request Quantity		-----House------ Authorization Quantity		-----Senate------ Authorization Quantity		House +/- Senate Quantity		---Conference--- Change to Request Quantity		---Conference--- Authorization Quantity	
					Amount		Amount		Amount		Amount		Amount		Amount
123	PROJECT 80X PHASE II	0	0				0		0		0				0
124	TRANS OF PERS PROP	0	0				0		0		0				0
125	EUSA-C3I INITIATIVES	0	0		8,605		8,605		8,605		0				8,605
126	STD ARMY AUTO CONTRACT SYS	0	0				0		0		0				0
127	HQ AUTOMATION SYSTEMS	0	20,389		9,206		9,206		9,206		0				9,206
128	IPE STAIRS	0	0				0		0		0				0
129	MEDICAL AUTOMATION SYSTEMS	0	2,233		1,564		1,564		1,564		0				1,564
130	PERSONNEL AUTOMATION SYSTEMS	0	10,000		11,288		11,288		11,288		0				11,288
131	TRAINING AUTOMATION SYSTEMS	0	2,427				0		0		0				0
132	LOGISTICS AUTOMATION SYSTEMS	0	9,529		7,433		7,433		7,433		0				7,433
133	RESERVE COMPONENT AUTOMATION SYSTEMS	0	23,100		34,700		34,700		12,500		22,200				34,700
134	FORWARD ENTRY DEVICE	0	22,815		17,800		17,800		17,800		0				17,800
135	MANUEVER CONTROL SYS	0	96,113		9,681		9,681		9,681		0				9,681
136	CORPS/THEATER ADP SVC CTR (CTASC)	0	9,475		7,601		7,601		7,601		0				7,601
	UNDISTRIBUTED REDUCTION, ADP												(22,200)		(22,200)
137	TACT ARMY CMBT COMPT SY(TACCS)	1,539	30,781	65	1,349	65	1,349	65	23,549		(22,200)		22,200	65	23,549
138	FWD AREA AIR DEFENSE CMD & CTL (FAAD C2)	0	0				0		0		0				0
139	POSITIVE HOSTILE ID	0	0		9,000		9,000		9,000		0				9,000
140	CSS LOG APPLC AUTO MARK/READ SYMBS(LOG M	0	21,222		7,533		7,533		7,533		0				7,533
141	WWMCCS INFORMATION SYSTEM (WIS)	0	2,445		18,329		18,329		18,329		0				18,329
142	AFRTS (AUDIO VISUAL)	0	5,049		5,258		5,258		5,258		0				5,258
143	ITEMS LESS THAN $2.0 (A/V-C-E)	0	9,126		5,169		5,169		5,169		0				5,169
144	TACTICAL ELEC NEWS GATHERING EQUIP	0	2,955		1,956		1,956		1,956		0				1,956
145	TACJAM, AN/MLQ-34	0	0				0		0		0				0
146	TACTICAL DECEPTION (TAC-D)	0	0		4,791		4,791		4,791		0				4,791
147	MOD IN-SVC EQUIP (EW)	0	2,815		11,343		11,343		11,343		0				11,343
148	ITEMS LESS THAN $2.0M (EW-C-E)	0	777		880		880		880		0				880
149	BATTERY CHARGER PP-7286/U	442	1,941				0		0		0				0
150	POWER SUPPLY, PP-6224	1,938	3,200	1,938	3,200	1,938	3,200	1,938	3,200		0			1,938	3,200
151	COMPUTER/INDICATOR, CP-696/PD	696	3,800	1,260	6,400	1,260	6,400	1,260	6,400		0			1,260	6,400
152	METEROLOGICAL DATA SYS (FAMAS)	2	1,068	5	4,000	5	4,000	5	4,000		0			5	4,000
153	PHYSICAL SECURITY EQUIPMENT	0	6,817		16,272		16,272		16,272		0				16,272
154	FACILITY INTRUSION DETECTION SYSTEM	1	5,339	6	10,316	6	10,316	6	10,316		0			6	10,316
155	NAVSTAR USER EQUIPMENT	0	23,787		14,783		14,783		14,783		0				14,783
156	POSITION AZIMUTH DETERMINING SYS (PADS)	68	21,650	74	15,400	74	15,400	74	15,400		0			74	15,400
157	NIGHT VISION GOGGLES	0	138,100		55,100		55,100		138,100		(83,000)		83,000		138,100
158	AIMING LIGHT INFRARED, AN/PAQ-4	0	1,456		1,956		1,956		1,956		0				1,956
159	NIGHT VISION SIGHT INDIV WPN AN/PVS-4	4,696	12,709	5,350	14,100	5,350	14,100	5,350	14,100		0			5,350	14,100
160	RADIAC SET AN/VDR-2	3,000	5,145	1,441	2,862	1,441	2,862	1,441	2,862		0			1,441	2,862
161	R°V TA/DESIGN AERIAL RECON SYS (TADARS)	0	0				0		0		0				0
162	UNMANNED AERIAL VEHICLE FAMILY	0	0				0		0		0				0
163	MULTI RADAR TRANSPONDER BECON (SOF)	0	0	57	4,401	57	4,401	57	4,401		0			57	4,401
164	JOINT STARS (ARMY)	0	31,892		37,860		0		0		0		(37,860)		0
165	ELECTRONIC MAINTENANCE SHOPS	0	11,553		3,716		3,716		3,716		0				3,716
166	TEST SET, RADAR, AN/TPM-25	78	2,524				0		0		0				0
167	MODIFICATION OF IN-SERVICE EQ (TAC EL)	0	32,500		26,700		26,700		26,700		0				26,700
168	OTHER ELECT SYS/EQUIP - TACTICAL ELEC	0	6,408		6,356		6,356		6,356		0				6,356

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		------House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
169	INTERMEDIATE FORWARD TEST EQUIP	0	27,572		34,914		34,914		34,914		0				34,914
170	TMDE FOR STE/ICE	367	2,233	300	1,761	300	1,761	300	1,761		0			300	1,761
171	CORE ELECTRONIC AUTO TEST (STE-X)	0	0				0		0		0				0
172	SIMPLIFIED TEST EQUIP (ICE/EXPANDABLE)	26	2,039	39	2,737	39	2,737	39	2,737		0			39	2,737
173	SPARES AND REPAIR PARTS	0	418,355		344,403		344,403		344,403		0		(14,038)		330,365
174	SPARES AND REPAIR PARTS	0	0				0		0		0				0
175	SPARES AND REPAIR PARTS	0	0				0		0		0				0
176	SPECIAL PROGRAMS	0	196,200		73,534		73,534		73,534		0				73,534
177	PRODUCTIVITY INVESTMENT FUNDING	0	25,166				0		0		0				0
178	PR ENH CAP INV PR/QWK RT INV PR(PECIP/QR	0	8,771		7,100		7,100		7,100		0				7,100
179	PRODUCTION BASE SUPPORT (C-E)	0	5,243		7,400		7,400		7,400		0				7,400
	PRIOR YEAR TRANSFER, TRI-TAC						(33,300)		0		(33,300)		0		0
OTHER SUPPORT EQUIPMENT															
180	REMOTE SENSING CHEMICAL ALARM (XM21)	0	0				0		0		0				0
181	DECONTAMINATE APP PWR DR LT WT XM17	274	3,949	298	5,017	298	5,017	298	5,017		0			298	5,017
182	NONAQUEOUS EQUIP DECON SYSTEM(NAEDS)	0	0				0		0		0				0
183	MASK, PROTECTIVE, NBC	0	51,036		5,700		4,500		5,700		(1,200)		(1,200)		4,500
184	CHEMICAL AGENT MONITOR	1,557	12,000	1,497	9,779	1,497	9,779	1,497	9,779		0			1,497	9,779
185	SIMP COLL PROT EQUIP XM20	526	4,245	580	4,747	580	4,747	580	4,747		0			580	4,747
186	GEN SET, SMOKE, MECH: PUL JET,XM157	0	0				0		0		0				0
187	RIBBON BRIDGE ERECTION BOAT	0	18,888				0		0		0				0
188	BRIDGE, FLOAT-RIBBON, INTERIOR BAY	0	202				0		0		0				0
189	BRIDGE, FLOAT-RIBBON, RAMP	0	197				0		0		0				0
190	BRIDGE, FLOAT-RIBBON, TRANSPORTER	110	10,879				0		0		0				0
191	LAUNCHER, LIGHT ASSAULT BRIDGE	0	0				0		0		0				0
192	LIGHT ASSAULT BRIDGE	0	0				0		0		0				0
193	ITEMS LESS THAN $2.0M(BRIDGING)	0	105		693		693		693		0				693
194	GEMSS AUX MINE DISPNSR XM138 (FLIPPER)	0	0				0		0		0				0
195	DISPENSER MINE XM139	0	0	64	5,043	64	5,043	64	5,043		0			64	5,043
196	MIXING AND PUMPING UNIT (TEXS)	48	8,884				0		0		0				0
197	MARKING SYS, CLEAR LANE	25	1,283	47	1,768	47	1,768	47	1,768		0			47	1,768
198	DETECTING SET, MINE, AN/PSS-12	5,650	4,837	4,523	3,758	4,523	3,758	4,523	3,758		0			4,523	3,758
199	MINE PLOW(BLADE)	150	9,000	140	8,293	140	8,293	140	8,293		0			140	8,293
200	MINE CLEARING ROLLER	42	3,060	23	1,413	23	1,413	23	1,413		0			23	1,413
201	CONTROL REMOTE LANDMINE SYSTEM XM71	2,695	9,280				0		0		0				0
202	SURVEY SET DISTANCE MEASURING INFRARED	0	0				0		0		0				0
203	M-9 ARMORED COMBAT EARTHMOVER (ACE)	127	63,054	132	61,982	132	61,982	132	61,982		0			132	61,982
204	ITEMS LESS THAN $2.0M(ENG NON-CONST)	0	1,743		1,323		1,323		1,323		0				1,323
205	AIR CONDITIONERS VARIOUS SIZE/CAPACITY	0	15,004		9,822		9,822		9,822		0				9,822
206	FIELD KITCHEN, MOBIBLE, TRL MTD	969	15,499	952	15,822	952	15,822	952	15,822		0			952	15,822
207	MODULAR FIELD KITCHEN	0	0	73	1,978	73	1,978	73	1,978		0			73	1,978

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
208	DIVING EQUIPMENT	0	3,751		2,868		2,868		2,868		0				2,868
209	FIRETRUCKS	0	13,228		4,646		4,646		4,646		0				4,646
210	HEATER DUCT TYPE, 250,000/400,000 BTU	400	2,962	424	1,978	424	1,978	424	1,978		0			424	1,978
211	LAUNDRY UNIT/TRL MTD	89	5,824	87	5,933	87	5,933	87	5,933		0			87	5,933
212	TAG PRINTING AND BINDING EQUIPMENT	0	0		2,600		2,600		2,600		0				2,600
213	ITEMS LESS THAN $2.0M (CSS-EQ)	0	6,872		13,079		13,079		13,079		0				13,079
214	ITEMS UNDER $2.0 MILLION (CSS-EQ) SOF	0	0		40		40		40		0				40
215	MOD IN-SVC EQUIP (CSE)	0	4,936		664		664		664		0				664
216	TANK ASSEMBLY FAB COLL POL 50000 GAL	382	3,898	340	3,659	340	3,659	340	3,659		0			340	3,659
217	FORWARD AREA REFUELING EQUIPMENT (FARE)	0	0				0		0		0				0
218	TANK ASSEMBLY FAB COLL POL 10000 GAL	462	4,235	634	5,636	634	5,636	634	5,636		0			634	5,636
219	TANK ASSEMBLY FAB COLL POL 20000 GAL	0	0				0		0		0				0
220	TANK/PUMP UNIT LIQ DISP F/TRK MOUNTING	478	4,412	537	5,143	537	5,143	537	5,143		0			537	5,143
221	LABORATORY, PETROLEUM, SEMI-TRLR MTD	2	1,679	2	1,582	2	1,582	2	1,582		0			2	1,582
222	PUMP ASSY LIQ GAS WHL 4 IN OUT 350 GPM	259	2,764				0		0		0				0
223	SWA PETROLEUM DISTRIBUTION SYSTEM	0	41,771		39,022		39,022		39,022		0				39,022
224	ITEMS LESS THAN $2.0M (POL)	0	5,035		3,185		3,185		3,185		0				3,185
225	WATER PURIF UNIT REV OS 3000 GPH	49	20,336	30	11,700	30	11,700	30	11,700		0			30	11,700
226	WATER PUR UNIT REV OS 3000 GPH TRK MTD	0	0				0		0		0				0
227	WATER PUR UNIT REV OSMOSIS 600GPH	114	11,451				0		0		0				0
228	TACTICAL WATER DISTR SYS	18	9,180				0		0		0				0
229	TANK FABRIC COLL WTR 3000 GAL (ONION)	0	0	1,349	2,373	1,349	2,373	1,349	2,373		0			1,349	2,373
230	SMALL MOBILE WATER CHILLER (SMWC)	0	0				0		0		0				0
231	PUMP CENTRIFUGAL, 65GPM	810	1,580				0		0		0				0
232	ITEMS LESS THAN $2.0M (WATER EQ)	0	3,850		3,066		3,066		3,066		0				3,066
233	DEPLOYABLE MEDICAL SYSTEM (DMS)	0	0				0		0		0				0
234	COMBAT SUPPORT MEDICAL EQUIPMENT	0	118,896		106,992		106,992		106,992		0				106,992
235	MEDICAL SUPPORT EQUIPMENT	0	60,004		58,300		58,300		58,300		0				58,300
236	WELDING SHOP, TRAILER MTD	0	0	171	4,351	171	4,351	171	4,351		0			171	4,351
237	CLOTHING REPAIR SHOP TRL MTD	0	0				0		0		0				0
238	SHOP EQ ELECTRICAL RPR SEMI-TRL MTD	66	9,600		500		500		500		0				500
239	STEAM CLEANER	170	1,974				0		0		0				0
240	SHOP EQ, CANVAS AND GLASS SHELTER	57	5,232				0		0		0				0
241	BUILDING, PRE-FAB, RELOCATABLE	0	0				0		0		0				0
242	CALIBRATION SET SUPPORT	0	0				0		0		0				0
243	ITEMS LESS THAN $2.0M (MAINT EQ)	0	2,764		1,286		1,286		1,286		0				1,286
244	DISTRIBUTER, WATER SP MIN 2500G SEC	22	5,627				0		0		0				0
245	DIST, WATER, 6000G, SEMI-TRL MTD (CCE)	49	3,356				0		0		0				0
246	TRACTOR FULL TRACKED LOW SPEED DD MED	0	0				0		0		0				0
247	SMALL EMPLACEMENT EXCAVATOR (SEE)	382	29,700	332	32,588	332	32,588	332	32,588		0			332	32,588
248	CRANE, WHEEL MTD, 25T, 3/4 CU YD, RT	0	0				0		0		0				0

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
249	MOD IN-SVC EQ (CONST EQUIP)	0	198		198		198		198		0				198
250	ITEMS LESS THAN $2.0M (CONST EQUIP)	0	8,908		11,290		11,290		11,290		0				11,290
251	LANDING, CRAFT, UTILITY	6	24,600	12	46,700	12	46,700	12	46,700		0			12	46,700
252	TUG, HARBOR, INLAND WATERWAYS	0	0				0		0		0				0
253	TUG INLAND AND COASTAL WATERWAYS	0	0				0		0		0				0
254	CAUSEWAY STSTEMS	0	0		2,966		2,966		2,966		0				2,966
255	MOD IN-SVC EQ (FLOAT/RAIL)	0	4,344		3,254		3,254		3,254		0				3,254
256	ITEMS LESS THAN $2.0M (FLOAT/RAIL)	0	3,356		2,966		2,966		2,966		0				2,966
257	GENERATORS AND ASSOCIATED EQUIP	0	44,248		29,637		29,637		29,637		0				29,637
258	TRUCK, FORK LIFT, CBD, PT, 4000 LB	423	8,391				0		0		0				0
259	TRUCK FORK LIFT CBD PT 4000 LB	0	0				0		0		0				0
260	TRUCK, FORK LIFT, DE, PT, RT, 6000 LB	237	18,164	271	21,459	271	21,459	271	21,459		0			271	21,459
261	TRUCK, FORK LIFT, DE, PT, RT, 4000 LB	57	3,751				0		0		0				0
262	TRUCK, FORK LIFT, ELEC, SRT, 4000 LB	0	0				0		0		0				0
263	65 TON CRANE	119	24,849	30	6,276	30	6,276	30	6,276		0			30	6,276
264	ITEMS LESS THAN $2.0M (MHE)	0	2,666		1,187		1,187		1,187		0				1,187
265	SPARES AND REPAIR PARTS	0	51,200		48,209		48,209		48,209		0				48,209
266	AREA ORIENTED DEPOT UPGRADE	0	0		4,000		4,000		4,000		0				4,000
267	VALUE ENGINEERING (VE)	0	0				0		0		0				0
268	PRODUCTION BASE SUPPORT (OTH)	0	7,460		6,095		6,095		6,095		0				6,095
269	OSD PRODUCTIVITY INVESTMENT FUNDING	0	3,353		23,379		23,379		23,379		0				23,379
270	SPECIAL EQUIPMENT FOR USER TESTING	0	17,177		14,833		14,833		14,833		0				14,833
271	HOST NATION SUPPORT - EUROPE	0	38,276		57,354		57,354		57,354		0				57,354
272	NATIONAL TRAINING CTR SUP	0	34,649		25,687		25,687		25,687		0				25,687
273	TRAINING DEVICES, NONSYSTEM	0	137,882		103,799		103,799		103,799		0				103,799
274	NON-CENTRALLY MANAGED ITEMS	0	19,823		39,530		19,530		39,530		(20,000)		(20,000)		19,530
	SIMULATION NETWORK (SIMNET)						0		24,000		(24,000)		20,000		20,000
	TOTAL OTHER PROCUREMENT ARMY		5,112,707		4,774,000		4,242,818		4,781,154		(538,336)		(193,654)		4,580,346

Motorcycles

The amended budget request contained $4.3 million for motorcycles for the Army.

The House bill would authorize the amount requested. The House report (H. Rept. 100-563) also directed that the competition for motorcycles be concluded and a contract awarded by March 1, 1989.

The Senate amendment would deny any procurement for motorcycles.

The Senate recedes. The conferees acknowledge that the Army has had ample opportunity to conduct the competition and directs that it be resolved, and a contract awarded, not later than March 1, 1989.

High mobility multi-purpose wheeled vehicle

The amended budget request contained $158.4 million to procure high mobility multi-purpose wheeled vehicles.

Both the House bill and the Senate amendment would authorize the requested amount.

The conferees note that the Army was authorized last year to enter into a five-year multiyear contract for the high mobility multi-purpose wheeled vehicle program. The conferees understand that fiscal pressures within the Army have raised questions on whether it is possible to proceed with that multiyear contract. The conferees remain committed to the previous multiyear contract and expect the Army to proceed with that acquisition approach.

TRI-TAC equipment

The amended budget request contained $115.7 million for procurement of TRI-TAC equipment.

The House bill would reduce the request to $43.6 million and delete the fiscal year 1988 authorization of $33.3 million.

The Senate amendment would authorize the amount requested.

The conferees recommend authorization of $79.531 million for the procurement of TRI-TAC equipment in fiscal year 1989 and retention of the $33.3 million authorized in fiscal year 1988.

The conferees question the Army's current plan to introduce competition in the program, and encourage the Under Secretary of Defense of Acquisition to review the plan for competition. The conferees also note that much of the equipment planned for procurement under the TRI-TAC program is equipment currently being procured under the Mobile Subscriber Equipment (MSE) contract. The conferees direct that the Army may not procure any item of equipment under the TRI-TAC program that is also being procured under the MSE program at a price higher than permitted under the MSE contract if it is to be procured from the same vendors.

SINCGARS

The amended budget request contained $267.2 million for 16,000 SINCGARS radios, including 9,500 radios with embedded communication security (ICOM).

The House bill would reduce the request to $154 million.

The Senate amendment would authorize the requested amount.

The House recedes with an amendment.

The conferees agree to authorize $222.8 million to purchase SINCGARS radios. The conferees also direct the Marine Corps (sec. 112) to obligate $29.3 million in prior year funds to procure SINCGARS radios. Finally, the conferees agree to reduce the request by $10 million due to availability of prior-year funds resulting from contract savings. Therefore, options three and four of the current procurement contract for SINCGARS will not require renegotiation.

The amended budget request for fiscal year 1989 is based on full-rate production of 16,000 SINCGARS radios. The conferees want to ensure that testing demonstrates that SINCGARs radios meet operational requirements before the Army enters full-rate production. The conferees understand that a review by the Defense Acquisition Board will occur prior to award of the full-rate production option. Consistent with the Defense Department's proposed review, the conferees direct that fiscal year 1989 procurement funds not be obligated until the Committees on Armed Services of the Senate and House of Representatives receive a certification by the Director of Operational Test and Evaluation that testing has demonstrated that each version of the radio meets all operational reliability requirements. The required certifications for the two versions of SINCGARs may be submitted independently.

The conferees also understand that the Army has selected a second source producer of SINCGARs radios. The radio design of the second source producer is substantially different from the current production design. The conferees emphasize that the Army may not obligate funds for any second source SINCGARs radio that is not fully and completely interoperable with the existing SINCGARs radio, to include the embedded secure communication operations.

Single channel objective tactical terminal

The amended budget request contained $55.1 million for procurement of 15 Single Channel Objective Tactical Terminals (SCOTT) and refurbishment of 15 engineering models to production line quality.

The House bill would deny authorization of the requested amount.

The Senate amendment would authorize the full request.

The conferees recommend authorization of $36.5 million for production of at least 13 production SCOTT AN/TSC-124 MILSTAR terminals, logistics support of engineering development models (EDMs), and continued MILSTAR sytstem engineering support.

Although the conferees support the total MILSTAR program, they are concerned about the relative priority accorded these systems by the Services and the total number of terminals required. The conferees direct that the Secretary of Defense submit with the next budget submission a report to the Committees on Armed Services of the Senate and House of Representatives describing the total Department of Defense requirement for SCOTT terminals and the priority for those systems.

Commanders' Tactical Terminals

The amended budget request contained $22.98 million for the Commanders' Tactical Terminals (CTT).

The House bill would deny the requested amount due to concerns expressed about the conduct and results of recent multi-Service tests on the system, and because of apparent Air Force reticence in supporting the program.

The Senate amendment would authorize the requested amount.

The conferees understand that the Air Force has reduced its planned procurement quantities of the CTT, but note that Air Force support has not otherwise changed. However, it makes sense for the Army to take the lead in the program due to its much larger buy and the fact that it will be responsible for supporting the system once fielded. The conferees believe the test results support a low-rate initial production (LRIP) decision to support an initial operational test and evaluation (IOT&E). The terminals requested by the Army will also permit the Army to replace units in Europe to provide a limited operational capability, which is desirable given the delivery schedule of the GUARDRAIL Common Sensor, the availability of the TR-1 aircraft, and the pressing need to advance follow-on forces attack (FOFA) capabilities.

The conferees recommend an authorization of $19.07 million for this program.

Army data distribution system

The amended budget request contained $75.5 million for procurement of Army Data Distribution System (ADDS) equipment.

The House bill would authorize $17.5 million for this program.

The Senate amendment would authorize the amount requested.

The conferees recommend authorization of $54.5 million for procurement of ADDS equipment. The $20 million reduction is made without prejudice and the conferees continue to support this program.

Night vision equipment

The amended budget request contained $55.1 million for AN/PVS-7 ground night vision goggles and $23.56 million for AN/AVS-6 aviator night vision systems.

The House bill would add $38 million for AN/AVS-6 aviator night vision goggles and would approve the budget request for ground night vision goggles.

The Senate amendment would add $83 million for the AN-PVS-7 ground night vision goggles and would approve the request for AN/AVS-6 aviator night vision goggles.

The conferees recommend authorization of the budget request for aviation night vision goggles, and recommend an additional authorization of $83 million for AN/PVS-7 ground night vision goggles to ensure that the Army can fulfill its contractual obligations to fund the fifth year of awarded multiyear contracts in fiscal year 1989. Although initial deliveries under these contracts were delayed, it now appears that contractors may be delivering night vision goggles in compliance with their current contract delivery schedules.

The conferees direct, however, that the additional $83 million not be obligated until the Secretary of the Army certifies to the Congress that obligation of these funds is required based on actual contractor performance in meeting all contractually required delivery schedules and performance specifications within total contract costs.

If such a certification cannot be made, the Secretary of the Army may obligate up to $38 million of these additional funds to purchase AN/AVS-6 aviation night vision goggles. Prior to obligating these additional funds for the AN/AVS-6 goggles, the Secretary shall notify the Committees on Armed Services of the Senate and House of Representatives.

Army tactical communications

The House report (H. Rept. 100-563) expressed concern over the Army's tactical communication and automation programs, and directed the Army to provide an analysis of total battlefield voice and data requirements by June 30, 1988.

The Senate report (S. Rept. 100-326) contained no similar direction.

The conferees concur that the Army should outline its requirements and plans,

and direct that the report be submitted with the fiscal year 1990 budget request.

Army trucks

The House report (H. Rept. 100-563) directed the Secretary of the Army to provide to the Committees on Armed Services of the Senate and House of Representatives a master plan for modernizing the truck fleet over the next decade.

The Senate report (S. Rept. 100-326) contained no similar direction.

The Senate recedes. The conferees endorse the direction included in the House report.

Logistics support vessels

In fiscal year 1987, the Army received authorization of $40 million to procure four logistics support vessels. The Army requires one additional vessel.

The House bill would authorize one additional vessel, but would authorize no funds for that purpose.

The Senate amendment would authorize the Army to procure a fifth vessel within the funds originally authorized and appropriated.

The conferees support an authorization of an additional logistics support vessel and direct that it be procured with prior-year funds that are not required for their original purpose. The Army is expected to submit a reprogramming through normal procedures.

AIRCRAFT PROCUREMENT, NAVY

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $8,980 million for Navy aircraft procurement. The House bill would authorize $9,271.5 million. The Senate amendment would authorize $9,076.2 million. The conferees recommend authorization of $9,259.3 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	-----Revised------ FY 1989 Request Quantity	FY 1989 Request Amount	-----House------ Authorization Quantity	House Authorization Amount	-----Senate------ Authorization Quantity	Senate Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	---Conference--- Change to Request Quantity	Change to Request Amount	---Conference--- Authorization Quantity	Conference Authorization Amount
	AIRCRAFT PROCUREMENT, NAVY														
1	A-6 UPGRADE (ATTACK) INTRUDER	0	501,960	0			0		0		0				0
1	LESS: ADVANCE PROCUREMENT (PY)	0	(76,043)				0		0		0				0
2	ADVANCE PROCUREMENT (CY)	0	20,000				0		0		0				0
3	ATA		[ ]		[ ]		[ ]		[ ]		0				[ ]
4	EA-6B (ELECTRONIC WARFARE) PROWLER	12	452,542	9	496,270	9	421,829	12	556,970	(3)	(135,141)	3	(6,000)	12	490,270
4	LESS: ADVANCE PROCUREMENT (PY)	0	(21,342)		(22,713)		(22,713)		(22,713)		0				(22,713)
5	EA-6B ADVANCE PROCUREMENT (CY)	0	22,713		18,331		18,331		24,331		(6,000)		6,000		24,331
6	SPECIAL AIRCRAFT		[ ]		[ ]		[ ]		[ ]		0				[ ]
7	AV-8B (V/STOL) HARRIER (MYP)	24	468,630	24	549,241	24	482,689	24	578,000		(95,311)		0	24	549,241
7	LESS: ADVANCE PROCUREMENT (PY)	0	(43,018)		(70,000)		(70,000)		(150,000)		80,000		0		(70,000)
8	AV-8B ADVANCE PROCUREMENT (CY)	0	150,000		40,240		0		91,481		(91,481)		0		40,240
9	F-14A/D (FIGHTER) TOMCAT	12	775,064	12	879,323	12	879,323	12	879,323		0			12	879,323
9	LESS: ADVANCE PROCUREMENT (PY)	0	(125,100)		(84,289)		(84,289)		(84,289)		0				(84,289)
10	ADVANCE PROCUREMENT (CY)	0	84,289		84,794		84,794		114,294		(29,500)		29,500		114,294
11	F/A-18 (FIGHTER) HORNET	84	2,279,562	72	2,287,304	84	2,337,304	72	2,287,304	12	50,000	12	207,000	84	2,494,304
11	LESS: ADVANCE PROCUREMENT (PY)	0	(132,616)		(140,000)		(140,000)		(140,000)		0				(140,000)
12	ADVANCE PROCUREMENT (CY)	0	140,000		139,383		139,383		139,383		0				139,383
13	CH/MH-53E (HELO) SUPER STALLION (MYP)	14	248,875	14	241,664	14	229,581	14	241,664		(12,083)		(12,083)	14	229,581
13	LESS: ADVANCE PROCUREMENT (PY)	0	(46,188)		(46,676)		(46,676)		(46,676)		0				(46,676)
14	ADVANCE PROCUREMENT (CY)	0	21,799				9,642		0		9,642		9,642		9,642
15	V-22 OSPREY	0	0		335,332		335,332		335,332		0				335,332
16	AH-1W (HELICOPTER) SEA COBRA	34	232,382				0		0		0				0
16	LESS: ADVANCE PROCUREMENT (PY)	0	(10,904)				0		0		0				0
17	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
18	SH-60B (ASW HELO) SEAHAWK	6	109,278	6	117,862	6	112,556	6	117,862		(5,306)		(5,306)	6	112,556
18	LESS: ADVANCE PROCUREMENT (PY)	0	(20,523)		(26,273)		(26,273)		(26,273)		0				(26,273)
19	ADVANCE PROCUREMENT (CY)	0	26,273		21,031		21,031		21,031		0				21,031
20	SH-60F (CV ASW HELO)	18	283,716	18	344,107	18	292,228	18	344,107		(51,879)		0	18	344,107
20	LESS: ADVANCE PROCUREMENT (PY)	0	(22,016)		(29,646)		(29,646)		(29,646)		0				(29,646)
21	ADVANCE PROCUREMENT (CY)	0	29,646		30,794		30,794		30,794		0				30,794
22	P-3C/G (PATROL) ORION	0	0				0		0		0				0
22	LESS: ADVANCE PROCUREMENT (PY)	0	0				0		0		0				0
23	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
24	EX COMPETITION	0	0				0		0		0				0
25	E-2C (EARLY WARNING) HAWKEYE	6	370,589	6	337,185	9	462,185	6	337,185	3	125,000		0	6	337,185
25	LESS: ADVANCE PROCUREMENT (PY)	0	(21,429)		(30,035)		(30,035)		(30,035)		0				(30,035)
26	ADVANCE PROCUREMENT (CY)	0	30,035		30,881		30,881		30,881		0				30,881
27	SH-2F (ASW HELO) SEASPRITE	0	0				0		0		0				0
27	LESS: ADVANCE PROCUREMENT (PY)	0	0				0		0		0				0
28	C-2 (MYP)	0	0				0		0		0				0
28	LESS: ADVANCE PROCUREMENT (PY)	0	0				0		0		0				0
29	T-45TS GOSHAWK	12	393,874	24	404,576	24	404,576	24	404,576		0			24	404,576
29	LESS: ADVANCE PROCUREMENT (PY)	0	(55,216)		(29,452)		(29,452)		(29,452)		0				(29,452)
30	ADVANCE PROCUREMENT (CY)	0	29,452		40,820		40,820		40,820		0				40,820
31	E-6A	3	236,463	7	472,192	3	243,557	7	472,192	(4)	(228,635)		0	7	472,192
31	LESS: ADVANCE PROCUREMENT (PY)	0	(71,261)		(137,716)		(137,716)		(137,716)		0				(137,716)
32	ADVANCE PROCUREMENT (CY)	0	137,716			4	78,695		0	4	78,695		0		0
33	HH-60H	9	99,000		15,593	6	90,000		15,593	6	74,407		0		15,593
34	VH-60	0	0				0		0		0				0

P-1				-----Revised------		-----House------		-----Senate------				---Conference---		---Conference---	
		FY 1988 Estimate		FY 1989 Request		Authorization		Authorization		House +/- Senate		Change to Request		Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
MODIFICATION OF AIRCRAFT															
35	A-3 SERIES	0	969		822		822		822		0				822
36	A-4 SERIES	0	6,149		2,294		2,294		2,294		0				2,294
37	A-6 SERIES	0	219,478		178,346		178,346		178,346		0				178,346
38	EA-6 SERIES	0	21,274		36,784		36,784		36,784		0				36,784
39	A-7 SERIES	0	97				0		0		0				0
40	AV-8 SERIES	0	97		942		942		942		0				942
41	F-4 SERIES	0	97				0		0		0				0
42	RF-4 SERIES	0	97				0		0		0				0
43	F-14 SERIES	0	83,334		33,174		33,174		33,174		0				33,174
44	F-5 SERIES	0	97		62		62		62		0				62
45	ES-3 SERIES	0	80,100		155,275		155,275		155,275		0				155,275
46	OV-10 SERIES	0	1,974		32,825		32,825		32,825		0				32,825
47	F-18 SERIES	0	1,995		94		94		94		0				94
48	H-46 SERIES	0	29,801		21,064		21,064		21,064		0				21,064
49	H-53 SERIES	0	22,737		14,388		14,388		14,388		0				14,388
50	SH-60 SERIES	0	14,058		501		501		501		0				501
51	VH-60 SERIES	0	0		1,187		1,187		1,187		0				1,187
52	H-1 SERIES	0	6,826		28,961		28,961		28,961		0				28,961
53	H-2 SERIES	0	55,000		5,679		5,679		5,679		0				5,679
54	H-3 SERIES	0	26,229		31,609		31,609		31,609		0				31,609
55	EP-3 SERIES	0	47,003		26,498		26,498		26,498		0				26,498
56	P-3 SERIES	0	146,765		131,932		182,290		131,932		50,358		0		131,932
57	S-3 SERIES	0	74,842		135,567		202,567		135,567		67,000		0		135,567
58	E-2 SERIES	0	38,439		20,175		40,675		20,175		20,500		20,500		40,675
59	TRAINER A/C SERIES	0	1,635		532		532		532		0				532
60	EC-130 SERIES	0	7,367		12,735		12,735		12,735		0				12,735
61	C-130 SERIES	0	4,550		2,095		2,095		2,095		0				2,095
62	FEWSG	0	3,380		1,817		1,817		1,817		0				1,817
63	CARGO/TRANSPORT A/C SERIES	0	2,163		1,709		1,709		1,709		0				1,709
64	VARIOUS	0	1,004		1,025		1,025		1,025		0				1,025
65	POWER PLANT CHANGES	0	3,163		2,022		2,022		2,022		0				2,022
66	MISC FLIGHT SAFETY CHANGES	0	823		97		97		97		0				97
67	COMMON ECM EQUIPMENT	0	16,708		35,335		85,335		35,335		50,000		30,000		65,335
68	COMMON AVIONICS CHANGES	0	765		447		447		447		0				447
69	RADARS	0	0				0		0		0				0
70	F-16 N SERIES	0	5,000				0		0		0				0
71	SPARES AND REPAIR PARTS	0	1,436,913		1,162,606		1,287,606		1,162,606		125,000		0		1,162,606
71a	E-2C, HH-60 SPARES						120,000		0		120,000		0		0
72	COMMON GROUND EQUIPMENT	0	386,106		398,602		398,602		398,602		0				398,602
73	AIRCRAFT INDUSTRIAL FACILITIES	0	24,398		27,605		27,605		27,605		0				27,605
74	WAR CONSUMABLES	0	34,885		12,283		12,283		12,283		0				12,283
75	OTHER PRODUCTION CHARGES	0	27,667		40,545		40,545		40,545		0				40,545
76	SPECIAL SUPPORT EQUIPMENT	0	86,112		36,420		36,420		36,420		0				36,420
999	CLASSIFIED PROGRAMS	0	0		115,823		115,823		115,823		0				115,823
	TOTAL AIRCRAFT PROCUREMENT NAVY		9,418,299		8,980,000		9,271,466		9,076,200		195,266		279,253		9,259,253

EA-6B jammer aircraft

The amended budget request contained $473.557 for procurement of nine EA-6B jammer aircraft and $18.331 million for advance procurement of nine aircraft in fiscal year 1990.

The House bill would authorize $399.116 million for these aircraft, a reduction of $74.441 million. The House bill would make this reduction on the basis that the Navy had requested excess funds for the Advanced Capability upgrade.

The Senate amendment would authorize $534.257 million for procurement of 12 aircraft and $24.331 million for advance procurement for 12 aircraft in fiscal year 1990.

The conferees recommend an authorization of $467.557 million and $24.331 million for advance procurement for 12 EA-6B aircraft in fiscal year 1990. The conferees direct the Navy to procure not less than 12 aircraft with the funds appropriated pursuant to authorization.

F-14 modification program

The amended budget request contained no funds to initiate modification of existing F-14 aircraft into the new "D" model configuration.

The Senate amendment would authorize $29.5 million for advance procurement of six F-14D upgrade kits. The Senate report (S. Rept. 100-326) directs the Navy to incorporate a significant remanufacture program in its plans for the Five Year Defense Program for fiscal years 1990 to 1994.

The House bill contained no similar provision.

The conferees recommend authorization of $29.5 million for six upgrade kits, and direct the Navy to provide an acquisition strategy to the Committees on Armed Services of the Senate and House of Representatives for the long-term modernization of the existing fleet of F-14 aircraft.

F-18 aircraft/reconnaissance modifications

The amended budget request contained $2,287.3 million to procure 72 F-18 aircraft, including $82.9 million to purchase equipment and modify aircraft to function as reconnaissance aircraft.

The House bill would reduce the request by $49.7 million, based on a restructuring of the reconnaissance program, but would provide an increase of $99.7 million to procure 12 additional aircraft.

The Senate amendment would authorize the amount requested.

The conferees recommend authorization of $2,494.3 million, which is sufficient to procure 84 aircraft in fiscal year 1989 and to proceed with the reconnaissance variant at the requested level. The conferees concur with the concern expressed in the Senate report (S. Rept. 100-326) that serious attention must be devoted to Navy aviation in future budget submissions. The conferees also note that budget data concerning the reconnaissance program was inconsistent and incomplete, and not supportive of a well-planned and stable acquisition strategy. The conferees expect that future budget submissions for the F-18 reconnaissance program will include complete and consistent cost estimates.

CH-53E helicopters

The amended budget request included $241.7 million for procurement of CH/MH-53E helicopters.

The House bill would reduce this request by $12.1 million while adding $9.642 million for advance procurement, a net reduction of $2.5 million from the program. The adjustment would allow the program to continue the planned procurement of four helicopters in fiscal year 1990.

The Senate amendment would authorize the amount in the budget request.

The Senate recedes.

SH-60B helicopters (Seahawk)

The amended budget request included $117.9 million for procurement of 6 SH-60B helicopters (which, combined with the procurement of SH-60F helicopters, would allow for a production run of 24 SH-60 series helicopters in fiscal year 1989).

The House bill would reduce this amount by $5.3 million.

The Senate amendment would authorize the amount in the budget request.

The Senate recedes.

SH-60F helicopter (CV ASW)

The amended budget request included $344.1 million for procurement of 18 SH-60F helicopters.

The House bill would reduce this amount by $51.9 million.

The Senate amendment would authorize the amount in the budget request.

The House authorization would continue the previous year's authorization for this aircraft, with an additional amount for inflation. However, the fiscal year 1989 request includes funding for two training systems that must be procured this year under the terms of the fixed-price procurement contract.

The House recedes, with the understanding that the increased funding in fiscal year 1989 will be used to procure the trainers.

TACAMO

The amended budget request contained $334.476 million for 7 E-6A TACAMO aircraft.

The House bill would authorize $105.841 million for 3 aircraft and would authorize $78.695 million in advance procurement for fiscal year 1990.

The Senate amendment would authorize the requested amount.

The conferees agree to authorize the amount requested for this program and stress that this authorization marks the completion of TACAMO procurement.

P-3 series modifications

The amended budget request included $131.9 million for modifications to the P-3 series aircraft, consisting of procurement of Update III kits for P-3Cs.

The House bill would add $50 million to the request for procurement of additional Update III kits.

The Senate amendment contained no similar provision.

The House recedes.

Navy common electronic countermeasures equipment

The amended budget request contained $35.335 million for Navy common electronic countermeasures (ECM) equipment.

The House bill would authorize an additional $50 million for this purpose.

The Senate amendment would authorize the requested amount.

The conferees recommend authorization of an additional $30 million for a total of $65.335 million for common ECM equipment. The Secretary of the Navy is directed to utilize the additional funding as required to reduce existing shortfalls in common ECM equipment.

WEAPONS PROCUREMENT, NAVY

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $6,271.8 million for Navy weapons procurement. The House bill would authorize $5,823.8 million. The Senate amendment would authorize $6,193.1 million. The conferees recommend authorization of $5,972.2 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	WEAPONS PROCUREMENT, NAVY														
	BALLISTIC MISSILES														
1	POSEIDON	0	181		188		188		188		0				188
2	TRIDENT I	0	6,986		4,103		4,103		4,103		0				4,103
3	TRIDENT II	66	1,987,585	66	1,949,656	66	1,949,656	66	1,949,656		0			66	1,949,656
3	LESS: ADVANCE PROCUREMENT (PY)	0	(266,385)		(320,131)		(320,131)		(320,131)		0				(320,131)
4	ADVANCE PROCUREMENT (CY)	0	320,131		236,084		236,084		236,084		0				236,084
5	UGM-73A (C-3) POSEIDON MODS	0	0				0		0		0				0
6	MISSILE INDUSTRIAL FACILITIES	0	194		2,638		2,638		2,638		0				2,638
	OTHER MISSILES														
7	BGM-109 TOMAHAWK	475	842,474	510	706,917	475	658,403	510	706,917	(35)	(48,514)	(35)	(25,000)	475	681,917
7	LESS: ADVANCE PROCUREMENT (PY)	0	(66,538)		(71,400)		(71,400)		(71,400)		0				(71,400)
8	ADVANCE PROCUREMENT (CY)	0	71,400		75,608		75,608		75,608		0				75,608
9	AIM/RIM-7 F/M SPARROW	600	79,000			600	75,000	300	40,000	300	35,000	300	40,000	300	40,000
10	AMRAAM	0	0	50	59,798		0	50	59,798	(50)	(59,798)	(20)	(24,800)	30	34,998
11	AIM-9L/M SIDEWINDER	288	25,833				0		0		0				0
12	AIM-54A/C (PHOENIX)	350	363,596	560	465,283	350	325,802	560	465,283	(210)	(139,481)	(110)	(60,000)	450	405,283
12	LESS: ADVANCE PROCUREMENT (PY)	0	(20,000)				0		0		0				0
13	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
14	SGM-84A HARPOON (MYP)	124	142,660	138	169,709	138	169,709	138	169,709		0			138	169,709
14	LESS: ADVANCE PROCUREMENT (PY)	0	0				0		0		0				0
15	AGM-88A (HARM)	766	187,128	1,307	302,749	1,307	302,749	1,307	302,749		0			1,307	302,749
16	SM-2 MR	1,310	581,098	1,635	698,113	1,310	598,531	1,635	698,113	(325)	(99,582)	(325)	(99,582)	1,310	598,531
17	SM-2 ER	0	0				0		0		0				0
18	RAM	240	44,931	260	52,094	260	52,094	260	52,094		0			260	52,094
19	STINGER	425	17,765				0		0		0				0
20	SIDEARM	276	25,381				0		0		0				0
21	HELLFIRE	1,393	44,154	200	8,958	1,000	35,000	200	8,958	800	26,042	800	26,042	1,000	35,000
22	LASER MAVERICK	1,300	157,300				0		0		0				0
23	IIR MAVERICK (MYP)	425	60,000				0		0		0				0
24	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
25	PENGUIN	0	0	64	42,034	64	42,034	64	42,034		0	(64)	(38,579)		3,455
25	LESS: ADVANCE PROCUREMENT (PY)	0	0		(3,455)		(3,455)		(3,455)		0				(3,455)
26	ADVANCE PROCUREMENT (CY)	0	3,455		3,518		3,518		3,518		0				3,518
27	MAVERICK MISSILES	0	0	731	82,390	731	82,390	731	82,390		0			731	82,390
28	TACIT RAINBOW	[ ]	0	[ ]	89,965	[ ]	10,000	[ ]	89,965		(79,965)		0	[ ]	89,965
29	AERIAL TARGETS	0	103,604		109,981		109,981		109,981		0				109,981
30	DRONES AND DECOYS	0	24,767		40,744		40,744		40,744		0				40,744
31	OTHER MISSILE SUPPORT	0	11,257		21,313		21,313		21,313		0				21,313

				-----Revised------		-----House------		-----Senate------				---Conference---		---Conference---	
P-1		FY 1988 Estimate		FY 1989 Request		Authorization		Authorization		House +/- Senate		Change to Request		Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
MODIFICATION OF MISSILES															
32	TOMAHAWK MODS	0	6,458		7,216		7,216		7,216		0				7,216
33	AIM/RIM-7E/F SPARROW MOD	0	0		44,348		44,348		44,348		0				44,348
34	AIM-9 SIDEWINDER MOD	0	573		2,409		2,409		2,409		0				2,409
35	AIM-54A/C PHOENIX MOD	0	584		198		198		198		0				198
36	AGM-84A HARPOON MOD	0	3,865		9,602		9,602		9,602		0				9,602
37	STANDARD MISSILES MOD	0	3,833		27,610		27,610		27,610		0				27,610
38	OTHER MISSILE MODS	0	200				0		0		0				0
39	WEAPONS INDUSTRIAL FACILITIES	0	9,216		10,750		10,750		13,750		(3,000)		3,000		13,750
40	FLEET SATELLITE COMMUNICATIONS	0	123,858		97,622		97,622		97,622		0				97,622
41	ADVANCE PROCUREMENT (CY)	0	0		77,000		77,000		77,000		0				77,000
42	DEFENSE METEOROLOGICAL SATELLITE PROGRAM	0	19,333		21,575		21,575		21,575		0				21,575
43	ORDNANCE SUPPORT EQUIPMENT	0	218,436		351,707		230,007		230,007		0		(121,700)		230,007
TORPEDOES AND RELATED EQUIPMENT															
44	TORPEDO MK-48 ADCAP	100	243,444	261	431,014	261	431,014	261	431,014		0			261	431,014
45	TORPEDO MK-46 (MYP)	0	0				0		0		0				0
45	LESS: ADVANCE PROCUREMENT (PY)	0	0				0		0		0				0
46	ADV LIGHTWEIGHT TORPEDO	16	108,402	140	162,047	140	162,047	140	162,047		0			140	162,047
47	ADVANCE PROCUREMENT (CY)	0	0		36,500		36,500		36,500		0				36,500
48	MOBILE TARGET MK-30 (MYP)	12	31,495				0		0		0				0
48a	EMATT												1,000		1,000
49	ASROC	0	9,522				0		0		0				0
50	VERTICAL LAUNCHED ASROC	0	0		17,552		17,552		17,552		0				17,552
51	MOBILE MINE MK-67	0	2,858		1,332		1,332		1,332		0				1,332
52	TORPEDO MK-46 MODS	0	0				0		0		0				0
52	LESS: ADVANCE PROCUREMENT (PY)	0	0				0		0		0				0
53	CAPTOR MODS	0	38,000				0		0		0				0
54	SWIMMER WEAPONS SYSTEMS (SOF)	0	1,332		1,957		1,957		1,957		0				1,957
55	TORPEDO SUPPORT EQUIPMENT	0	33,348		25,988		25,988		25,988		0				25,988
56	ASW RANGE SUPPORT	0	20,638		22,664		22,664		22,664		0				22,664
OTHER WEAPONS															
57	MK-15 CLOSE IN WEAPONS SYSTEM	5	28,023	5	19,449	5	19,449	5	19,449		0			5	19,449
58	MK-75 76MM GUN MOUNT	0	0				0		0		0				0
59	MK-19/40MM MACHINE GUN	0	0				0		0		0				0
60	25MM GUN MOUNT	22	4,091	57	9,366	57	9,366	57	9,366		0			57	9,366
61	SMALL ARMS AND WEAPONS	0	8,072		8,815		8,815		8,815		0				8,815
62	SMALL ARMS AND WEAPONS - (SOF)	0	1,496		996		996		996		0				996
63	CIWS MODS	0	45,186		54,557		54,557		54,557		0				54,557
64	5 /54 GUN MOUNT MODS	0	6,414		8,444		8,444		8,444		0				8,444
65	3 /50 GUN MOUNT MODS	0	275		260		260		260		0				260
66	MK 75 76MM GUN MOUNT MODS	0	4,060		4,097		4,097		4,097		0				4,097
67	MODS UNDER $2,000,000	0	1,654		1,618		1,618		1,618		0				1,618
68	GUN SUPPORT EQUIPMENT	0	1,068		838		838		838		0				838
SPARES AND REPAIR PARTS															
69	SPARES AND REPAIR PARTS	0	110,928		87,412		87,412		87,412		0				87,412
	TOTAL WEAPONS PROCUREMENT		5,834,619		6,271,800		5,823,802		6,193,100		(369,298)		(299,619)		5,972,181

Advanced medium range air to air missile

The amended budget request contained $59.8 million for procurement of 50 Advanced Medium Range Air to Air Missiles (AMRAAM).

The Senate amendment would authorize the amount requested.

The House bill would provide no authorization for Navy AMRAAMs.

The conferees agreed to provide $35 million for the procurement of 30 AMRAAMs for the Navy. The conferees direct that these missiles be utilized for conducting Navy operational test and evaluation.

AIM-54C Phoenix missile

The amended budget request contained $465.3 million to procure 560 Phoenix missiles.

The House bill would authorize $325.8 million to procure 350 missiles.

The Senate amendment would authorize the amount requested.

The conferees recommend authorization of $405.3 million to procure 450 missiles. The conferees understand that this authorization is sufficient to maintain the competition established in the program.

Further, the conferees direct the Navy to install production FSU-10A fuzes on all AIM-54C Phoenix missiles stored at the contractor's facility as of June 1, 1988, before increasing production beyond the fiscal year 1988 level.

Penguin

The conferees agree that the reduction for procurement of Penguin missiles is taken without prejudice and for budgetary reasons in recognization of the program's contracting schedule for fiscal year 1989 procurements.

Vertical launched anti-submarine rocket program

The amended budget request included $17.6 million for procurement and $30.3 million for RDT&E for the Vertical Launched ASROC (VLA) program.

The House bill would authorize the requested amounts, and the House report (H. Rept. 100-563) directed the Navy to proceed with initial production of the MK-46 version of VLA as soon as possible.

The Senate amendment would authorize the requested amounts and the Senate report (S. Rept. 100-326) noted that the Department of Defense was considering cancellation of the program in favor of making SEA LANCE a surface as well as a sub-surface launched weapon. The Senate report directed the Department of Defense to report on its decision promptly.

The conferees affirm the language contained in the House report and agree that the long-term strategy for procurement of a quick reaction, long-range ASW weapon should be based on a system common to surface ships and submarines. However, to avoid having many ships with launchers empty of quick reaction ASW weapons for at least several years, the conferees believe that the production of VLA armed with MK 46 torpedoes is essential to the near-term antisubmarine warfighting ability of the fleet.

Expendable mobile antisubmarine warfare training target

The conferees agree that accelerated availability of the Expendable Mobile Antisubmarine Warfare Training Target (EMATT) would provide important training in the critical area of antisubmarine warfare. Accordingly, the conferees recommend authorization of $1 million and invite the Navy to reprogram from authorization made available elsewhere up to an additional $6 million to begin procurement of EMATT.

SHIPBUILDING AND CONVERSION, NAVY

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $9,130.1 million for Navy shipbuilding and conversion. The House bill would authorize $9,126.1 million. The Senate amendment would authorize $9,056.1 million. The conferees recommend authorization of $9,056.1 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	-----Revised------ FY 1989 Request Quantity	FY 1989 Request Amount	-----House------ Authorization Quantity	House Authorization Amount	-----Senate------ Authorization Quantity	Senate Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	---Conference--- Change to Request Quantity	Change to Request Amount	---Conference--- Authorization Quantity	Conference Authorization Amount
	SHIPBUILDING AND CONVERSION, NAVY														
1	TRIDENT (NUCLEAR)	1	1,274,053	1	1,377,100	1	1,377,100	1	1,377,100		0			1	1,377,100
1	LESS: ADVANCE PROCUREMENT (PY)	0	(150,353)		(146,400)		(146,400)		(146,400)		0				(146,400)
2	ADVANCE PROCUREMENT (CY)	0	137,100		137,400		137,400		137,400		0				137,400
3	CVN AIRCRAFT CARRIER (NUCLEAR)	2	6,325,000				0		0		0				0
4	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
5	SSN-688 CLASS SUBMARINE (NUCLEAR)	3	1,804,075	2	1,517,128	2	1,517,128	2	1,517,128		0			2	1,517,128
5	LESS: ADVANCE PROCUREMENT (PY)	0	(354,574)		(327,828)		(327,828)		(327,828)		0				(327,828)
6	ADVANCE PROCUREMENT (CY)	0	227,499		304,300		304,300		304,300		0				304,300
7	SSN-21	0	0	1	1,727,600	1	1,727,600	1	1,727,600		0			1	1,727,600
7	LESS: ADVANCE PROCUREMENT (PY)	0	0		(632,600)		(632,600)		(632,600)		0				(632,600)
8	ADVANCE PROCUREMENT (CY)	0	257,600		393,000		393,000		393,000		0				393,000
9	CV SLEP	1	947,470				0		0		0				0
9	LESS: ADVANCE PROCUREMENT (PY)	0	(261,815)				0		0		0				0
10	ADVANCE PROCUREMENT (CY)	0	44,100		135,400		135,400		135,400		0				135,400
11	CG-47 AEGIS CRUISER (MYP)	5	4,145,900				0		0		0				0
11	LESS: ADVANCE PROCUREMENT (PY)	0	(18,900)				0		0		0				0
12	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
13	DDG-51 (MYP)	0	0	3	2,206,244	3	2,206,244	3	2,206,244		0			3	2,206,244
13	LESS: ADVANCE PROCUREMENT (PY)	0	0		(77,344)		(77,344)		(77,344)		0				(77,344)
14	ADVANCE PROCUREMENT (CY)	0	5,500		78,400		78,400		78,400		0				78,400
15	LHD-1 AMPHIBIOUS ASSAULT SHIP	1	755,700	1	769,700	1	769,700	1	769,700		0			1	769,700
15	LESS: ADVANCE PROCUREMENT (PY)	0	(35,000)		(32,200)		(32,200)		(32,200)		0				(32,200)
16	ADVANCE PROCUREMENT (CY)	0	32,200				0		0		0				0
17	LSD-41 (CARGO VARIANT)	1	268,000				0		0		0				0
18	MHC COASTAL MINE HUNTER	0	0	2	197,200	2	197,200	2	197,200		0			2	197,200
19	TAO FLEET OILER	2	256,400	2	284,900	2	284,900	2	284,900		0			2	284,900
20	AO (JUMBO)	1	44,100	2	84,900	2	84,900	2	84,900		0			2	84,900
21	T-AGOS SURTASS SHIPS	0	0	3	159,600	3	159,600	3	159,600		0			3	159,600
21	LESS: ADVANCE PROCUREMENT (PY)	0	0				0		0		0				0
22	AOE	0	0	1	363,900	1	363,900	1	363,900		0			1	363,900
23	OCEANOGRAPHIC RESEARCH SHIP	0	0	1	74,000		0		0		0	(1)	(74,000)		0
24	SERVICE CRAFT	0	12,500				0		0		0				0
25	STRATEGIC SEALIFT	0	43,400				0		0		0				0
26	LCAC LANDING CRAFT	0	0	9	209,200	9	209,200	9	209,200		0			9	209,200
26	LESS: ADVANCE PROCUREMENT (PY)	0	0		(36,500)		(36,500)		(36,500)		0				(36,500)
27	ADVANCE PROCUREMENT (CY)	0	36,500		19,900		19,900		19,900		0				19,900
28	SEALIFT ENHANCEMENT	0	0				0		0		0				0
29	OUTFITTING	0	183,900		214,700		214,700		214,700		0				214,700
30	POST DELIVERY	0	132,000		128,400		128,400		128,400		0				128,400
31	TACS CRANE SHIP	2	53,100				0		0		0				0
	ISLAND CLASS PATROL BOAT					10	70,000		0	10	70,000		0		0
	TOTAL SHIPBUILDING AND CONVERSION		16,155,355		9,130,100		9,126,100		9,056,100		70,000		(74,000)		9,056,100

FF 1052 service life extension program

The conferees affirm the position noted in the Senate report (S. Rept. 100-326) regarding planning limitations for any contemplated service life extension (SLEP) of the FF-1052 class frigates.

OTHER PROCUREMENT, NAVY

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $4,789.7 million for other procurement, Navy. The House bill would authorize $5,213.4 million. The Senate amendment would authorize $4,836.2 million. The conferees recommend authorization of $4,817.8 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	FY 1988 Estimate		-----Revised----- FY 1989 Request		-----House----- Authorization		-----Senate----- Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	OTHER PROCUREMENT, NAVY														
	SHIPS SUPPORT EQUIPMENT														
1	LM-2500 GAS TURBINE	0	11,852		8,381		8,381		8,381		0				8,381
2	ALLISON 501K GAS TURBINE	1	2,426	1	8,672	1	8,672	1	8,672		0			1	8,672
3	LM2500 SPECIAL SUPPORT EQUIPMENT	0	973		1,016		1,016		1,016		0				1,016
4	STEAM PROPULSION IMPROVEMENT PROGRAM	0	11,147		8,318		8,318		8,318		0				8,318
5	OTHER PROPULSION EQUIPMENT	0	9,864		4,874		4,874		4,874		0				4,874
6	OTHER GENERATORS	0	10,815		3,883		3,883		3,883		0				3,883
7	OTHER PUMPS	0	6,666		6,456		6,456		6,456		0				6,456
8	HIGH PRESSURE AIR COMPRESSOR	4	1,768	2	917	2	917	2	917		0			2	917
9	OTHER AIR COMPRESSORS	3	255				0		0		0				0
10	SUBMARINE PROPELLERS	14	3,273	9	3,030	9	3,030	9	3,030		0			9	3,030
11	OTHER PROPELLERS AND SHAFTS	0	8,366		4,126		4,126		4,126		0				4,126
12	ELECTRICALLY SUSPENDED GYRO NAVIGATOR	4	13,291	2	6,899	2	6,899	2	6,899		0			2	6,899
13	CARRIER NAVIGATION SYSTEM	0	4,713		818		818		818		0				818
14	OTHER NAVIGATION EQUIPMENT	0	5,143		4,484		4,484		4,484		0				4,484
15	UNDERWAY REPLENISHMENT EQUIPMENT	0	6,132		4,881		4,881		4,881		0				4,881
16	TYPE 18 PERISCOPE	0	2,272		5,883		5,883		5,883		0				5,883
17	TYPE 8 PERISCOPES	0	7,626		334		334		334		0				334
18	PERISCOPES AND ACCESSORIES	0	859		929		929		929		0				929
19	FIREFIGHTING EQUIPMENT	0	36,545		14,372		14,372		14,372		0				14,372
20	COMMAND AND CONTROL SWITCHBOARDS	2	2,230	3	9,125	3	9,125	3	9,125		0			3	9,125
21	POLLUTION CONTROL EQUIPMENT	0	4,237		4,425		4,425		4,425		0				4,425
22	SUBMARINE SILENCING EQUIPMENT	0	1,240		4,226		4,226		4,226		0				4,226
23	SURFACE SHIP SILENCING EQUIPMENT	0	6,373		4,748		4,748		4,748		0				4,748
24	SUBMARINE BATTERIES	48	13,002	40	9,363	40	9,363	40	9,363		0			40	9,363
26	STRATEGIC PLATFORM SUPPORT EQUIPMENT	0	75,300		56,488		56,488		49,988		6,500		(6,500)		49,988
26	DSSP EQUIPMENT	0	7,879		7,000		7,000		7,000		0				7,000
27	SEALIFT SUPPORT EQUIPMENT	0	63,791		21,779		33,779		29,779		4,000		8,000		29,779
28	AIR CONDITIONERS	6	2,162				0		0		0				0
29	MINESWEEPING CABLE	0	737		3,840		3,840		3,840		0				3,840
30	HM&E ITEMS UNDER $2 MILLION	0	30,098		26,779		26,779		26,779		0				26,779
31	SURFACE IMA	0	15,529		11,361		11,361		11,361		0				11,361
32	DEGAUSSING EQUIPMENT	0	1,353		4,842		4,842		4,842		0				4,842
33	RADIOLOGICAL CONTROLS	0	314		160		160		160		0				160
34	MINI/MICROMINI ELECTRONIC REPAIR	0	1,002		1,048		1,048		1,048		0				1,048
35	CHEMICAL WARFARE DETECTORS	116	8,847	163	9,467	163	9,467	163	9,467		0			163	9,467
36	SUBMARINE LIFE SUPPORT SYSTEM	3	2,643	2	1,990	2	1,990	2	1,990		0			2	1,990
37	HM&E ENGINEERED MAINTENANCE	0	391				0		0		0				0
38	SHIPBOARD ENERGY CONSERVATION	0	903		943		943		943		0				943

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	-----Revised------ FY 1989 Request Quantity	Amount	-----House------ Authorization Quantity	Amount	-----Senate------ Authorization Quantity	Amount	House +/- Senate Quantity	Amount	---Conference--- Change to Request Quantity	Amount	---Conference--- Authorization Quantity	Amount
39	REACTOR POWER UNITS	1	40,835	1	41,800	1	41,800	1	41,800		0			1	41,800
40	REACTOR COMPONENTS	0	232,039		241,396		241,396		241,396		0				241,396
41	DIVING AND SALVAGE EQUIPMENT	0	18,208		13,280		13,280		13,280		0				13,280
42	NAVAL SPECIAL WARFARE EQUIPMENT	0	5,809		7,866		7,866		7,866		0				7,866
43	NAVAL SPECIAL WARFARE EQUIPMENT - (SOF)	0	39,244		43,309		43,309		43,309		0				43,309
44	SMALL BOATS	280	25,249	101	12,612	101	12,612	101	12,612		0			101	12,612
45	NEW SHIP TRAINING EQUIP	0	0				0		0		0				0
46	OTHER SHIPS TRAINING EQUIPMENT	0	2,404		4,167		4,167		4,167		0				4,167
47	CALIBRATION EQUIPMENT	0	576		648		648		648		0				648
48	PRODUCTION SUPPORT FACILITIES	0	18,600		25,241		25,241		25,241		0				25,241
49	OPERATING FORCES IPE	0	4,620		7,064		7,064		7,064		0				7,064
	REDUCTION IN SHIPS SUPPORT EQUIPMENT												(15,000)		(15,000)
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT														
50	AN/SPS-67	24	7,753	28	7,017	28	7,017	28	7,017		0			28	7,017
51	AN/SPS-40	0	26,108		13,088		13,088		13,088		0				13,088
52	AN/SPS-48	0	45,814		46,312		46,312		46,312		0				46,312
53	AN/SPS-49	0	16,506		16,115		16,115		16,115		0				16,115
54	AN/SYS-()	3	7,999	2	5,145	2	5,145	2	5,145		0			2	5,145
55	MK 23 TARGET ACQUISITION SYSTEM	4	19,800	3	22,722	3	22,722	3	22,722		0			3	22,722
56	RADAR SUPPORT	0	8,607		24,853		24,853		24,853		0				24,853
57	SURFACE SONAR SUPPORT EQUIPMENT	0	10,901				0		0		0				0
58	AN/SQS-53B	0	0				0		0		0				0
59	AN/SQS-53C	0	0				0		0		0				0
60	AN/SQQ-89 SURFACE ASW COMBAT SYS	12	154,644	13	218,359	13	218,359	13	218,359		0			13	218,359
61	AN/BQQ-5	0	25,865		91,596		91,596		91,596		0				91,596
62	TB-16 TOWED ARRAY (MYP)	14	5,665	21	6,208	21	6,208	21	6,208		0			21	6,208
63	SURF SONAR WINDOWS AND DOMES	0	5,068		10,498		10,498		10,498		0				10,498
64	SONAR SUPPORT EQUIPMENT	0	5,158		4,821		4,821		4,821		0				4,821
65	SONAR SWITCHES AND TRANSDUCERS	0	28,454		29,068		29,068		29,068		0				29,068
66	FBM SYSTEM SONARS	0	4,337		4,980		4,980		4,980		0				4,980
67	SUBMARINE ACOUSTIC WARFARE SYSTEMS	0	29,318		18,764		18,764		18,764		0				18,764
68	SURFACE SHIP TORPEDO DEFENSE	0	10,038		6,088		6,088		6,088		0				6,088
69	ACOUSTIC COMMUNICATIONS	0	367		387		387		387		0				387
70	AN/BSY-1	1	42,755				0		0		0				0
71	SOSUS	0	64,332		30,254		30,254		30,254		0				30,254
72	LAMPS MK1 ASW SUPPORT	0	9,252		6,103		6,103		6,103		0				6,103
72a	AN/SQR-17A ACOUSTIC PROCESSOR						10,000		0		10,000		0		0
73	AN/SQR-18 TOWED ARRAY SONAR	0	10,160		320		14,220		320		13,900		13,900		14,220
74	AN/SQR-15 TOWED ARRAY SONAR	0	699		894		894		894		0				894
75	AN/SQR-19 TOWED ARRAY SONAR	0	0				0		0		0				0
76	SURTASS	0	47,313		9,344		9,344		9,344		0				9,344
77	ASW OPERATIONS CENTER	0	3,870		21,938		21,938		21,938		0				21,938
78	CARRIER ASW MODULE	0	15,983		5,682		5,682		5,682		0				5,682

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	-----Revised------ FY 1989 Request Quantity	FY 1989 Request Amount	-----House------ Authorization Quantity	House Authorization Amount	-----Senate------ Authorization Quantity	Senate Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	---Conference--- Change to Request Quantity	Change to Request Amount	---Conference--- Authorization Quantity	Conference Authorization Amount
79	AN/SLQ-32	0	64,206		71,020		71,020		71,020		0				71,020
79a	SIDEKICK						0		54,000		(54,000)		9,000		9,000
80	AN/SLQ-17	0	0				0		0		0				0
81	AN/WLR-1	0	5,540		6,174		6,174		6,174		0				6,174
82	AN/WLR-8	0	0		3,000		3,000		3,000		0				3,000
83	ICAD SYSTEMS	0	0				0		0		0				0
84	OFFBOARD DECEPTION DEVICES	0	7,488				0		0		0				0
85	EW SUPPORT EQUIPMENT	0	4,896		4,824		4,824		4,824		0				4,824
86	FLEET EW SUPPORT GROUP	0	774				0		0		0				0
87	C3 COUNTERMEASURES	0	7,424		5,639		5,639		5,639		0				5,639
88	COMBAT CRYPTOLOGIC SUPPORT CONSOLE	0	9,467		4,737		4,737		4,737		0				4,737
89	COMBAT DF	0	52,720				0		0		0				0
90	OUTBOARD	0	27,801		682		682		682		0				682
91	NAVAL INTELLIGENCE PROCESSING SYSTEM	0	10,078		8,147		8,147		8,147		0				8,147
92	BATTLE GROUP PASSIVE HORIZON EXT SYS	0	0				0		0		0				0
93	AN/WLQ-4 DEPOT	0	9,924		670		670		670		0				670
94	AN/WLQ-4 IMPROVEMENTS	0	18,831		26,948		26,948		26,948		0				26,948
95	AN/BLD-1 (INTERFEROMETER)	11	22,600		866		866		866		0				866
96	SUBMARINE SUPPORT EQUIPMENT PROGRAM	0	2,877		565		565		565		0				565
97	NAVY TACTICAL DATA SYSTEM	0	88,000		111,267		111,267		111,267		0				111,267
98	TACTICAL FLAG COMMAND CENTER	2	12,975	1	5,405	1	5,405	1	5,405		0			1	5,405
99	COMMAND AND CONTROL PROCESSOR	0	0				0		0		0				0
100	MINESWEEPING SYSTEM REPLACEMENT	0	7,127		4,821		4,821		4,821		0				4,821
101	OMEGA SHIPBOARD EQUIPMENT	79	3,299	36	1,333	36	1,333	36	1,333		0			36	1,333
102	NAVSTAR GPS RECEIVERS	155	13,212	179	17,429	179	17,429	179	17,429		0			179	17,429
103	HF LINK-11 DATA TERMINALS	0	844		1,100		1,100		1,100		0				1,100
104	ARMED FORCES RADIO AND TV	0	5,311		6,329		6,329		6,329		0				6,329
105	STRATEGIC PLATFORM SUPPORT EQUIPMENT	0	77,704		92,626		92,626		92,626		0				92,626
106	OTHER NAVELEX TRAINING EQUIPMENT	0	1,706				0		0		0				0
107	OTHER NAVSEA TRAINING EQUIPMENT	0	1,193		447		447		447		0				447
108	MATCALS	0	21,606		10,058		10,058		10,058		0				10,058
109	SHIPBOARD AIR TRAFFIC CONTROL	0	4,577		1,322		1,322		1,322		0				1,322
110	AUTOMATIC CARRIER LANDING SYSTEMS	0	1,680		1,331		1,331		1,331		0				1,331
111	TACAN	0	4,821		2,834		2,834		2,834		0				2,834
112	AIR STATION SUPPORT EQUIPMENT	0	6,619		4,470		4,470		4,470		0				4,470
113	MICROWAVE LANDING SYSTEM	0	0	15	7,505	15	7,505	15	7,505		0			15	7,505
114	FACSFAC	0	31,429		1,797		1,797		1,797		0				1,797
115	RADAR AIR TRAFFIC CONTROL	12	1,235	6	323	6	323	6	323		0			6	323
116	MK XII AIMS IFF	0	16,708		7,486		7,486		7,486		0				7,486

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
117	NAVAL SPACE SURVEILLANCE SYSTEM	0	8,956		11,483		11,483		11,483		0				11,483
118	SPACE SYSTEM PROCESSING	0	2,152		1,990		1,990		1,990		0				1,990
119	MULTOTS	0	0		1,561		1,561		1,561		0				1,561
120	NCCS ASHORE	0	9,361		15,735		15,735		15,735		0				15,735
121	RADIAC	0	7,437		6,284		6,284		6,284		0				6,284
122	OVER THE HORIZON RADAR	1	88,059	2	163,564	2	163,564	2	163,564		0			2	163,564
123	GPETE	0	19,027		26,636		26,636		26,636		0				26,636
124	INTEG COMBAT SYS TEST FACILITY	0	5,778		3,553		3,553		3,553		0				3,553
125	CALIBRATION STANDARDS	0	7,041		7,605		7,605		7,605		0				7,605
126	EMI CONTROL INSTRUMENTATION	0	8,556		6,978		6,978		6,978		0				6,978
127	SHORE ELEC ITEMS UNDER $2.0 MILLION	0	18,288		26,457		26,457		26,457		0				26,457
128	SHIPBOARD HF COMMUNICATIONS	0	3,818		915		915		915		0				915
129	SHIPBOARD UHF COMMUNICATIONS	0	5,219		2,270		2,270		2,270		0				2,270
130	FLIGHT DECK COMMUNICATIONS	0	0				0		0		0				0
131	PORTABLE RADIOS	1,204	4,713	641	5,564	641	5,564	641	5,564		0			641	5,564
132	PORTABLE RADIOS - (SOF)	0	7,707				0		0		0				0
133	SHIP COMMUNICATIONS AUTOMATION	0	6,883		6,144		6,144		6,144		0				6,144
134	SHIP COMM ITEMS UNDER $2.0 MILLION	0	5,313		3,516		3,516		3,516		0				3,516
135	SEALIFT SHIP COMMUNICATIONS	0	3,000		2,958		2,958		2,958		0				2,958
136	ELF COMMUNICATIONS	0	0				0		0		0				0
137	SHORE LF/VLF COMMUNICATIONS	0	1,122		4,332		4,332		4,332		0				4,332
138	VERDIN	0	820		3,930		3,930		3,930		0				3,930
139	SSN INTEGRATED COMMUNICATIONS	0	467		2,537		2,537		2,537		0				2,537
140	SUBMARINE COMMUNICATION ANTENNAS	0	11,989		11,315		11,315		11,315		0				11,315
141	DATA COLLECTION AND RECORD SYS	0	0				0		0		0				0
142	COMPACT VLF RECEIVER	0	0				0		0		0				0
143	SATCOM SHIP TERMINALS	0	28,368		19,190		19,190		19,190		0				19,190
144	SATCOM SHORE TERMINALS	0	4,910		9,251		9,251		9,251		0				9,251
145	SATCOM SHORE TERMINALS - (SOF)	0	2,500				0		0		0				0
146	JCS COMMUNICATIONS EQUIPMENT	0	4,468		2,875		2,875		2,875		0				2,875
147	ELECTRICAL POWER SYSTEMS	0	1,063		518		518		518		0				518
148	SHORE HF COMMUNICATIONS	0	12,795		2,969		2,969		2,969		0				2,969
149	JOINT TACTICAL COMM (TRI-TAC)	0	0				0		0		0				0
150	DCS TECH CONTROL IMPROVEMENTS	0	1,342		1,282		1,282		1,282		0				1,282
151	VOICE FREQ CARRIER TELEGRAPH	200	1,883	400	2,956	400	2,956	400	2,956		0			400	2,956
152	WORLDWIDE WIDEBAND COMM	0	2,338		2,049		2,049		2,049		0				2,049
153	WWMCCS COMMUNICATIONS EQUIPMENT	0	494		1,129		1,129		1,129		0				1,129
154	SHORE COMMUNICATIONS AUTOMATION	0	10,201		7,079		7,079		7,079		0				7,079
155	SHORE COMM ITEMS UNDER $2.0 MILLION	0	7,805		2,056		2,056		2,056		0				2,056
156	SHORE COMM ITEMS UNDER $2 MILLION (SOF)	0	540				0		0		0				0
157	SINGLE AUDIO SYSTEM	0	7,755		4,634		4,634		4,634		0				4,634

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	Revised FY 1989 Request Quantity	Revised FY 1989 Request Amount	House Authorization Quantity	House Authorization Amount	Senate Authorization Quantity	Senate Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference Authorization Quantity	Conference Authorization Amount
158	TSEC/KY-71/72 (STU-II/STU-IIM)	0	37,145		25,315		25,315		25,315		0				25,315
159	TSEC/KG-84	0	51,528		36,046		36,046		36,046		0				36,046
160	TSEC/KY-57/58 (VINSON)	0	5,000		20,650		20,650		20,650		0				20,650
161	TSEC/KYV-5 (ANDVT)	0	38,336		47,546		47,546		47,546		0				47,546
162	TSEC/KW-46	0	0				0		0		0				0
163	TSEC/KG-81 (WALBURN)	0	1,604		2,111		2,111		2,111		0				2,111
164	TSEC/KGR-96 (ITSS)	0	0				0		0		0				0
165	BLACKER CRYPTO	0	0		1,330		1,330		1,330		0				1,330
166	TSEC/KG-58/KGV-6 (PLRS)	0	0		3,809		3,809		3,809		0				3,809
167	TRITAC CRYPTO	0	21,882		16,416		16,416		16,416		0				16,416
168	TSEC/KGV-11	261	4,085	444	6,790	444	6,790	444	6,790		0			444	6,790
169	COMMON FILL DEVICES	0	600		519		519		519		0				519
170	SIGNAL SECURITY	0	369		390		390		390		0				390
171	CRYPTOGRAPHIC ITEMS UNDER $2 MILLION	0	14,402		14,322		14,322		14,322		0				14,322
172	CRYPTO ITEMS UNDER $2 MILLION (SOF)	0	710				0		0		0				0
173	CRYPTOLOGIC COMMUNICATIONS EQUIP	0	2,035		2,623		2,623		2,623		0				2,623
174	SHIPS SIGNAL EXPLOITATION SPACE	0	4,074		5,707		5,707		5,707		0				5,707
175	CRYPTOLOGIC ITEMS UNDER $2 MILLION	0	3,719		2,034		2,034		2,034		0				2,034
176	CRYPTOLOGIC RESERVES EQUIPMENT	0	1,265		1,929		1,929		1,929		0				1,929
177	CRYPTOLOGIC FIELD TRAINING EQUIP	0	435		956		956		956		0				956
178	SHORE CRYPTOLOGIC SUPPORT SYSTEM	0	1,264		1,317		1,317		1,317		0				1,317
179	WAR RESERVE	0	746		582		582		582		0				582
180	ELEC ENGINEERED MAINT (NAVSEA)	0	531		458		458		458		0				458
181	ELEC ENGINEERED MAINT (NAVELEX)	0	1,560		1,388		1,388		1,388		0				1,388
181a	SECURE COMMUNICATIONS EQUIPMENT						25,000	1,307	0	(1,307)	25,000		0		0
181b	SHIP OVERHAUL EQUIPMENT DEFERRAL												(50,000)		(50,000)
AVIATION SUPPORT EQUIPMENT															
182	AN/SSQ-36 (BT)	28,231	4,098	30,173	4,390	30,173	4,390	30,173	4,390		0			30,173	4,390
183	AN/SSQ-53 (DIFAR)	220,000	73,713	108,666	47,695	108,666	47,695	108,666	47,695		0			108,666	47,695
184	AN/SSQ-57 (SPECIAL PURPOSE)	46,300	11,286	11,564	2,835	11,564	2,835	11,564	2,835		0			11,564	2,835
185	AN/SSQ-62 (DICASS)	37,000	42,774	15,026	22,984	15,026	22,984	15,026	22,984		0			15,026	22,984
186	AN/SSQ-77 (VLAD)	51,700	33,364	32,644	23,616	32,644	23,616	32,644	23,616		0			32,644	23,616
186a	SONOBUOYS (GENERAL INCREASE)						56,700		30,000		26,700		30,000		30,000
187	SIGNAL UNDERWATER SOUND (SUS)	0	0	4,900	1,859	4,900	1,859	4,900	1,859		0			4,900	1,859
188	LOW COST SONOBOUY	0	0				0		0		0				0
189	SKIPPER	1,334	38,773				0		0		0				0
190	GENERAL PURPOSE BOMBS	0	63,974		31,264		106,264		31,264		75,000		25,000		56,264
191	LASER GUIDED BOMB KITS	222	3,828				0		0		0				0
192	WALLEYE	0	10,729		4,251		4,251		4,251		0				4,251
193	ROCKEYE	1,341	8,283		914		16,914		914		16,000		16,000		16,914
194	ZUNI ROCKET	0	29,479				0		0		0				0
195	2.75 INCH ROCKET	0	18,494		18,731		18,731		18,731		0		(9,400)		9,331
196	PARACHUTE FLARES	99	1,431				0		0		0				0

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
197	MACHINE GUN AMMUNITION	0	14,435		13,005		13,005		13,005		0				13,005
198	PRACTICE BOMBS	0	36,926		43,024		63,024		43,024		20,000		20,000		63,024
199	CARTRIDGES + CARTRIDGE ACTUATED DEVICES	0	12,233		1,927		28,127		1,927		26,200		26,200		28,127
200	AIRCRAFT ESCAPE ROCKETS	0	3,687		3,579		3,579		3,579		0				3,579
201	AIRBORNE EXPENDABLE COUNTERMEASURES	0	20,035		17,526		17,526		17,526		0				17,526
202	MARINE LOCATION MARKERS	0	6,567		6,503		6,503		6,503		0				6,503
203	DEFENSE NUCLEAR AGENCY MATERIAL	0	1,477				0		0		0				0
204	BIGEYE CHEMICAL WEAPON	0	0		9,900		0		9,900		(9,900)		(4,900)		5,000
205	JATOS	0	4,149		4,846		4,846		4,846		0		(3,100)		1,746
206	GATOR	217	6,400	563	13,364	563	13,364	563	13,364		0			563	13,364
207	MISC AIR LAUNCHED ORDNANCE	0	1,618		2,178		2,178		2,178		0		(1,000)		1,178
208	WEAPONS RANGE SUPPORT EQUIPMENT	0	46,829		57,163		57,163		57,163		0				57,163
209	EXPEDITIONARY AIRFIELDS	0	15,709		8,670		8,670		8,670		0				8,670
210	AIRCRAFT REARMING EQUIPMENT	0	35,277		11,864		11,864		11,864		0				11,864
211	CATAPULTS AND ARRESTING GEAR	0	38,932		20,847		20,847		20,847		0				20,847
212	METEOROLOGICAL EQUIPMENT	0	20,100		22,590		22,590		22,590		0				22,590
212a	AEROSTAT RADAR-DRUG INTERDICTION					2	45,000		0	2	45,000		0		0
212b	TETHERED AEROSTAT RADAR (PAX)					1	21,000		0	1	21,000		0		0
213	OTHER PHOTOGRAPHIC EQUIPMENT	0	1,841		1,905		1,905		1,905		0				1,905
214	MISC SURVIVAL EQUIPMENT	0	7,629		5,765		5,765		5,765		0				5,765
215	AIRBORNE MINE COUNTERMEASURES	0	15,940		22,588		22,588		22,588		0				22,588
216	LAMPS MK III SHIPBOARD EQUIPMENT	0	22,587		8,180		8,180		8,180		0				8,180
217	REWSON PHOTOGRAPHIC EQUIPMENT	0	37		3,337		3,337		3,337		0				3,337
218	STOCK SURVEILLANCE EQUIPMENT	0	3,207		2,807		2,807		2,807		0				2,807
219	OTHER AVIATION SUPPORT EQUIPMENT	0	13,864		29,143		29,143		29,143		0		(17,358)		11,785
ORDNANCE SUPPORT EQUIPMENT															
220	3 /50 GUN AMMUNITION	0	3,207		993		993		993		0				993
221	5 /38 GUN AMMUNITION	0	5,706		4,630		4,630		4,630		0				4,630
222	5 /54 GUN AMMUNITION	0	46,001		48,562		48,562		48,562		0				48,562
223	5 INCH GUIDED PROJECTILE	0	0				0		0		0				0
224	16 INCH GUN AMMUNITION	0	14,931		24,139		24,139		24,139		0				24,139
225	CIWS AMMUNITION	0	40,475		40,744		40,744		40,744		0				40,744
226	76MM GUN AMMUNITION	0	5,912		9,479		9,479		9,479		0				9,479
227	OTHER SHIP GUN AMMUNITION	0	20,247		17,986		17,986		17,986		0				17,986
228	GUN FIRE CONTROL EQUIPMENT	0	13,914		7,951		7,951		7,951		0				7,951
229	COAST GUARD GUN SYSTEM	0	0				0		0		0				0
SHIP MISSILE SYSTEMS EQUIPMENT															
230	MK 92 FIRE CONTROL SYSTEM	0	7,038	1	8,145	1	8,145	1	8,145		0			1	8,145
230a	MK 92 CORT					6	78,000		0	6	78,000	4	50,100	4	50,100
231	HARPOON SUPPORT EQUIPMENT	0	38,021		42,878		42,878		42,878		0				42,878
232	TERRIER SUPPORT EQUIPMENT	0	48,535		47,265		47,265		47,265		0				47,265
233	TARTAR SUPPORT EQUIPMENT	0	64,226		61,319		61,319		61,319		0				61,319
234	POINT DEFENSE SUPPORT EQUIPMENT (MYP)	0	23,917		34,401		34,401		34,401		0				34,401
235	AIRBORNE ECM/ECCM	0	1,045		1,079		1,079		1,079		0				1,079
236	AEGIS SUPPORT EQUIPMENT	0	4,200		39,135		39,135		39,135		0				39,135
237	SURFACE TOMAHAWK SUPPORT EQUIPMENT	0	50,937		37,995		37,995		37,995		0				37,995
238	SUBMARINE TOMAHAWK SUPPORT EQUIPMENT	0	5,521		2,611		2,611		2,611		0				2,611
239	VERTICAL LAUNCH SYSTEM	2	54,902	3	78,349	3	78,349	3	78,349		0			3	78,349

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	-----Revised------ FY 1989 Request Quantity	-----Revised------ FY 1989 Request Amount	-----House------ Authorization Quantity	-----House------ Authorization Amount	-----Senate------ Authorization Quantity	-----Senate------ Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	---Conference--- Change to Request Quantity	---Conference--- Change to Request Amount	---Conference--- Authorization Quantity	---Conference--- Authorization Amount
240	STRATEGIC PLATFORM SUPPORT EQUIPMENT	0	66,745		384,723		384,723		384,723		0				384,723
241	MK-92	0	0				0		0		0				0
242	MK 117 FIRE CONTROL SYSTEM	0	56,400		72,974		72,974		72,974		0				72,974
243	SUBMARINE ASW SUPPORT EQUIPMENT	0	1,003		9,100		9,100		9,100		0				9,100
244	SURFACE ASW SUPPORT EQUIPMENT	0	9,901		26,192		26,192		26,192		0				26,192
245	MK 116 FIRE CONTROL SYSTEM	0	0				0		0		0				0
246	ASW RANGE SUPPORT EQUIPMENT	0	6,714		5,314		5,314		5,314		0				5,314
247	EXPLOSIVE ORDNANCE DISPOSAL EQUIP	0	12,752		11,460		11,460		11,460		0				11,460
248	SWIMMER WEAPONS SYSTEMS	0	0				0		0		0				0
249	SWIMMER WEAPON SYSTEMS (SOF)	0	4,096		4,150		4,150		4,150		0				4,150
250	UNMANNED SEABORNE TARGET	0	2,003		2,581		2,581		2,581		0				2,581
251	ANTI-SHIP MISSILE DECOY SYSTEMS	6	7,575	6	5,846	6	5,846	6	5,846		0			6	5,846
252	CALIBRATION EQUIPMENT	0	3,563		3,600		3,600		3,600		0				3,600
253	STOCK SURVEILLANCE EQUIPMENT	0	1,780		932		932		932		0				932
254	OTHER ORDNANCE TRAINING EQUIPMENT	0	2,339		2,336		2,336		2,336		0				2,336
255	SMALL ARMS AND LANDING PARTY AMMO	0	31,712		33,444		33,444		33,444		0				33,444
256	SMALL ARMS & LANDING PARTY AMMO (SOF)	0	3,668		3,495		3,495		3,495		0				3,495
257	PYROTECHNIC AND DEMOLITION MATERIAL	0	2,122		119		119		119		0				119
258	PYROTECHNIC AND DEMOLITION (SOF)	0	23,292		23,379		23,379		23,379		0				23,379
259	QUICKSTRIKE	0	13,129		23,072		23,072		23,072		0				23,072
260	FLEET MINE SUPPORT EQUIPMENT	0	16,375		20,719		20,719		20,719		0				20,719
261	MINE NEUTRALIZATION DEVICES	0	3,329		3,633		3,633		3,633		0				3,633
262	DEFENSE NUCLEAR AGENCY MATERIAL	0	9,594		7,608		7,608		7,608		0				7,608
263	SHIPBOARD EXPENDABLE COUNTERMEASURES	0	20,410		18,233		18,233		18,233		0				18,233
263a	REDUCTION IN ORDNANCE SUPPORT EQUIPMENT						(27,900)		0		(27,900)		(35,000)		(35,000)
263b	AMMUNITION-GENERAL INCREASE						25,000		0		25,000		0		0
263c	SHIP OVERHAUL EQUIPMENT DEFERRAL												(50,000)		(50,000)
CIVIL	ENGINEERING SUPPORT EQUIPMENT														
264	PASSENGER CARRYING VEHICLES	451	5,060	448	5,312	448	5,312	448	5,312		0			448	5,312
265	ARMORED SEDANS	0	0	2	191	2	191	2	191		0			2	191
266	TRUCKS	1,172	19,300	1,858	29,405	1,200	18,991	1,858	29,405	(658)	(10,414)	(658)	(10,414)	1,200	18,991
267	TRAILERS	189	2,135	121	1,304	121	1,304	121	1,304		0			121	1,304
268	CRUSH, MIX, BATCH, PAVE EQUIPMENT	0	1,984		879		879		879		0				879
269	DRILLING AND BLASTING EQUIPMENT	0	2,294		761		761		761		0				761
270	EARTH MOVING EQUIPMENT	121	6,939	97	6,985	97	6,985	97	6,985		0			97	6,985
271	LIGHTING AND POWER GENERATING EQUIP	0	1,642		608		608		608		0				608
272	MISC CONSTRUCTION AND MAINTENANCE EQUIP	0	3,532		3,020		3,020		3,020		0				3,020
273	FIRE FIGHTING EQUIPMENT	65	8,430	48	9,748	48	9,748	48	9,748		0			48	9,748
274	WEIGHT HANDLING EQUIPMENT	32	6,737	30	5,714	30	5,714	30	5,714		0			30	5,714
275	AMPHIBIOUS EQUIPMENT	0	9,906		15,437		30,437		30,437		0		15,000		30,437
276	COMBAT CONSTRUCTION SUPPORT EQUIPMENT	0	8,438		11,084		11,084		11,084		0				11,084
277	MOBILE UTILITIES SUPPORT EQUIPMENT	0	5,424		3,653		3,653		3,653		0				3,653
278	COLLATERAL EQUIPMENT	0	1,911		1,620		1,620		1,620		0				1,620
279	OCEAN CONSTRUCTION EQUIPMENT	0	2,184		1,463		1,463		1,463		0				1,463
280	FLEET MOORINGS	0	4,318		3,888		3,888		3,888		0				3,888
281	POLLUTION CONTROL EQUIPMENT	0	2,914		2,103		2,103		2,103		0				2,103
282	OTHER CIVIL ENG SUPPORT EQUIPMENT	0	2,067		1,300		1,300		1,300		0				1,300

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	Revised FY 1989 Request Quantity	Revised FY 1989 Request Amount	House Authorization Quantity	House Authorization Amount	Senate Authorization Quantity	Senate Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference Authorization Quantity	Conference Authorization Amount
283	FLEET HOSPITALS	0	0				0		0		0				0
	SUPPLY SUPPORT EQUIPMENT														
284	FORKLIFT TRUCKS	107	4,508	301	9,520	301	9,520	301	9,520		0			301	9,520
285	OTHER MATERIALS HANDLING EQUIPMENT	0	1,571		3,270		3,270		3,270		0				3,270
286	AUTOMATED MATERIALS HANDLING SYSTEMS	0	19,186		3,544		3,544		3,544		0				3,544
287	OTHER SUPPLY SUPPORT EQUIPMENT	0	11,783		4,079		4,079		4,079		0				4,079
288	POLLUTION CONTROL EQUIPMENT	0	0		720		720		720		0				720
289	SPECIAL PURPOSE SUPPLY SYSTEMS	0	72,146		84,162		105,362		84,162		21,200		21,200		105,362
	PERSONNEL AND COMMAND SUPPORT EQUIPMENT														
290	SURFACE SONAR TRAINERS	0	0		29,558		29,558		29,558		0				29,558
291	SUBMARINE SONAR TRAINERS	0	1,212		8,162		8,162		8,162		0				8,162
292	SURFACE COMBAT SYSTEM TRAINERS	0	18,910		23,984		23,984		23,984		0				23,984
293	SUBMARINE COMBAT SYSTEM TRAINERS	0	20,511		14,283		14,283		14,283		0				14,283
294	SHIP SYSTEM TRAINERS	0	14,045		4,685		16,585		4,685		11,900		11,900		16,585
295	TRAINING SUPPORT EQUIP	0	2,636		4,524		4,524		4,524		0				4,524
296	TRAINING DEVICE MODIFICATIONS	0	3,088		1,759		1,759		1,759		0				1,759
297	COMMAND SUPPORT EQUIPMENT	0	8,927		15,163		15,163		15,163		0				15,163
298	EDUCATION SUPPORT EQUIPMENT	0	1,228		4,164		4,164		4,164		0				4,164
299	MEDICAL SUPPORT EQUIPMENT	0	15,020		49,679		49,679		49,679		0				49,679
300	INTELLIGENCE SUPPORT EQUIPMENT	0	70,475		58,375		58,375		58,375		0				58,375
301	ITEMS UNDER $2 MILLION	0	1,508		1,010		1,010		1,010		0				1,010
302	OPERATING FORCES SUPPORT EQUIPMENT	0	9,886		19,266		19,266		19,266		0				19,266
303	NAVAL RESERVE SUPPORT EQUIPMENT	0	162		716		716		716		0				716
304	OCEANOGRAPHIC SUPPORT EQUIPMENT	0	25,774		19,525		19,525		19,525		0				19,525
305	PHYSICAL SECURITY EQUIPMENT	0	38,426		11,577		11,577		11,577		0				11,577
306	COMPUTER ACQUISITION PROGRAM	0	175,654		185,401		185,401		185,401		0		0		185,401
307	PRODUCTIVITY INVESTMENT FUND (PIF)	0	1,990		13,780		13,780		13,780		0		(8,780)		5,000
308	PROD ENHANCING INCENTIVE FUND (PEIF)	0	7,371		8,798		8,798		8,798		0		(6,798)		2,000
	SPARES AND REPAIR PARTS														
309	SPARES AND REPAIR PARTS	0	278,800		227,196		227,196		227,196		0				227,196
	UNDISTRIBUTED REDUCTION						0		(54,000)		54,000		0		0
	TOTAL OTHER PROCUREMENT NAVY		4,731,350		4,789,700		5,213,386		4,836,200		377,186		28,050		4,817,750

Sealift support equipment

The amended budget request included $21.8 million for sealift support equipment.

The House bill would add $12 million to the request.

The Senate amendment would add $8 million to the request.

The House recedes.

The conferees remain very supportive of the use of seasheds and adapters and their continued procurement from small businesses by competitive dual-sourcing through the existing small business program under a stable production.

Reduction in ships support equipment

The conferees agree to a reduction of $15 million in the amended budget request for ships support equipment. The conferees are aware that problems have been identified in fully executing certain of the programs contained in the amended budget request. Accordingly, the conferees direct that this reduction be taken from the following programs: other propulsion equipment; other pumps, electrically suspended gyro navigator; submarine batteries; Hull, Machinery and Electrical items under $2 million; and diving and salvage equipment.

AN/SQR-17A acoustic processor

The amended budget request did not include a request for AN/SQR-17A acoustic processors.

The House bill would add $10 million for this equipment.

The Senate amendment contained a provision (sec. 111(e)) that would proscribe further procurement of this equipment, with accompanying language indicating that the General Accounting Office had concluded that more equipment had been procured in previous years than the Navy required.

The House recedes with an amendment whereby the Senate proscription on procurement would be deleted in favor of a program review by the Secretary of the Navy.

The conferees agree that in light of the report by the General Accounting Office, the Secretary of the Navy should review requirements and develop a stable procurement plan for the AN/SQR-17A, if it is neeeded, in particular for the Mobile Inshore Undersea Warfare units of the Naval Reserve. Accordingly, the conferees direct the Secretary of the Navy to submit the results of the Secretary's review of this program and to request funds for such a plan, if deemed necessary, in the fiscal year 1990 budget request.

AN/SQR-18 towed array sonar

The amended budget request contained $0.3 million for the AN/SQR-18 towed array sonar.

The House bill would add $13.9 million for this anti-submarine warfare equipment.

The Senate amendment contained no similar provision.

The Senate recedes.

SIDEKICK electronic countermeasures equipment

The amended budget request did not include a request for an electronic countermeasures system nicknamed SIDEKICK. SIDEKICK provides an active countermeasures capacity to the SLQ-32(V)2 electronic warfare equipment.

The Senate amendment contained a provision (sec. 113) that would authorize $54 million for procurement of 36 SIDEKICK units.

The House bill would not authorize funds for this program.

The House recedes with an amendment.

The conferees agree that the procurement of SIDEKICK will significantly enhance the electronic countermeasures capability of ships so equipped. Accordingly, the conferees recommend authorization of $9 million for the initial procurement, directing the Secretary of the Navy to establish a stable program for procurement based on a firm installation schedule. The conferees also invite the Navy to reprogram funds for the SIDEKICK program up to the level that can be obligated in fiscal year 1989.

Sonobuoys

The amended budget request included $103.4 million for procurement of sonobuoys.

The House bill would authorize a general increase of $56.7 million for sonobuoys.

The Senate amendment would authorize a general increase of $30 million, for a total sonobuoy procurement of $133.4 milllion.

The House recedes.

General purpose bombs

The amended budget request contained $31.3 million to procure general purpose bombs.

The House bill would authorize an increase of $75 million, for a total of $106.3 million, but would reserve $5 million for the DSU-30/B target detecting device.

The Senate amendment would authorize the requested amount.

The conferees recommend an authorization of $56.3 million, including $5 million for the DSU-30/B target detecting device.

Rockeye bombs

The amended budget request contained $0.9 million for Rockeye munitions.

The House bill would authorize $16.9 million, including $1.5 million to be used for follow-on testing of an engineering change proposal to reload existing Rockeye munitions with a dual-purpose insensitive PBX bomblet refuzed with the FMU-140 fuze.

The Senate amendment would authorize the budget request.

The conferees recommend an authorization of $16.9 million, and direct that $1.5 million be used for follow-on testing consistent with the House direction.

MK-92 coherent receiver-transmitter

The amended budget request did not include a request for the MK 92 coherent receiver-transmitter (CORT) system.

The House bill would add $78 million for this equipment.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment. The conferees recommend authorization of $50.1 million for the MK 92 CORT system.

Reduction in ordnance support equipment

The House bill contained a reduction of $27.9 million in ordnance support equipment. The Senate amendment did not contain a similar request.

The conferees agree to a reduction of $35 million in ship support equipment. The conferees are aware that problems have been identified in executing fully certain of the programs contained in the amended budget submission. Accordingly, the conferees direct that this reduction be taken from the following programs: 5"/54 gun ammunition and 16-inch ammunition.

Trucks

The amended budget request included $29.4 million for 1,858 trucks for the Navy.

The House bill would reduce the request by $10.4 million and 658 trucks.

The Senate amendment would authorize the amount requested.

The Senate recedes.

Amphibious equipment

The conferees affirm the language in the House report (H. Rept. 100-563) and the Senate report (S. Rept. 100-326) concerning the Offshore Petroleum Discharge System.

Ship system trainers

The amended budget request included $4.7 million for procurement of ship system trainers.

The House bill would add $11.9 million to the request for procurement of 19F fire training systems designed to train Navy personnel to fight fires onboard ships.

The Senate amendment would authorize the amount in the budget request.

The Senate recedes.

PROCUREMENT, MARINE CORPS

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $1,157.3 million for Marine Corps procurement. The House bill would authorize $1,330.3 million. The Senate amendment would authorize $1,167.3 million. The conferees recommend authorization of $1,297.3 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	-----Revised------ FY 1989 Request Quantity	-----Revised------ FY 1989 Request Amount	-----House------ Authorization Quantity	-----House------ Authorization Amount	-----Senate------ Authorization Quantity	-----Senate------ Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	---Conference--- Change to Request Quantity	---Conference--- Change to Request Amount	---Conference--- Authorization Quantity	---Conference--- Authorization Amount
	PROCUREMENT, MARINE CORPS														
	AMMUNITION														
1	5.56 MM, ALL TYPES	0	0		14,632		14,632		14,632		0				14,632
2	7.62 MM, ALL TYPES	0	0		2,630		2,630		2,630		0				2,630
3	LINEAR CHARGES, ALL TYPES	0	0		5,390		5,390		5,390		0				5,390
4	.50 CALIBER	0	0		1,702		1,702		1,702		0				1,702
5	SMALL ARMS AMMO, ALL TYPES	0	32,680				0		0		0				0
6	40 MM, ALL TYPES	0	0		13,586		13,586		13,586		0				13,586
7	60MM ILLUM M721	0	0		14,273		14,273		14,273		0				14,273
8	60MM SMOKE WP	0	0		6,095		6,095		6,095		0				6,095
9	60MM HE M888	0	0		6,852		6,852		6,852		0				6,852
10	81MM HE	0	0		32,275		32,275		32,275		0				32,275
11	81MM SMOKE RP M819	0	0		13,081		13,081		13,081		0				13,081
12	81MM TP M879	0	0		4,783		4,783		4,783		0				4,783
13	120MM HEAT MP-T M830	0	0		5,373		10,373		5,373		5,000		5,000		10,373
14	120MM TP-T M831	0	0		1,400		3,400		1,400		2,000		2,000		3,400
15	155 MM HE ADAM	0	0		4,882		4,882		4,882		0				4,882
16	155 MM HE RAAMS	0	0		10,232		10,232		10,232		0				10,232
17	155MM HE DP ICM483	0	0		5,004		5,004		5,004		0				5,004
18	155MM CHG. PROP. RED BAG	0	0		5,905		5,905		5,905		0				5,905
19	155MM CHG. PROP. WHITE BAG	0	0		6,266		6,266		6,266		0				6,266
20	FUZES, PRIMER PERCUSSION	0	0		108		108		108		0				108
21	83MM ROCKET HEAA (SMAW)	0	0		27,842		27,842		27,842		0				27,842
22	LIGHT ANTI-ARMOR WEAPON	0	0		13,812		13,812		13,812		0				13,812
23	9MM ALL TYPES	0	0		2,919		2,919		2,919		0				2,919
24	MACHINE GUN AMMO, ALL TYPES	0	31,528				0		0		0				0
25	MORTAR AMMO, ALL TYPES	0	122,846				0		0		0				0
26	GRENADES, ALL TYPES	0	25,410		4,466		4,466		4,466		0				4,466
27	ROCKETS, ALL TYPES	0	26,444				0		0		0				0
28	155MM AMMO, ALL TYPES	0	0				0		0		0				0
29	ANTI-ARMOR AMMO, ALL TYPES	0	0				0		0		0				0
30	155MM PROJ COPPERHEAD	0	0				0		0		0				0
31	8 INCH AMMO, ALL TYPES	0	0				0		0		0				0
32	155MM AMMO, ALL TYPES	0	68,695				0		0		0				0
33	FUZES, ALL TYPES	0	733				0		0		0				0
34	TRAINING AMMO, ALL TYPES	0	33,865				0		0		0				0
35	AMMO MODERNIZATION	0	14,775		19,056		19,056		19,056		0				19,056
36	ITEMS LESS THAN $2 MIL	0	5,899		2,742		2,742		2,742		0				2,742
	AMMUNITION-GENERAL INCREASE						25,000		0		25,000		0		0

P-1				-----Revised------		-----House------		-----Senate------				---Conference---		---Conference---	
		FY 1988 Estimate		FY 1989 Request		Authorization		Authorization		House +/- Senate		Change to Request		Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
WEAPONS AND COMBAT VEHICLES															
37	AAV7A1 PIP	0	20,952		47,828		47,828		47,828		0				47,828
38	MODIFICATION KITS	0	282				0		0		0				0
39	M-1 A1 MAIN BATTLE TANK (MYP)	0	1,144	14	60,441	66	177,441	14	60,441	52	117,000	52	104,000	66	164,441
39	LESS: ADVANCE PROCUREMENT (PY)	0	0		(24,441)		(24,441)		(24,441)		0				(24,441)
40	ADVANCE PROCUREMENT (CY)	0	24,441				0		0		0				0
41	ARMORED VEH LAUNCHED BRIDGE	0	0				0		0		0				0
42	M1 TANK TRAINER	4	8,947				0		0		0				0
43	ITEMS UNDER $2M (TRKD VEH)	0	75		295		295		295		0				295
44	POS AZIMUTH DETERM SYSTEM (PADS)	34	9,637				0		0		0				0
45	M198 155MM HOWITZER	0	0				0		0		0				0
46	ITEMS UNDER $2M (ALL OTHER)	0	1,077		735		735		735		0				735
47	9MM HANDGUN	22,182	5,191	13,589	3,230	13,589	3,230	13,589	3,230		0			13,589	3,230
48	5.56MM SQUAD AUTOMATIC WEAPON	0	0	572	1,769	572	1,769	572	1,769		0			572	1,769
49	M16A2 5.56MM RIFLE	16,652	8,859	9,427	5,119	9,427	5,119	9,427	5,119		0			9,427	5,119
50	M-4 CARBINE	0	0	1,500	1,005		0	1,500	1,005	(1,500)	(1,005)		(1,005)	1,500	0
51	MK-19 40MM MACHINE GUN	0	0				0		4,970		(4,970)		4,970		4,970
52	MORTAR, MED. EXTENDED RANGE	264	5,262				0		0		0				0
GUIDED MISSILES AND EQUIPMENT															
53	HAWK (MYP)	525	115,650	467	129,859	467	129,859	467	129,859		0			467	129,859
53	LESS: ADVANCE PROCUREMENT (PY)	0	0		(24,350)		(24,350)		(24,350)		0				(24,350)
54	ADVANCE PROCUREMENT (CY)	0	24,350		34,205		34,205		34,205		0				34,205
55	HAWK MOD	0	30,129		5,828		5,828		5,828		0				5,828
56	STINGER (MYP)	2,225	93,005	3,115	145,029	3,115	145,029	3,115	145,029		0			3,115	145,029
56a	LIGHT EARLY WARNING DETECTION SYSTEM						5,000		5,000		0		5,000		5,000
57	DRAGON PIP	4,259	7,890	5,950	9,748	5,950	9,748	5,950	9,748		0			5,950	9,748
58	TOW (MYP)	3,386	38,440	2,585	28,400	2,585	28,400	2,585	28,400		0			2,585	28,400
59	MODIFICATION KITS	0	736		1,890		1,890		1,890		0				1,890
60	MANPACK RADIOS AND EQUIP	0	0				0		0		0				0
61	VEHICLE MTD RADIOS & EQUIPMENT	0	3,224		431		431		431		0				431
62	UNIT LEVEL CIRCUIT SWITCH (ULCS)	0	64,549		75,740		75,740		75,740		0				75,740
63	TACT COMM CENTER EQUIP	0	9,887		10,167		10,167		10,167		0				10,167
64	AN/PSG( ) DIGITAL COMM TERMINAL	576	17,316	867	23,001	867	23,001	867	23,001		0			867	23,001
65	AUTO TEST EQUIP SYS	0	0		8,020		8,020		8,020		0				8,020
66	ELECTRON CALIBRATION FACILITY	9	8,740				0		0		0				0
67	ELECTRONIC MAINTENANCE COMPLEX	0	0				0		0		0				0
.68	ELECTRONIC TEST EQUIP (TEL)	0	2,169		2,348		2,348		2,348		0				2,348
69	AN/GRM-114A RADIO TEST SET	135	850	135	875	135	875	135	875		0			135	875

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	Revised FY 1989 Request Quantity	Revised FY 1989 Request Amount	House Authorization Quantity	House Authorization Amount	Senate Authorization Quantity	Senate Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference Authorization Quantity	Conference Authorization Amount
70	TWSEAS	0	0				0		0		0				0
71	ANDVT/TACTERM	74	2,320	76	2,591	76	2,591	76	2,591		0			76	2,591
72	TEST CALIB + MAINT SPT	0	97		1,448		1,448		1,448		0				1,448
73	MODIFICATION KITS (TEL)	0	1,948		8,247		8,247		8,247		0				8,247
74	ITEMS LESS THAN $2M (TEL)	0	1,966		577		577		577		0				577
75	POS LOCATING RPTG SYSTEM (PLRS)	0	0	1	29,213	1	29,213	1	29,213		0			1	29,213
76	MIFASS (NONTEL)	0	0				0		0		0				0
77	TACTICAL AIR OPER MODULE (TAOM)	9	76,923	7	57,359	7	57,359	7	57,359		0			7	57,359
78	TACTICAL RECEIVER EQUIPMENT SET	0	0	12	3,793	12	3,793	12	3,793		0			12	3,793
79	IMPR DIR AIR SPT CTR (IDASC)	5	3,705				0		0		0				0
80	AN/TPS-32 DECOY	0	0				0		0		0				0
81	INTELLIGENCE SUPPORT EQUIPMENT	0	4,420		6,956		6,956		6,956		0				6,956
82	MOBILE EW SUP SYS (MEWSS)	0	0				0		0		0				0
83	ELECTRONIC TDME REPAIR FACILITY	2	1,481				0		0		0				0
84	CALIBRATION FACILITY, MECH	12	5,600				0		0		0				0
85	STE/ICE SIMPLE TEST EQ	285	1,423	150	772	150	772	150	772		0			150	772
86	MECH TEST TMDE	0	97		946		946		946		0				946
87	AN/UPM-137 RADAR TEST SET	0	0	67	4,000	67	4,000	67	4,000		0			67	4,000
88	ELECTRONIC TEST EQUIP (NONTEL)	0	97		1,879		1,879		1,879		0				1,879
89	U B CAMPS	0	0				0		0		0				0
90	NIGHT VISION EQUIPMENT	0	16,686		16,382		16,382		16,382		0				16,382
91	ADP EQUIPMENT	0	41,015		29,578		29,578		29,578		0				29,578
92	TEST CALIB & MAINT SPT (NON-TEL)	0	97		1,448		1,448		1,448		0				1,448
93	MODIFICATION KITS (NONTEL)	0	12,614		8,720		8,720		8,720		0				8,720
94	ITEMS LESS THAN $2M (NON-TEL)	0	1,401		131		131		131		0				131
95	COMMERCIAL PASSENGER VEHICLES	145	2,464	150	2,259	150	2,259	150	2,259		0			150	2,259
96	COMMERCIAL CARGO VEHICLES	0	9,599		12,719		12,719		12,719		0				12,719
97	5/4T TRUCK HMMWV (MYP)	136	2,881				0		0		0				0
98	5-TON TRUCK RETROFIT	0	0				0		0		0				0
99	LOGISTICS VEHICLE SYSTEM (MYP)	359	19,261		5,798	350	25,798		5,798	350	20,000	350	20,000	350	25,798
100	TRAILERS	0	2,881		2,364		2,364		2,364		0				2,364
101	LUBE AND SERVICE UNIT	0	0				0		0		0				0
102	MODIFICATION KITS	0	3,168		2,294		2,294		2,294		0				2,294
103	ITEMS LESS THAN $2 MIL	0	862				0		0		0				0

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
104	ENVIRONMENTAL CONTROL EQUIP ASSORT	0	2,768		2,590		2,590		2,590		0				2,590
105	HEAVY ROUGH TERRAIN CRANE	156	34,976	19	4,921	19	4,921	19	4,921		0			19	4,921
106	LIGHT ROUGH TERRAIN CRANE	200	11,625	142	8,040	142	8,040	142	8,040		0			142	8,040
107	GRADER ROAD MOTORIZED	0	0				0		0		0				0
108	TRACTORS, ALL TYPES	0	28,785		11,716		11,716		11,716		0				11,716
109	CONTAINER HANDLER, ROUGH TERR	35	8,118				0		0		0				0
110	FORKLIFTS, ALL TYPES	0	27,839		27,751		27,751		27,751		0				27,751
111	LAUNDRY UNIT, FIELD	0	3,240				0		0		0				0
112	FIELD SUPPORT EQUIPMENT	0	0				0		0		0				0
113	FIELD BATH SHOWER UNIT	100	2,255	152	3,517	152	3,517	152	3,517		0			152	3,517
114	REFRIGERATION UNIT	0	0				0		0		0				0
115	FIELD WIRING HARNESS	963	4,351				0		0		0				0
116	FUEL & WATER PUMP & STORAGE MODULE	0	10,572		5,671		5,671		5,671		0				5,671
117	AMPHIBIOUS ASSAULT FUEL SYSTEM	0	2,346				0		0		0				0
118	TACT AIRFIELD FUEL DISP SYS	0	1,899				0		0		0				0
119	TOPOGRAPHIC/SURVEY EQUIPMENT	0	908				0		0		0				0
120	WET GAP BRIDGE SYSTEM	168	5,628				0		0		0				0
121	BOAT BRIDGE	0	0				0		0		0				0
122	POWER EQUIPMENT ASSORTED	0	1,112		50		50		50		0				50
123	MOB ELECT POWER DIST SYS (MEPDIS)	0	0				0		0		0				0
124	MINING SYSTEMS	0	0				0		0		0				0
125	COMMAND SUPPORT EQUIPMENT	0	6,792		2,881		2,881		2,881		0				2,881
126	AMPHIBIOUS RAID EQUIPMENT	0	0		1,700		1,700		1,700		0				1,700
127	PRODUCTIVITY INVESTMENT	0	0		2,044		2,044		2,044		0				2,044
128	PHYSICAL SECURITY EQUIPMENT	0	3,374		1,955		1,955		1,955		0				1,955
129	GARRISON MOBILE ENGR EQUIP	0	3,838		5,369		5,369		5,369		0				5,369
130	TELEPHONE SYSTEM	0	0		4,932		4,932		4,932		0				4,932
131	AUTO MAT HANDLING EQUIP	0	959		946		946		946		0				946
132	HQMC ITEMS	0	327		429		429		429		0				429
133	MATERIAL HANDLING EQUIP	0	2,290		2,199		2,199		2,199		0				2,199
134	LIGHTWEIGHT DECONTAMINATION SYSTEM	276	3,409	282	3,630	282	3,630	282	3,630		0			282	3,630
135	TRAINING DEVICES (AUDIO VISUAL)	0	1,440		1,418		1,418		1,418		0				1,418
136	TRAINING DEVICES (SIMULATORS)	0	11,218		9,467		9,467		9,467		0				9,467
137	SHELTER FAMILY	0	0	513	19,167	513	19,167	513	19,167		0			513	19,167
138	CONTAINER FAMILY	1,859	3,002	13,556	14,982	13,556	14,982	13,556	14,982		0			13,556	14,982
139	CHEMICAL ALARM SYSTEM	386	916				0		0		0				0
140	CHEMICAL PROTECTION EQUIPMENT	0	0				0		0		0				0
141	DECON APPARATUS PWR DRIVEN	0	0				0		0		0				0
142	MODIFICATION KITS	0	0				0		0		0				0
143	ITEMS LESS THAN $2 MIL	0	3,931		2,877		2,877		2,877		0				2,877
144	SPARES AND REPAIR PARTS	0	28,998		47,096		47,096		47,096		0				47,096
	TOTAL PROCUREMENT MARINE CORPS		1,295,599		1,157,300		1,330,295		1,167,270		163,025		139,965		1,297,265

M1A1 main battle tanks

The amended budget request included $60.4 million for procurement of 14 M1A1 tanks.

The House bill would authorize an increase of $117 million for 52 additional tanks.

The Senate amendment would authorize the amount requested.

The Senate recedes with an amendment.

The conferees recommend authorization of $164.4 million for 66 M1A1 main battle tanks for the Marine Corps, an increase of $104 million for 52 tanks to the request.

M-4 carbine

The amended budget request included $1 million for 1,500 M-4 carbines.

The House bill would deny authorization for carbines.

The Senate amendment would authorize the amount requested.

The Senate recedes.

MK-19 40mm machine gun

The amended budget request did not include funds for MK-19 40mm machine guns.

The House bill would reflect the budget request.

The Senate amendment would authorize $5 million for MK-19 40mm machine guns.

The House recedes.

Logistics vehicle system

The amended budget request included $5.8 million for Logistics Vehicle Systems. The House bill provided an increase of $20 million to the request.

The Senate amendment contained no similar provision.

The Senate recedes.

AIRCRAFT PROCUREMENT, AIR FORCE

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $16,630 million for Air Force aircraft procurement. The House bill would authorize $16,413.8 million. The Senate amendment would authorize $16,256.1 million. The conferees recommend authorization of $16,125 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1				-----Revised------		-----House------		-----Senate------				---Conference---		---Conference---	
		FY 1988 Estimate		FY 1989 Request		Authorization		Authorization		House +/- Senate		Change to Request		Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	AIRCRAFT PROCUREMENT, AIR FORCE														
1	CLASSIFIED PROGRAMS		[ ]		[ ]		[ ]		[ ]		0				[ ]
2	B-2A		[ ]		[ ]		[ ]		[ ]		[-100,000]		[-50,000]		[ ]
2	LESS: ADVANCE PROCUREMENT (PY)		[ ]		[ ]		[ ]		[ ]		0				[ ]
3	ADVANCE PROCUREMENT (CY)		[ ]		[ ]		[ ]		[ ]		0				[ ]
4	AIR DEFENSE COMPETITION	0	0				0		0		0				0
5	ATA		[ ]		[ ]		[ ]		[ ]		0		[-87,200]		[ ]
6	CLASSIFIED PROGRAMS		[ ]		[ ]		[ ]		[ ]		0				[ ]
7	F-15 D/E	42	1,448,576	36	1,445,805	42	1,578,705	36	1,445,805	6	132,900		0	36	1,445,805
7	LESS: ADVANCE PROCUREMENT (PY)	0	(139,376)		(154,200)		(154,200)		(154,200)		0				(154,200)
8	F-15 ADVANCE PROCUREMENT (CY)	0	154,200		100,709		123,909		100,709		23,200		11,900		112,609
9	F-16 C/D (MYP)	180	2,682,620	180	3,499,128	180	3,449,128	180	3,148,128		301,000		(150,000)	180	3,349,128
9	LESS: ADVANCE PROCUREMENT (PY)	0	(533,952)		(646,100)		(646,100)		(646,100)		0				(646,100)
10	ADVANCE PROCUREMENT (CY)	0	475,900		588,738		588,738		588,738		0		(134,000)		454,738
11	KC-10A (ATCA) (MYP)	0	0				0		0		0				0
11	LESS: ADVANCE PROCUREMENT (PY)	0	0				0		0		0				0
12	MC-130H - SOF	7	343,821	4	225,295	4	225,295	4	225,295		0			4	225,295
12	LESS: ADVANCE PROCUREMENT (PY)	0	(14,821)		(15,800)		(15,800)		(15,800)		0				(15,800)
13	ADVANCE PROCUREMENT (CY)	0	15,800				0		0		0				0
14	AC-130U GUNSHIP - SOF	0	0	6	306,487	6	306,487	6	306,487		0			6	306,487
14	LESS: ADVANCE PROCUREMENT (PY)	0	0		(18,200)		(18,200)		(18,200)		0				(18,200)
15	ADVANCE PROCUREMENT (CY)	0	18,200		29,500		29,500		29,500		0				29,500
16	C-5B	0	0				0		0		0				0
16	LESS: ADVANCE PROCUREMENT (PY)	0	0				0		0		0				0
17	C-17	2	623,800	4	970,413	4	966,413	4	970,413		(4,000)		(4,000)	4	966,413
17	LESS: ADVANCE PROCUREMENT (PY)	0	(34,800)		(66,300)		(66,300)		(66,300)		0				(66,300)
18	ADVANCE PROCUREMENT (CY)	0	66,300		99,865		99,865		99,865		0				99,865
19	C-27	0	0				0		0		0				0
20	TANKER, TRANSPORT, TRAINER SYSTEM	0	0	1	9,563	1	0	1	9,563		(9,563)		0	1	9,563
21	MH-60G	0	0	6	50,736	6	50,736	6	50,736		0			6	50,736
22	CIVIL AIR PATROL A/C	38	1,600	38	502	38	1,802	38	1,802		0		1,300	38	1,802
23	TR-1/U-2	0	10,700		12,659		12,659		12,659		0				12,659
23	LESS: ADVANCE PROCUREMENT (PY)	0	0				0		0		0				0
	MODIFICATION OF INSERVICE AIRCRAFT														
24	B-52	0	240,000		215,900		215,900		215,900		0				215,900
25	FB-111	0	2,100				0		0		0				0
26	B-1B	0	14,500		26,500		24,500		26,500		(2,000)		(1,000)		25,500
27	A-7	0	10,700		25,200		25,200		25,200		0				25,200
28	A-10	0	12,240		22,900		22,900		22,900		0				22,900
29	F/RF-4	0	10,400		18,000		18,000		18,000		0				18,000
30	F-5	0	4,000		200		200		200		0				200
31	F-15	0	123,500		191,600		174,249		191,600		(17,351)		(17,351)		174,249

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	-----Revised------ FY 1989 Request Quantity	FY 1989 Request Amount	-----House------ Authorization Quantity	Authorization Amount	-----Senate------ Authorization Quantity	Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	---Conference--- Change to Request Quantity	Change to Request Amount	---Conference--- Authorization Quantity	Authorization Amount
32	F-16	0	76,300		84,600		84,600		84,600		0				84,600
33	F-111	0	253,100		124,300		124,300		124,300		0				124,300
34	EF-111	0	0				0		0		0				0
35	TR-1A	0	9,867		20,300		20,300		20,300		0				20,300
36	T/AT-37	0	12,400		12,900		0		12,900		(12,900)		0		12,900
37	C-5	0	16,900		105,800		105,800		105,800		0				105,800
38	C-9	0	200		8,400		8,400		8,400		0				8,400
39	C-22	0	0				0		0		0				0
40	C-137	0	1,800		2,000		2,000		2,000		0				2,000
41	C-141	0	900		26,800		26,800		26,800		0				26,800
42	SOF C141	0	16,200		20,700		20,700		20,700		0				20,700
43	T-38	0	16,600		19,800		19,800		19,800		0				19,800
44	T-43	0	400		4,900		4,900		4,900		0				4,900
45	KC-10A (ATCA)	0	13,200		26,200		26,200		26,200		0				26,200
46	C-130	0	96,500		123,125		123,125		123,125		0		17,475		140,600
47	SOF C130	0	121,000		106,800		106,800		106,800		0				106,800
48	C-135	0	749,392	36	604,300	47	777,300	40	667,300	7	110,000	4	63,000	40	667,300
49	E-3	0	27,700		16,400		16,400		16,400		0				16,400
50	E-4	0	0		49,900		49,900		49,900		0				49,900
51	H-1	0	1,700		400		400		400		0				400
52	H-3 AIRCRAFT SYSTEM	0	200				0		0		0				0
53	HH-53 AIRCRAFT	0	400		30,300		30,300		30,300		0				30,300
54	SOF HH-53	0	0		8,500		8,500		8,500		0				8,500
55	OTHER AIRCRAFT	0	52,100		80,400		80,400		80,400		0		(20,500)		59,900
56	SOF OTHER AIRCRAFT	0	0				0		0		0				0
57	CLASSIFIED PROJECTS	0	46,328		83,276		83,276		83,276		0				83,276
58	SOF CLASSIFIED PROJECTS	0	11,500		18,000		18,000		18,000		0				18,000
59	SPARES AND REPAIR PARTS	0	2,375,687		3,138,491		2,915,891		3,138,491		(222,600)		(100,000)		3,038,491
60	COMMON GROUND EQUIPMENT	0	194,136		249,155		235,155		249,155		(14,000)		(14,000)		235,155
61	INDUSTRIAL RESPONSIVENESS	0	41,412		23,413		23,413		23,413		0				23,413
62	WAR CONSUMABLES	0	50,000		40,540		40,540		40,540		0				40,540
63	OTHER PRODUCTION CHARGES	0	2,983,472		1,105,971		1,105,971		1,105,971		0		(20,600)		1,085,371
64	COMMON ECM EQUIPMENT	0	217,467		250,446		250,446		250,446		0				250,446
65	COMMON GROUND EQUIP	0	4,030		14,393		14,393		14,393		0				14,393
66	OTHER PRODUCTION CHARGES - SOF	0	2,260		2,600		2,600		2,600		0				2,600
999	CLASSIFIED PROGRAMS		0		3,287,790		3,100,590		3,200,590		(100,000)		(137,200)		3,150,590
	PRIOR YEAR FUNDS						(27,000)		0		(27,000)		0		0
	TOTAL AIRCRAFT PROCUREMENT		12,929,059		16,630,000		16,413,786		16,256,100		157,686		(504,976)		16,125,024

F-16 aircraft

The amended budget request contained $2,853 million for 180 F-16 aircraft.

The Senate amendment would reduce the request by $351 million and would deny the authorization request for Advanced Self Protection Jammer (ASPJ) procurement.

The House bill would reduce the request by $50 million due to a repricing of publications and technical data materials.

The conferees agree to provide an authorization of $2,703 million for 180 F-16 aircraft, a reduction of $150 million. The conferees direct that the reduction be applied either to reduce the scope of the ASPJ program or to take advantage of the repricing of publications and technical data materials.

F-16 advanced procurement

The amended budget request contained $588.7 million for advance procurement for the F-16 aircraft. This request was based on Air Force plans to procure 630 aircraft over a four-year period, at a rate of 180 aircraft in fiscal years 1990 and 1991, 150 aircraft in fiscal year 1992, and 120 aircraft in fiscal year 1993.

Subsequent to submission of the multiyear request, the conferees have learned of revised plans to procure not more than 150 aircraft per year. The conferees understand that the advance procurement request for the multiyear contract can be reduced by $134 million, which provides sufficient funds to provide a multiyear contract at 150 aircraft in fiscal years 1990, 1991, and 1992, and 120 aircraft in fiscal year 1993.

Consequently, the conferees recommend an authorization of $454.7 million for advance procurement for F-16 aircraft. The conferees expect the Air Force to proceed with a multiyear contract at the reduced aircraft levels, consistent with the restrictions contained in section 107.

C-117 airlifter

The amended budget request included $970.4 million for procurement of four C-17 aircraft.

The House bill would reduce the requested amount by $4 million.

The Senate amendment would authorize the amount in the budget request.

The Senate recedes.

The conferees affirm the language in the Senate report (S. Rept. 100-326) regarding future C-17 production rates and the associated report.

Trainer aircraft

The amended budget request contained $12.9 million for modification of the T/AT-37 trainer aircraft, and $9.6 million to initiate procurement of the Tanker Transport Training System (TTTS) program.

The House bill would deny authorization for both programs.

The Senate amendment would authorize the requested amounts.

The conferees agreed to provide the requested funding for both programs; however, they are concerned with Air Force plans for trainer aircraft as outlined in the April 1988 U.S. Air Force Trainer Masterplan. The conferees agreed on the requirement for the Service Life Extension Program (SLEP) of T-37 aircraft, and on the Air Force plans to initiate a dual-track training program for tanker and transport pilots; however, the conferees are not convinced that the Air Force plans with respect to T-37 and T-38 replacement aircraft are prudent.

The conferees agreed that the masterplan with respect to Reconnaissance-Attack-Fighter-Training System (RAFTS) and Primary Aircraft Training System (PATS) may be the most suitable option for the Air Force, but not necessarily the best option when all Department of Defense trainer aircraft requirements and programs are considered.

For example, the masterplan begins a PATS (T-37) replacement aircraft program in 1994, five to six years prior to the Navy requiring a T-34C replacement, and begins a RAFTS (T-38) replacement program in 2001, five to six years after the Navy's T-45 production line discontinues. The conferees note that by reversing the two programs' acquisition strategy, the Air Force could begin a RAFTS replacement program in 1994 and procure T-45 variants toward the end of the production line, thus taking advantage of the associated cost savings for continuing a warm production line. Additionally, the Air Force could co-develop a PATS aircraft in 2001 with the Navy for replacement of T-34C and T-37 aircraft. The masterplan did not consider these options, which would ultimately lead to the Navy and Air Force having similar primary and advanced trainer aircraft.

The conferees reiterate the importance of striving for similar training aircraft for the Navy and Air Force in future years, particularly since both the Navy and Air Force have decided to co-develop the ATA and ATF aircraft, which will cause training objectives to be similar, if not identical, in future years.

The conferees direct the Secretary of Defense to submit a report to the Committees on Armed Services of the Senate and House of Representatives outlining the Department's plans for future trainer aircraft for the Navy and the Air Force. It is imperative that this report, to the maximum extent possible, outline a plan that will lead to the Navy and Air Force procuring similar trainer aircraft and take advantage of the associated cost savings of joint-Service procurement and development; and, at a minimum, consider the options outlined above for the follow-on RAFTS and PATS aircraft.

The conferees request that the report be received by February 15, 1989 in order to review the Department's plans for trainer aircraft prior to reviewing the fiscal year 1990 request for TTTS, which will have a significant increase in funding.

KC-134 re-engining

The amended budget request contained $604.3 million for 36 aircraft in the KC-135 re-engining program.

The Congress has for several years insisted that the conversion rate be sustained at or about 50 aircraft per year due to the significant savings thereby achieved and the pressing need for improvements in tanker lift capacity for conventional and strategic missions. The Congress also has consistently expressed interest in a multi-year procurement for this program. The Department of Defense, however, consistently underfunds this much-needed program.

The House bill would authorize $173 million more than the request, which would convert an additional 11 aircraft.

The Senate amendment, purely for budgetary reasons, would authorize only $63 million more than the request, which is sufficient to convert 4 more aircraft.

The conferees reluctantly agree to authorize a total of $667.3 million to convert 40 aircraft, consistent with the Senate amendment. The conferees urge the Department to include funds in the budget request for fiscal years 1990 and 1991 for a higher conversion rate.

The Senate report (S. Rept. 100-326) included a requirement for a report on the priority assigned to re-engining KC-135 RDT&E aircraft. The conferees endorse this reporting requirement.

MISSILE PROCUREMENT, AIR FORCE

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $8,158 million for Air Force missile procurement. The House bill would authorize $8,062.1 million. The Senate amendment would authorize $8,011.4 million. The conferees recommend authorization of $7,716.5 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	-----Revised------ FY 1989 Request Quantity	-----Revised------ FY 1989 Request Amount	-----House------ Authorization Quantity	-----House------ Authorization Amount	-----Senate------ Authorization Quantity	-----Senate------ Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	---Conference--- Change to Request Quantity	---Conference--- Change to Request Amount	---Conference--- Authorization Quantity	---Conference--- Authorization Amount
	MISSILE PROCUREMENT, AIR FORCE														
1	PEACEKEEPER (M-X)	12	864,000	12	806,980	12	806,980	12	806,980		0			12	806,980
	MX PRIOR YEAR SAVINGS												(75,000)		(75,000)
2	SMALL ICBM	0	0				0		0		0				0
3	MISSILE REPLACEMENT EQ-BALLISTIC	0	49,150		56,721		56,721		56,721		0				56,721
4	ADVANCED CRUISE MISSILE	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]		[-25,000]		[-12,500]	[ ]	[ ]
4	LESS: ADVANCE PROCUREMENT (PY)	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]		0			[ ]	[ ]
5	ADVANCE PROCUREMENT (CY)	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]		0			[ ]	[ ]
6	HAVE FLAG	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]		[-114,100]		[-293,900]	[ ]	[ ]
7	TACIT RAINBOW	[ ]	55,100	[ ]	71,967	[ ]	55,100	[ ]	71,967		(16,867)		0	[ ]	71,967
8	HAVE NAP	0	0	12	8,347	12	8,347	12	8,347		0			12	8,347
9	AIR LAUNCH CRUISE MISSILE	0	2,347				0		0		0				0
10	AIM-7F/M SPARROW	558	84,462	354	56,129	704	88,000	354	56,129	350	31,871		0	354	56,129
11	AIM-9L/M SIDEWINDER	956	61,051	760	48,319	1,260	94,500	760	48,319	500	46,181		0	760	48,319
12	AGM-130 POWERED GBU-15	0	0				0		0		0				0
13	AGM-65D MAVERICK	2,700	290,000	2,540	260,410	3,100	318,000	2,540	260,410	560	57,590	280	30,000	2,820	290,410
14	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
15	AGM-88A HARM	1,645	367,000	893	216,135	893	216,135	893	216,135		0			893	216,135
16	RAPIER	0	12,600				0		0		0				0
17	AMRAAM	400	712,161	1,470	825,297	1,470	798,730	1,240	825,297	230	(26,567)	(230)	(26,567)	1,240	798,730
17	LESS: ADVANCE PROCUREMENT (PY)	0	(42,161)				0		0		0				0
18	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
19	GRD LAUNCH CRUISE MISSILE	0	10,169		603		603		603		0				603
19	LESS: ADVANCE PROCUREMENT (PY)	0	(6,069)				0		0		0				0
20	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
21	STINGER	0	0				0		0		0				0
22	TARGET DRONES	48	11,040	58	24,179	58	24,179	58	24,179		0			58	24,179
23	INDUSTRIAL FACILITIES	0	16,017		10,731		10,731		10,731		0				10,731
24	MISSILE REPLACEMENT EQ-OTHER	0	7,285		5,153		5,153		5,153		0				5,153
24a	SEEK SPINNER						15,000		0		15,000		0		0
	MODIFICATION OF INSERVICE MISSILES														
25	ADVANCED CRUISE MISSILE		[ ]		[ ]		[ ]		[ ]		0				[ ]
26	CLASSIFIED PROGRAMS		[ ]		[ ]		[ ]		[ ]		0		[-2,700]		[ ]
27	MM II/III MODIFICATIONS	0	80,000		73,194		73,194		73,194		0				73,194
28	AGM-88A HARM	0	2,245		2,200		2,200		2,200		0				2,200
29	AIR LAUNCH CRUISE MISSILE	0	7,381		6,055		6,055		6,055		0				6,055
30	GRD LAUNCH CRUISE MISSILE	0	0		3,200		0		0		0		(3,200)		0
31	PEACEKEEPER (M-X)	0	1,311		1,733		1,733		1,733		0				1,733
32	MODIFICATIONS UNDER $2.0M	0	232		198		198		198		0				198
32a	SHRIKE (G-BIAS MOD)						15,000		0		15,000		15,000		15,000
32b	AIM-7 (H-BUILD SOFTWARE MOD)						55,000		0		55,000		55,000		55,000
32c	AIM-9 (GUIDANCE MOD)						100,000		0		100,000		0		0
32d	AMRAAM (P31 MOD)						15,000		0		15,000		0		0

P-1 LINE	ITEM	FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
33	SPARES AND REPAIR PARTS	0	164,248		254,314		247,914		254,314		(6,400)		(6,400)		247,914
SPACE PROGRAMS															
34	SPACEBORNE EQUIP (COMSEC)	0	23,682		19,646		19,646		19,646		0				19,646
35	GLOBAL POSITIONING (MYP)	4	207,405		75,644		61,217		75,644		(14,427)		0		75,644
35	LESS: ADVANCE PROCUREMENT (PY)	0	(114,800)				0		0		0				0
36	SPACE SHUTTLE OPERATIONS	0	113,351		23,620		23,620		23,620		0		(8,900)		14,720
36	LESS: ADVANCE PROCUREMENT (PY)	0	(4,900)				0		0		0				0
37	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
38	DEF METEOROLOGICAL SAT PROG (MYP)	0	5,746	1	141,292	1	141,292	1	141,292		0			1	141,292
38	LESS: ADVANCE PROCUREMENT (PY)	0	0		(51,279)		(51,279)		(51,279)		0				(51,279)
39	ADVANCE PROCUREMENT (CY)	0	65,900		69,300		69,300		69,300		0				69,300
40	DEFENSE SUPPORT PROGRAM (MYP)	1	401,143	2	507,471	2	507,471	2	507,471		0			2	507,471
40	LESS: ADVANCE PROCUREMENT (PY)	0	(72,400)		(111,039)		(111,039)		(111,039)		0				(111,039)
41	ADVANCE PROCUREMENT (CY)	0	63,100		36,400		36,400		36,400		0				36,400
42	DEFENSE SATELLITE COMM SYSTEM (MYP)	1	97,642		54,412		54,412		54,412		0				54,412
42	LESS: ADVANCE PROCUREMENT (PY)	0	(25,742)				0		0		0				0
43	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
44	SPACE BOOSTERS (MYP)	9	473,012	3	539,806	3	539,806	3	529,806		10,000		(31,900)	3	507,906
44	LESS: ADVANCE PROCUREMENT (PY)	0	(152,500)		(293,600)		(293,600)		(293,600)		0				(293,600)
45	ADVANCE PROCUREMENT (CY)	0	181,700		130,000		130,000		130,000		0				130,000
46	SPACE DEFENSE SYSTEM						0		0		0				0
46	LESS: ADVANCE PROCUREMENT (PY)						0		0		0				0
47	ADVANCE PROCUREMENT (CY)						0		0		0				0
48	MEDIUM LAUNCH VEHICLE	7	182,600	8	283,255	8	283,255	8	232,855		50,400		(12,000)	8	271,255
48	LESS: ADVANCE PROCUREMENT (PY)	0	0		(28,200)		(28,200)		(28,200)		0		(12,300)		(40,500)
49	ADVANCE PROCUREMENT (CY)	0	28,200		20,200		20,200		20,200		0		(3,800)		16,400
SPECIAL PROGRAMS															
50	OTHER PROGRAMS	0	24				0		0		0				0
51	FOREST GREEN	0	0		273		273		273		0				273
52	IONDS (MYP)	0	22,483				0		0		0				0
53	SPECIAL PROGRAMS	0	2,087,065		2,849,100		2,834,100		2,981,100		(147,000)		(42,300)		2,806,800
54	SPECIAL UPDATE PROGRAMS	0	621,160		267,192		267,192		267,192		0				267,192
999	CLASSIFIED PROGRAMS		396,631		892,642		553,542		692,642		(139,100)		(309,100)		583,542
	PRIOR YEAR FUNDS, FY87 (GLCM)						(10,000)		(10,000)		0		(10,000)		(10,000)
	UNDISTRIBUTED REDUCTION						0		(5,000)		5,000				0
			---------		---------		---------		---------		---------		---------		---------
	TOTAL MISSILE PROCUREMENT		7,350,071		8,158,000		8,062,081		8,011,400		50,681		(441,467)		7,716,533

Air Force missile modifications

The House bill would authorize an additional $15 million for Shrike, $55 million for AIM-7, $100 million for AIM-9, and $15 million for Advanced Medium Range Air to Air Missile (AMRAAM) modifications.

The Senate amendment would provide no additional authorization for these modification programs.

The conferees agree to recommend authorization of $15 million for Shrike and $55 million for AIM-7 missile modifications. The funds may be utilized to modify and equip existing Air Force missiles.

Space boosters

With two exceptions, the conferees endorse the section in the Senate report (S. Rept. 100-326) pertaining to the Space Launch Recovery program, including the guidance for future satellite research and development programs and the requirement for a report on future use by the Department of Defense of the space shuttle and associated facilities. Regarding the two exceptions, as noted elsewhere in this statement of managers, the conferees approved the Navy's multi-year procurement request as proposed for the UHF Follow-on Satellite; the second exception concerns space boosters procurement, which is addressed below.

The amended budget request contained $275.055 million (including $20.2 million in advance procurement and less $28.2 million in advance procurement from fiscal year 1988) for the Medium Launch Vehicle (MLV) II.

The House bill would authorize the requested amount.

The Senate amendment would reduce the request by $50 million in anticipation of contract savings.

The amended budget request contained $376.206 million (including $130 million in advance procurement and less $293.6 million in advance procurement from fiscal year 1988) for other space boosters.

The House bill would authorize the requested amount.

The Senate amendment would reduce the request by $10 million.

The conferees agree to reduce the MLV II request by $28.1 million ($16.1 million in advance procurement for fiscal years 1988 and 1989), and the Space Boosters request by $31.9 million. Should savings not be realized sufficient to cover these reductions, the conferees invite reprogramming requests to rectify the shortfall.

Additionally, the conferees reiterate their concern about the large and rising costs of the Space Launch Recovery program resulting from the *Challenger* space shuttle disaster. As a result of that accident, NASA is unable to sustain the commitments made to the Department of Defense for launching national security payloads. Despite DOD replacement of the lost orbiter, the shuttle's availability has been delayed, the flight rate will drop from 24 to about 14 per year, and payload performance will drop dramatically due to safety and other concerns.

The costs of replacing this lost space launch capability are being overwhelmingly borne, not by NASA, but by the Department of Defense. In view of the fact that this is a national problem, and that the *Challenger* disaster demonstrated conclusively the folly of relying on a single system for access to space, DOD will be forced to expend some $12 billion dollars by 1994 to re-create an entire space launch infrastructure based on multiple expendable space boosters. At the same time, the large prior investment by DOD in the shuttle is now very much in doubt, including a $3.5 billion facility at Vandenberg for launching the shuttle into polar orbit. Because of post-*Challenger* payload restrictions, this facility is unlikely to be used by DOD.

In addition to these unforeseen liabilities and potentially wasted investments, DOD has assumed the overwhelming share of the burden of developing the next-generation space launch systems and technology. Through the mid-to-late 1990s, DOD plans to expend over $20 billion on the Advanced Launch System and the National Aerospace Plane program alone. For its part, NASA hopes to be able to afford $1.5 billion for its own shuttle-derived unmanned heavy-lift vehicle. The conferees are concerned about the affordability and realism of these plans and the funding responsibilities assumed respectively by DOD and NASA. These and related concerns were expressed by the conferees in the fiscal year 1988 Continuing Appropriations Act.

The statement of managers on the fiscal year 1988 Continuing Appropriations Act also adopted the Senate Appropriations Committee's requirement for the President to submit a comprehensive "Space Recovery Program reconciling the separate DOD and NASA programs to meet present and future space launch requirements," and which includes "a comprehensive explanation of how all the separate, unmanned and manned launch vehicles, payloads, and launch facilities proposed by DOD and NASA fit into this overall plan." The conferees underscore the importance of this plan, which has not been provided to the Congress, and urge its earliest submission to the Congress.

OTHER PROCUREMENT, AIR FORCE

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $8,393.5 million for Air Force other procurement. The House bill would authorize $8,064.4 million. The Senate amendment would authorize $8,318 million. The conferees recommend authorization of $8,196.8 million, as delineated in the following table. Unless noted explicityly in the statement of managers, all changes are made without prejudice.

P-1		FY 1988 Estimate		-----Revised----- FY 1989 Request		-----House----- Authorization		-----Senate----- Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	OTHER PROCUREMENT, AIR FORCE														
	MUNITIONS AND ASSOCIATED EQUIPMENT														
1	2.75 INCH ROCKET MOTOR	91,266	17,305	90,000	16,296	55,200	10,000	90,000	16,296	(34,800)	(6,296)	(34,800)	(6,296)	55,200	10,000
2	2.75 INCH ROCKET HEAD - WP	94,512	7,234	96,925	6,521	96,925	6,521	96,925	6,521		0			96,925	6,521
3	LIGHT ANTI-TANK TACTICAL AT-4	1,500	1,961	3,800	3,520	3,800	3,020	3,800	3,520		(500)		0	3,800	3,520
4	ITEMS LESS THAN $2,000,000	0	3,519		6,523		6,523		6,523		0				6,523
5	9MM PARABELLUM	4,310	591	14,933	1,493	14,933	1,493	14,933	1,493		0			14,933	1,493
6	7.62 MM BLANK, LINKED	0	0				0		0		0				0
7	5.56 MM	20,491	2,915	30,000	4,690	30,000	4,690	30,000	4,690		0			30,000	4,690
8	20 MM COMBAT	2,877	12,361	2,112	9,651	2,112	9,651	2,112	9,651		0			2,112	9,651
9	20MM TRAINING	5,527	13,994	9,200	20,984	9,200	20,984	9,200	20,984		0			9,200	20,984
10	30 MM TRAINING	8,059	69,705	8,700	67,164	8,700	67,164	8,700	67,164		0			8,700	67,164
11	30 MM API	0	0				0		0		0				0
12	81 MM	0	0				0		0		0				0
13	40MM TP GRENADES	0	0	754	1,048	754	1,048	754	1,048		0			754	1,048
14	40MM HE GRENADES	191	2,002	191	1,371	191	1,371	191	1,371		0			191	1,371
15	CART CHAFF RR-170	0	3,354	1,700	3,842	1,700	3,842	1,700	3,842		0			1,700	3,842
16	SIGNAL MK-4 MOD 3	1,274	1,362	1,252	1,189	1,252	1,189	1,252	1,189		0			1,252	1,189
17	MXU-4A/A ENGINE STARTER	49	6,700	45	6,438	45	6,438	45	5,438		0			45	6,438
18	CART IMP 3000 FT/LBS	1,656	3,780	1,563	3,907	1,563	3,907	1,563	3,907		0			1,563	3,907
19	ITEM LESS THAN 2.0M CARTRIDGES-SOF	0	0		500		500		500		0				500
20	ITEMS LESS THAN $2,000,000	0	6,995		11,394		11,394		11,394		0				11,394
21	MK-82 INERT/BDU-50	0	0			72,000	19,800		0	72,000	19,800	72,000	19,800	72,000	19,800
22	DURANDAL	0	0				0		0		0				0
23	TIMER ACTUATOR FIN FUZE	12,159	3,988	11,245	3,334	11,245	3,334	11,245	3,334		0			11,245	3,334
24	BSU-49 INFLATABLE RETARDER	17,320	7,100	46,128	16,851	46,128	16,851	46,128	16,851		0			46,128	16,851
25	BSU-50 INFLATABLE RETARDER	3,658	4,252	7,000	7,550	7,000	7,550	7,000	7,550		0			7,000	7,550
26	BOMB 2000 LB HIGH EXPLOSIVE	2,500	5,775				0		0		0				0
27	BOMB HARD TARGET 2000LB	2,480	32,567	2,610	31,877	4,610	61,377		0	4,610	61,377		0	2,610	31,877
28	GBU-15	0	0				0		0		0				0
29	BOMB PRACTICE 25 POUND	829,416	10,893	1160000	14,005	1160000	14,005	1160000	14,005		0			1160000	14,005
30	BOMB PRACTICE BDU-38	0	0	668	2,428	668	2,428	668	2,428		0			668	2,428
31	MK-84 BOMB-EMPTY	1,279	2,157			12,000	14,700		0	12,000	14,700		0		0
31a	MK-84 BOMB-HE					19,000	31,500		0	19,000	31,500		0		0
32	SKEET/SENSOR FUZED WEAPON	0	0				0		0		0				0
33	CBU-89(TMD/GATOR)	0	0				0		0		0				0
34	MECHANICAL DIVERTERS	0	0				0		0		0				0
35	CBU-87(COMBINED EFFECTS MUNITION)	14,840	267,120	16,562	252,893	16,562	252,893	16,562	252,893		0			16,562	252,893
36	BIGEYE	0	0		89,487		0		89,487		(89,487)		(79,487)		10,000
37	ITEMS LESS THAN $2,000,000	0	25		1,042		1,042		1,042		0				1,042
38	AERIAL TOW TARGET	0	0				0		0		0				0
39	ITEMS LESS THAN $2,000,000	0	1,248		1,286		1,286		1,286		0				1,286
40	FLARE, IR MJU-7B	397,380	9,013	563,400	9,786	563,400	9,786	563,400	9,786		0			563,400	9,786
41	PARACHUTE FLARE LUU-2 B/B	9,568	3,702	10,000	3,805	10,000	3,805	10,000	3,805		0			10,000	3,805
42	FLARE, IR MJU-2	0	0				0		0		0				0
43	FLARE IR (B1B)	0	0	3,773	5,911	3,773	1,999	3,773	5,911		(3,912)		(1,911)	3,773	4,000
44	MJU-10B	229,703	10,842	354,114	16,052	354,114	16,052	354,114	16,052		0		(6,700)	354,114	9,352
45	CHAFF PACKAGE RR-141A/L	0	0				0		0		0				0
46	SPARES AND REPAIR PARTS	0	4,234		4,166		4,166		4,166		0				4,166
47	MODIFICATIONS	0	26,587		809		809		809		0				809

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	-----Revised------ FY 1989 Request Quantity	FY 1989 Request Amount	-----House------ Authorization Quantity	House Authorization Amount	-----Senate------ Authorization Quantity	Senate Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	---Conference--- Change to Request Quantity	Change to Request Amount	---Conference--- Authorization Quantity	Conference Authorization Amount
48	ITEMS LESS THAN $2,000,000	0	18,700		21,737		21,737		21,737		0				21,737
49	FMU-139	26,789	34,467	32,698	30,127	32,698	30,127	32,698	30,127		0			32,698	30,127
50	ITEMS LESS THAN $2,000,000	0	7		18		18		18		0				18
51	M-203 GRENADE LAUNCHER	40	24	145	90	145	90	146	90		0			145	90
52	MACHINE GUN, 7.62MM, M-60	18	61				0		0		0				0
53	9MM HANDGUN	20,000	4,146	8,933	1,896	8,933	1,896	8,933	1,896		0			8,933	1,896
54	SHOTGUN - 12 GAGE	0	0				0		0		0				0
55	NATIONAL RIFLE - M14	0	0				0		0		0				0
56	HOST NATION SUPPORT WEAPONS	700	1,446				0		0		0				0
VEHICULAR EQUIPMENT															
57	SEDAN, 4 DR 4X2	447	3,041	120	1,012	120	1,012	120	1,012		0			120	1,012
58	STATION WAGON, 4X2	235	1,952	93	845	93	845	93	845		0			93	845
59	BUS, 28 PASSENGER	123	4,160	22	896	22	896	22	896		0			22	896
60	BUS INTERCITY	8	1,407	3	502	3	502	3	502		0			3	502
61	BUS, 44 PASSENGER	34	2,222	60	4,181	60	4,181	60	4,181		0			60	4,181
62	AMBULANCE, BUS	17	1,477				0		0		0				0
63	MODULAR AMBULANCE	112	3,925	44	1,539	44	1,539	44	1,539		0			44	1,539
64	14-20 PASSENGER BUS	17	522	16	536	16	536	16	536		0			16	536
65	LAW ENFORCEMENT VEHICLE	141	1,122	161	1,358	161	1,358	161	1,358		0			161	1,358
66	TRUCK, STAKE/PLATFORM	629	10,426	391	6,239	391	6,239	391	6,239		0			391	6,239
67	TRUCK, CARGO-UTILITY, 3/4T, 4X4	448	6,990	213	3,634	213	3,634	213	3,634		0			213	3,634
68	TRUCK, CARGO-UTILITY, 1/2T, 4X2	304	3,102	177	2,710	177	2,710	177	2,710		0			177	2,710
69	TRUCK, PICKUP, 1/2T, 4X2	878	6,983	613	6,332	613	6,332	613	6,332		0			613	6,332
70	TRUCK, PICKUP, COMPACT	616	3,526				0		0		0				0
71	TRUCK MULTI-STOP 1 TON 4X2	514	7,723	301	5,516	301	5,516	301	5,516		0			301	5,516
72	TRUCK, PANEL, 4X2	349	2,964	193	2,079	193	2,079	193	2,079		0			193	2,079
73	TRUCK CARRYALL	516	7,382	267	4,042	267	4,042	267	4,042		0			267	4,042
74	TRUCK, CARGO, 2 1/2T, 6X6, M-35	335	16,080	177	8,850	177	8,850	177	8,850		0			177	8,850
75	TRUCK CARGO 5T M-923.M-925	75	4,770	73	4,655	73	4,655	73	4,655		0			73	4,655
76	TRUCK, CARGO, 2 1/2T	0	0				0		0		0				0
77	HIGH MOBILITY VEHICLE (MYP)	139	3,414	186	4,439	186	4,439	186	4,439		0			186	4,439
78	TRUCK, TRACTOR, 5T	0	0				0		0		0				0
79	TRUCK TRACTOR 5T M-932 (MYP)	0	0				0		0		0				0
80	TRUCK TRACTOR, OVER 5T	88	3,890	84	3,909	84	3,809	84	3,909		0			84	3,909
81	TRUCK WRECKER 5T M936 (MYP)	0	0				0		0		0				0
82	TRUCK, DUMP 5 TON	143	6,068	63	2,732	63	2,732	63	2,732		0			63	2,732
83	TRUCK, UTILITY	346	3,694				0		0		0				0
84	CAP VEHICLES	0	800				800		800		0		800		800
85	ITEMS LESS THAN $2,000,000	0	15,883		12,888		8,888		12,888		(4,000)		(4,000)		8,888
86	TRUCK MAINT 4X2	320	3,267				0		0		0				0
87	TRUCK, MAINT, HI-REACH	0	0				0		0		0				0
88	TRUCK, TELEPHONE MAINTENANCE	15	2,448				0		0		0				0
89	TRUCK, TANK, 1200 GAL	56	2,040				0		0		0				0
90	TRUCK TANK FUEL R-11(R-9)	0	0	567	54,542	567	53,542	567	54,542		(1,000)		(1,000)	567	53,542
91	TRUCK, TANK, FUEL, M-49	48	4,135				0		0		0				0
92	TRACTOR, A/C TOW, MB-4	87	2,336				0		0		0				0
93	TRACTOR, TOW, FLIGHTLINE	50	800	388	6,208	388	6,208	388	6,208		0			388	6,208
94	TRACTOR, DOZER	82	5,733				0		0		0				0
95	TRANSPORTABLE MAINT UNIT	0	0	11	6,957	11	6,957	11	6,957		0			11	6,957
96	MOBILE ARM RECON VEHICLE	0	0	20	18,200	20	0	20	18,200		(18,200)		0	20	18,200
97	MOS MARKING VEHICLE	0	0	36	2,679	36	2,679	36	2,679		0			36	2,679

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	-----Revised----- FY 1989 Request Quantity	FY 1989 Request Amount	-----House----- Authorization Quantity	House Authorization Amount	-----Senate----- Authorization Quantity	Senate Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	---Conference--- Change to Request Quantity	Change to Request Amount	---Conference--- Authorization Quantity	Conference Authorization Amount
98	ITEMS LESS THAN $2,000,000	0	18,316		19,161		15,161		19,161		(4,000)		(4,000)		15,161
99	TRUCK CRASH P-15	0	0				0		0		0				0
100	TRUCK CRASH P-23(P-2)	0	0	18	8,201	18	8,201	18	8,201		0			18	8,201
101	TRUCK WATER P-18	57	6,538	9	1,127	9	1,127	9	1,127		0			9	1,127
102	TRUCK PUMPER P-24(P-8)	0	0	30	3,884	30	3,884	30	3,884		0			30	3,884
103	TRUCK PUMPER P-22(P-12)	0	0	26	2,924	26	2,924	26	2,924		0			26	2,924
104	ITEMS LESS THAN $2,000,000	0	3,741		3,364		3,364		3,364		0				3,364
105	TRUCK F/L 4000 LB GED/DED 144 INCH	179	3,077	258	6,871	258	6,871	258	6,871		0			258	6,871
106	TRUCK, F/L 6000 LB	36	1,111	71	2,653	71	2,653	71	2,653		0			71	2,653
107	TRUCK, F/L 10,000 LB	89	5,005	99	7,623	99	7,623	99	7,623		0			99	7,623
108	LARGE CAPACITY LOADER	10	4,357				0		0		0				0
109	25K A/C LOADER	0	0	14	1,725	14	1,725	14	1,726		0			14	1,725
110	CONTAINER, LIFT, TRUCK	15	3,570				0		0		0				0
111	ITEMS LESS THAN $2,000,000	0	3,815		10,330		10,330		10,330		0				10,330
112	LOADER, SCOOP	73	5,028	165	9,875	165	9,876	165	9,876		0			165	9,875
113	DISTRIBUTOR, WATER 1500 GALLON	35	1,814				0		0		0				0
114	CLEANER, RUNWAY/STREET	148	14,387	212	22,670	212	22,670	212	22,670		0			212	22,670
115	GRADER, ROAD, MOTORIZED	0	0				0		0		0				0
116	CRANE, 7-50 TON	7	796	21	5,522	21	5,522	21	5,522		0			21	5,622
117	EXCAVATOR, DED, PT	0	0				0		0		0				0
118	WATERCRAFT	0	0				0		0		0				0
119	SPARES AND REPAIR PARTS	0	3,262		3,246		3,246		3,246		0				3,246
120	MODIFICATIONS	0	382		1,072		1,072		1,072		0				1,072
121	ITEMS LESS THAN $2,000,000	0	13,349		12,240		10,240		12,240		(2,000)		(2,000)		10,240
	ELECTRONICS AND TELECOMMUNICATIONS EQUIP														
122	SPACE SYSTEMS (COMSEC)	0	9,051		14,439		14,439		14,439		0				14,439
123	TEMPEST EQUIPMENT	0	562		306		306		306		0				306
124	TAC SECURE VOICE	0	10,866		3,938		3,938		3,938		0				3,938
125	DCS SECURE VOICE (COMSEC)	0	13,391		20,763		20,763		20,763		0				20,763
126	SECURE DATA	0	28,055		31,719		31,719		31,719		0				31,719
127	TRI-TAC (COMSEC)	0	14,690		9,926		9,926		9,926		0				9,926
128	SPARES AND REPAIR PARTS	0	6,548		6,116		6,116		6,116		0				6,116
129	MODIFICATIONS (COMSEC)	0	304		724		724		724		0				724
130	INTELLIGENCE DATA HANDLING SYS	0	558				0		0		0				0
131	INTELLIGENCE TRAINING EQUIPMENT	0	8,867		8,945		8,945		8,946		0				8,945
132	INTELLIGENCE COMM EQUIP	0	5,322				0		0		0				0
133	COBRA JUDY	0	0				0		0		0				0
134	COBRA SHOE	0	0				0		0		0				0
135	ITEMS LESS THAN $2,000,000	0	7,195		6,287		5,287		6,287		0				5,287
136	TACAN	0	0				0		0		0				0
137	TRAFFIC CONTROL/LANDING	0	10,599		740		740		740		0				740
138	TACTICAL AIR CONTROL SYS IMPROVE	0	135,000		137,349		119,998		137,349		(17,351)		(17,351)		119,998
139	WEATHER OBSERV/FORCAST	0	57,200		68,070		68,070		68,070		0				68,070
140	DEFENSE SUPPORT PROGRAM	0	18,418		1,906		1,906		1,906		0				1,906
141	OTH-B RADAR	0	121,769		161,038		0		161,038		(161,038)		(16,038)		145,000
142	SAC COMMAND AND CONTROL	0	13,500		2,410		2,410		2,410		0				2,410

P-1		FY 1988 Estimate		Revised FY 1989 Request		House Authorization		Senate Authorization		House +/- Senate		Conference Change to Request		Conference Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
143	LAUNCH CONTROL CENTER COMMUNICATIONS	0	8,100				0		0		0				0
144	CHEYENNE MOUNTAIN COMPLEX	0	9,698		22,225		22,225		22,225		0				22,225
145	PAVE PAWS/SLBM WARNING SYSTEMS	0	1,582				0		0		0				0
146	BMEWS MODERNIZATION	0	1,441				0		0		0				0
147	SPACETRACK	0	914				0		0		0				0
148	NAVSTAR GPS	0	16,559		12,774		12,774		12,774		0				12,774
149	USAFE COMMAND/CONTROL SYSTEM	0	1,941		1,313		1,313		1,313		0				1,313
150	PACAF COMMAND/CONTROL	0	1,157		1,276		1,276		1,276		0				1,276
151	DEFENSE METEOROLOGICAL SAT PROG	0	10,176		17,773		17,773		17,773		0				17,773
152	ENSCE	0	0				0		0		0				0
153	CARIBBEAN BASIN RADAR NETWORK	0	4,722		28,963		28,963		28,963		0				28,963
154	MARS/USAF-FAA RADAR UPGRADE	0	26,422		52,541		52,541		52,541		0				52,541
155	TAC SIGINT SUPPORT	0	29,783		17,519		17,519		17,519		0				17,519
156	AREOSTAT RADARS	0	0				0		0		0				0
157	DIST ERLY WARNING RDR/NORTH WARNING	0	2,812		203,173		193,173		203,173		(10,000)		0		203,173
158	TACTICAL GROUND INTERCEPT FACILITY	0	0		2,166		2,166		2,166		0				2,166
159	AIR BASE OPERABILITY	0	2,007		5,378		5,378		5,378		0				5,378
160	CMDR'S TACTICAL TERMINALS(CTT)/TEREC	0	2,463				0		0		0				0
161	IMAGERY TRANS	0	0		1,536		1,536		1,536		0				1,536
162	NUDET DETECTION SYSTEM (NDS)	0	12,391				0		0		0				0
163	TACTICAL WARNING SYSTEMS SUPPORT	0	4,723		2,969		2,969		2,969		0				2,969
164	NORTH ATLANTIC DEFENSE C3	0	0				0		0		0				0
165	AUTOMATIC DATA PROCESSING EQUIP	0	110,000		82,716		67,716		67,716		0		(15,000)		67,716
166	WWMCCS/WIS ADPE	0	4,041		12,110		12,110		12,110		0				12,110
167	MAC COMMAND AND CONTROL SUPPORT	0	30,830		24,708		24,708		24,708		0				24,708
168	MAC COMMAND AND CONTROL-SOF	0	13,114		1,451		1,451		1,451		0				1,451
169	GLCM COMMUNICATIONS	0	2,705				0		0		0				0
170	AIR FORCE PHYSICAL SECURITY SYSTEM	0	14,000		20,634		21,634		20,634		1,000		1,000		21,634
171	WEAPONS STORAGE/SECURITY	0	18,400		36,847		18,400		36,847		(18,447)		(4,000)		32,847
172	RANGE IMPROVEMENTS	0	176,331		134,952		134,952		134,952		0		(25,000)		109,952
173	RADAR BOMB SCORER	0	0				0		0		0				0
174	C3 COUNTERMEASURES	0	4,312		5,787		5,787		5,787		0				5,787
175	JOINT SURVEILLANCE SYSTEM	0	4,045				0		0		0				0
176	SPACE SHUTTLE	0	163				0		0		0				0
177	BASE LEVEL DATA AUTO PROGRAM	0	29,709		16,202		16,202		16,202		0				16,202
178	SATELLITE CONTROL FACILITY	0	103,376		61,051		61,051		61,051		0				61,051
179	CONSTANT WATCH	0	17,105		5,186		5,186		5,186		0				5,186
180	CONSOLIDATED SPACE OPS CENTER	0	5,100				0		0		0				0
181	CMD CENTER PROCESSING/DISPLAY SYS	0	1,007		23,553		23,553		23,553		0				23,553
182	HAMMER ACE	0	720		1,381		1,381		1,381		0				1,381
183	SAMTO TEST RANGES I&M	0	61,601		51,852		51,852		51,852		0				51,852
184	EMP HARDENING	0	0				0		0		0				0
185	PROGRAM 698AJ	0	1,714		1,704		1,704		1,704		0				1,704
186	INFORMATION TRANSMISSION SYSTEMS	0	11,854		8,274		8,274		8,274		0				8,274
187	TELEPHONE EXCHANGE	0	30,987		27,823		27,823		27,823		0				27,823
188	JOINT TACTICAL COMM PROGRAM	0	151,000		153,037		153,037		153,037		0				153,037
189	USSOCCOM	0	4,453		5,813		5,813		5,813		0				5,813
190	USCENTCOM	0	22,733				0		0		0				0

P-1 LINE	ITEM	FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
191	AUTOMATED TELECOMMUNICATIONS PRG	0	12,693		4,305		4,305		4,305		0				4,305
192	CINC MOBILE COMMAND CENTER	0	0				0		0		0				0
193	MILSTAR	0	0		73,394		45,438		73,394		(27,956)		(8,923)		64,471
194	SATELLITE TERMINALS	0	11,021		12,475		12,475		12,475		0				12,475
195	WIDEBAND SYSTEMS UPGRADE	0	41,844		14,318		14,318		14,318		0				14,318
196	MINIMUM ESSENTIAL EMER COMM NET	0	36,100		3,833		3,833		3,833		0				3,833
197	DCS SECURE VOICE EQUIPMENT	0	4,630		3,762		3,762		3,762		0				3,762
198	TACTICAL C-E EQUIPMENT	0	51,687		39,962		39,962		39,962		0				39,962
199	PRODUCTIVITY INV TELECOM	0	0				0		0		0				0
200	RADIO EQUIPMENT	0	44,762		18,038		18,038		18,038		0				18,038
201	RADIO EQUIPMENT-SOF	0	0		1,645		1,645		1,645		0				1,645
202	FIBER OPTICS	0	2,066		1,020		1,020		1,020		0				1,020
203	TV EQUIPMENT (AFRTV)	0	4,486		4,103		4,103		4,103		0				4,103
204	CCTV/AUDIOVISUAL EQUIPMENT	0	4,180		3,944		3,944		3,944		0				3,944
205	E + I REQUIREMENTS	0	1,242		575		575		575		0				575
206	SPARES AND REPAIR PARTS	0	238,700		215,722		204,045		215,722		(11,677)		0		215,722
207	CAP COM & ELECT	0	500				600		600		0		600		600
208	ITEMS LESS THAN $2,000,000	0	8,905		7,553		7,553		7,553		0				7,553
209	COMM-ELECTRONICS CLASS IV	0	27,865		19,417		19,417		19,417		0				19,417
210	TACTICAL EQUIPMENT	0	22,120		27,341		27,341		27,341		0				27,341
211	ANTIJAM VOICE	0	7,019		10,277		8,187		10,277		(2,090)		(2,090)		8,187
OTHER	BASE MAINTENANCE AND SUPPORT EQUIP														
212	BASE/ALC CALIBRATION PACKAGE	0	55,032		56,333		56,333		56,333		0				56,333
213	NEWARK AFS CALIBRATION PACKAGE	0	2,927		2,346		2,346		2,346		0				2,346
214	TEST EQUIPMENT-GEN PURP	0	4,560		6,687		6,687		6,687		0				6,687
215	ITEMS LESS THAN $2,000,000	0	36,411		37,461		37,461		37,461		0				37,461
216	AUTOMATIC LIFE PRESERVER	3,373	3,953	1,952	2,413	1,952	2,413	1,952	2,413		0			1,952	2,413
217	NIGHT VISION GOGGLES	0	12,031		5,644		5,644		5,644		0				5,644
218	NIGHT VISION GOGGLES-SOF	309	4,887	166	2,687	166	2,687	166	2,687		0			166	2,687
219	BREATHING APPARATUS TWO HOUR	0	0				0		0		0				0
220	CHEMICAL/BIOLOGICAL DEF PROG	0	105,444		95,766		95,766		95,766		0				95,766
221	ITEMS LESS THAN $2,000,000	0	3,807		3,570		3,570		3,570		0				3,570
222	BASE MECHANIZATION EQUIPMENT	0	30,860		37,039		37,039		37,039		0				37,039
223	AIR TERMINAL MECHANIZATION EQUIP	0	7,198		7,006		7,006		7,006		0				7,006
224	ITEMS LESS THAN $2,000,000	0	10,083		12,460		12,460		12,460		0				12,460
225	GENERATORS-MOBILE ELECTRIC	0	13,098		13,937		13,937		13,937		0				13,937
226	FLOOD LIGHTS	950	9,941				0		0		0				0
227	ITEMS LESS THAN $2,000,000	0	4,295		5,491		5,491		5,491		0				5,491
228	BASE PROCURED EQUIPMENT	0	23,731		37,100		22,178		37,100		(14,922)		(14,922)		22,178
229	MEDICAL/DENTAL EQUIPMENT	0	101,000		116,207		116,207		116,207		0				116,207
230	AIR BASE OPERABILITY	0	6,185		15,252		15,252		15,252		0				15,252
231	PALLET, AIR CARGO, 108X88	2,000	2,059	2,000	1,758	2,000	1,758	2,000	1,758		0			2,000	1,758
231a	AFLC UNINTERRUPTABLE POWER SUPPLY EQUIP						11,400		0		11,400		0		0
232	NET ASSEMBLY, 108X88	0	0		0		0		0		0				0
233	BLADDERS FUEL	200	2,555				0		0		0				0
234	TACTICAL SHELTER	0	0				0		0		0				0
235	PHOTOGRAPHIC EQUIPMENT	0	5,284		6,972		6,972		6,972		0				6,972
236	PRODUCTIVITY ENHANCEMENT	0	9,797		9,820		9,820		9,820		0				9,820
237	PRODUCTIVITY INVESTMENTS	0	1,911		1,459		1,459		1,459		0				1,459

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
238	MOBILITY EQUIPMENT	0	41,405		38,565		38,565		38,565		0				38,565
239	WARTIME HOST NATION SUPPORT	0	7,950		4,522		4,522		4,522		0				4,522
240	SPARES AND REPAIR PARTS	0	9,901		6,139		6,139		6,139		0				6,139
241	ITEMS LESS THAN $2,000,000	0	17,739		18,660		18,660		18,660		0				18,660
242	INTELLIGENCE PRODUCTION ACTIVITY	0	112,537		92,363		88,363		92,363		(4,000)		0		92,363
243	SCIENTIFIC/TECHNICAL INTELLIGENCE	0	0				0		0		0				0
244	TECH SURV COUNTERMEASURES EQ	0	2,068		954		954		954		0				954
245	DEFENSE DISSEMINATION SYSTEM	0	0				0		0		0				0
246	AF TECHNICAL APPLICATION CENTER	0	0				0		0		0				0
247	PHOTO PROC/INTERPRET SYS	0	898		257		257		257		0				257
248	SELECTED ACTIVITIES	0	4,449,744		4,636,700		4,629,900		4,606,700		23,200		(10,200)		4,626,500
249	SPECIAL UPDATE PROGRAM	0	120,633		139,168		139,168		139,168		0				139,168
250	SPECIAL APPLICATION PROGRAM	0	239		4,327		4,327		4,327		0				4,327
251	INDUSTRIAL PREPAREDNESS	0	2,173		4,538		4,538		4,538		0				4,538
252	MISC EQUIPMENT	0	10,750		16,664		16,664		16,664		0				16,664
253	MISC EQUIPMENT-SOF	0	1,354		2,499		2,499		2,499		0				2,499
254	MODIFICATIONS	0	5,220		1,040		1,040		1,040		0				1,040
254a	CLASSIFIED PROGRAM						(9,700)		0		(9,700)		0		0
	TOTAL OTHER PROCUREMENT		8,011,527		8,393,500		8,064,424		8,318,023		(253,599)		(196,718)		8,196,782

Early warning air defense radars

The amended budget request included $203.173 million for the North Warning Radar system, which will replace the Distant Early Warning system and complement the Over-the-Horizon Backscatter radar (OTH-B) in Canada's northern reaches.

The House bill would reduce the request by $10 million.

The Senate amendment would authorize the requested amount.

The House recedes.

The amended budget request included $161.038 million for the OTH-B radar.

The House bill would deny the request without prejudice, citing concerns about the lack of information on recent tests, software problems, configuration instability across the various sector, and the site-specific environmental review process. The House bill would also defer the request for $11.7 million in spares and $17.5 million for military construction for the Alaska site.

The Senate amendment would authorize the requested amounts.

The conferees acknowledge the concerns expressed in the House bill, but believe that recent information on test results is encouraging and that the software upgrades appear achievable. Accordingly, the conferees approve the request for spares and military construction, and agree to an authorization of $145 million for OTH-B procurement, a reduction of $16.038 million levied for budgetary reasons.

Weapon Storage and Security system

The amended budget request included $36.847 million for the Weapon Storage and Security System (WSSS).

The House bill would authorize $18 million of the requested amount.

The Senate amendment would authorize the requested amount.

The conferees agree to an authorization of $32.847 million for WSSS, noting the importance of the system in the post-INF period, and the progress that has been made in the past year in securing accelerated approval of NATO financing. Further discussion of this program is contained in the classified annex of the statement of managers.

PROCUREMENT, DEFENSE AGENCIES

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $1,216.1 million for procurement, Defense Agencies. The House bill would authorize $1,150.5 million. The Senate amendment would authorize $1,207.9 million. The conferees recommend authorization of $1,205.1 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	Revised FY 1989 Request Quantity	Revised FY 1989 Request Amount	House Authorization Quantity	House Authorization Amount	Senate Authorization Quantity	Senate Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference Authorization Quantity	Conference Authorization Amount
	PROCUREMENT, DEFENSE AGENCIES														
1	MOTOR VEHICLES	0	320				0		0		0				0
2	MAJOR EQUIPMENT, OSD/WHS	0	106,600		96,789		96,789		96,789		0				96,789
3	REMOTELY PILOTED VEHICLES	0	45,400		65,600		0		65,600		(65,600)		(15,000)		50,600
4	CLASSIFIED EQUIPMENT		[ ]		[ ]		[ ]		[ ]		[19,300]		[10,00C]		[ ]
5	VEHICLES	0	249		742		742		742		0				742
6	OTHER CAPITAL EQUIPMENT	0	4,088		2,688		2,688		2,688		0				2,688
7	WWMCCS ADP SYSTEMS	0	7,151		12,393		12,393		12,393		0				12,393
8	ITEMS LESS THAN $2 MILLION	0	26,293		29,842		29,842		29,842		0				29,842
9	INTELLIGENCE AND COMMUNICATIONS		[ ]		[ ]		[ ]		[ ]		[880]		0		[ ]
10	MATERIALS HANDLING EQUIPMENT	0	8,587		5,758		5,758		5,758		0				5,758
11	VEHICLES	0	1,060		1,520		1,520		1,520		0				1,520
12	MECHANIZED MATERIALS HANDLING SYS	0	14,351		23,879		23,879		23,879		0				23,879
13	ADP EQUIPMENT	0	30,000		52,720		40,720		52,720		(12,000)		(6,000)		46,720
14	TELECOMMUNICATIONS EQUIPMENT	0	12,182		7,570		7,570		7,570		0				7,570
15	OTHER MAJOR EQUIPMENT	0	5,514		5,105		5,105		5,105		0				5,105
16	ITEMS LESS THAN $2 MILLION	0	2,399		4,500		4,500		4,500		0				4,500
17	ADP EQUIPMENT	0	0		3,000		3,000		3,000		0				3,000
18	VEHICLES	0	368		114		114		114		0				114
19	OTHER CAPITAL EQUIPMENT	0	15,310		70,594		70,594		70,594		0				70,594
20	VEHICLES	0	3,119				0		0		0				0
21	OTHER CAPITAL EQUIPMENT	0	0		2,426		2,426		2,426		0				2,426
22	ITEMS LESS THAN $2 MILLION	0	834		855		855		855		0				855
23	ITEMS LESS THAN $2 MILLION	0	8,072		3,517		3,517		3,517		0				3,517
24	ITEMS LESS THAN $2 MILLION, DRSP	0	317,881		260,841		260,841		260,841		0				260,841
25	AIRBORNE RECONNAISSANCE SUPPORT PROGRAM	0	45,800		25,000		25,000		25,000		0				25,000
26	ITEMS LESS THAN $2 MILLION	0	1,426		958		958		958		0				958
999	CLASSIFIED PROGRAMS	0	644,159		539,689		551,689		531,509		20,180		10,000		549,689
	TOTAL PROCUREMENT DEFENSE AGENCIES		1,301,163		1,216,100		1,150,500		1,207,920		(57,420)		(11,000)		1,205,100

Remotely piloted vehicle

The amended budget request contained $65.6 million for procurement of Remotely Piloted Vehicles (RPV).

The House bill would deny the amount requested for this program.

The Senate amendment would authorize the requested amount.

The conferees received a draft Department of Defense Master Plan for Unmanned Aerial Vehicles (UAV) during the conference that is supposed to address the management of and expenditures for RPVs in fiscal year 1989. The conferees believe that a viable near-term and far-term RPV program could evolve from the Master Plan.

The conferees agreed that resources required to pursue research, development, test, and evaluation initiatives are underfunded. Accordingly, a reduction of $15 million in the procurement account is recommended to offset the funding shortfall in the RDT&E account.

The conferees recommend authorization of $50.6 million in the procurement account for RPVs, which would respond to unified and specified commanders' near-term requirements and corps operations. Remaining funds may be applied to support of previously procured PIONEER RPV systems. The conferees do not support the procurement of additional PIONEER systems in the future and direct the number of systems to remain at nine.

A complete discussion of RPVs is contained in title II, RDT&E, of this statement of managers.

PROCUREMENT, NATIONAL GUARD AND RESERVE EQUIPMENT

OVERVIEW

The House bill would authorize $816.1 million for procurement, National Guard and Reserve equipment. The Senate amendment would authorize $443 million. The conferees recommend authorization of $843.5 million, as delineated in the following table.

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	Revised FY 1989 Request Quantity	Revised FY 1989 Request Amount	House Authorization Quantity	House Authorization Amount	Senate Authorization Quantity	Senate Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference Authorization Quantity	Conference Authorization Amount
NATIONAL GUARD AND RESERVE EQUIPMENT, DEFENSE															
ARMY RESERVE															
1	MISCELLANEOUS EQUIPMENT	0	85,000				40,000		30,000		10,000		30,000		30,000
NAVY RESERVE															
2	MISCELLANEOUS EQUIPMENT	0	22,100				0		10,000		(10,000)		10,000		10,000
2a	SH-2 BLOCK UPGRADE						62,200		0		62,200		45,000		45,000
2b	SH-2F/G SUPPLY SUPPORT EQUIPMENT						1,412		0		1,412		0		0
3	HH-60G HELICOPTER	0	0				0		0		0				0
4	SEABEE EQUIPMENT	0	15,000				0		20,000		(20,000)		20,000		20,000
5	P-3C AIRCRAFT	6	211,700				0		0		0				0
5a	P-3 MODS						25,000		0		25,000		0		0
5b	SH-3H MODS						4,600		0		4,600		0		0
6	AIRBORNE MINE COUNTERMEASURES	0	0				8,000		0		8,000		0		0
7	AN/SQR-17 ACOUSTIC PROCESSOR	0	10,000				0		0		0				0
7a	MEDCIAL AND DENTAL EQUIPMENT						2,000		0		2,000				0
7b	CRYPTOLOGICAL EQUIPMENT						6,300		0		6,300		0		0
MARINE CORPS RESERVE															
8	MISCELLANEOUS EQUIPMENT	0	0				0		10,000		(10,000)		10,000		10,000
9	KC-130T AIRCRAFT	2	40,000				40,000		0		40,000	2	40,000	2	40,000
9a	TACTICAL AIR OPER MODULE (TACM)						26,800		0		26,800		0		0
AIR FORCE RESERVE															
10	MISCELLANEOUS EQUIPMENT	0	35,000				0		10,000		(10,000)		10,000		10,000
11	C-130 AIRCRAFT	8	150,000			8	150,000		0	8	150,000	8	150,000	8	150,000
12	IMPROVED WEATHER RECON SYSTEM	4	4,800				0		0		0				0
13	C-5A SIMULATOR	1	12,300				0		0		0				0
13a	MH-60G HELICOPTER					12	72,000		0	12	72,000	12	72,000	12	72,000
13b	H-60 SUPPLY EQUIPMENT						6,900		0		6,900		0		0
13c	ECM AND DEFENSIVE SYSTEMS						19,244		0		19,244		0		0
13d	AIRCRAFT SPARES AND SUPPORT EQUIPMENT						1,856		0		1,856		0		0
ARMY NATIONAL GUARD															
14	MISCELLANEOUS EQUIPMENT	0	100,000				0		50,000		(50,000)		50,000		50,000
15	NON-SYSTEM TRAINING DEVICES	0	0				25,000		0		25,000		0		0
16	UH-60 HELICOPTERS	0	0				0		0		0				0
17	5 TON TRUCKS	0	0				0		0		0				0
18	AN/PRC-104A	0	0				0		0		0				0
19	AN/GRC-193A	0	0				0		0		0				0
20	AN/GRC-213	0	0				0		0		0				0
21	M113 ARMORED PERSONNEL CARRIER	300	65,000			300	75,000		0	300	75,000	300	75,000	300	75,000
22	M109 HOWITZER CANNON REPLACEMENT	737	28,100				0		0		0				0
23	C-23 AIRCRAFT	9	60,000				0		0		0				0
24	FIRE SUPPORT TEAM VEHICLES	0	20,000				0		0		0				0
24a	M1A1 TANK							58	130,000	(58)	(130,000)	58	115,000	58	115,000
AIR NATIONAL GUARD															
25	MISCELLANEOUS EQUIPMENT	0	30,000				0		20,000		(20,000)		20,000		20,000
26	C-130 AIRCRAFT	8	150,000			8	150,000	8	163,000		(13,000)	8	160,000	8	150,000
27	MH-60G HELICOPTERS	16	117,000				0		0		0				0
28	HC-130 AIRCRAFT	2	44,000				0		0		0				0
29	F-15A/B MSIP					16	30,000		0	16	30,000	16	30,000	16	30,000
30	COMMUNICATIONS EQUIPMENT						25,000		0		25,000		0		0
31	ECM PODS						27,500		0		27,500		0		0
32	AIRCRAFT SPARES						750		0		750		0		0
33	ACMI, NORTHERN TIER FIGHTER TRAINING PH II						16,500		0		16,500		16,500		16,500
	TOTAL GUARD AND RESERVE EQUIPMENT		1,200,000		0		816,062		443,000		373,062		843,500		843,500

C-26 aircraft reprogramming

The House report (H. Rept. 100-563) approved the Department of Defense reprogramming FY88-1PA that would allow for procurement of four additional C-26 aircraft as a result of the recent competitive program conducted by the Air National Guard.

The Senate report (S. Rept. 100-326) contained no similar language.

The conferees note that the reprogrammings in question are FY88-2PA and FY88-4PA. The conferees note that reprogramming FY88-4PA proposes to procure three additional aircraft at a unit cost of $4.3 million, although the approved program called for procuring six aircraft at a unit cost of $2.9 million. The conferees do not understand why the unit cost would increase when the procurement rate increases.

The conferees recommend approval of reprogrammings FY88-2PA and FY88-4PA, provided that the three additional aircraft in reprogramming FY88-4PA may not be procured at a unit cost greater than the unit cost provided for in the program base reflecting congressional action.

CHEMICAL DETERRENT PROGRAM

OVERVIEW

The amended budget request contained approximately $1 billion for chemical warfare and chemical biological defense programs. Of this amount, $636 million was requested for chemical defense efforts, $174.5 million was requested for chemical demilitarization, and $186.3 was requested for chemical weapons modernization.

Chemical weapons modernization

The amended budget request contained $186.3 million for the binary chemical weapons program. The conferees agrees to authorize a total of $77.4 million for the binary chemical weapons program: $60.9 million in procurement for the Bigeye chemical bomb and the 155 GB-2 million artillery round; and $16.5 million in research and development and construction for the Multiple Launch Rocket System (MLRS).

The following table summarizes the conferees' recommendation with respect to the binary munitions program:

BINARY MUNITIONS PROGRAM

[Fiscal year 1989, in millions of dollars]

Item	Request	House bill	Senate amendment	conference
155 GB–2 artillery round	66.0	1.2	66.0	45.9
Bigeye chemical bomb	99.4	0	99.4	15.0
Navy procurement	9.9	0	9.9	(5.0)
AF procurement	89.5	0	89.5	(10.0)
MLRS binary weapon	20.9	0	20.9	16.5
Pilot facility tooling	16.4	0	16.4	(12.0)
Facility construction[1]	4.5	0	4.5	(4.5)
Total	186.3	1.2	186.3	77.40

[1] The facility construction request is addressed in Division B, Military Construction Authorizations of this statement of managers.

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	Revised FY 1989 Request Quantity	Revised FY 1989 Request Amount	House Authorization Quantity	House Authorization Amount	Senate Authorization Quantity	Senate Authorization Amount	House +/— Senate Quantity	House +/— Senate Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference Authorization Quantity	Conference Authorization Amount
CHEM	AGENTS AND MUNITIONS DESTRUCTION, DEFENSE														
1	RESEARCH AND DEVELOPMENT	0	4,900		700		17,900		17,900		0		17,200		17,900
2	PROCUREMENT	0	96,600		74,000		44,300		44,300		0		(29,700)		44,300
3	CHEM DEMILITARIZATION—O&M	0	97,000		88,200		117,300		112,300		5,000		29,100		117,300
	TOTAL CHEMICAL DESTRUCTION		198,500		162,900		179,500		174,500		5,000		16,600		179,500

Bigeye chemical bomb (sec. 116)

The Senate amendment would authorize the $99.4 million requested in fiscal year 1989 for the Bigeye chemical bomb, but would condition release of the funds on a certification by the Comptroller General that the Bigeye had met certain standards in the operational and developmental tests to be conducted in 1990.

The House bill would provide no authorization for fiscal year 1989. The bill would further stipulate that funds made available for Bigeye for fiscal years before fiscal year 1990 may not be spent except as required to procure 100 Bigeye bombs to be used to conduct the operational and developmental tests scheduled to take place in 1990.

The conferees agree that the Department of Defense may use prior-year funds made available for Bigeye for the procurement of production-configured Bigeye bombs to be used only for the purpose of conducting the follow-on operational and developmental testing scheduled for 1990. The procurement of Bigeye bombs for any other purpose is prohibited. The conferees agree that any prior-year funds not used to procure Bigeye bombs for the test program may be used to maintain program continuity, but none of the prior-year funds may be used for low-rate initial production.

The conferees agree to prohibit low rate initial production and the procurement of any additional Bigeye bombs until the Director of Operational Test and Evaluation of the Department of Defense and the Comptroller General of the United States have submitted reports to Congress that certify that criteria set forth in section 116 for the follow-on tests have been met. The conferees would invite the Joint Chiefs of Staff, in conjunction with the fiscal year 1990 budget submission, to reaffirm the military requirement for the Bigeye bomb.

The conferees recognize the importance of maintaining program continuity through the period when the follow-on tests are being conducted and evaluated. The conferees have provided $15 million for this purpose in fiscal year 1989. Of this sum, $10 million is provided to the Air Force and $5 million to the Navy. These funds are to be used only for the purpose of maintaining program continuity, maintaining the subcontractor base and procuring long-lead items such as piece parts and components. The use of these funds for low-rate initial production of final assembly of Bigeye bombs is expressly prohibited. For the purpose of section 116, final assembly is defined as filling the bomb body with the liquid binary reactant QL.

155mm GB-2 binary chemical artillery round

The amended budget request contained $66 million for the 155mm GB-2 artillery round.

The House bill would authorize $1.2 million for the Army to procure only long-lead items for the artillery round.

The Senate amendment would authorize the requested amount.

The conferees recommend an authorization of $45.9 million for production of the 155mm GB-2 binary chemical artillery round. This level of authorization ensures that production will not be interrupted between the fiscal year 1989 program and the fiscal year 1990 program. This reduction from the budget request reflects a realignment of the program schedule.

Multiple launch rocket system binary chemical weapon

The amended budget request contained $16.4 million for equipment for the Multiple Launch Rocket System (MLRS) binary chemical weapon injector fill/close facility at Pine Bluff Arsenal. A related $4.5 million military construction project was also in the budget request.

The House bill would not authorize the program.

The Senate amendment would authorize the requested amount.

The conferees recommend authorization of $12 million in research, development and test funding for a pilot MLRS binary injector fill/close facility and $4.5 million for related construction.

Chemical demilitarization

The amended budget request contained $162.9 million (including $74 million in procurement, $88.2 million in operation and maintenance, and $0.7 million in research, development, test and evaluation) to support the chemical demilitarization program. The Department of Defense subsequently revised the request to require $174.5 million to implement the program described in the Chemical Stockpile Disposal Plan that was delivered to the Congress on March 15, 1988.

The House bill would authorize $179.5 million for this program. The House report (H. Rept. 100-563) specified that the additional $5 million would support an independent safety review by the National Academy of Sciences, as well as support the implementation of any safety items resulting from this review. The House bill contained a provision (sec. 931) that would prevent equipment prove out and systems test (referred to as "systemization" by the Department of Defense) at any continental United States chemical demilitarization facility until the operational verification of destruction technology at Johnston Atoll was successfully completed. This section would also require the Secretary of Defense to submit a report to the Committees on Armed Services of the Senate and House of Representatives upon successful completion of the Johnston Atoll operational equipment prove out. Section 931 would also require the Secretary to report if the Secretary determines that there will be a delay in meeting the December 31, 1990 completion of the Johnston Atoll operational verification, or if the Secretary determines that there will be a delay in meeting the April 30, 1997 stockpile elimination deadline.

The Senate amendment would authorize $174.5 million. The Senate amendment contained a provision (sec. 122) that would require the Secretary to submit a report only if the Secretary determined that there will be a delay in the April 30, 1997 stockpile elimination deadline.

Both the House bill (sec. 931) and the Senate amendment (sec. 122) contained provisions that would amend the stockpile elimination deadline of section 1412 of the fiscal year 1986 Department of Defense Authorization Act (Public Law 99-145) from September 30, 1994 to April 30, 1997. This amended deadline was requested by the Department of Defense.

The Senate recedes with an amendment. The conferees recommend authorization of $179.5 million, which includes an additional $5 million of safety. The conferees agree in section 118 to extend the stockpile elimination deadline to April 30, 1997. The conferees also agree to clarify that equipment prove-out and tests could be conducted at the Chemical Agent Munition Disposal System (including the cryofracture pilot facility) in Tooele, Utah before operational verification of the destruction technology at Johnston Atoll. Section 118 requires reports from the Secretary of Defense when the equipment and facility at Johnston Atoll are proven out, and if the Secretary determines that there will be a delay in meeting the December 30, 1990 completion of operational verification at Johnston Atoll. Section 118 also requires a report from the Secretary of Defense if he determines that there will be a delay in meeting the April 30, 1997 stockpile elimination deadline.

Chemical weapons convention compliance monitoring program (sec. 208)

The Senate amendment contained a provision (sec. 237) that would direct that $6.8 million be made available to conduct a program to develop and demonstrate compliance monitoring capabilities in support of the Convention on the Prohibition of Chemical Weapons proposed by the United States at the Conference on Disarmament.

The House bill contained no similar provision.

The House recedes.

Legislative Provisions

LEGISLATIVE PROVISIONS ADOPTED

Authorization for multiyear contracts (sec. 107)

The amended budget request contained authority to enter into multiyear contracts for the procurement of the following seven systems in fiscal year 1989:

CH-47 helicopter modification
Multiple launch rocket system
AV-8B aircraft
UHF follow-on satellite system
Defense meteorological satellite system
F-16 C/D aircraft
H-60 series competitive engine

The House bill would authorize the Department of Defense to enter into multiyear contracts for all programs except for the AV-8B aircraft and the UHF follow-on satellite system. In addition, the House bill would authorize the Department to enter into multiyear contracts for the AH-64 helicopter and the M1 tank.

The Senate amendment would authorize multiyear contracts for all of the programs requested, except for the UHF follow-on satellite system. In addition, the Senate amendment would authorize multiyear contracts for the AH-64 helicopter and the M1 tank.

The Senate recedes with an amendment.

The conferees recommend that the Department be authorized to enter into multiyear contracts for the following programs:

CH-47 helicopter modification
Multiple launch rocket system
AV-8B aircraft
UHF follow-on satellite system
Defense meteorological satellite system
F-16 C/D aircraft
T-700 series helicopter engine
AH-64 helicopters
M1 series tanks

Despite the fact that both the House bill and the Senate amendment did not include authorization of the UHF follow-on satellite system, the conferees received information subsequent to action in the Senate which supports authorization of the multiyear procurement request. The conferees are persuaded that the Navy has structured an innovative acquisition strategy that could serve as a model for use by other Departments. The conferees reserve judgment, however, on certain aspects of the procurement strategy—notably, acceptance of satellites on orbit. The conferees consider this novel acquisition strategy an experiment that, if successful, could serve as a model for other satellite procurement. The conferees urge other Military Departments to monitor the success of this approach.

The conferees endorse the direction outlined in the House Report (H. Rept. 100-563) concerning the feasibility of adding EHF telemetry and communications to the UHF follow-on satellite program, but caution that any such initiative should not disrupt the award or execution of the multiyear contract. The conferees also endorse the concerns expressed in the Senate report (S. Rept. 100-326) that modifications to production satellites must be considered carefully only as part of a formal block change process, and not on an ad hoc satellite-to-satellite basis.

The House bill would direct that multiyear contracts contain negotiated priced options for varying quantities to be procured over the period of the contract. The purpose of the provision would be to provide flexibility in the execution of multiyear contracts in the presence of budget limitations in future years. The conferees believe, however, that one of the key advantages of multiyear contracts is the stability that they introduce for contractors and for the Department. The conferees strongly support multiyear contracts and do not wish to weaken their utility to improve acquisition procedures. Consequently, the conferees recommended a provision that would permit the Secretary to instruct the Departments to incorporate negotiated priced options if he judges that such a course would enhance the multiyear procurement process.

The conferees direct that before the Department enter into multiyear contracts for the AH-64 helicopter and the M1 series tank, the Secretary of Defense submit to the Congress the total force acquisition plan for Army aviation and anti-armor systems, and that the Secretary certify that he approves those acquisition plans.

The conferees note that the multiyear contracts for the AH-64 helicopter and the M1 tank apply to fiscal year 1990. The Department may include procurement authorized for fiscal year 1989 as an option in the multiyear contracts, however.

Air defense anti-tank system (sec. 111(a))

The amended budget request contained $85 million for procurement of the Army's air defense anti-tank system (ADATS) forward area air defense system (FAADS), and $23.8 million for advance procurement for fiscal year 1990.

The House bill would authorize the requested amounts, but included a provision (sec. 111) that would prohibit the obligation of fiscal year 1988 and 1989 funds appropriated pursuant to authorization until certain conditions are met. The House bill would also prohibit obligation of any procurement funds after fiscal year 1989 until operational testing demonstrates that the ADATS meets operational requirements.

The Senate amendment would deny the authorization for procurement in fiscal year 1989, but would authorize the requested funds for advance procurement in 1990.

The Senate recedes.

The conferees reiterate their concern that the FAADS program not repeat the acquisition errors made on the DIVAD air defense system. The conferees reserve their support for the program until the results of realistic operational testing are made available to the Congress. The conferees also note the high cost of the ADATS system and encourage the Army to explore alternatives for reducing procurement costs, should the system perform satisfactorily in the operational tests.

120mm mortars (sec. 111(b))

The amended budget request contained no funds for procurement of 120mm mortars.

The House bill would authorize $5 million to procure mortars and $35 million for 120mm mortar ammunition. The House bill also included a provision (sec. 111(c)) that would restrict the obligation of funds appropriated pursuant to authorization until the Secretary of Defense submits a mortar master plan, certifies that the five-year plan contains suficient funds to implement the master plan, and completes an "Arsenal Act analysis" cost-effectiveness analysis.

The Senate amendment would provide no authorization for 120mm mortars. The Senate report (S. Rept. 100-326) directed the Army to conduct an analysis of heavy mortar requirements.

The Senate recedes.

In light of the decision to proceed with the 120mm mortar, the Army is not required to conduct the mortar study directed in the Senate report.

155 millimeter ammunition (sec. 111(c))

The Senate amendment contained a provision (sec. 111) that would express the concern of Congress that the schedule for propellant production and load, assemble and pack of 155 millimeter M864 ammunition base burn assembly may not make it economical to carry out production of this assembly from two sources concurrently. This provision would also prohibit the Secretary from selecting a second source for production of the base burn assembly for this round until the program enters full-rate production and the Secretary reports to the Committees on Armed Services of the Senate and House of Representatives on the acquisition plan of the Secretary for the establishment of a second source for the program.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees agreed to a provision providing that if the low rate initial production contractor of the 155 millimeter M864 base burn assembly is willing to self-facilitize the production line for this item at a government-owned contractor-operated facility, the Army shall establish it and maintain it at a minimum production rate of 8,000 units per month with fiscal years 1989 and 1990 funds. This provision also requires the Secretary of the Army to estabish a second source competitively for the 155 millimeter M864 base burn assembly in fiscal year 1989. The conferees agreed that this provision will not delay any phase in the current production schedule of the M864 round.

AH-1W ground support equipment (sec. 112(a))

The Senate amendment contained a provision (sec. 111(d)) that would direct that $55 million be obligated only for procurement of ground support equipment for aircraft appropriated in prior year.

The House bill contained no similar provision.

The House recedes.

Trident II missile (sec. 112(b))

The Senate amendment contained a provision (sec. 111A(a)) that would authorize the requested level only for procurement of the Trident II missile. This provision would also prohibit reductions to Trident II missile procurement to achieve any undistributed reductions.

The House bill contained no similar provision.

The House recedes.

DDG-51 competition (sec. 112(c))

Both the House bill (sec. 112(b)) and the Senate amendment (sec. 111(A)(b)) included provisions that would affect the form of competition for construction of *Arleigh Burke* (DDG-51)-class guided missile destroyers.

The House bill would repeal a provision in the fiscal year 1988 Department of Defense Appropriations Act (Public Law 100-202) that requires full and open competition for ships authorized in fiscal year 1989.

The Senate amendment would require full and open competition unless the Secretary of the Navy certifies that the DDG-51 program would cost less if competition were limited to the two current shipyard contractors or that certain national seucrity needs took precedence.

The conferees agree that the Secretary of the Navy may limit competition to the two shipyard contractors currently building DDG-51 class ships if the Secretary certifies to the Committees on Armed Services of the Senate and House of Representatives that such limitation would likely result in lower total cost for the fiscal year 1989 DDG-51 shipbuilding program, or is necessary to meet the cost, schedule, or performance requirements of the Navy or such other requirements of the Navy as may be determined by the Secretary.

Use of prior year funds for DDG-51 destroyer program (sec. 112(d))

The Senate amendment contained a provision (sec. 111(f)) that would authorize the use of prior-year funds for the construction of one DDG-51 class guided missile destroyer.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees recommend that up to $730 million in amounts appropriated for fiscal year 1988 and prior years and remaining available for obligation be authorized to be transferred to the Navy shipbuilding and conversion program for fiscal year 1988, to the extent provided in appropriations acts and without extension of obligational authority, for the procurement of one DDG-51 class guided missile destroyer. This procurement authorization is separate from the procurements authorized for DDG-51 class destroyers in fiscal year 1989.

5-inch semi-active laser guided projectile (sec. 112(f))

The House bill contained a provision (sec. 102(d)(2)) that would direct completion of production qualification by three sources for 5-inch semi-active laser guided projectiles.

The Senate amendment contained an identical provision (sec. 111(A)(c)).

The conferees direct the Secretary of the Navy to identify the sources of funds to be used for the production qualification effort, making maximum use of funds remaining available for obligation for the five-inch laser guided projectile program. Should additional funds be necessary beyond those available, the Secretary shall identify the sources of such funds by means of a reprogramming. The conferees affirm the language concerning sources of funds for this program contained in the House report (H. Rept. 100-563).

C-130 refurbishment (sec. 113(a))

The House bill contained a provision (sec. 113) that would authorize the Secretary of the Air Force to use eight C-130 aircraft currently in long-term storage at Air Force plant #6, Marietta, Georgia, and direct that $35 million of aircraft modification funds shall be available only to refurbish such aircraft for operational use.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment. The conferees recommend an increase of $17.5 million in Air Force aircraft modification funds to modify C-130 aircraft in order to refurbish and place in operational use the eight C-130 aircraft currently in long-term storage at Air Force plant #6.

SLC-7 launch facility (sec. 113(b))

The Senate amendment (sec. 112) would prohibit the obligation or expenditure of funds for the launch facility at Vandenberg Air Force Base (the SLC-7 launch facility) intended to launch the Titan IV expendable launch vehicle.

The House bill contained no similar provision.

The House recedes. The conferees agree to endorse the section in the Senate report (S. Rept. 100-326) relating to this facility (included in the discussion of the Space Launch Recovery program).

Infantry anti-tank weapon (sec. 114)

The House bill contained a provision (sec. 115) that would require the Secretary of the Army to select an interim infantry anti-tank weapon from among the Milan II, Bofors BILL and Dragon Generation III weapons, and the Director of Operational Test and Evaluation to report on the performance of these weapons in operational tests.

The Senate amendment contained a provision (sec. 211) that would repeal certain statutory provisions related to these weapons, and that would specify that no funds appropriated pursuant to authorization may be used for further research and development or procurement of either the Milan II or Bofors BILL weapons.

The Senate recedes with an amendment.

The conferees direct the Secretary of the Army to select an interim infantry anti-tank weapon from among the Milan II, Bofors BILL, Dragon Generation II and Generation III weapon systems. The conferees note that the selection is to identify for each weapon its tank-killing capability, gunner survivability, portability by field troops, countermeasures vulnerability, system reliability and safety.

The conferees direct that before any funds be used to procure an interim infantry anti-tank weapon, the Secretary shall conduct a Cost and Effectiveness Analysis (COEA). Such a COEA must be based on standards for effectiveness for an interim anti-tank weapon system, especially in light of the fact that the system must be capable of defeating modern Soviet tanks equipped with reactive armor. The COEA must emphasize tank-killing capability, gunner survivability, portability by field troops, countermeasures vulnerability, system reliability and safety, as well as cost.

Source selection authority for palletized loading system (sec. 115)

The House bill contained a provision (sec. 117) that would amend section 259(b) of the fiscal year 1988/1989 Defense Authorization Act (Public Law 100-180), which required the Under Secretary of Defense for Acquisition to serve as source selection authority for the Army palletized loading system. The House provision would name the Acquisition Executive for the Department of the Navy as the source selection authority.

The Senate amendment contained no similar provision.

The Senate recedes.

Management of certain defense procurement programs (sec. 117)

The House bill contained a provision (sec. 119) that would direct the Department of Defense not to extend the duration of defense acquisition programs unless the Secretary of Defense submits a report justifying the extension. Further, the House provision would require a report on cost increases caused by the extension and require the Secretary to identify a specified number of major acquisition programs to be produced at maximum efficient production rates.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees recommend that the Secretary of Defense be required to submit a "stretchout impact statement" if certain conditions are met. The impact statement would delineate the costs associated with stretchouts of production rates. Further, the provision requires the Secretary to identify all major acquisition programs being produced at 80 percent or less of the programmed acquisition rate at the time the major acquisition program was initiated. Finally, the conferees direct the Secretary to identify not less than 10 programs that could be produced at maximum efficient production rates and the costs associated with such action.

Report on Navy aircraft (sec. 119)

The Senate amendment contained a provision (sec. 121) that would require the Secretary of Defense to submit a detailed report on current and projected requirements of the Navy for aircraft.

The House bill contained no similar provision.

The House recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

MLRS system for the Army National Guard

The House bill contained a provision (sec. 111(d)) that would support the deployment of three batteries per year of Multiple Launch Rocket System (MLRS) to units of the Army National Guard.

The Senate amendment contained no similar provision.

The House recedes.

The conferees note their strong support for the introduction of MLRS batteries into Army National Guard units.

Air Force common electronic countermeasure equipment

The House bill contained a provision (sec. 116) that would require a competition between the ALQ-131 and ALQ-184 Electronic Countermeasure (ECM) pod programs; require approval of the Secretary of Defense prior to upgrading certain Navy or Air Force ECM systems; and require a report on the protection of EF-111 aircraft.

The Senate report (S. Rept. 100-326) encouraged the Air Force to conduct a year-to-year competition between the ALQ-131 and the ALQ-184 ECM pod programs.

The conferees agree that an immediate competition between the ALQ-184 and ALQ-131, or a year-to-year competition of these systems, is a reasonable acquisition strategy, and agree that the requirement to field one or both systems is essential and must be accomplished by the Department of Defense. The conferees have learned that the Under Secretary of Defense for Acquisition is currently studying the acquisition strategy proposed for the ALQ-131 and ALQ-184 ECM pod systems.

In light of this action, the conferees agree at this time to defer, without prejudice, the House provision. In taking this action, the conferees expect the Under Secretary of Defense to initiate not later than January 15, 1989, a competitive acquisition strategy. The conferees direct that any future upgrades to the ALQ-94, ALQ-137, ALQ-126A, ALQ-126B, or ALQ-162 ECM systems must be approved by the Under Secretary of Defense for Acquisition, and direct the Secretary of Air Force to submit a report to the Committees on Armed Services of the Senate and House of Representatives, by January 15, 1989, describing the Air Force plans for future electronic protection of EF-111 aircraft.

General increase for Navy and Marine Corps ammunition

The House bill included a provision (sec. 1201) that would provide additional authorization for procurement of ammunition for the Navy and Marine Corps.

The Senate amendment contained no similar provision.

The House recedes.

Guard and Reserve training devices

The House bill contained a provision (sec. 1203) that would provide $25.0 million for procurement of training devices for the Army National Guard.

The Senate amendment contained no similar provision.

The House recedes. The conferees provided $50.0 million to the Army National Guard to procure what ever equipment the Guard judges to be of highest priority. The conferees note that the Guard may procure training devices if that is judged to be of sufficient priority. The conferees also note that the Guard may procure FISTV vehicles if those vehicles are judged by the Guard to be of sufficient priority.

Global positioning system

The amended budget request contained $75.644 million for procurement of the Global Positioning System (GPS) satellite program.

The House bill would reduce the request by $14.427 million.

The Senate amendment contained a provision (sec. 929(a)) that would authorize the request.

The conferees agreed to an authorization of $75.644 million, the requested amount, but did not agree to the Senate legislative provision.

The amended budget request contained $53.232 million for RDT&E for the Global Positioning System.

The House bill would authorize the requested level.

The Senate amendment contained a provision (sec. 929(b)) that would limit expenditures for Global Positioning System RDT&E to $48.232 million.

The conferees agree to an authorization of $48.232 million but see no need for the Senate legislative provision.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION (RDT&E)

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $38,157.1 million for research, development, test, and evaluation in the Department of Defense. The House bill would authorize $37,372.9 million. The Senate amendment would authorize $37,995.3 million. The conferees recommend authorization of $37,970.2 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

RESEARCH AND DEVELOPMENT, ARMY

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $5,030.7 million for Army research, development, test, and evaluation. The House bill would authorize $5,224.9 million. The Senate amendment would authorize $5,008.4 million. The conferees recommend authorization of $5,198.4 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

					House		Senate			Conference	
R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	Change to Request	Authorized	Change to Request	Authorized	House +/- Senate	Change to Request	Authorized
		RESEARCH DEVELOPMENT TEST & EVAL ARMY									
1	0601101A	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	0	0		0		0	0		0
2	0601102A	DEFENSE RESEARCH SCIENCES	168,936	173,505		173,505		173,505	0		173,505
3	0601103A	UNIVERSITY RESEARCH SCIENCES	0	0		0		0	0		0
4	0602105A	MATERIALS TECHNOLOGY	11,589	12,963		12,963		12,963	0		12,963
5	0602120A	ELECTRONIC SURVIVABILITY AND FUZING TECH	43,163	40,895		40,895		40,895	0		40,895
6	0602122A	SURVIVABILITY ENHANCEMENT	[ ]	[ ]		[ ]		[ ]	0		[ ]
7	0602211A	AVIATION TECHNOLOGY	[ ]	[ ]		[ ]		[ ]	0		[ ]
8	0602303A	MISSILE TECHNOLOGY	28,951	25,741		25,741		25,741	0		25,741
9	0602307A	LASER WEAPONS TECHNOLOGY	10,000	6,366	6,500	12,866		6,366	6,500	5,000	11,366
10	0602601A	COMBAT VEHICLE AND AUTOMOTIVE TECHNOLOGY	22,610	22,293		22,293		22,293	0		22,293
11	0602618A	BALLISTICS TECHNOLOGY	22,775	27,321	7,000	34,321		27,321	7,000	0	27,321
12	0602622A	CHEMICAL, SMOKE AND EQUIPMENT DEFEATING	45,079	41,501	1,000	42,501		41,501	1,000	0	41,501
13	0602623A	JOINT SERVICE SMALL ARMS PROGRAM	12,857	14,136	1,000	15,136		14,136	1,000	0	14,136
14	0602624A	WEAPONS AND MUNITIONS TECHNOLOGY	21,931	31,213		31,213		31,213	0		31,213
15	0602705A	ELECTRONICS AND ELECTRONIC DEVICES	21,717	21,761		21,761		21,761	0		21,761
16	0602709A	NIGHT VISION TECHNOLOGY	22,394	22,825	2,500	25,325		22,825	2,500	2,500	25,325
17	0602715A	ELECTRONIC WARFARE TECHNOLOGY	[ ]	[ ]		[ ]		[ ]	0		[ ]
18	0602716A	HUMAN FACTORS ENGINEERING TECHNOLOGY	14,560	15,003		15,003		15,003	0		15,003
19	0602720A	ENVIRONMENTAL QUALITY TECHNOLOGY	9,915	9,542		9,542		9,542	0		9,542
20	0602727A	NON-SYSTEM TRAINING DEVICE TECHNOLOGY	4,011	3,429		3,429		3,429	0		3,429
21	0602770A	MILITARY DISEASE HAZARDS TECHNOLOGY	46,137	48,282		48,282		48,282	0		48,282
22	0602782A	COMMAND, CONTROL, COMMUNICATIONS TECH	9,764	12,578		12,578		12,578	0		12,578
23	0602783A	COMPUTER AND SOFTWARE TECHNOLOGY	8,221	6,454		6,454		6,454	0		6,454
24	0602784A	MILITARY ENGINEERING TECHNOLOGY	36,905	46,975		46,975		46,975	0		46,975
25	0602785A	MANPOWER/PERSONNEL/TRAINING TECHNOLOGY	15,476	17,865		17,865		17,865	0		17,865
26	0602786A	LOGISTICS TECHNOLOGY	34,513	42,064		42,064		42,064	0		42,064
27	0602787A	MEDICAL TECHNOLOGY	54,701	57,777		57,777		57,777	0		57,777
995		TECHNOLOGY BASE CLASSIFIED	51,653	51,476		51,476		51,476	0		51,476
28	0603001A	LOGISTICS ADVANCED TECHNOLOGY	10,000	9,959		9,959		9,959	0		9,959
29	0603002A	MEDICAL ADVANCED TECHNOLOGY	33,656	34,496		34,496		34,496	0		34,496
30	0603003A	AVIATION ADVANCED TECHNOLOGY	39,000	35,310		35,310		35,310	0		35,310
31	0603004A	WEAPONS AND MUNITIONS ADVANCED TECH	24,914	39,440		39,440		39,440	0		39,440
32	0603005A	COMBAT VEHICLE AND AUTOMOTIVE ADV TECH	39,612	46,251		46,251		46,251	0		46,251
33	0603006A	COMMAND,CONTROL, COMMUNICATIONS ADV TECH	7,485	7,725		7,725		7,725	0		7,725
34	0603007A	HUMAN FACTORS/PERSONNEL/TRAINING ADV TEC	28,486	30,544		30,544		30,544	0		30,544
35	0603008A	ELECTRONIC WARFARE ADVANCED TECHNOLOGY	[ ]	[ ]		[ ]		[ ]	0		[ ]
36	0603102A	MATERIALS AND STRUCTURES ADVANCED TECH	8,185	6,936		6,936		6,936	0		6,936
37	0603105A	ACQUIRED IMMUNE DEFICIENCY SYNDROME (AID	11,500	8,823		8,823		8,823	0		8,823
38	0603255A	OPERATIONAL ENHANCEMENTS	0	0		0		0	0		0
39	0603270A	EW TECHNOLOGY	39,468	[ ]	[11,000]	[ ]	[5,000]	[ ]	[6,000]	[8,000]	[ ]
40	0603313A	MISSILE AND ROCKET ADVANCED TECHNOLOGY	18,000	13,587		13,587		13,587	0	20,000	33,587
41	0603314A	DIRECTED ENERGY	0	7,787		7,787		7,787	0		7,787
42	0603321A	TARGET ACQUISITION,COUNTER/COUNTER-COUNT	[ ]	[ ]		[ ]		[ ]	0		[ ]
43	0603324A	ARMY DEVELOPMENT AND EMPLOYMENT AGENCY	10,936	1,988	3,000	4,988		1,988	3,000	3,000	4,988
44	0603606A	LANDMINE WARFARE AND BARRIER ADVANCED TE	10,675	9,079	2,500	11,579		9,079	2,500	0	9,079
45	0603607A	JOINT SERVICE SMALL ARMS PROGRAM	8,820	9,564		9,564		9,564	0		9,564

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
					Change to Request	Authorized	Change to Request	Authorized		Change to Request	Authorized
46	0603710A	NIGHT VISION ADVANCED TECHNOLOGY	23,653	23,669	2,500	26,169		23,669	2,500	0	23,669
47	0603733A	ENVIRONMENTAL QUALITY CONTROL EQUIPMENT	3,050	0		0		0	0		0
48	0603734A	MILITARY ENGINEERING ADVANCED TECH	3,902	2,338		2,338		2,338	0		2,338
49	0603742A	ADVANCED ELECTRONIC DEVICES	6,089	5,228		5,228		5,228	0		5,228
50	0603758A	ARMY BATTLEFIELD TECHNOLOGY INTEGRATION	9,100	9,601		9,601		9,601	0		9,601
51	0603759A	CHEMICAL BIOLOGICAL DEFENSE AND SMOKE AD	3,564	3,450		3,450		3,450	0		3,450
52	0603772A	ADVANCED TACTICAL COMPUTER SCIENCE TECH	6,117	6,501		6,501		6,501	0		6,501
53	1140011A	ADV SPECIAL OPERATIONS RSCH, DEV AND ACQ	7,757	14,228		14,228		14,228	0		14,228
		BATTERY TECHNOLOGY			1,144	1,144		0	1,144	1,144	1,144
		COMMON INTEGRATED ELECTRONIC WARFARE SYSTEM			2,000	2,000		0	2,000	1,000	1,000
996		ADV TECHNOLOGY DEVELOPMENT CLASSIFIED	0	47,853	11,000	58,853	5,000	52,853	6,000	8,000	55,853
54	0102814A	SPECIAL PROGRAMS	[ ]	[ ]		[ ]	[-50,000]	[ ]	[50,000]	[-25,000]	[ ]
55	0102821A	CLASSIFIED PROGRAM	[ ]	[ ]		[ ]		[ ]	0		[ ]
56	0303152A	WORLD-WIDE MILITARY COMMAND AND CONTROL	[ ]	[ ]		[ ]		[ ]	0		[ ]
		CHEM WPNS CONVENTION COMPLIANCE MONITOR	0				6,800	6,800	(6,800)	6,800	6,800
		MLRS BINARY WARHEAD								12,000	12,000
997		STRATEGIC CLASSIFIED	118,462	80,108		80,108	(50,000)	30,108	50,000	(25,000)	55,108
57	0603220A	ADV ROTOCRAFT TECHNOLOGY INTEGRATION LHX	0	0		0		0	0		0
58	0603302A	ANTITACTICAL MISSILE SYSTEM	22,076	31,514		31,514		31,514	0		31,514
59	0603303A	SURFACE-TO-SURFACE MISSILE ROCKET SYSTEM	24,000	36,191		36,191		36,191	0		36,191
60	0603604A	NUCLEAR MUNITIONS AND RADIACS-ADV DEV	5,841	[ ]		[ ]		[ ]	0		[ ]
61	0603612A	ADVANCED ANTI-TANK WEAPON SYSTEM	33,566	21,763	40,000	61,763	40,000	61,763	0	30,000	51,763
62	0603619A	LANDMINE WARFARE AND BARRIER - ADV DEV	15,783	12,496		12,496		12,496	0		12,496
63	0603627A	SMOKE AND EQUIP DEFEATING SYS - ADV DEV	7,375	4,999		4,999		4,999	0		4,999
64	060369A	ARMAMENT ENHANCEMENT INITIATIVE	[ ]	[ ]		[ ]		[ ]	0		[ ]
65	0603642A	EVOLUTIONARY SURFACE-TO-AIR MISSILE - AD	0	3,053		3,053		3,053	0		3,053
66	0603645A	ARMORED FAMILY OF VEHICLES - ADV DEV	1,000	997		997		997	0		997
67	0603705A	PHYSICAL SECURITY	0	2,794		2,794		2,794	0		2,794
68	0603706A	IDENTIFICATION-FRIEND-OR-FOE - ADV DEV	10,000	14,811		14,811		14,811	0		14,811
69	0603711A	AIRCRAFT SURVIVABILITY EQUIPMENT	0	0		0		0	0		0
70	0603713A	ARMY DATA DISTRIBUTION SYSTEM	28,000	19,950		19,950		19,950	0		19,950
71	0603718A	ELECTRONIC WARFARE SYSTEMS - ADV DEV	0	0		0		0	0		0
72	0603725A	REMOTELY PILOTED VEHICLES AND DRONES - A	0	0		0		0	0		0
73	0603730A	TACTICAL SURVEILLANCE SYSTEM-ADV DEV	34,166	[ ]	[-24,900]	[ ]		[ ]	[-24,900]	[-5,900]	[ ]
74	0603738A	NON-SYSTEM TRAINING DEVICES - ADV DEV	0	860		860		860	0		860
75	0603740A	AIR DEFENSE COMMAND, CONTROL AND INTELLI	4,337	0		0		0	0		0
76	0603745A	TACTICAL ELECTRONIC SUPPORT MEASURE SYS	5,735	[ ]		[ ]		[ ]	0		[ ]
77	0603747A	SOLDIER SUPPORT AND SURVIVABILITY	3,864	3,430		3,430		3,430	0		3,430
78	0603751A	MEDICAL DEFENSE AGAINST CHEMICAL WARFARE	27,100	17,440		17,440		17,440	0		17,440
79	0603754A	CLASSIFIED PROGRAM (ADV)	[ ]	[ ]		[ ]		[ ]	0		[ ]
80	0603755A	TACT ELECTRONIC COUNTERMEASURES SYS-ADV	[ ]	[ ]		[ ]		[ ]	0		[ ]
81	0603757A	FORWARD AREA AIR DEFENSE (FAAD) SYSTEM	157,000	164,212	30,000	194,212		164,212	30,000		164,212
82	0603760A	SPECIAL OPERATIONS FORCES EQUIP- ADV DEV	0	0		0		0	0		0
83		TACTICAL ELECTRONIC SURVEILLANCE SYSTEM-ADV DEV	11,959	[ ]		[ ]		[ ]	0		[ ]
84	0603774A	NIGHT VISION SYSTEMS ADV DEVELOPMENT	3,355	3,923		3,923		3,923	0		3,923
85	0603775A	LIGHT ARMORED VEHICLE/WEASEL EVALUATION	1,000	0		0		0	0		0
86	0603776A	AIRBORNE ADVERSE WEATHER WEAPONS SYSTEM	80,000	87,120		87,120		87,120	0		87,120
	0603XXXA	M1 BLOCK 3 DEVELOPMENT								30,000	30,000
87	0603777A	FOLLOW-ON LANCE - ADV DEV	0	14,962		14,962		14,962	0	(7,000)	7,962
88	0603801A	AVIATION - ADV DEV	3,039	4,349		4,349		4,349	0		4,349
89	0603802A	WEAPONS AND MUNITIONS - ADV DEV	14,399	12,283		12,283		12,283	0		12,283
90	0603803A	CHEMICAL SYSTEMS - ADV DEV	15,325	0		0		0	0		0

					House		Senate			Conference	
R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	Change to Request	Authorized	Change to Request	Authorized	House +/- Senate	Change to Request	Authorized
91	0603804A	LOGISTICS AND ENGINEER EQUIP- ADV DEV	16,999	12,901	4,000	16,901		12,901	4,000	0	12,901
92	0603805A	COMBAT SERVICE SUPPORT COMPUTER SYS EVAL	1,195	1,422		1,422		1,422	0		1,422
93	0603806A	CHEMICAL/BIOLOGICAL DEFENSE EQUIP ADV DE	10,508	7,360		7,360		7,360	0		7,360
94	0603807A	MEDICAL SYSTEMS - ADV DEV	21,863	18,879		18,879		18,879	0		18,879
95	0604202A	AIRCRAFT WEAPONS	9,697	4,461		4,461		4,461	0		4,461
96	0604216A	AIRCRAFT PROPULSION SYSTEM	100,000	55,798		55,798		55,798	0		55,798
97	0604223A	LIGHT ARMED SCOUT HELICOPTER	30,000	124,687		124,687		124,687	0		124,687
98	0604270A	EW DEVELOPMENT	44,499	[ ]	[4,000]	[ ]	[4,000]	[ ]	0	[4,000]	[ ]
99	0604306A	STINGER	7,747	0		0		0	0		0
100	0604310A	HELIBORNE MISSILE - HELLFIRE	2,463	0		0		0	0		0
101	0604313A	GRASS BLADE	4,953	9,719		9,719		9,719	0	(5,000)	4,719
102	0604321A	JOINT TACTICAL FUSION PROGRAM	152,385	[ ]	[5,000]	[ ]		[ ]	[5,000]	[3,000]	[ ]
103	0604324A	ARMY TACTICAL MISSILE SYS (ARMY TACMS)	101,250	84,437		84,437		84,437	0		84,437
103a		ATACMS BLOCK 2 UPGRADE							0	10,000	10,000
104	0604601A	INFANTRY SUPPORT WEAPONS	0	0		0		0	0		0
105	0604603A	NUCLEAR MUNITIONS AND RADIACS-ENG DEV	17,386	[ ]		[ ]		[ ]	0		[ ]
106	0604604A	MEDIUM TACTICAL VEHICLES	9,906	24,947		24,947		24,947	0		24,947
107	0604609A	SMOKE AND EQUIP DEFEATING SYS ENG DEV	9,978	8,379		8,379		8,379	0		8,379
108	0604611A	ADVANCED ANTI-TANK WEAPON SYS- ENG DEV	0	110,509		110,509		110,509	0		110,509
109	0604622A	FAMILY OF HEAVY TACTICAL VEHICLES	4,953	28,825		28,825		28,825	0		28,825
110	0604630A	M1A1 DEVELOPMENT PROGRAM	0	0		0	50,000	50,000	(50,000)		0
111	0604702A	JOINT TACTICAL INFORMATION DIST SYSTEM	4,267	0		0		0	0		0
112	0604709A	IDENTIFICATION-FRIEND-OR-FOE - ENG DEV	16,841	25,812		25,812		25,812	0		25,812
113	0604710A	NIGHT VISION SYSTEMS - ENG DEV	15,128	16,588	3,000	19,588		16,588	3,000	1,000	17,588
114	0604711A	AIRCRAFT SURVIVABILITY EQUIPMENT	0	0		0		0	0		0
115	0604713A	COMBAT FEEDING, CLOTHING, AND EQUIPMENT	1,915	2,418		2,418		2,418	0		2,418
116	0604715A	NON-SYSTEM TRAINING DEVICES - ENG DEV	24,745	19,790		19,790		19,790	0		19,790
117	0604718A	PHYSICAL SECURITY	2,974	3,755		3,755		3,755	0		3,755
118	0604722A	EDUCATION AND TRAINING SYSTEMS DEV	5,396	6,872		6,872		6,872	0		6,872
119	0604723A	SPECIAL PURPOSE DETECTORS	1,417	483		483		483	0		483
120	0604726A	METEOROLOGICAL EQUIPMENT AND SYSTEMS	592	1,611		1,611		1,611	0		1,611
121	0604730A	REMOTELY PILOTED VEHICLES - ENG DEV	0	0		0		0	0		0
122	0604736A	PROJECT SIERRA	[ ]	[ ]		[ ]		[ ]	0		[ ]
123	0604737A	UNMANNED AERIAL VEHICLES - ENG DEV	0	0		0		0	0		0
124	0604740A	TACTICAL SURVEILLANCE SYSTEM-ENG DEV	7,759	[ ]		[ ]		[ ]	0		[ ]
125	0604741A	AIR DEFENSE COMMAND, CONTROL AND INTELLI	90,262	98,291		98,291		98,291	0		98,291
126	0604746A	AUTOMATIC TEST EQUIPMENT DEVELOPMENT	6,923	9,374		9,374		9,374	0		9,374
127	0604750A	TACTICAL ELECTRONIC COUNTERMEASURES-ENG	[ ]	[ ]		[ ]		[ ]	0		[ ]
128	0604754A	CLASSIFIED PROGRAM (ENG)	[ ]	[ ]		[ ]		[ ]	0		[ ]
129	0604757A	MEDICAL CHEM DEFENSE LIFE SUPPORT MATERI	7,633	6,258		6,258		6,258	0		6,258
130	0604766A	TACTICAL ELECTRONIC SURVEILLANCE SYS-ENG	18,666	[ ]		[ ]		[ ]	0		[ ]
131	0604770A	JOINT SURVEILLANCE/TARGET ATTACK RADAR S	18,224	19,182		19,182		19,182	0		19,182
132	0604779A	JOINT INTEROP OF TACT COMM & CONTROL SYS	14,860	17,784		17,784		17,784	0		17,784
133	0604801A	AVIATION - ENG DEV	9,903	11,029		11,029		11,029	0		11,029
134	0604802A	WEAPONS AND MUNITIONS - ENG DEV	110,855	132,595	25,000	157,595		132,595	25,000	25,000	157,595
135	0604803A	CHEMICAL SYSTEMS - ENG DEV	14,191	37,649		37,649		37,649	0		37,649

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
					Change to Request	Authorized	Change to Request	Authorized		Change to Request	Authorized
136	0604804A	LOGISTICS AND ENGINEER EQUIP - ENG DEV	11,886	13,577		13,577		13,577	0		13,577
137	0604805A	COMMAND, CONTROL, COMM SYSTEMS - ENG DEV	13,858	10,311		10,311		10,311	0		10,311
138	0604806A	CHEMICAL/BIOLOGICAL DEFENSE EQUIPMENT -	22,905	13,262		13,262		13,262	0		13,262
139	0604807A	MEDICAL MATERIEL/MEDICAL BIOLOGICAL DEFE	13,327	13,825		13,825		13,825	0		13,825
140	0604808A	LANDMINE WARFARE/BARRIER - ENG DEV	14,703	14,839		14,839		14,839	0		14,839
141	0605710A	JOINT CB POINT OF CONTACT, TEST AND ASSE	6,403	5,967		5,967		5,967	0		5,967
142	0203726A	ADV FIELD ARTILLERY TACTICAL DATA SYSTEM	14,797	17,717		17,717		17,717	0		17,717
143	0203735A	COMBAT VEHICLE IMPROVEMENT PROGRAMS	122,746	82,837	15,000	97,837	13,900	96,737	1,100	13,900	96,737
144	0203739A	AIR DEFENSE C21 MODS	4,000	8,661		8,661		8,661	0		8,661
145	0203740A	MANEUVER CONTROL SYSTEM	13,971	11,972		11,972		11,972	0		11,972
146	0203743A	155MM SELF-PROPELLED HOWITZER IMPROVEMEN	29,988	19,944	4,500	24,444		19,944	4,500	4,500	24,444
147	0203744A	AIRCRAFT MODIFICATIONS/PIP	55,000	135,460		135,460		135,460	0		135,460
148	0203745A	WEAPONS AND MUNITIONS EQUIPMENT UPGRADE	26,327	4,833	15,000	19,833		4,833	15,000	8,000	12,833
149	0203751A	SPECIAL OPERATIONS FORCES EQUIPMENT	0	0		0		0	0		0
150	0203752A	AIRCRAFT ENGINE COMPONENT IMP PROGRAM	6,144	11,914	(6,200)	5,714		11,914	(6,200)	0	11,914
151	0203801A	MISSILE/AIR DEFENSE PRODUCT IMPROVEMENT	31,040	39,009		39,009		39,009	0		39,009
152	0203802A	OTHER MISSILE PRODUCT IMPROVEMENT PROG	40,000	30,803		30,803	8,800	39,603	(8,800)	8,800	39,603
153	0208010A	JOINT TACTICAL COMMS PROGRAM (TRI-TAC)	12,998	13,891		13,891		13,891	0		13,891
154	0303145A	EUCOM C3 SYSTEMS	1,289	634		634		634	0		634
155	1110011A	FORCE ENHANCEMENTS-ACTIVE	95,500	118,408		118,408		118,408	0		118,408
		GUARD AND RESERVE UNIQUE R&D			5,000	5,000		0	5,000	2,000	2,000
		CLASSIFIED PROJECT				0	30,000	30,000	(30,000)	20,000	20,000
		NBC VEHICLE COMPETITON								6,000	6,000
		ITV HELLFIRE MODERNIZATION				0	6,000	6,000	(6,000)	5,000	5,000
		UNDISTRIBUTED REDUCTION, TACTICAL PROG				0	(120,000)	(120,000)	120,000	0	0
998		TACTICAL CLASSIFIED	330,334	726,289	(15,900)	710,389	4,000	730,289	(19,900)	1,100	727,389
156	0604201A	AIRCRAFT AVIONICS	0	0		0		0	0		0
157	0604716A	MAPPING AND GEODESY - ENG DEV	6,459	6,488		6,488		6,488	0		6,488
158	0604778A	NAVSTAR GLOBAL POSITIONING SYSTEM (USER	9,995	8,803		8,803		8,803	0		8,803
159	0301307A	FOREIGN SCIENCE AND TECHNOLOGY CENTER	[ ]	[ ]		[ ]		[ ]	0		[ ]
160	0301318A	HUMINT (CONTROLLED)	[ ]	[ ]		[ ]		[ ]	0		[ ]
161	0301327A	TECHNICAL RECONNAISSANCE AND SURVEILL	[ ]	[ ]		[ ]		[ ]	0		[ ]
162	0301334A	OTHER COMMANDS GDIP ACTIVITIES	[ ]	[ ]		[ ]		[ ]	0		[ ]
163	0301359A	SPECIAL ARMY PROGRAM	[ ]	[ ]	[-1,296]	[ ]		[ ]	[-1,296]	0	[ ]
164	0303126A	LONG-HAUL COMMUNICATIONS (DCS)	0	0		0		0	0		0
165	0303142A	SATCOM GROUND ENVIRONMENT	74,966	26,698		26,698		26,698	0		26,698
166	0303401A	COMMUNICATIONS SECURITY (COMSEC)	5,217	5,126		5,126		5,126	0		5,126
999		INTELLIGENCE/COMMUNICATIONS CLASSIFIED	11,081	5,288	(1,296)	3,992		5,288	(1,296)		5,288

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
					Change to Request	Authorized	Change to Request	Authorized		Change to Request	Authorized
167	0603790A	NATO RESEARCH AND DEVELOPMENT	0	0		0		0	0		0
168	0605301A	KWAJALEIN MISSILE RANGE	150,729	164,855		164,855		164,855	0	(9,000)	155,855
169	0605502A	SMALL BUSINESS INNOVATIVE RESEARCH	0	0		0		0	0		0
170	0605601A	ARMY TEST RANGES AND FACILITIES	191,103	191,016	15,000	206,016		191,016	15,000	0	191,016
171	0605602A	ARMY TECHNICAL TEST INSTRUMENTATION AND	62,500	60,110	10,000	70,110		60,110	10,000	0	60,110
172	0605603A	ARMY USER TEST INSTR AND THREAT SIMULATO	59,186	63,936	5,000	68,936	(20,000)	43,936	25,000	(20,000)	43,936
173	0605702A	METEOROLOGICAL SUPPORT TO RDT&E ACTIV	19,195	18,888		18,888		18,888	0		18,888
174	0605706A	MATERIEL SYSTEMS ANALYSIS	22,264	23,783		23,783		23,783	0		23,783
175	0605709A	EXPLOITATION OF FOREIGN ITEMS	4,390	4,360		4,360		4,360	0		4,360
176	0605712A	SUPPORT OF OPERATIONAL TESTING	49,796	51,349	6,000	57,349		51,349	6,000	0	51,349
177	0605801A	PROGRAMWIDE ACTIVITIES	82,349	83,155		83,155		83,155	0		83,155
178	0605802A	INTERNATIONAL COOP RESEARCH AND DEV	1,093	1,136		1,136		1,136	0		1,136
179	0605803A	TECHNICAL INFORMATION ACTIVITIES	5,500	5,803		5,803		5,803	0		5,803
180	0605805A	MUNITIONS STANDARDIZATION, EFFECTIVENESS	14,331	12,981		12,981		12,981	0		12,981
181	0605810A	RDT&E SUPPORT FOR NONDEVELOPMENTAL ITEMS	17,842	8,283		8,283		8,283	0		8,283
182	0605872A	PRODUCTIVITY INVESTMENTS	35,000	49,947		49,947		49,947	0		49,947
183	0605894A	REAL PROPERTY MAINTENANCE - RDT&E	155,000	161,974		161,974	6,000	167,974	(6,000)	5,000	166,974
184	0605896A	BASE OPERATIONS - RDT&E	177,500	183,708		183,708	4,000	187,708	(4,000)	4,000	187,708
185	0605898A	MANAGEMENT HEADQUARTERS (RSCH AND DEV)	9,501	13,616		13,616		13,616	0		13,616
186	0708011A	INDUSTRIAL PREPAREDNESS	20,904	19,852		19,852		19,852	0		19,852
		UNDISTRIBUTED REDUCTION				0	(6,800)	(6,800)	6,800	0	0
		TOTAL RDT&E ARMY	4,670,659	5,030,700	194,248	5,224,948	(22,300)	5,008,400	216,548	167,744	5,198,444

ITEMS OF SPECIAL INTEREST

Forward area air defense system

The amended budget request contained $164.2 million for Forward Area Air Defense (FAAD). This program provides research and development for both direct line of sight and the non-line of sight projects.

The House bill would authorize an additional $30 million to procure additional test fiber optic guided missiles configured with Technical Risk Reduction (TRR) upgrades.

The Senate amendment would authorize the amount requested.

The conferees recommend an additional authorization of $20 million, and endorse the directives contained in the House report (H. Rept. 100-563). The conferees also note that while the fiber optic guided missile (FOGM) was initially developed as an anti-armor system, the Army is focusing its development almost exclusively on an air defense system to counter non-line of sight helicopters. The conferees believe that the FOGM remains a potent anti-armor system and directs the Army to incorporate the missile in its anti-armor modernization plans.

In order to insure that technical risk reductions proceed expeditiously, the conferees recommend the authorization of $20 million in P.E. 603313, Missile and Rocket Advanced Technology.

M1 block 3 upgrade program

The Senate amendment would authorize an additional $50 million to initiate the development of a block 3 improvement program for the M1 tank. The Senate amendment would direct that such an improvement program consider a new generation light-weight 120mm cannon, improved engines, a reduced volume turret and advanced fire control systems, emphasizing that the block 3 tank should be fielded by 1995.

The conferees recommend an increase of $30 million to initiate the block 3 improvement program. The conferees believe such an improvement program is essential to reverse the deteriorating armor-antiarmor balance with the Soviet Union. The conferees believe the Army should award this initiative high priority and consider the numerous suggestions by industry for improving the M1 tank. The conferees emphasize that a block 3 M1 tank should be ready for operational fielding by the middle of the next decade.

The conferees expect the Army to program sufficient resources in the Five Year Defense Program for fiscal years 1990 to 1994 to produce a block 3 M1 tank by the middle of the next decade.

Army laser weapons technology

The amended budget request contained $6.4 million for the Army's Laser Weapons Technology Program.

The House bill would authorize $12.9 million, an increase of $6.5 million, and direct the Army to continue work on critical dye laser technology at the Army's Missile Command.

The Senate amendment would authorize the requested amount.

The conferees recommend an authorization of $11.4 million and concur with the direction that the Army should continue research on dye laser technology at the Missile Command.

Army electronic warfare programs

The House bill would authorize an additional $11 million for Army Electronic Warfare Technology and $4 million for Army Electronic Warfare Development. The House bill would direct that the $11 million be used to initiate an improvement program for the TACJAM system. The House bill would also direct that the $4 million be used to develop a tri-service common module visible/near infrared laser device.

The Senate amendment would also authorize an increase for electronic warfare, but for different purposes. The Senate amendment would authorize an increase of $5 million for Army Electronic Warfare Technology and $4 million for Electronic Warfare Development, with the additional funds in both instances to be devoted to increased activity in electronic warfare vulnerability assessment of fielded U.S. systems, with special attention to command systems.

The conferees recommend an increased authorization of $8 million for Electronic Warfare Technology, with $4 million to be devoted to improvements for TACJAM and $4 million for electronic warfare vulnerability assessment. The conferees also recommend an increased authorization of $4 million for Electronic Warfare Development, with $2 million to be devoted to TACJAM and $2 million to vulnerability assessment.

The conferees note that the Army's ongoing vulnerability assessment activity is primarily an operational test and evaluation activity, yet it is funded within program elements that are otherwise largely devoted to the development of new programs. The Conferees believe this accounts for the long-term reduction in funding for this key activity. The conferees encourage the Army to consider shifting the management and budgeting for electronic warfare vulnerability assessment to other program elements which are oriented toward operational test and evaluation.

Joint tactical fusion program

The amended budget request contained $127.1 million for the Army portion of the Joint Tactical Fusion Program (JTFP).

The House bill would add $5 million for planning and conducting a Follow-On Forces Attack (FOFA) test as part of a Joint Chiefs of Staff exercise to validate command relationships and targeting procedures.

The Senate amendment would authorize the requested amount.

The conferees agree to the conduct of a FOFA test recommend an authorization of $130.1 million for the Army portion of the JTFP.

Weapons and munitions engineering development

The amended budget request contained $132.6 million for Weapons and Munitions Engineering Development. The primary emphasis of the program is the development of the sense and destroy armor (SADARM) munition, which will provide counterbattery and anti-armor capability for howitzers and rocket artillery.

The House bill would authorize an increase of $25 million to accelerate the program.

The Senate amendment would authorize the amount requested.

The conferees recommend a total authorization of $157.6 million, an increase of $25 million. The conferees note that reinstatement of the 120mm mortar program requires additional research and development funds to finish required qualification and testing. Therefore, the conferees recommend that $7.3 million of the authorization provided in this program element may be used to complete testing on the 120mm mortar program.

Combat vehicle improvement program

The amended budget request contained $82.8 million for the Army's Combat Vehicle Improvement Program. This program funds the development of improvements to the M1 tank, as well as other combat vehicles.

The House bill would authorize an additional $15 million to accelerate the introduction of the Commanders Independent Thermal Viewer (CITV) into the block 2 upgrade for the M1 tank, and to initiate a leader-follower development program that would ensure CITV competition in the first year of procurement.

The Senate amendment would authorize an additional $13.9 million to accelerate the CITV program.

The conferees recommend authorization of $96.7 million an increase of $13.9 million. The Army should insure that competition is introduced into CITV production at the earliest practicable point.

Landmine warfare and barrier advanced technology

The conferees are concerned about the ability of the armed forces to dectect both anti-vehicle and anti-personnel mines on the battlefield. Landmine techology has far outstripped the U.S. ability to detect various types of mine fusing and casing options available. The conferees suggest that alternative sensor technologies, including ground penetrating radar, be explored as a way to rapidly advance mine detection capability.

Nuclear biological chemical reconnaissance vehicle

The Army proposed to meet its requirements for a Nuclear, Biological, Chemical (NBC) Reconnaissance Vehicle by procuring an existing system developed in Germany and in use by the German Army. The Army selected this approach because it would field an NBC reconnaissance vehicle several years before it would be available under a normal development program.

The House report (H. Rept. 100-563) directed the Army not to proceed with this acquisition approach, but instead to conduct a competition to develop NBC vehicles.

The Senate report contained no comparable direction.

The conferees believe that the Army does have an urgent need to field an NBC reconnaissance vehicle as promptly as possible. However, the conferees believe that the NBC reconnaissance vehicle program is sufficiently large to justify opening the program to competition. The conferees deliberated at considerable length on the best manner to balance these two goals. The conferees recommend that the Army conduct a competition based on expendited procedures. Specifically, the conferees direct the Army to take the following steps:

—Conduct a head-to-head competition with prototype vehicles between not less than two competitors, so long as their proposals are technically sound. The Army may supply mission equipment to the competitors on a reimburement/refurbishment basis.

—The competition shall be completed and the winner announced not later than July 1, 1989.

—The acquisition program shall be conducted under the "non-development item" (NDI) approach. The Bids may be based on use of existing government-developed equipment, but all integration and modification costs must be born by the contractor.

—The companies participating in the competition must submit contract proposals that incclude five years of options with "not to exceed" price quotes. The price quotes need not cover any product improved mission equipment package that might be developed for the system, but must include the mission equipment tested in the competiton.

In order to cover the Government's costs associated with the competition, the conferees recommend an authorization of $6 million for the Army test program. In addition, the conferees recommend that $10 million be authorized for procurement of the winning system, so that procurement can begin in fiscal year 1989 following successful completion of the competition.

RESEARCH AND DEVELOPMENT, NAVY

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $9,216.2 million for Navy research, development, test, and evaluation. The House bill would authorize $9,346.9 million. The Senate amendment would authorize $9,274.6 million. The conferees recommend authorization of $9,383.2 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
					Change to Request	Authorized	Change to Request	Authorized		Change to Request	Authorized
		RESEARCH DEVELOPMENT TEST & EVAL NAVY									
1	0601103N	UNIVERSITY RESEARCH INITIATIVES	0	0		0		0	0		0
2	0601152N	IN-HOUSE INDEPENDENT LABORATORY RESEARCH	22,627	23,763		23,763		23,763	0		23,763
3	0601153N	DEFENSE RESEARCH SCIENCES	319,389	332,989		332,989		332,989	0		332,989
4	0602111N	ANTI-AIR WARFARE/ANTI-SURFACE WARFARE TE	54,273	55,399		55,399		55,399	0		55,399
5	0602113N	ELECTRONIC WARFARE TECHNOLOGY	0	0		0		0	0		0
6	0602121N	SURFACE SHIP TECHNOLOGY	12,953	13,284		13,284		13,284	0		13,284
7	0602122N	AIRCRAFT TECHNOLOGY	20,700	22,468		22,468		22,468	0		22,468
8	0602131M	MARINE CORPS LANDING FORCE TECHNOLOGY	15,915	15,223		15,223		15,223	0		15,223
9	0602232N	COMMAND, CONTROL, AND COMMUNICATIONS TEC	16,000	13,950		13,950		13,950	0		13,950
10	0602233N	MISSION SUPPORT TECHNOLOGY	28,000	29,055		29,055		29,055	0		29,055
11	0602234N	SYSTEMS SUPPORT TECHNOLOGY	56,000	57,474	3,000	60,474		57,474	3,000	1,000	58,474
12	0602314N	ASW TECHNOLOGY	92,569	92,041		92,041		92,041	0		92,041
13	0602315N	MINE AND SPECIAL WARFARE TECHNOLOGY	14,909	15,381	2,000	17,381		15,381	2,000	0	15,381
14	0602323N	SUBMARINE TECHNOLOGY	14,123	14,514		14,514		14,514	0		14,514
15	0602324N	NUCLEAR PROPULSION	41,392	44,423		44,423		44,423	0		44,423
16	0602435N	OCEAN AND ATMOSPHERIC SUPPORT TECH	25,727	26,871		26,871		26,871	0		26,871
17	0602936N	INDEPENDENT EXPLORATORY DEVELOPMENT	15,390	15,804		15,804		15,804	0		15,804
18	0603202N	AVIONICS	3,675	0		0		0	0		0
19	0603210N	AIRCRAFT PROPULSION	5,760	7,158		7,158		7,158	0		7,158
20	0603217N	ADVANCED AIRCRAFT SUBSYSTEMS	11,555	14,509		14,509		14,509	0		14,509
21	0603268N	NAVAL AIRSHIP	24,467	0		0		0	0	[25,000]	[25,000]
22	0603270N	EW TECHNOLOGY	11,563	12,197		12,197		12,197	0		12,197
23	0603303N	ELECTROMAGNETIC RADIATION SOURCE ELIMINA	5,585	6,052		6,052		6,052	0		6,052
24	0603508N	SHIP PROPULSION SYSTEM	8,829	14,842		14,842		14,842	0		14,842
25	0603573N	ELECTRIC DRIVE	14,171	14,041		14,041		14,041	0		14,041
26	0603701N	HUMAN FACTORS ENGINEERING	2,533	2,454		2,454		2,454	0		2,454
27	0603706N	MEDICAL DEVELOPMENT	19,127	18,608	2,000	20,608		18,608	2,000	2,500	21,108
28	0603707N	MANPOWER AND PERSONNEL SYSTEMS	3,038	3,976		3,976		3,976	0		3,976
29	0603712N	GENERIC LOGISTICS R&D TECHNOLOGY DEMONS	26,815	19,865		19,865		19,865	0		19,865
30	0603720N	EDUCATION AND TRAINING	5,065	6,153		6,153		6,153	0		6,153
31	0603732M	MARINE CORPS ADVANCED MANPOWER/TRAINING	1,861	5,106		5,106		5,106	0	(1,000)	4,106
32	0603733N	SIMULATION AND TRAINING DEVICES	8,276	6,451		6,451		6,451	0		6,451
33	0603739N	NAVY LOGISTIC PRODUCTIVITY	961	1,464		1,464		1,464	0		1,464
34	0603743N	ARIADNE	10,826	11,541		11,541		11,541	0		11,541
35	0603747N	ADVANCED ANTI-SUBMARINE WARFARE TECH	22,273	2,437		2,437		2,437	0		2,437
36	0603792N	ADVANCED TECHNOLOGY TRANSITION	46,976	57,170		57,170		57,170	0		57,170
37	0603311N	ASW TECHNOLOGY FOR STRATEGIC DEFENSE	0	0		0		0	0		0
38	0603451N	TACTICAL SPACE OPERATIONS	1,992	5,538		5,538		5,538	0		5,538
39	0603588N	SSBN SURVIVABILITY	6,900	9,732		9,732		9,732	0		9,732
40	0603735N	WWMCCS ARCHITECTURE SUPPORT	0	4,874		4,874		4,874	0		4,874
41	0604363N	TRIDENT II	1,050,463	580,889		580,889		580,889	0		580,889
42	0605856N	STRATEGIC TECHNICAL SUPPORT	3,431	3,240		3,240		3,240	0		3,240
43	0101221N	FLEET BALLISTIC MISSILE SYSTEM	27,898	38,733		38,733		38,733	0		38,733
44	0101224N	SSBN SECURITY TECHNOLOGY PROGRAM	38,833	41,902		41,902		41,902	0		41,902
45	0101228N	TRIDENT	30,921	33,483		33,483		33,483	0		33,483
46	0101401N	EXTREMELY LOW FREQUENCY (ELF) COMMUN	3,221	3,314		3,314		3,314	0		3,314
47	0101402N	NAVY STRATEGIC COMMUNICATIONS	79,160	52,938		52,938		52,938	0		52,938
48	0102427N	NAVAL SPACE SURVEILLANCE	678	696		696		696	0		696
49	0303131N	MINIMUM ESSENTIAL EMERGENCY COMM NETWORK	1,026	1,044		1,044		1,044	0		1,044
50	0303152N	WORLD-WIDE MILITARY COMMAND AND CONTROL	7,599	4,628		4,628		4,628	0		4,628

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
					Change to Request	Authorized	Change to Request	Authorized		Change to Request	Authorized
51	0603109N	INTEGRATED AIRCRAFT AVIONICS	8,807	2,067	2,000	4,067		2,067	2,000	0	2,067
52	0603206N	ELECTRONIC WARFARE ADVANCED DEVELOPMENT	0	0		0		0	0		0
53	0603207N	AIR/OCEAN TACTICAL APPLICATIONS	11,254	7,775		7,775		7,775	0		7,775
54	0603208N	T-45 TRAINING SYSTEM	94,579	87,822		87,822		87,822	0		87,822
55	0603216N	AVIATION LIFE SUPPORT SYSTEMS (ADV)	3,545	8,333		8,333		8,333	0		8,333
56	0603220N	ADVANCED MULTIMISSION SENSOR SYSTEM	0	0		0		0	0		0
57	0603222N	SKIPPER ENHANCEMENTS	9,004	1,190		1,190		1,190	0		1,190
58	0603228N	CV ASW MODULE	0	964		964		964	0		964
59	0603254N	AIR ASW	8,167	8,960		8,960		8,960	0		8,960
60	0603256N	V-22A	0	0	5,000	5,000		0	5,000	0	0
61	0603257N	A-6 UPGRADES	215,023	0		0		0	0		0
62	0603260N	AIRBORNE MINE COUNTERMEASURERS	8,783	12,148		12,148		12,148	0		12,148
63	0603261N	TACTICAL AIRBORNE RECONNAISSANCE	8,387	8,278		8,278		8,278	0		8,278
64	0603262N	AIRCRAFT SURVIVABILITY AND VULNERABILITY	9,641	11,619		11,619		11,619	0		11,619
65	0603306N	ADVANCED A/L AIR-TO-SURFACE MISSILE SYS	31,888	22,581		22,581		22,581	0		22,581
66	0603318N	ADVANCED SURFACE-TO-AIR MISSILE	63,612	100,714		100,714		100,714	0		100,714
67	0603319N	NATO AAW SYSTEMS	5,872	8,068		8,068		8,068	0		8,068
68	0603320N	LOW COST ANTI-RADIATION SEEKER	14,057	8,761		8,761		8,761	0		8,761
69	0603321N	ADVANCED AIR-TO-AIR MISSILE (AAAM)	16,637	30,374		30,374	10,000	40,374	(10,000)	10,000	40,374
70	0603382N	BATTLE GROUP AAW COORDINATION	7,829	8,592		8,592		8,592	0		8,592
71	0603502N	SURFACE MINE COUNTERMEASURES	15,012	11,687		11,687		11,687	0		11,687
72	0603504N	ADVANCED SUBMARINE ASW DEVELOPMENT	8,121	12,390		12,390		12,390	0		12,390
73	0603506N	SURFACE SHIP TORPEDO DEFENSE	24,198	35,211		35,211		35,211	0		35,211
74	0603509N	SHIPBOARD INFORMATION TRANSFER SYSTEM	0	0		0		0	0		0
75	0603512N	CATAPULTS	4,894	7,997		7,997		7,997	0		7,997
76	0603513N	SHIPBOARD SYSTEM COMPONENT DEVELOPMENT	12,593	10,921		10,921		10,921	0		10,921
77	0603514N	SHIP COMBAT SURVIVABILITY	26,191	28,301		28,301		28,301	0		28,301
78	0603522N	SUBMARINE ARCTIC WARFARE SUPPORT EQUIP	1,965	3,373		3,373		3,373	0		3,373
79	0603525N	PILOT FISH	74,459	59,851		59,851		59,851	0		59,851
80	0603527N	RETRACT LARCH	[ ]	[ ]		[ ]		[ ]	0		[ ]
81	0603528N	NON-ACOUSTIC ANTI-SUBMARINE WARFARE	9,805	15,714		15,714		15,714	0		15,714
82	0603529N	ADVANCED ASW TARGET	9,590	11,249		11,249		11,249	0		11,249
83	0603536N	RETRACT JUNIPER	24,672	37,722	4,000	41,722		37,722	4,000	4,000	41,722
84	0603542N	RADIOLOGICAL CONTROL	2,863	3,239		3,239		3,239	0		3,239
85	0603550N	LINK DOGWOOD	0	0		0		0	0		0
86	0603553N	SURFACE ASW	46,240	72,750		72,750		72,750	0		72,750
87	0603560N	SUBMARINE HULL ARRAY DEVELOPMENT (ADV)	0	0		0		0	0		0
88	0603562N	SUBMARINE TACTICAL WARFARE SYSTEMS	5,872	6,235		6,235		6,235	0		6,235
89	0603564N	SHIP DEVELOPMENT	3,915	10,886		10,886		10,886	0		10,886
90	0603565N	SURFACE SHIP NAVIGATION SYSTEM	0	0		0		0	0		0
91	0603569N	ATTACK SUBMARINE DEVELOPMENT	123,211	13,640	(13,640)	0		13,640	(13,640)	0	13,640
92	0603570N	ADVANCED NUCLEAR REACTOR COMPONENTS AND	80,680	85,000		85,000		85,000	0		85,000
93	0603571N	PHYSICAL SECURITY	8,513	6,345		6,345		6,345	0		6,345
94	0603576N	CHALK EAGLE	89,451	99,631		99,631		99,631	0		99,631
95	0603577N	SHIPBOARD LASER WEAPON	0	0		0		0	0		0
96	0603578N	A4W/A1G NUCLEAR PROPULSION PLANT	0	0		0		0	0		0
97	0603582N	COMBAT SYSTEM INTEGRATION	9,796	10,320		10,320		10,320	0		10,320
98	0603591N	JOINT ADVANCED SYSTEMS	224,550	236,620	15,400	252,020	15,400	252,020	0	15,400	252,020
99	0603601N	MINE DEVELOPMENT	23,486	21,032		21,032		21,032	0		21,032

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
					Change to Request	Authorized	Change to Request	Authorized		Change to Request	Authorized
146	0604229N	CARRIER INNER ZONE ASW HELICOPTER	0	0		0		0	0		0
147	0604233N	ADVANCED TACTICAL AIRCRAFT (ATA)	[ ]	[ ]		[ ]		[ ]	0		[ ]
148	0604252N	AIRCRAFT PROPULSION	0	0		0		0	0		0
149	0604255N	ELECTRONIC WARFARE SIMULATOR DEVELOPMENT	33,846	38,751		38,751	(20,000)	18,751	20,000	(20,000)	18,751
150	0604260N	C/MH-53E	9,593	8,951		8,951		8,951	0		8,951
151	0604261N	ACOUSTIC SEARCH SENSORS	39,037	43,156		43,156		43,156	0		43,156
152	0604262N	V-22A	465,662	306,677		306,677		306,677	0		306,677
153	0604264N	AVIATION LIFE SUPPORT SYSTEMS (ENG)	19,340	17,162		17,162		17,162	0		17,162
154	0604268N	AIRCRAFT ENGINE COMPONENT IMPROVEMENT	35,086	36,103		36,103		36,103	0		36,103
155	0604270N	EW DEVELOPMENT	182,887	189,814		189,814		189,814	0		189,814
156	0604301N	MK 92 FIRE CONTROL SYSTEM UPGRADE	3,441	2,946		2,946		2,946	0		2,946
157	0604303N	AEGIS AREA AIR DEFENSE	7,226	9,154		9,154		9,154	0		9,154
158	0604307N	AEGIS COMBAT SYSTEM ENGINEERING	104,150	59,466		59,466		59,466	0		59,466
159	0604308N	LINK ASH	0	0		0		0	0		0
160	0604309N	SEA LANCE	105,038	50,000		50,000	15,000	65,000	(15,000)	15,000	65,000
161	0604314N	ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE	24,467	13,600		13,600		13,600	0		13,600
162	0604353N	VERTICAL LAUNCHING SYSTEM	0	0		0		0	0		0
163	0604354N	AIR-TO-AIR MISSILE SYSTEMS ENGINEERING	19,573	21,306		21,306		21,306	0		21,306
164	0604355N	VERTICAL LAUNCH ASROC	40,397	30,287		30,287		30,287	0		30,287
165	0604358N	CLOSE-IN WEAPON SYSTEM (PHALANX)	5,055	5,326		5,326		5,326	0		5,326
166	0604361N	NATO SEA SPARROW	2,936	5,970		5,970		5,970	0		5,970
167	0604366N	STANDARD MISSILE IMPROVEMENTS	29,359	52,059		52,059		52,059	0		52,059
168	0604367N	TOMAHAWK	45,000	45,550		45,550		45,550	0		45,550
169	0604369N	5" ROLLING AIRFRAME MISSILE	12,622	8,603		8,603		8,603	0		8,603
170	0604370N	SSN-688 CLASS VERTICAL LAUNCH SYSTEM	17,886	14,158		14,158		14,158	0		14,158
171	0604372N	NEW THREAT UPGRADE	19,573	12,976		12,976		12,976	0		12,976
172	0604502N	SUBMARINE COMMUNICATIONS	3,276	4,140		4,140		4,140	0		4,140
173	0604503N	SUBMARINE SONAR DEVELOPMENT	33,564	36,033		36,033		36,033	0		36,033
174	0604504N	AIR CONTROL	13,702	18,028		18,028		18,028	0		18,028
175	0604506N	CHEMICAL WARFARE COUNTERMEASURES	8,414	6,508		6,508		6,508	0		6,508
176	0604507N	NAVY STANDARD SIGNAL PROCESSORS	64,753	29,017		29,017		29,017	0		29,017
177	0604508N	RADAR SURVEILLANCE EQUIPMENT	6,851	6,124	4,000	10,124		6,124	4,000	1,000	7,124
178	0604511N	INTELLIGENCE SYSTEMS	978	0		0		0	0		0
179	0604515N	SUBMARINE SUPPORT EQUIPMENT PROGRAM	14,680	15,456		15,456		15,456	0		15,456
180	0604516N	SHIP SURVIVABILITY	7,607	6,080		6,080		6,080	0		6,080
181	0604518N	COMBAT INFORMATION CENTER CONVERSION	9,987	19,609		19,609		19,609	0		19,609
182	0604524N	SUBMARINE COMBAT SYSTEM	317,849	382,534		382,534		382,534	0	(4,000)	378,534
183	0604561N	SSN-21 DEVELOPMENTS	210,000	195,080		195,080		195,080	0	(4,000)	191,080
184	0604562N	SUBMARINE TACTICAL WARFARE SYSTEM	42,013	43,917		43,917		43,917	0		43,917
185	0604563N	PHYSICAL SECURITY (ENGINEERING)	10,818	12,086		12,086		12,086	0		12,086
186	0604567N	SHIP SUBSYSTEM DEV/LAND BASED TEST SITE	48,888	58,667		58,667		58,667	0		58,667
187	0604573N	SHIPBOARD ELECTRONIC WARFARE IMPROVEMENT	0	0		0		0	0		0
188	0604574N	STANDARD EMBEDDED COMPUTER RESOURCES	19,635	13,193		13,193		13,193	0		13,193
189	0604575N	AN/SQS-53C	11,114	2,968		2,968		2,968	0		2,968
190	0604578N	LINK BIRCH	3,000	1,922		1,922		1,922	0		1,922
191	0604601N	MINE DEVELOPMENT	10,232	10,389		10,389		10,389	0		10,389

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
					Change to Request	Authorized	Change to Request	Authorized		Change to Request	Authorized
100	0603602N	CHALK PINE	[ ]	[ ]		[ ]		[ ]	0		[ ]
101	0603609N	CONVENTIONAL MUNITIONS	20,462	21,617		21,617		21,617	0		21,617
102	0603610N	ADVANCED WARHEAD DEVELOPMENT	0	0		0		0	0		0
103	0603611M	MARINE CORPS ASSAULT VEHICLES	11,945	13,331		13,331		13,331	0		13,331
104	0603634N	TACTICAL NUCLEAR DEVELOPMENT	2,058	10,405		10,405		10,405	0		10,405
105	0603635M	MARINE CORPS GROUND COMBAT/SUPPORT SYS	1,601	6,658		6,658		6,658	0		6,658
106	0603654N	JOINT SERVICE EXPLOSIVE ORDNANCE DEV	11,307	11,833		11,833		11,833	0		11,833
107	0603702N	OCEAN ENGINEERING SYSTEMS DEVELOPMENT	1,471	1,852		1,852		1,852	0		1,852
108	0603704N	ASW OCEANOGRAPHY	8,588	9,272		9,272		9,272	0		9,272
109	0603708N	ASW SIGNAL PROCESSING	18,001	13,536		13,536		13,536	0		13,536
110	0603709N	ADVANCED MARINE BIOLOGICAL SYSTEM	5,491	5,819		5,819		5,819	0		5,819
111	0603711N	FLEET TACTICAL DEVELOPMENT AND EVAL	4,697	6,076		6,076		6,076	0		6,076
112	0603713N	OCEAN ENGINEERING TECHNOLOGY DEVELOPMENT	13,135	14,156		14,156		14,156	0		14,156
113	0603717N	COMMAND AND CONTROL SYSTEMS	0	27,504	5,000	32,504	5,000	32,504	0	5,000	32,504
114	0603719N	CONTAINER OFF-LOADING AND TRANSFER SYS (	1,495	0		0		0	0		0
115	0603722N	NAVAL SPECIAL WARFARE	0	0		0		0	0		0
116	0603724N	NAVY ENERGY PROGRAM	7,556	8,573		8,573		8,573	0		8,573
117	0603725N	FACILITIES IMPROVEMENT	9,744	4,037		4,037		4,037	0		4,037
118	0603726N	MERCHANT SHIP NAVAL AUGMENTATION PROG	0	0		0		0	0		0
119	0603729M	MARINE CORPS COMBAT SERVICES SUPPORT	9,640	15,486		15,486		15,486	0		15,486
120	0603734N	CHALK CORAL	4,546	4,524		4,524		4,524	0		4,524
121	0603737N	LINK HAZEL	4,000	6,800		6,800		6,800	0		6,800
122	0603740N	LINK LAUREL	53,843	59,672		59,672		59,672	0		59,672
123	0603741N	SATELLITE LASER COMMUNICATIONS	0	5,269	20,000	25,269	20,000	25,269	0	20,000	25,269
124	0603744N	LINK SPRUCE	281,855	0		0		0	0		0
125	0603746N	RETRACT MAPLE	72,028	81,697	41,000	122,697		81,697	41,000	30,000	111,697
126	0603748N	LINK PLUMERIA	7,000	11,029		11,029		11,029	0		11,029
127	0603750N	CHALK WEED	1,324	1,114		1,114		1,114	0		1,114
128	0603751N	RETRACT ELM	39,041	41,039		41,039		41,039	0		41,039
129	0603752N	CHALK POINSETTIA	[ ]	[ ]		[ ]		[ ]	0		[ ]
130	0603763N	WARFARE SYSTEMS ARCHITECTURE AND ENG	0	11,225		11,225		11,225	0	(1,053)	10,172
131	0603764N	LINK EVERGREEN	[ ]	[ ]		[ ]		[ ]	0		[ ]
132	0603784N	FIXED DISTRIBUTED SYSTEM	64,588	104,890		104,890		104,890	0		104,890
133	0603785N	ASW ENVIRONMENTAL ACOUSTIC SUPPORT	16,143	13,725		13,725		13,725	0		13,725
134	0603787N	SPECIAL PROCESSES	40,423	38,173	3,500	41,673		38,173	3,500	0	38,173
135	0604203N	STANDARD AVIONICS DEVELOPMENT	7,230	12,122		12,122		12,122	0		12,122
136	0604211N	IFF SYSTEM DEVELOPMENT	20,033	25,234		25,234		25,234	0	(9,208)	16,026
137	0604212N	LAMPS	18,359	6,056		6,056		6,056	0		6,056
138	0604213N	HELICOPTER DEVELOPMENT	13,080	12,001		12,001		12,001	0		12,001
139	0604214N	AV-8B AIRCRAFT (ENGINEERING)	36,655	39,156		39,156		39,156	0		39,156
140	0604215N	SUPPORT EQUIPMENT	60,600	68,979		68,979		68,979	0		68,979
141	0604217N	S-3 WEAPON SYSTEM IMPROVEMENT	0	0		0		0	0		0
142	0604219N	AIRBORNE ASW DEVELOPMENTS	0	0		0		0	0		0
143	0604221N	P-3 MODERNIZATION PROGRAM	97,788	204,820		204,820		204,820	0		204,820
144	0604224N	AIRBORNE ELECTRONIC WARFARE - ENG	0	0		0		0	0		0
145	0604226N	AIRBORNE SELF-PROTECTIVE JAMMER	0	0		0		0	0		0

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
					Change to Request	Authorized	Change to Request	Authorized		Change to Request	Authorized
192	0604602N	NAVAL GUNNERY IMPROVEMENTS	9,970	7,869		7,869		7,869	0		7,869
193	0604603N	UNGUIDED CONVENTIONAL AIR-LAUNCHED WEAPO	1,690	2,019		2,019		2,019	0		2,019
194	0604604N	CHEMICAL WARFARE WEAPONS	0	0		0		0	0		0
195	0604608N	SURFACE ELECTRO-OPTIC SYSTEM	15,244	5,774		5,774		5,774	0		5,774
196	0604609N	BOMB FUZE IMPROVEMENT	8,380	1,590	8,400	9,990		1,590	8,400	8,400	9,990
197	0604610N	MK 50 TORPEDO	140,600	134,685		134,685		134,685	0		134,685
198	0604654N	JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOP	5,316	5,334		5,334		5,334	0		5,334
199	0604656M	MARINE CORPS ASSAULT VEHICLES	20,555	20,025		20,025		20,025	0		20,025
200	0604657M	MARINE CORPS GROUND COMBAT/SUPPORTING AR	0	0		0		0	0		0
201	0604675N	MK 48 ADCAP (ENGINEERING)	21,700	27,682		27,682		27,682	0		27,682
202	0604704N	ASW OCEANOGRAPHIC EQUIPMENT	1,122	1,235		1,235		1,235	0		1,235
203	0604705N	CHALK BANYAN	13,000	0		0		0	0		0
204	0604707N	THEATRE MISSION PLANNING CENTER	28,235	17,395		17,395		17,395	0		17,395
205	0604708N	INITIAL TRAINER ACQUISITION	0	56,749		56,749		56,749	0		56,749
206	0604710N	NAVY ENERGY PROGRAM	4,305	4,761		4,761		4,761	0		4,761
207	0604711N	NAVY COMMAND AND CONTROL SYSTEMS (NCCS)	0	0		0		0	0		0
208	0604713N	SURFACE ASW SYSTEM IMPROVEMENT	0	0		0		0	0		0
209	0604714N	AIR WARFARE TRAINING DEVICES	0	0		0		0	0		0
210	0604715N	SURFACE WARFARE TRAINING DEVICES	16,829	18,753		18,753		18,753	0		18,753
211	0604717M	MARINE CORPS COMBAT SERVICES SUPPORT	22,859	22,390		22,390		22,390	0		22,390
212	0604718M	MARINE CORPS INTEL/ELECTRONICS WARFARE S	11,064	1,057		1,057		1,057	0		1,057
213	0604719M	MARINE CORPS C3 SYSTEMS	10,060	26,369		26,369		26,369	0		26,369
214	0604721N	BATTLE GROUP PASSIVE HORIZON EXTENSION S	0	0		0		0	0		0
215	0604725N	REGIONAL TACTICAL SURVEILLANCE	0	0		0		0	0		0
216	0604761N	INTELLIGENCE	3,868	4,670		4,670		4,670	0		4,670
217	0604763N	LINK CYPRESS	[ ]	[ ]		[ ]		[ ]	0		[ ]
218	0604771N	MEDICAL DEVELOPMENTS	3,469	3,026		3,026		3,026	0		3,026
219	0604779N	JOINT INTEROPERABILITY OF TACT C2 SYS	0	265		265		265	0		265
220	0604780M	JINTACCS MARINE CORPS	1,864	1,747		1,747		1,747	0		1,747
221	0605803N	ELECTROMAGNETIC SPECTRUM MANAGEMENT	1,958	2,045		2,045		2,045	0		2,045
222	0605853N	MANAGEMENT AND TECHNICAL SUPPORT	6,581	9,357		9,357		9,357	0	(2,077)	7,280
223	0605867N	C2 SURVEILLANCE/RECONNAISSANCE SUPPORT	6,414	7,801		7,801		7,801	0		7,801
224	0204134N	A-6 SQUADRONS	451	1,449		1,449		1,449	0		1,449
225	0204136N	F/A-18 SQUADRONS	11,929	13,160	10,000	23,160	23,000	36,160	(13,000)	20,000	33,160
226	0204152N	EARLY WARNING AIRCRAFT SQUADRONS	21,137	23,104		23,104		23,104	0		23,104
227	0204161N	AVIATION SUPPORT CVW	1,761	0		0		0	0		0
228	0204163N	FLEET TELECOMMUNICATIONS (TACTICAL)	5,872	2,533	3,000	5,533		2,533	3,000	0	2,533
229	0204311N	UNDERSEA SURVEILLANCE SYSTEMS	29,924	40,938		40,938		40,938	0		40,938
230	0204313N	SHIP-TOWED ARRAY SURVEILLANCE SYSTEMS	6,093	4,410		4,410		4,410	0		4,410
231	0204571N	SPECIAL PROJECTS	9,786	6,356		6,356		6,356	0		6,356
232	0204573N	NAVY COVER AND DECEPTION PROGRAM	0	0	1,000	1,000		0	1,000	1,000	1,000
233	0204575N	ELECTRONIC WARFARE (EW) READINESS SUPP	0	0		0		0	0		0
234	0204576N	COUNTER C3 DEVELOPMENT	0	0		0		0	0		0
235	0205601N	HARM IMPROVEMENT	3,719	0		0		0	0		0
236	0205604N	TACTICAL INFORMATION SYSTEM	0	115,535		115,535		115,535	0		115,535
237	0205620N	ASW COMBAT SYSTEMS INTEGRATION	14,022	14,333		14,333		14,333	0		14,333

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
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238	0205633N	AIRCRAFT EQUIPMENT RELIABILITY/MAINT	1,988	0		0		0	0		0
239	0205658N	LABORATORY FLEET SUPPORT	5,372	5,516		5,516		5,516	0		5,516
240	0205667N	F-14 UPGRADE	168,000	151,904		151,904		151,904	0		151,904
241	0205670N	TACTICAL INTELLIGENCE PROCESSING	2,036	2,137		2,137		2,137	0		2,137
242	0205674N	ELECTRONIC WARFARE COUNTER RESPONSE	0	0		0		0	0		0
243	0205675N	OPERATIONAL REACTOR DEVELOPMENT	27,749	37,587		37,587		37,587	0		37,587
244	0206313M	MARINE CORPS TELECOMMUNICATIONS	7,971	8,439		8,439		8,439	0		8,439
245	0206623M	MARINE CORPS GROUND COMBAT/SUPPORTING AR	33,981	43,851		43,851		43,851	0		43,851
246	0206624M	MARINE CORPS COMBAT SERVICES SUPPORT	3,422	2,516		2,516		2,516	0		2,516
247	0206625M	MARINE CORPS INTELLIGENCE/EW SYS	9,786	17,742		17,742		17,742	0		17,742
248	0206626M	MARINE CORPS C3 SYSTEMS	15,612	19,059		19,059		19,059	0		19,059
249	0206627M	MARINE CORPS TECHNICAL SUPPORT C2 SYS	0	0		0		0	0		0
250	0207316N	TACIT RAINBOW	10,461	5,847		5,847		5,847	0		5,847
251	0208010M	JOINT TACTICAL COMM PROGRAM (TRI-TAC)	2,314	2,697		2,697		2,697	0		2,697
252	1110011N	FORCE ENHANCEMENTS-ACTIVE	19,334	19,731		19,731		19,731	0		19,731
		ADVANCED TACTICAL FIGHTER			15,000	15,000	65,000	65,000	(50,000)	65,000	65,000
		NAVY OCEANOGRAPHY PROGRAM				0	3,000	3,000	(3,000)	3,000	3,000
		OCEANOGRAPHIC & METEOR. INSTRUMENTATION				0	2,000	2,000	(2,000)	2,000	2,000
		UNDISTRIBUTED REDUCTION, TACTICAL PROG				0	(80,000)	(80,000)	80,000	0	0
998		TACTICAL CLASSIFIED	522,826	1,191,192		1,191,192		1,191,192	0		1,191,192
253	0603783N	INTEGRATED PLATFORM COMMUNICATIONS DEV	0	18,770		18,770		18,770	0		18,770
254	0604230N	WARFARE SUPPORT SYSTEM	29,957	33,285		33,285		33,285	0		33,285
255	0604231N	TACTICAL COMMAND SYSTEM	24,866	26,353		26,353		26,353	0		26,353
256	0604232N	COMMUNICATION SUPPORT SYSTEM	295,888	0		0		0	0		0
257	0604514N	NAVIGATION SYSTEMS	0	0		0		0	0		0
258	0604577N	EHF SATCOM	0	29,297		29,297		29,297	0		29,297
259	0604777N	NAVSTAR GPS	52,792	42,669		42,669		42,669	0		42,669
260	0605866N	NAVY COMMAND AND CONTROL TOP LEVEL WARFA	2,925	3,536		3,536		3,536	0		3,536
261	0301303N	FIELD OPERATIONAL INTELLIGENCE	[ ]	[ ]		[ ]		[ ]	0		[ ]
262	0301326N	PRARIE SCHOONER	[ ]	[ ]		[ ]		[ ]	0		[ ]
263	0301327N	TECHNICAL RECONNAISSANCE AND SURV	[ ]	[ ]		[ ]		[ ]	0		[ ]
264	0303109N	SATELLITE COMMUNICATIONS	0	21,471		21,471		21,471	0		21,471
265	0303401N	COMMUNICATIONS SECURITY (COMSEC)	[ ]	[ ]		[ ]		[ ]	0		[ ]
266	0303603N	MILSTAR SATELLITE COMMUNICATIONS SYSTEM	4,583	4,737		4,737		4,737	0		4,737
267	0304111N	SPECIAL ACTIVITIES	[ ]	[ ]		[ ]		[ ]	0		[ ]
999		INTELLIGENCE/COMMUNICATIONS CLASSIFIED	502,845	571,595		571,595		571,595	0		571,595

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House: Change to Request	House: Authorized	Senate: Change to Request	Senate: Authorized	House +/- Senate	Conference: Change to Request	Conference: Authorized
268	0603721N	ENVIRONMENTAL PROTECTION	8,693	5,814		5,814		5,814	0		5,814
269	0603790N	NATO RESEARCH AND DEVELOPMENT	0	0		0		0	0		0
270	0604208N	RANGE INSTRUMENTATION SYSTEMS DEV (RISD)	8,586	7,038		7,038		7,038	0		7,038
271	0604218N	AIR/OCEAN EQUIPMENT ENGINEERING	2,110	2,111		2,111		2,111	0		2,111
272	0604258N	TARGET SYSTEMS DEVELOPMENT	73,127	93,974		93,974		93,974	0		93,974
273	0604703N	PERSONNEL, TRAINING, SIMULATION, AND HUM	978	1,025		1,025		1,025	0		1,025
274	0605151M	STUDIES AND ANALYSIS SUPPORT - MC	1,888	1,913		1,913		1,913	0		1,913
275	0605152N	STUDIES AND ANALYSIS SUPPORT - NAVY	3,337	3,610		3,610		3,610	0		3,610
276	0605153M	MARINE CORPS OPERATIONS ANAL GROUP, CNA	4,359	4,516		4,516		4,516	0		4,516
277	0605154N	CENTER FOR NAVAL ANALYSES	19,456	17,763		17,763		17,763	0		17,763
278	0605155N	FLEET TACTICAL DEVELOPMENT AND EVAL	12,233	13,862		13,862		13,862	0		13,862
279	0605156M	MARINE CORPS OPERATIONAL TEST AND EVAL	1,283	1,300		1,300		1,300	0		1,300
280	0605502N	SMALL BUSINESS INNOVATIVE RESEARCH	0	0		0		0	0		0
281	0605804N	TECHNICAL INFORMATION SERVICES	2,640	2,599		2,599		2,599	0		2,599
282	0605854M	MARINE CORPS DEVELOPMENT CENTER SUPPORT	4,691	5,246		5,246		5,246	0		5,246
283	0605857N	INTERNATIONAL RDT&E	1,254	3,693		3,693		3,693	0		3,693
284	0605861N	RDT&E LABORATORY AND FACILITIES MGT SUPP	53,645	51,751		51,751		51,751	0		51,751
285	0605862N	RDT&E INSTRUMENTATION AND MATERIEL SUPP	41,494	29,915		29,915		29,915	0		29,915
286	0605863N	RDT&E SHIP AND AIRCRAFT SUPPORT	90,726	86,560		86,560		86,560	0		86,560
287	0605864N	TEST AND EVALUATION SUPPORT	310,000	325,365		325,365		325,365	0		325,365
288	0605865N	OPERATIONAL TEST AND EVAL CAPABILITY	8,720	8,591		8,591		8,591	0		8,591
289	0605871M	MARINE CORPS TACTICAL EXPLOITATION OF NA	958	969		969		969	0		969
290	0605872N	PRODUCTIVITY INVESTMENTS	3,213	261		261		261	0		261
291	0305111N	WEATHER SERVICE	948	879		879		879	0		879
292	0305160N	DEFENSE METEOROLOGICAL SATELLITE PROGRAM	3,893	2,136		2,136		2,136	0		2,136
293	0708011N	INDUSTRIAL PREPAREDNESS	42,331	43,482		43,482		43,482	0		43,482
293a		RAMP/RTIF				0		0	0	5,000	5,000
		TOTAL RDT&E, NAVY	9,512,917	9,216,200	130,660	9,346,860	58,400	9,274,600	72,260	166,962	9,383,162

ITEMS OF SPECIAL INTEREST

Attack submarine development

The amended budget request included $13.6 million for the Navy's Attack Submarine Development program.

The House bill would not authorize funds for this program.

The Senate amendment would authorize the amount in the budget requested.

The House recedes.

Commend and control systems

The conferees affirm the language in the House report (H. Rept. 100-563) regarding the Link Eleven Empowerment project.

Laser communications systems

The amended budget request included $5.269 million for Satellite Laser Communications (SLCSAT) research and development.

Both the House bill and the Senate amendment would authorize $25.269 million, $20 million more than the requested amount. In addition, the House bill would authorize $10 million for Tactical Airborne Laser Communications research in the Defense Advanced Research Projects Agency (DARPA) for fiscal year 1989. The Senate amendment authorized no additional funds for Tactical Airborne Laser Communications research beyond those appropriated in fiscal year 1988.

The conferees reviewed the status of both laser communications programs and believe that the SLCSAT program is funded at a level where engineering studies must examine the tradeoffs required to establish the cost of an operational satellite system. Resources not needed for engineering studies should be devoted to the engineering of hardware.

The conferees agreed that the DARPA program can use existing funding to execute planned experiments effectively through fiscal year 1989 (including uplink experiments). This program also needs to devote resources to the development of potentially more useful transmitter technologies. If the results of experiments warrant, DARPA is invited to seek a reprogramming to augment the program for a rapid start-up in fiscal year 1990.

Finally, the conferees note that a laser communications program, which appears to have considerable merit, can be carried through a full-scale devlopment decision only if it enjoys the support of tactical users and resource priority within the Navy.

Sea lance

The amended budget request included $50 million for the Navy's Sea Lance program, a submarine-launched rocket that carries a MK-50 torpedo as a payload.

The Senate amendment would add $15 million to the request.

The House bill contained no similar provision.

The House recedes.

The conferees recommend authorization of $65 million, an increase of $15 million, to proceed with flight testing of the Sea Lance vehicle with the understanding that the Department of the Navy will seek to reprogram and additional $15 million from funds otherwise authorized to preserve the originally projected initial operational capability.

Cover and deception

The House bill would authorize an additional $1 million to continue the Navy cover and deception program.

The Senate amendment contained no similar provision.

The Senate recedes, and the conferees affirm the language in the House report (H. Rept. 100-563) on this matter.

Command and control

The conferees note that for some years the Congress has supported development of a supercomputer system titled "S-1". This support is continued, and the Navy is requested to complete development of the S-1 hybrid wafer-scale-integrated supercomputer system.

Fast sealift development

The Senate report (S. Rept. 100-326) stated certain requirements for the Secretary of the Navy regarding study and testimony on a fast sealift plan. the conferees affirm that language, and the Navy is invited to reprogram from funds otherwise authorized as necessary for the study of a wide range of propulsion and hull technologies, including semi-planning hull technology.

In addition, the conferees direct that both the Secretary of the Navy and the Commission on Merchant Marine and Defense prepare estimates on the requirement for fast sealift under the same planning scenarios used by the Chairman of the Joint Chiefs of Staff in the required annual net assessments. These estimates shall be submitted to the Committees on Armed Services of the Senate and House of Representatives no later than January 1, 1989.

Light assault vehicle gun

The conferees affirm the language in the Senate report (S. Rept. 100-326) concerning the selection of a gun for the Marine Corps Light Assault Vehicle.

Navy oceanography program

The Senate amendment would authorize an additional $3 million for the Navy Oceanography Program.

The House bill contained no similar provision.

The House recedes, and the conferees affirm the language in the Senate report (S. Rept. 100-326) on this matter.

Oceanographic and meteorological program

The Senate amendment would authorize an additional $2 million for the Navy's Oceanographic and Meteorological Program.

The House bill contained no similar provision.

The House recedes, and the conferees affirm the language in the Senate report (S. Rept. 100-326) on this matter.

Rapid air defense integration prototype

The conferees affirm the language in the Senate report (S. Rept. 100-326) concerning early testing of a prototype of a fully integrated ship air defense system.

RAMP/RTIF program

The Senate and House reports (S. Rept. 100-326 and H. Rept. 100-563) would direct the Secretary of the Navy to execute lots 1-6, or their equivalents, in the Navy's Rapid Acquisition of Manufactured Parts (RAMP) program; however, additional funding to support this direction would not be authorized in either the House bill or the Senate amendment.

The conferees recommend an authorization of $5 million to execute lots 1-6 in the RAMP/RTIF Step II contract, and direct the Secretary of the Navy to report to the Committees on Armed Services of the Senate and House of Representatives by February 1, 1989 on a long-range implementation plan for the RAMP program beyond fiscal year 1989.

Sea-based air antisubmarine warfare

The House bill would authorize $5 million for the Navy to investigate the potential of the SV-22 tilt rotor aircraft to perform sea based air antisubmarine warfare (ASW).

The Senate amendment contained no similar provision.

The House recedes.

The conferees share the concern of the House of Representatives for sea-based air ASW shortfalls, and encourage the Navy to investigate not only the SV-22 option but follow-on options to the S-3 as well.

Ship propulsion technology

The conferees affirm the language in the Senate report (S. Rept 100-326) with respect to ship propulsion technology. The Conferees believe that the economy, power density, and signature reduction possible with gas turbine improvements and electric drive are significant and should be pursued without delay.

Standard embedded computer

The amended budget request included $13.2 million in research and development for the Standard Embedded Computer program.

The House bill and the Senate amendment would authorize the amount requested.

The conferees note that this program has received specific congressional attention for more than four years. At congressional request in 1984, the Under Secretary of Defense for Research and Engineering provided a plan to phase out embedded computers such as the Department of Navy's AN/UYK 43/44 and AN/AYK 14s, and to develop by January 1990 replacements using next-generation technology, including open architecture. Subsequently, the Department of Defense has failed to implement the plan with sufficient funding. As a consequence, not only has development of next generation computers been delayed, but also delays have occurred in the development of upgrades to current computers. This situation is perpetuated in the fiscal year 1989 amended budget request. Only $1.4 million is requested for development of next generation computer technology, in spite of the fact that as late as last year a request of at least $4.9 million had been anticipated for this development. No funds were requested in fiscal year 1989 for development of upgrades to exisitng computers.

This year the Department of the Navy notified Congress that the date for the availability of next-generation computers has slipped to January 1996, a six-year slip for a program essentially started four years ago. Subsequent to the notification, the Department of the Navy approved funding and milestone plans to meet the January 1996 date for development of next generation computers. The conferees expect the Navy to fully fund this plan.

In view of the funding and milestone plans, the conferees recommended authorization of the commencement of upgrades to current embedded computer systems beginning in fiscal year 1989, but such authorization is only to initiate development of upgrades with reprogrammed funds from lower priority programs. Approval of such reprogramming is contingent upon prior reprogramming and obligation of $3.5 million for development of next-generation computers, in addition to the $1.4 million authorized in fiscal year 1989. The conferees expect that all development of upgrades will include open architecture operating systems as have now been adopted by all major computer suppliers.

The conferees affirm the language in the House report (H. Rept. 100-563) regarding the Mass Memory Storage Device project in this program.

Systems support technology

The House bill would authorize $3 million above the amended budget request for Systems Support Technology (PE62234N). This additional authorization would be specifically intended to suppport a manufacturing process under the Osprey program.

The Senate report (S. Rept. 100-326) addressed the Osprey manufacturing process in a broader discussion of the Product Evaluation Activity.

The conferees recommend authorization of $1 million above the request in this program element only for the Osprey program.

RESEARCH AND DEVELOPMENT, AIR FORCE

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $14,932.1 million for Air Force research, development, test, and evaluation. The House bill would authorize $14,713.8 million. The Senate amendment would authorize $14,721.7 million. The conferees recommend authorization of $14,680.8 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

					House		Senate			Conference	
R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	Change to Request	Authorized	Change to Request	Authorized	House +/- Senate	Change to Request	Authorized
		RESEARCH DEVELOPMENT TEST & EVAL AF									
1	0601101F	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	15,653	10,223	5,000	15,223		10,223	5,000	0	10,223
2	0601102F	DEFENSE RESEARCH SCIENCES	182,748	189,444		189,444		189,444	0		189,444
3	0601103F	UNIVERSITY RESEARCH INITIATIVES	0	0		0		0	0		0
4	0602101F	GEOPHYSICS	35,832	34,838		34,838		34,838	0		34,838
5	0602102F	MATERIALS	54,856	58,367		58,367		58,367	0		58,367
6	0602201F	AEROSPACE FLIGHT DYNAMICS	67,698	69,269		69,269		69,269	0		69,269
7	0602202F	HUMAN SYSTEMS TECHNOLOGY	48,946	49,801		49,801		49,801	0		49,801
8	0602203F	AEROSPACE PROPULSION	61,813	64,531		64,531		64,531	0		64,531
9	0602204F	AEROSPACE AVIONICS	59,773	66,467		66,467		66,467	0		66,467
10	0602205F	PERSONNEL, TRAINING AND SIMULATION	31,916	31,026		31,026		31,026	0		31,026
11	0602206F	CIVIL ENGINEERING AND ENVIRONMENTAL QUAL	6,640	5,541		5,541		5,541	0		5,541
12	0602302F	ROCKET PROPULSION	38,423	39,152		39,152		39,152	0		39,152
13	0602601F	ADVANCED WEAPONS	34,846	34,685		34,685		34,685	0		34,685
14	0602602F	CONVENTIONAL MUNITIONS	40,587	44,007		44,007		44,007	0		44,007
15	0602702F	COMMAND CONTROL AND COMMUNICATIONS	75,640	85,181		85,181		85,181	0		85,181
16	0602703F	PERSONNEL UTILIZATION TECHNOLOGY	0	0		0		0	0		0
17	0603106F	LOGISTICS SYSTEMS TECHNOLOGY	9,574	16,436		16,436		16,436	0		16,436
18	0603109F	INEWS/ICNIA	85,300	37,423	0	37,423		37,423	0	0	37,423
19	0603202F	AEROSPACE PROPULSION SUBSYS INTEGRATION	20,000	21,099		21,099		21,099	0		21,099
20	0603203F	ADVANCED AVIONICS FOR AEROSPACE VEHICLES	10,030	30,114		30,114		30,114	0		30,114
21	0603205F	AEROSPACE VEHICLE TECHNOLOGY	20,602	21,439		21,439		21,439	0		21,439
22	0603208F	ADVANCED ELECTRONICS FOR AEROSPACE VEHIC	0	0		0		0	0		0
23	0603211F	AEROSPACE STRUCTURE AND MATERIALS	26,000	27,921		27,921		27,921	0		27,921
24	0603215F	AEROSPACE FUELS AND PROPULSION TECH (H)	0	0		0		0	0		0
25	0603216F	AEROSPACE PROPULSION AND POWER TECH	26,999	32,666		32,666		32,666	0		32,666
26	0603217F	WEAPON SYSTEMS POWER	0	0		0		0	0		0
27	0603226F	DOD COMMON PROGRAMMING LANGUAGE (ADA) AD	15,673	0		0		0	0		0
28	0603227F	PERSONNEL, TRAINING AND SIMULATION TECH	8,481	8,038		8,038		8,038	0		8,038
29	0603231F	CREW SYSTEMS AND PERSONNEL PROTECTION TE	18,242	22,259		22,259		22,259	0		22,259
30	0603245F	ADVANCED FIGHTER TECHNOLOGY INTEGRATION	22,352	23,980		23,980		23,980	0		23,980
31	0603248F	CONCEPT DEVELOPMENT	0	0		0		0	0		0
32	0603250F	LINCOLN LABORATORY	22,000	25,132		25,132		25,132	0	(2,000)	23,132
33	0603253F	ADVANCED AVIONICS INTEGRATION	2,992	14,028		14,028		14,028	0		14,028
34	0603259F	CARTOGRAPHIC APPLICATION FOR TACTICAL AN	0	0		0		0	0		0
35	0603269F	NATIONAL AERO SPACE PLANE TECHNOLOGY PRO	183,000	244,767		244,767	(14,000)	230,767	14,000	(14,000)	230,767
36	0603270F	EW TECHNOLOGY	0	35,667		35,667		35,667	0		35,667
37	0603302F	SPACE AND MISSILE ROCKET PROPULSION	6,259	8,995		8,995		8,995	0		8,995
38	0603363F	HYPERVELOCITY MISSILE	10,626	6,577		6,577		6,577	0	(1,000)	5,577
39	0603401F	ADVANCED SPACECRAFT TECHNOLOGY	4,000	7,995		7,995		7,995	0		7,995
40	0603410F	SPACE SYSTEMS ENVIRONMENTAL INTERACTIONS	3,825	3,930		3,930		3,930	0		3,930
41	0603452F	VERY HIGH SPEED INTEGRATED CIRCUITS	100,000	44,086	10,000	54,086		44,086	10,000	0	44,086
42	0603601F	CONVENTIONAL WEAPONS	11,552	25,301	6,000	31,301		25,301	6,000	0	25,301
43	0603605F	ADVANCED WEAPONS TECHNOLOGY	71,650	74,494		74,494		74,494	0		74,494
44	0603704F	MANPOWER AND PERSONNEL SYSTEMS TECH (H)	0	0		0		0	0		0
45	0603707F	WEATHER SYSTEMS - ADV DEV	5,276	5,334		5,334		5,334	0		5,334

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Change to Request	Conference Authorized
46	0603723F	CIVIL AND ENVIRONMENTAL ENGINEERING TECH	11,827	9,014		9,014		9,014	0		9,014
47	0603726F	C3I SUBSYSTEM INTEGRATION	5,220	8,026		8,026		8,026	0		8,026
48	0603727F	ADVANCED COMMUNICATIONS TECHNOLOGY (H)	0	0		0		0	0		0
49	0603728F	ADVANCED COMPUTER TECHNOLOGY	4,128	10,239		10,239		10,239	0		10,239
50	0603743F	ELECTRONIC COMBAT TECHNOLOGY	0	0		0		0	0		0
51	0603745F	CHEMICAL WARFARE DEFENSE (H)	0	0		0		0	0		0
52	0603750F	COUNTER-COUNTERMEASURES (CCM) (H)	0	0		0		0	0		0
53	0603751F	TRAINING SYSTEMS TECHNOLOGY	276	470		470		470	0		470
54	0603752F	DOD SOFTWARE ENGINEERING INSTITUTE	18,929	0		0		0	0		0
55	0603789F	C3I TECHNOLOGY DEVELOPMENT	30,000	18,795		18,795		18,795	0		18,795
56	0603110F	SPECIAL EVALUATION PROGRAM	[ ]	[ ]		[ ]	[-10,000]	[ ]	[10,000]	0	[ ]
57	0603111F	MERIDIAN	[ ]	[ ]		[ ]		[ ]	0		[ ]
58	0603265F	LONG RANGE CONVENTIONAL CRUISE MISSILE	0	50,000	(40,000)	10,000		50,000	(40,000)	(20,000)	30,000
59	0603311F	ADVANCED STRATEGIC MISSILE SYSTEMS	133,640	151,836		151,836		151,836	0		151,836
60	0603312F	ADVANCED CONCEPTS	[ ]	[ ]		[ ]		[ ]	0		[ ]
61	0603364F	SHORT RANGE ATTACK MISSILE II (SRAM II)	174,320	231,467		231,467	(30,000)	201,467	30,000	(30,000)	201,467
62	0603367F	RELOCATABLE TARGET CAPABILITY PROGRAM	9,961	19,705		19,705		19,705	0		19,705
63	0603368F	AIR DEFENSE BATTLE MANAGEMENT TECHNOLOGY	0	0		0		0	0		0
64	0603369F	CRUISE MISSILE ENGAGEMENT SYSTEMS TECH	0	0		0		0	0		0
65	0603424F	CRUISE MISSILE SURVEILLANCE TECHNOLOGY	0	0		0		0	0		0
66	0603716F	ATMOSPHERIC SURVEILLANCE TECHNOLOGY	0	0		0		0	0		0
67	0603717F	TECHNICAL ON-SITE INSPECTION PROGRAM	10,627	9,291		9,291		9,291	0		9,291
68	0603735F	WWMCCS ARCHITECTURE	0	0		0		0	0		0
69	0603738F	ADI SURVEILLANCE TECHNOLOGY	0	0		0		0	0		0
70	0604216F	WWABNCP SYSTEM REPLACEMENT	0	0		0		0	0		0
71	0604226F	B-1B	366,841	221,591		221,591		221,591	0		221,591
71a		INTEGRATION ACTIVITIES							0	15,000	15,000
72	0604234F	COMMON STRATEGIC ROTARY LAUNCHER	5,693	946		946		946	0		946
73	0604240F	B-2 ADVANCED TECHNOLOGY BOMBER	[ ]	[ ]		[ ]		[ ]	0		[ ]
74	0604312F	ICBM MODERNIZATION	1,068,268	1,032,891	(300,000)	732,891	(242,891)	790,000	(57,109)	(242,891)	790,000
74	0604312F	(PEACEKEEPER)	36,000	40,000	(7,109)	32,891		40,000	(7,109)	0	40,000
74	0604312F	(SMALL ICBM)	700,000	200,000	400,000	600,000	(150,000)	50,000	550,000	50,000	250,000
74	0604312F	(MX RAIL GARRISON)	332,268	792,891	(692,891)	100,000	(92,891)	700,000	(600,000)	(542,891)	250,000
74	0604312F	(UNALLOCATED)								250,000	250,000
75	0604326F	STRATEGIC CONV STANDOFF CAPABILITY (SCSC	7,969	10,000		10,000		10,000	0		10,000
76	0604361F	AIR LAUNCHED CRUISE MISSILE (ALCM)	3,577	957		957		957	0		957
77	0604406F	SPACE DEFENSE SYSTEM (PY SAVINGS)	131,852	0	(16,000)	(16,000)	(16,000)	(16,000)	0	(16,000)	(16,000)
78	0604711F	SYSTEMS SURVIVABILITY (NUCLEAR EFFECTS)	12,926	8,333		8,333		8,333	0		8,333
79	0101120F	ADVANCED CRUISE MISSILE	[ ]	[ ]		[ ]		[ ]	0		[ ]
80	0101135F	AIRCRAFT SURVIVABILITY ENHANCEMENTS	[ ]	[ ]		[ ]		[ ]	0		[ ]
81	0101142F	KC-135 SQUADRONS	4,019	3,176		3,176		3,176	0		3,176
82	0101213F	MINUTEMAN SQUADRONS	84,295	61,069		61,069		61,069	0		61,069
83	0101312F	PACCS AND WWABNCP SYSTEM EC-135 CLASS V	939	1,210		1,210		1,210	0		1,210
84	0101313F	WAR PLANNING AUTOMATED DATA PROCESSING (	20,321	20,298		20,298		20,298	0		20,298
85	0101316F	SAC COMMUNICATIONS	0	0		0		0	0		0
86	0102310F	NCMC - TW/AA SYSTEMS	57,624	70,616		70,616		70,616	0		70,616
87	0102311F	NCMC - SPACE DEFENSE SYSTEMS	23,410	22,982		22,982		22,982	0		22,982
88	0102313F	BALLISTIC MISSILE TACTICAL WARNING/ATTAC	2,256	2,533		2,533		2,533	0		2,533
89	0102325F	JOINT SURVEILLANCE SYSTEM	2,147	1,751		1,751		1,751	0		1,751
90	0102411F	SURVEILLANCE RADAR STATIONS/SITES	5,204	1,667		1,667		1,667	0		1,667

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Change to Request	Conference Authorized
91	0102412F	DISTANT EARLY WARNING (DEW) RADAR STATIO	8,444	0		0		0	0		0
92	0102417F	OVER-THE-HORIZON BACKSCATTER RADAR	31,326	19,201		19,201		19,201	0		19,201
93	0102423F	BALLISTIC MISSILE EARLY WARNING SYSTEM (	19,172	25,362		25,362		25,362	0		25,362
94	0102424F	SPACETRACK	7,600	9,357		9,357		9,357	0		9,357
95	0102431F	DEFENSE SUPPORT PROGRAM	88,462	84,132		84,132		84,132	0		84,132
96	0102432F	SLBM RADAR WARNING SYSTEM	17,246	10,165		10,165		10,165	0		10,165
97	0102433F	NUDET DETECTION SYSTEM	7,369	10,922		10,922		10,922	0		10,922
98	0102436F	COMMAND CENTER PROCESSING AND DISPLAY SY	29,437	26,939		26,939		26,939	0		26,939
99	0102822F	LEO	[ ]	[ ]		[ ]		[ ]	0		[ ]
100	0303131F	MINIMUM ESSENTIAL EMERGENCY COMM NETWORK	50,402	41,033		41,033		41,033	0		41,033
101	0303152F	WORLD-WIDE MILITARY COMMAND AND CONTROL	5,087	2,317		2,317		2,317	0		2,317
102	0303154F	WWMCCS INFORMATION SYSTEM JOINT PROGRAM	21,406	66,363		66,363		66,363	0		66,363
103	0303601F	MILSTAR SAT COMM SYSTEM (AF TERMINALS)	198,226	310,347		310,347		310,347	0		310,347
104	0303603F	MILSTAR SATELLITE COMMUNICATIONS SYSTEM	[ ]	[ ]		[ ]		[ ]	0		[ ]
105	0305124F	SPECIAL APPLICATIONS PROGRAM	[ ]	[ ]		[ ]	[-10,000]	[ ]	[10,000]	0	[ ]
106	0305172F	BERNIE	[ ]	[ ]		[ ]		[ ]	0		[ ]
107	0305892F	SPECIAL ANALYSIS ACTIVITIES	[ ]	[ ]		[ ]		[ ]	0		[ ]
108	0401123F	MILITARY AIRLIFT GROUP (IF)	9,952	193		193		193	0		193
		MINUTEMAN PENAIDS (PY)	0	0		0	(10,000)	(10,000)	10,000	0	0
997		STRATEGIC CLASSIFIED	3,266,829	2,830,236		2,830,236	(20,000)	2,810,236	20,000		2,830,236

					House		Senate			Conference	
R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	Change to Request	Authorized	Change to Request	Authorized	House +/- Senate	Change to Request	Authorized
109	0603107F	TECHNICAL EVALUATION SYSTEM	[ ]	[ ]	[-7,500]	[ ]		[ ]	[-7,500]	0	[ ]
110	0603230F	ADVANCED TACTICAL FIGHTER	498,054	702,283		702,283	(15,000)	687,283	15,000	(10,000)	692,283
111	0603239F	UNMANNED AIR RECONNAISSANCE SYSTEM (UARS	0	0		0		0	0		0
112	0603244F	AIRCRAFT NON-NUCLEAR SURVIVABILITY (H)	0	0		0		0	0		0
113	0603256F	CV-22A	0	0		0		0	0		0
114	0603260F	INTELLIGENCE ADVANCED DEVELOPMENT	4,058	4,994		4,994		4,994	0		4,994
115	0803261F	PAVE RUNNER ADVANCED DEVELOPMENT	[ ]	[ ]		[ ]		[ ]	0		[ ]
116	0603307F	AIR BASE OPERABILITY ADVANCED DEV	2,988	5,128		5,128		5,128	0		5,128
117	0603320F	LOW COST ANTI-RADIATION SEEKER	13,533	12,453		12,453		12,453	0		12,453
118	0603437F	HAVE DJINN	[ ]	[ ]		[ ]		[ ]	0		[ ]
119	0603609F	MILLIMETER WAVE SEEKERS	0	0		0		0	0		0
120	0603714F	DOD PHYSICAL SECURITY EQUIPMENT-EXTERIOR	908	936		936		936	0		936
121	0603742F	COMBAT IDENTIFICATION TECHNOLOGY	0	1,949		1,949		1,949	0		1,949
122	0603749F	C3CM ADVANCED SYSTEMS	0	0		0		0	0		0
123	0603801F	SPECIAL PROGRAMS	[ ]	[ ]	[-6,500]	[ ]		[ ]	[-6,500]	0	[ ]
124	0604201F	AIRCRAFT AVIONICS EQUIPMENT DEVELOPMENT	16,934	19,630		19,630		19,630	0		19,630
125	0604212F	AIRCRAFT EQUIPMENT DEVELOPMENT	1,931	1,138		1,138		1,138	0		1,138
126	0604218F	ENGINE MODEL DERIVATIVE PROGRAM (EMDP)	979	957		957		957	0		957
127	0604219F	INTEGRATED DIGITAL AVIONICS	0	0		0		0	0		0
128	0604220F	EW COUNTER RESPONSE	0	0		0		0	0		0
129	0604222F	NUCLEAR WEAPONS SUPPORT	4,427	2,177		2,177		2,177	0		2,177
130	0604223F	ALTERNATE FIGHTER ENGINE	76,616	28,052		28,052		28,052	0		28,052
131	0604231F	C-17 PROGRAM	1,115,550	961,067		961,067		961,067	0	(20,000)	941,067
132	0604232F	PAVE RUNNER	[ ]	[ ]		[ ]		[ ]	0		[ ]
133	0604233F	TANKER, TRANSPORT, BOMBER TRAINING SYS	0	4,500		4,500		4,500	0		4,500
134	0604236F	INFRARED SEARCH AND TRACK SYSTEM	14,000	4,872		4,872		4,872	0		4,872
135	0604237F	VARIABLE STABILITY IN-FLIGHT SIMULATOR T	6,225	11,869		11,869		11,869	0		11,869
136	0604241F	CONSOLIDATED EW PROGRAM	179,043	0		0		0	0		0
137	0604242F	ADVANCED TACTICAL AIRCRAFT (ATA)	[ ]	[ ]		[ ]	[22,000]	[ ]	[-22,000]	[22,000]	[ ]
138	0604247F	MODULAR AUTOMATIC TEST EQUIPMENT	14,942	13,289		13,289		13,289	0		13,289
139	0604248F	MODULAR STANDOFF WEAPONS	0	0		0		0	0		0
140	0604249F	NIGHT/PRECISION ATTACK	19,774	4,684		4,684		4,684	0		4,684
141	0604250F	INTEGRATED EW/CNI DEVELOPMENT	7,684	88,295		88,295		88,295	0		88,295
142	0604268F	AIRCRAFT ENGINE COMPONENT IMPROVE PROG	90,658	94,510	10,000	104,510		94,510	10,000	0	94,510
143	0604270F	EW DEVELOPMENT	0	127,178		127,178		127,178	0	(15,000)	112,178
144	0604313F	T-46A	0	0		0		0	0		0
145	0604314F	ADVANCED MEDIUM-RANGE,AIR-TO-AIR MISSILE	23,906	0		0	30,000	30,000	(30,000)	20,000	20,000
146	0604315F	ADVANCED SHORT RANGE AIR-TO-AIR MISSILE	996	4,171		4,171		4,171	0		4,171
147	0604321F	JOINT TACTICAL FUSION PROGRAM	13,802	[ ]	[10,000]	[ ]		[ ]	[10,000]	[7,000]	[ ]
148	0604327F	HARDENED TARGET MUNITIONS	1,494	6,279		6,279		6,279	0		6,279
149	0604362F	GROUND-LAUNCHED CRUISE MISSILE (GLCM)	0	0		0		0	0		0
150	0604601F	CHEMICAL/BIOLOGICAL DEFENSE EQUIPMENT	14,543	17,661		17,661		17,661	0		17,661
151	0604602F	ARMAMENT/ORDNANCE DEVELOPMENT	13,800	19,158		19,158		19,158	0		19,158
152	0604604F	SUBMUNITIONS	4,650	7,326		7,326		7,326	0		7,326
153	0604607F	WIDE-AREA, ANTI-ARMOR MUNITIONS	22,520	26,752		26,752		26,752	0		26,752
154	0604617F	AIR BASE OPERABILITY	11,953	17,018		17,018		17,018	0		17,018
155	0604703F	AEROMEDICAL SYSTEMS DEVELOPMENT	6,704	6,097		6,097		6,097	0		6,097

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
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156	0604704F	COMMON SUPPORT EQUIPMENT DEVELOPMENT	1,639	1,635		1,635		1,635	0		1,635
157	0604706F	LIFE SUPPORT SYSTEMS	12,568	16,914		16,914		16,914	0		16,914
158	0604708F	OTHER OPERATIONAL EQUIPMENT	7,635	6,044		6,044		6,044	0		6,044
159	0604710F	RECONNAISSANCE EQUIPMENT	194	0		0		0	0		0
160	0604715F	DOD PHYSICAL SECURITY EQUIPMENT-EXTERIOR	11,288	5,144		5,144		5,144	0		5,144
161	0604724F	TACTICAL C3 COUNTERMEASURES	0	0		0		0	0		0
162	0604725F	COMBAT IDENTIFICATION SYSTEMS	34,864	107,196		107,196		107,196	0		107,196
163	0604733F	SURFACE DEFENSE SUPPRESSION	9,961	39,787		39,787		39,787	0		39,787
164	0604737F	AIRBORNE SELF-PROTECTION JAMMER	0	0		0		0	0		0
165	0604738F	PROTECTIVE SYSTEMS	32,738	0		0		0	0		0
166	0604739F	TACTICAL PROTECTIVE SYSTEMS	0	0		0		0	0		0
167	0604740F	COMPUTER RESOURCES MANAGEMENT TECHNOLOGY	9,961	13,156		13,156		13,156	0		13,156
168	0604742F	PRECISION LOCATION STRIKE SYSTEM	0	0		0		0	0		0
169	0604750F	INTELLIGENCE EQUIPMENT	5,905	4,875		4,875		4,875	0		4,875
170	0604754F	JOINT TACTICAL INFO DISTRIBUTION SYSTEM	21,914	64,710		64,710		64,710	0	(24,000)	40,710
171	0604756F	SIDE LOOKING AIRBORNE RADAR	0	3,650		3,650		3,650	0		3,650
172	0604770F	JOINT SURVEILLANCE/TARGET ATTACK RADAR S	346,559	238,070		238,070		238,070	0		238,070
173	0604779F	JOINT INTEROPERABILITY OF TACTICAL C2 SY	6,017	6,079		6,079		6,079	0		6,079
174	0101133F	SR-71 SQUADRONS	[ ]	[ ]		[ ]	[20,000]	[ ]	[-20,000]	0	[ ]
175	0201131F	U.S. READINESS COMMAND - COMMUNICATIONS	3,999	0		0		0	0		0
176	0207129F	F-111 SQUADRONS	18,926	21,541		21,541		21,541	0		21,541
177	0207130F	F-15A/B/C/D SQUADRONS	105,588	89,056		89,056		89,056	0		89,056
178	0207133F	F-16 SQUADRONS	25,401	26,461		26,461		26,461	0		26,461
179	0207136F	F-4G WILD WEASEL SQUADRONS	15,739	21,287		21,287		21,287	0	(8,000)	13,287
180	0207137F	CONSTANT HELP	[ ]	[ ]		[ ]		[ ]	0		[ ]
181	0207139F	COMPETITIVE FIGHTER PROCUREMENT	0	0		0		0	0		0
182	0207162F	TACTICAL AGM MISSILES	2,339	0		0		0	0		0
183	0207168F	F-111 SELF PROTECTION SYSTEMS	19,125	0		0		0	0		0
184	0207169F	SEEK CLOCK	[ ]	[ ]		[ ]		[ ]	0		[ ]
185	0207215F	TR-1 SQUADRON	69,728	102,208	(10,000)	92,208		102,208	(10,000)		102,208
186	0207217F	FOLLOW-ON TACTICAL RECONNAISSANCE SYSTEM	42,833	56,562	(15,000)	41,562	(15,000)	41,562	0	(15,000)	41,562
187	0207247F	AF TENCAP	312	323		323		323	0		323
188	0207316F	TACIT RAINBOW	79,150	39,323		39,323		39,323	0		39,323
189	0207411F	OVERSEAS AIR WEAPON CONTROL SYSTEM	6,920	6,069		6,069		6,069	0		6,069
190	0207412F	TACTICAL AIR CONTROL SYSTEMS	17,930	13,356		13,356		13,356	0		13,356
191	0207417F	AIRBORNE WARNING AND CONTROL SYS (AWACS)	94,630	174,774		174,774		174,774	0	(30,000)	144,774
192	0207423F	ADVANCED COMMUNICATIONS SYSTEMS	29,883	10,806		10,806		10,806	0		10,806
193	0207424F	COPPER COAST	[ ]	[ ]		[ ]		[ ]	0		[ ]
194	0207431F	TACTICAL AIR INTELLIGENCE SYSTEM ACTIV	1,943	0		0		0	0		0
195	0207433F	TACTICAL IMPROVEMENT PROGRAM	[ ]	[ ]		[ ]		[ ]	0		[ ]
196	0207435F	TACTICAL RECONNAISSANCE IMAGERY AND EXPL	1,138	1,532		1,532		1,532	0		1,532
197	0207579F	ADVANCED SYSTEMS IMPROVEMENTS	[ ]	[ ]		[ ]		[ ]	0		[ ]
198	0207582F	HAVE TRUMP	[ ]	[ ]		[ ]		[ ]	0		[ ]
199	0207584F	SEEK AXLE	[ ]	[ ]		[ ]		[ ]	0		[ ]
200	0207585F	SEEK SPINNER	[ ]	[ ]	[50,000]	[ ]		[ ]	[50,000]	0	[ ]
201	0207591F	OMEGA	[ ]	[ ]		[ ]		[ ]	0		[ ]

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
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202	0207595F	BASE COMMUNICATIONS- TACTICAL AIR FORCES	0	0		0		0	0		0
203	0208010F	JOINT TACTICAL COMM PROGRAM (TRI-TAC)	9,961	4,298		4,298		4,298	0		4,298
204	0208042F	HAVE FLAG	[ ]	[ ]		[ ]		[ ]	0		[ ]
205	0303605F	SATELLITE COMMUNICATIONS TERMINALS	13,946	17,994	6,000	23,994	(8,000)	9,994	14,000	0	17,994
206	0305165F	NAVSTAR GPS (SPACE AND CONTROL SEGMENTS)	0	0		0		0	0		0
207	0305887F	ELECTRONIC COMBAT INTELLIGENCE SUPPORT	0	0		0		0	0		0
208	0401129F	THEME CASTLE	[ ]	[ ]		[ ]		[ ]	0		[ ]
209	0401316F	SENIOR CITIZEN	[ ]	[ ]		[ ]		[ ]	0		[ ]
210	0401840F	MAC COMMAND AND CONTROL SYSTEM	7,969	9,015		9,015		9,015	0		9,015
211	0404011F	SPECIAL OPERATIONS FORCES	0	0		0		0	0		0
212	0502610F	A-7 SQUADRONS (ANG)	59,965	83,288		83,288		83,288	0		83,288
213	1110011F	FORCE ENHANCEMENTS-ACTIVE	116,837	155,263		155,263		155,263	0		155,263
		JOINT INTEGRATED AVIONICS		0	50,000	50,000		0	50,000	34,700	34,700
		UNDISTRIBUTED REDUCTION, TACTICAL PROG				0	(100,000)	(100,000)	100,000		0
998		TACTICAL CLASSIFIED	603,183	731,013	46,000	777,013	42,000	773,013	4,000	29,000	760,013
214	0603431F	SPACE COMMUNICATIONS	0	0		0		0	0		0
215	0604238F	CONSTANT PISCES	[ ]	[ ]		[ ]		[ ]	0		[ ]
216	0301305F	INTELLIGENCE PRODUCTION ACTIVITIES	[ ]	[ ]		[ ]		[ ]	0		[ ]
217	0301310F	FOREIGN TECHNOLOGY DIVISION	[ ]	[ ]		[ ]		[ ]	0		[ ]
218	0301314F	INFRARED/ELECTRO-OPTICAL/DIR ENERGY WEAP	[ ]	[ ]		[ ]		[ ]	0		[ ]
219	0301315F	MISSILE AND SPACE TECHNICAL COLLECTION	[ ]	[ ]		[ ]		[ ]	0		[ ]
220	0301317F	SENIOR YEAR OPERATIONS	[ ]	[ ]		[ ]		[ ]	0		[ ]
221	0301324F	FOREST GREEN	[ ]	[ ]		[ ]	[-5,000]	[ ]	[5,000]	[-2,500]	[ ]
222	0301357F	NUDET DETECTION SYSTEM	[ ]	[ ]		[ ]		[ ]	0		[ ]
223	0302053F	NMCS-WIDE SUPPORT - COMMUNICATIONS	0	0		0		0	0		0
224	0303110F	DEFENSE SATELLITE COMMUNICATIONS SYSTEM	43,325	38,061		38,061		38,061	0		38,061
225	0303126F	LONG-HAUL COMMUNICATIONS (DCS)	5,132	4,751		4,751		4,751	0		4,751
226	0303128F	INTER-SERVICE/AGENCY AUTOMATED MESSAGE P	1,289	0		0		0	0		0
227	0303144F	ELECTROMAGNETIC COMPATIBILITY ANALYSIS C	8,083	8,427		8,427		8,427	0		8,427
228	0303401F	COMMUNICATIONS SECURITY (COMSEC)	[ ]	[ ]		[ ]		[ ]	0		[ ]
229	0304111F	SPECIAL ACTIVITIES	[ ]	[ ]	[-5,500]	[ ]	[243,500]	[ ]	[-249,000]	[165,000]	[ ]
230	0305114F	TRAFFIC CONTROL, APPROACH, AND LANDING S	25,891	25,114		25,114		25,114	0		25,114
231	0305159F	DEFENSE RECONNAISSANCE SUPPORT ACTIVITIE	[ ]	[ ]		[ ]		[ ]	0		[ ]
232	0305164F	NAVSTAR GPS (USER EQUIPMENT)	40,239	50,150		50,150		50,150	0		50,150
233	0305165F	NAVSTAR GPS (SPACE AND CONTROL SEGMENTS)	26,204	53,232		53,232	(5,000)	48,232	5,000	(5,000)	48,232
234	0804733F	GENERAL INTELLIGENCE SKILL TRAINING	0	0		0		0	0		0
		UNDIST REDUCTION (GPS,DSCS,DMSP,DSP)	0	0		0	(10,000)	(10,000)	10,000	(10,000)	(10,000)
999		INTELLIGENCE/COMMUNICATIONS CLASSIFIED	1,981,911	1,845,762	(5,500)	1,840,262	238,500	2,084,262	(244,000)	162,500	2,008,262

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
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235	0603402F	SPACE TEST PROGRAM	53,887	72,796	20,000	92,796	(20,000)	52,796	40,000	3,000	75,796
236	0603438F	SATELLITE SYSTEMS SURVIVABILITY	3,264	3,784		3,784		3,784	0	1,516	5,300
		SATELLITE SYSTEMS SURVIVABILITY			5,300	5,300		0	5,300	0	0
237	0603790F	NATO RESEARCH AND DEVELOPMENT	0	0		0		0	0		0
238	0604211F	ADVANCED AERIAL TARGET DEVELOPMENT	9,848	3,711		3,711		3,711	0		3,711
239	0604227F	FLIGHT SIMULATOR DEVELOPMENT	56,778	72,800		72,800		72,800	0		72,800
240	0604609F	R&M MATURATION/TECHNOLOGY INSERTION	14,942	20,760		20,760		20,760	0		20,760
241	0604707F	WEATHER SYSTEMS – ENG DEV	12,488	8,761		8,761		8,761	0		8,761
242	0604735F	RANGE IMPROVEMENT	55,782	40,065		40,065	(20,000)	20,065	20,000	(20,000)	20,065
243	0604747F	ELECTROMAGNETIC RADIATION TEST FACILITIE	5,919	5,233		5,233		5,233	0		5,233
244	0604755F	IMPROVED CAPABILITY FOR DEVELOPMENT TEST	52,296	50,708		50,708		50,708	0		50,708
245	0605101F	PROJECT AIR FORCE	22,020	21,992		21,992		21,992	0		21,992
246	0605304F	ACQUISITION & COMMAND SUPPORT (ACS) – TE	0	0		0		0	0		0
247	0605306F	RANCH HAND II EPIDEMIOLOGY STUDY	5,754	1,747		1,747		1,747	0		1,747
248	0605502F	SMALL BUSINESS INNOVATIVE RESEARCH	0	0		0		0	0		0
249	0605708F	NAVIGATION/RADAR/SLED TRACK TEST SUPPORT	24,122	20,545	4,414	24,959		20,545	4,414	0	20,545
250	0605806F	ACQUISITION AND COMMAND SUPPORT	0	0		0		0	0		0
251	0605807F	TEST AND EVALUATION SUPPORT	295,106	298,087		298,087		298,087	0		298,087
252	0605808F	ADVANCED SYSTEMS ENGINEERING/PLANNING	13,093	14,431		14,431		14,431	0	(1,000)	13,431
253	0605809F	DYCOMS	7,471	9,191		9,191		9,191	0		9,191
254	0605863F	RDT&E AIRCRAFT SUPPORT	50,000	57,826		57,826		57,826	0		57,826
255	0605872F	PRODUCTIVITY INVESTMENTS	0	0		0		0	0		0
256	0605874F	PRODUCT PERFORMANCE AGREEMENT CENTER	0	0		0		0	0		0
257	0605894F	REAL PROPERTY MAINTENANCE – RDT&E	74,465	81,881		81,881		81,881	0		81,881
258	0605896F	BASE OPERATIONS – RDT&E	56,809	61,543		61,543		61,543	0		61,543
259	0305110F	SATELLITE CONTROL FACILITY	95,458	100,803		100,803		100,803	0		100,803
260	0305119F	SPACE BOOSTERS	454,865	488,785		488,785		488,785	0	(16,000)	472,785
261	0305130F	CONSOLIDATED SPACE OPERATIONS CENTER	39,864	44,085		44,085		44,085	0		44,085
262	0305160F	DEFENSE METEOROLOGICAL SATELLITE PROGRAM	42,675	53,364		53,364		53,364	0		53,364
263	0305171F	SPACE SHUTTLE OPERATIONS	51,205	58,715		58,715		58,715	0	(17,100)	41,615
264	0701112F	INVENTORY CONTROL POINT OPERATIONS	4,329	4,476		4,476		4,476	0		4,476
265	0702207F	DEPOT MAINTENANCE (NON-IF)	0	973		973		973	0		973
266	0708011F	INDUSTRIAL PREPAREDNESS	84,670	97,911		97,911		97,911	0		97,911
267	0708026F	PRODUCTIVITY, RELIABILITY, AVAILABILITY,	14,706	16,398		16,398		16,398	0		16,398
268	1001004F	INTERNATIONAL ACTIVITIES	3,107	3,737		3,737		3,737	0		3,737
		UNDISTRIBUTED REDUCTION			5,500	5,500	5,000	5,000	500		0
		TOTAL RDT&E, AIR FORCE	15,165,388	14,932,100	(218,286)	14,713,814	(210,391)	14,721,709	(7,895)	(251,275)	14,680,825

ITEMS OF SPECIAL INTEREST

Ground-based laser technology programs

The amended budget request contained $74.494 million for advanced weapons technology.

Both the House bill and the Senate amendment would authorize the requested amount.

Within the advanced weapons technology program, the conferees recommended authorization of the full amount requested for high energy laser technology development. Such funds shall be used to maintain a balanced competitive technology development of various ground-based laser system concepts through a concept selection in 1991. In addition, the conferees believe that, at a minimum, chemical DF and Oxygen Iodine, Free Electron Laser, and repetitively and single pulsed excimer concepts should be continued by the Services and the Defense Advanced Research Projects Agency (DARPA) through concept selection.

ICBM modernization studies

The Senate amendment contained study requirements for ICBM modernization related programs (sec. 213), and the House bill contained related and different study requirements (sec. 223).

The conferees agreed not to include either set of requirements in legislation. However, the conferees agreed that the Secretary of Defense shall evaluate the feasibility of providing common launch control systems for the MX rail-garrison program and the Small Intercontinental Ballistic Missile (SICBM) program. If the evaluation demonstrates that such commonality is feasible, the Secretary shall preserve such commonality in those programs.

The conferees also agreed that evaluations of operational issues (particularly evaluations of potential vulnerabilities), and technological and logistical issues should continue to be an inherent part of ICBM Modernization research and development. The Secretary of the Air Force should continue the independent review of the SICBM program, focusing on ways to reduce the costs of that program, that is being carried out by a Federally Funded Research and Development Center with substantial experience in the analysis of issues related to ICBMs. The results of this study are to be provided to the Committees on Armed Services of the Senate and House of Representatives by March 1, 1989.

C-17 development

The reduction of authorization for the C-17 development program recommended by the conferees is for budgetary reasons only and the Department of Defense is invited to seek reprogramming of funds, if necessary.

Joint tactical fusion program

The amended budget request included $.999 million for the Air Force portion of the Joint Tactical Fusion Program (JTFP).

The House bill would add $10 million: (1) to prevent termination of the Enemy Situation Correction Element (ENSCE); (2) to match Air Force funding to its commitment to provide 12 percent of the joint program RDT&E funding; and (3) to ensure that Air Force situation assessment equipment is functionally compatible with the Army system.

The Senate amendment would authorize the requested amount.

The conferees recommend an authorization of $7.999 million for the Air Force portion of the JTFP.

TR-1 program

The amended budget request contained $102.2 million to continue development of the TR-1 program.

The House bill would authorize $92.2 million. The $10 million reduction was based on the apparent lack of progress in supporting Army requirements.

The Senate amendment would authorize the amount requested.

The conferees recommend authorization of $102.2 million, of which $1 million is to be available only for the Air Force to examine methods of processing, exploiting and disseminating fixed and moving target indicator data from the TR-1 Advanced Synthetic Aperture Radar System for both Air Force and Army applications.

Follow-on tactical air reconnaissance system

The amended budget request contained $56.6 million for continued development of the Follow-on Tactical Air Reconnaissance System (FOTARS), which will provide reconnaissance sensors for use by unmanned aerial vehicles as well as in-production fighter aircraft of the Air Force and the Navy.

The House bill would reduce the request by $15 million, citing an ongoing General Accounting Office (GAO) investigation and lack of justification for the medium-range remotely piloted vehicle (RPV) that would carry the sensors.

The Senate amendment would also reduce the request by $15 million.

The conferees recommend authorization of $41.6 million.

The conferees note that the FOTARS program is an integral component of future tactical reconnaissance capabilities, but are troubled by inconsistencies in the program. For example, the Joint Services Imagery Processing System (JSIPS), a component of the FOTARS program, does not include a requirement to provide the near-real time data to the Army from sensors on manned and unmanned aircraft. The conferees request the Services to reassess their plans for receipt, exploitation and dissemination of tactical data through the JSIPS program.

Satellite systems survivability

The amended budget request included $3.784 million for satellite systems survivability.

The House bill would authorize the requested amount for this program. It also contained a provision (sec. 201) that would authorize an additional $5.3 million for satellite systems survivability.

The Senate amendment would authorize the requested amount.

The House recedes.

RESEARCH AND DEVELOPMENT, DEFENSE AGENCIES

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $8,667.8 million for Defense Agencies research, development, test, and evaluation. The House bill would authorize $7,772 million. The Senate amendment would authorize $8,706.2 million. The conferees recommend authorization of $8,428.4 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

					House		Senate			Conference	
R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	Change to Request	Authorized	Change to Request	Authorized	House +/- Senate	Change to Request	Authorized
		RESEARCH DEVELOPMENT TEST & EVAL DEF AG									
1	0601101E	DEFENSE RESEARCH SCIENCES	80,000	89,492		89,492		89,492	0		89,492
2	0601101W	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	2,442	2,070		2,070		2,070	0		2,070
3	0601103D	UNIVERSITY RESEARCH INITIATIVES	85,000	95,000		95,000	25,000	120,000	(25,000)	25,000	120,000
4	0601103E	UNIVERSITY RESEARCH INITIATIVES	0	0		0		0	0		0
5	0601104D	DEFENSE UNIVERSITY RESEARCH INSTRUMENT	24,608	0		0	25,000	25,000	(25,000)	0	0
6	0602101E	TECHNICAL STUDIES	1,700	1,800		1,800		1,800	0		1,800
7	0602301E	STRATEGIC TECHNOLOGY	311,500	227,640	69,000	296,640		227,640	69,000	79,000	306,640
8	0602702E	TACTICAL TECHNOLGY	116,245	116,871	20,000	136,871		116,871	20,000	10,000	126,871
9	0602707E	PARTICLE BEAM TECHNOLOGY	14,000	14,000		14,000		14,000	0		14,000
10	0602708E	INTEGRATED COMMAND AND CONTROL TECH	32,000	33,360		33,360		33,360	0		33,360
11	0602712E	MATERIALS AND ELECTRONICS TECHNOLOGY	59,000	20,540		20,540	2,000	22,540	(2,000)	2,000	22,540
12	0602714E	NUCLEAR MONITORING	24,330	22,600	15,000	37,600	15,000	37,600	0	15,000	37,600
13	0602715H	DEFENSE NUCLEAR AGENCY	302,888	346,848		346,848		346,848	0	(7,000)	339,848
14	0602716B	MAPPING, CHARTING AND GEODESY	300	0		0		0	0		0
15	0602718D	ENVIRONMENTAL HAZARD RESEARCH	16,500	0		0		0	0		0
		CENTER FOR ADVANCED TECHNOLOGIES	0			0	31,000	31,000	(31,000)	15,000	15,000
		SDI-GENERAL	3,531,224	4,521,121	(1,362,911)	3,158,210	(271,121)	4,250,000	(1,091,790)	(804,121)	3,717,000
16	0603220C	SDI-SURV, ACQ, TRACKING AND KILL ASSESS	955,523	1,124,625					0		
17	0603221C	SDI-DIRECTED ENERGY WEAPONS	832,326	1,029,894					0		
18	0603222C	SDI-KINETIC ENERGY WEAPONS	791,549	936,294					0		
19	0603223C	SDI-SYS CONCEPTS AND BATTLE MANAGEMENT/C	503,156	639,894					0		
20	0603224C	SDI-SURV, LETHALITY, & KEY SUPPORT TECH	448,670	790,414					0		
21	0603225D	JOINT DOD-DOE MUNITIONS TECHNOLOGY DEVEL	14,768	7,716		7,716	17,284	25,000	(17,284)	12,284	20,000
22	0603226E	EXPERIMENTAL EVAL OF MAJOR INNOVATIVE TE	215,133	225,046	15,000	240,046	(10,000)	215,046	25,000	5,000	230,046
23	0603227E	RELOCATABLE TARGET DETECTION TECHNOLOGY	5,000	15,400		15,400		15,400	0		15,400
24	0603269E	NATIONAL AERO SPACE PLANE TECH PROGRAM	0	0		0		0	0		0
25	0603702D	SPECIAL OPERATIONS, SPECIAL TECH OFFICE	0	0		0		0	0		0
26	0603703D	COUNTER-INSURGENCY AND SPECIAL TECH	0	0		0		0	0		0
27	0603706D	MICROWAVE/MILLIMETER WAVE MONOLITHIC INT	45,466	67,064	20,000	87,064	(14,500)	52,564	34,500	0	67,064
28	0603736D	COMPUTER AIDED LOGISTICS SUPPORT	9,845	11,582		11,582		11,582	0		11,582
29	0603737D	BALANCED TECHNOLOGY INITIATIVE	200,000	238,000		238,000	100,000	338,000	(100,000)	75,000	313,000
30	0603738D	COOPERATIVE DOD/VA MEDICAL RESEARCH	15,000	0	20,000	20,000		0	20,000	20,000	20,000
31	0603740D	RACER	5,000	0		0		0	0		0
32	0603756D	CONSOLIDATED DOD SOFTWARE INITIATIVES	24,567	37,120	8,000	45,120	8,000	45,120	0	8,000	45,120
33	0305108K	COMMAND AND CONTROL RESEARCH	2,541	2,371		2,371		2,371	0		2,371
34	1110011D	FORCE ENHANCEMENTS-ACTIVE	10,827	10,405		10,405		10,405	0		10,405
35	1140011D	ADVANCED SPECIAL OPERS RESEARCH, DEV ACQ	12,163	8,862		8,862		8,862	0		8,862
		ADVANCED TECHNOLOGY TACTICAL TRANSPORT			10,000	10,000		0	10,000	5,000	5,000

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
					Change to Request	Authorized	Change to Request	Authorized		Change to Request	Authorized
36	0603734K	ISLAND SUN	49,457	57,018		57,018		57,018	0		57,018
37	0603741D	AIR DEFENSE INITIATIVE	49,224	213,574	(40,000)	173,574	(50,000)	163,574	10,000	(50,000)	163,574
38	0302016K	NATIONAL MILITARY COMMAND SYSTEM-WIDE SU	10,616	5,691		5,691		5,691	0		5,691
39	0302019K	WWMCCS SYSTEMS ENGINEER	15,573	18,534		18,534		18,534	0		18,534
40	0303131K	MINIMUM ESSENTIAL EMERGENCY COMM NETWORK	8,373	9,785		9,785		9,785	0		9,785
41	0604702D	JOINT STANDOFF WEAPONS PROGRAM	25,000	15,900	10,000	25,900		15,900	10,000	0	15,900
42	0604771D	JOINT TACTICAL INFORMATION DISTRIBUTION	78,760	62,076	5,000	67,076		62,076	5,000	0	62,076
43	0201135K	CINC C2 INITIATIVES	2,067	1,883		1,883		1,883	0		1,883
44	0208045K	C3 INTEROPER (JOINT TACT C3 AGENCY)	61,715	60,264		60,264		60,264	0		60,264
45	0208045Q	C3 INTEROP (JOINT TACT C3 AG) (FY 87 AND	0	0		0		0	0		0
46	0208298K	MGT HQ (JOINT TACTICAL C3 AGENCY)	5,000	6,363		6,363		6,363	0		6,363
47	0208298Q	MGT HQ (JOINT TACT C3 AGENCY) (FY 87 AND	0	0		0		0	0		0
48	0305141D	JOINT REMOTELY PILOTED VEHICLES PROGRAM	50,291	34,766	(34,766)	0		34,766	(34,766)	12,300	47,066
48a		AQUILA PRIOR YEAR TRANSFER								[25,013]	[25,013]
49	0603701B	MAPPING, CHARTING, GEODESY INVESTIGATION	12,168	5,424		5,424		5,424	0		5,424
50	0604701B	MAPPING, CHARTING, AND GEODESY ENG DEV	3,782	1,380		1,380		1,380	0		1,380
51	0604703D	LANDSAT	9,843	0		0		0	0		0
52	0301011G	CRYPTOLOGIC ACTIVITIES	[ ]	[ ]	[13,886]	[ ]	[-19,400]	[ ]	[32,286]	[6,486]	[ ]
53	0301301L	GENERAL DEFENSE INTELLIGENCE PROGRAM	[ ]	[ ]		[ ]		[ ]	0		[ ]
54	0303126K	LONG-HAUL COMMUNICATIONS (DCS)	16,511	18,272		18,272		18,272	0		18,272
55	0303127K	SUPPORT OF THE NATIONAL COMMUNICATIONS S	3,574	3,928		3,928		3,928	0		3,928
56	0303401G	COMMUNICATIONS SECURITY (COMSEC)	[ ]	[ ]		[ ]		[ ]	0		[ ]
57	0305139B	DMA EXPLOITATION MODERNIZATION PROGRAM	285,000	293,317		293,317		293,317	0		293,317
58	0305154I	AIRBORNE RECONNAISSANCE SUPPORT PROGRAM	87,100	98,561		98,561	(20,000)	78,561	20,000	0	98,561
59	0305159B	DEFENSE RECONNAISSANCE SUPPT ACTIVITIES	2,853	3,000		3,000		3,000	0		3,000
60	0305159G	DEFENSE RECONNAISSANCE SUPPT ACTIVITIES	[ ]	[ ]		[ ]		[ ]	0		[ ]
61	0305159I	DEFENSE RECONNAISSANCE SUPPT ACTIVITIES	141,387	38,206		38,206		38,206	0		38,206
62	0305167G	COMPUTER SECURITY	[ ]	[ ]		[ ]		[ ]	0		[ ]
63	0305884L	INTELLIGENCE PLANNING AND REVIEW ACTIV	[ ]	[ ]		[ ]		[ ]	0		[ ]
64	0305885G	TACTICAL CRYPTOLOGIC ACTIVITIES	[ ]	[ ]	[-4,334]	[ ]		[ ]	[-4,334]	0	[ ]
999		INTELLIGENCE/COMMUNICATIONS CLASSIFIED	1,166,295	1,178,121	9,552	1,187,673	(19,400)	1,158,721	28,952	6,486	1,184,607

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
					Change to Request	Authorized	Change to Request	Authorized		Change to Request	Authorized
65	0603739D	SEMICONDUCTOR MANUFACTURING TECHNOLOGY	98,450	44,785	55,215	100,000	55,215	100,000	0	55,215	100,000
66	0603790D	NATO RESEARCH AND DEVELOPMENT	147,675	200,598		200,598		200,598	0		200,598
67	0605104D	TECHNICAL SUPPORT TO USD(A)	17,295	18,467		18,467		18,467	0		18,467
68	0605106D	GENERAL SUPPORT FOR PA&E	2,179	2,353		2,353		2,353	0		2,353
69	0605107D	GENERAL SUPPORT FOR POLICY	5,470	5,747		5,747	(5,747)	0	5,747	(1,747)	4,000
70	0605108D	GENERAL SUPPORT FOR NET ASSESSMENT	3,515	3,812		3,812		3,812	0		3,812
71	0605109D	GENERAL SUPPORT FOR FM&P	1,531	1,631		1,631		1,631	0		1,631
72	0605110D	TECH SUPPORT TO USD(A)—CRITICAL TECH	3,175	3,968		3,968		3,968	0		3,968
73	0605112D	RAND NATIONAL DEFENSE RESEARCH INST	16,259	17,531		17,531		17,531	0		17,531
74	0605114E	BLACK LIGHT	3,600	3,600		3,600		3,600	0		3,600
75	0605116D	GENERAL SUPPORT TO C3I	2,354	2,568	3,000	5,568		2,568	3,000	3,000	5,568
76	0605117D	FOREIGN MATERIAL ACQUISITION AND EXPLOIT	9,845	10,363		10,363		10,363	0		10,363
77	0605119D	GENERAL SUPPORT FOR P&L	2,558	2,865		2,865		2,865	0		2,865
78	0605502E	SMALL BUSINESS INNOVATIVE RESEARCH	0	0		0		0	0		0
79	0605711S	CRITICAL TECHNOLOGY ANALYSIS	29,019	4,400	35,000	39,400		4,400	35,000	27,000	31,400
80	0605801S	DEFENSE TECHNICAL INFORMATION CENTER	19,792	23,824		23,824		23,824	0		23,824
81	0605802S	INFORMATION ANALYSIS CENTERS	4,883	5,200		5,200		5,200	0		5,200
82	0605872E	PRODUCTIVITY INVESTMENTS	2,000	0		0		0	0		0
83	0605898C	MANAGEMENT HEADQUARTERS (SDI)	19,776	24,790		24,790	(3,790)	21,000	3,790	(3,790)	21,000
84	0605898E	MANAGEMENT HEADQUARTERS (RSCH AND DEV)	15,034	15,497		15,497		15,497	0		15,497
85	0702807D	INFRARED FOCAL PLANE ARRAY	1,969	23,589		23,589		23,589	0		23,589
86	0708011S	INDUSTRIAL PREPAREDNESS	8,326	10,800		10,800		10,800	0		10,800
87	1001015D	TECHNOLOGY SECURITY FUNCTIONS	484	441		441		441	0		441
		CASET			6,000	6,000		0	6,000	3,000	3,000
		ADVANCED SUBMARINE TECHNOLOGY			114,000	114,000		0	114,000	65,000	65,000
		ADVANCED ASW TECHNOLOGY			40,000	40,000		0	40,000	15,000	15,000
		AUTONOMOUS VEHICLE			8,000	8,000		0	8,000	0	0
		TECHNOLOGY EXPLOITATION			4,000	4,000		0	4,000	2,000	2,000
		ADVANCED TORPEDO PROGRAM			10,000	10,000		0	10,000	0	0
		CLASSIFIED			54,000	54,000	(75,000)	(75,000)	129,000	40,000	40,000
		OSD CLOSE AIR SUPPORT				0	15,000	15,000	(15,000)	10,000	10,000
		EXTENDED AIR DEFENSE				0	50,000	50,000	(50,000)	25,000	25,000
		THREAT SIMULATOR DEVELOPMENT				0	60,000	60,000	(60,000)	60,000	60,000
		PRODUCT EVALUATION ACT				0	17,500	17,500	(17,500)	17,500	17,500
		OPTOELECTRONIC MATERIALS				0	14,500	14,500	(14,500)	14,500	14,500
		DARPA MANTECH				0	106,000	106,000	(106,000)	0	0
		UNDISTRIBUTED REDUCTION			11,114	11,114	(33,500)	(33,500)	44,614	0	0
		TOTAL RDT&E, DEFENSE AGENCIES	7,661,825	8,667,800	(895,796)	7,772,004	38,441	8,706,241	(934,237)	(239,373)	8,428,427

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Change to Request	Conference Authorized
		DIRECTOR OF TEST & EVAL DEFENSE									
1	0604940D	TEST INSTRUMENTATION DEVELOPMENT	30,100	30,000		30,000		30,000	0		30,000
2	0604941D	SPACE SYSTEM TEST CAPABILITIES	1,500	2,000		2,000		2,000	0		2,000
3	0605111D	FOREIGN WEAPONS EVALUATION	29,811	12,864	5,000	17,864		12,864	5,000	0	12,864
4	0605130D	NATO COOPERATIVE DEVELOPMENT TESTING	43,000	42,813		42,813		42,813	0		42,813
5	0605131D	LIVE FIRE TESTING	6,700	5,000	10,000	15,000		5,000	10,000	5,000	10,000
6	0605132D	JOINT TECH COORD GROUP FOR AIRCRAFT SURV	7,086	7,086		7,086		7,086	0		7,086
7	0605804D	DEVELOPMENT TEST AND EVALUATION	63,919	67,137		67,137	(16,000)	51,137	16,000	(16,000)	51,137
		TOTAL DIRECTOR TEST & EVALUATION	182,116	166,900	15,000	181,900	(16,000)	150,900	31,000	(11,000)	155,900
		DIRECTOR OF OPERATIONAL TEST & EVALUATION									
1	0604340D	OT&E CAPABILITY IMPROVEMENT	59,000	121,166		121,166		121,166	0	(10,000)	111,166
2	0605118D	OPERATIONAL TEST AND EVALUATION	11,221	12,234		12,234		12,234	0		12,234
3	0605133D	SDS OT&E ORGANIZATION	0	10,000	(10,000)	0	(10,000)	0	0	(10,000)	0
		TOTAL OPERATIONAL TEST & EVALUATION	70,221	143,400	(10,000)	133,400	(10,000)	133,400	0	(20,000)	123,400

ITEMS OF SPECIAL INTEREST

National aerospace plane

The amended budget request included $244.767 million for the National Aerospace Plane technology demonstration program.

The House bill would authorize the requested amount.

The Senate amendment would reduce the request by $14 million.

The conferees recommend an authorization of $230.767 million. This reduction is made without prejudice, for budgetary reasons. The conferees express their support for the National Aerospace Plane program and expect the Department of Defense to incorporate adequate funding for this program into its Five Year Defense Program for fiscal years 1990 to 1994.

Air defense initiative

The amended budget request contained $213.574 million for the Air Defense Initiative, an increase of approximately $180 million over the amount appropriated for fiscal year 1988. Last year, the conferees attempted to improve the coordination and management of this joint program by vesting the Office of the Secretary of Defense (OSD) with oversight responsibility and stressing that priority should be placed on developing surveillance technologies and exploiting to the fullest extent relevant research conducted under the Strategic Defense Initiative.

The conferees believe some progress has been made in properly focusing this research effort, but are not confident that an integrated program plan enjoying the support of Service participants has been achieved.

The conferees recommend an authorization of $163.574 million for the Air Defense Initiative; related actions are described in the classified annex to this statement of managers.

The House bill contained a legislative provision (sec. 237) that would describe the purpose of the Air Defense Initiative and require an annual review of the program and its progress toward deployment.

The Senate amendment contained no similar provision.

The House recedes. The conferees believe that this information is already contained in present and planned Department of Defense reports.

Joint stand-off weapons program

The amended budget request contained $15.9 million for the Joint Standoff Weapons Program, which includes the Air Force's Modular Stand-off Weapon (MSOW) program and the Navy's Advanced Interdiction Weapon System (AIWS) program.

The House bill would authorize $25.9 million, and would direct that not less than $15.9 million be available for the AIWS program.

The Senate amendment contained no similar provision.

The conferees recommend an authorization of $15.9 million. The conferees understand that the MSOW program is likely to be revised substantially in light of the decision by France to withdraw from participation in the program. The Department of Defense is developing a master plan that will incorporate a revision to both the MSOW program and the AIWS program. The conferees direct that none of the amounts authorized be obligated until the Department has reported to Congress on the new plan for short-range stand-off weapons.

Projects of the Defense Advanced Research Projects Agency

In addition to other changes, the House bill would authorize inreases in the amounts requested for the Defense Advanced Research Projected Agency (DARPA) accounts as follows:

(1) $69.0 million for Strategic Technology to include $15.0 million for high temperature superconductor manufacturing; $20.0 million for advanced manufacturing technology for microelectronic components, advanced materials and concurrent design tools; $2.0 million for hybrid bi-static radar research; $7.0 million for gallium arsenide manufacturing technology; and $25.0 million to continue the development of the single pulse excimer laser.

(2) $20.0 million for Tactical Technology associated with anti-armor applications utilizing smart weapons.

(3) $15.0 million for experimental evaluation of the tactical laser communications program.

The Senate amendment would authorize $106 million more than the amended budget request—in addition to other inreases—in an account entitled DARPA MANTECH. This $106 million increase would be apportioned as follows: $46.0 million for gallium arsenide manufacturing technology and insertion; $27.0 million for high temperature superconductor manufacturing; $18.0 million for the DARPA Initiative in Concurrent Engineering; $8.0 million for the EXCIMER Laser-Semiconductor Device Manufacturing; and $7.0 million for the "smart skin" design effort.

In addition to provisions relating to DARPA in other sections of this statement of managers, the conferees agree to recommend an increased authorization of $94.0 million for DARPA as follows:

(1) $79.0 million for Strategic Technology to include $21.0 million for high temperature superconductor manufacturing technology; $18.0 million for advanced manufacturing technology for microelectronic components, advanced materials, and concurrent engineering design tools; $18.0 million for gallium arsenide manufacturing technology; $7.0 million for excimer laser semiconductor device manufacturing technology; and $15.0 million to continue the development of the single-pulse excimer laser.

(2) $10.0 million Tactical Technology associated with anti-armor applications using smart weapons.

(3) $5.0 million for Experimental Evaluation of Major Innovations for a follow-on forces attack prototype.

Although the conferees did not recommend authorization for research in hybrid bi-static radars as would be authorized by the House bill, the conferees agree as would be authorized by the House bill, the conferees agree that such a program merits support and urges the Department to pursue this promising technlogy.

The conferees are concerned that funding for artificial intelligence and robotics research the DARPA has been decreasing despite marked progress in this area in recent years, including, for example, tremendous productivity gains as the result of the introduction of expert systems. Therefore, the conferees direct that the DARPA Information Science and Technology Office allocate at least $47 million of funds authorized to AI/Robotics research.

The conferees also recommend that of the funds authorized for the Defense Advanced Research Projects Agency for fiscal year 1989, $15.0 million should be made available for a program of research in advanced microelectronic, optoelectronics, and materials.

The conferees note and continue to support DARPA funding and management in technology thrusts for basic research not explicitly directed to ongoing weapons development programs. Included among these thrusts, which the conferees continue to support, have been those encompassing directed energy programs. The current management challenge to DARPA is to execute both these basic technology programs and the prototype programs.

Advanced technology tactical transport

The House bill would authorize $10 million to initiate a prototyping program for the Advanced Technology Tactical Transport to continue the program initiated by the Defense Advanced Research Projects Agency.

The Senate amendment contained no similar provision.

The conferees recommend an authorization of $5 million. The conferees emphasize that any further development of the Advnaced Technology Tactical Transport should proceed on the basis of open competition among all qualified competitors.

Advanced torpedo technology

The House bill would authorize an additional $10 million for Advanced Torpedo Technology. This matter is addressed in the discussion of the Advanced ASW Technology program elsewhere in this statement of managers.

Anti-submarine warfare technology

The amended budget request did not include funds for authorization of an antisubmarine warfare (ASW) initiative.

The House bill would authorize $40 million for this purpose.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees recognize that the capabilities of Soviet submarines are increasing at a rate not previously predicted. To counter this trend and to enlarge the nation's antisubmarine warfare options, the conferees wish to ensure that the antisubmarine warfare research and development program encompasses a balanced range from conservative product improvement investments to vigorous high risk/high pay-off ventures. The conferees direct the Defense Advanced Research Projects Agency to conduct a thorough review of the national ASW research and development programs with the purpose of targeting high pay-off areas for investment. The conferees affirm the reporting requirements of the House report (H. Rept. 100-563).

The conferees recommended authorization of $15 million for the ASW Technology program, of which $10 million shall be allocated for advanced torpedo technology.

Advanced rotorcraft

The House report (H. Rept. 100-563) directed that $45 million of funds provided for the Balanced Technology Initiative (BTI) be used only for purposes of establishing an advanced rotorcraft technology program. The purpose of the program is to accelerate the development of advanced designs and materials to develop a low-observable helicopter.

The Senate report (S. Rept. 100-326) had no similar language.

The conferees note that there would be many positive features to an advanced rotorcraft program. The conferees do not believe, however, that it is appropriate to earmark funds authorized for the Balanced Technology Initiative for this purpose. In accordance with the program established by Congress and administered by the Department of Defense over the past three years, the Director of Defense Research and Engineering has the discretion as to funding of projects within the BTI program. The Director is welcome to fund projects for advanced rotorcraft technology if the Director judges that such projects meet the criteria for which the BTI program was established.

Anti-jam tactical communications

The House report (H. Rept. 100-563) imposed certain restrictions on Department of Defense plans for anti-jam tactical communications. In addition, the House report directed that $3 million be used only for Have Quick 2A development in the Navy and that $6 million be used only for development of a Universal Modem.

The Senate report (S. Rept. 100-326) contained no similar restrcitions.

The conferees are concerned that the Services' commitment to the establishment of joint Service anti-jam standards is not progressing in a well-defined manner. The conferees note that significant progress has been made since the Grenada operation; however, serious questions have been raised in the area of ultra high frequency (UHF 225-400 MHZ) anti-jam techniques. The conferees understand that the HAVE QUICK technique has been established as the U.S. standard, although the Navy has continued to equip existing aircraft with LINK 4A anti-jam protection.

The conferees direct the Secretary of Defense to submit a report to the Committees on Armed Services of the Senate and House of Representatives by January 15, 1989, describing the Department's plans with respect to tactical anti-jam communications. This report should outline the Department's plans as to how interoperability will be achieved within each Service as well as between Services and allies, and should take into account the equipping of current aircraft as well as future aircraft.

Electronic warfare master plan

The House report (H. Rept. 100-563) directed that the Department of Defense improve its master plan for electronic warfare (EW). The conferees recognize the considerable effort put forth by the Military Departments in preparation of the Electronic Warfare Master Plan. The current document represents a substantive improvement over previous versions. However, in order to increase the utility of the document, the conferees direct that the following changes and clarifications be implemented in the next submission of the plan set for February 1, 1989:

(1) The plan shall insure that the threat and operational assessment information include inputs from the Joint Chiefs of Staff and the Unified Commanders in Chief, as well as those of the Services.

(2) The plan shall clarify the relationship between electronic warfare programs described in the plan and threats they are to counter, explaining the deficiencies these programs are to address.

(3) For each major electronic warfare program, the plan shall identify RDT&E and procurement funding appropriated in fiscal year 1989 and the amount requested in fiscal years 1990 and 1991. The plan should include the procurement quantities for each year of funding and the major milestones of each program.

(4) The plan shall provide guidance and direction for acquisition of EW systems that are common to as many platforms and missions as feasible.

Further, the conferees direct, as a matter of DOD policy, that when common requirements exist and potential cost savings can be quantified, commonality be maximized to the extent possible in all electronic warfare acquisitions. Commonality assessments should consider inter-Service, intra-Service and operational aspects including logistics/maintenance support and maintenance/operator training.

Fibrous carbon thermal insulation

The House and Senate reports (H. Rept. 100-563 and S. Rept. 100-326) contained nearly identical language addressing the status of export controls on, and the strategic military importance of, fibrous carbon thermal insulation. The conferees endorse this language and affirm the reporting requirements contained therein.

Follow-on forces attack prototype

The House bill would add $5 million to the RDT&E authorization for the Defense Advanced Research Projects Agency (DARPA) for the purpose of developing, evaluating, and demonstrating a prototype that could enhance the first- and second-echelon target development and nomination process.

The Senate amendment contained no similar provision.

The conferees recommend authorization of $5 million for the proposed Follow-On Forces Attack (FOFA) prototype and endorse the language contained in the classified annex to the House report (H. Rept. 100-591, Part I) on H.R. 4387, the fiscal year 1989 Intelligence Authorization Act. The conferees believe that this initiative could address the Army tactical reconnaissance, surveillance, and target acquisition shortfalls for both ground targets and air defense. The conferees are mindful of the out-year funding implications of this initiative and urge its consideration in the fiscal year 1990 budget deliberations and as a candidate for inclusion in the Balanced Technology Initiative (BTI) program, if appropriate. Coordination with the Joint Unmanned Aerial Vehicles (UAV) program office may also be appropriate.

Low intensity conflict

The House bill would authorize $2 million for the National Security Agency to evaluate and, if appropriate, to procure off-the-shelf signals intelligence-related (SIGINT) items of equipment to support Special Operations Forces or U.S. Central Command contingency forces in the event of low-intensity conflict.

The Senate amendment contained no similar provision.

The conferees agree to provide $2 million in support of low-intensity conflict capabilities for the reasons and the purposes described in the classified annex to the House report (H. Rept. 100-591) on H.R. 4387, the fiscal year 1989 Intelligence Authorization Act.

Low intensity conflict planning and programming

The House bill would authorize $3 million for the Office of the Assistant Secretary of Defense for Command, Control Communications, and Intelligence to establish a planning and programming activity to ensure that low-intensity conflict intelligence initiatives can be developed planned, and programmed to meet the requirements of all the Services. The House bill would further direct that $1 million of the $3 million be provided to the Defense Intelligence Agency (DIA) for certain purposes. Finally, the House bill would request that the Secretary of Defense present, with the biennial fiscal year 1990 budget, a report on the status of low-intensity conflict initiatives and any out-year funding requirements.

The Senate amendment would not authorize funds for this purpose.

The conferees recommend $3 million for this initiative.

Management of electronic warfare programs

The House report (H. Rept. 100-563) directed the Secretary of to consolidate management of electronic warfare (EW) programs and to submit a report outlining the delegation of responsibilities of the Under Secretary of Defense for Acquisition for all electronic warfare programs.

The Senate report (S. Rept. 100-326) contained no similar direction.

For several years, the Congress has expressed its concern in the area of electronic warfare and electronic component commonality, and has taken several legislative steps to improve management and commonalty. The conferees believe it is essential that the Department of Defense avoid unnecessary duplication with attendant logistics and training requirements both within the individual military Services and among the military Services, consistent with the unique operational requirements of each of the Services. The conferees believe these steps were required, and progress to date has been limited, because of a diversity of management authority and oversight responsibility not only in the military Services but also in the Office of the Secretary of Defense.

The conferees believe that centralized oversight of electronic warfare and avionics programs in the Office of Secretary of Defense, and execution control under the Service Acquisition Executives, is essential to minimize proliferation and duplication in electronic warfare programs. Accordingly, the conferees direct the Under Secretary of Defense for Acquisition to submit a report to the Committees on Armed Services of the Senate and House of Representatives by December 1, 1988, outlining the delegation of oversight responsibilities by the Under Secretary of Defense for Acquisition for all electronic warfare programs, and an analysis on how responsibility for all EW programs might be consolidated in one office under the direction of the Secretary.

National bone marrow donor registry

The conferees recommend authorization of $21.108 million for the Navy Medical Development program, of which $2.5 million is to be available only for the National Bone Marrow Donor Registry program.

Radar warning receiver test and evaluation

The House report (H. Rept. 100-563) directed the Assistant Secretary of Defense for Command, Control, Communications and Intelligence to develop a joint Service integrated plan for fielding a single radar warning receiver for all Service uses, and to establish a test and evaluation program under the direction of the Director of Operational Test and Evaluation to manage a common "test bed" for radar warning receivers (RWR).

The conferees support the need to provide updated radar warning capability to counter the steadily improving threat. The conferees are concerned by the number of different radar warning receivers used by the various Military Departments. Over the past several years, Congress has urged the Services to work toward a more integrated approach in developing common effective radar warning receivers.

The conferees believe the Integrated Electronic Warfare/Integrated Communication Navigation Identification Avionics (INEWS/ICNIA) program offers the best opportunity for maximizing commonality in electric warfare systems for future aircraft. For current platforms, the conferees recognize that the large number of radar warning receivers already installed in combat aircraft precludes wholesale near-term replacement. However, to minimize perpetuation of mulitple types of systems and make best use of funds, the conferees direct the Services to limit spending on older RWRs to operationally essential reliability and maintainability upgrades and capability upgrades that are justified by a Cost and Operational Effectiveness Analysis (COEA). In the case of the ALR-67 upgrade or the Advanced Special Receiver (ASR) program, the COEA should consider the utilization of modules common with other RWR programs to the maximum extent practicable.

The conferees believe it is essential to establish a viable test and evaluation program for RWR updates. The conferees therefore direct that all future operational test results for RWR update programs be reviewed and approved by the Director of Operational Test and Evaluation, prior to obligation of production funds.

The Director should develop a uniform set of standards and criteria for measuring all RWRs. Tests should include a comprehensive, validated RWR threat base that uses identical simulations and field testing for all services. All field testing should evaluate RWRs in similar threat environments.

Remotely piloted vehicle

The amended budget request contained $34.8 million for research, development, test, and evaluation of Remotely Piloted Vehicles (RPV).

The House bill would deny authorization of the amount requested for this program until the Department of Defense submitted the required reports, restructured the management of RPV programs, and explained the tasks for which fiscal year 1989 appropriations would be obligated.

The Senate amendment would authorize the requested amount and did not contain any similar restriction.

The conferees received a draft Department of Defense Master Plan for Unmanned Aerial Vehicles (UAV) during the conference that is supposed to address the management of and planned expenditures for RPVs in fiscal year 1989. The conferees believe that a viable near-term and far-term RPV program could evolve from the Master Plan. However, the outyear implications, including the operating and support costs which must be incurred by the individual Services, could present an impediment to expeditious fielding of RPV systems that would compete for resources against currently fielded manned systems such as the RF-4 or proposed follow-on manned reconnaissance capabilities. The conferees, therefore, expect the Department of Defense UAV Executive Committee, in conjunction with the UAV Program Officer, to ensure that outyear funding is programmed by the Services and that objective reviews are conducted to examine the roles and cost-benefits of UAVs with respect to all other systems.

The conferees also believe that total program visibility is necessary to preclude a duplication of effort. Efforts currently reflected in the Master Plan as "related UAV programs" and others that could evolve from special assess programs should be under the management oversight of the Executive Committee and the Department of Defense UAV Program Manager. The conferees request the Executive Committee to review all RPV-related and special access programs, and, if appropriate, include them in future UAV program budget submissions.

The conferees support the proposal for a Joint Technology Center, with the understanding that the center is not limited to research and development tasks but is chartered to conduct tests, evaluation, and training programs. The conferees believe that such a center, supported by all four Services, will provide the baseline in technology and concepts of operations for future UAVs.

The conferees agreed that funds requested in the research, development, test, and evaluation account are insufficient to execute the UAV Master Plan. Accordingly, $47.1 million is recommended for authorization. Additional funds are available from reprogramming request FY 88-14 PA ($25 million), which is approved.

Further discussion of RPVs is contained in Title I, Procurement, of this statement of managers.

ICBM modernization (sec. 202)

The amended budget request contained $1,032,891,000 for ICBM Modernization, which consists of $40 million for continued development and flight testing of the MX missile system, $792,891 million for development of the rail-garrison MX system, and $200 million for development of the small ICBM system. The Department of Defense initially intended not to request funds for the small ICBM program in its amended fiscal year 1989 budget request, and to cancel the small ICBM program on grounds of unaffordability. However, following discussions with various congressional leaders, the Department agreed to include $200 million in the amended fiscal year 1989 request, in order to permit the next administration to determine the future course for ICBM modernization programs.

The House bill would authorize $32,891 million for the MX missile system, $100 million for the rail-garrison MX program and $600 million for the small ICBM program.

The Senate amendment would authorize the requested amount for MX missile development, $700 million for the rail-garrison MX program, and $50 million for the small ICBM program.

The conferees agreed to fund the continued development and flight testing of the MX missile at the requested amount, and to authorize a total of $750 million for the rail-garrison MX and small ICBM programs, subject to certain constraints. The conferees agreed to permit up to $250 million to be obligated for each of those two programs through March 31, 1989, and direct the Secretary of Defense not to terminate either program prior to January 21, 1989. Within these funding limitations, the conferees direct the Secretary to exercise his best management efforts to keep the contractor base for each program as intact as possible, and to continue studies and analyses of other ICBM basing and operational modes. The conferees further direct the Air Force not to obligate any fiscal year 1989 Rail-Garrison MX funds for the procurement of MX missiles for flight tests; the Air Force should plan to utilize MX missiles already being procured for follow-on testing and spares. Within the funding limits for the small ICBM program, the conferees also direct the Air Force to carry out the schedule of activities it has planned under the amended budget request, plus any additional activities to facilitate transition to a more rapidly paced program, should the President choose that course.

The conferees direct the Air Force to submit a report by October 1, 1988, to the Committees on Armed Services and Appropriations of the Senate and House of Representatives setting forth a detailed breakout of its plans for when and for what purpose funds will be obligated for the rail-garrison MX and small ICBM programs through March 31, 1989.

The conferees further intend that the next President shall choose after his inauguration but before March 31, 1989 whether to continue neither, both, or one of the two ICBM modernization programs—the rail-garrison MX program and the small ICBM program—and that he shall direct the Secretary of Defense to reallocate the unobligated balance of the $750 million provided so as to best support his programmatic decisions. Should the President choose to cancel both programs, the conferees would expect the unobligated funds to be allocated to an accelerated program of research on ICBM modernization options; should the President elect to continue both programs, the conferees recognize that available unobligated funds may not be sufficient for the balance of fiscal year 1989 and invite reprogramming actions by the Secretary of Defense. In any event, the next President shall notify the Committees on Armed Services and Appropriations of the Senate and House of Representatives promptly of his decision.

Nuclear monitoring (sec. 203)

The amended budget request contained $22.6 million for nuclear monitoring activities in the Department of Defense.

The House bill (sec. 203(a)) would direct that $37.6 million be available only for the nuclear monitoring program.

The Senate amendment contained no similar provision, but would also authorize $37.6 million.

The Senate recedes. The conferees agree that the increased authorization may be used to support activities such as those described in the House report (H. Rept. 100-563).

Grant for semiconductor cooperative research program (sec. 204)

The amended budget request contained $44.785 million for the Semiconductor Manufacturing Technology program (SEMATECH).

The House bill included a provision (sec. 204) that would authorize $100 million only for this program, an increase of $55.215 million above the amended budget request.

The Senate amendment would also authorize $100 million, but did not include a legislative restriction specifying that the funds would be authorized only for SEMATECH.

The Senate recedes.

Airship program (sec. 205)

The House bill contained a provision (sec. 207) that would authorize not more than $40 million for the airship program.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment. The conferees agree that the Secretary of Defense may make available an amount not to exceed $25 million for the airship program. The conferees include this funding in the Navy RDT&E account; however, the Secretary of Defense may transfer this funding to another RDT&E account if appropriate.

Anti-tactical ballistic missile system and extended air defense (sec. 206)

The House bill contained a provision (Sec. 214) that would require that not less than $75 million of the funds available for the Strategic Defense Initiative program be made available for the joint development, on a matching fund basis, of an anti-tactical ballistic missile system with NATO allies and other countries that the United States has invited to participate in the Strategic Defense Initiative program.

The Senate amendment contained a provision (Sec. 214(c)) that would authorize $50 million for the Defense Agencies for a research and development program to be approved by the Director of Defense Research & Engineering in connection with the anti-tactical missile system. The Senate provision would stipulate that if any funds were made available to firms in allied countries, such funds would be available for obligation only after the Secretary of Defense had entered into a cooperative program with such allied countries for that purpose.

The House recedes with an amendment.

The conferees support the Administration's plans for theater defense activities within the Strategic Defense Initiative, and recommend an additional authorization of $25 million for the Defense Agencies for the purpose of research and development in connection with anti-tactical missile systems.

Product evaluation (sec. 207)

The Senate amendment contained a provision (sec. 816) that would require the Secretary of Defense to establish a product evaluation activity for the purpose of demonstrating and evaluating promising items of equipment developed by private industry. Section 220B of the Senate amendment would also authorize $17.5 million for evaluation of those products that were not included in the amended budget request. The Senate provision also would require that the evaluation cost be shared on an equal basis between the contractor and the government.

The House bill contained no similar provisions.

The House recedes with an amendment. The conferees agree that this type of product evaluation activity would be beneficial to the Department of Defense; however, the Senate provision was not intended to establish a separate office to administer the activity. The conference agreement clarifies this intent, and also includes language concerning cost-sharing by small businesses.

The conferees direct that the Department of Defense set up a procedure whereby a "user" point of contact be assigned to each potential product. That point of contact should approve the potential usefulness for that product before it is considered for evaluation under this section. The conferees further agree that this product evaluation activity is only for products that could be used to satisfy a need of the Department of Defense.

The conferees have learned of many promising programs that could well be demonstrated through the product evaluation activity. The following projects were brought to the attention of the conferees.

Multi-Helicopter External Lift System.

Ruggedized Plastic Material for Ammunition Packaging.

30/30 Engineering Vehicle.

High-Speed Assault Landing Craft.

Navy Advanced anti-Ship Seeker/Guidance Program.

DP-2 Vector Thrust Project.

Hardened buried and low-profile broadband antennae.

Optoelectronics materials center (sec. 209)

Section 214(a) of the Senate amendment would authorize $14.5 million to establish an Optoelectronics Materials Center at a major university in the United States, and for associated facilities.

The House bill contained no similar provision.

The House recedes.

Trident II missile (sec. 211)

The amended budget request contained $1,865,609,000 for RDT&E on the Trident II missile.

The Senate amendment contained a provision (sec. 212) that would authorize the requested level, making such amount available only for RDT&E for the Trident II missile. This provision would also prohibit reductions to Trident II missile RDT&E to achieve any undistributed reductions.

The House bill contained no similar provision.

The House recedes.

Balanced technology initiative (sec. 212)

Section 215 of the Senate amendment would authorize $338 million for the Balanced Technology Initiative (BTI) program. Of this amount, $288 million would be authorized for those programs initiated in fiscal years 1987 and 1988, and $50 million would be available only for new and innovative projects begun in fiscal year 1989.

The House bill contained no similar provision.

The House recedes with an amendment that would delete the provision in which the relationship between BTI and the Conventional Defense Initiative (CDI) is addressed, and that would delete the restriction on obligation authority. The conferees note that CDI is no longer a distinct program separately identified in the bill. The conferees agree to an authorization of $263 million for those programs initiated in fiscal years 1987 and 1988, and $50 million only for new and innovative programs begun in fiscal year 1989.

The conferees strongly support the BTI program and believe that it offers significant opportunities to improve the combat capability of the conventional forces. The conferees also believe that a link should exist between BTI and the NATO Cooperative Research and Development program to maximize alliance resources, and urge the Department of Defense to pursue greater cooperation with our allies in this regard.

Oversight management of the BTI program has been assigned to the Director, Defense Research and Engineering (DDR&E). The conferees are satisfied at this time that the DDR&E will provide strong leadership and centralized focus to the program, irrespective of whether the program is executed by the Defense Advanced Research Projects Agency (DARPA) or within the Services.

The conferees note that the House report (H. Rept. 100-563) identified certain programs and mission areas such as Close-in Battlefield Surveillance, Countermine Technologies, and Advanced Rotorcraft and Traffic Control/Approach Landing System (TRACALS) for specific support under the BTI program. As established by the Congress and administered by the Department of Defense, the Director of Defense Research and Engineering has sole responsibility for determining the distribution of funds appropriated for the Balanced Technology Initiative. This provision was included so that the limited BTI funds are available to the most promising advanced technology available to the Department. While the conferees agree that many programs are worthy of support, they believe that BTI should compete programs and projects based on merit, opportunity, and need as determined by the DDR&E, and therefore leave the funding of the House proposed projects to the discretion of the DDR&E.

Advanced tactical aircraft and advanced tactical fighter (sec. 213)

The Senate amendment contained a provision (sec. 216) that would stipulate that not more than 50 percent of the funds provided to the Navy for the Advanced Tactical Aircraft may be obligated until the Secretary of Defense certifies that the Navy has budgeted sufficient funds to participate in the demonstration and validation phase of the Air Force's Advanced Tactical Fighter Program. Section 216 would also provide that the Air Force may obligate not more than $350 million for the advanced Tactical Fighter until the Secretary of Defense certifies that the Air Force has budgeted suficient funds to participate in the full scale development of the Navy's Advanced Tactical Aircraft.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Air-to-air missile project office (sec. 214)

The Senate amendment contained a provision (sec. 218) that would require the Secretary of the Navy and the Secretary of the Air Force to establish joint program offices for the co-development of the Advanced Air-to-Air Missile (AAAM) and the Product Improved Advanced Medium Range Air-to-Air Missile (AMRAAM). The Senate amendment would also authorize $40.4 million for the AAAM program and $30 million for the Product Improved AMRAAM, and further specify that not more than half of the funds could be obligated until the joint project offices had been established.

The House bill contained no similar provision.

The House recedes with an amendment that authorizes $20 million for a Product Improved AMRAAM program and $40.4 million for the AAAM program, and requires a single program office for these two programs.

Training in advanced manufacturing technologies (sec. 215)

The Senate amendment included a provision (sec. 220) that would authorize up to $31 million in fiscal year 1989 for the purchase of high technology manufacturing equipment and the installation of such equipment in a center for advanced manufacturing technology training.

The House bill contained no similar provision.

The House recedes with an amendment limiting the total authorization to no more than $15 million.

Space defense system (sec. 216)

The amended budget request contained no funding for the F-15 launched Miniature Homing Vehicle anti-satellite (MHV ASAT) program.

The House bill (section 202) would prohibit the obligation of $16 million in prior-year funds for this program.

The Senate amendment contained no similar legislative provision; however, it would also deny the obligation of these prior-year funds.

The Senate recedes.

Long-range conventional cruise missile program (sec. 217)

The amended budget request contained $50 million for research and development for the Long-Range Cruise Missile Program.

The House bill would authorize $10 million.

The Senate amendment would authorize the requested amount.

The conferees support the Long-Range Conventional Cruise Missile program and recommend authorization of $30 million. If program execution requires additional funds, the Department of Defense may request additional funding through the normal reprogramming process.

The Senate amendment also contained a provision (sec. 231) that would require the Department to submit a report on the Long-Range Conventional Cruise Missile.

The House bill contained no similar provision.

The House recedes.

Seek spinner (sec. 218)

The House bill would authorize $50 million in research and development to continue the development of the Seek Spinner anti-radiation lethal drone. The House bill also would authorize $15 million in advance procurement for Seek Spinner.

The Senate bill would not authorize funds for this program.

The conferees recommend that no funds be authorized for continued development or procurement of Seek Spinner. The conferees also recommend a provision prohibiting the Department of Defense from obligating any funds for research and development or procurement of Seek Spinner.

The conferees note that the Department of Defense recommended termination of Seek Spinner three years ago when Congress directed that the Department consolidate redundant cruise missile programs. The Department selected the Tacit Rainbow program for further development and procurement because it could be operated by each of the Services. By contrast Seek Spinner could not be operated by the Navy or the Army, and only the Tactical Air Command had a requirement for it in in the Air Force.

Last year Congress directed the Department to conduct a study of all stand-off munitions, and develop a stand-off munitions master plan. That plan has been delivered to Congress and recommends that Seek Spinner be terminated.

The conferees note that limited budget resources do not permit continuation of programs that are redundant to approved Department programs. Consequently, the conferees recommend authorization of the full request for the Tacit Rainbow program and termination of Seek Spinner. Further, the conferees encourage the Air Force to take such actions as are required to recover funds already obligated for the Seek Spinner program.

Moratorium on flight testing of depressed trajectory ballistic missiles (sec. 219)

The House bill contained a provision (sec. 209) that would establish a moratorium in fiscal year 1989 on the testing of depressed trajectory ballistic missiles.

The Senate amendment contained no such provision.

The Senate recedes with an amendment that changes the effective date of the moratorium and requires the Secretary of Defense, in coordination with the Director of Central Intelligence (DCI), to submit to Congress a report by April 1, 1989 that defines in quantitative terms a depressed trajectory ballistic missile. In addition, this report must also contain an evaluation of the United States' capability to monitor Soviet testing of depressed trajectory ballistic missiles, a description of past ballistic missile testing practices of the United States and the Soviet Union, and an evaluation of the possibility that the Soviet Union could deploy depressed trajectory ballistic missiles in the absence of future depressed tradjectory ballistic missile flight testing.

The conferees note that a depressed trajectory ballistic missile is a ballistic missile whose time of flight is less than the time of flight of the same ballistic missile on a minimum-energy trajectory of the same range. However, the specific quantitative definition of a depressed trajectory ballistic missile is a matter of judgment. Accordingly, the conferees have directed the Secretary of Defense, in coordination with the DCI, to supply such a definition. The conferees further direct that the report explicitly state all assumptions made in the descriptions and evaluation contained therein. Specifically, in evaluating the possibility that the Soviet Union could deploy depressed trajectory ballistic missiles without further flight testing, the conferees direct that the report state whether or not it assumes a deviation from established Soviet flight test practices. If such a deviation is assumed, the conferees direct that the report state the magnitude of the deviation. In addition, the conferees direct that the report include a discussion of reentry vehicle, guidance system, and rocket booster characteristics essential to depressed trajectory ballistic missile flight in the section of the report assessing the Soviet Union's ability to develop confidence in a depressed trajectory ballistic missile, without conducting full-up flight tests of such a weapon.

University research initiative (sec. 220)

The amended budget request contained $95 million for the University Research Initiative (URI).

The House bill would authorize $95 million and included a provision (sec. 238) that would broaden the geographic distribution of the funds.

The Senate amendment would authorize $120 million and included a provision (sec. 235) that would allow funds to be obligated in any state without limitation.

The conferees agree to delete both the House and Senate provisions and recommend an alternative provision that will prohibit earmarking of research funds for colleges and universities unless the provision is specifically set aside in each and every case where the set-aside is intended for a specific school. In agreeing to this provision, the conferees express their strong belief that ear marking research funds is not an acceptable practice and has an adverse effect on support efforts for creative, energetic basic research. The conferees believe that Federal funding should be awarded to academic institutions under a competitive process, and have therefore included a provision that will require specific action to circumvent a competitive environment.

The conferees recommend an authorization of $120 million for the URI.

The goal of the URI is to enhance on a nationwide basis the quality of science and engineering graduate education. The current focus of the URI program is multidisciplinary research. Although multidisciplinary research is a viable concept for further enhancing existing research centers of excellence, it does little to improve the overall nationwide science and engineering graduate education infrastructure. Of the funds authorized for the URI, at least $25 million are authorized only for initiating a new program that is focused on improving the overall nationwide science and engineering graduate education infrastructure. All awards under this program will be competitive, with priority being given to concepts employing cost sharing or cooperative agreements with the state and local governments, national and defense laboratories, industry, and existing research centers of excellence. The conferees wish to emphasize that awards under this new program should not be restricted on the basis of the geographical location of participating institutions.

By October 1, 1988, the Secretary of Defense shall provide Congress a plan for initiating the new program and for the eventual transition of the URI program from its current focus of multidisciplinary research to the broader focus of enhancing the nationwide quality of science and engineering graduate education balanced with multidisciplinary research.

Limitation on SDI programs (sec. 221)

The amended budget request contained $4,546 billion for the Strategic Defense Initiative (SDI) for research, development, testing, and evaluation.

The House bill contained a provision (sec. 211) that would authorize $3.183 billion for SDI.

The Senate amendment contained a provision (sec. 221(a)) that would authorize $4,271 billion for SDI.

The conferees agree to authorize $3.738 billion for SDI.

The House bill contained a provision (sec. 215) that would limit authorization of Phase I and related SDI programs to 40 percent of the SDI funds for fiscal year 1989. The Senate amendment contained a provision (sec. 221 (b)) that would authorize specific funding allocations for the Advanced Launch System, the Boost Surveillance and Tracking System, the Exoatmospheric Reentry Vehicle Intercept System, the High Endoatmospheric Defense Interceptor System, and the Gallium Arsenide Integrated Circuit Technology program.

Both the Senate and the House provisions stem from concern about the direction and priorities of the Strategic Defense Initiative program, particularly the Phase I architecture. The conferees are encouraged by the ongoing reassessment of the SDI program by the Administration. The conferees believe that the SDI program should be structured to obtain a balance among the following priorities.

First, there should be research on technologies that will lay the basis for an informed decision as to whether the long-term objectives of the SDI program can be realized. This should include research on directed energy weapons (such as the Free Electron Laser (FEL) and the Neutral Particle Beam (NPB)), survivability techniques, discrimination, and battle management software.

Second, the SDI program should explore defense technologies consistent with the ABM Treaty that might be developed in the near-term to defend against accidental missile launch. In this regard, the conferees agreed to establish a floor of $350 million on fiscal year 1989 funding for ground-based kinetic intercept technologies (such as the Exoatmospheric Reentry Vehicle Intercept System (ERIS) and the High Endoatmospheric Defense Interceptor, (HEDI)). The conferees also agreed that the Space-Based Interceptor (SBI) should not be considered for early deployment, and established a ceiling of $85 million for the SBI. The conferees recognize that sensor and propulsion technologies being developed under the SBI program element may be promising for ground based intercepts and would expect any overall program restructuring to take this into account. The conferees also agreed that the force of the space-based chemical laser program should be on ground-based experiments.

Third, the program should give emphasis to sensor technologies, especially to those programs within the SDI that are essential for other national security missions (such as the Boost Surveillance and Tracking System (BSTS) and the Space Surveillance and Tracking System (SSTS)) and to those technologies with significant military applications in addition to strategic defenses (including advancements in space launch cost reduction, lasers, software development, and sensor, optics and integrated circuit development).

Finally, the conferees note the value of some SDI technologies for spinoff or commercial applications. The conferees note especially the progress of the medical free electron laser program which has been supported by both the Administration and the Congress in fiscal year 1989.

The House recedes with an amendment that authorizes at least $350 million for ground-based kinetic interceptor systems, at least $225 million for the Free Electron Laser technology integration experiment, and not more than $85 million for the Space-Based Interceptor program.

Strategic defense system OT&E organization (sec. 221)

The amended budget request included $10 million to establish a formal strategic defense system (SDS) operational test and evaluation (OT&E) organization.

The House bill would provide no authorization for this organization.

The Senate amendment contained a provision (sec. 221(d)) that would prohibit the establishment of an SDS OT&E activity.

The House recedes with an amendment. The House report (H. Rep. 100-563) expressed the view that investment in operational test and evaluation of a strategic defense system is premature. The conferees endorse this view, and authorize no funds for fiscal year 1989 for an SDS OT&E activity. The conferees note, however, that this action does not alter the responsibilities of the Director, Operational Test and Evaluation and the Service operational test agencies to provide timely assessments necessary to support milestone decisions.

Report on allocation of SDI funding for fiscal year 1989 (sec. 222)

The Senate amendment contained a provision (sec. 222) that would require the Secretary of Defense to report to the Committees on Armed Services and Appropriations of the Senate and House of Representatives within 90 days of the enactment of legislation appropriating funds for the Strategic Defense Initiative (SDI) on how that funding has been apportioned among each program, project and activity of the SDI within each appropriation account.

The House bill contained no similar provision.

The House recedes. The conferees agrees that this provision, similar to a provision in the fiscal years 1988 and 1989 Defense Authorization Act (Public Law 100-180), provides a useful baseline for how the SDI Organization allocates those funds that are finally appropriated to the SDI for RDT&E and other purposes during fiscal year 1989. In the absence of this report, the Congress would not receive such detailed allocation information until the submission of the fiscal year 1990 budget request.

Development and testing of ABM systems or components (sec. 223)

The Senate amendment contained a provision (sec. 223) that specified that funds provided to the Defense Department for fiscal year 1989 and previous years for the development or testing of anti-ballistic missile (ABM) systems or components may not be obligated or expended unless such development or testing is consistent with the development and testing described in the March 1988 Strategic Defense Initiative Organization (SDIO) report.

At a hearing of the Strategic Forces and Nuclear Deterrence Subcommittee of the Senate Armed Services Committee on April 18, 1988, Dr. Robert B. Costello, the Under Secretary of Defense for Acquisition and the senior DOD official responsible for reviewing the compliance of DOD programs with U.S. legal obligations, testified that statements contained in Appendix C of the March 1988 SDIO report ("SDI Compliance with the ABM Treaty") meant that the Administration has no requirement or plan for any SDI development or testing—including for any long lead acquisition of unique material or equipment for such development or testing—in fiscal year 1989 that would conflict with a similar restriction (sec. 225) in the fiscal years 1988/1989 Defense Authorization Act (Public Law 100-180).

The House bill contained a virtually identical provision (sec. 212) that would specify that funds provided to the Defense Department for fiscal year 1989 and previous years may not be obligated or expended for any experiment, test, or purchase of equipment that is inconsistent with the April 18, 1988 testimony of Dr. Costello.

The House recedes.

Accidental launch protection (sec. 224)

The House bill contained a provision (sec. 216) that would express the sense of Congress that the Strategic Defense Initiative Organization (SDIO) should concentrate development efforts for the first phase of a strategic defense system on an Antiballistic Missile (ABM) Treaty-compliant system capable of protecting the United States from the accidental launch of an intercontinental ballistic missile (ICBM).

The Senate amendment contained no similar provision.

The Senate recedes with an amendment expressing the sense of the Congress that the Secretary of Defense should direct the SDIO to give priority to development of a deployment option for an ABM Treaty-compliant accidental launch protection system.

B-1B bomber program (sec. 231)

The House bill contained a provision (sec. 221) that would (1) limit the obligation of funds for RDT&E on the B-1B bomber pending receipt of a required report; (2) require a report on the total cost of planned and programmed enhancements to the B-1B; and (3) direct the Air Force to evaluate and flight test alternatives to the trouble-plagued ALQ-161 defensive avionics system on the B-1B.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees agree with the general thrust of the House provision, but do not believe a decision to embark on a commitment to installation and flight testing of alternatives to the ALQ-161 is justified at this time. On the other hand, the conferees remain concerned about whether the Air Force two-year "recovery plan" for the ALQ-161 will be successful in restoring a meaningful electronic warfare capability. While the conferees agree that the combination of lower radar cross-section, higher penetration speed, and better low-altitude flight capabilities represent important advancements in penetration capability relative to the B-52 fleet, the conferees continue to believe that electronic countermeasures will play an increasingly important role in the B-1B's ability to carry out its penetration missions.

Last year, the conferees directed the Air Force to develop a comprehensive, two-year recovery plan for the ALQ-161, and to report bimonthly on the progress achieved. While some progress has been achieved, the ultimate success of the program is not clear, and, therefore, the conferees believe it is prudent to direct the Air Force to establish a modest fallback effort. Accordingly, the conferees recommend authorization of $15 million, which shall be used only to conduct detailed evaluations, including "form, fit, and function" analyses of the applicability of existing electronic warfare systems to replace some or all of the ALQ-161 system. The conferees intend this action to provide options for the Committees to review in conjunction with the budget request for fiscal years 1990 and 1991 and the progress on the Air Force's ALQ-161 recovery plan next year. Should the Air Force or the Congress determine that the ALQ-161 recovery plan is not succeeding, this action should serve both to identify other feasible options and their costs and to shorten the lead-time for the implementation of one of the options.

The Senate recedes with an amendment.

Advanced technology bomber (B-2) (sec. 232)

The House bill contained a provision (sec. 222) that would require: A full performance matrix to be included as part of the B-2 cost, performance, and management initiative required in last year's Authorization Act; a report on total program cost of the B-2 in current and constant dollars; an independent GAO cost audit and analysis; and a review of the current system for monitoring and tracking the costs of the B-2 program.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment. The conferees agree to accept the general thrust of the House provision but with certain modifications, emphasizing an independent GAO cost review and the concern of the conferees for the ability of the Air Force and the DOD to control the costs of the program. The conferees endorse the continued development and low-rate production of the aircraft, because of its revolutionary penetration capabilities. However, the conferees continue to be concerned by the potential for programmatic cost growth on the part of the prime contractor and the two major subcontractors to affect the overall schedule and affordability of the program.

Sense of Congress on strategic missile modernization (sec. 233)

The Senate amendment contained a provision (sec. 232) that would express the sense of the Senate that the authorization of funds in this Act for research and development for both the Small ICBM and the rail-garrison MX missile systems does not constitute a commitment or express an intent to provide funds to procure and deploy either or both systems.

The House bill contained no similar provision.

The House recedes with an amendment changing the provision to the sense of Congress. In addition, the amendment deletes the findings from the Senate provision, because these findings had been previously stated in a similar provision (sec. 220) contained in the fiscal year 1988/1989 Defense Authorization Act (Public Law 100-180).

Advanced submarine technology (sec. 241)

The amended budget request did not include funds for the Advanced Submarine Technology Program.

The House bill would authorize $114 million for this purpose, with accompanying language concerning the execution of the program.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees recommend authorization of $65 million for the Advanced Submarine Technology Program under the management of the Defense Advanced Research Projects Agency. The conferees agree that this program should be funded at $100 million per year in order to maintain a desired level of effort; however, since the program was initiated in fiscal year 1988 and funding obligations were delayed six months due to the inertia inherent in a program start-up, $65 million is considered adequate in fiscal year 1989 to maintain a $100 million annual program. The conferees agree that the Defense Advanced Research Projects Agency should actively manage this program in a manner to ensure that the broadest range of technological disciplines and expertise will be brought to bear. Accordingly, the language of the House report (H. Rept. 100-563) concerning program execution, as revised, is affirmed and should stand as final guidance for this program, which is anticipated to have a life of approximately five years.

The Secretary of Defense is directed to act in the future to fund this program at levels that will ensure that the congressional intent is carried out.

EMPRESS II (sec. 242)

Both the House bill (sec. 235) and the Senate amendment (sec. 212(c)) would prohibit the Secretary of the Navy from conducting tests of electromagnetic pulses in the Chesapeake Bay area in connection with the Electromagnetic Pulse Radiation Environment Simulator Program for ships (EMPRESS). The House bill would effect a permanent prohibition; the Senate amendment would limit the prohibition only to fiscal year 1989.

The Senate recedes.

Space control (sec. 243)

The House bill contained a provision (sec. 939) that would require the Secretary of the Navy to submit a comprehensive plan to counter Soviet satellites used to locate, target, and destroy U.S. naval vessels.

The Senate amendment contained a provision (sec. 236) that would require a comprehensive report that includes the requirements underlying the space control mission, a net assessment of U.S. and Soviet space control capabilities, and a plan to satisfy space surveillance requirements.

The House recedes.

Advanced tactical reconnaissance system competition (sec. 244)

The Senate amendment contained a provision (sec. 927) that would require the Secretary of the Air Force to submit a report outlining his plans for establishing competition in the development and procurement of components for the Advanced Tactical Reconnaissance System.

The House bill contained no similar provision.

The House recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

High temperature superconductivity

The House bill continued two provisions (secs. 203(c) and 203(e)) that would direct that certain amounts be available to the Defense advanced Research Projects Agency (DARPA) only for high temperature superconductivity work.

The Senate amendment contained no similar provision; however, it would authorize $27 million to DARPA for high temperature superconductor manufacturing technology.

The House recedes on both provisions. The conferees affirm their intent that additional authorization be provided for research in high temperature superconductivity. Further discussion of this issue is included under the section of the statement of managers that addresses the Defense Advanced Research Projects Agency.

Vector thrust project (DP-2)

The House bill contained a provision (sec. 203(d)) that would urge the Secretary of Defense to transfer funds to continue the DP-2 Vector Thrust Project of the Defense Advanced Research Projects Agency if the results of on-going tests warrant the continuation of the project.

The Senate amendment included no similar provision.

The House recedes. The conferees agree, however, that the Vector Thrust Project (DP-2) may offer significant improvements to military aircraft performance. Accordingly, the conferees affirm the intent of the House provision, and urge that the Secretary of Defense transfer funds to continue the program should test results warrant. The conferees have also included this program as a possible candidate in the Product Evaluation Activity addressed elsewhere in this statement of managers.

Block 2 upgrade for Army tactical missile system

The House bill contained a provision (Sec. 206) that would require that $20 million be provided only for the development of a Terminally Guided Sub Munition (TGSM) for the Army Tactical Missile System (ATACMS).

The Senate amendment contained no similar provision.

The House recedes. The conferees recommend an authorization of $10 million.

The conferees believe that the Army should be developing anti-armor capability for modern weapon systems, and especially those weapons designed for follow on forces attack. The conferees fully support the speedy development of a block upgrade to the Army Tactical Missile System, which should feature, but not be limited to, improved terminally guided submunitions.

Red team analysis of SDI program

The House bill contained a provision (sec. 213) that would direct the Secretary of Defense to conduct an independent adversarial (or so-called red team) analysis of the Strategic Defense Initiative (SDI) program, in order to enhance the credibility of SDI plans and programs.

The Senate amendment contained no similar provision.

The House recedes. The conferees agree that it would be highly desirable for the Secretary of Defense to establish an independent "red team"—one wholly *outside* the direction, control, or influence of the SDI organization—to review the range of potential Soviet responses, both political and technical, to the current SDI program plans. The analyses should examine a broad range of potential Soviet responses and U.S. countermoves and assess the potential effectiveness of those moves and countermoves. The conferees strongly urge the Secretary to establish such an independent group, and to direct the necessary resources from the SDI Organization to support such an activity.

Joint integrated avionics

The House bill contained a provision (sec. 232) that would require the Secretary of Defense to designate a Director of Joint Service Avionics to head a Joint Service Avionics Management Office. The Director would oversee the incorporation of joint avionics systems into future aircraft systems currently under development in the Military Departments. The Director would control the distribution of funds for avionics development for future weapon systems.

The House bill also contained a provision (sec. 205) that would provide authorization of not less than $50 million for engineering development of the joint Integrated Communications Navigation Identification Avonics (ICNIA) program. Further, the House provision would specify that $3 million of the funds authorized shall be available to the Army only for a helicopter test bed for the ICNIA program.

The Senate amendment contained no similar provisions.

The House recedes with the following language.

The conferees support the concept of Service execution and management of a joint avionics process through the Joint Integrated Avionics Plan and the Joint Integrated Avionics Working Group (JIAWG). The conferees believe JIAWG, as supervised by the Service acquisition executives, is sufficient to develop integrated avionics tailored to specific aircraft, while maximizing commonality and fulfilling the intent of streamlined acquisition as described in the Goldwater-Nichols Department of Defense Reorganization Act of 1986; however, oversight by the Office of the Secretary of Defense (OSD) should be more focused to provide explicit guidance. The conferees note the current JIAWG is undergoing a restructuring, and the funding for integrated avionics in the fiscal year 1989 amended budget request was not sufficient. Therefore, the conferees direct the Under Secretary of Defense (Acquisition) to submit to the Committees on Armed Services of the Senate and House of Representatives, by December 1, 1988, a report on the feasibility of centralizing and strengthening existing OSD oversight of joint avionics development within the current OSD organization.

To address funding shortfalls, the conferees recommend additional authorization of

$34.7 million for the Air Force for joint integrated avionics. Of the $34.7 million recommended for authorization, $5.7 million is to be utilized for implementation of JIAWG avionics; $26 million is to be utilized for full scale development of common modules for integrated communication, navigation, and identification avionics; and $3 million is to be utilized for testing integrated communications, navigation, and identification avionics is a helicopter test bed such as an Army UH-60 Blackhawk.

This program initiative is not intended to delay the Air Force's Advanced Tactical Fighter (ATF), the Navy's Advanced Tactical Aircraft (ATA), or the Army's light helicopter (LHX) program. Rather, this approach provides for the concurrent development of modules and the supporting architectural elements of the JIAWG standard integrated avionics suites to reduce risk in meeting the ATF, ATA, and LHX aircraft schedules. In view of this objective, the conferees expect the Department of Defense to include sufficient funding in future budget requests.

Live fire testing programs

Section 236 of the House bill would amend section 2366(b)(3) of title 10, United States Code, to allow the Secretary of Defense to conduct live fire testing and to evaluate such testing using appropriations available for procurement of the systems being tested.

The Senate amendment contained no similar provision.

The House recedes. The conferees agree with the intent of the House provision to allow the Secretary of Defense to reprogram up to one third of one percent of the total funds approved by Congress for the procurement of a specific system that has been identified as a live fire testing candidate, for the purpose of conducting necessary vulnerability/lethality live fire tests and evaluations in compliance with the fiscal years 1987 and 1988 Defense Authorization Acts (Public Laws 99-661 and 100-180). The conferees agree to provide this discretionary authority to the Secretary of Defense through this statement of managers.

National Center for Manufacturing Sciences

The Senate amendment contained a provision (sec. 213(a)) that would authorize $5 million from the Air Force Manufacturing Technology (MANTECH) program only for the National Center For Manufacturing Sciences (NCMS).

The House bill contained no similar provision; however, the House report (H. Rept. 100-563) contained language that would direct the Air Force to obligate $5 million from the Air Force MANTECH program (identified as the Air Force Industrial Preparedness program) to support NCMS. The House report would also provide $10 million within the Air Force Industrial Preparedness program to complete a two phase program for modernizing the MARQUADT jet laboratory (MJL) facility and for meeting demanding requirements for ongoing and future hypersonic ramjet and scramjet programs such as the National Aerospace Plane (NASP) technology program.

The Senate recedes. The conferees direct that the Air Force obligate $5 million from the Air Force Industrial Preparedness program to support NCMS; however, the conferees do not agree with the House report language directing $10 million from the Air Force Industrial Preparedness account to MJL. The conferees support the requirement to enhance the nation's hypersonic testing facilities, but are concerned about utilizing industrial preparedness funds and the specific designation of a facility on a noncompetitive basis to receive these funds. The conferees, therefore, agree to authorize up to $10 million within the National Aerospace Plane technology program to establish a program to enhance industrial hypersonic testing facilities.

Consolidated DOD software initiatives program

Section 214(b) of the Senate amendment would authorize $45.12 million ($8 million above the amended budget request) only for the Defense Advanced Research Projects Agency for the Consolidated Department of Defense Software Initiatives program.

The House bill contained no similar legislative restriction, but would also authorize $45.12 million. The Senate and House reports (S. Rept. 100-326 and H. Rept. 100-563) both specifically would direct that of the $45.12 million, at least $18.9 million would be available only for the Department of Defense Software Engineering Institute (SEI).

The Senate recedes. The conferees recommend an authorization of $45.12 million and direct that at least $18.9 million be available only for the DOD Software Engineering Institute.

Mark XV identification friend or foe

The Senate amendment contained a provision (sec. 217) that would limit the amount the Department of Defense could obligate on combat identification systems until the Secretary of Defense made certain certifications to the Congress concerning combat identification systems.

The House bill contained no similar provision.

The Senate recedes.

The conferees concur with the Senate position that combat identification persists as one of the most important deficiencies in the NATO Alliance. NATO identified combat identification as one of its key deficiencies twenty years ago, but little progress has been made to correct that deficiency. The conferees share the concern that the Department's program to rectify combat identification problems is inadequate. Further, the conferees understand that the current program is subject to even further reductions and delays in the Department's planning for the Five Year Defense Program for fiscal years 1990 to 1994.

The conferees intend to focus on the problem of combat identification during consideration of the Five Year Defense Program for fiscal years 1990 to 1994. To that end, the conferees direct the Department of Defense to take the following action:

(1) The Secretary of Defense shall conduct a comprehensive fratricide assessment of U.S. forces, to include air-to-air and surface-to-air fratricide. The fratricide assessment shall consider combat identification capabilities and force levels in three time periods: 1990, 1995, and 2000. The fratricide assessment should indicate which programs and capabilities produce changes over these periods.

(2) The Commander-in-Chief of the U.S. European Command shall report to the Secretary his assessment of the adequacy of NATO's combat identification systems, and the extent to which the Five Year Defense Program removes the deficiencies in combat identification for U.S. forces. The Commander-in-Chief shall also report on the adequacy of the plans of other members of the NATO alliance to redress deficiencies in combat identification.

(3) The Director of Defense Research and Engineering shall conduct a comprehensive evaluation of all non-cooperative combat identification programs. That evaluation shall include an assessment of the technical status and risk of each program, as well as the Services' management of those programs.

The conferees direct that the Department not obligate more than 50 percent of the research and development funds appropriated pursuant to authorization for combat identification until the Secretary has submitted to the Congress the reports and studies noted above. The programs included in the obligation limitation are P.E. 603706A, 604709A, 604211N, 603724F, and 604725F.

Satellite R&D

The Senate amendment (sec. 219) would apply an undistributed reduction to the Global Positioning System (GPS), the Defense Satellite Communications System (DSCS), the Defense Meteorological Satellite Program (DMSP), and the Defense Support Program (DSP) satellite R&D programs.

The House bill would authorize the amounts contained in the amended budget request.

The Senate recedes. The conferees agreed to the Senate position and to the rationale contained in the Senate report (S. Rept. 100-326) but see no need for a legislative provision.

TITLE III—OPERATION AND MAINTENANCE AND WORKING CAPITAL FUNDS

OVERVIEW

The House bill would authorize $85,700,879,000 for Department of Defense Operation and Maintenance accounts and $768,500,000 for Working Capital Fund accounts, an increase from the amended budget request of $51,879,000 and $5,000,000, respectively.

The Senate amendment would authorize $85,521,280,000 for Department of Defense Operation and Maintenance accounts and $693,500,000 for Working Capital Fund accounts, a reduction of $127,700,000 and $70,000, respectively.

The conferees agree to authorize $85,497,500,000 for Department of Defense Operation and Maintenance accounts and $688,500,000 for Working Capital Fund accounts, as reflected in the following tables. This level of authorization represents a reduction from the amended budget request of $151,500,000 and $75,000,000, respectively.

OPERATION AND MAINTENANCE
SUMMARY OF FUNDS RECOMMENDED
FOR AUTHORIZATION
(DOLLARS IN THOUSANDS)

ACCOUNT	AMENDED FY1989 REQUEST	HOUSE CHANGE	FY1989 HOUSE AUTHORIZED	SENATE CHANGE	FY1989 SENATE AUTHORIZED	CONFERENCE CHANGE	FY1989 CONFERENCE AUTHORIZED
O & M, ARMY	22,085,200	79	22,085,279	18,700	22,103,900	18,700	22,103,900
O & M, NAVY	24,945,800	2,000	24,947,800	(66,100)	24,879,700	(93,700)	24,852,100
O & M, MARINE CORPS	1,792,000	60,000	1,852,000	0	1,792,000	25,000	1,817,000
O & M, AIR FORCE	21,950,000	(34,600)	21,915,400	(51,300)	21,898,700	(94,400)	21,855,600
O & M, DEFENSE AGENCIES	7,725,700	(4,600)	7,721,100	(88,820)	7,636,880	(40,300)	7,685,400
O & M, ARMY RESERVE	794,900	0	794,900	0	794,900	0	794,900
O & M, NAVY RESERVE	979,200	0	979,200	0	979,200	0	979,200
O & M, MARINE CORPS RESERVE	77,500	0	77,500	0	77,500	0	77,500
O & M, AIR FORCE RESERVE	1,028,500	5,400	1,033,900	0	1,028,500	5,400	1,033,900
O & M, ARMY NATL GUARD	1,797,000	0	1,797,000	8,300	1,805,300	4,200	1,801,200
O & M, AIR NATL GUARD	1,965,400	5,600	1,971,000	0	1,965,400	5,600	1,971,000
RIFLE PRACTICE	4,300	0	4,300	0	4,300	0	4,300
COURT OF MILITARY APPEALS	3,500	0	3,500	0	3,500	0	3,500
ENVIRONMENTAL RESTORATION	500,000	0	500,000	0	500,000	0	500,000
HUMANITARIAN ASSISTANCE	0	13,000	13,000	13,000	13,000	13,000	13,000
GOODWILL GAMES	0	5,000	5,000	0	0	5,000	5,000
TOTAL OPERATION & MAINTENANCE	85,649,000	51,879	85,700,879	(166,220)	85,462,780	(151,500)	85,497,500

O & M, ARMY
($ IN THOUSANDS)

	FY89 REQUEST	HOUSE BILL		SENATE BILL		CONFERENCE	
		CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O & M, ARMY	22,085,200						
Capping For Nat Civ pay		(13,900)				0	
MWR		(6,000)				(6,000)	
Depot Maintenance		(120,000)		120,000		(50,000)	
Base Operations		(40,000)				(10,000)	
General Purpose Forces		(47,000)				(10,000)	
Central Supply		120,000		40,000		120,000	
Industrial Preparedness		32,000				22,000	
Army Dev & Emp Agency		2,000				1,500	
Classified Programs		(7,021)				0	
Direct Support Maintenance		20,000				0	
Stock Fund Repair Parts		30,000				0	
Drug Interdiction		10,000				0	
Commissary Operations		20,000				0	
Command, Control and Communications				(10,000)		(5,000)	
Asset Capitalization				(50,000)		(25,000)	
Administration				(34,000)		(10,000)	
Claims				(10,000)		(10,000)	
DSACS				1,200		1,200	
TOTAL	22,085,200	79	22,085,279	57,200	22,142,400	18,700	22,103,900

O & M, NAVY
($ IN THOUSANDS)

	FY89 REQUEST	HOUSE BILL		SENATE BILL		CONFERENCE	
		CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O & M, NAVY	24,945,800						
Inventory Management		(62,700)				(44,500)	
Navy Audit Service		(2,000)				(2,000)	
ADP Systems		(29,800)				(29,800)	
MWR		(7,000)				(7,000)	
Naval Industrial Funding		(139,200)				0	
Gulfport		(9,000)				0	
Davis Bacon		(30,000)				0	
Service Contract Act		(53,000)				0	
Capping Foreign Nat Civ Pay		(8,200)				0	
Aviation Rework and Maintenance		200,000				72,000	
Sunset Harbor Study		100				100	
Fleet Electronic Warfare Support Program		2,800				2,800	
General Purpose Forces		55,000				0	
Drug Interdiction Assistance		25,000				0	
Direct Transfer Coast Guard Drug Assistance		60,000				0	
Command, Control and Communications				(5,000)		(5,000)	
Asset Capitalization Program				(100,000)		(80,000)	
Depot Maintenance				40,000		0	
Classified Programs				(1,100)		(300)	
TOTAL	24,945,800	2,000	24,947,800	(66,100)	24,879,700	(93,700)	24,852,100

O & M, MARINE CORPS
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY89 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O & M, MARINE CORPS	1,792,000						
Readiness Initiatives		50,000				25,000	
Depot Maintenance		10,000				0	
TOTAL	1,792,000	60,000	1,852,000	0	1,792,000	25,000	1,817,000

O & M, AIR FORCE
($ IN THOUSANDS)

	FY89 REQUEST	HOUSE BILL		SENATE BILL		CONFERENCE	
		CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O & M, AIR FORCE	21,950,000						
Capping For Nat Civ Pay		(4,700)				0	
MWR		(15,000)				(15,000)	
Flight Jackets		(5,200)				(5,200)	
Inventory Management		(35,000)				(27,500)	
Real Growth Reductions		(40,900)				(15,400)	
Civil Air Patrol		1,700		1,700		1,700	
Classified Programs		(500)				0	
Depot Maintenance		40,000		75,000		30,000	
Drug Interdiction Assistance		25,000				0	
Command, Control and Communications				(40,000)		(20,000)	
Asset Capitalization Program				(50,000)		(25,000)	
Administration				(13,000)		(13,000)	
Transportation				(25,000)		(5,000)	
TOTAL	21,950,000	(34,600)	21,915,400	(51,300)	21,898,700	(94,400)	21,855,600

O & M, DEFENSE AGENICES
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY89 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O & M, DEFENSE AGENICES	7,725,700						
Capping For Nat Civi Pay		(900)				0	
Office of Secretary of Defense		(5,000)				(5,000)	
Washington Headquarters Services		(5,000)				(5,000)	
Classified Programs		(3,700)		(30,820)		(5,300)	
DIS		10,000				10,000	
Command Control and Communications				(20,000)		(10,000)	
Administration				(38,000)		(25,000)	
TOTAL	7,725,700	(4,600)	7,721,100	(88,820)	7,636,880	(40,300)	7,685,400

O & M, AIR FORCE RESERVE
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY89 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O & M, AIR FORCE RESERVE	1,028,500						
Reinstate FY 1989 Force Structure Reduction		5,400				5,400	
TOTAL	1,028,500	5,400	1,033,900	0	1,028,500	5,400	1,033,900

O & M, ARMY NATIONAL GUARD
($ IN THOUSANDS)

	FY89 REQUEST	HOUSE BILL		SENATE BILL		CONFERENCE	
		CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O & M, ARMY NATIONAL GUARD	1,797,000						
Flying Hours				8,300		4,200	
TOTAL	1,797,000	0	1,797,000	8,300	1,805,300	4,200	1,801,200

O & M, AIR NATIONAL GUARD
($ IN THOUSANDS)

	FY89 REQUEST	HOUSE BILL CHANGE FROM REQUEST	HOUSE BILL AUTHORIZATION	SENATE BILL CHANGE FROM REQUEST	SENATE BILL AUTHORIZATION	CONFERENCE CHANGE FROM REQUEST	CONFERENCE AUTHORIZATION
O & M, AIR NATIONAL GUARD	1,965,400						
Reinstate FY 1989 Force Structure Reduction		5,600				5,600	
TOTAL	1,965,400	5,600	1,971,000	0	1,965,400	5,600	1,971,000

SUMMARY OF FUNDS RECOMMENDED
FOR AUTHORIZATION
(DOLLARS IN MILLIONS)

ACCOUNT	AMENDED REQUEST FY1989	HOUSE CHANGE	FY1989 HOUSE AUTHORIZATION	SENATE CHANGE	FY1989 SENATE AUTHORIZED	CONFERENCE CHANGE	FY1989 CONFERENCE AUTHORIZED
REVOLVING AND MANAGEMENT FUNDS							
Army Stock Fund	321.9	−15.0	306.9	−30.0	291.9	−30.0	291.9
Navy Stock Fund	204.7	0.0	204.7	−20.0	184.7	−20.0	184.7
Air Force Stock Fund	206.9	25.0	231.9	−20.0	186.9	−20.0	186.9
Defence Stock Fund	30.0	−5.0	25.0	0.0	30.0	−5.0	25.0
National Defense Stockpile	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL REVOLVING/MANAGEMENT FUNDS	763.5	5.0	768.5	−70.0	693.5	−75.0	688.5

ITEMS OF SPECIAL INTEREST

Morale, welfare and recreation

The conferees generally endorse the recommendations and direction issued by the House report (H. Rept. 100-563) and urge the Department of Defense to continue its efforts to manage morale, welfare, and recreation (MWR) activities in a more uniform and efficient manner. The conferees wish to clarify a number of points in the report and provide additional guidance to the Department of Defense.

The conferees believe that MWR activities in the Department of Defense should be divided into three categories in lieu of the four categories advocated by DOD. For those activities that were in the category that is being disestablished and that are being assigned to the business activity category (for which no direct appropriated fund support is provided), the Department of Defense may submit to the Committees on Armed Services of the Senate and House of Representatives by October 1, 1988, a list of activities by base, supported by appropriate justification, to be exempt from assignment to this category and to be assigned instead to the basic community support category (for which a combination of appropriated and non-appropriated fund support is authorized). The conferees expect the Department of Defense to exercise this option judiciously on the basis of the location of these activities, such as isolated, remote locations or locations that are exceptional because of conditions which make them practically identical to isolated, remote locations in terms of MWR. The exemption will be subject to the approval of the Committees on Armed Services of the Senate and House of Representatives.

With respect to the phase out of appropriated fund civilian employees and military personnel from business activities, the conferees direct the Department of Defense to expedite the action to provide portability of benefits between civil service and non-appropriated fund employees. The conferees also direct the Department of Defense to identify those military personnel who are currently serving in the activities being religned to the business activities category who have been assigned a primary skill with the reasonable expectation of retaining this skill as a career skill. The conferees expect the Department of Defense to provide for retraining of those personnel to other skills. In the case of personnel who are within four years of retirement or completion of an active duty service commitment, the Department of Defense may develop a plan for the utilization of these personnel in business activities until October 1, 1992. The Department of Defense will submit this plan by December 31, 1988 to the Committees on Armed Services of the Senate and House of Representatives for approval.

With respect to the reimbursement of non-appropriated fund Services with appropriated funds, the conferees are disappointed at the apparent inability of the Office of the Secretary of Defense to provide definitive, uniform guidance to the military Services. Therefore, the conferees direct the Department of Defense to cease this practice by October 1, 1990.

Finally, with respect to the transfer of package store activities to the exchanges, the conferees expect the Department of Defense to provide a reasonable employment transition option for personnel currently employed by package stores.

Joint use of Selfridge AFB, Michigan

The conferees from the House of Representatives note that, given the opposition of the Air Force to making Selfridge Air Force Base, Michigan, a joint use facility, it would require an act of Congress to direct such joint use. The House conferees state their opposition to any such joint use and to any such future act of Congress.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Humanitarian assistance (sec. 303)

Both the House bill and the Senate amendment contained a provision (section 303) that would continue a program of transportation of humanitarian aid to persons who are refugees because of the invasion of Afghanistan by the Soviet Union and to the non-Communist resistance organization at or near the border between Thailand and Cambodia. Both provisions would provide that of the amount authorized in section 301 for humanitarian aid ($13 million), $10 million would be for the Afghan programs and $3 million would be for the Southeast Asia program. As in previous years, the transportation provided under this section would be under the direction of the Secretary of State.

The only differences between the two provisions were minor differences in the reporting requirements to Congress. The conferees believe the Senate version is preferable. Therefore, the House recedes.

Tripler Army Medical Center (sec. 304)

The Senate amendment contained a provision (sec. 305) that would direct the Department of Defense to establish a video teleconferencing center for the Tripler Army Medical Center.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Assistance to the 1990 Goodwill Games (sec. 305)

The House bill would authorize $5 million for Defense Department security support for the 1990 Goodwill Games in Seattle, Washington.

The Senate amendment contained no similar authorization.

The Senate recedes with an amendment.

The conferees agreed to authorize the Secretary of Defense to provide logistical support and personnel services on a reimbursable basis to Federal, State and local government entities in connection with the 1990 Goodwill Games to be held in Seattle, Washington. The Secretary of Defense, under specified circumstances, may waive the requirement for reimbursement for logistical support and personnel services to the Goodwill Games to ensure the security of persons and property in connection with the Games. In order for the Secretary to exercise this waiver authority, the Attorney General must (1) certify to the Secretary that there are significant potential threats to the security of persons or property, or both, at the Games, and that other Federal, State and local entities concerned do not have the capability to deal adequately with such potential threats; and (2) recommend that the requirement for reimbursement be waived because such reimbursement is in the national interest and unusual circumstances make it impractical for Federal, State and local entities to reimburse the Secretary.

The provision requires that waivers for reimbursement be made by the Secretary on a case-by-case basis. The conferees included this requirement to ensure that a blanket waiver is not given by the Secretary for the entire range of security support services provided by the Department of Defense. Rather, it is the intent of the conferees that the waiver authority be used for particular categories of equipment and services on the basis of specific demonstrated need.

This provision also authorizes up to $5 million to be appropriated for DOD support to the Goodwill Games in fiscal year 1989. In computing the amount that has been expended to carry out this provision, the Secretary shall include the pay and allowances of Members of the Reserve Components called to active duty to provide support to the Goodwill Games and exclude the pay and non-travel related allowances of active duty military members supporting the Games.

Inaugural assistance (sec. 306)

The conferees are concerned that the authority contained in section 2543 of title 10, United States Code, for the Secretary of Defense to provide support to the Inaugural Committee may not provide sufficient flexibility to encompass the full range of support that the military Services have traditionally and customarily provided to the ceremonies marking the inauguration of the President. Accordingly, the conferees have included a provision giving the Secretary of Defense additional authority during fiscal year 1989 to lend materials or supplies and provide materials, supplies or services of personnel to the Inaugural Committee under conditions prescribed by the Secretary.

The conferees believe that in providing this increased flexibility, the Inaugural Committee should reimburse the Secretary of Defense for the materials, supplies or services of personnel provided to it in connection with any event that is not a public event. The conferees also believe that when providing the services of members of the armed forces to the Inaugural Committee for any event that is not a public event, the Secretary should utilize only members of the armed forces who have volunteered for service with the Inaugural Committee.

Prohibition on financing certain activities by direct appropriations (sec. 311)

The House bill contained a provision (Sec. 311) that would prohibit the conversion of the Naval Avionics Center, Indianapolis, Indiana; the Naval Air Engineering Center, Lakehurst, New Jersey; and the Naval Civil Engineering Laboratory, Port Hueneme, California, from industrial funding to direct operation and maintenance funding.

The Senate amendment contained a similar provision (sec. 311).

The House recedes.

Prohibition on joint use of Dobbins Air Force Base with civil aviation (sec. 312)

The House bill contained a provision (sec. 312) that would prohibit the Secretary of the Air Force from entering into an agreement to allow joint use of Dobbins Air Force Base in Marietta, Georgia, with civil aviation.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Prohibition on purchases of Toshiba products for resale in military exchange stores (sec. 313)

The House bill contained a provision (sec. 313) that would prohibit the Department of

Defense from purchasing any product manufactured or assembled by Toshiba America, Incorporated (or any of its affiliates or subsidiaries) for the purpose of resale, either directly or by concessionaire, in a military exchange store or in any other morale, welfare or resale activity operated by the Department of Defense.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment. The conferees agree to an exception to the prohibition in the House provision for microwave ovens manufactured or assembled in the United States. The conferees also agree to make the House provision effective for three years after the date of enactment.

Limitation on funding for United States Southern Command airlift (sec. 314)

The House bill contained a provision (Sec. 301(d)) that would provide that of the amounts authorized for the Operation and Maintenance, Air Force account in fiscal year 1989, $11.5 million would be available only for contracting for aircraft with short takeoff and landing (STOL) capability for the United States Southern Command. The provision would also prohibit obligation of fiscal year 1989 Operation and Maintenance, Air Force funds for a contract for STOL-capable aircraft until the Secretary approves and submits to the Committees on Armed Services of the Senate and House of Representatives a requirements document and acquisition plan, including costs and schedule information, for an aircraft with short takeoff and landing capability for the United States Southern Command.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment. The conferees agree to require a requirements document and acquisition plan from the Secretary of Defense before obligation of any fiscal year 1989 funds from the Operation and Maintenance, Air Force account for a contract for STOL-capable aircraft.

One-year extension of limitation on Army depot maintenance funding (sec. 315)

The House bill contained a provision (sec. 314) that would extend to fiscal year 1989 the requirement contained in section 314 of the fiscal year 1988/1989 Defense Authorization Act (Public Law 100-180) that no less than 60 percent of the appropriations for Army depot maintenance may be used to perform workload in-house, unless the Secretary of the Army submits a report indicating that this objective cannot be met and the reasons for this deviation.

The Senate amendment contained no similar provision.

The Senate recedes.

Operation of SR-71 depot rework facility (sec. 316)

The Senate amendment would authorize an additional $20 million for SR-71 squadrons, directing that the Air Force use those funds to maintain the existing rework facility at Palmdale, California, which serves as the depot for the SR-71 fleet.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees note that the funding for the rework facility should occur through the operations and maintenance account. The conferees recommend that the Air Force retain operation of the existing rework facility through fiscal year 1989.

Management of civilian personnel during fiscal year 1990 (sec. 317)

The House bill contained a provision (sec. 330) that would repeal the requirement for the authorization of civilian personnel appropriations by end-strength, as requested by the administration. The House provision would also require the Secretary of Defense to submit an annual report on funds spent for civilian personnel, and exempt "indirectly funded government employees" from this reporting requirement.

The Senate amendment contained a provision (sec. 431) that would authorize civilian personnel end-strengths for each component of the Department of Defense for fiscal year 1989 as required by section 115 of title 10, United States Code.

The Senate recedes with an amendment.

The conferees agreed to extend for two more years the lifting of congressional end strength ceilings and to continue the prohibition of Department of Defense management of civilian personnel or related methodology through fiscal year 1990.

The conferrees also agreed to change from quarterly to semi-annually the reporting requirements on the number and dollar obligations associated with Department of Defense civilians.

Limitations on operation of existing Poseidon-class submarines (sec. 318).

In view of the severe budgetary constraints faced by the Department of Defense, the conferees agree to prohibit the expenditure of funds to overhaul, maintain, operate, or deploy the USS *James Monroe* (SSBN 622) after September 1, 1989. The conferees expect the Navy to dispose of the submarine in a manner consistent with the disposition of previous Poseidon-class submarines that were withdrawn from service. The conferees also agree to prohibit the expenditure of funds to overhaul, operate or deploy the USS *Henry Clay* (SSBN 625) after September 1, 1989. The conferees expect the Navy to withhold the submarine from operations in a manner consistent with the normal handling of ballistic missile submarines in a non-deployed status.

Limitation on private operation of commissary stores (sec. 321)

The House bill contained a provision (sec. 321) that would prohibit any full-store privatization or contracting out of procurement functions for military commissaries.

The Senate amendment contained a similar provision (sec. 321).

The House recedes.

Allowable costs with respect to certain service contracts performed overseas (sec. 322)

The House bill contained a provision (sec. 322) that would prohibit the Secretary of Defense or the Secretary of a Military Department from entering into any overseas contract that allows for the payment of severance pay greater than the typical rate of severance pay in the United States or contracts that require the Government to reimburse a contractor for overseas banking services for bad debt expenses.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment. The conferees agree with that part of the House provision prohibiting the entering into any overseas contract allowing for the payment of severance pay greater than the typical rate of severance pay in the United States. The conferees do not agree with the bad debt expense segment. The conferees direct the Secretary of Defense to pursue aggressively the Department of Defense program to assign overseas military banking program bad debts to the U.S. Government and to initiate involuntary collection of these debts. The conferees also direct the Secretary of Defense to determine the feasibility and to develop an implementation plan to transfer overseas military banking activities to military exchanges in line with the recommendations put forth in the November 1987 report entitled, "DOD Study of Overseas Financial Services." The feasibility and implementation plan is to be submitted to the Committees on Armed Services of the Senate and House of Representatives six months after enactment.

Authority to continue support of scouting activities overseas (sec. 323)

The House bill contained a provision (sec. 323) that would permit, for locations outside of the United States, scouting professionals to travel at the expense of the Government while providing scouting services and would provide without charge office, warehouse, and recreational facilities and communication equipment. Additionally, the provision would permit supplies of the Boy Scouts of America and the Girl Scouts of America to be used in the furtherance of scouting programs for the armed forces to be transported at Government expense. This provision would also allow the Secretary of the Military Department concerned to reimburse the Boy Scouts of America and the Girl Scouts of America from available nonappropriated funds for all or part of the pay of an employee of these Scouting organizations who are performing scouting services in a foreign country in support of the armed forces.

The Senate amendment contained no similar provision.

The Senate recedes.

Transfers and exchanges of certain documents, historical artifacts and condemned and obsolete combat material (sec. 324)

The House bill contained a provision (sec. 324) that would include historical societies, historical institutions, veterans' organizations and foreign museums on the list of eligible recipients for loan or donation of books, works of art, drawings, plans, models, and condemned or obsolete combat material that are no longer needed by the Department of Defense. Additionally, the provision would permit the Secretary concerned to exchange such items with individuals and public and private organizations, institutions, or agencies.

The Senate amendment contained no similar provision.

The Senate recedes.

Qualifications for head of auditing function in Military Departments (sec. 325)

The House bill contained a provision (sec. 325) that would establish minimum qualifications for auditors general within each Service and would give the Department of Defense Inspector General authority to approve each new auditor general selectee. In adition, this provision would prohibit the use of military personnel in certain key supervisory positions within the Naval Audit Service.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees agree to establish minimum qualifications for auditors general within each Service, and agree to prohibit the use of military personnel in certain key supervisory positions within the Naval Audit Service. The conferees also agree that the Navy should replace the militiary officers serving in these key supervisory positions within one year with highly skilled and professional civilian audit managers. The conferees direct the Navy to conduct a thorough and extensive search for candidates to fill these positions. The conferees do not agree that approval by the Department of Defense Inspector General of each auditor general selectee should be required.

Prohibition on certain depot maintenance workload competitions (sec. 326)

The House bill contained a provision (sec. 326) that would prohibit the Secretary of Defense from requiring the Secretary of the Army or the Secretary of the Air Force from competing depot workloads between themselves or with private contractors.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Report on manpower, mobility, sustainability and equipment (sec. 327)

The House bill contained a provision (sec. 328) that would make permanent the annual reporting requirement contained in section 317 of the fiscal year 1988/1989 Defense Authorization Act (Public Law 100-180). Under this requirement, the Secretary of Defense must submit a report to the Committees on Armed Services of the Senate and House of Representatives on the status of Department of Defense efforts to identify and measure readiness and to relate such indicators and measurements to the budget process.

The Senate amendment contained no similar provision. However, the Senate report (S. Rept. 100-326) directed the Secretary of Defense to submit a consolidated report on manpower, mobilization, sustainability and readiness to the Committees on Armed Services of the Senate and House of Representatives not later than February 15, 1988.

The Senate recedes with an amendment. The conferees agree to require a report from the Secretary of Defense for fiscal year 1989 as outlined in the Senate report.

Lease of aircraft for fleet electronic warfare support group activities (sec. 328)

The Senate amendment contained a provision (sec. 919) that would authorize the lease of an aircraft to support fleet electronic warfare activities.

The House bill contained no similar provision.

The House recedes.

Requirements for certain Circular A-76 procedures (sec. 331)

The House bill contained a provision (sec. 316) that would require the Secretary of Defense to include retirement system costs of both the Department of Defense and the contractor in any comparison of the cost of performing commercial activities in the Department of Defense under Office of Management and Budget (OMB) Circular A-76. The provision would also require DOD officials responsible for determining under OMB Circular A-76 whether to convert to contractor performance any commercial activity in DOD to consult monthly during the review process with the civilian employees who will be affected by the determination.

The Senate bill contained no similar provision.

The Senate recedes with a technical amendment.

Performance of firefighting and security guard functions at Amchitka, Alaska (sec. 332)

The Senate amendment contained a provision (sec. 304) authorize the Secretary of the Navy to contract for the performance of firefighting and security guard functions required by the Navy at Amchitka, Alaska.

The House bill contained no similar provision.

The House recedes.

Defense supply management studies and modernization plan (sec. 341)

The House bill contained a provision (sec. 341) that would require the Secretary of Defense to carry out and complete within one year after enactment a comprehensive study to determine the effectiveness of Department of Defense procedures for ensuring security and control for supplies at DOD depots. This study would be submitted to the Committees on Armed Services of the Senate and House of Representatives 18 months after enactment, and would be reviewed by the General Accounting Office. This provision would also require the Secretary of Defense to conduct a cost-benefit analysis of the practice of selling surplus DOD munitions to the public; to develop methods for the identification and accounting for individual items of ammunition, explosives and other DOD supplies that are susceptible to pilferage; and to prepare a plan for the modernization of the supply facilities and supply distribution procedures of each of the Military Departments and Defense Agencies.

The Senate amendment contained a similar provision (sec. 331).

The House recedes with an amendment. The conferees agree to modify the requirement for the Secretary of Defense to conduct a cost-benefit analysis of the practice of selling surplus munitions to the public to include licensed dealers.

Supply security and control improvements (sec. 342)

The House bill contained a provision (sec. 342) that would require the Secretary of Defense to submit a report to the Committees on Armed Services of the Senate and House of Representatives on security and control of Department of Defense supplies. This provision would also direct the Secretary of Defense to require an investigation of each discrepancy in an accounting for supplies of the Department of Defense involving an amount exceeding the amount determined under procedures prescribed by the Secretary; direct the Secretary, to the extent feasible, to require that the job functions of supply ordering and supply receiving be performed by different offices and individuals; and require the Secretary to ensure that an individual's performance in accounting for supplies of the Department of Defense is taken into account in evaluating an individual's job performance and fitness for promotion or assignment to a position of command.

The Senate amendment contained a similar provision (sec. 332), but did not include the requirement relating to individual's performance in accounting for supplies. Instead, the Senate report (S. Rept. 100-326) urged Defense Department managers to comply with DOD Instruction 4140.35, "Physical Inventory Control for DOD Supply System Material", which requires that the heads of DOD Components shall, "Ensure that materiel accountability and inventory accuracy are mandatory elements in military and civilian personnel performance for individuals directly responsible for the caring, safekeeping, managing and reporting of DOD supply system material."

The House recedes.

Inventory investigations (sec. 343)

The House bill contained a provision (sec. 343) that would express the sense of Congress that the use of undercover investigative techniques by the Department of Defense enhances the ability of the Department to detect and investigate theft of government property from the DOD supply system. The provision would urge the Secretary of Defense to continue conducting such undercover investigations.

The Senate amendment contained a similar provision (sec. 333).

The House recedes.

Reports to the Secretary of the Treasury of losses of munitions (sec. 344)

The Senate amendment contained a provision (sec. 334) that would require the Secretary of Defense to report the theft or other loss of any ammunition, destructive device, or explosive material from Department of Defense stocks to the Secretary of the Treasury within 24 hours after the discovery of such theft or loss.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees agree to require the Secretary of Defense to report the theft or other loss of any ammunition, destructive device, or explosive material from DOD stocks to the Secretary of the Treasury within 72 hours after the discovery of such theft or loss. The conferees further agree that items determined to be of low risk and of minimal utility to criminal elements may be excluded from this reporting requirement based on a Memorandum of Agreement between the Secretary of Defense and the Secretary of the Treasury.

Study of Department of Defense safety standards for transportation of hazardous materials (sec. 351)

The House bill contained a provision (sec. 353) that would require the Secretary of Defense to submit to Congress a report on the adequacy of Department of Defense safety standards for the transportation of hazardous materials not later than one year after the date of enactment.

The Senate amendment contained no similar provision.

The Senate recedes.

Report on the use of degradable plastic items by the Defense Department (sec. 352)

Section 944 of the Senate amendment would direct the Secretary of Defense to conduct a study to identify the types of disposable plastic items used in fiscal year 1989 by the Department of Defense; to determine which items were biodegradable and which were not; and to report on the feasibility and costs of substituting agricultural commodity-based biodegradable plastic items for nonbiodegradable items.

The House bill contained no similar provision.

The House recedes with an amendment that broadens the types of degradable plastics to be considered beyond agricultural commodity-based biodegradable items. The conferees have learned of other means of producing degradable plastic, and believe the study and report should not be limited to biodegradable plastic items. The conferees also understand that the Department of the Navy may have undertaken a study of degradable plastic products. The conferees believe that if such studies exist, the Department of Defense should make use of these studies to prevent unnecessary duplication of effort.

Navy participation in feasibility study of Sunset Harbor Project, California (sec. 353)

The House bill contained a provision (sec. 327) that would require the Navy to contribute $100,000 to study the feasibility of an alternate navigable ocean access at Sunset Harbor in San Diego, California.

The Senate amendment contained no similar provision.

The Senate recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Funding for Defense agencies

The House bill contained a provision (sec. 301(c)) that would reduce the amounts authorized for the Office of the Secretary of Defense and the Washington Headquarters Service by $5 million from the amounts requested, and increase the amount authorized for the Defense Investigative Service by $10 million from the amount requested.

The Senate amendment contained no similar provision.

The House recedes. The conferees agree to include the adjustments made by the House provision in the amounts authorized for Operation and Maintenance, Defense Agencies.

Authorization for school district assistance

The House bill contained a provision (sec. 305) that would authorize the Secretary of the Navy to use not more than $1.5 million to provide assistance to the Tinton Falls School District, Tinton Falls, New Jersey, for the purpose of supporting the education of dependents of Navy personnel who are stationed at Naval Weapons Station Earle during the 1989-1990 school year.

The Senate amendment contained no similar provision.

The House recedes.

The conferees note that Title II of the recently enacted Elementary and Secondary School Improvement Amendments of 1988 (Public Law 100-297) includes a provision authorizing the Department of Defense to provide financial assistance to local school districts otherwise unable to provide for public education of children whose parents live or work on federal property. This provision would apply to the situation in Tinton Falls, New Jersey. The conferees note that in correspondence with Senator Lautenberg, Senator Bradley and Representative Smith, the Navy has indicated that it will seek authority from the Secretary of Defense to provide funds after concurring with the Tinton Falls and State Boards of Education that a deficit exists. The conferees endorse this effort.

Prohibition on contracting out certain maintenance functions

The House bill contained a provision (sec. 315) that would prohibit the Secretary of Defense from reviewing, in accordance with Office of Management and Budget (OMB) Circular A-76, or converting to contract performance any organizational or intermediate level maintenance function for trainer equipment or trainer aircraft now being performed by active-duty military personnel. The House bill (sec. 315(b)) would also terminate any ongoing reviews under OMB Circular A-76 and revert back to performance by active duty military personnel any organizational or intermediate level maintenance function for trainer equipment or trainer aircraft that had been converted to Department of Defense civilian personnel in contemplation of such a review. Finally, the House bill (sec. 315(c)) would require the Secretary of Defense to convert back to performance by active duty military personnel any organizational or intermediate level maintenance function for trainer equipment or trainer aircraft that had been converted to contractor performance after January 1, 1985 at the expiration of the contract or upon the option to renew the contract.

The Senate amendment contained no similar provision.

The House recedes.

The conferees direct the Comptroller General to submit a report, not later than April 1, 1989, to the Committees on Armed Services of the Senate and House of Representatives concerning contracting out of maintenance of trainer aircraft and trainer equipment at Lowry Air Force Base, Colorado and Columbus Air Force Base and Meridian Naval Air Station, Mississippi. This study should provide an independent assessment of the following issues associated with the contracting out of these functions:

(1) the validity of projected cost savings from contracting out, to include costs of functions formerly performed by maintenance personnel (e.g., ramp and facility security performed on a duty roster, flexibility to use military personnel for emergency duty);

(2) the potential impact on personnel and equipment readiness from contracting out;

(3) the economic impact, if any, on the local communities;

(4) the impact on wartime mobilization requirements;

(5) the impact on the ship-to-shore rotation schedule for Navy maintenance personnel and the overseas rotation schedule for Air Force maintenance personnel; and

(6) other impacts on base functions caused by the reduction of the military population (reduction of base medical facilities, commissary, exchange, and morale, welfare, and recreation facilities).

Limitation on funds for depot maintenance

The House bill contained a provision (sec. 317) that would prohibit the use of funds for depot maintenance of equipment in the Army during fiscal year 1989 unless such funds provide for civilian personnel strengths at the Army depots performing tank repair or tank rebuilding within the continental United States in an amount above the strengths assigned to those depots on September 30, 1986.

The Senate bill contained no similar provision.

The House recedes.

Study on conversion to district, direct natural gas, and other heating systems in West Germany

The House bill contained a provision (sec. 318) that would require the Secretary of Defense, in conjunction with the Secretary of State and the Secretary of Commerce, to conduct a study of the economic and national security implications of the conversion of United States military installations in West Germany to district heat and direct natural gas systems. This study would be submitted to the Committees on Armed Services of the Senate and House of Representatives not later than February 1, 1989. This provision would also probihit the Secretary of Defense or the Secretaries of the Military Departments from entering into any agreement or contract to convert a heating facility at a military installation to district heat, direct natural gas, or other sources of fuel between April 14, 1988 and July 1, 1989.

The Senate amendment contained no similar provision.

The House recedes.

Prohibition on the use of Coast Guard resources in the Persian Gulf

The House bill contained a provision (sec. 354) that would permanently prohibit the use of any vessels, assets, personnel, or other resources of the Coast Guard in the Persian Gulf region.

The Senate amendment contained no similar provision.

The House recedes.

Report on mobilization and deployment delays for NATO and Warsaw Pact forces

The House bill contained a provision (sec. 351) that would require, no later than 60 days after enactment, the Secretary of Defense to submit to the Committees on Armed Services of the Senate and House of Representatives a report concerning the length of time required for the military forces of the United States and the Warsaw Pact to enter combat at the inter-German border in the event of a major conflict in Europe.

The Senate amendment contained no similar provision.

The House recedes. However, the conferees believe that the report required by the House provision should be prepared and submitted to the Congress. Therefore, no later than six months after the date of the enactment of this Act, the Secretary of Defense is directed to submit to the Committees on Armed Services of the Senate and House of Representatives an unclassified report (with classified annexes as necessary) concerning the length of time required for the ground and air forces of the United States to enter combat at the inter-German border in the event of a major conflict in Europe. The Secretary shall include in such report, for each major combat unit (divisions and separate brigades) and major element of their combat service support in the active and reserve components that is likely to be involved in such a conflict, an estimate of the minimum time delay between the decision of the United States to mobilize and the entry of that unit into battle. Assessments shall be consistent with current levels of readiness and equipment inventories. For each unit, the report shall give the currently existing fraction of the unit's total equipment inventory, the fraction of active and reserve manning, the average number of days of training for reserve personnel in that unit during the previous year, and the transit time from the unit's peacetime location to the inter-German border.

The Secretary shall include in the report an unclassified report (with classified annexes as necessary) concerning the length of time required for the ground and air forces of Belgium, Canada, Denmark, Federal Republic of Germany, France, Luxembourg, Netherlands, and the United Kingdom to enter combat at the inter-German border in the event of a major conflict in Europe. The Secretary shall include in such report, for each major combat unit (divisions and separate brigades) and major element of their combat service support in the active and reserve components that is likely to be involved in such a conflict, an estimate of the minimum time delay between the decision of each nation to mobilize and the entry of each unit of that nation's forces into battle. Assessments shall be consistent with current levels of readiness and equipment inventories. For each unit, the report shall give the best estimate of the currently existing fraction of the unit's total equipment inventory, the fraction of active and reserve manning, the average number of days of training for reserve personnel in that unit during the previous year, and the transit time from the unit's peacetime location to the inter-German border.

Finally, the Secretary shall include in the report an unclassified report (with classified annexes as necessary) concerning the length of time required for the ground and air forces of the Soviet Union, the German Democratic Republic, Poland and Czechoslovakia to enter combat at the inter-German border in the event of a major conflict in Europe. All active and reserve forces of these nations currently in the NATO Guidelines Area and the Western Military District of the Soviet Union shall be included. For each major combat unit (divisions and separate brigades) and major element of their combat service support, the report shall give the best estimate of the minimum time delay between the Warsaw Pact decision to mobilize and the entry of that unit into battle. Assessments shall be consistent with current levels of readiness and equipment inventories. For each unit, the report shall give the best estimate of the current existing fraction of the unit's total equipment inventory, the fraction of active and reserve manning, the average number of days of training for reserve personnel in that unit during the previous year and the transit time from the unit's peacetime location to the inter-German border.

Report on availability of equipment and personnel

The House bill contained a provision (sec. 352) that would require, no later than 90 days after enactment, the Secretary of Defense to submit to the Committees on Armed Services of the Senate and House of Representatives a report concerning existing major conventional military equipment and trained personnel of the U.S. and its NATO allies in central Europe that are not currently organized into combat or support units. Not later than six months after enactment, the Secretary of Defense would submit to Congress a plan for the more effective use of this manpower and equipment.

The Senate amendment contained no similar provision.

The House recedes. However, the conferees believe that the report and plan required by the House provision should be prepared and submitted to the Congress. Therefore, no later than six months after the date of the enactment of this Act, the Secretary of Defense is directed to submit to the Committees on Armed Services of the Senate and House of Representatives an unclassified report (with classified annexes as necessary) concerning existing major conventional military equipment and trained personnel in the ground and air forces of the United States and its NATO allies in central Europe which are not currently organized into combat or support units. The report shall include the following:

(1) An inventory of all existing major equipment possessed by the United States (including tanks, infantry fighting vehicles, artillery, antitank and air defense weapons, and helicopters and tactical aircraft) that is in storage, in war reserve material stocks, in training units, or otherwise not assigned to combat units.

(2) The members and former members of the Armed Forces of the United States who have received military training or performed a tour of duty in ground or air forces within the past five years and who are not currently assigned to any active or reserve combat or combat support unit.

(3) The current plans of the Department of Defense for use of the equipment listed in paragraph (1) and persons listed in paragraph (2) in the event of a major conflict in Western Europe.

(4) An estimate of the equipment and manpower inventories, as defined in paragraphs (1) and (2), in Belgium, Denmark, the Federal Republic of Germany, France, Luxembourg, the Netherlands, and the United Kingdom and, if known, the current plans of those nations for use of that equipment and personnel in the event of a major conflict in Western Europe.

The Secretary shall include in the report a plan for the use of the manpower and equipment described in paragraphs (1) and (2) above to increase the military force which could be available for the defense of Western Europe in a time period consistent with the estimate of the warning time of an attack and the duration of such a conflict given in the 1987 Military Net Assessment made by the Joint Chiefs of Staff (or any subsequent revision thereof). The Secretary shall include in such report comments from the Reserve Component Chiefs.

Additional authority of base commanders over contracting for commercial activities

The House bill contained a provision (sec. 810) that would amend section 1111 of the fiscal year 1988/1989 Defense Authorization Act (Public Law 100-180) to give installation commanders the authority to decline to exercise an option to extend a commercial activities contract and to exclude a contractor from consideration of a future contract in any case where the base commander has reasonable cause to believe that the contractor in question is violating Federal law in the performance of that contract.

The Senate amendment contained no similar provision.

The House recedes.

Applicability of commander authority to ongoing and future reviews of commercial activities

The House bill contained a provision (sec. 813) that would amend section 1111 of the fiscal year 1988/1989 Defense Authorization Act (Public Law 100-180) to extend the authority provided to military base commanders in section 1111(a) to reviews of commercial activities involving civilian employees that are being conducted on December 4, 1987, and to reviews of commercial activities that begin after such date.

The Senate amendment contained no similar provision.

The House recedes.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

PART A—ACTIVE FORCES

LEGISLATIVE PROVISIONS ADOPTED

End strengths of active forces (sec. 401)

The House bill contained a provision (sec. 401) that would authorize active force military end-strengths for the Army, Navy, Marine Corps and Air Force at the levels requested by the Administration for fiscal year 1989.

The Senate amendment contained a provision (sec. 401) that would authorize active force officer, enlisted, and cadet end-strengths for the Army, Navy, Marine Corps, and Air Force. The aggregate end-strengths for the Navy and Marine Corps would be authorized at the levels requested by the Administration for fiscal year 1989. The aggregate end-strengths for the Army and Air Force would be authorized at levels 500 below levels requested by the Administration for each of these Services for fiscal year 1989. These reductions would be consistent with an officer end-strength reduction plan submitted by the Department of Defense that would reduce officer strengths in these two Services by 4,100 over two years beginning in fiscal year 1989.

The House recedes with an amendment establishing officer strength ceilings for each of the military Services within the total active end-strengths authorized. The conferees believe that the ceilings on separate active force officer end-strengths are consistent with the concern of the Congress regarding the disproportionate growth of the officer corps in recent years. The following table summarizes the conference agreement:

	Request	House	Senate	Conference
Army:				
Officers			106,927	106,927
Enlisted			660,423	
Cadets			4,450	
Total	772,300	772,300	771,800	771,800
Navy:				
Officers			72,610	72,610
Enlisted			515,815	
Cadets			4,775	
Total	593,200	593,200	593,200	593,200
Marine Corps:				
Officers			20,120	20,120
Enlisted			177,080	
Total	197,200	197,200	197,200	197,200
Air Force:				
Officers			105,038	105,038
Enlisted			465,645	
Cadets			4,417	
Total	575,600	575,600	575,100	575,100

Repeal of mandatory reductions in strength of active duty officer corps (sec. 402)

The House bill contained a provision (sec. 402) that would repeal the requirement for the Department of Defense to reduce officer strength by 2 percent in fiscal year 1989 and another 2 percent in fiscal year 1990 calculated on the fiscal 1986 officer end-strength base.

The Senate amendment contained a provision (sec. 402) that would repeal the mandated 2 percent reduction in fiscal year 1989 and instead require a reduction of 1,000 officers, 500 in the Army and 500 in the Air Force, from the fiscal year 1988 level. The Senate amendment would retain the mandated 2 percent reduction for fiscal year 1990.

The House recedes with an amendment repealing the mandated 2 percent reduction for fiscal year 1990 and instead requiring a reduction of 3,100 officers, 500 in the Army and 2,600 in the Air Force, from the fiscal year 1989 level. The conferees emphasize that this compromise accepts the officer reduction plan submitted by the Department of Defense for fiscal years 1989 and 1990 only as the first initiative taken by the Department to control officer strength. The conferees have received a study on the manning of unified and specified commands and supporting component headquarters from the Secretary of Defense which indicates a potential surplus of 7,200 spaces. In his letter transmitting the study, the Secretary of Defense indicated that he was ". . . confident some manpower savings will be possible, and I will take steps to reduce our manpower request for FY 1990-1991 accordingly." The conferees intend to follow the action the Secretary of Defense takes and emphasize that the savings identified by the Secretary as a result of this report are to be in addition to the reductions approved by the conferees in this Act.

Temporary reduction in number of Air Force colonels (sec. 403)

The Senate amendment contained a provision (sec. 403) that would reduce the number of colonels that the Air Force is authorized to have on active duty in fiscal years 1989 and 1990 by 125 and 250, respectively, below the numbers that would otherwise be authorized under section 523 of title 10, United States Code, for those years.

The House bill contained no similar provision.

The House recedes. The conferees expect the Office of the Secretary of Defense to review critically the field grade officer strengths of the military Services in all future budget submissions to ensure that the strengths requested support valid requirements and are not merely a reflection of the numbers allowed by the grade tables in section 523 of title 10, United States Code.

PART B—RESERVE FORCES

LEGISLATIVE PROVISIONS ADOPTED

End strengths for Selected Reserve (sec. 411)

The House bill contained a provision (sec. 411) that would authorize Selected Reserve end-strengths for fiscal year 1989 at the levels requested by the Administration, except for the Air National Guard and Air Force Reserve which would be authorized 290 and 399 above the requested levels, respectively.

The Senate bill contained a provision (sec. 411) that would authorize Selected Reserve end-strengths for fiscal year 1989 at the levels requested by the Administration for all components.

The House recedes.

The following table summarizes the conference agreement:

	Request	House	Conference
Army National Guard	457,300	457,300	457,300
Army Reserve	320,600	320,600	320,600
Naval Reserve	152,600	152,600	152,600
Marine Corps Reserve	43,600	43,600	43,600
Air National Guard	115,200	115,490	115,200
Air Force Reserve	83,600	83,999	83,600
Coast Guard Reserve	13,000	13,000	13,000
Total	1,185,900	1,186,589	1,185,900

End strengths for reserve on active duty in support of the reserves (sec. 412)

The House bill (sec. 412) and the Senate amendment (sec. 412) would authorize full-time manning in the National Guard and Reserve components at the levels requested by the Administration for fiscal year 1989, except that the House bill would authorize the Air National Guard to increase its strength by 17 more than the level requested by the Administration.

The House recedes.

The following table summarizes the conference agreement:

	Request	House	Conference
Army National Guard	25,725	25,725	25,725
Army Reserve	13,329	13,329	13,329
Naval Reserve	21,991	21,991	21,991
Marine Corps Reserve	1,945	1,945	1,945
Air National Guard	7,948	7,965	7,948
Air Force Reserve	657	657	657
Coast Guard Reserve	13,000	13,000	13,000
Total	71,595	71,612	71,595

Clarification of applicability of prior amendments relating to number of members in certain grades authorized to be on active duty in support of the reserve (sec. 413)

The House bill contained a provision (sec. 413) that would authorize full-time support grade ceilings for the E-9, E-8, O-6, O-5, and O-4 grades in the National Guard and Reserve components at the levels requested by the Administration.

The Senate amendment contained a provision (sec. 413) that would authorize full-time support grade ceilings authorized for fiscal year 1989 in the fiscal years 1988/1989 Defense Authorization Act.

The Senate recedes with an amendment striking the House provision and clarifying the applicability of the full time support grade ceilings authorized for fiscal year 1989 in the fiscal years 1988/1989 Defense Authorization Act.

PART D—AUTHORIZATION OF APPROPRIATIONS

LEGISLATIVE PROVISION ADOPTED

Authorization of appropriations for military personnel for fiscal year 1989 (sec. 431)

The House bill contained a provision (sec. 431) that would authorize (1) $78,453,300,000 for military personnel for fiscal year 1989; and (2) $21,776,900,000 for Air Force military personnel, reserve personnel and national guard personnel.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that authorizes $78,461,000,000 for military personnel during fiscal year 1989 and strikes the separate Air Force authorization.

LEGISLATIVE PROVISION NOT ADOPTED

Repeal of prior fiscal year 1989 personnel authorizations

The House bill contained a provision (sec. 432) that would repeal prior fiscal year 1989 personnel authorizations.

The Senate amendment contained no similar provision.

The House recedes.

TITLE V—MILITARY PERSONNEL POLICY

PART A—OFFICER PERSONNEL POLICY

LEGISLATIVE PROVISIONS ADOPTED

Selection boards (sec. 501)

The Senate amendment contained a provision (sec. 501) that would make the following changes to Defense Officer Personnel Management Act (DOPMA) promotion provisions: (1) limit the delegation of the authority of the President to approve, modify, or disapprove selection board reports to officials in the Office of the Secretary of Defense; (2) delete the President's existing authority to modify selection board reports as that authority is unnecessary; (3) provide explicit authority to the Service Secretaries to establish minimum numbers of selections by skill within a competitive category; (4) prohibit the modification of the maximum number to be selected by a selection board and other binding guidance to a board after a selection board has made its report; and (5) provide clarification on the procedures available to a Service Secretary in reviewing a board report.

The House bill contained no similar provision.

The House recedes. The conferees believe these changes will strengthen the credibility of the officer promotion process and preclude previous differences in interpretation and irregularities in the application of officer promotion statutes.

Removal from promotion list (sec. 502)

The Senate amendment contained a provision (sec. 502) that would clarify that the President has the authority to remove names from reserve officer promotion lists of the Navy and Marine Corps.

The House bill contained no similar provision.

The House recedes.

Selective early retirement for certain pre-DOPMA Navy and Marine Corps officers (sec. 503)

The House bill contained a provision (sec. 515) that would subject pre-Defense Officer Personnel Management Act (DOPMA) officers of the Navy and Marine Corps to the same selective retirement rules that apply to their Army and Air Force counterparts.

The Senate amendment contained no similar provision.

The Senate recedes.

Technical revision of section 638 of title 10, United States Code (sec. 504)

In concert with their action on the temporary Defense Officer Personnel Management Act (DOPMA) relief provisions in the House bill, the conferees agreed to a technical revision to section 638(a) of title 10, United States Code, governing selective early retirement, to improve the clarity of that section.

PART B—JOINT OFFICER PERSONNEL POLICY

Joint officer personnel policy (secs. 511-519)

The House bill contained provisions (secs. 702, 703, 704, 706, 707(b), 707(c) and 707(d)) that would amend the joint officer management policies of title IV of the Goldwater-Nichols DOD Reorganization Act of 1986 (Public Law 99-433) to:

(1) extend for one year the transition period (until October 1, 1989) for filling 50 percent of joint duty assignments by joint specialty officers or nominees;

(2) require that a critical joint duty assignment be filled by a joint specialty officer only when a vacancy occurs in such assignment after January 1, 1989;

(3) permit officers to be awarded the joint specialty during the transition period with one year (instead of two years) of joint duty service;

(4) extend for one year the transition period (until October 1, 1989) for award of the joint specialty;

(5) make a technical change to the date of enactment references in section 406(b)(1)(B)(iii) of Public Law 99-433;

(6) suspend the joint duty prerequisite for promotion to general or flag rank for all officers serving in, or selected for, the rank of colonel or Navy captain as of September 30, 1988;

(7) direct the Secretary of Defense to use the requirements of section 619(e)(1) of title 10, United States Code, as a guideline, where feasible, in managing the group of officers for whom the joint duty prerequisite for promotion to general or flag rank has been suspended;

(8) permit the Secretary of Defense during the transition period to January 1, 1992 to credit officers with joint duty service, for purposes of promotion to general or flag rank, for service in joint duty assignments that involved significant experience in joint matters;

(9) reduce to 15 percent (from 33 percent) the number of officers serving 2-year critical occupational specialty joint tours who may count toward the requirement that 50 percent of all joint duty assignments must be filled by joint specialty officers or nominees;

(10) provide joint duty service credit for captains or Navy lieutenants who serve in joint duty assignments;

(11) require an annual report on progress in implementing joint officer management policies with respect to Navy nuclear propulsion officers;

(12) require that an officer must have completed a full tour of duty in a joint duty assignment as a general or flag officer to qualify for appointment as JCS Vice Chairman, combatant commander, or Service chief of staff and make technical changes relating to statute references; and

(13) make a technical change in section 668 of title 10 to redesignate subsection (f) as subsection (c).

The Senate amendment contained a provision (sec. 701) that would amend title IV of Public Law 99-433 to:

(1) increase to 10 percent (from 5 percent) the number of officers who may annually be awarded the joint specialty by other than the prescribed manner and prerequisites;

(2) require that only 80 percent (instead of 100 percent) of all critical joint duty assignments must be filled by joint specialty officers at all times;

(3) require promotion tracking of officers, other than joint specialists, only until first in-zone consideration following reassignment from a joint duty assignment;

(4) set the promotion policy objectives for officers serving, or having served, in joint duty assignments (other than those serving, or having served, on the Joint Staff or with the joint specialty) to be not less than for the Service-wide rate, less officers serving, or having served, on the Service headquarters staff;

(5) reduce the minimum joint tour length from 3 to 2 years for general and flag officers and 3½ to 3 years for other officers;

(6) eliminate the requirement for an advance joint specialty nomination for a 2-year critical occupational specialty joint tour;

(7) delete the restriction on eligibility for a 2-year critical occupational specialty joint tour to an officer on his initial joint duty assignment;

(8) delete the limitation on the number of 2-year critical occupational specialty joint tours that may be excluded annually from the average joint tour length computation;

(9) provide full joint duty tour credit for an overseas joint duty assignment prescribed by regulation to be at least two years in length;

(10) authorize appointment to general or flag rank of an officer in a joint duty assignment who has served at least two years, but not a full joint duty tour;

(11) simplify the joint duty cumulative credit provision by eliminating the prerequisite that at least one of the cumulated tours must have been served overseas or terminated for hardship, medical, reorganization, or promotion reasons;

(12) further simplify the joint duty cumulative credit provision by eliminating the requirement that the applicable tour length must be accumulated within an 8-year period;

(13) permit constructive credit without a waiver for an officer reassigned from a joint duty assignment for reasons of military necessity within 60 days of completing joint tour length criteria;

(14) permit designation as joint duty assignments of up to 250 in-Service billets filled by officers of the same Service;

(15) exempt Navy nuclear propulsion officers from the joint duty prerequisite for promotion to flag rank;

(16) permit officers to be awarded full joint duty tour credit, for purposes of promotion to general or flag rank, for service in joint duty assignments that began before January 1, 1987, which were considered as full tours of duty under the policies and regulations in effect at the time the assignment began;

(17) extend for one year (until October 1, 1989) both the transition period during which the Secretary of Defense may waive certain prerequisites for award of the joint specialty and the date by which critical joint duty assignments and certain other joint duty assignments must be filled by joint specialty officers or nominees;

(18) permit officers to be awarded full joint duty tour credit, for purposes of award of the joint specialty during the transition period, for service in joint duty assignments or joint equivalent assignments that began before January 1, 1987, which were considered as full tours of duty under the policies and regulations in effect at the time the assignment began; and

(19) require a report by February 1, 1990 from the Secretary of Defense, after consultation with the JCS Chairman, comprehensively addressing the principles that should guide joint officer management policies, the goals that should be established for joint officer management policies, the detailed concepts that support these principles and goals, progress in implementing title IV of Public Law 99-433, and modifications to statutory requirements.

The conferees agree to make a comprehensive series of modifications to the joint officer management policies of title IV of the Goldwater-Nichols Act. The conferees approve all of the modifications to title IV requested in the DOD legislative proposal of March 22, 1988. In addition, the conferees approve a number of other initiatives included in either the Senate or House provisions. The conferees are fully convinced that the amendments made to title IV by this Act will provide for effective steady state implementation of the joint officer management policies. The conferees, therefore, do not expect to make or be asked to make additional modifications to title IV for the foreseeable future.

The conferees remain concerned about the degree of bureaucratic opposition within DOD to the requirements of title IV of the Goldwater-Nichols Act. As the amendments made by this Act resolve all of the problems and adopt all of the better approaches identified by DOD, in addition to providing increased management flexibility through a number of congressionally initiated modifications, there is no acceptable reason for continued opposition within DOD. The conferees expect senior civilian officials and military officers to expand their leadership role, to give more attention to effective implementation of title IV, and to promote the change in attitudes that must accompany increased emphasis on joint officer management.

The basic themes of the modifications approved by the conference committee are to: (1) increase the length and to provide more flexible rules for the transition period leading to full implementation of title IV; (2) provide more equitable policies for crediting officers with joint duty service, especially assignments served prior to enactment of the Goldwater-Nichols Act; (3) shorten joint duty tour lengths; (4) provide more flexibility in the selection and assignment of joint specialty officers; and (5) provide more flexibility regarding the joint duty prerequisite for promotion to general or flag rank.

The House bill and the Senate amendment contained two similar provisions (items (1) and (4) below) which were not issues during the conference. Of the 26 differences between the House bill and the Senate amendment, two House provisions (items (6) and (7) in the above description of the House provisions) were deleted by the conference committee, and four Senate provisions (items (4), (7), (14) and (19) in the above description of the Senate provisions) were deleted. Specific modifications to title IV approved by the conference committee, including resolution of the 20 remaining differences, were:

(1) extend for one year the transition period (until October 1, 1989) for filling 50 percent of joint duty assignments by joint specialty officers or nominees (not a conference issue);

(2) require that a critical joint duty assignment be filled by a joint specialty officer only when a vacancy occurs in such assignment after January 1, 1989 (House provision);

(3) permit officers to be awarded the joint specialty during the transition period with one year (instead of two years) of service in joint duty assignments (begun before January 1, 1987) and joint equivalent assignments (begun before October 1, 1986) which were considered full tours of duty under the policies and regulations in effect on September 30, 1986 (conference substitute provision);

(4) extend for one year the transition period (until October 1, 1989) for award of the joint specialty (not a conference issue);

(5) make a technical change to the date of enactment references in section 406(b)(1)(B)(iii) of Public Law 99-433 (House provision);

(6) permit officers to be awarded full joint duty tour credit, for purposes of promotion to general or flag rank, for service in joint duty assignments that began before January 1, 1987 which were considered full tours of duty (but not less than 12 months) under the policies and regulations in effect on September 30, 1986 (conference substitute provision);

(7) extend until January 1, 1994 (from January 1, 1992) the transition period during which officers may be awarded full joint duty credit, for purposes of promotion to general or flag rank, for service in joint equivalent assignments which began before October 1, 1986 and were considered full tours of duty (but not less than 12 months) under the policies and regulations in effect on September 30, 1986 (conference substitute provision);

(8) reduce to 25 percent (from 33 percent) the number of officers serving 2-year critical occupational specialty joint tours who may count toward the requirement that 50 percent of all joint duty assignments must be filled by joint specialty officers or nominees (House provision with Senate amendment);

(9) provide joint duty service credit for captains or Navy lieutenants who serve in joint duty assignments (House provision);

(10) require an annual report on progress in implementing joint officer provisions with respect to Navy nuclear propulsion officers (House provision);

(11) extend to January 1, 1994 (from January 1, 1992) the period during which Navy nuclear propulsion officers may be promoted to rear admiral (lower half) without meeting the joint duty prerequisite (conference substitute provision);

(12) require that an officer must have completed a full tour of duty in a joint duty assignment as a general or flag officer to qualify for appointment as JCS Vice Chairman, combatant commander, or Service chief of staff and make technical changes relating to statute references (House provision);

(13) make a technical change in section 668 of title 10 to redesignate subsection (f) as subsection (c) (House provision);

(14) increase to 10 percent (from 5 percent) the number of officers who may annually be awarded the joint specialty by other than the prescribed manner and prerequisites with the limitation that not more than 10 percent of the officers in each grade may be annually awarded the joint specialty pursuant to this exception (Senate provision with House amendment);

(15) require until January 1, 1994 that only 80 percent (instead of 100 percent) of all critical joint duty assignments must be filled by joint specialty officers at all times and, thereafter, authorize the Secretary of Defense to waive the requirement in the case of an individual joint duty assignment and to delegate this authority to the JCS Chairman (Senate provision with House admendments);

(16) require promotion tracking of officers, other than joint specialists, only until first in-zone consideration following reassignment from a joint duty assignment (Senate provision);

(17) reduce the minimum joint tour length from 3 to 2 years for general and flag officers and 3½ to 3 years for other officers (Senate provision);

(18) include overseas joint duty assignments which are at least as long as the minimum joint tour length in the computation of the average joint tour length (conference substitute provision);

(19) eliminate the requirement for an advance joint specialty nomination for a 2-year critical occupational specialty joint tour (Senate provision);

(20) increase to 12.5 percent (from 10 percent) the number of 2-year critical occupational specialty joint tours that may be excluded annually from the average joint tour length computation (conference substitute provision);

(21) provide full joint duty tour credit for an overseas joint duty assignment prescribed by regulation to be at least two years in length with the limitation that not more than 6 percent of all joint duty assignments may be credited under this exception (Senate provision with House amendment);

(22) authorize until January 1, 1994 appointment to general or flag rank of an officer in a joint duty assignment who has served as least two years, but not a full joint duty tour (Senate provision with House amendment);

(23) authorize the Secretary of Defense to grant credit for a full tour of duty when he waives the length of a joint duty assignment in the case of an individual officer (conference substitute provision);

(24) simplify the joint duty cumulative credit provision by eliminating the requirement that the applicable tour length must be accumulated within an 8-year period (Senate provision); and

(25) permit constructive credit without a waiver for an officer (other than a general or flag officer) reassigned from a joint duty assignment for reasons of military necessity within 60 days of completing joint tour length criteria, but require any shortened tours to be included in the average joint tour length computation (Senate provision with House amendments).

With respect to the joint duty prerequisite for promotion to general or flag rank, the conferees determined that the DOD regulation imposing this requirement, which has been in effect for more than 30 years, was more widely circumvented than previously understood. Failure to meaningfully implement the joint duty promotion prerequisite means that a significant portion of current field grade officers, especially more senior ones, may have great difficulty in meeting the current statutory requirements of section 619(e) of title 10, United States Code.

The conferees do not intend that officers be disadvantaged for service in a personnel system that did not adequately enforce the DOD regulation. For this reason, the conferees agree to grandfather all service in joint duty assignments prior to the date of enactment of the Goldwater-Nichols Act, provided that such service was at least one year in length and was considered a full tour of duty under the policies and regulations in effect on Septemer 30, 1986. The conferees also agree to extend by two years (until January 1, 1994) the transition period during which officers may be credited, for purposes of promotion to general or flag rank, for service in joint equivalent assignments which were at least one year in length and were considered a full tour of duty.

The conferees, however, recognize that many senior field grade officers have had no joint duty or joint equivalent assignments whatsoever. While the conferees are committed to equitable treatment for such officers, the Senate conferees believe that the House provision (items (6) and (7) above) to suspend the joint duty prerequisite for promotion to general or flag rank for senior field grade officers might be interpreted as a lessening of congressional support for joint duty. Consequently, the conferees agree to set aside the House provision in favor of a transition provision that addresses the equity issue while providing an incentive for senior field grade officers to serve in a joint duty assignment. The transition provision permits officers to be selected for general or flag rank while serving in a joint duty assignment if they have served at least two years.

Despite the approval of these reduced standards, the transition to the more rigorous requirements of title IV concerning the joint duty prerequisite for promotion may pose difficulties for many officers. The conferees urge the Secretary of Defense to carefully monitor the situation and to use his waiver authority to minimize inequities and to ensure that the most qualified officers are promoted to general or flag rank.

With respect to Navy nuclear-propulsion officers, the conferees recognize that significant personnel management changes will be required to comply with the requirements of title IV. Last year, the Congress exempted until January 1, 1992 Navy nuclear-propulsion officers from the joint duty prerequisite for promotion to flag rank. The conferees agree to extend this exemption period by two years (to January 1, 1994). At the same time, the conferees determine that service in this specialized and somewhat isolated field is inadequate preparation for the responsibilities of flag rank, especially service in joint duty assignments. The conferees urge the Secretary of Defense to ensure that Navy nuclear propulsion officers are better prepared for assignments outside of their specialty. Given the substantial changes required, the conferees agree to require an annual report on progress in implementing joint officer provisions with respect to Navy nuclear propulsion officers.

Current law requires that all critical joint duty assignments must be filled with joint specialty officers at all times. The conferees recognize that this absolute requirement cannot be met, especially in the near term. The conferees agree to a transition provision (until January 1, 1994) that would require that only 80 percent of such assignments must be filled by joint specialists. After the transition period, the conferees expect that around 95 percent of critical joint duty assignments can be filled by joint specialists. For the small percentage of positions that may need to be excepted from the requirements of the law, the conferees agree to provide the Secretary of Defense the authority to waive the requirement in the case of an individual critical joint duty assignment. Based upon experience during the transition period, the Secretary of Defense is directed to report to the Committees of Armed Services of the Senate and House of Representatives his expectation on the percentage of assignments for which this waiver may need to be applied after the transition period ends. Such report is to be submitted by the Secretary not later than January 1, 1993.

Current law requires that an officer be nominated for the joint specialty prior to beginning a 2-year critical occupational specialty joint tour. The conferees determine that this requirement would provide incentives for the Services to nominate a large number of officers for the joint specialty and would undermine efforts to use the nomination process as a rigorous screening of qualified officers. For these reasons, the conferees agree to eliminate the requirement for an advance joint specialty nomination for a 2-year critical occupational specialty joint tour. The conferees do expect, however, that advance nominations will be the normal procedure and, consequently, that officers will be nominated in advance to the maximum extent practicable.

PART C—MISCELLANEOUS

LEGISLATIVE PROVISIONS ADOPTED

Testing of new entrants for drug and alcohol abuse (sec. 521)

The House bill contained a provision (sec. 501) that would amend the current requirements for the testing of new entrants into the military Services for drug and alcohol abuse so that testing could take place at basic training installations rather than at the Military Entrance Processing Station.

The Senate amendment contained no similar provision.

The Senate recedes.

Requirement to accept persons enlisting in the Air Force on gender-free basis (sec. 522)

The House bill contained a provision (sec. 502) that would (1) require the Secretary of the Air Force to implement a gender neutral enlistment methodology; and (2) repeal the 22 percent accession standard for women in fiscal year 1989.

The Senate amendment contained no similar provision.

The Senate recedes.

Military education for Army National Guard technicians (sec. 523)

The House bill contained a provision (sec. 503) that would require the Army National Guard to phase out its requirement that Army National Guard civilian technicians attend military education program training in active component schools as comparable state training programs become available.

The Senate amendment contained no similar provisions.

The Senate recedes with technical and clarifying amendments.

Expansion of military spouse employment preference (sec. 524)

The Senate amendment contained a provision (sec. 502) that would include all jobs in the grades of GS-1 and above among those to which the military spouse employment preference applies.

The House bill contained no similar provision.

The House recedes.

Manpower cost estimate for major defense acquisition programs (sec. 525)

The Senate amendment contained a provision (sec. 503) that would clarify that manpower cost estimate reporting requirements for new systems may be modified when no major manpower effects are present and during time of war or national emergency.

The House bill contained no similar provision.

The House recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Temporary DOPMA relief

The House bill contained provisions (secs. 511-514) that would provide temporary relief from certain tenure provisions of the Defense Officer Personnel Management Act (DOPMA) if the military Services were required to reduce their officer strengths. These provisions included: (1) authority for Service Secretaries to shorten the period of continued active-duty for officers previously selected for continuation, to relax involuntary retirement provisions for certain regular officers, and to involuntarily separate regular officers regardles of promotion status (secs. 511, 512 and 513); and (2) authority for Service Secretaries to reduce from 10 to 8 years the minimum period of active commissioned service required for voluntary retirement in commissioned grades (sec. 514).

The Senate amendment contained no similar provisions.

The House recedes.

The conferees believe that these temporary DOPMA relief provisions are now not necessary in view of the conference agreement to repeal the previously imposed officer reductions for fiscal years 1989 and 1990. The conferees expect the Department of Defense to be prepared to address the need for these temporary authorities in hearings on the fiscal year 1990 and 1991 defense authorization request next year, especially in the context of further officer reductions that are expected as a result of the Department of Defense study on the manning of unified and specified commands and supporting component headquarters.

Selective Service registration

The House bill contained a provision (sec. 954) that would establish guidelines for the prosecution of individuals who, according to Selective Service records only, have not registered under the Military Selective Service Act.

The Senate amendment contained no similar rovision.

The House recedes.

Voluntary legal assistance

The Senate amendment contained a provision (sec. 919(a)) that would permit the acceptance by the Armed Services of legal assistance services on a voluntary basis from attorneys, clerks, or paralegals. Acceptance of such services by the Government is currently prohibited by section 1342 of title 31, United States Code. Additionally, section 919(b) would amend section 1054 of title 10, United States Code, to bring persons furnishing voluntary legal services within the class of persons the Attorney General is authorized to represent in civil malpractice suits.

The House bill contained no similar provision.

The Senate recedes. Although the conferees agree that the notion of voluntary legal services furnished by retirees, dependent spouses, and the like has appeal, the particulars of the contemplated scheme need to be explored before a statutory change would be appropriate. Therefore, the conferees direct the Department of Defense to submit a report to the Committees on Armed Services of the Senate and House of Representatives on the need for and mechanics of a voluntary legal assistance program. The report should include an assessment and discussion of: the existing military legal assistance program and the extent to which it needs to be supplemented in order to meet the needs of military members, former members, and their dependents; the population of attorneys, clerks and paralegals who have offered voluntary services in the past and who might be expected to volunteer in the future; the qualifications of persons, particularly attorneys, necessary as a prerequisite to acceptance of their services (i.e. should members of the bar be in good standing and in an active status); anticipated supervisory requirements; how to ensure and enforce the avoidance of self-referral and referral to affiliated organizations by persons volunteering their services; and the anticipated number of and costs associated with civil lawsuits flowing from the rendering of voluntary legal assistance. In short, the report should provide a comprehensive and detailed explanation of the operational parameters of such a program. In addition, the report should address the extent to which acceptance of volunteer services in the area of legal assistance would serve as a precedent for the acceptance of such services from physicians, medical specialists and others in helping professions. The report should further address the nature and scope of any concomitant need for legal representation by the Attorney General and indemnification caused by the acceptance of volunteer services outside the legal field. The report is due no later than February 15, 1989. The conferees will reconsider this issue when the report becomes available and will address the question of whether a statutory provision is warranted at that time.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

PART A—PAY AND ALLOWANCES

LEGISLATIVE PROVISIONS ADOPTED

Military pay raise for fiscal year 1989 (sec. 601)

The House bill contained a provision (sec. 601) that would provide a military pay raise divided as follows: (1) a 4 percent increase in basic pay; (2) a 4 percent increase in basic allowance for subsistence; and (3) a 7 percent increase in basic allowance for quarters.

The Senate amendment contained a provision (sec. 601) that would provide a 4.3 percent increase in each of the components of basic military compensation as requested by the Administration.

The Senate recedes with an amendment that provides: (1) a 4.1 percent increase in basic pay; (2) a 4.1 percent increase in basic allowance for subsistence; and (3) a 7 percent increase in basic allowance for quarters.

The 4.3 percent across the board military pay raise requested by the Administration was based on projected private sector wage growth as measured by the employment cost index (ECI). At the time the request was submitted, the projected ECI was 4.3 percent. The 4.3 percent pay raise request matched the projected ECI increase to keep the 11 percent gap between private sector pay increases and military pay increases from widening.

The actual ECI has now been reported as 3.5 percent. Therefore, the projection on which the Administration's request was based is overstated by 0.8 of a percentage point. As a result, the conference agreement will actually close the gap between private sector and military wage growth by 0.6 of a percentage point, the first time the military pay raise will exceed the ECI since 1981.

Allowance for transportation of increased household goods (sec. 602)

The House bill contained a provision (sec. 602) that would increase the weight allowances for household goods for certain military personnel when they are required to move, effective on May 1, 1989.

The Senate amendment contained an identical provision, effective on July 1, 1989.

The House recedes.

PART B—SPECIAL PAY FOR CRITICAL PERSONNEL

LEGISLATIVE PROVISIONS ADOPTED

Aviator retention bonus (sec. 611)

The House bill contained a provision (sec. 611) that would authorize an aviator retention bonus. The bonus would be paid to officers who (1) are entitled to aviation career incentive pay; (2) are in pay grades below O-6; (3) are qualified to perform operational flying duty; (4) have completed at least six but less than 13 years of active duty; (5) have completed any active duty service commitment incurred for undergraduate aviator training; and (6) are in an aviation specialty that is designated as critical on the basis of a current shortage of officers in the specialty. The amount of the bonus payments would be limited to: (1) $12,000 for each year covered by a written agreement if an officer agrees to remain on active-duty to complete 14 years of commissioned service; or (2) $6,000 for each year covered by a written agreement of two years or less. The authority to enter into bonus agreements would expire in three years (September 30, 1991). The House provision would also provide a two-year "transition" window which would allow payments for one and two-year extensions for officers between 13 and 16 years of service, and require a report on the implementation of the provision by July 1, 1990. The House bill would authorize $36.2 million in fiscal year 1989 for the bonus in the Air Force.

The Senate amendment contained a similar provision (sec. 611) but with a number of differences: (1) a bonus would be paid to aviators in skills designated as retention sensitive; (2) the bonus level would be capped at $12,000 for each year covered by a written agreement but would be subject to the discretion of the Service Secretary; (3) the authority to enter into agreements would expire in one year (September 30, 1989); (4) there would be no provision for a "transition window"; (5) there would be a requirement for a report, but it would be on the retention, management, and compensation of aviators to be accompanied by a legislative proposal due by December 1, 1988; and (6) the authorization for funding would be $30 million.

The Senate recedes with an amendment that would: (1) adopt the House eligibility criteria, including the requirement that recipients must be in an aviation specialty that is designated as critical on the basis of a current shortage of officers in the specialty; (2) adopt the House limitation on the levels of payment authorized for each year covered by a written agreement of extension; (3) establish as the period during which agreements may be entered into from January 1, 1989 to September 30, 1989; (4) delete the two-year "transition window" allowance that was in the House bill; (5) require a report and accompanying legislation that would implement the recommendations in the report by December 1, 1988; (6) require that no agreements may be entered into if the report is not received by the Committees on Armed Services of the Senate and House of Representatives by December 1, 1988; and (7) adopt the funding authorization in the House bill of $36.2 million.

The conferees urge the Department of Defense to evaluate critically all facets of its management of the aviator inventory and to also give equal scrutiny to the validity of stated aviator requirements, especially in non-flying positions. With regard to aviator requirements, the conferees received a report from the General Accounting Office, dated June 1988, entitled *"Air Force Pilots—U.S. Air Force Requirements, Inventory and Related Data."* This report indicates about one-third of Air Force pilot requirements are in non-flying jobs. The conferees are skeptical that so many pilots are required in non-flying jobs and caution the Department of Defense that these requirements will be subject to reduction next year if they are not adequately justified on a position by position basis in all Services. The conferees expect this issue to be addressed analytically in the report required by December 1, 1988.

In addition, the conferees direct the Secretary of Defense to evaluate critically the capability and desirability of realigning portions of the Air Force flying missions, such as airlift, to the Air National Guard and Air Force Reserve. The conferees believe that the Air National Guard and Air Force Reserve have demonstrated effective capability in performing the flying missions they have been assigned. Furthermore, the Air National Guard and Air Force Reserve have no apparent aviator manning problems. Realignment of certain flying missions from the active to the reserve force may have the potential of averting some of the aviator manning problems in the active force and may also be cost-effective in the long term. The Secretary of Defense is directed to submit a report to the Committees on Armed Services of the Senate and House of Representatives making recommendations, based on his evaluation, by January 1, 1989, and to include any realignments proposed in the fiscal years 1990/1991 Department of Defense budget request.

Medical officer retention bonus (sec. 612)

The House bill contained a provision (sec. 612) that would authorize $50 million for medical incentive special pay. This authorization is $17 million above the level contained in the amended budget request.

The Senate amendment contained a provision (sec. 612) that would provide the Secretary of Defense short term discretionary authority to increase, by up to 48 percent, certain variable, additional and board certified special pays for physicians who have more than eight years of service and who have qualifications for which the Secretary of Defense determines retention problems exist.

Further, the Senate provision would require the Secretary of Defense to submit a comprehensive report on the Department's requirement for health care professionals, and the adequacy of the current health professional compensation system, accompanied by a legislative proposal providing an alternative compensation system linked to the civilian sector.

The House recedes with an amendment. The conferees recognize that the retention of health care professionals is difficult. While recognizing that compensation is not the only factor affecting retention, the conferees agree that it is a major consideration. The conference agreement directs the Secretary of Defense to submit a comprehensive report to the Committees on Armed Services of the Senate and House of Representatives evaluating the adequacy of the existing compensation package for health care professionals and any recommended changes to that structure. That report must include justification for future long-term specialty requirements, grade levels, training requirements, and levels of non-patient care physician positions. If the Department is unable to justify its stated requirements for those levels during the next budget cycle.

The conference agreement also requires that this long-term comprehensive report include a legislative proposal that provides for one of two approaches to an alternative compensation system for health care professionals linked to the compensation of private sector employed physicians. The Department must submit this proposal, and should, in addition, submit any other legislative proposals the Department of Defense deems to have merit in addressing retention problems in the medical community, to the Committees on Armed Services of the Senate and House of Representatives no later than December 1, 1988.

Further, the conferees agree that while developing an adequate health professional compensation system is the long-term solution, short-term concerns need to be addressed as well. The conference agreement, therefore, authorizes $30 million to establish a discretionary physicians' bonus to be implemented by the Secretary of Defense during fiscal year 1989.

This temporary medical bonus program is to be provided to those physicians determined to be in short supply based either on specialty, training, years of experience, or other factors determined by the Secretary of Defense. This authority is granted only for those members who have more than eight years of creditable service, who have completed service obligations incurred as a result of education and/or training, and whose total compensation currently falls below that of comparable physicians in private sector employment as determined by the Secretary of Defense. The conferees suggest that the salaries of physicians employed by civilian Health Maintenance Organizations, or other similar organizations, may represent a good comparative benchmark. The Secretary would have the authority to negotiate multi-year service agreements with a minimum requirement for a two-year commitment period. The maximum bonus payable is $20,000 per year of commitment. However, the conferees generally expect that the total compensation that a military physician receives under this limited authority in any one year may not exceed a 48 percent increase in the total annual amount of variable special and additional special pays to which such a physician is entitled under sections 302(a)(2), 302(a)(4), and 302(a)(5) of title 37, United States Code, during such year. If the Secretary believes that a higher amount for any physician or category is justified, he should provide written notification to the Committees on Armed Services of the Senate and House of Representatives describing the rationale for his decision.

This section becomes effective January 1, 1989, but only if the comprehensive report and accompanying legislative proposal described above is received by the December 1, 1988, deadline, and the authority shall terminate in any case on September 30, 1989. A report on the proposed method of implementation of this temporary medical special pay program shall be submitted to the Committees on Armed Services of the Senate and House of Representatives by November 15, 1988.

Special pay for critically short wartime health specialists in the Selected Reserve (sec. 613)

The Senate amendment contained a provision (sec. 613) that would authorize a two-year test program utilizing an affiliation bonus, of not more than $10,000 annually, for critical wartime health professionals who agree to serve in the Selected Reserve for one to three years.

The House bill contained no similar provision.

The House recedes.

PART C—OTHER PERSONNEL BENEFITS

LEGISLATIVE PROVISIONS ADOPTED

Housing lease indemnity program (sec. 621)

The House bill contained a provision (sec. 613) that would make permanent for all Services worldwide the pilot rental indemnity program established by section 1357 of the fiscal year 1987 Defense Authorization Act (Public Law 99-661). Under this program, a service Secretary could guarantee to a landlord who leased a rental unit to a military member compensation for any breach of the lease or damage to the rental unit in lieu of the military member paying a security deposit.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment to ensure due process to the service member before reducing that member's pay for such breach of the lease or damage to the rental unit.

The conferees note that, in addition to a security deposit, service members assigned in some overseas locations must purchase all of the appliances, plumbing fixtures, and even light sockets for their rental units. The basic housing unit itself may consist of only a shell with no interior fittings. A small portion of the monthly Overseas Housing Allowance is designed to reimburse the member for part of this "upfront" cost. While service members may draw an advance on basic pay and housing allowances, for many lower-ranking members, the $2,000-plus cost of purchasing the basic housing "package" places a severe strain on their family resources. It is not clear that the present Overseas Housing Allowance and advance payment mechanisms are sufficient to deal with these high out-of-pocket expenses. The conferees, therefore, direct the Secretary of Defense to submit a report to the Committees on Armed Services of the Senate and House of Representatives no later than February 1, 1989, on the adequancy of present programs in assisting service members, particularly lower-ranking personnel, in dealing with the upfront costs of making overseas rental housing habitable.

Retired pay inversions resulting from court-martial punishment (sec. 622)

The Senate amendment contained a provision (sec. 614) that would change current authority allowing the adjustment of retired pay to higher amounts because of so-called "look back" provisions so that this authority would not be applicable to personnel retired in a reduced grade because of court-martial.

The House bill contained no similar provision.

The House recedes.

Travel and transportation allowances for emergency travel (sec. 623)

The Senate amendment contained a provision (sec. 616) that would establish the same standard for funded emergency travel for military personnel assigned overseas on temporary duty as exists for military personnel assigned overseas on permanent duty.

The House bill contained no similar provisions.

The House recedes.

Travel and transportation allowances incident to voluntary extension of overseas tours of duty (sec. 624)

The Senate amendment contained a provision (sec. 619) that would clarify that certain overseas tour extension incentives are discretionary.

The House bill contained no similar provisions.

The House recedes.

Civilian clothing allowance (sec. 625)

The Senate amendment contained a provision (sec. 618) that would clarify that civilian clothing allowances for duty in certain places are limited to officer personnel and are discretionary.

The House bill contained no similar provisions.

The House recedes.

LEGISLATIVE PROVISION NOT ADOPTED

Study of supply and demand for child care

The House bill contained a provision (sec. 616) that would require the Inspector General (IG) of the Department of Defense to conduct a study on the supply and demand for child care on military installations for military and civilian families.

The Senate amendment contained no similar provisions.

The House recedes. The conferees note that the General Accounting Office is currently conducting a study on the supply and demand for child care on military installations and that an IG study on the same subject is therefore unnecessary at this time.

PART D—BENEFITS RELATING TO INCAPACITATION OF CERTAIN RESERVE MEMBERS IN LINE OF DUTY

LEGISLATIVE PROVISIONS ADOPTED

Compensation for certain reserve members (sec. 631)

The House bill contained a provision (sec. 621) that would authorize military pay and allowances, less civilian earned income, to National Guard and Reserve personnel who are incapacitated during training and are unable to perform military duties as a result.

The Senate amendment contained no similar provision.

The Senate recedes.

Travel for dependents of certain members (sec. 532)

The House bill contained a provision (sec. 622) that would authorize round trip transportation for certain family members of reservists who are killed or become seriously ill while serving on active duty for 30 days or less or inactive duty for training.

The Senate amendment contained no similar provision.

The Senate recedes.

Injury, disability and death compensation coverage for ROTC cadets during military training activities (sec. 633)

The Senate amendment contained a provision (sec. 620(a)) that would authorize medical care coverage for certain ROTC cadets injured or disabled and death compensation for those who die during or while traveling in connection with prescribed training.

The House bill contained no similar provision.

The House recedes.

PART E—HEALTH CARE MANAGEMENT PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Requirement to submit end strengths for medical personnel (sec. 641)

The House bill contained a provision (sec. 631) that would direct the Secretary of Defense to provide as a part of the annual budget submission a separate statement on the end strength for all members of the armed forces who are medical personnel.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment requiring that a delineation of medical requirements and the end strength to meet those requirements be included in the Defense Manpower Requirements Report. The conferees expect that the budget justification books provided by the Department of Defense will also provide detailed information on medical end strengths and note that the *Health Manpower Statistics* report currently prepared by the Department fails to provide either accurate or useful data on medical staffing.

Requirements with respect to certain Navy medical personnel (sec. 642)

The House bill contained a provision (sec. 632) that would require the Secretary of the Navy to restore to the level of January 1, 1986, the number of civilian personnel employed in Navy medical treatment facilities, including rehiring of support personnel.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment making $15 million of Navy operation and maintenance funds available solely for the purpose of paying the civilian salaries of additional medical support personnel.

The conferees note that two of the principal reasons given for military physician dissatisfaction are, first, the inability to practice medicine due to the shortage of medical support personnel like nurses and technicians and, second, the lack of other support personnel to perform clerical duties. Such clerical duties are a terrible waste of the government's investment in the education and special pays of these providers.

Unfortunately, the Navy made its already critical shortfalls in medical care capability worse by reducing civilian support personnel beginning in early 1986 and substituting non-medical enlisted personnel designated to support the hospital ships and fleet hospitals.

The conferees believe that adequate numbers of qualified support personnel are essential to the efficient operation of a hospital and to physician satisfaction. The enhanced retention incentive provided by the one year medical bonus retention authorized by section 612 could be substantially diluted or even totally negated if the downward spiral on support personnel continues. The conferees are advised that the Navy is working to solve the serious problems that have resulted in some areas as a result of the implementation of the non-medical substitution program. To assist that effort, the conferees set aside funds specifically earmarked for civilian salaries of medical support personnel and intend to closely monitor the progress made on improving support staffing during fiscal year 1989.

Provision relating to Navy end strengths and officer in health professions (sec. 643)

The Senate amendment contained a provision (sec. 622) that would repeal the requirement contained in section 723 of the fiscal years 1988/1989 Defense Authorization Act (Public Law 100-180) that requires the Navy to allocate 25 percent of officer accessions and 15 percent of end strength growth to health professionals.

The House bill contained no similar provision.

The House recedes with an amendment that would earmark a portion of the Navy's officer end strength for fiscal years 1989, 1990, and 1991 to be filled only by health care professionals.

The conferees note that section 723 was included in Public Law 100-180 because of congressional concerns about chronic understaffing in the Navy medical department. Although Congress has approved considerable end strength growth for the Navy from fiscal year 1981 through fiscal year 1988—64,000 personnel—the Navy made a conscious decision to devote the bulk of that growth to manning the fleet for the future 600-ship Navy.

In fiscal year 1986, Navy end strength grew by 10,000 over the fiscal year 1985 level; by contrast, Navy medical staffing decreased by 183. During the same one-year period, non-availability statements issued by Navy hospitals sending patients to civilian medical facilities under the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) increased by more than 60 percent. In fiscal year 1987, Navy end strength grew by 6,000; Navy medical staffing decreased by an additional 470.

In an effort to reverse this downward trend in both the level of staffing and the availability of care, section 723 of Public Law 100-180 required that 25 percent of the Navy's officer accessions and 15 percent of its end strength growth during fiscal years 1989 and 1990 be medical personnel. The conferees recognize that percentages are not the optimal way to ensure growth in the Navy's medical strength and, in an effort to ensure modest medical growth over the next few years, have instead required that a portion of the Navy's officer end strength during fiscal years 1989, 1990, and 1991 be earmarked specifially for medical personnel.

The conferees emphasize that their concern is not growth per se but, rather, improvement in the quality and accessibility of medical care. They recognize that major efforts will be necessary and that the Navy may need additional tools. As a first step, they have authorized a one-year medical officer retention bonus in section 612 and plan a comprehensive review of medical personnel incentives next year following submission of the December 1, 1988, report of the Secretary of Defense required in section 612.

The conferees understand that the Navy is looking at increased numbers of Federal civilian employees or expanded contracting with the private sector as other options to relieving its current staff shortfalls. If the Navy succeeds in significantly increasing its medical staff by implementing one or both options, the conferees will review the medical end strength level allocated by this provision and make appropriate revisions.

The conferees recognize that recruiting and retaining health care professionals are challenging tasks and have attempted to set realistic goals for growth. Some provider categories, like nurses, will be very difficult to increase because severe shortages exist in the civilian sector as well. The Navy has the opportunity, however, for growth in some other provider groups, specifically physician assistants. If action is taken on commissioning physician assistants, this program could offer the opportunity to increase substantially the availability of medical care to the current beneficiary population, both aboard ship and at fixed medical facilities.

The conferees will closely monitor the Navy's implementation of this medical growth plan. Should the requirements of section 642 prove unrealistic or unattainable in the current environment, after a good faith effort by the Navy to achieve those goals, the conferees would certainly consider any other recommendations from the Secretary of the Navy, through the Office of the Secretary of Defense, for modification. The conferees note that they view reversal of the chronic understaffing of Navy medical care to be a top priority item in the allocation of Navy manpower resources in the foreseeable future.

Sharing of health care resources between the Department of Defense and the Veterans' Administration (sec. 644)

The House bill contained a provision (sec. 633) that would provide authority in title 10 for Department of Defense/Veterans' Administration (DOD/VA) sharing agreements and permit the use of Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) funds to execute such agreements.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment deleting the House provision and instead providing $20 million of medical operation and maintenance funding for such sharing agreements. The conferees recognize the merit and potential for cost-effective use of scarce medical care resources that can result from such sharing agreements and expect the Department of Defense to continue to explore ways to contain rapidly escalating medical costs.

CHAMPUS was established to pay for care provided beneficiaries in the civilian sector. If the Department of Defense believes that greater cost-effectiveness can be achieved in some instances through use of CHAMPUS funds for sharing agreements with the Veterans' Administration, then a number of issues need to be clarified. Before authorizing the Department of Defense to use CHAMPUS funds for DOD/VA sharing, the conferees need further information. Therefore, the Secretary of Defense is directed to submit a report not later than February 15, 1989, addressing the following questions:

1. Would beneficiary freedom of choice be limited in any way as a result of a sharing agreement?
2. Would contractors in the region of the country covered by the CHAMPUS Reform Initiative be liable for the costs incurred by a local base commander who negotiates a sharing agreement without the contractor being allowed to participate in that decision?
3. On what priority basis would patients be seen in DOD and VA facilities?
4. What types of tracking methods would be in place to monitor the use of CHAMPUS funds and evaluate the growth and cost-effectiveness of the sharing program?
5. Would a copayment be required for DOD beneficiaries utilizing these agreements?
6. How would patient workloads be used to justify expansion of facilities?
7. Would written referrals be required?
8. Would cost effectiveness be required?
9. How would double billings be prevented?

In addition, the conferees expect the report to address the recommendations of the General Accounting Office contained in the March 1988 report entitled "Further Opportunities to Increase the Sharing of Medical Resources" and any additional issues that the Secretary deems appropriate.

The conferees direct the Department to develop a plan for utilization of CHAMPUS funds to execute agreements as authorized by the Veterans' Administration and Department of Defense Health Resources Sharing and Emergency Operations Act (Public Law 97-174). This report and plan should be submitted to the Committees on Armed Services of the Senate and House of Representatives not later than February 15, 1989.

The Department of Defense is to be commended for the more than 240 sharing agreements which have already been executed under current authority. Both cost efficiencies and high quality health care are imperative components of delivering medical treatment to beneficiaries of our military medical system.

Extension of earliest termination date for former Public Health Service hospitals and requirement that such hospitals be cost effective (sec. 645)

The House bill contained a provision (sec. 621) that would extend the earliest possible termination date for designation of Uniformed Services Treatment Facilities to December 31, 1989 and would require that the Secretary of Defense certify that more cost-effective care can be obtained prior to termination of the designation.

The Senate amendment contained a provision (sec. 634) that would extend the earliest possible termination date for designation of Uniformed Services Treatment Facilities to December 31, 1991.

The House recedes with an amendment extending the earliest possible termination date for designation of Uniformed Services Treatment Facilities to December 31, 1990, and requiring the Secretary of Defense to certify that more cost effective care can be obtained prior to termination of the designation.

Eligibility of certain institutions to receive reimbursement under CHAMPUS (sec. 646)

The House bill contained a provision (sec. 635) that would authorize the Secretary of Defense to waive CHAMPUS co-payment if a medical treatment facility does not impose a legal obligation to pay for care on all patients. The Secretary of Defense would not be permitted to withhold payment to a hospital based solely on the fact that the facility imposes no legal obligation for payment on its patients.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that permits the Secretary of Defense to waive CHAMPUS beneficiary co-payment and to make payment to requesting hospitals that do not impose legal obligations on patients to pay for care, if the requesting hospital meets regulations prescribed by the Office of the Civilian Health and Medical Program of the Uniformed Service.

PART F—MISCELLANEOUS

LEGISLATIVE PROVISIONS ADOPTED

Limited extension of certain medical benefits for former spouses (sec. 651)

The House bill contained a provision (sec. 615) that would authorize a limited extension of certain medical benefits for former spouses. Specifically, those former spouses who had been married for a minimum of 20 years to a service member who served for a minimum of 20 years with at least 15 years of marriage during that military service (the so called "20/20/15" group) and whose divorces were finalized after the enactment of the fiscal year 1989 Defense Authorization Act, would become eligible for one year of transitional military medical care while deciding whether to elect coverage under the new Department of Defense conversion plan. Those with pre-existing conditions not covered in the first year of the conversion plan would retain eligibility for military medical care for an additional one-year period for that pre-existing condition.

The Senate amendment contained no similar provision.

The Senate recedes.

Technical correction to survivor benefit plan coverage of former spouses (sec. 652)

The House bill contained a provision (sec. 614) that would make a technical correction to ensure that the designated former spouses of military retirees, of retirement eligible active-duty personnel, or of reservists with at least 20 years service who were spouse beneficiaries on or before the date of the fiscal year 1986 Survivor Benefit Plan changes have their post-age 62 annuities calculated under both the previous and current systems, with entitlement to the higher of the two.

The Senate amendment contained no similar provision.

The Senate recedes.

Special annuity for certain surviving spouses (sec. 653)

The Senate amendment contained a provision (sec. 615) that would authorize a $165 per month survivor benefit payment to survivors of military retirees whose spouses died before November 1, 1953.

The House bill contained no similar provision.

The House recedes with an amendment requiring this category of survivors to meet the eligibility under the Department of Defense Minimum Income Widows' Program in order to be eligible for this program.

Report on definition of dependent for certain purposes (sec. 654)

The Senate amendment contained provisions that would define "dependent" for travel purposes (sec. 617), for medical care purposes (sec. 623), and for commissary entitlement purposes (sec. 620).

The House bill contained no similar provisions.

The House recedes with an amendment deleting the Senate provisions but requiring a report from the Secretary of Defense not later than February 15, 1989, that comprehensively addresses the appropriate benefits and entitlements that should accrue to military dependents, and the appropriate definition of military dependent as a category so that this category can be treated uniformly for such entitlements and benefits as housing, travel, medical care, commissary privileges, schooling, etc. The amendment further requires that the Secretary of defense submit proposed legislation to accompany the report which would implement the recommendations in the report.

TITLE VII—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Authority to Establish Position of Assistant Secretary of Defense for Intelligence (sec. 701)

The House bill contained a provision (sec. 951) that would:

(1) amend section 136(b) of title 10, United States Code, by dropping "intelligence" from the position title, redesignating the position of Assistant Secretary of Defense for Command, Control, and Communications, and making a corresponding change to the prescription of the responsibility of such position;

(2) amend section 136(b) of such title to designate the position of Assistant Secretary of Defense for Intelligence and to prescribe the responsibility of such position; and

(3) amend section 136(a) of title 10 and section 5315 of title 5 to increase the number of Assistant Secretaries of Defense from eleven to twelve.

The Senate amendment contained a provision (sec. 705) that would prohibit the use of funds in fiscal year 1989 to establish or operate an Office of the Assistant Secretary of Defense for Intelligence or to pay the salary of an Assistant Secretary of Defense for Intelligence.

The conferees agreed to an amendment to retain the current position of Assistant Secretary of Defense for Command, Control, Communications, and Intelligence, but to authorize the Secretary of Defense, if he so chooses, to separate the intelligence function and the command, control, and communications function. The Secretary of Defense could establish the position of Assistant Secretary of Defense for Intelligence and redesignate the current position as the Assistant Secretary of Defense for Command, Control, and Communications. The conferees recognize that concerns about the current consolidation of these functions have been raised and that alternative organizational arrangements are being studied within DOD. The conferees agreed to provide the Secretary of Defense with the flexibility to implement any improved organizational arrangements that he determines necessary. The authority granted by the provision is consistent with the conferees' view that the Secretary of Defense should have sufficient flexibility to organize his office to fit his personal management style and DOD functional priorities.

The conferees agree to require the Secretary of Defense to submit, not later than November 1, 1988, a report to the Committees on Armed Services of the Senate and House of Representatives presenting and explaining his determination as to the most appropriate assignment of the duty of supervising the intelligence function. Such report should also present and explain the Secretary's views on the recommendations relating to the intelligence function contained in the management studies of the Office of the Secretary of Defense (OSD) required by section 109 of the Goldwater-Nichols DoD Reorganization Act of 1986 (Public Law 99-433). In each instance in which the Secretary recommends a change to the duty of supervising the intelligence function, he should explain how relationships among OSD officials and between OSD officials and intelligence officials in other departments and agencies would be affected. The Secretary should also include his recommendations for other organizational changes in the overall intelligence community that are warranted, particularly if he decides to create an Assistant Secretary of Defense for Intelligence.

Should the Secretary of Defense decide to establish the position of Assistant Secretary of Defense for Intelligence, the report that he submits to the Committees on Armed Services must include a detailed explanation of the duties of, and a draft charter for, such position. In addition, the Secretary should provide a detailed explanation of the duties of, and a draft charter for, the position of Assistant Secretary of Defense for Command, Control, and Communications, as redesignated. The conferees intend that the Secretary's report will be reviewed by the Committees on Armed Services prior to any confirmation proceedings for the new position and the redesignated position.

Should the Secretary of Defense decide to establish the position of Assistant Secretary of Defense for Intelligence, he will have to do so within the authorized level of eleven Assistant Secretaries. If the Secretary believes that a twelfth Assistant Secretary is justified, he should include in his report to the Committees on Armed Services an explanation of the need for an increase in the authorized number of Assistant Secretaries.

Designation in each military department of Assistant Secretary with responsibility for financial management (sec. 702)

The House bill contained a provision (sec. 701) that would—

(1) amend sections 3016(b), 5016(b), and 8016(b) of title 10, United States Code, to designate an Assistant Secretary for Financial Management in each Military Department and to prescribe the responsibility of such positions;

(2) amend chapters 303, 503, and 803 of such title to add new sections 3022, 5025, and 8022, respectively, prescribing the financial management activities and operations that the Assistant Secretary for Financial Management of each Military Department is to direct and manage; and

(3) amend section 8016(a) of such title to increase the number of Assistant Secretaries of the Air Force from three to four.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment to specify the effective dates for the various subsections of the House provision. In the case of the Departments of the Army and the Navy, January 20, 1989 is the effective date for subsections (a) and (b), respectively. In the case of the Department of the Air Force, July 1, 1989 is the effective date for subsections (c) and (d), except that such subsections shall take effect on such earlier date, but not before January 21, 1989, as may be prescribed by the President in advance by Executive Order.

General Counsels of military departments (sec. 703)

The Senate amendment contained a provision (sec. 706) that would amend sections 3019, 5019, and 8019 of title 10, United States Code, to require the appointment of the General Counsel of a Military Department by and with the advice and consent of the Senate. The Senate provision would apply this requirement only to appointments made on and after the date of enactment of this act.

The House bill contained no similar provision.

The House recedes.

Deferral of retirement date for Chairman of the Joint Chiefs of Staff (sec. 704)

The Senate amendment contained a provision (sec. 702) that would authorize the President to defer the retirement of the current JCS Chairman to coincide with the end of his second term on October 1, 1989.

The House bill contained no similar provision.

The House recedes.

Assignment of combatant forces (sec. 711)

The Senate amendment contained a provision (sec. 703) that would amend section 162(a) of title 10, United States Code, to authorize the Secretary of Defense to assign U.S. combatant forces to the U.S. element of binational and multinational military commands.

The House bill contained no similar provision.

The House recedes with an amendment to limit the authority of the Secretary of Defense to assign U.S. combatant forces, other than to combatant commands, only to the U.S. Element of the North American Air Defense Command.

Responsibility and authority of commander of special operations command (sec. 712)

The Senate amendment contained a provision (sec. 704) that would amend section

167(e) of title 10, United States Code, to clarify which of the functions of the commander of the special operations command are limited to assigned forces and to clearly assign to such commander responsibility for preparing and submitting to the Secretary of Defense program recommendations and budget proposals for special operations forces.

The House bill contained no similar provision.

The House recedes with two amendments. The first amendment would clarify that the commander of the special operations command would be responsible for executing budgets as well as for preparing and submitting to the Secretary of Defense program recommendations and budget proposals. The conferees agreed that the commander of the special operations command shall be responsible for budget execution not later than for the budget for fiscal year 1992.

The second House amendment would specify that the commander of the special operations command would be responsible for program recommendations, budgets proposals, and budget execution for other assigned forces as well as for all special operations forces. At present, not all of the forces assigned to the special operations command are designated as special operations forces. The conferees agreed that the commander should have the specified resource allocation responsibilities for all forces assigned to the command.

Strategic air defense alert mission (sec. 713)

The House bill contained a provision (sec. 945) that would prohibit any changes to any Air National Guard unit in the strategic air defense mission in the northern U.S., or any changes to the deployment of those units until both the Over-the-Horizon Backscatter (OTH-B) radar system and the North Warning System are fully deployed and the Secretary of the Air Force has reported on how these and other systems will perform the strategic air defense mission along the northern border of the U.S. and in Canada.

The Senate amendment contained a similar provision (sec. 942).

Neither committee had the opportunity to receive testimony on this or other issues related to impending changes in the strategic air defense mission as a result of the phaseout of the Distant Early Warning (DEW) line of radars and its replacement with the OTH-B and North Warning radars, which exend the warning and surveillance network into the arctic reaches. Accordingly, the Senate recedes with an amendment calling for an interim report on the effort of this provision on planned Department of Defense operations, and recommendations on whether this policy should be continued after fiscal year 1989. Both committees plan to hold extensive hearings in connection with the fiscal year 1990 budget request on the effects of this provision.

Reports on budgets for unified and specified commands (sec. 714)

The House bill contained a provision (sec. 705) that would amend section 166 of title 10, United States Code, to require the Secretary of Defense to submit a separate budget proposal for each unified and specified combatant command. The House provision would also add "command and control" to the list of activities for which funding is to be requested in such separate budget proposals.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that requires reports by the Secretary of Defense, the JCS Chairman, and the commanders of the unified and specified combatant commands on the resource allocation provisions, including separate budget proposals for the combatant commands, of the Goldwater-Nichols DOD Reorganization Act of 1986 (Public Law 99-433). The conferees express concern that implementation of the resource allocation provisions appears to be incomplete. The conferees intend that the required reports will assist the Committees on Armed Services of the Senate and House of Representatives in determining what further actions may be necessary to ensure full implementation of the Goldwater-Nichols Act.

Report on initial Unified Command Plan and review of Service roles and missions (sec. 715)

The House bill contained a provision (sec. 707(a)) that would require the Secretary of Defense to submit not later than April 1, 1989 to the Committees on Armed Services of the Senate and House of Representatives a report on the implementation of sections 153(b) and 161(b) of title 10, United States Code. Such report would address the initial report of the JCS Chairman on the assignment of functions (or roles and missions) to the Services (as required by section 153(b)) and the initial review by the JCS Chairman of the Unified Command Plan (as required by section 161(b)).

The Senate amendment contained no similar provision.

The Senate recedes. The conferees agreed that this report would assist congressional efforts to monitor progress in the implementation of the Goldwater-Nichols DoD Reorganization Act of 1986 (Public Law 99-433).

Regulations for delivery of military personnel to civil authorities when charged with certain offenses (sec. 721)

The Senate amendment contained a provision (sec. 936) that would require the Department of Defense to promulgate uniform regulations to provide for the delivery to civilian authorities of military members accused of civil offenses, including parental kidnapping and related offenses, especially with respect to those who might otherwise remain overseas to avoid stateside civil child custody proceedings.

The House bill contained no similar provision.

The House recedes.

Court of military appeals retirement revisions (sec. 722)

The Senate amendment contained a provision (sec. 918) that would revise the retirement system for judges of the Court of Military Appeals.

The House bill contained no similar provision.

The House recedes with an amendment establishing the retirement system for the Court of Military Appeals under the Department of Defense Military Retirement Fund. Under this provision, a judge may elect, at the time of retirement from civil service, to receive an annuity under this new program in lieu of any other annuity to which the judge may be entitled under any other retirement system for civilian employees of the Federal government. If the judge makes such an election, it would be irrevocable, and the judge would not be entitled to any return of retirement contributions. This provision, however, does not affect the judge's entitlement to any benefits to which he is otherwise entitled under the government's Thrift Saving Plan.

It is the intent of the conferees that the provisions governing cost-of-living increases and survivor annuities be implemented, insofar as practicable, in a manner consistent with the provisions governing such benefits for civilian employees and their survivors under title 5, United States Code.

Annual net assessments (sec. 731)

The Senate amendment contained a provision (sec. 707) that would clarify the timing and content of the annual net assessment that is to be transmitted to the Congress by the Secretary of Defense under section 113(j) of title 10, United States Code.

The House bill contained no similar provision.

The House recedes.

Linkage of national military strategy and weapon acquisition programs (sec. 732)

The House bill contained a provision (sec. 938) that would express the sense of Congress that (1) the links between national strategy and specific acquisition decisions should be better defined; (2) the necessary operational capabilities and concepts of operations should be more clearly defined through the requirements process; (3) the requirements process should include alternatives based on levels of resources likely to be approved by the Congress and explicit tradeoffs among the Services; (4) the Secretary of Defense should ensure that budget priorities clearly reflect national strategic priorities; and (5) the Secretary should commission an independent assessment of the DoD process for requirements and planning.

The Senate amendment contained no similar provision.

The Senate recedes with technical amendments to clarify the House provision.

Ammunition production base requirements (sec. 733)

The House bill contained a provision (sec. 943) that would express the sense of Congress that the maintenance of the inactive portion of the Government-owned ammunition production base is critical to the defense of the United States and that sufficient funding should be provided to maintain this base to meet surge requirements and mobilization requirements of the Military Departments. This provision would also require the Secretary of Defense to submit a report, together with appropriate legislative proposals, to the Committees on Armed Services of the Senate and House of Representatives by December 1, 1988 on alternatives to the current method of funding the ammunition production base to better assure that appropriate levels of funds are used for the maintenance of the base.

The Senate amendment contained no similar provision.

The Senate recedes with technical amendments.

Sense of Congress on declassification of classified information (sec. 734)

The House bill contained a provision (sec. 957) that would express the sense of Congress that the Secretary of Defense should take all reasonable measures to declassify classified information under the control of the Department of Defense that the Secretary determines is no longer required to be protected in the interests of national security.

The Senate amendment contained no similar provision.

The Senate recedes. The conferees agree that too much information is classified in the first instance and too much information remains classified beyond the time that it is required to be protected. They are aware that Executive Order 12356 requires that classified information be declassified as soon as national security consideration permit, and urge the Secretary to take all reasonable steps to assure that this policy is carried out.

Advance payment of administrative claims (sec. 735)

The Senate amendment contained a provision (sec. 916) that would amend current law governing advance payment for administrative claims by increasing the maximum amount from $10,000 to $100,000.

The House bill contained no similar provision.

The House recedes. The conferees note that in most instances of death or injury to persons or property, the $10,000 limit in current law will provide sufficient funds to enable a claimant to alleviate any immediate hardship and mitigate damages pending final settlement. The conferees direct the Secretary of Defense to issue rules to ensure that the authority to provide advance payments in excess of $10,000 will be exercised in a judicious manner.

Energy efficiency incentive (sec. 736)

The Senate amendment contained a provision (sec. 925) that would authorize the Department of Defense to establish a program to conserve energy. Under this provision, the portion of the funds appropriated for payment of a military Service's energy expenses that is equal to the Government's share of the first year's energy cost savings resulting from contracts entered into under title VIII of the National Energy Conservation Policy Act (42 U.S.C. 8287 et seq.) as amended in 1986, would be treated as an unobligated balance. This unobligated balance would be available to the Service in the fiscal year after the fiscal year in which the savings occur, to be used in equal amounts, until expended, for additional energy efficiency projects by the Service, and appropriated Morale, Welfare and Recreation purposes and minor construction projects that enhance the quality of life at the installation at which the savings are realized.

The House bill contained no similar provision.

The House recedes with a technical amendment.

LEGISLATIVE PROVISION NOT ADOPTED

Maintenance of selected reserve force structure

The House bill contained a provision (sec. 932) that would prohibit the secretaries of the Military Departments from reducing the force structure of the Selected Reserve of the reserve components under their respective jurisdictions below the fiscal year 1988 force structure levels.

The Senate amendment contained no similar provision.

The House recedes. However, the conferees agree with the $11 million increase in the House bill to the Air National Guard and Air Force Reserve operation and maintenance accounts with the understanding that this funding is not designated for any specific purpose.

Uniform method for establishing wage schedules and rates

The House bill contained a provision (sec. 949) that would reinstate the effects of the so-called "Monroney Amendment" for the Department of Defense. The provision would require that wage rates for federal civilian blue collar workers be based on local prevailing wages for comparable private sector positions. If there is an insufficient number of comparable private sector positions to provide a representative sample, the nearest wage area with similar characteristics would be referenced for appropriate wage determinations.

The Senate amendment contained no similar provision.

The House recedes.

TITLE VIII—ACQUISITION POLICY AND MANAGEMENT

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Integrated financing policy (sec. 801)

The House bill contained a provision (sec. 821) that would require defense contractors to submit an annual profit information report containing detailed financial data to a firm in the private sector designated by the Secretary of Defense. The firm would aggregate the data and transmit it annually to the Secretary of Defense. The Secretary would be required on an annual basis to conduct a study of the financial situation and level of profitability of defense contractors.

The House bill also contained a provision (sec. 822) that would require the Secretary of Defense to establish an Advisory Council for the purpose of recommending to the Secretary of Defense a financial analysis methodology for the profitability study.

The Senate amendment contained a provision (sec. 801) that would require the Secretary of Defense to establish, in conjunction with the development of the Five Year Defense Program, an integrated plan to ensure that Department of Defense financing policies are structured to meet the Department's long-term needs for industrial resources and technology innovation. The foundation of the plan would be the Department's long-term goals for the defense industry, taking into account the different characteristics of its separate segments and tiers. The plan would set forth a detailed explanation of the relationship between these long-term goals and the specific policies, as reflected in the budget, on progress payments and other financing of contractors, return on investment, and division of contract risk.

The Senate recedes with an amendment that makes clarifying changes to the integrated financing policy requirement and that requires the Department of Defense: (1) in developing the integrated financing policy, to take into consideration the profitability of negotiated defense contracts for each fiscal year that forms the basis for the policy; (2) to establish an Advisory Council to recommend the financial analysis methodology to be used for any return on investment study conducted by the Secretary of Defense; (3) to use the most current information on profitability developed for the integrated financing policy as the basis for negotiating defense contracts; and (4) to report to Congress each year on the manner in which contracts negotiated under the integrated financing policy have prevented the occurrence of excessive profits. The Council would consist of seven numbers, with three representatives from the private sector and four from the public sector (including the General Accounting Office and the Department of Defense). It is the intent of the conferees that that the private sector representatives include persons from defense industry and the accounting profession.

Competitive prototype strategies (sec. 802)

The Senate amendment contained a provision (sec. 819) that would substantially revise current law governing the use of competitive prototyping in the development of appropirate acquisition strategies.

The House bill contained no similar provision.

The House recedes with an amendment sunsetting the statutory provisions governing competitive prototype strategies on September 30, 1991. The conferees believe that the next three years will provide a base of experience that will permit the Department, after legislation expires, to develop appropriate regulatory guidance for the use of competitive prototype strategies.

Delegation of authority to approve certain contract justifications (sec. 803)

Section 2304(f) of title 10, United States Code, requires written justifications and approvals for contract awards that use procedures other than competitive procedures. As currently written, the aproval can be granted only by the "senior procurement executive" for contracts in excess of $10 million. Although each Military Department has a statutory "senior procurement executive," no authority exists to designate such a position in the Defense Agencies and other elements of the Department of Defense. This means that the Under Secretary of Defense for Acquisition must serve as the approval authority for the Defense Agencies and other elements of the Department that are not within the Military Departments.

The Senate amendment contained a provision (sec. 808) that would permit the Under Secretary of Defense to delegate his approval authority to a senior official within each applicable element of the Department of Defense.

The House bill contained no similar provision.

The House recedes with an amendment that specifies the military or civilian grade that must be held by an individual who receives this delegation of authority. The conferees wish to emphasize that the sole purpose of this provision is to permit the Under Secretary to delegate this duty if he so desires, and it is not the intent of the conferees to encourage any increase in the use of noncompetitive procedures.

Evaluation of contract proposals for professional and technical services (sec. 804)

The House bill contained a provision (sec. 807) that would require the Department of Defense to evaluate proposals for professional services as if the hourly labor rates for professional employees carrying out the services were based on a 40-hour work week.

The Senate amendment contained a provision (sec. 812) that would express the sense of the Senate that the evaluation of professional and technical services contract proposals should be made on the basis of a 40-hour work week standard.

The Senate recedes with an amendment requiring the Secretary of Defense to establish criteria to ensure that proposals for professional and technical services are evaluated on a basis which does not encourage contractors to propose mandatory uncompensated overtime for professional and technical employees.

The conferees believe that timely and decisive action must be taken by the Department of Defense to resolve the issue of the basis upon which the Department will evaluate bids and proposals for the professional and technical services. The conferees feel strongly that the issue must be resolved promptly and in a manner that provides the Department with the best product for funds expended, while maintaining fair labor practices. The conferees direct that the Department establish an advisory committee to make recommendations concerning the issue. The conferees intend to follow closely the Department's implementation of this provision and will review whether legislation is still necessary after the Secretary acts.

The professional and technical services representation on the advisory committee shall be drawn from trade and business associations such as the Professional Services Council, the Contract Services Council, the Contract Services Association, the Electronic Industries Association, the American Electronics Association, and other interested groups or companies.

In recommending criteria, the advisory committee should recognize that the professional and technical services industry is a vital sector of the defense industrial base. The provision of quality services by the industry is essential to assuring innovation and technological leadership in our defense systems. Acquisition procedures should be specifically fashioned to achieve the objective of quality professional and technical services support for the defense effort.

Procurement of critical spare parts (sec. 805)

The House bill contained a provision (sec. 808) that would require the Secretary of Defense to procure critical spare or repair parts for ships and aircraft that meet the same quality and inspection requirements as the original parts.

The Senate amendment contained a provision (sec. 822) that would require the Secretary of Defense to use, in procuring critical spare or repair parts for aircraft, qualification and quality requirements that were at least as stringent as those that applied to the original or original redesigned parts.

The Senate recedes with an amendment requiring that the head of an agency, when purchasing critical spare or repair parts, use all appropriate quality and qualification requirements as may be specified and made available to potential offerors. In determining the appropriate qualification and quality requirements, the head of an agency is required to utilize the requirements used to qualify the original production part, unless he determines in writing that any or all such requirements are unnecessary.

The conferees support the efforts by the Services to increase significantly competition in the procurement of critical spare or repair parts and this provision is not intended to supersede any law or regulation, including section 2319 of title 10, United States Code. However, the conferees are equally concerned that quality and safety not be compromised in procuring critical spare or repair parts. They recognize that there are circumstances in which it may not be necessary to apply the same qualification and quality requirements used during the development or early production stages of a defense program to a part procured to support a fielded system. They also recognize that as technology changes qualification requirements change. However, the qualification and quality requirements applied to critical original production parts should serve as the baseline and subsequent modifications should be documented.

The conferees intend to continue monitoring this issue and direct the General Accounting Office to prepare and submit a report within one year on the implementation of this section and the procedures used by the Services to ensure the necessary level of quality in critical spare parts procurement. The review should focus on parts procured from original equipment manufacturers as well as parts procured from other sources. The report should review any criteria used to designate parts as critical parts and, to the extent that quality deficiencies in such critical parts can be traced and documented, any organizational or systemic causes which might lead to the procurement of critical parts of insufficient quality.

Incentives for innovation (sec. 806)

The Senate amendment contained a provision (sec. 803) that would prevent the Government from requiring that a prime contractor provide for competition between identical items in cases where an item has been developed exclusively at private expense. The Senate provision would allow the head of an agency to require such competition in certain circumstances. In addition, the Senate provision would require the Department of Defense to evaluate proposals from prime contractors who rely on privately-developed items in a manner that accommodates the objectives of this provision.

The House bill contained no similar provision.

The House recedes with an amendment that makes technical changes and that requires DOD, in considering the responses to proposals described in subparagraphs (1)(B) or (2)(B) of section 2305(d) of title 10, United States Code, to evaluate items developed exclusively at private expense on the basis of an analysis of the total value of incorporating such items in the system.

Regulations on use of fixed price development contracts (sec. 807)

The Senate amendment contained a provision (sec. 802) that would require the Secretary of Defense to prescribe guidelines limiting the use of fixed price contracts for development programs. The Senate provision also would preclude use of firm-fixed price development contracts in excess of $10 million unless approved by the Under Secretary of Defense for Acquisition.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

The conferees note that current Department of Defense rules discourage the use of fixed price development contracts, but do not provide sufficient guidance for assessment of the relationship between pricing and program risk, and for the allocation of risk between the United States and the contractor. The conferees expect the revised regulations to provide a greater level of detail with respect to these matters.

The conferees emphasize that the expiration of the $10 million statutory limit on firm-fixed price contracts after two years does not signal any intent or expectation that the regulatory limitations will be changed substantially at that time; rather, it reflects a belief that a two-year statutory period is sufficient to focus the Department's attention on this problem. The Congress can monitor the Department's performance after that period through the oversight process without the necessity for mandatory involvement by the Under Secretary in specific cases, except to the extent that the Under Secretary believes at that time that such continuing involvement is necessary.

Department of Defense Advisory Panel on government-industry relations (sec. 808)

The Senate amendment contained a provision (sec. 811) that would require the Secretary of Defense to establish an advisory panel on government-industry relations.

The House bill contained no similar provision.

The House recedes.

Report on simplification and streamlining of acquisition procedures (sec. 809)

The Senate amendment contained a provision (sec. 810) requiring the Under Secretary of Defense for Acquisition to submit to Congress a report on the Under Secretary's programs regarding simplification of procedures governing the acquisition process.

The House bill contained a provision (sec. 802) requiring the Department of Defense and the General Accounting Office to conduct studies of the Department's implementation of the acquisition streamlining recommendations proposed by the President's Blue Ribbon Commission on Defense Management (the "Packard Commission").

The House recedes. The conferees direct the Under Secretary of Defense for Acquisition to include an assessment of the effectiveness of the Department's implementation of the Packard Commission's recommendations in the report required by this section. The conferees also direct the Under Secretary to specifically address the impact of existing laws and regulations on the effectiveness of program managers and contracting officers.

Defense industrial base (sec. 821)

The House bill contained comprehensive provisions (secs. 1001 and 1002) that would be intended to foster revitalization of the United States defense industrial base.

The Senate amendment contained a similar provision (sec. 804).

The House recedes with an amendment that, among other changes, clarifies the intent of the provision; changes the title of the Defense Production Innovation Office to the Defense Industrial Base Office; and deletes the reference to the Defense Production Base Director.

Source for procurement of certain valves and machine tools (sec. 822)

The House bill contained a provision (sec. 805) that would prohibit the Department of Defense from buying powered and non-powered valves manufactured outside the United States. The House bill included another provision (sec. 806) that would prohibit the Secretary of Defense or the Secretaries of the Military Departments from buying certain machine tools manufactured outside the United States or Canada.

The Senate amendment contained no similar provisions.

The Senate recedes on both provisions with an amendment to make the following changes: (1) specify that the category of valves covered by the provision are those used in piping for naval surface ships and submarines; (2) specify that the valves and machine tools covered by the provision may not be purchased from sources outside the United States and Canada; (3) restrict the period of time in which the valves and machine tools would be covered by the provision to three years; (4) authorize the Secretary of Defense to extend the restriction contained in the provision for two additional years. In addition to these changes to the House provisions, the conferees agree to authorize the Secretary of Defense to waive the restriction in the provision if he makes any one of several specific determinations.

Finally, the conferees direct the Secretary of Defense to submit a report to the Committees on Armed Services of the Senate and House of Representatives on the costs and effects of statutory "Buy American" restrictions. The report shall include the following information and analysis: (1) a compilation of statutory "Buy American" restrictions that affect purchases by the Defense Department; (2) an analysis of the existing capability of U.S. and Canadian manufacturers of the products covered by the "Buy American" restrictions to provide the Defense Department with an adequate supply of those products of a satisfactory quality, on a timely basis, and at a reasonable cost; (3) factors that should be considered by the Secretary and the Congress in establishing "Buy American" restrictions on defense products; (4) an estimate of the costs incurred by the Defense Department in not being able to buy products covered by the "Buy American" restrictions from sources outside the United States; (4) an analysis of how the Secretary of Defense would exercise the waiver authority granted by this provision for valves and machine tools if it were extended to encompass the other products covered by "Buy American" restrictions; and (5) the Secretary's recommendations for any legislative action on this subject. This report shall be submitted to the Armed Services Committees by February 1, 1989.

The conferees believe that their agreement on the House provisions should represent the beginning of a reassessment by the Congress of the role of "Buy American" restrictions in the procurement of defense equipment. In particular, the report to be prepared by the Secretary of Defense should greatly contribute to this review. Another important factor to be considered in the course of this reassessment will be the defense industrial base planning framework established by section 821.

Critical technologies plan (sec. 823)

Section 817 of the Senate amendment would establish an annual requirement for the Under Secretary of Defense for Acquisition, in consultation with the Assistant Secretary of Energy for Defense Programs, to submit a plan for developing the 20 technologies most essential to ensure long-term qualitative superiority in United States weapon systems. The plan required by the Senate amendment would include, among other items, the extent to which the United States should depend on its allies for the development of such technologies.

The House bill contained no similar provision.

The House recedes with an amendment that requires the plan to include a comparison of the relative positions of the United States and other industrialized countries prominent in the 20 most essential technologies. The conference agreement also requires the plan to include an assessment of the extent to which the United States should depend on other countries, not limited to U.S. allies, for the development of the 20 most essential technologies.

Defense memoranda of understanding (sec. 824)

The Senate amendment contained a provision (sec. 805) that would require the Secretary of Defense to consult with the Secretary of Commerce in the negotiation and renegotiation of Memoranda of Understanding (MOUs) between the Department of Defense and one or more foreign countries relating to defense trade, cooperation on defense research, or production of defense equipment. The Senate provision would also require the Secretary of Defense, in consultation with the Secretary of Commerce, to submit a report to the Armed Services Committees of the Senate and House of Representatives that describes the effect on the United States defense industrial base of the implementation of each such memorandum.

The House bill contained no similar provision.

The House recedes with an amendment that clarifies the intent of the provision, deletes reporting requirements from the provision, and deletes from the provision language directing the Secretary of Defense to use resources provided by the Secretary of Commerce.

The conferees agree that for a period of one year after the enactment of this Act, the Secretary of Defense, after consulting with the Secretary of Commerce, shall submit a report within 30 days after each such memorandum of understanding is signed. The report shall include, at a minimum, a description of the anticipated effects of the implementation of the memorandum on the United States defense industrial base. The reports are to be submitted to the Committees on Armed Services of the Senate and House of Representatives.

The conferees also recognize that cases may exist in which the defense industry may appeal the decision to sign an MOU on the grounds that implementing it would adversely affect the United States defense industrial base. In resolving industry complaints, the conferees direct the Secretary of Defense to fully use such resources as the Secretary of Commerce may make available to the Department of Defense for the purpose of making a determination of the validity of any protest.

Department of Defense offset policy (sec. 825)

The Senate amendment contained a provision (sec. 806) that would require the Secretary of Defense, in coordination with the Secretary of Commerce, the Secretary of State, the Secretary of the Treasury, and the United States Trade Representative, to establish a comprehensive offset policy for defense contractual arrangements with foreign countries. The provision would also restrict officials of the United States from entering into any agreement with a foreign country that would require the transfer of United States technology to a foreign country or firm in connection with a contract that is subject to an offset arrangement if the implementation of the agreement would adversely affect the United States defense industrial base and result in a substantial loss to the United States firm. Should any firm enter into a contract for the sale to a foreign country of a weapon system subject to an offset arrangement exceeding $50 million, the provision would also require that the firm notify the Secretary of Defense of the proposed sale.

The House bill contained no similar provision.

The House recedes with an amendment that clarifies the findings; directs the President, instead of the Secretary of Defense, to establish an offset policy and to enter into negotiations with foreign governments; requires the President, instead of the Secretary of Defense, to submit specified reports; directs the Secretary of Defense to consult with the Secretary of Commerce in making a determination on the validity of a protest by the defense industry regarding a memorandum of understanding; and delays by one year the due date of a report of possible actions that the United States might take regarding offsets.

The Senate provision would require the Secretary of Defense to consult with the Secretary of Commerce, the Secretary of State, the Secretary of the Treasury, and the United States Trade Representative in establishing an offset policy, in negotiating with foreign governments, and when submitting the required reports. In agreeing that the President was responsible for these actions instead of the Secretary of Defense, the conferees confirm that this agreement was not intended to change the requirement that these officials be consulted in carrying out the intent of this provision.

The conferees are aware that the direction to enter into negotiations does not contain a date certain when these negotiations are to begin. The conferees recognize that with the upcoming change in the administration, continuity of negotiations will be difficult to maintain. The conferees therefore agree that while it may be useful to begin laying the groundwork for these negotiations, it would be acceptable to initiate formal negotiations at an appropriate time in fiscal year 1989.

The conferees are aware that other reporting requirements concerning offsets exist, such as reports required by the Defense Production Act, and believe that the reports required by section 825 should incorporate the information collected by those reports, when appropriate, rather than duplicate information that may already be collected. The conferees also note that the Senate Foreign Relations Committee and the House Foreign Affairs Committee, among others, have a specific interest in the report required by March 15, 1990. Accordingly, the conferees direct that the report also be provided to those committees, in addition to the Committees on Armed Services of the Senate and House of Representatives.

The conferees confirm that they did not contemplate that restrictions on the transfer of technology would be included in Memoranda of Understanding unless the Secretary of Defense after consulting with the Department of Commerce and Department of State, determines that the terms of the agreement would result in damage to the United States industrial base and substantial financial loss to the protesting United States firm.

The conferees further agree that, in establishing an offset policy and negotiating with foreign countries to limit the adverse effects of offset arrangements, the major emphasis should be directed at eliminating the adverse effect of offset arrangements between and among the industrialized countries. The conferees recognize that certain offset arrangements with non-industrialized countries may be of less concern.

Allowability of costs to promote the export of defense products (sec. 826)

The House bill contained a provision that would make foreign selling costs allowable.

The Senate amendment contained a provision that would make foreign selling costs allowable subject to ceilings set in advance agreements between the Secretary of Defense and individual defense contractors.

The House recedes with an amendment requiring that, as a condition of allowability, the Secretary of Defense determine that foreign selling costs are likely to result in future cost advantages to the United States. The provision also restricts the Secretary of Defense from reimbursing more than 110 percent of the amount of foreign selling costs incurred in the previous year for any business segment which had over $2.5 million in foreign selling costs in that year. The General Accounting Office and the Department of Defense Inspector General are each required to report on the implementation of this provision within two years.

Finally, the conferees have agreed that this provision should expire at the end of three years. At that time, the conferees will consider extending and modifying the provision based on an assessment of the success of this provision in stimulating exports by the U.S. defense industry and in generating savings to the United States.

Additional prohibitions on persons convicted of felonies related to defense contracts (sec. 831)

Under current law (10 U.S.C. 2048), a person convicted of fraud or another felony arising out of a contract with the Department of Defense is prohibited from working in a management or supervisory capacity on any defense contract, or from serving on the board of directors of any defense contractor for a period, as determined by the Secretary of Defense, of not less than one year.

The House bill contained a provision (sec. 803) that would establish the minimum period of disqualification as not less than five years, which may be waived by the Secretary of Defense in specified circumstances. The House provision would also expand the list of disqualified activities, to include serving as a consultant to a defense contractor and such other activities as the Secretary of Defense deems appropriate and includes includes in applicable regulations.

The Senate amendment contained no similar provision.

The Senate recedes.

Limitation on allowability of costs of contractors incurred in certain proceedings (sec. 832)

The House bill contained a provision (sec. 816) under which legal fees and related expenses would not be treated as an allowable cost in any proceeding relating to a violation of, or failure to comply with, any federal, state, or local law or regulation which resulted in a conviction, a civil judgment containing a finding of liability, and administrative finding of liability, or a decision to debar or suspend the contractor or terminate the contract. In all other cases, allowable costs normally would be limited to $75 per hour.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

Under the legislation, the Secretary of Defense will issue regulations governing certain legal costs. Under the regulations, costs incurred in connection with any proceeding brought by the United States that results in a determination of a violation of, or failure to comply with, any Federal law or regulations on the part of the contractor would be unallowable when the proceeding resulted in: (1) a criminal conviction; (2) a civil judgment or final administrative determination of such violation of failure to comply if the violation or failure to comply was knowing or willful and the proceeding resulted in the imposition of a monetary penalty; or (3) a final decision by the Department of Defense to debar or suspend the contractor or to rescind, void, or terminate the contract when such action is based on a violation or failure to comply that was knowing or willful. When the matter is resolved by consent or compromise, the parties may agree as to the extent of allowability of such costs as a part of such resolution. Nothing in this provision precludes the Secretary from using existing regulatory authority to provide that costs incurred in specified nonfederal proceedings would be unallowable.

It is the intent of the conferees that costs will be unallowable when the decision in the underlying civil or administrative proceeding is based on an express finding that the violation or failure to comply was knowing or willful. The conferees recognize, however, that in a number of civil and administrative matters, a determination as to whether the violation was knowing or willful will not be expressly addressed in the decision on the underlying proceeding. Therefore, the conferees expect the Secretary's regulations to provide guidance to contracting officers as to the types of considerations that should be applied in determining whether a violation was knowing or willful. One consideration that should be set forth in the regulations is that a pattern of violations shall constitute evidence of knowing or willful behavior.

Air travel expenses of defense contractor personnel (sec. 833)

The Senate amendment contained a provision (sec. 923) that would require the Administrator of General Services to enter into negotiations with commercial carries in an effort to reach an agreement that would permit contractor personnel traveling in the performance of a Department of Defense contract to travel at the Government rate. If such agreement is reached, defense contractor personnel would be required to travel under conditions that qualify them for such a rate.

The House bill contained no similar provision.

The House recedes with an amendment clarifying that contractor costs incurred in excess of the rates negotiated would be unallowable. In addition, the provision expires at the end of a three-year period, at which time the Secretary of Defense will determine whether to continue this requirement under the Secretary's authority to prescribe cost allowability standards.

Standards for contractor inventory accounting systems (sec. 834)

The House bill contained a provision (sec. 329) that would set standards for contractor inventory accounting systems. These standards would include enforcement mechanisms and a requirement that contractors certify that their inventory accounting systems complied with all applicable laws and regulations.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment requiring the Secretary of Defense to issue regulations establishing standards for inventory accounting systems used by defense contractors. The regulations would also prescribe appropriate certification and enforcement mechanisms.

In establishing the initial standards for contractor inventory accounting systems, the conferees direct the Secretary of Defense to utilize the elements presented in the Federal Register on December 14, 1987. In addition, the conferees direct the Secretary to develop clear direction for contracting officers in cases where the inventory accounting system of a defense contractor is so unreliable that a determination of the material impact on the United States from the deficiencies of the system is precluded. Such direction should include mechanisms for determining the appropriate withholding rate for progress payments or other penalties to ensure contractor compliance with applicable inventory accounting system standards.

Equal employment opportunities relating to an Army contract (sec. 835)

The House bill contained a provision (sec. 818) that would prohibit the Secretary of Defense from awarding a contract to be performed overseas to any contractor that discriminates on the basis of race, color, religion, sex, or national origin in its employment practices.

The Senate amendment contained no similar provisions.

The Senate recedes with an amendment that prohibits the expenditure or obligation of funds in this Act or in any previous act for the performance of contract number DA AJ09-88-C-A093 by a contractor outside the United States unless the Secretary of the Army secures a commitment from the contractor that it will support equal employment opportunities for all individuals irrespective of race, color, religion, sex, or national origin in its employment practices.

Procurement technical assistance cooperative agreement program (sec. 841)

The Senate amendment contained a provision (sec. 809) that would (1) require procurement technical assistance cooperative agreement programs to furnish technical assistance related to exporting defense-related products and services, (2) increase the maximum amount of the Department of Defense assistance to a program to $300,000 for programs operating on a State-wide basis, and (3) require that $500,000 of the $7 million made available for this program for fiscal year 1989 be designated for programs related to Indian tribal organizations.

The House bill contained no similar provision.

The House recedes with an amendment that increases the maximum amount of DOD assistance to a program to $300,000 for programs operating on a State-wide basis and that provides an additional year for the Department to obligate the $500,000 made available last year for programs related to Indian tribal organizations. The fiscal years 1988/1989 Defense Authorization Act provided $14 million for the Procurement Technical Assistance Cooperative Agreement Program for fiscal years 1988 and 1989, which included $7 million for each year. That legislation also designated $500,000 of that amount for programs related to Indian Tribal programs, but limited that authority to the funds provided for fiscal year 1988. Because the Department has not yet obligated those funds, the conferees have provided authority for the Department to do so out of the funds made available for fiscal year 1988 and fiscal year 1989. The conferees did not include a statutory requirement to provide assistance related to exporting defense products and services because the conferees did not want to dilute the program's emphasis on helping companies participate in the DOD acquisition process.

In its most recent solicitation for cooperative agreement proposals, the Defense Logistics Agency proposed to phase out all funding for existing Procurement Technical Assistance Centers over a five-year period, at a rate of 20% a year. The conferees are concerned about the effect of this proposal on existing Procurement Technical Assistance Centers. The Committees on Armed Services of the Senate and House of Representatives intend to examine this issue and to make appropriate recommendations to the Defense Logistics Agency. The conferees direct the Defense Logistics Agency to refrain from any further action to phase out funding for existing Procurement Technical Assistance Centers until such time as the Committees make their recommendations.

Product evaluation (sec. 842)

The Senate amendment contained a provision (sec. 816) that would require the Secretary of Defense to establish a product evaluation activity of the purpose of demonstrating and evaluating promising items of equipment developed by private industry. Section 220B of the Senate amendment would also authorize $17.5 million for evaluation of those products that were not included in the amended budget request. The Senate provision also would require that the evaluation cost be shared on an equal basis between the contractor and the government.

The House bill contained no similar provisions.

The House recedes with an amendment. The conferees agree that this type of product evaluation activity would be beneficial to the Department of Defense; however, the Senate provision was not intended to establish a separate office to administer the activity. The conference agreement clarifies this intent, and also includes language concerning cost-sharing by small businesses.

The conferees direct that the Department of Defense set up a procedure whereby a "user" point of contact be assigned to each potential product. That point of contact should approve the potential usefulness for that product before it is considered for evaluation under this section. The conferees further agree that this product evaluation activity is only for products that could be used to satisfy a need for the Department of Defense.

The conferees have learned of many promising programs that could well be demonstrated through the product evaluation activity. The following projects were brought to the attention of the conferees.

Multi-Helicopter External Lift System

Ruggedized Plastic Material for Ammunition Packaging

30/30 Engineering Vehicle

High-Speed Assault Landing Craft

Navy Advanced anti-Ship Seeker/Guidance Program

DP-2 Vector Thrust Project

Hardened buried and low-profile broadband antennae

Contract goal for small and disadvantaged businesses in printing-related services (sec. 843)

The Senate amendment contained a provision (sec. 947) that would authorize the Public Printer, in contracts for printing, binding and related services for the Department of Defense, to contract with small and disadvantaged businesses for the purpose of meeting the goals in section 1207 of the fiscal year 1987 Defense Authorization Act.

The House bill contained no similar provision.

The House recedes with an amendment establishing a test program for contracts for Department of Defense requirements in fiscal years 1989 and 1990. The test program authorizes the Public Printer, in each of the two fiscal years, to restrict to small and disadvantaged businesses competition on contracts for up to five percent of the value of printing, binding and related services procured by the Government Printing Office for the Department of Defense in the preceding fiscal year. The amounts set aside under this provision would be counted toward goals established in section 1207 of the fiscal year 1987 Defense Authorization Act.

Extension of contract goal for small disadvantaged businesses (sec. 844)

The House bill included a provision (sec. 801) that would extend by one year the program requiring a three-year, five percent Department of Defense contracting goal for small disadvantaged businesses established in section 1207 of the fiscal year 1987 Defense Authorization Act.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees note that the initial legislation called for a three-year test program, but the Department of Defense did not issue comprehensive interim rules until nearly fifteen months after the legislation was enacted. Therefore, the one year extension has been granted in order to permit a full, three-year test.

The conferees also note concern over the manner in which the Department has implemented the authority to provide small disadvantaged businesses with up to 10 percent price differential. By providing this differential on an across-the-board basis, the Department may be making it very difficult for other small and medium-sized businesses to compete, particularly in terms of programs in which small and disadvantaged businesses already have a substantial presence. The conferees direct the Secretary of Defense to ensure that any price differentials for small and disadvantaged businesses are tailored to the various segments and tiers of industry so that other small and medium sized companies are not denied a reasonable opportunity to compete, and that price differentials are not used when adequate small and disadvantaged business participation exists within an industry category.

Deadline for certain small business regulations (sec. 845)

The House bill contained a provision that would require the Department of Defense to issue the regulations required by subsections (f) and (h) of section 921 of the fiscal year 1987 Defense Authorization Act not later than June 1, 1988.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment requiring that the regulations become effective not later than October 1, 1988.

Safeguarding military whistleblowers (sec. 846)

The House bill contained a provision (sec. 810) that would protect lawful communications by military personnel to a Member of Congress or an Inspector General in the Department of Defense. The House bill would prohibit retaliatory personnel actions as a reprisal for such a communication, require an investigation by the DOD Inspector General of certain allegations, and provide statutory guidance for the Boards of Correction of Military Records in reviewing all allegations of such reprisals.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment which clarifies the rights protected by this provision and revises the review and reporting procedures.

The conferees note that in the course of their duties, members of the Armed Forces may become aware of information evidencing wrongdoing or waste of funds. It is generally the duty of members of the Armed Forces to report such information through the chain of command. Members of the armed forces, however, have the right to communicate directly with Members of Congress and Inspectors General (except to the extent that a communication is unlawful under applicable law or regulation), and there may be circumstances in which service members believe it is necessary to disclose information directly to a Member of Congress or an Inspector General. When they make lawful disclosures, they should be protected from adverse personnel consequences (or threats of such consequences), and there should be prompt investigation and administrative review of claims of reprisals. When such a claim is found to be meritorious, the Secretary concerned should initiate appropriate corrective action, including disciplinary action when warranted.

It is the intent of the conferees that the Secretaries of Defense and Transportation implement this section in a manner consistent with the Inspector General Act of 1978 and the Uniform Code of Military Justice.

LEGISLATIVE PROVISIONS NOT ADOPTED

Source for procurement of anchor and mooring chain

The House bill contained a provision (sec. 804) that would prohibit the Secretary of Defense and the Secretaries of the Military Departments from buying anchor and mooring chain manufactured outside the United States.

The Senate amendment contained no similar provision.

The House recedes.

Sense of Congress on determinations of most qualified responsive bids

The House bill contained a provision (sec. 814) that would express the sense of Congress that, in determining the most qualified responsive bid for a contract from the Department of Defense in excess of $100,000, the Secretary of Defense or the Secretaries of the Military Departments shall take into account amounts to be paid by the bidder in federal taxes as a result of the contract.

The Senate amendment contained no similar provision.

The House recedes.

Limitation of transference of technical data used in second source procurement

The House bill contained a provision (sec. 817) that would require that any technical data, which must be transferred for second source procurement, shall be used only for reprocurement within the United States.

The Senate amendment contained no similar provision.

The House recedes.

Value engineering review

The House bill contained a provision (sec. 958) that would require a value engineering review for all supply and service contracts for major weapon systems and for all construction contracts in excess of $2 million. The House bill would also require a report on the efforts of the Department of Defense to increase contractor participation in the value engineering program.

The Senate bill contained no such provision.

The House recedes. The conferees acknowledge the importance of the value engineering program and agree that the Department of Defense has to find incentives to increase the contractor participation in this program. The conferees were also informed of the recent Office of Management and Budget circular that directed all of the executive departments to increase their emphasis on value engineering. The conferees agree that the Department of Defense should have an opportunity to implement this new direction. The conferees also agree that the Department of Defense should submit a report to Congress that describes the Department of Defense value engineering program results and its efforts to increase the benefits from its value engineering program. At a minimum, the report should include:

a. a description of the Department of Defense efforts to increase contractor participation in the value engineering program;

b. a description of the top 20 fiscal year 1988 contractor value engineering projects of each Service and Agency;

c. a description of the top 20 fiscal year 1988 construction value engineering projects for each Service and Agency; and

d. a description of the efforts to implement the 45-day contractor proposal accept/reject standard along with fiscal years 1986, 1987, and 1988 proposal accept/reject data.

The report should be provided to the Committees on Armed Services of the Senate and House of Representatives by February 28, 1989.

Acquisition management and government contracting education

The Senate amendment contained a provision (sec. 813) that would require the Secretary of Defense to submit to Congress a report on the extent to which institutions of higher education offer and conduct educational programs and courses on government contracting and acquisition management.

The House bill contained no similar provision.

The Senate recedes.

The conferees note the widespread concern over the need to enhance the quality of the procurement work force, particularly in terms of attracting highly qualified students to government service. The conferees are concerned that insufficient opportunities exist at the graduate level for students to take courses and concentrate in programs that will stimulate their interest in and prepare them for acquisition-related positions in the government. As part of the effort to minimize Department of Defense reporting requirements, the conferees decided not to require a report in statute. However, the conferees expect the Under Secretary of Defense for Acquisition to be thoroughly familiar with the information described in section 813 of the Senate amendment and to be prepared to discuss the relationship between educational offerings and the needs of the government during oversight hearings in 1989.

Science and engineering workforce study

The Senate amendment included a provision (sec. 814) that would direct the Department of Defense to complete a study initiated in 1985 for the purposes of determining and testing the factors that increase the supply of minority and women scientists, engineers, and technologists needed by defense industries and the Department of Defense.

The House bill contained no similar provision, but would authorize $6.0 million to carry out the study. The House report (H. Rept. 100-563) included language describing this study.

The Senate recedes. The conferees agree to provide up to $3.0 million within a line item entitled "CASET" if needed, to complete the study being conducted by the Center for American Scientists, Engineers, and Technologists. The conferees direct the Department of Defense to complete this study.

Undefinitized contractural actions

The Senate amendment contained a provision (sec. 818) that would reduce the administrative burden imposed by statutory requirements relating to the administration of undefinitized contractural actions.

The House bill contained no similar provision.

The Senate recedes.

The conferees note that the last reporting requirement under current law will occur in less than a year. It is the intent of the conferees not to renew the reporting requirement in view of the progress demonstrated by the Department of Defense in managing undefinitized contractual actions.

Small Business Administration certificate of competency program

The Senate amendment contained a provision (sec. 820) that would revise section 8(b) of the Small Business Act to simplify the administration of the certificate of competency program.

The House bill contained no similar provision.

The Senate recedes.

The conferees have been informed that the Small Business Committee of the Senate intends to include a similar provision in forthcoming legislation and agree that this issue should be addressed initially in that forum.

Negotiation of subcontracting plans

The Senate amendment contained a provision (sec. 820) that would revise section 8(d) of the Small Business Act to authorize negotiation of plant or division-wide small business and small disadvantaged business subcontracting plans, including goals.

The House bill contained no similar provision.

The Senate recedes.

The conferees have been informed that the Small Business Committee of the Senate intends to include a similar provision in forthcoming legislation and agree that this issue should be addressed initially in that forum.

Conflict of interest

The Senate amendment contained a provision (sec. 946) that would require the Department of Defense to issue regulations to prohibit the award of a DOD contract to an individual who was a government employee on the date on which he submitted the bid for the contract.

The House bill contained no similar provision.

The Senate recedes.

The conferees agree that persons employed in a Government agency should not bid on or enter into contracts with the Department of Defense while they are so employed. Even when such transactions are conducted at arm's length and involve no impropriety, they raise the specter of insider dealings and the appearance of favoritism.

The existing limitations in the Federal Acquisition Regulations are inadequate. However, the conferees agree that the regulations could be amended without a requirement to do so being placed in law. The conferees direct the Secretary of Defense to incorporate suitable language into DOD standards of conduct regulations within 180 days and to pursue a change in the Federal Acquisition Regulations. In the event that the Secretary feels that exceptions to an outright prohibition are necessary, such exceptions should only apply after an individual obtains the approval of the appropriate Designated Agency Ethics Official or his designee.

TITLE IX—MATTERS RELATING TO ARMS CONTROL

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Sense of Congress on expanding confidence-building measures (sec. 901)

The Senate amendment contained a provision (sec. 911) that would express the sense of the Congress that the President should give high priority to developing, in coordination with the NATO allies, stabilizing and verifiable proposals for expanding the regime of confidence-building measures in conjunction with the follow-on to the Conference on Confidence- and Security-Building Measures and Disarmament in Europe (CDE) and the new Conventional Stability Talks (CST).

The House bill contained no similar provision.

The House recedes.

Sense of Congress on START (sec. 902)

The House amendment contained a provision (sec. 950) that would express the sense of Congress that the Strategic Arms Reductions Talks (START) should not include any provision resulting in a large asymmetric reduction in any leg of the triad, and that the President should strive not to reduce the total number of U.S. nuclear ballistic missile submarines (SSENs) permitted under START below 20.

The Senate amendment contained a provision (sec. 943) that would express the sense of Congress that START should not establish any restrictions on current or future non-nuclear cruise missiles.

The Senate recedes with an amendment expressing the sense of Congress that START: (1) should not prevent the United States from deploying a force structure under the agreement which emphasizes survivable strategic systems and, in particular, should not in any way compromise the security of the U.S. SSBN force, and (2) should not prohibit or limit the deployment of non-nuclear cruise missiles. The conferees do not intend the statement on not limiting non-nuclear cruise missiles to restrict, for example, our ability under a future START agreement to mark a cruise missile so as to be able to distinguish between a conventional and nuclear cruise missile.

Sense of Congress concerning the role of Congress in arms control and defense policy (sec. 903)

The House amendment contained a provision (sec. 959) that would express the sense of Congress that although Congress has a constitutionally defined role to play in arms control and nuclear testing policy, it should not usurp, undermine, or in any other way interfere with the constitutionally defined powers of the President to negotiate and implement such policies.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment expressing the sense of Congress that the Congress, in exercising its constitutional authority to raise and support the Armed Forces and, in the case of the Senate, to advise and consent to the ratification of treaties, has a role to play in arms control and defense policy, but the Congress should not usurp, undermine, or interfere with the constitutional authority of the President to negotiate and implement treaties, especially treaties affecting U.S. arms control and defense policy.

Sense of Congress on the five-year ABM treaty review (sec. 904)

The Senate amendment contained a provision (sec. 948) that would express the sense of Congress that the President should, without any further delay, propose an early date to conduct the overdue five-year review of the Antiballistic Missile (ABM) Treaty.

The House bill contained no similar provision.

The House recedes with an amendment changing the findings by the Senate contained in the Senate provision to findings by the Congress.

Annual report on Soviet compliance with arms control commitments (sec. 905)

The Senate amendment contained a provision (sec. 912) that would amend the annual report on Soviet arms control compliance required pursuant to the fiscal year 1986 Defense Authorization Act (Public Law 99-145) to require the President to include additional information in the report, including what measures the President is taking to bring the Soviet Union into compliance and, in the event the President should issue two consecutive reports in which he cannot certify full Soviet compliance with all current arms control agreements, the actions necessary to compensate for such violations.

The House bill contained no similar provision.

The House recedes.

Annual report on arms control strategy (sec. 906)

The Senate amendment contained a provision (sec. 913) that would require a new annual report to the Congress by the President containing a comprehensive discussion and analysis of U.S. arms control strategy.

The House bill contained no similar privision.

The House recedes with an amendment making minor revisions in the text of the provision.

Study and report on Soviet ABM capability and activities (sec. 907)

The Senate amendment contained a provision (sec. 924) that would require a report to Congress by the President not later than October 1, 1989 regarding the Antiballistic Missile (ABM) capability and activities of the Soviet Union.

The House bill contained a similar provision (sec. 937) that would require an identical report, but to be submitted by the Secretary of Defense not later than 60 days after the enactment of this Act.

The House recedes with an amendment making minor revisions in the Senate provision and requiring submission of the report not later than January 1, 1989.

Analysis of alternatives U.S. strategic nuclear force postures under START (sec. 908)

The Senate amendment contained a provision (sec. 939) that would require a report to Congress by the President on the implications of a potential Strategic Arms Reductions (START) Treaty for alternative U.S. force postures in the 1990's.

The House bill contained no similar provision.

The House recedes with an amendment making a minor revision in the provision.

On-Site Inspection Agency (sec. 909)

The House bill contained a provision (sec. 953) that would require certain Executive Branch officials to submit reports to designated congressional committees describing their responsibilities with regard to the monitoring and verification of arms control agreements. The provision further required that any request submitted to Congress by the Executive Branch for the enactment of budget authority for the On-Site Inspection Agency (OSIA), or for the enactment of any other legislation concerning OSIA, be submitted separately from any other request for the enactment of budget authority or other legislation.

The Senate amendment contained a provision (sec. 954) that would express the sense of Congress relating to personnel strengths for on-site inspection purposes.

The Senate recedes with an amendment which retains the House provision's reporting requirement but changes the budget request subsection in the House provision to require that any request submitted to the Congress for an authorization for OSIA appropriations provide details of all funding and military and civilian personnel requested for that Agency for that fiscal year, including the number of DOD and other agency personnel that will be assigned to on-site inspection activities and support of such activities.

Coordination of verification policy and R&D activities (sec. 910)

The Senate amendment contained a provision (sec. 950) that would require a report to Congress by the President reviewing the relationship of U.S. arms control objectives with the responsiveness of research and development of monitoring systems for weapons verification.

The House bill contained no similar provision.

The House recedes with an amendment making minor revisions in the provision.

Limitation on deployment of certain strategic nuclear weapons.

The House bill contained a provision (sec. 935) that set in permanent law limits of 820 on launchers of MIRVed ICBMs, 1200 on launchers of MIRVed ICBMs and SLBMs, 1320 MIRVed ICBMs, SLBMs, and ALCM equipped bombers, and the number of MIRVs on individual ballistic missiles, unless the President certifies to Congress that the Soviet Union has exceeded these limits.

The Senate amendment contained no similar provision.

The conferees agree to delete the House provision. The conferees note that decisions taken for budgetary reasons elsewhere in the bill will have the effect of stabilizing U.S. strategic forces during fiscal year 1989 at roughly the level maintained during fiscal year 1988.

The conferees believe that maintaining interim restraint in strategic offensive force levels is not only purdent in light of current budget realities, but also consistent with the recent progress in the START negotiations and the continuing Soviet practice of retiring older ICBMs and SLBMs prior to the end of their normal service life. Assuming that progress continues to be made in START and that the Soviet Union continues early retirements of ICBMs and SLBMs, it would be the intent of the conferees to take such actions as may be required to maintain U.S. and Soviet interim restraint, including the option of foregoing the overhaul of additional Poseidon-class submarines nearing the end of their normal service life.

Sense of Congress on implications of INF for NATO

The House bill contained a provision (sec. 952) that would express the sense of Congress on a number of issues related to the implications of the Intermediate-range Nuclear Forces (INF) Treaty for NATO and on other arms control issues.

The Senate amendment contained no similar provision.

The House recedes.

Missile technology control regime

The Senate amendment contained a provision (sec. 934) that would express the sense of the Senate that the Secretary of Defense should provide by July 30, 1988 the report specifiying personnel requirements to implement the Missile Technology Control Regime Policy that was mandated by the fiscal years 1988/1989 Defense Authorization Act (sec. 901). The provision would also state that Department of Defense personnel deficiencies which prevent effective performance of missile technology control responsibilities be rectified as soon as possible, using temporary duty assignments if deemed necessary.

The House bill contained no similar provision.

The Senate recedes. The conferees are concerned about the inaction of the Department of Defense on Section 901 and urge the Department to comply with the provisions of the Act. In the past year, the number of countries that have acquired ballistic missiles or have actually used them in combat has increased significantly. Both the Secretary of Defense and the Secretary of State have expressed concern about the proliferation of missiles covered by the Missile Technology Control Regime. The conferees believe it is imperative that the Secretary of Defense file the requested report as soon as possible but not later than July 30, 1988. It is the conferees' expectation that Department of Defense personnel deficiencies which prevent effective performance of missile technology control responsibilities will be rectified as soon as possible, using temporary duty assignments if necessary.

TITLE X—MATTERS RELATING TO NATO COUNTRIES AND OTHER ALLIES

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Acquisition and cross-servicing agreements with allied countries (sec. 1001)

The Senate amendment contained a provision (sec. 914) that would raise the ceiling from $100 million to $200 million on acquisitions by the United States under the authority of the NATO Mutual Support Act of 1979.

The House bill contained no similar provision.

The House recedes with an amendment setting the new ceiling at $150 million.

Authority to waive surcharge on certain sales to NATO (sec. 1002)

The Senate amendment contained a provision (sec. 915) that would authorize the Secretary of Defense to waive the administrative surcharge for sales through Foreign Military Sales (FMS) channels to the NATO Maintenance and Supply Agency (NAMSA).

The House bill contained no similar provision.

The House recedes with a technical amendment that changes the Senate provision from a new section of title 10, United

States Code, to a new provision of the Arms Export Control Act (Public Law 90-629).

Authority of Military Departments to loan and borrow from foreign countries materials, supplies and equipment for research and development purposes (sec. 1003)

The Senate amendment contained a provision (sec. 233) that would clarify the authority of the Department of Defense to loan and accept material for limited cooperative research and development projects with foreign countries.

The House bill contained no similar provision.

The House recedes with an amendment that makes the following changes to the Senate provision: (1) grant the authority to the Secretary of Defense (who, in turn, could delegate it to the Secretaries of the Military Departments); (2) limit the countries with which the transactions could take place to those in NATO and to those designated as "major non-NATO allies" for the purpose of section 1105 of the fiscal year 1987 Defense Authorization Act (Public Law 99-661); (3) require the Secretary of Defense to enter into an a agreement with each country with which a transaction is to take place; (4) place the authority in chapter 6 of the Arms Export Control Act (Public Law 90-629) as a new section 65; and (5) retitle chapter 6.

Modernization of NATO's theater nuclear capabilities (sec. 1004)

The Senate amendment contained a provision (sec. 922) that would express the sense of the Senate that, following ratification of the Intermediate-range Nuclear Forces (INF) Treaty, modernization of U.S. theater nuclear capabilities, in close consultation with its NATO allies, is essential to the deterrence strategy of the Alliance, and that the United States should proceed with ongoing activities for satisfying the identified Alliance requirement for a follow-on to Lance.

The House bill contained no similar provision.

The House recedes with an amendment changing the provision to the sense of Congress and making a minor revision in the provision.

Report on NATO defense program (sec. 1005)

The Senate amendment contained a provision (sec. 928) that would require the Secretary of Defense to identify all programs, projects, and activities that constitute the NATO Defense Program.

The House bill contained no similar provision.

The House recedes with a technical amendment that directs that the report be submitted in conjunction with the annual report of the Secretary of Defense to the Congress.

Improvement in defense research and procurement liaison with Israel (sec. 1006)

The House bill contained a provision (sec. 233) that would require the Secretary of Defense to assign to duty in Israel an individual or individuals to serve as the primary liaison between the procurement and research and development activities of the armed forces of the United States and Israel.

The Senate amendment contained no similar provision. However, the Senate report (S. Rept. 100-326) addressed this issue.

The Senate recedes with a technical amendment.

Modification of report requirement concerning designation of major non-NATO allies (sec. 1007)

The House bill contained a provision (sec. 234) that would simplify an annual report to the Congress that designates countries as "major non-NATO allies" for the purpose of entering into cooperative research and development projects with the United States. The provision would require that this report be submitted only if additions or deletions are made to the existing list of countries designated as major non-NATO allies.

The Senate amendment contained a similar provision (sec. 234) that differed from the House provision only in technical details.

The Senate recedes with a technical amendment.

Call for defense burdensharing negotiations with allies (sec. 1008)

The House bill contained a provision (sec. 946) that would express the sense of Congress that the United States should enter into negotiations with its allies for the purpose of obtaining an agreement for a more equitable appointment of the burden of financial support of the alliance.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Report on, and discussions regarding, Japanese contributions to global stability and the indivisible security of the leading industrialized democracies (sec. 1009)

The Senate amendment contained a provision (sec. 933) that would express the sense of Congress that the President should enter into discussions with Japan for the purpose of reaching a more equitable distribution of the burden of financial support for the security of the leading industrialized democracies.

The House bill contained no similar provision.

The House recedes with a technical amendment.

ITEM OF SPECIAL INTEREST

NATO and non-NATO cooperative research and development

The amended budget request contained $200.598 million for cooperative research and development with NATO and major non-NATO allies. This research and development would be conducted within the frameworks established by sections 1103 and 1105 of the fiscal years 1986 and 1987 Defense Authorization Acts (Public Laws 99-145 and 99-661), respectively.

In order to better understand the funding required for cooperative research and development with each of these groups of allies, the conferees direct the Secretary of Defense to identify the requested funding for these two research and development efforts in future budget requests in two separate program elements within the account entitled "Research, Development, Test and Evaluation, Defense Agencies".

TITLE XI—DRUG INTERDICTION AND LAW ENFORCEMENT SUPPORT

The House bill contained a provision (sec. 1101) that would authorize funds for specific items related to drug interdiction. The House bill also included a provision (sec. 1103) that would authorize use of the armed forces for interdiction or aircraft and vessels involved in drug smuggling.

The Senate amendment contained a provision (sec. 940) that would revise and expand the authority of the Department of Defense to assist drug interdiction efforts by civilian law enforcement authorities.

The conferees agree that the Department of Defense can and should play a major role in the national drug interdiction effort. Drug abuse has an increasingly corrosive effect on our society, and it is imperative that we substantially increase our national effort to meet this challenge. The conferees have developed a program that will significantly increase the role of the armed forces in an effective and responsible manner.

Drug enforcement intelligence information

The conferees emphasize that intelligence is the key to a successful drug interdiction program. The conference agreement requires the Secretary of Defense to ensure that civilian law enforcement officials are promptly provided with intelligence information collected by the armed forces that is related to drug interdiction. The conferees direct the Secretary of Defense to work with the Director of Central Intelligence to ensure that the collection of drug interdiction information is established as a high priority for the intelligence community.

Detection and monitoring of aerial and maritime transit (secs. 1101 and 1102)

Under the conference agreement, the armed forces will concentrate on the detection and monitoring of air and sea traffic, a role that is consistent with the traditional military mission. By undertaking the major role in air and sea surveillance, the military can eliminate the unnecessary duplication of assets and efforts by civilian agencies, and enable those agencies to focus on the law enforcement activities for which they are trained and equipped.

The conference agreement establishes a requirement for the Department of Defense, on an annual basis, to plan and budget for the effective detection and monitoring of all potential aerial and maritime threats to the national security. This will include guidance from the Secretary of Defense on the specific force levels and specific supporting resources to be made available for this mission, including that aspect of the mission that supports the DOD air and sea surveillance responsibilities related to drug interdiction.

Section 1102 establishes the Department of Defense as the single lead agency for the detection and monitoring of aerial and maritime transit of illegal drugs into the United States. The conferees expect DOD to take prompt action to provide the necessary detection and monitoring capabilities in those border areas that serve as the primary points of entry by drug smugglers. The Department of Defense should focus on the area of greatest threat, the southern border of the United States, particularly during the hours of darkness. It is the hope of the conferees that the Department of Defense can develop the capability to conduct effective nighttime surveillance and monitoring of the southern border using a combination of: (1) Land, sea, and air-based radar; (2) aircraft capable of monitoring the flight of potential drug smugglers; and (3) integrated communications with the law enforcement agencies that will make the actual searches, seizures, and arrests. The conferees, in section 1107, have directed the President to report to the Congress on the feasibility of such a program. The conferees also urge the accelerated deployment of the system of aerostat radars in order to reduce the need for expensive airborne radar platforms. In this regard, the conferees call to the attention of the Department of Defense a gap in planned aerostat coverage from Brownsville, Texas to the northern part of Florida—a gap that hearings before the House Armed Services Committee have revealed is being increasingly exploited by aerial drug smugglers.

As lead agency, DOD will be responsible for coordinating all air and sea surveillance activities of the federal government, including the elimination of unnecessary duplication. The DOD role as lead agency will be to conduct and coordinate detection and monitoring activities, but the responsibility for establishing detection and monitoring requirements for the drug interdiction program will remain with civilian law enforcement authorities. The designation of DOD as the single lead agency can be changed by the President only if he makes a different designation within 15 days of the date of enactment and reports his reasons to the Congress.

The establishment of an air and sea surveillance mission and designation of the Department as the single lead agency represent a major new military requirement, and should substantially enhance our nation's drug interdiction efforts. It is important to put this in perspective, and to not assume that we have solved the drug problem through this major change in our interdiction program. The interdiction effort will not significantly reduce the drug abuse problem without a substantial increase in our nation's commitment to reduce the demand for illegal drugs.

Interdiction is not the most cost-effective component of a drug abuse reduction strategy. In testimony before the Senate Armed Services Committee, the Comptroller General reported that expenditures for federal anti-drug efforts have increased from $129.5 million to nearly $4 billion in the last seventeen years. In the last decade, the budgetary emphasis has been on supply reduction efforts as opposed to demand reduction programs. The Comptroller General reported that by 1987 the federal government was spending three times more on supply reduction than on demand reduction programs.

Despite substantial increases in interdiction resources, there has been little or no effect on the drug abuse problem. The Office of Technology Assessment (OTA) has reported that the quantity of cocaine coming into this country has more than doubled from 1981 to 1986—from 40 to 65 tons to over 130 tons. Although the OTA acknowledges that we are catching more smugglers and seizing more drugs, still more is coming through and there is no indication that the trend is changing.

Perhaps the best and most accurate indicators of the extent of the drug problem—price and purity—also raise questions about the wisdom of focusing primarily on interdiction. The most recent data from the National Narcotics Intelligence Consumers Committee estimates that the price of cocaine is at its lowest level reported to date. At the same time, its purity is at its highest—over 50 percent. The Drug Abuse Warning Network (DAWN) reported that cocaine-related hospital emergencies in 1987 are at the highest level yet recorded, increasing by more than 60 percent over the previous year's record. Since 1980 there has been a near tenfold increase in the annual number of those emergencies reported through DAWN nationwide—from 3,000 to 26,186.

In short, although we have been spending more and more federal dollars on interdiction in recent years, the drug problem has been growing by leaps and bounds. The General Accounting Office (GAO) has found no direct correlation betweeen interdiction resources and the availability of imported drugs in the domestic market. A recently completed study by the RAND Corporation also concluded that increased expenditures for drug interdiction would have a negligible effect on drug consumption.

In sum, while interdiction must remain a necessary component of any national anti-drug strategy, the conferees believe that we should reconsider the past federal emphasis on interdiction and other supply-side efforts, and develop a more balanced approach placing greater reliance on demand-reduction programs.

The conferees recognize that demand reduction efforts in areas such as treatment and education do not fall within the scope of the Armed Services Committees and will be more appropriately addressed in comprehensive drug legislation that the Congress is expected to consider later this year. However, based on a review of proposals for increased military involvement as well as testimony from numerous experts on the drug issue, the conferees recommend that increased federal emphasis be placed on demand reduction programs in the anti-drug effort. Although the conferees authorize and encourage an expanded military support for drug interdiction efforts, the conferees emphasize that priority should be given to reducing demand.

Communications network (sec. 1103)

The conference agreement requires the President to report to the Congress on a plan for integration by the Department of Defense of the command, control, communications, and technical intelligence assets of the United States dedicated to the interdiction of illegal drugs into an effective network. The President, in a subsequent report, also must advise Congress of his plan for assignment of the responsibility for operating this command, control, communications, and intelligence network. The role for the Department of Defense in this endeavor is to provide technical advice and experience in establishing and operating a communications network that provides command, control, and intelligence information. It does not place DOD personnel in a command role, nor does it provide authority for the armed forces to engage in domestic intelligence gathering activities.

Drug interdiction and law enforcement support (sec. 1104)

In order to enhance the ability of the Department of Defense to provide support to the drug enforcement efforts of civilian agencies, the legislation revises the current law governing such activities as set forth in chapter 18 of title 10, United States Code. This revision is intended to expand the opportunities for military assistance in a manner that is consistent with the requirements of military readiness and the historic relationship between the armed forces and civilian law enforcement activities. Chapter 18 is revised as follows:

Use of intelligence and other information collected during military operations (10 U.S.C. 371)

Subsection (a) restates current law permitting DOD to provide Federal, State, or local civilian law enforcement officials with any information collected during the normal course of military training or operations that may be relevant to a violation of any Federal or State law within the jurisdiction of such officials. The requirement that this be accomplished "in accordance with other applicable law" means that the collection, retention, and dissemination of such information must be in accord with other legal requirements, such as the Privacy Act.

Subsection (b) establishes a requirement for the Department, to the maximum extent practicable, to take into account the needs of civilian law enforcement officials when planning and executing military training or operations. Examples include scheduling training exercises using night vision devices in border areas, conducting photo-reconnaissance training missions in a manner that serves the need of a civilian law enforcement agency for aerial surveillance of potential marijuana fields, and similar activities. It does not constitute authority to acquire information that DOD is not otherwise authorized to obtain during military training and operations.

Subsection (c) requires the Secretary of Defense to ensure that intelligence information related to drug interdiction and other civilian law enforcement matters is provided promptly to the appropriate civilian law enforcement officials to the maximum extent consistent with national security requirements. The conferees are sensitive to past concerns about use of the military for domestic intelligence gathering, and emphasize that this section does not modify in any way existing law with respect to the military's authority (or lack thereof) to collect and disseminate intelligence information about American citizens in the United States and abroad.

Use of military equipment and facilities (10 U.S.C. 372)

This section clarifies current law to provide that the Department of Defense may make available to civilian law enforcement officials any equipment (including associated supplies or spare parts), base facility, or research facility for law enforcement purposes. The assistance must meet the requirements of other applicable laws with respect to interagency and intergovernmental use, transfer, or disposal of equipment.

Training and advising civilian law enforcement officials (10 U.S.C. 373)

Paragraph (1) clarifies current law to provide that the Secretary of Defense, in accordance with other applicable law, may make Department of Defense personnel available to train Federal, State, and local civilian law enforcement officials in the operation and maintenance of equipment, including equipment made available under section 372. Paragraph (2) restates current law permitting DOD to provide civilian law enforcement officials with expert advice. Such training and expert advice may extend to instruction in the operation of equipment, scientific analysis, translations, and assistance in strategic planning, but may not extend to direct, active involvement in specific law enforcement operations.

Maintenance and operation of equipment by Department of Defense personnel (10 U.S.C. 374)

Subsection (a) clarifies current law to provide that the Secretary of Defense, in accordance with other applicable law, may make Department of Defense personnel available to maintain equipment for Federal, State, and local civilian law enforcement officials.

Subsection (b) revises current law to specify the circumstances in which DOD personnel may operate equipment to assist civilian law enforcement agencies involved in the enforcement of drug, customs, and immigration laws. DOD personnel may operate equipment (including aircraft, vessels, and vehicles) for the following purposes:

Detecting, monitoring, and communicating of the movement of air and sea traffic (regardless of the location of the aircraft or vessels being monitored).

Aerial reconnaissance. The conferees intend this authority to be used for reconnaissance of property and not for surveillance of persons.

Interception of vessels or aircraft detected outside the United States for the purposes of communicating with such vessels and aircraft to direct such vessels and aircraft to go to a location designated by appropriate civilian officials. When the contact is made outside the United States, equipment operated by DOD personnel (e.g., an aircraft) may continue into the land area of the United States to direct the vessels and aircraft to go to a location designated by appropriate civilian officials. As used in this section, the term "interception" means a contact for purposes of communications, and does not include a physical interruption of the flight or passage of the aircraft or vessel.

Operation of equipment to facilitate communications in connection with law enforcement activities.

When jointly approved by the Secretary of Defense, the Attorney General, and the Secretary of State, DOD personnel may transport (or operate a base of operations for) civilian law enforcement personnel in connection with law enforcement operations outside the land areas of the United States (or any territory, commonwealth, or possession of the United States). The requirement for joint approval and the limitation to operations outside the United States are established in this section because of the potential for involving DOD personnel in a direct law enforcement confrontation, even though their role is designed for logistical support. To the extent that transportation of law enforcement officials or use of military officials does not reasonably raise the possibility of a law enforcement confrontation, such assistance may be provided in the United States under subsection (c).

Subsection (c) provides that the Secretary of Defense, in accordance with other applicable law, may make Department of Defense personnel available to any Federal, State, or local civilian law enforcement agency to operate equipment for purposes other than described in subsection (b) to the extent that such assistance does not involve direct participation in a civilian law enforcement operation, except as otherwise authorized by law.

Restriction on direct participation by military personnel (10 U.S.C. 375)

This section clarifies current law which requires the Secretary of Defense to issue such regulations as may be necessary to insure that the provision of any support (including the provision of any equipment or facility or the assignment or detail of any personnel) to any civilian law enforcement official under this chapter does not include or permit direct participation by a member of the Army, Navy, Air Force, or Marine Corps in a search and seizure, arrest, or other similar activity unless participation in such activity by such member is otherwise authorized by law. The conferees deleted the term "interdiction of a vessel or aircraft," which is set forth in current law, because the term "interdiction" has acquired a meaning that includes detection and monitoring as well as a physical inerference with the movement of a vessel or aircraft. The conferees emphasize, however, that they do not intend by this action to authorize military personnel to interrupt the passage of a vessel or aircraft except as otherwise authorized by law.

The conferees recognize that the magnitude of the drug problem has led to calls for the military to be directly involved in search, seizures, and arrests. The conferees, however, do not believe that it is appropriate to make such a radical break with the historic separation between military and civilian functions without clear and compelling evidence that such an action would result in a substantial reduction in the drug problem. The overwhelming weight of the evidence is that no such change would come from giving the military police powers.

As noted above, there is a serious question as to whether increased interdiction efforts—regardless of which agency actually exercises the police functions—will have a significant impact on the supply of drugs available to meet the demand. Providing law enforcement powers to naval personnel, for example, would not add to the Navy's ability to assist in maritime interdiction because current law already provides for placing Coast Guard Law Enforcement Detachment Teams on board naval vessels transitting drug interdiction areas.

Utilizing Navy instead of Coast Guard personnel for law enforcement purposes would do nothing to solve the most critical problems that the Coast Guard now faces in drug interdiction, whether aboard Navy or Coast Guard vessels. As Peter Reuter of the RAND Corporation noted in testimony before the Senate Armed Services Committee: "Even when the Coast Guard has prior information that a vessel may be carrying drugs, only one out of eight of those boarded is found to have drugs. That is about five times higher than the agency's success rate when it has no prior information. The military services can ensure that the Coast Guard will see more vessels and pursue more of them for boarding. But it cannot at the moment do much to help the maritime services distinguish the undistinguishable."

The conferees agree that interdiction, to a reasonable degree, is a necessary part of a comprehensive drug strategy. However, none of the federal law enforcement agencies have requested use of military personnel to supplement their arrest, search, and seizure functions.

Drug interdiction is a sophisticated matter, and the Coast Guard provides its members with months of schooling and extensive on-the-job training. It makes little sense to create a situation in which the military skills of members of the armed forces will atrophy while they spend months receiving law enforcement training. To the extent that we need more individuals to perform law enforcement functions, the most cost-effective way to do so is to provide the law enforcement agencies with the necessary personnel. This bill follows this cost-effective approach by providing authority for increased Coast Guard Law Enforcement Detachment Teams.

The demand by some for use of the military in drug-related arrests would quickly fade in the face of actual law enforcement confrontations between the uniformed military and American civilians. As former Chief Justice Burger has noted, the American experience has been marked by "a traditional and strong resistance . . . to any military intrusion into civilian affairs. That tradition has deep roots in our history. . . ." *Laird* v. *Tatum*, 408 U.S.C. 1, 15 (1972). The Posse Comitatus Act, as one court has noted, is not "an anachronistic relic of an historical period the experience of which is irrelevant to the present. It expresses the inherited antipathy of the American to the use of troops for civil purposes. . . . Its relevance to this age is sadly clear." *Wrynn* v. *United States*, 200 F. Supp. 457, 465 (E. D. N. Y. 1961).

In testimony before the Senate Armed Services Committee, Secretary of Defense Carlucci noted: "I remain absolutely opposed to the assignment of a law enforcement mission to the Department of Defense. I am even more firmly opposed to any relaxation of the posse comitatus restrictions on use of the military to search, seize and arrest. I have discussed this matter with the President, and other senior members of his Cabinet, and I can report that these views are shared throughout this Administration. The historical tradition which separates military and civilian authority in this country has served both to protect the civil liberties of our citizens and to keep our Armed Forces militarily focussed and at a high state of readiness."

Support not to affect adversely military preparedness (10 U.S.C. 376)

This section restates the requirement under current law that provides that support (including the provision of any equipment or facility or the assignment or detail of any personnel) may not be provided to any civilian law enforcement official under this chapter if the provision of such assistance will adversely affect the military preparedness of the United States. The conferees note that this provision should not be interpreted in a manner that would shield the Department from providing support merely because it is inconvenient to do so. At the same time, the conferees note that the armed forces have the ultimate responsibility for the defense of the nation, and our military capability could be seriously compromised by draining DOD assets into other agencies.

Reimbursement (10 U.S.C. 377)

This section clarifies current law governing reimbursement. Chapter 18 of title 10 was designed to eliminate ambiguities as to the type of support that DOD can provide other agencies without violating the Posse Comitatus Act. It is not intended to establish the Department of Defense as a source of free supplies and manpower that can be tapped by other agencies without any form of accountability. When DOD makes equipment, facilities, or personnel available to other government entities, reimbursement shall be provided to the extent that would otherwise be required by the Economy Act or other applicable law. This section also makes it clear, however, that the reimbursement provision must be applied in a reasonable fashion. Reimbursement is not required when the support is provided in the normal course of military training or operations or results in a benefit to the Department of Defense that it substantially equivalent to that which would otherwise be obtained from military operations or training.

Nonpreemption of other law (10 U.S.C. 378)

This section, which is similar to the provision included when chapter 18 was first enacted in 1981, makes it clear that nothing in this revision is intended to limit the authority of the executive branch to use military personnel or equipment for civilian law enforcement purposes beyond that provided by law before the date of enactment.

Assignment of Coast Guard personnel to naval vessels for law enforcement purposes (10 U.S.C. 379)

This section clarifies current law authorizing a minimum of 500 active duty personnel of the Coast Guard to be assigned to naval vessels for performance of Coast Guard law enforcement functions, including search, seizure and arrest. The revision makes it clear that Coast Guard law enforcement personnel must be placed on each appropriate surface vessel that transits a drug interdiction area. A total of $6 million will be transferred from the Department of Defense to the Coast Guard in fiscal year 1989 for this program. To ensure the most cost-effective use of these funds, the conferees direct the Secretary of Defense to ensure that Coast Guard personnel are properly integrated into the ship's company of naval vessels to perform shipboard duties when not actually engaged in law enforcement activities.

Enhancing cooperation with civilian law enforcement officials (10 U.S.C. 380)

This section revises current law to emphasize the conferees interest in having the Department of Defense play the leading role in advising Federal, state, and local law enforcement officials of the types of assistance that DOD can provide.

Enhanced drug interdiction and law enforcement role for the National Guard (sec. 1105)

The National Guard traditionally has performed law enforcement functions under the direction of the Governors. When not in federal service, the National Guard is not subject to the Posse Comitatus Act. Subsection (a) provides funds for drug enforcement activities of the Guard while in state status. The Secretary of Defense may obligate up to $60 million for this purpose. To be eligible, the Governor must submit a plan to the Secretary specifying how personnel of the National Guard of such State are to be used in drug enforcement and interdiction operations. The Secretary of Defense is required to consult with the Attorney General in reviewing such proposals. It is the intent of the conferees that priority be given to those plans which (a) involve areas of the greatest need in terms of drug interdiction and (b) are most likely to be effective. The National Guard will remain under state command and control when conducting any law enforcement activity with funds provided under this section. The provision of these funds does not place the National Guard in federal status for purposes of the Posse Comitatus Act, or for any other purpose.

When in federal status, the National Guard can assist civilian law enforcement officials to the same degree as the active forces. Subsection (b) requires the Secretary of Defense to prescribe and enforce training criteria for the National Guard to enhance the capability of the National Guard to assist in drug abuse control activities.

Because the conferees believe that the National Guard may provide significant opportunities for enhanced law enforcement assistance, subsection (c) requires the President to submit to Congress a report on the potential effectiveness of using members of the National Guard for drug interdiction efforts, consistent with applicable law, along the borders and at the ports of entry of the United States.

Funding of activities related to drug interdiction (sec. 1106)

This section provides the Department of Defense with $300 million, which may be used only for drug interdiction activities involving the detection and monitoring of air and sea traffic under sections 1101 and 1102, the integration of a command, control, communications, and intelligence network under section 1103, or the activities of the National Guard in state status under section 1105. These funds are in addition to the funds that the Department of Defense currently is expending on drug interdiction activities. The $300 million includes a transfer of $90 million appropriated for procurement of P-3 aircraft in fiscal year 1987. The conferees emphasize that DOD has been given specific missions under this Act in order to take advantage of existing assets and expertise, and intend that these additional funds should be used primarily to operate existing equipment. This does not preclude appropriate expenditures for procurement or research and development when there is a critical need that cannot be met with existing equipment.

To the extent that funds currently budgeted for activities related to the detection of air and sea traffic are insufficient to meet the requirements established in this legislation, the conferees invite appropriate reprogramming requests.

Reports (sec. 1107)

The conferees recognize that the new missions established in this Act are likely to require additional resources, and may require statutory modifications. Section 1107(a) requires the President to submit a report to Congress containing legislative proposals, including budgetary requests, not later than December 1, 1988. Subsection (b) requires the President to provide a report on aerial interdiction capabilities along the Southern border. Subsection (c) requires the Secretary of Defense to submit two reports on the relationship between civilian and miliary resources in specified air interdiction activities.

TITLE XII—GENERAL PROVISIONS

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Transfer authority (sec. 1201)

The House bill contained a provision (sec. 901) that would permit the transfer of an authorization for any fiscal year to any other authorization for that fiscal year made available in titles I, II or III upon determination by the Secretary of Defense that such a transfer would be in the national interest. The provision would authorize reprogrammings involving the transfer of authorization between authorization as set out in bill language.

The authority to transfer could only be used to provide authorization for higher priority items than the items from which authorization was transferred and could not be used to provide authorization for an item that was denied authorization by the Congress. The Secretary of Defense would be required to notify the Congress promptly of transfers. The total amount of transfers would be limited to $2 billion.

The Senate amendment contained a similar provision, except that the total amount of transfers would be limited to $3 billion.

The House recedes.

Increase in fiscal year 1988 defense funds transfer authority (sec. 1201)

The House bill contained a provision (sec. 902) that would increase from $2 billion to $4 billion the ceiling on the authority to transfer an authorization for obligation for fiscal year 1988 to any other authorization for fiscal year 1988 made available in Titles I, II or III of the fiscal years 1988/1989 Defense Authorization Act. The House provision would allow transfers of prior year authorizations to fiscal year 1988. The provision would provide that in determining the purposes for which amounts transferred pursuant to this provision will be used, the Secretary of Defense shall insure that an appropriate portion of this authority is used to transfer funds to operation and maintenance accounts for depot maintenance activities in amounts sufficient to reduce Services backlogs which would otherwise occur and for pay of civilian personnel in amounts sufficient to prevent furloughs, reductions-in-force, or release of on-call employees into a nonpay status. The provision would also direct the Secretary of Defense to notify the Congress of each transfer made under the provision not less than 15 days before the transfer is made, and to carry out transfers authorized in the provision so that any transfers would not result in an increase in outlays by the Department of Defense during fiscal year 1988.

The Senate amendment contained a similar provision that would increase from $2 to $4 billion the ceiling on transfer authority for fiscal year 1988, and that would allow transfers of prior year authorizations to fiscal year 1988. In addition to the purposes for which transfers could be used under the House provision, the Secretary of Defense would be required to give special consideration and priority to civilian employees of the Department of Defense, readiness and more efficient acquisition processes, and to provide funds for other high priority readiness items.

The Senate recedes with an amendment. The conferees agree to increase from $2 to $4 billion the ceiling on transfer authority for fiscal year 1988, and allow transfers of prior year authorizations to fiscal year 1988. Transfers in excess of $2 billion will be subject to the following conditions. In determining the purposes for which amounts transferred pursuant to this provision will be used, the Secretary of Defense will be required to insure that an appropriate portion of this authority is used to transfer funds to military personnel and operations and maintenance accounts for depot maintenance activities in amounts sufficient to reduce Service backlogs which would otherwise occur; for pay of civilian personnel in amounts sufficient to reduce furloughs, reductions-in-force, or release of on-call employees in a nonpay status; and for pay of military personnel. The conference agreement also provides that the Secretary of Defense shall notify Congress 15 days in advance of transfers made under this section and may carry out such transfers only to the extent that he is able to manage fiscal year 1988 appropriations so that such transfers do not increase outlays by the Department of Defense during fiscal year 1988.

Authority for obligation of certain unauthorized fiscal year 1988 defense appropriations (secs. 1211-1213)

The House bill contained provisions (secs. 911, 912 and 913) concerning certain unauthorized fiscal year 1988 defense appropriations. Section 911 would authorize unauthorized fiscal year 1988 defense appropriations totaling $10.6 billion. Section 912 would prohibit obligation of funds for five unauthorized programs, and impose limitations on three other programs. Section 913 would repeal three general provisions contained in the fiscal year 1988 Defense Appropriations Act (Public Law 100-202).

The Senate amendment contained a provision (sec. 903) that would prohibit obligation of funds for four unauthorized programs, and impose limitations on three other programs. Section 903(e) would transfer the funds prohibited for obligation for specific programs to Operation and Maintenance accounts to be used to minimize furloughs and separation of civilian employees and for other high priority readiness programs.

The Senate recedes with an amendment.

Section 1211 authorizes unauthorized fiscal year 1988 defense appropriations totaling $10,624.6 million. Section 1212 prohibits the obligation of funds appropriated in fiscal year 1988 as follows:

(1) $5.3 million for Satellite System Survivability in Air Force research and development;

(2) $10.0 million for Maxicube Cargo System under Army research and development;

(3) $20.0 million for Coastal Defense Augmentation;

(4) $40.0 million for Defense Meteorological Satellite program in Navy research and development;

(5) $193.8 million for P-3C aircraft under National Guard and Reserve procurement; and

(6) $10.0 million for AN/SQR-17 acoustic processors for Mobile Inshore Undersea Warfare group under National Guard and Reserve procurement.

The Senate recedes to the House provision on Forward Area Air Defense Heavy System (sec. 1212(b)(1)), and A-6 aircraft configuration (sec. 1212(b)(2)), and recedes with a technical amendment on tank procurement (sec. 1212(b)(3)).

The conferees agree to repeal sections 8098 and 8122 of the fiscal year 1988 Defense Appropriations Act (as contained in section 101(b) of Public Law 100-202).

Naming of Trident submarine the U.S.S. Melvin Price (sec. 1221)

The House bill contained a provision (sec. 934) that would express the sense of Congress that the Secretary of the Navy should name the next Trident submarine to be named after enactment of this Act the U.S.S. Melvin Price.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees take this action in recognition of the 44 years of loyal, dedicated service of the late Honorable Melvin Price to the people of the United States and the 21st congressional district of Illinois. The conferees further wish to recognize his service for 40 years as a member of the Committee on Armed Services of the House of Representatives, serving 10 years as its chairman; his service for 31 years as a member of the Joint Committee on Atomic Energy and his service as the committee's first chairman; the major role he played in successfully advocating the peaceful use of nuclear energy and the military application of nuclear power for Navy ships and submarines; and the indelible mark on the history of the Nation he has left as a result of his 44 years of unselfish efforts to maintain the strength and readiness of the Armed Forces.

Naming a Navy ship the U.S.S. Bob Hope (sec. 1222)

The conferees agree Mr. Bob Hope has expressed extraordinary patriotism and character for over 50 years in peacetime and in three wars. Disregarding his own safety and convenience, he has journeyed to all regions of the world at all seasons of the year to ships at sea and to combat zones ashore solely and selflessly to be with soldiers, sailors, marines and airmen who were far from home and frequently in danger of their lives. Through entertainment he has shared himself and his talent and brought, however briefly, a sense of home and normalcy to young men and women for whom home and normalcy was far away.

The conferees agree that while the country asked much of its servicemen and women, and they gave, the country asked nothing of Mr. Hope, and he gave love and humor selflessly throughout all the good times and bad. In so doing he has earned the undying respect and fond esteem of all of his countrymen, and the Secretary of the Navy should name an appropriate ship of the United States Navy the U.S.S. Bob Hope.

Rate of progress payments on naval ship repair contracts (sec. 1223)

The House bill contained a provision (sec. 921) that would amend section 7312(a) of title 10, United States Code, regarding progress payments, to establish the specified rates as minimum rates.

The Senate amendment contained no similar provision.

The Senate recedes.

Limitation on repair of naval vessels in foreign shipyards (sec. 1224)

The House bill contained a provision (sec. 922) that would amend section 7309 of title 10, United States Code, to place restrictions on the overhaul, repair (with the exception of voyage repairs) or maintenance of U.S.-homeported naval vessels in foreign shipyards.

The Senate amendment contained no similar provision.

The Senate recedes.

Competition between public and private shipyards for overhaul of naval vessels (sec. 1225)

The House bill contained a provision (sec. 925) that would amend chapter 633 of title 10, United States Code, to require that additional criteria be considered when the Secretary of the Navy conducts competition for the overhaul of naval vessels between public and private shipyards.

The Senate amendment contained no similar provision.

The Senate recedes.

Depot-level maintenance of ships (sec. 1226)

The House bill contained a provision (sec. 923) that would direct the Secretary of the Navy to require that, to the extent feasible, not less than one-half (by cost) of all depot-level maintenance scheduled as of October 1, 1988 for naval vessels in Japan for fiscal years 1989, 1990 and 1991 be carried out in the United States.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees agree that these restrictions on depot-level maintenance should be observed to the extent feasible and consistent with policies of the Navy regarding family separations.

The conferees also affirm the lanugage of the House report (H. Rept. 100-563) regarding scheduling of depot-level maintenance work for ships about to change homeport to or from Japan. In this regard, the conferees direct that, where feasible, the Secretary of the Navy should adjust deployment schedules to accommodate the intent of this language.

Report on effects of naval shipbuilding plans on maritime industries (sec. 1277)

The House bill contained a provision (sec. 924) that would require an annual report by the Secretary of Defense regarding the effects of the five-year shipbuilding plan on the private sector shipbuilding and repair industries of the United States. The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees agree that this report should be required in 1989, 1990 and 1991.

Report on encouragement of construction in United States shipyards of combatant vessels for allies. (sec. 1228)

The House bill contained a provision (sec. 955) that would amend chapter 631 of title 10, United States Code, to require the Secretary of the Navy to carry out an ongoing program to encourage United States shipyards to construct combatant vessels for allies.

The Senate amendment contained no similar provision.

The conferees note that the fiscal year 1986 Defense Authorization Act (Public Law 99-145) contained a nearly identical provision (sec. 1455). In view of that provision, the conferees believe an assessment of the state of compliance with existing law should be made before directing further action, if any further action is necessary. Accordingly, the conferees recommend a provision that would require the Secretary of the Navy to assess and report on the performance of the Department of the Navy with respect to the requirements of section 1455 of the fiscal year 1986 Defense Authorization Act, within 90 days of enactment of this Act.

The Senate recedes with an amendment.

Report on navy patrol boats (sec. 1229)

The Senate amendment contained a provision (sec. 945) that would require the Secretary of the Navy to report on circumstances and conditions regarding inventory and requirements for small patrol boats.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees agree that the report should be made 90 days after enactment of the Act.

Computer viruses (sec. 1231)

The House bill included a provision (sec. 942) that would require the Secretary of Defense to submit a report on "computer viruses."

The Senate amendment did not include a similar provision.

The Senate recedes.

A computer virus is a destructive computer program that can replicate itself in computer systems with which it comes into contact. The conferees are concerned about the serious damage that could result from the introduction of a computer virus into Department of Defense computer systems.

The conferees agree that the Secretary of Defense should submit a study on this subject to the Congress not later than March 1, 1989. The conferees expect that the National Security Agency will be the lead agency in the preparation of the report. Additionally, the conferees request the Secretary to provide the definitions and terms of reference to be used in the report to the Committees on Armed Services of the Senate and House of Representatives as soon as feasible.

Reassessment of Soviet electronic capability from Mount Alto embassy (sec. 1232)

The House bill contained a provision (sec. 944) that would note that the report required by section 1122 of the fiscal year 1988/1989 Defense Authorization Act (Public Law 100-180) regarding the Soviet embassy on Mount Alto was inadequate. The provision would also note that the report did not contain a determination by the Secretary of Defense as to whether or not the occupation of the Mount Alto site by the Soviet Union is consistent with the national security of the United States. Finally, the provision would require a report from the President meeting the requirements of section 1122.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees agree that the report submitted under the 1988/1989 Act was inadequate and that a new report should be required.

Technical Amendments (sec. 1233)

The Senate amendment contained a provision (sec. 953) that would make technical corrections to previously enacted laws.

The House bill contained no similar provision.

The House recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

National policy on control of compromising emanations

The House bill contained a provision (sec. 941) that would direct that the Secretary of Defense not implement the proposed "National Policy on Control of Compromising Emanations (TEMPEST)" and the National Instruction "TEMPEST Countermeasures for Facilities" until he submits a report to the Armed Services Committees of the Senate and House of Representatives and 45 legislative days have elapsed after the Committees receive the report.

The Senate bill contained no similar provision.

The House recedes.

The conferees are concerned that the proposed policy may have an adverse impact on TEMPEST security standards and may be costly for the Government. The conferees agree that this issue should be explored in greater depth by the Armed Services Committees but do not wish to delay implementation of the regulations pending a complete review of the subject. The conferees, therefore, direct the Secretary of Defense to provide a report to the Armed Services Committees describing the new regulations and analyzing the effects of the new policy statement and instructions. The conferees direct that the report be provided not later than 90 days after enactment of this Act.

Additional protection of classified information

The House bill contained a provision (sec. 956) that would express the sense of Congress that the President should determine the extent to which classified information in the possesion of journalists is vulnerable to collection by hostile foreign intelligence operatives. It would also require a report on the likelihood that places of business of journalists may be subject to electronic surveillance and the feasibility of addressing the problem.

The Senate amendment contained no similar provision.

The House recedes.

The conferees are deeply disturbed by the consequences of unauthorized disclosures of classified information to journalists and the possibility that foreign governments might obtain that information. However, the conferees are also aware that this issue raises concerns about the rights of the press under the First Amendment to the Constitution. Moreover, they are not persuaded that a report, such as would be required by section 956, would prove useful. The greater concern is that persons with proper access to classified information sometimes give it to unauthorized persons, including journalists. The conferees urged the President to make renewed efforts to assure that classified information is properly protected and that it is not conveyed to unauthorized persons.

Report on status of POMCUS

The House bill contained a provision (sec. 933) that would require, no later than 60 days after enactment, the Secretary of Defense to submit to Congress a report on the progress toward completion of the Pre-positioning of Materiel Configured to Unit Sets (POMCUS) program.

The Senate amendment contained no similar provision.

The House recedes. However, the conferees believe that the report required by the House provision should be prepared and submitted to the Congress. Therefore, no later than four months after the date of the enactment of this Act, the Secretary of Defense is directed to submit to the Committees on Armed Services of the Senate and House of Representatives an unclassified report (with classified annexes as necessary) concerning the progress towards completion of the POMCUS program. The report shall include—

(1) a statement of the shortfall in equipment prepositioned in Europe under the plan (stated in tonnage and in procurement costs) that has occurred each year since the beginning of the POMCUS program;

(2) any specific plans of the Department of Defense (given in tonnage and in procurement costs) and any timetable for reduction of the current shortfalls in the POMCUS program; and

(3) the effect that any current shortfall and any planned reductions described under paragraph (2) would have on the number of days required from the time of a decision of the United States to deploy a force of 10 divisions to Western Europe to the time such force could be so deployed.

Davis-Bacon amendments

The House bill contained a provision (secs. 4101 through 4110) that would amend the Davis-Bacon Act of 1931. Changes would include raising the threshold of applicability for Department of Defense new construction to $50,000, and, for alteration and repair, to $15,000. The provision would also address several other related issues, including the rights of aggrieved parties.

The Senate amendment contained no similar provision.

The House recedes.

Special operations airlift

The Senate amendment contained a provision (sec. 920) that would express the sense of Congress that the Five-Year Defense Plan for fiscal years 1990 through 1994 and the separate budget requests for fiscal years 1990, 1991, and 1992 should, at a minimum, include sufficient funds to procure or modify by fiscal year 1992 all of the special operations airlift aircraft specified in a plan submitted to the Congress by the Secretary of Defense in June 1987.

The House bill contained no similar provision.

The Senate recedes in the interest of minimizing the length of the Act and without prejudice to the Senate provision. In fact, the conferees agree with the substance of the Senate provision. Therefore, the conferees make the following findings:

(1) Adequate airlift for special operations forces of the Armed Forces is essential for the successful performance of any of the missions of such forces.

(2) Inadequate airlift capacity impairs the capability of such forces to carry out such missions.

(3) In June 1987, the Secretary of Defense submitted to Congress a plan to meet the immediate airlift requirements of the special operations forces.

(4) The plan specified that, except for 49 CV-22A aircraft, the remainder of the special operations forces airlift aircraft are scheduled to be procured or modified not later than fiscal year 1992.

In light of these findings, the conferees strongly believe that:

(1) the plan submitted to Congress in June of 1987 by the Secretary of Defense is a sound proposal to redress the serious deficiency in airlift capability for special operations forces;

(2) the Secretary of Defense should formulate a five-year defense program for fiscal years 1990 through 1994 that, at a minimum, includes sufficient funds for the procurement or modification, not later than the end of fiscal year 1992, of all the airlift aircraft specified in the plan referred to in paragraph (1); and

(3) the President should submit budgets to Congress for fiscal years 1990, 1991, and 1992 that, at a minimum, include sufficient funds for the procurement or modification, by the end of fiscal year 1992, of all the airlift aircraft specified in the plan referred to in paragraph (1).

CLOSURE AND REALIGNMENT OF MILITARY INSTALLATIONS

The Senate amendment contained two provisions (sec. 921 and 935) that would address the functions of a recently appointed Base Closure Commission which is analyzing the Department of Defense installation infrastructure and making recommendations for base closures and realignments. The provisions would provide a one time streamlining of installation closure procedures.

The House bill contained no similar provision.

The Senate recedes with great reluctance and only on the basis of an agreement with the House conferees to a date certain for a vote in the House of Representatives on this matter and a guarantee to convene another conference to address this issue at the earliest possible time.

Exclusive economic zone

The Senate amendment contained a provision (sec. 931) that would require the Secretary of Defense to submit to the Congress a review of defense assets that might be utilized to reduce and prevent illegal foreign fishing in the U.S. exclusive economic zone.

The House bill contained no similar provision.

The Senate recedes.

Army National Guard intelligence units

The House report (H. Rept. 100-563) directed the Secretary of Defense to provide certain intelligence equipment to appropriate Army National Guard units if adequate safeguards for the control of equipment and operations are in place. In addition, the Secretary was directed to provide no later than September 30, 1988, a report on the number of Army Guard units involved, the number and kinds of equipment to be distributed, and a timetable for distribution.

The Senate report (S. Rept. 100-326) did not contain similar direction.

The conferees understand that, subsequent to the passage of the House bill, a dispute between the National Security Agency and the Army National Guard was resolved and a decision was made in the Office of the Secretary of Defense to provide a Combat Electronic Warfare and Intelligence (CEWI) capability to the National Guard.

The conferees continue to endorse the total force policy and recognize the contributions National Guard components could make upon mobilization. For this reason, any proposal to provide a signals intelligence (SIGINT) capability to the National Guard should consider the wartime mission of the units, the efficiency of the units, the availability of linguists and equipment, and the adequacy of training and control mechanisms.

The conferees direct that, prior to the transfer of any SIGINT equipment to the National Guard, the Secretary of Defense submit a report to the Armed Services and Intelligence Committees of the Senate and House of Representatives that identifies the National Guard units scheduled to receive the equipment and describes:

(1) the amount, type and cost of the equipment to be provided,

(2) the safeguards agreed to by the Army and the National Security Agency to ensure proper use and security of the equipment,

(3) the training and linguist support plan, and

(4) the wartime missions and planned contributions to be made by these units.

TITLE XIII—FOREIGN RELATIONS MATTERS

Legislative Provisions

LEGISLATIVE PROVISIONS ADOPTED

Sense of Congress concerning the Panama Canal and the United States Southern Command (sec. 1301)

The House bill contained a provision (sec. 940) that would express the sense of Congress that the operations of the U.S. Southern Command are vital to U.S. security interests and on a permanent basis essential to defending those interests and that the President should, therefore, take all steps necessary to ensure the continued operations of the command.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment to add a congressional finding that the security of, and the free flow of shipping through, the Panama Canal are vital interests of the United States and with technical amendments to clarify the intent of the House provision.

Limitation on assistance to Panamanian Defense Force (sec. 1302)

The Senate amendment contained a provision (sec. 952) that would prohibit the obligation or expenditure of funds for assistance to the Panamanian Defense Force unless and until the President certifies that no Soviet, Cuban, or Nicaraguan armed forces are present in Panama and that General Noriega has been removed as Commander of the Panamanian Defense Force, barred from all offices and authority, and prohibited from designating or appointing his successor. The Senate provision would clarify that the funding prohibition would not apply to the use of funds for defense of the Panama Canal or maintenance of U.S. Armed Forces or interests in Panama. Lastly, the Senate provision would require a report from the President 10 days after the date of enactment of this act regarding whether Soviet, Cuban, or Nicaraguan military, paramilitary, or intelligence personnel are in Panama and whether the Panamanian Defense Force has coordinated with, cooperated with, supported, or received support from, such personnel.

The House bill contained no similar provision.

The House recedes with four amendments and with technical amendments to clarify the intent of the Senate provision. The House amendments were to:

(1) except military attaches accredited to the Republic of Panama from the President's certification that no Soviet, Cuban, or Nicaraguan armed forces are present in Panama;

(2) require the portion of the President's certification relating to General Manuel Noriega to certify only that General Noriega has relinquished command of the Panamanian Defense Force and no longer holds any official position of leadership (either military or civilian) in Panama;

(3) authorize the President to obligate or expend any funds necessary for collection of intelligence; and

(4) require the report from the President not later than 30 days after the date of enactment of this act.

Sense of Congress concerning indictment of General Noriega of Panama on drug-related charges (sec. 1303)

The Senate amendment contained a provision (sec. 941) that would express the sense of Congress on the drug-related indictments against General Manual Noriega, Commander of the Panamanian Defense Force. The Senate provision would express that no negotiations should be conducted, nor arrangements made, by the United States Government with General Noriega, which would involve dropping drug-related indictments against him. In addition, the Senate provision would express that any such negotiations or arrangements would send the wrong signal about the U.S. priority on the war on drugs; would not further the prospects of restoring noncorrupt, democratic government to Panama; and would not serve the overall U.S. national security interests.

The House bill contained no similar provision.

The House recedes with technical amendments to clarify the intent of the Senate provision.

Limitation on introduction of armed forces into Nicaragua for combat (sec. 1304)

Section 947 of the House bill would prohibit funds appropriated to the Department of Defense from being obligated or expended for the purpose of introducing U.S. armed forces into Nicaragua for combat unless the Congress declared war or enacted specific authorization for such introduction, or such introduction were necessary to meet a clear and present danger of hostile attack upon the United States, its territories or possessions or its allies; or to meet a clear and present danger to, and to provide necessary protection for, the U.S. Embassy, U.S. government personnel, or U.S. citizens; or to respond to hijacking, kidnapping, or other acts of terrorism involving citizens of the United States or its allies. Section 947 would not apply if MIG aircraft, or other aircraft of similar design or capability, or nuclear missiles or any other nuclear weapons were introduced into Nicaragua. Finally, nothing in section 947 would invalidate any provision of the War Powers Resolution (Public Law 93-148) or any authority of the United States to act under the provisions of the Inter-American Treaty of Reciprocal Assistance.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that changes the provision to an expression of the "Sense of Congress." Under the agreed provision, the Congress reaffirms the sense of Congress expressed in the fiscal year 1986 Defense Authorization Act (Public Law 99-145) that United States armed forces should not be introduced into or over Nicaragua for combat. The provision also contains the statement that it should not be construed as affecting the authority and responsibility of the President or Congress under the Constitution, statutes, or treaties of the United States in force.

Human rights violations by the Polish government (sec. 1305)

The Senate amendment contained a provision (sec. 926) that would express the sense of the Senate that it condemns the violations of the fundamental rights of the Polish people by the Polish regime and that any improvement in relations between the United States and Poland must be predicated on a fundamental improvement in human rights in Poland.

The House bill contained no similar provision.

The House recedes with an amendment to make the Senate provision an expression of the sense of Congress and to reflect in its findings the current situation in Poland.

Conditions for sale or other transfer of F-15 aircraft to Saudi Arabia (sec. 1306)

The Senate amendment contained a provision (sec. 937) that would make the sale or other transfer of F-15 aircraft by the United States to Saudi Arabia subject to the following conditions: (1) any such F-15 aircraft shall be limited to models A, B, C, and D; (2) no F-15E aircraft with a ground attack capability shall be sold or transferred and existing Saudi aircraft shall not be upgraded to that capability; and (3) Saudi Arabia shall not possess more than 60 F-15 aircraft at any time.

The House bill contained no similar provision.

The House recedes with an amendment to authorize the President to waive the conditions for the sale or other transfer of F-15 aircraft to Saudi Arabia if the President certifies to the Congress that such action is necessary in the national interest.

Restriction on sale of arms to certain nations (sec. 1307)

The Senate amendment contained a provision (sec. 932) that would prohibit the sale of arms by the United States to Saudi Arabia or to any other nation in the Middle East which has procured Chinese-made CSS-2 missiles unless the President has first certified to the Congress that such nation does not have chemical, biological, or nuclear warheads for such missiles.

The House bill contained no similar provision.

The House recedes with four amendments. The House amendments were to:

(1) equally direct the requirements of the Senate provision to all nations by deleting references to any individual nation;

(2) broaden the category of missiles to include all intermediate-range, Chinese-made missiles;

(3) require a one-time certification from the President prior to the sale of arms to such nations and a prompt notification from the President of any evidence that such nation has subsequently acquired chemical, biological, or nuclear warheads for its intermediate-range, Chinese-made missiles; and

(4) make the provision apply solely during fiscal year 1989.

Philippine bases (sec. 1308)

The Senate amendment contained a provision (sec. 930) that would require the Secretary of Defense to transmit to the Congress a study of the costs and benefits of maintaining U.S. military bases in the Philippines and of relocating those bases to alternative countries.

The House bill contained no similar provision.

The House recedes with an amendment to clarify the terms of the study to be prepared by the Secretary of Defense.

Assessment of security of United States facilities in the Philippines (sec. 1309)

The House bill contained a provision (sec. 948) that would require the Secretary of Defense to provide to Congress an annual assessment of security at U.S. bases in the Philippines.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Authorizing economic sanctions against Ethiopia (sec. 1310)

The Senate bill contained a provision (section 949) that would condemn the Government of Ethiopia for its use of food as a weapon and its human rights record. It would also urge the Government of Ethiopia to allow foreign relief personnel to return to the northern part of Ethiopia and to allow the international relief campaign to resume, and would call on the rebel groups to cease attacks on relief vehicles. The provision would strongly urge the President to impose economic sanctions on the Government of Ethiopia if it engages in certain policies, including forced resettlement, denial of international relief to persons at risk because of famine, and seizure of international relief assets.

The House bill contained no similar provision.

The Senate provision was identical to a provision favorably reported by the House Foreign Affairs Committee. Therefore, the House recedes, with an amendment to terminate the authority granted by the section on June 1, 1990, and with technical amendments.

LEGISLATIVE PROVISIONS NOT ADOPTED

Soviet prisoners of war in Afghanistan

The House bill contained a provision (sec. 304) that would find, among other things, that the Administration had not established a mechanism whereby Soviet defectors and prisoners of war in Afghanistan are provided an opportunity to seek political asylum in the West. The provision would also express the sense of Congress that the President should establish such a mechanism, grant asylum to eligible Soviet defectors, establish a framework using private and public resources to assist Soviet defectors adjust to life in the United States, and direct that the Afghan resistance and Soviet defectors and prisoners of war in Afghanistan be informed of these programs.

The Senate amendment contained no similar provision.

The House recedes.

The conferees believe that the United States should assist Soviet defectors and prisoners of war in Afghanistan to the maximum extent practicable. But the conferees also note that the Administration has, in fact, established a mechanism for processing those Soviet defectors and prisoners of war who seek refugee status in the United States. Other organizations, including the Red Cross and the Government of Pakistan, have established programs to assist refugees and Soviet defectors and prisoners of war. With respect to granting refugee status, the President already has adequate authority. Therefore, this provision is not necessary. Nevertheless, the conferees urge the Administration to increase its efforts to assist Soviet defectors and prisoners of war in Afghanistan.

Enforcement of the Helsinki Final Act

The Senate amendment contained a provision (sec. 938) that would require that no country which did not have Most-Favored Nation status by May 1, 1988, could be granted this status unless the President certifies that the country is in complete or substantially complete compliance with the human rights and humanitarian affairs provisions of the Final Act of the Conference on Security and Cooperation in Europe (also known as "the Helsinki Final Act.")

The House bill contained no similar provision.

The Senate recedes.

TITLE XIV—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

PART A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS

The House bill, Division C, Title I, Part A, would authorize appropriations for Department of Energy National Security programs in the total amount of $8,135 million. The Senate amendment, Division C, Title XXXI, Part A, would authorize $8,165.796 million for this purpose.

The conferees agree to an authorization of $8,135 million.

The amended budget request, the authorizations contained in the House bill, the authorizations contained in the Senate amendment, and the conference agreement are presented in the following tables.

Fiscal Year 1989 Department of Energy National Security Programs
[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authori-zation
Weapons Activities..........................	4256.941	0.000	22.296	-14.000	4242.941
Operating Expenses.......................	3567.629	0.000	40.296	0.000	3567.629
Construction.............................	417.058	0.000	-18.000	-14.000	403.058
Capital Equipment........................	272.254	0.000	0.000	0.000	272.254
Materials Production.........................	2016.759	0.000	-21.500	-16.000	2000.759
Operating Expenses.......................	1572.772	0.000	-21.500	-16.000	1556.772
Construction.............................	341.487	0.000	0.000	0.000	341.487
Capital Equipment........................	102.500	0.000	0.000	0.000	102.500
Defense Waste and Environmental Restoration..	936.500	35.000	50.000	50.000	986.500
Operating Expenses.......................	689.624	30.000	50.000	50.000	739.624
Construction.............................	194.160	5.000	0.000	0.000	194.160
Capital Equipment........................	52.716	0.000	0.000	0.000	52.716
Verification and Control Technology..........	139.600	0.000	15.000	15.000	154.600
Operating Expenses.......................	131.200	0.000	15.000	15.000	146.200
Capital Equipment........................	8.400	0.000	0.000	0.000	8.400
Nuclear Safeguards and Security.............	80.200	0.000	0.000	0.000	80.200
Operating Expenses.......................	75.400	0.000	0.000	0.000	75.400
Capital Equipment........................	4.800	0.000	0.000	0.000	4.800
Security Investigations......................	40.000	0.000	0.000	0.000	40.000
Operating Expenses.......................	40.000	0.000	0.000	0.000	40.000
Naval Reactors Development...................	630.000	0.000	0.000	0.000	630.000
Operating Expenses.......................	555.400	0.000	0.000	0.000	555.400
Construction.............................	26.600	0.000	0.000	0.000	26.600
Capital Equipment........................	48.000	0.000	0.000	0.000	48.000
TOTAL...................................	8100.000	35.000	65.796	35.000	8135.000

Fiscal Year 1989 Department of Energy National Security Programs
[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authori-zation
Operating Expenses					
WEAPONS ACTIVITIES					
Research and Development..................	1052.546	0.000	23.000	23.000	1052.546
Inertial Confinement Fusion............	(155.530)	(0.000)	(0.000)	(0.000)	(155.530)
Testing..................................	524.238	0.000	0.000	0.000	524.238
Nuc Dir Energy RD&T..................	(252.254)	(−40.000)	(−6.000)	(−23.000)	(229.254)
Production and Surveillance..............	1909.445	0.000	0.000	0.000	1909.445
Program Direction........................	81.400	0.000	23.296	0.000	81.400
Weapons Program........................	(72.166)	(0.000)	(0.000)	(0.000)	(72.166)
Community Assistance...................	(9.234)	(0.000)	(23.296)	(0.000)	(9.234)
Total, Weapons Activities...............	3567.629	0.000	40.296	0.000	3567.629
MATERIALS PRODUCTION					
Reactor Operations.......................	603.976	0.000	−21.500	−16.000	587.976
N Reactor............................	(158.600)	(0.000)	(−21.500)	(−16.000)	(142.600)
Processing of Nuclear Materials...........	511.717	0.000	0.000	0.000	511.717
Special Isotope Separation..............	(72.300)	(0.000)	(0.000)	(0.000)	(72.300)
Supporting Services......................	259.679	0.000	0.000	0.000	259.679
Enriched Material........................	169.000	0.000	0.000	0.000	169.000
Naval Reactors Uranium Enrichment........	(169.000)	(0.000)	(0.000)	(0.000)	(169.000)
Program Direction........................	28.400	0.000	0.000	0.000	28.400
Total, Materials Production.............	1572.772	0.000	−21.500	−16.000	1556.772

Fiscal Year 1989 Department of Energy National Security Programs
[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authorization
Operating Expenses (continued)					
DEFENSE WASTE AND ENVIRONMENTAL RESTORATION					
Environmental Restoration..................	120.925	18.000	50.000	50.000	170.925
Waste Operations and Projects..............	532.042	12.000	0.000	0.000	532.042
Waste Research and Development.............	58.460	0.000	0.000	0.000	58.460
Hazardous Waste and Compliance Technology..	8.377	0.000	0.000	0.000	8.377
Transportation Management..................	9.720	0.000	0.000	0.000	9.720
Program Direction..........................	3.100	0.000	0.000	0.000	3.100
Use of Prior Year AEDA Balances............	-43.000	0.000	0.000	0.000	-43.000
Total, Defense Waste & Environ. Restor...	689.624	30.000	50.000	50.000	739.624
VERIFICATION AND CONTROL TECHNOLOGY					
Verification and Control Technology........	131.200	0.000	15.000	15.000	146.200
Total, Verification & Control Tech.......	131.200	0.000	15.000	15.000	146.200
NUCLEAR SAFEGUARDS AND SECURITY					
Nuclear Safeguards and Security............	75.400	0.000	0.000	0.000	75.400
Total, Nuclear Safeguards and Security	75.400	0.000	0.000	0.000	75.400
SECURITY INVESTIGATIONS	40.000	0.000	0.000	0.000	40.000
NAVAL REACTORS DEVELOPMENT					
Plant Development..........................	83.000	0.000	0.000	0.000	83.000
Reactor Development........................	236.700	0.000	0.000	0.000	236.700
Reactor Operation and Evaluation...........	222.700	0.000	0.000	0.000	222.700
Program Direction..........................	13.000	0.000	0.000	0.000	13.000
Undistributed Reduction....................					
Total, Naval Reactors Development........	555.400	0.000	0.000	0.000	555.400
TOTAL, DOE DEFENSE ACTIVITIES OPERATING EXPENSES.....................	6632.025	30.000	83.796	49.000	6681.025

Fiscal Year 1989 Department of Energy National Security Programs
[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authorization
Plant and Capital Equipment					
WEAPONS ACTIVITIES					
89-D-101, general plant projects, various locations..........................	26.500	0.000	0.000	0.000	26.500
89-D-121, general plant projects, various locations..........................	29.194	0.000	0.000	0.000	29.194
89-D-122, production waste storage facilities, Y-12 Plant, Oak Ridge, Tennessee.................................	2.000	0.000	0.000	0.000	2.000
89-D-125, plutonium recovery modification project (Bldg. 371), Rocky Flats Plant, Golden, Colorado..........................	18.000	0.000	-18.000	-14.000	4.000
89-D-126, environmental, safety, and health upgrade, Phase II, Mound Plant, Miamisburg, Ohio...........................	0.800	0.000	0.000	0.000	0.800
88-D-102, sanitary wastewater systems consolidation, Los Alamos National Laboratory, Los Alamos, New Mexico.........	7.600	0.000	0.000	0.000	7.600
88-D-103, seismic upgrade, Building 111, Lawrence Livermore National Laboratory, Livermore, California.....................	5.400	0.000	0.000	0.000	5.400
88-D-104, safeguards and security upgrade, Phase II, Los Alamos National Laboratory, Los Alamos, New Mexico.....................	7.300	0.000	0.000	0.000	7.300

Fiscal Year 1989 Department of Energy National Security Programs
[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authorization
Plant and Capital Equipment (continued)					
WEAPONS ACTIVITIES (continued)					
88-D-105, special nuclear materials research and development laboratory replacement, Los Alamos National Laboratory, Los Alamos, New Mexico................................	22.000	0.000	0.000	0.000	22.000
88-D-106, nuclear weapons research, development, and testing facilities revitalization, Phase II, various locations	72.352	0.000	0.000	0.000	72.352
88-D-122, facilities capability assurance program, various locations.................	79.341	0.000	0.000	0.000	79.341
88-D-123, security enhancements, Pantex Plant, Amarillo, Texas.....................	7.500	0.000	0.000	0.000	7.500
88-D-124, fire protection upgrade, various locations..................................	6.500	0.000	0.000	0.000	6.500
88-D-125, high explosive machining facility, Pantex Plant, Amarillo, Texas..............	13.000	0.000	0.000	0.000	13.000
88-D-126, personnel radiological monitoring laboratories, various locations...........	5.000	0.000	0.000	0.000	5.000
87-D-104, safeguards and security enhancement, Phase II, Lawrence Livermore National Laboratory, Livermore, California..........	8.500	0.000	0.000	0.000	8.500
87-D-122, short-range attack missile II (SRAM II) warhead production facilities, various locations...........................	26.000	0.000	0.000	0.000	26.000

Fiscal Year 1989 Department of Energy National Security Programs
[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authorization
Plant and Capital Equipment (continued)					
WEAPONS ACTIVITIES (continued)					
86-D-103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California.	12.000	0.000	0.000	0.000	12.000
86-D-104, strategic defenses facility, Sandia National Laboratories, Albuquerque, New Mexico....................	3.237	0.000	0.000	0.000	3.237
86-D-123, environmental hazards elimination, various locations............	5.203	0.000	0.000	0.000	5.203
86-D-130, tritium loading facility replacement, Savannah River Plant, Aiken, South Carolina.....................	31.800	0.000	0.000	0.000	31.800
85-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase I, various locations..................................	6.800	0.000	0.000	0.000	6.800
85-D-105, combined device assembly facility, Nevada Test Site, Nevada.........	12.200	0.000	0.000	0.000	12.200
85-D-112, enriched uranium recovery improvements, Y-12 Plant, Oak Ridge, Tennessee..................................	1.281	0.000	0.000	0.000	1.281
84-D-124, environmental improvements, Y-12 Plant, Oak Ridge, Tennessee...............	4.775	0.000	0.000	0.000	4.775

Fiscal Year 1989 Department of Energy National Security Programs
[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authori-zation
Plant and Capital Equipment (continued)					
WEAPONS ACTIVITIES (continued)					
84-D-211, safeguards and site security upgrading, Y-12 Plant, Oak Ridge, Tennessee..................................	2.775	0.000	0.000	0.000	2.775
Total, Weapons Activities...............	417.058	0.000	-18.000	-14.000	403.058
Plant and Capital Equipment (continued)					
MATERIALS PRODUCTION					
89-D-140, additional separations safeguards, Savannah River, South Carolina............	5.300	0.000	0.000	0.000	5.300
89-D-141, M-area waste disposal, Savannah River, South Carolina............	3.600	0.000	0.000	0.000	3.600
89-D-142, reactor effluent cooling water thermal mitigation, Savannah River, South Carolina..............................	1.000	0.000	0.000	0.000	1.000
89-D-146, general plant projects, various locations..............................	35.260	0.000	0.000	0.000	35.260
89-D-148, improved reactor spray system, design only, Savannah River, South Carolina	2.000	0.000	0.000	0.000	2.000

Fiscal Year 1989 Department of Energy National Security Programs
[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authorization
Plant and Capital Equipment (continued)					
MATERIALS PRODUCTION (continued)					
88-D-153, additional reactor safeguards, Savannah River, South Carolina.............	5.700	0.000	0.000	0.000	5.700
88-D-154, new production reactor, design only, site to be determined.........	35.000	0.000	0.000	0.000	35.000
87-D-152, environmental protection plantwide, Savannah River, South Carolina..	2.224	0.000	0.000	0.000	2.224
87-D-159, environmental, health, and safety improvements, Phases I, II, & III, Feed Materials Production Center, Fernald, Ohio.	50.000	0.000	0.000	0.000	50.000
86-D-148, special isotope separation project, Idaho Falls, Idaho...............	28.000	0.000	0.000	0.000	28.000
86-D-149, productivity retention program, Phases I, II, III, & IV, various locations.	72.140	0.000	0.000	0.000	72.140
86-D-152, reactor electrical distribution system, Savannah River, South Carolina.....	6.000	0.000	0.000	0.000	6.000
86-D-156, plantwide safeguards systems, Savannah River, South Carolina............	12.800	0.000	0.000	0.000	12.800
85-D-139, fuel processing restoration, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho.....	65.000	0.000	0.000	0.000	65.000
84-D-134, safeguards and security improvements, plantwide, Savannah River, South Carolina..................................	11.584	0.000	0.000	0.000	11.584

Fiscal Year 1989 Department of Energy National Security Programs
[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authori-zation
Plant and Capital Equipment (continued)					
MATERIALS PRODUCTION (continued)					
82-D-124, restoration of production capabilities, Phases II, III, IV and V, various locations	5.879	0.000	0.000	0.000	5.879
Total, Materials Production	341.487	0.000	0.000	0.000	341.487
Plant and Capital Equipment (continued)					
DEFENSE WASTE AND ENVIRONMENTAL RESTORATION					
89-D-170, general plant projects, various locations	28.000	0.000	0.000	0.000	28.000
89-D-171, Idaho National Engineering Laboratory road renovation, Idaho	4.000	0.000	0.000	0.000	4.000
89-D-172, Hanford environmental compliance, Richland, Washington	12.000	0.000	0.000	0.000	12.000
89-D-173, tank farm ventilation upgrade, Richland, Washington	1.800	0.000	0.000	0.000	1.800
89-D-174, replacement high level waste evaporator, Savannah River, South Carolina	3.520	0.000	0.000	0.000	3.520
89-D-175, hazardous waste/mixed waste disposal facility, Savannah River, South Carolina	3.500	0.000	0.000	0.000	3.500

Fiscal Year 1989 Department of Energy National Security Programs
[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authorization
Plant and Capital Equipment (continued)					
DEFENSE WASTE AND ENVIRONMENTAL RESTORATION (continued)					
88-D-173, Hanford waste vitrification plant, Richland, Washington........................	22.500	5.000	0.000	0.000	22.500
87-D-173, 242-A evaporator crystallizer upgrade, Richland, Washington.............	1.944	0.000	0.000	0.000	1.944
87-D-177, test reactor area liquid radioactive waste cleanup system, Phase III, Idaho National Engineering Laboratory, Idaho..................................	0.911	0.000	0.000	0.000	0.911
87-D-180, burial ground expansion, Savannah River, South Carolina.............	2.068	0.000	0.000	0.000	2.068
87-D-181, diversion box and pump pit containment buildings, Savannah River, South Carolina..................................	6.371	0.000	0.000	0.000	6.371
86-D-174, low-level waste processing and shipping system, Feed Materials Production Center, Fernald, Ohio...........	0.000	0.000	0.000	0.000	0.000
86-D-175, Idaho National Engineering Laboratory security upgrade, Idaho.........	2.084	0.000	0.000	0.000	2.084
83-D-148, non-radioactive hazardous waste management, Savannah River, South Carolina.	13.000	0.000	0.000	0.000	13.000
81-T-105, defense waste processing facility, Savannah River, South Carolina...	92.462	0.000	0.000	0.000	92.462
Total, Defense Waste & Environ. Restor...	194.160	5.000	0.000	0.000	194.160

Fiscal Year 1989 Department of Energy National Security Programs
[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authori-zation
Plant and Capital Equipment (continued)					
NAVAL REACTORS DEVELOPMENT					
89-N-101, general plant projects, various locations..........................	7.000	0.000	0.000	0.000	7.000
89-N-102, heat transfer test facility, Knolls Atomic Power Laboratory, Niskayuna, New York..................................	2.800	0.000	0.000	0.000	2.800
89-N-103, advanced test reactor modifications, Test Reactor Area, Idaho National Engineering Laboratory, Idaho.............	1.600	0.000	0.000	0.000	1.600
89-N-104, power system upgrade, Naval Reactors Facility, Idaho...................	0.600	0.000	0.000	0.000	0.600
88-N-102, expended core facility receiving station, Naval Reactors Facility, Idaho....	5.900	0.000	0.000	0.000	5.900
88-N-103, material handling and storage modifications, Knolls Atomic Power Laboratory, Niskayuna, New York...........	2.700	0.000	0.000	0.000	2.700
88-N-104, prototype availability facilities, Kesselring Site, Knolls Atomic Power Laboratory, West Milton, New York..........	6.000	0.000	0.000	0.000	6.000
Total, Naval Reactors Development........	26.600	0.000	0.000	0.000	26.600
TOTAL, DOE DEFENSE ACTIVITIES PLANT CONSTRUCTION.....................	979.305	5.000	-18.000	-14.000	965.305

Fiscal Year 1989 Department of Energy National Security Programs
[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authorization
CAPITAL EQUIPMENT					
Weapons Activities.........................	272.254	0.000	0.000	0.000	272.254
Nuclear Directed Energy Weapons..........	(17.509)	(0.000)	(0.000)	(0.000)	(17.509)
Inertial Confinement Fusion.............	(8.240)	(0.000)	(0.000)	(0.000)	(8.240)
Materials Production......................	102.500	0.000	0.000	0.000	102.500
Defense Waste & Environmental Restoration..	52.716	0.000	0.000	0.000	52.716
Verification and Control Technology........	8.400	0.000	0.000	0.000	8.400
Nuclear Safeguards and Security............	4.800	0.000	0.000	0.000	4.800
Naval Reactors Development.................	48.000	0.000	0.000	0.000	48.000
TOTAL, DOE DEFENSE ACTIVITIES CAPITAL EQUIPMENT......................	488.670	0.000	0.000	0.000	488.670
Subtotal, DOE Operating Expenses.........	6632.025	30.000	83.796	49.000	6681.025
Subtotal, DOE Plant Construction.........	979.305	5.000	-18.000	-14.000	965.305
Subtotal, DOE Capital Equipment.........	488.670	0.000	0.000	0.000	488.670
TOTAL, DOE DEFENSE ACTIVITIES............	8100.000	35.000	65.796	35.000	8135.000

Operating expenses (sec. 1401)

The House bill contained a provision (sec. 3111) that would authorize $6,622.025 million for operating expenses.

The Senate amendment contained a provision (sec. 3101) that would authorize $6,715.821 million for operating expenses.

The conferees agree to an authorization of $6,681.025 million for operating expenses.

Plant and capital equipment (sec. 1402)

The House bill contained a provision (sec. 3112) that would authorize $984.305 million for plant construction and $488.670 million for capital equipment.

The Senate amendment contained a provision (sec. 3102) that would authorize $961.305 million for plant construction and $488.670 million for capital equipment.

The conferees agree to an authorization of $965.305 million for plant construction and $488.670 million for capital equipment.

Operating expenses related to N reactor

The amended budget request included $168.6 million for operating expenses at the N Reactor, for which a decision was made in February 1988 to place in cold standby in February 1988.

The House bill would authorize the amounts requested.

The Senate amendment would authorize $147.1 million for operating expenses at the N Reactor.

The conferees agreed to authorize $152.6 million for operating expenses at N Reactor. $14.3 million of the reduction is to come from funds budgeted for tritium contingency pre-engineering work.

Defense waste and environmental restoration

The amended budget request contained $120.925 million for environmental restoration activities at all Department of Energy defense facilities.

The House bill would authorize $138.925 million for environmental restoration activities, with the increase of $18 million provided for environmental restoration activities at Hanford, Washington.

The Senate amendment would authorize $170.925 million for environmental restoration activities at all Department of Energy defense facilities.

The conferees agree to an authorization of $170.925 million for environmental restoration activities and intend that the increase of $50 million over the budget request be applied to the highest priority projects at Department of Energy defense facilities, including, to the extent the Secretary of Energy deems appropriate, projects at Hanford, Washington. The conferees' approval of an increase of $50 million reflects the high priority that is placed on the clean-up of Department of Energy defense facilities.

Funding limitations: Strategic Defense Initiative (sec. 1403)

The House bill contained a provision (sec. 3113(a)) that would limit the funds appropriated to the Department of Energy for fiscal year 1989 for the Strategic Defense Initiative (SDI) to $245 million.

The Senate amendment contained a provision (sec. 3103(a)) that would limit the funds for the Strategic Defense Initiative to $279 million.

The conferees agree to a provsion that would limit the funds authorized to the Department of Energy for fiscal year 1989 for SDI to $262 million. The conferees observe that the conferee agreement contains a provision (sec. 1424(b)) that would authorize the Secretary of Defense to transfer up to $100 million of funds appropriated to the Department of Defense for fiscal year 1989 for the Strategic Defense Initiative to the Department of Energy for the nuclear directed energy research program in support of SDI.

Funding limitations: inertial confinement fusion program (sec. 1403)

The House bill contained a provision (sec. 3113(b)) that would require that not less than $163.77 million of funds appropriated for fiscal year 1989 be used for the defense inertial confinement fusion (ICF) program.

The Senate amendment contained a provision (sec. 3103(b)) that would require that not more than $163.77 million of funds appropriated for fiscal year 1989 be used for the defense inertial confinement fusion program and that not less than $16.8 million of such amount be used for entering into a contract with KMS Fusion, Inc.

The conferees agree that $163.77 million of funds appropriated for fiscal year 1989 be used for the defense inertial confinement fusion program. The conferees also agree that within this amount, $16.8 million should be available for entering into a contract with KMS Fusion, Inc. and that $12.9 million should be available for ICF research program activities at the University of Rochester.

Funding limitation: special isotope separation project (sec. 1403)

The House bill contained a provision (sec. 3133(e)) that would prohibit the obligation or expenditure of funds for site preparation for the Special Isotope Separation (SIS) project prior to March 1, 1989 and would require the Secretary of Energy to submit a report to Congress by March 1, 1989 including assessments and determinations on various aspects of the SIS project.

The Senate amendment contained a provision (sec. 3103(f)) that would prohibit the obligation or expenditure of funds for site preparation for the SIS project prior to March 1, 1989. The Senate report (S. Rept. 100-326) required the Secretary of Energy to submit a report by March 1, 1989 including two of the items contained in the House bill: (1) an assessment of the adequacy of the SIS technology for transition to routine production operations, and (2) a certification that the designated location is consistent with the Department of Energy study on the modernization of the nuclear materials complex and with the projected long-term need for additional sources of weapons grade plutonium.

The House recedes. The conferees agreed to prohibit the obligation or expenditure of funds for site preparation for the SIS project prior to March 1, 1989. The conferees also agreed that not later than March 1, 1989, the Secretary of Energy shall submit to the Committees on Armed Services of the Senate and House of Representatives an unclassified report (with a classified appendix as necessary) on the SIS project. The report shall include the following:

1. An assessment of the adequacy of the SIS technology for transition to safe, routine production operations at the designated Idaho site;

2. A comparison of the cost, technical risk, and availability of feedstock materials for SIS with the cost, technical risk, and availability of feedstock materials for other processes for obtaining weapons-grade plutonium, including recycling plutonium from retired warheads, blending supergrade plutonium with fuel grade plutonium, scrap recovery, and the use of reactors in the Department of Energy complex for plutonium production;

3. A certification that the designated location of the production-scale SIS plant is consistent with the recommendations of the Department of Energy study on the modernization of the nuclear materials complex, and with the projected long-term need for additional sources of weapons-grade plutonium.

4. A description of the specific sources and quantity of feed materials available for the SIS project facility over the expected economic lifetime of that facility.

Funding limitation: plutonium recovery modification project (sec. 1403)

The amended budget request include $18 million for Project 89-D-125, the Plutonium Recovery Modification Project, at Rocky Flats, Colorado.

The House bill would authorize the amounts requested.

The Senate amendment would not authorize the modification project for fiscal year 1989.

The conferees agree to authorize $4 million for Project 89-D-125 and have included a provision that provides that such funds may not be obligated or expended until the later of (1) February 15, 1989; or (2) 60 calendar days after Congress has received the report on modernization of the Department of Energy defense complex as required by section 3132 of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1988 (Public Law 100-180).

PART B—RECURRING GENERAL PROVISIONS

Limits on construction projects (sec. 1423)

The Senate amendment contained a provision (sec. 3123) that would apply limitations only to construction projects that have been authorized.

The House bill contained a provision (sec. 2123) that would apply limitations to all construction projects.

The Senate recedes.

Funds available for national security programs (sec. 1427)

The Senate amendment contained a provision (sec. 3127) that would, subject to provisions in appropriations acts, make amounts appropriated for management and support activities and for general plant projects available when necessary for all national security programs of the Department of Energy, and would subject the use of such funds in connection with all national security programs of the Department of Energy to the reprogramming provisions contained in section 3121 of the Senate amendment.

The House bill contained a provision (sec. 3127) that would, subject only to provisions in appropriations acts, make amounts appropriated for management and support activities and for general plant projects available when necessary for all national security programs of the Department of Energy.

The House recedes.

PART C—MISCELLANEOUS PROVISIONS

Review of the inertial confinement fusion program (sec. 1431)

The House bill contained a provision (sec. 3131) that would direct the Secretary of Energy to establish a Program Review Group on Intertial Confinement Fusion (ICF), which would review the accomplishments, management, goals, and anticipated contributions of the ICF program. The Review Group would submit two reports to the Secretary of Energy and to the Congress containing recommendations on priorities for future work in the ICF program. An interim report would be submitted before January 15, 1990 and a final report before September 15, 1990.

The Senate amendment contained a provision (sec. 3131) that would direct the Secretary of Energy to request the National Academy of Sciences to conduct a review of the ICF program which would include (1) an assessment of the accomplishments, management, and goals of the ICF program, including an assessment of the most promising technology for continuing the program; (2) an assessment of the potential benefits of the ICF program under alternative nuclear testing regimes; and (3) an assessment of the budgetary priority of the ICF program relative to the core research and development (R&D) program. An interim report would be submitted to the Secretary of Energy and to the Congress by January 15, 1990, and a final report would be submitted by September 15, 1990.

The House recedes with an amendment. The conferees agree to a provision that would direct the Secretary of Energy to establish a Review Group to conduct the first two assessments contained in the Senate provision. The Group will be required to submit an interim and final report to the Secretary and to Congress together with recommendations regarding priorities for future work in the ICF program. The Secretary will be required to review the interim and final report of the Review Group and submit an assessment of the budgetary priority of the ICF program in relation to that of the core R&D programs to the Congress not later than 30 days after receiving the Review Group's report.

Assistance to communities affected by closing of N Reactor (sec. 1432)

The House bill contained a provision (sec. 3133) that would authorize the Secretary of Defense to make grants, conclude cooperative agreements, and supplement funds made available under Federal programs administered by agencies other than the Department of Defense in order to assist communities affected by the closure of the N Reactor.

The Senate amendment contained a similar provision (sec. 3135) that would, in addition to giving the Secretary of Defense the authority to make grants, conclude cooperative agreements, and supplement funds made available under Federal programs administered by agencies other than the Deparmtent of Defense in order to assist State and local governments in planning and supporting community adjustments required by the closure of N Reactor, authorize the Department of Energy to reimburse the DoD for such activities.

The Senate recedes.

Review of waste isolation pilot plant in New Mexico

The Senate amendment contained a provision (sec. 3133) that would establish an independent scientific review group for the Waste Isolation Pilot Plant (WIPP) in New Mexico, to be known as the Environmental Evaluation Group (EEG) and would require that the Secretary of Energy enter into an agreement for the financial support of the EEG.

The House bill contained no similar provision.

The House conferees were concerned that a separate evaluation group for WIPP is duplicative of the functions of the Safety Oversight Board established by Sec. 3141. The Senate conferees noted that: (1) an evaluation group has been in operation for a number of years pursuant to agreements reached between the State of New Mexico and the Department of Energy; (2) that it would take a period of time for the Board to become fully operational; (3) that within the State of New Mexico the Board would be viewed primarily as a replacement for the oversight functions presently being conducted by the National Academy of Sciences; and (4) that the continuation of the evaluation group was an important element in maintaining public confidence in the safe operation of WIPP in the State of New Mexico.

The conferees agree to a provision that would require that the Department of Energy contract with the New Mexico Institute of Mining and Technology for the continued funding of an independent evaluation group. The funding for the group would be subject to annual Congressional review.

The conferees recognize that the operation of the evaluation group within the State of New Mexico provides a direct and local input to public officials and to private citizens of the State and that the continuation of that relationship is important. The conferees intend to maintain close and continuing contact with state and local government and citizens groups in New Mexico.

The conferees note that approximately $700 million has been expended constructing WIPP, that the Administration has budgeted $43 million from prior year Department of Energy Defense Programs unobligated balances for payment to the State of New Mexico during fiscal year 1989 for road improvements in the State of New Mexico, and that by this section a unique oversight arrangement is being continued, yet legislation that would implement land withdrawal and clear a major obstacle to the actual placement of waste at WIPP has not been enacted. The Department of Energy's plans contemplate that waste would begin to be moved to WIPP in October, 1988 if the withdrawal is completed and remaining technical issues are resolved. The conferees are concerned that if the Department of Energy proceeds to disburse funds for road improvements prior to land withdrawal the funds may be wasted in that land withdrawal may continue to be delayed. Accordingly the conferees direct that disbursement of funds for road improvements be delayed until land is withdrawn.

Hanford loaned executive program (sec. 1434)

The House bill contained a provision (sec. 3134) that would allow contractors of the Department of Energy at the Hanford Reservation to loan personnel to the Tri City Industrial Development Council and would require contractors to compensate such loaned personnel.

The Senate amendment contained no similar provision.

The Senate recedes.

New production reactor (sec. 1435)

The House bill contained a provision (sec. 3113(d)) that would establish New Production Reactor (NPR) selection criteria for consideration by the Secretary of Energy.

The Senate amendment contained a provision (sec. 3132) that would require a report on the Secretary's recommendation for a new production reactor not later than July 31, 1988, and a subsequent report on ways to facilitate the earliest availability of an NPR.

The House recedes.

The conferees agree that the construction of an NPR on an urgent schedule should be the highest priority of the Department of Energy in meeting the future special material needs of our nuclear deterrent. The conferees further agree that the Congress should take no action that could potentially or actually delay the ongoing process that will make the NPR a reality, nor should it take any action to prejudge the outcome of the ongoing evaluation by the Department of Energy with respect to either technology or site selection. The conferees endorse the criteria being used by the Department of Energy's Energy Research Advisory Board (ERAB) in its analysis of potential technologies for the NPR.

The conferees recognize that the NPR provides an oppotunity to advance the level of safety and environmental protection associated with defense program reactors, and believe that the Secretary should attach substantial weight to such factors in making his recommendations.

Nuclear test ban readiness program (sec. 1436)

The House bill contained a provision (sec. 936) that would prohibit all funding for nuclear tests with a yield in excess of one kiloton, provided that the Soviet Union accepted in-country verification and limited its testing to the same threshold.

The Senate bill contained no similar provision.

The Senate recedes with an amendment.

The conferees agree to require that the Secretary of Energy establish and support a readiness program to assure that the United States is in a position to maintain the reliability and safety of its stockpile of existing nuclear weapons designs in the event that a low-threshold or comprehensive ban on nuclear testing is negotiated within the framework agreed to by the United States and Soviet Union. The program shall also assure the continued deterrent effect of nuclear weapons through a vigorous program of research in areas related to nuclear weapons science and engineering.

The conferees agree that the purposes of the readiness program are: to assure that stockpile reliability and safety are maintained through a vigorous program of stockpile inspection and non-explosive testing; to assure that specific materials, components, processes, and personnel required for the remanufacture of existing nuclear warheads or substitution of alternative nuclear warheads remain available; and to assure that a vigorous program of research in areas related to nuclear weapons science and engineering is maintained under a low-threshold or comprehensive test ban regime. The Secretary of Energy is required to submit an annual unclassified report to the Congress that describes the status of the readiness program.

PART D—DOE DEFENSE NUCLEAR FACILITIES SAFETY OVERSIGHT BOARD

The House bill contained provisions (secs. 3141-3150) that would establish a safety oversight board for Department of Energy defense nuclear facilities.

The Senate amendment contained similar provisions (secs. 3141-3144) that would establish a safety oversight board. A detailed explanation of the Senate provisions is contained in Senate Report 100-232.

The conferees agree to the following provisions (secs. 1441 and 1442).

Section 3142 of the Act amends the Atomic Energy of Act of 1954 (42 U.S.C.

2011 et seq.) by adding a new chapter 21 entitled "Defense Nuclear Safety Board."

Section 311 of chapter 21 creates the Board, composed of five members appointed by the President with the advice and consent of the Senate. The Board members are required to be from civilian life and to be experts in the field of nuclear safety. The conferees believe that the President should ensure that the members of the Board collectively are sufficiently knowledgeable about the national security missions of the Department of Energy. They will serve staggered five-year terms of office to ensure continuity. Board members will be required to sever any significant financial relationships with DOE and its contractors prior to assuming office.

Section 312 of chapter 21 sets forth the Board's main functions.

Section 312(a)(1) requires the Board to review and evaluate the content and implementation of DOE standards relating to the design, construction, operation, and decommissioning of defense nuclear facilities. The Board will recommend specific measures to ensure that public health and safety are adequately protected. "Adequate protection" is the level of safety required of commercially licensed nuclear facilities (Atomic Energy Act sec. 182, 42 U.S.C. 2232.) The conferees believe that it is appropriate to require the same general level of safety from DOE nuclear facilities as is required of commercial facilities. The conferees recognize that specific standards recommended by the Board for achieving adequate protection may not necessarily be the same as those applied to commercial facilities, to the extent that DOE and commercial facilities are significantly different.

As applied to commercial facilities, the standard of adequate protection means "reasonable assurance that the health and safety of the public will not be endangered by the operation of the facility." (10 C.F.R. 50.35(c)). Absolute certainty or perfect safety is not required. What constitutes "reasonable assurance of adequate protection" is subject to change as the state of the nuclear safety art advances. The Board will be responsible for weighing such factors as technical feasibility, the risk of accidents, the record of past performance, the need for further improvement in nuclear safety, and other considerations. The conferees believe that such factors should be balanced by the Board when the adequate protection standard is applied.

The recent explication of the "adequate protection" concept by the U.S. Court of Appeals for the District of Columbia is important. In *Union of Concerned Scientists* v. *NRC*, 824 F.2d 108, 118 (D.C. Cir. 1987), the Court of Appeals held that under the adequate protection standard, the "NRC need ensure only an acceptable or adequate level of protection to public health and safety; the NRC need not demand that nuclear power plants present no risk of harm." The Court further stated that:

> The level of adequate protection need not, and almost certainly will not, be the level of "zero risk." This court long has held that the adequate-protection standard permits the acceptance of some level of risk.

Section 312(a)(2) directs the Board to investigate any event or practice at a DOE defense nuclear facility which the Board determines has adversely affected, or may adversely affect, public health and safety.

Section 312(a)(3) provides the Board with access to design and operational data, including safety analysis reports, from any DOE defense nuclear facility.

Section 312(a)(4) provides that the Board shall review the design of new defense nuclear facilities to ensure that the operation of each facility will adequately protect the public health and safety. The Board will also be required to review and monitor the execution of construction to ensure that the facility will adequately protect the public health and safety when completed. This section also provides that an action of the Board, or a failure to act, may not delay or prevent the Secretary of Energy from carrying out the construction of a new facility.

Section 312(a)(5) provides that the Board will make recommendations to the Secretary of Energy with respect to DOE defense nuclear facilities as necessary to ensure the adequate protection of public health and safety. In making its recommendations, the Board is directed to consider technical and economic feasibility.

Section 313(a) of chapter 21 provides the Board with the necessary powers to conduct hearings, including subpoena power to obtain witness testimony. The conferees expect that the Department of Energy and DOE contractors will cooperate with the Board, and the Board will not need to invoke statutory procedures to obtain information necessary to carrying out its functions.

Section 313(b) permits the Board to hire staff and consultants, but limits staff to one hundred full-time equivalents.

Section 313(c) allows the Board to prescribe regulations to carry out its responsibilities.

Section 313(d) grants to the Board the power to establish reporting requirements for the Secretary of Energy that allow the Board to obtain the expert knowledge and advice of DOE.

Section 313(e) allows the Board to make use of existing health and safety expertise within the Federal Government concerning DOE defense nuclear facilities.

Section 313(f) allows the Board to receive assistance from the staff of the Nuclear Regulatory Commission and the Advisory Committee on Reactor Safeguards.

Section 313(g) allows the Board to seek the assistance of the National Research Council or other appropriate groups to assist the Board in carrying out its responsibilities.

Section 313(h) allows the Board to station staff at any DOE defense nuclear facility to carry out the functions of the Board.

Section 313(i) allows the Board to conduct special studies concerning adequate protection of public health and safety at DOE defense nuclear facilities.

Section 313(j) gives the Board the authority to evaluate information received from the scientific and industrial communities, as well as from the interested public.

Section 314(a) of chapter 21 requires that the Secretary of Energy fully cooperate with the Board. Contractors operating DOE defense nuclear facilities shall cooperate to the extent provided by contract or otherwise with their consent.

Section 314(b) allows the Secretary to deny access based on lack of need to know or clearance.

Section 315 of chapter 21 establishes the procedures for making and implementing the recommendations of the Board.

Section 315(a) applies to all recommendations, except those relating to an imminent or severe threat to public health and safety, which are covered in section 315(g). Recommendations subject to this section are required to be made available to the public in the Department of Energy regional public reading rooms and to be published in the Federal Register. Thirty days are allowed for public comment.

Section 315(b) requires the Secretary of Energy to transmit to the Board, within 45 days unless more time is sought, a description of the action to be taken in response to the Board's recommendations. The Secretary's response will be published in the Federal Register. Thirty days are allowed for public comment.

Section 315(c) requires the Board to furnish the Secretary with copies of all comments, views, data, and arguments submitted under sections 313 (a) and (b).

Section 315(d) requires the Board, after 30 days for public comment, to revise or reaffirm its recommendations should the Secretary reject, in whole or in part, a recommendation of the Board. Based on the Board's review, the Secretary will make a final decision. The Secretary will publish the final decision and reasoning, and submit a report of that decision and reasoning to the Committees on Armed Services and Appropriations of the Senate and to the Speaker of the House of Representatives.

Section 315(e) requires the Secretary to prepare a plan of implementation for the Board's recommendations accepted by the Secretary within 90 days of the Secretary's final decision. The Secretary may have an additional 45 days to prepare and transmit the plan provided he notifies the Board, the Committees on Armed Services and Appropriations of the Senate, and the Speaker of the House of Representatives. The Secretary may implement the recommendation at any time.

Section 315(f) requires the Secretary to carry out and complete, within one year of its transmittal, the implementation plan for each recommendation accepted by the Secretary. If complete implementation takes more than one year, the Secretary shall submit a report to the Committees on Armed Services and Appropriations of the Senate and to the Speaker of the House of Representatives. If the Secretary determines that implementation is impracticable due to budgetary considerations or because it would affect the Secretary's ability to meet the annual nuclear weapons stockpile requirements, the Secretary shall submit to the President, to the Committees on Armed Services and Appropriations of the Senate, and to the Speaker of the House of Representatives a report containing the recommendation and the Secretary's determination. The conferees note that the report may include a discussion of the budgetary consequences, safety consequences, national security consequences, and other implications of implementing or not implementing the recommendation. This section provides the President with the opportunity to review the determination of the Secretary of Energy, as appropriate, to ensure that budgetary constraints and materials requirements are properly balanced with safety concerns.

Section 315(g) sets forth procedures in case a recommendation relates to an imminent or severe threat to the public health and safety. The conferees expect that the Board will make a recommendation under this section only in the event that failure to implement a recommendation could have imminent, life-threatening consequences, such as an accident which is sufficient to cause injury or death. In that case, the Board will transmit its recommendation to the Secretary of Energy, the President and, for information purposes, to the Secretary of Defense. The Secretary will make a recommendation to the President who shall make the decision concerning acceptance or rejection of the Board's recommendation. The President shall promptly notify the Committees on Armed Services and Appropriations of the Senate and the Speaker of the House of Representatives of his decision and reasoning.

Section 315(h) protects classified and controlled information. This provision does not restrict from public availability information which is not subject to the restrictions on classified and controlled information.

Section 316(a) of chapter 21 requires the Board to submit an annual report on its activities at the time the President submits his budget to Congress. The report is intended to provide Congress with an overview of the Board's activities, as well as an assessment of the improvements in the safety of DOE nuclear facilities and of outstanding safety problems.

Section 316(b) requires the Secretary of Energy to submit an annual report on the Department's activities under this chapter to the appropriate Senate committees and to the Speaker of the House of Representatives.

Section 317 of chapter 21 provides that the judicial review provisions of chapter 7 of title 5 of the United States Code apply to the activities of the Board.

Section 318 of chapter 21 defines the term "Department of Energy defense nuclear facility" to include DOE production and utilization facilities operated for national security purposes, with the exception of naval nuclear reactors and facilities or activities involved with the testing, assembly, or transportation of nuclear explosives or nuclear material. The use of the term "assembly" refers to a DOE defense facility that is responsible for the final assembly of nuclear weapons and devices. At the present time, the only facility in this category is the Pantex plant. The term "assembly" is not intended to exclude from the Board's review facilities that are responsible for the assembly of components or of other items that precede the final assembly of nuclear weapons and devices. The exclusion of facilities involved in the testing of nuclear explosives, under current practice, applies to the Nevada test site. The term "Department of Energy defense nuclear facility" also includes nuclear waste storage facilities with the exception of those developed pursuant to the Nuclear Waste Policy Act and licensed by the Nuclear Regulatory Commission.

Section 319 of chapter 21 limits the Board's authority to enter into contracts to the extent provided by appropriations.

Section 320 of chapter 21 provides for authorization of appropriations on an annual basis. Such annual authorization provides for continuing oversight and review by the Congress.

Section 3141(b) of the Act amends section 5314 of title 5 to provide that members of the Board will be compensated at Level III of the Executive Schedule.

Section 3141(c) requires the Board's first annual report to include the results of a study by the Board and its recommendation on whether non-defense nuclear facilities should be subject to independent external oversight.

Section 3141(d) requires the Board's fifth annual report to include an evaluation by the Board for continuation, termination, or modification of the Board's functions and programs.

Section 3142 of the Act authorizes the Secretary of Energy to transfer to the Board up to $7 million, which shall remain available until expended, to carry out its responsibilities during fiscal year 1989.

LEGISLATIVE PROVISIONS NOT ADOPTED

Membership of Nuclear Weapons Council

The House bill contained a provision (sec. 3132) that would change the membership of the Nuclear Weapons Council from the Director of Defense Research and Engineering to the Under Secretary of Defense for Acquisition.

The Senate amendment contained no similar provision.

The House recedes.

Demonstration of burning weapons grade nuclear materials

The House bill contained a provision (sec. 3135) that would direct the Secretary of Energy to formulate a plan for conducting a demonstration of the technical feasibility of burning weapons grade nuclear material from dismantled nuclear weapons in a liquid metal rector.

The Senate amendment contained no similar provision.

The House recedes.

K reactor cooling tower

The Senate amendment contained a provision (sec. 3103(d)) that would allow expenditure of funds appropriated for the K reactor cooling tower only if the cooling tower could be used both for the K reactor and for a new production reactor.

The House bill contained no similar provision.

The conferees agree that the Secretary of Energy should enter into discussions with the State of South Carolina concerning the requirement for a cooling tower for the K reactor. The conferees believe that those discussions should focus on priorities for environmentally related projects at Savannah River to determine whether the K reactor cooling project is a primary priority of the State. If the K reactor is not a primary priority, the Secretary should seek to obtain an agreement identifying other higher priority projects that could be funded if agreement can be reached to allow continued operation of the K reactor without construction of cooling tower. The Secretary should periodically advise the Armed Services Committees of the Senate and House of Representatives of the discussions with the State and submit a report detailing the outcome of the discussions not later than in January 15, 1989.

The conferees further agree that the Secretary should utilize a portion of the $1 million authorized for the K reactor cooling tower project to study the feasibility of a cooling tower that could support both the K reactor and a new production reactor.

The Senate recedes.

Use of remaining unobligated balances

The Senate amendment contained a provision (sec. 3103(e)) that would authorize the transfer of certain fiscal year 1988 appropriations for projects at Richland, Washington that remain unobligated to defense waste and environmental restoration activities at Richland, Washington. The provision identified both the sources and uses of funds and required the transfer to be in addition to amounts otherwise authorized in the State amendment.

The House bill included authorization of $17 million in addition to the budget request for defense waste and environmental restoration projects and activities.

The conferees agree that the Secretary of Energy may transfer up to $44 million of unobligated balances remaining from 1988 appropriations for construction projects as enumerated in section 3103(e) of the Senate amendment to defense waste and environmental restoration activities at Richland, Washington, as determined by the Secretary of Energy. The conferees intend that any sums transferred be in addition to the amounts otherwise authorized for Department of Energy atomic energy defense activities for fiscal year 1989.

Adjustments for pay increases

The Senate amendment contained a provision (sec. 3128) that would authorize appropriations for pay increases as authorized by law.

The House bill contained no similar provision.

The Senate recedes.

Settlement of atomic energy community assistance obligations, Los Alamos County, New Mexico

The Senate amendment contained a provision (sec. 3134) that would authorize up to $26 million for final settlement of all obligations to make community assistance payments to Los Alamos County, New Mexico under section 91 of the Atomic Energy Community Act of 1955.

The House bill contained no similar provision.

The Senate recedes. The conferees continue to encourage the Department of Energy to pursue to a buy-out of all remaining Federal obligations to the remaining recipients under the Atomic Energy Community Act of 1955.

Report on nuclear waste repository site

The Senate amendment contained a provision (sec. 3136) that would direct the Secretary of Defense to prepare a report on the national security implications of the construction and operation of a nuclear waste repository.

The House bill contained no similar provision.

The Senate recedes.

TITLE XV—NATIONAL DEFENSE STOCKPILE

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Authorization of acquisitions and disposals (secs. 1501 and 1502)

The House bill contained the following provisions related to the authorization of acquisitions, upgrades and disposals of materials in the National Defense Stockpile.

Section 3201 would authorize the President to dispose of 14 specific strategic materials determined to be excess to stockpile requirements. The value of the materials disposed to would be limited to $180 million. The authority to carry out the disposals would be subject to the conditions set forth in section 3202.

Section 3202 would require that the disposal of stockpile materials authorized by section 3201 be carried out in such a manner that the National Defense Stockpile Transaction Fund receive all payments due for the materials during fiscal year 1989. Section 3202 would also require the President to undertake a $20 million pilot program for the upgrading of three strategic materials now in the National Defense Stockpile and to purchase six strategic materials, from a specified list, totaling $160 million. Finally, section 3202 would limit the expenditure of funds for the pilot upgrading program and for the purchase of stockpile materials to $90 million during fiscal year 1989.

The Senate amendment contained the following provisions related to the authorization of acquisitions, upgrades and disposals of materials in the National Defense Stockpile:

Section 3201 would authorize $90 million for the acquisition and upgrade of materials in the National Defense Stockpile in fiscal year 1989.

Section 3202 would authorize the President to dispose of 19 specific materials determined to be excess to stockpile requirements.

The conferees agree to the following provisions related to the authorization of acquisitions, upgrades and disposals of materials in the National Defense Stockpile:

Section 1501 authorizes the President to dispose of 19 materials determined to be excess to stockpile requirements during fiscal year 1989. The value of the materials disposed of is limited to $180 million. The President may dispose of materials under this section only to the extent that the total amount received from such disposals does not exceed the amount expended from the National Defense Stockpile Transaction Fund during fiscal year 1989.

Section 1502 authorizes the President to obligate $180 million out of the funds of the National Defense Stockpile Transaction Fund (subject to such limitations as may be provided in appropriations acts) for the acquisition and upgrade of stockpile materials and other authorized uses of such funds. These funds would be in addition to funds previously made available from the Stockpile Transaction Fund but not obligated or expended. Of this amount, at least $20 million shall be obligated to initiate new programs for upgrading stockpile materials. The conferees direct the stockpile manager to upgrade those materials currently in the stockpile that would be most essential to the defense effort in a national emergency and most vulnerable to interruptions in supply. The stockpile manager shall submit a report to Congress by October 1, 1988 containing a plan for the use of the $20 million for upgrading stockpile materials.

Technical and clarifying amendments (sec. 1503)

The Senate amendment contained a provision (sec. 3203) that would make several technical and clarifying changes to the Strategic and Critical Materials Stockpiling Act (section 98h-2(b), title 10, United States Code). This provision would clarify the fact that the Annual Materials Plan for stockpile operations must be submitted by February 15 of each year for the next fiscal year. This provision would also require reporting of all expenditures from the National Defense Stockpile Transaction Fund in the Annual Materials Plan. Finally, this provision would require that expenditures and disposals detailed in an Annual Materials Plan for a fiscal year that are not obligated or executed in that fiscal year shall not be obligated or executed in that fiscal year shall not be obligated or expended until they are resubmitted in a subsequent Annual Materials Plan or in a revision thereto.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees agreed to the technical and clarifying changes in the Senate provision. The conferees also agreed to require the Stockpile Manager to include information on research and development of strategic and critical materials in the Stockpile Report to Congress.

TITLE XVI—CIVIL DEFENSE

LEGISLATIVE PROVISION

LEGISLATIVE PROVISION ADOPTED

Civil defense authorization (sec. 1601)

The House bill contained a provision (sec. 3301) that would authorize $160.393 million for civil defense.

The Senate amendment contained a provision (sec. 3301) that would authorize $135.393 million for civil defense.

The conferees agree to an authorization of $147.893 million for civil defense for fiscal year 1989.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

OVERVIEW

The amended budget request for fiscal year 1989 contained $8,719,245,000 for military construction and family housing.

The House bill would authorize $8,662,231,000 for military construction and family housing.

The Senate amendment would provide $8,636,566,000 for this purpose.

The conferees recommend authorization of $8,696,635,000 for military construction and family housing for fiscal year 1989.

	Revised FY89 Request	House		Senate		House +/- Senate	Conference Agreement	
		Change to Request	Authorized	Change to Request	Senate Authorized		Change to Request	Authorized
SUMMARY								
TOTAL MILITARY CONSTRUCTION ARMY	895,000	(19,320)	875,680	(970)	894,030	(18,350)	(16,670)	878,330
TOTAL MILITARY CONSTRUCTION NAVY	1,594,230	(59,308)	1,534,922	(63,095)	1,531,135	3,787	(30,113)	1,564,117
TOTAL MILITARY CONSTRUCTION AIR FORCE	1,273,650	(32,690)	1,240,960	(57,850)	1,215,800	25,160	(52,120)	1,221,530
TOTAL MILITARY CONSTRUCTION DEFENSE AGENCIES	712,000	17,300	729,300	(28,650)	683,350	45,950	(21,150)	690,850
TOTAL ARMY NATIONAL GUARD MILCON	138,300	24,524	162,824	46,927	185,227	(22,403)	65,559	203,859
TOTAL AIR NATIONAL GUARD MILCON	147,500	3,640	151,140	4,288	151,788	(648)	7,258	154,758
TOTAL ARMY RESERVE MILCON	79,900	255	80,155	4,256	84,156	(4,001)	4,511	84,411
TOTAL NAVY RESERVE MILCON	48,400	0	48,400	16,700	65,100	(16,700)	6,500	54,900
TOTAL AIR FORCE RESERVE MILCON	58,800	0	58,800	4,800	63,600	(4,800)	4,800	63,600
NATO INFRASTRUCTURE	502,100	0	502,100	(10,100)	492,000	10,100	(10,100)	492,000
SUBTOTAL MILITARY CONSTRUCTION	5,449,880	(65,599)	5,384,281	(83,694)	5,366,186	18,095	(41,525)	5,408,355
TOTAL FAMILY HOUSING ARMY	1,528,271	9,100	1,537,371	(5,000)	1,523,271	14,100	9,100	1,537,371
TOTAL FAMILY HOUSING NAVY/MARINE CORPS	795,428	0	795,428	9,530	804,958	(9,530)	10,330	805,758
TOTAL FAMILY HOUSING AIR FORCE	922,966	(515)	922,451	(3,515)	919,451	3,000	(515)	922,451
TOTAL FAMILY HOUSING DEFENSE AGENCIES	20,700	0	20,700	0	20,700	0	0	20,700
TOTAL HOMEOWNER'S ASSISTANCE	2,000	0	2,000	0	2,000	0	0	2,000
SUBTOTAL FAMILY HOUSING	3,269,365	8,585	3,277,950	1,015	3,270,380	7,570	18,915	3,288,280
TOTAL MILCON/FAMILY HOUSING	8,719,245	(57,014)	8,662,231	(82,679)	8,636,566	25,665	(22,610)	8,696,635
COMPONENT TOTALS:								
ARMY	2,425,271	(10,220)	2,415,051	(5,970)	2,419,301	(4,250)	(7,570)	2,417,701
NAVY	2,389,658	(59,308)	2,330,350	(53,565)	2,336,093	(5,743)	(19,783)	2,369,875
AIR FORCE	2,196,616	(33,205)	2,163,411	(61,365)	2,135,251	28,160	(52,635)	2,143,981
DEFENSE AGENCIES	732,700	17,300	750,000	(28,650)	704,050	45,950	(21,150)	711,550
NATO	502,100	0	502,100	(10,100)	492,000	10,100	(10,100)	492,000
GUARD/RESERVE	472,900	28,419	501,319	76,971	549,871	(48,552)	88,628	561,528

MISCELLANEOUS REPORT REQUIREMENTS

The House and Senate reports (H. Rept. 100-563 and S. Rept. 100-326) addressed items of special emphasis. The conferees endorse the language on items of special emphasis found in both reports and, unless some modification to that language is contained in this statement of managers, the positions and requirements contained under "Items of Special Emphasis" in both Senate and House reports on the fiscal year 1989 military construction authorization bills are concurred in by the conferees.

PUBLIC SCHOOLS AND MILITARY FAMILY HOUSING

The conferees are concerned over the impact on public schools at the local level when additional family housing units are approved for military personnel. The military Services are urged to coordinate their housing requirements with the local school districts so that adequate planning can take place to provide the required educational facilities. The Services are expected to provide, with their budget justification for each family housing construction request, a statement indicating whether additional facilities are required to accommodate an increase in students.

As part of the study being undertaken by the Secretary of Defense and the Secretary of Education to determine the appropriate federal share for support of public schools located on military bases, the Secretaries are also directed to consider the needs of coterminous school districts.

TITLE XXI—ARMY

The House bill would authorize $2,415,051,000 for Army military construction and family housing programs for fiscal year 1989.

The Senate amendment would authorize $2,419,301,000 for such purposes.

The conferees recommend authorization of $2,417,701,000 for military construction and family housing for the Army for fiscal year 1989.

Test and Evaluation Center, Fort Huachuca, Arizona

The Senate amendment would authorize $5.4 million for a replacement facility for the Army Test and Evaluation Center at Fort Huachuca, Arizona which was severely damaged by a fire.

The House bill contained no similar provision.

The Senate recedes.

The conferees has reviewed the conditions and circumstances of the fire at Fort Huachuca in July 1987 that destroyed 23 buildings, including the central heating plant that serviced several other buildings in the area. The Army request for a new Test and Evaluation Center will allow the relocation of functions from the remaining buildings and help eliminate the need to rely on leased boilers for a heating system.

Although the facilities to be replaced by the Test and Evaluation Center were not completely destroyed, the conferees believe that the loss of the heating plant is considered sufficient damage to qualify this project under section 2854 of title 10, United States Code, Restoration or Replacement of Damaged or Destroyed Facilities. The conferees understand that the new facility will not replace the damaged or destroyed World War II vintage facilities on a one-for-one square foot basis, but will be designed to meet current functional standards.

The conferees therefore, direct the Army to proceed with this project under the authority provided in section 2854 of title 10, United States Code.

Reserve Officer Training Corps facilities

The House report (H. Rept. 100-563) includes a section regarding Department of Defense policy concerning the provision of facilities to support Reserve Officer Training Corps (ROTC) units at colleges and universities. The report discusses in particular the facility needs of North Georgia College, Dahlonega, Georgia. It requests that the Secretary of Defense review current policy regarding the funding and construction of such facilities and provide the Committees on Armed Services of the Senate and the House of Representatives a report on this matter by March 1, 1989.

The conferees support the House requirement and urge the Department to take a careful look at current policy to ensure that to the maximum extent possible, it takes into account the unique role of the few military schools which support ROTC.

Extension of authorizations (sec. 2106)

The House bill contained a provision (sec. 2016) that would extend the authorizations of several military construction projects originally authorized in fiscal years 1985, 1986, and 1987, until October 1, 1989, or the date of enactment of the fiscal year 1990 Military Construction Authorization Act.

The Senate amendment contained a similar provision (sec. 2106) that would extend the same projects, with the exception of a dining facility modernization project at Fort Leavenworth, Kansas, which was originally authorized in fiscal year 1986.

The Senate recedes.

TITLE XXII—NAVY

The House bill would authorize $2,330,350,000 for Navy military construction and family housing programs for fiscal year 1989.

The Senate amendment would authorize $2,336,093,000 for such purposes.

The conferees recommend authorization of $2,369,875,000 for military construction and family housing for the Navy for fiscal year 1989.

Naval Construction Battalion Center, Port Hueneme, California

The House bill would authorize $3 million for a sealift support storage facility at Port Hueneme, California to be constructed with tensioned architectural fabric structures.

The Senate amendment would authorize $6.9 million for the facility using traditional construction methods.

The conferees recommend authorization of $3 million and direct the Secretary of the Navy to advertise this project for bid using both tensioned architectural fabric structures and traditional construction methods. If additional funding is required, the conferees expect the Secretary to request additional authorization under the cost variation authority contained in section 2853 of title 10, United States Code.

Fleet Surveillance Support Command, Guam

The amended budget request contained $26.28 million for construction of an electronic installation at the Fleet Surveillance Support Command, Guam.

The House bill would authorize $20.972 million for this purpose.

The Senate amendment would authorize the requested amount.

The Senate rcedes. The conferees direct the Secretary of the Navy to make every effort to construct this facility within the authorization provided. However, if all attempts to reduce the cost of the project prove unsuccessful, the conferees expect the Secretary to request additional authorization under the cost variation authority contained in section 2853 of title 10, United States Code.

Navy development at Capodichino Airport, Italy

The House bill contained a provision (sec. 2205(b)(3)) that would authorize $46.6 million, in advance appropriations for the construction of a new Command, Control, Communications and Intelligence Complex at Naval Support Activity, Naples, Italy.

The Senate amendment contained no similar provision.

The House recedes. The conferees, by adding $2.2 million the fiscal year 1988 authorization for appropriation of $19.4 million for construction at Naval Support Activity, Naples, agree to a limited relocation of Navy activities from their current site at Agnano, Italy. The conferees generally support the more modest relocation plan which was recently provided by the Department of the Navy which envisions locating a new operational headquarters and direct support units at Capodichino Airport. The fiscal year 1989 authorization will provide initial construction of direct support facilities at this location.

The conferees declined to authorize the construction of the new command and control complex because construction is not programmed to begin until at least fiscal year 1990. Further, the Navy's initial description of this resited facility fails to adequately justify the changes in passive security features which were incorporated in the original plans for the same function at Capua. The Navy is requested to provide a detailed justification for these changes and operational justification for the redesigned complex.

As with the command and control complex, the conferees expect a functional justification and detailed cost/benefit analysis to accompany subsequent requests for military construction funds supporting the relocation of any significant function from Agnano to other sites.

Communications systems laboratory, Charleston, South Carolina

The Senate report (S. Rept. 100-326) instructed the Secretary of the Navy to accelerate the design of a Communication Systems Laboratory for the Naval Electronics Systems Engineering Center (NAVELEXCEN) in Charleston, South Carolina. Given the need for this facility and the possible cost savings, the conferees direct the Secretary of the Navy to accelerate the design of this facility and include it in the fiscal year 1990 military construction request.

Restrictions on naval construction, San Francisco, California (sec. 2205(c))

The House bill contained a provision (sec. 2205(c)) that would preclude the expenditure of military construction funds for fiscal year 1989 at Hunters Point Annex and Naval Station, Treasure Island, San Francisco, California, until the Department of the Navy submits a report to the Committees on Armed Services of the Senate and House of Representatives.

The Senate amendment contained no similar provision.

The Senate recedes. The conferees agree that a new Environmental Impact Statement is not required should the Navy alter its planned use of the Hunter Point Annex and Naval Station, Treasure Island. However, a Supplemental Environmental Impact Statement should be provided to address any mission changes not reflected in the original document.

Acquisition of housing at certain naval air stations (sec. 2206)

The Senate amendment contained a provision (sec. 2205) that would authorize the Secretary of the Navy to acquire all outstanding interest in 264 units of family housing on Naval Air Station, Glenview, Illinois.

The House bill contained no similar provision.

The House recedes with an amendment.

In addition to the authorization provided by the Senate amendment, the conferees agree to also authorize the Secretary of the Navy to acquire all outstanding interest in 72 units of family housing at Sunnyvale, California, near Naval Air Station, Moffett Field. This provision will permit the Navy to procure the last two remaining Wherry housing projects supporting its installations and provide a basis for addressing the serious family housing deficits at these two locations.

Portsmouth Naval Shipyard modernization

The Senate amendment contained a provision (sec. 2202) that would direct that $2 million of the planning and design funds authorized to the Navy be obligated only to design the first and second increments of the modernization of Dry Dock Number 2 at Portsmouth Naval Shipyard, Portsmouth, New Hampshire.

The House bill contained no similar provision.

The Senate recedes.

TITLE XXIII—AIR FORCE

The House bill would authorize $2,163,411,000 for Air Force military construction and family housing programs for fiscal year 1989.

The Senate amendment would authorize $2,135,251,000 for such purposes.

The conferees recommend authorization of $2,143,981,000 for military construction and family housing for the Air Force for fiscal year 1989.

Pease Air Force Base, New Hampshire

The Senate amendment would authorize $500,000 for an engine plant conversion project at Pease Air Force Base, New Hampshire.

The House bill contained no similar provision.

The conferees direct the Secretary of the Air Force to use unspecified minor contruction funds for this purpose.

Charleston Air Force Base, South Carolina

The House bill would authorize appropriations for construction of the following projects at Charleston Air Force Base, South Carolina:

1. Add/Alter Child Development Center	$490,000
2. Add/Alter Recreation Center	590,000

The Senate amendment contained no similar provision.

The conferees direct the Secretary of the Air Force to use unspecified minor construction funds for this purpose.

Extension of certain previous authorizations (sec. 2305)

The House bill contained a provision (sec. 2305) that would extend certain military construction projects authorized in fiscal year 1987 until October 1, 1989, or the date of enactment of the fiscal year 1990 Military Construction Authorization Act.

The Senate amendment contained a similar provision (sec. 2305) which included two additional projects at Bitburg, Germany and La Junta, Colorado.

The House recedes.

TITLE XXIV—DEFENSE AGENCIES

The House bill would authorize $750,000,000 for Defense Agencies military construction and family housing programs for fiscal year 1989.

The Senate amendment would authorize $704,050,000 for such purposes.

The conferees recommend authorization of $711,550,000 for military construction and family housing for the Defense Agencies for fiscal year 1989.

AFCENT school (sec. 2404)

The Senate amendment contained a provision (sec. 2404) that would authorize the Secretary of Defense to contribute $8,863,000 to the Government of the Netherlands as the U.S. share of construction of an international school for military dependents whose parents are stationed at Allied Forces Central Europe (AFCENT), Brunssum, Netherlands.

The House bill contained a similar provision (sec. 2404).

The House recedes.

Defense access roads (sec. 2406)

The House bill contained a provision (sec. 2406) that would authorize $10 million for a defense access road project at Fort Meade, Maryland.

The Senate amendment contained a similar provision (sec. 2406) that would authorize $12 million for this purpose.

The House recedes.

Resiting of overseas contingency medical facility (sec. 2408)

The Senate amendment included a provision (sec. 2407) that would amend the fiscal years 1988/1989 National Defense Authorization Act (Public Law 100-180) by resiting a contingency medical facility from Royal Air Force Wethersfield, United Kingdom, to Royal Air Force Boscombe Downs, United Kingdom.

The House bill contained no similar provision.

The House recedes.

Extension of previous authorization (sec. 2409)

The Senate amendment contained a provision (sec. 2409) that would extend the authorization of a Defense Communications Agency project at Scott Air Force Base, Illinois, until October 1, 1989, or the date of enactment of the fiscal year 1990 Military Construction Authorization Act, whichever is later.

The House bill contained no similar provision.

The House recedes.

Reynolds Army Community Hospital, Fort Sill, Oklahoma and Seoul Army Community Hospital, Korea (sec. 2410)

The Senate amendment contained a provision (sec. 2410) that would provide the Secretary of Defense the authority to contract in advance of appropriations for the construction of hospitals at Fort Sill, Oklahoma, and Seoul, Korea. This authority would permit phased funding of these two major projects.

The House bill would authorize $54 million for Phase II of a hospital at Fort Sill, Oklahoma, and $55 million for a replacement hospital at Seoul, Korea.

The House recedes to $27 million for the Fort Sill hospital and $28 million for the Seoul hospital. Although the conferees prefer to limit projects to one year's authorization, the priority of these two hospital projects, coupled with the budget constraints facing the conferees, led to a decision to phase fund both projects. This approach will permit construction to begin on both projects during fiscal year 1989. Because of the size of each initiative, phase funding is not expected to materially delay the beneficial occupancy of either facility.

TITLE XXV—NATO

The House bill would authorize $502,100,000 for the U.S. contribution to the NATO Infrastructure program for fiscal year 1989.

The Senate amendment would authorize $492,000,000 for this purpose.

The House recedes.

TITLE XXVI—GUARD AND RESERVE

The House bill would authorize $501,319,000 for military construction for fiscal year 1989 for the Guard and Reserve components.

The Senate amendment would authorize $561,528,000 for such purposes.

The conferees recommend an authorization of $561,528,000 for military construction for fiscal year 1989. This authorization would be distributed as follows:

Army National Guard	$203,859,000
Army Reserve	84,411,000
Naval/Marine Corps Reserve	54,900,000
Air National Guard	154,758,000
Air Force Reserve	63,600,000

Planning and design funds, various locations

The House bill would authorize an additional $1.1 million for planning and design for the reserve components for the purpose of initiating design on high priority projects identified as urgent requirements.

The Senate amendment contained authorization of an additional $650,000 for this purpose.

The conferees agree to authorize an additional $1,180,000 for planning and design. The conferees expect the reserve components to initiate design on the following high priority projects for inclusion in the fiscal year 1990 budget request:

Army National Guard	$200,000
National Guard Armory, Laredo, Texas.	
National Guard Armory, Clovis, New Mexico.	
Air National Guard	650,000
Civil engineer facility, Camp Blanding, Florida.	
Aircraft hangar, Key Field, Mississippi.	
Tactical Construction Squadron Operations, Gulfport, Mississippi.	
Composite Training/Operations Building, Thompson Field, Mississippi.	
Civil Engineer Facility, Thompson Field, Mississippi.	
Army Reserve	330,000

Add/Alter Reserve Center, Syracuse, New York.

Reserve Center, Brownsville, Pennsylvania.

Yeager Airport, Charleston, West Virgina (sec. 2602)

The Senate amendment contained a provision (sec. 2602) that would authorize $3.3 million for the construction of an aircraft parking ramp/holding pad in support of the Air National Guard activities at Yeager Airport. This project was to be funded with anticipated savings on Air National Guard construction projects authorized in fiscal year 1987.

The House bill contained no similar provision.

The House recedes.

Land exchange at Chicago O'Hare Airport (sec. 2603)

Section 2603 authorizes the Secretary of the Air Force to use the proceeds of land exchange between the City of Chicago and the Department of the Air Force regarding the disposition of property at the O'Hare Air Reserve Forces Facility, Illinois. If facilities dislocated by the land exchange are not constructed by the City, the Department of the Air Force is authorized to collect and use the proceeds for such construction and other expenses associated with the transaction.

Army Reserve Center, Gordo, Alabama

The Senate amendment contained a provision (sec. 2603) that would authorize $1.547 million for the construction of an Army Reserve Center at Gordo, Alabama. The project was to be funded from within the overall Army Reserve military construction authorization.

The House bill contained no similar provision.

The House recedes with an amendment that authorizes appropriation of $1.547 million for this purpose.

TITLE XXVII—EXPIRATION OF AUTHORIZATIONS

Expiration of authorizations (sec. 2701)

The House bill contained a provision (sec. 2701) that would establish an expiration date for the military construction authorization for the active components and NATO Infrastructure for fiscal year 1989.

The Senate amendment contained a similar provision (sec. 2701) with different title references.

The House recedes.

Effective date (sec. 2702)

The House bill contained a provision (sec. 2702) that would establish an effective date for the military construction authorizations.

The Senate amendment contained a similar provision (sec. 2702).

The House recedes.

TITLE XXVIII—GENERAL PROVISIONS

PART A—PROGRAM CHANGES

LEGISLATIVE PROVISIONS ADOPTED

Long-term facilities contracts (sec. 2801)

The Senate amendment included a provision (sec. 2804) that would amend section 2809 of title 10, United States Code, to extend the maximum period of long-term facility contracts from 20 to 32 years.

The House bill contained no similar provision.

The House recedes.

Increase in foreign lease authority (sec. 2802)

The Senate amendment contained a provision (sec. 2805) that would amend section 2828 of title 10, United States Code, to increase the total number of overseas leases from 36,000 to 38,000.

The House bill contained no similar provision.

The House recedes. The conferees are concerned about the steady increase in the number and cost of overseas leases and the drain which such arrangements place on family housing funds. However, they are aware of an experimental Army program in Europe which appears to produce an overall savings to the Department while aiding soldiers to find decent, affordable housing overseas. In order to support this program, the conferees agree to increase the statutory number of overseas leases by 2,000 units. The Secretary of Defense is requested to analyze the United States Army, Europe (USAREUR) program from the viewpoints of personnel morale and cost, and provide the Committees on Armed Services of the Senate and House of Representatives a report no later than January 15, 1989 regarding this initiative and its potential application to other Services and geographic areas.

Reports on real estate transactions (sec. 2803)

The Senate amendment contained a provision (sec. 2807) that would amend section 2662 of title 10, United States Code, to raise the threshold of reporting real property transactions from $100,000 to $200,000.

The House bill contained no similar provision.

The House recedes.

Notification requirement relating to the acquisition of interest in land (sec. 2804)

The Senate amendment included a provision (sec. 2808) which would amend section 2672 of title 10, United States Code, by eliminating the requirement of a Service Secretary to advise Congress of the acquisition of real estate interests valued at more than $100,000 but less than $200,000.

The House bill had no similar provision.

The House recedes.

Community planning assistance for impacted communities (sec. 2805)

The Senate amendment contained a provision (sec. 2801) that would amend section 2391 of title 10, United States Code, to expand the scope of Department of Defense activities in community impact planning assistance to include problems of encroachment and the adverse impact of long-term reductions in civilian personnel employment. The Department would continue to be limited to a $2 million annual authorization for this purpose.

The House bill contained no similar provision.

The House recedes.

Rental guarantee program

The Senate amendment included a provision (sec. 2803) that would amend section 2821 of title 10, United States Code, to provide the military Services increased flexibility in executing the guaranteed rental family housing program. The provision would permit Service provision of utilities; permit, rather than mandate, default conditions; and permit a Military Department or a separate contractor to perform maintenance.

The House bill contained no similar provision.

The Senate recedes.

The Congress approved the Military Housing Rental Guarantee Program as a pilot program in 1983. The law has been extended and amended several times over the past five years, but as of today, not one unit has been made available for rent under this program. The program now appears to be entirely different from what was envisioned when it was enacted.

Therefore, the conferees agree not to approve any further revisions, but recommend that the Secretary of Defense submit a new housing program incorporating the lessons learned from this pilot program if he believes that it is now workable.

Cost variation

The Senate amendment contained a provision (sec. 2806) that would provide a technical correction to section 2853 of title 10, United States Code, regarding the handling of cost variations for military construction projects.

The House bill contained no such provision.

The Senate recedes.

PART B—MISCELLANEOUS

LEGISLATIVE PROVISIONS ADOPTED

Prohibition on funding of certain military construction contracts on Guam (sec. 2811)

The House bill contained a provision (sec. 2801) that would prohibit the use of certain classes of nonimmigrant foreign labor on military construction projects on Guam.

The Senate amendment contained no such provision.

The Senate recedes.

Community planning assistance (sec. 2813)

The Senate amendment contained a provision (sec. 2802) that would authorize planning assistance for communities adversely affected by the Army's newly established light infantry divisions and the Navy's developing strategic homeports.

The House bill contained a similar provision (sec. 2803) that would authorize planning assistance for communities adversely affected by new Defense Department missions at Naval Station, Everett, Washington; Fort Drum, New York; and Whiteman Air Force Base, Missouri.

The conferees agree to accept elements of the House bill and Senate amendment. The following amounts are authorized to be appropriated for community planning assistance:

$350,000 for light infantry division beddowns at Fort Drum, New York and Fort Wainwright, Alaska;

$250,000 for the Navy's new strategic homeports; and

$150,000 for Whiteman Air Force Base, Missouri.

Fort DeRussy, Hawaii

The House bill contained a provision (sec. 2804) that would designate the Armed Forces Recreation Center at Fort DeRussy, Hawaii, the "Dan Daniel Armed Forces Recreation Center." The provision would further authorize the Secretary of the Army to use any excess funds realized from the sale of real property at Kapalama Military Reservation, Hawaii to implement the relocation of non-recreation functions from DeRussy as outlined in a plan established by the Secretary of the Army on March 1, 1988. The provision also would prohibit the disposal of any portion of the land constituting Fort DeRussy.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment. The conferees agree with the general outline of a Department of the Army plan to enhance and expand the current recreation mission at Fort DeRussy by: (1) relocating Army Reserve functions from the post; (2) retaining the property currently comprising Fort DeRussy; (3) constructing with non-appropriated funds additional hotel accommodations and other recreation amenities; and (4) redeveloping the remaining acreage as a joint Department of Defense-community area with available appropriated funds. The conferees believe that the Army plan provides a sound basis for this development and support it, provided new facility design takes into account local sensitivities.

In making a long term commitment to the redevelopment of Fort DeRussy as an enhanced Armed Forces Recreation Center, the conferees believe that the long-standing debate over the future or mission of Fort DeRussy has been resolved. In doing so, the conferees defer any redesignation of the name of the Center.

The conferees expressed their strong desire to recognize the contributions and tireless efforts of Congressman Dan Daniel in support of the recreation facilities at Fort DeRussy. The conferees agreed that a suitable portrait of Congressman Daniel should be displayed appropriately in the recreation center at Fort DeRussy in tribute to Congressman Daniel's efforts on behalf of military personnel and their families for these facilities.

Wurtsmith Air Force Base, Michigan (sec. 2815)

The House bill contained a provision (sec. 2805) that would designate the library at Wurtsmith Air Force Base, Michigan, as the "General Earl T. O'Laughlin Library."

The Senate amendment contained no similar provision.

The Senate recedes.

Location of hazardous waste storage facility at Pearl Harbor Naval Shipyard, Hawaii (sec. 2816)

The House bill contained a provision (sec. 2806) that would prohibit construction of a hazardous waste storage facility at Pearl Harbor Naval Shipyard which is closer than 3,000 feet to a public school.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment prohibiting construction of such storage facilities closer than 600 feet to a public school.

Solicitation for proposals for office space for the Navy (sec. 2817)

The Senate amendment contained a provision (sec. 2809) that would direct the Secretary of the Navy, in coordination with the Administrator of General Services, to issue a solicitation for proposals for acquisition through lease or lease-buy of office and related space within the National Capital Region. Upon receipt of proposals, the Navy would be directed to provide the Committees on Armed Services of the Senate and House of Representatives a report analyzing the relative merits of lease, lease-buy, and military construction alternatives in meeting the Service's administrative facility needs.

The House bill contained no similar provision.

The House recedes with an amendment that directs that the solicitation be published by the Administrator of General Services, in coordination with the Secretary of the Navy.

Third Infantry Division memorial (sec. 2818)

The Senate amendment contained a provision (sec. 2811) that would authorize the Secretary of the Army to select a site in Arlington National Cemetery for a privately financed memorial honoring the historic deeds of the 3rd Infantry Division.

The House bill contained no such provision.

The House recedes.

Commission on alternative utilization of military facilities (sec. 2819)

The Senate amendment contained a provision (sec. 951) that would establish a commission on alternative utilization of military facilities. This interagency body would review, on a biannual basis, military facilities identified by the Department of Defense which are fit for closure, surplus in whole or part, or sufficiently underutilized to permit consideration as a site for a minimum security prison or a drug treatment center.

The House bill contained no such provision.

The House recedes.

PART C—REAL PROPERTY TRANSACTIONS

LEGISLATIVE PROVISIONS ADOPTED

Land transfer, Reserve Forces Training Center, Alameda County, California (sec. 2821)

The House bill contained a provision (sec. 2813) that would authorize the Secretary of the Army to enter into a value-for-value land exchange with the County of Alameda and City of Dublin, California. In exchange for approximately 47 acres of land at the Alameda Reserve Forces Training Center, the Army would receive approximately 450 acres from the East Bay Regional Park District, Alameda, California.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that changes the acreage to be conveyed from 450 acres to 445 acres; allows the East Bay Regional Park District the right of reversion to the parcel in the event the Secretary of the Army determines that it is no longer required by the United States Army; and grants the Park District an easement along the most easternly border of the parcel for its regional trail system. This easement does not exceed 25 acres.

Land conveyance, Lompoc, California (sec. 2822)

The House bill contained a provision (sec. 2816) that would authorize the Secretary of the Army to convey, without reimbursement, approximately 100 acres of land in Lompoc, California, to the City of Lompoc, California for the educational purposes of Allan Hancock Community College.

The Senate amendment contained a similar provision (sec. 2905) that would authorize the transfer for less restrictive educational purposes.

The House recedes.

Land easement, Orange County, California (sec. 2823)

The Senate amendment contained a provision (sec. 2902) that would authorize the Secretary of the Navy to grant Orange County, California, an easement on Marine Corps Air Station, El Toro, California, for the construction and maintenance of a flood control project. In consideration, the Navy would receive approximately 1.5 acres of land adjacent to Marine Corps Air Station, Tustin, California, as well as the benefit of the flood control improvements.

The House bill contained a similar provision (sec. 2815).

The House recedes.

Land exchange, San Diego, California (sec. 2824)

The Senate amendment contained a provision (sec. 2901) that would authorize the Secretary of the Navy to enter into a value-for-value exchange of property to acquire approximately 32 acres of land adjacent to the San Diego Naval Station.

The House bill contained no similar provision.

The House recedes.

Land transfer, Washington, District of Columbia (sec. 2825)

The House bill contained a provision (sec. 2811) that would direct the no-cost transfer of approximately six acres of land with improvements from the Administrator of General Services to the Secretary of the Navy. The provision would also direct the use of no more than $9.2 million for the design of the renovation of the related facilities.

The Senate amendment contained no similar provision.

The Senate recedes.

Land conveyance, Okaloosa County, Florida (sec. 2826)

The House bill contained a provision (sec. 2814) that would amend the fiscal year 1979 Military Construction Authorization Act (Public Law 95-356) by conveying at fair market value an additional 42 acres of land at Eglin Air Force Base, Florida from the Department of the Air Force to the Air Force Enlisted Men's Widows and Dependents Home Foundation, Incorporated.

The Senate amendment contained no similar provision.

The Senate recedes.

Land transfer, Suitland Federal Center, Maryland (sec. 2827)

The Senate amendment contained a provision (sec. 2903) that would authorize the Administrator of General Services to transfer to the Secretary of the Navy, without consideration, vacant land at the Suitland Federal Center, Suitland, Maryland, that is excess to the needs of the General Services Administration and is needed to accommodate construction of a new facility for the Naval Intelligence Command.

The House bill contained a similar provision (sec. 2812).

The House recedes.

Air Force Plant at Columbus, Ohio (sec. 2828)

The Senate amendment contained a provision (sec. 2812) that would authorize the Secretary of the Air Force to sell or lease Air Force Plant No. 85 at Columbus, Ohio, which is excess to Air Force needs. Proceeds of the sale or lease would be credited to the U.S. Treasury, after expenses connected with such a sale or lease, including environmental cleanup, have been deducted.

The House bill contained no similar provision.

The House recedes with an amendment. In light of interest by the Defense Logistics Agency (DLA) in locating a function on a portion of Air Force Plant No. 85, the amended provision authorizes the Secretary of the Air Force to permit portions of the facility to another Defense Department organization. The conferees believe that support for DLA requirements and sale or lease of the remainder of the plant for private development are compatible uses. The Air Force and any Defense Department permit-

tee are expected to insure that the property available for commercial redevelopment remains an integral industrial facility with adequate administrative space.

In authorizing the Secretary of the Air Force to sell or lease this property and use some of the proceeds to fund environmental restoration and other related property disposal expenses, the conferees wish to ensure that the Service does not expend scarce Defense Environmental Restoration funds for this purpose in lieu of investing these resources to address the most serious environmental problems outlined in the Defense Department priority cleanup program.

Land conveyance, Fort Jackson, South Carolina (sec. 2829)

The Senate amendment contained a provision (sec. 2904) that would authorize the sale, at fair market value, of approximately 14 acres of Fort Jackson, South Carolina that are excess to Army needs. The provision would authorize proceeds of the sale to be used to construct a new consolidated maintenance facility on the post.

The House bill contained no similar provision.

The House recedes with an amendment. The conferees agreed to the sale of approximately 32 acres of excess property, the proceeds of which could be applied to the modernization of family housing on Fort Jackson.

LEGISLATIVE PROVISIONS NOT ADOPTED

Camp Robinson, Arkansas

The House bill contained a provision (sec. 2817) that would authorize the use of 1,000 acres of Camp Robinson, Arkansas as an industrial park and 40 acres for other public uses.

The Senate amendment contained no similar provision.

The House recedes. The conferees are concerned about the impact which highway construction will have on the mission integrity of Camp Robinson, Arkansas. In light of local interest in redeveloping portions of the camp which may no longer be useful to the military mission, the Department of the Army is directed to submit a report to the Committees on Armed Services of the Senate and House of Representatives by March 15, 1989, regarding this issue.

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	-------House-------		------Senate-------		House +/- Senate	Conference Agreement	
			Change to Request	Authorized	Change to Request	Senate Authorized		Change to Request	Authorized
ALABAMA									
ARMY									
ANNISTON ARMY DEPOT	CHEMICAL AREA SECURITY UPGRADE	6,000		6,000		6,000	0		6,000
FORT MCCLELLAN	CONSOLIDATED FIELD MAINTENANCE SHOP	7,900		7,900		7,900	0		7,900
FORT RUCKER	LAND ACQUISITION	410		410		410	0		410
FORT RUCKER	UNACCOMPANIED OFFICER HOUSING	1,700		1,700		1,700	0		1,700
REDSTONE ARSENAL	TEST FACILITY MODERNIZATION	14,800		14,800		14,800	0		14,800
NAVY									
NAVAL STATION MOBILE	HOMEPORT	8,345	11,400	19,745	11,355	19,700	45	11,355	19,700
AIR FORCE									
GUNTER AFB	CONSOLIDATED SUPPORT FACILITY	3,700		3,700		3,700	0		3,700
GUNTER AFB	SECURITY POLICE OPERATIONS FACILITY	1,300		1,300		1,300	0		1,300
GUNTER AFB	STUDENT DORMITORY	2,100		2,100		2,100	0		2,100
GUNTER AFB	PRECISION MEASUREMENT EQUIPMENT LAB	1,050		1,050		1,050	0		1,050
MAXWELL AFB	BASE ENGINEERING COMPLEX	8,400		8,400		8,400	0		8,400
MAXWELL AFB	ALTER STUDENT DORMITORIES	1,750		1,750		1,750	0		1,750
MAXWELL AFB	FIRE STATION	1,950		1,950		1,950	0		1,950
MAXWELL AFB	ADD TO/UPGRADE ACADEMIC FACILITY	3,200		3,200		3,200	0		3,200
MAXWELL AFB	ADD TO/UPGRADE HISTORICAL RESEARCH CENTER	2,500		2,500		2,500	0		2,500
ARMY NATIONAL GUARD									
AUBURN	ARMORY		937	937		0	937	937	937
FORT MCCLELLAN	UNIT TRAINING EQUIPMENT SITE		459	459		0	459	459	459
GROVE HILL	100 PERSON ARMORY	932		932		932	0		932
MONTGOMERY	ARMORY ADDITION	789		789		789	0		789
MONTGOMERY	CONSOLIDATED SUPPORT MAINTENANCE SHOP		3,652	3,652		0	3,652	3,652	3,652
TUSKEGEE	ARMORY		651	651		0	651	651	651
AIR NATIONAL GUARD									
DANNELLY FIELD	POWER CHECK PAD WITH SUPPRESSOR	890		890		890	0		890
DANNELLY FIELD	ALTER AVIONICS SHOP	600		600		600	0		600
ARMY RESERVE									
GORDO	RESERVE CENTER			0	1,547	1,547	(1,547)	1,547	1,547

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	ALASKA								
ARMY									
FORT RICHARDSON	HARDSTAND/TACTICAL EQUIPMENT SHOP	2,050		2,050		2,050	0		2,050
FORT RICHARDSON	BATTALION HEADQUARTERS	4,200		4,200		4,200	0		4,200
FT J M WAINWRIGHT	SPECIAL SECURITY OFFICE	2,250		2,250		2,250	0		2,250
FT J M WAINWRIGHT	UTILITIES EXPANSION	3,450	(3,450)	0		3,450	(3,450)	(3,450)	0
FT J M WAINWRIGHT	COLD STORAGE WAREHOUSE	1,900		1,900		1,900	0		1,900
FT J M WAINWRIGHT	VEHICLE MAINTENANCE FACILITY	9,000	(9,000)	0	(9,000)	0	0	(9,000)	0
FT J M WAINWRIGHT	MAINTENANCE COMPLEX	15,000		15,000		15,000	0		15,000
FT J M WAINWRIGHT	CONSOLIDATED FUEL FACILITY	2,300	(2,300)	0		2,300	(2,300)	(2,300)	0
FT J M WAINWRIGHT	MILITARY CLOTHING SALES STORE	690		690		690	0		690
FT J M WAINWRIGHT	BATTALION HEADQUARTERS	7,600		7,600		7,600	0		7,600
FT J M WAINWRIGHT	BATTALION HEADQUARTERS	2,300		2,300		2,300	0		2,300
NAVY									
NAVAL AIR STATION ADAK	DEPENDENT SCHOOL	29,000	(29,000)	0		29,000	(29,000)	0	29,000
D TAYLOR RSRCH CTR DET KETCHIKAN	ACOUSTIC RANGE OPERATIONS CENTER	12,000		12,000		12,000	0		12,000
AIR FORCE									
EIELSON AFB	ALTER DORMITORIES	2,750		2,750		2,750	0		2,750
EIELSON AFB	UPGRADE MUNITION ACCESS ROAD	7,600	(7,600)	0		7,600	(7,600)	(7,600)	0
EIELSON AFB	SQUADRON OPERATIONS FACILITY	4,900		4,900		4,900	0		4,900
ELMENDORF AFB	DIESEL MAINTENANCE SHOP	2,150		2,150		2,150	0		2,150
ELMENDORF AFB	OTH-B OPERATIONS BUILDING	17,500	(17,500)	0		17,500	(17,500)	0	17,500
ELMENDORF AFB	AIRCRAFT SUPPORT EQUIPMENT FACILITY	890		890		890	0		890
KING SALMON AFB	COMMUNICATIONS FACILITY	2,850		2,850		2,850	0		2,850
SHEMYA AFB	COMPOSITE AIRMAN COMMUNITY CENTER	10,000		10,000		10,000	0		10,000
SHEMYA AFB	ADD TO AND UPGRADE CHAPEL	1,100		1,100		1,100	0		1,100
SHEMYA AFB	ADD TO FIRE STATION	910		910		910	0		910
SHEMYA AFB	ADD/ALTER ACFT SUPPORT EQUIPMENT SHOP	2,850		2,850		2,850	0		2,850
DEFENSE AGENCIES									
DEFENSE FUEL SUPPORT POINT ADAK	FUEL TANKAGE	19,000		19,000		19,000	0		19,000
ARMY NATIONAL GUARD									
ANCHORAGE	ARMY AVIATION SUPPORT FACILITY ADD/ALT	7,500		7,500		7,500	0		7,500
CHEFORNAK	SCOUT ARMORY	252		252		252	0		252
FORT RICHARDSON	ARMORY			0	25,000	25,000	(25,000)	25,000	25,000
NAPAKIA	SCOUT ARMORY	252		252		252	0		252
BREVIG MISSION	SCOUT ARMORY	252		252		252	0		252
AIR NATIONAL GUARD									
EIELSON AFB	BASE SUPPLY AND EQUIPMENT WAREHOUSE	2,750		2,750		2,750	0		2,750

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House: Change to Request	House: Authorized	Senate: Change to Request	Senate: Senate Authorized	House +/- Senate	Conference Agreement: Change to Request	Conference Agreement: Authorized
	ARIZONA								
ARMY									
FORT HUACHUCA	TEST AND EVALUATION CENTER	5,400	(5,400)	0		5,400	(5,400)	(5,400)	0
FORT HUACHUCA	TEST FACILITY MODERNIZATION	1,200		1,200		1,200	0		1,200
NAVY									
MARINE CORPS AIR STATION YUMA	COMMUNICATIONS CENTER ADDITION	580		580		580	0		580
MARINE CORPS AIR STATION YUMA	TACTICAL VEHICLE MAINTENANCE FACILITY	4,610		4,610		4,610	0		4,610
MARINE CORPS AIR STATION YUMA	AIRCRAFT ACOUSTICAL ENCLOSURE	6,580		6,580		6,580	0		6,580
AIR FORCE									
DAVIS-MONTHAN AFB	TROOP SUBSISTENCE WAREHOUSE	980		980		980	0		980
HOLBROOK	STR-COMPOSITE SUPPORT FACILITY	[1,400]		[1,400]		[1,400]	0		[1,400]
LUKE AFB	F15-WING HEADQUARTERS	1,550		1,550		1,550	0		1,550
LUKE AFB	F16-FIELD TRAINING DETACHMENT FACILITY	3,000		3,000		3,000	0		3,000
WILLIAMS AFB	F16-AIRCRAFT COVERED WASHRACK	770		770		770	0		770
WILLIAMS AFB	CONSOLIDATED SUPPORT FACILITY	4,100		4,100		4,100	0		4,100
WILLIAMS AFB	F16-BAK 12/14 ACFT ARRESTING SYSTEM	2,100		2,100		2,100	0		2,100
WILLIAMS AFB	F16-HYDRAZINE STORAGE AND SERVICE FAC	320		320		320	0		320
WILLIAMS AFB	F16-SOUND SUPPRESSOR SUPPORT	790		790		790	0		790
WILLIAMS AFB	F16-FUEL SYSTEM MAINTENANCE DOCK	1,150		1,150		1,150	0		1,150
WILLIAMS AFB	ADD TO AIRCRAFT MAINTENANCE FACILITY	1,900		1,900		1,900	0		1,900
ARMY NATIONAL GUARD									
PHOENIX	STATE MILITARY ACADEMY ADDITION/ALTERATION	264		264		264	0		264
AIR NATIONAL GUARD									
TUCSON IAP	COMPOSITE AIRCRAFT MAINTENANCE HANGAR	6,000		6,000		6,000	0		6,000
SKY HARBOR IAP	MEDICAL TRAINING AND ADMINISTRATION FAC	1,100		1,100		1,100	0		1,100
AIR FORCE RESERVE									
TUCSON IAP	FLIGHT SIMULATOR FAC-JOINT WITH ANG	1,000		1,000		1,000	0		1,000
	ARKANSAS								
ARMY									
PINE BLUFF ARSENAL	CHEMICAL AREA SECURITY UPGRADE	3,050		3,050		3,050	0		3,050
PINE BLUFF ARSENAL	BINARY MUNITION PRODUCTION FAC PH III	4,450	(4,450)	0		4,450	(4,450)	0	4,450
AIR FORCE									
BLYTHEVILLE AFB	ORGANIZATIONAL MAINTENANCE SHOP		1,050	1,050		0	1,050	1,050	1,050
BLYTHEVILLE AFB	ADD/ALTER COMMUNITY RELIGIOUS EDUCATION FACI		1,600	1,600		0	1,600	0	0
BLYTHEVILLE AFB	VEHICLE MAINTENANCE SHOP ADDITION		1,100	1,100		0	1,100	1,100	1,100
LITTLE ROCK AFB	C130-AIRCRAFT MAINTENANCE FACILITY	3,850		3,850		3,850	0		3,850
LITTLE ROCK AFB	APRON LIGHTING		700	700		0	700	700	700

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
ARMY NATIONAL GUARD									
CAMP ROBINSON	RANGE, MOUT ASSAULT COURSE	352		352		352	0		352
STUTTGART	ARMORY		936	936		0	936	936	936
AIR NATIONAL GUARD									
FT SMITH MAP	AVIONICS/BCM POD SHOP/STORAGE FACILITY	900		900		900	0		900
FT SMITH MAP	ADD/ALTER ENGINE INSPECTION & REPAIR SHOP	265		265		265	0		265
ARMY RESERVE									
PINE BLUFF	ARMS ROOM ADDITION	50		50		50	0		50
	CALIFORNIA								
ARMY									
FORT ORD	MANEUVER TRAINING RANGE		1,600	1,600		0	1,600	0	0
FORT ORD	COMPANY OPERATIONS FACILITY	3,150		3,150		3,150	0		3,150
FORT ORD	AMMUNITION STORAGE	9,900		9,900		9,900	0		9,900
SIERRA ARMY DEPOT	AMMUNITION CONTAINER LOADING YARD	380		380		380	0		380
NAVY									
MAR CORP CTR TWENTYNINE PALMS	ROAD IMPROVEMENTS	4,650		4,650		4,650	0		4,650
MAR CORP CTR TWENTYNINE PALMS	CHILD CARE CENTER	1,930		1,930		1,930	0		1,930
MAR CORP CTR TWENTYNINE PALMS	ELECTRONIC AND COMMUNICATION MAINT SHOP	2,500		2,500		2,500	0		2,500
MAR CORP CTR TWENTYNINE PALMS	BACHELOR ENLISTED QUARTERS	13,600		13,600		13,600	0		13,600
MAR CORP CTR TWENTYNINE PALMS	REMOTE PILOTED VEHICLE OPERS MAINT FAC	3,950		3,950		3,950	0		3,950
MARINE CORPS AIR STATION EL TORO	CHILD CARE CENTER	2,730		2,730		2,730	0		2,730
MARINE CORPS AIR STATION EL TORO	ARMING PADS	1,240		1,240		1,240	0		1,240
MARINE CORPS AIR STATION TUSTIN	BACHELOR ENLISTED QUARTERS	8,370		8,370		8,370	0		8,370
MARINE CORPS AIR STATION TUSTIN	CHILD CARE CENTER	1,970		1,970		1,970	0		1,970
MARINE CORPS AIR STATION TUSTIN	GROUND SUPPORT EQUIPMENT SHOP	650		650		650	0		650
MARINE CORPS BASE CAMP PENDLETON	MARINE AIR SUPPORT COMPLEX	6,490		6,490		6,490	0		6,490
MARINE CORPS BASE CAMP PENDLETON	ACADEMIC INSTRUCTION BUILDING	7,940		7,940		7,940	0		7,940
MARINE CORPS BASE CAMP PENDLETON	FIELD MAINTENANCE SHOP FACILITIES	11,850		11,850		11,850	0		11,850
MARINE CORPS BASE CAMP PENDLETON	TACTICAL VEHICLE MAINTENANCE FACILITY	10,100		10,100		10,100	0		10,100
MARINE CORPS BASE CAMP PENDLETON	BACHELOR ENLISTED QUARTERS	16,000		16,000		16,000	0		16,000
MARINE CORPS BASE CAMP PENDLETON	TACTICAL VEHICLE MAINTENANCE FACILITY	8,270		8,270		8,270	0		8,270
MARINE CORPS BASE CAMP PENDLETON	INFANTRY SCHOOL	3,810		3,810		3,810	0		3,810
MCAS CAMP PENDLETON	AIRCRAFT INTERMEDIATE MAINTENANCE ACT CPX	3,060		3,060		3,060	0		3,060
MCAS CAMP PENDLETON	STATION OPERATIONS FACILITY	1,930		1,930		1,930	0		1,930
MCAS CAMP PENDLETON	REFUELING VEHICLE MAINTENANCE SHOP	610		610		610	0		610
MCAS CAMP PENDLETON	TACTICAL SUPPORT VAN PADS	1,600		1,600		1,600	0		1,600
MCAS CAMP PENDLETON	HANGAR MODIFICATIONS	2,250		2,250		2,250	0		2,250
MARINE CORPS LOG BASE BARSTOW	CHILD CARE CENTER	800		800		800	0		800
MARINE CORPS LOG BASE BARSTOW	VEHICLE MAINTENANCE SHOP	390		390		390	0		390
MTN WARFARE TNG CTR BRIDGEPORT	MULTIPURPOSE FACILITY	3,200		3,200		3,200	0		3,200

INSIDE THE UNITED STATES

		Revised	-------House-------		------Senate-------			Conference Agreement	
		FY89	Change to		Change to	Senate	House +/-	Change to	
INSTALLATION	PROJECT	Request	Request	Authorized	Request	Authorized	Senate	Request	Authorized
NAVAL AIR REWORK FAC ALAMEDA	AIRCRAFT ACOUSTICAL ENCLOSURE		8,290	8,290		0	8,290	8,290	8,290
NAVAL AIR STATION MOFFETT	CONSTRUCTION MANAGEMENT FACILITY	650		650		650	0		650
NAVAL AIR STATION NORTH ISLAND	TARGET MAINTENANCE FACILITY	2,760		2,760		2,760	0		2,760
NAVAL AIR STATION NORTH ISLAND	INTERMEDIATE MAINTENANCE FACS IMPROVEMENTS	3,390		3,390		3,390	0		3,390
NAVAL AIR STATION NORTH ISLAND	MAINTENANCE HANGAR	5,710		5,710	(5,710)	0	5,710	(5,710)	0
NAVAL AVIATION DPT NORTH ISLAND	HAZARDOUS MATERIAL STOREHOUSE	2,110		2,110		2,110	0		2,110
NAVAL SUPPLY CTR OAKLAND	GAS CYLINDER STORAGE		1,550	1,550		0	1,550	1,550	1,550
NAVAL WEAPONS STATION SEAL BEACH	MISSILE MAGAZINES	3,090		3,090		3,090	0		3,090
NAVAL WEAPONS STATION SEAL BEACH	MISSILE ASSEMBLY AND TEST FACILITY	10,800		10,800		10,800	0		10,800
PACIFIC TEST CENTER POINT MAGU	MISSILE SYSTEMS EVALUATION LABORATORY	20,470		20,470		20,470	0		20,470
NAVAL AMPHIBIOUS BASE CORONADO	OPEN STORAGE AREA	870		870		870	0		870
NAVAL WEAPONS CENTER CHINA LAKE	AIRCRAFT SYSTEMS INTEGRATION LABORATORY	6,900		6,900		6,900	0		6,900
NAVAL WEAPONS CENTER CHINA LAKE	DETECTION SYSTEMS LABORATORY ADDITION	5,360		5,360		5,360	0		5,360
NAVAL CONSTRUCT CTR PORT HUENEME	DATA PROCESSING FACILITY	4,000		4,000		4,000	0		4,000
NAVAL CONSTRUCT CTR PORT HUENEME	SEABEE FLEET SUPPORT TRAINING FACILITIES	3,330		3,330		3,330	0		3,330
NAVAL CONSTRUCT CTR PORT HUENEME	SEALIFT SUPPORT STORAGE FACILITIES	6,900	(3,900)	3,000		6,900	(3,900)	(3,900)	3,000
NAVAL CONSTRUCT CTR PORT HUENEME	SEABEE TRAINING BUILDINGS	6,750		6,750		6,750	0		6,750
NAVAL SCH PORT HUENEME	PROCUREMENT AND MANAGEMENT BUILDING	7,420		7,420		7,420	0		7,420
NAVAL HOSPITAL LEMOORE	PHYSIOLOGICAL TRAINING FACILITY	2,160		2,160		2,160	0		2,160
NAVAL POST GRADUATE SCH MONTEREY	STEAM LINE IMPROVEMENT	2,900		2,900		2,900	0		2,900
NAVAL POST GRADUATE SCH MONTEREY	MUNICIPAL SEWER CONNECTION	240		240		240	0		240
NAVAL SHIPYARD MARE ISLAND	DRYDOCK REFUELING COMPLEX	3,950		3,950		3,950	0		3,950
NAVAL SHIPYARD MARE ISLAND	DREDGED MATERIALS HANDLING FACILITY		2,400	2,400		0	2,400	0	0
NAVAL SHIPYARD MARE ISLAND	FIRE STATION		2,500	2,500		0	2,500	2,500	2,500
NAVAL AMPHIB SCHOOL SAN DIEGO	SEAL TEAM FACILITIES	10,100		10,100		10,100	0		10,100
NAVAL HOSPITAL SAN DIEGO	REGIONAL MEDICAL CENTER SUPPORT FACILITIES	11,350	(11,350)	0	(11,350)	0	0	(11,350)	0
NAVAL OCEAN SYS CENTER SAN DIEGO	LABORATORY	8,660		8,660		8,660	0		8,660
NAVAL SECURITY GP DET SAN DIEGO	CLASSIFIED MATERIALS ISSUE OFFICE ADDITION	1,950		1,950		1,950	0		1,950
NAVAL SPACE SURV ST SAN DIEGO	SPACE SURVEILLANCE FACILITY	3,760		3,760		3,760	0		3,760
NAVAL SUB BASE SAN DIEGO	TORPEDO SHOP	3,150		3,150		3,150	0		3,150
NAVAL SUPPLY CTR SAN DIEGO ANNEX	MAINTENANCE BUILDING	1,695		1,695		1,695	0		1,695
NAVAL TRAINING CENTER SAN DIEGO	FIRE FIGHTING TRAINEE FACILITY	7,980		7,980		7,980	0		7,980
NAVY PUBLIC WORKS CTR SAN DIEGO	SEWER IMPROVEMENT	500		500		500	0		500
PERSONNEL SUPPORT ACTY SAN DIEGO	SUPPORT FACILITY	1,180		1,180		1,180	0		1,180
SHORE IMP MAINT CTR SAN DIEGO	MAINTENANCE FACILITY	10,720		10,720		10,720	0		10,720
SUB TRAINING FACILITY SAN DIEGO	SUBMARINE TRAINING FACILITY	4,770		4,770		4,770	0		4,770
SUB TRAINING FACILITY SAN DIEGO	OPERATIONAL TRAINER FACILITY	5,531		5,531		5,531	0		5,531
NAVAL STATION SAN FRANCISCO	BATTLESHIP SUPPORT COMPLEX (INCREMENT I)	5,000		5,000		5,000	0		5,000
NAVY PUB WORKS CTR SAN FRANCISCO	SEWER IMPROVEMENT	6,800		6,800		6,800	0		6,800
NAVY PUB WORKS CTR SAN FRANCISCO	ELECTRICAL SYSTEMS IMPROVEMENT	9,010		9,010		9,010	0		9,010

INSIDE THE UNITED STATES

		Revised FY89	-------House-------		------Senate-------		House +/-	Conference Agreement	
INSTALLATION	PROJECT	Request	Change to Request	Authorized	Change to Request	Senate Authorized	Senate	Change to Request	Authorized
AIR FORCE									
BEALE AFB	DORMITORY	[5,400]		[5,400]		[5,400]	0		[5,400]
BEALE AFB	ADD TO AND UPGRADE POWER PLANT-PAVE PAWS	8,900		8,900		8,900	0		8,900
CASTLE AFB	ADD TO JET FUEL STORAGE/DISPENSING FACS	10,800		10,800		10,800	0		10,800
CASTLE AFB	FLOOD CONTROL COST SHARE		1,000	1,000		0	1,000	1,000	1,000
CASTLE AFB	BASE CIVIL ENGINEERING COMPLEX		8,600	8,600		0	8,600	8,600	8,600
EDWARDS AFB	ADD/ALTER FLIGHT TEST MISSION CONTROL	5,200		5,200		5,200	0		5,200
GEORGE AFB	REPLACE RUNWAY	16,500		16,500		16,500	0		16,500
GEORGE AFB	AIR WARRIOR SUPPORT COMPLEX	3,650		3,650		3,650	0		3,650
GEORGE AFB	F4-FLYING TRAINING FACILITY	3,400		3,400		3,400	0		3,400
MARCH AFB	EXPANDED CLEAR ZONE LAND ACQUISITION	1,000		1,000		1,000	0		1,000
MARCH AFB	ADD TO AND UPGRADE DORMITORIES	3,900		3,900		3,900	0		3,900
MATHER AFB	BASE FLIGHT OPERATION		2,300	2,300		0	2,300	2,300	2,300
MATHER AFB	SECURITY IMPROVEMENTS	440		440		440	0		440
MCCLELLAN AFB	VEHICLE REFUELING STATION	880		880		880	0		880
MCCLELLAN AFB	FIRE SPRINKLER SYSTEMS	2,200		2,200		2,200	0		2,200
ONIZUKA AFS	ALTER TECHNICAL SPACE COMPLEX	4,300		4,300		4,300	0		4,300
TRAVIS AFB	ALTER DORMITORIES	10,400		10,400		10,400	0		10,400
VANDENBERG AFB	MISSILE CREW TRAINING FACILITIES	6,250		6,250		6,250	0		6,250
VANDENBERG AFB	HYPERGOLIC MAINTENANCE CHECKOUT FACILITY	2,300		2,300		2,300	0		2,300
VANDENBERG AFB	TITAN IV LAUNCH PAD	25,000		25,000	(25,000)	0	25,000	(25,000)	0
DEFENSE AGENCIES									
MARCH AFB	HOSPITAL SEISMIC UPGRADE	3,000		3,000		3,000	0		3,000
NORTH ISLAND	MEDICAL CLINIC	7,200		7,200		7,200	0		7,200
TREASURE ISLAND	MEDICAL/DENTAL CLINIC	11,000		11,000		11,000	0		11,000
HUNTERS POINT	MEDICAL/DENTAL FACILITY	5,000	(5,000)	0		5,000	(5,000)	(5,000)	0
DEFENSE DEPOT TRACY	IMPROVE LIGHTING	590		590		590	0		590
CAMP PENDLETON	MEDICAL STORAGE	5,000		5,000		5,000	0		5,000
AIR NATIONAL GUARD									
CHANNEL ISLANDS ANGB	AERIAL PORT TRAINING FACILITY	2,600		2,600		2,600	0		2,600
CHANNEL ISLANDS ANGB	COMPOSITE OPERATIONS & TRAINING FACILITY	5,000		5,000		5,000	0		5,000
CHANNEL ISLANDS ANGB	VEHICLE MAINTENANCE SHOP	1,650		1,650		1,650	0		1,650
CHANNEL ISLANDS ANGB	AIRCRAFT PARKING APRON/SITE PREPARATION	1,300		1,300		1,300	0		1,300
CHANNEL ISLANDS ANGB	COMPOSITE SUPPORT FACILITY	3,300		3,300		3,300	0		3,300
CHANNEL ISLANDS ANGB	BASE SUPPLY AND EQUIPMENT WAREHOUSE	3,900		3,900		3,900	0		3,900
FRESNO ANGB	POWER CHECK PAD WITH SUPPRESSOR	600		600		600	0		600
FRESNO ANGB	MUNITIONS MAINTENANCE FACILITY	1,400		1,400		1,400	0		1,400
ARMY RESERVE									
REDDING	LAND ACQUISITION	275		275		275	0		275
GARDEN GROVE	ADD/ALTER USARC/MAINT FAC/STORAGE BUILDING	3,425		3,425		3,425	0		3,425
STOCKTON	ARMED FORCES RES CTR/MAINT FAC/MARINE FAC	3,596		3,596		3,596	0		3,596
NAVY RESERVE									
MCRC HAYWARD	TRAINING BUILDING REHAB	1,000		1,000		1,000	0		1,000
NCS STOCKTON	RESERVE TRAINING BUILDING	2,800		2,800		2,800	0		2,800
AIR FORCE RESERVE									
MARCH AFB	MEDICAL TRAINING AND ADMINISTRATION	1,000		1,000		1,000	0		1,000
MATHER AFB	COMPOSITE MEDICAL TRAINING FACILITY	850		850		850	0		850

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	COLORADO								
ARMY									
PUEBLO DEPOT ACTIVITY	CHEMICAL AREA SECURITY UPGRADE	3,200		3,200		3,200	0		3,200
AIR FORCE									
BUCKLEY ANG BASE	UPGRADE EMERGENCY POWER PLANT	7,300		7,300		7,300	0		7,300
BUCKLEY ANG BASE	ADD/ALTER AEROSPACE DATA FACILITY PH-II	18,500		18,500		18,500	0		18,500
CHEYENNE MT COMPLEX AFB	NORAD COMMAND POST	6,500		6,500		6,500	0		6,500
LOWRY AFB	STUDENT DORMITORY	12,000		12,000		12,000	0		12,000
PETERSON AFB	FIRE TRAINING AREA	2,200		2,200		2,200	0		2,200
PETERSON AFB	ADD/ALTER PHYSICAL FITNESS CENTER	3,800	(3,800)	0		3,800	(3,800)	0	3,800
PETERSON AFB	SPACE OPERATIONS INTELLIGENCE CENTER	7,300		7,300		7,300	0		7,300
US AIR FORCE ACADEMY	DORMITORY	3,500		3,500		3,500	0		3,500
US AIR FORCE ACADEMY	ALTER CADET DORMITORY	4,000		4,000		4,000	0		4,000
US AIR FORCE ACADEMY	ADD TO/UPGRADE COMMUNITY CENTER GYMNASIUM	1,750		1,750		1,750	0		1,750
US AIR FORCE ACADEMY	ADD/ALTER BASE ENGINEERING FACILITIES	990		990		990	0		990
DEFENSE AGENCIES									
FALCON AFS	NATIONAL TEST BED	72,500	(18,500)	54,000		72,500	(18,500)	(7,500)	65,000
AIR NATIONAL GUARD									
BUCKLEY ANGB	PERIMETER FENCE	700		700		700	0		700
AIR FORCE RESERVE									
PETERSON AFB	CIVIL ENGINEERING TRAINING FACILITY	750		750		750	0		750
	CONNECTICUT								
NAVY									
NAVAL SECURITY GP ACTY GROTON	ELECTRONICS MAINTENANCE SHOP MODIFICATIONS	1,170		1,170		1,170	0		1,170
NAVAL SUBMARINE BASE NEW LONDON	WEAPONS FACILITIES	6,660		6,660		6,660	0		6,660
ARMY NATIONAL GUARD									
CAMP O'NEILL	TRNG SITE, TRAINING FACILITIES PH I	2,997		2,997		2,997	0		2,997
	DELAWARE								
AIR FORCE									
DOVER AFB	ADD TO TAXIWAY	1,000		1,000		1,000	0		1,000
AIR NATIONAL GUARD									
GREATER WILMINGTON AIRPORT	ADD/ALTER AVIONICS SHOP	410		410		410	0		410

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	DISTRICT OF COLUMBIA								
ARMY									
WALTER REED ARMY MED CTR	PURCHASE WALTER REED INN	1,600		1,600		1,600	0		1,600
NAVY									
COMMANDANT NAVAL DIST WASHINGTON	ELECTRICAL SWITCHING STATION	1,500		1,500		1,500	0		1,500
COMMANDANT NAVAL DIST WASHINGTON	TRANSPORTATION MAINTENANCE FACILITY	5,600		5,600		5,600	0		5,600
COMMANDANT NAVAL DIST WASHINGTON	WHITE HOUSE SUPPORT COMPLEX	21,000		21,000		21,000	0		21,000
COMMANDANT NAVAL DIST WASHINGTON	ADMINISTRATIVE OFFICE MODERNIZATION	10,000		10,000	(10,000)	0	10,000	0	10,000
NAVAL RESEARCH LAB WASHINGTON	ELECTRONIC SYSTEMS LABORATORY	19,800		19,800		19,800	0		19,800
DEFENSE AGENCIES									
ANACOSTIA NAVAL STATION	WHCA SUPPORT COMPLEX	25,200	(25,200)	0	(25,200)	0	0	(25,200)	0
FORT MCNAIR - NDU	ACADEMIC FACILITY/LIBRARY	28,000		28,000		28,000	0		28,000
ARMY NATIONAL GUARD									
FORT BELVOIR	60 PERSON ARMORY	2,102		2,102		2,102	0		2,102
NAVY RESERVE									
NAVAL AIR FACILITY WASHINGTON	AIRCRAFT GROUND SUPPORT	1,050		1,050		1,050	0		1,050
	FLORIDA								
NAVY									
NAVAL AIR STATION CECIL FIELD	MISSILE INTEGRATION FACILITY	340		340		340	0		340
NAVAL AIR STATION JACKSONVILLE	HELICOPTER OPERATIONAL TRAINER BLDG ADDN	8,810		8,810		8,810	0		8,810
NAVAL AV DEPOT JACKSONVILLE	AIRCRAFT ENGINE PROCESSING FACILITY	14,180		14,180	(14,180)	0	14,180	0	14,180
NAVAL AIR STATION KEY WEST	ELECTRICAL DISTRIBUTION SYSTEM	850		850		850	0		850
NAVAL LEGAL SERVICE OFF MAYPORT	LEGAL SERVICES OFFICE	1,450		1,450		1,450	0		1,450
NAVAL STATION MAYPORT	INDUSTRIAL WASTE TREATMENT FACILITY	3,060		3,060		3,060	0		3,060
NAVAL AIR STATION PENSACOLA	SHIP SUPPORT COMPLEX (INCREMENT II)	25,600		25,600		25,600	0		25,600
NAVAL HOSPITAL PENSACOLA	PHYSIOLOGICAL TRAINING FACILITY	2,250		2,250		2,250	0		2,250
NAVAL SUPPLY CENTER PENSACOLA	HAZARDOUS & FLAMMABLE STOREHOUSE	2,640		2,640		2,640	0		2,640
NAVAL TECH TNG CTR PENSACOLA	ADMIN MODERNIZATION	2,840		2,840		2,840	0		2,840
NAVAL TRAINING CENTER ORLANDO	BARRACKS	20,000		20,000		20,000	0		20,000
NAVAL TRAINING CENTER ORLANDO	ROADS AND UTILITIES	3,810		3,810		3,810	0		3,810
AIR FORCE									
AVON PARK	EW OPERATIONS/VEHICLE MAINT FAC	3,700		3,700		3,700	0		3,700
CAPE CANAVERAL AFS	ADD TO/REPAIR SEWAGE PLANT	380		380		380	0		380
CAPE CANAVERAL AFS	LAUNCH OPERATIONS CONTROL CENTER	19,000		19,000		19,000	0		19,000
CAPE CANAVERAL AFS	PIER	7,600	(7,600)	0		7,600	(7,600)	(7,600)	0

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
EGLIN AFB	ADD TO AND UPGRADE CORROSION CONTROL FAC	620		620		620	0		620
EGLIN AFB	DORMITORY	10,400		10,400		10,400	0		10,400
EGLIN AFB AUXILIARY FIELD 9	SOF-COMBAT CONTROL SQUADRON OPS FACILITY	1,250		1,250		1,250	0		1,250
EGLIN AFB AUXILIARY FIELD 9	SOF-DORMITORY	4,200		4,200		4,200	0		4,200
EGLIN AFB AUXILIARY FIELD 9	CONSOLIDATED SUPPORT CENTER		7,300	7,300		0	7,300	7,300	7,300
EGLIN AFB AUXILIARY FIELD 9	SOF-SIMULATOR FACILITY	3,500		3,500		3,500	0		3,500
EGLIN AFB AUXILIARY FIELD 9	SOF-ADD TO VEHICLE MAINTENANCE FACILITY	1,700		1,700		1,700	0		1,700
EGLIN AFB AUXILIARY FIELD 9	SOF-AIRCRAFT MAINTENANCE COMPLEX	1,700		1,700		1,700	0		1,700
EGLIN AFB AUXILIARY FIELD 9	SOF-DORMITORY	4,600		4,600		4,600	0		4,600
EGLIN AFB AUXILIARY FIELD 9	SOF-ADDITION TO PARKING APRON	3,150		3,150		3,150	0		3,150
HOMESTEAD AFB	F16-ALERT SHELTER COMPLEX	6,200		6,200		6,200	0		6,200
MACDILL AFB	FLIGHTLINE SECURITY LIGHTING	380		380		380	0		380
MACDILL AFB	ALTER DORMITORIES	4,200		4,200		4,200	0		4,200
PATRICK AFB	ALTER/UPGRADE HEADQUARTERS DATA CENTER	576		576		576	0		576
PATRICK AFB	ARM/DISARM PAD	550		550		550	0		550
TYNDALL AFB	COMBAT TRAINING COMPLEX	6,000		6,000		6,000	0		6,000
DEFENSE AGENCIES									
TYNDALL AFB	MEDICAL WRM FACILITY	800		800		800	0		800
ARMY NATIONAL GUARD									
AVON PARK	UNIT TRAINING EQUIPMENT SITE	852		852		852	0		852
CAMP BLANDING	TRNG SITE, BRIGADE HEADQUARTERS COMPLEX	1,429		1,429		1,429	0		1,429
CAMP BLANDING	BACHELORS QUARTERS		886	886		0	886	886	886
AIR NATIONAL GUARD									
JACKSONVILLE IAP	ADD TO JET FUEL STORAGE	750		750		750	0		750
JACKSONVILLE IAP	MUNITIONS MAINTENANCE STORAGE FACILITY	2,700		2,700		2,700	0		2,700
AIR FORCE RESERVE									
HOMESTEAD AFB	FUEL SYSTEMS MAINTENANCE HANGAR	2,100		2,100		2,100	0		2,100
GEORGIA									
ARMY									
FORT BENNING	US ARMY SCHOOL OF THE AMERICAS	24,000		24,000		24,000	0		24,000
FORT BENNING	INSTALL THERMOSTATIC CONTROLS	350		350		350	0		350
NAVY									
MARINE CORPS LOG BASE ALBANY	TANK AND AUTOMOTIVE TEST TRACK	590		590		590	0		590
MARINE CORPS LOG BASE ALBANY	PAINTING FACILITY	4,250		4,250		4,250	0		4,250
NAVAL SUBMARINE BASE KINGS BAY	TRIDENT SUPPORT COMPLEX	48,730		48,730		48,730	0		48,730
NAVAL SUBMARINE BASE KINGS BAY	DREDGING	7,600		7,600		7,600	0		7,600
MARINE CORPS LOG BASE ALBANY	BACHELOR ENLISTED QUARTERS MODERNIZATION	900		900		900	0		900

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
AIR FORCE									
MOODY AFB	LANTIRN AVIONICS FACILITY	800		800		800	0		800
ROBINS AFB	ADD-ALTER ENGINEERING TEST FACILITY	7,500		7,500		7,500	0		7,500
ROBINS AFB	WEAPON SYSTEM SUPPORT CENTER		12,600	12,600	12,600	12,600	0	12,600	12,600
ROBINS AFB	AIRCRAFT CORROSION CONTROL FACILITY	11,400		11,400		11,400	0		11,400
DEFENSE AGENCIES									
ROBINS AFB	OCCUPATIONAL HEALTH CARE CLINIC REPLACEMENT		3,600	3,600	3,600	3,600	0	3,600	3,600
FORT BENNING	EMERGENCY ROOM ALTERATION	700		700		700	0		700
ARMY NATIONAL GUARD									
ATLANTA	800 PERSON ARMORY	3,210		3,210		3,210	0		3,210
METTER	ARMORY		838	838	823	823	15	823	823
ARMY RESERVE									
SAVANNAH	ADD/ALTER USARC W/MAINT FAC	2,126		2,126		2,126	0		2,126
	HAWAII								
ARMY									
SCHOFIELD BARRACKS	NCO ACADEMY			0	8,500	8,500	(8,500)	8,500	8,500
FORT SHAFTER	AUTOMATED DATA PROCESSING FACILITY	7,200		7,200		7,200	0		7,200
NAVY									
MARINE CORPS AIR STATION KANEOHE	COMBAT VEHICLE MAINTENANCE SHOP	6,570		6,570		6,570	0		6,570
MARINE CORPS AIR STATION KANEOHE	AIRFIELD PAVEMENTS IMPROVEMENT	8,760		8,760		8,760	0		8,760
MARINE CORPS AIR STATION KANEOHE	ELECTRONICS COMMUNICATIONS MAINT SHOP	1,810		1,810		1,810	0		1,810
MARINE CORPS AIR STATION KANEOHE	ELECTRONICS COMMUNICATIONS MAINT SHOP	2,910		2,910		2,910	0		2,910
MARINE CORPS AIR STATION KANEOHE	INTEGRATED SIGNALS INTELLIGENCE SYSTEM FAC	2,430		2,430		2,430	0		2,430
MARINE CORPS AIR STATION KANEOHE	COMBINED ARMS STAFF TRAINER FACILITY	1,790		1,790		1,790	0		1,790
NAVAL LEGAL SVC OFF PEARL HARBOR	LEGAL SERVICES OFFICE	2,380		2,380		2,380	0		2,380
NAVAL STATION PEARL HARBOR	BRIG	8,370		8,370		8,370	0		8,370
NAVAL SUB BASE PEARL HARBOR	CONTROLLED INDUSTRIAL FACILITY	11,250		11,250		11,250	0		11,250
NAVAL SUB TNG CTR PEARL HARBOR	TRAINING ADDITION	1,780		1,780		1,780	0		1,780
NAVAL SUPPLY CENTER PEARL HARBOR	FIRE PROTECTION SYSTEM IMPROVEMENTS	2,540		2,540		2,540	0		2,540
NAVAL SUPPLY CENTER PEARL HARBOR	HAZARDOUS AND FLAMMABLE STORAGE FACILITY	5,810		5,810		5,810	0		5,810
NAVY PUB WORKS CTR PEARL HARBOR	ELECTRICAL SYSTEM IMPROVEMENTS	3,760		3,760		3,760	0		3,760
AIR FORCE									
HICKAM AFB	F15-MUNITIONS MAINT AND STORAGE FACS	4,250		4,250		4,250	0		4,250
DEFENSE AGENCIES									
DEF FUEL SPT POINT PEARL CITY	FIRE PROTECTION	1,900		1,900		1,900	0		1,900
ARMY NATIONAL GUARD									
HILO	RANGE, KNOWN DISTANCE UPGRADE	257		257		257	0		257
AIR NATIONAL GUARD									
KOKEE AIR STATION	BASE CIVIL ENGR MAINTENANCE/MEDICAL FAC	220		220		220	0		220
HICKAM AFB	COMPOSITE AVIONICS/WEAPONS RELEASE FAC	4,250		4,250		4,250	0		4,250

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	-------House-------		------Senate-------		House +/- Senate	Conference Agreement	
			Change to Request	Authorized	Change to Request	Senate Authorized		Change to Request	Authorized
AIR FORCE RESERVE									
HICKAM AFB	CIVIL ENGINEERING TRAINING FACILITY	990		990		990	0		990
	IDAHO								
AIR FORCE									
MOUNTAIN HOME AFB	ELEC WARFARE OPS AND MAINT FACILITIES	1,400		1,400		1,400	0		1,400
ARMY NATIONAL GUARD									
GOWEN FIELD	REGIONAL TRAINING SITE - MAINTENANCE	1,579		1,579		1,579	0		1,579
AIR NATIONAL GUARD									
BOISE AIRPORT	ADD/ALTER AVIONICS/ECM PODS	2,300		2,300		2,300	0		2,300
BOISE AIRPORT	ADD TO ENGINE I AND R SHOP	450		450		450	0		450
	ILLINOIS								
ARMY									
FORT SHERIDAN	CHILD CARE			0	2,400	2,400	(2,400)	2,400	2,400
FORT SHERIDAN	ALTER DINING FACILITY		880	880	880	880	0	880	880
ROCK ISLAND ARSENAL	MODIFICATION, PHASE IV			0	10,000	10,000	(10,000)	10,000	10,000
ROCK ISLAND ARSENAL	CHILD DEVELOPMENT CENTER	980		980		980	0		980
SAVANNA ARMY DEPOT	TRANSPORTATION TEST CENTER		1,800	1,800		0	1,800	1,800	1,800
SAVANNA ARMY DEPOT	AIR CONDITION AMMUNITION CENTER	470		470		470	0		470
NAVY									
NAVAL TRAINING CTR GREAT LAKES	APPLIED TRAINING FACILITIES IMPROVEMENT	2,690		2,690		2,690	0		2,690
NAVY PUB WORKS CTR GREAT LAKES	WATER STORAGE TANKS	1,930		1,930		1,930	0		1,930
NAVAL TRAINING CTR GREAT LAKES	APPLIED INSTRUCTION BUILDING ALTERATIONS	750		750		750	0		750
AIR FORCE									
CHANUTE AFB	UPGRADE STUDENT DORMITORIES	6,500		6,500		6,500	0		6,500
SCOTT AFB	HEADQUARTERS US TRANSPORTATION COMMAND	12,800		12,800		12,800	0		12,800
SCOTT AFB	RADAR APPROACH CONTROL FACILITY	1,100		1,100		1,100	0		1,100
SCOTT AFB	IN-FLIGHT MEAL PREPARATION FACILITY	600		600		600	0		600
ARMY NATIONAL GUARD									
SPARTA	100 PERSON ARMORY	1,457		1,457		1,457	0		1,457
URBANA	ARMORY			0	800	800	(800)	0	0
KANKAKEE	ARMED FORCES RESERVE CENTER	807		807		807	0		807
PEORIA	ARMED FORCES RESERVE CENTER	574		574		574	0		574
AIR NATIONAL GUARD									
CHICAGO-OHARE IAP	POWER CHECK PAD WITH SUPPRESSOR	400		400		400	0		400
GREATER PEORIA AIRPORT	OPERATIONS & MAINTENANCE COMPLEX PHASE III	12,900		12,900		12,900	0		12,900
ARMY RESERVE									
KANKAKEE	ARMED FORCES RESERVE CENTER W/MAINT FAC	1,928		1,928		1,928	0		1,928
PEORIA	ARMED FORCES RESERVE CENTER W/MAINT FAC	5,921		5,921		5,921	0		5,921
NAVY RESERVE									
NAS GLENVIEW	BEQ			0	4,900	4,900	(4,900)	0	0
NAS GLENVIEW	P-3 TACTICS TRAINER	670		670		670	0		670

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House: Change to Request	House: Authorized	Senate: Change to Request	Senate: Senate Authorized	House +/- Senate	Conference Agreement: Change to Request	Conference Agreement: Authorized
	INDIANA								
AIR FORCE									
GRISSOM AFB	TRAFFIC MANAGEMENT FACILITY		1,850	1,850		0	1,850	1,850	1,850
ARMY NATIONAL GUARD									
CAMP ATTERBURY	RANGE, MODIFIED RECORD FIRE	334		334		334	0		334
CAMP ATTERBURY	TRNG SITE, TRAINING FACIILITIES PH 6A	2,732		2,732		2,732	0		2,732
AIR NATIONAL GUARD									
FT WAYNE MAP	ADD/ALTER AVIONICS SHOP FOR ECM	670		670		670	0		670
HULMAN FIELD	UPGRADE HANGAR AND SHOPS	900		900		900	0		900
ARMY RESERVE									
TERRE HAUTE	ARMY RESERVE CENTER/ADD/ALTER MAINT FAC	3,018		3,018		3,018	0		3,018
AIR FORCE RESERVE									
GRISSOM AFB	AGE SHOP/STORAGE	1,150		1,150		1,150	0		1,150
GRISSOM AFB	A-10 FACILITY			0	4,800	4,800	(4,800)	4,800	4,800
	IOWA								
ARMY NATIONAL GUARD									
BOONE	ARMY AVIATION SUPPORT FACILITY	2,490		2,490		2,490	0		2,490
CAMP DODGE	ORGANIZATIONAL MAINTENANCE SHOP	866		866		866	0		866
CAMP DODGE	RANGE, MODIFIED RECORD FIRE	532		532		532	0		532
CAMP DODGE	COMBINED SUPPORT MAINTENANCE SHOP	2,176		2,176		2,176	0		2,176
MASON CITY	200 PERSON ARMORY	1,139		1,139		1,139	0		1,139
MASON CITY	ORGANIZATIONAL MAINTENANCE SHOP	317		317		317	0		317
AIR NATIONAL GUARD									
SIOUX CITY MAP	POL COMPLEX	2,500		2,500		2,500	0		2,500
	KANSAS								
AIR FORCE									
MCCONNELL AFB	RELOCATE MAIN GATE		680	680		0	680	680	680
ARMY NATIONAL GUARD									
NICKELL BARRACKS	100 PERSON ARMORY	866		866		866	0		866
LEXENA	200 PERSON ARMORY	1,266		1,266		1,266	0		1,266
OLATHE	60 PERSON ARMORY	1,194		1,194		1,194	0		1,194
AIR NATIONAL GUARD									
MCCONNELL AFB	MUNITIONS MAINTENANCE & TRAINING COMPLEX	1,700		1,700		1,700	0		1,700
MCCONNELL AFB	FLIGHT SIMULATOR FACILITY	1,250		1,250		1,250	0		1,250
MCCONNELL AFB	ALTERNATE FUELS FACILITY	270		270		270	0		270
MCCONNELL AFB	POWER CHECK PAD WITH SUPPRESSOR	890		890		890	0		890

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
NAVY RESERVE									
NMCRC WICHITA	RESERVE CENTER ADDITION	2,100		2,100		2,100	0		2,100
	KENTUCKY								
ARMY									
FORT CAMPBELL	AIRCRAFT MAINTENANCE HANGAR	14,000		14,000		14,000	0		14,000
FORT CAMPBELL	HARDSTAND/TACTICAL EQUIPMENT SHOP	5,100		5,100		5,100	0		5,100
FORT CAMPBELL	CHAPEL	1,400		1,400		1,400	0		1,400
LEXINGTON-BLUEGRASS DEP ACT	CHEMICAL AREA SECURITY UPGRADE	770		770		770	0		770
NAVY									
NAVAL ORDNANCE STA LOUISVILLE	MACHINE SHOP AND WASTEWATER TREATMENT FAC	19,000		19,000		19,000	0		19,000
DEFENSE AGENCIES									
DEF REUTL & MKTG OFC FT CAMPBELL	COVERED AND-OPEN STORAGE	1,600		1,600		1,600	0		1,600
NAVY RESERVE									
MCRC FORT KNOX	RESERVE TRAINING BUILDING	1,600		1,600		1,600	0		1,600
	LOUISIANA								
NAVY									
NAVAL STATION LAKE CHARLES	SHIP SUPPORT PHASE II	3,700		3,700	1,300	5,000	(1,300)	0	3,700
AIR FORCE									
ENGLAND AFB	CONSOLIDATED BASE PERSONNEL OFFICE	3,100		3,100		3,100	0		3,100
BARKSDALE AFB	DORMITORY	7,300		7,300		7,300	0		7,300
ARMY NATIONAL GUARD									
COLUMBIA	60 PERSON ARMORY	1,054		1,054		1,054	0		1,054
AIR NATIONAL GUARD									
NEW ORLEANS NAS	ALTER HANGAR	750		750		750	0		750
NEW ORLEANS NAS	MISSILE MAINTENANCE FACILITY	1,900		1,900		1,900	0		1,900
ARMY RESERVE									
SHREVEPORT	CLASSROOM/STORAGE ADDITION	375		375		375	0		375
NAVY RESERVE									
NAVAL AIR STATION NEW ORLEANS	MAGAZINE ACCESS BRIDGE	290		290		290	0		290
NAVAL AIR STATION NEW ORLEANS	RESERVE TRAINING BUILDING	900		900		900	0		900
AIR FORCE RESERVE									
NEW ORLEANS NAS	MOBILITY STORAGE FACILITY	390		390		390	0		390

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House: Change to Request	House: Authorized	Senate: Change to Request	Senate: Authorized	House +/- Senate	Conference Agreement: Change to Request	Conference Agreement: Authorized
	MAINE								
NAVY									
NAVAL AIR STATION BRUNSWICK	AIR EMISSIONS CONTROL	530		530		530	0		530
AIR FORCE									
LORING AFB	ALTER HEADQUARTERS COMMAND POST	2,100		2,100		2,100	0		2,100
LORING AFB	CONTROL TOWER CAB	900		900		900	0		900
ARMY NATIONAL GUARD									
GARDINER	RANGE, M-16 BAFFLED RIFLE	241		241		241	0		241
AIR NATIONAL GUARD									
SOUTH PORTLAND AF STATION	COMM/ELECTRONIC TRAINING FACILITY			0	988	988	(988)	988	988
BANGOR IAP	CONSTRUCT CREW READINESS FACILITY	600		600		600	0		600
	MARYLAND								
ARMY									
ABERDEEN PROVING GROUND	METAL WORK TRAINING FACILITY		8,600	8,600		0	8,600	8,600	8,600
ABERDEEN PROVING GROUND	CHEMICAL DEMILITARIZATION TRNG FAC	8,400		8,400		8,400	0		8,400
FORT DETRICK	UTILITIES EXTENSION	6,500		6,500		6,500	0		6,500
FORT RITCHIE	POWER ENHANCEMENT FACILITY - PH II	9,100		9,100		9,100	0		9,100
NAVY									
NAVAL MEDICAL CTR BETHESDA	MEDICAL DATA SERVICES FACILITY	5,930		5,930		5,930	0		5,930
NAVAL SFC WEAPONS CTR WHITE OAK	FABRICATION SHOP	2,540		2,540		2,540	0		2,540
NAVAL ACADEMY ANNAPOLIS	FAMILY SERVICES CENTER	540		540		540	0		540
NAVAL AIR TEST CENTER PATUXENT	OIL SPILL PREVENTION	1,250		1,250		1,250	0		1,250
DAVID TAYLOR RSCH CTR ANNAPOLIS	WELDING AND MATERIALS LABORATORY	1,860		1,860		1,860	0		1,860
SUITLAND	OPERATIONAL FACILITY PHASE I	58,952		58,952		58,952	0		58,952
NAV EXPLOSIVE ORD INDIAN HEAD	MUNITIONS DISASSEMBLY FACILITY	7,380		7,380		7,380	0		7,380
NAVAL ORDNANCE STA INDIAN HEAD	MESS HALL	1,270		1,270		1,270	0		1,270
AIR FORCE									
ANDREWS AFB	DORMITORY	2,550		2,550		2,550	0		2,550
DEFENSE AGENCIES									
DMA	PRODUCTION SAFETY FACILITY	5,209		5,209		5,209	0		5,209
FORT MEADE	FIRE SAFETY	2,230		2,230		2,230	0		2,230
FORT MEADE	DEFENSE ACCESS ROAD		10,000	10,000	12,000	12,000	(2,000)	12,000	12,000
ARMY NATIONAL GUARD									
HAVRE DE GRACE	COMBINED SUPPORT MAINTENANCE SHOP ALT.	200		200		200	0		200
AIR FORCE RESERVE									
ANDREWS AFB	ALTER AERIAL PORT FACILITY	360		360		360	0		360

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	-------House------- Change to Request	Authorized	-------Senate------- Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Authorized
	MASSACHUSETTS								
AIR FORCE									
HANSCOM AFB	SYSTEM MANAGEMENT ENGINEERING FACILITY	12,400		12,400		12,400	0		12,400
ARMY RESERVE									
DEVENS	REGIONAL MEDICAL TRAINING CENTER	1,655		1,655		1,655	0		1,655
BROCKTON	ADD/ALTER USARC W/MAINT FAC	1,573		1,573		1,573	0		1,573
ATTLEBORO	ADD/ALTER USARC W/MAINT FAC	1,509		1,509		1,509	0		1,509
NAVY RESERVE									
MCRC CAMP EDWARDS	COMBAT VEHICLE MAINTENANCE FACILITY	330		330		330	0		330
NAVAL AIR STATION SOUTH WEYMOUTH	MAINTENACE TRAINING FACILITY	1,230		1,230		1,230	0		1,230
AIR FORCE RESERVE									
WESTOVER AFB	ADD/ALTER RESERVE OPERATIONAL TRAINING	2,495		2,495		2,495	0		2,495
WESTOVER AFB	ALTER AIRCRAFT MAINTENANCE SHOPS	2,650		2,650		2,650	0		2,650
	MICHIGAN								
AIR FORCE									
WURTSMITH AFB	KC135-COCKPIT PROCEDURES TRAINER SPT FAC	1,350		1,350		1,350	0		1,350
WURTSMITH AFB	FIRE STATION	3,000		3,000		3,000	0		3,000
WURTSMITH AFB	ALERT TAXIWAY BARRIER	640		640		640	0		640
WURTSMITH AFB	HEAT PLANT			0	5,700	5,700	(5,700)	5,700	5,700
ARMY NATIONAL GUARD									
TAYLOR COUNTY	ARMORY		2,353	2,353		0	2,353	2,353	2,353
CAMP GRAYLING	TRNG SITE, MEDICAL UNIT TRAINING FACILITY	456		456		456	0		456
YPSILANTI	ARMORY COMPLEX		3,091	3,091	3,091	3,091	0	3,091	3,091
AIR NATIONAL GUARD									
SELFRIDGE ANGB	FUEL SYSTEM MAINTENANCE DOCK	2,300		2,300		2,300	0		2,300
SELFRIDGE ANGB	ALTER JET FUEL OPERATIONS STORAGE	1,200		1,200		1,200	0		1,200
SELFRIDGE ANGB	ALTER AIRCRAFT ENGINE I & R SHOP	910		910		910	0		910
ARMY RESERVE									
PONTIAC	ADD/ALTER USARC W/MAINT FAC	1,596		1,596		1,596	0		1,596
KALAMAZOO	ADD/ALTER USARC W/MAINT FAC	2,491		2,491		2,491	0		2,491
	MINNESOTA								
ARMY NATIONAL GUARD									
CAMP RIPLEY	RANGE, TANK GUNNERY TABLE VIII	1,242		1,242		1,242	0		1,242
CAMP RIPLEY	RANGE, COMBAT PISTOL	241		241		241	0		241
CAMP RIPLEY	REGIONAL TRAINING SITE - MAINTENANCE	1,619		1,619		1,619	0		1,619
CAMP RIPLEY	TRNG SITE, TRAINING FACILITIES	3,656		3,656		3,656	0		3,656

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
AIR NATIONAL GUARD									
DULUTH ANGB	ADD TO AIRCRAFT ENGINE I & R SHOP	265		265		265	0		265
ARMY RESERVE									
FT SNELLING (MINNEAPOLIS)	BAND ROOM	200		200		200	0		200
NAVY RESERVE									
NMCRC ST PAUL	RESERVE CENTER ADDITION	2,000		2,000		2,000	0		2,000
AIR FORCE RESERVE									
MINN-ST PAUL IAP	AVIONICS SHOP	1,150		1,150		1,150	0		1,150
MINN-ST PAUL IAP	BASE CIVIL ENGINEERING COMPLEX	2,800		2,800		2,800	0		2,800
	MISSISSIPPI								
NAVY									
NAVAL AIR STATION MERIDIAN	BEQ UPGRADE		3,100	3,100		0	3,100	3,100	3,100
NAVAL CONST TNG CTR GULFPORT	BUILDERS INSTRUCTION BUILDING	1,880		1,880		1,880	0		1,880
NAVAL STATION PASCAGOULA	SHIP SUPPORT PHASE II	17,520		17,520	8,180	25,700	(8,180)	8,180	25,700
SUPERVISOR SHIPBLDG, PASCAGOULA	BEQ REHABILITATION			0	6,000	6,000	(6,000)	6,000	6,000
NAVAL CONST TNG CTR GULFPORT	STEELWORKERS TRAINING BUILDING	2,190		2,190		2,190	0		2,190
AIR FORCE									
KEESLER AFB	SECURITY POLICE OPERATIONS FACILITY	2,150		2,150		2,150	0		2,150
KEESLER AFB	ADD TO/UPGRADE DATA AUTOMATION CENTER	2,400		2,400		2,400	0		2,400
COLUMBUS AFB	MISSION SUPPORT COMPLEX	2,950		2,950		2,950	0		2,950
ARMY NATIONAL GUARD									
CAMP MCCAIN	OMS ADDITION							593	593
CAMP SHELBY	TRAINING AREA FACILITY			0	9,500	9,500	(9,500)	9,500	9,500
AIR NATIONAL GUARD									
ALLEN C THOMPSON FIELD	FUEL CELL MAINTENANCE CORROSION FAC	3,500		3,500		3,500	0		3,500
KEY FIELD	MEDICAL ADMINISTRATION			0	1,000	1,000	(1,000)	1,000	1,000
KEY FIELD	CE FACILITY			0	1,450	1,450	(1,450)	1,450	1,450
ARMY RESERVE									
BROOKHAVEN	ARMY RESERVE CENTER W/MAINT FAC	2,307		2,307		2,307	0		2,307
WAYNESBORO	LAND ACQUISITION	100		100		100	0		100
GREENWOOD	ADD/ALTER USARC W/MAINT FAC	1,336		1,336		1,336	0		1,336
NAVY RESERVE									
GULFPORT	SEABEE CENTER			0	6,500	6,500	(6,500)	6,500	6,500
AIR FORCE RESERVE									
KEESLER AFB	COMPOSITE TRAINING FACILITY	2,450		2,450		2,450	0		2,450

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	MISSOURI								
AIR FORCE									
WHITEMAN AFB	ATB BEDDOWN-UNDISTRIBUTED REDUCTION			0	(50,000)	(50,000)	50,000	(20,000)	(20,000)
WHITEMAN AFB	ATB-CONVOY ROAD	1,250		1,250		1,250	0		1,250
WHITEMAN AFB	ATB-ALTER MAINTENANCE HANGAR	12,800		12,800		12,800	0		12,800
WHITEMAN AFB	ATB-MISSION OPERATIONS CENTER	5,700		5,700		5,700	0		5,700
WHITEMAN AFB	ATB-AIRCRAFT PAVEMENTS-PHASE I	1,500		1,500		1,500	0		1,500
WHITEMAN AFB	ATB-HELICOPTER SUPPORT COMPLEX	3,200		3,200		3,200	0		3,200
WHITEMAN AFB	ATB-HYDRANT FUELING DISTRIBUTION	14,100		14,100		14,100	0		14,100
WHITEMAN AFB	ATB-RADAR APPROACH CONTROL FACILITY	1,600		1,600		1,600	0		1,600
WHITEMAN AFB	ATB-AIRCRAFT SUPPORT EQUIPMENT FACILITY	5,900		5,900		5,900	0		5,900
WHITEMAN AFB	ATB-AIRCRAFT PARTS CONTROL STORE	1,450		1,450		1,450	0		1,450
WHITEMAN AFB	CONSOLIDATED MISSILE WING MAINT CTRL CTR	4,800		4,800		4,800	0		4,800
WHITEMAN AFB	ATB-SOUND SUPPRESSOR SUPPORT	500		500		500	0		500
WHITEMAN AFB	ATB-MAINTENANCE CONTROL COMPLEX	4,200		4,200		4,200	0		4,200
WHITEMAN AFB	ATB-HYDRANT FUELING OUTLETS-MAINT DOCKS	4,000		4,000		4,000	0		4,000
WHITEMAN AFB	ATB-MAINTENANCE DOCK	4,500		4,500		4,500	0		4,500
WHITEMAN AFB	ATB-EXPAND UTILITY SYSTEM-PHASE I	18,800		18,800		18,800	0		18,800
DEFENSE AGENCIES									
FORT LEONARD WOOD	EMERGENCY ROOM ALTER	1,450		1,450		1,450	0		1,450
ARMY NATIONAL GUARD									
JEFFERSON CITY	U.S. PROPERTY & FISCAL OFFICER OFFICE	436	1,600	2,036		436	1,600	1,600	2,036
FESTUS	200 PERSON ARMORY	1,783		1,783		1,783	0		1,783
BOONEVILLE	60 PERSON ARMORY	848		848		848	0		848
MONETT	60 PERSON ARMORY	955		955		955	0		955
ARMY RESERVE									
KIRKSVILLE	LAND ACQUISITION	75	(75)	0		75	(75)	(75)	0
AIR FORCE RESERVE									
RICHARDS-GEBAUR	TACTICAL CLINIC	1,600		1,600		1,600	0		1,600
	MONTANA								
AIR FORCE									
MALMSTROM AFB	KC135R-BASE ENGINEER FACILITIES	1,250		1,250		1,250	0		1,250
MALMSTROM AFB	KC135R-ALERT CREW SUPPORT FACILITY	400		400		400	0		400
MALMSTROM AFB	KC135R-TRANSIENT AIRCRAFT MAINTENANCE FAC	410		410		410	0		410
MALMSTROM AFB	KC135R-UPGRADE UTILITIES	3,050		3,050		3,050	0		3,050
MALMSTROM AFB	KC135R-MISSION OPERATIONS FACILITIES	700		700		700	0		700
MALMSTROM AFB	KC135R-ADD/ALT PRECISION MEASUREMENT LAB	1,800		1,800		1,800	0		1,800
MALMSTROM AFB	KC135R-ADD/ALTER AIRCRAFT PARTS STORAGE	910		910		910	0		910
MALMSTROM AFB	KC135R-ALTER WEAPONS SYS MAINT CTRL FAC	1,250		1,250		1,250	0		1,250
MALMSTROM AFB	KC135R-AIRCRAFT MAINTENANCE SHOPS	7,300		7,300		7,300	0		7,300
MALMSTROM AFB	KC135R-VEHICLE READINESS FACILITY	2,400		2,400		2,400	0		2,400

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	-------House------- Change to Request	Authorized	-------Senate------- Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Authorized
ARMY NATIONAL GUARD									
GLASCOW	RANGE, MULTI-PURPOSE INDOOR	336		336		336	0		336
CULBERTSON	ORGANIZATIONAL MAINTENANCE SHOP	556		556		556	0		556
LIVINGSTON	60 PERSON ARMORY	764		764		764	0		764
MISSOULA	ORGANIZATIONAL MAINTENANCE SHOP	607		607		607	0		607
	NEBRASKA								
AIR FORCE									
OFFUTT AFB	PHYSIOLOGICAL TRAINING FACILITY	2,450		2,450		2,450	0		2,450
DEFENSE AGENCIES									
DEF REUTIL & MKTG OFC OFFUTT AFB	COVERED STORAGE	430		430		430	0		430
ARMY NATIONAL GUARD									
HASTINGS	RANGE, MOUT ASSAULT COURSE	266		266		266	0		266
	NEVADA								
NAVY									
NAVAL AIR STATION FALLON	WAREHOUSE	1,850		1,850		1,850	0		1,850
NAVAL AIR STATION FALLON	MAINTENANCE HANGAR	6,120		6,120		6,120	0		6,120
NAVAL AIR STATION FALLON	AIRCRAFT MAINTENANCE FACILITIES	1,500		1,500		1,500	0		1,500
AIR FORCE									
INDIAN SPRINGS	MUNITIONS LOADING/REVETMENT	3,150		3,150		3,150	0		3,150
NELLIS AFB	FLIGHTLINE SECURITY FENCING	1,000		1,000		1,000	0		1,000
NELLIS AFB	AIRCRAFT MUNITIONS LOADING APRON	5,700		5,700		5,700	0		5,700
RENO IAP	FIRE SUPPRESSION SYSTEM	800		800		800	0		800
	NEW HAMPSHIRE								
AIR FORCE									
NEW BOSTON AIR FORCE STATION	EMERGENCY ELECTRIC POWER PLANT	4,500		4,500		4,500	0		4,500
PEASE AFB	ALTER ELECTRICAL SYSTEM			0	8,850	8,850	(8,850)	8,850	8,850
PEASE AFB	ADD-ALTER COMBAT ARMS TRAINING FACILITY	1,050		1,050		1,050	0		1,050
PEASE AFB	ENERGY PLANT CONVERSION			0	500	500	(500)	0	0
PEASE AFB	SECURITY IMPROVEMENTS	1,050		1,050		1,050	0		1,050
ARMY NATIONAL GUARD									
CONCORD	OMS ADDITION			0	344	344	(344)	0	0
AIR NATIONAL GUARD									
PEASE AFB	ADD/ALTER HANGAR FOR AIRCRAFT MAINT	5,000		5,000		5,000	0		5,000
ARMY RESERVE									
CONCORD	LAND ACQUISITION			0	150	150	(150)	150	150
LACONIA	LAND ACQUISITION			0	350	350	(350)	350	350
MANCHESTER	HARDSTAND			0	125	125	(125)	125	125

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
NAVY RESERVE									
MANCHESTER	RESERVE CENTER			0	5,300	5,300	(5,300)	0	0
	NEW JERSEY								
ARMY									
FT DIX	RANGE MODERNIZATION	6,200		6,200		6,200	0		6,200
NAVY									
NAVAL WEAPONS STATION EARLE	DREDGING	18,600	11,800	30,400	11,800	30,400	0	11,800	30,400
AIR FORCE									
MCGUIRE AFB	ADD TO/UPGRADE PHYSICAL FITNESS CENTER	1,250		1,250		1,250	0		1,250
MCGUIRE AFB	SECURITY POLICE COMPLEX	2,300		2,300		2,300	0		2,300
ARMY NATIONAL GUARD									
WASHINGTON	ARMORY ADDITION/ALTERATION	1,629		1,629		1,629	0		1,629
TOMS RIVER	TRNG SITE, AVIATION TRAINING SITE	988		988		988	0		988
FT DIX	ORGANIZATIONAL MAINTENANCE SHOP	710		710		710	0		710
AIR NATIONAL GUARD									
ATLANTIC CITY	ADD/ALTER ROCKET CHECK OUT/STORAGE FAC	1,800		1,800		1,800	0		1,800
ATLANTIC CITY	ALTER ELECT DISTRIBUTION SYSTEM	340		340		340	0		340
WARREN GROVE RANGE	RANGE TOWERS/GUNNERY RANGE	300		300		300	0		300
	NEW MEXICO								
NAVY									
NAVAL ORD STATION WHITE SANDS	MISSILE TEST FACILITY	8,090		8,090		8,090	0		8,090
AIR FORCE									
CANNON AFB	F111-AIRCRAFT FUEL SYSTEM MAINT DOCKS	2,800		2,800		2,800	0		2,800
CANNON AFB	F111-AVIONICS FACILITY	1,300		1,300		1,300	0		1,300
HOLLOMAN AFB	DORMITORIES	2,900		2,900		2,900	0		2,900
KIRTLAND AFB	ADD TO OPERATIONAL TEST AND EVAL COMPLEX	3,100		3,100		3,100	0		3,100
KIRTLAND AFB	HIGH ENERGY RESEARCH AND TECH FACILITY	9,900		9,900		9,900	0		9,900
DEFENSE AGENCIES									
KIRTLAND	DENTAL CLINIC			0	2,550	2,550	(2,550)	2,550	2,550
ARMY NATIONAL GUARD									
CENTRAL	ARMORY			0	1,070	1,070	(1,070)	1,070	1,070
GRANTS	ARMORY			0	800	800	(800)	800	800
LAS VEGAS	ARMORY		1,313	1,313		0	1,313	1,313	1,313
SANTA FE	ORGANIZATIONAL MAINTENANCE SHOP	405		405		405	0		405
SANTA FE	U.S. PROPERTY & FISCAL OFFICER OFFICE BLDG	848		848		848	0		848
SANTA ROSA	ARMORY		819	819	800	800	19	800	800
TUCUMCARI	ARMORY			0	807	807	(807)	807	807

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	--------House--------		------Senate-------		House +/- Senate	Conference Agreement	
			Change to Request	Authorized	Change to Request	Senate Authorized		Change to Request	Authorized
	NEW YORK								
ARMY									
FORT DRUM	10TH MOUNTAIN DIVISION FACS PH III	[214,000]		[214,000]		[214,000]	0		[214,000]
U S MILITARY ACADEMY	CAMP NATURAL BRIDGE MODERNIZATION	8,600	(8,600)	0		8,600	(8,600)	(8,600)	0
U S MILITARY ACADEMY	RECORD FIRE RANGE MODERNIZATION	2,750		2,750		2,750	0		2,750
U S MILITARY ACADEMY	ACADEMIC FACILITY MODERNIZATION PHASE IV	5,900		5,900		5,900	0		5,900
U S MILITARY ACADEMY	REGIONAL SEWAGE SYSTEM CONNECTION	2,500		2,500		2,500	0		2,500
NAVY									
NAVAL STATION STATEN ISLAND	SHIP SUPPORT PHASE IV	33,395	(10,000)	23,395		33,395	(10,000)	(10,000)	23,395
AIR FORCE									
GRIFFISS AFB	ALERT TAXIWAY BARRIERS	700		700		700	0		700
GRIFFISS AFB	UPGRADE ELECTRICAL DISTRIBUTION SYSTEM	[10,400]		[10,400]		[10,400]	0		[10,400]
ARMY NATIONAL GUARD									
ALBANY	ARMY AVIATION SUPPORT FACILITY ADDITION	371		371		371	0		371
AIR NATIONAL GUARD									
HANCOCK FIELD	SPECIAL FUELS FACILITY	270		270		270	0		270
HANCOCK FIELD	POWER CHECK PAD WITH SUPPRESSOR	760		760		760	0		760
HANCOCK FIELD	AIRCRAFT ARRESTING SYSTEM	950		950		950	0		950
STEWART AIRPORT	AUTOMOTIVE MAINTENANCE SHOP	3,100		3,100		3,100	0		3,100
AIR FORCE RESERVE									
NIAGARA FALLS IAP	ADD/ALTER MEDICAL TRAINING FACILITY	900		900		900	0		900
	NORTH CAROLINA								
ARMY									
FORT BRAGG	SPECIAL FORCES OPERATIONS COMPLEX	17,000		17,000		17,000	0		17,000
FORT BRAGG	COMPANY OPERATIONS FACILITIES	7,900		7,900		7,900	0		7,900
FORT BRAGG	SEWAGE TREATMENT PLANT UPGRADE	7,900		7,900		7,900	0		7,900
FORT BRAGG	APPLIED INSTRUCTION FACILITY	3,802		3,802		3,802	0		3,802
NAVY									
MARINE CORPS BASE CAMP LEJUENE	COMBINED ARMS STAFF TRAINER FACILITY	1,640		1,640		1,640	0		1,640
MARINE CORPS BASE CAMP LEJUENE	CHILD CARE CENTER	1,040		1,040		1,040	0		1,040
MARINE CORPS BASE CAMP LEJUENE	BACHELOR ENLISTED QUARTERS	16,220		16,220		16,220	0		16,220
MARINE CORPS BASE CAMP LEJUENE	AIR EMISSIONS CONTROL	600		600		600	0		600
MARINE CORPS BASE CAMP LEJUENE	INFANTRY SCHOOL	2,210		2,210		2,210	0		2,210
MARINE CORPS BASE CAMP LEJUENE	REMOTE PILOTED VEHICLE OPERS MAINT FAC	1,740		1,740		1,740	0		1,740
MCAS CHERRY POINT	GUNNERY RANGE MODERNIZATION	1,880		1,880		1,880	0		1,880
MCAS CHERRY POINT	CONTROL TOWER	3,010		3,010		3,010	0		3,010
MCAS CHERRY POINT	SHOP VENTILATION IMPROVEMENTS	560		560		560	0		560
MCAS CHERRY POINT	FORWARD TRAINING AREA	8,280		8,280		8,280	0		8,280
MCAS CHERRY POINT	BACHELOR ENLISTED QUARTERS	16,910		16,910		16,910	0		16,910
MCAS CHERRY POINT	CHILD CARE CENTER	1,740		1,740		1,740	0		1,740
MCAS NEW RIVER	ORDNANCE OPERATIONS BUILDING	500		500		500	0		500
MCAS NEW RIVER	MAINTENANCE HANGAR MODERNIZATION	5,550		5,550		5,550	0		5,550
MCAS NEW RIVER	COMBAT AIRCRAFT ORDNANCE LOADING AREA	2,350		2,350		2,350	0		2,350

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
AIR FORCE									
SEYMOUR JOHNSON AFB	ADD TO/UPGRADE CORROSION CONTROL FACILITY	3,050		3,050		3,050	0		3,050
DEFENSE AGENCIES									
SEYMOUR JOHNSON AFB	MEDICAL FACILITY SAFETY	3,700		3,700		3,700	0		3,700
ARMY NATIONAL GUARD									
TAYLORSVILLE	60 PERSON ARMORY	683		683		683	0		683
AIR NATIONAL GUARD									
DOUGLAS MAP	AIRCRAFT PARKING APRON	4,800		4,800		4,800	0		4,800
AIR FORCE RESERVE									
SEYMOUR JOHNSON AFB	RESERVE OPERATIONAL AND TRAINING (KC-10)	2,000		2,000		2,000	0		2,000
	NORTH DAKOTA								
AIR FORCE									
GRAND FORKS AFB	ALERT TAXIWAY BARRIER	340		340		340	0		340
GRAND FORKS AFB	ALERT AIRCRAFT SECURITY SCREENS	4,350		4,350		4,350	0		4,350
GRAND FORKS AFB	B52-AIRCRAFT PARTS STORAGE FACILITY	2,400		2,400		2,400	0		2,400
GRAND FORKS AFB	ALTER DORMITORIES	2,350		2,350		2,350	0		2,350
GRAND FORKS AFB	B1B-ADD TO AND UPGRADE EQUIP CORROSN CTRL	2,150		2,150		2,150	0		2,150
GRAND FORKS AFB	B1B-MUNITIONS LOAD CREW TRAINING FAC	1,700		1,700		1,700	0		1,700
MINOT AFB	EDUCATION CENTER	3,200		3,200		3,200	0		3,200
MINOT AFB	COMMUNICATIONS FACILITY	3,050		3,050		3,050	0		3,050
ARMY NATIONAL GUARD									
BISMARCK	ORGANIZATIONAL MAINTENANCE SHOP	1,232		1,232		1,232	0		1,232
	OHIO								
AIR FORCE									
WRIGHT-PATTERSON AFB	ADD TO/UPGRADE SPECIAL OPS INTEL FAC	7,717		7,717		7,717	0		7,717
WRIGHT-PATTERSON AFB	ADD-ALTER AIRCRAFT MODIFICATION CENTER	2,088		2,088		2,088	0		2,088
WRIGHT-PATTERSON AFB	ADD TO/UPGRADE AFLC HEADQUARTERS CMD POST	1,650		1,650		1,650	0		1,650
ARMY NATIONAL GUARD									
MCCONNELSVILLE	TRAINING SITE			0	914	914	(914)	914	914
MCCONNELSVILLE	OMS SHOP			0	1,153	1,153	(1,153)	1,153	1,153
MCCONNELSVILLE	ARMORY		4,669	4,669		0	4,669	4,669	4,669
AIR NATIONAL GUARD									
TOLEDO EXPRESS AIRPORT	ADD TO BASE SUPPLY	300		300		300	0		300
ARMY RESERVE									
DELAWARE	ADD/ALTER USARC W/MAINT FAC	1,355		1,355		1,355	0		1,355
CHILLICOTHE	ADD/ALTER USARC W/MAINT FAC	1,266		1,266		1,266	0		1,266
ZANESVILLE	MAINT FAC/PARKING	275		275		275	0		275

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	-------House------- Change to Request	Authorized	------Senate------- Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Authorized
NAVY RESERVE									
NMCRC TOLEDO	RESERVE TRAINING BUILDING	3,900		3,900		3,900	0		3,900
AIR FORCE RESERVE									
YOUNGSTOWN MAP	UPGRADE DINING HALL	1,000		1,000		1,000	0		1,000
YOUNGSTOWN MAP	MEDICAL TRAINING FACILITY	1,850		1,850		1,850	0		1,850
	OKLAHOMA								
ARMY									
FORT SILL	MAINTENANCE FACILITY	3,700		3,700		3,700	0		3,700
NAVY									
NAVAL AIR DET TINKER AFB	SPECIAL WARFARE UNIT	38,080		38,080		38,080	0		38,080
AIR FORCE									
ALTUS AFB	LAND ACQUISITION		2,300	2,300	2,300	2,300	0	2,300	2,300
TINKER AFB	B1B-AVIONICS FAC/LAND ACQUISITION	11,400		11,400		11,400	0		11,400
TINKER AFB	SECURITY POLICE OPERATIONS FACILITY	1,250		1,250		1,250	0		1,250
DEFENSE AGENCIES									
FORT SILL	HOSPITAL PHASE II		54,000	54,000	27,000	27,000	27,000	27,000	27,000
ARMY NATIONAL GUARD									
TULSA	ORGANIZATIONAL MAINTENANCE SHOP	400		400		400	0		400
HUGO	ARMORY		700	700		0	700	700	700
AIR NATIONAL GUARD									
TULSA IAP	FIRE SUPPRESSION SYSTEM	800		800		800	0		800
ARMY RESERVE									
MIDWEST CITY	ADD/ALTER AFRC	3,727		3,727		3,727	0		3,727
PONCA CITY	ADD/ALTER USARC W/MAINT FAC	1,336		1,336		1,336	0		1,336
NAVY RESERVE									
NMCRC OKLAHOMA	RESERVE CENTER ADDITION	2,350		2,350		2,350	0		2,350
AIR FORCE RESERVE									
TINKER AFB	ADD FIRE PROTECTION FUEL SYSTEM HANGAR	660		660		660	0		660
TINKER AFB	CIVIL ENGINEERING TRAINING FACILITY	780		780		780	0		780

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	OREGON								
ARMY									
UMATILLA ARMY DEPOT	CHEMICAL AREA SECURITY UPGRADE	3,600		3,600		3,600	0		3,600
ARMY NATIONAL GUARD									
REDMOND	UNIT TRAINING EQUIPMENT SITE ADD/ALT	693		693		693	0		693
AIR NATIONAL GUARD									
PORTLAND IAP	ADD TO AIRCRAFT ENGINE I & R SHOP	300		300		300	0		300
PORTLAND IAP	ALERT FACILITIES	2,000		2,000		2,000	0		2,000
PORTLAND IAP	AVIONICS FACILITY	1,600		1,600		1,600	0		1,600
PORTLAND IAP	POWER CHECK PAD WITH SUPPRESSOR	990		990		990	0		990
ARMY RESERVE									
CORVALLIS	UPGRADE KITCHEN	150		150		150	0		150
AIR FORCE RESERVE									
PORTLAND IAP	CIVIL ENGINEERING TRAINING FACILITY	750		750		750	0		750
	PENNSYLVANIA								
ARMY									
LETTERKENNY ARMY DEPOT	INDUSTRIAL WASTE TREATMENT PLANT	1,900		1,900		1,900	0		1,900
NEW CUMBERLAND AD	ENERGY CONSERVATION ALTERATIONS	1,800	(1,800)	0	(1,800)	0	0	(1,800)	0
NAVY									
NAVAL AIR DEV CENTER WARMINSTER	BACHELOR ENLISTED QUARTERS IMPROVEMENTS	1,270		1,270		1,270	0		1,270
NAVY SHIP CENTER PHILADELPHIA	WATER DISTRIBUTION SYSTEM PHASE II		10,300	10,300	8,200	8,200	2,100	10,300	10,300
NAVY SHIP CENTER MECHANICSBURG	ADMINISTRATIVE OFFICE	2,050		2,050		2,050	0		2,050
NAVY AV SUPPLY OFF PHILADELPHIA	OFFICE ADDITION	1,400		1,400		1,400	0		1,400
DEFENSE AGENCIES									
DEFENSE DEPOT MECHANICSBURG	TRAILER LOADING/PARKING AREA/PAVING	460		460		460	0		460
ARMY NATIONAL GUARD									
LEWISBURG	ARMORY ADDITION ALTERATION	944		944		944	0		944
FT INDIANTOWN GAP	HELICOPTER PARKING AREA	269		269		269	0		269
FINLEYVILLE	RANGE, 25 METER BASIC BAFFLED	188		188		188	0		188
AIR NATIONAL GUARD									
GREATER PITTSBURGH IAP	ACCESS ROAD	5,000		5,000		5,000	0		5,000
ARMY RESERVE									
MEADVILLE	ADD/ALT USARC W/MAINT FAC	1,602		1,602		1,602	0		1,602
STATE COLLEGE	ADD/ALTER USARC W/MAINT FAC	1,509		1,509		1,509	0		1,509
NAVY RESERVE									
NAS WILLOW GROVE	RESASWTRACEN ADDITION	2,300		2,300		2,300	0		2,300
NAS WILLOW GROVE	AIR OPERATRIONS AND TERMINAL BUILDING	1,900		1,900		1,900	0		1,900

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
AIR FORCE RESERVE									
GREATER PITTSBURGH IAP	IMPROVE BASE ACCESS ROAD	1,650		1,650		1,650	0		1,650
	RHODE ISLAND								
NAVY									
NAVAL ED & TNG CTR NEWPORT	ELECTRICAL DISTRIBUTION SYSTEM IMPROVEMNTS	7,600		7,600		7,600	0		7,600
SFC WARFARE OFF SCH CMD NEWPORT	COMBAT SYSTEMS TRAINER BUILDING	4,750		4,750		4,750	0		4,750
NAVAL JUSTICE SCHOOL NEWPORT	LEGAL TRAINING BUILDING	2,060		2,060		2,060	0		2,060
NAVAL ED & TNG CTR NEWPORT	WATER DISTRIBUTION SYSTEM IMPROVEMENTS	3,960		3,960		3,960	0		3,960
AIR NATIONAL GUARD									
COVENTRY AGS	ADD/ALTER BUILDINGS PHASE III	1,350		1,350		1,350	0		1,350
	SOUTH CAROLINA								
NAVY									
NAVAL HOSPITAL BEAUFORT	BACHELOR ENLISTED QUARTERS	2,260		2,260		2,260	0		2,260
NAVAL SHIPYARD CHARLESTON	FIRE PROTECTION SYSTEMS	640		640		640	0		640
NAVAL SUPPLY CENTER CHARLESTON	BULK FUEL LOADING AND UNLOADING FACILITY	1,090		1,090		1,090	0		1,090
NAVAL WEAPONS STATION CHARLESTON	MISSILE MAGAZINES	3,620		3,620		3,620	0		3,620
NAVAL WEAPONS STATION CHARLESTON	MISSILE FACILITY	9,400		9,400		9,400	0		9,400
NAVAL WEAPONS STATION CHARLESTON	VERTICAL LAUNCH MISSILE FACILITY	2,470		2,470		2,470	0		2,470
NAVAL WEAPONS STATION CHARLESTON	ELECTRICAL DISTRIBUTION SYSTEM	2,900		2,900		2,900	0		2,900
NAVAL WEAPONS STATION CHARLESTON	TORPEDO MAINTENANCE FACILITY	3,390		3,390		3,390	0		3,390
NAVAL WEAPONS STATION CHARLESTON	INERT STOREHOUSE	470		470		470	0		470
AIR FORCE									
CHARLESTON AFB	C17-FLIGHT SIMULATOR TRAINING FACILITY	5,000		5,000		5,000	0		5,000
CHARLESTON AFB	ADD/ALTER RECREATION CENTER		590	590		0	590	0	0
CHARLESTON AFB	ADD/ALTER CHILD DEVELOPMENT CENTER		490	490		0	490	0	0
DEFENSE AGENCIES									
PARRIS ISLAND	DENTAL CLINIC ADD/ALTER	4,100		4,100		4,100	0		4,100
ARMY NATIONAL GUARD									
FORT JACKSON	NONCOMMISSIONED OFFICER ACADEMY	1,176		1,176		1,176	0		1,176
AIR NATIONAL GUARD									
MCENTIRE	BASE ENGINEER MAINTENANCE FACILITY	1,150		1,150		1,150	0		1,150
MCENTIRE	FIRE SUPPRESSION SYSTEM	900		900		900	0		900
MCENTIRE	FUEL SYSTEMS MAINT CORROSION CONTROL FAC	1,100		1,100		1,100	0		1,100
ARMY RESERVE									
GREENWOOD	ADD/ALTER USARC W/MAINT FAC	1,850		1,850		1,850	0		1,850
AIR FORCE RESERVE									
CHARLESTON AFB	CIVIL ENGINEERING TRAINING FACILITY	620		620		620	0		620

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	SOUTH DAKOTA								
AIR FORCE									
ELLSWORTH AFB	B1B-MUNITIONS LOAD CREW TRAINING FAC	1,700		1,700		1,700	0		1,700
ELLSWORTH AFB	IMPROVE BASE TRAFFIC FLOW	1,650		1,650		1,650	0		1,650
ELLSWORTH AFB	STRATEGIC WARFARE CENTER	5,300		5,300		5,300	0		5,300
ARMY NATIONAL GUARD									
RAPID CITY	200 PERSON ARMORY	1,614		1,614		1,614	0		1,614
	TENNESSEE								
NAVY									
NAS MEMPHIS	TRAINING FACILITY			0	10,090	10,090	(10,090)	10,090	10,090
AIR FORCE									
ARNOLD ENGINEERING DEV CENTER	LARGE ROCKET TEST FACILITY (J-6)	50,000		50,000		50,000	0		50,000
ARNOLD ENGINEERING DEV CENTER	INDEPENDENT WIND TUNNEL DRIVE SYSTEM	23,000		23,000		23,000	0		23,000
ARNOLD ENGINEERING DEV CENTER	UPGRADE STEAM PLANT	7,800		7,800		7,800	0		7,800
ARMY NATIONAL GUARD									
MILAN	TRNG SITE, TRAINING FACILITIES PH II	1,556		1,556		1,556	0		1,556
TRENTON	ARMORY			0	1,500	1,500	(1,500)	1,500	1,500
AIR NATIONAL GUARD									
MCGHEE-TYSON AIRPORT	PROFESSIONAL MILITARY EDUC CENTER PHASE II	4,300		4,300		4,300	0		4,300
NAVY RESERVE									
NAS MEMPHIS	AIRCRAFT RINSE FACILITY	1,100		1,100		1,100	0		1,100
NAS MEMPHIS	RESERVE TRAINING AND ADMIN BUILDING	3,800		3,800		3,800	0		3,800
	TEXAS								
ARMY									
CORPUS CHRISTI ARMY DEPOT	AIRFRAMES SUPPORT FACILITY	4,900		4,900		4,900	0		4,900
CORPUS CHRISTI ARMY DEPOT	AIRCRAFT MAINTENANCE SHOP ADDITION	2,500		2,500		2,500	0		2,500
FORT BLISS	BARRACKS MODERNIZATION		7,100	7,100		0	7,100	0	0
FORT BLISS	TACTICAL EQUIPMENT SHOP		3,800	3,800		0	3,800	3,800	3,800
FORT HOOD	BATTLE SIMULATION FACILITIY	9,000		9,000		9,000	0		9,000
FORT HOOD	CHILD DEVELOP/CHAPEL/RELIGIOUS ED FAC	6,900		6,900		6,900	0		6,900
FORT SAM HOUSTON	CHILD DEVELOPMENT CENTER/RELIGIOUS ED CTR	3,250		3,250		3,250	0		3,250
RED RIVER ARMY DEPOT	WEATHERIZE BUILDINGS	400		400		400	0		400
RED RIVER ARMY DEPOT	CENTRAL DISTRIBUTION CENTER - PHASE II	10,000		10,000	[88,400]	10,000	0		10,000
NAVY									
NAVAL STATION INGLESIDE	SHIP SUPPORT PHASE II	31,850		31,850		31,850	0		31,850
NAVAL STATION GALVESTON	SHIP SUPPORT PHASE II	8,110		8,110	6,390	14,500	(6,390)	0	8,110

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
AIR FORCE									
BERGSTROM AFB	NCO PROFESSIONAL EDUCATION CENTER	2,800		2,800		2,800	0		2,800
BROOKS AFB	VEHICLE MAINTENANCE SHOP		2,750	2,750		0	2,750	2,750	2,750
CARSWELL AFB	DINING FACILITY	3,500		3,500		3,500	0		3,500
DYESS AFB	CONTROL TOWER	2,000		2,000		2,000	0		2,000
DYESS AFB	B1B-ADD/ALTER ACFT MAINT MACHINE SHOP	520		520		520	0		520
DYESS AFB	B1B-DIVISION OPERATIONS FACILITY	950		950		950	0		950
GOODFELLOW AFB	VEHICLE MAINTENANCE FACILITY	2,350		2,350		2,350	0		2,350
KELLY AFB	DEPOT WAREHOUSE	17,500		17,500		17,500	0		17,500
KELLY AFB	AIRCRAFT CORROSION CONTROL FACILITY	8,800		8,800		8,800	0		8,800
KELLY AFB	ADD TO HAZARDOUS MATERIAL STORAGE FAC	3,000		3,000		3,000	0		3,000
LACKLAND AFB	DLI-LANGUAGE TRAINING LABORATORY	12,000		12,000		12,000	0		12,000
LACKLAND AFB	EMERGENCY POWER PLANT	2,039		2,039		2,039	0		2,039
LAUGHLIN AFB	ADD TO VEHICLE MAINTENANCE COMPLEX	980		980		980	0		980
LAUGHLIN AFB	PETROLEUM OPERATIONS COMPLEX	930		930		930	0		930
RANDOLPH AFB	STUDENT DORMITORIES	4,400		4,400		4,400	0		4,400
RANDOLPH AFB	ALTER TECHNICAL TRAINING MGMT FACILITY	1,750		1,750		1,750	0		1,750
RANDOLPH AFB	MANPOWER ANALYSIS FACILITY	[2,400]		[2,400]		[2,400]	0		[2,400]
REESE AFB	SURVIVAL EQUIPMENT SHOP	990		990		990	0		990
SHEPPARD AFB	STUDENT DORMITORY	9,500		9,500		9,500	0		9,500
SHEPPARD AFB	FUEL CELL REPAIR FACILITY	1,200		1,200		1,200	0		1,200
DEFENSE AGENCIES									
CORPUS CHRISTI	HOSPITAL SAFETY	6,100		6,100		6,100	0		6,100
DYESS AFB	HOSPITAL SAFETY	950		950		950	0		950
FORT SAM HOUSTON	HOSPITAL REPLACEMENT PHASE I	23,000		23,000		23,000	0		23,000
DEF REUTIL & MKTG CARSWELL AFB	COVERED STORAGE	350		350		350	0		350
ARMY NATIONAL GUARD									
ELLINGTON ANG BASE (HOUSTON)	ORGANIZATIONAL MAINTENANCE SHOP	395		395		395	0		395
ELLINGTON ANG BASE (HOUSTON)	ARMY AVIATION SUPPORT FACILITY	1,960		1,960		1,960	0		1,960
ELLINGTON ANG BASE (HOUSTON)	200 PERSON ARMORY	2,293		2,293		2,293	0		2,293
AIR NATIONAL GUARD									
ELLINGTON ANGB	ALTER BLDG 1358 FOR BCE & ADMIN	340		340		340	0		340
ELLINGTON ANGB	ADD/ALTER BLDG 1380 AGE FACILITY	350		350		350	0		350
DALLAS NAS	WEAPONS SYSTEM SECURITY/MEDICAL TNG/ADMIN	2,100		2,100		2,100	0		2,100
ARMY RESERVE									
HARLINGEN	ARMED FORCES RESERVE CENTER W/MAINT FAC	2,739		2,739		2,739	0		2,739
SEAGOVILLE	LOCAL TRAINING AREA	2,184		2,184		2,184	0		2,184
SEAGOVILLE	ADD/ALTER USARC W/MAINT FAC	5,003		5,003		5,003	0		5,003
FORT HOOD	REGIONAL MAINTENANCE TRAINING SITE	2,504		2,504		2,504	0		2,504
AMARILLO	UPGRADE KITCHEN	200		200		200	0		200
HOUSTON (OLD SPANISH TRAIL)	PURCHASE USARC W/MAINT FAC	2,500		2,500		2,500	0		2,500

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
NAVY RESERVE									
NAVAL AIR STATION DALLAS	FIRE & RESCUE STATION STORAGE ADDITION	355		355		355	0		355
NMCRC DALLAS	RESERVE CENTER ADDITION	3,300		3,300		3,300	0		3,300
NMCRC HARLINGEN	RESERVE TRAINING BUILDING	2,600		2,600		2,600	0		2,600
AIR FORCE RESERVE									
CARSWELL AFB	COMPOSITE MAINTENANCE SHOPS	3,550		3,550		3,550	0		3,550
CARSWELL AFB	FUEL SYSTEMS MAINTENANCE HANGAR	2,550		2,550		2,550	0		2,550
CARSWELL AFB	ALTER AVIONICS SHOP	2,100		2,100		2,100	0		2,100
CARSWELL AFB	MUNITIONS STORAGE	310		310		310	0		310
CARSWELL AFB	ALTER MAINTENANCE SHOPS	1,000		1,000		1,000	0		1,000
KELLY AFB	COMPOSITE MAINTENANCE FACILITY	2,700		2,700		2,700	0		2,700
KELLY AFB	OUTDOOR WASHRACK	1,200		1,200		1,200	0		1,200
	UTAH								
ARMY									
TOOELE ARMY DEPOT	CHEMICAL AREA SECURITY UPGRADE	5,700		5,700		5,700	0		5,700
TOOELE ARMY DEPOT	AMMUNITION DEMILITARIZATION FACILITY	49,600		49,600		49,600	0		49,600
TOOELE ARMY DEPOT	CONSOLIDATED MAINTENANCE FACILITY MOD	37,000		37,000		37,000	0		37,000
DUGWAY PROVING GROUND	CHEMICAL LABORATORY FACILITY	12,800		12,800		12,800	0		12,800
AIR FORCE									
HILL AFB	ADD TO/UPGRADE METAL PROCESSING SHOP	1,600		1,600		1,600	0		1,600
HILL AFB	COMBAT LOGISTICS SUPPORT FACILITY	3,700		3,700		3,700	0		3,700
HILL AFB	LANTIRN AVIONICS FACILITY	810		810		810	0		810
HILL AFB	SOUND SUPPRESSOR SUPPORT FACILITY	880		880		880	0		880
HILL AFB	TACTICAL AIRCRAFT CONTROL OPERATIONS FAC	3,750		3,750		3,750	0		3,750
DEFENSE AGENCIES									
DEFENSE DEPOT OGDEN	ADP FACILITY	6,000		6,000		6,000	0		6,000
AIR NATIONAL GUARD									
SALT LAKE CITY IAP	ELECTRONICS SECURITY COMPLEX	2,800		2,800		2,800	0		2,800
AIR FORCE RESERVE									
HILL AFB	ADD/ALTER RESERVE OPERATIONAL TRAINING	1,540		1,540		1,540	0		1,540
	VERMONT								
ARMY NATIONAL GUARD									
ETHAN ALLEN	400 PERSON ARMORY	4,001		4,001		4,001	0		4,001

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	VIRGINIA								
ARMY									
FORT EUSTIS	EMERGENCY SERVICES BUILDING		2,500	2,500		0	2,500	2,500	2,500
FORT PICKETT	CENTRAL WASH FACILITY	4,000		4,000		4,000	0		4,000
FORT EUSTIS	APPLIED INSTRUCTION FACILITY	2,500		2,500		2,500	0		2,500
FORT A P HILL	UTILITIES AND TRAINING FACILITY UPGRADE	5,900		5,900	4,000	9,900	(4,000)	4,000	9,900
FORT LEE	PETROLEUM FIELD TRAINING FACILITY		4,800	4,800		0	4,800	4,800	4,800
VINT HILL FARMS STATION	WAREHOUSE ADDITION	800		800		800	0		800
NAVY									
MARINE CORPS CBT CMD QUANTICO	TRAINING RANGE IMPROVEMENTS	4,800		4,800		4,800	0		4,800
MARINE CORPS CBT CMD QUANTICO	BACHELOR ENLISTED QUARTERS	7,700		7,700		7,700	0		7,700
MARINE CORPS CBT CMD QUANTICO	APPLIED INSTRUCTION BUILDING	1,790		1,790		1,790	0		1,790
MARINE CORPS DET CAMP ELMORE	AMPHIBIOUS BRIGADE SUPPORT COMPLEX	1,690		1,690		1,690	0		1,690
MARINE ENV SYSTEMS FAC DAM NECK	BOAT STORAGE FACILITIES	5,000		5,000		5,000	0		5,000
FLT CBT TNG CTR ATL DAM NECK	RADARMAN TRAINING BUILDING ADDITION	4,700		4,700		4,700	0		4,700
NAV GUIDED MISSILES SCH DAM NECK	FIRE FIGHTING TRAINER FACILITY	4,450		4,450		4,450	0		4,450
NAVAL AIR STATION OCEANA	STORAGE BUILDING ADDITIONS	790		790		790	0		790
NAVAL AIR STATION OCEANA	TACTICAL AIRCREW TRAINING SYSTEM COMPLEX	1,900		1,900		1,900	0		1,900
NAVAL AMPHIB BASE LITTLE CREEK	BOAT SHOP	8,270		8,270		8,270	0		8,270
NAVAL AMPHIB SCHOOL LITTLE CREEK	TRAINING FACILITIES	640		640		640	0		640
NAVAL SEC GP ACT NW CHESAPEAKE	PERSONNEL SUPPORT FACILITIES	4,310		4,310		4,310	0		4,310
NAVAL SEC GP ACT NW CHESAPEAKE	GYMNASIUM	1,090		1,090		1,090	0		1,090
NAVAL SFC WEAPONS CTR DAHLGREN	WEAPONS SYSTEM LABORATORY	6,840		6,840		6,840	0		6,840
NAVAL SFC WEAPONS CTR DAHLGREN	AEGIS EDUCATION CENTER ADDITION	8,470		8,470		8,470	0		8,470
NAVAL SFC WEAPONS CTR DAHLGREN	TARGET SUPPORT FACILITY	10,132		10,132		10,132	0		10,132
NAVAL SUPPLY CENTER WILLIAMSBURG	MUNICIPAL SEWER CONNECTION	3,300		3,300		3,300	0		3,300
NAVAL OPHT SPT ACT YORKTOWN	OPTHALMIC SUPPORT BLDG ADDN & ALTERATIONS	1,970		1,970		1,970	0		1,970
NAVAL WEAPONS STATION YORKTOWN	PIER MODERNIZATION	[7,870]		[7,870]		[7,870]	0		[7,870]
NAVAL WEAPONS STATION YORKTOWN	MISSILE MAGAZINES	7,470		7,470		7,470	0		7,470
NAVAL WEAPONS STATION YORKTOWN	MISSILE MAGAZINES	4,890		4,890		4,890	0		4,890
NAVAL WEAPONS STATION YORKTOWN	MISSILE FACILITY	[9,100]		[9,100]		[9,100]	0		[9,100]
ATLANTIC FLT HQ SPT ACT NORFOLK	ADMINISTRATIVE BUILDING ADDITION	1,700		1,700		1,700	0		1,700
NAVAL AVIATION DEPOT NORFOLK	MATERIALS AND STANDARDS LABORATORY	8,950		8,950		8,950	0		8,950
NAVAL LEGAL SERVICE OFF NORFOLK	NAVAL LEGAL SERVICE BUILDING ADDITION	1,080		1,080		1,080	0		1,080
NAVAL MEDICAL CLINIC NORFOLK	AVIATION PHYSIOLOGY TRAINING FACILITY	2,470		2,470		2,470	0		2,470
NAVAL SUPPLY CENTER NORFOLK	LARGE COMPONENT STORAGE	2,060		2,060		2,060	0		2,060
NAVAL SUPPLY CENTER NORFOLK	DRUM STORAGE AND ISSUE FACILITY	4,600		4,600		4,600	0		4,600
NAVY PUBLIC WORKS CENTER NORFOLK	STEAM PLANT IMPROVEMENTS	4,410		4,410		4,410	0		4,410
AIR FORCE									
LANGLEY AFB	TACTICAL AIRCRAFT CONTROL COMPLEX	[2,250]		[2,250]		[2,250]	0		[2,250]

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House		Senate		House +/- Senate	Conference Agreement	
			Change to Request	Authorized	Change to Request	Senate Authorized		Change to Request	Authorized
DEFENSE AGENCIES									
FT BELVOIR	BUILDING CONVERSION	3,000		3,000		3,000	0		3,000
ARLINGTON SERVICE CENTER	DCA HQS ALTERATIONS BLDG 12	742		742		742	0		742
CHEATHAM ANNEX	COLD STORAGE FACILITY	450		450		450	0		450
ARMY NATIONAL GUARD									
HARRISONBURG	ARMORY ADDITION/ALTERATION	830		830		830	0		830
WARRENTON	ARMORY ADDITION/ALTERATION	445		445		445	0		445
GATE CITY	ORGANIZATIONAL MAINTENANCE SHOP ADDITION	349		349		349	0		349
WEST POINT	ARMORY		1,420	1,420		0	1,420	1,420	1,420
PETERSBURG	ARMORY ADDITION/ALTERATION	1,031		1,031		1,031	0		1,031
COVINGTON/CLIFTON FORGE	100 PERSON ARMORY	1,071		1,071		1,071	0		1,071
SANDSTON	200 PERSON ARMORY	2,504		2,504		2,504	0		2,504
ARLINGTON HALL STATION	NATIONAL GUARD CENTER	21,900		21,900		21,900	0		21,900
ARMY RESERVE									
FORT EUSTIS	STORAGE/MAINT FAC	3,163		3,163		3,163	0		3,163
AIR FORCE RESERVE									
LANGLEY AFB	AERIAL PORT TRAINING FACILITY	530		530		530	0		530
	WASHINGTON								
ARMY									
FORT LEWIS	SPECIAL NEEDS SCHOOL		10,000	10,000		0	10,000	10,000	10,000
FORT LEWIS	HARDSTAND/TACTICAL EQUIPMENT SHOPS	9,800		9,800		9,800	0		9,800
NAVY									
TRIDENT BASE BANGOR	MAINTENANCE STORAGE FACILITY	990		990		990	0		990
NAVAL STATION EVERETT	CARRIER SUPPORT COMPLEX (INCREMENT IV)	52,950	(14,550)	38,400	(52,950)	0	38,400	(14,550)	38,400
NAVAL SUPPLY CTR BREMERTON	BULK STORAGE	5,740		5,740		5,740	0		5,740
NAVAL AIR STATION WHITBY	AIRCRAFT APRON	2,640		2,640		2,640	0		2,640
NAVAL AIR STATION WHITBY	AIRCRAFT MAINTENANCE	8,370		8,370		8,370	0		8,370
STRATEGIC WEAPONS FAC SILVERDALE	STRATEGIC WEAPONS FACILITIES	15,060		15,060		15,060	0		15,060
AIR FORCE									
FAIRCHILD AFB	CRUISE MISSILE SUPPORT FACILITIES	4,800		4,800		4,800	0		4,800
FAIRCHILD AFB	BEQ SURVIVAL SCHOOL		8,100	8,100		0	8,100	8,100	8,100
FAIRCHILD AFB	KC135-COCKPIT PROCEDURES TRAINER SPT FAC	930		930		930	0		930
FAIRCHILD AFB	COMBAT ARMS TRAINING AND MAINT FACS	1,400		1,400		1,400	0		1,400
FAIRCHILD AFB	ADD/ALTER ALERT CREW SUPPORT FACILITIES	2,350		2,350		2,350	0		2,350
MCCHORD AFB	ALTER DORMITORIES	9,300		9,300		9,300	0		9,300
MCCHORD AFB	DINING FACILITY	3,800		3,800		3,800	0		3,800
DEFENSE AGENCIES									
FT LEWIS	MADIGAN HOSPITAL PHASE IV	72,000		72,000		72,000	0		72,000

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
ARMY NATIONAL GUARD									
KENT	400 PERSON ARMORY	3,619		3,619		3,619	0		3,619
AIR NATIONAL GUARD									
FAIRCHILD AFB	COMPOSITE MAINTENANCE FACILITY	1,500		1,500		1,500	0		1,500
FOUR LAKES	COMM ELECTRONICS TRAINING FACILITY	300		300		300	0		300
ARMY RESERVE									
TUMWATER	UPGRADE KITCHEN	150		150		150	0		150
YAKIMA	EXPAND ARMY RESERVE CENTER	125		125		125	0		125
NAVY RESERVE									
NAS WHIDBEY ISLAND	ADMIN/TRAINING BUILDING	5,400		5,400		5,400	0		5,400
	WEST VIRGINIA								
ARMY NATIONAL GUARD									
PARKERSBURG	ARMY AVIATION SUPPORT FACILITY	5,048		5,048		5,048	0		5,048
CAMP DAWSON	TRNG SITE, TRAINING FACIIITES PH III	1,474		1,474		1,474	0		1,474
CAMP DAWSON	TRNG SITE, TRAINING FACILITIES PH II	2,237		2,237		2,237	0		2,237
BUCKHANNON	PROPERTY OFFICE ADDITION			0	325	325	(325)	325	325
AIR NATIONAL GUARD									
E WV REGIONAL APT (MARTINSBURG)	ALT VEHICLE MAINTENANCE			0	200	200	(200)	200	200
E WV REGIONAL APT (MARTINSBURG)	OPERATIONAL TRAINING FACILITY	3,000		3,000		3,000	0		3,000
E WV REGIONAL APT (MARTINSBURG)	COMPOSITE AVIONICS/NDI	740		740		740	0		740
KANAWHA COUNTY AIRPORT	ADD/ALTER JET FUEL STORAGE COMPLEX	1,700		1,700		1,700	0		1,700
KANAWHA COUNTY AIRPORT	SQUADRON OPERATIONS ADDITION	870		870		870	0		870
ARMY RESERVE									
BECKLEY	LAND ACQUISITION			0	175	175	(175)	175	175
PARKERSBURG	RESERVE CENTER			0	3,306	3,306	(3,306)	3,306	3,306
MORGANTOWN	LAND ACQUISITION			0	150	150	(150)	150	150
AIR FORCE RESERVE									
MORGANTOWN	CIVIL ENGINEERING TRAINING FACILITY	600		600		600	0		600
	WISCONSIN								
ARMY									
FORT MCCOY	ELECTRICAL SUBSTATION	2,100		2,100		2,100	0		2,100
AIR NATIONAL GUARD									
MITCHELL FIELD	SUPPORT FACILITIES		2,970	2,970		0	2,970	2,970	2,970
AIR FORCE RESERVE									
BILLY MITCHELL FIELD	COMPOSITE TRAINING FACILITY	1,700		1,700		1,700	0		1,700

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	WYOMING								
AIR FORCE									
FE WARREN AFB	PEACEKEEPER-ROADS AND UTILITIES	2,100	(2,100)	0		2,100	(2,100)	(2,100)	0
FE WARREN AFB	PEACEKEEPER-MISSILE ASSEMBLY FACILITY	24,000	(24,000)	0		24,000	(24,000)	(24,000)	0
FE WARREN AFB	PEACEKEEPER-RAILROAD EXTENSION	5,100	(5,100)	0		5,100	(5,100)	(5,100)	0
FE WARREN AFB	MISSILE OPERATIONS FACILITY	4,000		4,000		4,000	0		4,000
FE WARREN AFB	UPGRADE DORMITORY	2,000		2,000		2,000	0		2,000
ARMY NATIONAL GUARD									
CAMP GUERNSEY	WATER TOWER	275		275		275	0		275
AIR NATIONAL GUARD									
CHEYENNE MAP	BASE ENGINEERING FACILITY	1,900		1,900		1,900	0		1,900
CHEYENNE MAP	DINING HALL/FIRE STATION	2,150		2,150		2,150	0		2,150
	CONUS CLASSIFIED								
AIR FORCE									
CLASSIFIED LOCATION	MILSTAR CMD/COMMUNICATIONS/MAINT FACILITY	4,000		4,000		4,000	0		4,000
DEFENSE AGENCIES									
CLASSIFIED LOCATION	CLASSIFIED PROJECT	4,200		4,200		4,200	0		4,200
CLASSIFIED LOCATION	CLASSIFIED PROJECT, NSA	20,000		20,000	(20,000)	0	20,000	0	20,000
	CONUS VARIOUS								
ARMY									
ACCESS ROADS	DEFENSE ACCESS ROADS	1,000		1,000		1,000	0		1,000
VARIOUS CONUS LOCATIONS	CLASSIFIED PROJECT	3,600		3,600		3,600	0		3,600
AIR FORCE									
BASE 80	SPECIAL SUPPORT FACILITIES	987		987		987	0		987
BASE 81	SPECIAL ACTIVITY FACILITIES	2,800		2,800		2,800	0		2,800

OUTSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	-------House------- Change to Request	-------House------- Authorized	------Senate------- Change to Request	------Senate------- Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	OUTSIDE THE UNITED STATES								
	ANTIGUA								
NAVY									
NAVAL SUPPORT FACILITY	SUPPORT FACILITY UPGRADE	6,470		6,470		6,470	0		6,470
	BELGIUM								
AIR FORCE									
KLEINE BROGEL	ALTER MUNITIONS STORAGE FACILITIES	1,900		1,900		1,900	0		1,900
	GERMANY								
ARMY									
ANSBACH	AIRCRAFT PARKING APRON	15,000		15,000		15,000	0		15,000
BAD KREUZNACH	FACILITY MODERNIZATION	[10,200]		[10,200]		[10,200]	0		[10,200]
BAUMHOLDER	ORGANIZATIONAL VEHICLE PARKING	[10,800]		[10,800]		[10,800]	0		[10,800]
FRIEDBERG	CHILD DEVELOPMENT CENTER	1,300		1,300		1,300	0		1,300
GIESSEN	HARDSTAND/FACILITY UPGRADE	6,300		6,300		6,300	0		6,300
GRAFENWOEHR TNG AREA	CLASS 1 STORAGE FACILITY	7,000		7,000		7,000	0		7,000
HOHENFELS TNG AREA	PHYSICAL FITNESS TRAINING CENTER	3,050		3,050		3,050	0		3,050
HOHENFELS TNG AREA	CHILD DEVELOPMENT CENTER	1,550		1,550		1,550	0		1,550
HOHENFELS TNG AREA	WAREHOUSE	3,300		3,300		3,300	0		3,300
HOHENFELS TNG AREA	OPERATIONS FACILITY	1,750		1,750		1,750	0		1,750
HOHENFELS TNG AREA	EDUCATION CENTER ADDITION	610		610		610	0		610
HOHENFELS TNG AREA	TACTICAL EQUIPMENT SHOP	9,400		9,400		9,400	0		9,400
HOHENFELS TNG AREA	DINING FACILITY	2,550		2,550		2,550	0		2,550
HOHENFELS TNG AREA	BARRACKS COMPLEX	13,600		13,600		13,600	0		13,600
HOHENFELS TNG AREA	TRAINING SUPPORT CENTER	1,250		1,250		1,250	0		1,250
KARLSRUHE	CHILD DEVELOPMENT CENTER	2,550		2,550		2,550	0		2,550
MAINZ	AIRCRAFT MAINTENANCE FACILITY	10,000		10,000		10,000	0		10,000
MAINZ	ORGANIZATIONAL VEHICLE PARKING	[1,100]		[1,100]		[1,100]	0		[1,100]
MAINZ	AMMUNITION STORAGE	1,850		1,850		1,850	0		1,850
MAINZ	UTILITIES SYSTEM EXPANSION	7,700		7,700		7,700	0		7,700
MANNHEIM	HARDSTAND/FACILITY UPGRADE	14,400		14,400		14,400	0		14,400
RHEINBERG	INDUSTRIAL OPERATIONS FACILITY	6,600		6,600		6,600	0		6.600
RHEINBERG	PHYSICAL FITNESS TRAINING CENTER	5,800		5,800		5,800	0		5,800
SCHWEINFURT	HARDSTAND/FACILITY UPGRADE	9,700		9,700		9,700	0		9,700
STUTTGART	CHILD DEVELOPMENT CENTER	3,350		3,350		3,350	0		3,350
STUTTGART	CHILD DEVELOPMENT CENTER	[1,800]		[1,800]		[1,800]	0		[1,800]
VARIOUS SITES	RANGE MODERNIZATION	13,000		13,000		13,000	0		13,000
VARIOUS SITES	WARTIME HOST NATION SUPPORT	5,000		5,000		5,000	0		5,000
VILSECK	GENERAL PURPOSE WAREHOUSE	2,000		2,000		2,000	0		2,000
VILSECK	HARDSTAND/TACTICAL EQUIPMENT SHOP	16,000		16,000		16,000	0		16,000
VILSECK	BARRACKS	9,000		9,000		9,000	0		9,000
VILSECK	FACILITIES ENGINEER COMPLEX	13,600		13,600		13,600	0		13,600
VILSECK	POST OFFICE	1,200		1,200		1,200	0		1,200
VILSECK	BATTALION HEADQUARTERS	1,750		1,750		1,750	0		1,750
VILSECK	BARRACKS	1,050		1,050		1,050	0		1,050
WIESBADEN	AIRCRAFT MAINTENANCE HANGER	8,800		8,800		8,800	0		8,800
WIESBADEN	HARDSTAND/TACTICAL EQUIPMENT SHOP	2,550		2,550		2,550	0		2,550
WIESBADEN	HARDSTAND	2,550		2,550		2,550	0		2,550
WILDFLECKEN	HARDSTAND	[11,400]		[11,400]		[11,400]	0		[11,400]
WORMS	CHILD DEVELOPMENT CENTER	1,300		1,300		1,300	0		1,300
WUERZBURG	COMBAT AVIATION COMPLEX	18,000		18,000		18,000	0		18,000
WUERZBURG	HARDSTAND/FACILITY UPGRADE	13,800		13,800		13,800	0		13,800
WUERZBURG	CHAPEL AND RELIGIOUS EDUCATION FACILITY	1,850		1,850		1,850	0		1,850

OUTSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	-------House-------		------Senate------		House +/- Senate	Conference Agreement	
			Change to Request	Authorized	Change to Request	Senate Authorized		Change to Request	Authorized
AIR FORCE									
BITBURG AB	COMBAT REPAIR EQUIP STORAGE FACILITY	550		550		550	0		550
BITBURG AB	ADD/ALTER AEROSPACE GROUND EQ FACILITY	510		510		510	0		510
EINSIEDLERHOF	ALTER TRANSIENT DORMITORY	1,500		1,500		1,500	0		1,500
HAHN AB	ALTER MUNITIONS STORAGE FACILITIES	9,900		9,900		9,900	0		9,900
HAHN AB	PASSIVE DEFENSE EQUIP STORAGE WAREHOUSE	500		500		500	0		500
HAHN AB	COMBAT REPAIR EQUIP STORAGE FACILITY	1,050		1,050		1,050	0		1,050
HAHN AB	ALTERNATE COMBAT RUNWAY	5,200		5,200		5,200	0		5,200
HESSISCH	SECURITY POLICE OPERATIONS FACILITY	740		740		740	0		740
NORVENICH AB	ALTER MUNITIONS STORAGE FACILITIES	2,300		2,300		2,300	0		2,300
PRUEM AS	TACTICAL OPERATIONS FACILITY	620		620		620	0		620
RAMSTEIN AB	COMBAT AMMUNITION CONTROL CENTER	1,600		1,600		1,600	0		1,600
RAMSTEIN AB	PASSIVE DEFENSE EQUIP STORAGE FACILITY	450		450		450	0		450
RAMSTEIN AB	COMBAT REPAIR EQUIP STORAGE FACILITY	1,100		1,100		1,100	0		1,100
RAMSTEIN AB	ADD TO/UPGRADE AIRMAN COMMUNITY CENTER	4,800	(4,800)	0		4,800	(4,800)	(4,800)	0
RAMSTEIN AB	UNINTERRUPTABLE BACKUP POWER SUPPLY SPT	1,300		1,300		1,300	0		1,300
RAMSTEIN AB	MUNITIONS EQUIPMENT MAINTENANCE FACILITY	1,550		1,550		1,550	0		1,550
RHEIN-MAIN AB	ADD/ALTER SQUADRON OPERATIONS FACILITY	800		800		800	0		800
RHEIN-MAIN AB	WIDEN AIRCRAFT TAXIWAY	2,200		2,200		2,200	0		2,200
RHEIN-MAIN AB	AIRCRAFT PARKING	2,000		2,000		2,000	0		2,000
SEMBACH AB	COMBAT REPAIR EQUIP STORAGE FACILITY	550		550		550	0		550
SEMBACH AB	UPGRADE WATER STORAGE AND DIST SYSTEM	3,000		3,000		3,000	0		3,000
SPANGDAHLEM AB	AIRCRAFT CORROSION CONTROL FACILITY	2,750		2,750		2,750	0		2,750
SPANGDAHLEM AB	COMBAT ARMS TRAINING FACILITY	670		670		670	0		670
SPANGDAHLEM AB	POST OFFICE	1,300		1,300		1,300	0		1,300
SPANGDAHLEM AB	MUNITIONS STORAGE IGLOOS	2,200		2,200		2,200	0		2,200
SPANGDAHLEM AB	FIELD TRAINING FACILITY	2,100		2,100		2,100	0		2,100
SPANGDAHLEM AB	SECURITY POLICE OPERATIONS FACILITY	1,250		1,250		1,250	0		1,250
WENIGERATH	AIR BASE GROUND DEFENSE MUNITIONS IGLOOS	1,700		1,700		1,700	0		1,700
ZWEIBRUCKEN AB	DIGITAL EUROPEAN BACKBONE FACILITY	780		780		780	0		780
ZWEIBRUCKEN AB	COMBAT REPAIR EQUIP STORAGE FACILITY	520		520		520	0		520
DEFENSE AGENCIES									
ASCHAFFENBURG	ELEMENTARY & JUNIOR HIGH ADDITIONS	8,151		8,151		8,151	0		8,151
BAD KISSINGEN	ELEMENTARY SCHOOL ADDITION	1,620		1,620		1,620	0		1,620
BAUMHOLDER	ELEMENTARY SCHOOL ADDITION	1,940		1,940		1,940	0		1,940
DEF REUTIL & MKTNG OFC BITBURG	COVERED STORAGE	800		800		800	0		800
DEF REUTL & MKTNG KAISERSLAUTERN	ADMINISTRATIVE FACILITY	500		500		500	0		500
DOWNS BKS	DISPENSARY/DENTAL CLINIC	4,200		4,200		4,200	0		4,200
ERLANGEN	ELEMENTARY SCHOOL ADDITION	3,890		3,890		3,890	0		3,890
GEILENK	MEDICAL STORAGE	450		450		450	0		450
GEISSEN	HIGH SCHOOL ADDITION	5,430		5,430		5,430	0		5,430
GEISSEN	MIDDLE SCHOOL ADDITION	2,197		2,197		2,197	0		2,197
GELNHAUSEN	ELEMENTARY SCHOOL ADDITION	1,482		1,482		1,482	0		1,482
HAHN AFB	COMP MEDICAL FACILITY ADD/ALTER	18,500		18,500		18,500	0		18,500
PATCH BKS	DISPENSARY/DENTAL CLINIC	4,700		4,700		4,700	0		4,700
RHEIN-MAIN	DISPENSARY/DENTAL CLINIC	14,200		14,200		14,200	0		14,200
SMITH BKS	DENTAL CLINIC	5,100		5,100		5,100	0		5,100
SPANGDAHLEM AD	MEDICAL STORAGE	1,250		1,250		1,250	0		1,250
WILDFLECKEN	DISPENSARY/DENTAL CLINIC	4,800		4,800		4,800	0		4,800
WILDFLECKEN	ELEM AND MIDDLE SCHOOL ADDITIONS	2,752		2,752		2,752	0		2,752

OUTSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	-------House------- Change to Request	-------House------- Authorized	------Senate------- Change to Request	------Senate------- Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	GREENLAND								
AIR FORCE									
SONDRESTROM AB	ADD/ALTER FIRE STATION	3,850		3,850		3,850	0		3,850
SONDRESTROM AB	SUPPLY STORAGE AREA	2,100		2,100		2,100	0		2,100
THULE AB	INSTALL CIRCULATION FANS	1,050		1,050		1,050	0		1,050
THULE AB	THRESHOLD LIGHTS	780		780		780	0		780
	GUAM								
NAVY									
FLEET SURV SUPPORT COMMAND	ELECTRONIC INSTALLATION	26,280	(5,308)	20,972		26,280	(5,308)	(5,308)	20,972
NAVAL STATION GUAM	ROAD IMPROVEMENTS	2,820		2,820	(2,820)	0	2,820	(2,820)	0
NAVY PUBLIC WORKS CENTER GUAM	BOILER SAFETY IMPROVEMENTS	1,820		1,820		1,820	0		1,820
NAVAL SECURITY GP DET GUAM	RADOME UPGRADE	400		400		400	0		400
NAVAL SUPPLY DEPOT	TRANSIT SHED	5,710		5,710		5,710	0		5,710
NAVAL SUPPLY DEPOT	FIRE SAFETY	1,950		1,950		1,950	0		1,950
NAVY PUBLIC WORKS CENTER GUAM	WHARVES ELECTRIC POWER IMPROVEMENT	4,900		4,900		4,900	0		4,900
AIR FORCE									
ANDERSEN AFB	ADD TO/UPGRADE PHYSICAL FITNESS CENTER	[3,400]		[3,400]		[3,400]	0		[3,400]
ANDERSEN AFB	SOUND SUPPRESSOR SUPPORT FACILITY	900		900		900	0		900
	HONDURAS								
ARMY									
HONDURAS	UPGRADE FACILITIES - SITE 5	3,050		3,050	(3,050)	0	3,050	0	3,050
	ICELAND								
NAVY									
NAVAL AIR SATATION KEFLAVIK	FUEL FACILITIES	12,000		12,000		12,000	0		12,000
AIR FORCE									
KEFLAVIK	F15-AIRCRAFT PARTS WAREHOUSE	1,100		1,100		1,100	0		1,100
DEFENSE AGENCIES									
KEFLAVIK	AT MAHAN ELEMENTARY SCHOOL	5,434		5,434		5,434	0		5,434
	ITALY								
ARMY									
VARIOUS	CHILD DEVELOPMENT CENTER	1,250		1,250		1,250	0		1,250
NAVY									
NAVAL AIR STATION SIGONELLA	AIRCRAFT PARKING APRON	3,900		3,900		3,900	0		3,900
NAVAL AIR STATION SIGONELLA	ENGINE TEST CELL	4,050		4,050		4,050	0		4,050
NAVAL SUPPORT ACTIVITY NAPLES	COLD STORAGE FACILITY	1,150		1,150		1,150	0		1,150
NAVAL SUPPORT ACTIVITY NAPLES	AIRCRAFT PARKING APRON	1,400		1,400		1,400	0		1,400
NAVAL SUPPORT ACTIVITY NAPLES	CMD CTRL COMMS & INTEL COMPLEX (PHASE II)	21,600	(19,400)	2,200	(19,400)	2,200	0	(19,400)	2,200

OUTSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	-------House------- Change to Request	Authorized	------Senate------- Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Authorized
AIR FORCE									
AVIANO AB	DORMITORY	4,250		4,250		4,250	0		4,250
AVIANO AB	CHEM WARFARE PROTECTION-AVIONICS FACILITY	2,750		2,750		2,750	0		2,750
AVIANO AB	COMBAT REPAIR EQUIP STORAGE FACILITY	600		600		600	0		600
DEFENSE AGENCIES									
AVIANO	ELEM AND HIGH SCHOOL ADDITIONS	9,450		9,450		9,450	0		9,450
	JAPAN								
ARMY									
JAPAN VARIOUS	COMMUNICATIONS FACILITY - OKINAWA VARIOUS	5,300		5,300		5,300	0		5,300
JAPAN VARIOUS	AMMUNITION STORAGE FACILITY	7,900		7,900		7,900	0		7,900
NAVY									
MARINE CORPS BASE CAMP BUTLER	COMBAT TRAINING FACILITIES	890		890		890	0		890
MARINE CORPS BASE CAMP BUTLER	ELECTRONICS AND COMMUNICATIONS MAINT SHOP	1,950		1,950		1,950	0		1,950
MARINE CORPS AIR STATION FUTENMA	MAINTENANCE HANGAR ADDITION	2,420		2,420		2,420	0		2,420
MARINE CORPS AIR STATION FUTENMA	AIRCRAFT OPERATIONS BUILDING ADDITION	860		860		860	0		860
AIR FORCE									
YOKOTA AB	CONTROL TOWER CAB	500		500		500	0		500
MISAWA AB	CHEMICAL/BIOLOGICAL WARFARE PROTECTION	2,050		2,050		2,050	0		2,050
MISAWA AB	F16-FUEL TANK STORAGE/BUILDUP FACILITY	2,500		2,500		2,500	0		2,500
KADENA AB	FIRE PROTECTION-VARIOUS FACILITIES	1,850		1,850		1,850	0		1,850
DEFENSE AGENCIES									
YOKOTA AIR BASE	DCA-NWP COMMUNICATIONS OPERATIONS CENTER	785		785		785	0		785
	JOHNSTON ISLAND								
DEFENSE AGENCIES									
DNA HDQ	COLD STORAGE	1,372		1,372		1,372	0		1,372
DNA HDQ	VEHICLE MAINTENANCE	1,272		1,272		1,272	0		1,272
	KOREA								
ARMY									
CAMP CASEY	TACTICAL EQUIPMENT SHOP MOD/ADDN	3,700		3,700		3,700	0		3,700
CAMP GARY OWEN	BARRACKS	1,150		1,150		1,150	0		1,150
CAMP GREAVES	EXPLOSIVES TRAINING RANGE	810		810		810	0		810
CAMP GREAVES	GRENADE LAUNCHER RANGE	730		730		730	0		730
CAMP HOVEY	BARRACKS	3,200		3,200		3,200	0		3,200
CAMP KITTYHAWK	COMPANY OPERATIONS FACILITIY	1,350		1,350		1,350	0		1,350
CAMP LIBBY	TACTICAL EQUIPMENT SHOP	1,150		1,150		1,150	0		1,150
CAMP PAGE	BATTALION HEADQUARTERS	670		670		670	0		670
CAMP SEARS	BARRACKS	1,100		1,100		1,100	0		1,100
CAMP STANLEY	BRIGADE/BATTALION HEADQUARTERS	1,200		1,200		1,200	0		1,200
CAMP STANTON	UNACCOMPANIED OFFICER HOUSING	1,400		1,400		1,400	0		1,400
KOREA VARIOUS	AVIATION SUPPORT COMPLEX	9,200		9,200		9,200	0		9,200
KOREA VARIOUS	AMMUNITION STORAGE	6,200		6,200		6,200	0		6,200
K-16 ARMY AIRFIELD	TACTICAL EQUIPMENT SHOP	670		670		670	0		670
TAEGU	CHILD DEVELOPMENT CENTER	990		990		990	0		990
YONGSAN	UPGRADE TACTICAL EQUIPMENT SHOP	1,400		1,400		1,400	0		1,400

OUTSIDE THE UNITED STATES

		Revised	House		Senate		House +/-	Conference Agreement	
INSTALLATION	PROJECT	FY89 Request	Change to Request	Authorized	Change to Request	Senate Authorized	Senate	Change to Request	Authorized
AIR FORCE									
CAMP HUMPHREYS	DORMITORY	3,350		3,350		3,350	0		3,350
KUNSAN AB	VEHICLE OPERATIONS AND MAINT COMPLEX	5,000		5,000		5,000	0		5,000
KUNSAN AB	DORMITORIES	4,400		4,400		4,400	0		4,400
KUNSAN AB	F16-AIRCRAFT MAINTENANCE UNIT FACILITY	2,950		2,950		2,950	0		2,950
KUNSAN AB	ALTER MUNITIONS STORAGE FACILITIES	1,300		1,300		1,300	0		1,300
KUNSAN AB	F16-JET ENGINE MAINTENANCE FACILITY	680		680		680	0		680
KUNSAN AB	ALTER AIRCRAFT SHELTERS	3,000		3,000		3,000	0		3,000
OSAN AB	F16-AIRCRAFT MAINTENANCE UNIT FACILITY	2,800		2,800		2,800	0		2,800
OSAN AB	JET FUEL STORAGE	870		870		870	0		870
OSAN AB	F16-ADD TO AVIONICS FACILITY	460		460		460	0		460
OSAN AB	MUNITIONS PRELOAD EQ STORAGE FACILITY	570		570		570	0		570
OSAN AB	F16-AIRCRAFT MAINTENANCE SHOPS	3,000		3,000		3,000	0		3,000
OSAN AB	F16-FLIGHT SIMULATOR TRAINING FACILITY	1,800		1,800		1,800	0		1,800
OSAN AB	CONTINGENCY MATERIEL WAREHOUSE	1,250		1,250		1,250	0		1,250
DEFENSE AGENCIES									
SEOUL	HOSPITAL REPLACEMENT	55,000		55,000	(27,000)	28,000	27,000	(27,000)	28,000
SEOUL	ELEMENTARY SCHOOL ADDITION	7,332		7,332		7,332	0		7,332
TAEGU AB	MEDICAL/DENTAL CLINIC	4,400		4,400		4,400	0		4,400
PUSAN	ELEMENTARY AND HIGH SCHOOL ADDITIONS	1,980		1,980		1,980	0		1,980
CAMP HOWZE	AID STATION	780		780		780	0		780
	KWAJALEIN								
ARMY									
KWAJALEIN	TRANSMITTER BUILDING	660		660		660	0		660
KWAJALEIN	DRY DOCK FACILITIES	12,800		12,800		12,800	0		12,800
KWAJALEIN	UPGRADE WATER STORAGE SYSTEM	1,500		1,500		1,500	0		1,500
KWAJALEIN	COMMUNICATIONS EQUIPMENT BUILDINGS	530		530		530	0		530
DEFENSE AGENCIES									
MISSILE RANGE	RADAR COMPLEX	16,000		16,000		16,000	0		16,000
	NETHERLANDS								
AIR FORCE									
VOLKEL	ALTER MUNITIONS STORAGE FACILITIES	2,300		2,300		2,300	0		2,300
CAMP NEW AMSTERDAM	PASSIVE DEFENSE EQUIP STORAGE FACILITY	500		500		500	0		500
CAMP NEW AMSTERDAM	COMBAT READINESS CENTER	4,800		4,800		4,800	0		4,800
CAMP NEW AMSTERDAM	DORMITORIES	5,000		5,000		5,000	0		5,000
DEFENSE AGENCIES									
BRUNSSUM	AFCENT INTERNATIONAL SCHOOL	8,863		8,863		8,863	0		8,863

OUTSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	-------House------- Change to Request	-------House------- Authorized	------Senate------- Change to Request	------Senate------- Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	OMAN								
AIR FORCE									
SEEB AB	JET FUEL STORAGE	7,100		7,100		7,100	0		7,100
MASIRAH AB	APPROACH LIGHTING SYSTEM	2,800		2,800		2,800	0		2,800
	PANAMA								
NAVY									
NAVAL STATION PANAMA	SPECIAL WARFARE UNIT	7,140	(7,140)	0		7,140	(7,140)	(7,140)	0
AIR FORCE									
HOWARD AFB	ALTER DORMITORY	2,600		2,600		2,600	0		2,600
	PHILIPPINES								
NAVY									
NAVY PUB WORKS CENTER SUBIC BAY	POWER PLANT	27,770		27,770		27,770	0		27,770
NAVY PUB WORKS CENTER SUBIC BAY	HAZARDOUS AND FLAMMABLE STORAGE FACILITY	570		570		570	0		570
AIR FORCE									
CLARK AB	COMBAT REPAIR EQUIP STORAGE FACILITY	1,600		1,600		1,600	0		1,600
CLARK AB	DORMITORIES	6,200		6,200		6,200	0		6,200
CLARK AB	FLOW THRU SHELTERS-PHASE I	4,200		4,200	(4,200)	0	4,200	(4,200)	0
CLARK AB	MUNITIONS EQUIPMENT MAINTENANCE FACILITY	800		800		800	0		800
CLARK AB	SECURITY POLICE OPERATIONS FACILITY	3,200		3,200		3,200	0		3,200
CLARK AB	AEROMEDICAL EVACUATION SQUADRON FACILITY	1,500		1,500		1,500	0		1,500
CLARK AB	ADD TO/UPGRADE MAINTENANCE CONTROL FAC	940		940		940	0		940
CLARK AB	SOF-HYDRANT FUELING SYSTEM	800		800		800	0		800
CLARK AB	SOF-HELICOPTER MAINTENANCE FACILITY	4,100		4,100		4,100	0		4,100
CLARK AB	INTELLIGENCE FACILITY-PHASE II	2,250		2,250		2,250	0		2,250
CLARK AB	SOF-HANGAR/NOSE DOCK	2,100		2,100		2,100	0		2,100
CLARK AB	AIRCRAFT OPERATIONAL APRON-PH I	4,950		4,950		4,950	0		4,950
CLARK AB	ADD/ALTER FUEL SYSTEM MAINTENANCE DOCK	1,500		1,500		1,500	0		1,500
	PORTUGAL								
AIR FORCE									
LAJES FIELD	UPGRADE DINING FACILITY	2,650		2,650		2,650	0		2,650
LAJES FIELD	TRANSIENT DORMITORY	2,200		2,200		2,200	0		2,200
	PUERTO RICO								
DEFENSE AGENCIES									
FORT BUCHANAN	MIDDLE SCHOOL	9,110		9,110		9,110	0		9,110
ARMY NATIONAL GUARD									
TOA BAJA	200 PERSON ARMORY	1,305		1,305		1,305	0		1,305
ARROYO	200 PERSON ARMORY	1,304		1,304		1,304	0		1,304
ARMY RESERVE									
YAUCO	ADD/ALTER USARC W/MAINT FAC	1,052		1,052		1,052	0		1,052
FORT BUCHANAN	MAINT FAC	1,254		1,254		1,254	0		1,254

OUTSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	SPAIN								
NAVY									
NAVAL COMMUNICATION STATION ROTA	OPERATIONAL STORAGE	400		400		400	0		400
	TURKEY								
AIR FORCE									
INCIRLIK AB	SOUND SUPPRESSOR SUPPORT FACILITY	840		840		840	0		840
INCIRLIK AB	POST OFFICE	550		550		550	0		550
INCIRLIK AB	DORMITORY	3,200		3,200		3,200	0		3,200
INCIRLIK AB	JET FUEL STORAGE	5,000		5,000		5,000	0		5,000
PIRINCLIK	COMBAT READINESS CENTER	1,500		1,500		1,500	0		1,500
	UNITED KINGDOM								
AIR FORCE									
FELTWELL	PASSIVE DEFENSE EQUIP STORAGE FACILITY	500		500		500	0		500
RAF ALCONBURY	DORMITORIES	2,650		2,650		2,650	0		2,650
RAF BENTWATERS	CENTRAL POST OFFICE	800		800	(800)	0	800	(800)	0
RAF BENTWATERS	SOUND SUPPRESSOR SUPPORT FACILITY	610		610		610	0		610
RAF BENTWATERS	ADD TO/UPGRADE FIRE STATION	920		920		920	0		920
RAF BENTWATERS	AIRMAN COMMUNITY CENTER	2,600		2,600		2,600	0		2,600
RAF BENTWATERS	SECURITY POLICE OPERATIONS FACILITY	1,300		1,300		1,300	0		1,300
RAF FAIRFORD	ADD/ALTER PHYSICAL FITNESS CENTER	[1,700]		[1,700]		[1,700]	0		[1,700]
RAF LAKENHEATH	SEMIHARDENED COMMUNICATIONS FACILITY	780		780		780	0		780
RAF LAKENHEATH	DIGITAL EUROPEAN BACKBONE FACILITY	440		440		440	0		440
RAF LAKENHEATH	CHEM WARFARE PROTECTION-SQUAD OPS FAC	1,750		1,750		1,750	0		1,750
RAF LAKENHEATH	DORMITORY	7,200		7,200		7,200	0		7,200
RAF MILDENHALL	ADD/ALTER OPERATIONS FACILITY	2,100		2,100		2,100	0		2,100
RAF MILDENHALL	CHILD DEVELOPMENT CENTER	850		850		850	0		850
RAF MILDENHALL	UPGRADE WATER STORAGE AND DIST SYSTEM	4,200		4,200		4,200	0		4,200
RAF UPPER HEYFORD	ADD TO/UPGRADE VEHICLE MAINTENANCE SHOP	2,400		2,400		2,400	0		2,400
RAF UPPER HEYFORD	PASSIVE DEFENSE EQUIP STORAGE WAREHOUSE	500		500		500	0		500
RAF UPPER HEYFORD	COMBAT AMMUNITION CONTROL CENTER	930		930		930	0		930
RAF WELFORD	FIRE STATION	870		870		870	0		870
RAF WELFORD	MUNITIONS STORAGE IGLOOS	2,850		2,850		2,850	0		2,850
DEFENSE AGENCIES									
RAF HIGHWYCOMB	MEDICAL AID STATION	720		720		720	0		720
RAF LAKENHEATH	MEDICAL FACILITY ADD/ALTER	41,000		41,000		41,000	0		41,000

OUTSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House		Senate		House +/- Senate	Conference Agreement	
			Change to Request	Authorized	Change to Request	Senate Authorized		Change to Request	Authorized
	OVERSEAS CLASSIFIED								
NAVY									
OVERSEAS CLASSIFIED	SEAL TEAM OPERATIONS FACILITIES	4,990		4,990		4,990	0		4,990
AIR FORCE									
BASE 30	TR1-OPERATIONS FACILITY	1,500		1,500		1,500	0		1,500
BASE 30	TR1-EQUIPMENT MAINTENANCE FACILITY	2,350		2,350		2,350	0		2,350
BASE 74	F16-HYDRAZINE FACILITY	260		260	(260)	0	260	(260)	0
BASE 74	F16-EGRESS SHOP	490		490	(490)	0	490	(490)	0
BASE 79	SPECIAL SUPPORT FACILITIES	1,900		1,900		1,900	0		1,900
BASE 82	SPECIAL ACTIVITY FACILITIES	2,800		2,800		2,800	0		2,800
BASE 119	F15-FLIGHT SIMULATOR TRAINING FACILITY	2,050		2,050	(2,050)	0	2,050	(2,050)	0
OVERSEAS CLASSIFIED	CLASSIFIED SUPPORT	12,000		12,000		12,000	0		12,000
OVERSEAS CLASSIFIED	OPERATIONS FACILITY	3,473		3,473		3,473	0		3,473
OVERSEAS CLASSIFIED	CLASSIFIED PROJECT	1,000		1,000		1,000	0		1,000
DEFENSE AGENCIES									
BASE 54	MEDICAL CONTINGENCY COMPLEX	12,800		12,800		12,800	0		12,800
CLASSIFIED LOCATION	CLASSIFIED PROJECT	2,000		2,000		2,000	0		2,000
CLASSIFIED LOCATION	OPERATIONS BUILDING 36 ADD	8,300		8,300		8,300	0		8,300
CLASSIFIED LOCATION	CLASSIFIED PROJECT	950		950		950	0		950
OVERSEAS CLASSIFIED	MEDICAL SUPPORT	12,600	(1,600)	11,000	(1,600)	11,000	0	(1,600)	11,000
OVERSEAS CLASSIFIED	MEDICAL SUPPORT	8,500		8,500		8,500	0		8,500
	OVERSEAS VARIOUS								
ARMY									
	UNDISTRIBUTED REDUCTION OVERSEAS- ARMY			0		0	0	(18,000)	(18,000)
AIR FORCE									
	UNDISTRIBUTED REDUCTION OVERSEAS- AIR FORCE			0		0	0	(8,000)	(8,000)
OVERSEAS VARIOUS	CANADIAN FORWARD OPERATING LOC/DOB	600		600		600	0		600

WORLDWIDE VARIOUS

		Revised	-------House-------		-------Senate-------			Conference Agreement	
INSTALLATION	PROJECT	FY89 Request	Change to Request	Authorized	Change to Request	Senate Authorized	House +/- Senate	Change to Request	Authorized
	WORLDWIDE UNSPECIFIED								
ARMY									
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	98,328		98,328	(5,000)	93,328	5,000	0	98,328
UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	16,200		16,200		16,200	0		16,200
NAVY									
UNSPECIFIED WORLDWIDE LOCATIONS	ACCESS ROADS	11,819		11,819		11,819	0		11,819
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	148,276	(10,000)	138,276	(10,000)	138,276	0	(10,000)	138,276
UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	16,300		16,300		16,300	0		16,300
AIR FORCE									
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	124,800	(13,200)	111,600	(5,000)	119,800	(8,200)	(5,000)	119,800
UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	16,500		16,500		16,500	0		16,500
DEFENSE AGENCIES									
UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	2,000		2,000		2,000	0		2,000
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	62,229		62,229		62,229	0		62,229
UNSPECIFIED WORLDWIDE LOCATIONS	CONTINGENCY CONSTRUCTION	8,000		8,000		8,000	0		8,000
UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	4,000		4,000		4,000	0		4,000
ARMY NATIONAL GUARD									
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	10,624	200	10,824		10,624	200	200	10,824
UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	6,900		6,900		6,900	0		6,900
AIR NATIONAL GUARD									
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	12,600	670	13,270	650	13,250	20	650	13,250
UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	2,300		2,300		2,300	0		2,300
ARMY RESERVE									
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	10,700	330	11,030		10,700	330	330	11,030
UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	1,700		1,700		1,700	0		1,700
NAVY RESERVE									
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	5,440		5,440		5,440	0		5,440
UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	1,985		1,985		1,985	0		1,985
AIR FORCE RESERVE									
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	6,223		6,223		6,223	0		6,223
UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	2,852		2,852		2,852	0		2,852

WORLDWIDE VARIOUS

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	WORLDWIDE VARIOUS								
ARMY									
VARIOUS WORLDWIDE LOCATIONS	COMMAND AND CONTROL FACILITY UPGRADE	7,900	(7,900)	0	(7,900)	0	0	(7,900)	0
VARIOUS WORLDWIDE LOCATIONS	INTERMEDATE STAGING FACILITY	17,500	(17,500)	0		17,500	(17,500)	(17,500)	0
VARIOUS WORLDWIDE LOCATIONS	OPERATIONS FACILITY	5,300		5,300		5,300	0		5,300
VARIOUS WORLDWIDE LOCATIONS	PRE-POSITIONED WAR MATERIEL FACILITIES	4,450		4,450		4,450	0		4,450
NAVY									
LAND ACQUISITION	LAND ACQUISITION	36,895		36,895		36,895	0		36,895
VARIOUS LOCATIONS	HOST NATION INFRASTRUCTURE SUPPORT	500		500		500	0		500
DEFENSE AGENCIES									
VARIOUS LOCATIONS	CONFORMING STORAGE FACILITIES	9,300		9,300		9,300	0		9,300
NAVY									
	UNDISTRIBUTED REDUCTION- NAVY WORLDWIDE			0		0	0	(13,100)	(13,100)
ARMY NATIONAL GUARD									
	UNDISTRIBUTED REDUCTION- ARMY GUARD							(593)	(593)
ARMY RESERVE									
	UNDISTRIBUTED REDUCTION- ARMY RESERVE			0	(1,547)	(1,547)	1,547	(1,547)	(1,547)
OSD MILCON	NATO INFRASTRUCTURE	502,100	0	502,100	(10,100)	492,000	10,100	(10,100)	492,000
	SUBTOTAL MILITARY CONSTRUCTION	5,449,880	(65,599)	5,384,281	(83,694)	5,366,186	18,095	(41,525)	5,408,355

INSTALLATION	PROJECT	Revised FY89 Request	-------House-------		------Senate-------		House +/- Senate	Conference Agreement	
			Change to Request	Authorized	Change to Request	Senate Authorized		Change to Request	Authorized
	FAMILY HOUSING								
	FAMILY HOUSING ARMY								
	ALASKA								
FORT WAINWRIGHT	NEW CONSTRUCTION (150)	27,000		27,000		27,000	0		27,000
	CALIFORNIA								
FORT IRWIN	NEW CONSTRUCTION (263)	24,000		24,000		24,000	0		24,000
	HAWAII								
SCHOFIELD BARRACKS	NEW CONSTRUCTION (40)	4,450		4,450		4,450	0		4,450
HELEMANO	NEW CONSTRUCTION (100)	11,400		11,400		11,400	0		11,400
	KANSAS								
FORT LEAVENWORTH	NEW CONSTRUCTION (272)	20,000		20,000		20,000	0		20,000
	NEW YORK								
FORT DRUM	NEW CONSTRUCTION (100)	10,000		10,000		10,000	0		10,000
	TEXAS								
FORT BLISS	NEW CONSTRUCTION (108)		9,100	9,100		0	9,100	9,100	9,100
	GERMANY								
HOENFELS	NEW CONSTRUCTION (88)	8,400		8,400		8,400	0		8,400
	WORLWIDE UNSPECIFIED								
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING	10,628		10,628		10,628	0		10,628
UNSPECIFIED WORLDWIDE LOCATIONS	CONSTRUCTION IMPROVEMENTS	72,300		72,300		72,300	0		72,300
	OPERATING EXPENSES:								
UNSPECIFIED WORLDWIDE LOCATIONS	LEASING	227,700		227,700		227,700	0		227,700
UNSPECIFIED WORLDWIDE LOCATIONS	INTEREST PAYMENTS	49		49		49	0		49
UNSPECIFIED WORLDWIDE LOCATIONS	MAINTENANCE OF REAL PROPERTY	548,061		548,061		548,061	0		548,061
UNSPECIFIED WORLDWIDE LOCATIONS	MANAGEMENT ACCOUNT	83,137		83,137		83,137	0		83,137
UNSPECIFIED WORLDWIDE LOCATIONS	FURNISHINGS ACCOUNT	139,769		139,769	(5,000)	134,769	5,000	0	139,769
UNSPECIFIED WORLDWIDE LOCATIONS	MORTGAGE INSURANCE PREMIUMS	31		31		31	0		31
UNSPECIFIED WORLDWIDE LOCATIONS	MISCELLANEOUS ACCOUNT	1,510		1,510		1,510	0		1,510
UNSPECIFIED WORLDWIDE LOCATIONS	DEBT REDUCTION	371		371		371	0		371
UNSPECIFIED WORLDWIDE LOCATIONS	UTILITIES ACCOUNT	284,265		284,265		284,265	0		284,265
UNSPECIFIED WORLDWIDE LOCATIONS	SERVICES ACCOUNT	55,200		55,200		55,200	0		55,200
	TOTAL FAMILY HOUSING ARMY	1,528,271	9,100	1,537,371	(5,000)	1,523,271	14,100	9,100	1,537,371
	RECAP:								
	CONSTRUCTION & ACQUISITION	188,178	9,100	197,278	0	188,178	9,100	9,100	197,278
	SUPPORT/OPERATING EXPENSE	1,340,093	0	1,340,093	(5,000)	1,335,093	5,000	0	1,340,093

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	FAMILY HOUSING NAVY/MARINE CORPS								
	CALIFORNIA								
MARCOR AIR-GRND TWENTYNINE PALMS	NEW CONSTRUCTION (100)	9,470		9,470		9,470	0		9,470
MARINE CORPS AIR STATION EL TORO	TRAILER PADS (80)	1,460		1,460		1,460	0		1,460
MARINE CORPS AIR STATION EL TORO	NEW CONSTRUCTION (100)	8,660		8,660		8,660	0		8,660
MARINE CORPS BASE CAMP PENDLETON	NEW CONSTRUCTION (332)	27,540		27,540		27,540	0		27,540
MARINE CORPS BASE CAMP PENDLETON	ACCESS ROADS	970		970		970	0		970
NAVAL COMPLEX SAN DIEGO	NEW CONSTRUCTION (400)	31,830		31,830		31,830	0		31,830
NAVAL STATION LONG BEACH	NEW CONSTRUCTION (300)	26,110		26,110		26,110	0		26,110
PUBLIC WORKS CTR SAN FRANCISCO	NEW CONTRUCTION (300)	35,736		35,736		35,736	0		35,736
	DISTRICT OF COLUMBIA								
NAVAL DISTRICT WASHINGTON	NEW CONSTRUCTION (2)			0	330	330	(330)	330	330
	GEORGIA								
NAVAL STATION KINGS BAY	NEW CONTRUCTION (250)	19,860		19,860		19,860	0		19,860
	ILLINOIS								
NAS GLENVIEW	FAMILY HOUSING			0	23,000	23,000	(23,000)	10,000	10,000
	NEW YORK								
NAVAL STATION STATEN ISLAND	NEW CONTRUCTION (150)	14,900		14,900		14,900	0		14,900
	WORLWIDE UNSPECIFIED								
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING	2,315		2,315		2,315	0		2,315
UNSPECIFIED WORLDWIDE LOCATIONS	CONSTRUCTION IMPROVEMENTS	61,589		61,589	(3,000)	58,589	3,000	0	61,589
	OPERATING EXPENSES:								
UNSPECIFIED WORLDWIDE LOCATIONS	SERVICES ACCOUNT	32,323		32,323		32,323	0		32,323
UNSPECIFIED WORLDWIDE LOCATIONS	DEBT REDUCTION	128		128		128	0		128
UNSPECIFIED WORLDWIDE LOCATIONS	MISCELLANEOUS ACCOUNT	401		401		401	0		401
UNSPECIFIED WORLDWIDE LOCATIONS	MORTGAGE INSURANCE PREMIUMS	218		218		218	0		218
UNSPECIFIED WORLDWIDE LOCATIONS	MANAGEMENT ACCOUNT	42,513		42,513		42,513	0		42,513
UNSPECIFIED WORLDWIDE LOCATIONS	LEASING	42,416		42,416		42,416	0		42,416
UNSPECIFIED WORLDWIDE LOCATIONS	MAINTENANCE OF REAL PROPERTY	241,950		241,950	(10,800)	231,150	10,800	0	241,950
UNSPECIFIED WORLDWIDE LOCATIONS	INTEREST PAYMENTS	2		2		2	0		2
UNSPECIFIED WORLDWIDE LOCATIONS	UTILITIES ACCOUNT	179,127		179,127		179,127	0		179,127
UNSPECIFIED WORLDWIDE LOCATIONS	FURNISHINGS ACCOUNT	15,910		15,910		15,910	0		15,910
	TOTAL FAMILY HOUSING NAVY/MARINE CORPS	795,428	0	795,428	9,530	804,958	(9,530)	10,330	805,758
	RECAP:								
	CONSTRUCTION & ACQUISITION	240,440	0	240,440	20,330	260,770	(20,330)	10,330	250,770
	SUPPORT/OPERATING EXPENSE	554,988	0	554,988	(10,800)	544,188	10,800	0	554,988

INSTALLATION	PROJECT	Revised FY89 Request	-------House-------		-------Senate-------		House +/- Senate	Conference Agreement	
			Change to Request	Authorized	Change to Request	Senate Authorized		Change to Request	Authorized
	FAMILY HOUSING AIR FORCE								
	PHILIPPINES								
CLARK AB	NEW CONSTRUCTION (260)	19,920		19,920		19,920	0		19,920
	WORLWIDE UNSPECIFIED								
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING	7,000		7,000		7,000	0		7,000
UNSPECIFIED WORLDWIDE LOCATIONS	CONSTRUCTION IMPROVEMENTS	154,280	(515)	153,765	(515)	153,765	0	(515)	153,765
	OPERATING EXPENSES:								
UNSPECIFIED WORLDWIDE LOCATIONS	MANAGEMENT ACCOUNT	34,447		34,447		34,447	0		34,447
UNSPECIFIED WORLDWIDE LOCATIONS	MISCELLANEOUS ACCOUNT	5,648		5,648		5,648	0		5,648
UNSPECIFIED WORLDWIDE LOCATIONS	MORTGAGE INSURANCE PREMIUMS	100		100		100	0		100
UNSPECIFIED WORLDWIDE LOCATIONS	INTEREST PAYMENTS	1		1		1	0		1
UNSPECIFIED WORLDWIDE LOCATIONS	MAINTENANCE OF REAL PROPERTY	295,199		295,199		295,199	0		295,199
UNSPECIFIED WORLDWIDE LOCATIONS	SERVICES ACCOUNT	24,461		24,461		24,461	0		24,461
UNSPECIFIED WORLDWIDE LOCATIONS	FURNISHINGS ACCOUNT	56,460		56,460	(3,000)	53,460	3,000	0	56,460
UNSPECIFIED WORLDWIDE LOCATIONS	LEASING	90,881		90,881		90,881	0		90,881
UNSPECIFIED WORLDWIDE LOCATIONS	UTILITIES ACCOUNT	234,503		234,503		234,503	0		234,503
UNSPECIFIED WORLDWIDE LOCATIONS	DEBT REDUCTION	66		66		66	0		66
	TOTAL FAMILY HOUSING AIR FORCE	922,966	(515)	922,451	(3,515)	919,451	3,000	(515)	922,451
	RECAP:								
	CONSTRUCTION & ACQUISITION	181,200	(515)	180,685	(515)	180,685	0	(515)	180,685
	SUPPORT/OPERATING EXPENSE	741,766	0	741,766	(3,000)	738,766	3,000	0	741,766

INSTALLATION	PROJECT	Revised FY89 Request	-------House------- Change to Request	Authorized	------Senate------- Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Authorized
	FAMILY HOUSING DEFENSE AGENCIES								
	OVERSEAS CLASSIFIED								
OVERSEAS CLASSIFIED	OVERSEAS CLASSIFIED	400		400		400	0		400
	WORLDWIDE UNSPECIFIED								
UNSPECIFIED WORLDWIDE LOCATIONS	CONSTRUCTION IMPROVEMENTS	93		93		93	0		93
UNSPECIFIED WORLDWIDE LOCATIONS	CONSTRUCTION IMPROVEMENTS	20		20		20	0		20
	OPERATING EXPENSES:								
UNSPECIFIED WORLDWIDE LOCATIONS	LEASING	9,662		9,662		9,662	0		9,662
UNSPECIFIED WORLDWIDE LOCATIONS	MAINTENANCE OF REAL PROPERTY	250		250		250	0		250
UNSPECIFIED WORLDWIDE LOCATIONS	MAINTENANCE OF REAL PROPERTY	301		301		301	0		301
UNSPECIFIED WORLDWIDE LOCATIONS	FURNISHINGS ACCOUNT	1,347		1,347		1,347	0		1,347
UNSPECIFIED WORLDWIDE LOCATIONS	MISCELLANEOUS ACCOUNT	700		700		700	0		700
UNSPECIFIED WORLDWIDE LOCATIONS	LEASING	36		36		36	0		36
UNSPECIFIED WORLDWIDE LOCATIONS	SERVICES ACCOUNT	125		125		125	0		125
UNSPECIFIED WORLDWIDE LOCATIONS	SERVICES ACCOUNT	12		12		12	0		12
UNSPECIFIED WORLDWIDE LOCATIONS	FURNISHINGS ACCOUNT	17		17		17	0		17
UNSPECIFIED WORLDWIDE LOCATIONS	LEASING	7,481		7,481		7,481	0		7,481
UNSPECIFIED WORLDWIDE LOCATIONS	UTILITIES ACCOUNT	125		125		125	0		125
UNSPECIFIED WORLDWIDE LOCATIONS	UTILITIES ACCOUNT	131		131		131	0		131
	TOTAL FAMILY HOUSING DEFENSE AGENCIES	20,700	0	20,700	0	20,700	0	0	20,700
	RECAP:								
	CONSTRUCTION & ACQUISITION	513	0	513	0	513	0	0	513
	SUPPORT/OPERATING EXPENSE	20,187	0	20,187	0	20,187	0	0	20,187
	HOMEOWNER'S ASSISTANCE								
	WORLWIDE UNSPECIFIED								
UNSPECIFIED WORLDWIDE LOCATIONS	ACQUISITION OF REAL PROPERTY	844		844		844	0		844
UNSPECIFIED WORLDWIDE LOCATIONS	MORTGAGES ASSUMED	[3,000]		[3,000]		[3,000]	0		[3,000]
UNSPECIFIED WORLDWIDE LOCATIONS	OTHER OPERATING COSTS	992		992		992	0		992
UNSPECIFIED WORLDWIDE LOCATIONS	PAYMENT TO HOMEOWNERS	164		164		164	0		164
	TOTAL HOMEOWNER'S ASSISTANCE	2,000	0	2,000	0	2,000	0	0	2,000
	SUBTOTAL FAMILY HOUSING	3,269,365	8,585	3,277,950	1,015	3,270,380	7,570	18,915	3,288,280
	TOTAL MILITARY CONSTRUCTION/FAMILY HOUSING	8,719,245	(57,014)	8,662,231	(82,679)	8,636,566	25,665	(22,610)	8,696,635

From the Committee on Armed Services, for consideration of the entire House bill (except sections 4101 through 4110), and the entire Senate amendment (except sections 938 and 949), and as exclusive conferees with respect to any proposal to report in total disagreement:

Les Aspin,
Charles Bennett,
Samuel S. Stratton,
Bill Nichols,
G.V. Montgomery,
Pat Schroeder,
Beverly Byron,
Nicholas Mavroules,
Ike Skelton,
Dave McCurdy,
Thomas M. Foglietta,
Marilyn Lloyd,
Norman Sisisky,
Richard Ray,
John M. Spratt, Jr.,
Frank McCloskey,
Solomon P. Ortiz,
George (Buddy) Darden,
Tommy F. Robinson,
Albert G. Bustamante,
Barbara Boxer,
Ben Blaz,
James V. Hansen,

From the Committee on Armed Services, solely for consideration of sections 209, 212, 935, and 936 of the House bill, and section 223 of the Senate amendment, and modifications committed to conference:

Les Aspin,
Charles Bennett,
Pat Schroeder,
Nick Mavroules,
Dave McCurdy,
Thomas M. Foglietta,
John M. Spratt, Jr.,
Frank McCloskey,
Barbara Boxer,

From the Permanent Select Committee on Intelligence, for consideration of matters within the jurisdiction of that committee under clause 2 of Rule XLVIII:

Louis Stokes,
Robert W. Kastenmeier,
Robert A. Roe,
Henry J. Hyde,
Dick Cheney,

From the Committee on Education and Labor, solely for consideration of sections 4101 through 4110 of the House bill, and modifications committed to conference:

Augustus F. Hawkins,
William D. Ford,
Joseph M. Gaydos,
William Clay,
Austin J. Murphy,
Pat Williams,
Jim Jeffords,
Tom Petri,
Steve Bartlett,

From the Committee on Armed Services, solely for consideration of sections 4101 through 4110 of the House bill, and modifications committed to conference:

Les Aspin,
Frank McCloskey,

From the Committee on Energy and Commerce, for consideration of sections 3141 through 3150 of the House bill, and sections 3141 through 3144 of the Senate amendment, and modifications committed to conference:

John D. Dingell,
Philip R. Sharp,
Norman F. Lent,

From the Committee on Foreign Affairs, for consideration of sections 234, 303, 304, 318, 354, 937, 940, 944, 946, 947, 948, 950, 952, 953, and 959 of the House bill, and sections 232, 233, 234, 237, 303, 806, 807, 809, 911, 912, 913, 914, 915, 922, 924, 926, 928, 930, 931, 932, 933, 934, 937, 939, 941, 943, 948, 949, 950, and 952 of the Senate amendment, and modifications committed to conference:

Dante B. Fascell,
Lee H. Hamilton,
Gus Yatron,
Stephen J. Solarz,
Bill Broomfield,
Benjamin A. Gilman,

From the Committee on Government Operations, for consideration of section 921 of the Senate amendment, and modifications committed to conference:

Jack Brooks,
John Conyers,
Cardiss Collins,
Glenn English,
Henry A. Waxman,
Frank Horton,
Bill Clinger,

From the Committee on the Judiciary, for consideration of sections 304, 954, and 1103 of the House bill, and sections 918, 940, 941, and 951 of the Senate amendment, and modifications committed to conference:

Bob Kastenmeier,
Carlos J. Moorhead,
Bill McCollum,

From the Committee on Merchant Marine and Fisheries, for consideration of section 921 of the Senate amendment, and modifications committed to conference:

Walter B. Jones,
Gerry E. Studds,
Dennis M. Hertel,
Don Young,
Norman F. Lent,

From the Committee on Post Office and Civil Service, for consideration of section 917 of the Senate amendment, and modifications committed to conference:

William D. Ford,
Bill Clay,
Gary L. Ackerman,
Gene Taylor,
Benjamin A. Gilman,

From the Committee on Rules, for consideration of section 921 of the Senate amendment, and modifications committed to conference:

Claude Pepper,
Joe Moakley,
Butler Derrick,
Tony Beilenson,
Martin Frost,
James H. Quillen,

From the Committee on Ways and Means, for consideration of sections 938 and 949 of the Senate amendment, and modifications committed to conference:

Dan Rostenkowski,
Sam Gibbons,
Ed Jenkins,
Tom Downey,
Bill Frenzel,

From the Committee on Armed Services, for consideration of sections 938 and 949 of the Senate amendment, and modifications committed to conference:

Les Aspin,
George (Buddy) Darden,
Managers on the Part of the House.

Sam Nunn,
John C. Stennis,
J.J. Exon,
Carl Levin,
Edward M. Kennedy,
Jeff Bingaman,
Alan J. Dixon,
John Glenn,
Albert Gore, Jr.,
Timothy E. Wirth,
Richard Shelby,
John Warner,
Strom Thurmond,
Bill Cohen,
John McCain,
Managers on the Part of the Senate.

Gene Taylor,

From the Committee on Small Business, for consideration of sections 820 and 821 of the Senate amendment, and modifications committed to conference:

John J. LaFalce,
Joseph M. McDade,

From the Committee on Ways and Means, for consideration of sections 938 and 949 of the Senate amendment, and modifications committed to conference:

Dan Rostenkowski,
Sam Gibbons,
Ed Jenkins,
Tom Downey,
Bill Frenzel,

From the Committee on Armed Services, for consideration of sections 938 and 949 of the Senate amendment, and modifications committed to conference:

Les Aspin,
George (Buddy) Darden,
Managers on the Part of the House.

Sam Nunn,
John C. Stennis,
J.J. Exon,
Carl Levin,
Edward M. Kennedy,
Jeff Bingaman,
Alan J. Dixon,
John Glenn,
Albert Gore, Jr.,
Timothy E. Wirth,
Richard Shelby,
John Warner,
Strom Thurmond,
Bill Cohen,
John McCain,
Managers on the Part of the Senate.

DEFENSE SAVINGS ACT OF 1988

The SPEAKER pro tempore (Mr. Gray of Illinois). Pursuant to House Resolution 489 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4481.

□ 1217

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4481) to provide for the closing and realigning of certain military installations during a certain period, with Mr. Volkmer in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

The gentleman from Wisconsin [Mr. Aspin] will be recognized for 22½ minutes; the gentleman from Alabama [Mr. Dickinson] will be recognized for 22½ minutes; the gentleman from Texas [Mr. Brooks] will be recognized for 22½ minutes; the gentleman from New York [Mr. Horton] will be recognized for 22½ minutes; the gentleman from North Carolina [Mr. JONES] will be recognized for 15 minutes; the gentleman form Michigan [Mr. DAVIS] will be recognized for 15 minutes; the gentleman from Florida [Mr. PEPPER] will be recognized for 15 minutes; and the gentleman from Ohio [Mr. LATTA] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma [Mr. McCURDY].

Mr. McCURDY. Mr. Chairman, I rise in support of H.R. 4481 as passed out of Armed Services Committee. The issue of base closure is certainly one of the toughest political issues for Congress especially for Members such as myself who represents a district that contains three military bases. There is no doubt that of the 5,737 separate DOD installations and properties worldwide, many are overlapping in their function and should be closed or consolidated. This bill would give us the chance to streamline our conventional and strategic base structure without worrying about individual parochialism or partisan considerations.

Mr. Chairman, this bill, as opposed to the Army substitute, provides for proper consideration of environmental protection. As the former chairman of the Armed Services Committee Defense Environmental Restoration Panel, I am aware of the severe problem of toxic and hazardous waste that is found on many military bases. We cannot and should not walk away from our responsibility to clean any base. Furthermore, we should calculate this cost as part of the price to close the base.

I believe the recommendations included in this bill by the Armed Services Committee are responsible provisions that are fair and equitable. Mr. Chairman, this is a unique opportunity for the administration and Congress to rise above the parochial concerns for the good of the country, and I strongly urge my colleagues to support this bill.

Mr. DICKINSON. Mr. Chairman, I yield myself such time as I might consume.

Mr. Chairman, I rise today in strong support of this effort to save the taxpayers money by closing or realigning certain military installations.

Let me first commend the efforts of my friend and colleague, the gentleman from Texas [Mr. ARMEY]. As many of my collleagues know, the gentleman from Texas has brought this issue of base closure to the House for the past 2 years. He has not given up on the issue, and even in the face of opposition last year from the Department of Defense he kept on and modified his bill, and now he has gained the support of the Department of Defense. He simply kept working at the issue that he is dedicated to, and one that will save substantial sums of money for the taxpayers of the United States. I join with many of our colleagues in expressing gratitude to our colleague, the gentleman from Texas.

Last year, the proposal of the gentleman from Texas [Mr. ARMEY] failed passage on the House floor by only six votes. I voted against it. The Department of Defense was opposed to it. Most of our committee was opposed to it.

Today we have a different era, a modified bill that would accomplish the same purposes, and I am supporting it. The chairman of our committee is supporting it and the administration supports it. The Secretary of Defense supports it and its time has come. We need it.

As has been pointed out and will be pointed out several times today, I am sure, it has been unthinkable and unworkable for the Department of Defense to close a military installation. There has not been one closed since 1977, one reason for this being that the Environmental Protection Act allows one to throw legal roadblocks in the way, ask for studies, and ask for impact statements. Opponents of a base closure can do all these things, and then if they do not like the reports they get, they simply take the issue into Federal court and drag it out. As a consequence, it has come to the point where a small group of dedicated Members of Congress, applying all of the tricks of the trade, have been very effective in being able to block any base closure for the past 12 years.

The time has come, and we now have a narrow window in which to work our will to allow the Department of Defense to close certain bases. The fact is that many circumstances have come together to make it possible in this short window to pass this legislation now. It is my opinion that if we do not pass this bill and allow these base closures to be named this year, we will be another 10 years before such an opportunity comes again.

We have a lameduck Congress, we have a lameduck administration, we have a lameduck Secretary of Defense, all of whom support this legislation. The President has named a nonpartisan commission of seven members, including notably former Senator Abraham Ribicoff and our former colleague, Congressman Jack Edwards. There is nothing partisan about it.

The time has come for us to give the Government the tools that it needs to save billions of dollars. One particularly attractive feature of this bill is that when the package is decided on and sent over to us, it is a "take it or leave it" deal. Neither the administration nor the Congress can pick and choose individual bases from the list. A Member cannot protect an individual base in his or her district, but will have to vote for or against the entire list.

One of the arguments that will be heard involves the question of whether we will require an affirmative act to approve the closure of the bases or whether we will require a negative act to close the bases. This issue has some significant political aspects and is extremely important. But whatever the case, I will support the bill.

In addition to this, the gentleman from Texas [Mr. ARMEY] has a substitute which is a modified version of his original bill that was the basis of the work of our Committee on Armed Services. The Armey substitute has been made in order to be offered as a substitute to whatever bill we pass. I intend to support the Armey substitute bill. Many of the Members who will be opposing the bill here today are the ones who have been speaking most loudly about cutting the waste in the defense budget, and cutting the Defense budget. If these Members are really serious about saving money, let them put their money where their mouths are now. The time has come to close bases, to authorize the Department of Defense to save money, and if Members want to do that, if they are serious about it, then they should not hide behind some spurious reasoning and argue about individual provisions. There is only one game in town. This is the only chance we will have to vote on this issue in an atmosphere where it is likely to pass in the next 10 to 15 years.

I would urge the Members of the House to support the Armey version of the bill. We need to pass this bill here and now.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Alabama [Mr. DICKINSON] has consumed 6 minutes.

Mr. ASPIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of this legislation which is before the House today. I think I agree with the gentleman from Alabama that basically what we need to do here is to pass this procedure, and use this method of closing excess and redundant military bases because, frankly, I have come to the conclusion that it is the only way that we are going to be able to do it. With declining budgets and with squeezes on the procurement end of the Pentagon, I think that the Congress ought to take every opportunity that it can to make sure that the money that we are spending on defense is spent as wisely and as productively as possible. That means eliminating waste wherever we can.

There is enormous debate, as Members in the Chamber know, on exactly how much savings can be expected from closing bases. In the short run it often costs money, but in the long run it saves money.

I think that given the climate, the general squeeze on military expenditures, it is incumbent upon us to take advantage of making the savings, whatever savings they may be, in this piece of legislation. So I rise in support of it.

Today there will be a lot of amendments offered, some of which I will support, some of which I will oppose, and we will be able to debate those fully when we get to the point that they will be offered. But I would like to tell the Members that I will support the bill on final passage almost regardless of how some of these amendments come out, because I think that the purpose of the legislation and passing the legislation is very, very important.

Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. ECKART].

□ 1230

Mr. ECKART. I thank the gentleman for yielding.

Mr. Chairman, I have read the language of the bill, H.R. 4481, as reported by the Committee on Armed Services, and have paid particularly close attention to the language of the amendments offered in that committee by the gentlelady from California [Mrs. BOXER]. Those amendments, which remain part of the bill we have before us today, reflect the gentlelady's concern that no military bases may be closed or otherwise transferred in a manner that is environmentally unacceptable.

As the primary House sponsor of the 1986 amendments to the Superfund law, which included in section 120 a comprehensive program for the cleanup of hazardous wastesites on Federal facilities, I share the gentlelady's concerns wholeheartedly. For this reason, I would like to ask the gentlelady a question about the environmental restoration language contained in the bill before us today.

The language of the bill to which I refer:

First, requires that the Secretary of Defense develop a plan to accomplish, within 5 years, the environmental restoration of the bases to be closed or realigned—unless the Secretary determines that because of extraordinary circumstances a longer period is necessary; and

Second, restricts the transfer to the General Services Administration of real property at a military base to be closed or realigned until environmental restoration has been completed and the property is in a condition that would permit its disposal by the Federal Government in accordance with applicable law.

My question to the gentlelady is simply this: Am I correct in my understanding that the provisions of this bill that deal with environmental restoration are to be implemented in accordance with and subject to the Comprehensive Environmental Response, Compensation and Liability Act [CERCLA or Superfund] and the Solid Waste Disposal Act?

Mrs. BOXER. Mr. Chairman, will the gentleman yield?

Mr. ECKART. I yield to the gentlewoman from California.

Mrs. BOXER. I thank the gentleman for yielding.

Mr. Chairman, the gentleman is correct. The provisions of current law, including Superfund and the Solid Waste Disposal Act, governing the cleanup of hazardous substances at Federal facilities, will be complied with. I can also assure the gentleman that the cleanup priorities established in accordance with the above two statutes and funded by the Defense environmental restoration account will not be altered by this bill. Any lower priority cleanups associated with bases addressed by this bill will be funded by the base closure account. In sum, this bill is not only fully consistent with DOD compliance with existing environmental restoration laws, but provides additional funding for expedited cleanup of toxic wastesites that may not otherwise be addressed in the next 5 years.

Mr. Chairman, I want to thank the gentleman very much for engaging in this colloquy with me. There has been some misunderstanding.

Mr. Chairman, I am very proud to have the support of the gentleman for this amendment as well as that of the chairman of his committee, the gentleman from Michigan [Mr. DINGELL].

Mr. DICKINSON. Mr. Chairman, I yield 3 minutes to the distinguished ranking member of the Subcommittee on Military Installations and Facilities of the Committee on Armed Services, the gentleman from New York [Mr. MARTIN].

Mr. MARTIN of New York. I thank the gentleman for yielding.

Mr. Chairman, I rise in strong support of this legislation. I want to take a few minutes to explain the difficulty that the committee has had in coming up with a bill that is subject to the jurisdiction of so many subcommittees and so many competing interests, and also to thank the gentleman from Texas [Mr. ARMEY] who has worked so long and so hard for so many years to get a piece of legislation such as this before the House. It does indeed represent a compromise among the committees of jurisdiction and for that reason, if for only that reason, it is an imperfect piece of legislation. That happens when you have so many competing interests and so many subcommittees which have jurisdiction, as well as a variety of passionate feelings on all sides of the issue.

But the fact of the matter is we are here at a time, as the gentleman from Alabama has said, when action has to be taken. Something that all the Members should be aware of, that we have to be very careful to insure that while we are passing this legislation and attempting to take steps to close or realign bases to save taxpayers' dollars, that we do not abdicate our responsibility as Members of Congress as far as the review process is concerned.

I have a great deal of respect for the panel that has been put together under the charter to review these bases.

Let us understand that they have a tremendous challenge and in a very short period of time are going to have to make some monumental decisions. It is going to require the support as well as the scrutiny of Congress as well.

The environmental concerns that were spoken to earlier, during our hours of hearings before the subcommittee and later before the entire committee, we wanted to make sure that there was not going to be unnecessary delay and roadblocks thrown in the way of the Pentagon in closing bases that were unneeded but at the same time balance the environmental concerns.

Let us face it, our Federal military installations, where they are polluted, where they have environmental problems, are going to have to be cleaned up whether the bases are closed or whether they remain open. We have to be sure that we do not find ourselves in the ridiculous position of setting aside those bases that do have environmental concerns and say, "You cannot close them irrespective of how outdated or outmoded they might be because they have our environmental problems." We are going to have to clean up each and every military installation that has environmental problems irrespective of whether or not this bill ultimately becomes law.

With that, Mr. Chairman, I will be asking for time later on during the amending stage.

Mr. Chairman, I yield back the balance of my time.

Mr. HERTEL. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. FOGLIETTA].

Mr. FOGLIETTA. I thank the gentleman for yielding.

Mr. Chairman, I rise in opposition to H.R. 4481, the Defense Savings Act.

As we debate this military base closure legislation, I would like to point out some misconceptions regarding its effects.

The first is the misnomer: "The Defense Savings Act of 1988." This is not true; in fact, this legislation, if enacted, will not save the taxpayers $1.

Our greatest economic threat is the bloated budget deficit. Instead of using the alleged base closure savings for deficit relief, the money will simply be used to fund other defense projects. While testifying before the Committee on Armed Services, Secretary of Defense Frank C. Carlucci admitted that the money will be transferred to "higher priorities." When I asked if that meant more money for example, for SDI, he answered "Yes." That is outrageous. Deficit reduction should be our highest priority, not funding redundant, wasteful weapons systems. I believe defense spending is adequate already, any savings should go toward shrinking the deficit or funding domestic programs already cut to the bone.

Furthermore, let us not delude ourselves into thinking that closing bases saves very much money at all. The functions must be relocated, possibly costing even more money. Environmental cleanup and economic assistance, which I fully support, will cost still additional money.

I am also apprehensive of Pentagon claims that closing bases stimulates employment. While true in some cases where the property was utilized most efficiently, many communities are still reeling from the base closings of the 1970's. It is interesting to note that out of the 3,600 military bases which were closed during the 1960's and 1970's, the Pentagon has only listed 100 examples of economically stimulated areas.

This legislation is too important to be fraught with such uncertainties—communities will suffer, and budget savings are iffy at best, the deficit will not shrink. We must go in with our eyes wide open. Which we are not doing here today.

Mr. DICKINSON. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. FOGLIETTA].

Mr. Chairman, will the gentleman yield?

Mr. FOGLIETTA. I yield to the gentleman from Alabama.

Mr. DICKINSON. I wonder if I misunderstood the gentleman when he was quoting Secretary Carlucci. Mr. Chairman, did the gentleman intend to say that the savings from the closing of the base might be used for any other purpose but not the money that was recouped from the sale of property? Because there are two sums of money here. One has to do with that from the sale of property, whatever is realized from that would be held for other cleanups, pollution, and so forth. But it is my understanding that these funds would not go into the general fund or the General Treasury.

Mr. FOGLIETTA. No.

Mr. DICKINSON. What the gentleman meant is the projected savings after the closure and not the funds being manipulated.

Mr. FOGLIETTA. The funds that would be used for the closing of that base, we are not talking about that. We are talking about the net savings from the closing of bases would not be used for deficit reduction, would not be taken out of the military budget, in his opinion, would not be used for deficit reduction, would not be used for other programs but would be used for programs within the Department of Defense.

Mr. DICKINSON. I thank the gentleman for making that clear.

Mr. Chairman, I yield 3 minutes to the gentleman from Virginia [Mr. BATEMAN].

Mr. BATEMAN. Mr. Chairman, I thank the gentleman from Alabama for yielding the time.

Mr. Chairman, I rise in support of the bill now pending before the Committee of the Whole in the form in which it now exists. I do that because I think there is a legitimate case that has been made that we need a procedure, a mechanism by which sound and rational judgments may be made on the alignment and operation of military facilities throughout the United States and for that matter throughout the world.

I am willing to support the bill that comes to us as the product of the several committees which have worked upon it and brought it to the floor. I think it is reasoned. I think it is realistic, I think it requires certain things to be taken into consideration which inherently either must be taken into consideration or we rush to enacting something which is not going to save ourselves money but which is going to cost the taxpayers of America perhaps a great deal of money.

There is no witness who appeared before any of the committees dealing with this bill who did not indicate that in the short-run it costs money to close military reservations. There is no immediate short-term savings.

The savings, where it is a potential for savings, comes from long-term cost avoidance. Now if we are going to look at bases throughout the United States and make decisions based upon a sound and comprehensive cost analysis, then I can support such efforts. But legislation which says, in effect, to a commission, as much as I respect that commission, "You make your analysis but you are not mandated to take into consideration all of the elements that ought to go into a sound analysis," I cannot support. The bill before you does require not a short-term, not a restricted view, "would closing this base save money for the Department of Defense?" without regard to how much other departments of Government might be required ultimately to expend because of closing their military facility. I want all aspects of the equation which have a proper bearing on the sound analysis of potential savings, actual savings, actual additional costs incurred in relocation and replacement, I want all of these things considered.

When, if and as they are required by a bill, I support it. Short of that, I certainly cannot and would say to my colleagues that you would have been abdicating an incredible responsibility to an administrative agency, to the Department of Defense, that would be a dereliction in our duties if we did not impose upon the administration and the commission standards and guidelines which would be acceptable.

Mr. HERTEL. Mr. Chairman, I yield 3 minutes to the chairman of the Committee on Veterans' Affairs, the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Chairman, I would like to reserve my right on final passage as to how I will vote on this bill until we see how the amendments come out and what is adopted.

Mr. Chairman, I would like to say though I support the so-called Brooks amendment. I like what the Committee on Rules did on protecting the House on approval of this resolution and what the Governmental Affairs Committee has done.

I certainly oppose the Armey substitute and also the Kasich amendment. However, I do want to commend the gentleman from Texas [Mr. ARMEY] for his persistence and hard work on this legislation coming to the floor. However, I really do not think this legislation is necessary.

I want to point out to my colleagues I do serve on the Committee on Armed Services. The Secretary of Defense has the authority without notifying Congress to close any base he wants to that has less than 300 civilians working on that base. Also, the Secretary of Defense has the authority, he can notify Congress in most cases, but he has the authority to close bases who have 300 civilians or more.

□ 1245

Mr. Chairman, here is the way they can do it, and he is doing it now; he is contracting out. He is getting rid of the military personnel on these bases, and he is putting civilians in there. That reduces the size of the base.

The Secretary of Defense has the authority to transfer Air Force wings, Army divisions, regiments, and battalions out of a base, out of a camp, or out of a fort, and move those regiments wherever he wants to. So he has the authority of moving units off of bases.

Quite frankly, this legislation is not necessary. I ask the Members to not take my word for it. They should ask other Members around here today if they have had base closings, and they would be surprised at the number of bases that have been closed in this country in the last few years.

Mr. Chairman, I close by saying this: if some Members have bases they want closed in their States, if they will come forward and tell us, then probably we will not even need this legislation.

Mr. HERTEL. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. BUSTAMANTE].

Mr. BUSTAMANTE. Mr. Chairman, today we are considering a clever setup that is supposed to avoid the pitfalls of politics which tends to get in the way of cost-efficient government. Proponents of this bill feel they have suddenly found a way to save billions of defense dollars by relieving Congress of its responsibilities to deliberate the major national security and economic implications of military base closings. This bill relegates Congress' responsibility to a bipartisan commission already appointed by the Secretary of Defense.

Mr. Chairman, while I oppose this bill because it will strip the affected people of a voice on base closings, I commend my colleagues in the Armed Services and Government Operations Committees for improving this bill.

Since I support initiatives for a frugal and cost-efficient Government, I wonder why under the Armey substitute such a clever solution is only being applied to a narrow area of potential defense savings. The substitute limits the Commission's review of the military usefulness of bases to those inside the United States. The cost of our overseas bases amounts to $35.5 billion this fiscal year and $37 billion next year. These are not negligible costs and should also be reviewed. In addition, the future viability of our overseas bases need to be taken into account when we consider closing bases inside the United States. If we do not take such factors into account, we will fritter away the bill's purported savings.

If we are to really address wasteful programs of questionable value to our national security, we need to include in a Defense Savings Act not only obsolete military installations but also wasteful and ineffective weapons programs. It is just as difficult, if not more difficult, to cancel a bad weapons program than close an unneeded military base. One only needs to look at the strategy of defense contractors for assuring the future of a program by having work on the project performed in all the 50 States. Why, then, have the proponents of this legislation not included weapons systems in their efforts to save defense dollars? I am sure there are more dollars to be saved in weapons procurement than in military bases. I hope that it is not because bases are more expendable than businesses and that Government employees are less important than private sector employees.

Mr. Chairman, we need to make sure that the legislation's purported savings are as real as its impact on the affected communities. While many smaller savings schemes have failed to materialize in the past, the consequences of this one to the socioeconomic well-being of many of our communities should require everyone to pause and reflect before taking a leap. I urge my colleagues to oppose this bill.

Mr. DICKINSON. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Arizona [Mr. KYL].

Mr. KYL. Mr. Chairman, today we have an opportunity. We have an opportunity to save taxpayer dollars; we have an opportunity to make defense more efficient; and, we have an opportunity to show that Congress puts the national interest above parochial interests.

We can do that best today by supporting the Armey version of the base-closing legislation. As between the two versions of the bill, the Washington Post in its lead editorial this morning concluded that the Armey bill was the better of the two approaches. As the Post pointed out, "The basic problem is the disposition in Congress to treat the military budget as pork."

Mr. Chairman, in fatter days, the Members of Congress might have been able to rationalize spending money to keep questionable facilities open, but how can it be rationalized today when defense budgets are experiencing annual real reductions averaging 5 percent a year since 1985? We are shortchanging the men and women in the military services by unnecessarily spending $2 to $5 billion a year. That is the amount of estimated savings under this legislation.

That money could be put to better use, for compensation for the men and women in the service, for providing them better training and equipment, or for nondefense needs, or maybe even reducing the Federal budget deficit. Do we remember that problem?

It is said that the Secretary of Defense can close bases or contract out, and that is the way we can save money. But the same people who oppose closing bases oppose contracting out. So we are not saving money. It is obvious that Congress will not close bases and will not allow bases to be closed. None have been closed since 1977. It is too politically difficult, and we all know that.

Defense should not be used as a community development or jobs program. The Department of Defense is not a public works program. It is important for the defense of this country to do everything that should be done, nothing more and nothing less. Bases obviously should exist solely as a function of whether they serve the national defense, not their immediate impact on the local economy.

Frankly, I am disappointed at some of the provisions in the committee bill that we are considering, and I would ask my colleagues who support a strong defense especially, do they understand that defense is suffering today because the American taxpayer does not support it? And the reason the American taxpayer does not support more spending for good defense is because the American taxpayer knows we are wasting money. And one of the places where he knows we are wasting money is in keeping inefficient and obsolete bases open.

Let us look beyond our short-term parochial interests to the national interest. This is the way to generate more support for defense. Without reform, I am concerned that we will never have the support of the American people to do what we should with defense.

In my concluding moments, let me point out one or two differences and problems with the committee bill, as opposed to the Armey proposal. I do not think we are fooling anyone when we say we are all for closing obsolete bases, but then we attach so many preconditions to it that we know we are never going to end up closing the bases. One of these is the difference between automatic closure, which would occur under the Armey proposal, and the provision that is in the committee bill that would require Congress to affirmatively act. Who among us believes that we will actually close bases if we have to affirmatively act? That is the current law.

The CHAIRMAN. The time of the gentleman from Arizona [Mr. KYL] has expired.

Mr. ASPIN. Mr. Chairman, I yield 3 minutes to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, as a member of the Military Construction Appropriations Subcommittee, I have followed the issue of base closings for about 6 or 8 years intensively, and even before then, as a Member of Congress, I was very interested in the issue of base closings.

It may be somewhat encyclopedic, I suppose, to advise Members that in 1969 some military bases were closed. In fact, I recall, when I first arrived as a newly elected Member of Congress, the Secretary of Defense recommended that a naval training reserve center in my district be closed, and after conferring with many of my constituents in Helena, AR, they agreed that it was a waste of money to maintain that facility, and we agreed that it should be closed. In contrast, Eaker Air Force Base in Blytheville has always been regarded as a vital part of America's defense structure. The 97th Bombardment Wing at Eaker Air Force Base won the coveted Omaha Trophy, which is annually awarded to the best unit in the Strategic Air Command. This honor again demonstrates the excellence of Eaker Air Force Base.

So it is not without some reasonable response that Members of Congress approach this issue, even though it is a political one and even though it may be extremely volatile in our various districts to address that question when it affects us directly. All Americans want to eliminate waste and duplication and unnecessary spending, and so do we in Congress as we approach these issues.

The gentleman from Texas a minute ago mentioned that base closings alone do not solve the problem of expensive military preparedness. The balancing of global commitments against the willingness of taxpayers to pay for the national defense is a vital issue. After all, if we close a base, we still have the units involved, which are 72 or 75 pecent of the cost, and ostensibly they would be transfered to another facility somewhere else, and that does not address the question of manpower levels and equipment costs, and so on, that are involved.

Frankly, I do not know why it is necessary to create another commission. Like several speakers before me, I am somewhat ambivalent about a new commission for this purpose, and will reserve my judgment on how to vote until I see what the full content of the bill is after the debate. When Congress or the administration has an issue that it cannot resolve, it seems that we resolve it by establishing a commission. I do not think the Secretary of Defense really needs a commission, and the only thing I can say as a Member of Congress who wants to fulfill my responsibility on these issues of national defense is that I am somewhat reassured that the process of allowing Congress to approve or disapprove recommendations that may be made by the proposed commission still remains intact. I appreciate the work that has been done by the numerous Members on this issue.

Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. DICKINSON. Mr. Chairman, I yield 4 minutes to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Chairman, probably the most important element of this legislation is the formula that we use to close bases down. When Mr. Weinberger was the Secretary of Defense, the Department took a list of 22 military bases, and what they tried to do to determine whether a base should be closed down was, they said, "We don't want to expend more money to close a base down than we save. So, therefore, we have to have some formula that says if we can save money during a certain period of time, more than the cost of closing the base down, then we will close the base down. If the cost of closing the base over some period of time is greater than the savings, then we won't close the base down."

What were the costs involved? There were about three of them. One of them was an environmental survey to decide what was actually located on the military base. Another one was the cost of building new facilities, because when you close an old base down and you have to transfer people, there is a cost associated with new facilities.

The third one was the cost of actually transferring people. Now, when you add those things together, you take these 22 bases and you see that each of these 22 bases has a different time period when the savings will outweigh the cost of closing it down. Now, when you average these 22 together, you find out that the average period of time that it takes to make savings, when the savings overwhelm the cost of closing, is 6 years. That was an average, and that was a goal.

The Congress then took this average or this goal of 6 years and mandated it into law and said, if we could not save money within a period of 6 years—when I say, "save money," what do I mean? I mean the savings from not operating the base, because there are operation and maintenance costs—what we did was, we said, if we cannot close it in 6 years, we do not close it at all.

That would not have been so bad, but then what happened was that we recognized that there was a legitimate problem with the environment, that what we could not do would be to take a military base and close it down and burden communities with the cost of an environmental cleanup.

So the Armed Services Committee then added an amendment stating that when closing a base, we have to calculate in the cost of an environmental cleanup. Now, if we do that and we add a major cost that the Pentagon did not originally calculate in the formula, we are then limiting the number of bases that will be closed. Of these 22 bases, only one-half of them would be closed when we add in the environmental cleanup costs.

□ 1300

Now many people would like to strip those environmental cleanup costs out of the formula. Frankly, it is probably the best way to go, but it is not what would sell on this House floor, and it does not represent our concern about what we do to help local communities resolve their environmental problems.

Now what we did by adding in environmental cleanup costs was to dramatically increase the time period it will take to make savings to offset the cost of closing the base. What we did is we took the same list of the 22 bases, and we added in the environmental cleanup costs, and we came out with another average, and that average is 13 years.

What we are doing is, we are recognizing the vital aspect of environmental cleanup. We are providing that we will help local communities in environmental cleanup, but that we will make the formula for closing bases realistic. And that is why it is necessary to extend the period of time in which we calculate cost savings from 6 to 13 years. Without extending the total amount of time that we calculate cost savings, we might as well take the bill and throw it away because it has no impact.

So, those who are in favor of meeting environmental concerns, community concerns, economic concerns, retraining concerns, should support the Kasich amendment that provides for a 13-year calculation on cost savings.

Mr. Chairman, I am happy to yield to the gentleman from Wisconsin [Mr. ASPIN], the chairman of the Committee on Armed Services.

Mr. ASPIN. Mr. Chairman, I believe that the gentleman in the well, Mr. KASICH, has a very, very important amendment here. We will debate it further in the day, but it is a very important amendment that we ought to pass to this bill that we are considering here today.

Mr. MARTIN of New York. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from New York.

Mr. MARTIN of New York. Mr. Chairman, the gentleman from Ohio [Mr. KASICH] is making a very important contribution, and we have discussed this on and off the floor on many occasions, but, to make it perfectly clear, to agree what the gentleman is doing is trying to increase the number of bases that could be considered in this alignment and at the same time insuring that those bases that do have environmental problems will not be kept open just because they have an environmental problem.

Mr. KASICH. Mr. Chairman, the gentleman from New York [Mr. MARTIN] is absolutely right. If we do not approve this 13-year provision, the bill is meaningless, and those who will oppose this 13 years really do not want to close bases down. This is an effective effort to try to take care of these concerns and yet still have an ability to close down a great number of bases. Without the 13-year provision my colleagues know that we do not have much of anything, and the gentleman is exactly right.

Mr. Speaker, I will reluctantly yield to the gentleman from Michigan [Mr. HERTEL] who is opposed to the basic concept of the bill.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. Kasich] has expired.

Mr. ASPIN. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. Hertel].

Mr. HERTEL. Mr. Chairman, I just want to clarify that the amendment of the gentleman from Ohio [Mr. Kasich] is not discussed at all in the Armey substitute. Is that correct?

Does the Armey substitute deal with these environmental questions the gentleman has just——

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. HERTEL. I yield to the gentleman from Ohio [Mr. Kasich].

Mr. KASICH. The Armey substitute takes out all the environmental language.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. HERTEL. Mr. Chairman, does the amendment of the gentleman from Texas [Mr. Armey] or his substitute—I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, my substitute accepts the provisions included in all three committees for modified waiver or NEPA. All environmental language for performance in cleanup that we have in all environmentals are still in effect. The only thing we do is remove the threat of extended lawsuits in the NEPA provisions.

Mr. HERTEL. I do not have a base in my district, Mr. Chairman. I come to this legislation though because of my concern about the communities that might be left in pain because of the operation of our actions that we take today.

I am in favor of closing bases, but I want to do it properly. We have pockets of high unemployment in this Nation. I do not want to see more, and I think the next Democratic administration will change that. A simplistic approach like Gramm-Latta cannot be taken. One must address the questions, and in this committee bill I address two.

One is that we would say that Congress would clean up all the toxic waste that is left behind when a base is closed. Fine. Close the base, but clean up the toxic waste so the communities are not left with it. That is not in the substitute.

Second, I would say where we have areas of high unemployment that we create new ones by closing a base. Give the people a break. Give them just a chance. Have the Department of Defense do community planning with those communities to try to find new industries to take the place of the jobs lost and train those people that are thrown out of jobs and unemployed.

Mr. Chairman, that is all we ask in the committee approach. Give those communities a break. Close the bases, save the money, but be honest and straightforward with those communities.

Clean up the toxic waste now, and, second, help the unemployment.

Mr. Chairman, I yield on that point to the gentleman from Texas [Mr. Armey]. Does he favor helping the unemployed?

Mr. ARMEY. Mr. Chairman, yes, I do.

Mr. HERTEL. Mr. Chairman, is the substitute of the gentleman from Texas [Mr. Armey] designed to help the unemployed?

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. HERTEL. I yield to the gentleman from Texas [Mr. Armey].

Mr. ARMEY. Mr. Chairman, the Department of Defense does have an economic adjustment provision, and it will be, of course, utilized to help the unemployed.

Mr. HERTEL. Mr. Chairman, I reclaim my time.

The Department of Defense does not always do that. We only stipulate that they shall do it in every case to help with community planning and help and train the unemployed. The current law does not do that, and the substitute of the gentleman from Texas [Mr. Armey] does not address the question of the unemployed that will be harmed by the base closure.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. HERTEL. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, my substitute gives communities all the protection and assistance of current law. In addition——

Mr. HERTEL. Mr. Chairman, I reclaim my time.

Mr. Chairman, I just pointed out that the current law does not guarantee any help for the unemployed and does not guarantee community planning for those people thrown out of jobs where they have a high rate of unemployed.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. Hertel] has expired.

The gentleman from Wisconsin [Mr. Aspin] has 2 minutes remaining. The gentleman from Alabama [Mr. Dickinson] has 1½ minutes remaining.

Mr. DICKINSON. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I would just like to say in closing that in answer to the gentleman from Michigan [Mr. Hertel] who just spoke that we already have in the law a provision for economic impact; I mean that feature is already in the law, but it is a very spurious argument to vote against the whole bill for that reason.

Mr. HERTEL. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON, No, Mr. Chairman. I have 1 minute left, and I am going to take it.

But to say we are not going to close the base anywhere because it might create undue hardship and unemployment, that is really not a very valid reason because it has already been addressed in the law today.

Mr. HERTEL. Mr. Chairman, will the gentleman yield on that point for one sentence?

Mr. DICKINSON. I yield to the gentleman from Michigan.

Mr. HERTEL. Mr. Chairman, only 15 percent of the communities where bases were closed in the past got such assistance. That answers the question. The current law does not protect these people.

Mr. DICKINSON. Mr. Chairman, getting to current law, the gentleman from Mississippi says that the Secretary of Defense already has the right to close bases. That is true, but there is not one base that we have been able to close in 12 years, not one. He said that a lot of them have been closed recently, but he cannot name one.

Now why is that, Mr. Chairman? Because the gentlemen on this floor and the gentlemen on the Senate floor know that all that has to be done is put a little proviso in the appropriation bill that says no money appropriated in this bill may be used to transfer an air wing, may be used to close a base, may be used to do any of the things we are trying to do. Base closures can and have been stopped by the appropriations process.

The CHAIRMAN. The time of the gentleman from Alabama [Mr. Dickinson] has expired.

Mr. ASPIN. Mr. Chairman, I yield the remaining 2 minutes to the gentleman from Texas [Mr. Ortiz].

Mr. ORTIZ. Mr. Chairman, the subject of base closures is one that deserves the careful consideration of the House. What we do today will not only effect the Department of Defense and its structure, but also the lives of thousands of Americans.

Although most of us support the admirable goal of closing unneeded military facilities and saving taxpayer dollars, we must not lose sight of the potential impact of base closures on the communities that support our Nation's military structure.

I, for one, am intimately aware of the impact on a community of a sudden closure of a major military facility. Several years ago, the Department of Defense made a decision to close the Corpus Christi Army Depot, the largest industrial employer in the area. Literally, hundreds of people were put out of work in one stroke. Every family in the community was affected by this decision, either because a family member worked at the depot or like many others who could no longer sell their products. The impact on the community could not have been more devastating.

In this bill, we have worked to try and prevent what happened in Corpus Christi from happening again. The text of the bill includes many provisions important to the protection of communities that may be affected by this legislation. We have put in safeguards such as ample time for notification, economic impact studies, foreign base consideration, economic assistance to affected communities, and congressional review.

Without these provisions, I could not even consider supporting base closure legislation. As it is, I have many reservations.

I support the inclusion of language requiring a congressional resolution of approval before any base closure action can be initiated. I believe that it is imperative that the Congress have the final voice in base closure decisions and I comment the chairman of the Government Operations Committee, JACK BROOKS, for his diligent efforts to include this provision in the bill.

I also comment the efforts of the chairmen of the House Armed Services Committee, the Merchant Marine and Fisheries Committee, and the Rules Committee for their efforts to fairly consider all of the concerns of the Members of the House.

The concerns are valid. We must be sure that the savings are real, the communities are protected, and our defense is enhanced. I urge us all to listen carefully to the debate. This may well be one of the most important votes of the year.

The CHAIRMAN. All time for the Committee on Armed Services has expired.

The gentleman from Texas [Mr. BROOKS] will be recognized for 22½ minutes and the gentleman from New York [Mr. HORTON] will be recognized for 22½ minutes.

The Chair recognizes the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Mr. Chairman, I yield myself 7 minutes.

Mr. Chairman, H.R. 4481 would establish an unprecedented and untested mechanism for expediting the identification and closure of military installations that no longer fit our national defense posture. A Commission on Base Realignment and Closure, appointed by the Secretary of Defense, would review all U.S. military installations over the next few months and report to the Secretary on those that should be closed or whose functions should be realigned.

Under the original proposal, if the Secretary accepted the Commission's recommendations, he would then begin the closure and realignment process. There would be no participation by the legislative branch after passing the bill; even the account set up to fund the closure and realignment activities would be isolated from the normal authorization and appropriations process.

Mr. Chairman, the removal of the Congress from the original base closure commission scheme was no accident. In fact, it lies at the heart of the philosophy behind H.R. 4481. The bill is expressly designed to circumvent the legislative process, because it is felt that the political pressures that are a natural part of that process have traditionally thwarted the shutdown of military bases that have outlived their usefulness.

Unfortunately, getting base closures out of politics by this scheme also gets them out of the constitutional process of Government. It is the Constitution that gives the Congress the authority to regulate the management and disposal of property belonging to the Federal Government. It is the Constitution that requires us to "provide for the common defense." And, it is the Constitution that requires us occasionaly to make tough political choices—not to set up Rube Goldberg gimmicks that are purposely crafted to let us avoid making those choices.

That is what H.R. 4481 as introduced would have done. It would have put the base closure decisionmaking process on autopilot, getting Congress off the hook by permitting it to avoid its constitutional duty.

This institutional concern caused the Committee on Government Operations to adopt an amendment to H.R. 4481, putting the Congress back in the process without jeopardizing the underlying goal of an expedited decisionmaking timetable. The amendment specifies that the Commission's report will not take effect until a joint resolution of approval has been passed by both Houses of Congress and signed by the President. The amendment includes provisions that will assure congressional consideration of the resolution—the Congress won't be able to block enactment of the recommendations by sitting on the resolution. It is assured of coming to a vote, and Congress is assured of having a voice in this matter.

The provision for a joint resolution of approval was one component of the consensus amendment in the nature of a substitute that is before the Committee of the Whole today. We reached this agreement after extensive discussions among the four committees with substantive jurisdiction over the base closure issue: Government Operations, Armed Services, Merchant Marine and Fisheries, and Rules. Each of those committees had input into the final product. It includes the Government Operations provisions putting the General Services Administration—the agency with expertise and experience in property management and disposal—back into the game. It includes Armed Services provisions regarding the socioeconomic impact of closures and plans for environmental restoration. It adopts Merchant Marine and Fisheries' recommendations for language limiting the coverage of the National Environmental Policy Act of 1969. And, Rules Committee joined in advocating the provision I discussed earlier which requires an affirmative vote of approval by the Congress before the Commission's recommendations go into effect.

Mr. Chairman, no legislative idea is so pure, so righteous, so logical, that it cannot be improved by going through the process of examination, review, and change by the committees of the Congress. The base closing bill that is before the House today has been subjected to that process and changed by it. The result is a piece of legislation that retains whatever merit the original proposal possessed and is also more workable and more reflective of this body's institutional responsibilities. I urge the adoption of the amendment in the nature of a substitute.

□ 1315

Mr. HORTON. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the original bill that was presented to the four committees, the so-called Armey bill, was and would have been the largest unbridled delegation of legislative authority in the history of this country, because we literally were delegating our authority to the Secretary of Defense, to the staff of the Secretary of Defense, and to the Commission, because what we would have been saying was that the Secretary of Defense would appoint this Commission. The Commission would be staffed by personnel from the Defense Department. They would act by the end of this year, December 31, and whatever action they took would then be placed in effect without any congressional oversight whatsoever.

Mr. Chairman, as one who has struggled to find an acceptable approach to the problem of identifying and closing unnecessary military bases, I am supportive of the language of H.R. 4481 as reported by the Rules Committee and I would urge its approval by the full House. I firmly believe that the committee version offers a better approach, one that keeps intact the concept of executive branch execution and congressional oversight without destroying the laudable intent of the original bill.

As I pointed out a number of times during the Government Operations Committee consideration of this bill, cutting inefficiency anywhere in the Government requires a thoughtful process. This bill, in its current form, will provide for an independent base closure and realignment selection process as well as brief—and I want to stress the word brief—but important judicial and congressional review procedures.

It is important to point out that this measure has been closely examined by four different committees, each with a clear jurisdictional interest in the base closure concept. I firmly believe that we have a better bill because of that scrutiny.

For starters, this is a better product because it keeps the property disposition where it belongs, with the property disposal specialists at the General Services Administration. As the ranking Republican on the Government Operations Committee, I can tell you without hesitation that property disposal should be in the hands of GSA, and not the DOD, which it would have been in the original bill.

If there is anything more important than keeping GSA in the loop during this base closing and realignment exercise, it is keeping the Congress in the loop. While I understand and appreciate the argument to remove politics from the base closure process this one time, I believe that a stronger argument can be made for preserving and protecting the integrity of the Congress as an institution.

I might point out parenthetically, Mr. Chairman, that what we have provided is, as the chairman of the Government Operations Committee just explained, there would be a resolution of approval after the process is completed and it would then be reported to the Congress and then we would have an opportunity to vote up or down. In my judgment, this should be an incentive for those who are opposed to the concept, because it will give the Congress an opportunity to have a voice, an approval, that is, a direct approval. We would vote to approve the product.

I would be opposed to the substitute that the gentleman from Texas [Mr. Armey] will present a little bit later to have it as a disapproval resolution, because that is not the same thing.

The Committee on Government Operations has a long and distinguished history in the fight against wasteful, duplicative, and unnecessary spending. We have identified and eliminated billions of dollars of waste and we have never done it by giving someone else the difficult job that we, the Congress, have the responsibility to do. Congress should play a role in the closing of unnecessary military bases. That is why I like the congressional approval process that is part of this bill. It requires a simple up or down vote, a take it or leave it vote. That is not much, but it at least is going to keep Congress in the loop.

I will be the first to admit that this is not a perfect piece of legislation, Mr. Chairman, but it is one that can work. It is a good compromise. I urge my colleagues to support H.R. 4481 in the form that is now before us.

Mr. BROOKS. Mr. Chairman, I yield 5 minutes to the gentlewoman from Illinois [Mrs. Collins].

Mrs. COLLINS. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of the amendment in the nature of a substitute printed in the report of the Committee on Rules as the original text for purpose of amendment. I fully endorse the remarks of the chairman of the Committee on Government Operations, Mr. Brooks. I also compliment him, and the chairman of the Committees on Armed Services, Merchant Marine and Fisheries, and Rules for their wise and careful resolution of the many complex issues of policy, procedure, and implementing authority which this important legislation entails.

As a member of the Committee on Government Operations, I am pleased that the amendment in the report of the Committee on Rules adopts expedited procedures which both preserve the Congress' legislative prerogatives and ensure early votes by both Houses. The procedures are modeled after the general legislation under the jurisdiction of the Committee on Government Operations which delegates reorganization authority to the President. That authority provides for a joint resolution of approval to be passed by both Houses and signed by the President.

As a member of the Committee on Government Operations, I am also pleased that the amendment in the nature of a substitute reported by the Committee on Rules as original text specifiers that the Defense Secretary's use of funds in the base closure account in all cases is to be subject to appropriations, including proceeds in that account received from the transfer or sale of real property at installations to be closed or realigned. This requirement, likewise, is of special concern to the Committee on Government Operations, which is charged under the rules of the House with jurisdiction over measures relating to budget and accounting, overall economy and efficiency of Government operations, and off-budget treatment of Federal programs.

Finally, as chairwoman of the Government Operations Committee's Government Activities and Transportation Subcommittee, I am particularly pleased that the amendment in the nature of a substitute included in the report of the Committee on Rules as original text preserves the real property utilization and disposal role of the General Services Administration in connection with property to be released at bases recommended for closure or realignment.

The original version of H.R. 4481 would authorize the Secretary of Defense to proceed with almost all real property operations incidental to the bill independently of the General Services Administration. And yet, the Federal Property Act provides procedures that have worked successfully for many years in effecting further Federal utilization of excess real property and disposal of surplus real property in all circumstances, including base closures. Hence, any waiver of these procedures with transfer of functions from the independent authority and action of the Administrator of General Services would require the strongest justification. In the case of this base-closure proposal, such justification does not, in my opinion, exist.

I strongly urge my colleagues to support the amendment in the nature of a substitute included in the report of the Committee on Rules as original text. It is a product that will do the job with efficiency, with fairness, and with full consideration of the many basic and vital areas of national and governmental concern. Again, I compliment the chairmen of the committees concerned and their staffs for their hard, dedicated work, cooperative posture, and exceptional accomplishment in the form of this amendment.

Mr. HORTON. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. Kolbe].

Mr. KOLBE. Mr. Chairman, I want to thank the gentleman for yielding this time to me. I want to thank the members of the committee and the chairmen of the various committees who have considered this legislation for their efforts in its behalf.

Mr. Chairman, I also want to commend the gentleman from Texas [Mr. Armey] for tackling an issue that has stymied Congress and reasonableness for years. As a member on the Military Construction Subcommittee of the House Appropriations Committee, I've looked at the base-closure issue closely. I'm pleased we're debating this topic at all. In particular I'm very pleased that the Rules Committee has allowed Mr. Armey's substitute to H.R. 4481, the Defense Savings Act, to be offered later today.

As originally introduced, H.R. 4481 would depoliticize the closure of unneeded military installations. This would allow DOD to close or realign installations without the threat of congressional derailment. These actions could realize anywhere from $2 to $5 billion in annual savings. Nevertheless, this body has successfully—for 10 years now—prevented the Defense Department from closing any base in the United States. The reasons are obvious: Members' fear of base closures in their own district; a desire for protection of the status quo when it benefits us as individuals.

Many claims are made about waste and mismanagement in the Pentagon. But, when the Defense Department offers a way to reduce spending, Congress rises up in arms. If this legislative body is serious about deficit reduction, it is time for us to take the lead and take advantage of the opportunity the Defense Savings Act offers us.

I strongly encourage my colleagues to vote for this substitute. While it preserves the intent of H.R. 4481, as originally introduced, it has been modified to address the concerns numerous Members have with closing military bases. Bases with obsolete missions or unnecessary functions would be identified by a nonpartisan commission. This blue-ribbon panel would recommend to the Secretary of Defense a list of bases that should be closed. The Secretary would then make a decision to accept or reject the entire list of bases offered by the panel. Through this all-or-nothing approach, Members can be assured that no political retribution could be meted out to an individual Member.

Environmental concerns have also been taken into consideration. Mr. ARMEY's substitute provides for a limited use of the National Environmental Policy Act of 1969, between the time a base closure is begun and completed. In the past, NEPA provisions have been used to prevent base closures by throwing up a smokescreen of complicated environmental impact statements. This is obviously a perversion of what NEPA was intended to do. Mr. ARMEY's bill eliminates the abuse of NEPA as a stalling tactic, by applying the true spirit of the 1969 act: the protection of our environment.

The economic impact base closures would have on communities located near the bases has been taken into consideration in this substitute. Economic adjustment and community planning assistance would be made available to local communities, during the transition period after a base closure. Finally, and most important, this bill ensures that the executive branch will not be able to make arbitrary or capricious decisions about closing military bases. With procedures for a motion of disapproval, Congress retains the right to block base closures by a majority vote. Mr. ARMEY's substitute to H.R. 4481 positively addresses all of the concerns Members have had with base closures.

Comparing it to the version before us, the Armey substitute is certainly superior. Amendments to H.R. 4481 by the Committees on Armed Services and Government Operations—quite frankly—only make matters worse. Under the terms offered by these two committees, politics would not only be reintroduced to the realm of base closures, but would actually be reinforced. The Armed Services version would allow a joint resolution of the Armed Services Committees to block any closures. Furthermore, this version would require the Commission on Base Realignments to publish a tentative list of bases it is recommending for closure. Clearly, these measures do not depoliticize the issue of base closures, but will augment the power of small vested interests to deny our taxpayers billions of dollars in annual savings.

Government Operations would serve to accomplish the same politicization, by making the funds necessary for closing bases part of the annual appropriations request by DOD. Armed Services has also included a provision that states that the commission cannot recommend a base for closure, unless the costs of closing it can be recouped within 6 years. This shortsighted provision would deny us billions of dollars in long-term savings, for the sake of eliminating a few dollars in closing costs today. Far and away the worst provision included in the amendments to H.R. 4481 is the requirement that both foreign and domestic bases be considered for closure. We all know there is not a political problem in closing an overseas base, so this issue, introduced here, is a red herring. Moreover, treaties regulating the establishment and maintenance of military facilities overseas is a matter of foreign policy. While I agree that our allies must assume greater responsibilities in their own defense capabilities, this is an issue that must be dealt with separately. Deficit reduction cannot come at the expense of our alliances with overseas partners.

The final area I want to address, is the myth surrounding base closures. At the mere mention of a base closure or realignment, prophets of doom come out in the communities that will be most affected. But the predictions of these prophets most often do not come to pass. The world does not end with base closures. Economic Armageddon does not result. The period immediately following a closure does have tremendous impact on communities located near the base, but this blow can be softened through economic assistance and with careful planning. Many communities are actually better off once an installation has been closed. The Office of Economic Adjustment's 1986 study demonstrates this. Of some 93,000 jobs lost in 100 base closures since 1961, a total of 138,000 jobs have replaced them.

Take Kinchloe AFB in Kinross, MI. Kinchloe was one of the last bases closed before the O'Neill-Cohen amendment rendered DOD impotent to close any more. When the base closed in 1977, a $36 million payroll and a large percentage of retail sales were lost. The prophets of doom came out, and Kinross was given its last rites. After a brief interim, local politicians and business leaders joined together to develop a new economic base. What resulted was the Chippewa County Economic Development Corp., which allowed this rural Michigan community to compete nationally for new industry. Almost 1,000 workers are now employed at the former Kinchloe AFB, one-third more than were employed by the military. More than 40 companies are now located on the former base facility. Low-operating costs, along with the annuities that come with an active military installation, have made Kinchloe a very attractive place for industry.

Mr. Chairman, I hope my colleagues will support the Armey substitute to H.R. 4481 when it is offered later today. I strongly support Mr. ARMEY's version of the bill, and will cast my vote in favor of it. The gentleman from Texas [Mr. ARMEY] has done an admirable job to ensure that in these times of fiscal reduction, the fat can be trimmed without hurting the bone. The Armey substitute represents a step in the direction of deficit reduction, and should not be passed up.

□ 1330

Mr. HORTON. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona [Mr. KYL].

Mr. KYL. Mr. Chairman, I serve on both the Committee on Government Operations and the Committee on Armed Services, so I have had an opportunity to view and participate and hear the debate in both of these committees.

I want to speak just on one provision of the Committee on Government Operations version, which I think is less effective than the Committee on Armed Services version, and that is the specific provision which would require congressional approval, an affirmative vote of approval rather than allowing the Commission's recommendations to become law unless disapproved by a joint resolution of the Congress. With great respect for my colleague, the gentleman from New York, the ranking member of the Committee on Government Operations, who said that this is an unbridled delegation of authority to a commission, I would say not unbridled but, yes, a delegation. I would like to address both of those points.

First, it is a delegation of authority, and the reason that both versions of the bill delegate the authority to the Commission is because we know that Congress will not on its own permit bases to be closed. Experience shows that. We all know that, because we do not have the political courage to vote against the interests of our own districts in favor of the national interest, and, or course, there is an awful lot of backscratching that goes on. As a result, since 1977, there has been no major base closed in the country. That is why both sides agree there has to be delegation.

Let us talk about unbridled delegation. There are many safeguards built into the Committee on Armed Services version of the bill. The first has to do with the politics. Under the Armed Services Committee version, Congress has the authority to disapprove the recommendation of the Commission. That is a safeguard that keeps politics from the executive branch or the Commission playing a part here, and it permits the Congress to correct a mistake. But to turn that around and say that Congress must affirmatively vote to close the base is to ask Congress to do something it has not been willing to do for the last 11 years, and it is not going to do it in the future.

The environment—there are plenty of environmental safeguards here. It still requires an environmental impact statement, not before the recommendation, but after the recommendation. Anybody can file a lawsuit within 60 days challenging the adequacy of the NEPA statement and presumably tie a project up forever if they wanted to do so. There is also plenty of environmental protection on the matter of restoration costs. We are providing for restoration costs, and I believe the Kasich amendment, which would stretch that amortization to 13 years, is critical to the workability of this bill. I hope that all of the Members, my colleagues, will support the Kasich amendment for a 13-year amortization.

Finally, we have the socioeconomic impact statement that my colleague, the gentleman from Arizona [Mr. KOLBE], just mentioned. We have all three bases covered—the political, the economic, and the environmental. We have protected the interests of the people in the local communities in which these bases are located.

It is time for us to protect national interests and the taxpayers' interests.

Finally, some have expressed great concern about the loss of jobs. First, the studies have shown there is a net increase in jobs when bases are closed, not a loss. Second, and let us understand this, jobs are not the business of the Department of Defense. Defense is.

Mr. Chairman, as the lead editorial of the Washington Post said today:

> The House has a pretty clear choice to make. The defense budget should not be used as an employment program.

Mr. HORTON. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Chairman, I thank the gentleman for yielding. I appreciate having this time to speak to a "Dear Colleague" letter that came out yesterday under the signature of the distinguished chairman and the ranking member of the Government Operations Committee.

Obviously there is a great deal of confusion about this bill and its several variations, because, in fact, it has been marked up by four separate committees, and there have been variations in process.

The "Dear Colleague" letter that went out addresses the substitute amendment which I will offer later today, and it says that my substitute will not provide for further involvement or revisiting of the issue by Congress. That is not the case. In my substitute, I take those provisions for disapproval that were in the Armed Services version. The "Dear Colleague" also says it is likely that there will be a multibillion-dollar base closing account. That is not likely. The base-closing account will have approximately $300 million in it. The "Dear Colleague" also says that in my substitute we make no provision for the General Services Administration to handle the disposal of the land. I am happy to tell the distinguished chairman and the ranking member that we agreed, as we framed up our substitute, that the point of the gentlemen was absolutely right, and we adopted a GSA provision into our substitute.

Hopefully, the Members will find my substitute much more to their liking as they have an opportunity to see the whole thing.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I am happy to yield to the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Mr. Chairman, let me say to my distinguished friend it was my understanding that the original bill that he had had a $300 million fund for these transfers and realignments, and that into that fund also would go the proceeds from the sale of those bases, and that fund could well be over the $300 million.

If the gentleman were to say, and I will not name any to make people nervous, but if a couple of those good bases were sold, one might get $1 billion for some of them where they are well located, and I am thinking of several that I will not mention on either coast of this country, where the land is very valuable, and that fund could well be into the billions.

Mr. HORTON. Mr. Chairman, I yield 5 minutes to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, I rise in opposition to the bill as presented and in support of the Armey substitute.

In recent years the American people have been engaged in a fierce debate over the national debt and the budget deficit. They have looked to Congress for action, for solutions, but they have seen little progress. Whatever we in Congress believe, the fact is that the perception among average Americans is that we are all talk and no action. Today we are presented with a clear opportunity to demonstrate to the American people not only that we understand their concern, but that we are taking firm and visible action to tackle the problem.

The issue here is not one of slashing the Defense budget, as some would advocate, or slashing domestic programs, as others would advocate. We have today the opportunity to slice fat—wasteful spending—from the budget.

The bill which we are presented with guts the original intent of Mr. ARMEY's legislation, which was designed to streamline base closing procedures and ensure that no base would be closed or kept open for political reasons. Instead, we are faced with a bill, and proposed amendments, which may make it even more difficult to close obsolete bases by complicating the base closing process and encouraging political maneuvering. Recent history has shown that Congress is not capable of making these decisions.

As has been stated earlier, as many as 400 of our 4,000 military installations are superfluous, serving no useful military purpose. One of the best known examples is Fortress Monroe, a moat-surrounded relic from the War of 1812. Such a setting might make for an excellent theme park, contributing to the economic development of the area. Utah's Camp Floyd, built in 1857, clearly no longer serves the purpose for which it was established; namely, to protect stagecoaches crossing the frontier from bandits and Indian raids. There are countless other such examples.

Yet no major base has been closed since 1977, although 13 have been created in the ensuing decade. In 1977, Congress began requiring the Department of Defense to provide an environmental impact statement on proposed base closures. Members have also added amendments to annual DOD authorization and appropriations bills to block specific closure proposals.

Earlier this year, Secretary of Defense Carlucci appointed a nine-member commission of military experts to prepare a list of unneeded bases; the commission is expected to report at the end of the year. In an effort to overcome the political obstacles to base closures, a proposed amendment to the fiscal year 1989 Defense authorization bill—H.R. 4264—would have empowered DOD to close the bases identified in the report without further congressional action. I supported that amendment.

The amendment was not made in order however, because it was agreed that the appropriate committees should first have an opportunity to review the bill—H.R. 4481—which I have cosponsored. On June 10, the House voted 330 to 0 to instruct conferees on H.R. 4264 to adopt language similar to that in the version of H.R. 4481 reported by the Armed Services Committee. Similar language was included in the Senate-passed version of the Defense authorization bill.

The Armey substitute, which will be offered later and which I support wholeheartedly, would permit Congress to disapprove the base closing committee's report under expedited procedures, rather than requiring congressional approval of the commission's recommendations. No action would be initiated before January 1, 1990, thus allowing for congressional review and assuring adequate notice to affected communities. It would drop cumbersome and overly burdensome requirements for socioeconomic analyses and environmental restoration plans. It would keep the commission's focus on domestic bases rather than creating new conflicts by expanding the legislation to include overseas facilities.

The Armey substitute is indubitably the better bill. It is supported by a whole plethora of organizations, including the American Conservative Union, Business Executives for National Security, Citizens for a Sound Economy, the Council for Citizens Against Government Waste, the National Tax Limitation Committee, the National Taxpayers Foundation, the Heritage Foundation, and countless others. In addition, the bill has been endorsed by newspaper editorial boards ranging the political spectrum, around the country, and some of these editorials have been cited today in debate.

The Armey substitute will save between $2 and $5 billion a year; it will help reduce the budget deficit; and it will show the American people that we in Congress understand their concerns about the budget and that we are taking concrete and effective steps to combat this problem.

I urge Members to join me in opposition to the bill and in support of the Armey substitute.

Mr. BROOKS. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. KLECZKA].

Mr. KLECZKA. Mr. Chairman, I am pleased to join the Honorable JACK BROOKS, distinguished chairman of the Committee on Government Operations, a committee on which I have the honor of serving, in urging my colleagues to support the consensus version of H.R. 4481.

During the course of the Government Operations Committee's extensive hearings and markup of this legislation, we added a number of excellent provisions.

Working with our friends on the Armed Services and Merchant Marine and Fisheries Committees, we have compromised our differences and, I believe, considerably strengthened the original bill.

The major improvement from the original bill is our addition of congressional particiption in the base closure decisionmaking process. I strongly support the provision which requires the adoption of a joint congressional resolution of approval before the Base Closure Commission's recommendations can go into effect.

I oppose any efforts to weaken Congress' vital role by replacing this strong check on any political mischief by the President or the Secretary of Defense with a mere motion of disapproval.

I also support the provision that makes the General Services Administration responsible for disposal of any bases which are to be closed. This only makes sense as the GSA is the agency which performs this function for all other Government property.

Finally, I favor the compromise language in the bill which promotes regional equity in the closing of military bases. Regional equity is important to me because my home State of Wisconsin is the fourth lowest State in terms of defense spending return on the Federal taxes we pay.

According to the Northeast-Midwest Congressional Coalition, of every dollar Wisconsin pays in taxes, we only get 32 cents back in total defense spending and only 22 cents back in Defense Department salary and wages.

While I am not arguing that each State should get an equal share of Pentagon contracts, a more even regional distribution of defense bases and personnel would be socially fairer and militarily wiser.

A strong national defense requires that we expedite legitimate base closures. A strong national defense also requires Congress to help guarantee that the right bases are closed and closed in such a way that our whole Nation benefits.

As a Member from a district without any military bases, I think I can objectively say that the consensus version of the Defense Savings Act succeeds on both counts.

□ 1345

Mr. HORTON. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. DREIER].

Mr. DREIER of California. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, many Members over the past several years have been accused of supporting every gold-plated weapons system to come down the pike. We also have received a number of criticisms from people in the press and from our political opposition that we have continually just written a blank check to the Pentagon.

Today we have an opportunity to once again, prove that that perception is wrong. While I have supported the amendment in years past offered by my friend, the gentleman from Kansas [Mr. GLICKMAN], which would have brought about a modest cut in the buildup, and I have also supported the concept of defense sharing, especially for West Germany and Japan. Today we are in a position where we really have a chance to take the 4,000 military bases in this country and bring about what I hope will be a modest, bipartisan responsible proposal that can actually bring about a reduction in the number of those bases.

I strongly support the substitute being offered by my friend, the gentleman from Texas [Mr. ARMEY], and urge my colleagues to vote in favor of it.

Mr. HORTON. Mr. Chairman, I yield back the balance of my time.

Mr. BROOKS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from North Carolina [Mr. JONES] will be recognized for 15 minutes and the gentleman from Virginia [Mr. BATEMAN] will be recognized for 15 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong support of the National Environmental Policy Act [NEPA] provisions found in the substitute amendment to H.R. 4481, that is made in order as the original bill under the rule and in the substitute that will be offered by Mr. ARMEY.

H.R. 4481 was introduced on April 28, 1988, by Mr. ARMEY, for himself, Mr. ASPIN, and Mr. DICKINSON, and was referred to the Committees on Armed Services, Government Operations, and Merchant Marine and Fisheries.

H.R. 4481 was referred to the Merchant Marine and Fisheries Committee because of the committee's exclusive jurisdiction over NEPA. As introduced, H.R. 4481 waived the application of NEPA to the Secretary of Defense's closure of bases under this bill.

On June 21, 1988, the Merchant Marine and Fisheries Committee met to consider and markup H.R. 4481. I offered a series of amendments to the bill to modify the NEPA waiver in the bill as introduced. These amendments retain the essential timeline under the original Armey bill for selecting which bases to close and choosing which bases should receive those functions. At the same time, the amendments preserve the essential attributes of the NEPA process for disclosing significant environmental impacts of a major Federal action and considering alternative ways to mitigate those effects.

The amendments were reported unanimously by the Merchant Marine and Fisheries Committee.

I want to express my appreciation to the distinguished chairman of the Armed Services and Government Operations Committees, LES ASPIN and JACK BROOKS. They have graciously deferred to the Merchant Marine and Fisheries Committee on its views on NEPA and both committees have reported out bills incorporating NEPA provisions identical in substance to those provisions reported by my committee. These provisions have also been included in the amendment in the nature of a substitute that is made in order as the original bill under the rule and in Mr. ARMEY's amendment.

NEPA is one of our Nation's premier environmental laws, if not our principal environmental law. It should be preserved insofar as practicable and consistent with the policy objectives of H.R. 4481, the Defense Savings Act. Congress enacted NEPA in 1969 to encourage productive and enjoyable harmony between man and his environment; to promote efforts which will prevent or eliminate damage to the biosphere and stimulate the health and welfare of man; to enrich the understanding of ecological systems and natural resources important to the Nation; and to establish a Council on Environmental Quality. The major purpose of NEPA is to require agency decisionmakers to take a hard look at the environmental consequences of their actions. The amendments of the Merchant Marine and Fisheries Committee will accomplish this purpose.

The environmental waiver was included in the original Armey bill because the Department of Defense [DOD] argued that NEPA, among other laws, was inhibiting DOD efforts to close unnecessary military bases. The Secretary of Defense gave three examples to support DOD's position when he testified on May 18, 1988, before the Defense Policy Panel of the House Armed Services Committee. Upon close scrutiny of these examples, a reasonable person must conclude that political pressure and changes of heart by the Department were the primary reasons that some closures did not take place—not NEPA. Upon questioning by members of the panel, Secretary Carlucci conceded that NEPA has never prevented the Defense Department from closing any military installation, although it caused delays in the process.

The modified NEPA process, which I endorse today, will not interfere with Congress' establishment of a legislative framework to expedite the closure and realignment of unnecessary military bases. The modified process exempts from NEPA the essential decisions by the Commission on Base Realignment and Closure and the Secretary of Defense to choose which bases to close. This will allow the Commission to meet its end-of-the-year deadline and the Secretary to meet his deadline of early next year. This does not mean, however, that the Commission and the Secretary are to ignore the environmental consequences of their decisions, only that they do not have to comply with the procedural requirements of NEPA prior to making these decisions. At the same time, the Merchant Marine and Fisheries amendments require the Secretary of Defense to comply with NEPA prior to actually closing any base or realigning any functions to a new base, thereby protecting the public's right to know what environmental risks may be associated with the closure or realignment of a particular military installation.

The first part of the Merchant Marine and Fisheries amendments provides the NEPA shall not apply: First, to the actions of the Commission on base realignment and closure in selecting military installations for closure or realignment and making its report to the Secretary; and second, to the actions of the Secretary of Defense in determining whether to accept or reject the Commission's recommendations and in transmitting the Secretary's report to the Congress. The committee's intent is to exempt from the requirements of NEPA the two policy decisions of recommending and selecting military based for closure or realignment. This was done to maintain the schedule established by the bill as introduced.

The second, the key part of the amendments requires the Secretary to comply with NEPA after the installations are selected but before they are actually closed or realigned. In applying NEPA to the actual base closures, the Secretary need not consider: First, the need for closing or realigning the installation previously selected; second, the need for transferring functions to a military installation other than the one selected; or third, alternative military installations to those previously selected. This was done to be consistent with the previous decision to allow the Commission and the Secretary to decide, on other grounds, which bases to close and not to allow NEPA to be used to second-guess this decision. In all other respects, the normal NEPA process applies.

The amendments require the Secretary to consider the environmental impacts associated with the process of closing or realigning bases, as well as alternative ways of addressing and mitigating those impacts. The committee leaves open the question whether a particular closure or realignment constitutes, in the parlance of NEPA, a major Federal action significantly affecting the quality of the human environment. If the Secretary of Defense decides that a particular closure or realignment does constitute a major Federal action that significantly affects the quality of the human environment, the Secretary should follow the normal NEPA process for preparation of a draft environmental impact statement [EIS], public comment, and preparation of a final EIS. To decide whether implementing a particular closure or realignment is a major Federal action that has significant impacts on the quality of the human environment, the Secretary should, in accordance with regulations of the Council on Environmental Quality [CEQ], prepare and make available to the public an environmental assessment and, if justified, a finding of no significant impact. Regardless of the type of NEPA analysis, the Secretary's actions under NEPA must be completed before he may close or realign the base or relocate functions.

The third part of these amendments establishes a schedule for filing a civil action for judicial review of the Secretary's actions or inactions under NEPA. This part requires an aggrieved party to file a complaint in the appropriate Federal court no later than the 60th day after the Secretary's action or failure to act. Where a person had no reasonable knowledge of such action or inaction, the complaint must be filed within 60 days after the person has acquired actual or constructive knowledge of such action or inaction. I encourage the Secretary to provide the public reasonable notice of all NEPA decisions under these amendments so that the 60-day deadline may be met and judicial review may be expedited to this extent.

In conclusion, I urge adoption of the Committee on Merchant Marine and Fisheries' NEPA amendments that have been incorporated in the substitute base closings bill before us and in Mr. ARMEY's substitute. These amendments will enable the public to have confidence in the expedited base closings process we will approve today by ensuring that environmental impacts are fully weighed and mitigated.

Mr. Chairman, I reserve the balance of my time.

Mr. BATEMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I urge my colleagues to support H.R. 4481.

The balance between the desire to expeditiously close any base, once a decision has been made to close it, and giving full consideration of the policies behind the National Environmental Policy Act is a difficult one to achieve. However, the compromise evinced by section 2 of the bill is a sound one. Thus, the part of the process which will have the most significant impact on the environment—the actual closure of the bases—will be subject to review under NEPA, ensuring that the Department of Defense takes a hard look at the environmental consequences of its actions.

Mr. JONES of North Carolina. Mr. Chairman, I yield 8 minutes to the gentleman from Michigan [Mr. HERTEL].

Mr. HERTEL. Mr. Chairman. I thank the gentleman for yielding time to me.

Mr. Chairman, many of my colleagues have asked me why I have gotten involved in this issue. As I pointed out before, I have no base in my district. I do sit on the Armed Services Committee and on the Merchant Marine and Fisheries Committee which have jurisdiction of this bill.

Mr. Chairman, I come to this issue because what I saw was a simplistic approach. I realized, as the gentlewoman from Maryland read off all of the list of groups that support the Armey substitute, and all of the editorials that have been written about the Armey substitute, that Congress, this House, is responsible for the actions that we take, and that we have to look beyond the simplistic approach and look at the details. We have to look at the effect on this Nation and on the communities involved.

In the past, many communities have made great sacrifices on behalf of the military personnel who live in their area, whether it be in community services or simply regular support and enthusiasm for the problems of those families, because we now have 50 percent of the people in the armed services who do have families under our volunteer system.

So I am not opposed to the bill, I am not opposed to the concept. I am very much for cutting unnecessary military bases. As my colleagues know, in the last Congress I was the chairman of the Task Force on Waste, Fraud and Abuse in the Pentagon, and there was waste on military bases that are not needed.

The difference between the committee approach and the Armey substitute is are we going to meet our responsibilities or not. I want to examine just two different areas.

The committee approach is to say that when there is toxic waste, environmental damage, it should be cleaned up so that that community who loses a base and those jobs will not be stuck with land that cannot be used for development because it has toxic waste on it. The committee approach would say within 6 years of closing the base those costs must be appropriated and met, and the base must be cleaned up and the toxic waste must be cleaned up.

The Kasich amendment, as we heard from the gentleman from Ohio [Mr. KASICH] and which he is going to offer today, would say instead of 6 years under the committee approach, 13 years to clean up those toxic wastes. I have no problem with that approach, because it would still address the problem. But the Armey substitute says get in line, maybe it will be cleaned up, maybe it will not be. It tells us no specifics. Even though the Kasich amendment would say 13 years and the committee would say 6 years, I think that is long enough if you live near a base with toxic waste, if you have a problem of unemployment and dislocated jobs because the base has been closed, and then on top of that you cannot use the land because of toxic wastes. I say 6 years, 13 years, that is plenty. Do it. But the Armey substitute, the one supported by these editorials, does not say when or if ever they will be cleaned up. In fact, the Army and the Department of Defense, the other two branches, they could decide they would rather clean up toxic waste at active bases before inactive bases, and in the Armey substitute they would have that clear right.

We know it is an expensive problem and proposition to clean up toxic wastes because many bases around this country already have it. I am just saying do not add to the problem. Close the unnecessary base, clean up the toxic wastes within 6 years, within 13 years, but do not let those people wallow in that additional problem.

In the area of unemployment, the committee has adopted my language to say very simply in every case we will have community planning to try to bring in new businesses, to make the best use of that land; and, second, that we will have job training for those people who are dislocated by the base closing and leaving. I did not see a dollar limit. I did not say what amount of money must be appropriated. I just said the Department of Defense, and the committee has agreed with me, the Department of Defense in every case when they close a base should give the people some job training, some community planning before they walk away. I think that is only fair. Those people are going to be harmed. They do not live in my district, but they might live in some of my colleagues. But it does not matter. They are Americans and they deserve a chance for a livelihood.

Think about even the extended market, the people who have grocery stores and a base of a few thousand people closes. They might lose their business too. Should that community not get some help or should this Government just walk away from the problems those communities face after they have made sacrifices on behalf of supporting the military in the past? I think this country should.

We hear talk about the low-unemployment rate in this Nation, but we know that there are pockets of high unemployment. That is going to occur under either the bill or the Armey substitute. There is going to be more unemployment. But at least we will address the concerns of those communities so that the people see that we think they should have a fighting chance for jobs and a livelihood by helping them for a very, very short time.

It has been pointed out, and the sponsors have said that the Armey substitute follows existing law, but the gentleman from Texas pointed out that in the 1960's and the 1970's when we had so many bases closed that only 15 percent under existing law, the law that operates today, and under the Armey substitute, if it is adopted, only 15 percent of those communities got assistance for their unemployment problems. It is true and it has been cited that in some cases there has been an increase in employment, and that would depend on the location of the base and the value of that land. If we go to a coastal region, I am sure in many cases, if the commission so chooses, that there will be cases where very valuable land could lead to more jobs. But I am concerned about those communities who are already hard hit and might have a higher unemployment percentage already, and that that could be increased, and more people could lose their jobs with no chance, no opportunities, just have the Department walk away, have this Congress and this House walk away from their problems. I do not think that is right.

It does not affect my communities, but I am thinking about those other families out there, and I think all Members should. We do not need simplistic, hardhearted approaches any more. We saw the damage and it took us years to recover after Gramm-Latta. This is the same type of approach.

The gentleman started with a very good idea, that there are unnecessary bases that need to be closed. He adopted the accelerated NEPA provision from the committee that was not in his original bill, and I congratulate the gentleman for doing that. I think something should be done for those areas that will be creating more unemployment.

It is ironic that just 3 years ago this House voted first with me to stop the homeporting in New York City, but later to allow which is going to be the most expensive home port. Already the cost figures for the housing alone have doubled within 1 year. We put a new home port in New York City, the most expensive city in this country, with no tactical advantage in a nuclear age. New York, unfortunately, is one of the first or second nuclear targets of the Soviet Union. So we are going to spend as much, Barry Goldwater says, as $10 billion for a new port in New York City, and it is going to be expensive for those service people to live there and to work there; and yet, just 2 years later the Congress turns around again, after approving new bases, and they want to close some smaller, less expensive, older bases. That is ironic.

I just hope Members are consistent in how they vote on these questions. Let us close the unnecessary bases. Let us look in fact at some of the homeporting bases that are going to be so very expensive, like New York, and unnecessary. Let us even think about extending in the future this commission's life to keep reviewing what bases are unnecessary, and let this House implement that legislation to close bases.

But let us take the committee's bill today to protect those people who are going to be left with toxic waste on that land, and to protect those people who are going to be thrown out of their jobs, to give them just a chance, clean up the land, give them some job training, community planning so that they at least have hope, if nothing else they have hope when those bases are closed.

□ 1400

And I hope the House will consider those families in the future and not walk away from their problems so that we do not create new pain by our actions today.

Mr. BATEMAN. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. Davis].

Mr. DAVIS of Illinois. I thank the gentleman for yielding.

Mr. Chairman, I rise today like everyone else wanting to consolidate missions and to close bases and to save the taxpayers money and to do the right things. However, during the Department of Defense's testimony in front of the Committee on Armed Services of which I am a member, I asked the Secretary several questions that I thought my constituents would want the answers to back in Illinois before the base-closing procedure started.

One of them that I asked—and I know I will get asked all of these questions when I go home after this bill so I wanted to have some answers. Unfortunately most of the answers were not forthcoming prior to today.

I did ask the Secretary, for instance, "How do we explain the delegation twice removed of constitutional and congressional authority to review and to oversight the decisions of the commission to close bases?" How do we explain that we cannot do it ourselves because of politics and we cannot review it ourselves because of politics? And, of course, there was no answer to that.

I asked him: How long would it take to recover the estimated $2 to $3 billion in the costs of consolidating and moving missions of the proposed 20-odd bases that would be closed out of the 871 U.S. bases that are currently open?

It will take a long time. They say cost avoidance, not savings of those closed bases, after the mission was shifted, would save about $500 million a year. That is a lot of money. That triggered the next question: If you think in terms of 6 or 8 or 10 years of saving just the money that it cost to move the missions of the closed bases of $3 billion, it would take about 7 or 8 years if my math is right. But then the next question, the next question to the Secretary was: What then will you do in the succeeding 100 years with the $500 million of cost avoidance or money that you do not have to put out in the form of savings? Will it go to reduce the deficit? The answer is no, it will go to DOD spending to increase the effectiveness of purchasing in the Department of Defense and maybe even for homeporting to expand bases, which was the next question that I led into. I said, "Why are we doing homeporting and expanding naval facilities on the perimeter of the United States of America at the same time we are talking about closing bases perhaps in Illinois, perhaps in Arkansas, perhaps in Alabama, and building new bases on the coast when it does not seem to be cost efficacious to do so?"

No answer to that one either.

The final question that bothers me and should bother my constituents in America more than any other question, and I asked him, "What foreign bases will be closed before American jobs are lost through base closure in the United States of America?" He could not answer that only to say—and you will hear this argument made that "Well, there are 375 foreign bases outside the United States in foreign jurisdictions but there are no reasons why we can't close those, there are no environmental concerns, there are no economic impact concerns, we don't care what happens in West Germany, we don't care what happens in England, we don't care about this, that, and the other. However, we have some treaty considerations," and that is probably true. "We have some geopolitical considerations," may be true. "We have some military considerations," may be true.

Now I am known as a pretty ardent hawk around here and I do not discount that, but I am going to tell you something: I am also an American who has difficulty trying to explain to his district, "Wait a minute, we are going to close 20 bases, and put 40,000 or 50,000 or 100,000 Americans out of work while we leave the West Germans and the Japanese work." That does not seem to me to be an efficacious thing to do.

So my colleagues and ladies and gentlemen, I will be offering two amendments to this bill today and to the substitute in the form of a bill; one dealing with foreign base closure that will say that no American base may be closed until all foreign bases recommended for closure or realignment by the commission are closed first.

Second, to address the issue of congressional delegation of authority far beyond, I think a wise move on our part to add in eight members to the commission on an ex officio basis, at least, the chairman and ranking committee members of the Committee on Armed Services and the Senate Committee on Armed Services and the Appropriations Committees; as ex officio so that the public will know how the decisions ultimately were made.

Mr. BATEMAN. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. Armey].

Mr. ARMEY. I thank the gentleman for yielding.

Mr. Chairman, I would like to take a moment to express my appreciation to the chairman of the committee, the gentleman from North Carolina [Mr. Jones], and to the ranking member, the gentleman from Virginia [Mr. Bateman], and to the members of the committee.

When you recognize five different committees have held jurisdiction over this bill, I think this committee deserves the "collegiality and good work" award because their provisions on the modified NEPA waiver were not only accepted by all of the committees but enthusiastically accepted by me in my substitute. This is the one point on which we all agree. The modified NEPA waiver written by the committee recognizes the need to do environment impact studies in the decisionmaking process, but not to allow them to be used as a litigation tool to prevent actions from ever being taken.

It was a very judicious compromise of these two possible events, well-crafted and obviously so because it was accepted by everybody.

Let me encourage the body to understand this modified NEPA waiver, written by this committee and accepted by everyone, does not exempt base closing from any statute regarding environmental cleanliness. I have a two-page list here of all the laws that protect our environment in the action. None of those laws are exempted under this waiver accepted by all of us.

So let me encourage the committee to feel good about the work they have done. I certainly appreciate the good work they have done. They have helped make the joint committee bill a better bill and they have helped make my substitute a better bill and they certainly will help make it a safer process for all of America.

Mr. JONES of North Carolina. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. BATEMAN. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The time of the Committee on Merchant Marine and Fisheries has expired.

The gentleman from Florida [Mr. PEPPER] will be recognized for 15 minutes and the gentleman from Missouri [Mr. TAYLOR] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Florida [Mr. PEPPER].

Mr. PEPPER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill before us now, H.R. 4481, raises two issues that profoundly concern the Committee on Rules: The inclusion of expedited procedures and the unhealthy appetite this Congress has displayed for delegating its legislative responsibilities. Before I discuss those matters, let me retrace our steps and explain how we got here.

Mr. Chairman, the bill as reported by the Armed Services and Government Operations Committees would make the recommendations of the commission on base-closure subject to congressional review with expedited procedures for consideration. The Armed Services Committee would attach expedited procedures to consideration of a joint resolution of disapproval; the Committee on Government Operations would allow the President to amend the Commission's recommendations but would make the recommendations contingent upon enactment of a joint resolution of approval. Before the Rules Committee granted a rule providing for the consideration of this bill, the committee met as a matter of original jurisdiction, on the expedited procedures.

In considering the provisions of H.R. 4481 relating to rules and procedures of the House, the Committee on Rules worked closely with the Committees on Armed Services and on Government Operations to resolve the concerns I will address here. The committees involved reached an agreement that is incorporated in the amendment in the nature of a substitute which the Rules Committee made in order as original text for purpose of amendment. Under this amendment, the President will submit the commission's recommendations to Congress and the Congress, under expedited procedures, will vote on an unamendable joint resolution of approval. While it would be my preference to avoid expedited procedures altogether, this is a fair compromise.

As chairman of the Committee on Rules, I must note that the committee has previously issued reports and studies expressing our concern with the inclusion of expedited procedures in controversial legislation. These procedures are intended to guarantee timely future consideration of important matters, however, it is precisely the role of the Committee on Rules to guarantee and structure such consideration. Expedited procedures for House consideration are unnecessary and usually a hinderance. Look at the record. More often than not, the House has set aside or modified expedited procedures in order to allow Members to consider matters that have become concerns but were not anticipated when the expedited procedures were written. In the few instances when the House made use of expedited procedures, we usually defeated the legislation and later reconsidered the matter under a special rule granted by the committee.

Even though an expedited procedure may bring about a compromise in a particular instance, such a procedure represents a loss of congressional prerogative regardless of the substance at issue. The House as a whole and the Committee on Rules in particular are clearly in a position to address and resolve matters related to consideration.

H.R. 4481 serves to highlight the fundamental difference between resolutions of approval and disapproval. While political exigencies may vary, a resolution of approval generally allows for greater congressional involvement and control. A joint resolution of disapproval tends to weaken legislative control because if Congress fails to act, the Executive proposal becomes law. And if the President vetoes a joint resolution of disapproval, a policy may be established which does not have the support of a majority in either House. In the context of the bill before us now, a joint resolution disapproving the base closings recommended by the commission would in practical effect deny congressional expression in the base closure decisionmaking process. Even if majorities in both Houses saw fit to disapprove the President's recommendations, a Presidential veto would require a two-thirds majority in each House to make effective the will of Congress.

Now there are some Members who heartily approve that result. I have heard my colleagues say we will never close a single unnecessary base unless we keep congressional involvement at a minimum. Base closings and realignments are of such a sensitive political nature, it is argued, that the decisions must be made outside the political arena, insulated from political pressures that may arise during the normal legislative process.

I do not share the low opinion expressed about this great institution. I believe Members can be relied upon to discharge their constitutionally defined duties, that Members of Congress can be relied upon to vote affirmatively for proposals that are in the Nation's interest.

As chairman of the Rules Committee, I am deeply disturbed by the proliferation of schemes to avoid our responsibilities, from Gramm-Rudman to the original idea of a commission whose recommendations would become law without congressional review. Congress should not abdicate its legislative responsibilities. That is the danger with resolutions of disapproval. They maintain the appearance of congressional oversight but undermine Congress' ability to participate in the process.

□ 1415

Mr. Chairman, democracy has chosen means by which it implements its decisions, and the Congress in my opinion, for 200 years has nobly and bravely discharged its responsibility and can be depended upon very forthrightly and very responsibly and honorably in the years ahead.

Mr. TAYLOR. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, when it was introduced this bill was referred only to three committees, Armed Services, Government Operations, and Merchant Marine and Fisheries. However, two of those committees added provisions for congressional review of proposed military base closures. Since this new material falls within the original jurisdiction of the Rules Committee, the bill was sequentially referred to Rules.

As reported by the Armed Services Committee the bill provided for a joint resolution of disapproval of any of the recommendations of the Commission on Base Realignment and Closure, subject to expedited procedures.

As reported by the Government Operations Committee, the bill provided for a joint resolution of approval, again subject to expedited consideration by both Houses.

While the Rules Committee did not actually amend the bill referred to it, the rule providing for the consideration of this bill, the Defense Savings Act, made in order as original text a substitute printed in the report accompanying the rule. That substitute included provisions for a joint resolution of approval.

Mr. Chairman, the rule under which we are considering this bill is an open rule which will allow the congressional review provisions either to be deleted or amended in such a way that the joint resolution of approval could be changed into a joint resolution of disapproval.

Mr. Chairman, the Committee on Armed Services is on record on one side of this issue and the Committee on Government Operations is on record on the other side. The House will have an opportunity to express its will on this issue during the amending process.

Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Chairman, I thank my good friend, the gentleman from Missouri [Mr. TAYLOR], for yielding so generously of his time.

Mr. Chairman, today we have an opportunity to make the single most important, clear, good government vote for deficit reduction and waste elimination of this congressional year. We can do so today if we will pass forward an amendment in the form of a substitute that restores the power of H.R. 4481 to actually close obsolete military bases for a potential savings of over $2 billion a year out of maintenance and operations costs every year forever, simply by eliminating waste. It is a very simple, clear understanding. If we do it at home in our households, we know that that is money we will not have to spend in the future. If we do it by cleaning house in our military basing structure, again we will save billions of dollars of money that will not have to be spent in the future in maintaining and operating bases that do not make a contribution to our Nation's defense.

Everybody knows that that money can be saved. There is a consensus on that. Why, then, do we not easily close bases? The reason is politics. First, obviously every Member understands clearly that in the beginning, as we close a base and for perhaps the next 2 years, certainly very likely before the next election, that is likely to have an economic impact on his community. Every Member obviously wants to avoid that.

Mr. Chairman, we have evidence of that, and we have clear, factual testimony. There was a very good editorial in yesterday's New York Times testifying from Michigan that in the long run those communities not only survived but they prospered as they reutilized that property. But it is that short-run cost that bothers us, and Members, of course, will try to avoid that cost in their own individual parochial interests. No one can fault them for that.

But there is a larger concern that is political in nature and that has stopped this from happening. It is one that does not cut through the individual Member per se in his political interest, but they are the prerogatives of the Congress, and that is that the fact is, unfortunate as it is, that historically base closing has been used as a point of leverage by administrations, both Republican and Democratic administrations, as political leverage over and above Members of Congress to encourage them to vote in a manner that the administration would like. So we have seen communities afflicted, and we have seen, I am afraid, even base closings that would hamper our Nation's defense out of a sense of political reprisal.

For that reason, in 1977 Congress passed legislation that would put an end to that business of using base closing for political leverage. And well they should. But as they tried to kill a bad practice, they had the unfortunate result of overkill, and they built in so many safeguards against closing bases that no base has been closed in the past 10 years. Why? Because the individual Member of Congress or an individual in the community can tie a base closing up in so much redtape, largely through environmental protection studies, with redtape, that it just becomes impossible to do so.

Having addressed this question, we came up with a solution. Why not protect against political blackmail by establishing a nonpartisan commission agreed upon by the leadership of the House and the Senate, with the Secretary of Defense, to objectively study the base structure and make recommendations to the Department of Defense and to Congress regarding which closures and which realignments would benefit our Nation's defense and save the taxpayers money by reducing costs? And when we have that commission and its report, then it would be safe to waive those aspects of current legislation that make it impossible to close a base. Members of Congress will be provided in that case protection from blackmail, and they will be provided protection from criticism back home because they will have the opportunity, as we will see, to protect their interests, to speak for their interests, and then, of course, to let the will of the Congress in general override in the Nation's interest the parochial interest of an individual Member.

The concept was first introduced 2 years ago. It was offered as an amendment to the DOD authorization just last year, and it failed by seven votes. It failed in part because the Department of Defense did not support it in the form in which we had it at that time, and it had gone through no committees.

After that vote, we went to work, and during the course of the next entire year we brought together a working force that included Members and staffs of the House and Senate Armed Services Committees, the Secretary of Defense and his staff, myself, and Senator ROTH, the Senate sponsor, and we put together after months of work H.R. 4481. It was a good bill, crafted through time by the professionals, those Members of Congress with the greatest expertise and those staff members with the greatest expertise.

The bill was then simultaneously referred to the Committee on Armed Services, the Committee on Government Operations, the Committee on Merchant Marine and Fisheries, and then to the Committee on Rules. The bill has endured five hearings and six markups, and now we have it coming back, rather than a simple, direct, clear bill by which we can eliminate waste, as something that is complicated and cumbersome, and so now a bill that was a good idea has in fact come back to this floor and made worse than current law, because everybody has added their two bits to the bill.

I will be offering a substitute for that bill that is in fact endorsed by the administration and by the Secretary of Defense. The fact is that my substitute will get the job done. That substitute takes the good work of the committees that have had jurisdiction over this bill. They have done some good things. We have taken the modification rather than the waiver of NEPA. We have taken the better property disposal conditions of the Government Operations Committee's markup. We have taken the advance notice provision. We have also taken the provision in the Senate version of the bill and in the Armed Services Committee version for a congressional revisit of the subject by way of a motion of disapproval, as written by the Committee on Armed Services.

Now, what we have not done by way of taking the committee's work is to take some of the extraneous ornaments that, quite frankly, if implemented into law, will kill the effectiveness of this bill and give us a bill that will create the illusion of moving toward the elimination of waste and inefficiency but assuring that that never happens. Those provisions include the provision to take this bill, which is dedicated to looking at the domestic waste in domestic bases and applying it to international bases, in total disregard of the fact that international bases are a whole different set of problems wrapped up in international treaties and diplomacy and affected by the State Department.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I yield very briefly to the gentleman from California.

Mr. DELLUMS. First of all, Mr. Chairman, the gentleman knows full well that our domestic and foreign bases are an integral part of one policy. To engage in the assertion that there is some kind of dichotomy does not face realities.

Mr. ARMEY. Mr. Chairman, if the gentleman will let me reclaim my time, the point is well taken. The point was raised by the gentleman in his subcommittee when he so kindly held markup on it, and for that reason our provision, which is the provision that was authored by our working team, requires this commission dealing with domestic bases to take into consideration a study presented to them about the relationship of our domestic bases to our foreign bases. As we address the question of foreign bases in separate legislation, we can use that information, and we should.

The CHAIRMAN. The time of the gentleman from Texas [Mr. ARMEY] has expired.

The gentleman from Florida [Mr. PEPPER] has yielded back the remainder of his time.

Does the gentleman from Missouri [Mr. TAYLOR] wish to yield additional time?

Mr. TAYLOR. Mr. Chairman, I yield 2 additional minutes to the gentleman from Texas [Mr. ARMEY].

Mr. DELLUMS. Mr. Chairman, will the gentleman yield briefly to me?

Mr. ARMEY. I yield very briefly, because I want to retain enough time to conclude my statement.

Mr. DELLUMS. Mr. Chairman, just to add a little levity to this otherwise boring debate, I just want to say to my colleague that, as he laid out the history, he failed to mention the fact that it was this gentleman's subcommittee that held the first hearings on the gentleman's bill that pointed out the number of flaws that the gentleman has attempted to correct. We would just like our subcommittee to get adequate credit for that.

□ 1430

Mr. ARMEY. Mr. Chairman, I appreciate the gentleman's point, and the point is very well taken. I have no doubt that it is a timely interdiction of his subcommittee that has made it possible for us to get this bill to the floor on my birthday.

To get back then to the serious points, we have not accepted those provisions that would add additional socioeconomic studies to the base closing process. That is what we were trying to get away from. They have added in this markup lawsuit bait. We will keep these decisions tied up in the courts for 100 years with these new provisions. We have tried to take them back out. We have not added in our substitute the environmental restoration requirements that will rewrite environmental law. The toxic waste laws, all environmental laws except the NEPA study regulations, apply to base closings. We do not have to rewrite on an ad hoc basis in the Committee on Armed Services the comprehensive Environmental Response and Compensation Liability Act of 1980.

Has anybody, anybody, checked with th Committee on Energy and Commerce to see if they wanted their jurisdiction over this provision coming to the floor? Every committee got their jurisdiction over the original H.R. 4481.

Now when we add this rewriting of the environmental protection law, we ought to check with that committee. It is not necessary. We protect the environment. We do not waive any law protecting the environment. What we waive is laws that result in lawsuits.

Mr. VENTO. I rise in strong support of the proposed substitute for the military base closings legislation before us today.

It is not often that we are presented with an opportunity such as this to make a significant reduction in the Federal deficit without having to cut into essential domestic or defense programs. Too often in the past obsolete and unneeded military bases have been kept open far too long by well intentioned yet parochial interests. In fact, not one base has been closed in the past 11 years.

Mr. Chairman, I have long been a supporter of the closing of unneeded military bases. I am a cosponsor of another base closings bill, the Department of Defense Cost Savings Act. I support the idea of a bipartisan base closing commission as recommended by the Grace Commission. By giving statutory authority to the Commission on Base Realignment and Closures to carry out its mandate, the legislation before us today will lessen the influence of political pressures on the base closings process. By significantly streamlining this process, it is estimated that the closing of bases could eventually save the National Government between $2 and $5 billion annually.

While the legislation before has good intentions, the substitute is better. It is tempting to support the environmental and employment features of the House-reported bill. Yet the substitute still allows for congressional disapproval of any base closing list recommended by the Commission. The streamlined procedures envisioned by the substitute will more effectively eliminate the all important political pressures surrounding such base closings and therefore is much more likely to achieve the goal which we all share—the closing of unneeded military bases. Most environmental law and other safeguards for employees would remain in place and there is every expectation that communities and States that are impacted by such closings would receive further consideration from the National Government and the U.S. Congress.

Mr. Chairman, we in the House should be looking for responsible ways to reduce the budget deficit. We must take positive steps to reduce the deficit, the most recent example being the completion of all of our appropriations bills on time and within budget limits. The approach taken in the substitute is bipartisan and involves the cooperation of both Congress and the administration. This spirit of cooperation is certainly necessary if we are to make the proper decisions to reduce the Federal deficit yet still meet the critical defense and expanding domestic needs of the Nation.

Mr. Chairman, I would like to express one concern I have about this bill. I am concerned that the savings that result from this bill could be used to fund far-flung, wasteful and redundant weapons systems instead of going primarily into deficit reduction efforts. It would be a disappointment if we simply shifted wasteful spending from unneeded military bases to unneeded weapons systems. We must see that the savings from this bill be used to reduce our deficit and not be diverted into a new Pentagon wish list.

The military has real needs that have been subordinated to the extensive hemorrhage of dollars spent on weapons systems and unneeded military bases at the expense of conventional capability. We need to retrench our military spending priorities. This base closing measure is an essential step and indeed the substitute will work. The good intentions of the compromise legislation however will not materialize in closing unneeded military bases.

Mr. Chairman, the serious procurement problems of the military are back in the headlines today. In the past few years we have put in place new requirements and procedures. Hopefully such safeguards will eventually be helpful. Unfortunately the assumption that all procurement officials within the administration and officers within the military were acting in good faith was and is inaccurate. Safeguards and laws don't work when Government officials undercut and circumvent the clear letter and spirit of laws passed by Congress and signed by the President.

This base closing legislation won't work if we create the cumbersome bureaucratic process advocated by the compromise. Let us give the Commission we create some real authority and responsibility with a congressional safeguards and let the process work. Military base closing is a difficult issue, but one that we must face. The proponents of the compromise confuse the issue to a great extent. Congress should send a clear message on this issue. Let us charge the Commission to do the task that we are unfortunately unable to do ourselves as an institution.

Mr. Chairman, I also intend to support the amendment to provide that such Commission on Presidential decisions take place if Congress fails to disapprove this provision is the most important to break the indifference and cut the endless delays in acting on the issue of military base closing.

Mr. TAYLOR. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the committee amendment in the nature of a substitute now printed in House Report 100-751 is considered as an original bill for the purpose of amendment and is considered as having been read.

The text of the committee amendment in the nature of a substitute is as follows:

Strike out all after the enacting clause, and insert:

SECTION 1. SHORT TITLE.

This act may be cited as the "Defense Savings Act of 1988".

SEC. 2. CLOSURE AND REALIGNMENT OF MILITARY INSTALLATIONS.

(a) IN GENERAL.—The Secretary of Defense shall—

(1) close all the military installations recommended for closure by the Commission on Base Realignment and Closure in the report of such Commission submitted by the President before January 19, 1989, pursuant to section 3(c) if such report is approved pursuant to a joint resolution adopted in accordance with section 4 of this Act;

(2) realign all the military installations recommended for realignment by such approved report; and

(3) initiate all such closures and realignments no later than September 30, 1991,

and complete all of them no later than September 30, 1995, except that no such closure or realignment may be initiated before January 1, 1990.

(b) Implementation.—

(1) In general.—In closing or realigning a military installation under this Act, the Secretary—

(A) subject to the availability of funds authorized and appropriated to the Department of Defense for use in planning and design, minor construction, and operation and maintenance, and the availability of funds in the Account, shall carry out actions necessary to implement such closure or realignment, including acquiring land, constructing replacement facilities, relocating activities, and conducting advance planning and design as may be required to transfer functions from such military installation to another;

(B) subject to the availability of funds authorized and appropriated to the Department of Defense for economic adjustment assistance and community planning assistance and the availability of funds in the Account, shall provide—

(i) economic adjustment assistance (including grants for job retraining programs) to any community in the United States located near an installation being closed or realigned; and

(ii) community planning assistance to any community in the United States located near an installation to which functions will be transferred as a result of such closure or realignment;

if the Secretary determines that the financial resources available to the community (by grant or otherwise) are inadequate; and

(C) subject to the availability of funds authorized and appropriated to the Department of Defense for environmental restoration and the availability of funds in the Account, shall carry out activities for the purpose of environmental restoration, including reducing, removing, and recycling hazardous wastes and removing unsafe buildings and debris.

(2) Termination of authority.—The authority of the Secretary to carry out any closure or realignment under this Act shall terminate at the close of September 30, 1995.

(c) Socio-Economic Impact Plan.—

(1) Plan.—The Secretary may not initiate a closure or realignment of a military installation in the United States under this Act until, before the first budget is submitted to the Congress which contains a request for funds which will be used to carry out the closure or realignment of such military installation, the Secretary—

(A) has completed a study of the socioeconomic impact of such closure or realignment on the area in which the military installation is located; and

(B) has developed a plan to minimize such impact, including a statement of the amounts the Secretary plans to request (and the fiscal years for which they will be requested) to minimize such impact.

(2) Transmittal.—A copy of each such plan shall be transmitted to the Committees on Armed Services of the Senate and the House of Representatives as soon as practicable after it is developed, subject to section 2(a)(3).

(d) Environmental Restoration Plan.—

(1) Plan.—The Secretary may not initiate a closure or a realignment of a military installation in the United States under this Act until, before the first budget is submitted to the Congress which contains a request for funds which will be used to carry out the closure or realignment of such military installation, the Secretary—

(A) has completed a study of the environmental restoration needed before the real property and facilities at such military installation can be disposed of by the Federal Government in accordance with applicable law; and

(B) has developed a plan to accomplish such restoration within 5 years (or within a longer period if the Secretary determines that such longer period is necessary because of the extraordinary circumstances involved), including a statement of the amounts the Secretary plans to request (and the fiscal years for which they will be requested) to accomplish such restoration.

(2) Transmittal.—A copy of each such plan shall be transmitted to the Committees on Armed Services of the Senate and the House of Representatives as soon as practicable after it is developed, subject to section 2(a)(3).

(e) Disposal of Property.—

(1) In general.—Except as otherwise provided by this Act, the Administrator shall transfer and dispose of all property and facilities of the Department of Defense (and any department thereof) located at an installation to be closed or realigned pursuant to this Act in accordance with the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.) and other laws which authorize the Administrator to dispose of property of agencies of the United States.

(2) Disposal of property for reduced consideration.—(A) In carrying out this subsection, the Administrator shall make maximum use of the authority to dispose of property without consideration or for reduced consideration to provide economic adjustment assistance to communities affected by closures and realignments of installations under this Act. Disposals of property pursuant to this Act carried out by the Administrator under section 203(k) or 203(p) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484 (k) or (p)), or under any other law which authorizes disposal of property of the United States without consideration or for reduced consideration, shall be carried out on the basis of a land-use study conducted by the Administrator, in cooperation with the Secretary and the community involved, which—

(i) is consistent with the purpose and policy set forth in section 802 of the Federal Urban Land-Use Act (40 U.S.C. 531); and

(ii) takes into consideration the purpose of providing economic adjustment assistance to the community.

(B) Nothing in this paragraph shall limit the applicability of the Federal Urban Land-Use Act to disposals of real property under this subsection.

(3) Explanatory statements.—Section 203(e)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(e)(6)) shall not apply to disposals of property pursuant to this Act other than—

(A) disposals of property having a fair market value in excess of $100,000; and

(B) disposals of property by exchange.

(4) Use of proceeds.—(A) Subject to subparagraph (B), the Administrator shall deposit into the Account all proceeds from property transferred or disposed of by the Administrator pursuant to this Act.

(B) The Administrator shall deposit into the fund referred to in section 204(b) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(b)) an amount of the proceeds of each transfer and of each disposal of property carried out pursuant to this Act equal to the amount estimated by the Administrator to be needed for direct and related operating expenses incurred by the Administrator in carrying out the transfer or disposal, as applicable. Amounts deposited by the Administrator into that fund pursuant to this subsection shall be administered in accordance with sections 204(b), (c), and (d) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(b), (c), and (d)).

(5) Restrictions on reporting property as excess.—(A) Before any real property or facility under the control of the Department of Defense (or any department thereof) and located at a military installation to be closed or realigned under this Act is reported as excess property to the General Services Administration, the Secretary shall notify all military departments, agencies, and other instrumentalities (including nonappropriated fund instrumentalities) within the Department of Defense of the availability of such property or facility and may transfer, without reimbursement, such property or facility to any such department, agency, or instrumentality, except that the Secretary shall give a priority to any such department, agency, or other instrumentality that offers to pay fair market value for the property or facility. For purposes of this paragraph, fair market value shall be determined on the basis of the value of the property as it is being used at the time of such notification. All proceeds from any such transfer shall be deposited into the Account.

(B) Real property that is under the control of the Department of Defense (or any department thereof), located at a military installation to be closed or realigned under this Act, and in need of environmental restoration may not be reported as excess to the General Services Administration until it has been restored by the Secretary to a condition which would permit it to be disposed of by the Federal Government in accordance with applicable law.

(C) After the General Services Administration has accepted any real property or facility located at a military installation closed or realigned, or to be closed or realigned, under this Act, the Secretary may not, after the one-year period beginning on the date such property or facility is accepted, expend funds to maintain, secure, or operate the property or facility unless such maintenance, security, or operation is carried out pursuant to an agreement entered into between the Secretary and the Administrator of the General Services Administration that provides for reimbursement by such Administration to the Department of Defense of all expenses incurred by the Department in providing such maintenance, security, or operation.

(f) Waivers.—The Secretary may carry out the authority provided in subsection (b) without regard to—

(1) section 1362 of the Department of Defense Authorization Act, 1987 (Public Law 99-661; 100 Stat. 3816);

(2) section 709 of the Military Construction Authorization Act, 1972 (Public Law 92-145; 85 Stat. 394);

(3) section 810 of the Military Construction Authorization Act, 1968 (Public Law 90-110; 81 Stat. 279); and

(4) the procedures set forth in sections 2662 and 2687 of title 10, United States Code.

(g) National Environmental Policy Act.—

(1) Nonapplication of act.—The provisions of the National Environmental Policy Act of 1969 shall not apply to—

(A) the actions of the Commission, including selecting the military installations which it recommends for closure or realignment under this Act, selecting any military installation to receive functions from a installation to be closed or realigned, and making its report to the Secretary and the Congress under section 3(a);

(B) the actions of the Secretary in establishing the Commission, in selecting any military installation to receive functions from an installation to be closed or realigned, and in carrying out section 3(b); and

(C) the actions of the President under section 3(c) in making comments and recommendations regarding the report and statement of the Commission and in submitting to the Congress such report, statement, comments, and recommendations.

(2) Application of act.—The provisions of the National Environmental Policy Act of 1969 shall apply to the actions of the Secretary—

(A) during the process of the closing or realigning of a military installation under this Act after such military installation has been selected for closure or realignment but before the installation is closed or realigned and the functions relocated, and

(B) during the process of the relocating of functions from a military installation being closed or realigned under this Act to another military installation after the receiving installation has been selected but before the functions are relocated.

(3) Limitation on considerations.—In applying the provisions of the National Environmental Policy Act of 1969, the Secretary shall not have to consider—

(A) the need for closing or realigning a military installation which has been selected for closure or realignment;

(B) the need for transferring functions to another military installation which has been selected as the receiving installation; or

(C) alternative military installations to those selected.

(4) Judicial review.—A civil action for judicial review, with respect to any requirement of the National Environmental Policy Act of 1969 or with respect to any requirement of the Commission made by this Act, of any action of, or any failure to act by, the Secretary during the closing, realigning, or relocating referred to in subparagraph (A) and (B) of paragraph (2) or of any action or failure to act by the Commission under this Act, may not be brought later than the 60th day after the date of such action or failure to act, except that if a party shows that he did not know of the act or failure to act by the Secretary and that a reasonable person acting under the circumstances would not have known, such party may bring a civil action not later than the 60th day after the date such party acquired actual or constructive knowledge of such action or failure to act.

(h) Account.—

(1) Establishment.—There is established on the books of the Department of the Treasury the Department of Defense Base Closure Account which shall be administered by the Secretary as a single account.

(2) Contents.—The Account shall consist of—

(A) funds appropriated to the Account;

(B) any funds that the Secretary may, subject to approval in an appropriation Act, transfer to the Account from funds appropriated to the Department of Defense for any purpose, except that such funds may be transferred only after the date on which the Secretary transmits written notice of, and justification for, such transfer to the appropriate committees of Congress;

(C) amounts deposited into the Account pursuant to paragraph (4)(A) or (5)(A) of subsection (e); and

(D) any other amount received by the Secretary in connection with any closure or realignment of any military installation under this Act.

(3) Authorizations of appropriations.—Not more than $300,000,000 is authorized to be transferred pursuant to paragraph (2)(B) to the Account in fiscal year 1989. No funds are authorized to be appropriated to the Account in such fiscal year. With respect to fiscal years beginning after fiscal year 1989, the amounts authorized to be appropriated or transferred to the Account shall be determined in annual authorization Acts.

(4) Use of amounts in account.—The Secretary may use the funds in the Account, subject to approval in authorization and appropriation Acts and without regard to fiscal year limitations on amounts appropriated and authorized, only for the purposes described in subsection (b).

(5) Annual report.—No later than 60 days after the end of each fiscal year in which the Secretary carries out activities under this Act, the Secretary shall transmit a report to the Congress of the amount and nature of the deposits into, and the expenditures from, the Account during such fiscal year and of the amount of expenditures otherwise made pursuant to subparagraphs (A) through (C) of subsection (b)(1).

(6) Unobligated funds.—Unobligated funds which remain in the Account after the termination of the authority of the Secretary under this Act shall be held in the Account until transferred by an appropriation Act enacted after the report is transmitted under paragraph (7).

(7) Final accounting.—No later than 60 days after the termination of the authority of the Secretary to carry out an alignment or closure under this Act, the Secretary shall transmit to the Congress a report containing an accounting of—

(A) all the funds deposited into and expended from the Account and otherwise expended under subparagraphs (A) through (C) of subsection (b)(1); and

(B) any amount remaining in the account.

(i) Reports.—

(1) Annual report.—Each annual Budget transmitted by the President to the Congress shall include—

(A) a schedule of the closure and realignment actions to be carried out under this Act in the fiscal year for which the request is made and an estimate of the total cost savings to be achieved by each such closure and realignment and of the time period in which these savings are to be achieved in each case, together with—

(i) the Secretary's assessment of the environmental effects of such actions; and

(ii) an accounting of the amounts requested for economic adjustment assistance, community planning assistance, and environmental restoration to carry out the plans described in subsections (c) and (d) during such fiscal year; and

(B) a description of the military installations, including those under construction or planned, to which functions will be transferred as a result of such closures and realignments, together with the Secretary's assessment of the environmental effects of such transfers.

(2) Notification regarding cost of certain construction projects.—When a decision is made to carry out a construction project under subsection (b)(1) and the cost of the project will be greater than the maximum amount for a minor construction project, the Secretary shall notify in writing the appropriate committees of Congress of the nature of and justification for the project and the amount of expenditures for it.

(j) Use of funds.—Funds which are appropriated or transferred to the Account or otherwise appropriated specifically for purposes of carrying out this Act or which may otherwise be used to carry out the closure or realignment of any military installation under this Act shall be available to the Secretary for the purpose of carrying out the closure or realignment under this Act of all military installations to be closed or realigned of this Act, subject only to the requirements of this Act. This subsection shall apply to all funds appropriated after the date of the enactment of this Act, and another provision of law does not supersede this subsection unless it does so by specifically referring to this subsection and stating that it supersedes this subsection.

SEC. 3. REVIEW AND SUBMISSION OF COMMISSION REPORT.

(a) Submission to Secretary.—The Commission shall submit to the Secretary and to the Congress not later than January 6, 1989—

(1) a report containing the recommendations of the Commission specifying the closures and realignments of military installations to be carried out under this Act, including a description of the Commission's recommendations of the military installations to which functions will be transferred as a result of the realignments and closures recommended by the Commission; and

(2) a statement by which the Commission certifies that it has identified the military installations to be closed or realigned after—

(A) reviewing, on the basis of current and future mission requirements, all military installations inside and outside the United States, including those under construction or planned;

(B) considering the potential to accommodate contingency, mobilization, and future force requirements at receiving locations; and

(C) considering, subject to subparagraph (A), the equitable geographic distribution throughout the United States of such closures and realignments under this Act.

(b) Submission to President.—The Secretary shall submit to the President not later than 5 days after submission of the report and statement of the Commission under subsection (a)—

(1) the report described in subsection (a)(1) and the statement of the Commission described in subsection (a)(2); and

(2) comments and recommendations of the Secretary regarding such report and statement.

(c) Submission to Congress.—Not later than January 19, 1989, the President may submit to the Congress the report of the Commission described in subsection (a)(1) and the statement of the Commission described in subsection (a)(2).

SEC. 4. CONGRESSIONAL CONSIDERATION OF COMMISSION REPORT.

(a) Rules of Senate and House of Representatives on Reorganization Plans.—This section is enacted by the Congress—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions with respect to any report of the Commission submitted to Congress (in accordance with section 3(c) of this Act), and they supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(b) Terms of Resolution.—For the purpose of this section, "resolution" means only a joint resolution of the Congress—

(1) which does not have a preamble;

(2) the matter after the resolving clause of which is as follows: "That Congress approves the report of the Commission on Base Realignment and Closure submitted to the Congress by the President pursuant to the Defense Savings Act of 1988 on ", the blank space being appropriately filled in; and

(3) the title of which is as follows: "A joint resolution approving the report of the Commission on Base Realignment and Closure.".

(c) Introduction and Referral of Resolution.—

(1) Introduction.—After January 19, 1989, but no later than March 1, 1989, a resolution, as defined in subsection (b), shall be introduced (by request) in the House by the chairman of the Armed Services Committee of the House, or by a Member or Members of the House designated by such chairman, and shall be introduced (by request) in the Senate by the chairman of the Armed Services Committee of the Senate, or by a Member or Members of the Senate designated by such chairman.

(2) Referral.—A resolution described in paragraph (1) introduced in the House of Representatives shall be referred to the Committee on Armed Services of the House of Representatives. A resolution described in paragraph (1) introduced in the Senate shall be referred to the Committee on Armed Services of the Senate.

(d) Discharge.—If the committee to which the resolution described in subsection (c) is referred has not reported such resolution (or an identical resolution) by March 15, 1989, such committee shall be deemed to be discharged from further consideration of such resolution and such resolution shall be placed on the appropriate calendar of the House involved.

(e) Consideration.—

(1) Motion to proceed.—On or after the third day after the date on which the committee to which such a resolution is referred has reported, or has been deemed to be discharged (under subsection (d)) from further consideration of, such a resolution, it is in order (even though a previous motion to the same effect has been disagreed to) for any Member of the respective House, on the next day after the day on which such Member gives notice to the presiding officer thereof, to move to proceed to the consideration of the resolution, and all points of order against the resolution (and against consideration of the resolution) are waived. The motion is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the resolution is agreed to, the resolution shall remain the unfinished business of the respective House until disposed of.

(2) Debate.—Debate on the resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the resolution. An amendment to the resolution is not in order. A motion further to limit debate is in order and not debatable. A motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the resolution is not in order. A motion to reconsider the vote by which the resolution is agreed to or disagreed to is not in order.

(3) Vote.—Immediately following the conclusion of the debate on such resolution and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the appropriate House, the vote on final passage of the resolution shall occur.

(4) Appeals.—Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to such resolution shall be decided without debate.

(f) Consideration by Other House.—If, before the passage by one House of a resolution of that House described in subsection (c) that House receives from the other House a resolution described in such subsection, then the following procedures shall apply:

(1) The resolution of the other House shall not be referred to a committee.

(2) With respect to a resolution described in subsection (c) of the House receiving the resolution—

(A) the procedure in that House shall be the same as if no resolution had been received from the other House; but

(B) the vote on final passage shall be on the resolution of the other House.

SEC. 5. OTHER MATTERS RELATING TO THE COMMISSION.

(a) Public Hearings.—On December 1, 1988, the Commission shall publish in the Federal Register a tentative list of the military installations it plans to recommend for closure or realignment, and shall conduct, during December 1988, public hearings for the purpose of obtaining comments on such list which the Commission shall take into consideration in making its final recommendations to the Secretary.

(b) Staff.—The professional staff of the Commission should be selected on the basis of their training, experience, and attainments and in a manner that will assure the impartiality and independence of the Commission to the maximum extent feasible. To further assure such impartiality and independence, the professional staff of the Commission should be politically neutral and should be appointed on the basis of each individual's ability to perform the professional duties required by the Commission.

(c) Determining Costs and Savings.—

(1) Costs.—In determining whether to recommend the closure or realignment of any military installation, the Commission shall take into consideration the estimated costs of, and the feasibility of accomplishing, environmental restoration, removal of hazardous or toxic materials and ordnance, and historic preservation necessary to be carried out with respect to such military installation.

(2) Determination.—In carrying out paragraph (1) and in making estimates of expenditures to be made and cost savings to be realized from closing or realigning a military installation, the Commission shall take into consideration the estimated total costs to be expended by all agencies and instrumentalities of the Federal Government as a result of such closure or realignment.

(3) Report.—The Commission shall include in the report transmitted to the Secretary and the Congress under subsection (a) an accounting of the estimated expenditures to be made and savings to be realized by the Federal Government, as determined in the manner described in paragraph (2), from each such closure or realignment recommended by the Commission.

(d) Limitation.—The Commission may not recommend the closure or realignment of any military installation unless it makes a determination that the estimated total cost savings realized from the closure or realignment will, by the end of the 6-year period beginning with the date of the completion of the closure or realignment of the military installation, exceed the amount expended to close or realign the base. For purposes of making this determination, estimated cost savings and estimated expenditures shall be discounted to a present value, using an appropriate discount rate to be selected by the Commission.

SEC. 6. DEFINITIONS.

In this Act—

(1) Account.—The term "Account" means the Department of Defense Base Closure Account established by section 2(h)(1).

(2) Administrator.—The term "Administrator" means the Administrator of General Services.

(3) Closure.—The term "closure" means the termination or relocation of all functions at a military installation.

(4) Commission.—The term "Commission" means the Commission on Base Realignment and Closure established by the Secretary of Defense that is designated for purposes of carrying out this Act.

(5) Initiate.—The term "initiate" includes any action reducing functions or civilian personnel positions but does not include studies, planning, or similar activities carried out before there is a reduction of such functions or positions.

(6) Military Installation.—The term "military installation" means a base, camp, post, station, yard, center, or other activity under the jurisdiction of the Secretary of a military department.

(7) Realignment.—The term "realignment" means any action which reduces or relocates functions and civilian personnel positions at a military installation, or both, without terminating all functions at the installation.

(8) Secretary.—The term "Secretary" means the Secretary of Defense.

(9) United States.—The term "United States" means the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, and any other Commonwealth, Territory, or possession of the United States.

AMENDMENT OFFERED BY MR. KASICH

Mr. KASICH. Mr. Chairman, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. Kasich: In the first sentence of section 5(d), strike out "6-year" and insert in lieu thereof "13-year".

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from California.

Mr. DELLUMS. Mr. Chairman, just in order to correct the record, I wanted to say to my distinguished colleague and dear friend, the gentleman from Texas [Mr. Armey] that, when I referred to a boring debate, I was not referring to his exciting and eloquent remarks. I was talking about the debate in general.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, I am glad to thank my colleague for his kind comments and congratulate him on his perspicacity.

Mr. KASICH. Mr. Chairman, with that vital contribution let us go forward on that bill.

The amendment before us simply changes the formula in terms of calculating savings over the cost from 6 to 13 years, and the reason the amendment is important, and it is absolutely critically important, is that, if we do not adopt the 13 years, we are virtually passing a meaningless bill.

I think most people on the floor today recognize that the big vote today is going to be on the Armey substitute. If the Armey substitute goes down and the committee provision prevails, it is absolutely vital that we have the 13 years in there because without the 13 years and leaving it at 6 years, in this country we would be virtually closing down only 50 percent of the bases that we had originally targeted. With the 13-year provision we boost that back up to accomplishing basically what it is we sought to achieve.

Mr. Chairman, it is a responsible amendment because it does permit and does provide for environmental cleanup costs that both the gentleman and the gentlewoman from California [Mr. Dellums and Mrs. Boxer] sought, and, rather than carrying on much longer, I would like to yield to the chairman of the Committee on Armed Services. We do not need to get into a technical discussion of the amendment because it is technical unless there is a reason for it.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Wisconsin [Mr. Aspin].

Mr. ASPIN. Mr. Chairman, I appreciate the gentleman from Ohio [Mr. Kasich] yielding this time to me.

Mr. Chairman, I think that the amendment that the gentleman from Ohio is offering here is a clear improvement on the bill that is before us that came out of committee, and, as the gentleman will recall and those members of the committee who are here with us today will recall, we had an extensive discussion of this very issue as we were marking up the bill in the full committee. We did not have a solution to the problem that the gentleman in the well [Mr. Kasich] is now coming forth with, but we knew there was a problem. We knew there was a solution that could be devised.

Mr. Chairman, I think the gentleman from Ohio [Mr. Kasich] has come up with the solution to the problem, and I would urge all of the committee members and everybody here to support this amendment.

Mr. MARTIN of New York. Mr. Chairman, will the gentleman yield?

Mr. KASICH. Mr. Chairman, I yield to the gentleman from New York [Mr. Martin].

Mr. MARTIN of New York. Mr. Chairman, I rise in strong support of the amendment of the gentleman from Ohio [Mr. Kasich].

Mr. Chairman, I would only differ with what the chairman said in the instance where he said it is a solution to the problem. It is a partial solution to the problem, and I think it goes a long way to making a very difficult set of circumstances much better.

As I said earlier on the floor, the object of the exercise here is to make sure that more bases can be considered and that we insure that no base is left unconsidered because it happens to have an environmental problem.

But with that statement I would just like to say that I support the amendment of the gentleman from Ohio [Mr. Kasich].

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, I thank the gentleman from Ohio [Mr. Kasich] for yielding to me.

Mr. Chairman, I want to express my support for the amendment of the gentleman from Ohio. I think it is a well conceived amendment. I think it should help the bill, and certainly we can find it acceptable.

Mr. FOGLIETTA. Mr. Chairman, will the gentleman yield for a point of clarification?

Mr. KASICH. I yield to the gentleman from Pennsylvania.

Mr. FOGLIETTA. Mr. Chairman, if there exists a base, which under other circumstances and other criteria should be closed according to this legislation, however, it would take longer than 13 years to clean up the toxic contamination that this bill would not cover.

This amendment would not cover that particular type of a situation; is that correct?

Mr. KASICH. The gentleman from Pennsylvania [Mr. Foglietta] is correct.

In fact, that kind of a base would be closed down under normal procedure.

Mr. Chairman, that is not the ideal situation as far as I am concerned, but it is the only situation that I think was politically doable through this Hosue to account for the environmental problem.

Mr. FOGLIETTA. Mr. Chairman, will the gentleman yield further?

Mr. KASICH. I yield to the gentleman from Pennsylvania.

Mr. FOGLIETTA. If the assumptions made earlier in debate, that according to the existing laws it is next to impossible to close a base, then, if we do have a base which is so contaminated or the worst contaminated bases in our Nation would not be affected by this expansion of 13 years; is that correct?

Mr. KASICH. Mr. Chairman, it would depend on what the cost of the cleanup was.

Mr. FOGLIETTA. If it was extended beyond 13 years.

Mr. KASICH. Mr. Chairman, it is not a question of beyond 13 years. If the savings that were made within 13 years do not outweigh the cost of cleaning it up, then that base cannot be closed. But, if we do not have 13 years and we stay with 6 years, then we get ourselves in a position where we are virtually closing no bases.

So, if the gentleman were to ask me if this is a perfect answer, no. If this is an improvement under the bill; it is such a dramatic improvement that it makes the bill meaningful again, as the gentleman from Texas [Mr. Armey] and the gentleman from New York [Mr. Martin] said.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. Kasich] has expired.

(At the request of Mr. Davis of Illinois, and by unanimous consent, Mr. Kasich was allowed to proceed for an additional 3 minutes.)

Mrs. BOXER. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentlewoman from California.

Mrs. BOXER. Mr. Chairman, I would just like to state that the gentleman from Ohio [Mr. Kasich] is right on target with this amendment. It is an extremely important one because what the gentleman from California [Mr. Dellums] and I were concerned about the Committee on Armed Services was dealing with this bill is that we made sure that we put into place an environmental restoration plan.

Now when the gentleman from Texas [Mr. Armey] states that he took the best from each committee, I would beg to differ with him very strongly because he does not have in his bill an environmental restoration plan. However, the bill that we are working on now does.

Now, Mr. Chairman, in order to really not just be saying we are great and we are for cleanup, we have got to put some money behind that effort, and we have to extend the number of years in which we expect this bill to be revenue-neutral. That is what the gentleman has done, but I would like to go on record as saying that I strongly support the gentleman in this regard. I only support the gentleman if the environmental restoration plan remains in the bill.

Mr. Chairman, I would like to ask the gentleman if he agrees.

Mr. KASICH. Mr. Chairman, it absolutely does, and that is why I changed the formula rather than yank the environmental cleanup out. That is why I think it solves all these problems.

Mr. MONTGOMERY. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Chairman, I am a little confused on the amendment of the gentleman from Ohio [Mr. Kasich]. As I understand it, the Secretary of Defense asked when he chartered this special Commission to close the bases that it be on a 6-year period. The amendment of the gentleman goes to 13 years. Is the Secretary in agreement with the gentleman from Ohio [Mr. Kasich] on this amendment?

Mr. KASICH. Yes, Mr. Chairman, the Secretary of Defense supports this amendment because, when we added the environmental cleanup costs in, it was necessary to extend the time period in which we calculated savings. Now the administration and the Pentagon both are in support of this amendment in an effort to expedite the closing of unnecessary bases.

Mr. MONTGOMERY. If some Members accept the gentleman's amendment, would he be willing not to offer the next amendment?

Mr. KASICH. Mr. Chairman, I think the next amendment is an entirely different issue, but I appreciate the gentleman's contribution.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the gentleman from California [Mr. Dellums], the chairman of the subcommittee.

Mr. DELLUMS. Mr. Chairman, I thank the gentleman from Ohio [Mr. Kasich] for yielding this time to me.

Mr. Chairman, just to set the record, the original version of the bill stated that a base could not be closed unless savings could be realized by 6 years. The gentlewoman from California [Mrs. Boxer] and this gentleman from California insisted upon placing funds in the bill that would allow for environmental restoration and a cleanup, so we insisted upon a toxic waste cleanup provision that would require additional funds. Once the gentleman accepted that, then, as I understand it from talking with the Pentagon, they stated to him that with the addition of the new revenues and new responsibilities that to insist upon the 6-year cutoff to make it revenue-neutral and begin savings that they could virtually not close many bases in order to do that. So the gentleman is taking it out now to 13 years, and by moving the provision from 6 years to 13, he can accomplish base closures and we can simultaneously accomplish the desired effect of continuing to clean up those bases that are purported to be closed.

Mr. KASICH. Mr. Chairman, I could not have put it better myself. The gentleman from California [Mr. Delums] is exactly right.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

(At the request of Mr. Dellums, and by unanimous consent, Mr. Kasich was allowed to proceed for 1 additional minute.)

Mr. DELLUMS. Mr. Chairman, will my distinguished colleague from Ohio [Mr. Kasich] continue to yield to me?

Mr. KASICH. I yield to the gentleman from California.

Mr. DELLUMS. Mr. Chairman, then based upon that, then I would suggest to all of my colleagues that the gentleman from Ohio [Mr. Kasich] has offered a meritorious amendment and that it should be supported by all of our colleagues. Those who want to, on the one hand, close bases, this 13-year expansion allows that to take place. Those who are very concerned about environmental cleanup and environmental restoration, they can rest assured that this provision allows that to go forward.

Mr. Chairman, the gentleman from Ohio [Mr. Kasich] had another alternative, and that was to go in the bill and challenge the effort that the distinguished gentlewoman from California [Mrs. Boxer] and this gentleman made in trying to put the environmental cleanup provision in the bill.

But it seems to me the gentleman showed great integrity and great love of the environment by not going in that regard, and so this gentleman wishes to support my colleague.

Mr. KASICH. Mr. Chairman, let me just say to the gentleman from California [Mr. Dellums] that many say he is articulate, but I must stand here today and say that I think he has never been more accurate or more articulate. I appreciate the gentleman's contribution.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. Kasich] has again expired.

(By unanimous consent, Mr. Kasich was allowed to proceed for 30 additional seconds.)

Mr. KASICH. Mr. Chairman, the amendment is a good attempt to take care of what I think is a serious problem, and I appreciate the bipartisan support, and I think that we should make this a much better bill, and we will take care of our environmental problems as well.

Mr. Chairman, I yield back the balance of my time.

Mr. MARTIN of New York. Mr. Chairman, I rise in favor of the amendment.

I will not take the 5 minutes, Mr. Chairman, but I do feel this is one of the most important amendments that we are going to be considering, and it has to be readily understood. If it were me writing the bill, I would not have had the 6-year requirement payback. I would not have had the 13-year requirement payback. The object of this whole exercise is to try to streamline the number of bases we have.

But, Mr. Chairman, the gentleman from Ohio [Mr. Kasich] is being very practical, and he is being very cooperative with the body, the committee, and everyone else to arrive at a result that we ensure that bases that do not have environmental problems are not kept open for that sole reason that it has environmental problems that we are going to have to clean up sooner or later anyway. I would hate to have a situation where we make a decision that as between two bases we are going to close one that is clean environmentally and keep one open that is filthy environmentally, and that, I think, is the gravamen of the gentleman's amendment, and I support it.

With that, I yield back the balance of my time.

□ 1445

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. Kasich].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. KASICH

Mr. KASICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Kasich: In section 2(a)(1), strike out "if such report is approved" and insert in lieu thereof "unless such report is disapproved".

In section 2(a)(2), strike out "approved report" and insert in lieu thereof "report unless such report is so disapproved".

Strike out section 4 and insert in lieu thereof the following:

SEC. 4. CONGRESSIONAL CONSIDERATION OF COMMISSION REPORT.

(a) In General.—The Secretary may not carry out any closure or realignment under this Act if, within the 45-day period beginning on March 1, 1989, a joint resolution described in subsection (b) is enacted disapproving the recommendations of the Commission. The days on which either House is not in session because of an adjournment of more than 3 days to a day certain shall be excluded in the computation of such 45-day period.

(b) Description of Resolution.—For the purpose of subsection (a), the term "joint resolution" means only a joint resolution which is introduced after the date on which the report of the President referred to in section 3(c) is received by Congress and—

(1) which does not have a preamble;

(2) the matter after the resolving clause of which is as follows: "That Congress disapproves the recommendations of the Commission on Base Realignment and Closure established by the Secretary of Defense as submitted to the Secretary of Defense on ______", the blank space being appropriately filled in; and

(3) the title of which is as follows: "A joint resolution disapproving the recommendations of the Commission on Base Realignment and Closure.".

(c) Referral.—A resolution described in subsection (b) introduced in the House of Representatives shall be referred to the Committee on Armed Services of the House of Representatives. A resolution described in subsection (b) introduced in the Senate shall be referred to the Committee on Armed Services of the Senate.

(d) Discharge.—If the committee to which a resolution described in subsection (b) is referred has not reported such resolution (or an identical resolution) by March 15, 1989, such committee shall be deemed to be discharged from further consideration of such resolution and such resolution shall be placed on the appropriate calendar of the House involved.

(e) Consideration.—

(1) Motion to proceed.—On or after the third day after the date on which the committee to which such a resolution is referred has reported, or has been deemed to be discharged (under subsection (d)) from further consideration of, such a resolution, it is in order (even though a previous motion to the same effect has been disagreed to) for any Member of the respective House, on the next day after the day on which such Member gives notice to the presiding officer thereof, to move to proceed to the consideration of the resolution, and all points of order against the resolution (and against consideration of the resolution) are waived. The motion is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the resolution is agreed to, the resolution shall remain the unfinished business of the respective House until disposed of.

(2) Debate.—Debate on the resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the resolution. An amendment to the resolution is not in order. A motion further to limit debate is in order and not debatable. A motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the resolution is not in order. A motion to reconsider the vote by which the resolution is agreed to or disagreed to is not in order.

(3) Vote.—Immediately following the conclusion of the debate on a resolution described in subsection (b), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the appropriate House, the vote on final passage of the resolution shall occur.

(4) Appeals.—Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution described in subsection (b) shall be decided without debate.

(f) Consideration by Other House.—If, before the passage by one House of a resolution of that House described in subsection (c) that House receives from the other House a resolution described in such subsection, then the following procedures shall apply:

(1) The resolution of the other House shall not be referred to a committee.

(2) With respect to a resolution described in subsection (b) of the House receiving the resolution—

(A) the procedure in that House shall be the same as if no resolution had been received from the other House; but

(B) the vote on final passage shall be on the resolution of the other House.

(g) Rules of Senate and House.—The procedures contained in subsections (c) through (f) are enacted by Congress—

(1) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a resolution described in subsection (b), and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

Mr. KASICH (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. KASICH. Mr. Chairman, this amendment is one that addresses the question of approval or disapproval. This really gets to the nub of the issue. I think by putting the 13 years in, we have significantly improved the bill, but we still have in my judgment several other flaws. This one can be or could be a fatal flaw.

This is one that says that after the Commission comes back and makes its recommendations, the Congress has to go forward and approve the list.

What my amendment does this afternoon is to say that rather than the Congress having to move and take affirmative action or approving the list, rather the Congress then must instead take action to disapprove the list.

I do not think I need to take the full 5 minutes to explain the significance of this, but I think people in the House are very aware of the fact that if the House of Representatives has to move to take positive action again to close bases down, the likelihood of that happening, the likelihood of that going through the Rules Committee, the likelihood of that getting through the various standing committees, like the Armed Services or the authorizing committee or the appropriating committee, the chances of getting through the Senate and through the conference committee, that labyrinth of activity that would be required to approve something, I think we all recognize the fact that we make the process of closing bases infinitely more difficult.

So what this amendment attempts to do is to say that the Congress should only disapprove of the list.

Frankly, from a political point of view, from the point of view of the membership of this House, if we are going to have base closings, I think it makes far greater sense from a political perspective for yourselves to not to be held responsible for being able to stop a bill from coming up. It is much easier to be able to make the argument that, "I tried to get a resolution of disapproval, but the Congress just simply wouldn't buy it."

From a political point of view, I think you have got a stronger position to argue from. If we have to approve this resolution, in my judgment, you are on the hot seat. You are in a more tenuous position then frankly when you get right down to it, as the opponents of this legislation would argue. What they hope is that by requiring approval, rather than disapproval, frankly, they will kill the bill. We will never get base closings, because the Congress, the House and the Senate, will frankly never pass an approval resolution.

If, in fact, you support base closures, and let me tell you about the bill, the bill says that when you close a base down you have to clean the environment. The bill says that if you have unemployment in your community, we will have retraining funds. If your community is going to be adversely impacted, we are going to have money available to help the community.

Now, look, that is a well thought out sensitive piece of legislation that the Committee on Armed Services was able to adopt. We have accommodated the environmental problems. We have accommodated the real economic problems. We have accommodated the real human problems that can arise as a result of trying to close bases, and we have answered it in the most thoughtful way; so why do not we as a Congress have the courage to stand up and do what the American people really want, and I think we all know what they really want to happen, at least generally they want it to happen, they might not want it to happen in their backyards, but they want it to happen all across this country and say that unnecessary bases that are open ought to be closed, and that in the process of closing them we are going to take a sensitive and thoughtful approach.

Please approve this amendment. Please give the Congress the ability to disapprove if the list is so bad, but do not force us to jump through the many hoops and all the crazy maze of trying to pass additional legislation to actually close military bases.

Let us strike one for the taxpayers. Let us do what it is they want us to do and let us support this amendment and get on with the business of running the Pentagon as efficiently as we possibly can.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I am happy to yield to the gentleman from Arizona.

Mr. KYL. Mr. Chairman, may I ask the gentleman, is it correct that his amendment would restore the language in the House Armed Services Committee as to how the bill would operate?

Mr. ASPIN. That is exactly right. It is a bill, by the way, that passed unanimously through the committee with a great amount of consideration and is a provision that people on both sides of the aisle in both Houses, in many cases, support. It is just a question of whether we want to have an effective bill or whether we want to delay the ultimate process of closing bases and perhaps even making it impossible.

Mr. KYL. Mr. Chairman, if the gentleman will yield further, I think that it is why it is critical to have this amendment adopted and I fully support the amendment.

Mr. BROOKS. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, I hope the House will endorse a provision for an affirmative vote by the Congress in this matter and will reject this amendment providing for a vote of disapproval. The legislative branch's responsibility for disposal of Federal property is as old as our Constitution. In promoting the goal of expediting the identification and closure of military installations that have outlived their usefulness, there is no need for us to turn our backs on the provision of article 4 which states, "The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States * * *."

Regrettably, a resolution of disapproval would pay lipservice to the idea of providing a congressional role in the base closure decisionmaking process, while denying such a role in practice. The reason is one of simple mathematics. On the one hand, if either House of Congress were to take no action or if only one House passed a disapproval resolution, the closures and realignments would go forward. On the other hand, even if majorities of both Houses of Congress were sufficiently concerned about the Commission's recommendations to pass a joint resolution of disapproval, such a resolution would still be subject to a Presidential veto.

A veto would, of course, be likely since the resolution would be disapproving what the executive has proposed. Then, it would take two-thirds majorities in both Houses of Congress to effectuate the Congress' expression of disapproval. In other words, a resolution of disapproval would allow as few as 34 Senators, working with one Chief Executive, to block the will of the 535 Members of Congress.

No matter how laudable the abstract goal of closing unneeded military installations might be, it should be recognized that the "base closure commission" concept, in any form, constitutes a significant transfer of power from elected representatives of the legislative branch to unelected officals in the executive. I believe that it would be a serious mistake and a dangerous precedent for the Congress to hand over constitutionally based authority in a mechanism that provides nothing more than window dressing for our branch of government. That is what a resolution of disapproval procedure would do, and that is why I hope the House will preserve the provision for an affirmative resolution of approval.

Mr. MARTIN of New York. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to my distinguished friend, the gentleman from New York.

Mr. MARTIN of New York. Mr. Chairman, I thank the gentleman from Texas for yielding to me and explaining procedurally what would be required, depending on which version of this bill we adopt as far as congressional oversight approval or disapproval.

The gentleman from Ohio when he joined the committee, believe me, we have an appreciation for his efforts. There has been no one who has been on the committee since I have been here who has been more energetic, more intelligent or hard working, and it pains me, quite frankly, to oppose the gentleman's amendment; but when the gentleman pointed out that we ought to have the courage to stand up and vote on these kinds of pieces of legislation, he pinpointed the issue.

When this report comes out, if a body that is devoid of politics, such as this panel is supposed to be and makes recommendations, and if at that time it cannot pass the scrutiny of the Congress, then that perhaps ought not to be the law of the land.

What we would do in effect, it is this gentleman's opinion, is to abdicate our responsibility as far as oversight in making those kinds of decisions.

Our chairman, the gentleman from Texas [Mr. BROOKS] pointed out that this is the key element, that as far as review by Congress of any recommendation that is made by this panel, if we disagree it is going to require a two-thirds vote, as a very practical matter, of both this body and the other body to disapprove.

Why can we not stand up and make the important decision, and if it is a good recommendation by the panel, vote by a fair majority, as all bills pass this House, to insure that that legislation becomes the law of the land and those bases are closed or realigned.

So reluctantly, I oppose the amendment of the gentleman from Ohio, this amendment, and salute the gentleman from Texas for his very concise explanation.

Mr. ASPIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let me say that I am going to vote in this case for the Kasich amendment because I believe that the Kasich amendment is better slightly than the alternative, and it was indeed the position of the Armed Services Committee.

But let me tell you this. I believe that the issue is in fact less than meets the eye here in this debate.

First of all, we are, whether we vote for a negative disapproval or a positive approval, if we vote either negatively on the list or positively on the list, the House is getting a vote on the issue.

Second, there are expedited procedures in the legislation either way. There are expedited procedures that prevent the vote from being blocked in the committee, being filibustered in the Senate or held up in other ways, expedited procedures either whether we vote negatively as a disapproval, or positively as an approval.

Third, it is my impression that the list as presented by the Secretary of Defense and voted on by the Congress, either way, I believe that the list will be approved. I believe that the politics, if you look ahead to the vote that will occur next January under this legislation, the committee will report and Mr. Carlucci, the outgoing Secretary of Defense, will have the option to take the list of bases presented by the Commission and send it forward as a recommended list to be closed. We will then get a vote under it either way. Either we will vote a positive vote or a negative vote.

I believe that the vote to approve that list will be made no matter which vote we have, and the reason is because the people whose bases are not on the list will vote in favor of the legislation, because they know that this legislation will settle the issue once and for all, at least for 10 years or maybe 15 years.

If your base is not on that list that is sent forward next January, you would be most anxious to have that base list approved because then your base is safe. If that list is rejected, then maybe your list will be back on the chopping block and have a vote on it in some other way.

So I think that the politics runs that let us say a list of 22 bases comes forward to be closed, there will be 22 votes in this House absolutely for sure against the legislation, whether it is a positive vote or a negative vote; but the other side of the question is that all other Congressmen, the other 410 Congressmen whose bases are not listed, they will be anxious to vote for closing the 22, because whatever bases they have in their districts will then be safe for 10 years.

So I think that the politics of the thing does not make much difference, whether it is a negative vote or a positive vote, expedited procedure, either way Congress gets its say and the list gets approved either way.

The big difference is, as the gentleman from Texas [Mr. BROOKS] has pointed out correctly, that if it does come down to a congressional disapproval, then the President could veto it and the question is the two-thirds to override.

But basically, I do not see that happening, because I think that the politics of this thing is going to be regardless of how frantic 22 Members of this body are to be sure that the Congress votes against approval of that list, in fact the politics is going to be that that list gets approved.

I do support this, because it came out of our committee. I supported the amendment of the gentleman from Ohio, because I think it is a little cleaner way of doing it. I think it is a little clearer that this is an issue under which Congress does not have a role. I think it is a little bit less of an incentive on our Congress.

If it were my choice, I would have no vote at all. If it were my choice, I would have the legislation written so that we do not have a vote on it at all. That I understand it totally out of the question.

In light of that, I think the amendment of the gentleman from Ohio is better, but I do not think it is a big issue either way.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Ohio.

□ 1500

Mr. KASICH. Mr. Chairman, under my amendment, if this amendment should pass, Congress would never have to vote on the issue. If this is defeated, Congress would then be forced to vote on the issue. Is that not correct?

Mr. ASPIN. Mr. Chairman, we have to vote on the issue whether the gentleman's amendment passes or not. It is just a question of whether we vote to disapprove the list or whether we vote to approve the list.

Mr. KASICH. Assuming though there is a request for disapproval, that request may never come; people may never be forced to be on the record for that.

Mr. ASPIN. That is correct.

Mr. FOGLIETTA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, with all due respect to my chairman and to the gentleman on the opposing side who are stating that the only difference is whether we vote to approve or disapprove, I must state that that is incorrect as stated by the gentleman from Texas [Mr. BROOKS].

The fact is that it is a big difference. The difference is whether it is a majority or a two-thirds vote, and that is a very significant difference, whether it is a majority or a two-thirds vote. Second, let me state that I do not see why the attitude has to persist in this body that the only time anything admirable, anything noteworthy can be achieved is if and when we abdicate our responsibility to some appointed official or to some other body. I believe that this Congress, this House, has the ability, has the honor, has the dedication to perform those duties we are elected to perform without abdicating our responsibility to someone else.

Mr. MONTGOMERY. Mr. Chairman, will the gentleman yield?

Mr. FOGLIETTA. Mr. Chairman, I am happy to yield to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Chairman, I appreciate the gentleman's rising, and I certainly am in opposition to the Kasich amendment.

I think what the gentleman from Pennsylvania has said as well as what the gentleman from Texas [Mr. BROOKS] has said, who is really the author of this approval resolution, makes a lot of sense. Really, the dignity of the House is at stake here, too. Precedence has been set. We do approval. We did not do it on Gramm-Rudman, and people are concerned about that. We had the disapproval resolution, and I would certainly hope that we would defeat this amendment.

Mr. Chairman, I would rather have approval than disapproval, and as pointed out by the gentleman from Texas [Mr. BROOKS], and I disagree with the chairman that I think we have a better chance if we do have approval and not have to get a two-thirds vote to override the President of the United States. It is much easier to get a simple majority in this House than it is to get a two-thirds vote.

Mr. Chairman, I hope we would defeat this amendment. It is a bad amendment. It really was not explained in the full committee. We took no time, and we did not have an opportunity to vote the bill up or down in the committee. It was done by voice vote, and certainly this is one of the worst amendments that would be offered.

Mr. FOGLIETTA. Mr. Chairman, reclaiming my time, I stand in opposition to the amendment, and I urge my colleagues to do likewise.

Mr. Chairman, I yield back the balance of my time.

Mr. DICKINSON. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I will just very briefly say that while my chairman and I do not always agree, I think he has explained the differences as well as can be explained. I do agree with him. I do support the amendment for the reasons stated.

Mr. Chairman, I would just like to say that the arguments that we are abrogating our responsibility are certainly spurious. We are going to get the last bite at the apple anyway it goes.

For us to say to use a two-thirds vote as a veto override, that is really not very realistic. We are not going to get a bill sent over here by the Secretary of Defense that the President would veto. Members should not worry about a two-thirds vote, if it gets over here. We will get a vote, and it will be either voted up or down at that time, but it is going to be a package deal, and we will not be able to pick and choose.

I really think that our committee's way, as explained by the chairman, the gentleman from Wisconsin [Mr. ASPIN] is the best way, and I would urge support for the amendment.

Mr. MARTIN of New York. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I am happy to yield to the gentleman from New York [Mr. MARTIN].

Mr. MARTIN of New York. Mr. Chairman, I want to make sure everybody understands that the ranking member pointed out that the two-thirds vote perhaps did not make that much difference, and I think it does.

Mr. Chairman, does the gentleman foresee the President, whoever he might be, approving this list and then signing the bill, that the Congress would decide that we wanted to reverse that action; would not the gentleman think that the President would veto that and then require a two-thirds vote of both Houses?

Mr. DICKINSON. Mr. Chairman, reclaiming my time, I do not think I am following what the gentleman is saying. What I said was I would be surprised, more than surprised, if the Secretary of Defense sent a package over to us which, if we passed it, the President would veto it. It is not going to come over here. If the package we vote on has to go back and be vetoed, it is not going to come over here to start with.

Mr. MARTIN of New York. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I am happy to yield to the gentleman.

Mr. MARTIN of New York. Mr. Chairman, that is the confusing procedural issue that we are up against that is going to require the two-thirds vote that the chairman, the gentleman from Texas [Mr. BROOKS] talked about, because any disapproval by this body is certainly going to invite a Presidential veto and require that we override it.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. Mr. Chairman, I am happy to yield to the gentleman.

Mr. ASPIN. Mr. Chairman, let me just try to respond to the gentleman from New York [Mr. MARTIN] on this issue. The important thing here is the two-thirds veto only becomes important if the legislation is so controversial that it does not pass under an affirmative vote and would pass under a negative vote. The point that I was making earlier is that whatever list is sent over is going to be approved overwhelmingly, whether we vote for the list or whether we vote down a resolution to disapprove the list; no matter how we vote on it, it is going to be approved by a large amount of votes, because everybody whose base has not been listed will be so relieved they will vote for it. This two-thirds/50-percent issue is not going to arise next January. That is the point. That is why I say I do not think it makes much difference. I think it matters to our colleagues, because I think that unfortunately what is going to happen is the gentleman from Philadelphia who has a base on the list and which he does not want to see closed, and the Pentagon or the Commission recommends that it be closed, if we put a vote in here, the gentleman is going to be expected to be able to deliver his colleagues, and his constituents are going to say, "Why were you so ineffective that you could not deliver your colleagues to save our base here?" Whereas, the point is the reason the gentleman will not be able to do that, everybody is so relieved their base is not on the list they are going to vote for the list, so the problem of the amendment of the gentleman from Texas [Mr. BROOKS] and the problem with the legislation as it now exists, which Mr. KASICH is trying to correct, is it is going to put our colleagues in a tough spot, where their constituents are going to be expecting them to be able to deliver. I frankly do not believe that they are going to be able to deliver, and that is why I think the Kasich amendment is better than what we have got.

Mr. MARTIN of New York. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. Mr. Chairman, I am happy to yield whatever time I have left to the gentleman.

Mr. MARTIN of New York. Mr. Chairman, basically I respect the chairman, but I do not agree with the scenario that everybody is going to jump for this list if their base is not on it. I do not agree with that. We will wait and see. The point is that if the requirement is for a piece of legislation to pass the House, as the gentleman from Ohio [Mr. KASICH] talks about, as a motion of disapproval, it is highly improbable that the President, whoever he might be, is going to sign the disapproval resolution because, after all, it is his Secretary of Defense that recommended approval.

Mr. DELLUMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I tried to listen to the debate, and I would like to elicit the attention of my distinguished colleague, the gentleman from Ohio [Mr. KASICH], the author of the amendment. I would like to argue just the reverse of what has just been argued in defense of the gentleman's amendment.

Mr. Chairman, first of all, if a Member has a resolution, and let me back up, the motivation is to remove the politics and the pressure from this decision. Is that not correct?

Mr. KASICH. Mr. Chairman, that is correct.

Mr. DELLUMS. Let me argue this point: If we have a resolution of approval and the House of Representatives votes affirmatively on a resolution of approval, I would suggest then that those Members of Congress parochially affected by that list; that is, facilities on the list, would then have great difficulty going to the Committee on Appropriations for measures to limit expenditures for the purposes of expediting the list, because the Members of the Committee on Appropriations will say, "Look, we cannot do that, because the Congress has already acted affirmatively."

Let us move that aside for a moment and go to the gentleman's approach, resolution of disapproval. Let us say, Mr. Chairman, that the House of Representatives because of the controversial nature of the list, the majority of the House of Repreentatives votes in favor of a resolution of disapproval, the result being, and let me finish my point and we will argue the gentleman's case, and the resolution of disapproval goes back, the President vetoes it, the Members then have a two-thirds responsibility. What would then stop any Member of Congress then from going around the back door, given the resolution-of-disapproval approach, from saying to my colleagues, "I need some relief; give me a resolution limiting expenditures that no money shall be appropriated for the purposes of closing 'X' base in 'Y' State?" I would suggest to the gentleman that there will be greater frequency of that particular set of activities with a resolution of disapproval than with a resolution of approval, because with the Congress operating affirmatively, everybody in this body will have seen the fact that the Congress has operated affirmatively. If the gentleman can show me a resolution of disapproval, I will show him Members going behind the resolution of disapproval every single day and every single one of us in here with any ability to develop collegial relationships with our colleagues has at least one friend on the Committee on Appropriations that would do our bidding, and I would suggest to the gentleman, with all due respect, and I know that my colleague's motivations are beyond reproach, and I certainly do not question them. But I am simply saying that on the basis of the logical presentation of ideas, I am not sure that the gentleman achieves what he wants to achieve with the resolution of disapproval.

Mr. Chairman, let me add just this one other comment: I know that one of the great activities in this body is to engage in the process of self-flagellation, whether one is a late-night TV host or a talking head on the news or a Member of Congress, one way to get a quick laugh is to make a political joke. I did not come here to be a political joke. This is serious business, a serious body, and we engage in life-and-death decisions on a daily basis, but we constantly engage in this self-flagellation game as if we cannot do any business.

Just the other day I stood on this floor as the chairman of the Committee on the District of Columbia arguing with many of the Members saying, "Do not overturn the District of Columbia's residency requirement rule." I understood that my colleagues from northern Virginia and Maryland were about the business of doing the bidding of their constituency that forced us into being a city council on the floor of the U.S. Congress, but that did not stop any of the majority of this body from striking down the residency requirement, slapping the face of several thousand human beings in the District of Columbia. I opposed that decision, but I did not oppose the Members' right to do it, because they did it. That is what this process is all about, the ability of each and every individual Member of this body to get up and to fight, to fight for what they believe in. That is why I came to Congress. That is why I got off the streets with the demonstrations and the picket signs, because in the 1960's, somebody told me, "Take your struggle onto the floor of Congress and fight, and fight for what you believe in." You folks are now telling me that this process is a b.s. process, and you are telling me that this is a lightweight process. You are telling me that you have got to engage in some kind of formula development to make Members of Congress live up to their responsibility.

The CHAIRMAN. The time of the gentleman from California [Mr. DELLUMS] has expired.

(By unanimous consent, Mr. DELLUMS was allowed to proceed for 2 additional minutes.)

Mr. DELLUMS. Mr. Chairman, I was elected here to assume these responsibilities, not to give them to another branch of government, not to hide behind some formula, "Let Mikey do it, let somebody else do it, let the formula do it, let a two-thirds vote do it, let the President do it, let a commission do it."

What the heck were we elected for? For us to try to do it. If we are about the business of wanting to close bases, I would suggest to my colleagues let us get on with it.

Mr. Chairman, I take a second to no one in this body in raising my voice in the name of peace and challenging the insanity of spending multibillions of dollars pouring it down a rathole in Virginia known as the Pentagon as we continue to engage in the politics of war and militarism, but if we are going to talk about saving money, we have got a responsibility to do it.

I am saying that if the President can make an affirmative statement, why can we not, as Members of Congress, make an affirmative statement? Why are we always backing into the decisions as if in some way we were second-class citizens? I fought to be a first-class citizen, and I did not come here to Congress to be second class to anyone including the executive branch.

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I am happy to yield to the gentleman.

Mr. KASICH. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, let me say that if we made our decisions in the Congress based on that, we would have closed these military bases down 15 years ago. If we made these decisions entirely on the merits and parochial interests did not play a role, these bases would have been closed down 15 years ago, and I think this is a great day in the House of Representatives that we are finally going to pass legislation that is going to enable us to close down unnecessary bases that should have been closed down 15 years ago.

All I am trying to do is be pragmatic. I am saying the membership here and now should vote we want to close bases, and we support the concept, and we are vesting the Commission to look at it on a nonpartisan basis and make a decision based on the merits.

The CHAIRMAN. The time of the gentleman from California [Mr. DELLUMS] has again expired.

(By unanimous consent, Mr. DELLUMS was allowed to proceed for 2 additional minutes.)

Mr. DELLUMS. Mr. Chairman, this business about voting, we are here to vote, but we are now here debating, and we will vote at the appropriate time. All of these vote-birds ought to be quiet for a minute.

Mr. Chairman, I yield to my colleague, the gentleman from Ohio [Mr. KASICH].

□ 1515

Mr. KASICH. I appreciate the gentleman yielding. One of the reasons we do not call up the War Powers Act every week on the Persian Gulf is one basic reason, because rather than having to take a vote on that we would rather let the policy go along and not have to be recorded, because if we get recorded then we are taking an overall position and judging the overall policy. So what we do is we do not call up the War Powers Act. We let things continue to go in the gulf until we get stirred up enough here that we decide we had better take a vote on it.

What I am arguing in this case is politically wrong. The gentleman wants to close bases that are unnecessary. So do I. The gentleman wants to eliminate Pentagon waste and so do I. What is the easiest way to eliminate Pentagon waste? The easiest way to eliminate Pentagon waste in this case is to let the Congress of the United States, the House of Representatives of the United States say today we favor base closings, and if we do not like the list that the Commission comes out with we will knock it down. If we like the list that the Commission approves, we are not going to waste the taxpayers' money and we are not going to waste our time by approving something.

What we are saying is we are going to vest the Commission, we are going to say you come up with the list, and if the list makes sense we are not going to take it up in here. It is only if we think the list is no good that we reserve the right to act.

That gives us the greatest chance in the world of eliminating Pentagon waste, and that is why I think the amendment makes so much sense.

The CHAIRMAN. The time of the gentleman from California [Mr. DELLUMS] has again expired.

(By unanimous consent Mr. DELLUMS was allowed to proceed for 2 additional minutes.)

Mr. DELLUMS. Mr. Chairman, I might just add as an aside that the vote-birds are disrespectful human beings. We are here to engage in a process of election. We are going to be out on Friday, Saturday, and Sunday. At least let us take Thursday and do the business we are supposed to be doing.

Having said that, Mr. Chairman, I would like to say to my colleague from Ohio [Mr. KASICH] that I respect him and I agree with everything the gentleman is saying. We need to challenge the Pentagon on waste. We are looking at a scandal going across the tubes and the newspapers every single day right now, so we have to engage in that.

I think we need to take the world to peace. I think we need to close bases that make no sense. We need to save taxpayers' dollars, move them into other appropriate programs to enhance the quality of human life for people in this country and people around the world who are living in pain because we are indeed a great Nation.

I would simply say, however, that I disagree with the gentleman's judgment. The gentleman has two amendments. I might say, as one of my colleagues, I stayed with the gentleman as long as I could, and I was with him on the first amendment. I cannot be with him on the second amendment. The reason I cannot be with him on the second amendment is because I do not agree with his judgment. I think we ought to have an affirmative vote. Let us face it straight up or down, and if people in America look at that vote and say you should have closed bases and you did not, then they ought to get rid of the tapdancers in this Congress. Maybe there are too many tapdancers in here now. But we should not be hiding behind formulas and formats that do not force us to step up to the plate and swing strongly.

I honestly believe profoundly and in my guts and in my brain that a resolution of disapproval, I would say to the gentleman from Ohio, is going to create a number of back door contacts with the Appropriations Committee where Members are going to be asking to limit funds in order to do it. I think we ought to face the issue cleanly and squarely and upfront. We do not need a two-thirds vote.

Why do we have a two-thirds vote in this situation when it only takes a majority vote for us to engage in a whole range of activities? I do not think we need a two-thirds vote and I think the gentleman would be creating more politics.

Mr. BATEMAN. Mr. Chairman, I move to strike the requisite number of words. I will try not to consume that long.

Mr. Chairman, I think it is time that we put this thing into a perspective which is orthodox and responsible for a lawmaking body. I am not sure much of the discussion has focused on that.

I think it is important that we remind ourselves that under this bill, whether it stays as it is or whether the proposed amendment is adopted, we have a procedure which says to a commission come up with a list of bases you think should be closed. We say to a Secretary of Defense accept or reject everything that is on that list, and then we say to ourselves send that list to us and we cannot change any of it, we must accept it all or reject it all.

Under that context do we really want something that says that we have gone through all of that and it comes to us and that we must specifically pass a resolution of disapproval and then override an almost certain Executive veto, because surely they would not veto it if they had approved sending it over here to us? I do not want that degree, that order of abdication of our responsibility.

My distinguished chairman and ranking member and others have laid out for the Members certain scenarios as to what is more or less likely to occur, all of which are founded in a degree of cynicism that quite frankly I am not totally comfortable with. I am willing to close unnecessary, costly, unjustified military facilities. I am willing to support a procedure by which we can identify those which are and then stand up and make responsible decisions. I am not willing to abdicate all decision making to this proposition and an anonymous commission, however, distinguished, who may have to review 800-some domestic bases between now and the end of this year operating largely and already with a staff which comes to them from the bosom of the office of the Secretary of Defense, with whatever number of hit lists they may have based on ancient staff studies of which I know not.

This is not a thing which we should take lightly. This is not a thing where we should be abdicating our responsibility, certainly not to the extent of saying that even if this Congress rises up and disapproves of some egregious mistakes in a list that is sent over here that that is it, that we are powerless to do anything about it by a majority vote, that we must at least, at the very least be able to muster a two-thirds majority vote.

This I think is folly. We ought to defeat this amendment.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. BATEMAN. If I have 45 seconds remaining, I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, I thank the gentleman for yielding.

Let me just say the Kasich motion for disapproval is exactly the provision adopted by the Armed Services Committee, it is a provision that I adopt in my amendment and the Senate adopted that provision by a vote of 83 to 13. It is a provision that allows the Commission's work to go forward unless we disapprove of it.

Mr. BATEMAN. I would like to reclaim my time and respond. There was no focus on the realities of this proposition in the Armed Services Committee. I cannot speak for the quality of debate in the Senate of the United States. I will say that my judgment on this issue has been formed on this floor during the only meaningful debate on this aspect of the subject that I have heard.

Mr. FOGLIETTA. Mr. Chairman, will the gentleman yield?

Mr. BATEMAN. I yield to the gentleman from Pennsylvania.

Mr. FOGLIETTA. Mr. Chairman, as a point of information I would like to let the gentleman know that according to my calculations, if this Commission were to visit every one of the 800-some bases before making a report, they would have to visit 7 bases a day starting tomorrow morning for every day until the time that they were required to submit that report, 7 bases a day. That is if they did not work on weekends. If they worked on weekends they would have to visit at least five bases every day between now and the date.

Mr. BATEMAN. I thank the gentleman for that information and I yield back the balance of my time.

Mr. KYL. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, first I want to say I think there have been several good points made on both sides of this debate. The gentleman from California [Mr. DELLUMS] made some good points. My colleagues, the gentleman from Virginia [Mr. BATEMAN], made some good points, and it is with great respect for both of them and others that I disagree with them.

I do not believe that the Congress abdicates its responsibility, Mr. Chairman, when we agree to a procedure that is provided for by the Constitution of the United States. What are we afraid of by the possibility of a Presidential veto? Our forefathers developed a Constitution with checks and balances in it, and one of those balances was the possibility of a veto which would then require a two-thirds vote to override. That is the constitutional process. Those who oppose the Kasich amendment are opposed to that constitutional process.

What are they going to tell the American people, whom I believe can see right through this—that they are not willing to take their chances to be able to override a veto, that they want to be able to defeat base closing with a mere majority vote? They are the ones who are opposing the constitutional process.

Our chairman of the House Armed Services Committee, the gentleman from Wisconsin [Mr. ASPIN], makes a valid point too. He says it may not matter; that the vote to close bases will be overwhelming in any event. I hope he is right, that the specific procedure does not matter. I would hope, however, if it does matter, if for example colleagues from a particular State decide to support their colleague in whose district a base is being closed and, therefore, we have many more votes in opposition to the closing of a base than we might expect, that we would have the possibility of our usual constitutional process at work.

With the Kasich amendment we would have the ability to adopt a motion of disapproval, and if the President then decided to veto that, we would have to override that with a two-thirds vote. So in either event I agree with the Committee on Armed Services and the committee chairman and ranking member that this amendment is a good amendment.

Finally, Mr. Chairman, and I think this is the fundamental point, and the point that this debate must revolve itself down to, many in this body say let us respect this body. let us understand that our constituents send us here to make decisions and we ought to make those decisions. There are two answers. No. 1, we do have a voice in making the decision with the motion of disapproval which, as the gentleman from Wisconsin [Mr. ASPIN] points out, can be brought to the floor and a vote insisted on. But more importantly, I think the American taxpayers are asking this Congress, they are looking us right in the eye and asking, "Have you been doing your duty? Have you been exercising that responsibility that we asked you to exercise?" The answer, my colleagues, is a sad "No."

In the last 10 or 11 years we have not been able to close a single major base in this country. We have not permitted it to be done. Why? Pure politics.

Who are we trying to fool? The American taxpayers understand that. If we do not adopt the Kasich amendment, I believe that the media in this country is going to point it out to all of our constituents, that what we wanted to do was to pass a proposed solution that looks good, but in point of fact will not end up closing any bases.

Not to approve the Kasich amendment is actually to, in effect, leave the status quo, and we have not been able to close any bases under the status quo.

Mrs. BOXER. Mr. Chairman, will the gentleman yield?

Mr. KYL. I yield to the gentlewoman from California.

Mrs. BOXER. Mr. Chairman, I thank the gentleman for yielding. I would like to correct the record because I have a base in my district that was closed long before I got here. The community accepted it. It was not easy. Unfortunately, it has been sitting as a toxic waste dump for all of this time.

Mr. KYL. If I can reclaim my time, the gentlewoman misquoted me. I said in the last 10 or 11 years.

Mrs. BOXER. It was just about this time that the base was closed.

Mr. KYL. That is right, the last 10 or 11 years. I think the statistics are unassailable. We have not closed a single major military base in the country during that time, and that is because the final say lies with the Congress.

I support the gentlewoman from California in her desire to clean up bases, and I think it is also incumbent upon those serious about closing bases and serious about cleaning up the environment at those bases not to adopt a proposal here that, in effect, is going to be a ruse, that will not allow any bases to be closed; and that is why it is so important that we adopt the Kasich amendment which permits the Congress to deal with the issue, on a resolution to oppose the recommendation of the Commission. But it does not put us in the position where a mere majority can kill it by refusing to adopt an affirmative vote.

Mrs. BOXER. Mr. Chairman, will the gentleman yield?

Mr. KYL. I am happy to yield to the gentlewoman from California.

Mrs. BOXER. I am not going to try to continue, but the Hamilton Air Force Base was shut down and it was moved.

I just want to say for the record that President Reagan has not submitted one base closure in 8 years, so I think all this blame Congress, blame Congress one way or the other is absolutely wrong.

Mr. KYL. Reclaiming my time, blame the Congress or the President; the fact is that it has not been done. I think the administration knows that it would be a futile gesture indeed to send up a base closure to this body that is not about to vote for it, so there is no point in sending them up here.

I am willing to cast the blame wherever it ought to go, but here we are now with a Secretary of Defense who is willing to close bases, willing to support a Commission recommendation. Let us take advantage of that opportunity, and in this last year of this administration, where we are not going to have any politics played, take advantage of the opportunity and adopt the Kasich amendment.

Mr. KLECZKA. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, it has been kind of interesting listening to the debate. First let me indicate that I stand in opposition to the amendment and in support of the Government Operations Committee position and that of an affirmative vote by this Congress on any recommendation by the Commission.

The previous speaker, to myself, indicated that it would be possible to defeat base closing by a mere majority vote.

□ 1530

And to that speaker I say, "My God, is that ever radical?" It seems to me that is the way we operate around here every day. In order to pass any legislation we have to conjure up a mere majority, for our Government is based on majority rule. If we are going to carry the gentleman's amendment to total absurdity, let us adopt that type of approach for all legislation. Let us adopt that approach for all 13 appropriation bills and any Ways and Means tax bills.

I would love to have the Foreign Affairs appropriation bill come before us and I have an opportunity to vote disapproval. At that point in time all 435 of us vote disapproval. The President, who is the only one in town having to act responsibly, would then veto it and then we would locate only one-third plus one Member of either House to sustain the veto and at that point the dollars are spent. Let us do that on a tax bill. It is not easy standing before a voting machine voting "aye" for a tax increase, but at times that happens to be the responsible way to do it. So let us adopt this new approach. Any tax bill on the floor, from here on out, will come up under a disapproval. At that time, all of us will have the luxury to play Cool Hands Luke or Clean Hands Luke, and I will bet your bottom dollar every Member in here is going to vote to disapprove that. "My God, how absurd to increase taxes in a responsible manner."

But then we have to rely on the President who says, "Yes, in order to keep the Government running we have to do this." Then subsequently one-third plus one of one House or the other will vote to increase taxes. Now if in fact we want to provide for Government by one-thirds plus one, let us change the Constitution to do that. Let us not play games on this bill, that we are going to do disapproval on a couple of appropriation bills tomorrow, because those are toughies too, and God knows we have to face reelection every 2 years, let us put a disapproval-type clause on those.

Mr. Chairman, how about the controversial bills? The easy ones we will vote approval; the controversial ones we will come through the back door and legislate in reverse.

I think we are setting a bad precedent. If in fact we want to be honest with ourselves, we want to be honest with this Congress, let us go to the ultimate end, let us knock out not only the approval of Mr. BROOKS but also the disapproval and let us have the Commission do it. Let the Commission have sole authority to close bases. Then we can all take the floor in our 1-minutes and we will all have clean hands and we will blame those son-of-a-guns wherever they might reside.

Let us not have legislation around here by one-third plus one because I think if we are going to do so legally, we are going to have to change our Constitution and our way of government to provide for that.

Mr. HORTON. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I would just like to make a couple of points which I think are very important.

First of all, I have been on the Committee on Government Operations for 26 years and in the first 20 years we had many instances in which we used this matter of disapproval, particularly with reference to reorganization bills. It is very confusing.

As a matter of fact, it got to a point where we had to require that the chairman of the Committee on Government Operations and the chairman of the Committee on Governmental Affairs of the Senate mandatorily had to introduce legislation to disapprove the reorganization plan, then we had to have hearings, then we had to report the bill out and then we had to vote on it.

Now as a matter of fact, and I would like to make this very clear, I think those who are arguing for the disapproval procedure, their point is well made because they will, they hope that they will avoid a vote by the membership on the question as to whether or not those base closures that are proposed should be closed.

The Committee on Government Operations which has had more experience in this area than any other committee because we used those disapproval resolutions for many years, and then we got back to the approval type which is what we have provided in this legislation. Let me just read to you so you understand what I am talking about. In the bill before us, H.R. 4481, it states after January 19, 1989, but no later than March 1, 1989, a resolution shall be introduced in the House, in the Senate and then we would have to vote it up or down within a certain period.

Now we would have before us all the information, we would have to vote it up or down in order for it to proceed.

As a matter of fact, if you turn to the proposal that Mr. ARMEY has by way of a substitute which basically is the Kasich amendment, it starts off by saying that the Secretary may not carry out any closures or realignments under this act if within a certain period of time, and then it goes on for about five or six pages trying to detail the complicated procedures which are involved in a disapproval resolution. But the simple proposal that the Committee on Government Operations came to and which we proposed in this legislation is to give the Members of the House an opportunity to vote up or down. It is very simple. You are dealing with a very unusual situation of the delegation of power, a delegation of legislative authority to the Secretary of Defense. Now, with all due respect to Mr. ARMEY, in his earlier bill he did not provide for any type of disapproval resolution. But he does provide it here. But in my judgment I think the Members of Congress, as they very well point out, are ducking the issue. And the issue is we ought to have the right to vote on it up or down prior to the time it goes into effect. It is just that simple. But it is a complicated procedure if you try to use this disapproval procedure.

Also, I think it does do away with the obligation of the Members to vote affirmatively on such an important matter as the closure of these bases.

In other words, you are buying a pig in a poke if you say now you can close those bases, what other bases you want to come up with. And I think that as Members of Congress your people are going to hold you to that vote more than they are going to hold you to a vote of up or down after you see what is on the table and after you understand what is involved and after you know what they are proposing as a result of this 6-month study that they are going to be making in order to have it on the table by December 31.

So I urge you to vote against this amendment and vote for the bill which does have a procedure for the Members of Congress to vote up or down on whether or not we want to go with the base closures that the commission recommends.

Mr. PEASE. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, I rise in support of this amendment offered by my colleague from Ohio [Mr. KASICH]. I think we ought to remember as we consider this amendment what the purpose of this bill is. The purpose of this bill is to facilitate the closing of military bases which ought to be closed, should have been closed over the last 10 years. The question before us is, procedurally, do we make it harder or easier to accomplish the task of closing those bases? The simple fact of the matter is, as all of us know who have been in this body very long, that it is more likely that Congress will uphold the base closing if it can be done without a vote and it is less likely that Congress will uphold the base closing if an affirmative vote is required.

The previous speaker from Wisconsin mentioned that maybe we ought to have the same procedure on tax legislation, maybe we should not have tax legislation unless with or without a vote.

I would mention to you that on the markup for the Tax Reform Act of 1986 there was a chairman's mark, and at first in the committee the rule was, for one day, that no part of the chairman's mark could continue to be in the bill unless after discussion it was an affirmative vote to keep it in the mark.

Very quickly, in 24 hours we saw there would never be a tax reform bill, never be a tax reform bill if that procedure were followed.

So we changed it the next day to a procedure that said that the chairman's mark would stay in, any item would stay in the chairman's mark unless there were a vote to take it back out.

Same thing on the congressional pay raises. An effort was made several years ago to make sure that when the recommendation of the President's commission came to Congress, it would go into effect unless there was a vote of the Congress to reject it. I think there is little doubt but what there would not be a congressional pay raise, would not have been one last year if there had been an affirmative requirement that there must be a positive vote by the Congress on a pay rise.

We all know that we are going to have difficult times fiscally in the next few years. The Pentagon is going to be chronically short of money. They will be lucky to get funds for zero growth over the next several years.

It is critically important for those who believe in a strong defense and paying for the weapons systems we have already put into effect that as much money as possible be available to those.

If that is going to be the case we are going to have to close some of these bases. If we want real plant closing, a real opportunity to get the plants closed we are more likely to get it with the Kasich amendment attached to this bill; so that when the recommendations come through if we think in general it is a good recommendation that the President submits to us, we need not have a vote. Now let us not kid ourselves, we can talk all we want about congressional prerogatives but the truth of the matter is it is easier to accomplish what we want do do in a difficult area politically if Congress does not have to vote on it for it to go into effect.

So I think the gentleman from Ohio, my colleague, has offered an excellent amendment and I hope very much that the House will support his amendment.

Mr. MONTGOMERY. Mr. Speaker, I move to strike the requisite number of words and I will take less than half a minute.

I only want to take this time because misinformation has been given today here about base closures. I have taken out of the Department of Defense yearbook, and I want you to listen to these figures: Since January 1969 through January 1986, 485 military installations have been closed or put in caretaker status. Of those 485 installations that have been closed, 132 of them were major bases. The Secretary has the authority, let us continue to let him do it; defeat this amendment.

Mr. KOLBE. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

I will not take the full 5 minutes.

I just wanted to say a couple of things, answer a couple of things that have been said here on the floor.

It has been talked about that this is a bad delegation of power by the Congress of our authority here. But the fact is Congress has done this many times in the past because the most obvious recent example of that is Gramm-Rudman where if we do not do something then the automatic provisions kick in.

Now I know that many of those who spoke on this were not proponents of the passage of the Gramm-Rudman Act. But the fact is that that is an example of how this Congress has recognized that we have a particular problem because sometimes we cannot act because of our own narrow political interests and we need to reverse the process, we need to say that it is going to happen unless we take action to stop it from happening.

That is precisely the case that exists here. We have heard the argument a few moments agc that if we do not do this kind of thing, why not next will we not take a tax bill and delegate that to some commission and then unless Congress acts we will not have a tax bill. I would suggest that is a very different kind of argument.

A tax bill, the policy in making the taxes, the policy is making the taxes, what you put into the tax bill. Here is the policy in making the tax is what you put into the tax bill. Here the policy is a decision that we agreed that there are unnecessary bases that may need to be closed and there needs to be a procedure for closing that base. The policy is not which base to close, the policy is not which building, which square acre of land or lot may be occupied by a military base. We have given a military mission to the Department of Defense, in this case to provide the mission for the security of this country. We should not be getting into the micromanagement of that every day. Just as we do not tell an agency whether they should buy pens or pencils, we tell them, "Here is the job that we give you, the objective that we have for this agency. Now go out and get it accomplished." And whether they use pencils or pens or computers to get it done is an object, a decision that they should have to make.

Similarly here, we should tell the Department of Defense meet these national security needs within these guidelines that we give you. Where exactly you put a particular tank or a particular plane or a particular ship is not a decision that a Congress should always be making.

Certainly in this case by giving ourselves the ability to say no, to turn down the closing of the bases I think we have given ourselves ample protection for that. This is not a dangerous delegation of congressional power. I think it is a reasonable approach to what is a very difficult problem.

□ 1545

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, if I might state this very briefly, the gentleman from Mississippi made a very good point in which he indicated there had been some major bases closed since 1969. The point to which we addressed this legislation is that no major base has been closed since 1979 when the O'Neill-Cohen legislation was put in place in response to the closures between 1969 and 1977.

Mr. Chairman, I appreciate the gentleman's point. I thought it was well taken, but I did want to clear up that one point, and I think we ought to now vote to pass the Kasich amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. KASICH].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. KASICH. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 250, noes 138, not voting 43, as follows:

[Roll No. 221]

AYES—250

Andrews
Anthony
Applegate
Archer
Armey
Aspin
AuCoin
Baker
Ballenger
Bartlett
Barton
Bates
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Boehlert
Bonker
Brennan
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Clarke
Clement
Clinger
Coats
Coble
Coleman (MO)
Conte
Cooper
Coughlin
Courter
Craig
Crane
Dannemeyer
Darden
Daub
DeLay
Derrick
DeWine
Dickinson
DioGuardi
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Durbin
Eckart
Edwards (OK)
Emerson
Erdreich
Fawell
Feighan
Fish
Frank
Frenzel
Gallegly
Gallo
Garcia
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Goodling
Gordon
Gradison
Grandy
Green
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Hubbard
Huckaby
Hughes
Hunter
Hyde
Inhofe
Ireland
Jacobs
Johnson (CT)
Johnson (SD)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennelly
Kildee
Kolbe
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Mack
Markey
Martin (IL)
Mazzoli
McCandless
McCollum
McCrery
McCurdy
McDade
McEwen
McHugh
McMillan (NC)
Meyers
Mfume
Michel
Miller (OH)
Miller (WA)
Molinari
Mollohan
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Murphy
Neal
Nichols
Nielson
Nowak
Oberstar
Obey
Owens (UT)
Oxley
Packard
Panetta
Parris
Patterson
Pease
Penny
Petri
Porter
Price
Pursell
Rahall
Regula
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Rogers
Roukema
Rowland (CT)
Rowland (GA)
Russo
Sabo
Sawyer
Saxton
Schaefer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Skaggs
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spratt
St Germain
Stangeland
Stark
Studds
Stump
Sundquist
Sweeney
Swindall
Synar
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torricelli
Traxler
Upton
Valentine
Vander Jagt
Vento
Visclosky
Walgren
Walker
Waxman
Weber
Weiss
Weldon
Whittaker
Wilson
Wolf
Wyden
Yates

NOES—138

Akaka
Alexander
Atkins
Barnard
Bateman
Bliley
Boggs
Boland
Bonior
Borski
Boucher
Boxer
Brooks
Brown (CA)
Bruce
Bryant
Chappell
Coelho
Coleman (TX)
Collins
Combest
Conyers
Coyne
Crockett
Davis (IL)
Davis (MI)
de la Garza
Dellums
Dicks
Dingell
Donnelly
Dowdy
Dymally
Dyson
Early
Edwards (CA)
Espy
Evans
Fascell
Fazio
Flake
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frost
Gaydos
Gonzalez
Grant
Gray (IL)
Gray (PA)
Guarini
Hall (OH)
Hastert
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Horton
Hoyer
Hutto
Jenkins
Jones (NC)
Jontz
Kennedy
Kleczka
Leath (TX)
Leland
Lent
Lewis (CA)
Lewis (GA)
Lipinski
Lott
Madigan
Manton
Martin (NY)
Martinez
Matsui
McCloskey
McGrath
McMillen (MD)
Miller (CA)
Mineta
Moakley
Montgomery
Murtha
Nagle
Natcher
Nelson
Oakar
Olin
Ortiz
Owens (NY)
Pashayan
Payne
Pelosi
Pepper
Perkins
Pickett
Pickle
Quillen
Rangel
Ravenel
Roe
Rostenkowski
Roybal
Saiki
Savage
Sisisky
Skeen
Skelton
Slaughter (VA)
Snowe
Staggers
Stallings
Stenholm
Stratton
Swift
Tallon
Tauzin
Torres
Towns
Traficant
Udall
Volkmer
Vucanovich
Watkins
Wheat
Whitten
Williams
Wise
Wolpe
Yatron
Young (AK)
Young (FL)

NOT VOTING—43

Ackerman
Anderson
Annunzio
Badham
Beilenson
Biaggi
Bilirakis
Bosco
Boulter
Bustamante
Cheney
Clay
DeFazio
Dixon
Dwyer
English
Fields
Flippo
Gephardt
Gregg
Hatcher
Jeffords
Jones (TN)
Kemp
Kolter
Lehman (CA)
Lungren
MacKay
Marlenee
Mavroules
Mica
Mrazek
Myers
Ray
Richardson
Rose
Roth
Scheuer
Solarz
Spence
Stokes
Wortley
Wylie

□ 1605

The Clerk announced the following pairs:

On this vote:

Mr. Bilirakis for, with Mr. Roth against.

Mr. Marlenee for, with Mr. Solarz against.

Messrs. SKEEN, TALLON, and YOUNG of Alaska changed their vote from "aye" to "no."

Messrs. OBERSTAR, GEKAS, SOLOMON, and SMITH of Florida, Mrs. SCHROEDER, Ms. SLAUGHTER of New York, Mr. PARRIS, and Mr. SCHAEFER changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

□ 1615

Mr. BROOKS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. FOLEY] having assumed the chair, Mr. VOLKMER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4481) to provide for the closing and realigning of certain military installations during a certain period, had come to no resolution thereon.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 10, 12, 24, 29, 34, 36, and 44 to the bill (H.R. 4567) "An act making appropriations for energy and water development for the fiscal year ending September 30, 1988, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the above-entitled bill.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1544. An act to amend the National Trails System Act to provide for cooperation with State and local governments for the improved management of certain Federal lands, and for other purposes, and

S. 2595. An act to authorize appropriations for fiscal year 1989 for the Office of the U.S. Trade Representative, the U.S. International Trade Commission, and the U.S. Customs Service.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I have asked to proceed for 1 minute that I might inquire of the distinguished majority leader the program for the rest of the day and for next week, and I am happy to yield to my friend, the gentleman from Washington [Mr. FOLEY].

Mr. FOLEY. Mr. Speaker, I thank the distinguished Republican leader for yielding.

We have risen, as the House knows, on this particular legislation and we will try to reschedule it as soon as possible. We hope we will be able to do that next week.

The schedule for next week is that the House will not be in session tomorrow. We will meet at noon on Monday to consider 15 suspensions, as follows:

H.R. 4861, to authorize grants for State Veterans' Cemeteries;

H.R. 4315, John Muir National Historic Site Land Addition;

H.R. 4375, to improve management of certain public lands in Michigan;

H.R. 4675, to extend drug abuse prevention activities under the Domestic Volunteer Service Act;

H.R. 4676, to extend the Temporary Child Care for Handicapped Children and Crisis Nurseries Act of 1986;

H.J. Res. 600, 50th anniversary of the FDA;

H.R. 3361, to establish the National Institute of Deafness;

H.R. 4833, Nursing Shortage Reduction and Education Extension Act;

H.R. 4915, to extend the grant program for the prevention and control of sexually transmitted diseases;

H.R. 25, Whistleblower Protection Act of 1988;

H.R. 2882, Excellence in Government Management Act of 1988;

H.R. 4574, Federal Employees Cost Savings Awards Act;

H.R. 4340, Retirement and Survivors' Annuities for Bankruptcy Judges and Magistrates Act of 1988;

H.R. 4064, to authorize appointment of additional bankruptcy judges; and

H.R. 4758, Public Safety Officers' Death Benefits Amendments of 1988.

On Tuesday, July 12, the House will meet at noon to consider H.R. 1516, the Tongass Timber Reform Act, under an open rule, with 1½ hours of debate. Then we will consider recorded votes made in order on Monday for suspension debated on Monday.

There will be no Monday votes, as previously announced, but there will be votes on Tuesday on the Tongass bill and on ordered votes from Monday.

On Wednesday, July 13, the House will meet at 11 a.m. and consider S. 2527, the Plant Closing Notification Act, subject to a rule, and H.R. 4848, the Omnibus Trade and Competitiveness Act of 1988, subject to a rule.

On Thursday, July 14, the House will meet at 10 a.m. to consider the conference report on H.R. 4264, the Department of Defense authorization for fiscal year 1989, subject to a rule.

H.R. 3964, to establish a National Park System Review Board, subject to a rule.

And H.R. 4519, the Arizona/Florida Land Exchange Act, subject to a rule.

At the conclusion of business on Thursday, the House will adjourn for the Democratic National Convention district work period.

Of course, this announcement is made subject to the usual caution that conference reports may be brought up at any time and any further program will be announced later.

Mr. MICHEL. Mr. Speaker, might I inquire of the distinguished gentleman, in view of the Committee rising on the bill on which we were just considering, is it the judgment of the majority leader then that this would be a matter for continuation then on Tuesday after the rollcalls on the suspensions that may have been ordered from Monday?

Mr. FOLEY. Mr. Speaker, if the gentleman will yield further, we would try to do that on either Tuesday or Thursday. I cannot advise the gentleman precisely which day, but it is possible to do it on Tuesday if we finish the other business at a sufficiently early hour.

Mr. MICHEL. Well, I might make the observation, I guess if I had my druthers to make that decision now, I would say Tuesday. Looking again at Thursday, just like today, we get the kind of pressure that, well, now, we have planes and we are all leaving and you are leaving for your convention. I would hope that there would be some kind of agreement or arrangement that next Thursday when getaway time comes that it is determined enough in advance that we do not have that problem with cancellations.

Mr. FOLEY. The gentleman makes a good point and we will try to accommodate that.

Mr. MICHEL. If that is the case, then it would seem to me that unless there is some big to-do next Tuesday night of which this Member is not aware, but recognizing that that has to be a consideration sometimes, Members might be advised to work a little bit later on Tuesday in order to make sure that we do not have to be around here forever on Thursday.

Perhaps the gentleman knows something that I do not know that would foreclose that from happening.

Mr. FOLEY. No. I do want to reserve the possibility that we may be looking at some alteration in the schedule in order to try to accommodate this legislation.

The only thing I can assure the gentleman without any question is that we will take votes on Tuesday and we will take up the Tongass bill and we will take up the legislation on Wednesday, particularly the legislation on plant closing and trade.

I am sensitive to the gentleman's statements that we did not want to have a late session on Thursday, so I will take those things under consideration.

Mr. MICHEL. Mr. Speaker, I thank the gentleman.

Mr. ARMEY. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding to me.

Let me thank the distinguished majority leader for all that he has done to help us schedule this bill. I realize that time is getting late and Members are trying to get home, especially the Members on the west coast. For that reason, I was more than happy to agree that we ought to rise now and proceed. That having been the case, though, let me assure all the membership that I will be happy to stay here as late as necessary on Tuesday evening in order to complete this legislation, and I would like to believe that all my colleagues would be willing to do the same.

ADJOURNMENT TO MONDAY, JULY 11, 1988

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the

House adjourns on today, it adjourn to meet at noon on Monday next.

The SPEAKER pro tempore (Mr. VOLKMER). Is there objection to the request of the gentleman from Washington?

There was no objection.

HOUR OF MEETING ON WEDNESDAY, JULY 13, 1988

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday, July 12, 1988, it adjourn to meet at 11 a.m. on Wednesday, July 13, 1988.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

RESIGNATION AS MEMBER OF SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

The SPEAKER pro tempore laid before the House the following resignation as a member of the Select Committee on Narcotics Abuse and Control:

HOUSE OF REPRESENTATIVES,
Washington, DC, July 7, 1988.

Hon. JIM WRIGHT,
Speaker, House of Representatives, H-204,
The Capitol, Washington, DC.

DEAR MR. SPEAKER: I hereby tender my resignation to the House Select Committee on Narcotics Abuse and Control effective today.

Thank you for your attention to this matter.

Sincerely,

E. CLAY SHAW, JR.,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

RESIGNATION AS MEMBER OF COMMITTEE ON THE JUDICIARY

The SPEAKER pro tempore laid before the House the following resignation as a member of the Select Committee on the Judiciary:

HOUSE OF REPRESENTATIVES,
Washington, DC, July 7, 1988.

Hon. JIM WRIGHT,
Speaker, House of Representatives, H-204,
The Capitol, Washington, DC.

DEAR MR. SPEAKER: I hereby tender my resignation to the House Committee on the Judiciary effective today.

Thank you for your attention to this matter.

Sincerely,

E. CLAY SHAW, JR.,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

RESIGNATION AS MEMBER OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER pro tempore laid before the House the following resignation as a member of the Select Committee on Public Works and Transportation:

HOUSE OF REPRESENTATIVES,
Washington, DC, July 7, 1988.

Hon. JIM WRIGHT,
Speaker, House of Representatives, H-204,
The Capitol, Washington, DC.

DEAR MR. SPEAKER: I hereby tender my resignation to the House Committee on Public Works and Transportation effective today.

Thank you for your attention to this matter.

Sincerely,

E. CLAY SHAW, JR.,
Member of Congress.

The SPEAKER pro tempore. Without objection, the resignation is accepted.

There was no objection.

ELECTION AS MEMBER OF COMMITTEE ON WAYS AND MEANS

Mr. MICHEL. Mr. Speaker, I offer a privileged resolution (H. Res. 490) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 490

Resolved, That Representative Shaw of Florida be and is hereby elected to the Committee on Ways and Means.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON ENERGY AND COMMERCE TO HAVE UNTIL 5 P.M. FRIDAY, JULY 8, 1988, TO FILE REPORTS ON H.R. 4833, H.R. 3361 AND H.R. 4915

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that the Committee on Energy and Commerce may have until 5 p.m., Friday, July 8, 1988, to file reports on the following bills:

H.R. 4833, Nursing Shortage Reduction and Education Extension Act of 1988;

H.R. 3361, National Institute on Deafness and other Communication Disorders; and

H.R. 4915, to amend the Public Health Service Act to revise and to extend the program of grants for the prevention and control of sexually transmitted diseases.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

ALABAMANS ADVISE GOVERNMENT LEADERS

(Mr. ERDREICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ERDREICH. Mr. Speaker, about 10,000 people across my district in Jefferson County, AL responded to my annual questionnaire. Their answers provided good advice for Congress.

Forty percent felt the Federal budget deficit was the No. 1 problem facing Alabama, with 26 percent saying education was the No. 1 priority, and 17 percent selecting economic growth.

Forty-two percent felt a freeze on Federal spending, except Social Security and Medicare was the best way to reduce the deficit, while another 42 percent felt across-the-board spending reductions are the best way to eliminate red ink spending.

Eighty-eight percent supported using the military in the fight against illegal drugs, and 73 percent supported naval escorts by the United States in the Persian Gulf.

Although 73 percent opposed Federal grants to assist in child care, 64 percent favored expanding Medicare to provide for long-term care.

Strong majorities favored the adoption of tougher trade laws, continuing efforts to attain an arms reduction treaty with the Soviets and line-item veto authority for the President.

I would like to thank the almost 10,000 residents who took the time to give me their views. Their opinions help me do a better job representing Jefferson County in Congress, and place in the RECORD the entire results, good Alabama common sense for Congress to follow.

	Number	Percent	V/A (percent)
1. What is the number one problem facing Alabama?			
a. The Federal budget deficit	3934	40	158 (1.60)
b. Trade	446	5	
c. Education	2560	26	
d. AIDS	298	3	
e. Economic growth	1722	17	
f. Other	781	8	
2. Which of the following do you think is the best way to reduce the Federal budget deficit?			
a. Reduce Federal spending across-the-board	4,130	42	507 (5.12)
b. Freeze Federal spending across-the-board	1,134	11	
c. Freeze Federal spending across-the-board, except for Social Security and Medicare	4,128	42	
3. If your answer to the above question did not eliminate deficit spending, would you support a combination of restraint on all Federal spending and new tax increases?			
a. Yes	3,755	38	1,086 (10.97)
b. No	5,058	51	
4. Do you think the current level of Federal domestic spending is:			
a. About right?	1,728	17	360 (3.64)
b. Too much?	6,423	65	
c. Too little?	1,388	14	
Do you think the current level of defense spending is:			
a. About right?	4,443	45	292 (2.95)
b. Too much?	3,784	38	
c. Too little?	1,380	14	
5. Do you favor the use of the U.S. military to assist in preventing the movement of illegal drugs across our borders?			
a. Yes	8,710	88	189 (1.91)
b. No	1,000	10	
6. Should the Federal Government make grants to assist public and non-profit child care centers?			
a. Yes	2,924	30	320 (3.23)
b. No	6,655	67	
7. Medicare currently does not pay for long-term home-based or nursing home care. Do you favor legislation to provide long-term care for the elderly and chronically ill, even if it means increasing the Medicare payroll tax for people with higher incomes?			
a. Yes	6,333	64	386 (3.90)
b. No	3,180	32	
8. Do you support the continued deployment of United States Navy escorts for shipping vessels in the Persian Gulf?			
a. Yes	7,261	73	371 (3.75)
b. No	2,267	23	
9. Do you favor adopting stronger U.S. trade laws to ensure full and fair U.S. participation in international trade?			
a. Yes	7,618	77	409 (4.13)
b. No	1,872	19	
10. Do you favor adopting policies to limit imports from countries that compete unfairly with U.S. goods, even if it means higher consumer prices?			
a. Yes	7,157	72	338 (3.41)
b. No	2,404	24	
11. Do you favor continuing efforts for an arms reduction treaty with the Soviet Union?			
a. Yes	8,013	81	266 (2.69)
b. No	1,620	16	
12. Do you support granting U.S. Presidents the authority to veto budgetary "line items" without vetoing entire budget appropriation bills?			
a. Yes	7,936	80	287 (2.90)
b. No	1,676	17	

PROPOSED LEGISLATION WOULD REQUIRE LIGHT TRUCKS TO MEET LABELING REQUIREMENTS

(Mr. PETRI asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. PETRI. Mr. Speaker, today I am introducing a bill to include light trucks in the labeling requirements of the Automobile Information Disclosure Act.

In March, I received a letter from Mr. and Mrs. Toshner of Fond du Lac, WI. They wrote about their experiences buying a pick-up truck last winter. Only after they had purchased the truck did they discover that they had been misled about optional versus standard equipment. That cost them a lot of money. They found out that manufacturers are not required to provide the same information on light trucks as they do on cars. So, they wrote to ask me to introduce a bill that would require the same window display stickers to be placed on light trucks as on cars.

When Congress passed the Automobile Information Disclosure Act in the late 1950's, light trucks were not nearly as popular as they are today. However, by last year, they accounted for one third of all passenger vehicles sold. It's time we required the same disclosures for these vehicles as we do for cars.

My bill simply adds light duty trucks to the existing Automobile Information Disclosure Act. I urge my colleagues to support this measure.

H.R. —

A bill to amend the Automobile Information Disclosure Act to make the requirements of that Act applicable to light duty trucks

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LABEL REQUIREMENTS.

(a) IN GENERAL.—Section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232) is amended—

(1) by inserting "or light duty trucks" after "new automobiles",

(2) by inserting "or light duty trucks" after "new automobile", and

(3) by inserting "or light duty trucks" after "such automobile" each place it occurs.

(b) DEFINITION.—Section 2 of such Act (15 U.S.C. 1231) is amended by adding at the end the following:

"(i) The term 'light duty truck' means a truck of not more than six thousand pounds gross vehicle weight.".

(c) CONFORMING AMENDMENTS.—

(1) Section 2 of such Act (15 U.S.C. 1231) is amended

(A) by inserting "or light duty trucks" after "new automobiles" each place it occurs in paragraphs (e) and (h), and

(B) by inserting "or light duty trucks" after "new automobiles" each place it occurs in paragraphs (f) and (g).

(2) Section 4 of such Act (15 U.S.C. 1233) is amended—

(A) by inserting "or light duty trucks" after "new automobiles" each place it occurs, and

(B) by inserting "or light duty trucks" after "automobiles" each place it occurs.

SEC. 2. EFFECTIVE DATE.

The amendments made by section 1 shall apply with respect to light duty trucks (as defined in section 2 of the Automobile Information Disclosure Act) manufactured after October 1, 1989.

ADIRONDACKS AND OTHER AREAS BELEAGUERED BY ACID RAIN

(Mr. BOEHLERT asked and was given permission to address the House for 1 minute, and to revise and extend his remarks, and include extraneous matter.)

Mr. BOEHLERT. Mr. Speaker, I wish to call my colleagues' attention to a front-page article in today's edition of the New York Times. The article reports that over a quarter of the lakes and ponds in the Adirondack Mountains are so acidic that the vast majority of those can no longer support fish.

The article goes on to report that the study was sponsored in part and financed by New York's utilities, and, further, that of the 1,245 Adirondack lakes surveyed, the study found that 319 of them, or 26 percent, were so acidic, with the pH factor of 5 or below, that except under rare circumstances they can no longer contain fish.

Mr. Speaker, it is time for America to wake up. This cancer called acid rain is systematically destroying our waterways, our forests, and our buildings. It is a very serious threat to our public health. It is time to do something about it, not just for the Adirondacks but for Florida and Colorado and for some Members' beloved Texas. It is time to do something about it. Let us demand of our Presidential candidates that they tell us where they stand on the issue of acid rain. Let us demand to know from our candidates for Congress where they stand on this important issue of acid rain.

Mr. Speaker, we cannot wait any longer.

Acid Rain Imperils Adirondacks Fish

(By Elizabeth Kolbert)

Albany, July 6.—Over a quarter of the lakes and ponds in the Adirondack Mountains are so acidic that the vast majority of them can no longer support fish, a three-year study by New York's state environmental agency has found. An additional one-fifth of the lakes in the region are so acidic they are considered "endangered," according to the study.

The study, one of the most thorough surveys in the nation of the effects of acid rain on a region, found the proportion of lakes in the Adirondacks that were acidic to be 15 percent higher than surveys by the Federal Government had indicated.

The Commissioner of the state's Environmental Conservation Department, Thomas C. Jorling, said the study, which is still under review, "confirms beyond a doubt" that the "adverse effects of acid rain on aquatic systems are real."

"NEEDED" DOCUMENTATION

The study, he said, "gives the documentation that the skeptics out there said they needed."

State officials acknowledged, however, that the data from the study had not yet been fully analyzed and that some of the lakes that are acidic and that have no fish may be that way naturally, but they said that number was relatively small compared with the number of lakes that have been damaged by acid rain.

The Reagan Administration has maintained that not enough is known about the effects of acid rain to justify stiffer pollution controls.

Mr. Jorling said the findings "demonstrate on their own" the need for legislation to curb the emissions that cause acid rain.

Such legislation has been stalled in Congress because of disputes between representatives of Northeastern states, which suffered the most damage from acid rain, and those of Midwestern states, whose coal-fired power plants and other factories are believed to produce much of the pollution that causes acid rain.

This pollution, mainly oxides of sulfur and nitrogen, is transported through the atmosphere, where it undergoes chemical changes and falls to the ground in the form of acid rain.

AGREEMENT BY GOVERNORS

Last month, the Governors of New York and Ohio—two states that have been at odds in this debate—announced that they had agreed on a proposal to require sharp reductions nationwide in the emission of these pollutants. Today, Governor Cuomo's Washington liaison, Brad Johnson, said legislation to implement the proposal would be introduced in both houses of Congress soon, although no members of Ohio's Congressional delegation have yet agreed to sponsor it. The legislative prospects are uncertain.

The study of the Adirondack lakes which was partly financed by the research arm of New York's utilities draws on extensive surveys of almost half of the 2,700 lakes in the Adirondack region. Most of the region lies within the 6-million-acre Adirondack Park, the largest wilderness area left in the country east of the Mississippi River.

The Adirondack region is particularly sensitive to the effects of acid rain because of the thinness of the soil there, the high elevation of many of its lakes and the position of the mountains in the weather system. More than two-thirds of the acidified lakes, the study found, are in the southwestern Adirondacks, which under normal weather patterns are the first mountains that clouds traveling east from the Midwest encounter.

The most famous and frequently visited of the Adirondack lakes, such as Lake George and Mirror Lake at Lake Placid, are so large that they are not yet threatened by acid rain, state officials said.

CONSIDERED "ENDANGERED"

Of the 1,245 Adirondack lakes surveyed, the study found 319 of them, or 26 percent, to be so acidic—with a pH factor of 5 or below—that except under rare circumstances they contain no fish. The pH scale is a measure on the concentration of hydrogen ions in a solution; the lower the pH, the more acidic the solution. Pure water has a pH of 7, and lemon juice has a pH of 2. The average pH of rainfall in New York is about 4.

The study found that an additional 235 lakes, or 19 percent, have a pH of between 5 and 6, and are considered by researchers to be "endangered." Research on acid rain indicates that at a pH of 5.5 many fish populations and plant species die off.

State environmental officials said lakes with a pH between 5 and 6 would be likely to recover if acid rain-producing emissions were cut substantially in the next few years. Dumping tons of lime, an alkaline substance, into lakes with a lower pH has enabled some lakes to sustain fish, but because a lake may drain seven or eight times a year this process requires constant monitoring.

Because reliable past data are scarce, the study does not document any trends. But David Shaw, program development coordinator for the State Environmental Conservation Department's Air Division, said there was some evidence of a trend toward acidification. "In cases where we've got data, it shows in some lakes there was a fishing opportunity and there no longer is one; the lake has become acidified," he said.

The study concluded that 25 percent of the lakes in the Adirondacks have no fish. But because the data from the study are still being analyzed, state officials said they could not draw a direct correlation between lakes with a low pH and lakes with no fish.

Kurt Anderson, environmental affairs manager for the Empire State Electric Energy Research Corporation, the utilities' research arm that helped finance the study, said that because the scientific analysis has not been completed, no conclusions could be drawn from the data. "We know what is says, but what it means is yet to be determined," he said.

CONTRAST WITH FEDERAL STUDY

The results of the study contrast with those of a Federal survey released last fall by the National Acid Precipitation Program, an interagency group, which put the proportion of lakes in the Adirondacks that were acidified at 10 percent.

But Christian Rice, a spokesman for the Federal Environmental Protection Agency, said the results of the two studies were not contradictory because the Federal study excluded small lakes under 10 acres, which are more sensitive to acid rain, while the state study sampled lakes as small as one acre. He also said recently revised E.P.A. estimates put the proportion of acidified lakes in the Adirondacks at 14 percent.

Mr. Rice said the New York study was unlikely to influence the Administration's position that more data were needed because "the question is what is the trend, and neither our study nor the New York State study gives us that."

☐ 1630

TRAGEDY IN THE PERSIAN GULF

The SPEAKER pro tempore (Mr. Hutto). Under a previous order of the House, the gentleman from California [Mr. Panetta] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, the Members of Congress received an in-depth Defense Department briefing yesterday on the shooting down of the Iranian passenger jet.

This incident was a tragedy which we all deeply regret. Unfortunately, these 290 civilians were caught in the crossfire of combat. Their deaths are a sad reminder of the terrible consequences of war.

These events occurred in a 12-minute span in the heat of battle. It seems clear that the decision to fire on the plane was made following repeated warnings. While the present evidence indicates that the action was both understandable and justified, the investigation now underway should give us the facts we need to judge the decisions made and the procedures and technology used in the incident.

Surely, the issue of possible reparations should not even be considered until all the facts are presented.

But beyond the tragedy of this incident, there remain the larger questions surrounding our policy in the Persian Gulf. Do we have specific goals? Are our allies participating as fully as they should considering where most of the protected oil shipments go? Are sufficient diplomatic efforts being pursued to find peace between Iran and Iraq? Or are we caught in a haphazard web of military commitments that will continue to place at high risk the lives and equipment of U.S. forces?

Iran has been a quagmire for United States policy for far too long. Common sense tells us we need to find the answers to these questions before more innocent lives are lost.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gen-

tleman from Florida [Mr. MacKay] is recognized for 5 minutes.

Mr. MacKay. Mr. Speaker, due to a previous commitment I missed several votes. Had I been able to vote, I would have voted for H.R. 1720, for House Resolution 489, against the amendment of Mr. Brown and for the amendment of Mr. Kasich to H.R. 4481.

I appreciate having this opportunity to state my position on these measures.

RESTRICTIVE RULES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. Lott] is recognized for 15 minutes.

Mr. LOTT. Mr. Speaker, I am inserting this special order in a continuing effort to keep Members of the public apprised of the extent to which Members' rights are being curtailed by the use of restrictive rules.

Restrictive rules are those order of business resolutions reported by the Rules Committee which limit the freedom of Members to offer germane amendments to the bills made in order by those rules. Such restrictive rules come in varying forms ranging from completely closed to modified closed, and modified open. As has been pointed out, 12 years ago, in the 95th Congress, restrictive rules comprised 12 percent of the total rules granted. That percentage has increased steadily in ensuing Congresses until today, in this 100th Congress, they are running at about 42 percent of the total.

Our colleagues on the Democratic side of the aisle have defended restrictive rules on grounds of orderly process and time management, and have pointed out that Republicans have supported many restrictive rules. It is true that at times we have acceded to such rules if they have accommodated most Members wishing to offer amendments or the legislation involved was otherwise noncontroversial. But, our support for such rules has not been as frequent as some have implied.

On June 9 of this year, for instance, the gentleman from Massachusetts [Mr. Frank] took a special order in which he indicated that the House Republican leader had voted for 37 restrictive rules in the 97th through first session of the 100th Congress (Congressional Record, June 9, 1988, p. H4106). What he failed to point out was that this comprised only 28 percent of the 132 restrictive rules granted over that 7-year period.

In a similar vein, the distinguished Majority Leader, in a "Guest Observer" column published in the Hill newspaper, Roll Call, on June 19, 1988, made the claim that, "The Republican leadership and Members supported over half of the 43 closed or modified rules used so far in this Congress." And on June 16, 1988, the majority leader indicated in a floor colloquy with the Republican leader that in this Congress "over half of those [restrictive] rules have passed this House by votes in excess of 350 Members voting for it or by voice vote."

While I had not done a vote analysis of restrictive rules at the times these various claims were made, the claims did arouse my curiosity and doubts. Had a majority of the Republican leaders and membership voted for a majority of the restrictive rules in this Congress? And, had over half of these rules passed with the approval of over 350 of the 435 House Members?

According to the data compiled at my request by the minority counsel for the Rules Subcommittee on the Legislative Process, the answer to both questions is a resounding "No!" For the purpose of these calculations we assumed, as did the majority leader, that a majority of the Republican leaders and Members supported those restrictive rules adopted by voice vote. But, unlike the majority leader, we did not assume such support in those instances in which a voice vote was preceded by a recorded vote on the previous question.

As one who has managed such rules for the Republican side on many occasions, I know for a fact that if we make a previous question fight, which is always motivated by opposition to the rule as reported, and ask for a recorded vote, we sometimes do not ask for a recorded vote on adoption of the rule in order to save time and avoid a duplicative vote. But, such voice votes certainly do not indicate Republican support for the rule.

What the data shows is that Republican leaders, that is, at least three of the five elected leaders, supported only 14 or 33 percent of the 42 restrictive rules, while the Republican membership supported only 15 or 36 percent of such rules. These percentages are a far cry from the claim that our leadership and membership supported over half of the restrictive rules. Put another way, Republican leaders and Members alike opposed 67 percent of the restrictive rules.

And, how many of the restrictive rules passed by voice vote or with the support of more than 350 Members? Even if we count those two rules passed by voice votes after a majority of each party voted on opposite sides of the previous question vote, the answer is that 12 rules passed by voice vote and only 1 passed by a recorded vote in which over 350 Members supported the rule. That's 13 of the 42 rules or 31 percent of the total, and not over 50 percent of such rules as has been claimed.

What does all this data point to in the final analysis? It shows us that Republicans can be cooperative and accommodating on truly managerial restrictive rules provided they are treated fairly in the process. But, it also tells us that such rules in a large majority of cases are being used for other purposes that have a partisan cast to them. And it is the increasing reliance on such rules on controversial bills for the purpose of securing partisan advantage or political cover that is being objected to. In recent times, restrictive rules have even been used to shut out Democratic Members who have had legitimate amendments they wished to offer. This kind of political, procedural manipulation is an insult to the freely elected Members of this House and the people they represent who are being disenfranchised by the majority leadership in such rules. This is our main complaint.

At this point in the Record, Mr. Speaker, I will insert the backup data to which I have referred. The materials follow:

OPEN VERSUS RESTRICTIVE RULES, 95TH–100TH CONGRESS

Congress (years)	Total rules granted[1]	Open rules[2]		Restrictive rules[3]	
		No.	Percent	No.	Percent
95th (1977–78)	241	213	88	28	12
96th (1979–80)	198	161	81	37	19
97th (1981–82)	112	90	80	22	20
98th (1983–84)	145	105	72	40	28
99th (1985–86)	101	65	64	36	36
100th (1987–88)	111	64	58	47	42

[1] Total rules counted are all those reported from the Rules Committee which provide for the initial consideration of legislation, including rules on appropriations bills. Not included are special rules on conference reports, Senate amendments, and so forth.

[2] Open rules are those which permit any Member to offer any germane amendment to a measure so long as it is otherwise in compliance with House rules.

[3] Restrictive rules are those which limit the number of amendments which can be offered, and include so-called modified open and modified closed rules as well as completely closed rules.

Sources: Survey of Activities, Committee on Rules, 95th–99th Congresses; "Notices of Action Taken," Committee on Rules, 100th Congress (as of July 1, 1988).

[Prepared by minority counsel, Subcommittee on the Legislative Process, Committee on Rules.]

SUMMARY OF HOUSE VOTES ON RESTRICTIVE RULES IN THE 100TH CONGRESS

	Number	Percent of total
Total restrictive rules voted on by House	42	100
Total restrictive rules supported by majority of Republicans voting[1]	15	36
Total restrictive rules supported by majority of elected Republican leadership[2]	14	33
Total restrictive rules supported by majority of Democrats voting[1]	42	100
Total restrictive rules opposed by majority of Republicans voting[1]	27	64
Total restrictive rules opposed by majority of elected Republican leadership[2]	27	64
Total restrictive rules opposed by majority of Democrats voting[1]	0	0

[1] Support is assumed by all Members when a rule is adopted by voice vote except when such a vote is preceded by a recorded vote on the previous question in which case the previous question vote is used as the indicator of support or opposition. This is because a recorded vote on the previous question is usually demanded when there is opposition to the rule and a move to amend the rule. The subsequent adoption of a rule by voice vote is usually more to avoid a duplicative vote than it can be construed to be support for the rule. There were two such previous question votes on which a majority of each party voted on opposite sides of the question and the rule was then adopted by voice vote.

[2] The elected Republican leadership used for these calculations are the top five leaders: the Republican leader, the Republican Whip, Conference chairman, the Policy Committee chairman, and the Research Committee chairman. A majority of the leadership is three of the five leaders.

HOUSE VOTES ON RESTRICTIVE RULES REPORTED IN THE 100th CONGRESS[1]

Rule No. H. Res.	Date voted	Rule type[2]	Bill number and title	House vote[3]	Vote by party[4]
26	Jan. 8, 1987	C	Establishing three select committees	A:VV	
27	Jan. 8, 1987	C	H.R. 1: Water Quality Act	PQ:286–124; A:VV	R:42–123 (RL: 0–3) D:244–1
38	Jan. 21, 1987	C	H.R. 2: Surface Transportation	PQ:331–88; A:VV	R:87–85 (RL: 1–4) D:244–3
116	Mar. 11, 1987	C	H.J. Res. 175: Contra Aid Moratorium	A:227–198	R:1–172 (RL: 0–5) D:226–26
135	Apr. 1, 1987	MC	H.R. 1320 Land and Water Conservation Fund Act Amendments.	A:303–110	R:64–108 (RL: 4–1) D:239–2

HOUSE VOTES ON RESTRICTIVE RULES REPORTED IN THE 100th CONGRESS[1]—Continued

Rule No. H. Res.	Date voted	Rule type[2]	Bill number and title	House vote[3]	Vote by party[4]
139	Apr. 8, 1987	MC	H. Res. 139: Budget Resolution	A:241–168	R:0–166 (RL: 0–4) D:241–2
148	Apr. 23, 1987	MO	H.R. 1827: Supplemental Appropriations	A:222–197	R:3–164 (RL: 0–4) D:219–27
151	Apr. 28, 1987	MC	H.R. 3: Omnibus Trade bill	A:326–83	R:83–82 (RL: 3–2) D:243–1
152	Apr. 30, 1987	MO	H.R. 1748: DOD Authorization	A:319–83	R:85–83 (RL: 1–4) D:234–0
156	May 6, 1987	MO	H.R. 1748: DOD Authorization	A:303–108	R:65–106 (RL: 0–4) D:238–2
160	May 7, 1987	MO	H.R. 1748: DOD Authorization	A:254–149	R:24–147 (RL: 0–4) D:230–2
154	May 5, 1987	MO	H.R. 27: F.S.L.I.C.	A:VV	
165	May 13, 1987	MC	H.R. 2360: Public Debt Limit	A:VV	
190	June 11, 1987	MO	H.R. 1777: State Dept. Authorization	A:238–134	R:31–122 (RL: 1–4) D:204–12
196	June 17, 1987	MO	H.R. 281: Double-Breasting	A:240–178	R:14–158 (RL: 0–5) D:226–20
219	July 8, 1987	MO	H.R. 2342: Coast Guard Authorization	A:305–96	R:73–92 (RL: 0–4) D:232–4
227	July 22, 1987	MC	H.R. 2470: Catastrophic Health	A:248–174	R:13–160 (RL: 0–5) D:235–14
233	July 29, 1987	C	H.R. 3022: Debt Limit Extension	A:243–169	R:8–161 (RL: 0–5) D:235–8
238	Aug. 7, 1987	MO	H.J. Res. 132: Armenian Genocide	R:189–201	R:51–115 (RL: 1–4) D:138–86
256	Sept. 16, 1987	MC	H.R. 1154: Textile Trade Act	A:305–111	R:65–196 (RL: 1–3) D:240–5
265	Sept. 21, 1987	MO	H.R. 3030: Ag Credit Act	A:304–56	R:101–56 (RL: 2–2) D:203–0
270	Sept. 23, 1987	C	H.J. Res. 362: Continuing Appropriations	A:VV	
275	Sept. 30, 1987	MO	H.R. 2310: Airport Improvement	R:178–235	R:34–138 (RL: 0–5) D:144–97
278	Oct. 1, 1987	MO	H.R. 2310: Airport Improvement	A:368–42	R:132–36 (RL: 3–1–1) D:236–6
293	Nov. 5, 1987	MO	H.R. 3100: Foreign Aid Authorization	A:316–97	R:82–89 (RL: 1–4) D:234–8
296	Oct. 29, 1987	MC	H.R. 3545: Reconciliation	R:203–217	R:0–169 (RL: 0–5) D:203–48
298	Oct. 29, 1987	MC	H.R. 3645: Reconciliation II	A:238–182	R:1–169 (RL: 0–5) D:237–13
302	Nov. 5, 1987	MC	H.J. Res. 394: Continuing Resolution	A:VV	
321	Dec. 3, 1981	MC	H.R. Res. 395: Continuing Appropriations Resolution	A:236–177	R:7–163 (RL: 0–4) D:229–14
331	Dec. 15, 1987	MC	H.R. 1720: Welfare Reform	A:213–206	R:0–170 (RL: 0–5) D:213–36
340	Dec. 20, 1987	C	H.R. Res. 431: Short-Term CF	A:257–126	R:44–113 (RL: 2–3) D:213–13
390	Mar. 3, 1988	MC	H.J. Res. 484: Contra Aid	A:231–183	R:0–169 (RL: 0–5) D:231–14
391	Mar. 2, 1988	MC	S. 557: Civil Rights Restoration	PQ:252–158; A:VV	R:17–150 (RL: 0–5) D:235–8
410	Mar. 23, 1988	MC	H. Con. Res. 268: Budget Resolution	A:VV	
417	Mar. 30, 1988	C	H.J. Res. 523: Contra Aid	A:VV	
428	Apr. 20, 1988	MC	H.R. 4222: Immigration Amnesty	A:VV	
435	Apr. 26, 1988	MO	H.R. 4264: DOD Authorization	A:343–56	R:110–54 (RL: 3–2) D:233–2
436	Apr. 28, 1988	MO	H.R. 4264: DOD Authorization	A:223–183	R:7–162 (RL: 1–4) D:216–21
438	May 4, 1988	C	H. Con. Res. 293: Trade Corrections	A:253–159	R:37–135 (RL: 0–5) D:216–24
441	May 12, 1988	MC	H.R. 4471: Misc. Int'l Affairs	A:VV	
457	May 25, 1988	MC	H.R. 4637: Foreign Ops. Approps.	A:246–154	R:19–144 (RL: 0–5) D:227–10
466	June 8, 1988	MC	H.R. 3436: Older Americans Corrections Amdnds./Home Health Care.	R:169–243	R:24–144 (RL: 0–4) D:145–99

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[1] Restrictive rules are defined as those resolutions reported by the Rules Committee which limit the number of amendments which may be offered to a measure. Only those rules voted on by the House are included here and not those which were either tabled or not yet considered by the House.

[2] The abbreviations used on House votes are: PQ-previous question vote; A-adoption of rule; R-rejection of rule; ; and VV-voice vote. Previous question votes are only included here when the rule is subsequently adopted by voice vote. A vote on the previous question is a clear indication of opposition to the rule and of a desire to amend it since defeating the previous question is the only way a rule can be amended.

[3] Restrictrive rules are classified here as either closed (C), modified closed (MC), or modified open (MO).

[4] The abbreviations used for party votes are: R-Republican; RL-the top five elected Republican leaders; and D-Democrat.

Sources: "Notices of Action Taken," Committee on Rules, 100th Congress (as of June 17, 1988); Congressional Quarterly, Weekly Reports, House Votes.

CHILD CARE AND NUTRITION ENHANCEMENT ACT OF 1988

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. PENNY] is recognized for 30 minutes.

Mr. PENNY. Mr. Speaker, today I am introducing the Child Care and Nutrition Enhancement Act of 1988, adding one more bill to the over 100 other bills with child care provisions already introduced during this Congress. Unquestionably, the need for child day care is great and a universally recognized priority of policymakers. But why do I now add to the deluge of legislation addressing child care?

I think it's time we work toward a program that is effective and not just expansive. This bill is designed to allow States greater flexibility in child care expenditures, enabling them to structure child care programs which fit individual and regional needs. Historically, our education system has been based on the principle that local control is the best control. This bill shares that philosophy. It does not attempt to enforce cumbersome Federal regulations, rather it allows States to determine licensing standards and program goals. It reinforces the belief that community standards are in the best interest of children and parents. Under this bill, all providers—both family day care homes and larger day care centers—would receive meaningful assistance and support.

This bill helps States fund projects of their choice in developing child care programs through matching grants. If States wish to subsidize day care, they have that option. If they wish to develop resource and referral centers, develop training programs or provide technical assistance, that is the State's prerogative.

Competitive grants included in this bill also provide the needed incentive to stimulate creative local solutions fitting the varying needs and resources of the community. In an effort to find an affordable solution, we should reward programs which use existing available space. This bill encourages the use of existing public school space to house day care facilities, yet does not limit anyone from finding other answers. Our job should be to enhance local initiatives in their attempts to solve the problems in providing quality day care for our children.

Just as important as what is included in the bill is what is not included. This bill does not unduly burden the States with Federal regulations or day care providers with extra paperwork. Increased Federal regulations usually translate into higher operating costs and can discourage potential day care providers from opening their doors. Day care is expensive enough without Federal regulations adding to the cost as well. We should not discourage individuals considering opening a center in their own home, an option presently chosen by 40.2 percent of child care users. Such "family day care" is the preferred choice of most families and is particularly vital for infant and toddler care.

Title I provides $350 million annually for matching grants to States for establishing and expanding child care services, again at local option. An additional $50 million over 3 years would be available on a competitive grant basis to States for establishing and coordinating child care services targeted to "latchkey" children and coordinating school-based programs. In 1984, over 7 million children between the ages of 5 and 13 had no parent at home when they got out of school, and over 2 million returned to a home that contained no adult at all. A 1987 Louis Harris survey found that 41 percent of parents leave their child on his or her own after school at least once a week. Almost a quarter reported they left their child alone every day. These latchkey children are certainly in need of care and attention.

Title II enhances the Child Care Food Program [CCFP], which is available to children in all types of child care settings. The CCFP provides funds and commodities to States for meals served to children in public and private nonprofit day care centers, family and group day care homes, and Head Start centers. Private for-profit centers may participate in CCFP if they receive title XX funds for at least 25 percent of children in their care. This title would provide an additional meal or snack to the current program and increase the reimbursement for breakfasts. Good health is the cornerstone of growth, and this title, which would reach an estimated 1.1 million children daily, gives day care children the nutritional ABC's that will allow them proper development. Since CCFP is available only to providers which meet State licensing requirements or Federal standards, this title is an added incentive for providers to become licensed.

Title III establishes a tax credit for those who make home improvements for the purpose of becoming licensed child care providers. The tax credit would help individuals over one more hurdle in making their home a safe place for caring for children.

Title IV establishes an investment tax credit for businesses which establish child care facilities onsite or which establish shared offsite facilities. Companies which have provided day care facilities to the employees have found a reduction in turnover and absenteeism resulting in greater productivity. We should encourage more businesses to explore this option. In rural areas such as my own, the provisions of this title for shared facilities are an excellent incentive since most businesses are too small to attempt child care services on their own. Additionally, many working parents prefer a site near their workplace so that they can visit their children at various times throughout the day, such as during a lunch hour.

Title V revises the dependent child care tax credit to allow low-income families to benefit from the tax credit. The dependent care tax credit is currently the largest source of Government support for child care, used by 7.6 million families in 1984. Although the tax credit is based on a sliding scale, there has been no upper income cap and the rate is not sharply progressive. Moreover, the credit is not refundable. These problems with the present law are resolved by title V. This legislation sets an income cap on use of the tax credit and allows low-income families who have no tax obligation a refundable credit.

This bill provides incentive to various individual solutions in providing adequate day care. It does not attempt to take over all of the responsibility away from the private sector or undermine current State programs available. In this way, Congress can most effectively help alleviate the problem without creating more problems in the process.

As the father of four children and member of the House Education and Labor Committee, I am vitally concerned for the welfare of our Nation's children. However, I am also concerned about providing quality care for these children without spending our children's money to pay for this care. Our children deserve a better legacy than our continued deficit and this legislation improves care without mortgaging our children's future.

I submit the text of the bill:

H.R. 4999

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Child Care and Nutrition Enhancement Act of 1988".

TITLE I—CHILD CARE GRANT PROGRAM

SEC. 101. DEFINITIONS.

As used in this title the term—

(1) "child" means an individual who has not attained 13 years of age;

(2) "institution of higher education" has the same meaning given that term by section 1201(a) of the Higher Education Act of 1965;

(3) "local educational agency" has the same meaning given that term by section 198(10) of the Elementary and Secondary Education Act of 1965, or any successor statute defining that term for the purposes of Federal assistance to elementary and secondary education;

(4) "Secretary" means the Secretary of Health and Human Services; and

(5) "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

SEC. 102. GRANT PROGRAM AUTHORIZED.

(a) GENERAL AUTHORITY.—(1) The Secretary is authorized, in accordance with the provisions of this title, to make formula grants to States to pay for authorized activities under a State plan approved under section 105.

(2) The Secretary is authorized, in accordance with the provisions of section 108, to make competitive grants to eligible providers to pay for authorized activities under an application approved under such section.

(b) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated $350,000,000 for the fiscal year 1989 and for each of the 2 succeeding fiscal years to carry out the provisions of this Act (other than section 108).

(2) There are authorized to be appropriated not more than $50,000,000 for the fiscal year 1989 and for each of the 2 succeeding fiscal years to carry out the provisions of section 108.

SEC. 103. ALLOTMENTS.

(a) RESERVATIONS.—The Secretary shall reserve 1 percent of the amount appropriated for each fiscal year under section 102(b)(1) for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, to be allotted in accordance with their respective needs.

(b) STATE ALLOTMENT.—(1) From the remainder of the sums appropriated under section 102(b)(1) for grants to States for each fiscal year, the Secretary shall allot to each State, an amount which bears the same ratio to such remainder as the number of—

(A) individuals in such State who are single parents of children who have not attained 13 years of age; and

(B) individuals in such State who are members of dual-earner families and who have children who have not attained 13 years of age,

bears to the total number of such individuals in all States, except that each State shall be allotted not less than one-half of 1 percent of such remainder for each fiscal year.

(2) For the purpose of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands and the Trust Territory of the Pacific Islands.

(c) RECENT DATA REQUIRED.—For the purpose of this section, the Secretary should use the most recent data available.

(d) REALLOTMENT.—(1) Any portion of the allotment of a State under subsection (b) that the Secretary determines is not required to carry out a State plan approved under section 106, in the period that the allotment is made available, should be reallotted by the Secretary to other States in proportion to the original allotment of such States.

(2) The amount that another State is entitled to under paragraph (1) shall be reduced to the extent that such amount exceeds the sum that the Secretary estimates will be used in that State to carry out a State plan approved under section 106 and the amount of such reductions shall be similarly reallotted among States in which the proportioned amount is not reduced.

(3) Any amount reallotted to a State under this subsection shall be deemed to be part of the original State allotment under subsection (b) for that year.

SEC. 104. ELIGIBLE PROVIDERS.

For the purpose of this title an eligible provider is—

(1) a unit of general local government;

(2) a local educational agency;

(3) a nonprofit organization, including any organization described in section 501 (c) or (d) of the Internal Revenue Code of 1986;

(4) a professional or employee association;

(5) a consortium of small businesses;

(6) an institution of higher education;

(7) a hospital or health facility;

(8) a family child care provider that would qualify for assistance under the Child Care Food Program established in section 17 of the National School Lunch Act (42 U.S.C. 1766); or

(9) an entity which the State determines is able and appropriate to carry out a project assisted under this title.

SEC. 105. AUTHORIZED ACTIVITIES.

Grants made under this title to a State may be used for—

(1) the provision of child care services to low-income parents and to parents with moderate incomes, including the provision of such services with appropriate fee schedules;

(2) the establishment and operation of resource and referral centers to—

(A) identify existing child care services in the community;

(B) provide referral information about such services to parents;

(C) offer child care training seminars to providers and center employees;

(D) recruit providers; and

(E) promote programs that would improve the quality and affordability of child care;

(3) the establishment of programs that would increase child care slots for infants, handicapped children, and minority children;

(4) the establishment and operation of neighborhood child care centers, after school care programs and the startup cost of onsite child care offered by small business concerns;

(5) the establishment of programs which would recruit and train senior citizens to serve as child care workers;

(6) assistance to help eligible providers and family based child care providers to meet the licensing standards required by the State for furnishing child care services; and

(7) the coordination of programs assisted under this title with child care programs operated or assisted by the State and with federally assisted child care programs, including Head Start programs, Federal assistance programs for education of disadvantaged children in the elementary schools of the State, preschool programs, and programs for handicapped children, designed to improve the operation of such program with respect to hours of operation for child care services.

SEC. 106. STATE PLAN.

(a) STATE PLAN REQUIRED.—Each State desiring to receive a grant from its allotment under this title shall prepare and submit a State plan to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

(b) CONTENTS OF PLAN.—Each such plan shall—

(1) describe the State agency which will administer the programs for which assistance is sought;

(2) describe the authorized activities for which assistance is sought consistent with the provisions of section 105;

(3) provide assurances that the State will provide technical assistance to eligible providers;

(4) provide assurances that Federal funds made available under this title for any fiscal year will be so used as to supplement, and to the extent practicable, to increase the level of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for the purposes described in section 104, and in no case supplant such funds from non-Federal sources;

(5) provide assurances that the State will not expend more than 8 percent of the amount received in any fiscal year for administrative expenses;

(6) describe procedures the State will use for eligible providers to submit applications to the State in accordance with section 107, and for approval of applications by the State agency designated under paragraph (1), including appropriate procedures to assure that the State agency will not disapprove an application without notice and opportunity for a hearing;

(7)(A) provide assurances that the State will establish standards for the purpose of this title, and (B) if the standards so established differ from the accrediting and licensing standards of the State for the provision of child care services that the State will provide training and other projects with assistance under this title designed to permit the eligible provider to meet such accrediting or licensing standards;

(8) provide such fiscal control and account procedures as may be necessary—

(A) to insure proper accounting of Federal funds paid to the State under this title; and

(B) to ensure the verification of reports required under this title; and

(9) provide such additional assurances that the Secretary may reasonably require.

(c) Approval.—The Secretary shall approve State plans submitted under subsection (b) which meet the requirements of this title.

SEC. 107. APPLICATION FOR GRANTS BY ELIGIBLE PROVIDERS.

(a) Application.—In order to receive a grant from the State under this title, an eligible provider shall submit an application to the State that—

(1) describes the project for which assistance is sought;

(2) contains assurances that the eligible provider will use the funds furnished in accordance with requirements of this title;

(3) provides assurances that appropriate fee schedules will be established in the case of any project in which child care services are furnished with assistance under this part and that such fee schedules will be based on the annual incomes of the participating families;

(4) provides assurances that procedures will be established for parental involvement in the operation of the project; and

(5) if necessary, the eligible provider will comply with the training and other requirements of section 106(a)(7).

(b) Priority.—In making grants under this title, a State should give priority to applications from eligible providers that significantly expand or improve the provision of child care services to children of parents with low incomes and parents with modest incomes.

SEC. 108. COMPETITIVE GRANTS AUTHORIZED.

(a) Competitive Grants Authorized.—(1) From amounts authorized to be appropriated under section 102(b)(2), the Secretary shall make grants to eligible providers in accordance with the provisions of this section.

(2) Grants under this section may be used by eligible providers for—

(A) the establishment and operation of after school child care programs; and

(B) the coordination of programs assisted under this title with child care programs operated or assisted by the State and with federally assisted child care programs, including Head Start programs, Federal assistance programs for education of disadvantaged children in the elementary schools of the State, preschool programs, and programs for handicapped children, designed to improve the operation of such program with respect to hours of operation for child care services.

(b) Application.—In order to receive a grant under this section, an eligible provider shall submit an application to the Secretary at such time and in such manner and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall contain descriptions and assurances that are substantially similar to the descriptions and assurances required by section 107(a).

(c) Approval of Applications.—In approving applications under this section, the Secretary shall give priority to applications which describe projects of national significance and projects which the Secretary determines when replicated will further the objectives of this Act.

SEC. 109. EVALUATION.

(a) Evaluations Required.—Each State agency designated under section 106(b)(1) shall—

(1) conduct an evaluation of projects assisted under this title at least every 2 years and make public the results of that evaluation; and

(2) inform eligible providers of the specific evaluation information that the State agency will need.

(b) Report.—(1) Each State agency designated under section 101(b)(1) shall prepare and submit a report to the Secretary on the evaluations conducted under this section.

(2) The Secretary shall, as part of the annual report of the Department of Health and Human Services, prepare and submit to the Congress a summary of the evaluations conducted under this section.

SEC. 110. PAYMENTS.

(a) In General.—The Secretary shall pay to each State under the State plan approved under section 106 and to each eligible provider having an application approved under section 108 the cost of the activities described in the State plan, or the application, as the case may be.

(b) Method of Payments.—The Secretary may make payments to a State or to an eligible provider in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

(c) Spending of Funds by State.—Payments to a State from the allotment under section 105, or to an eligible provider under sectoin 108, for any fiscal year may be expended by the State, or the eligible provider, as the case may be, in that fiscal year or in the succeeding fiscal year.

TITLE II—CHILD CARE FOOD PROGRAM

SEC. 201. CHILD CARE FOOD PROGRAM.

(a) Supplements.—Section 17(f)(2)(B) of the National School Lunch Act (42 U.S.C. 1766(f)(2)(B)) is amended by striking out "one supplement" and inserting in lieu thereof "two supplements or one supplement and three meals".

(b) Payment Rate for Breakfasts.—The first sentence of section 4(b)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)(3)) is amended by inserting after "3 cents" the following: ", and (effective beginning July 1, 1988) an additional 3 cents,".

(c) Effective Date.—The amendments made by this section shall become effective on July 1, 1988.

TITLE III—CHILD CARE HOMES TAX CREDIT

SEC. 301. ALLOWANCE OF CREDIT FOR EXPENDITURES FOR CERTAIN CHILD CARE HOMES.

(a) In General.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business related credits) is amended by adding at the end thereof the following new section:

"SEC. 43. CHILD CARE HOME CREDIT.

"(a) In General.—For purposes of section 38, the child care home credit determined under this section for the taxable year is an amount equal to 20 percent of so much of the qualified child care home expenditures of the taxpayer for such taxable year as does not exceed $5,000.

"(b) Prior Expenditures by Taxpayer on Same Home Taken Into Account.—If for any prior year a credit was allowed to the taxpayer under this section with respect to any qualified child care home, subsection (a) shall be applied for the taxable year with respect to such qualified child care home by reducing the dollar amount contained in such subsection by the prior year expenditures taken into account under such subsection.

"(c) Definitions.—

"(1) Qualified child care home expenditures.—The term 'qualified child care home expenditures' means any expenditure made by the taxpayer as required by the State or local government to acquire, construct, rehabilitate, or expand a qualified child care home.

"(2) Qualified child care home.—The term 'qualified child care home' means a home—

"(A) operated by the taxpayer for the care of enrollees,

"(B) located in the principal residence of the taxpayer, and

"(C) which meets the requirements of all applicable laws and regulations of the State or local government where it is located.

"(d) Basis Adjustments.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expenditure shall be reduced by the amount of the credit so allowed.

"(e) Recapture of Credit.—

"(1) In general.—If, as of the close of any taxable year, there is a recapture event with respect to any qualified child care home, then the tax of the taxpayer under this chapter for such taxable year shall be increased by an amount equal to the product of—

"(A) the applicable recapture percentage, and

"(B) the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted from the nonallowance of the credit described under subsection (a).

"(2) Applicable recapture percentage.—

"(A) In general.—For purposes of this subsection, the applicable recapture percentage shall be determined from the following table:

"If the recapture event occurs in:	The applicable recapture percentage is:
Year 1	100
Year 2	66⅔
Year 3	33⅓
Years 4 and thereafter	0.

"(B) For purposes of subparagraph (A), year 1 shall begin on the first day of the taxable year in which the qualified child care home is placed into service by the taxpayer.

"(3) Recapture event defined.—For purposes of this subsection, the term 'recapture event' means—

"(A) Cessation of operation.—The cessation of the operation of the home as a qualified child care home.

"(B) Change in ownership.—

"(i) In general.—Except as provided in clause (ii), the disposition of a person's interest in a qualified child care home with respect to which the credit described in subsection (a) was allowable.

"(ii) Agreement to assume credit allowance and recapture liability.—Clause (i) shall not apply if the person acquiring such interest in the home agrees in writing to assume the recapture liability of the person disposing of such interest in effect immediately before such disposition. In the event of such an assumption, the person acquiring the interest in the home shall be treated as the taxpayer for purposes of assessing any recapture liability (computed as if there had been no change in ownership).

"(4) Special rules.—

"(A) Tax benefit rule.—The tax for the taxable year shall be increased under paragraph (1) only with respect to credits allowed by reason of this section which were used to reduce tax liability. In the case of credits not so used to reduce tax liability, the carryforwards and carrybacks under section 39 shall be appropriately adjusted.

"(B) No credits against tax.—Any increase in tax under this subsection shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any credit under subpart A, B, or D of this part.

"(C) No recapture by reason of casualty loss.—The increase in tax under this subsection shall not apply to a cessation of operation of the home as a qualified child care home by reason of a casualty loss to the extent such loss is restored by reconstruction or replacement within a reasonable period established by the Secretary.

"(f) Termination.—This section shall not apply to expenditures made after December 31, 1993.".

(b) Conforming Amendments.—

(1) Section 38(b) of the Internal Revenue Code of 1986 is amended—

(A) by striking out "plus" at the end of paragraph (4),

(B) by striking out the period at the end of paragraph (5), and inserting in lieu thereof a comma and "plus", and

(C) by adding at the end thereof the following new paragraph:

"(6) the child care home credit determined under section 43.".

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end thereof the following new item:

"Sec. 43. Child care home credit.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1988.

TITLE IV—EMPLOYER ON-SITE CHILD CARE FACILITY CREDIT

SEC. 401. ALLOWANCE OF CREDIT FOR EMPLOYER EXPENDITURES FOR CERTAIN ON-SITE CHILD CARE FACILITIES.

(a) In General.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business related credits), as amended by section 301(a), is further amended by adding at the end thereof the following new section:

"SEC. 44. EMPLOYER ON-SITE CHILD CARE FACILITY CREDIT.

"(a) In General.—For purposes of section 38, the employer on-site child care facility credit determined under this section for the taxable year is an amount equal to 25 percent of so much of the qualified on-site child care expenditures for such taxable year as does not exceed $400,000.

"(b) Prior Expenditures by Taxpayer on Same Facility Taken Into Account.—If for any prior year a credit was allowed to the taxpayer under this section with respect to any qualified child care facility, subsection (a) shall be applied for the taxable year with respect to such qualified child care facility by reducing the dollar amount contained in such subsection by the prior year expenditures taken into account under such subsection.

"(c) Definitions.—

"(1) Qualified on-site child care expenditures.—The term 'qualified on-site child care expenditures' means any expenditure made by an employer during the taxable year to acquire, construct, rehabilitate, or expand a qualified child care facility.

"(2) Qualified child care facility.—

"(A) In general.—The term 'qualified child care facility' means a facility—

"(i) Operated by an employer for the care of enrollees;

"(ii) available to dependents of employees of such employer,

"(iii) located on the premises of such employer, and

"(iv) which meets the requirements of all applicable laws and regulations of the State or local government where it is located.

"(B) Off-site nonprofit child care facilities.—With respect to a nonprofit child care facility, subparagraph (A) shall be applied without regard to clause (ii) and (iii) thereof.

"(d) Basis Adjustments.—For purposes of this subtitle, if a credit is allowed under this section for any expenditure with respect to any property, the increase in the basis of such property which would (but for this subsection) result from such expenditure shall be reduced by the amount of the credit so allowed.

"(e) Recapture of Credit.—

"(1) In general.—If, as of the close of any taxable year, there is a recapture event with respect to any qualified child care facility, then the tax of the taxpayer under this chapter for such taxable year shall be increased by an amount equal to the product of—

"(A) the applicable recapture percentage, and

"(B) the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted from the nonallowance of the credit described under subsection (a).

"(2) Applicable recapture percentage.—

"(A) In general.—For purposes of this subsection, the applicable recapture percentage shall be determined from the following table:

"If the recapture event occurs in:	The applicable recapture percentage is:
Year 1	100
Year 2	66⅔
Year 3	33⅓
Years 4 and thereafter	0

"(B) For purposes of subparagraph (A), year 1 shall begin on the first day of the taxable year in which the qualified child care facility is placed into service by the taxpayer.

"(3) Recapture event defined.—For purposes of this subsection, the term 'recapture event' means—

"(A) Cessation of operation.—The cessation of the operation of the facility as a qualified child care facility.

"(B) Change in ownership.—

"(i) In general.—Except as provided in clause (ii), the disposition of a person's interest in a qualified child care facility with respect to which the credit described in subsection (a) was allowable.

"(ii) Agreement to assume credit allowance and recapture liability.—Clause (i) shall not apply if the person acquiring such interest in the facility agrees in writing to assume the recapture liability of the person disposing of such interest in effect immediately before such disposition. In the event of such an assumption, the person acquiring the interest in the facility shall be treated as the taxpayer for purposes of assessing any recapture liability (computed as if there had been no change in ownership).

"(4) Special rules.—

"(A) Tax benefit rule.—The tax for the taxable year shall be increased under paragraph (1) only with respect to credits allowed by reason of this section which were used to reduce tax liability. In the case of credits not so used to reduce tax liability, the carryforwards and carrybacks under section 39 shall be appropriately adjusted.

"(B) No credits against tax.—Any increase in tax under this subsection shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any credit under subpart A, B, or D of this part.

"(C) No recapture by reason of casualty loss.—The increase in tax under this subsection shall not apply to a cessation of operation of the facility as a qualified child care facility by reason of a casualty loss to the extent such loss is restored by reconstruction or replacement within a reasonable period established by the Secretary.

"(f) Special Aggregation and Allocation Rules.—For purposes of this section—

"(1) Aggregation of expenditures.—

"(A) Controlled group of corporations.—In determining the amount of the credit under this section—

"(i) all members of the same controlled group of corporations shall be treated as a single taxpayer, and

"(ii) the credit (if any) allowable by this section to each such member shall be its proportionate share of the qualified on-site child care expenses giving rise to the credit.

"(B) Common control.—Under regulations prescribed by the Secretary, in determining the amount of the credit under this section—

"(i) all trades or businesses (whether or not incorporated) which are under common control shall be treated as a single taxpayer, and

"(ii) the credit (if any) allowable by this section to each such person shall be its proportionate share of the qualified on-site child care expenses giving rise to the credit.

The regulations prescribed under this subparagraph shall be based on principles similar to the principles which apply in the case of subparagraph (A).

"(2) ALLOCATIONS.—

"(A) ALLOCATION IN CASE OF MULTIPLE EMPLOYERS.—In the case of multiple employers jointly operating a qualified child care facility, the credit allowable by this section to each such employer shall be its proportionate share of the qualified on-site child care expenses giving rise to the credit .

"(B) PASS-THRU IN THE CASE OF ESTATES AND TRUSTS.—Under regulations prescribed by the Secretary, rules similar to the rules of subsection (d) of section 52 shall apply.

"(C) ALLOCATION IN THE CASE OF PARTNERSHIPS.—In case of partnerships, the credit shall be allocated among partners under regulations prescribed by the Secretary.

"(3) CONTROLLED GROUP OF CORPORATIONS.—The term 'controlled group of corporations' has the same meaning given to such term by section 1563(a), except that—

"(A) 'more than 50 percent' shall be substituted for 'at least 80 percent' each place it appears in section 1563(a)(1), and

"(B) the determination shall be made without regard to subsections (a)(4) and (e)(3)(C) of section 1563.

"(g) SPECIAL RULE FOR PASS-THRU OF CREDIT.—In the case of an individual who—

"(1) owns an interest in an unincorporated trade or business,

"(2) is a partner in a partnership,

"(3) is a beneficiary of an estate or trust, or

"(4) is a shareholder in an S corporation,

the amount allowable under subsection (a) for any taxable year shall not exceed an amount (separately computed with respect to such person's interest in such trade or business or entity) equal to the amount of tax attributable to that portion of a person's taxable income which is allocable or apportionable to the person's interest in such trade or business or entity.

"(h) TERMINATION.—This section shall not apply to expenditures made after December 31, 1993.".

(b) CONFORMING AMENDMENTS.—

(1) Section 38(b) of the Internal Revenue Code of 1986, as amended by section 301(b), is further amended—

(A) by striking out "plus" at the end of paragraph (5),

(B) by striking out the period at the end of paragraph (6), and inserting in lieu thereof a comma and "plus", and

(C) by adding at the end thereof the following new paragraph:

"(7) the employer on-site child care facility credit determined under section 44.".

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1, as amended by section 301(b), is further amended by adding at the end thereof the following new item:

"Sec. 44. Employer on-site child care facility credit.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1988.

TITLE V—DEPENDENT CARE SERVICES TAX CREDIT

SEC. 501. PHASE OUT OF CHILD CARE CREDIT.

(a) IN GENERAL.—Paragraph (2) of section 21(a) of the Internal Revenue Code of 1986 (relating to expenses for household and dependent care services necessary for gainful employment) is amended to read as follows:

"(2) APPLICABLE PERCENTAGE DEFINED.—For purposes of paragraph (1), the term 'applicable percentage' means 30 percent reduced (but not below 0 percent) by the sum of—

"(A) 1 percentage point (but no more than a total of 10 percentage points) for each $2,000 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds $10,000, plus

"(B) either—

"(i) in the case of an individual who maintains a household which includes 1 qualifying individual (as defined under subsection (b)(1)(A)), 2 percentage points for each $1,000 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds $35,000, or

"(ii) in the case of an individual who maintains a household which includes 2 or more qualifying individuals (as defined under subsection (b)(1)(A)), 2 percentage points for each $1,000 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds $45,000.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1988.

SEC. 502. REFUNDABLE DEPENDENT CARE SERVICES TAX CREDIT.

(a) IN GENERAL.—Part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to credits against tax) is amended—

(1) by redesignating section 35 as section 36, and

(2) by redesignating section 21 as section 35.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (a) of section 35(a) of the Internal Revenue Code of 1986 (relating to allowance of credit), as redesignated by subsection (a), is amended by striking out "chapter" and inserting in lieu thereof "subtitle".

(2) Section 129 of such Code (relating to dependent care assistance programs) is amended—

(A) by striking out "section 21(d)(2)" in subsection (b)(2) and inserting in lieu thereof "section 35(d)(2)", and

(B) by striking out "section 21(b)(2)" in subsection (e)(1) and inserting in lieu thereof "section 35(b)(2)".

(3) Subsection (e) of section 213 of such Code (relating to deduction for medical, dental, etc., expenses) is amended by striking out "section 21" and inserting in lieu thereof "section 35".

(4) Paragraph (4) of section 6201(a) of such Code (relating to assessment authority) is amended—

(A) by striking out "or section 32 (relating to earned income)" and inserting in lieu thereof ", section 32 (relating to earned income), or section 35 (relating to dependent care services credit)", and

(B) by striking out the caption and inserting in lieu thereof the following:

"(4) OVERSTATEMENT OF CERTAIN CREDITS.—".

(5) Section 6513 of such Code (relating to time return deemed filed and tax considered paid) is amended by adding at the end thereof the following new subsection:

"(f) TIME TAX IS CONSIDERED PAID FOR DEPENDENT CARE SERVICES CREDIT.—For purposes of section 6511, the taxpayer shall be considered as paying an amount of tax on the last day prescribed for payment of the tax (determined without regard to any extension of time and without regard to any election to pay the tax in installments) equal to so much of the credit allowed by section 35 (relating to dependent care services credit) as is treated under section 6401(b) as an overpayment of tax.".

(6) Subsection (d) of section 6611 of such Code is amended by striking out the caption and inserting inlieu thereof the following:

"(d) ADVANCE PAYMENT OF TAX, PAYMENT OF ESTIMATED TAX, CREDIT FOR INCOME TAX WITHHOLDING, AND DEPENDENT CARE SERVICES CREDIT.—".

(c) CLERICAL AMENDMENTS.—

(1) The table of sections for subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by striking out the item relating to section 21.

(2) The table of sections for subpart C of such part IV is amended by striking out the item relating to section 35 and inserting in lieu thereof the following new items:

"Sec. 35. Expenses for household and dependent care services necessary for gainful employment.

"Sec. 36. Overpayments of tax.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1988.

TITLE VI—CHILD CARE STUDY

SEC. 601. CHILD CARE STUDY.

Not later than 90 days after the date of enactment of this Act the Secretary shall prepare and submit, to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report that—

(1) describes the demographic and societal trends that are increasing the need for child care;

(2) describes the reasons for the greatly increased need for child care; and

(3) develops recommendations for joint efforts by the Federal, State, and local governments targeted towards enabling parents to care for children in their own homes.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, today I would like to continue on the course I have taken here now for a couple of years in my advice to the privileged orders, particularly in view of the events that have happened in which, during the last special order, I more or less had anticipated, and to quote my own self, at the completion of the day a week ago, that while we were rushing off completing the business for the week, we were faced both domestically as well as externally with such pressing and continuing and sustained issues as to endanger the national well-being.

With respect to the external, I pointed out that as we were going off, we should not forget the sailors and airmen in the Persian Gulf who were exposed and continued to be. On the domestic front, I pointed out that I had introduced the first suggested substitute for the reconstruction of the American dream, but more specifically and concretely, the reconstruction of the framework of financial institutional reference necessary if a country or a nation is going to commit itself to meeting that indispensable in human life, that basic need in human life, and that is housing, and in the course of previous discussions as far back as 1982, for it was the subcommittee that I have had the honor to chair since January 28, 1981, in fact, the most numerous subcommittee in the whole Congress, the Subcommittee on Housing and Community Development, that we pointed out with the first hearing on December 4, 1982, about what was obvious to us then after having had some hearings both here in the Capitol as well as out in the field, in both the most rural of our areas as well as the most dense urban and the most densely populated sections of our country, where we are really confronted with the making of one of the most disturbing social upheavals and crises that I predict we will be facing sooner than later, just as in the case of the international activities and external problems that face us, due directly to actions on the part of the executive branch and the Congress or the failure to take action on the part of the executive branch and the Congress.

With respect to what I discussed this last Thursday that has relevance to what I want to develop today and the domestic situation, I described, and had been doing so previously, but fragmentarily, the breakdown of the system that gave rise to the performance of the miracle of the 20th century, and that is the housing of America. For 40 years, from 1940 to 1980, our country, our great and glorious country, performed the miracle of the ages. It housed its citizens, poor, moderate-income, middle-income and high-income.

There seldom is, of course, any kind of a shortage for the extremely wealthy, but today we reached the point of abysmal failure where we have shut out from home ownership the overwhelming preponderant number of American families. There is just about 6½ percent of the American families who can afford to buy a brand new, newly constructed single-family dwelling unit.

This is how much abdication since 1981 both the Congress and the executive branch have brought about and created a real, real serious crisis of great dimensions that is going to task our ability, our wit and our will to resolve before there is too much damage to the social well-being of our society.

In the first place, it was obvious in December 1982 when we had the first hearing, on December 4, on what later became known as the homeless problem, that we were going to face homelessness, not the kind that we became inured to after World War II, that is, after the hot-shooting phase of World War II, because by way of parenthesis, I have maintained all along that we never have closed out World War II. We have over 300,000 of our military in Germany alone. We have over 45,000 in Korea and throughout the world we have one-half of a million of our uniformed forces, more than was ever at any time out, and this means that we have failed to grasp the significance of the world changes since 1945, 1946, and 1947.

In fact, our debates here, as I have pointed out, if we want to call them debates, we have had discussions, but we have not had debates as to the formation and the thrust of what we call our defense policies. We are taxing as of this year the American taxpayer for more than $300 billion for this so-called defense, but which defense is predicated on a 1947 world which no longer exists.

We should not be surprised if we have incidents such as we have been reporting with great agony to our national conscience. We should not be at all surprised; yes, disappointed, but not surprised. I think both the American people through their representatives, their agents, us that is, have not wanted to confront the basic serious constitutional issues confronting us.

I saw that clearly at the time of the Korean conflict when I never dreamed that I would be in the Congress, never thought I would be active in politics, and the reason was that I thought it was a fundamental constitutional issue if a President could willy-nilly conscript an unwilling American, after selecting him, that is, where some would and some would not, but all equally eligible and send them outside of the continental United States, though unwilling, to fight in an undeclared war.

I think so many of my colleagues, I know, all during the 1960's, when I raised the issue, once I came to the Congress, I first raised the issue with President Kennedy, and if ever I had a friend and probably the President with whom I had the most intimate confidence of all the Presidents including my fellow Texan and neighbor, Lyndon Johnson, it certainly was John F. Kennedy, and even I at the time when I think only a handful would have known where South Vietnam really was, and this was May 1963, and I discovered back home that a little airman had been brought back and was in a ceremony involving the reserve component of the Air Force at Kelly, in my district. This young airman was the son of a friend of mine. We had grown up together. We had played baseball together. When the war broke out, I was called to serve in what turned out to be the cable and radio censorship with both military as well as naval intelligence, and he went over as a foot soldier and ended up being a hero in the Battle of the Bulge.

Here they were having this ceremony, and the commanding officer, Colonel Marchbanks, since deceased, invited me because of the fact that the family knew me, and I went and wondered what are they decorating this little airman about and for. It was explained that he had been involved in I forget how many dozens of missions in Southeast Asia, and I said, "What do you mean, missions?" They said, "He was an adviser," and it turns out, in speaking with the young man, that he explained that he had been what was known as a cargo master on a helicopter, but actually operated by the ARVN, or the Army of the Republic of Vietnam, and that on the last trip out he had received hostile fire, and not wanting to get shot and killed and being unarmed, he ordered the ARVN to fire back, and he refused, so he grabbed the gun and fired back, and they pulled up and landed safely.

When he landed, he was reported as having violated his advisory status. The CO, in order to avoid incidents, just shipped him back home.

First, why would an American in uniform, obliged to face possible serious bodily harm or death, be put in a position where he would be unarmed? That sounded to me unbelievable. I came right back the following Wednesday, and they used to have briefings on Wednesday mornings by the seventh floor desk of the State Department, and that was the Far East desk. At that time the gentleman who handled that was the brother of one of the highly placed Kennedy officials, and when I asked, I said, "By what reason, and I might ask, how many of these men do we have in Southeast Asia, and if they are advisers, why are they facing combat environments with no minimal self-protection, not even a sidearm?" He did not answer. That is when I gloried in the ability of the State Department, in good, perfect English to give a nonanswer.

I respect my superiors, and when I was in the State senate, the only arm I was able to develop as leverage was my ability to take the senate floor once recognized by the president and hold it as long as I could talk or stand on my feet, because the Texas State Senate was the birthplace of the so-called filibuster.

☐ 1645

The Texas Senate had always upheld the unlimited debate precedent and rule. So I learned how to say in 30 hours what one could have said in about 5 minutes.

So when this gentleman was explaining what I was trying to find out about, but which he never got to, finally I said, "Well, sir, you are not responsive to my question. Why are our men there, if they are in uniform, and why are they exposed to hostile fire if they are merely advisers? It is contradictory."

He said, "My suggestion would be that you direct your inquiry to the Defense Department. All I can tell you is that the United States has been requested by the ruler, Diem, to provide military advisory assistance."

So I gave up. That evening I had an invitation to go to the White House. President Kennedy was a very outgoing President, and I went, and the first thing I did was to buttonhole him. He seemed puzzled. So he turned the matter over to his personal secretary, Kenny O'Donnell. So later I had a call from Mr. Kenny O'Donnell and he said, "Henry, I have contacted the Pentagon for you but if you will call such and such an individual with liaison he might give you a little bit more exact information."

I called that individual and found out, to my great surprise and at the same time gratification, that we had military that also had the gift of gab and was almost as good as that State Department official, except he was a little more in the habit of using military jargon. But I finally concluded that what he was telling me was there were no more than some 57 advisers in Southeast Asia all told, that this just simply could not be true that they would have been involved in missions in which they would have been exposed to serious bodily harm or death. I said that I have a case here, alive and kicking, corroborated, documented. He said that must have been some mistake somewhere, "but we can assure you that that is not the case."

History has shown that by the time I made that call, we had, and whether the President knew about it or not in exact detail, I do not know, all I know is that by 1963 we had more than 1,000 and perhaps a lot more than 1,000. Now we pick up books and memoirs and we read and we had actual encounters and planned excursions in a combat environment and all in the name of advisory with the South Vietnamese Government troops.

I direct the attention of my colleagues interested in the subject matter to the current series of articles in the New Yorker, which is, incidentally, I will tell my colleagues, perhaps one of the best sources for some of the most seminal and instructive and evidentiary documentation you will find anyplace. The article is written by a former colonel who served in that capacity and worked both with military intelligence as well as with the CIA and with the special forces that were developed on that occasion, and the number of casualties which really have not been reported any more than our Central American involvement and casualties, where very much the same thing has happened, and it has all gone unreported. Ironically, I reported to this body in this well in 1982, soon after the arrival of the first of the substantial, and I call substantial anything over 40 or 45 military components to El Salvador in 1982, and 1980 when we had the first recognition and the acceptance of the military advisory capacity, and that substantial incremental increase in 1982. And I had a constituent again who reported the same thing in 1982 that this airman had reported to me in 1963.

So I speak of these specifics only to address this general subject matter in which I have said that we have strayed, and all with the either tacit or silent consent of the Congress. The Congress has been and continues to be the key. And if the Congress abdicates we should not be shocked. The Congress is a good reflection of the American people. We are elected by the people and we should be. So that in a sense emerging from this vast conglomeration known as the American people there has been no real, concise formulation of opinion.

But the reason is that we reached a point in our society, not only in the United States but in the world, where the information necessary for the citizen to formulate his opinions and make the wise decisions which the Founding Fathers expected under the Constitution in the election of their Representatives, and that is that today the leadership also has the double tasks of educating, of leading by informing, and that just simply has not been there. The reason there again is that we are ourselves ill-informed, because again, what are our sources of information.

But when there are eruptions or actions that are obviously and palpably described and documented that clearly show this disarray, such as in the case of the military advisers actually engaged in conflict on one side or the other, and we have learned nothing because as I said for 14 months during the time that President Reagan assigned the 2,000 marines or more to Beirut, I was formulating my questions based on these experiences, and my question was very simple: What, Mr. President, is the mission of our marines in Beirut?

It was at that point on the first occasion, because I will recall to my colleagues that President Reagan first sent a smaller detachment of marines earlier in 1982, and then removed them when the Gemayel regime, or one part of it, one of the brothers seemed to have taken charge. But what I could see obviously nobody was mentioning in our press, in the Congress, to the Congress, or to the press to the point where the American press would report it, but which was being reported in the European press, in the Latin American press and which I read, and that was that that regime was one of four factions engaged in a long and bitter disputation. It was a civil war inside of a religious war inside of a historical conflict going back to 2,000 years before when the Romans occupied that part of the country and did not know what to do with it; and where the French after 50 years of fruitless imperial possession, did not know what to do, and were delighted when in the middle of World War II, 1943, they just shed themselves of it and handed it over to us and the British at that time. Since then, both the British and the French washed their hands or got excluded from that area and turned it over to us.

What I think my colleagues and we generally in America do not see is the perception of us in that part of the world. As much as the perception of ourselves is different, we do not look upon ourselves as stepping into the shoes of a colonial power. Unfortunately, that is not the way we are looked upon in the Middle East. We are looked upon as the power that has stepped into the shoes of the British and the French imperial powers.

What is the mission of our sailors in the Persian Gulf? Now when the trumpet giveth an uncertain sound, who then, who then can rise to battle, who then can do battle? This saying is as old as St. Paul where he had been a soldier and he knew that the enemy of soldiery is indecisive or poor, unclear, limpid leadership without forceful decisions and direction and a clearly spelled out mission. This is not even being discussed in the Congress. All the discussions have been on was the commander right, should he not have shot down this airplane. That is not the issue.

As I am speaking here today, the danger continues, perhaps in another form other than shooting down an airliner, but it is there because our presence there is not defined. What is the mission of our sailors?

I have said right here not once but thrice that our sailors are exposing their lives for the protection of the interests of SOCAL, that is Standard Oil of California, and British Petroleum, because we are flagging with the American flag those tankers delivering that oil that is being marketed by those entities.

Iraq, as well as the other Arabic nation, which incidentally is the one we are flagging the tankers with American flags, but it is a party to the hostilities, it is an ally because it is an Arabic nation. The war that is now in progress for 8 years, one of the most bitter, one of the most inhuman wars ever where everything has been used from torture, mutilation to poison gas, is a war between an Arabic nation or nations and a non-Arabic nation known as Iran.

Israel is still in a state of war technically and in effect in reality with Iraq, yet it was Iraq that shot and killed or bombed and killed our 37 sailors. It was not Iran. But we are protecting Iraqi shipping because Iraq is sinking Iranian shipping. We are not protecting the gulf lanes because we are accomplices in the sinking of Iranian tankers. So we are in the middle of a war. We are on the side of one of two warring nations.

So should we not expect more and ominous occurrences as long as our Commander in Chief, as he did in Beirut, does not define the mission of the military?

□ 1700

What is their mission? What are the rules of engagement? And if they have been assessed, as some have reported, tenuously, then the President has not come to the Congress as the 1974 War Powers Resolution demands. I have introduced a War Powers Resolution alleging the President has been in violation of it since last year, the first session of the 100th Congress. There is nobody among my colleagues that seems to be very much interested. So our hands are just as bloody as the Commander in Chief's and just as much as in the death of the 241 marines in Beirut.

I introduced a resolution then, for I am willing to go before a committee if they will give me a hearing and make the case. But what do you do as a single Member of the U.S. House of Representatives other than that, other than what I am doing now? I have constituents on those ships, I have constituents on land servicing the ships; I have constituents in Korea, I have constituents in Germany. Who then will speak for them?

In Korea we have already had demonstrations in which the passion for reunification of that Fatherland is there and accompanied by shouts of "Get out, Americans."

Now these are the Koreans in South Korea where we lost almost as many as we did in Vietnam and where we still have better than 45,000 of our soldiers.

In Honduras, I have gotten up time after time to the point where I received, I am sure, from some of the work force here critical calls, anonymous calls to the office even while I was talking. I had excoriating coluniists in my own district, for always I have first spoken at home and then here. It has never been the other way around. In fact, I have even been condemned for even utilizing this part of what is a regular procedure of the proceedings of the U.S. House of Representatives, not because I was using them, because I have been using them since the first week I came to the Congress 27 years ago, but because what I said was not to the liking of the powerful friends of this powerful administration in power. So be it.

I spoke out all during the sixties, when I was here alleging the President had no constitutional right to impress an unwilling conscript and send him outside the continental United States. Why would I get that notion? Because the first draft or Universal Service Act, during peacetime, since the Civil War, in 1941 when it passed by one vote—that vote finally came and a clause was inserted. Now you look at it, look at the history, you will see that clause. It says, "Notwithstanding any of the above, no person subject to the terms of this act shall be compelled to serve against his will outside the continental United States except in the declaration of war by Congress or explicitly provided so by the Congress," because the President does not have the right to make war. Only the Congress can make war. And the Congress has not. This is why I have denounced this President for the military intervention in Central America where we have lost better than two dozen soldiers. It has not been reported that way but they have. Where, obviously, the bankruptcy of these policies should be self-evident, even in the smallest country of El Salvador, where, as I am speaking, we are spending over $1.5 million a day and we are no closer to a satisfactory solution than we were 7 years ago. And after $4 billion and an untold amount, reported and unreported, of military aid, both overt as well as covert, all of it, all of it antagonistic to the constitutional processes that are supposed to be governing us. What is it we wait for, I ask my colleagues. How long? How long? Shall we wait until it is quite obvious that there is no retreat from the abandonment of our Constitution in which, try as we will, we cannot put together more than we can Humpty-Dumpty? History has great lessons if only we would read and listen and heed.

God is no distinguisher of persons or nations. All we have to see is what has happened during the 20th Century to the most enlightened, the most cultured of countries such as Germany. Now growing up, Germany was tops scientifically, culturally, in the area of music, literature, art, and particularly in technology and science. Yet what happened among that people? Are we in America privileged and exempt? I do not think so, as much as I would like to think so. It means that as we have yet to complete our 200th anniversary of enjoying this form of government under this Constitution, which we cannot say we will celebrate until March 3, 1989, the dangers are great, the perils are immense, the risks are overwhelmingly dangerous simply because we have allowed ourselves to stray out of a worship of the executive branch which the Founding Fathers feared the most, more than anything else.

In the first 10 years of our existence as a nation, those same Founding Fathers thought so little of such an office that they did not provide for any such thing as a presidency. You had the first and then you had the second Continental Congresses, then you had the Articles of Confederation and then, because it was realized that a multiple-member body would have to have some unitary force that it could depend on at a given moment for quick, effective action, but circumscribed by the Constitution, limited as that branch was also, co-equal, independent and separate. But today there is not an American I have talked to but what tells me that the President is superior and greater, almost omniscient. Well, if we reach that point, and I see in our electoral processes—we have electoral processes in which we expect some individual, a candidate for that office to save us. Well, we are gone, if that is what we depend on.

Our system is in shreds if that is the point we have reached.

I do not detect this among the American people in general. Wherever I travel my experience has been all along, and the reason I am here today is that the people are ahead of us political leaders. But what choice do they have? What choice do they get? And how can they wisely choose and how can they wisely formulate judgments if they do not have the facts? Shall we wait, as we are doing and as I have warned against since 1964, where we will have the cries rising more and more and eventually enveloping in such crises as will cause us great, great hysterical moments and that is not the best time to think. We see the handwriting on the wall certainly clearly now in Korea where today's paper, even, reports that the South Korean president even says, "Yes, well, you know, we wanted to have some kind of rapport, reapproachment to get together with North Korea." There is no mention about "What about the American stake?" But you have the outcry on the part of demonstrators saying, "Americans get out." Are we going to wait until that happens in Germany? The symptoms are there. It is going to happen. This is not 1974, it is not 1950. This is not 1984. There the passion for reunification is just as great in Germany, both Germanies. Should we not expect that? It is a repetition of what happened after World War I. We had the same thing.

Everybody thought that the hatred, the bitterness, the passions of wars and the so-called victorious allies had forever trampled the German war machine. You had the French leader saying, when he was asked, "Look, why are you so bitter? Why do you demand this absolute reparation sacrificing the entire German society with a burden that cannot be borne? Why don't you go over and express some interest?" His answer was very simple, to the point; in fact, he told our President, President Wilson, he said, "Look, why should I go to Germany? Twice in my lifetime they have come into my country," evoking the War of 1870 in Bismarck and then, of course, the invasion in World War I.

So what happened? The dream of President Wilson, which incidentally is 14 points—one of the 14 points has been completely forgotten. It was "We guarantee the integrity of the Russian soil," which had been invaded. In fact we, with the French and British, invaded Russia. To do what? To try to put down the revolution. We lost over 300 soldiers in that venture in 1918. Now we forgot that.

Do you think that has been forgotten in Russia? Do you think the Russians have forgotten the invasion of the Germans that cost them 20 million lives? These are histories that our leaders somehow or other do not seem to be aware of anymore than they are aware of the culture and histories south of our border.

Twenty million people, that would be as if Guatemala invaded the United States, killed every single citizen of Texas, Oklahoma, Arkansas, and Louisiana. Then with the help of external assistance we rolled them back. But as soon as we got into the post-war period, one of our strong allies said, "Well, it is not enough to dismember Guatemala because one side of it is friendly to our system of government and we don't like the way you do your business in a democracy. So we are going to rearm."

□ 1715

Simply put, that is what happened in Middle Europe.

It was no more complicated than that. We rearmed Germany. But even today we can read from the literature even in Poland where the fear still is much greater toward Germany than it is toward the Russians, although Poland at one point or another in the last 200 years has been occupied by everybody, including the Swedes.

Yet the history is roiled because we will not be able to understand the nervousness of our rearming. And, of course, the big debate that was being held in the early 1940's and the 1950's was: shall we place the German finger on the bomb, on the trigger of the bomb? That was the big issue. I remember that. If we were to dig up the journals and the papers of that era, 1948, 1949, and 1950, we would find that our leaders were talking about the question of rearming. Do we allow the German finger on the bomb? The bomb was the big issue then, as it continues to be today.

So my advice has been all along to just merely get the perspective of the reality of the world as it has evolved, particularly since the 1960's. It was obvious in all the international arenas, just like in 1932, at the time of the Depression, the German cry was: there is no such thing as war guilt. And today we are beginning to get the revisionists. In fact, in two of the German provinces the big issue in the elections in West Germany the year before last was the cry to regain two provinces, one being Silesia and another one, provinces that are now in Poland but which at one time were part of Germany or considered part of Germany. And the German leader, Kohl, pacified them by saying, "Look, this is no time to be making these demands at this point, because this is what we are going to make an issue for discussion when we get a peace treaty."

This is why I said a while ago that World War II has not ended yet. There is no peace treaty. We have 300,000 troops in Germany. We call them a defensive force, but they were originally occupation troops, and that designation was changed about the time that the German leader, Adenauer, gained power.

The British have how many? Well, the British, we know, have never abandoned the basic diplomatic principle of national interest, first and foremost. They have somewhere around 7,700 in the Ruhr, the steel-producing area. The English made sure they kept that because they could then control their steel-producing competitor. So they have about 7,700 troops, and we have over 300,000.

How many do the French have? Well, the French have 10,000, give or take a few.

But what are our troops predicated on? An overland Middle Europe incursion on the part of the Russians. Well, anyone who would have had a minimal contact with and knowledge of the Russian culture and the Russian history and its leadership thinking would have known that they were not insane. As a matter of fact, that is the way we painted them. Our very President himself, Reagan, up until this last great trip to Moscow, denounced Russia as the empire of evil, and indicated its leaders were no more than cutthroats and thieves and liars.

Well, simply put, it is not that extreme or it is not the other extreme. They are just people, and they have their culture. They have their historical conditioning development. It is one of the most interesting societies that we know of in human existence. And they have not lost their minds. They cannot even handle their peripheral countries such as East Germany, Czechoslovakia, or Hungary.

Why would they want to come and take Paris and Belgium? It is obvious that our forces are predicated on a world that has long disappeared. And also it is based on the $315 billion more or less that we have been outlaying for our so-called defense—I call it a war budget—since 1981.

And we have gotten wars. We are involved in a war now. There is no way we can extricate ourselves from being participants in the ongoing war in the Persian Gulf. As I said, we are on the side of one of two nations at war. That makes us participants. How naive can anybody be to deny that?

Congress refuses to appraise the situation and restrain the President, call him in and say, "Mr. President, the Congress hasn't declared war, so you stop making war." Congress is loath to do that, so in that respect the system is quite faltering.

But in the light of the historical condition, the forces building up are of such a nature that, like a vast natural storm, we will not be able to handle it. If we get simultaneous and antagonistic developments in the Far East, in Korea, in the Philippines, we will not be able to handle it. Filipino leaders are questioning our base rights. Granted, nobody up to 2 or 3 years ago even questioned the fact that we would have what they call hegemony in political science in that area.

In our "front porch" and "back porch" in the New World, we have reached the point where we have just abdicated all kinds of potential leadership. Our moral suasive power is gone. The international courts of justice have found us guilty of acts of terrorism and destruction against the sovereign nation of Nicaragua.

We persist in the imbecility—I do not know any other word but "imbecility" to describe it—of having an ambassador in Managua recognizing that regime as the legitimate regime while we are pouring millions of dollars into an illegal group in the neighboring country of Honduras that we occupy. We have occupied that for years. And even there, just a matter of 2½ months ago, we had serious outbursts and violent demonstrations against us, even in a nation that we occupy and control completely.

So do we have problems? Of course we have. But problems are made to be solved. These are not acts of God. They are man-made problems, and they are susceptible of man-made resolutions. All I can say is that my advice is—and that is all I can give—that if the end result of headstrong, willful, obdurate, unheeding actions over the course of 7 years have produced no more than these disastrous results, then what are we in the Congress waiting for? What is it that we desire? How do we properly account to the American people for our abdication of our constitutional responsibility?

The Constitution grants us great authority, but also great responsibility. And it is not unlimited; it is limited. The same thing is true with the executive branch, and wisely, the men who wrote the Constitution placed the executive branch in article II. Article I is the Congress. This is where they clearly showed their priority, to the Representatives of the people.

But if the system breaks down, we are, as I said, the Representatives of the American people, no more and no less. We have a great tradition that we have inherited. But the worst of slaves, it has been said, are corrupted free men, and if we have become corrupted in our ways, careless of our privileges such as the Constitution, should we then gnash our teeth, or should we say, "We, the people, the source of all power under the Constitution, demand of you, our agents, that you tell us exactly and forthrightly what the issue is." We should say, "Don't be scared to lose your job if you tell us unhappy news." But this seems to be the case.

I never participate in the purely political partisan offices or activities, so I have not been a delegate to conventions, though I could have been since 1956. I believe the reason for that, as I stated, is that I do not believe in such things as superdelegates, of which we in Congress seem to have the lion's share. That is ridiculous. It is antagonistic to the democratic process. We are either delegates or we are not delegates. There are such things as hierarchical delegates and superdelegates and plain ordinary vanilla delegates, but we have gotten so far away in these processes that I have told my leaders back home, "I am not going to be a delegate because I think that ought to be left up to a good, hardworking party member who doesn't hold a political office."

Why do we want to hog these things? It takes everything I have got to do the job I have. I cannot go around here and fool around and try to tell the people who they ought to elect. That is what the party processes ought to be for. But when you do this, you are removing them from the processes of the involvement of the people, and as a result we do not get the participation of the people.

The most disturbing factor in American participatory democracy has been the lack of participation in our elections. In 1956 in Texas we had the so-called poll tax. Everybody used to say that that was the source of all evil. In order to qualify for a vote in a given year, we had to pay a poll tax of $1.50, and then it was $1.75, by January 30 of that year, long before the candidacies were formed, long before the primaries were shaping up. And we said, "Well, the reason people are so poorly registered is that $1.75 is a lot of money, and you have to pay it by January 30th."

Well, in 1956 we had the poll tax. I was on the city council, and finally I decided that I could not afford it any longer. My family was growing. The city council paid $20 a week for 40 weeks, because it is a council-manager form of government. The office of mayor was also a ceremonial mayor. Yet the candidates for mayor, and the successful mayors in the last three mayoralty elections in San Antonio have reported spending in excess of half a million dollars.

In congressional races we have had million-dollar campaigns. That is completely vitiating the intent for which this office was created, and that was that it would be that office that is directly accessible, directly amenable to the people themselves, like no other office.

The Senators have a whole State. The President and Vice President have the whole Nation. But that citizen out there has the Congressman in his district, someone that he ought to be as close to as the telephone, and if that is not true, the system is not working.

Who can afford to run a million-dollar campaign? Who can afford to run a campaign for $100,000? I know I never could have. But the proof of the pudding is that the people do not demand it.

I am here now, and I have had everything anybody could throw at anyone thrown against me. The newspapers have never been particularly friendly to me. In my first race for the Congress, my opponents brought in former President Dwight Eisenhower himself for 3 days in a row, with both newspapers picturing my opponent and Eisenhower with my opponent in color on the front page of each daily for 3 days in a row.

□ 1730

How could someone match that?

Yet the people elected me, and not by a small proportion. I think 11,000 votes is pretty good under those circumstances.

But then that race in 1956 for the State senate where I resigned from the city council and then announced for the State senate not expecting to win, but because there was an issue to be made, and incidentally that issue is still unresolved. It was the one fight I left incomplete on the city council. I waged successfully the fight to change the city water board, which was one of the last vestiges of the old rotten bureau system.

Mr. Speaker, my city, that great city of San Antonio, still is the only place I know of in the English-speaking world that has the last vestige of the rotten bureau system, and that is the utility company. Now the water company was that way 35 years ago, but I led the fight, took 3 years, but I survived. I was the only one reelected in 1955 as the first independent candidate to be elected on the City Council of San Antonio under this former government running citywide at that time and with four opponents and with no more than a total of $750.

If my colleagues tell me the people are not there, they are telling the wrong person in America because that is why I am taking these special orders, to proclaim to each and sundry, as I have said on many occasions to my colleagues, "Fear not. All you have to lose is your seat."

TRIBUTE TO THE LATE HONORABLE GLADYS SPELLMAN

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Maryland [Mr. HOYER] is recognized for 30 minutes.

Mr. **HOYER**. Mr. Speaker, on June 19, former Congresswoman Gladys Spellman died. Mrs. Spellman was my predecessor from the Fifth Congressional District of Maryland, and for more than 20 years she had been my friend.

Today I rise to remember Gladys Spellman's life. For many years we have dwelled on the sad circumstances that led to her death. As is well known, on October 31, 1980, Gladys Spellman suffered a cardiac arrest and slipped into a coma from which she never recovered. We are thankful that Gladys is now at peace, and the long ordeal for her family, who have stood by her side throughout her career and through her illness, is now over.

We remember Gladys Spellman for her bright smile, her good humor, and her compassion enhanced with intelligence. She was a unique individual, a skilled and professional politician, beloved by her constituents and her colleagues. In her two decades of public service, Gladys accomplished much.

She was born in New York City in 1918. In her childhood, Gladys and her family moved to Washington, DC. Her parents became grocery store owners and operators. Her father, Henry Noon, is still remembered today as an effective president of the District Grocers Association.

Following her graduation from Roosevelt High School and attendance at George Washington University, in 1938, Gladys married a fellow classmate Reuben Spellman. Following Reuben's naval service during World War II, the couple settled in Cheverly, MD. There they raised their family of three children, Stephen, Richard, and Dana.

It was her interest in children that led Gladys to the classroom, where she taught for 6 years. Hoping to improve the level of education throughout the whole Prince Georges County School System, Gladys moved from the classrooms to the community halls. She lobbied the Board of Commissioners, the State legislature, and the Governor for increased funding for education, and she was successful. During this period, Gladys was an officer in the Prince Georges County Council of PTA's, Vice President of the Maryland Congress of PTA's, and was chairman of the National Mental Health Study Center.

Given her success in improving our educational system, it was natural that Gladys next became involved in politics. In 1962, Gladys joined a group of young reform-minded democrats—headed by congressional candidate and later two-term Congressman Carlton Sickles—who were attempting to bring a progressive form of government to Prince Georges County.

After decades of "old guard" dominance, that year Gladys was the first woman ever elected to serve as a member of the board of commissioners.

Four years later, in 1966, she was the first woman ever elected chairman of the board of county commissioners, a position that is essentially the same as our modern day county executive. I was proud to have been elected to the Maryland State Senate as part of that same reform slate in 1966.

During her early years as a commissioner, often against severe odds, Gladys was able to establish many changes in the policies governing Prince George's County. She helped to establish a housing authority, a consumer hotline, and a modern purchasing system for the county. She led the fight for new libraries, a merit system for county employees, and she rewrote the land use zoning laws which began for the first time to bring control and order to planning in our county.

Gladys had a tremendous impact on education. She worked diligently to increase State aid to local schools, bringing in more school construction funds. Through her efforts, free kindergartens were established for all our children. In addition, under her leadership, Prince Georges' Community College was built and special education and exceptional children's programs were funded.

In the 1960's, it was clear that Gladys Spellman's pioneering reforms were moving Prince Georges County toward a modern progressive future.

With the passing of a new county charter an executive/council form of government was created. A special election was held in January 1971 and Mrs. Spellman was elected to the Prince Georges County Council as a councilor-at-large.

It was during her 4 years as a member of the council that Mrs. Spellman, through the legislative process, was able to establish many new county departments and programs. These include: A county department of aging, the consumer protection agency, and the commission for women—the first in Maryland. She sponsored legislation mandating vastly improved treatment procedures for rape victims.

Gladys' activist approach to government was felt not only in our county, but in the Washington region, and across the country.

In 1967, as Prince Georges County Commission chairman, Gladys Spellman was singularly honored by being selected by the President of the United States to serve on the Advisory Commission on Intergovernmental Relations. She was also a member of the National Labor-Management Relations Service, and a member of the steering committee of the Urban Affairs Commission of the National Council of State Governments where she served with then-Governor Ronald Reagan. She was also a member of the board of directors of: the National Association of Regional Councils, the National Center for Voluntary Action, and the National Democratic Party's Advisory Council of Elected Officials.

In 1972, Mrs. Spellman was accorded the highest honor for a county official when she was elected president of the National Association of Counties. Again, she was the first, and for a very long time, the only woman ever elected to the office by that association. Under the auspices of NACO, Gladys launched a nationwide lobbying campaign in support of revenue sharing and mass transit funding.

In the State of Maryland, Gladys Spellman served on numerous State commissions. Our State's county officials elected her to the executive board of the Maryland Association of Counties, where she headed several of its committees.

Throughout the Washington metropolitan area, Gladys Spellman's influence was felt. She served as chairman of two bicounty commissions—the Washington Suburban Transit Commission and the Regional Planning Board. She was a member of the Washington Metropolitan Area Transit Authority and vice president of the Council of Governments.

For years, Gladys resisted calls to run for higher office. But finally, in 1974, she did run and was elected to the Fifth Congressional District seat. As vice chair of the famous freshman class of 1974, Congresswoman Spellman played a major role in the legendary reforms enacted by that class.

She soon was recognized as an effective leader, and the Speaker appointed her in the 96th Congress to serve as a member of the Democratic Steering and Policy Committee, where she was the only woman member.

In her second term in office, Mrs. Spellman was elected to serve as a regional whip, again the only woman in the whip organization at that time.

During the 95th and 96th Congresses, Mrs. Spellman's colleagues on the House Post Office and Civil Service Committee unanimously elected her to be chairman of the Subcommittee on Compensation and Employee Benefits. There she gained the national reputation as a strong and steady advocate for Federal employees.

Mrs. Spellman also served on the Banking, Finance and Urban Affairs Committee, where she took a particular interest in the credit problems facing women. She was a leader on legislation to prevent discrimination against women in this area. On that panel, she also took a particular interest in housing programs.

Mr. Speaker, it is very appropriate that the chairman of the subcommittee of that committee is on the floor tonight as I speak, and I am glad to yield to the gentleman from Texas [Mr. GONZALEZ], the chairman of that committee.

Mr. GONZALEZ. Mr. Speaker, I thank my distinguished colleague, the gentleman from Maryland [Mr. HOYER] for yielding to me and giving me this opportunity to render some witness and testimony to the great accomplishments of this great lady.

I recall vividly when she came aboard. As a matter of fact, when I came up here in 1961-62, her name was in the local newspaper because she was active in Prince Georges County, and I remembered the name Gladys Noon Spellman. So, when she got elected to the Congress and was assigned to the Committee on Banking, Finance and Urban Affairs, we were probably better than the average prepared to engage and evaluate. She was assigned not only to the Subcommittee on Housing and Community Development, but to the Subcommittee on Consumer Affairs and Coinage where she helped us forge the protective consumer credit protection legislation, the equal access to credit for women as well as minorities.

And so, Mr. Speaker, the gentleman from Maryland [Mr. HOYER] is to be thanked very profoundly for invoking her memory and giving us a chance to give testimony to the greatness of her character, her ability to serve. She was a great leader, and there were those of us who prayed practically daily, praying to the Almighty that he would blow and resume that little spark to a flame and have her back with us because she was a Member of the Congress at the time that she had the onset of her illness, and she participated in every single major development in housing and community development, the CBG Program for instance. She had a great participation in the block grant approach in those programs, and I thank the gentleman from Maryland for giving me this opportunity to render this testimony.

□ 1745

Mr. HOYER. Mr. Speaker, I thank the gentleman for his contribution. I know that Mrs. Spellman would be particularly pleased to have the distinguished gentleman from Texas [Mr. GONZALEZ] participate in this special order. They shared a passion for protecting those who in many instances are unprotected in our society, those who do not have particular lobbyists in Washington to speak for them, but who have Members of Congress like the gentleman from Texas [Mr. GONZALEZ] and Congresswoman Spellman to stand up and say these are the people that we represent and who need to be treated fairly. Whether it was in housing or in consumer affairs, or as the chairman has so appropriately pointed out, in community development, they made sure that there are funds and resources available to fix up streets, to make sure that public facilities are adequate in our communities.

We in Prince Georges County have been great beneficiaries of the work that Gladys Spellman and the gentleman from Texas [Mr. GONZALEZ] and others on those particular programs were successful in and we appreciate that.

Again I would say to the chairman, Gladys would be particularly gratified that the gentleman from Texas made his observations, because he knows so well the kind of service that she delivered to the Congress and the people of our county and State.

In Congress as she had in county government, Gladys demonstrated her knack for solving problems large and small. Her casework became legendary in our county, and she was equally adept at fighting legislative battles on behalf of her constituents, again as the chairman has pointed out.

On one project in particular, she demonstrated her ability and tenacity in seeing that prior to the Nation's bicentennial, the Baltimore-Washington Parkway was funded for upgrading. Once she had gained funding, she dedicated her time to seeing that the work was accomplished in such a manner that the inconvenience to the traveling public was kept to a minimum.

Indeed, she was legendary for making sure that the citizens of the Washington metropolitan area were inconvenienced as little as possible in the course of the construction and rehabilitation of that beautiful parkway. This kind of a commitment to a cause is typical of the kind of effective leadership Gladys always exerted.

As you know, in 1983 Congress passed legislation to dedicate the Federal portion of that Parkway to Gladys Spellman. I think Mrs. Spellman's sister, Dorothy Noon Lupo, during her testimony on the bill to rename the parkway said it best:

> Gladys thought of the parkway as majestic and beautiful.* * * That's just the way so many of us think of her. But even more, we think of her much as the parkway suggests * * * busy, vibrant, ever moving.

Those words beautifully describe how so many of us remember Gladys Spellman, vibrant and ever moving, and that is how she would like to be remembered by all of us, I am certain.

Mr. Speaker, I was one of those in 1974 who sat in my office in the Maryland State Senate with Gladys Spellman and with a number of other members of the State senate from Prince Georges County and urged her to run for office. The then incumbent was a gentleman named Larry Hogan. He was very strong in Prince Georges County and had he run would have been a very formidable opponent. Others with less political courage than Gladys demurred and said they were not going to run. Gladys agreed that she would take on that responsibility for all of us.

It so happened that Larry Hogan decided then to run for Governor of Maryland, so that that race which was forseen did not occur and Gladys was elected in 1974.

For the 6 years that she served in the Congress, I had the opportunity of working closely with her. She was my friend. She was an adviser. She was one of the most decent, most able people that I have met in public life.

As I said when I announced her passing to the House, she is now at peace. Her death came late, but timely. Her family is resolved to her passing. It was not a sad day, because of that which she had given to us all, to her family, to her neighbors and friends, to her community and to those with whom she served.

Mr. WEISS. Mr. Speaker, I rise to pay tribute to Gladys Noon Spellman. Her passing marks a great loss not only for those of us who worked with her in Congress, but for the entire Washington community.

I was proud to be able to call Gladys a friend. When I first arrived in the House in 1977 Gladys Spellman extended to me the warmth of her personality and the benefit of her experience and wisdom.

With her intelligence, strength, and perpetual warmth, Gladys Spellman was a woman of tremendous charisma. In all walks of civic life, she demonstrated a remarkable ability to effect significant political change and maintain widespread popularity. Gladys was the consummate public servant.

Long before her election as a Member of Congress in 1974, Gladys was a dynamic force in the government of Prince Georges County. She approached each step in her career with enthusiasm and integrity, whether as an elementary school teacher, PTA head, or the first woman county commissioner.

Gladys' colleagues consistently recognized her energy and efforts. She chaired the county government in the late sixties, and was appointed by President Johnson to the Advisory Committee on Intergovernmental Relations in 1967. At the same time, she gained the devotion of her constituents. In 1974, she was elected to Congress, the first Democrat to win from the area since 1966.

For three terms, Gladys directed unflagging energy into her work as a Representative. She was key to the planning for the Washington Metro transit system, and led efforts to make improvements on the Baltimore-Washington Parkway. And she was always fighting to take care of her unique constituency, with its high proportion of midlevel Federal workers. She worked to defeat efforts to merge the Federal retirement system with Social Security, and was influential in opposing measures that would have held down pay increases or required freezes on hiring.

Gladys was a leader from the beginning through the end of her career. She chaired the Compensation and Employee Benefits Subcommittee of the Post Office and Civil Service Committee. She was president of the National Association of Counties and vice president of the Metropolitan Washington Council of Governments. Five days after her heart attack in the fall of 1980, she was elected to a fourth term with 80 percent of the vote.

On this occasion, I wish to express my profound sorrow at the loss of my inspiring colleague, and extend my deepest sympathies to her family, friends, and constituents.

Mr. RODINO. Mr. Speaker, I want to thank the gentleman from Maryland for organizing this special order in tribute to our late friend and former colleague Gladys Spellman who passed away on June 18 after a long illness.

Gladys' heart attack and the subsequent coma from which she never recovered, deprived this Chamber of one of its most eloquent and active Members. Elected to Congress in 1974, Gladys quickly made her mark as the first vice chair of the class of 1974 and as an advocate for congressional reform. She was also a member of the Steering and Policy Committee and was a founding member of the Congresswoman's caucus.

First and foremost, Gladys was committed to helping and serving her constituents—the people of Maryland's Fifth Congressional District. From her position as the chairman of the Post Office and Civil Service Subcommittee on Compensation and Employee Benefits, Gladys worked tirelessly to protect Federal employees, many of whom lived in her district. This devotion was mutual—4 days after her heart attack the voters of the Fifth District overwhelmingly reelected Gladys to a fourth term.

Those of us who were privileged to work with Gladys benefited from the expertise she gained during a distinguished career in public service prior to her election to the Congress. She was a prominent member of the Prince Georges County Council and her formidable talents were recognized when she became the president of the National Association of Counties.

Gladys Spellman upheld the finest traditions of public service throughout her life. She served her beloved State of Maryland and her Nation with great honor and distinction. During her three terms in the House, she earned the respect and admiration of her colleagues.

It was a great personal privilege to call Gladys Spellman my friend. For the many people whose lives she touched and for the Nation she served so well, her long illness and death are a great loss. But we can find some consolation in the fact that Gladys Spellman made a difference and her legacy will truly be an enduring one.

GOOD NEWS FOR SOVIET FAMILY REUNITED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. MILLER] is recognized for 5 minutes.

Mr. MILLER of Washington. Mr. Speaker, I appreciate this opportunity, because I have some very good news to bring to my colleagues today. You will remember the Beinus family, a family that lives out in the part of the country that I come from, Arcadia and Kaya Beinus left the Soviet Union almost 15 years ago and they left believing that their son-in-law and daughter and grandson, the Besprozvanny family, would be following close behind. That was almost 15 years ago, and for years they have waited and for years the Besprozvanny's in the Soviet Union applied to immigrate, applied and were rejected, applied and were rejected, the rejection being given on the basis that Mr. Besprozvanny had once worked in a naval plant 18 years ago and had been involved in secret work. Of course, we argued that that was 18 years ago. The secrets have long since passed and certainly he should be allowed to leave now and his wife, a music teacher in the kindergarten, and son should be allowed to leave.

Well, my colleagues, as you know, I have been working on this for 2 years now. I have written so many letters and talked to many Soviet officials and American officials, and you have joined me. There were 120 of you who signed a letter with me to General Secretary Gorbachev on behalf of the Besprozvannys. You joined me and Ambassador Schifter worked very hard on this matter. Secretary Shultz took this up with Foreign Minister Shevardnadze. President Reagan took this up in the recent summit with General Secretary Gorbvachev.

Just this afternoon about 20 minutes ago the Soviet Embassy called me to let me know that the Besprozvannys have been given permission to leave the Soviet Union. That is the good news I wanted to share with you.

Galya and Elena Besprozvanny and their son should be coming to the United States within a month. I can tell you the grandparents, the Beinuses, are looking very much to getting together with them and I am looking forward to seeing them again. I met with them when I was in Moscow in January.

I know that much remains to be done with divided families. There are many divided families still and we must continue to struggle to reunite those who wish to leave the Soviet Union, with their families in the United States.

But today I think it is a time for us to rejoice and to celebrate in the good news that one divided family will be brought together, and that is just great news for the Beinuses, for their friends in Puget Sound country and for all of us who have worked so hard to bring this family together again.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. ROWLAND of Connecticut) to revise and extend their remarks and include extraneous material:)

Mr. JEFFORDS, for 60 minutes, on July 13.

Mr. LOTT, for 15 minutes, today.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. PANETTA, for 5 minutes, today.

Mr. MACKAY, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. WEISS, for 60 minutes, today.

Mr. PENNY, for 30 minutes, today.

Mr. HOYER, for 30 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. GONZALEZ, for 60 minutes, on July 11, 12, and 14.

Mr. WEISS, for 60 minutes, on July 11 and 12.

Mr. FRANK, for 60 minutes, on July 11.

Mr. GAYDOS, for 60 minutes, on July 12 and 13.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. MILLER of Washington, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. WAXMAN, and to include extraneous material notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $3,267.

(The following Members (at the request of Mr. ROWLAND of Connecticut) and to include extraneous matter:)

Mr. GRADISON.

Mr. LENT in two instances.

Mr. GILMAN.

Mr. BLAZ.

Mr. RITTER.

Mrs. ROUKEMA.

Mr. GUNDERSON.

Mr. GALLEGLY.

Mr. HAMMERSCHMIDT.

Mr. HEFLEY.

Mr. MCDADE.

Mr. EMERSON in two instances.

Mr. LIGHTFOOT.

Mr. BROOMFIELD.

Mr. BEREUTER.

Mr. MARLENEE.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. THOMAS A. LUKEN.

Mr. LANTOS in two instances.

Mr. FLORIO.

Mr. MINETA.

Mr. GRANT.

Mrs. SCHROEDER.

Mr. EDWARDS of California.

Mr. FOLEY.

Mr. CLEMENT.

Mrs. COLLINS.

Mr. ANDERSON.

Mr. LELAND.

Mrs. LLOYD.

Mr. FEIGHAN.

Mr. HAMILTON.

Mr. PANETTA.

Mr. HOCHBRUECKNER in two instances.

ENROLLED BILLS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 4229. An act to amend title 10, United States Code, to codify in that title certain defense-related permanent freestanding provisions of law, and

H.R. 4567. An act making appropriations for energy and water development for the fiscal year ending September 30, 1989, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 623. An act to amend the Independent Safety Board Act of 1974 to authorize appropriations for fiscal years 1987, 1988, 1989, and 1990, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 3893. An act to amend the provisions of the Toxic Substances Control Act relating to asbestos in the Nation's schools by providing adequate time for local educational agencies to submit asbestos management plans to State Governors and to begin implementation of those plans;

H.R. 4288. An act to designate the Federal building located at the corner of Locust Street and West Cumberland Avenue in Knoxville, TN, as the "John J. Duncan Federal Building";

H.R. 4639. An act to amend the Higher Education Act of 1965 to prevent abuses in the Supplemental Loans for Students Program under part B of title IV Of the Higher Education Act of 1965, and for other purposes; and

H.R. 4731. An act to extend the authority for the Work Incentive Demonstration Program.

ADJOURNMENT

Mr. MILLER of Washington. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 55 minutes p.m.), under its previous order, the House adjourned until Monday, July 11, 1988, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3943. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter(s) of offer to Kuwait for defense articles (Transmittal No. 88-39), pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

3944. A letter from the Secretary of Education, transmitting a copy of final regulations for the Secretary's procedures and criteria for recognition of accrediting agencies, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

3945. A letter from the Secretary of Labor, transmitting the annual report on the enforcement activities under the Fair Labor Standards Act for the period of October 1, 1985 through September 30, 1986; the seventh biennial report on labor force groups which have had historically high incidences of unemployment, pursuant to 29 U.S.C. 204(d) (1) and (3); to the Committee on Education and Labor.

3946. A letter from the Secretary of Health and Human Services, transmitting the sixth biennial report on research into the effects of changes in the ozone in the stratosphere upon humans, pursuant to 42 U.S.C. 7454(e); to the Committee on Energy and Commerce.

3947. A letter from the Chairman, Securities and Exchange Commission, transmitting a legislative proposal for comprehensive regulation of margins for securities and related futures equity index products; to the Committee on Energy and Commerce.

3948. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter(s) of offer and acceptance to Kuwait for defense articles and services (Transmittal No. 88-39), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3949. A letter from the Acting Secretary of State, transmitting the 36th report on the extent and disposition of financial contributions by the United States to international organizations in which the U.S. participated as a member for the fiscal year 1987, pursuant to 22 U.S.C. 262a; to the Committee on Foreign Affairs.

3950. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

3951. A letter from the Administrator, General Services Administration, transmitting a copy of the final report of the transportation management automation feasibility study, pursuant to 31 U.S.C. 3726 nt.; to the Committee on Government Operations.

3952. A letter from the Acting Secretary of Agriculture, transmitting a report on the Nez Perce National Forest Plan, pursuant to Public Law 95-237; to the Committee on Interior and Insular Affairs.

3953. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize appropriations for the Patent and Trademark Office in the Department of Commerce, and for other purposes, pursuant to 31 U.S.C. 1110; to the Committee on the Judiciary.

3954. A letter from the Administrator, Veterans' Administration, transmitting the agency's report of activities for the fiscal year ended September 30, 1987, pursuant to 38 U.S.C. 214, 221(c), 664; to the Committee on Veterans' Affairs.

3955. A letter from the Secretary of Health and Human Services, transmitting report of demonstration projects with respect to alternatives to helping Social Security disability insurance [DI] beneficiaries return to work, pursuant to 42 U.S.C. 1310 nt; to the Committee on Ways and Means.

3956. A letter from the Assistant Secretary of State (Legislative Affairs) and Assistant Secretary of the Treasury (Legislative Affairs), transmitting the 10th annual report on the progress in enhancing human rights through U.S. participation in international financial institutions, pursuant to 22 U.S.C. 262d(c)(1); jointly, to the Committees on Banking, Finance and Urban Affairs and Foreign Affairs.

3957. A letter from the Comptroller General, General Accounting Office, transmitting the financial audit of the First Savings and Loan Insurance Corporation's 1987 and 1986 financial statements; report on the Corporation's system of internal accounting controls and on its compliance with laws and regulations (GAO/AFMD-88-58), pursuant to 31 U.S.C. 9106(a) and 3512(f); jointly, to the Committees on Government Operations and Banking, Finance and Urban Affairs.

3958. A letter from the Comptroller General, General Accounting Office, transmitting the financial audit of the Commodity Credit Corporation for the fiscal years ended September 30, 1987 and 1986; report on the Corporation's system of internal accounting controls (GAO/AFMD-88-47), pursuant to 31 U.S.C. 3512(f) and 9106(a); jointly, to the Committees on Government Operations and Agriculture.

3959. A letter from the Secretary of Energy, transmitting the first annual report on the clean coal technology demonstration program for the period ending December 31, 1987; jointly, to the Committees on Science, Space and Technology, Energy and Commerce, and Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MONTGOMERY: Committee on Veterans' Affairs. H.R. 4519. A bill to provide for the disposition of certain lands in Arizona under the jurisdiction of the Department of the Interior by means of an exchange of lands, and for other purposes; with amendments (Rept. 100-744, Pt. 2). Ordered to be printed.

Mr. ANDERSON: Committee on Public Works and Transportation. H.R. 4525. A bill to designate the U.S. Courthouse located at 156 Federal Street in Portland, ME, as the "Edward Thaxter Gignoux United States Courthouse" (Rept. 100-752). Referred to the House Calendar.

Mr. ASPIN: Committee of conference. Conference report on H.R. 4264. (Rept. 100-753). Ordered to be printed.

Mr. MONTGOMERY: Committee on Veterans' Affairs. H.R. 3742. A bill to amend title 38, United States Code, to authorize erection of a memorial and museum on Federal land in the District of Columbia or its environs to honor members of the Armed Forces who served in World War II and to commemorate United States participation in that conflict; with amendments (Rept. 100-755, Pt. 1). Ordered to be printed.

Mr. MONTGOMERY: Committee on Veterans' Affairs. H.R. 4861. A bill to amend title 38, United States Code, to authorize appropriations for grants for State veterans' cemeteries (Rept. 100-757). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4375. A bill to improve the management of certain public lands in the State of Michigan; with an amendment (Rept. 100-758). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SCHROEDER: Committee on Post Office and Civil Service. H.R. 2882. A bill to amend title 5, United States Code, to increase the productivity of the Government by promoting excellence in Government management and by reducing improper political pressures on career civil servants; with an amendment (Rept. 100-759). Referred to the Committee on the Whole House on the State of the Union.

Mr. MONTGOMERY: Committee on Veterans' Affairs. H.R. 4741. A bill to amend title 38, United States Code, to increase the rates of compensation and dependency and indemnity compensation [DIC] payable to veterans with service-connected disabilities and their survivors, and for other purposes; with an amendment (Rept. 100-760). Referred to the Committee on the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on Government Operations. S. 892. An act to remove the right of reversion to the United States in lands owned by the Shriners' Hospitals for Crippled Children on lands formerly owned by the United States in Salt Lake County, UT; with an amendment (Rept. 100-754). Referred to the Committee of the Whole House.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing and bills referred as follows:

Mr. RODINO: Committee on the Judiciary. H.R. 4064. A bill to amend title 28 of the United States Code to authorize the appointment of additional bankruptcy judges; with an amendment; referred to the Committee on Appropriations for a period not to exceed 15 legislative days, with instructions to report back to the House as provided in section 401(b) of Public Law 93-344 (Rept. 100-756, pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ST GERMAIN (for himself, Mr. Garcia, Mr. Barnard, Mr. Schumer, Ms. Pelosi, Mr. Morrison of Connecticut, Mr. Price of North Carolina, and Mr. Leach of Iowa) (by request):

H.R. 4981. A bill to amend the Bank Holding Company Act of 1956 to authorize the Board of Governors of the Federal Reserve System to order bank subsidiaries of bank holding companies to consolidate if any such bank subsidiary is in danger of closing; jointly, to the Committees on Banking, Finance and Urban Affairs and the Judiciary.

By Mr. TAUKE (for himself, Mr. Waxman, and Mr. Kastenmeier):

H.R. 4982. A bill to amend the Federal Food, Drug, and Cosmetic Act to authorize abbreviated new animal drug applications and to amend title 35, United States Code, to authorize the extension of the patents for animal drug products; jointly, to the Committees on Energy and Commerce and the Judiciary.

By Mr. WAXMAN (for himself and Mr. Madigan):

H.R. 4983. A bill to amend the Public Health Service Act to revise and extend programs with respect to health research and teaching facilities and training of professional health personnel, and for other purposes; to the Committee on Energy and Commerce.

By Mr. LELAND (for himself, Mr. Waxman, Mr. Foglietta, Mr. Fuster, Mr. Towns, Mr. Penny, Mr. Berman, Mr. Ackerman, Mr. Frost, Mr. Bilbray, Mr. Edwards of California, Mr. Rangel, Mr. Fauntroy, Mr. Frank, Mr. Matsui, Mr. Kildee, Mr. Kostmayer, Mr. Gejdenson, Mr. Ford of Tennessee, Mrs. Collins, Mr. Wolpe, Mrs. Boxer, Mr. Walgren, Mr. Sikorski, and Mr. Bates):

H.R. 4984. A bill to amend the Public Health Service Act to establish an International Health Corps; jointly, to the Committees on Energy and Commerce and Foreign Affairs.

By Mr. JOHNSON of South Dakota:

H.R. 4985. A bill to amend the Agricultural Act of 1949 to provide drought relief, and for other purposes; to the Committee on Agriculture.

By Mr. WILLIAMS (for himself, Mr. Hawkins, Mr. Ford of Michigan, Mr. Perkins, Mr. Martinez, Mr. Atkins, Mr. Jontz, Mr. Robinson, Mr. Hayes of Illinois, Mr. Gaydos, Mr. Penny, and Mr. Jeffords):

H.R. 4986. A bill to amend the Higher Education Act of 1965 to reduce the default rate on student loans under that Act, and for other purposes; to the Committee on Education and Labor.

By Mrs. BENTLEY (for herself, Mr. Davis of Michigan, Mr. Young of Alaska, Mr. Coble, Mr. Biaggi, Mr. Lipinski, Mr. Dyson, Mr. Anderson, Mr. Fields, Mr. Hochbrueckner, Mr. Manton, Mr. Foglietta, Mr. Hutto, Mr. Weldon, Mr. McMillen of Maryland, Mrs. Morella, Mr. Miller of Washington, Mr. Cardin, Mr. Akaka, Mr. Wortley, and Mr. Natcher):

H.R. 4987. A bill to establish a mechanism to provide for nonprofit organizations for merchant marine memorials; to the Committee on Merchant Marine and Fisheries.

By Mr. CLARKE:

H.R. 4988. A bill to prohibit the Tennessee Valley Authority from taking any action that results in lowering the water levels of certain lakes in North Carolina; to the Committee on Public Works and Transportation.

By Mr. DAVIS of Michigan (for himself, Mr. Jones of North Carolina, Mr. Young of Alaska, Mr. Feighan, Mr. Henry, Mr. Vander Jagt, Mr. Pursell, Mr. Dingell, Mr. Traxler, and Mr. Horton):

H.R. 4989. A bill to reauthorize the Great Lakes mapping plan through fiscal year 1989; to the Committee on Merchant Marine and Fisheries.

By Mr. FRANK (for himself, Mr. Mavroules, Mr. Ackerman, Mr. Rodino, Mr. Jacobs, Mr. Dellums, Mr. Conyers, Mr. Stokes, Mr. Fauntroy, Mr. Espy, Mr. Lewis of Georgia, Mr. Berman, Mr. Flake, Mr. Weiss, Mr. Bustamante, Mr. Gray of Illinois, Mr. Hayes of Illinois, Mr. Owens of New York, Mr. Traxler, Mr. Atkins, and Ms. Pelosi):

H.R. 4990. A bill to authorize the Secretary of Housing and Urban Development to provide financial assistance to expand and preserve the permanent supply of affordable, decent, and appropriate housing, and to amend the Internal Revenue Code of 1986 to provide additional revenues for the assistance; jointly, to the Committees on Banking, Finance and Urban Affairs and Ways and Means.

By Mr. GRADISON (for himself, Mr. Thomas A. Luken, Mr. Bates, Mr. Bonior, Mr. Bosco, Mr. Bruce, Mr. Buechner, Mr. Coleman of Texas, Mr. Dreier of California, Mr. Eckart, Mr. Emerson, Mr. Fascell, Mr. Fazio, Mr. Hertel, Mr. McEwen, Mr. Murphy, Mr. Quillen, Mr. Schuette, Mr. Robert F. Smith, Mr. Smith of Florida, Mr. Synar, Mr. Tauzin, Mr. Taylor, Mr. Vander Jagt, and Mr. Wise):

H.R. 4991. A bill to clarify the U.S. obligation to observe occupational safety and health standards and to clarify the U.S. responsibility for harm caused by its negligence at any work place owned by, operated by, or under contract with the United States; to the Committee on the Judiciary.

By Mr. GUNDERSON (for himself, Mr. Bonior, Mr. Eckart, Mr. Henry, Mr. Owens of New York, Mr. Perkins, Mr. Garcia, and Mr. Brennan):

H.R. 4992. A bill to expand our national telecommunications system for the benefit of the hearing- and speech-impaired populations and for other purposes; jointly to the Committees on Energy and Commerce, Government Operations, and House Administration.

By Mr. JONTZ (for himself, Mr. McCloskey, Mr. Sharp, and Mr. Jacobs):

H.R. 4993. A bill to allow farmers suffering crop losses to be eligible for emergency loans even if crop insurance was available to the farmers under the Federal Crop Insurance Act; to the Committee on Agriculture.

By Mr. KASTENMEIER (for himself and Mr. Moorhead):

H.R. 4994. A bill to amend title 18, United States Code, to permit Federal Prison Industries to borrow from the Treasury, and for other purposes; to the Committee on the Judiciary.

By Mr. McEWEN:

H.R. 4995. A bill to amend the Agricultural Act of 1949 to remove the authority of the Secretary of Agriculture to reduce the level of price support applicable to milk; to the Committee on Agriculture.

H.R. 4996. A bill to amend the Agricultural Act of 1949 to modify the authority of the Secretary of Agriculture to reduce the level of price support applicable to milk; to the Committee on Agriculture.

By Mr. MARKEY (for himself and Mr. Cooper):

H.R. 4997. A bill to amend the Securities Exchange Act of 1934 to require the Commission to take certain measures to protect investors in securities, and for other purposes; to the Committee on Energy and Commerce.

By Mr. PANETTA (for himself and Mr. Emerson):

H.R. 4998. A bill to amend the Food Stamp Act of 1977 to make technical corrections in the family independence demonstration project; to the Committee on Agriculture.

By Mr. PENNY:

H.R. 4999. A bill to expand the availability of child care, and for other purposes; jointly, to the Committees on Education and Labor and Ways and Means.

By Mr. HOCHBRUECKNER (for himself, Mr. Biaggi, Mr. Clement, Mr. Conyers, Mr. Cooper, Mr. Courter, Mr. DeFazio, Mr. Downey of New York, Mr. Frank, Mr. Gallo, Mr. Gilman, Mr. Garcia, Mr. Harris, Mr. Hawkins, Mr. Mrazek, Mr. Owens of New York, Mr. Roybal, Mr. Sabo, Mr. Smith of Florida, Mr. Studds, Mr. Towns, Mr. Vento, Mr. Wortley, Mrs. Boxer, Mr. Hughes, Mr. Berman, Mr. Jeffords, and Mr. Boehlert):

H.R. 5000. A bill to encourage scientific research and development of technologies relating to recycling, and for other purposes; jointly, to the Committees on Science, Space, and Technology; Energy and Commerce; Armed Services; and Agriculture.

By Mrs. ROUKEMA:

H.R. 5001. A bill to establish the Delaware Water Gap National Recreation Area Citizen Advisory Commission; to the Committee on Interior and Insular Affairs.

By Mr. SOLOMON:

H.R. 5002. A bill to amend the Congressional Budget and Impoundment Control Act of 1974 to exclude receipts and disbursements of the Social Security trust funds from the calculation of Federal deficits and maximum deficit amounts under the Balanced Budget and Emergency Deficit Control Act of 1985; to the Committee on Government Operations.

By Mr. STUDDS (for himself and Mr. Jones of North Carolina):

H.R. 5003. A bill to establish an Outdoor America Conservation Fund, and for other purposes jointly, to the Committees on Merchant Marine and Fisheries and Interior and Insular Affairs.

By Mr. TRAXLER:

H.R. 5004. A bill to amend the Agricultural Act of 1949 to prevent in 1989 a reduction in the level of price support applicable to milk; to the Committee on Agriculture.

By Mrs. VUCANOVICH:

H.R. 5005. A bill to amend the National Trails System Act to designate the Pony Express National Historic Trail as a component of the National Trails System; to the Committee on Interior and Insular Affairs.

By Mr. WILLIAMS (for himself, Mr. Marlenee, Mr. Dorgan of North Dakota, Mr. Cheney, Mr. Bonker, Mr. Dicks, Mr. Lowry of Washington, Mr. Foley, Mr. Miller of Washington, Mr. Johnson of South Dakota, and Mr. Morrison of Washington):

H.R. 5006. A bill to require the Secretary of the Treasury to mint and issue $5 coins in commemoration of the 100th anniversary of the statehood of Idaho, Montana, North Dakota, South Dakota, Washington, and Wyoming; to the Committee on Banking, Finance and Urban Affairs.

By Mr. AuCOIN (for himself, Mr. DeFazio, Mr. Wyden, Mr. Robert F. Smith, and Mr. Denny Smith):

H.R. 5007. A bill to designate the United States Courthouse at 620 Southwest Main Street, Portland, OR, as the "Gus J. Solomon United States Courthouse"; to the Committee on Public Works and Transportation.

By Mr. SOLOMON:

H.J. Res. 605. Joint resolution designating the month of November 1988, as "American History Month"; to the Committee on Post Office and Civil Service.

By Mr. TORRICELLI:

H. Con. Res. 330. Concurrent resolution providing that the United States should not undertake negotiations to compensate Iran in connection with the shooting down of Iran Air Flight 655 until the Government of Iran undertakes negotations to compensate for attacks by Iranian military forces on civilian shipping and U.S. Armed Forces in the Persian Gulf; to the Committee on Foreign Affairs.

By Mr. MICHEL:

H. Res. 490. Resolution electing Representative Shaw of Florida to the Committee on Ways and Means; considered and agreed to.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 639: Mrs. Kennelly, Mr. Kildee, Mr. Davis of Michigan, and Mr. Rose.

H.R. 696: Mr. Packard and Mr. Weldon.

H.R. 1270: Mr. Eckart, Mr. Latta, Mr. Donald E. Lukens, Mr. Pease, Mr. Buechner, Mr. Coughlin, Mr. McMillen of Maryland, Mr. Morrison of Connecticut, Mr. Penny, Mr. Rahall, Ms. Slaughter of New York, Mr. Weldon, Mr. Young of Florida, and Mr. Gradison.

H.R. 1620: Mr. Swindall.

H.R. 1635: Mr. Rinaldo.

H.R. 1692: Mr. Downey of New York, Mr. Gray of Pennsylvania, Mr. Hiler, Mr. Anderson, Mr. Martinez, Mr. Dowdy of Mississippi, Mr. Mica, and Mr. Robert F. Smith.

H.R. 1695: Ms. Snowe.

H.R. 1990: Mr. DeWine, Mr. Madigan, Mr. Weber, and Mr. Coats.

H.R. 2021: Mr. Bonker, Mr. Beilenson, and Mr. Matsui.

H.R. 2036: Mr. Berman.

H.R. 2168: Mr. Swindall.

H.R. 2793: Mr. Dreier of California.

H.R. 2854: Mr. Henry and Mr. Wolpe.

H.R. 2859: Mr. Smith of Florida.

H.R. 2925: Mr. McCrery.

H.R. 3095: Mr. Kyl.

H.R. 3241: Mr. Wise.

H.R. 3250: Mr. Hefner, Mr. Whittaker, and Mr. Weldon.

H.R. 3314: Mr. McDade, Mrs. Morella, Mr. Kleczka, and Mrs. Lloyd.

H.R. 3374: Mr. Sikorski.

H.R. 3455: Mr. Atkins and Mr. Lewis of Georgia.

H.R. 3485: Mr. Davis of Michigan

H.R. 3486: Mr. Kennedy.

H.R. 3571: Mr. Shays.

H.R. 3696: Mr. Towns and Mr. Markey.

H.R. 3723: Mr. Gordon, Mr. Wilson, Mr. Harris, Mr. Campbell, Mr. Holloway, and Mr. Rose.

H.R. 3726: Mr. Dymally, Ms. Pelosi, Mr. Flake, Mr. Traficant, Mr. Frost, Mr. Murphy, Mr. Bustamante, Mr. Grant, Mr. Pashayan, Mr. Lewis of Georgia, Mrs. Boxer, Mr. Barnard, Mr. Coelho, Mr. Mfume, Mr. McCollum, Mrs. Bentley, and Mr. Lipinski.

H.R. 3742: Mr. Kostmayer, Mr. Staggers, Mr. Solomon, Mr. Kennedy, Mr. Hammerschmidt, Mr. Wylie, Mr. Smith of New Hampshire, Mr. Leath of Texas, Mr. Hefner, and Mr. Jenkins.

H.R. 3769: Mr. Berman.

H.R. 3840: Mr. Hertel.

H.R. 3883: Mr. Porter.

H.R. 3889: Mr. McMillen of Maryland.

H.R. 3891: Mr. Frost and Mr. Henry.

H.R. 3907: Mr. Weldon.

H.R. 3914: Mr. Towns and Mr. Hughes.

H.R. 3944: Mr. McCollum.

H.R. 3999: Mr. DeFazio.

H.R. 4015: Mr. Schuette and Miss Schneider.

H.R. 4023: Mr. Stark.

H.R. 4142: Mr. Brown of Colorado and Mr. Bliley.

H.R. 4197: Mr. Ritter and Mr. Walgren.

H.R. 4221: Mr. Gray of Pennsylvania.

H.R. 4226: Mrs. Saiki, Mr. Mrazek, Mr. Chapman, Mr. Stallings, and Mr. Skaggs.

H.R. 4239: Mr. Brown of Colorado.

H.R. 4297: Mr. Clinger, Mr. Kostmayer, and Mr. Sabo.

H.R. 4330: Mr. Fuster.

H.R. 4357: Mr. Tauzin.

H.R. 4427: Mr. Sabo.

H.R. 4442: Mr. Shays.

H.R. 4478: Mr. Gradison.

H.R. 4479: Mr. Evans.

H.R. 4488: Mr. Lagomarsino, Mr. Chapman, Mrs. Bentley, Mr. Dwyer of New Jersey, and Mr. Towns.

H.R. 4552: Mr. Evans and Mr. Lowry of Washington.

H.R. 4575: Mr. Feighan, Mr. Fawell, Mr. Dixon, Mr. Clay, Mr. Hayes of Illinois, Mr. Towns, Mr. Wolpe, Mr. Skeen, Mr. Owens of Utah, and Mr. Dymally.

H.R. 4576: Mr. Houghton.

H.R. 4618: Mr. Buechner and Mr. Evans.

H.R. 4632: Mr. Jones of North Carolina.

H.R. 4648: Mr. Atkins, Mr. Early, Mr. Frank, Mr. Moakley, Mr. Bates, Mr. Edwards of California, Mr. Fazio, Mr. Matsui, Mr. Fauntroy, Mr. Akaka, Mrs. Collins, Mr. Davis of Illinois, Mr. Gray of Illinois, Mr. Guarini, Mr. Rodino, Mr. Garcia, Mr. Mrazek, Mr. Towns, Mr. Traficant, Mr. DeFazio, Mr. St Germain, Mr. Gordon, Mr. Bustamante, Mr. Chapman, Mr. Bonker, Mr. Wilson, and Mr. Evans.

H.R. 4652: Mrs. Vucanovich.

H.R. 4661: Mr. Foglietta and Mr. Neal.

H.R. 4664: Mr. Chapman, Mrs. Johnson of Connecticut, Mr. McGrath, and Mr. Levin of Michigan.

H.R. 4680: Mr. Morrison of Connecticut, Mr. Edwards of California, Mr. Biaggi, Mr. Gunderson, Mr. Petri, Mr. Green, and Mr. Chapman.

H.R. 4708: Mr. Lewis of Florida and Mr. Tauke.

H.R. 4741: Mr. Edwards of California, Mr. Hammerschmidt, Mr. Dowdy of Mississippi, Mr. Stump, Ms. Kaptur, Mr. Smith of New Jersey, Mr. Staggers, Mr. Burton of Indiana, Mr. Rowland of Georgia, Mr. Ridge, Mr. Bryant, Mr. Rowland of Connecticut, Mr. Florio, Mr. Dornan of California, Mr. Gray of Illinois, Mr. Davis of Illinois, Mr. Kanjorski, Mr. Robinson, Mr. Stenholm, Mr. Harris, Mr. Kennedy, Mrs. Patterson, Mr. Jontz, Mr. Leath of Texas, Mr. Hefner, Mr. Jenkins, Mr. Richardson, and Mr. Grant.

H.R. 4743: Mr. Garcia, Mr. Dwyer of New Jersey, and Mr. Hayes of Illinois.

H.R. 4748: Mr. Shays.

H.R. 4760: Mr. Gilman, Mr. Conte, Mr. Bustamante, and Mr. Williams.

H.R. 4767: Mr. Bruce and Mr. Horton.

H.R. 4830: Mr. Martin of New York, Mr. Donald E. Lukens, Mrs. Johnson of Connecticut, Mr. Towns, Mr. Buechner, Mr. Lagomarsino, Mr. Burton of Indiana, Mrs. Bentley, Mr. Porter, Mr. Hochbrueckner, Mr. Molinari, Mr. Hammerschmidt, Mr. Cooper, Mr. Wortley, Mr. Neal, Mr. Chapman, Mrs. Collins, Mr. Clement, Mr. Davis of Illinois, Mr. Gilman, Mr. Edwards of Oklahoma, Mr. Hyde, and Mr. Hughes.

H.R. 4833: Mr. Chandler and Mr. Price of North Carolina.

H.R. 4848: Mr. Kildee, Mr. Chapman, Mr. Wise, and Mr. Stallings.

H.R. 4861: Mr. Montgomery, Mr. Solomon, Mr. Edwards of California, Mr. Hammerschmidt, Mr. Applegate, Mr. Wylie, Mr. Dowdy of Mississippi, Mr. Stump, Mr. Evans, Mr. McEwen, Mr. Penny, Mr. Smith of New Jersey, Mr. Staggers, Mr. Burton of Indiana, Mr. Rowland of Georgia, Mr. Bilirakis, Mr. Bryant, Mr. Ridge, Mr. Florio, Mr. Rowland of Connecticut, Mr. Gray of Illinois, Mr. Dornan of California, Mr. Kanjorski, Mr. Smith of New Hampshire, Mr. Robinson, Mr. Davis of Illinois, Mr. Stenholm, Mr. Harris, Mr. Kennedy, Mrs. Patterson, Mr. Johnson of South Dakota, Mr. Jontz, Mr. Leath of Texas, Mr. Hefner, Mr. Jenkins, and Mr. Richardson.

H.R. 4870: Mr. Bevill, Mr. Bryant, Mr. Boulter, Mr. Brown of California, Mr. Coelho, Mr. Fuster, Mr. Frank, Mr. Frost, Mr. Henry, Mr. Harris, Mr. Horton, Mr. Hutto, Mr. Jacobs, Mr. Jeffords, Mr. Jontz, Mr. Kildee, Mr. Leland, Mr. Miller of Washington, Mr. Martin of New York, Mr. Matsui, Mr. Perkins, Mr. Pickle, Mr. Ridge, Mr. Smith of New Jersey, Mr. Shays, Mr. Traficant, Mr. Stratton, Mr. Walgren, Mr. Ravenel, Mr. Frenzel, Mr. Evans, Mr. Dymally, Mr. Smith of Texas, Mr. Hayes of

Illinois, Mr. Nielson of Utah, and Mr. Edwards of California.

H.R. 4894: Mrs. Bentley.

H.R. 4902: Mr. Fauntroy, Mr. Lagomarsino, and Mr. Berman.

H.R. 4917: Mr. Carper, Mr. DioGuardi, and Mr. Coleman of Texas.

HR. 4918: Mr. Nielson of Utah.

H.R. 4946: Mr. Schuette, Mr. Weber, Mr. Horton, and Ms. Slaughter of New York.

H.R. 4956: Mr. Scheuer, Mr. Neal, Mr. Blaz, Mr. AuCoin, Mr. Porter, Mr. Fazio, Mr. Campbell, Mr. MacKay, Ms. Kaptur, Mr. Leach of Iowa, and Mr. Coleman of Texas.

H.R. 4598: Mr. Lewis of Florida, Mr. Kostmayer, Mr. Wolpe, Mr. DeWine, Mr. Hastert, and Mr. Hayes of Illinois.

H.J. Res. 315: Mr. Bliley, Mr. Hayes of Illinois, Mr. Burton of Indiana, Mr. Fazio, Mr. Flippo, Mr. Foley, Mr. Gilman, Mr. Jones of North Carolina, Ms. Kaptur, Mr. Kolter, Mr. Lewis of Florida, Mr. Lowry of Washington, Mr. McDade, Mr. Matsui, Mr. Murphy, Mr. Owens of Utah, Mr. Rodino, Mr. Sabo, Mr. Schuette, Mr. Skelton, Mr. Spratt, Mr. Tauke, Mr. Traxler, Mr. Volkmer, Mr. Walgren, and Mr. Hutto.

H.J. Res. 438: Mr. Parris.

H.J. Res. 449: Mr. Fascell, Mr. Schumer, Mr. Kolbe, Mr. Stratton, Mr. Stenholm, Mr. Conyers, Mr. Whittaker, Mr. Hawkins, Mr. Holloway, Mr. Hochbrueckner, Mr. Schaefer, Mr. Jontz, Mr. Parris, Mr. Barnard, Mr. Frenzel, Mr. Leland, Mr. Udall, Mr. Baker, Mr. Weber, and Mr. Ireland.

H.J. Res. 465: Mr. Coleman of Texas, Mr. Dorgan of North Dakota, Mr. McCollum, and Mr. Quillen.

H.J. Res. 477: Mr. Hutto, Mrs. Morella, and Mr. Brennan.

H.J. Res. 488: Mr. Murphy, Mr. Wilson, Mr. Valentine, Mr. Traxler, Mr. Thomas of Georgia, Mr. Watkins, Mr. Nichols, Mr. Robert F. Smith, Mr. Spratt, Mr. Young of Alaska, Mr. Dymally, Mr. Synar, Mr. Berman, Mr. Grant, Mr. Boulter, Mr. Hammerschmidt, and Mr. Perkins.

H.J. Res. 501: Mr. Baker, Mr. Clinger, Mr. Conyers, Mr. Gallo, and Mr. Gordon.

H.J. Res. 515: Mr. Fazio, Mr. Solomon, Mr. Gilman, Mr. McGrath, Mr. Russo, Mr. Fawell, Mr. Bonior, Mr. Horton, Mr. Huckaby, Mr. Ackerman, Mr. Crockett, Mrs. Bentley, Mrs. Boxer, Mr. Levin of Michigan, Mr. Biaggi, Mr. Lungren, Mr. Erdreich, Mr. Staggers, Mr. Rowland of Georgia, Mr. Lagomarsino, Mr. Ballenger, Mr. Hughes, Mr. Dwyer of New Jersey, Mr. de Lugo, Mr. Lancaster, Mr. Lantos, Mr. Chapman, Mr. Daub, Mr. McEwen, Mr. Kolter, Mr. Foglietta, Mr. Fauntroy, Mr. Garcia, Mr. Jenkins, Mr. Miller of Washington, Mr. Vento, Mr. Smith of New Hampshire, Mr. Grandy, Mr. Bevill, Mr. Florio, Mr. Barnard, Mr. Bonker, Mr. Thomas of Georgia, Mr. Lott, Mr. Stallings, Mr. Rose, Mr. Ray, Mr. Moakley, Ms. Snowe, Mrs. Patterson, Mr. Espy, Mr. Fuster, Mr. Lewis of Georgia, Mr. Borski, Mr. Smith of Florida, Mrs. Kennelly, Mr. Stenholm, Mr. Yates, Mr. Foley, Mr. Yatron, Mr. Roe, Mr. Henry, Mrs. Lloyd, Mr. Gunderson, Mrs. Collins, Mr. Bustamante, Mr. Coyne, Mr. Matsui, Mr. Johnson of South Dakota, Mr. Gallo, Mr. Mrazek, Mr. Lehman of Florida, Mr. Wolf, Mr. Gray of Illinois, Mr. DeFazio, Mr. Callahan, Mr. Coleman of Missouri, and Mr. McDade.

H.J. Res. 529: Mr. Lagomarsino and Mr. Livingston.

H.J. Res. 543: Mr. Florio, Mr. Chappell, and Mr. Pickett.

H.J. Res. 565: Mr. McMillen of Maryland and Mr. Brennan.

H.J. Res. 567: Mr. Moorhead.

H.J. Res. 569: Mr. Huckaby, Mr. Hutto, Mr. Dicks, Mrs. Byron, Mr. Feighan, Mr. Valentine, Mr. Slaughter of Virginia, Mr. Thomas of California, Mr. Lowery of California, Mr. Dannemeyer, Mr. Gallegly, Mr. Porter, Mr. Michel, Mr. McCollum, Mr. Tauke, Mr. Callahan, Mr. DeLay, Mrs. Meyers of Kansas, and Mr. Quillen.

H.J. Res. 576: Mr. Atkins, Mr. Erdreich, Mr. Gray of Illinois, Mr. Hamilton, Mr. Hughes, Mr. Kasich, Mr. Mrazek, Mr. Nowak, Mr. Packard, Mr. Saxton, Mr. Schaefer, Mr. Smith of New Jersey, Ms. Snowe, and Mr. Staggers.

H.J. Res. 581: Mr. Davis of Michigan, Ms. Kaptur, Mr. Studds, Mr. Hunter, Mr. Fazio, Mr. Quillen, Mr. Fawell, Mr. Sabo, Mr. Skaggs, Mr. McMillen of Maryland, Mr. Berman, Mr. Horton, Mr. Towns, Mr. Owens of Utah, Mr. Robinson, Mr. Huckaby, Mr. McDade, Mr. Schuette, Mrs. Bentley, Mr. Bonker, Mr. Borski, Mr. Payne, Mr. Burton of Indiana, Mr. Carper, Mr. Packard, Mr. Gray of Illinois, Mr. Applegate, Mr. Weiss, Mr. Hansen, Mr. Bustamante, and Mr. Whitten.

H.J. Res. 584: Mr. Burton of Indiana, Mr. Kildee, Mr. Lungren, Mr. Hughes, Mr. Edwards of Oklahoma, Mr. Davis of Illinois, Mr. Foglietta, and Mr. Buechner.

H.J. Res. 590: Mr. Biaggi, Mr. Bevill, and Mr. Quillen.

H.J. Res. 593: Mr. Gonzalez, Mr. Stenholm, Mr. Wilson, Mr. Chapman, Mr. Smith of Texas, and Mr. Hall of Texas.

H.J. Res. 594: Mr. Bateman, Mrs. Bentley, Mr. Bevill, Mr. Blaz, Mr. Boulter, Mrs. Boxer, Mr. Courter, Mr. Evans, Mr. Fazio, Mr. Fuster, Mr. Holloway, Mr. Horton, Ms. Kaptur, Mr. Lewis of Florida, Mr. Neal, Mr. Rangel, Mr. Stump, Mr. Valentine, and Mr. Wortley.

H.J. Res. 597: Mr. Akaka, Mr. Bennett, Mr. Berman, Mr. Biaggi, Mr. Bosco, Mr. Brown of California, Mr. Bustamante, Mr. Gonzalez, Mr. Gray of Illinois, Mr. Kastenmeier, Mr. McDade, Mr. McHugh, Mr. Owens of New York, Mr. Pashayan, Ms. Pelosi, Mr. Traxler, Mr. Hayes of Illinois, Mr. Sawyer, Mr. Derrick, and Mr. Dicks.

H.J. Res. 599: Mr. Anderson, Mr. Atkins, Mr. Bennett, Mr. Blaz, Mr. Dicks, Mr. Fazio, Mr. Horton, Mr. Lantos, Mr. McMillen of Maryland, Mr. Miller of California, Mr. Mrazek, and Mr. Panetta.

H.J. Res. 603: Mr. Atkins, Mrs. Bentley, Mr. Biaggi, Mr. Boucher, Mr. Coleman of Texas, Mr. Courter, Mr. Crockett, Mr. Gray of Illinois, Mr. Horton, Mr. Kostmayer, Mr. Matsui, Mr. Miller of Washington, Mr. Moakley, Mr. Neal, Ms. Oakar, Mr. Obey, Mr. Pepper, Mr. Rowland of Connecticut, Mr. Schuette, Mr. Solarz, and Mr. Walgren..

H. Con. Res. 194: Mr. Fawell.

H. Con. Res. 258: Mr. McDade, Mr. Green, Mr. Campbell, Mr. Staggers, Mr. Spence, and Mr. Burton of Indiana.

H. Con. Res. 263: Mr. Owens of Utah.

H. Con. Res. 273: Mr. de Lugo.

H. Con. Res. 277: Mr. Kildee, Mr. Conte, Mr. Campbell, Mr. Fazio, Mr. Hayes of Illinois, Mr. Ackerman, Mr. Markey, Mr. Morrison of Connecticut, and Mr. Owens of Utah.

H. Con. Res. 295: Mr. Fazio, Mr. Boulter, Mr. Wilson, Mr. Lagomarsino, Mr. Fascell, Mr. Lewis of California, Mr. Udall, and Mr. Panetta.

H. Con. Res. 316: Mr. Montgomery, Mr. Chapman, Mr. Cooper, and Mr. Levine of California.

H. Res. 439: Mr. Boehlert, Mr. Kolbe, and Mr. DioGuardi.

H. Res. 467: Mr. Petri and Mr. Packard.

H. Res. 473: Mr. Gonzalez, Mr. Scheuer, and Mr. Waxman.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 4441: Mr. Traxler.

PETITIONS, ETC.

Under clause 1 of rule XXII,

207. The SPEAKER presented a petition of the City Council, Garland, TX, relative to the American Heritage Trust Act; which was referred to the Committee on Interior and Insular Affairs.

SENATE—*Thursday, July 7, 1988*

The Senate met at 9:45 a.m., and was called to order by the Honorable HARRY REID, a Senator from the State of Nevada.

The PRESIDING OFFICER. Today's prayer will be offered by Father Tim O'Brien of Marquette University, Milwaukee, WI.

PRAYER

The Reverend Timothy J. O'Brien, Ph.D., Marquette University, Milwaukee, WI, offered the following prayer:

Let us pray:

Heavenly Father, we invoke, Your name today in this great Chamber to ask Your guidance in the business of this body, and to beseech Your grace upon this Nation—its leaders and its people. Enlighten all of us to see the human family as one, to believe in You and acknowledge You as the Creator of life and the one who sustains us all.

Father, we are grateful people. We thank You for the countless blessings You have granted to this Nation and the peoples of this planet. We are also a sinful people, Lord, and we ask Your forgiveness for the transgressions of war, racism, sexism, materialism, and the host of other failings.

Today, in a special way, we pray that our hearts and minds be moved to do Your will. Give us the vision to see Your plan and the courage to expend our energies to fulfill it.

Lord, bless the Senators and staffs; endow them with zeal to labor in behalf of just public policy, particularly mindful of the needs of the poor and weak in advancing national policy that promotes the good common to all humankind.

May all glory and praise be Yours forever. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 7, 1988.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HARRY REID, a Senator from the State of Nevada, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. REID, thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is now recognized.

Mr. BYRD. Mr. President, our visiting Chaplain is from Wisconsin today. I yield to the distinguished Senator from Wisconsin 5 minutes of my time that he may speak first.

THE VISITING CHAPLAIN

Mr. PROXMIRE. Mr. President, we have just heard a prayer from Father Timothy O'Brien, a dedicated priest, a highly respected professor of political science at Marquette University in Milwaukee, WI, with a practical understanding of the Congress, honed as a staffer in congressional offices.

Father O'Brien is also the author of an excellent book, "Inner City Private Schools," and the producer of a TV movie which was a real hit, "Miracle in the Inner City."

Mr. President, it is a great honor to this Senator from Wisconsin to hear a prayer from such a distinguished constitutent.

WHAT IS RIGHT ABOUT GEORGE McGOVERN?

Mr. PROXMIRE. Mr. President, there is no leading Democrat in public life with whom I have disagreed more frequently but for whose character I have greater admiration than our party's 1972 nominee for President, George McGovern. I disagreed with McGovern on Vietnam. I disagree with McGovern on abortion. He favors leaving the decision to the States. I favor Federal action to stop abortion, period. I disagree with McGovern on the level of funding of social programs. He would support them at a much higher level than I would. I disagree with McGovern's proposal to spend some of our surplus military spending to rebuild our crumbling physical infrastructure and strengthen our educational and environmental systems. I believe we should use what we can save by reducing military waste for reducing our runaway budget deficit and keep our national debt from exploding out of sight. I disagree with McGovern's notion that we can shove a great deal of our defense of Europe off on other NATO countries. Our allies draft their young men for service. We do not. They contribute a far greater proportion of their manpower to the common defense than we do. They have far larger reserves in relation to their population than do we.

In spite of all those disagreements I voted for George McGovern in the Wisconsin Democratic primary in 1972, because I thought he would bring a quality of compassion, of rugged honesty, and of a willingness to take on the real power centers in our society in business and finance. McGovern's views in the areas of our disagreements may actually be the majority view of most Americans today. In general they command more popular support than my views. A substantial majority of the American people seem to agree wholeheartedly with McGovern and disagree with my position on Vietnam. In our disagreement on abortion a majority of Americans probably agree with McGovern. I think they are wrong. On social programs, poll after poll shows that today a solid majority of Americans favor increased Federal funding of social programs. I disagree with the majority. We do not have the money. The Congress is not going to pass a tax increase. Any additional spending on any program will worsen our No. 1 problem: Our huge and growing national debt. Unless the experts who poll the public are completely wrong, a solid majority of Americans also agree with George McGovern that our European allies should and could carry more of the burden of funding the military operations of the North Atlantic Treaty Organization in Europe. I disagree.

In summary it appears that George McGovern is on the popular side of virtually every issue on which we disagree. So why is McGovern's name used by Republicans in this election year as one of their favorite instruments for discrediting—by association, Democrats like Governor Dukakis? After all George McGovern ran an honorable campaign for the Presidency in 1972. His only real sin is that he lost. What made the sin grievous was that he lost very big. But that loss does not change the fact that George McGovern served as an excellent Congressman, a bright, and constructive Senator. His loss of the Presidential election should not mar his brilliant record of winning a series of very tough Presidential primary battles against heavily financed, nationally recognized and respected Democratic opponents.

It is a cruel, stupid tradition in this country to disdain and belittle losers, especially big losers like defeated Presidential nominees. Many Americans have done this with respect to George McGovern and we can expect the Republican campaign to take advantage

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

of anti-McGovern sentiment in the 1988 election as they have in every previous Presidential election since 1972.

Here is an astonishing and inexplicable blind spot in our national consciousness. George McGovern's defeat did not in any way lessen his widely acknowledged integrity, his excellent service in the Congress, his judgment on issue after issue, a judgment which American popular opinion today enthusiastically endorses.

In athletics we like to instill decency, good sportsmanship and character in our children by telling them the old truism: "It is not whether you win or lose. It's how you play the game." Unfortunately in the public mind that is not really true in athletics, and it is certainly not true in politics. Just ask George McGovern.

Mr. President, I ask unanimous consent that the article by George McGovern from the June 28 Washington Post headlined "This McGovern Democrat Business" be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 28, 1988]

THIS MCGOVERN DEMOCRAT BUSINESS

(By George McGovern)

My name is back in the news these days, and it occurred to me that it's being used in a way that might puzzle my four grandsons, who were either infants or not yet born when I ran for president in 1972. What follows is in the form of a letter to them and others of their generation:

I know you are aware of the frequent press references these days to "McGovern Democrat." It stems, I guess, from George Bush's decision to label Michael Dukakis "a McGovern Democrat." Apparently not to be outdone, Dukakis aides were quoted in The Post [June 16] as stating that the purpose of their candidate's recent foreign policy speech was to demonstrate that Dukakis is "not another George McGovern."

I've been told that it is a compliment I am still discussed 16 years after I was a presidential nominee. But I've been wondering what you think about me when you hear my name used as a kind of swearword. Let me tell you first of all not to get too agitated about this. The political epithets thrown at far greater men than I—George Washington, Thomas Jefferson and Abraham Lincoln—make "McGovern Democrat" seem pretty polite stuff by comparison.

But let me tell you what I think this McGovern Democrat business is about. It goes back to 1972, when I was supposedly so liberal and anti-establishment that I lost 49 states to Richard Nixon. You are too young to remember this, but you are not too young to remember that four years ago the choice of the establishment mainstream, Walter Mondale, also lost 49 states. I think Mondale was right in 1984, and I think I was right in 1972.

Before putting me too far from the mainstream, you should know that for 22 years I represented conservative South Dakota in Congress; that I was nominated for president in 1972 after winning 10 primary elections, including New York and California, against the toughest competitors in the country, including your neighbor and friend Hubert Humphrey; that I fought for America as a combat pilot in wartime and in the political trenches in peacetime; and that no hint of corruption has ever touched my public career.

If someday you read the history of my 1972 presidential campaign, you will discover that I pushed four central themes: 1) ending the war in Vietnam, 2) warning the American people about the significance of Watergate and other forms of political corruption, 3) reforming military spending and national priorities and 4) calling America home to its constitutional principles and founding ideals.

My opponents did not want to debate these major propositions, so I was called the "Triple A candidate" of "amnesty, acid and abortion." Actually, I said that I would not grant amnesty until the war in Vietnam had ended; that the only change I would make in the drug laws would be to change a first-possession marijuana offense from a felony to a misdemeanor; and that abortion should be regulated by the states—a position that is still held by Sen. Sam Nunn.

It is my belief that nearly all of my views of 1972 are now generally accepted by the American public. Few people today believe that Vietnam and Watergate were good ideas. In the light of Irangate, the shabby dealings with Gen. Manuel Noriega and the contras and the Pentagon scandals, many people see the need for reform and a return to constitutional government.

What are my beliefs in 1988?

1. I still believe that the next president of the United States should be someone who will honor his inaugural oath to uphold the Constitution and the laws of the land.

2. I believe that American power and influence in the world depend not only on a common-sense military defense but even more on the strength of our economy, the health of our society and the credibility of our government.

3. I believe that while continuing to recognize our differences with the Russians, we should try to build on the areas of mutual interest, including verifiable arms reductions—conventional and nuclear. We should also correct the present arrangement that has us spending 60 percent of our defense budget for the defense of now-prosperous Europe and Japan. We can greatly reduce our federal deficit by mutual Soviet-American arms reductions and reductions in our spending to defend Europe and Japan—to say nothing of eliminating the payoffs and waste currently being revealed.

4. I believe we need to invest some of our surplus military spending in rebuilding our crumbling physical infrastructure and strengthening our educational and environmental systems.

I have no trouble handling honest, straightforward criticism, but cynicism, distortion and gutlessness make me hard to get along with, as you all know. I resent being made a football in this campaign, since I'm not running for anything in 1988 except a little peace of mind and a chance to be with my grandchildren, who don't give a damn about either McGovern Democrats or Bush Republicans.

Mr. PROXMIRE. Mr. President, I yield the floor. I thank my good friend, the majority leader, for so graciously yielding.

Mr. BYRD. My friend is welcome.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

NEED FOR FRESH REASSESSMENT OF PERSIAN GULF MISSIONS

Mr. BYRD. Mr. President, the tragic accident taking the lives of 290 innocent civilians in the airspace over the Persian Gulf is a painful reminder of the volatile environment in which our naval forces are operating. Operating in the gulf is akin to working in a lake, in contrast to the broad expanse of blue water oceans. It is obvious that even our most sophisticated technology will not protect against the danger of tragic accidents in the crowded and volatile Persian Gulf.

Senators were briefed in detail yesterday on the scenario involving the U.S.S. *Vincennes* and other warships operating with her in the gulf. The briefings were very professional and, while essential details are still missing and await the results of the Navy investigation, my strong feeling is that the skipper of the *Vincennes* acted with restraint, coolness and prudence. Clearly the commanding officer waited until nearly the last few seconds before taking action. The problem is that even working with maximum prudence, and using all the information at his disposal, a correct evaluation of the situation was not entirely possible.

The key question we must ask ourselves is whether the enhanced mission of distress assistance, now being executed by our naval forces, taxes our capabilities to a level where men of prudence cannot operate without an unacceptably high level of risk, uncertainty and the possibility of future accidents. I believe the administration should conduct a fresh assessment of this new mission, which was being conducted on July 3, this past Sunday, and which led directly to the loss of the Iranian airbus and its passengers who came from various countries and were of various nationalities. The Aegis cruiser, the *Vincennes,* and her companion ships were in the position of running from tanker to tanker, first a Danish vessel, then several other vessels, a Pakistani, a German, and a Liberian. All of these vessels had come under challenge or attack from Iranian small boats, the Boghammers. The result of the distress assistance mission was a billion dollar frigate chasing small Boghammer boats from spot to spot in the gulf, answering calls for help. That is a game of chase which is dangerous, ties up extremely expensive ships, expensive aircraft and other American assets, and could very well lead to more hostilities and more accidents.

I asked Secretary Carlucci on April 22, 1988, to provide a fresh assessment of the threats, risks, and possible contingencies of our naval missions along the lines of the reporting requirements contained in Senate Joint Resolution 194, which had been passed by the Senate on October 21 of last year but has not been acted upon by the other body.

The Secretary did provide a report, on May 16, 1988, answering the detailed questions in the resolution regarding the convoying or escorting operation which is still ongoing in the gulf, but as yet we do not have an assessment of the new mission along those lines. I am sending a letter to the Secretary today, asking for such an assessment. I have discussed this with other Senators, and I hope to have other Senators join in signing the letter.

Mr. President, I do not question, and have never questioned, the need for a continued U.S. presence in the gulf. The underlying American commitment to our friends in the gulf and to protect Western economic and security interests in the gulf has been American policy for decades. The American people support this commitment, and support our naval presence there. But we cannot stand many more earthquakes such as we have had in these last few days, because repetition of these accidents will inevitably call into question that underlying commitment, and can unnecessarily weaken it. The new mission that the Navy has been directed to assume may, if not conducted carefully, be counterproductive to our interests there. So I believe that a fresh assessment is needed. It must be an assessment of the parameters of the mission and the feasibility of the mission under present circumstances.

In that assessment, I would hope that the question of new levels of support from the littoral gulf states will be addressed. This support is needed to make execution of the new missions less uncertain. Some believe that the presence of air assets during the new mission is needed for both identification and protection.

The presence of an AWACS on the scene could have greatly aided identifying the Iranian Airbus. The presence of U.S. fighter aircraft in close proximity to our ships could possibly have allowed visual identification of the Airbus. We do have air assets operating when escorting is underway, but the short-fused nature of the new "distress assistance" missions raises questions of aircover there too. It would undoubtedly be beneficial if the United States had negotiated staging rights with the littoral states which complemented the presence of our aircraft carrier stationed further south in the Gulf of Oman.

In addition, I hope that the administration will address the level of cooperation we are getting, and should be getting from our friends and allies in this new mission, as well as the purposes, duration, and cost of the mission as well as its impact on the Iran-Iraq war, and the impact the mission is having on operational deployments and readiness of U.S. forces elsewhere in other regions.

Mr. President, I yield the floor.

RESERVATION OF REPUBLICAN LEADER'S TIME

Mr. BYRD. Mr. President, I ask unanimous consent that the Republican leader's time may be reserved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond 10:15 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

Mr. HOLLINGS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FOWLER). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The PRESIDING OFFICER. Without objection, it is so ordered.

ALASKA'S TIMBER INDUSTRY

Mr. STEVENS. Mr. President, I would like to share with the Senate an article which was recently brought to my attention. It was written by Ralph Gregory, mayor of the Ketchikan Gateway Borough, and appeared in the Alaska Journal of Commerce & Pacific Rim Reporter on April 11, 1988. I will ask unanimous consent that this article be included in the RECORD.

Alaska's timber industry and their operations in the Tongass National Forest have received quite a bit of media attention over the last few years. Most of this has been inspired by those opposed to the cutting of trees. As a result, most of the stories have made it sound like we cut trees in Alaska for no real purpose. Nothing could be further from the truth.

The timber industry has played a key role in the development of southeast Alaska. Mr. Gregory gives a useful perspective on this history. Timber has been important to Ketchikan and other mill towns, but it has also led to the founding of many new communities. Former logging roads now connect former logging camps which are now small towns. This article provides an Alaskan's perspective on how this has taken place.

Mr. President, I ask unanimous consent that the article to which I referred be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Alaska Journal of Commerce & Pacific Rim Reporter, Apr. 11, 1988]

(By Ralph C. Gregory)

The Ketchikan Gateway Borough, at the southern end of the Tongass National Forest is the hub of a service and transportation network, extending from Prince Rupert, BC., to the northern tip of Prince of Wales Island. This southern southeast Alaska region has provided, over the past 50 years, its residents with one of the state's most economically diverse and stable geographic areas.

The future of this economic unit is tied to continued vitality in the timber, fishing, tourism and mining industries. These industries are interrelated and dependent on one another for their viability.

The timber industry, with its transportation infrastructure needs, Forest Service road construction program and camp location requirements, has created the climate and circumstances for continued economic expansion. Forest Service studies have shown that the Ketchikan economy may have developed very differently without the logging contributions.

For instance, Ketchikan has an annual employment range which varies by 33 percent, while Kodiak, which is almost entirely dependent on fishing, varies by 58 percent. Resultant benefits of such stable economic conditions are not limited to the logging industry but are enjoyed by the entire economy.

TRANSPORTATION INFRASTRUCTURE OF THE REGION

"It's not possible to liken a railway to a magician's wand, but the effect is still the same. For the whole problem of civilization—the development of resources and the awakening of communities—lies in transportation."

The need for greatly increased volume and continuity in freight movement, created by the timber industry, has benefited every other part of the business community. With the decision to construct a pulp mill in Ketchikan early in 1951, the demand was created for reliable and consistent freight service. Later, in 1957 when construction of the Silver Bay mill began in Sitka, an additional demand was established.

Similar transportation services were needed at Hollis on Prince on Wales Island when the logging operation for the Ketchiken mill started in 1953. Although the demand of these early peak construction years were not to be sustained, the transportation floor level established by the logging industry, continued to undergird the entire economic structure of the region.

Prior to 1953, freight was scheduled only to match the fishing season, mining needs or special timber activity. Lack of dependable and competitively priced freight service made any business in Southeast an adventure.

For example, transportation of spruce for the war effort between 1942 and 1944 from the Edna Bay logging site to mills in Washington State was accomplished by ". . . huge rafts of logs . . . towed from the camps to Puget Sound." Also, in fisheries, shipment of canned salmon to markets were made by vessels, such as the *Ancon* which was wrecked at Loring, near Ketchikan, in 1889. Some 14,000 cases of salmon were salvaged from the wreck and 200 passengers were picked up by the next passing steamer.

Under such conditions it could be expected that only large operations capable of paying for single purpose freight could operate in the region.

A stable demand for freight shipment and services has allowed for the growth of many smaller, associated businesses which could not exist if freight costs were higher. It is well documented that currently the principle detriment to marketing fresh fish from the region is the shipping cost. Similarly, the production of construction lumber is directly impacted by the costs associated with shipment to the final market.

Any decrease in the demand for cargo space or barge capacity will immediately drive the unit cost of that service up. The ripple effect of such a contraction is obvious.

LOCALIZED ROAD CONSTRUCTION PROGRAM

During the first 20 years of operation the Ketchikan mill built about 500 miles of road—on Prince of Wales Island for the harvest of timber. These roads—(to) be used by the Forest Service and public for transportation, recreation, reforestation and forest protection."

Localized road construction associated with logging activity has provided the impetus for development of the region. With establishment of a logging camp at Hollis shortly after award of the 80-year timber sale, the haul road network on Prince of Wales Island began. By the end of 1969 Klawock was connected with Hollis. By 1974, when the state extended ferry service to Hollis, the current road system was on its way to becoming a reality.

Today over 1,000 miles of road, selected by the Forest Service as the key long term investment, exist on the island.

State land sales have been useful in establishing a stable population in key spots on the island. These communities are viable mainly because of the road access to both the Marine Highway and communities with the services and goods required for survival. Fishermen and construction workers have relocated to the island where they can live close to the resources from which they derive their living. More recently, tourism and mining are promising to add further stimulus and potential.

On Prince of Wales Island, as with other locations in Southeast where civilization found a foothold, the prosperity and stability of these small communities is directly dependent on the existence and maintenance of the road system. Generally, and with a few exceptions, the communities which have taken root are those with the best and most complete road network. Roads which began as haul roads for transport of logs to salt water, have now become state highways and arterials linking communities and allowing the exchange of commerce required for prosperity.

Everything from fish products to construction materials to recreation vehicles are moved over these corridors on a daily basis. The Forest Service has estimated the current value of these arterial and secondary roads to be in excess of $150,000,000.

CAMP LOCATIONS ESTABLISH CURRENT POPULATION CENTERS

"Within the narrow confines of the SS *City of Seattle*, in the year 1898—it was about eight o'clock in the evening when the ship stopped off Ketchikan and I heard the first howls of the dogs at Indiantown. I was put ashore in a small boat—we brought up on the rocks near the old saltery dock."

Logging camp locations have provided the beachhead for the economic development of the region. First came Hollis then Thorne Bay, followed by others, such as Coffman Cove and El Capitan. These sites when linked together by roads, state ferry service and float planes have become the outposts of commerce.

In nearly every location where a major logging camp was constructed, there is today a settlement or town. As the timber supply is exhausted in one area, and the camp at that location is moved, a series of small communities remain. In most cases, these communities use the improvements constructed by loggers. Roads, sewers, water supply and even electrical power lines, which were put in to facilitate log transfer and shipment, are now being used.

As with other aspects of the settlement process, these villages probably could not have been brought into existence if the cost of the infrastructure required for their operation were to be borne at one point in time. Given the existence of such utilities in place and at little or no initial capital cost to the residents, some of the other expenses and drawbacks to "bush" living can be overcome.

In contrast, fishing villages, for example, of Loring on Revillegigedo, Meyers Chuck on the mainland, and Fort Alexander on Baranof Island, have struggled for years and still do not have the comforts and convenience of the logging camp location inherited from an industry "on the move."

Although considerable advantage has occurred to these communities, their lifeblood still depends on the economic activity generated by a balanced, stable industrial base. Most families cannot continue to exist for any extended period of time without a job. Further, when some part of the economic structure fails to carry its part of the load, that segment of the population may decrease or move.

This dislocation further increases the incremental share of the overall cost which must be borne by the remaining residents. Schools, road maintenance and air service fall off in direct proportion to the decrease in population.

CONCLUSION

The goal of the U.S. Congress, when the long term timber sale was approved, was the formation of a stable and enduring economy for Southern Southeast Alaska. With diversification and expansion of other current elements of the economy, including fishing, tourism, and mining, there is growing realization that each has an important contribution to the overall competitive position.

The regional economic well-being is directly tied to continued health of the other partners in that industrial base. Every unit of the economy benefits from the transportation infrastructure, localized roads, and logging camp development which had their beginnings with the construction of the pulp mills in Ketchikan and Sitka. To the extent that shrinkage is experienced in any one of these inter-related and dependent industries, including timber, each other segment will suffer loss of access to the infrastructure needed to be competitive in world markets.

Sources: Alaska Blue Book, 1985, p. 296; Alaska's Forest Resources, Alaska Geographic, Vol. 12, Number 1, 1985; "Loring" by Patricia Roppel, The Alaska Journal, Vol. 5, Number 3, 1975; Ketchikan Pulp Co., . . . our first 20 years, p. 13; "Frontier Town," James Bashford, The Alaska Sportsman, March, 1948, p. 12.

THE 1988 DROUGHT AND THE BUREAU OF RECLAMATION

Mr. HATFIELD. Mr. President, I know that it is not necessary to call to the attention of my colleagues or the public of the hardship that is being visited upon our farmers as a result of the 1988 drought. Open any national magazine or look at any newspaper and we are confronted with devastating articles and photos. Gaunt livestock. Stunted crops. Powder dry fields. Cracked and parched lake and pond beds. And always the farmer. Standing in his fields, ankle deep in dust, surveying what must bring heartache and despair.

The statistics of drought are overwhelming. Over 1,700 counties are subject to drought disaster conditions. Crop and livestock losses measured in the billions of dollars. An estimated 19.5 million acres in the Plains States ready to blow—the potential for a repeat of the infamous dirty thirties when wind borne top soil darkened the skies.

The effects of the drought are far reaching. Navigable waterways have fallen to alarming levels. Barge and other commercial traffic on the Mississippi and Ohio River systems have been hindered and in some instances blocked by low water. Industrial production has been curtailed and in some areas both hydroelectric and thermal electric generation facilities are threatened. The ultimate cost will be paid by the taxpayer in the form of drought relief assistance and the consumer in higher prices.

But there are other losses that simply cannot be measured in terms of dollars. All across the Northern Plains and up into central Canada the effects on wildlife are devastating. The nesting grounds for much of North America's waterfowl have simply dried up. A report in the Washington Post of July 3 calls attention to reductions in mallards, teals, and pintail ducks as well as threats to endangered species because of a lack of water.

It is a grim scenario.

The Congress and the administration will respond, but there is a lesson to be learned. Throughout the recent weeks as reports of devastation continued to mount, I was struck by the absence of bad news from an important segment of our agricultural economy; the roughly 10 million acres of irrigated farms served by projects of the Bureau of Reclamation. To the contrary, virtually all of the Bureau's projects are up and running, providing full contract supplies to almost 150,000 farms and municipal and industrial water supplies for 20 million people in the reclamation west.

The projects are doing what they were designed to do. Bureau storage facilities are able to capture in one year and then carryover to the next year water which otherwise would be lost. The benefits to the farmer are obvious, but there are benefits to fish and wildlife as well. Project wetlands receive an assured water supply. Irrigated fields to provide habitat. Seepage from canals and runoff from irrigated fields can make the difference for the survival of wildlife in time of severe drought.

In recent years, proposed Bureau of Reclamation projects have come under ever-increasing attack by the environmental community. Much of the criticisms are well founded and are based upon obvious past errors committed at a time when our Nation had yet to develop an environmental ethic. But concern for the environment should not mean simply to oppose all projects. Rather than simple opposition, we should address the requirements for fish and wildlife mitigation and where the opportunity presents itself, provide for enhancement of habitat.

Mr. President, my colleagues will recall the bitter opposition to the Garrison and Oahe projects in North and South Dakota. Projects which, if they had been built, would be in the heart of the 1988 drought. I cannot help but wonder what benefits there would be for farmers and for wildlife had the projects been built.

Bureau projects are performing well this year, but if the drought continues, many of the projects will not have sufficient water supplies for the 1989 irrigation season. As my colleagues will recall, the 2 year drought of 1976-77 demonstrated the fallibility of inadequate storage and the Congress enacted the 1976-77 Drought Emergency Act. In this Congress, we are being called upon again to consider legislation giving the Secretary of the Interior temporary authority for drought-related efforts. Perhaps, rather than responding to each drought with a temporary measure, the Congress should enact permanent authority for the Secretary to respond to drought conditions affecting Bureau projects or those who could be temporarily served by Bureau projects.

In this regard, the administration has established an Interagency Drought Policy Committee which is reviewing the experience gained in the 1976-77 drought as well as current drought-related programs and activities. The Interagency Committee is scheduled to report its recommendations for action and related legislation later this month. It is my hope that the Congress will not act prematurely on drought legislation and will wait for the results of the Interagency Committee's deliberations. I would also caution my colleagues that while it may be appropriate to act as expeditiously as possible to address the needs of the current drought, we must not loose sight of the need to provide congressional guidance in establishing a far more comprehensive national water policy if we are to assure adequate water supplies for the future.

The current drought may serve to focus attention, but when the drought is over, we must not loose sight of the simple fact that there will be more droughts, more shortages, more conflicts over the use of this most precious resource. Our Nation needs a long-range national water policy.

TONY BEVINETTO REMEMBERED

Mr. DECONCINI. Mr. President, I rise today to say a few words about Tony Bevinetto and to express my sincere sympathy to his family. Tony was an extraordinary individual. All of us in this body who had the privilege of working with Tony know what a genuinely fine human being he was. His love of people and his love of the public lands he sought to protect were an inspiration to us all. His hard work and deep sense of professionalism was exemplary. Tony Bevinetto had the respect and admiration of all who knew him.

Mr. President, I am not a member of the Energy Committee, but I have had many bills affecting my State before that committee over the years. Tony Bevinetto was always helpful to me and my staff. When there was a difficult issue, Tony would find a workable solution that was good for everyone.

He was a warm, caring, and exceptionally kindhearted man whom I feel better for having known. I will miss him—we will all miss him. His accomplishments were many and the Nation is the beneficiary of his efforts. We mourn his death while celebrating his life. Tony Bevinetto will be remembered by this body with fondness and respect for a very long time. My heart goes out to his wife at this very sad time, with my sincere prayers for Tony and his family. He was somebody who really exemplifies what so many of the fine staff around this body do, and do not always get credit for.

I thank the Chair.

THE SPIRIT OF DAVID WILENTZ

Mr. BRADLEY. Mr. President, for more than a half a century, New Jersey has been blessed by the contributions of David Wilentz. I rise today to take note of his death, but more importantly to recognize his remarkable contributions to our State.

David Wilentz was first admitted to practice law in New Jersey in 1919 and he remained an active member of the bar until his death Tuesday at the age of 93. His legal career was capped by his service for 10 years as the State attorney general. As attorney general he drew worldwide attention for his prosecution of Bruno Hauptmann for the kidnaping and murder of the baby son of Charles and Ann Lindbergh.

While David Wilentz may be known to the world for this famous case, he is known in New Jersey for his lengthy involvement in civic and political activities. Having arrived in the United States at the age of 6 from Dwinsk, Latvia, David Wilentz had a fierce commitment to this country for the opportunities it has provided him and millions of other immigrants. Citizenship had special meaning to him and he believed firmly in giving back to his naturalized home. As a former chairman of the New Jersey State Democratic Committee, he was a spirited political leader. Long after he left his formal position in the party, David Wilentz continued to exercise leadership in the State. His impact even extended in very personal terms. His son, Warren, was the Middlesex County prosecutor. His son, Robert, was appointed, first by Gov. Brendan Byrne and then reappointed by Gov. Thomas Kean, as chief justice of the State supreme court—the state's highest court. His daughter, Norma, has also been active in civic affairs. His children and their contributions to the State were a source of enormous pride for him. He will be particularly missed by his wife, Lena, to whom he had been married for 69 years, and his three children, eight grandchildren and five great-grandchildren.

David Wilentz will be remembered as a leader in government and law. His political wisdom was legendary in New Jersey for over 50 years. He was the consummate public-spirited citizen—intelligent, involved, and caring. I am proud to have counted him as a friend—and I will miss him.

THE DROUGHT OF 1988

Mr. BOND. Mr. President, recently, a farmer from northwest Missouri and a member of my Missouri Agriculture Advisory Committee, Blake Hurst, published and article discussing the "state of affairs" of Missouri farming. Having worked closely with Mr. Hurst and the Missouri Agricultural Advisory Committee, I am of the opinion that he presents an accurate assessment of many of our agricultural problems and offers intelligent insight in this area. I strongly recommend that we all take the time to peruse this article and I ask unanimous consent that the article "Farming With Uncle Sam," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FARMING WITH UNCLE SAM—HIGH FINANCE COMES TO RURAL MISSOURI

(By Blake Hurst)

Ten years ago, I graduated from the University of Missouri and returned to our family's farm in the far northwest corner of the Show-Me state. My brothers and I are the third generation to farm here in Atchison county. Grandpa founded our business after his first farm was lost in the late '20s in an earlier agricultural downturn. The enterprise has grown and today it includes some 2,700 acres of corn, soybeans, and beef cattle. Last year, we produced about 125,000 bushels of corn. We don't really like accepting subsidies. But if we didn't enroll in government farm programs, our corn would be worth about $1.80 a bushel; because we participate, we receive about $3 a bushel. Everybody has his price. Now you know ours.

BUNKER MENTALITY

Northwest Missouri is a patchwork of corn and soybean fields, pastures, small towns, hills, and rivers. Lately a new feature has been added. These days, nearly every small town has a grain bunker. Grain bunkers are football field-sized piles of corn 30 feet high in a plywood base covered with a huge white plastic sheet. My hometown of Tarkio is in a particularly fertile area, so we have not one, but two bunkers. Each holds one-half million bushels of corn stored under a three-year contract with the federal government at a cost to the taxpayer of $500,000 per year. These bunkers, which resemble nothing so much as truncated stadiums like the Minnesota Homer Dome, are necessary because the more traditional forms of grain storage are already full. Billions of bushels of grain are stored all over the Midwest in bins, sheds, and bunkers: grain raised by farmers like me in response to government payments that hold little relation to any market signals. During a rain storm this past summer, the dikes along the local river broke, surrounding the bunkers with four feet of water—sort of a floating monument to a failed farm policy.

From 1977 to 1985, government support levels for program crops increased each year regardless of supply and demand. This policy probably did the most to fill Tarkio's bunkers, but there were other reasons. Exports have fallen because of the strong dollar. Third World countries are under pressure to cut imports of farm products and increase exports of their agricultural products to reduce their horrendous debts. The European Economic Community has embarked on a massive export dumping program to protect its own farms. The federal government's tax and farm credit policies have also contributed to our woes.

CHEAP MONEY, COSTLY LAND

When I started farming, the Farmers Home Administration was lending money for 40 years at 5 percent interest to farmers unable to get commercial credit. Not many farms in Atchison county were purchased on those terms, but since price is set on the margin, land costs rose much higher than they would have without the subsidized credit. This credit-led boom increased costs for all farmers.

Today the FmHA is trying to deal with the results. In neighboring Nodaway county a farmer borrowed money from the FmHA to purchase a farm. Unable to make payments he simply packed up his family and left. A commercial lending institution would have begun foreclosure proceedings, taken possession of the farm, and sold it in order to recover at least a portion of the original loan. The FmHA couldn't react as a normal lender would have because it was under a court injunction prohibiting it from foreclosing on its borrowers. Today the farm lies idle and the house has been looted because the FmHA could not protect the taxpayers' investment.

ARBITRAGE VS. HOG-FEEDING

A farmer down the road fared better. Also unable to make payments, he voluntarily conveyed the farm back to FmHA. The FmHA received an appraisal of the farm and offered to sell it at the appraised value to the original borrower. The rules say the FmHA has to first offer any land in its inventory to the farmer who lost the farm. If he refuses, only family farmers who can't get credit from commercial lenders can buy the farm from the FmHA. Well, the appraised value on this farm was so low (and why not, with those stipulations on its sale) that the delinquent borrower was able to sell half of the farm to a neighbor for enough to buy the rest of the enterprise with cash. High finance comes to rural Missouri.

Nationwide, the FmHA has $14 billion in outstanding loans. Two-thirds of that debt is delinquent and 70 percent of the delinquent debt is at least three years overdue. The disaster and emergency loan programs of the '70s were a national scandal. In some Southern states, 80 to 90 percent of those loans were never repaid. Small Business Administration loans were available to farmers at an interest rate of 3 percent. Now, most farmers don't know what arbitrage is, but I do know neighbors who figured out that borrowing money from SBA at 3 percent and buying CDs paying 10 percent at the local bank sure beat the hell out of feeding hogs!

Although the Reagan administration has attempted to tighten lending procedures at the Farmers Home Administration, some things never seem to change. Recently Congressman Whitten of Mississippi slipped a provision into the budget reconciliation act cutting the FmHA administrator's office budget by 25 percent. Before you get your hopes up; it wasn't a move toward fiscal sanity. Nope, it seems Jamie Whitten was piqued at FmHA administrator Vance Clark for refusing loans to borrowers who were not only delinquent in their payments, but who showed no signs of being able to rectify the situation. Only in Washington does the size of your office budget reflect how much taxpayer money you can waste.

I guess the Reagan administration has finally gotten the message. On March 1 of this year, the FmHA announced a new policy to fulfill the mandates of the Agricultural Credit Act passed by Congress in December of last year. In essence, the FmHA has admitted defeat. As much as $7 billion in bad debt will be written off. Farmers who lost their farms as long as 10 years ago will be able to get back in business. (This is a rather startling breakthrough in economic policy. If you have any Penn Central, Lockheed, or Wickes stock lying around the house, I'd recommend calling your congressman.) No provisions have been made for farmers who have paid their debts. As mentioned before, many of the delinquent loans are located in the South. The announcement of this decision a week before Super Tuesday can hardly be called a coincidence.

WILLIE NELSON'S TAX LOSS

"Crazy, crazy for feeling so blue," sang Willie Nelson at his FarmAid concerts. And Willie had every right to be blue. After all, not only were we family farmers in terrible shape, but Willie himself testified to a several-hundred-thousand-dollar cattle feeding loss. Of course, Willie's cattle feeding problems weren't what they seemed. Family farmers, including Willie Nelson, are eligible to use cash accounting for tax purposes. Now this may seem rather arcane, but bear with me. Cash accounting is deemed necessary for farmers because we aren't sophisticated enough to pay income taxes on an accrual basis like every other business. We may not be sophisticated, but it didn't take us long to figure out that cash accounting is a terrific tax dodge for an expanding business. By advancing purchases and delaying sales, which would normally show up as inventory changes, a farmer can report a tax loss even though his business is profitable. As long as he keeps expanding, he has what amounts to an interest-free loan from Uncle Sam. Willie Nelson's tax advisors know this. Consequently, family farmers like myself are faced with larger supplies and lower prices than would otherwise be the case.

PLOWING UP CHICKEN BRISTLE

Farm surpluses are not a new problem. In the 1960s, the government cut production through a program of long-term rental agreements with farmers. The Soil Bank program made it more profitable for farmers to retire marginal land from production than to farm it. The program was devastating to agribusiness in those areas with high participation. Some counties essentially shut down their crop-producing plant.

But agriculture is a highly cyclical business and the 1970s saw a turn for the better. Exports increased and in response to this demand, highly erodible pastures and rangelands sprouted grain. The Soil Bank contracts were allowed to lapse and production rose to meet the demand from overseas. Across the road from where my grandpa grew up in the community of Chicken Bristle, a large farm that had been in grass for generations was plowed up and planted to corn. Yields were low, but subsidies made it profitable.

Conditions changed again in the '80s. There was renewed interest in conservation as grain supplies moved from shortfall to surplus. You can guess what came next. An uneasy coalition of farm groups wanting to cut production, environmental groups wanting to reduce erosion, and politicians wanting more votes, presided over the birth of the "Son of Soil Bank," otherwise known as the Conservation Reserve Program. Hailed as a new breakthrough in farm policy, the CRP buys land out of production through the use of long-term rental agreements between farmers and the government. Once again, participation is high and agribusiness is suffering in areas poorly suited to crop production. Of course, one of the first farms to enter the program was the Chicken Bristle farm. Farmers who plowed fragile land are being bailed out by a so-called conservation program. What programs like the Soil Bank and CRP really do is remove the risk from farming highly erodible, unproductive land that doesn't lend itself to continuous cropping. When times are good, plow it up and let it blow or wash away. Don't worry about the bad times; you can always rent it to Uncle Sam.

A final note on the Conservation Reserve. Twelve thousand acres have been plowed out of pasture in Atchison county since 1978. Two miles north of my home, a fellow from Las Vegas purchased a grass farm and planted it to corn. As a grass farm, it might have rented for $40 an acre per year. As a crop farm, it would be worth slightly more. It's now rented for 10 years to Uncle Sam for $70 an acre. Better odds than he is used to.

TIME FOR MASSIVE SUBSIDIES IS PAST

All of these policies had an unintended result. They kept resources in agriculture at a time when the market was clearly signaling that resources needed to leave farming. Excess resources led to surpluses, which led to low prices, which increased the pressure for more subsidies. But the United States is not alone in pursuing misguided farm policies. Estimates of worldwide farm subsidies run as high as $250 billion annually. France sells corn to Algeria for $1.80 a bushel while paying its farmers $6 a bushel. Italy pays its farmers $15 a bushel for soybeans that they could buy from me for $6 a bushel. Japanese farmers recently compared U.S. requests for less protectionism in beef to the Hiroshima atomic bomb. President Reagan's proposal for a gradual phaseout of farm subsidies worldwide has been roundly criticized as "unrealistic." Unrealistic as those proposals may be, they offer our only hope for the future.

Meanwhile, back at my farm, we've spent the winter preparing to comply with the conservation provisions laid out in the 1985 farm bill. We're writing crop rotation plans for the next 16 years to qualify for continuing subsides. (Farmers are known for their optimism. Requiring my 87-year-old grandfather to fill out a 16-year crop rotation takes optimism to a new extreme.) We can't drain wet spots or change the location of drainage ditches. The USDA tells us what to plant, how much to plant, and where to plant. If we opt out of the program, we're forced to compete with farmers in the program who will receive nearly twice as much for their crops. Consequently, we have little choice but to follow the rules.

In the small town near our home, the local branch of the Farm Credit System has closed its office. A group of farmers and local businessmen has purchased the building, refurbished it, and opened a taco joint. West of town, land that used to grow the best corn in Atchison county is now planted to potatoes, a crop that doesn't depend on subsidies, but rather on America's appetite for potato chips. North of town, some neighbors are experimenting with broccoli, another nonsubsidized crop. Further north, a group of farmers' wives distribute their handsewn clothing to yuppies nationwide. And behind my house, my wife and I have four greenhouses, where we plant what we want to plant and sell what we grow without filling out a single Department of Agriculture form. I guess we farmers know something that hasn't occurred to the folks in Washington—the time for massive farm subsidies is past.

Mr. DIXON. Mr. President, the terrible drought we are experiencing is not only ruining the crops of our already beleaguered farmers but is also greatly impacting on this Nation's barge industry.

In the middle of June, several barges became stuck at points all along the Mississippi due to the extraordinarily low river levels. At Greenville, MS, water levels have dropped an astrounding 28-feet below normal.

The delays caused by the low water levels are greatly increasing the overhead of barge operators and are consequently forcing their shipping rates to drastically increase. Unfortunately, this disaster comes at a time when barge traffic is just beginning to recover from a terrible depression.

Mr. President, in order to inform everyone about the plight of the barge operators, I ask unanimous consent that this June 6, 1988 article from the Chicago Tribune be printed in the RECORD in whole.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune, June 21, 1988]

SHIPPING RUNNING DRY AS COMMODITIES RUN UP—LOW WATER IS THREATENING RECOVERY FOR RIVER BARGES

(By Carol Jouzaltis)

The worsening drought is drying up business for the nation's barge industry, just when river transportation was emerging from a seven-year depression.

Because of the lack of rain, the meandering Mississippi River is running low and slow.

Dozens of towboats, which need a minimum depth of nine feet, have run aground in recent weeks because of fast-sinking water levels and shoaling, a buildup of silt deposits caused by slow-flowing water.

Operators fear that without plenty of rain soon, the river will be shut down to commercial navigation. Already, shippers are turning to railroads and trucking companies to avoid lengthy and costly delays on the river.

Last week, some 1,800 barges were idled for several days near Greenville, Miss., waiting for dredgers to deepen dangerous shallow areas before continuing their trips.

At Greenville, where some boats were stranded almost a week, the Mississippi had sunk 28 feet below normal levels for this time of year.

But the backup was barely cleared before another trouble spot strangled traffic. Early Monday, a towboat ran aground near Laconia, Miss., 50 miles north of Greenville, and a U.S. Corps of Engineers spokesman said dredging there was expected to last until Friday.

As another tieup began forming, the corps was advising operators to use alternate routes such as the Tennessee River.

The barge-and-towing industry moves 15 percent of all U.S. freight shipments and is a major transporter of petroleum, grain, coal and other bulk commodities, according to the American Waterways Operators, a trade association.

"Right now, the industry is a bit stunned," said Jeffrey Smith, the association's director.

"This doesn't come at a good time for us. The industry was just beginning to crawl out of a terrible depression," Smith said.

Delays are expensive for barge companies. Operators were said to be losing $10,000 a day for each idled towboat because of the costs of labor, gasoline and lost business.

Barge transportation is popular because it is efficient and cheap. One towboat can push up to 40 barges, which are wired together with cables. A single hopper barge can be loaded with 1,500 tons of grain.

But with water levels dropping daily, barging not only becomes more expensive, it becomes perilous as well. If a boat runs aground or rams the banks of the narrowing channel, its barges can break up and go careening down river, possibly damaging other vessels.

The Mississippi could drop another six feet or more by the end of July, making navigation virtually impossible, said corps spokeman Michael Logue in Greenville.

"Weather forecasts are giving us very little hope," Logue said. "It would probably take 9 or 10 inches of rain to get us out of a critical situation."

"This is totally twilight zonish. I don't think anyone foresaw something like this," he said.

In recent weeks, barge freight rates have doubled, operators say, because of the effect of the drought on industry capacity. Aside from the delays, operators have been forced to avoid traveling at night and to lighten their tonnage in hopes of skimming over shallow areas.

Barge operators have raised average bulk commodity rates to about $14 a ton from $7 a ton since the drought began taking its toll, said Robert Gardner, general manager with Conti Carriers and Terminals, a unit of Chicago-based Continental Grain Co., the nation's fifth-largest barge company.

The rate hike could make U.S. grain and other products less attractive on the export market.

There are about 1,000 barge-and-towing companies in the country, down from an estimated 1,800 in 1980. The industry went through depression and consolidation bought on by the Soviet grain embargo and overcapacity from speculative building.

But things had been looking up.

In 1986, barges handled 558 million tons of freight on the nation's inland and intercoastal waterways. Barges move 57 percent of all grain headed for export usually from the Gulf of Mexico, and 40 percent of all petroleum shipments, Smith said.

For now, some shippers have abandoned barges in favor of the railroads to get their grain and other overseas-bound freight to the Gulf of Mexico on time.

However, Conti's Gardner, a former towboat captain and 25-year industry veteran, was taking an optimistic view.

"I'm not expecting any permanent closures, though it's certainly possible if we don't get any moisture," he said.

He noted that in past years, shipping on the Mississippi was strangled in periods of lesser droughts. Most recently, the river was closed in January, 1981, when it froze over in an Arctic blast.

In the last decade, however, channel improvements have reduced erosion, and a series of locks and dams on the upper Mississippi have gone a long way to keep commerce flowing, he said. Even with the drought, traffic was moving freely on most of the Mississippi, Garnder noted.

"These improvements are paying off in a big way right now, there's no question," Gardner said.

The lower Mississippi, where most of the shoaling problems have occurred, is unsuitable for dams because of the delta terrain.

SENATOR ROBERT BYRD

Mr. LEVIN. Mr. President, our colleague ROBERT BYRD has served as the Democratic leader of the Senate for almost 12 years, and has been a member of the leadership of this institution for more than 20. I have never known a man more dedicated to public service and more devoted to this great institution than ROBERT BYRD. He has been the Democratic leader throughout the almost 10 years I have served in Washington, and it is difficult to imagine serving with any future majority leader who will ever approach the mastery of the legislative process which ROBERT BYRD has achieved. He has guided us through countless legislative battles, crafted compromise after compromise, devised solutions to innumerable parliamentary impasses and unfailingly maintained the dignity of the Senate.

I might also note that it is highly unlikely that we will have a leader with such musical talents, or such an ability to quote from memory the scriptures and some of the world's greatest poets. His colorful and erudite discources on a wide range of personal and cultural matters have enlived many a late evening in this Chamber. On top of that, he has taken a keener interest in the history of this institution than any other 10 Senators put together. Who can forget his remarkable, detailed lectures on the often incredible events that have taken place in the Senate since the early 1800's? These learned explorations of this institution's development have been conducted by a man who has deep affection for it, despite its flaws and occasionally infuriating inefficiencies.

His is an admirable, enviable record of leadership and accomplishment, and we can all be glad that it is not coming to an end, but rather entering a new phase. The distinguished Senator from the great State of West Virginia will take on the challenge and opportunity of serving as chairman of the Senate Appropriations Committee with his characteristic dedication in the 101st Congress. I look forward to continuing to work with him for many more years.

PRESIDENT ROH TAE WOO, SOUTH KOREA

Mr. CRANSTON. Mr. President, President Roh Tae Woo of South Korea announced this morning a major new initiative which is designed as a first step to begin reconciling differences and promoting peace between North and South Korea. The President's six-point initiative calls for mutual exchanges of Korean politicians, businessmen, journalists, religious and cultural leaders, academics, and students. It seeks to foster family visits and correspondence, trade, and cooperation on economic development.

Significantly, the declaration is addressed to "my dear 60 million compatriots," North and South alike. It points out that all Koreans are part of a single national community and expresses the hope that the Korean people will be peacefully "integrated into a single social, cultural, and economic community before this century is out."

This declaration is, in my judgment, the single most positive expression of hope for progress toward reconciliation between Seoul and Pyongyang since the two Koreans were divided in 1945. It is an important first step on the road toward reconciliation on the dangerously divided Korean peninsula. I urge all my colleagues to support this declaration by the South Korean President. I commend him for it, and ask that the full text of his declaration be printed in the RECORD.

There being no objection, the declaration was ordered to be printed in the RECORD, as follows:

SPECIAL DECLARATION BY PRESIDENT ROH TAE WOO IN THE INTEREST OF NATIONAL SELF-ESTEEM, UNIFICATION AND PROSPERITY

My dear 60 million compatriots: Today, I am going to enunciate the policy of the Sixth Republic to achieve the peaceful unification of our homeland, a long-standing goal dear to the hearts of the entire Korean people.

We have been suffering the pain of territorial division for almost half a century. This national division has inflicted numerous ordeals and hardships upon the Korean people, thus hindering national development. Dismantling the barrier separating the South and the North and building a road to a unified and prosperous homeland is a duty history has imposed on every Korean alive today.

The South and the North, divided by different ideologies and political systems, have gone through a fraticidal war. The divided halves of the single Korean nation have distrusted, denounced and antagonized each other since the day of territorial partition and this painful state has yet to be remedied. Even though the division was not brought about by the volition of the Korean people, it is our responsibility to achieve national unification through our independent capabilities.

We must all work together to open a bright era of South-North reconciliation and cooperation. The time has come for all of us to endeavor in concert to promote the well-being and prosperity of the entire Korean people.

Today, the world is entering an age of reconciliation and cooperation transcending ideologies and political systems. A brave new tide of openness and exchange is engulfing peoples of different historical and cultural backgrounds. I believe we have now come to a historic moment when we should be able to find a breakthrough toward a lasting peace and unification on the Korean peninsula which is still fraught with the danger of war amidst persisting tension and confrontation.

My fellow compatriots, the fundamental reason that the tragic division is yet to be overcome is because both the South and the North have been regarding each other as an adversary, rather than realizing that both halves of Korea belong to the same national community. In that way, inter-Korean enmity has continued to intensify. Having lived in a single ethnic community, the Korean people have shaped an illustrious history and cultural tradition, which triumphed over almost ceaseless trials and challenges with pooled national strength and wisdom. Accordingly, developing relations between the South and the North as members of a single national community to achieve common prosperity is a shortcut to realizing a prosperous and unified homeland. This is also the path to national self-esteem and integration.

Now the South and the North must tear down the barrier that divides them and implement exchanges in all fields. Positive step after positive step must be taken to restore mutual trust and strengthen bonds as members of one nation.

With the realization that we both belong to a single community, we must also discontinue confrontation on the international scene. I hope that North Korea will contribute to the community of nations as a responsible member of it and that this will accelerate the opening and development of North Korean society. South and North Korea should recognize each other's place in the international community and cooperate with each other in the best interest of the entire Korean people.

My 60 million fellow compatriots, today, I promise to make efforts to open a new era of national self-esteem, unification and prosperity by building a social, cultural, economic and political community in which all members of the Korean people can participate on the principles of independence, peace, democracy and welfare. To that end, I declare to the nation and the world that the following policies will be pursued:

First. We will actively promote exchanges of visits between the people of South and North Korea, including politicians, businessmen, journalists, religious leaders, artists, academics and students and will make necessary arrangements to ensure that Koreans residing overseas can freely visit both parts of Korea.

Second. Even before the successful conclusion of the North-South Red Cross talks, we will promote and actively support, from a humanitarian viewpoint, all measures which can assist dispersed families in their efforts to find out whether their family members in the other part of the peninsula are still alive and their whereabouts, and will also promote exchanges of correspondence and visits between them.

Third. We will open doors for trade between South and North Korea, which will be regarded as internal trade within the national community.

Fourth. We hope to achieve the balanced development of the national economy with a view to enhancing the quality of life for all Korean people in both the South and the North, and will not oppose nations friendly with us trading with North Korea provided that it does not involve military goods.

Fifth. We hope to bring an end to counterproductive diplomacy characterized by competition and confrontation between the South and the North and to cooperate in ensuring that North Korea makes a positive contribution to the international community. We also hope that representatives of South and North Korea will contact each other freely in international forums and will cooperate to pursue the common interests of the whole Korean nation.

Sixth. To create an atmosphere conducive to durable peace on the Korean peninsula we are willing to cooperate with North Korea in its efforts to improve relations with countries friendly to us including the United States and Japan, and in parallel with this, we will continue to seek improved relations with the Soviet Union, China, and other socialist countries.

I trust that North Korea will positively respond to the measures outlined above. If the North shows a positive attitude, I make it clear that even more progressive measures will be taken one after another. I hope that this declaration today will serve to open a new chapter in the development of inter-Korean relations and will lead to unification. I believe that if the entire 60 million Korean people pool their wisdom and strength, the South and North will be integrated into a single social, cultural and economic community before this century is out. On that basis, I am confident that we will accomplish the great task of unifying into a single national entity in the not so very distant future.

SOUTH KOREAN PROPOSAL FOR NATIONAL RECONCILIATION

Mr. PELL. Mr. President, I am very pleased that President Roh Tae Woo of South Korea has today announced a major policy initiative for peace and reconciliation between North and South Korea.

We all recognize that the state of tension on the Korean Peninsula makes it potentially one of the most dangerous places on Earth. Previous attempts to defuse the situation by North-South dialog have not succeeded, and there have been recent deployments of North Korean antiaircraft missile systems near the DMZ.

President Roh's initiative is therefore particularly welcome at this time. It is a very positive declaration, recognizing the need for all Koreans, North and South, to begin a process of understanding and cooperation. It calls for the active promotion of exchanges—political, economic and cultural—and calls for humanitarian efforts to help family members visit their relatives throughout the peninsula. It also calls for free trade between the North and the South and for cooperation on economic development throughout the entire peninsula.

I wholeheartedly support this constructive declaration by the South Korean President. It is my hope that North Korea will respond favorably to the proposal and that the process of peaceful exchanges between both Koreas will soon develop. I congratulate President Ro for his initiative and urge my colleagues to support this important peace effort.

PARAGUAY UNDER GENERAL STROESSNER

Mr. DECONCINI. Mr. President, I rise today to address the international concerns of corruption and human rights violations in Paraguay under the rule of the current President, Gen. Alfredo Stroessner. Other than Chile, Paraguay is the only country in South America whose people, economy, politics, and foreign relations are ruled by a dictator. As a result, any person or movement whose actions conflict with the interests of the dictator could be tortured or killed.

Although many of Paraguay's neighbors have moved toward democracy, General Stroessner has ignored the trend toward democracy that is taking place in Central and South America. Brazil and Argentina moved toward democracy in 1984 after 20 years of military rule and Uruguay followed this trend 1 year later. Furthermore, 1 million Paraguayans—one-fourth of the population—left Paraguay and now live and work in Argentina due to the demeaning and brutal government in their native country. Brazil has resorted to broadcasting anti-Stroessner radio programs and prints anti-Stroessner columns in its newspapers. Brazil should be joined in its efforts to influence change in Paraguay's existing government.

In addition to the corrupt elections throughout the last 30 years, Paraguay is becoming increasingly alienated from its neighbors. One reason is its involvement in drug smuggling. Brazil has been trying to crack down on drug smuggling, but has not been able to persuade Paraguay to do the same. Unfortunately, one of the main smugglers is a military official—Gen. Andres Rodriguez—the commander in chief of the 1st Army. He has been linked to the 1986 seizure of 43 kilos of cocaine and 744 kilos of marijuana in Paraguay, and to this day, allegedly continues similar illegal operations.

Another topic I would like to address, Mr. President, is the human rights situation in Paraguay. It has been documented by Amnesty International that General Stroessner's regime has relied on wide-scale arrests, disappearances, long-term detention without trial, and the use of torture to carry out his political control. Not only does General Stroessner use harmful means to retain his power, but he keeps all information about his actions hidden from the public. If there is a voice of opposition, he simply uses military force to calm it or completely eliminate it. Every year there are countless examples of beatings, murders, exiled priests, and jailed writers and politicians in Paraguay. They are tortured merely because they want democracy in their country.

At the moment, the United States has very little direct leverage on General Stroessner. However, I believe Mr. President, that since the United States cannot change General Stroessner by itself, it is imperative for us to work with Paraguay's neighbors in a combined effort to change the existing regime that plagues Paraguay and casts a dark shadow on Latin America. I would hope that we could begin to focus more effort toward addressing this dictator who rivals General Noriega's abysmal human rights and drug smuggling record.

FORMAL NOTIFICATION

PROPOSED ARMS SALE TO KUWAIT

Mr. PELL. Mr. President, the Committee on Foreign Relations today received formal notification of the administration's proposal to sell $1.9 billion in defense equipment to Kuwait.

The administration wishes to sell 40 F/A-18C/D aircraft, spare parts, support equipment and services, training, 200 Cluster bomb units [CBU], 120 AIM-9L Sidewinder missiles, 200 AIM-7F Sparrow missiles, 40 AGM-84D Harpoon missiles, and 300 AGM-65D/G Maverick missiles.

Section 36(b)(1) of the Arms Export Control Act requires that Congress receive formal notification of proposed arms sales under the act in excess of $50 million, or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to the full Senate, I ask unanimous consent to have printed in the RECORD at this point the notification I have received. The classified annex referred to in the notification is available to Senators at the Foreign Relations Committee.

There being no objection, the notification was ordered to be printed in the RECORD, as follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, July 7, 1988.

In reply refer to: I-03154/88ct.

Hon. CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, U.S. Senate,
Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 88-39 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Navy's proposed Letter(s) of Offer and Acceptance (LOA) to Kuwait for defense articles and services estimated to cost $1.9 billion. Soon after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

CHARLES W. BROWN,
Lieutenant General, USA,
Director.

[Transmittal No. 88-39]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b)(1) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Kuwait.

(ii) Total Estimated Value; Major Defense Equipment,[1] $1.4 billion; Other, $.5 billion; Total, $1.9 billion.

(iii) Description of Articles or Services Offered: Forty F/A-18C/D aircraft, spare parts, support equipment and services, training, 200 Cluster bomb units (CBU), 120 AIM-9L SIDEWINDER missiles, 200 AIM-7F SPARROW missiles, 40 AGM-84D HARPOON missiles, and 300 AGM-65D/G MAVERICK missiles.

(iv) Military Department: Navy (SAO).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold; See Annex under separate cover.

(vii) Section 28 Report: Included in report for quarter ending 31 March 88.

(viii) Date Report Delivered to Congress: 7 July 1988.

POLICY JUSTIFICATION

KUWAIT—F/A 18C/D AIRCRAFT

The Government of Kuwait (GOK) has requested the purchase of 40 F/A-18C/D aircraft, spare parts, support equipment and services, training, 200 Cluster bomb units (CBU), 120 AIM-9L SIDEWINDER missiles, 200 AIM-7F SPARROW missiles, 40 AGM-84D HARPOON missiles, and 300 AGM-65D/G MAVERICK missiles. The estimated cost is $1.9 billion.

This sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country which has been and continues to be an important force for political stability and economic progress in the Middle East.

The Kuwait Air Force needs these aircraft to replace the U.S.-origin A-4KU fighter/attack aircraft in the current inventory which are based on 1960's technology. This sale will enhance the readiness of the GOK to meet external aggression and develop increased equipment commonality with U.S. forces, thereby enabling Kuwait to continue to export oil to the free world. Kuwait will have no difficulty absorbing these aircraft and munitions into its armed forces.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the McDonnell-Douglas Corporation of St. Louis, Missouri. The munitions will come from a variety of contractors.

Implementation of this sale will require the assignment to Kuwait of two additional U.S. Government personnel for one year and 14 contractor representatives for one year.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

Mr. PELL. Mr. President, on June 17 the Senator from Arizona, Mr. DECONCINI, and I, together with 18 other Senators, wrote the Secretary of State raising a number of questions about this proposed sale. I have just received a response to that letter from the Department of State. I ask unanimous consent that the texts of our letter and the response be printed in the RECORD following my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, June 17, 1988.

Hon. GEORGE P. SHULTZ,
Secretary of State,
Washington, DC.

DEAR MR. SECRETARY: On June 10, 1988 an informal notification for an arms sale to Kuwait was sent to Congress. As you know, the total package of arms includes 40 F/A-18 Hornet Fighter Aircraft, 40 Harpoon missiles, 120 Sidewinder missiles, 200 Sparrow missiles, 300 Maverick missiles, 400 Laser-guided bombs, and 200 cluster munitions. The Hornet is a multi-mission aircraft designed and developed as both a fighter and an attack aircraft which symbolizes America's best technology. We are deeply concerned by the numerical and symbolic quality of this arms sale package.

We are interested in the administration's rationale and foreign policy objectives regarding this arms sale package. Will the Kuwaitis contribute more overtly to share the burden of protecting their own shipping in the Persian Gulf? Will they play a role in fostering the peace process in the Middle East? What assurances do we have for their longer-term alliance and support in this volatile region of the world? What are the overall policy considerations of this sale?

Moreover, we are concerned about the possibility that the effective combat radius of the F/A-18 for a ground-attack mission could be extended in a way that would permit attacks on Israel. There is the possibility that the F/A-18 combat radius can be increased with extended-range fuel tanks, through basing or deployment of the planes in neighboring countries such as Saudi Arabia, Jordan, or Iraq. Accordingly, we conclude that it is critically important to have the assurances of Kuwait that these aircraft will never be based or deployed closer to Israel than they would be at their base in Kuwait and that they will never be based in or deployed to a state bordering Israel. In addition, we should have Kuwaiti assurances that they will not seek refueling aircraft or equipment which could extend the operating range of the F/A-18. The administration should provide assurances that the United States will not sell such equipment to Kuwait.

Furthermore, we are deeply concerned about the proposed sale of 300 advanced Maverick missiles (200 Ds, 100 Gs) to Kuwait. This is the same missile that was withdrawn from the proposed Saudi arms package last year following strong Congressional objections. The Maverick AGM-65 D and G missile is a day/night, infared, fire-and-forget weapon. It is a missile we can ill afford to have fall into unfriendly hands. The Maverick has destructive capabilities that far exceed the legitimate security requirements of Kuwait. The selling of these highly reliable and accurate missiles to Kuwait would further contribute to the already dangerous proliferation of advanced weapons in the volatile Persian Gulf. We strongly oppose the combination of F/A-18's and Maverick D and G missiles in this sale.

Mr. Secretary, we cannot afford to have our most sophisticated, sensitive and efficient weapons sold without predictable and desirable consequences. We look forward to an early reply.

Sincerely,

Dennis DeConcini, Claiborne Pell, Frank R. Lautenberg, Rudy Boschwitz, Daniel K. Inouye, Paul Sarbanes, Bob Packwood, Daniel P. Moynihan, Christopher J. Dodd, Pete Wilson, John F. Kerry, Paul Simon, Brock Adams, Howard M. Metzenbaum, Terry Sanford, Alfonse D'Amato, Don Riegle, Jeff Bingaman, Quentin N. Burdick, Spark Matsunaga, Senators.

U.S. DEPARTMENT OF STATE,
Washington, DC, July 7, 1988.

Hon. CLAIBORNE PELL,
Chairman, Committee on Foreign Relations,
U.S. Senate.

DEAR MR. CHAIRMAN: Thank you for the opportunity provided by your June 17 letter to the Secretary to clarify the Administration's policy on the sale of F-18 aircraft to Kuwait.

The sale of F-18s to Kuwait advances U.S. policy interests in the Persian Gulf by reducing Kuwait's vulnerability to aggression from its foes both present and future. It underscores Kuwait's willingness to assume greater responsibility for its own defense and the long term defense of the Gulf, as we have been urging it to do. We believe the Gulf Arab states should rely on their own resources for their first line of defense; acquisition of F-18s, with first deliveries slated for mid-1991, would significantly enhance Kuwait's ability to share the burden in the Gulf into the next century.

Located between the Gulf belligerents and dependent on exposed oil and water desalinization facilities, Kuwait is vulnerable to external aggression. Recent attacks on Kuwaiti interests include the 1986-87 Iranian campaign against Kuwaiti shipping, the repeated Silkworm missile firings at Kuwaiti territory from the al-Faw Peninsula, the March 1988 Iranian gunboat attack on Bubiyan Island, and the April 1988 firing of a SCUD missile into southern Kuwait. These acts exposed the weakness of Kuwait's traditional reliance on diplomacy as its first line of defense and led the Kuwaitis to reinforce diplomacy by requesting U.S. protection for eleven of their tankers.

These acts of external aggression also accelerated the process by which Kuwait decided to play a greater role in its own defense, both in the present and in the future after the end of the U.S. escort operation. The F-18 sale is only one of a series of moves the Kuwaitis have made or are considering to deter an attack from land, sea, or air.

The cooperation required by the successful escort operation, combination with developments in Kuwait itself, have fostered an unprecedented improvement in U.S.-Kuwaiti relations. These improved relations, supported by Kuwait's increasing economic integration into the Western economy, will last after the military crisis has passed and argue for continued Kuwaiti support of U.S. policy in the Gulf.

Kuwait is a moderate Arab state—politically, economically, and religiously. With as much as $100 billion invested in the West, Kuwait has a stake in Western economic stability. These interests have made Kuwait a voice of reason in OPEC councils. Although Kuwait, with a large Palestinian population, has not been publicly active in the peace process, it nonetheless consistently works behind the scenes, as it did at the recent Algiers Summit, to promote a negotiated settlement to the problem and moderate the Arab stance.

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[1] As defined in Section 47(6) of the Arms Export Control Act.

Kuwait is a staunch ally in the fight against international terrorism, as the recent hijacking of Kuwait Airways flight 422 made clear. This F-18 sale will send a potent message to Kuwait's foes, internal and external, that the U.S. stands beside Kuwait against the terrorist threat.

The Kuwaiti F-18 is not a threat to Israel. Even carrying the three external fuel tanks it is designed for, and thus minimal munitions, its effective combat radius falls 200 nautical miles short of Tel Aviv. The F-18 cannot be based in Saudi Arabia, Jordan, or any other Arab state bordering Israel. No other country in the region has the sophisticated support infrastructure required to keep the F-18 operational. It is unlikely that Kuwait would jeopardize its economic, political, and military relationship with the U.S. by transferring support equipment to a third country without our approval.

Kuwait has no aerial refueling capability, nor has it ever requested one, even for the air-refuelable A-4s it currently operates. It is highly unlikely the Kuwaitis could obtain tankers against our wishes or without our knowledge. Under the U.S. global policy on tanker sales, we would not sell such equipment to Kuwait. In any event, all such sales are subject to Congressional review. The only two countries capable of converting U.S. aircraft into tankers—the U.K. and Israel—are most unlikely to assist Kuwait in this fashion. Finally, aerial refueling is a dangerous and complicated operation; any Kuwaiti attempts to practice this capability would be readily detectable.

Even more importantly, it is most improbable the Kuwaitis would contemplate denuding their defenses against the very real threat from the East in order to risk their Air Force in a suicide mission against Israel. Nothing in Kuwaiti politics or history lends credibility to such a scenario.

The Kuwaitis have requested 200 Maverick D and 100 Maverick G missiles. These are minimal numbers for an air force inventory, enabling a limited number of sorties with each missile system. The Maverick D air-to-ground missile, which has been approved for sale to Egypt and Bahrain, is similar to the A and B models sold to Saudi Arabia (which are no longer in production). The D model differs in that it has an infrared guidance system for night and low visibility use. This is particularly important in light of Iran's history of launching night attacks. The G model Maverick, which has a larger warhead also suited for use against maritime targets, has not been requested by other countries in the region, but does not contain new technology.

The F-18 is an integrated, multi-purpose aircraft, suitable for air-to-air combat and ground/sea support operations. This is an important consideration for a small state with a limited manpower pool. (All pilots in Kuwait's air force are Kuwaiti citizens.) Kuwait faces an immediate and long term surface, naval, and air threat. The Mavericks in the small quantities requested are appropriate to Kuwait's legitimate need to provide a credible defense against any potential intruder. The number of missiles requested is insufficient for sustained offensive use.

This is not analogous to the Maverick sale proposed for Saudi Arabia last year. In that instance, Saudi Arabia already had a large number of Mavericks. Such is not the case here. To delete the Mavericks from the sale and strip the F-18 of its defensive capability against tanks, gun emplacements, and other surface threats of the kind employed by the Gulf war antagonists is, in essence and effect, to deny the Kuwaitis the aircraft.

Finally, these weapons are not likely to fall into unfriendly hands. We have no indication that U.S.-controlled technology has ever been transferred illegally by the Kuwaitis to a third party. Indeed, it would be against Kuwait's own interests to do so and threaten its economic, security, and supply relationship with the United States.

Let me emphasize that the Administration considers this sale an important element of U.S. policy in the Persian Gulf region. The sale of F-18 aircraft to Kuwait, by helping a moderate Arab state assume the burden for its own defense, is in the long-term interests of the United States.

With best wishes,

Sincerely,

J. EDWARD FOX,
Assistant Secretary,
Legislative Affairs.

REFOCUS ON EL SALVADOR

Mr. CRANSTON. Mr. President, public attention is beginning to refocus on El Salvador. The reports are not good.

El Salvador's President, Jose Napoleon Duarte, whose efforts to build democratic institutions in El Salvador have won him the praise of Congress, is seriously ill. News reports talk of a power vacuum in El Salvador since his departure and there are rumors of a coup.

Death squad activity which had declined in the mideighties has increased. So have reports of human rights abuses by the Salvadoran Army and police. There have been reports of abuses by the guerrillas as well.

Corruption in the Salvadoran military and the Government are also issues of deep concern. These have been documented by the press and Members of Congress in the course of investigations about the use of United States funds in El Salvador.

In the last year, several of my Senate colleagues and I have written to members of the United States and Salvadoran Governments, as well as to the political wing of the Salvadoran guerrillas, expressing our concerns about human rights abuses and corruption in El Salvador.

The war's cost to Salvadoran society has been monumental. A recent New York Times article by James LeMoyne points out that 60,000 to 70,000 Salvadorans have been killed since 1979. Mr. LeMoyne goes on to say:

> That is more than one percent of the population. Until 1984, most casualties were civilians killed by the army.
>
> According to army figures, nearly 3,000 soldiers are being wounded and killed in the war each year. Army reports of guerrilla casualties appear inflated, but the rebels may be losing as many as 1,000 dead and wounded a year. Hundreds of civilians also die or are wounded in the war and in political killings.
>
> Guerrilla sabotage and indirect economic losses caused by the war are estimated by the United States Embassy here to have cost nearly $2 billion since 1979. The rebels are now concentrating, with considerable success on destroying the national electrical system and paralyzing road traffic every one or two months.

Tens of thousands of Salvadorans have been displaced by the war and have become refugees in their own country, Central America or here in the United States.

The United States has poured a total of $3 billion into El Salvador in economic and military aid since 1981.

Mr. President, what are we doing? Where are we going? How long is this war going to continue?

What is the United States trying to achieve? How much has been achieved in terms of political and social reform? What is the degree of independence of the Salvadoran judiciary and police from the military?

How long are we going to keep pouring money into keeping the Salvadoran Government afloat? Is our aid being used effectively?

The Esquipulas II Agreement signed on August 7 of last year calls for internal dialog. President Duarte took the initiative in getting a dialog going several years ago. Where is it now? What is the United States doing to help forward that process?

Just last month, some of my Senate colleagues attached language to the foreign operations appropriation which we are considering now which would have withheld 50 percent of the United States military aid for fiscal year 1989 to El Salvador until April 1, 1989. In addition, it would have required a report from the President of the United States on efforts taken by the Salvadoran Government, the armed opposition and the United States Government to initiate dialog and negotiations. This report must also deal with efforts to reduce death squad activity and human rights abuses, and efforts to establish the rule of law and an effective judicial system. The section also required that at least 30 percent of United States economic support funds going to El Salvador be spent on development assistance projects.

This section praised President Duarte for his continuous efforts to bring peace and economic and political development to El Salvador and exhorted his successors to continue to build on these efforts.

The language was knocked out in full committee by one vote. Mr. President, I believe this is evidence of the fact that there is deep concern over United States policy toward El Salvador. It is evidence of the need for the Congress and the next administration to reexamine our policy and look for some answers.

We must examine U.S. objectives and interests, and whether U.S. policy has been cost effective. We must seek to formulate a coherent and realistic policy toward El Salvador.

But we must also keep in mind a country and a people who have suffered deeply in this war. Families have been displaced and divided. People have been persecuted, tortured, and killed. Their interests would be well served by a negotiated solution and an end to the war and destruction.

There will be an election in El Salvador in March 1989. The people of El Salvador deserve a safe, legal election, free of fraud, intimidation, or violence.

El Salvador has been on the "back burner" for too long. And the costs of the war continue to rise.

BICENTENNIAL MINUTE

JULY 1, 1795: JOHN RUTLEDGE APPOINTED CHIEF JUSTICE

Mr. DOLE. Mr. President, 193 years ago this week, on July 1, 1795, President George Washington appointed John Rutledge, Chief Justice of the United States. Rutledge received only a temporary commission, however, for he was appointed during a Congressional recess, and the Senate had to consent to his nomination before he could attain permanent status.

Born to a wealthy South Carolina family, Rutledge served as a delegate to the Continental and Confederation Congresses, as Governor of South Carolina, and as a delegate to the 1787 Federal Convention. In 1789, President Washington nominated him senior associate justice of the newly formed U.S. Supreme Court. Although Rutledge accepted this post, he failed to attend any of the Court meetings and resigned in 1791 to become chief justice of the South Carolina Court of Common Pleas.

In 1795, anticipating that Chief Justice John Jay would accept the Governorship of New York, Rutledge wrote to the President to offer himself as a replacement. Washington responded enthusiastically and gave him a recess appointment on July 1. Two weeks later, on July 16, 1795, Rutledge delivered a speech in which he intemperately attacked the highly controversial Jay Treaty, which the President and the Senate's Federalist majority supported. This treaty settled numerous points of contention between the United States and Great Britain, but many viewed it as a surrender to the British. It is unclear whether Rutledge knew that Washington had just appointed him Chief Justice when he delivered his offensive speech. Aware of it or not, his imprudence cost him dearly.

When the Senate reconvened in December 1795, it rejected Rutledge by a vote of 10 to 14, its first such refusal of a Supreme Court Justice. While the whole story is not clear, Rutledge's untimely and harsh speech, as well as rumors that he was prone to bouts of insanity, severely damaged his cause.

UNITED STATES-SOVIET HIGH SCHOOL EXCHANGE INITIATIVE

Mr. BRADLEY. Mr. President, I want to take this opportunity to express my strong support for the United States-Soviet high school exchange initiative that President Reagan and General-Secretary Gorbachev announced at the end of their recent Moscow summit.

The initiative calls for an immediate exchange of 100 American and 100 Soviet high school students. By 1991, there will be as many as 1,500 students from each country, hopefully representing at least one school from each State and from many of the Soviet republics. The students will spend a semester studying in high schools, living in dormitories or with families throughout the United States and the Soviet Union.

Since language is essential for a true understanding of a foreign society, the program will have a language requirement for participating students. There are over 500 schools in this country that presently have Russian language courses, and another 300 have the potential to immediately begin teaching Russian. Language instruction will, of course, continue to be stressed during the semester abroad. Cultural events, too, will be an important part of the program and students will be encouraged to take advantage of what their host city has to offer. Additionally, the host school will arrange for at least one extended sightseeing and cultural events trip.

Currently, only three schools have similar exchanges: Phillips Academy in Andover has one with the Physics Mathematics Institute in Novosibirsk; Choate Rosemary Hall in Wallingford, CT, has one with Moscow School No. 18; and the McDonogh School has one with Odessa Schools No. 119. No public high school in the United States has an exchange program with a Soviet school and without the new initiative it is unlikely that one ever will.

The program, which will be administered in this country by the U.S. Information Agency, has already received the support of the American Council of Teachers of Russian and the National Association of Secondary School Principles. USIA hopes that other private sector groups will endorse the program, and it foresees the private sector eventually providing 75 percent of the necessary funding. To begin the program USIA has requested $1 million. I strongly support their request and hope that funds will be provided in the conference for this important effort.

Ignorance breeds fear and fear is destructive. We want our world, and the world of our children, to be a world of peace. It is the time to begin breaking down the barriers that separate our two peoples. Our children must learn to understand their Soviet counterparts, and Soviet children must learn to understand us. There is no better way to learn about a culture, and a people, than to be immersed in it for an extended period of time.

In proposing this initiative President Reagan and General-Secretary Gorbachev have shown that they want the children of both the United States and the Soviet Union to live in a world of mutual trust. I heartily support this initiative and I hope that Congress, too, will support it.

OSCAR ARIAS RECEIVES HONORARY DEGREE FROM HARVARD UNIVERSITY

Mr. KENNEDY. Mr. President, Harvard University distinguished itself last month when it awarded an honorary degree to President Oscar Arias of Costa Rica. We have all known of Oscar Arias' commitment to peace in Central America, and we have all admired his courage in pursuing that goal with such skill and determination and vision. And so we joined with all the world in honoring Oscar Arias when he received the Nobel Peace Prize last year, and, in particular, we applauded the wisdom and timeliness of that decision. For the same reasons, we should now join in commending Harvard for its decision to pay tribute to President Arias by giving him an honorary degree. There is no leader in the world today more worthy of receiving this important honor.

The citation on President Arias' degree described him as "A clear voice of peace and reason for our New World." After receiving his degree, President Arias provided immediate and direct evidence of the clarity of his voice by delivering a truly extraordinary speech at the commencement exercises.

It is impossible to read this speech without being impressed by Oscar Arias' compassion, his intelligence, his simple eloquence. When Oscar Arias rose to speak, the audience welcomed him with a standing ovation. But an even more stirring moment came when the audience rose a second time for a second standing ovation—spontaneously, enthusiastically—after he had completed his address. It is a speech for all seasons and for all peoples. It will be memorized and recited in the years to come. I urge my fellow Senators to take a moment to read it.

His hopes about peace for Central America deserve special attention.

> Time and again I am asked just what it is I am hoping for and how I think we can achieve realistic goals for Central America. What I am looking for is that the five nations of Central America be able to live out

their destinies in freedom, justice, peace, and harmony, internally and externally. I am convinced that democracy is the best means to achieve this. I look for a democracy that is marked by mutual respect, freedom to express one's opinion, a love for truth, and the active participation of all members of society in the building of the nation. I want our identity, our culture, to be understood and respected by all, even as we extend that respect to others.

We seek in Central America not peace alone, not peace to be followed someday by political progress, but peace and democracy, together, indivisible, an end to the shedding of human blood, which is inseparable from an end to the suppression of human rights. We do not judge, much less condemn, any other nation's political or ideological system which has been freely chosen. We cannot require sovereign states to conform to patterns of government not of their own choosing. But we can and do insist that every government respect those universal rights of man that have meaning beyond national boundaries and ideological labels.

I ask unanimous consent that the text of President Oscar Arias' speech at Harvard University—along with a news article reporting the event—be included at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"WE SEEK . . . NOT PEACE ALONE"

(By Oscar Arias)

(The President of Costa Rica, who won the Nobel Peace Prize last year, urges Harvard's newest graduates to take principled risks in the struggle to build a new world.)

This is a wonderful day for all of you. For your parents, for your friends, for your husbands and wives. You have worked hard for this moment. I am sure you have nourished beautiful dreams that you are now eager to transform into reality. This is a day to remember, and I am honored that you have asked me to share it with you. For you are today like a field where rain has just fallen. Your dreams shall blossom into a better world for all.

We have only a few pages to write before this century ends. You will be the most qualified witness to judge these one hundred years, where we have allowed, so far, 78 million people to die in wars and even more to die because they had nothing to eat. You will live most of your lives in the next century. You will be among the leaders with the responsibility to shape the twenty-first century.

The history of humanity has not known a single century of peace. The opportunity of writing a different history belongs to you.

The majority of young people in this world are neither here nor in the other university graduations. That majority, if they are lucky, got up early today to plow fields or to start up machines in factories. Others face a day of begging for food and water. Young people like yourselfs are dying in futile wars or barely subsisting with no hope.

The privilege of knowledge bears a social responsibility. Upon graduation, every student has an obligation to society. Your actions of the future must make a difference, must contribute to ease suffering in the world.

In an interdependent world your responsibilities will go beyond your country's frontiers. Pesticides or arms produced in some countries may kill elsewhere, and that has to stop. For you are not entering a predetermined world. If you want peace, you will have to construct it. If you do not want misery, you will have to eliminate it.

You will have to change twenty centuries of war into a century of peace. There are no geographical frontiers which limit the struggle for the rights of man, for liberty, for democracy, for development.

In his last report (1986-87), the president of this University, Derek Bok, called for a strengthening of ethical standards based on Plato's definition of the benefits of a good education—"that education makes good men, and that good men act nobly." He is right, for if we do not develop a new morale, if we do not have the courage to rule our actions by principles, we will be resigning our capacity for change. We will become prisoners of the past, accomplices of war, hunger, and oppression.

With each day that passes there are more weapons in the world and fewer trees. With each day that passes there is more hunger and less clean air. With each day that passes there are more drugs and less pure water. In my Central America, with each day that passes there are more soldiers and fewer students. Clearly, your commitment must be to reversing these trends and establishing a new world.

The first nuclear arms reduction accord has been signed. This is a road of hope whose construction we should all encourage. There is a Central American peace plan, which—despite enormous obstacles and despite the fact that so much remains to be done—has silenced the guns and opened newspapers. There are Soviet troops leaving Afghanistan. But cruel fighting still goes on in which brother kills brother, from the heights of Machu Picchu to the valleys of Ireland, from jungles to deserts and seas.

There is a South to be freed in Africa. There is a South to be freed in Latin America. There is a South eager for freedom in all cardinal directions. For you, for us, for every free man, the practice of principles knows no frontiers.

Above and beyond successes and failures, there are spaces of freedom won by men in every corner of the globe. There is a new world emerging everywhere, the result of the advances of freedom on all continents and within all political systems. We cannot betray the world of freedom that wants to rise up. If we want to construct the future, we cannot go on staring at the past.

In the nations of the Americas we need to encourage changes that can foster freedom. A long time ago armies in Latin America were considered to be guardians of freedom. Today they have become its jailers. We need to have the soldier put down his rifle and take up the plow. We need to have the soldier commit himself to the freedom of his nation and not to threaten its rights. We need to have the soldier recognize that two democracies have never made war on each other in the entire history of Latin America.

It is time we paid a tribute to commandantes who disarm their people so they can be free and work for development instead of honoring those who accumulate senseless weapons in the face of the hunger and submission of their fellow citizens. In Costa Rica we were fortunate enough to have such a commandante. His name is José Figueres, and he abolished our army forty years ago.

The abolition of the army in 1948 brought a new dimension to our political system. It constituted a new definition of the democracy we had inherited, in its classical mold, from our forefathers. It retained, strengthened, and enlarged the traditional concepts, rights, and institutions of our republic, that rich treasure of theory and practice decanted throughout the ages, rooted in the wisdom of classical Greece, drawing on the liberating spirit of the Reformation, the Enlightenment, the American Revolution, the French Revolution, and the struggles for independence of the Spanish colonies on this continent.

In the forty years that have gone by since then, all the countries of Latin America have experienced military dictatorship—and some are still suffering under them today. Not Costa Rica. Our freedoms were never threatened, and we have never known the humilitation of a destiny controlled by force.

In these forty years, all our brother nations have seen the young student, the peasant, and the worker die in cruel and useless slaughter perpetrated by men under arms. In our homeland, not a single mother has wept at the death of her son because of the arrogance of a soldier or the blindness of a tyrant.

In these forty years, millions of Latin Americans have known exile, have suffered torture, imprisonment, and death at the hands of dictators. No Costa Rican has ever left his country and not been able to return freely to it. No one among us has ever been imprisoned for expressing his ideas; no one has ever been tortured, and no one has ever been killed.

In these forty years, in which the military barracks have been transformed into schools, our symbol has been the teacher who exalts intelligence, not the soldier who tramples down his own people.

When we proposed a peace plan to our Central American brothers we spoke from the heart. We brought a message born out of our intimate knowledge of the substance of power practiced without arms: a message born out of our forty-year-old commitment to building a society whose members do not fear violence as the ultimate recourse of authority: a message born out of a new reading of the concept of democracy.

Time and again I am asked just what it is I am hoping for and how I think we can achieve realistic goals for Central America. What I am looking for is that the five nations of Central America be able to live out their destinies in freedom, justice, peace, and harmony, internally and externally. I am convinced that democracy is the best means to achieve this. I look for a democracy that is marked by mutual respect, freedom to express one's opinion, a love for truth, and the active participation of all members of society in the building of the nation. I want our identity, our culture, to be understood and respected by all, even as we extend that respect to others.

We seek in Central America not peace alone, not peace to be followed someday by poltiical progress, but peace and democracy, together, indivisible, an end to the shedding of human blood, which is inseparable from an end to the supression of human rights. We do not judge, much less condemn, any other nation's political or ideological system which has been freely chosen. We cannot require sovereign states to conform to patterns of government not of their own choosing. But we can and do insist that every government respect those universal rights of man that have meaning beyond national boundaries and ideological labels.

We believe that justice and peace can only thrive together, never apart. A nation that mistreats its own citizens is more likely to mistreat its neighbors.

While fundamental freedoms must be guaranteed in every society in the world, the expression of them will be shaped by the culture of a nation and a people. We in Central America are convinced that our culture is a major source for the values that give shape and meaning to our lives. A few weeks ago, in Lima, Peru, Pope John Paul II said: "Without values, there is no real possibility of building a truly human society, since values determine not only the personal sense of life but also the policies and strategies of public life. A culture that has lost its foundation of supreme values must necessarily turn against the person."

We are conscious of the truth of these words. We have a sense of our identity. It is an identity born of the spiritual, ethical, and human traditions that have formed us. It has been confirmed in the several histories that portray the struggle of the five Central American nations to forge their own life and their own destinies.

Many times I have asked myself, what can a small country like Costa Rica do to help to solve problems that seem so big and so far beyond our reach? When I compare my country with other nations, I am convinced that ideas will prevail over might. Twenty-three years ago, here at Memorial Church, the Reverend Paul Tillich gave his last sermon. He told us that humanity has a "right to hope." We have dreams and we have hopes. But our ideas and our hopes must turn into realities, otherwise they will always remain as dreams.

To promote change, to work for a dream, means that we have to be prepared to take risks. When in Costa Rica we abolished the army, most people thought we were wrong and that that was an impossible dream. Out of that risk we enjoy now a very different country in Central America. When we proposed the peace plan for Central America, many people thought we were wrong and that that was an impossible dream. Out of that risk we now have a chance for peace, and guns have been silenced in Nicaragua for the first time in twenty years.

Don't ever fear the risks you will have to take to build a different world. Don't ever fear the risks when you are acting on your own principles. You will soon learn that accommodation with the old world, a world where you see violence and injustice, poverty and submission, offers no reward. The dreams that you allow to die will not be replaced. Martin Luther King Jr. once said that "our scientific power has outrun our spiritual power. We have guided missiles and misguided men." I have seen many times men who abandoned their dreams; I have seen those misguided men who believe they can solve all problems with guided missiles. These are men without values, and the world cannot afford their leadership into the twenty-first century.

The return to a life and a world dominated by values is urgent if we want peace to prevail. We should no longer be ashamed of feelings of piety. It is not true that they degrade reason and science. Piety is no less than the intelligence of the soul, and we need heart and brains to recover the world in our hands, for the values we cherish.

Nobody can ignore the problems of today, least of all intellectuals. Now more than ever, my friends, you shall have to bear the loneliness of being leaders. Now more than ever, we need to recover the faith in our shared values. Like never before, we ought to build again, leaving behind the easy temptations of those who destroy. We require builders, men and women of vision and tenacity. We must commit ourselves to transform privileges into rights for all, and never to convert the sweat of all into the privileges of the few.

Among all the values we have to restore in order to provide a new leadership, peace is the one we should never neglect even under the most desperate circumstances. I have said many times that peace is not a matter or prizes or trophies. It is not the product of a victory or command. It has no finishing line, no final deadline, no fixed definition of achievement.

Peace is a never-ending process, the work of many decisions by many people in many countries. It is an attitude, a way of life, a way of solving problems and resolving conflicts. It cannot be forced on the smallest nation or be enforced by the largest. It cannot ignore our differences or overlook our common interests. It requires us to work and live together.

My dear friends, I enjoyed being a summer student at Harvard many years ago. Although I would have loved to have been a degree candidate here, I did my graduate studies at a British university. Today I have had the honor to receive a Harvard degree. I think it would have been easier for me to study and take my exams like all of you. Instead, believe me, I got it the hard way.

Five thousand five hundred and twenty-six students have received degrees here today. Among those, five are Costa Ricans—well, six, including me. We will return home now to take up the challenges ahead. Don't ever abandon your dreams. If you believe now that one poet has more vision than all the politicians, don't change that belief. Go out and take risks to achieve that vision. Together, we will be proven right!

[From The Boston Globe, June 10, 1988]

PURSUE PEACE, ARIAS URGES HARVARD GRADS

(By Charles A. Radin)

CAMBRIDGE.—Costa Rican President Oscar Arias yesterday told graduating Harvard students they must commit themselves to causes of peace and social justice, but university president Derek Bok said they probably would not.

In a stirring address marking Harvard's 337th commencement. Arias, who won the Nobel Peace Prize last year for his efforts to bring harmony and stability to Central America, sounded more the poet than the politician as he declared:

"With each day that passes there are more weapons in the world and fewer trees. With each day that passes there is more hunger and less clean air. With each day that passes there are more drugs and less pure water.

"In my Central America, with each day that passes there are more soldiers and fewer students. Clearly, your commitment must be to reversing these trends and establishing a new world."

An estimated 16,000 graduates, faculty, alumni and their families listened appreciatively despite the chilly drizzle falling on Harvard Yard and, responding to his intensity, interrupted him frequently with applause.

"Don't ever fear the risks you will have to take to build a different world," Arias said, citing the benefits Costa Rica has enjoyed for having dared to disarm 40 years ago. "You will soon learn that accommodation with the old world, world where you see violence and injustice, poverty and submission, offers no reward.

"The dreams that you allow to die will not be replaced."

Just before Arias spoke, Harvard's president delivered, in his annual report to the univeristy's alumni, as assessment of students' directions that cast grave doubt that many would heed the Costa Rican's call.

Describing himself as questioning the sincerity and seriousness of the American intelligentsia's commitment to solving national problems, Bok said: "Let us consider our own Harvard students."

Less than 2 percent of Harvard Law School graduates enter public interest or legal aid work, he said, and only slightly more law school graduates enter politics.

"In the business school, only 22 percent of last year's class went into manufacturing while 57 percent"—twice as many as a decade ago—became consultants and investment bankers.

"From the Kennedy School of Government, only a third of the graduates went where you might expect them to go—to take some sort of government job. More than half found work in the private sector."

Among graduates of Harvard College, he said, "less than 2 percent plan to teach in the public schools and virtually none are interested in the ministry for which the college was founded."

Bok said that "nationwide the situation is not very different. In short, the career plans of our students, at Harvard and elsewhere, do not fit very closely with society's most pressing needs."

Both Arias and Bok called for a return to values espoused by leaders who had preceeded them at Harvard.

Bok cited President Franklin D. Roosevelt's urging, at a commencement more than 50 years ago, for students to live life "unceasingly aware that its civic significance is its most abiding," while Arias held up the memory of a Costa Rican president and revolutionary who taught at Harvard.

"It is time we paid tribute to commandantes who disarm their people so they can be free and work for development, instead of honoring those who accumulate senseless weapons in the face of the hunger and submission of their fellow citizens," he asserted. "In Costa Rica we were fortunate enough to have such a commandante. His name is Jose Figueres and he abolished our army 40 years ago."

His is the only country in the region that has not experienced dictatorship, the only country where "not a single mother has wept at the death of her son because of the arrogance of a soldier or the blindness of a tyrant."

"In these 40 years . . . no Costa Rican has even left his country and not been able to return freely to it. No one among us has ever been imprisoned for expressing his ideas; no one has ever been tortured and no one has ever been killed."

He summed up by declaring—in agreement with Bok, and in contradiction of remarks by social critic Tom Wolfe at Class Day exercises Wednesday—that "the return to a life and a world dominated by values is urgent if we want peace to prevail."

"We should no longer be ashamed of feelings of piety. It is not true that they degrade reason and science."

While Wolfe pronounced the death of religion and ordinary moral standards to a delightedly irreverent senior class, Arias and Bok, in the same forum before Memorial Church, addressed their counterpoints as much to the tailcoated, top-hatted Harvard alumni as to the students in the Yard.

In the end, students' decisions to be narrowly self-interested or to enter public service "will be shaped by forces in society that reflect our decisions, our priorities, our decisions," Bok told the alumni, reminding them that they have the ability to improve the low salaries and scant prestige now attending many vital government and teaching jobs.

"We should avoid the hypocrisy of urging students to address the gravest problems of society while perpetuating conditions which make it very difficult for them to do so," he said.

TONY BEVINETTO

Mr. HATFIELD. Mr. President, before this week comes to a close, I want to join my colleagues, Senators JOHNSTON, McCLURE, and others who have paid tribute this week to one of the Senate's true heros—Tony Bevinetto.

Tony Bevinetto came to the Committee on Energy and Natural Resources when I was ranking member and I signed the papers putting Tony on our payroll. But I should point out that Tony was already developing an expertise on public lands issues because he had been working for Senator Hansen and therefore with committee staff for some time—we sort of stole him for the good of the committee and our move paid off. From those days to his last days, Tony Bevinetto was one class act. If he told you anything about public lands history or policy, you didn't have to check his sources or get a second opinion because Tony Bevinetto did his homework, knew his issues, and conducted himself in a fashion that has left everyone deeply impressed. Tony was humble and soft-spoken; he laughed, he said yes when he meant yes, and no when he meant no, and he avoided the alluring trap that snares many in political life of telling people what they want to hear. He was devoted to the truth in his work and while he was a gentleman, he was as tough as you could get when he felt an individual Senator's proposal was at odds with sound public lands management policy.

There is always a tendency when paying tribute to a good friend who has passed away to exaggerate their strong points and not to mention things that might cast them in a less favorable light. But such a tribute would make Tony cringe. I used to kid Tony about the fact that he dressed like a walking thrift shop, and about his dietary habits which made pizzas live in mortal fear of him. And Tony would laugh and usually come back with a good rejoinder, and it was this ability of his to laugh at himself and with others that made him so popular with so many.

And I will be blunt—the citizens of the United States who enjoy the millions of acres of wilderness which have been set aside the last decade owe a debt of gratitude to Tony Bevinetto and his hidden work on behalf of these bills. I have so many memories of working with him. Whether it was the Alaska lands legislation, or the 1984 timber contract relief bill, or the 1986 Wilderness Act, Tony was there fine-tuning and perfecting the provisions of these bills which now make fine public laws.

So I will miss Tony, professionally but even more so, personally. I had the privilege of talking to him at his home a few weeks ago when he had been released from the hospital, and he showed a great deal of courage in being able to be very positive and encouraging in the face of terminal cancer. We shared a few laughs and I told him to hurry back and help us get the Oregon Scenic Rivers bill through the Senate and to the President's desk. While he won't be here for that battle, I will think of him often and probably pick up the telephone and try to reach him when it's time to collect committee proxies.

To his wife, Elsie, and his two children whom he loved so much, I offer my prayers and my affection and condolences. God smiled on this Earth when he gave us Tony Bevinetto for 57 years, and we all have been richly blessed.

THE DEATH OF PIETRO ANTONIO BEVINETTO

Mr. WALLOP. Mr. President, when Tony Bevinetto lost his battle with cancer on Sunday, July 3, America lost one of her most knowledgeable experts on public lands, resources and water, the Energy and Natural Resources Committee lost a truly great staff member, the State of Wyoming a beloved son and I lost a cherished friend and most trusted counselor.

A native of Cheyenne, WY, Tony's contributions to our State were innumerable. A graduate of the University of Wyoming, he began his career as advertising director of the Laramie Newspapers Inc., in Laramie, WY and went on to become the assistant director of the Wyoming Travel Commission.

But it was when he joined the National Park Service that Tony really was united with his great love of the land. As a management assistant in Grand Teton National Park in Jackson Hole, WY for 4 years, his love for the land only deepened in its breadth and intensity. One cannot live within the shadows of the Grand Teton Mountains and not succumb to their beauty and their strength. To do that would be inhuman, and Tony Bevinetto was certainly a very beautiful and a very human, human being.

One can note the incredible scope of his lengthy record of accomplishments, but these have been well detailed by others who have spoken before me. Because to me, one of Tony's greatest accomplishments, and one that will live on long after all of us are gone, is the legislation that created the 800,000-plus acres of Wyoming wilderness in 1984. This was one of Tony's greatest acts of love for his country and his State and my State of Wyoming.

It was one of his finest and most difficult labors for me, and one for which I will be forever grateful. It is not just his Wyoming home which benefited from Tony's expertise and special qualities. People throughout the Nation who love the land and water and natural resources are the true beneficiaries of Tony's work on the Senate Energy Committee, and in the Park Service.

I did not want to come down to the floor to talk only about Tony's work. For all who knew Tony, and there were many, they knew one of his finest qualities was his sense of humor, which was part and parcel of the twinkle in his eye when he would grab you in the hall or lean over during a committee hearing and say, "Hey, Senator, have you heard the one about * * *?" Or when you would spot him in his car, always identified by his Jackson Hole plates and a canoe that was usually twice as big as his car, and four times as big as he was. Tony had a way to make the most unpleasant task a cheerful one. We will miss Tony and his sense of humor, his laughter and especially his wise counsel.

Mr. President, perhaps more than the politicians he worked for, Tony was the ultimate politician. His greatest role, and now his legacy as an Energy Committee staff member, was his ability to help forge bipartisan agreements on pieces of legislation that could best be described as disagreeable. Tony had a true knack for finding that middle ground, where both Republicans and Democrats could claim victory and walk away smiling, and the victor was America. We all will miss his political skills, his ability to get those tough issues resolved and his institutional memory on public lands issues.

Mr. President, my heart and my profound sympathies go out to Tony's wife Elsie and daughters Kirsten and Libby. We truly share their sense of loss and their grief. He was a fine and an honest man, and we miss him.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter from J. Jackson Walter, president of the National Trust for Historic Preservation, on the death of Tony Bevinetto.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL TRUST FOR HISTORIC PRESERVATION,
July 6, 1988.

Hon. MALCOLM WALLOP,
Ranking Minority Member, Subcommittee on Public Lands, National Parks and Forests, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR SENATOR WALLOP: Those of us at the National Trust for Historic Preservation who had the opportunity to work with Tony Bevinetto over the years were greatly saddened to learn of his death. I hope that you will convey our deepest sympathies to his family, friends, co-workers and your many colleagues whom he served so ably.

In service to the nation as a member of the armed forces, an employee of the National Park Service and as an aide to the Committee, Tony exemplified the best qualities of a public servant. His advice and support to those of us in the historic preservation field during his tenure with the Committee was invaluable. Tony believed deeply in the nation's commitment to preserve and protect our heritage of natural and cultural landmarks. We will miss greatly his cooperative spirit and enthusiasm.

I know that we join with many others who had the privilege of knowing Tony in celebrating a great career of public service. We will miss Tony B.

Sincerely,
J. JACKSON WALTER,
President.

Mr. WALLOP. I say, go with God, old partner. Your family and your friends will miss you, but we are all the richer for having had you with us—and so too is Wyoming and the great American public land resource. Thank you, Tony.

Mr. FORD. Mr. President, I wish to associate myself with the remarks of the distinguished Senator from Wyoming. Tony was a friend of all of those who served on the committee, regardless of being Democrat or Republican.

We all enjoyed him. He was one, as Senator WALLOP said, "Who could work a magic among those with a disagreeable position." He had something that we all admired and we will miss him very much.

He never looked at me as a Democrat and he never looked at Senator WALLOP as a Republican. He looked at the legislation and what it would do for the land and what it would do for the country.

I will miss him, as others will miss him. I have not known him quite as long, but my association with Tony was, I think, sincere, it was happy, and it was always toward the goal of a better land and a better country, not necessarily for himself, but for his daughters and for our children and their children.

So I just want to associate myself with the remarks of the distinguished Senator from Wyoming.

Mr. WALLOP. I thank the Senator from Kentucky. He has characterized it brilliantly. What Tony was, better than any of the rest of us, was a knowledgeable expert who put his job in front of either of our parties and I think we all benefited from that.

CONCLUSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, has morning business been closed?

The PRESIDING OFFICER. It has. The time for morning business has expired.

ORDER OF PROCEDURE

Mr. BYRD. Are there not measures on the calendar of bills and joint resolutions over?

The PRESIDING OFFICER. There are two items on that calendar, I say to the majority leader.

THE FAIR HOUSING AMENDMENTS ACT OF 1988

The PRESIDING OFFICER. The clerk will now read H.R. 1158 the second time.

The assistant legislative clerk read as follows:

A bill (H.R. 1158) to amend title VIII of the Act commonly called the Civil Rights Act of 1968, to revise the procedures for the enforcement of fair housing, and for other purposes.

Mr. BYRD. Mr. President, in fulfilling the rule XIV procedure, I object to any further proceedings on this matter at this time.

The PRESIDING OFFICER. Objection having been heard, the bill will be placed on the calendar.

OMNIBUS TRADE AND COMPETITIVENESS ACT OF 1988

The PRESIDING OFFICER. The clerk will now read S. 2613.

The assistant legislative clerk read as follows:

A bill (S. 2613) to enhance the competitiveness of American industry, and for other purposes.

Mr. BYRD. Mr. President, to further the procedures under rule XIV, I object to any further proceedings on this bill at this time.

The PRESIDING OFFICER. Objection having been heard, the bill will be placed on the calendar.

Mr. BYRD. I thank the Chair.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT—FISCAL YEAR 1989—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order the Senate will now resume consideration of the conference report on H.R. 4567 which the clerk will report.

The assistant legislative clerk read as follows:

Conference report on a bill (H.R. 4567) making appropriations for energy and water development for the fiscal year ending September 30, 1989 and for other purposes.

The Senate resumed consideration of the conference report.

Mr. CHILES. Mr. President, the Senate Budget Committee has examined, H.R. 4567, the conference report on the energy and water development appropriations bill and has found that the bill is under its 302(b) budget authority allocation by $102 million and under its 302(b) outlay allocation by $111 million. The bill scoring reflects an adjustment for Nuclear Regulatory Commission fees language that was agreed upon in the conference on the budget resolution.

I compliment the distinguished manager of the bill, Senator JOHNSTON, and the distinguished ranking member of the Energy and Water Subcommittee, Senator HATFIELD on all their hard work.

Mr. President, I have a table from the Budget Committee showing the official scoring of the energy and water development appropriations bill and I ask unanimous consent that it be inserted in the RECORD at the appropriate point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SENATE BUDGET COMMITTEE SCORING OF H.R. 4567
ENERGY AND WATER—SPENDING TOTALS

[Conference Report in billions of dollars]

	Fiscal year 1989	
	Budget authority	Outlays
302(B) Bill Summary		
H.R. 4567, Conference Report (new BA and outlays)	16.6	10.2
Enacted to date		6.2
Adjustment to conform mandatory programs to resolution assumptions	0.1	0.1
Scorekeeping adjustments	0.1	0.1
Bill total	16.7	16.6
Subcommittee 302(b) allocation	16.8	16.7
Difference	−0.1	−0.1
Bill total above (+) or below (−):		
President's request	−0.3	−0.3
House-passed bill	+(1)	+(1)
Senate-passed bill	−0.2	−0.1
Summit Cap Summary		
Defense (050) spending in bill	8.1	7.9
Allocation under defense cap	8.1	7.9
Difference	0.0	−(1)
Domestic discretionary spending in bill	9.9	9.9
Allocation under domestic cap	10.0	10.0
Difference	−0.1	−0.1

[1] Less than $50 million.

Details may not add to totals due to rounding.

Source: Prepared by Senate Budget Committee Staff.

Mr. DOMENICI. Mr. President, I rise in strong support of the conference agreement on the energy and water development appropriations bill.

I commend the distinguished subcommittee chairman, the Senator from Louisiana, and the ranking minority member, my good friend from Oregon, for producing a bill within the constraints of the Budget Summit Agreement and below the subcommittee's 302 (b) allocation.

Besides producing a bill well within our budget constraints, the managers completed action on this bill in a remarkably short period of time.

The bill now before the Senate provides $16.6 billion in budget authority and $10.2 billion in outlays for Department of Energy [DOE] atomic energy defense activities, DOE's renewable and nuclear energy activities, the Corps of Engineers, the Bureau of Reclamation, and six other independent agencies and commissions.

Taking into account outlays from prior-year budget authority and other adjustments, the Energy and Water Development Subcommittee is below its section 302(b) allocation by $0.1 billion in budget authority and outlays.

I appreciate the subcommittee's support for a number of ongoing projects and programs important to my home State of New Mexico as it worked to keep spending to within the constraints of the bipartisan budget agreement.

I know it required hard work by the subcommittee members and staff to fashion its recommendations within budget constraints. In fact, during the full committee's consideration and conference negotiations on the bill, the distinguished subcommittee chairman had to reduce budget authority in the bill by $200 million.

I hope that the Senate will act without delay to pass this important bill.

Mr. BYRD. Mr. President, may I comment that this is a 15-minute rollcall vote by unanimous consent and the call for the regular order will be automatic.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from North Carolina [Mr. SANFORD], is necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Nevada [Mr. HECHT], the Senator from North Carolina [Mr. HELMS], and the Senator from Alaska [Mr. MURKOWSKI] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 91, nays 3, as follows:

[Rollcall Vote No. 226 Leg.]

YEAS—91

Adams
Armstrong
Baucus
Bentsen
Bingaman
Bond
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Gore
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Heflin
Heinz
Hollings
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Quayle
Reid
Riegle
Rockefeller
Rudman
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NAYS—3

Humphrey
Proxmire
Roth

NOT VOTING—6

Biden
Boschwitz
Hecht
Helms
Murkowski
Sanford

So the conference report on H.R. 4567 was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. McCLURE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will come to order.

◆

MINORITY BUSINESS DEVELOPMENT PROGRAM REFORM ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to consideration of S. 1993, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1993) to amend the Small Business Act to improve the growth and development of small business concerns owned and controlled by socially and economically disadvantaged individuals, especially through participation in the Federal procurement process, and for other purposes.

The Senate proceeded to consider the bill with an amendment to strike all after the enacting clause and insert in lieu thereof, the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Minority Business Development Program Reform Act of 1988".

SEC. 2. TABLE OF CONTENTS.

TITLE I—CONGRESSIONAL FINDINGS AND PROGRAM PURPOSES

Sec. 101. Findings.
Sec. 102. Purposes.

TITLE II—PROGRAM ORGANIZATION, ELIGIBILITY, AND PARTICIPATION

Sec. 201. Office of Minority Small Business Certification.
Sec. 202. Eligibility and certification.
Sec. 203. Graduation standards.
Sec. 204. Termination.
Sec. 205. Challenging eligibility.
Sec. 206. Provisions for tribal-owned enterprises.

TITLE III—ENHANCING THE PROGRAM'S BUSINESS DEVELOPMENT ASPECTS

Sec. 301. Business plans.
Sec. 302. Competitive bid and proposal cost program.
Sec. 303. Management assistance.
Sec. 304. Minority business direct loan program.

TITLE IV—BUSINESS DEVELOPMENT THROUGH FEDERAL CONTRACTING OPPORTUNITIES

Sec. 401. Development of business mix emphasizing competitive contract awards.
Sec. 402. Planning 8(a) contract activity.
Sec. 403. Contract awards.
Sec. 404. Contract performance.
Sec. 405. Appeal of agency decision regarding 8(a) contract opportunities.

TITLE V—IMPROVED PROGRAM MANAGEMENT AND CONGRESSIONAL OVERSIGHT

Sec. 501. Associate Administrator for Minority Small Business and Capital Ownership Development.
Sec. 502. Prohibited actions and employee responsibilities.
Sec. 503. False representations.
Sec. 504. Report by program participants.
Sec. 505. Data collection and congressional report.
Sec. 506. Definitions.

TITLE VI—ANNUAL CONTRACT PARTICIPATION GOALS; REPORT; AUTHORIZATIONS

Sec. 601. Annual contracting goals.
Sec. 602. Presidential report on attainment of participation goals.
Sec. 603. Subcontracting program compliance.
Sec. 604. Relationship with other procurement programs.
Sec. 605. Authorizations.

TITLE VII—SMALL BUSINESS COMPETITIVENESS DEMONSTRATION PROGRAM

PART A—SHORT TITLE AND FINDINGS

Sec. 701. Short title.
Sec. 702. Findings.

PART B—DEMONSTRATION PROGRAM

Sec. 711. Small Business Competitiveness Demonstration Program.
Sec. 712. Small business participation goals.
Sec. 713. Procurement procedures.
Sec. 714. Reporting of subcontracting activity.
Sec. 715. Test plan.
Sec. 716. Report to Congress.
Sec. 717. Designated industry groups.
Sec. 718. Definitions.

PART C—AMENDMENTS TO THE SMALL BUSINESS ACT

Sec. 721. Small business small purchase reserve excluded from annual goals.
Sec. 722. Repealer.

PART D—OTHER AMENDMENTS

Sec. 731. Definition of architectural and engineering services.

Sec. 732. Effective date.

TITLE VIII—EFFECTIVE DATES

Sec. 801. Effective dates.

TITLE I—CONGRESSIONAL FINDINGS AND PROGRAM PURPOSES

SEC. 101. FINDINGS.

The Congress finds that—

(1) the Small Business Administration section 8(a) minority small business program remains a primary tool for improving opportunities for minority-owned businesses in the Federal procurement process and bringing these businesses into the nation's economic mainstream;

(2) in spite of all efforts, too few 8(a) graduates have been prepared by the program to compete successfully in the open marketplace on competitive procurements and many firms have developed an unhealthy dependency on sole-source contracts by the time of graduation from the program;

(3) the application and certification process for bringing new participants in the program is inordinately lengthy and burdensome;

(4) the Small Business Administration has often not efficiently and equitably administered and managed the program, in a manner that provided clear lines of responsibility for implementing and monitoring many of the administrative duties under the program;

(5) many Federal procuring agencies have failed to identify and offer the necessary amount of contract support in order to allow for diversification and growth of minority-owned businesses participating in the program;

(6) both contract support as well as business development expense have been provided by SBA to too few firms, while many other firms have received little or no direct assistance under the program;

(7) the wide-spread perception of undue political influence in the operation and administration of the 8(a) program has significantly contributed to the program's poor image and has deterred utilization of the program both by socially and economically disadvantaged concerns and by Federal procuring agencies; and

(8) it is imperative that substantial reforms be accomplished in the 8(a) program in order to promote the Congressionally mandated business development objectives and purposes of the program.

SEC. 102. PURPOSES.

The purposes of this Act are to—

(1) ensure that the benefits of the section 8(a) program accrue to small businesses owned and controlled by individuals who are both socially and economically disadvantaged;

(2) reaffirm the business development objectives and purposes of the program to ensure that concerns graduating from the program will be better prepared to compete in this nation's economic mainstream;

(3) increase the number of minority-owned small businesses from which the United States may purchase articles, equipment, supplies, services, materials, and construction work; and

(4) ensure integrity, competence and efficiency in the administration of both business development services and management and distribution of Federal contracting opportunities to eligible small businesses.

TITLE II—PROGRAM ORGANIZATION, ELIGIBILITY, AND PARTICIPATION

SEC. 201. OFFICE OF MINORITY SMALL BUSINESS CERTIFICATION.

Section 7(j)(11) of the Small Business Act (15 U.S.C. 636(j)(11)) is amended to read as follows:

"(11)(A) There is established within the Office of Minority Small Business and Capital Ownership Development a Division of Minority Small Business Certification which shall exercise the responsibilities and functions specified in subparagraph (B). The Division shall be administered by a Director who shall be responsible to the Associate Administrator for Minority Small Business and Capital Ownership Development. To facilitate the timely exercise of the Division's responsibilities and functions, an office of the Division shall be established in each regional office of the Administration.

"(B) The responsibilities and functions of the Division of Minority Small Business Certification, to be exercised through its regional offices, shall be to—

"(i) receive applications for certification as Program Participants from small businesses owned and controlled by socially and economically disadvantaged individuals, and notify such applicant in writing within 15 days of the receipt of such application whether such application is complete and suitable for evaluation or whether specific deficiencies make such application unsuitable for evaluation at that time;

"(ii) review and evaluate applications required of prospective Program Participants;

"(iii) visit the offices and facilities of such applicants when appropriate to evaluate applications;

"(iv) make recommendations regarding certification of a prospective Program Participant to the Director;

"(v) review periodically the financial and other reports of each Program Participant to confirm its continued Program eligibility;

"(vi) review finance and other reports whenever a Program Participant initiates any change in ownership interest or other change which could impair continued Program eligibility;

"(vii) initiate through the Director a request for a termination proceeding with respect to a Program Participant deemed to have met one or more of the grounds for termination set forth in paragraph 10(H); and

"(viii) decide protests regarding Program Participants' eligibility under paragraphs (4), (5), (6), and (7) of section 8(a) to participate in the program authorized by this subsection.".

SEC. 202. ELIGIBILITY AND CERTIFICATION.

(a) IN GENERAL.—Section 7(j)(10) of the Small Business Act (15 U.S.C. 636(j)(10)) is amended by adding at the end thereof the following new subparagraphs:

"(D)(i) The Associate Administrator for Minority Small Business and Capital Ownership Development shall consider applications received from the Director of the Division of Minority Small Business Certification and process such applications in accordance with subparagraph (E) of this paragraph.

"(ii) Except as provided in subparagraph (F), a small business concern certified as a Program Participant shall not be eligible to participate in the Program for a period in excess of 8 years, commencing on the date of the award of its first contract under the authority of section 8(a).

"(E)(i) Not later than 90 days after receipt of a completed application for Program certification, the Associate Administrator for Minority Small Business and Capital Ownership Development shall issue a certificate as a Program Participant to a small business concern which is owned and controlled by socially and economically disadvantaged individuals as determined in accordance with paragraphs (4), (5), (6), and (7) of section 8(a), or deny such application. An application may not be denied solely on the basis of a determination by the Administration that adequate numbers of noncompetitive contract opportunities are not likely to be available to support the development of the firm during its Program Participation Term.

"(ii) If an applicant is denied certification, the Associate Administrator for Minority Small Business and Capital Ownership Development shall notify the applicant in writing, specifying the reasons for such denial and advising the applicant of the right to request a hearing to contest such denial before the Office of Hearings and Appeals in accordance with the procedures established by such Office. If the Office of Hearings and Appeals sustains such denial, no new application may be accepted for a period of one year from the date of the decision of the Office of Hearings and Appeals.

"(iii) The Associate Administrator, in conjunction with the Director, shall develop procedures and guidelines to minimize the paperwork and reduce the time associated with the certification process.

"(F)(i) Any small business concern participating in the Program authorized under this section and eligible for award of contracts under the authority of section 8(a) on the effective date of this section shall be deemed to be a Program Participant on such date.

"(ii) Such Program Participant may continue in the Program for a period of time which is the greater of—

"(I) 8 years less the number of years since the award of such small business concern's first contract under section 8(a), or

"(II) the unexpired portion of its Program Participation Term established in accordance with this section.

"(iii) This section shall not be deemed to create any Program eligibility for a small business concern owned and controlled by socially and economically disadvantaged individuals, if such concern was—

"(I) graduated from the Minority Small Business and Capital Ownership Development Program by reason of the expiration of its Program Participation Term,

"(II) terminated from participation in the Program authorized by this section pursuant to subparagraph (H), or

"(III) deemed otherwise ineligible to receive assistance under this section or for the award of a contract under the authority of section 8(a).".

(b) 51 PERCENT OWNERSHIP TEST.—Section 8(a)(4)(A) of the Small Business Act (15 U.S.C. 637(a)(4)(A)) is amended to read as follows:

"(4)(A) For the purposes of this section, the term 'socially and economically disadvantaged small business concern' means any small business concern which meets the requirements of subparagraph (B) and—

"(i) which is not less than 51 percent unconditionally owned by—

"(I) one or more socially and economically disadvantaged individuals, or

"(II) an economically disadvantaged Indian tribe, or

"(ii) in the case of any publicly owned business, not less than 51 percent of the stock of which is unconditionally owned by—

"(I) one or more socially and economically disadvantaged individuals, or

"(II) an economically disadvantaged Indian tribe.".

(c) PERSONAL NET WORTH.—Section 8(a)(6) of the Small Business Act (15 U.S.C. 637(a)(6)) is amended by adding at the end the following new sentences: "The Administrator shall establish a threshold or thresholds of personal net worth for socially disadvantaged individuals (exclusive of the value of the program participant owned by the socially disadvantaged individual or investments in such program participant). A personal net worth in excess of the value set by the Administrator shall be presumed to indicate a lack of economic disadvantage.".

(d) ELIGIBILITY CERTIFIED ANNUALLY.—Section 8(a)(8) of the Small Business Act (15 U.S.C. 637(a)(8)) is amended by striking "All determinations" and inserting: "Each program participant shall certify, on an annual basis, that it meets the standards of paragraphs (4), (5), and (6) and is eligible for continued program participation. All determinations".

SEC. 203. GRADUATION STANDARDS.

Section 7(j)(10) of the Small Business Act (15 U.S.C. 636(j)(10)), as amended by section 202, is amended by adding at the end thereof the following new subparagraph:

"(G) A Program Participant certified as eligible to receive assistance under the authority of this section and eligible to receive contracts under section 8(a) of this Act may be graduated if such Program Participant—

"(i) has been a participant in the Program for the period prescribed by subparagraph (D)(ii) or (F) of this paragraph,

"(ii) has exceeded the applicable size standard established by the Administration pursuant to section 3 of this Act,

"(iii) has achieved its business goals and objectives as specified in its most recent business plan established pursuant to subparagraphs (A) and (D) and elects to graduate prior to the expiration of its Program Participation Term, or

"(iv) is no longer owned and controlled by an individual or individuals who are determined to be economically disadvantaged.

For purposes of this Act, the term 'graduated' or 'graduation' means that the Program Participant is recognized as successfully completing its Program Participation Term and is no longer eligible to receive assistance pursuant to this section or eligible to receive an award of a contract under section 8(a).".

SEC. 204. TERMINATION.

Section 7(j)(10) of the Small Business Act (15 U.S.C. 636(j)(10)), as amended by section 203, is amended by adding at the end thereof the following subparagraphs:

"(H) The Administration, in accordance with subparagraph (I), may terminate a Program Participant's eligibility for this Program and the program under section 8(a) prior to graduation, based on good cause, if—

"(i) such Program Participant—

"(I) fails to conform to the criteria for eligibility as a socially and economically disadvantaged small business concern,

"(II) has a consistent pattern of delinquent performance or termination for default with respect to contracts awarded under the authority of section 8(a) of this Act,

"(III) has a consistent pattern of failing to make required submissions or responses to the Administration in a timely manner,

"(IV) is debarred by any contracting agency pursuant to the subpart 9.4 of title 48, Code of Federal Regulations (or any successor regulation), or

"(V) willfully violates rules and regulations promulgated by the Administration; or

"(ii) any of the owners or officers of such Program Participant are convicted of embezzlement, theft, forgery, bribery, falsification or any other offense indicating a lack of business integrity.

This subparagraph shall not apply in the event that a Program Participant has been found to have violated the provisions of section 16 (d) or (f). For purposes of this Act, 'terminated' or 'termination' shall mean the total denial of assistance pursuant to this paragraph or section 8(a) prior to graduation (as described in subparagraph (G)) or prior to the time prescribed by subparagraph (C)(ii).

"(I) The Director of the Division of Minority Small Business Certification may initiate a termination proceeding by recommending such action to the Associate Administrator for Minority Small Business Capital Ownership Development. Whenever the Associate Administrator deems such termination is appropriate, within 15 days, the Program Participant shall be provided a written notice of intent to terminate, specifying the reasons for such action. No Program Participant shall be terminated from the Program pursuant to subparagraph (H) without first being afforded an opportunity for a hearing in accordance with section 8(a)(9). The Administration shall commence any such hearing within 60 days of the Program Participant's receipt of the notice of intent to terminate, unless the opportunity for such hearing is waived in writing by the Program Participant.".

SEC. 205. CHALLENGING ELIGIBILITY.

Section 7(j)(10) of the Small Business Act (15 U.S.C. 636(j)(10)), as amended by section 204, is amended by adding at the end thereof the following new subparagraphs:

"(J)(i) The Administration shall conduct an evaluation of a Program Participant's eligibility for continued participation in the Program whenever it receives specific and credible information alleging that such Program Participant no longer meets the requirements for Program eligibility. A Program Participant may not be suspended from participation in the Program until a termination proceeding in accordance with subparagraph (H) has been initiated.

"(ii) Upon making a finding that a Program Participant is no longer eligible, the Administration shall initiate a termination proceeding in accordance with subparagraph (H).

"(K)(i) A protest, relating to the solicitation or award of a contract under the authority of section 8(a), regarding a Program Participant's eligibility under paragraphs (4), (5), (6), and (7) of section 8(a) may be filed by an offeror, the contracting officer, or other interested party relating to a contract action under the authority of section 8(a) of this Act. Such protest shall be in writing and shall specifically allege the grounds upon which the protest is based. In order to be considered, a protest must be filed with the regional office in which such challenged Program Participant has its principal place of business within 5 days of—

"(I) bid opening in the case of a contract or subcontract being awarded by competitive sealed bidding or its equivalent; or

"(II) receipt of notice of the apparent successful offeror in the case of a contract being awarded by negotiation, either competitively or noncompetitively.

"(ii) The regional office shall promptly review the eligibility of the party whose status is being challenged, after giving notice to such party, the party filing the protest, the contracting officer (if other than the party filing the protest) and any other interested parties deemed appropriate. The review shall include consideration of information submitted by the party whose status is being challenged, the party filing the protest, and other interested parties, if such information is received by the Administration not later than 5 days after the date such party receives the notice of protest. A decision regarding the status of the concern shall be issued by the Director of the regional office of the Division of Minority Small Business Certification not later than 15 days after receipt of the protest. The procurement action shall be suspended during such period.

"(iii) Within 5 days of receipt of the decision regarding the protest, the party whose status is being challenged may file a written appeal with the Administration's Office of Hearings and Appeals.

"(iv) Unless otherwise provided by law or regulation, a procurement action need not be suspended pending decision of the Office of Hearings and Appeals.

"(v) The Administration may dismiss a protest without further consideration if it determines such protest is without merit or frivolous.

"(vi) Whenever the Administration believes from its consideration of a protest that a party has made a statement which such party knew or had reason to know was false, the matter shall be referred to the procuring agency's investigating official designated pursuant to the Program Fraud Civil Remedies Act of 1986 (sections 3801-3812 of title 31, United States Code).".

SEC. 206. PROVISIONS FOR TRIBAL-OWNED ENTERPRISES.

Section 8(a)(7) of the Small Business Act (15 U.S.C. 637(a)(7)) is amended to read as follows:

"(7)(A) No small business concern shall be deemed eligible for any assistance pursuant to this subsection unless the Administration determines that with contract, financial, technical, and management support the small business concern will be able to perform contracts which may be awarded to such concern under paragraph (1)(C) and has reasonable prospects for being successful in competing in the private sector. Except as provided in subparagraph (B) or by regulations established by the Administration, an individual or business concern may not be deemed eligible for participation in the program more than once.

"(B) The Administration may permit more than one small business concern owned by a socially and economically disadvantaged Indian tribe to be eligible for assistance pursuant to this subsection and section 7(j)(10) if—

"(i) the Indian tribe does not own another firm in the same industry which has been determined to be eligible to receive contracts under this program, and

"(ii) the individuals responsible for the management and daily operations of the concern do not manage more than two Program Participants.".

TITLE III—ENHANCING THE PROGRAM'S BUSINESS DEVELOPMENT ASPECTS

SEC. 301. BUSINESS PLANS.

(a) Section 7(j)(10)(A)(i) of the Small Business Act (15 U.S.C. 636(j)(10)(A)(i)) is amended to read as follows:

"(i) assist small business concerns participating in the Program either through public or private organizations to develop and maintain a comprehensive business plan which sets forth the Program Participant's specific business objectives and goals. Such business plan, developed and maintained in conformity with subparagraph (B), shall be designed to result in such Program Participant becoming a viable business concern capable of effectively competing in the marketplace upon graduation from the Program.".

(b) Section 7(j)(10) of such Act is further amended—

(1) by striking subparagraph (C),

(2) by redesignating subparagraph (D) (as added by section 202 of this Act) as subparagraph (C), and

(3) by adding after subparagraph (C), as redesignated, the following new subparagraph:

"(D)(i) Promptly after certification under subparagraph (E), a Program Participant shall submit a Program business plan as described in clause (ii) of this subparagraph for review by the Business Opportunity Specialist assigned to assist such Program Participant. Such plan, and subsequent revisions submitted under clause (iii) of this subparagraph, shall be approved by the Administration prior to the Program Participant being eligible for award of a contract pursuant to section 8(a).

"(ii) The business plans submitted under this paragraph shall include the following:

"(I) An analysis of market potential, competitive environment, and other business analyses estimating the Program Participant's prospects for profitable operations during the term of Program participation and after graduation.

"(II) An analysis of the Program Participant's strengths and weaknesses with particular attention to correcting any financial, managerial, technical, or personnel conditions which are likely to impede such small business concern from winning contracts other than those obtained under section 8(a) of this Act.

"(III) Specific objectives and goals for the business development of the Program Participant during the next and succeeding years utilizing the results of the analyses conducted pursuant to subclauses (I) and (II).

"(IV) A transition management plan outlining specific steps to assure profitable business operations after graduation (to be incorporated into the Program Participant's overall business plan during the revision relating to the fifth Program year of the firm's Program Participation Term).

"(V) Estimates of contract awards pursuant to section 8(a) and from other sources, which the Program Participant will require to meet the specific objectives and goals for the years covered by its approved plan. The estimates established shall be consistent with the provisions of subparagraph (L) and section 8(a).

"(VI) The dollar value of the aggregate awards from the Bid and Proposal Cost Program to which the Program Participant may be eligible pursuant to section 7(m).

"(iii) Each Program Participant shall annually review its currently approved business plan with its Business Opportunity Specialist and modify such plan as may be appropriate. Any modified plan shall be submitted to the Administration for approval. The currently approved plan shall be considered valid until such time as a modified plan is approved by the Administration. The annual review pertaining to the sixth and subsequent years of Program participation shall include a verification of such Program Participant's compliance with the requirement of subparagraph (L).".

SEC. 302. COMPETITIVE BID AND PROPOSAL COST PROGRAM.

Section 7 of the Small Business Act (15 U.S.C. 636) is amended by adding at the end thereof the following new subsections:

"(m)(1) The Administrator is authorized to make available to Program Participants financial assistance to help defray costs incurred in the preparation of offers necessary to effectively compete for the award of government and commercial contracts.

"(2) Program Participants shall be eligible for such bid and proposal cost financial assistance during—

"(A) The first through the fifth year of the Program Participant's Program Participation Term; and

"(B) The sixth and succeeding years of the Program Participant's Program Participation Term, if the Program Participant has failed to meet the requirements of subsection (j)(10)(L).

"(3) The amount of such assistance which may be provided to an eligible Program Participant during the succeeding fiscal year shall be annually determined by the Administration based on an analysis conducted in conjunction with the Program Participant during the review of such Program Participant's business plan, but shall not exceed an aggregate of $100,000 in any fiscal year.

"(4) Subject to regulations promulgated by the Administration, an award of financial assistance in the form of a grant may be made in response to an application from a Program Participant—

"(A) for such direct and indirect costs (not otherwise reimbursed by the Government) which the Program Participant has incurred for the preparation of an offer in response to a competitive contract solicitation; and

"(B) in an amount not to exceed the level of bid and proposal cost assistance authorized in the Program Participant's business plan for that fiscal year.".

"(n) Bid and proposal costs incurred by a Program Participant (not otherwise reimbursed by the Administration) shall be allowable costs on cost reimbursement contracts to the full extent permitted under any regulatory formula used by the procuring agency, notwithstanding any limitation on the total amounts otherwise allowable under such formula.".

SEC. 303. MANAGEMENT ASSISTANCE.

Section 7(j)(10)(A), as amended by section 301, is amended—

(1) by striking out "and" at the end of clause (v),

(2) by striking out the period at the end of clause (vi) and inserting in lieu thereof a semicolon, and "and", and

(3) by adding at the end thereof the following new clauses:

"(vii) establish a training program to be delivered at the regional level to instruct Program Participants on the techniques of successfully obtaining and performing Federal contracts; and

"(viii) provide assistance to public or private organizations or individuals to conduct seminars to assist Program Participants to develop business plans which will enhance the concern's potential for operating profitably upon graduation from the Program.".

SEC. 304. MINORITY BUSINESS DIRECT LOAN PROGRAM.

Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by adding at the end thereof the following new paragraph:

"(17) The Administration is authorized to make loans directly to Program Participants which are eligible to receive assistance under section 7(j)(10) and 8(a) for the purchase of equipment, facilities, materials, supplies, or other necessary production or technical assets, and for working capital. Such assistance may be provided subject to the following limitations and restrictions:

"(A) all loans made under this section shall be of such sound value as to reasonably assure repayment,

"(B) no financial assistance shall be extended under this subsection if the applicant can obtain credit elsewhere, and

"(C) the rate of interest on financings made under this subsection shall be 2 percent below the rate established on direct loans made under paragraph (11).".

TITLE IV—BUSINESS DEVELOPMENT THROUGH FEDERAL CONTRACTING OPPORTUNITIES

SEC. 401. DEVELOPMENT OF BUSINESS MIX EMPHASIZING COMPETITIVE CONTRACT AWARDS.

Section 7(j)(10) of the Small Business Act (15 U.S.C. 636(j)(10)), as amended by sections 205 and 301, is amended by adding at the end thereof the following new subparagraphs:

"(L)(i) Except as provided in clause (ii), the Administration shall not make a noncompetitive award of a contract under section 8(a) to a Program Participant unless such Participant certifies at the time of its designation for contract award that the dollar amount of contracts awarded noncompetitively to such Program Participant by the Administration under section 8(a) does not exceed the following—

"(I) 70 percent of the Program Participant's new sales during the fifth or subsequent year of its Program Participation Term; or

"(II) 50 percent of the Program Participant's new sales during the seventh year of its Program Participation Term.

"(ii) The Administrator shall take such measures as may be appropriate to assure that not more than 25 percent of a Program Participant's new sales are from noncompetitively awarded contracts in the final year of its Program Participation Term.

"(iii) Notwithstanding the requirements of clauses (i) and (ii), the Administration may authorize the award of a contract to a Program Participant under section 8(a), if the Administration determines that—

"(I) the Program Participant's total sales from noncompetitive section 8(a) contract awards do not exceed the maximum specified percentage by more than 5 percent;

"(II) the Program Participant has a reasonable business expectation of receiving a competitive contract award that will bring such firm into compliance with the percentage specified in clause (i); and

"(III) denial of the contract award under section 8(a) would cause the firm severe economic harm, jeopardizing its future ability to successfully attain the objectives specified in clause (i).

"(M) Notwithstanding the requirements of subparagraph (L), the Administrator may authorize the noncompetitive award of a contract to a Program Participant under section 8(a), if the Administration determines that the Program Participant—

"(i) is eligible for the Program under the authority of subparagraph (F),

"(ii) obtains a Program Participation Term of 5 or fewer years under subparagraph (F), which years shall be deemed to be

such Program Participant's fourth and succeeding years in the Program for purposes of this section and section 8(a), and

"(iii) has made a reasonable effort to comply with the provisions of subparagraph (L), which shall be considered to be goals rather than requirements for purposes of evaluating the business activity of such Program Participant.".

SEC. 402. PLANNING 8(a) CONTRACT ACTIVITY.

(a) FORECASTING CONTRACT OPPORTUNITIES.—Section 8(a) of the Small Business Act (15 U.S.C. 637(a)) is amended by adding at the end thereof the following new paragraph:

"(15)(A) Each executive agency reporting to the Federal Procurement Data System contract actions with an aggregate value in excess of $50,000,000 in fiscal year 1987 and any succeeding fiscal year shall prepare a forecast of expected contract opportunities or classes of contract opportunities for the next and succeeding fiscal years that it considers to be suitable for award to small business concerns, including those owned and controlled by socially and economically disadvantaged individuals. Such forecast shall be periodically revised during such year. To the extent such information is available, the agency forecasts shall specify:

"(i) The approximate number of individual contract opportunities (and the number of opportunities within a class).

"(ii) The approximate dollar value, or range of dollar values, for each contract opportunity or class of contract opportunities.

"(iii) The anticipated time (by fiscal year quarter) for the issuance of a procurement request.

"(iv) The activity responsible for the award and administration of the contract.

"(B) The head of each executive agency subject to the provisions of subparagraph (A) shall within 10 days of completion furnish such forecasts to—

"(i) the Director of the Office of Small and Disadvantaged Business Utilization established pursuant to section 15(k) for such agency; and

"(ii) the Administrator.

"(C) Such forecasts shall be available to small business concerns.".

(b) RATE OF CONTRACT SUPPORT AS ELEMENT OF ANNUAL REVIEW OF BUSINESS PLAN.—Section 8(a) of the Small Business Act is further amended by adding at the end thereof the following new paragraph:

"(16)(A) Each Program Participant shall annually forecast its needs for contract awards under this section for the next Program year and the succeeding Program year during the review of its business plan, conducted pursuant to section 7(j)(10)(A).

"(B) Such forecast shall include—

"(i) the aggregate level of contract support (number and dollar value) to be sought under section 8(a), reflecting compliance with the requirements of section 7(j)(10)(L),

"(ii) the types of contract opportunities being sought, identified by Standard Industrial Classification (SIC) Code or otherwise,

"(iii) an estimate of the level of contract support (number and dollar value) to be sought on a competitive basis,

"(iv) an estimate of the level of support (number of applications and estimated dollar value of each) to be sought from the Bid and Proposal Cost Program under section 7(m), and

"(v) such other information as may be requested by the Business Opportunity Specialist to provide effective business development assistance to the Program Participant.".

SEC. 403. CONTRACT AWARDS.

Section 8(a) of the Small Business Act (15 U.S.C. 637(a)), as amended by section 402, is amended by adding at the end thereof the following new paragraph:

"(17)(A) Except as necessary to implement the policy stated in subparagraph (C), the Administration shall award contracts under this section to the concern recommended by the procuring agency offering the contract opportunity if—

"(i) the Program Participant is determined to be a responsible contractor with respect to performance of such contract opportunity;

"(ii) the award of such contract would be consistent with the Program Participant's business plan; and

"(iii) the award of the contract would not result in the Program Participant exceeding the requirements established by section 7(j)(10)(L).

"(B) Contract awards shall be made to the Program Participants selected through a competition conducted pursuant to subparagraph (E).

"(C) The Administrator may consider the geographical distribution of contracts and may direct the award of any contract under this section, other than a competitive contract award made pursuant to subparagraph (E) of this paragraph, to achieve a more equitable distribution of contracts among the Administration's various regions and among Program Participants.

"(D)(i) Except for a contract opportunity that is a 'national buy contract', the source selection official for noncompetitive awards under this section shall be the head of the Minority Small Business and Capital Ownership Development Program in the regional office for the region in which the agency making the contract opportunity available is located.

"(ii) The source selection official for a 'national buy contract' shall be designated by the Administrator.

"(iii) For purposes of this subparagraph, the term 'national buy contract' means a contract for the procurement of supplies or services that may require performance in more than one of the Administration's regions and exceeds a dollar threshold specified in regulations promulgated by the Administration.

"(E)(i) An agency offering a contract opportunity for award under this section shall determine the Program Participant eligible for award of the contract on the basis of a competition restricted to eligible Program Participants, if—

"(I) there is a reasonable expectation that at least two eligible Program Participants will submit offers and that award can be made at a fair market price, and

"(II) the anticipated award price of the contract (including all options) will exceed $5,000,000.

"(ii) The Associate Administrator for Minority Small Business and Capital Ownership Development, on a non-delegable basis, is authorized to approve a request from an agency to award a contract opportunity under this section on the basis of a competition restricted to eligible Program Participants even if the anticipated award price is not expected to exceed the dollar amounts specified in clause (i)(II).

"(iii) Protests (other than those subject to section 7(j)(10)(K)) arising out of the solicitation or award of a contract opportunity restricted to competition among eligible Program Participants under the authority of this section shall be eligible for resolution pursuant to—

"(I) subchapter V of chapter 35, title 31, United States Code;

"(II) section 111(h) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759(h)); or

"(III) section 33.103 of title 48, Code of Federal Regulations (or any successor regulation).

"(F) A contract requirement that has been performed through a contract awarded to a Program Participant under this section, may subsequently be offered through full and open competition, if—

"(i) at the expected time of contract solicitation the incumbent contractor will be a graduate of the Minority Small Business and Capital Ownership Development Program;

"(ii) such contractor requests that the next contract opportunity be solicited on an unrestricted basis; and

"(iii) the agency head, or a designee of such officer, approves the request of such contractor.

"(G) Notwithstanding the requirements of this paragraph, an agency may conduct a competition in the same form and manner used prior to the effective date of the Minority Business Development Program Reform Act of 1988, if—

"(i) the competition is conducted among two or more Program Participants;

"(ii) the contract award will be made principally on the basis of price or price-related factors;

"(iii) one or more contract awards are expected to be made, at fair market prices, as a result of such competition; and

"(iv) the agency has a continuing requirement for the product or service previously obtained through contract awards under the authority of section 8(a).".

SEC. 404. CONTRACT PERFORMANCE.

Section 8(a) of the Small Business Act (15 U.S.C. 637(a)), as amended by section 403, is amended by adding at the end thereof the following new paragraphs:

"(18)(A) Subject to the provisions of subparagraph (B), a small business concern awarded a contract under this section during the term of its participation in the Minority Small Business and Capital Ownership Development Program shall complete performance of the contract (including any additional requirements flowing from the Government's exercise of any contract options or any contract modifications within the scope of the contract), notwithstanding the fact that the period of contract performance may extend beyond such firm's graduation from the Program.

"(B) In exercising the Government's discretion with respect to contract options and contract modifications, the contracting officer shall limit such contract modifications to those necessary to attain contract performance, avoiding any nonessential expansion of the scope or term of performance and avoiding the exercise of any options (unless such action would have a severe adverse impact on the program or mission being supported by the contract), when the contract is being performed by—

"(i) a contractor who has been terminated for cause from the Program in accordance with section 7(j)(10)(H); or

"(ii) a contractor who, after award of the contract option or modification, is unable to meet the requirements of section 7(j)(10)(L).

"(19)(A) A contract awarded pursuant to this subsection shall be performed by the socially and economically disadvantaged *small business concern that initially received such contract. Subject to the provisions of subparagraph (B), such contract shall be deemed to be terminated for the convenience of the Government, if the eligible concern directly or indirectly transfers the contract to another business concern during the initial year of performance, unless the Administrator grants prior written approval based on a determination that—*

"(i)(I) the proposed transferee is a current participant in the Minority Small Business and Capital Ownership Development Program authorized under section 7(j)(10); and

"(II) the transferee would otherwise be eligible to receive the award directly; or

"(ii) the individual upon whom Program eligibility is based is no longer able to exercise control of the firm due to incapacity or death.

"(B) The Administrator, on a non-delegable basis, may waive the requirements of subparagraph (A), if the head of the contracting agency for which the contract is being performed certifies that termination of the contract would severely impair attainment of the agency's program objectives or missions and requests the Administrator to grant such waiver.".

SEC. 405. APPEAL OF AGENCY DECISION REGARDING 8(a) CONTRACT OPPORTUNITIES.

Section 8(a)(1)(A) of the Small Business Act (15 U.S.C. 637(a)(1)(A)) is amended by inserting after the sentence ending "the Administrator." the following: "Not later than 5 days from the date the Administration is notified of a procurement officer's adverse decision, the Administrator shall provide notice of his intent to appeal such adverse decision and within 15 days of such date shall request a reconsideration of the adverse decision by the Secretary of the department or agency head. Upon receipt of the notice of intent to appeal, the Secretary of the department or the agency head shall suspend further action regarding the procurement until a written decision on the Administrator's request for reconsideration has been issued by such Secretary or agency head. If the Administrator's request for reconsideration is denied, the Secretary of the department or agency head shall specify the reasons therefor, and the determinations supporting such decision, which shall be made a part of the contract file for the requirement.".

TITLE V—IMPROVED PROGRAM MANAGEMENT AND CONGRESSIONAL OVERSIGHT

SEC. 501. ASSOCIATE ADMINISTRATOR FOR MINORITY SMALL BUSINESS AND CAPITAL OWNERSHIP DEVELOPMENT.

(a) IN GENERAL.—Section 4(b)(1) of the Small Business Act (15 U.S.C. 633(b)(1)) is amended by inserting "who shall be a career appointee in the competitive service or in the Senior Executive Service," after "Associate Administrator for Minority Small Business and Capital Ownership Development".

(b) BUSINESS OPPORTUNITY SPECIALISTS.—Section 7(j)(11) of the Small Business Act (15 U.S.C. 636(j)(11)), as amended by section 201 of this Act, is amended by adding at the end thereof the following new subparagraph:

"(C) In each Small Business Administration field office responsible for assisting one or more Program Participants there shall be a position designated as a Business Opportunity Specialist. To the maximum extent practicable the Administration shall assure that an adequate number of Business Opportunity Specialists are assigned to each district office to carry out the responsibilities of this section and section 8(a) and to assist Program Participants.

"(D) The Administration shall take such actions as may be appropriate to ensure that any person employed as a Business Opportunity Specialist receives adequate periodic training to assure such employee is capable of assisting Program Participants to fully utilize the Program and to meet the requirements of this Act.".

SEC. 502. PROHIBITED ACTIONS AND EMPLOYEE RESPONSIBILITIES.

Section 8(a) of the Small Business Act (15 U.S.C. 637(a)), as amended by section 404, is amended by adding at the end thereof the following new paragraphs:

"(20)(A) No person within the employ of the Administration shall, during the term of such employment and for a period of one year after such employment has been terminated, engage in any activity or transaction specified in subparagraph (B) with respect to any Program Participant certified during such person's term of employment, if such person participated personally and substantially in decisionmaking responsibilities relating to such Program Participant or with respect to the administration of any assistance provided to Program Participants generally under this subsection, section 7(j)(10), or section 7(m).

"(B) The activities and transactions prohibited by subparagraph (A) include—

"(i) the buying, selling, or receiving (except by inheritance) of any legal or beneficial ownership of stock (except publicly-traded stock) or any other ownership interest or the right to acquire any such interest;

"(ii) the entering into or execution of any written or oral agreement (whether or not legally enforceable) to purchase or otherwise obtain any right or interest described in clause (i); or

"(iii) the receipt of any other benefit or right that may be an incident of ownership.

"(C) Any current or former employee of the Administration who violates this paragraph shall be subject to civil penalty under the Program Fraud Civil Remedies Act of 1986 (sections 3801-3812 of title 31, United States Code), except that the administrative remedy may not exceed 300 percent of the maximum gain such employee realized or could have realized as a result of engaging in the activities or transactions prohibited by subparagraph (B).

"(21)(A) Any employee of the Administration who has authority to approve or disapprove, or direct others to approve or disapprove, any action with respect to any program or activity conducted under this subsection, section 7(j)(10), or section 7(m) shall not consider the political affiliation or political activity of any Program applicant, Program Participant or other interested party in the exercise of such discretionary authority. Employees of the Administration shall promptly report to the Inspector General of the Administration any solicitation or direction to consider political affiliation or political activity.

"(B) Any employee who violates subparagraph (A) may also be subject to disciplinary personnel actions to include separation from service, reduction in grade, suspension, or reprimand.

"(C) The activities or transactions prohibited by subparagraph (A) and the penalties provided by subparagraph (B) shall be in addition to, and not in lieu of, any other prohibitions or penalties prescribed under any other provision of law.".

SEC. 503. FALSE REPRESENTATIONS.

(a) PENALTY FOR MISREPRESENTATION.—Section 16(d) of the Small Business Act (15 U.S.C. 645(d)) is amended to read as follows:

"(d)(1) Whoever misrepresents the status of any concern or person as a 'small business concern' or 'small business concern owned and controlled by socially and economically disadvantaged individuals', in order to obtain for oneself or another any—

"(A) prime contract to be awarded pursuant to section 9 or 15;

"(B) subcontract to be awarded pursuant to section 8(a);

"(C) subcontract that is to be included as part or all of a goal contained in a subcontracting plan required pursuant to section 8(d); or

"(D) prime or subcontract to be awarded as a result, or in furtherance, of any other revision of Federal law that specifically references section 8(d) for a definition of program eligibility,

"(2) shall—

"(A) be punished by a fine of not more than $100,000 or by imprisonment for not more than 5 years, or both;

"(B) be subject to the administrative remedies prescribed by the Program Fraud Civil Remedies Act of 1986 (sections 3801-3812 of title 31, United States Code);

"(C) be subject to suspension and debarment procedures specified in subpart 9.4 of title 48, Code of Federal Regulations (or any successor regulation); and

"(D) be ineligible for participation in the programs authorized by sections 8(a), 8(d), 9, and 15 for a period not to exceed 3 years.".

(b) MISREPRESENTATION OF SECTION 7 COMPLIANCE.—Section 16 of the Small Business Act (15 U.S.C. 645) is amended by adding at the end thereof the following new subsection:

"(f) Whoever falsely certifies compliance with the requirements of section 7(j)(10)(L) of this Act shall be subject to the penalties prescribed in paragraph (d).".

SEC. 504. REPORT BY PROGRAM PARTICIPANTS.

Section 8(a) of the Small Business Act (15 U.S.C. 637(a)), as amended by section 502, is amended by adding at the end thereof the following new paragraph:

"(22) Small business concerns participating in the Program under section 7(j)(10) and eligible to receive contracts pursuant to this section shall annually report to their assigned Business Opportunity Specialist the following:

"(A) A listing of any agents, representatives, attorneys, accountants, consultants, and other parties (other than employees) receiving compensation to assist in obtaining a Federal contract for such Program Participant.

"(B) The amount of compensation received by any person listed under clause (i) during the relevant reporting period and a description of the activities performed in return for such compensation.

The Business Opportunity Specialist shall promptly forward such report to the Associate Administrator for Minority Small Business and Capital Ownership Development.".

SEC. 505. DATA COLLECTION AND CONGRESSIONAL REPORT.

Section 7(j) of the Small Business Act (15 U.S.C. 636(j)) is further amended by adding at the end thereof the following new paragraph:

"(12)(A) The Administrator shall appoint a Task Force on Small Business Development which shall collect industry data; assess the developmental cycles of particular industries; assess the financing problems facing industries; recommend solutions; and compile a recommended Primary Industry

Classification Schedule upon which future Program Participation Terms might be rationally based. The Task Force shall file a written report with the Administrator no later than April 15, 1990, and the Administration shall make the report available to the House and Senate Small Business Committees immediately thereafter. The Task Force shall be composed of 15 members who are actively involved in managing, financing, or advising small businesses; including a representative from the Small Business Administration, the Securities and Exchange Commission, the Department of the Treasury, and the Department of Labor.

"(B) The Administrator shall develop and implement a process for the systematic collection of data on the benefits derived by the economy of the United States and by Program Participants.

"(C) Beginning on April 30, 1989, and each year thereafter, the Administrator shall submit a report to the Committees on Small Business of the Senate and the House of Representatives on the Minority Small Business and Capital Ownership Development Program which includes—

"(i) the total dollar value of contracts (including options) awarded (competitively and noncompetitively) during the preceding fiscal year under section 8(a) and amount of such contracts expressed as a percentage of total sales of—

"(I) all Program Participants in the Minority Small Business and Capital Ownership Development Program during such year; and

"(II) all Program Participants broken down to reflect each year of the eight-year Program Participation Term;

"(ii) the dollar value of contracts (including options) awarded (competitively and noncompetitively) under section 8(a), stratified at such dollar increments as the Administration deems appropriate, for each four digit standard industrial classification code under which such contracts were classified; and

"(iii) such other information as the Administration deems appropriate.".

SEC. 506. DEFINITIONS.

Section 8(a)(13) of the Small Business Act (15 U.S.C. 637(a)(13)) is amended to read as follows:

"(13) For purposes of this subsection, the term 'Indian tribe' means—

"(A) any Indian tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation (within the meaning of the Alaska Native Claims Settlement Act) which—

"(i) is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians, or

"(ii) is recognized as such by the State in which such tribe, band, nation, group, or community resides; and

"(B) any community service organization serving Native Hawaiians in the State of Hawaii which—

"(i) is a not-for-profit organization chartered by the State of Hawaii;

"(ii) is controlled by Native Hawaiians; and

"(iii) whose business activities will principally benefit such Native Hawaiians.".

TITLE VI—ANNUAL CONTRACT PARTICIPATION GOALS; REPORT; AUTHORIZATIONS

SEC. 601. ANNUAL CONTRACTING GOALS.

Section 15(g) of the Small Business Act (15 U.S.C. 644(g)) is amended—

(1) by striking out "The head" and inserting in lieu thereof "(2) The head",

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively, and

(3) by adding at the beginning the following new paragraph:

"(1) The President shall annually establish goals for procurement contracts awarded to small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals. The goal for participation by small business concerns shall be established at not less than 20 percent of the total value of all prime contract awards for each of the fiscal years 1989 through 1993, and at 25 percent of such awards for fiscal year 1994 and each fiscal year thereafter. The goal for participation by small business concerns owned and controlled by socially and economically disadvantaged individuals shall be established at not less than 5 percent of the total value of all prime contract and subcontract awards for each of the fiscal years 1989 through 1997, and at 10 percent of such awards for fiscal year 1998 and each fiscal year thereafter. In calculating whether the Government-wide goal for participation by small business concerns has been attained, awards to small business concerns owned and controlled by socially and economically disadvantaged individuals shall not be counted.".

SEC. 602. PRESIDENTIAL REPORT ON ATTAINMENT OF PARTICIPATION GOALS.

Section 15(h) of the Small Business Act (15 U.S.C. 644 (h)) is amended—

(1) by striking out "(h)" and inserting in lieu thereof "(h)(1)",

(2) by striking out the last sentence of subsection (h)(1), and

(3) by adding at the end thereof the following new paragraph:

"(2) The Administration shall annually compile and analyze the reports submitted by the individual agencies pursuant to paragraph (1) and shall submit them to the President. The Administration's submission to the President shall include the following:

"(A) The Government-wide goals for participation by small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals and the performance in attaining such goals.

"(B) The goals set by each agency and their performance in attaining their individual goals.

"(C) An analysis of why the Government-wide goals or individual agency goals were not attained and the actions planned to achieve the goals in the succeeding fiscal year.

"(D) The number and dollar value of contracts awarded to small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals through—

"(i) non-competitive negotiation,

"(ii) competition restricted to small business concerns owned and controlled by socially and economically disadvantaged individuals,

"(iii) competition restricted to small business concerns, and

"(iv) unrestricted competitions for each agency and on a Government-wide basis.

"(3) The President shall include the information required by paragraph (2) in the annual report to the Congress on the State of Small Business, pursuant to section 303(a) of the Small Business Economic Policy Act of 1980 (15 U.S.C. 631b)).".

SEC. 603. SUBCONTRACTING PROGRAM COMPLIANCE.

Section 8(d)(4)(E) of the Small Business Act (15 U.S.C. 637(d)(4)(E)) is amended—

(1) by striking out "(E)" and inserting in lieu thereof "(E)(i)", and

(2) by adding at the end thereof the following new clause:

"(ii) Each contract subject to the requirements of this paragraph or paragraph (5) shall contain a provision providing for the payment of liquidated damages in the event that the prime contractor fails to make a good faith effort to comply with the requirements contained in paragraph (3) or with any subcontracting plan required of such contractor under the authority of this subsection. The agency awarding the contract shall ensure that the goals offered by the apparent successful bidder or offeror are not substantially less than its actual performance on prior contracts.".

SEC. 604. RELATIONSHIP WITH OTHER PROCUREMENT PROGRAMS.

Section 15(m) of the Small Business Act (15 U.S.C. 644(m)) is amended to read as follows:

"(m)(1) Each agency subject to the requirements of section 1207 of the National Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 2301 note) shall, when implementing such requirements—

"(A) establish policies and procedures that insure that there will be no reduction in the number or dollar value of contracts awarded pursuant to this section and section 8(a) in order to achieve any goal or other program objective; and

"(B) assure that such requirements will not alter or change the procurement process used to implement this section or section 8(a).

"(2) All procurement center representatives (including those referred to in subsection (k)(6)), in addition to such other duties as may be assigned by the Administrator, shall—

"(A) monitor the performance of the procurement activities to which they are assigned to ascertain the degree of compliance with the requirements of paragraph (1);

"(B) report to their immediate supervisors all instances of non-compliance with such requirements; and

"(C) increase, insofar as possible, the number and dollar value of procurements that may be used for the programs established under this section, section 8(a), and section 1207 of the National Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 2301 note).".

SEC. 605. AUTHORIZATIONS.

(a) There is hereby authorized to be appropriated for fiscal year 1989 the sum of $3,500,000 to employ 70 additional personnel to carry out the provisions and purpose of sections 201 and 501(b) of this Act.

(b) There is hereby authorized to be appropriated to the Business Loan Investment Fund the sum of $5,000,000 each year for fiscal years 1989, 1990, and 1991, for the purpose of reimbursing Program Participants for costs incurred in the preparation of offers, pursuant to section 7(m) of the Small Business Act (15 U.S.C. 636(m)).

(c) There is hereby authorized to be appropriated to the Business Loan Investment Fund the sum of $10,000,000 each year for fiscal years 1989, 1990, and 1991, for the purpose of providing direct loans to Program Participants pursuant to section 7(a)(17) of the Small Business Act (15 U.S.C. 636(a)(17)).

(d) No funds are authorized to be appropriated to the Administration for the purpose of making grants of financial assistance under the so called "Business Development Expense" program to any firm participating in the programs authorized by section 7(j)(10) or section 8(a) of the Small Business Act (15 U.S.C. 636(j)(10) and 637(a)).

TITLE VII—SMALL BUSINESS COMPETITIVENESS DEMONSTRATION PROGRAM

PART A—SHORT TITLE AND FINDINGS

SEC. 701. SHORT TITLE.

This title may be cited as the "Small Business Competitiveness Demonstration Program Act of 1988".

SEC. 702. FINDINGS.

The Congress finds that—

(1) many small business concerns have repeatedly demonstrated their ability to fulfill a broad range of Government requirements for products, services (including research, development, technical, and professional services), and construction, through the Federal procurement process;

(2) various Congressional mandated reforms to the Federal procurement process, including the Competition in Contracting Act of 1984, the Defense Procurement Reform Act of 1984, and the Small Business and Federal Procurement Competition Enhancement Act of 1984, were designed to eliminate obstacles to competition and thereby to broaden small business participation; and

(3) traditional agency efforts to implement the mandate for small business participation in a fair proportion of Federal procurements as required by section 15(a) of the Small Business Act have resulted in—

(A) a concentration of procurement contract awards in a limited number of industry categories, often dominated by small business concerns, through the use of set-asides, for the purpose of assuring the attainment of the agency's overall small business contracting goals; and

(B) inadequate efforts to expand small business participation in agency procurements of products or services which have historically demonstrated low rates of small business participation despite substantial potential for expanded small business participation.

PART B—DEMONSTRATION PROGRAM

SEC. 711. SMALL BUSINESS COMPETITIVENESS DEMONSTRATION PROGRAM.

(a) ESTABLISHMENT.—There is established a Small Business Competitiveness Demonstration Program (hereafter referred to as "the Program") pursuant to section 15 of the Office of Federal Procurement Policy Act (41 U.S.C. 413) to provide for the testing of innovative procurement methods and procedures. The Administrator of Federal Procurement Policy shall designate the Administrator of the Small Business Administration as the executive agent responsible for conducting the test.

(b) PURPOSES.—The purposes of the Program are to demonstrate whether—

(1) the competitive capabilities of small business firms in certain industry categories will enable them to successfully compete on an unrestricted basis for Federal contracting opportunities,

(2) the use of targeted goaling and management techniques by procuring agencies, in conjunction with the Small Business Administration, can expand small business participation in Federal contracting opportunities which have been historically low, despite adequate numbers of qualified small business contractors in the economy, and

(3) expanded use of full and open competition, as specified by the Competition in Contracting Act of 1984 (10 U.S.C. 2302(3) and 41 U.S.C. 403(7)), adversely affects small business participation in certain industry categories, taking into consideration the numerical dominance of small firms, the size and scope of most contracting opportunities, and the competitive capabilities of small firms.

(c) PROGRAM TERM.—The Program shall be conducted over a period of 4 years, beginning on January 1, 1989, and ending on December 31, 1992.

(d) APPLICATION.—The Program shall apply to contract solicitations for the procurement of services in industry groups designated in section 717.

SEC. 712. SMALL BUSINESS PARTICIPATION GOALS.

(a) ENHANCED GOALS FOR DESIGNATED INDUSTRY GROUPS.—Each participating agency shall establish an annual small business participation goal for contract awards of $25,000 or more. Such goal shall be 30 percent of the dollar value of the contract awards for each of the designated industry groups.

(b) MEASURING GOAL ATTAINMENTS.—(1) Participating agencies shall monitor the attainment of their small business participation goals on a semi-annual basis. The initial review by each participating agency shall be undertaken not later than June 30, 1989, based on the data for the period January 1 through March 31, 1989. Thereafter, each review shall be based on the aggregate of contract award data for the 4 quarters preceding the date of the review for which data is available.

(2) All awards to small business concerns (including small business concerns owned and controlled by socially and economically disadvantaged individuals), with a dollar value of $25,000 or more, shall be counted toward attainment of such goal.

(3) Modifications to a participating agency's solicitation practices, pursuant to section 713(b), shall be made at the beginning of the second quarter following each review, if the rate of small business participation is less than—

(A) 30 percent of the contract awards for the 4 preceding quarters; or

(B) 25 percent of the contract awards if less than 4 quarters of data is available.

(c) TARGETING INDUSTRY CATEGORIES WITH LIMITED SMALL BUSINESS PARTICIPATION.—Concurrent with the term of the Small Business Competitiveness Demonstration Program, the head of each participating agency shall implement a program to expand small business participation in the agency's acquisition of selected products and services in 6 industry categories which have historically demonstrated low rates of small business participation. The products and services to be targeted for the small business participation expansion program and the special goals for such program, shall be developed in conjunction with the Administrator of the Small Business Administration, and shall be subject to the requirements of section 15(g) of the Small Business Act (15 U.S.C. 644(g)).

SEC. 713. PROCUREMENT PROCEDURES.

(a) FULL AND OPEN COMPETITION.—Each contract opportunity with an anticipated value of $25,000 or more for the procurement of services from firms in the designated industry groups (unless set aside pursuant to section 8(a) of the Small Business Act (15 U.S.C. 637(a)) or section 1207 of the National Defense Authorization Act for Fiscal Year 1987) shall be solicited on an unrestricted basis during the term of the Program, if the participating agency has attained its small business participation goal pursuant to section 712(b). Any regulatory requirements which are inconsistent with this provision shall be waived.

(b) RESTRICTED COMPETITION.—If a participating agency has failed to attain its small business participation goal under section 712, subsequent contracting opportunities, which have an anticipated contract award value of $25,000 or more, may be solicited through a competition restricted to eligible small business concerns pursuant to section 15(a) of the Small Business Act (15 U.S.C. 644(a)) to the extent necessary for such agency to attain its goal. Such participating agency shall comply with the requirements of subsection (a) upon determining that its contract awards to small business concerns meet the required goals.

SEC. 714. REPORTING OF SUBCONTRACTING ACTIVITY.

(a) IN GENERAL.—The Administrator for Federal Procurement Policy shall devise and implement, during the term of the Program, a simplified system to test the collection, reporting, and monitoring of data on subcontract awards to small business concerns, and small business concerns owned and controlled by socially and economically disadvantaged individuals.

(b) SCOPE OF REPORTING SYSTEM.—The reporting system established pursuant to subsection (a) may include—

(1) contracts subject to the requirements of sections 8(d) (4), (5), and (6) of the Small Business Act (15 U.S.C. 637(d) (4), (5), and (6));

(2) subcontract awards with an award value of $25,000 or more;

(3) subcontract awards below first-tier subcontractors (to the extent practicable and to the extent such data does not place an unreasonable burden on participating firms or agencies);

(4) identification of the standard industrial classification code of subcontractors receiving awards; and

(5) data on each subcontractor's size, its status as a socially and economically disadvantaged concern, and any other information the Administrator deems appropriate (relying on a subcontractor's self-certification regarding such data).

SEC. 715. TEST PLAN.

The Administrator for Federal Procurement Policy may further specify the manner and conduct of the test activities required by this title through a test plan issued pursuant to section 15 of the Office of Federal Procurement Policy Act (41 U.S.C. 413).

SEC. 716. REPORT TO CONGRESS.

(a) IN GENERAL.—Within 180 days after fiscal year 1991 data is available from the Federal Procurement Data Center, the Administrator for Federal Procurement Policy shall report the results of the Small Business Competitiveness Demonstration Program to the Committees on Small Business of the Senate and House of Representatives, to the Committee on Governmental Affairs of the Senate, and to the Committee on Government Operations of the House of Representatives. The views of the Administrator of the Small Business Administration shall be included in the report.

(b) ANALYSIS OF PROGRAM.—The report shall include a section prepared by the Administrator of the Small Business Administration specifying the results of the intensive goaling and management program conducted to expand small business participation in

agency acquisitions of selected products and services.

(c) RECOMMENDATIONS.—To the extent the results of the Program demonstrate sufficiently high small business participation based on unrestricted contract competition in the designated industry groups, the report shall include recommendations (if appropriate) for changes in legislation or modifications of procurement regulations aimed at increasing reliance on unrestricted competition if high rates of small business participation in the Federal procurement market can be maintained.

SEC. 717. DESIGNATED INDUSTRY GROUPS.

(a) IN GENERAL.—For the purposes of participation in this Program, the designated industry groups are—

(1) construction (including dredging);

(2) refuse systems and related services; and

(3) architectural and engineering services (including surveying and mapping).

(b) CONSTRUCTION.—Construction shall include contract awards assigned one of the standard industrial classification codes that comprise—

(1) Major Group 15 (Building Construction—General Contractors and Operative Builders),

(2) Major Group 16 (Construction Other Than Building Construction—General Contractors), and

(3) Major Group 17 (Construction—Special Trade Contractors).

(c) REFUSE.—Refuse systems and related services shall include contract awards assigned to standard industrial classification code 4212 or 4953.

(d) ARCHITECTURAL AND ENGINEERING.—Architectural and engineering services (including surveying and mapping) shall include contract awards assigned to standard industrial classification code 7389 (if identified as pertaining to mapping services), 8711, 8712, or 8713.

(e) ALTERNATIVE DATA.—In the event that standard industrial classification codes are not assigned to individual contract awards reported to the Federal Procurement Data Center by January 1, 1989, the Program may be conducted on the basis of the product and service codes used to report data pertaining to such contract awards, related to the maximum practicable extent to the standard industrial classification code for the service being provided by the contractor.

SEC. 718. DEFINITIONS.

(a) DESIGNATED INDUSTRY GROUPS.—"Designated industry groups" means the groups specified in section 717 for participation in the Small Business Competitiveness Demonstration Program.

(b) PARTICIPATING AGENCY.—"Participating agency" shall include the following executive agencies or departments reporting to the Federal Procurement Data Center pursuant to section 6(d)(4) of the Office of Federal Procurement Policy Act (41 U.S.C. 404(d)(4))—

(1) the Department of Agriculture,

(2) the Department of Defense (with the Department of the Army, the Department of the Navy, the Department of the Air Force, and the defense agencies reporting separately),

(3) the Department of Energy,

(4) the Department of Health and Human Services,

(5) the Department of Transportation,

(6) the Environmental Protection Agency,

(7) the General Services Administration (the Public Building Service reporting separately),

(8) the National Aeronautics and Space Administration,

(9) the Veterans Administration, and

(10) such other executive agency or department as may be designated by the Administrator for Federal Procurement Policy.

The Administrator for Federal Procurement Policy is authorized to require any participating agencies to report separately in any manner deemed appropriate to enhance the attainment of the test activities authorized by this title.

(c) SMALL BUSINESS PARTICIPATION.—"Small business participation" shall include the aggregate dollar value of every procurement contract award with award value of $25,000 or more made to a small business concern, without regard to whether such award was based on restricted or unrestricted competition, or was made on a sole source basis.

(d) STANDARD INDUSTRIAL CLASSIFICATION CODE.—"Standard industrial classification code" means a four digit code assigned to an industry category in the Standard Industrial Classification Manual published by the Office of Management and Budget in effect on the date of enactment of this Act.

PART C—AMENDMENTS TO THE SMALL BUSINESS ACT

SEC. 721. SMALL BUSINESS SMALL PURCHASE RESERVE EXCLUDED FROM ANNUAL GOALS.

The first sentence of section 15(g) of the Small Business Act (15 U.S.C. 644(g)) is amended by inserting "having a value of $25,000 or more" after "procurement contracts of such agency".

SEC. 722. REPEALER.

Paragraphs (2) through (5) of subsection 3(a) of the Small Business Act (15 U.S.C. 632(a)(2)-(5)) are repealed. Any numerical size standards pertaining to any of the designated industry groups in effect on May 31, 1988 shall remain in effect for the duration of the Program.

PART D—OTHER AMENDMENTS

SEC. 731. DEFINITION OF ARCHITECTURAL AND ENGINEERING SERVICES.

Section 901 of the Federal Property and Administrative Services Act (40 U.S.C. 541) is amended by striking out paragraph (3) and inserting the following:

"(3) The term 'architectural and engineering services' means—

"(A) professional services of an architectural or engineering nature, as defined by State law, if applicable, which are required to be performed or approved by a person licensed, registered, or certified to provide such services as described in this paragraph;

"(B) professional services of an architectural or engineering nature performed by contract that are associated with research, planning, development, design, construction, alteration, or repair of real property; and

"(C) such other professional services of an architectural or engineering nature, or incidental services, which members of the architectural and engineering professions (and individuals in their employ) may logically or justifiably perform, including studies, investigations, surveying and mapping, tests, evaluations, consultations, comprehensive planning, program management, conceptual design, plans and specifications, value engineering, construction phase services, soils engineering, drawing reviews, preparation of operating and maintenance manuals, and other related services.".

SEC. 732. EFFECTIVE DATE.

This title shall become effective on the date of its enactment.

TITLE VIII—EFFECTIVE DATES

SEC. 801. EFFECTIVE DATES.

(a) Except as provided in section 732 and subsection (b), the amendments made by this Act shall become effective 180 days after the date of the enactment of this Act.

(b) Section 7(j)(10)(F) of the Small Business Act (15 U.S.C. 636(j)(10)(F)), as added by section 202 of this Act, shall become effective on June 1, 1988, or the date of enactment of this Act, whichever is earlier.

Mr. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senators will clear the well. The Senate will be in order.

The majority leader.

Mr. BYRD. Mr. President, there is a time agreement on the pending measure. I do not know what the prospect is for rollcall votes but I would imagine that there will be rollcall votes early and reasonably late throughout the day on this and other measures. Following the disposition of the pending business, we will have two appropriations bills, first the foreign operations appropriations bill to be followed by the D.C. appropriations bill.

I understand there are some problems with the elevators over in the Hart Building. I hope that whoever is in charge of those elevators will get to work on them. Hopefully, they have already beaten me to it. But I would suggest to Senators they try to get an early start and we will try to take into consideration that problem.

Mr. President, I yield the floor.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. I ask unanimous consent that John Ball, Bill Montalto, and Polly Ragon be permitted floor privileges during consideration of S. 1993, including rollcall votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, I believe the bill now before the Senate is one of the most important pieces of legislation to be considered this year, though it has received relatively little public attention. It is our natural tendency to focus on scandals and disasters in public programs, and the disaster in this case is called Wedtech, without giving attention to the good which can be accomplished when government and business work constructively together. This bill is aimed at reforming and improving the Government's principal program for minority business development, the Small Business Administration program known as section 8(a). Sadly, most Senators and many of the public know this program principally by the scandals it has spawned, as I said, Wedtech being the most current and by far the worst in its history.

First, let me say a few words about the basic premise of section 8(a). This section of the Small Business Act of

1953 was first activated by President Johnson as part of the war on poverty. 8(a) allows the SBA to contract with other Government agencies for the delivery of goods and services, and then subcontract that work to socially and economically disadvantaged, minority-owned small businesses. President Johnson saw that the program could be used to stimulate jobs and business growth in the inner cities. Since the 1960's, Congress has broadened the program and sought to provide certified 8(a) firms—of which there are now about 3,000 in the program—with management and technical assistance and financial support as well as contracts.

The 8(a) program, in spite of its laudable purposes, has been the problem child of SBA. It has been plagued over the years by illegitimate, nonminority companies who have sought the benefits of sole-source contracts. In other instances, minority-owned companies have secured sole-source contracts and then sold out to nondisadvantaged large businesses. Finally, the Wedtech story which has filled the newspapers for almost 2 years illustrates a "worst possible case scenario" for what can go wrong in a Government program. The owners of the firm were allowed to stay in the program long past their term, and long past any plausible economic disadvantage. They secured enormous sole-source contracts from the Army and Navy which they were unqualified to perform; they defaulted on those contracts leaving our national security in jeopardy; and they pumped millions of dollars in ill-gotten gain out of the company leaving it insolvent. And they did all of this through a combination of very high-level political influence peddling, including the White House itself, and outright bribery.

Attorney General Meese himself has undergone investigation by an independent counsel. An SBA Regional Administrator and a Member of Congress are under indictment, as are the erstwhile owners of the company. Those, Mr. President, are the facts which have disabled this program and undermined confidence in government generally, as well as discrediting Federal efforts to help minority-owned businesses improve their lot in life.

To make matters worse, if they could be any worse, our committee did a survey in 1986, under Senator WEICKER's leadership, of graduates of the 8(a) program. The results of this study were released in May of last year, and they were very troubling. First, as many as 30 percent of 8(a) firms fail upon leaving the program for lack of sufficient non-8(a) business. Moreover, contractors express dissatisfaction with the quality of management and technical assistance provided by SBA, and many expressed the perception that the program is overly politicized.

This is the dark side of the 8(a) program, more properly called the minority small business and capital ownership development program. But this is far from a complete picture of this program.

Mr. President, since I became chairman of the Senate Small Business Committee, we have held a total of 5 days of hearings on this program, including a field hearing which Senator KERRY chaired in Boston. Three of those hearings were legislative hearings on S. 1993 and H.R. 1807, the House companion measure. Members and staff have devoted literally hundreds if not thousands of hours to considering the problems in this program and ideas for resolving them. We have met with hundreds of 8(a) companies to hear their concerns, and we have substantially rewritten our original bill in response to those concerns.

S. 1993 and H.R. 1807, which passed the House last December, are easily the most ambitious reform of this program ever undertaken by either Congress or the administration. We have not dodged the tough issues. We have met them head on. And while no one claims perfection in this work, I believe that my chief cosponsors, Senator WEICKER and Senator KERRY, will agree that the committee's work product is a good one which will substantially improve this program for present and future participants.

We have substantial differences with the House, but I am confident we can resolve those issues quickly and send a bill to the President. Four key provisions of S. 1993 bear mentioning.

First, the bill establishes a fixed program term of 8 years for all 8(a) firms. This is substantially more generous than the 5-year term which is now set administratively, and it will eliminate the cottage industry which has developed in lobbying for 8(a) extensions. The House bill provides a 9-year term, and we should easily resolve this issue in conference.

Second, S. 1993 provides for competition among 8(a) firms for contracts valued at more than $5 million. This is a protective measure which should guard against future Wedtech's in which enormous political pressures are brought to bear against both SBA and the procuring agencies over the award of very large dollar contracts. The House bill sets a competitive threshold at $2 million.

Third, the bill provides for a mandatory mix of sole-source and competitive business beginning in the 5th year of participation. This provision is clearly aimed at the problem of noncompetitiveness among many firms which have been strung along in the program for a period of years only to find themselves unable to stay in business upon graduation. Frankly, this failing is more attributable to SBA than to program firms, for the agency has failed in its duty to require long-range planning by 8(a) firms. Only by making the business mix mandatory, with future sole-source contracts conditioned on meeting the specified goals, can we ensure that both firms and the agency engage in the kind of strategic planning which leads to long-term success in a free-enterprise economy. This is a key difference we have with the House, which merely sets competitive goals with no enforcement mechanism.

Fourth, the bill requires that the head of the 8(a) program be a career civil servant rather than a political appointee. This is also an anti-Wedtech type provision intended to remove politics from the contract award as well as the certification process.

Fifth, and perhaps most important, the bill gives substantially more legislative guidance and more resources to this program.

There is much that is very specific and could be called micromanagement. However, Administrator Abdnor testified that he would like to see Congress remove much of the agency's discretion in decisionmaking as it was generally unable to handle it. We have specified the duties and responsibilities of the business opportunity specialist, who is to work intensively with 8(a) firms in improving their competitive position. And, I am glad to report, our appropriations subcommittee has found the means to substantially increase resources for hiring additional staff at SBA to implement these new responsibilities.

Mr. President, I hope that all Members of the Senate will support the work done by our committee. I am optimistic that we can have a speedy conference with the House and send a bill to the President in the very near future.

The PRESIDING OFFICER. The Senator from Connecticut [Mr. WEICKER] controls 15 minutes. The Senator is recognized.

Mr. WEICKER. First, I want to associate myself with the eloquent remarks of the distinguished Senator from Arkansas, the distinguished chairman of the Small Business Committee, Senator BUMPERS. I think in the course of those remarks he has fairly well highlighted the past history of the matter, the concepts that initiated the 8(a) program and the necessity for continuing those concepts into the future minus the abuse.

Just to reiterate one point, the fact is that there are two key elements to achieving equality in our society. The first is education, and the second is economic opportunity. When either or both of those are lacking, then there is either a lessened or no possibility of achieving the individual share of the American dream.

It is to the latter that I address my remarks, and this bill addresses its attention—economic opportunity. It does little good to afford the best education in the world to our minorities if, indeed, at the end of that time there is no opportunity to apply that education and realize monetary success.

I realize the abuses, as does everyone on this floor, of the 8(a) program. I might add, in the large majority of instances, abuse is not perpetrated by the minority community, but rather by the majority population of this Nation taking advantage of the minorities. Now the cry probably again comes the loudest from the majority: "Do away with the program. See how it was abused."

We are not doing away with the program. We will try to tighten it up as a matter of law as best anything can be tightened up. But in the final analysis, human beings will always administer the law and there will always be opportunity for shinanigans and for chicanery. That is something that neither Senator BUMPERS nor I can legislate against.

So, the product before the Senate today continues the 8(a) program with various features which should make it an even better program.

Mr. President, I am pleased to again join Senator BUMPERS in urging passage of S. 1993, the Minority Business Development Program Reform Act of 1988.

This legislation represents months of hard work, concern, and determination by the committee. I, with my staff, have focused a considerable amount of attention on this bill because of my deep concern for the future and stability of minority business enterprise in this Nation.

Although the number of minority-owned small businesses grew to approximately 850,000 in America as of this past year, the fact remains that the overwhelming majority are still sole proprietorships or mom and pop operations. The 8(a) program, created in the late 1960's, is one of the Government's major avenues for providing business opportunities to the minority population. Nearly 9 billion Federal procurement dollars were awarded to 8(a) program participants over the past 3 fiscal years. Compared to our gargantuan Government procurement pie, this is but a small slice. But, many minority entrepreneurs were able to gain a foothold in the economy, because of the 8(a) program. Discrimination, financial barriers, and other social or economic disadvantages that minority citizens still face on the road to business opportunity are being challenged through this small but very vital program. And I believe, Mr. President, this legislation will put the program on a proper course. I commend Senator BUMPERS for his leadership and commitment to reforming and preserving the 8(a) program. The bill passed in committee by a vote of 19-0, a clear indication that Chairman BUMPERS was able to garner bipartisan support and the active interest of other members.

Mr. President, the troubled history of management problems, failure to meet congressional objectives and mandates and the unfortunate fraud and abuse this program has allowed have become matters of public knowledge and concern. Many of these very serious and frustrating situations were discussed when this legislation was introduced more than 6 months ago. Briefly, the 1986 committee survey of 8(a) graduates, the National Academy of Public Administration, NAPA, report, the extensive investigation of the Wedtech Corp. case conducted by the Governmental Affairs Subcommittee and a myriad of GAO reports and other audits published since the program's inception sent clear signals that certain reforms were needed if the program were to survive. This legislation represents the third time in the last 10 years Congress has made major statutory changes in this program. In developing S. 1993, the committee held a series of hearings and members and staffs have met time and again with a wide range of interested parties. I believe, Mr. President, this input has all served to strengthen and improve the legislation before the Senate today.

Sifting through all that needed to be remedied, the key policy objectives of S. 1993 include the following: First, stressing the program's business development thrust and making procurement contracts a part of that construct, not the major outcome; second, providing SBA with the resources to strengthen the management, technical and/or financial assistance programs under section 7(j); third, requiring large contracts to be awarded to minority firms on a competitive rather than a sole-source basis; fourth, providing a structure to lessen dependence on sole-source contracts which has hurt firms competitive ability upon graduation into the marketplace; fifth, increasing the antiabuse and fraud provisions to protect the program from future "Wedtechs" or other attempts at misuse; and sixth, mandating administrative and personnel reforms at SBA to ensure that congressional policy objectives are achieved.

Mr. President, at this point, I would like to briefly summarize the management changes the bill requires at SBA. For example, the Chief Administrator of the Minority Small Business, MSB, Program must be a career employee, not a political appointee, and one whose qualifications demonstrate knowledge of the Federal procurement process and sound management skills. Thus, when there is a change in administration, operation of the 8(a), program should not be disrupted by partisan politics. To further strengthen management and foster business development from start to finish, a business plan must be developed that contains specific business targets, goals and objectives with continual assessment of success or failure in meeting such targets.

With proposed legislation for stronger and more consistent management at the top, the committee took the necessary steps to shore up middle and support levels of the MSB work force where past performance has been far from satisfactory. The business opportunity specialist, BOS, who usually makes the most frequent contact with firms is charged with administering business development resources targeted in the business plan for growth, and eventual independence, of each participant. S. 1993 mandates proper training and distribution of business opportunity specialists so that they acquire the management and technical skills needed to do their jobs. Moreover, I am pleased to report that the State, Justice, Commerce appropriations bill for fiscal year 1989 has added an additional $4 million to MSB/COD budget to hire additional staffing to beef up the core of professionals needed by SBA. And, I want to commend SBA Administrator James Abdnor for his leadership in this area. Upon his confirmation, our former colleague made 8(a) reform one of his top priorities. He commissioned the National Academy of Public Administration to conduct a 4-month study on SBA's administration of the program. Many of the management provisions incorporated in the bill were endorsed in the NAPA report.

Under this umbrella of business development, S. 1993 includes a number of features that redesign contract activity throughout the program. These provisions generated substantial comments and discussion from 8(a) firms and interest groups. However, I am confident that the committee's response established a framework for fair awarding of contracts to firms—a source of great controversy and criticism for this program. One such provision is the injection of competition among participants for large dollar contracts. No longer will contracts above $5 million be awarded on a sole-source basis; where there are two or more eligible 8(a) firms, competition will be the rule. The committee views this change as an opportunity for firms to experience competitive bidding while in the program, and also, protection against the awarding of contracts through political influence or payoffs as disclosed in the Wedtech case and others reported by GAO.

Another provision requires each firm to develop a "business mix" of competitive and noncompetitive awards. At the end of the fifth year of participation, a firm should have garnered at least 30 percent of its new sales from competitive awards in that year. For the seventh year, the percentage of competitive new sales should be at least 50 percent, with the goal, at the time of graduation, being set at 70 percent non-sole-source. If an 8(a) firm fails to meet these mix requirements, it will no longer be eligible to receive sole source 8(a) contracts until compliance is achieved.

Mr. President, throughout this legislation a number of new concepts are introduced, old provisions strengthened and ineffective ones eliminated. The certification process has been streamlined and set in a definite timeframe of 90 days and rejected applicants are granted appeal rights; all participants are given a period of 8 years in the program from the time of the first 8(a) award which removes the uncertainty of the old fixed program participation term which drew constant complaints from participants who felt it was unjustly administered; and business development expense [BDE] is eliminated from the program and replaced by a bid and proposal fund to help defray competitive bidding costs and a direct loan program which makes moneys available to participants at 2 percentage points below Government loan interest rates. In summary, the committee has completed a very thorough and necessary overhaul of this program, and I am very pleased with the outcome.

I urge my colleagues to support passage of the bill.

I hope that it will not only continue but it will receive the enthusiastic and honest leadership by the executive branch of Government that is demanded by the situation.

Mr. WALLOP. Mr. President, although it has not received the attention of many other bills Congress has grappled with this session, reform of the Small Business Administration's 8(a) program is one of the most important tasks facing Congress. S. 1993, the bill we have before us today, will correct some of the most egregious flaws in the program made so glaringly apparent by the Wedtech case.

My home State of Wyoming only has a handful of 8(a) firms—three to be exact—but we will still reap some benefits from the changes made by S. 1993. Wyoming's small business community, which has been affected by the downslide in the energy economy of the State, has been very concerned about the 8(a) set-aside program. This is because any minority contract awarded in the State inevitably goes to an out-of-State firm since we have so very few eligible 8(a) firms.

In times of economic hardship, my State's small businesses understandably see this as little more than thousands and thousands of dollars flowing to out-of-State businesses, even though many Wyoming firms may be ready, willing, and able to perform any given Federal contract. It's a simple matter of those Wyoming firms wanting the ability to competitively bid on all contracts taking place in their own backyard.

Permit me to cite an example. In 1986, the Veterans' Administration Medical Center in Cheyenne announced plans to begin construction on a 2-year $14.4 million addition to its facilities. Because none of Wyoming's minority firms could handle the work, the VA intended to negotiate a contract with an 8(a) firm in Utah. Frankly, the prospect that no Wyoming company was going to get $1 out of a contract taking place in Wyoming just didn't set right with the small business community, particularly since the firm in question was just about ready to graduate from the 8(a) program and would likely have been able to bid for the project on a competitive basis. At the insistence of the Wyoming congressional delegation, the VA rethought its decision and ultimately permitted the bid to be let competitively.

S. 1993 will help correct some of the problems like the one we experienced with the VA in Cheyenne. It requires 8(a) businesses, as they go through the program, to rely increasingly on non-8(a) work. This greater independence from 8(a) will enable them to be more competitive in the business marketplace. The legislation mandates that 8(a) firms graduate from the program at a fixed time of 8 years, with no extensions permitted. One of the major problems plaguing the program is that minority businesses, through the use of extensions, stay in the program 2, 4 or more years beyond the 7 years now provided for in the law.

The measure also states that any minority business that becomes successful enough to no longer be classified as disadvantaged will be terminated from the 8(a) program no matter how many years it has left to participate. Finally, the bill also permits a firm's eligibility to continue in the 8(a) program to be challenged prior to the award of an 8(a) contract.

This bill will certainly help correct some of the major abuses that have plagued the 8(a) program over the years. This should benefit all small businesses that seek to competitively bid on Federal contracts. Despite this, I will continue to keep a watchful eye on the program to ensure that Wyoming's small businesses are not adversely impacted by projects that are set-aside as 8(a) in the State. While the minority set-aside program is a good one, it should not be conducted at the expense of small businesses which must bid competitively for Federal contract dollars.

Mr. WEICKER. Mr. President, the leadership that Senator BUMPERS has provided to the small business community and to the Small Business Committee is something to be really envied by all of us. This is a very tough problem that he tackled. The easy thing would have been to look the other way and say, "Well, this all occurred under Republicans." There has never been a single piece of partisanship to come from this Democratic chairman of the committee. He saw a problem which, if handled in a political way, could only hurt those who need our special help, the minority community of our Nation. He never politicized it but came forth with an affirmative response to make a good program better. I thank both he and his staff for the efforts they have put in on this legislation. Needless to say, I also have a great amount of pride in my own staff for their work.

Mr. BUMPERS. Mr. President, I certainly would be remiss if I did not respond in kind to the very kind and charitable remarks of the Senator from Connecticut and say in all candor that, incidentally, I had served as ranking member during 3 of the 6 years of the chairmanship of Senator WEICKER, and we resolved every single problem amicably and, as he has pointed out, in a very bipartisan way and without thought to any partisanship. When I became chairman of this committee, my first thought was to torpedo the 8(a) program and give up on it. It was rife with abuse by an inefficient administration which had allowed people to take advantage of the program. And it was Senator WEICKER who said he thought the program was salvageable and that we ought to salvage it; that the concept was good and let us sit down and work together to see if we cannot come up with a bill which will accomplish what we want to accomplish and go as far as we can possibly go in eliminating the kinds of abuses to which the program had been subjected. His thoughts on it were so clear minded and he was so convincing I agreed to do that, and we started holding hearings. The bill we have before the Senate today is a product of the bipartisan effort we put forward. It was under his leadership and his guidance really that we decided to try to salvage the program.

I know most committee chairmen and ranking members in this body have a good working relationship, but I can tell you that the working relationship between Senator WEICKER and me could not be better. We do not have a lot of legislative authority in the Small Business Committee, but what we have we think is very important to the small business community in this country. We could not have a better working relationship.

With that, Mr. President, I move that the committee amendments be considered en bloc and agreed to en bloc.

The PRESIDING OFFICER. Does the Senator from Arkansas include in his motion that the bill, as amended, be considered as original text for purpose of amendment?

Mr. BUMPERS. I do. I apologize, Mr. President. I do ask that the bill be considered as original text for purposes of amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Arkansas.

The motion was agreed to.

AMENDMENT NO. 2512

(Purpose: To perfect various provisions of the reported committee amendment)

Mr. BUMPERS. Mr. President, I send a technical amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Arkansas [Mr. Bumpers] for himself and Mr. Weicker proposes an amendment numbered 2512.

Mr. BUMPERS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In section 204 of the Committee amendment, in the proposed section 7(j)(10)(I) of the Small Business Act—

(1) in the second sentence, strike "deems" and insert ", or a designee of such officer, determines";

(2) in the second sentence, after "15 days" insert "after making such a determination"; and

(3) in the second sentence, "60 days" and insert "90 days".

In section 205 of the Committee amendment, in the proposed section 7(j)(10)(J)(ii) of the Small Business Act, strike "shall initiate" and insert "may initiate".

In section 403 of the Committee amendment, in the proposed section 8(a)(17)(A) of the Small Business Act, strike "the concern" and insert "any concern".

In section 722 of the Committee amendment, strike the second sentence and insert in lieu the following: "any numerical size standard that pertains to any of the designated industry groups, and that is in effect on September 30, 1988, shall remain in effect for the duration of the Program, except for the size standard pertaining to standard industrial classification code 1629 (Dredging and Surface Cleanup Activities)."

Mr. BUMPERS. Mr. President, since the committee markup of S. 1993, staff discussions with officials of the Small Business Administration have raised concerns about various provisions of the bill. This committee floor amendment addresses issues raised by those discussions and makes essentially technical modifications and clarifications in several provisions of the bill.

First, section 204 of the bill prescribes the timing for various events relating to the termination of firms from the 8(a) program. It states that when the Associate Administrator for the Minority Small Business Program deems a termination is appropriate, within 15 days notice shall be provided to the program participant of SBA's intent to terminate and, not more than 60 days after the program participant's receipt of the notice, a termination hearing will be held. The committee amendment extends the time for beginning a hearing from 60 days to 90 days at the request of SBA program officials. This extension of the time before a hearing should allow the firm an opportunity to respond to the notice setting forth the grounds for termination, and if possible to correct problems which may be the cause for the termination. Further, the amendment clarifies that the Associate Adminstrator or his designee may determine that a termination is appropriate and the 15-day notice requirement begins with that determination.

Second, section 205 of the bill states that the SBA shall commence termination proceedings whenever it makes a finding that a program participant is no longer eligible for the program. While the committee intends that SBA move expeditiously to remove firms that are no longer eligible for the program, a formalistic reading of this provision could require SBA to begin the termination process even though a firm corrects the problems leading to the finding that is no longer qualified for the program. The committee amendment replaces the word "shall" with "may" to clarify SBA's discretion. The committee does not expect SBA to initiate termination proceedings, which may involve considerable expense, particularly if the firm is able to correct the deficiency in its eligibility before the time for the hearing expires.

Under section 403 of the bill relating to award of contracts under the program, the bill states that SBA should make the award to the small business concern recommended by the procuring agency. As drafted the provision could be interpreted to mean that only one concern could be designated for an award, or that the procuring agencies usually recommend only one concern to receive an award. The committee amendment changes the word "the" to "any" concern recommended by the procuring agency. This change is intended to clarify that awards can be made to one or to several concerns, for example, in cases where a multiple or split awards may be recommended by the procuring agency.

Finally, the committee amendment makes a crucial change with regard to the freeze on size standards included in the small business Competitiveness Demonstration Program, which was offered as an amendment by Senator Dixon during the markup. A principal part of this program which suspends small business set-aside contracts for 4 years provided that certain conditions are met, is the notion that size standards should remain at present levels for the duration of the experimental program.

When the amendment was drafted, however, both staff and members of the committee were unaware that there was in progress a major revision in the size standard for the dredging industry, which is one of the four affected industries. In fact, SBA now has pending with OMB an increase in that standard from $9.5 to $13.5 million in average annual revenues. This change has long been sought by small- and medium-sized dredging companies. SBA proposed a similar rule a few years ago which resulted in litigation, and the case was remanded to the Administration for further consideration. SBA has now given that further consideration, and the new rule is awaiting clearance from the Office of Management and Budget for publication in the Federal Register.

It was not my intent, and I do not believe it was Senator Dixon's intent, to interfere with an ongoing regulatory proceeding. However, the bill as drafted does that by freezing size standards at their effective levels as of May 31, 1988. The committee amendment changes that date to September 30, and it exempts dredging from this freeze so that this longstanding regulatory process with respect to this industry may be completed. Again, any interference with this process would have been purely inadvertent insofar as the committee is concerned, and it is essential that we adopt this amendment to avoid unfairly trouncing on the regulatory proceeding.

Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. Do both Senators yield back the remainder of their time?

Mr. WEICKER. I yield back the remainder of my time.

Mr. BUMPERS. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arkansas.

The amendment (No. 2512) was agreed to.

Mr. WEICKER. I move to reconsider the vote by which the amendment was agreed to.

Mr. BUMPERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2513

(Purpose: To require the Small Business Administration to conduct a study and make a report within 1 year to the Committees on Small Business relating to the severely uneven distribution of 8(a) contract awards among Program Participants in the several States)

Mr. BUMPERS. Mr. President, under the unanimous-consent agreement, we have several amendments. I do not see any of the sponsors of those amendments here so I will go ahead and offer an amendment that I have which is based on the geographical distribution of the contracts that are let under section 8(a). Mr. President, I send this amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS] proposes an amendment numbered 2513.

Mr. BUMPERS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title IV, add the following:

SEC. 406. STUDY OF DISTRIBUTION OF CONTRACT AWARDS.

(a) FINDING.—The Congress finds that contracting opportunities under section 8(a) of the Small Business Act have been awarded to Program Participants in a manner that has resulted in firms in certain States receiving very large numbers of contract awards, aggregating to a very high percentage of the total dollars awarded in each fiscal year. Such a pattern of uneven distribution of contract awards results in Program Participants in the majority of the States receiving substantially fewer contract awards, and commensurately fewer of the business development opportunities provided by the contract awards made under the authority of section 8(a).

(b) STUDY AND REPORT.—The Small Business Administration is directed to conduct a study of the geographic distribution of contract awards made pursuant to section 8(a) during fiscal year 1983 through fiscal year 1987. Within 1 year from the date of enactment of this Act, the Small Business Administration shall furnish a report on the results of its study to the Committees on Small Business of the Senate and the House of Representatives. The report shall include appropriate recommendations for changes in law, regulations, or practices to effect a more equitable distribution of 8(a) contracting opportunities among Program Participants in States having significant minority business populations.

(c) POLICY DIRECTION.—Section 8(a)(10) of the Small Business Act (15 U.S.C. 637(a)(10)) is amended by adding at the end thereof the following: "In carrying out such program, the Administration shall make a sustained and substantial effort to solicit applications for Program certification from small business concerns located in areas of concentrated unemployment or underemployment or within labor surplus areas and within States having relatively few Program Participants or receiving relatively few contract awards under the authority of this subsection.".

At the end of title IV in the table of contents, add the following:

Sec. 406. Study of distribution of contract awards.

Mr. BUMPERS. Mr. President, the amendment which I have just submitted concerns a very important issue which is not directly addressed in S. 1993 but which conerns me greatly. I would call Senators' attention to appendix B to our committee's report, which shows the distribution of sole-source contracts under section 8(a) of the Small Business Act, by State, for fiscal year 1987.

This data was just recently supplied to me by the Small Business Administration. It does not reflect modifications to existing contracts, but merely shows the number and dollar value of new contracts entered into in each State and territory during 1987. As the report indicates in another section, this is approximately a $3 billion program in total annual contracts. Of that total dollar value, three States—California, Maryland, and Virginia—received over $779 million in contracts. My home State of Arkansas received 76 contracts totaling only $20.4 million. Other States, however, did even worse than Arkansas. Mississippi, for example, had only 40 contracts for $14.6 million. Senator WEICKER's State, Connecticut, which is somewhat larger than Arkansas, received only 31 contracts for $21.9 million.

The District of Columbia, on the other hand, which is about one-fourth the size of Arkansas in population, received 259 contracts totaling $74.1 million. Maryland enjoyed 350 sole-source contracts under section 8(a) for a total of $203.5 million, while Virginia's 567 8(a) contracts totaled $276.6 million. This amendment is not intended to punish those States.

Mr. President, this program is not intended as a supplemental appropriation for the benefit of two or three States. The matter of contract distribution is, I must admit, quite complicated. The program works primarily through self-marketing, and the 8(a) firms in the Washington area are to be commended for their aggressive efforts in marketing their products and services so successfully to the Government through this program. In my view, however, the Small Business Administration must take strong action to broaden participation in the 8(a) program and to make more equitable distribution of contracts across the country, or congressional support for this program will soon become a thing of the past.

My amendment does three things. First, it states a congressional finding that the distribution of contracting opportunities under this program has been very uneven on a State-by-State basis. Second, it directs SBA to conduct a study and submit a report to the House and Senate Small Business Committees on options and legislative recommendations for bringing about a more equitable distribution of contracting opportunities among 8(a) firms in the several States. Finally, my amendment takes a provision in the House bill, and expands upon it somewhat, by directing that SBA make substantial outreach efforts to increase the numbers of 8(a) certified firms in areas of high unemployment and underemployment, and in areas where there are presently few 8(a) firms and few contracting opportunities in relation to the rest of the country.

Finally, my amendment takes a provision in the House bill and expands on it somewhat which directs that SBA make substantial outreach efforts to increase the numbers of 8(a) certified firms in areas of high unemployment and underemployment and in areas where there are presently few 8(a) firms and few contracting opportunities in relation to the rest of the country.

Mr. DIXON. Will my friend from Arkansas yield for a moment?

Mr. BUMPERS. I am happy to yield.

Mr. DIXON. Mr. President, I ask unanimous consent that Scott McFerren be permitted the privileges of the floor in connection with this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. Do both leaders yield back their time?

Mr. BUMPERS. I yield back the remainder of my time.

Mr. WEICKER. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. INOUYE). The question is on agreeing to the amendment of the Senator from Arkansas [Mr. BUMPERS].

The amendment (No. 2513) was agreed to.

Mr. WEICKER. I move to reconsider the vote by which the amendment was agreed to.

Mr. BUMPERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BUMPERS. Mr. President, we have several amendments here by various Senators. Senator DIXON is here and he has an amendment.

Mr. DIXON. Mr. President, I commend my friends, Senator BUMPERS, chairman of the Small Business Committee, and Senator WEICKER, ranking member of the committee, for their leadership in improving the Minority Small Business and Capital Ownership Development Program. The bill we are considering today reflects several year's worth of hard work and dedication on their part, to examine the 8(a) minority program and institute improvements to it which will promote the development of healthy, viable minority businesses.

Results of the committee's survey of 8(a) program graduates, and testimony given at subsequent hearings, clearly indicate that legislative reforms must be undertaken. The program as it currently operates has left too many "just graduated" minority firms unprepared for the rigors of competition. Thus, it should come as no surprise, Mr. President, that this major reform bill is primarily focused on helping minority businesses to move into the economic mainstream within a reasonable period of time.

Education and counseling are essential ingredients in business development. This bill assures that Small Business Administration business opportunity specialists are available to provide these important development tools. It contains provisions which encourage participating companies to develop additional sources of revenues outside the 8(a) program, a process which will undoubtedly contribute significantly to the education of these companies, and prepare them for graduation.

In addition to improving the business development aspect of the 8(a) program, the bill introduces several meaningful changes which will depoliticize the program. We heard testimony from the distinguished Senator from Michigan, Senator LEVIN, about his investigations into the Wedtech scandal conducted within the Governmental Affairs Committee. Wedtech officials, through their abusive tactics, have sullied the image of this important program. In order to prevent a similar disgrace from occurring in the future, we have made changes to the eligibility parameters for the program. These changes strengthen the program by stopping sham stock deals and other devious arrangements from displacing truly disadvantaged companies.

Mr. President, I want to comment briefly upon an important part of this bill, title 7. This title establishes a Small Business Competitiveness Demonstration Program which addresses a pressing problem in Government contracting.

Agency efforts to achieve a fair proportion of small business participation in Federal contracting, required by the Small Business Act, have often been met by reserving contracting opportunities for exclusive small business competition within certain industries. These industry categories are naturally dominated by small business firms and thus it is easy to get many qualified small companies to perform the contracts.

Thus, agencies have come to rely on the so-called rule of two set-aside procedure to assure them of a sufficient number of small business contract awards. By taking these easy hits agencies avoid having to take steps to expand participation in industries which have historically shown low rates of small business participation.

An attempt to address this problem was made previously, but without benefit of input by the House or Senate Small Business Committees. Section 921 of the DOD Authorization Act for fiscal year 1987 was added to require the SBA to reduce its size standards in these highly concentrated industry categories, thereby decreasing the number of firms classified as small. It was expected by the authors of section 921 that fewer small businesses would result in fewer small business set-asides.

Mr. President, when the SBA did its analysis, it determined that the size standard reduction mechanism provided no relief for all but one of the industries. In the one affected category, construction, substantial size reductions were indicated. Unfortunately, these same size standards are used to determine eligibility for SBA loans, SBA surety bonds, and other small business assistance programs. As a result of these size reductions, many small companies would be denied Government assistance. Furthermore, even with these size standard changes, the SBA was not certain that the intended effect—a reduction in small business set-asides—would be achieved. It became clear that another approach was necessary to solve the problem. Working with those intimately involved with the Government procurement process, and holding hearings in the Small Business Committee, we developed the Small Business Competitiveness Demonstration Program as an alternative.

There are two major aspects of the program which I would like to highlight. First, the size standard reduction requirement is repealed. Second, the program addresses the problem of too many set-asides by testing the premise that the competitive capabilities of small businesses in designated industry categories enable them to successfully compete for Federal contracting opportunities. Throughout the duration of the program, small business participation in these industries will be closely monitored. Should they fail to secure a fair proportion of the contracting opportunities, remedial set-asides can be instituted to protect small businesses. Furthermore, during the conduct of this program, participating agencies will be charged with developing special targets to increase small business participation in six industries. The Office of Federal Procurement Policy will cooperate with the Small Business Administration to administer the program and to recommend permanent changes to procurement policy at the conclusion of the program.

Mr. President, the reduction in size standards which will surely occur under the provisions of section 921 will hurt many small businesses.

Companies which are eligible today for business development assistance under the 8(a) program will be ineligible tomorrow if the proposed changes are allowed to go into effect. I believe that the Competitiveness Demonstration Program addresses the problem of disproportionate set-asides without the adverse consequences foreseen with size standard reductions.

Again, I want to congratulate my good friends and distinguished colleagues, Senators BUMPERS and WEICKER, on the excellent product which we have before us today.

AMENDMENT NO. 2514

(Purpose: To modify section 603 with respect to a contractor's failure to attain its goals relating to subcontracting with small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals)

Mr. DIXON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON] proposes an amendment numbered 2514.

Mr. DIXON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 102, beginning on line 6, strike all through line 25, and insert the following:

SEC. 603. SUBCONTRACTING PROGRAM COMPLIANCE.

Section 8(d)(4)(E) of the Small Business Act (15 U.S.C. 637(d)(4)(E)) is amended—

(1) by striking out "(E)" and inserting in lieu thereof "(E)(i)", and

(2) by adding at the end thereof the following new clause:

"(ii) Each contract subject to the requirements of this paragraph or paragraph (5) shall contain a provision authorizing the Secretary of a department or the head of an agency to include, in accordance with regulations promulgated pursuant to section 22 of the Office of Federal Procurement Policy Act (41 U.S.C. 418b), a provision for the payment of liquidated damages upon a finding that a prime contractor has failed to make a good faith effort to comply with the requirements imposed on such contractor by this subsection. The Contractor shall be afforded an opportunity to demonstrate a good faith effort regarding compliance prior to the contracting officer's final decision. A final decision of a contracting officer regarding the contractor's obligation to pay such damages, or the amounts thereof, shall be subject to the Contract Disputes Act of 1978 (41 U.S.C. 601-613). The agency awarding the contract shall ensure that the goals offered by the apparent successful bidder or offeror are not substantially less than the actual performance of such bidder or offeror on prior contracts.".

Mr. DIXON. Mr. President, this amendment modifies section 603 of the bill. That section provides for the payment of liquidated damages if a contractor fails to make a good faith effort to meet the subcontracting goals set forth in its subcontracting plans. These plans, which must be submitted on all Federal procurement contracts which exceed $500,000 and in the case of construction $1,000,000, are intended to increase usage of small and small disadvantaged businesses.

Utilization of small disadvantaged businesses through the use of subcontracting work is an important tool in our arsenal to assure that the Federal Government gets the best products at the best prices. We need to make it clear to contractors that Congress is serious about using this tool, and that they too should be serious about their efforts to fulfill their subcontracting goals. Providing for the payment of liquidated damages will help assure that enforcement of these subcontracting plans is enhanced.

Because section 603 gives significant new authority to contracting agencies, I believe we need to clarify several points with respect to the application of this provision. My amendment furnishes such clarification.

First, my amendment makes it clear that the liquidated damages clause shall be issued in accordance with section 22 of the Office of Federal Procurement Policy Act. Section 22 requires proposed policy changes having a significant impact beyond the internal workings of an agency to be published in the Federal Register for comment.

Second, the amendment specifies that a contractor has the opportunity to show the contracting officer that it has made a good faith effort to achieve its subcontracting goals before liquidated damages are imposed.

Third, the amendment clarifies that the final decision of a contracting officer regarding the contractor's obligation to pay damages, or the amount of those damages, is subject to the Contract Disputes Act. The act established procedures and requirements for resolving claims by or against contractors. It provides that when a claim cannot be satisfied by mutual agreement, the contractor may appeal the decision to the contract board of appeals, or being an action directly in the U.S. claims court.

Mr. President, these are reasonable safeguards which, through due process, will assure that liquidated damages are not imposed arbitrarily or capriciously by a contracting officer. I am pleased to say that both the distinguished chairman and the ranking member of the Small Business Committee, Senators BUMPERS and WEICKER, have found my amendment acceptable.

Mr. President, this amendment represents an attempt to assure a judicial review under this legislation to any business that may be charged with failing to meet the goals of its minority or small business subcontracting plans. It keeps the rest of the legislation perfectly intact, but provides that a finding by the contracting officer is subject to a review in the usual contract disputes forms. It has been agreed to by the distinguished chairman of the committee, and the distinguished ranking member. I know of no objection to the amendment.

Mr. BUMPERS. The amendment is cleared on this side. We have no objection to it, Mr. President.

Mr. WEICKER. We have no objection.

The PRESIDING OFFICER. Do the Senators yield back their time?

All time has been yielded back.

The question is on agreeing to the amendment of the Senator from Illinois.

The amendment (No. 2514) was agreed to.

Mr. BUMPERS. I move to reconsider the vote by which the amendment was agreed to.

Mr. DIXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2515

(Purpose: To amend the Small Business Investment Act of 1958 to expand the availability of surety bonds for small business concerns, and for other purposes)

Mr. DIXON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON] for himself, Mr. NUNN, Mr. WEICKER, Mr. BUMPERS, and Mr. BOREN, proposes an amendment numbered 2515.

Mr. DIXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, insert the following new title:

TITLE VIII—PREFERRED SURETY BOND GUARANTEE PROGRAM

SEC. 801. SHORT TITLE.

This title may be cited as the "Preferred Surety Bond Guarantee Program Act of 1988".

SEC. 802. AUTHORITY OF THE ADMINISTRATION.

Section 411(a) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(a)) is amended to read as follows:

"(a)(1) The Administration may, upon such terms and conditions as it may prescribe, guarantee and enter into commitments to guarantee any surety against loss, as hereafter provided, as the result of a breach of the terms of a bid bond, payment bond, performance bond, or bonds ancillary thereto, by a principal on any contract up to $1,250,000.

"(2) The terms and conditions of said guarantees and commitments may vary from surety to surety on the basis of the Administration's experience with the particular surety.

"(3) The Administration may authorize any surety, without further Administration approval, to issue, monitor, and service such bonds subject to the Administration's guarantee.

"(4) No such guarantee may be issued, unless—

"(A) the person who would be principal under the bond is a small business concern;

"(B) the bond is required in order for such person to bid on a contract, or to serve as a prime contractor or subcontractor thereon;

"(C) such person is not able to obtain such bond on reasonable terms and conditions without a guarantee under this section; and

"(D) there is a reasonable expectation that such principal will perform the covenants and conditions of the contract with respect to which such bond is required, and the terms and conditions of such bond are reasonable in the light of the risks involved and the extent of the surety's participation.".

SEC. 803. INDEMNIFICATION.

(a) IN GENERAL.—Section 411(b) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(b)) is amended—

(1) by striking paragraph (3),

(2) by striking "; and" and inserting a period at the end of paragraph (2),

(3) by redesignating paragraph (2) as paragraph (3),

(4) by inserting after paragraph (1) the following new paragraph:

"(2) a surety must obtain approval from the Administration prior to making any payments pursuant to this subsection unless the surety is participating under the authority of section 411(a)(3); and", and

(5) by inserting at the end the following new sentence:

"In no event shall the Administration pay a surety pursuant to this subsection an amount exceeding the guaranteed share of the bond available to such surety pursuant to subsection (a).".

(b) AMOUNT OF INDEMNIFICATION.—Section 411(c) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(c)) is amended to read as follows:

"(c) Any guarantee or agreement to indemnify under this section shall obligate the Administration to pay to the surety a sum—

"(1) not to exceed 70 percent of the loss incurred and paid by a surety authorized to issue bonds subject to the Administration's guarantee under subsection (a)(3);

"(2) not to exceed 90 percent of the loss incurred and paid in the case of a surety requiring the Administration's specific approval for the issuance of such bond, but in no event may the Administration make any duplicate payment pursuant to subsection (b) or any other subsection;

"(3) equal to 90 percent of the loss incurred and paid in the case of a surety requiring the administration's specific approval for the issuance of a bond, if—

"(A) the total amount of the contract at the time of execution of the bond or bonds is $150,000 or less, or

"(B) the bond was issued to a small business concern owned and controlled by socially and economically disadvantaged individuals as defined by section 8(d) of the Small Business Act; or

(c) LIMITATION ON ADMINISTRATION'S LIABILITY.—Section 411(e) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(e)) is amended—

(1) by striking "or" at the end of paragraph (1),

(2) by striking the period at the end of paragraph (2) and inserting a comma, and

(3) by adding at the end thereof the following new paragraphs:

"(3) the surety has breached a material term or condition of such guarantee agreement, or

"(4) the surety has substantially violated the regulations promulgated by the Administration pursuant to subsection (d).".

SEC. 804. REPORTS AND AUDITS OF PARTICIPATING SURETIES.

Section 411(g) of the Small Business Investment Act (15 U.S.C. 694b(g)) is amended to read as follows:

"(g)(1) Each participating surety shall make reports to the Administration at such times and in such form as the Administration may require.

"(2) The Administration may at all reasonable times audit, in the offices of a participating surety, all documents, files, books, records, and other material relevant to the Administration's guarantee, commitments to guarantee, or agreements to indemnify any surety pursuant to this section.

"(3) Each surety participating under the authority of paragraph (3) of subsection (a) shall be audited at least once each year by examiners selected and approved by the Administration.".

SEC. 805. REGULATIONS.

The Administration shall promulgate final regulations to implement the amendments made by this title not later than 180 days after the date of the enactment of this title.

SEC. 806. EVALUATION AND REPORT.

Not later than 3 years after the date of enactment of this Act the Comptroller General of the United States shall transmit a report to the Small Business Committees of the Senate and House of Representatives, which evaluates—

(1) the amendments made by this title,

(2) whether participation in the Program by standard surety firms has been expanded, and

(3) whether access to bonds by small business concerns especially small business concerns owned and controlled by socially and economically disadvantaged individuals has been improved.

The report shall cover the first 2 full fiscal years following the date of enactment of this Act.

SEC. 807. SUNSET.

The provisions contained in section 411(a)(3) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(a)(3)), shall cease to be effective on September 30, 1991, or on the last day of the third full fiscal year after the date of enactment of this Act, whichever is later.

SEC. 808. MISCELLANEOUS PROVISIONS.

(a) FUND.—Section 412 of the Small Business Investment Act of 1958 (15 U.S.C. 694c) is amended—

(1) by inserting an "(a)" before "There", and

(2) by adding at the end of subsection (a), the following new subsection:

"(b) Such sums as may be appropriated to the Fund to carry out the programs authorized by this part shall be without fiscal year limitation.".

(b) AUTHORIZATION.—For fiscal year 1989, to such extent or in such amount as may be provided in appropriations Acts, the administration is authorized to enter into guarantees not to exceed $1,600,000,000 for the programs authorized by part B of title IV of the Small Business Investment Act of 1958.

(c) SIZE STANDARDS.—Section 411 of the Small Business Investment Act of 1958 (15 U.S.C. 694b) is further amended by adding at the end thereof the following new subsection:

"(j) In prescribing special size standards for participation in the program authorized by this section, the Administration shall ensure that a firm meeting such size standard may be determined to be a small business concern under the size standard establishing its eligibility to participate in the other programs of the Administration.".

SEC. 809. EFFECTIVE DATE.

Except as otherwise provided in this title, the provisions of this title shall become effective upon the expiration of 180 days after the date of its enactment.

At the end of the table of contents, add the following:

TITLE VIII—PREFERRED SURETY BOND GUARANTEE PROGRAM

Sec. 801. Short Title.
Sec. 802. Authority of the Administration.
Sec. 803. Indemnification.
Sec. 804. Reports and Audits of Participating Sureties.
Sec. 805. Regulations.
Sec. 806. Evaluation and Report.
Sec. 807. Sunset.
Sec. 808. Miscellaneous Provisions.
Sec. 809. Effective Date.

Mr. DIXON. Mr. President, I am pleased to present this amendment on behalf of my distinguished colleague and friend, the chairman of the Armed Services Committee, the distinguished senior Senator from Georgia, Senator NUNN.

This amendment establishes the Preferred Surety Bond Guarantee Program Act of 1988. Orginally scheduled for consideration during the Small Business Committee Markup of S. 1993, an important rollcall vote constrained our opportunity to take action.

The Preferred Surety Bond Program was discussed and refined to its present state as S. 2259. As a cosponsor of that bill I can speak with firm conviction of the merits of this program. Without access to adequate bonding, construction firms, both large and small, cannot operate. Performance bonds and payment bonds are required for Federal contracts in excess of $25,000.

Unfortunately, the surety bond industry is recovering from several years of substantial losses and is reluctant to expand operations. Frequently, when surety bond companies consider a contracting firm's length of job history, the depth of its financing, and the experience of its managers, many small firms are eliminated. The situation of small disadvantaged firms is even worse.

The SBA Surety Bond Program is the best means to overcome the surety industry's perception that many small companies are just too risky to bond. By guaranteeing a participating surety against a major loss, the SBA is able to reduce the risk of providing bonding to small companies. Senator NUNN's Preferred Surety Bond Program is designed to enhance the existing SBA program. Conducted as a pilot, the Preferred Surety Program streamlines the approval process in a fashion similar to the SBA's Preferred Lender Program. By cutting the time and paperwork involved with surety guarantees, preferred sureties will be more responsive to those small contractors requesting assistance through the SBA's Surety Bond Program.

The amendment which is before us today is the result of hearings conducted by the Small Business Committee and considerable input by the SBA and the surety indusry. Their support for this pilot program is strong and they are eager to see its provisions enacted.

Mr. NUNN. Mr. President, the purpose of my amendment is to add to the pending bill, S. 1993, the provisions of the Preferred Surety Bond Guarantee Program Act of 1988. This legislation will make important improvements to a Small Business Administration program [SBA] that is vital to many small business contractors and subcontractors especially in the construction industry—the SBA Surety Bond Guarantee Program. Without access to performance bonds, payment bonds, and bid bonds, these firms cannot even compete for contracting opportunities offered by Federal agencies, State and local governments, and increasing numbers of commercial purchasers of construction and other services. Access to adequate bonding has been a persistent problem to many small business construction firms. Other firms are now feeling the same pressures as Federal agencies make greater use of bonding as a method of prequalifying potential bidders, a troubling development. Hardest hit in the competition for bonding, however, has always been small firms owned and controlled by socially and economically disadvantaged individuals. The provisions of this amendment are aimed at providing assistance to such small disadvantaged firms, especially construction contractors and subcontractors. It is an appropriate addition to S. 1993, which is designed to improve the SBA's business development assistance to small disadvantaged firms.

The Preferred Surety Bond Guarantee Program Act of 1988, was introduced on March 31, 1988, and became S. 2259. The chairman and ranking minority member of the Committee on Small Business, my friend from Arkansas [Mr. BUMPERS] and my friend from Connecticut [Mr. WEICKER], are original cosponsors. My friend from Oklahoma [Mr. BOREN], an active member of the committee, is also an original cosponsor. On April 12, 1988, the Committee on Small Business conducted a legislative hearing on the bill. During that hearing, which I chaired, testimony supporting the bill was received from representatives of the surety industry and the construction contracting community, including the Surety Association of America, on behalf of the standard sureties, the American Surety Association, on behalf of the specialty surety firms, the National Association of Minority Contractors, and the American Subcontractors Association. Supporting testimony, and useful suggestions for improving the bill, were presented by the Small Business Administration's representatives. In fact, the essential elements of the bill's provisions can be found in the administration's legislative program for the SBA accompanying the budget submissions for fiscal year 1987 and fiscal year 1988. As a result of the comments received at the hearing, and subsequent suggestions, S. 2259 was modified. On May 17, 1988, the modified text of the bill was added during markup of the committee's original bill authorizing appropriations for SBA programs for fiscal year 1989. It was planned that the same provisions would also be added to S. 1993. This was not done due to the press of time and the array of other important amendments more directly related to improving the Minority Small Business and Capital Ownership Development Program. That omission is now being corrected.

Mr. President, the approach of this legislation is simple and direct. It establishes a pilot program designed to broaden the participation of the so-called standard surety companies, the very largest players in the industry, in the SBA Surety Bond Guarantee Program. This important SBA program was created in 1971 to provide the assistance needed for small firms to obtain required bonding. Under this program, SBA guarantees any participating surety company against 80 percent of any loss on a bond issued to a small firm with SBA's approval.

Access to adequate bonding is absolutely essential to small construction firms. Federal law requires a contractor to provide a performance bond and a payment bond on every Federal construction contract in excess of $25,000. Most States and many local governments have imposed similar bonding requirements by statute or regulation. The surety industry is strongly encouraging the expanded use of performance and payment bonds on commercial projects, and urging prime contractors to require bonds of their subcontractors.

Small firms have traditionally found it difficult to obtain bonding in the commercial marketplace. They are considered to be much higher risks with their shorter track records and thinner capitalization. The small firms are seeking bonds for smaller dollar value jobs, which require as much effort as bonds for larger contracts, and generate smaller fees for the bonding agents. The problems faced by small construction firms, generally, are magnified many times over for small disadvantaged contractors.

The SBA Surety Bond Guarantee Program has been essential to the survival and growth of many small firms. Since the inception of the program in 1971, over 200,000 contracts valued at more than $17 billion have been guaranteed through the program.

Initially, the standard surety firms participated in the SBA Surety Bond Guarantee Program, but their participation declined rapidly and is virtually negligible today. To fill the void, a group of so-called specialty surety companies were created to meet the needs of the small business community under the program. They have carried the program, and the provisions of this amendment have been crafted so as not to impede their continued participation.

The primary reasons asserted for the departure of the standard sureties from the Surety Bond Guarantee Program were the costs and administrative burdens associated with the SBA review process. Each application must be approved before the surety firm can issue the bond with the SBA guarantee. All subsequent transactions relating to the administration of the bond must also receive prior SBA approval. All of these procedures have often proven to be very time consuming and costly. There was also a certain amount of resentment on the part of the standard surety firms in having their business judgments "second-guessed" by SBA employees, too often new to the surety business.

After some revealing oversight hearings conducted in 1982 by the Small Business Committee under the leadership of my colleague from Connecticut [Mr. WEICKER], then chairman of the committee, the SBA approached the standard surety companies to explore ways to encourage their return to the program. Their proposal, dubbed "plan B," formed the basis for S. 2259.

Mr. President, the provisions of the amendment authorize a 3-year test of a "preferred surety" program, similar to the "preferred lender" program already enacted for SBA's guaranteed loan program. Surety companies that meet a very stringent set of standards to be prescribed by the SBA would be freed from the requirement to have the SBA give prior approval of each transaction. SBA would only approve the firm's standards and procedures for underwriting, administration, and claims. In the jargon of the industry, the "preferred surety" would be given "the pen" to write bonds with the SBA guarantee.

To demonstrate their faith in their own business judgments, representatives of the standard surety firms have testified that they are willing to take a reduced level of SBA guarantee. By statute, SBA is authorized to guarantee any participating surety company against 90 percent of its loss. By regulation, SBA has reduced the guarantee to 80 percent. Firms participating in the Preferred Surety Bond Guarantee Program would obtain only a 70-percent guarantee.

Effective implementation of the Preferred Surety Bond Guarantee Program will require SBA to issue regulations prescribing the qualification standards for firms to be accorded "preferred surety" status. It is expected that these standards would be more stringent than those required of firms participating in the existing bond guarantee program. However, these standards should not be so restrictive as to prevent the participation of adequately capitalized and well-managed firms from the ranks of the specialty surety firms presently operating in the program. Further, the SBA may wish to consider authorizing an effort in one of its regions, which links the bonding capabilities of one or more of the participating surety companies with a network of surety bond agents who will focus their underwriting efforts on small disadvantaged construction contractors and subcontractors.

In addition to the provisions relating to the pilot Preferred Surety Bond Guarantee Program, the amendment makes two changes to the existing Surety Bond Guarantee Program designed to provide additional assistance to small firms and small disadvantaged firms. The first of these changes authorizes a 90-percent guarantee in those instances when the value of the contract is $150,000 or less. Obtaining bonds on these small contracts has consistently been a problem for small construction contractors and subcontractors as well as small disadvantaged firms. Bond premium fee structures are based upon the dollar value of the contract. The practicalities of the bond application review process dictate that almost the same effort will be expended on evaluating a bond for a small project as for a large project. These business realities, joined with the perception that small firms present a substantially higher risk, make it especially difficult to obtain required bonds on small projects. The higher guarantee is designed to make the underwriting of these bonds more attractive.

The second change to the existing Surety Bond Guarantee Program authorizes a 90-percent guarantee whenever the firm is a small business concern owned and controlled by socially and economically disadvantaged individuals. This increased guarantee is designed to make it more attractive to bond disadvantaged small business contractors and subcontractors by lowering the risk assumed by the surety firm.

The amendment also establishes the relationship between the special size standard for participation in the Surety Bond Guarantee Program and the general SBA size standards, which define the maximum size a firm may attain and still be considered a "small business concern." The provision makes clear that to be eligible to participate in the Surety Bond Guarantee Program, a firm must be a "small business concern" under the generally applicable size standard and concurrently meet the program's more restrictive eligibility standard.

Mr. President, this amendment makes important improvements to an important SBA program. It has been carefully crafted with the assistance of associations representing many segments, of the surety bonding industry and the consumers of their services within the construction industry. In particular, I would like to recognize the cooperation of the Surety Association of America, the American Surety Association, the National Association of Surety Bond Producers, and the American Insurance Association. The construction industry was well represented by the thoughtful participation of the American Subcontractors Association. Minority construction firms were well represented by National Association of Minority Contractors.

Mr. President, I would also like to recognize the assistance provided by an experienced professional in the surety bonding business, Mr. Ed Bowen of Atlanta. During his service with the SBA Surety Bond Guarantee Program in region IV, he helped many small construction firms to grow and prosper. I would also like to thank my staff, Rob Hall, my legislative counsel, and Bill Montalto, the procurement policy counsel to the Small Business Committee, for their efforts in assisting me prepare this legislation.

Mr. President, I urge the adoption of my amendment.

Mr. President, I ask unanimous consent that a detailed section-by-section analysis of the provisions of the amendment be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PREFERRED SURETY BOND GUARANTEE PROGRAM ACT OF 1988

SECTION-BY-SECTION ANALYSIS

Section 201. Short title

This section establishes the title's citation as the "Preferred Surety Bond Guarantee Program Act of 1988."

Section 202. Authority of the Administration

This section provides for the creation of a pilot Preferred Surety Bond Guarantee Program. A firm recognized as a preferred surety would be authorized to issue and service bonds to eligible small business concerns with the SBA guarantee using its own underwriting, bond administration, and claims procedures. A preferred surety would not have to obtain SBA prior approval of each transaction which is presently required of all surety firms participating in the existing Surety Bond Guarantee Program.

The success of the pilot Preferred Surety Bond Guarantee Program will depend upon the implementing regulations issued by the SBA. Two key elements of those regulations are: (1) specifying the qualifications standards required of a surety bond firm seeking "preferred surety" status; and (2) providing SBA the authority to promptly suspend a firm that has become ineligible for continued participation in the Preferred Surety Bond Guarantee Program.

It is expected that the qualification standards for participation in the Preferred Surety Bond Guarantee Program will be more stringent than those required of firms participating in the existing Surety Bond Guarantee Program. The Department of the Treasury regulates surety companies providing bonds acceptable for Federal procurement contracts. A firm must meet the requirements contained in Part 223 (Surety Companies Doing Business with the United States) of Title 31, Code of Federal Regulations, and be issued a certificate of authority by the Secretary of the Treasury. The Department publishes annually a list of approved surety companies in its Circular 570 (Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies), commonly referred to in the construction industry as the "Treasury List." Any surety company of the Treasury List is eligible to participate in the SBA Surety Bond Guarantee Program.

The Surety Association of America (SAA), representing the largest firms in the surety industry, often referred to as the "standard sureties," have suggested a set of stringent qualification standards for participation in the proposed Preferred Surety Bond Guarantee Program. It has been suggested that these requirements represent the expectations of SAA's members regarding the implementation of the Program, and upon which they return to the SBA bond guarantee program is predicted. SAA urges that to be accorded preferred surety status a firm must meet the following requirements.

(1) "maintain a certain underwriting limitation on the U.S. Treasury Department List of acceptable sureties." An underwriting limitation of $5 million is contemplated.

(2) "agree to . . . pay a higher percentage of premium" to the SBA than under the existing Surety Bond Guarantee Program.

(3) agree that only the standard premium rates will be charged to small businesses obtaining bonds under the Program.

(4) "maintain a permanent in-house claims department satisfactory to SBA."

(5) "maintain fully staffed branch and home office underwriting departments which write most of their contract bond business outside the SBA (Surety Bond Guarantee) Program." The objective of this requirement is to assure that the firm will be in the position to readily provide bonding to qualified contractors, who have graduated from the SBA Surety Bond Guarantee Program. It appears that this objective can be attained without the firm's portfolio reflecting a majority of non-SBA guaranteed bonding business, i.e. more than 50 percent. A lesser percentage may be sufficient to attain this objective without being an artificial barrier to otherwise qualified surety firms presently participating in the existing Surety Bond Guarantee Program.

(6) "agree that no underwriting authority would be vested in any agent or producer, but rather given only to employees of the surety company, thereby eliminating the conflict of interest which exists when the same party produces and underwrites business." The objective of this requirement is to eliminate from "preferred surety" status any firm that makes use of managing general agents. Such a blanket prohibition will have the effect of eliminating the majority of the specialty surety firms currently participating in the existing Surety Bond Guarantee Program. A blanket prohibition may not be the only method to address SAA's concern.

In fact, it has been suggested that an association be organized among several of the preferred sureties, with a managing general agent focused on the needs of disadvantaged small business construction firms in order to make a totally concentrated effort at expanding the access to bonding of such firms. The underwriting authority vested in the association's managing general agent and that retained by the participating preferred surety firms would have to be carefully established in light of the concerns expressed by Surety Association of America. Nevertheless, SBA should carefully consider such an undertaking in one of its regions during the term of the pilot Preferred Surety Bond Guarantee Program. If such an association is organized, its effectiveness in expanding the bonding opportunities for disadvantaged small business concerns should be included in the GAO review.

Given that a "preferred surety" firm will have the authority to obligate the payment of public funds in the event that the bond must be paid, it is clear that the qualification standards for designation as a "preferred surety" must be rigorous. Yet, such standards should not be drawn so restrictively as to exclude every specialty surety company presently participating in the existing SBA Surety Bond Guarantee Program from attaining "preferred surety" status.

To provide additional protection to the taxpayer, the regulations must also provide to the SBA the authority to temporarily suspend a firm's "preferred" status upon making a finding that the firm no longer meets the qualifications for such status, or has failed to comply with its own underwriting, bond administration or claims procedures or SBA regulations regarding the issuance or servicing of bonds bearing the SBA guarantee. A suspended firm should be promptly afforded an opportunity to demonstrate to the SBA that its suspension is unwarranted and should be lifted. A firm should not be terminated from the Program without the opportunity for a hearing that meets due process standards.

In addition to providing for the pilot Preferred Surety Bond Guarantee Program, this section clarifies the conditions under which a participating surety firm may issue a bond with the SBA guarantee. Most of the provision is a restatement of existing policy.

Section 203. Indemnification

Subsection (a) of this section clarifies the extent of SBA's financial obligations under a guaranteed bond in the event that the surety company incurs costs seeking to assist the contractor to avoid a breach of the bonded contract. Sureties routinely step in to assist a company avoid such a breach, on the basis that it frequently will be less costly than to have to pay on the bond after default. The surety is authorized to take such actions to prevent default of a contract covered by an SBA-guaranteed bond, and can be reimbursed for those costs. This provision makes clear that such costs cannot be reimbursed in an amount exceeding the guaranteed portion of the bond.

Subsection (b) of this section specifies the amounts of the maximum guarantees authorized under the new Preferred Surety Bond Guarantee Program as well as under the existing Surety Bond Guarantee Program. The provision establishes two new bond guarantees applicable to "small contract" bonds and to bonds issued to disadvantaged small business concerns.

This subsection sets a maximum guarantee level of 70 percent on bonds issued without the specific prior approval by SBA, that is, for bonds issued under the Preferred Surety Bond Guarantee Program. A preferred surety will face an exposure to loss that is ten percent greater than that faced by surety firms participating in the existing Surety Bond Guarantee Program in exchange for freedom from SBA prior approval of its underwriting and bond administration decisions, and to display its faith in its business judgments.

Subsection (b) also restates the maximum statutory limit of 90 percent for a guarantee under the existing Surety Bond Guarantee Program. By regulation, SBA has reduced the maximum guarantee to 80 percent to provide broader coverage under the existing funding.

Subsection (b) establishes a 90 percent guarantee in the case of a bond for a contract of $150,000 or less. Applications for bonds for small projects require essentially equal effort to evaluate as a bond application for a larger project. Given that the premium structure in the surety bond market is based upon the dollar value of the contract, surety companies find these "small contract" bonds significantly less attractive, especially when sought by a small business concern. It is anticipated that the required 90 percent guarantee will make the servicing of these smaller contracts more appealing.

Subsection (b) also establishes a 90 percent guarantee on any bond to be issued to a firm owned and controlled by socially and economically disadvantaged individuals as defined by section 8(d) of the Small Business Act. The purpose is to encourage companies participating in the Surety Bond Guarantee Program to increase their service to disadvantaged small business concerns, which have expressed a persistent problem in obtaining adequate bonding to facilitate their business development.

The 90 percent guarantees for small contract bonds and for bonds issued to disadvantaged small business concerns apply only to the existing Surety Bond Guarantee Program. All bonds issued with these special 90 percent guarantees will be subject to prior approval by the SBA, and will not be available under the Preferred Surety Bond Guarantee Program.

Subsection (c) of this section amends the Small Business Investment Act of 1958 by placing additional limitations on SBA's liability to sureties participating in either of the guarantee programs. Under this subsection, SBA's liability under the guarantee would be relieved if: (1) a surety has breached a material term or condition of the guarantee agreement, or (2) a surety has substantially violated the regulations issued by SBA to implement the guarantee programs.

Section 204. Reports and audits of participating sureties

This section clarifies the authority of the SBA to require reports from firms participating in the existing Surety Bond Guarantee Program and the proposed pilot Preferred Surety Bond Guarantee Program, and to audit the records of such firms. It also requires an annual audit of firms accorded preferred surety status. The provision makes clear that such annual audits need not be conducted by SBA personnel, but only by auditors "selected and approved" by SBA. It is contemplated that this requirement could be met through contract.

Section 205. Regulations

This section requires the Administration to issue final regulations to implement the amendments made by this title within 180 days after the date of enactment.

Section 206. Evaluation and report

This section requires the General Accounting Office to monitor the implementation of the provisions of the "Preferred Surety Bond Guarantee Program Act of 1988" and to make a report to the Committees on Small Business of the Senate and House of Representatives within three years after the date of enactment. The focus of the GAO evaluation is to determine whether the two major objectives of the amendments have been accomplished. First, GAO is to evaluate whether the standard surety companies have expanded their participation in the SBA surety bond programs. Second, GAO will also evaluate whether the expanded participation of the standard surety companies has improved the access to surety bonds for small business concerns, especially disadvantaged small business concerns. The GAO evaluation is to be based upon the first two years of experience under the pilot Preferred Surety Bond Guarantee Program. This will permit the early identification of trends and permit the GAO to complete its report prior to the statutory deadline, thus affording some time for appropriate Congressional action if the pilot program attains its objectives.

Section 207. Sunset

This section prescribes the termination date for the three-year pilot Preferred Surety Bond Guarantee Program. The termination date for the pilot program is September 30, 1991, or the last day of the third full fiscal year after the date of enactment, whichever is later.

Section 208. Miscellaneous provisions

Subsection (a) of this section is designed to facilitate the operation of the Surety Bond Guarantee Fund as a revolving fund without fiscal year limitation, as specified in Section 412 of the Small Business Investment Act of 1958 (15 U.S.C. 694c). Presently, funds appropriated for the operation of the Program are limited to a single fiscal year. The appropriated funds are required to cover the difference between the income under the Program and the expenses incurred by losses on bonds guaranteed under the Program. The need to encumber these appropriated funds to cover possible losses on outstanding bond guarantees has impaired SBA's ability to provide for new guarantees during the final weeks of the fiscal year. The problem may be as equally nettlesome in the early days of a fiscal year during which the Program is being covered by a short-term continuing resolution. The encumbered funds may not be needed, due to the subsequent release of the bond after completion of the contract, but they cannot be used to make new guarantees. The change made by this provision should help alleviate this problem which restricts the full utilization of the $1.25 billion authorized for bond guarantees.

Subsection (b) of this section clarifies the relationship between the general SBA size standards which define the maximum size a firm may attain and still be considered a "small business concern," and the special size standard used to further define eligibility to participate in the Surety Bond Guarantee Program. It makes clear that to participate in the Program a firm must be a "small business concern" and concurrently not exceed the Program's special size standard of $3.5 million in average gross receipts during the prior three years. Apparently, this size standard was established to focus the Program on the smaller "small business concerns" providing the types of services for which bonding would generally be required, principally construction firms, and which were more likely to be in need of the SBA guarantee to obtain the required bonding. This lower size standard for eligibility also helps to permit the Program's authorized funding to assist a larger number of firms. All of the size standards applicable to firms providing construction services presently exceed the $3.5 million standard by a substantial margin. The current size standards for construction general contractors are $17 million, $9.5 million for dredging contractors, and $7.0 million for the various specialty trade contractors (e.g., electrical, painting, and plumbing). The size standards for firms providing other types of services that may also require bonding are equal to or greater than $3.5 million.

On December 17, 1987, SBA issued a proposed regulation which would dramatically reduce the size standards for the standard industrial classification (SIC) codes that encompass the construction industry (Major Groups 15, 16 and 17). The changes were proposed to implement the size standard reductions mandated by Section 921 (Small Business set-asides) of the "National Defense Authorization Act for Fiscal Year 1987," Public Law 99-661. If the size standard reductions for the various SIC codes were to be implemented, the size standards for most of the SIC codes in construction would fall below the Surety Bond Guarantee Program's $3.5 million standard for eligibility. Under such circumstances, it has been argued that a firm that does not qualify as a "small business concern" could nevertheless remain qualified for the small business assistance provided by the Surety Bond Guarantee Program by merely meeting the Program's own $3.5 million eligibility standard. Such a result is contrary to Congressional intent that only small business concerns be eligible for any form of small business assistance.

Section 209. Effective date

This section establishes that the effective date of the Act is 180 days after enactment, except for those provisions which explicitly establish different effective dates.

Mr. DIXON. Mr. President, this amendment has been cleared on both sides with the distinguished chairman of the committee and distinguished ranking member.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. BUMPERS. Mr. President, we have no objection to this amendment. I point out that the same amendment was added in committee to the SBA authorization bill. It is also in the House version of the SBA authorization bill, which has just passed yesterday. While this is a little bit redundant, I agree with the amendment. But I would say to my good friend from Illinois, Senator Dixon, as well as Senator Nunn, for whom he offers this amendment, that we are going to have to delete it from this bill or the other bill, whichever comes through conference first.

Mr. DIXON. I think that is entirely satisfactory, Mr. President. I thank the distinguished chairman for his remarks.

The PRESIDING OFFICER. Is there further debate on the amendment?

Is all time yielded back?

Mr. BUMPERS. We yield back all the time we have remaining.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois.

The amendment (No. 2515) was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BUMPERS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DIXON. I thank the distinguished chairman and ranking member.

AMENDMENT NO. 2516

Purpose: To authorize the Small Business Administration to aprove a contract modification (including the exercise of an option) applicable to a contract awarded to a program participant during the 30-day period following the concern's graduation from the program, if the recommendation to approve was made by the procuring agency prior to the concern's graduation from the program, thus preventing the loss of such business activity by the concern due to the untimely processing of the agency request.

Mr. BUMPERS. Mr. President, I send an amendment to the desk on behalf of Mr. Harkin, who is unavoidedly detained and cannot be here, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arkansas [Mr. Bumpers], for Mr. Harkin, proposes an amendment numbered 2516.

Mr. BUMPERS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In section 404, at the end of the proposed section 8(a)(18) of the Small Business Act, add the following new subparagraph:

(C) Notwithstanding a Program Participant's graduation pursuant to section 7(j)(10)(G) of this Act, the Administration is authorized to approve a contract modification (including the exercise of an option) within 30 days after the date of that Participant's graduation, if such contract modification was recommended for approval by the procuring agency prior to that Participant's graduation from the Program.

Mr. HARKIN. Mr. President, this is a very simple amendment that is not controversial. The amendment simply provides that a firm that has just been graduated from the 8(a) program may still have a contract modified under the program. This could be done if the modification was recommended by the procuring agency prior to the firm's graduation. The Small Business Administration would not have to approve such a change. But, the SBA could do so if it was done within 30 days of the graduation. This amendment does not have a retroactive provision.

A firm graduates, or leaves the program, when it grows beyond the size standard of the program, if the firm's owner's net worth exceeds certain levels or after the company has participated in the program for 8 years. A firm cannot acquire new contracts under the program when the firm has graduated. But, it does keep the contracts that it already has.

I learned about a specific situation where the contracting agency had approved a modification. The SBA had agreed to the modification in concept. Unfortunately, the firm was graduated from the 8(a) program prior to the completion of the paperwork. The contractor was not able to acquire the modification. But, the Federal Government also lost because the change was very beneficial to the Government.

I believe that this amendment provides the Small Business Administration that can be helpful when this type of situation occurs in the future.

I urge the adoption of the amendment.

Mr. BUMPERS. This is a very simple amendment. It is noncontroversial. It provides that a firm that has just graduated from the 8(a) program may still have a program modified under the program. This could be done if the notification was recommended by the agency prior to the firm's graduation. SBA would not have to approve such a change but it could do so if it was done within 30 days of the graduation.

This amendment does not have a retroactive provision. A firm graduates or leaves the program when it grows beyond the size standard of the program. That is when it does more business than is allowed under the terms of the program. If the owner of the firm has a net worth which exceeds certain levels or after the company has participated in the program for 5 years—let me restate that, Mr. President. I will insert this in the Record.

I want to restate the size standard that deals with the net worth of the business. So once a firm exceeded the allowable net worth they are required to get out of the program, or after the company has participated in the program for 8 years they must also be termed as graduated. A firm cannot acquire new contracts under the program when the firm graduates. But it does keep the contracts that it already has.

Senator Harkin is concerned about a specific situation where the contracting agency had approved a modification. The SBA had agreed with the modification in concept but unfortunately the firm was graduated from the 8(a) program—in other words, their 8 years were up—and they graduated from the program prior to the completion of the paperwork.

So the contractor was not able to acquire the modification. But the Federal Government also lost because the change would have been very beneficial to the Government. So what Senator Harkin is trying to provide for in this amendment is that if within 30 days after you graduated from the program a modification can be achieved, you will still be entitled to the benefits of that modification. It seems to me that is a very fair and equitable result, and would certainly rectify at least what in one isolated case has caused a grave injustice and inequitable situation.

I have no objection to the amendment.

The PRESIDING OFFICER (Mr. Dixon). Is there further debate?

Mr. WEICKER. Mr. President, this side also approves of the amendment.

I yield back the remainder of my time.

Mr. BUMPERS. I yield back the remainder of our time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arkansas [Mr. Bumpers].

The amendment (No. 2516) was agreed to.

Mr. BUMPERS. I move to reconsider the vote by which the amendment was agreed to.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Ms. MIKULSKI. Mr. President, I want to take this opportunity to voice my support for S. 1993, the bill to revise the Small Business Administration's 8(a) program.

First, I would like to commend Chairman BUMPERS and his staff for burning a lot of midnight oil in putting together this legislation. The Small Business Committee held extensive hearings, and gave everyone connected with the 8(a) program a chance to shed some light on a structure that recently has received much unfair publicity.

The 8(a) program is an effort—in fact, one of the only efforts—to build up minority entrepreneurship in this country. I strongly support the program, and I strongly support this bill.

Over the past few months, in preparation for our work on S. 1993, I've talked with business people around the State of Maryland. I particularly want to thank former Congressman Parren Mitchell—who, as we all know, served ably as the chairman of the House Small Business Committee—for his advice and expertise.

We all agreed we have to tighten up the management of this program. The business people of Maryland think—as I do—that we must put together a program that helps these businesses develop while they're in the program.

The 8(a) program is not a handout to minorities who are trying to feed at the Federal trough. I think some of the critics of 8(a) lose sight of that fact. The 8(a) contracts aren't poured like manna from heaven into the waiting mouths of business owners. The people who take part have to pound the pavement, knock on doors, build contacts. And then maybe, just maybe, they can persuade a contracting officer to give them a shot.

And that's good. That is the way it should be. That is the way to learn how to function in a highly competitive business world. And that is what we must realize about the 8(a) program: It stimulates business development.

S. 1993 approaches the issue from that direction. How to promote business development while improving program management. I commend the Small Business Committee for keeping the focus on the ultimate goal.

One of the details that the committee addressed during markup was the length of time a participant can stay in the program. We can probably make just as good an argument for 8 years as for 9 or 10. And therein lies the problem. We just do not have enough information on which to base a well-reasoned decision on a participation term.

So I'm pleased S. 1993 sets up a task force to put together the data on how long it takes a business to become healthy—and if certain types of businesses take longer than others to reach viability. Mr. President, we have to face the fact that any participation term we set up is essentially arbitrary. We're flying in the dark, and we need some navigation lights. This task force can provide those lights.

I hope also we can keep track of the effect that our business mix requirement has on 8(a) businesses. This bill does something that we don't normally do legislatively: It mandates success. It says: "If you don't find a certain percentage of outside business after you've been in the program 5 years, you don't get any more 8(a) contracts."

That is an admirable goal, and I support it. But that is what it should be: a goal. We make it a requirement. When we bailed out Chrysler and Lockheed, we took a chance they would fail. We didn't ask them to guarantee success.

No matter how pure business people's motives. And no matter how sophisticated their business acumen, there's just no way they can guarantee that their business will win a contract.

Now, I realize that S. 1993 allows the SBA Administrator to waive the business mix requirements in certain instances. But I am highly suspicious of waivers. Waivers—even if they are based on specific criteria—can be skewed by political influence.

We, as representatives of our constituencies, all have an obligation to see that our people get a fair shake in their dealings with Federal agencies. And that's fine. That's an accepted part of our job.

But political influence—and the associated discretion that SBA offices have had on certain aspects of 8(a)—is what has gotten this program into trouble. In fact, our former colleague, JIM ABDNOR, who is now the head of the SBA, told us he wanted this bill to cut down on his discretion.

Section 401 of this bill says the business mix requirement can be waived if:

First. The 8(a) firm is within 5 percent of its "business mix" goal,

Second. The firm has demonstrated a "reasonable expectation" of receiving enough competitive awards to bring it into compliance, and

Third. It would suffer "severe economic harm" if it were denied further 8(a) contracts.

I can imagine a line of unhappy 8(a) business owners outside the SBA Administrator's office, waiting to plead their case for waivers, trying to comply with those nebulous terms, "reasonable expectation" and "severe economic harm."

I can also imagine another line of constituents outside the office of each Member of Congress, asking for help in persuading the SBA Administrator to hear their case.

Mr. President, section 401 of S. 1993 has an admirable goal: encouraging 8(a) businesses to develop non-8(a) work. But holding the business mix sword over their heads, and then allowing the SBA Administrator to brush the sword aside, is fraught with complications.

I've supported using the carrot-and-stick approach of business mix goals, rather than the sword approach. So I'll be very interested to see how this business mix requirement translates into business success—or lack of success.

These reservations notwithstanding, I want to reiterate my opinion that S. 1993 is going to be a good tiller to steer the SBA in the right direction. It deserves our support and endorsement.

Mr. KERRY. Mr. President, I rise, as an original cosponsor, in support of S. 1993, the Minority Business Development Reform Act of 1987. As a member of the Small Business Committee, and chairman of its Subcommittee on Urban and Minority-Owned Business Development, I strongly believe that this legislation will substantially improve the effectiveness of the SBA's 8(a) program in promoting development and growth in the minority business community.

There are currently over 800,000 minority owned small businesses in the United States, and the number is increasing. Clearly, the minority business community is a growing sector of this economy and one which grows in importance as the United States finds itself in intense competition for a share of an ever-expanding world market. It is vital to the future health of the U.S. economy that these new minority businesses have as good a chance as any other business to grow and to prosper. The 8(a) program is designed to facilitate such growth and prosperity.

Until 1978, the 8(a) program was designed to channel Government contracts to minority businesses. In that year, the 95th Congress enacted a law, Public Law 95-507, which changed the focus of the program from contract assistance to business development. The SBA would not only supply 8(a) firms with Government contracts, but also with the technical and managerial assistance needed for those firms to execute contracts and to successfully market their products or services to other buyers. As it turns out, Public Law 95-507, while an improvement, did not provide a sufficient framework under which the execution of the 8(a) program might be consistent with its goal of minority business development.

Mr. President, everybody has heard the criticisms of the 8(a) program. Critics pointed to the Wedtech scandal and charged that the 8(a) program merely spoon-fed Government contracts to rich minority businessmen. They cited the nearly 30-percent failure rate of graduated 8(a) firms as an indication that the program was not preparing minority businesses to function independently, and that these firms were developing an overdependence on 8(a) awarded sole source contracts. And the uneven geographical distribution of 8(a) contracts indicated to many, that the process of awarding 8(a) contracts was, at best, highly politicized and, at worst, corrupt.

These criticisms, though based on a small minority of unfortunate cases, were not totally unfounded. A study undertaken by the Small Business Committee and released last year highlights many of the problems in the 8(a) program. For example, in 1986, almost 55 percent of the Federal procurement dollars awarded through the 8(a) program were divided among only 100 firms. Nearly 1,500 firms split the remaining contract dollars available and more than 1,500 received no 8(a) contracts at all in 1986.

In geographic terms, the distribution of 8(a) contracts has been unfair and poorly executed. I was quite disturbed to learn, for instance, that in 1987, 8(a) firms in Massachusetts were awarded a total of 115 8(a) contracts worth a total of just under $46 million. In contrast, 350 contracts worth a combined $203 million were awarded to Maryland firms and 560 contracts worth $276 million were channeled to program participants in Virginia.

In the course of four hearings on this legislation stretching over 6 months, testimony was heard from 8(a) participants, officials from the SBA, procurement officers, and many others on both sides of the Federal procurement process. There was little disagreement that the 8(a) program, as it is currently structured, has failed to effectively promote and facilitate business development within the minority community and has instead become a symbol of the worst kind of Government waste, fraud, and abuse and has severely undermined public confidence in—and support of—the very kinds of programs that we need to insure social and economic progress and equality for all Americans.

The Government spends over $180 billion per year buying goods and services from the private sector. It is vital, not only to the minority business community but to the economy in general, that more of that money—taxpayers' money—is channeled back into the minority business community in an effective and productive manner. I believe that the 8(a) program is capable of doing that.

Mr. President, this bill, as amended, will require that the SBA rule on any application for 8(a) certification within 90 days. Previously, certification could take up to a year or more. Furthermore, an amendment which I authored will prohibit the SBA from denying 8(a) certification solely because the agency believes that there is insufficient contract support in the program to sustain the firm. Although there may be times when a certified firm might be unable to find Government contracted work, I don't believe that we should allow even a single minority business person to have their hopes dashed by an arbitrary decision on the part of the Federal Government.

This bill will also mandate a fixed program participation term of 8 years for every firm in the program. The present policy of granting extensions on a case-by-case basis, has allowed the more successful firms to stay in the program longer than the smaller, less influential firms. A fixed 8-year term eliminates much of the political maneuvering which has plagued this program in the past.

Furthermore, S. 1993 will open all 8(a) contracts worth over $5 million in award value, to competition among 8(a) participants. This provision will further remove the possibility of patronage influencing a contract award and will also prepare firms for the type of competition they will face upon graduation from the 8(a) program.

A vital provision of this legislation, which is not present in the version passed by the House, would require that 8(a) firms, as they progress through the program, acquire a percentage of their business competitively. This so-called business mix provision requires that a business, by the end of its 5th year of participation in the 8(a) program, will have to achieve 30 percent of its sales through competitive contracts. During its 7th year, it will be required to achieve 50 percent of its sales competitively. I might add that competitive contracts received within or without the 8(a) program count toward the fulfillment of these requirements.

Furthermore, this bill provides SBA with a framework through which it can assist 8(a) companies, through management training and cost assistance, in bidding for competitive contracts. Bidding for and winning a Government—or private—contract is something any business absolutely must know if it is to grow and prosper as a competitive provider of goods or services.

In conclusion, this bill, which represents a bipartisan effort on behalf of the members and the staffs of the Small Business Committee, fixes something which is in need of fixing. The 8(a) program has yet to live up to its potential and fulfill its goals as a business development program. As chairman of the Subcommittee on Urban and Minority-Owned Business Development, I feel that S. 1993 is a strong bill, one that will meet the needs of the minority business community and one that reflects a strong commitment, by the members of the Small Business Committee, to the development of a very important, and previously neglected, part of the U.S. economy—minority-owned small business.

Mr. BUMPERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that it be in order to order the yeas and nays on the companion bill, H.R. 1807.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, I suggest that the Cloakrooms put out the word to Senators that a rollcall vote is imminent.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. Mr. President, I am pleased to support S. 1993, the Minority Business Development Program Reform Act. As the able chairman of the Small Business Committee, Senator BUMPERS, has already pointed out, this legislation makes significant reforms in the Small Business Administration's 8(a) program. My colleagues will recall that the 8(a) program is one of our primary economic tools promoting the development of minority and disadvantaged businesses.

Unfortunately, throughout much of its life, the 8(a program has been rocked by well-publicized accounts of abuse and other scandals. The most recent example of such abuse is of course the Wedtech case.

These abuses not only highlighted some very visible shortcomings of the 8(a) program, but as our chairman has noted in the past, they called into question the very future of the program. And that was a great tragedy, Mr. President. For what we had was a case where a few rotten apples threatened the very existence of a program which holds great promise for minority business development.

Mr. President, the President's most recent report on the state of small business points out that minorities are less likely than other Americans to own a business. Sales per minority-owned business were lower on average than sales for all businesses. The latest statistics show that there are only some 850,000 minority-owned businesses in this country.

So clearly, Mr. President, there is a compelling need for a program such as the 8(a) program. We need to stimulate more minority business development. We need to make sure that the American dream of owning and operating your own business is available to all Americans.

That is why this legislation is critical. This bill makes much needed reforms in the 8(a) program while making sure that the program survives.

Equally important is the way the chairman and ranking member have handled this bill. The committee could well have taken the text of S. 1993 as introduced in December 1987 and pushed that bill through. We didn't take that route. Instead, the committee went through several days of hearings where the views of the minority business community could be heard.

That give and take pointed out what many felt were shortcomings in the original text of S. 1993. Where legitimate concerns could be addressed, they were. I commend the chairman for his willingness to listen to the concerns of those most affected by this legislation and make sure that this bill addresses those concerns.

I'm confident that this approach will continue as we move to conference on this important measure.

In short, Mr. President, this is much needed legislation if we are to continue to promote minority business development in this country. It takes great strides toward making sure that cases of fraud and abuse will be eliminated. It produces a more vibrant and responsible 8(a) program. I urge my colleagues to support passage of S. 1993.

Mr. LEVIN. Mr. President, the 8(a) program is an important Federal initiative designed to promote viable, minority-owned businesses and to bring disadvantaged individuals into the mainstream of our economy by giving them an opportunity to participate in the Federal acquisition process. When it works right, the 8(a) program provides important business opportunities to members of our society who have long been denied such opportunity. It can give disadvantaged individuals a chance to own their own businesses and to bring needed jobs and training to their communities. Over the past several months, my staff and I have met with representatives of numerous 8(a) firms that have built on the program to build successful businesses. These companies are a credit to the program.

At the same time, however, the administration of the 8(a) program has been flawed for a number of years. Hearings conducted by the Senate Small Business Committee indicate that the SBA has too often failed to distribute the resources of the program equitably or to provide effective advice and assistance to 8(a) companies attempting to manage and develop mature businesses. As a result of these failures, approximately half of the program participants have never received a single contract, while other companies are dependent on the 8(a) program for more than 90 percent of their contracts and, as a result, leave the program without a reasonable possibility for success in the competitive marketplace.

The problems faced by the 8(a) program have also been explored in depth by the Governmental Affairs Subcommittee on Oversight of Government Management, which I chair. Over the past 1½ years, the Oversight Subcommittee has been looking into the abuse of the 8(a) program by the Wedtech Corp. The subcommittee found numerous problems in the 8(a) program. For example, Wedtech's disadvantaged owners sold a majority of their company to nondisadvantaged individuals, became millionaires, and were still able to use their connections to remain in the program and receive lucrative Federal contracts on a sole-source basis. In virtually every instance where section 8(a) gave the SBA discretion, SBA officials appear to have abused that discretion to give Wedtech preferential treatment.

Mr. President, I commend Senators BUMPERS and WEICKER and their staffs for their diligent efforts to address these problems. We need the 8(a) program. We need to continue bringing disadvantaged businesses into the mainstream of our economy. At the same time, we need to reform the 8(a) program to ensure that resources and assistance are more effectively targeted to build viable, competitive businesses. We certainly cannot tolerate continued abuses of the program by those who should not even be permitted to participate in the first place.

S. 1993, the bill now before the Senate, is a well-crafted bill, which effectively addresses the failure of the SBA to administer the program and properly recognizes the purpose of the 8(a) program to promote the development of disadvantaged businesses. I again commend Senators BUMPERS and WEICKER and their staffs for their work on this bill and I hope that my colleagues will overwhelmingly support it.

Mr. BINGAMAN. Mr. President, I rise today in support of S. 1993, legislation to improve the growth and development of small business concerns, owned and controlled by socially and economically disadvantaged individuals, through participation in the Federal procurement process. I am pleased to be a cosponsor of this important legislation.

The program authorized by section 8(a) of the Small Business Act has been the primary vehicle for guiding Federal procurement decisions toward economically disadvantage minority-owned businesses. The program has served two critical and complementary purposes: first, lending an element of fairness to distribution of taxpayer-financial Federal procurement contracts, and second, creating opportunities for minority-owned businesses to overcome the historic disadvantages these businesses have traditionally faced.

Unfortunately, there have been unfortunate abuses in the program that must be corrected in order to restore public confidence. The program can provide a positive contribution if properly managed. I believe this legislation goes a long way in making the necessary reforms in the program to ensure integrity in its operation.

New Mexico businesses have benefited significantly from participation in the 8(a) program. Sixty-two New Mexico firms have received a total of $62 million in Federal contracts for each of the past 2 years and expect to receive approximately $75 million during this fiscal year. The indirect benefits of this program for New Mexico firms also have been significant. Being certified an 8(a) firm has helped New Mexico companies establish their small disadvantage credentials for similar programs at the State and local level, and in the private sector.

In order to restore this program to its full potential and assist in the development of small and disadvantage business throughout the Nation, I urge my colleagues to support this legislation.

Mr. KARNES. Mr. President, I rise to commend Senators BUMPERS and WEICKER for the expeditious and forthright manner in which this much needed bill has been handled. I am proud to be a cosponsor and to have had the opportunity to participate in the consideration of the bill.

This bill addresses some of the serious problems, which in the past, have plagued the 8(a) program. The restructuring of this program along with the strong commitment and determination of SBA Administrator James Abdnor, should help put the program back on the path toward its original goal of minority business development.

The 8(a) program has the very admirable goal of giving disadvantaged individuals a helping hand to assist them in their quest to develop successful business enterprises. Unfortunately, this program has been viewed by many as just another way to secure Government contracts. Others have come to view 8(a) contractors as totally dependent on this program.

By attacking many of the shortfalls and abuses, we can return integrity to this program which, when restructured, will once again serve to strengthen the foundations of minority-owned businesses. The new standards for eligibility, certification, graduation and termination are essential, if this program is to be put back on course.

I commend Chairman BUMPERS for his amendment to bring about a more proportionate distribution of 8(a) contracts and create outreach programs to accomplish this goal. I feel this is a much needed addition and will result in a more even distribution of contracts throughout the country.

Mr. DOMENICI. Mr. President, I am pleased to support S. 1993, the Minority Business Development Program Reform Act of 1988.

This legislation would improve the Small Business Administration's 8(a) program.

By fostering the growth and development of small businesses owned by socially and economically disadvantaged individuals, the 8(a) program is very important to the State of New Mexico. In fiscal year 1987, 91 8(a) contracts were awarded to New Mexico with a value of $33.7 million.

The 8(a) program has not been without its faults. The program has been subject to numerous studies by the SBA, the General Accounting Office, and congressional committees. Problems in the program range from the administration of the program by the SBA, to the program's effectiveness on its participants.

Too often, participating companies have failed to realize the intent of the program—to foster development so that the company may graduate from the program with an expectation of success in a competitive marketplace. This legislation will correct many of the present inequities.

S. 1993 would require a renewed emphasis on the development of a business plan by the program participant. This general guide would include an analysis of marketing opportunities, an analysis of the firm's strengths and weaknesses, goals and objectives towards the business development and estimates of required contract support to meet these goals, and a transition plan stating the participant's plans upon graduation from the program.

The firm would discuss and update this plan with the SBA during its participation term, to provide continuing assistance to the firm, and to keep the SBA advised regarding the status of the firm's development.

This act would also require a participant to establish a business mix of non-8(a) business. As a firm matures under the 8(a) program, it is expected to require less sole-source contract assistance.

Beginning in the 5th year under the program, a firm must include a certain percentage of non-8(a) business in its portfolio. For year 5, 30 percent of a firm's contracts must be from non-8(a) sources, gradually increasing to 75 percent during the final year of program eligibility.

This bill would also improve the administration of the 8(a) program. A common complaint by participants is the excessive delay in the review of contract applications by SBA personnel.

The legislation would establish a division of minority small business certification to review applications for program certification, and to periodically review the eligibility of current participants.

S. 1993 would also improve program management and congressional oversight of the 8(a) program.

Participants must annually report the names of any representatives and consultants who are paid by the firm, but who are not employees, and their duties and salary.

Any person who represents his or her status as an 8(a) small business concern would be subject to a fine of $100,000 or imprisonment up to 5 years, suspension from Federal contracting, or suspension for 3 years from SBA procurement programs.

Beginning annually on April 30, 1989, the Administrator shall submit to the Senate and House Small Business Committees information on the 8(a) program. The report shall include the amount of awards made to each participant, and the percentage of each participants' total sales, the dollar value of all program contracts, and any other information deemed appropriate by the Administrator.

Throughout my career in the Senate, one of my top priorities has been to improve economic development on our Nation's Indian reservations. At my request and that of several of my colleagues, the committee has included several provisions to address the special needs of tribally owned 8(a) firms. These firms are unique in that they benefit the entire tribe or pueblo.

S. 1993 would permit a tribe to have more than one 8(a) company, so long as no two of them are in the same line of business. It would also enable a tribal member to manage a tribally owned 8(a) company without using up his individual 8(a) eligibility. Presently, an individual may manage an 8(a) firm only one time.

Also, the bill would instruct the SBA to establish an Indian desk at the central office and in each of its regional offices. The Indian desk would address problems experienced by Indian-owned firms.

New Mexico is home to Laguna Industries, a highly successful 8(a) firm engaged in defense contracting and one of our Nation's largest Indian employers. I am optimistic that these provisions will provide opportunities for more tribally owned small businesses, and I encourage the House to adopt this language.

S. 1993 is a significant step towards improving the 8(a) program for all businesses, and I anticipate its enactment.

Mr. BUMPERS. Mr. President, I know of no other amendments.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. BUMPERS. Mr. President, in conclusion I would like to express my sincere appreciation to my two principal consponsors, Senators WEICKER and KERRY, for all the fine work and the many hours which they have devoted to this legislation. Only by proceeding in a bipartisan fashion, as Senator WEICKER and I always try to do, could we hope to undertake so ambitious reform of such a politically sensitive program.

Mr. President, I want to express my special thanks to the staff director on the majority side John Ball, who is seated at my left.

I would particularly like to thank Senator WEICKER's minority staff on the Small Business Committee. Bob Wilson and Erline Patrick have done far more than their fair share from beginning to end, and especially in drafting the report. Both Mr. Wilson and Bill Montalto, who serves as special counsel for procurement policy for both sides of the committee, were the principal draftsmen of the bill.

I would also like to thank Jim Brenner and Jonathan Harris of Senator KERRY's staff, and Peter Levine of Senator LEVIN's subcommittee staff. They have provided a wealth of good advice and counsel to the committee staff.

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of H.R. 1807, and all after its enacting clause will be stricken, and the text of S. 1993 is inserted in lieu thereof.

The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill having been read the third time, the question is, Shall it pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. Bradley], the Senator from North Carolina [Mr. Sanford], and the Senator from Alabama [Mr. Shelby] are necessarily absent.

I also announce that the Senator from Delaware [Mr. Biden] is absent because of illness.

I further announce that, if present and voting, the Senator from New Jersey [Mr. Bradley] would vote "yea."

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. Boschwitz], the Senator from Nevada [Mr. Hecht], the Senator from North Carolina [Mr. Helms], and the Senator from Alaska [Mr. Murkowski] are necessarily absent.

The PRESIDING OFFICER (Mr. Breaux). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 92, nays 0, as follows:

[Rollcall Vote No. 227 Leg.]

YEAS—92

Adams
Armstrong
Baucus
Bentsen
Bingaman
Bond
Boren
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Gore
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Heflin
Heinz
Hollings
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sarbanes
Sasser
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NOT VOTING—8

Biden
Boschwitz
Bradley
Hecht
Helms
Murkowski
Sanford
Shelby

So the bill (H.R. 1807) was passed.

Mr. BUMPERS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. WEICKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BUMPERS. Mr. President, I move that the Senate insist on its amendments to H.R. 1807, that it request a conference with the House, and that the Chair be authorized to appoint conferees.

The motion was agreed to; and the Presiding Officer appointed Mr. Bumpers, Mr. Levin, Mr. Dixon, Mr. Kerry, Mr. Weicker, Mr. Boschwitz, and Mr. Rudman conferees on the part of the Senate.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATION ACT, FISCAL YEAR 1989

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of H.R. 4637, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 4637) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1989, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Appropriations, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italics.)

H.R. 4637

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1989, and for other purposes, namely:

TITLE I—MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL FINANCIAL INSTITUTIONS

[CONTRIBUTIONS FOR ARREARAGES

[CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

[For payment to the International Development Association by the Secretary of the Treasury, $43,333,334, for the United States contribution to the replenishments, to remain available until expended: *Provided,* That no such payment may be made while the United States Executive Director to the International Bank for Reconstruction and Development is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while the alternate United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

[CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

[For payment to the International Finance Corporation by the Secretary of the Treasury, $20,300,000, for the United States share of the increase in subscriptions to capital stock, to remain available until expended.

[CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

[For the United States contribution by the Secretary of the Treasury to the increases in resources of the Asian Development Fund, as authorized by the Asian Development Bank Act, as amended (Public Law 89-369), $190,964,000, to remain available until expended: *Provided,* That no such payment may be made while the United States Director of the Bank is compensated by the Bank at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to the Bank is compensated by the Bank in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

[ANNUAL CONTRIBUTIONS TO INTERNATIONAL FINANCIAL INSTITUTIONS]

CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increases in capital stock, for the General Capital Increase, $70,915,283 to remain available until expended: Provided, That no such payment may be made while the United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while the alternate United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code: Provided further, That none of these funds shall be made available until S. 2524 or another Act authorizing the appropriation of such funds is enacted into law.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the International Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of increases in capital stock in an amount not to exceed $2,292,972,540.

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the Treasury, [$995,000,000] *$931,176,717,* for the United States contribution to the replenishment, to remain available until expended: *Provided,* That no such payment may be made while the United States Executive Director to the International Bank for Reconstruction and Development is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while the alternate United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

For payment to the International Finance Corporation by the Secretary of the Treasury, $13,209,000, for the United States share of the increase in subscriptions to capital stock, to remain available until expended.

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increases in resources of the Asian Development Fund, as authorized by the Asian Development Bank Act, as amended (Public Law 89-369), [$41,868,609] *$146,070,000,* to remain available until expended: *Provided,* That no such contribution may be made while the United States Director of the Asian Development Bank is compensated by the Bank at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to the Bank is compensated by the Bank in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

For payment to the African Development Fund by the Secretary of the Treasury, $105,000,000, for the United States contribution to the fifth replenishment of the African Development Fund, to remain available until expended: [Provided, That none of these funds shall be made available until authorized:] *Provided, That none of these funds shall be made available until S. 2524 or another Act authorizing the appropriation of such funds is enacted into law.*

CONTRIBUTION TO THE AFRICAN DEVELOPMENT BANK

For payment to the African Development Bank by the Secretary of the Treasury, for the paid-in share portion of the United States share of the increase in capital stock, $8,999,371, to remain available until expended: *Provided,* That no such payment may be made while the United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while the alternate United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the African Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $135,062,946.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

For necessary expenses to carry out the provisions of sections 301 and 103(g) of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1983, [$214,958,666] *$218,219,666: Provided,* That no funds shall be available for the United Nations Fund for Science and Technology: *Provided further,* That the total amount of funds appropriated under this heading shall be made available only as follows: [$110,000,000] *$112,000,000* for the United Nations Development Program; [$54,400,000] *$60,400,000* for the United Nations Children's Fund *of which $3,000,000 shall be made available to UNICEF as funds in trust for the activities of Childhope: Provided further,* That the funds made available for UNICEF (less amounts withheld consistent with section 307 of the Foreign Assistance Act of 1961 and section 526 of this Act) shall be obligated and expended no later than 30 days after the date of enactment of this Act: [*Provided further,* That if the previous proviso is not complied with, then $50,000,000 of the funds made available by this Act for necessary expenses to carry out the provisions of section 503 of the Foreign Assistance Act of 1961, shall be immediately transferred to the general fund of the United States Treasury;] $980,000 for the World Food Program; [$1,500,000] *$2,000,000* for the United Nations Capital Development Fund; [$220,000] *$8,000,000* for the United Nations Voluntary Fund for the Decade for Women; *$200,000 for the United Nations International Research and Training Institute for the Advancement of Women;* $2,000,000 for the International Convention and Scientific Organization Contributions; $1,960,000 for the World Meteorological Organization Voluntary Cooperation Program; [$22,000,000] *$14,500,000* for the International Atomic Energy Agency; [$9,000,000] *$10,500,000* for the United Nations Environment Program; [$784,000] *$800,000* for the United Nations Educational and Training Program for Southern Africa; [$500,000] *$250,000* for the United Nations Trust Fund for South Africa; $110,000 for the United Nations Institute for Namibia; [$450,000] *$650,000* for the Convention on International Trade in Endangered Species; $220,000 for the World Heritage Fund; [$90,000] *$100,000* for the United Nations Voluntary Fund for Victims of Torture; [$245,000] *$200,000* for the United Nations Fellowship Program; $400,000 for the United Nations Center on Human Settlements; [$250,000] *$300,000* for the UNIDO Investment Promotion Service; $7,349,666 for the Organization of American States; and $2,500,000 for the International Fund for Agricultural Development: *Provided further, That of the funds appropriated under this heading for the United Nations Environment Program, $3,500,000 shall be used only for activities to control the global emissions of chlorfluorocarbons (CFC's) through the implementation of the Montreal Protocol and through the development of additional international restraints on the atmospheric release of CFC's;* $2,500,000 *$2,000,000 shall be used only to initiate activities to establish an international agreement limiting the emission of greenhouse gases; $2,000,000 shall be used only to support the Regional Seas Program; and $2,500,000 shall be used only to operate the International Registry of Potential Toxic Chemicals, provide technical assistance to developing countries on the use and treatment of hazardous materials, implement the Cairo Plan, and assist developing countries to develop resource management strategies: Provided further,* That funds appropriated under this heading may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency.

TITLE II—BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, and for other purposes, to remain available until September 30, 1989, unless otherwise specified herein, as follows:

AGENCY FOR INTERNATIONAL DEVELOPMENT

AGRICULTURE, RURAL DEVELOPMENT, AND NUTRITION, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 103, [$488,715,000] *$493,715,000: Provided,* That up to $5,000,000 shall be provided for new development projects of private entities and cooperatives utilizing surplus dairy products: *Provided further,* That not less than $8,000,000 shall be provided for the Vitamin A Deficiency Program: *Provided further,* That, notwithstanding any other provision of law, up to $10,000,000 of the funds appropriated under this heading shall be made available, and remain available until expended, for agricultural activities in Poland which are managed by the Polish Catholic Church or other nongovernmental organizations.

POPULATION, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 104(b), $197,940,000: *Provided,* That none of the funds made available in this Act nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization: *Provided further,* That none of the funds made available under this heading may be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions; and that in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services: *Provided further,* That in awarding grants for natural family planning under section 104 of the Foreign Assistance Act no applicant shall be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning; and, additionally, all such applicants shall comply with the requirements of the previous proviso: *Provided further,* That nothing in this subsection shall be construed to alter any existing statutory prohibitions against abortion under section 104 of the Foreign Assistance Act.

HEALTH, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 104(c), [$119,000,000] *$122,459,000: Provided,* That of this amount $2,500,000 shall be made available for the

River Blindness Program of the World Health Organization.

INTERNATIONAL AIDS PREVENTION AND CONTROL PROGRAM

For necessary expenses to carry out the provisions of chapter 1 of part I of the Foreign Assistance Act of 1961, [$35,000,000] *$40,000,000,* which shall be made available only for activities relating to research on, and the treatment and control of, acquired immune deficiency syndrome (AIDS) in developing countries: *Provided,* That of the funds made available under this heading [$17,500,000] *$25,500,000* shall be [made available] *provided directly* to the World Health Organization [to finance] *for its use in financing* the Global Program on AIDS, including activities implemented by the Pan American Health Organization.

CHILD SURVIVAL FUND

For necessary expenses to carry out the provisions of section 104(c)(2), $71,000,000.

EDUCATION AND HUMAN RESOURCES DEVELOPMENT, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 105, [$117,000,000] *$134,541,000: Provided,* That $1,500,000 of the funds appropriated under this heading shall be made available for the Caribbean Law Institute*: Provided further, That not less than $67,270,000 of the funds appropriated under this heading and under the heading "Sub-Saharan Africa, Development Assistance" shall be available only for programs in basic primary and secondary education: Provided further, That in each of fiscal years 1989, 1990 and 1991, the Agency for International Development shall initiate three new bilateral projects in basic primary and secondary education, at least two of which in each fiscal year shall be initiated in countries in Sub-Saharan Africa: Provided further, That not less than $15,000,000 of the funds appropriated under this heading shall be made available for the International Student Exchange Program: Provided further, That not less than $1,200,000 of the funds appropriated under this heading shall be made available for the Center for Inter-American Leadership.*

PRIVATE SECTOR, ENVIRONMENT, AND ENERGY, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 106, $120,709,000: *Provided,* That not less than $5,000,000 shall be made available only for cooperative projects among the United States, Israel and developing countries: *Provided further,* That not less than $5,000,000 shall be made available only for the Central American Rural Electrification Support project: *Provided further, That of the funds appropriated under this heading $600,000 shall be made available for assistance for the reconstruction of the Parliament building in Dominica.*

SCIENCE AND TECHNOLOGY, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 106, $8,662,270.

MICRO-ENTERPRISE DEVELOPMENT

Of the funds appropriated by this Act to carry out part I and chapter 4 of part II of the Foreign Assistance Act of 1961, not less than $75,000,000 shall be made available for programs of credit and other assistance for micro-enterprises in developing countries: *Provided,* That local currencies which accrue as a result of assistance provided to carry out the provisions of the Foreign Assistance Act of 1961 and the Agricultural Trade Development and Assistance Act of 1954 may be used for assistance for micro-enterprises: *Provided further,* That such local currencies which are used for this purpose shall be in lieu of funds earmarked under this heading and shall reduce the amount earmarked for assistance for micro-enterprises by an equal amount.

SUB-SAHARAN AFRICA, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of sections 103 through 106 and section 121 of the Foreign Assistance Act of 1961, $500,000,000, for assistance only for Sub-Saharan Africa, which shall be in addition to any amounts otherwise made available for such purposes: *Provided,* That any of the funds which are appropriated under this heading may be used for assistance for Sub-Saharan Africa to carry out any economic development assistance activities under the Foreign Assistance Act of 1961: *Provided further,* That assistance made available under this heading shall be used to help the poor majority in Sub-Saharan Africa through a process of long-term development and economic growth that is equitable, participatory, environmentally sustainable, and self-reliant: *Provided further,* That these objectives may, in part, be achieved through the integration of women in the development process, appropriate consultation with private voluntary organizations, African and other organizations with a local perspective on the development process, and inclusion of the perspectives and participation of those affected by the provision of assistance: *Provided further,* That assistance made available under this heading shall be provided in accordance with the policies contained in section 102 of the Foreign Assistance Act of 1961: *Provided further,* That assistance made available under this heading should be provided, when consistent with the objectives of such assistance, through African, United States and other private and voluntary organizations which have demonstrated effectiveness in the promotion of local grassroots activities on behalf of long-term development in Sub-Saharan Africa: *Provided further,* That assistance made available under this heading should be used to help overcome shorter-term constraints to long-term development; to promote reform of sectoral economic policies to support the critical sector priorities of agricultural production and natural resources, health, voluntary family planning services, education, and income generating opportunities; to bring about appropriate sectoral restructuring of the Sub-Saharan African economies; to support reform in public administration and finances and to establish a favorable environment for individual enterprise and self-sustaining development: *Provided further,* That assisted policy reforms should take into account the need to protect vulnerable groups: *Provided further,* That assistance made available under this heading shall be used to increase agricultural production in ways which protect and restore the natural resource base, especially food production; to maintain and improve basic transportation and communication networks; to maintain and restore the renewable natural resource base in ways which increase agricultural production; to improve health conditions with special emphasis on meeting the health needs of mothers and children, including the establishment of self-sustaining primary health care systems that give priority to preventive care; to provide increased access to voluntary family planning services; to improve basic literacy and mathematics especially to those outside the formal educational system and to improve primary education; and to develop income-generating opportunities for the unemployed and underemployed in urban and rural areas: *Provided further,* That the Administrator of the Agency for International Development should target the equivalent of 10 percent of the funds appropriated under this heading for each of the following: (1) maintaining and restoring the renewable natural resource base in ways which increase agricultural production, including components of agriculture activities which are consistent with this objective, (2) health activities, and (3) voluntary family planning: *Provided further,* That local currencies generated by the sale of imports or foreign exchange by the government of a country in Sub-Saharan Africa from funds appropriated under this heading shall be deposited in a special account established by that government: *Provided further,* That these local currencies shall be available only for use, in accordance with an agreement with the United States, for development activities which are consistent with the policy directions of section 102 of the Foreign Assistance Act of 1961 and for necessary administrative requirements of the United States Government: *Provided further,* That in order to carry out the purposes of this heading, section 604(a) of the Foreign Assistance Act of 1961, and similar provisions of law, shall not apply with respect to the implementation of assistance activities consistent with the purposes of this heading: *Provided further,* That the funds made available under this heading shall be provided only on a grant basis.

SOUTHERN AFRICA, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of sections 103 through 106 of the Foreign Assistance Act of 1961, $50,000,000, which shall be made available, without regard to section 518 of this Act and section 620(q) of the Foreign Assistance Act of 1961, only to assist sector projects supported by the Southern Africa Development Coordination Conference (SADCC) to enhance the economic development of the nine member states forming that regional institution: *Provided,* That this amount shall be made available for one or more of the following sectors: transportation; manpower development; agriculture and natural resources; energy (including the improved utilization of electrical power sources which already exist in the member states and offer the potential to swiftly reduce the dependence of those states on South Africa for electricity); and industrial development and trade (including private sector initiatives): *Provided further,* That amounts made available under this heading shall be in addition to any amounts otherwise made available for such purposes and shall be in addition to amounts made available for Africa under the heading "Sub-Saharan Africa, Development Assistance": *Provided further,* That none of the funds appropriated under this heading may be made available for activities in Angola: *Provided further,* That none of the funds appropriated under this heading may be made available for activities in Mozambique unless the President certifies that it is in the national interest of the United States to do so.

[CHILD SURVIVAL ACTIVITIES FOR SUB-SAHARAN AFRICA

[Of the aggregate of the funds appropriated by this Act to carry out sections 103 through 106 of the Foreign Assistance Act of 1961, not less than $29,000,000 shall be made available for child survival activities for Sub-Saharan Africa: *Provided,* That this amount shall be in addition to any amounts otherwise made available for such purposes by this Act.]

ASSISTANCE FOR VICTIMS OF WAR

Of the aggregate of the funds appropriated by this Act to carry out part I and chapter 4 of part II of the Foreign Assistance Act of 1961, up to $5,000,000 may be made available, notwithstanding any other provision of law, for assistance for the provision of prostheses for civilians who have been injured as a result of civil strife and warfare.

ASSISTANCE FOR DISPLACED CHILDREN

Of the aggregate of the funds appropriated by this Act to carry out part I of the Foreign Assistance Act of 1961, not less than $1,500,000 shall be made available for programs and activities for children who have become orphans as a result of the effects of drought, civil strife, and other natural and man-made disasters: *Provided,* That assistance under this heading shall be made available in accordance with the policies and general authorities contained in section 491 of the Foreign Assistance Act of 1961.

WOMEN IN DEVELOPMENT

In recognition that the full participation of women in, and the full contribution of women to, the development process are essential to achieving economic growth, a higher quality of life, and sustainable development in developing countries, not less than $5,000,000 of the funds appropriated by this Act to carry out part I of the Foreign Assistance Act of 1961, *in addition to funds otherwise available for such purposes,* shall be used to encourage and promote the participation and integration of women as equal partners in the development process in developing countries, *of which not less than $3,000,000 shall be made available as matching funds to support the activities of the Agency for International Development's field missions to integrate women into their programs: Provided, That the Agency for International Development shall seek to ensure that country strategies, projects, and programs are designed so that the percentage of women participants will be demonstrably increased.* [*Provided,* That the Agency for International Development shall seek to ensure that country strategies and, where appropriate, projects and programs, are designed so that the percentage of women who receive assistance is, at a minimum, in approximate proportion to their traditional participation in the targeted activities and, wherever possible and appropriate, so that this percentage is likely to increase.]

PHILIPPINES, DEVELOPMENT ASSISTANCE

Of the aggregate of the funds appropriated by this Act to carry out sections 103 through 106 of the Foreign Assistance Act of 1961, not less than $40,000,000 shall be made available only for the Philippines for project and sector assistance primarily in support of the Government of the Philippines' efforts to promote economic recovery and attain sustained growth through increased rural productivity in both farm and off-farm enterprises, and other activities consistent with the purposes of chapter 1 of part I of the Foreign Assistance Act of 1961: *Provided,* That of the funds made available for the Philippines under section 103 of the Foreign Assistance Act of 1961, as amended, not less than $1,000,000 shall be made available to fund technical assistance to strengthen nonprofit private organizations and cooperatives in conjunction, *where possible,* with projects using local currencies generated by sale of Public Law 480 and section 416 commodities.

PRIVATE AND VOLUNTARY ORGANIZATIONS

None of the funds appropriated or otherwise made available by this Act for development assistance may be made available to any United States private and voluntary organization, except any cooperative development organization, which obtains less than 20 per centum of its total annual funding for international activities from sources other than the United States Government: *Provided,* That the requirements of the provisions of section 123(g) of the Foreign Assistance Act of 1961 and the provisions on private and voluntary organizations in title II of the "Foreign Assistance and Related Programs Appropriations Act, 1985" (as enacted in Public Law 98-473) shall be superseded by the provisions of this section.

PRIVATE SECTOR REVOLVING FUND
(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the provisions of section 108 of the Foreign Assistance Act of 1961, not to exceed $9,000,000 to be derived by transfer from funds appropriated to carry out the provisions of chapter 1 of part I of such Act, to remain available until expended. During fiscal year 1989, obligations for assistance from amounts in the revolving fund account under section 108 shall not exceed $12,000,000.

During fiscal year 1989, total commitments to guarantee loans [may be made only to the extent that the total loan principal, any part of which is to be guaranteed,] shall not exceed $25,000,000 *of contingent liability for loan principal.*

AMERICAN SCHOOLS AND HOSPITALS ABROAD

For necessary expenses to carry out the provisions of section 214, [$30,000,000] *$40,000,000.*

INTERNATIONAL DISASTER ASSISTANCE

For necessary expenses to carry out the provisions of section 491, $25,000,000, to remain available until expended [: *Provided,* That up to $500,000 may be made available for assistance for children who have become orphans as a result of drought and famine in Sub-Saharan Africa].

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the "Foreign Service Retirement and Disability Fund", as authorized by the Foreign Service Act of 1980, $40,532,000.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

For necessary expenses to carry out the provisions of section 667, $414,000,000: *Provided,* That not more than $15,000,000 of this amount shall be for Foreign Affairs Administrative Support: *Provided further,* That except to the extent that the Administrator of the Agency for International Development determines otherwise, not less than 10 per centum of the aggregate of the funds made available for the fiscal year 1989 to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be made available only for activities of economically and socially disadvantaged enterprises (within the meaning of section 133(c)(5) of the International Development and Food Assistance Act of 1977), historically black colleges and universities, colleges and universities having a student body in which more than [40] *20* percent of the students are Hispanic Americans, and private and voluntary organizations which are controlled by individuals who are black Americans, Hispanic Americans, or Native Americans, or who are economically and socially disadvantaged (within the meaning of section 133(c)(5) (B) and (C) of the International Development and Food Assistance Act of 1977). For purposes of this proviso, economically and socially disadvantaged individuals shall be deemed to include women.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

For necessary expenses to carry out the provisions of section 667, [$23,970,000] *$30,143,000,* which sum shall be available only for the operating expenses of the Office of the Inspector General notwithstanding sections 451 or 614 of the Foreign Assistance Act of 1961 or any other provision of law*: Provided, That up to three percent of the amount made available under the heading "Operating Expenses of the Agency for International Development" may be transferred to and merged and consolidated with amounts made available under this heading: Provided further, That except as may be required by an emergency evacuation affecting the United States diplomatic missions of which they are a component element, none of the funds in this Act, or any other Act, may be used to relocate the overseas Regional Offices of the Inspector General to a location within the United States without the express approval of the Inspector General: Provided further, That the total number of positions authorized for the Office of the Inspector General in Washington and overseas shall be not less than 240 at September 30, 1989, of which not less than 93 auditor and investigator positions shall be established in the overseas regional offices of the Inspector General of the Agency for International Development as follows: for the Regional Office of the Inspector General for Latin and Central America and the Caribbean not less than 21; for the Regional Office of the Inspector General for West Africa not less than 16; for the Regional Office of the Inspector General for East Africa, not less than 18; for the Regional Office of the Inspector General for Southeast Asia not less than 11; for the Regional Office of the Inspector General for Southwest Asia not less than 14; and for the Regional Office of the Inspector General for Egypt in Cairo, not less than 13: Provided further, That none of the positions established in overseas regional offices of the Inspector General shall be established by reducing other overseas positions of the Agency for International Development.*

HOUSING AND OTHER CREDIT GUARANTY PROGRAMS

During the fiscal year 1989, total commitments to guarantee loans shall not exceed $125,000,000 of contingent liability for loan principal: *Provided,* That the President shall enter into commitments to guarantee such loans in the full amount provided under this heading, subject only to the availability of qualified applicants for such guarantees: *Provided further,* That pursuant to section 223(e)(2) of the Foreign Assistance Act of 1961 *up to $10,000,000 of the borrowing authority provided therein may be exercised* [in such amounts as may be necessary to retain an adequate level of contingency reserves for the fiscal year 1989.]

ECONOMIC SUPPORT FUND

For necessary expenses to carry out the provisions of chapter 4 of part II, [$3,248,500,000] *$3,268,500,000: Provided,* That of the funds appropriated under this heading, not less than $1,200,000,000 shall be available only for Israel, which sum shall be available on a grant basis as a cash transfer and shall be disbursed within 30 days of enactment of this Act or by October 31, 1988, whichever is later: *Provided further,* That not less than $815,000,000 shall be available only for Egypt, which sum shall be provided on a grant basis, of which not more than $115,000,000 may be provided as a cash transfer with the understanding that Egypt will undertake significant economic reforms [which are additional to those which were undertaken in previous fiscal years,] and not less than $200,000,000 shall be provided as Commodity Import Program assistance: *Provided further,* That in exercising the authority to provide cash transfer assistance for Israel and Egypt, the President shall ensure that the level of such assistance does not cause an adverse impact on the total level of nonmilitary exports from the United States to each such country: *Provided further,* That it is the sense of the Congress that the recommended levels of assistance for Egypt and Israel are based in great measure upon their continued participation in the Camp David Accords and upon the Egyptian-Israeli peace treaty: *Provided further,* That of the funds appropriated under this heading not less than [$220,000,000] *$210,000,000* shall be available for Pakistan: *Provided further,* That not less than $124,000,000 of the funds appropriated under this heading shall be available for the Philippines: *Provided further, that not less than $5,000,000 of the funds appropriated under this heading shall be available for Thailand: Provided further,* That not less than $20,000,000 of the funds appropriated under this heading shall be available for Morocco: *Provided further,* That not less than [$10,000,000] *$12,500,000* of the funds appropriated under this heading shall be available for Tunisia: *Provided further, That not less than $70,000,000 of the funds appropriated under this heading shall be available for Turkey: Provided further,* That not less than [$40,000,000] *$55,500,000* of the funds appropriated under this heading shall be available for Portugal: *Provided further,* That not less than $15,000,000 of the funds appropriated under this heading shall be available for Cyprus: *Provided further,* That of the funds appropriated under this heading [up to $35,000,000 but not less than] $10,000,000 shall be available for the United States contribution to the International Fund for Ireland and shall be made available in accordance with the provisions of the Anglo-Irish Agreement Support Act of 1986 (Public Law 99-415): *Provided further,* That of the funds appropriated under this heading $185,000,000 only shall be available for El Salvador, 80,000,000 only shall be available for Guatemala, $90,000,000 only shall be available for Costa Rica, [and not less than] $85,000,000 *only* shall be available for Honduras: [*Provided further,* That of the funds made available under this heading for Honduras, $2,500,000 may not be expended until the Secretary of State notifies the Committees on Appropriations that the Government of Honduras has agreed to reimburse the United States Government for recent damage done to the United States Embassy facility in Tegucigalpa, Honduras:] *Provided further, That of the funds provided under this heading for Central American countries, not less than $5,000,000 shall be available only to develop energy self-sufficiency, to identify and utilize indigenous resources to improve economic development, and to reduce reliance on imported energy: Provided further,* That not less than [$34,000,000] *$40,000,000* of the funds appropriated under this heading shall be made available for Jordan, of which not less than [$11,000,000] *$17,000,000* is for programs in Jordan and not less than $23,000,000 is in support of Jordan's development program for the West Bank and Gaza: [Provided further, That not less than an additional $7,500,000 of the funds appropriated under this heading shall be made available for the West Bank and Gaza Program through the Asia and Near East regional program:] *Provided further,* That of the funds appropriated under this heading, not less than [$90,000,000] *$81,500,000* shall be available for Sub-Saharan Africa: *Provided further, That not less than $10,000,000 of the funds appropriated under this heading shall be made available for Kenya: Provided further,* That notwithstanding section 660 of the Foreign Assistance Act of 1961 up to $1,000,000 of the funds appropriated under this heading may be made available to assist the Government of El Salvador's Special Investigative Unit for the purpose of bringing to justice those responsible for the murders of United States citizens in El Salvador: *Provided further,* That a report of the investigation shall be provided to the Congress: *Provided further,* That $20,000,000 of the funds appropriated under this heading shall be made available to carry out the Administration of Justice program pursuant to section 534 of the Foreign Assistance Act of 1961: *Provided further,* That if funds made available under this heading are provided to a foreign country as cash transfer assistance, that country shall be required to maintain these funds in a separate account and not commingle them with any other funds: *Provided further,* That such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the cash transfer nature of this assistance or which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (H. Rept. No. 98-1159): *Provided further,* That all local currencies that may be generated with such funds provided as a cash transfer shall be deposited in a special account to be used in accordance with section 609 of the Foreign Assistance Act of 1961: *Provided further,* That at least 15 days prior to obligating any such cash transfer assistance to a foreign country under this heading, the President shall submit a notification to the Committees on Appropriations, the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the economic policy reforms that will be promoted by the cash transfer assistance): *Provided further,* That not more than $5,000,000 of the funds made available under this heading may be available to finance tied aid credits, unless the President determines it is in the national interest to provide in excess of $5,000,000 and so notifies the Committees on Appropriations through the regular notification procedures: *Provided further,* That notwithstanding any other provision of law, none of the funds appropriated under this heading may be used for tied aid credits without the prior approval of the Administrator of the Agency for International Development: *Provided further,* That, except as provided by this Act, none of the funds appropriated under this heading by this Act or the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988, shall be made available for tied credits in accordance with any provision of law enacted after May 19, 1988: *Provided further,* That [$2,000,000] *$1,000,000* of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, only for the independent Polish trade union "Solidarity": [of which $1,000,000 is to support its Social Fund project, and $1,000,000 is to support Solidarity through the AFL-CIO's Free Trade Union Institute to promote democratic activities in Poland:] *Provided further,* That not to exceed [$1,000,000] *$2,000,000* of the funds appropriated under this heading shall be made available notwithstanding any other provision of law to the National Endowment for Democracy for the promotion of democracy in Nicaragua: *Provided further,* That these funds are to be administered consistent with the Agreement between the Government of Nicaragua and the Nicaraguan Resistance signed March 23, 1988 at Sapoa, Nicaragua ("Sapoa Agreement") and the Guatemala Peace Accords of August 7, 1987: *Provided further,* That such assistance (1) shall be provided to internal groups that have renounced violence and support a negotiated settlement to the conflict in Nicaragua, including independent elements of the press, independent labor unions, independent business groups, and independent human rights groups, and (2) may not be provided to any group that is affiliated with or supportive of any armed opposition group: *Provided further,* That the manner in which these funds are used shall not be inconsistent with the Sapoa Agreement, as its terms are applied and monitored for acceptability by the Verification Commission established by that Agreement: *Provided further, That $2,000,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for the provision of medical supplies and hospital equipment for Poland through private and voluntary organizations, including for the expenses of purchasing, transporting, and distributing such supplies and equipment: Provided further, That of the funds appropriated under this heading not less than $10,000,000 shall be made available to carry out the purposes of the South Pacific Tuna Act of 1988 (Public Law 100-330) in accordance with section 20(b) of that Act: Provided further, That notwithstanding any other provision of law, of the funds appropriated for the "Economic Support Fund" by the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988, and by this Act, $100,000 shall be made available for assistance related to the presidential election in Chile, including assistance for an international observer organization, which amount shall be in addition to amounts otherwise allocated to the Human Rights Initiatives Project: Provided further, That $81,000,000 of the funds appropriated under this heading shall not be available for obligation until April 1, 1989: Provided further,* That funds made available under this heading shall remain available until September 30, 1990.

Independent Agencies

AFRICAN DEVELOPMENT FOUNDATION

For necessary expenses to carry out the provisions of title V of the International Security and Development Cooperation Act of 1980, Public Law 96-533, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 9104, title 31, United States Code, [$7,140,000] *$8,500,000*: *Provided*, That, when, with the permission of the Foundation, funds made available to a grantee under this heading are invested pending disbursement, the resulting interest is not required to be deposited in the United States Treasury if the grantee uses the resulting interest for the purpose for which the grant was made. This provision applies with respect to both interest earned before and interest earned after the enactment of this provision: *Provided further, That section 505(a)(1) of the International Security and Development Cooperation Act of 1980 is amended by inserting "(including public international organizations)" after "public group".*

INTER-AMERICAN FOUNDATION

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary to carry out the functions of the Inter-American Foundation in accordance with the provisions of section 401 of the Foreign Assistance Act of 1969, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 9104, title 31, United States Code, $16,600,000 [: *Provided*, That $11,000,000 of the funds appropriated to carry out part I of the Foreign Assistance Act of 1961 shall be transferred to and consolidated with funds appropriated under this heading: *Provided further*, That the amount transferred shall be reduced by (1) the amount transferred from the Inter-American Development Bank to the Foundation's Social Progress Trust Fund, and (2) the use by the Foundation of local currencies made available through the Agency for International Development which accrue as a result of assistance provided to carry out the provisions of the Foreign Assistance Act of 1961 and the Agricultural Trade Development and Assistance Act of 1954].

OVERSEAS PRIVATE INVESTMENT CORPORATION

The Overseas Private Investment Corporation is authorized to make such expenditures within the limits of funds available to it and in accordance with law (including not to exceed $35,000 for official reception and representation expenses), and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 9104 of title 31, United States Code, as may be necessary in carrying out the program set forth in the budget for the current fiscal year.

During the fiscal year 1989 and within the resources and authority available, gross obligations for the amount of direct loans shall not exceed $23,000,000.

During the fiscal year 1989, total commitments to guarantee loans shall not exceed $200,000,000 of contingent liability for loan principal.

Except as provided in this Act, no provision of any other Act not enacted into law by May 19, 1988, shall be construed to require the exercise of authority to provide direct loans or to make commitments to guarantee loans contrary to the limitations contained under this heading.

PEACE CORPS

For expenses necessary to carry out the provisions of the Peace Corps Act (75 Stat. 612), [$152,000,000] *$157,000,000*, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: *Provided*, That none of the funds appropriated under this heading shall be used to pay for abortions.

Department of State

INTERNATIONAL NARCOTICS CONTROL

For necessary expenses to carry out the provisions of section 481 of the Foreign Assistance Act of 1961, $101,000,000: *Provided, That not less than $15,000,000 of the funds appropriated under this heading shall be made available for narcotics interdiction and control programs for Bolivia: Provided further, That in addition to amounts made available pursuant to the previous proviso, not less than $7,000,000 of the funds appropriated under this heading shall be available for Latin America regional programs: Provided further, That in carrying out the provisions of section 481, increased emphasis should be placed on (1) further intensifying United States efforts in the eradication and interdiction of illicit narcotics, and (2) seeking international cooperation on narcotics enforcement matters such as in the areas of extradition treaties, mutual legal assistance to combat money laundering, sharing of evidence, and other initiatives for cooperative narcotics enforcement efforts.*

MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross and assistance to refugees, including contributions to the Intergovernmental Committee for Migration and the United Nations High Commissioner for Refugees; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980; allowances as authorized by sections 5921 through 5925 of title 5, United States Code; hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code; $361,950,000: *Provided*, That not less than [$27,500,000] *$28,000,000* shall be available for Soviet, Eastern European and other refugees resettling in Israel: [*Provided further*, That not less than $23,500,000 of the funds appropriated under this heading shall be available for Refugee Entrant Assistance:] *Provided further*, That funds appropriated under this heading shall be administered in a manner that ensures equity in the treatment of all refugees receiving Federal assistance: *Provided further*, That no funds herein appropriated shall be used to assist directly in the migration to any nation in the Western Hemisphere of any person not having a security clearance based on reasonable standards to ensure against Communist infiltration in the Western Hemisphere: *Provided further, That of the funds appropriated under this heading not less than $140,000,000 shall be made available for the refugee admissions program, including AIDS screening, of which (1) not less than $46,000,000 shall be made available for first asylum refugees from East Asia and, (2) not less than $15,000,000 shall be available for costs of the expedited resettlement of Vietnamese Amerasians and their family members eligible for refugee benefits: Provided further, That of the funds appropriated under this heading not less than $20,000,000 shall be made available to the United Nations High Commissioner for Refugees for assistance for Afghan refugees: Provided further, That of the funds appropriated under this heading not less than $1,500,000 shall be made available for a Thailand-Cambodia border refugee protection program: Provided further, That of the funds appropriated under this heading not less than $1,500,000 shall be made available for the anti-piracy program, none of which funds may be used by any government to deny asylum to individuals seeking asylum: Provided further, That of the funds appropriated under this heading not less than $1,500,000 shall be made available for a Thailand border refugee education program:* [*Provided further*, That of the funds appropriated under this heading not less than $15,000,000 shall be available for costs of the expedited resettlement of Vietnamese Amerasians and their family members eligible for refugee benefits:] *Provided further*, That not more than $8,000,000 of the funds appropriated under this heading shall be available for the administrative expenses of the Office of Refugee Programs of the Department of State.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

For necessary expenses to carry out the provisions of section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 260(c)), [$30,000,000] *$50,000,000*, to remain available until expended: *Provided, That all of the funds appropriated under this heading shall be made available only for Afghan refugees: Provided further, That the funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Migration and Refugee Assistance Act of 1962 which would limit the amount of funds which could be appropriated for this purpose: Provided further, That funds appropriated under this heading shall be available for obligation and expenditure for Afghan refugees only after funds appropriated on otherwise earmarked for assistance for the Afghan people under section 537 of this Act and under the heading "Migration and Refugee Assistance" have been obligated.*

ANTI-TERRORISM ASSISTANCE

For necessary expenses to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961, $9,840,000.

TITLE III—MILITARY ASSISTANCE

Funds Appropriated to the President

[MILITARY ASSISTANCE

[For necessary expenses to carry out the provisions of section 503 of the Foreign Assistance Act of 1961, including administrative expenses and purchase of passenger motor vehicles for replacement only for use outside of the United States, $876,750,000: *Provided*, That of the funds appropriated under this heading not less than $125,000,000 shall be made available only for the Philippines: *Provided further*, That if any of the funds appropriated under this heading are made available for Turkey, then not less than $30,000,000 of such funds shall be available for Greece: *Provided further*, That of the funds appropriated under this heading not more than $40,000,000 shall be used for general costs of administering the Military Assistance program: *Provided further*, That any material assistance provided with funds appropriated under this heading for Haiti shall be limited to nonlethal items such as transportation and communications equipment and uniforms: *Provided further,* That funds made available under this heading for Haiti shall be made available only through the regular notification procedures of the Committees on Appropriations: *Provided further,* That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: *Provided further,* That the proviso under this heading in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988, prohibiting the use of military assistance funds after September 30, 1989, for the purposes of section 503(a)(3) of the Foreign Assistance Act of 1961, is repealed: *Provided further,* That no military assistance funds appropriated by this Act that have not been committed for the payment of any sale under the Arms Export Control Act during the period ending at the end of the second fiscal year after the fiscal year for which such funds were appropriated shall be committed for such purpose thereafter unless the Committees on Appropriations of each House of Congress are given a fifteen-day prior notification of the amount of funds involved, the reasons why no commitment was made thereof, and the proposed sales to be financed with such funds: *Provided further,* That military assistance funds appropriated by this or any Act that have been expended into the account designated in section 503(a)(3) of the Foreign Assistance Act of 1961 to finance particular sales shall be available, subject to all applicable reprogramming provisions, to finance other sales in the event of sales cancellations, reductions, excess funds at case closeout, or other reasons relating to the implementation of sales programs: *Provided further,* That the Committees on Appropriations shall be furnished on March 1 of each year a complete report of the status of military assistance funds appropriated by this or any future Act committed for the payment of any sales under the Arms Export Control Act as regards the individual sale, item description, and estimated sales price: *Provided further,* That funds appropriated under this heading shall remain available for obligation until September 30, 1989.]

INTERNATIONAL MILITARY EDUCATION AND TRAINING

For necessary expenses to carry out the provisions of section 541, [$51,254,750.] *$47,400,000: Provided, That none of the funds appropriated under this heading shall be made available for grant financed military education and training for any country whose annual per capita GNP exceeds $2,349.*

FOREIGN MILITARY CREDIT SALES

For expenses necessary to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, [$3,893,000,000] *$4,779,260,000,* of which not less than $1,800,000,000 shall be available only for Israel, not less than $1,300,000,000 shall be available only for Egypt, [$240,000,000] *and not less than $220,000,000* shall be available only for Pakistan: *Provided,* That to the extent that the Government of Israel requests that funds be used for such purposes, credits made available for Israel under this heading shall, as agreed by Israel and the United States, be available for advanced fighter aircraft programs or for other advanced weapon systems, as follows: (1) up to $150,000,000 shall be available for research and development in the United States; and (2) not less than $400,000,000 shall be available for the procurement in Israel of defense articles and defense services, including research and development*: Provided further, That of the funds appropriated under this heading $500,000,000 only shall be available for Turkey, $350,000,000 only shall be available for Greece, not less than $125,000,000 shall be available for the Philippines, not less than $45,000,000 shall be available for Thailand, not less than $52,000,000 shall be available for Morocco, not less than $9,000,000 shall be available for non-lethal military assistance for Guatemala, of which not less than $2,000,000 shall be available only for civic action programs and for the construction of military barracks, not less than $20,000,000 shall be available for Kenya, and not less than $30,000,000 shall be available for Tunisia*: *Provided further,* That [Israel, Egypt, and Pakistan] *all recipients of assistance under this heading* shall be released from their contractual liability to repay the United States Government with respect to all credits provided under this heading*: Provided further, That, in addition to administrative charges allowable under section 21 of the Arms Export Control Act, not more than $40,000,000 of the amounts appropriated under this heading may be used for general costs of administering the Foreign Military Sales program*: *Provided further,* That during fiscal year 1989, gross obligations for the principal amount of direct loans, exclusive of loan guarantee defaults, shall not exceed [$3,893,000,000] *$4,779,260,000:* [*Provided further,* That any funds made available under this heading, except as otherwise specified, may be made available at concessional rates of interest, notwithstanding section 31(b)(2) of the Arms Export Control Act: *Provided further,* That the concessional rate of interest on foreign military credit sales loans shall be not less than 5 percent per year: *Provided further,* That all country and funding level changes in requested concessional financing allocations shall be submitted through the regular notification procedures of the Committees on Appropriations: *Provided further,* That funds previously obligated for the Philippines but uncommitted on the date of enactment of this Act shall be used only to finance sales made under the Arms Export Control Act: *Provided further,* That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: *Provided further,* That the total funds provided to carry out the provisions of sections 503 and 541 of the Foreign Assistance Act of 1961, and the provisions of section 23 of the Arms Export Control Act allocated to Greece and Turkey shall be provided according to a 7 to 10 ratio.]

FOREIGN MILITARY SALES DEBT REFORM

Funds made available by the Foreign Operations, Export Financing and Related Programs, Appropriations Act, 1988, for obligation and expenditure after October 1, 1988, subject to a Presidential budget request, under the heading "Foreign Military Sales Debt Reform", subsection (b) "Interest Rate Reduction" shall be available, subject to the same conditions and provisos, only after October 1, 1989.

GUARANTY RESERVE FUND

(a) If during fiscal year 1989 the funds available in the Guaranty Reserve Fund (Fund) are insufficient to enable the Secretary of Defense (Secretary) to discharge his responsibilities, as guarantor of loans guaranteed pursuant to section 24 of the Arms Export Control Act (AECA) or pursuant to the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988, under the heading "Foreign Military Sales Debt Reform", the Secretary shall issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary of the Treasury. Such notes or obligations may be redeemed by the Secretary from appropriations and other funds available, including repayments by the borrowers of amounts paid pursuant to guarantees issued under section 24 of the AECA. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury shall purchase any notes or other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, and the purposes for which securities may be issued under the Second Liberty Bond Act are extended to include any purchase of such notes or obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this heading. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

[(b) If during fiscal year 1989, the Secretary of Defense is required under paragraph (a) to issue notes or other obligations to the Secretary of the Treasury in excess of $643,196,000, then, notwithstanding any other provision of law, such necessary excess amounts instead shall be made available directly from uncommitted balances previously made available to carry out the provisions of section 503 of the Foreign Assistance Act of fiscal year 1961 and for expenses necessary to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, unless the President submits a supplemental budget request for the additional borrowing authority necessary for the Guaranty Reserve Fund.]

SPECIAL DEFENSE ACQUISITION FUND

(LIMITATION ON OBLIGATIONS)

Not to exceed $236,865,000 may be obligated pursuant to section 51(c)(2) of the Arms Export Control Act for the purposes of the Special Defense Acquisition Fund during fiscal year 1989, to remain available for obligation until September 30, 1991: *Provided,* That section 632(d) of the Foreign Assistance Act of 1961 shall be applicable to the transfer to countries pursuant to chapter 2 of part II of that Act of defense articles and defense services acquired under chapter 5 of the Arms Export Control Act.

PEACEKEEPING OPERATIONS

For necessary expenses to carry out the provisions of section 551, $31,689,000: *Provided,* That, notwithstanding sections 451, 492(b), or 614 of the Foreign Assistance Act of 1961, or any other provision of law, these funds may be used only as justified in the Congressional Presentation Document for fiscal year 1989: *Provided further,* That, to the extent that these funds cannot be used to provide for such assistance, they shall revert to the Treasury as miscellaneous receipts.

TITLE IV—EXPORT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program for the current fiscal year for such corporation: *Provided*, That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country other than a nuclear-weapon State as defined in article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act that has detonated a nuclear explosive after the date of enactment of this Act.

LIMITATION ON PROGRAM ACTIVITY

During the fiscal year 1989 and within the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed [$690,000,000] *$705,000,000*: *Provided*, That at the discretion of the Chairman of the Export-Import Bank, up to $110,000,000 of that amount may be available, subject to the regular notification procedures of the Committees on Appropriations of the Senate and House of Representatives, as tied-aid credits in accordance with the provisions of the Export-Import Bank Act Amendments of 1986: *Provided further*, That there is appropriated to the Export-Import Bank of the United States an amount equal to the grant amount of tied-aid credits which are made available from time to time, but not to exceed $110,000,000, which shall be subject to the limitation on gross obligations for the principal amount of direct loans specified under this heading: *Provided further*, That during the fiscal year 1989, total commitments to guarantee loans shall not exceed $10,200,000,000 of contingent liability for loan principal: *Provided further*, That the direct loan and guaranty authority provided under this heading shall remain available until September 30, 1990.

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed [$19,890,000] *$21,800,000* (to be computed on an accrual basis) shall be available during fiscal year 1989 for administrative expenses, including hire of passenger motor vehicles and services as authorized by section 3109 of title 5, United States Code, and not to exceed $16,000 for official reception and representation expenses for members of the Board of Directors: *Provided*, That (1) fees or dues to international organizations of credit institutions engaged in financing foreign trade, (2) necessary expenses (including special services performed on a contract or a fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Export-Import Bank or in which it has an interest, including expenses of collections of pledged collateral, or the investigation or appraisal of any property in respect to which an application for a loan has been made, and (3) expenses (other than internal expenses of the Export-Import Bank) incurred in connection with the issuance and servicing of guarantees, insurance, and reinsurance, shall be considered as nonadministrative expenses for the purposes of this heading.

FUNDS APPROPRIATED TO THE PRESIDENT

TRADE AND DEVELOPMENT PROGRAM

For necessary expenses to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, $25,000,000: *Provided*, That except as provided in this or any other Act appropriating funds for foreign operations, export financing, and related programs, no provision of law enacted after May 19, 1988, may transfer funds to, or otherwise make available funds for, the Trade and Development Program: *Provided, That of this amount up to $5,000,000 may be used for joint financing with individual State trade promotion organizations of activities directed at the expansion of trade with developing and middle income countries, including such activities as trade fairs, seminars, targeting and feasibility studies, and activities directed at enhancing the use of exports from the United States in bilateral and multilateral projects.*

AGENCY FOR INTERNATIONAL DEVELOPMENT

TRADE CREDIT INSURANCE PROGRAM

During fiscal year 1989, total commitments to guarantee or insure loans for the "Trade Credit Insurance Program" shall not exceed $200,000,000 of contingent liability for loan principal.

TITLE V—GENERAL PROVISIONS

COST BENEFIT STUDIES

SEC. 501. None of the funds appropriated in this Act (other than funds appropriated for "International Organizations and Programs") shall be used to finance the construction of any new flood control, reclamation, or other water or related land resource project or program which has not met the standards and criteria used in determining the feasibility of flood control, reclamation, and other water and related land resource programs and projects proposed for construction within the United States of America under the principles, standards and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, et seq.) or Acts amendatory or supplementary thereto.

OBLIGATIONS DURING LAST MONTH OF AVAILABILITY

SEC. 502. Except for the appropriations entitled "International Disaster Assistance", and "United States Emergency Refugee and Migration Assistance Fund", not more than 15 per centum of any appropriation item made available by this Act shall be obligated during the last month of availability.

PROHIBITION AGAINST PAY TO FOREIGN ARMED SERVICE MEMBER

SEC. 503. None of the funds appropriated in this Act nor any of the counterpart funds generated as a result of assistance hereunder or any prior Act shall be used to pay pensions, annuities, retirement pay, or adjusted service compensation for any person heretofore or hereafter serving in the armed forces of any recipient country.

TERMINATION FOR CONVENIENCE

SEC. 504. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used for making payments on any contract for procurement to which the United States is a party entered into after the date of enactment of this Act which does not contain a provision authorizing the termination of such contract for the convenience of the United States.

PROHIBITION OF PAYMENTS TO UNITED NATIONS MEMBERS

SEC. 505. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations.

PROHIBITION OF BILATERAL FUNDING FOR MULTILATERAL PROGRAMS

SEC. 506. None of the funds contained in title II of this Act may be used to carry out the provisions of section 209(d) of the Foreign Assistance Act of 1961.

AID RESIDENCE EXPENSES

SEC. 507. Of the funds appropriated or made available pursuant to this Act, not to exceed $126,500 shall be for official residence expenses of the Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

AID ENTERTAINMENT EXPENSES

SEC. 508. Of the funds appropriated or made available pursuant to this Act, not to exceed $11,500 shall be for entertainment expenses of the Agency for International Development during the current fiscal year.

REPRESENTATIONAL ALLOWANCES

SEC. 509. Of the funds appropriated or made available pursuant to this Act, not to exceed $115,000 shall be available for representation allowances for the Agency for International Development during the current fiscal year: *Provided*, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: *Provided further*, That of the total funds made available by this Act under the [headings "Military Assistance" and] *heading* "Foreign Military Credit Sales", not to exceed $2,875 shall be available for entertainment expenses and not to exceed $75,000 shall be available for representation allowances: *Provided further*, That of the funds made available by this Act under the heading "International Military Education and Training", not to exceed $125,000 shall be available for entertainment allowances: *Provided further*, That of the funds made available by this Act for the Inter-American Foundation, not to exceed $2,875 shall be available for entertainment and representation allowances: *Provided further*, That of the funds made available by this Act for the Peace Corps, not to exceed a total of $4,600 shall be available for entertainment expenses: *Provided further*, That of the funds made available by this Act under the heading "Trade and Development Program", not to exceed $2,300 shall be available for representation and entertainment allowances.

PROHIBITION ON FINANCING NUCLEAR GOODS

SEC. 510. None of the funds appropriated or made available (other than funds for "International Organizations and Programs") pursuant to this Act, for carrying out the Foreign Assistance Act of 1961, may be used to finance the export of nuclear equipment, fuel, or technology.

HUMAN RIGHTS

SEC. 511. Funds appropriated by this Act may not be obligated or expended to provide assistance to any country for the purpose of aiding the efforts of the government of such country to repress the legitimate rights of the population of such country contrary to the Universal Declaration of Human Rights.

PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

SEC. 512. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Angola, Cambodia, Cuba, Iraq, Libya, the Socialist Republic of Vietnam, South Yemen, Iran, or Syria.

MILITARY COUPS

SEC. 513. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to any country whose duly elected Head of Government is deposed by military coup or decree: *Provided*, That assistance may be resumed to such country if the President determines and reports to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office.

TRANSFERS BETWEEN ACCOUNTS

SEC. 514. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated without the prior written approval of the Committees on Appropriations.

DEOBLIGATION/REOBLIGATION AUTHORITY

SEC. 515. Amounts certified pursuant to section 1311 of the Supplemental Appropriations Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961 for the same general purpose as any of the headings under the "Agency for International Development" are, if deobligated, hereby continued available for the same period as the respective appropriations under such headings or until September 30, 1989, whichever is later, and for the same general purpose, and for countries within the same region as originally obligated: *Provided*, That the Appropriations Committees of both Houses of the Congress are notified fifteen days in advance of the deobligation and reobligation of such funds: *Provided further, That the authority of this section shall not be available to reobligate more than $4,000,000 of funds previously obligated to carry out the provisions of sections 103 through 106 of the Foreign Assistance Act of 1961.*

PROHIBITION ON PUBLICITY OR PROPAGANDA

SEC. 516. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not authorized before the date of enactment of this Act by the Congress.

AVAILABILITY OF FUNDS

SEC. 517. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: *Provided*, That funds appropriated for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, shall remain available until expended if such funds are initially obligated before the expiration of their respective periods of availability contained in this Act.

LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

SEC. 518. No part of any appropriation contained in this Act shall be used to furnish assistance to any country which is in default during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to such country by the United States pursuant to a program for which funds are appropriated under this Act.

FINANCIAL INSTITUTIONS—NAMES OF BORROWERS

SEC. 519. None of the funds appropriated or made available pursuant to this Act shall be available to any international financial institution whose United States governor or representative cannot upon request obtain the amounts and the names of borrowers for all loans of the international financial institution, including loans to employees of the institution, or the compensation and related benefits of employees of the institution.

FINANCIAL INSTITUTIONS—DOCUMENTATION

SEC. 520. None of the funds appropriated or made available pursuant to this Act shall be available to any international financial institution whose United States governor or representative cannot upon request obtain any document developed by or in the possession of the management of the international financial institution, unless the United States governor or representative of the institution certifies to the Committees on Appropriations that the confidentiality of the information is essential to the operation of the institution.

COMMERCE AND TRADE

SEC. 521. None of the funds appropriated or made available pursuant to this Act for direct assistance and none of the funds otherwise made available pursuant to this Act to the Export-Import Bank and the Overseas Private Investment Corporation shall be obligated or expended to finance any loan, any assistance or any other financial commitments for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity: *Provided*, That such prohibition shall not apply to the Export-Import Bank if in the judgment of its Board of Directors the benefits to industry and employment in the United States are likely to outweigh the injury to United States producers of the same, similar, or competing commodity.

SURPLUS COMMODITIES

SEC. 522. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act, for the production or extraction of any commodity or mineral for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

NOTIFICATION REQUIREMENTS

SEC. 523. For the purposes of providing the Executive Branch with the necessary administrative flexibility, none of the funds made available under this Act for "Agriculture, rural development, and nutrition, Development Assistance", "Population, Development Assistance", "Child Survival Fund", "Health, Development Assistance", "International AIDS Prevention and Control Program", "Education and human resources development, Development Assistance", "Private Sector, environment, and energy, Development Assistance", "Science and technology, Development Assistance", "Sub-Saharan Africa, Development Assistance", "Southern Africa, Development Assistance", "International organizations and programs", "American schools and hospitals abroad", "Trade and development program", "International narcotics control", "Economic support fund", "Peacekeeping operations", "Operating expenses of the Agency for International Development", "Operating expenses of the Agency for International Development Office of Inspector General", "Anti-terrorism assistance", ["Military Assistance",] "Foreign Military Credit Sales", "International military education and training", "Inter-American Foundation", "African Development Foundation", "Peace Corps", or "Migration and refugee assistance", shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operation not justified or in excess of the amount justified to the Appropriations Committees for obligation under any of these specific headings for the current fiscal year unless the Appropriations Committees of both Houses of Congress are previously notified fifteen days in advance: *Provided*, That the President shall not enter into any commitment of funds appropriated for the purposes of [chapter 2 of part II of the Foreign Assistance Act of 1961 or of funds appropriated for the purposes of] section 23 of the Arms Export Control Act for the provision of major defense equipment, other than conventional ammunition, not previously justified to Congress or 20 per centum in excess of the quantities justified to Congress unless the Committees on Appropriations are notified fifteen days in advance of such commitment: *Provided further*, That this section shall not apply to any reprogramming for an activity, program, or project under chapter 1 of part I of the Foreign Assistance Act of 1961 of less than 20 per centum of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year.

CONSULTING SERVICES

SEC. 524. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order pursuant to existing law.

PROHIBITION ON ABORTION LOBBYING

SEC. 525. None of the funds appropriated under this Act may be used to lobby for abortion.

LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 526. Notwithstanding any other provision of law or of this Act, none of the funds provided for "International Organizations and Programs" shall be available for the United States proportionate share for any programs for the Palestine Liberation Organization, the Southwest African Peoples Organization, Libya, Iran, or, at the discretion of the President, Communist countries listed in section 620(f) of the Foreign Assistance Act of 1961, as amended.

UNITED NATIONS VOTING RECORD

SEC. 527. (a) Not later than January 31 of each year, or at the time of the transmittal by the President to the Congress of the annual presentation materials on foreign assistance, whichever is earlier, the President shall transmit to the Speaker of the House of Representatives and the President of the Senate a full and complete report which assesses, with respect to each foreign country, the degree of support by the government of each such country during the preceding twelve-month period for the foreign policy of the United States. Such report shall include, with respect to each such country which is a member of the United Nations, information to be compiled and supplied by the Permanent Representative of the United States to the United Nations, consisting of a comparison of the overall voting practices in the principal bodies of the United Nations during the preceding twelve-month period of such country and the United States, with special note of the voting and speaking records of such country on issues of major importance to the United States in the General Assembly and the Security Council, and shall also include a report on actions with regard to the United States in important related documents such as the Non-Aligned Communique. A full compilation of the information supplied by the Permanent Representative of the United States to the United Nations for inclusion in such report shall be provided as an addendum to such report.

(b) None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance to a country which the President finds, based on the contents of the report required to be transmitted under subsection (a), is engaged in a consistent pattern of opposition to the foreign policy of the United States.

(c) The report required by subsection (a) of this section shall be in the identical format as the "Report to Congress on Voting Practices in the United Nations" which was submitted pursuant to Public Law 99-190 and Public Law 98-164 on June 6, 1986.

LOANS TO ISRAEL UNDER ARMS EXPORT CONTROL ACT

SEC. 528. Notwithstanding any other provision of law, Israel may utilize any loan which is or was made available under the Arms Export Control Act and for which repayment is or was forgiven before utilizing any other loan made available under the Arms Export Control Act.

PROHIBITION AGAINST UNITED STATES EMPLOYEES RECOGNIZING OR NEGOTIATING WITH PLO

SEC. 529. In reaffirmation of the 1975 memorandum of agreement between the United States and Israel, and in accordance with section 1302 of the International Security and Development Cooperation Act of 1985 (Public Law 99-83), no employee of or individual acting on behalf of the United States Government shall recognize or negotiate with the Palestine Liberation Organization or representatives thereof, so long as the Palestine Liberation Organization does not recognize Israel's right to exist, does not accept Security Council Resolutions 242 and 338, and does not renounce the use of terrorism.

ECONOMIC SUPPORT FUNDS FOR ISRAEL

SEC. 530. The Congress finds that progress on the peace process in the Middle East is vitally important to United States security interests in the region. The Congress recognizes that, in fulfilling its obligations under the Treaty of Peace Between the Arab Republic of Egypt and the State of Israel, done at Washington on March 26, 1979, Israel incurred severe economic burdens. Furthermore, the Congress recognizes that an economically and militarily secure Israel serves the security interests of the United States, for a secure Israel is an Israel which has the incentive and confidence to continue pursuing the peace process. Therefore, the Congress declares that it is the policy and the intention of the United States that the funds provided in annual appropriations for the Economic Support Fund which are allocated to Israel shall not be less than the annual debt repayment (interest and principal) from Israel to the United States Government in recognition that such a principle serves United States interests in the region.

CEILINGS AND EARMARKS

SEC. 531. Ceilings and earmarks contained in this Act shall not be applicable to funds or authorities appropriated or otherwise made available by any subsequent Act unless such Act specifically so directs.

NOTIFICATION REQUIREMENT ON FUNDING FOR LEBANON

SEC. 532. None of the funds appropriated or otherwise made available pursuant to this Act for the "Economic Support Fund" or for "Foreign Military Credit Sales" shall be obligated or expended for Lebanon except as provided through the regular notification procedures of the Committees on Appropriations.

NOTIFICATION CONCERNING AIRCRAFT IN CENTRAL AMERICA

SEC. 533. (a) During the current fiscal year, the authorities of part II of the Foreign Assistance Act of 1961 and the Arms Export Control Act may not be used to make available any helicopters or other aircraft for military use, and licenses may not be issued under section 38 of the Arms Export Control Act for the export of any such aircraft, to any country in Central America unless the Committees on Appropriations, the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate are notified in writing at least 15 days in advance.

(b) During the current fiscal year, the Secretary of State shall promptly notify the committees designated in subsection (a) whenever any helicopters or other aircraft for military use are provided to any country in Central America by any foreign country.

GUATEMALA—RESETTLEMENT PROGRAM

SEC. 534. Funds provided in this Act for Guatemala may not be provided to the Government of Guatemala for use in its rural resettlement program, except through the regular notification procedures of the Committees on Appropriations.

ENVIRONMENTAL CONCERNS

SEC. 535. (a) It is the policy of the United States that sustainable economic growth must be predicated on sustainable use of natural resources. The Secretary of the Treasury shall instruct the United States Executive Directors of the Multilateral Development Banks (MDB's) to—

(1) promote the adoption of internal guidelines requiring the use of least-cost planning techniques in evaluating proposed energy loans, and consider refusal to support power generation, utilization or energy sector loans unless cost-effective conservation measures have been fully evaluated and considered;

(2) encourage each MDB to offer technical assistance to borrower nations in preparing national energy plans. Special emphasis shall be given to least-cost analysis in making decisions on energy use and development, and such analyses shall take into account all demand-side as well as supply-side options;

(3) promote expansion of MDB expertise in the areas of energy conservation and renewable energy sources;

(4) promote the adoption of lending strategies which place increased emphasis on energy conservation and efficiency as opposed to merely increasing generating capacity;

(5) promote adoption of policies which minimize emissions of greenhouse gases;

(6) promote the adoption of lending strategies that place increased emphasis on energy efficient transportation programs. Such strategies shall consider alternatives to conventional mechanized transport such as nonmotorized vehicles, public transport and increased energy and cost efficiency of transportation systems; and

(7) promote the use of existing and the development of new mechanisms to promote conservation of biological diversity. Existing resources to be consulted shall include but not be limited to Conservation Data Centers.

(b) The Secretary of the Treasury and the Secretary of State, in cooperation with the Administrator of the Agency for International Development, shall conduct bilateral and multilateral discussions with other members of the MDB's to further strengthen the environmental performance of each bank. These discussions shall include, but not be limited to organizational, administrative and procedural arrangements to remove impediments to the efficient and effective management of assistance programs necessary to protect and ensure the sustainable use of natural resources and to carry out such assistance programs in consultation with affected local communities.

[(b)**]** *(c)* The Administrator of the Agency for International Development shall—

(1) in the submission of future "early warning system" reports, as required by the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988, make use of resources that promote the conservation of biological diversity, such as Conservation Data Centers;

(2) submit a report to the Committees on Appropriations, by January 15, 1989, on the Agency's activities and practices which encourage or discourage the use of renewable energy technologies overseas, and on ways to correct or refocus those efforts. This report shall include but is not limited to Agency activities which could be directed to develop a stronger interface with the private sector through the establishment of a United States Renewable Energy Industry Advisory Council;

(3) issue guidance to all Agency missions stating that renewable energy resources and conservation are to be the centerpiece of its energy efforts, and meeting energy needs through these means shall be discussed in every Country Development Strategy Statement; and

(4) take steps to implement recommendations set forth by a report of the Committee on Health and Environment on opportunities for the Agency to assist developing countries in the proper use of agricultural and industrial chemicals.

PROHIBITION CONCERNING ABORTIONS AND INVOLUNTARY STERILIZATION

SEC. 536. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for any biomedical research which relates in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be obligated or expended for any country or organization if the President certifies that the use of these funds by any such country or organization would violate any of the above provisions related to abortions and involuntary sterilizations. The Congress reaffirms its commitments to Population, Development Assistance and to the need for informed voluntary family planning.

AFGHANISTAN—HUMANITARIAN ASSISTANCE

SEC. 537. Not less than $45,000,000 of the aggregate amount of funds appropriated by this Act, to be derived in equal parts from the funds appropriated to carry out the provisions of chapter 1 of part I of the Foreign Assistance Act of 1961, and chapter 4 of part II of that Act, shall be available for the provision of food, medicine, or other humanitarian assistance to the Afghan people, notwithstanding any other provision of law.

PRIVATE VOLUNTARY ORGANIZATIONS—DOCUMENTATION

SEC. 538. None of the funds appropriated or made available pursuant to this Act shall be available to a private voluntary organization which fails to provide upon timely request any document, file, or record necessary to the auditing requirements of the Agency for International Development, nor shall any of the funds appropriated by this Act be made available to any private voluntary organization which is not registered with the Agency for International Development.

EL SALVADOR—INVESTIGATION OF MURDERS

SEC. 539. Of the amounts made available by this Act for military assistance and financing for El Salvador under chapter [s 2 and] 5 of part II of the Foreign Assistance Act of 1961 and under the Arms Export Control Act, $5,000,000 may not be expended until the President reports, following the conclusion of the Appeals process in the case of Captain Avila, to the Committees on Appropriations that the Government of El Salvador has (1) substantially concluded all investigative action with respect to those responsible for the January 1981 deaths of the two United States land reform consultants Michael Hammer and Mark Pearlman and the Salvadoran Land Reform Institute Director Jose Rodolfo Viera, and (2) pursued all legal avenues to bring to trial and obtain a verdict of those who ordered and carried out the January 1981 murders.

REFUGEE RESETTLEMENT

SEC. 540. It is the sense of the Congress that all countries receiving United States foreign assistance under the "Economic Support Fund", "Foreign Military Credit Sales", "Military Assistance", "International Military Education and Training", the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480), development assistance programs, or trade promotion programs should fully cooperate with the international refugee assistance organizations, the United States, and other governments in facilitating lasting solutions to refugee situations. Further, where resettlement to other countries is the appropriate solution, such resettlement should be expedited in cooperation with the country of asylum without respect to race, sex, religion, or national origin.

IMMUNIZATIONS FOR CHILDREN

SEC. 541. (a) The Congress finds that—

(1) the United Nations Children's Fund (UNICEF) reports that four million children die annually because they have not been immunized against the six major childhood diseases: polio, measles, whooping cough, diphtheria, tetanus, and tuberculosis;

(2) at present less than 20 percent of children in the developing world are fully immunized against these diseases;

(3) each year more than five million additional children are permanently disabled and suffer diminished capacities to contribute to the economic, social and political development of their countries because they have not been immunized;

(4) ten million additional childhood deaths from immunizable and potentially immunizable diseases could be averted annually by the development of techniques in biotechnology for new and cost-effective vaccines;

(5) the World Health Assembly, the Executive Board of the United Nations Children's Fund, and the United Nations General Assembly are calling upon the nations of the world to commit the resources necessary to meet the challenge of universal access to childhood immunization by 1990;

(6) the United States, through the Centers for Disease Control and the Agency for International Development, joined in a global effort by providing political and technical leadership that made possible the eradication of smallpox during the 1970's;

(7) the development of national immunization systems that can both be sustained and also serve as a model for a wide range of primary health care actions is a desired outcome of our foreign assistance plicy;

(8) the United States Centers for Disease Control headquartered in Atlanta is uniquely qualified to provide technical assistance for a worldwide immunization and eradication effort and is universally respected;

(9) at the 1984 Bellagio Conference it was determined that the goal of universal childhood immunization by 1990 is indeed achievable;

(10) the Congress, through authorizations and appropriations for international health research and primary health care activities and the establishment of the Child Survival Fund, has played a vital role in providing for the well-being of the world's children;

(11) the Congress has expressed its expectation that the Agency for International Development will set as a goal the immunization by 1990 of at least 80 percent of all the children in those countries in which the Agency has a program; and

(12) the United States private sector and public at large have responded generously to appeals for support for national immunization campaigns in developing countries.

(b)(1) The Congress calls upon the President to direct the Agency for International Development, working through the Centers for Disease Control and other appropriate Federal agencies, to work in a global effort to provide enhanced support toward achieving the goal of universal access to childhood immunization by 1990 by—

(A) assisting in the delivery, distribution, and use of vaccines, including—

(i) the building of locally sustainable systems and technical capacities in developing countries to reach, by the appropriate age, not less than 80 per centum of their annually projected target population with the full schedule of required immunizations, and

(ii) the development of a sufficient network of indigenous professionals and institutions with responsibility for developing, monitoring, and assessing immunization programs and continually adapting strategies to reach the goal of preventing immunizable diseases; and

(B) performing, supporting, and encouraging research and development activities, both in the public and private sector, that will be targeted at developing new vaccines and at modifying and improving existing vaccines to make them more appropriate for use in developing countries.

(2) In support of this global effort, the President should appeal to the people of the United States and the United States private sector to support public and private efforts to provide the resources necessary to achieve universal access to childhood immunization by 1990.

ETHIOPIA—FORCED RESETTLEMENT, VILLAGIZATION

SEC. 542. None of the funds appropriated in this Act shall be made available for any costs associated with the Government of Ethiopia's forced resettlement or villagization programs.

SUDAN, SOMALIA, GABON, AND JAMAICA NOTIFICATION REQUIREMENTS

SEC. 543. None of the funds appropriated in this Act shall be obligated or expended for Sudan, *Gabon,* Jamaica or Somalia except as provided through the regular notification procedures of the Committees on Appropriations.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

SEC. 544. For the purpose of this Act, "program, project, and activity" shall be defined at the Appropriations Act account level and shall include all Appropriations and Authorizations Acts earmarks, ceilings, and limitations with the exception that for the following accounts: Economic Support Fund; [Military Assistance;] and Foreign Military Credit Sales, "program, project, and activity" shall also be considered to include country, regional, and central program level funding within each such account; for the functional development assistance accounts of the Agency for International Development "program, project, and activity" shall also be considered to include central program level funding, either as (1) justified to the Congress, or (2) allocated by the executive branch in accordance with a report, to be provided to the Committees on Appropriations within thirty days of enactment of this Act, as required by section 653(a) of the Foreign Assistance Act of 1961, as amended.

CHILD SURVIVAL AND AIDS ACTIVITIES

SEC. 545. Of the funds made available by this Act and appropriated for [the] *"Sub-Saharan Africa, Development Assistance", the* "Child Survival Fund" and "Health, Development Assistance", up to $6,000,000 may be used to reimburse United States Government agencies, agencies of State governments, and institutions of higher learning for the full cost of employees detailed or assigned, as the case may be, to the Agency for International Development for the purpose of carrying out child survival activities and activities relating to research on, and the treatment and control of, acquired immune deficiency syndrome in developing countries: *Provided,* That personnel which are detailed or assigned for the purposes of this section shall not be included within any personnel ceiling applicable to any United States Government agency during the period of detail or assignment.

INTER-AMERICAN DEVELOPMENT BANK—COORDINATION OF PROJECTS

SEC. 546. The Secretary of the Treasury shall instruct the United States Executive Director of the Inter-American Development Bank to work with the representatives, and with the ministries from which they receive their instructions, of other donor nations to the Inter-American Development Bank, to develop a coordinated economic development program for the assistance activities of the Bank. Such program should be developed in cooperation with the Department of State and the Agency for International Development to ensure that the bilateral economic assistance programs of the United States are effectively coordinated with the activities of the Inter-American Development Bank.

CHILE—LOANS FROM MULTILATERAL DEVELOPMENT INSTITUTIONS

SEC. 547. (a) It is the sense of Congress that pursuant to section 701 of the International Financial Institutions Act of 1977, the United States Government should oppose all loans to Chile from international financial institutions, except for those for basic human needs, until—

(1) the Government of Chile has ended its practice and pattern of gross abuse of internationally recognized human rights;

(2) significant steps have been taken by the Government of Chile to restore democracy, including—

(A) the implementation of political reforms which are essential to the development of democracy, such as the legalization of political parties, the enactment of election laws, the establishment of freedom of speech and the press, and the fair and prompt administration of justice; and

(B) a precise and reasonable timetable has been established for the transition to democracy.

(b) [None] *Except as otherwise specified in this Act, none* of the funds made available by this Act for the "Economic Support Fund" or for title III shall be obligated or expended for Chile.

COMMODITY COMPETITION

SEC. 548. None of the funds appropriated by this or any other Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be available for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training in connection with the growth or production in a foreign country of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States: *Provided,* That this section shall not prohibit:

(1) activities designed to increase food security in developing countries where such activities will not have a significant impact in the export of agricultural commodities of the United States; or

(2) research activities intended primarily to benefit American producers.

PROHIBITION OF FUNDING RELATED TO COMPETITION WITH UNITED STATES EXPORTS

SEC. 549. None of the funds provided in this Act to the Agency for International Development, other than funds made available to carry out Caribbean Basin Initiative programs under the Tariff Schedules of the United States, 19 U.S.C. 1202, schedule 8, part I, subpart B, item 807.00, shall be obligated or expended—

(1) to procure directly feasibility studies or prefeasibility studies for, or project profiles of potential investment in, the manufacture, for export to the United States or to third country markets in direct competition with United States exports, of import-sensitive articles as defined by section 503(c)(1) (A) and (E) of the Tariff Act of 1930 (19 U.S.C. 2463(c)(1) (A) and (E)); or

(2) to assist directly in the establishment of facilities specifically designed for the manufacture, for export to the United States or to third country markets in direct competition with United States exports, of import-sensitive articles as defined in section 503(c)(1) (A) and (E) of the Tariff Act of 1930 (19 U.S.C. 2463(c)(1) (A) and (E)).

PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN COUNTRIES

SEC. 550. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated to finance indirectly any assistance or reparations to Angola, Cambodia, Cuba, Iraq, Libya, the Socialist Republic of Vietnam, South Yemen, Iran, or Syria unless the President of the United States certifies that the withholding of these funds is contrary to the national interest of the United States.

ASSISTANCE FOR LIBERIA

SEC. 551. (a) Funds appropriated by this Act under the heading ["Military Assistance"] *"Foreign Military Credit Sales"* or "Economic Support Fund" may be made available for assistance for Liberia only if the Secretary of State certifies to the Congress that the Government of Liberia—

(1) has taken significant steps to: reduce extra-budgetary expenditures; reduce borrowing from any source (whether local or foreign) in anticipation of future tax receipts, profit sharing, maritime revenues, or other revenues; reduce the use of off-shore funds for the financing of domestic expenditures; and reduce the extent to which public expenditures exceed allocations;

(2) has ceased diverting and misusing United States assistance, and has paid all amounts owed to the local currency accounts (established pursuant to the Agricultural Trade Development and Assistance Act of 1954) for the shortfalls in its payments for the fiscal years 1983 and 1984; and

(3) is making significant progress toward—

(A) permitting all political parties to freely organize, assemble, and disseminate their views as provided for by the Liberian constitution;

(B) respecting constitutional guarantees of freedom of the press and freedom of speech;

(C) maintaining the independence of the legislative branch in accordance with the Liberian constitution;

(D) establishing and maintaining an independent judiciary;

(E) providing full access to all political prisoners by internationally respected human rights organizations for the purpose of investigating human rights abuses; [and]

(F) improving the human rights situation; *and*

(G) satisfying Liberia's undisputed debts to United States citizens.

(b) None of the funds appropriated in this Act shall be obligated or expended for Liberia except as provided through the regular notification procedures of the Committees on Appropriations.

(c) The requirements of this section are in addition to any other statutory requirements applicable to assistance for Liberia.

RECIPROCAL LEASING

SEC. 552. Section 61(a) of the Arms Export Control Act is amended by striking out "1988" and inserting in lieu thereof "1989".

LIMITATION ON DEFENSE EQUIPMENT DRAWDOWN

SEC. 553. Defense articles, services and training drawn down under the authority of section 506(a) of the Foreign Assistance Act of 1961, shall not be furnished to a recipient unless such articles are delivered to, and such services and training initiated for, the recipient country or international organization not more than one hundred and twenty days from the date on which Congress received notification of the intention to exercise the authority of that section: *Provided,* That if defense articles have not been delivered or services and training initiated by the period specified in this section, a new notification pursuant to section 506(b) of such Act shall be provided, which shall include an explanation for the delay in furnishing such articles, services, and training, before such articles, services, or training may be furnished.

NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

SEC. 554. Prior to providing excess Department of Defense articles in accordance with section 516(a) of the Foreign Assistance Act of 1961, the Department of Defense shall notify the Committees on Appropriations to the same extent and under the same conditions as are other committees pursuant to subsection (c) of that section: *Provided,* That such Committees shall also be informed of the original acquisition cost of such defense articles.

AUTHORIZATION REQUIREMENT

SEC. 555. [Funds appropriated by this Act may not be obligated unless an Act authorizing the appropriation of such funds has been enacted.] *Except as otherwise specified in this Act, funds appropriated by this Act may be obligated and expended notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956.*

NOTIFICATION CONCERNING EL SALVADOR

Sec. 556. (a) The Congress expects that—

(1) the Government of El Salvador and the armed opposition forces and their political representatives will be willing to pursue a dialogue for the purposes of achieving an equitable political settlement of the conflict, including free and fair elections;

(2) the elected civilian government will be in control of the Salvadoran military and security forces, and those forces will comply with applicable rules of international law and with Presidential directives pertaining to the protection of civilians during combat operations, including Presidential directive C-111-03-984 (relating to aerial fire support);

(3) the Government of El Salvador will make demonstrated progress, during the period covered by each report pursuant to subsection (b), in ending the activities of the death squads;

(4) the Government of El Salvador will make demonstrated progress, during the period covered by each report pursuant to subsection (b), in establishing an effective judicial system; and

(5) the Government of El Salvador will make demonstrated progress, during the period covered by each report pursuant to subsection (b), in implementing the land reform program.

(b) Reports.—On April 1, 1989, and September 30, 1989, the President shall report to the Speaker of the House of Representatives, the Committees on Appropriations and the chairman of the Committee on Foreign Relations of the Senate on the extent to which the objectives described in subsection (a) are being met. With respect to the objective described in paragraph (4) of that subsection, each report shall specify the status of all cases presented to the Salvadoran courts involving human rights violations against civilians by members of the Salvadoran security forces, including military officers and other military personnel and civil patrolmen.

NOTIFICATION TO CONGRESS ON DEBT RELIEF AGREEMENTS

Sec. 557. The Secretary of State shall transmit to the Appropriations Committees of the Congress and to such other Committees as appropriate, a copy of the text of any agreement with any foreign government which would result in any debt relief no less than thirty days prior to its entry into force, other than one entered into pursuant to this Act, together with a detailed justification of the interest of the United States in the proposed debt relief: *Provided*, That the term "debt relief" shall include any and all debt prepayment, debt rescheduling, and debt restructuring proposals and agreements.

MIDDLE EAST REGIONAL COOPERATION

Sec. 558. Middle East regional cooperative programs which have been carried out in accordance with section 202(c) of the International Security and Development Cooperation Act of 1985 shall continue to be funded at a level of not less than $5,000,000 from funds appropriated under the heading "Economic Support Fund": *Provided*, That [of this amount up to $500,000 shall be made available for scholarships for support of Israeli students studying in institutions of higher education in Arab countries and up to $500,000 shall be made available for scholarships for support of Arab students studying in institutions of higher education in Israel: *Provided further*, That such scholarships shall be called "Arab-Israeli Peace Scholarships"] *the provisos contained in section 564 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988, are hereby repealed.*

ASSISTANCE FOR THE PEOPLE OF LEBANON

Sec. 559. The Congress recognizes that the people of Lebanon have suffered greatly during much of the past two decades from the effects of natural disasters and civil strife. The Congress further recognizes that assistance provided through nongovernmental organizations has had a significant impact in mitigating the adverse consequences of these unfortunate events on the Lebanese people. Therefore, [up to] *not less than* $5,000,000 of the funds appropriated by this Act to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961 shall be made available to provide assistance for the people of Lebanon. Such assistance shall be made available only through the United Nations Children's Fund, indigenous nongovernmental organizations, or international organizations, and shall be provided in accordance with the general authorities contained in section 491 of the Foreign Assistance Act of 1961.

MEMBERSHIP DESIGNATION IN ASIAN DEVELOPMENT BANK

Sec. 560. It is the Sense of the Congress that the United States Government should use its influence in the Asian Development Bank to secure reconsideration of that institution's decision to designate Taiwan (the Republic of China) as "Taipei, China". It is further the Sense of the Congress, that the Asian Development Bank should resolve this dispute in a fashion that is acceptable to Taiwan (the Republic of China).

DEPLETED URANIUM

Sec. 561. None of the funds provided in this or any other Act may be made available to facilitate in any way the sale of M-833 antitank shells or any comparable antitank shells containing a depleted uranium penetrating component to any country other than (1) countries which are members of NATO, [or] (2) countries which have been designated as a major non-NATO ally for purposes of section 1105 of the National Defense Authorization Act for Fiscal Year 1987 *or, (3) countries for which repayment, in whole or in part, of foreign military credits provided in fiscal year 1988 is forgiven.*

EARMARKS

Sec. 562. Funds appropriated by this Act which are earmarked may be reprogrammed for other programs within the same account notwithstanding the earmark if compliance with the earmark is made impossible by operation of any provision of this or any other Act *or if the President determines that the recipient for which funds are earmarked has significantly reduced its military or economic cooperation with the United States since enactment of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988*: *Provided*, That any such reprogramming shall be subject to the regular notification procedures of the Committees on Appropriations: *Provided further, That assistance that is reprogrammed pursuant to this section shall be made available under the same terms and conditions as originally provided.*

HAITI

Sec. 563. (a) Suspension of Assistance.—During fiscal year 1989, none of the funds made available by this Act or by any other Act or joint resolution may be obligated or expended to provide United States assistance (including any such assistance appropriated and previously obligated) for Haiti (other than the assistance described in subsection (b) of this section) unless the democratic process set forth in the Haitian Constitution approved by the Haitian people on March 29, 1987, especially those provisions relating to the provisional Electoral Council, is being fully and faithfully adhered to by the Government of Haiti.

(b) Exceptions.—The term "United States assistance" does not include—

(1) assistance under chapter 1 of part I of the Foreign Assistance Act of 1961 insofar as such assistance is provided through private and voluntary organizations or other nongovernmental agencies;

(2) assistance which involves the donations of food or medicine;

(3) disaster relief assistance (including any assistance under chapter 9 of part I of the Foreign Assistance Act of 1961);

(4) assistance for refugees;

(5) assistance under the Inter-American Foundation Act;

(6) assistance necessary for the continued financing of education for Haitians in the United States;

(7) assistance provided in order to enable the continuation of migrant and narcotics interdiction operations; [or]

(8) activities under the National Endowment for Democracy [Act.] *Act;*

(9) assistance under title IV, chapter 2 of part I of the Foreign Assistance Act of 1961 (relating to the Overseas Private Investment Corporation); or

(10) assistance under the Peace Corps Act.

(c) Other Sanctions.—It is the sense of the Congress that, in order to further encourage the Government of Haiti to adhere to the constitutionally mandated transition to democracy, the President should—

(1) suspend Haiti's eligibility for benefits under the Caribbean Basin Economic Recovery Act; and

(2) seek international cooperation to encourage such adherence by the Government of Haiti through the imposition of an international arms embargo and comprehensive trade and financial sanctions.

(d) Effect on Fiscal Year 1988 Programs.—Assistance may be provided for Haiti during fiscal year 1988 under title IV, chapter 2 of part I of the Foreign Assistance Act of 1961, or under the Peace Corps Act notwithstanding section 569 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988.

ASSISTANCE FOR PANAMA

Sec. 564. (a) Unless the President certifies to Congress that—

(1) *the Government of Panama has demonstrated* substantial progress in assuring civilian control of the armed forces [has been demonstrated] and that the Panama Defense Forces and its leaders have been removed from non-military activities and institutions;

(2) an impartial investigation into allegations of illegal actions by members of the Panama Defense Force is being conducted;

(3) a satisfactory agreement has been reached between the governing authorities and representatives of the opposition forces on conditions for free and fair elections; and

(4) freedom of the press and other constitutional guarantees, including due process of law, are restored to the Panamanian people;

then no United States assistance (including any such assistance appropriated and previously obligated) shall be obligated or expended for [programs, projects or activities which assist or lend support for the Noriega regime or ministries of government under the control of the Noriega regime] *Panama* in this fiscal year and any fiscal year thereafter, and none of the funds appropriated or otherwise made available in this Act, or any other Act, shall be used to finance any participation of the United States in joint military exercises conducted in Panama during the fiscal year 1989.

(b) It is the sense of the Congress that if the conditions described in paragraphs (1) through (4) of subsection (a) have been certified as having been met, then not only will United States assistance be restored, but increased levels of such assistance should be considered for Panama.

(c) For purposes of this section, the term "United States assistance" means assistance of any kind which is provided by grant, sale, loan, lease, credit, guaranty, or insurance, or by any other means, by any agency or instrumentality of the United States Government, including—

(1) assistance under the Foreign Assistance Act of 1961 (including programs under title IV of chapter 2 of part I of such Act);

(2) sales, credits, and guarantees under the Arms Export Control Act;

(3) sales under title I or III and donations under title II of the Agricultural Trade Development and Assistance Act of 1954 of nonfood commodities;

(4) other financing programs of the Commodity Credit Corporation for export sales of nonfood commodities;

(5) financing under the Export-Import Bank Act of 1945; and

(6) assistance provided by the Central Intelligence Agency or assistance provided by any other entity or component of the United States Government if such assistance is carried out in connection with, or for purposes of conducting, intelligence or intelligence-related activities except that this shall not include activities undertaken solely to collect necessary intelligence;

except that the term "United States assistance" does not include (A) assistance under chapter 1 of part I of the Foreign Assistance Act of 1961 insofar as such assistance is provided through private and voluntary organizations or other nongovernmental agencies, (B) assistance which involves the donations of food or medicine, (C) disaster relief assistance (including any assistance under chapter 9 of part I of the Foreign Assistance Act of 1961), (D) assistance for refugees, (E) assistance under the Inter-American Foundation Act, (F) assistance necessary for the continued financing of education for Panamanians in the United States, or (G) assistance made available for termination costs arising from the requirements of this section.

(d) The Secretary of Treasury shall instruct the United States Executive Directors to the International Financial Institutions (the International Bank for Reconstruction and Development, the International Finance Corporation, and the Inter-American Development Bank) to vote against any loan to Panama, unless the President has certified in advance that the conditions set forth in subsection (a) of this section have been met.

ELIMINATION OF THE SUGAR QUOTA ALLOCATION OF PANAMA

SEC. 565. (a) IN GENERAL.—Notwithstanding any other provision of law, no sugars, sirups, or molasses that are products of Panama may be imported into the United States after the date of enactment of this Act during any period for which a limitation is imposed by authorities provided under any other law on the total quantity of sugars, sirups, and molasses that may be imported into the United States: *Provided*, That such products may be imported after the beginning of the last week of any quota year if the President certifies that for the entire duration of the quota year, freedom of the press and other constitutional guarantees, including due process of law, have been restored to the Panamanian people.

(b) REALLOCATION OF QUOTA AMOUNTS.—For any quota year for which the President does not certify for the entire duration of the quota year, freedom of the press and all other constitutional guarantees, including due process of law, have been restored to the Panamanian people, no later than the last week of such quota year, the United States Trade Representative shall reallocate among other foreign countries the quantity of sugar, sirup, and molasses products of Panama that could have been imported into the United States before the date of enactment of this Act under any limitation imposed by other law on the total quantity of sugars, sirups, and molasses that may be imported into the United States during any period.

(c) CERTIFICATION.—The provisions of subsections (a) and (b), and the amendments made by subsection (c) of section 571 of the Foreign Operations, Export Financing, and Related Programs, Appropriations Act, 1988, shall cease to apply if the President certifies to Congress pursuant to section 564(a) of this Act.

STINGERS IN THE PERSIAN GULF REGION

SEC. 566. (a) PROHIBITION.—Except as provided in subsection (b), no Stinger antiaircraft missiles may be provided, directly or indirectly, by sale, lease, grant or otherwise, during fiscal year 1989 to any country in the Persian Gulf region.

(b) EXCEPTION.—Notwithstanding the prohibition in subsection (a), such missiles may be provided to Bahrain if the President certifies to Congress that—

(1) such missiles are needed by the recipient country to counter an immediate air threat and/or to contribute to the protection of United States personnel, facilities or operations;

(2) no other appropriate system is available from the United States;

(3) the recipient agrees to safeguards as required in the Letter of Offer and Acceptance by the United States Government to protect against diversion; and

(4) the recipient country has agreed to a United States buyback of all the remaining missiles and components which have not been destroyed or fired in order to return them to the possession and control of the United States when another United States air defense system which meets the military requirements can be made available or not more than 18 months from the date of enactment of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988.

(c) NOTIFICATION.—Before issuing any letter of offer to sell or provide Stinger missiles (without regard to the amount of the sale or transfer) the President shall notify the Speaker of the House of Representatives and the Majority Leader of the Senate. Any such notification shall contain the information required in a certification under section 36(b) of the Arms Export Control Act.

(d) ILLEGAL ACQUISITION.—Before issuing any letter of offer to sell any defense article or defense service to Qatar, Qatar shall have returned all Stinger antiaircraft missiles illegally acquired or purchased. The President shall notify the Committees on appropriations and the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate when all such missiles have been returned.

OPPOSITION TO ASSISTANCE TO TERRORIST COUNTRIES BY INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 567. (a) INSTRUCTIONS FOR UNITED STATES EXECUTIVE DIRECTORS.—The Secretary of the Treasury shall instruct the United States Executive Director of each international financial institution to vote against any loan or other use of the funds of the respective institution to or for a country for which the Secretary of State has made a determination under section 6(j) of the Export Administration Act of 1979.

(b) DEFINITION.—For purposes of this section, the term "international financial institution" includes—

(1) the International Bank for Reconstruction and Development, the International Development Association, and the International Monetary Fund; and

(2) wherever applicable, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, and the African Development Fund.

PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST COUNTRIES

SEC. 568. Notwithstanding any other provision of law, funds appropriated for bilateral assistance under any heading of this Act and funds appropriated under any such heading in a provision of law enacted prior to fiscal year 1989—

(1) shall not be obligated or expended for assistance to a country listed in section 6(j) of the Export Administration Act of 1979 on the date of enactment of this Act or placed on that list thereafter,

(2) if obligated before such date as assistance for such country, shall not disbursed, and

(3) if expended before such date for assistance to be delivered to such country from the United States or by United States nationals, then no such delivery shall be made,

unless such assistance is for humanitarian purposes.

MAINTENANCE OF MILITARY BALANCE OF EASTERN MEDITERRANEAN

SEC. 569. (a) UNITED STATES POLICY.—The Congress intends that excess defense articles be made available under this section consistent with the United States policy, established by section 620C of the Foreign Assistance Act of 1961, of maintaining the military balance in the eastern Mediterranean.

(b) MAINTENANCE OF BALANCE.—Accordingly, the President shall ensure that, for each fiscal year, the ratio of—

(1) the value of excess defense articles made available for Turkey under this section, to

(2) the value of excess defense articles made available for Greece under this section, closely approximates the ratio of—

(A) the amount of military assistance and financing provided for Turkey, to

(B) the amount of military assistance and financing provided for Greece.

(c) EXCEPTION TO REQUIREMENT.—Subsection (b) shall not apply if either Greece or Turkey ceases to be eligible to receive excess defense articles.

DETENTION OF CHILDREN

SEC. 570. It is the sense of the Congress that the practice of detaining children without charge or trial is unjust, inhumane, and is an affront to civilized principles. The Congress further believes that it should be the policy of the United States to make the ending of the practice of detaining children without charge or trial a matter of the highest priority. Therefore, the Congress believes the Secretary of State should convey to all international organizations that ending the practice of detaining children without charge or trial should be a policy of the highest priority for those organizations.

MILITARY ASSISTANCE TO MOZAMBIQUE

SEC. 571. Notwithstanding any other provision of law, none of the funds appropriated or otherwise made available pursuant to this Act may be used to provide military assistance to Mozambique.

RELATIVELY LEAST DEVELOPED COUNTRIES

SEC. 572. During fiscal years 1990 and 1991, the President may use the authority of paragraphs (A) and (B) of section 124(c)(1) of the Foreign Assistance Act of 1961 with respect to such aggregate amounts of principal and interest payable during each of these fiscal years as the President may determine, [except that that authority may be used with respect to a relatively least developed country only if] *with respect to a country eligible for an International Monetary Fund Structural Adjustment Facility or Enhanced Structural Adjustment Facility, notwithstanding the limitation of section 124(c)(1) to relatively least developed countries, if—*

(1) an International Monetary Fund standby agreement is in effect with respect to that country; or

(2) a structural adjustment program of the International Bank for Reconstruction and Development or of the International Development Association is in effect with respect to that country*; or*

(3) a structural adjustment facility or enhanced structural adjustment facility with the International Monetary Fund is in effect with respect to that country.

[RESOLUTION OF JAPANESE BEETLE PROBLEM

[SEC. 573. None of the funds appropriated by this Act may be used to fund any programs to assist in solving the Japanese beetle problem in the Azores. It is the sense of the Congress that this problem was created by the Department of Defense which should fund any program to resolve it.

[HONDURAS—RAMIREZ CASE

[SEC. 574. It is the sense of the Congress that, pursuant to the procedures contained in section (j) under the heading "Assistance for Central America" enacted in Public Law 100-71, the Honduran Government appears to have made a reasonable and good faith settlement offer based on a factual analysis by third parties, and the owner of the property in question is strongly encouraged to accept the proposed settlement. Therefore, notwithstanding the provisions of such section, $10,000,000 of the Economic Support Funds made available by Public Law 100-71 for Honduras but withheld from expenditure shall be available for expenditure upon enactment of this Act: *Provided,* That if a settlement is reached on the property in question, then the additional $10,000,000 withheld from expenditure pursuant to such section shall then be available for expenditure.]

CONGRESSIONAL PRESENTATION FOR SECURITY ASSISTANCE PROGRAMS

SEC. 575. Unless the fully printed final version of the fiscal year 1990 Congressional Presentation for Security Assistance Programs is received by the Congress by March 1, 1989, $10,000,000 of the funds appropriated by this Act for the [Military Assistance Program] *Foreign Military Credit Sales* shall be returned immediately to the General Fund of the United States Treasury.

[SOUTH AFRICA—SCHOLARSHIPS

[SEC. 576. Of the funds made available by this Act, not less than $20,000,000 shall be made available for scholarships for disadvantaged South Africans: *Provided,* That these funds shall be made available in equal amounts from funds earmarked for Sub-Saharan Africa within the Economic Support Fund, and from funds made available for Sub-Saharan Africa, Development Assistance.]

THIRD PARTY TRANSFER

SEC. 577. [Section 3(d)(2)(A)] *Section 3(d)* of the Arms Export Control Act is amended—[by striking out "law" and inserting in lieu thereof "joint resolution, as provided for in sections 36(b)(2) and 36(b)(3) of this Act".]

(1) in paragraph (2)(A), by striking out "law" and inserting in lieu thereof "joint resolution, as provided for in sections 36(b)(2) and 36(b)(3) of this Act"; and

(2) in paragraph (3), by adding at the end thereof "Such consent shall become effective then only if the Congress does not enact, within the 30-day period after the President has given such consent, a joint resolution, as provided for in section 36(c)(2) and 36(c)(3) of this Act prohibiting the proposed transfer.".

NARCOTICS CONTROL PROGRAM

SEC. 578. (a)(1) Of the funds appropriated by this Act under the heading "Economic Support Fund" *up to* $61,000,000 [shall] *may* be made available only for Bolivia, Ecuador, Jamaica, and Peru; but not more than $25 million shall be available to any one country.

(2) Of the funds appropriated by this Act [to carry out the provisions of section 503 of the Foreign Assistance Act of 1961 (relating to the military assistance program)] *under the heading Foreign Military Credit Sales, up to* $16,500,000 [shall] *may* be made available only for Bolivia, Ecuador, Jamaica, and Colombia, but not more than $5 million shall be available for any one country.

(3) Of the funds appropriated by this Act [to carry out the provisions of section 503 of the Foreign Assistance Act of 1961,] *under the heading Foreign Military Credit Sales, up to* $3,500,000 [shall] *may* be made available in accordance with the general authorities contained in section 481(a) of the Foreign Assistance Act of 1961, only for the procurement of weapons or ammunition for foreign law enforcement agencies, and paramilitary units organized for the specific purposes of narcotics enforcement, for use in narcotics control, eradication, and interdiction efforts, notwithstanding section 482(b) of such Act: *Provided,* That funds made available under this paragraph shall be made available only for Bolivia, Peru, Colombia, Ecuador, and for the regional air wing pursuant to sections 482 and 484 of the Foreign Assistance Act of 1961, and shall be in addition to amounts earmarked for the countries contained in paragraph (2) of this subsection.

(4) Funds made available under this subsection shall be available for obligation consistent with the provisions of section 481(h) of the Foreign Assistance Act of 1961 (relating to International Narcotics Control) except as provided in paragraph (3) of this subsection.

(b) None of the funds appropriated or otherwise made available under this Act may be available for any country during any three-month period beginning on or after October 1, 1988, immediately following a certification by the President to the Congress that the government of such country is failing to take adequate measures (including satisfying the goals agreed to in applicable bilateral narcotics agreements as defined in section 481(h)(2)(A)(ii) of the Foreign Assistance Act of 1961) to prevent narcotic drugs or other controlled substances (as listed in the schedules in section 202 of the Comprehensive Drug Abuse and Prevention Control Act of 1971 (21 U.S.C. 812)) which are cultivated, produced, or processed illicitly, in whole or in part, in such country, or transported through such country from being sold illegally within the jurisdiction of such country to United States Government personnel or their dependents or from entering the United States unlawfully.

(c) In making determinations with respect to Bolivia, Colombia, Ecuador, and Peru pursuant to section 481(h)(2)(A)(i)(I) of the Foreign Assistance Act of 1961, the President shall take into account the extent to which the Government of each country is sufficiently responsive to United States Government concerns on coca control and whether the provision of assistance for that country is in the national interest of the United States.

(d) If any funds appropriated by this Act for "Economic Support Fund," ["Military Assistance",] "International Military Education and Training", or "Foreign Military Credit Sales" are not used for assistance for the country for which those funds were allocated because that country has not taken adequate steps to halt illicit drug production or trafficking, those funds shall be reprogrammed for additional assistance for those countries which have met their illicit drug eradication targets or have otherwise taken significant steps to halt illicit drug production or trafficking: *Provided,* That any such reprogramming shall be subject to the notification procedures of the Committees on Appropriations.

[(e)(1) Of the funds appropriated under title II of this Act for the Agency for International Development, up to $10,000,000 should be made available for narcotics education and awareness programs (including public diplomacy programs), of the Agency for International Development, and up to $15,000,000 of the funds appropriated under title II of this Act should be made available for narcotics related economic assistance activities.]

[(2)] *(e)* Section 481(i)(4)(E) of the Foreign Assistance Act of 1961 is amended by—

(A) inserting "(vii) assistance for narcotics education and awareness activities under section 126 of this Act;" after "this Act," and

(B) redesignating clause (vii) as clause (viii).

(f) In order to maximize the participation of other countries in the effort to promote international narcotics control, the Secretary of State is directed to urge the United Nations Fund for Drug Abuse Control to develop a more comprehensive program for enlisting greater multilateral support for coca control programs and related development activities in South America.

(g)(1) Section 481(h)(2)(A)(ii) *of the Foreign Assistance Act of 1961* is amended to read as follows:

"(ii) A bilateral narcotics agreement referred to in clause (i)(I) is an agreement between the United States and a foreign country whereby the foreign country agrees to undertake specific activities including, where applicable, efforts to reduce drug production, drug consumption, and drug trafficking within its territory, including activities to address illicit crop eradication and crop substitution; drug interdiction and enforcement; drug consumption and treatment; identification and elimination of illicit drug laboratories; identification and elimination of the trafficking of precursor chemicals for the use in production of illegal drugs; cooperation with United States drug enforcement officials; and, where applicable, participation in extradition treaties, mutual legal assistance provisions directed at money laundering, sharing of evidence, and other initiatives for cooperative drug enforcement.".

(2) Section 585(c) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988 (as contained in Public Law 100-202) is amended to read as follows:

"(c) Beginning with certifications with respect to fiscal year 1989 and each subsequent year, a country which in the previous year was designated a major drug producing or drug transit country may not be deemed as cooperating fully unless it has in place a bilateral narcotics agreement with the United States, or a multilateral agreement which achieves the objectives of this section.".

(3) Section 481(h)(2)(A)(i)(I) *of the Foreign Assistance Act of 1961* is amended by inserting "or multilateral agreement which achieves the objectives of this subsection," after "(ii))".

(h) Section 481(h)(1) of the Foreign Assistance Act of 1961 is amended by inserting before "Subject" the following: "Not later than October 1 of each year, the Secretary of State shall submit a report to the Congress of those countries identified by the Secretary as being major drug producing or major drug transit countries (including the definition used to determine such drug transit countries) for purposes of the withholding requirements contained in subparagraph (A) of this paragraph and the certification requirements contained in paragraph (2) of this subsection.".

(i) Section 481(h)(2)(B) of the Foreign Assistance Act of 1961 is amended by striking out "clause (A)(ii)" and inserting in lieu thereof "subparagraph (A)(i)(II)".

TURKISH AND GREEK MILITARY FORCES ON CYPRUS

SEC. 579. Any agreement for the sale or provision of any article on the United States Munitions List (established pursuant to section 38 of the Arms Export Control Act) entered into by the United States after the enactment of this section shall expressly state that the article is being provided by the United States only with the understanding that it will not be transferred to Cyprus or otherwise used to further the severance or division of Cyprus. The President shall report to Congress any substantial evidence that equipment provided under any such agreement has been used in a manner inconsistent with the purposes of this section.

COMMERCIAL LEASING OF DEFENSE ARTICLES

SEC. 580. Notwithstanding any other provision of law, and subject to the regular notification requirements of the Committees on Appropriations, the authority of section 23(a) of the Arms Export Control Act may be used to provide financing to Israel and Egypt *and NATO and major non-NATO allies* for the procurement by leasing (including leasing with an option to purchase) of defense articles from United States commercial suppliers, [not including Major Defense Equipment (other than helicopters and other types of aircraft having possible civilian application),] if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under such Act.

CAMBODIAN NON-COMMUNIST RESISTANCE FORCES

SEC. 581. If the President makes available funds appropriated by this Act for the Cambodian non-Communist resistance forces, *not to exceed $5,000,000 may be made available for such purpose, and* such funds shall be derived from funds appropriated under [the headings "Military Assistance"] *military assistance* and "Economic Support Fund", and shall be made available notwithstanding any other provision of law: *Provided*, That funds made available for this purpose shall be obligated in accordance with the provisions of section 906 of the International Security and Development Cooperation Act of 1985 (Public Law 99-83).

HUMAN RIGHTS IN CUBA

SEC. 582. [The Congress finds that—

[(1) the United Nations Human Rights Commission was established by the Economic and Social Council in 1946 to investigate and make recommendations concerning the violation of human rights and fundamental freedoms;

[(2) the United Nations, the United Nations Human Rights Commission, and the Chairman of the Commission are to be commended for Decision 1988/106 as interpreted by the Chairman which establishes a working group on Cuba to conduct an on-site investigation and prepare a report for consideration under agenda item 12(h) at the forty-fifth session of the Commission in 1989; and

[(3) the President, the Secretary of State, the Permanent Representative of the United States to the United Nations, and the Representative of the United States to the United Nations Human Rights Commission are to be commended for their efforts to place Cuba on the agenda of the Commission and are strongly encouraged to continue to support and assist the Commission in its implementation of Decision 1988/106.]

It is the sense of the Congress that—

(1) the United Nations, the United Nations Human Rights Commission, and the Chairman of the Commission are to be commended for Decision 1988/106 as interpreted by the Chairman which establishes a working group on Cuba to conduct an on-site investigation on Cuban human rights conditions and prepare a report for consideration under agenda item 12(h) at the 45th session of the Commission in 1989;

(2) the President, the Secretary of State, the Permanent Representative of the United States to the United Nations, and the Representative of the United States to the United Nations Human Rights Commission are to be commended for their efforts to place Cuba on the agenda of the Commission and are strongly encouraged to continue to support and assist the Commission in its implementation of Decision 1988/106;

(3) the following countries are to be commended for their courageous support for an independent investigation of the human rights situation in Cuba under the auspices of the United Nations and consideration of Cuba under agenda item 12 at the 45th session of the Commission: Bangladesh, Belgium, Costa Rica, France, the Gambia, Federal Republic of Germany, Ireland, Japan, Mozambique, Norway, the Philippines, Sao Tome and Principe, Portugal, Senegal, Somalia, Togo, the United Kingdom, and Venezuela.

(4) the following countries, despite overwhelming evidence of serious human rights abuses in Cuba, failed to support the efforts of the United States to establish an independent working group on Cuba and to provide for consideration of the report of this group under agenda item 12, a nonconfidential procedure reserved for countries with records of serious human rights violations: Algeria, Argentina, Botswana, Bulgaria, People's Republic of China, Colombia, Cyprus, Ethiopia, German Democratic Republic, India, Iraq, Mexico, Nicaragua, Nigeria, Pakistan, Peru, Rwanda, Spain, Sri Lanka, Union of Soviet Socialist Republics, and Yugoslavia;

(5) in accordance with section 574 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988, the United States should continue to take into account whether countries support an independent investigation of human rights violations in Cuba under the auspices of the United Nations and consideration of Cuba under agenda item 12 at the 45th session of the Commission when considering bilateral assistance and the financial contribution to the United Nations;

(6) the Congress strongly objects to the election of Cuba and Panama to the Commission and strongly urges the Secretary General and Chairman, and the other members of the Commission to insure that Cuba and Panama do not in any way interfere with the independence of the pending investigation, the preparation of the resulting report, or the consideration of this report under agenda item 12(h) at the Commission's 45th session.

[DRUG-FREE WORKPLACE

[SEC. 583. No funds appropriated under this Act shall be expended in any workplace, including a workplace within any Government or military force, that is not free of any illegal use or possession of controlled substances, which is made known to the Federal entity or official to which funds are appropriated under this Act.

[CRIME-FREE WORKPLACE

[SEC. 584. None of the funds appropriated under this Act shall be expended in any workplace, including a workplace within any Government or military force, that is not free of any illegal possession or use of controlled substances, or bribery, tax evasion, graft, or price fixing, which is made known to the Federal entity or official to which funds are appropriated under this Act.]

ASSISTANCE FOR POLAND

SEC. 585. Up to the equivalent of $500,000 of the nonconvertible and convertible Polish currencies (after satisfaction of preexisting commitments to use such currencies for other purposes specified by law) held by the United States which have been generated by the sale to Poland of United States agricul-

tural products may be made available for the reconstruction, renovation, and maintenance of the Research Center on Jewish History and Culture of the Jagiellonian University of Krakow, Poland, established for the study of events related to the Holocaust in Poland: Provided, That such currencies shall be made available notwithstanding 31 U.S.C. 1306.

COMPETITIVE INSURANCE

Sec. 586. All Agency for International Development contracts and solicitations, and subcontracts entered into under such contracts, shall include a clause requiring that United States marine insurance companies have a fair opportunity to bid for marine insurance when such insurance is necessary or appropriate.

PAY RAISES

Sec. 587. Such sums as may be necessary for fiscal year 1989 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

FAIR PRICING

Sec. 588. (a) The last sentence of paragraph (3) of section 503(a) of the Foreign Assistance Act of 1961 is amended by inserting immediately after the phrase "under paragraph (3)" the phrase "or from funds made available on a nonrepayable basis under section 23 of the Arms Export Control Act", and by inserting after "Armed Forces of the United States" the phrase "(other than the Coast Guard)".

(b) Section 515(d) of the Foreign Assistance Act of 1961 is amended by striking out "October 1, 1982" and inserting in lieu thereof "October 1, 1989" and by striking out "including" and inserting in lieu thereof "excluding".

(c) Section 43(b) of the Arms Export Control Act is amended by striking out "and" at the end of paragraph (1), by striking out the period at the end of paragraph (2) and by inserting a semicolon in lieu thereof, and (30 by adding the following paragraphs at the end of the subsection:

"(3) such expenses are incurred by offices, activities, or other organizational elements of the Department of Defense dedicated solely to carrying out functions under this Act, or are actual out-of-pocket expenses (other than pay and allownaces) of personnel temporarily detailed to carry out such functions incurred while so detailed; and

"(4) such expenses are not salaries of members of the Armed Forces of the United States.".

(d) Section 21(e) of the Arms Export Control Act is amended—

(1) by inserting immediately before the semicolon at the end of paragraph (1)(A) "as specified in section 43(b) and section 43(c0 of this Act";

(2) by inserting immediately before the semicolon at the end of paragraph (1)(C) "(except for equipment wholly paid for from funds transferred under section 503(a)(3) of the Foreign Assistance Act of 1961 or from funds made available on a nonrepayable basis under section 23 of this Act)";

(3) by repealing paragraph (1)(B) and relettering paragraphs (1)(C) and (1)(D) as paragraphs (1)(B) and (1)(C), respectively; and

(4) by striking out "paragraphs (1)(B) and (1)(C)" in subsection (e)(2) and inserting in lieu thereof "paragraph (1)(B)".

(e) Paragraph (1) of section 21(h) of the Arms Export Control Act is amended by striking out "or" at the end of subparagraph (A), by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; or", and by adding the following subparagraph at the end of the paragraph:

"(C) in connection with sales of defense articles of a type that are also procured by the Department of Defense for its own use.".

(f) This section shall be effective on or after October 1, 1989.

IRELAND

Sec. 589. It is the sense of the Congress that of the funds appropriated or otherwise made available for the International Fund for Ireland, the Board of the International Fund for Ireland should give the greatest weight in the allocation of such funds to projects which will create permanent, full time jobs in the areas that have suffered most severely from the consequences of the instability of recent years. Areas that have suffered most severely from the consequences of the instability of recent years shall be defined as areas that have the highest rates of unemployment.

SALES FROM STOCKS

Sec. 590. Section 21 of the Arms Export Control Act is amended by adding at the end thereof the following new subsection:

"(j)(1) In the case of a sale under subsection (a)(1)(B) of this section, the President may contract for the procurement of replacement of major defense equipment if the eligible country or international organization provides the United States Government with a dependable undertaking as described in section 22(a) of this Act.

"(2) The authority contained in paragraph (1) applies only to such extent or in such amounts as are provided in advance in appropriations Acts.

"(3) The payment for the replacement in kind of stock must be made by the foreign country no later than 5 years from the date of purchase.".

NOTICE TO CONGRESS REGARDING POSSIBLE MISSILES SALES

Sec. 591. (a) Price and Availability Reports.—Section 28 of the Arms Export Control Act is amended—

(1) in the first sentence of subsection (a)—

(A) by striking out "or" after "$7,000,000 or more" and inserting in lieu thereof a comma, and

(B) by inserting ", or of any missiles, rockets, or associated launchers or any artillery projectiles (without regard to the amount of the possible sale)," after "$25,000,000 or more"; and

(2) in clause (2) of subsection (b)—

(A) by striking out "or" after "$7,000,000 or more" and inserting in lieu thereof a comma, and

(B) by inserting ", or of any missiles, rockets, or associated launchers or any artillery projectiles (without regard to the amount of the proposed sale)," after "$25,000,000 or more".

(b) Notifications in the Absence of Recent Price and Availability Report Listing.—

(1) Sales subject to notification requirement.—Paragraph (2) of this subsection applies with respect to any letter or offer to sell any missiles, rockets, or associated launchers or any artillery projectiles (without regard to the amount of the sale) if, within the preceding 6 months, a listing has not been transmitted to the Congress pursuant to section 28 of the Arms Export Control Act with respect to that sale and if section 36(b) of that Act does not apply.

(2) Requirement for notification.—Before issuing any letter of offer described in paragraph (1), the President shall notify the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate. Any such notification shall contain the information required in a certification under section 36(b) of the Arms Export Control Act.

(3) Time for notification.—The notification required by paragraph (2) shall be submitted not less than 30 days before the letter of offer is issued, unless the President states in the notification that an emergency exists which requires the proposed sale in the national security interests of the United States. If the President states that such an emergency exists, he shall include a detailed justification for his determination, including a description of the emergency circumstances which necessitate the immediate issuance of the letter of offer and a discussion of the national security issues involved.

This Act may be cited as the "Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989".

Mr. INOUYE. Mr. President, I am pleased to report to the Senate the bill recommended by the Committee on Appropriations for fiscal year 1989 funding of foreign operations, export financing and other programs. I believe the bill represents a thoughtful, balanced approach to the foreign policy needs of the United States and to the needs of our allies around the world. The bill also is responsive to the domestic needs of American taxpayers by providing support for our country's exports and new opportunities for investment abroad.

Mr. President, the foreign operations bill for fiscal year 1989 provides for new budget authority of $14,310,030,307. It is $2,060,320 above the President's request, and within the 2-percent growth ceiling permitted under the November budget summit agreement. The bill provides for $719,283,566 in new budget authority for the fiscal year 1988 enacted level, and is $10,187,641 over the recommended House level for fiscal year 1989.

Mr. President, the funding level recommended by the Committee on Appropriations sends a strong signal to our allies that the United States is prepared to sustain its prior funding commitments, and where necessary, to respond positively to new challenges worldwide. I firmly believe that, although we now are living at a time of fiscal austerity, it is vital we find the resources necessary to strengthen our overseas presence and reenforce the image of the United States as a compassionate, steadfast leader—a proponent of democratic ideals.

Under title I of its bill, the committee continues its strong support for the multilateral development banks and international organizations. As a demonstration of U.S. leadership, the committee is recommending an appropriation of $70,915,283 to fund the general capital increase of the International Bank for Reconstruction and Development. This recapitalization will allow the Bank to continue its development initiatives in the Third

World. It also will permit the United States to continue to exercise its traditional veto over any changes in the Bank's charter which it believes would adversely affect the objectives it has set for international development and environmental protection.

If our contribution to the GCI is not approved, then I fear we will earn the shame and ridicule of our allies, as well as suffer a profound decline in our influence around the globe. The only other member countries of the World Bank which have failed to fund their share of the general capital increase are Vietnam, Yemen, Rwanda, Qatar, Libya, Mauritania, Romania, the United Arab Emirates, Cambodia, and Algeria—countries with whom the United States shares little common ground.

Mr. President, today the World Bank is an indispensible instrument of macroeconomic change in the fight against poverty, hunger, and illiteracy around the world. It is an institution with which we, as Americans, have a special and unique relationship. It deserves our leadership. I recommend, for the approval of my colleagues, full funding for the World Bank's general capital increase as contained in the committee bill.

Under title II of its bill, the committee has allocated resources sufficient to meet or exceed most of the initiatives funded under our bilateral foreign assistance program through the Agency for International Development. These initiatives include increases over the President's request for agriculture, rural development and nutrition assistance; population; health; international aids prevention and control; child survival; education and human resource development. Increases to the fiscal 1988 funding level are recommended for the operating expenses of the Agency for International Development, as well as the office of the AID Inspector General. The funding level for international disaster assistance would remain constant at $25,000,000.

Mr. President, the concern felt by the American people over the worsening economic conditions on the continent of Africa also is reflected in the bill reported by the committee. Continuing with the work we began last year, the committee recommends that an additional $500,000,000 be appropriated for sub-Saharan Africa development assistance and that an increase in funding be provided to the African Development Foundation. In addition, we ask that the President's decision to zero-out funds for the Southern Africa Development Coordination Council be reversed and that $50,000,000 be provided to the countries of SADCC.

Elsewhere, the committee's longstanding concern for the disadvantaged remains strong and undaunted. Responding to the sharp increase in the number of displaced persons worldwide, the committee recommends a $21,950,000 increase in the funding for refugee assistance. The committee has provided specific funds within this account for Afghan refugees, Southeast Asian refugees and those granted permission to emigrate from the Soviet bloc. In addition, we propose that $50,000,000 be added to the United States emergency refugee and migration assistance fund to provide assistance for the repatriation of Afghan refugees.

The committee recommends additional increases over fiscal 1988 funding for the Inter-American Foundation and the Peace Corps. We also have agreed to the higher funding levels requested by the administration for the economic support fund, and the Department of State's programs in international narcotics control, and antiterrorism assistance.

Under title III of its bill, the committee recommends important changes in the way in which the United States disburses military assistance. For the first time, the committee recommends zero funding for the all-grant military assistance program. Instead, for reasons of programmatic efficiency and budgetary necessity, we propose a switch to an all-FMS, or foreign military sales, program in which the repayment of military credits would be forgiven. This is being done in the belief that scarce military assistance funds will be maximized, and that recipient countries will receive the full benefit of the available funds. For fiscal year 1989, the committee recommends at all-FMS program of $4,779,260,000 which would bring title III to $5,797,849,000, an amount $125,840,000 below the President's request, and $5,655,250 above the proposed House level.

In addition, under title III, along with a $2,349 ceiling on per capita GNP to limit the eligibility of richer countries for grant military education and training, the committee recommends a $5,100,000 reduction in the President's request for the international military education and training program. Countries such as Austria, Finland, and Luxembourg could still participate in the IMET Program, but they would have to pay their own way.

Mr. President, under title IV, export financing, the committee has demonstrated, once again, its sensitivity to the problems faced by American business overseas. It has allocated $705 million in new budget authority for the Export-Import Bank. This amount is consistent with the President's request and represents an important step in reversing the worsening trade deficit of the United States. The committee also has recommended the appropriation of funds for fiscal year 1989 to continue operation of what has come to be known as the War-chest. This source of funding to meet predatory financing by U.S. competitors was authorized in the Export-Import Bank Amendments of 1986 to enable the Eximbank to provide tied-AID credits through fiscal year 1989. Under the bill recommended by the committee, up to $110 million will be available in fiscal year 1989 in accordance with the procedures pursuant to which tied-AID credits were provided in fiscal years 1987 and 1988. This $110 million appropriation is subject to the overall Eximbank direct lending limitation of $705 million for fiscal year 1989.

The committee is acutely aware of the importance of trade to the economic health of our country. Where there is no prosperity, there can be little prospect of increased levels of foreign assistance. If our country is to remain a leader in world affairs, then it must first cultivate overseas markets and then compete effectively. It is for this reason that the committee also heartily endorses the work of the trade and development program of the Agency for International Development and recommends the appropriation of $25 million for this important program.

Mr. President, this, in summary, is the foreign operations bill reported by the committee. It is a good bill, one which I believe meets all the essential requirements of the Nation's foreign policy. It is a humanitarian bill, which exhibits both the quality and generous quantity of support for the poor which the world has come to expect of the United States. It is a fiscally responsible bill, which reflects the terms of the bipartisan budget agreement reached between Congress and the executive last November. It is an open bill, responsive to the will of the American taxpayer and sensitive to the needs of the country. Lastly, it is a bill which promotes peace and, I believe, makes the world a safer place for ourselves and our children because it embodies the values of compassion and justice which we, as Americans, cherish. It is against this measure that I believe the true worth and potential of this bill should be judged.

Mr. President, in response to the world's problems, $14.3 billion in foreign assistance is insufficient. Yet, for individuals whose lives are touched by the generosity of the American spirit, it can mean the difference between hunger and hope, poverty and prosperity, healing and helplessness. During my 15 years as a member of the Foreign Operations Subcommittee, I have come to know, as well as any one charged with the many tasks of a U.S. Senator possibly could, the programs funded in this bill. I have seen the wondrous things which American dollars have brought to the far reaches of our planet, and the goodwill which has been engendered because this powerful country reached out to the powerless and promised hope.

Mr. President, it is a privilege to recommend this bill for the consideration of the Senate. I urge my colleagues to support our work and to approve funding for foreign operations for fiscal year 1989.

The PRESIDING OFFICER. The Senator from Hawaii yields the floor. The Senator from Wisconsin, Senator **KASTEN**.

Mr. KASTEN. Mr. President, I would like to begin my remarks in support of this legislation by commending the distinguished chairman of the Foreign Operations Subcommittee, Senator **INOUYE**, for the extraordinarily cooperative fashion in which he moved this legislation through committee.

For many, the notion that foreign assistance serves U.S. security needs is most easily understood in view of military assistance programs. When we provide for foreign governments in this way, we reduce a requirement for direct U.S. military presence. I regard most of the Foreign Aid Program as serving our security needs because much of the program, whether it is the Economic Support Fund, the Peace Corps, or the development assistance programs of the Agency for International Development, serves to provide stability in regions around the world. This stability is a condition which very much serves U.S. security interests.

Mr. President, the first title of this legislation provides funding for the multilateral development banks, and for voluntary contributions to various international organizations. Included in our recommendation for this title is $1,494,000,000 in budget authority, and $2,428,000,000 in callable capital for the multilateral development banks. I highlight this callable capital because many argue that the Foreign Aid Program is not a balanced one, based on development assistance versus security assistance programs. When they claim this is true, they often do not include the amount provided for callable capital. The result is a very misleading comparison, because callable capital provided in the bill directly results in at least that amount of development assistance. Therefore, most calculations are billions of dollars short in their estimation of development assistance.

Of special concern with respect to the MDBS this year is the first installment of the general capital increase for the World Bank. While this capital increase has generated some controversy, it is important to note that insofar as appropriations for the activities concerned, we will actually provide less on a year-to-year basis in appropriated dollars than we have in the past. While many have posed questions on issues such as the environment, or World Bank support for various commodities which are in surplus and therefore compete with U.S. commodities, we believe that much progress has been made in these areas. All but about 10 countries, including the United States, have subscribed to this general capital increase, and very frankly, I do not think that we want to be one of those 10 much longer.

For programs involving international organizations, we have once again highlighted child survival by increasing funding for UNICEF, with a special earmark for the so-called Child Hope Program, aimed at assisting the world's street children and youth. While in the past we have had some problems with the United Nations' Environmental Program, we are actually increasing its funding this year. We do so only because we have specifically earmarked those programs of UNEP which we believe are important and are run well.

TITLE II

Mr. President, title II of this legislation provides for bilateral economic assistance. Included under this title are the functional development accounts of the Agency for International Development, the Africa Development Fund, the Peace Corps, and programs such as the Interamerican Foundation, the Africa Development Foundation, American schools and hospitals abroad, international narcotics control and United States refugee assistance. The committee recommends $6,289,000,000 for this title, including the budget request for the Economic Support Fund, through which we provide our economic assistance to Israel, Egypt, Pakistan, and Turkey.

The U.S. Military Assistance Program is funded through title III of this act, primarily through the Foreign Military Credit Sales Program and the International Military Education and Training Program. This year, we are not recommending any funding for the MAP Grant Program, but instead we recommend an all-forgiven or Grant FMS Program. This is entirely consistent with the administration's request and with actions this committee has taken in prior years. The reason we provide the grant assistance under FMS rather than under the MAP account is because the basic authorities for FMS are more flexible.

The final chapter of the legislation provides for the Export-Import Bank of the United States, the Trade and Development Program and the Trade Credit Insurance Program. The latter is an outgrowth of the Kissinger Commission, where we provide trade credit insurance through banking institutions for exports into Central America.

The Trade and Development Program is a highly successful one which funds feasibility studies overseas using American technology, hopefully ensuring that major construction and other work will be done by American companies.

Finally, for the Export-Import Bank, which supports U.S. exports, we recommend the budget request. It is the committee's intent to appropriate funds for fiscal year 1989 for the war chest authorized in the Export-Import Amendments of 1986. This will enable the Ex-Im Bank to provide tied aid credits under the war chest through fiscal year 1989. Specifically, the legislation provides up to $110,000,000 to be made available in fiscal year 1989 in accordance with procedures through which tied aid credits were provided in fiscal years 1987 and 1988. The $110 million appropriation will be subject to the overall Ex-Im Bank direct lending limit for fiscal year 1989 of $705 million.

I conclude my remarks by noting that this will undoubtedly be the last legislation handled by the distinguished senior Senator from Hawaii as either the chairman or ranking member of the Foreign Operations Subcommittee. Next year, it is anticipated that he will move on to other responsibilities.

The distinguished Senator from Hawaii has served as either the chairman or ranking member of the Foreign Operations Subcommittee for the last 16 years—10 as chairman, and 6 as ranking member. Throughout this time, Senator **INOUYE** has greatly distinguished himself, and deserves commendation not only from his colleagues in the Senate but also from his country and from the free world. He has always approached these very important foreign policy questions in a bipartisan fashion with thoughtfulness and competence.

Mr. President, I also note the service of Richard Collins on this subcommittee since April 1974. Mr. Collins has always been very helpful to all members of the subcommittee regardless of their party or views, and his service will be greatly missed.

Mr. President, I urge my colleagues to support this legislation.

Mr. STENNIS addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi, Senator **STENNIS**.

Mr. STENNIS. Mr. President, I am pleased that the Senate will consider today this foreign assistance appropriations bill and related programs appropriations bill for fiscal year 1989. This bill, which provides roughly $14.3 billion in total budget authority for fiscal year 1989, reflects the diligent care and able effort which our committee has rendered. In particular, however, it is evidence of the hard work and excellent leadership of subcommittee Chairman **INOUYE** and the ranking minority member, Senator **KASTEN**.

I wish to compliment the highly skilled work of the staff of their subcommittee: Richard Collins, Rand Fishbein, Mrs. Mazie Mattson, Jim Bond, and Juanita Rilling.

Mr. President, it is always fitting, I think, where the staff deserves it, to give due credit for the valuable staff members who help prepare and present these enormous bills carrying so many different angles and amendments. I appreciate them more and more as the years come and go. As the volume of the work that goes by the membership of this body grows rapidly, so does the work, even more rapidly perhaps, of the staff members. They rise to the occasion and render fine service.

Mr. President, I will not be extensive in my remarks, but first and foremost, I am pleased to report that this bill, as recommended, is within the 302(b) allocation for budget authority and outlays. Similarly, this bill complies with the budget summit agreement reached between the administration and the Congress on November 20, 1987, which has proved to be highly valuable. This was a running start right there when this was passed. It is some sound legislation in this complicated field.

Second, the bill as reported to the Senate is only $2 million above the President's $14.3 billion request and approximately $11 million above the House-passed bill.

Finally, I ask my colleagues to resist any further amendments adding additional funds which would violate the bill's spending ceiling set by the committee's 302(b) allocation.

I do not recall anything, Mr. President, that has been so valuable as these so-called changes and reforms in getting these bills put together on a satisfactory basis within the last few years. I refer again also to the summit agreement that I had the privilege of being involved with from beginning to end with the House Members, Senate Members, the Republicans, the Democrats, the incumbent administration, and other agencies of Government combined, actually did combine together in good faith, in earnest effort, and came up with that agreement that has been so wisely used since then and proved to be such a contribution.

My remarks, as I said, will be brief, but I firmly support this bill—and mean every word of it—and I ask that it be adopted so that we can proceed to conference with our House counterparts in a timely manner, for it is my sincere desire to complete Senate action on all 13 regular appropriations bills as soon as possible. Continuing resolutions are going out of style. It is getting to be where they will not be in order. We restore the Senate to its reasonable approach and reasonable position.

I hope that we can pass all of these appropriations bills as soon as possible.

Mr. President, I yield the floor.

The **PRESIDING OFFICER.** The Senator from Mississippi yields the floor.

The Senator from Hawaii.

Mr. **INOUYE.** Mr. President, I wish to thank the distinguished chairman of the committee for his generous remarks.

Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc and the bill, as thus amended, be regarded, for the purpose of amendment, as original text provided that no point of order shall have been considered to be waived by agreeing to this request.

The **PRESIDING OFFICER.** Is there objection?

Mr. **HUMPHREY** addressed the Chair.

The **PRESIDING OFFICER.** The Senator from New Hampshire.

Mr. **HUMPHREY.** Mr. President, I came in in the midst of that request and did not hear it all. Do I understand it correctly that the request is, for among other things, the adoption of the committee amendments en bloc?

Mr. **INOUYE.** Yes, this is to request that all the committee amendments be agreed to en bloc.

Mr. **HUMPHREY.** I have to object to that for the moment.

The **PRESIDING OFFICER.** Objection is heard.

AMENDMENT NO. 2517

Mr. **INOUYE.** Then if I may, Mr. President, I send to the desk a series of amendments making technical and typographical corrections to H.R. 4637 and ask unanimous consent that they be considered and adopted en bloc.

The **PRESIDING OFFICER.** Is there objection to the unanimous-consent request? Hearing none, the clerk will report.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE] proposes an amendment numbered 2517.

Mr. **INOUYE.** Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

On page 8, line 10, delete "$8,000,000" and insert in lieu thereof "$800,000";

On page 9, line 13, delete "$2,500,000";

On page 39, line 12, delete "on" and insert in lieu thereof "or";

On page 118, lines 18 and 26, delete the comma after "sale)" in both places where it appears.

Mr. **INOUYE.** Mr. President, these are very technical corrections we submit, and most of them are typographical in nature. For example, on page 8, line 10, we delete "$8 million" and insert in lieu thereof "$800,000."

The **PRESIDING OFFICER.** Is there further debate?

Without objection, the technical amendments are agreed to.

The amendment (No. 2517) was agreed to.

Mr. **KENNEDY** addressed the Chair.

The **PRESIDING OFFICER.** Does the Senator from Hawaii yield the floor?

AMENDMENT NO. 2518

Mr. **INOUYE.** Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** Is there objection to the consideration of the amendment?

Hearing none, the clerk will report.

The assistant legislative clerk read as follows:

The Senator from Hawaii (Mr. INOUYE) proposes an amendment numbered 2518.

Mr. **INOUYE.** Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert the following new provision:

FUNDING ADJUSTMENTS

SEC. . Notwithstanding any other provision of this Act, the following amounts are hereby appropriated in lieu of amounts contained previously herein: for payment to the International Development Association, $952,876,717; for "International Organizations and Programs", $217,219,666, of which not more than $13,500,000 shall be made available for the International Atomic Energy Agency; for administrative expenses of the Export-Import Bank of the United States, not to exceed $20,490,000: *Provided*, That, notwithstanding any other provision of this Act, no funds shall be appropriated or otherwise made available by this Act for payment to the International Finance Corporation or for payment to the African Development Bank: *Provided further*, That the authority contained in section 515 of this Act may not be exercised to deobligate and reobligate funds previously obligated for the "Economic Support Fund", notwithstanding the provisions of that section.

Mr. **INOUYE.** Mr. President, when the Committee on Appropriations considered its recommendation for fiscal year 1989 funding of foreign operations, we did not have an official Congressional Budget scoring of the bill. In fact, CBO and the Senate Budget Committee had not reached an agreement on how they would score several accounts in the committee bill. Therefore, we could not determine what adjustments might be necessary.

We now have that CBO scoring, and it indicates that the bill recommended by the committee exceed the Foreign Operations Subcommittee allocation by $14 million in budget authority and $32 million in budget outlays.

The amendment at the desk, which I have submitted on behalf of the committee, makes funding changes which are necessary to bring the bill into compliance with the Budget Act. I ask that the amendment be adopted.

Mr. CHILES. Mr. President, Senate Budget Committee scoring of the foreign operations appropriations bill as reported by the full appropriations committee shows that the bill is over its 302(b) budget authority allocation by $14 million and over its outlay target by $32 million.

Nevertheless, the distinguished chairman of the subcommittee, Senator Inouye, and the ranking minority member, Senator Kasten, have developed an amendment which will bring their bill within their 302(b) allocation. If this amendment is accepted by the Senate, the bill will be in compliance.

Mr. President, I have a table from the Budget Committee showing the official scoring of the foreign operations appropriations bill as reported and I ask unanimous consent that it be inserted in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

SENATE BUDGET COMMITTEE SCORING OF H.R. 4637—FOREIGN OPERATIONS—SPENDING TOTALS

[Senate reported, in billions of dollars]

	Fiscal Year 1989	
	Budget authority	Outlays
302(b) Bill Summary		
H.R. 4637, Senate Reported (new BA and outlays)	13.4	5.2
Enacted to date	0.9	7.0
Adjustment to conform mandatory programs to resoluton assumptions		
Scorekeeping adjustments	+([1])	+([1])
Bill total	14.3	12.2
Subcommittee 302(b) allocation	14.3	12.2
Difference	+([1])	+([1])
Bill total above (+) or below (−):		
President's request	+([1])	+([1])
House-passed bill	+([1])	−0.1
Summit Cap Summary		
International affairs spending in bill	13.3	11.2
Allocation under international affairs cap	13.3	11.2
Difference	+([1])	+([1])

[1] Less than $50 million.

Details may not add to totals due to rounding.

Source: Prepared by Senate Budget Committee Staff.

Mr. CHILES. Mr. President, among the many elements of this bill is funding for the housing and other credit guarantee program reserve. This fund covers the legal obligations of the United States to make good on defaults on guarantees extended under that program. Given the nature of this reserve, I believe, with the concurrence of the Appropriations Committee, that in the future, we should consider treating this program as a mandatory account.

Mr. INOUYE. Mr. President, I thank the chairman of the Budget Committee and agree that in the future, the housing and other credit guarantee program reserve should be treated as a mandatory.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. HUMPHREY. May I have a copy of the amendment?

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. HUMPHREY. Mr. President, I wonder if I might ask the sponsor of the amendment what bearing this amendment would have, if adopted, on committee amendments?

Mr. INOUYE. What this would have?

Mr. HUMPHREY. Yes, what bearing would this amendment have?

Mr. INOUYE. It would just reduce the amounts.

Mr. HUMPHREY. I am unclear. If the committee amendments have yet to be adopted and the pending amendment would reduce the amounts of those committee amendments, is it not premature for this amendment to be considered at this point?

Mr. INOUYE. When the committee amendments are submitted en bloc, arrangements would be made to make this applicable.

Mr. HUMPHREY. I certainly have no objection to the Senator proceeding with this, but I do want to have a chance to——

Mr. INOUYE. Appropriate changes will be made to reflect this amendment.

Mr. HUMPHREY. All right. I will certainly not oppose the adoption of this amendment providing that when we get to the committee amendments the adoption of this amendment does not in any way prejudice full consideration of the committee amendments individually if necessary.

Mr. INOUYE. I can assure my friend of that.

Mr. HUMPHREY. I thank the Senator from Hawaii and apologize for delaying his efforts, but I wanted to be sure that consideration of the committee amendments would not be in any way prejudiced by the adoption of this amendment at this point.

The PRESIDING OFFICER (Mr. Shelby). The question is on agreeing to the amendment.

The amendment (No. 2518) was agreed to.

Mr. KENNEDY and Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I want to cooperate with the managers of the bill. As I understand it, the parliamentary situation is that objection has been raised to approval of the committee amendments en bloc. Am I correct?

Mr. INOUYE. The Senator is correct, yes.

Mr. KENNEDY. So it would take unanimous consent to consider another amendment to the legislation. I send an amendment to the desk and ask for its immediate consideration. I ask unanimous consent that it be in order to consider the amendment.

Mr. KASTEN addressed the chair.

The PRESIDING OFFICER. Is there objection? The Senator from Wisconsin.

Mr. KASTEN. Is this the United Nations amendment?

Mr. KENNEDY. Yes.

Mr. KASTEN. I have had the opportunity to review this question with a number of people at the State Department, and it turns out that Ambassador Richard Williamson, who is in charge of this area, is opposed to this amendment.

Mr. KENNEDY. The question is whether I can get the amendment before the Senate at this time to give us an opportunity to present the arguments?

Mr. KASTEN. Is the amendment before us?

The PRESIDING OFFICER. Is there objection to the request?

Mr. KASTEN. I do not object to discussing this amendment at this time. I am opposed to the amendment and I am hopeful——

Mr. KENNEDY. I am simply trying to notify Members of our intentions. I am glad to do what is appropriate. If the committee amendments had been accepted en bloc, it would now be appropriate to consider our amendment. But there has been objection to that. I would like to expedite the business of the Senate and work with the managers. I know there may be some debate on this, but I would like to get the issue up now. If the leaders want to tell me when it would be approriate for me to offer this amendment I am glad to accommodate them. I am simply trying to move the whole process forward. If there had not been the singular objection to accepting the amendments en bloc, then this amendment would be in order. We can go on and enter into a time agreement with the Senator from Wisconsin, or whatever way he wants to proceed.

The PRESIDING OFFICER. Is there objection?

Mr. KENNEDY. But I would like to see that we begin debate on substantive matters.

Mr. INOUYE. Mr. President, if the Senator will yield.

Mr. KENNEDY. Certainly.

Mr. INOUYE. As soon as this colloquy is concluded, I will be calling for a short quorum to discuss this matter with Senator Humphrey. We hope to have this matter resolved and then take up the amendments en bloc. At that time the amendment of the Senator from Massachusetts will be appropriate.

Mr. KENNEDY. I thank the floor managers. As I say, I want the Members to have an opportunity to consider this amendment. I know there are some differences on it. I will be glad to accommodate the floor managers.

Can we have an approximate idea when we might be able to do this? There are probably other Members who have amendments, too. Just as a point of information.

Mr. INOUYE. I will suggest the absence of a quorum which will last about 5 minutes at the most.

Mr. KENNEDY. Mr. President, I withhold my unanimous-consent request.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, while both leaders are on the floor—this matter has been cleared with the Republican leader, and he is here to speak for himself if necessary—I ask unanimous consent that upon the disposition of the D.C. appropriations bill, the Senate proceed to the consideration of the HUD appropriation bill, H.R. 4800.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the Republican leader. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The majority leader.

Mr. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the HUD appropriations bill the Senate proceed to the consideration of the Defense appropriation bill, H.R. 4781.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I ask unanimous consent that the committee amendments with the exception of amendments 1 and 2—these are amendments relating to the World Bank—be agreed to en bloc, that the bill as thus amended be regarded for the purpose of amendment as original text provided that no point of order shall have been considered to have been waived by agreeing to this request.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

The committee amendments were agreed to en bloc, except committee amendments 1 and 2.

AMENDMENT NO. 2519

(Purpose: To modify the requirement that the report on voting practices in the United Nations must be in the identical format as previous such reports)

Mr. KENNEDY. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The Senator from Massachusetts will need consent on that. Is there objection? Without objection, it is so ordered.

The clerk will report the amendment.

The assistant legislative clerk read as follows:

> The Senator from Massachusetts (Mr. KENNEDY), for himself, Mr. MOYNIHAN, Mrs. KASSEBAUM, Mr. PELL, and Mr. KERRY, proposes an amendment numbered 2519.

Mr. KENNEDY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 63, line 11, strike out "be in the identical format as" and insert in lieu thereof "continue to include the same type of information as is contained in".
>
> On page 63, line 14, add, after "June 6, 1986," the following: "and shall be in a format to be developed in consultation with the appropriate congressional committees."

Mr. KENNEDY. Mr. President, I send this amendment to the desk on behalf of myself, Senator KASSEBAUM, Senator MOYNIHAN, Senator PELL, and Senator KERRY, which modifies section 527(c) of H.R. 4637.

As reported by the Appropriations Committee, subsection (c) requires that the administration's annual Report to Congress on Voting Practices in the United Nations must be in the "identical format" as in previous years.

Our amendment does not affect the fundamental purpose of section 527, which appropriately requires the State Department to submit an annual report on the role of the United States in the United Nations.

What I am concerned about is the requirement of subsection (c), which mandates a rigid format for the report and which leads to serious misinterpretation and misrepresentation of our actual performance at the United Nations.

The subsection puts the State Department in a straitjacket. It forces the Department to use a highly questionable methodology that rates other nations according to their so-called coincidence of voting—how many times they vote with the United States during sessions of the General Assembly. Assistant Secretary of State of International Organizations, Richard S. Williamson, has acknowledged that questions remain about the methodology, and U.N. Ambassadors Jeane J. Kirkpatrick and Vernon A. Walters have both expressed concern about this calculation. On February 25, before a House Foreign Affairs subcommittee, Ambassador Walters testified:

> I have serious reservations about the methodology used to measure coincidence of voting with the United States.

There are several problems with the report in its present form which need to be addressed and rectified.

The principal problem is that the report places excessive reliance on a raw percentage score that purports to show how often other nations agree with the United States, based on the total number of votes in a General Assembly session.

We are all familiar with the voting records used by interest groups in the United States to rate the performance of Members of Congress. The various groups use selected votes that reflect the importance of issues to the groups. None of the groups would be caught using as its base all the rollcall votes in Congress in a given year.

But that is what subsection (c) requires. It forces the State Department to submit its U.N. report using all the votes indiscriminately, major and minor, as its base.

The result is that issues of real importance to the United States are submerged in the overall calculation.

In fact, the U.S. Mission to the United Nations determined that 32 of the 174 General Assembly votes in the 1987 session were of special importance to the United States.

Yet the report treats all votes as of identical importance and minimizes the fact that many nations which differ with the United States on matters less important to us, are willing to support us on issues we regard as critical.

This accommodation by other nations to U.S. interests was noted by former U.S. Permanent Representative to the United Nations, Jeane J. Kirkpatrick, when she testified before the Senate Appropriations Committee in March 1985:

> I would like to emphasize that our experience shows that systematic, active U.S. efforts to identify issues of great concern to us, inform others about it, and lobby them

on it, pays dividends in the decisions that are finally adopted.

A typical example of the distortions produced by such artificial scorekeeping is Western Samoa, which voted with us, according to the report, only 23.2 percent of the time in 1987. Yet, when we look at the 32 important votes, an entirely different picture emerges—Western Samoa supported the United States 69 percent of the time.

Of the 159 countries in the General Assembly, 117 receive higher scores on the important issues. As Ambassador Kirkpatrick told the Senate Appropriations Committee in 1985:

> The only votes that can legitimately be read as a measure of support for the United States are those which we identified as important to us, and on which we lobbied other nations.

Another problem with the report is that its methodology ignores the fact that many significant U.N. issues are resolved by consensus. Of the 378 resolutions and decisions by the 42d General Assembly, 229 were decided by consensus—without a recorded vote. This means that the report fails to take into account more than 60 percent of the decisions of that body.

Many vital issues are resolved by consensus. During the 41st General Assembly in 1986, the issue of greatest importance to the United States was U.N. budget reform, and it was decided by consensus, without a recorded vote. During the 42d General Assembly in 1987, consensus decisions included important international issues relating to AIDS, crime, the ozone layer, and narcotics control.

None of these successes for the United States is taken into account in the report's calculations. As Ambassador Walters has stated, the rise in the number of decisions by consensus "reflects an increasing tendency to work out agreements which are acceptable to all members."

A further problem with the current format of the report is that the scorekeeping procedure ignores abstentions and absences—two very important means by which nations register their approval or disapproval on sensitive issues. In many instances, countries that cannot actively support our position will decide to abstain or be absent in order to avoid voting against us. Yet the scorekeeping ignores these significant concessions.

Contrary to the simplistic inferences planted by the current report, the United States is not isolated at the United Nations, and it is a serious mistake to cast our performance in an "us against them" light. The United States supported 61 percent of the resolutions and decisions taken by the General Assembly in 1987. Well over half the time, we were with the majority.

Obviously, there are times when the United States must stand apart, and even stand alone if necessary. But on many U.N. votes, especially when we are in a small minority, it is simplistic to say that countries not voting with us are voting against us.

For example, on December 11, 1987, the General Assembly voted on a resolution dealing with assistance to landlocked developing countries. The vote on that resolution was 152 countries in favor, and the United States against. Canada voted for the resolution. The United Kingdon voted for the resolution. Israel voted for the resolution.

The United States voted against the resolution, as I understand it, because the administration feels that "landlocked" is not a valid category for the consideration of economic development. Yet, in the annual report, 152 countries are marked down as voting against us. Perhaps an argument can be made that landlocked countries do not have special development needs.

Perhaps the United States could have developed into the powerful nation it is without being blessed with our Atlantic, gulf, and Pacific coasts. Perhaps we deserve credit for sticking to our guns at the United Nations. But it is hard to assert that all the other nations of the world are pointing their guns at us, even though the annual report treats this vote that way.

The "landlocked" vote is hardly an isolated example of what appears to be occasional aberrant U.S. voting patterns at the United Nations. On a vote dealing with external debt on December 11, 1987, 154 countries—again including Canada, the United Kingdom, and Israel—voted for the resolution, while the United States voted alone in opposition. It is difficult to maintain that the rest of the world was voting against the United States in any meaningful way on this issue.

Surprisingly often, in fact, the United States is a minority of one at the United Nations. Of 174 General Assembly votes in 1987, the United States stood alone on 34. On 26 other votes, we had the support of only one nation, and on 10 further votes, we had the support of only 2 other nations.

Similarly, when African nations vote for strong measures against South Africa, it is more accurate to say that they are voting against apartheid than to say that they are voting against the United States.

Yet, under current law, the State Department is prevented from drawing any such distinctions—all votes "against" us count the same in calculating the artificial score, even if our vote, as in the case of South Africa, is opposed not only by the vast majority of other nations in the world, but also by a two-thirds of Congress and the vast majority of the American public.

Finally, except for a brief introduction, there is no qualitative analysis in the report. As Ambassador Walters has said:

> Vote tallies alone are not sufficient to measure the results of the General Assembly. The increased cooperation, reduced rhetoric, and behind-the-scenes help which characterized the 42nd General Assembly are difficult to capture in statistics.

But unless these factors are captured in some other way, the statistics are worth little.

The U.N. report is of concern not only to U.S. officials but to members of the United Nations. The Secretary General of the United Nations referred to the report in a recent address at Dartmouth College:

> * * * The analysis of General Assembly votes can easily be deceptive. It cannot be purely mathematical. The analysis most often quoted does not include consensus votes or absences and abstentions. * * * In consequence, this analysis makes the General Assembly seem much more hostile to the United States than it really is.

It is not our intention on this amendment to stack the deck in favor of the United Nations or to make it look better than it actually is.

Nor do we intend to prevent the report from using the kind of information that is now provided. We simply seek to modify the language to permit the inclusion of other relevant information, a presentation in a less biased manner, and—most important—a methodology which is reliable and which produces a fair and impartial analysis of U.S. performance at the United Nations.

It should not be difficult for an administration, freed from the excessive constraints of the present statute, to come up with a report that tilts neither toward U.N. bashing nor toward U.N. adulation.

It is my hope that, with the modification of this highly artificial statutory constraint, Members of Congress—both Democrats and Republicans—will work with the Department of State, our mission in New York, and experts familiar with methodologies, in an effort to create a nonpartisan, evenhanded, accurate report.

We need reliable information on how the United States is faring at the United Nations—especially since the report is an important part of the ongoing debate over the role of the United States and our funding for the organization.

As Assistant Secretary Williamson wrote as a private lawyer in 1986:

> While U.S. coverage of U.N. activities usually is buried deep inside our newspapers and seldom commands notice on the network news, in New Delhi and Lagos and elsewhere throughout the world, the U.N. is front-page news daily. To the extent that the United States seriously wants to wage battle in the worldwide wars of ideas—and we must—the U.N. cannot be ignored.

Mr. President, I point out to the membership that we have included in our amendment on page 63, line 14, the following, "and shall be in a format to be developed in consultation with appropriate congressional committees."

It is our intent that the format of the report will not be the sole product of the Department of State but will be worked out in consultations with the appropriate committees. I think that this is the way to assure a balanced, accurate report which will present the true picture for the benefit of the American people and for the benefit of the world community.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I have the honor to rise in support of this amendment offered by the distinguished Senator from Massachusetts and our learned and able colleague across the aisle, the Senator from Kansas.

Mr. President, this is an issue of more than passing importance, at least in my view.

I will do what I hope I not too often do, which is to ask the Senate to hear a somewhat extended narrative about how this report came about. I will start out by saying that I started it when I was the Permanent Representative at the United Nations. I think I can help the Senate—I have not talked before on this matter in 12 years here—by explaining how the report got started, what it was intended to do, and what I think it can do if we will accept the amendment of the Senators from Massachusetts and Kansas and of which I am a cosponsor.

Let me begin, Mr. President, with a seemingly unrelated fact. You do not normally associate a job as representative of the United Nations as having occupational hazards. There are. One morning you find that the front of your embassy has been blown off just at the time you normally would arrive. That is the least of it. The great hazard is that you will fall asleep in the middle of the speeches of the General Assembly on a late afternoon.

I once recall this stupor mounting to a critical mass and trying to resist it and thinking what to do, and I looked at the names of the different countries that are listed on either side of the podium. I began to make up acrostics and things like that. It was not working. Then I suddenly had an idea. I asked myself "How many of these countries both existed in 1914 and had not had their form of government changed by violence since 1914?" I was thinking 1914 because the present century begins then, the movement toward such organizations as the League of Nations and the United Nations begins then.

Mr. President, it was very interesting. Of the 148 members then, that would be about 155 now, there are 7 which both existed in 1914 and have not had their form of government changed by violence since. They are members of the British Commonwealth, Sweden, and the United States.

If you asked how many existed since 1800 and had not had their form of government changed by violence since, then there would be two, the United States and Britain.

One of the things that suggests, because I quickly found it in trying to get hold of my work at the U.S. mission, was that we have a tremendous experience of bilateral diplomacy. If you ever have the opportunity, as many Senators have had, and I hope all Americans might one day, to visit our Embassy in Paris, there in the garden in front is a wonderful statue. It is of Benjamin Franklin when he was our Ambassador to the Court of Louis XVI. Our bilateral relations go back into the Ancien regime as they say in French, the old regime, the Bourbons, King Louis.

And inevitably in the State Department people come and they think in terms of how do you deal one country with another. We have learned treaty diplomacy in NATO for 40 years though with some difficulties even as we are dealing with a few like-minded countries. In all, we have had very little experience in multilateral diplomacy. We did not join the League of Nations. The United Nations is some 40 years old; our diplomacy is two centuries old. And paying attention to the United Nations was not something that has been much in favor in the last 25 years or 20 years since we lost our majority there.

I had an experience then, Mr. President, which will give you a very explicit sense of what this report is about. I went to the United Nations as President Ford's Ambassador in 1975. I had been Ambassador to India and returned to private life. President Ford asked me to come to the U.N and I did, not without reluctance. But the north-south issues were so important, and as I had been Ambassador to the largest nonaligned country, would I come, and I came. The world was in great economic difficulties at that time because of the aftermath of the Yom Kippur war of 1973, the war that led to the oil embargo, to the formation of OPEC, to the tremendous increases in oil costs for developing nations. There have been tremendous demands for the transfer of wealth north-south. Actually it happened south-south when the oil-producing countries suddenly quadrupled their prices and their oil-poor neighbors had to pay the price, India more than any other, which had some oil but which is very little.

In that context, that war was an important war. It has changed the world. We still have the consequences of it.

One evening I was having dinner, just the two of us, with the Egyptian Ambassador, a very fine diplomat and a very careful one. We were talking about the Egyptian-Israeli war, and he said, "You know, that would never have happened if the United States had not vetoed the Indian resolution in the Security Council."

I thought, "Oh, my God, that happened on my watch."

I was our Ambassador to India. The United States had vetoed an Indian resolution having to do with the Middle East. I must have been asleep.

I had not rushed up the Indian foreign office and said: "Gentlemen, this is important to the world and to India. Don't veto our resolution. If you do there will be a war. The prices of oil for India will quadruple. There will be disaster everywhere. There will be bloodshed; economies ruined. It is not that important to you. It is very important to us. Please don't do it."

I did none of those things.

I thought, "Oh, my God," and there I was in India most days thinking if there were something I could talk to the Government about. We just did not have that many relations, and I had missed the opportunity.

And I said, "Can it be I could have prevented the Yom Kippur War?"

"Oh, my God."

I talked to our Secretary of State. I said, "Could it be that that is so, that our vetoing the Indian resolution was the cause of the war?"

He said, "Yes, that was certainly one of the reasons."

He did not give it the only reason. But, "Yes," Dr. Kissinger said, "That is one of the reasons."

"Oh, my God," I felt even worse.

And then I began very quiet inquiries. Had anybody in Washington told us in New Delhi that we were to veto an Indian resolution?

And to my very considerable relief, Mr. President, I found out no one had. What goes on in the United Nations and what goes on in capitals is completely dissociated in our minds. I never told my Embassy. I could have done something—maybe I would have failed, but I certainly should have been put on the job. No one sought to do it.

So, Mr. President, with the assistance of a very distinguished young political scientist, Suzane Garment, who was then on the staff of the U.N. mission. We sat down and we went through a list of the then 148 countries, and we asked ourselves how important are our relations and we had to list them. There were five categories. One is if you sold them more than $100 million worth of goods; or, two, if they sold to you; three is if they had any military importance; four is if you had any close ethnic relations; and five is any other reason you could think of.

We found that about 50 countries in the world came under that heading, qualified one way or the other. We called them bilateral countries. Those are countries where their capital matters. With the rest of those countries, two-thirds, we just do not have any relations, really, except at the United Nations, where they have one vote and we have one vote in the General Assembly and where periodically they will be on the Security Council. There it really matters.

And so we had an inspiration. We said: What do you say we call these countries multilateral countries, and we tell our Ambassador in their capital that the thing he or she should worry about is how that country votes at the United Nations. The U.N. voting process is one that begins with regional meetings of the nonaligned and then a big meeting of the nonaligned. By the time they get to New York it is all over.

I said, among other things, it would give our ambassadors in Ouagadougou and such places, out-of-the-way places, something to do. They could call on their foreign minister and say, "Well, now, the Food and Agriculture Organization meeting, the ILO meeting, the General Assembly is coming up. How are you planning to vote on this and how are you planning to vote on that?"

And when you say, "vote," this was our inspiration, Mr. President. We said, "Let us keep voting records." That is what Americans are good at. We invented voting records. American political scientists invented them and Americans created them. We have been doing a lot of voting in this country. That is not something everybody does a lot of. We are good at voting analysis.

So we called down to the State Department and said, "How do the voting records look for these countries?" And they said, "The what?" We said, "The voting records. How often has Zaire voted with us, against us, abstained?"

They just did not know what we were talking about, because they only paid attention to one-on-one relations.

We said, "Wait. For two-thirds of the countries in the world, the only relations we have which matter are multilateral relations at the United Nations and its specialized agencies. And for those countries, the only kind of diplomacy they know is multilateral diplomacy."

The multilateral system is the system that created them. The United Nations was the creator of one after another of those countries. In the Middle East, Lebanon is a creation of the mandate of the League of Nations. Israel. Jordan. Syria. Iraq. Does no one know where those countries come from? They come from the mandate system of the League, which was inherited by the United Nations.

So, finding that we had no records, we thought, well, that that sort of stymied us. But we were lucky. It turned out that at the Naval Academy, a young instructor of government had put the voting records of U.N. members on a computer to teach a class in international relations. And so we got a computer hookup in New York, and we began keeping records. In the State Department, the Office of Multilateral Diplomacy was opened. I think they had three persons, and probably still have three. We began keeping records. Among other things—I want to make it very clear about this—for our Ambassadors to those countries, it gives them a measure of performance. They can say, if you want to put it that way, that "When we went out to Rumania, there was a voting record of 11.6 percent, and I worked hard and got it up to 12 or 14." Not perfect, but a little better.

That "Poland has 9.7 percent, and I am going to try to make it 12;" that our good friends, our very good friends, in Kuwait—to whose ships, we rented our flag and on whose behalf we sent our men and women of the fleet into that harm's way—well, Kuwait has a walloping 11.2 percent voting record with us. What do you say that, after the next ship is sunk, we might try to get Kuwait up to, say, 14 percent? A little sign of thanks for all your blood and treasure.

Saudi Arabia, 12.4 percent. Next time we send them some AWACS, we might try to round it out to 13 percent.

Now, I am making somewhat a jest, but not really. Not really.

Mr. President, the voting records at the United Nations by most countries outside NATO measure on the obscene. The Soviets long ago established that there was a penalty for voting against them. We established no penalty, just apologies for them voting against us.

The distinguished Republican leader, were he on the floor, would remember an occasion not many years ago when he led a delegation to the People's Republic of China. At that time it was suddenly arranged that we would have a meeting with Deng Xiao-Ping. And the distinguished Republican leader, Mr. DOLE, was very generous at the meeting. On a trip like that, he showed he would be a great President. Every Senator had his say and turn to answer questions.

I believe it was the case that it was my turn to ask the first question of Mr. Deng. So I called Washington and I said, "What is China's voting record at the United Nations with respect to us and with respect to the Soviet Union?" And back came an answer, because we had this report.

Now, Mr. President, I was then able to have the following exchange, which was reported in the press. Mr. Deng had said, "Relations between the United States and the People's Republic are fine. They are peaceable. They are practical; positive. No great difficulties."

And I said, "That is true. That is true." And I added, "We also know there are great difficulties between the People's Republic and the Soviet Union." But I said, "Mr. President, is it not also the case that when you look at the way the People's Republic votes in the United Nations, you vote as an ally of the Soviet Union and an antagonist of the United States?"

Well, if I may say, that caused some scribbling among the note takers of the Chinese side. But it was true. And, therefore, it seems to me these records need to be kept. It needs to be known by other nations that we are keeping them. Mr. President, I would like to know—and this will be in the CONGRESSIONAL RECORD so it may come to the attention of the Department of State—if, just once since we have been putting American flags on the oil tankers of Kuwaiti billionaires, if just once somebody in our Embassy in Kuwait had called attention to the fact that Communist Romania has a slightly better voting record with us at the United Nations than Kuwait? Just once.

I ask the question. As a matter of fact, I will ask it at the Foreign Relations Committee the next time we have this issue before us.

So, Mr. President, two points. One is that this report seems to me to be indispensable. It seems to me to remind us of the role of multilateral diplomacy with two-thirds of the countries of the world for which that is the principal forum of diplomacy and international relations. It is indispensable because it reminds us just how squalid the degree of support is from those countries. They want our aid, they want our approbation, they want all those things. But they can never vote with us. They can only vote with the totalitarian nations. For shame.

The Senator from Massachusetts and the Senator from Kansas have said that they would like to see some qualitative measures in the report. I welcome that. I would hope my friend from Massachusetts might hear me say that when you get qualitative analysis it may be worse. But we need it. Face the facts. Live with the facts.

I remember the evening when we voted to stop paying our dues to the United Nations, a treaty obligation. I was one of 11 people who said: No, we must pay, keep our commitments. Eleven people did on this floor. I have never been an enemy of the United

Nations. I have tried to be a realist about the United Nations. I have tried to say if we do not stand up for ourselves at the United Nations, the American people will pull out of the United Nations. I said that about UNESCO and we are gone. We left the ILO and we are back, thank God. We got their attention.

But the countries of the world do not understand. As the Senator said, what happens at the United Nations is front-page news in Delhi. What is not front-page news is that we do not like it; that their government got themselves in some difficulties with another government of some consequence when they always vote with the Soviet Union. Never vote with the democracies and call yourself a democracy? Objectively, which side are you on?

I do not mind qualitative analysis. I would welcome it. And I would hope that it is understood that only by facing up to the problems do we stay where we belong, which is in these organizations. The people who will excuse anything they do lay the groundwork for the people who want them to do nothing.

We are now more than $300 billion in arrears at the United Nations. The Soviets are paid up. They know the value of the institution. I am not sure we do.

But it was this voting practices report, which we started in 1975, which was meant to be a tool to learn how to use this system. I think the tool can be improved as any tool can. I think this has sometimes been misused, as any tool will be. I hope that our resolution will refine it and improve it and make it more effective in the future.

Mr. President, I hope I have not kept the Senate too long on this matter, but we are talking about our relations with two-thirds of the nations of the world, relations which are primarily at the United Nations and the specialized agencies, organs thereof.

Mr. President, I yield the floor, and I thank the Chair.

The **PRESIDING OFFICER**. Who yields time? The Senator from Wisconsin.

Mr. **KASTEN**. Mr. President, the Senator from Kansas wishes to speak on this issue. And I therefore would like to suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. **KASSEBAUM**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mrs. **KASSEBAUM**. Mr. President, I rise in support of the amendment offered by Mr. KENNEDY.

Mr. President, it has been 5 years since Congress required the Secretary of State to transmit an annual report on U.N. voting practices. The requirement was included in the 1984 Department of State authorization bill. Each of the last three continuing resolutions has contained detailed provisions regarding the report. In today's bill we are looking at the same language for the fourth time. This amendment opens the possibility of reviewing the statute and the report on U.N. voting practices.

Senator KASTEN, who has been a pioneer in providing the important information in this report, has indicated that the language in today's bill should be permanent. I believe it would be appropriate to develop language which does not require annual approval.

This amendment does not affect the substance of the U.N. voting report nor its purpose—which was to provide a record of how the United States is doing at the United Nations.

While it removes the requirement of "identical format," the amendment specifically states that the same type of information would be available in the report. The amendment would simply permit more flexibility in the format.

As other Members are aware, questions have been raised about the methodology of the report. The Department of State has appointed a task force to look into these questions and related issues. Some interesting suggestions have been made. I believe no one wishes to close the door on legitimate proposals for improving this report.

It is noteworthy that both of our ambassadors to the United Nations in the past 5 years have pointed out limitations of this report. Ambassador Jeane Kirkpatrick stated in 1985 that the level of coincidence between the United States and others on all votes—as computed in the U.N. report—"cannot legitimately be regarded as reflecting the level of support for the United States, any more than coincidence can be legitimately regarded as reflecting support for the Soviet Union."

Moreover, Ambassador Vernon Walters has cautioned Congress about the methodology used in this report. The data do not include the large number of important decisions which are made by consensus, without a recorded vote. In the most recent U.N. voting report, Ambassador Walters emphasizes that "the data in this report relate to a minority of the activities at the U.N. General Assembly."

Finally, a review of the rationale for the current law would be helpful. The law prohibits direct foreign aid to any country which the President finds, based on the contents of this report, is engaged in a consistent pattern of opposition to the foreign policy of the United States. The President has never made such a determination.

Moreover, both Ambassadors Kirkpatrick and Walters have expressed concern about using U.N. voting patterns exclusive of other criteria for determining what countries should receive our foreign aid. Both have pointed out that "behavior in the United Nations is but one dimension of a country's relations with the United States. Economic, strategic, and political issues can be—and often are—more important to U.S. interests and policies."

The **PRESIDING OFFICER**. The Senator from Wisconsin.

Mr. **KASTEN**. Mr. President, I must oppose this amendment. I understand what the Senator from Massachusetts is trying to do. Most issues are handled here in the Senate by consensus or through voice vote, but, nonetheless, the various measures taken of our voting records by conservative or liberal special interest groups, have a consistent pattern.

It is important to this report that there is a certain amount of consistency. I do not know what changes the Senator would like to make in the report or what some at the State Department want to make in the report, but it is important that we are able to look at a consistent pattern.

The report is a sophisticated one, as the Senator from New York has pointed out. We developed this idea while working from some of the concepts that the Senator from New York developed with Ambassador Jeane Kirkpatrick to try to develop a consistent report.

I am sorry that some countries and some supporters of the United Nations find this report objectionable, but clearly this can be resolved if voting habits in the United Nations are simply altered. We all recognize that countries cannot agree with the United States on all matters. What is more difficult to understand is when they vote against us when they do not have to.

I also want to respond to the notion that the reason some countries' voting records are bad is that the administration has not been persuasive enough about our policies and our positions.

As the Senator from New York is aware and I believe the Senator from Massachusetts would be aware, nearly 40 percent of the votes in the United Nations General Assembly involve some kind of condemnation of Israel or United States policy in Israel or issues related to the Palestinians. Not only does the Senate support the administration's position on these matters, but all of us strongly feel that this undue criticism of the United States, of Israel, and of our policy in the Middle East has to come to an end.

The State Department attempted to change this report a few years ago for a number of the same reasons the senior Senator from Massachusetts is discussing today. That effort, frankly, was thwarted because people recognized that this report has to be consistent. I am also not satisfied that changes made by the State Department would be enough. I think that we need a consistent report, and I am hopeful that we will be able to defeat this amendment.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, let me mention briefly, and ask the Senator from New York, who is certainly the most knowledgeable and can speak with the most authority on this issue, let me ask his views about certain, specific changes that should be made in the format of the report. I would like to just highlight the charges that I hope would be included in a new format, just to get a reaction so that the legislative history will be clear.

First, the report should explicitly take consensus decisions into account in a meaningful and advisable way.

Second, the report should also incorporate information about absences and abstentions since they also can reflect important policy decisions.

Third, the votes that are key to the United States should not be just limited to 10 in number. They are limited to 10 now, not 9, not 11. This is so even though both the State Department and the U.S. delegation indicated that there were 32 key votes—as far as the United States is concerned—last year in the General Assembly.

Fourth, the report should make a clear distinction between the important and the less important votes.

Fifth, there should be room in the report for more qualitative analysis, more narrative interpretation, more description of events and activities in the General Assembly—information that cannot be reflected by mere voting percentages.

Finally, the report's redundancy should be eliminated. Two-thirds of the report presents the same 10 key issues in different formats.

But none of these changes can be made so long as this legislation requires the report to be in the identical format used in prior reports. That is what this amendment would change. It would simply remove the straitjacket and substitute a requirement for consultation with the appropriate committees in Congress.

Will the Senator from New York agree with me that this would not be an all-inclusive list but that this list at least targets the principal concerns that have been stated by the Senator from New York, the Senator from Kansas, and myself, and also, I know, by the chairman of the Foreign Relations Committee, Senator PELL?

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. I most emphatically endorse the proposals of the Senator from Massachusetts and, to be quite specific, three of them. The first is the most important, in the judgment of this Senator—I could be wrong, of course—the question of identifying consensus votes. There are two things here. One is that the nonaligned, which make up two-thirds of the membership, make their decisions by consensus. They do not vote. Many of those countries have no experience in voting. It is not something indigenous to their own politics.

But also they have found that reaching agreement, as we many times do in this body, without having to stand up and be counted on very small details is a useful way to keep things moving and keep unity.

I would hope that we pay more attention to consensus voting because I would hope we get more of that kind of voting in the General Assembly and other such places. That is to be encouraged. Where we all agree, why do we not say we do not have to be specifically counted. There are too many places in the world where right now to be with the United States puts one at risk with some internal elements.

So if you have votes by consensus, you have the outcome without the cost; you have the benefit without the cost.

Second, I certainly think there should be more than 10 votes. Good heavens, there should be as many important votes as there are important votes. This report is not a weekly feature in the newspaper. This is part of serious matters of the world. If there are only 6 important votes, count 6, and if there are 60, count 60. There will usually be, in my judgment, about 25. That is about the way it happens.

Finally, qualitative analysis. I do not know why the State Department does not simply engage a panel of academics to do an overview: How did it go this year? What shifted? Did anything change? Is the United Nations going to be stuck, as the distinguished manager on the Republican side said, on endless votes on South Africa, and Israel? If so, the organization will become irrelevant pretty fast. Among other things, a qualitative analysis helps the mission know how time is spent.

Emphasizing consensus votes, having as many votes as are important and, qualitative analysis. I very much agree that if you do those things, you go to a second generation, a better report, one more widely read and more useful for our country and for our allies and our adversaries.

Mr. KENNEDY. I thank the Senator again for his excellent statement and support for this amendment.

Mr. President, I can understand that we are at about 7 minutes or 10 minutes after 1. It might be worthwhile, since we have agreed to a vote, that we have a short quorum call.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I rise to support the comments of my colleague from Wisconsin, the ranking member of the subcommittee, who, incidentally, is the author of the measure before us.

The reason the language appears in this bill in the first place is that the State Department originally attempted to make changes to the report without any consultation with the Congress of the United States.

While I would not argue that the report is flawless, I suppose, like all reports, one can find matters we can disagree with. I find it very difficult to support the Senator from Massachusetts.

I would most respectfully advise the Congress and the Senate that Assistant Secretary Williamson has appointed a task force on this matter and has so informed the subcommittee, and I would therefore most respectfully suggest that we wait until specific recommendations are forwarded concerning changes in the report methodology. Then I believe we can make informed decisions on this matter. Until that time, I agree with my ranking member, the Senator from Wisconsin, that we ought not provide the State Department with carte blanche in this matter especially in view of this past performance.

AMENDMENT NO. 2520 TO AMENDMENT NO. 2519

Mr. KASTEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wisconsin [Mr. KASTEN] proposes an amendment numbered 2520 to the Kennedy amendment:

On page 63, line 14, at the end of the amendment, add the following: "Provided that any such changes are approved by legislation"

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KASTEN. Mr. President, I hope that this amendment will be accepted by the Senator from Massachusetts, so that we can put this issue aside. We ought not to be giving the State Department carte blanche, as the Senator from Hawaii said, in order to make changes that would not be consistent with our views and comments. Congress is the body which developed and enacted this report. I believe that before changes are made, the Congress needs to be consulted. So I hope that this amendment will be agreed to. If the amendment is agreed to, I think then we can go forward.

The **PRESIDING OFFICER**. The Senator from Massachusetts.

Mr. **KENNEDY**. Mr. President, I am not troubled by having close congressional involvement and supervision. But is it the position of the Senator from Wisconsin that the existing format would be in effect until we legislate in this area? Wouldn't this make it possible for those who oppose any changes like the ones that have been proposed by the Senator from New York and myself effectively to block those changes? That is really a worse straitjacket because rather than a majority, which is all we need today we would be in a position of having to end a filibuster which would require 60 votes.

I am glad to work with the Senator to try to work out a way of proceeding, but I am concerned about what happens if we just say we are going to leave in place the existing format until we pass some legislation somewhere down the road. We may be deferring serious action on this issue for a long period of time.

Mr. **KASTEN**. If the Senator will yield.

Mr. **KENNEDY**. Yes; I will be glad to yield.

Mr. **KASTEN**. The difficulty is that we do not know what specific changes would be proposed by the State Department. The Senator read a list of changes with which I do not think any of us would have any difficulty. There is currently a debate going on within the State Department on some of these issues however, and I do not know which changes on the Senator's list of six, or other lists we have seen, would be made. If they are going to make changes which obscure the consistency or which in any way diminish the impact of this report, I think the Congress would be concerned about it. So, the intent of my amendment is to leave the existing system in place unless and until the State Department shows us what changes they would like to make.

What we do not want is for them to make changes without a process of which we are a part. There are some in the State Department and some at the United Nations who are not in favor of this report, and who continue to resist its compilation. That group is in the minority. The vast majority of people are in favor of the U.N. voting record report, and maybe we can work with them to improve it. I simply do not want the impact of the report to be so limited that it loses its effect.

Mr. **KENNEDY**. I thank the Senator for his constructive comment. Let me, if I can, just clarify the situation—and I am not trying to flyspect the Senator from Wisconsin or to tie him into a straitjacket with regard to particular proposals. It would be helpful, on these general points that were raised, if I could review them, to know if they were basically satisfactory in terms of concept. If the Senator would work with us to try to work out something that would include these points or something related to these points, then I think we are very close to doing it and doing it expeditiously. I hope the Senate would perhaps even approve certain changes before the end of this session. If it could be a matter of consensus, I think we may have resolved the issue.

Again, if the Senator from Wisconsin could give me his reaction to these proposals—to take the consensus decisions into account, to identify and include information about absences and abstentions, and to eliminate mathematical restrictions on number of key issues. I think the Senator from New York said one year it might be 6, another year it might be 60, but probably close to 25, important issues in a given year and that the report should make distinctions between important and less important issues, that there be room in the report for a narrative interpretation—that obviously would have to be worked out—and the elimination of the redundancies. If those proposals were satisfactory in terms of concept, if they were at least supported by the Senator—we know that those matters have to be worked out, but at least in concept—we would much rather have the Senator from Wisconsin as well as the Senator from Hawaii working with us than forcing this issue. If those concepts were concepts that the Senator from Wisconsin might be able to support and would work with us, the Senator from New York and myself and the Senator from Kansas, then I would hope that the Senate would accept the amendment as amended by the Senator from Wisconsin.

Mr. **KASTEN**. Let me say in response to the Senator, those concepts are ones that I believe are appropriate to be the subjects of discussion, and are the kinds that ought to be included in a United Nations voting record report. There is no reason why we have just 10 votes. That was an arbitrary number of votes picked, frankly, by Jeane Kirkpatrick and myself when we discussed this legislation. In some years there may be just 6 votes which are important, other years there may be 12, but the key is that our Ambassador to the U.N. identifies those votes, and we just picked 10. We wanted to have a number of key votes.

The points that the Senator listed are exactly the points that Secretary Williamson is trying to work through in consultation with Ambassador Walters and others at the State Department. I simply do not want us to find ourselves in the position where the impact of the report is so diluted by being altered that the meaning of the report is gone. I do not think that is the Senator's intention. I know it is not the intention of the Senator from New York. So if this amendment is agreeable to the Senator, I would have no objection to the Kennedy amendment, as amended.

Mr. **KENNEDY**. I do not want to be unduly demanding of the Senator from Wisconsin because I have a good deal of confidence in his good faith, having worked with him on a number of matters, but does the Senator see any matters of principle included in these proposals to which the Senator objects?

Mr. **KASTEN**. No; I do not.

Mr. **KENNEDY**. I ask my colleague from New York if he would not agree with me that it would be better to work together to include these changes in the report and to try to do it in an expedited way?

Mr. **MOYNIHAN**. If I may say, as a general principle of this body, it is always best to have the Senator from Wisconsin on your side, and in the specifics his assurance was forthcoming, explicit. He simply agreed with the Senator. I think he is right and I think what we have is an evolution of a document which one day ought to be kind of a yearbook of multilateral relations by the United States.

Mr. **KENNEDY**. Mr. President, I have no objection to the amendment of the Senator from Wisconsin. I hope that the Kennedy-Moynihan-Kassebaum amendment will be amended as such.

The **PRESIDING OFFICER**. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Wisconsin [Mr. KASTEN].

The amendment (No. 2520) was agreed to.

Mr. **KENNEDY**. Mr. President, now that the amendment has been amended by the Kasten amendment, I hope the Senate will accept the amendment.

The **PRESIDING OFFICER**. The question is now on the Kennedy amendment, as amended. The yeas and nays have been ordered.

Mr. **KASTEN**. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, I have an amendment which is very technical in nature, and it has been cleared on both sides. I wonder if it would be agreeable that I ask unanimous consent the pending amendment which is awaiting clearance be set aside temporarily.

Mr. KENNEDY. I would be constrained, if we can get a time set for this. But we have been——

Mr. STEVENS. Three minutes.

Mr. KENNEDY. If the floor managers want to put this over until a time certain later on——

Mr. INOUYE. Mr. President, I ask unanimous consent that the vote on the Kennedy amendment, as amended by the Kasten amendment, be scheduled for 2:15 this afternoon.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 2521

Mr. STEVENS. Mr. President, I ask unanimous consent that the amendment be laid aside temporarily so that I might proceed with the amendment I have at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for himself and Mr. FORD, proposes an amendment numbered 2521.

Mr. STEVENS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert:

SEC. . OLD EXECUTIVE OFFICE BUILDING.

(a) ACCEPTANCE OF GIFTS OF MONEY AND PROPERTY.—The Director of the Office of Administration is authorized to—

(1) accept, hold, administer, utilize and sell gifts and bequests of property, both real and personal, and loans of personal property other than money; and

(2) accept and utilize voluntary and uncompensated services;

for the purpose of aiding, benefiting, or facilitating the work of preservation, restoration, renovation, rehabilitation, or historic furnishing of the Old Executive Office Building and the grounds thereof.

(b) ESTABLISHMENT OF FUND.—There is established in the Treasury a fund for use in accordance with the provisions of this section. Amounts of money and proceeds from the sale of property accepted under subsection (a) shall be deposited in the fund, which shall be available to the Director of the Office of Administration. Such funds shall be held in trust by the Secretary of the Treasury.

(c) USE OF FUND.—Property accepted pursuant to this section or the proceeds from the sale thereof, shall be used as nearly as possible in accordance with the terms of the gift or bequest. The Director of the Office of Administration shall not accept any gift under this section that is expressly conditioned on any expenditure not to be met from the gift itself unless such expenditure has been approved by an Act of Congress.

(d) TAXES.—For the purpose of the Federal income, estate, and gift tax laws, property accepted under this section shall be considered as a gift, bequest, or devise to the United States.

Mr. STEVENS. Mr. President, today we are offering this amendment to authorize the Office of Administration of the Executive Office of the President to receive private donations to help preserve and restore the Old Executive Office Building.

My good friend, the chairman of the Rules Committee, Senator FORD, has joined me in this. The need for this amendment came to our attention after the Rules Committee acted on another matter. Had we known the need for this amendment we would have included it in a bill that our committee reported.

Next year we will be celebrating the 100th anniversary of the completion of the Old Executive Office Building. This building when completed in 1888 housed the Department of State, the Department of War, the Department of Navy, and was at that time the largest office building in the world. It was the Pentagon of its time. It is still considered to be one of the best examples of French second empire architecture in our country.

The provisions of this amendment are all noncontroversial. They are portions of another bill that passed the Senate before.

This Old Executive Office Building, we believe, is a rich expression of our architectural history, and preservation for its own sake would be fully justified. However, it is also a historical treasure. It has been office to no less than four Presidents in their early careers before they aspired to the trust of the Presidency. Both Theodore and Franklin Roosevelt, Dwight Eisenhower, and William Howard Taft all served in this building at some time in their careers as public servants. When it was completed in 1888, as I said, it housed several departments.

I urge that this amendment be accepted. I believe it has been cleared on both sides.

I yield to my good friend from Kentucky, Mr. President.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, let me associate myself with the remarks of my good friend from Alaska, Senator STEVENS. It is important, not only to this town, but to this country, for this to be preserved. The history, as he stated, of this office building is important, and it is something that I hope my colleagues will support without a rollcall vote.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. INOUYE. The amendment is acceptable.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Alaska [Mr. STEVENS].

The amendment (No. 2521) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I thank the managers of the bill for their courtesy.

AMENDMENT NO. 2522

(Purpose: To reduce certain appropriations for consulting services)

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. Mr. President, I send an amendment to the desk and ask for its immediate consideration. I ask unanimous consent that the amendment be in order.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from Arkansas [Mr. PRYOR] proposes an amendment numbered 2522.

Mr. PRYOR. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

CONSULTING SERVICES

SEC. . (a)(1) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and professional services; special studies and analyses; technical assistance; and management review of program funded organizations; in excess of an amount equal to 85 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(2) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and support services for research and development activities; engineering development and operational systems development; technical representatives; training; quality control, testing, and inspection services; spe-

cialized medical services; and public relations; in excess of an amount equal to 95 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(b) The Director of the Office of Management and Budget shall take such action as may be necessary, through budget instructions or otherwise, to direct each department, agency, and instrumentality of the United States to comply with the provisions of section 1114 of title 31, United States Code.

(c) Notwithstanding any other provision of this Act, the aggregate amount of funds appropriated by this Act to any such department, agency, or instrumentality for fiscal year 1989 is reduced by an amount equal to—

(1) 15 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(1); and

(2) 5 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(2).

(d) As used in this section, the term "consulting services" includes any service within the definition of "Advisory and Assistance Services" in Office of Management and Budget Circular A-120, dated January 4, 1988.

Mr. PRYOR. Mr. President, I will take only a few moments this afternoon. This is one in a series of amendments that I am planning to propose to each of the appropriation bills that will come before the Senate. Already I have proposed one similar amendment to the Treasury Post Office bill. Today, I take the floor to propose an amendment to the Foreign Operations appropriation bill.

Very basically, Mr. President, on June 13, our Subcommittee on Federal Services, held a hearing on governmentwide consulting. At this hearing we heard from the Deputy Director of OMB, Mr. Joseph Wright, Jr. At that hearing Mr. Wright basically—I do not like to use the word confessed—but he did state in the record that, first, the amount of consulting services used by the Federal Government is seriously understated; second, it has taken OMB much too long to revise its A-120 circular which governs the procurement of consulting services; third, there is no consistency among the agencies of the Federal Government in terms of what they report as consulting contracts to the Federal Procurement Data System; fourth, Mr. Wright said "I do not see much progress. For example, in 1987, 50 percent of the consulting contracts throughout the Federal Government were noncompetitive. In addition, over two-thirds of the contract awards in 1987 were for modifications to existing contracts."

On June 14, Mr. President, I received a letter from Mr. Wright as a followup to the hearing of the preceding day. Mr. Wright sent me a copy of a letter he had written as the chairman of the President's Council on Integrity and Efficiency. This letter's subject matter was advisory and assistant services, also known as consultants.

First, Mr. Wright stated to the members of the President's Council on Integrity and Efficiency, we are not doing a good job of reviewing this area; second, there is too little competition and there are too many follow-on contracts; third, no good management information and financial accounting system exists to tell us how much we are spending; and fourth, some of the inspectors general are not carrying out their responsibilities under section 1114(b) of Public Law 97-258 to evaluate agency controls over consultant services.

I ask unanimous consent to put the letter from Mr. Wright and also the letter that he sent to the members of the President's Council on Integrity and Efficiency in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

Executive Office of the President, Office of Management and Budget,
Washington, DC, June 22, 1988.

Hon. David Pryor,
U.S. Senate,
Washington, DC.

Dear Senator Pryor: As a follow-up to the hearing you held last week, I have informed the Inspectors General of our discussions on consultant services, and have asked them to see to it that they carry out their responsibilities under Section 1114(b) of P.L. 97-258 (see enclosure).

We intend to make sure that the IG's and agency procurement officials improve their management and control of this area—but I would again ask for your help in getting funds for our proposed new budget and management information system so we can have the information necessary to track consultant expenditures and provide the President and the Congress the necessary reports on how funds are being spent in this area.

You will also see these expenditures analyzed in each agency's annual report under the Financial Managers Integrity Act, and we will include a separate section devoted to consultant services in the "management report" the President sends to the Congress every year with his budget.

If you have any questions, or suggestions, on our plan to follow-up on the points brought out in the recent hearing, please let me know.

Sincerely,

Joseph R. Wright, Jr.,
Chairman, President's Council on Integrity and Efficiency and Deputy Director.

President's Council on Integrity and Efficiency

memorandum for members of the president's council on integrity and efficiency

From: Joseph R. Wright, Jr., Chairman.
Subject: Advisory and Assistance Services.

I testified yesterday before Senator Pryor's Subcommittee on Federal Services, Senate Governmental Affairs Committee on the subject of advisory and assistance services. I said:

We are not doing a good job of reviewing this area;

there is too little competition and there are too many follow-on contracts;

no good management information and financial accounting system exists to tell us how much we are spending; and,

some of the IG's are not carrying out their responsibilities under Section 1114(b) of P.L. 97-258 to evaluate agency controls over consultant services (see attachment).

I told Senator Pryor that I would take a number of steps to tighten up our oversight and also said I would report back to the Committee in 90 days on areas of consulting services that need more careful review and where some savings could be made. I am asking Dick Kusserow to develop a PCIE task force to work with Al Burman at OMB, the Acting Administrator of the Office of Federal Procurement Policy, to see that this job gets done. I made the following additional commitments:

to require the agencies to include in their annual report to the President under the Federal Managers' Financial Integrity Act an update of their compliance with Circular No. A-120, with attention to the quality of data they provide to the Federal Procurement Data System;

to include a chapter in the President's annual Management Report on agency progress in this area; and,

to ask the IG's to review agency controls, assess the accuracy of data, and review a sample of advisory and assistance services contracts to see that they are well justified and meet the criteria set by Circular No. A-120.

We need to give much more emphasis to this area and work together to see that some real improvements are made.

Mr. PRYOR. Mr. President, I also would like to read from a letter I received from the Agency for International Development dated May 18, 1988, from Herbert L. Beckington, inspector general for AID. I read from the third paragraph:

The report indicates, among other things, that the Agency has placed too much reliance on contractors to satisfy Foreign Assistance Act (FAA) requirements rather than improving internal monitoring and evaluation efforts.

Mr. President, I ask unanimous consent that the letter from the inspector general be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Agency for International Development,
Washington, DC, May 18, 1988.

Hon. David Pryor,
U.S. Senate,
Washington, DC.

Dear Senator Pryor: I am writing in regard to your request to the Inspector General community for information relating to the management of consultant services by Federal agencies.

About 18 months ago, my office issued an audit report on A.I.D.'s Evaluation Program. The enclosed report may be of some interest to you, since the contractors, whose services are engaged under this program, fall within the definition of consulting services.

The report indicates, among other things, that the Agency has placed too much reliance on contractors to satisfy Foreign Assistance Act (FAA) requirements rather than improving internal monitoring and evaluation efforts. As a result, evaluation reports were often of low quality and were used primarily for purposes other than established by the FAA. For example, evaluations often did not compare actual project results with those anticipated, a specific objective of the FAA. These conditions occurred because Agency policy and procedures were not clear on either how the FAA requirement was to be met or how evaluations were to be conducted. The audit estimated that the Agency could save about $2.5 million annually through more selective use of outside contractors, while improving its internal management system.

Please let me know if I can be of further assistance.

Sincerely,

HERBERT L. BECKINGTON,
Inspector General.

Mr. PRYOR. Mr. President, when Mr. Joseph R. Wright of OMB states that agencies are underreporting the dollars being used for consultants, he is right. That figure in 1987, reported to us by AID, was $5.57 million. We did not accept this figure. We asked the General Accounting Office to do a run on what the Agency for International Development is actually using for consulting services. The sum total of the 11 categories of consulting services was not $5.57 million but, rather, $345.157 million.

My amendment is extremely simple. From category 4, the main category of consulting services, I will take, with this amendment, 15 percent, from this appropriation bill, returning it to the General Treasury.

From category 7, those seven categories of consulting contracts identified by the General Accounting Office, I will take 5 percent. The sum total would be something in the neighborhood of $46.8 million. This amendment would save an estimated $46 to $47 million.

I think this is the only way we are going to begin to flush out and identify the contractors and consultants used throughout our Federal system. Not only on this bill, I say to the distinguished managers of the foreign operations appropriations bill, but also on all ensuring appropriations bills I will propose a similar measure to strike out consultant dollars where possible.

Mr. INOUYE. Mr. President, I concur with the intent, the spirit, and the thrust of the amendment suggested by the Senator from Arkansas.

The purpose is very simple: To have greater monitoring power over the activities of consultants and at the same time save a few dollars. In this case, I believe it is $46 million.

However, initial inquiry would suggest that instead of saving money, we may find ourselves spending more money; because if AID is unable to hire consultants—and these consultants, for the most part, work overseas—we would have to direct-hire Americans in the United States, send them over there. When we do that we must include families, educational benefits, and so forth.

Now knowing the full extent of the impact of this amendment, I would hope that the Senator would agree to this: I will accept the amendment, with the concurrence of the ranking minority member, and before we get into conference I will ask the State Department to submit to us—and I will share the report with the Senator—what they consider to be the fiscal impact of the amendment on AID. Would that be all right?

Mr. PRYOR. Mr. President, I respond to my distinguished friend from Hawaii by saying that I appreciate his accepting the amendment, as manager of the bill, with the caveat he has just mentioned.

Let me also respectfully submit this: That even with my amendment, we would still be leaving to AID $298 million in their budget, using fiscal year 1987 as a baseline, which it could use for consultant contracts.

I hope that when the State Department and other interested parties bring this report to the distinguished chairman, this Senator from Arkansas may also have an opportunity to look at the report.

Mr. INOUYE. The Senator from Arkansas not only will look at the report but also will be given an opportunity to advise us of his thoughts on the report, before we get into conference.

Mr. PRYOR. I appreciate that from the distinguished Senator from Hawaii.

Mr. EVANS. Mr. President, will the Senator from Arkansas yield for a question or two?

Mr. PRYOR. I yield.

Mr. EVANS. Do I correctly understand that the intent or the result of the Senator's amendment would be to reduce the appropriation to AID by some $46 million and return that to the Treasury?

Mr. PRYOR. The Senator from Washington is correct.

Mr. EVANS. And the intent of that is to reduce the incidence of the use of consultant services?

Mr. PRYOR. The Senator from Washington is correct.

Mr. EVANS. I wonder if the Senator from Arkansas could define for me, rather precisely, what we include as consultants' services, because I think we have a great deal of misunderstanding about what constitutes a consultant and what those consultants do and what services they provide. I would be interested in seeing what $46 million worth of services, which may be valid and worthwhile, will not now be able to be carried forward by the AID Program.

Mr. PRYOR. Mr. President, I respond to my distinguished friend by saying that consulting services, in the amendment, would be defined by taking the new A-120 circular, published by the Office of Management and Budget, together with the 1984 Cabinet Council on Management and Administration study, and using those two documents, we identify the universe of consultant contracts.

We also looking first at four categories, and then at seven categories, and consultants fall under this language: management and professional services, special studies and analysis, technical assistance, and management reviews of program funded organizations.

In addition, I say to my friend from Washington, we look at management and support services for research and development. We would look at technical representatives. We look at study activity for quality control. We look at the area of public relations, etc.

These are all embodied in the new A-120 regulation and the Cabinet study. That is the basis for the definition which we utilize.

Mr. EVANS. Does the Senator from Arkansas have some breakdown, in rough form at least? I think he said that there was about 300-plus million dollars worth of consultant services. How much of that would be for technical services, how much for public relations purposes, and how much for other things?

Mr. PRYOR. Mr. President, if I could once again respond, I have all of the categories here listed. It is a rather lengthy document. I do not want to put all of this in the RECORD because it probably would cost more than my amendment is going to actually save. So I would be glad to share this with the distinguished Senator from Washington if he would care to look at this.

Let me back up just a moment, Mr. President, and again in answer to my friend. Yesterday in the Armed Services Committee of the House of Representatives, Chairman ASPIN held a hearing with the Inspector General on consultants. Chairman ASPIN asked the Inspector General of the Department of Defense how many consulting contracts do we have? Answer from the Inspector General: "I don't know, and no one knows."

Chairman ASPIN asked the Inspector General how many consultants are there in Government that we are using and paying with taxpayers' dollars? Answer from the Inspector General: "We don't know, and no one knows."

I would not embarrass my good friend from Hawaii who is the manager of this bill and also my good friend by asking him to show me in this appropriations bill—I am not going to ask him.

Mr. INOUYE. Oh, please do.

Mr. PRYOR. But if he could show me in this appropriations bill that we are considering this afternoon—where is the bill—do we have that bill on our desk? Here it is—H.R. 4637. If anyone could show me where the consulting dollars in this bill might be found it would be a great victory. We do not have a line item for consultants. We do not have consultant fees broken down. We have no cap on consultants. We have no ceiling on what they can earn. And just as the buddy system in my opinion has taken over the Department of Defense, also we see a buddy system working throughout the various civilian agencies of our Federal Government.

Mr. President, I have referred to some of these agencies as an open money sack, and I hate to say this—I have great respect for the Agency for International Development. But once again we found that open money sack. Once again we found these consulting contracts; 50 percent of them noncompetitive. Many of them, two-thirds in fact, add-ons that continue these contracts out into the future and also probably about one-third of these contracts are unsolicited by the agencies of Government.

So, what I am proposing to do is to flush this system out and at long last get some identification of who these people are, what they are doing for the Government and what is the justification for them doing work for the Federal Government.

Mr. EVANS. Mr. President, if the Senator from Arkansas still has the floor, I do not want to pursue this for any great length of time, but I guess I rise a little defensive about consultants because in a long ago previous reincarnation I support I would be classified as a consultant. I was a professional engineer and we had a professional engineering business. When we were hired by a government, by a private industry, by an architect to do professional engineering services, it was an integral and necessary part of the design of the particular structure, and in the ultimate construction of that structure without the structural design there would be no structure, and yet we clearly would be classified under these governmental terms as a consultant. It was not competitive in terms of dollar competition. The fees were essentially fixed as they are in Government for those consultant services. The selection was on the basis of competence, on who could do the best job, who had the best ideas, and I think that price competition in that case in order to save money would have been deleterious to an extraordinary degree because engineers or architects can only work on the basis of the amount of time they put in and if you reduce the amount of time they can put in on appropriate design, it reduces the amount of intelligent decisionmaking they can make on that design.

I just fear that, as we all unfortunately in this city are wary of anyone who comes wearing the hat of a consultant, we in our drive to trim off the edges instead cut deeply into some of the essential services and the very worthwhile services that are being carried out even by those who would be classified as consultants.

Before I end let me just suggest that probably under technical services I a year ago in visiting Indonesia and visiting a small low-intensity irrigation project which was of enormous value to the people who lived in that particular area, was visiting along with someone who would be classified as a technical consultant for the AID Program and yet if through an amendment like this we were ultimately to adopt a wringing out of consultant contracts and under technical services we were wringing out something similar to that we would not be doing what in this Senator's view would be a service to either the AID Program or to the country.

So I think it is just a measure of caution that in the excellent end result that I am sure the Senator from Arkansas is attempting we not end up doing something that is unanticipated.

Mr. PRYOR. Mr. President, if I might respond to my distinguished friend, first, if this amendment is adopted we are going to still appropriate AID approximately $300 million to hire outside services.

Second, as the distinguished Senator knows full well having been a former Governor, many times the only way that we could get the bureaucracy or the agencies or the departments of Government to reexamine themselves and to establish priorities is the power of the purse, to hold back their appropriations. Sometimes we even cut their appropriations, sometimes freeze those appropriations, in order to make the agencies that serve the public decide what is most important.

Today there is no incentive in the consulting contracts to decide what is important and what is not.

As I said, many of these contracts are noncompetitive, two-thirds of them have add-ons, and I just think that this is the only way to get the attention of the agencies of our Federal system in order to make them focus on what is important.

Mr. EVANS. I would certainly agree with the Senator from Arkansas in most of what he has just said with, I guess, two exceptions. As we both served together as Governors, I thoroughly agree that it is important through the power of the purse to get better efficiency out of the bureaucracy, but as Governors I am confident that we attempted to do that from the Governor's office, through our cabinet officers, and directly to the bureaucracy and did not look with great favor on the legislature telling us what we had to do in running the executive branch of government. That is No. 1.

No. 2, if we really want to get at noncompetitive procurement, let us wait until the defense bill comes in front of us and there we have monumental acquisition of procurement in a noncompetitive way, and that is where we could really do some business.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I had not intended to participate further in the debate. This matter has been debated rather extensively.

I would like to point out that at the present time most agencies if not all of them have their definitions of what consultants are or those who provide technical services.

However, the major agency, the Office of Management and Budget, does not have an accepted definition of consultants.

Second, we have not been required to set forth in our bills the differentiation between the different types of accounts. I can assure my friend from Arkansas that, in order to have a much more effective grip upon the expenditure of funds in AID, we initiated the special category of operating funds. So now we know what is being spent for personnel.

But if the Senator's amendment is going to become the law of the land, I should point out that it would include activities such as AIDS research, providing funds to universities to assist in rice cultivation, providing funds to scientific foundations on assisting foreign lands on aquaculture. It is a broad amendment.

That is why I suggested that we take this amendment and in the meantime call upon OMB and the State Department to provide us with a definition, because I do not think that the author of this amendment wanted to just bring this agency to a grinding halt. In fact, it would include much more than $300 million. Because I think the Senator's amendment would cover such things as funds spent for AIDS research, funds spent for aquaculture research or agriculture research or insect infestation research and such.

So I am still willing to accept this amendment if my ranking member is and we will take it to conference. In the meantime, we will ask the State Department and OMB to submit a report which I will share with the Senator.

Mr. KASTEN. Mr. President, I generally support the goals of the Senator from Arkansas on this matter, although I am concerned that the result of this amendment will be that rather than saving taxpayers' money, it will cost more.

I express this concern for the following reasons: the Agency for International Development conducts a good deal of its action through the use of consultants. Many of these consultants are university-related, and some are experts from firms such as the national rural electric cooperative, which the prior amendment would cut back. If, because of the Pryor amendment, the United States were required to put direct hires into the field to carry out its programs, the cost would in many cases double. This is because for every employee we put in the field, there are numerous costs for housing, education allowances, moving expenses, et cetera, which are estimated to total some $250,000 a year, per person.

So, Mr. President, while I support the general thrust of the Pryor amendment, I do have some concern that its effect will be just the opposite of what is intended, so we will have to provide more assistance to fund expensive direct hires overseas rather than working through consultants to implement these programs.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2522) was agreed to.

Mr. INOUYE. Mr. President, I ask unanimous consent that no further amendments be in order to the Kennedy amendment, as amended by the Kasten amendment.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

AMENDMENT NO. 2523

(Purpose: To require that 25 percent of all Economic Support Funds made available to El Salvador be used in accordance with the provisions applicable to Development Assistance)

Mr. KASTEN. Mr. President, I send an amendment to the desk on behalf of Senator HATFIELD and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it will be in order to consider the amendment at this time. The clerk will report.

The bill clerk read as follows:

The Senator from Wisconsin [Mr. KASTEN], for Mr. HATFIELD, proposes an amendment numbered 2523.

At the appropriate place in the bill, insert the following new section:

SEC. . Not less than 25 percent of the Economic Support Funds made available for El Salvador by this Act shall be used for projects and activities in accordance with the provisions applicable to assistance under chapter 1 of part I of the Foreign Assistance Act of 1961.

Mr. HATFIELD. I would like to thank the managers of the bill for accepting this amendment, and would like to engage in a short colloquy with the distinguished ranking member of the subcommittee.

The amendment we have just accepted is intended to encourage the Agency for International Development to channel a higher percentage of economic support funds appropriated by this bill for El Salvador, for projects and activities which directly benefit the poor in what war-ravaged country. I understand that under the difficult economic and political conditions which exist there, balance of payments economic assistance continues to be necessary. At the same time, I believe our AID Program needs to address more directly the needs of the poverty-striken people of El Salvador. I would therefore like to clarify with the gentleman from Wisconsin that this amendment will ensure that at least 25 percent of the ESF funds made available for El Salvador will be used for projects and activities which involve programs such as those in child and maternal health, access to clean water and shelter, basic education and agricultural production and nutrition.

Mr. KASTEN. Mr. President, yes, I would like to assure my colleague that he has expressed my understanding of the effect of this amendment. I would like also to point out that the bill contains $68 million for development assistance, and that there is $40 million in Public Law 480 food aid in the Agriculture appropriations bill for El Salvador.

Mr. President, this amendment reflects a compromise which was approved by both sides.

The PRESIDING OFFICER. Is there further debate on the amendment? If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 2523) was agreed to.

Mr. KASTEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2524

Mr. INOUYE. Mr. President, on behalf of Senator HELMS, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the Senate will consider the amendment at this time.

The clerk will report.

The bill clerk read as follows:

The Senator from Hawaii [Mr. INOUYE] for Mr. HELMS, proposes an amendment numbered 2424.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert the following:

SEC. 590. Of the funds specified in this Act for Costa Rica under the heading Economic Support Fund, $20,000,000 shall be obligated, but shall not be expended, except as provided in the fourth proviso, until the Government of Costa Rica and an American citizen, whose property and businesses in the vicinity of Limon Province, Costa Rica were affected by actions of the Government of Costa Rica (Junta de Administracion Portuaria y de Desarrollo Economico de la Vertiente Atlantica, or JAPDEVA, an agency of the Government of Costa Rica) reach a settlement concerning compensation: *Provided*, That in order to facilitate such a settlement the Department of State shall select an independent factfinder. The factfinder shall issue a report of his findings by December 31, 1988: *Provided further*, That if the two parties have not reached a full and final settlement of this matter, including a complete waiver of further claims and liabilities against the Governments of Costa Rica and the United States, by February 28, 1989, then the Department of State shall request that both parties submit the disagreement to binding international arbitration in accordance with the rules of procedure of the Inter-American Commercial Arbitration Commission. The Commission shall select the arbitrators, and may appoint such experts as it finds necessary in order to establish a base of factual and financial information for the case: *Provided further*, That if the Government of Costa Rica refuses to agree to binding international arbitration, then the $20,000,000 shall be deobligated and immediately returned to the Treasury of the United States: *Provided further*, That if the United States citizen refuses to agree to binding international arbitration and refuses to agree that the award resulting from the arbitration will constitute a full and final settlement of any and all claims, liabilities and demands, including those which may be directed at the United States, its officers, agents and employees, then the $20,000,000 shall be made available for expenditure to the Government of Costa Rica: *Provided further*, That arbitrators shall consider maintenance costs, interest costs, professional fee costs, land, business and asset valuations and all other matters they deem appropriate: *Provided further*, That nothing in this provision shall prevent the two parties prior to a final arbitration award from reaching a binding full and final written agreement outside the arbitration proceedings: *Provided further*, That funds previously appropriated for the Economic support funds shall be used to pay for the reasonable costs of the activities of the factfinder, the International Arbitration Commission, the arbitrators and the experts appointed by the arbitrators.

Mr. INOUYE. Mr. President, I rise in support of this amendment proposed by Senator HELMS which seeks to withhold $20 million in economic support funds from Costa Rica pending a resolution of a dispute between the Government of Costa Rica and an American citizen. The amendment attempts to establish a process whereby the two parties to the dispute might reach an amicable agreement on the matters in question.

The central element in the proposed amendment is the establishment of an independent fact-finder who will determine, free of bias and external influence, the precise basis of disagreement between the two parties.

Mr. President, this procedure does not—and I repeat, does not—attempt to prejudge the facts of this case. Further, it does not preclude a negotiated settlement between the Government of Costa Rica and the American claimant, nor does it deny $20 million to Costa Rica.

Mr. President, the only purpose of this amendment is to bring to as rapid a conclusion as possible a dispute which has lingered for at least 10 years and which has clouded the business relationship of an American citizen and an agency of the Federal Government of Costa Rica. Therefore, I urge my colleagues to support this amendment as a reasonable and thoughtful approach to a complicated foreign policy matter.

As all of us are well aware, Senator HELMS would have presented this amendment in person if he were able to. He is presently indisposed and in the hospital.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. HARKIN. Mr. President, I rise in opposition to the amendment offered by Senator INOUYE and Senator KASTEN, as I understand, on behalf of the Senator from North Carolina, Senator HELMS. This amendment would withhold $20 million in economic support funds from Costa Rica until the government there and a private American citizen, a Mr. J. Royal Parker, reach a settlement in an outstanding contract dispute.

While I understand the motives behind the chairman and ranking minority member offering this amendment, I strongly object to what at least has the appearance—I hope not the substance, but at least the appearance—of some strong-armed tactics by the principal author to get this amendment attached to the foreign operations appropriations bill.

Furthermore I believe that, in light of Costa Rica's willingness to reach a settlement in this matter, the use of United States foreign aid funds to force it to compensate Mr. Parker is unnecessary.

The facts in this case have already been presented, but I would like to lay them out in brief because I think they ought to be laid out.

In 1976 and 1977, J. Royal Parker Associates was awarded and carried out a partially AID-financed contract, won in open competition to conduct a study on the means for establishing Costa Rica's first industrial free-port zone.

In January of 1978, after the study was completed, Parker entered into a contract with a Government of Costa Rica agency—JAPDEVA, the Atlantic Zone Port and Economic Development Authority—for the establishment of Centraport, a joint venture company, 50-percent owned by Costa Rica, or this agency of Costa Rica, and 50 percent by Parker.

Then, in May 1978, just a few months later, the Costa Ricans announced they would rescind the contract between this agency and J. Royal Parker Associates.

I agree with the conclusions of the State Department that: First, Parker had a valid contract with this agency; second, he had suffered damages as a result of JAPDEVA's breach of contract; and, third, that Parker should be compensated for the expenses he incurred as a result of this contract with this agency.

However, the RECORD will show, and the State Department concurs, contrary to the claims of Mr. Parker's defender, the Senator from North Carolina, that this case has been dragged out by the Costa Rican Government and that this drastic action, the withholding of $20 million of its United States aid, is necessary to get the attention of the Costa Ricans.

I do not believe it is necessary. The State Department, in a letter to the chairman of the subcommittee, Senator INOUYE, lists a number of recent developments in this case. In February, the Costa Rican Government agreed to establish a commission to handle all the outstanding United States expropriation or investment disputes. And, I might add, this is not the only one. There are several more.

I guess one has to raise the question, if we are going to do this for Mr. Parker, why not do it for everyone else out there who has a claim? If we are just going to do it for Costa Rica, how about all the other countries around the world?

In May, the Costa Rican Minister of Public Works and Transportation flew to Washington with the sole purpose of discussing outstanding cases, including Parker's.

On May 11, the Public Works Minister sent a letter containing a settlement offer to Parker's attorney, a Mr. Scott Wilson. Mr. Wilson, to the knowledge of the State Department, has not yet responded to the settlement offer. So they have already at least agreed to go to a settlement.

On June 20, at a meeting with our Deputy Assistant Secretary of State for Finance and Development, the new Costa Rican Ambassador reaffirmed the Costa Rican Government's intent to make settlement offers.

The State Department concludes in its letter to Chairman INOUYE that,

> In view of the above progress on these cases, this is the wrong time to withhold assistance to Costa Rica.

The Department further concludes:

> We view the settlement offer which followed very shortly thereafter to be an acceptance by the Government of Costa Rica of our point. Since the Government of Costa Rica complied with the United States' request and signalled a willingness to return to negotiations, the United States' response should not be a termination or suspension of assistance.

If the Government of Costa Rica has demonstrated its good faith in trying to reach a settlement in the Parker case, why then resort to withholding $20 million of its foreign assistance.

Why don't we use this method for Costa Rica's neighbors? For example, I am aware of a similar case pending against the Government of El Salvador.

On November 13, 1986, the assets and property of the San Salvador Electric Light Company [CAESS] were seized by the Government of El Salvador. This is only a little over a year ago.

CAESS is a publicly owned company with 83 percent of its shares owned in the United States and Canada. Leucadia National, headquartered in Salt Lake City, is the largest single shareholder, owning 44.3 percent of the shares.

Last year, the Supreme Court of El Salvador ruled against the Salvadoran Government concerning its seizure without compensation of the assets and property of the United States firm.

Despite this rule, in April of this year, the Salvadoran Attorney General asked that the Salvadoran Supreme Court reverse its ruling.

In the meantime, negotiations continue.

To quote from a March 1, 1988, letter of Senators INOUYE, KASTEN, and GARN to Secretary Shultz, "time is running out. Nothing is happening and we are very concerned about it."

Why, I might ask, is not an amendment offered to withhold $20 million of El Salvador's ESF funds pending resolution of the CAESS case?

Why does not the intellectual author of the Parker amendment try to withhold aid for other countries against which private U.S. citizens have filed damages for expropriation of their property?

I believe, Mr President, that some facts have to be brought out on the floor of the Senate regarding this special case. It is the fact that Mr. Parker's lawyer is a Mr. Scott Wilson, a Washington attorney whose résumé includes a period of time as counsel to Mr. HELMS on the Senate Agriculture Committee.

Again, Mr. President, I point this out: The attorney for Mr. Parker was once the counsel to Senator HELMS on the Senate Agriculture Committee.

I am not reading anything into it, but I believe that there is at least an appearance of a conflict of interest here, when a former staff person is attorney to Parker and they come here and withhold $20 million VSF funds to the only true democracy in Central

America, the one that has been working closely with us, the one that has all of the freedoms that we enjoy in this country and yet we are going to hold $20 million from that country just because of Mr. Parker's claims. Yet, as I pointed out, we are not doing it with El Salvador when there is a similar claim pending against El Salvador.

If we are going to be serious about expropriation matters then we ought to apply the same principles to all such cases and not selectively choose particular cases because it strikes the fancy of a particular Member or because, perhaps, we might not like the government of that country. Perhaps there are those that do not like what President Arias did in trying to seek a settlement of the Central American conflict, the Arias peace proposal. We have debated that a lot of times on this floor.

But again I do not think it is proper for this Senate to single out one individual case, one individual country and say we are going to withhold $20 million from that country until they get to some kind of a settlement.

I understand that the amendment does not say that they have to agree to Parker's demands. I guess the amendment only says that they have to reach some kind of a settlement. Well, I think they ought to reach a settlement. I think they ought to reach some kind of a settlement.

Again, I just question why Costa Rica? Why $20 million from the one country in Central America that really has the governmental system, the democratic form of government we would like to see all of its neighbors have? Why Costa Rica, the one country whose President has won the Nobel Peace Prize for his activities in trying to find a peaceful resolution of the conflict in Nicaragua. Why Costa Rica? Why not El Salvador? Why not dozens of other countries around the world where private American citizens have claims pending for expropriation matters?

There are dozens of such cases and yet this one case is picked out whose attorney used to be a counselor to the Senator posing this amendment.

Well, I said I do not want to read anything into it, but I believe these facts ought to be laid out before this Senate Chamber. Obviously, he is an attorney for this individual. Obviously, we know how attorneys work. That attorney stands to make some money, one way or another, when the case is settled. The sooner it is settled, the faster he is going to get his money, I suppose. But I do not think it is right for us to have amendments like this withholding this money in cases like this for one individual. We are going to have attorneys and law firms around here coming up here all the time saying: Hey, withhold this money to this country, withhold this money to that country until—we do not have to say how we settle it but just get it to a settlement in a hurry. Of course, because that is when the attorney gets paid.

I point out, Mr. President, Costa Rica is moving ahead on this. The State Department has said so. I do not always agree with the State Department but I think in this case they are right. We just cannot single this one out.

Well, again I——

Mr. **SIMON**. Will my colleague yield?

Mr. **HARKIN**. I am delighted to yield to my friend.

Mr. **SIMON**. I know nothing about it. I knew nothing about this amendment until I heard it read on the floor just a moment ago. Two questions on it. One, is the State Department in opposition to this amendment?

Mr. **HARKIN**. Yes, they are. I have a letter from the State Department regarding that.

Mr. **SIMON**. Does either the Senators from Iowa or the Senator from Hawaii or Wisconsin know whether the chairman of the Latin American Subcommittee, Senator DODD, is aware of this? And is he supportive of this amendment? Does anyone have any idea?

Mr. **INOUYE**. If the Senator will yield?

The **PRESIDING OFFICER** (Mr. ADAMS). The Senator from Iowa has the floor. Will the Senator yield?

Mr. **HARKIN**. I just respond to my friend from Illinois, I do not know the answer to that question. I yield to my friend, the distinguished chairman of the subcommittee, without losing my right to the floor. I want to conclude my remarks.

The **PRESIDING OFFICER**. Without objection, it is so ordered. The Senator from Hawaii.

Mr. **INOUYE**. Mr. President, if I may most respectfully point out to my colleagues, this amendment relating to Costa Rica and the problem with Mr. Parker does not set any precedent. As you are well aware, we have had another situation with Honduras involving Mr. Ramirez, an American citizen. The committee decided to take steps to have identical language included in prior bills on Mr. Ramirez, because Mr. Ramirez, after many, many years of calling upon the Government of Honduras, could not get any response. Once we put the amendment in, negotiations began, and I am pleased to advise my colleagues that we believe that shortly negotiations should be concluded.

In the case of El Salvador, no person requested this Honduras-type treatment.

Senator GARN did call upon the committee, and in response to Senator GARN's request, this is what we did. In our report on this measure, on page 138, we say the following:

> SAN SALVADOR ELECTRIC LIGHT CO.
>
> The Committee wishes to see new investment attracted to El Salvador and believes that the flight of capital must be stemmed in order to promote economic development in that country. These objectives are impeded by the uncertainty surrounding the seizure without compensation of the assets of property of the United States-owned San Salvador Electric Light Co. [CAESS]. The Committee is informed that the Supreme Court of Justice of El Salvador has recently ruled the Government's action in seizing CAESS is unconstitutional. The Committee is hopeful that the Government of El Salvador will now move promptly to reach a fair and equitable settlement for all concerned.

This is the type of language we used first in the Honduras case; also in the Costa Rica case. When committee report language bears no fruit and if a request is forwarded, we may consider the Honduras-type language. But in the case of El Salvador, no request was made. The first step was taken to put into the committee report language suggesting, most respectfully, that the government sit down with a citizen of the United States to discuss this matter.

The **PRESIDING OFFICER**. The Senator from Iowa.

Mr. **HARKIN**. Mr. President, if I follow the chairman's comments on San Salvador in the report, I guess I have to ask why is there not report language in here concerning the situation with Mr. Parker in Costa Rica? Why is there not just the report language in there like there is for Salvador?

I yield without losing the floor, if I could.

The **PRESIDING OFFICER**. The Senator from Hawaii.

Mr. **INOUYE**. The committee had on similar occasions called on the State Department to bring this matter to the attention of Costa Rica. This has been pending for 10 years, and we believe the time has come for the Government of Costa Rica to respond to the public claims of an American citizen. We believe that this amendment will just do that.

Mr. **HARKIN**. Mr. President, before I yield to my friend from Connecticut, I just point out that it is my information and understanding that Secretary Peter McPherson, who is Deputy Secretary of the Treasury, will be traveling to Costa Rica this weekend and that the Parker case will be addressed at this time on July 8, 9, and perhaps July 10. So, again, I wonder if we are not rushing into something here that is being handled by the State Department?

I know it has dragged on for a while. The State Department recognizes that. They believe he has a fair claim. I even think, from my reading of the history of this, that Mr. Parker has a claim, but I also agree with the State Department in their letter to the chairman, dated June 22.

Mr. President, I ask unanimous consent that the letter from the State Department be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Department of State,
Washington, DC.

Hon. Daniel K. Inouye,
Chairman, Subcommittee on Foreign Operations, U.S. Senate.

Dear Mr. Chairman: I am responding to a request by your staff for the Department of State's position on points raised by Senator Helms about the Parker case in Costa Rica in his letter to you dated June 17. I would first like to respond to specific points contained in Senator Helms' letter, and then give you an update on the negotiations between the Government of Costa Rica and Mr. Parker and the other U.S. citizen claimants.

First, the issue of Mr. Parker's damages is not as clear-cut as one might infer from Senator Helms' letter. While the Department of State has taken the position that Mr. Parker has suffered damages due to the actions of a Costa Rican parastatal, we do not believe that those damages are nearly as high as stated in Senator Helms' letter. Since Mr. Parker indicated in 1985 a willingness to accept a settlement involving Costa Rican Government support for developed projects plus a $1 million settlement, the figure of $100 million in damages appears to be excessive. The Department identified a number of areas of uncertainty about Mr. Parker's claim to Mr. Parker's attorney in a letter dated April 9, 1987.

Second, the Department of State did submit a report on the Parker case, as well as a separate report on two other important cases in Costa Rica (Bailey and Fyock). I understand that your staff received it on June 20. The reports were done at the request of your staff, as a follow-up to reports we sent over in April on the three claims listed in the Conference Report on the Continuing Resolution.

Third, we believe the record will show that, contrary to Senator Helms' assertion that the Department of State has ignored Mr. Parker's case, the Department of State and other Washington agencies have played a very strong supportive role in trying to reach settlements to all the Costa Rican cases.

The Interagency Expropriation Group met twice in 1988 on the expropriation cases in Costa Rica. At both meetings, representatives from State, USTR, Treasury, Commerce and AID found that the Costa Rican Government appears to be negotiating in good faith on these cases and that USG actions against Costa Rica would be premature. The view that good faith negotiations have taken place rests on a number of very encouraging developments on these cases which have taken place since Senator Helms offered a similar amendment last December. They include:

In February, the Costa Rican Government agreed to set up a commission to handle all of the outstanding U.S. expropriations or investment disputes in Costa Rica. U.S. Ambassador Dean Hinton played a forceful role in convincing the Costa Rican Government to establish such a commission. The creation of this commission was delayed due to the health problems of Vice President Dengo, who was charged with organizing it. Even so, the commission is now functioning, and is chaired by Minister of the Presidency Rodrigo Arias. One American, Mr. Thomas Fyock, has submitted his case to the committee, and a settlement offer should be forthcoming very soon. Other U.S. citizens are working closely with the commission and will be formally submitting their cases soon.

In May, Minister of Public Works and Transportation Constenla flew to Washington with the sole purpose of discussing the outstanding cases, particularly Mr. Parker's. During his meetings with State and USTR, Minister Constenla said that the Government of Costa Rica recognizes its obligation to make fair settlement offers to all the Americans who have outstanding expropriation claims. Department of State officials impressed on Constenla the need for a timely resolution of the claims.

As a result of those meetings, on May 11 Minister Constenla sent a letter containing a settlement offer to Mr. Parker's attorney, Scott Wilson. In the letter, Minister Constenla invited Mr. Wilson to go to San Jose at his convenience to discuss the proposal, and offered to cover the cost of Mr. Wilson's transportation. To our knowledge, Mr. Wilson has not responded to that settlement offer.

On June 20, Deputy Assistant Secretary of State for Finance and Development William B. Milam called in the new Costa Rica Ambassador, Danilo Jimenez Veiga, to discuss the expropriation cases. Ambassador Jimenez reaffirmed the Costa Rican Government's intent to make settlement offers, and promised to convey the Department of State's strong concern about them to the members of the commission.

In view of the above progress on these cases, this is the wrong time to withhold assistance to Costa Rica. The recent Costa Rican proposal followed directly from the Executive Branch's repeated urgings, at our May meetings with Minister Constenla, that serious negotiations on this dispute should resume, and that the best next step would be a settlement offer by Costa Rica. We view the settlement offer which followed very shortly thereafter to be an acceptance by the Government of Costa Rica of our point. Since the Government of Costa Rica complied with the United States' request and signalled a willingness to return to negotiations, the United States' response should not be a termination or suspension of assistance. Such an action would call into question our good faith and would set an unfortunate precedent, not only for this dispute, but for others.

In addition, the commission is working with several other Americans to settle their cases. Cutting off aid to Costa Rica could result in a decision by the Costa Rican Government to terminate negotiations with these Americans. The progress these Americans have made should not be be jeopardized by cutting off aid to Costa Rica now, when the commission is working on settlement offers.

I believe that the wisest course of action now would be to give the Costa Rican commission some time to make settlement offers to all of the U.S. citizens with expropriation claims. If the Interagency Expropriation Group sees no concrete evidence that settlements will be forthcoming, it will meet and make recommendations as to what the USG's next steps should be and will be glad to confer with you at that time.

Sincerely,

J. Edward Fox,
Assistant Secretary, Legislative Affairs.

Mr. HARKIN. The letter said that, "While the Department of State has taken the position that Mr. Parker has suffered damages due to the actions of a Costa Rican parastatal, we do not believe that those damages are nearly as high as stated in Senator Helms' letter. Since Mr. Parker indicated in 1985 a willingness to accept a settlement involving Costa Rican Government support for developed projects plus a $1 million settlement, the figure of $100 million in damages appears to be excessive. The Department identified a number of areas of uncertainty about Mr. Parker's claim to Mr. Parker's attorney," Mr. Scott Wilson, about whom I just referred who was a former counsel to Senator Helms on the Agriculture Committee, "in a letter dated April 9, 1987."

I yield to the Senator.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. I thank my colleague for yielding.

First of all, let me commend my colleague from Iowa who has done extensive work on this. I listened to his comments, and he researched not only the particulars of this issue, but the precedents and correctly cites the case in El Salvador that is pending.

I think it is important to note here that we are dealing with a country, Costa Rica, which has an independent judiciary. This is a democratic government with principles of separation of powers very much like our own.

While I agree with my colleague from Iowa and others, who cite the merits of this particular case, as I read it, I think it is inappropriate for us to be using the vehicle of foreign assistance to try and jeopardize or compromise, if you will, a case in a country which will be handled adequately, in my view.

I think he has a good case. I think he will ultimately prevail, but this is not a nation where you want to use the leverage of foreign assistance to achieve an independent judicial decision involving the question of property.

For us today to set the precedent of dealing with an ally, a democratic form of government, in this way. I think would be highly injurious. I can see a whole raft of such amendments being offered in some cases where a degree of legitimacy because the Government or the nature of the Government we were dealing with was so foreign to our own in terms of an independent judiciary and vehicles and mechanisms available to deal with these kinds of claims that we would have no other recourse, but I do not think we ought to begin down that road.

In this particular fact situation, we are dealing with a democratic nation with an independent judiciary, with a Presidency and a legislature that is far removed from the political process as it affects the judiciary.

So I hope my colleagues will listen and follow the advice of our colleague from Iowa in this particular instance, with all due respect to our colleague who is unavoidably absent, Senator HELMS, in terms of this particular proposition.

Mr. President, I ask unanimous consent I be able to proceed 1 additional minute.

The PRESIDING OFFICER. I state to the Senator from Connecticut, the Chair will grant his request, but the hour of 2:15 has arrived. Under the previous order of the Senate, there is a vote on the pending Kennedy amendment. The Senator is recognized for 1 minute.

Mr. DODD. I just suggest I think maybe this colloquy we have had here today may serve the purpose. This issue has been raised. Expressions have been made here on the floor about the legitimacy, as we see it, of this particular matter. Having done that, I think this record will serve the interests of those who feel they have been injured by the actions of the Costa Rican Government, use this particular record for the desired purposes, but not have an amendment, if you will, to the foreign assistance legislation which would, as the Senator from Iowa has pointed out so accurately, create a very unwise precedent for this Congress, Mr. President, I yield.

The PRESIDING OFFICER. The Chair will not cut off the Senator from Iowa in his rights, and he has every right to resume this matter after the vote has occurred. The Chair will be here, and I assume the Senator will be on his feet. There is a pending amendment.

Right now the hour of 2:15 has arrived. There is a previous order of the Senate. The yeas and nays have been ordered on Amendment No. 2519 offered by the Senator from Massachusetts.

Mr. STEVENS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment, as amended, of the Senator from Massachusetts. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD. Mr. President, at the request of Mr. SANFORD, I ask unanimous consent that he be granted a leave of absence from the Senate for the day pursuant to paragraph 2, rule VI, it being for his attendance at a funeral.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. BRADLEY] and the Senator from North Carolina [Mr. SANFORD] are necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Nevada [Mr. HECHT], the Senator from North Carolina [Mr. HELMS], and the Senator from Alaska [Mr. MURKOWSKI] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 93, nays 0, as follows:

[Rollcall Vote No. 228 Leg.]

YEAS—93

Adams
Armstrong
Baucus
Bentsen
Bingaman
Bond
Boren
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Gore
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Heflin
Heinz
Hollings
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NOT VOTING—7

Biden
Boschwitz
Bradley
Hecht
Helms
Murkowski
Sanford

So the amendment (No. 2519), as amended, was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2524

Mr. HARKIN. Mr. President, prior to proceeding on the vote, the Senate was in discussion on an amendment that had been offered by the chairman of the subcommittee, Senator INOUYE, and the ranking member, Senator KASTEN, on behalf of the Senator from North Carolina [Mr. HELMS].

The amendment under discussion would withhold $20 million in economic support funds from Costa Rica until the Government there and a private American citizen, Royal Parker, reach a settlement of an outstanding contract dispute.

Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senator's point is well taken. The Senate will be in order. The galleries will be in order.

Mr. HARKIN. I thank the Chair.

Again, Mr. President, this has to do with an issue of a contract dispute between a private American citizen and the Government of Costa Rica, involving a contract dispute. The facts in the case are not all that much in dispute.

The State Department has agreed that there has been a valid contract, that Mr. Parker suffered damages, and that he should be compensated. But I repeat what my friend from Connecticut, the distinguished chairman of the authorizing subcommittee on Latin America, said. Here we have Costa Rica, which has a democratic form of government. It has an independent and functioning judiciary. They are moving ahead on resolving this case. Yet, we are now being asked to withhold $20 million, which is about 25 percent of their economic support money.

Mr. DODD. Mr. President, the Senate is not in order.

The PRESIDING OFFICER. The Senator's point is well taken. The Senate will be in order.

Mr. HARKIN. Mr. President, we are being asked to withhold $20 million, which is about 25 percent of the total ESF money to Costa Rica, to pressure them into reaching a settlement on this case. The amendment does not say how they have to settle, but it is pressuring them to settle.

Again, here is a country with an independent judiciary, a functioning democratic government. Obviously, these things take time. We are told this thing has been dragging on for about 10 years. My gosh, in the U.S. court system, if you had a contract dispute with the Government, it might take 15 years. These things take time.

I also point out that the State Department is opposed to this amendment. I also point out that Peter McPherson, who is a Deputy Secretary of the Treasury, will be traveling to Costa Rica this weekend; and the Parker case, the one we are talking about, will be addressed at that time. So progress is being made.

Again, I say that there are some peripheral things about this case that bother this Senator a great deal and kind of raise some doubts in my mind as to why this amendment is on the floor.

It turns out—I am not making any allegations, but I think the facts should be brought out—that the attorney for this Mr. Parker, Mr. Scott Wilson, was a former counsel to the proponent of this amendment, the main proponent, the Senator from North Carolina. He is the attorney for the guy, Mr. Parker, who wants the settlement. Obviously, the attorney is interested in getting a settlement as soon as possible, because that is when the attorney gets his money. So now we have an amendment here to speed up this process, to say, "We're not going to give you $20 million until you settle this case."

Mr. President, if we are going to engage in that on the floor, I have here a list of all the outstanding unsettled disputes between American companies and/or American citizens and other countries, as of May 1, 1987.

Mr. President, here is a list about three pages long of outstanding disputes. Are we going to say on each of these we are going to do the same thing? Why are we singling out Costa Rica, of all countries? Maybe you might want to single out Vietnam. Maybe you might want to single out Romania. You might single out Cuba, or you might single out Syria or Yemen or someplace like that which does not have a functioning judiciary.

As I say, I question the appearances here, the appearances of this attorney working for Mr. Parker, having been a counsel here before. As I said, the appearances are enough to raise some very serious doubts as to whether we should be doing this here.

Mr. President, I strongly feel that because of our relations with Costa Rica, because of the leadership of President Arias, because of the kind of government it is—a free and open and democratic government—their judiciary should be allowed to function.

The State Department is moving ahead on this. For Senators who were not here before when I read this, I will read again from the letter sent on June 22 by the State Department to the subcommittee. Let me read this one paragraph:

> Since Mr. Parker indicated in 1985 a willingness to accept a settlement involving Costa Rican Government support for developed projects plus a $1 million settlement, the figure of $100 million in damages appears to be excessive.

Well, again you ask yourself the question: If Mr. Parker, in 1985, was willing to settle for $1 million and support for some developed projects and now he is claiming $100 million, you have to question what we are doing here. Are we, by implication, weighing in on the side of Mr. Scott Wilson, the attorney for Mr. Parker, in trying to get this case not only settled but also settled rapidly for a great deal more money than Mr. Parker was willing to settle for in 1985?

Mr. President, I do not know that I need to debate this much longer. I will shortly yield the floor. I feel very strongly that this amendment ought not be added to this bill.

Therefore, Mr. President, I yield the floor.

Mr. KERRY. Mr. President, I appreciate the desire of the distinguished Senator from Hawaii and the Senator from Wisconsin, who have crafted, I think, an important bill, to move forward, and I applaud most of what is contained in this measure.

But I must rise to voice an objection if not a concern, a very deep-rooted concern, and I have communicated earlier today with the Senator from Hawaii about this particular amendment.

Mr. President, I think there are a number of issues which we need to think about regarding this. One or two have been raised very clearly by the distinguished Senator from Connecticut and the Senator from Iowa, which concerns the question of precedent, and I am concerned about the question of precedent here. But I think there are other issues.

This amendment would take $20 million of economic support funds and it would fence those funds which are critical funds to Costa Rica at this point in time. Costa Rica is a country which had been hurt a great deal by the efforts of our country to deal with the problems of Nicaragua through the use of the Contras. There are many, many refugees in that country. There has been a great deal of pressure placed on President Arias through the economic system because he was not willing to fold to the desires of the State Department but had a peace plan of his own and he went forward with that peace plan on his own at great risk and I must say with certain economic deprivation of loans and guarantees that should have been forthcoming faster.

Now we are saying, as a matter of de novo legislation I would suspect we are saying, that we are going to take supposedly expropriated property and fence on behalf of that. I think we have to examine that.

This is not an expropriation of property involving an American businessman which we traditionally respond to.

A contract right, as the distinguished Senator from Hawaii well knows, is not a property right, and the two examples which precede this, Honduras and Jamaica are examples of specific United States property that was expropriated and which is subject to an expropriation challenge.

Here you have a contract right which under the law has never been held as a property right and it is not only a contract right but it is a contract right as to speculative profits.

Under U.S. law I do not know of a court of law that will grant speculative profit damages; actual damages, yes. You have a right to go to court and you can show your actual damages, but you cannot come in and say these are speculative future profits I might have achieved and claim on that you have a right of action.

So not only are we taking a questionable right in the first place, a contract right, and trying to make it into a property right, but we are taking a right as to speculative profits, and saying that we are going to fence $20 million of badly needed economic assistance and not provide that to a government until it responds to the person's claim.

Mr. President, I think that that is an extremely dangerous precedent, not only as to the law, but also as to the legislative effect that it may have with respect to an appropriations bill, but also as to the issue of precedent for what it may mean for any other type of expropriated property right that somebody may construe in any other part of the world which then will become subject to the same kind of process.

I do not want to litigate this issue here. Obviously, we cannot. This is not the forum for it, but I think it is important for my colleagues to have a sense of what the real issues are here that make up the claim of Mr. J. Royal Parker. And I want to just go through them very briefly, if I may, because I think it is important to understand the nature of the precedent that is being created here.

The information that I am basing my assessment on comes directly from the materials that Mr. Parker himself has compiled to substantiate his claims and these materials include: Volume 1, dated March 16, 1987 entitled "Anticipated Profit-Analysis;" volume 4, dated April 11 entitled "Damages to Professional Reputation of J. Royal Parker and J. Royal Parker Associates;" volume 9, dated April 24, entitled "Identification and Description of Industries and Related Statistical Analysis;" and volume 10 entitled "The Centraport Claims."

I reiterate, these are Mr. Parker's own figures and his own claims.

By way of background, on June 7, 1977, Mr. Parker entered into a contract with JAPDEVA to "render professional consulting services in connection with the final feasibility phase of a project to complete, establish and manage an industrial and free international trade park in Puerto Limon, Costa Rica." The study was funded by a grant of $80,000 from the U.S. AID and the contract stipulated that JAPDEVA was not responsible for providing any of the resources for the study.

On August 17, 1977, Mr. Parker and representatives of JAPDEVA met in San Jose, Costa Rica. The purpose of the meeting was to develop a memorandum of understanding relative to the formation of the mixed enterprise as it was delineated and as I described.

On January 13, 1978, representatives of JAPDEVA and Mr. Parker signed a contract for the creation of Centraport and each party, JAPDEVA and Mr. Parker, contributed $11,750 as an initial paid-in-capital cost of the corporation.

According to this contract, and I quote it, "The objectives of the company are to conduct business and industry in general, particularly all that has to do with the study for the establishment and management of industries exclusively for export in the Atlantic sector."

The corporation was to be governed by a board of directors comprised of four members nominated by JAPDEVA and three members were to be nominated by J. Royal Parker Associates.

On May 7, 1978, an article appeared in LaNacion, a San Jose-based newspaper, and in it the newly appointed executive president of JAPDEVA stated that the objective of this enterprise was to promote and provide leadership and coordination for the public and private investments in the Atlantic zone, but he said:

> Nevertheless, JAPDEVA would rescind the contract signed in 1977 with the foreign company, Royal Parker with whom they had established an economic monopoly in the Atlantic zone.

At that point in time, they said that they would rescind the contract. It is appropriate for colleagues to ask the question: How far had the Centraport project proceeded at that point in time?

There had not been one, and this is important, there had not been one commitment, Mr. President, by one company of any foreign nation to invest in the Puerto Limon Industrial Park as of the date that the rescinding was announced. Not one company had invested. There was no outlay of major capital here.

In fact, Mr. Parker in his exhibits points to a number of companies in the United States and Western Europe who expressed interest in the project but that is all they did. They expressed interest.

In his own May 1978 report to JAPDEVA Mr. Parker said:

> "While no major and full marketing and sales program has been initiated and no single industry or category has been pretargeted, the industries herewith depicted have expressed interest in varying degrees. Some are still in the final stage of preparing economic surveys and analysis, others are actively examining existing laws, and in the case of the mini-mill steel mill and fabrication plant, an application is being filed under the Central American agreement for fiscal incentives. Still others are adopting a wait-and-see attitude with regard to the intentions of the Government of Costa Rica; others require further in-depth marketing studies, such as the ship repair facility.

Mr. President, not one company had committed one dollar to this effort except for J. Royal Parker that invested the initial $11,000. So for an $11,000 initial investment, without any of these companies having bought or laid money on the land, we are being asked to fence $20 million. That has to be measured against the arbitration process and the legal process which is available to this company outside of the effort to affect the AID Program.

Mr. President, contrary to the representations which have been made on this case, of the 22 industries cited by Mr. Parker, none of them have gotten to that point of actual investment. And Mr. Parker said that in his own report to JAPDEVA in 1978. In fact, he said that the Republic of Costa Rica had yet to authorize the planned program of marketing and sales.

The letters that he cites as evidence to support his claim are letters expressing interest in investment. None expresses a detailed commitment to proceed in the project. Furthermore, nowhere in Mr. Parker's presentation materials is there evidence that he had sought $100 million in financing or that discussions with any banking concern had reached a point where applications had been filed for $100 million in financing for those 22 corporations.

Furthermore, in this same May 1978 presentation, Mr. Parker noted:

> No attempt has been made to approach domestic industry to determine their interest at this stage. This has been avoided purposefully to prevent avoidable confusion and activity until such time as the Government makes a decision to proceed with the implementation of the developments proposed by the Junta de Administracion Portuaria y de Desarrollo Economico de la Vertiente Atlantica (JAPDEVA) and J. Royal Parker Associates, Inc.

So here we have Mr. Parker admitting the government has not proceeded to make a commitment and yet, notwithstanding his own admission that there is no commitment by the government, Mr. Parker thinks he is entitled to $100-some million and he wants us to fence $20 million of assistance to a government which desperately needs it.

Now, Mr. President, fair is fair. Fair is fair. And I want this body to look at the question of fairness with respect to the redress available to Mr. Parker.

Let me examine the question of the actual damages for a moment and then I will conclude.

The actual damages that we have been able to determine at this point in time include the JAPDEVA performance bond of $8,000; the personal outlay for stock in Centraport, which amounted to $11,750; the cost of prequalification for the Moin Industrial Park, which amounted to $125,000.

In addition, Mr. Parker is claiming an additional $350,000 in expenses associated with developing the feasibility study under the JAPDEVA contract dispute. The fact that there is not any written agreement—and, as we all know, a contract in writing for an amount over $500, at least in this law, is the only contract that the statute of frauds recognizes. Despite the fact there is not any written agreement, he claims that. And either in the feasibility study contract or in the Centraport contract, he claims that he would be paid additional expenses.

And in a December 3, 1983 letter to the Minister of Public Works of Costa Rica, Guillermo Constenla Umana, he listed the following damages: The bill just for accommodations at the Europe Hotel exceeds $35,000 in 1977—incidentally, the Centraport contract was not signed until 1978—physical models, which were provided although not called for in the contract but deemed a necessity, in excess of $35,000; and more than $250,000 for the cost of attorneys, accountants, trips, telephone calls, and Telex messages.

So you have, Mr. President, even if you give him the benefit of a doubt, $8,000, $11,000, $125,000, $350,000 $35,000, $35,000 again, and $250,000—not even a million dollars, Mr. President, in actual money laid out and we are being asked to hold up the Government of Costa Rica for $20 million.

Mr. HARKIN. Will the Senator yield on that point?

Mr. KERRY. The Senator would be happy to yield, but I ask unanimous consent that I may retain the right to the floor.

The PRESIDING OFFICER (Mr. CONRAD). Without objection, the Senator retains the right to the floor.

Mr. HARKIN. I thank the Senator, my distinguished friend from Massachusetts, for bringing this out. I was writing those figures down when you were outlining them and the total I get, I could be off a little bit, is $814,750. Is that about ballpark?

Mr. KERRY. I have not done the final addition.

Mr. HARKIN. As I understand it, that is if you accept at face value all of the damages that he has claimed, including the $35,000 in hotel bills; is that correct? That is, taking him at everything that he claims without disputing any of those claims, that would be about it, about $814,750.

Mr. KERRY. Yes.

Mr. HARKIN. Now, I understand, in a recent letter from his attorney, Mr. Scott Wilson, that they are claiming something in the neighborhood of $100 million in damages. Well, now, it strikes this Senator as somewhat odd that we are now being asked to withhold $20 million—now let me see if we can get this right, I ask my distinguished friend from Massachusetts—we are being asked to withhold $20 million, about 20 percent of the economic support money to Costa Rica until such time as they reach a settlement with Mr. Parker.

Well, now, we see it clearly. What that means is they are not going to get their $20 million unitl they settle with Mr. Parker. Boy, does that ever put Mr. Parker in the driver's seat on this issue. Talk about interfering with a judicial process, with an arbitration process, and everything else.

If we pass this, what we say to Mr. Parker is, "Hold out, you will get it," because they have to have that $20 million.

So does the Senator agree that what we have done is we have inserted ourselves as a Senate in this arbitration process, judicial process, of determining just what the actual damages are and that we have then put Mr. Parker in a position unlike anyone else has ever had in terms of their claims against foreign governments? Would that be a fair statement, that we have put him in that kind of a position?

Mr. KERRY. I agree with the Senator from Iowa, except that we have not done it yet. And my hope is that the possibility may exist that that would not be done. But if this is what is carried out, that would be the sum total of what would happen, that is correct.

Let me just point out a little further, though, with respect to where that analysis takes us because I do not think that the fairness, the equity here, is fully in balance yet.

The claims for damages now exceed the sum of $49 million. In a letter that the Minister of Public Works received in which Mr. Parker listed his damages, Mr. Parker proposed a settlement. Mr. Parker himself proposed a settlement. And the settlement that he proposed was the following. He said that he would be engaged as a consultant to Refinadora Costarricense De Petroleo, S.A. for a period of 4 years at a fee of $125,000.

He proposed that we would receive recognition at the headquarters offices of Recope that he is the founder of the company; and in partial satisfaction of his claims J. Royal Parker Associates would be paid $7 million in one payment, free of any taxes, levies, et cetera. And I quote from the letter:

> As further consideration in the settlement of the Claims, the Government of Costa Rica shall negotiate with J. Royal Parker Associates, Inc., agreements for the engineering, construction, management and operation of the proposed Limon International Airport, and the Liberia International Airport. The Government of Costa Rica shall be responsible for the procurement of funds for these endeavors. The above shall be contracted with J. Royal Parker Associates, Inc., as prime contractor or in some cases as owner, and J. Royal Parker Associates, Inc., shall subcontract with Joint-Venture with Jose Antonio Quesada and Associates,

And so on.

Subsequently, Mr. President—this first letter I referred to was December 3, 1983—5 years later, in a June 7, 1988, letter, Mr. Scott Wilson, the lawyer for Mr. Parker, lays out a $116,277,586.01 claim as follows:

> The original claim and out-of-pocket expenses related to the settlement of the dispute for $7,743,371.12; anticipated profit analysis, Centraport, SA, $49,265,633.89; and the anticipated profit analysis by the Philadelphia Foreign Trade Zone for $12,707,956.

Mr. President, Mr. Parker committed himself that in the event of any dispute—this is the commitment that he made at the beginning when he entered into his initial agreement with Costa Rica, he committed himself that any dispute would be reconciled in accordance with the laws, jurisdiction, and the courts of the Republic of Costa Rica. That is the commitment he made.

Mr. Parker did file suit in the courts of Costa Rica, but he personally chose to withdraw that suit on the basis of negotiations going on at that time. However, the Government of Costa Rica should not be made to pay, I think at this point in time, Mr. President, a price for the decisions of Mr. Parker himself to decide to withdraw his suit and pursue alternatives.

Minister Costenla has proposed the following settlement, which Mr. Parker has rejected. This is where I say we should balance what the real picture is here.

First, the Government of Costa Rica offered to Mr. Parker that he would receive all the help and cooperation from JAPDEVA and the Government of Costa Rica to bring investors into the country; that Mr. Parker would be given access to JAPDEVA's land free of charge for 99 years; that the Government of Costa Rica will declare those industries and lands as free trade status so that investors would not have to pay duties and taxes; that Centraport would still exist as a corporation in Costa Rica; that there was not any meeting called by JAPDEVA or any other shareholders to dissolve it.

In addition the Government of Costa Rica has asked for documentation of Mr. Parker's actual expenses and even our own Department of State has said those are lacking in many cases and that documentation on various business expenses is currently not contained in any of the documents that Mr. Parker uses to make his case.

So here we are. Mr. Parker has no documentation. He has not submitted the documentation. Yet the U.S. Congress is going to go ahead and fence $20 million in order to protect this individual citizen in a totally new right never before afforded any citizen of the United States in a circumstance in which we will be creating a new precedent and a dangerous precedent and one in which he is standing, I think, on the thinnest of ice.

Mr. DODD. Will my colleague yield?

Mr. KERRY. I will be delighted to yield.

Mr. DODD. Let me commend my friend from Massachusetts. Because he has done a lot of work on the particular case that is extremely helpful. Before he started to talk it was, I think, an assumption on the part of many that Mr. Parker had a pretty good case. The Senator shed light on the fact he may not have a very good case here at all. And I think that makes the point that whether or not you accept the description of the facts as they are of my colleague from Massachusetts or from Mr. Parker, the fact is this is a matter in dispute in the country of Costa Rica. I would just like to suggest to my colleagues here, in all due respect to an absent colleague who, through no fault of his own, cannot be here to represent his own amendment as such, that there are a number of countries—I will go down the list here just briefly, just naming countries wherein we have close economic relationships: India, Pakistan, Greece, Italy, Belize, Bolivia, Ecuador, Honduras, Mexico, Peru, Venezuela, Afghanistan, Turkey—where there are outstanding unsettled claims. Some of them go back, Italy, 1968—20 years old, an outstanding claim.

In the case of Pakistan we have some that go back to 1972, in that particular country's case.

In Bolivia, 1962, going on 30 years old in that particular case.

In Turkey, a nation that we provide assistance to, 1974. That is 14 years old, that unsettled claim.

I will make one prediction, if this amendment is adopted. I do not know where all these firms are from. I have the company names here, Mr. President, before me. I cannot tell you where their headquarters are located. But I will guarantee you, if this amendment is adopted, before the sun sets tonight, colleagues from all across this country will be getting calls from businesses who have unsettled claims in Turkey, in Greece, in Afghanistan, in Bolivia, in Mexico, wanting their Senator to offer similar amendments to put pressure on these countries in order to settle their claims.

It seems to me there ought to be some standards. In the case of some of these countries that are the recipients of foreign aid, they do not have an independent judiciary. They are countries where claimants do not have a fair chance in courts. In those particular cases I think a case may be made for cutting back on foreign aid or at least letting them know that we are going to fence off funds until they begin to work with these claims.

But in the case of Costa Rica, you have an independent judiciary, a free democracy that reflects and represents many of the ideals that we share in this country.

You do not hear an amendment being offered about Paraguay or Chile, do you, today, or some right-wing country? Let us call this for what it is.

With all due respect, the Senator from North Carolina is upset with Costa Rica. That is why we have an amendment today to take $20 million from that country. And once you start down that road, it never ends. If this particular bill becomes a vehicle for lawyers in Washington to come and find a Senator who will offer an amendment to cut off foreign aid to Turkey or cut off foreign aid to Greece until those countries settle their clients' claims, that is all we will ever do.

This is a bad precedent. Whether you agree with Mr. Parker or you disagree with Mr. Parker, you do not start tying up the foreign aid of this country based on a single claims case; particularly when we have got dozens of them here that go back 20 years without resolution.

How many of my colleagues are going to cut off 25 percent of aid to Greece because some company has got a decent claim against them?

How many are going to cut off aid to Turkey because someone has a decent claim, they claim, against Turkey? Or any of these other countries?

This is not the business of the U.S. Senate. That is lawyers' business. And we ought not to be compromising our own foreign aid, our own foreign policy by muddying up a foreign aid bill with lawyers' work.

I am told this amendment cannot lose. I disagree with that. I think my colleagues will see that this is not an appropriate matter for the Senate of the United States to be grappling with. Our colleague from Massachusetts has laid out some very important points about this case even if you are not impressed with the precedent that we are establishing with this approach to dealing with legal matters involving individuals. But do not go around penalizing Costa Rica, picking out one country today, one amendment, to penalize one nation in Central America, a democracy, and strip them of $20 million in aid when they need it desperately. That, to me, would be a mistake and a precedent that we should not engage in.

I thank my colleague for yielding and I would hope the amendment would be defeated.

Mr. KERRY. Mr. President, if I can just point out again, to give an example of the kind of difficulty that I think this poses, in his presentation to JAPDEVA, in fulfillment of contract No. 3880, which is the contract in question, Mr. Parker describes among the 22 industries, he describes industry No. 1 as follows:

> The repair and reconditioning of container trailer chasis with a total capital investment in first-year operation of $262,000. Sealand Services of Elizabeth, NJ, would be the owner of the facility.

That is what he said.

Now, Sealand was designated owner of the facility in the May 1978 proposal, apparently based on the following letter which Mr. Parker received from Walter J. Miller, general operations manager for Sealand Services, dated March 24, 1978. In that letter Mr. Miller said:

> As indicated to you, the Affiliated Services Division of Sealand Services, Inc., may be interested—may be interested—in any annual transportation-related business that is profitable in any economical and politically stable location in the world.

That is a really big commitment, Mr. President. "Our immediate interest would be the possibility of becoming the national trucking company in Costa Rica, port operations and warehousing, as well as in assisting in other transportation and logistical plans."

Mr. President, he lists this company that expresses a possible interest, "may be interested," as the owner of the facility.

Based on that, we are supposed to come in here and leverage $20 million against a government that has a legal system which he himself committed to follow but pulled out of voluntarily.

That is wrong. It is wrong, Mr. President. Absolutely wrong. It is also wrong because there are relationships here between lawyers and people involved in this and former employee of the Senate. That is wrong, Mr. President.

I think it is directly inappropriate that the U.S. Senate be called on here today, as the Senator from Connecticut has said, to take $20 million and leverage the government, a democracy, against a personal payment of an individual who cannot even provide our own State Department with documented sources as to his real expenses in this case. That is just a wrong precedent. We have more important things to be doing. I hope my colleagues will look carefully at what is at stake here.

I have all the records here, the entire documentation that he submitted: J. Royal Parker Associates letters to the Minister of Public Works; the original proposal; the Centraport proposal; the description of the industry and feasibility study of May 1978; the anticipated profit analysis and the claims presentation which he has made based thereon. These are the documents on which he bases the claim.

I have taken every one of these things from his own presentation. Mr. President, I think it is found wanting.

Some of my colleagues say this is not the place to litigate it. I do not disagree with it, it is not. But nor is this the place to come in and hold hostage a nation on its foreign aid in order to leverage one businessman's nonexpropriated property. I think it is wrong and runs counter to the best judgment of this institution.

Mr. DODD. Will my colleague yield?

Mr. KERRY. I yield.

Mr. DODD. Mr. President, the Senator makes an excellent point. Lastly, we established in this institution years ago the Overseas Private Investment Corporation, OPIC. Costa Rica is an OPIC country. Mr. Parker had the opportunity, and I do not know why he did not, and maybe he did to take advantage of the OPIC Program. That program was established to provide assurance for businessmen who would run the risk of having their businesses damaged due to a political process. That is why we established OPIC, to avoid exactly what we are engaging in here today.

So there was assurance for these companies. I do not know why, and maybe our colleague from Massachusetts who is so knowlegeable about this case, could enlighten us as to why Mr. Parker did not take advantage of the OPIC Program, or possibly he did, and if he did, I do not know why he is here at all because that is an insurance program that would provide him relief.

Second, I ask my colleague from Massachusetts if he would not agree as well in a time when we are trying to expand investments of U.S. firms overseas, what reaction will we get from Third World countries if, in fact, there are claims that are going to be made and it will be that every time they occur, we have an action before the Senate of the United States to cut off foreign aid of that country? It seems to me it runs counter to exactly the direction we are trying to head to address at least, in part, the tremendous deficit in our balance of trade.

The OPIC point is one I would be delighted to hear some comment on and, second, whether or not he would agree that the expansion of foreign investment may be hurt by this kind of action, where countries are going to be reluctant to have U.S. firms come in if, in fact, there is a claim that occurs, they run the risk of losing a good percentage of their foreign aid over a businessman's claim.

Mr. KERRY. I really thank the distinguished Senator from Connecticut for the second part of the question. The first part is harder to answer. I would like to inquire and see if I can get the answer.

The Senator raises a very important point. If you want to talk about an anticompetitive measure, this is an anticompetitive measure. If you start saying that countries somehow are going to have a standard contractual and redress process discombobulated by the individual interference of U.S. Senators who get telephone calls—we interfere a lot and we are often accused of that—certainly this is an opportunity to minimize it.

I neglected to make one important point. The Costa Rican Embassy, which I was in touch with today in order to ascertain some facts regarding this, has reiterated—and they want to go on record as making this clear—if Mr. Parker has any grounds for a complaint, No. 1, he should be willing to pursue those within the framework of Costa Rican law, which he agreed to do in his original proposal and arrangement with them. That is No. 1.

No. 2, failing this, the Government is willing to go into binding international arbitration as an act of friendship, trust and good will toward the United States. The World Bank mechanism for this settlement of disputes would be utilized and, at the very least, I think the amendment might be modified by striking the fencing of the $20 million from fiscal year 1989 and simply state here that the matter should go to binding international arbitration as offered by the Government of Costa Rica and, if need be, we could then revisit this issue next year as a way of perhaps considering it with more time, with more analysis and then allow, hopefully, the arbitration process to resolve it.

Maybe that is an acceptable way of proceeding here with the distinguished managers of the bill. I hope that it might be an easy way to settle and resolve this. But, Mr. President, I really think we have to be sensitive to the need of how expropriation cases ought to be settled. I think we should not expect the Government of Costa Rica to compensate an American consultant for damages which he cannot even get compensated for in the courts of the United States.

I yield.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I will not attempt to participate in the litigation of this matter. This is not the proper body to do so. Therefore, I will not discuss the merits or demerits of this measure. However, most respectfully, I would like to remind my colleagues, especially my two very distinguished colleagues who now serve on the Foreign Relations Committee, that the following are the laws of the land.

The first: "The President shall suspend assistance to the government of any country to which assistance is provided under this chapter or any other act when the government of such country or any government agency or subdivision within such country on or after January 1, 1962—

"(A) has nationalized or expropriated or seized ownership or control of property owned by any U.S. citizen or by any corporation, partnership, or association not less than 50 per centum beneficially owned by U.S. citizens, or

"(B) taken steps to repudiate or nullify existing contracts or agreements with any U.S. citizen or any corporation, partnership, or association not less than 50 per centum beneficially owned by U.S. citizens."

This is the law of the land, the so-called Hickenlooper amendment.

Most recently, this Senate participated in the adoption of the following law, which is the law of the land. This is part of the Caribbean Basin Initiative of the President of the United States:

> The President shall not designate any country a beneficiary country under this act if such country, (A), has nationalized, expropriated or otherwise seized ownership or control of property owned by a United States citizen or by a corporation, partnership or association which is 50 percent or more beneficially owned by U.S. citizens or, (B), has taken steps to repudiate or nullify an existing contract or agreement with a U.S. citizen or corporation, partnership or association which is 50 percent or more beneficially owned by U.S. citizens, the effect of which is to nationalize, expropriate or otherwise seize ownership or control of property so owned.

This was done 6 years ago. I believe the measure came out of the Foreign Relations Committee.

In conformance with this latest measure, the representatives of Mr. Parker met with representatives of the Government of the United States. This is a letter from the Executive Office of the President.

> We have discussed your case with the Costa Rican Government and have reached an understanding with them that true negotiations with your corporation must proceed if the Government of Costa Rica is to remain in conformance with the requirements of the aforementioned Act.

This is the CBI Act they are talking about.

> We will, if it becomes appropriate, raise with the Costa Rican Government the need for consultations on the handling of this nationalization of property, keeping in mind the mandatory criteria laid down by the United States Congress in giving the President the authority to make Costa Rica a beneficiary nation.

This letter is dated December 2, 1983. As we are aware, the contract was nullified in 1978.

This is a letter dated January 20, 1984, also from the Executive Office of the President.

> Prior to the President's decision to designate Costa Rica, a U.S. delegation cochaired by this office and the Department of State discussed the J. Royal Parker case with senior officials of the Costa Rican Government. An understanding was reached between the Governments that true negotiations with J. Royal Parker must proceed if the Government of Costa Rica is to remain in conformance with the mandatory requirements of the CBERA. Costa Rican officials were made fully aware that more concerted attention to the J. Royal Parker case was required immediately.

Letters were sent, one to the Minister of Foreign Commerce. Promises were made. Laws of the United States were carried out. And Costa Rica was declared to be a beneficiary country. Apparently, the promises were not carried out because Mr. Parker is still waiting, and, therefore, in conformance with the Hickenlooper amendment and with the CBI amendment, which calls for arbitration, we set forth this proposal in behalf of Senator Helms. This is not my amendment.

The amendment calls for, one, the convening of a fact-finding group, and based upon its facts to come to some conclusion. If they are unable to do so, to call upon the Organization of American States, not the United States, the OAS, and tell them to come forth with a group of arbitrators what they approve, not us, to look over this case and come up with the award, whatever it is. We have no idea what the award will be. For all we know, what the Senator has contended may be correct, that the Government of Costa Rica does not owe J. Royal Parker a penny. On the other hand, it could turn out that an American citizen has been grievously wronged. What we are doing is to carry out the intent of the Hickenlooper law and the intent of the CBI law. These are laws that we participated in enacting.

In this bill we say American citizens are entitled to their day in court, and their day in court is here in this Chamber.

Mr. DODD. Will my colleague yield on that point.

Mr. INOUYE. Yes.

Mr. DODD. If I heard my distinguished colleague's reading of the Hickenlooper amendment correctly, the Hickenlooper amendment is involved by an action on the art of the executive branch. Is that not correct?

Mr. INOUYE. Yes.

Mr. DODD. The executive branch in this particular case has taken a position with regard to this particular matter quite contradictory to the Helms amendment.

Mr. INOUYE. No. The Executive Office in this case pursuant to the Caribbean Basin Economic Recovery Act has called upon Costa Rica on several occasions, meeting with the highest officials, their ministers, to carry out true negotiations. Promises were made. According to those promises, and relying upon those promises, the President of the United States declared Costa Rica to be a beneficiary nation under that act. Costa Rica is now benefiting from American taxpayers. Mr. Parker is still waiting for negotiations. They are not forthcoming. Therefore, Mr. Parker requests his day in court, and this is his day in court.

We are not saying who is at fault or who is not at fault. The arbitrators will decide. And the arbitrators, as I pointed out, are not to be appointed by the politicians of the United States; they will be appointed by the OAS, the Organization of American States. Whatever decision comes out of that arbitration group will be binding upon both parties.

Mr. DODD. If my colleague will yield further then, if you take outstanding claims under CBI countries, Belize, Honduras, El Salvador, all of those countries then, amendments that would cut their foreign aid by, say, 25 percent would have the same merits as this particular matter, because there are outstanding claims in all those cases and all those nations are CBI recipient nations.

Mr. INOUYE. I am certain the Senator remembers that a year ago all of us voted on the measure adopted by both Houses with language almost identical to this amendment granting Mr. Ramirez, a citizen of the United States, the same right of arbitration. The country involved is Honduras. That amendment was agreed to without objection in both Houses.

Mr. DODD. On a voice vote.

Mr. INOUYE. Voice vote, yes.

Mr. DODD. So we are going to compound that mistake.

Mr. INOUYE. And that was also pursuant to the CBI law. What we are suggesting is to go through with this arbitration. If he wins, he wins. If he loses, he loses. But at least Mr. Parker, a citizen of the United States, will have an opportunity to get his day in court—decide once and for all.

Mr. KERRY. Will the Senator yield for a question?

Mr. DODD. I appreciate my colleague yielding. I understand the particular point.

I suggest once again while the merits are merits of cases, there is the OPIC Program; there are other vehicles available. My colleague has heard me speak. As I said a moment ago, I just sense that we are going to have here an India and Great American Insurance—I expect that may be a Connecticut corporation. I am holding my breath that it may not be—since 1971. Now it is not a Caribbean Basin Initiative country. Nonetheless, if we started to pull back on a case that is almost going on 30 years old, it seems to me we are turning the U.S. Senate into a small claims court and it ought not be the business of the U.S. Senate to try to resolve or litigate these kinds of matters. As my colleague from Massachusetts pointed out earlier—and that is what I fear we are engaging in here—we are beginning a process of turning this august body into a claims court. I think the precedent of that is profound and a negative one. But I appreciate my colleague's description of the Hickenlooper amendment and the Caribbean Basin Initiative legislation and what it was intended to do under these circumstances. I thank him for yielding.

Mr. INOUYE. I most respectfully disagree with my friend from Connecticut. I think it is the business of the U.S. Senate to make certain that the rights of all American citizens are protected and upheld.

Mr. KERRY. Will the distinguished Senator yield for a question?

Mr. INOUYE. If I may bring up one other point. As I understand, the State Department has been mentioned on several occasions. This is something I would like to read. "The State Department reached the conclusion that: (a) Mr. Parker had a valid contract with Costa Rica; (b) He had suffered damages as a result of Costa Rica's breach of that contract; and (c), it appeared that Mr. Parker should be compensated for expenses incurred during the contract period."

Mr. KASTEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KASTEN. Mr. President, First of all, I want to point out exactly what this amendment says and does not say because it is important to recognize that this is a unique situation and that we have done this before. The good news is when we did this before in the Ramirez case in Honduras progress was made, and we are told that issue is now about to be resolved.

The language in this amendment, including the reference to the $20 million, is exactly the language that this subcommittee used in the Ramirez case. The amendment requires that the Department of State select an independent fact-finder and that we go with the disagreement to binding international arbitration in accordance with the rules and procedures of the Inter-American Commercial Arbitration Commission. If the Government of Costa Rica refuses to agree to binding international arbitration, only then shall the $20 million be deobligated and returned to the Treasury of the United States.

If the U.S. citizen refuses to agree to binding international arbitration and refuses to agree to final award resulting from that arbitration, it will constitute a full and final settlement of any and all claims.

The point is, this is exactly what we have done before, and it has worked. A number of people have come to us with requests of this kind and only under extraordinary circumstances do we put in this kind of language. But it has worked.

So the only purpose of this amendment is to bring to as rapid a conclusion as possible a dispute which has lingered for at least 10 years and has clouded the business relationship of an American citizen and an agency of the Government of Costa Rica. So we ought to support this amendment. We have a responsibility in extreme circumstances to take action in order to see the U.S. citizen gets a day in court. That is all we are asking for.

I want to point out that earlier someone suggested that a colloquy would be enough, or that if we simply put this in the RECORD it would get the attention of Costa Rica. Well, I point out to my colleagues the CONGRESSIONAL RECORD of December 11, 1987, in which the Senator from North Carolina, Mr. HELMS, brought this to our attention. We proposed an amendment which withheld all of the funds, not just part of them. The idea was to put the Government of Costa Rica on notice about how important this issue is, but our effort was not sufficient. So now we are in a better position to proceed.

I should mention that unlike the original amendment which withheld all of the funds this simply withholds $20 million. The reason we agreed on $20 million is that is exactly what we did in the Ramirez case and we are getting results. I believe this amendment will help us get a result, and I hope the Senate will adopt it.

Mr. KERRY. Will the distinguished Senator yield?

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I listened to the comments made by the distinguished chairman of the subcommittee for whom I have the highest respect and admiration. I started reading over the amendment again.

Mr. President, in reading over the amendment it is, I think, very apparent that the amendment is drafted in such a manner as to greatly favor Mr. Parker. Here is why: The amendment sets up a fact-finding commission, an independent fact-finder, that has to report by the end of December of this year. Then if the two parties, Mr. Parker and the Government of Costa Rica, have not entered into a final and full settlement of the matter by February 28, 1989, then we go into binding arbitration. The Department of State will request that both parties submit to binding arbitration. Then it goes to binding arbitration. The amendment even stipulates what the arbitrators have to look at; provided further, the arbitrator shall consider maintenance costs, interest costs, professional fee costs, land, business, asset valuation, and all other matters they deem appropriate.

You see here is why this amendment puts Mr. Parker in the driver's seat because time is on his side. All he has to do is to say by February 28, 1989, that, no, we are not settling; let us go to arbitration. The arbitrator is going to take a long time. The arbitrators are not going to get all of this material in and get it all done in a month, it may take a year. But the Government of Costa Rica needs this money, which amounts to 25 percent of its economic support funds.

So if Mr. Parker, on February 28, 1989, says he does not agree, then it goes to binding arbitration, the Government of Costa Rica rather than risk losing its money, will be forced to give into Mr. Parker, even though it may not be fair. That is why I disagree with the way this amendment is drafted, because what we do is we put Mr. Parker in the driver's seat without knowing whether or not these claims are full and valid or not.

The Senator from Massachusetts laid out a series of questionable aspects of his claims. So that is why I feel this amendment says to Costa Rica—you take whatever he wants. I do not believe the Senate ought to take that position.

Mr. INOUYE. If I may respond, I would suggest that we read this completely because the language set forth here is language in matters relating to arbitration. The arbitrators shall consider maintenance costs. This is the section the Senator is concerned with: interest costs, professional fee costs, land, business and asset valuation, and all other matters they deem appropriate. Those are the controlling words, the three words "they deem appropriate." If the arbitrators feel that interest costs should not be involved they do not have to consider interest costs. If they feel that maintenance costs are irrelevant, they can cross it out. They may decide on the factors to be involved but this is the language of the art.

Mr. HARKIN. First of all, I am not necessarily upset about that language. Let me rephrase this again. What bothers this Senator is the way the whole amendment is structured, its time sequence and the actions it requires to be undertaken.

Mr. INOUYE. May I make a suggestion on this point? I know the Senator's concern. I share the Senator's concern; Costa Rica may be placed in a position of pressure. What if we deleted the section calling for the fact finder, and for the negotiations to continue until 1989, and just say that in order to facilitate such a settlement the Department of State shall request that both parties submit the disagreement to binding international arbitration in accordance with the rules of procedure of the Inter-American Commercial Arbitration Commission, et cetera.

If you want to expedite it, that is the way to do it.

Mr. HARKIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LAUTENBERG). Without objection, it is so ordered.

Mr. INOUYE. Mr. President, I ask unanimous consent that the pending matter be temporarily set aside to permit the managers of this measure to bring up another amendment and, upon the conclusion of that, to resume consideration of the Harkin proposal.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2525

Mr. KASTEN. Mr. President, on behalf of Senators GRASSLEY, DOLE, WALLOP, D'AMATO, HUMPHREY, and myself, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Wisconsin [Mr. KASTEN], for Mr. GRASSLEY (for himself, Mr. DOLE, Mr. WALLOP, Mr. KASTEN, Mr. D'AMATO, and Mr. HUMPHREY, proposes an amendment numbered 2525.

Add the following to title V (General Provisions):

SEC. . Funds appropriated by this Act may not be made available, directly or through any programs funded under the heading, International Organizations and Programs, for assistance to be provided inside Afghanistan if that assistance would be provided through the Soviet-backed Government of Afghanistan.

Mr. KASTEN. Mr. President, this amendment has been agreed to by both sides. In effect, it ensures that United States assistance to the Afghan freedom fighters under this bill will not in any way be channeled through or be used by the Soviet-controlled regime in Afghanistan.

Mr. GRASSLEY. Mr. President, this amendment is being offered to the fiscal year 1989 foreign operations bill to ensure that United States assistance to the Afghan freedom fighters under this bill will not, in any way, be channeled through or used by the Soviet-controlled regime in Kabul. The amendment merely prevents American assistance under this bill from either directly or indirectly going through the Afghan Government. Instead, assistance will go directly to the Afghan people or through neutral third parties.

Mr. President, the Afghan peace accords are now in place, and the Soviets are in the apparent process of withdrawing their troops from Afghanistan. It is, therefore, imperative that we assist the Afghan people in the peaceful reconstruction of their war-torn country. It is equally imperative that we assist in this reconstruction without lending any legitimacy or credibility to the illigitimate Afghan Government. Our economic assistance must not be allowed to fall under the control of the Najibullah regime where it would undoubtedly be used as a political weapon against the Afghan resistance.

This amendment conforms with the State Department's present policy of opposing either direct or indirect aid flowing through the Afghan Government. In recent testimony before Congress, Deputy Assistant Secretary of State, Robert Peck, underscored the Department's view that:

> Aid should be provided directly to the returning refugees, and that it not be channeled through the Kabul regime authorities who have no capability to deliver services in the countryside and who could be expected to exploit such aid for political purposes.

However, notwithstanding current administration policy, the possibility of indirect United States assistance reaching the Afghan Government through international organizations does exist under the current language of the bill. It is, therefore, important to make the record clear as to how American assistance can be legally dispensed.

I urge my colleagues to join me in supporting this amendment that will ensure direct relief to the Afghan people as we assist them in the rebuilding of their nation.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2525) was agreed to.

Mr. KASTEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. INOUYE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. INOUYE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2526

Mr. KASTEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the amendment will be in order at this time.

The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Wisconsin [Mr. KASTEN] proposes an amendment numbered 2526.

Mr. KASTEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add the following section:

SEC. . In the administration of programs for which partial or full responsibility lies with the Agency for International Development, any requirement for waterborne export from Great Lakes ports shall be construed to be a requirement that such export be through the St. Lawrence Seaway system.

Mr. KASTEN. Mr. President, the purpose of this amendment is to correct an absurd interpretation by the administration of the amendments to the 1936 Merchant Marine Act relative to the so-called Great Lakes Set-Aside Program.

The amendments to the 1936 Merchant Marine Act require that about 250,000 of Public Law 480 title II cargoes destined for developing countries must be shipped through Great Lakes ports every year. This requirement was a concession to those of us concerned about possible reduction of shipping business in the Great Lakes ports as a result of raising the U.S.-flag allotment of Public Law 480 shipments from 50 to 75 percent. As those who are familiar with this issue know, no U.S.-flag lines serve the Great Lakes. I offer this amendment because the Agency for International Development, together with the Department of Agriculture and the U.S. Maritime Administration, have counted an inland waterway shipment against the Great Lakes allotment, contrary to anyone's understanding of the Great Lakes set-aside.

The purpose of my amendment, which is aimed at the Agency for International Development, is to clarify the obvious intent of the amendments to the 1936 act. That is, the set-aside should be for oceangoing vessels which pass through the St. Lawrence Seaway system. Any argument based on the fact that barges going inland were not mentioned in the law makes about as much sense as declaring that we can count west coast shipments against this set-aside because west coast shipments are not mentioned in the law.

The point is, they are violating the agreements that were reached in previous legislation. My amendment would simply deal with that problem.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I appreciate and sympathize with the concern expressed by my dear friend from Wisconsin. However, I would like to point out to my colleagues that this matter was discussed in 1985 and in December of that year, as a result, the Food Security Act was passed by the Congress. This Food Security Act was a compromise between agricultural and maritime interests.

I would like to suggest to my colleague that this matter be withdrawn. I will give my assurance as a member of the Merchant Marine Subcommittee of the Commerce Committee I will call upon my colleagues of that committee to look into this matter and, if necessary, conduct investigations and hearings and will do so immediately. I can assure my colleague that I will not wait on this because I can understand his concern for his constituents.

The intent that he cited may be correct and I, for one, will personally call upon the Department of Agriculture to see if something is wrong.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KASTEN. Mr. President, the point that we are trying to make here is that the Great Lakes set-aside was intended to provide business for oceangoing vessels passing through the Saint Lawrence Seaway system, using Great Lakes ports such as Duluth, Superior, Milwaukee, Chicago, et cetera. The vessels being used to ship the cargo in question did not even touch Great Lakes water, and yet they are working their way around this basic system that we established. The Senator is correct. I believe that the most recent shipments are in direct violation of the important compromise we worked out in 1985.

With the assurance of the Senator from Hawaii that we will work in the Merchant Marine Subcommittee and other places, I at this point will withdraw the amendment.

Mr. SIMON. Will my colleague yield? I simply want to thank the Senator from Wisconsin for withdrawing the amendment. As you know, my colleague, Senator DIXON, and I are very much interested in this. We think the present law is a good compromise. We are willing to sit down and work with you and with Senator INOUYE and anyone else to see that if there are inequities that they be worked out. But right now we think this is a good thing for the Great Lakes. We think it is a good thing for farmers in Wisconsin and Illinois and elsewhere and I appreciate the Senator withdrawing the amendment.

Mr. DIXON. Mr. President, I rise to state my opposition to the amendment which was proposed by my friend from Wisconsin, Senator KASTEN, because of the negative impact it would have had. I do so, with some regret, because I believe it is important that every one of us Great Lakes Senators stick together on Great Lakes issues. However, the Senator's amendment forces this Senator to stand up for the Port of Chicago, a proud member of the International Association of Great Lakes Ports.

Senator KASTEN's amendment essentially would have prohibited the Port of Chicago from using its unique geographic advantage to win Public Law 480 title II cargo. Public Law 480 title II cargo is essentially "food for peace" or famine relief cargo. The Department of Agriculture and the Maritime Administration have been awarding shipments of this cargo to the Port of Chicago because it allows them to both: First, meet the requirements of the 75-percent cargo preference law and second, to meet the requirements of the Great Lakes set-aside.

I am intimately familiar with both of these provisions. I happened to be one of the set-aside's authors and also one of the 75-percent cargo preference's main opponents when both of these provisions were adopted during the debate over the 1985 farm bill. During that debate I talked at length in order to preserve what I viewed as the Great Lakes fair share of title II cargo. My primary concern was that every Great Lakes port would still have the opportunity to compete for this type of cargo.

Until this last year, my State's port, the Port of Chicago, received no title II cargo. In fact, the prime beneficiary of this law, designed to help every Great Lakes port, was the Port of Milwaukee. During the first 2 years of the set-aside, the Port of Milwaukee won 200,000 tons or 80 percent of the rough total of 250,000 tons of cargo included in the Great Lakes set-aside.

Now, due to the Port of Chicago's advantageous geographic situation, they are finally getting a good portion of the set-aside. So far this year, they have won over 60,000 tons of title II cargo. Surprisingly enough, other Great Lakes ports are also receiving good sized shares of this cargo. So far, Milwaukee has won close to 38,000 tons, Duluth has been awarded 24,000 tons and Green Bay has been awarded 19,000 tons. Even if Chicago doubles its awards so far (to 120,000 tons), its total amount will still be over a third less than the average amount awarded to Milwaukee in each of the past 2 years (200,000 per year). According to these numbers, it appears that the distribution of title II cargo is more equitable this year than in past years.

My distinguished colleague from Wisconsin claimed that the loading of barge's from Chicago violates the intent of the Great Lakes set-aside. He further claimed that the intent of the set-aside was for cargo to pass through the St. Lawrence Seaway system. As I said before, I helped write the set-aside, and I do not remember this being our intent. Granted, I did not forsee the use of barges, but I am sure that the only intent of our efforts was to ensure that Great Lakes ports continue to have a shot at title II cargo.

Great Lakes ports are continuing to benefit from this set-aside. The Port of Chicago is, as I said before, a distinguished member of the Great Lakes family. The only change with awarding cargo to Chicago to barge down the river is to allow different Great Lakes ports, besides Milwaukee, to move title II cargo.

Interestingly enough, using barge traffic to meet the set-aside is not a new practice. In 1987, Milwaukee, in cooperation with Waterman, moved several tons of Public Law 480 title II cargo in the same manner Chicago is now using. The Wisconsin delegation, in that situation, encouraged the Department of Agriculture and the Maritime Administration to count this shipment against the set-aside and cargo preference, and what is happening in Chicago now is no different than what was going on in Milwaukee then.

On May 26, 1988, the International Association of Great Lakes Ports—of which Chicago is a member—wrote me a letter protesting moving the cargo by barge from Chicago. They claimed that, "over 39,000 metric tons have been stolen by a joint USDA-MARAD decision to count Calumet River traffic as part of the Great Lakes set-aside." Further, the port director of Milwaukee claimed in a recent newsletter that the "Western Great Lakes port interests and longshoremen are losing work and revenue, an estimated 58,000 man hours and $7.5 million in economic impact" due to the USDA's and MARAD's policy. Apparently, deducing from the above information, the International Association of Great Lakes Ports and Milwaukee fail to understand that the Port of Chicago is indeed a Great Lakes Port. The supposed "stolen" tons and man hours are not leaving the lakes system but are instead helping the Port of Chicago—a genuine Great Lakes port—to prosper.

So, far the Public Law 480 cargo moved out of Chicago has provided 15,500 man hours for Chicago and could result in $2,000,000 in wages by the end of the year. These numbers do not include revenues resulting from additional support services required to move the cargo onto the barges.

Mr. President, I would like to preserve the Port of Chicago's ability to compete for title II cargo. I believe they are well within the intent of the Great Lakes set-aside. I look forward to working with all the Senators from the Great Lakes to find more cargo for our ports, not fighting amongst ourselves for what little cargo we now have.

Mr. KASTEN. I look forward to working with both you and Senator DIXON because I think all of us have an interest in Great Lakes ports and shipping. I look forward to working with you.

The PRESIDING OFFICER. The Senator has a right to withdraw the amendment and the amendment is withdrawn.

The Senator from Illinois.

Mr. SIMON. Mr. President, I have just a few words about the pending legislation and then I have one amendment that I think is agreed to by both sides.

First, I simply want to commend both the Senator from Hawaii and the Senator from Wisconsin and their subcommittee for an excellent piece of work; a few quick comments. I, at one point heard that Lebanon was going to be eliminated. I am pleased that it is still there. That strife-torn area needs every bit of help that can sensibly be given and I am pleased that the help is there.

Second, one of the things that I have talked to the previous AID administrator about, and I do not have an amendment here because I do not know precisely where we should go, but the whole question of greater research on how we find an inexpensive way of converting saltwater to fresh water is ultimately a question of great importance to much of the world: To the Middle East, to Africa, to many other areas. And I hope AID will provide assistance in that area.

I chair the African Subcommittee and I note the House report suggests that AID explore prospects for setting up a nonprofit foundation for scholarships for blacks in South Africa. I would simply urge that if there is a joint conference that that include the State Department. The State Department is willing to move in that direction.

Mr. President, the purpose of our aid program in South Africa is to provide assistance to the victims or apartheid. One of the key elements of that program is scholarships for study at universities in the United States and South Africa. Although a majority of the South African population, blacks hold only 4 percent of professional jobs and 35 percent of skilled labor jobs in South Africa. Fewer than 10,000 blacks hold college degrees as compared to 250,000 whites. Clearly, blacks can use our assistance. Through the scholarship programs, the United States can help to redress the uneven balance between educational opportunities for whites and blacks in South Africa and also contribute to the development of future South African leaders.

AID receives some 4,000 inquiries annually about the external scholarship program which brings South Africans to the United States. Yet, at the current program level of $5 million, AID is only able to provide 120 scholarships. Interest in the internal bursaries program which funds study in South Africa is even greater—some 50,000 inquiries annually. At the fiscal year 1988 level of $5.6 million, AID has been able to fund only 350 students.

The administration has requested $10.8 million for the scholarship programs in fiscal year 1989, of which $5.8 million will be for the external program and $5 million for the internal. This is only a $0.2 million increase over last year. Given the importance of these programs and the substantial interest in them, I believe that we should make every effort to provide an additional $4.2 million for these programs to achieve a total of $15 million. This is a small increase in funding but it could go a long way to enhance our efforts and strengthen our positive presence in South Africa.

I would like to ask the distinguished manager of the bill whether he would support such a proposal and whether he thinks that this could be achieved in conference?

Mr. INOUYE. I agree with the Senator from Illinois that the scholarship programs are critical to our efforts to assist disadvantaged South Africans and am sympathetic to his proposal. Since the House has earmarked $20 million for scholarships, I think that we might well be able to reach a $15 million level in conference.

Mr. SIMON. As chairman of the African Affairs Subcommittee of the Foreign Relations Committee, I am keenly aware of the desperate need of all the sub-Saharan African countries for assistance. It is my hope that the additional $4.2 million for the scholarship programs would be taken from other accounts, perhaps FMS or ESF, and not from the development fund for Africa. What is the manager's view on this point?

Mr. INOUYE. I appreciate the Senator's concern about the development needs of sub-Saharan Africa. I assure the Senator that if it is possible to provide the additional scholarship money from other accounts, we will make an effort to do so.

Mr. SIMON. I thank the manager for his support and interest. I believe that we must continue to do all that we can to increase our educational efforts for the victims of apartheid. In this regard, I urge AID and the State Department to solicit private sector support as well. Such support could be channeled through a nonprofit foundation. In my view, this would enhance our program and help to establish more links between the black majority in South Africa and the American people.

Here I would just add, Mr. President, AID receives about 50,000 inquiries annually for scholarships within South Africa. Of the 50,000 inquiries, we can give 350 scholarships. We receive 4,000 inquiries about external scholarships, primarily to the United States. We can give 120 of those.

I hope we can do much, much better.

AMENDMENT NO. 2527

Mr. SIMON. Finally, Mr. President, I do have an amendment that I think is a clarifying amendment. It simply inserts one word. I believe it is acceptable to both sides and I send that amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. SIMON] proposes an amendment numbered 2527.

Mr. SIMON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 91, line 14, between the words "are" and "restored", insert the word "being".

Mr. SIMON. Mr. President, the amendment simply gives the President a little greater flexibility on the Panama situation which all of us recognize is a first-class mess right now. I believe it is acceptable to both sides.

Mr. INOUYE. It is acceptable to both sides.

The PRESIDING OFFICER. Is there any further debate on this amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2527) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KASTEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KASTEN. I believe the Senator from New Hampshire has an amendment so I would ask unanimous consent to temporarily lay aside the Helms amendment on Costa Rica. I ask that amendment be temporarily laid aside and the Senator from New Hampshire be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, is the first-degree amendment now the regular order?

The PRESIDING OFFICER. The first-degree amendment is now the regular order.

Mr. BYRD. Would the Senator yield for a request without losing his right to the floor?

Mr. HUMPHREY. Yes.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that the Interior appropriations bill, H.R. 4867, be laid before the Senate following the action on the HUD appropriations bill and prior to the action on H.R. 4781.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank the distinguished Republican leader and I thank the distinguished Senator for yielding.

AMENDMENT NO. 2528

(Purpose: To require that nations receiving loans from the International Bank for Reconstruction and Development financed, in part, by U.S. taxpayer dollars are not treated more favorably than the American farmer)

Mr. HUMPHREY. Mr. President, the amendment I am offering is an amendment to the pending amendment which is the first committee amendment. I send it to the desk and ask for its immediate consideration. Copies are being delivered to both managers.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from New Hampshire [Mr. HUMPHREY] proposes an amendment numbered 2528.

The amendment is as follows:

On page 4, line 14, strike the period and insert in lieu thereof the following: *"Provided further,* That none of the funds shall be made available until the policies of the International Bank for Reconstruction and Development with respect to the extension of loans are revised to incorporate rates of interest, periods of duration, rules with respect to the establishment of collateral, terms of repayment, and other relevant terms which are no more favorable than those which are available, on the average, to the American family farmer.".

Mr. HUMPHREY. Mr. President, the first committee amendment appears on page 4 of the House bill, and I invite my colleagues, both on the floor and in their offices, to examine that amendment.

The committee amendment would appropriate nearly $71 million as the U.S. share of an increase in the World Bank capital stock. The $71 million appropriation of fiscal year 1989 will go into the capital stock of the World Bank; the International Bank for Reconstruction and Development, to use its proper name.

The $71 million is no small piece of change. It is not often that we get to vote on the wisdom of appropriating money for the various branches of the World Bank. It happens that Congress appropriates money every year, pretty substantial amounts, to the World Bank, but we rarely get to vote on it. At least in recent years we have rarely had opportunity to vote on the wisdom of such appropriations because the appropriations, like so many others, have been buried deep within massive continuing resolutions.

As a consequence, it has been a number of years since we had an expression by the Senate of its opinion of these appropriations and wisdom of these appropriations. I propose to give the Senate an opportunity today to vote on the wisdom of this appropriation.

I want to read from a Heritage Foundation Backgrounder, some material that will refresh the memory of Senators on the various operations of the World Bank, some of which are highly questionable.

Originally, I was tempted to zero out this appropriation, but instead have chosen to condition the appropriation on changes in policies at the International Bank for Reconstruction and Development with respect to the terms, rates of interest, periods of duration, and so on, until such time as they are no more favorable than those which are available on average to the American family farmer.

I think the political point is clear. If we are going to be passing out money to a multilateral bank in which, frankly, we have a very small voice—and I will comment further on that point in a few minutes—if we are going to be making grants of funds to a multilateral bank in which we have a very small voice and which bank then extends loans to questionable countries, questionable creditors under questionable circumstances and questionable conditions, then I think we ought to think twice about the appearance this gives.

On the one hand, we have domestic American borrowers who are having a difficult time, only one of which is the American farmer, and I have chosen that, frankly, for political reasons.

We ought to think twice about appropriating these large sums of money to the World Bank which then in turn makes very favorable and easy loans to countries whose ability to spend the money prudently is highly questionable.

So that is why I have chosen the language that I have offered. I think it is a good opportunity for the Senate to reexamine this whole issue of appropriating money year after year to the World Bank.

This appropriation in committee amendment, nearly $71 million, is the U.S. contribution to the World Bank's $75 billion general capital increase. This capital increase will nearly double the size of the World Bank.

As I said a moment ago, the United States has really very little say in the terms of these loans or the recipients of the loans made by the World Bank once we send our money off to the World Bank. As a result of this, down through the years, Congress, through explicit legislation, has directed that the U.S. Executive Director of the World Bank and other multiliateral development banks, for that matter, oppose loans, for example, to foreign industries that compete directly with U.S. enterprises or to countries that abuse the human rights of their citizens.

Yet reading from the Heritage Backgrounder, all of Congress' efforts have failed to stop such lending. The most recent 5 years for which data have been available, Mr. President, U.S. fiscal years 1983 through 1987, all 73 loans are World Bank loans which the United States has opposed either through abstention or voting no. All 73, nonetheless, were approved by the bank.

So we are batting zero in the past 5 years on all of these loans the United States has opposed. All of them have been extended over our abstention or our veto.

These loans, which are contrary to U.S. interests, totals over $5 billion in World Bank commitments. Of this, the U.S. share is approximately $1 billion.

To go back to the previous 5-year period, in 1978 to 1982, another 74 loans were approved over U.S. opposition.

Just readng the highlights from the Heritage Foundation Backgrounder, World Bank loans and policies they supported promoted mainly wasteful, money-losing public works projects irresponsible of least-developed countries' spending policies and a trillion dollar debt crisis in the Third World.

Most Bank funds support government projects and enterprises. Loans have gone, for example, to a Peruvian Government gold mine; a Mexican state steel sector; the Hungarian Government's railroad; the Indian Government's coal mines; petroleum finance for the Government of Yugoslavia; and funds for rural collectives in the People's Republic of China.

How many of those loans would Senators have made if we were passing judgment on it? I think the answer is obvious, and the answer is zero.

That points up the problem. When we lend our scarce resources through these multilateral banks, we lose control over the lending process. We lose credit, for one thing. We do not get much gratitude from these countries when they get our money through multilateral sources. We get zero gratitude, in fact.

Even worse than that, we lose control over the purposes to which these funds will be applied. As a consequence, many of the funds go to finance wasteful, statist government policies and industries and, in truth, a great deal of the money is wasted.

So if the case can be made that we ought to be lending moneys to these least-developed countries, then we ought to be doing it bilaterally. The case can be made we ought to lend money for this purpose or that, and I can see such a case can be made. If the case can be made in certain instances, then we ought to do it bilaterally where we have some control, where we can exercise some judgment, where we can exercise a prudent stewardship of the tax funds of the American people, and where we can exercise some discretion about the purposes to which these funds will be put and where we can exercise some leverage to ensure that countries we help in this respect show a decent respect for human rights within those countries.

But we cannot do that, and we do not do that. We have failed miserably to do these things, and we will continue to fail miserable to do these things as long as we continue to pour hundreds of millions of dollars annually into the World Bank and other multilateral lending institutions, over which we have no practical control.

It is true with respect to the World Bank that we have a veto over changes in that organization's charter, but that is a big difference over having any real say in how the funds are lent once they leave the U.S. Treasury. We have no say. We can object, we can abstain, and in every case for the last 10 years, the World Bank, the IBRD, has overridden out objections and extended loans over our protest.

Reading further from this excellent Heritage Foundation Background which will be worthwhile reading for any Member of Congress, may I say, "Many Third World and all East bloc countries abuse the human rights of their citizens as a matter of national policy. As a means to uphold the principles of justice for which the United States stands, Congress in 1977 mandated that the U.S. Executive Director at the World Bank as well as U.S. representatives in other multilateral development banks oppose loans to countries that violate human rights." That was the Harkin amendment to the International Financial Institutions Act of 1977. "And yet notwithstanding that and other similar efforts by the Congress, numerous World Bank loans approved over U.S. opposition provide considerable assistance to regimes with notorious records of human rights violations."

Do Senators want to appropriate money to nations with notorious human rights records? Of course not. And we would not do it on a bilateral basis, but as soon as we engage in laundering money, if you will, through these multilateral banks, we lose all control. The upshot is that many of the funds—even $1 would be too much—end up in the treasuries of nations and governments and regimes with notorious records of human rights violations.

"For example, the Marxist military government of the Ethiopian leader Mengistu Haile-Mariam has received over $600 million in loans from the Bank since 1979. During that period over 4 million villagers were uprooted forcibly from their rural homes in Eastern Ethiopia and relocated on collective farms. The Government intends to have relocated nearly all of Ethiopia's 30 million rural dwellers by the mid-1990's. Very often, as we know from extensive news reporting, "villagers resist the move and this is met with violence, beatings, rapes and death. Still another Mengistu program, this one launched in 1984, has forcibly resettled 600,000 Northern Ethiopians in the South. The French relief organization, Doctors Without Borders, estimates that 100,000 Ethiopians died during this forced resettlement." One hundred thousand. "Notwithstanding this horrible human rights record, last January the World Bank approved another $70 million for Ethiopia over United States objections."

Would we have lent $70 million of our own money to Ethiopia? No, we would not lend that criminal 70 cents and every Senator knows it, but as soon as we begin to turn on the faucet to the World Bank and we lose control, as we do, the money incredibly ends up filling the coffers of regimes such as that in Ethiopia.

"In Syria, President Hafiz al-Assad's February 1982 massacre of 20,000 members of the banned Muslim Brotherhood in Hama was followed 2 months later by a $22 million rural bank loan.

"Uganda in 1985 received two World Bank loans worth $34 million despite the large-scale human rights violations under President Milton Obote. An Amnesty International report released that year charged that the Ugandan Government security forces had been involved in mass detentions, routine torture, widespread abductions, and frequent killings of prisoners."

And yet the dollars sent into the Treasury by American taxpayers through the appropriations process of the Congress, often hidden in recent years in massive continuing resolutions flows into the World Bank and then out the other door to regimes like that in Ethiopia and in Syria and in Uganda, and in Chile, may I point out, which will raise concern among some of my liberal brethren.

Not only has Congress tried and failed to halt the flow of U.S. funds to countries which violate human rights, such funds flowing through the World Bank, Congress has also tried and failed to mandate that the U.S. Executive Director at the World Bank and other multilateral development banks oppose loans that are inimical to the economic interests of this country, to oppose World Bank loans that, for example, involve the "production of any commodity for export if the commodity is in surplus on world markets and the aid will cause substantial injury to U.S. producers of the same, similar or competing commodities." This is often referred to as the Obey amendment in honor of our colleague in the House who introduced that amendment in 1979.

And yet notwithstanding that amendment and those instructions to our representative and his votes against such loans, the loans are approved. For example, Brazil received $155 million in April of 1986 for expanded soybean production. American soybean farmers no doubt will be interested in the statistic and interested to learn that some part of that $155 million came from American taxpayers, including farmers themselves. Likewise, in the same month Zaire received $110 million for its copper industry. Is there a mining industry in this country that is more depressed than the American copper industry today? It is certainly one of the most depressed and has been for a very long time. And yet American dollars appropriated by Congress to the World Bank are flowing out to countries like Zaire for the purpose of expanding the production of copper.

And there have been a number of other efforts on the part of Congress to require the U.S. Director at the World Bank to oppose World Bank loans for a variety of other reasons. Loans are to be opposed to countries that "provide refuge to individuals committing acts of international aircraft hijacking" or countries that "expropriate investments owned by U.S. citizens, repudiate contracts with U.S. citizens" or countries that have "failed, in the view of the President, to take adequate steps to prevent the illegal sale of narcotics or other controlled substances to U.S. Government personnel stationed in that country or to prevent the illegal supply of such drugs from that country into the United States. Yet Ethiopia," as an example, "despite repeated expropriation of property, continues to receive loans. In addition, Syria has received over $145 million in World Bank funds and South Yemen over $130 million since the State Department in 1979 listed those countries as supporting terrorism."

"Congressional requirements that the U.S. vote against proposed World Bank loans that harm U.S. economic, political, or ethical interests have yielded nothing. Every U.S. opposed loan since 1977 has been approved by the World Bank"—every loan, every loan that we have opposed since 1977 has nonetheless been approved by the World Bank—"annually sending hundreds of millions of dollars in scarce resources to governments that abuse human rights, export terrorism, and pursue accelerated production of commodities already in world oversupply. In addition, billions of dollars in U.S.-supported World Bank loans annually flood the treasuries of developing countries either to finance or bail out countless state-run enterprises that private capital for good reason, for good reason, would not touch.

Mr. President, this excellent background provided by the Heritage Foundation dated May 23, 1988, also contains a complete list, I believe, of loans approved by the World Bank over U.S. objections between the years 1983 and 1987, the latest period for which this information is available.

The date of the loan, the borrower, the amount of the loan, the project for which the loan was approved, the U.S. vote, and the reason for the U.S. vote are all listed in the table.

I ask unanimous consent that the complete text of this background, including the table, be included in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit No. 1.)

Mr. HUMPHREY. Mr. President, that $71 billion appropriation contained in the committee amendment is but the first of six installments. This is not a one-shot deal. We are expected to repeat this in the next 5 years as well to increase the lending capital of the World Bank.

Well, I say let others increase the lending capital of the World Bank. If there are worthy projects which it is in the interest of the United States to fund—no doubt there are such—then let us fund them directly, bilaterally, country to country. Let us cut out the middle man not only because the middle man takes an administrative cut. That is the least of our problems. But because the middle man is a very imprudent banker, he makes bad loans to bad countries for bad projects for bad reasons.

When he makes these loans, he is making them with the help of the American taxpayer. He is, indeed, lending out the dollars sent by taxpayers to the Treasury which they have a right to spend prudently and with some control. But we have no control when we pass it on through this middle man. We have zero control as borne out by the fact that every time we have objected to a loan, that has nonetheless been extended over our objection.

It would not be a bad amendment just to reduce this to zero. That was my original intention, but I think it becomes a little bit more politically attractive to offer an amendment that says, well, let us only continue to make these kinds of appropriations, where in this case let us appropriate this money in the committee amendment only if the policies of the World Bank are changed such that the extension of the loans are revised to incorporate rates of interest, periods of duration, that is the term of the loan, rules with respect to the establishment of the collateral, terms of repayment, and other relevant terms which are no more favorable than those which are available on average to the American family farmer. That seems like a fair proposition.

What is good for the American farmers, the American businesses, is good enough for the rest of the world wherever U.S. money is involved. That seems like a fair proposition. That is the proposition which I have laid before the Senate in the form of this amendment pending to the first committee amendment.

I thank the Chair.

EXHIBIT 1

WORLD BANK SNOOKERS U.S. CONGRESS, AGAIN

INTRODUCTION

This year Congress is being asked by the Reagan Administration to approve an extra $14 billion in cash and guarantees for the World Bank. This would be the United States' contribution to the World Bank's $74.8 billion "general capital increase." This increase would nearly double the size of the Bank.[1] Congress has good reason to view unfavorably this gargantuan increase in the Bank's size. As it is, Congress already is very concerned about the failure of World Bank lending to promote economic growth in less developed countries (LDCs). In addition, Congress has questioned whether World Bank lending serves other U.S. economic, political, and ethical interests. As a result, Congress, through explicit legislation, has directed the U.S. executive director at the World Bank and other multilateral development banks to oppose loans, for example, to foreign industries that compete directly with U.S. enterprises or to countries that abuse the human rights of their citizens.[2] Yet all of Congress' efforts have failed to stop such lending.

Ignoring U.S. views

In the most recent five years for which data have been assembled—U.S. fiscal years 1983-1987—all 73 loans of the World Bank Group which the U.S. has opposed, through either abstention or voting "no," nonetheless were approved by the Bank (see table). These loans, which are contrary to U.S. interests, total over $5 billion in World Bank commitments; of this, the U.S. share is approximately $1 billion. Similarly, in the 1978 to 1982 period, another 74 loans were approved over U.S. opposition. Countless other loans that the U.S. did support with its vote, moreover, have been contrary to sustainable economic development and private sector growth in the Third World.

U.S. Treasury officials argue that more money for the World Bank serves U.S. interests since America's influence at the Bank is substantial. The evidence contradicts this. Were this true, one would expect that at least a few loans opposed by the U.S. would have been blocked. Instead, the World Bank consistently opposes U.S. interests as legislated by Congress. Until it can remedy this situation, Congress should question the wisdom of giving $14 billion more in U.S. taxpayer funds and commitments to the World Bank.

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[1] Current capital stock of the 44-year old International Bank for Reconstruction and Development (IBRD) totals $96 billion. The capital increase would boost subscribed capital to $171 billion. The general capital increase is for the IBRD, the main body in the "World Bank" Group. The International Development Association (IDA) and the International Finance Corporation (IFC) affiliates are funded separately.

[2] In addition, the U.S. executive director also frequently opposes loans out of concerns Congress has not explicitly targeted, such as the potential displacement of foreign private capital or the inappropriate macro-economic policies of the recipient.

A RECORD OF ECONOMIC FAILURES

The World Bank was established in 1944 as a lender of last resort for the reconstruction of Europe after World War II. In the 1960s and 1970s, the Bank turned increasingly to LDCs in Latin America, Africa and Asia. Bank officials maintained that providing these governments with massive transfers of wealth from the industrial Western countries would produce economic growth and prosperity. In fact, World Bank loans and the policies that they supported promoted mainly wasteful, money-losing public works projects, irresponsible LDC spending policies, and a trillion-dollar debt crisis in the Third World.

Congress understandably has been concerned about the World Bank's failed policies. The Chairman of the House of Representatives Banking Subcommittee on International Development Institutions and Finance, Walter E. Fauntroy, the District of Columbia Democrat, recently observed of the Bank's policy loans that "the track record has not been brilliant thus far and the Bank has been constrained to offer various explanations as to why so many of its adjustment programs have failed."[3] A good part of this explanation lies in the fact that most Bank funds support government projects and enterprises. This is true even of the new and presumably reformist "policy-based" loans that are supposed top be made only if recipient countries alter their economic policies.

Typical bank loans have gone to a Peruvian government gold mine, the Mexican state steel sector, the Hungarian government's railroad, the Indian government's coal mines, petroleum finance for the government of Yugoslavia, and funds for rural collectives in the People's Republic of China.

SUBSIDIES FOR HUMAN RIGHTS ABUSERS

Many Third World and all East bloc countries abuse the human rights of their citizens as a matter of national policy. As a means to uphold the principles of justice for which the U.S. stands, Congress in 1977 mandated that the U.S. executive director at the World Bank, as well as U.S. representatives at the other multilateral developmental banks, oppose loans to countries that violate human rights.[4] Yet numerous World Bank loans, approved over U.S. opposition, provide considerable assistance to regimes with notorious records of human rights violations. Example: the Marxist military government of Ethiopian dictator Mengistu Haile Mariam has received over $600 million in loans from the Bank since 1979. During that period, over 4 million villagers were uprooted forcibly from their rural homes in eastern Ethiopia and relocated on collective farms.[5] The government intends to have relocated nearly all of Ethiopia's 30 million rural dwellers by the mid-1990s. Very often villagers resist the move, and this is met with violence, beatings, rapes, and death.

Falling Teff output.

Still another Mengistu program—this one launched in 1984—has forcibly resettled 600,000 northern Ethiopians in the south. The French relief organization, Doctors Without Borders, estimates that 100,000 Ethiopians died during resettlement.[6] After an international outcry, the program was suspended during 1986 and 1987. But Mengistu restarted the program last December and intends to resettle another 300,000 people in 1988. Last January, the World Bank approved another $70 million for Ethiopia, over U.S. objections.

Aside from their brutality, Mengistu's programs also have been an economic disaster. Production of teff, Ethiopia's main food grain, fell by 60 percent between 1975 and 1982, while reserves that might have forestalled famine evaporated.[7] Some three million residents of Eritrea and Tigre provinces now face starvation for the second time in four years.

Loans for Laos, Syria, Uganda.

Similarly, in Laos, the government received a $15 million World Bank loan in 1981, despite its detention of thousands of political prisoners in "re-education" camps, where many have starved or been executed for trying to escape.[8]

In Syria, President Hafez al-Assad's February 1982 massacre of 20,000 members of the banned Muslim Brotherhood in Hama was followed two months later by a $22 million World Bank loan.

Uganda in 1985 received two World Bank loans worth $34 million despite the large-scale human rights violations under President A. Milton Obote. An Amnesty International report released that year charged that Ugandan government security forces had been involved in mass detentions, routine torture, widespread abductions, and frequent killings of prisoners.[9]

FINANCING SURPLUS COMMODITIES

While free trade and international competition help all countries, government subsidies to particular industries or sectors create economic distortions and unfairly harm more competitive enterprises, including American businesses. For this reason, Congress mandates that the U.S. executive director at the World Bank and other multilateral development banks oppose loans for:

Production of any commodity for export if the commodity is in surplus on world markets and the aid will cause substantial injury to U.S. producers of the same, similar, or competing commodities (often referred to as the "Obey amendment");[10]

Establishing or expanding production for export of palm oil, sugar, or citrus crops if the loans will injure U.S. producers of the same, similar, or competing agricultural commodities;[11]

Production of any copper commodity for export or for the expansion or improvement of any copper mining, smelting, or refining capacity.[12]

Yet World Bank funds have gone for these purposes. Example: Brazil received $155 million in April 1986 for expanded soybean production. Example: in the same month, Zaire received $110 million for its copper industry.

POLITICAL GROUNDS FOR OPPOSITION

Congress requires the U.S. executive director to oppose World Bank loans for a variety of other reasons. Loans are to be opposed to countries that:

Provide refuge to individuals committing acts of international aircraft hijacking;[13]

Expropriate investments owned by U.S. citizens, repudiate contracts with U.S. citizens or impose discriminatory taxes which have a similar confiscatory effect, unless arrangements for prompt, adequate, and effective compensation have been made or good faith negotiations are underway;[14]

Failed, in the view of the President, to take adequate steps to prevent the illegal sale of narcotics or other controlled substances to U.S. government personnel stationed in that country or to prevent the illegal entry of such drugs from that country into the U.S.[15]

Yet Ethiopia, despite repeated expropriation of property, continues to receive loans. In addition, Syria has received over $145 million in Bank funds and South Yemen over $130 million since the State Department in 1979 listed them as supporting terrorism.

SEEKING EFFECTIVE LEGISLATION

Senator Robert W. Kasten, the Wisconsin Republican, has sponsored recent legislation which requires that the Agency for International Development enhance its "early warning system" to anticipate the potential environmental impact of World Bank and other multilateral development bank (MDB) loans well in advance of their approval. When adverse environmental impact is found likely, the U.S. executive director at the appropriate MDB is to seek project changes to eliminate the problem.[16] This legislation attempts to head off environmentally destructive projects, rather than specifying grounds for U.S. opposition at the time of votes on proposed loans.

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[3] Opening statement at the House Banking subcommittee's May 4, 1988 hearing on "A General Capital Increase for the World Bank: Policy Based Lending and the World Bank."

[4] International Financial Institutions Act of 1977, sec. 701(a) and (e) ("Harkin amendment").

[5] According to Karl Zinsmeister, a specialist on Sub-Saharan Africa and adjunct research associate at the American Enterprise Institute: "In a typical operation, government troops arrive in an agricultural hamlet, arrest the traditional chiefs, requisition all private property (crops, livestock, tools), then force the locals to break down their huts. They are then force-marched, carrying pieces of their houses on their backs, to a new central location * * * [which] often lacks adequate water supplies and is usually far removed from old fields. Much previously cultivated land is neglected and abandoned as a result * * * The old sites are bulldozed." See "All the Hungry People," Reason, June 1988, p. 25.

[6] Cited in ibid.

[7] Ibid.

[8] Reportedly, 20 camps held 15,000 prisoners in 1980. See "Country Reports on Human Rights Practices for 1983," report submitted by the U.S. Department of State to the House Foreign Affairs Committee and the Senate Foreign Relations Committee, February 1984, p. 827.

[9] See "Country Reports on Human Rights Practices for 1985," pp. 358-361.

[10] Foreign Assistance Appropriation Act of 1979, secs. 609-610, introduced by Representative David R. Obey, the Wisconsin Democrat.

[11] International Financial Institutions Act of 1977, sec. 901(a), introduced by Representative Dawson Mathis, the Georgia Democrat.

[12] Supplemental Appropriations Act, 1985, sec. 501 and 502(c), introduced by Senator Jake Garn, the Utah Republican.

[13] International Financial Institutions Act of 1977, sec. 701(a) and (e), introduced by then Representative Tom Harkin, the Iowa Democrat.

[14] IDA III Act of 1972, adding sec. 12 to the 1960 IDA Act introduced by Representative Henry B. Gonzalez, the Texas Democrat; acceptance of a non-germaine amendment mandated application to the IBRD as well.

[15] IDA III Act of 1972, adding sec. 13 to the 1960 IDA Act, introduced by Representative Charles B. Rangel, the New York Democrat; acceptance of a non-germane amendment mandated application to the IBRD as well. (If the House now votes to reject Ronald Reagan's certification of Mexico, as the Senate did last April, it will have only a symbolic effect. Since all loans opposed by the U.S. at the World Bank are nevertheless approved, there is no reason to believe that Mexico will be penalized in any way as a result of this action.)

[16] Sec. 537 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, of 1988; as included in the fiscal 1988 omnibus spending bill and replicated in authorizing legislation as well.

Senator Steve Symms, the Idaho Republican, has attempted to bring some accountability to the World Bank and other MDBs with his Foreign Agricultural Investment Reform (FAIR) bill. Similar to—but stronger than—the 1979 Obey amendment, FAIR would require the U.S. executive director at all MDBs to oppose loans for the production of commodities that are already in world over-supply, otherwise economically unviable, or subsidized, as defined by the General Agreement on Tariffs and Trade (GATT). But if the World Bank or other MDB approves such assistance over U.S. opposition, the U.S. Treasury is to request a statement of policy from the MDB and may not agree to any capital increase or replenishment until this is forthcoming.[17]

FAIR also would mandate that U.S. paid-in contributions under any subsequent capital increase or replenishment for the World Bank or other MDBs would be that level to which the U.S. originally agreed minus a penalty for every commodity loan, as defined in the bill, approved over U.S. opposition.[18] There is a danger that the contribution requested from the U.S. would be inflated, anticipating such an automatic cut. Still, FAIR is an important attempt to hold the World Bank accountable. The bill passed the Senate four times in recent years, but has yet to pass the House.

CONCLUSION

Congressional requirements that the U.S. vote against proposed World Bank loans that harm U.S. economic, political, or ethical interests have yielded nothing. Every U.S.-opposed loan since 1977 has been approved by the World Bank, annually sending hundreds of millions of dollars in scarce resources to governments that abuse human rights, export terrorism, and pursue accelerated production of commodities already in world over-supply. In addition, billions of dollars in U.S.-supported World Bank loans annually flood the treasuries of developing countries either to finance or bail out countless state-run enterprises that private capital for good reason would not touch.

Using U.S. leverage.

Now the World Bank is coming hat-in-hand to Congress for $14 billion in new cash and guarantees to expand further its questionable activities. The only real leverage U.S. lawmakers seem to have over the Bank is to deny such new resources. In light of past congressional impotence to influence Bank policy, a denial of new funds seems to be the only way for Congress to reassert its authority.

MELANIE S. TAMMEN,
Research Associate.

U.S. NEGATIVE VOTES AND ABSTENTIONS IN THE WORLD BANK GROUP: 1983–87[1]

Institution[2]	Date	Borrower	Amount ($ millions)	Project	U.S. vote	Reason	Final disposition of loan
IBRD	October 1982	India	$165.5	Krishna-Godavari petroleum exp.	No	Potential displacement of foreign private capital and inappropriate sector policies.	Approved.
IBRD	January 1983	China	162.4	Daging oilfield secondary recovery	No	do	Do.
IBRD	February 1983	India	222.3	South Bassein offshore gas dev't	No	do	Do.
IBRD	March 1983	China	100.8	Zhongyuan-Wenliu petroleum exp. and development.	No	do	Do.
IBRD	May 1983	Egypt	203.7	El Dikheila reinforcing bar	Abstain	Not a developmental priority	Do.
IDA	March 1983	Ghana	13.0	Water supply rehabilitation	do	Inappropriate macroeconomic policies	Do.
IDA	April 1983	Yemen, PDR	9.0	Second ag'l dev't project	do	Human rights	Do.
IDA	May 1983	Ethiopia	20.0	Urban development	No	Expropriation	Do.
IDA	do	Ghana	11.0	Energy project	Abstain	Inappropriate macroeconomic policies	Do.
IDA	do	Yemen, PDR	7.6	Health development	do	Human rights	Do.
IDA	June 1983	Ethiopia	7.0	Petroleum exp. promotion and geothermal study	No	Expropriation	Do.
IDA	do	Laos, PDR	6.2	Ag'l production support project	Abstain	Human rights	Do.
IDA	July 1983	Ethiopia	70.0	Roads	No	Expropriation	Do.
IDA	do	Tanzania	35.0	Mtera hydropower	Abstain	Inappropriate macroeconomic policies	Do.
IBRD	March 1984	Hungary	90.0	Petroleum project	No	Potential displacement of foreign private capital	Do.
IBRD	do	India	242.5	Cambay Basin petroleum project	No	Potential displacement of foreign private capital and inappropriate sector policies.	Do.
IBRD	do	Nigeria	25.0	Gas technical assistance	No	Potential displacement of foreign private capital	Do.
IBRD	do	Zambia	75.0	Copper industry rehabilitation	No	Doubtful financial viability	Do.
IBRD	May 1984	China	100.3	Karamay petroleum project	No	Potential displacement of foreign private capital and inappropriate sector policies.	Do.
IBRD	do	Hungary	24.3	Petroleum project	Abstain	Potential displacement of foreign private capital	Do.
IBRD	do	Syria	30.0	Homs and Hama sewerage project	do	Human rights	Do.
IBRD	September 1984	Philippines	150.0	Agricultural sector inputs	No	Inadequate sector reform conditionality	Do.
IDA	December 1983	Ethiopia	35.0	Second coffee processing and marketing	No	Expropriation	Do.
IDA	May 1984	Yemen, PDR	10.4	Fourth education	Abstain	Human rights	Do.
IDA	June 1984	Benin	18.0	Seme oilfield development II	do	do	Do.
IDA	do	do	5.4	Forestry project	do	do	Do.
IDA	do	India	220.0	National cooperative dev't	No	Inadequate sector reform conditionality	Do.
IDA	July 1984	Ethiopia	40.0	Telecommunications	No	Expropriation	Do.
IDA	September 1984	do	70.0	Sixth education project	No	do	Do.
IDA	do	do	4.0	Tech. assist. for econ. mgmt	No	do	Do.
IDA	do	do	22.0	Ag'l research	No	do	Do.
IBRD	November 1984	Colombia	130.0	Petroleum dev't	No	Potential displacement of foreign private capital	Do.
IBRD	March 1985	Chile	11.0	Public sector management	Abstain	Human rights	Do.
IBRD	August 1985	Mexico	150.0	Low income housing	do	Negative real interest rates and budget subsidy	Do.
IBRD	September 1985	Syria	7.5	Ag'l extension	do	Human rights	Do.
IDA	December 1985	Benin	5.0	Technical assist	do	do	Do.
IDA	March 1985	Uganda	5.1	Petroleum tech. assistance	do	do	Do.
IDA	do	do	28.8	Power rehabilitation II	do	do	Do.
IDA	do	Yemen, PDR	5.0	Ag'l research and extension	do	do	Do.
IDA	April 1985	Ethiopia	30.0	Drought recovery program	No	Expropriation	Do.
IDA	June 1985	Yemen, PDR	14.4	Highways IV	Abstain	Human rights	Do.
IFC	February 1985	Brazil	3.0	COSIGUA steel modernization	No	Additional IFC equity investment not necessary, and so could displace local private capital.	Do.
IFC	June 1985	Chile	18.7	COCAR coal	Abstain	Human rights	Do.
IBRD	December 1985	Mauritania	20.0	SNIM iron ore mining rehab.	do	Potentially premature due to global overcapacity, and unsound sector tax policy.	Do.
IBRD	March 1986	China	75.0	Third industrial credit project	do	Unsustainable textile, export trend given bilateral quota agreements.	Do.
IBRD	Arpil 1986	Brazil	155.0	Ag'l extension II	do	Obey amendment	Do.
IBRD	do	Zaire	110.0	GECAMINES copper	No	Garn amendment	Do.
IBRD	May 1986	Hungary	64.0	Electric power	Abstain	Inadequate tariff levels	Do.
IBRD	do	Syria	70.0	Aleppo sewerage II	do	Human rights	Do.
IBRD	June 1986	Brazil	500.0	Electric power sector loan	No	Inadequate tariff levels and potential environmental problems.	Do.
IBRD	July 1986	Malaysia	55.0	Second Western Johor ag. deve. (Palm Oil)	No	No institution building role for IBRD	Do.
IDA	March 1986	China	25.0	Third industrial credit project	Abstain	Unsustainable textile export trend given bilateral quota agreements.	Do.
IDA	April 1986	Ethiopia	5.5	Port project	do	Human rights	Do.

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[17] The Treasury also may not allow the letting of any instrument or note of credit by the institution either in the United States or denominated in U.S. dollars.

[18] The aggregate penalty is calculated by projecting the U.S. share of the funding increase—for example, 18.75 percent for the current general capital increase—into the total amount of such commodity assistance the Bank approved during the previous funding period. For example, had the legislation been in place at the time of the recently negotiated general capital increase and the approved commodity loans, as defined by FAIR, in the previous period totaled $2 billion, the U.S. would have to subtract 18.75 percent of $2 billion—or $375 million—from its paid-in contributions.

U.S. NEGATIVE VOTES AND ABSTENTIONS IN THE WORLD BANK GROUP: 1983–87[1]—Continued

Institution[2]	Date	Borrower	Amount ($ millions)	Project	U.S. vote	Reason	Final disposition of loan
IDA	May 1986	Burma	30.0	Grain storage and processing (Rice)	do	Inadequate sector reform and private sector role	Do.
IDA	do	Ethiopia	62.0	Energy	do	Human rights	Do.
IDA	July 1986	do	45.0	Forestry	do	do	Do.
IDA	August 1986	Guyana	7.0	Bauxite industry tech. assistance project	do	Premature pending resolution of inappropriate country macroeconomic policies.	Do.
IFC	September 1986	India	8.6	Carbon black	No	Excessive level of protection from imports	Do.
IBRD	November 1986	Chile	250.0	Structural adjustment II	Abstain	Human rights	Do.
IBRD	January 1987	Indonesia	226.0	Power transmission and distribution	No	Inadequate tariffs	Do.
IBRD	March 1987	China	250.0	Fourth industrial credit project	Abstain	Unsustainable textile export trend given bilateral quota agreements.	Do.
IBRD	June 1987	Chile	95.0	Pehuenche hydro-power	do	Human rights	Do.
IBRD	do	do	21.5	Power transmission	do	do	Do.
IBRD	do	Mexico	400.0	Agricultural credit	do	Negative sub-loan interest rates	Do.
IDA	October 1986	Yemen, PDR	5.6	Water supply II	do	Human rights	Do.
IDA	March 1987	China	50.0	Fourth industrial credit project	do	Unsustainable textile export trend given bilateral quota agreements.	Do.
IDA	do	Ethiopia	7.0	Small scale irrigation	do	Human rights	Do.
IDA	April 1987	do	39.0	Livestock project	do	do	Do.
IDA	June 1987	Yemen, PDR	16.8	Highways V	do	do	Do.
IFC	February 1987	Chile	15.0	Arauco Pulp Mill modernization and expansion	do	do	Do.
IFC	May 1987	Venezuela	37.6	VENCEMOS Cement Mill expansion	do	Significant export subsidy relevant to U.S. market.	Do.
IFC	June 1987	Brazil	20.0	MBR Iron Ore Mine expansion	No	IFC funding not really needed	Do.
IFC	August 1987	do	80.0	Three Banks Ind. modernization financing	No	Unconditioned balance of payments support, debt moratorium, and no IFC institution-building role.	Do.

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[1] U.S. fiscal years are used. Source: "International Finance: The National Advisory Council on International Monetary and Financial Policies, Annual Report to the President and to the Congress," various annuals for fiscal years 1983 through 1986, and fiscal 1987 in draft form.

[2] The World Bank Group is composed of the International Bank for Reconstruction and Development (IBRD), its main body, in addition to the International Development Association (IDA) and International Finance Corporation (IFC) affiliates.

Notes.—Total approved over U.S. opposition: $5.3 billion.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, at the conclusion of World War II, by policy we decided that our worst enemy was not the Fascists but the Communists, and accordingly we established a foreign policy to contain the Communists, and to dissuade them from moving into other lands.

As part of this policy, we participated in the establishment at Bretton Woods of the World Bank. At that time although the World Bank was a multilateral financial institution we provided the bulk of the money. For example, in the IDB, the soft window, we provided more than half of it. Today, we provide less than 20 percent because we never intended to carry the load for the world. It would be impossible.

Why did we establish the Bank? I think the rationale is a good one. It is a rather simple one. We have concluded, and long felt, that communism flourishes in areas of instability, they would flourish where there is hunger and poverty, they would flourish where there is corruption, cruelty, inhumanity, and they would flourish in those lands where men and women have lost faith in their future and lost hope in their future.

So we decided that it would be in our national interests because democracy flourishes in a stable world. Democracy flourishes in a world without hunger and pain, and poverty. This amendment submitted with the best of intentions would gut the World Bank because we deal not with wealthy countries where they can put up an adequate collateral. We are dealing with countries where the per capita income is less than $1,000. We are dealing with some countries where the per capita income is less than $300 a year. If nothing is done, there is where communism flourishes.

It should also be pointed out that about 20 years ago the Government of the United States formed the very important task force, a task force to determine the strategic needs of the United States. The study is one that we should all restudy, and reacquaint ourselves with because it indicated as it will indicate today that 85 percent of our strategic goods have to come from the outside.

We have coal in the United States. We have iron in the United States. Where do we get bauxite, the basic element for aluminum? Without aluminum Detroit would close up within a week. Bauxite is not found in the United States. Bauxite is found in Jamaica. Correction, there is a place in the United States where bauxite can be found. A rather small desposit can be found below the city of Lihue on the Island of Kauai in Hawaii, and we are not going to dig up the city of Lihue to provide bauxite for the United States. Where do we find chromium? Chromium is found in Zimbabwe, and the Soviet Union. Without chromium, we cannot make those steel alloys. Where do we find diamonds that are necessary for industry? I can go through the list of items that are needed, titanium. I do not care what it is. I cannot pronounce these names. But without those we cannot build an ICBM. We cannot support our defense structure. In closely scrutinizing one will soon learn that very few of these items are found in our European allies. You do not find chromium in England. You do not find diamonds in England, nor do you find it in France, or Belgium. You find them in Africa.

Where do you find titanium? Not in the United States. All of the strategic goods are found in countries which for the most part or crying for help. We have been able to provide through the foreign policy of the United States in the assistance program help for these countries so that these countries can help themselves.

I think one should look at the world, the globe itself, and one would find that by following this policy we have been able to stem the growth of communism. We have been able to deny the expansion of it. It has worked.

Today, most of the countries of the world are participating in the World Bank. With this amendment we would not be able to participate in the general contribution; and if we were not able to do that, we would not be able to exercise the important veto that we presently have in the World Bank.

I would hope that my colleagues would find it in their hearts to oppose the amendment of my friend from New Hampshire.

Mr. KASTEN. Mr. President, the difficulty with this amendment and others like it is that the charter of the World Bank prohibits the acceptance of conditioned funds no matter how meritorious or attractive they might be. So, any kind of condition, such as those this amendment offers, would have the effect of eliminating the contribution of U.S. funding, to the World Bank. I do not think any of us want to do that, and therefore I oppose the amendment.

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER (Mr. DASCHLE). The Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, my colleague from Wisconsin is quite correct, that the Executive simply would not be able to make this $71 million contribution to the World Bank in fiscal year 1989 if the pending amendment is adopted. Quite so. Nor should the Executive make a further contribution of $71 million to the World Bank, in the opinion of this Senator, for the many reasons I have laid out; because when we lend through a multilateral institution, as opposed to lending directly to a needy nation, we lose all control, notwithstanding reference to a veto, which my friend from Ohio made.

As a practical matter, as borne out by the statistics, without exception, loans are and have been and will be approved over our objection, even when the loans are made to evil countries and evil regimes for foolish purposes and often will be wasted. We should not write our Treasury checks to the World Bank.

If there are worthy projects, and indeed there are, and worthy recipients and worthy countries, as there are, and it is in the security interests of the United States, as it often is, to help such countries—and the Senator referred to strategic minerals as a legitimate concern—then we should make such loans bilaterally. That is my plea.

If we are going to spend funds of American taxpayers in helping other nations, let us do it directly, so that we have complete control over the expenditures, so that the money is not wasted or, worse, used by truly evil regimes to extend their power and their stay in office.

The Senator from Hawaii rightly raised the concerns which Americans share, and have historically, for relieving poverty and hardship and hunger and pain and for creating the kind of conditions in which democracy flourishes. We are all for that. That is an important part of the American legacy. But we do it best—and the record bears this out virtually without exception—when we lend bilaterally. We do it worst, abominably worst, when we do it multilaterally.

I say, plainly, the time has come to end this bilateral lending. The time has come to end shipping off vast sums of American money, hundreds of millions of dollars—over time, billions of dollars—to foolish agencies like the World Development Bank.

There is a cost for us to embrace in helping undeveloped countries, and it is in our interest to do it, as well as in the interest of humanitarian cost; but we do it far better when we do it bilaterally. We do it poorly, indeed irresponsibly, when we do it multilaterally, and that is why I offer this amendment.

The distinguished Senator from Hawaii and I have a basic disagreement on this, and that is what makes the world go 'round, I guess.

I suppose the American taxpayers would be on the side of the Senator from New Hampshire. I hope I am not flattering myself unduly in that. I think it is a good case and involves prudence and a responsible position with respect to the expenditure of American tax dollars. Therefore, I hope that the Senate will adopt this amendment.

It is not the end of the world. If we do not make our World Bank contribution for fiscal year 1989, we just freeze up the same amount of money for bilateral lending, which will do a lot more good for those countries and for the United States than to continue pouring money into the coffers of the World Bank, which in turn lends it out, often in a very wasteful and counterproductive way.

Mr. INOUYE. Mr. President, I make the point of order that this matter is legislation on an appropriation bill.

Mr. HUMPHREY. Mr. President, I raise the defense of germaneness, and I ask that I may have 1 minute to speak on the point.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I ask the Chair to examine page 4, line 12, beginning with the words "provided further, that none of these funds shall be made available until S. 2524 or another act authorizing the appropriation of such funds is enacted into law." Is not that very passage in the committee amendment legislation on an appropriations measure?

The PRESIDING OFFICER. The Senator from New Hampshire is correct.

Mr. HUMPHREY. And, therefore, were the Chair to rule on the point of order raised by the Senator from Hawaii in favor of the Senator—would not the Chair be compelled to find that if there is legislation in the Humphrey amendment, it is nonetheless germane because of the legislation within the committee amendment?

The PRESIDING OFFICER. Under rule XVI, questions of germaneness are not ruled on by the Chair and are submitted to the Senate for debate.

Mr. HUMPHREY. A parliamentary inquiry: Following disposition of the point of order raised by the Senator form Hawaii, would raising a point of order be in order against that same passage on the ground that it is legislation on an appropriations bill?

The PRESIDING OFFICER. It would be timely to raise the point of order.

Mr. HUMPHREY. Mr. President, I raise the defense of germaneness and ask for the——

Mr. INOUYE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. INOUYE. Listening to your discussion, I would like, if you wish, to withdraw my point of order.

Mr. HUMPHREY. I certainly have no objection to that.

Mr. INOUYE. Mr. President, I withdraw my point of order.

The PRESIDING OFFICER. The point of order is withdrawn.

Mr. CHAFEE. Mr. President, I strongly oppose any amendment to strike the $70.1. million funding for the general capital increase [GCI] for the World Bank.

The United States must continue to exercise its leadership role in promoting market-oriented economic reforms in developing countries. Such steps should benefit the U.S. trade and economic position, especially as developing nations represent major opportunities for significant U.S export growth.

The United States is the largest contributor to the World Bank and therefore has a unrivalled position to influence the Bank's policies in positive directions. Yet the United States is now the only major industrial country not to have agreed to contribute to the GCI. If the United States does not contribute, the GCI will still take effect, but the U.S. role will be lessened. It would be unwise to allow this to occur, for issues important to the United States will be stressed at the World Bank. These include:

Environmental protection as a permanent priority;

Policy measures conducive to private investment and private enterprise development;

Production of primary commodities only where such production is efficient and provides satisfactory rates of return without subsidies; and

Financing complemented by other sources, such as private flows, to ensure that the GCI will not be a substitute for commercial bank lending.

The United States should not forfeit its leadership role now.

The direct trade aspect also cannot be understated. In fiscal year 1987, U.S. businesses exported $1.6 billion worth of goods and services to World Bank-financed projects. This is more than the total United States paid in capital since the World Bank's founding.

For these reasons, not to mention the democratic and humanitarian benefits that would result, this funding should go forward, and I strongly encourage my colleagues to vote against any amendments that would weaken this provision of the foreign assistance and related programs appropriations bill.

Mr. INOUYE. Mr. President, if there is no further discussion, I move to table.

Mr. HUMPHREY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. Adams], the Senator from Texas [Mr. Bentsen], the Senator from New Jersey [Mr. Bradley], the Senator from Rhode Island [Mr. Pell], the Senator from North Carolina [Mr. Sanford], and the Senator from Illinois [Mr. Dixon] are necessarily absent.

I also announce that the Senator from Delaware [Mr. Biden] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. Boschwitz], the Senator from Nevada [Mr. Hecht], the Senator from North Carolina [Mr. Helms], and the Senator from Alaska [Mr. Murkowski] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 48, nays 41, as follows:

[Rollcall Vote No. 229 Leg.]

YEAS—48

Bond
Breaux
Byrd
Chafee
Chiles
Cohen
Cranston
D'Amato
Danforth
Dodd
Evans
Ford
Glenn
Gore
Graham
Hatfield
Heinz
Hollings
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Quayle
Reid
Riegle
Rockefeller
Sarbanes
Sasser
Simon
Simpson
Specter
Stafford
Stennis
Warner
Weicker
Wirth

NAYS—41

Armstrong
Baucus
Bingaman
Boren
Bumpers
Burdick
Cochran
Conrad
Daschle
DeConcini
Dole
Domenici
Durenberger
Exon
Fowler
Garn
Gramm
Grassley
Harkin
Hatch
Heflin
Humphrey
Karnes
McCain
McClure
McConnell
Melcher
Metzenbaum
Nickles
Pressler
Proxmire
Pryor
Roth
Rudman
Shelby
Stevens
Symms
Thurmond
Trible
Wallop
Wilson

NOT VOTING—11

Adams
Bentsen
Biden
Boschwitz
Bradley
Dixon
Hecht
Helms
Murkowski
Pell
Sanford

So the motion to lay the amendment (No. 2528) on the table was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. KASTEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now recurs on amendment No. 2524.

Mr. HUMPHREY. Mr. President, is that the committee amendment?

The PRESIDING OFFICER. That is the amendment offered by the Senator from Hawaii for the Senator from North Carolina.

The Senate will be in order. It is very difficult to hear. Senators will cease audible conversation.

The Senator from Hawaii.

Mr. INOUYE. Mr. President, I ask unanimous consent that this matter be set aside temporarily to accommodate the Senator from New Hampshire.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

Mr. HUMPHREY. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate is still not in order.

Mr. HUMPHREY. Mr. President, regular order would be for the remaining committee amendment to be the pending business; would it not?

The PRESIDING OFFICER. If a call for regular order is made, the first excepted committee amendment would be in order.

Mr. HUMPHREY. I am not clear. Is the second committee amendment now pending?

The PRESIDING OFFICER. That amendment is not pending, but the unanimous-consent request just made authorizes the Senator from New Hampshire to offer his amendment.

Mr. HUMPHREY. The amendment I intend to offer is an amendment to the second committee amendment.

The PRESIDING OFFICER. Pursuant to the unanimous consent request, that is in order.

Mr. HUMPHREY. Parliamentary inquiry. Why is it necessary to have a unanimous-consent agreement? Is not the regular order for the remaining committee amendment to be the pending business?

The PRESIDING OFFICER. When the demand for regular order is made, it is the first excepted committee amendment that would be in question.

AMENDMENT NO. 2529

(Purpose: To eliminate the $931,176,717 appropriation for the IOD)

Mr. HUMPHREY. Mr. President, I have an amendment, which I send to the desk, to the second excepted committee amendment.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from New Hampshire [Mr. Humphrey] proposes an amendment numbered 2529.

The amendment is as follows:

On page 4, line 25, insert the following: strike "$931,176,717" and insert in lieu thereof "$0".

Mr. HUMPHREY. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators will cease conversations.

The Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, if Senators will turn their attention to page 4 of the bill, at the bottom, line 23, beginning line 23, there is proposed to be contributed to the International Development Association, which is a division of the World Bank, a payment of $931 million. Nine hundred thirty-one million. In the previous amendment we were dealing with an appropriation of $71 million, which is no small piece of change. But this is more than 10 times greater. This sum to be appropriated out of the Treasury and out of the hides of the American taxpayers into the coffers of the World Bank is $931 million.

If Senators feel that the World Bank has done a responsible, prudent, effective, efficient job of lending out—in effect spending, and I will get to that in a moment—but lending out the funds of the American taxpayers then they will be quite satisfied, no doubt, to approve the committee amendment as is and appropriate out of the Treasury $931 million in 1 year.

We are not talking about 10 installments. We are talking about in 1 year, $931 million into the World Bank. If that is what Senators feel is judicious, then they will want to support the committee amendment unamended by the Humphrey amendment.

The Humphrey amendment is very straightforward. It amends the language of the committee amendment to change the figure of $931 million to zero dollars. In other words, I am zeroing out this appropriation, negating it, nulling it, voiding it. And, in my view, saving the taxpayers $931 million.

May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

Mr. HUMPHREY. Mr. President, if Senators think the World Bank has done a good job, a prudent job, an efficient job in lending out funds paid into the American Treasury by our taxpayers, then they will want to support the committee amendment.

If, on the other hand, Senators believe, as does this Senator, that where compelling cases exist for lending American funds to foreign nations, we ought to do so directly, bilaterally, cutting out the middleman, ensuring that we can carefully examine the purposes to which these loans will be put, then Senators will want to zero out this $932 million, reserving it, if you will, subject, of course, to further legislation, for the purpose of bilateral lending, where there are compelling cases, where it is in the national security interest of the United States to lend money to another nation, an undeveloped nation, a least-development nation, developing nation, or any nation where it is in the American security interests to do that. And often it is. Then we ought to do so directly. It is much more efficient.

We do not end up subsidizing dictators, or we need not, at least, if we choose not to do so. We do not end up subsidizing dictators. We do not end up subsidizing communism with the funds of American taxpayers. We do not end up subsidizing socialism with American tax dollars. We do not end up subsidizing statism and all manner of socialistic nonsense, usually to the complete waste of our money. We do not end up buttressing autocratic governments which oppress their people with the worse kind of human rights violations. And why do we not?

Because when we lend bilaterally, directly to an applicant, we exercise judgment. We have complete control over whether we lend the money and, if so, under what terms. But we have zero control, absolutely no control when we lend the money through the intermediary of the World Bank.

As I stated in my remarks with respect to the previous amendment, the record is replete, and unchallenged, with evidence that shows the United States has no voice whatever in the lending decisions of the World Bank. In every case where we have objected to a loan in the last 10 years, in every case without exception, our negative was overruled and the loan has been extended.

Such loans have gone to dictators, dictatorships; they have gone to countries with Communist regimes; have gone to countries with the world's worst human rights records; have gone to countries which have wasted the money in socialistic statist nonsense schemes. If that is what Senators like, then surely they will want to authorize another measly $931 million for only 1 year. And they will be back for roughly the same amount next year, friends. If that is what Senators like, then by all means, defend the committee amendment as it is written.

But if Senators are dissatisfied, as this Senator is, if Senators feel it is unjustifiable, then Senators, I hope, will support the Humphrey amendment which will zero out this account and put an end to this annual practice of filling up the coffers of the World Bank with the tax dollars of American citizens. At least this year, I must say, at least this year we can be grateful that we are going to have a chance to vote on it; at least this year we have a separate appropriations bill, and I commend the chairman and the ranking member and the members of the Appropriations Committee, the leadership of the Senate in its entirety, for giving us the opportunity to have a separate appropriations bill. We have not had too many of those in recent years and, as a consequence, the appropriations, massive appropriations, annual appropriations, to the World Bank have been all but hidden in these massive, continuing resolutions, and Senators have not had a chance to vote on them directly.

So we are grateful to the leadership for the opportunity to vote this year, and that is why I am offering this amendment. I think it is pretty straightforward. I think the case is pretty clear, pretty compelling, and I hope the Senators will support the amendment.

Mr. LEVIN. Mr. President, the amendment we have just voted on and the one we are about to vote on both represent a shortsighted approach to foreign policy. It is in the interests of the United States to encourage prosperity and stability in the developing world, because it is precisely the absence of these conditions that provides a fertile breeding ground for communism and other totalitarian ideologies. I am certain that those who support these amendments don't intend to encourage the growth of totalitarianism, but I believe that this is exactly what would result if these proposals become law. That is the primary reason I voted against the first Humphrey amendment, and intend to vote against the second Humphrey amendment as well.

Cutting off the U.S. contribution to the World Bank—which would be the practical effect of the first amendment and the direct effect of the second amendment—would cripple an institution that provides an indispensible source of development assistance for many of the world's poorest countries. The World Bank has not been a cure all for the problems of these impoverished countries, but there is every reason to believe that without its support they might sink even deeper into poverty. Without the means to better their economic situation, the people of these countries would be prime candidates for Communist propaganda, which promises to take care of economic misery through revolution and radical changes in the political system.

The cut off of the U.S. contribution resulting from these amendments would also serve to eliminate any influence the United States has over the World Bank's operations. The World Bank acts to stimulate economic growth in the countries where it operates. It is not a perfect institution and has made some ill-advised loans. It has not always gone in the direction that the United States would like it to. But, as the committee report accompanying this bill indicates, substantial improvements have recently been made in the policies which govern the allocation of the Bank's resources. The World Bank appears to be responding to our criticisms and, under the leadership of its new president, former Congressman Barber Conable, has made major reforms in its lending practices.

The first of these two amendments, which has already been tabled, also might have had exactly the reverse effect from what its supporters intend. This amendment was predicated on the assumption that the term under which the International Bank for Reconstruction and Development [IBRD] extends loans to developing countries are on average more favorable than the credit terms available to American family farmers. But its sponsor presented no statistics as to the average terms available to recipients of IBRD loans and how they compare to the average terms available to American family farmers. There are a wide range of loan programs available to American family farmers carrying with them a wide range of credit terms. For all we know based on this debate, the credit terms available to the American farmer are more favorable on average than the average credit terms offered to IBRD loan recipients. If that is the case, the result of this amendment would be to suggest the terms of IBRD loans be more, not less, favorable than they are under current World Bank policies.

I don't believe that the sponsor of this amendment would have approved of such a result, yet based on this debate, we have no grounds for judging whether or not this would have been the effect had this amendment been adopted.

In conclusion, Mr. President, both of these amendments would have the effect of removing U.S. influence from an important international institution which it is in our national interest to support. The first amendment was also drafted in such a way that it might have had the opposite effect from that intended by its sponsor.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, the arguments that were made in opposition to the first Humphrey amendment I believe will apply to the second Humphrey amendment. Accordingly, I move to table the amendment.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from Oklahoma [Mr. BOREN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Illinois [Mr. DIXON], the Senator from Rhode Island [Mr. PELL], and the Senator from North Carolina [Mr. SANFORD] are necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

I further announce that, if present and voting, the Senator from Illinois [Mr. DIXON] would vote "yea."

Mr. SIMPSON. I announce that the the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Nevada [Mr. HECHT], the Senator from North Carolina [Mr. HELMS], and the Senator from Alaska [Mr. MURKOWSKI] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 70, nays 19, as follows:

[Rollcall Vote No. 230 Leg.]

YEAS—70

Adams
Baucus
Bingaman
Bond
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
Dodd
Dole
Domenici
Durenberger
Evans
Ford
Fowler
Glenn
Gore
Graham
Harkin
Hatfield
Heinz
Hollings
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sarbanes
Sasser
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Warner
Weicker
Wilson
Wirth

NAYS—19

Armstrong
DeConcini
Exon
Garn
Gramm
Grassley
Hatch
Heflin
Humphrey
McCain
McClure
Nickles
Pressler
Proxmire
Shelby
Symms
Thurmond
Trible
Wallop

NOT VOTING—11

Bentsen
Biden
Boren
Boschwitz
Bradley
Dixon
Hecht
Helms
Murkowski
Pell
Sanford

So the motion to lay on the table amendment No. 2529 was agreed to.

Mr. INOUYE. I move to reconsider the vote by which the motion was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2530

Mr. INOUYE. Mr. President, earlier today Senator KASTEN and I proposed an amendment in behalf of Senator HELMS. As a result of discussions we have had with all parties concerned, we have come up with a compromise Helms amendment. Accordingly, I withdraw my first amendment and submit this amendment in lieu thereof and ask for its immediate consideration.

The PRESIDING OFFICER. The Senator has the right to withdraw the amendment No. 2524. The amendment is withdrawn. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE], for Mr. HELMS, proposes an amendment numbered 2530.

Mr. INOUYE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert the following:

SEC. 590. Of the funds specified in this Act for Costa Rica under the heading Economic Support Fund, $20,000,000 shall be obligated, but shall not be expended, except as provided by the second and fourth provisos of this section, until the Government of Costa Rica and an American citizen, whose property and businesses in the vicinity of Limon Province, Costa Rica were affected by actions of the Government of Costa Rica (Junta de Administracion Portuaria y de Desarrollo Economico de la Vertiete Atlantica, or JAPDEVA, an agency of the Government of Costa Rica) reach a settlement concerning compensation: *Provided*, That in order to facilitate such a settlement the Department of State shall, upon enactment of this Act, request that both parties submit the disagreement to binding international arbitration in accordance with the rules of procedure of the Inter-American Commercial Arbitration Commission. The Commission shall select the arbitrators, and may appoint such experts as it finds necessary in order to establish a base of factual and financial information for the case: *Provided further*, That, if, within 60 days after the enactment of this Act the Government of Costa Rica has agreed to binding international arbitration, then the $20,000,000 shall be made available for expenditure to the Government of Costa Rica: *Provided further*, That, if, within 60 days after enactment of this Act, the Government of Costa Rica has not agreed to binding international arbitration, then the $20,000,000 shall be deobligated and immediately returned to the Treasury of the United States: *Provided further*, That if within 60 days after enactment of this Act, the United States citizen has not agreed to binding international arbitration and has not agreed that the award resulting from the arbitration will constitute a full and final settlement of any and all claims, liabilities and demands, including those which may be directed at the United States, its officers, agents and employees, then the $20,000,000 shall be made available for expenditure to the Government of Costa Rica: *Provided further*, That arbitrators shall consider maintenance costs, interest costs, professional fee costs, land, business and asset valuations and all other matters they deem appropriate: *Provided further*, That nothing in this provision shall prevent the two parties prior to a final arbitration award from reaching a binding full and final written agreement outside the arbitration proceedings: *Provided further*, That funds previously appropriated for the Economic Support Fund shall be used to pay for the reasonable costs of arbitration.

My INOUYE. Mr. President, one basic difference between the first amendment and this amendment is the deletion of the factfinder and the negotiation that follows thereafter. Under this new Helms amendment, you would go directly to international binding arbitration, and upon agreement on the part of Costa Rica to place itself under binding arbitration, the $20 million will be released for expenditures.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. KERRY. Mr. President, I thank the distinguished chairman and the ranking member for their openness and willingness to try to reach a compromise. I think it is a very fair one. I think it will have the effect of serving the needs of the U.S. citizen while at the same time not handicapping our policy. I congratulate both of them and thank them for their assistance.

● Mr. HELMS. Mr. President, in December, I offered an amendment to the continuing resolution which would have withheld economic assistance to the Government of Costa Rica until they resolve the outstanding expropriation claim of an American company, J. Royal Parker & Associates. I withdrew the amendment at the request of my distinguished colleague from Hawaii with the understanding that the Department of State would prepare and submit a report on the Parker case.

In light of the substantial level of United States foreign assistance that goes to the Government of Costa Rica each year, I fully expected that the Department of State and the Government of Costa Rica would take immediate action to resolve this very troubling case. Unfortunately, here we are 6 months later and no progress has been made.

Consequently, Senators INOUYE, KASTEN, and I have agreed to offer this amendment to the fiscal year 1989 foreign operations appropriations bill. The amendment provides that of the $90 million earmarked for Costa Rica under the Economic Support Fund, $20,000,000 will be withheld until that government takes certain actions, specified by the amendment, which should lead to a resolution of the outstanding claim.

Mr. President, what has been most disturbing about this case is that the United States Government has urged the Government of Costa Rica repeatedly to settle this dispute. Our Government has received continued assurances from the Costa Rican Government that they desire to settle the claim. Yet no action is ever taken in a good faith effort to address the damages that Mr. Parker has suffered. This has gone on for far too long, and it is now time for Congress to step in and require that genuine efforts be pursued to settle this dispute.

I won't put in the RECORD all of the voluminous correspondence that has taken place in this case, but I will ask unanimous consent to include several letters which demonstrate the way this case has been dragged out over the years with no more than lipservice paid to it by either the United States or the Costa Rican Governments.

In a letter to Mr. J. Royal Parker dated December 2, 1983, Mr. Jon Rosenbaum, then Assistant United States Trade Representative, wrote:

> We have discussed your case with the Costa Rican Government and have reached an understanding with them that true negotiations with your corporation must proceed if the Government of Costa Rica is to remain in conformance with the requirements of the [Caribbean Basin Economic Recovery Act].

Mr. President, I ask that the entire text of that letter be printed in the RECORD at the close of my remarks.

(See exhibit 1.)

In a letter to Senator BILL BRADLEY dated January 20, 1984, the United States Trade Representative, William Brock, wrote:

> An understanding was reached between the Governments that true *negotiations* with J. Royal Parker must proceed if the Government of Costa Rica is to remain in conformance with the mandatory requirements of the [Caribbean Basin Economic Recovery Act]. Costa Rican officials were made fully aware that more concerted attention to the J. Royal Parker case was required immediately.

Mr. President, I ask that the entire text of that letter be printed in the RECORD at the close of my remarks.

(See exhibit 2.)

In a letter to the Costa Rican Minister of Foreign Commerce, Her Excellency Muni Figureres, dated July 28, 1986, the United States Trade Representative, Clayton Yeutter, wrote:

> I would like to call your attention to * * * the J. Royal Parker case, which has long remained unresolved despite your Government's pledge and repeated assurances of expeditious settlement. This has now become a matter of high-level interest in the U.S. Government. * * * In 1983, the Government of Costa Rica (GOCR) was designated as a beneficiary nation under our Caribbean Basin Initiative (CBI) on the condition that this case would be resolved quickly. * * * A number of provisions of U.S. law exist which require that various economic benefits (including Costa Rica's CBI eligibility) be terminated or withheld if any country fails to take appropriate steps to settle expropriation claims by providing prompt, adequate, and effective compensation.

Mr. President, I ask that the entire text of that letter be printed in the RECORD at the close of my remarks.

(See exhibit 3.)

Mr. President, in conclusion, I think we should be taking much stronger action today. I have deferred to the advice of Senators INOUYE and KASTEN to withhold only $20,000,000. However, as I said last December, if the action we take today does not result in a prompt, fair settlement of this case, I can assure all parties involved that we will revisit this issue.

EXHIBIT 1

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE, EXECUTIVE OFFICE OF THE PRESIDENT,
Washington, December 2, 1983.

Mr. J. ROYAL PARKER,
President, J. Royal Parker Associates, Inc., Cherry Hill, NJ.

DEAR MR. PARKER: I have read carefully your letter of November 28, 1983 and I have considered your arguments concerning the conformance of the Government of Costa Rica to the requirements of the Caribbean Basin Economic Recovery Act with respect to good faith negotiations in cases of nationalization of property of U.S. citizens or corporations. We have discussed your case with the Costa Rican Government and have reached an understanding with them that true negotiations with your corporation must proceed if the Government of Costa Rica is to remain in conformance with the requirements of the aforementioned Act. While the officials to whom we spoke may not have been fully informed on the status of your negotiations and the problems you have had in the past, they were fully aware that more concerted attention to your case was immediately warranted.

We intend to monitor developments on your case both through the U.S. Embassy, communications we may receive from you, and contacts with the Government of Costa Rica. We will, if it becomes appropriate, raise with the Costa Rican Government the need for consultations on the handling of this nationalization of property, keeping in mind the mandatory criteria laid down by the United States Congress in giving the President the authority to make Costa Rica a beneficiary nation. Please keep us informed on a frequent basis on the status of your case.

Sincerely,

JON ROSENBAUM,
Assistant United States Trade Representative.

EXHIBIT 2

THE UNITED STATES TRADE REPRESENTATIVE,
Washington, January 20, 1984.

Hon. BILL BRADLEY,
U.S. Senate,
Washington, DC.

DEAR BILL: Thank you for your inquiry of December 21 concerning the nationalization of property owned by J. Royal Parker Associates, Inc. of Cherry Hill, New Jersey by an agency of the Government of Costa Rica.

The President has designated Costa Rica as a beneficiary of the Caribbean Basin Economic Recovery Act (CBERA), and the trade benefits of the Act became effective for Costa Rica on January 1. Prior to the President's decision to designate Costa Rica, a U.S. delegation co-chaired by this office and the Department of State discussed the J. Royal Parker case with senior officials of the Costa Rican Government. An understanding was reached between the Governments that true *negotiations* with J. Royal Parker must proceed if the Government of Costa Rica is to remain in conformance with the mandatory requirements of the CBERA. Costa Rican officials were made fully aware that more concerted attention to the J. Royal Parker case was required immediately.

Our office has been in direct contact with Mr. Parker. We have informed him of our intent to closely monitor developments on his case through the U.S. Embassy in San Jose and through our direct contact with the Costa Rican Government. He has been assured that, if it becomes necessary, we will seek further consultations with the Costa Rican Government on the disposition of his claim, bearing in mind the mandatory criteria of the CBERA and the President's authority to withdraw or suspend eligibility from a previously-designated beneficiary.

Very truly yours,

WILLIAM E. BROCK.

EXHIBIT 3

JULY 28, 1986.

Her Excellency MUNI FIGUERES,
Minister of Foreign Commerce,
San Jose, Costa Rica.

DEAR MADAM MINISTER: I want to convey my best regards to you and to the Government of Costa Rica. My Government looks forward to continuing our traditionally friendly, cooperative relationship with your Government. We remain ready to work together on issues of mutual interest.

There are occasional irritants in our trading and investment relations that serve to diminish the attractiveness of Costa Rica as an investment site and which require urgent attention. I am encouraged that Ambassador Tambs has received assurances of high-level resolve to settle a number of investment disputes. Such cases are, of course, of interest to both Governments. I would like to call particular attention to one such matter: the J. Royal Parker case, which has long remained unresolved despite your Government's pledge and repeated assurances of expeditious settlement. This has now become a matter of high-level interest in the U.S. Government.

Over the years, officials of the United States Government, in San Jose and in Washington, have worked with Costa Rican officials for a resolution of the case. In 1983, the Government of Costa Rica (GOCR) was designated as a beneficiary nation under our Caribbean Basin Initiative (CBI) on the condition that this case would be resolved quickly. In the letter requesting designation, your Government stated:

With respect to the J. Royal Parker claim against the GOCR the Government agrees to continue negotiations in good faith to reach a just settlement or in the event the final determination is made by the courts, the GOCR will take prompt actions to carry out the decision.

In addition, existence of unresolved investment disputes over a long period of time undermines private sector confidence in the investment climate of Costa Rica. It also undermines the objectives of the Caribbean Basin Initiative and our economic assistance program for Costa Rica. A resolution of outstanding investment disputes, including the case of J. Royal Parker, is an essential first step toward restoring such confidence in furtherance of the objectives of these programs.

A number of provisions of U.S. law exist which require that various economic benefits (including Costa Rica's CBI eligibility) be terminated or withheld if any country fails to take appropriate steps to settle expropriation claims by providing prompt, adequate and effective compensation. This September there will be a review as to whether there has been significant material progress in this case. While we understand that your Administration has just taken office, I hope you will consider the urgency we attach to the prompt resolution of this long-outstanding case.

I am aware that Costa Rica has serious problems in its external accounts and other issues that call upon your resources. Nevertheless, creating the proper conditions for the growth of a dynamic private sector is an issue important to the future of any free nation. I look forward to hearing from you as to the steps your Government is prepared to take to resolve the Parker case.

Sincerely,

CLAYTON YEUTTER.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment of the Senator from North Carolina.

The amendment (No. 2530) was agreed to.

Mr. INOUYE. I move to reconsider the vote by which the amendment was agreed to.

Mr. KASTEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ADAMS. The amendment just passed, offered by Senators KASTEN and INOUYE on behalf of Senator HELMS, conditions $20 million in aid to Costa Rica on the Parker case going to binding international arbitration. As my good friend Senator INOUYE will recall, I wrote to you on March 4 seeking the assistance of your committee to resolve another expropriation claim in Costa Rica by my constitutent William Bonner Bailey. Mr. Bailey's claim involves land taken from Compania Administradora Comercial and Southern Atlantic Timber in Limon province over 10 years ago. Since that time, Mr. Bailey had been unsuccessfully attempting to settle this claim.

I applaud the efforts you have made in this bill to establish a model for resolving expropriation issues with foreign nations. I look forward to receipt of the report on the status of all pending expropriation claims of U.S. citizens called for in the committee report accompanying this bill.

As the debate on the Helms amendment indicates, however, there is a good deal of disagreement about the best way to deal with these situations. On the one hand, I share the frustration and anger of my constitutent; on the other hand, I believe we need to have a coherent policy for dealing with these problems which takes into account both the needs of individuals and our national foreign policy interests. In that context, I wonder if the chairman would join with me in raising this case with the State Department and support a request for a thorough review of our policy toward situations like this?

Mr. INOUYE. Indeed, I remember the case that my friend from Washington called to my attention. Given the factual situation operating in that case, as he knows, I would have been forced to oppose an amendment had he offered one on this bill. So I am pleased that he has agreed to withhold. I do agree that we need to examine our policy toward cases like this; the debate we have had today, along with the interests of the Senator's constituent, make that clear. I am committed to seeing the Bailey case resolved and to seeing that a coherent policy is developed to deal with these situations. I will work with my colleague from Washington to make sure that happens. And I hope that this discussion, along with the efforts now being undertaken by the State Department, will help us achieve that goal.

Mr. ADAMS. I thank the Senator for his help and support. I hope our good friends in Costa Rica, and throughout the world, will get the message. We cannot tolerate failure to resolve these cases any longer. They must move expeditiously to resolve the Bailey claim as well as other expropriation claims or face the possibility that, in the future, they will be denied the aid that they need and we want to give.

Mr. INOUYE. I agree with the Senator and thank him for his cooperation.

THE BINATIONAL AGRICULTURAL RESEARCH AND DEVELOPMENT FUND

Mr. MELCHER. Mr. President, the Binational Agricultural Research and Development Fund, BARD, has now been in effect for 10 years. Over the last decade, BARD has sponsored joint agricultural research between the United States and Israel.

The BARD fund is a small investment that has produced unusually large dividends. In 1978, $40 million was appropriated by the United States for the fund, an amount that was matched by Israel. The $80 million was later increased by $15 million from each country, bringing the fund to a total of $110 million. Only the interest—annually totaling about $8 million—is used to fund the joint agricultural research projects. Applications for research funding are considered by the BARD board of directors. Those approved number about 40 per year, with most projects of 3 years duration. Each and every one of the projects is collaborative.

The value to both the United States and Israel of BARD-sponsored projects is currently being reviewed by four noted economists—Richard E. Just and Mark Phillips, both from the University of Maryland, and David Zilberman and Douglas Parker, both from the University of California. Looking at just five projects—relating to cotton management, salinity in pecans, solarization in vegetables, storage of ornamentals, and pecan aphid control—it was calculated that these projects have yielded $521 million in benefits to the United States and over $100 million in benefits to Israel (discounted to 1979 when the United States funds were first provided to BARD).

The results of the BARD program have helped Israel's successful efforts to develop a viable, productive, and competitive agricultural industry. Advanced conservation and irrigation technology have been used to force the desert back and to bring crops—vegetables, fruits, flowers, grains, and hay—into production. Apart from BARD, Israel has undertaken a continuous program of reforestation, where 160 million trees have been planted over the last several decades.

Mr. President, our interests in the stability of the Middle East have centered on strong support for Israel, a democratic country with freedom of the press and free and open debate.

Surrounded by Arab States which, except for Egypt, do not recognize its existence, Israel has had to develop superior armed forces to defend itself. The present unrest surrounding Palestinian concerns in the area of the West Bank has aroused the determination of Secretary of State Shultz to work out a formula to ease the tensions without disrupting the continuing efforts of the Israeli Government to maintain peace despite terrorist activities of those from outside of the country.

The goal of peaceful relations depends upon direct negotiations between Israel and Arab partners that recognize Israel's right to exist, accepts U.N. resolutions 242 and 338, and renounces terrorism.

Unfortunately, some of the events now occurring cannot be separated from the continuous Israeli efforts to further conservation in their country. For example, some of the forest fires within Israel have been caused by arson. Forest fires, which we in Montana know all too well from our constant vigilance in protecting forests in our State, are a devastating and traumatic blow to our efforts to protect our environment, our property, and to guard against loss of life. The Israeli Government has played down those incidents, with the hope of not arousing more arsonist's activities.

During June, Israeli forest officials spent 2 weeks in this country to learn from U.S. forest fighters' methods. This is a time for the more experienced U.S. Forest Service to demonstrate to the Israelis the methods we use and perhaps help them. Some of this practical information will prove, I hope, helpful to the Israelis in managing and protecting their own forests against fires.

Mr. President, I have spoken about BARD and some of the other research that is going on in Israel, and there are important ties that should be broadened and strengthened between the United States and Israel. It is my intention to further the cooperative agricultural efforts of our two countries. Drip irrigation technology in Israel is more advanced in practical application than what we have. Indeed, planting 160 million trees during the past several decades with only the meager budget raised privately by the Jewish National Fund is a sizable achievement that we need to review and see if we cannot gain knowledge from their experience to help in our efforts for reforestation in this country. In addition, rolling back the desert to be replaced by new vegetation is advanced under Israeli methods and should provide our research people with new insights.

Mr. President, for all these reasons, I plan to work to obtain additional funding for the BARD program. These additional funds would represent a very modest contribution for investment in research that has proven to pay big dividends in immediate practical application.

The BARD program is one that continuously contributes to improving agriculture in many of the Earth's arid countries and is a fitting way to better the lives of all those who live in the ancient lands of the Middle East.

Each project undertaken using BARD funds requires collaboration by researchers in both countries. The reason that the economic return to the United States is greater is due to the large scale of U.S. agriculture compared to Israeli agriculture. But the overriding point is that agriculture in all countries is enhanced.

The need for more matching funds has been brought on by the devaluation of the dollar. The interest accruing from the fund has generated about $8 million per year for 10 years. To hold to a level consistent with the first 10 years of research projects, at least another $40 million needs to be added to the fund—$20 million from each country.

The last appropriation for BARD was in 1984 and was made through the Foreign Assistance and Related Programs appropriation bill. I believe the appropriation for BARD should be in the agriculture appropriation bill because the program is authorized under the Farm Bill of 1977 (7 U.S.C. 3291), and is administered by the U.S. Department of Agriculture in conjunction with the Israeli Government. I shall offer an amendment to the agriculture appropriations bill when it is considered by the Senate to provide $20 million for the BARD fund.

Mr. President, I have taken this time to note this question of BARD's need for additional funding because this is a bill that ordinarily additional funding would be attached to. I have discussed this with the manager of the bill. I think it is more appropriate that the Agricultural Appropriation Act be the vehicle for increasing this funding.

Mr. President, I yield the floor.

Mr. INOUYE. Mr. President, I ask unanimous consent that the two remaining committee amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Excepted committee amendments 1 and 2 agreed to en bloc.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the committee amendments were agreed to.

Mr. KASTEN. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

Mr. DeCONCINI addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arizona.

AMENDMENT NO. 2531

(Purpose: To prohibit the sale or delivery of MAVERICK missiles to Persian Gulf countries after July 6, 1988)

Mr. DeCONCINI. Mr. President, I send an amendment to the desk in behalf of myself, Senator Pell, Senator Specter, Senator Lautenberg, Senator Packwood, Senator D'Amato, Senator Sarbanes, Senator Metzenbaum, Senator Wilson, and Senator Harkin, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. Wirth). The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. DeConcini], for himself, Mr. Pell, Mr. Specter, Mr. Lautenberg, Mr. Packwood, Mr. D'Amato, Mr. Sarbanes, Mr. Metzenbaum, Mr. Wilson, and Mr. Harkin, proposes an amendment numbered 2531.

On page 120, between lines 5 and 6, insert the following:

Sec. 592. (a) No sale of any MAVERICK AGM-650D/G missiles may be made after July 6, 1988, and no delivery of any such missiles may be made under a sale made after that date, to any country bordering the Persian Gulf.

(b) Subsection (a) includes a prohibition against the sale or delivery of any AGM-650D/G MAVERICK missiles under the numbered certification transmitted to the Congress on July 7, 1988 (transmittal number 88-39).

ORDER OF PROCEDURE

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, I want to take the time of the Senate, the Republican leader and myself being on the floor together. I ask unanimous consent that on Monday, at the conclusion of morning business, the Senate proceed to the consideration of S. 11, and that upon the disposition of S. 11, the Senate proceed to the consideration of S. 533.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Arizona.

Mr. DeCONCINI addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DeCONCINI. Thank you, Mr. President.

Mr. President, this amendment is one that I have contemplated for some time. Quite frankly, it does not go nearly as far as I feel is in the best interests of our Nation, and that is to take a much closer look, have a debate, and, in my judgment, probably deny the sale of the F-18's to Kuwait.

This is not by any means to be interpreted as hostile toward that kingdom. I understand their problems and difficulties there. But I think we have some real obligations here to be very cautious. As a Nation, we seem to skirt those caution signals, and we see the gulf area heating up even more. It seems to me that a response of more and more weapons in there is not in our best interests.

This amendment deals with the Maverick D and G missiles in the package that was sent up today officially for approval to transfer and permit the sale of 40 FA-18 Hornet fighter aircraft, some Harpoon missiles, Sidewinders, Sparrow missiles, 300 Maverick missiles, 400 laser-guided bombs, and 200 cluster munitions.

This amendment would prohibit the transfer and sale and contract of these missiles to countries bordering the Persian Gulf. It goes a long way. It does not single out, in the first section of this amendment, a particular country, and it makes reference only to the logistical numbers and the transmittal number here for a purpose.

I think it is important that we take a position that we are not interested in proliferating such highly technical state-of-the-art weapons as the Maverick. This would be introducing a very new capability in that part of the gulf, in a very volatile region. Other nations there that have good relations with the United States do have some Maverick missiles. None, to my knowledge, has the D and G, with the exception of Bahrain and Egypt. Egypt, of course, does not border the Persian Gulf, so they would be exempt from this, as would be Israel.

This is a state-of-the-art weapon. It is infrared. It is a lock-on type weapon that can be very difficult to divert. It is considered a fire-and-forget weapon, which is the term that is used. It is a missile we can ill afford to have fall into unfriendly hands. We can see the spread of the Stinger missiles throughout that region. We know that Iran has some of those missiles now, and Qatar has some. To now turn over this most sophisticated missile, which could be retrofitted to other aircraft besides the F-18, to me, would be a huge mistake.

So I hope, Mr. President, that this amendment will be acceptable to the managers of the bill. I tell the managers that I appreciate the time that they have put in, as well as the other members of the committee, to craft this foreign operations bill, to come to the floor. I think it has been 7 or 8 years since we passed one of these bills, and I know they do not need any more disturbance from amendments.

This is a very important topic; and, to me, to put the F-18's into Kuwait, in the location it is, with the difficulties that that nation has from Iraq and Iran, is questionable.

We do not know of any European country that has a missile comparable to this. So it is not the old argument that they will buy from the French or the British or somebody else. At least, I have been advised that that is not a possibility.

If we deny this missile and this proliferation, particularly the D and G categories, that is going to mean that they are not going to be there, and I think we would be better off. This does not leave Kuwait without ample capacity to retaliate in the event any of the nations continue to take action toward them. It leaves them with 40 Harpoon missiles. It leaves the sale with 120 Sidewinder missiles and 200 Sparrow missiles. It leaves them 400 laser-guided bombs and 200 cluster munitions. We have not ripped all the weapons systems away from them. But, frankly, I would probably support a greater exclusion of some of these weapons systems going to this part of the world.

It is my hope that we can adopt this amendment with strong bipartisan support. I think it is in the best interests of the United States.

Mr. SPECTER. Mr. President, I am pleased to join the distinguished Senator from Arizona in submitting this amendment. It has been submitted as a result of conversations among many Senators, including Senator DECONCINI, Senator PACKWOOD, and others.

It is being submitted at this time because there was a transmittal which was just received this morning from the administration concerning quite a number of weapons to Kuwait. This category of Maverick missiles in the D and G class has been selected for exclusion because it is a unique weapon. It involves imaging, infrared, heat-seeking guidance. It is usable day or night, in poor weather. It has tremendous impact, incorporating a 300-pound warhead. It is a unique situation, which is why this amendment is being offered, on the grounds that the Maverick ought to be removed peremtorily.

This weapon is available only to Egypt and Bahrain, made available to Bahrain because it was under the $14 million category not being considered by Congress. Egypt, of course, is in a different situation, being a party signatory to the Camp David accords.

This weapon was excluded from a request from Saudi Arabia, and a precedent should not be established to make it available to Kuwait under these circumstances.

Mr. President, there are strong reasons why the weapon ought not be made available to Kuwait, in the light of the background in the region, in the light of other very heavy firepower being extended in the region.

It is my thought that before any such weapon were to be made available to Arab nations—and I suggested this to Secretary Shultz on June 16, a few weeks ago, when he testified before the Foreign Operations Subcommittee—there ought to be a basic precondition before such weapon sales are even considered, that the Arab nations requesting the weapons renounce the use of force and recognize Israel's right to exist.

Mr. President, in the interest of brevity, there is quite a lot more that I have to say, but I think this will suffice to set the groundwork for the importance of this amendment, and I urge my colleagues to adopt it and accept it.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I have discussed the matter with the author of the bill and I accept the amendment.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KASTEN. Mr. President, I simply want to say that we also accept the amendment.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I hope the managers will bear with me a moment in order to make a brief statement.

Mr. President, I rise as an original cosponsor of this amendment to prohibit the sale of Maverick missiles to any country bordering the Persian Gulf. I am particularly concerned about the administration's plan to sell Maverick missiles to Kuwait.

The Maverick D and G missiles are extremely sophisticated missiles that represent a major upgrade in capability over earlier versions of this missile. While earlier versions of the Maverick were TV-guided, the Maverick D and G use an imaging infrared seeker that permits them to be used day and night, in all weather. This seeker also permits target location at a greater range than earlier TV-guided A and B models. These sophisticated missiles should not be introduced into the volatile gulf region in such large quantities when there is a real possibility they could fall into unfriendly hands. With Kuwait being such a close ally of the Soviet Union, we need to be especially vigilant. Moreover, these missiles would merely contribute to the dangerous proliferation in the gulf.

The Maverick D is basically irrelevant to the threat Kuwait faces from Iran. The Maverick D is made to be used against armored vehicles like tanks and armored personnel carriers. But since Iran has very few tanks and armored carriers, these missiles are simply not needed. The Maverick G is an antiship missile that is unnecessary because the Harpoon, our premier antiship missile, is already included in this package.

While these missiles aren't needed by Kuwait, they do pose a real threat to Israel. These missiles can be wired to fit any United States plane, including the F-5's and the F-15's, which Saudi Arabia now has.

Mr. President, I also question why we should sell Mavericks to Kuwait when we rejected their sale to Saudi Arabia just last year. Kuwait, unlike Saudi Arabia, has a close military relationship with the Soviets, and could conceivably share the technology with them. Moreover, Kuwait has been extremely hostile to the peace process in the Middle East, a strong financial backer of the PLO, and has consistently refused to allow United States military basing rights at its military facilities.

For all of these reasons I hope that our colleagues will support this amendment as well.

Mr. DOLE. Mr. President, I want to express my disappointment that the Senate has moved so precipitously this afternoon on the question of the administration's proposed arms sale to Kuwait.

Formal notice of the administration's proposal was submitted only today—just a few hours ago. So the process established in law to consider this kind of proposal had not yet even begun. And yet the Senate has already moved to give a definitive judgment to this complex question. Whatever you think of this arms sale proposal—and some significant concerns have been raised, which deserved serious consideration—this is just no way to "run a railroad."

Let me also note my particular disappointment because, as many Senators know, we had a meeting earlier today on this very subject with the President's national security adviser, General Powell. The principal sponsor of this amendment was invited to the meeting, but was unable to attend because of the press of other business. Some of the cosponsors of the amendment, I believe, were at the meeting. Those who were there included Senators SIMPSON, LUGAR, PACKWOOD, SPECTER, METZENBAUM, CRANSTON, LAUTENBERG, LEVIN, and myself.

And I think everyone who was there would agree that it was a good meeting. As I said, serious concerns about the proposed Maverick sale to Kuwait were expressed. And while General Powell certainly made no commitment to make any particular change in the administration's proposal, he did indicate a willingness to take a look at what might be done.

More important, he indicated that there would be discussions with the Kuwaiti Government—particularly the Crown Prince, who arrives in Washington this weekend.

No one knows for certain whether such consideration by the administration, or discussions with the Kuwaitis, could produce any ideas that could lead to an acceptable compromise. But I don't think anyone who was at the meeting—or, for that matter, who knows General Powell—would have any doubts about the good faith in which he made his promise to pursue these avenues.

That alone, it seems to me, is good enough reason for us to have withheld action on this amendment at this point, and held over until next week—after the discussions with the Kuwaitis. I don't think it would have been difficult to find a vehicle to address this question; nor, if no compromise had been reached, to find the votes to pass a similar amendment. The point is, it was worth a try to see if we couldn't come up with something. That, after all, is why we had General Powell up here today.

And let me also make this point: There is a lot at stake here—not only in geopolitical terms, but also in bottomline dollar terms. General Powell told us at the meeting of recent Saudi decisions which are likely to lead to $25 billion in British sales to Saudi Arabia over the next few years. One big reason that Saudis are shopping in Great Britain instead of here is because of the great difficulty we've had in the past getting arms packages approved.

Now we can argue about whether this sale, or that, makes sense or is in our national interest. We have a system to examine those questions, as I have said. But it is abundantly clear that—when we're talking about $25 billion in business going out our back door and in Britain's front door—we ought to at least give some serious thought to what we're doing.

And on this particular sale, let's remember we are talking about nearly $2 billion in purchases from us.

And there is this additional matter to consider: If these customers buy from the British, or the French, or from other suppliers—they are going to get equipment that is in many cases as good, or nearly as good as they can get from us; but without any controls on their use. What that can mean to the security of our friends in the region, especially Israel, is obvious.

Now let me conclude by saying I, myself, hadn't made a final judgment on this package. I certainly would like to have seen some compromise constructed that would have addressed the concerns raised by some.

I certainly would like to have seen us avoid this negative vote just hours before the Crown Prince of Kuwait arrives here in this country.

I certainly would like to have seen us give the system we have set up in law a chance to work.

And I certainly hope that we have learned something from this experience, that will lead us to do a better, more responsible job the next time.

The Senator from Rhode Island.

Mr. BYRD. Mr. President, will the Senator yield to me for a statement?

Mr. CHAFEE. I yield.

Mr. BYRD. Mr. President, there will be other rollcall votes today. It is the leadership's plan to go to the D.C. appropriation bill before the completion of this bill.

So I suggest that Senators make plans to be in for a while this evening.

Mr. President, I ask for the yeas and nays on final passage of this bill.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. CHAFEE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Arizona.

Mr. DECONCINI. Mr. President, I send to the desk a modification of my amendment.

The PRESIDING OFFICER. The Senator has that right and the amendment will be so modified.

The amendment, as modified, is as follows:

On page 120, between lines 5 and 6, insert the following:

SEC. 592. It is prohibited to sell or deliver any AGM-650D/G MAVERICK missiles under the numbered certification transmitted to Congress on July 7, 1988 (transmittal number 88-39).

Mr. DECONCINI. Mr. President, I think a compromise has been worked out here. I would ask the Senator from Michigan, Mr. LEVIN, and the Senator from Delaware, Mr. ROTH, be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, I am ready for the amendment to be accepted. I thank the chairman and ranking member, and I thank them for their cooperation in this effort.

The PRESIDING OFFICER. Is there any further debate on this amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2531) as modified was agreed to.

Mr. KASTEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DECONCINI. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCLURE. Mr. President, I wonder if I could have the attention of the managers of the bill for just a moment because I had prepared an amendment with respect to the International Atomic Energy Agency. The budget request is for $24 million and the amount that has been approved in this bill is $10 million less than that, which would be a severe, and I think crippling, blow to an Agency that has demonstrated its worth and its importance.

I understand that the House of Representatives' action has funded that activity at $22 million, which is just $2 million less than the budget request. I understand the difficulties every subcommittee has in meeting 302(b) allocation targets, but I wonder if the managers of the bill could indicate what their expectation is with respect to the conference between the House and the Senate on this particular item?

Mr. INOUYE. I am pleased to advise my friend that we are prepared to accede to the House to the fullest extent possible.

Mr. McCLURE. I thank the Senator from Hawaii. I wonder if the Senator from Wisconsin would respond.

Mr. KASTEN. I would say to the Senator we did have problems meeting the 302(b) allocations. I believe this item has strong bipartisan support, and I will do everything I can in working with Senator INOUYE to see that we can be as close to that House level as we possibly can.

Mr. McCLURE. Mr. President, I thank the managers for the response that is given. I know how difficult it is to bring a bill to the floor, let alone to take one to the conference and the flexibility that you need in the conference.

Mr. President, I will not take much time here today to try to illustrate to this body the importance to the United States in terms of activities of the International Atomic Energy Agency. We have gone through that at some length in past years.

I do not want to belabor the Senate today, but I do want to underscore what I think has been the consensus growing out of those discussions over the years that, indeed, in spite of whatever deficiencies there may be with this international agency, it is the only activity that we have that covers this field and is, therefore, essential to us to participate in and essential that we strengthen, rather than weaken or eliminate, the activities of that Agency.

With the assurances the Senators have given me, and knowing from past history and these discussions that the managers of the bill recognize the importance of this Agency, I will not offer the amendment.

Mr. President, the recent summit meeting between President Reagan and General Secretary Gorbachev demonstrated a remarkable spirit of cooperation of nuclear issues. But I feel it is important to note that one subject for discussion at each of the summits held between these two world leaders has always received the praise and support of both nations. Each summit statement has contained a reaffirmation of the need for and the support for the International Atomic Energy Agency.

For over 30 years, this important institution has served vital U.S. national security interests, and through its international safeguards system, has played a major role in helping to prevent the further spread of nuclear weapons.

Because of the vital importance of the IAEA to U.S. interests, I am very concerned about recent actions taken in the Senate Appropriations Committee. The U.S. voluntary contribution to IAEA was reduced from the President's request of $24 million to only $14.5 million. I find it difficult to reconcile this action with the constant support expressed by the President, at the summit and elsewhere, for the IAEA. Much of this money is spent in support of new and more effective safeguards techniques. As nuclear technology and facilities continue to spread across the globe, it is essential that we provide the kind of support that will enable the IAEA to continue applications of the best possible safeguards.

As many Members of the Senate are aware, funding for international organizations over the past few years has become extremely limited. At this time, we expect to provide only 89 percent of our assessed payment to IAEA for 1988 and the situation for 1989 is unclear. If the Agency is to continue to perform as well as it has to date, we must continue our traditional strong support of it. Therefore, I strongly urge that funding for the U.S.' 1989 voluntary contribution to IAEA be fully restored in conference.

Mr. President, I ask unanimous consent that a summary of the IAEA funding be printed in the Record.

There being no objection, the summary was ordered to be printed in the Record, as follows:

IAEA Funding

CIO Account—Involuntary Contribution:
President's Request, $35.160 million.
House, $35.160 million.
Senate, $35.160 million.

Status: House has completed floor action. Bill is ready for Senate floor consideration.

Committee: State, Justice, Commerce; House Chairman and Ranking Members: Smith and Rogers. Senate Chairman and Ranking Members: Hollings and Rudman.

IO & P Account—Voluntary Contribution:
President's Request, $24 million.
House, $22 million.
Senate, $14.5 million.

Status: House has completed floor action. Senate awaiting floor action.

Committee: Foreign Operations. House Chairman and Ranking Member: Obey and Edwards. Senate Chairman and Ranking Member: Inouye and Kasten.

A considerable portion of this voluntary contribution is spent in support of IAEA safeguards, to pioneer new safeguards techniques for increasing complex nuclear facilities, and to ensure the continued effectiveness of existing safeguards approaches. As you are aware, U.S. law requires the application of IAEA safeguards to U.S. nuclear exports. In the absence of effective IAEA safeguards, the United States would be required to implement a far more costly, and certainly less effective system of bilateral safeguards. The voluntary contribution also is used to support training, fellowships and use of basic nuclear applications in medical, agriculture and other fields for countries that are party to the Nuclear Non-Proliferation Treaty (NPT).

Mr. McCLURE. Mr. President, I yield the floor.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

AMENDMENT NO. 2532

(Purpose: To provide that funds for the World Bank and other multilateral development banks will be sequestered before a sequestration of other U.S. Government programs is required)

Mr. GRAMM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Texas [Mr. Gramm] proposes an amendment numbered 2532.

Mr. GRAMM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 7, between lines 10 and 11, insert the following:

"Sequestration of Funds

"Of the funds appropriated by this Act for payment to the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the African Development Fund, the African Development Bank, and for the United States contribution to the Asian Development Fund, all such funds shall be withheld from obligation or expenditure if the initial report transmitted to the President under section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the Balanced Budget and Emergency Deficit Reaffirmation Act of 1987, sets forth a deficit excess that is greater than $10,000,000,000, and unachieved deficit reduction greater than zero; and all such funds shall be permanently sequestered if the final report transmitted to the President under section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the Balanced Budget and Emergency Deficit Reaffirmation Act of 1987, sets forth a deficit excess and unachieved deficit reduction (not accounting for outlay reductions made pursuant to this sentence) that would require aggregate outlay reductions pursuant to such Acts, provided however, that the aggregate outlay reductions shall be applied in such case to other outlays only if the deficit excess equals $10,000,000,000 or more and unachieved deficit reduction equals more than zero after accounting in each case for outlays permanently sequestered pursuant to the provisions of this sentence; if, however, such final report to the President states that no aggregate outlay reductions are required, then the funds withheld pursuant to this sentence shall be released; and while such funds are withheld or permanently sequestered the United States Governor of the International Bank for Reconstruction and Development may not subscribe to the callable capital portion of the United States share of increases in the capital stock of the International Bank for Reconstruction and Development nor may the United States Governor of the African Development Bank subscribe to the callable capital stock of the African Development Bank.

Mr. GRAMM. Mr. President, this amendment is a very simple amendment. We are going to be spending in this bill $1,275,370,371 in funds that will go the General Capital Increase of the World Bank; that will go to the International Development Association. It will go to the International Finance Corporation; it will go to the Asian Development Fund; it will go to the African Development Fund; it will go to the African Development Bank.

Mr. President, I had thought about introducing an amendment to cut funds for these programs, and then it struck me that the motivation for doing that is one of priorities. I think we are all concerned about the fact that we may get to the end of this fiscal year and find that we have violated the Gramm-Rudman-Hollings bill by more than $10 billion, and we may find ourselves in October with a sequester order.

What this amendment says, pure and simple, is that if we, in the preliminary finding on the deficit in September, violate the Balanced Budget Emergency Deficit Control Act in such a way that there would be an across-the-board cut in funds, that range from national security to AIDS research to the war on drugs, then the funds for international development, international finance, for the World Bank, would be withheld from expenditure first. Then, if, in fact, we end up with a sequester order, these funds would be permanently sequestered. That is, their budget authority would be permanently canceled, the deficit would be recalculated and if, after the cancellation of these programs and the resultant outlay savings are taken into account, we therefore did not violate the Balanced Budget Emergency Deficit Control Act deficits targets, then there would be no sequester of other outlays of the Government.

So this is a matter of priorities. I personally do not think much of some of these multilateral development bank programs. I have a higher opinion of others, but we are down to a matter of priorities. I think the amendment simply states what our priorities are; that some of these programs are not as high a priority as are funding for defense or AIDS research or the war on drugs.

I hope that my colleagues will accept the amendment.

Mr. INOUYE addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. INOUYE. Mr. President, I am pleased to accept the amendment.

Mr. KASTEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KASTEN. Mr. President, I think the Senator has an important idea here, and I am pleased also to support the amendment.

Mr. CHILES. Mr. President, I strongly object to this attempt to rewrite the Gramm-Rudman-Hollings Act in this fashion. I understand that the managers of this bill intend to take this amendment to conference. While I will not object at this time, if this amendment returns from conference, I will object to the conference report on the bill.

The PRESIDING OFFICER. Is there further discussion of the amendment? Hearing none, the question is on agreeing to the amendment.

The amendment (No. 2532) was agreed to.

Mr. GRAMM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KASTEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KASTEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KASTEN. Mr. President, one of the issues that has driven this committee's interest in international environmental reform is the rate for forest loss in developing countries. As has been pointed out, the multilateral banks help finance much of that deforestation.

I would like to point out the rate of deforestation that has occurred in Rondonia since approval of the World Bank loan to finance a road into this undeveloped area.

When this subcommittee first intervened, about 4 percent of Rondonia had been deforested. Since the construction of that road, deforestation skyrocketed. Today, over 15 percent of the entire area has been denuded. Over 36,964 square kilometers have been deforested from this one project.

The Carajas Railway could be even more devastating than the now famous BR-362 into the Amazon Rainforest. This railway will carry iron from the Brazilian Amazon to the coast. There it will be exported to Europe and Japan.

What is particularly hideous about this project is that forests will be cut to fuel the furnaces to smelt the ore into pig iron. This is likely to touch off immense deforestation. Projections indicate approximately 50,000 to 70,000 hectares will be destroyed per year—that is many times the rate of forest destruction in Rondonia.

I am informed that if conventional fuels were used to smelt this iron, it could not be produced at a competitive price. The environment has been discounted in this project to allow for otherwise uneconomic development to occur.

Clearly, this is not a sustainable project. This is the type of project this committee has laid out criteria to oppose.

INTERNATIONAL MILITARY EDUCATION AND TRAINING

Mr. GRAHAM. Will the Senator from Hawaii yield?

I thank my good friend from Hawaii for entering into a colloquy about the International Military Education and Training Program and how the IMET Program can provide training in what might be called nation building activities.

I ask the Senator, what is nation building training?

Mr. INOUYE. IMET Program activities often can enhance the ability of foreign military forces to construct public works and to engage in other activities helpful to the economic and social development of a recipient country.

Nation building activities for which IMET training is suitable include engineering, communications, electronics, maintenance, medicine, logistics, management, and military jurisprudence.

Mr. GRAHAM. What is the purpose of training military forces in nation building activities?

Mr. INOUYE. Foreign Military Forces receive professional military training in nation building activities primarily to further their military mission, but also to make the military a more active contributor to the economic and social development of their country. Military forces engage in engineering, communications, electronics, maintenance, medical, logistical, management, and military jurisprudence activities while providing for their national defense. Second, these same activities can be coordinated with and form part of the total economic and social development effort of a country. An excellent example in our own history is that of the Army Corps of Engineers.

Mr. GRAHAM. How can the President increase the kinds and amounts of nation building training taking place in our current International Military Education and Training Program?

Mr. INOUYE. As is noted in the committee report on this legislation, the President is encouraged to allocate a portion of the funds appropriated for International Military Education and Training to programs providing education and training of foreign military personnel in the nation building activities I have already mentioned.

HUMANITARIAN AID FOR THE AFGHAN PEOPLE

Mr. D'AMATO. Mr. President, this year the people of Afghanistan face an overwhelming humanitarian crisis. If the Soviet troop withdrawal proceeds on schedule, thousands of Afghan refugees will begin returning to their devastated homeland. Humanitarian needs will be greater than ever before. Unfortunately, the administration's request for humanitarian aid to the Afghans was inadequate. In fact, the administration requested no substantial increase in levels for humanitarian assistance over the amounts forced upon them by Congress for fiscal year 1988.

In order to address this growing humanitarian crisis, I joined with the chairman of the Foreign Relations Committee, the senior Senator from New Hampshire, and 23 other Senators in calling for a doubling of our Cross Border Humanitarian Assistance Program administered by the Agency for International Development.

Mr. INOUYE. Mr. President, I share the concerns of the distinguished Senator from New York. As the Senator is aware, in order to address the concerns of many Senators, this bill contains an important new provision providing an additional $50 million in emergency humanitarian aid to the Afghans. As the report of the Appropriations Committee emphasizes, the committee expects the $50 million to be in addition to the amounts that the administration is currently planning to provide for humanitarian aid to the Afghan people, and in addition to amounts earmarked elsewhere in the foreign operations appropriations bill.

Mr. D'AMATO. I commend the distinguished chairman for his efforts to secure a substantial increase in our humanitarian assistance effort. It is this Senator's understanding that the President retains the discretion under this provision to designate which agency of the Government shall administer this additional humanitarian assistance. Consistent with the committee report, it is the understanding of this Senator that $45 million of this additional funding should be available to the Agency for International Development to supplement the Cross Border Humanitarian Assistance Program.

In 1985, this Senator joined with Senators HUMPHREY, BYRD, and PELL, in cosponsoring legislation to establish a Cross Border Humanitarian Assistance Program. This program has proven instrumental in providing those remaining inside Afghanistan with desperately needed medical facilities, food, commodity support, agricultural infrastructure, literacy training, and educational materials. The program helps provide the refugees inside Afghanistan with the infrastructure that will encourage Afghans to return home. Without such infrastructure, it is doubtful that Afghanistan can support the returning refugees.

That is why this Senator, and 25 others have specifically called for a $45 million increase in the cross border program. I commend the chairman of the Foreign Operations Subcommittee for his efforts.

Mr. INOUYE. I certainly recognize the concerns of the Senator from New York, and I can assure the Senator that it is the intent of Foreign Operations Subcommittee that the additional funding should be made available to supplement the Cross Border Humanitarian Aid Program.

Mr. D'AMATO. I thank the Senator. I would like to draw the Senator's attention to the recent report of a distinguished citizens commission of Afghan refugees sponsored by the International Rescue Commission based in New York. On June 23, 1988, members of the commission presented their conclusions to the Senate Foreign Relations Committee. The report concludes:

> It is said that adequate monies may not be available, that other refugee programs may have to be sacrificed to assist Afghans, or that this is primarily a multilateral effort, in which U.S. participation should be limited. The commission believes that an abdication of this sort on the part of the United States would be unwise. The people of Afghanistan have been economically and emotionally devastated by the atrocities that have been visited upon them during the past nine years. They are surely deserving of immediate attention and assistance by the United States and others—in amounts greater than those that have been proposed thus far.

Mr. President, I believe the committee has taken an important step to avert what the commission warns could be a tragic shortcoming of the United States. Obviously the need is much greater, but this bill addresses that need far more generously than the administration's request. I urge my colleagues to support this provision.

AFRICA FUND AND POPULATION PROGRAM

Mr. LEAHY. There is some confusion about two sections of the committee report that appear to be conflicting. In the section dealing with the Development Fund for Africa, AID is encouraged to use funds from all sources, including centrally funded programs, to meet the 10-percent target for voluntary family planning activities. I would just like to confirm with the chairman, however, that the $197.94 million appropriations for population assistance is exclusive of the target for family planning under the DFA as is described in the population section of the report.

Mr. INOUYE. That is correct. The committee agreed to this additional clarification when it was learned that voluntary family planning activities were not receiving the 10-percent target of support intended under the DFA. Indeed, AID Is projecting that less money will go toward family planning in Sub-Saharan Africa in fiscal year 1988 and 1989 compared with fiscal year 1987. Total of $62.5 million and $64 million respectively for fiscal year 1988 and 1989 compared with $72 million in fiscal year 1987. This new directive is intended to ensure that family planning and population assistance actually receives all that Congress believes it has appropriated for these activities.

PEACE CORPS FUNDING

Mr. CRANSTON. Mr. President, as a long-time and ardent supporter of the Peace Corps, I am delighted by the provision in this measure to provide fiscal year 1989 appropriations for the Peace Corps at a level—$157 million—that would enable the Peace Corps to continue making progress toward achieving the congressionally established goal of a Peace Corps volunteer strength of 10,000, as enacted in section 1102 of the International Security and Development Cooperation Act of 1985, Public Law 99-83. As the Senate author of that provision, I am deeply grateful to the distinguished chairman of the Appropriations Subcommittee on Foreign Operations, Mr. INOUYE, for his excellent work in getting that amount included in the bill as reported.

Mr. President, the funding that would be provided in this legislation is crucial to the efforts of the Peace Corps in fiscal year 1989 to maintain its operations and to continue making progress toward achieving the goal of a Peace Corps volunteer strength of 10,000.

Despite the continued national support for the Peace Corps among the American people and its symbolic significance to our aspirations for world peace and understanding, the numbers of Peace Corps volunteers declined from more than 15,000 volunteers in 1966 to 9,000 in 1970, to just over 5,000 in 1984. During that same period and continuing to the present, the populations in the developing nations of the world have increased dramatically.

As a result of our efforts over the past 3 years, the decline in the number of volunteers has become an upswing. In fact, the Peace Corps placed more new volunteers in the field this year than it has in any of the past 10 years. Currently, there are about 6,600 men and women serving in the Peace Corps, a 25-percent increase over last year, and the prospects for continuing growth are good, If Congress provides the necessary resources. For example, at present the Peace Corps has requests from host countries for close to 1,000 more volunteers, and roughly 3,360 more qualified applicants than the agency's current budget enables it to use.

Many exciting developments are under way in the Peace Corps, including two pilot programs in health care designed to train host-country nationals to improve their delivery of health care services. The Peace Corps is also preparing for its negotiations with the People's Republic of China to work out details regarding the number and type of volunteers who will be serving there. These activities should help the Peace Corps keep pace with the growing needs of host countries for volunteers.

Mr. President, following enactment of the 10,000-volunteer goal, I and a number of other Members of the House and Senate, including Senators PELL and DODD and the chairman of the House Foreign Affairs Committee, Representative DANTE FASCELL, requested that Loret Ruppe, Director of the Peace Corps, develop a phased, realistic, and programmatically appropriate plan to meet that goal. Director Ruppe's plan, submitted to Congress on March 5, 1986, provided a realistic blueprint for moderate Peace Corps growth through the end of this decade and into the beginning of the next.

So far, through the efforts of a number of us strongly committed to this agency's work on behalf of world peace, development, and mutual understanding—including notably my good friend, Senator DECONCINI, a member of the Appropriations Committee's Subcommittee on Foreign Operations, as well as its distinguished chairman, Senator INOUYE—the Congress provided the funding needed to keep pace with that plan—$137.2 million for fiscal year 1987 and $146.2 million for fiscal year 1988. As I have previously indicated, the funding level called for in that plan for the next fiscal year is $157 million.

This is also the level of funding that would be authorized for appropriation in S. 2054, legislation which I introduced on February 4, 1988, with the chairmen of the Foreign Relations Committee, Mr. Pell, and of that committee's Subcommittee on Western Hemisphere and Peace Corps Affairs, Mr. Dodd, and Senators Inouye, DeConcini, and Rockefeller, and which Senator Weicker and Sanford have also cosponsored.

On May 10, 1988, Senators Pell, Dodd, DeConcini, Rockefeller, Weicker, and Sanford—all cosponsors of S. 2054—joined with me in a letter to Subcommittee Chairman Inouye outlining the need for this funding and urging his support for fiscal year 1989 appropriations of $157 million for the Peace Corps. I know that the distinguished Senator from Hawaii will do everything possible to sustain this figure in conference since the House-passed bill includes only $152 million for the Peace Corps.

Mr. President, I ask unanimous consent that the text of our May 10 letter to Chairman Inouye, along with the text of a letter which Senators Pell, Dodd, and I recently sent to Director Ruppe requesting an updating of the funding estimates in the March 5, 1986, 6-year plan, be printed at this point in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

U.S. Senate,
Committee on Foreign Relations,
Washington, DC, May 10, 1988.

Hon. Daniel K. Inouye,
Chairman, Subcommittee on Foreign Operations, Committee on Appropriations, U.S. Senate, Washington, DC.

Dear Dan: We are writing to urge that your Subcommittee recommend appropriations for the Peace Corps in the amount that would be authorized for appropriation in S. 2054, legislation you joined us in introducing on February 4, 1988, to authorize FY 1989 Peace Corps appropriations of $157 million.

We are extremely grateful for your successful efforts last year to ensure that the Peace Corps received the funding level we proposed in S. 1274, the proposed "International Security and Development Cooperation Act of 1987", which is pending on the Senate calendar. We hope that the Senate will consider that bill this year, so that we may have the opportunity to add to it the fiscal year 1989 Peace Corps authorization level of $157 million proposed in S. 2054.

However, if the Senate has not taken up this legislation before your mark-up, we urge your Subcommittee to recommend the $157 million funding level, which, as you know, is essential to enable the Peace Corps to continue making progress toward the Congressionally-established goal of a volunteer strength of 10,000 by 1992—a goal which your Subcommittee and the full Committee expressly endorsed in its December 4, 1987, report on the FY 1988 appropriation (S. Rept. No. 100-236, p. 181)—and to keep its operations running smoothly.

Many exciting developments are underway in the Peace Corps. The two pilot programs in health care you initiated are moving forward, and assessments are underway to determine the host countries in which it would be best to undertake the programs. The Peace Corps is also preparing for its negotiations with the People's Republic of China to work out details regarding the number and type of volunteers who will be serving there. These activities should help the Peace Corps keep pace with the growing needs of host countries for volunteers. It currently has close to a thousand more requests for volunteers, and roughly 3,360 more qualified applicants, than the agency's current budget can accommodate.

Dan, because of your long-standing dedication to maintaining a strong and effective Peace Corps, we know that you will make every effort to see that the Peace Corps receives this funding so that it may have the necessary resources to continue to assist people in developing countries meet their basic needs and improve the quality of their lives.

With warm regards,
Cordially,
Alan Cranston,
Dennis DeConcini,
Lowell P. Weicker, Jr.,
Claiborne Pell,
Christopher Dodd,
John D. Rockefeller IV,
Terry Sanford.

U.S. Senate,
Committee on Foreign Relations,
Washington, DC, June 9, 1988.

Hon. Loret Miller Ruppe,
Director, Peace Corps,
Washington, DC.

Dear Loret: We are writing you—as we did in March of last year—concerning the plan you developed two years ago to achieve the Congressionally-mandated goal for a Peace Corps volunteer strength of 10,000 individuals.

As you are well aware, following enactment on August 8, 1985, of the provision in section 1102 of Public Law 99-83, establishing the 10,000-volunteer goal, we, along with a number of members of the authorizing and appropriating committees of both the House and Senate, requested that you prepare a detailed plan on how to achieve that growth in a phased and orderly manner within present stringent budgetary limitations. Your plan, submitted on March 5, 1986, and updated, in response to our request, on April 17, 1987, has been extraordinarily helpful in providing guidance to our efforts over the past two years to secure the legislative changes and resources needed to start on the path toward achieving this growth in volunteer strength.

As we continue those efforts, we would appreciate your providing us with an update of the plan, taking into account FY 1988 staff salary increases, those estimated for future years, and projected increases in the Peace Corps' fixed costs, FERS costs, and fluctuations in international currency exchange rates.

We would also like to have your comments on whether, in order to protect the Peace Corps' ability to maintain its programmatic efforts overseas despite currency-exchange fluctuations that diminish the purchasing power of its funds, a foreign currency fluctuations account should be established for the Peace Corps. We note that such accounts have been established for the Departments of Defense and State and that such an account was recently authorized, in section 345 (copy enclosed) of Public Law 100-322, for the American Battle Monuments Commission.

We look forward to working with you on these and other matters aimed at strengthening and improving the Peace Corps.

With warm regards,
Cordially,
Alan Cranston,
Claiborne Pell,
Christopher J. Dodd.

Mr. CRANSTON. Mr. President, for more than 26 years, Peace Corps volunteers have promoted international peace and friendship be helping persons in many nations overcome the often harsh circumstances—including, malnutrition, water pollution, disease, and illiteracy—of their lives. Since the Peace Corps' establishment in 1961, over 128,000 American men and women have served as volunteers in 95 nations around the world.

Of all the international efforts we make to achieve world peace and understanding, there is no greater contribution than that which the American people make through the Peace Corps. In this unique program, we share with the developing nations of the world the best of America—our people, our spirit, our ingenuity, and our compassion. Upon their return to this country, Peace Corps volunteers are a source of knowledge about another way of life that can be tapped to promote a broader understanding among Americans about peoples of other nations.

Mr. President, our Nation and all of the other nations in which Peace Corps volunteers serve are immeasurably enriched by the contributions made by Peace Corps volunteers. These are dollars extremely well invested, and I urge all of my Senate colleagues to support this Peace Corps funding level.

Finally, Mr. President, I want to call attention to a very well-deserved laudatory article in the June 16 edition of the New York Times about the outstanding leadership of Peace Corps Director Loret Ruppe during her 7 years as Director.

This June 16 article entitled, "Yes, the Peace Corps Is Alive and Full of Vigor," describes the resurgence and vitality of the Peace Corps under Director Ruppe's capable, tireless, and inspirational leadership.

In 1980, I made it my goal to see a revitalized Peace Corps. We took the first step in 1981, by enacting the law—mentioned in the article—which I authored to restore the Peace Corps to independent status, which it enjoyed in the sixties and had lost in the early seventies. Then, in 1985, I authored—along with Representative Jim Leach—the provision, also referred to in the article, establishing the goal of a 10,000-volunteer Peace Corps. That provision, along with others I proposed, to remove politics as a consideration in the selection of Peace Corps country directors and make other improvements in the Peace Corps personnel system, were enacted in the International Security and Development Cooperation Act of 1985, Public Law 99-83.

As the article and my earlier remarks clearly indicate, this legislation is working and the Peace Corps is thriving again.

Mr. President, I ask unanimous consent that the New York Times article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 16, 1988]

YES, THE PEACE CORPS IS ALIVE AND FULL OF VIGOR

(By David Rampe)

WASHINGTON, June 15.—"The Peace Corps, is it still around?" people ask Loret Miller Ruppe, who has been its leader since 1981, longer than anyone else.

The Peace Corps is not only around it is doubling in size and, after years in relative obscurity, Mrs. Ruppe is beating drums to get the word out. She is looking for volunteers with specialized skills in forestry and fish ponds and in forming small businesses to spend two years in a poor country.

She has also come up with novel ways to attract experienced people as volunteers, through tie-ins with dental schools, three-month tours for farmers and by encouraging older people to participate.

The corps, a darling of the liberals when it was created by President Kennedy just weeks into his Administration, had some difficult middle years. It started fast, building to more than 15,500 volunteers by 1966. Bill Moyers, in a history of the organization, summed up the mystical calling. "The Peace Corps is to the American Government what the Franciscans in their prime were to the Roman Catholic Church: a remarkable manifestation of a spirit too particular and personal to be contained by an ecclesiastic (read: bureaucratic) organization."

VIETNAM WAR'S IMPACT

But the Vietnam War, unpopular at home and abroad, sent the corps reeling. Paul Theroux, the novelist and travel writer, who was a volunteer in Malawi, remembers the corps as being surprisingly hawkish. The number of volunteers withered, to under 6,000 by 1976.

Then the group lost its independence under President Nixon, merging into a broad volunteer group called Action. It had 7 directors in 10 years. Its budget remains far behind the levels it reached in the 1960's, considering the effects of inflation.

But now the agency is rebuilding and, if it is not close to regaining its broadest reach, it is at least attracting firm bipartisan support. It has also managed to develop a better definition of its mission. The corps, once again independent, is working to increase its volunteer network to 10,000 people by 1992, from about 5,200 today.

The group expects to be operating in 66 countries by the end of the year, with half its volunteers in Africa. Its universe is a bit erratic; it does not include one of the countries most in need, Marxist-ruled Ethiopia, nor is it in China, although that may come soon.

Mrs. Ruppe (pronounced ROO-pee) may seem an unlikely candidate to head the Peace Corps. She had little related experience when President Reagan chose her, but she co-chaired Michigan's Reagan-Bush State Committee and did know Washington and Congress, being married to Philip Ruppe, a Republican who for more than a dozen years was the Congressman from Michigan's 11th District.

RESTORING POLITICAL POPULARITY

An energetic woman of 62 years, she has done much to restore the corps to political popularity. Timothy Carroll, head of the National Council of Returned Peace Corps Volunteers, remarked that Mrs. Ruppe has been "nicely bipartisan" and has kept the organization's spirit alive.

Sargent Shriver, the first leader of the corps, said Mrs. Ruppe deserved "immense credit," as did Congressional prodding, for rebuilding at a time when Government budgets have been under intense pressures. Mrs. Ruppe also has a personal interest in the corps: one of her five daughters was a volunteer in Nepal.

One thing she has done is to recognize that host countries want skilled volunteers. While English teachers still have an important place, the corps is emphasizing such things as fisheries, sanitation, nutrition and forestry and "micro-enterprises."

A MIRROR OF THE NATION

This is not easy at a time when mathematics and science students are in short supply in this country, and when the American farm population is a third of what it was in 1960. "Volunteers mirror what is going on in our country," Mrs. Ruppe said in an interview in her 12th floor office, which overlooks the White House.

That means it takes novel efforts to recruit. At Harvard University, the dental school is letting fifth-year students spend six months in the corps, instead of the standard two years. A farmer-to-farmer program will send 50 Americans abroad for three to six months. Financial concessions are offered to students who graduate with heavy debts. Rutgers University, the University of Alabama and Boston University are offering programs combining work on a master's degree with service in the corps.

In New York City, 16 public high school juniors recently spent two weeks abroad with the corps in an effort by the organization to make young people aware of the opportunities it provides overseas.

Another drive is to bring in older, more experienced recruits. The average volunteer is 30 years old, but one out of eight is over 50, and the older volunteer is said to enjoy considerable respect overseas.

Among recent volunteers who speak warmly of their experiences in the corps is Peggy Piaskoski, who taught English in Nepal, the Himalayan kingdom where per capita income is $160. She went to where the roads stop and then kept going, trudging for 16 hours through a rhododendron forest and stunning terraces, to a village two days away from any other American. Ms. Piaskosky, who now does recruiting for the corps in New York, describes it as "an adventure that will probably stay with me for a long, long time."

Another recent volunteer who worked in Ghana and Togo, Robert Rodriguez, said the greatest challenge was to achieve something that left a lasting imprint. The first six months, he said, you survive and get used to strange surroundings, then you spend a year working on a primary assignment—in his case teaching physics—and also on ad hoc opportunities. The last six months, he said, is to train local people to carry on. It doesn't always work, and that is frustrating, but he said "you're there as an agent to help them do what they want to do. The country knows eventually what is best for itself."

BENEFITS FOR VOLUNTEERS

Aside from altruism, the volunteers, and American society, are supposed to benefit in practical ways. The corps teaches some 200 languages and dialects. It provides experience often useful in later careers, facilitating commercial, governmental and cultural contacts, in the third world.

John W. Sewell, president of the Overseas Development Council, a private group specializing in third-world issues, said that over the years the Peace Corps and similar groups from other affluent countries have had an enormous beneficial effect on illiteracy, infant mortality and other problems, but that the benefits have been "very unevenly spread."

The corps provides a "very useful part of a spectrum of needs," he said.

A CADRE OF 120,000

"It's terribly important as a channel to keep Americans involved in the third world in a way good for the third world and good for us at an extraordinarily low cost," he said. "And it has given us a cadre of 120,000 who have lived and worked in the grass roots in the third world and now are emerging into positions of decision making in our own society."

Dr. William B. Walsh Sr., who heads Project Hope, which for 30 years has trained medical workers, said of the corps is "really doing superior work now."

Mr. Shriver, now the president of the Special Olympics, would like the corps to be more ambitious. "When I left in '65," he said, "we had 13,000 in the Peace Corps." Getting back to 10,000, he said, is not enough. "The only missing ingredient is a shortage of money, a pittance. It's like a vintage wine everybody would like to get, but there aren't enough bottles."

Mr. SIMON. Mr. President, I congratulate my colleagues on the Appropriations Committee, and particularly Senator INOUYE, for their careful crafting of appropriations for foreign assistance for fiscal year 1989. This bill, H.R. 4637, reemphasizes the fact that we have in the United States a bipartisan consensus in favor of foreign assistance. This is not only because foreign aid is the right thing to do but also because foreign assistance, particularly economic and development assistance, furthers our national interest.

I am particularly pleased that the Appropriations Committee has insisted that the President allocate $5 million in economic support funds to Lebanon. These funds will be used to support the programs of international and private voluntary organizations which are providing assistance and relief to Lebanon's war-weary population.

I hope that the administration will see to it that some of these funds are used to support the relief and vocational education programs of the Lebanon YMCA. As I noted in a statement made on August 7, 1987, I have become familiar with the impressive programs of the Lebanon YMCA. The YMCA has provided vocational training to approximately 20,000 youths, provides relief in the form of food, medicine, clothing and shelter to a quarter of a million people, and runs a summer camp program for 6,000 children affected by the war. The YMCA's programs are open to Lebanese of all ethnic, religious, and communal backgrounds. Specifically their programs serve Moslems as well as Christians.

I understand that the YMCA received a clean bill of financial health and probity in a recent audit of U.S.-funded programs. In addition, it has succeeded in broadening its financial base—increasing its private fundraising abroad from $3 million last year to $10 million this year. These developments should give us all confidence that the YMCA does an excellent job in Lebanon, and will use future United States-provided resources effectively and efficiently.

Mr. President, $5 million will not solve, let alone begin to solve, the suffering and violence visited upon the people of Lebanon. Leadership within Lebanon and effective diplomacy are needed to reestablish peace, effective government and a functioning economy in Lebanon. Yet this modest amount can provide hope for tens of thousands of Lebanese and will remind the world community that we all share a responsibility for bringing peace and stability to the people of Lebanon.

MOZAMBICAN REFUGEE CRISIS

Mrs. KASSEBAUM. Mr. President, as we debate the Foreign Operations appropriations bill, I believe it is important to highlight that the mounting flow of refugees in southern Africa over the past year is a very serious problem of crisis proportions. The State Department currently estimates that the total number of refugees from Mozambique is about 870,000, half of whom are in Malawi.

The number of Mozambican refugees has increased by 300 percent over the past year due to the violence and brutality by the RENAMO forces fighting the Mozambique Government. No resolution to the problems in Mozambique appears to be in sight and the increased flow of refugees suggests that there can be over 1 million Mozambican refugees by the end of the year.

The international community has been quick to respond to this growing crisis, but the problem is only expected to get worse over the coming months. I welcome the Appropriations Committee's report language which urges the Department of State to be of maximum assistance to international organizations who are struggling to relieve this tragic humanitarian emergency.

But I remain concerned, Mr. President, that the proportions of the crisis may be growing faster than the level of our commitment of resources. I believe very strongly that earmarks in general cripple our abilitly to conduct a flexible foreign aid program and exasperate the problems created by the cuts in the overall foreign aid budget. This year, I am particularly concerned that the earmarks in the Migration and Refugee Assistance account and the Emergency Refugee and Migration Assistance account may dangerously limit our ability to meet the needs of the refugee crisis in southern Africa. I would urge that over the coming year that we remain open here in Congress to any reprogramming request for this crisis if the State Department deems it necessary.

Mr. LEAHY. Mr. President, in 1971, when I was still a prosecuting attorney in Vermont, Senator INOUYE became the chairman of the Appropriations Subcommittee on Foreign Operations. Four years later, I became the youngest member of that subcommittee.

For 16 years, under four Presidents and six Secretaries of State, my very good friend, the distinguished Senator from Hawaii, has led Foreign Operations, either as chairman or ranking member. During these many years, chairman INOUYE has been a force of stability, foresight, and compassion in the management of our foreign aid programs.

When Senator INOUYE became chairman, our foreign aid budget, measured in constant 1988 dollars, was $19 billion, divided among some 102 countries. Today it is down to $14 billion, spread among 125 countries. In addition to bilateral assistance, that same $14 billion has to cover a wide variety of regional aid programs and our contributions to the United Nations, the multilateral banks, the Peace Corps, and a great deal more.

In the last 16 years, we have learned a tremendous amount about the uses and management of foreign assistance. On the whole, we have seen a remarkable evolution in our foreign aid programs, and it is in no small part due to the leadership of Senator INOUYE throughout this period.

It is therefore with great regret that I heard Senator INOUYE announce during the subcommittee markup of the present Foreign Operations bill that that would be his final session as chairman of this subcommittee.

I want to pay heartfelt tribute to Senator INOUYE for his long, devoted and inspiring years of leadership on Foreign Operations. Whether in providing leadership to those of us who are committed to ensuring the security of Israel, in sustaining programs to help the poorest countries meet basic human needs, or in addressing the needs of refugees, year after year Senator INOUYE has kept the United States at the forefront of the global effort to maintain the peace and fight poverty overseas.

Fortunately, the Appropriations Committee will still benefit from Senator INOUYE's leadership. Assuming our party retains the majority next year, he has indicated he plans to chair the Subcommittee on Defense, where he will be next in seniority after the retirement of that giant of the Senate, my admired friend and colleague, Senator JOHN STENNIS. I also sit on the Defense Subcommittee and I look forward to his able leadership there.

Senator INOUYE has been unwavering in his strong support for humanitarian aid programs. Today, as the Senate considers this final Foreign Operations appropriations bill to be reported by Senator INOUYE as chairman of the subcommittee, I want to mention just a few examples of how he has helped me achieve some of my own goals in Foreign Operations over the past 2 years.

In 1987, economic security funds to sub-Saharan Africa, a region of unparallelled economic devastation and political instability, were cut by 27 percent. To prevent a further erosion of U.S. aid to that region, I asked Senator INOUYE to include $50 million in economic support funds in the fiscal year 1988 foreign aid bill. Not only did he agree about the importance of this aid, he worked in the conference committee to increase the amount to $90 million in aid sub-Saharan Africa so desperately needs.

Also last year, I urged Senator INOUYE to support the highest authorized funding for a variety of humanitarian aid programs, including UNICEF, child survival, microenterprise loans and vitamin A. He saw to it that these programs received funding at or close to the levels I requested, and in several cases increased those amounts this year.

This year I suggested to Senator INOUYE the idea of establishing a fund to help civilian victims of armed conflicts around the world. Thousands of men, women, and children have lost legs from landmines in wars and insurgencies in some of the poorest countries in the world. Without our assistance, they have no hope of getting treatment. Senator INOUYE embraced this idea enthusiastically, and included a new section in the foreign aid bill providing up to $5 million for artificial limbs for these victims of conflict. Although this will only aid a fraction of the tens of thousands of amputees, Senator INOUYE shares my hope that this war victims fund will be expanded in the future. He also agreed to include language in the bill authorizing AID to assist amputees in countries where it is prevented from doing so under current law, such as Vietnam. Senator INOUYE agrees with me that the American people strongly support this kind of purely humanitarian gesture that can make a world of difference to people who are suffering. Politics should not stand in the way of our desire to help these people.

Also this year, I suggested to the chairman that the administration's request for IMET funds to train military officers from wealthy countries like Brunei and Austria simply cannot be justified. In Brunei, the per capita income is $20,000. That's $6,000 more than the average Vermonter earns, and yet the administration wants the American taxpayers to pay to train Brunei's military. Brunei, Mr. President, is the country where the Sultan felt able to contribute $10 million in a secret Swiss bank account for the Contras, at the request of the State Department. Senator INOUYE agreed with me, and included in the bill a prohibition on the expenditure of IMET funds for any country with a per capita income of more than $2,349.

I could cite dozens of other examples of how over the years Senator INOUYE has done his utmost to see that our foreign aid goes to those who are most in need. His legacy sets a standard for the next Foreign Operations chairman to build upon.

It is often said that foreign aid has no constituency. I disagree. Vermonters over the years have made clear to me they want to help those in need abroad. Generosity has long been an American trait. Americans just want to know that their generosity is going to good purposes, not being siphoned off by the wealthy, the corrupt or the inefficient. They do not want to pay for cruel military dictatorships or unjust oligarchies. I believe that foreign aid, used wisely, has the strong support of the American people.

This year's foreign aid bill illustrates the tremendous efforts by the Congress and the executive branch to address a vast array of foreign aid and related issues. It has not been easy. As America's interests overseas have expanded, our foreign aid budget has decreased. The importance of reducing the Federal deficit means the foreign assistance program, like all Federal spending, will face stringent constraints for several years to come.

Recent trends in our foreign aid concern me. During the first half of this administration, foreign aid grew by 42 percent. More recently, it has declined by 22 percent. And, during the past 8 years, the balance between development and security aid has shifted dramatically. Reflecting the attitudes and priorities of the Reagan administration, military and security-related assistance is now more than twice the level of development aid.

These ups and downs and shifts in emphasis have caused disruption in our foreign policies, and raise questions about our overall foreign aid objectives.

We are facing difficult choices as we begin our fifth decade since the Marshall plan. The world is a very different place today than it was in the late 1940's, when President Truman began our first major foreign aid program. We can count on equally dramatic changes by the year 2000. With a new administration taking office next year, with far-reaching economic, financial and technological developments around the globe, and with intense budgetary pressure on our shrinking foreign aid programs, it is time for both Congress and the executive branch to undertake a comprehensive review of foreign aid. We need to step back and evaluate what has worked and what hasn't in foreign assistance.

Some elements of our foreign assistance are unquestionably vital to our security and that of our friends. We must, for example, maintain our economic and military assistance to Israel, our only reliable democratic ally in a critical area of the world. We must continue to assist Egypt, the one Arab nation with the courage and statesmanship to make peace with Israel. We must help build strong international financial institutions dedicated to economic development. We must provide essential military and security assistance to friends and allies whose interests, values and international behavior are in harmony with our own. And, we must do our part to address the desperate needs of the 1 billion people who live in poverty.

Many other economic, military, and financial programs have gone on for many years without an indepth review of their goals and achievements. With these, searching questions must be asked and purposes reevaluated.

With the benefit of a comprehensive reexamination, we should, in cooperation with the new President, begin a sustained process of shaping a consistent, cost-effective and balanced foreign aid program that addresses America's and the world's needs during the remainder of this century and beyond.

As a member of the Foreign Operations Subcommittee, I look forward to working on this exciting and important fresh look at the purposes, structure and objectives of our various foreign aid programs.

THE SALZBURG SEMINAR

Mr. KERRY. Mr. President, the Salzburg Seminar is an independent, nonprofit educational institution, founded in 1947 and incorporated in the Commonwealth of Massachusetts as the Salzburg Seminar in American Studies.

The seminar's 1947 facility included Margaret Mead, Alfred Kazin, Wassily Leontief, Elspeth and Walt Rostow among others. In the 40 years since the seminar was founded, some of the leading figures of the world have lectured, always as volunteers, at the Salzburg Seminar. These include Saul Bellow, W. Michael Blumenthal, former Congressman John Brademas, former Chief Justice Warren E. Burger, Solicitor General Charles Fried, Katharine Graham, John Hersey, Senator NANCY KASSEBAUM, William McChesney Martin, Jr., former Senator Charles McC. Mathias, Chief Justice William H. Rehnquist, and Senator TERRY SANFORD.

Each year, the seminar offers a number of 1 to 3 week sesions, each devoted to a single subject which may be drawn from government, law, international relations, or which may reflect cultural, economic, social, or environmental concerns. Some sessions deal with science and technology, focusing on new knowledge and social change.

Since its roots are American, the seminar draws heavily on the American experience. For example, a session on "American Law and Legal Institutions" is presented annually. In addition to Chief Justice Rehnquist, Associate Justices Harry A. Blackmun, William J. Brennan, Jr., Sandra Day O'Connor, John Paul Stevens, and Byron White, have all lectured at law sessions.

The seminar is not a conference center, a training school or a research institute. It is an advanced educational activity which provides a unique forum for the frank exchange of ideas and informed opinion. It offers non-Americans practical insights into developments in the United States, while familiarizing American fellows—roughly 10 percent—with the ideas and attitudes of participants from other countries and other cultures.

Over 12,000 non-Americans have attended the Salzburg Seminar since 1947, drawn from over 100 countries—Western Europe, Eastern Europe, the Middle East, Israel, and increasingly Africa, Asia, and Latin America.

The Salzburg Seminar has been self-supporting over the eyars, drawing its income from tuition fees—which comprise 20 to 25 percent of total income—paid by those fellows who are in a position to do so, grants from private U.S. foundations and European and American banks and corporations, individual gifts, a modest contribution from the Government of Austria, and partial fellowships from USIA for fellows from Israel, the Middle East, North Africa, South Asia and Eastern Europe.

The unique worth of the Salzburg Seminar was set for in an evaluation conducted in 1985 for the United States Information Agency. The evaluator stated that:

> My conclusion is that the Salzburg Seminar has been and continues to be a "Good Thing" in terms of USIA objectives in Eastern Europe and the NEA area. It is, in the words of another former USIA officer who

> recently participated in the Seminar, ". . . virtually unsurpassed among mechanisms for intercultural communications which are available to USIA use or participation. What happens in Salzburg is powerful, indelible communication." This view is shared by almost all those whom I consulted, and in its practical unanimity contributed in large measure to my evaluation and conclusion.
>
> My only important recommendation is that USIA continue its support of the Seminar.

Since 1985, however, the dramatic increase in the value of the Austrian schilling—the preponderance of the Salzburg Seminar's income is received in U.S. dollars while the preponderance of its expenditures are made in Austrian schillings—has severely jeopardized the financial health of the seminar. As a result the seminar experienced a deficit of $179,000 last year.

In order to meet the challenge the board of directors of the seminar, chaired by Lloyd N. Cutler, has decided to undertake an extensive renovation of its facilities in Salzburg. Not only will the planned renovations enable the seminar to attrract and acomodate more full-paying fellows, thus augmenting the seminar's core income, but it will also make the complex attractive to other users, on a commercial basis, as a conference center. This will provide a new source of assured and predictable income.

According to the President of the Salzburg Seminar, former Congressman Brad Morse of the Commonwealth of Massachusetts, unless the planned renovations are made—which will produce substantial additional income—the very survival of this respected and acclaimed U.S. institution will be threatened.

The board and management have already approved a major program to upgrade the facilities, and have identified an established organization which is prepared to use the renovated facilities on a long-term basis. The planned arrangements made the investment feasible and will ensure the continued operation of a unique American educational enterprise which has inspired understanding and respect for the United States on the part of hundreds of citizens from other countries throughout the world who have, after the Salzburg experience, gone on to the highest positions of responsibility and leadership in their governments or in their professions.

An investment of approximately $2.9 million will be required to complete the necessary renovations. Preliminary arrangements have already been made to obtain a loan from an agency of the Austrian Government to cover 65 percent of the investment, or $1.9 million on exceedingly favorable terms—5.5 percent interest for 15 years. The seminar, whose board approved the undertaking on June 12, 1988, will launch a major campaign to raise the balance, or $1 million from public and private sources in the United States, Europe, and Japan.

The American Schools and Hospitals Abroad Program supports institutions established by Americans which promote private initiative, independent inquiry and innovative approaches to problem solving. The Salzburg Seminar meets each of these standards.

ASHA's mandate stipulates that grants are made to help private, nonprofit, American-sponsored schools and hospitals overseas to build and renovate facilities, to purchase equipment, and in a few cases, to meet the costs of operating educational and medical programs. ASHA-supported institutions educate a worldwide cadre which can communicate, share values, and work with Americans in business, government, the sciences, and other mutually beneficial endeavors. These institutions train future leaders in a wide variety of endeavors.

Mr. President, it is more than apparent that ASHA support for the Salzburg Seminar, in the amount of $500,000 for fiscal year 1989, is not only highly appropriate, but desirable as well.

Therefore, I would like to ask the distinguished chairman of the Foreign Operations Appropriations Subcommittee if he agrees that the ASHA office should give favorable consideration to such a request from the Salzburg Seminar.

Mr. INOUYE. I agree with my distinguished colleague from Masssachusetts that it is important that the Salzburg Seminar obtain the necessary resources to move forward with, and complete, this important renovation. In this context, the ASHA program is an appropriate source of funding to assist in this effort and I would certainly support their favorable consideration of a $500,000 request from the Salzburg Seminar.

Ms. MIKULSKI. Mr. President, this bill represents a balanced and reasonable apportionment of the limited funds available for our foreign assistance programs. These programs play a vastly underrated role in our society planning and represent a critical element of our foreign policy—tools to assist the poorest of Third World countries, to promote stability among developing nations, to fulfill commitments to governments which have granted us base rights, to increase commerce with the U.S. economy and to provide military assistance to our allies.

In particular this legislation provides greater security for the United States in the Eastern Mediterranean by maintaining previous aid levels for Israel, Egypt, and the southern flank of NATO.

This year there was also a greater effort to provide and protect funding for the poorest African nations, which have been neglected in the past in spite of enormous need, strategic importance, and growing instability.

I am especially pleased by the efforts of the committee to lock in greater efficiencies in our foreign aid programs. The Pentagon estimates that it wastes $35 to $45 billion every year, or three times the total amount of this bill. Foreign aid programs could never get away with that sort of inefficiency—and shouldn't—since in this scarce funding environment every aid dollar is precious. In our bill we have provided more resources for AID's inspector general, who has done an outstanding job of uncovering waste and inefficiency. AID, to its credit, has responded in the past by correcting the problems uncovered by the IG, but there are many more improvements to be made.

As a further efficiency effort the committee has approved a stepped up effort to involve more women in our development programs. When African women produce over 80 percent of the continent's food supplies but receive only 20 percent of AID's agricultural training and assistance, our aid is not being employed to greatest advantage. I expect to see much improvement in this area in the years to come.

The committee has also underscored the importance by programs which provides a high payoff to U.S. businesses by increasing the funding for the State Department's Trade and Development Program, which is charged with locating business and trade opportunities abroad for U.S. businesses and has shown an excellent return on previous funding. I am particularly pleased by the TDP's cooperation with state trade agencies, which I proposed last year and the committee has stressed in this year's report.

My President, I cannot end these comments without a word of praise for our subcommittee chairman.'" Senator INOUYE will not be leading our subcommittee next year, but for the past 16 years, as chairman or ranking member, he has molded our foreign aid programs into their current form. He has shown great compassion for the problems of developing nations, tempered, however, by hard-headed considerations of what is in the best foreign policy interests of this country. He has been ably aided by staff director Richard Collins, who is one of the most outstanding congressional aides I have ever come into contact with. Together with ranking member BOB KASTEN, they have drafted a bill that will serve our country's interests extremely well.

EL SALVADOR PROVISION

Mr. HARKIN. Mr. President, I wish to commend the chairman of the Foreign Operations Subcommittee, Mr. INOUYE, for his leadership and guidance of this crucial subcommittee over the past 10 years. Speaking for other members of our subcommittee, we will sorely miss your leadership on this important subcommittee.

I will support H.R. 4637, the Foreign Aid Appropriations Act, but am concerned that the full Appropriations Committee, by a close 1 vote margin, dropped a provision regarding El Salvador.

This provision, which was included in the chairman's bill reported out of the Foreign Operations Subcommittee, would have delayed obligation of 50 percent of El Salvador's military assistance until after April 1 of next year.

In order to release those funds, the President was required to submit a report on the status of peace talks in El Salvador.

It specified that the report describe efforts made by the Salvadoran Government, the Salvadoran rebels and the United States to achieve a peace settlement as called for by the Esquipulas accords signed by President Duarte last August.

It also specified that the report describe efforts made by the Government of El Salvador to punish perpetrators of death squad violence, murderers of American citizens, and those engaging in misuse of United States foreign aid funds.

I believe the Appropriations Committee's decision to delete this provision was an unfortunate and misguided one. All this provision required was a midyear report on the situation in El Salvador. It would have given our next administration and Congress an opportunity to review United States policy toward El Salvador in the year ahead. It also would have given our next Ambassador in San Salvador leverage to encourage support—or at least to discourage outright opposition—by the Salvadoran military and right to the reforms for which President Duarte worked during his 4 years as President of El Salvador.

Contrary to the disinformation campaign waged against this proposal, it was not an affront to President Duarte. Rather, this provision sought to affirm President's Duarte's legacy of democracy and peace and to support the Salvadoran people's efforts to achieve those goals.

If there ever was a time for a critical review of the situation in El Salvador and United States policy there, that time is now.

In the past year, much of democratic reforms for which President Duarte fought so hard, and in which United States taxpayers have invested so much, appear to be threatened by growing instability and the continued war in El Salvador.

The future of El Salvador looks bleak. According to one State Department official, El Salvador "is a case of failed expectations."

Death squad killings are on the rise. While nowhere near the proportions of the early eighties, in the first 4 months of this year alone, death squad killings equalled figures for all last year.

The pro-United States ruling Christian Democratic Party is badly splintered. The Christian Democrats lost control of the National Assembly this March to the right-wing Arena Party. At a recent convention, the party was unable to unite behind a single presidential candidate.

Meanwhile, right-wing Arena, which still counts alleged death squad leader Roberto D'Aubuisson as one of its leading figures, is getting stronger, and looks likely to win next March's presidential race. D'Aubuisson, whom Duarte himself accused of being behind the 1980 assassination of Archbishop Romero, gave the nominating speech for Arena's presidential candidate.

And the war continues. When Durate was elected 4 years ago, he promised to end the civil war. We pumped in hundreds of millions in military aid, quadrupled the size of the Salvadoran Armed Forces to their present size of 52,000. Yet the war grinds on.

I commend to my colleagues' attention the findings of a recent report by four U.S. Army Lieutenant Colonels who were fellows at Harvard's Kennedy School. That study concluded: "The FMLN—tough competent, highly motivated—can sustain its current strategy indefinitely. The Salvadoreans have yet to devise a persuasive formula for winning the war."

According to the colonels, "The war in El Salvador is stuck * * * [and] unhappily, the United States finds itself stuck with the war."

That is the reality of El Salvador today. The country's political institutions are in virtual chaos. The country essentially has no credible civilian leadership. And, according to the government's own Human Rights Commission: "The horror of the violence of the past is increasing, threatening to plunge us into a bloodbath of uncontrollable and disastrous consequences."

The United States has committed too much of its credibility—not to mention $3 billion in U.S. aid—for it just to stay the course. The administration would have us believe that merely holding a presidential election—regardless of the outcome—counts as a success for United States policy in El Salvador.

They would have us forget that right-wing Arena, whose new presidential candidate is a Georgetown educated businessman, is still run by the likes of Roberto D'Aubuission and his death squad cronies. They would have us forget this March's assembly elections, which represent as much a slap at U.S. policy and the Christian Democrats as an Arena victory.

U.S. policy hasn't worked, and it won't work. The Salvadoran people, whose children and families are being killed and dislocated as a result of the 8-year civil war, haven't bought it. Look at recent election results. And the American people shouldn't have to buy it—but they are, to the tune of $400 million a year, $3 billion over the past 7 years. Tragically, United States policy in El Salvador has lost its direction as well as its soul. Once again, voteers learn this lesson: political democracy will be short-lived if not founded on economic and social democracy. Neither one has been addressed over the last eight years in El Salvador.

Congress—and the next administration—can still review the situation in El Salvador by mid next year. The next administration and our new Ambassador to El Salvador still has the tools to revive United States policy—to put some teeth into its commitment for peace and democracy, to pressure the Salvadoran military and the right (including Arena) into making moves toward a negotiated resolution of the civil war, to pressure the Salvadoran military and the right to reduce death squad killings, and to pressure those same forces to accept a civilian government's efforts to bring to justice those responsible for killing Americans and Salvadorans.

The future of democracy in El Salvador may well be decided in the next 10 months—between now and the March presidential elections. The Christian Democrats must select new leaders. Arena must decide between the forces of moderation and the forces on the far-right. And the military will soon select a new generation of leadership.

The United States and Salvadorans can find constructive solutions to its current crisis. But we must do so by encouraging efforts at reform and reconciliation.

We owe it to the Salvadoran people, and to stability in all of Central America, to push for this type of resolution of the conflict there.

I ask that the attached statements be printed in the record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Christian Science Monitor, May 13, 1988]

No End in Sight for El Salvador's War, Study Reports

(By Chris Norton)

San Salvador.—An analysis of United States military policy in El Salvador, based on interviews with U.S. advisers and officials stationed in El Salvador, paints a pessimistic picture of progress in the war and overall U.S. abilities to fight counterinsurgency wars in the third world.

The study was written by four lieutenant colonels in the U.S. Army while they were recent National Security Fellows at Harvard

University's John F. Kennedy School of Government.

The March 22 study, made available to The Christian Science Monitor, contrasts starkly with generally more optimistic official predictions by the U.S. Embassy and the Salvadorean military's claims that the guerrillas are militarily weak.

While the study acknowledges that success has been achieved in converting the former "nine-to-five" Salvadorean Army into a powerful military force, it says the Salvadorean government has failed in the more important, and more difficult, task of addressing the "root causes" of the insurgency—the social, economic, and political problems that spawned the rebellion.

"Victory required first redressing the grievances of the Salvadorean people," the study states. "The government had to transform itself into an institution perceived as effective, impartial, and committed to bringing about genuine reform. Meaningful implementation of this concept has eluded the Salvadoreans and their American advisers."

"The FMLN remains a formidable foe, its attacks exacerbating the deterioration of the Salvadorean economy," the study continues, referring to the Farabundo Marti National Liberation Front, an umbrella group of five rebel organizations.

"The FMLN—tough, competent, highly motivated—can sustain its current strategy indefinitely. The Salvadoreans have yet to devise a persuasive formula for winning the war."

"By most estimates, the war in El Salvador is stuck; unhappily, the United States finds itself stuck with the war," the study concludes.

While U.S. officials once predicted the guerrillas would be isolated in remote parts of the country within two years, they now project the war lasting six or seven more years. Foreign diplomats and foreign military analysts say the war could easily last a decade more and that the final winner isn't at all certain.

The guerrillas were on the defensive in 1984 and 1985 when massive U.S. military aid was rushed in and the Salvadorean Army expanded rapidly. By the end of 1985 the guerrillas had adapted, breaking down their large columns, reverting back to classical guerrilla tactics and increasing their use of land mines, which continue to cause heavy casualties to government troops.

"Since 1984, FMLN tactics have changed radically," the study notes. "The guerrillas now operate in smaller units and emphasize hit-and-run attacks, mostly against economic targets, while avoiding confrontations with the Salvadorean Army except on their own terms."

The study complains that the "Salvadoreans are using conventional tactics to fight an unconventional war." It says greater emphasis must be placed on the "other war"—psychological operations, civil defense, civic action, and the coordination of civil and military activities to effect reform. Yet the Salvadorean Army's psychological operations are portrayed as crude and ineffective. And the study says efforts to expand the Army's paramilitary civil defense units have been unsuccessful, especially in zones of conflict.

The Kennedy School study chronicles the failure of the U.S. designed National Plan and its successor, United To Reconstruct, both of which urged Vietnam-style counterinsurgency plans that use the promise of development projects to "win hearts and minds."

The authors argue that part of the problem rests with the U.S. military, which with its focus on the conventional war scenario of stopping Soviet tanks on the plains of Europe, gives counterinsurgency short shrift. Irregular warfare and specialized units, such as the Green Berets, were promoted by President John Kennedy. But stung by the defeat of Vietnam, the Army "all but abandoned counterinsurgency," according to the study.

The study says the U.S. Army penalizes officers who take the time to develop skills needed to be effective in fighting guerrilla wars in the third world, such as learning language skills and becoming more sensitive to the local culture. And it describes many of the US advisers who end up in El Salvador as "mediocre" although it noted several exceptions.

While the study has impressed foreign diplomats as well as foreign and Salvadorean political analysts who have read it as perceptive and realistic, the authors seem to leave unaddressed the most important point—how to create a functioning government that could win the population's allegiance.

The study seems to assume that Army handouts of food and medicine, or even the building of a bridge, will win the allegiance of poor peasant families. Access to land and credit are what are needed, the diplomats and political analysts say, not Army handouts.

The study seems to reflect a dilemma the US often faces when it considers reforms. Such reforms can conflict with the interests of the monied elite, often traditional US allies.

UNITED STATES POLICY ON EL SALVADOR RUNNING ON AUTOMATIC—BUT FINGERPOINTING HAS BEGUN WITHIN REAGAN ADMINISTRATION

(By Linda Feldmann)

WASHINGTON.—As tensions rise in El Salvador over growing instability, the Reagan administration is keeping a stiff upper lip.

Yes, death squad killings are on the rise, United States officials admit, but they're nowhere near the proportions of the early '80s, when bodies were turning up by the hundreds each month.

Yes, the pro-U.S. ruling Christian Democrats are badly splintered, they say, but maybe President José Napoleón Duarte, who is seriously ill, can muster his strength and pull his party together for next March's presidential elections.

Or if the right-wing Arena Party does win the presidency as expected, maybe it has moderated in its years out of power. Maybe its candidate, Alfredo Christiani, is more than just a new face in the same old "death-squad party." Maybe party founder and reputed death-squad leader Roberto d'Aubuisson is no longer Arena's guiding force (despite the fact that he delivered the nominating speech for Mr. Cristiani at the party convention).

What is certain is that the situation is in flux, and that as the Reagan agenda focuses on areas of foreign policy with a greater chance of immediate success, such as U.S.-Soviet relations, policy in El Salvador is likely to remain on automatic pilot until the end of the administration. US Embassy officials persist in trying to patch up the differences in the Christian Democratic Party so it can mount a credible presidential campaign, despite the clear message of popular disillusionment the party got in the March legislative elections.

"Salvador is not in decline," said a State Department official. "It's a case of failed expectations."

President Duarte and the Reagan administration must share the blame for raising hopes too high, critics say. When Mr. Duarte was elected four years ago, he promised to end the civil war and reform the government. The U.S. backed him up with massive economy and military aid—more than $3 billion this decade—in its plan to make El Salvador the democratic showcase of the region. But the war grinds on, official corruption persists, and the military remains the country's most powerful institution.

Some policy critics fault the administration for even calling El Salvador a democracy at all.

"The people are saying, if this is what democracy is, then I don't want democracy," said a Senate aide with long experience on Central America. "The Reagan administration thinks it can just set up elections and say they've established democracy."

The military could take over at any time, analysis agree, and the fact that it hasn't shows that, for now, it doesn't want to. Such a move would, at the very least, jeopardize U.S. aid.

"But if the security situation declines measurably in the city, the Army might feel it has to move in, i.e., if there's a dramatic rise in death-squad killings, other political violence, street violence, guerrilla attacks, front groups," one analyst said.

Even as the Reagan administration defends its Salvador policy, quiet finger-pointing within the administration has begun. The State Department official agreed with criticism made in a recent report by four U.S. lieutenant colonels who were fellows at Harvard's Kennedy School. The U.S. Army lost faith in the practice of counterinsurgency because of the defeat in Vietnam, and has failed to steer the Salvadorean Army adequately in counterinsurgency techniques, the study said.

"At the Pentagon, counterinsurgency is lowest on the list of priorities," the official said. A Defense Department official declined comment on the report, but added that the department would soon issue its own version.

On Capitol Hill, Salvador is not an issue for most Senators, though if Arena does win the presidency, some may be less willing to bankroll the nation so heavily. For now two liberal Senators, Mark Hatfield (R) of Oregon and Tom Harkin (D) of Iowa, are hoping to send a signal by proposing that the administration withhold one-half of its military aid funds for fiscal year 1989 until the President reports to Congress on U.S. and Salvadorean efforts to promote peace negotiations.

"With all due respect to the man, Durate's illness works against us on this," said a legislative aide. "Opponents will say. The head of state is in the hospital with terminal cancer and you want to impose this kind of restraint?"

It's almost pointless to speculate on what the situation will be like next April 1, when such a provision would come into play, since both El Salvador and the U.S. will have new presidents. Regardless of who wins in the U.S. a reevaluation of the nuts and bolts of policy can be expected. Michael Dukakis says he supports military aid to El Salvador, but has suggested it could be cut to help fund the fight against drugs.

The Salvadorean military, for its part, is reportedly anxious about the U.S. elections.

In October of '86 they were already thinking ahead about the U.S. elections is '88, said a U.S. administration official. With El Salvador so dependent on the U.S. even a slight shift in policy could have major ramifications.

[From Newsweek, May 23, 1988]

PLUMMETING INTO THE ABYSS—WITH A RISING BODY COUNT AND VIRTUALLY NO CREDIBLE CIVILIAN LEADERSHIP, EL SALVADOR IS FACING CHAOS

Early one morning last week, several armed men pulled up in a jeep outside the modest San Salvador home of Judge Jorge Alberto Serrano Panameño. Firing from point-blank range, the gunmen pumped four pistol shots into the 45-year-old jurist's chest and another in his face. They checked to make sure he was dead, then sped away. Serrano had been assigned two of El Salvador's most sensitive cases, one at each end of the political spectrum: the investigation of the 1985 killing of four U.S. Marines by left-wing gunmen and the trial of four accused kidnappers—three of whom are military men with links to right-wing death squads. At the time of this murder, he was about to rule on the kidnappers' plea for amnesty. Said Supreme Court President Francisco José Guerrero: "These are not only acts of vengeance, but also acts to terrorize other judicial officials."

The murder was a reminder of the bloody days of the early 1980s, when the death squads were rampant. After the election of President José Napoleón Duarte in 1984, political assassinations fell off sharply. Now the level of violence is rising again. According to admittedly sketchy figures supplied by the Roman Catholic Church, 94 noncombatants have been killed in the first 11 weeks of this year, 21 by death squads, 24 by the military, 17 by guerrillas of the Marxist Farabundo Marti National Liberation Front (FMLN) and 28 by land mines, a favorite guerrilla weapon. By those figures, there have been roughly as many death-squad murders in three months this year as in all of last year. Declared the government's own Human Rights Commission: "The horror of the violence of the past is increasing, threatening to plunge us into a bloodbath of uncontrollable and disastrous consequences."

CRIES OF FRAUD

The virtual chaos in the country's political institutions threatens the influence of the United States, which since 1981 has spent some $3 billion in economic and military aid to underwrite centrists led by Duarte. Last March 20, voters went to the polls to choose a new 60-member National Assembly and 262 municipal governments. The right-wing ARENA party upset Duarte's ruling Christian Democrats, 48 percent to 35 percent—according to the vote count. But the Christian Democrats challenged ARENA's claim to a majority in the Assembly. The result that was finally announced gave half the seats to ARENA and the other half to the Christian Democrats and an allied party. That brought cries of fraud from ARENA. Both parties have staged "sessions" of the Assembly in which the only delegates who showed up were their own. The squabble has now landed in the hands of the Supreme Court, which says it won't render a decision until next month.

In the meantime the country essentially has no credible civilian leadership. President Duarte, deeply depressed by the election results, has lost control of his own party, which is now torn by a fratricidal contest over the party's nomination for president in 1989. The power vacuum only strengthens expectations of a military coup. But in fact, the Army has little incentive to take over: the top brass already has veto power over most vital government decisions, and in any case the troops are busy fighting the guerrillas. Says one leading Christian Democrat: "The one who's least interested in a coup is the Army. They don't want to inherit all the problems of this country."

The guerrillas themselves have benefited from the current chaos. Last week, in the latest example of their stepped-up assault on the nation's economy, they blew up two transformers at one of El Salvador's largest hydroelectric plants; more than 30 soldiers and guerrillas were reported killed. The rebels have also assassinated two newly elected ARENA mayors, set off three car bombs in the capital and issued a broad threat against U.S. personnel. ARENA, its legitimacy bolstered by the elections, also stands to gain from the crisis. Former Maj. Roberto D'Aubuisson remains a party leader, but the party is trying to build a more moderate image. Coffee grower Alfredo Cristiani, who was educated at Georgetown University, will probably be the party's presidential candidate. But the U.S. Congress may not be willing to provide even a moderate ARENA president with the same level of aid that Duarte has received.

BALANCE OF FORCES

El Salvador's growing political polarization is upsetting a balance of forces carefullyl nurtured by the United States. In effect, the arrangement called for Duarte and the Christian Democrats to pursue reforms. The reforms would help the U.S. administration win military and economic aid from Congress. The Salvadoran military, in turn, would use the aid to fight the rebels, and would avoid human-rights abuses. For the last three and a half years that arrangement has kept the aid flowing from Washington and enhanced human rights in El Salvador. But now, $3 billion later, U.S. policy on El Salvador is in danger of returning to where it began when Ronald Reagan took office.

[From the Washington Post, June 12, 1988]

EL SALVADOR'S KILLING FIELDS—RIGHTS GROUPS CHARGE DEATH SQUAD RESURGENCE

(By Douglas Farah)

EL TABLON, EL SALVADOR.—Two simple wooden crosses marked the common grave of a youth and a man whose tortured, mutilated bodies were exhumed at the request of family members and villagers, who blamed the killing on the military.

The bodies were buried in the barren hills of Morazan province, about 100 miles east of the capital, and reporters walked several hours to the site through territory often stalked by leftist guerrillas.

Human rights workers say the killings are the most grotesque illustration of a rapidly deteriorating situation here, and with President Jose Napoleon Duarte terminally ill and the civilian government steadily weakening, they fear things will get worse.

In addition to a growing number of deaths clearly attributable to political or military motives, bodies now frequently turn up on the Streets of the capital—often with a bullet in the head and thumbs tied behind the back.

Maria Julia Hernandez, director of the Catholic Church's Legal Aid Office, El Salvador's most respected human rights monitor, said the rising level of violence appears to be a result of three factors; declining economic and social conditions; a fear on the part of the military that political openings on the left permit legal standing for the guerrillas; and an amnesty enacted in November that closed the books on all political crimes committed by the military, allowing soldiers to believe they can act with impunity.

In the early 1980s, the military was widely regarded as one of the hemisphere's most brutal, and U.S. policy had focused on controlling official abuses and disbanding right-wing "death squads" while supporting a civilian government.

Political killings, most of which were committed by death squads, were at their height in 1980-82, reaching about 800 a month. There were only 24 for all of 1987. For the first four months of this year, 21 political killings occurred. The victims have included labor union organizers as well as seemingly nonpolitical peasants and urban laborers.

Death squads began as paramilitary organizations often organized among members of specific military units or security forces. They embarked on an unofficial war to terrorize and kill anyone suspected of involvement with leftist guerrillas or politically sympathetic to them.

The Army has improved its reputation in recent years, but according to diplomats and government officials, U.S. officials here are troubled about reports of new military human rights violations and are pressing to have two colonels whose units have the worst records removed from their commands and transferred outside the country.

Such transfers, used in previous years to purge the military of its most notorious human rights offenders, are often referred to as the "golden exile" because of the face-saving conditions under which they occur—sending an officer, for example to be a military attache at a Salvadoran embassy. No Salvadoran officer has been punished for involvement with death squads.

U.S. officials and other diplomats here say military officers are frustrated by human rights requirements, feeling they slow down the war effort. The officers also are angered that since the country's state of emergency lapsed last year, they can hold suspected guerrillas for only three days before either freeing them or turning them over to the courts. Previously, they could be held for up to eight days.

"Our troops and the security forces are very demoralized because of the three days, and we must lengthen the time we can hold people," one top military officer said. "Fifteen days would be ideal, and eight would be sufficient. Sometimes if soldiers capture someone they say, 'It is better just to kill him; otherwise he will just go free again.' We know this happens, and it is not right, but it is the result of frustration."

The guerrillas also have stepped up attacks on civilians, executing three suspected military informers in the northwestern town of Santa Ana last month and killing three mayors of small towns and several other suspected informers in the east. None of the rebels' victims was reported tortured or mutilated.

According to preliminary figures from the Legal Act Office, the military has been responsible for 32 civilian deaths in the first four months of this year, while the rebels have been charged with 23, and death squads 21. The numbers are expected to be substantially higher when final figures from rural areas are tabulated. Mines and explosive devices of unknown origin, but widely used by the insurgents, claimed another 29 victims.

In a recent homily, Archbishop Arturo Rivera y Damas declared that every time the government violates human rights, it "loses what little had been gained, and the pendulum swings toward the other extreme. This is not right; we are moving backward. Human rights violations had diminished, but now they are increasing."

Other observers note that while the drop in human rights violations and death-squad killings appears to have been impressive, they come against the background of 40,000 estimated political killings since 1980. This terror caused tens of thousands of Salvadorans to flee the country. Observers say the rapid decline in the number of killings may be because there are so few political opponents left to be killed. Today, the scare value of a single death-squad-style killing is viewed as much greater because the memory of earlier mass killings is still fresh in the minds of the people.

Rivera y Damas, illustrating his point, singled out the El Tablon killings. "I ask the Army to stop regarding these people as guerrilla masas [civilian collaborators]," he said. "They have suffered too much. There have been four deaths and some disappearances among them, and they ask to be able to work without fear and in peace."

The exhumation was carried out late last month under the direction of Jorgen Thomsen, a Danish forensic pathologist and member of the Committee of Concerned Forensic Scientists for the Documentation of Human Rights Abuses.

It showed that the ears and nose of Mario Cruz Rivera, 16, had been sliced off, along with his ring finger. The skull of Felix Antonio Rivera, 25, was crushed and his thumbs cut off. His ears were missing and one of his legs had been shattered.

More than a dozen villagers and family members who said they witnessed the capture of the two victims said government troops were responsible for the killings. "The soldiers came and asked for them by name the night of Feb. 25," said Hilario Cruz Rivera, Mario's father.

Cruz Rivera and the others said the Army often accuses civilians of being guerrillas and threatens whole families. "Of course the guerrillas come through, as the Army does but we are not guerrillas," Cruz Rivera said, displaying his heavily calloused hands. "We are farmers."

According to villagers, the soldiers were accompanied by a woman from the village who directed the troops to the homes of the victim and denounced them as rebel collaborators. A third man, Sebastian Gutierrez, 18, was reported taken away at the same time and missing.

Witnesses said they watched the next day as the three were forced to run barefoot through a burning field and then as two of them were stabbed to death. Soldiers then told local people where to find the bodies to bury them, villagers said.

Col. Rene Emilio Ponce, commander of the Army brigade with jurisdiction in the area, read reporters the battle report for the day the men died. In it, troops reported killing two "subversives" at the place where the two villagers were stabbed to death and said there had been a firefight. Civilians who testified said there had been no fighting and that soldiers had simulated a shootout while the men were being tortured to cover their cries of pain.

"I do not know anything about the other reports," Ponce said. "If there was mutilation, it is reprehensible and should be condemned in every aspect."

Ponce said he would not investigate the unit that reportedly carried out the killings. "We cannot investigate every combat report", he said. "In these cases, I must believe what my colonels report."

Mr. ADAMS. Mr. President, this bill contains over $3 billion in economic and military assistance for El Salvador. When one looks at the conditions in this war-torn country, it is easy to see why such assistance is needed. At the same time, it is also easy to see that El Salvador is in crisis and that the policy that the United States has been pursuing over the past 8 years is not working.

Since 1980, the United States has followed a policy of support for President Duarte and the Christian democratic party in an effort to create democracy. Unfortunately the Duarte government and the Christian democrats have failed to gain the necessary popular backing of the people of El Salvador, as witnessed by the recent legislative elections. The Christian democratic candidates were defeated by the more conservative ARENA party candidates.

As we approve another $3 billion in aid for El Salvador, it is important that we pause and ask ourselves why it is that our policy is not working, what it is that our policy should be in the future, and how we are to help the people of El Salvador achieve peace and hope for their future.

This Senator is not convinced that we can end the war or improve conditions for people just by providing more money to El Salvador. I am concerned that right-wing military death squad activity is on the rise again. The war between the right and the left, which has already claimed 65,000 lives, continues. The Government is in chaos with President Duarte terminally ill and the people frustrated with corruption in Government. The judicial system is not functioning.

It is time to review United States policy toward El Salvador before it is too late. We must take steps to increase the likelihood of an end to the war. The only way this can come about is through a negotiated settlement between the right and left. The $3 billion in aid in this bill and future U.S. aid will provide the United States with tremendous leverage to influence both the right and the left to move toward negotiations. Without achievement of such a peace, there is no hope for an end to death squad activity, for a functioning judicial system, or for a government that the people of El Salvador can have confidence in.

I do support the effort which has been made in this appropriation bill to withhold $5 million of aid from El Salvador until investigative action and judicial proceedings are complete in the case of those who are responsible for the January 1981 deaths of two United States land reform consultants, Michael Hammer and Mark Pearlman. Mark Pearlman was from Washington State. His family has spent 6 years trying to make the judicial system in El Salvador work. To date, those responsible for ordering the murder of these two Americans have never been brought to trial. After having been convicted of executing the murders in a criminal court, two individuals have been released under the political amnesty program.

Democracy cannot function in El Salvador when those who commit these sort of heinous crimes are not held accountable for their actions. Mark Pearlman and Michael Hammer were United States citizens working in El Salvador and thus entitled to internationally protected status under international law. The State Department has sent a cable to the Government of El Salvador requesting that they acknowledge this fact and assist in the prosecution of those who committed this crime. To date, the United States has received no response from El Salvador to this cable. Through this measure, and in the future, the United States must continue to send a strong and unwavering message that we will not rest until justice is served in this case.

It is not only for the Pearlman and Hammer families that this justice must be secured. It is a matter of fundamental importance for the people of El Salvador as well that their judicial system be made to work. Until it is they will have no hope for ending the continuing human rights abuses in their country. Finally, El Salvador must be made to recognize international law and adhere to the rights of internationally protected citizens who are in their nation working on projects to improve the quality of life for the people of El Salvador.

I will continue to support efforts to pursue justice in this case because it is important to the United States and to El Salvador. Beyond this, though, we must reassess United States policy to El Salvador to determine how best we can contribute to peace instead of war, human rights instead of death squad activity, good government instead of corruption, and justice instead of injustice. It is only when we are able to develop an effective strategy for achieving these goals that democracy can take hold in El Salvador, and indeed throughout Central America.

Mr. DOMENICI. Mr. President, I commend the distinguished subcommittee chairman, the Senator from Hawaii, and the ranking minority member, my good friend from Wisconsin, for producing a bill consistent with the constraints of the budget summit agreement. With the technical amendment offered by the managers, the bill is now within the subcommittee's 302(b) allocation.

It is the first free-standing foreign assistance bill to come before the Senate since 1981 because the House has been unwilling to pass its companion bill.

It is an historic bill for another reason. This is the last year the Senate will benefit from the skill and experience of Chairman Inouye as manager of this most complex and difficult bill.

Four Presidents and six Secretaries of State have relied on him. They know better than any of us the unique contributions the Senator from Hawaii has made to our foreign policy during 16 years as chairman or ranking Democrat on the subcommittee.

I appreciate the subcommittee's support for a number of ongoing projects and programs important to my home State of New Mexico as it worked to keep spending to within the constraints of the bipartisan budget agreement.

The **PRESIDING OFFICER.** The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

The **PRESIDING OFFICER.** The yeas and nays have been ordered.

The bill, having been read the third time, the question is, Shall the bill pass?

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. Bentsen], the Senator from Arkansas [Mr. Bumpers], the Senator from Illinois [Mr. Dixon], and the Senator from Rhode Island [Mr. Pell] are necessarily absent.

I also announce that the Senator from Delaware [Mr. Biden] is absent because of illness.

I further announce that, if present and voting, the Senator from Illinois [Mr. Dixon] would vote "yea."

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. Boschwitz], the Senator from Nevada [Mr. Hecht], the Senator from North Carolina [Mr. Helms], and the Senator from Alaska [Mr. Murkowski] are necessarily absent.

The **PRESIDING OFFICER.** Are there any other Senators in the Chamber who desire to vote?

The results were announced—yeas 76, nays 15, as follows:

[Rollcall vote No. 231 Leg.]

YEAS—76

Adams
Armstrong
Baucus
Bingaman
Bond
Bradley
Breaux
Burdick
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dodd
Domenici
Durenberger
Ford
Fowler
Glenn
Gore
Graham
Gramm
Grassley
Harkin
Hatfield
Heflin
Heinz
Hollings
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nickles
Nunn
Packwood
Pressler
Pryor
Reid
Riegle
Rockefeller
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Trible
Warner
Weicker
Wilson
Wirth

NAYS—15

Boren
Byrd
Dole
Evans
Exon
Garn
Hatch
Humphrey
Karnes
Proxmire
Quayle
Roth
Symms
Thurmond
Wallop

NOT VOTING—9

Bentsen
Biden
Boschwitz
Bumpers
Dixon
Hecht
Helms
Murkowski
Pell

So the bill (H.R. 4637), as amended, was passed.

Mr. KASTEN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KASTEN. Mr. President, I want to very quickly say thank you and congratulate the Senator from Hawaii. The Senator has been a leader in this subcommittee for 16 years; 10 years as chairman, and 6 years as ranking member. It has been a pleasure to work with him.

I also want to thank and congratulate Richard Collins and Jim Bond for the work they have done on this legislation.

Mr. BYRD addressed the Chair.

The **PRESIDING OFFICER** (Mr. Rockefeller). The majority leader.

Mr. STENNIS. Mr. President, would the Chair ask for order?

The **PRESIDING OFFICER.** The Senate is not in order. The Senate will come to order. The Senators carrying on conversations will carry those conversations to the Cloakroom. The Senate will be in order.

The majority leader.

Mr. BYRD. Mr. President, I yield to the Senator from Hawaii.

Mr. INOUYE. Mr. President, I wish to thank my colleague from Wisconsin for his very generous words, and tell him what a great pleasure and honor it has been to work with him for the past 16 years.

Mr. President, this is a rather historic day because the last time this measure was passed as a separate item was in 1981. Since then it has been part of a continuing resolution. I am glad that we are able to do it this time.

Mr. President, it has been a great pleasure serving as chairman of this subcommittee. In some way I regret that I may not be able to do so in the coming years. Under the seniority system I am scheduled to be chairman of the Defense Subcommittee. I hope that my partner at that time will be as friendly and helpful as the man from Wisconsin has been all these years.

I would like to thank Richard Collins and Jim Bond for their help. Thank you.

Mr. President, I move that the Senate insist on its amendments and request a conference with the House on the disagreeing votes thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer [Mr. Rockefeller] appointed Mr. Stennis, Mr. Inouye, Mr. Johnston, Mr. Leahy, Mr. DeConcini, Mr. Lautenberg, Mr. Harkin, Ms. Mikulski, Mr. Kasten, Mr. Hatfield, Mr. D'Amato, Mr. Rudman, Mr. Specter, Mr. Nickles, and Mr. Stevens conferees on the part of the Senate.

Mr. BYRD. Mr. President, I wish to compliment the distinguished Senator from Hawaii, Mr. Inouye, and the distinguished Senator from Wisconsin, Mr. Kasten. This has been a very difficult bill. It is the first bill of its kind that has passed in several years, something like 7 years, I believe. And while hope springs eternal in the human breast, and I had hoped we would finish earlier, I think we have done very well.

This is the kind of bill that could have been around for 2 or 3 days or longer. And in recent past years, as I have already indicated, we were not even able to pass a bill. So I commend the two Senators, and all who have had a part in the skillful managing of this bill throughout the hearings, the markup, and the floor. They have done a good job.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, the Senate will be on the D.C. appropriations bill. It is my hope that we can finish all appropriations bills, again I hope, before August 1. That means that we have tomorrow, we have 4 days next week, Monday, Tuesday, Wednesday, and Thursday, and we have the week following to finish.

So while I would like to say let us call it quits for the day, I think there is a higher responsibility, and that is that we move on, try to do as much work as we can on the D.C. appropriations bill, and following that will be the HUD appropriations bill. Whether or not we can finish that by tomorrow is highly problematic. But at least if we could finish the D.C. appropriations bill for tonight and tomorrow, then we would have made great progress.

So there will be rollcall votes yet today, and I suggest that the Senators plan to be around for a while.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, FISCAL YEAR 1989

The **PRESIDING OFFICER.** Under the previous order the clerk will report Calendar Order 770, H.R. 4776, the appropriations bill for the District of Columbia.

The legislative clerk read as follows:

A bill (H.R. 4776) making appropriations for the government of the District of Columbia and for other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1989, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Appropriations with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italics.)

H.R. 4776

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia for the fiscal year ending September 30, 1989, and for other purposes, namely:

TITLE I—FISCAL YEAR 1989 APPROPRIATIONS

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA

For payment to the District of Columbia for the fiscal year ending September 30, 1989, $430,500,000: *Provided,* That none of these funds shall be made available to the District of Columbia until the number of full-time uniformed officers in permanent positions in the Metropolitan Police Department is at least 3,880, excluding any such officer appointed after August 19, 1982, under qualification standards other than those in effect on such date.

FEDERAL PAYMENT FOR WATER AND SEWER SERVICES

For payment to the District of Columbia for the fiscal year ending September 30, 1989, in lieu of reimbursement for charges for water and water services and sanitary sewer services furnished to facilities of the United States Government, **[**$36,726,000**]** *$27,130,000,* as authorized by the Act of May 18, 1954, as amended (D.C. Code, secs. 43-1552 and 43-1612).

FEDERAL CONTRIBUTION TO RETIREMENT FUNDS

For the Federal contribution to the Police Officers and Fire Fighters', Teachers', and Judges' Retirement Funds as authorized by the District of Columbia Retirement Reform Act, approved November 17, 1979 (93 Stat. 866; Public Law 96-122), $52,070,000.

TRANSITIONAL PAYMENT FOR SAINT ELIZABETHS HOSPITAL

For a Federal contribution to the District of Columbia, as authorized by the Saint Elizabeths Hospital and District of Columbia Mental Health Services Act, approved November 8, 1984 (98 Stat. 3369; Public Law 98-621), $20,000,000.

CRIMINAL JUSTICE INITIATIVE

The $50,000,000 previously appropriated under "Criminal Justice Initiative" for the fiscal years ending September 30, 1986, September 30, 1987, and September 30, 1989, for the design and construction of a prison within the District of Columbia shall remain in the United States Treasury and shall be transferred to the District of Columbia government only to the extent that outstanding obligations are due and payable to entities other than agencies and organizations of the District of Columbia government, and payments to such agencies and organizations may be made only in reimbursement for amounts actually expended in furtherance of the design and construction of the prison: *Provided, That construction may not commence unless access and parking for construction vehicles is provided solely at a location other than city streets: Provided further, That the facility may not open unless parking for staff and access and egress is provided other than to 19th Street, Southeast: Provided further, That the Mayor take steps to ensure that a portion of the site of the old D.C. jail become a neighborhood shopping center: Provided further, That District officials meet monthly with neighborhood representatives to inform them of current plans and discuss problems: Provided further, That the District of Columbia shall operate and maintain a free, 24-hour telephone information service whereby residents of the area surrounding the new prison, can promptly obtain information from District officials on all disturbances at the prison, including escapes, fires, riots, and similar incidents: Provided further, That the District of Columbia shall also take steps to publicize the availability of that service among the residents of the area surrounding the new prison.*

INAUGURAL EXPENSES PAYMENT

For payment to the Distrtict of Columbia in lieu of reimbursements for expenses incurred in connection with Presidential inauguration activities, $2,300,000, as authorized by section 737(b) of the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93-198, as amended (D.C. Code, sec. 1-1803).

DIVISION OF EXPENSES

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia, except as otherwise specifically provided.

GOVERNMENTAL DIRECTION AND SUPPORT

Governmental direction and support, $118,439,000: *Provided,* That not to exceed $2,500 for the Mayor, $2,500 for the Chairman of the Council of the District of Columbia, and $2,500 for the City Administrator shall be available from this appropriation for expenditures for official purposes: *Provided further,* That any program fees collected from the issuance of debt shall be available for the payment of expenses of the debt management program of the District of Columbia: *Provided further,* That notwithstanding any other provision of law, there is hereby appropriated $6,948,000 to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board, of which $807,000 shall be derived from the general fund and not to exceed $6,141,000 shall be derived from the earnings of the applicable retirement funds: *Provided further,* That the District of Columbia Retirement Board shall provide to the Congress and the Council of the District of Columbia a quarterly report of the allocations of charges by fund and of expenditures of all funds: *Provided further,* That the District of Columbia Retirement Board shall provide the Mayor for transmittal to the Council of the District of Columbia an item accounting of the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report: *Provided further,* That of the $150,000 appropriated for fiscal year 1989 for Admission to Statehood, $75,000 shall be for the Statehood Commission and $75,000 shall be for the Statehood Compact Commission: *Provided further,* That the District of Columbia shall identify the sources of funding for Admission to Statehood from its own locally-generated revenues: *Provided further,* That no revenues from Federal sources shall be used to support the operations or activities of the Statehood Commission and Statehood Compact Commission: *Provided further,* That no part of these funds shall be used for lobbying to support or defeat legislation pending before Congress or any State legislature.

ECONOMIC DEVELOPMENT AND REGULATION

Economic development and regulation, $144,616,000: *Provided,* That the District of Columbia Housing Finance Agency, established by section 201 of the District of Columbia Housing Finance Agency Act, effective March 3, 1979 (D.C. Law 2-135; D.C. Code, sec. 45-2111), based upon its capability of repayments as determined each year by the Council of the District of Columbia from the Agency's annual audited financial statements to the Council of the District of Columbia, shall repay to the general fund an amount equal to the appropriated administrative costs plus interest at a rate of four percent per annum for a term of 15 years, with a deferral of payments for the first three years: *Provided further,* That notwithstanding the foregoing provision, the obligation to repay all or part of the amounts due shall be subject to the rights of the owners of any bonds or notes issued by the Agency and shall be repaid to the District of Columbia only from available operating revenues of the Agency that are in excess of the amounts required for debt service, reserve funds, and operating expenses: *Provided further,* That upon commencement of the debt service payments, such payments shall be deposited into the general fund of the District of Columbia: *Provided further,* That up to $270,000 within the 15 percent set-aside for special programs within the Tenant Assistance Program shall be targeted for the single-room occupancy initiative.

PUBLIC SAFETY AND JUSTICE

Public Safety and justice, including purchase of not to exceed 135 passenger-carrying vehicles for replacement only (including 130 for police-type use and five for fire-type use) without regard to the general purchase price limitation for the current fiscal year, **[**$735,528,000**]** *$734,207,000, of which $250,000 of this appropriation shall be available to the Metropolitan Police Department during fiscal year 1989 to pay for police salaries, transportation, communications, drug testing services and equipment, and other related expenses for establishing and operating a drug interdiction task force at the Lorton prison complex upon a joint agreement with appropriate Federal au-*

thorities: *Provided*, That the Metropolitan Police Department is authorized to replace not to exceed 25 passenger-carrying vehicles and the Fire Department is authorized to replace not to exceed five passenger-carrying vehicles annually whenever the cost of repair to any damaged vehicle exceeds three-fourths of the cost of the replacement: *Provided further*, That not to exceed $500,000 shall be available from this appropriation for the Chief of Police for the prevention and detection of crime: *Provided further*, That funds appropriated for expenses under the District of Columbia Criminal Justice Act, approved September 3, 1974 (88 Stat. 1090: Public Law 93-412; D.C. Code, sec. 11-2601 et seq.), for the fiscal year ending September 30, 1989, shall be available for obligations incurred under that Act in each fiscal year since inception in fiscal year 1975: *Provided further*, That funds appropriated for expenses under the District of Columbia Neglect Representation Equity Act of 1984, effective March 13, 1985 (D.C. Law 5-129; D.C. Code, sec. 16-2304), for the fiscal year ending September 30, 1989, shall be available for obligations incurred under that Act in each fiscal year since inception in fiscal year 1985: *Provided further*, That $50,000 of any appropriation available to the District of Columbia may be used to match financial contributions from the Department of Defense to the District of Columbia Office of Emergency Preparedness for the purchase of civil defense equipment and supplies approved by the Department of Defense, when authorized by the Mayor: *Provided further*, That not to exceed $1,500 for the Chief Judge of the District of Columbia Court of Appeals, $1,500 for the Chief Judge of the Superior Court of the District of Columbia, and $1,500 for the Executive Officer of the District of Columbia Courts shall be available from this appropriation for official purposes: *Provided further*, That the District of Columbia shall operate and maintain a free, 24-hour telephone information service whereby residents of the area surrounding Lorton prison in Fairfax County, Virginia, can promptly obtain information from District officials on all disturbances at the prison, including escapes, fires, riots, and similar incidents: *Provided further*, That the District of Columbia shall also take steps to publicize the availability of that service among the residents of the area surrounding the Lorton prison: *Provided further*, That not to exceed $100,000 of this appropriation shall be used to reimburse Fairfax County and Prince William County, Virginia for expenses incurred by the counties during fiscal year 1989 in relation to the Lorton prison complex. Such reimbursements shall be paid in all instances in which the District requests the counties to provide police, fire, rescue, and related services to help deal with escapes, riots, and similar disturbances involving the prison: *Provided further*, That none of the funds appropriated by this Act may be used to implement any plan that includes the closing of Engine Company 3, located at 439 New Jersey Avenue, Northwest: *Provided further, That the staffing levels of two piece engine companys within the Fire Department shall be maintained in accordance with the provisions of article III, section 18 of the Fire Department Rules and Regulations as then in effect, until final adjudication by the relevant courts: Provided further,* That none of the funds provided in this Act may be used to implement District of Columbia Board of Parole notice of emergency and proposed rulemaking as filed with the District of Columbia Register July 25, 1986: *Provided further*, That the Mayor shall reimburse the District of Columbia National Guard for expenses incurred in connection with services which are performed in emergencies by the National Guard in a militia status and which are requested by the Mayor, in amounts that shall be jointly determined and certified as due and payable for these services by the Mayor and the Commanding General of the District of Columbia National Guard: *Provided further*, That such sums as may be necessary for reimbursement to the District of Columbia National Guard under the preceding proviso shall be available from this appropriation, and their availability shall be deemed as constituting payment in advance for the emergency services involved.

PUBLIC EDUCATION SYSTEM

Public education system, including the development of national defense education programs, [$623,424,000] *$623,981,000*, to be allocated as follows: [$452,403,000] *$452,460,000* for the public schools of the District of Columbia; $70,100,000 for the District of Columbia Teachers' Retirement Fund; $76,310,000 for the University of the District of Columbia; $18,515,000 for the Public Library; $3,692,000 for the Commission on the Arts and Humanities; $1,948,000 for the District of Columbia School of Law; and $456,000 for the Educational Institution Licensure Commission: *Provided*, That the public schools of the District of Columbia are authorized to accept not to exceed 31 motor vehicles for exclusive use in the driver education program: *Provided further*, That not to exceed $2,500 for the Superintendent of Schools, $2,500 for the President of the University of the District of Columbia, and $2,000 for the Public Librarian shall be available from this appropriation for expenditures for official purposes: *Provided further*, That this appropriation shall not be available to subsidize the education of nonresidents of the District of Columbia at the University of the District of Columbia, unless the Board of Trustees of the University of the District of Columbia adopts, for the fiscal year ending September 30, 1989, a tuition rate schedule that will establish the tuition rate for nonresident students at a level no lower than the nonresident tuition rate charged at comparable public institutions of higher education in the metropolitan area.

HUMAN SUPPORT SERVICES

Human support services, [$744,901,000] *$745,665,000*: *Provided*, That $17,000,000 of this appropriation, to remain available until expended, shall be available solely for District of Columbia employees' disability compensation: *Provided further, That $500,000 shall be paid to the Alexander Graham Bell Association for the Deaf, for the sole purpose of the operation of Project Volta, within 15 days of the certification to the Mayor of the District of Columbia that an equal amount of private contributions has been received: Provided further*, That of the funds provided for the D.C. General Hospital subsidy, $646,000 shall be used for providing health care to homeless persons.

PUBLIC WORKS

Public works, including rental of one passenger-carrying vehicle for use by the Mayor and three passenger-carrying vehicles for use by the Council of the District of Columbia and purchase of passenger-carrying vehicles for replacement only, $218,925,000, of which not to exceed $3,900,000 shall be available for the School Transit Subsidy: *Provided*, That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business: *Provided further, That the Taxicab Commission shall report to the Committees on Appropriations of the Senate and House of Representatives by September 1, 1988, or within 15 days of the enactment of this Act, on a plan to issue and implement regulations on the age of vehicles, frequency of inspection, cleanliness of vehicles and other items contained in Senate Report 100-162.*

WASHINGTON CONVENTION CENTER FUND

For the Washington Convention Center Fund, $7,274,000: *Provided*, That the Convention Center Board of Directors, established by section 3 of the Washington Convention Center Management Act of 1979, effective November 3, 1979 (D.C. Law 3-36; D.C. Code, sec. 9-602), shall reimburse the Auditor of the District of Columbia for all reasonable costs for performance of the annual convention center audit.

REPAYMENT OF LOANS AND INTEREST

For reimbursement to the United States of funds loaned in compliance with an Act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, approved August 7, 1946 (60 Stat. 896; Public Law 79-648); section 1 of an Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85-451; D.C. Code, sec. 9-219); section 4 of an Act to authorize the Commissioners of the District of Columbia to plan, construct, operate, and maintain a sanitary sewer to connect the Dulles International Airport with the District of Columbia system, approved June 12, 1960 (74 Stat. 211; Public Law 86-515); and section 723 of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 821; Public Law 93-198; D.C. Code, sec. 47-321, note); and section 743(f) of the District of Columbia Self-Government and Governmental Reorganization Act amendments, approved October 13, 1977 (91 Stat. 1156; Public Law 95-131; D.C. Code, sec. 9-219, note), including interest as required thereby, $235,796,000.

REPAYMENT OF GENERAL FUND DEFICIT

For the purpose of reducing the $204,593,000 general fund accumulated deficit as of September 30, 1987, $20,000,000, of which not less than $19,000,000 shall be funded and apportioned by the Mayor from amounts otherwise available to the District of Columbia government (including amounts appropriated by this Act or revenues otherwise available, or both): *Provided*, That if the Federal payment to the District of Columbia for fiscal year 1989 is reduced pursuant to an order issued by the President under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177, approved December 12, 1985), the percentage (if any) by which the $20,000,000 set aside for repayment of the general fund accumulated deficit under this appropriation title is reduced as a consequence shall not exceed the percentage by which the Federal payment is reduced pursuant to such order.

Short-Term Borrowings

For the purpose of funding interest related to borrowing funds for short-term cash needs, $4,570,000.

Optical and Dental Benefits

For optical and dental costs for nonunion employees, $2,569,000.

Inaugural Expenses

For reimbursement for necessary expenses incurred in connection with Presidential inauguration activities as authorized by section 737(b) of the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93-198, approved December 24, 1973 (87 Stat. 824; D.C. Code, sec. 1-1803), $2,300,000, which shall be apportioned by the Mayor within the various appropriation headings in this Act.

Energy Adjustment

The Mayor shall reduce authorized energy appropriations and expenditures within object class 30a (energy) in the amount of $2,070,000, within one or several of the various appropriation headings in this Act.

Personal Services Adjustment

The Mayor shall reduce appropriations and expenditures for personal services within object classes 11, 12, 13, and 14 in the amount of $2,747,000 through a selective hiring freeze within one or several of the various appropriation headings in this Act.

Capital Outlay

For construction projects, **[**$138,336,000**]** *$148,336,000,* as authorized by an Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; Public Law 58-140; D.C. Code, secs. 43-1512 to 43-1519); the District of Columbia Public Works Act of 1954, approved May 18, 1954 (68 Stat. 101; Public Law 83-364); an Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85-451; D.C. Code, secs. 9-219 and 47-3402); section 3(g) of the District of Columbia Motor Vehicle Parking Facility Act of 1942, approved August 20, 1958 (72 Stat. 686; Public Law 85-692; D.C. Code, sec. 40-805(7)); and the National Capital Transportation Act of 1969, approved December 9, 1969 (83 Stat. 320; Public Law 91-143; D.C. Code, secs. 1-2451, 1-2452, 1-2454, 1-2456, and 1-2457); including acquisition of sites, preparation of plans and specifications, conducting preliminary surveys, erection of structures, including building improvement and alteration and treatment of grounds, to remain available until expended: *Provided,* That $10,276,000 shall be available for project management and $7,298,000 for design by the Director of the Department of Public Works or by contract for architectural engineering services, as may be detemined by the Mayor: *Provided further,* That funds for use of each capital project implementing agency shall be managed and controlled in accordance with all procedures and limitations established under the Financial Management System: *Provided further,* That $950,000 for the Department of Recreation and $4,703,000 for the Department of Public Works for pay-as-you-go capital projects shall be financed from general fund operating revenues: *Provided further,* That all funds provided by this appropriation title shall be available only for the specific projects and purposes intended: *Provided further,* That notwithstanding the foregoing, all authorizations for capital outlay projects, except those projects covered by the first sentence of section 23(a) of the Federal-Aid Highway Act of 1968, approved August 23, 1968 (82 Stat. 827; Public Law 90-495; D.C. Code, sec. 7-134, note), for which funds are provided by this appropriation title, shall expire on September 30, 1990, except authorizations for projects as to which funds have been obligated in whole or in part prior to September 30, 1990: *Provided further,* That upon expiration of any such project authorization the funds provided herein for the project shall lapse*: Provided further, That $10,000,000 shall be provided without regard to fiscal year limitation for the Federal City Communications Center, and be advanced to the extent that outstanding obligations are due and payable.*

Water and Sewer Enterprise Fund

For the Water and Sewer Enterprise Fund, $200,805,000, of which $34,085,000 shall be apportioned and payable to the debt service fund for repayment of loans and interest incurred for capital improvement projects.

For construction projects, $24,200,000, as authorized by An Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; Public Law 58-140; D.C. Code, sec. 43-1512 et seq.): *Provided,* That the requirements and restrictions which are applicable to general fund capital improvement projects and are set forth in this Act under the Capital Outlay appropriation title shall apply to projects approved under this appropriation title: *Provided further,* That of the $29,652,000 in water and sewer enterprise fund operating revenues for pay-as-you-go capital projects, $10,500,000 shall fund new authority in the fiscal year 1989 capital budget, $15,110,000 shall fund prior year capital project authority, and $4,042,000 shall provide a cash reserve in the capital projects fund in order to meet financing needs caused by the time lag in securing bond financing.

Lottery and Charitable Games Enterprise Fund

For the Lottery and Charitable Games Enterprise Fund, established by the District of Columbia Appropriation Act for fiscal year 1982, approved December 4, 1981, as amended (95 Stat. 1174, 1175; Public Law 97-91), for the purpose of implementing the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia, effective March 10, 1981 (D.C. Law 3-172; D.C. Code, secs. 2-2501 et seq. and 22-1516 et seq.), $8,050,000, to be derived from non-Federal District of Columbia revenues: *Provided,* That the District of Columbia shall identify the sources of funding for this appropriation title from its own locally-generated revenues: *Provided further,* That no revenues from Federal sources shall be used to support the operations or activities of the Lottery and Charitable Games Control Board.

Cable Television Enterprise Fund

For the Cable Television Enterprise Fund, established by the Cable Television Communications Act of 1981, effective October 22, 1983 (D.C. Law 5-36; D.C. Code, sec. 43-1801 et seq.), $1,000,000.

General Provisions

SEC. 101. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 102. Except as otherwise provided in this Act, all vouchers covering expenditures of appropriations contained in this Act shall be audited before payment by the designated certifying official and the vouchers as approved shall be paid by checks issued by the designated disbursing official.

SEC. 103. Whenever in this Act an amount is specified within an appropriation for particular purposes or objects of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount that may be expended for said purpose or object rather than an amount set apart exclusively therefor, except for those funds and programs for the Metropolitan Police Department under the heading "Public Safety and Justice" which shall be considered as the amounts set apart exclusively for and shall be expended solely by that Department; and the appropriation under the heading "Repayment of General Fund Deficit" which shall be considered as the amount set apart exclusively for and shall be expended solely for that purpose.

SEC. 104. Appropriations in this Act shall be available, when authorized by the Mayor, for allowances for privately owned automobiles and motorcycles used for the performance of official duties at rates established by the Mayor: *Provided,* That such rates shall not exceed the maximum prevailing rates for such vehicles as prescribed in the Federal Property Management Regulations 101-7 (Federal Travel Regulations).

SEC. 105. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Mayor: *Provided,* That the Council of the District of Columbia and the District of Columbia Courts may expend such funds without authorization by the Mayor.

SEC. 106. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of judgments that have been entered against the District of Columbia government: *Provided,* That nothing contained in this section shall be construed as modifying or affecting the provisions of section 11(c)(3) of title XII of the District of Columbia Income and Franchise Tax Act of 1947, approved March 31, 1956 (70 Stat. 78; Public Law 84-460; D.C. Code, sec. 47-1812.11(c)(3)).

SEC. 107. Appropriations in this Act shall be available for the payment of public assistance without reference to the requirement of section 544 of the District of Columbia Public Assistance Act of 1982, effective April 6, 1982 (D.C. Law 4-101; D.C. Code, sec. 3-205.44), and for the non-Federal share of funds necessary to qualify for Federal assistance under the Juvenile Delinquency Prevention and Control Act of 1968, approved July 31, 1968 (82 Stat. 462; Public Law 90-445; 42 U.S.C. 3801 et seq.).

SEC. 108. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 109. Not to exceed 4½ per centum of the total of all funds appropriated by this Act for personal compensation may be used to pay the cost of overtime or temporary positions.

SEC. 110. Appropriations in this Act shall not be available, during the fiscal year ending September 30, 1989, for the compensation of any person appointed to a permanent position in the District of Columbia government during any month in which the number of employees exceeds 38,471, the number of positions authorized by this Act.

SEC. 111. No funds appropriated in this Act for the District of Columbia government for the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of school buildings for the use of any community or partisan political group during non-school hours.

SEC. 112. The annual budget for the District of Columbia government for the fiscal year ending September 30, 1990, shall be transmitted to the Congress by no later than April 15, 1989.

SEC. 113. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate Committees on Appropriations, the House Committee on the District of Columbia, the Subcommittee on Governmental Efficiency, Federalism and the District of Columbia of the Senate Committee on Governmental Affairs, and the Council of the District of Columbia, or their duly authorized representative.

SEC. 114. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making payments authorized by the District of Columbia Revenue Recovery Act of 1977, effective September 23, 1977 (D.C. Law 2-20; D.C. Code, sec. 47-421 et seq.).

SEC. 115. None of the funds contained in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name and salary are not available for public inspection.

SEC. 116. No part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.

[SEC. 117. None of the funds provided in this Act shall be used to perform abortions.]

SEC. 117. None of the Federal funds provided in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term; or except for such medical procedures necessary for the victims of rape or incest, when such rape or incest has been reported promptly to a law enforcement agency or public health service. Nor are payments prohibited for drugs or devices to prevent implantation of the fertilized ovum, or for medical procedures necessary for the termination of an ectopic pregnancy.

SEC. 118. At the start of the fiscal year, the Mayor shall develop an annual plan, by quarter and by project, for capital outlay borrowings: *Provided*, That within a reasonable time after the close of each quarter, the Mayor shall report to the Council of the District of Columbia and the Congress the actual borrowing and spending progress compared with projections.

SEC. 119. The Mayor shall not borrow any funds for capital projects unless he has obtained prior approval from the Council of the District of Columbia, by resolution, identifying the projects and amounts to be financed with such borrowings.

SEC. 120. The Mayor shall not expend any moneys borrowed for capital projects for the operating expenses of the District of Columbia government.

SEC. 121. None of the funds appropriated in this Act may be used for the implementation of a personnel lottery with respect to the hiring of fire fighters or police officers.

SEC. 122. None of the funds appropriated by this Act may be obligated or expended by reprogramming except pursuant to advance approval of the reprogramming granted according to the procedure set forth in the Joint Explanatory Statement of the Committee of Conference (House Report No. 96-443) which accompanied the District of Columbia Appropriation Act, 1980, approved October 30, 1979 (93 Stat. 713; Public Law 96-93), as modified in House Report No. 98-265, and in accordance with the Reprogramming Policy Act of 1980, effective September 16, 1980 (D.C. Law 3-100; D.C. Code, sec. 47-361 et seq.).

SEC. 123. None of the Federal funds provided in this Act shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of the District of Columbia.

SEC. 124. None of the Federal funds provided in this Act shall be obligated or expended to procure passenger automobiles as defined in the Automobile Fuel Efficiency Act of 1980, approved October 10, 1980 (94 Stat. 1824; Public Law 96-425; 15 U.S.C. 2001(2)), with an Environmental Protection Agency estimated miles per gallon average of less than 22 miles per gallon: *Provided*, That this section shall not apply to security, emergency rescue, or armored vehicles.

SEC. 125. (a) Notwithstanding section 422(7) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 790; Public Law 93-198; D.C. Code. sec. 1-242(7)), the City Administrator shall be paid, during any fiscal year, a salary at a rate established by the Mayor, not to exceed the rate established for level IV of the Executive Schedule under 5 U.S.C. 5315.

(b) For purposes of applying any provision of law limiting the availability of funds for payment of salary or pay in any fiscal year, the highest rate of pay established by the Mayor under subsection (a) for any position for any period during the last quarter of calendar year 1988 shall be deemed to be the rate of pay payable for that position for September 30, 1988.

(c) Notwithstanding section 4(a) of the District of Columbia Redevelopment Act of 1945, approved August 2, 1946 (60 Stat. 793; Public Law 79-592; D.C. Code, sec. 5-803(a)), the Board of Directors of the District of Columbia Redevelopment Land Agency shall be paid, during any fiscal year, per diem compensation at a rate established by the Mayor.

SEC. 126. Notwithstanding any other provisions of law, the provisions of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Code, sec. 1-601.1 et seq.), enacted pursuant to section 422(3) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 790; Public Law 93-198; D.C. Code, sec. 1-242(3)), shall apply with respect to the compensation of District of Columbia employees: *Provided*, That for pay purposes, employees of the District of Columbia government shall not be subject to the provisions of title 5 of the United States Code.

SEC. 127. The Director of the Department of Administrative Services may pay rentals and repair, alter, and improve rented premises, without regard to the provisions of section 322 of the Economy Act of 1932 (Public Law 72-212; 40 U.S.C. 278a), upon a determination by the Director, that by reason of circumstances set forth in such determination, the payment of these rents and the execution of this work, without reference to the limitations of section 322, is advantageous to the District in terms of economy, efficiency and the District's best interest.

SEC. 128. No later than 30 days after the end of the first quarter of fiscal year 1989, the Mayor of the District of Columbia shall submit to the Council of the District of Columbia the new fiscal year 1989 revenue estimates as of the end of the first quarter of fiscal year 1989. These estimates shall be used in the fiscal year 1990 annual budget request. The officially revised estimates at midyear shall be used for the midyear report.

SEC. 129. Section 466(b) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 806; Public Law 93-198; D.C. Code, sec. 47-326), is amended by striking out "sold before October 1, 1988" and inserting in lieu thereof "sold before October 1, 1989".

SEC. 130. No sole source contract with the District of Columbia government or any agency thereof may be renewed or extended without opening that contract to the competitive bidding process as set forth in section 303 of the District of Columbia Procurement Practices Act of 1985, effective February 21, 1986 (D.C. Law 6-85), except that the District of Columbia Public Schools may renew or extend sole source contracts for which competition is not feasible or practical, provided that the determination as to whether to invoke the competitive bidding process has been made in accordance with duly promulgated Board of Education rules and procedures.

SEC. 131. For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (99 Stat. 1037; Public Law 99-177), as amended, the term "program, project, and activity" shall be synonymous with and refer specifically to each account appropriating Federal funds in this Act and any sequestration order shall be applied to each of the accounts rather than to the aggregate total of those accounts: *Provided*, That sequestration orders shall not be applied to any account that is specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985 (99 Stat. 1037; Public Law 99-177), as amended.

SEC. 132. In the event a sequestration order is issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), as amended, after the amounts appropriated to the District of Columbia for the fiscal year involved have been paid to the District of Columbia, the Mayor of the District of Columbia shall pay to the Secretary of the Treasury, within 15 days after receipt of a request therefor from the Secretary of the Treasury, such amounts as are sequestered by the order: *Provided*, That the sequestration percentage specified in the order shall be applied proportionately to each of the Federal appropriation accounts in this Act which are not specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), as amended.

SEC. 133. (a) Within 30 days after the date of the enactment of this Act, the United States, acting through a duly authorized official, shall convey to the District of Columbia, without consideration, all right, title, and interest of the United States, in the real property described in subsection (b) (and any improvements thereon).

(b) The real property referred to in subsection (a) is that property which is described in the Maryland Department of Assessments and Taxation, Prince George's County, tax map #45 grid C-2, parcel 153, and tax map #45 grid C-3, parcel 124.

SEC. 134. None of the funds available to the District of Columbia government shall be used for any purpose involved in billing individual agencies or establishments for water and water services and sanitary sewer services traditionally funded under the account "Federal Payment for Water and Sewer Services" unless and until existing statutes (sections 106 and 212 of the District of Columbia Public Works Act of 1954, as amended, Public Law 364, approved May 18, 1954; 68 Stat. 101; D.C. Code, sections 43-1552 and 43-1612), are amended to specifically provide for such billing.

[SEC. 135. No funds appropriated under this Act shall be expended in any workplace that is not free of illegal use or possession of controlled substances which is made known to the Federal entity or official to which funds are appropriated under this Act.

[SEC. 136. None of the funds appropriated or otherwise made available by this Act may be used to pay the salary or expenses of any officer, employee, or agent who is engaged in implementing, administering, or enforcing a District of Columbia residency requirement under the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Law 2-139; D.C. Code, sec. 1-608.1(e) and sec. 1-609.1(d)).]

SEC. 135. (a) Subject to the provisions of subsections (b), (c), and (d), the Secretary of the Treasury (hereafter in this section referred to as the "Secretary") shall insure or guarantee the payment of interest and principal on a loan made by the Government of the District of Columbia or other lender to the Washington Center, a not-for-profit corporation incorporated in the District of Columbia, (hereafter in this section referred to as the "Center") in an amount not to exceed $20,000,000, for the construction of an educational housing facility.

(b) The Secretary shall not issue the guarantee pursuant to subsection (a) unless the Mayor of the District of Columbia certifies that—

(1) the debt to be guaranteed is construction loan advances and the nonrecourse long-term mortgage debt which replaces the loan advances in connection with a project which is the security for the mortgage debt and which contains approximately 135 to 165 apartments, and associated organization board and care, administrative, and classroom space;

(2) the total certified project cost subject to mortgage indebtedness will not exceed $20,000,000 and all debt related to or supported by the guarantee will be used for or in connection with the project to be constructed; and

(3) the project is to be constructed within the boundaries of the District of Columbia, in accordance with all applicable zoning, development, and District of Columbia Capital City plan and guidelines.

(c)(1) The United States shall be entitled to recover from the Center the amount of any payment made pursuant to the insurance issued to the Center under this section. Upon making any such payment, the United States shall be subordinated to all of the rights of the recipient of the payment with respect to which the payment was made.

(2) Any insurance issued under subsection (a) shall be incontestable in the hands of the Center, and as to any lenders which make or contract to make a loan to the Center.

(d) Insurance may be issued by the Secretary under subsection (a) only if he determines that the terms, conditions, maturity, security (if any), and schedule and amounts of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable and in accord with regulations, including a determination that the rate of interest does not exceed a per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable, considering interest rates prevailing in the private market for similar loans and the risks assumed by the United States. The Secretary may charge a premium for such insurance in an amount determined by him to be necessary to cover administrative expenses and probable losses under subsections (a). Such insurance shall be subject to such further terms and conditions as the Secretary determines to be necessary.

(e) The Center shall provide annual reports to the Appropriations Committee of the Senate and House of Representatives and to the Secretary of the Treasury detailing the financial status of the center and shall include such information as the number of students served, including the percentage of minority and low income students participating in the programs of the Center, and efforts to involve students from the District of Columbia.

SEC. 136. Section 11-1563(d), D.C. Code is amended—

(A) by inserting "or while receiving retirement salary under this subchapter but before having recouped all contributions," before "the lump-sum credit for retirement"; and

(B) by inserting "or the balance after deduction of retirement salary paid prior to death, if applicable," before "shall be paid,".

SEC. 137. Section 11-1703(b), D.C. Code is amended—(A) by adding the following second paragraph:

"If an Executive Officer of the District of Columbia Courts, who has served at least five years as Executive Officer and is at least fifty years of age is removed from office, in accordance with this section, the removal shall be treated for all purposes of retirement as an involuntary retirement of a judge in accordance with sections 11-1526(b) and 11-1564(b)."

SEC. 138. No funds provided by this or any other Act may be used to condemn, vacate, or raze the Employment Security Building, located at 500 C Street NW., Washington, District of Columbia, until June 30, 1989.

SEC. 139. Up to 118 officers or members of the Metropolitan Police Department who were hired before February 14, 1980, and who retire on disability before the end of calendar year 1989 shall be excluded from the computation of the rate of disability retirement under subsection 145(a) of the District of Columbia Retirement Reform Act, as amended, approved September 30, 1983 (97 Stat. 727; D.C. Code §1-725(a)), for purposes of reducing the authorized Federal payment to the District of Columbia Police Officers and Fire Fighters' Retirement Fund pursuant to subsection 145(c) of the District of Columbia Retirement Reform Act.

TITLE II—FISCAL YEAR 1988 SUPPLEMENTAL APPROPRIATIONS

DISTRICT OF COLUMBIA FUNDS

GOVERNMENTAL DIRECTION AND SUPPORT

(INCLUDING RESCISSION)

Of the funds appropriated under this heading for the fiscal year ending September 30, 1988, in the District of Columbia Appropriations Act, 1988, approved December 21, 1987 (Public Law No. 100-202, sec. 101(c); 101 Stat. 1329-91 to 1329-92), $1,357,000 are rescinded.

ECONOMIC DEVELOPMENT AND REGULATION

(INCLUDING RESCISSION)

Of the funds appropriated under this heading for the fiscal year ending September 30, 1988, in the District of Columbia Appropriations Act, 1988, approved December 21, 1987 (Public Law No. 100-202, sec. 101(c); 101 Stat. 1329-92), $11,136,000 are rescinded.

PUBLIC SAFETY AND JUSTICE

For an additional amount for "Public safety and justice", $33,251,000.

PUBLIC EDUCATION SYSTEM

(INCLUDING RESCISSION)

For an additional amount for "Public education system", $8,886,000, to be allocated as follows: $10,000,000 additional for the public schools of the District of Columbia and a rescission in the amount of $210,000 for the District of Columbia School of Law, $549,000 for the Public Library and $355,000 for the Commission on the Arts.

HUMAN SUPPORT SERVICES

(INCLUDING RESCISSION)

Of the funds appropriated under this heading for the fiscal year ending September 30, 1988, in the District of Columbia Appropriations Act, 1988, approved December 21, 1987 (Public Law No. 100-202, sec. 101(c); 101 Stat. 1329-94), $15,811,000 are rescinded: Provided, That an additional $2,545,000, to remain available until expended, shall be available solely for the District of Columbia employees' disability compensation: Provided further, That within funds remaining available under this heading for the Commission on Mental Health, $400,000 shall be available for the fiscal year ending September 30, 1988, for the purpose of granting funds to a private non-profit organization establishing and operating a residential facility for mentally disabled mothers and their infants as a demonstration of the cost-effectiveness of early intervention to keep families at risk together, together with $264,000 in each of the fiscal years ending September 30, 1989, September 30, 1990, and September 30, 1991.

PUBLIC WORKS

(INCLUDING RESISSION)

Of the funds appropriated under this heading for the fiscal year ending September 30, 1988, in the District of Columbia Appropriations Act, 1988, approved December 21, 1987 (Public Law No. 100-202, sec. 101(c); 101 Stat. 1329-94). $6,293,000 are rescinded.

REPAYMENT OF LOANS AND INTEREST

For an additional amount for "Repayment of loans and interest", $3,469,000.

REPAYMENT OF GENERAL FUND DEFICIT

For an additional amount for "Repayment of general fund deficit", $118,000.

OPTICAL AND DENTAL BENEFITS

For an additional amount for "Optical and dental benefits", $1,080,000.

PERSONAL SERVICES

For an additional amount for "Personal services", for pay increases and related costs, to be transferred by the Mayor of the District of Columbia to the appropriations for fiscal year 1988 from which employees are properly payable, $34,377,000, which includes a 12% pay absorption to be apportioned among the various appropriation titles by the Mayor.

CAPITAL OUTLAY

For an additional amount for "Capital outlay", $6,340,000.

WATER AND SEWER ENTERPRISE FUND

For an additional amount for "Water and sewer enterprise fund", $39,750,000, of which $8,385,000 shall be apportioned and payable to the debt service fund for repayment of loans and interest incurred for capital improvement projects and $31,365,000 in water and sewer enterprise fund operating revenues for pay-as-you-go capital projects, $10,500,000 of this $31,365,000 shall fund new authority in the Fiscal Year 1988 supplemental Budget and Rescissions of Authority Request Act of 1988 and $20,865,000 of this $31,365,000 shall fund prior year capital project authority.

An additional amount for construction projects, $10,500,000, as authorized by an Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; Public Law 58-140; D.C. Code, sec. 43-1512 et seq.).

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For an additional amount for "Lottery and Charitable Games Enterprise Fund", $764,000.

ADMINISTRATIVE PROVISION

SEC. 201. Funds appropriated by this title shall become available upon enactment.

This Act may be cited as the "District of Columbia Appropriations Act, 1989".

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I am pleased to present to the Senate the District of Columbia appropriations bill for fiscal year 1989.

Mr. President, the bill before us is 2.5 percent below last year's appropriation for total Federal funds to the District of Columbia, and 1 percent below the budget request and the total in the House bill. In addition we are within the Appropriations Committee's allocation to us of budget authority and outlays.

Mr. President, the committee is recommending the following amounts in the Federal funds portion of the bill: $430.5 million for the Federal payment. This is the same appropriation level as last year and 3 percent below the payment level of 2 years ago; $27.1 million for the water and sewer payment. This amount is $9.6 million below the House bill and the President's submission, this reduction is made solely to stay within the subcommittee's allocation of outlays under the budget resolution; $52 million for the Federal contribution to the District's various retirement funds, and $2.3 million for the costs to the District of the upcoming Presidential inauguration in January 1989.

Mr. President, the bill also contains the allocation of $3.2 billion in District of Columbia funds for the various city government functions as requested by the District government.

Mr. President, that completes my summary of the bill, however before I yield the floor I want to acknowledge the leadership and guidance that the distinguished chairman of the Appropriations Committee has given us in bringing this bill to the floor today.

At the same time I want to recognize the contribution of the Senator from Oregon, Senator HATFIELD, the ranking member of the committee for his cooperation. And finally, I want to thank the Senator from Oklahoma, our ranking minority member, Senator NICKLES for his help and support during the consideration of this bill.

Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, except for the amendments on page 24 beginning on line 17, and the bill as thus amended be regarded for purposes of amendment as original text, provided that no point of order under rule 16 shall have been considered to have been waived if the request is agreed to.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Committee amendments agreed to en bloc except the amendment on page 24, beginning on line 17.

Mr. HARKIN. Mr. President, I yield to Senator NICKLES, the Republican manager of the bill, for any statement he might wish to make.

Mr. NICKLES. Mr. President, first, I compliment my good friend and colleague, the Senator from Iowa [Mr. HARKIN], for the good work he has done in bringing this bill to the floor.

Mr. President, this legislation will provide the District of Columbia with a Federal funds payment of $532 million—a decrease from last year of $18 million. It further appropriates $3.1 billion in operating expenses for the District government—this amount is not Federal funding, but the amount anticipated to be collected in local revenues. The committee has also approved $172.5 million to be used for capital outlays during fiscal year 1989.

Mr. President, the committee recommendation is within the 302(b) allocations for budget authority and outlays. The recommendation is slightly more than the House and budget recommendations because of differences in the estimates for various operating expenses and capital outlays. However, I believe that the bill is fiscally sound.

Mr. President, there are a few matters which have been addressed by the committee with which I am not in total agreement. However, the issues of the water-sewer payment and apportionment will be further reviewed and hopefully can be addressed next year. The outcome, in my opinion, will simply make for better government.

The distinguished chairman of the subcommittee has provided the Senate with detail on the bill; and therefore, I will not go into further description of the committee recommendations. I do, however, want to commend the Senator from Iowa and chairman of the subcommittee for his dedication to this legislation. Senator HARKIN has been most willing to cooperate with the District government and our colleagues to bring about this bill in a fair manner. I thank him for his leadership.

We worked with Senator TRIBLE, and I compliment him for the work he has done on behalf of Lorton Prison.

For the information of our colleagues, I expect a couple of amendments, one dealing with abortion, which will be coming up. I do not know if it will be tonight or tomorrow. There may be further amendments as well. I understand that there will be an amendment dealing with the D.C. residency provision.

Mr. President, I hope we can pass this bill in very short order.

I yield the floor.

AMENDMENT NO. 2533

(Purpose: To maintain the zoning statutes with regard to certain property in the District of Columbia)

Mr. HATFIELD. Mr. President, I send my amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The Chair reminds the Senator from Oregon that he will need consent to lay aside the pending committee amendment.

Mr. HATFIELD. I ask unanimous consent for that purpose.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD] proposes an amendment numbered 2533.

Mr. HATFIELD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . (a) Notwithstanding any other provision of law, for purposes of zoning regulations of the District of Columbia, the premises on squares 4302 through 4305, and parcels 167/64, 167/65, 167/67 and 167/68 in the District of Columbia shall be considered to be an eleemosynary institution in accordance with the decision of the Deputy Zoning Administrator on December 23, 1986, as authorized by the Certificate of Occupancy Number B-26019 dated November 8, 1960, and that the current use of the premises is within the non-conforming use of rights as permitted by such Certificate of Occupancy.

(b) Subsection (a) shall not be construed to require any new license unless such was required by District of Columbia law prior to the adoption of Zoning Commission Order Numbered 347 dated July 9, 1981.

Mr. HATFIELD. Mr. President, today I am offering an amendment which I had hoped would not be necessary but which now appears to be the sole means available to finally resolve a dispute involving the Missionaries of Charity home for AIDS patients in the District of Columbia.

Over 2 years ago, Mother Teresa, at the invitation of Archbishop Hickey and with the enthusiastic support of Mayor Barry, brought four of her Missionaries of Charity sisters to Washington to open a home for the dying poor, especially those with AIDS. A month later, the deputy zoning administrator ruled that no zoning change was necessary for the home, a decision which the mayor and the lawyers of Associated Catholic Charities, the owner of the property, felt was justified by the laws and zoning regulations of the District of Columbia. At that point, the zoning question was firmly settled and it appeared the sisters could operate their home for these needy individuals who had no where else to stay.

But the problems had just begun. I won't delay the Senate in recounting the details of how a hastily formed citizens group protested the house's location and pressured the zoning board to reverse the administrator's decision and place the house in danger of being shut down. The Washington Post in its editorial "Saving the Gift of Peace" last month protested this tactic by the citizens's group, and lauded Mother Teresa's sisters for their work—and let me point out, these sisters do their work without a penny of city money or Federal money.

What I am proposing today is precisely what the District of Columbia Department of Consumer and Regulatory Affairs proposed to the zoning board 2 months ago, and resolves the question of whether the Gift of Peace home is operating lawfully or not.

Mr. President, I propose that we adopt this amendment so that the Senate can put to rest a 20-month-old dispute and remove the cloud of threatened closure from above the heads of Mother Teresa's sisters and the residents of the Gift of Peace home.

As I say, I talked to the Senator from Iowa, the chairman of the subcommittee, the Senator from Oklahoma, the ranking minority member, and this was discussed by the full committee, and this procedure was agreed to at that time.

Mr. HARKIN. Mr. President, I just want to give to the Senator from Oregon my thanks to him personally for bringing this to our attention both in the committee and here on the floor.

I have checked with the mayor and the city council of the government of the District of Columbia. They are supportive of this measure. They would like to have it adopted so that indeed the Missionaries of Charity can continue to operate the Gift of Peace House in northeast Washington.

Again I thank Senator HATFIELD for his attention to this matter and for helping to keep open a house that is really performing one of the great charitable works in the District of Columbia.

Mr. NICKLES. Mr. President, I concur with Senator HARKIN's statement.

I wish to compliment the Senator from Oregon, Senator HATFIELD, for his attention to this matter and trying to help people who really and truly do need some help.

He did bring this before the subcommittee and before the full committee. We reviewed it and I think it is an outstanding amendment and I am pleased to support it.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment of the Senator from Oregon.

The amendment (No. 2533) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. If the Senator will suspend a moment, the Chair will point out the question occurs on the excepted committee amendment.

The Senator from Nebraska is recognized.

Mr. EXON. Mr. President, I ask unanimous consent that the amendment before us be temporarily aside for the purpose of offering an amendment by the Senator from Nebraska.

Mr. HARKIN. Wait a minute.

Mr. President, reserving the right to object, might I inquire as to the parliamentary situation here. I am sorry. I did not hear what the Senator requested. I did not know there was an amendment pending.

The PRESIDING OFFICER. The excepted committee amendment on abortion is the amendment that is currently before this body.

And the Senator from Nebraska is recognized.

Mr. HARKIN. And could I have repeated again the unanimous-consent request?

The PRESIDING OFFICER. The regular order is as I described it, that is, the pending amendment being the excepted amendment.

Mr. EXON. Mr. President, I believe I have the floor.

To clarify the situation, it is not necessary to set the amendment aside. I am going to offer an amendment in the second degree.

The PRESIDING OFFICER. The Senator is correct.

Mr. HARKIN. Mr. President, I would just point out that the Senator can indeed call up amendments to the amendment that has been excepted in the unanimous-consent request if the Senator has an amendment dealing with that subject matter.

Mr. BYRD. Mr. President, it would not have to deal with that subject matter.

The PRESIDING OFFICER. The procedure is in order, and the Senator may proceed.

AMENDMENT NO. 2534

(Purpose: To clarify the rape and incest exception to the abortion spending prohibition)

Mr. EXON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON] proposes an amendment numbered 2534.

On page 24, line 19 strike the word "Federal".

Mr. EXON. Mr. President, this is a simple and very straightforward amendment. It simply strikes the word "Federal" from line 19, page 24.

Mr. President, no issue is more wrenching for Congress than the abortion issue which we have debated on many occasions. Men and women of this body have deep and serious agreements as to what is and is not appropriate.

I long felt that the Federal funds for abortion should be prohibited except where necessary to save the life of the mother or in promptly reported cases of rape or incest. For several years in the 1980's that had been the policy of the Federal Government.

I was pleased that the D.C. appropriations bill finally seemed to embrace that position. Unfortunately, the bill is drafted in a way which makes the abortion prohibition essentially ineffective.

As the Senate knows, the D.C. appropriations bill controls both money coming directly from the Federal Government and money coming from the local source passing through the Federal Government.

The abortion restriction contained in the bill before the Senate only applies to those funds which flow directly from the Federal Government and has no application whatsoever to other District funds passing through the Federal Government. As such, the prohibition on the use of Federal funds for abortion is really a fiction the way this measure is drawn.

Mr. President, the amendment that I am offering will strike only the one word "Federal" that I have referred to. The term "Federal" is the part that makes the abortion language a fiction from the abortion language in the bill and in the committee amendment. This is a very slight change, but will make the abortion prohibition truly effective, and that is my goal.

No one likes to face the tragic issue of abortion. Sadly, the District of Columbia has one of the highest abortion rates anywhere.

I submit that my amendment can provide the middle ground most of us are seeking in dealing with this issue given the circumstances that confront us at the present time.

I encourage my colleagues to support this amendment and in simply-stated terms it does this: It strikes the word "Federal," meaning that all of the funds, both from the Federal source and from the local source, will be included in the otherwise unchanged language in the bill. Or, to put it another way, it would simply make what seems to be the intent of the legislation clear. It would put it in law, and it would simply say that abortion funds could not be used by the District of Columbia unless the life of the mother was at stake or unless there were other conditions spelled out in the measure before us or in the case of promptly reported rape or incest.

In other words, Mr. President, the bill before us says that none of the Federal funds could be used for abortion in the cases that I have cited as clearly spelled out in the bill, but that District funds could be used.

I think that one would clearly recognize that such a prohibition is not a prohibition at all because all that would be necessary would be for the District of Columbia to take the Federal funds and place them and expend them in an area that would not be covered and use the local or District-raised funds for any type of abortion that they desired.

I simply say that my amendment in many respects is a perfecting amendment.

Because I think and I thought and still believe that it was the intent of the framers of the measure before us to put this in the bill the way the Senator from Nebraska has drafted and just sent his amendment to the desk, without leaving the gaping loophole that would be caused the way the measure is written.

So, Mr. President, I think there is no need for a whole lot of time on this. I think I have stated very clearly what this amendment does.

So it is fully understood, once again, it strictly strikes the word "Federal" from line 19 of page 24 of the committee amendment and leaves all of the other wording exactly like it is. So it would simply say that 100 percent of the funds would come under this bill rather than just Federal funds.

Mr. President, I ask for the yeas and nays on the amendment unless there is some indication on the part of the managers of the bill that they would accept the Exon amendment, in which case I would see no need for a rollcall vote.

I withhold the request for the yeas and nays until I have heard from the managers of the bill.

Mr. NICKLES. Mr. President, I might ask my colleague from Nebraska a couple of questions. I am going to tell my colleagues that I think we are going to have a vote here pretty soon. It is my hope that we can move forward. Several Members have asked us how long we are going to be discussing this issue and others. I am not sure how long we will be on it.

But the Senator's amendment basically strikes out the word "Federal," so it applies to Federal funds and D.C. funds. As the Senator from Nebraska mentioned, presently if you do not have restrictions on D.C funds, you are going to have very lax, if not a very permissive abortion policy, probably one of the most permissive abortion policies anywhere in the country; is that correct?

Mr. EXON. In response to the question that has been asked, which is a very legitimate one, I would simply say, yes, the Senator understands it completely. As I pointed out in my remarks, I believe, the way this measure is currently drafted, we could just as well leave out any language with regard to abortion because I think it is not effective at all.

Mr. NICKLES. I thank the Senator for his comments.

Now, I want to make sure that I am correct. The Senator's amendment basically amends the language that provides, "None of the Federal funds." You strike the word "Federal," so your language would state:

> None of the funds provided in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term; or except for such medical procedures necessary for the victims of rape or incest, when such rape or incest has been reported promptly to a law enforcement agency or public health service. Nor are payments prohibited for drugs or devices to prevent implantation of the fertilized ovum, or for medical procedures necessary for the termination of an ectopic pregnancy.

Is that correct?

Mr. EXON. The Senator is correct.

Mr. NICKLES. For our colleagues who might want to know some of the other scenarios, I believe that the Senator from New Hampshire was planning on offering an amendment that would not have the rape and incest provision that is now in this language that the Senator from Nebraska is leaving in; is that correct?

Mr. EXON. That is correct. There have been some differences of opinion with regard to promptly reporting rape and incest by many of us who oppose abortion. I am not going one iota beyond the language in the committee amendment, other than striking the word "Federal." So that whatever funds would be available and appropriated under this measure would apply and there would not be the gaping loophole that is obviously there in the way it is drawn.

Mr. NICKLES. I understand the Senator's amendment now. I wish to compliment him on his amendment. I think it is an improvement over the language that we had.

I mentioned, Mr. President, in my opening comments that I had a few problems with the bill. One of them is the fact that the D.C. Government has spent as much money and has been permissive with abortions as they have. Actually, there have been more abortions in D.C. than live births. That bothers this Senator. Some people say, "Well, you shouldn't be involved in D.C. governmental affairs. That is their money. Let them spend it."

But, unfortunately, we have almost a situation where abortion is a very common practice of birth control. As a matter of fact, over half of the abortions performed in the D.C. area are performed on women who have had one previous abortion. I think that is important.

So I think the Senator's amendment is a good improvement over what we have in the present bill.

I also think the Senator from New Hampshire has a better amendment. It is his decision whether he cares to pursue that amendment further or not. But I think both of them are improvements over the present language.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. HARKIN. Mr. President, I looked over the amendment offered by the Senator from Nebraska, my good friend, Senator EXON. I listened to his comments in offering the amendment. I just wanted to respond to one small passage of the Senator's opening comments.

He said that he was pleased that the committee had finally adjusted the language in the bill. I would just point out to the Senator from Nebraska that the language that is in the bill which the Senator is modifying with his amendment, that language is the exact language that has been in every D.C. bill since 1980; the exact same language. It is the exact same language which President Reagan signed into law in 1981, 1982, 1983 on a D.C. appropriation bill; exact same language that we have in this bill.

Now, since that time, we have always had continuing resolutions, so it has not been a specific thing that he could veto. So it has always been wrapped up in the continuing resolution. But it is the same language, as I said, that he signed personally into law on three separate occasions.

Now, again, the reason for that, I would just say this to the Senator from Nebraska, President Reagan called in his State of the Union Message for, and I quote, "legislation that would stop all Federal funding of abortion." We have a letter from Mr. Miller, a member of the President's staff, saying he would recommend a veto of the bill if it is contrary to the President's stated position. The bill is not contrary to the President's stated position. We do say no Federal funds can be used for abortions. That is the President's stated position.

As I said, the language only limits that. Just as we do in all other circumstances dealing with abortion that we have voted on so many times around here, that deals only with Federal moneys. We have never, never told another jurisdiction how it can spend the tax dollars that it raises.

What the Senator would have us do with his amendment would be to tell the residents of the District of Columbia that you can raise your taxes, but we are going to tell you how to spend it.

Now, the Senator represents my neighboring State of Nebraska, a fine State, a great State, I might add, one in which I have spent a lot of time and a State for which I have the highest regard as I do personally for the Senator who is my close friend.

But I do not think the Senator from Nebraska would want us to tell the State of Nebraska how to spend the dollars it raises in the State of Nebraska. What if we were to say to the State of Nebraska, or to Omaha, you can go ahead and tax your citizens, but you can spend it this way and we are giong to put all these little things into law, how you can and how you cannot spend yor tax dollars. Well, the Senator would be opposed to that. I would be opposed to that. I think every Senator in this body would be opposed to the Federal Government injecting itself into every jurisdiction telling them how they can spend their tax dollars, whether it is on abortion or anything else.

I know that abortion is a very sensitive issue. There is no one on this floor more opposed to the practice of abortion than this Senator. I have said so many times. But I do not believe that this kind of an amendment gets to the root causes of it or does anything about the issue of abortion, which I am going to have more to say about in a minute. But this amendment offered by the Senator from Nebraska, well-meaning though it is, and I know the Senator's strong feelings on the issue of abortion and I share those feelings with him—but this represents an intrusion by the Federal Government into an area of local jurisdiction that this Government has never done. We just do not do those things.

We used to do it in the District of Columbia over 12 years ago. It was 12 years ago, Mr. President, that we passed the D.C. home rule bill giving the District of Columbia home rule.

If we want to turn the hands of the clock back 12 years, if we want to take over running the District of Columbia again, then let us have a vote on it. Let us have somebody offer an amendment saying we hereby repeal the D.C. Home Rule Act. We will now run the District of Columbia. Get rid of the mayor, get rid of the city council, get rid of those elected officials; we will run the District of Columbia government once again. If Senators want to do that, let us vote on it. But I really do not think anybody wants to do that.

There may have been a time when the Congress could run the District of Columbia but we have enough things to do now: Foreign aid bills, agriculture bills, Supreme Court Justice nominations, transportation policy, arms control. We have enough issues here to keep us busy from January 1 to December 31. We do not need to be involved in running the District of Columbia.

As I said, maybe 30, 40, 50 years ago we could do it. We have moved beyond that. At least I hope we have moved beyond that. So I hope no one wants to turn back the clock to that time and I hope we do not have the interest in doing that.

Again, obviously we do have an interest in how Federal dollars are spent. That is a legitimate interest of this Senate and this Congress. That is why, since 1980, we have included this language in the bill that no Federal funds could be used because we do have an interest in that. But not the money of the District of Columbia. And I want to make that clear. That this amendment offered by the Senator from Nebraska covers not just Federal money but funds, taxed by the citizens of the District of Columbia, raised by their government and spent by their government.

I would point out to the Senator from Nebraska and others that we have, what, $3.2 billion in this bill. That is basically raised by the District of Columbia and spent by the District of Columbia for a variety of things. Do we want to start sticking our fingers in there, in how they can spend that $3.2 billion? A little bit here, a little there? Maybe someone has a pet project downtown they would like to talk about. Maybe someone has something else out in the neighborhood in which they may live. We can start doing that again if we really want to make the District of Columbia a colony like it once was.

Well, this is an appropriations bill. There are some Federal interests here. I will accede to that. That is why we had that language. But we do not have an interest in telling the District of Columbia how to spend its money, regardless of how strongly we may feel about this particular issue of abortion. If we do then, what the heck, let us start doing it to every State. Let us just start telling every State what they can and what they cannot do.

I think this is an appropriations bill. It is not a bill on this issue. It is not an authorization bill. It is an appropriations bill. I have no problems with debating this matter. People may feel strongly about debating it but it ought to be debated on the proper bill and on the authorizing legislation.

So, basically we have had a record here. We have had a record here since 1980 of having this same language for 8 years. Now all of a sudden, we are told for some reason what we have been doing for 8 years, we cannot do any longer. We have to change that procedure.

Last year a vote on this same amendment, basically the same amendment, was tabled 60 to 39, as it was every year, going back to 1980. So I guess we just have to jump through the hoop another time on this amendment.

I just point out that, again, I would hope those who feel just as strongly as I do about the practice of abortion—that it ought to be restricted to the greatest extent possible—I would hope that those would not want to at least strike out these medical procedures and all these other things and that we would, in fact, look at the Federal funds portion. We adopted that. That is a legitimate interest that we have and it is shaped and it is fashioned in a manner, I think, to be humane and to take into account various exigencies such as rape and incest which is reported promptly to the authorities, ectopic pregnancies, life of the mother. Those are all things I think we have generally agreed upon here as exceptions to the general rule. After the debate is finished on this amendment, I will move to table it. I do not want to do so now. I want to let people have their say on it, but at the appropriate moment, I will move to table the Exon amendment.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. Mr. President, I join the Senator from Iowa and will support a motion to table this amendment. We do go through this every year. Abortion is not a new subject to this Senate and I suppose this will not be the end of it when we have the vote on this amendment. It probably will not be the end for this year. We will probably face it on some other bill.

Mr. President, I speak as one who thinks we ought to fund abortions for poor women. We ought to pay for that in the Medicaid bill. We have lost that battle. We are not here arguing that battle. I understand how passionately people feel on some things and they do not want Federal money spent, any of their tax money spent. I have been in this Senate long enough to have gone through that in the Vietnam war, and people did not want any of their money spent on the Vietnam war. They did not want any of their money spent on medical research on animals; did not want any money of theirs spent, you can put dot dot dot in. Whatever it is they felt strongly about. But this amendment goes further than that. They do not want any of your money spent, and I mean the District of Columbia's money. This is not any money out of any Federal taxpayers' pocket.

Any number of States fund welfare funding of abortions. My own State of Oregon does, as a matter of fact, and I would very much resent it if the Federal Government would try to say we are not going to allow you, State of Oregon, to spend your money as you want. We have had this on the ballot twice in the State of Oregon. Twice in the last 8 years. Both times the people of Oregon have voted to continue welfare funding of abortions.

I think on occasion you could make a case for Federal interference in what the District might do, if what the District was going to do was to effect the unique Federal character of the Nation's Capital. We may have a vote later on, I do not know if we are going to or not, on the House provision that would prohibit the District of Columbia from putting residency requirements on their employees. I think it is a foolish bill, a foolish provision that they have and if they are going to deny themselves competent people from Maryland or West Virginia or Virginia working in the District, that is their business and it lowers the quality of their government because of it. But I think it is their business. That does not affect the unique Federal character of this town.

Nor whether or not they choose to use their money to fund abortions, does not affect the unique Federal character of this town. If they were to pass a bill in the D.C. legislature saying we are going to put up a 40-story office tower alongside the Washington Monument, I think we could make a good case that that was interfering with the unique National Capital of this country. But you cannot make that case for this amendment or, frankly, for most of the other things we attempt, from time to time, to interfere with in the District of Columbia.

So I would hope very much that we would say to the District—as far as I am concerned, I agree with their policy on funding abortions. The Senator from Nebraska does not agree with it. That is a fair honest difference of opinion as to whether you agree with it. It is a fair, honest difference of opinion as to whether we should use Federal funds for abortion. He and I disagree on that. But to come to the District of Columbia on something uniquely their business, that frankly will not make any difference at all one way or the other in our policy about the sale of Mavericks to Kuwait; will not make any difference one way or the other on our policy as to low-income housing; will not make any difference one way or the other as to the hundreds of thousands of tourists that come here every month and the millions that come here every year, then that decision ought to be theirs to make, rightly or wrongly, just as Omaha and Des Moines and Portland, OR can make that decision, rightly or wrongly.

We are a Federal system. I understand the unique legal character of the District of Columbia. We have the power to prohibit them from spending their own money any way we want to. Power is not the equivalent of wisdom. I hope in this case wisdom will triumph over power and we would be wise enough to leave it to them to make the decision as to how they want to spend, and I emphasize, Mr. President, their money. Not yours, not mine, not a single taxpayer in the State of Oregon is going to be affected by this one way or the other.

I think, therefore, that judgment ought to be theirs and not ours.

Mr. ARMSTRONG addressed the Chair.

The PRESIDING OFFICER (Mr. SANFORD). The Senator from Colorado.

Mr. ARMSTRONG. Mr. President, the Senator from Oregon has framed the issue in a logical and thoughtful manner, and he always does that. I am glad to have a chance to speak following his remarks because, while I disagree with him, I think he has framed the issue in a way that is helpful to the Senate and helpful to any undecided Senators who may be following this debate.

What his remarks put into perspective is how we feel at the most essential level about abortion. If one believes, as the Senator from Oregon does—and I agree with him on this—that we ought to have a predisposition toward home rule, we ought to have a presumption of the credibility of city councils and mayors here in the Nation's Capital, then we should only overrule those actions in cases of great moment, in cases of great significance and importance.

The Senator from Oregon pointed out that if the city council authorizes the construction of a 40-story office tower next door to the Washington Monument that he would not hesitate, in that circumstance, to use the power of the Congress to overrule those actions by the local governing authorities. In other words, in a zoning case with which he might disagree, he might think it would be appropriate, at least in an extreme zoning case, to exercise our Federal power over the District of Columbia to overrule the home rule powers of the city government. Yet, he is reluctant to do so when the issue is abortion; not just one abortion or a few abortions or dozens of abortions or hundreds of abortions, but hundreds of thousands of abortions.

While he did not directly say so, I think it is fair to say, because I have listened to him speak on this subject before, that what it comes down to is this: That in his opinion, the issue of abortion does not rise to the level of significance to justify the exercise of Federal right, Federal power to overrule the D.C. city council on this matter. I have wondered why that is. I believe I know the answer.

I note the Senator is still here, and if I am mistaken, I hope he will respond to me. But I believe the reason why the Senator from Oregon and others who take a relatively permissive attitude toward abortion, even those who may not favor abortion nonetheless in some cases take a permissive attitude, is because of their view of the nature of the unborn fetus.

I very personally never met anyone—the Senator from Oregon may prove I am wrong on this—but I have never yet met anyone who confided to me or announced or they admitted they believed the unborn fetus was indeed a true human baby who, nonetheless, entertained a permissive view toward abortion. There might be such a person. Perhaps there is even such a person here in the Senate tonight. I would be very surprised if that is the case.

I will be very surprised if there is any Senator willing to rise and say, "Yes, I believe that is a living human baby and yet, nonetheless, I am willing to leave to the D.C. city council the right to fund the taking of those lives."

If one believes, as I do, and as I hope on this occasion a majority of Senators will believe, that that fetus is a helpless, defenseless, unprotected human baby, then it seems to me that is more important than how tall the building is that they may build next door to the George Washington Memorial; it is more important than almost any of the issues that routinely come before the D.C. city council; it is more important than any of the issues which day after day come before the U.S. Senate on a routine basis. If it really is, if we really believe, if Senators believe that that is a baby, then our heart goes out to that defenseless child and both our hearts and our heads tell us that that child is entitled to protection and not just to some minimum standard of protection but compassion as legislators, as the people who make policy for this country, as compassionate, caring human beings that we have to reach out to every proper way to the full extent of our authority to protect that human child from death.

On the other hand, if one does not hold that view of what the fetus is, if one thinks the fetus is not a living human being but thinks it is merely some kind of other creature that is somehow likened to an organ, it is like an appendix or gall bladder of something, it really has no spark of humanity of itself, then it seems to me it is very hard to get excited about whether or not the D.C. government funds abortions or not.

In fact, I think, in my own mind, it would be impossible to justify any interference with the right of a woman to make that decision. If it is just an inanimate object, if the fetus is not a human being, then I do not see how you can be for the Hyde amendment; I do not see how you can be for restrictions on the right of poor people to have this surgery; I do not see how you can say it is proper and appropriate for the Federal Government to fund surgery on the stomach, surgery on the appendix, surgery on other parts of the body, but to deny to any woman the right to make that decision, if all we are talking about is just an organ, just an organism, just the flesh, but not really in any meaningful sense a true human being.

So I think that is the issue that is presented here tonight. I do not think it is a home rule issue. I really do not think any Senators, bottom line, are going to vote on this as a home rule issue. I cannot imagine there might be a Senator who thinks that is really a human, live baby and, nonetheless, will say home rule is more important than humanity. There might be a Senator who would make that case, but I doubt it.

My own conviction is, and I base this on much study, more study than I ever expected to give the issue, I must say; upon the testimony of many scientists, many doctors, many mothers, some who have had abortions and many who have considered it; upon testimony before the Senate; upon conversations which I have had in many settings; on a good deal of reading; on the profound and thoughtful comments of the Surgeon General and other medical authorities; upon the visual proof which has been submitted before this body on many occasions; upon the testimony of doctors and nurses and others who have changed their own minds after performing abortions, and I am just convinced that the evidence is so strong, so overwhelming, so clear-cut that that fetus is not just a lump of tissue but, in fact, is a human being.

I do not see how a Senator, if he or she feels that way, can fail to support not just the Exon amendment but the more carefully and more tightly drawn Humphrey amendment which I believe will be offered subsequently.

However this turns out—and I do not know how this is going to go tonight; nobody knows, I guess—I just hope that there will not be any Senator who will try to make up their mind based on home rule. That just does not get it. There is not one Senator who, if the District of Columbia decided to reinstitute slavery, would say, "Well, I don't approve of slavery but, after all, this is a home rule city." There is not one Senator who would do that.

Suppose the District of Columbia decided they are going to have 100-mile-an-hour speed limit, how long do you think it would be before Congress would overrule such a matter? It would not be very long. We have already heard, as an example, that if the D.C. government decided to have a 40-story office tower across the street from the George Washington Monument, at least one Senator would be willing to overrule that, and properly so, in my opinion. I do not dispute that.

I just say that this is not a vote on home rule. This is a vote on how important you think the issue underlying is, how important abortion is, and whether or not you think that is a baby or not. Those who think, who feel, who are convinced, as I am, that that is a baby are going to vote to protect the baby. I cannot imagine that any Senator who feels that way about the baby is going to vote for home rule instead.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. I wonder if I might respond to the Senator from Colorado because he has slightly twisted what I said. I think abortion is a very important issue, and I have thought so for a longer period of time than the Supreme Court's decision in Roe versus Wade. In 1970, I introduced a bill in this Congress to legalize abortion nationally, so I have not come lately to this, nor thought about it lately. It is a much more important issue than building the 40-story office building. It is important in Washington. It is important in New York. It is important in Denver. It is important in Portland. It is not a unique issue to our Nation's Capital.

I said that we should interfere with a decision if its effect was unique on our status as the Nation's Capital. Now, whether or not we prohibit or allow the District of Columbia to fund abortions is not unique to the Nation's Capital. If you accept the premise of the Senator from Colorado that abortion is bad, it should be stopped everyplace and that this ought to be a moral vote and a moral decision and not a home rule decision, then I can justify carrying that logic to saying, when we have a Medicaid bill, that we will not give any Medicaid Federal funds to any State that uses its funds to fund abortion or we will not give them any public housing money because we are so convinced of the rightness of our position on abortion that we are going to try to coerce the local government to cease using its funds for fear of losing the Federal funds.

We would have to go about it in that way because we do not have the power over Denver or the power over Portland or Des Moines or Omaha that we do over the District. But if you follow the logic of the Senator from Colorado, then you would say this is such a moral imperative that we have to do everything we can to stop it in the country by the use of Federal laws to attempt to cajole, coerce, almost bribe local governments into ceasing funding of abortions.

The difference is that we do not have the legal power to pass a law and say to Colorado or to Oregon, quit funding abortions. It would have to be a carrot rather than a stick. But we would not have the gall, Mr. President, to put that kind of——

Mr. HARKIN. If the Senator will yield on that point, the State of Colorado does indeed fund abortions, as do almost all the other States. The Senator is correct that we probably would not have the power to say that the State of Colorado in raising its own tax money could not fund abortions. But I would submit that if the Senator from Colorado really wants to get to this issue we might say that no Federal dollars will be expended in the State of Colorado so long as they fund abortions. We will just stop all Federal money. We could close down the Air Force Academy. We could do everything out there.

Mr. PACKWOOD. I do not know if we would actually but there we are. We could take the money from the Air

Force Academy, and that is our right. We could say we are not going to spend money because Colorado funds abortions.

Mr. **HARKIN**. We could coerce States in that manner. We could tell the State of Iowa or Nebraska we are not going to give drought payments to farmers if they fund abortions. We could do that.

Mr. **ARMSTRONG**. Would the Senators yield to me? I feel like sort of the silent third partner in this conversation. In fact, Senators may have forgotten, but that is exactly what we do. We say that if States enact a speed limit in excess of what Congress decides is the right speed limit, they do not get their highway money. We say if they permit or erect billboards that do not fit the Federal conception of what billboards ought to be along Federal highways, they do not get their highway money. We say if they do not measure up to certain standards with respect to air pollution, by gosh, we are going to cut off their funds. In fact, we go further than that. We say that if worse comes to worst and they do not meet somebody's idea of what air pollution standards ought to be, then we will shut them down altogether as far as building permits, as far as construction of new facilities, not just Federal funds but a lot of things more serious.

It may be that the Senators were giving me a reality check or trying to determine whether or not I am being hypocritical about it. I support all of those things. In fact, one of the issues which I think we are going to vote on before this year is over, and I hope we do, is a new clean air bill. I am going to be one of those who is going to come and ask for tough standards to be extended and maybe made tougher in several instances on my own State along with others, and I am going to go in favor of some penalties if they do not comply because I think it is that important an issue.

The point I wanted to make—the Senator from Oregon, I think, has stated the proposition correctly and fairly—it is simply a question of how far do we want to go. I understand that the Senator from Oregon is not deprecating the importance of the issue. He sees the issue differently than I do. He is basically in favor of abortion, or at least a permissive resort to abortion. I am basically opposed to that, and I do not have any hesitation in standing before the Senate and saying that were the motion before us to simply forbid abortions except under very narrowly restricted exceptions, I would be pleased to vote to do that.

That is not the question. The question is in the city which is the Nation's Capital, which is under the legal jurisdiction of this Congress, what is the policy decision that we are going to make. Now, we have that power. That power resides in this body. Maybe it should not. Maybe this ought to be a State. Maybe we ought to have a constitutional form of home rule. We do not have those things. Instead, the law-making power is here and so long as it is we cannot escape that responsibility. We can only exercise it wisely or foolishly, but we cannot escape it. We have the responsibility.

Now, is this, as the Senator from oregon inquires, a unique Federal issue? I think it is. First, because it is the Federal city; it is the Nation's Capital, but more than that because if you believe, as I do, that what we are talking about is the taking of tens and hundreds of thousands of innocent lives, I think it does affect the reputation of the city far worse than an ugly building next door to the Nation's Capital.

The **PRESIDING OFFICER**. The Senator from Oregon has the floor.

Mr. **ARMSTRONG**. The Senator has the floor, but if he would indulge me for, say, 15 or 20 seconds more, I will yield the floor. The point is if you believe, as I do, that we are taking innocent lives, that is a shame and a disgrace and a national blemish far worse than an excessive speed limit or an ugly billboard or a bad looking building next to the Washington Monument.

Mr. **PACKWOOD**. I understand exactly what the Senator from Colorado says, and to follow his position logically he ought to be the prime sponsor of an amendment that would prohibit the States from using their own money, any State, any city, on abortions. He ought to attach that rider to any other Federal bill that comes along that gives them any money at all.

We passed pollution legislation because we say in the national interest. We cannot confine pollution to the Los Angeles basin, to the Portland basin. We cannot confine it to waters within one State; we have a national problem, and we pass national legislation. We felt the same way about the speed limit, although we have changed our mind on it. And if the Senator from Colorado feels that the same import applies to abortion, then he ought to be supporting an effort to stop it nationally.

Now, I want to emphasize something. I think he has—I have not checked his voting record as I came here tonight, but I will wager he supported most of the efforts we had, whether it be a court-stripping or something else, to prohibit courts from reviewing State decisions on abortion, to do everything possible—I think those would have been unconstitutional if they ever got up to the Court, but to do everything possible by Federal law to overturn that Supreme Court decision, short of a constitutional amendment—I think he probably supports a constitutional amendment, but there are not the votes for that—to overturn the Supreme Court decision short of a constitutional amendment and to do everything else possible within the powers of the Congress to—and I use the words—force, coerce, cajole, prohibit local governments from using their own money for what he considers wrong. And that would be a fair proposition to put to this Senate. I would be happy to debate it, and I would bet this Senate would not have the gall, it would not muster 20 votes in this Senate to attempt to do that. And the only reason we try to do it over the District of Columbia is because we have the power and we still think of it as a mini-colony. I do not think that is sufficient justification to impose this restriction on their money.

Mr. **HARKIN**. Will the Senator yield on that?

Mr. **PACKWOOD**. I am happy to.

Mr. **HARKIN**. I agree. The Senator has really hit the nail on the head. I suppose the Senator from Colorado probably thought he would trump my ace but in fact he dealt a different hand a little bit ago because what we are talking about is locally generated revenues. We were not talking about billboards, clean air, and timber. We are talking about telling them how they spend their locally generated revenues.

The Senator from Oregon has hit it exactly on the head. It does not have to do with whether or not they can put billboards up, or what their speed limits ought to be. It is how they spend their locally generated revenues. That is clearly the issue here and the Senator from Oregon has clearly delineated it.

Mr. **NICKLES**. Would the Senator yield for a quick question?

Mr. **PACKWOOD**. Sure.

Mr. **NICKLES**. I want to get back to the bill as soon as possible, and hopefully move the bill along. I compliment the Senator for his statement, and also for his eloquent statement on supporting abortion rights, and very forthrightly. He stated that all along. We have debated and discussed this issue before. He mentioned he had introduced legislation to legalize abortion. How many votes did the Senator get on that piece of legislation?

Mr. **PACKWOOD**. I could not even get a cosponsor, let alone votes.

Mr. **NICKLES**. The reason I state that is because this Senator is bothered. I happen to read the Constitution on a few occasions. I am bothered when we see people say abortion is the law of the land. We have never passed that law. As the Senator from Oregon knows better than most, Roe versus Wade is a court decision that legalized it. I also happen to read the Constitution that says in article 1 that all legislative powers granted shall be vested in the Congress of the United States.

I would like to see us have a bill—maybe the Senator from Oregon would like to introduce it—and let us see if it would pass both Houses of Congress. Again, I want to go back to our D.C. appropriations bill so we can get out of here before midnight. I would like to see if Congress would ever legalize abortion. I do not think Congress would. But I think it would be a very interesting question to discuss, debate, and find out whether or not it would pass through both Houses of Congress. But it never did pass. It never has passed. Abortion was never legalized by Congress. That would be an issue that maybe we have to discuss or should discuss at another time.

I appreciate the Senator yielding.

Mr. ARMSTRONG. Will the Senator yield?

Mr. PACKWOOD. In fact, I yield the floor.

Mr. ARMSTRONG. Mr. President, I have one footnote to this discussion. It is not intended to influence the vote, but only to correct the record. I believe in the last few minutes someone had made the point that the State of Colorado uses State funds to provide abortion services, and while it has no bearing whatsoever on this amendment—it will not affect anybody's vote—I just did not want to let the moment pass without correcting that. That is not the case. It is the decision of the general assembly and the people of Colorado not to provide such funding, and the Senator who raised this may not be aware of it because it is a fairly recent decision made as a result of the statewide referendum.

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, the Senator from Oregon has raised an interesting hypothetical. But I believe there is a flaw in his thesis. The flaw is that each of the States have their own duly elected legislatures empowered under their own constitutions to deal with legislative matters, and matters of appropriation with respect to each of those States. The District of Columbia, however, does not have a legislature in the sense that each of the States has its own legislature. Instead, the Congress of the United States is the legislature for the District of Columbia.

Just for the record, I will cite the authority for the assertion which I have just made. Article 1, section 8 of the Constitution specifically grants to Congress the power to exercise exclusive legislation in all cases whatsoever over such district as may become the seat of the Government of the United States. As we all know, in the 93d Congress a statute was passed which gave the District of Columbia some measure of home rule, so-called. In that law, Public Law 93-198, so-called Home Rule Act charter, the following is stated:

> No amount may be obligated or expended by any officer or employee of the District of Columbia unless such amount has been approved by an act of Congress.

And then only according to such act. Section 601 of the same statute states—and this drives the point home:

> Notwithstanding any other provision of this act the Congress of the United States reserves the right at any time to exercise its constitutional authority as legislature for the District by enacting legislation for the District on any subject.

So even in the words of Congress itself, in the words of the 93d Congress which granted some measure of home rule to the District, the clear exception was made that notwithstanding any other provision of the act the Congress of the United States reserves the right at any time to exercise its constitutional—not whimsical but constitutional—authority as legislature for the District by enacting legislation for the District on any subject.

So we are, as the 93d Congress chose to explicitly state, the legislature for the District of Columbia. Therefore, in my view at least, an interesting argument, the new and novel argument raised by the Senator from Oregon does not hold any water because we should not legislate for the States because they have their own duly elected and empowered legislatures. But the District of Columbia does not. If the Congress will not exercise its constitutional responsibility to act as legislature for the District of Columbia, then the District of Columbia has no legislature. Is that what Senators want? Apparently not, because year in and year out, Members of both Houses in the annual D.C. appropriation bill enact a whole host of limitations on the way in which the District of Columbia can spend its own money. They interfere, they cajole, they coerce, to use the words of the Senator from Oregon, routinely, wholesale, year after year, as the Congress has the authority to do when it sees so fit in its wisdom.

Let me just cite from this very act in front of us some of the restrictions and instructions if you will, limitations, to the District of Columbia which the committee in its wisdom has chosen to bring on to the floor.

For example, in section 104 of this bill before us there is a restriction on allowances for privately owned vehicles used for District business, such restrictions limiting those rates to rates prescribed in Federal travel regulations. Section 109 restricts the use of funds under the act to pay for overtime and temporary help. We restrict the use of money for this purpose to "4½ percentum of the total of all funds appropriated by this act."

Section 110, another example, disallows the use of appropriated funds for compensation to any person appointed to a permanent position in the government during any month in which the number of employees exceeds 38,471, the number of positions that we have authorized for the District in the act. There we are putting a cap on the number of employees which the District may employ.

Section 111 is another example. No funds appropriated in this act for the District of Columbia government for the operation of educational institutions, compensation of personnel, or for other educational purposes may be used to permit and encourage, facilitate or further partisan political activities.

We have restricted the District of Columbia in this bill with regard to lobbying activities. Section 113 and 115 prohibit the use of any funds to pay the salary of any employee of the District whose name and salary are not available for public inspection.

Section 116 states that no part of this appropriation shall be used for publicity or propaganda purposes for implementation of any policy including boycott designed to support or defeat legislation pending before the Congress or any State legislature.

Section 121 disallows the use of appropriated funds for the implementation of the personnel lottery for hiring firefighters and police officers.

Section 123 restricts the use of appropriated funds for providing a personal cook, chauffeur, or other personal servants to any officer or employee of the District.

Section 124, section 138.

I think Senators get the message.

We have and we do and we will determine for the District of Columbia, as its legislature, as we are empowered to do under the Constitution, which power is reserved to us by the D.C. home rule charter passed by the 93d Congress. We enact legislation that directs and restricts and constricts and interferes with the operation of the government of the District of Columbia, just as every State legislature enacts legislation that has the same effect in one way or another on the governmental affairs and the societal affairs of the respective States.

It is ridiculous that we have to argue against States rights, this home rule thesis, because it is phony.

For Senators to stand up and say we should not do this because it interferes with home rule flies in the face of the clearly stated intent of the 93d Congress, which granted some measure of home rule to the District while clearly reserving the right to act, as Congress said, as the legislature for the District of Columbia, as we are required to do, empowered to do, and are responsible to do under the Constitution.

The unfortunate thing about getting into this argument about home rule is that it distracts attention from the real underlying issue which the Senator from Colorado has eloquently and movingly and convincingly and logically addressed.

I want to say a few words on that score, myself, but before I do, let me back up and attempt to clarify and perhaps erase erroneous impressions which might have been left by earlier statements by the Senator from Iowa.

He suggested, by quoting from President Reagan's State of the Union Address, that the President did not care about how local funds, D.C. funds, are spent with respect to abortion. Nothing could be further from the truth. That kind of argument, I suppose, can be summoned; but to suggest that about the President of the United States—this President of the United States, who has been so forthright and so courageous and so plainspoken on the subject of abortion, even with respect to the D.C. appropriations bill, year after year after year—is to resort to something absurd, if not misleading.

Just for the RECORD, in case it needs to be said, let me cite from the June 24, 1988, statement of administration policy with respect to the bill now before us:

> The committee bill does not include language prohibiting the use of District funds to perform abortions as requested by the administration. The administration continues to oppose the use of either District funds or the Federal payment to the District to fund abortions, unless the life of the mother would be endangered if the fetus were carried to term.

If that is not enough, I cite the President's message to Congress, transmitting the 1988 budget, April 27, 1987:

> First, I want to reaffirm my concern that none of the funds appropriated for the District of Columbia should be used for abortion unless the life of the mother would be endangered if the fetus were carried to term.

Mr. President, I ask unanimous consent that these two items be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. Mr. President, one more point, in response to the statement of the Senator from Iowa.

The Senator from Iowa, in addressing the Senator from Nebraska, suggested that Iowa should never tell Nebraska how to spend its own money, and that is true. That is not the point, but it is true, because Nebraska has its own legislature. The District of Columbia does not, never has, and does not today. We are the legislature for the District of Columbia. If people object to that, we should change the Constitution, or we ought to change the statute passed by the 93d Congress that clearly reserved to Congress the right to exercise its constitutional responsibility to act as the legislature for the District of Columbia.

All the home rule arguments are bunk. It is a dodge, to avoid the real issue. I want to address what I regard to be the real issue.

This is July 7, 3 days following the national celebration, the 212th celebration of our anniversary, of our Nation's birth. What was the organic document? What took place on July 4, 1776? Every school kid knows it. The Declaration of Independence was promulgated.

What is the foremost principle enunciated clearly, boldly, for all peoples, for all times, in that document? Almost any high school kid can tell you that—I hope.

"We hold these truths to be self-evident: All men are created equal, endowed by their Creator—"

Not by Congress, not even by the Constitution, which came later. They are endowed by their Creator with certain unalienable rights, as they wrote it. It should be "inalienable," but we will not quibble. "That among these are life * * * and to secure such rights governments are instituted among men."

I would not be surprised if a number of Senators in this body, in their 4th of July orations, read that very passage and are prepared today to deny it is the responsibility of this Government to secure the God-given right to life.

There it is—the Declaration of Independence, the document we hold dear, hold up as the standard to the world, as we should. It could not be any clearer on this point. The right to life is a God-given right.

What do we suppose our forebears meant by that—that it is a God-given right with which we are endowed at birth or some other moment convenient to modern society, Or do we suppose, as seems self-evident, that when they talked—and we talk—of this inalienable right with which we are endowed by our Creator, we are endowed with that right—when? At the moment of creation. How could it be otherwise?

Therefore, it is the responsibility of Government, the highest responsibility of Government, to secure those rights, the rights with which we are endowed by our Creator—those inalienable rights.

Could it be any more self-evident that the offspring of human beings are human beings? Does the Senator want to stand up and argue that the offspring of human beings is a dog, or a guinea pig, or a chicken, or a snake, or a Coke bottle, or a toothpaste tube?

You do not have to be a geneticist or a biologist or a scientist of any stripe to understand, as a matter of obvious truth and fact, that the offspring of human beings are human beings. When do they become human beings? At some moment that is convenient to modern society, or from the start of their human existence, conception? The answer is obvious, at least to this Senator.

That is why I and the Senator from Colorado, the Senator from Oklahoma, and the Senator from Nebraska, in certain respects stick our necks out, get our heads kicked over and over again, and come back fighting. Because it is worth fighting for. Human life is worth fighting for. It is worth standing up for. It is worth taking all the guff modern society can throw at us. We take it and keep coming back. Is it because we want to give other Senators a bad time, put them on the spot, waste the Senate's time? Of course not. We do not enjoy this. It is not fun.

We feel it is a matter of human, fundamental principle that human life is precious; that what makes this country unique and distinct is that we have the highest regard for human rights and constitutional and statutory means to protect those rights, to secure those rights, especially those rights which inure from our Creator, inure from our very nature as human beings. Abortion is wrong. Why? Because abortion kills human beings. It does not kill a fetus. Fetus is a Latin word, medical term used to describe a prenatal infant. Fetus is not something inhuman. It is just a term for a stage of human development. A prenatal infant and postnatal infant. We hear postnatal care. We hear prenatal care. Infancy is a stage of life. Childhood is a stage of life. Middle age is a stage of life. Old age is a stage of life. And so is natality a stage of life.

To be sure we look different in the first few days, the first few weeks and even the first few months than we do when we are born, just as we look different 5 years from our birth date, just as we look different 50 years from our birth date, just as we look different in our deathbed.

Appearance has nothing to do with humanity. That a fetus in early stages does not look like a newborn infant has nothing to do with humanity of the fetus, that prenatal infant; that is the word that ought to be used because it is a word that is consistent with our most recent knowledge that prenatality is just another stage of development, and prenatal infants are being slaughtered wholesale in this country because we hide it behind the mask of something called the fetus.

People do not like to think about it and I can understand why because it is grisly, it is ghastly, it is horrible. It is the worst abuse of human rights in the history of civilization. It is a terrible tragedy. It is a heartbreaking tragedy for everyone involved, needless to say the prenatal infant who is destroyed, but for his mother, for his father, for his family, for the whole family which is society and the human race. It is a terrible tragedy and it is a monstrous injustice.

For those of us who have come to that conclusion which to us seems self-evident, we are bound to do everything that we can to reduce this slaughter and to do all we can ultimately to bring about an end to this holocaust.

Senators can vote from whatever basis they choose obviously, but this is not a home rule issue. That is nothing but a red herring. It is just poppycock. It flies directly in the face of what we know to be the responsibility of this body under the Constitution and under the D.C. home rule statute. Forget home rule with respect to arguing against the pending amendment. It is nonsense and, frankly, it is just plain dishonesty to resort to that argument.

Abortion is wrong because it kills human beings. We are the legislature for the District of Columbia and we ought to prohibit the use of any funds appropriated by this Congress to the District of Columbia for killing prenatal infants and if you are against killing of prenatal infants because they are human beings, which is so self-evident, then you have to support the Exon amendment, and I hope that Senators likewise will support the amendment which I will offer in due course.

Mr. President, I thank the Chair.

(EXHIBIT 1)

STATEMENT OF ADMINISTRATION POLICY

The Administration objects strongly to a number of provisions in the current bill. If the bill were presented to the President in its present form, the President's senior advisers would recommend that he veto it.

The Committee bill does not include language prohibiting the use of District funds to perform abortions as requested by the Administration. The Administration continues to oppose the use of either District funds or the Federal payment to the District to fund abortions, unless the life of the mother would be endangered if the fetus were carried to term. Applying this restriction solely to the Federal payment makes little sense because the Federal payment comprises only 19 percent of the total District budget. The use of public funding in the District of Columbia for abortions is an unacceptable violation of a basic civil right—the right to life. The absence of such a prohibition would be viewed as a sufficient reason to veto this bill. It is unfortunate that the Full Committee did not accept the Subcommittee language that would have banned the use of District funds as well as the Federal payment to fund abortions.

The Administration has three other significant concerns regarding the proposed bill:

The bill exceeds the President's request by $27.1 million in budget authority. The increase results from the proposal to compensate the District Government with a lump sum payment rather than by billing each Federal agency directly for water and sewer services provided to Federal establishments. The President's request for direct billing is consistent with the treatment afforded other State and local governments. Moreover, the Committee has arbitrarily cut the estimated FY 1989 payment by $9 million. This is not a legitimate budget savings—it is at best a deferral because the District will request restoration of these funds. Rather than denying the District timely payment, the Senate could achieve legitimate savings by allowing the General Services Administration (GSA) to pay the District directly for these services for GSA controlled Federal buildings. Other Federal agencies could be phased into direct billing later.

The Administration also continues to oppose any attempt to exempt the Federal payment and Federal water and sewer payments to the District Government from the Presidential apportionment process. Last year, the Administration objected to section 132 of the FY 1988 District of Columbia Appropriations Act, as contained in Public Law 100-202. This section permanently excluded these Federal payments to the District from the apportionment process, resulting in a highly objectionable erosion of Executive Branch authority.

The Administration opposes sections 133 and 135 of the bill. Section 133 would transfer title of the 216 acre Glendale Hospital site in Prince Georges County, Maryland to the District of Columbia. This provision is contrary to the Federal Property and Administrative Services Act of 1949, that requires excess Federal property to be transferred to the General Services Administration for disposal. Section 135 would require a Federal guarantee for a $20 million loan by the District Government to a non-profit corporation to build an educational housing facility. Loan guarantees are a subsidy and represent a contingent liability for the Federal Government. If this project is worthwhile, it should receive direct funding without the Federal loan guarantee.

The Administration does, however, commend the Committee for keeping the FY 1989 Federal payment to the District at the level proposed by the President.

The Senate is urged to remove the objectionable provisions noted above so that the President's senior advisers could recommend that he sign the bill.

DISTRICT OF COLUMBIA

MESSAGE TO THE CONGRESS TRANSMITTING THE 1988 BUDGET, APRIL 27, 1987

To the Congress of the United States:

In accordance with the District of Columbia Self-Government and Governmental Reorganization Act, I am transmitting the 1988 Budget of the District of Columbia Government.

There are two issues that affect both the 1988 Budget submitted to the Congress on January 5, 1987, and the 1988 Budget of the District of Columbia Government that I would like to bring to your attention. First, I want to reaffirm my concern that none of the funds appropriated for the District of Columbia should be used for abortion unless the life of the mother would be endangered if the fetus were carried to term. Accordingly, I will support an amendment that goes beyond Section 116 in the accompanying District of Columbia Budget request and restricts the use of both the District's Federal and locally generated funds for abortion.

Secondly, I request your support for the initiative in the 1988 Budget that requires the District Government to directly bill the Federal establishments for the water and sewer services provided. In response to the fact that the District has had the technical capacity to bill individual Federal establishments since 1985, the 1988 Budget provides for the Federal establishments to make their water and sewer payments directly to the District Government. Thus, the 1988 Budget does not include an amount in the Federal Payment to District of Columbia for water and sewer services provided. The Budget provides for Federal establishments to make these payments directly. Although I understand the Comptroller General's office has expressed doubt about this proposal, I believe that existing law permits this change in billing practice, which will produce efficiency and accountability for the services provided. I urge the Congress to enact this needed reform.

RONALD REAGAN.

The White House, April 27, 1987.

The **PRESIDING OFFICER.** The Senator from Nebraska.

Mr. **EXON.** Mr. President, I am going to be brief as I was with my opening remarks.

I have been listening with keen interest to my colleagues' debate of this matter, and I think most of the key issues have been brought out. I have stood on this floor on many, many occasions and if I remember correctly most of the Senators who are here debating this tonight were involved in the previous debate and not a great deal new has been said.

There is a division of opinion on this issue, and I think no less of any of my colleagues that they do not agree with the position that this Senator from Nebraska holds and has held for a long, long time.

I do want to correct two or three things. Early in the rebuttal to my opening remarks it was indicated that this language was exactly what President Reagan had signed into law previously and that therefore I guess the assumption was that President Reagan was in support of the legislation as drawn in the committee amendment.

I take issue with that. I did not check with the President of the United States on this subject. But I think it is very safe to say that if President Ronald Reagan were in this body and if President Ronald Reagan had a vote, he would be in support of the Exon amendment.

I just want to say that all this talk about the situation of our not dictating to the government of the District of Columbia is certainly not the issue. It is clear that we have a unique situation, we in the Congress, with the government of the District of Columbia because we directly fund their operations. That is what the amendment that I offer is all about.

I also want to correct a statement that was made in rebuttal that this basic same issue was tabled or defeated in a recent session of the Congress when this matter came up. I would point out that the vote total that was used must have reflected an amendment offered by the Senator from New Hampshire that had no provision in it whatsoever with regard to rape or incest. Now the inclusion of rape or incest in these measures has long been a very salient point as far as this Senator is concerned. I recall the last time this was debated at length that my friend and colleague, Barry Goldwater, stood over there and agreed with the position of the Senator from Nebraska on the rape and incest matter.

I am not a Puritan, Mr. President, and I do not know how I justify all of my positions, but they have been long held. They have been very carefully thought out and at least I hope my colleagues will give me credit for being consistent.

I think it is inconsistent to indicate that it would be wrong, terribly wrong for us to dictate how the funds that we provided with this measure are used by the government of the District of Columbia.

Yet, on section 115, and I quote from the committee amendment, "None of the funds contained in this act shall be made available to pay the salary of my employee of the District of Columbia government whose name and salary are not available for public inspection." Is that not dictating to the District of Columbia? I think it is a good inclusion but it is certainly dictating.

Section 116 that immediately follows the one I just read says, "No part of this appropriation shall be used for publicity or for propaganda purposes or implementation of any policy including boycott, designed to support or defeat legislation pending before the Congress," and so forth.

Once again we are saying they cannot do it. I think that is a good provision.

Interestingly enough, Mr. President, section 117, which is the one that I am trying to amend, immediately follows and the language suddenly changes. And section 117 says, "None of the Federal funds," none of the Federal funds, Mr. President, in direct contradiction to section 115 and 116, immediately above. I think that was done with considerable forethought and is in there for a very special reason that I will not elaborate on any further at this time.

I would simply say that if we accept section 117 that none of the Federal funds, and so forth, are used, not one abortion, not one abortion will be funded under this committee amendment. The prohibition is a farce, and I do not think we should pass bills that knowingly are farce.

This particular language is a concoction of confusion since it holds the hope and the possibility of limiting abortion but the language of the bill is the furthest thing possible from that intent.

Mr. President, I simply say that while no bill is perfect, the way this bill is written is totally meaningless, and I think that if the framers of this legislation were sincere in what they are trying to say here, then they would be anxious to accept the amendment offered by the Senator from Nebraska.

I think it has been made clear in debate today that, indeed, that is not their intent. Therefore, I brand the language as a farce.

Mr. President, I ask for the yeas and nays on the amendment.

The **PRESIDING OFFICER.** Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. **HARKIN.** Mr. President, if all debate has ended on this amendment, I was trying to give everyone a chance and there were some I think who wanted to speak on this amendment. I did not want to cut off any debate. I had made it clear, Mr. President, in my initial remarks on this amendment that, at the proper time, I would move to table it, but I did not want to do that until every Senator has a chance to speak.

Mr. **METZENBAUM.** I do not expect to speak long.

Mr. President, we have been here before. In fact, since 1978, those who oppose reproductive choice have regularly attempted to impose their will on the women of the District of Columbia. It is a pretty simple issue that we are talking about, and that is: Does the District of Columbia have the right to govern itself in connection with a woman's rights that pertain to her body, and the right of a woman to determine when and where and under what circumstances she will bear a child, and the right of poor women to have the same rights as rich women?

Last year, when I heard that another antireproductive choice amendment would be offered, I hurried to the floor to express my dismay and to warn my colleagues. This is what I said then. I said that I thought that this body has spent far too much time trying to prevent women from choosing their reproductive destiny and that we ought to get on with the business of running the Government. I said that I agreed with the goal of passing a District of Columbia appropriation bill, but that if the Senate should see fit not to table the antichoice amendment, I would be prepared to explain to my colleagues how we have been into this subject over a period of over 480 separate amendments just since 1977. And I expressed the hope that we would dispose of the amendment and get on with the business of appropriating money to run the District of Columbia, a place where many of us live.

I hope we will not have to consider such action again, and I am not suggesting that be the fact. But I do believe that we ought to retain existing law and respect the right of the District residents to choose. Let us vote down any amendments which would further curtail the rights of women in connection with reproductive issues. To me, any other course is unacceptable.

I yield the floor.

Mr. **NICKELS.** Mr. President, I am going to be very brief, so I want to alert my colleagues that I think we are going to have a vote on Senator HARKIN's motion to table very soon.

I have a couple of positions and points I would like to make. One, I wish to compliment my friend and colleague, Senator ARMSTRONG, for his outstanding statement, as well as Senator HUMPHREY. I think they laid out very clearly what is at stake. Basically, we are trying to protect lives. That is really the purpose of the amendment of the Senator from Nebraska and I compliment him for it.

The Senator from New Hampshire talked about the Constitution. The Constitution gives us that right. It is in the Constitution. That separates the District from other cities.

The Senator from Colorado stated the fact that, yes, we are not just talking about any issue. We are not talking about buildings. We are not talking about home rule. If you believe in home rule—and I have heard a lot of people mention that—read the bill. We violate home rule throughout the bill, time and time again, section by section. Senator HUMPHREY mentioned that. He repeated those. I will not repeat them again.

But we have violated home rule in almost every case except for in this area. So the result is we have language, as the Senator from Nebraska so ably stated, that means nothing. The language, if you read it, sounds like it is a restriction on abortion. But the net effect is the District of Columbia has the most permissive abortion rules anywhere in the United States. The facts are that they actually have more abortions than live births. The facts are that half of the women have already gone in and had previous abortions. They are on their second or their third abortion. So we are talking about some serious things.

If you want to get an abortion in D.C., there are about 7 or 8 pages in the Yellow Pages where you can call up and get them. You can get one this afternoon. You can get one tomorrow. You can get one for $125. You can get one for $190. You can get one for $200. It depends on how far the baby has gone in their term in their life.

Yes, this is serious. I think that is the reason why we have had as many votes, and I am sure we will have many more, because it is an important issue. We are talking about lives.

Mr. President, we have heard some people say, "Well, the administration is only opposed to Federal funds and this language is in compliance with the administration." The administration's statement of policy, as of June 24, 1988, states:

> The Committee bill does not include language prohibiting the use of District funds to perform abortions as requested by the administration. The administration continues to oppose the use of either District funds or the federal payment to the District to fund abortions, *unless* the life of the mother would be endangered if the fetus were carried to term.

Then skipping a couple of lines:

> The use of public funding in the District of Columbia for abortions is an unacceptable violation of a basic civil right—the right to life. The absence of such a prohibition would be viewed as a sufficient reason to veto this bill.

Mr. President, I am confident that if this bill passes individually and if it has this language, unless it is modified either by the Senator from Nebraska or the Senator from New Hampshire, this bill will be vetoed. I urge my colleagues to oppose the motion to table.

Mr. HARKIN. Mr. President, again in response to the Senator from Oklahoma's comments, I will point out that the letter he was referring to was from OMB Director Miller. I read earlier the President's statement in his State of the Union Message. I quoted from it. The President called, in his State of the Union Message, for "legislation that would stop all Federal funding for abortion."

The letter from Mr. Miller saying he would recommend a veto of the bill is contrary to the President's stated position, as noted in his State of the Union Message on this issue.

Second, Mr. President, I would point out that the very language that we have in the bill was signed by this President into law on three different occasions in 1981, 1982, and 1983. He specifically signed the District of Columbia appropriation bill with that language in it. He did not veto it then and, of course, we put it in the continuing resolution after that. So he signed it three times into law and never vetoed it.

So I do not understand why now, all of a sudden, it has changed. This has been, as I said in the beginning, a part of the legislation since 1980.

Mr. President, I think, really, all debate has been had on this, and I move to table the amendment.

Mr. HUMPHREY. Mr. President, will the Senator withhold the tabling motion for just a moment?

Mr. HARKIN. Might I inquire about how long the Senator would like to speak?

Mr. HUMPHREY. Well, not for very long. The Senator had his say. May we not have our say? The Senator had his second say. May we not have our second say, briefly?

Mr. HARKIN. I will withhold.

Mr. HUMPHREY. Mr. President, there can be no question that the administration opposes this bill and will veto it unless it is amended to preclude the expenditure of District funds to pay for abortions. I am sure the Senator from Iowa agrees, notwithstanding his reading of the State of the Union Address.

The most recent statement, authoritative statement, from Budget Director Miller makes clear the President will veto it unless it is amended.

Let me just address the point raised by the Senator from Ohio. He says this is about reproductive rights. There are ways of practicing birth control. I hope the Senator from Ohio and our colleagues are not going to suggest that killing prenatal infants is a legitimate means of birth control. That would be a horror. But, unfortunately, it goes on wholesale.

We have the responsibility and the ability to see to it that this slaughter is stopped in the District of Columbia, at least to the extent of taxpayer funding of this slaughter. And that is what this debate is all about and this amendment is all about.

I urge Senators to support the amendment.

Mr. HARKIN. Mr. President, I move to table the amendment offered by the Senator from Nebraska and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there sufficient second? There is sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Iowa [Mr. HARKIN] to table the amendment of the Senator from Nebraska [Mr. EXON]. The yeas and nays have been ordered and the clerk will call the roll.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from Arkansas [Mr. BUMPERS], the Senator from North Dakota [Mr. CONRAD], the Senator from Illinois [Mr. DIXON], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. PELL], the Senator from Arkansas [Mr. PRYOR], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Nevada [Mr. HECHT], the Senator from North Carolina [Mr. HELMS], the Senator from Nebraska [Mr. KARNES], and the Senator from Alaska [Mr. MURKOWSKI] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 49, nays 37, as follows:

[Rollcall Vote No. 232 Leg.]

YEAS—49

Adams
Baucus
Bingaman
Bradley
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
Dodd
Evans
Fowler
Glenn
Graham
Harkin
Heinz
Hollings
Inouye
Kassebaum
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Simon
Simpson
Specter
Stafford
Stevens
Warner
Weicker
Wilson
Wirth

NAYS—37

Armstrong
Bond
Boren
Breaux
D'Amato
Danforth
Daschle
DeConcini
Dole
Domenici
Durenberger
Exon
Ford
Garn
Gramm
Grassley
Hatch
Hatfield
Heflin
Humphrey
Johnston
Kasten
Lugar
McCain
McClure
McConnell
Melcher
Nickles
Pressler
Proxmire
Quayle
Reid
Shelby
Symms
Thurmond
Trible
Wallop

NOT VOTING—14

Bentsen
Biden
Boschwitz
Bumpers
Conrad
Dixon
Gore
Hecht
Helms
Karnes
Murkowski
Pell
Pryor
Stennis

So the motion to lay on the table amendment No. 2534 was agreed to.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, the distinguished Senator from New Hampshire would like to get recognition. I will be happy if he gets recognition and then yields to me.

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, I believe the majority leader would like to speak, and I will be happy to yield to him.

Mr. BYRD. Mr. President, I wonder if we can get an idea now as to what amendments remain and whether or not we can get a time agreement on the amendments. Senator HUMPHREY has an amendment, I believe.

Mr. WARNER. Mr. President, I wish to address the leader. I also have an amendment.

Mr. BYRD. Very well. I believe the distinguished Senator from New Hampshire has an amendment dealing with abortion.

Mr. HUMPHREY. Correct.

Mr. BYRD. I have been told this would be, in all likelihood, the last of the amendments on that subject matter. Then what other amendments would remain, may I ask the two distinguished managers?

Mr. WARNER. Mr. President, I respectfully address the leadership and advise them that the Senators from Virginia and the Senators from Maryland have joined together on a residency amendment.

I suggest the proponents of the amendment would not require more than 20 minutes, all four, to present their positions.

Mr. BYRD. Four of the proponents who are presenting the amendment dealing with residency would agree to 20 minutes?

Mr. WARNER. Twenty minutes for the presentation of the amendment.

Mr. BYRD. Twenty minutes under their control. I wonder if we can get an agreement on that amendment, 20 minutes by the proponents, and how many minutes by the opponents?

Mr. HARKIN. I would say it would not take any longer than equal time.

Mr. BYRD. Forty minutes equally divided.

Mr. President, I ask unanimous consent that there be 40 minutes equally divided on the amendment offered by Mr. WARNER, and others, and that no amendment to the amendment be in order.

Mr. HARKIN. Oh, no.

Mr. BYRD. But I have to have some kind of agreement lest somebody call up an amendment and there be no time for debate on it.

The PRESIDING OFFICER. Is there objection?

Mr. SARBANES. Is it the leader's intention to take it up this evening, because we are prepared to proceed with the amendment?

Mr. BYRD. Yes.

Mr. DECONCINI. Will the leader yield?

Mr. BYRD. If I might ask the distinguished Senator from New Hampshire how much time will he require on his amendment?

Mr. HUMPHREY. Before I respond to that, I have to correct a misimpression on the part of the majority leader. There are, in fact, two amendments on abortion. But before Members panic, let me point out that one of them is noncontroversial, believe it or not, and has been accepted by the floor managers, but has not yet been offered. It is an amendment dealing with reporting abortion statistics by the District of Columbia government.

With respect to the controversial amendment, I certainly would be willing to agree to a time limit of 30 minutes equally divided provided that no amendments are in order and no tabling motion is in order.

Mr. BYRD. There would be a disposition not to agree to the request which would preclude the tabling motion.

Mr. HARKIN. Might I just say that I notice the Senator from New Hampshire had another abortion amendment. We have debated the issue thoroughly. I do not know if any more really needs to be said. I think the Senator can offer the amendment and talk a little bit about it.

Obviously, it would be my intention to move to table at the time as we have in the last several years. The Senator has another amendment which deals with this issue which we have agreed to accept. Senator WARNER has the amendment on the residency, which I do not think will take that long, and Senator NICKLES has an AIDS amendment which I think we are prepared to accept.

Mr. DOLE. The Senator from Colorado.

Mr. ARMSTRONG. Mr. President, perhaps the managers will recall that I have an amendment as well.

Mr. HARKIN. I am not aware of the amendment of the Senator.

Mr. ARMSTRONG. Mr. President, if the Senator forgets, it is an amendment which I mentioned to him earlier today on the subject of religious liberty.

Mr. HARKIN. The Senator did mention that to me on the floor. I apologize.

Mr. BYRD. If we cannot get time agreements on amendments at this point, could we get an agreement limiting the amendments to the two identified by Mr. HUMPHREY, one by Mr. ARMSTRONG, and the one by Mr. WARNER and others.

Mr. HARKIN. One by Mr. NICKLES.

Mr. BYRD. One by Mr. NICKLES.

Mr. HARKIN. I have two technical amendments.

Mr. BYRD. Two technical amendments by Senator HARKIN. Are there other amendments? Mr. President, I ask unanimous consent that there be a limitation on the amendments, that no amendments other than those that have been identified be in order to the bill. The two by Mr. HUMPHREY, one by Mr. ARMSTRONG, one by Mr. WARNER and others, one by Mr. NICKLES, two—all right, an additional amendment by Mr. HARKIN.

Mr. HARKIN. Three amendments.

The PRESIDING OFFICER. Is there objection?

Mr. WEICKER. Reserving the right to object.

Mr. ARMSTRONG addressed the Chair.

Mr. WEICKER. Might I inquire the nature of the amendment on religious liberty?

Mr. ARMSTRONG. Mr. President, I will be happy to respond to that, and I was going to ask the same question about the amendment which was just qualified by the Senator from Iowa. The amendment concerns a lawsuit involving Georgetown University and the question of whether or not D.C. statutes may require religious-based private universities to provide facilities, and so on, to groups which advocate points of view with which they disagree.

Mr. WEICKER. Well, I am just not that sure. We are getting into some heavy stuff. I do not want to indicate that I might not choose to amend. I just have not seen the amendment of the distinguished Senator from Colorado, and I do not want to give the impression that we have something that is blithely going to go skipping through here as more often than not those things that are titled "religious liberty" are the exact opposite. I do not want any limitations on how we might deal with this "religious liberty" amendment that is going to be offered.

Mr. BYRD. Mr. President, could we proceed in this fashion then. I ask unanimous consent that following the two amendments by Mr. HUMPHREY, there be no more amendments dealing with abortion, and that other than the amendment by Mr. WARNER and others dealing with residency, there be no other amendments dealing with residency—no amendments dealing with residency other than the amendment by Mr. WARNER, et al.

Mr. HARKIN. There may be a modification of the amendment and I want to reserve that right. I am not certain we are going to do it, but I may want to amend that amendment they offer.

Mr. BYRD. All right, that there be no amendments dealing with residency other than the amendment by Mr. WARNER and other Senators, whom he named, and an amendment by Mr. HARKIN dealing with residency. It is on the same subject. No amendments dealing with residency other than those two.

Ms. MIKULSKI. What two?

Mr. BYRD. The one being offered by Mr. WARNER, Ms. MIKULSKI, Mr. SARBANES, and Mr. TRIBLE. I am just trying to limit the subject matter. If other Senators would like to offer an amendment dealing with residency, I would like to include that amendment.

Mr. SARBANES. We are prepared to go to the issue on the amendment, have no amendments to it. If the manager is going to amend it, depending on that development, we may have to be in a position to offer another amendment.

Mr. BYRD. Very well.

Mr. SARBANES. We are prepared to agree to a time limit and a very short one, have the debate and go to a vote on that one way or the other—in fact, run that risk of not being able to offer a further amendment. But if the manager is going to seek to amend it, then I think we would have to be in the position to consider the situation after that action on the part of the manager, if he undertakes it.

Mr. BYRD. Mr. President, did I get consent that the amendment on abortion be limited to the two being offered by Mr. HUMPHREY?

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Now, Mr. President, on the subject of residency, could we get a time limit on the amendment by Mr. WARNER, et al., and an amendment by the distinguished manager of the bill, an overall time limit on those two? And then this leaves open to other Senators, if they wish to offer an amendment after action is taken on those two amendments, they could do so. It at least helps to narrow it a bit.

Mr. HARKIN. There be a time limit on the amendment and any amendments thereto.

Mr. BYRD. On the amendment and the Senator's amendment thereto.

Mr. HARKIN. I do not mind that as long as we reach a time limit.

Mr. BYRD. What would the Senator suggest?

Mr. HARKIN. Twenty minutes-twenty minutes.

Mr. BYRD. Twenty minutes on the amendment by Mr. WARNER and the other three Senators——

Mr. SARBANES. Forty minutes equally divided.

Mr. BYRD. Forty minutes equally divided on that amendment, and how many minutes on the amendment by Mr. HARKIN? I take it that is an amendment to the amendment?

Mr. HARKIN. Yes. Maybe. I do not think I would take more than——

Mr. WARNER. Mr. President, will the Senator use the speaker.

Mr. HARKIN. I would say about 15 minutes, 10 or 15 minutes. Fifteen minutes.

Mr. BYRD. Fifteen minutes equally divided on the Senator's amendment to the amendment.

Mr. WARNER. Mr. President, I think that the proponents of the Warner amendment would require an amount of time equal to the proponent of any amendment to the Warner amendment. So allocate the time and equally divide it would be our recommendation.

Mr. BYRD. Twenty minutes equally divided? Thirty minutes?

Mr. HARKIN. We have 40 minutes equally divided on the amendment.

Mr. BYRD. Yes.

Mr. HARKIN. And my amendment, if I offer one, would be 20 minutes, half the time equally divided. I think that would be fair.

Mr. BYRD. Twenty minutes equally divided.

Mr. WARNER. Mr. President, I suggest it be 30, because we have no idea what the amendment is and it may be complex.

Mr. SARBANES. If the Senator will yield on that point, that is exactly the question I was going to ask. What is this amendment? The Senator has seen our amendment, I assume. Is that correct?

Mr. HARKIN. Well, I do not know. It keeps changing every time I see it. Talk about a moving target—

Ms. MIKULSKI. If the Senator will yield, that is not fair. That is not true.

Mr. SARBANES. That is an effort to be responsive to the Senator's perceptive comments. Obviously, as we show the Senator the amendment, he makes his perceptive comments, and we try to take those into account in our thinking. But I think the Senator has now seen the amendment as it is proposed to be offered, or certainly has a much better idea about the amendment that Senator WARNER is going to offer than we have about the Senator's amendment, since we have absolutely no idea about the Senator's amendment.

Mr. HARKIN. That is only because the situation has changed on this amendment. When I initially saw it, it was drafted one way. Then Senator WARNER put in a couple other words. I am talking to some other Senators in regard to an amendment to that, and that has not been clearly delineated. That is why I say I may. I do not know exactly how it is worded.

Mr. NICKLES. Will the Senator yield?

Mr. BYRD. Yes.

Mr. WARNER. Mr. President, I make a proffer that my amendment which I think is now in the possession of the manager of the bill will not be changed.

Mr. NICKLES. Will the majority leader yield?

Mr. BYRD. Yes.

Mr. SARBANES. We are prepared to send the amendment to the desk.

Mr. NICKLES. I understand the Senator from New Hampshire has an amendment pending. I feel very fairly confident we can finish. He has two. I think we can knock out both of those. There are a couple of other amendments which I think can be agreed upon. It would be the majority leader's call on how to handle the residency requirement. I think that is liable to take some time. We can finish almost everything else, really, in fairly short order.

Mr. SARBANES. Mr. President, will the leader yield?

Mr. BYRD. Yes.

Mr. SARBANES. Could I inquire of the Senator from Virginia, is he not prepared to send his amendment to the desk at the first opportunity?

Mr. WARNER. Mr. President, the Senator from Maryland is correct. The amendment is fixed in form. It will not change. It would require but 40 minutes.

Mr. BYRD. Mr. President, I think we can proceed with the amendment by Mr. HUMPHREY. During that time, perhaps those Senators who are working on the amendment dealing with residency may be able to resolve the problems or at least come to some agreement as to how much time they would agree to.

I thank the Senator from New Hampshire. I thank the Senator for yielding.

The PRESIDING OFFICER. The Senator from New Hampshire.

AMENDMENT NO. 2535

Mr. HUMPHREY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. HUMPHREY] proposes an amendment numbered 2535. On page 24, line 19, strike the word "Federal".

On page 24, line 22, strike everything after the semicolon, through page 25, line 3, and insert in lieu thereof a period.

Mr. HUMPHREY. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators will clear the well.

Mr. HUMPHREY. Mr. President, the amendment now pending is in truth even more restrictive than the amendment on abortion disposed of a short time ago. But for reasons which I will not elaborate, I feel it is important to offer the amendment. Nonetheless, I recognize the arguments have been pretty well made at this point. I do not propose to take a great deal of time.

I want to quickly touch upon the points raised earlier in the hopes that perhaps a few Senators were at dinner or attending to other responsibilities and were not able to hear the entire debate.

May we have order, Mr. President?

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators will please cease conversations on the floor.

Mr. HUMPHREY. Mr. President, I want to make two basic points with respect to this amendment. First, with regard to the funding of abortion under this bill, the committee proposes to appropriate funds to pay for any abortion—any abortion. That is to say proposes to fund abortion on demand throughout pregnancy within the District of Columbia. This is wide-open abortion which this committee language will fund at the expense of taxpayers, local and national.

The second point I want to make is this is not a vote on the issue of home rule. The home rule is in truth a phony argument because for the reasons cited extensively in the earlier debate—namely that the Constitution and the home rule statute reserve to the Congress the right and the authority to act as the legislature for the District of Columbia in all matters—

we are the legislature. If we do not act in a particular area, there is no legislative action with respect to the District of Columbia. So the whole argument about home rule is nonsense from the standpoint of the Constitution and statute.

It is further, more practically speaking, nonsense because we all know that every year, including this year, fiscal year 1989, the District of Columbia appropriations bill contains a host of restrictions and directions to the District of Columbia on how this money is to be spent.

The House language which still remains before us unamended, the House language is still unamended, prohibits—I believe I must have misspoken earlier. If I misspoke, let me correct myself. The committee amendment would fund every kind of abortion for any purpose in the District of Columbia. The House version which the committee amended of the bill prohibits the use of congressionally-appropriated funds for most abortions performed in the District.

The Senate version, however, as I said, proposes to fund abortions throughout all 9 months of pregnancy.

Let me just say one further point that was not raised during the debate with respect to the authority of Congress to act as the legislature for the District. Not only are we empowered and authorized to pass legislation, we are even authorized and empowered to amend and repeal actions of the District of Columbia City Council. We have legislative authority to promulgate legislation from here or to amend and repeal actions of the District of Columbia City Council. Up and down, back and forth, left and right, any way you look at it, diagonally, we have that power by amendment, and any argument to the contrary is frankly hot air.

Mr. President, the question which Senators really must answer is whether they wish to apply to the District of Columbia Government the same ethical standard we apply to all other relevant appropriations, namely the Hyde amendment restriction on the public funding of abortion except where the life of the mother is endangered by continued pregnancy.

It is an unfortunate fact, Mr. President, that the Nation's Capital is the center of abortion in America.

May we have order, Mr. President?

The **PRESIDING OFFICER.** The Senate will be in order.

Mr. **HUMPHREY.** The District of Columbia, the Nation's Capital, the seat of our National Government is the center of abortion in America. The Capital City of the United States is the most dangerous city in America for prenatal infants. This place is a slaughterhouse for unborn human beings. The District of Columbia has the highest abortion rate in the United States. For every 1,000 infants born in this city, 1,500 infants are destroyed prenatally. You have better than an even chance in this city to be killed before you are born, thanks to the Congress of the United States. These statistics are unmatched in any city or State in the Nation. They are disgraceful, and they are an abomination, and we should do something about it.

The question is not home rule. That is a phony issue. The question is, Are we going to continue to provide funds without strings attached so that the District of Columbia can continue to be the abortion capital of America, or at least are we going to attach the same ethical restrictions acting as the legislature for the District that we routinely attach to appropriations bills for other purposes; namely, that funds appropriated by Congress shall not be used to pay for an abortion unless the life of the mother is endangered by continued pregnancy?

I thank the Chair.

Mr. **NICKLES.** Will the Senator yield? Is the Senator's language basically identical to or very close to the language that was adopted in the House of Representatives? Correct me if I am wrong, but I think the Senator's language which has the only exception for the life of the mother, is actually even more permissive than the language that was adopted by the House of Representatives.

Mr. **HUMPHREY.** Indeed it is. In that sense, the Humphrey amendment now pending is more liberal, if you will, more permissive with respect to payment for abortion than the House. The House language reads: "None of the funds provided in this act shall be used to perform abortions." Not even an exception for the life of the mother.

The Humphrey language is essentially the Hyde language, which this body has accepted and which the Supreme Court has upheld, and is much less restrictive than the House language.

Mr. **NICKLES.** Is the Senator's language basically the language that the administration, time and time again, requested it should be? The only exception would be to protect the life of the mother?

Mr. **HUMPHREY.** I believe the Senator is correct.

Mr. **HARKIN.** Mr. President, this is the same amendment that this body voted on on September 30, 1987. It was propounded by the distinguished Senator from Oklahoma. At that time, the Senate tabled it by a vote of 60 to 39. I think we have been through all the arguments before on this, and we do not need to belabor it any longer.

I move to table the Humphrey amendment, and I ask for the yeas and nays.

The **PRESIDING OFFICER.** Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The **PRESIDING OFFICER.** The question is on agreeing to the motion to table the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. **CRANSTON.** I announce that the Senator from Texas [Mr. BENTSEN], the Senator from Arkansas [Mr. BUMPERS], the Senator from North Dakota [Mr. CONRAD], the Senator from Illinois [Mr. DIXON], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. PELL], the Senator from Arkansas [Mr. PRYOR], and the Senator from Mississippi [Mr. STENNIS], are necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN], is absent because of illness.

Mr. **SIMPSON.** I announce that the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Nevada [Mr. HECHT], the Senator from North Carolina [Mr. HELMS], the Senator from Nebraska [Mr. KARNES], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Indiana [Mr. QUAYLE], are necessarily absent.

The **ACTING PRESIDENT** pro tempore. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 51, nays 34, as follows:

[Rollcall Vote No. 233, Leg.]

YEAS—51

Adams
Baucus
Bingaman
Bradley
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
Daschle
Dodd
Evans
Fowler
Glenn
Graham
Harkin
Heinz
Hollings
Inouye
Kassebaum
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stevens
Warner
Weicker
Wilson
Wirth

NAYS—34

Armstrong
Bond
Boren
Breaux
D'Amato
Danforth
DeConcini
Dole
Domenici
Durenberger
Exon
Ford
Garn
Gramm
Grassley
Hatch
Hatfield
Heflin
Humphrey
Johnston
Kasten
Lugar
McCain
McClure
McConnell
Melcher
Nickles
Pressler
Proxmire
Reid
Symms
Thurmond
Trible
Wallop

NOT VOTING—15

Bentsen
Biden
Boschwitz
Bumpers
Conrad
Dixon
Gore
Hecht
Helms
Karnes
Murkowski
Pell
Pryor
Quayle
Stennis

So the motion to table the amendment was agreed to.

Mr. **BYRD.** Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. HARKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WARNER. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report the amendment.

Mr. DOLE. Mr. President, the Senator from Virginia indicated to me he might be willing to accept 15 minutes on a side on this amendment.

Mr. BYRD. How about the other amendment?

Mr. DOLE. That would not prejudice the Senator from Iowa on his amendment.

Mr. WARNER. I would like to also hear from the colleagues from Maryland as to whether they would be willing to reduce the time to 15 minutes on a side?

Ms. MIKULSKI. I have no objection.

Mr. BYRD. How about the amendment of Mr. Harkin?

Mr. HARKIN. Fifteen minutes on a side on the Senator's amendment.

Mr. WARNER. That is correct.

Mr. BYRD. And the same on Mr. Harkin's amendment.

Mr. President, I ask unanimous consent that on the amendment offered by Mr. Warner, Ms. Mikulski, Mr. Sarbanes, and Mr. Trible there be a 30-minute time limitation to be equally divided in accordance with the usual form, that there be a time limitation on the amendment by Mr. Harkin of 30 minutes, is that right, to be equally divided in accordance with the usual form and that that amendment would be offered to the amendment by Mr. Warner?

Mr. HARKIN. That is right.

Mr. BYRD. May I inquire of Mr. Sarbanes and others if that is agreeable?

Mr. WARNER. Mr. President, I did not understand the previous agreement of the Senate that the amendment by the Senator from Iowa could be laid on this amendment. My understanding was it was an independent amendment. Will the desk clarify that?

Mr. BYRD. Mr. President, the Record will not show it, but the Senator from Iowa nodded his head in the negative; did he not? Would he please respond?

Mr. HARKIN. If I could get the question correctly, I would respond. I am just trying to figure out what the question is here.

Mr. WARNER. Mr. President, I will restate the question. At the time the unanimous-consent request was propounded the Senator from Virginia speaking on behalf of his three cosponsors indicated that we would not require more than 20 minutes on a side. My understanding is that was agreed to. Later in the colloquy by my——

Mr. BYRD. No.

Mr. WARNER. May I continue? Then I will be glad to be corrected. Later in the colloquy the Senator from Iowa said he had three amendments. After further questioning one of those amendments could relate to the residency requirement which is the subject of this amendment.

Then I understood that it was agreed that those amendments would be independent.

Mr. BYRD. Mr. President, I suppose I have contributed to the confusion. I wonder if we could start all over and if we could get 30 minutes on the amendment by Mr. Warner, the two Maryland Senators, and the other Senator from Virginia, to be equally divided in accordance with the usual form, and that there be 30 minutes on an amendment by Mr. Harkin, a residency amendment.

Mr. HARKIN. Which will be an amendment to this amendment.

Mr. BYRD. Which would be an amendment to the Warner amendment. And that there be 30 minutes, equally divided, on that amendment.

Mr. HARKIN. That is fine with me.

Mr. BYRD. Is that agreeable with all Senators?

Mr. WARNER. Mr. President, I would like to have an expression from my cosponsors. It was my understanding that the amendment by the Senator from Virginia and the other cosponsors would be a freestanding amendment and, after the Senate worked its will on that amendment, the Senator from Iowa had the option to bring up three additional amendments and the subject was unannounced at the time we agreed to a time agreement on this amendment. I could be in error, but that is the recollection of this Senator.

Mr. BYRD. Mr. President, there was not any order entered.

The PRESIDING OFFICER. No. The request was propounded, but was not agreed to.

Is there objection to the pending request?

Mr. WARNER. Mr. President, reserving the right to object, I wonder if the distinguished Senators from Maryland would care to comment on this.

Mr. HARKIN. Would the Senator from Virginia be agreeable, and the other Senators involved in this, to a 1-hour time limit on your amendment and all amendments thereto? I do not know of any other amendment other than mine, to tell you the truth, that would be offered to your amendment.

Mr. WARNER. Mr. President, I would just like to have an expression from my cosponsors. We are all in this as equal partners.

Mr. SARBANES. First of all, as I understand it, are other amendments on residency in order?

Mr. BYRD. It is my understanding that there would be no other amendments dealing with residency; am I correct?

Mr. HARKIN. Not that I know of.

Mr. BYRD. Mr. President, I make this request: I ask unanimous consent that there be 30 minutes on the amendment to be offered by Mr. Warner, Mr. Trible, Mr. Sarbanes, and Ms. Mikulski, to be equally divided in accordance with the usual form; that there be 30 minutes on an amendment by Mr. Harkin that may be an amendment to the amendment that deals with residency, 30 minutes equally divided in accordance with the usual form; that if there be any points of order, there be how much time on such points of order?

Mr. HARKIN. I intend to raise a point of order on the amendment. I do not know whether I will succeed or not, but I intend to raise a point of order on it. I do not know how much time would be required for the point of order, but not very much. I would say I would not take more than 5 minutes.

Mr. BYRD. Ordinarily, there would not be any time on it unless the Chair submits it to the Senate. Do Senators want some time on it?

Mr. HARKIN. If it is submitted to the Senate, then I want just a little bit of time to discuss why it should not be germane. But then, again, I do not think it would take over 10 minutes, at the most.

Mr. BYRD. Twenty minutes, equally divided?

Mr. SARBANES. If the leader would yield—who has the floor?

The PRESIDING OFFICER. The leader has the floor.

Mr. SARBANES. Will the leader yield?

Mr. BYRD. Yes.

Mr. SARBANES. Mr. President, this is the first we have heard of a point of order; is that correct, I say to the Senator?

Mr. HARKIN. That is right.

Mr. SARBANES. Well, I would like to know the nature of the point of order. I would say to the manager of the bill, we can have a free floating situation in which new elements are introduced, and that is fine, and we can just keep it free floating. If we are going to try to structure it, I think then both sides ought to know what is involved.

We gave the Senator our amendment. We said this is what the amendment is going to be and the Senator had a chance to look at it, and so forth and so on. Now new elements are being introduced all the time. And that is fine, if you want to do that. But then, I do not think, at the same time, we should try to structure the arrangement, since we do not know what it is that is being structured. We want to expedite this matter and move it along. We have indicated our willingness to do that.

This is the first we have heard of a point of order that the manager is considering making. The inquiry to the manager is: What is this point of order?

Mr. BYRD. Very well, Mr. President, I ask unanimous consent that there be no further amendments, other than, I believe, the Senator from Oklahoma had one amendment and identified it.

Mr. NICKLES. On AIDS.

Mr. BYRD. And that there be an amendment by Mr. HUMPHREY on abortion.

Mr. HUMPHREY. It has been agreed to by the managers.

Mr. BYRD. And that there be an amendment by Mr. WARNER, an amendment by Mr. HARKIN, and that Senators may not be precluded from offering amendments to the Warner amendment or to the Harkin amendment as long as they are not in the third degree, of course. They have to deal with residency. And that there be one other amendment, and that one by Mr. ARMSTRONG.

Mr. DOLE. I think the Senator from Iowa had two technical amendments.

Mr. HARKIN. I have a couple of technical amendments.

Mr. BYRD. Yes, the Senator from Iowa has two technical amendments.

I better accept the amendment by Mr. ARMSTRONG, because there may be amendments to that.

I ask unanimous consent that, other than the amendment by Mr. ARMSTRONG and amendments thereto, that amendments be limited to the amendment by Mr. HUMPHREY, the amendment by Mr. WARNER and others, the amendment by Mr. HARKIN, the amendment by the Senator from Oklahoma, and two technical amendments by Mr. HARKIN. That leaves all Senators with their rights to make points of order, move to table, et cetera.

Mr. DOLE. That protects the Senator from Colorado?

Mr. BYRD. That protects him and protects the Senator from Connecticut.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank all Senators. That is a little bit of progress.

AMENDMENT NO. 2536

Mr. WARNER. Mr. President, parliamentary inquiry: What is the pending business?

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Virginia (Mr. WARNER), for himself, Ms. MIKULSKI, Mr. TRIBLE, and Mr. SARBANES, proposes an amendment numbered 2536.

Mr. WARNER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of Title I, insert the following new section:

Section . (a) If by May 1, 1989, the District of Columbia government has not adopted and implemented a preference system that does not preclude the hiring of noncity residents, none of the Federal funds provided or otherwise made available by this Act may be used to pay the salary or expenses of any officer, employee, or agent who is engaged in implementing, administering, or enforcing a District of Columbia residency requirement with respect to employees of the Government of the District of Columbia.

(b) After the date of enactment of this section, the District shall not dismiss any employees currently facing adverse job action for failure to comply with the residency requirement.

Mr. WARNER. Mr. President, I am joined in this amendment by the distinguished Senators from Maryland, Ms. MIKULSKI and Mr. SARBANES, and my colleague from Virginia, Mr. TRIBLE.

This Chamber is on notice that the House of Representatives, by a vote of 246 to 163, passed a measure which, in effect, struck down the current provision requiring that employees of the District of Columbia be residents of the District of Columbia. The purpose of this amendment is not to go that far. We recognize the importance of respecting home rule, of the strides that the government of the District of Columbia have made under that charter.

It is our intention simply to fulfill the obligations that the Congress has requested of the District of Columbia over a period of 3 years; namely, that the District of Columbia provide opportunities whereby preference is given to an individual seeking employment in the District of Columbia if that individual is a resident.

But if there is a more qualified individual, who is not a resident, they will not be precluded from holding employment in the District of Columbia.

Now, for 3 consecutive years, Congress has urged the D.C. government to accept that principle. For reasons best known to others, they have not implemented the wishes of Congress.

My amendment will provide additional time, through the 1st of May 1989, within which period the government may exercise its right to govern and adopt what is known as the preference type of employment restriction. It seems to me that is eminently fair.

My amendment also protects those currently employed, should they have residences other than the District of Columbia.

If they fail, however, to heed the clear intent of the Congress, an intent which has been clear for some 3 years, then funds would be cut off. And I hasten to say only Federal funds would be cut off from any further use to compensate those implementing a continuation of the current law regarding residency.

To me, that is an eminently fair proposition. The District, if it should desire, could take this loophole we have purposely left in here and utilize their own funds and continue to pursue the current law. But, in doing so, they would send a very clear message back to the Congress which I am certain would prompt further action by the Congress. We put this provision in here specifically in a spirit of fairness. In a spirit of fairness we have given them additional time within which, I am told by a number of the leaders in the District of Columbia government, they will act, vote and in all probability adopt the system that is recommended by this amendment.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. WARNER. Mr. President, I yield time to the distinguished Senator from Maryland, Ms. MIKULSKI.

The PRESIDING OFFICER. The Senator cannot yield the floor. The Senator from Iowa has the floor.

Mr. SARBANES. Mr. President, there is no time limit?

The PRESIDING OFFICER. That is correct.

Mr. WARNER. Mr. President, parliamentary inquiry. Would there not be a control of time here?

The PRESIDING OFFICER. There is no control of time.

Mr. HARKIN. Mr. President, I raise a point of order against the amendment under rule XVI, paragraph 4, that this is legislation on an appropriations bill in that the pending amendment directs the District of Columbia government to do certain things and then further, in paragraph (b), further directs the District of Columbia to take certain actions which in no way have any connection with the appropriations of money to the District of Columbia.

Therefore, Mr. President, I raise a point of order under rule XVI, paragraph 1.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, I raise the issue of germaneness on the Warner amendment. I simply note provision on this matter is in the House-passed bill.

Mr. HARKIN. Mr. President, it is not in the bill.

Mr. ADAMS addressed the Chair.

The PRESIDING OFFICER. The Chair is not aware of the language to which the Senator from Maryland is referring.

Mr. SARBANES. In any event, it is not essential for me to have that language in order for me to raise that issue of germaneness and, therefore, I raise the issue of germaneness on the Warner amendment and ask that it be put to the Senate.

Mr. ADAMS. Mr. President, on the parliamentary inquiry?

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SARBANES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. I object.

The assistant legislative clerk resumed the call of the roll.

Mr. SARBANES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. SARBANES. Is the point of order now pending?

The PRESIDING OFFICER. The point of order is pending since the Chair is not aware of any House language remaining in the bill which is arguably legislative to which the amendment at issue could be germane. Therefore, the Chair will rule on the point of order.

The amendment of the Senator from Virginia does constitute a legislative proposal. The point of order is sustained.

Mr. SARBANES. Mr. President, I appeal the ruling of the Chair, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HARKIN. Mr. President, parliamentary inquiry. An appeal of the ruling of the Chair is debatable; is it not?

The PRESIDING OFFICER. The Senator is correct.

Mr. HARKIN. I do not know that any debate needs to be required on this.

Mr. President, I move to table the motion to appeal the ruling of the Chair.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Is the Senator cutting off any debate, having ascertained that there is—I am prepared to take 2 minutes.

The PRESIDING OFFICER. The Senator would have to withhold his motion to table because it is not debatable.

Mr. HARKIN. I did not hear the Chair.

The PRESIDING OFFICER. For the Senator from Maryland to be accorded any time to speak, the Senator from Iowa would have to withhold his motion to table.

Mr. SARBANES. That is right.

Mr. HARKIN. Does not the Senator from Iowa have the floor?

The PRESIDING OFFICER. The Senator lost the floor when he made the motion to table, but it takes a consent for the Senator from Maryland to speak.

Mr. SARBANES. Mr. President, I ask unanimous consent to speak for 2 minutes.

Mr. HARKIN. I move to table the motion made or the appeal of the Chair made by the Senator from Maryland.

The PRESIDING OFFICER. The Senator from Maryland is entitled to seek recognition to ask for consent to proceed for a stated number of minutes, and he has. For that to be afforded, the Senator will then have to withhold his motion to table.

Mr. HARKIN. In other words, the Senator from Maryland has requested unanimous consent to proceed for 2 minutes on the amendment.

The PRESIDING OFFICER. Is there objection?

Mr. ADAMS. Mr. President, I ask unanimous consent that the Senator from Iowa also have 2 minutes, so that the Senator from Maryland can have 2 minutes and the Senator from Iowa 2 minutes.

Mr. WARNER. Mr. President, I also seek 2 minutes.

Mr. ADAMS. This is on the appeal of the ruling of the Chair.

The PRESIDING OFFICER. Is there objection?

Mr. ADAMS. I ask for 2 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. WARNER. Mr. President, may I have 2 minutes?

Mr. BYRD. Mr. President, I ask unanimous consent there may be 10 minutes for debate to be divided as follows: 2 minutes by Mr. WARNER; 2 by Mr. SARBANES; 2 by Ms. MIKULSKI; 2 by Mr. ADAMS. Does anybody else want the last 2?

Two by Mr. HARKIN.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Maryland.

Mr. SARBANES. Mr. President, I want to be very explicit about this, and I am addressing this now to the manager of the bill. I did not realize that this issue was going to move down this pathway. That is unfortunate because earlier we indicated we were prepared to go to the issue on the substance.

There was, in fact, language in the House-passed bill on this very subject. That language was taken out by the committee and adopted in the course of adopting a set of committee amendments on which the manager of the bill is now premising, as I understand it, his point of order based on the 1979 precedent.

It was never indicated to us at any point this thing was going to take this turn. I do not know that I would have proceeded that way, but in any event, that is the way it has proceeded.

As Members now turn to consider the question, which I take it will be a motion to table the appeal of the ruling of the Chair, I hope they will turn down that motion and on the appeal itself sustain our position, which is not to sustain the ruling of the Chair.

There was language in the bill passed by the House which clearly makes the Warner proposal germane.

On the basis of striking that language, the manager now is premising an argument of nongermaneness on the 1979 precedent. Obviously, the adoption of those amendments en bloc at the outset in normal consideration of the bill should have been forestalled.

I must say to the manager of the bill, I did not anticipate we were going to be playing this kind of game, in all fairness. I say to the Members that we at least ought to be able to go to the substance of this issue. Therefore, I very much hope that this motion to table will be rejected when it is made by the manager of the bill, that the Chair's ruling will not be sustained on the appeal, and that we will be able to move on to the substance of the issue and at least then deal with it in an open and fair fashion.

Mr. ADAMS. I want to state to the Senators from Maryland and the Senators from Virginia, I did not know this was going to come up in this fashion. I was prepared to debate the amendments. This afternoon we had a discussion, because we were preparing for the El Salvador amendments, of legislation on appropriations.

This is a very important precedent of the Senate, that we not legislate on appropriations, I hope we will vote to table the appeal, not because I do not respect the Senator from Maryland and the other cosponsors but because we are now really moving out into a very technical area of whether language was included in the bill that this amendment could attach to.

Now it is being further complicated by saying there was language in one bill and it was stricken in another bill so it is not before us. The issue is a very technical procedural one. I hope that we will table the appeal of the ruling of the Chair; in other words sustain the Chair and sustain the precedents of the Senate and not legislate on appropriation bills.

There may be very good merit, and I think there is a great cross-cutting argument on this point of residency, but certainly this should not be debated on an appropriation bill. We should sustain the ruling of the Chair, move away from this amendment, go to the other amendments and finish this bill.

As I say, I did not anticipate we would go into this because we had not known during the course of the day what the amendments would be and what compromises might be offered. So I hope the motion to table is agreed to and we can then move from this amendment and there will be another day when this can be debated in a more orderly fashion on an authorization bill where legislation can come up the way it should.

The PRESIDING OFFICER. The Senator has used his time.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. I thank the Chair. On the appeal I wish to associate myself with the remarks of the Senator from Maryland and ask the ruling of the Chair be overruled.

Mr. President, stated simply, section 136 of the House-passed bill does deal with the residency issue. It was in fact the Parris amendment. But for a parliamentary maneuver which struck the House language and adopted the Senate committee amendments en bloc, we would be debating this issue of residency on the merits.

Now, there are those who might say, "Well, Senator MIKULSKI, you are on the committee. Why did you strike that? You feel so strongly about this amendment. You feel so passionately." I tell you why I agreed to it. It was to create a climate for a compromise, to create a climate for a compromise where the Senate legislation would have been different than the House, along the lines, quite frankly, of the Warner-Trible-Mikulski-Sarbanes amendment.

So, sure, I did agree that it be struck. But I did not know we were going to get into parliamentary games. I did not know we were going to try to pull rabbits out of a hat and call it a parliamentary point of order. If I had known that was the climate in which we were dealing, then I might not have been so willing to create a climate for compromise.

The Senate has addressed residency in D.C. appropriations and it has done it for the last 2 years.

I close by saying the House passed section 136, the Parris amendment, by 80 votes. Let us not get into this on parliamentary procedure. Let us have the Senate work its will. Those of us who are proponents of a compromise are willing to accept the will of the Senate, but I would hope that this issue would not be decided on a gimmick.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. I join my two distinguished colleagues from Maryland. We have been dealing in a spirit of fairness. Originally this amendment was put forward by the distinguished Senator from Maryland [Ms. MIKULSKI], but then during the course of the reconciliation of differences I offered to put in the amendment. She being on the Appropriations Committee, it was my thought that we were dealing in good faith and that this matter would receive the judgment of the Senate.

It is in the appropriation bill that this body addresses issues relating to the District of Columbia. So far as I know, there is no annual authorization or semiannual authorization, but it is this legislative vehicle. So I ask that our colleagues consider that the four of us are acting in good faith to try to ameliorate a much stronger position taken by the House which will have to be confronted in a conference.

Mr. President, I yield the remainder of my time to the distinguished Senator from Maryland for what additional remarks he may wish to make.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, first of all, I have heard talk about parliamentary games. There are no parliamentary games. This Senator was well within his right both as a Senator on the floor and as the manager of the bill to raise a point of order as is done almost daily around here. Talking about climates, I have seen at least three versions of this amendment today and a fourth one talked about on the phone. But quite clearly, all of that aside, this is, indeed, legislation on an appropriations bill of the most blatant form.

If we want to debate this issue, I suggest to the two Senators from Maryland and the two Senators from Virginia that they introduce a bill, have it referred to the Governmental Affairs Committee, which has jurisdiction on this, chaired by the distinguished Senator from Ohio, Senator GLENN, have the chairman of the appropriate subcommittee, Senator SASSER, from Tennessee, bring it out of that committee and onto the floor so that we can debate it and pass it. That is the proper way to do this if we want legislation but not do it on an appropriations bill.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Mr. President, what is the time situation?

The PRESIDING OFFICER. Forty-two seconds.

Mr. SARBANES. And for the Senator from Iowa?

The PRESIDING OFFICER. Fifty-one seconds.

Mr. SARBANES. Mr. President, the provision is right here in the House-passed bill. Now, that was stricken. I concede that the manager of the bill is technically within his rights. I do not concede in the context in which we have been discussing this issue today that this was an appropriate way to deal with the matter. We have been trying to go to the substance of it. We should have held the bill up right at the beginning. We did not do that to the manager of the bill. No one thought the necessity of playing that kind of game with the manager of the bill.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SARBANES. On the basis of its being stricken now it is being argued there is not a hook on which to hang germaneness. But it is here; it is an issue. I urge the Senator to reject this motion to table when it is submitted and not to sustain the ruling of the Chair. This is not the way this matter should have been dealt with given the way the issue has been approached throughout the course of the day.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, as I said before, we seem to have points of order raised on germaneness all the time on the floor of the Senate. This is nothing new, untoward. It is done all the time. Clearly this is legislation on appropriations. The Chair has ruled on it. Again, I would suggest that the proper way to deal with this issue is to refer it to the authorizing committee, the Governmental Affairs Committee. That is the proper place to take it. I assume that they would give it due regard and bring the bill out on the floor for debate. Perhaps the Senators who are offering this would win. But that is an appropriations bill. Clearly this is legislation on that appropriations bill.

Mr. FORD. Mr. President, will the Senator yield for a question.

Mr. HARKIN. My time——

The PRESIDING OFFICER. Four seconds.

Mr. HARKIN. Has expired.

Mr. FORD. We have 4 seconds. When this bill came to the floor did it have the D.C. residency in it?

Mr. SARBANES. Yes.

Mr. HARKIN. Mr. President, I ask unanimous consent for 15 seconds to respond.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. When the bill was offered today, unanimous consent was asked and it was granted that the committee amendments be offered en bloc. They were accepted in that manner, as is the due course in every appropriations bill that ever comes to the floor.

Mr. President, I move to table the appeal of the ruling of the Chair.

Mr. FORD. The D.C. residency matter was in it before the motions were made.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. I ask unanimous consent to proceed for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, the substance of the matter of course here is very controversial. That is one thing. Some things have happened here which are all appropriate insofar as precedent is concerned. The Senate agreed to adopt the committee amendments en bloc.

But I am concerned about two particular things here. One is that we are about to do serious damage to rule XVI. And also we have engaged ourselves on a path that will probably result in the Senate not adopting committee amendments en bloc in the long run. Both of those prospects concern me.

I, therefore, am going to put the Senate out. I hope we can find a way to resolve this that will be fair to all Senators and at the same time will not result in gutting rule XVI and precedents and also will not get us into that other situation in which the Senate from here on out will refuse to adopt committee amendments en bloc, which I think would be very unfortunate as we consider other appropriation bills this year and in the future.

I hope that we will sleep on this overnight. I apologize to Senators that we have gone this long and will not be able to resolve this bill tonight.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there be a period for morning business not to exceed 10 minutes and that Senators may speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE HOUSE

At 2:11 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 2248. An act to designate the U.S. Courthouse located at 156 Federal Street in Portland, ME, as the "Edward Thaxter Gignoux United States Courthouse."

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 1720) to replace the existing AFDC Program with a new Family Support Program which emphasizes work, child support, and need-based family support supplements, to amend title IV of the Social Security Act to encourage and assist needy children and parents under the new program to obtain the education, training, and employment needed to avoid long-term welfare dependence, and to make other necessary improvements to assure that the new program will be more effective in achieving its objectives; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints the following as managers of the conference on the part of the House:

From the Committee on Ways and Means, for consideration of the House bill (except title X), and the Senate amendment (except sections 203(b)(5), 203(b)(6), 302, 303, 402(d), and 509), and modifications committed to conference: Mr. ROSTENKOWSKI, Mr. DOWNEY of New York, Mr. FORD of Tennessee, Mr. PEASE, Mr. MATSUI, Mrs. KENNELLY, Mr. ARCHER, Mr. VANDER JAGT, Mr. FRENZEL, and Mr. BROWN of Colorado.

From the Committee on Education and Labor, for consideration of title I and sections 202, 511, and 804 of the House bill, and title II and sections 502, 503, and 506-508 of the Senate amendment, and modifications committed to conference: Mr. HAWKINS, Mr. FORD of Michigan, Mr. KILDEE, Mr. WILLIAMS, Mr. MARTINEZ, Mr. SOLARZ, Mr. JEFFORDS, Mr. GUNDERSON, Mr. TAUKE, and Mr. HENRY.

From the Committee on Energy and Commerce, for consideration of title IV of the House bill, and sections 203(b)(5), 203(b)(6), 302, 303, 402(d), 402(f), 404, 508-510, and 704 of the Senate amendment, as well as that portion of section 201 of the Senate amendment which adds a new section 417(f)(6) to the Social Security Act, and modifications committed to conference: Mr. DINGELL, Mr. WAXMAN, Mr. SCHEUER, Mr. WALGREN, Mr. WYDEN, Mr. DOWDY of Mississippi, Mr. MADIGAN, Mr. DANNEMEYER, Mr. WHITTAKER, and Mr. TAUKE.

From the Committee on Agriculture, for consideration of title X and section 801 of the House bill, and modifications committed to conference: Mr. DE LA GARZA, Mr. PANETTA, Mr. GLICKMAN, Mr. STAGGERS, Mr. OLIN, Mr. ESPY, Mr. EMERSON, Mr. LEWIS of Florida, Mr. SCHUETTE, and Mr. HERGER.

ENROLLED BILLS SIGNED

At 6:00 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 623. An act to amend the Independent Safety Board Act of 1974 to authorize appropriations for fiscal years 1987, 1988, 1989, and 1990, and for other purposes;

H.R. 4229. An act to amend title 10, United States Code, to codify in that title certain defense-related permanent freestanding provisions of law; and

H.R. 4567. An act making appropriations for energy and water development for the fiscal year ending September 30, 1989, and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore [Mr. STENNIS].

MEASURES PLACED ON THE CALENDAR

The following bills were read the second time, and placed on the calendar:

S. 2613. A bill to enhance the competitiveness of American industry, and for other purposes; and

H.R. 1158. An act to amend title VIII of the act commonly called the Civil Rights Act of 1968, to revise the procedures for the enforcement of fair housing, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3492. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, notice of funds in support of the Nicaraguan Democratic Resistance; to the Committee on Appropriations.

EC-3493. A communication from the Deputy Director of the Office of Managment and Budget, Executive Office of the President, transmitting, pursuant to law, reporting the appropriation for the Veterans' Administration for "Compensation and Pensions" for the fiscal year 1988 has been reapportioned on a basis indicating a need for supplemental estimate of appropriations; to the Committee on Appropriations.

EC-3494. A communication from the Assistant Secretary of the Army (Installations and Logistics), transmitting, pursuant to law, notification of a decision to convert to contract performance of a commercial activity or industrial type function of the Department of Defense; to the Committee on Armed Services.

EC-3495. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, the Department of the Navy's proposed Letters of Offer to Brazil for Defense Articles estimated to cost $50 million or more; to the Committee on Armed Services.

EC-3496. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, the Department of the Air Force's proposed Letters of Offer to Korea for Defense Articles estimated to cost $50 million or more; to the Committee on Armed Services.

EC-3497. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, the Department of the Air Force's proposed Letters of Offer to Malaysia for Defense Articles estimated to cost $50 million or more; to the Committee on Armed Services.

EC-3498. A communication from the Secretary of Defense, transmitting, pursuant to law, a report on Tank Barriers; to the Committee on Armed Services.

EC-3499. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Navy's proposed letter of offer to Kuwait for defense articles estimated to cost $50 million or more; to the Committee on Armed Services.

EC-3500. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Army's offer to Greece for defense articles estimated to cost in excess of $50 million or more; to the Committee on Armed Services.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BUMPERS, from the Committee on Small Business, without amendment:

S. 2619. An original bill to provide reauthorization for the Small Business Administration for fiscal year 1989, and for other purposes (Rept. No. 100-416).

By Mr. GLENN, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

H.R. 3400. A bill to amend title 5, United States Code, to restore to Federal civilian employees their right to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes (Rept. No. 100-417).

By Mr. CRANSTON, from the Committee on Veterans Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 11. A bill to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration; and for other purposes (Rept. No. 100-418).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HOLLINGS (for himself, Mr. Kerry, Mr. Riegle, Mr. Rockefeller, Mr. Gore, Mr. Danforth, and Mr. Pressler):

S. 2614. A bill to amend the National Science and Technology Policy, Organization, and Priorities Act of 1976 in order to provide for improved coordination of national scientific research efforts and to provide for a national plan to improve scientific understanding of the earth system and the effect of changes in that system on climate and human well-being; to the Committee on Commerce, Science, and Transportation.

By Mr. GLENN:

S. 2615. A bill to continue until January 1, 1991, the existing suspension of duty on m-Aminophenol; to the Committee on Finance.

S. 2616. A bill to continue until January 1, 1991, the existing suspension on Trichloro salicylic acid; to the Committee on Finance.

By Mr. BINGAMAN (for himself and Mr. Domenici):

S. 2617. A bill to revise the boundary of Aztec Ruins National Monument in the State of New Mexico, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. FORD:

S. 2618. A bill for the relief of Geetha Kannan; to the Committee on the Judiciary.

By Mr. BUMPERS, from the Committee on Small Business:

S. 2619. An original bill to provide reauthorization for the Small Business Administration for fiscal year 1989, and for other purposes; placed on the calendar.

By Mr. DOMENICI:

S. 2620. A bill to amend the Internal Revenue Code of 1986 to provide a refundable credit to parents for dependents under age 5, that the earned income credit shall not apply to families having such a dependent, and that the dependent care credit shall not apply with respect to such dependents; to the Committee on Finance.

By Mr. REID:

S.J. Res. 348. Joint resolution to designate the week of February 5, 1989, through February 11, 1989, as "National Burn Awareness Week"; to the Committee on the Judiciary.

SUBMISSION ON CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BYRD (for Mr. Burdick):

S. Res. 450. Resolution to acknowledge the service provided to consumers by the National Association of Regulatory Utility Commissioners; considered and agreed to.

By Mr. BYRD (for Mr. Rockefeller):

S. Res. 451. Resolution authorizing use of the Hart Building atrium for a concert by the Congressional Chorus; considered and agreed to.

By Mr. HATCH (for himself, Mr. Adams, Mr. Burdick, Mr. Cranston, Mr. Dole, Mr. Gore, Mr. Heflin, Mr. Lugar, and Mr. Wilson):

S. Con. Res. 131. Concurrent resolution supporting the International Decade for Natural Disaster Reduction by endorsing the establishment of a United States Decade for Natural Disaster Reduction; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HOLLINGS (for himself, Mr. Kerry, Mr. Riegle, Mr. Rockefeller Mr. Gore, Mr. Danforth, and Mr. Pressler):

S. 2614. A bill to amend the National Science and Technology Policy, Organization and Priorities Act of 1976 in order to provide for improved coordination of national scientific research efforts and to provide for a national plan to improve scientific understanding of the Earth system and the effect of changes in that system on climate and human well-being; referred to the Committee on Commerce, Science, and Transportation.

NATIONAL SCIENCE AND TECHNOLOGY POLICY AMENDMENTS

Mr. HOLLINGS. Mr. President, during the past weeks we have heard a great deal about the drought in the Midwest and about the American farmer's struggle to cope with it. We've heard reports of fields turned to dust by the 100-degree temperatures. We've seen pictures of fields of brown, withered corn, of dried-up ponds and rivers, of barges stuck in the Mississippi River mud.

Even more disturbing than the current problems are indications that this drought may reflect a fundamental climate shift caused by greenhouse warming. Millions of tons of carbon dioxide enter our atmosphere from the burning of fossil fuels and the destruction of forested areas. The total amount of atmospheric carbon dioxide has jumped by 25 percent in the last 100 years. Likewise, the amount of methane in the atmosphere appears to be increasing at a rate of more than one percent a year. Still other manmade gases, like chlorofluorocarbons [CFC's], are released from automobile air conditioners, fast food containers, and abandoned refrigerators. These greenhouse gases trap the Sun's radiation, increasing temperatures worldwide.

Scientists now estimate that the mean global temperature will increase half a degree each decade if we maintain our current habits. And recent climate trends indicate that these scientists are right on target. Since 1980, we have experienced the 4 hottest years since the 1880's and this year's mean global temperature may be the hottest ever. Although we cannot be certain that the greenhouse effect is responsible for the current drought, some researchers predict that it is a dry run of the weather we can expect in the years ahead.

In addition to higher temperatures and more frequent droughts, we also are also told to expect a rise in sea level, flooding much of our coast areas. The latest figures indicate that the depth of our oceans could increase more than 2 inches every decade. While that doesn't sound too serious, over time such a change poses a serious threat to low-lying regions like the Louisiana deltas, the Florida coast, and the lowlands of South Carolina, where much of the land is only a foot or two above sea level. Such a change would aggravate beach erosion, destroy wetlands and increase flooding and damage to ports and coastal communities.

And our concern is not limited to global warming. In recent months, increasing attention has focused on the depletion of the atmospheric ozone layer which shields us from the Sun's damaging ultraviolet rays. Last fall, scientists presented their initial findings from an expedition to study the Antarctic ozone hole. Disturbingly, researchers reported that levels of man-made chemicals in the Antarctic air were high enough to destroy atmospheric ozone. In March, a new international study provided the first evidence of worldwide depletion. Clearly, man is no longer a passive element of the global environment. Although the effects of human activities are not fully understood, mounting evidence indicates the potentially serious consequences of ignoring the Earth's warning signals.

As we work to develop policies which respond to these global threats, it is essential that our decisions be based on the best scientific information available. Providing the information needed to develop responsible global change policies is widely considered one of the greatest challenges ever to face the scientific community. The questions that must be addressed are fundamental and difficult because they require an understanding of the whole Earth as a system.

Collaboration among scientists in fields as diverse as atmospheric chemistry, terrestrial ecology, physical oceanography, and supercomputing will be essential. A high degree of international cooperation will be necessary to collect the global observations needed. Research will require the use of most recent technology, including satellites, supercomputers, and highly advanced sensing instruments. Data management systems must be in place to process and distribute the enormous flow of information collected.

Many of the elements of a global change research program are already in place. Cooperative efforts are underway, both within the Government, and with the governments of other nations. International attention has centered on the International Geosphere and Biosphere Program [IGBP]. Developed by the International Council of Scientific Unions [ICSU], this long-term program is designed to begin in the early 1990's. Its specific purpose will be "to describe and understand the interactive physical, chemical, and biological processes that regulate the total Earth system, the unique environment that it provides for life, the changes that are occurring in this system, and the manner in which they are influenced by human actions." The IGBP will be aimed at providing the fundamental knowledge that will permit an assessment of likely changes on the Earth over the next 100 years. I understand that the U.S. role in this effort is being planned and coordinated by the National Academy of Sciences.

In the United States, the Federal Government has spent tens of millions of dollars in recent years studying global change. Because of the breadth of the problem and its widespread effects on our society, a number of different Federal agencies are involved in global change research. NASA, NSF, NOAA, EPA, the Agriculture Department, the Department of Defense, the U.S. Geological Survey, and the Energy Department all have roles to play. As the challenges become better defined, the amount of money that Federal agencies spend on global change research will grow. It is essential that the money be spent effectively. Our national effort must be well-planned and well-coordinated.

Today I am introducing a bill to provide that planning and coordination. This legislation would amend the National Science and Technology policy, Organization, and Priorities Act of 1976. The Science Act was passed 12 years ago because it was clear that science and technology were playing an increasingly important role in our society and that there was a need for a national science and technology policy. Since 1976, we have had to face problems like acid rain, nuclear waste disposal, depletion of the ozone layer, the decline of American competitiveness in the world marketplace, and other technological challenges. We have learned that many of these complex problems are multidisciplinary and can only be solved by a well-coordinated, long-term effort involving several Federal agencies.

This bill will provide a mechanism for planning such long-term efforts. It provides authority to the Federal Coordinating Council for Science, Engineering, and Technology, also known as FCCSET, for developing long-range plans for research efforts involving more than two Federal agencies. FCCSET was established by the National Science and Technology Policy, Organization, and Priorities Act of 1976. It is located in the Executive Office of the President and consists of representatives of a dozen Federal agencies involved in scientific research, with the Director of Office of Science and Technology Policy serving as chairman. This bill reinforces FCCSET's existing responsibilities for coordinating the various agencies' research efforts in areas of national concern.

In addition, the legislation goes on to give FCCSET specific responsibility for coordinating the Federal research on global change. The bill would require FCCSET to develop a 10-year national global change research plan. In carrying out that responsibility, FCCSET would:

Establish national goals and priorities for global change research, working with the National Research Council and other research groups;

Define the roles of each agency and department in implementing the plan by building on their existing missions and responsibilities;

Review each agency budget estimate in the context of national goals, using a budget crosscut to be provided by OMB; and

Submit an annual report to Congress, regarding progress in implementing the national research plan.

In the last decade, we have started to realize that human activities have had an impact on a global scale. As the world population grows, the damage done to our global habitat is likely to increase. Our understanding of how our planet works and how man's activities are affecting it is incomplete. Despite an active research program, many large uncertainties remain. This bill should help us decrease some of those uncertainties. I hope that my fellow Senators will join me in supporting this bill.

Mr. President, I ask unanimous consent that the full text of the bill be printed following my statement.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2614

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Science and Technology Policy Amendments of 1988".

Sec. 2. Section 102(a)(6) of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6602(a)(6)) is amended to read as follows:

"(6) The development and coordination of long-range, interagency research plans to support policy decisions regarding identified national and international concerns, and for which a sustained and coordinated commitment to improving scientific understanding will be required.".

Sec. 3. Section 401 of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6651) is amended—

(1) by redesignating subsections (f), (g), and (h) as subsections (g), (h), and (i), repectively;

(2) by inserting immediately after subsection (e) the following:

"(f) The Council may be assigned responsibility for developing long-range and coordinated plans for scientific and technical research which involve the participation of more than two Federal agencies. Such plans shall—

"(1) identify research approaches and priorities which most effectively advance scientific understanding and provide a basis for policy decisions;

"(2) provide for effective cooperation and coordination of research among Federal agencies; and

"(3) encourage domestic and, as appropriate, international cooperation among government, industry, and university scientists."; and

(3) in subsection (i), as so redesignated, by inserting "developing interagency plans," immediately after "purpose of".

Sec. 4. The National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 et seq.) is amended by adding at the end thereof the following new title:

"TITLE VI—NATIONAL GLOBAL CHANGE RESEARCH PLAN

"SHORT TITLE

"SEC. 601. This title may be cited as the 'National Global Change Research Act of 1988'.

"FINDINGS AND PURPOSE

"SEC. 602. (a) Congress finds and declares the following:

"(1) Industrial, agricultural, and other human activities, coupled with an expanding world population, are contributing to processes of global change that may significantly alter our habitat within a few human generations.

"(2) Such human-induced changes may lead to significant global warming and the depletion of stratospheric ozone, and thus have the potential to alter world climate patterns, increase global sea levels, and reduce the ability of the atmosphere to screen out harmful ultraviolet radiation. Over the next century, the consequences could seriously and adversely affect world agricultural and marine production, coastal habitability, regional economic well-being, human health, and biological diversity;

"(3) Development of effective policies to mitigate and cope with human-induced global changes will rely on greatly improved scientific understanding of global environmental processes and on our ability to distinguish between the effects of human activities on one hand and the results of natural change on the other.

"(4) New developments in interdisciplinary earth sciences, global observing systems, and computing technology make possible significant advances in the scientific understanding and prediction of these global changes and their effects.

"(5) Efforts are ongoing in several Federal agencies which could contribute to a well-defined and coordinated national program of research, monitoring, assessment, and prediction.

"(6) The United States, as a world leader in earth system science, should continue to provide leadership in developing and implementing an international global change research program.

"(b) It is the purpose of Congress in this title to provide for a national global change research plan which when implemented will assist the Nation and the world to understand, assess, and respond to human-induced and natural processes of global change.

NATIONAL GLOBAL CHANGE RESEARCH PLAN

"SEC. 603. (a)(1) The President, through the Council, shall develop a National Global Change Research Plan (hereafter in this title referred to as the 'Plan') in accordance with section 401(f) of this Act and the provisions, findings, and purpose of this title. Consistent with the responsibilities set forth under subsection (d) of this section, the Plan shall contain recommendations for a 10-year national research effort, to be submitted to Congress within one-year after the date of enactment of this title and to be revised at least once every three years thereafter.

"(2) The Plan shall—

"(A) establish the goals and priorities for Federal global change research for the 10-year period beginning in the year the Plan (or revised Plan) is submitted;

"(B) set forth the role of each Federal agency and department in implementing the Plan;

"(C) describe the levels of Federal funding and specific activities, including research activities, data collection and analysis requirements, participation in international research efforts, and information management, required to achieve such goals and priorities; and

"(D) consider and utilize, as appropriate, reports and studies conducted by Federal agencies and departments, the National Research Council, or other entities.

"(3) The Plan shall address, where appropriate, the relevant programs and activities of the following Federal agencies and departments:

"(A) the Department of Commerce, particularly the National Oceanic and Atmospheric Administration;

"(B) the National Science Foundation;

"(C) the National Aeronautics and Space Administration;

"(D) the Department of Interior, particularly the United States Geological Survey;

"(E) the Department of Energy;

"(F) the Department of Agriculture;

"(G) the Environmental Protection Agency;

"(H) the Department of Defense, particularly the Department of the Navy; and

"(I) such other research agencies and departments as the President or the Chairman of the Council considers appropriate.

"(b) The Council shall—

"(1) serve as lead entity responsible for oversight of the implementation of the Plan;

"(2) coordinate the global change research activities of Federal agencies and departments and report at least annually to the President, through the Chairman of the Council, on any recommended changes in agency or departmental roles that are needed to better implement the Plan;

"(3) following the President's submission to Congress of the annual budget estimate, review each agency budget estimate in the context of the Plan and make the results of that review available to each agency and to the appropriate elements of the Executive Office of the President, particularly the Office of Management and Budget;

"(4) work with the National Research Council and with academic, State, and other groups conducting research and assessments of global changes and their effects;

"(5) coordinate Federal interagency participation in international activities related to global change research and assessment; and

"(6) consult with actual and potential users of such research and assessments.

"(c) The Plan shall provide for, but not be limited to, the following research elements:

"(1) Global measurements, establishing worldwide observations necessary to understand the physical, chemical, and biological processes responsible for changes in the earth system on all timescales.

"(2) Documentation of global change, including the development of mechanisms for recording changes that will actually occur in the earth system over the coming decades.

"(3) Studies of earlier changes in the earth system, using evidence from the geological and fossil record.

"(4) Predictions, using quantitative models of the earth system to identify and simulate global trends.

"(5) Development of an information base, the assembly of the information essential for effective decisionmaking to respond to the consequences of global change.

"(d)(1) The Plan shall take into consideration, but not be limited to, the following existing agency missions and responsibilities:

"(A) The National Science Foundation shall continue to be responsible for basic research in all areas of earth, atmospheric, and ocean science, including the relevant biological sciences. Such basic research may include ground-based measurements for regional and global studies; polar studies; large-scale field programs; interpretation and use of space-based data; theoretical and laboratory studies; research facilities support; and development of numerical models, information and communication systems, and data bases.

"(B) The National Aeronautics and Space Administration shall have primary responsibility for earth science research missions from space, including those of broad scientific scope, to study the earth as an integrated whole. Associated efforts may include related ground studies; remote-sensing and advanced instrument development; and improvement of techniques for the transmission, processing, archiving, retrieval, and use of data and related models; and other research activities.

"(C) The National Oceanic and Atmospheric Administration shall continue to be responsible for operational environmental satellite programs and research programs on ocean and atmospheric processes. Additional responsibilities shall include climate diagnostics and prediction; development of predictive models and techniques for detecting natural and human-made changes; acquisition, maintenance, and distribution of long-term data bases; calibration and validation of environmental observations; processing and archiving of space-based data; and development and support of ground-based oceanic and atmospheric monitoring sytems.

"(D) The United States Geological Survey shall have primary responsibility for geological studies and mapping. Additional areas of responsibility shall include paleoclimate, hydrologic cycles, geographical information systems, and management of land remote-sensing data, including acquisition, maintenance, and distribution of long-term data bases for these areas.

"(2) The Plan shall reflect the need for collaboration among agencies with respect to—

"(A) the establishment and development of an information system for earth system science; and

"(B) basic research into the development of new conceptual and numerical models of the earth system.

"(e) The Chairman of the Council and the Secretary of State shall cooperate in—

"(1) providing representation at international governmental meetings and conferences in global change in which the United States participates; and

"(2) coordinating the Federal activities of the United States with the global change research and assessment programs of other nations and international agencies and organizations, including the World Meteorological Organization and the United Nations Environmental Program.

"(f) Each Federal agency and department involved in global change research shall, as part of its annual request for appropriations to the Office of Management and Budget, submit a report identifying each element of its proposed global change activities, which—

"(1) specifies whether each such element (A) contributes primarily to the implementation of the Plan or (B) contributes primarily to the achievement of other objectives but aids Plan implementation in important ways; and

"(2) states the portion of its request for appropriations that is allocated to each such element.

The Office of Management and Budget shall review each such report in light of the goals, priorities, and agency responsibilities set forth in the Plan, and shall include, in the President's annual budget estimate, a statement of the portion of each agency or department's annual budget estimate that is allocated to each element of such agency or department's global change activities. The Office of Management and Budget shall ensure that a copy of the President's annual budget estimate is transmitted to the Chairman of the Council at the same time as such budget estimate is submitted to Congress.

"RELATION TO OTHER LAWS

"SEC. 605. (a) The President, the Chairman of the Council, and the Secretary of Commerce shall ensure that the research elements of the National Climate Program, established by the National Climate Program Act (15 U.S.C. 2901 et seq.), are made an integral component of national global change research efforts.

"(b) The President, the Chairman of the Council, and the heads of the agencies represented on the Council shall ensure that the research findings of the Council and of Federal agencies and departments are available to the Environmental Protection Agency for use in the formulation of a coordinated national policy on global climate change pursuant to section 1103 of the Global Climate Protection Act of 1987 (15 U.S.C. 2901, note).

"ANNUAL REPORT

"SEC. 606. (a) The Chairman of the Council shall prepare and submit to the President and Congress, not later than January 31 of each year, an annual report on the activities conducted pursuant to this title during the preceding fiscal year, including—

"(1) a summary of the achievements of Federal global change research efforts during that preceding fiscal year;

"(2) an analysis of the progress made toward achieving the goals and objectives of the Plan;

"(3) a copy or summary of the Plan and any changes made in such Plan;

"(4) a summary of agency budgets for global change activities for that preceding fiscal year; and

"(5) any recommendations regarding additional action or legislation which may be required to assist in achieving the purposes of this title.

"(b) The annual report required under section 7 of the National Climate Program Act (15 U.S.C. 2906) may be incorporated into the annual report required under subsection (a) of this section.".

Mr. PRESSLER. I am pleased to join Senator HOLLINGS as a sponsor of the National Science and Technology Policy Amendments of 1988. He has eloquently and correctly stated the immediate need for an understanding of the global changes which are now occurring and which are predicted to accelerate in the future unless we do something now.

Crops are dying in a drought which is truly nationwide. The global mean temperature, if it continues at the present rate, will be higher this year than at any time since recordkeeping began. The ozone depletion in the atmosphere continues at an alarming rate. These and other significant changes in the Earth's environment require a national and international commitment to research and damage control.

As a member of the Environment and Public Works Committee, I understand the danger we face if we do not comprehend the effects of our actions upon the global environment. As a South Dakotan, I have seen firsthand the devastation caused by the current drought. I only hope that 10 or 15 years from now, we don't look back on 1988 as the first in a series of perennial drought years. The global climate is changing for the worse. It is incumbent upon us to find out as soon as possible what we can do to slow down or stop this potentially disastrous course.

I strongly support current and planned efforts through NASA, NOAA, and other agencies to research the effects of global change. This legislation, I believe, will assist, coordinate, and promote these actions. The bill's language stresses the importance of long-term data bases. In fact, the most essential element of global change research is the acquisition, maintenance, processing, archiving and retrieval of data.

The Earth Resources Observation System [EROS] Data Center, a facility devoted to remote-sensing data archiving and processing, is located in my home State of South Dakota. This center has been archiving and distributing land remote sensing data since 1973. Public Law 98-365 called for the establishment of a National Satellite Land Remote Sensing Data Archive at the EROS Data Center. On March 16 of this year, the U.S. Geological Survey and NASA entered an agreement to use that facility for processing, distributing, and archiving land remote sensing data acquired by NASA's research and development and experimental activities, including the Earth Observing System [EOS] component of the Space Station Polar Platform projected to be operational by the mid-1990's. The EROS Data Center continues to process and archive data collected from the Landsat satellites, which will be of great importance as a historical data base for all future global change research.

Mr. President, I close by reemphasizing my support for a national commitment to global change research. We must understand what we are doing to our future and our children's future.

By Mr. GLENN:

S. 2615. A bill to continue until January 1, 1991, the existing suspension of duty on m-Aminophenol; to the Committee on Finance.

CONTINUATION OF CERTAIN DUTY SUSPENSION

● Mr. GLENN. Mr. President, I am introducing this legislation to suspend temporarily the duty on meta-aminophenol [MAP] from January 1, 1987, to December 31, 1990. This legislation is noncontroversial and should be acceptable to the Senate as part of the miscellaneous tariff bill.

At present, MAP is classified as an intermediate chemical (T.S.U.S. 404.9200) and is subject to the duty of 5.8 percent ad valorem. It is used in the production of certain dyes and pigments, which are, in turn, used to produce crayons, paper, and pigment formulas. Additionally, it is used in the production of para-aminosalicylic acid, a medicine to combat tuberculosis.

There is no commercial production of MAP in the United States. As a result, domestic users are forced to rely on foreign sources to meet their needs. Domestic users had been able to minimize this problem by purchasing the chemical duty-free under item 906.32 of the appendix to the Tariff Schedules of the United States (19 U.S.C. 1202). However, this exemption expired on December 31, 1987. Domestic users are now forced to import MAP with a considerable duty attached. This has resulted in higher production costs, which has raised the cost of finished products for American consumers.

The foreign manufacturers of final end products can purchase MAP duty-free and are therefore able to use their intermediate chemical price advantage to penetrate U.S. markets and to increase their share of world markets. Furthermore, a duty on MAP places an unnecessary cost burden on the end user of the final product—without any commensurate benefit to U.S. industry. There is no domestic producer of MAP, nor will there be one in the foreseeable future. Since most of these finished products are sold here in the United States, it is the American consumers who will bear the brunt of the consequences.

I urge my colleagues to support this legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2615

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That item 906.32 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out "12/31/87" and inserting "12/31/90".

SEC. 2. The amendment made by the first section of this Act applies with respect to articles entered, or withdrawn from warehouse for consumption, after December 31, 1987.●

By Mr. GLENN:

S. 2616. A bill to continue until January 1, 1991, the existing suspension of duty on trichlorosalicylic acid; to the Committee on Finance.

CONTINUATION OF CERTAIN DUTY SUSPENSION

● Mr. GLENN. Mr. President, I am introducing this legislation to suspend temporarily the duty on trichlorosalicylic acid [TCSA] from January 1, 1987, to December 31, 1990. This legislation is noncontroversial and should be acceptable to the Senate as part of the miscellaneous tariff bill.

At present, TCSA is classified as an "intermediate chemical" (T.S.U.S. 404.4600) and is subject to the relatively high duty of $0.17 per pound plus 17.9 percent ad valorem. It is a critical raw material in the oxalate component of the chemiluminescent system for chemical light products.

TCSA is principally used in the production of chemical light "sticks" which have a variety of uses, including use by the military and the Coast Guard. American Cyanamid Co. is the sole producer of these chemical light components, and its patents will expire over the next 6 years.

There is no commercial production of TCSA in the United States. While several attempts were made to produce it in the late 1970's, domestic production proved not to be economically viable. The result has been that domestic users of TCSA have had to rely on British sources to meet their needs. American Cyanamid has been able to minimize this problem by purchasing the chemical duty free under item 906.30 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202). However, this provision expired on December 31, 1987.

The domestic user is now forced to import TCSA with a considerable duty attached. This has resulted in higher production costs, which have raised the prices for American customers of the finished products. Furthermore, a duty on TCSA would place an unnecessary cost burden on the end user of the light "stick" without any corresponding benefit to U.S. industry. There is no domestic producer; nor will there be one in the foreseeable future. Since most of these finished products are sold here in the United States, it is the American consumer who will bear the brunt of the consequences.

I urge my colleagues to support this legislation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2616

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That item 906.30 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out "12/31/87" and inserting "12/31/90".

SEC. 2. The amendment made by the first section of this Act applies with respect to articles entered, or withdrawn from warehouse for consumption, after December 31, 1987.●

By Mr. BINGAMAN (for himself and Mr. DOMENICI):

S. 2617. A bill to revise the boundary of Aztec Ruins National Monument in the State of New Mexico, and for other purposes; to the Committee on Energy and Natural Resources.

AZTEC RUINS NATIONAL MONUMENT EXPANSION

● Mr. BINGAMAN. Mr. President, I rise today on behalf of myself and Senator DOMENICI to introduce legislation to expand the Aztec Ruins National Monument. This bill would incorporate additional lands critical to the preservation of the existing monument and add significant archeological resources located on adjacent private lands.

The monument is threatened by activities on adjacent lands. Irrigation activities have increased ground water levels within the monument to the point that the ruins are being damaged by saturated soils. Seasonal flooding of the administration and visitor center basement also occurs. This bill would allow purchase of these lands to prevent further damage. In addition, protection of adjacent archeological resources will be improved.

The Aztec Ruins National Monument currently consists of 27.14 acres located in San Juan County, NM, on the northern boundary of the community of Aztec. These ruins have been listed in the National Register of Historic Places and the World Heritage List. The monument preserves the remains of a massive terraced pueblo, a partially restored Great Kiva, an excavated triwalled structure called the Hubbard Ruin, and numerous unexcavated sites. The terraced pueblo which covers 2 acres, stands 3 stories high and contains 500 rooms. These ruins are a blending of the cultural styles of the Chacoan and Mesa Verdean people and offer unique insights into the social relationships between the two peoples.

Adjacent lands contain known archeological resources. Acquisition will allow us to gain more knowledge of the Anasazi culture and permit further interpretation of several themes: The intercultural relationships between the Chacoan and Mesa Verdean peoples; the Chacoan phenomenon; the Masau Trail; the history of the area from prehistoric to historic times; and the story of Earl Morris and Southwest archeology.

This bill will improve protection of area resources and provide new opportunities to interpret the ancient Anasazi cultures that once flourished in the valley of El Rio de las Animas Perdidas. Enactment will also allow the development of improved administrative facilities, better access, and expanded visitor parking.

For these reasons, I encourage my colleagues to support this bill to provide for expansion of the Aztec Ruins National Monument.●

By Mr. DOMENICI:

S. 2620. A bill to amend the Internal Revenue Code of 1986 to provide a refundable credit to parents for dependents under age 5, that the earned income credit shall not apply to families having such a dependent, and that the dependent care credit shall not apply with respect to such dependents; referred to the Committee on Finance.

FAMILY CHOICE TAX ALLOWANCE FOR SMALL CHILDREN ACT

● Mr. DOMENICI. Mr. President, I rise today to introduce the Family Choice Tax Allowance for Small Children Act of 1988. This legislation would make a substantial investment in our children by directly helping families with small children care for their children, while accommodating the growing diversity in child care needs and equally benefiting all families in need.

Today, we are all seeing a great influx of women into the work force and are asking ourselves very important questions about how we are caring for our children. Many families with children—particularly small children—are finding themselves severely strained in trying to make ends meet.

There is a strong effort underway, Mr. President, to create a multibillion-dollar Federal grant program to respond to growing child care needs. The bill gaining a great deal of attention these days, known as the Act for Better Child Care or ABC bill, will send money through Federal and State bureaucracies to build and support a relatively small number of licensed day care centers around the country.

A consensus appears to be building to do something about child care, but is this what we should be doing? With only about a tenth of America's children being cared for in professional group care centers of the kind directly supported in the ABC bill, I am very concerned that that policy would miss a huge percentage of families in need.

The ABC bill actually proposes to spend $3 billion a year; $2.5 billion in Federal funds and requiring about one-half billion in matching State funds. This is a great deal of money, and I'm not sure it can be found, but if we are going to spend that kind of money, we ought to attack the program in the right way and make sure it benefits as many families in need as it can.

Should such a substantial program, aimed at providing the best care for our children, really insist that parents use a State system of care centers? Should we not let the parents choose to let their church, their neighbor, a family member, or even one of the parents care for their children?

The proposal I am making today is, I believe, a vastly superior approach to addressing the child care needs of our country. It too costs about $3 billion, but the approach I am suggesting is that it all go directly to parents in the greatest need of assistance—letting them decide how their children will be cared for.

My proposal would provide for each child under age 5 a direct $700 tax credit, or cash-refundable credit, for families earning less than $30,000 a year. If certain future deficit reduction targets are met, these benefits would be increased and expanded to all families.

Low-income families with children under age 5 would receive a cash-refundable, earned income tax credit worth even more than $700. Parents in such families would get a wage supplement of 15 percent for their first child and 10 percent for each additional child. This wage supplement decreases for families with higher incomes as they are more able to take advantage of the tax credit.

This bill I am offering today would extend a hand of help to all young parents in need—regardless of the type of child care they choose or career choices they make.

THE CHANGING AMERICAN FAMILY AND ITS NEEDS

Mr. President, we are currently experiencing a dramatic change in the makeup and character of the American family. The large-scale entrance of women into the work force, and the increasing number of two-working-parent and single parent families, are generating a very profound set of choices for today's young families.

The Department of Labor recently reported that 57 percent of all women with children under 6 work—up 45 percentage points over the last three decades. Almost 70 percent of the 15 million new jobs created in the last 6 years have been taken by women. The Department's report shows how dramatic work force changes are altering the way America cares for its children.

Only a couple weeks ago the Census Bureau reported that 13.4 million two-worker families where the wife was 18 to 44 years old had children in 1987—up from 8.3 million in the last 11 years. Of all women who gave birth, 51 percent were employed after birth.

Gone are the days, Mr. President, when all mothers stayed at home to care for children while father worked. Mothers of today—particularly in young families—are more and more likely to hold a job and be pursuing a career.

Whether by choice or necessity, the character and needs of today's families are becoming very diverse. Today's families face difficult tradeoffs between their lifestyles, their careers, and the ways they nurture their families.

While many parents still choose to stay at home with their children, large numbers of parents are seeking child care alternatives—from babysitting by relatives, to neighborhood group care, to worksite day-care programs.

THE GROWING QUESTION OF CHILD CARE

Finding the means to properly care for children—particularly in their tender years—is of considerable importance to parents. Whether seeking day care so both parents can work, or simply trying to pay the bills on one salary, the high cost of child care is a substantial concern for the average American family.

This situation is not new. After eight children of our own, my wife and I can testify to the age-old difficulties of raising a family.

Yet, today so many of our young parents are facing the difficult problems of balancing their jobs with their children's care. Growing attention to this situation has been fostering a consensus that many American families ought to be helped in their efforts both to care for their children and find some economic security.

To address this growing awareness of need, Mr. President, more than 100 bills have been introduced in Congress over the past year to provide Federal support for child care. These proposals have been tailored in various ways to meet the work force needs of mothers and the welfare needs of their children.

That this is a very important issue is easy to understand, yet before charging ahead with policy we ought to be clear about what the critical issues involved here are and what principles should guide our policymaking.

A QUESTION OF ACCESS TO CHILD CARE

Some will argue that our foremost concern should be to address a lack of child care supply, and many of these proposals are designed to correct what is perceived to be an acute shortage of child care services—day care services in particular.

I do not believe that supply shortages are the key problem we are facing here.

There is no evidence of chronic shortages in day care supply. I do not see that supply is being restrained in this country—on the contrary, day care is one of the fastest growing sectors in our economy. Over the past 25 years the number of spaces in day care centers has expanded at a rate of nearly 10 percent a year. In addition, the general cost of day care, measured in constant dollars, has stayed relatively unchanged for the past decade.

With the sudden and dramatic changes we are seeing in demand for many forms of day care, it is not surprising that the creation of services is lagging somewhat. With the patchwork of subsidies and regulations that currently exists it should not be surprising as well that all of us have heard anecdotal stories of day care waiting lists.

Yet, this does not mean that day care providers, employers, entrepreneurs, and communities are not responding to the demands. In fact, the Labor Department's recent report shows that much is being done to respond to the growing needs.

Let me mention that I am including in this measure, as titles 2 and 3, provisions to help remove liability barriers for child care providers, as well as establishing a revolving loan fund to assist family based providers. These provisions were originally part of Senator HATCH's Child Care Services Improvement Act.

I think they are important in helping assure that the supply of needed services continues to grow. I commend my colleagues for developing these proposals and I am pleased to include them in this proposal.

Mr. President, the basic child care problem that we are facing in this country is that the cost of caring for children is very high and many families with children are facing a very difficult time. Many of these families lack the means to afford even basic child care, let alone highly expensive, high quality day care services.

While questions about how we are caring for our children have increased over the past few decades, the tax exemption for children has eroded considerably. During the 1950's a personal exemption equaled 42 percent of average personal, per capita income. Today that percentage is 17 percent.

I am concerned that some proposals that have been offered to solve the child care problem would spend great amounts of money, and create vast Federal bureaucracies, to support a relatively small number of licensed day care centers around the country.

I do not doubt that many of these centers could provide excellent experiences for children, but I am concerned that if we approach this broad problem in a narrow way, a huge percentage of families will be left out. Only about a tenth of all children are cared for in professional day care facilities.

A FUNDAMENTAL ISSUE OF FAMILY

I am also very concerned, Mr. President, that many of these proposals rely heavily upon bringing the Federal Government more and more into what ought to be family decisionmaking processes. Proposals that have been made to help subsidize day care centers will exclude many families that choose church organized care, family and neighborhood care, or care by a parent who chooses to stay at home.

As complex and important as the work force issues are becoming, child care remains, fundamentally, a family issue. How we care for our children, how we make tradeoffs between work and family; these are issues that determine and impact upon the very character of our families, and involve difficult choices that ought to remain with the family.

Any Federal policy addressing the needs of parents and striving to assure that our children are best cared for must recognize that parents are best prepared to decide to care for their children. We should not penalize families for the child care and career choices they make.

Mr. President, I believe the central issue in all of the choices we will make about child care is how should Government best respond to what is happening to the American family and the demands being placed upon it? We ought to search for policies that maximizes family choices in choosing child care.

THE TAX APPROACH

As a society we must do what we can to see that families have the ability to make choices that sacrifice neither their children nor their economic security.

I am convinced that the key to addressing this situation lies in the Federal Tax Code. By granting families credits in the ways I have in my proposal, we can best enable families in need to choose the best care for their young children.

The proposal I am making today makes a substantial investment in America's children. Yes, this bill is very costly, and I have asked the Joint Tax Committee to estimate that cost. More importantly, though, I believe the approach taken in this measure is right on target.

It recognizes a very great need in America, to assure that our very young are properly cared for, while granting parents the freedom to decide what kind of care is best for their family.

Mr. President, I would like to include in the RECORD a short summary of this bill's provisions, and urge my colleagues to support the approach taken in it.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

DOMENICI "FAMILY CHOICE TAX BILL ALLOWANCE FOR SMALL CHILDREN" BILL SUMMARY

Families with incomes under $30,000 a year would receive a direct $700 tax credit, or cash-refundable credit, for each child under age 5. This would replace the Dependent Care Tax Credit (DCTC) for those children being claimed for this new credit.

Families with incomes under $8,000 per year would get this "Young Child Tax Credit (YCTC)" in the form of a cash refundable earned income tax credit—this would replace the current "standard EITC for families with children under age 5.

This new credit would provide a wage supplement for each dollar earned for each eligible child claimed (15% supplement for the first child, 10% for each additional child).

For families with incomes above $8,000 the wage supplement mechanism is phased out as incomes rise and families are more able to take advantage of the tax credit.

Many low-income families would actually receive more than $700 per child, depending on their level of earned income, and the number of eligible children they have (e.g. a family earning $8,000 per year with one eligible child would receive $1,200). $700 is the minimum amount of credit.

The DCTC and the EITC would be retained, but only for families not eligible for these new credits.

Cost: approximately $3.

In 1993, if Congress meets its FY93 Gramm-Rudman target of a balanced budget, eligibiilty and credit amounts would be expanded. Families earning less than $30,000 a year would get a $1,000 credit for each child under age 5, and while familes earning between $30,000 and $50,000 would get $750 for each child under 5.

In 1994, if the 1993 conditions are met and the budget is still balanced, a final expansion would occur. Families earning less than $35,000 a year would get $1,000 credit per child under 5. All other families would get $750 per child under 5.

Title 2 provides for a $75 million liability insurance pool for child care providers, and several tort reform measures. Title 3 provides for a $25 million revolving loan fund for family-based providers. These provisions are essentially the same as those in Sen. Hatch's S. 2084.●

By Mr. REID:

S.J. Res. 348. Joint resolution to designate the week of February 5, 1989, through February 11, 1989, as "National Burn Awareness Week;" to the Committee on the Judiciary.

NATIONAL BURN AWARENESS WEEK

● Mr. REID. Mr. President, I rise today to speak of a problem little noticed in America—except by those who are its victims. For them, it is literally life-shattering in its implications. I rise to introduce a Senate joint resolution designating the second week of February 1989, as "National Burn Awareness Week." And in so doing, I would suggest that this is but the first small step on a journey of many miles, a journey which must be undertaken by all of us who live in a country with one of the worst burn problems of any industrialized nation in the world.

Burns exact a tremendous toll of human life, suffering, disability, and financial loss. Burn injuries continue to be one of the leading causes of death in the United States. Of the 2 million people who are victims of burn injury each year, 70,000 are hospitalized and another 12,000 die as a result of fires and burns. An even more tragic statistic is the fact that children, the elderly, and the disabled represent a majority of burn victims, with a death rate five times that of any other group. But the psychological and economic hardships of burn rehabilitation devastate people of every age.

Each year millions of dollars are spent trying to remedy the effects of burns and burn related incidents. Recent studies conclude, however, that 75 percent of all burns could be prevented by proper education of children and adults and the utilization of appropriate design intervention and technology, particularly in the prevention of scald burns. Furthermore, a general public awareness of the need for smoke detectors, smoke detector maintenance, and home fire escape plans in combination with an understanding of the risk associated with specific items in our home environment—that is, alternative heating, matches and lighters in the hands of children, damaged electric cords, and so forth—can have a considerable influence on the reduction of injury and loss of life.

For this reason, the joint resolution provides for a public awareness program designed to familiarize the public with methods of burn prevention, treatment, and rehabilitation.

The joint resolution I offer today will raise the awareness of the American public about the devastating impact of this silent epidemic. Much has been accomplished, but we can and must do more. I am convinced that we can reduce the incidence of burn injury in this country by educating people to recognize burn hazards and showing them how to implement precautions.

I ask my colleagues to support this joint resolution by cosponsoring the establishment of "National Burn Awareness Week."

Mr. President, I ask that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 348

Whereas the burn problem in the United States is the worst of any industrialized nation in the world;

Whereas burn injuries are one of the leading causes of accidental death in the United States;

Whereas every year approximately 2,000,000 people are victims of burn injuries in the United States;

Whereas of these injuries, 70,000 are hospitalized and account for 9,000,000 disability days annually.

Whereas approximately 12,000 people die from burn injuries annually;

Whereas the rehabilitative and psychological impact of burns are devastating;

Whereas children, the elderly, and the disabled are most likely to suffer serious burns;

Whereas it is estimated that approximately 75 percent of all burns could be prevented by proper education of children and adults and the appropriate use of design and technology.

Whereas a general public awareness of the need for smoke detectors and home fire escape plans, in combination with an understanding of the risk associated with items in our home environment, can influence the reduction of injury and loss of life; and

Whereas there is a need for an effective national program that deals with all aspects of burn injuries: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning February 5, 1989, and ending February 11, 1989, is designated as "National Burn Awareness Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States and all Federal, State, and local government officials to observe such week with appropriate programs and activities.●

ADDITIONAL COSPONSORS

S. 10

At the request of Mr. CRANSTON, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 10, a bill to amend the Public Health Service Act to improve emergency medical services and trauma care, and for other purposes.

S. 314

At the request of Mr. PRESSLER, the name of the Senator from Virginia [Mr. TRIBLE] was added as a cosponsor of S. 314, a bill to require certain telephones to be hearing aid compatible.

S. 508

At the request of Mr. LEVIN, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 508, a bill to amend title 5, United States Code, to strengthen the protections available to Federal employees against prohibited personnel practices, and for other purposes.

S. 684

At the request of Mr. HEINZ, the names of the Senator from Arkansas [Mr. PRYOR] and the Senator from Iowa [Mr. HARKIN] were added as cosponsors of S. 684, a bill to amend the Internal Revenue Code of 1986 to make permanent the targeted jobs credit.

S. 1340

At the request of Mr. PRYOR, the names of the Senator from Alabama [Mr. SHELBY], the Senator from Alabama [Mr. HEFLIN], and the Senator from Kentucky [Mr. FORD] were added as cosponsors of S. 1340, a bill to provide for computing the amount of the deductions allowed to rural mail carriers for use of their automobiles.

S. 1776

At the request of Mr. ARMSTRONG, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of S. 1776, a bill to modernize U.S. circulating coin designs, of which one reverse will have a theme of the bicentennial of the Constitution.

S. 1851

At the request of Mr. METZENBAUM, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 1851, a bill to implement the International Convention on the Prevention and Punishment of Genocide.

S. 2000

At the request of Mr. CRANSTON, the names of the Senator from Louisiana [Mr. BREAUX] and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of S. 2000, a bill to provide for the acquisition and publication of data about crimes that manifest prejudice based on race, religion, affectional or sexual orientation, or ethnicity.

S. 2129

At the request of Mr. BAUCUS, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 2129, a bill to amend the Internal Revenue Code of 1986 to repeal the application of the uniform capitalization rules with respect to animals produced in a farming business.

S. 2182

At the request of Mr. MITCHELL, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 2182, a bill to amend title XVIII of the Social Security Act to increase the amount authorized for the patient outcome assessment research program, and for other purposes.

S. 2367

At the request of Mr. LAUTENBERG, the names of the Senator from Illinois [Mr. SIMON] and the Senator from Ohio [Mr. GLENN] were added as cosponsors of S. 2367, a bill to promote highway traffic safety by encouraging the States to establish measures for more effective enforcement of laws to prevent drunk driving, and for other purposes.

S. 2395

At the request of Mr. WIRTH, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 2395, a bill to facilitate access to space, and for other purposes.

S. 2461

At the request of Mr. MOYNIHAN, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 2461, a bill to amend part E of title IV of the Social Security Act to extend and make necessary improvements in the Independent Living Program under such part, and for other purposes.

S. 2495

At the request of Mr. BOND, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 2495, a bill to amend the Agricultural Act of 1949 to permit producers to plant supplemental and alternative income-producing crops on acreage considered to be planted to a program crop.

S. 2523

At the request of Mr. PROXMIRE, his name was added as a cosponsor of S. 2523, a bill to amend title 23, United States Code, to require States to promptly suspend or revoke the license of a driver found to be driving under the influence of alcohol, and for other purposes.

At the request of Mr. REID, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 2523, supra.

S. 2549

At the request of Mr. LAUTENBERG, the names of the Senator from Illinois [Mr. SIMON] and the Senator from Ohio [Mr. GLENN] were added as cosponsors of S. 2549, a bill to promote highway traffic safety encouraging the States to establish measures for more effective enforcement of laws to prevent drunk driving, and for other purposes.

S. 2551

At the request of Mr. HARKIN, the name of the Senator from Indiana [Mr. QUAYLE] was added as a cosponsor of S. 2551, a bill to provide additional enforcement authority for the Forest Service to deal with the production of controlled substances on the National Forest System, and for other purposes.

S. 2561

At the request of Mr. HARKIN, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 2561, a bill to establish a program of grants to States to promote the provision of technology-related assistance to individuals with disabilities, and for other purposes.

SENATE JOINT RESOLUTION 275

At the request of Mr. WEICKER, the names of the Senator from North Dakota [Mr. BURDICK] and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponsors of Senate Joint Resolution 275, a joint resolution to designate August 1-8, 1988, as "National Harness Horse Week."

SENATE JOINT RESOLUTION 298

At the request of Mr. D'AMATO, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of Senate Joint Resolution 298, a joint resolution designating September 1988 as "National Library Card Sign-Up Month."

SENATE JOINT RESOLUTION 320

At the request of Mr. HATCH, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of Senate Joint Resolution 320, a joint resolution to commemorate the 50th anniversary of the passage of the Food, Drug and Cosmetic Act.

SENATE JOINT RESOLUTION 346

At the request of Mr. LAUTENBERG, the names of the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Delaware [Mr. ROTH], the Senator from Kansas [Mr. DOLE], the Senator from Connecticut [Mr.

WEICKER], and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of Senate Joint Resolution 346, a joint resolution to designate March 25, 1989, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

SENATE CONCURRENT RESOLUTION 103

At the request of Mr. DECONCINI, the names of the Senator from West Virginia [Mr. BYRD], the Senator from Nebraska [Mr. KARNES], and the Senator from Kentucky [Mr. FORD] were added as cosponsors of Senate Concurrent Resolution 103, a concurrent resolution expressing the sense of the Congress that the President should award the Presidential Medal of Freedom to Charles E. Thornton, Lee Shapiro, and Jim Lindelof, citizens of the United States who were killed in Afghanistan.

SENATE RESOLUTION 432

At the request of Mr. MOYNIHAN, the name of the Senator from Washington [Mr. EVANS] was added as a cosponsor of Senate Resolution 432, a resolution to honor Eugene O'Neill for his priceless contribution to the canon of American literature in this the hundredth anniversary year of his birth.

SENATE RESOLUTION 433

At the request of Mr. INOUYE, the names of the Senator from North Dakota [Mr. CONRAD], the Senator from New York [Mr. D'AMATO], the Senator from New Mexico [Mr. DOMENICI], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Washington [Mr. EVANS], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Wisconsin [Mr. KASTEN], the Senator from Tennessee [Mr. SASSER], the Senator from Virginia [Mr. WARNER], and the Senator from California [Mr. WILSON] were added as cosponsors of Senate Resolution 433, a resolution to designate the period commencing on August 7, 1988, and ending August 14, 1988, as "Canoe World Sprints Week."

SENATE CONCURRENT RESOLUTION 131—ESTABLISHING A UNITED STATES DECADE FOR NATURAL DISASTER REDUCTION

Mr. HATCH (for himself, Mr. ADAMS, Mr. BURDICK, Mr. CRANSTON, Mr. DOLE, Mr. GORE, Mr. HEFLIN, Mr. LUGAR, and Mr. WILSON) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 131

Whereas the natural hazards of earthquake, tsunamis, volcanoes, floods, hurricanes, typhoons, tornadoes, landslides, and wildfires have caused great loss of life, enormous property damage, and untold suffering in the United States and throughout the world;

Whereas the risk from natural hazards continues to increase due to increasing population concentration in urban areas, increasing capital investment projects worldwide, the interdependence of people in local, national, and global communities, and the existence of large numbers of unsafe buildings, vulnerable critical facilities, and fragile lifeline systems;

Whereas on December 11, 1987, the General Assembly of the United Nations established on International Decade for Natural Disaster Reduction beginning in 1990;

Whereas the goal of the International Decade for Natural Disaster Reduction is to promote cooperative efforts between nations to reduce the ravages of all types of natural hazards through the international exchange of data, the identification of gaps in knowledge, cooperative research projects, implementation of mitigation measures, preparedness planning and hazard awareness, and the timely and effective transfer of information and knowledge;

Whereas the International Decade for Natural Disaster Reduction requires the cooperation of all nations to successfully meet its goal;

Whereas the United States suffers from the destructive occurrences of earthquakes, tsunamis, volcanoes, floods, hurricanes, typhoons, tornadoes, landslides, and wildfires with attendant loss of life and property;

Whereas in 1977, Congress passed the Earthquake Hazards Reduction Act (Public Law 95-124) mandating the Federal Emergency Management Agency, United States Geological Survey, National Science Foundation, the National Bureau of Standards, and other Federal agencies to develop a comprehensive national program to reduce the risks to and losses of life and property from future earthquakes and to contribute to earthquake hazards reduction through programs undertaken as part of the basic missions of these agencies; and

Whereas Congress, recognizing that natural and technological hazards may not be independent of one another in any given disaster and that planning for and responding to different hazards have certain common elements, established the Multihazard Research, Planning, and Mitigation Program, a program with goals similar to those of the International Decade for Natural Disaster Reduction, in the 1980 reauthorization of the Earthquake Hazards Reduction Act (Public Law 96-472); Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress strongly endorses the establishment of a United States Decade for Natural Disaster Reduction as a means of supporting the goal of the International Decade for Natural Disaster Reduction to enhance existing cooperative efforts and promote cooperative efforts to reduce the devastating impact of natural hazards in the United States and throughout the world.

● Mr. HATCH. Mr. President, today I am submitting a concurrent resolution endorsing the establishment of a U.S. Decade for Natural Disaster Reduction in support of a U.N. resolution establishing an International Decade for Natural Disaster Reduction that is to begin in 1990. The U.N. resolution, adopted by unanimous consent on December 11, 1987, calls on national governments to participate in concentrated efforts to reduce the losses incurred by natural disasters. It suggests countries guide hazard reduction efforts and facilitate the timely and effective transfer of pertinent knowledge.

Individuals shoulder the brunt of the losses caused by natural disasters such as earthquakes, tornadoes, hurricanes, floods, wildfires, and so forth. The human suffering that occurs extends beyond the physical losses of property to the emotional struggle of beginning again. Yet, the ramifications resulting from natural disasters affect the economic viability of local and national governments.

National treasuries are drained in the post disaster relief and recovery phases of the disaster cycle. Millions of people have died, and short-term property losses to the U.S. Treasury from floods during the past few decades are estimated at $1 billion. Projections for the drop in U.S. GNP from a large earthquake in southern California are placed at 5 percent. Moderate, more frequently occurring disasters, as well as the large, less frequent catastrophes, can have severe negative impacts on our Nation.

As more and more floods, earthquakes, or wildfires are occurring, the public is becoming more and more concerned about area response capabilities. After the October 1, 1987, quake in Los Angeles, the University of Utah Survey Research Center conducted a survey of 700 adults. Questions about resident perceptions of earthquake risks were asked. The greatest degree of concern revolved around potential injuries to self or family members and the abilities of the medical services to deal with them. The earthquake threat was felt to be serious enough to justify various regulations on building construction and land use.

Sufficient knowledge about causes, effects, and remedies exists to permit a substantial reduction of losses incurred by natural disasters. Yet, widespread failure to use this knowledge is occurring. In order to formally address the task of hazard reduction, we will need the active involvement of member States, as well as relevant scientific, technical, academic, and other nongovernmental organizations. All must join together in the development, dissemination, and application of future and existing knowledge. An institutional framework for the timely, effective exchange of knowledge and expertise is needed.

Therefore, Mr. President, I urge my colleagues to support the International Decade for Natural Disaster Reduction by endorsing the establishment of the U.S. Decade for Natural Disaster Reduction. Our Nation's participation would serve not only to enhance international cooperation for the reduction of losses from disasters globally but also could lead to better cooperative hazard reduction successes in our own country. Mr. President, I look forward to prompt approval of this legislation.●

SENATE RESOLUTION 450—TO ACKNOWLEDGE THE SERVICE PROVIDED TO CONSUMERS BY THE NATIONAL ASSOCIATION OF REGULATORY UTILITY COMMISSIONERS

Mr. BYRD (for Mr. Burdick) submitted the following resolution; which was considered and passed:

S. Res. 450

Whereas the National Association of Regulatory Utility Commissioners [NARUC] was formed by the Interstate Commerce Commission in 1889 as a nonprofit quasi-governmental organization to promote greater uniformity in the regulation of railroads; and

Whereas NARUC membership has grown to include local, State, Federal, territorial and international agencies engaged in regulating public utilities, including telecommunications, gas, electric and water companies, and motor carriers; and

Whereas NARUC is celebrating 100 years as a major force in studying and solving regulatory problems, promoting uniform and effective regulation and improving public understanding of utility regulation in the United States: Now, therefore, be it

Resolved, that the Senate recognizes the contributions of the National Association of Regulatory Utility Commissioners and congratulates NARUC on its first 100 years of service.

SENATE RESOLUTION 451—AUTHORIZING USE OF THE HART BUILDING ATRIUM FOR A CONCERT BY THE CONGRESSIONAL CHORUS

Mr. BYRD (for Mr. Rockefeller) submitted the following resolution; which was considered and agreed to:

S. Res. 451

Resolved, That the atrium of the Senate Hart Office Building may be used from 12:00 noon until 1:00 p.m. on July 12, 1988, for a concert of American music presented by the Congressional Chorus.

AMENDMENTS SUBMITTED

MINORITY BUSINESS DEVELOPMENT PROGRAM REFORM ACT

BUMPERS (AND WEICKER) AMENDMENT NO. 2512.

Mr. BUMPERS (for himself and Mr. Weicker) proposed an amendment to the bill S. 1993) to amend the Small Business Act to improve the growth and development of small business concerns owned and controlled by socially and economically disadvantaged individuals, especially through participation in the Federal procurement process, and for other purposes; as follows:

In section 204 of the Committee amendment, in the proposed section 7(j)(10)(I) of the Small Business Act—

(1) in the second sentence, strike "deems" and insert ", or a designee of such officer, determines";

(2) in the second sentence, after "15 days" insert "after making such a determination"; and

(3) in the last sentence, strike "60 days" and insert "90 days".

In section 205 of the Committee amendment, in the proposed section 7(j)(10)(J)(ii) of the Small Business Act, strike "shall initiate" and insert "may initiate".

In section 403 of the Committee amendment, in the proposed section 8(a)(17)(A) of the Small Business Act, strike "the concern" and insert "any concern".

In section 722 of the Committee amendment, strike the second sentence and insert in lieu the following: "Any numerical size standard that pertains to any of the designated industry groups, and that is in effect on September 30, 1988, shall remain in effect for the duration of the Program, except for the size standard pertaining to standard industrial classification code 1629 (Dredging and Surface Cleanup Activities)."

BUMPERS AMENDMENT NO. 2513

Mr. BUMPERS proposed an amendment to the bill (S. 1993) supra; as follows:

At the end of title IV, add the following:

SEC. 406. STUDY OF DISTRIBUTION OF CONTRACT AWARDS.

(a) Finding.—The Congress finds that contracting opportunities under section 8(a) of the Small Business Act have been awarded to Program Participants in a manner that has resulted in firms in certain States receiving very large numbers of contract awards, aggregating to a very high percentage of the total dollars awarded in each fiscal year. Such a pattern of uneven distribution of contract awards results in Program Participants in the majority of the States receiving substantially fewer contract awards, and commensurately fewer of the business development opportunities provided by the contract awards made under the authority of section 8(a).

(b) Study and Report.—The Small Business Administration is directed to conduct a study of the geographic distribution of contract awards made pursuant to section 8(a) during fiscal year 1983 through fiscal year 1987. Within 1 year from the date of enactment of this Act, the Small Business Administration shall furnish a report on the results of its study to the Committees on Small Business of the Senate and the House of Representatives. The report shall include appropriate recommendations for changes in law, regulations, or practices to effect a more equitable distribution of 8(a) contracting opportunities among Program Participants in States having significant minority business populations.

(c) Policy Direction.—Section 8(a)(10) of the Small Business Act (15 U.S.C. 637(a)(10)) is amended by adding at the end thereof the following: "In carrying out such program, the Administration shall make a sustained and substantial effort to solicit applications for Program certification from small business concerns located in areas of concentrated unemployment or underemployment or within labor surplus areas and within States having relatively few Program Participants or receiving relatively few contract awards under the authority of this subsection.".

At the end of title IV in the table of contents, add the following:

Sec. 406. Study of distribution of contract awards.

DIXON AMENDMENT NO. 2514

Mr. DIXON proposed an amendment to the bill S. 1993, supra; as follows:

On page 102, beginning on line 6, strike all through line 25, and insert the following:

SEC. 603. SUBCONTRACTING PROGRAM COMPLIANCE.

Section 8(d)(4)(E) of the Small Business Act (15 U.S.C. 637(d)(4)(E)) is amended—

(1) by striking out "(E)" and inserting in lieu thereof "(E)(i)", and

(2) by adding at the end thereof the following new clause:

"(ii) Each contract subject to the requirements of this paragraph or paragraph (5) shall contain a provision authorizing the Secretary of a department or the head of an agency to include, in accordance with regulations promulgated pursuant to section 22 of the Office of Federal Procurement Policy Act (41 U.S.C. 418b), a provision for the payment of liquidated damages upon a finding that a prime contractor has failed to make a good faith effort to comply with the requirements imposed on such contractor by this subsection. The Contractor shall be afforded an opportunity to demonstrate a good faith effort regarding compliance prior to the contracting officer's final decision. A final decision of a contracting officer regarding the contractor's obligation to pay such damages, or the amounts thereof, shall be subject to the Contract Disputes Act of 1978 (41 U.S.C. 601-613). The agency awarding the contract shall ensure that the goals offered by the apparent successful bidder or offeror are not substantially less than the actual performance of such bidder or offeror on prior contracts.".

DIXON (AND OTHERS) AMENDMENT NO. 2515

Mr. DIXON (for himself, Mr. Nunn, Mr. Weicker, Mr. Bumpers, and Mr. Boren) proposed an amendment to the bill S. 1993, supra; as follows:

At the end of the bill, insert the following new title:

TITLE VIII—PREFERRED SURETY BOND GUARANTEE PROGRAM

SEC. 801. SHORT TITLE.

This title may be cited as the "Preferred Surety Bond Guarantee Program Act of 1988".

SEC. 802. AUTHORITY OF THE ADMINISTRATION.

Section 411(a) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(a)) is amended to read as follows:

"(a)(1) The Administration may, upon such terms and conditions as it may prescribe, guarantee and enter into commitments to guarantee any surety against loss, as hereafter provided, as the result of a breach of the terms of a bid bond, payment bond, performance bond, or bonds ancillary thereto, by a principal on any contract up to $1,250,000.

"(2) The terms and conditions of said guarantees and commitments may vary from surety to surety on the basis of the Administration's experience with the particular surety.

"(3) The Administration may authorize any surety, without further Administration approval, to issue, monitor, and service such bonds subject to the Administration's guarantee.

"(4) No such guarantee may be issued, unless—

"(A) the person who would be principal under the bond is a small business concern;

"(B) the bond is required in order for such person to bid on a contract, or to serve as a prime contractor or subcontractor thereon;

"(C) such person is not able to obtain such bond on reasonable terms and conditions without a guarantee under this section; and

"(D) there is a reasonable expectation that such principal will perform the covenants and conditions of the contract with respect to which such bond is required, and the terms and conditions of such bond are reasonable in the light of the risks involved and the extent of the surety's participation.".

SEC. 803. INDEMNIFICATION.

(a) In General.—Section 411(b) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(b)) is amended—

(1) by striking paragraph (3),

(2) by striking "; and" and inserting a period at the end of paragraph (2),

(3) by redesignating paragraph (2) as paragraph (3),

(4) by inserting after paragraph (1) the following new paragraph:

"(2) a surety must obtain approval from the Administration prior to making any payments pursuant to this subsection unless the surety is participating under the authority of section 411(a)(3); and", and

(5) by inserting at the end the following new sentence:

"In no event shall the Administration pay a surety pursuant to this subsection an amount exceeding the guaranteed share of the bond available to such surety pursuant to subsection (a).".

(b) Amount of Indemnification.—Section 411(c) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(c)) is amended to read as follows:

"(c) Any guarantee or agreement to indemnify under this section shall obligate the Administration to pay to the surety a sum—

"(1) not to exceed 70 percent of the loss incurred and paid by a surety authorized to issue bonds subject to the Administration's guarantee under subsection (a)(3);

"(2) not to exceed 90 percent of the loss incurred and paid in the case of a surety requiring the Administration's specific approval for the issuance of such bond, but in no event may the Administration make any duplicate payment pursuant to subsection (b) or any other subsection;

"(3) equal to 90 percent of the loss incurred and paid in the case of a surety requiring the administration's specific approval for the issuance of a bond, if—

"(A) the total amount of the contract at the time of execution of the bond or bonds is $150,000 or less, or

"(B) the bond was issued to a small business concern owned and controlled by socially and economically disadvantaged individuals as defined by section 8(d) of the Small Business Act; or

(c) Limitation on Administration's Liability.—Section 411(e) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(e)) is amended—

(1) by striking "or" at the end of paragraph (1),

(2) by striking the period at the end of paragraph (2) and inserting a comma, and

(3) by adding at the end thereof the following new paragraphs:

"(3) the surety has breached a material term or condition of such guarantee agreement, or

"(4) the surety has substantially violated the regulations promulgated by the Administration pursuant to subsection (d).".

SEC. 804. REPORTS AND AUDITS OF PARTICIPATING SURETIES.

Section 411(g) of the Small Business Investment Act (15 U.S.C. 694b(g)) is amended to read as follows:

"(g)(1) Each participating surety shall make reports to the Administration at such times and in such form as the Administration may require.

"(2) The Administration may at all reasonable times audit, in the offices of a participating surety, all documents, files, books, records, and other material relevant to the Administration's guarantee, commitments to guarantee, or agreements to indemnify any surety pursuant to this section.

"(3) Each surety participating under the authority of paragraph (3) of subsection (a) shall be audited at least once each year by examiners selected and approved by the Administration.".

SEC. 805. REGULATIONS.

The Administration shall promulgate final regulations to implement the amendments made by this title not later than 180 days after the date of the enactment of this title.

SEC. 806. EVALUATION AND REPORT.

Not later than 3 years after the date of enactment of this Act the Comptroller General of the United States shall transmit a report to the Small Business Committees of the Senate and House of Representatives, which evaluates—

(1) the amendments made by this title,

(2) whether participation in the Program by standard surety firms has been expanded, and

(3) whether access to bonds by small business concerns especially small business concerns owned and controlled by socially and economically disadvantaged individuals has been improved.

The report shall cover the first 2 full fiscal years following the date of enactment of this Act.

SEC. 807. SUNSET.

The provisions contained in section 411(a)(3) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(a)(3)), shall cease to be effective on September 30, 1991, or on the last day of the third full fiscal year after the date of enactment of this Act, whichever is later.

SEC. 808. MISCELLANEOUS PROVISIONS.

(a) Fund.—Section 412 of the Small Business Investment Act of 1958 (15 U.S.C. 694c) is amended—

(1) by inserting an "(a)" before "There", and

(2) by adding at the end of subsection (a), the following new subsection:

"(b) Such sums as may be appropriated to the Fund to carry out the programs authorized by this part shall be without fiscal year limitation.".

(b) Authorization.—For fiscal year 1989, to such extent or in such amount as may be provided in appropriations Acts, the administration is authorized to enter into guarantees not to exceed $1,600,000,000 for the programs authorized by part B of title IV of the Small Business Investment Act of 1958.

(c) Size Standards.—Section 411 of the Small Business Investment Act of 1958 (15 U.S.C. 694b) is further amended by adding at the end thereof the following new subsection:

"(j) In prescribing special size standards for participation in the program authorized by this section, the Administration shall ensure that a firm meeting such size standard may be determined to be a small business concern under the size standard establishing its eligibility to participate in the other programs of the Administration.".

SEC. 809. EFFECTIVE DATE.

Except as otherwise provided in this title, the provisions of this title shall become effective upon the expiration of 180 days after the date of its enactment.

At the end of the table of contents, add the following:

TITLE VIII—PREFERRED SURETY BOND GUARANTEE PROGRAM

Sec. 801. Short Title.
Sec. 802. Authority of the Administration.
Sec. 803. Indemnification.
Sec. 804. Reports and Audits of Participating Sureties.
Sec. 805. Regulations.
Sec. 806. Evaluation and Report.
Sec. 807. Sunset.
Sec. 808. Miscellaneous Provisions.
Sec. 809. Effective Date.

HARKIN AMENDMENT NO. 2516

Mr. BUMPERS (for Mr. Harkin) proposed an amendment to the bill S. 1993, supra; as follows:

In section 404, at the end of the proposed section 8(a)(18) of the Small Business Act, add the following new subparagraph:

"(C) Notwithstanding a Program Participant's graduation pursuant to section 7(j)(10)(G) of this Act, the Administration is authorized to approve a contract modification (including the exercise of an option) within 30 days after the date of that Participant's graduation, if such contract modification was recommended for approval by the procuring agency prior to that Participant's graduation from the Program.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, FISCAL YEAR 1989

INOUYE AMENDMENTS NOS. 2517 AND 2518

Mr. INOUYE proposed two amendments to the bill (H.R. 4637) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1989, and for other purposes; as follows:

On page 8, line 10, delete "$8,000,000" and insert in lieu thereof "$800,000";

On page 9, line 13, delete "$2,500,000";

On page 39, line 12, delete "on" and insert in lieu thereof "or";

On page 118, lines 18 and 26, delete the comma after "sale)" in both places where it appears.

AMENDMENT No. 2518

At the appropriate place in the bill insert the following new provision:

FUNDING ADJUSTMENTS

SEC. . Notwithstanding any other provision of this Act, the following amounts are hereby appropriated in lieu of amounts contained previously herein: for payment to the International Development Association, $952,876,717; for "International Organizations and Programs", $217,219,666, of which not more than $13,500,000 shall be made available for the International Atomic Energy Agency; for administrative expenses of the Export-Import Bank of the United States, not to exceed $20,490,000: *Provided*, That, notwithstanding any other provision of this Act, no funds shall be appropriated or otherwise made available by this Act for payment to the International Finance Corporation or for payment to the African Development Bank: *Provided further*, That the authority contained in section 515 of this Act may not be exercised to deobligate and reobligate funds previously obligated for the "Economic Support Fund", notwithstanding the provisions of that section.

KENNEDY (AND OTHERS) AMENDMENT NO. 2519

Mr. KENNEDY (for himself, Mrs. KASSEBAUM, Mr. PELL, Mr. MOYNIHAN, and Mr. KERRY) proposed an amendment to the bill H.R. 4637, supra; as follows;

On page 63, line 11, strike out "be in the identical format as" and insert in lieu thereof "continue to include the same type of information as is contained in".

On page 63, line 14, add, after "June 6, 1986," the following: "and shall be in a format to be developed in consultation with the appropriate congressional committees."

KASTEN AMENDMENT NO. 2520

Mr. KASTEN proposed an amendment to the amendment No. 2519 to the bill H.R. 4637, supra; as follows;

On page 63, line 14, at the end of the amendment, add the following: *"Provided*, That any such changes are approved by legislation.".

STEVENS (AND FORD) AMENDMENT NO. 2521

Mr. STEVENS (for himself and Mr. FORD) proposed an amendment to the bill H.R. 4637, supra; as follows;

At the appropriate place insert:

SEC. —. OLD EXECUTIVE OFFICE BUILDING.

(a) ACCEPTANCE OF GIFTS OF MONEY AND PROPERTY.—The Director of the Office of Administration is authorized to—

(1) accept, hold, administer, utilize and sell gifts and bequests of property, both real and personal, and loans of personal property other than money; and

(2) accept and utilize voluntary and uncompensated services;

for the purpose of aiding, benefiting, or facilitating the work of preservation, restoration, renovation, rehabilitation, or historic furnishing of the Old Executive Office Building and the grounds thereof.

(b) ESTABLISHMENT OF FUND.—There is established in the Treasury a fund for use in accordance with provisions of this section. Amounts of money and proceeds from the sale of property accepted under subsection (a) shall be deposited in the fund, which shall be available to the Director of the Office of Administration. Such funds shall be held in trust by the Secretary of the Treasury.

(c) USE OF FUND.—Property accepted pursuant to this section or the proceeds from the sale thereof, shall be used as nearly as possible in accordance with the terms of the gift or bequest. The Director of the Office of Administration shall not accept any gift under this section that is expressly conditioned on any expenditure not to be met from the gift itself unless such expenditure has been approved by an Act of Congress.

(d) TAXES.—For the purpose of the Federal income, estate, and gift tax laws, property accepted under this section shall be considered as a gift, bequest, or devise to the United States.

PRYOR AMENDMENT NO. 2522

Mr. PRYOR proposed an amendment to the bill, H.R. 4637, supra; as follows:

At the end of the bill, add the following:

CONSULTING SERVICES

SEC. (a)(1) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and professional services; special studies and analyses; technical assistance; and management review of program funded organizations; in excess of an amount equal to 85 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(2) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and support services for research and development activities; engineering development and operational systems development; technical representatives; training; quality control, testing, and inspection services; specialized medical services; and public relations; in excess of an amount equal to 95 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(b) The Director of the Office of Management and Budget shall take such action as may be necessary, through budget instructions or otherwise, to direct each department, agency, and instrumentality of the United States to comply with the provisions of section 1114 of title 31, United States Code.

(c) Notwithstanding any other provision of this Act, the aggregate amount of funds appropriated by this Act to any such department, agency, or instrumentality for fiscal year 1989 is reduced by an amount equal to—

(1) 15 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(1); and

(2) 5 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(2).

(d) As used in this section, the term "consulting services" includes any service within the definition of "Advisory and Assistance Services" in Office of Management and Budget Circular A-120, dated January 4, 1988.

HATFIELD AMENDMENT NO. 2523

Mr. KASTEN (for Mr. HATFIELD) proposed an amendment to the bill H.R. 4637, supra; as follows:

At the appropriate place in the bill, insert the following new section:

SEC. —. Not less than 25 percent of the Economic Support Funds made available for El Salvador by this Act shall be used for projects and activities in accordance with the provisions applicable to assistance under chapter 1 of part I of the Foreign Assistance Act of 1961.

HELMS AMENDMENT NO. 2524

Mr. INOUYE (for Mr. HELMS) proposed an amendment to the bill H.R. 4637, supra; as follows:

At the appropriate place in the bill insert the following:

SEC. 590. Of the funds specified in this Act for Costa Rica under the heading Economic Support Fund, $20,000,000 shall be obligated, but shall not be expended, except as provided in the fourth proviso, until the Government of Costa Rica and an American citizen, whose property and businesses in the vicinity of Limon Province, Costa Rica were affected by actions of the Government of Costa Rica (Junta de Administracion Portuaria y de Desarrollo Economico de la Vertiente Atlantica, or JAPDEVA, an agency of the Government of Costa Rica) reach a settlement concerning compensation: *Provided*, That in order to facilitate such a settlement the Department of State shall select an independent factfinder. The factfinder shall issue a report of his findings by December 31, 1988: *Provided further*, That if the two parties have not reached a full and final settlement of this matter, including a complete waiver of further claims and liabilities against the Governments of Costa Rica and the United States, by February 28, 1989, then the Department of State shall request that both parties submit the disagreement to binding international arbitration in accordance with the rules of procedure of the Inter-American Commercial Arbitration Commission. The Commission shall select the arbitrators, and may appoint such experts as it finds necessary in order to establish a base of factual and financial information for the case: *Provided further*, That if the Government of Costa Rica refuses to agree to binding international arbitration, then the $20,000,000 shall be deobligated and immediately returned to the Treasury of the United States: *Provided further*, That if the United States citizen refuses to agree to binding international arbitration and refuses to agree that the award resulting from the arbitration will constitute a full and final settlement of any and all claims, liabilities and demands, including those which may be directed at the United States, its officers, agents and employees, then the $20,000,000 shall be made available for expenditure to the Government of Costa Rica: *Provided further*, That arbitrators shall consider maintenance costs, interest costs, professional fee costs, land, business and asset valuations and all other matters they deem appropriate: *Provided further*, That nothing in this provision shall prevent the two parties prior to a final arbitration award from reaching a binding full and final written agreement outside the arbitration proceedings: *Provided further*, That funds previously appropriated for the Economic support funds shall be used to pay for the reasonable costs of the activities of the factfinder, the International Arbitration Commission, the arbitrators and the experts appointed by the arbitrators.

GRASSLEY (AND OTHERS) AMENDMENT NO. 2525

Mr. KASTEN (for Mr. Grassley, for himself, Mr. Dole, Mr. Wallop, Mr. D'Amato, Mr. Humphrey, and Mr. Kasten) proposed an amendment to the bill, H.R. 4637, supra; as follows:

Add the following to title V (General Provisions):

Sec. . Funds appropriated by this Act may not be made available, directly or through any programs funded under the heading International Organizations and programs, for assistance to be provided inside Afghanistan if that assistance would be provided through the Soviet-backed Government of Afghanistan.

KASTEN AMENDMENT NO. 2526

Mr. KASTEN proposed an amendment to the bill, H.R. 4637, supra; as follows:

At the appropriate place in the bill, add the following section:

Sec. . In the administration of programs for which partial or full responsibility lies with the Agency for International Development, any requirement for waterborne export from Great Lakes ports shall be construed to be a requirement that such export be through the St. Lawrence Seaway system.

SIMON AMENDMENT NO. 2527

Mr. SIMON proposed an amendment to the bill H.R. 4637, supra; as follows:

On page 91, line 14, between the words "are" and "restored", insert the word "being".

HUMPHREY AMENDMENT NO. 2528

Mr. HUMPHREY proposed an amendment to the bill H.R. 4637, supra; as follows:

On page 4, line 14, strike the period and insert in lieu thereof the following: "Provided further, That none of the funds shall be made available until the policies of the International Bank for Reconstruction and Development with respects to the extension of loans are revised to incorporate rates of interest, periods of duration, rules with respect to the establishment of collateral, terms of repayment, and other relevant terms which are no more favorable than those which are available, on the average, to the American family farmer.".

HUMPHREY AMENDMENT NO. 2529

Mr. HUMPHREY proposed an amendment to the bill H.R. 4637, supra; as follows:

On page 4, line 25, insert the following: strike "$931,176,717" and insert in lieu thereof "$0".

HELMS AMENDMENT NO. 2530

Mr. INOUYE (for Mr. Helms) proposed an amendment to the bill (H.R. 4637), supra; as follows:

At the appropriate place in the bill insert the following:

Sec. 590. Of the funds specified in this Act for Costa Rica under the heading Economic Support Fund, $20,000,000 shall be obligated, but shall not be expended, except as provided by the second and fourth provisos of this section, until the Government of Costa Rica and an American citizen, whose property and businesses in the vicinity of Limon Province, Costa Rica were affected by actions of the Government of Costa Rica (Junta de Administracion Portuaria y de Desarrollo Economico de la Vertiete Atlantica, or JAPDEVA, an agency of the Government of Costa Rica) reach a settlement concerning compensation: *Provided*, That in order to facilitate such a settlement the Department of State shall, upon enactment of this Act, request that both parties submit the disagreement to binding international arbitration in accordance with the rules of procedure of the Inter-American Commercial Arbitration Commission. The Commission shall select the arbitrators, and may appoint such experts as it finds necessary in order to establish a base of factual and financial information for the case: *Provided further*, That, if, within 60 days after the enactment of this Act the Government of Costa Rica has agreed to binding international arbitration, then the $20,000,000 shall be made available for expenditure to the Government of Costa Rica: *Provided further*, That, if, within 60 days after enactment of this Act, the Government of Costa Rica has not agreed to binding international arbitration, then the $20,000,000 shall be deobligated and immediately returned to the Treasury of the United States: *Provided further*, That if within 60 days after enactment of this Act, the United States citizen has not agreed to binding international arbitration and has not agreed that the award resulting from the arbitration will constitute a full and final settlement of any and all claims, liabilities and demands, including those which may be directed at the United States, its officers, agents and employees, then the $20,000,000 shall be made available for expenditure to the Government of Costa Rica: *Provided further*, That arbitrators shall consider maintenance costs, interest costs, professional fee costs, land, business and asset valuations and all other matters they deem appropriate: *Provided further*, That nothing in this provision shall prevent the two parties prior to a final arbitration award from reaching a binding full and final written agreement outside the arbitration proceedings: *Provided further*, That funds previously appropriated for the Economic Support Fund shall be used to pay for the reasonable costs of arbitration.

DeCONCINI (AND OTHERS) AMENDMENT NO. 2531

Mr. DeCONCINI (for himself, Mr. Specter, Mr. Pell, Mr. Lautenberg, Mr. Packwood, Mr. D'Amato, Mr. Metzenbaum, Mr. Sarbanes, Mr. Wilson, Mr. Harkin, Mr. Levin, and Mr. Roth) proposed an amendment to the bill H.R. 4637, supra; as follows:

On page 120, between lines 5 and 6, insert the following:

Sec. 592. (a) No sale of any AGM-650 D-G missiles may be made after July 6, 1988, and no delivery of any such missiles may be made under a sale made after that date, to any country bordering the Persian Gulf.

(b) Subsection (a) includes a prohibition against the sale or delivery of any AGM-650D/G MAVERICK missiles under the numbered certification transmitted to the Congress on July 7, 1988 (transmittal number 88-39).

GRAMM AMENDMENT NO. 2532

Mr. GRAMM proposed an amendment to the bill H.R. 4637, supra; as follows:

On page 7, between lines 10 and 11, insert the following:

"SEQUESTRATION OF FUNDS

"Of the funds appropriated by this Act for payment to the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the African Development Fund, the African Development Bank, and for the United States contribution to the Asian Development Fund, all such funds shall be withheld from obligation or expenditure if the initial report transmitted to the President under section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the Balanced Budget and Emergency Deficit Reaffirmation Act of 1987, sets forth a deficit excess that is greater than $10,000,000,000, and unachieved deficit reduction greater than zero; and all such funds shall be permanently sequestered if the final report transmitted to the President under section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the Balanced Budget and Emergency Deficit Reaffirmation Act of 1987, sets forth a deficit excess and unachieved deficit reduction (not accounting for outlay reductions made pursuant to this sentence) that would require aggregate outlay reductions pursuant to such Acts: *Provided however*, That the aggregate outlay reductions shall be applied in such case to other outlays only if the deficit excess equals $10,000,000,000 or more and unachieved deficit reduction equals more than zero after accounting in each case for outlays permanently sequestered pursuant to the provisions of this sentence; if, however, such final report to the President states that no aggregate outlay reductions are required, then the funds withheld pursuant to this sentence shall be released; and while such funds are withheld or permanently sequestered the United States Governor of the International Bank for Reconstruction and Development may not subscribe to the callable capital portion of the United States share of increases in the capital stock of the International Bank for Reconstruction and Development nor may the United States Governor of the African Development Bank subscribe to the callable capital stock of the African Development Bank.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, FISCAL YEAR 1989

HATFIELD AMENDMENT NO. 2533

Mr. HATFIELD proposed an amendment to the bill (H.R. 4776) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1989, and for other purposes; as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . (a) Notwithstanding any other provision of law, for purposes of zoning regulations of the District of Columbia, the premises on squares 4302 through 4305, and parcels 167/64, 167/65, 167/67 and 167/68 in the District of Columbia shall be considered to be an eleemosynary institution in accordance with the decision of the Deputy Zoning Administrator on December 23, 1986, as authorized by the Certificate of Occupancy Number B-26019 dated November 8, 1960, and that the current use of the premises is within the non-conforming use of rights as permitted by such Certificate of Occupancy.

(b) Subsection (a) shall not be construed to require any new license unless such was required by District of Columbia law prior to the adoption of Zoning Commission Order Number 347 dated July 9, 1981.

EXON AMENDMENT NO. 2534

Mr. EXON proposed an amendment to the bill (H.R. 4776) supra; as follows:

On page 24, line 19 strike the world "Federal".

HUMPHREY AMENDMENT NO. 2535

Mr. HUMPHREY proposed an amendment to the bill (H.R. 4776), supra; as follows:

On page 24, line 19, strike the world "Federal".

On page 24, line 22, strike everything after the semicolon, through page 25, line 3, and insert in lieu thereof a period.

WARNER AMENDMENT NO. 2536

Mr. WARNER (for himself, Ms. MIKULSKI, Mr. TRIBLE, and Mr. SARBANES) proposed an amendment to the bill (H.R. 4776), supra; as follows:

At the end of Title I, insert the following new section:

SEC. . (a) If by May 1, 1989, the District of Columbia government has not adopted and implemented a preference system that does not preclude the hiring of noncity residents, none of the Federal funds provided or otherwise made available by this Act may be used to pay the salary or expenses of any officer, employee, or agent who is engaged in implementing, administering, or enforcing a District of Columbia residency requirement with respect to employees of the Government of the District of Columbia.

(b) After the date of enactment of this section, the District shall not dismiss any employees currently facing adverse job action for failure to comply with the residency requirement.

NOTICES OF HEARINGS

SPECIAL COMMITTEE ON AGING

Mr. MELCHER. Mr. President, I would like to announce for the public that the Special Committee on Aging has scheduled a field hearing entitled, "The American Indian Elderly: The Forgotten Population."

The hearing will begin at 10 a.m. on Thursday, July 21, 1988, at the Billy Mills Center, Pine Ridge, SD. The hearing will be chaired by Senator LARRY PRESSLER.

For further information, please contact Herbert Weiss at (202) 224-5842.

SUBCOMMITTEE ON FEDERAL SERVICES, POST OFFICE, AND CIVIL SERVICE

Mr. PRYOR. Mr. President, I would like to announce that the hearing scheduled for Wednesday, July 6, 1988, by the Subcommittee on Federal Service, Post Office, and Civil Service, of the Committee on Governmental Affairs has been postponed until Friday, July 8, 1988. The subcommittee will hear witnesses from the Office of the Inspector General and the Defense Contract Audit Agency, Department of Defense, and private sector experts.

The hearing is scheduled for 9:30 a.m., in room SD-342, Senate Dirksen Office Building. For further informaton, please call Ed Gleiman, subcommittee staff director, on 224-2254.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BUMPERS. Mr. President, I would like to announce for the public that the hearing on S. 2148, the Omnibus Oregon Wild and Scenic Rivers Act of 1988, before the Subcommittee on Public Lands, National Parks and Forests will be held at 2 p.m. on July 26, 1988.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. GLENN. Mr. President, I would like to announce that the Governmental Affairs Committee will hold a markup on Tuesday, July 12, at 10 a.m. on the following legislation: S. 2449, the Postal Service Budgetary Treatment Act of 1988; S. 2478, the Biennial Budget Act of 1988; S. 1992, to promote intergovernmental and interagency cooperation in the development of ground water policy; and other pending legislation. For further information, please call Len Weiss, staff director, at 224-4751.

Mr. President, I would like to announce that the Governmental Affairs Committee will hold a hearing on Wednesday, July 13, at 9:30 a.m., on the cost of environmental cleanup and compliance at DOE defense sites. For further information, please call Len Weiss, staff director, at 224-4751.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for the public that a hearing has been scheduled before the full Committee on Energy and Natural Resources.

The hearing will take place on Thursday, July 14 at 11 a.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of the hearing is to consider the nomination of Elizabeth A. Moler to be a member of the Federal Energy Regulatory Commission.

For further information, please contact Mike Harvey, chief counsel at 202-224-0611.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Thursday, July 7, 1988, to conduct hearings on the nomination of John P. LaWare, of Massachusetts, to be a member of the Board of Governors of the Federal Reserve System for a term of 14 years from February 1, 1988.

The PRESIDING OFFICER. Without objection, it is ordered.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs, be authorized to meet during the session of the Senate on Thursday, July 7, 1988, to hold an oversight hearing on a community-based mental health initiative for Indian people.

The PRESIDING OFFICER. Without objection, it is ordered.

ADDITIONAL STATEMENTS

A TRIBUTE TO FIVE FIREMEN FROM HACKENSACK, NJ

● Mr. BRADLEY. Mr. President, today the city of Hackensack, NJ, will bury the last of five firefighters killed on July 1 while fighting a tragic fire. I ask my colleagues to join me in paying respect to the families of these victims and in paying tribute to these brave men who gave their lives to protect their community.

Capt. Richard Williams, 54, a 24-year veteran of the firefighting force; Lt. Richard Reinhagen, 48, a 23-year veteran; William Krejsa, 52, a 24-year veteran; Leonard Radumski, 38, a 13-year veteran; and Richard Ennis, 30, a 5-year veteran, were killed when the roof of a burning car dealership collapsed on them. They were the first firefighters ever killed in the line of duty in the 117-year history of the Hackensack Fire Department.

The families, colleagues, and neighbors of these brave men will feel this tragic loss for a long time to come. But I hope that they will find some comfort from the unselfish commitment of their loved ones to serving their community, putting the safety of others above their own.

As citizens, we have a communal responsibility to care for the people in need who live among us. No one has lived up to that responsibility better than these brave firefighters who knew the dangers that faced them every time they went to work, yet who continued to serve their community with pride and dedication.

These men will be sorely missed by all of us.●

WHY HIGH RATES PROVE FOOLISH

● Mr. BOSCHWITZ. Mr. President, I rise today to share with my colleagues an editorial that appeared in the Washington Times on June 15, 1988. The editorial, entitled "Why High Rates Prove Foolish," provides compelling evidence about the need for capital gains reform. Relying on a recent study by Dr. Michael Darby, a top Treasury Department economist, the editorial concludes that increasing the capital gains tax results in loss of tax revenue.

As I have said before, Mr. President, the decision to increase the capital gains tax in 1986 was a mistake. From 1968 to 1977, with the capital gains tax at 49 percent, the capital gains realized by the upper 1 percent of taxpayers fell from $17.9 billion to $15.1 billion. This group accounted for 18.1 percent of the total taxes. From 1981 to 1986, when the maximum capital gains tax stood at 20 percent, the tax revenues paid by the top 1 percent of taxpayers increased 90 percent—from $51 to $96.7 billion. At the same time, this group's percentage of total taxes skyrocketed from 18.1 to 26.1 percent.

As I have stated on many prior occasions, when the tax on capital gains is too high, venture capital, business startups, employment opportunities, and technological innovation are reduced. Obviously, that is detrimental to our economy.

I ask unanimous consent that the editorial be printed in its entirety.

The article follows:

[From the Washington Times, June 15, 1988]

WHY HIGH RATES PROVE FOOLISH

(By Warren Brookes)

When tax reform was being debated, conservatives warned that raising the capital gains tax rate (by wiping out the exemption) as a means of making up for lost revenues was foolish.

They based their warning on experience: Every time the tax on capital gains has been raised, revenues have fallen, and vice versa. Unfortunately the "static-analysis" folks, both at the Treasury and at the Joint Taxation Committee, didn't agree.

So the capital gains tax rate effectively rose from 20 to 28 percent. To no one's surprise, capital gains revenues (which soared in the 1986 tax year as investors rushed to beat the higher rate) plunged in the 1987 tax year under the higher rate.

Now, big states like California, New York and Massachusetts have suddenly seen their own revenues fall, with fewer reported gains, and resulting budget crises.

If they want to know why, they might want to look at a new study done by the Treasury's top economist, Michael Darby, which shows that the combination of the Steiger Amendment of 1978 and the Reagan Tax Cut of 1981, which cut capital gains tax rates from 49 percent top down to 20 percent, actually produced nearly $15 billion in higher federal revenues through 1985.

This rebuts studies both by the Office of Tax Analysis at Treasury and the Joint Taxation Committee, which Mr. Darby shows made fundamental errors in adjusting for the economy.

Mr. Darby also shows that cutting this rate back to the 20 percent level, or less, would generate a significant gain in revenue, not a loss.

Unhappily, the Democrats, including Massachusetts Gov. Michael Dukakis, are already talking about raising tax rates on the rich as a means of balancing the budget—a kind of painless demagoguery, full of sound and fury but signifying absolutely no intelligence.

If you think that is unfair, just look at the Congressional Budget Office analysis of last March called "The Capital Gains Tax Historical Evidence." It shows that following the 1969 raise in the capital gains tax rate toward its all-time high of 49 percent (reached in 1976), realized capital gains fell from 4 percent of gross national product to 2.2 percent by 1977.

Since the 1978 and 1981 cuts, that figure has risen right back up to 4 percent, right along with the tax revenues. What is more significant is that the biggest rise in revenues came from the top 1 percent of taxpayers (those with incomes over $100,000) whose realized gains soared from 0.7 percent of GNP to 2.3 percent, a massive 228 percent increase in share.

This followed an equal, but sickening plunge from 1968 to 1977, from 2 percent of GNP down to 0.7 percent. In other words, the richest taxpayers are the most sensitive to changes in tax rates—and are the quickest to avoid higher tax rates.

From 1968 to 1977, declared capital gains by the top 1 percent fell from $17.9 billion to $15.1 billion, which in a period of nearly 80 percent inflation was a more than 50 percent drop.

Following the 1978 and 1981 capital gains tax cuts, the gains realized by this group soared from $15.1 billion to $92 billion to an estimated $117 billion in 1986, a 674 percent rise!

Indeed, it is fair to say that the principal reason why tax revenues paid by the top 1 percent shot up by 90 percent from 1981 to 1986 (from $51 billion to $96.7 billion), and their share of the total taxes from 18.1 percent to 26.1 percent, was the major reduction in capital gains tax rates.

What is amazing is that the CBO looked at this undeniable evidence and then managed to conclude that lowering the current capital gains tax rate would not generate higher revenues!

Part of the problem in such studies is attempting to separate out of the revenue trends over time the other economic factors (growth, inflation, etc.) which can be used by skilled ideologues to obfuscate even these seemingly obvious results.

This is why economists James Gwartney and James Long (of Florida State and Auburn Universities) took a "snapshot" one-year look at the actual federal tax revenues by state and by income group to see if the varying rates of state income taxes would make any difference to federal tax-paying behavior.

They found it did. In 1979, higher-income taxpayers living in states with 10 percent or higher marginal tax rates claimed 35 percent more shelter losses on their federal tax than those same high-income levels living in states with lower income tax rates.

They also claimed 16 percent more in deductions for interest, medical expenses, charitable contributions and miscellaneous expenses.

In every income group from $20,000 to $200,000, taxpayers in the high-tax states claimed more federal tax losses and deductions than taxpayers in low-tax states, and the differences rose with income levels, suggesting that relatively modest reductions in income tax percentages can produce huge reductions in the use of shelters, and therefore big rises in taxes paid.

The value of their study is that it does not have to worry about the economic climate, because it looks at only one year, and measures actual performance by level of tax, state-by-state. And it still proves that high tax rates are self-defeating.●

TIME FOR ACTION IN THE ROCHON MATTER

● Mr. SIMON. Mr. President, this past weekend the Nation learned what the FBI has known for 3 years: One or more FBI agents in the Chicago office engaged in a campaign of "retribution" against agent Donald Rochon for his complaints of racial harassment and discrimination by the Bureau.

I first learned about the Rochon matter in 1986 and convened a meeting with top officials in the FBI at that time. Judge William Webster wrote my constituent following that meeting and assured him that the matter "received the same rigorous attention the Bureau applies to all disciplinary proceedings." Since then, I have come to the floor to air the Rochon matter and share with my colleagues what I learned about it following the confirmation hearing of FBI Director William Sessions. The latest disclosure only confirms what some of us feared would be unprofessional and unacceptable conduct by some members of the FBI.

In discovery proceedings in Mr. Rochon's litigation against the FBI, the Bureau submitted a July 1985 statement taken of one FBI agent who acknowledged that in April of that year he and other agents discussed harassment of Rochon. The agent described discussing having Rochon's public utilities turned off, sending subscription coupons in his name, and following

Mr. Rochon home one evening to determine where he lived.

Today, I have written Director Sessions and called upon him to start taking the corrective steps so the Bureau can rid itself of the cloak of bigotry and lawlessness that this case has brought. Director Sessions is a leader who does not need to wait for a court of law to tell him what went wrong in this case. However, he has inherited a situation that is infecting the entire Bureau and shaking the respect of the Nation. He must act to correct the problem.

Mr. President, I ask that the Chicago Sun-Times and New York Times articles on the Rochon case be entered in the CONGRESSIONAL RECORD.

The articles follow:

[From the Chicago Sun-Times, July 6, 1988]

FBI AGENT ADMITS HARASSING BLACK

(By Phillip J. O'Connor)

A Chicago FBI agent has admitted in court papers that he and a number of white agents engaged in a campaign of "retribution" against a black FBI agent who contends he was a victim of racial discrimination.

The white agent, Gary W. Miller, admitted in 1985 he forged the signature of the black agent, Donald Rochon, on an application for death and dismemberment insurance for Rochon's family, the court documents show.

Miller's attorney, John L. Gubbins, said Tuesday the insurance policy was not intended as a threat. Gubbins said Miller filled out several forms seeking unsolicited merchandise for Rochon and didn't notice the type of insurance.

Rochon was the focus of anger and suspicion by white agents, particularly Miller and Thomas J. Dillon, another Chicago FBI agent, who earlier served with Rochon in Omaha and regarded Rochon as a troublemaker, the documents show.

The white agents accused Rochon of bringing unfounded charges of racism against other agents in both cities in an effort to be transferred to Los Angeles, his hometown, according to the court papers.

The documents were made available by David Kairys of Philadelphia, Rochon's lawyer, who is preparing to try a civil suit filed in Washington by Rochon. The suit charges the FBI and several white agents in Chicago and Omaha with violations of federal civil rights law.

Bob Long, a Chicago FBI spokesman, said Tuesday, "Racial discrimination has no place in the bureau and won't be tolerated." He added that the FBI could not comment further because a federal grand jury is investigating the Chicago incidents and because of the pending civil suit.

Included among the documents is a sworn statement by Miller, dated July 30, 1985, which says he began the campaign against the black agent "as personal revenge against Donald Rochon for making allegations against my personal friend, Tom Dillon."

Gubbins said Miller is not a racist but "didn't like how Rochon was harassing Dillon." Gubbins said Miller "mishandled the situation. It was not the right way to handle it. But to turn it into a case of racial discrimination—we categorically deny that."

Miller already has been suspended for two weeks as a result of the mail campaign. Miller and Dillon passed lie detector tests indicating they did not mail Rochon two anonymous, obscene letters threatening death and mutilation.

Former U.S. Attorney Dan K. Webb, who represents Dillon, said during the trial he will prove Rochon tried to portray a series of innocent office pranks as racial harassment. Webb said he doubts some of the incidents occurred.

[From the New York Times, July 5, 1988]

FBI AGENT ADMITS HARASSING BLACK—SAY FELLOW WORKERS PLANNED CAMPAIGN OF "RETRIBUTION"

(By Philip Shenon)

WASHINGTON, July 4.—A Chicago-based agent of the Federal Bureau of Investigation has acknowledged that he and a number of white colleagues planned a campaign of "retribution" against a black agent, Donald Rochon, whose case has prompted a national debate over racism in the bureau.

Newly released F.B.I. documents also show that the white agent, Gary W. Miller, has conceded that in 1985 he forged Mr. Rochon's signature on an application for death and dismemberment insurance for the Rochon family.

Mr. Rochon has described the unsolicited insurance policy as a death threat. Mr. Miller, who was suspended without pay for two weeks as a result of that incident and others aimed at Mr. Rochon, has denied that he was trying to harass the black agent.

AGENTS ADMIT HARASSMENT

The disclosures, contained in court papers filed here Friday, are significant because they amount to the first public acknowledgment by the bureau that white agents may have participated in harassment of Mr. Rochon in Chicago, where he was assigned from 1984 to 1986.

The newly released documents are bound to cause further embarrassment for the bureau, which has come under sharp criticism by Congress over the Rochon case and over other discrimination claims involving black and Hispanic employees. More than half of the F.B.I.'s Hispanic agents have joined in a separate lawsuit against the bureau, charging that they faced discrimination in hiring and promotion.

Mr. Rochon has said that while living in Chicago, his family's safety was repeatedly threatened in anonymous telephone calls and obscene, racist letters from white F.B.I. agents.

The Justice Department and the Equal Employment Opportunity Commission have already found that Mr. Rochon was the victim of "blatant racical harassment" in the F.B.I.'s Omaha office in 1983 and 1984. In one incident someone in the Omaha office taped a picture of an ape's head over a photograph of Mr. Rochon's son.

Mr. Rochon has long contended that the later incidents in Chicago, which are now the subject of an investigation by Federal grand jury, were more serious than the harassment in Omaha.

CHARGES RIGHTS VIOLATIONS

The newly released documents were made available to Mr. Rochon's lawyer, David Kairys of Philadelphia, in preparation for trial on a civil lawsuit filed by Mr. Rochon in Federal District Court in Washington. The suit charges the bureau and several white F.B.I. officals in Chicago and Omaha with violations of Federal civil rights laws.

"It's quite significant," Mr. Kairys said of the F.B.I. documents. "This corroborates what Don Rochon has been saying all along. It corroborates that there was a conspiracy among F.B.I. agents to racially harass Donald and his family."

The documents, which include the records of an internal investigation of Mr. Rochon's charges, make it clear that Mr. Rochon became the focus of intense anger and suspicion by white agents in Chicago, particularly Mr. Miller and Thomas J. Dillon.

The white agents have said that Mr. Rochon was a troublemaker who brought unfounded charges of racism against other agents in the Omaha and Chicago Offices in an attempt to be transferred to Los Angeles, his home town.

Dan Webb, a former United States Attorney in Chicago who is representing Mr. Dillon, one of the defendants in the lawsuit, said he would prove in the trial that Mr. Rochon had tried to portray a series of innocent office pranks as "some kind of racial harassment."

He added. "The motivation here was really one of Rochon trying to put pressure on the bureau to get his transfer." Mr. Webb said he believed that some of the incidents described by Mr. Rochon as racial harassment never occurred.

Mr. Kairys, Mr. Rochon's lawyer, described as "offensive" any attempt to label the black agent as a troublemaker. "This guy withstood unnecessary, unmerited harassment without reacting violently or inappropriately," the lawyer said. "He acted exactly as we would want him to react."

The director of the F.B.I., William S. Sessions, has described Mr. Rochon's charges as "very serious" but has declined to discuss details of the case because of the pending litigation.

In a sworn statement dated July 30, 1985, that was included among the F.B.I. documents, Mr. Miller said he began his campaign against the black agent "as personal revenge against Donald Rochon for making allegations against my personal friend, Tom Dillon."

Mr. Dillon, who worked with Mr. Rochon first in Omaha and later in Chicago, has been described by the Equal Employment Opportunity Commission as Mr. Rochon's "greatest single antagonist."

After an investigation of the Omaha incidents, the F.B.I. directed Mr. Dillon and two other employees to undergo racial sensitivity training. It is unclear from the F.B.I. documents whether anyone other than those three and Mr. Miller has been disciplined in any way for actions against Mr. Rochon.

Mr. Miller and Mr. Dillon are still assigned to Chicago. Mr. Rochon now works for the F.B.I. in Philadelphia.

Until now, the bureau has refused to discuss the Chicago incidents or to acknowledge the results of its internal investigation of Mr. Miller.

DOCUMENTS DESCRIBE "RETRIBUTION"

However, according to the newly released documents, Mr. Miller has acknowledged that in April 1985 he had a discussion with a number of white agents about "retribution against Rochon" for his complaints.

"We discussed having his public utilities turned off and sending coupons soliciting magazine subscriptions and other items," the agent said in the sworn statement.

"On that same day someone, I don't recall who, placed on the desk next to mine approximately six reply cards for various types of merchandise," Mr. Miller is quoted. "I completed three at that time under Donald Rochon's name and residence requesting the products. I don't know if anyone else did the same."

As a result of the mail campaign, Mr. Miller was suspended for two weeks without pay. F.B.I. officials confirmed that other agents in Chicago raised a collection for Mr. Miller to cover his salary for that period.

Mr. Miller, the documents show, has confirmed that he followed Mr. Rochon home one evening in an attempt to learn where he lived. Mr. Rochon's home address was kept a secret from most of his colleagues because of his harassment charges.

The documents also demonstrate Mr. Dillon was aware of Mr. Miller's activities but has denied involvement.

ROCHON DESERVES DISCOMFORT

"I told Mille that I did not want to know anything about any activity concerning Mr. Rochon," Mr. Dillon said in a sworn statement, adding, "I will admit that I think Rochon deserves as much anxiety and discomfort as I have experienced."

F.B.I. polygraph, or lie detector, examinations found that Mr. Miller was truthful when he denied writing or mailing two anonymous, obscene letters to Mr. Rochon that contained threats of death and mutilation, according to documents. Bureau officials say Mr. Dillon also passed lie detector tests regarding the letters.

Mr. Rochon said he received the letters at about the time Mr. Miller was sending out the other unsolicited mail, including the life insurance policy. One of the letters threatened sexual assault of Mr. Rochon's wife, who is white; the couple is not separated.

"You made yourself a nigger and shall pay the price," the letter read. "You are always in our sights and cannot escape."

A bureau laboratory examination of one of the letters was "inconclusive" as to whether it was written on Mr. Miller's typewriter, according to the documents. Mr. Kairys said he hoped that further investigation would show both letters were written by the white agents.

According to lawyers in the Rochon case, Mr. Miller is a focus of the Federal grand jury in Chicago that is reviewing the black agent's charges of death threats and other harassment.

Mr. Miller's lawyer, John L. Gubbins of Chicago, said prosecutors are reviewing the incident involving the death and dismembership insurance.

According to the lawyer, the insurance policy was not intended as a threat to Mr. Rochon and his family. Instead, Mr. Gubbins said, Mr. Miller filled out several business reply forms seeking unsolicited merchandise for Mr. Rochon, including the insurance policy, and did not notice the nature of the insurance coverage.

The lawyer said Mr. Miller sent the unsolicited mail to the Rochons not out of any racial animosity but as a sign of "loyalty to a friend," Mr. Dillon, who had been the subject of some of the black agent's charges in Omaha and Chicago.

"He was upset by what Rochon was doing to Dillon's life," Mr. Gubbins said of his client.

In a sworn statement to the bureau, Mr. Miller described the mail campaign as a "foolish and unprofessional attempt to get back at someone."

"I had no intention of harming Rochon by any of this," he said. "I did not think that there would be any repercussion. I did not think he would get anything but junk mail. I did not think."●

PLANT-CLOSING NOTIFICATION, S. 2527

● Mr. KARNES. Mr. President, I rise today to commend the majority leader for following the recommendation of the President to bring this plant-closing legislation to the floor as a free standing measure. As I have stated before, this matter should not have been a part of the trade bill nor should it have been a part of the trade debate. The wisdom of the President and the comity of the majority leader have brought about a comprehensive and productive debate on the merits and the shortfalls of this bill.

The debate on this bill has had a positive impact. The debate has presented the public with a better understanding of what this bill does and does not do. And, most importantly, the debate has resulted in many substantive changes which change and clarify the bill's language.

Without debate, the amendment which I cosponsored with Senator DOLE that exempts drought-stricken industries would not be a part of this bill. Without Senator HATCH's amendments, the bill would have disrupted the delicate balance between labor and management now present in the law, Federal courts would have been able to enjoin companies from letting people go or closing a plant, and the issue of attorney fees would not have been adequately resolved. Without the amendment of the Senators from Arkansas, we would not have the Comptroller General study assessing the impact of the bill 2 year's after enactment. I am pleased to have supported all of these amendments.

Mr. President, these changes do make a difference and make the bill better than the provision which was attached to the trade bill. With the Dole-Karnes amendment, no notice will be required if the plant closing or layoff is due to any form of natural disaster, such as the drought currently ravaging the farmlands of the United States. This is very important to a State like mine where so many businesses in the State are tied so closely to the volatile and unpredictable agricultural economy. The current drought conditions throughout every corner of this country have sent the commodity markets into turmoil. Companies in my State which are tied to this ever changing market will need to have the flexibility which this amendment provides.

The Bumpers-Pryor amendment is, in my opinion, essential. This would not have been a part of this measure if the Senate had not opened this matter up for debate. This provision is very similar to Senator QUAYLE's Senate Resolution 218, of which I am a cosponsor. This provision will provide us with the evidence needed for the modification or, if necessary, repeal of this legislation in the future.

Mr. President, it is the duty of the Senate to debate all legislation before we vote to enact it into law. It is our duty to modify legislation, when necessary, to compose laws which reflect compromise and deliberation. I am satisfied that we have done that on this bill.●

DAVID T. WILENTZ

● Mr. LAUTENBERG. Mr. President, I rise to note with sadness the passing yesterday of a great New Jerseyan, David T. Wilentz' and to pay tribute to a long life of accomplishment and service.

David Wilentz is known by many as the man who, as attorney general of New Jersey, successfully prosecuted Richard Bruno Hauptmann, the kidnaper of Lindbergh baby. He served as attorney general from 1934 to 1944. He went on to build one of the State's most prominent law firms, Wilentz, Goldman & Spitzer. He was a leader of the Democratic party, in his home county of Middlesex, and in the State and the Nation. He was an advisor to Governors and Senators. Even at the age of 93, he was a vigorous man who still was very much involved in his law firm.

David Wilentz, path to prominence began from the humblest beginnings. He was born in Dwinsk, Latvia in 1894. He immigrated in the United States at the age of 2. His father had a tobacco wholesale business. David Wilentz worked his way through college and graduated from New York Law School in 1917.

In 1921, he began his political career, guiding Perth Amboy city council candidates. In 1923, he guided the election of the first Democrat elected as a freeholder in Middlesex County. In 1928, he was elected Democratic chairman for Middlesex County. With his leadership, the county became a Democratic stronghold. He was soon thereafter offered the chance to become attorney general.

His success as attorney general increased his influence within the State Democratic party and in national party politics as well. At the same time, his law firm grew to become one of the State's largest and most successful.

His commitment to public service was also passed on to his children. His son, Robert T. Wilentz, now serves as chief justice of the State's supreme court, and his son Warren Wilentz was an unsuccessful candidate for Senate, losing in 1966 to Clifford Case.

Mr. President, an era in New Jersey comes to end with the passing of David Wilentz. I express my deepest sympathies to his wife, Lena, his sons, his daughter Norma Hess, his sister Ada Trynin, and his many grandchildren and great-grandchildren.●

INFORMATION CONSENT: NEW YORK

● **Mr. HUMPHREY.** Mr. President, no matter which side one is on regarding abortion, we all must agree that women are entitled to adequate information when considering abortion. And yet, each day women are submitting to abortions without first being fully informed about the risks, effects, and alternatives.

My informed consent bills S. 272 and S. 273, would go a long way toward ending this injustice toward women by requiring medical personnel to provide appropriate, factual, medical information. I urge my colleagues to support these bills and I ask that seven letters from New York be inserted in the RECORD.

The letters follow:

NEW YORK, *April 21, 1988.*

Hi, my name is Diane, I'm 30 years old, a wife going on 10 years and a mother of 3 ages 8, 6 and 4. I love my family, thoroughly enjoy being home fulltime with the children, am active in church groups and Bible studies.* * * This is the Diane today—Now, let me tell you about the Diane beginning at the age of 16. Thats when I had my 1st abortion, the 2nd at 18 and the 3rd (yes 3rd) at almost 20.

10-14 years later I find, myself waking up at night horrified at what I've done—suicidal never enters Thank God, but just the same the extreme since of guilt and shame. * * * The same tears are being shed now as were those before.

Funny, how I find myself reading articles like "The other victims of abortion" in the Lutheran Womens Quarterly. Its because of that article that I am writing. I am one of those hundreds, if not thousands, of women who suffer from PAS.

I not only find times of depression in myself when thinking about the abortions, but I find extreme anger. Not just in myself—in the young men (who consequently all left my side) and in my parents. I suppose I can see their side of the story—both upstanding citizens, very active church members * * * My father paid all 3 and because of all this I'm angry that they supported my wanting an abortion, in 2 cases they suggested it—I fell for it, you know; the easy way out—Ha—all these years later there is nothing easy about it. It hurts even more just because I know I killed Gods Children—I don't even know if they were granted passage into Heaven (kind of hard to Baptise aborted children). I know the Lord has forgiven me, I continually ask for forgiveness—whats difficult is forgiving myself, (at times the other young men and my folks.) Its getting somewhat better.

Life goes once. God granted me a wonderful husband—God even gave me "3" other children. I'll probably never get over what happened 10-14 years ago—it will be there until my dying day—knowing that what I suffer from has a name now and knowing that other women also suffer the same disease (PAS) doesn't make my plight any easier—knowing that God has forgiven me, that my husband and children love me does help (maybe its those 3 things that keep me from being suicidal!)

Why in Gods name was abortion legalized??? Would I and the other women be suffering from this now had they not? I don't suppose we'll know now will we?

Sincerely,

DIANE.

President RONALD REAGAN,
The White House, Washington, DC.

DEAR MR. PRESIDENT: I am writing to you on behalf of myself and all other individuals who have been victimized by the abusive abortion industry. I have been a pro-life activist for almost three years, after having had an abortion over seven years ago.

I grew up in suburban Maryland with a violent alcoholic father and a mother who was rather passive to the situation. Our family life was generally unhappy, and after my two older brothers moved out, I wanted nothing more than to get out also. I entered a New York college, but remained sexually involved with a Maryland boyfriend who had been drifting away from me. I felt rejected by my family's refusal to do anything about the alcoholism that was destroying us all emotionally, and could not stand the idea of my boyfriend rejecting me also. Unfortunately, I played the old game, in my misguided search for belonging; I went home on a holiday, hoped to get pregnant, did, and hoped the boyfriend would marry me. But he thought our Maryland baby had a New York father, and he gave me no support.

Up in New York, I had heard ads for an abortion facility—Bill Baird—on a local radio station. They spoke of Baird as if he were some kind of hero; they said he'd gone to jail for my "right to have an abortion." I figured that since my boyfriend had rejected me, I'd have to take recourse to this facility, which was within walking distance from Hofstra. A college professor also recommended this place to me, and helped me pay for the abortion; he suggested no alternatives. The friend who dropped me off there didn't suggest I have the child either, and I didn't feel I could tell my parents. I was eighteen, and still a college freshman.

I was kept in the facility, with various delays, for about eight hours, although the suction abortion took only about five minutes. It seemed like the only thing to do at the time, but now that I look back I realize how much Baird's promotional efforts contributed to my fall down the escape hatch of abortion, and how much I was exploited in general.

First, for what other type of major surgery do you have to put cash up front? For what other serious operation do you have to sign a release form which says in effect that although numerous things might go wrong, you will not hold it against the facility? Furthermore, I was "counseled" in individual and group settings, and in both cases was lectured that if I left there without the Pill or an IUD, I'd be back within a year for another abortion. I remember being annoyed with that estimation of my character—as if sexual self-control was an impossibility and continued promiscuity a given.

I was shown a model of the womb during counseling, and was told about the kind of scraping and so on that would go on there. Once again, I now realize how much I was misled—for that model showed no inhabitant in the womb, the unseen victim of the procedure whose agony I was to learn about later through the educational efforts of pro-lifers. Nor was I told that the loud and violent suction aspirator is around 29 times more powerful than an average home vacuum cleaner, or that the death date of my baby would be etched in my mind permanently. April would soon become, quite literally, the cruelest month for me. No, I was merely told that they were just starting my period for me; and this, I now know too late, was a blatant lie.

During the abortion I was kept confused and distracted. I suppose to keep me from thinking about what I was taking part in. There was a mobile of silver birds right over me, a counselor holding my hand and asking questions about school, and the abortionist talking in a monotone simultaneously, describing in a merely technical way what was going on. Another woman was next to this man watching his every move. I remember her peering between my legs with a disgusted look on her face.

I was told that I was given seven internal shots, though I don't recall them doing much good. When I showed some aversion to the pain of the suction, the doctor told me to shut up, and threatened to send me to a hospital, where he said it would cost $300. He asked if I had $300; I cried out "no", in anxiety and pain; and he repeated that I should shut up. It seemed the height of insensitivity to even speak of money at such a time. As soon as the abortion was over, the room emptied of these people instantly, and I felt suddenly and terribly alone. I sat up, my head swam, and I went to a so-called recovery room.

In this room were a bunch of young women sitting around eating cookies and coke, and then rushing for the two bathrooms and throwing up. I had to ask someone if I could go ahead of her, because I just couldn't wait. I hadn't expected to throw up, but in looking back, it's not surprising; I'd lost my child, my body and mind had been ravaged by the trauma of the nerve-wracking day, and I'd been unprepared for the violence of the operation. I'd also disregarded a counselor's advice to wear sweatpants "to be comfortable for the day"; and the pants I wore were ruined by the extreme and unexpected loss of blood—my baby's blood as well as my own. Incidentally, it is worth mentioning that while my doctor was so emotionally abusive to me, another was physically abusive to a friend of mine; she had a botched abortion elsewhere and had to return to have the decomposing remnants of her baby removed. The abortionist has had since been fired from the Bill Baird center due to the numerous malpractice suits against him.

I rationalized my abortion for almost five years, and even contributed to the National Abortion Rights Action League. My life became very self-destructive due, I believe, to the lowered self-esteem caused by the abortion. I led a careless sex life and got involved with drugs, punk rock, the occult, and decadent living in general. Finally in 1983 I had a religious experience in which I was able to release my suppressed grief and guilt to God, and admit my need for His healing. Then after reading Dr. Bernard Nathanson's *Aborting America,* I became convinced of the humanity of the unborn, and the need to speak out in their defense.

Things started working out after that, and I soon had opportunities to do active grassroots pro-life work. I'm now doing graduate work at Hofstra, and am working with a Pro-Life Club founded on campus during the fall of '84. We do educational work on campus, host pro-life speakers and events, and even picket Bill Baird each Saturday morning.

Another friend from this club, the one who had the botched abortion at another clinic, is assisting me in forming Aborted

Women's Outreach, a nonsectarian support group for women who feel they've been victimized by abortion. We are eager to warn others of the true nature of the abortion experience.

On the personal level, I still suffer somewhat from my abortion. It's difficult for me to watch The Silent Scream and other pro-life films. I miss my child, and sometimes have crying spells in which I ask his forgiveness and pray for the rest of his soul. I'm often plagued by the memory that the abortion industry exploited me through its conspiracy of silence about abortion's long-term scars, which deprived me of a truly informed decision.

Mr. President, I hope you will regard this testimony, and all others like it, as a voice of experience to contribute to the growing consensus on behalf of protecting unborn children and women from undergoing this regrettable procedure. I thank you for all your pro-life efforts, and hope to commend you for your genuine concern for the second victims, the adult casualties of abortion. Keep on telling the truth!

Sincerely,

KATHLEEN KELLY.

Senator GORDON HUMPHREY,
531 Hart Building, Washington, DC.

DEAR SENATOR HUMPHREY: I am writing concerning the bill before Congress that would require that pregnant women considering abortions be informed of all alternatives to, and advised of all possible complications of, abortion.

Senator, let me share with you the story of Amy. A bright, intelligent, sensitive girl, we met in our freshman year of college. She was cheerful, happy, and she had a promising future ahead of her. In her sophomore year, she fell in love, became intimate with a boy, and became pregnant. Facing the pressure of family not to have the baby, tempted by the ease and quickness of a solution, she chose to have an abortion.

The change in Amy over the next two years was sad to watch. Depressed, confused, missing purpose in her life, she turned to drugs, drinking, to loose living. She became increasingly anxious and upset. She contemplated dropping out of school. Finally, she attempted suicide.

After two weeks in intensive care, which saved her life, she returned to her home. Over the past year and a half, she has been putting her life back together, one day at a time. Happy to say, she seems more at peace, happier, and has a strong will to live.

I spoke with Amy a few nights ago. She's back at school, about to finish her degree in August. She talked about the last few years in her life. She said, and I quote, "If there is one thing I would never do in my life again, it would be to have an abortion."

Senator, this is the story of but one that is too rarely told. I urge the Congress to take a responsible position regarding this issue. There are already too many Amys in the world.

Sincerely yours,

GARY WOHL.

NEW YORK.

DEAR SENATOR HUMPHREY: I was unfortunately a victim of abortion. In 1973 I found myself pregnant for the second time. I allowed society and family to sway my decision to abort. They told me to think of myself. They said we were too poor to have any more children.

If I had known the truth about the life inside me—that my baby's heart was beating and that he was really a living human being, I would have never aborted. However, at the abortion clinic I was led to believe that my baby was just a "mass of tissue."

I suffered from guilt and depression because of my abortion. It caused me to resent my husband for his lack of concern and this affected our marriage. When I came to the realization that I had allowed them to kill my child, I was devastated. I felt I was robbed because no one had told me the real facts about abortion, they just talked me into it.

I still consider the place this child would have had in our family if I had only known. I consider the fact that I have robbed my children of a brother (I was told after the abortion that it was a male).

Please vote for the Informed Consent Law to be passed. I would still have my child today if it was in affect in 1973. Don't let any more girls be hurt because of a lack of information.

DANA DIGGES,
WEBA Member.

DEAR SENATOR HUMPHREY: I read that you are doing a study on the after-effects of having an abortion. I don't like to think about the subject, because it reopens old wounds, but I feel obligated to write, because for me, PAS—"Post Abortion Syndrome"—is real. When I had my abortion about 10 years ago, I was "counselled" before going through the procedure. The "counselling" consisted of being told the steps of the procedure and making sure I understood I would not be pregnant when I left. No emotions or feelings were even mentioned, as if there was or should be no such thing. After it was done, I spent weeks crying (in private)—even as I had cried in private for days before. I felt depressed and "hated" or was extremely jealous of, any woman who was pregnant or had a baby. I've tried to repress and control these feelings over the years, but I'm afraid they're with me to some extent for the duration of my life. Every time I seem to have forgotten everything, the subject comes up in the news or in conversation, etc. It's very hard.

I don't condone what I did. I regret it. I know God has forgiven me, but don't feel forgiven by many in religious groups. I do find it strange that some of the same religious groups that very vocally condemn all women who have had abortions, advocate compassion for Aids patients. I feel that it is a double standard. Many Aids patients have been involved in drugs, etc., and to me are a threat to society's health. I know this is off the subject that I started writing you about, but since you are working with the Department of Health and Human Services, I would like to voice my opinion on this, too. I think we are handling Aid's too casually. No, I don't think verbally condemning Aids patients would help, but if the virus is found in blood, sweat, and saliva, as it is, I think eventually the medical profession will admit it can be contracted casually. Unfortunately, by then, a lot of unknowing and unsuspecting people will have the virus and it may be too late to stop the epidemic. This is just my opinion, but I think honesty and caution are the best policies.

CONCERNED.

COOLESKILL, NY,
June 7, 1986.

DEAR SENATOR HUMPHREY: When I was sixteen and a junior in high school I became pregnant. My parents offered abortion to me as an option. Not knowing any more about abortion than they did, I had the abortion. I'm telling you this because I want to express my support of the current informed consent legislation before you.

When a woman is faced with a crisis pregnancy as I was, what is foremost in her mind is all the negative aspects. Maybe she's young and single as I was, needing to finish high school and looking ahead to college. Maybe she has small children already and practically handle another one or her own. There are scores of reasons and circumstances that tend to make the situation look impossible. The point is this—she may have many reasons why she should have an abortion, but none why not to. It's just harder to see the latter than the former at a crisis time but it doesn't mean there aren't any viable reasons why not to. Unfortunately she usually finds out after it's too late that there are very good reasons why she shouldn't have aborted.

I believe if there was an informed consent law it would prevent this from happening. A woman would have to be made aware of all the options and all the possible consequences of abortion before she consents to having one. I believe women have a right to know and when the truth is not made known to them they are being taken advantage of.

If I knew then what I know now about the lasting effects of an abortion, I would have given my baby life and saved myself a lot of heartache.

Thank you for your support of this legislation.

Sincerely,

LISA MURRAY.●

FIVE AMERICAN HEROES

● Mr. LAUTENBERG. Mr. President, I rise today to honor the memory of five brave Americans. Five Americans who served their communities with valor and dignity. Five Americans who gave their lives in the service of others.

Mr. President, last Friday, a great tragedy befell the people of Hackensack, NJ. In the course of fighting a fire in the garage of an automobile dealership, five firefighters were trapped under a collapsing roof. None survived.

Capt. Richard L. Williams, Lt. Richard Reinhagen, and firefighters Stephen H. Ennis, William Krejsa, and Leonard Radumski are no longer with us. But they will be remembered always as true American heroes. Their selfless dedication to public service represents the best of America and our people. They risked their lives not for money. Not for fame. Not for glory. They risked their lives to serve others—other ordinary Americans, the people of their communities.

Their loss is painful. And our hearts go out to their families and friends. We know how much they hurt. We only hope they can take comfort in knowing that they are not alone.

We share their sorrow. We share their grief. Know that the pain is felt not only in Hackensack, but throughout the Nation, and even beyond our country's borders. Know that we are with you, and that we will never forget the heroism of those no longer with us.

The passing of these five brave men highlights the debt of gratitude we all owe to our Nation's firefighters. Every day, these brave men and women put their lives on the line. Selflessly. Courageously.

The bravery of these firefighters serves as an inspiration to the rest of us. And in honoring the five men lost last Firday, we honor all firefighters.

Let us never forget those who protect us from the damage and destruction of fire. Just as we will never forget the five men who tragically gave their lives in the noble cause.

Mr. President, I ask that an editorial from the Hackensack, NJ, Record be printed in the RECORD at the conclusion of my remarks.

The editorial follows:

[From the Hackensack, (NJ) Record]

FIVE BRAVE MEN

Capt. Richard L. Williams, 63, Lt. Richard Reinhagen, 48, William Krejsa, 51, Stephen H. Ennis, 30, Leonard Radumski, 38. They were all Hackensack firefighters, they were all brave and dedicated men, and now they are no more. The inferno that claimed their lives Friday afternoon left children without fathers, wives without husbands, and robbed friends and fellow workers of valued companions. That's the threat that menaces every time a firefighter answers an alarm. In Hackensack on Friday afternoon, the menace became reality with a roar of collapsing roof beams and a flash of flame.

The tragedy was a terrible reminder that for a firefighter, no job is routine and no time on duty is really safe. All across their city and nation Friday, workers were leaving jobs early and getting ready for a July 4 weekend of trips to the shore or backyard barbecues. But at 3:01 p.m., a call came into Hackensack fire headquarters on State Street, firefighters responded, and five of them died. They lost their lives in the line of duty, serving their community. This week, and for years to come, their community will mourn their sacrifice.

New Jersey must do more than grieve, however. It must do everything in its power to guard firefighters from such tragic losses. And that means doing more to improve safety in the thousands of buildings that were erected before the uniform state construction code took effect in 1977 and that are exempted from fire regulations adopted in 1985. The Ford dealership where the fire struck, for instance, was not required to have the fire sprinklers that would have been demanded in newer buildings.

The state, prodded by a series of fatal boarding home fires that hit the shore in 1980-81, has been bringing older buildings up to date. Up to now, the effort has focused on hotels, nightclubs, restaurants, nursing homes, day-care centers, and other structures that have special problems because large numbers of people gather in them, or because many people would need assistance fleeing a fire.

Methodically, the Department of Community Affairs has been compiling an inventory of such buildings, and local officials have been monitoring them to see that smoke detectors or sprinklers are purchased or fire doors improved. These buildings deserve priority. But the job will be complete by next June, according to George Miller, head of the state Bureau of Fire Safety. And Friday's tragedy shows that it's time to turn inspectors' attention to the hazards of smaller commercial structures.

To see that this happens, the Legislature should create a special commission to compile a list of such buildings that pose special dangers. The Ford agency, with lack of sprinklers and a truss roof susceptible to collapse in case of fire, would probably have shown up on such a list. The commission should examine use of revolving loan funds or other ways to offer low-cost assistance to businesses making fire-safety improvements. Only boarding home operators are now eligible for such aid. After a serious highrise fire in Los Angeles, the city plans a bond issue to raise $35 million to help pay for improvements.

The commission should ask if the statewide fire-safety regulations adopted in 1985 are being properly enforced, or if they need amendment. And it should carry out a specific examination of the circumstances of the Hackensack blaze to see if there are other lessons to be learned. New Jersey already has a Fire Safety Commission in place. But a special study commission should be created to include representatives of the general public and of the business community, many of whom have serious concerns about the cost of fire safety improvements.

No recommendations, regulations, or legislation can bring back five brave men, or console their family and friends. But the best memorial New Jersey could offer would be a bulwark of new protections that might save firefighters' lives in the future.●

STAR WARS AFTER FIVE YEARS

● Mr. HARKIN. Mr. President, 5 years and $13 billion after President Reagan asked scientists and engineers to explore the possibilities for rendering nuclear weapons "impotent and obsolete," it is time we took stock of what the strategic defense initiative organization has learned about defending against ballistic missiles. Despite continued optimistic rhetoric from the SDIO and a few private star wars enthusiasts, the real prospects for any meaningful ballistic missile defense in our lifetimes is dismal.

The program goals have steadily decreased over the last 5 years. While even the program managers never embraced the President's dream of an impenetrable shield, they and their system architects originally talked of 90- or 95-percent effectiveness as a long-term goal. Sensing an errosion of support when study after study concluded that such robust defenses were many decades and hundreds of billions of dollars in the future, the SDIO, in a major departure from previous long-term research plans, reoriented the program toward an "early deployment" plan in the fall of 1986.

The goal of this phase 1 space-based constellation of 3,000 smart interceptor rockets was to disrupt the timing of Soviet missile attack or to "complicate Soviet attack plans." While the SDIO claimed that this phase 1 system might stop 30 to 50 percent of Soviet warheads by the mid-1990's, in fact it probably could stop no more than 15 percent, unless the Soviets cooperated by slowing the pace of missile modernization by keeping their old liquid-fueled missiles instead of converting to the faster burning SS-24's and SS-25's; by not adding more missiles; and by firing their missiles over a long period of time during an attack, instead of launching a large-scale coordinated attack.

Most recently, the Everett Defense Science Board panel recommended a further watering down of SDI goals, calling for six sequential deployment steps. The phase 1 early deployment plan of last year that might stop 15 percent of Soviet warheads would not occur until step 5 of this sequence. These recommendations are much more realistic, given the state of technology and the estimated costs of planned defensive systems.

In effect, we have quadrupled star wars research funding over these last 5 years, only to find that the best we could do would be to protect missiles silos for several tens of billions of dollars, the scheme we abandoned in 1975 as too costly and too ineffective, or to complicate Soviet attack plans for several hundred billion dollars, as if their nuclear attack plans needed any more complication.

It is clear that there is total confusion and lack of reality in the Pentagon's star wars objectives, costs, and capabilities, at least prior to the Everett report. The next administration must sort out this morass, and return the SDI Program to a rational, cost-effective basis, comparing the potential benefits of further SDI research with the benefits from other defense programs or arms control measures which could achieve the same goals.

For example, should we spend a minimum of $150 billion to stop 15 percent of Soviet warheads 10 years from now, unleashing an unending arms race on Earth and in outer space in the process, or should we immediately eliminate 50 percent or more of Soviet warheads at no cost through the arms control process?

To help sort out these important issues, our colleagues, Senators JOHNSTON, BUMPERS, and PROXMIRE have commissioned a realistic assessment of current SDI plans, costs, and limitations. Their staff aides have written a condensed version of this study entitled: "Star Wars After Five Years: The Decisive Point," which has been published in the July/August issue of Arms Control Today. I ask that it be included in the RECORD and commend it to anyone concerned about the future hemorrhaging of our defense research dollars to a program with little chance of contributing significantly to our national security.

The article follows:

STAR WARS AFTER FIVE YEARS: THE DECISIVE POINT

(By Ronald L. Tammen, James T. Bruce, and Bruce W. MacDonald)

The following article was adapted for Arms Control Today from a new staff report, Star Wars, at the Crossroads: The Strategic Defense Initiative after Five Years, submitted to Senators William Proxmire (D-WI), Bennett Johnston (D-LA), and Dale Bumpers (D-AR) on June 12, 1988. For each of the past two years, Proxmire and Johnston have directed members of their staff to prepare an in-depth report on SDI, and on both occasions the reports were adapted for ACT. Bumpers has joined them this year in commissioning a third report, which contains significant new information about the SDI budget and the prospects for a Phase I strategic defense.

After five years and $13 billion in funding, the Strategic Defense initiative is at a crossroads, and the nation must make fundamental decisions about its future. In our judgment, the SDI program is embarked on a schedule it cannot achieve, with assumptions about levels of funding that are unrealistic. When coupled with significant underestimates of Soviet responses and countermeasures to strategic defenses, this is prescription for financial and military disaster.

In 1986 the Strategic Defense Initiative Organization (SDIO) projected a comprehensive strategic defense deployment at the turn of the century. But last year the administration abruptly accelerated that schedule and called for deployment of a partial system beginning in the mid-1990s. This push for an "early deployment" has now stalled. SDI contractors and officials privately concede that they are no longer pursuing early deployment. The delay means SDI's "Phase I" deployment, if it happens, will not be "early" at all. In that sense" early deployment" is dead. The best that SDIO can do is to deploy a "thin" system in about the same time frame they had originally hoped to deploy a comprehensive defense.

Now the program has come full circle and, although SDIO refuses to provide a precise date, we believe initial deployment of SDI's Phase I will be delayed until at least 1998, with full operational capability of the partial defense three years later. Even this projection is extraordinarily optimistic because it assumes substantial real growth year after year in the SDI budget, availability of new, advanced launch vehicles, and no major technological delays.

SDI COSTS

Projected costs for a Phase I deployment have spiraled upward at a dizzying rate in less than a year. On March 19, 1987, SDIO Director Lt. General James Abrahamson testified that achieving a Phase I deployment would cost $40-60 billion. In September 1987 he raised his estimate to $70-$100 billion for an "initial, partially capable but very impressive deployment." Then in February 1988 he announced that the cost had risen to $75-$150 billion.

It is important to understand that Abrahamson's estimate of $75-$150 billion is only for the demonstration and validation, full scale development, and deployment of Phase I elements. Not included are the additional costs SDIO would incur during that period for research on directed energy weapons, advanced sensors, advanced discriminators, and the kinetic energy weapons and command, control, and communications systems not included in Phase I. For the period FY 1988-1992, those additional research costs total over $28 billion. Moreover, operation and maintenance costs for Phase I are not included in the official deployment estimate. These costs will run $2-4.2 billion per year.

One national laboratory study has estimated the life cycle costs of a second phase SDI defense at $541 billion. Since life cycle costs for Phase I, using SDIO figures, could be as high as $171 billion, the total cost for the first two phases of SDI could approach three-quarters of a trillion dollars. No one knows, of course, what Phase II, much less the ultimate SDI system, eventually would cost, but I would be incorrect to dismiss the oft quoted trillion dollar price tag as fantasy. In light of these estimates, we should note Abrahamson's remark of last year, "If SDI cost a trillion dollars, I will be in their saying that it is not affordable. . . . The cost of SDI must be a lot less than that; it must be something that is truly affordable for the nation."

CONGRESSIONAL SUPPORT

Shortcomings in the Phase I program cannot be dismissed as the result of congressional budget cuts. In the past five years Congress has provided 92 percent of the amount the President's own scientific advisers secretly told him in the landmark 1984 "Fletcher Report" would be adequate for an SDI research program. The Fletcher Panel recommended a total of $14.3 billion for a fiscally constrained, as opposed to a "crash," program; Congress appropriated $13.1 billion for FY 1984-1988.

Adding what already has been appropriated for SDI, the total SDI research program from inception to a decision for full scale development of Phase I will be about $50 billion. If SDI proceeds on schedule, by FY 1992 the annual budget request will be $11.5 billion, more than either the Army or the Navy now spend on research, development, testing, and evaluation (RDT&E) for *all* their programs.

Just the research for Phase I, not to mention its deployment, presumes funding which does not comply with congressional direction that "future research plans and budgets for SDI must be established using realistic projections of available resources in the overall defense budget. . . ." If Congress continues to fund SDI at the levels hoped for by SDIO, other important Department of Defense programs that add to nuclear deterrence and confuse Soviet war planners will be undercut.

SPACE LAUNCH DIFFICULTIES

One principal reason for the delay in deployment is the need for a cost-effective space launch system. The Advanced Launch System (SLS), critical to placing Phase I in space at an affordable cost, will not be available at least until 1998. Even that date is likely to slip, as the program has been scaled back to a technology development effort.

SDIO officials see the development of this new space launch capacity as a monumental undertaking that will require a "complete revolution" in America's space effort. The United States launched a total of about 350,000 pounds into earth orbit during 1985, yet SDIO estimates that SDI deployment will require lifting as much as five million pounds in orbit per year. To meet cost and schedule goals, SDIO must increase launch capability by 14 times the annual totals preceding the Challenger space shuttle disaster and drive launch costs down by a factor of 10.

High-ranking Air Force officers are pessimistic about achieving a ten-fold reduction in launch costs to a rate of $300 per pound, even by the turn of the century. One Air Force general called the $300 per pound goal for ALS, "Dumb as dirt . . . I kill captains and majors for that." With funding requests for ALS projected to remain in the low range of $200 million annually, this program may never get off the ground.

COUNTERMEASURES

Even if some way could be found to lift Phase I into space at a reasonable cost, we believe it will be obsolete the day it is deployed. The likely Soviet use of innovative tactics, offensive proliferation, and other active and passive countermeasures will reduce Phase I effectiveness dramatically.

One well-known countermeasure is the fast-burn booster. The time required for a missile engine to "burn out" can be significantly reduced at a small penalty in performance thereby shortening the amount of time available for the Phase I space-based interceptors (SBIs) to attack the missiles. The time it takes for post-boost vehicles (PBVs, or buses) on Soviet missiles to dispense their warheads also can be shortened considerably. These "modified burn buses" would cut deeply into the SBI's ability to destroy PBVs before they release their reentry vehicles (RVs).

A second countermeasure facing Phase I is the release of decoys by Soviet offensive missiles in midcourse flight. Just as faster-burning boosters and buses may prevent boost-phase intercepts by SBIs, an inability to distinguish RVs from decoys during midcourse would rule out most midcourse intercepts.

There appears to be little doubt that the Soviets would be capable of loading a sizable number of decoys on their ballistic missiles. Midcourse "optimists" believe that passive and active means will be developed to discriminate between RVs and decoys. Midcourse "pessimists" maintain that interactive discrimination will be necessary, wherein the target objects must be physically disturbed, and their reactions observed, in order to identify them. For example, a laser beam striking a lightweight decoy would displace it more than the same beam striking a much heavier warhead.

There is a legitimate difference of technical opinion over the feasibility of midcourse discrimination, and the issue can be resolved only by further study and experimentation. Such studies will be realistic only if offensive countermeasures research is given a high priority. Unfortunately, current funding of countermeasures research is a tiny fraction of SDI's budget. Several countermeasure projects have already been cancelled. Not only does this deprive SDIO, the Defense Department, and Congress of key information needed to make informed decisions on SDI, but it also denies us information that may well be needed to anticipate and cope with Soviet defensive developments, which the Reagan administration regularly trumpets. The administration cannot have it both ways. If the Soviets are truly in a position for a rapid breakout of the ABM Treaty, as the administration darkly suggest, then the U.S. failure to conduct additional countermeasures research is perplexing and disturbing. If the situation is not so bad, then the administration should scale back its rhetoric on this issue.

The countermeasures problem is best summed up in the words of two SDI scientists. One told us that what the Soviets would need to do to defeat SDI in the boost phase "is modest." Or, as the other SDI scientist candidly put it, "I'd rather have the Soviets' problem of figuring out how to defeat SDI than our job of trying to figure out how to make it work."

THE CHEMICAL LASER FIX

The relative ineffectiveness of Phase I in the face of Soviet countermeasures has not gone unrecognized within SDIO. That is why they are pushing hard to incorporate a space-based chemical laser into the program as soon as possible. In a dramatic reversal from two years ago, when the chemical laser program had been deemphasized and its funding cut, this device is now the direct energy candidate of choice to shore up Phase I and overcome possible countermeasures. As the deployment time frame for Phase I stretches toward the year 2000, space-based chemical lasers will become candidates for incorporation into the Phase I plan, thus blurring distinctions between SDI's phases.

A space-based laser initially would provide capabilities for midcourse interactive discrimination. This would occur as the laser blows off the outer layers of heavy decoys or reentry vehicles and thus imparts a change in the velocity of the target which would be measured and analyzed. In later versions, a space-based chemical laser could be used for ICBM booster and PBV interception.

SDI officials say that they are "looking hard at the integration of directed energy weapons" and that "there is no other clear winner against a robust threat except chemical lasers—Zenith Star." Zenith Star is a planned experimental test of a space-based chemical laser with a rough cost of $1-1.5 billion for the test alone. FY 1989 funding calls for completing design review on Zenith Star and beginning preparation for ground tests.

Difficulties with the chemical laser have delayed its development more than once in the past. Inefficient and long in wavelength, each laser would require many tons of fuel and very large mirrors. As a result, space-based chemical lasers would be large, high-value targets, or "the aircraft carriers of space," as one SDI proponent put it. SDI scientists working on the project admitted that a space-based laser platform would be very vulnerable to certain kinds of attacks.

In addition, because high brightness is difficult to achieve with such lasers, the Soviet Union could adopt countermeasures such as hardening their boosters to protect them from the beam. In fact, the 1984 Fletcher study, citing potential Soviet countermeasures, specifically recommended against deployment of the chemical laser in the 1998-2000 time period.

SDIO's program manager said, "We haven't invented anything new" that makes the chemical laser a better idea than it has been in the past. Rather, the laser's new lease on life is apparently driven by the need for an early system to shore up Phase I against possible countermeasures. Given these difficulties and the high cost of the program, we believe the Zenith Star experiment should be reviewed within the next 12 months to ensure that its costs do not exceed the value of the information to be obtained.

LONG VS. SHORT TERM

Although SDIO asserts that they are carefully balancing the funding for near- and long-term technologies, the practical effect of the increased budget emphasis on Phase I and chemical lasers is to starve long term technologies. The effects of the preference for near- over long-term technologies are already evident in program slippages.

Cuts in the promising Free Electron Laser have caused a two-year delay in that program—even though it has met all milestones in the last year. The x-ray laser is a program with great promise as a potent anti-SDI weapon, but has major technical hurdles to overcome. At the present time, it is not on a funding track sufficient to determine if a first generation weapon is feasible by 1995. Similarly, the neutral particle beam is considered an excellent system in the long term for interrogating and destroying reentry vehicles, and possibly for killing missiles' electronics in the boost and post-boost phases. Under the FY 1988-89 budgets the neutral particle beam will slip 24 months.

There is broad concern in the SDI community about these slippages in far-term programs. Some experts argue for concentrating funding on surveillance and command and control before spending heavily on weapons hardware—thus leaving room for energetic far-term research, as Congress has urged. The near-term/far-term debate is central to the future of the SDI program. SDIO leadership firmly believes the program is balanced. We find it increasingly skewed toward near-term applications with the prospect that this imbalance will damage promising, new, longer-range technologies.

THE SOVIET OFFENSIVE THREAT

Most Defense Department programs are well served by emphasizing the Soviet threat. A bigger Soviet threat means a more urgent need for U.S. weapon programs. Ironically, SDI has a parochial interest in just the opposite—limiting the perception of the anticipated threat to create the appearance that the proposed Phase I defense is adequate to handle it. SDIO officials appear to take a relaxed view of the smorgasbord of Soviet options available to counter SDI, assuming among other things that the Soviet Union will make no substantial response to SDI for many years to come. Moreover, Phase I is being designed to address the Soviet threat of the mid-1990s, yet it probably will not even begin to be deployed until the late 1990s at the earliest and will have the bulk of its deployment life in the following decade. The far more sophisticated threat environment of that later period would appear easily capable of defeating the Phase I system. In short, Phase I likely would be obsolete from the day it was deployed.

An important part of the problem may be that the threat assessments on which SDIO relies are not developed by the U.S. intelligence community as a whole. They are prepared by the Defense Intelligence Agency in consultation with some, but not all, elements of the intelligence community. Rather than seeing a coordinated interagency assessment of the threat that would face the most costly and revolutionary complex of weapons systems in U.S. history, SDIO is relying on the same kind of process that would be used for a tank or tactical missile. We believe this process cries out for change. To evaluate the implications of the SDI program for U.S. security interests, the entire intelligence community should be involved in making the threat assessments.

THE RED SHIELD

In arguing the virtues of its SDI program, the Reagan administration has continued to raise the specter of a Soviet SDI program, nicknamed "Red Shield," that dwarfs U.S. efforts. In March President Reagan said:

"The Soviet defense effort, which some call "Red Shield," is now over 15 years old and they have spent over $200 billion on it—that's 15 times the amount that we have spent on SDI."

This statement is seriously misleading. Such an estimate includes Soviet expenditures for air defense against bombers and cruise missiles and for antisatellite applications, as well as strategic defense against ballistic missiles.

There is no doubt that the Soviets have been quite active in ballistic missile defense research, and there has been limited development and deployment of terminal ABM systems—those systems that are targeted on the last segments of the ballistic missile flight trajectory. However, there is a major difference between the Soviet orientation and a full SDI program. The latter of necessity must be a multi-tiered approach composed of a variety of sensor and weapons platforms based on the ground and in orbit. The Soviet "SDI" effort lacks this broad focus. In fact, SDIO analyses assume that the Soviet Union will be far behind the United States in developing a space-based defense. The most recent SDIO report to Congress estimates that the Soviet Union is 10 years behind in critical SDI sensor technologies, and nearly as far behind in computers. Other Pentagon assessments indicate that the Soviet Union also lags in chemical and free-electron lasers.

COMPARABLE SOVIET SYSTEM

Shortly before the decision was made on September 18, 1987, to enter the demonstration and validation phase, a DOD reviewing panel asked a key question: If we deployed Phase I and the Soviets followed our example (as the President has suggested) with an equivalent system, would we be any more secure than if we had never deployed Phase I in the first place? The panel found that no satisfactory analysis of this question had been conducted. In March 1988, SDIO officials admitted they were only then in the process of kicking off such a study. That we have proceeded so far without knowing the answer to that fundamental question is testimony to the confusion surrounding the SDI concept.

In fact, as just mentioned, SDIO officials do not expect the Soviets to be able to match our deployment schedule. They think the United States will probably deploy later phases of SDI before the Soviets respond with an initial space-based system and they do not think that "mutual occupancy" of space by both the U.S. and the Soviet Union is a realistic scenario during the Phase I time frame.

NOT REAGAN'S VISION

Thus the scene is not moving in the direction of the President's vision for SDI. Plans for phased deployment of SDI anticipate that it will prompt Soviet countermeasures in an effort to defeat strategic defenses. The President's concept, however, was to convince the Soviets to adopt SDI-like defenses, and even to give or sell our defensive technology to the Soviets. Yet there are no plans within SDI to carry out this policy. SDIO assumes that the U.S. will deploy space-based defenses unilaterally.

Even if President Reagan's vision of mutual space defenses prevails in the long run, the arms control implications are no better. In fact, the Fletcher Report, in a totally overlooked section, draws the conclusion that, "The mutual occupancy of space by both sides is potentially an unstable situation" because directed energy defenses could shoot at other satellites even more effectively than at missiles. The mutual occupancy of space with directed energy weapons sets the stage for a "high noon" shoot out in space—with the first side to shoot winning.

This unstable situation could also come about, again according to the very document which set out the road map for the current SDI program, if either side deploys a complete and effective space-based system that would provide an overwhelming strategic advantage. In such cases the other nation would regard the situation as "unacceptable" and attempt to destroy the opponent's system *during deployment.*

The ony way to avoid these chilling scenarios, said the Fletcher Report, is to make the space-based systems invulnerable—a task of daunting dimension.

CONCLUSION

After five years and $13 billion in funding, as much in real dollars as was spent on the Manhattan Project from 1942-1946, key national security issues remain. Whether even a limited Phase I deployment would enhance or detract from our national security is an open question.

Given high leakage rates, soaring costs, and the broad range of likely Soviet countermeasures, we believe that Phase I would be unlikely to meet the legal tests of being cost-effective at the margin and survivable. These "Nitze Criteria" are embodied in permanent law, and no funding for deployment of an SDI system, in whole or part, may be undertaken until a president certifies they have been met.

The enormous responsibility of sorting out the technical, financial, and arms control issues of SDI awaits a new administration. But if changes are not made soon, the nation will spend tens of billions only to destabilize the strategic balance, open up a new dimension of the arms race, and indefinitely defer the prospects for a strategic arms reduction agreement.

DOLE HUMAN DEVELOPMENT CENTER GROUNDBREAKING

● Mrs. KASSEBAUM. Mr. President, last week the University of Kansas in Lawrence, dedicated a new human development center to my distinguished colleague from Kansas, Bob Dole. It is very appropriate that this building has been named after him for all the work he has done on behalf of disabled individuals. I ask that the remarks of Gene Budig, chancellor of the university, be included in the Record.

The remarks follow:

Dole Human Development Center Groundbreaking—June 28, 1988

This is a very special day for the university. We are about to break ground for one of the most important buildings to be constructed on campus in recent years. This human development center will strengthen further some of the most important programs at KU, programs which have achieved national and international recognition. It is a building we have long needed, and have awaited with great anticipation.

Many of our colleagues have contributed much time and effort to the development of the proposal for this center, to the work which resulted in the congressional appropriation for its construction, to the raising of the additional private resources needed, and to the development of the plans for the building itself. We appreciate that work, and I want to express our gratitude to all of them for helping make this day possible. One individual deserves our very special gratitude, and that, of course, is Senator Bob Dole. We are sorry he could not be present today, but we are pleased that his administrative assistant, Christina Bolton, has come from Washington to represent him and to read a message from the Senator following my remarks. Perhaps it is better that the Senator not be present, for I want to say some things about him. They are all true, but he might find them somewhat embarrassing.

First of all, I want to acknowledge the role he played in securing this building for the university. Had it not been for his interest and his tireless efforts on our behalf, there would be no groundbreaking today, no plans for this human development center. Despite all our efforts, and those of friends in Washington and elsewhere; despite the undoubted reputation for excellence of our academic, research, and service programs in these areas; despite the obvious need for a center such as this, it could not have come about without Bob Dole's determination to make it a reality.

This is no surprise, of course, and has been an open secret from the very beginning. The Senator has been a friend of KU for more than four decades, and has had a particular interest in those of our programs which focus on persons with disabilities. This stems in part from the Senator's own experiences, his injuries in World War II and his long and difficult physical rehabilitation. His career in the Senate of the United States has been distinguished in many ways, but never more so than in his 24-year record of work on behalf of disabled Americans. His initial Senate speech in 1969 addressed the concerns of disabled individuals and set the tone for his subsequent efforts. He has been a tireless champion of individuals with physical, mental, and developmental disabilities, and is recognized as their most forceful public spokesman. His influence has been far-reaching and constant.

Among his efforts have been the equal opportunities for Disabled Americans Act, which he introduced; the voting rights for the Elderly and Handicapped Act, of which he was an original cosponsor; the Air Carriers Access Act; amendments to provide tax deductions for the removal of physical barriers, and business deductions for the provision of reasonable access in the work place; support for federally funded vocational rehabilitation programs for the severely disabled; encouragement of new and creative ways of developing work opportunities for those with disabilities. He is acutely aware that 67 percent of Americans with disabilities are unemployed—and that 67 percent of disabled persons want to work. A major part of his energies in the Congress are directed toward rectifying this enormous waste of human resources and human potential.

These are some of the reasons that Bob Dole understood at once the importance of our proposal for a human development center. The university's programs address concerns that are among his highest priorities. From our first approach to him, he was enthusiastic in his support and creative in his approach to the problem of funding. Throughout Senate consideration of this appropriation, he was involved closely in every discussion. Without him, as I said, there would be no human development center at KU. We appreciate that, and we have expressed that appreciation to him in the past, publicly and privately.

Today, however, we want to reiterate our enormous gratitude to him, not only for helping bring about this center, but for a public career dedicated to the improvement of opportunities for disabled Americans. In recognition of his effective efforts, his advocacy, and his national leadership in developmental issues, I am honored to announce that this building will be named "The Robert Dole Human Development Center." In this way, the university recognizes his partnership in our own commitment to a better life for every person with disabilities.●

CANADA DAY

●Mr. SIMON. Mr. President, I rise to honor July 1 as "Canada Day." This national Canadian holiday commemorates the formation of the dominion of Canada from the various provinces of British North America. On July 1, 1867, Canada became a self-governing, independent country.

Americans and Canadians have been good friends and neighbors for many years. The United States and Canada signed the Rush-Bagot Agreement, preventing the militarization of the Great Lakes and facilitating smooth relations between the two countries. The two nations remained allies in both world wars, and we are still closely linked by the NATO alliance and the NORAD [North American Aerospace Defense] Agreement. More recently, we cannot forget how Canadian diplomats came to our aid when American hostages were held in Teheran.

All across the 3,500-mile-long border between the United States and Canada, good relations prevail. Despite the cultural diversity of both nations, the United States and Canada maintain a stable working relationship. We are both peaceful democracies, committed to human rights, justice, freedom, and equality. Trade between our two countries involves the greatest flow of goods between any two neighboring nations in the world. Our cultural, economic, trade, and tourism exchanges continue to nurture good relations.

On June 23 of this year, the Senate passed House Joint Resolution 587, designating July 2 and 3 as United States-Canada Days of Peace and Friendship. These days, marking the period between Canada Day and United States Independence Day, should serve to remind all Americans of our good fortune in having a neighbor committed to goals similar to our own.

Mr. President, I would like to ask my colleagues in the Senate to join me in commemorating July 1 as Canada Day and in celebrating our peaceful and very special relationship with Canada.●

NATIONAL ASSOCIATION OF REGULATORY UTILITY COMMISSIONERS

Mr. BYRD. Mr. President, on behalf of Mr. BURDICK, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 450.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 450) to acknowledge the service provided to consumers by the National Association of Regulatory Utility Commissioners.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

Whereas the National Association of Regulatory Utility Commissioners (NARUC) was formed by the Interstate Commerce Commission in 1889 as a nonprofit quasi-governmental organization to promote greater uniformity in the regulation of railroads; and

Whereas NARUC membership has grown to include local, State, Federal, territorial and international agencies engaged in regulating public utilities, including telecommunications, gas, electric and water companies, and motor carriers; and

Whereas NARUC is celebrating 100 years as a major force in studying and solving regulatory problems, promoting uniform and effective regulation and improving public understanding of utility regulation in the United States. Now, therefore, be it

Resolved, that the Senate recognizes the contributions of the National Association of Regulatory Utility Commissioners and congratulates NARUC on its first 100 years of service.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CONGRATULATING HIS MAJESTY KING TAUFA'AHAU TUPOU IV AND THE PEOPLE OF TONGA

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of House Concurrent Resolution 319.

The PRESIDING OFFICER. The concurrent resolution will be stated by title.

The assistant legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 319) congratulating his Majesty King Taufa'ahau Tupou IV and the people of Tonga on the occasion of the King's 70th birthday, the 21st anniversary of the King's coronation, and the celebration of the centennial of the Treaty of Amity, Commerce, and Navigation between the United States and the Kingdom of Tonga.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

The preamble was agreed to.

AUTHORIZING USE OF HART BUILDING ATRIUM

Mr. BYRD. Mr. President, on behalf of Mr. Rockefeller, I send a resolution to the desk and ask unanimous consent that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 451) authorizing the use of the Hart Building Atrium for a concert by the Congressional Chorus.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. ROCKEFELLER. Mr. President, I am pleased to submit this Senate resolution authorizing the Congressional Chorus to present a brief concert of music by American composers in the Hart Atrium during the noon hour on Tuesday, July 12. The Congressional Chorus is composed of over 50 staff members from the Senate, House, Library of Congress and other offices of the legislative branch, who find joy and relaxation, as well as escape from the pressures of the office, in creating beautiful music. The concert will incur no cost to the Senate and will not disrupt the performance of official duties.

The resolution was agreed to, as follows:

Resolved, That the atrium of the Senate Hart Office Building may be used from 12:00 noon until 1:00 p.m. on July 12, 1988, for a concert of American music presented by the Congressional Chorus.

REFERRAL OF S. 2611

Mr. BYRD. Mr. President, I ask unanimous consent that S. 2611, Calendar No. 781, be referred to the Committee on Finance.

The PRESIDING OFFICER. Without objection, it is so ordered.

GRAYS HARBOR NATIONAL WILDLIFE REFUGE

Mr. BYRD. Mr. President, if the distinguished Republican leader has no objection, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 765.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 1979) to establish the Grays Harbor National Wildlife Refuge.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Environment and Public Works, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italics.)

S. 1979

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress finds that—

(1) Grays Harbor, a ninety-four-square-mile estuary on the coast of the State of Washington, is of critical importance to certain migratory shorebirds and waterfowl and provides important habitat for many types of fish and wildlife, including threatened and endangered species;

(2) the area known as Bowerman Basin is a tidal mudflat within the Grays Harbor estuary which attracts hundreds of thousands of migratory shorebirds during spring and fall migrations as well as peregrine falcons and other raptors;

(3) the Bowerman Basin provides extraordinary recreational, research, and educational opportunities for students, scientists, birdwatchers, nature photographers, the physically handicapped, and others;

(4) the Bowerman Basin is an internationally significant environmental resource that is unprotected and may require active management to prevent vegetative encroachment and to otherwise protect and enhance its habitat values; and

(5) the Bowerman Basin has been identified in the Grays Harbor Estuary Management Plan, prepared by Grays Harbor Regional Planning Commission, as an area deserving permanent protection.

SEC. 2. PURPOSES.

The purposes for which the Grays Harbor National Wildlife Refuge is established and shall be managed for include—

(1) to conserve fish and wildlife populations and their habitats, including but not limited to those of western sandpiper, dunlin, red knot, long-billed dowitcher, short-billed dowitcher, other shorebirds, and other migratory birds, including birds of prey;

(2) to fulfill international treaty obligations of the United States with regard to fish and wildlife and their habitats;

(3) to conserve those species known to be threatened with extinction; and

(4) to provide an opportunity, consistent with the purposes set forth in paragraphs (1), (2), and (3), for wildlife-oriented recreation, education, and research.

SEC. 3. DEFINITIONS.

For purposes of this Act—

(1) The term "refuge" means the Grays Harbor National Wildlife Refuge.

(2) The term "lands and waters" includes interests in lands and waters.

(3) The term "Secretary" means the Secretary of the Interior, acting through the Director of the United States Fish and Wildlife Service.

SEC. 4. ESTABLISHMENT OF REFUGE.

(a)(1) The Secretary is authorized and directed to establish, as herein provided, a national wildlife refuge to be known as the Grays Harbor National Wildlife Refuge.

(2) There shall be included within the boundaries of the refuge those lands, marshes, tidal flats, submerged lands, and open waters in the State of Washington generally depicted on a map entitled "Grays Harbor National Wildlife Refuge", dated December, 1987, which comprise approximately one thousand eight hundred acres.

(3) Said boundary map shall be on file and available for public inspection in the office of the Director of the Fish and Wildlife Service, Department of the Interior, and in appropriate offices of the Fish and Wildlife Service in the State of Washington.

(b) BOUNDARY REVISIONS.—The Secretary may make such minor revisions in the boundaries designated under subsection (a) as may be necessary to carry out the purposes of the refuge and to facilitate the acquisition of property within the refuge.

(c) ACQUISITION.—(1) The Secretary shall, not later than the 3rd anniversary of the effective date of this Act, acquire by transfer or purchase, or both, the approximately one thousand seven hundred eleven acres of lands and waters owned by the Port of Grays Harbor within the refuge and identified as Management Unit 12, Area 1, in the Grays Harbor Estuary Management Plan.

[(2) The appropriate Federal agencies may treat any lands and waters transferred to the Secretary under paragraph (c)(1) as meeting, in whole or in part, mitigation obligations of the Port of Grays Harbor arising under section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344): *Provided*, That the validity of such mitigation credits is predicated on compliance with the guidelines issued under section 404(b)(1) of the Federal Water Pollution Control Act (33 U.S.C. 1344(b)(1)).]

(2) The appropriate Federal agencies may consider the transfer of any lands and waters to the Secretary under paragraph (c)(1) as compensation to satisfy, in whole or in part, obligations resulting from water-dependent activities by the Port of Grays Harbor under section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344): Provided, That there are no practicable alternatives to such water-dependent activities which would have less adverse impact on the aquatic ecosystem: Provided further, That appropriate and practicable steps have been taken which will minimize, rectify, and reduce adverse impacts to the aquatic escosystem from those water-dependent activities which can not be avoided.

(3) The Secretary is authorized to acquire up to sixty-eight acres of lands and waters owned by the city of Hoquiam within the boundaries of the Refuge, and to compensate the lessees on such lands and waters for improvements and relocation costs.

SEC. 5. ADMINISTRATION.

(a) GENERAL ADMINISTRATIVE AUTHORITY.—The Secretary shall administer all lands, waters, and interests therein, acquired under section 4 in accordance with the provisions of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd-668ee).

(b) OTHER AUTHORITY.—Consistent with the provisions of section 5(a) of this Act, the Secretary may utilize such additional statutory authority as may be available to him for the conservation and development of fish, wildlife, and natural resources, the development of outdoor recreation opportunities, and interpretative education as he considers appropriate to carry out the purposes of the refuge.

(c) MANAGEMENT PLAN.—Within eighteen months after the effective date of this Act, the Secretary shall prepare a management plan for the development and operation of the refuge which shall include—

(1) the construction of a visitor center suitable for year-round use with special emphasis in interpretative education and research;

(2) viewpoints, boardwalks, and access;

(3) parking and other necessary facilities; and

(4) a comprehensive plan setting forth refuge management priorities and strategies.

The Secretary shall provide opportunity for public participation in developing the management plan.

SEC. 6. AUTHORIZATION OF APPROPRIATION.

There are authorized to be appropriated to the Department of the Interior—

(1) such sums as may be necessary for the acquisition of the lands and waters referred to in section 4(c)(1).

(2) not to exceed $2,500,000 to carry out other provisions of this Act.

SEC. 7. REFUGE DEVELOPMENT FUND.

[The Director of the Fish and Wildlife Service shall, upon enactment of this Act, promptly consult with the Fish and Wildlife Foundation created by Public Law 98-244 to request the foundation set up a separate account for the purpose of encouraging, accepting, and administering private gifts of property for the purposes of this Act. The Director shall, in preparing the management plan required by section 5 of this Act, give special consideration to means by which he may encourage the participation and contributions of local public and private entities in the development and management of the refuge.]

The Director of the United States Fish and Wildlife Service shall, upon enactment of this Act, promptly request that the National Fish and Wildlife Foundation created by Public Law 98-244 take those measures that the Foundation deems appropriate to encourage, accept, and administer private gifts of property to further the purposes of this Act. The Secretary shall, in preparing the management plan required by section 5(c), give special consideration to means by which the participation and contributions of local public and private entities in developing and implementing such plan can be encouraged.

SEC. 8. EFFECTIVE DATE.

This Act shall take effect on the date of enactment of this Act, or January 1, 1988, whichever date occurs later.

Mr. ADAMS. Mr. President, it is with pleasure that I rise today to express my support for the passage of S. 1979, which will create a wildlife refuge at Bowerman Basin in Grays Harbor, WA. In doing so, I would like to express my appreciation to Senator MITCHELL and my colleagues in the Environment and Public Works Committee for their assistance in moving this bill forward. I also commend my colleagues from Washington, Senator EVANS and Representative BONKER, for their cooperation in reaching the agreement reflected in this bill.

In April, Bowerman Basin once again hosted hundreds of thousands of shorebirds on their annual migration from Central and South America to breeding grounds in the Arctic. The preservation of this unique mudflat, which is a prime feeding and rest area for these migrating birds, is essential. And to anyone who has witnessed this magnificent annual sight, the protection provided in this bill will make the long road undertaken for its passage well worthwhile.

The annual migration covers roughly 15,000 miles. To successfully complete this journey, shorebirds are dependent upon a few key staging areas, where they concentrate in enormous numbers to feed and gain strength for the remaining flight. There are four such staging areas in North America, of which Bowerman Basin is one. In the spring, it is the last major estuary stop before the final 1,500-mile leg to northern breeding grounds. Bowerman fulfills a similar function in the late fall, when the birds once again head south for the winter.

This concentration upon just a few areas for survival has made shorebirds particularly vulnerable to changes in these ecosystems. Studies by the Fish and Wildlife Service suggest that several species of shorebirds have suffered severe declines in recent years. A major factor in this decline has been the alteration of staging area environments, such as that found at Bowerman Basin. The dependence of shorebirds on these vital staging areas makes them more vulnerable than their great numbers might suggest. The loss of Grays Harbor to pollution, overfishing, or development could threaten the existence of entire species. Its importance to the survival of millions of shorebirds, and to the well-being of numerous other waterfowl and wildlife, has made this legislation necessary. And the survival of these birds is vital to our ability to preserve the environment and protect the value of life.

The establishment of a wildlife refuge at Bowerman Basin will provide the area with necessary protection from future development. Lands for the refuge will be acquired from the city of Hoquiam and the Port of Grays Harbor. The Secretary of the Interior is directed to prepare a management plan for the area, providing for construction of a year-round visitor center, viewpoints, boardwalks, and other necessary facilities.

The creation of a wildlife refuge at Bowerman Basin enjoys the support of the entire Washington delegation. Despite this universal support, the development of this bill was no easy task. I was fortunate to have a member of my staff, Kerry O'Hara, who was dedicated to that task. Kerry is a recent graduate of the University of Washington Law School who came to my office on a 1-year legal fellowship. Her work on this legislation has been both dedicated and skillful. She has my appreciation: and she will have the appreciation of the people of Washington for years to come.

Mr. EVANS. Mr. President, I am pleased to be a cosponsor of S. 1979, legislation to establish the Grays Harbor National Wildlife Refuge, that the Senate is considering today. This legislation will add an environmentally valued unit, located in Washington State, to the National Wildlife Refuge System.

For many years the Bowerman Basin mudflats in Grays Harbor have been recognized internationally as a significant wildlife habitat for migratory shorebirds. These mudflats constitute a major feeding and stopover for shorebirds migrating every spring and fall between points as far apart as South America and Alaska. All who have experienced the biannual migration agree this is an area worthy of national recognition and protection.

The legislation is substantially the same bill that I introducd with Senator ADAMS last December. Minor modifications to the original language were included to address technical concerns of the Senate Environment and Public Works Committee. I would like to express my sincere appreciation to the Senate Environment and Public Works Committee for assisting the Washington State delegation in our effort to pass a Grays Harbor National Wildlife Refuge bill. I am pleased that that the Senate is acting on this initiative that is important not only to my constituents in Washington State, but to bird watching enthusiasts the world over. It is encouraging that today's action places this legislation one step closer to actual refuge establishment.

As reported out of the Senate Environment Committee, the bill allows the Federal Government to acquire the primary parcel of land without spending limited Government funds. The Fish and Wildlife Service is authorized to acquire the privately owned basin as mitigation for the port's development activities, if the relevant Federal agencies deem it appropriate. This alternative for acquisition would be consistent with Federal clean water law. While I recognize the precedential nature of such a policy, I believe there are advantages in acquiring lands more quickly, providing them with management and protection in a more expeditious manner.

The bill contains another novel idea—the Bowerman Basin economic development fund. The bill as reported clarifies the vehicle through which funds could be deposited, contributions—in cash, or real or personal property, from any non-Federal entity for development of the refuge. Through the Fish and Wildlife Foundation, these funds would be available for matching grants by the Federal Government. This will provide a way to encourage community support for enhancing the area, as well as the support from the many people outside of the Grays Harbor area who will visit the refuge.

By allowing contributions in kind, the amounts authorized in the bill for the construction of visitors facilities can be further augmented. Potential donations of lumber could, for example, be used to construct view points and boardwalks, or funds could be spent in an effort to attract visiting scientists, researchers, or tourists to the Grays Harbor area to view the shorebird migration. This combination of private and Federal resources is consistent with previous efforts to forge partnerships to help educate people about, appreciate, and manage this estuary.

The legislation considered today represents a carefully crafted compromise that the Washington delegation has negotiated over the last year. Importantly, the entire delegation in both Houses supports this legislation and is anxious to continue moving toward its enactment. I look forward to the Senate passage of S. 1979, and encourage my colleagues in the House of Representatives to move expeditiously in their consideration of the Grays Harbor National Wildlife Refuge legislation.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER FOR CONSIDERATION OF H.R. 4794

Mr. BYRD. Mr. President, I ask unanimous consent that upon the disposition of H.R. 4800, the Senate proceed to the consideration of H.R. 4794.

Mr. DOLE. Mr. President, as I understand it, that would put transportation ahead of the interior appropriations bill.

Mr. BYRD. Yes.

Mr. DOLE. That is the request of the Senator from Oregon [Mr. HATFIELD].

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR FRIDAY

RECESS OR ADJOURNMENT

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate, when it completes its business today, stand either in recess or adjournment until the hour of 9:30 tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow, following the recognition of the two leaders, there be a period for morning business not to extend beyond the hour of 10 o'clock a.m. and that Senators may be permitted to speak during that period for morning business on tomorrow for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, has the order been entered for the adjournment over or recess over until 9:30 tomorrow morning?

The PRESIDING OFFICER. The recess or adjournment was not specified.

Mr. BYRD. I beg the Chair's pardon?

The PRESIDING OFFICER. The order was for the Senate to stand in recess or adjournment until 9:30.

Mr. BYRD. Yes, I thank the Chair.

WAIVER OF CALL OF THE CALENDAR

Mr. BYRD. Mr. President, I ask unanimous consent that the call of the Calendar be waived on tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, does the distinguished Republican leader have any further statement or any business he would like to transact?

Mr. DOLE. I have nothing else.

Mr. BYRD. I thank the Republican leader.

ADJOURNMENT UNTIL TOMORROW AT 9:30 A.M.

Mr. BYRD. Mr. President, I move in accordance with the order previously entered that the Senate stand in adjournment until the hour of 9:30 tomorrow morning.

The motion was agreed to; and the Senate, at 10:56 p.m., adjourned until 9:30 a.m., Friday, July 8, 1988.

EXTENSIONS OF REMARKS

INTRODUCTION OF THE SECURITIES MARKET REFORM ACT OF 1988

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. MARKEY. Mr. Speaker, I rise today to introduce the Securities Market Reform Act of 1988, comprehensive legislation in response to the stock market's crash. Eight months have now passed since the market crashed on October 19, 1987. In that time, there have been numerous hearings, studies, and investigations sifting through October's market debris to determine the causes of the market's record 508 point drop and to fashion appropriate remedies. Many looked with intense interest on that debris to read what lessons could be learned to make our markets stronger and more resilient. Unfortunately, some, particularly in the administration, have looked only to sweep the mess quickly from sight. I do not believe that we can just shrug our shoulders and glibly ascribe to the philosophy that a miss is as good as a mile. The Brady Task Force has presented a vivid picture of our financial markets harrowing escape from near disaster. Former Senator Nicholas Brady, and others, have told Congress it can happen again.

We have had 8 months to reflect on this matter. Since the crash, we have watched our financial markets bob and weave with each new piece of relevant or irrelevant economic news. Capital formation, the reason for having a stock market in the first place, is anemic with 1988 first quarter daily averages at only 20 percent of precrash levels. Individual investors now routinely call our markets a "giant casino," where the games are rigged and only the biggest players ever win. A recent Sindlinger & Co. poll found that only 5 percent of households said they planned to buy stocks now compared with 15 percent just after the crash.

Professional traders throw up their hands, befuddled by the market's inexplicable moves from day to day. Some are mollified by daily gains in the market and put off acceptance of reforms on those grounds. But I strongly believe that we should not gauge the wisdom of market reforms by whether the Dow is up or down on any given day. After all, Congress cannot be, should not be, and is not in the business of legislating up markets and outlawing down markets. On the contrary, our mission is to preserve the integrity and to safeguard the vibrancy of our financial markets, to enhance the safety and stability of our financial markets, and to make very sure our regulatory structure keeps pace with financial innovation.

In assessing what actions should be taken by Congress, the Subcommittee on Telecommunications and Finance of the Committee on Energy and Commerce, which I am privileged to chair, has sought to assess the overall structure of our financial markets and to ask some very direct and crucial questions: Are our markets fair? Are they aiding or hindering capital formation? Is the regulation of our markets rational, coherent, and up to date?

With the benefit of the studies completed on the crash and an extensive hearing record, I have reached several conclusions concerning these fundamental questions and find myself largely in agreement with the central recommendations of the Brady Task Force and the Securities and Exchange Commission.

Briefly, the Brady Report made five recommendations: First, one agency should coordinate market issues which impact all markets; second, clearing systems should be unified; third, margins should be made consistent across marketplaces to control speculation and financial leverage; fourth, circuit breaker mechanisms should be implemented to protect the market system; and fifth, information systems should be established to monitor transactions and conditions in related markets.

Unfortunately, these basic commonsense solutions were quickly brushed aside by the administration which ordered them. Instead of embracing the findings of the Brady Report, the administration remained strangely silent and simply created a new group to handle market reform issues. The Working Group on Financial Markets was created, comprised of the Department of Treasury, the Securities and Exchange Commission, the Commodities Futures Trading Commission, and the Federal Reserve Board. Like the Brady Task Force, the working group was given 2 months to issue its first report.

Unlike the Brady Task Force, the working group came up with only two recommendations in its report—a coordinated circuit breaker for a market nearing total collapse, and a proposal for coordinating clearing and settlement. The administration quickly praised the working group's underwhelming report as "excellent" and looked forward to its continued existence. In short, the working group's report represented a triumph of the disciples of laissez-faire economics over the pragmatists in the administration. It amounted to an endorsement of benign neglect of our financial markets.

The bill I am introducing today brings us back full circle to the essential findings of the Brady Task Force and the SEC.

Briefly, the Securities Reform Act of 1988 which I am introducing today accomplishes the following: First, redefines a stock index futures contract and options on such contracts as a "securities derivative instrument" and brings such instruments under the definition of a security, and thereby, control of the SEC; second, directs the Board of Governors of the Federal Reserve to set minimum margin for such instruments at a level functionally though not necessarily numerically comparable to stock margin levels; third, grants the SEC the authority to take certain actions in a market emergency; fourth, grants the SEC the authority to require large trader reporting of program or block trades; fifth, directs the SEC to coordinate clearing and settlement of securities and related options, and securities derivative instruments; sixth, authorizes the SEC to require reports from brokers or dealers concerning the financial health of affiliates; and seventh, prohibits all forms of frontrunning.

The comprehensive approach to market reform represented by this legislation reflects the views of many market experts who have appeared before the subcommittee. It accepts the central finding of the Brady Commission that our stock, stock options, and stock index futures markets are essentially linked. It implements that finding by vesting in the SEC, the Federal agency with the most expertise in this area, the necessary regulatory authority to deal with these markets in a unified fashion. The unified market concept also is reflected in giving the Board of Governors of the Federal Reserve the authority to set minimum margins for stock index futures in addition to the margin setting authority the Fed currently has for stocks. The bill deals directly with problems in the critical areas of clearing and settlement which the Brady Commission identified as having imperiled our Nation's entire financial system on the morning of October 20, 1987. The bill takes a flexible approach to circuit breakers recommended by the Brady Commission by conferring broad authority upon the SEC to take a range of actions to stabilize the markets in the event of another free-fall such as occurred last October. The bill also heightens scrutiny of trading practices heavily dependent on the relationship between the stock index futures and stock markets by giving the SEC authority to require large trader reporting of program trades and prohibits the abuse of frontrunning.

Some of the elements of this bill are controversial; others are not. Given the Reagan administration's abdication of proper governmental responsibility in the wake of the market crash, there are serious political obstacles to enacting this legislation, as introduced, in the limited time remaining in the 100th Congress. I harbor no illusions regarding the political realities. There are extremely strong special interests concerned about this bill. But they cannot deter us from fully considering and debating where the national interest lies.

I believe this bill reflects the national interest in financial markets which are not only efficient but also stable and secure. I believe this bill reflects the national interest in bringing the individual investor back into the markets. I believe this bill reflects the national interest in reinvigorating our capital formation process.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

I have faith that the internal logic of the comprehensive approach taken by this bill ultimately will prevail. Our financial regulatory system must be rationalized and modernized. Whether that takes place this year, next year or 2 years from now, the time has come to lay the groundwork for these inevitable changes.

By introducing this bill, I intend to leave open all options for legislative action, depending upon the economic and political climate. I obviously believe that the sooner we adopt this legislation, the healthier and safer our Nation's financial structure will be. But I do not rule out accomplishing some of the more modest, less controversial and yet clearly needed reforms contained in this bill before the 100th Congress adjourns, while leaving other parts of this legislative package to a future Congress.

This bill should tell every individual in this country who owns a share of stock that Congress cares. We care about their confidence in our financial markets. We want their participation in the markets.

The Reagan administration has turned its back on the need to restore investor confidence. Instead of telling investors that they better get used to market volatility, this administration should do all in its power to increase investor confidence. For without investors its a simple fact that we will have less investment in building for America's future prosperity. We seem to have forgotten the fundamental purpose of our financial markets—to raise capital to keep America growing strong. The Securities Market Reform act of 1988 is designed to bring our financial markets home to that fundamental purpose.

A section-by-section analysis follows:

SECTION-BY-SECTION ANALYSIS OF THE SECURITIES MARKET REFORM ACT OF 1988

SECTION 1. Short Title.

This section provides that the bill may be cited as the "Securities Market Reform Act of 1988".

SEC. 2. Treatment of Securities Derivative Instruments as Securities.

This subsection of the bill brings stock index futures and options on index futures under the regulation of the Securities and Exchange Commission by redefining such futures and options as "securities derivative instruments" and adding this new definition to the existing definitions of "security" contained in securities laws.

The overwhelming and uncontradicted conclusion of the many reports which have probed the market crash is that trading in stocks, options and futures really comprise one unified market. As the Brady Report states, "[b]ecause stocks, futures and options constitute one market, there must be in place a regulatory structure designed to be consistent with this economic reality." A variety of trading and investment strategies—index arbitrage, index substitution, portfolio insurance, and asset allocation—are based on the very fact that these instruments and equities are nearly perfect substitutes.

In addition to trading strategies which link stocks and stock index futures products, these products are also linked by the price discovery function which futures sometimes serve for the stock market. The SEC, in testimony before the Subcommittee on Telecommunications and Finance described the tremendous influence that stock index futures exert over the stock market:

> "[T]he futures market, because of its lower transaction costs (including lower margins), speedier executions, and at times greater liquidity, has become the market of choice for large institutional investors seeking to reallocate or hedge their stock portfolios. Because large portfolio traders may choose to enter the futures trading allows futures prices to change more rapidly than their corresponding equity prices, futures prices often lead equity prices. As a consequence of these factors, price discovery for portfolios of stocks now sometimes occurs in the futures market, with prices transmitted to the stock market either directly through arbitrage or indirectly through the signals created by spreads between the futures and stock prices."

Because of these links and the close relationship between futures and stocks, this section establishes a regulatory structure which reflects the actual unity of our financial markets.

Following is a description of each subsection of section 2. Subsection (a) amends section 3(a) of the Securities Exchange Act of 1934 by adding and defining a new term, "securities derivative instrument." Securities derivative instruments include any stock index futures contract or option on such contract.

Subsection (b) adds the term securities derivative instrument to the definition of "security" in the Securities Act of 1933, the Securities Exchange Act of 1934, Investment Advisers Act of 1940, and the Securities Investor Protection Act.

Subsection (c) amends section 12 of the Securities Exchange Act of 1934 by setting out the minimum requirements which a securities derivative instrument must meet in order to be approved by the Commission for trading or to continue to be traded. At a minimum, the trading of such instruments must be consistent with the public interest, protection of investors, and must not adversely affect the maintenance of fair and orderly securities markets. In addition, the trading of such instruments shall not be readily susceptible to manipulation of the price of the instrument, any underlying security, option on such security, or option on a securities derivative instrument. And finally, a securities derivative instrument shall be predominantely composed of the securities of unaffiliated issuers and shall be a widely published measure of, and shall reflect, the market for all or a segment of publicly traded equity securities.

Subsection (c) also provides for public comment on the application for registration on a national securities exchange of any securities derivative instrument and authorizes the SEC to exempt members of any exchange from requirements of 11(a) with respect to such instruments. The subsection extends to securities derivative instruments the same authority which the SEC currently holds in regard to securities with respect to the authority of the SEC to deny, suspend or revoke the registration of such instrument. In addition to that authority, the SEC is directed to provide for the orderly liquidation of positions in such instruments should registration of a securities derivative instrument be revoked.

Subsection (d) contains conforming amendments to implement the purposes of section 2, including a provision which grants the Commission sole authority over securities derivative instruments.

Subsection (e) provides that section 2 will take effect in 180 days after the date of enactment or at an earlier date as the Commission prescribes and publishes in the Federal Register.

Section 3. Authority of the Federal Reserve Board to Prescribe Margin Requirements for All Securities and Securities Derivative Instruments.

This section implements the recommendation of the Brady Task Force that "[m]argins should be made consistent across marketplaces to reduce financial risk." Chairman David Ruder of the SEC has proposed that margins should be raised on stock index futures and options "to increase investor confidence, decrease derivative market speculative activity, and reduce the illusion that the derivative markets provide sufficient liquidity to allow investors and traders to liquidate quickly large portions of their entire portfolios."

Section 3 amends section 7 of the Securities Exchange Act of 1934 by adding a new subsection (h). Subsection (h) directs the Board of Governors of the Federal Reserve System (the Board) to prescribe the minimum amount of margin necessary to establish or maintain a position in any securities derivative instrument. In setting a minimum margin level, the Board is directed to take several factors in to account: A) the need to provide comparable costs for and leverage in establishing and maintaining positions in equity securities and securities derivative instruments; B) the need to prevent sudden and unreasonable price fluctuations and excessive speculation; and C) requirements established by the Board under preceding subsections of this section.

Section 4. Authority to Take Emergency Actions.

Section 4 authorizes the Commission to respond immediately to a grave market emergency, or in anticipation of an imminent emergency. Section 4 amends Section 9 of the Securities Exchange Act of 1934 by adding a new subsection (i). Subsection (i) grants the Commission the authority to take certain actions in the event of a major market emergency to maintain or restore fair and orderly securities markets or to assure prompt and accurate clearance and settlement.

This subsection explicitly authorizes the Commission, but does not limit the Commission, to take the following actions in an emergency: 1) to suspend trading in any or all securities for a period not to exceed 24 hours, except that such suspensions may be extended by two twenty-four periods with the approval of the President; 2) to set temporary emergency margin levels; 3) to set hours of trading; 4) to require reporting or limits on positions and changes in positions; and 5) to impose requirements concerning clearance and settlement of transactions in any security. Emergency actions by the Commission, with the exception of suspensions of trading, shall not exceed 30 days.

This subsection defines an emergency as any circumstance which the Commission has reason to believe is or may be a major risk to fair and orderly markets for securities or to prompt and accurate clearance and settlement of transactions. The subsection grants the Commission the authority to specify the circumstances constituting an emergency.

Section 5. Large Trader Reporting.

Section 5 requires the Commission to obtain large trader reports. Such reports will not only assist the Commission in assessing the impact of large trades on the markets, but will aid the Commission in its surveillance of the markets and thereby discourage trading abuses such as frontrunning.

Section 5 amends section 13 of the Securities Exchange Act of 1934 by adding a new subsection (h). In order to enable the Commission to monitor the immediate impact of program and block trading on securities markets, subsection (h) directs the Commission the authority to require large traders to report program and block trades occurring within a 24 hour period on a contemporaneous basis. The subsection provides for the confidential treatment of the identities of those effecting such trades while directing the Commission to provide for public disclosure of such trades as they occur as program or block trades. The subsection grants the Commission the authority to define terms used in this subsection.

Section 6. Coordinated Clearing and Settlement.

This section is designed to implement the findings of the major studies of the market crash to lessen the unnecessary liquidity demands placed on market participants because of a lack of coordination among clearing facilities.

Section 6 amends section 17A(a)(2) of the Securities Exchange Act of 1934 by directing the Commission to facilitate the establishment of linked and coordinated facilities for clearance and settlement of transactions in securities and related options, and securities derivative instruments.

Subsection (b) of section 6 amends section 17(A) by adding a new subsection (f) which grants the Commission the authority to prescribe uniform rules for creditors to perfect a securities interest in certificated and uncertificated securities.

Section 7. Risk Assessment for Holding Company Systems.

This section contains the Commission's legislative recommendations enhancing the Commission's ability to assess the activities of those associated with brokers and dealers which may materially affect the financial or operational condition of such brokers and dealers.

Section 7 amends section 17 of the Securities Exchange Act of 1934 by adding a new subsection (h) which requires a broker, dealer or government securities broker or dealer to report information concerning the financial condition of its associated persons, other than natural persons, which are reasonably likely to have a material impact on the financial or operational condition of such brokers or dealers. Certain institutions are exempted, such as banks, bank holding companies, savings and loan holding companies, insurance companies and future commission merchants, so long as information similar to that required of brokers or dealers is available from those agencies regulating such institutions. The Commission is granted exemptive authority concerning this subsection. In addition, information gathered under this subsection is protected from public disclosure.

Section 8. Prevention of Intermarket Frontrunning and other Manipulative and Deceptive Practices.

Section 8 requires the Commission to utilize its existing authority to prescribe rules, regulations and orders to prohibit intramarket and intermarket frontrunning within 180 days following enactment of this bill. Under this section, frontrunning means trading securities, including securities derivative instruments, while in possession of material, nonpublic information regarding impending transactions in any securities market.

ARMS CONTROL AND ARMS REDUCTION MUST BE ON TOP OF THE NEXT PRESIDENT'S AGENDA

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. LANTOS. Mr. Speaker, the hype and the hoopla of the Moscow summit are over. The covers of news magazines—which deluged us with colorful photos of President Reagan and Soviet General Secretary Gorbachev talking with Moscow's man-in-the-street or showered us with photos of the two leaders signing documents beneath crystal chandeliers in gilded Kremlin halls—have given way to stories about the drought and the latest crisis in the Persian Gulf.

Now that the enthusiasm and euphoria have subsided, it is an appropriate time for us in the Congress and for the administration to assess where we stand in our pursuit of arms control with the Soviet Union, and to consider where we go from here.

The Moscow summit was an important milestone in the effort to control the nuclear arms race. The leaders of the superpowers exchanged ratification documents bringing into force the Intermediate Nuclear Forces [INF] Treaty. Though it is very limited in scope, for the first time in history, two nations have agreed to eliminate an entire class of weapons.

At the same time, however, it is important that we remember that this summit and the INF are only a beginning. We are just starting on the long road to real arms control. Much remains to be done. The summit achieved no major breakthroughs in the area of limiting Soviet and American strategic nuclear forces, and both of our countries still maintain huge arsenals of strategic and tactical nuclear weapons that are not affected by the INF agreement.

We can and must continue the effort that has begun. Greater effort must be made to achieve progress in the Strategic Arms Reduction Talks [START], which have been underway in Geneva for some time. Every effort must be made to narrow differences between the two sides, and ambiguities which hamper agreement must be resolved.

The withdrawal of Soviet troops from Afghanistan is a positive step that has contributed to a greater confidence. But this action must be followed with serious efforts to redress the imbalance between Soviet and NATO conventional forces in Central Europe in order to create more favorable conditions for broader limitations on nuclear arms.

Mr. Speaker, it is critical that we continue the momentum that has been created by the ratification of the INF Treaty and by the good relationship that was evident at the fourth Soviet-American summit in 3 years. It is equally important that we in the Congress, as well as Americans everywhere, bring home to the Presidential candidates of both parties, that arms control must be at the top of the foreign policy agenda of whatever new Democratic or Republican administration moves into the White House next January.

The most important issue we face as a nation, Mr. Speaker, and the most important issue facing mankind, is controlling nuclear arms and limiting the arms race. All of us must intensify our efforts to remove this threat to our planet.

IMPROVEMENTS SOUGHT ON PCB LEGISLATION

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. FLORIO. Mr. Speaker, on June 13 the House passed H.R. 3070, the PCB Regulatory Improvement Act of 1988, on the Suspension Calendar. While this bill pretends to improve the controls on PCB disposal, it leaves so many gaps that it should not become law.

I objected to that bill being considered on suspension, since PCB's are too dangerous to people's health to do a halfway job. During the brief debate on H.R. 3070, the point was made that States have not expressed interest in strengthening PCB regulatory requirements beyond the relatively weak improvements sought by H.R. 3070.

Mr. Speaker, that claim was wrong then and it is wrong today. States are very interested in strengthening regulations controlling PCB's.

Two such States, Texas and Minnesota have written recently to express support for amendments to strengthen regulations on PCB disposal. I hope the Members will read these letters and understand why we need tougher laws on PCB disposal, and why H.R. 3070 is inadequate.

Mr. Speaker, the letters follows.

THE ATTORNEY GENERAL OF TEXAS,
Austin, TX, June 13, 1988.

Re: H.R. 3070; PCB regulatory Improvements Act.

Hon. MIKE SYNAR,
Chairman, Subcommittee on Environment, Energy and Natural Resources, Committee on Government Operations, Rayburn House Office Building, Washington, DC.

DEAR CONGRESSMAN SYNAR: I understand that the Subcommittee on Transportation, Tourism and Hazardous Materials is taking up HR 3070 for consideration this week. This bill will bring the regulation of polychlorinated biphenyls (PCBs) in line with the requirements of the Resource Conservation and Recovery Act (RCRA) to a great extent.

I also understand that Representative Florio has offered three amendments to the Bill:

1. To give the states the same power to regulate PCB sites that they have with respect to hazardous waste facilities under RCRA, including the imposition of more stringent requirements.

2. To require PCB operators to clean up spills within RCRA standards, by imposing RCRA-corrective action authority on PCB facilities.

3. To give the states the same powers assigned to EPA, to enforce federal and more stringent state requirements.

This office supports HR 3070 and the Florio Amendments. From our point of view, the regulation of PCB wastes under the Toxic Substances Control Act (TSCA), while other wastes are regulated under

RCRA, has created a regulatory dichotomy that has hindered environmental enforcement. This bill, as amended, should go a long way toward resolving these problems and promoting the effective enforcement of PCB regulations.

Please give me a call if I can be of any assistance or if you have any questions.

Sincerely,

NANCY N. LYNCH,
Assistant Attorney General,
Chief, Environmental Protection Division.

STATE OF MINNESOTA,
Office of the Attorney General,
St. Paul, MN, June 9, 1988.

Hon. JAMES J. FLORIO,
Chairman, Subcommittee on Commerce, Consumer Protection and Competitiveness, Committee on Energy and Commerce, House of Representatives, House Office Building, Annex No. 2, Washington, DC.

DEAR CONGRESSMAN FLORIO: I am writing to express my support for your efforts to amend H.R. 3070, the PCB Regulatory Improvements Act of 1988, to provide states with the authority to impose more stringent regulatory requirements on facilities which handle PCB wastes.

Mismanagement of PCB wastes poses a serious threat to the public health and the environment. In my view facilities which handle PCBs should be subject to the same strict regulatory requirements which apply to facilities which manage hazardous waste in compliance with the provisions of the Resource Conservation and Recovery Act (RCRA).

The only way to prevent mismanagement of the 140 million pounds of PCB wastes which will require treatment and disposal in the next few years is to provide each of the states with adequate authority to enforce and implement the PCB regulatory program. States should have the authority under the Toxic Substances Control Act (TSCA) to impose more stringent regulations on PCB facilities than those contained in the federal law. Congress has long recognized the key role that states have played in implementing other major pieces of environmental laws, such as Superfund, the Clean Water Act, RCRA, and the Clean Air Act. I will continue to work to ensure that each of these federal legislative initiatives, as well as more stringent state requirements which may apply, are enforced in an effective manner in the State of Minnesota.

Best regards,

HUBERT H. HUMPHREY III,
Attorney General.

THE LONG-TERM AND THE CATASTROPHIC HEALTH BILLS

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. HOCHBRUECKNER. Mr. Speaker, our much-promised golden years are being tarnished, overshadowed by enormous health care costs. Illness can swallow an entire life's savings. Many retirees who paid into Medicare since 1965 have watched their personal savings dwindle because of uncovered health care costs. When they finally go broke, they end up on Medicaid. Married couples face spousal impoverishment—where the failing health of one spouse impoverishes the other so that their total income drops to Medicaid levels.

As we age, our society faces higher health care costs. To meet this burden of care, I have supported two Federal bills that were designed to fill the gaps in coverage provided through Medicare: the catastrophic illness protection bill and the long-term home health care bill. Many citizens have these bills confused. I would like to take this opportunity to describe the merits of each bill and to give an update on their progress.

Each bill seeks different improvements to the Medicare system—coverage that was designed for the America of 1965. We all know how much things have changed since then. Life expectancy is greater. Doctor and hospital bills have skyrocketed higher than the rate of inflation. Before the sweeping reforms Medicare provided, retirees paid about 15 percent of their income for health care. Medicare dramatically reduced that bite to under 10 percent. Since then, Medicare has eroded so much that today they pay 16 percent, according to the House Select Committee on Aging.

The first distinction between the long-term and the protection bills is that while the protection bill passed the House and Senate by huge margins, the long-term bill failed. I voted for both. President Reagan signed the protection bill into law on July 1, 1988.

The protection bill will cap out-of-pocket expenditures for services covered by Medicare. This includes such backbreaking costs as hospitalization, doctor's services, and limited stays in skilled nursing homes. In 1990, the overall limit that the recipient would pay would be $2,146: $600 for hospitalization, $1,370 for doctor's services and $176 for skilled nursing-home care. The protection bill also gradually extends Medicare coverage to some prescription drug costs, beginning in 1991. When the benefit is fully in place, starting in 1993, Medicare will pay 80 percent of prescription drug costs exceeding $710 per year.

This is not charity or a giveaway program. Beneficiaries will pay for these new benefits themselves. Our Federal budget constraints held this expansion of Medicare service within a self-financing framework. This marks the first time that medicare payments will be collected based on the beneficiaries' income. To spread the costs, two schedules of payments are planned. First, each beneficiary would pay an additional $48 basic premium per year. Currently, payments for part B coverage, which covers physician care and outpatient services, are $24.80 per month. Second, although two-thirds of Medicare beneficiaries would not pay an extra amount, higher income beneficiaries would begin to pay a supplemental income-based premium. The maximum supplemental premium would be $800 per year, and that would be for an individual with an income greater than $50,000 a year. A couple earning less than $20,000 a year would pay no supplemental premium. Payments are figures based on a rate of $22.50 for every $150 of tax liability.

Also included in the protection bill are improvements to Medicaid. Currently, many persons fall through the cracks because they earn too much to qualify for Medicaid, but not enough to live above the poverty line. Under the protection bill elderly or disabled persons below the Federal poverty line would no longer need to pay Medicare premiums or associated costs such as deductibles and copayments.

The protection bill also contains a spousal impoverishment provision. it shelters some income and assets, so that the spouses of Medicaid-paid nursing home residents have a chance to live with independence and dignity. The provision attempts to set minimum standards for the financial well-being of the spouse remaining in the community. This provision would increase to at least $925 per month the amount that the spouse remaining in the community would be allowed to retain. The noninstitutionalized spouse would also be allowed to keep liquid assets of at least $12,000, as well as his or her home, household goods or personal effects of any value whatever. States, if they so chose, could increase this minimum resource allowance up to four times as high, to $60,000 of liquid assets.

Federal retirees, whose pensions are generally taxed, will also receive some relief under the protection bill. Their supplemental premiums will be figures under special rules which take into consideration their taxes and give them parity with those retirees whose Social Security pensions are not taxed. Furthermore, Federal retirees covered by Federal Employee Health Benefits [FEHB], will have their premiums reduced. In addition, FEHB coverage will be coordinated with the new Medicare benefits.

Eighty percent of all catastrophic health care expenses are for long-term care. At the average rate of $20,000 per year for nursing home costs, an individual can quickly exhaust his or her life's savings and becomes dependent upon Medicaid. Home health care provides not only a better healing environment but a much more affordable one.

H.R. 3436, or the long-term home health care bill, became known as the Pepper bill because Representative CLAUDE PEPPER of Florida struggled so hard for its passage. I was a cosponsor of Mr. PEPPER's original long-term home health care bill. The bill was offered as a technical amendment to the Older Americans Act. The House Rules Committee, of which Mr. PEPPER is chairman, cleared the way for the Long Term Home Health Care Act to come up for a vote. The move to bring it to the floor directly was defeated 169 to 243 on June 8.

Mr. PEPPER's bill would have extended Medicare to provide comprehensive home care for chronically ill or disabled individuals of all ages who need assistance with two or more activities of daily living, such as dressing, bathing, eating, or getting about.

Mr. Speaker, although the long-term care bill was defeated, the issue remains. I am sure it will arise as a presidential campaign issue. I am equally sure it will be resurrected in the next session of Congress.

THE DEATH OF FRANK DROZAK

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. FEIGHAN. Mr. Speaker, I rise today to note with great sorrow the death of a good friend and champion of labor, Seafarers International Union President Frank Drozak.

An eloquent defender of workers' rights and economic justice, Frank Drozak fought all his life for the "brotherhood of the sea." He recognized the importance of a strong merchant marine capable of providing strategic sealift during times of conflict, a lesson learned during the dark days of World War II. As one maritime promotion program after another fell by the wayside during peacetime, his was the voice of conscience, reminding us lawmakers of our duty. The fact that a commercial U.S.-flag fleet still exists today is in part attributable to his efforts.

Mr. Speaker, many Members had the honor of knowing Frank Drozak personally and working closely with him. We mourn the loss of a great and decent man. I ask my colleagues to offer condolences to his family and his union's membership.

THE DEATH OF RICHARD MORRIS

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. DYMALLY. Mr. Speaker, today I rise in memory of a man whose strength and commitment will serve as a source of inspiration to all Americans.

On Friday, July 1, 1988, my dear friend and colleague, Mr. Richard Morris, passed away. His wife, Opal, his two sons, and all who knew him will remember his dedication to the struggle for justice, equality, and freedom.

Today, Mr. Speaker, I mourn the passing of a man who believed in the courage of his convictions.

Richard Morris was born on February 18, 1926, in Providence, RI. After attending public schools in Providence, he gallantly served in the U.S. Army in New Guinea and the Philippines. After an honorable discharge from the U.S. armed services, Mr. Morris attended Brown University in Rhode Island. He later graduated from Allen School of Aeronautics, majoring in aircraft design and mechanics.

Throughout his life, Mr. Morris, was always willing to lend a helping hand and was in the forefront of the 1961 Teamsters movement against the Greyhound Bus Co. for not hiring black drivers.

Not only was Richard Morris a friend and colleague, but he was also a former member of my staff, serving as my special assistant.

Mr. Speaker, I am fortunate to have had the pleasure of knowing Mr. Morris during his lifetime and am certain that the people of Los Angeles and the Nation have benefited from the manner in which this great American strived toward his vision of a better world.

NATURAL GAS: A VIABLE ENERGY OPTION

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. LENT. Mr. Speaker, I would like to bring to the attention of my colleagues an editorial printed in the New York Times," July 7, 1988, entitled, "The Northeast Needs This Gas."

The Northeastern United States desperately needs additional natural gas for heat, electric power generation and other purposes. As a clean, abundant power source, natural gas is a viable energy alternative for consumers.

However, consumers may be denied this option because of insufficient pipeline space to meet potential demand in our region. The Federal Energy Regulatory Commission [FERC] anticipates it may take at least 4 years to process the 31 applications now pending for new pipeline capacity. Clearly, Northeast consumers cannot afford to wait for the FERC to deliberate on this matter for 4 years. For this reason, I have joined with my colleague from Massachusetts, Mr. MOAKLEY, in establishing the Northeast Gas Markets Congressional Caucus. Our goal is to assist the relevant Government agencies, including the FERC and the Economic Regulatory Administration, the applicants, consumers and other interest groups in overcoming the hurdles necessary to build new pipeline capacity.

In the coming months, we will be working to move this process forward in a timely fashion to benefit the consumers, the economy, and the environment of our region. I sincerely hope my colleagues will take the opportunity to read this editorial, which I respectfully submit for insertion in today's CONGRESSIONAL RECORD. America must act today to ensure our Nation's energy security tomorrow. Thank you.

[From the New York Times, July 7, 1988]

THE NORTHEAST NEEDS THIS GAS

The Northeast, Long Island in particular, needs more natural gas and needs it soon. Canadian gas is available, and the necessary pipeline could be built in two years. The big question is whether the sponsors will be able to overcome local opposition to the pipeline right of way and obtain the necessary consent from Federal regulators.

If not, New Yorkers and others will find out what it's like when natural gas distribution companies are forced to ration their supplies.

Compared with the rest of the country, the Northeast uses little natural gas. But usage will have to rise if electric utilities are to keep up with demand in ways that are environmentally sound and cost-effective. The problem is most acute on Long Island, where gas-fired generators represent the only practical means for quickly replacing the power lost by the closing of the Shoreham nuclear plant.

Only four major pipelines now bring gas into the region, limiting the ability of local gas distributors to bargain for price. Even if the pipelines were eager to expand market share at the expense of rivals there wouldn't be much room for negotiation: all four are operating near capacity. That's why 11 gas distributors, led by Brooklyn Union Gas Company, want to import Canadian gas.

The proposed 460-mile Iroquois pipeline system would bring in about 600 million cubic feet of gas a day, adding 13 percent of current capacity. Canadian producers have committed themselves to supplying the gas; financing for the line is assured by the distribution consortium. If the line were approved tomorrow, it could be delivering natural gas by the spring of 1990. What is holding it up?

The pipeline would be buried, posing virtually no safety threat. The grass-covered, 60-foot-wide right of way would be barely noticeable in the rural countryside. Yet the owners of estates in Roxbury and Washington, Conn., don't want even an invisible pipeline in their backyards, and they delayed Federal proceedings until the project was rerouted through towns with less delicate sensibilities. Similar routing problems have yet to be resolved in the horse country of Dutchess County, New York.

But probably the most significant remaining threat to construction comes from the pipeline industry. The Federal Energy Regulatory Commission says there are 20 proposals for new pipelines on the docket, portions of which would serve the same markets as the Iroquois. Once licensed, the owners of regulated pipelines are entitled to recover the costs from consumers. So unless pipeline companies come up with a common plan, the Commission will be obliged to choose among the alternatives. That process, the Commission says, could delay a decision until 1983.

A few of these proposals might serve the Northeast as well as the Iroquois line. But none has advanced beyond the planning stage. And none has solid backing from the distribution companies, which have the most to gain from an increase in transmission capacity.

The Iroquois consortium believes it can hammer out a compromise deal in coming weeks, offering important competitors the capacity they need to expand deliveries to some markets. If that effort fails, as heavy burden will fall on the regulations to force a settlement. The Northeast can't afford to wait.

THE ACTIONS OF THE INDIAN GOVERNMENT IN THE PUNJAB

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. MAVROULES. Mr. Speaker, I would like to take this occasion to bring to the attention of my colleagues recent serious occurrences of human suffering in the Sikh community in the Punjab state in India. Reports in the newspapers of violence and its varied causes in this troubled region prompt me to reiterate my strong concern for the situation in India, a nation which should be able to draw on its long history of religious and political leadership in the name of peace.

As press accounts have documented, the Sikhs, a prosperous minority of the population in India, have been attempting for years now to form an independent nation of Khalistan. I am saddened by the accounts of violence on both sides. According to the New Republic, 1,230 people were killed in the state of Punjab last year, and at least 1,400 more have been killed this year. Unfortunately, the Indian Government has reacted by imposing terrorist laws which have suspended the enforcement of many necessary constitutional human rights in the Punjab. The result has been a series of excesses, including the recently reported arming of a band of Sikh militants, which the Punjab government secretly formed and paid to combat other groups of Sikhs.

Mr. Speaker, I would like to join many of my colleagues in expressing concern over the actions of the Indian Government in the Punjab. I believe it is possible for India to strengthen its peaceful and democratic tradition through a respectful and negotiated peace with the Sikhs.

TRIBUTE TO MRS. EMMA WILLS MULLINS ON HER 100TH BIRTHDAY

HON. BILL EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. EMERSON. Mr. Speaker, as a Member of Congress, I have had the opportunity to come to know, or know of, a great many wonderful people who live in the Eighth Congressional District of Missouri. I have had the good fortune to have been touched by the lives of some truly extraordinary people. Mrs. Emma Wills Mullins, who is celebrating her 100 birthday on July 8, 1988, is one such person.

Mrs. Mullins' first century of life has indeed been a very full one. And, today at 100 years young, I am told that she is most alert, ambulatory, and an inspiration to everyone with whom she comes in contact.

Emma was married for 56 years to the late Frank Mullins, to whom one child was born, a son named Freeman. And, the strong family upbringing that they instilled in their own son, will surely live on for years through Emma's grandchildren and four great-grandchildren.

Mrs. Mullins has been a hardworking member of her community, is well known for her quilting ability, her poetry, and her kind and thoughtful ways. And, I think it is also interesting that many people who know her can tell you the story of the time that Emma killed a fox with an axe.

I would like to close by sharing with you something that Mrs. Mullins composed in 1976, at the age of 87—a composition titled, "Declaration of Happiness," that reveals an outlook on life that we would all do well to emulate:

Live for the glory of the Lord. Be tender, kind, and courteous to others. The happiness of your life will consist in making God your trust and to make others happy. Practice self control. It is wrong to speak thoughtless words that grieve and wound. Practice patience, encourage love, disciplining your self to guard every work and action and study how you can be a blessing to others. Be calm, patient, loving and forgiving and live for God and you can have a happy life.

ARE WE LOSING THE WAR AGAINST CANCER?

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. WAXMAN. Mr. Speaker, last September 9, I inserted in the CONGRESSIONAL RECORD an article by Dr. Samuel Epstein entitled, "Losing the War Against Cancer: Who's to Blame and What to Do About It." Today I want to share with my colleagues the response of Dr. Vincent T. DeVita, Jr., Director of the National Cancer Institute. These two papers raise important questions about the Nation's cancer program. The response of the National Cancer Institute follows:

NATIONAL CANCER INSTITUTE RESPONSE TO ARTICLE BY DR. SAMUEL S. EPSTEIN, PUBLISHED IN SEPTEMBER 9, 1987, ISSUE OF THE CONGRESSIONAL RECORD

PREAMBLE

For decades, and most especially since the passage of the National Cancer Act of 1971, the National Cancer Institute (NCI) has supported basic research on cancer causation as one of its scientific missions since, as with all diseases, it is preferable to prevent cancer from occurring than to treat it. This investment and the data that it has produced lead us to the conclusion that much of the cancer burden can be reduced through prevention, even before we fully unravel the mysteries of cancer causation. This conclusion was a main component of our reasoning in 1984 when we formulated our goal for the year 2000: to reduce the cancer mortality rate by half by that date.

The continuing debate over whether or not the NCI is providing sufficient support for prevention activities centers on several issues whose diversity derives mostly from how and what we support in prevention research. First, the relative emphasis on basic research in causation over applied research in prevention troubles some people. Since we are primarily a research institute, our view has always been that basic research should have first priority. Additonally, the ability to intervene effectively requires leads that have always been and must continue to be generated through research. Nonetheless, at any time in medical history there is always a certain body of knowledge that can be applied and, especially since 1980, we have been applying such research findings in prevention when appropriate. Second, the greater emphasis on applied treatment research relative to prevention in the early years of the cancer program has also troubled some. However, this early emphasis arose from attempts to take advantage of existing opportunities at a time when much of the world felt there were no leads to pursue in prevention. In the early days of the program, more opportunities presented themselves in treatment at the practical level than in prevention and thus the treatment clinical trials program was first established. It did not divert funds from other areas of cancer research. Third, the research priorities within the NCI Prevention Program itself are disturbing to some people who have a vested interest in a particular area of prevention which may not be receiving the emphasis they feel it deserves. These points and others need to be clarified vis-a-vis the comments made by Dr. Samuel Epstein in the Congressional Record (September 9, 1987).

The emphasis on basic over applied research

The NCI prevention effort in the decade following passage of the National Cancer Act in 1971 emphasized support for basic research to generate prevention hypotheses. This research has made it possible today to intervene and attempt to prospectively prevent cancer. There were valid criticisms of the breadth of the prevention effort at that time (too little research in the nutritional etiology of cancer) and of the failure to organize an effector arm comparable to the treatment clinical trials program to test our ability to intervene at a practical level. In 1980, the NCI and the National Cancer Advisory Board judged that available data indicated unique opportunities to intervene at the promotion stage of the two-stage sequence in cancer causation and that the time had come to develop an effector arm for basic prevention research that could focus on reversing the late stage of carcinogenesis. A decision was made to transfer the Bioassay Program started by the NCI in 1968, and the responsibility for identifying initiators to the National Institute for Environmental Health Sciences and its National Toxicology Program (NTP). A reorganization was carried out to implement these changes, and an NCI applied prevention research program started. As I have often said at congressional hearings, with the benefit of hindsight these programs might have been started a few years earlier, but the resistance in the scientific community to using scarce resources for applied rather than basic research has always been difficult to overcome. Even now it is not easy to convince a large segment of the scientific community that the epidemiologic data on the etiology of cancer are of sufficient strength to commit large amounts of resources to prospective intervention trials. Nowhere is this better seen than in the controversy over the Women's Health Trial, a proposed but costly study to assess the value of diet modification in attempting to reduce the burden of breast cancer in this country.

The components of NCI's applied prevention efforts are now fully operational in the sense that we have developed an avenue to test and apply hypotheses derived from basic research findings in the country at large. Through our efforts, the Cancer Control Program, a budget line item heretofore devoted primarily to treatment, is now almost totally devoted to applied prevention and control research. This program helps support the more than two dozen prospective clinical trials in prevention started since 1980.

The relative emphasis on applied treatment research over applied prevention research

As with many diseases, early clinical investigators focused their attention on dealing with the immediate problems of treating those afflicted with the disease and appropriate mechanisms were set up by NCI to transfer technology from the bench to the bedside. When the National Cancer Act of 1971 was passed these mechanisms were easily expanded to accommodate research on the common cancers affecting mankind. They did not require, as the applied prevention research program did, the development of a complete new mechanism. Establishing a comparable prevention effector arm was also delayed because too few people were trained in public health research aimed at preventing cancer. These deficiencies were recognized and corrected by NCI. Fruits of the applied treatment program are discussed below.

Establishing priorities within prevention research

The balance of current prevention efforts (chemicals vs. diet vs. tobacco and other lifestyle factors vs. viruses vs. radiation as causes of cancer) is the subject of the most debate, and this is understandable, especially when a limitation of resources forces us to set priorities within the cancer prevention program. While we know most of the potential factors in cancer causation, it is still not entirely clear how such factors interact, and what opportunities are ripe for intervention trials. These points are often and appropriately debated before our boards and councils and our collective best judgment drives the applied prevention initiatives.

Dr. Epstein disagrees with the balance of our current prevention program: that is clear. Apparently to emphasize this point, he states that we are "hostile to cancer prevention" and, most particularly, unresponsive to the risks of occupational exposure to carcinogens. Although it is his right to criticize the balance of our programs, neither charge is true. In addition we believe to ignore and denigrate the major changes that have been made to provide resources and capabilities for basic and applied prevention research in order to follow up on opportunities to reduce the cancer burden does the whole field a disservice.

NCI changes in the prevention program

The amount of monies spent on cause and prevention research has steadily increased since 1976. Thus, in 1976 (see table below) 210,800,000 dollars was spent which increased to 413,700,000 dollars in 1987. Furthermore, if one makes the adjustment for transfer of the Carcinogenesis Testing Program and its resources to the National Toxicology Program (NTP) (see response to citation No. 4), the percentage of the total budget spent on cause and prevention research has also increased.

[In millions of dollars]

Fiscal year	NCI budget total	Prevention budget
1976	778.1	210.8
1980	1,001.7	306.3
1985	1,190.3	333.6
1987	1,402.8	413.7

In 1980 new research information and extensive planning led to the reorganization of NCI's cancer prevention and control program, and major funding was redirected in this program from treatment demonstration projects into prevention activities including a new chemoprevention program. That year a new division, later to become the Division of Cancer Prevention and Control, was established. An extramural Board of Scientific Counselors was created for this division in order to provide NCI with the oversight and advice of a greater variety of experts, and a new division director, with a public health background, was recruited from outside NCI. This division has grown from about 60 positions to over 200. Its activities focus on applied research in cancer prevention and control. Key to the success of this effort was the delineation, for the first time, of an orderly sequence of research development steps required to assure that all areas are covered, interventions are sound, and that the NCI is efficient in moving from basic investigations to nationwide benefits from the research results (the cancer control phases). The SEER Program (Surveillance, Epidemiology and End Results) was also transferred to the new division in 1984 in order to give it the tools to monitor problems and progress and to guide the NCI applied prevention effort. The SEER Program and other surveillance systems are used to monitor impact on cancer incidence, survival and mortality rates.

The paper by Sir Richard Doll and Richard Peto (JNCI 66:1191-1308, 1981) mentioned by Dr. Epstein was one source of information used by the new division for planning purposes because it provided quantitative estimates of avoidable risks of cancer in the United States. Tobacco was estimated to account for 30% (range of "acceptable estimates" 20-40%) of U.S. cancer deaths; diet 35% (10-70%); occupation 4% (2-8%) and pollution 2% (1-5%). Also used was a report of the National Academy of Sciences prepared under contract from the NCI to evaluate the impact of diet on cancer. In 1982 the Academy published its comprehensive study of the scientific information pertaining to diet and cancer, including "interim dietary guidelines" thought likely to reduce the risk of cancer. Contained in the guidelines are the following recommendations: reduce the consumption of both saturated and unsaturated fats so that fat intake is decreased from its present level (approximately 40%) to 30% of total calories; include fruits, vegetables and whole grain cereal products in the daily diet; minimize the consumption of food preserved by salt-curing (including salt-pickling) or smoking; continue efforts to minimize contamination of foods with carcinogens from any source; make further efforts to identify mutagens in food and expedite testing them for carcinogenicity; if alcoholic beverages are consumed, they should be consumed in moderation.

NCI's application network

Critical to meeting the mandate of the Cancer Act to establish programs "insofar as feasible" to reduce cancer incidence, morbidity and mortality was the creation of an extensive national network to apply the results of basic research in prevention and treatment.

The major components of this network are:

1. More than 55 Cancer Centers which serve, in many cases, as the regional focus of research, clinical studies, education, and cancer control. The Centers' contributions in basic research and technology transfer make them a cornerstone in the network. Now that the centers are established steps are being taken, under the auspices of the NCAB, to involve centers more fully in NCI's prevention goals.

2. The Community Clinical Oncology Program (CCOP), now entering its second phase with some 50 programs across the country, first involved community physicians in treatment clinical trial research and in the latest recompetition in cancer prevention and control efforts. The CCOP extends the research of the cancer centers from the major educational and research institutions to the community level.

3. The Clinical Cooperative Groups, multi-institutional consortia clinical investigators, conduct clinical trials of cancer treatment. The Minority Satellite Program assists minority populations in gaining access to this clinical trials network as an attempt to reduce mortality from cancer in minority populations.

4. The Cooperative Group Outreach Program is designed to upgrade the skills of community physicians and other health professionals in treating cancer patients through the use of well-defined regimens at affiliated hospitals, quality control of patient management, and continuing education activities.

5. A large number of physicians trained by resources of the National Cancer Program, e.g., radiation therapists, medical oncologists and oncologic surgeons, are in practice throughout the nation. The NCI has also developed a Cancer Prevention Fellowship Program and modified its Cancer Education Program to encourage young scientists to pursue research careers in cancer prevention and control. the Prevention Oncology Academic Award Program and selected National Research Service Awards support pre-and post-doctoral trainees in career development in cancer cause and prevention research.

6. Physician Data Query (PDQ), an on-line information system about cancer treatment and cancer research protocols, is accessible by computer through the National Library of Medicine and its 2000 participating medical libraries as well as private information system vendors. A prevention package for PDQ is in preparation.

7. The Cancer Information System, a national toll-free telephone service (1-800-4-CANCER), provides immediate answers to cancer-related questions from cancer patients, their families, the general public, and health professionals.

8. The Surveillance, Epidemiology, and End Results (SEER) Program serves as a research tool to identify potential causes of cancer in epidemiologic studies, tracks cancer incidence, mortality and survival, and provides measures of overall program progress and direction for future prevention and control efforts.

The establishment of this network made it possible for the NCI to estimate the impact of the universal application of all existing practical information in prevention, diagnosis, and treatment and to set national goals to reduce the cancer death rate by 50% by the year 2000. Specific programmatic objectives were formulated to focus specific activities in areas with the greatest impact. These areas are smoking prevention and cession, dietary change, early detection (especially for cervical and breast cancers), and improved nationwide use of state-of-the-art treatments for cancer patients.

New applied prevention programs developed by NCI to meet the objectives for the year 2000

These programs include:

1. Smoking Research: Starting in 1980, the thrust of the Smoking, Tobacco, and Cancer Program (STCP) was substantially shifted from research related to a "safe" cigarette to an intervention research program that now includes 57 prevention and cessation trials impacting over 10 million people in 25 states and over 200 communities nationwide. This is the largest intervention effort in smoking, tobacco, and cancer in the world. Its yearly budget increased from $13 million (1980) to about $32 million (1987). This intervention research program involves testing innovative strategies in four intervention areas (school-based prevention, self-help, physician-delivered, and media) and emphasizes their application in six target populations (blacks, Hispanics, women, youths, heavy smokers, and smokeless tobacco users).

The STCP serves as the focal point for the NCI's institute-wide research, disease prevention, and health promotion activities related to tobacco use and cancer. In addition to the intervention research and target population initiatives conducted within the Division of Cancer Prevention and Control, the STCP coordinates epidemiological studies with the Division of Cancer Etiology and information dissemination on tobacco use risk with the Office of Cancer Communications. The STCP is regularly involved with other U.S. Public Health Service agencies, major voluntary organizations, professional societies, and the health care industry in developing and disseminating smoking and tobacco use reports, materials, and prevention efforts.

2. Diet and Cancer: In 1983 a special branch was established. Seven developmental studies currently are supported on the mechanisms of dietary factors in human cancer and one major, national trial on reducing female breast cancer incidence through dietary fat reduction is completing a feasibility phase.

3. Chemoprevention: These studies seek to identify agents which may prevent cancer from developing or recurring. Since 1981 a total of 600 agents have entered into preclinical testing and 18 have entered into clinical studies in humans. The first data should be available in 1991. It is difficult to overemphasize the importance to the future of the applied prevention effort of the first evidence that we are able to prospectively prevent cancer.

4. Public Health Agencies: The NCI has broadened and expanded prevention-related programs by assisting and collaborating with institutional structures such as State health departments, hospitals, and community groups. Through two NIH grant mechanisms, 15 State health departments (including California) and one county (Los Angeles) are expanding capabilities for cancer prevention and control and using existing data bases to stimulate local and state-wide policy action to control cancer. Public health agencies, which provide direct personal health services to a significant part of the population (up to 38% in 1984), have a particular orientation to the health needs of otherwise underserved populations, and are experienced in working with a broad range of community groups and agencies.

Several states will use their data-based intervention grants to evaluate environmental data in relation to their cancer incidence and mortality data as well as focus on certain cancers thought to be related to environmental factors. For example, the Nebraska Health Department staff will use data from the Cancer and Smoking Disease Research Program which suggests a relationship between very high rates of non-Hodgkin's lymphoma and ground water contamination with nitrogen fertilizers in eastern Nebraska.

The New Jersey Health Department has an Occupational Disease Prevention and Information Program already in place through which intervention programs initiated under the grant can be implemented within an existing structure. New Jersey is one of the NCI SEER sites and has participated in the NCI-funded National Bladder Cancer Study. The New Jersey State Health Department will use the Industrial Chemical Survey of the Department of Environmental Conservation and the Metals Registry to identify both individuals and employees of industries at high risk for occupational cancers.

The Wisconsin Bureau of Health currently has a National Institute for Occupational Safety and Health (NIOSH)-funded Environmental/Occupational Exposure Reduction Surveillance System which, with their data-based intervention grant, will be linked with the cancer incidence data to assess the potential of excess cancer risk being associated with environmental exposures in their population.

Thus, State health agencies can respond to local occupational and environmental conditions, while at the same time addressing major causes of avoidable cancer mortality.

5. Special Populations: There now is a network for Cancer Prevention and Control in Black Populations, and similar efforts are being made with Hispanic and Native American populations.

6. Cancer Centers: At the present time the National Cancer Advisory Board is reviewing how best the Cancer Centers described above can orient a portion of their activities toward cancer prevention and control research.

7. Cancer Control Research Resources: Since 1982, two Cancer Control Research Units and nine Cancer Control Science Programs have been established in extramural institutions. These provide the initial core of a new network of large academic research centers specifically addressing cancer prevention and control research needs. Additionally, since 1984, a total of 56 one- and two-year small grants have been made to bring investigators into the field of cancer control.

8. Community Clinical Oncology Program: As previously noted, the Community Clinical Oncology Program consists of 50 programs throughout the U.S. These programs involve community physicians in cancer treatment clinical trials as well as cancer prevention and intervention trials.

9. Information Activities: Major public information programs are central to the cancer prevention and control effort:

a. Office of Cancer Communication's Cancer Prevention Awareness Program. Introduced in 1984, the Program is a major Federal effort to increase public awareness of the possibilities for cancer prevention and inform the American people about what they can do to control their own cancer risks.

b. The Cancer Prevention Awareness Program for Blacks. This is a special effort to deliver cancer prevention information to black Americans, one of the nation's highest cancer risk groups; in addition to a media campaign, NCI officials have joined those of major black organizations in a Joint Health Venture, a community-based, long-range effort to drive down cancer incidence and deaths among black Americans.

c. The Cancer Communications System is a nationwide telephone information system individuals can call to obtain information about ways to protect themselves from cancer and about obtaining the most effective cancer care.

d. The Physician Data Query (PDQ) System. An online prevention package similar to that developed for treatment information is being developed.

e. The Unprecedented Series of Public Hearings, by the National Cancer Advisory Board, to enlist the public's participation in reducing cancer deaths. The first was held in Los Angeles, September 22, 1987.

Response to specific citations in the Epstein article

1. ". . . cancer has now reached epidemic proportions . . ."

Contrary to Dr. Epstein's claim, we are certainly not experiencing an overall epidemic of cancer (except for that attributable to cigarette smoking) in the United States. The table below shows the age-adjusted mortality rate from cancer (in deaths/100,000 people) by decade, beginning with 1950 and ending with 1985, the most recent year for which such statistics are available.

AGED-ADJUSTED MORTALITY RATE FROM CANCER[1]

Year	White		Nonwhite	
	Male	Female	Male	Female
1950	168.0	146.2	150.9	147.7
1960	180.8	134.0	189.4	144.2
1970	197.0	130.6	230.5	139.0
1980	211.1	133.6	290.3	156.3
1985	212.5	138.2	291.0	154.5

[1] Deaths per 100,000 persons.

The table shows that for white males an increase in the mortality rate, from 168.0 to 197.0 (17.3%), occurred from 1950 to 1970. However, after 1970 (the Cancer Act was passed in 1971) the rate of increase slowed markedly: from 1950 to 1980 it was 7.9% and between 1980 and 1985 it increased less than 1%. For white females the mortality rate changed from 146.2 in 1950 to 138.2 in 1985, an overall decrease of 5.5%. The largest increase in cancer mortality occurred in nonwhite males. The major reason for the rising cancer incidence and mortality rates in this group, as well as in other groups, is tobacco usage. However, it is encouraging to note that the death rates from lung cancer in white males under the age of 55 have decreased by about 10% from 1976 to 1985. We believe that this decline is related to the decreasing prevalence of cigarette smoking by males in this age group. It is also encouraging to note that the rate of increase in cancer mortality in nonwhite males has slacked off recently, rising less than 1% between 1980 and 1985. In nonwhite females the mortality rate rose from 147.7 in 1950 to 156.3 in 1980, an increase of 5.8%. The rate has remained virtually unchanged between 1980 and 1985.

If one excludes smoking-related deaths from cancer (lung and bronchus) from the analysis, overall mortality from cancer (males and females, whites and nonwhites) has fallen an average of 0.1% per year between 1976 and 1985. However, for the same time period (1976–1985) there has been an average yearly increase in mortality from lung and bronchus cancer of 2.2%, and an overall increase of almost 20%. This, if anything, is the epidemic which Dr. Epstein refers to: it is directly attributable to cigarette smoking, is preventable and is an underestimate of the real impact of smoking on U.S. cancer death rates because it doesn't include smoking-related cancers at other sites including esophagus and kidney. This is borne out by examining age-adjusted cancer incidence rates for the period 1976–1985. The increase in incidence of cancer of the lung and bronchus has averaged 1.8% per year each year since 1976, leading to an overall increase of 15.7%. Similar but less dramatic increases in the incidence of other smoking-related cancers have also been noted during the time period 1976–1985: cancer of the oral cavity and pharynx, up

1.2%; cancer of the esophagus, up 3.8%; cancer of the larynx, up 2.2%; cancer of the urinary bladder, up 7.1%; and cancer of the kidney, up 11.3%.

2. "There is no evidence of substantial improvements in treatment over the last few decades. . . ."

Dr. Epstein's statement regarding a lack of substantial improvement in treatment over the last few decades is incorrect and ignores fundamental changes that have place in the treatment of malignancy during the past 30 years. Formerly the only options were surgery or low-energy radiation therapy, and cure was possible for only the minority of patients who presented with localized disease. The available options have expanded because of the discovery of drugs, now over 50 in number, that are able to eradicate cancer, as well as the introduction of high-energy radiation therapy, and most recently biological compounds. Some of these discoveries, such as the use of biologicals for treatment of cancer are still in early stages of development. Agents such as the bone marrow colony-stimulating factors and interleukin-2 (which have potent restorative effects on the normal bone marrow and the immune system, respectively) are just now proceeding through initial trials and, although their clinical effectiveness is clear, they will not be available for routine clinical practice until definitive research trials are completed. The gains related to chemotherapy and high-energy radiation therapy have been solidified through 30 years experience and have led to the curability of many of the tumors affecting people in the age groups under 55, such as the lukemias, lymphomas, Hodgkin's disease, testicular cancer, cancers of the female reproductive organs, connective tissue tumors (sarcomas), and choriocarcinoma. Over the 32-year period from 1950 to 1982 (Table 1), there has been a steady decline in cancer mortality for all age groups up to age 44, with particularly striking changes in the age groups from 0 to 14. However, these decreases are evident for age groups beyond age 44 when lung cancer is excluded.

TABLE 1.—LONG-TERM CHANGES IN CANCER MORTALITY

[Age-adjusted cancer mortality rates per 100,000 persons all races, both sexes]

Age group	1950	1982	Percent change
All cancer:			
Under 1 year	8.7	3.7	−57
1 to 4 years	11.7	4.6	−60
5 to 14 years	6.7	4.1	−39
15 to 24 years	8.6	5.9	−31
25 to 34 years	20.0	13.2	−34
35 to 44 years	62.7	46.2	−26
45 to 54 years	175.1	176.0	+ 1
55 to 64 years	392.9	439.7	+12
65 to 74 years	692.5	824.9	+19
75 to 84 years	1,153.3	1,238.7	+ 7
85 years and over	1,451.0	1,598.6	+10
All cancer excluding lung:			
Under 1 year	8.6	3.5	−59
1 to 4 years	11.6	4.6	−60
5 to 14 years	6.6	4.0	−39
15 to 24 years	8.4	5.8	−31
25 to 34 years	19.1	12.4	−35
35 to 44 years	57.6	47.4	−17
45 to 54 years	152.2	120.0	−21
55 to 64 years	337.7	288.9	−14
65 to 74 years	623.2	570.3	− 9
75 to 84 years	1,084.0	975.2	−10
85 years and over	1,387.0	1,402.6	+ 1

Source: Health, United States, U.S. Department of Health and Human Services, DHHS, 86–1232, December 1985.

Over the more recent ten-year period from 1976 to 1986, age-specific mortality due to cancer has decreased for all age groups up to age 54. These improvements in national mortality figures are closely related to improved therapies for the cancers that affect younger patients. However, advances have not been confined to the tumors affecting the younger age groups. Improvements in treatment of the more common tumors in older patients, including breast cancer, colorectal cancer, and some forms of lung cancer, have resulted from the use of drugs and radiation therapy in the so-called adjuvant situation in which these treatments are given immediately after surgery in patients at high risk of relapse. Large-scale clinical trials have demonstrated that adjuvant therapies lead to improved freedom from recurrence and improved survival in these settings. National statistical surveys have disclosed substantially improved survival for patients with colorectal cancer and breast cancer over the past 30 years (Table 2), even though the results of most recent adjuvant studies have not yet been broadly applied on a national scale.

TABLE 2.—SURVIVAL TRENDS BY CANCER TYPE

[In percent]

Cancer type	5-year relative survival rate		Improvement	
	1950	1982	Absolute	Relative to 1950
Bladder	53	77.3	24.3	45
Endometrial	72	87.1	15.1	21
Prostate	43	71.1	28.1	65
Breast	60	74.6	14.6	24
Leukemia	10	33.0	23.0	230
Non-Hodgkin's Lymphoma	31	48.1	17.1	55
Cervical	59	67.4	8.4	14
Colon	41	52.8	11.8	29
Rectum	40	49.7	9.7	24
Head and neck	45	54.3	9.3	21
Lung	6	11.6	5.6	93
Stomach	12	15.7	3.7	31

Improvement = 1982 survival–1950 survival/1950 survival.

Source: 1950 statistics from NCI End Results Program: 1982 statistics from SEER Program.

The problem of technology transfer becomes even more important when one considers the increasing sophistication of new treatments and the large number of patients who could potentially benefit from access to the latest therapies. For example, based on incidence figures for 1985, one can estimate that 175,000 patients are potentially eligible to benefit from existing adjuvant therapies for five of the most common tumors (Table 3). This gap in transfer of improved therapies from a research setting to clinical practice is a significant problem now being addressed by efforts to enlarge the scope of patient (and physician) participation in national clinical trials. Extensive educational efforts using computer-based information systems have been set up by the National Cancer Institute (NCI). This data base, called PDQ, can be accessed through medical libraries, cancer centers, and physicians with access to a personal computer. PDQ contains detailed information about state-of-the-art treatment for more than 100 different cancers updated monthly by an editorial board of national leaders in medical, surgical, and radiation oncology. Importantly, this data base also contains current information about ongoing clinical trials in cancer treatment, indexed by both geography (state, city, and even zip code) and disease. Thus, PDQ is truly a unique tool for referral of patients to the best available cancer treatment.

TABLE 3.—POTENTIAL IMPACT OF ADJUVANT CHEMOTHERAPY: POSITIVE STUDIES

	A. New cases with localized disease in 1986	B. Number surviving 5 years	C. Number who might benefit[1]	D. Number benefited if current best therapy used[2]
Breast	110,271	69,321	40,950	22,212
Lung	82,351	14,042	67,746	8,641
Colon	73,500	43,335	30,165	6,703
Rectum	33,180	18,396	14,784	5,836
Lymphomas	27,200	8,995	18,205	11,519
Bladder	34,587	24,580	10,007	2,551

[1] A minus B.

[2] C x (percent improvement in 5-yr survival in best adjuvant study).

Source: National Cancer Institute.

There is evidence for significant improvements in survival for patients with other common forms of cancer, most notably prostate cancer, bladder cancer, and tumors of the female reproductive tract (Table 2). In analyzing these trends, it is apparent that factors other than improved treatment may contribute to improved survival, including earlier diagnosis and advances in supportive care, but in each case significant improvements in surgery, radiotherapy, or drug treatment have also played a major role in improved management strategy (Table 4).

The information in Tables 2 and 4 does not reflect another important facet of the progress in cancer treatment, the improved management of cancer-related problems such as rehabilitation, preservation of bodily functions, pain control, and psychosocial adjustment. Examples include the decreased morbidity associated with limb-sparing operations for osteogenic sarcoma, breast-sparing radiation therapy for treatment of primary breast cancer, and the sparing of bladder and prostate (with preservation of potency) improved surgical approaches and radiotherapy for early stages of cancer affecting these organs. Other advances in pain control and rehabilitation have allowed patients to lead functional lives and to deal with the psychosocial effects of cancer; these benefits are not considered in Dr. Epstein's remarks.

Thus, there is clear and striking evidence for improvements in cancer treatment, not only for the less common disease in younger age groups but also for the common tumors that affect older age groups. The problem now is to exploit to the fullest these research advances and to apply the rapidly evolving understanding of cancer biology for future gains in the treatment effort.

TABLE 4.—ADVANCES IN CANCER DIAGNOSIS AND TREATMENT SINCE 1975

Disease	Advances[1]	
	In Treatment	In Diagnosis
Bladder cancer	MVAC chemotherapy, BCG immunotherapy.	Flow cytometry.
Breast	Effective CMF adjuvant chemotherapy.	Mammograms as a proven screening tool.
Colon	5-FU-based adjuvant chemotherapy.	Fiberoptic colonoscopy.
Rectum	Adjuvant chemo-radiotherapy..	
Head and neck	Adjuvant chemotherapy	CAT scanning.
Leukemia	Bone marrow tansplantation, interferon for hairy cell leukemia.	Immunophenotyping.
Lung	CAV adjuvant chemotherapy	Fiberoptic bronchoscopy.
Non-Hodgkin's lymphoma.	Curative combination chemotherapy, bone marrow transplation.	Immunophenotyping.
Prostate	LHRH agonists	CAT scanning for staging pelvic disease.

TABLE 4.—ADVANCES IN CANCER DIAGNOSIS AND TREATMENT SINCE 1975—Continued

Disease	Advances[1]	
	In Treatment	In Diagnosis
Stomach		Fiberoptic gastroscopy leading to earlier detection.

[1] Advances since 1950 are presented in greater detail in the NCI "Annual Cancer Statistics Review," January 1988.

3. "Apart from modern lifestyle factors, particularly smoking, increasing cancer rates reflect exposure to industrial chemicals and runaway modern technologies . . ."

Epidemiologic studies and statistics simply do not support Dr. Epstein's position that industrial chemicals and runaway modern technologies are producing an epidemic of cancer in this country. Although occupational exposures are an important cause of certain cancers (for example, respiratory and bladder cancer among men in certain high risk occupations), the total number of cancers from such exposures account for only a small fraction of the total cancer deaths that occur annually in the U.S. for these sites. Reports of the Surgeon General and other scientific organizations generally hold that cigarette smoking accounts for approximately 90 percent of all lung cancer deaths annually among males. Further, more recent evidence on environmental tobacco smoke (ETS) indicates that ETS exposure may account for an estimated 10 to 50 percent of the nonsmoking lung cancer deaths among males and females annually in the United States.

We agree that the production of synthetic chemicals has greatly increased since the early 1940s. However, it is important to note that the production of a large number of many items such as frozen foods, electrical appliances, antibiotics, sugar, a variety of agricultural products, jet airplanes, etc. has also been on the increase during this time. Exposure to such items as these may well correlate with risks of cancer. However, a correlation between exposure to an agent and the incidence of cancer is quite different from being able to establish a direct causal relationship. Thus, while a causal association between cancer risk and exposure to a few synthetic/industrial chemicals has been demonstrated, it cannot be assumed a priori that a risk exists for every chemical. Further, occupational exposure to such agents also tends to coexist with exposure to known carcinogenic risks in certain populations (i.e., cigarette smoking, particularly among blue collar workers). This dual exposure could lead to the establishment of an indirect link between exposure to the occupational agent and an increased risk for cancer if smoking is not controlled for adequately in scientific investigations.

4. "The overwhelming majority of these industrial chemicals has never been adequately, if at all, tested."

It is true that only a small proportion of industrial chemicals has been subjected to full toxicology testing. However, it is also true that until rapid short-term tests for carcinogenicity are available, the overwhelming majority of both industrial and naturally-occurring chemicals can never undergo full toxicology testing because of limited resources. It should be pointed out that the National Cancer Institute pioneered efforts in the field of toxicology testing early in the 1970s. It instituted a carcinogenesis testing program through which scientists established a standardized way to determine the cancer-causing ability of chemicals in rodents. Since the time this massive bioassay program was begun, about 300 chemicals have been screened for carcinogenicity, and this information has made an important contribution to our knowledge in this area. Of the 30 agents known to cause cancer in humans, all (with the possible exception of arsenic) cause cancer in laboratory animals. In 1981 the NCI requested that responsibility for managing the Carcinogenesis Bioassay Program be transferred from NCI to the National Toxicology Program (NTP) of the National Institute of Environmental Health Sciences; this request was approved by the national Cancer Advisory Board (NCAB) and the Department of Health and Human Services.

Included in this transfer were 95 positions and 44 million dollars. This action provided for direct management by the NTP of the NIH components of the program and to integration with the rodent carcinogenesis testing program (previously performed by NCI), neurobehavioral and pulmonary toxicology, and studies of reproductive and developmental effects (previously performed by NIEHS). Currently, the NCI is one of the members of the NTP Executive Committee and plays a major role in nominating chemicals for testing by the bioassay program. These nominations by NCI are chosen on the basis of several criteria including potential for human exposure, epidemiologic data, available toxicological data, level of production and chemical structure.

5. "Occupational exposure to industrial carcinogens has clearly emerged as a major risk factor for cancer."

This statement is based on a report entitled "Formulated Estimates on the Proportion of Cancer in Coming Decades That Could Reflect Past and Continuing Exposures to Occupational Carcinogens." A brief history of this report is given below to explain how the paper was developed and why it is in disrepute.

In 1978 the Occupational Safety and Health Administration (OSHA) proposed what has been referred to as a "Generic Standard" for the regulation of potential occupational carcinogens. The thrust of the proposal was to change the way in which OSHA approached the regulation of substances for which evidence of carcinogenicity had been developed. Up to that time, the procedure was to evaluate the evidence, propose a set of rules, and move through a long set of hearings and regulation-setting processes on a case-by-case basis. It was the desire of OSHA to change this practice to a circumstance where if there was substantial evidence of carcinogenicity for a substance in the occupational environment, a set of regulations would be set in place almost immediately, and then the process of hearings and rule-making would proceed to determine if these regulations should be modified in any way.

When the Department of Labor held hearings on this proposal, it requested that other components of the Government testify it favor of the Government's position. A number of individuals provided such testimony, including representatives of the National Cancer Institute, the National Institute of Environmental Health Sciences, and the National Institute for Occupational Safety and Health. After the hearings were concluded, the Public Health Service representatives were informed that OSHA had what it considered to be a major problem and that OSHA wanted the PHS representatives to develop a post-hearing commentary for the record. Specifically one of the issues under consideration was the magnitude of the occupational cancer problem. The implication was that if it were a large problem, the proposed rule might be justified. However, if occupational cancer was a small problem, then the new rule might not be appropriate. The problem from OSHA's perspective was that none of the Government witnesses had given a precise estimate as to the magnitude of the problem. Indeed, most addressed the issue by indicating that scientifically it was not possible to produce an accurate estimate of the proportion of all cancers that in the future might be related to past occupational exposures. However, every expert testifying for industry did provide an estimate, and these ranged from 1-3%. OSHA felt that closing the record with the only estimates of the occupational cancer problem in the record being the estimates provided by industry could be a serious mistake. Therefore, OSHA assembled the PHS witnesses to produce a document addressing this problem.

Although NCI epidemiologists were sensitive to OSHA's needs, they were also firmly committed to the viewpoint expressed in the individual testimony, namely that any estimation procedure was bound to be flawed because of a scientific base for such estimates. What was hoped could be produced was a document which pointed out that most previous estimates were based on less than satisfactory evidence. For those that claimed they were based on scientific evidence, it was felt that some fallacies in the assumptions used could be pointed out. The document produced addressed those points. In the process, examples were given of how the estimate could vary widely, based on assumptions that could neither be proved or disproved (e.g., the magnitude of the risk associated with exposure to known carcinogens, the prevalence of meaningful exposure to such agents, the likelihood that unevaluated agents would be found to be hazardous, and the impact of changing industrial practices). Based on assumptions with respect to these and other variables it was demonstrated that "believable" levels could range from 5 percent to 20 percent or more. For convenience, not for scientific reasons, the estimate for which the assumptions made were most explicit was the 20 percent figure. It was not the intention of the NCI epidemiologists to imply that any particular figure (5 percent, 20 percent, 38 percent, etc.) was more or less credible than any other figure. Rather it was their intention to demonstrate that a wide range of estimates could be obtained simply by varying the unprovable assumptions on which the estimation procedure was based. It was hoped that this would demonstrate the fallacy of believing some of the low percentages which were submitted for the record by the representatives of the industries involved.

The resulting manuscript which was submitted as post-hearing commentary to OSHA did accomplish some of the goals described above. However, portions of the final text seem to imply that a particular percentage (20 percent), and thus a particular set of assumptions, is likely to be the most accurate. This was not NCI's intention, but seems to have come about for a variety of reasons. Among these was the fact that this document was assembled in a very short period of time (to meet the OSHA hearing deadline); involved no joint meetings of all those contributing; the actual document was pieced together by a contractor from multiple submissions on the part of the various contributors; there was no final, formal approval required of all the contributors; and it was not submitted to any formal review and approval process. While all of this was somewhat irregular, it occurred because there was a severe time pressure to meet OSHA needs; it was clear that the contributors to the report would be listed as just that (contributors), which would not imply any overall endorsement by any individual contributor, and that the report certainly did not represent an official position by the agencies involved. (This lack of enforsement by contributors was duly noted when the document was reprinted in Banbury Report No. 9 on the Quantification of Occupational Cancer). Finally, at the time there was also a general understanding that this document was to serve a particular purpose for a specific regulatory proceeding, and was not intended as a policy-setting document for the Agency. It was generally understood that it would be submitted for the record of the hearing, and that it would be considered in that rule-making process and achieve little note beyond that. Thus, it was surprising when Secretary Califano appeared on national television several days later to announce "a new study" by the Department that demonstrated that 20 percent of all cancers were due to occupation.

It should be clear from this history that the report in question was hardly an official consensus of any high-level governmental commission at the Departmental level. It should also be noted that since that time various DHHS agencies have agreed that the estimates given in the paper are far too high.

6. "Evidence such as the following clearly incriminates the additional role of exposure to occupational carcinogens and carcinogenic community air pollutants. . ."

It is clear that occupational carcinogens and carcinogenic community air pollutants do place individuals so exposed at increased risk for lung and other types of cancer. These risks, however, are small compared to risks from other exposures. A number of recent reports published by NCI and Environmental Protection Agency (EPA) epidemiologists should lead to a better understanding of the risks involved. For example, two studies conducted for the EPA have produced estimates of new cancer cases resulting from various air pollutants in our general environment. In 1985 EPA estimated that approximately 1300 to 1700 new cancer cases resulted from volatile organic and other carcinogens from both stationary and nonstationary sources. More recently (1987) the EPA examined, in detail, specific contributions of motor vehicles to cancer and estimated that between 385 and 2,286 new cancers resulted annually. Obviously, the contribution of air pollution from stationary and nonstationary sources to the total of cancer burden, even if the highest figures are used, only results in small numbers of new cancers each year. In contrast, active smoking is responsible for an estimated 30 percent of all cancer mortality annually and the National Academy of Sciences and other scientists have estimated that up to 5,000 or 6,000 lung cancers annually could be attributed to exposure of nonsmokers to environmental tobacco smoke. Indeed this environmental tobacco smoke contains thousands of chemical compounds including known carcinogens at levels many times those allowed in the workplace by OSHA.

The NCI research program in etiology and prevention represents a wide-ranging and intensive effort to identify carcinogenic hazards of various types, and to generate basic insights into the origins of cancer and the means of prevention. There is in place a comprehensive and balanced program of epidemiologic, experimental and multidisciplinary research that has enhanced our capacity at the national and international level to settle questions in environmental carcinogenesis and to develop preventive measures.

7. "The evidence certainly does not justify the wild claims by lifestyle theorists that some 30 to 40% of all cancers are due to faulty diet."

Epidemiologic and experimental evidence continues to support the idea that dietary factors contribute to a substantial proportion of human cancer. However, the specific percentage of diet-related cancers, the actual dietary constituents involved, and the mechanisms remain to be clarified. For example, Higginson and Muir (1979) reported that possibly 30% of cancers in men and 60% in women in the Birmingham and West Midland regions of England and Wales could be attributed to "lifestyle" factors which included diet. Wynder and Gori (1977) developed estimates based on international and intranational comparisons of cancer incidence, the differences between U.S. mortality rates and the lowest reported worldwide mortality rates for each site, and results of case-control studies. From their analysis, they concluded that about 40% of cancers in men and approximately 60% in women in the U.S. could be attributed to diet. Similarly, Doll and Peto (1981) estimated that a significant association ranging between 10% and 70% existed between diet and cancer risk; their "best estimate" of the proportion of cancer attributable to diet in the U.S. was 35%. In addition, they indicted that mortality from cancer in the U.S. could be reduced by 35% through dietary modification. That dietary factors are important in contributing to human cancer is clearly indicated by international comparisons of mortality from cancer, which show large variations in rates among countries. Even more compelling evidence comes from epidemiologic studies on migrant populations.

Results from several studies on population groups migrating to areas characterized by different lifestyles and cancer risk are now available. For example, it has been demonstrated that the native Japanese and Chinese women have breast cancer mortality rates approximately one-fifth those of white American women, and breast cancer rates rise in successive generations among Asian families who migrate to the U.S. Gradual adoption of a Western high-fat diet is believed to be primarily responsible for the increased cancer risk among these Asian-Americans. In another study, the changing incidence rates of cancer of the stomach and large bowel was assessed among Hispanic-Americans and Japanese-Americans. The study showed that the risks for both cancers among immigrants were usually intermediate between those for the country of origin and the U.S. Another study involved individuals from the northwest part of the U.S. who moved to Florida upon their retirement. Although colorectal cancer mortality is 50% higher in the northern states than in the south, the age-specific mortality in Florida counties with high inmigration from retirees from the north parallels that in other southern counties, suggesting that the reduced risk is associated with a change in lifestyle such as diet.

Case-control studies have also provided evidence that a proportion of human cancer can be attributed to dietary factors. In a recent NCI study, an association between obesity, as measured by the Quetelet index (weight/height^2), and colon cancer risk was identified. When the risk associated with obesity was adjusted for fat, calorie and fiber intake, obesity continued to be related to higher risk of cancer of the colon. Analyses of data from an ongoing cohort study among the multiethnic population of Hawaii also indicates increased risk for colon cancer associated with increases in weight and Quetelet index. Jain (1980) estimated that 41% of the risk for colorectal cancer in males and 44% in females is associated with saturated fat intake. According to Marshall et al. (1981), artifacts in the diet tend to lead to low estimates of relative risk, so both of the estimates are probably too low. As noted in the National Academy of Sciences report entitled "Diet, Nutrition and Cancer" (1982), this is especially the case for breast cancer, because estimated effects of dietary factors as determined by current intake are probably much lower than the true effect for a factor operative earlier in life, i.e., during adolescence.

In addition, laboratory studies have shown that a number of compounds occurring in the diet are potent carcinogens. Among these are aflatoxins, a number of nitrosamines found in pickled vegetables and salted and smoked foods, and various heterocyclic amines formed during the process of frying or broiling fish and meat. Further studies on these and other dietary mutagens and carcinogens are underway.

We agree that the Willett study referred to by Dr. Epstein was negative with regard to associating dietary fat with breast cancer. However, there are some limitations to the study which must be recognized. The limited validity and precision of the dietary questionnaire, the use of categorization and unequal intake of protective factors by each quintile group seem to limit the conclusions that can be drawn by the study. The issue of the role of dietary fat in the causation of breast cancer is as yet unresolved and is under study by NCI-supported investigators.

8. "The latest NCI 'breakthrough' claims for interleukin-2 as a cancer cure are grossly inflated and rest on questionable data."

The NCI has been careful not to characterize therapy with IL-2/LAK cells as being a 'breakthrough'; it is simply the next step in a 6 year long experiment. Our enthusiasm for this new therapy is based on the fact that it represents a completely new approach to treating cancer. It works by activating the immune system to destroy cancer cells in patients whose cancers are so far advanced that they are unable to benefit from surgery and do not respond to chemotherapy or radiation. Dr. Epstein apparently has not read the published report on IL-2/LAK therapy (Rosenberg, S.A., et al.: N. Eng. J. Med. 316:889, 1987), for if he had he would know that the data are not at all questionable. Of the 16 patients with far advanced cancers treated with IL-2/LAK and achieving a complete response, 13 remain in remission after follow-up times of up to 2 years—a remarkable finding for patients with these otherwise lethal cancers. NCI staff feels that any response in patients with advanced cancers of the types treated is promising. The durability of the complete responses noted thus far and the fact that this remains the only effective therapy available for treating these types of tumors (metastatic kidney cancer and melanoma) add further importance to this research. Like surgery, radiotherapy and chemotherapy, modalities which all required time and experience in the hands of therapists before they could be integrated into the standard care of patients at the level of medical practice, this form of adoptive immunotherapy will need further development and improvement before general clinical use is possible.

9. "Equally questionable are claims by the NCI and ACS that overall cancer survival rates have improved dramatically over recent years."

There is absolutely no question that overall 5-year survival rates have shown significant increases since 1960. For all sites combined, the rate for whites rose from 39 percent (for cases diagnosed between 1960-1963) to 43 percent (1970-1973) to 50.1 percent (1970-1984). A more dramatic increase in 5-year survival rates for white children aged 0-14 was noted over the same time intervals: 28 percent (1960-1963) to 45 percent (1970-1973) to 63.1 percent (1979-1984). These increases are, if anything, understated because they represent cancers at all sites combined. When evaluated by selected sites (see table below) the increases for some tumor types—such as acute lymphocytic leukemia, Hodgkin's disease and non-Hodgkin's lymphoma—are even more dramatic.

5-YEAR RELATIVE SURVIAL RATES IN PERCENT

Site	Whites, ages 0 to 14		1979–84
	1960–63	1970–73	
All Sites	28	45	63.1
Acute Lymbhocytic leukemia	4	34	64.8
Acute Myeloid Leukemia	3	5	24.6
Wilms' Tumor	33	70	82.4
Brain and Nervous System	35	45	55.8
Neuroblastoma	25	40	55.9
Bone	20	30	48.4
Hodgkin's Disease	52	90	91.2
Non-Hodgkin's Lymphoma	18	26	60.4

10. "Defensively revealing is the finger-pointing by the Director, NCI, DeVita, at community physicians for using inadequate does of chemotherapy drugs as the "real" reason why cancer cure rates are no better than they are."

NCI's community-based prevention and control programs are specifically aimed at promoting widespread optimum cancer care. Certainly, cancer treatment could be vastly more successful if patterns of care for cancer patients were uniform and state of the art therapy was employed on a national scale. For example, throughout the U.S. it is estimated that as few as 32 percent of premenopausal women with breast cancer actually receive adjuvant chemotherapy, which has been shown to be capable of reducing mortality by a minimum of 25 percent. Perhaps as few as 60 percent of patients with the highly curable diffuse aggressive lumphomas receive chemotherapy adequate to be completely curative. Several groups have recently restudied the impact of dose of drugs on outcome. As in experimental studies in rodents the effects are dramatic, making dose intensity one of the most significant treatment variables in therapeutic experiments. At the same time, it is widely agreed that ad hoc reduction in doses to avoid toxicity is commonly practiced in the United States. Discussions of these points at scientific meetings and in the lay press is in keeping with NCI's efforts to improve technology transfer. It was recently estimated that as many as 9,000 patients may die annually because they receive insufficient doses of chemotherapy and similar data have been generated for the failure to give adequate radiotherapy and surgery. In fact, if every cancer patient in the U.S. today were to receive the best treatment available, there could be an immediate 10% improvement in 5-year survival.

11. "The NCI exaggerates the role of tobacco for a wide range of cancers besides lung . . ."

It would be difficult to exaggerate the enormous negative impact of tobacco on human health. The position that tobacco use, particularly cigarette smoking, is the major cause of cancer mortality is one supported by the U.S. Public Health Service, the Surgeon General, the Royal College of Physicians in the United Kingdom (UK), and the World Health Organizations. Every independent scientific body that has objectively examined this question has reached the same conclusion; and a substantial body of evidence, consisting of several thousand scientific studies, allows the conclusion that smoking is a major cause not only of lung cancer but of cancer of the larynx, oral cavity, pharynx, and esophagus, and contributes to cancers of the bladder, kidney, and pancreas because tobacco carcinogens are absorbed into the blood stream and are transported to multiple remote sites. An association between smoking and cancer of other sites have also been observed but a causal role has yet to be established.

Cigarette smoking can interact with occupational exposures to significantly increase the risk of lung and possibly other cancers in workers exposed to such agents. Cigarette smoking also interacts with the use of alcohol to increase the risk of certain cancers such as oral cavity cancer and cancers of the esophagus and larynx.

In a study of more than 17,000 asbestos workers by Selikoff et al., of the more than 300 lung cancers identified in heavily exposed asbestos workers (greater than 20 years exposure), only a few lung cancer deaths were found in nonsmoking asbestos workers. However, smoking asbestos workers had a lung cancer risk that was 50 times greater than that of non-smoking non-asbestos workers. Workers who smoked more than 20 cigarettes per day had lung cancer risks nearly 90-fold greater.

Obviously smoking and tobacco use are not responsible for increased cancer incidence rates for every site. However, studies do appear in the scientific literature with some frequency which identify an increased risk among smokers (or other users of tobacco products) for cancer sites not previously known or suspected. An example is the increased association between cigarette smoking and cancer of the uterine cervix among women who smoke. Just five years ago only a few studies were available for review, and these studies produced conflicting results. However, more recently published studies now increasingly point to a direct correlation between smoking and cervical cancer among women. Another example is the evidence now available which firmly establishes smokeless tobacco use as a cause of cancer. These new studies, added to thousands of previously published reports on the correlation between tobacco use and increased cancer morbidity and mortality, firmly establish that chronic tobacco use, particularly cigarette smoking, is the largest single cause of excess cancer mortality not only for the U.S. population but in those cultures around the world where smoking has become an established behavior for a significant proportion of the population. Thus, in the United States tobacco use is directly responsible for approximately 40% of all male cancer deaths and nearly 20% of female cancer deaths. Overall this translates to approximately 140,000 preventable cancer deaths in the U.S. population in 1987. Not even discussed here are the greater number of deaths from heart and lung disease caused by cigarette smoking.

12. ". . . evidence uncovered in September, 1982 by Congressman Obey that the NCI has pressured IARC, funded in part by the NCI to downplay the carcinogenicity of benzene and also formaldehyde in IARC monographs which review and rank the carcinogenicity data on industrial and other chemicals."

The charge that NCI, through leverage based on its financial support of the monograph program, pressured the International Agency for Research on Cancer (IARC) to downplay the carcinogenicity of benzene and formaldehyde is completely unsubstantiated. In fact the result of the IARC evaluation of benzene in 1982 was that there was sufficient evidence of its carcinogenicity to humans, and this evaluation was reconfirmed at a recent IARC meeting. Furthermore, IARC has upgraded the category for formaldehyde—in 1982 it was placed in category 2B (inadequate evidence for carcinogenicity to humans), whereas at an IARC meeting held in March 1987 it was upgraded to category 2A (probably carcinogenic for humans).

The IARC, an agency of the World Health Organization, is supported by 14 nations: Australia, the United States, the USSR, the UK, Germany, France, Italy, Canada, Finland, Sweden, Japan, the Netherlands, Norway and Belgium. The assessments obtained from member nations are placed into an operating fund which supports IARC's scientific and other activities. Included among IARC's activities are basic laboratory research in carcinogenesis, epidemiologic research, preparation of the annual "Directory of Ongoing Research in Cancer Epidemiology," preparation of a compendium called "Survey of Chemicals being Tested for Carcinogenicity," and a monograph program entitled "Evaluation of Carcinogenic Risks to Man." The latter three activities receive support through the general IARC operating fund as well as through direct funding from NCI. Partial NCI support for the "Directory of Ongoing Research in Cancer Epidemiology" is provided through a contract with NCI's Office of International Affairs. Partial support for the "Survey of Chemicals being Tested for Carcinogenicity" and for the monograph program is provided by a Cooperative Agreement with NCI's Division of Cancer Etiology. Thus, these latter two activities derive support both from IARC's general operating fund and from the Cooperative Agreement.

The IARC monograph program continues to enjoy a well-deserved worldwide reputation of providing a balanced, reasoned and objective evaluation of the carcinogenic risks to humans posed by chemical exposures, and NCI has ensured that this reputation is maintained. The purpose of the monograph program is to evaluate the published evidence for the carcinogenicity of individual chemicals, groups of chemicals, occupational/environmental exposures and, more recently, lifestyle factors. These evaluations are carried out during Working Group meetings which IARC convenes three times a year at its headquarters in Lyon, France. These Working Groups are composed of scientists from around the world who are experts in chemical carcinogenesis, epidemiology, pharmacology and toxicology, and short-term testing. The Working Group members are selected by IARC staff for their expertise in the above areas, as well as for their specific knowledge of the chemicals or exposures to be evaluated at the meeting. Under the terms of the Cooperative Agreement between IARC and NCI, NCI's role in the monograph program is threefold: 1) to provide information for the section of each monograph which contains information on occurrence, production, chemistry, analysis, etc; 2) to provide an NCI scientist to attend each Working Group meeting as official NCI representative; and 3) to suggest to IARC appropriate participants and observers from academic, government, industrial and trade sectors. Thus, the policy of NCI is to support the IARC monograph program and at the same time to preserve its autonomy and integrity in order to protect its scientific credibility and objectivity.

13. "Policies of the various federal agencies with responsibilities in cancer prevention must be effectively integrated and coordinated."

Dr. Epstein is apparently unaware of NCIs involvement with other agencies and its role in coordinating and integrating cancer prevention efforts. The coordination and institutional structure through which NCI conducts its prevention programs were set out in the preamble.

In addition to serving on the National Toxicology Program Executive Committee, there are a number of other mechanisms for information exchange and coordination among the NCI and regulatory agencies and other agencies involved with environmental and occupational toxicology.

In the area of environmental and occupational toxicology, a primary method of coordination of research communication is through the activities of the Committee to Coordinate Environmental Health and Related Programs (CCEHRP). This committee was formed in 1973 to assure the exchange of scientific information on environmental health, toxicology and related programs of the DHHS with other components of the Federal government, and to coordinate activities whenever possible. CCEHRP is caled upon to perform various tasks and to represent DHHS on matters regarding scientific risk assessment and risk management, or that require review of methodologies and assumptions used in deriving risk assessment data. The Executive Board is composed of agency heads of the Public Health Service—CDC, NIH, FDA, ADAMHA, ATSDR, HRSA—and other PHS senior staff members. CCEHRP also has recently established several standing subcommittees that focus on generic issues germane to CCEHRP activities. I or my designate, Dr. Richard Adamson, Director of DCE serves as the Chairman of the Subcommittee on Research Needs.

The membership of the National Cancer Advisory Board includes not only the appointed members, but ex-officio members from the Department of Defense (DOD), the Veterans' Administration (VA), Office of Science and Technology Policy (OSTP), the Environmental Protection Agency (EPA), the Consumer Product Safety Commission (CPSC), the Secretary of Labor (who is usually represented by staff from the Occupational Safety and Health Administration), the Food and Drug Administration (FDA), the National Institute for Occupational Safety and Health (NIOSH), and the National Institute on Environmental Health Sciences (NIEHS). By reviewing the policy and research efforts of the National Cancer Institute, and contributing to these discussions, communication among these agencies is further enhanced.

The NCI, through the Division of Cancer Etiology, has collaborative programs on occupational and environmental carcinogenesis with NIOSH and EPA. The projects in the collaborative agreements are reviewed by the Divisional Board of Scientific Counselors and managed jointly by co-project officers from NCI and the other agencies.

The Interagency Collaborative Group on Environmental Carcinogenesis is an informational committee chaired by representative of the NCI's Division of Cancer Etiology, which serves as a forum for exchanging information among member organizations—NCI, NIEHS, the FDA, USDA, the Council on Environmental Quality (CEQ) the National Oceanic and Atmospheric Administration (NOAA), the National Aeronautics and Space Administration (NASA), the Department of Transportation (DOT), the National Science Foundation (NSF) and others involved in environmental carcinogenesis research and regulations.

These coordinating efforts provide a forum for exchange of information on areas of mutual concern among research and regulatory agencies as well as with interested persons in the scientific community.

Conclusions

There is not in the United States an overall epidemic of cancer except for that attributable to cigarette smoking. Although it is clear that occupational carcinogens and community air pollutants do place individuals so exposed at increased risk for lung and other types of cancer, these risks are small compared to risks from other exposures. The major reason for the rising cancer incidence and mortality rate is tobacco usage.

There is evidence of substantial improvements in cancer treatment related to gains in chemotherapy and high-energy radiation therapy over the last few decades and there has also been progress in the improved management of cancer related problems including by not limited to rehabilitation, pain control and psychosocial adjustment.

The NCI has made substantial changes in its prevention effort since 1980. Among these changes are transfer of the Carcinogenesis Bioassay Program to the National Toxicology Program (NTP) but continued interaction with the NTP, delineation and application of an orderly sequence of research development steps in cancer prevention and control, creation of a national network to apply results of cancer research in prevention and treatment, innovative programs in smoking prevention and cessation, various studies on the role of dietary factors in human cancer, support of several chemoprevention trials, collaboration with State health agencies in cancer prevention, new efforts in cancer control research in extramural institutions, development and support of programs involving community physicians in cancer treatment and prevention trials, and major public information programs.

The NCI currently has in place and supports, intramurally and extramurally, a comprehensive and balanced program of experimental, epidemiological, multidisciplinary and clinical research that gives it the capability and credibility at both the national and international level to ask and answer questions in environmental carcinogenesis, cancer therapy, and to develop prevention measures.

KOREAN WAR MEMORIAL: SEVERAL STEPS CLOSER TO REALITY

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. EVANS. Mr. Speaker, in March, the Congress unanimously approved legislation offered by my colleagues, Congressman JIM FLORIO of New Jersey and Senator WILLIAM ARMSTRONG of Colorado, which is significant to the effort to honor those who served in the Korean war.

Congress gave its final approval to efforts to build a Korean War Memorial and place it in a special location on the Mall in Washington, DC. In 1986, a law authored by Congressmen FLORIO and PARRIS and Senator ARMSTRONG authorized the building of this memorial with private and public funding. For too many years, the contributions and sacrifices made by those who served in the Korean war have not been properly recognized. To this date, no national memorial exists to honor those Americans who sacrificed their lives so that others could live in freedom. The 1986 law rectifies this injustice and seeks to not only honor those who died but also heal the wounds of their families and those who returned.

In March, Congress completed the final congressional step required for building this long-awaited memorial by approving the area location for the site. Just recently, an actual site was selected and efforts to solicit a design for the memorial and continue soliciting private contributions will be underway. Over $2 billion in private funding has been raised and is administered by the American Battle Monuments Commission. However, nearly $6 billion will be needed to complete the memorial.

I would like to share with my colleagues a recent article that appeared in the monthly newsletter of the Eastern Paralyzed Veterans Association. I hope my colleagues will join me in congratulating Congressman FLORIO on the fruition of his efforts and commending him for his initiative in this key area. The article follows:

ON THE VETERANS FRONT: TOPICS OF INTEREST TO VETERANS

KOREAN WAR MEMORIAL IN DC

WASHINGTON, DC.—Congressman James Florio was pleased at the unanimous final passage by the House of Representatives of legislation to erect a Korean War memorial on the Mall in Washington. "I look forward to a day not far in the future when people from all over America will be able to stand before this long overdue tribute to the men and women who served in Korea," he said. Florio, a member of the House Veterans Affairs Committee, was the chief sponsor (along with Sen. William Armstrong) of legislation to authorize erection of the monument. Florio also sponsored a resolution required so that a ban on military monuments on the Mall could be waived. That resolution came before the House on March 16 and was adopted by 404-0 vote.

Attention now turns to fund raising and design efforts. A 12-member advisory board, created by the 1986 legislation and made up of Korean War veterans, will accept design proposals. Some $2.5 million has been raised privately toward the expected $10 million cost of the memorial. The location is expected to be in the vicinity of Constitution Gardens, not far from such landmarks as the Washington Monument and the Lincoln and Vietnam Memorials.

"This monument will be more than stone and steel," Florio said. "As we discovered with the Vietnam memorial, monuments to those who fought in a war can have an important impact on society. Not only do they honor those who never came home, but they offer a place where veterans, their families and future generations can come to reflect."

AMERICA NEEDS PRO-FAMILY WORKPLACE

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mrs. SCHROEDER. Mr. Speaker, I would like to commend the Women's Legal Defense Fund for its recognition of the new work force and family realities that have resulted from dramatic changes that have been taking place in our society over the past few decades. In addition to facilitating the praiseworthy advocacy work of the fund, Judith L. Lichtman, the executive director, has offered an excellent assessment in support of the Family and Medical Leave Act, H.R. 925.

The March 21, 1988, transcript follows:

AMERICA NEEDS PRO-FAMILY WORKPLACE

(By Judith L. Lichtman)

Dramatic changes are taking place in our society. Thirty-five years ago, 28 percent of mothers with school-age children worked outside the home; today nearly 70 percent do, as do more than half of mothers with pre-school children.

These new workforce and family realities mean that today's workers—women and men—need flexible new policies to help them bridge the gaps between work and family, policies that establish a "pro-family workplace." Congress is now considering one such policy.

The Family and Medical Leave Act provides job-guaranteed, unpaid family leave for both men and women to care for a newborn or newly-adopted child, or to care for a child or parent with a serious health condition. It also provides temporary medical leave for all employees when they are unable to perform their job due to serious health conditions, such as heart attacks, cancer or pregnancy-related disabilities.

The bill provides genuine help for the American family. It has bipartisan support, is endorsed by a broad diversity of organizations, and has progressed steadily through Congress. In a national Opinion Research Poll, 76 percent of those surveyed approve of parental leave legislation. Yet there is strong opposition from business groups, including the U.S. Chamber of Commerce, and the administration. It is ironic that this administration, which has mouthed pro-family rhetoric for years, will not support one of the most important pieces of pro-family legislation before Congress. Instead, the opposition is armed with excuses.

One major excuse is that the bill will cost too much for business. Yet the numbers have been exaggerated. The Chamber dropped its initial cost estimate of the leave policy from $423 billion a year to less than $3 billion when challenged by members of Congress. The U.S. Government Accounting Office, however, has determined that the annual cost to employers will only be $200 to $500 million—a fraction of the Chamber's estimates. According to the GAO the Chamber made unrealistic assumptions about the use of leave and the cost of using temporary employees, and didn't factor in the economic benefits of the bill, including reduced turnover and a more experienced and committed workforce.

Another excuse is that a family leave policy will harm our competitive position internationally. Yet, what the bill proposes is far less than what most of your competitors already offer: 12 weeks at 60 percent of earnings for maternity leave in Japan; 16 weeks of 90 percent paid leave to new mothers in France; and 14 weeks of fully paid leave in West Germany.

Opponents feign concern that the bill will cause employers to stop hiring women, but this is just another excuse. Refusing to hire qualified women is against the law. Second, today's economy depends on women working. Finally, it is not only women who will use the leave, since the bill makes no distinction on the basis of gender. When illness requires an employee—male or female—to take family or medical leave, the need for job security isn't a women's issue, it's a family issue. Indeed, as a result, of this bill, more men than in the past will take leave to care for their children or parents.

Another excuse we've heard is it's a "yuppie bill" that won't make a difference for most American families. A doughnut baker lost his job for taking a few days off to be with his baby girl during heart surgery. A hospital supply technician returned from an approved leave after her baby was born, only to learn someone was hired in her place. These people don't fit the yuppie mold, yet the Family and Medical Leave Act would have saved their jobs. In fact, it's low- and middle income families like these that need job security most when a family crisis hits.

One of the most popular excuses for opposing a family leave policy is that government has no role in mandating benefits. Job-guaranteed leave isn't a benefit. It's a minimum labor standard, and there are many precedents for federally mandated minimum standards—for wages, hours, safety conditions and hiring practices. If leave policies are left up to individual employers, then thousands of Americans will continue to lose their jobs when faced with family responsibilities.

One final excuse is that this leave policy will hurt small businesses. However, the bill recently was passed by the House Committee on Education and Labor with a compromise that exempts companies with fewer than 35 employees (50 for the first three years) and reduces the number of weeks of leave in the bill. The compromise has the support of ranking Republican members of the committee because they believe it provides adequate safeguards to small businesses. The bipartisan compromise, along with the GAO's realistic cost estimates of the bill, effectively take the steam out of the criticisms of business lobbyists and reveal them for what they are—excuses, and poor ones at that.

It is time to stop making excuses, and start providing financial security for America's families. The bill heads to the House floor this spring with the support of nearly 150 members of Congress. If Congress is truly pro-family, it can start to prove it by going beyond administrative rhetoric and passing the Family and Medical Leave Act.

TRIBUTE TO COMPOSER BELA BARTOK—ON HIS REBURIAL IN HIS NATIVE HUNGARY

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. LANTOS. Mr. Speaker, today—on July 7—the internationally recognized 20th century Hungarian composer and pianist Bela Bartok will be reburied in his native Hungary. Forty-three years after his death in New York City in 1945, his remains will be returned to his native soil. As his body is returned, he will receive the public recognition and honor that he did not receive at the time of his death.

Bela Bartok was one of the most influential composers of the 20th century and the greatest Hungarian composer of all time. His portrait appears on the largest denomination of Hungarian currency, and almost every community in Hungary has a street or school named after him. Budapest alone has six streets named in his honor.

Mr. Speaker, Bartok came to the United States in 1940 in despair over Nazi Germany's conquests and Hungary's support for the Germans. His personal safety was not in question, but he left as a statement against the political conditions in Hungary and in Germany at that time. He joined many other distinguished artists and intellectuals who found refuge in the United States during that tragic period.

During his stay in the United States, his works were played by major American orchestras and soloists, and new works were commissioned by Serge Koussevitsky, conductor of the Boston Symphony. Bartok gave occasional piano performances. He was also commissioned by Columbia University to transcribe a collection of Yugoslav folk melodies, a familiar task since he had done a brilliant transcription of Hungarian folk melodies from Hungary, Romania, and other areas.

Bartok's final years in the United States, however, were not happy. Upon his arrival in New York, he could not compose for 2 years because he and his family felt they were in a state of exile. Illness shadowed him. At the height of his illness, he suddenly began working franticly. He explained that "the only madness I have is to leave with a full trunk," referring to his unfinished works. During this last period of his life in the United States he completed some of his most important works: "Concerto for Orchestra" (1943), "Sonata for Solo Violin" (1944), and the "Third Piano Concerto" (1945).

Bela Bartok died of leukemia in New York on September 26, 1945. He was 64. He was buried without ceremony or speeches in Ferncliffe Cemetery in Hartsdale, NY, with no more than 25 people present.

Now—43 years after his death—the remains of this 20th century musical giant have been returned to Hungary to be reburied and to be honored. In the last few days there was a procession across West Germany, Austria, and Hungary with Bartok's remains, and his coffin lay in state in Budapest. Today he was honored at a memorial service at which the President of Hungary spoke. He will be buried at a cemetery in Buda with his wife and near his long-time friend and colleague, Hungarian composer Zoltan Kodaly.

Mr. Speaker, as we pay tribute to one of the great musical geniuses of our century, it is also appropriate that we recall the role which the United States played as a refuge for Bela Bartok and other cultural and intellectual leaders during the Nazi domination of Europe. Furthermore, I hope that this event will serve to strengthen the close ties of friendship between the people of the United States and the people of Hungary.

LONG-TERM CARE SYSTEM HAS TRAGIC RESULTS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. FLORIO. Mr. Speaker, I would like to call my colleagues' attention to a recent op-ed piece in the New York Times which eloquently describes the tragedy of this Nation's long-term care system. Currently half of the Nation's long-term care bill, totaling approximately $46 billion this year, is covered by out-of-pocket expenditures by the elderly. At an average cost of $22,000 per year for nursing home care, it does not take long for an elderly person who enters a nursing home to use up all of his or her savings and become impoverished; indeed, on average, an individual entering a nursing home as a private pay patient exhausts his or her savings in just 13 weeks and must end up relying on Medicaid.

We must find a more humane way to finance long-term care. The emotional and financial strains on the elderly and their families resulting from our current long-term care system are truly tragic.

The op-ed piece follows:

[From the New York Times, June 28, 1988]

IS THIS ANY WAY TO GROW OLD?

(By Carolyn Kazdin)

My father has an organic brain disease. It's Parkinson's disease, and in his case it has led to the additional trauma of Parkinsonian dementia. He is in and out of reality. At times, he is as clever as can be—until he sees snakes or space stations or trucks in his room.

My mother and I together could no longer handle him at home. He required physical assistance for every move and his behavior became too unpredictable. At home, he never slept and neither did we. He also suffers from a narrowing of his spinal column, which pinches the nerves in his back and leaves him unable to find a painless position in bed.

We brought him to the hospital, where he stayed for seven weeks, until its utilization review board decided he no longer needed hospital care. They kicked him out.

We put him in a nursing home, recommended as top of the line, with one nursing aide for every 15 patients (if everyone shows up for work). My father cannot feed himself nor get to and from the bathroom. One nurse's aide with 15 patients cannot attend to his needs.

So my mother spends seven to eight hours each day at the nursing home. My father cries, yells and does all he knows to keep her there. He thinks he is home and can't understand why she leaves him each evening. He thinks she has other men.

He tells her she is boring a hole in his heart. She cries.

The nursing home costs $45,000 per year. My father is lucky: unlike most Americans, he has a decent union pension. But his pension, added to his Social Security payment, puts him over the income eligibility level for Medicaid in Florida. Not only is he disqualified from receiving Medicaid itself, his insurance only pays for claims certified by Medicaid.

None of the diseases afflicting my father are fatal. He is 69 years old, and both his parents lived to be 90. My family could be spending $45,000 a year for the next 20 years. It's money we don't have.

My mother is heartsick. They worked and saved and bought insurance all their lives so that they could grow old in peace. Now she doesn't know how she will live, let alone how to take care of him.

A lawyer suggested to my mother that she divorce my father. Yet she is the one who feeds him, cleans him and loves him. Now, after 48 years of marriage, she is being counseled to divorce him so she can keep some funds back from the nursing home. We think about canceling his pension, but then neither of them would have any income.

Growing old in America.

LET VIETNAM VETERANS RECEIVE THEIR DUE FROM AGENT ORANGE SETTLEMENT FUND

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. HOCHBRUECKNER. Mr. Speaker, I recently introduced H.R. 4479, a bill that would exclude payments made to veterans or their survivors under the agent orange liability settlement fund from being counted as income when determining a veteran's eligibility for Veterans' Administration [VA] pensions or medical care.

The $180 million settlement of the class action suit: "In re: Agent Orange Product Liability Litigation," was reached in May 1984. The suit was filed on behalf of 16,000 Vietnam veterans and their dependents against seven chemical companies who produced the toxic defoliant agent orange for use by the U.S. military. The court's plan for distribution of the agent orange settlement fund was adopted in May 1985 and affirmed by the Second Circuit Court of Appeals in April 1987. However, no payments to veterans or their survivors were made while the settlement was under appeal by two veterans to the U.S. Supreme Court.

On June 30, 1988, the U.S. Supreme Court rejected appeals of the distribution and settlement plan, clearing the way for payments from the agent orange settlement fund to be distributed to veterans and their families. The settlement fund has grown with interest to about $240 million, including about $40 million for a class assistance fund. While 250,000 people have filed preliminary claim forms, it is estimated that only 60,000 Vietnam veterans and their survivors will be eligible to receive compensation from the payment program. The payment program will only provide compensation to Vietnam veterans who suffer from a long-term total disability—in accordance with the Social Security Act's definition of 100 percent disability—and to the survivors of deceased veterans.

Early projections from the administrators of the agent orange settlement fund indicate that disability benefits will average $5,700, with a maximum possible benefit of $12,800 paid out over the 7-year life of the payment program. Thus, a totally disabled veteran who is entitled to the maximum level of compensation might receive $1,800 per year. Death benefits will be paid in one lump sum and will average about $1,800, with a maximum of $3,400. Therefore, despite the relatively large size of the settlement fund, the payments to individuals will be quite modest. No claimant will receive large enough awards to render VA pension or health care benefits would become inappropriate.

Under current law, veterans who receive VA pensions and certain veterans who receive cost-free VA medical care would be adversely affected by receipt of payments from the settlement. In 1986, the VA's assistant general counsel offered the opinion that payments under the settlement fund would be considered income since they result from a settlement in a lawsuit brought to obtain damages. By regulation, the VA considers personal injury damages as income. Section 503(a), title 38, requires the VA to count "all payments of any kind or from any source." As a result, veterans in receipt of a VA pension would have his or her benefit reduced, on a dollar-for-dollar basis, for any payment received under the agent orange settlement fund. In addition, the payments might disqualify some veterans from no-cost VA medical care under the existing means test. Therefore, the benefit from the lengthy agent orange settlement would be negated by VA regulation for these disabled veterans and their survivors. In some cases, the proceeds of the settlement would wrongly go to the VA.

The agent orange case has been a central issue for the Vietnam veteran community. Now, more than 4 years after the case was settled, Vietnam veterans are finally going to receive their hard-won compensation. The distribution formula for the proceeds of the agent orange case attempts to compensate these veterans for their suffering. However, if the VA is allowed to benefit through offsets of the modest sums that Vietnam veterans will receive from the settlement, old wounds would be reopened from this injustice.

Mr. Speaker, in short, we face a situation in which Vietnam veterans who have little or no income and who suffer from disabling conditions that entitles them to receive a VA pension may lose these much-needed pensions if they receive payment from the settlement fund. H.R. 4479 would prevent this unjust and unwarranted result.

The Senate Veterans' Affairs Committee approved S. 2011, the Veteran's Compensation and Cost Living Adjustment Act of 1988, on June 29. Section 205 of this bill is derived from Senator MITCHELL's bill, S. 1805. The bill I have introduced, H.R. 4479, is the House equivalent of Senator MITCHELL'S bill. As payments from the settlement fund are scheduled to be dispersed within the next few months, I urge my colleagues in the House to follow the Senate's lead and act quickly to protect these Vietnam veterans' benefits from offsets. Passage of this bill will have significant meaning for all Vietnam veterans.

Mr. Speaker, at this point in the RECORD I wish to insert the full text of H.R. 4479:

H.R. 4479

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any other provision of law, the Administrator of Veterans' Affairs may not take into consideration any payment referred to in subsection (b) for the purpose of determining—

(1) the eligibility of the person receiving such payment to receive a pension under chapter 15 of title 38, United States Code;

(2) the amount of any such pension to be paid to such person; or

(3) the amount of such person's attributable income under section 622 of such title.

(b) The payment referred to in subsection (a) is any payment to any person pursuant to the settlement approved on January 7, 1985, by the United States District Court, Eastern District of New York, in the case of In re: "Agent Orange" Product Liability Litigation, case number MDL No. 381.

EFF STATEMENT ON BALLISTIC MISSILE PROLIFERATION IN THE MIDDLE EAST

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. FEIGHAN. Mr. Speaker, I want to call my colleagues' attention to a newly emerging problem in the Middle East. Recent press reports indicate that China is contemplating the sale of M–9 ballistic missiles to Syria. This sale is only the latest example of the wider problem of missile proliferation in the region.

Earlier this year, we learned of China's secret sale of CSS–2 missiles to Saudi Arabia. We have witnessed the use of Soviet-supplied SCUD missiles by Iraq for use in the "war of the cities." The New York Times reported last week that both Syria and Libya have been negotiating with the Chinese for the purchase of sophisticated missiles.

Now the Chinese plan to sell M–9's to Syria. The M–9 has an estimated range of 375 miles—a significant and potentially destabilizing addition to the Syrian arsenal. Syria is on the United States list of terrorist countries. Recent history has shown Syria to be an obstacle in Middle East peace talks—in the Arab-Israeli conflict and in Lebanon. Finally, given credible reports of Syria's indigenous chemical warfare capability, the proposed sale moves us ever closer to an Israeli-Syrian confrontation.

Last year, the United States spearheaded an effort among our allies to restrict the transfer of ballistic missiles. However, the international missile technology control regime will continue to be of limited effect until we convince those countries—like China and the Soviet Union—to halt the supply of missiles to third parties around the world.

This week, I join a number of my colleagues in sending a letter to the Chinese Ambassador to the United States and to Secretary of State Shultz communicating our deep concern over this problem and calling upon China to reconsider this ill-advised and highly destabilizing missile sale to Syria.

CONGRATULATIONS TO FOOTHILL AREA COMMUNITY SERVICES, PASADENA, CA

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. DYMALLY. Mr. Speaker, on behalf of myself and my colleague, the Honorable JULIAN DIXON of California, I would like to extend our congratulations to Foothill Area Community Services, Inc. [FACS], a community-based organization located in Pasadena, CA, for its 22 years of dedicated services to low-income, elderly, and handicapped residents of the Foothill communities. In particular, Foothill Area Community Services, Inc., has provided these communities with a variety of skill training programs in order to eradicate poverty and promote economic opportunity among the underprivileged.

Under the supervision and assistance provided by Dr. Emmell J. Beech, the executive director, and his dedicated staff, FACS has done a tremendous job in the design and implementation of a variety of human services programs which offer skills, education, opportunity, and assistance to those who need it most.

I would like to take this moment to personally commend those admirable men and women who have volunteered their time and energy toward making FACS a highly innovative and successful social service and outreach program. I am pleased to announce that these extraordinary individuals will be honored at the Foothill Area Community Services 1988 Volunteer Dinner and Awards Banquet on Friday, July 15, 1988.

Mr. Speaker, I urge my colleagues to join me in congratulating FACS for its 22 years of service and honoring those who have contributed in so much to make FACS a grand success.

THE POLLARDS

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. LENT. Mr. Speaker, at the request of my constituent, Mr. James Plesser of Hicksville, NY, I am inserting the following appeal placed in the New York Times, June 29, 1988, on behalf of Jonathan and Anne Pollard.

[From the New York Times, June 29, 1988]

TO THE HON. RONALD REAGAN, PRESIDENT OF THE UNITED STATES: THE POLLARDS—VICTIMS OF A BARBARIC ANTI-SEMITIC PLOT

On March 4, 1987, Jonathan Jay Pollard was sentenced to life imprisonment after pleading guilty to a single count of providing classified information to Israel. His wife, Anne, was sentenced to five years as an accessory after the fact—meaning that she had no involvement in her husband's affairs with Israel.

Jonathan was not charged with treason or with damaging U.S. security, because there was no evidence to show that he had. The Government never charged Anne with espionage, or even with aiding or abetting her husband's passing of documents to Israel. All Navy employees with Jonathan's clearance have the routine responsibility to maintain classified documents in their possession.

Clearly the sentences are outrageous, especially since each of the Pollards had been individually persuaded to plead guilty to obtain leniency for the other. Instead, the Government delivered retribution. Why? Have we lost our humanity?

Why has Anne not been able to receive proper medical treatment while in prison? She suffers from a rare digestive disorder and only recently—after 18 months of suffering—was she moved to another prison, reportedly to secure medical treatment.

Anne's weight has dropped by some 50 pounds since her imprisonment. She is in constant pain, to the point that she cannot stand or sit erect. She has internal bleeding and severe anemia. Recent tests show that her neglect in prison has caused deterioration of other organs, such as her eyes, and her thyroid.

Why hasn't Anne Pollard's doctor been allowed to treat her? Her physical condition was under control until she entered prison. Even the prison doctor, Dr. Jay B. Krasner, said: "Her only hope of symptomatic relief (outside of narcotics), remission or cure lies in therapies which are not widely available, and with which only a handful of physicians in this country may be familiar."

A recent agreement between the United States and the USSR now permits American doctors to visit people in Soviet prisons to determine the state of their health care. Yet those same physicians would be barred from seeing Anne Pollard.

Why are the Pollards forbidden to speak to the press? Any reporters wishing to interview murderers or rapists have ready access to them. But the Pollards are held apart from the media. Only after 18 months has this illegal action been responded to by some publications, such as The New York Times. The newspaper's legal staff has written to the Bureau of Prisons: "The rules you have set down grossly violate the First Amendment rights of both Mrs. Pollard and the parties who wish to speak with her."

Why is Anne subject to special rules that do not apply to other prisoners? She is forbidden to see anyone—even members of Congress—outside her immediate family. She is forbidden to contact people by phone. She is often shackled hand and foot, even when lying in bed in the hospital. Her mail is censored and often destroyed. She has been forbidden to see attorneys of her choice for prolonged periods of time, and her attorney's conversations with her have been monitored. Is this American justice?

AN ATTEMPT TO SEEK JUSTICE

An organization was created last fall to seek justice for Jonathan and Anne Pollard. The organization, "Justice for the Pollards" (JFP), does not take the position that Jonathan should go unpunished for breaking the rules—rather, that the imposed punishment is excessive beyond all reason. His sentence has no precedent, since espionage between allies is almost always hushed up and rarely prosecuted. JFP does take the position that Anne has suffered more than enough. Her continued imprisonment—and resulting deprivation of proper medical care—constitutes cruel and unusual punishment.

If we keep the Pollards in this inhuman condition, by what right do we demand Soviet compliance with human rights?

What moral right have we to try to unseat General Noriega of Panama?

What right do we have to criticize Pinochet in Chile, or Ortega in Nicaragua?

Anne Pollard should be released at once. Her continued imprisonment is a stain on the American judicial system.

Jonathan Pollard's case should be reviewed and put into proper perspective.

America, the leading democracy in the free world, the land of Jefferson, Madison, and Lincoln, the showcase for justice and human rights, the example to the world, must not be degraded by an ugly anti-Semitic contrivance.

I am speaking in this case not only in the name of the overwhelming majority of Jews, but of all decent men and women in the free world.

We urge you very respectfully, Mr. President, to order your Attorney General to end immediately the suffering of the dying woman Anne Pollard, and to reduce the sentence of Jonathan to its proper proportion. To correct an outrage is not only an obligation; it will give honor and prestige to the government and to the people of America.

Justice must prevail if we wish to preserve freedom in America and human rights the world over.

Very respectfully,

JACK MONDLAK.

MASSACHUSETTS MANUFACTURER NAMED WOMAN ADVOCATE BY SBA

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. MAVROULES. Mr. Speaker, I would like to take this opportunity to pay tribute to a young lady who was recently chosen by the Small Business Administration to be the 1988 Massachusetts Small Businesswoman in Business Advocate.

Barbara J. Lawson, president of Adhesive Packaging Specialties, Inc. in Peabody, MA, was nominated by the Massachusetts Small Business Advisory Council.

In 1980, at the age of 23, Ms. Lawson assumed control of the firm as a result of the unexpected death of her father, the founder and president of Adhesive Packaging Specialties, Inc. With no previous experience, she took over the fledgling company and has proceeded to triple it's sales and double the size of the company.

Ms. Lawson is testimony to the potential success of our Nation's enterprising businesses. Since taking over the young company, she has molded a veritably efficient, profit-maxmizing industry with undoutedly more prosperity to follow. Barbara Lawson is a genuine tribute to the small business sector as evidence of her relentless dedication and determination.

UNITED STATES-TAIWAN RELATIONS: HOPE FOR THE FUTURE

HON. BILL EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. EMERSON. Mr. Speaker, on January 13 of this year President Chiang Ching-kuo of the Republic of China died while in office. The transition of power was swift and smooth. Vice President Lee Teng-hui, in full observance of the Republic of China's Constitution, was immediately sworn in as President. In the past few months, he has consolidated his own position and pushed ahead the economic and political agenda set forth by his mentor, the late President Chiang.

President Lee, the son of a north Taiwan rice farmer, had been a university professor and agriculture economist before joining government service. He was educated in Tokyo, at Iowa State University, and Cornell University. One of his professors at Cornell, Dr. Bernard F. Stanton, described Lee as "not a man you are about to push about. His greatest strength was his intellectual capacity and his ideas."

Lee was invited to join government service by the late Mr. Chiang Ching-kuo, who recognized Lee's leadership and intellectual abilities. Lee was mayor of Taipei from 1978 to 1981 and governor of Taiwan from 1981 to 1984, and he was named Chiang's Vice Presidential running mate in 1984.

An affable Christian, Lee is well liked, his popularity very high with his people. It was the support that enabled this Taiwan-born leader to be named Acting Chairman of the Kuomintang in February.

As Taiwan's ruling party gets ready for its 13th National Party Congress this summer, the Kuomintang will have to think of ways and means to meet both the challenges of today and tomorrow.

An area vital to Taiwan's future is her relationship with the United States. There's no question that Taiwan is trying to correct her trade imbalance with us. Still, frictions exist between Taiwan and the United States. Fortunately, Taiwan's chief representative in Washington, Ambassador Fredrick Chien, is an articulate and hardworking man, who works with us in helping to resolve the thorny trade issues dividing our two countries. It is my personal belief that no matter what difficulties we have with one another, Taiwan and the United States are and have been allies, and it is in our national interest to see Taiwan strong economically and politically.

On the first day of the Kuomintang's 13th National Party Congress, I wish to salute President Lee Teng-hui and his people, and to extend to them good wishes.

JEAN MONNET CENTENNIAL

HON. THOMAS S. FOLEY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. FOLEY. Mr. Speaker, this is the centennial of the birth of Jean Monnet, a great Frenchman who was also a great friend of the United States. Monnet was the creator of the plan which produced the European Coal and Steel Community, predecessor to the present European Community. He was president, for many years, of the Action Committee for the United States of Europe during which time he was a frequent visitor to this country and a friend of Presidents Dwight Eisenhower and John Kennedy.

Several years ago, a group of American admirers of Monnet formed the American Council for Jean Monnet Studies. The purpose was not simply to memorialize the man, worthy as that cause might be, but rather to seek to understand the methods of this remarkable man who, without wealth, higher education, or family connections was able to influence many leaders of our century from many countries to turn their talents toward peaceful cooperation and world peace.

I include below, Mr. Speaker, a short tribute to Jean Monnet prepared by the council president, Ambassador J. Robert Schaetzel (ret.), our former Ambassador to the European Communities in Brussels:

AMERICA AND THE JEAN MONNET CENTENNIAL

The European Community has formally declared 1988 the Year of Monnet, the centennial of his birth. Sadly, this notable event which should mean so much to us has gone almost entirely unnoticed in the United States.

In the march of time few men or women have the talent and the opportunity to shape the world. The Churchills and Roosevelts loom large, even for those who find history tiresome. Among the acknowledged movers and shakers there is no more than a handful who made similar contributions of historic scale but who did their work off the political stage. Jean Monnet is a preeminent example of that latter and scarce breed.

Americans have a debt to Monnet. He made substantial contributions to the prosperity and peace we enjoy today. It was his inspiration that led to the creation of Combined Shipping Board which, by meeting the challenge of German submarine warfare, allowed Allied forces to prevail in World War I. In the early 1940's, Monnet was an official in the British Supply Mission in Washington, before America entered World War II. Monnet's work with Harry Hopkins and President Roosevelt stimulated at a critical juncture the American war production effort which was central to the ultimate Allied victory.

Jean Monnet will always be known as the father of the European Community. Only five years after the end of the war he had the vision and the audacity to conceive in 1950, the European Coal and Steel Community, the precursor of the present European Community. The centerpiece of that 1950 initiative was to bring about the reconciliation of France and Germany. His conception of Europe and the institutions which carry it forward has given us a different world. His dreams have brought prosperity and political stability to Europe, conditions from which we are beneficiaries. Of even greater consequence, a return to the regional and then world conflicts that sprang from the historic enmities among the Western European nations have become more remote as a consequence of Monnet's legacy.

These are among the reasons Americans should join Europeans and pay honor to this Frenchman. He should be in our minds during the American bicentennial. Monnet drew heavily on our political history, our institutions and experience.

We could draw inspiration from Monnet's personal qualities and the guiding philosophy that made his achievements possible. These included an expansive vision of the future allied with a keen sense of what was possible, a subtle form of leadership and a unique capacity to create conditions that made political action possible. He eschewed personal credit for his ideas and recognized that his ends would more likely be achieved if political figures received the honor. He had a capacity to isolate the key issue and then work at it with dismaying singlemindedness. His technique was to move adversaries from confrontation to engagement in common efforts to deal with common problems. He saw nationalism as a deadly disease. He insisted that no durable progress was possible in the absence of democratic institutions.

These theorems have amazing relevance to how we cope with the world's present problems. One can imagine the relish with which Monnet would see the opportunities inherent in the evolution now underway in the Soviet Union. He would certainly insist that America's changing role in the world does not herald decline of the Nation but a challenge to develop a new, mutually advantageous relationship between the United States and a more united Europe.

Jean Monnet would have been bored and impatient with nostalgic remembrances. One can imagine, however, his quiet satisfaction if we were to draw inspiration from his philosopy and basic theses.

NEW IPM TECHNIQUES DROP PESTICIDE APPLICATIONS, LOWER COSTS

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. OBEY. Mr. Speaker, the use of harmful chemical-based pesticides is a common problem in agricultural issues. This is especially so when the issue involves agriculture in the Third World, where the lack of technical knowledge makes the use of hazardous pesiticides even more dangerous. That is why I want to bring to my colleagues' attention two articles that give good news about the possibility of moving away from the use of harmful pesticides to more efficient and safer integrated pest management systems in the Third World.

These articles show how the country of Indonesia took a bold step in 1986 and banned 57 types of pesticides and instead, adopted a policy of integrated pest management. Under this policy, on a nation-wide scale, pesticide use was dramatically decreased, rice production increased, and great savings were accrued to both the government of Indonesia and their nation's farmers. I regard Indonesia as having been a pioneer in this regard and a nation deserving of our recognition and approbation for these efforts.

The articles follow:

NEW IPM TECHNIQUES DROP PESTICIDE APPLICATIONS, LOWER COSTS

Sampling of rice farmers in areas producing 70% of Indonesia's rice shows that use of insecticides by farmers trained in IPM (integrated pest management) has dropped from an average of 4.5 applications per season in 1986 to 0.5 applications in 1988, according to Dr. Peter Kenmore, coordinator of the FAO inter-country Program in Integrated Pest Control on rice in South and Southeast Asia.

At a press briefing June 10, Kenmore said the decreased use of insecticides did not reduce the rice yield and in the first harvest of 1988 yields actually increased. The new program also saved the government $35 million, he said, noting subsidies to farmers were reduced as well as outlays to farmers for purchasing pesticides.

"What happened in Indonesia is no fluke," Kenmore asserted, noting if the program is carried out elsewhere it would be the "most significant IPM in the world."

Using a program of intense education for farmers, including diagnosis and counting pests and predators, spraying was decreased by half, increasing the number of predators for the brown planthopper without reducing the rice yield, he said. As a result, IPM is now the recognized national crop protection policy in Indonesia for all crops, Kenmore added.

He said the number of specialists in the field increased from 1,000 to 3,000 and the country banned the use of 57 of 66 pesticides on rice. He noted, "The ban came about for ecological reasons and that's the first time that's happened."

Only one chemical, Buprofezin, is still used, and then only selectively, Kenmore said, noting it causes the planthopper to "shed its skin and doesn't affect anything but planthoppers. It doesn't kill any predators or other pests. It's used only in affected areas(s) and preserves the natural control system."

Testing after introduction of the new techniques showed that all treated fields with the old pesticides had more residuals than the untreated fields, he said, noting the following results from the program:

"Overall, the use of the organophosphate insecticides, restricted in Nov. 1986, dropped from 14,200 tons in 1986 to 5,800 tons in 1987.

"Rice production per hectare (2.47 acres) has risen from 6.1 tons in 1986 for farmers using 'normal' applications of insecticides, to 7.4 tons during the just-concluded first harvest for farmers practicing IPM methods.

"The number of hectares infested by the rice brown planthopper, which was threatening the country's rice production in 1986, has dropped from 61,000 to 1986 to 30,000 in 1987; this number dropped a further 1,700 hectares in the first four months of 1988.

"The cost of insecticide application per hectare of rice had dropped from 7,600 rupiahs in 1986 to 2,200 rupiahs in 1988 as a result of farmers' being trained in IPM.

"There has been a saving of up to $50 million to the government from the phasing out of pesticide subsidies.

"The exposure of Indonesia's environment to the deadly organophosphate pesticides has been reduced by an estimated 60%."

"It goes to show you what can be done if you replace a chemical technology with a knowledge technology," Kenmore asserted. Other countries in Southeast Asia are now using the techniques on rice, he said, noting the "real work is adapting it to local conditions." Diagnosis is half the problem, according to Kenmore, for example, whether the cause of a plant weakness is insect infestation, bacterial, fungal or a nutritional imbalance. "So you only use insecticides when they're needed," he added.

The farmers had to learn diagnosis by practice, he continued, noting this takes 30–40 hours to learn. An acceptance of "tolerable levels" is also needed; a "little bit of damage is okay," he added.

The farmers also had to be taught which animals in the ecosystem are bad and good, so they know which to keep out of the fields and which to allow in, according to Kenmore. He said the farmers had been spraying out of fear and "not knowing what's going on in the fields," which allowed the planthopper to spread.

Planthoppers spread because the insecticides killed predators of the planthopper, he said. The environment is "massively disrupted when insecticides are overused," he added.

Questioned whether the new program would have been as effective without the use of insecticides at all, Kenmore said, "The majority aren't using any insecticides."

Asked whether success of the program depends on a cooperative government, Kenmore said, "The approach depends in convincing the farmers to do it."

INDONESIA SUCCEEDS IN RAISING LOW-PESTICIDE RICE

Indonesia has improved rice production and saved money by reducing the number of chemical pesticides used on its farms, an agricultural scientist said.

"Both pesticide use and damage by pests have declined, while rice yield has risen and farmers' costs have dropped," said Peter Kenmore, a U.S. scientist who headed a program to reduce Indonesia's pesticide use.

The project was begun in 1986, after the Indonesian government restricted the use of 87 widely used agricultural pesticides, Kenmore said at a press conference on Thursday.

In place of massive pesticide use, the government adopted a program of "integrated pest management," which involved using pesticides at lower levels and introducing natural predators to control insect populations.

"The good insects, predators, usually would keep pace with the bad ones and preserve the crop," Kenmore said.

In the 18 months since the program began, three crops of rice have been harvested. Farmers using the reduced-pesticide techniques got 16 per cent better yields in the most recent harvest than they did in 1986 using heavy pesticide applications, Kenmore said.

He said when pesticides were used heavily on the crops, destructive insects returned after applications in even greater numbers.

Pesticide use in Indonesia dropped by almost two-thirds since the program was introduced. Use went from 14,200 tonnes in 1986 to 5,800 in 1987, saving the government almost 50 million dollars in pesticide subsidies, Kenmore said.

DECISIONS WITHOUT FACTS ON DRILLING

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. EDWARDS of California. Mr. Speaker, the issues surrounding offshore oil drilling have been the cause of much debate in California and in the Congress. Members of the California Congressional Delegation have spent long hours forging a compromise plan of action on these issues. A consensus approach for protecting the environment while developing a plan for an adequate energy supply has required much hard work.

However, it seems that the Senate has unilaterally decided to destroy the careful work that has been done. The Senate has included a provision in the fiscal year 1989 Interior appropriations bill which would ignore the need for current environmental impact studies, eliminate public hearings and accelerate the sale of southern California drilling leases by one fiscal year. The House passed fiscal year 1989 Interior appropriations bill does not include this language.

Our dear friend and colleague, Representative MEL LEVINE, has written a very insightful Los Angeles Times op-ed piece on this issue entitled, "Decisions Without Facts on Drilling." It states that the Senate language, "* * * challenges the basic tenets of environmental protection and public involvement." The Senate language must be dropped from the final version of the bill if we are to proceed in a responsible and straightforward manner.

The op-ed piece follows:

[From the Los Angeles Times, June 30, 1988]

DECISIONS WITHOUT FACTS ON DRILLING: END RUN AROUND ENVIRONMENTAL STUDIES SHUTS OUT THE PUBLIC

(By Mel Levine)

For almost a decade Californians have been frustrated by the oil industry's campaign to drill along our magnificent coast. Drilling would pollute our water, increase air pollution, destroy fisheries and endanger our coastal economy. But now we are faced with cause for outrage as factions in the U.S. Senate last week acted to eliminate environmental review and public hearings on the sale of Southern California drilling leases.

The Senate Appropriations Committee, without holding hearings on the matter, approved an amendment to waive the normally required environmental-impact sttement and instead rely on statements written in 1983 and 1984 for other smaller lease sales in Southern California. The committee also agreed to accelerate the date for the lease sale to just over a year from now—a pace that exceeds even the Administration's request.

The entire action is unprecedented, and it should be met by clamorous opposition in California. But the amendment is something more than an accelerated threat to our coastal environment and economy. Waiving the normal environmental-review process challenges the basic charter for environmental protection in this country.

The National Environmental Policy Act establishes the framework for environmental protection. The act sets the environmental-impact statement and public review as the pillars of this framework. Under this vital process an environmental statement is drafted, reviewed by federal agency experts and made available for public comment.

Interfering with the process weakens it and sets a dangerous precedent. The Senate committee action raises the specter of one day using old environmental-impact statements for all lease sales around the country.

More important, through its action the Senate committee has inserted itself in place of both the experts who would have written the statement and the many Californians who would have aired their views about it at public hearings.

Protection of our environment speaks to the fundamental quality of life to which we are all entitled. The National Environmental Policy Act was specifically created to guard that entitlement. When Congress arbitrarily acts to shut off the process, its decisions are planted in the politics rather than the substance.

Proponents of the amendment will argue that environmental review of offshore oil drilling has been exhaustive and that the old environmental-impact statements are sufficient because they covered the same geographic area. They maintain that further review will senselessly delay development of a vital energy resource.

Unfortunately, the proponents are confusing quantity and quality. Voluminous studies have never uncovered a way to protect our coastal environment or economy. Further, the statements that were developed five years ago do not accurately portray the effects of offshore drilling today. The old statements considered only portions of the south coast ecosystem rather than its entirety. The technology and technique used for building platforms and for drilling have changed. The state of our natural environment is different as well. The new lease sale will involve a very different set of circumstances, with effects that will differ greatly from those that were documented in 1983 and 1984.

The contention that California's coast is crucial to the nation's energy security has long been a self-serving argument of the oil industry. If it materialized at all, the expected petroleum potential would serve the nation for a matter of days, not the years or even decades that other sources promise. At the same time, opportunities for developing other, less environmentally disruptive, sources of energy have advanced markedly since the 1983 and 1984 environmental-impact statements reviewed the alternatives to drilling.

The amendment's proponents may actually fear what a new statement would say. Recently the U.S. Fish and Wildlife Service reviewed the environmental-impact statement for the Northern California lease sale and drew the following conclusion: "[The federal] Minerals mangement [service] has inaccurately painted a picture of a routine operation with few potential impacts when in fact offshore development in Northern California . . . is a high-risk operation . . . with potentially devastating impacts on coastal resources. Minerals management needs to reassess the potential impact of their proposal [for the sale] and develop environmentally sound alternatives."

For those who are genuinely concerned with protecting both the environment and an adequate energy supply, the National Environmental Policy Act is government at its best. It mandates a tried and true process, one not to be tampered with on political whim.

Until now the proponents of drilling had imperiled our coast. Now they challenge the basic tenents of environmental protection and public involvement. Shortly Congress will act on this legislation. The Senate Appropriations Committee's acceleration of the lease sale and its bypass of the environmental process must be stopped.

EPA ON WRONG TRACK WITH SUPERFUND PROGRAM

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. FLORIO. Mr. Speaker, as the author of the original Superfund Program designed to rid our communities of toxic waste sites, I am concerned about findings recently released in two reports on the management of the Superfund Program. Since the cleanup of toxic waste sites and the protection of our health and our environment from further pollution should be a priority, I wanted to direct the attention of my colleagues to the findings of these two reports.

Several days ago, the Office of Technology Assessment [OTA] released a study of 10 Superfund sites where permanent cleanup and safety had been sacrificed in the interest of cost control in the Superfund Program. The OTA report places 10 sites on its list of worst cleanups including the Chemical Control site in Elizabeth, NJ. What is troubling about the cleanup history in all of these sites is the pattern of sacrificing the chance of permanently cleaning up a site with tested and workable technologies in the interest of saving money in the short run. Mr. Speaker, in the effort to clean up toxic waste, cheaper is not necessarily better.

A second report, "Right Train, Wrong Track," reviewing all the records of decision the EPA signed in 1987, was compiled by a coalition of groups including the Environmental Defense Fund, the National Audubon Society, the Hazardous Waste Treatment Council, the Natural Resources Defense Council, the National Wildlife Federation, the Sierra Club, and U.S. PIRG.

The results of this second report show a dismal history of mismanagement, discrepancy and plain ignorance. Not only is EPA missing its legislatively mandated cleanup targets, but the EPA is also not bringing enforcement cases to the Justice Department for action.

The report finds that out of 75 records of decision signed by the EPA in 1987, 68 percent of the remedies selected failed to use any treatment on the sources of contamination, 24 percent used partial treatment or ineffective treatment options. Only 8 percent used treatment technologies, as required by the 1986 Superfund Amendments and Reauthorization Act [SARA].

Mr. Speaker, as an active player in the enactment of SARA, I well remember the debate on including certain cleanup standards as requirements in the cleaning up of sites on the Superfund National Priorities List. Congress was clear in its directive in this law in requiring that permanent treatment be sought for these sites, wherever possible. We wanted to make sure that the next 5 years of the Superfund Program were not riddled by EPA's dismal failure to clean up sites during the first 5 years of the program. We wanted to make sure that it was understood that containment was not cleanup and that sites be brought to a point in the cleanup process when they would no longer be hazardous to human health or our environment.

Unfortunately, the reports indicate that EPA is ignoring that important piece of the law. Cleanup standards are not being used uniformly in all of the sites. Certain sites were permitted higher levels of arsenic while risk assumptions varied from site to site. The reports show that in certain cases bogus treatment technologies were chosen while the cost of some treatment was inflated so that EPA could justify containment as a remedy choice.

I urge my colleagues to join me in continuing to call attention to the gross mismanagement evident at these sites. It is important to us and to our children that the Superfund Program be placed back on track. An article on these reports follows:

[From The Star-Ledger, June 21, 1988]

EPA Comes Under New Fire on Its Management of Superfund Program

(By J. Scott Orr)

Washington.—The Environmental Protection Agency's (EPA) management of the superfund hazardous waste cleanup program came under fire again yesterday in a new report released by a coalition of leading environmental groups.

The report, subtitled "Failed Leadership in the Superfund Cleanup Program," comes on the heels of an Office of Technology Assessment (OTA) report released last week that leveled similar charges of mismanagement against the agency.

Both reports conlcude that the EPA has taken a Band-Aid approach to cleaning up the nation's most dangerous hazardous waste sites and that, despite strict new requirements included in the 1986 superfund reauthorization bill, the agency has failed to improve its cleanup record.

And both reports singled out the Chemical Control site in Elizabeth as an example of the EPA's allegedly flawed decision-making. Both reports were sharply critical of the agency's decision to treat contaminated material and leave it on site rather than seeking a more permanent cleanup.

J. Winston Porter, assistant EPA administrator, defended the agency's administration of the superfund during a morning hearing before a House Energy and Commerce oversight subcommittee. He stressed that the implementation of an extremely complex, multibillion-dollar program like the superfund takes time.

"The superfund program . . . is immense and extraordinarily complex. We are moving toward implementation on a broad range of fronts simultaneously, and we are proud of our accomplishments," Porter said.

He added that "as with any program of this scope and complexity, experience and changing conditions will continue to call for new or altered approaches."

The latest report was issued by the Environmental Defense Fund, the Hazardous Waste Treatment Council, the National Audubon Society, the National Wildlife Federation, the Natural Resources Defense Council, the Sierra Club and the U.S. Public Interest Research Group.

It says the EPA did not learn from its early superfund failures and that it is not taking seriously its congressional mandate to seek permanent cleanup solutions.

"Eight years after the enactment of the original superfund law and in the wake of congressional overhaul of the law in 1986 which intended to ensure permanent remedies and protective levels, EPA's selection of remedies and cleanup levels are virtually indistinguishable from the flawed decisions which plagued the early years of the program," the report said.

"Current cleanups repeat past failures by simply capping and containing hazardous materials on-site," it continued.

"In the war on pollution, EPA is AWOL," said Sen. Frank Lautenberg (D-N.J.), chairman of a superfund oversight subcommittee and a frequent critic of the EPA.

"When we look at EPA's actions, we wonder who's at the helm, if anybody. . . . There are serious problems in the superfund program which must be corrected," Lautenberg said during an afternoon press conference on the report.

Rep. James Florio (D-1st Dist.), author of the original superfund bill, added that the study "confirms the suspicious many of us have had that EPA can't be trusted to do the job Congress set out for it."

The report, which looked at all of the EPA's "records of decision" during 1987, said that in deciding what forms of cleanups to pursue, the agency "ignored existing environmental standards, set cleanup goals unscientifically, exempted superfund cleanups from the very environmental regulations it imposes on other waste management facilities and ignored the impact of superfund sites on natural resources in the vast majority of cleanup decisions."

The cleanup method selected by the EPA for the Chemical Control site was listed in the report as one of the agency's 10 worst moves during 1987. The report said the EPA wants to stabilize wastes using a new, untested cleanup technology.

"Technology to stabilize such wastes in-site is not demonstrated, and it is unlikely to succeed," the report said.

Meanwhile, the OTA report also singled out Chemical Control. That report said the agency wanted to place a layer of gravel atop contaminated material, compounding the problem by contaminating the gravel as well.

"The selected remedy will leave some untreated contaminated material on site; leaching of contaminants in the adjacent river will have occurred over about a 10-year period prior to completion of the remedial cleanup." the OTA said in a preliminary version of its report.

The environmental groups' report analyzed all 75 official cleanup decisions issued by the EPA during 1987 and found that "68 percent of the remedies selected in (1987) failed to use any treatment whatsoever on the sources of contamination at superfund sites."

In addition, the report said, 24 percent of the 1987 decisions involved the use of "only partial treatment or ineffective treatment options in the remedy selection process." The report found that 8 percent involved the use of the best available cleanup technologies as required by the 1986 law.

"What we have here is a program that is being seriously mismanaged," said Richard Fortuna, executive director of the Hazardous Waste Treatment Council, who testified during the House subcommittee hearing. "We need some leadership at EPA."

WELCOME TO OUR NEWLY NATURALIZED CITIZENS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. GILMAN. Mr. Speaker, it is with sincere pleasure that I congratulate the residents of New York's 22d Congressional District who have chosen to become citizens of the United States with all the privileges, freedoms, and responsibilities that American citizenship entails.

Our beautiful Hudson Valley region in New York State is proud of its newest citizens, and I invite my colleagues to join me in welcoming the following newly naturalized Americans and extending to them our best wishes for a happy and prosperous life in their new homeland:

Faride Adukar, Tabinda Ahmad, Mohammad Al-Jamal, Jocelin Alcin, Flora Almonte, Rosino Amelio, Silvia Amir, Elpidio Andaya, Marie Antoine, Sultan Asif, Henri Auguste, Remonde Azoulay, Annie Barrett, Elsie Bastattechea, Samuel Bautista, Jr., Renan Beauchard, Consuelo Benskie, Gerald Bertrand, Irma Bissainthe, Marc Blaise, Miyako Blassie, Prides Bodas, Robin Boersma, Noel Jondonero Boferiado, Noel Bofetiado, Bridget Bolandh, and Patrick Bolano.

Also, Ves Borromeo, Wilgins Butler, Alfredo Camello Cacho, Angelo Candela, Mary Carolan, Patrick Carolan, Kist Castor, Stella Chao, Dannie Charles, Hermann Charles, Chi-Wen Cheng, Hee Cho, Harout Chouljian, Vahe Chouljian, Ngoc Chu, Maria Cilli, Egbert Clayton, James Co, Mady-Paule Cohen, Shirley Constant, Eve Copeland, Ramon De La Cruz, Dionisio Kayaban De Leon, Marie Irlande Destin, Jorge Espinoza, Nerculie Etienna, and Antonine Eveillard.

Also, Betty Ferguson, John Ferguson, Alida Fernandez, Ismael Fernandez, Ramon Fernandez, Milagros Ferrer, Klaus Fimmel, Ana Flores, Margaret De Francesco, Katia Francis, Severina Francisco, Mati Friedman, Mrs. Meir Friedman, Naftali Friedman, Paula Friedman, Silka Friedman, Noris Garica, Jean Gilet, Maria Giunta, Eliezer Goldman, Ana Gonzalez, Jechil Grossman, Filomena Guarna, Mona Hamza, Mohamed Hassanein, Sheila Hastings, and Mary Hee Ahn.

Also, Angel Hinostroza, Emily Huynh, Patrick Hynes, Ashraf Ibrahim, Jean Jerome, Angela Jordan, Carmelle Joseph, Reizy Katz, Jasjit Kaur, Gary Keenan, Somaly Keo, Soo Kim, Martin Klein, Arun Lahiri, Jaime Lescano Ramos, Shulamit Leventhal, Koit Lillep, George Liu, Susan Liu, Yehuda Lovinger, Jacqueline Lucien Bidore, Thein Ma, Reynaldo Magsino, Richard Marshall, Bernardino Martell, Renzo Martinez, and Remedios Mercado.

Also, Almanola Minott, Franz Muth, Paulette Muth, Alexander Neumann, Dora Neumann, Donald Nguyen, Nancy Nguyen, Hun Kenneth Nurse, Irlande Oceana, Rosa Oloese, Hussein Omar, Jacqueline Palacios, Nicole Payen, Kettly Pierre, Leneque Pierre, Virgilio Pilande, Partrice Pique, Aladino Polidoro, Rahim Papal, Allison Powel, Dat Quach, Mai Quang, Luis Ramirez, Sandra

Ramirez, Mare Raphino, Alexandra Revesz, and Peter Revesz.

Also, Julio Reyes, Jacqueline Carmen Lucien, Aristedes Rodriguez, Rosario Cabrera Rodriguez, Rosario Margarita Rodriguez, Peter Roggensinger, Martin Rotter, Lucetta Rottibelle, Wasek Safieh, Amal Sakallah, Maria Sama, Kanwaljit Sandhu, Denys Santiago, Dario Santos, Catena Scaglione, Charulata Shaw, Daksha Shaw, Ohanis Simonian, Alexis Singh, Jung Singh, Mandeep Sobti, Navdip Sobti, Livia Solomon, Chana Steinmetz, Virginia Sumallo, Rocco Surace, Mona Talamas-Dougherty, Thomas Tam, Joseph Tavares, Garfield Thompson, Celestino Tamines III, Celestino Ventenilla Tomines III, Malka Twersky, Cesare Vacca, Rodrigo Vicerra, Neelam Vohra, Kwei Wang Sha, Gillian Webb Stage, Charley Wu, Bing-Hong Yang, Charlie Yu, Djamshid Zamani, Djamshid Zamini, and Ivanka Zic.

H.R. 3893

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. THOMAS A. LUKEN. Mr. Speaker, I am inserting in the permanent RECORD for June 27, 1988, a section-by-section analysis of H.R. 3893 as passed by the House.

SECTION-BY-SECTION ANALYSIS OF H.R. 3893

Section 1. Deferral of deadline for submission of asbestos management plans

Under the House passed bill, a local educational agency (LEA) may request a deferral from October 12, 1988 to May 9, 1989 of the deadline for submission of a management plan. The request must be filed with the State Governor no later than October 12, 1988. This schedule for submission and review should afford the Environmental Protection Agency (EPA) the time necessary to inform LEA's to apply for a deferral and satisfy the statutory requirement to notify parent and other relevant organizations of the intention to file a request.

Under the House passed bill, a request must be presented in either of two formats. A request must include either a statement that the State in which the LEA is located has requested a State waiver under section 203(m) and that the LEA has carried out the notification and public meeting requirements, or a certified statement explaining the reason for the LEA's request, attesting to the availability of certain documents for public inspection, and assuring that the LEA has issued notice or held a public meeting. In addition, the LEA must submit a proposed schedule outlining significant activities leading up to the submission of a management plan by May 9, 1988. The schedule must reflect a deadline of no later than December 22, 1988 for entering into a signed contract with an accredited asbestos contractor for an inspection. This last requirement was not included in the Committee passed bill, and makes clear Congressional intent that LEAs seeking and receiving deferral requests have a responsibility to continue efforts to secure inspectors and submit a well-designed management plan no later than May 9, 1989.

The State Governor or his designee has 30 days from the date of receipt of a request for deferral to respond in writing and acknowledge the completeness or incompleteness of a request. Under the House passed bill the Governor need only acknowledge the completeness or incompleteness of a request. This reflects the Committee's determination that the process for filing and receiving a deferral will be largely pro forma, due, in part, to the limited time provided for review. However, the presence of documents available at LEA administrative offices for pulbic inspection should provide interested persons with the opportunity for monitoring and overseeing an LEA's request.

Under the House passed bill, if a request is incomplete, the Governor must identify the items that are missing from the request. The LEA may then correct, refile a request, and receive a response, no later than 15 days after it has received an initial response from the Governor. A request for deferral is approved, if an LEA receives an acknowledgement from the Governor's office that its request is complete. An LEA that does not receive a written acknowledgement of the completeness of its request has not been granted a deferral. An LEA that does not submit a completed request for deferral and has not submitted a management plan will be in violation of the Act as of October 12, 1988, the original deadline for the submission of a management plan.

An LEA which has received an acknowledgement of the completeness of its deferral request may submit its management plan not later than May 9, 1989. While under the Committee passed bill the State Governor had 60 days to review the plan, under the House passed bill, the Governor has 90 days in which to review the plan. If the Governor finds the plan deficient, an LEA may have 30 days to revise the plan. This 30 days may be extended to a total of not more than 60 days by the Governor.

All LEA's must begin implementation of their management plans by July 9, 1989. Those LEA's that have applied for and received a deferral of the deadline for submission of their plans have in no way been granted an exemption or waiver from the requirement to begin implementation of the plan by July 9, 1989. Those schools whose plans are still in the review process on July 9, 1989 are required both to follow the schedule contained in the management plan as submitted, and to comply with all EPA regulatory provisions governing schools which have had a final management plan approved.

Those EPA regulatory provisions include: implementation of the operations and maintenance program included in the management plan; completion of training for all custodial and maintenance workers employed by the LEA; the attachment of warning labels adjacent to any friable asbestos in routine maintenance areas; LEA selection of a designated person to ensure that a variety of activities are carried out in accordance with the rule; public availability of the management plan at the LEA administrative office and in the individual school to which the management plan attaches; compliance with all recordkeeping requirements; the use of accredited personnel both to design and conduct response actions; and commencement of periodic surveillance no later than 6 months, and reinspections no later than 3 years, from July 9, 1989, unless the management plan schedule provides that these activities shall be performed sooner. In addition, any measures needed to protect human health and the environment, as set forth in sec. 763.90 of Title 40 of the Code of Federal Regulations, must be initiated.

Section 2. Notification to EPA of status of State management plan submissions

This section amends section 205 of TSCA by adding a new subsection (e) which requires the State Governor to submit to EPA, not later than December 31, 1988, a written statement on the status of management plan submissions and deferral requests. This requirement is largely unchanged from the Committee passed bill. The Governor must submit a statement containing four lists. The lists shall include the following information: 1] LEAs that submitted a management plan by October 12, 1988, 2] LEAs which were was granted a deferral, 3] KEAs that failed to submit a management plan by October 12, 1988, and whose deferral request was found to be incomplete and never corrected, and 4] LEAs that failed to submit a management plan by October 12, 1988 and did not submit a deferral request.

The House passed bill also provides for an updated statement from the Governor which will provide important information to EPA that will not have been available as of December 31, 1988. The new statement, due not later than December 31, 1989, shall include: 1] a list of each LEA whose management plan was submitted and not disapproved as of October 9, 1989, 2] a list of each LEA whose management plan was submitted and disapproved, and remains disapproved as of October 9, 1989, 3] a list of each LEA that submitted a management plan after May 9, 1989 and before October 10, 1989, and 4] a list of each LEA that failed to submit a management plan as of October 9, 1989.

Section 3. Publication of EPA-approved accreditation courses

Under the Committee passed bill, Section 3 amended 203(i) of TSCA requiring LEAs to submit progress reports on management plan implementation. That section was not included in the bill that passed the House.

Section 3, as passed by the House amends Section 206 of TSCA by adding a new subsection which requires EPA to publish a list of all EPA approved asbestos training courses. The list must be published quarterly until August 31, 1991. Thereafter, the EPA Administrator may reevaluate the usefulness of the list and publish it at his or her discretion. This list should prove valuable to LEAs which have had difficulty locating accredited trainers, inspectors, and workers.

Section 4. Worker protection

The House passed bill prohibits a local education authority from performing renovations or removal of building materials unless one of the following four conditions is satisfied. First, renovations or removals may proceed if a management plan has been submitted which has not been disapproved by the Governor. Second, such work may be undertaken if an inspection has been completed which complies with regulations promulgated in section 203 of AHERA. If no asbestos containing materials are found during the inspection, the work can proceed. If asbestos containing materials are found during the inspection work, work can proceed only if the work is done in accordance with certain regulations promulgated under AHERA. Third, work may proceed, if the work is performed pursuant to a grant awarded under section 505 of the Asbestos School Hazard Abatement Act of 1984. Fourth, the work may be undertaken if it constitutes an emergency repair, which means a repair that was not planned and was in response to a sudden, unexpected event that threatens either the health or safety of building occupants or the structural integrity of the building. The requirements of this section take effect on October 12, 1988. Prior to that time, LEA's are required to follow AHERA regulations promulgated by the EPA.

The House passed bill also specifies that an LEA must adhere to certain regulations promulgated under AHERA when it engages in operations and maintenance activities prior to submission of its operations and maintenance activities prior to submission of its management plan. Finally, the House passed bill stipulates that proper training and equipment must be given to school employees before they conduct emergency repairs or operations and maintenance activities involving asbestos containing materials.

Section 5. Enforcement

This section amends Section 207 of TSCA and subjects LEAs to civil penalties for carrying out prohibited activities under the worker protection provisions and for submitting false information in a deferral request. Under TSCA, "willfull or knowing" violations of these sections could also result in criminal sanctions or penalties. The House passed bill eliminates the civil penalties for failing to submit a progress report in a timely manner.

Section 6. Technical corrections to AHERA

This section makes several technical corrections to AHERA.

CONGRESSMAN BARTLETT SUPPORTS H.R. 4904, THE TECHNOLOGY RELATED ASSISTANCE FOR INDIVIDUALS WITH DISABILITIES ACT

HON. STEVE BARTLETT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. BARTLETT. Mr. Speaker, on June 23, 1988, the Technology-Related Assistance for Individuals With Disabilities Act was introduced by Congressman JEFFORDS. Original cosponsors include myself, Congressmen OWENS, FORD of Michigan, PERKINS, LUJAN, HAWKINS, and GUNDERSON. This legislation will provide greater access to assistive technology devices and services for individuals with disabilities.

For most of us, technology makes things easier, but for disabled persons, technology makes things possible. Technology exists but it is neither widely accessible nor widely known.

Lack of information and access to technology can have a dramatic impact on a disabled person's life. Technology can theoretically provide eyes for the blind, ears for the deaf, and hands for the paralyzed. Assistive technology devices and services can provide individuals with disabilities the necessary tools to function more independently at school, work, and home, and to have more direct control over their own environment. The problem is getting this technology to every disabled person that wants it and can benefit from it.

On May 10, 1988, the Subcommittee on Select Education held hearings on the impact technology can have on a disabled person's life. One witness, in particular, demonstrated the good news and the bad. Tommy Dormer, a nonverbal 9-year-old with cerebral palsy demonstrated how his personal computer with a voice synthesizer allows him to communicate. Before obtaining this device, Tommy could not verbally express his thoughts and feelings to anyone.

I asked Tommy's mother if she reviewed a catalog or had the opportunity to see several different pieces of technology before choosing this particular device. Mrs. Dormer responded that this was the only device recommended by the school counselor. She did not look through a catalog or test alternative devices to determine whether there were other devices better suited for Tommy's needs. Mrs. Dormer was only given one choice.

The good news is that Tommy has a piece of technology that allows him to communicate. The bad news is that Mrs. Dormer did not have an opportunity to consider several different devices that may have better met Tommy's needs. H.R. 4904 will give individuals with disabilities, parents, service providers, and professionals access to information about all available assistive technology devices and services. In short, H.R. 4904 will provide choices.

H.R. 4904 will be a catalyst for increasing the availability of and funding, both public and private, for assistive technology devices and services primarily through a State grant program. The purpose of the State grant program is to assist States to develop and implement consumer-responsive statewide programs of technology-related assistance for individuals with disabilities. Such individuals would acquire information about assistive technology devices and services through this statewide program.

Title II of the bill authorizes a series of discretionary activities aimed at providing information and direct services regarding technology assistance to individuals with disabilities, parents, service providers, and professionals. One activity under title II would establish a national information and referral network which will ensure that individuals in all States have access to assistive technology devices and services. The information network will maintain information relevant to all disabilities, ages, and environments and will assist States in implementing statewide information systems.

Title II also authorizes training grants to eligible personnel such as teachers, employers, and service providers so that they have a complete knowledge in the techniques and procedures in using and maintaining assistive technology devices. Technology is useless to people with disabilities if no one can teach them how to use, maintain, or upgrade their equipment.

Finally, title II will provide demonstration projects in three areas: Establishing model service delivery systems, funding research and development projects, and establishing a direct loan program for individuals with disabilities who need technology-related assistance and can find no other funding sources to obtain such assistance.

Rarely do we find in the Congress an issue that Members, both Democrat and Republican, and a majority of groups in the disability community, can support. H.R. 4904 is one instance. This legislation will provide individuals with disabilities increased employment and educational opportunities allowing them to be more independent. H.R. 4904 is on a fast track, and I believe it can become law in the 100th Congress. I, therefore, urge my colleagues to cosponsor this important legislation.

EXPANDING OUR NATIONAL TELECOMMUNICATION SYSTEM TO BETTER SERVE THE DEAF AND HEARING IMPAIRED

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. GUNDERSON. Mr. Speaker, I am pleased to introduce legislation today expanding our national telecommunications system for the benefit of hearing- and speech-impaired individuals.

Our Nation's 24 million hearing-impaired Americans, by virtue of their disability have not been able to fully use the telephone system that is accessible and available to the rest of our Nation. Even in light of advancements and development of telecommunications devices for the deaf [TDD's], a majority of our hearing-impaired community have limited, if any, direct communication access to their Federal Government.

Currently, our Federal Government serves TDD users through a pilot relay system to expand TDD access to, from, and within Federal departments established in 1986 by the Architectural Transportation Barriers Compliance Board [ATBCB] and the Treasury Department. This relay system handles TDD calls for the entire Federal Government. Messages received by the relay system from TDD callers are forwarded to the appropriate department or agency then responding to the TDD caller. Unfortunately this temporary relay system does not adequately allow for TDD users to communicate directly with their Federal Government.

This bill serves as a companion to S. 2221, sponsored by Senator JOHN MCCAIN, directing the Federal Communications Commission [FCC] to establish and implement a telecommunications relay system to increase access to Federal departments and agencies for users of TDD's. At a reasonable cost, this legislation outlines a five part program improving our Federal Government's telecommunications system for the deaf, by requiring the FCC to work with the ATBCB to implement a telecommunications system for the hearing impaired within the Federal Government.

Second, assuring accessibility of TDD's in Federal departments and agencies sufficient to meet the needs of the hearing and speech-impaired employees of the Federal Government.

Third, designing and distributing a standardized logo, like those used to identify handicapped parking places, to identify the location of a TDD in Federal buildings.

Fourth, installing TDD pay phone stations, where economically feasible, at visible locations in or near the lobbies of Federal buildings, with accommodations for users of portable TDD's.

Fifth, charging the FCC and ATBCB with planning the development of a hardware based alternative to the Federal relay system.

Provisions in this legislation also enhance employment opportunities for hearing impaired individuals within the Federal Government. As the ranking member of the Employment Opportunities Subcommittee this is an important element of this legislation. It also seeks to appropriately fulfill and reinforce sections 501 and 504 of the Rehabilitation Act of 1973, requiring Federal agencies communicating with applicants, beneficiaries, and the general public by telephone to be accessible to hearing impaired persons through TDD's.

Organizations supportive of this legislation include, Gallaudet University, National Association of the Deaf [NAD], Telecommunications for the Deaf, Inc., and the American Deafness and Rehabilitation Association [ADARA].

Mr. Speaker, I urge my colleagues to join in this initiative to make our Federal Government and national telecommunications system accessible to deaf and hearing impaired.

HANDGUN WAITING PERIODS AND OUR WAR ON DRUGS

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. STUMP. Mr. Speaker, in the past few weeks, there has been a concerted effort by the Washington Post, spokesmen for Handgun Control, Inc., and other gun control advocates to convince us that there is a direct relationship between our fight against drugs and legislation requiring a waiting period for purchasing handguns. This assertion is nonsense.

Until recently, Handgun Control, Inc., and the National Coalition to Ban Handguns have admitted that restrictive gun laws, such as waiting periods, will not disarm committed criminals. Yet now they are saying that drug traffickers, operating in organized gangs or posses, will somehow be deterred by a waiting period for handgun purchases. Mr. Speaker, why would heroin and cocaine traffickers, who ignore practically all our laws, be disarmed by a handgun waiting period? Drug pushers are not committing the spur-of-the-moment or crime-of-passion acts that gun control advocates claim can be prevented by waiting periods.

Responsible criminologists dismiss such waiting period proposals as nonsensical, despite recent claims that a survey of felons suggests that waiting periods with optional background checks would have kept them from getting guns. The only thorough survey of felons, conducted by Prof. James Wright and Prof. Peter Rossi for the U.S. Department of Justice, found just the opposite to be true. The Wright-Rossi study found that: First, there was simply no relationship between a State's gun laws and the likelihood that its felons would be armed, second, almost no felons bothered to register their guns or to get permits for them, and, third, most significantly, that the most determined criminals were less likely to have bothered with legal channels in obtaining their guns. And here we are talking about the most determined criminals of all, operating organized gangs and international drug rings more vicious and committed than virtually all of the felons studied by Wright and Rossi.

There is a topsy-turvey logic which makes the whole "gun control" debate strange. We are being told that the most serious of criminals, whose careers are based on illegal dealing in controlled substances, would be deterred by legislation making handguns a controlled substance.

I would remind my colleagues, we already have laws to deal with gunrunning. It is a Federal felony to buy handguns outside of one's State of residence. It is a more serious felony to take such guns across State lines to use them in a crime. And, it is also a serious felony for any individual to transfer a handgun to a person who is prohibited from lawfully acquiring a firearm. Drug traffickers are already covered by these laws. Mr. Speaker, we need to enforce the laws we already have, not make it more difficult for law abiding citizens to purchase firearms.

One of the purposes of the Firearms Owners' Protection Act was to pressure BATF to redirect its resources to capturing felons in possession of illegal weapons, particularly felons in the gunrunning business. The only way to keep these persons from getting guns or drugs is to put them in prison where they belong. We don't need a new law for that. These people don't care what we ban, what we control, what we register. They don't register their drugs or their guns; they don't purchase from drug stores or gun shops, and a waiting period on handgun purchases would do nothing to limit the arsenals of these criminals.

A HALF CENTURY OF DEDICATED SERVICE

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. HAMMERSCHMIDT. Mr. Speaker, I would like to call to the attention of my colleagues the constructive life and activity of an unusual lady, Mrs. Virginia Earnest, who incidentally is a close friend and former school classmate of mine.

Her 50 years of dedicated service and her love of teaching kindergarten students is worthy of praise and recognition. She has touched many, many young lives for the better.

The following article, which was printed in the Harrison Daily Times, Harrison, AR, highlights her exemplary service.

VIRGINIA EARNEST CITES 50TH ANNIVERSARY

Each fall for the past five decades, Mrs. Virginia Earnest has opened the door of her small, white schoolhouse at 522 S. Pine and watched a new group of students, aged 4 to 5, run up the walk from their parents' cars.

And Tuesday night, she watched her 50th class thrill their parents, grandparents and friends with a program of songs and a skit on school work that the students had learned during the year that reviewed such subjects as the alphabet, numbers, days, months, seasons, phonics, choral verses, colors, rhythms and songs.

Students also taught writing, art, speech, manners, how to get along with other children, and to care and share.

One of Mrs. Earnest's proudest records from the past 50 years was never having to miss a day because of illness and the popularity of her school is demonstrated by the second and third generation children she has taught, and the enrollment list that has entries made at birth.

The more than 5,000 students who have gone through the school have followed a dress code that includes dresses for girls.

She also believes a child should mind and follow the rules and said she have never physically disciplined a child. While she talked to a recent visitor at the school, the children were quick to mind and follow instructions, sitting at three, long tables with hands folded.

Virginia Tucker Earnest started her career in education by teaching half a day and attending school the other half, finishing as valedictorian of her graduating class.

In January 1938 she opened the kindergarten and attended Northwesten University at Evanston, Ill., in the summer, receiving a degree in kindergarten education.

For many years, Mrs. Earnest's state licensed school was the only private kindergarten in town, and it always has been coordinated with public school calendars, she explained. It is open five days a week, nine months a year.

Many parents have traveled 50 miles for the children to attend the school, which was always has stressed getting along with other people in society, manners, health habits, sharing, honesty and other practical matters.

Music also is stressed, and she accompanies the students on the piano as they perform for civic clubs, nursing homes, local celebrations, senior citizen events, parents, and most places they are invited. Her rhythm band program has students as directors.

At the moment, she has no vacancies for the all-day kindergarten and preschool sessions that last from 8:30 to 4:30 p.m. She gets to school by 7:30 a.m. for parents to drop their children on the way to work.

Mrs. Earnest was featured in *Grit* on the outstanding (people of the world) page and is a record holder in the number of days missed for sickness and continuous years teaching.

Mrs. Earnest has one daughter Sue Robertson who lives in Ponca City, Oka. and two grandchildren, Amy Lynne, 21 years, who teaches drama in Victory Christion Center in Tulsa, Oka., and Alan Keith, 19 years, a sophomore at Northeastern College in Miami, Oka.

She has lived in the Tuckers family home at 813 South Pine for 60 years. She is a 60 year member of First Baptist Church, a member of Phi Chapter, Chi Segma Sorority, Harrison Business and Professional Club, Harrsion Concert Association, and the Education Review Board for University of Arkansas.

In 1857 she was named "Harrison Business Woman of the Year" by the Chamber of Commerce.

U.S. GOVERNMENT SUPPORTS AN INTERNATIONAL CIVIL AVIATION INVESTIGATION OF THE DOWNING OF THE IRANIAN AIRBUS

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. BROOMFIELD. Mr. Speaker, I am pleased to report that our Government supports an International Civil Aviation Organizaiton investigation of the recent downing of the Iranian airbus in the Persian Gulf. I believe that when the facts are finally revealed, the American people and the entire world will realize that our forces in the gulf assessed the available information and performed professionally in a dangerous and trying situation.

The Department of State just announced that the U.S. Government will support the convening of an extraordinary session of the ICAO Council to consider the Iranian airbus incident. Our Government will cooperate in all appropriate respects with ICAO and its investigators. Our Government also hopes that Iranian officials will fully cooperate with the ICAO investigative team. Let us hope that their cooperation will include giving the team access to the flight data, the cockpit voice recorders, and any other relevant information that will shed light on exactly what happened to the airbus.

It is my understanding that our Government will cooperate fully in this investigation and will share as much information as we can consistent with our Nation's national security considerations.

The International Civil Aviation Organization [ICAO] is a specialized U.N. technical agency that is based in Montreal. That body was created to develop the principles and techniques of international air navigation and foster the development of international air transport.

ICAO has a sovereign body, the assembly, with 152 members. Its governing body, the council, has 33 members. Iran and the United States are members of the assembly. The United States is also a member of the council.

After the tragic incident in the Gulf, Iran called for a council meeting which is now set for July 13 in Montreal. The council will then assemble documentation concerning Iran's request for an official investigation of the incident and will probably pass a resolution asking the president of the assembly to initiate an investigation of the incident.

About six technical experts from countries represented in the assembly will conduct a detailed investigation as soon as possible. The final report will be returned to the council for its review. A resolution will then be issued after the council's review of the investigative report. The assembly will not take formal action on the report.

I understand that our Government believes that ICAO is a reputable and professional organization that has been apolitical in its past investigative efforts and work. Our Government has a high degree of confidence in the fact that the planned investigation will be accurate and objective. ICAO has been helpful in past years in supporting U.S. Government efforts to enhance airport and aircraft security and condemning the use by terrorists of international flights and airports for terrorist incident.

I look forward to receiving a full briefing concerning ICAO's findings.

ENERGY AND ANWR

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. YOUNG of Alaska. Mr. Speaker, many of our colleagues are aware of our energy dependence upon other nations, and the fact that the picture is not looking any brighter for the foreseeable future. Nevertheless, legislation before the Congress to open the environmentally sound oil and gas leasing in the coastal plain of the Arctic National Wildlife Refuge in my district—the State of Alaska—is the bright spot in terms of responding to this growing international threat. Today I submit for the RECORD an article from the Minneapolis Star and Tribune, which underscores the need for prompt action by the Congress on this subject. Because of the vast support nationwide for this legislation, I will do this daily.

[From the Minneapolis (MN) Star and Tribune, Apr. 28, 1987]

TRADEOFF DEBATE FAVORS NEW OIL FROM ALASKA

Strong arguments favor a go-ahead on proposals to drill for oil under part of the coastal plain of Alaska's Arctic National Wildlife Refuge. Congress should approve the Interior Department recommendation, not counterproposals to declare the area an inviolable wilderness. But the Alaska-oil issue is not so stark or simple as partisans pro and con often seem to claim. Americans should understand that the oil question poses a tradeoff debate, not an all-or-nothing decision.

The potential for discovering a "super giant" oil field is greater in the wildlife refuge than elsewhere in the United States. Likewise, environmental fragility and ecological richness are greater there than in most other regions. Yet the certainty of industrial intrusion, if drilling and production are allowed, should not be decried as a blasphemy against nature. And the chance of a large boost in domestic oil reserves should not be proclaimed as salvation from dependence on energy imports.

Instead, the Alaska-oil debate deserves a calmer tone. If drilling in the Arctic were analogous to destroying the Grand Canyon, most Americans would probably prefer not to drill. And if finding Arctic oil were the only likely way to preserve the nation or prevent mass deaths, most Americans would probably go for the oil. But neither "if" applies in the Arctic National Wildlife Refuge.

To drill on the coastal plain is not to destroy it, but to pump a commodity from underground with as little as possible aboveground damage. It is not as though the government and oil companies proposed a Minneapolis or open-pit mines in a wilderness area. The proposal is to apply and improve the Arctic environmental techniques developed in recent years with Prudhoe Bay oil and the pipeline across Alaska. Congress can assess that experience and insist on standards at least as rigorous for a similar field 100 miles away.

Strict standards will be required wherever the nation's next oil development occurs. Oil experts recommend the Alaska site because it looks most likely to yield a large find and because the pipeline is nearby to bring the oil south. And a large oil find would benefit the nation. U.S. oil imports are some 34 percent of U.S. consumption, and rising. If Prudhoe Bay had not been developed 15 years ago, imports today would be about 47 percent, perhaps rising faster, and with most of the additional foreign oil coming from the Persian Gulf. New domestic oil can slow the rise in import dependence and mitigate the margin of oil-market dominance by a single politically volatile region.

No new U.S. discoveries will end Americans' need for energy supplies from abroad. No amount of care can eliminate human impact on the natural environments from which domestic supplies are drawn. But the damage of excessive energy dependence and the harm of excessive ecological disturbance can both be avoided. A way to avoid them is to tackle the issue of economic and environmental tradeoffs on the coastal plain of the Arctic refuge. Congress should get started on the job.

DISTRICT OF COLUMBIA CITIZENS ON SOVIET PEACE MISSION

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. FAUNTROY. Mr. Speaker, a number of my constituents recently returned from the Soviet Union where they were engaged in a "Peace Cruise" on the Dnieper River. The delegation was comprised of 180 citizens of the United States of America, including 7 from the District of Columbia.

During this mission the delegation shared their hopes and aspirations for peace with citizens of the Soviet Union. As a result of their visit, the delegation unanimously passed a resolution which I am pleased to share here today with my colleagues:

We, the Members of the 1988 Dnieper Peace Cruise, who have experienced life together, exchanging ideas and discussing our common aim of world peace and other concerns that affect the lives of all of us,

And Who Are Fully Committed To Working, for enduring peace for all people in the Planet Earth,

And Who Welcome the steps towards peace taken by General Secretary Gorbachev and President Reagan at the recent Summit Meeting in Moscow,

Do Hereby Resolve that there must be lasting peace between our two peoples, and among all peoples of the world.

We Further Resolve that our two nations should lead the world toward the dawn of an era wherein all human beings care deeply for each other and for the well-being of our Planet Earth.

Towards These Ends We Pledge that all of us will work to achieve the goals of Peace, including working for a comprehensive nuclear Test Ban, for Conversion from military to civilian production, for developing sister city relationships between American and Soviet citizens, for political actions to elect peace-oriented candidates.

And We Pledge our continuing efforts toward achieving these goals, with reduction and then abolition of nuclear weapons as an essential step.

We Include Members of the Following Organizations: Gray Panthers; SANE/FREEZE; Promoting Enduring Peace; Women Strike for Peace; Friends' Committee for Peace; U.S.-U.S.S.R. Bridges for Peace.

THE NATIVE DAUGHTERS OF THE GOLDEN WEST, EL PAJARO PARLOR NO. 35 CELEBRATE THEIR CENTENNIAL

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. PANETTA. Mr. Speaker, I rise today to pay tribute to the Native Daughters of the Golden West, El Pajaro Parlor No. 35, on the occasion of their centennial anniversary.

The Native Daughters are an active community service group that has given numerous contributions over the years they have been active in the Pajaro area. The group was founded on the principles of: Love of home, devotion to the flag and country, veneration of the pioneers of California, and an abiding faith in the existence of God. It is through adherence to these principles that the Native Daughters have remained active for 100 years and have continued to be an asset to the community.

The activities of the Native Daughters include the awarding of a yearly scholarship to a female high school student, the presenting of American flags to parks and buildings in the community, donating drinking fountains to parks and playgrounds in the community, and presenting historical plaques to buildings in the Pajaro Valley. This year the Native Daughters presented a plaque to the Charles Ford Co. to honor it as the oldest department store in California. In addition, on June 29, 1988, the actual anniversary of the Native Daughters, they placed a wreath on a grave of Charley Packhurst, who was the first woman to vote in the State of California.

Through these activities the Native Daughters have earned a special place in the community. I ask my colleagues to join me in honoring this group on their 100th anniversary and in looking forward to another 100 years of community service.

HONORING FIVE HACKENSACK FIREFIGHTERS

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. TORRICELLI. Mr. Speaker, I rise today to pay tribute to five courageous firefighters who were tragically killed last Friday as they battled to extinguish a fire in Hackensack, NJ. Words cannot express the grief I feel as we mourn the deaths of Capt. Richard L. Williams, Lt. Richard Reinhagen, and Firefighters Stephen H. Ennis, William Krejsa, and Leonard Radumski.

Very few citizens selflessly devote their lives to saving others. It is only during tragedies like this are we forced to fully appreciate the sacrifices made by firefighters and the danger to which they are constantly exposed. As we mourn the deaths of these outstanding members of our community, we pay tribute to their accomplishments and perhaps more fully realize the extent to which we are indebted to firefighters for their services.

I would like to take this opportunity to extend my deepest sympathies to the families of these individuals. Richard L. Williams, captain of the Hackensack Fire Department, was the devoted father of three sons, Craig, Anthony, and Charles, and one daughter, Lisa Williams Gonella. Lt. Richard Reinhagen is survived by his beloved wife Margaret and two children, Julie and Keith. Stephen H. Ennis, the beloved husband of Donna Ennis, is survived by his young son Matthew. William Krejsa was the beloved husband of Clara and devoted father of Ann Marie, Diane, and Joanne, and grandfather of Kelly Ann. Leonard Radumski of Bayonne leaves his loving daughter Nicole.

Mr. Speaker, it is with great sorrow, but also with great respect for the firefighters' selfless devotion to humanity, that I rise before you today to pay tribute to these brave individuals.

I ask that on this day, they be remembered by all Americans, as we remember all Americans who defend our country from foreign enemies and domestic tragedy. In the final analysis, these men are not simply the heroes of their families and their community, but of the entire Nation.

THE PASSING OF AN ERA

HON. BEN BLAZ

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. BLAZ. Mr. Speaker, as a service, the U.S. Marine Corps has never been without its heroes, dynamic leaders, and innovative thinkers, both sung and unsung. All too often, those who really made a difference are neither heard of nor heralded and quietly pass into retirement, such is the nature of the military. On special occasions, when one individual comes along who has distinguished himself in so many ways for so many years, I am compelled to recount it for the official record.

Lt. Gen. Frank E. Petersen, USMC, entered military service in June 1950 and on August 1, 1988, he will retire from his current assignment as the Commanding General, Marine Corps Combat Development Command, Quantico, VA, having completed a most distinguished career of over 38 years.

He received his bachelor's degree in 1967 and a master's degree in 1973, both from George Washington University in Washington, DC, and in 1987 he received an honorary Doctor of Laws degree from Virginia Union University.

His first tactical assignment was with Marine Fighter Squadron VMF-212, during the Korean conflict and since that time he has risen to command a Marine Fighter Squadron, a Marine Amphibious Brigade, and a Marine Aircraft Wing before assuming his present post. A "warrior" Marine, he flew over 359 combat missions in Korea and Vietnam, and is the holder of the Distinguished Flying Cross and Purple Heart, in addition to the Defense Superior Service Medal, the Legion of Merit, with combat "V", the Meritorious Service Medal, the Air Medal, the Navy Commendation Medal, with combat "V", and the Air Force Commendation Medal.

Lieutenant General Petersen is currently, by date of aviator designation, the senior ranking aviator in the U.S. Marine Corps, giving him the title of "Silver Hawk" and in addition, he holds the corresponding designation in the U.S. Navy as the "Grey Eagle," by also being the senior Naval Aviator. Further, his date of designation as an aviator also precedes all other aviators in the U.S Air Force and Army. Mr. Speaker, with the retirement of Lieutenant General Petersen, there is indeed an ending to an era . . . an era of superior service, characterized by courage, determination, and total commitment to corps and to country. Lieutenant General Petersen will be missed, but he will always be remembered for his pioneer spirit. The era which begins is now a better one for his contributions.

PERSONAL EXPLANATION

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. GEJDENSON. Mr. Speaker, on Wednesday, June 20, 1988, I was absent due to pressing business in my district and therefore unable to cast votes on rollcalls 213, 214, 215, and 216, amendments to H.R. 1158, the Fair Housing Amendments Act. Had I been present, I would have voted "nay" for rollcalls 213, 214, 215 and "yea" for rollcall 216. I appreciate the consideration of the Chair.

MINIMUM WAGE JOBS EXPAND THE WORK FORCE

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. BEREUTER. Mr. Speaker, a recent column by Robert J. Samuelson which appeared in the Washington Post addresses the issue of raising the minimum wage and the impact that this action could have on unemployment and inflation.

This Member too is concerned about the likelihood that increasing the minimum wage would hurt, rather than help, those most in need of employment. Entry level jobs that pay minimum wage bring lower skilled persons into the work force and provide experience, training, and, in some cases, advancement. Many persons from small businesses have expressed their concern that they will not be able to stay in business if they have to pay significantly higher wages.

The problems faced by minimum wage earners who are trying to raise families are apparent. Inflation has risen since Congress established the minimum wage. Clearly there must be some change or accommodation. However, the proposal before Congress at this time does not provide a workable solution to the problem that we face.

I commend to my colleagues Mr. Samuelson's column.

[From the Washington Post, July 6, 1988]

THE MYTH OF THE MINIMUM WAGE

(By Robert J. Samuelson)

Some of you may think that raising the minimum wage is a long-overdue way of helping the poor. Please discard this outdated idea. Current efforts by Democratic leaders in Congress to raise the minimum have more to do with embarrassing the Republicans in an election year than helping the poor. Increasing the minimum wage is misguided social policy, even if it seems the fair thing to do.

Popular wisdom is understandable and well meaning. The current minimum—$3.35 an hour—hasn't been raised since 1981. By 1987 it stood at only 37 percent of average hourly earnings. It hasn't been that far below the average wage rate since 1949. This seems monstrously indecent. Workers stuck in minimum-wage jobs are being progressively impoverished. Their pay is about $7,000 a year. That's less than two-thirds of the government's official poverty floor for a family of four. It's a dismaying picture. It's also thoroughly misleading.

The profile of minimum-wage workers simply doesn't fit the popular stereotype. Consider:

Most aren't from poor families. About 70 percent come from families with incomes at least 50 percent above the poverty line, according to a study by the Congressional Budget Office. Only 19 percent come from families below the poverty line.

Most minimum-wage jobs aren't held by heads of families. About two-thirds are held by young (24 and under) and single workers. About a third are teen-agers. The typical minimum-wage worker is a teen-ager from a nonpoor family working as a waiter or waitress. A third of all minimum-wage jobs are in restaurants.

Most workers don't get stuck in full-time minimum-wage jobs; indeed, two-thirds of minimum-wage jobs are part time. Some jobs permanently pay the minimum, but they have high turnover. Other jobs may start at the minimum, but companies quickly give raises to employees they want to keep. Since 1980 the proportion of workers receiving the minimum has fallen from about 11 to 4 percent.

Government policies shouldn't be based on stereotypes that are demonstrably false. Legislation passed by the House Education and Labor Committee would raise the minimum wage about 51 percent, to $5.05, by 1992. Enacting this sort of increase to help the minority of workers who fit the stereotype—heads of families with full-time jobs—is self-defeating. It would raise unemployment and inflation in return for, at most, a tiny reduction in poverty.

When government mandates higher labor costs, someone has to pay them. Companies are likely to raise prices and fire (or not hire) the least productive workers. After reviewing the available studies, economists Frederick Furlong and Marc Charney of the Federal Reserve Bank of San Francisco concluded that the present proposal would raise inflation at least a quarter of a percentage point and result in the loss of 100,000 to 300,000 jobs. "The increase in unemployment would be among lower-wage workers, the group that the minimum-wage law is supposed to help," they write.

Supporters of a higher minimum dismiss these side effects as trivial. For instance, they point out that the extra joblessness would add only 0.1 to 0.3 percentage points to the unemployment rate. This argument is absurd. It justifies bad legislation as long as the bad effects are small, as Rep. Richard Armey, Republican of Texas says. "Why not raise 'the minimum' to $10 or $20 an hour?" he asks. "The adverse effect of the minimum wage is perfectly obvious when we imagine it inflated to $10 an hour. * * * At $5.05 the effects on employment are not quite so blindingly apparent. Instead of millions of workers being laid off, there will only be a mere few hundred thousand."

There are better ways of helping the working poor. Rep. Thomas E. Petri (R-Wis.) suggests improving the earned-income tax credit, which goes to working parents with low incomes. The maximum credit is now $874. Because most of these workers don't owe income taxes, the credit is refundable. It's a direct payment that covers their social security taxes and a bit more. But today's credit doesn't vary according to family size. Petri would provide bigger credits for larger families, up to $2,500 for four children. This approach wouldn't raise prices, wouldn't deter hiring and would direct benefits to those in need.

It's not a partisan idea. An early advocate was economist Robert Reischauer of the Brookings Institution, a Democrat. Privately, some Democratic congressmen concede it's a good concept. But the Democratic congressional leadership clings to the minimum wage out of habit and expediency. It's superficially popoular. One recent Gallup poll showed 77 percent of Americans support a higher minimum. It's also heavily favored by organized labor, a major Democratic constituency. Finally, it doesn't add to the budget deficit. By contrast, Petri's proposal would cut tax revenues about $2 billion. Doing it right would mean raising someone else's taxes or cutting some spending.

There's no taste for such tough choices. Even raising the minimum wage is harder than it seems. The dilemma is basic: the larger the increase, the greater the economic damage; the smaller the increase, the more it's a gesture. In the House, the Democrats haven't felt confident enough of victory to bring the measure to a floor vote. Congressmen from the oil patch and farm belt—where local economies remain weak—worry that excessive increases would hurt too much. The leadership is looking for the middle ground. Last week the Senate Labor Committee approved legislation raising the minimum only to $4.55 by 1991. Even Republicans might accept $4.10 or $4.25.

A lot of intricate legislative maneuvering lies ahead. It should be fascinating. But be assured that it doesn't have much to do with the poor. It's over political symbolism. Raising the minimum wage involves the worst kind of backdoor spending and feel-good politics: people can say they're helping the poor when they're really not. Democrats are trying to paint the Republicans as cold, cruel and heartless, while the Republicans are desperately scrambling to avoid this unpopular stigma. Whoever wins, the poor lose.

CITIZEN ADVISORY COMMISSION

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mrs. ROUKEMA. Mr. Speaker, today I am introducing an important piece of legislation for the citizens of northwest New Jersey. The bill would establish the Citizen Advisory Commission of the Delaware Water Gap National Recreation Area, which is partially located within my district. I would advise my colleagues that this legislation is not parochial; in fact, it touches on the fundamental American principles of citizen participation and representative democracy, for which we all stand.

The need for this legislation arises from the friction that has existed for years between the National Park Service and the municipalities surrounding the recreation area. This unfortunate situation was aggravated last summer when the Park Service unveiled a comprehensive 10-year management plan for the park. This $109 million development plan would, by the Park Service's own estimates, increase annual vehicular visitation to the park by over 300 percent, therefore, exacerbating the gridlock which is already characteristic of the roads in this rapidly growing region of the Nation. It is no secret that the area's infrastructure can hardly absorb this present growth, much less the "double whammy" of development which the Park Service has proposed in this plan. Therefore, in order to prepare for the plan's impact on the region's transportation system, emergency services, and environment in general, a panel of knowledgable citizens and responsible local officials is needed to advise the Park Service during implementation. I believe those who will be most acutely affected by this Federal plan should have a formal role in its step-by-step administration. My colleagues, I offer that this is what democracy is all about.

The Commission which I am proposing would only be advisory in nature; however, the Park Service would surely benefit from it. Clearly, communication and coordination between the local communities and this Federal agency will diffuse the friction and, as a result, make the Park Service a more efficient and effective agency for the people of my district and the Nation at large.

Please join me in cosponsoring this legislation.

TRIBUTE TO THE EDWARD LITTLE HIGH SCHOOL MARCHING BAND

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Ms. SNOWE. Mr. Speaker, I would like to take this opportunity to recognize the Edward Little High School Marching Band from Auburn, ME. This very talented musical group had the distinct honor of representing the

State of Maine at the annual National Independence Day Parade in Washington, DC.

Under the direction of Mr. John Neal and led by Senior Drum Major Katy Mansur, Junior Drum Major John Moore and Sophomore Drum Major Renee Mahon, the band is 79 members strong.

These dedicated young men and women are to be commended not only on their selection to participate in the parade. In addition, the band was awarded first place in its division.

As a graduate of Edward Little High School, I take great personal pride in congratulating Mr. Neal, the members of the band and their families on these outstanding achievements.

TONY BEVINETTO

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. McDADE. Mr. Speaker, it was with deep sadness that I learned of the death last week of Tony Bevinetto. Tony was a member of the Republican staff of the Subcommittee on Public Lands of the Senate Committee on Energy and Natural Resources at the time of his death.

I became acquainted with Tony while serving as ranking Republican on the House Interior Appropriations Subcommittee. I came to personally know him from his outstanding service both on the Senate subcommittee staff and with the National Park Service. Tony was always knowledgeable, cooperative and devoted to doing the best possible job.

Tony Bevinetto was an outstanding public servant. He made a positive contribution to the Park Service and was instrumental in crafting public lands legislation. His dedication to the public good and knowledge of public lands issues will be missed.

Tony had many friends on Capitol Hill and in the Park Service. I know I am not alone in mourning his passing and in extending my condolences to his widow, Elsie, and their two daughters.

A TRIBUTE TO CHRISTIE JONES

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. CLEMENT. Mr. Speaker, I would like to take this opportunity to recognize an outstanding student in my community, Ms. Christie Jones.

Ms. Jones was recently named the 1988 Nashville Banner Scholar, an award established in 1985 by the Nashville Banner to encourage the study of journalism by young Tennesseans. The scholarship award provides for all the student's expenses at the University of Tennessee in Knoxville and affords the recipient the opportunity to work as a summer intern for the newspaper.

Ms. Jones is currently a senior at Springfield High School where she has maintained an excellent academic standing. She has been involved in numerous clubs and societies, and has pursued the highest standards of journalism as a member of the school paper staff throughout her 4 years there. Her positions as president of the Springfield High School Speech and Drama Club and co-editor of her high school newspaper, The Yellow Jacket, along with her membership in the Beta Club and the National Honor Society demonstrate her commitment to excellence. She has also been active in her community as a columnist for the Robertson County Times.

Ms. Jones has been highly recommended by her principal and teachers for a career in journalism. Their recognition of her talent was shared by professional journalists last year when she won the 1987 National Quill and Scroll Journalism Award for her feature story "Student Survey Reveals Excessive Cheating".

She displays an eagerness to seek out the truth in every story. Her sense of responsibility and dedication as a reporter will be an asset as she pursues a career in journalism. Our community will be well served by her involvement in searching out, revealing, and communicating the events that shape our lives.

Mr. Speaker, I am sure you will agree that Christie Jones has been and will continue to be a contributor to our community. She is well deserving of our congratulations.

TRIBUTE TO SCOTT STENGEL

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. MAZZOLI. Mr. Speaker, it is with pride and appreciation that I rise to commend a very talented young man, Scott Stengel, of Louisville, KY, who recently completed his service as a page in the U.S. House of Representatives.

It has been a pleasure to be associated with an intelligent, personable and hardworking an individual as Scott. Not only is he a brilliant, straight-A student, but Scott possesses admirable qualities of leadership which earn him respect among his peers.

Back home in Louisville, Scott is an active participant in a variety of civic, philanthropic, and sporting activities. Despite this active schedule, Scott maintains a high academic standard at St. Xavier High School, a very demanding educational institution. He exhibited the same ability to juggle a tight schedule while maintaining excellence in the classroom during his stint as a page.

Scott is now participating in the prestigious Governor's Scholars Program being conducted at two universities in Kentucky. Along with other gifted and talented high school students, Scott will be involved in an intensive educational program through the remainder of the summer.

I am sure that the experience gained as a page has been memorable for Scott. And, it will undoubtedly prepare him well for his further education. Perhaps, it will even help persuade him toward a career in public service. In that case, we would be served well indeed.

Those of us who have the honor to represent our constituents in Congress are privileged to have some of America's best and brightest assist us in the fulfillment of our duties. I take this opportunity to salute one of these Scott Stengel, and thank him for the contributions he has made. I wish him every success in the future.

THE 100TH ANNIVERSARY OF MIT'S DEPARTMENT OF MATERIALS SCIENCE

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. RITTER. Mr. Speaker, as a Congressman who proudly holds a masters degree and doctorate in physical metallurgy from MIT, it is with great pride that I wish to commemorate the 100th anniversary of the Department of Materials Science and Engineering at the Massachusetts Institute of Technology in Cambridge, MA.

Advanced materials have been a major factor in human existence and societal development. Nevertheless, it's only within the last 30 years that attention has focused on understanding the essential nature of materials. The field of materials science and engineering attempts to highlight and explain the complex structures, properties, uses, and abilities of materials.

MIT has developed an intellectual, disciplined approach to materials science and engineering during the past century. Although MIT has offered metallurgical subjects since its founding in 1865, the first MIT department to bear the "metallurgy" name was the Department of Mining and Metallurgy, founded in 1888. The department celebrated its 100th anniversary this past month, on June 1, 2, and 3. The centennial celebration featured presentations, exhibits, and campus visits, marking the history and growth of metallurgy, the expansion of the field to encompass materials science and engineering, and the developments at MIT and elsewhere during the department's 100-year existence.

The department's 100-year history spans the following periods:

1889-1915—Development and growth.
1916-1939—Extending the scientific base.
1939-1946—World War II.
1946-1950—Postwar readjustment.
1951-1960—The flowering of metallurgy.
1961-1972—Metallurgy and materials science.
1972-present—Materials science and engineering.

The MIT Department of Materials Science and Engineering has contributed greatly to the emergence of the modern technological society. Over the next 100 years, its graduates will continue to make revolutionary advances in fields such as superconductivity and ceramics and materials processing. Materials science and engineering is a key factor in America's global competitiveness, and I'm proud that MIT has occupied a leadership position in metallurgy and materials for the last century. I wish the MIT Department of Materials Science a second 100 years of continued success.

CORRESPONDENCE WITH THE ADMINISTRATION ON THE LAVI FIGHTER PROJECT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. HAMILTON. Mr. Speaker, on October 23, 1987, I initiated correspondence with the Department of Defense concerning contract termination negotiations and the status of the U.S. funding for the Lavi fighter project, following the cancellation of this project in August 1987 by the Israeli Government. I received an initial reply from the Defense Department on January 8, 1988, and sent a follow-up letter on January 12, 1988. The Defense Department indicated to me in a letter dated February 12, 1988, that it would send further information to me as soon as it became available from the Government of Israel.

On June 8, 1988, I sent letters to the State and Defense Departments concerning news reports that work on the Lavi figher project continues with U.S. funding. On June 23, 1988, I received a reply from the Department of State and on June 30, 1988, I received a reply from the Department of Defense.

The text of the eight letters, in chronological order, follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, October 23, 1987.

Hon. CASPAR W. WEINBERGER,
Secretary, Department of Defense, The Pentagon, Washington, DC.

DEAR MR. SECRETARY: I would like to know what is the status of the Lavi project which has been under research and development in Israel with U.S. support and which was cancelled on August 30, 1987, following a decision by the Israeli government.

I would like to know precisely:

What Lavi contracts have been cancelled?

What contracts have not been cancelled?

Have progress payments or any other payments been made to any contractors or subcontractors since the day of the cancellation decision by the Israeli government?

If so, what were those payments and why were they made?

What termination liability costs are involved?

When do you expect to have accounts settled with Grumman, Pratt-Whitney and Israeli aircraft Industries, the three major contractors; and

What is the nature of termination liability agreements with these companies, including the nature of any severance pay provided to terminated employees with any of these companies?

I appreciate your consideration of this matter and look forward to hearing from you.

With best wishes,

Sincerely yours,
LEE H. HAMILTON, *Chairman,*
Subcommittee on Europe and the Middle East.

THE SECRETARY OF DEFENSE,
Washington, DC, January 8, 1988.

Hon. LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East, Committee on Foreign Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This is in response to your letter dated October 23, 1987, in which you requested information regarding the status of contract termination negotiations on the Government of Israel's (GOI) LAVI fighter project.

Following its August 30, 1987, decision to cancel the LAVI program, the GOI sent notices to all contractors informing them of its intention to terminate their contracts, in whole or in part, at the convenience of the buyer. Contract termination negotiations are currently ongoing between the GOI and each of the contractors to determine final price.

According to the information we have received from the GOI, the termination process has not yet been completed on any of the contracts. However, they expect to reach agreement with most, if not all, U.S. contractors, including Grumman and Pratt and Whitney, by the end of December. Given the size and complexity of the Israeli Aircraft Industries (IAI) contract, negotiations are expected to take considerably longer. The GOI is unable to provide us with an estimated date for completion at this time.

During the termination process the GOI has continued to make payments to contractors as appropriate. In some instances, these are progress payments for work already completed or adjustments due to inflation. In other instances, these payments are to cover the actual costs of termination. The requirements vary for each contract and final amounts cannot be determined until negotiations are complete. In reaching an agreement, however, all relevant costs are considered including severance pay to terminated employees and any start-up costs that may have been incurred in anticipation of the production phase.

As more information becomes available, we would be happy to share it with you. If you desire any additional information concerning the LAVI termination, please contact the Defense Security Assistance Agency directly through the DSAA Congressional Relations Office at 697-9201.

Sincerely,
WILLIAM H. TAFT IV,
Deputy Secretary of Defense.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, January 12, 1988.

Mr. WILLIAM H. TAFT IV,
Deputy Secretary, Department of Defense, The Pentagon, Washington, DC.

DEAR MR. SECRETARY: I appreciate the reply from the Department of Defense of January 8, 1988 to my letter of October 23, 1987 concerning the termination of Lavi contracts.

The reply was of a general nature and I would like to request that you address once again the questions in my original letter to you, a copy of which is attached. I understand that you are not able to give final answers to several of the questions posed in my original letter. Nonetheless, I believe it would be of use to the Committee to have information and dollar figures, for example, on the amount of progress payments on Lavi contracts since August 30, 1987, termination costs paid to date, estimates of total termination costs, when these costs might be settled, and the amount of severance pay that is provided to employees according to termination provisions in the Lavi contracts with Grumann, Pratt-Whitney and Israeli Aircraft Industries. I would hope you could provide more specific information in each of these areas, as outlined in my original letter to you.

I appreciate your pompt attention to this follow-up letter.

With best wishes for 1988,

Sincerely yours,
LEE H. HAMILTON, *Chairman,*
Subcommittee on Europe and the Middle East.

THE DEPUTY SECRETARY
OF DEFENSE,
Washington, DC, February 12, 1988.

Hon. LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East, Committee on Foreign Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This is in response to your letter dated January 12, 1988, in which you requested additional information regarding the status of contract termination negotiations on the Government of Israel's (GOI) LAVI fighter project.

The information you are requesting pertains to direct commercial contracts between the GOI and U.S. or Israeli firms. As the U.S. government is not a party to these contracts, we have to obtain the information you have requested from the GOI. We have forwarded your letters to the GOI Defense Mission in New York and requested that they provide a detailed response as quickly as possible.

As soon as we receive the information from the GOI, we will make it available to you. In the interim, should you or your staff have additional questions concerning the LAVI termination the Director, Defense Security Assistance Agency would be most pleased to assist with your inquiries.

Sincerely,
WILLIAM H. TAFT IV,
Deputy Secretary of Defense.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, June 8, 1988.

Hon. GEORGE P. SHULTZ,
Secretary, Department of State, Washington, DC.

I write because there are persistent reports that work by Israel on the Lavi fighter project continues with United States funding.

I would like to know the following:

What is United States policy on the Lavi project?

Do we consider it a terminated project?

Is it accurate that Israel continues to work on the Lavi project?

What is the nature of the work taking place on the Lavi?

Is it accurate that Israel is completing a third Lavi prototype?

Since the August 30, 1987 cancellation date, how much money has been spent on further research and development of the Lavi or component parts and how much has been spent on cancellation fees?

How much of Israel's expenditures on the Lavi since August 30, 1987 have been provided by U.S. foreign assistance funds?

What U.S. funds have been spent on Lavi research and development and what U.S. funds have been spent on cancellation fees?

How many jobs have been terminated to date?

What was the nature of U.S. understandings with Israel subsequent to Israel's decision to cancel the Lavi project?

Was it your expectation that Israel would continue to work on the Lavi and use U.S. foreign assistance funds for this purpose?

If it is U.S. policy, based on understandings with Israel, that the Lavi is a cancelled project, why are U.S. foreign assistance funds still being used for the continuation of the Lavi project?

I appreciate your prompt attention to these questions and hope you agree that ten months after the apparent cancellation of the Lavi project, some of these questions should be clarified and answered. A similar letter is being sent to the Department of Defense. I look forward to your early reply.

With best regards

Sincerely yours.

LEE H. HAMILTON, *Chairman,*
Subcommmittee on Europe and the Middle East.

U.S. DEPARTMENT OF STATE,
Washington, DC, June 23, 1988.

Hon. LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East, Committee on Foreign Affairs, House of Representatives.

DEAR MR. CHAIRMAN: The Secretary has asked me to respond to your letter of June 8 regarding continuing work in Israel on the Lavi fighter project.

For many months prior to the August 30 Israeli decision to cancel production plans for the Lavi fighter, we had concluded that the Lavi was too expensive and would consume the bulk of U.S. foreign assistance available to Israel by the early 1990s. We expressed this view to the government of Israel, and many Israelis agreed with us. In July, 1987 we informed Defense Minister Rabin that regardless of Israel's decision on the Lavi, the Administration would support a request to Congress to continue Israel's Foreign Military Sales assistance at a level of $1.8 billion for FY 1988 and FY 1989.

In addition, if Israel were to decide to cancel production plans for the Lavi, we undertook additional commitments to assist with the short-term economic dislocations resulting from the cancellation of the Lavi.

We agreed to increase Israel's offshore procurement authority from the $300 million earmarked by Congress to $400 million for FY 1988 and FY 1989. We agreed to continue Israel's directed offset program, which allows $150 million in FMS funded offsets a year, for FY 1988 and FY 1989. We agreed to allow Israel to use FMS to pay costs associated with terminating Lavi contracts that had previously been approved by the Defense Security Assistance Agency. Finally, to provide aircraft in lieu of the Lavi, we agreed to expedite delivery of F-16s, if Israel were to sign a contract for them by the spring of 1988.

We consider the Lavi a terminated project and know of no efforts to revive plans to produce the Lavi. At least 2,900 employees of Israeli Aircraft Industries have lost their jobs as a result of the Lavi cancellation. When Israel decided to cancel the Lavi last August, it was with our full understanding that work would continue on a third prototype aircraft to serve as a test bed for research and development on the avionics system originally intended for the Lavi. Engineers in Israel and in the U.S. have indicated that the avionics system being developed is promising, and we would expect that once completed Israel would consider both incorporating the system into fighter aircraft purchased from the U.S. and marketing the system to third countries.

We do not yet have a final accounting of FMS funded costs associated with terminating the Lavi program but expect that expenditures will remain within Israel's estimate of $400 million. From August 30, 1987 to May 31, 1988, approximately $95.5 million in the U.S. and $173.3 million in Israel has been spent for costs associated with terminating the Lavi program. These expenses represent payments for work already completed or for actual costs of termination. There has been only one instance to date of the payment of a termination penalty, to Pratt & Whitney for termination of the engine contract.

Approximately $20 million in FMS credits has been spent in Israel on the Lavi avionics project since last August, and this expenditure is fully consistent with our policy and the Congressional earmark that authorizes up to $300 million to be spent in Israel on the Lavi, other fighter aircraft, or other advanced weapons systems.

I hope this information is of use to you and your committee.

With best wishes,

Sincerely,

J. EDWARD FOX,
Assistant Secretary,
Legislative Affairs.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, June 8, 1988.

Hon. FRANK C. CARLUCCI,
Secretary, Department of Defense, Washington, DC.

I write to follow up on Deputy Secretary Taft's letter of February 12, 1988 regarding contract cancellation negotiations on the Lavi fighter project. I write also because I have not received any further information about those negotiations and because there are persistent reports that work on the Lavi continues with United States funding.

I would like to know the following:

What is United States policy on the Lavi project?

Do we consider it a terminated project?

Is it accurate that Israel continues to work on the Lavi project?

What is the nature of the work taking place on the Lavi?

Is it accurate that Israel is completing a third Lavi prototype?

Since the August 30, 1987 cancellation date, how much money has been spent on further research and development of the Lavi or component parts and how much has been spent on cancellation fees?

How much of Israel's expenditures on the Lavi since August 30, 1987 have been provided by U.S. foreign assistance funds?

What U.S. funds have been spent on Lavi research and development and what U.S. funds have been spent on cancellation fees?

How many jobs have been terminated to date?

What was the nature of U.S. understandings with Israel subsequent to Israel's decision to cancel the Lavi project?

Was it your expectation that Israel would continue to work on the Lavi and use U.S. foreign assistance funds for this purpose?

If it is U.S. policy, based on understandings with Israel, that the Lavi is a cancelled project, why are U.S. foreign assistance funds still being used for the continuation of the Lavi project?

I appreciate your prompt attention to these questions and hope you agree that ten months after the apparent cancellation of the Lavi project, some of these questions should be clarified and answered. A similar letter is being sent to the Department of State. I look forward to your early reply.

With best regards,

Sincerely yours,

LEE H. HAMILTON, *Chairman,*
Subcommittee on Europe and the Middle East.

THE SECRETARY OF DEFENSE,
Washington, DC, June 30, 1988.

Hon. LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East, Committee on Foreign Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This is in response to your letters dated 12 January 1988 and 8 June 1988, in which you requested additional information regarding the status of contract termination negotiations on the Government of Israel's (GOI) LAVI fighter project.

In Deputy Secretary Taft's 12 February 1988 letter he informed you that we had forwarded your request to the GOI Defense Mission in New York. We did not receive sufficient information from the GOI to address your original questions until 7 June 1988. Based on the GOI's response, we have prepared the attached answers to the two sets of questions you posed. Should you or your staff have additional questions concerning the LAVI termination, the Director, Defense Security Assistance Agency, would be pleased to assist with your inquiries.

Sincerely,

FRANK C. CARLUCCI.

Attachment.

STATUS OF LAVI CONTRACTS

1. What LAVI contracts have been cancelled?

The GOI has negotiated final contract settlements for 92 of the 161 contracts with U.S. firms, including those with:

AMMC, Aeroquip, Amfuel, Garrett, Goodyear/Loral, Harris, Jay-El, J.C. Carter, Kavilco, Keltec, Logicon, Pratt & Whitney, Proprietary Software, Raytheon, Teledyne Camera, and Teledyne Micro.

2. What contracts have not been cancelled?

Of the 161 LAVI contracts, 43 are being allowed to remain in force until completion. Final settlements on approximately 26 of the contracts with U.S. firms are still being negotiated, including contracts with:

Aerosonic, Aydin Vector, Beckman Industries, E.D.S., Hughes-Treitler Mfg., Midland Ross, Moog Inc., North Hills, Northrop, Schaevitz Engineering, Simmonds Precision Products, Sterer Engineering, Sundstrand, and Teledyne McCormick.

3. Have progress payments or any other payments been made to any contractors or subcontractors since the day of the cancellation decision by the Israeli government? If so, what were those payments and why were they made?

Payments made to U.S. contractors on the LAVI program from 1 September 1987 through 31 May 1988 are as follows:

Company	*Payments*
United Technologies Corp.	$52,854,856
Grumman Aerospace Corp	10,634,426
Smith Industries	10,235,998
Moog Inc	553,926
Airesearch Mfg. Co	2,009,767
Avcron Inc	3,794,665

Company	Payments
Hughes Aircraft Co	101,263
United Technologies Corp.	2,553,340
Garrett Turbine Engine Co	955,296
Sundstrand Aviation Division	423,848
Espey Mfg. & Electronics Corp	529,867
Other vendors	10,848,220
Total	95,495,472

In some instances, these are progress payments for work already completed or for adjustments due to inflation. In other instances, these payments are to cover the actual costs of termination. The requirements vary for each contract.

4. What termination liability costs are involved?

To date, the Pratt and Whitney contract settlement is the only one in which the payment of a termination penalty was involved. The amount of that penalty payment was $50 million. The claim from Moog is still in negotiations.

5. When do you expect to have accounts settled with Grumman, Pratt and Whitney, and Israel Aircraft Industries (IAI), the three major contractors? What is the nature of the termination liability agreements with these companies, including the nature of any severance pay provided to terminated employees with any of these companies?

The final settlement meeting between the GOI and Grumman will be held in mid-July. Grumman is continuing to work on the third prototype and is claiming approximately $2 million above the $10 million previously negotiated with the GOI for this work.

The contract settlement reached with Pratt and Whitney calls for the payment of $132.9 million, broken down as follows: termination penalty, $50 million; 30 engine upgrade kits for the F-15, $59.8 million; support for the engine upgrade program, $17.8 million; and unpaid invoices for work previously completed, $5.3 million. Of this amount, approximately $52.9 million has already been paid (see United Technologies in 3., above). It is worth noting that the $77.8 million for the F-15 engine upgrade represents a redesignation of the original LAVI engine contract to support the F-15 and, as such, does not represent a continuation of LAVI.

Since the decision to terminate the LAVI program was made, IAI has received payments of $127.4 million to cover expenditures for labor and other direct contract costs, investment in plant and equipment, and costs associated with termination. An additional $45.9 million has been paid to date for continuing contracts associated with completion of the third prototype as an avionics testbed and other LAVI related R&D efforts that have been redirected to new programs. The GOI estimates that an additional $28.6 million in closure costs are still to be paid.

No payments for severance pay have been made to any contractors in connection with the LAVI program. No claims for severance pay have been submitted, and none are anticipated.

STATUS OF LAVI PROJECT

1. What is United States policy on the LAVI project?

Several years prior to the August 30, 1987, Israeli decision to cancel production plans for the LAVI fighter, DOD concluded that the cost of the LAVI program had become too expensive and was threatening to consume the bulk of U.S. military assistance funds available to Israel by the early 1990's. We repeatedly expressed this view to the Government of Israel (GOI) and agreed to work with the GOI in coping with the short-term economic dislocations resulting from a decision on their part to cancel the LAVI.

2. Do we consider it a terminated project? We consider the LAVI a terminated project and know of no plans on the part of the GOI to revive it.

3. It is accurate that Israel continues to work on the LAVI? What is the nature of the work taking place on the LAVI? Is it accurate that Israel is completing a third LAVI prototype? Was it your expectation that Israel would continue to work on the LAVI and use U.S. foreign assistance funds for this purpose?

We understand that work is continuing on a third prototype aircraft to serve as an avionics testbed. Also, several of the R&D efforts originally begun under the LAVI program have been redirected to provide new or upgraded systems for aircraft currently in the GOI inventory. Foreign Military Sales (FMS) credit funds are being used for these projects.

4. Since the August 30, 1987, cancellation date, how much money has been spent on further research and development of the LAVI or component parts and how much has been spent on cancellation fees? How much of Israel's expenditures on the LAVI since August 30, 1987, has been provided by U.S. foreign assistance funds? What U.S. funds have been spent on LAVI research and development and what U.S. funds have been spent on cancellation fees?

We do not yet have a final accounting of FMS funded costs associated with terminating the LAVI program but expect that expenditures will remain within Israel's estimate of $400 million. From August 30, 1987 to May 31, 1988, approximately $268.8 million in U.S. furnished FMS credit funds have been spent in the U.S. ($95.5 million) and Israel ($173.3 million). These expenses represent payments for work already completed, for continuation of redirected R&D programs, and for actual costs of termination. Of this amount approximately $46 million has been spent in Isreal on the LAVI avionics testbed and other redirected LAVI R&D efforts. There has been only one instance to date of a payment of a termination penalty. The contract with Pratt and Whitney for the LAVI engines contained a clause requiring a $50 million payment, adjusted to reflect the number of engines delivered, in the event of contract termination.

5. How many jobs have been terminated to date?

We have no figures from U.S. contractors on jobs that were terminated as a result of the LAVI cancellation. As of early March 1988, approximately 2,900 employees of Israeli Aircraft Industries had lost their jobs due to the LAVI cancellation.

6. What was the nature of U.S. understandings with Israel subsequent to Israel's decision to cancel the LAVI project?

In July 1987, we informed Defense Minister Rabin that regardless of Israel's decision on the LAVI, the Administration would support a request to Congress to continue Israel's forgiven FMS credit program at the $1.8 billion level for FY 1988 and FY 1989. We also offered to expedite delivery of additional F-16 aircraft should the LAVI program be cancelled and made the following commitments to ameliorate any short term economic dislocations that might result from such a decision:

The GOI's annual offshore procurement authority would be increased from the $300 million earmarked by Congress to $400 million for FY 1988 and FY 1989.

The directed offset program would be continued at the $150 million level annually for FY 1988 and FY 1989.

The GOI would be permitted to use FMS credit funds to pay termination settlements associated with LAVI contracts previously approved for funding by the Defense Security Assistence Agency (DSAA).

7. If it is U.S. policy, based on understandings with Israel, that the LAVI is a cancelled project, why are U.S. foreign assistance funds still being used for the continuation of the LAVI project?

As indicated above, it has been understood from the outset by both the U.S. and the GOI that the LAVI project is cancelled. Work is continuing on the third prototype as an avionics testbed. We have also approved the use of FMS credit funds for other LAVI related R&D efforts that have been redirected to new programs.

A TRIBUTE TO MS. MARY GILLERAN

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. ATKINS. Mr. Speaker, I rise today to pay tribute to Ms. Mary Gilleran, for her extraordinary commitment to community service.

Mary Gilleran is a native of Natick. After graduating from Natick High School, Mary continued her education for 2 years at Boston University, attending night school in her spare time. As can be expected, Mary holds a keen allegiance to local sports teams. It would be difficult to find a more devoted Celtics fan, just as it would be difficult to try to keep Mary from jumping into local sports games. In all areas, Mary is an active participant and patron of her community.

Mary has had a rich political career, devoting time and energy to helping her community. A native of Natick, MA, Mary served on the Natick Democratic Town Committee for over 35 years, and held the posts of both chair and secretary. She has been a town meeting member for the past 15 years, and continues today in this capacity. In 1988, Mary was elected to her fifth 4-year term as representative to the Democratic State Committee. She devotes much of her time to issues she considers to be of particular importance: drugs, the environment, affordable housing, peace, and local and State budgets. In addition, Mary has been the co-coordinator of numerous statewide political campaigns, including those of former President John F. Kennedy and Gov. Michael Dukakis. In 1984, Mary served as a delegate at the Democratic National Convention for Senator EDWARD KENNEDY. And this year, Mary will serve as an at-large delegate at the 1988 Democratic National Convention; she has already pledged her allegiance to Michael Dukakis.

In addition to Mary's intense involvement in local politics, she has demonstrated exceptional dedication to human service organizations. She is the financial secretary and a member of the board of directors of the St. James Women's Guild. She is the assistant treasurer and representative to the St. James Church of Wellesley for the Church Women's United Group, also of Wellesley. She is a member of Massachusetts Citizens for Life of Newton, MA. And she is a member of St. Gabriel's Passionist Confraternity Group of Brighton, MA.

Mr. Speaker, Mary Gilleran's dedication to her community, her energy, her integrity, and her compassion are extraordinary. It is my hope that she receives the recognition she deserves for the work she has done during her life as a Natick resident. I ask you all to join me in thanking Mary, and in urging others to follow her example of exemplary citizenship.

A CONGRESSIONAL SALUTE TO DENNIS C. LORD

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to an outstanding individual and a well-recognized civic leader, Mr. Dennis Lord.

Dennis has been an active civic leader in the Wilmington community for many years. Besides his successful reign as the president of the Wilmington Chamber of Commerce during the past year, Dennis also found the time in the last year to serve as the director of the Harbor Association of Industry and Commerce, the ambassador of the San Pedro Chamber of Commerce, and the vice president of the San Pedro Fishermen's Fiesta Corp. In addition, Dennis is currently active in the San Pedro Lions Club International and the Southern California Meter Association.

Dennis' professional achievements are characterized by the same excellence as his civic achievements. For over 20 years, he has been employed with the Southern California Gas Co. He has held a variety of prominent positions within the company including his present one as the Los Angeles Harbor district manager where he is responsible for the planning, the development, and the administration of complex and sophisticated computerized business systems.

The professional contribution that Dennis makes to the Southern California Gas Co. has been enhanced by his strong educational background. This strong educational background is reflected in Dennis' bachelor's degree from Master's College and his MBA from Pepperdine University.

Aside from his civic and professional achievements, Dennis is also a dedicated family man. He has a lot to be proud of in his wife, Crystal Flint, and his children, Christopher and Vanessa.

Simply put, Dennis is a quality individual in all respects. He has served his community well, and I know that his leadership will be missed by his friends and colleagues from the Wilmington Chamber of Commerce. He has certainly made a valuable contribution to the Wilmington Chamber of Commerce during the past year. My wife, Lee, joins me in extending our congratulations, and our sincere respect, to Dennis Lord, for his service. We wish him and his family all the best in the years ahead.

JACK HOEY RETIRES AS PRESIDENT OF PEOPLES NATURAL GAS

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. WALGREN. Mr. Speaker, I want to offer a personal salute to Jack Hoey, a good friend and Pittsburgh community leader who retired on June 30 as president of Peoples Natural Gas Co.

Jack Hoey has served his company and the people of Pittsburgh in an outstanding manner. He presided over one of our leading gas companies during the transitional period of energy shortages and decline in industrial sales. Today, Peoples Natural Gas, part of the CNG operation, is financially healthy and well positioned to meet the energy needs of our people and companies in western Pennsylvania for the foreseeable future.

A resident of the North Hills part of my district, Jack has been part of the Peoples Gas organization since 1949. He worked his way up the ranks to general sales manager to vice president, marketing, to executive vice president, and finally to president for the last 10 years.

A graduate of the College of William and Mary, Jack Hoey has been a leader in both his professional and civic life. He was designated the "American Gas Association's 1987 Marketing Executive of the Year." He has served as chairman of the board of trustees of Westminster College and been an active participant in the Pennsylvania Chamber of Commerce, Penn's Southwest Association, the Regional Industrial Development Corp. of southwestern Pennsylvania, and the Pennsylvania Economy League.

It is an honor to congratulate Jack Hoey on his 39 years of service with Peoples Gas and the public. Our community will miss him in his capacity with Peoples, but I know we will continue to benefit from his service to the community for years to come.

GREAT LAKES MAPPING PLAN

HON. ROBERT W. DAVIS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. DAVIS of Michigan. Mr. Speaker, Public Law 100-220 authorized, among other programs, the creation of a mapping plan for the shores of the Great Lakes. The current maps, many of which are over 50 years old, are critical to the Great Lakes and Federal Government in developing effective and economical tools to combat shoreline erosion and flooding. As recently as last summer, the Great Lakes experienced over $1 billion in damage to public property along its shorelines from erosion and flooding caused by century-high water levels. Although the lake levels have ebbed, the U.S. Geological Survey has predicted even higher levels for the future.

The reauthorization of the Great Lakes mapping plan is critical to help plan for, and prevent, costly future shoreline damage.

APPROPRIATIONS BILLS ON TIME AND UNDER BUDGET

HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. CHAPPELL. Mr. Speaker, I rise today to salute the Members of this Chamber with respect to our actions so far this year on appropriations bills.

I have been a Member of this body for 20 years, and I am extremely proud of the fact that, for the first time since I have been here—in fact for the first time since 1960—we have approved and sent over to the other body all 13 regular appropriations bills before the July 4 holiday. Further, these bills contain funding levels which comply with last year's budget summit agreement with the administration as well as meet the deficit reduction targets set by Gramm-Rudman.

We have long needed this kind of legislative and budgetary discipline in Congress, and I salute this significant achievement. Mr. Speaker, your leadership in calling for completing House action on these bills by July 4 allowed us to set our sights on such a desirable goal, and as a member of the Committee on Appropriations I am proud of my colleagues and our committee staff for working so hard toward this objective.

Let us now urge the other body to move swiftly toward a new goal—to pass their bills expeditiously, meet us in conference, and allow Congress to spend the President 13 separate appropriations bills for his individual consideration before the fiscal year begins on October 1.

THE GUS J. SOLOMON U.S. COURTHOUSE

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. AuCOIN. Mr. Speaker, today I am introducing legislation to designate the U.S. courthouse in Portland, OR, the "Gus J. Solomon United States Courthouse."

The board of governors of the Oregon State bar, upon being petitioned by members of the Oregon State bar from throughout the State, unanimously adopted a resolution endorsing the effort to name the U.S. courthouse in Portland, OR, for the late Gus J. Solomon. This legislation is supported by the entire Oregon House delegation, and by the Governor of Oregon, Neil Goldschmidt.

Gus J. Solomon served as a U.S. district court judge for 27 years, longer than any other Federal judge in Oregon history. His service lasted from 1949 to 1971, including tenure as chief judge the last 12 years of his term. He represented the U.S. Ninth Judicial Circuit on the Judicial Conference of the United States and served as president of the Ninth Circuit District Court Judges' Association.

Gus was born in Portland, and secured his law degree from Stanford University. He was in private practice for 20 years before his appointment to the bench. Gus was very active in community affairs, and was among those who organized the Legal Aid Society of Oregon. In 1986, he received an honorary doctor of law degree from Northwestern School of Law, which stated

> In recognition of his lifetime service in the noble cause of eradicating discrimination and his exceptional contribution to the bench, the profession and the Nation in an eminent career as a practitioner and a most distinguished member of the Federal judiciary.

Gus J. Solomon died on February 15, 1987. I cannot think of a more fitting remembrance for a man so dedicated to the honorable principals of the judiciary, than to place his name on the distinguished courthouse from which he served.

MEADOWS ELEMENTARY SCHOOL OBSERVES WEST VIRGINIA'S 125TH BIRTHDAY

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. RAHALL. Mr. Speaker, on June 20, my home State of West Virginia celebrated its 125th birthday. Many celebrations were held all over the State, and Washington, DC, was the site of a memorable birthday party for over 400 West Virginians both living in Washington and visiting from the State.

However, one of the best celebrations occurred a few weeks earlier on June 7. That day, I had the privilege of attending a grand celebration put on by the first grade class of Meadows Elementary School in Huntington, WV. I would like to take this opportunity to recognize and commend Ms. Barbara Bias and her students: Doug Belt; Katie DuVall; John Christian Feaster; Sarah Foard; Christopher Hill; Mona Ibrahim; Kristina Janssen; Amanda Kearns; Ben Lamont; Shatanya Matthews; Michael Mattison; Christopher Nuzum; Bianca Queen; Jerry Singleton; Shawn Stoler; Lindsay Wilson; Mary Morgan Wise; Michael Woodruff; and Mollie Woody.

The children sang songs about our great State and had compiled extensive West Virginia scrapbooks and memorabilia. I was filled with a great sense of pride as I observed the future leaders of West Virginia learn about our great State. "Mountaineer Pride", Mr. Speaker, is alive and well at Meadows Elementary School in Huntington, WV.

H.R. 2999—THE ELEPHANT PROTECTION ACT

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. BONKER. Mr. Speaker, I rise in support of the Elephant Protection Act, H.R. 2999. In recent decades the population of elephants in many African countries has been decimated, primarily due to the illegal killing of the animals to obtain their valuable ivory tusks. In 1978, the African elephant was designated a "threatened species" by the Department of the Interior's Fish and Wildlife Service. Unfortunately, regulations concerning the elephant have often been either ineffectual or unenforced. The Elephant Protection Act seems to me to be a positive step toward insuring the safety of this beautiful species.

The current African elephant crisis began in 1970, when increasing global demand for ivory encouraged poachers and legal hunters to expand their activity. The destruction of many East African elephant populations since then has been almost complete. In 1987 the Uganda elephant population was barely 10 percent of the 1973 level. Kenya has seen 85 percent of its elephant population destroyed. While these figures indicate that the elephant is already an endangered species in East Africa, they tell only part of the worsening story. The leading wildlife specialist David Western has shown in a computer model that the rate of population fall is probably increasing. Maintaining current ivory offtake levels would therefore ensure the extinction of East African elephants.

The Kenyan and Tanzanian Governments have begun addressing the crisis by banning private individuals from the ivory trade. Tanzania has also outlawed the ivory carving industry. However, the protracted war on drugs has shown us that outlawing the supply will only be fully effective when demand is also eliminated. Clearly, the Western public and Far Eastern ivory buyers bear a heavy responsibility for maintaining the demand that encourages poaching. By eliminating the role of the United States in creating the world demand for elephant products, and by encouraging other nations to ban elephant products, the Elephant Protection Act will help save this great animal.

CHANGE FOR THE HUNGRY

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. LELAND. Mr. Speaker, the Salvation Army and Safeway grocery stores launched a program to help feed the hungry yesterday. Customers can now go to 900 Safeway stores throughout the country and donate to the hungry an any change they are due on their grocery bill.

It works very simply. Customers contribute as they checkout. They tell the cashier to increase their total by a dime or any amount they wish to give the Project Change for the Hungry. The money received is used to pay for coupons to be distributed by the Salvation Army and through neighborhood food pantries.

The Salvation Army gives families and individuals the coupons which are redeemable at Safeway stores for perishable items, such as milk, eggs, hamburger, chicken, and infant formula. The Salvation Army is also responsible for identifying neighborhoods of greatest need and disbursing coupons to food pantries in those areas.

Change for the Hungry grew from a similar program that was initiated in the Cincinnati area by Kroger grocery stores and the Salvation Army in February. The 50-store pilot project has succeeded and Kroger is planning to expand the program to the entire State of Texas and the Tampa, FL, area.

The partnership of food and social service providers on behalf of the hungry at the retail level is welcome. Second Harvest and over 200 food banks in the Nation have been conduits for wholesale food donations for some time. Farmers have allowed gleaning of their fields. Now grocery stores and their customers are brought into the network of voluntary food aid.

The Safeway program was launched in 14 cities today, with a national start-up donation of $150,000. Safeway will make a continuing contribution equal to 1.5 percent of customer donations and the Salvation Army may use up to 10 percent of the program cost for administrative expenses. Cash register receipts can be used by customers for tax deductions.

One of the most significant challenges facing the vast network of voluntary food assistance programs that have grown up during the 1980's is providing perishable foods. Dairy products, meats, fruit juice, potatoes and other coupon products add a healthy balance to the diets of people who need all the energy they can muster to move out of poverty.

Because of their long experience in providing food vouchers to the poor, the Salvation Army is well equipped to manage such a program. This fine organization is most often associated with Christmas appeals for the poor, but if feeds the hungry and houses the homeless throughout the year. Change for the Hungry will greatly expand the national capacity to feed the hungry at a time when demand is growing exponentially. The Salvation Army has seen a 25-percent increase in its service to the hungry and homeless in the past 3 years.

Change for the Hungry is a practical, immediate response to the growing gap between the poorest citizens of this country and the rest of us. It opens to many the opportunity for generosity and concern which is the pride of our Nation.

TRIBUTE TO JOE G. GAXIOLA (1893-1988)

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. MINETA. Mr. Speaker, I rise today to pay tribute to a very special friend and an activist for the rights of senior citizens.

Joe Gaxiola—"Joe Gax", to his friends—was a one-time Pajaro Valley berry picker who chose to make the most of his retirement by helping the elderly and elderly poor. when he died on June 11 at the age of 95, Joe left with us a legacy of caring and innovation for the benefit of all our communities.

Joe began working in senior citizen's programs in 1967, when the National Council on Aging began establishing community programs for the elderly poor. Just 1 year later, when he was 75 years young, Joe received national acclaim for a project, Project FIND, which was designed to seek out the elderly poor and help them utilize social service programs.

Joe's work also included his membership in Economic and Social Opportunities, Inc., in Santa Clara County. According to a 1972 news article in the San Jose Mercury News, Joe "helped 1,400 senior citizens obtain benefits and services that they were entitled to but weren't getting."

For the last 6 years, Joe worked as a legal representative for Senior Citizens Outreach Program in San Jose. "I'll do anything I can to help old people so they don't have to eat cat food," he said in a 1982 story. "Over the years, I've learned how to cut through red tape." And cut through red tape he did.

Mr. Speaker, Joe's most important contribution to our community may not have been the particulars of the work he did but the example he set for remaining active and alert even at age 95. Joe dressed with a very lively panache. His trademark was a straw hat sitting casually on his head. He could often be seen in a bright plaid suit.

Joe taught us much about life and the responsibility we share as a community. His work speaks for itself. But for us, the loss of Joe's smile, warmth and dedication is a loss for which there can be no replacement.

Mr. Speaker, "Joe Gax" was a true friend to all who knew him. I ask my colleagues to join in tribute to this man and his work, and in extending our condolences to his wife, his 9 children, his 42 grandchildren, his 58 great-grandchildren and his 3 great-great grandchildren.

INTRODUCTION OF A BILL TO AMEND THE FEDERAL TORT CLAIMS ACT

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. GRADISON. Mr. Speaker, today I am introducing bipartisan legislation designed to correct a serious inequity in the Federal Tort Claims Act. I am pleased to be joined by over 20 of my colleagues, including my distinguished colleague, Representative TOM LUKEN.

As you know, in recent years there has been considerable controversy and litigation concerning the role of the Federal Government in the unnecessary exposure of citizens to risks associated with a number of health and safety hazards. In numerous instances, there is considerable documentation of negligence on the part of the Federal Government. This is particularly true in cases of unnecessary exposure to asbestos, but it is also applicable to incidents involving atomic testing and the development of the polio vaccine.

For example, in cases involving asbestos exposure, it has been documented repeatedly that the Federal Government violated its own health and safety standards at the time of the Second World War, and that it failed to warn, or provide protection for, workers in Government and contract shipyards. The courts have found that Government officials and safety inspectors were aware of the hazards associated with asbestos exposure and of the dangerous conditions in the shipyards under their control.

Unfortunately, citizens pursuing their cases in the courts have found that the Federal Government can escape any liability for violating its own health and safety standards by exercising a technical legal defense. By invoking the defense of discretionary function provided under section 2680(a) of title 28, United States Code, the Federal Government effectively is able to avoid responsibility.

The case of Shuman versus United States highlights the current problem for citizens seeking redress through the courts. In a 1984 decision, a Federal district court found that the government had negligently caused the injury and death of a man, exposed to asbestos dust, who worked in a contract shipyard in 1942 and from 1950 to 1953. On appeal, the first circuit court overturned the decision, not on the merits of the case, but on the grounds that the Government was able to exempt itself from liability. Private concerns, in similar cases, have been found liable and ordered to compensate plaintiffs.

In my view and that of my colleagues, the Federal Government should not be able to hide from its responsibilities in this area. The legislation I am introducing would make it possible for citizens who are injured as a result of the Government's violation of occupational health and safety standards, or by its negligence in workplaces under its control or supervision, to seek to recover damages for those injuries.

I want to stress that our legislation makes no judgment about the merits of the numerous cases currently pending before the courts. It merely asks that the Government be able to prove its case on the merits. If the Government acted with negligence, I am certain that the courts will recognize that fact. However, if the Government did act in a negligent fashion, it is irresponsible, unjust, and unacceptable for the Federal Government to absolve itself of any responsibility for its actions.

Mr. Speaker, this legislation addresses fundamental questions of equity, fairness, and justice. I hope my colleagues will join with us in supporting these principles.

NEDA AWARD—FLORIDA POWER AND LIGHT CO.

HON. BILL GRANT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. GRANT. Mr. Speaker, Florida Power and Light Co. [FPL], our Nation's fifth largest investor-owned electric utility operates in a unique and fragile environment not found elsewhere in the United States. They have been recognized and praised by private and public organizations alike for outstanding efforts to protect and preserve Florida's wildlife and natural beauty.

Since 1977 FPL has been helping to protect the natural habitat and to inform the public about the plight of the West Indian manatee, or sea cow, an endangered mammal that lives in shallow coastal waters and streams. FPL as well maintains a portion of the breeding and nesting grounds of the American crocodile at its Turkey Point Power Plant and has shared valuable research information from its acclaimed program to protect the species with State, Federal, and scientific communities. Whereas three species of protected sea turtles nest on Hutchinson Island, east coast site of FPL's St. Lucie Power Plant, the utility has enacted extensive programs to prevent disorientation of turtle hatchlings, to relocate nests in jeopardy, and to promote public awareness of these unique sea creatures.

In addition, the utility has preserved a 400-acre tract of primitive cypress swampland at its Martin Power Plant, at which nesting southern bald eagles have reproduced without fear of molestation so that offspring can add to the surviving numbers of this majestic national symbol. Endangered wood storks have also used the same swampland and adjacent areas as a breeding rookery, and in one season 200 fledglings were produced, significantly adding to this rare bird's numbers. Taking an active role to inform the public, FPL has also distributed more than 7 million pieces of environmental literature and has produced two award-winning movies about wildlife in Florida.

The National Environmental Development Association [NEDA], a partnership of labor, agriculture, and industry striving to achieve better environmental solutions, held its 15th Anniversary Awards Dinner in Washington DC, on June 16, 1988. On this occasion, Florida Power and Light Co. was officially recognized by NEDA for outstanding achievement in environmental protection in the private sector.

MONTGOMERY COUNTY CELEBRATES 10TH ANNIVERSARY OF NATION'S FIRST SMOKE DETECTOR LEGISLATION

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mrs. MORELLA. Mr. Speaker, I rise to commemorate the 10th anniversary of the Nation's first smoke detector legislation, which was enacted in my congressional district of Montgomery County, MD. As a member of the congressional fire safety caucus, I am especially proud that Montgomery County was the first jurisdiction of its size to adopt a law requiring the installation of smoke detectors in all residences, and the results have been outstanding. Since the law went into effect on July 1, 1978, fire-related fatalities in the county have dropped by 62 percent.

This remarkable decrease in fire deaths could not have come about without the efforts of the Montgomery County Department of Fire and Rescue Services, which upon passage of the smoke detector law, launched an intensive public education campaign to inform residents of the need for these life-saving devices. The department also furnished lower income and disabled individuals with smoke detectors, thus improving the safety and welfare of all of Montgomery County's residents. I am pleased to say that countless other jurisdictions have since followed Montgomery County's lead and have enacted similar smoke detector legislation.

On behalf of the citizens of Montgomery County, I salute the county executive and county council who showed such foresight in 1978. I congratulate the Department of Fire and Rescue Services for its outstanding efforts in the area of fire safety and join them in commemorating the 10th anniversary of Montgomery County's landmark smoke detector legislation.

FRANK DROZAK OF THE MERCHANT MARINE

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mrs. LLOYD. Mr. Speaker, today I rise to pay tribute to Frank Drozak, a straight-talking, self-made man who devoted his life to the merchant marine. President of the Seafarers International Union for the last 8 years, Frank served his union and his Nation well with all of his intelligence, compassion, and determination.

Frank, my friend, never hesitated to fight for his 80,000 union members when necessary, using his engaging, direct manner and a wonderful talent to make his often complex concerns clear to others. In fact, Mr. Speaker, many Members of this body benefited from this skill, and were always impressed with the devotion and compassion he brought to his job. We should take special note of a recent legislative victory of Frank's. The impressive feat was his defense of the sanctity of the Jones Act by gaining the deletion of the Transportation Annex of the United States-Canada Free Trade Agreement.

A fiercely independent and self-made man in the truest sense of the term, Frank served the merchant marine and its union leadership from the age of 16, serving first as a union agent in 1964. He later served as a member of the AFL-CIO executive council, chairing the President's offshore committee, as a member of the national board of the A. Phillip Randolph Institute, and as president of the AFL-CIO's maritime trades department. And he filled all of these roles with the same agressive devotion which characterized his term as president of the Seafarers International Union of North America.

Mr. Speaker, men like Frank Drozak are rare and invaluable to our Nation. I, like so many of my colleagues, will sorely miss Frank. At this time, I extend my sympathy to his family and herald the qualities and accomplishments which made him a truly great American.

A TOP STUDENT

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 7, 1988

Mr. GALLEGLY. Mr. Speaker, I would like to call my colleagues' attention to one of my constituents, who is one of just 73 top high school math and science students from across the Nation and several foreign countries attending a science program here in Washington, DC.

Jennifer Yeh, of West Hills, CA, is participating in the prestigious Research Science Institute at Georgetown University. It is sponsored by the Center for Excellence in Education.

The 6-week session combines theoretical classroom study taught by leading university professors with individual scientific work with outstanding scientists from universities, governmental agencies, and corporations. The program is designed to foster the development of the intellectual and practical skills of gifted and talented youth.

Making her inclusion even more remarkable is the fact that Jennifer is just 15 years old, the second youngest participant in this year's program. Most of the alumni of the program, which is now in its fifth year, go on to attend the Nation's top universities. They will be among our future leaders in science and technology.

In an increasingly technological age, it is students like Jennifer who will help America maintain its scientific leadership among Nations.

Mr. Speaker, I'm sure my colleagues join me in saluting Jennifer on her accomplishments and look forward to hearing about her efforts in the years to come.

SENATE—*Friday, July 8, 1988*

The Senate met at 9:30 a.m., and was called to order by the Honorable HARRY REID, a Senator from the State of Nevada.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Gracious Father in heaven, "God of all comfort," You know the ambivalence all feel about the Persian Gulf tragedy. We pray for the families of those who died in the airliner crash. We know there is no adequate way to respond to their loss—but we ask You to comfort them as only You are able. Surprise them with the peace of God, "the peace that passeth understanding."

We pray for Capt. Will Rogers III, the officers and crew of the *Vincennes,* and for their families, that they may experience the peace of God.

We pray for ourselves. Tragedy like this, never fully explained, tends to divide and alienate. Give us the grace to leave judgment to Thee and unite in the way of peace.

In the name of the Prince of Peace we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 8, 1988.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HARRY REID, a Senator from the State of Nevada, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. REID thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is now recognized.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, that will be the order.

RESERVATION OF LEADER TIME

Mr. BYRD. Mr. President, I ask unanimous consent that the time of both leaders be reserved.

The ACTING PRESIDENT pro tempore. Without objection, that will be the order.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 10 a.m., with Senators permitted to speak therein for not to exceed 5 minutes.

WHY THE NEXT PRESIDENT WHO EVER HE IS WILL INCREASE TAXES

Mr. PROXMIRE. Mr. President, no one writing today can more clearly define the great issues separating conservatism and liberalism than the brilliant New York Times columnist, William Safire. In his June 27, New York Times column Safire contends that the tax issue in the Presidential campaign is simple. GEORGE BUSH opposes any tax increase. Michael Dukakis will call for a tax increase. It will be "a last resort call"—says Safire but Dukakis will make it. What could be plainer? If Safire were right, which he emphatically is not and if you want your taxes increased you vote for Dukakis. If you do not want your taxes increased you vote for BUSH. If you do not believe Dukakis will raise taxes, writes Safire, just look at his record in Massachusetts. Sure Safire admits Dukakis cut Massachusetts spending plans but "slightly"; now let us look at his record. He raised the Massachusetts cigarette tax 5 percent. How about that? Safire's contention that Dukakis would raise Federal taxes is based on a 5-percent hike in the cigarette tax. Meanwhile as Safire admits, the Reagan administration has presided over four major tax increases. Safire conspicuously omits any reference to one of these tax increases. Which one? The tax increase Safire ignores is the Reagan increase in the Social Security payroll tax that hikes that tax by roughly 15 percent. That payroll tax has now become the biggest tax paid by the great majority of Americans. For single earner families with less than $30,000 in income the payroll tax is now their No. 1 tax burden. It is bigger than the Federal income tax. For two-earner families—with less than $40,000 in income per annum, again the payroll tax is the big enchilada. The administration presided over three other major tax increases, while the Dukakis administration in Massachusetts settled for a piddling 5 percent increase in the cigarette tax. So much for the record on taxes.

On spending, Safire argues that most Republicans resist increases, preferring to reduce the growth of domestic spending. He doesn't mention that most Republicans prefer to increase military spending. Since neither party has proposed to cut Social Security benefits and since social programs aside from Social Security are less than the $300 billion annually included in the military budget, Safire must make the case that Democrats supported spending increases for social programs other than Social Security are greater than Republican supported increases for military programs. He doesn't make the case. Why doesn't he? Because he can't.

The fact is that there is no Republican and no Democrat in the Congress whose record in opposing spending would give the country a balanced budget without a tax increase. What would have been the result if President Reagan had his way? Answer: President Reagan could have had his way with the Congress in every single spending measure that has come before the Congress in the past 7½ years. The result: The aggregate deficits would actually have been bigger than they have been.

Safire does claim that "revenues have gone up in an era of noninflationary prosperity, as promised by the supply siders years ago." They have, indeed. But the deficit has gone up even faster. And the huge deficits have, indeed, stimulated the economy—as they always do. They have brought in additional revenues. But not nearly enough. Result: The Federal debt has climbed to a towering $2½ trillion. The net interest on that debt—that is the part paid to the public—has zoomed to more than $150 billion per year. Interest on the debt has now become the single fastest growing cost of Government. It is also the most useless. It provides neither military security nor environmental protection. It does not provide education for even one child, nor housing for a single homeless family. And yet it is the one expenditure that the Government must pay in time and in full.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

It cannot be reduced. The national debt would be about $20 billion more than it is today.

This Senator happens to favor the most drastic possible reduction of all Federal spending. We should cut social programs. We should cut military programs. We should hold down the enormous increases in spending recommended by the administration for the National Science Foundation and for a $30 billion space station, and a multibillion-dollar atom smasher. We can both cut military spending and have a stronger defense vis-a-vis the Soviet Union in two ways:

First. By eliminating wasteful procurement of obsolete military weapons like the B-1 bomber, by sharply cutting the strategic defense initiative [SDI] and by relying less on the regular services and more on the most efficient provider of military service, the Reserve and the National Guard. The Guard and Reserve cost only 5 percent of all military expenditures and provide 45 percent of the military services;

Second. We can take advantage of the Soviet proposal to negotiate a mutual reduction of conventional weapons with the Soviets. They have agreed that they would negotiate such a reduction and because the Soviets have more tanks, planes, artillery, and personnel, they recognize they would have to make greater reductions than the United States. So what are we waiting for?

Let us not kid ourselves. Neither the Congress nor the American public is willing to make the kind of reduction in Federal spending necessary to significantly reduce the deficit without a tax increase. This means we need a tax increase to prevent our enormous deficit from continuing year after year to pile a mountain of indebtedness on this country.

Mr. President, I ask unanimous consent that the column to which I have referred by William Safire from the June 27, New York Times be printed in the RECORD.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

FIRST LAST RESORT

(By William Safire)

WASHINGTON.—We are now vividly presented with evidence of the deep difference between George Bush and Michael Dukakis on the central issue of taxing and spending.

"We've run into a rather modest unexpected shortfall," said Governor Dukakis about a $200 million deficit in the Massachusetts budget, which by law must be balanced.

His solution in his state was as clear a signal as we will get about his future actions, if elected President: He went both ways. He trimmed spending plans slightly and—calling it a "last resort"—raised the state cigarette sales tax 5 percent. Tax hikes have been, are now, and would continue to be central to the Dukakis approach.

George Bush takes a contrary view. "I am not going to raise your taxes, period," he says with all the finality he can muster.

G'wan, scoffs Mr. Dukakis, that's what Reagan promised, and his Administration raised taxes four times in the past six years.

That's a most revealing dodge. The first tax increase snookered out of Ronald Reagan was part of a deal with Tip O'Neill to cut spending three dollars for one, and Congress double-crossed the Administration on the spending end. The most recent tax increase was demanded by Democrats in another spending-reduction trade to reassure financial markets after the October crash.

The Federal deficit (or "rather modest shortfall," if you prefer) is not the result of the Reagan tax cuts, as liberals insist; revenues have gone up in an era of noninflationary prosperity, as promised by the supply-siders years ago. The red ink was caused by the shameful, bipartisan unwillingness to curb spending.

Begin with a couple of givens. 1. Facing red ink, most Republicans resist tax increases, preferring to reduce the growth of domestic spending and to increase economic growth with its attendant revenues. 2. Facing the same red ink, most Democrats resist spending cuts (except in defense); when the moment of decision arrives, they prefer to increase taxes.

Liberals can face that fact honestly, as Walter Mondale did; or with deceptive painlessness, as Jesse Jackson does with his soak-the-rich tax schemes; or grudgingly, as Mr. Dukakis does with his "last resort" protestations. But increased taxation is a basic tenet of liberal philosophy; the ideological difference with conservatives cannot be denied.

Now we come to how that real difference is evaded. Liberal editorialists will condemn Mr. Bush's pledge as irresponsible pandering to the selfishness of voters. They will hail Mr. Dukakis for making the "tough choice" against cutting popular services. Not many are willing to assert a philosophy of using government power to redistribute income in the name of fairness or compassion, or even standing on fiscal responsibility.

Liberals evade that issue because they know that most wage earners would like to believe that tax cuts, not tax hikes, are good for the country—as the current prosperity suggests. But perhaps these worker-voters can be reached by skepticism; if Reagan weakened despite his pledges, wouldn't Bush cave in too? In that case, goes the nonargument, what difference would a Democrat in the White House make?

Therein lies the shrewdness of the Dukakis dodge. His repeated point about four tax increases in the past six years is his way of saying: There's no real difference in the parties on this. Whichever way you vote, in the end you'll get a tax increase. It's not an issue at all. Forget it.

That message is a deception. If Mr. Bush is elected, he would engage the Democratic Congress in a series of budget battles. Because the President is not a dictator, he would be forced to cave in from time to time, causing rightwingers to grump about compromises. But his no-tax-hike pledge would surely be a brake on the Congressional urge to tax and spend.

If Mr. Dukakis is elected, he would act next year as he acted last week: trim here and there, but then take a frequent flyer to the last resort. He would accelerate rather than brake the spending urge in Congress.

Thus, we have a genuine ideological conflict in prospect, which is what campaigns are for. Debate on the wisdom of more taxation is intellectually respectable; the attempt to smear it as making no difference, or as vote-buying, is political cowardice.

Mr. Bush should press the point because the voters' choice will affect tax policy. Mr. Dukakis should be encouraged to defend his tax philosophy on whatever grounds he chooses—including the weakest defense of a last resort.

MERIT AWARD GOES TO WISCONSIN'S DEPARTMENT OF PUBLIC INSTRUCTION

Mr. PROXMIRE. Mr. President, as you and my colleagues of the Senate know, in March 1975, I decided to establish a monthly award for the most absurd example of waste accomplished by one agency or another—The Golden Fleece Award.

Instead of a Golden Fleece Award for the month of July, I am giving Wisconsin's Department of Public Instruction an award of merit for the outstanding leadership they have demonstrated in working for progress in education reform.

One of our Nation's most valuable assets is education. Education provides our young people with the skill, knowledge, and opportunity to make crucial lifetime decisions.

Five years ago, "A Nation at Risk" report was submitted to the public from the National Commission on Excellence in Education. It was a fairly critical report of our Nation's education system. The report referred to our educational performance as mediocre. Secretary of Education William Bennett has also been critical of today's education and recently gave America's schools a grade of C.

I am happy to say that our education system is improving and much needed reform has begun to take place. This Senator wishes to commend Wisconsin's education personnel for being leaders among the States in education reform.

Here are the facts:

First, Wisconsin High School students continue to rank extraordinarily high on standardized tests that are used as part of the college entrance requirements. In the last 5 years, our students have ranked No. 1 or 2 on the Achievement College Test [ACT]. In fact, Wisconsin scored No. 1 in the 1986-87 school year. Also, Wisconsin had 15 percent of its seniors take the Scholastic Aptitude Test [SAT] in the 1986-87 school year and they again ranked No. 1.

Second, The State Department of Public Instruction's budget request includes funds to support district competency based testing. According to the new State standards, the DPI requires all districts to administer achievement tests in basic subjects.

Third, Wisconsin school districts are in the process of implementing the

State's education standards. These standards were part of the 1985-87 budget bill. The Standards help assure that children across the State have access to the best education possible. The standards deal with teacher certification, staff development, children at risk, and high school graduation requirements to name a few.

Fourth, Wisconsin's high school drop out rate is among the lowest in the Nation. In 1986 Wisconsin had a graduation rate of 86.3 percent. The national average was 71.5 percent. In spite of the 86.3 percent, 8,000 students left school before graduation during the 1986-87 school year. To help address the problem, Wisconsin is seeking State funding for an early childhood education program for urban and rural disadvantaged children.

Fifth, The State department of public instruction developed the 1984 children at Risk Initiative which has placed Wisconsin as a leader in identifying children at risk. Children at Risk are defined as those students who experience problems that interrupt or disrupt their learning, school attendance, or progression toward graduation. The DPI is involved in grant support for programs addressing problems facing youth like school age parents, teen suicide, and alcohol abuse.

Sixth, Wisconsin also has new initiatives for teacher education programs to assure that those entering the teaching profession are well qualified. Some of these include requiring 100 hours of clincial experience before student teaching, those graduating in teacher education must rank in the top 50 percent of the class and the teacher education program must include study of at risk youth and human relations.

These are just a few of the initiatives the Wisconsin Department of Public Instruction is administering.

I believe our education system is good and getting better. More and more State initiatives are becoming realities. I salute the teachers, administrators, parents and students in Wisconsin for demonstrating concern and competence in education reform.

ISLAND OF OPPORTUNITY

Mr. PROXMIRE. Mr. President, Keith Jensen from Eau Claire, WI, recently won a $500 scholarship for his essay "Island of Opportunity." The nationwide contest, sponsored by the Friends of Free China, required students to write a 1,000-1,500 word essay on the topic "How Freedom Affects Progress" and relate it to the people of Taiwan.

Keith has written an insightful and very informative essay contrasting the societies and economies of People's Republic of China and Taiwan. He is to be commended for a job well done.

At this time, I ask unanimous consent that Keith's essay to be printed in the RECORD as an example of the excellent work that is exemplified by the students of Wisconsin.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

ISLAND OF OPPORTUNITY

(By Keith Jensen)

Somewhere behind the folded curtain of China's borders, a 38-year old electrician named Wei Jingsheng is spending time in prison; much of the duration in solitary confinement. Wei's supposed crime: critisizing "Paramount Leader" Deng Xiaping and the Party. The sentence: 15 years. Deng came into power in 1977 and Wei, with others like him, hoped desperately for a China unleashed from communism's political and economic straitjackets. Wei ventured to write on a wall in downtown Beijing: "Just ask yourself, Chinese workers and peasant, whose masters are you? Or what do you own? To spell it out is pitiful. Others are your masters . . . a very small percentage of the hundreds of millions of people, the Party leader."[1] Today the Communist Party of China is the master; the ultimate authority in every area. The people are apt to be called pawns playing the game of the very few—the Party Leaders.

An entirely different situation exists upon the small island of Taiwan. The people here are the masters of the government because the government is democratically controlled by the people and is limited by them and their constitution. The result is an affluent, prosperous, pluralistic society never before witnessed in all China's history. Achievements particularly in the areas of religion, the economy and in social conditions have established a model for all of China to follow.

First, generally speaking, the people of China have not been extremely religious. But throughout the centuries Buddhist and Christian missionaries have converted millions to their religions. In past years, attempts have been made to strengthen religion in mainland China by outside sources. However, this has been for naught; the communist society and philosophy has attempted to forge into machines without a soul receptive to religious doctrine.

While this nation possesses a so-called "Patriotic Catholic Association of China" for a national church, it is highly opposite to a true Catholic Church. The fact that it has no ties with the Vatican in Rome is proof enough.[2] The word "patriotic" perfectly summarizes the true purpose of this church. Its existence is only for use as a tool by the all-controlling communist government. This association strictly upholds the government's pro-abortion theme for population control. In short, religion in communist China is a farce; a joke and a supposed right that simply does not exist in any form worth having.

Taiwan's policies of liberty and capitalism allow people to worship when they want, where they want, and in any fashion they desire. This can be fully realized by knowing that presently 292,000 Catholics worship on Taiwan without fear of the restrictions which exist a short 90 miles distant.

Besides a great number of Catholics, Taiwan is able to boast a total of 57 different Protestant denominations along with the traditional eastern religions such as Buddhism and Taoism. Dr. Gwo Yun-han, Pastor of Grace Baptist Church in Taipei, has stated, "Taiwan's rapid economic and social change has produced significant challenges to all religious faiths. As people become better schooled, have more disposable income and become more urbanized, the earlier forms of social arrangements and personal expectations have rapidly altered. There are indeed serious needs for religious expression and belief. . ."[3]

A second area which determines the ultimate progress of a nation is the economy. A comparison of Red China and the ROC is an appropriate example of capitalism at its best and the ultimate result of communist philosophy. Red China over the past 39 years has not done reasonably well. One must ask why such a large country with so great a workforce has not pulled its people from the clutches of poverty. The land is rich in resources, but this is not reflected in the life of the people. This may be attributed to several factors. Red China's policy of equal distribution, in which all people are given the same portions, is not conducive for a good economy. It insults a person's sense of diligence because an individual, no matter how hard he works, will receive the same amount of pay and food. This condition has given communist China one of the poorest production rates in the world.

Mainland China has made several other major errors in her attempts to build a stable economy: one being to run it identical to the Stalin model—a system which has failed miserably. This type of model has two distinctions easily labeled as hindrances to progress. The government owns and runs most business and the party leaders decide what is to be produced. These two things prevent any form of competition and any amount of personal initiative. Red China has also made mistakes in areas of economic organization. Often they have put emphasis on heavy industry such as steel, iron and manufacturing equipment which are important to the country's defense while overlooking the area of agriculture and light industry which are essential for the daily standard of living.[4]

In 1986, Red China had an average per capita GNP of 240 US dollars while Taiwan had an average per capita GNP of 3751 US dollars.[5] Such a great difference speaks boldly for itself and proves many points that were once only theory. Taiwan's economy has year after year shown industrious trade and competition. Take for example these headlines from several issues of the Free China Journal.

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[1] George Hicks, "Forever Red," The Reader's Digest CXXIX (December 1986), p. 103.

[2] Greg Sheridan, "A Sobering Survey of the Actual Situation in Communist China by a Questioning Traveler from Australia," Free China Review, (April, 1986), 58.

[3] Gwo Yun-han, "Protestants Spread The Good News," Free China Review. (January, 1988), p. 35.

[4] News item in the Free China Journal, June 22, 1987.

[5] News item in the Free China Journal, October 10, 1987.

"Fast Food Sweeps Taiwan; 42 Foreign Chains Now Here" (August 11, 1986)

"Information Industry's Export Grew by 77% in 1987" (Jan. 25, 1988)

"ROC Moving Up In World as Major Trading Power" (Jan. 4, 1988)

"Taiwan Stock Market Closes 1987 With a New Year Bang" (Jan. 4, 1988)

The ROC has created a balanced approach between strong trade, diligence in the business field and administrative planning. A strong, prevalent atmosphere of opportunity has been produced that strictly reflects Taiwan's attitude toward hard work and initiative. They are reaping the benefits of their labor and their economic system which is exemplified in every part of their lives.

Lastly, while Mainland China may have a poor economy and restrictive religion, the greatest sadness lies with the lack of civil liberty which her citizens possess. In 1985, an organization known as "Freedom House" rated Mainland China based upon the amount of civil liberties the people possesses. China was given a 6 on a scale of 1 to 7 (one being the best).[6]

There is proof for the cause of this low score. An activist by the name of Wei Chingsheng protested non-violently for a more democratic government. Irrevocably he was given a 15 year prison sentence. In another incident, the government took soon-to-be-executed prisoners and subjected them to mass criticism on how they had supposedly erred greatly in their ways. On another occasion, criminals were executed without trial and the due process of law.

Taiwan's constitution is designed to adequately protect her people's rights. President Han Leh-wu of the Chinese Association for Human Rights has said that the Republic of China will never cease its efforts to improve the human rights situation there.[7]

Despite the fact the Communist Chinese threat has never decreased, the ROC government lifted the previous Chieh-yen Decree and implemented the National Security Law. This law will meet the country's security needs and will protect the freedoms and rights of the people. In addition, it will remove previous bans on the formation and activities of political parties.[8]

In a regime where citizens have no influence of those in office, liberties are abused more often and to a greater extent because the government has nothing to fear from its citizens. This is the ultimate abuse of power and possession and the final result of a communist government. Thus one can observe that the ROC's government protects the liberties and rights of the people more adequately because the people are represented. In respect to religion individuals are given the opportunity to meet their soul's needs and develop spiritually as they might desire. Economically people are not restricted; instead they are placed in an environment of growth and prosperity; socially they are endowed with civil liberties that compliment every part of their lives.

In all three areas Taiwan has proven that freedom has affected progress as Free China has become the island of opportunity.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, does any other Senator wish to speak in morning business?

The ACTING PRESIDENT pro tempore. Mr. Leader, the Chair, in his capacity as a Senator from the State of Nevada, wishes to speak for 5 minutes.

ORDER FOR 30-MINUTE RECESS AT 10 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that morning business continue until 10 o'clock, at which time the Senate stand in recess for 30 minutes.

The ACTING PRESIDENT pro tempore. Without objection, that will be the order.

(Mr. PROXMIRE assumed the chair.)

LEADERSHIP IN DEFENSE PROCUREMENT

Mr. GRASSLEY. Mr. President, one of the lessons of the current defense probe is that to get ahead, you have to play the "insider trading game." Winning a contract is based on who you know, not what you can do.

The relevant question we should be asking, is: Why haven't the Carlucci initiatives of the Packard recommendations worked? Why is it that "peek-a-boo procurement" is still the way to get ahead, instead of contracting by "performance" requirements?

Some suggest that the Carlucci initiatives were designed to create the perception of reform, but that actual and substantive change was never intended. Some would suggest that the Packard Commission was a very large valium for the body politic, and that true reform was not the intended goal.

Whether or not that is the case, it's plain that reform is still necessary.

I would suggest, Mr. President, that part of the solution for management reform in the Pentagon can be found in the Federalist Papers. In those papers, we find powerful arguments showing the need for checks and balances to avoid the grave dangers of a monopoly power. It is sufficiently known that the relationship between DOD and the defense industry is a bilateral monopoly: one buyer, and one seller for each item, with rare exceptions.

The fact of the matter is that there are few organizational checks and balances in the Defense Department. There is no independence of those functions responsible for monitoring performance. As a result, functions such as acquisition easily lend themselves to collusive fraud.

The most obvious case in point is the Packard Commission's recommendation to allow the contractors to police themselves. That means contract officials are on their honor to turn themselves in to the local sheriff if they commit fraud. Another case in point is the creation of the acquisition czar, as recommended, again, by the Packard Commission. One look at the responsibilities of the acquisition czar will show there are no checks and balances in that important position.

Here are the responsibilities of that office: all acquisition policy; contract audit policy; oversight of all acquisition programs; oversight of advanced technology programs; oversight of test and evaluation, both developmental and operational; and responsibility for independent cost estimates.

Again, where are the checks and balances?

Without checks and balances in the performance of defense procurement, the wisdom of establishing a czar is questionable. We expect a Peter the Great. But what we get is an Ivan the Terrible. That's no reflection on any current, past or future acquisition czar—it's merely the inevitable result of an organization that is susceptible to manipulation and collusive fraud.

Last week's papers contained a story about how the current acquisition czar sent a memo to the Secretary of Defense suggesting that DOD officials should have approval authority over search warrants. the inspector general and the Secretary of Defense rightfully denied the authority. Had the Assistant Secretary prevailed, law enforcement activities and antifraud efforts in the defense procurement process might have been severely hamstrung.

It is that kind of erosion of checks and balances within the Defense Department's organizational structure that poses the very real dangers inherent in a monopoly power.

The principle of checks and balances is what is so therapeutic about the Abe Lincoln bill passed by Congress just 2 years ago, and the Independent Testing Office. It's also why we need more real competition, why we need to close the revolving door, and why we need to keep operational separate from developmental testing.

Of course, these are all desired legislative reforms which already have or should be implemented. In their entirety, they would go a long way toward instituting the kinds of structural checks and balances needed to reform the way our defense community does business. However, let us be clear about what will bring about the desired change. As I mentioned, checks and balances are only half the battle. The real key to performance excellence in the defense procurement process is leadership and good people.

Our Government is in desperate need, as we and the public are now well aware, of leaders who will communicate policies not in terms of getting programs on-budget and contracts signed, but leaders who will communicate policies that reflect deeply held values, like integrity, quality, and economy. Like sacrifice and discipline for the national security. The extent to which these values are absent from the defense procurement system should be a direct reflection on the leadership of our Defense Department.

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[6] Sheridan, *op. cit.*, p. 57.

[7] News items in the Free China Journal, August 11, 1986.

[8] News item in the Free China Journal, October 10, 1987.

Instead of acquisition czars and policies of self-policing by contractors, we need leaders and a few good people who will instill the kind of ethic and values that are clearly alien to the procurement process.

It is the presence of those values throughout the system, and practiced by the implementers of our policy, that will bring about change that is not just a perception.

Thank you, Mr. President.

The **PRESIDING OFFICER**. The Senator from Nevada [Mr. REID] is recognized.

PLO ARSON

Mr. REID. Mr. President, the Bible speaks of the land of Israel as a place flowing with milk and honey, in which could be found great forests to shade the brow of the weary traveler.

When the children of Israel began their return from the diaspora in the latter 9th century, they found that time, misrule, and the travails of 2,000 years of religious and political strife had laid waste their promised land.

Undaunted by the prospect of barren wastes where cities had risen, and swamps replaced the great forests, those first settlers began to rebuild. For them, every task was a delight, and every accomplishment a miracle.

Because they were the descendants of David, however, they took special delight in replanting the trees which had once blessed and cooled their land. Each sapling they planted was carefully nurtured, often watered by hand-carried buckets. As it spread its branches, those who walked below, Arab, Jew, Catholic, Protestant, or Greek Orthodox, may have stopped to thank the God to whom we all pray for the replenishment of nature's bounty.

There is a tradition in Judaism that from every bad thing some good must flow, and that in the midst of death we are in life. It is from that belief that there arose the custom of naming a newborn child after the most recently deceased. It was also from that tradition that there began, early in this century, another custom.

When someone died, to honor their memory, to make their name forever shine in the gratitude of weary travelers, to represent their love for the land of Israel, their survivors would plant a tree in the Holy Land. It was a beautiful custom, and it spread among many people as a means of honoring the living as well as the dead.

Following the Holocaust, the survivors, in Israel and throughout the world, looked for a means to enshrine the memory of the 6 million who died. What could have been more natural than to plant whole forests in their memory. Across the face of Israel groves of saplings reached for the Sun carrying their message of love and remembrance. Over 200 million trees bless the land and all the people therein. These trees, 200 million trees, have been planted since 1948.

Surely, no civilized person could intentionally desecrate those shrines of living memory? Certainly no one with a sense of decency could destroy the shrine which gives comfort to so many of every faith. And unquestionably, Mr. President, unquestionably nobody with a shred of humanity would dare contemplate destroying by fire the memorial to those who died in the gas chambers and ovens of Auschwitz, and Dauchau, and Belsen, and Treblinka.

No decent person I am sure would think of such a contemptible act. And yet, it is by the most cowardly means of fire in the night that the so-called Palestine Liberation Organization has chosen to attack the State of Israel.

Unwilling and unable to stand in fair combat against a nation outnumbered by millions, the PLO instead has chosen to attack the soul of the nation. By doing so it has once again demonstrated that when one chooses the path of cowardice as a thief in the night, he sets himself apart from any claim to the sympathy or respect of the civilized world.

In the 6 weeks preceding June 15, 567 arson set fires have destroyed 35,000 acres of agricultural land encompassing forests, fields, and farms. The unkindest cut of all, however, in this cowardly attack, was the fire which destroyed 300 trees in a Jerusalem cemetery.

The PLO and Yassir Arafat have called for more arson. Perhaps there are those who will continue to heed their call. There always seem to be some who are willing to destroy the land for their own ends, even when the harm they do is to their own as well as their supposed enemies.

When they do so, however, I want them to know that their actions are viewed with the rankest horror and contempt by every civilized person, and that rather than engendering any benefit for their cause, they create nothing but long-term disgust.

Our Nation has finally come to recognize what humanity has been doing to itself. In the United States, nearly 32 million acres a year of forest are destroyed. In far away Brazil, the destruction of the Amazon Rain Forest may well represent a threat to the long-term survival of mankind.

Israel is one of the few places instead of destroying that which God has given us, the desert has blossomed like a rose. That is what the PLO would destroy. I hope they are proud of themselves.

I come from a State, Mr. President, where trees are confined by nature to the mountains, and where among those trees we do have the oldest living things on Earth, the bristlecone pines. Nevadans know what a blessing the shade is to a desert people. We know the truth of Joyce Kilmer's thought that only God can make a tree and we know the character of those who would destroy a forest by arson.

I want the PLO to understand that we know, and that we will not forget.

The **PRESIDING OFFICER**. The Senator from Illinois is recognized.

(The remarks of Mr. DIXON pertaining to the introduction of legislation appear in today's RECORD under Statements on Introduced Bills and Joint Resolutions.)

Mr. DIXON. Mr. President, I suggest the absence of a quorum.

The **ACTING PRESIDENT** pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **ACTING PRESIDENT** pro tempore. That will be the order.

BICENTENNIAL MINUTE

JULY 5, 1909: SENATE ADOPTS INCOME TAX AMENDMENT

Mr. DOLE. Mr. President, 79 years ago this week, on July 5, 1909, the Senate unanimously approved a constitutional amendment that has had an impact on this Nation's economic and social development far exceeding the expectations of those who voted for it. In February 1913, the 30-word resolution became the Constitution's 16th amendment. The amendment states simply, "the Congress shall have the power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration."

The Nation's first income tax—a 3-percent levy on incomes above $800—had been passed as an emergency measure during the first year of the Civil War. Its rates were increased during the war until incomes between $600 and $5,000 were taxed at 5 percent and those over $5,000 at 10 percent. The tax was abolished in 1872. In 1894, Congress added a 2-percent tax on incomes over $2,000 to a tariff reduction measure to offset its anticipated lower revenues. A year later, the Supreme Court declared this provision unconstitutional, ruling that taxes on personal property were direct taxes and, as provided in the Constitution, could only be levied by apportionment among the States.

In 1909, Members of Congress removed an income tax provision from a pending tariff bill out of concern that it too would be ruled unconstitutional. This prompted them to pass the 16th amendment. The Underwood Tariff Act of 1913 contained the first regular income tax under the new amendment. It set a 1-percent tax on incomes from $3,000 to $20,000 and, at the upper end, a 6-percent levy on incomes over $500,000. By 1920, this tax was contributing 10 times as much revenue as received from customs duties—the previous major source of national funds. Income taxes, however unpleasant, have been the prime means of funding America's domestic and defense programs.

RECESS

Mr. BYRD. Mr. President, I ask that the Senate stand in recess for 45 minutes.

Thereupon, at 9:59 a.m., the Senate recessed until 10:45 a.m., whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. SANFORD].

CONGRESSIONAL CALL TO CONSCIENCE VIGIL FOR SOVIET JEWS

Mr. COCHRAN. Mr. President, I rise today to comment on the condition of human rights in the Soviet Union, and to specifically bring to the attention of the Senate the refusenik case of Vladimir and Luba Meshkov.

On the surface, it appears that there have been positive steps toward glasnost in the Soviet Union. It is encouraging to note the release and emigration of Anatoly Shcharansky in 1986, the release of more than 100 political prisoners and the emigration of more than 8,000 Soviet Jews in 1987, and the emigration of over 3,000 thus far this year. These numbers are an improvement over those for the years 1982–86. Nonetheless, I feel this represents only a beginning in the quest for a solution to the human rights problems in the Soviet Union.

Vladimir Meshkov and his family first applied to emigrate in 1977, but they were hindered by Soviet officials in submitting the proper application forms. Subsequent to their request being denied, Vladimir was forced to leave his position as a mathematician at the Institute for Teachers. He is on the verge of losing his sight, and both his wife, Luba, and their daughter, Miriam, suffer from congenital heart disease. Vladimir and his wife are both unemployed.

As a result of their refusenik status, the Meshkovs are victims of KGB harassment, which hinders their community work, and tests their will. They are ever forbidden from receiving mail from abroad. Despite these hardships, the Meshkovs are active in bettering the condition of Moscow's Jewish community, initiating programs for Jewish women.

In 1985, Vladimir was granted permission to emigrate but felt that he should wait for his mother to receive permission as well. She has not yet been granted the necessary approval. Most recently, on April 11 of this year, the Meshkovs were again refused permission to emigrate. They must now wait another 6 months to file a new application and begin anew the complicated process.

Vladimir is a member of the "Poor Relative's Group," which is comprised of individuals who have been unable to receive a financial claims waiver from members of their family; without this waiver, they cannot receive permission to emigrate. The Soviet Government feels that one is financially responsible for their parents, children, and ex-spouses unless these "relatives" have signed this form. In their case, it is Luba's mother who refuses to sign their form. This is a requirement imposed by the Soviet Government to suppress emigration and it is an apparent violation of the Helsinki Agreement.

Since January 1, 1988, all Soviet Jews have been required to provide evidence of first-degree relatives abroad, in the form of an invitation or official affidavit, to become eligible to apply for emigration. This new requirement makes an estimated 90 percent of Soviet Jews ineligible to apply for permission to emigrate.

On April 21, while Secretary of State George Shultz was visiting Moscow for 2 days of arms control talks, he met with two dozen Jews and others who have been denied permission to emigrate. While Secretary Shultz was meeting with this group, other refuseniks known as the Thursday Group, comprised of "poor relatives," attempted to demonstrate on the steps of the Lenin Library in Moscow. Before they could reach their destination, they were detained by plainclothes police. Among these demonstrators was refusenik Vladimir Meshkov, who was severely beaten.

Mr. President, Vladimir Meshkov and his family are not unique, but their story illustrates the serious problems that remain in the Soviet Union. I know that the administration and Congress are both concerned with the harsh treatment of Soviet Jews in the U.S.S.R. We should continue to seek effective means to influence improvements and reform of Soviet policy in these matters of basic human rights.

TRIBUTES TO H.F. "COTTON" ROBINSON, CHANCELLOR EMERITUS, WESTERN CAROLINA UNIVERSITY

Mr. SANFORD. Mr. President, one of North Carolina's truly outstanding citizens, H.R. Robinson, died unexpectedly this week. I ask consent to place in the RECORD comments about his life and outstanding contributions. My comments are followed by those of Liston Ramsey, speaker of the house, North Carolina General Assembly, Chancellor Myron L. Coulter of Western Carolina University, and Dan Robinson.

There being no objection, the comments were ordered to be printed in the RECORD, as follows:

Senator SANFORD. Cotton Robinson always had a good story to tell. He was so full of the zest for life, of humor and good nature, of interesting experiences.

I was fascinated when he told me, from his experience as a research scientist, of his quest for the original Indian maize, corn that is. He traced the strain back like a detective retracing the steps of a jewel thief, like a biographer tracing his family roots. He found it, too. He put the family tree together, right back to the Adam and Eve of the maize family.

That was not the most significant research of this scholar and scientist, but it made a point that illuminates Cotton Robinson's entire life.

What good was it to isolate the original Indian corn germ? Interesting, yes. A scientific achievement, yes. A great contribution to genetics and seed technology, yes. But the difference was that Cotton Robinson then put together a package for the Cherokee Indians to plant and nurture, to advertise and market this ancestral strain. That was Cotton Robinson. He ever asked the question, "How do we make life better for all people?"

We have all been tremendously impressed with his record at Cullowee. He took over the direction of a school yet to reach its full potential. He took it to its capacity, and created a potential for even greater accomplishments in the future.

Cotton Robinson made Western Carolina University an unparalleled force for the renaissance of Western North Carolina. In education, in art, in science, in human development, in community enrichment, in regional achievement, Western North Carolina has never known such revival of spirit and substance. Cotton Robinson was the architect and the builder. I have been privileged to know the great leaders of North Carolina for a half century. Cotton Robinson stands with the truly magnificent personalities in the history of the State, especially the mountains of North Carolina, the equal of any, second to none, with, I am sure he would likely say, the possible exception of Chief Drowning Bear who went to the White House and stood up to President Andrew Jackson. It is my considered judgment, long before this day, that no one has done more to help Western North Carolina arise from its geographical isolation and compete with the world in providing new challenges for its children, than Chancellor H.F. Robinson. His life made a tremendous, lasting difference for a tremendous number of people.

It was in 1974 when he returned to his native North Carolina mountains as Chancellor that his decades of achievement attained fulfillment. He had returned to the problems and opportunities he had known since childhood. These his people, descendants of the pioneers, the adventurous stock of America, were locked in by forces of modernization that had not been conquered. It troubled him that young people had to leave the hills of their birth in order to seek their fortunes. He had been required to leave.

Education was the hope of the individual and economic structure was the hope of the region. Western Carolina University was the engine of hope. Cotton Robinson was the mighty engineer. He led his region to new achievements in jobs, transportation, health care, community enrichment, and pride.

Cotton Robinson's sphere was the world. He spent his life in universities recognized as a significant scientist and scholar, and in summary, he embraced food supply for the world as his academic field. There were no short horizons for Cotton Robinson. He traveled the world all of his career, and he affiliated his Western Carolina University with universities throughout the world, Hunan, Napal, Mexico, Oman, Equador, and tied his University to projects in Zambia, Zaire, Indonesia, Swaziland, Columbia, Haiti, Senegal, and the Dominican Republic, not to exhaust the list. He just returned from a trip to Africa last week.

Closer to home, he served his people through the Western North Carolina Development Association, the North Carolina Rural Economic Development Center, the Mountain Aquaculture Center (we're talking about mountain trout), the North Carolina School of Science and Math, the Appalachian Foundation, the Cherokee Historical Association, the Tennessee Valley Association, the Jackson County Committee of 100, the Board of the Ashville Area Chamber of Commerce, the I-26 Corridor Association, and on and on.

In thinking about a biblical allegory, I fell short. Cotton Robinson, this giant of the mountains, this dedicated man of good will, did not lead his people to the promised land. He brought them new promises in their promised land. That is his monument.

Speaker RAMSEY. They say the world is divided into three classes of people: those who watch things happen; those who make things happen; and those who wonder what happened.

Dr. H. F. Robinson belonged to that class of people who make things happen.

He did not make them happen for his own benefit. He made them happen for the people of his beloved mountains, especially Western Carolina University.

Part of what he accomplished as Chancellor of Western is visible to the eye. The physical plant of this University more than doubled, and the entire skyline changed, during his 10 years here.

Part of this handiwork is not visible to the eye. Under his guidance, Western improved the quality of its academic programs, expanded its outreach to the people of the West, and rose to a prominent place among North Carolina institutions of higher learning.

I had the honor of working closely with him on numerous projects of benefit to western North Carolina and to this state as a whole. He will be sorely missed.

Cotton Robinson was a man of tremendous intellect, but he was also a very practical man. He knew where he needed to go and how to get there. When he saw a job that needed doing, he did it promptly, he did it swiftly, he did it cleanly, he did it well.

His interest and concern extended far beyond this campus to every cove and hollow, every nook and cranny, of western North Carolina.

He used his boundless energy to advance not only our educational life but our economic, cultural and social life as well.

Fortunately for us, his passing cannot take from us the inspiration of his fine example and service. His imprint will endure, and his influence will continue for generations to come.

A Cotton Robinson does not come along every day, and I doubt that we shall see his likes again.

In reflecting on his life, these words of the poet come to mind:

"No person was ever honored for what he received;
"Honor was the reward for what he gave.
"Great has been his effort.
"Greatness is his reward."

Chancellor MYRON L. COULTER. There are many junctures in a dedicated leader's life when he must privately look back and ask what he has accomplished for his fellow man. He must ask what he has done to promote the general welfare of those with whom he lives, works, and plays. He must wonder whether his life has made a difference.

While we know that our good friend and respected colleague, Cotton, must have asked those questions of himself many times, they are now ours to answer in ways which he could not. He has indeed led a distinguished and significant life. He has made a difference in the lives of all of us here today, whether we be educators, legislators, professional leaders, family members, or friends and acquaintances. We all know of Cotton's passion for work and accomplishment; for making his presence felt wherever he was; for speaking out with total commitment on a myriad of issues and projects.

Cotton Robinson cared, and he sensed deeply, as anyone of total commitment must. At times his caring was expressed with a somewhat brash and insistent personality. But always beneath the exterior was an inner core of compassion, and a compulsion to build ideas; to build a university; to build a more stable economy for the people of the western mountains; to purify and preserve the environment; to lay a foundation for people whom he would never know. His satisfaction had to be the opportunity to look back and say, "This was the right thing to do," even though it may not have been popular at the time. His accomplished projects were often reported with a wry smile and the simple comment, "I knew we could get this one done."

He was indeed a man with a plan, a man for all seasons, a man for all nations. The ripples of his life will touch all shores, and the vibrations of his energy will long cause a stirring in all who knew him well.

As I have thought of Cotton's life, I am reminded of a favorite stanza from our poet Laureate, Robert Frost's poem, "Stopping by woods on a snowy evening." Frost writes:

"The woods are lovely, dark and deep,
but I have promises to keep,
and miles to go before I sleep."

Our friend Cotton has kept his promises and crossed his miles.

DAN ROBINSON. Hundreds of people, if given the opportunity, would stand and make comments on what Cotton Robinson's life has meant to them. I will try and incorporate some of their feelings in my remarks.

Dr. William Friday, former President of the University of North Carolina, sends the following from Salzburg, Austria:

"My lifelong friend Cotton Robinson served his state faithfully and remarkably well for over four decades. His first and highest devotion next to his family and his church was Western Carolina University and the citizens of the mountains he loved so much. Look at the campus today and see how enormously successful he was as her chancellor. The less fortunate, the poorly educated, and the needy have lost a strong friend. The farm people will greatly miss his advocacy on their behalf and all North Carolinians, have lost a noble servant. His death closes an exceptional career of public service that reached around the world, but his great and good works will live on to serve this state and country. We shall greatly miss his inspiring life."

Mr. Doug Reed, Director of Public Information, Western Carolina University, sends his from Montana:

"We knew Dr. Robinson as a man who lived life boldly. He painted large visions for himself, for his fellow man, for his universities, for his native region, and had the skill and tenacity to make them realities. He challenged all who knew him to strive without ceasing, to achieve and then achieve again. His own accomplishments were global and he was, in truth, a world citizen.

"But on the intimate, personal level, he gave definition to the world, 'friend.' To those to whom he gave friendship, he gave it without reservation, without question, and without limit. There was, in him, a gentle kindness that was manifested over many years, in many unseen ways; and it was the great motivation of his life to do for others."

Cotton's total commitment to the needs of Western Carolina University, western North Carolina and the many individuals who came to him for advice and help is unsurpassed. Possibly just as important was Cotton's ability to achieve what seemed to be the impossible. He received personal pleasure from being of service to others. He takes his place among other courageous dedicated public servants who placed the needs of others above self preservation.

Cotton meant many things to different people. He was "Cotton" to Katherine, members of his family and close friends. All of these knew him as a person capable of a warm, caring relationship. He was "Daddy" to Karen and Josie, his two beloved daughters.—"Dr. Robinson" to some, a person they held in high esteem, gained through a personal relationship or by reputation—"Chancellor Robinson" to those who knew and remembered him primarily as the chief administrator of Western Carolina University. Many of us remember him as a good friend to hunt and fish with, to share concerns, get advice and good counsel and not to be forgotten are those who knew him as a dedicated, tireless worker to elect well qualified public servants.

Regardless of the name we knew him by, in one way he meant the same thing to all of us—a friend, available to all who needed him, someone who could get things done.

A thought provided by a friend and long time WCU employee, "Dr. Robinson was a strong administrator. He wanted to see progress and was forceful in carrying out ideas that would bring positive change. He respected differences of opinion and would not hold a grudge; he was willing to forgive a mistake or shortcoming in another. He was fair and compassionate. He was a motivator who led by example. He brought out the best in the people who worked with him by letting them know that good service would be rewarded." Another close acquaintaince said, "He was the best friend I ever had in the world.

Cotton took great pride in his family. His dependence on Katherine was always evident and she was the leveling force in his life. For those who knew him only as a hard driving administrator who sometimes wanted everything done "yesterday," would have marveled at Katherine's ability to help him keep things in perspective.

He spoke with pride and love of Karen and Josie and their families. And oh, those grandchildren. What Ben and Jay had accomplished and were doing as an important part of his life and you soon realized that he and Madge had a special relationship.

He even found room for his cousins and their families, a sister-in-law and her family in that inner circle.

Many thought Cotton had no weakness, and this appeared to be so—but he did—he could never say no to a request for help from the many who asked.

There may be those who might say: "He should have taken it easy, not pushed himself so hard. It was time for him to slow down." But I would say to you that the cruelest thing that could ever have happened to Cotton Robinson would have been for him to have grown old, become disabled and not in the main stream. As we all know, Cotton was a first teamer and often the captain of the team. Having to be anything less would have been unacceptable.

Life was good and rewarding to Dr. H. F. "Cotton" Robinson and he didn't waste his blessings. He lived a full and fruitful life.

HIGH-YIELD BONDS

Mr. SHELBY. Mr. President, high-yield bonds have provided hundreds of established companies and, more importantly, dozens of entrepreneurs with the financing necessary to expand and provide thousands of jobs. I ask unanimous consent to enter into the RECORD a recent article in the New York Times which discusses the positive benefits produced by high-yield bonds.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 19, 1988]

FINANCING THE FUTURE—DON'T WRITE OFF JUNK BONDS

(By Glenn Yago)

"Junk bonds"—is there an empirical basis for the nasty-name-calling about the high-yield financing that raised more than $150 billion for growth companies over the past decade? Can investment-grade companies that issue "non-junk bonds" still be considered "quality" if they lay off workers and lose markets to foreign competitors? Does it really make any sense to consider non-investment grade companies as the "junk" of Corporate America?

To investigate the operations and consequences of these capital market instruments apart from the rhetorical bias, my colleagues and I examined 755 companies that issued high-yield debt from 1980 through 1986. We examined average annual changes in employment, productivity, sales and capital investment based on the reporting year of the issuing company. The evidence we found counters the securities pundits' mantra about junk bonds. In each key performance measure, high-yield firms grew faster than industry in general.

High-yield companies increased employment at an average annual rate of 6.7 percent, compared with 1.4 percent for industry. High-yield companies evidenced a greater capacity than American industry over all to create new jobs, retain old ones or successfully manage employment reductions in industries that were shrinking. In industries that were growing, like health, education, and leisure services, high-yield companies like Charter Medical, Manor Care, National Education Corporation, and Kinder-Care grew faster than the average.

In declining sectors like communications and construction, high-yield companies also grew. For example, while companies like the American Telephone and Telegraph Company were laying off thousands of workers, companies like M.C.I. McCaw Cellular Communications, and Tele-Communications were redefining the communications industry through innovation. In shrinking sectors, high-yield companies contracted at a slower rate.

Using the Bureau of Labor Statistics productivity index, our analysis showed that most industries had a positive correlation between the use of high-yield securities and productivity increases. To assess performance across a broader range of industries, we used sales-per-employee as a proxy for productivity and found that companies issuing junk bonds outperformed industry in general.

Among those companies reporting sales data, high-yield companies showed faster annual sales growth than industry in general—9.38 percent versus 6.42 percent. Manufacturing sales increases among junk bond issuers were nearly twice that of all manufacturing companies. Contrary to charges that junk bond users are just "paper entrepreneurs" shuffling assets and expanding their debt, these companies increased their total invested capital at an average annual rate higher than industry in general.

Beyond corporate capital structure, the evidence of capital spending suggests that junk bonds have financed a good deal of American reindustrialization. New capital expenditures for property, plant and equipment grew more than twice as fast among the junk bond issuers than they did for industry in general—10.6 percent versus 3.8 percent. Within manufacturing, the rate of capital spending among junk bond issuers was over four times higher than for the whole manufacturing sector. To examine this important finding more closely, we tracked members of the high-yield junk bond class of 1983 for three years before and after their new capital injection. Those manufacturing firms that had disinvested at a rate of 4.8 percent from 1980-83 spent nearly 18 percent more on new capital investment after they issued their high-yield junk bonds. For the same period, overall manufacturing investment was flat.

High-yield companies like the Stone Container Corporation and the Quanex Corporation were re-opening and modernizing factories. Utilicorp United. Doskocil, and Town and Country wer transforming from low-margin, low-market share to high-margin, high-market share producers. Industrial categories were redefined—Hovnanian Enterprises Inc. moved from real estate development to construction and finance—new product cycles were begun and advanced technologies were applied.

How much we invest in our future largely depends on how much capital is available and how it is allocated. Junk bonds have become a critical part of financing the future for companies struggling to move beyond a muddled mainstream of entrenched managers and failed strategies. The success of earlier structural transitions in the economy has been a function of how flexible the capital markets became in extending access to credit to excluded businesses.

Income and social mobility have accompanied each era of expanding access to capital. Credit has been a mechanism whereby Americans have built economic equity in their homes and businesses and thereby achieved social equity as well. In West Germany, France, and Britain, where capital market have been more rigid and liquidity markets constrained, economic transitions have been more troubled and class structures less open.

There has always been resistance to making capital more accessible. Six states have imposed investment restrictions on savings institutions and insurance companies investing in high-yield junk bonds. Congressional committees are considering future regulation without much investigation in a witch-hunt atmosphere.

In the context, it is important to remember that credit has been an important ingredient in the social and income mobility that has been the economic engine behind America's political vision of democracy. As Nelson Peltz, Chairman of Triangle Industries Inc.—a junk bond issuer that renovated the American container industry—said recently about the importance investment capital. "If you don't inherit it, you have to borrow it." No American company inherits growth or can keep it alive without new financing. The high-yield market empowers companies to pursue growth strategies through affordable fixed rate financing. By financing the future, junk securities produce companies that may yet allow America to recover its economic leadership.

WE NEED THE SUPPLEMENTAL APPROPRIATION BILL NOW!

Mr. RIEGLE. Mr. President, I rise today to alert the Senate to a serious shortfall affecting thousands of workers which will soon mean a loss of all benefits in every State for the Trade Readjustment Assistance Program.

The program, which provides extended unemployment benefits to workers who have lost their jobs due to foreign imports, is especially important in view of the lack of other benefits available to these workers.

Under TRA, workers may receive an additional 26 weeks of extended unemployment benefits, once their regular State benefits are exhausted. An additional 26 weeks of benefits are available to workers enrolled in approved training programs requiring additional time.

The regular unemployment insurance system currently pays only 26 weeks of benefits, since the extended benefits program is functionally inoperative, due to a qualification level which only one State currently meets. On March 16, 1988, I introduced S. 2175 to address the ineffectiveness of this program by making the triggering mechanism more reflective of those who are supposed to receive the benefits.

As of today, the State of Michigan is no longer paying trade readjustment assistance benefits to 5,000 workers who were receiving these funds.

The Department of Labor requested a supplemental appropriation for trade readjustment assistance in the amount of $49 million on June 22. That request is contained in a supplemental appropriation bill which is under consideration in the House Appropriations Committee. It doesn't appear to be moving very quickly, however.

Today, I initiated a letter to Chairman Jamie Whitten, urging him to expedite these funds. It was cosigned by Senators Danforth, Heinz, Levin, Simon, Dixon, and Durenberger.

The Labor Department estimates that all funds for the program will be exhausted by the end of this month. This will mean a loss of funds to 25,917 people across the country, 5,000 of whom are in the State of Michigan and 9,713 in region V, which includes Michigan, Illinois, Wisconsin, Ohio, Indiana, and Minnesota.

I need not remind my colleagues of the tremendous human toll in addition to the economic consequences of our ever-worsening trade deficit. These workers are the ones who are directly affected, and this program is the safety net which was established to assist them.

Today, the White House was celebrating the lower unemployment rate for the entire country—5.3 percent. That is lower than last month. But in States like Michigan, which have taken one of the largest hits over the past several years because of our unfair and lopsided trade situation, the numbers are much higher. In fact, my State's jobless rate increased in June to 6.6 percent—300,000 people out of work, which is 7,000 more than last month, and that is a very conservative figure, since the data doesn't include everyone.

This is a critical situation which must be addressed immediately. I urge the House Appropriations Committee to take action to restore benefits to those who can least afford to lose them.

I ask unanimous consent that a copy of the letter which was sent to Chairman Whitten be included in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, DC, July 8, 1988.
Hon. Jamie Whitten,
Chairman, Appropriations Committee, House of Representatives, Washington, DC.

Dear Mr. Chairman: It has come to our attention that the necessary funds to meet mandatory Trade Readjustment Assistance payments have been exhausted in States in Regions V and VII of the Department of Labor.

In Michigan, over 5,000 workers will be without benefits next Monday, and, according to the Department of Labor, all States will be unable to pay benefits to thousand of workers by the end of this month.

The Department of Labor requested a Supplemental Appropriation of $49 million for this program on June 22, to meet the shortfall.

It is our understanding that the House Appropriations Committee is currently considering a Supplemental Appropriation which includes the necesary funds. We urge you to act immediately on this legislation so that all workers who are entitled to these benefits can continue to receive them without interruption. Should there be a delay, it is imperative that the benefits be paid retroactively.

Thank you for your consideration of this urgent request.

Sincerely,

Donald W. Riegle, Jr.
John Heinz.
John C. Danforth.
Carl Levin.
Paul Simon.
Dave Durenberger.
Alan J. Dixon.

HOSTAGES IN LEBANON AND EVENTS IN THE PERSIAN GULF

Mr. MOYNIHAN. Mr. President, the Nation's attention has been drawn recently to the Persian Gulf. Debate has raged anew over the administration's policies there—what those policies are and what they should be. Part of this discussion has been a consideration of our Nation's relationship with Iran.

As my colleagues and the executive branch think about this relationship, none must forget that the Government of Iran holds influence over groups in Beirut holding nine American citizens hostage. Terry Anderson is the longest held of these men; he was kidnaped on March 16, 1985.

Some have called for the United States Government to pay reparations to Iran in compensation for the lives of those killed in last Sunday's tragedy. In similar cases, doing so would be the responsible thing one civilized nation does for another when civilians are accidentally killed. It is a simple matter of regard for human life.

But to do so in this case would be a mistake. Iran has shown no small degree of callousness to human life. It has repeatedly refused pleas to free the American hostages in Beirut, even as many of these hostages have remained capitve for years. Iran has the power to win these hostages' release, but it has elected instead to let them languish.

Until these hostages are freed, Iran has shirked its duty. It has not earned the right to be treated as a member of the community of nations. Any compensation would be unearned.

I should add an encouraging note. Reports from the region last week said the Speaker of the Iranian Majlis, Hashemi Rafsanjani, stated it would be wrong to execute the hostages now in retribution for the downing of flight 655. To say the least. Perhaps there is a glimmer of hope.

Let us hope that the Iranians' desire for compensation leads them to realize that more is to be gained from acting responsibly than acting as they have.

SANFORD ON BYRD

Mr. SANFORD. Mr. President, when I arrived in the Senate I saw the majority leader, Senator Robert C. Byrd, as the paradigm for the Senate. It was one thing to have known some of his distinguished predecessors from outside the Senate, but it was quite another to experience close up the leader's skills, decorum, and knowledge. Beyond that competence, I doubt that there has ever been anyone with greater respect for the Senate as an institution, greater love for its Members and traditions, greater jealousy for its reputation, or greater pride in its accomplishments.

Nor can I imagine anyone who has worked with more devotion to continue and enlarge the highest purposes of the Senate. It is widely known that he has a better command of the rules than any other Member has ever had. I do not doubt that; but, of greater importance, he knows the purposes of the U.S. Senate. Rules are to accomplish purposes, and if the purposes are not worthy, the rules are without value. Senator Byrd knows this distinction, and brings to the leadership a clear sense of what it is we should try to accomplish for the Nation and the world. He knows when to support the President, and when to draw in the reins of restraint as intended by the Constitution.

It was he who attempted to make campaign contributions more rational. It was he who insisted we get back to the job of building highways and water and sewer facilities. It was he who kept a strong hand and a clear head on the Iran-Contra affair. It was he who called the President's hand on the budget.

The ultimate test for the Senate is the good of our Nation and her people. It is not a forum to celebrate its reputation as the most exclusive deliberative body in the world. It is the leader's place to see to it that the Senate plays a leading, sometimes crucial, part in providing the defense of this Nation, in resisting injustices in our system, in promoting jobs and economic health, in expressing concern for children in poverty and for older people in illness, in a dedication to education, science and research, or, in short, in remaining faithful to a national agenda. Senator BYRD, as majority leader, as well as when he was minority leader, for all of his love of the Senate, its lore, and its traditions, never lost sight of these primary purposes: the setting of national priorities in the framework of our constitutional government.

Since my introduction to the manners and mores of this body, Senator BYRD's stature has grown daily in my estimation. But there is more to it than respecting the leader and admiring his abilities. It has been a source of satisfaction to me to be able to count him as a friend in whom I have full confidence and trust. While his personal qualities, and his devotion to the Senate, and his dedication to the Nation, are largely responsible for that, in a way it was to be expected from a man who had the unqualified good judgment to be born in North Carolina.

TONY BEVINETTO REMEMBERED

Mr. SIMPSON. Mr. President, I thank the majority leader, as always, for his courtesies and also the minority leader for his. My remarks will be brief. Sometimes we do these things in a perfunctory manner, without all the care and attention we should give. I do not want to do that. I just want to speak for a few moments about a friend, a longtime friend of mine, Pietro Antonio Bevinetto—Tony to all who knew him, who succumbed to cancer at his home after a very long and very tough and gut-hard-fought battle.

It is not really possible for me to let this sad moment slip by without offering some reflections on a unique friend of nearly a lifetime, my pal of nearly 40 years who was known to many of us here in the Senate as he worked here among us.

He began his totally loyal 12 years of service to the Senate as a legislative staff member of my predecessor, Cliff Hansen, of Wyoming, who left such a great heritage for me and taught me so much and served as my counsel when I came here and before. Tony was then "on loan" from the National Park Service where he served as Assistant Superintendent of Grand Teton National Park. Tony brought with him not only his remarkable technical expertise about public lands and national parks, but he brought a distinctive and unique understanding of the out of doors; the creation; nature. Very swiftly, Tony became an institution within our Senate institution. He became a member of the Senate Energy and National Resource Committee. While he weighed and balanced and analyzed the efforts of the experts—and there are sure a lot of them in this town, and also authorities, there are a lot of them, too—there was never any question. He was the authority. He was the expert.

He drew from his two bachelor of science degrees from the University of Wyoming, from his experience as an advertising director and newspaper reporter, from his time as the assistant director of the Wyoming Travel Commission, from his various experiences in the Air Force, and his true love of the land as he formed his opinions on public lands management. Wyoming people loved him. He was always the guy to go to when it came time to cut through the hype and the hoorah and the exaggeration of the process of public debate. When it came to the management of parks, forests, wilderness, and rivers, Tony's word was "the word", and we all knew that.

Earlier today, our friend, Senator JIM MCCLURE, the ranking Republican on the Energy Committee, observed that Tony did not just know park legislation; he loved parks. He was not just an advocate of wilderness, he understood its importance. He did not just acknowledge the importance of timber harvest and grazing to our Western States, he felt for those people and he considered himself one of them.

Senator MCCLURE said he believed that Tony Bevinetto had a special human side. Indeed. That is one so often lacking in this city. How true that is, how extraordinarily true that is. I knew it so well because my time with Tony goes back further than anyone here in this Chamber.

Of course, he had a unique relationship with MALCOLM WALLOP, our other colleague, my dear friend from Wyoming, who knew him so well and worked with him so long.

I came to know Tony during our time together at the University of Wyoming. I assure you that we were a very odd couple, an odd combination at one of the early local watering holes in Laramie, WY, "The Buff," it was called. Tony at 5-foot-3 and me at 6-foot-7, each of us weighed in above 200 pounds—260 for me in those days when I had hair and weighed 260 and thought beer was food. I told you about those days.

I had a real girth. I bought my clothes at the "husky" rack in clothing stores. So when Tony and I would see each other, it was always a source of great amusement. He weighed about 230 at 5-foot-3. It was great amusement when Tony would wheel around—we always knew where we were in relation to each other standing there—and he would wheel around with his eyeballs at my midsection and say, "Where is AL?" I would scan the room at a vantage point high above Tony's head and say, "Has anyone here seen Tony?"

Everyone had a good laugh as one of us would belly up and the other strained to peer over.

He brought a great deal of laughter to life, just as he did here. Those who know him know of what I speak.

So I followed Tony throughout his career, and he watched mine. I sought his counsel, his shared spirit, his optimism, his support, his celebration of life. He was truly a rainbow of life.

When he worked in the Grand Teton National Park as assistant superintendent, someone asked him to describe his job. He said, "My job is trying to fluff up the moose because park visitors don't like scrawny and ugly animals."

That was Tony. Through his remarkable native intelligence and craft, he brought great joy, love, and fellowship wherever he went. He was fair, tough, and wise with a huge capacity for human loving and caring, as big as his frame, as huge as his frame.

The many people who were honored to number Tony among their friends knew of this ability to love and be loved. That certainly is the essence of existence and requires real strength and grace.

So those are qualities and strengths that Tony Bevinetto leaves behind, the ones I shall forever draw fondly to my mind when somebody says, "Where is Tony?"

We know where he is: With his Creator who created the very Earth that he loved and spent a lifetime of stewardship over.

So my deep sympathy goes to Tony's supporting and loving wife, Elsie, a great lady herself, his two fine daughters, Kirsten and Libby, effervescent and dear ladies, too. I shall join them in missing Tony's voice, his easy laugh, his bright and curious and all-encompassing eyes, and the smile you could see a mile.

So let us instead of mourning, which is surely what I would prefer to want to do from my heart, I shall think of the fact we must not do that; we should celebrate a beautiful life lived. Let us try to do that.

I thank the Chair.

CONCLUSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, has morning business been closed?

The PRESIDING OFFICER. Morning business has not yet been concluded.

Mr. BYRD. Mr. President, I ask that morning business be closed.

The PRESIDING OFFICER. Morning business is closed.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, FISCAL YEAR 1989

The PRESIDING OFFICER. The clerk will report the pending business.

The assistant legislative clerk read as follows:

A bill (H.R. 4776) making appropriations for the government of the District of Columbia and for other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1989, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Warner Amendment No. 2536, to encourage the District of Columbia to adopt and implement a preference system that does not preclude the hiring of noncity residents by May 1, 1989.

A motion was entered to table the motion to appeal the ruling of the Chair on a point of order under rule XVI, paragraph 4, against Warner Amendment No. 2536, listed above.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent to proceed for 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, under the circumstances now obtaining, the motion to table the appeal of the ruling of the Chair is before the Senate; is that not the question before the Senate?

The PRESIDING OFFICER. That is correct.

Mr. BYRD. There is no debate on that.

The PRESIDING OFFICER. That is correct.

RECESS

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 10 minutes.

There being no objection, the Senate, at 10:47 a.m., recessed until 10:57 a.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. SANFORD].

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the proceedings under the quorum call be suspended.

The PRESIDING OFFICER (Mr. BREAUX). Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I ask unanimous consent to be able to speak for not to exceed 7 minutes.

Mr. BYRD. I have no objection. How must time does the Senator want?

Mr. KENNEDY. I said 6 or 7 minutes. Not to exceed 7 minutes.

The PRESIDING OFFICER. Is there objection to the request?

Mr. BYRD. I have no objection to that. Mr. President, I should alert other Senators though that when the Senator finishes speaking, it is my plan, unless I know something that I do not know now, to let the Senate proceed to a vote on the tabling motion.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Massachusetts is recognized.

DISTRICT OF COLUMBIA GOVERNMENT RESIDENT REQUIREMENT LAW

Mr. KENNEDY. Mr. President, I strongly oppose the House language repealing the D.C. government's requirement that D.C. employees must be residents of the District, and I urge the conferees to reject it.

The issue is home rule, not residency—and the residency tail should not be permitted to wag the home rule dog.

The Constitution does give Congress the last word over the District of Columbia. But Congress wisely gave home rule to the District of Columbia in the 1970's.

We should not be interfering in cases such as this, which are preeminently issues to which the principle of home rule does and should apply.

Too often, Congress is tempted to ignore the home rule charter and try to run the District, against the will of the 600,000 D.C. citizens who have never been adequately represented in their Federal Government, and who are shabbily treated as second class citizens by Congress because they choose to live in the Nation's Capital and are therefore denied representation in the House and Senate.

Today, the plantation mentality of Congress against the District is in full cry. We are being asked to override a valid D.C. law and permit employees of the D.C. government to reside outside the District.

The opponents of the residency rule are attempting to make their case in the Senate—but in fact they are making the case for D.C. statehood and D.C. representation in Congress.

I ask my colleagues, "Why are we even debating—let alone deciding—this issue?" There is a recognized legal local District of Columbia government in place. It is functioning—and, I might add, it is functioning well. The D.C. government is quite capable of deciding the residency issue—it has already done so, and Congress should let its decision stand.

All of us in Congress who live, drive, work or do anything else in the District are subject to its laws. All of us respect those laws, just as we do the laws of our own States.

But now we are being asked to nullify a D.C. law specifically enacted as part of the city's merit personnel statute, which was enacted in 1978 and became effective in 1980. In fact when Congress approved the D.C. home rule charter in 1974, we specifically considered the residency issue, and we clearly indicated then that it was an appropriate issue to be decided under home rule.

There is nothing extraordinary about the D.C. residence restrictions. Many American cities have such laws. As I understand it, the Appropriations Committee has surveyed 42 cities with populations over 250,000 that have laws restricting the residence of public employees. Two-thirds of such cities have laws that are more restrictive than D.C.'s requirements.

In fact, the D.C. law is relatively mild compared to most. It applies only to D.C. employees hired after 1980. It gives 180 days to out-of-city hires to move into the District. In Boston, you do not get that grace period; you have to reside in the city the day you take the job.

The D.C. law is also a significant bulwark of the city's tax base. D.C. government employees living in the District pay millions of dollars a year to the city in local income taxes—but workers living outside the city pay nothing, even though they freeload heavily on the city's many services.

The police and firefighter aspect of this issue is a red herring. Jurisdictions up and down the east coast are all having a difficult time recruiting high caliber personnel. This situation is not unique to the District, and it is wrong for Congress to misuse it as an excuse for bashing D.C. home rule.

Why are we doing this to the District of Columbia, when we would not be caught dead doing it to cities in our own States? You could count on an all-out filibuster by Senator KERRY and myself if the Senate tried to do this to Boston.

Would the Senators from North Carolina vote to do this to Charlotte?

Would the Senators from Mississippi vote to do this to Jackson?

Would the Senators from Michigan vote to do this to Detroit?

Would the Senators from Illinois vote to do this to Chicago?

Would the Senators from Missouri vote to do this to St. Louis?

Would the Senators from Ohio vote to do this to Cincinnati?

Would the Senators from Pennsylvania vote to do this to Pittsburgh?

Would the Senators from Indiana vote to do this to Indianapolis?

Would the Senators from any other State vote to do this to many other cities in the Nation that have residence restrictions for public employees?

Of course they would not—and they should not do it to the District of Columbia either.

The appropriate place for this issue to be decided is in the D.C. government. The elected representatives of the people of the District of Columbia understand our concerns, and they will take them into account, along with all the other relevant factors affecting the residency issue.

I am sure that whatever decision the District of Columbia makes will be a better decision than we can make here on the Senate floor by substituting the imperial rule of Congress for the democratic will—with a small "d"—of the elected representatives of the people of the District of Columbia.

I urge my colleagues in the Senate to reaffirm home rule for the District of Columbia, to reject this unwise proposal to let the D.C. government work out its own solution to this preeminently local issue, and to stop this ridiculous and demeaning practice of treating the District of Columbia as America's last colony.

I ask unanimous consent to have printed in the Record certain additional materials.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Washington Post, July 6, 1988]

The Unasked Question About the Residency Rule

(By William Raspberry)

With the debate over the city's residency law already involving questions of union turf, congressional intrusion, racial fairness, local revenues and the sanctity of home rule, it may be rude to introduce yet another question.

Well, let me be rude enough to pose the one question that appears to be missing in the raging debate over the requirement that city employees hired after 1980 must live in the District of Columbia: Does the city need it?

That isn't to say the other questions aren't valid. Surely Congress could find other ways to amuse itself than by trying to rewrite local personnel policies. Surely the firefighters' and police' unions have interests in the debate that go beyond mere philosophy. Surely the existing law has racial implications, given the fact that the mostly black District of Columbia is surrounded by mostly white suburbs. And surely, given the congressional veto of a commuter tax on D.C. workers, the existing residency rule helps the city's tax base.

Still, it's worth asking: Does the city need it?

If it's a question of policy-making jobs, the answer is yes. It doesn't make sense to have residents of Virginia and Maryland making local policy decisions that affect the lives, health and safety of D.C. residents. The chief of the personnel office or the person who heads the motor vehicles agency, like local elected officials, ought to have a resident's stake in the policies he creates.

But when it comes to the clerk who files your job application, or the typist who completes your license form, what earthly difference does it make which side of the District line he calls home?

Well, the truth is that the debate, while cast in general philosophical terms, is not about clerks and typists but about police officers and firefighters. And the questions that drive the argument have less to do with tax revenues and job development than with race:

Why shouldn't blacks, who finally are in a position of control, do to whites what whites have always done to blacks when *they* are in power?

Why shouldn't blacks acknowledge their incompetence and let white people make things work?

The questions aren't put that way, of course. The operative words are not black and white but their proxies: city and suburb. And when nonaffluent whites complain that they can't afford to live in the city, what they frequently mean is that they can't afford to live in the predominantly white parts of town and that they aren't about to move into Southeast.

Unfortunately, the proxies don't always work. A significant part of the outflow to the suburbs, particularly to Prince Georges County, comprises the movement of lower-middle-income blacks, who get better value for their housing dollars in the suburbs and in addition don't have to put their children in private schools.

In many cities that give hiring preference to city residents, housing is not the problem it is in rapidly gentrifying Washington. Baltimore, for instance, has a system of preference by executive order, which means that Mayor Kurt Schmoke has to sign an exception before the city can hire a nonresident. But as Schmoke noted in an interview this week, Baltimore has plenty of affordable housing; it's the suburbs that are expensive.

Some parties to the local debate have proposed to copy the Baltimore example. But what do you do with teachers or clerks who are hired as a result of residential preference but then move to the suburbs? Do you require their resignation, as happens with policy-making executives?

Schmoke says that if he were starting from scratch, he would hold a referendum on the question, leaving it to the voters to determine whether the advantages of a residency law outweigh the disadvantages of a restricted labor pool.

In other words, Schmoke would move directly to the critical question: Is the residency requirement—or some alternate system of preference—good for the city?

That's the question I'd like to see debated here. It would be a good deal easier to engage that debate if Congress would cease its interference and get out of the way.

[From the Washington Post, June 30, 1988]

Residency Madness

Not since the old dog-leash days—when Congress specified the legal allowable connection between the hand of a pet walker and the collar of the pet—has the District of Columbia been nagged and gagged as badly it was Tuesday in the House of Representatives. After a singularly disgusting show of force by D.C. Commissar-in-Congress Stanford Parris—complemented by a sweeping show of weakness on the part of local Emissary-to-the-House Walter Fauntroy and various petulant District government officials—the House voted overwhelmingly to gut this city's residency requirement for local government employees. Absent at almost all times was any rational discussion of or response to the situation. Unless the Senate rises to the occasion and moves to block the House's bully of the local government, the city officials who blew their side of it will be left mumbling in the dust.

The whole issue was distorted from the start by the refusal of key city officials and Mr. Fauntroy to come up with something other than stubborn insistence on a prohibition against the hiring of anybody who doesn't live inside the city limits. The sensible, defensible modification would have been—and still is—to approve legislation supported by D.C. Council members Hilda Mason, Carol Schwartz and others that would give hiring *preference* to D.C. residents. But Mayor Barry would rather rally his subordinates around the D.C. flag, defending the city government as employer of last resort—except when it has to resort to nonresidents for certain positions and then waives the whole thing to get them in.

Having been drubbed by the House, Mr. Barry reacted with an angry call for some sort of "advisory" referendum in the fall, which he no doubt assumes would support a total live-in rule over a preference. That might or might not be the outcome, but other than a feel-good exercise, what would it prove in the long run for relationships between the city and Congress—when everybody knows who holds all the cards?

As for Mr. Parris, his unsubtle characterization of the District as a collection of people who can't guarantee public safety or govern themselves without the expertise of his constituents sounded all to reminiscent of the tirades delivered by southern congressmen 25 years ago. Another reflection of those colonial days was the sight of police and firefighters' union officials going over the head of the city government to seek relief from Congress.

Congress shouldn't be overruling the city government's judgment on purely local matters, even when that judgment is bad. The residency law is too restrictive and should be changed—by the city government. But squaring off against Congress over a failing local policy is suicide.

Mr. KENNEDY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I will object for the moment to any other speeches, until this matter is worked out or we let the Senate work its will. I understand that there might be a chance still of working it out.

RECESS

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 15 minutes.

Thereupon, at 11:30 a.m., the Senate recessed until 11:45 a.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. Breaux).

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, I ask unanimous consent to proceed for 1 minute.

The PRESIDING OFFICER. The Chair recognizes the majorty leader.

Mr. BYRD. Mr. President, I thank all Senators who have been involved in the discussions in connection with the residency question. I think those discussions will prove to have been beneficial and hopefully if the request that I make is agreed to, the Senate will at least be well on its way toward resolving that particular problem and be ready for the next amendment.

So I thank Mr. WARNER, Ms. MIKULSKI, Mr. SARBANES, Mr. HARKIN, the Republican leader, and Mr. TRIBLE for the work that they have done. It has been time-consuming. The motions have gone up and down and up and down again.

But Shakespeare was right when he referred to that sleep which knits up the raveled sleeve of care.

I hope that once again we will prove that sleep did indeed help us all to knit up the raveled sleeve of confrontation.

Mr. WARNER. Mr. President, before the distinguished leader speaks we all should acknowledge the leadership that Mr. BYRD and Mr. DOLE gave in the final hours of this conference this morning to make it happen.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

Mr. President, I ask unanimous consent that the pending motion to table be withdrawn, that the appeal that has been made by the distinguished Senator from Maryland [Mr. SARBANES], be withdrawn, that the point of order which was made by the distinguished Senator from Iowa [Mr. HARKIN], be withdrawn, and that the distinguished Senator from Virginia, et al, may be permitted to modify their amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Virginia is recognized.

AMENDMENT 2536, AS MODIFIED

(Purpose: To encourage the District of Columbia to adopt a preference system that does not preclude the hiring of noncity residents by May 1, 1989)

Mr. WARNER. Mr. President, I send to the desk a modification for the pending amendment and ask unanimous consent that it be so modified.

The PRESIDING OFFICER. The amendment is so modified.

The clerk will report the amendment of the Senator from Virginia.

The legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER], for himself, Ms. MIKULSKI, Mr. TRIBLE, and Mr. SARBANES, proposes an amendment numbered 2536, as modified.

At the end of Title I, insert the following new section.

Section . (a) If by May 1, 1989, the District of Columbia government has not adopted, and implemented, no later than September 30, a preference system that does not preclude the hiring of noncity residents, none of the Federal funds provided or otherwise made available by this Act may be used to pay the salary or expenses of any officer, employee—

Mr. WARNER. Mr. President, I ask unanimous consent that the further reading of the amendment be dispensed with as the amendment remains the same.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, will the Senator yield?

Mr. WARNER. I yield to the Senator for the purpose of asking a question.

Mr. HARKIN. The Senator has the floor.

I would just point out to the clerk there was a mistype evidently in the reading of the amendment; the words "and implemented no later than September 30" should be "1989" not "1988."

Mr. WARNER. Mr. President, the Senator is correct and that is the way I thought it had been written.

I ask unanimous consent that the amendment now be further amended to reflect the date 1989.

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

Without objection, it is so ordered.

The amendment, as further modified, is as follows:

At the end of Title I, insert the following new section:

Section . (a) If by May 1, 1989, the District of Columbia government has not adopted, and implemented no later than September 30, 1989, a preference system that does not preclude the hiring of noncity residents, none of the Federal funds provided or otherwise made available by this Act may be used to pay the salary or expenses of any officer, employee, or agent who is engaged in implementing, administering, or enforcing a District of Columbia residency requirement with respect to employees of the Government of the District of Columbia.

(b) After the date of enactment of this section, the District shall not dismiss any employees currently facing adverse job action for failure to comply with the residency requirement.

Mr. HARKIN. I thank the Senator from Virginia for his working with this Senator on reaching this compromise. It is acceptable.

Like any compromise that is made in any legislative body no one likes it entirely, but that is the art of compromise, that we all give up a little bit.

So in that spirit of accomplishment and compromise, the amendment is acceptable.

Again I thank both Senators from Virginia and both Senators from Maryland on working out this compromise, and I especially thank the distinguished leader also for his guidance and counsel in working out these difficult matters.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, we, likewise, extend our respect and appreciation to the Senator from Iowa. He stood tall and he stood strong for his firm beliefs. We, likewise, share those beliefs in the necessity to respect home rule and allow home rule to function in the manner in which Congress intended and, indeed, I think the spirit in which most of those in the District of Columbia are now trying to make home rule work.

This amendment is a reasonable compromise.

I thank my colleagues from Maryland. I thank my distinguished colleague from Virginia. Again, we respect the Senator from Iowa's willingness to accept this compromise.

Mr. REID. Mr. President, the amendment before this body does not pique the interest of only Senators from Maryland and Virginia.

This Senator, a member of the D.C. Subcommittee on Appropriations, is also interested—as I am certain are many Senators who chose not to speak today.

Mr. President, I rise in support of the Warner-Mikulski amendment to the D.C. appropriation bill. I believe it is a good solution to a delicate problem. And furthermore, I believe it is proper for the Congress to legislate in this area.

This issue is not a new one to me. My first practical job was as a city attorney. The city I worked for passed an ordinance requiring that certain city employees live in the city. It did not work.

The main responsibility of any city government is to provide services in an efficient and economical manner. For example, a city government must ensure that its fire department can quickly and effectively respond to an emergency situation. To do this requires modern equipment, effective management and highly trained and motivated employees.

What is important is how city employees perform their duties, not where they live. The City Council of Henderson saw that their residency requirement, although grounded in good intentions, was hurting the city. The Henderson City Council subsequently revoked the residency requirement ordinance.

The government of the District of Columbia has had many, many opportunities to address the problems caused by the residency requirement. It has also had plenty of congressional urging to review the flawed policy. And my good friend, the Senator from Maryland, has personally spent many hours of her time working with the District government to develop a fair policy that ensures the safety of D.C. citizens as well as the rights of District employees.

Frustration with the District came to the surface last week in the House when it voted to prohibit the expenditure of funds to enforce the residency requirement. We are about to consider an amendment putting into law report language giving the District government until May of next year to develop a D.C. hiring preference. I urge my colleagues to support this amendment, because this compromise is fair, it is well reasoned, and should be adopted.

The PRESIDING OFFICER. Is there further debate on the amendment of the Senator from Virginia? If not, the question occurs on agreeing to the amendment of the Senator from Virgina.

The amendment (No. 2536), as modified, was agreed to.

Mr. WARNER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HARKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Ms. MIKULSKI. Will the Senator from Iowa yield?

Mr. HARKIN. yes.

Ms. MIKULSKI. Mr. President, now that we have completed action on that amendment, I would like to thank the Senator from Iowa for his assistance in moving this legislation. He really helped defang a most prickly parliamentary situation, and we thank him for his actions.

I would also like to thank my colleagues from Virginia, my senior Senator, and the distinguished majority leader and minority leader for resolving essentially what was a parliamentary thicket but an important policy consideration. I think all of us are most satisfied with the outcome and we look forward to the completion of the bill.

Mr. HARKIN. I thank the Senator for her kind words. I, too, wish to thank Senator MIKULSKI for her work on this legislation. She is a very valuable member of the Appropriations Committee and has worked with us on many occasions on issues regarding the District of Columbia. I find her counsel wise and judicious, as I have also in this matter. Her calm demeanor and her persistence in trying to find a solution to this are most appreciated by this Senator.

Mr. SARBANES. Will the Senator from Iowa yield?

Mr. HARKIN. Yes, I yield.

Mr. SARBANES. Mr. President, I wish to commend my colleague from Maryland and the two Senators from Virginia and the Senator from Iowa for their efforts in this matter. I particularly wish to thank the majority leader, whose wise and calm and restraining hand, I think, played a major part in enabling this matter to be reconciled as it has been done. It avoided raising very serious questions about the institution of the Senate and its procedures and precedents, which are important to all of us who care about the Senate as an institution and, at the same time, I think we have been able to address the substance of the issue with which we were very much concerned.

I think the proposal that is now before us obviously sends a very clear and strong message in terms of what is now expected in addressing this residency issue that the District of Columbia has sought to maintain in place. It also addresses a lot of the human difficulties which that requirement has raised. Therefore, I think it represents a major step forward in addressing what many of us perceived as inequities in this situation.

Mr. HARKIN. Mr. President, parliamentary inquiry as to the situation with allowed amendments remaining on this bill. Last night, a unanimous-consent agreement was reached limiting the number of amendments allowed yet on this bill. I wonder if the Chair could enlighten the Senate as to what amendments are yet pending on the bill?

The PRESIDING OFFICER. The Chair will state that the pending business of the Senate is the remaining committee amendment on page 24 of the bill. By a unanimous-consent agreement last night, the remaining amendments that are in order are an amendment by the Senator from New Hampshire; an amendment by the Senator from Iowa, Senator HARKIN; two further amendments by the Senator from Iowa of a technical nature; an amendment by the Senator from Colorado, Senator ARMSTRONG; and an additional amendment by the Senator from Oklahoma, Senator NICKLES.

Mr. HARKIN. Mr. President, I will be offering my two technical amendments. Before I do that, I yield to the junior Senator from Virginia.

Mr. TRIBLE. Mr. President, I rise to discuss several provisions of the D.C. appropriations bill, and to signal my opposition to the city's plan to construct new prison facilities at Lorton, VA.

First, I want to extend my appreciation to the chairman and ranking Republican of the D.C. Subcommittee, Senators HARKIN and NICKLES. They have been most responsive and most cooperative in addressing my concerns about the city's prison system and its impact on the Commonwealth of Virginia.

I am especially pleased that this bill contains my amendment to establish a drug interdiction task force at the Lorton prison. The drug problem at Lorton is severe. During the last several months alone, more than 80 visitors to the prison were found to be in possession of illicit narcotics. Mr. President, the very last thing that an overcrowded prison needs is an infusion of illegal drugs. This amendment can help to prevent that.

This proposal earmarks $250,000 to finance a task force that will help prevent the smuggling of narcotics into the Lorton prison. Federal law enforcement authorities, working in cooperation with city police, will establish a more constant and visible presence at the prison, especially on visiting days when the drug problem is at its worst. We must act to ensure that narcotics do not add to the instability at Lorton, and this amendment will help to accomplish that.

I am also pleased that the bill contains two other proposals I have offered in previous years.

The first earmarks $100,000 to reimburse two northern Virginia counties for costs they incur when responding to emergencies at the prison. When escapes or riots occur at Lorton, Fairfax and Prince William Counties must send their own police, fire, or medical emergency teams to respond. A single major incident can cost the counties tens of thousands of dollars in manpower and equipment costs. This proposal ensures that if such incidents occur, the costs are borne by the District, and not by the citizens of northern Virginia.

In addition, the bill requires that the city operate a free telephone information service for residents of the Lorton area. These good people live with constant concern about the operation of this facility, about escapes and disturbances that occur all too often. The phone service can help ease those concerns by providing accurate, up-to-date information on conditions at the prison. And I note that the committee will implement the same program for the area in Southeast Washington where the city's newest prison will be built.

These amendments will help ease the concerns that many northern Virginians have about Lorton. I appreciate the cooperation of the committee, the chairman and ranking Republican. And I have tried to return that cooperation. I have never been one to bash the District or to engage in shouting matches with city officials. Instead, I have sought to fashion and support constructive solutions to problems that divide the city and the suburbs.

Senator WARNER's amendment, offered by the Senators from Virginia and Maryland, offered such a solution to the dispute over the city's residency requirement. The amendment will effectively end the residency rule, but it will also give the city time to adopt a hiring preference system in its place. That amendment is a fair and reasonable approach to a divisive problem and I am pleased it has been passed now by the Senate.

But I do want to put the city government and my colleagues on notice, that my degree of cooperation has its limits, and I draw the line at expanding Lorton. I will strongly oppose the Mayor's plans to expand Lorton prison again.

Just days ago Mayor Barry requested the city council to approve a $45 million bond issue to build an additional 800 beds at Lorton. Once more the city has sought to resolve its prison problems by looking first to Virginia. The city's instinctive reaction to prison crowding seems to be to dump more and more prisoners on Fairfax County. Enough is enough.

During the debate over residency, city officials have uttered one constant refrain: Home rule, home rule. Well, home rule involves responsibilities as well as privileges. It is the responsibility of the D.C. government to take care of its own prison problems and not impose them on my fellow Virginians.

The appropriations bill contains no funds for the expansion of Lorton. It does not approve the Mayor's request for a bond issue to build more beds at the Lorton site. And I want the city and my colleagues to know that I will oppose giving the city such authority. I will vote against it and I will speak against it at length if necessary.

City officials must stop looking toward Virginia to solve their own problems, especially the problems of their prison population.

Again, I want to thank the managers of this bill for their positive cooperation in fashioning this measure and in considering the concerns of the citizens of Virginia. I also want to note the extraordinary cooperation between the Senators of Maryland and Virginia. It is not often that we can stand shoulder to shoulder and work together as we have on this amendment. The interests of Maryland and Virginia converge far more often than they diverge and it is my hope that we can work together more often in the days ahead.

I yield the floor.

EXCEPTED COMMITTEE AMENDMENT

The PRESIDING OFFICER. The Senator from Virginia yields the floor.

Is there any further debate on this amendment? If not, the question is on agreeing to the remaining committee amendment.

The committee amendment on page 24, beginning on line 17, was agreed to.

Mr. NICKLES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HARKIN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2537

Mr. HARKIN. Mr. President, I send a technical amendment to the desk and ask for its consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN] proposes an amendment numbered 2537. On page 11 at line 9 strike $3,692,000 and insert in lieu thereof $4,192,000.

Mr. HARKIN. Mr. President, this amendment corrects an error in the printed version of H.R. 4776. It substitutes $3,692,000 that appears in the bill with $4,192,000. It has been cleared on both sides.

Mr. NICKLES. It has been cleared.

The PRESIDING OFFICER. Is there any further debate on this amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2537) was agreed to.

Mr. NICKLES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HARKIN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2538

Mr. HARKIN. Mr. President, I have another technical amendment. I send it to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN] proposes an amendment numbered 2538.

At the appropriate place in the bill:

SEC. . Such sums as may be necessary for fiscal year 1989 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, this amendment has been requested by the Budget Committee. It simply states that no funds are included in this bill for Federal pay raises. This provision has been included in other appropriations bills. While it really has no effect on the District, I offer it on behalf of Senator CHILES and the Budget Committee. I believe it has been cleared.

Mr. NICKLES. Mr. President, the Senator is correct. It has been cleared.

Mr. CHILES. Mr. President, the Senate Budget Committee has examined H.R. 4776, the District of Columbia appropriations bill and has found that the bill is under its 302(b) budget authority allocation by $4 million and exactly at its 302(b) outlay allocation.

I compliment the distinguished manager of the bill, Senator HARKIN, and the distinguished ranking member of the District of Columbia Subcommittee, Senator NICKLES on all their hard work.

Mr. President, I have a table from the Budget Committee showing the official scoring of the District of Columbia appropriations bill and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SENATE BUDGET COMMITTEE SCORING OF H.R. 4776

DISTRICT OF COLUMBIA—SPENDING TOTALS

[Senate subcommittee markup in billions of dollars]

	Fiscal year 1989	
	Budget authority	Outlays
302 (B) bill summary:		
H.R. 4776, Senate subcommittee markup (new BA and outlays)	0.5	0.5
Enacted to date	+(1)	+(1)
Adjustment to conform mandatory programs to resolution assumptions		
Scorekeeping adjustments		
Bill total	.6	.6
Subcommittee 302(b) allocation	.6	.6
Difference	−(1)	0
Bill total above (+) or below (−): President's request	+(1)	+(1)
Summit cap summary:		
Domestic discretionary spending in bill	.6	.6
Allocation under domestic cap	.6	.6
Difference	−(1)	0

[1] Less than $50 million.

Note.—Details may not add to totals due to rounding. Prepared by Senate Budget Committee Staff.

Mr. DOMENICI. Mr. President, I rise in support of the District of Columbia appropriations bill for fiscal year 1989, S. 2562.

The bill as reported provides $0.5 billion in new budget authority and outlays for the government of the District of Columbia. The reported bill is under the subcommittee's 302(b) allocation by $4 million in budget authority and exactly at their allocation for outlays.

I want to commend the distinguished chairman and ranking member of the District of Columbia Subcommittee for producing a bill that is within their 302(b) allocation.

I want to express my concern, however, at the committee's departure from using the customary Hyde language with regard to funding for abortions. The Hyde language, which the Congress has been using for several years now, prohibits the use of Federal funding to perform abortions except when the life of the mother is endangered. The committee has expanded this exception to include cases of rape and incest. This change in current policy is unacceptable and may lead to a Presidential veto.

I hope the Senate will delete the language to which the administration objects so that the bill can be adopted, sent to conference, and presented for the President's signature into law.

The PRESIDING OFFICER. Is there any further debate on this amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2538) was agreed to.

Mr. NICKLES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HARKIN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2539

Mr. NICKLES. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES], for Mr. HELMS, proposes an amendment numbered 2539.

Mr. NICKLES. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, add the following:

SEC. . None of the federal funds appropriated by this Act shall be obligated or expended after December 31, 1988, if on that date the District of Columbia has not repealed D.C. Law 6-170, the Prohibition of Discrimination in the Provision of Insurance Act of 1986 (D.C. Law 6-170).

Mr. NICKLES. Mr. President, this amendment I have sent to the desk and asked for the immediate consideration of is an amendment by Senator HELMS. It was an amendment that he offered last year and passed by a large margin in the Senate last year.

Mr. HARKIN. Mr. President, we have looked at the amendment, and it was adopted last year by the Senate. It is acceptable.

The PRESIDING OFFICER (Mr. DIXON). Is there any further debate on this amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2539) was agreed to.

Mr. NICKLES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HARKIN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2540

Mr. HUMPHREY. Mr. President, I have an amendment which I send to the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. HUMPHREY] proposes an amendment numbered 2540.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . None of the funds appropriated under this Act for the Mayor of the District of Columbia shall be expended after January 1, 1989, if on that date, using existing powers, the Department of Human Services has not implemented a system of mandatory reporting of individual abortions performed in the District of Columbia; and categories of data collected under such system shall be substantially similar to those collected by the National Center for Health Statistics: *Provided*, That the Department of Human Services shall not require reporting of the identity of the aborting woman or the abortion provider, and shall ensure that the identity of the aborting woman and abortion provider remain strictly confidential, and data be used for statistical purposes only.

Mr. HUMPHREY. Mr. President, this amendment has been cleared with the floor managers.

This amendment would require reporting of data on abortions performed in the District of Columbia.

Since 1985, the District Department of Human Services has sought improved data on induced abortions performed by hospitals, clinics, and physicians in the District of Columbia.

DHS' most recent request came in a statistical note completed in September 1987, which provided data on 1986 abortions performed in the District:

The voluntary system of reporting abortions results in incomplete reporting and therefore incomplete statistics. DHS is recommending mandatory reporting of all pregnancy terminations. More than two-thirds of the States currently require the reporting of abortions.

DHS is absolutely committed to the principles of confidentiality and protecting each individual's right to privacy.

It is recommended that the National Center for Health Statistics' U.S. Standard Report of Induced Termination of Pregnancy be utilized to collect abortion data in the District of Columbia. This report does not require the reporting of patients' names or any other information which would threaten their privacy.

Mandatory reporting of pregnancy terminations will enable DHS to better inform the public on trends in births and abortions and will improve the department's ability to plan the delivery of health and family planning services.

DHS made similar requests in the statistical notes released in 1985 and 1986. In addition, a 1986 summary of State reporting requirements prepared by DHS' Office of Research and Statistics noted:

It is not unreasonable to assume that mandatory reporting of individual abortions would lead to much less under reporting than exists with the current District of Columbia voluntary reporting system with data supplied in aggregated form.

The quantity and quality of the District's abortion data could be improved by changing the abortion report form utilized.

Currently, abortion providers are not required to provide data on abortions. The reporting requirement is voluntary.

As a result, District officials report that data on this procedure may greatly underestimate the actual number of abortions.

Today, at least 35 States require mandatory reporting of abortions. Such provisions are constitutional where their purpose is securing data intended to promote the health and welfare of the public, and where the identities of the women securing the abortions are kept strictly confidential.

My amendment falls safely within these constitutional guidelines. The data collected as a result of a mandatory reporting system would ensure the accuracy and completeness of data already collected on a voluntary basis by the District.

The amendment is intended only to advance the District's plan to inform the public on trends in births and abortions, and to improve the District's ability to plan the efficient and effective delivery of health services.

I ask unanimous consent that the full text of documents containing the requests of District statisticians be printed in the RECORD. I also ask unanimous consent that a document prepared by District officials detailing the reporting requirements of at least 35 States be printed in the RECORD.

I urge support for the amendment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MANDATORY ABORTION REPORTING—THE RESPONSE FROM THE STATES

(By Sara T. Glendinning)

In January, 1987 a letter was sent from the D.C. Department of Human Services to each of the 50 states explaining that the District of Columbia currently has a voluntary system of reporting abortions to DHS's Research & Statistics Division. Because this system results in incomplete reporting, DHS is considering drafting legislation for the mandatory reporting of all abortions. Those states having mandatory reporting of abortions were asked to send a copy of the legislation that led to their mandatory reporting system. The letter also solicited any comments or suggestions the respondent might have with regard to mandatory abortion reporting.

Letters of response were received from 35 of the 50 states queried. Four of the responding states (California, Delaware, Iowa, and West Virginia) reported not having a mandatory abortion reporting system. Iowa reported that they have neither voluntary nor mandatory abortion reporting. The remaining 31 states responding reported having mandatory abortion reporting in their states. Four of the 15 states which did not respond to DHS's letter (Colorado, Kansas, Rhode Island, and Virginia) provide their data on individual reports of abortions (induced terminations of pregnancy) to the National Center for Health Statistics indicating that these states have mandatory reporting of abortions. Therefore, abortion reporting is mandatory in at least 35 states, more than two-thirds of the states in America.

The following is a short description of the reporting requirements of the 31 responding states with mandatory abortion reporting and any comments and/or suggestions made by the respondents:

ARIZONA

In July 1976, the Arizona State Department of Health Services began an Abortion Surveillance Reporting Program. An Induced Termination of Pregnancy Report is to be completed for each abortion performed in hospitals, outpatient treatment centers, and physicians' offices for which a fetal death certificate is not required. A fetal death certificate is required for each fetal death after a gestation period of 20 completed weeks. Also, each hospital and outpatient treatment center in Arizona is required to submit a monthly report to the state registrar showing the total number of abortions performed in that facility.

ARKANSAS

Each induced termination of pregnancy is to be reported to the Division of Health Statistics on a monthly basis by the person in charge of the institution in which the induced termination of pregnancy was performed. If the induced termination of pregnancy was performed outside an institution, the attending physician is responsible for preparing and filing the report.

FLORIDA

The director of any medical facility in which a pregnancy is terminated, or the physician performing the procedure if the termination of pregnancy is not performed in a medical facility, shall maintain a record of such procedures. The record shall include the date the procedure was performed, the reason, and the period of gestation at the time the procedure was performed. A copy of the record shall be filed with the Department of Health and Rehabilitative Services. Florida's Director of Vital Statistics reported that funds have never been provided for monitoring or enforcing this law nor does the law provide for special penalties for failure to comply. Therefore, he is sure there is significant under reporting. He suggests that any law to be effective must be backed up by an adequately funded enforcement program and include specific penalties which can be efficiently imposed.

GEORGIA

Each induced termination of pregnancy occurring in Georgia, regardless of the length of gestation or weight, shall be reported within 10 days by the person in charge of the institution or clinic, or their designated representative, in which the induced termination was performed. The attending physician shall prepare and file the report within 10 days if the abortion was performed outside an institution or clinic.

HAWAII

Hawaii is one of the 15 or so states which adopted the WHO recommendation of filing all fetal deaths regardless of gestational age. Abortions have been routinely reported on their fetal death certificate forms since the abortion law was passed in Hawaii in 1970.

ILLINOIS

Abortion report forms, signed by the physician who performed the abortion, must be transmitted to the Department of Public Health not later than 10 days following the end of the month in which the abortion was performed. Intentionally, knowingly, or recklessly failing to submit a complete abortion report is a misdemeanor.

INDIANA

The physician performing an abortion shall complete and transmit the report to the Indiana Board of Health no later than July 30 for each abortion performed in the first 6 months of that year and no later than January 30 for each abortion performed in the last 6 months of the preceding year. Each failure to file the form on time is a class B misdemeanor. The Director of the State Board of Health's Division of Public Health Statistics believes their certificate is more inclusive and better than the proposed National Cooperative Health Statistics form.

LOUISIANA

The original statutes mandating report of abortions were enacted in 1973. Completed abortion report forms are to be sent to the Division of Vital Records within 15 days of the performing of such abortions. Failure to complete such form is a misdemeanor. The State Registrar reports that although there are penalties prescribed in the statutes for failure to report abortions, violators are not diligently prosecuted.

MAINE

Maine has had mandatory reporting of abortions (spontaneous and induced) since 1978. They use the U.S. Standard Report of Induced Termination of Pregnancy for reporting each abortion. Reports are to be transmitted to the Department of Human Services not later than 10 days following the end of the month in which the abortions are performed.

MICHIGAN

A physician who performs an abortion shall report the performance of that procedure within 7 days on forms prescribed and provided by the Department. The State Registrar reports they are not happy with the legislation because:

(1) Data items to be included are specified in statute.

(2) The Department has no flexibility to collect additional information.

(3) Some of the data elements are not necessary.

(4) There is no mechanism to enforce reporting.

(5) Tabulations of the data are limited since they do not want to statistically be close to divulging the identity of a person.

(6) Abortions post 20 weeks are also reported as fetal deaths.

MINNESOTA

By the 10th day of each month all pregnancy terminations performed during the preceding month shall be reported on forms prescribed by the Commissioner. A physician who performs an abortion and does not transmit the required information to the Minnesota Board of Health within 30 days after the abortion is guilty of a misdemeanor. The Director of the Minnesota Center for Health Statistics thinks abortion reporting by clinics and hospitals is close to 100% but that there is some under reporting by physicians who perform several terminations per year.

MISSISSIPPI

Each induced termination of pregnancy shall be reported to the State Registrar within 5 days by the person in charge of the institution in which the induced termination of pregnancy was performed. If the abortion was performed outside an institution, the attending physician shall prepare and file the report. The Deputy State Registrar reports that they are certain that abortions are under reported but that they have no basis for estimating how much.

MISSOURI

An individual abortion report for each abortion performed shall be completed by the attending physician and submitted to the State Department of Health within 45 days from the date of the abortion. All complication reports shall be signed by the physician providing the post-abortion care and submitted to the Department of Health within 45 days from the date of the post-abortion care. Failure to report an abortion is a Class A misdemeanor.

MONTANA

An abortion report must be filed with the Department of Health within 30 days after an abortion is performed in Montana. Failure to submit a report is a misdemeanor.

NEBRASKA

Abortion reports shall be signed by the attending physician and sent to the Bureau of Vital Statistics within 15 days after each reporting month. Failure to report an abortion is a Class 11 misdemeanor. The Director of the Bureau of Vital Statistics reports that even with the statutory requirement to report abortions they believe this system is not 100% effective.

NEVADA

An abortion reporting form similar to the U.S. Standard recommended by the National Center for Health Statistics shall be completed by the physician or his staff for each abortion performed. Each hospital shall submit a monthly report to the State Registrar of Vital Statistics regarding patients admitted for a complication which resulted from an abortion.

NEW MEXICO

Each induced abortion occurring in New Mexico shall be reported to the State Registrar within 5 days by the person in charge of the institution in which the induced abortion was performed or by the attending physician if the induced abortion was performed outside an institution. The State Registrar reports that there is no real mechanism for insuring that all abortions are reported.

NEW YORK

In New York State all fetal deaths, both spontaneous and induced, must be registered. A fetal death shall be registered within 72 hours after expulsion of the fetus. The certificate of fetal death shall contain such information and be in such form as the Commissioner of Public Health may prescribe.

NORTH DAKOTA

An individual abortion report for each abortion shall be completed by the attending physician. This report shall include the data called for in the U.S. Standard Report of Induced Termination of Pregnancy as recommended by the National Center for Health Statistics. Abortion reports shall be submitted to the Department of Health within 30 days from the date of the abortion. All complication reports must also be submitted to the Department of Health within 30 days from the date of the post-abortion care. The Department of Health shall report to the Attorney General any apparent violation.

OREGON

Each induced termination of pregnancy which occurs in Oregon, regardless of the length of gestation, shall be reported to the Vital Statistics Unit within 5 days by the persons in charge of the institution in which the induced termination of pregnancy was performed or by the attending physician if the procedure was performed outside of an institution. The abortion statute was included in Oregon's 1978 Model Vital Statistics Act. The State Registrar feels that asking for the abortion reporting requirement as part of the adoption of the total 1978 revision minimized greatly the controversy which might otherwise have occurred.

PENNSYLVANIA

Pennsylvania's Abortion Control Act of 1982 went into effect in July, 1984. In June, 1986 large portions of the law were found invalid by the U.S. Supreme Court. The individual patient report form was nullified by the U.S. Supreme Court primarily because of burdensome information requirements and the lack of confidentiality. Pennsylvania's main source of abortion information is the quarterly facility report of aggregated data. The right of public access and copying of both the registration and the quarterly facility from have been enjoined. Pennsylvania only releases annual reports which summarize the data received through the quarterly report form, and the reports of maternal death. The quarterly report form solicits aggregated data on weeks of gestation, primary type of procedure, age of women, complications, concurrent conditions/indications, and counties or other states/countries of residence.

SOUTH CAROLINA

Any abortion performed in South Carolina shall be reported to the State Registrar, Department of Health and Environmental Control, within 7 days after the abortion is performed. When an abortion is performed in a hospital, clinic or other institution, the person in charge of the institution or his designated representative shall complete the abortion report on behalf of the performing physician. When an abortion is performed outside a hospital, clinic or other institution, the physician performing the abortion shall be responsible for completing the abortion report form and filing it within the time prescribed by law.

SOUTH DAKOTA

Any facility or physician performing abortions shall complete an Induced Abortion Report for each abortion. All reports for abortions performed in a month should be reported to the Health Department on or before the 10th day of the following month.

TENNESSEE

Each induced termination of pregnancy occurring in Tennessee shall be reported to the Office of Vital Records within 10 days after the procedure by the person in charge of the institution in which the abortion was performed or by the attending physician if performed outside an institution. The State Registrar reports that even with mandatory reporting of abortions they continue to experience under reporting. They follow up whenever the number of abortions reported from a facility is less than their usual caseload. She feels certain that abortions performed in physicians' offices are especially under reported, yet there is no method by which to check on individual practitioners.

TEXAS

All providers of abortion services (hospitals, ambulatory surgical centers and private physician offices) must submit an annual report to the Texas Department of Health on a form provided by the Department. The annual report for each licensed facility is due 30 days prior to the expiration date of the annual license or 30 days following the expiration, revocation, or withdrawal of the temporary license. The reporting period for each unlicensed facility will be January-December 31 of each year with the report submitted no later than January 31 of each year. Failure to submit an annual report is punishable as a Class A misdemeanor.

UTAH

A Report of Induced Termination of Pregnancy must be filed with the Utah Department of Health within 10 days after an abortion. Utah's report form includes considerably more items than on the recommended U.S. Standard. For example, Utah's form seeks information on religion, source of payment, contraceptive history and methods used, and reason for termination. Failure to file an abortion report is a Class A misdemeanor.

VERMONT

Vermont's statute regarding abortion reporting was enacted in 1973. "It did not receive the publicity or create the reaction it would today," according to the Vital Statistics Chief. All induced abortions shall be reported by the hospital or physician directly to the Health Commissioner on forms prescribed by the Board within 7 days after an abortion is performed.

WASHINGTON

Each hospital and facility where abortions are performed is required to report all induced termination procedures to the Department of Social and Health Services. Reports for abortions performed during any given month are to be submitted by the 15th. of the following month. March 15th. is the cut-off date for late filing of abortion reports of the preceding calendar year. People knowledgeable about local abortion services in Washington estimate from 6 to 10 percent known noncompliance (i.e., there were no reports from some clinics and offices known to provide abortion services).

WISCONSIN

Wisconsin's reporting requirement just began on January 1, 1987, after being enacted April 29, 1986. On or before January 15 annually, each hospital, clinic or other facility in which an induced abortion is performed must file with the Department of Health and Social Services a report for each induced abortion performed in the previous calendar year. Wisconsin's report form asks only for that information required in the statute, which is less information than many other states collect. The respondent from their Center for Health Statistics suggests that we seek legislation that specifies "all information relevant to public health concerns and demographic research."

WYOMING

Wyoming's Office of Vital Records was responsible for providing an abortion reporting form to be used after May 27, 1977 for reporting every abortion performed in Wyoming. The attending physician is responsible for completing the form and sending it to the administrator of the Division of Health and Medical Services within 20 days after the abortion is performed. Although abortion reporting is mandatory, there is significant under reporting. The Vital Statistics Analyst responding to our letter believes that there must be some type of identifier on the abortion record so that cross checks can be made with the provider to ensure complete reporting.

IDAHO

The Idaho Legislature passed a law in 1977 requiring the reporting of abortions. This law was recodified, along with the entire Vital Statistics Act, to be aligned with the model Vital Statistics Act in 1983. The statute requires that the abortion report form include as a minimum the items required by the standard reporting form recommended by the National Center for Health Statistics. Completed forms must be filed by the attending physician and sent to the Vital Statistics Unit within 15 days after the end of each reporting month.

SYNOPSIS

Abortion reporting became mandatory in many of the above states ten or more years ago, before the abortion issue became as highly charged as it is today. Several of the responding states with mandatory reporting indicated that under reporting existed. Mandatory abortion reporting with enforcement programs and specific penalties does not guarantee 100% reporting. However, it is not unreasonable to assume that mandatory reporting of individual abortions would lead to much less under reporting than exists with the current District of Columbia voluntary reporting system with data supplied in aggregated form.

With the current sensitivity regarding abortions and the action by the U.S. Supreme Court last year nullifying Pennsylvania's individual patient report form, implementation of mandatory reporting of abortions legislation in the District of Columbia may be difficult to obtain. However, the quantity and quality of the District's abortion data could be improved by changing the abortion report form utilized. DHS could notify abortion providers in the District of Columbia that in 1988 we would like them to begin using the U.S. Standard Report of Induced Termination of Pregnancy (Rev 1/88) to report all abortions. The Federal form will appear more official and mandated even though reporting would continue to be voluntary

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INDUCED TERMINATIONS OF PREGNANCY (ABORTIONS) IN THE DISTRICT OF COLUMBIA: 1984

(By Sara T. Glendinning)

The number of abortions performed in the District of Columbia in 1984 and reported to the D.C. Department of Human Services was 23,132, one percent more than the 22,867 District of Columbia abortions reported in 1983. However, the abortions performed in the District of Columbia on D.C. residents decreased approximately four percent (from 11,775 in 1983 to 11,266 in 1984). When the 1983 and 1984 residence "not stated" cases are distributed according to the reported residence proportions, the number of abortions performed in the District on D.C. residents decreased three percent between 1983 and 1984.

For D.C. residents in 1984 the percentage of pregnancies (abortions plus live births) terminated by abortion was 54.6,[1] a 1.3 percent decrease from the 1983 percentage of 55.3

The abortion rate (abortions per 1,000 females 15-44 years of age) for D.C. residents decreased from 68.8 in 1983 to 67.2[1] in 1984, a 2.3 percent decrease. This rate has been declining each year since 1980 when it was 81.2. At the same time the fertility rate

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[1] In these computations 1984 "not stated" cases were distributed according to the proportion of reported residence.

(births per 1,000 females 15-44 years of age) increased slightly—from 54.5 in 1980 to 55.9 in 1984.

Abortions in the District of Columbia are reported to DHS on a voluntary basis by the hospitals and free-standing clinics. Reports are confidential and DHS does not provide abortion data on individual hospitals and clinics. In 1984, pregnancy termination reports were received from the same 12 facilities reporting in 1983. DHS does not receive reports on abortions performed in physician's offices and those abortions are not included in the 23,132 total. Nationally in 1980, 4 percent of abortions were performed in physician's offices. If it is assumed that 4 percent of abortions in D.C. were performed in physician's offices in 1984, the total would then be 24,096.

Tables 2-11 show the frequency distributions of various items. Cross tabulations of these items are not possible with the current reporting system as data are now reported in an aggregated form rather than on each individual abortion. Some items of interest are:

D.C. resident abortions were 48.7 percent of the total 1984 abortions, a slight decrease from the 51.5 percent in 1983.

Of the 23,132 abortions reported in the District of Columbia, 19.9 percent were to women under 20 years of age and 50.0 percent were to women under age 25. According to a report by the National Center for Health Statistics,[2] 27.3 percent of the abortions in 1981 reported by 12 states were to women under age 20 and 61.7 percent were to women under age 25. In 1984, 20.0 percent of the D.C. residents obtaining abortions in the District of Columbia were under 20 years of age and 51.2 percent were under age 25.

Almost three-fourths (74.1 percent) of the women obtaining an abortion in D.C. were unmarried and approximately two-thirds (64.9 percent) had never been married. In the NCHS report, 74.8 percent of the women were unmarried.

In D.C., 39.6 percent of the women obtaining abortions in 1984 reported they had not had a prior abortion while the NCHS report showed 63.1 percent of women had no prior abortion. Almost 19 percent of the women receiving abortions in D.C. in 1984 reported having had two or more previous abortions. The percentage of women reporting one or more previous abortions has been increasing in the District of Columbia as follows:

Year	*Percent*
1984	48
1983	47
1982	44
1981	38
1980	32
1974	21

Most of the women receiving an abortion in D.C. (88.3 percent) were outpatients and suction curettage was the primary method of abortion in more than 80 percent of the cases.

Over half (53.9 percent) of the D.C. abortions were under 9 weeks gestation, and 27.8 percent were 9-12 weeks gestation. The NCHS report shows 48.2 percent under 9 weeks and 41.5 percent 9-12 weeks of gestation.

Less than one percent of the abortions had complications both in D.C. in 1984 and in the NCHS report. Only 30 of the 23,132 women receiving abortions in D.C. were hospitalized due to complications resulting from their abortions.

Abortions paid for by the D.C. government are reported on a fiscal year basis. The District of Columbia paid for 10,357 abortions in Fiscal Year 1984 at an estimated cost of $1,790,710.

Fourteen states and New York City are being funded by the Vital Statistics Cooperative Program of the National Center for Health Statistics to collect individual patient abortion data. Reporting is mandatory but confidential with the forms requiring patient numbers instead of names. NCHS developed the model reporting form used by these states and New York City. The District of Columbia abortion data would be much more valuable if there was mandatory reporting of individual abortions instead of the current voluntary reporting system with data supplied in aggregated form. With mandatory reporting of individual abortions data would be obtained on all abortions performed in the District of Columbia and cross tabulations would be possible.

TABLE 1.—INDUCED ABORTIONS: TOTAL AND D.C. RESIDENTS, 1973–84

Year	Abortions	
	Total	D.C. residents
1984	23,132	11,266
1983	22,867	11,775
1982	24,207	12,350
1981	25,952	13,014
1980	27,183	13,809
1979	28,694	13,611
1978	29,786	13,350
1977	29,545	12,718
1976	31,407	12,945
1975	31,519	13,621
1974	33,010	12,080
1973	40,812	10,019

TABLE 2.—ABORTIONS BY RESIDENCE, 1984

Residence	Number	Percent
Total	23,132	100.0
District of Columbia	11,266	48.7
Maryland	7,592	32.8
Virginia	3,149	13.6
Other	707	3.1
Not stated	418	1.8

TABLE 3.—ABORTIONS BY AGE AND RESIDENCE, 1984

Age (in years)	Total	District of Columbia	Maryland	Virginia	Other States	Not stated
Total	23,132	11,266	7,592	3,149	707	418
Under 15	404	229	124	38	13	0
15 to 19	4,200	2,026	1,479	524	169	2
20 to 24	6,954	3,518	2,251	951	232	2
25 to 29	5,131	2,440	1,785	769	137	0
30 to 34	3,008	1,388	1,045	464	110	1
35 to 39	1,148	485	420	218	25	0
40 to 44	222	86	97	35	4	0
45 and over	25	15	8	2	0	0
Not stated	2,040	1,079	383	148	17	413

TABLE 4.—ABORTIONS BY MARITAL STATUS, 1984

Marital Status:	Number	Percent
Total	23,132	100.0
Never married	15,018	64.9
Currently married	4,084	17.7
Separated	1,070	4.6
Divorced	980	4.2
Widowed	86	0.4
Unknown	1,894	8.2

TABLE 5.—ABORTIONS BY RACE, 1984

Race	Number	Percent
Total	23,132	100.0
Black	13,187	57.0
White	6,211	26.9
Other	1,878	8.1
Unknown	1,856	8.0

TABLE 6.—ABORTIONS BY NUMBER OF PREVIOUS ABORTIONS, 1984

Previous abortions	Number	Percent
Total	23,132	100.0
None	9,159	39.6
One	6,705	29.0
Two	2,708	11.7
Three or more	1,618	7.0
Not stated	2,942	12.7

TABLE 7.—ABORTIONS BY TYPE OF PATIENT, 1984

Type	Number	Percent
Total	23,132	100.0
Inpatient	1,756	7.6
Outpatient	20,430	88.3
Unknown	946	4.1

TABLE 8.—ABORTIONS BY PRIMARY METHOD, 1984

Primary method	Number	Percent
Total	23,132	100.0
Suction curettage	18,710	80.9
Sharp curettage	2,583	11.2
Saline injection	286	1.2
Not stated	1,553	6.7

TABLE 9.—ABORTIONS BY LENGTH OF GESTATION, 1984

Gestation (in weeks)	Number	Percent
Total	23,132	100.0
Under 9	12,465	53.9
9–10	4,285	18.5
11–12	2,159	9.3
13–15	1,712	7.4
16 or more	613	2.7
Unknown	1,898	8.2

TABLE 10.—ABORTIONS BY COMPLICATIONS, 1984

Complications	Number	Percent
Total	23,132	100.0
Total complications	176	0.8
Resulting in hospitalization	30	0.1
Resulting in Death	0	0.0
Other	146	0.7
No complications	22,956	99.2

TABLE 11.—ABORTIONS BY MONTH, 1984

Month	Number	Percent
Total	23,132	100.0
January	2,068	8.9
February	2,143	9.3
March	2,305	10.0
April	1,941	8.4
May	1,954	8.4
June	2,039	8.8
July	1,839	7.9
August	1,992	8.6
September	1,727	7.5
October	1,812	7.8
November	1,704	7.4
December	1,608	7.0

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[2] National Center for Health Statistics: "Induced Terminations of Pregnancy: Reporting States, 1981." Monthly Vital Statistics Report, Volume 34, No. 4, Supplement (2), July 30, 1985.

INDUCED TERMINATIONS OF PREGNANCY—ABORTIONS IN THE DISTRICT OF COLUMBIA: 1985

(By Sara T. Glendinning)

The number of abortions performed in the District of Columbia in 1985 and reported to the D.C. Department of Human Services was 19,541, 15.5 percent less than the 23,132 District of Columbia abortions reported in 1984. There were 2,639 fewer abortions reported for D.C. residents between 1984 and 1985. When the 1984 and 1985 residence "not stated" cases are distributed according to the reported residence proportions, the number of abortions performed in the District on D.C. residents decreased 17 percent between 1984 and 1985.

In 1985, the percentage of pregnancies (abortions plus live births) for D.C. residents terminated by abortion was 49.[1], 10.1 percent decrease from the 1984 percentage of 54.6.[1]

The abortion rate (abortions per 1,000 females 15-44 years of age) for D.C. residents decreased dramatically from 67.2[1] in 1984 to 56.0[1] in 1985, a 16.7 percent decrease. This rate has been declining each year since 1980 when it was 81.2. At the same time, the fertility rate (births per 1,000 females 15-44 years of age) has increased from 54.5 in 1980 to 58.0 in 1985.

Abortions in the District of Columbia are reported to DHS on a voluntary basis by hospitals and free-standing clinics. Their reports are confidential and DHS does not provide data on individual hospitals and clinics. In 1985, pregnancy termination reports were received from 11 of the 12 facilities that reported in 1984. The facility not reporting in 1985 closed in November, 1984. DHS does not receive reports on abortions performed in physician's offices and those abortions are not included in the 19,541 total. Nationally in 1980, four percent of abortions were performed in physician's offices. If it is assumed that four percent of abortions in D.C. were performed in physician's offices in 1985, the total number of abortions performed that year would be 20,355.

Tables 2—11 show the frequency distributions of various items. Cross tabulations of these items are not possible with the current reporting system as data are now reported in an aggregated form rather than on each individual abortion. Some items of interest are:

Approximately one-half of the women obtaining abortions in D.C. were residents of the District of Columbia and approximately one-third were residents of Maryland.

Of the abortions reported in the District in 1985, 23.5 percent were to women under 20 years of age and 56.3 percent were to women under age 25. According to a report by the National Center for Health Statistics,[2] 25.5 percent of the abortions in 1983 reported by 13 states were to women under age 20 and 59.7 percent were to women under age 25. In 1985, 24.7 percent of the D.C. residents obtaining abortions in the District of Columbia were under 20 years of age and 58.1 percent were under age 25.

Approximately four-fifths (83 percent) of the women obtaining an abortion in D.C. were not currently married and almost three-fourths (72 percent) had never been married. In the NCHS report, 78 percent of the women were unmarried.

In D.C., 46.3 percent of the women obtaining abortions in 1985 reported they had not had a prior abortion while the NCHS report showed 60.5 percent of women had no prior abortion. Almost one-fourth (24.5 percent) of the women receiving abortions in D.C. in 1985 reported having had two or more previous abortions. The percentage of women reporting one or more previous abortions has been increasing in the District of Columbia as follows:

Year:	*Percent*
1985	54
1984	48
1983	47
1982	44
1981	38
1980	32
1974	21

Most of the women receiving an abortion in D.C. (91.3 percent) were outpatients and suction curettage was the primary method of abortion in 99 percent of the cases.

Over half (53.8 percent) of the D.C. abortions were under 9 weeks gestation and 34.8 percent were 9-12 weeks gestation. The NCHS report shows 48.7 percent under 9 weeks and 41.4 percent 9-12 weeks of gestation.

Less than one percent of the abortions had complications both in D.C. in 1985 and in the NCHS report. Only 28 of the 19,541 women receiving abortions in D.C. were reported to have been hospitalized due to complications resulting from their abortions.

The National Center for Health Statistics funds the collection of individual abortion data from 14 states where the reporting of abortions is mandatory. The report forms, developed by NCHS, require patient numbers instead of names to assure confidentiality. The District of Columbia abortion data would be more valuable if there was mandatory reporting of individual abortions instead of the current voluntary reporting system with data supplied in aggregated form. With mandatory reporting of individual abortions data would be obtained on all abortions performed in the District of Columbia and cross tabulations would be possible.

TABLE 1.—INDUCED ABORTIONS

Year	Abortions	
	Total	D.C. residents
1985	19,541	8,627
1984	23,132	11,266
1983	22,867	11,775
1982	24,207	12,350
1981	25,952	13,014
1980	27,183	13,809
1979	28,694	13,611
1978	29,786	13,350
1977	29,545	12,718
1976	31,407	12,945
1975	31,519	13,621
1974	33,010	12,080
1973	49,812	10,019

TABLE 2.—ABORTIONS BY RESIDENCE, 1985

Residence	Number	Percent
Total	[1]17,742	100.0
District of Columbia	8,627	48.6
Maryland	6,177	34.8
Virginia	2,526	14.3
Other	412	2.3

[1] Does not include 1,799 abortions with unstated residence.

TABLE 3.—ABORTIONS BY AGE AND RESIDENCE, 1985

Age (in years)	Total	District of Columbia	Maryland	Virginia	Other States	Not stated
Total	19,541	8,627	6,177	2,526	412	1,799
Under 15	305	159	101	34	11	
15 to 19	3,846	1,969	1,306	485	80	6
20 to 24	5,819	2,868	1,999	793	148	11
25 to 29	4,191	1,970	1,470	661	85	5
30 to 34	2,427	1,149	861	373	43	1
35 to 39	942	406	376	148	12	
40 to 44	157	72	54	30	1	
45 and over	11	7	3	1		
Not stated	1,843	27	7	1	32	1,776

TABLE 4.—ABORTIONS BY MARITAL STATUS, 1985

Marital status	Number	Percent
Total	[1]16,520	100.0
Never Married	11,889	72.0
Currently Married	2,803	17.0
Separated	979	5.9
Divorced	768	4.6
Widowed	81	0.5

[1] Does not include 3,021 abortions with unstated marital status.

TABLE 5.—ABORTIONS BY RACE, 1985

Race	Number	Percent
Total	[1]16,424	100.0
Black	10,041	61.1
White	4,852	29.6
Other	1,531	9.3

[1] Does not include 3,117 abortions with unstated race.

TABLE 6.—ABORTIONS BY NUMBER OF PREVIOUS ABORTIONS, 1985

Previous abortions	Number	Percent
Total	[1]16,677	100.0
None	7,721	46.3
One	4,874	29.2
Two	2,392	14.4
Three of More	1,690	10.1

[1] Does not include 2,864 abortions with unstated number of previous abortions.

TABLE 7.—ABORTIONS BY TYPE OF PATIENT, 1985

Type	Number	Percent
Total	[1]19,469	100.0
Inpatient	1,701	8.7
Outpatient	17,768	91.3

[1] Does not include 72 abortions with unstated type of patient.

TABLE 8.—ABORTIONS BY PRIMARY METHOD, 1985

Primary method	Number	Percent
Total	[1]17,261	100.0
Suction curettage	17,108	99.1
Saline injection	146	0.9
Hysterotomy or hysterectomy	7	0

[1] Does not include 2,280 abortions with unstated primary method of abortion.

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[1] In these computations 1984 and 1985 "not stated" cases were distributed according to the proportion of reported residence.

[2] National Center for Health Statistics; *Induced Terminations of Pregnancy: Reporting States, 1982 and 1983.* Monthly Vital Statistics Report, Volume 35, No. 3, Supplement, July 14, 1986.

TABLE 9.—ABORTIONS BY LENGTH OF GESTATION, 1985

Gestation (in weeks)	Number	Percent
Total	[1]17,271	100.0
Under 9	9,296	53.8
9 to 10	3,808	22.1
11 to 12	2,197	12.7
13 to 15	1,531	8.9
16 or more	439	2.5

[1] Does not include 2,270 abortions with unstated length of gestation.

TABLE 10.—ABORTIONS BY COMPLICATIONS, 1985

Complications:	Number	Percent
Total	[1]17,261	100.0
Total Complications	100	6
Resulting in hospitalization	28	.2
Resulting in death		
Other	72	.4
No complications	17,161	99.4

[1] Does not include 2,280 abortions where complications were not stated.

TABLE 11.—ABORTIONS BY MONTH, 1985

Month	Number	Percent
Total	[1]18,831	100.0
January	1,403	7.0
February	1,912	9.7
March	1,886	9.8
April	1,505	8.1
May	1,537	8.3
June	1,687	9.1
July	1,482	8.0
August	1,660	9.0
September	1,377	7.4
October	1,539	8.3
November	1,431	7.7
December	1,412	7.6

[1] Does not include 710 abortions performed at one hospital in the District of Columbia during the last 9 months of 1985. This hospital reported performing 99 abortions in January, 113 in February, and 81 abortions in March. These abortions were not included in the percent calculations.

INDUCED TERMINATIONS OF PREGNANCY (ABORTIONS) IN THE DISTRICT OF COLUMBIA: 1986

(By Sara T. Glendinning)

The number of abortions performed in the District of Columbia in 1986 and reported to the D.C. Department of Human Services was 19,942, 2 percent more than the 19,541 District of Columbia abortions reported in 1985. There were 890 more abortions reported for D.C. residents in 1986 than in 1985. When the 1985 and 1986 residence "not stated" cases are distributed according to the reported residence proportions, the number of abortions performed in the District on D.C. residents increased 5.5 percent between 1985 and 1986.

In 1986, the percentage of pregnancies (abortions plus live births) for D.C. residents terminated by abortion was 50.0,[1] a 1.8 percent increase from the 1985 percentage of 49.1.[1]

The abortion rate (abortions per 1,000 females 15-44 years of age) for D.C. residents increased from 56.0[1] in 1985 to 59.1[1] in 1986, a 5.5 percent increase. This rate had been declining each year from 1980 to 1985. At the same time, the fertility rate (births per 1,000 females 15-44 years of age) has increased from 54.5 in 1980 to 59.1 in 1986.

Abortions in the District of Columbia are reported to DHS on a voluntary basis by hospitals and free-standing clinics. Their reports are confidential and DHS does not provide data on individual hospitals and clinics. In 1986, pregnancy termination reports were received from 12 facilities, the 11 facilities that reported in 1985 plus one facility opened by an existing clinic at another location. DHS does not receive reports on abortions performed in physician's offices and those abortions are not included in the 19,642 total. Nationally in 1980, 4 percent of abortions were performed in physician's offices. If it is assumed that 4 percent of abortions in D.C. were performed in physician's offices in 1986, the total number of abortions performed that year would be 20,773.

Tables 2—11 show the frequency distributions of various items. Cross tabulations of these items are not possible with the current reporting system as data are now reported in an aggregated form rather than on each individual abortion. Some items of interest are:

Half of the women obtaining abortions in D.C. were residents of the District of Columbia and slightly more than one-third were residents of Maryland.

Of the abortions reported in the District in 1986, 23.6 percent were to women under 20 years of age and 54.4 percent were to women under age 25. According to a report by the National Center for Health Statistics,[2] 25.5 percent of the abortions in 1983 reported by 13 states were to women under age 20 and 59.7 percent were to women under age 25. In 1986, 24.4 percent of the D.C. residents obtaining abortions in the District of Columbia were under 20 years of age and 53.9 percent were under age 25.

Approximately four-fifths (81.6 percent) of the women obtaining an abortion in D.C. were not currently married and two-thirds (68 percent) had never been married. In the NCHS report, 78 percent of the women were unmarried.

In D.C., 50.6 percent of the women obtaining abortions in 1986 reported they had not had a prior abortion while the NCHS report showed 60.5 percent of the women had no prior abortion. Almost one-fifth (19.0 percent) of the women receiving abortions in D.C. in 1986 reported having had two or more previous abortions. The percentage of women reporting one or more previous abortions decreased in the District of Columbia in 1986 after increasing steadily for many years as shown below:

Year:	*Percent reporting previous abortions*
1986	49
1985	54
1984	48
1983	47
1982	44
1981	38
1980	32
1974	21

Most of the women receiving an abortion in D.C. (97.4 percent) were outpatients and suction curettage was the primary method of abortion in 97.1 percent of the cases.

60.7 percent of the D.C. abortions were under 9 weeks gestation and 92.2 percent were less than 13 weeks gestation. The NCHS report shows 48.7 percent under 9 weeks and 90.1 percent less than 13 weeks gestation.

Less than 1 percent of the abortions had complications both in D.C. in 1986 and in the NCHS report. Only 27 women (0.2 percent) receiving abortions in the District of Columbia in 1986 were reported to have been hospitalized due to complications resulting from their abortions.

The voluntary system of reporting abortions results in incomplete reporting and therefore incomplete statistics. DHS is recommending mandatory reporting of all pregnancy terminations. More than two-thirds of the states currently require the reporting of abortions.

DHS is absolutely committed to the principles of confidentiality and protecting each individual's right to privacy. It is recommended that the National Center for Health Statistics' U.S. Standard Report of Induced Termination of Pregnancy be utilized to collect abortion data in the District of Columbia. This report does not require the reporting of patients' names or any other information which would threaten their privacy. Mandatory reporting of pregnancy terminations will enable DHS to better inform the public on trends in births and abortions and will improve the department's ability to plan the delivery of health and family planning services.

TABLE 1.—INDUCED ABORTIONS: TOTAL AND D.C. RESIDENTS, 1973–86

Year	Abortions	
	Total	D.C residents
1986	19,942	9,517
1985	19,541	8,627
1984	23,132	11,266
1983	22,867	11,775
1982	24,207	12,350
1981	25,952	13,014
1980	27,183	13,809
1979	28,694	13,611
1978	29,786	13,350
1977	29,545	12,718
1976	31,407	12,954
1975	31,519	13,621
1974	33,010	12,080
1973	40,812	10,019

TABLE 2.—ABORTIONS BY RESIDENCE, 1986

Residence	Number	Percent
Total	[1]18,927	100.0
District of Columbia	9,517	50.3
Maryland	6,532	34.5
Virginia	2,537	13.4
Other	341	1.8

[1] Does not include 1,015 abortions with unstated residence.

TABLE 3.—ABORTIONS BY AGE AND RESIDENCE, 1986

Age (in years)	Total	District of Columbia	Maryland	Virginia	Other States	Not stated
Total	19,942	9,517	6,532	2,537	341	1,015
Under 15	284	173	91	11	8	1
15 to 19	3,959	1,967	1,320	581	87	4
20 to 24	5,534	2,585	2,028	794	118	9
25 to 29	4,511	2,335	1,545	565	64	2
30 to 34	2,358	1,106	872	339	38	3
35 to 39	1,109	500	437	165	7	
40 to 44	199	89	76	29	5	
45 and over	13	8	4	1		
Not stated	1,975	754	159	52	14	996

TABLE 4.—ABORTIONS BY MARITAL STATUS, 1986

Marital status	Number	Percent
Total	[1]17,542	100.0
Never married	11,932	68.0
Currently married	3,230	18.4
Divorced	1,155	6.6
Separated	1,142	6.5

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[1] In these computations 1985 and 1986 "not stated" cases were distributed according to the proportion of reported residence.

[2] National Center for Health Statistics: *Induced Terminations of Pregnancy: Reporting States, 1982 and 1983.* Monthly Vital Statistics Report, Volume 35, No. 3, Supplement, July 14, 1986.

TABLE 4.—ABORTIONS BY MARITAL STATUS, 1986—Continued

Marital status	Number	Percent
Widowed	83	0.5

[1] Does not include 2,400 abortions with unstated marital status.

TABLE 5.—ABORTIONS BY RACE, 1986

Race	Number	Percent
Total	[1]18,044	100.0
Black	11,298	62.6
White	4,868	27.0
Other	1,878	10.4

[1] Does not include 1,898 abortions with unstated race.

TABLE 6.—ABORTIONS BY NUMBER OF PREVIOUS ABORTIONS, 1986

Previous abortions	Number	Percent
Total	[1]17,039	100.0
None	8,620	50.6
One	5,182	30.4
Two	2,256	13.2
Three or more	981	5.8

[1] Does not include 2,903 abortions with unstated number of previous abortions.

TABLE 7.—ABORTIONS BY TYPE OF PATIENT, 1986

Type	Number	Percent
Total	[1]18,949	100.0
Inpatient	494	2.6
Outpatient	18,455	97.4

[1] Does not include 993 abortions with unstated type of patient.

TABLE 8.—ABORTIONS BY PRIMARY METHOD, 1986

Primary Method	Number	Percent
Total	[1]18,454	100.0
Suction curettage	17,925	97.1
Sharp curettage	423	2.3
Saline injection	84	0.5
Other methods	22	0.1

[1] Does not include 1,488 abortions with unstated primary method of abortion.

TABLE 9.—ABORTIONS BY LENGTH OF GESTATION, 1986

Gestation (in weeks)	Number	Percent
Total	[1]18,320	100.0
Under 9	11,128	60.7
9 to 10	4,129	22.5
11 to 12	1,653	9.0
13 to 15	910	5.0
16 to 19	472	2.6
20 or more	28	0.2

[1] Does not include 1,622 abortions with unstated length of gestation.

TABLE 10.—ABORTIONS BY COMPLICATIONS, 1986

Complications	Number	Percent
Total	[1]16,184	100.0
Total complications	127	0.8
Resulting in hospitalization	27	0.2
Resulting in death		
Other	100	0.6
No complications	16,057	99.2

[1] Does not include 3,758 abortions where complications were not stated.

TABLE 11.—ABORTIONS BY MONTH, 1986

Month	Number	Percent
Total	[1]19,075	100.0
January	1,663	8.7
February	1,586	8.3
March	1,718	9.0
April	1,691	8.9
May	1,704	8.9
June	1,559	8.2
July	1,723	9.0
August	1,588	8.3
September	1,463	7.7
October	1,563	8.2
November	1,396	7.3
December	1,421	7.5

[1] Does not include 867 abortions performed at one hospital in the District of Columbia in 1986. This hospital did not provide data on the number of abortions performed by month.

Prepared by: D.C. Department of Human Services, Office of Policy and Planning, Research and Statistics Division, 425 I Street N.W., Washington, D.C. 20001 (202) 727-0682

The Department of Human Services does not discriminate on the basis of race, color, religion, national origin, sex, age, marital status, personal appearance, sexual orientation, family responsibilities, physical handicap, matriculation or political affiliation.

Mr. HARKIN. Mr. President, I just want to make sure what amendment this is. Is this the reporting amendment?

Mr. HUMPHREY. That is correct.

Mr. HARKIN. This is the amendment that we worked out the agreement on?

Mr. HUMPHREY. That is correct.

Mr. HARKIN. I just want to make one short statement on this.

In accepting this amendment, I want to clarify that the amendment would guarantee the confidentiality of both patients and providers, would not require reports to Congress, would collect only the type of statistical information that is currently useful to the National Center for Health Statistics and that whatever information is collected would be used solely for statistical and medical research purposes. Moreover, I also want to point out that this amendment does not signal the beginning of wholesale congressional involvement in or regulation of the provision of abortion services in the District of Columbia.

The PRESIDING OFFICER. Has the Senator from Iowa concluded?

The Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, both the design and intent are consistent with the stipulation of the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I compliment my friend and colleague from New Hampshire for this amendment.

The PRESIDING OFFICER. Is there any further debate on this amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2540) was agreed to.

Mr. NICKLES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HARKIN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. NICKLES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ARMSTRONG. Mr. President, when a homosexual group asks a Catholic university to provide the homosexuals with university recognition, support, and facilities, it was not a surprise when the university turned down the request. In fact, for the university to do otherwise would have violated the very traditions and values which led to the establishment and operation of the university in the first place.

Indeed, to grant such a request would have been contrary to the deepest and most strongly felt, most ancient and honored traditions which motivated the foundation of the university in the first place.

It is important to keep that in perspective because, like everything else, there are different kinds of universities. There are some which simply arrive out of a desire to provide education. There are others, and the university to which I refer is one of them, which arise, which are motivated by, which are founded because of, which continue in existence because of and with the support of a church or other religious organization motivated by the love of Christ, motivated by a deeply felt, a deeply maintained, strongly supported sense of religious conviction.

Under the circumstance, it is just no surprise that when approached, university officials said to the homosexual group in question, no recognition, no approval, no money, no support; not for an organization which the Church regards as sinful. There is no surprise in any of this.

Nor, Mr. President, should we be too surprised, given the way things go these days, when the group in question went to court. What is surprising, indeed what many legal scholars and others find most perplexing, is the outcome; a major setback for the cause of religious liberty and academic freedom.

I refer to a case which was written about, following a decision of the D.C. court, in the Rocky Mountain News in these terms. The News asked this question:

> Can the Government force a religious organization to subsidize practices contrary to its fundamental beliefs? In most of the country, no; in Washington, DC, yes.
>
> The District of Columbia's highest court has upheld a local statute that requires Georgetown University, a Catholic institution, to provide the same "tangible benefits"

> to organizations of homosexual students as to other student groups.
>
> The ruling will require Georgetown to give homosexual groups equal treatment when they apply for free mailing services and cash grants from the university's treasury. That treasury, of course, comes largely from students, alumni, and others who believe that homosexual practices are morally wrong and would not have their money support them.
>
> Freedom of speech is not at issue: The homosexuals are already allowed to disseminate their beliefs and even to use the university's meeting rooms. But they insist that those who disagree with those beliefs must not merely tolerate them, but help spread them. It is as if a racist group were to demand subsidies from the NAACP.

The Rocky Mountain News concludes, correctly in my opinion:

> This ruling allows one well-organized pressure group to pulverize the first amendment's guarantees of religious freedom. That freedom has to include the right not to support, financially or otherwise, those groups whose views and practices are held to be morally repugnant.

Mr. President, it is that situation which arose unexpectedly that prompts an amendment which I will soon offer. Today in the Nation's Capital, a university which, in the language of the court, has invariably defined itself as a Roman Catholic institution cannot deny its funds, services, or facilities to homosexual student groups even though the Roman Catholic Church, rightly or wrongly, regards homosexual acts as sinful, and Georgetown University regarded the activities of the student groups as inappropriate for a Catholic institution.

The act that was used to compel Georgetown's compliance is the District's Human Rights Act, which provides in pertinent part:

> It is an unlawful, discriminatory practice . . . for an education institution to deny, restrict, or to abridge or condition the use of, or access to, any of its facilities and services to any person otherwise qualified, wholly or partially, for a discriminatory reason, based upon the . . . sexual orientation . . . of any individual . . . .

Mr. President, there is a higher law at stake here, and that is the first amendment of the Constitution which, as we all recall, points out that "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof."

It is very plain to me, as it is to the Rocky Mountain News and to many other editorial writers, scholars, and thoughtful persons of every persuasion around the country, that what was compelled of Georgetown in the District of Columbia is unconstitutional. I have no doubt that at some point in time it may be struck down by the Supreme Court or another court.

In the meantime, pending that outcome, it is for the Senate to decide the legislative policy. It is well-known and well-established principle that Congress retains the constitutional power to exercise legislation in the District of Columbia. I do not think this Congress is prepared to stand by while the District of Columbia City Council compels a Catholic university to use its funds, services, and facilities for a student organization that is at odds with, that is contrary to, whose very existence is contrary to the reason that the school was founded and the reason for which it continues in operation.

I will just note in passing, not to dwell on it, that article I, section 8, clause 17, of the Constitution reserves to the Congress the exclusive right to legislate for the District of Columbia. Congress in turn has delegated that power, in part, to the District of Columbia Council and mayor, but Congress retain its full authority, not only under the Constitution, but, indeed, under the Home Rule Act, to implement or change legislation for the District of Columbia.

It is well to remember that in the Home Rule Act itself, Congress unequivocally restated that power. Not that we needed to do so because that is clear from the Constitution, but in the very act of granting home rule to the District of Columbia, Congress enacted the following:

> Notwithstanding any other provision of this Act, the Congress of the United States reserves the right, at any time, to exercise its constitutional authority as legislature for the District, by enacting legislation for the District on any subject, whether within or without the scope of legislative power granted to the Council by this Act, including legislation to amend or repeal any law in force in the District prior to or after enactment of this Act and any act passed by the Council.

In other words, it is our fundamental right as a matter of law, and it is my conclusion therefore, that it is a matter of duty, for us on extraordinary occasions to intervene even though it is our presumption that we favor home rule. I believe, Mr. President, that when the Council goes so far as to adopt a flagrantly unfair, flagrantly unconstitutional provision such as this, the Senate has little choice but to act.

Mr. President, here are the facts which bring this into perspective: The Georgetown case began 8 years ago, and it has, I would note, consumed literally thousands of hours and hundreds of thousands of dollars. Last fall in the case of the Gay Rights Coalition of Georgetown University Law Center versus Georgetown University, the District of Columbia Court of Appeals held that the university did not have to grant university recognition to homosexual students, did not have to grant what they termed "UR," university recognition, but they had to give everything else. The court summarized its opinion in this way:

> The Human Rights Act—

referring, of course, to the District of Columbia Human Rights Act—and I stress that what we are talking about here and the matter to which my amendment is directed is an act of the D.C. City Council, not any statutory enactment of the United States——

> The Human Rights Act does not require a grant of university recognition because in the particular scheme at Georgetown University that status includes a religiously-based endorsement of the recipient student group. But the Human Rights Act does demand that Georgetown make its facilities and services equally available without regard to sexual orientation. Those facilities and services include tangible benefits that come with university recognition.

Mr. President, since its founding in 1789, Georgetown University has been a Catholic university. All of its presidents have been Roman Catholic clergymen. Some of the opening words from its undergraduate bulletin are as follows:

> Georgetown is committed to a view of reality which reflects Catholic and Jesuit influences. As an institution that is Catholic, Georgetown believes that all men are sons of God called to a life of oneness with him now and in eternity.

Mr. President, let me digress for a moment to point out I am not a Catholic. The university is a Catholic university. It has its roots and traditions not only in the Catholic Church but in the Jesuit order. It seems to me particularly appropriate and fitting that someone who is not a Catholic should arise to defend the rights of this church to the free practice of its religious beliefs, which at least in some part, though not in this particular, are different than my own.

Religious belief, I should also point out, is not relevant to admission at Georgetown, although undergraduate students at that university are required to take two courses in the theology department. Faculty members need not be Roman Catholic.

Now, it is the position of the university and the Roman Catholic Church on the question of homosexuality and recognizing the homosexual student groups is captured in the following statements. Each is taken from the opinion of the District of Columbia Court of Appeals. First, may I quote Father Timothy S. Healy, president of Georgetown University, who said that based upon his understanding of student groups:

> The University's official recognition and endorsement of these organizations would be contrary to and in conflict with the traditional and consistent teachings of the Roman Catholic Church on the question of human sexuality. Organizations such as those at issue, which are based on a view of human nature which emphasizes the sexual aspects of human nature as dominant to the exclusion of other values, and which encourage and foster homosexuality are totally incompatible with the teachings of the Roman Catholic Church on human sexuality, teachings which are central to the belief of Roman Catholics.

Now, President Healy continued:

> The statement that stopped me most was the homosexual student group's stated commitment to "the development of responsible sexual ethics consonant with one's personal beliefs."

Under Roman Catholic doctrine sexual ethics are not a question of personal belief.

> The university cannot make that statement about any area of front line morality without insisting upon the objectivity of moral fact and that it is not left strictly to individual determination within any context which can be reasonably read as Catholic.

Rev. Richard J. McCormick, Georgetown's theological expert, testified to the same effect. He said that a Roman Catholic university "has a duty to act in a way consistent with—Roman Catholic—teachings and not to undermine them in its public policies." Therefore, he said, "In its public policies and public acts," the university "ought not to adopt a public policy of explicit endorsement or implicit endorsement" of, for example, abortion, premarital intercourse, or homosexual conduct. Georgetown should not "in its public actions, policies, decisions, take a position that would equivalently establish another normative lifestyle as equally valid with the one that is taught by the Church.

Father Healy said the "moral norms" of the Church:

> would be more binding on institutions which have to act publicly and where there is an added moral consideration of leading others astray or giving scandal in the technical sense of the word so that the binding authority of Roman Catholic teaching on an institution would at least in that dimension be greater than it would on an individual.

Now, Mr. President, in spite of the positions of the Roman Catholic Church and the university, Georgetown is now required to provide benefits to these student organizations. I think it is worth noting that prior to this enforcement, homosexual groups on campus already had the right to use university facilities. They already had the right to apply for lecture fund privileges, the right to receive financial counseling from the Student Activities Commission Comptroller, the right to use campus advertising, and to petition to receive assistance from student government. But the homosexual groups were not satisfied. They wanted to receive what Georgetown calls "university recognition." "University recognition" entitles a group to four additional benefits; namely, the use of a mailbox in the Student Activities Commission office, and to request one at Hoya Station. Second, the use of a computer label service. Third, the use of mailing services, and fourth, to apply for funding.

Georgetown, as I have already explained, properly refused to grant "university recognition." Now, as I mentioned at the outset, the court did not order Georgetown to grant what it termed UR, university recognition. It said, correctly in my view, that this would have impermissibly required Georgetown to approve or endorse those views which in fact it opposes. But although the university was not compelled to give its stamp of approval, it was required to give these student groups every tangible benefit that comes with "university recognition."

Let me again quote from the opinion of the university:

> The Human Rights Act does not require a grant of "university recognition" because, in the particular scheme at Georgetown University, that status includes a religiously based "endorsement" of the recipient student group. But the Human Rights Act does require that Georgetown make its "facilities and services" equally available without regard to sexual orientation. Those "facilities and services" include the tangible benefits that come with "university recognition."

The consent order between Georgetown University and the student groups requires that Georgetown "shall provide the plaintiff organizations—that is to say, the homosexual groups—with equal access to the tangible benefits now made available by the university to other student organizations.

In short, Mr. President, the court did not require that Georgetown University say that homosexual organizations at the school have the status of university recognition but did compel the school to treat them as if they had that recognition. All tangible benefits that are available to any other student group must now be granted to homosexual student groups. They get the money, the facilities, the services. All they do not get is the UR, university recognition.

Mr. President, the issue here is not whether you think such a student group should in fact have such facilities. as I pointed out earlier, this group, the group that was the plaintiff, already had access to the public forums of Georgetown University, to its meeting rooms and many other facilities. The question is whether or not this university, which for hundreds of years has been rooted in an historic religious faith, should be required to provide facilities and services to pay the light bills for, even perhaps to provide funding for, a group which is anathema to its stated purpose.

I think that is a pretty clearcut issue, Mr. President. It is for that reason that I will shortly send an amendment to the desk.

Congress is the ultimate authority for the District of Columbia. Current law commands a religious affiliated school to recognize these groups. The amendment which I will seek to offer simply overturns that. I trust this will be to the liking of a majority of my colleagues.

Mr. President, my initial thought was to offer an amendment which would broadly say that it would not be unlawful under the D.C. code for any educational institution affiliated with a religious organization or closely associated with the tenets of a religious organization to deny, restrict, abridge or condition the use of any fund, service, facility or benefit for the granting of any endorsement, approval, or recognition to any persons which are organized for, or engaged in, promoting, encouraging, or condoning any act, lifestyle, orientation, or belief that is contrary to or inconsistent with the doctrine, tenets, or precepts of a religious organization.

Upon reflection I have decided to offer a more narrowly defined amendment. I believe the amendment I had in mind originally, which I discussed with a number of Members, was a proper one. I believe it is the correct policy for the District of Columbia, and in fact I think it is really the first amendment of the Constitution, but it occurs to me that were I to offer such an amendment it would be somewhat more broad than is actually necessary to address the specific problem that has arisen in the District of Columbia.

So I am going to yield the floor now. I think in a moment a member of my staff will be here with a more narrowly-drawn amendment which at least I want to look at as a possible alternative to my original thought.

The reason I do so is this: I anticipate that whatever amendment I offer somebody is going to stand up and say, well, home rule is the big issue here. I do not think home rule is the issue. We quite regularly make decisions which are contrary to our general presumption in favor of home rule. In fact, I believe that we have just agreed to do so a moment ago with respect to residency.

Mr. HARKIN. If I might interrupt the Senator——

Mr. ARMSTRONG. Perhaps I could have a brief time to sum up and I would be happy to yield or yield the floor.

Mr. HARKIN. I want to ask a question about the procedure of time.

Mr. ARMSTRONG. Give me perhaps a minute more and then I would be happy to coordinate the schedule.

I anticipate when the amendment is offered the home rule strawman will be erected but clearly that is not a determinative—well, it is dispositive of the issue because just a moment ago or half-hour ago the Senate adopted an amendment which is in effect legislation in the District of Columbia having to do with residency. Nonetheless, it seems to me on an issue where we have a sensitive matter, a first amendment matter, a religious liberty matter, an academic freedom issue, that there is a lot to be said for being as precise as we can.

I would personally not be uncomfortable just to say if a group seeks facilities or funding or rooms or whatever from a university or a church, and the group's purpose, aims, and goals are contrary to the legitimate tenets of that religion that they should not be forced to provide money or services.

I think I will offer instead an amendment more narrowly focused specifically on the question which has arisen which is homosexual groups. So that will be my proposal I believe. And I will firm that up within a very few minutes when I have had a chance to review the latest draft of the amendment.

Mr. President, I am now prepared to consult with the manager of the bill about the schedule. As far as I am concerned this need not take long. There is no reason to drag it out. I think the issue is pretty clear and it would be my hope that it would be acceptable perhaps to all Senators or certainly to the vast majority of Senators.

Mr. HARKIN. If the Senator will yield for a question without losing his rights to the floor, I would like to inquire of the Senator how soon he might lay down the amendment and how much longer he would take.

It appears that there will be probably two votes on this bill. I do not know whether we will have a vote on final passage or not. Certainly this Senator would not insist on it. I assume that the Senator from Colorado would want to take his amendment to a vote. So again I would just alert other Senators that we have at least one vote pending, and probably maybe two votes pending.

This is the last amendment under the unanimous-consent agreement that will be allowed on this bill. So no other amendments will be allowed on this bill.

Mr. ARMSTRONG. Mr. President, would the Senator yield on that point?

Mr. HARKIN. Yes.

Mr. ARMSTRONG. I am not aware of such a unanimous-consent agreement. Could I know the nature of the UC that has been entered into?

Mr. HARKIN. Last evening a unanimous-consent agreement was entered into by the distinguished majority leader that limited the number of amendments to those enumerated at that point by the majority leader, but there were no time agreements entered into. But there was a unanimous consent on the number of amendments. The amendment of the Senator from Colorado was included in that unanimous consent.

Mr. ARMSTRONG. Mr. President, I do not want to quibble about it. That was not exactly my understanding. It may not make any difference. Let me note in passing that was not exactly the way I understood what was agreed to. But unless an issue arises, I will not quibble about it. I thought the subject matter was limited, but not to a specific amendment.

Mr. HARKIN. It was not a specific amendment. There was an amendment to be offered by the Senator from Colorado.

Mr. ARMSTRONG. Or "amendments." I do not think a unanimous-consent agreement was entered into that would limit the number of amendments.

Mr. HARKIN. Oh, yes. The Senator from Colorado's amendment or any amendment thereto. The second-degree amendments are in order on that amendment.

Mr. ARMSTRONG. Mr. President, as long as we are pinning that down, I do not think an issue of that nature will arise, but could the Chair point out where that appears? I am looking through the list of unanimous consents in the calendar. I have not come across it yet.

The PRESIDING OFFICER. The agreement the Senator is alluding to is not reproduced on the calendar.

Mr. ARMSTRONG. I beg the Chair's pardon.

The PRESIDING OFFICER. The agreement alluded to by the Senator from Colorado is not reproduced on the calendar.

Mr. ARMSTRONG. Rather than drag it out, let us assume it is not going to be a problem. But if it is, we will see what happens.

Mr. HARKIN. I do not think it will be a problem. Again I want to know about time. About how much time are we looking at here?

Mr. ARMSTRONG. Mr. President, I do not think very long. Let me suggest we proceed in the following manner. Why do I not send the amendment to the desk now? The reason I intend to be a little flexible as to whether I may offer more than one amendment is I want to be sure everybody has their say on this issue. So a premature tabling motion or something of that kind would prompt me to offer additional amendments. Assuming nothing like that occurs, I will send the amendment to the desk and let everybody have their say. I do not think it will take much longer to dispose of the issue.

Mr. HARKIN. It is this Senator's intention to move to table, but not certainly to cut off anybody's debate on that at all. I certainly do not want to do that. At some point, I will move to table.

Mr. ARMSTRONG. Mr. President, staff advises me that in some informal consultation with the Parliamentarian there is a notion that if I send an amendment to the desk it would not then be subject to modification or that additional amendments that I might wish to send would not be in order.

I would like to clarify that is not the case. That is not my recollection or understanding of the consent agreement. I do not have any reason to wish to modify this after I send it. But neither am I comfortable to be in the position of having such a restriction.

The PRESIDING OFFICER. The Senator has a right to offer a second-degree amendment to his own first-degree amendment.

Mr. ARMSTRONG. Or to offer additional amendments on this subject?

The PRESIDING OFFICER. Not additional first-degree amendments.

Mr. ARMSTRONG. Mr. President, I will review the RECORD of last night's proceedings. I was on the floor when this matter was under discussion. I had advised the leadership on our side of my wish to be protected, and I thought it was perfectly plain to everyone involved that while I do not intend necessarily to offer multiple amendments on this subject that I wished to be protected in my right to do so. I will be greatly disappointed if that becomes necessary. I shall be even more disappointed if I am precluded from doing so by unanimous-consent agreement. But particularly in the light of what happened on the Warner-Trible amendment and some other amendments around here, I do not want to get boxed into a situation where my right to perfect an amendment and to have it offered in a form in which I wish to offer it is circumscribed. I am not playing games, but neither am I willing to be the victim of some arbitrary parliamentary procedure.

I assure the manager that I do not want to delay but want to expedite the proceeding.

I yield the floor.

Mr. HARKIN. Mr. President, there is no amendment at the desk?

The PRESIDING OFFICER. The amendment has not been sent to the desk.

Mr. SIMON. Mr. President, while there is no amendment pending, let me address in general the earlier amendment offered by the Senator from Colorado.

I think the principles are fairly clear. Frankly, I do not know the details of the case of Georgetown University that he talks about. I have great respect for Georgetown. In a moment of generosity some years ago, they gave me an honorary doctorate, and it is a fine school. My daughter went to Georgetown University Law School.

I think there are two questions at issue here, however. One is the home rule question. Meaning no disrespect to the Senator from Iowa [Mr. HARKIN] or those involved in working out that residency compromise, if that had come to a vote, I would have voted against it. I think we have to let the

District of Columbia and Chicago and Denver and Des Moines and every other city in this Nation run their own business. Every time we become enmeshed in trying to run the city here, we do not act as we should.

There is a second question, and I do not have the second amendment here. But we ought to be very careful when we get into first amendment areas in this body. My friend from Colorado said he is confident that the courts ultimately will reverse that lower court decision. Let us let the courts decide this issue. Let us not get ourselves enmeshed in this.

The original amendment is so broad and sweeping that, frankly, it would reverse the Bob Jones University decision, and I know that is not the aim of my colleague from Colorado. I think that, in general, we have to be very careful when we get into these first amendment areas; and, in general, we are wise to let the courts decide. We do not have the ability to move in and deal deftly. We deal with a sledgehammer and an ax. The courts can deal with a scalpel, and that is the much preferred course. I say this without having the second amendment that my friend from Colorado has.

Mr. ARMSTRONG. Mr. President, if the Senator will yield, I would like to send him a copy of the amendment, which is changed in some measure. I think the staff is delivering a copy of it right now.

I point out to the Senator that he is mistaken in two points he has raised about the original. This is not like the Bob Jones case. The amendment I propose requires an amendment to the D.C. Code. It does not touch any constitutional or Federal statutory enactment. Of course, it was Federal statute and U.S. Constitution that were applicable to the Bob Jones case.

Neither my original amendment nor my latest version of the amendment relates to this at all. Anything to do with Federal civil rights acts is untouched by this. Anything to do with equal opportunity acts and anything to do with laws of general applicability throughout the Nation would not be affected by this matter.

Second, I believe that the Senator may have misunderstood somewhat my observation about the probable outcome in court. Let me elaborate.

While I believe that the D.C. ordinance is unconstitutional, I did not say I was confident that the court would overturn this enactment, but that it may do so. That is a crucial distinction. The reason why I say it may never do so is that it may never go further.

Already, a second university in the District of Columbia is being asked to capitulate; and as it considers whether or not it also will give in to a demand for facilities from a group which it abhors, it is conscious of the fact that Georgetown has spent hundreds of thousands of dollars and experienced a process of bitter divisiveness, lasting over 8 years, on this subject.

The injustice may be perpetuated because the hurdles are so high and the costs are so great to set the matter right. We can set the matter right here today, but for the university to do so might require millions of dollars and many years of effort.

Mr. SIMON. I think that, in general, we are better off letting the courts make these determinations.

I have not had a chance to read the Senator's second amendment; but there is no question that if Bob Jones University had been in the District of Columbia, the first amendment would have reversed the Bob Jones decision if the court would have upheld it.

Mr. ARMSTRONG. Mr. President, the Senator is correct in saying that I have no intention of getting into the Bob Jones controversy. But I point out that that case was not brought under a D.C. ordinance. If Bob Jones University had been situated in the District of Columbia, it still would not have been brought under the D.C. city ordinance, or it would not have to, because the same laws which are of general applicability to South Carolina, Illinois, or Colorado apply to the District of Columbia.

What we are talking about here is a particular ordinance which applies nowhere else, but if it did, it would be equally offensive.

If the Senator believes in some way that we would be dealing with the Bob Jones case or the Grove City case or something else, I wish he would explain it further. Those are governed by Federal statute.

Mr. SIMON. I understand.

My point is simply that had the Senator's original amendment applied here—and I recognize fully that that is not the intent in general—but had it applied and had the courts ruled that that was applicable, the Bob Jones case would have been reversed.

However, I get back to my original premise, and that is that this body gets into this in gun control and abortion and residency requirements for police officers. We ought to let the District of Columbia run its own business. We do not do this for the city of Chicago. I see my distinguished colleague, Senator DIXON, presiding. We do not do this for Des Moines. We do not do this for Denver, CO. We ought to let the District of Columbia run its own government, period. That is really very fundamental.

I yield back my time, Mr. President.

The PRESIDING OFFICER. The Senator from Illinois yields the floor.

The Senator from Colorado.

Mr. ARMSTRONG. Mr. President, I hope the Senator from Illinois will not leave the floor, but he yielded the floor, because whether the Senator ultimately decides to support my amendment or not, and I hope he will, it would be important I think for us to have a meeting of the mind on the Bob Jones case.

Let me just dredge up, and I have to do so from memory, because I have not researched it recently, but I think I have in mind what the facts are. In the Bob Jones case the issue, as I recall it, was whether or not Bob Jones University was entitled to certain preferences under the Internal Revenue Code, and the university, as I recall it, raised a first amendment defense which in the final analysis I think was not successful

This is the part I want to be clear with the Senator on for a lot of reasons, not just because it is important that the legislative record be clear, but that I want the air to be clear between us: my amendment does not touch the Internal Revenue Code. It does not touch any Federal statute other than this appropriation bill which is before us. So every protection of civil rights acts, revenue code, minimum wage laws, OSHA, EPA, whatever it might be which now exists or which might in the future exist in Federal or State law or in the U.S. Constitution or the constitution of any State would be completely and wholly unaffected by my amendment. My amendment would have nothing to do with either of those things.

Second, and this brings me to the reason that the amendment which I am going to send to the desk in just a moment was redrafted in order to narrow its focus, the specific issue which is addressed here is sexual orientation, which is not now and so far as I know has never been a protected category under U.S. civil rights law. In general, the Federal law is that you cannot discriminate in housing, employment, advancement, and so on, on the grounds of religion, race, sex, so on and so on. There is an enumerated list. But sexual orientation, that is to say, homosexuality or heterosexuality, has never been a protected category so far as I am aware. That is important to keep in mind because that is a controversial issue.

There are some people, perhaps some in this Chamber, who like to add that to the list of protected categories and at some point we may debate that issue, but it has never been in the past.

So in drawing my amendment as I have it seems to me that we have completely dismissed that particular area of potential controversy.

AMENDMENT NO. 2541

(Purpose: To help secure religious liberty and academic freedom within the District of Columbia)

Mr. ARMSTRONG. Mr. President, with that word of explanation, I do send the amendment to the desk. It is brief and therefore I would ask that the clerk read it in full so that those Senators who may be following this debate in their office will understand what it is about.

The PRESIDING OFFICER. The clerk will read the amendment.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. ARMSTRONG] proposes an amendment numbered 2541.

At the appropriate place in the act, insert the following:

"NATION'S CAPITAL RELIGIOUS LIBERTY AND ACADEMIC FREEDOM ACT

"SEC. . (a) This section may be cited as the "Nation's Capital Religious Liberty and Academic Freedom Act".

"(b) None of the funds appropriated by this Act shall be obligated or expended after December 31, 1988, if on that date the District of Columbia has not adopted subsection (c) of this section.

"(c) Section 1-2520 of the District of Columbia Code (1981 edition) is amended by adding after subsection (2) the following new subsection:

"'(3) Notwithstanding any other provision of the laws of the District of Columbia, it shall not be an unlawful discriminatory practice in the District of Columbia for any educational institution that is affiliated with a religious organization or closely associated with the tenets of a religious organization to deny, restrict, abridge, or condition—

(A) the use of any fund, service, facility, or benefit; or

(B) the granting of any endorsement, approval, or recognition, to any person or persons that are organized for, or engaged in, promoting, encouraging, or condoning any homosexual act, lifestyle, orientation, or belief.'"

Mr. ARMSTRONG. Mr. President, what we have here is a very narrowly defined amendment. It would be proper to go much further, but it is prudent to narrow the focus to facts which are real and not theoretical, to abuses which have actually occurred, to a problem that has actually arisen and been unsatisfactorily resolved.

Mr. President, I want to have printed in the RECORD an article from the Washington Times, February 25, 1986, by Philip Gold who is a history teacher in Georgetown University, in which he tells some of the background of this matter and makes the point that this is the kind of an issue which should never have arisen in the first place and has prompted an article which as he put it "I never wanted to write."

I have already referred to and I will ask consent that we print the entire text of an editorial from the Rocky Mountain News in the RECORD under headline "Religious Freedom Violated in Ruling," and the News correctly sums up:

This ruling allows a well-organized pressure group to pulverize the first amendment's guarantees of religious freedom.

Also, Mr. President, an editorial from the Richmond Times-Dispatch which in part characterizes the decision which we are seeking to reverse as judicial activism at its worst throwing fundamental legal and constructional doctrines out the window in order to advance a gay rights revolution which the court apparently feels more important than the rules of law as well as constitutionally protected freedom of religion.

Also, Mr. President, an article by William F. Buckley, Jr., which appeared in the Lowell (Massachusetts) Sun on April 8, 1988. I want to read briefly from that article, although I do ask consent that it be printed in the RECORD entirely, because as one would expect, Mr. Buckley's summation of the issue is interesting, compelling, and articulate. Mr. Buckley writes:

And last week, Georgetown University, the oldest Jesuit college in America, capitulated on the lawsuit demanding that it make room within Georgetown for gay and lesbian student federations.

GEORGETOWN DEFEAT

One supposes that Georgetown's administrators would at this point interpose that they did not completely lose the fight. True, Georgetown has not been required by the courts to "recognize" the student homosexual groups. But it is required to give the groups facilities. And, it is conceded, the groups will draw their rations from student funds.

So far as one can discern, Georgetown's victory is limited to the asterisk it is permitted to use in its catalog of student activities after "Lesbian Liberation Front": not officially recognized by the university. To such farthings are the defendants today reduced, if the juggernaut running over them is labeled "civil rights."

Mr. President, I also ask unanimous consent to print in the RECORD an essay by Doug Bandow, senior policy consultant with the Cato Institute, published in the New York (City) Tribune on April 7, 1988. He points out:

Georgetown University takes its doctrine seriously and believes, as do all Bible-based Christian faiths, that homosexuality is wrong.

And he explains in very pertinent and cogent terms that the effect of these D.C. ordinances is to reverse all the Catholic interpretation of God's moral law.

And then the article of Cal Thomas, which appeared in the New York Daily News on December 1, 1987, about the decision in which he quite properly points out it is unappealing and has serious and far-reaching consequences.

Then, finally, Mr. President, I ask unanimous consent that we print in the RECORD from the Boston Pilot a column by Peter J. Ferrara and Joseph E. Broadus, who are distinguished fellows. Peter Ferrara is a distinguished fellow at the Heritage Foundation and a law professor, and also Joseph Broadus is professor at the George Mason School of Law in Virginia.

I do send all of these to the desk and ask unanimous consent they be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Times, Feb. 25, 1986]

GAY RIGHTS AND THE PUBLIC WORLD

(By Philip Gold)

This is a column I never wanted to write. The issue involved—homosexual "rights" at Georgetown University—is a matter perhaps best handled within the university community. As alumnus and faculty member, I would have preferred it that way.

But the issue has long been a matter of public record, and recent events have demonstrated once again the extent to which a university mirrors the larger society. And recent events have also convinced me that no one, on either side, seems willing or able to articulate one of the fundamental issues involved: an inability or unwillingness which also reflects a failure of society.

For years now, a group known as Gay People of Georgetown University has been active on campus. It is one of a number of student groups which, although not formally recognized by the university, are nonetheless permitted the use of university facilities on an *ad hoc* basis. Six years ago, GPGU sued the university under D.C. law in an effort to attain full recognition. The case has dragged on, holding up District financing for needed campus construction.

A few weeks ago, the university denied GPGU permission to hold a "gay dance" on campus, asserting that such an activity would violate both Catholic teaching and the university's Jesuit tradition. On-campus debate turned rather ugly, and a few days later, a homosexual activist unconnected with the university filed a discrimination complaint with the District government, demanding that the entire university be shut down. Said this person in a campus newspaper interview: "If the university persists in its bigotry, it will be a very costly bigotry."

To dispose of the obvious first:

Georgetown University admits homosexual students. It does not expel, suspend, or penalize them for their practices or advocacies. The university also admits Jews, Protestants, Muslims, and atheists, and asks not that they accept Catholicism, only that they respect it. Which means: to regard it with normal courtesy, and to do it no violence.

Further, Georgetown University—indeed, any university—is a voluntary association. No one is compelled to attend and, presumably, students selecting Georgetown are fully aware of its institutional position. (One cannot imagine a freshman at West Point discovering to his or her horror that the place is a *military* academy and then demanding fundamental changes in institutional outlook and policy.)

These three facts of homosexual admission, non-penalization, and requirement for tolerance of Catholic teaching would seem sufficient to dismiss charges of discrimination and bigotry. No one has any "right" to be a college student, just as no one has any "right" to serve in the military, and numerous judges have ruled that, in fundamental matters, the institution's requirements come first. Whether this will be the ultimate decision in the GPGU case remains to be seen.

But there is another, and perhaps greater, issue here—one which nobody seems willing to call by its proper name.

A university, like a society, is not simply a collection of atomistic individuals; it is more than a source of goodies, material or moral. A university, like a society, is, in large measure, a public world: a place of common goals and shared purposes. This public world requires the care of its members, even as they disagree on specific matters.

To our Founding Fathers, the quality of care was known as "civic virtue." To them, civic virtue meant more than sacrifice for the common good. It also entailed a quality known as prudence, the ability to apply general principles to specific cases. Without civic virtue, without prudential wisdom, there can be no stable public world—only an anarchy of competing claims and usurpations. And without a public world there can be no rights.

Georgetown University has demonstrated both civic virtue and prudential wisdom in its handling of GPGU. By allowing the group an *ad hoc* existence, it has acknowledged a campus and American reality, the homosexual movement, and permitted free speech and inquiry on campus. By refusing to recognize the group, and by banning the "gay dance," the university has met its commitment to other members of the university public world, including both the Catholic Church and those students and alumni who might find homosexuality abhorrent. But the university has grounded its refusal too narrowly; it has acted, not just in the Catholic tradition, but in accordance with the spirit of civic virtue and the requirements of prudential wisdom.

GPGU has shown neither civic virtue nor prudence. Its interests do not extend beyond itself, and it has repeatedly indicated its desire to harm the university in any manner available to it, whether lawsuit, publicity, or accusatorial rhetoric.

By casting the issue as entirely one of bigotry and "rights," it has claimed for itself a moral stature which it neither deserves nor has earned.

Whether homosexuality constitutes mortal sin, psychic or genetic disorder, or alternative lifestyle, is not for me to say. What consenting adults do in private is their own affair. But when groups such as GPGU attempt to reduce the public world we share to mere reflections of themselves, or mere sources of self-aggrandizement, then I must both object and deny the legitimacy of their participaton in the public world they value less highly than their whims.

[From the Denver (CO) Rocky Mt. News, Nov. 27, 1988]

Religious Freedom Violated in Ruling

Can the government force a religious organization to subsidize practices contrary to its fundamental beliefs? In most of the country, no; in Washington, D.C., yes.

The District of Columbia's highest court has upheld a local statute that requires Georgetown University, a Catholic institution, to provide the same "tangible benefits" to organizations of homosexual students as to other student groups.

The ruling will require Georgetown to give homosexual groups equal treatment when they apply for free mailing services and cash grants from the university's treasury. That treasury, of course, comes largely from students, alumni and others who believe that homosexual practices are morally wrong and would not have their money support them.

Freedom of speech is not at issue: The homosexuals are already allowed to disseminate their beliefs and even to use the university's meeting rooms. But they insist that those who disagree with those beliefs must not merely tolerate them, but help spread them. It is as if a racist group were to demand subsidies from the NAACP.

This ruling allows one well-organized pressure group to pulverize the First Amendment's guarantees of religious freedom. That freedom has to include the right not to support, financially or otherwise, those groups whose views and practices are held to be morally repugnant. Let us hope that courts in other jurisdictions will not emulate the D.C. ruling.

[From the Lowell (MA) Sun, Apr. 8, 1988]

Anything Goes If a "Civil Right"

(By William F. Buckley, Jr.)

When the civil rights bills were passed in the mid-'60s, their principal sponsor, Sen. Hubert Humphrey, promised in one melodramatic session that he would "physically eat" the bill he was promoting if ever anyone attempted to use his bill in order to prefer a member of one race at the expense of a member of another race.

Senator Humphrey died from other causes than the food poisoning to which he'd have been subjected after the Supreme Court OK'd affirmative action.

A fortnight ago we had the Civil Rights Restoration Act, which now extends to the federal government the right to inquire into the racial or sexual composition of a school's basketball team if its medical school is receiving federal subsidies. And last week, Georgetown University, the oldest Jesuit college in America, capitulated on the lawsuit demanding that it make room within Georgetown for gay and lesbian student federations.

GEORGETOWN DEFEAT

One supposes that Georgetown's administrators would at this point interpose that they did not completely lose the fight. True, Georgetown has not been required by the courts to "recognize" the student homosexual groups. But it is required to give the groups facilities. And, it is conceded, the groups will draw their rations from student funds.

So far as one can discern, Georgetown's victory is limited to the asterisk it is permitted to use in its catalog of student activities after "Lesbian Liberation Front"; not officially recognized by the university. To such farthings are the defendants today reduced, if the juggernaut running over them is labeled "civil rights."

In 1952 the Commission on Financing Higher Education of the Association of American Universities issued a warning against the dangers of accepting federal funds. "Under federal control, our hundreds of universities and colleges would follow the order of one central institution, and the freedom of higher education would be lost."

PROPHETS OF DOOM

Among the signers of that document were the presidents of Harvard, Johns Hopkins, Stanford and Brown. Those learned gentlemen would take from the situation today whatever satisfaction is desired by prophets of doom. But even so, it is hard to imagine that they'd have foreseen a day in which a federal court instructs a religious institution that it is required to countenance, let alone provide quarters for, groups engaged in promoting activity deemed not only wrong but sinful by the moral architects of that institution.

Those who stress (and restress) the separation of church and state are certainly narrowing the area within which the freedom of religious exercise is tolerated. Perhaps in the storm cellar.

Here is a scenario: A son sues his father for denying him facilities in the home in which to practice homosexuality with a neighbor's son. The ACLU defends the son's freedom on the grounds that the father's house is a beneficiary of a federally backed mortgage, and therefore the civil rights of all its occupants need to be observed.

Lunatic reasoning? Who, 10 years ago, would not have thought it lunatic reasoning that a religious institution dedicated to teaching, among other things, the moral law should be obliged to extend its hospitality to those who seek to flout such laws?

EXPANSIVE REASONING

I observed with fascination, only a week or so ago, the plausibility with which former Sen. George McGovern, as ever on the cutting edge of liberal reasoning, defended the recent civil rights extension. It sounds so reasonable to say that "the taxpayers" do not wish their money to be spent on "any institution" that permits the practice of discrimination.

Discrimination against race, ethnic background, sex and now sexual inclination.

One wonders—I brought this unsuccessfully to the attention of Mr. McGovern—what has happened to the concept of privacy?

Somebody, somewhere, somehow, has got to stop the civil rights thing. It is making a joke out of one after another of our Bill of Rights.

[From the Richmond Times-Dispatch, Mar. 15, 1988]

Group Rights Above All?

When Congress passed the misnamed Civil Rights Restoration Act the other day, conservatives complained that it could subject private institutions, including religious ones, to stringent federal regulation in the guise of protecting assorted groups from alleged discrimination. A recent decision by the District of Columbia Court of Appeals showed that on a local level, with sweeping anti-discrimination statutes and activist judges to interpret them, such an alarming outcome already is possible.

At issue was the application of the D.C. Human Rights Act to Georgetown University, a Roman Catholic institution. Georgetown had contended that as a religious entity it had a right to limit its recognition and support to those student organizations that it thought would help advance the Catholic faith. Other organizations, including the plaintiff Gay Rights Coalition, would be able to operate freely on campus, but without subsidy from the university.

The Coalition, however, won a verdict from the appellate court (after losing in trial court) to the effect that, by denying free support services to the homosexuals, Georgetown had discriminated against a group on the basis of "sexual orientation," a violation of the Human Rights Act. The court found the district administration's interest in eliminating discrimination against gays more compelling than preserving the unfettered practice of religion at Georgetown. While the gay-rights' group contention that sexual ethics are defined solely by individual preference is baldly contrary to

Catholic doctrine, a Catholic institution now has been ordered to dish out money to support that point of view.

Two professors at the public George Mason University School of Law on the Virginia side of the Potomac, Peter J. Ferrara and Joseph E. Broadus, succinctly characterized the D.C. decision as follows in an article for the Heritage Foundation:

"The Georgetown decision is judicial activism at its worst—throwing fundamental legal and constitutional doctrines out the window in order to advance a gay-rights revolution which the court apparently feels is more important than the rule of law, as well as constitutionally protected freedom of religion."

What is most chilling, however, is the realization how extensively fundamental freedoms in all of America could be eroded by a federal Civil Rights Restoration Act that treats all institutions and people as subject to federal anti-discrimination regulation if even the smallest amount of federal aid can be traced to their operations or activities. Not only churches and church schools but businesses of all sizes, farmers, private clubs and associations, and state and local governments could be adversely affected. The D.C. Human Rights Act shows in microcosm the kind of mischief that the new federal act would encourage. Congress acted ostensibly to overturn the Supreme Court's decision in the Grove City College case, but the legislation goes far beyond that purpose.

President Reagan may veto this threat to exalt group rights at the expense of fundamental American freedoms within the next day or two. For reasons to uphold the veto, members of Congress need not look far.

[From the NY City Tribune, Apr. 7, 1988]

"GAY RIGHTS" RULING PROVES THERE'S NO RIGHT TO BE CATHOLIC

(By Doug Bandow)

WASHINGTON.—There was a time when the First Amendment was thought to protect religion as well as speech. But government officials increasingly seem to think that it means protection from religion. At least, that's what the honorable citizens of our capital must believe.

The District of Columbia has long been noteworthy as the home of a parasitic federal bureaucracy, but the city government is not without its own accomplishments, including a particularly entertaining amalgam of venality and incompetence. And now D.C. can pride itself on forcing a Catholic institution to fund gay activist organizations.

In 1977 the district passed an ordinance forbidding discrimination on the basis of sexual orientation. Naturally no exemption was provided for religious institutions; in this city the government, not God, is considered to be the supreme arbiter of morality.

Located within the capital is Georgetown University, a Catholic school chartered directly by the Vatican. Georgetown takes its doctrine seriously and believes, as do all Bible-based Christian faiths, that homosexuality is wrong.

That doesn't make gays unique, of course: adultery, for instance, is also a sin. But there are as yet no adulterers' organizations demanding official recognition of their members' lifestyle.

There are gay groups, though, and they wanted Georgetown to provide them with office space, support services, funds and access to school facilities. The university, not surprisingly, said no. For to subsidize homosexual organizations would be to support an orientation that violated fundamental Catholics tenets.

So the students, with the support of the D.C. "Human Rights Office"—which believes in protecting everyone's human rights except those of traditional Catholics—sued. And last fall the district's Court of Appeals ruled that Georgetown, while it needn't technically "recognize" the gay groups, had to grant them the same "tangible benefits" that it provided other organizations.

Georgetown decided not to appeal, settling the case on March 29. The school won't have to host gay religious ceremonies or meetings with a largely non-university audience, but Georgetown will still be forced to subsidize gay groups: "We've gotten everything we were looking for" exulted Laura Foggan, an attorney for the plaintiffs.

Moreover, Georgetown agreed to pay its opponents legal fees, which are estimated to run between $600,000 and $900,000. It's bad enough that a religious school has to spend enormous sums of money to defend its right to follow church doctrine. But to require it to pay those who want to deprive it of its religious freedom is scandalous.

The point is, homosexuals have no right to force others to accept or support their lifestyle. Certainly government has no business discriminating against them: Anti-sodomy laws, for instance, are a vicious intrusion in the most intimate form of human conduct. And gays who pay taxes have as much right to government services and employment as anyone else.

But someone who decides to live openly as a homosexual should accept the disapproval of those around him. For many Americans still believe that there is a fundamental, unchangeable moral code by which men are to live.

Vindictive personal discrimination against gays, in contrast to disapproval of their conduct, is wrong and even un-Christian, since Jesus commanded his followers, who are sinners like everyone else, to love their neighbors but it is not a public matter. Using government to bludgeon homophobics into submission is even more intolerant than the original discrimination.

And gays certainly shouldn't expect to be subsidized by those who are offended by their lifestyle. Georgetown's homosexual students may reject biblical teachings, but no one forced them to go there. If they want to attend a university that recognizes their sexual preference, they should have enrolled somewhere else.

Indeed, to show up at a Catholic school and demand that it fund gay activist groups is, well, more than chutzpah. It is both selfish and spiteful, a calculated effort to trample someone else's fundamental beliefs for ideological purposes.

It's too bad that Georgetown decided not to appeal the case. For if the district can force the school to subsidize gay groups, what will be next? Office space for the campus atheists?

"We never intended to discriminate, or break the district law," says one Georgetown official. "We do reserve the right to be Catholic."

But the university's desires in that regard apparently don't matter. For the D.C. government believes that it, not God, is the city's highest moral authority.

[From the NY Daily News, Dec. 1, 1987]

VERY UNAPPEALING DECISION IN D.C. COURT

(By Cal Thomas)

A ruling by a District of Columbia appeals court has threatened an important provision of the First Amendment. The ruling says, Georgetown University, a Roman Catholic institution in Washington, must grant campus homosexual organizations the same access to its facilities and services as every other student group.

The court concluded that the "compelling governmental interest" to end discrimination on the basis of sexual preference superseded Georgetown's freedom-of-religion defense.

Though the 5-2 court majority said that Georgetown was not required to confer "official recognition" upon the homosexual groups, that is mere semantical hairsplitting. The organizations will have the same access to university benefits and services, including the ability to apply for school funds to subsidize their activities, as any other campus group.

The incredible nature of this ruling is compounded by the fact that the District of Columbia has yet to repeal its sodomy law. So how can it be a compelling governmental interest to promote a group in which many members presumably engage in an activity that is a felony in the District of Columbia?

Georgetown is part of a religious institution which teaches that homosexuality is a sin. Thus, the appeals court has managed to violate two laws simultaneously—those of church and of state.

The serious ramifications of this ruling remain to be observed.

What happens if the homosexual groups decide to exercise the right to sponsor a dance for gays and lesbians, as other campus groups do for heterosexual students?

Can the church hierarchy, under whose management Georgetown falls, tolerate such open displays of activity which its doctrines and creed condemn?

And don't expect this case to stop with Georgetown University. Homosexual groups are intent on going further.

Richard Goss, a lawyer for the plaintiffs in the Georgetown case, said the court decision could be a precedent-setting one for other local jurisdictions.

"There are literally hundreds of laws like the District's (Human Rights Act of 1977)," he said. "But there are no federal laws that make discrimination based on sexual preference illegal. Now, where those laws exist, I expect them to be enforced fully, pointing to this decision."

Rulings like this are the product of a flawed view of the law, originating in the so-called "right to privacy" decisions of recent courts. What has been overlooked is that, in order to have meaning, rights must have some reference point and a specific context.

The Founding Fathers discovered that context in the concept of endowment, rejecting the modern view that rights are conceived in the mind of man and can be whatever people want them to be at a given moment.

The effect of this ruling will be to force Georgetown University to subsidize, through the use of its facilities, services and even student activity fees, a pattern of behavior that the Catholic Church finds repugnant.

Not only does this compel Georgetown to violate its conscience, its doctrine and its reason for being, it reaffirms the court in its modern role as deity and brings to mind a political cartoon. In it, a man watching the news on television hears the newscaster say: "By a 5-4 vote, the Supreme Court today declared itself God."

[From The Boston Pilot, Mar. 11, 1988]

THE CHURCH AND GAY RIGHTS

(By Peter J. Ferrara and Joseph E. Broadus)

Freedom of religion, prominently protected in the Constitution's First Amendment, is certainly among America's most cherished values. Not according to the District of Columbia's highest court, however, which recently ruled (in Gay Rights Coalition v. Georgetown University) that "gay rights" can sometimes be more important than religious freedom.

Georgetown is a Roman Catholic university which, though heavily secular in its course of instruction, still takes seriously its original mission to advance the Catholic faith. Consequently, the school provides university recognition, support services, and funding only to organizations which the school believes help advance Catholic doctrine. Other organizations recognized by the student government can operate on campus, but without subsidies from the university. Most of Georgetown's student groups operate this way.

The case in question involves a gay-rights organization which applied for official university recognition and support. The school denied the application on the grounds that the organization's purpose and activities did not advance the Catholic religion. (The organization was, nonetheless, still free to operate on campus, under its student government charter, as it had for several years.)

The gay-rights group sued the university, claiming that the school's denial of its application for official support discriminated against group members on the basis of their "sexual orientation," in violation of the District of Columbia's Human Rights Act. Ruling in favor of Georgetown, a trial court held that requiring the Roman Catholic school to recognize and support the gay rights group would violate the U.S. Constitution's guarantee of freedom of religion.

The D.C. Court of Appeals reversed the decision, holding that the school's denial of support was based on discriminatory preconceptions about gays, in violation of the D.C. Human Rights Act. The court declared that homosexual orientation tells us nothing about a person's religious abilities or commitments. In other words, the court held that engaging in homosexual conduct has nothing to do with whether one is a good Catholic.

The court recognized that such mandated support would interfere with the university's religious practices. But the court rules that this restriction on freedom of religion is outweighed by the compelling government interest in eliminating discrimination against homosexuals. Consequently, the court held that the mandated support did not violate the Constitution.

The Georgetown decision is judicial activism at its worst—throwing fundamental legal and constitutional doctrines out the window in order to advance a gay-rights revolution which the court apparently feels is more important than the rule of law.

Whether homosexual conduct violates Catholic doctrine is for the Pope to decide, not the D.C. Court of Appeals. The Constitution, and a long line of judicial precedent, absolutely prohibits the government from interfering in questions of religious doctrine.

A statement of purpose for the gay-rights organization indicates that one of its functions is to advocate the view that sexual ethics is defined solely by individual preference. The university considers this view to be flatly contrary to Catholic doctrine.

Indeed, an ugly judgment seems to underlie the court's superficial rhetoric—namely, that Catholic doctrine is "anti-gay" and therefore, ultimately, contrary to sound public policy. To set this straight, the court has intervened in the operations of the Catholic Church, mandating that it provide support for the "socially correct" gay-rights view of sexual ethics.

While the Church is still free to teach its ancient doctrines (at least temporarily), must it now worship the new icons?

Mr. ARMSTRONG. Mr. President, I noted a moment ago that I am not a Catholic but this is not a Catholic issue. Let me say to my Mormon friends that Mormons are not safe if we do not protect the rights of Catholics.

Let me say to my Jewish friends that Jews are not safe if something like this is permitted to happen to a great university which no one accuses of hypocrisy on this issue, which is merely being faithful to the teachings and tradition of its church. If we let this happen to the Catholics, it can happen to the Jews.

Let me remind my friends who are Baptists, who have undergone persecution sometimes in some places that if the Baptists do not stand up to be counted with the Catholics on this issue it is going to happen to me some day and fellow Presbyterians the same.

Even, let me say, Mr. President, to those who do not adhere to a particular organized church who may not even be religious persons, let me say to them your rights are seriously fundamentally compromised by what is happening at Georgetown and Catholic University.

When we force people to violate their most deeply held tenet, tenets which are protected under the religious liberty clause of the first amendment and provide not only support but a form of tacit approval, space in buildings, utilities, services, possibly money, for organizations which are devoted to the exact opposite of what the church and the university stand for, we are treading on very dangerous and sensitive grounds.

So, I say this is not a Catholic issue. This is not an issue just for one church. It is an issue for all of us in this Chamber who honor and defend traditions of religious liberty.

Mr. President, I call for the adoption of the amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HARKIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ARMSTRONG. Mr. President, I understand there are some conferences under way. I will, in a moment, resume the quorum, but I would like to send two additional articles to the desk which I overlooked a moment ago. One is from the Catholic Standard, which I think is particularly significant because it is a publication of the Catholic Church.

I want to sum that article up. In the last paragraph of this editorial from the Catholic Standard it says:

> The church teaches that discrimination against homosexuals is morally wrong.

Let me say that again.

> The Church teaches that discrimination against homosexuals is morally wrong. They are children of God, with inalienable rights, and at Georgetown they have always had the right to join any of the dozens of campus organizations that are open to all Georgetown students. But last week's appeals court decision seems to be based not so much on what a person is but on what a person does. It will be tragic indeed if that decision establishes legal approval of immoral conduct.

I think that is very, very significant point and I would not want to let this debate conclude without making it.

This is not whether you are for or against homosexual conduct. It is not whether you are for or against homosexuals. The point the Catholic Standard makes is correct.

Sometimes in this body speakers rise and discuss homosexuality in the kind of terms that makes it sound like it is the only sin or that it is the worst sin. Those of us who read the Bible recognize that human beings are subject to all kinds of sins.

It would not be any different, in my opinion, if the group that was seeking the use of Catholic University or a Lutheran university or a Presbyterian seminary's facilities was not a homosexual group but was a group of adulterers. Now, is there such a group? I expect there probably is. I cannot cite it. Is there a group of student witchcraft advocates? Yes, there is. I happen to know that for sure. I am not aware that they have appealed under this D.C. statute for the use of rooms, but it would be a travesty, under those circumstances, to permit them to have access to or subsidies from the facilities of a university supported by and founded by and grounded in the traditions of the church.

But, at the same time, the Catholic Standard is eminently correct in saying that does not provide an excuse or a justification for the persecution of homosexuals, any more than it provides a similar excuse for those whose moral conduct in other ways is conduct of which the church or some of us as individuals disapprove.

And so the Standard is right on target. I send that to the desk and ask unanimous consent that it be printed in the Record, along with a second article from the April 9 edition of Human Events, which sort of provides a summation of what happened up to that point.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Catholic Standard, Nov. 26, 1987]

Schizophrenic—Georgetown-Homosexual Decision Seems To Have Conflicting Elements

When opposing sides in a lawsuit both claim victory, the court's decision would seem to lack a certain clarity. That would appear to be the case in a ruling Friday by the D.C. Court of Appeals regarding Georgetown University and its involvement, or lack of involvement, with homosexual rights groups on campus.

The case has been slogging through the courts since 1980 when two homosexual rights groups—the Gay People of Georgetown and the Gay Rights Coalition of the Law Center—sued the university after Georgetown denied their applications for official recognition. The charge was that the university was violating the 1977 D.C. Human Rights Law which forbids discrimination on the basis of race, sex and several other categories, including discrimination based on "sexual orientation."

Over the years the courts have alternately supported and rejected Georgetown's assertion that it was denying official recognition because the groups were promoting a lifestyle that is contrary to the teachings of the Catholic Church. Georgetown allowed the groups to meet on campus but refused funding and prohibited the groups from using the university's name on placards and placing literature in general mailings to students.

Friday's decision by the D.C. Court of Appeals said that Georgetown is required to give equal treatment to the homosexual groups, to give the same benefits that other campus organizations receive—but that it does not have to officially recognize the homosexual groups.

Both parties find something to be pleased about in this decision, at least up to a point. Georgetown president Father Timothy Healy pointed out that the court affirmed the university's "right to refuse to endorse moral positions not in accord with its traditions." A spokesman for the homsexual groups hailed the decision as a civil rights victory comparable to the Supreme Court's 1954 Brown v Board of Education decision that struck down racial segregation in public schools.

Father Healy is right to be gratified that the university is not legally required to endorse groups that reject Church doctrine. This is a matter of great importance. But the appeals court decision seems schizophrenic. It says that as a Catholic university Georgetown can disassociate itself from campus groups that promote a lifestyle that the Church has always and unequivocally taught is morally wrong. Yet it also says that the university is legally bound to grant benefits to these same groups, benefits that will assist them in advocating behavior that the university and the Church hold to be immoral. To put it mildly, this appears inconsistent.

The Church teaches that discrimination against homosexuals is morally wrong. They are children of God, with inalienable rights, and at Georgetown they have always had the right to join any of the dozens of campus organizations that are open to all Georgetown students. But last week's appeals court decision seems to be based not so much on what a person is but on what a person does. It will be tragic indeed if that decision establishes legal approval of immoral conduct.

[From Human Events, Apr. 9, 1988]

Georgetown Fails to Exert Religious Rights

Georgetown University (G.U.) last week decided against appealing to the Supreme Court a controversial case involving 1st Amendment religious freedoms, thus letting stand a lower court ruling that the Roman Catholic university would have to subsidize homosexual student activities, even though Catholicism holds homosexual behavior to be sinful (see Human Events, March 12).

G.U.'s decision not to take the case to the Supreme Court marks the end of a long, eight-year legal battle in which homosexual student groups claimed the university had illegally discriminated against them by not granting the groups official university recognition and the material benefits that accompany such recognition.

Under Washington, D.C.'s Human Rights Act, discrimination based on homosexual orientation is forbidden, thus giving homosexuality the same status as race and religion in civil rights cases. Georgetown University all along maintained it had not violated this statute because as a Catholic institution it could not be forced, under the 1st Amendment's free exercise of religion clause, to either endorse or subsidize any group promoting homosexual behavior.

In a remarkable and controversial decision, D.C. Appeals Court Judge Julia Mack said that although the 1st Amendment protected the university from having to endorse or approve of the group's activities, it nonetheless had to provide those groups with funds and other tangible benefits. By not having done so, Mack claimed, the university violated the D.C. statute, the 1st Amendment notwithstanding.

The University then had the choice of taking its claims of religious freedom to the Supreme Court. But according to university spokesman Gary Krull, the university's position was that "If an agreement, acceptable to both sides could be negotiated and endorsed by the court, then that was a better way to go than to go to the Supreme Court."

It is difficult to see, however, how the university found acceptable the consent order it entered into with the homosexual student groups, thus foreclosing a Supreme Court appeal.

The order does allow the university to require the homosexual groups in question to print on all their official communications that their views are not endorsed by Georgetown. The order also does not require the university to provide benefits to the groups for religious worship or ceremonies, thus letting stand a decision by the university to prohibit the so-called "Catholic" pro-homosexual group Dignity from conducting religious services in university churches.

But that's about it. Georgetown claims it won as much as the homosexual student groups did in this case, but the consent order tells a different story.

For instance, Georgetown agreed to pay legal fees for the homosexuals who brought the case. In so doing, G.U. conceded, in the words of the court order, that "the plaintiffs [i.e., the homosexual student groups] are the prevailing parties by virtue of their success on a significant issues [sic] in the case." Those legal fees, according to one attorney to the plaintiffs, could amount to between $600,000 to $900,000.

Furthermore, in signing the order, the university admitted, contrary to what it had been arguing for the past eight years in court, that they had indeed violated the D.C. Human Rights Act by not subsidizing the activities of the homosexual groups. In so doing, G.U. all but conceded it had no valid 1st Amendment claims to challenge the local statute forcing it to act contrary to its religious convictions.

According to Joseph Broadus, an assistant professor of law at Virginia's George Mason University who has followed this case closely, "Georgetown had a religious duty and a moral duty of citizenship of challenge this really bizarre court ruling."

But in refusing to carry out this duty, Georgetown is letting stand unchallenged a potentially disastrous precedent for future 1st Amendment cases involving claims of religious freedom.

Already, numerous city and local governments have passed "homosexual rights" legislation similar to the D.C. statute and Democrats in Congress, as well as all of the Democratic presidential contenders, want to see such legislation enacted into federal law.

The D.C. Appeals Court decision, now left unchallenged by Georgetown's failure of nerve, sets the precedent that there are no valid constitutional claims under the 1st Amendment that religious believers can raise in court to challenge laws that would force them, against their religious convictions, to act in a neutral way toward homosexuality.

Mr. NICKLES. Mr. President, will the Senator yield for a comment?

Mr. ARMSTRONG. Yes, I am happy to yield to my friend from Oklahoma.

Mr. NICKLES. If I understand the Senator's amendment, he is trying to address a problem—and I apologize; I missed a great deal of the Senator's debate—but he is trying to address the situation that arose because of a contested court case which, basically, forced Georgetown University to provide access, meeting rooms, to a gay rights advocates' group; is that correct?

Mr. ARMSTRONG. Yes, the Senator is correct in spirit, though in detail I might note that the groups in question already had access to university facilities. The specific question was whether or not they would be granted university recognition, which carries with it the right to a post office box and some funding and things like that. The Court said no, the university does not have to grant official recognition, but must give all tangible benefits that accompany such recognition. And so it is really a case of compelling a church-related university to give support, to pay the light bills for, in effect, an organization which is anathema to its fundamental teaching.

Mr. NICKLES. I appreciate the Senator's clarification. I compliment him on his amendment.

I was appalled by that court decision and, really, somewhat incensed by the fact that maybe the enacting legislation by the D.C. Council would bring it about or maybe the groups, in their aggressiveness, would try and bring this about and basically force a private institution to do things that are really totally against its basic tenets.

So I compliment the Senator from Colorado.

Mr. ARMSTRONG. I appreciate the kind words from the Senator from Oklahoma.

Mr. President, I am ready to go to a vote, but I think perhaps others are not. So, pending the decision of the leadership on when we are ready to vote, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SIMON). Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I rise in opposition to the amendment. I do not mean to talk a long time about it but I do want to quote a couple of letters and a communication that we received from Georgetown University and print some things in the RECORD.

Mr. President, we have received a communication from Georgetown University that reads as follows:

> Georgetown University Statement Regarding Senator Armstrong's Amendment.
>
> Georgetown University's legal counsel was informed late Wednesday, July 6, by Senator Armstrong's office, that the Senator planned to introduce this amendment to the D.C. appropriations bill. Georgetown did not initiate this amendment nor did the university have any prior knowledge that Senator Armstrong was initiating such an amendment.
>
> Georgetown University continues to comply with the court order in the case of the Gay Rights Coalition of the Georgetown University Law School, et al v. Georgetown University. Georgetown lives and functions according to the principles of home rule. It is Georgetown's understanding that Senator Armstrong introduced this amendment because of his strong personal convictions concerning religious liberty and the university respects his decision to do so.

Mr. ARMSTRONG. Will the Senator yield for a question about that letter?

Mr. HARKIN. Without losing my right to the floor.

Mr. ARMSTRONG. Mr. President, I was not aware of the existence of that letter, but that is entirely consistent with my conversations with the university. In talking with officials at the university yesterday I pointed out to them I had not proposed this amendment or suggested the amendment at their request, that I had not sought their support for it, they had not given any support for it, and in fact that I did not think it should be portrayed as, in any way, an initiative of the university. It is what has happened to Georgetown University that prompted it. But I believe that in no way and at no point in my discussion did I attempt to indicate that they had considered or been asked to consider or had endorsed my amendment.

They are in a difficult position. The truth of the matter is that the university, even if my amendment is agreed to, even if the offending section of the D.C. city code were to be repealed altogether, they still have to live with the government of the District of Columbia. They still have to get zoning permits. They still have to get various kinds of operating permits. They still have bond issues.

By the way, I did not go into it, but maybe on another occasion I will, one of the fallouts of this and one of the reasons it is hard for a university to, literally in this case, fight city hall, is because city hall has some other ways to punish someone that they disagree with.

So I am thankful to the Senator for making that point. This is the Armstrong amendment. And by the way, it is Armstrong, Wallop, and Hatch amendment, and the Nickles amendment with unanimous consent, since my colleagues did ask to be added, and I do ask unanimous consent they be added. It is the Wallop-Armstrong-Hatch amendment, not the Georgetown University amendment.

The PRESIDING OFFICER. Without objection, they may be added.

Mr. HARKIN. Also, Mr. President, I have an indication from Father Timothy Healy, who is the president of Georgetown, to the members of Georgetown's faculty and alumni, dated March 28, 1988. I think it is important to point out a couple of elements of that.

Mr. President, I would ask unanimous consent that the entire text of this communication be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HARKIN. A couple of points on the letter that I would like to point out and I would quote for the Senator from Colorado and other Senators.

Father Healy said the board discussion, that is the board of overseers, the Board of Trustees of Georgetown University—"the board discussion was long and serious, and counsel was present for it."

> We began by acknowledging that there is such a thing as discrimination against homosexuals and that, as a Catholic institution, in faithfulness to the Church's teaching, we had to support legal efforts, sometimes even imperfect ones, to remedy that discrimination.

Let me repeat that.

> We began by acknowledging that there is such a thing as discrimination against homosexuals, and that, as a Catholic institution, in faithfulness to the Church's teaching, we had to support legal efforts, sometimes even imperfect ones, to remedy that discrimination. We also were aware that the appeals court had granted us what we claimed was our principal interest, the freedom to refuse official recognition to these groups.

And that, really, is the essence of the court case. The court basically said that they had to provide them, this group, with the same facilities—let me get the appropriate wording here so I do not make a mistake. Yes.

The Court said:

> The act only requires Georgetown to grant the groups the tangible benefits associated with university recognition.

It does not say that they have to recognize them, but they have to provide them with the tangible benefits. Father Healy goes on to say:

> These benefits included office space, telephone, copying facilities, access to mailing lists, listing in various handbooks, a mailbox, and the right to apply to student government for an annual budget.

"The university had long felt that the key issue was recognition," and not—and these are my own words now, and not that they should provide them with these benefits. So, I feel that, again, the amendment offered by the Senator from Colorado is really not in keeping with the thrust of what Father Healy and what Georgetown University has said that, not only are they willing to do, but they want to do.

I further read from Father Healy's communication to the board:

> In the days that followed, an acceptable agreement was reached. It protected the essential elements I have described above, and it was accepted by the judge. Following the instructions of the board, the university has allowed the last day on which it could appeal for certiori from the Supreme Court to pass without an appeal.

In other words, an acceptable agreement was worked out. They have complied with the court order. In the spirit of comity everything is working just fine.

So, Georgetown University has not come to the Senate to ask us to do anything to override the court's decision or the agreement that was reached between the group—I cannot remember the exact name of it, I think the organization called "The Gay People of Georgetown University," the agreement reached between that organization and the university.

So what we have here is an amendment. Again, I respect Senator ARMSTRONG's strong feelings in this regard. He talked to me personally about it on the floor yesterday. Quite frankly, in some ways, I could look at this amendment and find a lot of merit in it. But sometimes merit is misguided if it is applied to a situation where people have already worked out their misunderstandings or their problems, which is the case here. I think that what, perhaps, the Senator is doing with the amendment is addressing a wrong that has already been taken care of and that does not need the interference by the Congress of the United States.

I am not even making the home rule argument. I have not even gotten to that issue yet. As the Senator said, I probably would. I have not even reached the home rule argument, which is a whole other situation itself, about us telling the District of Columbia what kind of laws they can have and cannot have. I just want to restrict my comments at this time to the communication from Georgetown University and also to the letter or the communication from Father Healy to the members of Georgetown faculty and alumni dated March 28, 1988.

Mr. ARMSTRONG. Mr. President, will the distinguished Senator yield?

Mr. HARKIN. I want to finish this. I thought the last couple of paragraphs of the letter were important and, I think, indicate the sensitivity of Father Healy and the Catholic Church, of which this Senator is a member, to this perplexing and sometimes contentious issue.

Father Healy concludes his letter to the faculty and alumni by saying:

> I am sorry that I could not have written a briefer letter, but the matter has been complicated, the history long, and the stakes high. This case is one in which Georgetown has consistently (and at serious cost) upheld Catholic teaching while it sought for practical ways of implementing it pastorally in a university context. Since this is an issue that shows no signs of going away, and since it is one on which the Church has yet fully to develop her thinking, I wanted the faculty and alumni to understand the actions of the University and the reasoning behind them.
>
> No letter from any university president comes without a request. These eight years have been long and divisive. Thanks to the help of many on the faculty they were considerably less divisive than they might have been. This is the kind of case that no one wins, and both sides lose. The University now needs everyone's help to pull its community back together, and to work so that all of Georgetown's people may find themselves, as the poet says, "United by the strife that divided us."

Those are healing words and those are words, I think, that we ought to take to heart. They had a strife, a long situation that went on for a long time and has been resolved. Many things may be not to the liking of each and every party involved, ever individual on both sides, but resolved in a manner, as Father Healy says, that both upholds Catholic doctrine and also upholds the pastoral duty of the church to minister to all without discrimination. And when it says to minister to all, it means just that.

So this, I think, has been a fair and equitable resolution of this matter. That is why I see the amendment as one that really is not applicable in this situation and I oppose the amendment for those reasons.

EXHIBIT 1

GEORGETOWN UNIVERSITY,
Washington, DC, March 28, 1988.

To the Members of Georgetown's Faculty and Alumni.

LADIES AND GENTLEMAN: For the past eight years Georgetown University has been engaged as the defendant in a law suit brought by two groups of homosexual students, one on the University's Main Campus and one at the Law School. This week the University arrived at an acceptable agreement with its opponents for the order that the trial court must issue in this matter. For that reason the University will not appeal the case to the Supreme Court. I am writing to give you the history of this long affair, and also the University's reasons for settling at this point rather than carrying it further.

In 1977, a group of students at the University formed an organization called "Gay People of Georgetown University" (GPGU). In 1979 and again in 1980, GPGU requested and received "student body endorsement," a status requiring approval only by the student government and not by the University. This endorsement entitled the group to advertise in student publications, to apply for lecture funds and granted them a limited use of University facilities. The group, however, wanted more than student body endorsement. It demanded full University recognition. That recognition would have meant that the University endorsed the activities of the organization, and would also have afforded it more extensive benefits, including University funding.

The University rejected GPGU's request for University recognition on the grounds that the group presented a homosexual lifestyle as morally acceptable. Among the group's stated purpose was "fostering theories of sexual ethics consonant with one's personal beliefs." The University stated that norms governing sexual conduct were objective, and that Catholicism does not teach a sexual ethic based merely on personal preference. Georgetown emphasized that "while it supports and cherishes the individual lives and rights of its students, it cannot subsidize this cause because it would be an inappropriate endorsement of a Catholic University."

At this point, local government became involved. The District of Columbia has an ordinance called the Human Rights Act. Under that act it would be an unlawful discrimination for an educational institution,

* * * to deny, restrict, or to abridge or condition the use of, or access to, any of its facilities and services to any person otherwise qualified, wholly or partially, for a discriminatory reason based upon the race, color, religion, national origin, sex, age, marital status, personal apparance, sexual orientation, family responsibilities, political affiliation, source of income or physical handicap of any individual. * * *

Under the same act, sexual orientation is defined as "male or female homosexuality, heterosexuality, and bisexuality, by preference or practice."

Under the provisions of this statute, GPGU, joined by the similar group at the Law School, filed suit in the Superior Court of the District of Columbia alleging that the University had violated the Human Rights Act. The District of Columbia itself promptly intervened as a plaintiff to obtain enforcement of the act.

In October, 1983, the Superior Court, in the person of Judge Sylvia Bacon, declared the act unenforceable against Georgetown under the "free exercise" clause of the constitution. The court found that under Catholic doctrine, to which Georgetown adheres, no one "affiliated with the Roman Catholic church may condone, endorse, approve or be neutral about homosexual orientation, homosexual life-style or homosexual acts." The trial court thus found that "the District of Columbia Human Rights Act must yield to the Constitutional guarantee of religious freedom."

The plaintiff then went to the Court of Appeals of the District of Columbia. A three-judge panel in July, 1985, reversed the trial court by a vote of two-to-one. That same day, however, the Court of Appeals issued a *sua sponte, per curiam* order, vacating the panel's opinion and setting the case for *en banc* consideration.

Twenty-five months after the case was heard *en banc*, the court issued its decision in November 1987. Each judge wrote separately, and there was no opinion for the court. The court was shy one judge, and another judge, a former Georgetown dean, recused himself.

Despite its scattering of opnions, however, the holding of the court is clear: the District of Columbia has a compelling interest in eradicating discrimination against homosexuals and that overrides the First Amendment protection of Georgetown's religious objections to subsidizing homosexual right's organizations. The Court of Appeals, held as a matter of statutory interpretation that the act does not require Georgetown to give the groups formal University recognition, which the court labeled an intangible. Instead, the court said, "The act only requires Georgetown to grant the groups the tangible benefits associated with University recognition." The court, therefore, recognized the distinction in principle between officially recognizing an organization and underwriting its activities.

It is important at this point to interrupt this narrative, and describe the University's position during this long litigation. At the first trial, and in the endless depositions that preceded it, the thrust of the plaintiff's argument was for "recognition." The University fought against that thrust and prevailed. When the case came before the Court of Appeals, the plaintiffs dropped the notion of recognition almost entirely, and argued that all they sought were the tangible benefits. These benefits included office space, telephone, copying facilities, access to mailing lists, listing in various handbooks, a mailbox, and the right to apply to student government for an annual budget. The Univesity had long felt that the key issue was recognition, in other words that Georgetown not be obliged to declare that it regarded a homosexual life-style as morally neutral.

The issue of tangible benefits was a more complicated one. First of all, the group enjoyed tangible benefits by its student government recognition, and indeed acquire more of the same kind of benefits by the ancient art of scrounging. Thus the group existed, met in University facilities, used University bulletin boards to advertise its meetings and activities, ran a limited program of activities, and had access to student funds for inviting speakers onto campus. They were also able to borrow telephones, Xerox machines, and other facilities from other student organizations. Since you are familiar with the way Georgetown runs, you know that these "benefits" are normally taken for granted by any group of students. Recognizing that students as citizens have a right to associate in any way they please, the University did not interfere with any of these activities. It has also long accepted as a premise that, provided nothing illegal or obscene transpires, it will not interfere with the presence of speakers on campus, no matter how unacceptable their opinions to the University itself. During these eight years we have had speakers of the ilk and character of Roberto D'Aubission from El Salvador, which demonstrates how consistently the University has held to the principle that Georgetown neither approves nor disapproves speakers that are invited by any group of students or faculty. For all these reasons, the plaintiffs in their presentations to the Court of Appeals were able to make a substantial case that they were simply asking to have, officially, not much more than what they had long enjoyed unofficially. This claim was, in part, the simple truth.

It could at this point be argued that Georgetown should have taken a harder line, and every time the gay groups surfaced, refused them any cooperation, tolerance, or access. Lawyers can make much of this kind of a suggestion, but lawyers don't run universities. Had Georgetown proceeded this way during the past eight years, we might have had a stronger case to present to the Supreme Court, but we might also not have had a university. The groups involved are small, indeed the full roster of members has never, to my knowledge, exceeded 20. But any public harshness or disrespect on the University's part would have been recognized by the rest of our undergraduate and law students as so thoroughly contradicting Georgetown's being and traditions that they would have refused to accept it.

Much more important, Georgetown has long, on Catholic moral grounds, fought all forms of discrimination. It does not discriminate in any improper way in the admission, retention and graduation of students or in the appointment, promotion or tenuring of faculty. In addition, as a Catholic university it has always recognized its pastoral as well as its educational responsibility to each and all of its students. These young people are here and thus are ours—to teach and guide, to cherish and protect, and above all, to respect.

That pastoral obligation includes as clear a presentation as we can make of human sexuality in all its complexity and beauty as well as in its divine orientation toward the permanent commitment and responsibility of marriage. Our teaching, however, must be set in a climate of respect and understanding for it to be heard and, indeed, for our community to live and flourish. Disrespect, condemnation and harshness seem to us incompatible with correction or even instruction itself.

You are also well aware that the University's responsibilities on the two campuses are different. Students at the Law School are adults, all of them having finished college, and many of them entering two or three years after their bachelor's degrees. In addition, they are a more religiously heterogeneous body. On the Main Campus, where a substantial majority of the students are Roman Catholic, they first come to us at seventeen and eighteen. At this time of life sexual identity is a serious question and, for at least some, is a source of anxiety and trouble. The University's presence in this delicate area of human growth must be principally pastoral. Abstract moral teaching is needed, but may well also appear to those at whom it is directed both as an interference and a disputable one at that. A posture of total intransigence on the University's part might have created more anger among law students, but it would have worked deep and serious trouble among undergraduates. Thus in everything it said and did in this long trial, Georgetown had to remember that its words and actions would be heard and seen by two different groups of students with sharply divergent needs. That is not meant to deny the University's clear pastoral responsibility toward both groups, and above all not to deny the well-established fact that few human beings derive much spiritual sustenance from being clobbered.

To return to the narrative, it was clear that the divided opinion of the Court of Appeals was still 5-to-2 against the University. The court had tried deliberately and with some skill to tailor its decision to what it felt to be the facts of the case. The University itself had, since the opening of the trial, more vigorously defended its right not to endorse a homosexual life-style than it had defended the right to deny quite minimal tangible benefits to these particular student groups. In that sense, the court could have been said to have adopted the University's own distinctions as presented by its counsel.

During the course of the appeal, and certainly after it, the University had tried to negotiate with the plaintiffs to see if the entire question could not be settled out of court. At the early stages of the trial, the plaintiffs' insistence upon formal University recognition made such negotiations impossible. After the decision of the Court of Appeals, this insistence disappeared, and all that the University was obliged to negotiate was a listing of tangible benefits.

On the ancient and honorable grounds that anyone who intrusts his future to a court is a fool, the University tried seriously to negotiate. In those negotiations it had four principal purposes. The first was to make certain that the tangible benefits awarded by the court did not include religious services, or access to the religious facilities and functions of the University. The second objective was to make certain that Georgetown was not unwittingly used as a staging ground for community activities from Washington or elsewhere. The third objective was to avoid any direct advocacy of homosexual acts as well as to preserve the campus from being the scene of any kind of activity that could under normal moral canons be called improper or indecent. The fourth was to prevent any ambiguous use of the University's name to imply that it approves of homosexual life-styles as morally neutral. Over long and difficult negotiations, covering several months, the University has finally achieved an agreement with the plaintiffs which was presented to the trial court as an agreed upon order for it to issue. In the order as it stands, all four of the major goals the University sought in these negotiations are achieved.

The major decisions in the University's conduct of the case were initially made by me and the Chairman of the Board under advice of counsel. In addition, at several meetings of the full Board the status of the case and of the various developing positions was described for all the members. Thus the Board was thoroughly informed through the entire process. When the decision was handed down by the Court of Appeals last November, the executive committee reviewed the entire case, and heard the advice of counsel. At a subsequent meeting of the executive committee, the members decided that the matter ought to be brought to the whole Board, and for that reason petitioned the Supreme Court for an extension of the time allowed for an appeal. At the same time the executive committee requested that counsel prepare a briefing on the issue and asked for a further analysis of the appropriateness of an appeal, of our chances of gaining certiorari from the court, as well as of the probability of the court finding in the University's favor. The Board also asked that a moral theologian prepare a paper analyzing the case from the Church's point of view. Archbishop Hickey had written me several letters, and these too were presented first to the executive committee and then at the Board meeting on March 17th to the entire Board. The whole day was given over to discussing whether or not to appeal to the Supreme Court.

The Board discussion was long and serious, and counsel was present for it. We began by acknowledging that there is such a thing as discrimination against homosexuals, and that as a Catholic institution, in faithfulness to the Church's teaching, we had to support legal efforts, sometimes even imperfect ones, to remedy that discrimination. We also were aware that the Appeals Court had granted us what we claimed was our principal interest, the freedom to refuse official recognition to these groups. The Board had available to it the brief that the University had submitted to the Court of Appeals, and in that brief this was clearly the University's principal concern. The Board also heard arguments pro and con on the state of the case and its suitability for the Supreme Court. We knew that the decision of the Court of Appeals for the District of Columbia might well be cited in other places as an authority, but that it legally bound only institutions within the District, and that it was based upon a very wide-reaching statute, to the best of our knowledge more broadly drawn than any other statute in the nation. It was pointed out to us that Catholic University, with a very different set of facts because of its pontifical status, might very well not be bound by the decision affecting Georgetown.

The conclusion of the Board was that we had a very weak case to present to the court for the following reasons:

(1) The decision granted the University what it said it wanted, and the court manifestly regarded the "tangible benefits" as minor. That perception was justified by the University's own brief.

(2) In order to make a successful appeal, we were advised that we would have to attack the statute itself, as well as plead our rights of free exercise and free speech. The Board felt that a Catholic institution would have difficulty attacking the statute, which while it was perhaps over-inclusive, at the

same time addressed a real problem and constituted a reasonable exercise of the District's police powers.

(3) All the members of the Board felt that having treated our gay students during the long course of the trial with sympathy and understanding made it possible for the other side to urge that we sought now to refuse what we had all along freely granted.

(4) Everyone felt that the reaction of the Supreme Court when we asked for a stay in execution indicated that it was not sympathetic to the University's position. As best we can determine the denial of the stay was 7-to-0.

(5) Judge Antonin Scalia recused himself from the discussion of the stay and thus from the case. He is not obliged to give a reason and he did not. The press speculated that as an alumnus of Georgetown he did not wish to be involved in the case. Even with the addition of Judge Kennedy, this left us facing an eight-judge court, and everyone felt that this was not an ideal way to approach the Supreme Court.

(6) As the decision now stands, its binding authority is limited to the District of Columbia and is based on a broadly drafted statute peculiar to the District. If the case were taken by the Supreme Court (many on the Board felt it would not be) and if the court decided against us, a national precedent would be set which could cause much mischief.

For all of these reasons, the Board voted unanimously that it would be best to work out an agreement with the plaintiffs in the case, so that the trial court in issuing its order would take into account those aspects of its work and life that the University sought most to protect. The Board instructed the University to seek such an agreement, and only to appeal to the Supreme Court if it became clear that the agreement would not be forthcoming or that there was little chance of the judge incorporating it into her order.

In the days that followed, an acceptable agreement was reached. It protected the essential elements I have described above, and it was accepted by the judge. Following the instructions of the Board, the University has allowed the last day on which it could appeal for *certiorari* from the Supreme Court to pass without an appeal.

Needless to say this long and complicated process has been expensive for the University. The legal fees, both our own counsel's and those the court will mandate for opponents' counsel, will be close to three-quarters of a million dollars. Where Georgetown has really been made to pay for its stubborn defense in this suit is in the denial of the tax-exempt bonds to which it was legally entitled. That denial had nothing whatsoever to do with the case: as a matter of fact the denial was plainly illegal up until November of 1987, since up to that date the prevailing court decision was in the University's favor. Over the course of the next thirty years that denial could cost the University somewhere between $30-50 million dollars. As far as I can see, the issuance of tax-exempt bonds from the District of Columbia is now impossible, and the University must look elsewhere or simply take the consequences.

I would also like to comment on the conduct of the Board. Georgetown has a large Board, and only four members were absent from the discussion on Thursday, March 17th. Throughout the five-hour discussion, the Board conducted itself with common sense, courtesy, and a deep care about the religious dimensions of the case. At no point, nor by even the vaguest suggestion, did any member of the Board imply that these religious aspects were unimportant or indeed other than primary. It was a marvelous demonstration of how a serious board understood Georgetown's tradition as a Catholic university and defended it to the best of its ability.

I am sorry that I could not have written a briefer letter, but the matter has been complicated, the history long, and the stakes high. This case is one in which Georgetown has consistently (and at serious cost) upheld Catholic teaching while it sought for practical ways of implementing it pastorally in a university context. Since this is an issue that shows no signs of going away, and since it is one on which the Church has yet fully to develop her thinking, I wanted the faculty and alumni to understand the actions of the University and the reasoning behind them.

No letter from any university president comes without a request. These eight years have been long and divisive. Thanks to the help of many on the faculty they were considerably less divisive than they might have been. This is the kind of case that no one wins, and both sides lose. The University now needs everyone's help to pull its community back together, and to work so that all of Georgetown's people may find themselves, as the poet says, "United by the strife that divided us."

Sincerely,

TIMOTHY S. HEALY, S.J.

Mr. ARMSTRONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ARMSTRONG. As the Senator from Iowa pointed out, I did approach him privately with a request that he consider joining me in sponsoring this amendment. I can only assume from what he said he does not wish to do so. I judge from what he said that he would be uncomfortable as a sponsor of this amendment and he probably is going to vote against it. I must say I appreciate the tone of his observations and the thoughtful, friendly spirit in which he is approaching this matter.

I think perhaps the Senator from Iowa was conferring with the majority leader and, therefore, was not able to overhear a part of the discussion which I offered earlier in which, in part, I said the same thing he has just said so well and properly about tolerance for persons whose behavior or ideas are different from our own. In fact, I quoted from and had printed in the RECORD an editorial from the Catholic Standard that makes exactly that point.

The Catholic Church teaches and, although I am not a Catholic, I also believe that it is morally wrong to persecute or discriminate against homosexuals, but not to condone homosexual behavior. My own view is the same as the church's on that point, but that does not entitle us to homosexual bashing; it does not entitle us to bash adulterers; it does not entitle us to bash, dehumanize, brutalize, discriminate against, or hold down people who are guilty of any of the sins which most of us, perhaps all of us, believe are common to mankind.

In fact, if that ever came into vogue, I do not assume for a minute that Senators, including the Senator from Colorado, would be exempt from that kind of discrimination. My observation of human nature, my belief, based upon a reading of the Bible, is that we are all guilty of gross offenses against the moral law.

I compliment the Senator for his observations on that. It is completely consistent with my own belief, and it is consistent with not only Georgetown University, but the Catholic Church.

I also think it is worthwhile for the Senate to have its attention drawn to the letter of Father Healy, a copy of which I have in my hand. I did not mention it because it is a long letter, and I did not want to take more time than I should.

The Senator has quoted from it, and I encourage every Senator to read the full text of the letter as their time permits, but I do not quite agree with the characterization of it by the Senator from Iowa. He makes it sound like a report, in effect, that they worked this thing out and everything is fine. That is really not the flavor of the letter.

Let me read a couple paragraphs he did not read. I noted with interest the paragraphs he did read, but I would like to point out that on page 7 and 8, Father Healy, in his report to the faculty and other interested persons, mentioned several reasons why the university decided not to further appeal the case.

It was not because they thought they were wrong. It was not because, in essence, they thought the agreement was a good one, or a fair one or it represented justice or academic freedom or religious liberty. It was for prudential reasons. It was for practical considerations.

What were those considerations? Let me quote one paragraph:

> Needless to say this long and complicated process has been expensive for the University. The legal fees, both our own counsel's and those the court will mandate for opponents' counsel, will be close to three-quarters of a million dollars.

I understand that the court required the university to pay the legal fees for the group which had taken them to court. But he goes on:

> Where Georgetown has really been made to pay for its stubborn defense in this suit is in the denial of the tax-exempt bonds to which it was legally entitled.

This is the matter to which I referred to earlier. This is the case, and it is evidently what the Georgetown board looked at: We can litigate this case; we fought it for 8 years; we can fight it for 10 more years; we can spend another million dollars, $5 million, or $20 million on the costs of such a case, but the real cost is fighting city hall.

Father Healy makes the point as a result of the denial of tax-exempt bonds to which, in his opinion, they were legally entitled, the cost would be between $30 and $50 million to the university.

So I would not want Senators to think that the reason why they only fought for 8 years is because they finally were convinced the university was wrong. It was just at some point they had to make a practical determination of the cost.

I do not think that is improper. That is a decision that the church has to make a lot of times. It has to make that decision every day in places like Poland and Nicaragua. The church has to decide how much will it resist the civil authority and how much will it accommodate it.

Sometimes the church chooses wisely and sometimes it does not. In fact, the thought that comes to my mind was the decision of accommodation which the Lutheran Church made in Germany at a certain critical moment. They decided it would be better in the long run—and I do not say this in criticizing; I say this as a person who was a Lutheran for a couple of decades; I do not say it to criticize—but many Lutheran churchmen in Germany decided that the wiser course was to try to work with Hitler instead of working against him.

The Catholic Church at different times has made different decisions. I mentioned Poland. When he was a Cardinal, the present Pope had to do a balancing act every day as to how hard to push the civil authorities, where to draw the line. In Romania, churches do that every day.

So in this particular case involving this particular infringement on religious liberty, this university, after spending three-quarters of a million dollars in legal fees, facing the prospect of a $30 to $50 million cost as a result of tax-exempt status, and after 8 years of bitter divisiveness, felt we pushed this as hard as we can. Somebody else has to pick up the ball.

But you know, my friends in the Senate, we do not have that problem. We can correct this injustice today just by taking a vote. It is not going to cost us any legal fees. It is not going to cost us $30 to $50 million. It is just a plain policy issue to us because we are not going to have to take this to the Supreme Court. Either we think that this university and others that are similarly situated in the District of Columbia ought to be forced to provide facilities and recognition and approval and utilities and what not to groups whose organizing principles are anathema to them or we do not. And if we think that, well, then, you vote no. If you think these universities ought to be so required, then you vote against this amendment. If you think they should be permitted to withhold those facilities, those rooms, those bulletin boards, mailing privileges, mail boxes, computer lists and what all, then you vote yes. It is not a home rule issue. We have already so shown right in this bill. Ninety minutes ago we adopted an amendment to the generic law of the District of Columbia, and so anybody who says this is home rule, that is just hiding behind a fiction. That is pretty clear.

Mr. President, I also would not want any Senators to be persuaded by comments of my friend from Iowa that this is an academic or theoretical issue since, after all, a consent decree had been entered. Of course, that is perfectly true. But I want to note that the people I talked to at Georgetown University went out of their way to make it plain that whatever is the result of this amendment, they intend to faithfully abide by the terms of the consent decree. They entered into that in good faith. They are not going to break their word. It is not a matter of this amendment.

But let me point out that does not mean the issue is settled because another group could come forward tomorrow at another university or at Georgetown and the question would arise immediately again, and I assume that absent the passage of some amendment Georgetown probably would cave in again. They would not have much choice. Catholic University, the same thing. In fact, I understand that has already happened, though I cannot document it. It may not be one group. It may be 5 groups, 10 groups, 20 groups. And it may at some point, although we do not address it, not be sexual groups; it may be atheist groups; it might be voodoo groups; it might be any kind of groups. So this is not a moot issue.

Well, I mentioned what happened in Germany because it is a classic case but it happens in almost every era and every generation, that the church has to decide where it draws the line and so do legislative bodies. They have to decide whether or not they are really committed to defend academic freedom and religious liberty.

In thinking about Germany, what flashed through my mind was a statement—I cannot quote it exactly; I do not have it before me, but I shall never forget the essence of it—attributed to Pastor Martin Nemoeller, who, after the war, recalled what happened when Hitler started coming for people. He said:

> First they came for the Jews and I didn't do anything because I wasn't a Jew. And then they came for the Communists and I didn't do anything because I'm not a Communist. And then they came for the trade unionists and I didn't stand up because I'm not a trade unionist.

Mr. President, I am not a Jew, I am not a trade unionist, I am not Lutheran, and I do not happen to be a Catholic, although this occurred at a Catholic university. But I will just tell you this is an issue that every Senator ought to stand up and be counted for.

Mr. NICKLES. Mr. President, I understand the Senator from Colorado is finished. I have had several colleagues indicate to me that they want to vote. I hope that we can vote. I think we are ready to handle this amendment, dispose of it in whatever way the proponents or opponents would like—it makes to this Senator no difference—then have a vote on final passage and we would at least be done with this bill.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I ask unanimous consent that I be allowed to speak not to exceed 7 minutes as though in morning business.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Vermont is recognized.

THE NATION'S DROUGHT

Mr. LEAHY. Mr. President, Senators on both sides of the aisle are well aware of the very difficult time we are having with the drought throughout the country; in fact, the whole country is well aware of it. It is one of those cases where the media has provided a service to the rest of the Nation by highlighting the plight of the drought areas of this Nation. The problems of the drought areas are very serious—they go beyond anything that literally has occurred in my lifetime. I have been to a number of these drought areas as have many, many other Senators here. We are seeing things that we cannot compare to anything else. Because of that, Mr. President, I have been working with the distinguished ranking member of the Senate Agriculture Committee, Mr. LUGAR, and with Senators on both sides of the aisle in trying to put together drought legislation. We have also been meeting with the Governors of this country from those areas, and with the Secretary of Agriculture.

Mr. President, I want to tell my fellow Senators what has been going on. Last week I announced that we would consider drought legislation in the Senate Agriculture Committee next week. During the past several days the staffs of the various Senators and the Senators themselves have been working night and day in trying to construct drought legislation. It's a puzzle—like a Rubik's cube. As you take care of one problem, you either exacerbate or ignore a problem in another area. But let me assure you, slowly we will bring all the concerns together. We have been working long hours, and I want to let the Senate know what we plan to do. We will continue to work throughout today, this evening, the weekend, and it is my intention to be able to announce specific legislation along with other Senators, on both sides of the aisle on Monday.

The Senate Agriculture Committee will meet on Tuesday morning to begin action on drought legislation. It is my intention to keep that committee in session as long as it takes. If we can make progress, and I suspect that there will be a bipartisan willingness to make progress, and if it looks like we could finish by staying in all night, we will do just that. This is an important issue. We are now in possession of new facts that enable us to begin work on specific legislative proposals.

Mr. President, we have to do this. We have to have disaster payments based on a percentage of the target price. We have to take care of losses within a certain threshold. The Senate will move very quickly on this in our committee. We have to send a signal of hope to our farmers and ranchers, not the specter of disaster. Today the farmers and ranchers of this country fear that everything that they have worked for all their life will be lost this year. What we can do with legislation is tell them, to have hope that they will be in business again next spring.

I think we can do it. We can remove the shadow of bankruptcy and instead replace it with the bright light of a new crop, a new season, a new herd. That is what we are working in areas such as treating nonprogram crops like program crops, and livestock feed assistance to protect foundation herds. In the area of dairy, we hope to write, into law, the prevention of the next 50 percent price cut because dairy farmers throughout the country are facing increased cost due to the increased cost of food and feedgrain. We must help dairy farmers cope with that.

I want to say what we have done just so all Senators will understand. Last week before we went out of session and again this week, Senator Lugar, who is the distinguished ranking member of this committee; and I; Chairman de la Garza, chairman of the House Agriculture Committee; and Representative Madigan, along with the Secretary of Agriculture and distinguished members of the committee, many of whom are here, met to try to flesh out the general outlines of what we need in legislation.

We agreed that we will make an effort this weekend to put that into a final package with the intention hopefully to have legislation introduced in both the House and the Senate which is as identical as possible.

It is then my intention—I have discussed this again today with the distinguished Senator from Indiana—to call the Senate Agriculture Committee together on Tuesday. I encourage members of the Senate Agriculture Committee and other members with ideas to deal with the drought, to attend the hearing which will be the first general hearing on the broad outlines of what we have proposed in both bodies, and then sit down and start to write the legislation. In that regard I intend to keep that committee in session as long as we can be productive with the idea that we can and must bring out a bipartisan piece of legislation onto the floor of the U.S. Senate.

The important thing for people to remember is that we will not foreclose hope. We must give a reason for tens of thousands of farmers and ranchers to stay in business. We will give them the promise, a promise fulfilled by the Congress of the United States, that they will be in business next year.

Mr. President, I yield the floor.

Mr. EXON. Mr. President, will the Senator yield?

Mr. LEAHY. I yield the floor.

Mr. EXON. Mr. President, I ask that I be allowed 1 minute to make a brief response to the distinguished Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, I want to congratulate the chairman of the Agriculture Committee for the remarks he just made and associate myself with those remarks. The chairman of the Agriculture Committee has done an outstanding job, and I am pleased to see that he actually recognizes the seriousness of this drought problem. I am pleased to see that the Secretary of Agriculture has at long last in the last day or so said we need legislation now. He and many of those associated with him have been saying we do not need legislation, and we cannot assess the damage until the end of the crop season.

Now is the time to move, and I hope that a bipartisan package can be put together under the direction of the chairman of the Agriculture Committee. It is vitally necessary to give hope and some understanding and some specific guidelines to farmers across this Nation who are being devastated by this drought.

I thank the chairman for his alert.

Mr. LEAHY. I thank the Senator.

Mr. DOLE. Mr. President, I agree with the Senator from Vermont and the Senator from Indiana and all other Senators who come from farm States. I think we have a responsibility to be nonpartisan, and I hope that can be encouraged on both sides. If it is, we will get a bill passed very quickly that will relate to the drought and not several other things that might come up.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I ask unanimous consent that I may speak out of order for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

BIPARTISAN DRUG BILL

Mr. DOLE. Mr. President, I take the floor at this moment, first of all, to thank the distinguished majority leader for a letter I received yesterday indicating his hope that we could sit down together and work out a bipartisan drug bill.

I noted this morning a column in the New York Times by Mr. Rosenthal, in which he suggests that this is a great opportunity for all of us—but particularly the majority leader, to sort of cap his services as majority leader—to arrive at an outstanding drug initiative.

We are prepared to work with the majority leader and Members on that side. There has not been a Republican bill introduced. We discussed an outline of a proposal yesterday. We will be sitting down and meeting with the majority leader's representatives.

I have asked Senators Wilson, D'Amato, and Gramm—and there may be an additional Senator on this side—to represent the Republicans in those negotiations. I think we do have an opportunity.

I wanted to indicate that today and to include in the Record an outline of the Republican proposal. It is not a bill. It is only a proposal on which we hope to work together with the Democrats, to have a truly bipartisan package.

Mr. President, yesterday, a number of my distinguished republican colleagues and I unveiled a major new drug initiative.

In 1986, Congress enacted an omnibus drug package that focused on the supply-side of the drug problem. As a result of the bipartisan, bicameral effort, we have made major strides in thwarting the entry and trafficking of illegal drugs in America.

But that was only one side of the equation. This new Republican effort zeroes in on the second half—the demand side—of the drug problem.

Our proposal covers many issues, but there are three areas we believe should be given priority—both in funding levels and policy initiatives:

demand reduction, post arrest programs, and domestic eradication.

All three are critical, but none more critical than reducing demand. The time has come for Americans to know, without question, that if you play with illegal drugs, you are going to have to say. So, this plan includes proposals that we hope will help to create a new attitude that recognizes that drug users must be responsible for their actions, while at the same time providing increased funding for treatment, education and prevention to those truly interested in becoming drug free.

Mr. President, it is my hope, and my belief, that the end result of this effort will parallel what happened in 1986 when we worked together with our Democratic colleagues here in the Senate and with the House to come up with an effective antidrug package. The distinguished majority leader, Senator BYRD, and I have exchanged correspondence, which I will ask to be included in the RECORD, clearly stating our commitment to such a bipartisan course. I will also have printed in the RECORD an op-ed piece by A.M. Rosenthal, which appeared in today's New York Times, noting that there "was never a better time for antidrug action"; as well as a summary of the Republican proposal.

Working together, I have no doubt that the Senate, and the Congress, can approve significant antidrug legislation before we adjourn this year—an effort that will take one more major step toward eradicating the peril and pain of illegal drugs.

I ask unanimous consent to have material in connection with this matter printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A CHANCE TO LEAD

(By A.M. Rosenthal)

Republican and Democratic senators working on anti-drug legislation say privately that they would like the public and press to send a one-word message to the two leaders of the Senate: lead.

They are not complaining about Senator Robert Byrd of West Virginia, the leader of the Democratic majority, or Senator Robert Dole of Kansas, the Republican leader. But they think one of the more important tests in the careers of the two men lies ahead, and they want to apply as much pressure as Senate politesse allows.

For Senator Byrd, who has decided to retire as majority leader, the next few weeks present an opportunity for an achievement that will say more about him than the portrait that one day will hang in Senate halls. For Mr. Dole, the test will mean a chance to rebound strongly from his primary defeats. It could help him become a Vice-Presidential choice. Even if not, his performance will shape how the country and his colleagues judge the talented, intriguing gentleman from Kansas.

Both men now face the job of persuading or bullying members of the Senate to get together and pass a bipartisan bill that for the first time will give the country an organized, coherent, comprehensible, long-range and fully funded plan of action against drugs and the drug trade.

There's never been a better moment. Every politician knows the public sees drugs as a great danger today, one that will be bigger tomorrow.

Elections are at hand. Strong political instincts tell members of Congress to take action between the Democratic Convention in July and the Republican Convention in August, before it becomes an uncomfortable election issue.

Yes, politics, but more than politics. It is one of the few issues that not only cuts across party lines, but across political cynicism.

There's no shortage of plans. Senator Dennis DeConcini, the Arizona Democrat, and Senator Alfonse D'Amato, Republican of New York, worked for months on a detailed piece of legislation. Senators Daniel Patrick Moynihan of New York and Sam Nunn of Georgia led a Democratic working group that came up with a plan full of fresh ideas. A Republican group has issued its own plan.

Now it is up to the leaders to lead, to take the suggestions and produce one bill neither weak nor so overwhelmed with emotional tangential demands—like expanded death penalties—that it is talked or nit-picked to death or impotence.

The House of Representatives, where men like Representative Charles Rangel, the New York Democrat, have steeped themselves in antidrug legislation, will also need leadership from the top. But the Senate will act first, which is why Senators are nudging their own nudgers.

President Reagan says we are winning the drug war. That draws blank looks or snickers from Congressmen, depending on whether you are talking to a Republican or Democrat.

From the hundreds of pages of proposals for a new start, here is a miniguide to some that knowledgeable Congressmen think particularly important:

1. A coherent plan of organization, with a Cabinet-level drug czar on top, and Federally aided anti-drug boards in the states and towns.

2. More money—$2.5 billion to $3 billion above the current $4 billion. About 50 percent of the money to be spent to reduce demand for drugs at home by treatment, education and law enforcement. Now, about 75 percent goes to the effort to reduce the supply by combating the drug trade at the borders and at home and trying to reduce narcotics crops abroad.

3. Long-term financing to make sure research, treatment and law enforcement do not face the yearly threat of cutbacks.

4. Special Federal attention to drug disaster areas in big-city ghettos. The goal would be to end waiting periods and provide immediate treatment for every addict who wants it.

5. More judges, police and prisons. More penalties such as withdrawal of driver's licenses and Federal loans for first-time conviction for possession of drugs, instead of dismissal or token sentences.

6. More money to the Coast Guard to fight smuggling, still the best use of the military against drugs.

7. Heavy prison terms for bankers involved in the laundering of drug funds. A strong anti-corruption effort, to convince people in the ghetto that the police really are destroying all seized narcotics, not just some. And—Jesse Jackson's suggestion—a total effort to stop the sale of high-powered weapons with which the drug killers terrorize our cities.

All this will not win the drug war, but it will get it started.

U.S. SENATE,
OFFICE OF THE REPUBLICAN LEADER,
Washington, DC, June 20, 1988.

Hon. ROBERT BYRD,
U.S. Senate,
Washington, DC.

DEAR ROBERT: Some weeks ago I asked that interested Senators compile a drug bill; I would expect that effort to be completed later this week. It is my understanding that a similar effort has been undertaken on your side.

Given our success at reaching a bipartisan agreement in 1986, I would like to suggest that we again combine our efforts. Perhaps the first step might be to have those Senators involved meet to be followed up by staff discussions.

I look forward to hearing from you on this important matter.

Sincerely,

BOB DOLE.

U.S. SENATE,
OFFICE OF THE MAJORITY LEADER,
Washington, DC, July 7, 1988.

Hon. ROBERT DOLE,
Republican Leader,
U.S. Senate,
Washington, DC.

DEAR BOB: Now that our colleagues on each side of the aisle have completed a first cut at proposals to strengthen our anti-drug efforts, I hope that members from both sides could sit down in the near future to discuss drafting bipartisan legislation that could receive expeditious action in the Senate. I have asked Senators Nunn and Moynihan to head our effort and I suggest that they be in touch with their counterparts on your side to organize the discussions.

Thank you, Bob, for your help in obtaining the several agreements this week. I look to your continued cooperation in facilitating action on a bipartisan drug bill.

Sincerely,

ROBERT C. BYRD.

1988 Omnibus Anti-drug Bill—July 6, 1988

I. DEMAND

A. Personal accountability

To reduce the demand for illegal drugs:

General

1. Makes a strong statement of opposition to legalization and decriminalization of drugs.

2. Provides for a nationwide awareness campaign concerning the new penalties for drug possession and use. This is to give drug users notice that things have changed, that their illegal activity will no longer be tolerated, and that it will be subject to serious penalties.

Education/Youth

1. Conditions state participation in federal drug programs upon the state's having put into effect, within two years, procedures for suspending eligibility for a driver's license for conviction of a drug offense.

2. Withholds highway funds from states that: (a) do not administer drug tests to all drivers arrested for driving under the influence of alcohol; (b) that do not prosecute those testing positive on drug tests and do not revoke or suspend for a year driver's li-

censes for anyone convicted of drug possession; and (c) that do not require the successful completion of a drug rehabilitation program as a condition of reapplication for a driver's license.

3. Restricts Drug-Free Schools money to school systems which have in effect policies to: (a) notify a parent or guardian and police when possession of a controlled substance by an unemancipated minor is discovered; and (b) and discipline drug offenders.

4. Suspends eligibility for federal post-secondary assistance (under Title IV of the Higher Education Act) to any student convicted of a drug-related offense.

This would be prospective. All applicants start off with a clean slate. Upon application for a student loan or other assistance, the applicant receives notice that a full conviction on a drug-related offense (state or federal) will result in loss of eligibility for a certain period of time.

The same notice will suggest that any applicant who has a problem with drugs should get treatment and will provide a listing of available programs.

Upon first conviction for a drug-related misdemeanor, the person loses eligibility for all federal student assistance unless he or she successfully completes a drug treatment program.

If an individual completes a program and is subject to a second conviction of a drug-related misdemeanor, or upon first conviction for a felony, the person loses eligibility for two years.

5. Authorizes the Secretary of Education to withhold funds from colleges not in compliance with Higher Education Act requirements for a drug-free campus and authorizes the Secretary to promulgate regulations specifying the standards by which the Department—and the public—can judge whether a particular college or university is drug-free.

6. Authorizes drug testing in schools as an optional component of drug-free campus programs.

Public Housing

The Department of Housing and Urban Development is currently preparing final regulations, first proposed July 23, 1986, to codify Public Housing Authority (PHAs) procedures for leases, evictions, grievances hearings, and so forth. Even without these regulatory changes, PHAs already have the authority to terminate the tenancy of anyone engaged in criminal conduct. With the new regulations PHAs will have broad discretion to deal with any criminal activity committed by tenants within or outside their projects.

The following proposals are intended to supplement what should be a though crackdown by PHAs against illegal drugs in public housing.

1. Requires an explicit no-drug clause in all new leases in federally assisted PHAs.

2. Requires an expedited report to Congress from HUD on the actual implementation of the forthcoming regulations to ensure that they are being effectively used to ensure a drug-feee environment and protect persons in public housing.

3. Requires all PHAs to have a residents' tenant review committee to help screen out drug users and traffickers. (Some PHAs are doing this already.) HUD many waive this requirement for PHAs which make good faith efforts to form such committees but (because of possible retaliation) fail to make them work.

4. Requires all PHAs to terminate the tenancy of a public housing tenant who is convicted in a State or federal court of an offense related to the possession, use, manufacture, sale, or distribution of a controlled substance.

5. Allows block grant funds under the Bureau of Justice Assistance to be used to fight drugs in public housing.

Workplace

1. Conditions receipt of any federal contract or assistance upon maintenance of a drug-free workplace.

2. Authorities HHS, DoL, and Justice to develop non-binding guidelines for employers and employees who desire drug-free workplaces.

3. Eliminates federal legal hurdles which prevent private employers from conducting drug tests and disciplining workers who fail drug tests.

4. Expands OSHA authority to ensure drug-free workplaces, including the designation of drug use in the workplace as an occupational safety or health hazard, and data collection on the use of drugs in the workplace. (As a component of OSHA accident investigations, the agency could conduct mandatory drug tests to determine whether drug abuse contributed to the accident.)

5. Amends the Rehabilitation Act of 1973 to testify that, for purposes of employment protections, the illegal use of a controlled substance shall be considered to be prima facie evidence of the endangerment of self or coworkers.

Under current law, drug addiction is considered a handicap, covered by the anti-discrimination provisions of the Rehabilitation Act. In employment, however, those protections do not apply if the person's addiction endangers self or others. Rather than remove drug addiction altogether from the coverage of the Rehabilitation Act, illegal use of drugs—use, rather than the fact of addiction—would be prima facie evidence of endangerment of self or coworkers. This shifts the burden of proof toward the person who is using illegal drugs, to show that his usage is not endangering anyone in the workplace.

Transportation

1. Includes the Danforth provision to require substance abuse testing, including mandatory random testing, of operators and other safety sensitive personnel of aircraft, railroads, and commercial motor vehicles. These provisions would give DoT broad testing authority over federally regulated transport workers were passed 83-7 by the Senate in October, 1987 as part of H.R. 3051, the Air Passenger Protection Act. That legislation is currently being stalled by the House.

2. Withholds highway funds from states which do not randomly test a percentage of first-time drivers within the first year of being licensed and to revoke driving privileges for individuals found to be using drugs or driving under the influence of drugs or alcohol. The Secretary of Transportation would issue regulations to aid states in implementation. Testing facilities would have to meet federal standards.

3. Makes federal certification of a common carrier dependent upon the carrier's commitment to a drug-free workplace.

This would require a good-faith effort on the part of the carrier. In other words, it would not lead to the loss of certification by an airline simply because a passenger smuggles drugs. DoT would make the determination of non-compliance in problem cases, using the guidelines developed under No. 2 in the Workplace section.

4. Authorize the urban mass transit administration (UMTA) to withhold funds from any mass transit system which has not established a comprehensive detection, treatment and enforcement program within 18 months after date of enactment.

5. Airport Drug Interdiction Zone—Increases the authority and power of the U.S. Customs Service and the Federal Aviation Administration to seize and search commercial aircraft for illegal drugs and narcotics. The administrator of the FAA is empowered to designate Airport Drug Interdiction Zones in conjunction with the issuance of airport operating certificates. This enables the Customs Service and the FAA to search and seize commercial aircraft in these zones without probable cause; the seizure to last no more than two business days. Commercial airlines would be encouraged to enter written agreements of participation with the FAA.

6. Airline Anti-Smuggling Amendment—Ensures greater vigilance in interdicting illegal drug smuggling on commercial aircraft by providing for formal and uniform procedures for the inspection of commercial aircraft by the common carrier for illegal narcotics smuggling into the United States. This provision creates a standard by which airlines can measure whether its precautions have satisfied the standard of care prescribed by statute. A rebuttable presumption would be established in favor of an airline certified to be in compliance with the anti-smuggling procedures that it has exercised the highest degree of care and diligence in discovering whether illegal narcotics are on board an aircraft. Furthermore, a carrier found to be in compliance with these procedures would be subject to a lower primarily schedule.

The Rights and Responsibilities of Citizenship

1. Denies all Federal Licenses for up to 10 years in the case of felony convictions and up to 5 years for misdemeanor convictions of drug or drug-related offenses (state or federal). This would apply when the license is given to an individual or to a solely-owned corporation. It would not apply in cases where the license is held by a company, one or more of whose officers or owners was convicted.

2. Establishes as a general principle the loss of eligibility for any federal benefit or entitlement for specified periods of time depending upon the seriousness of the drug offense. Excludes safety net programs and earned benefits—e.g., veterans benefits, pensions, social security survivor's benefits—would also be excluded.

Like the proposal concerning student loans, this provision is prospective. It would make ineligible for certain benefits someone who is, in the future, convicted of certain drug-related offenses. However, in order not to penalize innocent third parties (lending institutions), it would not terminate a federally guaranteed loan if its beneficiary is convicted after the loan has been made.

3. Requires that notation be made on a passport if a person has been convicted of a drug offense or has incurred a forfeiture. In addition, revoke passports of convicted persons: 10 years in cases of felony convictions, 5 years in misdemeanor convictions.

Miscellaneous

1. Requires implementation of the Domenici provision in the 1986 bill establishing a commission to explore ways in which the media glamorize or legitimate drug abuse and to recommend remedies.

2. Requires mandatory drug testing for Members of Congress and Congressional employees.

B. Treatment, education and prevention

In general the bill expresses the Sense of the Senate regarding its concern with respect to alcoholism and other drug dependencies. Emphasis is placed on the consequences of alcoholism and other drug dependencies and recognition is given that they are treatable diseases and that there must be opportunities for successful treatment and recovery. Such treatment programs form the essential element to solving the nation's drug problem.

Department of Health and Human Services

1. Reauthorizes and continues the Alcohol, Drug Abuse and Mental Health Services block grant. The funding of the ADAMHA block is increased to $550 million of which at least 35 percent must be used for drug abuse treatment programs.

2. Authorizes an additional $20 million for states to acquire, renovate, or construct substance abuse facilities.

3. Supplemental Drug Abuse Treatment Funding—Reauthorizes $166 million and authorizes $234 million (attached to the ADMS block grant). $100 million will be setaside for treatment programs for individuals within the criminal justice system. In addition, an 80 percent/20 percent federal/state match will be required for these supplemental funds.

4. Restricts federal funding of state treatment programs to programs which are shown to be effective by the states under guidelines set by the Secretary of HHS and based on a study by the Institute of Medicine.

5. Provides for the continuation of the Office of Substance Abuse Prevention with funding of $45 million. $29.5 million will be available for targeted education, prevention and treatment efforts for youth at high-risk for substance abuse.

6. Provides for the reauthorization of research efforts through the National Institute on Drug Abuse and the National Institute on Alcohol Abuse and Alcoholism. $183 million is provided for the National Institute on Drug Abuse.

7. Reaffirms Senate support of S. 1220 which provides $75 million for substance abuse treatment for IV-drug abusers who are at high-risk of contracting AIDS.

8. Permits the Secretary of Health and Human Services to approve national accrediting bodies for the certification of approved laboratories for drug testing federal employees. In addition, the Secretary is prohibited from reimbursing the certification of laboratories.

9. Requires the Secretary of Health and Human Services to report to Congress on the range of treatment programs for drug abuse mandated under this Act. A method of measuring the effectiveness of these programs shall be developed by the Secretary and the results of such evaluations reported.

Department of Education

1. Reaffirms Senate support of P.L. 100-297 which reauthorizes $250 million for school and community based education programs. This effort targets 70 percent of funds to school-based education programs and 30 percent of funds to community-based education efforts.

2. Requires the development of model criteria and forms for the collection of data and information to evaluate programs funded under this act. This will allow schools and community-based organizations to share uniform data and information with respect to the Drug-free Schools and Communities Act.

Department of Labor

1. Authorizes $5 million for incentive grants to employers to develop employee assistance programs for drug-abuse treatment.

2. Authorizes $15 million for OSHA enforcement and investigation to ensure a safe and healthy workplace.

Action Agency

Provides $5 million for two years to expand volunteer efforts to support community anti-drug abuse efforts. The bill also lifts the cap on three-year funding of community-based volunteer efforts.

Native American Program

1. Extends and revises the authorization of appropriations provisions of the Indian Alcohol and Substance Abuse Prevention and Treatment Act of 1986.

2. Increases funding for the staffing of the 11 youth regional treatment centers called for by the 1986 Anti-Drug Abuse Act. Funding for rehabilitation and follow-up services for Indian youth who are alcohol or substance abusers is also increased.

3. Emphasizes the family component in the treatment of youth alcohol and substance abuse. Studies have shown that the inclusion of family members significantly increases the effectiveness of such treatment.

II. POST-ARREST PROGRAMS

This aspect of the bill focuses significant new resources on those portions of our criminal justice system which administer post-arrest programs. Previous attempts to curb drug abuse and trafficking have often failed to fully recognize the critical necessity of balancing resources to meet the demands of increased law enforcement placed upon those Federal entities at the back end of the criminal justice pipeline, such as United States Attorneys, United States Marshals, the Federal Prison System and the Federal Courts. Increased enforcement becomes meaningless if we fail to provide sufficient funds for the prosecution, conviction, and incarceration of drug violators.

The package includes: $44 million to finance 874 positions for United States Attorneys to assist in narrowing the existing gap between arrests and prosecutions; $57.5 million for programs of the United States Marshals Service in the areas of judicial security and custody and transportation of unsentenced prisoners; $200 million to the Federal Prison System for the construction of four additional medium security prisons to relieve problems currently being experienced with a system wide 60 percent rate of overcrowding in Federal penal institutions; and an additional $166 million for the Federal Judiciary to meet the anticipated case load resulting from increased arrests and prosecutions.

United States Marshals Service Act of 1988

1. Codifies orders and regulations of the Attorney General establishing the Marshals Service as a separate unit of the Department of Justice and providing for its organizational structure.

2. Enhances security and appropriate decorum in the Federal courts by: (a) restating the marshal's traditional and premier responsibility of providing security for the courts and executing court process; (b) authorizing the Marshals to provide personal protection to judges, U.S. Attorneys and other Federal officials; and (c) eliminating the statutory provision which limits payment of court bailiffs to an unrealistically low level.

3. Provides explicit authority for the current functions of the Marshals Service, including authority to: (a) carry firearms and make arrests; (b) conduct fugitive investigations; (c) protect Federal witnesses and their families; and (d) provide for the transportation, maintenance and housing of Federal prisoners awaiting trial and sentencing, including entering agreements with states and localities to obtain necessary jail space.

4. Creates a separate U.S. Marshal's office for the Superior Court of the District of Columbia to ensure that both the local D.C. court system and the Federal district and circuit courts in D.C. receive the levels of attention they require.

5. Permits the marshals to recover the actual costs of serving non-federal court orders or processes in private litigation (currently borne by the taxpayers).

6. Furnishes the Marshals Service with explicit contracting authority to provide for security guards and service of process in non-criminal proceedings.

7. Protects the security and confidentiality of ongoing criminal investigations by exempting from standard Federal acquisition procedures the procurement of contract services necessary to assist Federal law enforcement in seizing and managing property related to criminal enterprises.

III. CRIMINAL JUSTICE

1. Death Penalty—establishes constitutional procedures for the implementation of the death penalty for the crimes for which it is currently authorized (murder, treason, espionage) as well as for new crimes such as attempted assassination of the President, drug related murder.

2. Habeas Corpus—prevents abuses in filing of habeas petitions. Provides for the following reforms: (a) establishes a time period for the filing of habeas petitions—one year for state level, two years for federal level; (b) allows the federal court to dismiss habeas petitions that have been "fully and fairly" adjudicated in the state court; (c) provides that claims not raised in state court can not be raised in federal court; (d) allows the federal court to dismiss a habeas petition on the merits even if state remedies have not been exhausted.

3. Exclusionary Rule—Codifies the Supreme Court Decision in *United States v. Leon* (1984) which provides that a search conducted pursuant to a warrant is valid if the law enforcement officer exhibits an "objectively reasonable belief" that the search is in conformity with the Fourth Amendment. Extends this exception to warrantless searches. Also provides that the exclusionary rule may not be used as a sanction for nonconstitutional violations of a federal statute or rule, unless the statute specifically provides for such a remedy.

4. Provides for drug tests as a condition for parole or probation with revocation of parole or probation upon a finding of drug use. Requires testing of all individuals on probation, parole (approximately 74,800) or supervised release on a random basis with everyone being tested at least once every 30 days. Tests to be financed by user fees.

5. Provides mandatory adult status for juveniles with prior serious state or federal drug convictions.

6. Money Laundering Amendments—Includes changes to current reporting requirement for cash purchases of consumer goods of $10,000 or more by establishing stiff pen-

alties of retailers who fail to report; other improvements to money laundering enforcement are also included.

7. Criminal penalty for polluting U.S. lands in the course of drug activities—Provides for a maximum of five years imprisonment or a fine or both for persons who, in the course of violating the controlled substances laws, place a pollutant on U.S. lands.

8. Provides enhanced penalties for certain drug violations: selling within certain distances of a school yard; the use of juveniles in drug trafficking; selling drugs to minors: 10 years without parole for the first offense, life without parole for the second offense; the operation of a common carrier under the influence of drugs or alcohol and causing serious bodily injury. Contains a provision to amend the controlled substances laws to make it illegal to distribute, possess with intent to distribute or import or export certain amounts of marihuana plants.

9. Civil sanctions—Establishes additional civil penalties for persons convicted of simple possession of heroin or cocaine. First offense—up to $250,000; subsequent offenses—$1 million.

10. Minor and technical amendments to the 1986 Drug Bill.

11. Precursor Drugs—Includes DEA Proposal to track substances required for the manufacture of illicit drugs.

12. House probation—provides house probation as a discretionary condition of probation, parole or supervised released.

13. National Institute of Justice Research Program—Authorizes $10 million to identify innovative solutions to problems in the criminal justice system.

14. Three-time loser provision for drug violators: imposition of a life sentence without parole for persons convicted of certain drug trafficking offenses if they have been previously convicted twice of drug felonies. (Current law imposes a mandatory term of 15 years without parole for any felon upon a third conviction, regardless of the type of crime involved. This proposal would specify that three drug related convictions would result in life imprisonment.)

15. Provides enhanced penalties, depending on the drug and quantity, for persons who distribute or manufacture drugs within 200 yards of a public housing project. This provision is based on the schoolyard provision in current law.

16. Drug Offenses within Prisons—Provides that persons who manufacture or distribute drugs within federal prisons shall, in addition to any other sentence, be imprisoned for 10 years. Also, provides that inmates who use drugs shall, in addition to any other sentence, be imprisoned for one year.

17. Public Safety Officers—Increases the death benefit for Federal public officers from $50,000 to $100,000.

18. Increases current mandatory sentences for using firearms in the commission of a crime of violence or drug crime.

19. Prisoner Costs Reimbursement Plan—Direct the Attorney General to prepare a plan which would require federal inmates to pay for the costs of their incarceration or to work during their incarceration or after their release to pay for such costs.

IV. PROPOSAL FOR A DRUG CONTROL DIRECTOR

1. Establishes a Cabinet level Director of Drug Control within the Executive Office of the President, to be appointed by the President with the advice and consent of the Senate.

2. Authorizes the Director to appoint Deputy Directors in the areas of drug law enforcement and drug demand reduction.

3. Designates the Director as the Chairman of the National Drug Policy Board.

4. Transfers those responsibilities now assigned to the Board to the Director, specifying that he carry that out after consultation with the Board.

5. Authorizes the Director to review and modify budgets of drug related programs before they are transmitted by civilian agencies or departments to OMB.

6. Authorizes the Director to transfer a certain percentage of funds between drug related programs after notifying the Appropriations Committees.

7. Designates the Director to serve as primary advisor to the President and Congress on national and international drug control programs and policies and on the implementation of those policies.

8. Authorizes the Director to temporarily reassign personnel between agencies, with the concurrence of those agencies, in order to implement drug control policies.

9. Authorizes the Director to assemble a staff to assist him in carrying out his duties.

10. Abolishes the While House Drug Abuse Policy Office.

11. Adds the Director to the National Security Council.

12. Terminates the Director's office after six years unless Congress determines that there is still a need for the position.

V. INTERNATIONAL EFFORTS

1. Provides for the procurement of weapons to defend aircraft involved in narcotics control efforts. $1 million for FY88 and FY89 to arm, for defensive purposes, aircraft used in narcotics control eradication or interdiction efforts. The funds are to be used on existing aircraft, and not to be used for the purchase of new aircraft. The Foreign Affairs Committee of the House and the Foreign Relations Committee of the Senate shall be notified at least fifteen days in advance of the use of these funds.

2. Provides funds for pilot and aircraft maintenance training for narcotics control activities. $2 million for FY88 and FY89 for training in the operation and maintenance of aircraft used in narcotics control interdiction and eradication efforts for countries in Latin America and the Caribbean.

3. Adds additional actions which the President shall consider in determining whether countries are cooperating fully with the United States: (a) has adopted laws to enable law enforcement officials to move more effectively against narcotics traffickers, such as new conspiracy laws and new asset seizure laws; (b) has expeditiously processed U.S. extradition requests; (c) has not protected or given haven to any known drug traffickers and has expeditiously processed U.S. extradition requests relating to narcotics trafficking made by other countries; and (d) has investigated the murders of U.S. personnel working in drug enforcement in that country who have been killed since 1985 and brought to trial and effectively prosecuted those responsible for such murders. Additionally, the criteria for entering into a mutual legal assistance agreement is changed from "willingness of such government to enter into" such an agreement to "has entered into."

4. Expresses the Sense of the Senate that the President should call for international negotiations for the purpose of establishing an international drug force to pursue and apprehend major international drug traffickers.

5. Expresses the Sense of the Senate that the President should convene an "International Conference on Combatting Illegal Drug Production, Trafficking, and Use in the Western Hemisphere."

6. Prohibits foreign assistance to countries which fail to take steps to prevent and punish drug-related corruption.

VI. IMPROVEMENTS IN JUSTICE FORFEITURE FUNDS

1. Currently, all expenditures from the Forfeiture Fund are scored as if having been appropriated under Subcommittee 302(b) allocations. Therefore, expenditures related to maintaining and disposing of assets, as well as funds shared with state and local authorities, are scored against the Commerce, Justice and State Subcommittee in Appropriations. The change would create permanent spending authority for the uncontrollable costs of the fund including asset management expenses and the sharing of payments with state and local agencies. This program has successfully enhanced local law enforcement efforts by recycling more than $100 million worth of criminal assets.

2. Stipulates that funds provided to state and local governments for their share of the seized assets should be spent to enhance the activities of law enforcement agencies.

3. (a) Directs the Attorney General to consider administrative changes that will increase the availability to state and local police agencies of the federal asset forfeiture laws; and (b) provides federal training for state and local asset forfeiture officials in the art of finding assets of drug dealers.

4. Expands the list of acceptable disbursements from the asset forfeiture funds to include purchase of surveillance equipment. This proposal will not increase the level of BA or outlays.

5. Expands rewards for citizens who report drug dealers to authorities. Funding would come from a pool of forfeited assets, with rewards up to $250,000 at the discretion of the Attorney General. (Current law permits the Attorney General to authorize rewards up to $150,000 or ¼ of forfeited assets, whichever is less, payable from the assets seized in a particular arrest.)

VII. LAW ENFORCEMENT

A. Immigration and Naturalization Service

1. Authorizes $40.7 million: (a) to enhance criminal investigations; (b) to provide 250 new border patrol agents and equipment; (c) to provide 80 new positions for the inspection division; (d) to design improvements to the San Clemente border patrol station; (e) for training; and (f) for demand reduction.

2. Exclusion or Deportation from U.S. of aliens convicted for possession or use of certain controlled substances. Provides for exclusion or deportation after serving sentence in the U.S. while providing a mechanism to assure that aliens are expeditiously deported in these cases.

3. Bars the reentry with visa of aliens deported on criminal grounds.

4. Eliminates bond for deportation proceedings for alien drug offenders.

5. Eliminates suspension of deportation.

6. Bars asylum or withholding of deportation for alien drug traffickers.

7. Eliminates most of the exclusions, including the drug exclusion, for deportation of a long-term permanent resident of the U.S. when reentering the U.S. from a temporary visit abroad.

8. Eliminates waivers based on family ties for alien drug traffickers.

9. Bars alien drug traffickers from voluntary departure.

10. Increases penalties for failure to comply with conditions of supervision.

11. Restricts the discretion of the courts to suspend penalties of alien drug offenders who disobey a final deportation order.

12. Permits deportation for possession of firearms.

13. Provides for summary exclusion for narcotic possession at port.

14. Provides wiretap authority for INS.

15. Expands INS authority for RICO violation.

16. Bars asylum and withholding of deportation for any aliens convicted of an aggravated felony.

17. Authorizes the INS to access the National Crime Information Center data base and other enforcement computerized indexes.

18. Subject to the supervision of the Attorney General, provides general law enforcement authority to immigration officers permitting them to enforce criminal violations of federal law encountered during the course of their duties, subject to the supervision of the Attorney General.

19. Permits limitation or denial of nonimmigrant visas to nationals of major drug producing or drug-transit countries which have neither cooperated fully with the United States nor have taken adequate steps on its own to prevent drug related activities.

20. Requires certified copies of conviction records to be provided to INS.

21. Requires the stamping of passports of drug convicted aliens at time of attempted entry into the United States.

B. Coast Guard

1. Coast Guard Law Enforcement Detachments (LEDET's) on Navy Vessels—Amends 10 U.S.C. 379 and 14 U.S.C. 637 to give Navy commanding officers and those acting under their orders, including Coast Guard LEDET's, the authority and protection currently in 14 U.S.C. 637 to shoot at vessels without being subject to personal liability when a Navy ship has a Coast Guard LEDET attached. (Submitted to Congress by the Secretary of Transportation 21 December 1987. Referred to the Senate Committee on Armed Services 16 February 1988.)

2. Requires the Secretary of Treasury, in consultation with the Secretary of Transportation, to submit draft legislation to Congress to restrict the ports of entry for vessels from drug producing countries, to require advance notification of arrival from these vessels, and to subject those vessels to quarantine and inspection. Also allows the Secretary to promulgate and charge fees for inspection services, as appropriate.

3. Crime of Possession—Amends the crime of possession under 21 U.S.C. 844 to include extraterritorial possession by a U.S. citizen or resident alien aboard any vessel or aircraft subject to the jurisdiction of the United States. (Submitted to Congress by the Secretary of Transportation 21 December 1987. Referred to the Senate Committee on Armed Services 16 February 1988.)

4. Amends the Maritime Drug Enforcement Act (46 U.S.C. 1901 et seq., previously 21 U.S.C. 955a): a) extends the Maritime Drug Enforcement Act to U.S. citizens aboard the vessel of any nation; and b) amends the Act to require operators of vessels which would otherwise be considered U.S. vessels, but for a valid foreign registry, to raise that foreign registry issue at the time of boarding.

5. Provides $6 million for 200 additional law enforcement personnel.

C. National Guard

2. Provides $60 million to be allocated between National Guard, Army: National Guard Personnel and Allowances, Air National Guard: Military Pay and Allowances, and Army Guard: Operations and Maintenance, as directed by Chief, National Guard Bureau.

D. Bureau of Alcohol, Tobacco and Firearms

1. Provides $20 million for 500 additional special agent positions to enforce: (a) 18 U.S.C. 924c—Use of a firearm in the commission of a crime; and (b) 18 U.S.C. 924e—three time loser in possession of a firearm, approximately 80 percent of such cases are drug related.

2. Provides $1.5 million for: (a) reimbursement of overtime pay for state and local law enforcement when such enforcement is used to assist BATF; and (b) to underwrite equipment for state and local law enforcement to allow BATF to work together with the state and local enforcement agencies.

E. National Forest Service

1. Grants general arrest authority to Forest Service law enforcement officers outside of the National Forest System with the exception of offenses falling under Title 21, the Controlled Substances Act, where Forest Service personnel are to act under cross-designation from DEA as provided by an MOU.

2. Authorizes the Secretary of Agriculture to deputize law enforcement officers of any other Federal agency, when the Secretary determines deputization to be economical and in the public interest, and with the concurrence of that agency, to exercise the powers and authorities of the Forest Service while assisting the Forest Service in the National Forest System, or for activities administered by the Forest Service.

3. Enhances the booby-trap provisions of the 1986 Anti-Drug Abuse Bill.

F. Drug Enforcement Agency

1. Provides $31 million to DEA for its airwing and technical support to bring the Agency to the President's budget request.

2. Provides $3 Million for El Paso Intelligence Center. EPIC coordinates all drug-related intelligence.

3. Provides $45 million for domestic investigations. This includes implementation of the precursor chemical provisions and $6 million for anti-gang activities.

G. Federal Bureau of Investigation

1. Provides $38 million for 910 additional special agent and support personnel positions to enable the FBI to effectively implement the National Drug Strategy over the period from 1989-1991.

H. State and local law enforcement

Authorizes $155 million in addition to FY 89 levels in appropriation bills for state and local law enforcement grants. This will raise the total program funding level to $225 million.

I. Budget

Requires the Administration's budget submitted to the Congress include a summary of Federal expenditures for drug enforcement, by agency, in each budget submission for the immediately preceding and upcoming fiscal years.

VIII. FUNDING

The total levels of spending and funding in the omnibus anti-drug bill are consistent with the procedures and spending limitations for an anti-drug initiative agreed to by the Senate and House in the Conference Report on the Fiscal Year 1989 Budget Resolution.

Mr. BYRD. Mr. President, let me comment anent what the distinguished minority leader has just said.

We have appointed a task force on our side of the aisle, and the distinguished minority leader has appointed one on his side of the aisle.

I met with Senator NUNN earlier this morning and suggested that we have a meeting this afternoon of the two groups and attempt, if we can, to have a bill ready to introduce and, hopefully, to act upon next week.

It would require a little time for the two sides to work together, to make certain decisions, and resolve certain questions. We do want this to be a bipartisan approach. We want a good bill. The Democrats have come up with an excellent package. The distinguished Republican leader has just indicated that his Senators have also come up with a good one. I think the two sides ought to get together. I am ready this afternoon, and I hope we can do that.

I asked my secretary to make calls earlier today, and I have had a meeting going on in my office concerning the drought. I have been running around here trying to unwind two or three snafus that have arisen on the pending bill.

It is still my plan, if the distinguished Republican leader and his task force people can get together this afternoon, to get together in my office and decide on an agenda, as to how we can go forward next week. I am ready to do that.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, FISCAL YEAR 1989

The Senate continued with the consideration of H.R. 4776.

Mr. BYRD. Mr. President, I ask the distinguished Senator from Colorado: If Senators were willing to accept his amendment, would he agree to have it accepted? There are Senators, including the Senator's leader, who need to get out of here today at 2 o'clock. That is my understanding. I am trying to help everybody. I myself will be around.

If we accept the amendment, we can have a voice vote on it and have a final vote quickly on passage of this bill.

Mr. ARMSTRONG. Mr. President, several people have indicated to me that they would like to have a rollcall vote, and I would like to have a rollcall vote. So far as I am aware, there are no other speakers, and we could begin a rollcall vote at this time.

Mr. BYRD. I am sure we can do that. But there are Senators on my side who suggest that we should have a tabling motion or a point of order.

Now we are talking about not just one rollcall vote, but possibly a rollcall vote on a tabling motion first and then on a point of order, or vice versa, and still we have to vote on the Senator's amendment. I do not know how that might come out.

I am reminded of an incident which I think involved the former Senator Joe Clark of Pennsylvania. I am not saying it would happen in this instance. Senator Joe Clark offered an amendment, and Senator Harry Byrd, Sr., offered to take the amendment on a voice vote, to accept the amendment. Senator Clark insisted on a rollcall vote. He was greatly overwhelmed and his amendment rejected by the rollcall vote.

The Senator has a right to ask for a rollcall vote. He has that right. He may carry his amendment. It seems to me that if Senators will accept the Senator's amendment, let us do it on a voice vote. The distinguished Senator from Colorado could proclaim victory, and we would all go home.

That is my suggestion. I do not mind having a rollcall vote. I do not mind having two or three rollcall votes this afternoon. What I do want is to have this bill passed today. I know there are Senators who want to get out of here, and they are not all on this side.

I am in no position to accept the amendment. That is the manager's option. But I would recommend that it be accepted, if it can be done on voice vote, and we can pass this bill.

Senator Nunn also wants to have action on his conference report on the DOD bill, and he wants a rollcall vote on that.

So, why can we not resolve this particular question in favor of the Senator from Colorado, and go on and get these matters over with?

Mr. ARMSTRONG. Mr. President, if the majority leader is making a list of Senators who would like to depart the Chamber, may I be on it?

I happen to be one of those who think that whenever the Senate can complete its work, it is a good thing, and when it can quit early on a Friday afternoon, it is a good thing. I have no desire to delay this bill in the slightest, but I think this is a matter that requires a rollcall vote.

Mr. BYRD. The Senator is within his rights.

Mr. NICKLES. Mr. President, I think the Senator from Colorado is within his rights. He has asked for the yeas and nays. I think we have granted the yeas and nays on his amendment.

The Senator is within his rights if he wishes to make a point of order or move to table. I would like to see this issue resolved and pass the bill.

Mr. HARKIN. Mr. President, I make the point of order that the amendment constitutes legislation on an appropriations bill, under rule XVI paragraph 4.

The PRESIDING OFFICER. The point of order is not sustained.

Mr. HARKIN. Mr. President, I appeal the ruling of the Chair.

Mr. ARMSTRONG. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is, Shall the judgment of the Chair stand? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD. I announce that the Senator from Texas [Mr. Bentsen], the Senator from Arkansas [Mr. Bumpers], the Senator from California [Mr. Cranston], the Senator from Connecticut [Mr. Dodd], the Senator from Rhode Island [Mr. Pell], and the Senator from North Carolina [Mr. Sanford] are necessarily absent.

I also announce that the Senator from Delaware [Mr. Biden] is absent because of illness.

I further announce that, if present and voting, the Senator from California [Mr. Cranston] would vote "nay."

Mr. SIMPSON. I announce that the Senator from New Mexico [Mr. Domenici], the Senator from Washington [Mr. Evans], the Senator from Oregon [Mr. Hatfield], the Senator from Nevada [Mr. Hecht], the Senator from North Carolina [Mr. Helms], the Senator from Nebraska [Mr. Karnes], the Senator from Alaska [Mr. Murkowski], the Senator from New Hampshire [Mr. Rudman], the Senator from Connecticut [Mr. Weicker], and the Senator from California [Mr. Wilson] are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon [Mr. Hatfield] and the Senator from Connecticut [Mr. Weicker] would each vote "nay."

The PRESIDING OFFICER [Mr. Graham]. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 43, nays 40, as follows:

[Rollcall Vote No. 234 Leg.]

YEAS—43

Armstrong
Bingaman
Bond
Boren
Boschwitz
Byrd
Cochran
D'Amato
Danforth
DeConcini
Dole
Durenberger
Exon
Ford
Garn
Gramm
Grassley
Hatch
Heflin
Heinz
Humphrey
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Nickles
Pressler
Pryor
Quayle
Reid
Roth
Sasser
Shelby
Simpson
Stafford
Stevens
Symms
Thurmond
Trible
Wallop
Warner

NAYS—40

Adams
Baucus
Bradley
Breaux
Burdick
Chafee
Chiles
Cohen
Conrad
Daschle
Dixon
Fowler
Glenn
Gore
Graham
Harkin
Hollings
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Proxmire
Riegle
Rockefeller
Sarbanes
Simon
Specter
Stennis
Wirth

NOT VOTING—17

Bentsen
Biden
Bumpers
Cranston
Dodd
Domenici
Evans
Hatfield
Hecht
Helms
Karnes
Murkowski
Pell
Rudman
Sanford
Weicker
Wilson

So the ruling of the Chair was sustained.

Mr. BYRD. Mr. President, I move to reconsider the vote, and I qualify. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Vote.

The PRESIDING OFFICER. The question is on agreeing to the motion to reconsider. All those in favor, signify by saying aye.

Mr. ARMSTRONG. Mr. President, may I ask the Chair to withhold putting that question for a moment while I consult my leader? I have been off the deck for a minute.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ARMSTRONG. Mr. President, I am grateful to the leader for giving me a moment to check the situation. I have every reason to believe that the result of a voice vote on reconsideration would be the opposite of the recorded vote we have just taken. It appears that on a voice vote we would reconsider whereas just a moment ago we sustained the ruling of the Chair. There is at least a probable outcome that a voice vote would reverse that decision, and, while I very much desire to expedite the process and I am reluctant to ask my colleagues to go through another rollcall, obviously I cannot willingly stand by and permit, by voice vote, the reversal of what we have arrived at by recorded vote. And so I must reluctantly, if the leader wishes to pursue this, I must reluctantly ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from Arkansas [Mr. BUMPERS], the Senator from California [Mr. CRANSTON], the Senator from Connecticut [Mr. DODD], the Senator from Rhode Island [Mr. PELL], and the Senator from North Carolina [Mr. SANFORD], are necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN], is absent because of illness.

I further announce that, if present and voting, the Senator from California [Mr. CRANSTON], would vote "yea."

Mr. SIMPSON. I announce that the Senator from New Mexico [Mr. DOMENICI], the Senator from Washington [Mr. EVANS], the Senator from Oregon [Mr. HATFIELD], the Senator from Nevada [Mr. HECHT], the Senator from North Carolina [Mr. HELMS], the Senator from Nebraska [Mr. KARNES], the Senator from Alaska, [Mr. MURKOWSKI], the Senator from New Hampshire [Mr. RUDMAN], the Senator from Connecticut [Mr. WEICKER], and the Senator from California [Mr. WILSON], are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] and the Senator from Connecticut [Mr. WEICKER], would each vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 42, nays 41, as follows:

[Rollcall Vote No. 235 Leg.]

YEAS—42

Adams
Baucus
Bradley
Breaux
Burdick
Byrd
Chiles
Cohen
Conrad
Daschle
Dixon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Hollings
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Proxmire
Pryor
Reid
Riegle
Rockefeller
Sarbanes
Simon
Specter
Stennis
Wirth

NAYS—41

Armstrong
Bingaman
Bond
Boren
Boschwitz
Chafee
Cochran
D'Amato
Danforth
DeConcini
Dole
Durenberger
Exon
Garn
Gramm
Grassley
Hatch
Heflin
Heinz
Humphrey
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Nickles
Packwood
Pressler
Quayle
Roth
Sasser
Shelby
Simpson
Stafford
Stevens
Symms
Thurmond
Trible
Wallop
Warner

NOT VOTING—17

Bentsen
Biden
Bumpers
Cranston
Dodd
Domenici
Evans
Hatfield
Hecht
Helms
Karnes
Murkowski
Pell
Rudman
Sanford
Weicker
Wilson

So the motion to reconsider the vote by which the decision of the chair was sustained was agreed to.

DEPARTMENT OF DEFENSE AUTHORIZATION ACT—FISCAL YEAR 1989—CONFERENCE REPORT

Mr. BYRD. Mr. President, I ask that the Chair lay before the Senate the Department of Defense authorization bill conference report.

Mr. ARMSTRONG addressed the Chair.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4264) to authorize appropriations for fiscal year 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to rescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

Mr. DOLE. Mr. President, I ask——

The PRESIDING OFFICER. Is there objection to the consideration of the conference report?

Mr. ARMSTRONG addressed the Chair.

Mr. STEVENS. I object.

Mr. DOLE. I object.

The PRESIDING OFFICER. There is objection.

Mr. BYRD. Objection to what?

The PRESIDING OFFICER. To the immediate consideration of the conference report.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The bill clerk proceeded to call the roll and the following Senators entered the Chamber and answered to their names:

[Quorum No. 22]

Present

Adams
Armstrong
Baucus
Bingaman
Bradley
Breaux
Burdick
Byrd
Chafee
Cohen
Conrad
D'Amato
Danforth
DeConcini
Dixon
Dole
Ford
Fowler
Garn
Glenn
Graham
Gramm
Grassley
Harkin
Hatch
Heinz
Inouye
Johnston
Kassebaum
Kasten
Kennedy
Kerry
Leahy
Levin
Lugar
Matsunaga
McCain
McConnell
Melcher
Mitchell
Nickles
Nunn
Packwood
Pressler
Proxmire
Quayle
Rockefeller
Roth
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Symms
Thurmond
Trible
Wallop
Warner
Wirth

The PRESIDING OFFICER. A quorum is present.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order. The Senate will be in order.

The majority leader.

Mr. BYRD. Mr. President, the defense conference report is before the Senate; is it not?

Mr. ARMSTRONG. Mr. President, if the leader will yield——

The PRESIDING OFFICER. The report is not before the Senate.

Mr. ARMSTRONG. Is there a request to be laid before the Senate?

The PRESIDING OFFICER. The request was an inquiry to the Chair as to whether it was before the Senate, and it is not before the Senate.

Mr. ARMSTRONG. I beg the Chair's pardon. I did not quite understand. Is it neither before the Senate, nor is it the request that it be before the Senate?

The PRESIDING OFFICER. The request was of the Chair as to whether the defense authorization bill was before the Senate. The answer was no.

Mr. ARMSTRONG. I thank the Chair.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. What happened to the previous request that the conference report be laid before the Senate?

The PRESIDING OFFICER. There was an objection heard to the request.

Mr. BYRD. Then I move that the conference report be laid before the Senate.

Mr. ARMSTRONG. Mr. President, parliamentary inquiry. Mr. President at this time when the motion is pending to proceed to the conference report, it is my understanding it is a privileged motion but am I correct that it is in order prior to action on such a motion that it is in order for any Senator to request that the report be read?

The PRESIDING OFFICER. The Senator from Colorado is correct.

Mr. ARMSTRONG. Mr. President, I am loath to do that, but it is very clear what is going on here—that there is an attempt to delay action on an amendment which has been controversial, which has been debated at length, on which there has been a point of order, and on which the Senator's amendment has been sustained by the Chair. So I am loath to do so. If the leader is insisting on offering this motion, I will have no choice—I will indeed be constrained to ask that the conference report be read, with apologies to the reading clerk and the Senate.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT—FISCAL YEAR 1989

The Senate continued with the consideration of the bill.

Mr. BYRD. Mr. President, I have great difficulty in pressing back the tears I am about to shed because of the Senator's situation.

Mr. ARMSTRONG. Mr. President, I regret that I cannot hear the Senator.

Mr. BYRD. I talked a little louder a little earlier today, and the Senator would not listen. I am not sure it would make a difference if he hears me or not now.

I had hoped that we could have a voice vote on the amendment and that the Senate could complete action on the bill and the Senate could go out. The Senator would have had his amendment adopted.

I agree with his amendment, in substance. I think the course we are following sets a bad precedent. The Chair had no alternative but to respond on the point of order in accordance with previous advice over the past few years. It is bad advice, and we are going to fight it. At some point the Senate should overrule the Chair on such a point of order.

If we hope to dispose of the appropriation bill and avoid these various and sundry amendments that constitute legislation on an appropriation bill, I think there has to come a time when the Senate has to face up to this business of setting a bad precedent.

I said on the record that I favor the Senator's amendment. There is no problem with me so far as his amendment is concerned. But I hope—looking forward to the time when I am going to be chairman of the Appropriations Committee—that the Chair can rule on points of order in a way that protects the appropriations process. We have to start at some point.

If the Senate wants to continue to establish a bad precedent, I will have to live with it. This is not a good precedent for the Senate to set, and the only way to avoid it is for the Senate to overturn the Chair and thus establish a correct precedent.

I have tried to avoid that today by simply having a voice vote on the Senator's amendment, putting this procedural fight over until another day. I do not want to have this fight this afternoon. I have not yet spoken on the floor as to why the precedent would be a bad precedent.

I have appealed to the Senator from Colorado to have some consideration for Senators who have to get out of town today, some of whom have already gone now, some of whom still need to go and cannot—to let his amendment go on a voice vote. He gets his amendment adopted by voice. He has already had two rollcall votes here for the record.

I would like to appeal to him again to let the Senate have a voice vote. I do not know of any Senator on this side of the aisle who is demanding a yea and nay vote. If there is, I would like to see the Senator's hand.

I would like to wait until another day to fight against setting a bad precedent. I would like to support the Senator's amendment. Let us accept it. Let us all go out of here happy and get out in time to catch our planes, see our grandchildren, go to the mountains of West Virginia, or wherever. You can see that I am needing a little fresh air.

So let me appeal to the Senator: Let us have a voice vote on his amendment and go home, and we will have the fight on the procedural question on another day.

Mr. ARMSTRONG. Mr. President, if the Senator will yield——

The PRESIDING OFFICER. The Chair notes that we are having debate on a nondebatable motion.

Mr. BYRD. Mr. President, I ask unanimous consent that I may proceed for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ARMSTRONG. I ask unanimous consent that I may also proceed for 5 minutes.

Mr. BYRD. I yield 4 minutes to the Senator right now.

Mr. ARMSTRONG. I thank the Senator.

It is very difficult to be unresponsive to the request of the majority leader, but it is not impossible.

In this case, I cannot do what he suggests, nor do I think it would be proper for me to do so. Indeed, let me say to the leader that I think the various points he has made illustrate why a number of Senators have expressed to me the desire to have a recorded vote on the substance of the amendment.

Mr. BYRD. Mr. President, will the Senator yield on that point?

Mr. ARMSTRONG. I yield.

Mr. BYRD. The Senator earlier said that somebody on my side wanted a yea or nay vote on the amendment. The Senator said in the well that there are Senators on my side who wanted a rollcall vote. I have not observed that to be the case.

Mr. ARMSTRONG. The leader is correct. There are Senators on both sides of the aisle who have expressed that hope to me. But the point the leader made was that he, himself, had voted differently on the point of order than he would intend to vote on the substance of the amendment; and if we do not have a vote on the amendment itself, it leaves the Senators in an equivocal position.

The notion that, somehow, the Senator from Colorado is drawing out the process is not borne out by the facts. I was ready to vote at 1 o'clock, 1:15, 2:20, 2:25. I am ready to vote now.

With respect to the question whether we have to argue about the precedent, that issue has been settled. The Chair has ruled. An appeal from the ruling of the Chair was made, and the Chair was sustained. In other words, the precedent situation is the same as it has been for many years. There is no change.

The majority leader does not like the precedent; and in some ways—I have not heard his arguments—I think I might be willing to join him in amending the rules with respect to legislation on appropriations bills. I do not want to precommit to that, because I have not heard his arguments.

I come from a tradition which is more restrictive about such amendments than is the Senate practice. The point is that that has been settled. There is no need for that to come up further at this time, unless the leader or some other Senator wishes it to. We have had the ruling and the debate and have had a vote on the appeal of the ruling of the Chair, and the Chair has been sustained.

All we need is to vote on the substance of the issue, and I am gratified that the leader expresses himself as favorable to my amendment. I think there are Senators who are not amenable to the procedural question who will be in favor of my amendment.

So let us vote and go home.

Mr. BYRD. Mr. President, the rules do not need to be changed. The rules already provide that there be no legislation on appropriations bills. It is a precedent we are talking about—one that would be a bad precedent.

I am trying to get the Senator to let the Senate vote on his amendment by voice vote. There are Senators over here who prefer to move to table, some prefer to make a point of order. I prefer to have a voice vote on the amendment and get out of here.

The Senator may win or he may not win on the vote to reconsider. I do not know how many Senators are here now. He may have lost more Senators on his side of the question than we have lost on our side.

It seems to me, Mr. President, that it is a very unreasonable attitude. With all due respect to the Senator from Colorado—and it is any Senator's right to insist on a rollcall vote—I think it is very unreasonable for the Senator who has offered his amendment, and I have said let's accept it, and "Let's voice vote it," to insist we have a rollcall vote. Yet, he says he is not holding up the Senate. I made this same offer to him an hour and a half ago, right here on the floor, to have a voice vote and adopt his amendment.

Mr. President, I can be as stubborn as the next Senator, but I do not think we ought to try to see who can be the most stubborn and the most bullheaded.

I can be as bullheaded as anybody else if that were the point to be served, and say, "OK, lay on, Macduff, and damn be him who first cries out 'enough.'"

But there is no point in such bullheadedness. We will fight this battle another day.

Let us go ahead and have the rollcall vote on the Senator's amendment.

If he wins, which he will, well and good.

I have said before where I stand on the substance of his amendment, but I have also said this is bad precedent and there are a lot of Senators in here who have not been here for 30 years, who have not had to stand on this floor for 22 years and fight battles over precedents, and some of those Senators are on my side of the aisle.

Yet when it comes to trying to avoid hurtful precedents that will be here long after this majority leader is not even a Member of the Senate, my colleagues ought to give some consideration to procedure over substance in such a situation.

Mr. President, I ask unanimous consent to proceed for 5 additional minutes.

The PRESIDING OFFICER (Mr. WIRTH). Without objection, it is so ordered.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent to also proceed for 5 minutes.

Mr. BYRD. Mr. President, I yield the Senator 4 minutes of my 5.

Mr. ARMSTRONG. Mr. President, I reserve my time.

Mr. BYRD. Sir?

Mr. ARMSTRONG. I just said I would like to reserve my time.

Mr. BYRD. Mr. President, if there is any Senator who is not persuaded, by what he is hearing just now, to vote the way this majority leader will vote in this procedural matter, it would be cause to wonder, who hears what is being said now and is a witness to what is going on should for this one time say: "I am going to stand with the majority leader. The majority leader has tried to resolve this matter. He has tried to save the time of everybody. And he is trying to move the legislation and he is trying to avoid a bad precedent. He is even willing now to let the vote go forward because he says he does not want to win in a contest of bullheadedness and this is one time I am going to support the majority leader."

I will tell you one thing when I am no longer majority leader and I am sitting in one of these chairs and I see what is going on here now, I am going to vote with my majority leader in a procedural situation of this nature.

So I am going to give the Senator from Colorado the whole 5 minutes. I ask unanimous consent that the Senator may proceed for 5 minutes and then, Mr. President, let us have a rollcall vote.

The PRESIDING OFFICER. First of all, before we proceed, the majority leader will have to withdraw his motion to proceed.

Mr. BYRD. I withdraw my motion.

The PRESIDING OFFICER. The Senator has that right.

Then, without objection, that is done.

We would then move to vote on the appeal of the ruling of the Chair. The majority leader is correct.

Mr. ARMSTRONG. Mr. President, may I propound a parliamentary inquiry?

The PRESIDING OFFICER. The Senator will state it.

Mr. ARMSTRONG. It would be my understanding that if the leader wishes to press the vote on the question of sustaining the Chair, that would be a debatable motion. It is not my desire to have a vote on that issue. We have had a vote on it already, and if that is the vote he wishes to vitiate, that would be perfectly agreeable to me.

However, if it is the intention of the leader to go to a vote on that, then I would like to have an opportunity to discuss on its merits the ruling of the Chair, which I believe to be a correct one and in accordance with the precedents of the Senate.

It seems to me that would be better put off to another time, but we cannot have it both ways. We cannot both press for a decision on that issue, particularly after making the appeal to the leadership, and so on, which is a proper appeal, but there is another appeal also and it is an appeal Jefferson spells out so well about the importance of the rules of this body.

So I just want to clarify that if we are going to go down that track, and I am glad to vitiate that and get to the substance of the amendment, but if we are going to go down that track, then I intend to at least state my views on the question of whether or not the Chair should be sustained and debate that issue on its merits.

Moreover, I am advised that some other Senators have views on that as well which have nothing to do with my amendment because in reality, let me say to everyone who has offered an amendment to an appropriation bill, if for some reason the Chair were not sustained, if the Chair were not sustained, if we overturn the ruling of the Chair, we would be overturning years of precedent in a way which I think most Senators have not thought about fully and I would assume they would want to consider that as a separate question from the underlying amendment.

But I just wanted to clarify that would not be an automatic process but it would simply be the pending question before us.

The PRESIDING OFFICER. The Chair would note that the Senator from Colorado has a parliamentary inquiry and the Chair will ask if the Senator from Colorado would like to state the parliamentary inquiry?

Mr. ARMSTRONG. My parliamentary inquiry is, when we get to that point, is the question a debatable issue?

The PRESIDING OFFICER. The Senator is correct. It is debatable.

Mr. ARMSTRONG. I thank the Chair.

Mr. BYRD. Mr. President, I ask unanimous consent to proceed for 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

The majority leader is recognized.

Mr. BYRD. Mr. President, is the Senator saying that he does not want a vote on the motion to reconsider?

Mr. ARMSTRONG. If the Senator will yield, I have no desire to vote.

Mr. BYRD. Is that not the pending question before the Senate?

The PRESIDING OFFICER. The pending question now is the appeal of the ruling of the Chair, which is debatable.

Mr. BYRD. No. The Chair misunderstood me.

The PRESIDING OFFICER. I am sorry.

Mr. BYRD. The Chair misunderstood me.

The PRESIDING OFFICER. Will the majority leader then restate it?

Mr. BYRD. I did not ask that the motion to reconsider be withdrawn. Obviously that is what the Chair understood me to say.

The PRESIDING OFFICER. The motion to reconsider has been agreed to. The Chair understands the majority leader had asked to withdraw the motion to proceed to consideration of the DOD conference report.

Mr. BYRD. What I was seeking to withdraw was my previous request that the Chair lay before the Senate the conference report.

The PRESIDING OFFICER. That is the Chair's understanding. The Chair has said it is within the majority leader's right to withdraw his motion to proceed to the consideration of the DOD conference report.

Mr. BYRD. All right. I thought someone had objected to that.

The PRESIDING OFFICER. No.

Mr. BYRD. Now, Mr. President, does the Senator want to proceed with a vote on the appeal?

Mr. ARMSTRONG. I have no desire to do so. My desire is simply to proceed to vote on the amendment and then final passage of the bill.

Mr. BYRD. Does the Senator object to withdrawing the appeal and then having a motion to table, voting on a motion to table; is that agreeable.

Mr. ARMSTRONG. Voting on a motion to table my amendment?

Mr. BYRD. Yes.

Mr. ARMSTRONG. No, I would have no problem with that at all. But I would like to make this observation about it. The very reason that I want to have a vote on the amendment is so that no Senator would afterward be in a position of having voted one way or another on a procedural question and have that position attributed to him or her as their position on the underlying amendment.

So let me just announce in advance that with the agreement of the leader we would regard the vote on the tabling motion as final, that if the tabling motion succeeds that settles the issue; if the tabling motion fails that also settles the issue. If the tabling motion fails, I suppose other motions and various dilatory tactics would be available.

My thought would be we just have a gentlemen's agreement, not a unanimous consent, but just a gentlemen's agreement that would be the end of it, that we did away with further appeals of the ruling of the Chair, leave the precedent as it stood when the day we began and come back to that another time, and then proceed to a vote on my amendment, and if it is the desire of the Senator from Iowa or others to move to table it we regard the tabling motion as conclusive win, lose, or draw. So that would get us to the point where we just have a vote on that and then final passage.

Mr. BYRD. Mr. President, I think the Senator's proposal is a reasonable one. That would allow the battle over precedent to await another day. That matter has not been resolved today because the appeal has not been voted on, and if we could remove the appeal and the point of order by unanimous consent and let the Senator or any Senator move to table if that is the wish, I would much prefer to have the voice vote and accept the Senator's amendment, but if that is not agreeable to the Senator from Colorado we could have a rollcall vote.

Mr. ARMSTRONG. We get there simply by withdrawing the pending motion to appeal the ruling of the Chair?

Mr. BYRD. Yes.

Mr. President, I ask unanimous consent that the appeal be withdrawn and that the ruling of the Chair be vitiated.

Mr. JOHNSTON. Mr. President, reserving the right to object.

Mr. ARMSTRONG. No, no, no.

Mr. BYRD. And that the point of order be considered as having been withdrawn. And that puts the Senate right back in the position that it was before the point of order was made.

Mr. ARMSTRONG. Mr. President, that is a wrinkle I had not thought about.

May I ask the leader to withhold while I consult my counsel on that? It seems to me the ruling of the Chair is entirely consistent with all past precedents.

Mr. BYRD. The ruling of the Chair is in accordance with past advice from the Chair but the past advice was bad.

Mr. ARMSTRONG. Mr. President, that being understood, would there be any reason, then, to consider the ruling to have been vitiated or the point of order to have been withdrawn?

Mr. BYRD. I would kind of like to leave the matter where it was ab initio, without putting another nail in the coffin.

Mr. ARMSTRONG. What does the term "ab initio" mean?

Mr. BYRD. Surely the Senator understands that it means "from the beginning."

Mr. ARMSTRONG. No, the Senator, as far as I can recall, has never heard that expression before. But you can learn a lot hanging around the Senate.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The majority leader has the floor and has propounded a unanimous-consent request.

Mr. HARKIN. I wonder if the distinguished majority leader would yield to me for a question to the Chair without losing the majority leader's right to the floor?

Mr. BYRD. Yes.

Mr. HARKIN. I would like to inquire of the Chair—there has been a lot of talk about precedents. It is this Senator's understanding, I wonder if this is correct, that the point in question concerning the amendment offered by the Senator from Colorado, that, in fact, this has really not been a precedent that has been joined by the Senate but, in fact, has been a procedure that has been observed over the last several years without having been really joined as a precedent. The question I have is: Has a precedent been established by the Senate that permits this type of an amendment as offered by the Senator from Colorado on an appropriations bill?

The PRESIDING OFFICER. No such precedent has been established.

Mr. ARMSTRONG. Mr. President, if whoever has the floor would yield to me, I am prepared now to comment on and accept the leader's suggestion.

Mr. BYRD. Mr. President, I withdraw my request for the time being.

The PRESIDING OFFICER. The majority leader has withdrawn his request.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, the pending question before the Senate is the appeal of the Chair's ruling on the point of order; am I correct?

The PRESIDING OFFICER. The majority leader is correct.

Mr. BYRD. Mr. President, it does not seem to be reasonable to believe that reason will indeed prevail in the Senate today. The Senator from Colorado is insisting on his rollcall vote on the amendment which could easily have been adopted on a voice vote. There are Senators who, while willing to go on a voice vote, prefer to follow the point of order that has been made, believing that the Senate itself ought to speak on the precedent that would be set, a procedure on which the Senate itself has never spoken. I would like to see that procedure ended. I very much do not want to see it nailed down by a Senate vote as a bad precedent.

So I ask unanimous consent that, when the Senate completes its business today, it stand in recess until the hour of 10:30 on Monday.

Mr. ARMSTRONG. Reserving the right to object—and I enter that reservation only to comment on what has been said.

Having discussed the matter with my legal counsel, I was prepared and I am prepared to accept the recommendation or suggestion that the leader made that we simply restore the situation as it was in the beginning; that is, in effect, to vitiate the point of order and vitiate the ruling of the Chair. I was not certain, when it was raised a moment ago, what the effect of it would be. But, as I understand the effect of the leader's suggestion, it would be simply to leave things as they were; that is, to leave the precedent in order. I think that would be, in effect, the same thing as what has happened anyway, because the ruling of the Chair, which was sustained by the body, was consistent with the past precedent, in my opinion.

Mr. BYRD. Will the Senator yield?

Mr. ARMSTRONG. Yes.

Mr. BYRD. That precedent has not been decided yet. There was a vote to reconsider, but the Senate has not finally acted any more than it has finally acted on the override of the President's veto of the trade bill.

Mr. ARMSTRONG. Yes. I believe that that is a correct characterization by the leader. All I am saying is that upon advice of counsel, I am perfectly willing to accept his recommendation that we simply dispose of that question, just lay it aside to come up another time and then go ahead with the bill if that is his desire.

Other than that, if it is his desire to come in at 10:30 Monday and continue, that is OK with me, too.

Mr. BYRD. That was my desire, that we vitiate everything and let the Senate put this fight off until another day when all Senators will be here. We could make our case and let the Senate hopefully overturn the procedure that has been influenced by the advice of the Chair over the period of several years, but advice in which the Senate has never made a decision itself.

But now I understand there are some Senators who want to proceed and not vitiate, leaving the matter——

Mr. ARMSTRONG. I understand, but I just want to be clear that it was not this Senator who disagrees with this process.

Mr. BYRD. I understand that.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request propounded by the majority leader?

The Chair hears none. It is so ordered.

Mr. BYRD. Mr. President, if the Chair will allow me, just for 2 or 3 minutes, to hold the floor.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BYRD. Mr. President, I think I will renew my request again so that the battle over setting a precedent can await until another day. The so-called precedent has never been decided by the Senate. It has only been advice by the Chair and Senators have been willing to go along with the advice of the Chair; even though this Senator believes those advisory opinions of the Chair have been wrong and I believe that the Parliamentarian agrees in his own mind with that, but he is bound by the previous advice given by the Chair, given before he became the Parliamentarian. Consequently he has no alternative but to abide by the previous advice of the Chair.

I am hoping that that procedure can be overruled and if Senators will agree to this request, we will let that fight go to another day and perhaps we can work our way out of the immediate problem. And if the Senator from Colorado still insists on a rollcall vote, as far as I am concerned, let's go with it.

If the Senator from Iowa wants to move to table and have a vote on that motion, that is fine with me.

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD. So, Mr. President, I ask unanimous consent that the appeal be withdrawn; that the ruling of the Chair be vitiated; that the point of order be withdrawn, which puts the Senate back in the status quo ante with respect to the amendment.

The PRESIDING OFFICER. Is there objection?

Mr. ARMSTRONG. Mr. President, reserving the right to object, may I just commend the leader for this resolution of that aspect of the business before the Senate. I thank him for his actions.

The PRESIDING OFFICER. Is there objection to the unanimous consent request? The Chair hears none. It is so ordered.

Mr. BYRD. Mr. President, I thank the Senator.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, we are now, then, about to vote on the disposition of the amendment offered by the Senator from Colorado. I do not want to take a lot more time. I know it is late on Friday and people want to leave. I want to make sure Senators know exactly what they are voting on and what the implication of that vote will be.

Mr. ARMSTRONG. Mr. President, will the Senator yield for just a moment?

Mr. HARKIN. Without losing my right to the floor.

Mr. ARMSTRONG. Of course. It is perfectly agreeable to me to have the vote this afternoon or to put it over, but our Cloakroom is now scurrying around because the majority leader mentioned 10:30. He did not say there would be no more votes, but there was a general impression that perhaps votes were not likely soon.

Is it the Senator's intention to go ahead and vote this afternoon? If that is his intention, I just want to start bringing our people back if they are available.

Mr. BYRD. Mr. President, it is perfectly all right with me to vote this afternoon.

Mr. HARKIN. Vote this afternoon.

Mr. ARMSTRONG. I appreciate the Senator's——

Mr. BYRD. Have the vote now. I have had my headache temporarily cured. I will put it off to another day, and suffer again.

Mr. ARMSTRONG. Mr. President, I thank the Senator for yielding. I gather it is the plan that we will vote relatively soon, and I hope our Cloakroom will then hot line the offices and to the extent we are able at least bring all Senators back to the floor. I will speak for a very few minutes and then have a vote.

Mr. HARKIN. Mr. President, there may be at least two more votes today. I want to take just a few moments, after all of this scurrying about on the procedural issue on the precedents, to say a few words about the amendment itself so the Senators can know exactly what we are voting on.

Several years ago, individuals at Georgetown University, calling themselves "The Gay People of Georgetown University," wanted to organize themselves into a group. They wanted Georgetown University to recognize them as a group.

Georgetown University, being a Catholic university under the auspices of the Society of Jesus, otherwise known as the Jesuits, refused to do so saying it was not in keeping with the teachings of the Catholic Church that they be recognized. There ensued a lawsuit which took several years through the courts.

The final disposition of the court case was that, in fact, Georgetown did have to comply with the law. The law, however, did not require recognition, but it did require Georgetown to treat this group equitably with other groups and to not discriminate. Therefore, an agreement was reached between Georgetown University and the gay people of Georgetown University.

The agreement was this: That Georgetown would give this group all of the benefits of any other group—the stamp collectors, the choir, and other groups. They would have the same benefits. They could have a phone; they could have an office, and again I will quote from a letter of Father Healy, the president of Georgetown University, to the faculty and alumni:

> . . . the court said, "The act only requires Georgetown to grant the groups the tangible benefits associated with university recognition."

These benefits included office space, telephone, copying facilities, access to mailing lists, listing in various handbooks, a mailbox and the right to apply to the student government for an annual budget.

Georgetown University had settled the matter, and they settled it in a fair and equitable manner in keeping with the religious tenets of the Catholic Church. Now comes an amendment offered by the Senator from Colorado that says, "No, Georgetown, you can't do that." His amendment says: "Notwithstanding any other provision of the laws of the District of Columbia, it shall not be an unlawful discriminatory practice * * * for any educational institution," such as Georgetown, "* * * to deny, restrict, abridge, or condition * * * the use of any funds, service, facility, or benefit * * *"

So what the Senator is doing is he is offering an amendment to undo what Georgetown University has already agreed to do. That is why this amendment is so onerous.

I have a statement here from Georgetown University that says they did not initiate this amendment; they were not behind it. They did not learn of it until yesterday.

Finally, I want every Senator to also know what this amendment says. It says that "None of the funds appropriated by this act shall be obligated or expended after December 31, 1988, if on that date the District of Columbia has not adopted" his language, the language of the Senator from Colorado. That means that the District Council would have to adopt this language. If it does not, the whole District government is shutdown—no snow removal; no police; no fire protection; nothing. He does not say "Federal funds." He says "all funds," including those funds raised by the District of Columbia.

I heard a lot of Senators come on this floor when we had the point of order and the appeal of the Chair and say, "Oh, I can't vote for homosexuals, a homosexual issue. I'll get killed at home if I vote for those homosexuals."

That is not the issue here. Georgetown University has taken care of that issue in a fair and equitable manner. The issue is whether or not this Chamber is going to vote to tell Georgetown University and other universities that may be religiously oriented what they can and cannot decide to do on their own.

What the Senator from Colorado is saying is, "I know better than President Healy of Georgetown University." He even knows better then the Catholic Church about what is good for Georgetown University by offering this amendment. No, it is not enough that Georgetown has already met with these students and has agreed to give them the benefits. No, the Senator from Colorado says, "I know better than you, so we're going to do it" his way. Not only that, we are going to tell the District of Columbia they cannot even use their money unless they adopt this amendment.

I guess the votes are there to adopt the amendment of the Senator from Colorado. I guess people will vote for it because they are perhaps somewhat loath to vote on an issue addressing the problems of homosexuals and gays, at least down in the city of the District of Columbia.

This does not get to anything like that at all. This just says basically that a religious institution, like Georgetown University, could, if they want, deny to a gay group the benefits that the courts have already said they can give to them and which Georgetown has already acceded to.

I have a lot of respect for the Senator from Colorado. He is a decent and good individual. But I do not think he knows more than Georgetown University or the people who run it or the president thereof or the Catholic Church in their own decisionmaking process in reaching this point.

As I said, I can get pretty exercised about this amendment because it strikes at two things that I feel strongly about: The right of an educational institution to make its own decisions about which groups it will recognize, which groups it will provide access to the benefits of the schools and which it will not, and also strikes the heart of the District of Columbia to make its own laws regarding this.

In addition it would overturn a court decision made by the District of Columbia courts. But as I understand it, I guess the votes are there for his amendment. I can say, this Senator is going to be the Chair of the conference, and we will see what happens there.

Mr. President, I move to table the amendment.

Mr. ARMSTRONG addressed the Chair.

Mr. HARKIN. I move to table the amendment.

Mr. ARMSTRONG. Mr. President, will the Senator withhold for a moment? I think the Senator is aware——

Mr. HARKIN. I move to table the amendment.

Mr. ARMSTRONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. ARMSTRONG. On what are we calling the roll?

The PRESIDING OFFICER. To ascertain the presence of a quorum.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent to dispense with further proceedings under the quorum call.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

Mr. ARMSTRONG. Mr. President, I would like to take a moment to sum up where we are and I thank my friend from Iowa for——

The PRESIDING OFFICER. If the Senator from Colorado will suspend, the Senator from Iowa had moved to table the amendment offered by the Senator from Colorado.

Mr. ARMSTRONG. Will the Senator withhold the motion?

Mr. HARKIN. I ask unanimous consent to withdraw the motion.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Colorado is recognized.

Mr. ARMSTRONG. Mr. President, I thank the Senator for his courtesy. It is my belief that in both cloakrooms we are hotlining the offices, and to the extent that Senators are still in town they are being advised that a vote is imminent. I regret to say that I think on both sides a number of Senators may have interpreted developments on the floor that we would not have a vote this afternoon, and so we may have a fairly sparse attendance when the vote comes. But nonetheless, to the extent that they are within reasonable driving distance, we would like to give them a few minutes extra to return.

Mr. President, while that occurs, I should like to take a moment or two to respond to some of the issues which the Senator from Iowa has raised.

First of all—and I do this cautiously because the general tone of the debate we have had on this has been very friendly—in a personal reference to me a moment ago, the Senator from Iowa made the point that I have said that I know better than Georgetown University what is good for the university.

I do not believe I have said that. I do not think on any occasion during this debate I have made any statement that could be remotely so characterized. Nor is that the feeling which I have in my inner heart. I do not think I have said anything or in any way, through my amendment, material I have submitted for the RECORD, or otherwise given that impression.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. ARMSTRONG. I do not feel that way.

Mr. BYRD. Will the Senator yield after he finishes his sentence?

Mr. ARMSTRONG. Could I finish the paragraph and then I will be happy to yield.

Mr. BYRD. Yes.

Mr. ARMSTRONG. Indeed, it seems to me that for my amendment to be interpreted as an indication that I know better than Georgetown what is good for Georgetown stands the amendment on its head. What my amendment says is let Georgetown decide; let Catholic University decide. It does not say what they have to do or what they must not do. It says that if in their judgment they wish to withhold certain kinds of facilities, certain kinds of prerogatives, certain privileges, forms of recognition, and so on, it shall be their right to do so with respect to groups who advocate homosexual behavior. It does not say that I am telling these groups they cannot have such facilities. In fact, were that the rule, I would be very much against that. I do not think that because I disagree with homosexuality or adultery of some other kind of moral misbehavior, I have the right to impose my belief on other people, certainly not on the university, under ordinary circumstances.

Now, there are occasions when that conviction and belief rises to the level where it is a matter of law. For example, I have a belief against certain kinds of violence—murder and other kinds of violence. We have decided that that ought to be against the law. But that is not the case with respect to the issue here. This is a religious freedom, an academic freedom issue: May the university be required to furnish facilities to a group whose stated purpose is anathema to the teachings of the church which founded and operates the university.

That is the first point I wanted to make, and I will be happy to yield to the leader now if he wishes. I have some other points and I will be pleased to continue, but I will be glad to yield to the leader at this point if he would like me to do so.

Mr. BYRD. Mr. President, I thank the distinguished Senator. If he would continue just for a minute or so and let me have a conversation and then yield.

Mr. ARMSTRONG. I will be happy to. I actually have four points to make at this point. The second one is that this home rule is really misplaced. I am a believer in home rule. I think the notion of home rule is just good government, particularly to the extent that we can bring together in the same place the responsibility for raising the funds and expending them, particularly to the extent that the people who make the laws have to live under them.

Home rule in the case of the District of Columbia is very clearly a conditional matter. Under the Constitution of the United States and under the home rule statute which established the home rule status of the District of Columbia, Congress specifically retained, held to itself, the right to enact and amend legislation for the District of Columbia. We have that right. And having the right, Mr. President, we have the duty. Where the cause is just and the case is important enough, we have the solemn responsibility to exercise the power, the legal duty that we have.

We did not hesitate to do that with respect to States that have a speed limit that exceeds what Congress thinks is justified. We say to them pretty much as this amendment does, that if you have a speed limit faster than so many miles per hour, you lose your highway funds. And for that matter if you put up or permit to be put up along the highway, billboards that do not conform to the Federal standard, then we are going to strike down your highway money or we say to them—and I support this, by the way—if you do not take whatever measures are necessary to reduce the air pollution in your area below a certain amount, you are going to lose not only highway funds but we going to clamp down on construction of public and private projects.

I think that is justified, though it is an extreme measure. So we do it all the time and we do it very frequently with respect to the District of Columbia where the Congress retains plenary power. We are doing it in this bill with respect to residency requirements. The House has one version of a residency requirement; the Senate has put into its bill a different version. To so say that we should not do this, even though we may agree in principle that a church college should not be required to give aid and support and facilities and stamps and mailboxes and computer lists to a homosexual organization, that even though we agree with that principle, the home rule principle is more important, is really very hard to sustain in the fact that we do so often legislate for the District of Columbia.

Now, Mr. President, before I go on, I would like to ask, is the Senate in order?

The PRESIDING OFFICER. Is the Senator from Colorado making a point of order that the Senate is not in order?

The Senate will be in order.

Mr. ARMSTRONG. I thank the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ARMSTRONG. The third point I want to make. Mr. President, is that this issue is not moot, despite what has been said about the consent decree of the Georgetown University officials with the homosexual group involved. This is not a moot issue. I do what to emphasize that from conversations with the university officials they do not intend to abrogate that agreement. Whatever happens to this amendment, they have agreed to it in good faith. They have undertaken it in good faith. They are going to live up to it. So it is not a question of what happens with that group. It is what happens with the next group and the one after that and all the groups that may be standing in line to request, to demand, even to sue for, privileges under this bill.

When you get right down to it, the question was summed up about as well as anybody could by Doug Bandow, who wrote on this subject. He sort of summarized what happened. I want to quote briefly from an article which I previously inserted in the RECORD which I did not share with those who are on the floor. It comes from the New York City Tribune, April 7 this year. He gives some of the background about it, about the District of Columbia, and so on. And then he gets to what has happened, I now quote:

> In 1977 the district passed an ordinance forbidding discrimination on the basis of sexual orientation. Naturally no exemption was provided for religious institutions; in this city the government, not God, is considered to be the supreme arbiter of morality.
>
> Located within the capital is Georgetown University, a Catholic school chartered directly by the Vatican, Georgetown takes its doctrine seriously and believes, as do all Bible-based Christian faiths, that homosexuality is wrong.
>
> That doesn't make gays unique, of course; adultery, for instance, is also a sin. But there are as yet no adulterers' organizations demanding official recognition of their members' lifestyle.
>
> There are gay groups, though, and they wanted Georgetown to provide them with office space, support servcies, funds and access to school facilities. The university, not surprisingly, said no. For to subsidize homosexual organizations would be to support an orientation that violated fundamental Catholics tenets.
>
> So the students, with the support of the D.C. "Human Rights Office"—which believes in protecting everyone's human rights except those of traditional Catholics—sued. And last fall the district's Court of Appeals ruled that Georgetown, while it needn't technically "recognize" the gay groups, had to grant them the same "tangible benefits" that it provided other organizations.
>
> Georgetown decided not to appeal, settling the case on March 29. The school won't have to host gay religious ceremonies or meetings with a largely non-university audience, but Georgetown will still be forced to subsidize gay groups.

I am going to skip over now a few paragraphs of the article and come to the conclusion which Mr. Bandow draws. He says:

> The point is, homosexuals have no right to force others to accept or support their lifestyle. Certainly government has no business discriminating against them: Anti-sodomy laws, for instance, are a vicious intrusion in the most intimate form of human conduct. And gays who pay taxes have as much right to government services and employment as anyone else.
>
> But someone who decides to live openly as a homosexual should accept the disapproval of those around him. For many Americans still believe that there is a fundamental, unchangeable moral code by which men are to live.
>
> Vindictive personal discrimination against gays, in contrast to disapproval of their conduct, is wrong, and even un-Christian, since Jesus commanded his followers, who are sinners like everyone else, to love their neighbors, but it is not a public matter. Using government to bludgeon homophobics into submission is even more intolerant than the original discrimination.
>
> And gays certainly shouldn't expect to be subsidized by those who are offended by their lifestyle. Georgetown's homosexual students may reject biblical teachings, but no one forced them to go there. If they want to attend a university that recognizes their sexual preference, they should have enrolled somewhere else.
>
> Indeed, to show up at a Catholic school and demand that it fund gay activist groups is, well, more than chutzpah. It is both selfish and spiteful, a calculated effort to trample someone else's fundamental beliefs for ideological purposes.

This is from the article by Doug Bandow. I think it is significant, even though I do not agree with all of what I just read to you. In part, I disagree with it. But here is a person who is a libertarian, a person who is extraordinarily permissive towards homosexuality——

Mr. SYMMS. Mr. President, could we have order in the Chamber so we can hear the Senator from Colorado?

The PRESIDING OFFICER (Mr. DECONCINI). The Chair does not observe the Senate is not in order. The Senator is entitled to be heard. The Chair is listening to him. Is there someone who cannot hear the Senator from Colorado?

The Senator may proceed.

Mr. ARMSTRONG. I thank the Chair. I thank my friend from Idaho.

The point I was making is simply from a different part of the philosophical spectrum than I myself occupy, here is a person who is more permissive than I am inclined to be toward homosexuality who nonetheless makes the point that it is wrong or, as he puts it, selfish and spiteful, a calculated effort to trample someone else's fundamental beliefs for ideological purposes to require that the university give facilities and support to an organization which is anathema to it. That is the point.

The issue is religious liberty. It is not tolerance, not whether you are for or against homosexuality. That cuts a lot of different ways and is a subject for individual conscience, and debate on another occasion. This question is whether we are going to force a church university to provide facilities for someone which is contrary to the very essence of the church.

Mr. President, I have two or three other points I would like to make. But I believe, based upon some signals I am receiving, that perhaps it would be timely for me to sum up and just say that when the time comes I hope Senators will support my amendment. It appears to me that perhaps the managers of the bill and the leader have worked out a time for that vote to occur. Whether it is today or next week is a matter that I am indifferent to. I am willing to accommodate whatever is most convenient for Senators. I just ask for their support of the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. Mr. President, as I understand the situation now, we are about to enter into an agreement that we will vote on this amendment on Monday morning; is that right?

Mr. BYRD. That is what I would like under the circumstances. I would rather have the vote today. But the vote on Monday morning is fine with me because that sees us moving this bill along. I would like to propose there not be a motion to table, and that we vote up or down on the amendment on Monday, and that immediately upon the disposition of that vote the Senate go to a vote on passage of the bill.

Mr. HARKIN. I had earlier today said I was going to move to table the amendment. I had then moved to table and withdrew it. But if the Senator from Colorado insists even if the motion to table fails, we go to a vote on that, on the final disposition——

Mr. ARMSTRONG. Mr. President, if the leader will yield to me, I do not insist on a separate vote. I would be perfectly happy if the Senator prefers to table, to have the issue settled on tabling; everyone will understand that the motion to table is tantamount to a vote on the underlying issue and that is fine with me, or it is fine to have an up or down vote.

If I understand the leader's proposal, it is that we come in on Monday morning, and after the usual preliminary proceedings, that we would then proceed immediately to a vote on this, then a vote on final passage of the bill, that other amendments would not be in order, we wrap this up, and move on to the next item on the schedule.

Mr. HARKIN. I thank the Senator for his comity there. That is nice of him to do so. I appreciate that very much. We will just have a motion to table on Monday morning.

Mr. ARMSTRONG. That would be fine. Does the leader's consent request provide any time at all for debate on Monday?

Mr. BYRD. I have not made any request yet. I was hoping we would just have a vote up or down on the amendment. I am satisfied now that the problem of precedent has gone away temporarily.

Mr. ARMSTRONG. Would the leader be disposed to say have 5 minutes on a side prior to the vote just to kind of get everybody tuned up at the last minute?

Mr. BYRD. That might not be hard to arrange. I have deeper questions than that one right now if the Senator will allow me. The Senator has the floor.

Mr. ARMSTRONG. I thought the leader had the floor.

Mr. BYRD. The Senator may have the floor if he wishes.

The PRESIDING OFFICER. The Senator from Iowa has the floor.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that at the hour of 10:30 on Monday morning, the Senate proceed to a vote on the amendment by Mr. ARMSTRONG.

I ask unanimous consent that upon the disposition of that vote, the Senate proceed immediately to vote on the bill, without further debate or intervening action.

The PRESIDING OFFICER. Is there objection?

Mr. EXON. Mr. President, reserving the right to object, I inquire as to why we are putting off, until Monday morning, the vote we have been talking about for about 2½ hours. Is there some reason, secret or otherwise, that all of us cannot know about the decision arrived at?

I say this because there were widespread complaints that I heard from some Members of the Senate from the West who cannot get on an airplane and be in the Nation's Capital in an hour and a half. It is not quite as bad from Nebraska—it is about 4 hours; from some places 7 or 8 hours.

There has been previous objections to early Monday morning votes, so far as disrupting schedules are concerned, because Senators from the West have to leave on Sunday.

There may be some good reason for having this vote at 10:30 Monday rather than 4:30 on Friday, but I would like to know the answer to that question, if I may ask it.

Mr. BYRD. The Senator has asked a reasonable question; he is entitled to an answer.

I would like to have a vote this afternoon. I would like to finish action on the bill this afternoon. The responsibility on this Senator from West Virginia to move the program along in the Senate is probably a heavier responsibility than that of any other Senator, and I do the best I can to live up to that responsibility. But sometimes I realize that we have reached a point where we will not make any progress.

I realize that if we proceed in an effort to get a final vote on this bill today, we can be here until midnight or 2 o'clock in the morning and still will not vote on it. There is no way a vote on final passage can be forced except on cloture, and there has not been a cloture motion entered.

That having been said, if we have an agreement, if the Senate will order it in, which will allow the Senate to vote at 10:30 on Monday morning on the amendment, win or lose, the Senate then can proceed, without further debate or action of any kind, to vote on this bill.

Then we can proceed to the consideration of the legislation which was set up which deals with the establishment of a Veterans' Administration department. We would have this matter out of the way. It is impossible to reach a vote this afternoon.

I have toiled in the vineyard here now for 2 or 3 hours, as have some others, and there are Senators who are determined that there will not be a vote this afternoon, and there is no way in the world I can force it.

Mr. EXON. I appreciate the explanation. I am not sure the explanation answers my question.

If we cannot get final passage, which I know the leader wants to do—and that is why many of us stayed around here, without abandoning ship, to try to accommodate the leader and his desires—if we cannot get final passage today, for the reasons you have stated, and you know far more about that than does the Senator from Nebraska, why can we not vote on a tabling motion or something like that this afternoon? That would not take any more time, would it?

My question is, Is there some reason we are putting this vote over until Monday?

Mr. BYRD. Yes, there is a reason for that.

I have to look beyond today, and I have to look beyond Monday, and I have to look beyond next week. We can have this vote on a tabling motion today—maybe. Let us say we proceed to a vote on a motion to table. Senators can put in a quorum call, and we might not have a difficult time getting a quorum and we might. We might get the Sergeant at Arms to get Senators in. Then, where are we, having done all that, when within my grasp here I have an agreement that will see us vote on this amendment without a tabling motion and vote on final passage on Monday morning.

Mr. EXON. Wait a minute.

We will go to final passage Monday morning, is that the agreement?

Mr. BYRD. Yes.

Mr. EXON. By what time?

Mr. BYRD. Immediately following the 10:30 vote on the amendment.

Let me say there is no Senator more diligent in staying around here in the afternoon and evening than the Senator from Nebraska [Mr. Exon]. He has stayed here this afternoon recognizing that there may be a rollcall vote and I appreciate that.

I hope I have answered.

There is absolutely nothing to be gained this afternoon by hoping to have a rollcall vote on the motion to table.

Mr. EXON. It seems to me this matter has been debated and debated and we are about ready to vote on it. Are there other amendments going to take a lot of time?

Mr. BYRD. There are not if I can get the agreement.

Mr. EXON. Then the question comes back to the situation that the Senator from Nebraska earlier expected. There are some people who do not want any more votes this afternoon; is that correct?

Mr. BYRD. The Senator is right.

Mr. EXON. I would just say that on behalf of my colleague from Nebraska and this Senator, I would advise the Senate that on Monday the 25th of July, two Senators from Nebraska have a very important conference scheduled. It is not campaigning. It is official business in Omaha on Monday. And I would hope that since consideration is obviously given to some Senators who are not here now that if my colleague and I from Nebraska ask that we not miss votes because we have to be elsewhere on official business as I assume that my colleagues who are not here to vote now are away on official business, that maybe some consideration could be given to us on Monday, the 25th. I am not making an early request now, but I could not pass up the opportunity to make a point.

Mr. BYRD. Mr. President, I am not responding to any Senator's request that there not be any rollcall vote this afternoon. No Senator has requested that. But I have been apprised of the fact that there are Senators, I am told, who will be willing to stand on the floor and expound at length—we have had too much of that already—expound at length to keep the Senate from having a vote.

Mr. EXON. I assumed that was the situation and I know that the majority leader gets placed in a position that he cannot do anything else. Maybe on Monday, the 25th, the two Senators from Nebraska can get someone to stand on the floor and expound and expound and expound to protect us because I would simply say that turn about is fair play.

I have no objection and I recognize the position that the majority leader is in. I just wanted to make a point.

Mr. BYRD. Mr. President, I do not want to carry on the debate, but may I say that the Senator from Nebraska has never before—and I think what he said was to make a point, but somewhat facetiously stated—I am sure he has never made a request to this Senator that if the Senator from Nebraska is absent——

Mr. EXON. I never have.

Mr. BYRD. No, he never has—if he is absent I must not let any votes occur. He has never made that request.

If he were to make it I could not give him that assurance.

Nobody has made that request of me today.

I just recognize the opportunity here to get an order entered that will see the Senate resolve this question and then go on to the adoption of the bill on Monday morning. I think that is about the best we can hope for.

Mr. EXON. I will be here. I thank the Senator.

Mr. BYRD. I thank the Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Wyoming.

Mr. SIMPSON. Mr. President, if I might ask the majority leader, he mentioned it, but did it include in the order that there will be no intervening amendments or motions? The majority leader spoke on that, but I do not believe it was part of the formal request, that there be no intervening amendments or motions in connection with that vote and the procedure he outlined in the unanimous-consent request.

Mr. BYRD. Very well. I will be happy to state the request again.

The PRESIDING OFFICER. It is the Chair's understanding that there was a standing order before the unanimous consent request of the majority leader which limited the debate on this subject matter to the pending amendment and no other amendments to be offered. The Chair stands corrected. Amendments could be filed to the pending amendment only.

Mr. ARMSTRONG. I beg the Chair's pardon. I do not think that was our intention.

ORDERS FOR MONDAY, JULY 11, 1988

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 10 o'clock a.m. on Monday next; that following the recognition of the two leaders there be a period for morning business to extend until the hour of 10:30 a.m.; that Senators may speak during this period for not to exceed 5 minutes each, that at 10:30 a.m. the Senate resume consideration of the D.C. appropriation bill; that there be 10 minutes for debate on the amendment by Mr. Armstrong to be equally divided and controlled in accordance with the usual form; that the vote then proceed; that immediately upon the disposition of that vote the Senate without any intervening motion, debate, action of any kind, amendments of any nature, proceed to vote immediately upon the passage of the bill; that upon the disposition of the bill the Senate then proceed, as under the order previously entered, to consideration of S. 11 and upon the disposition of S. 11 the Senate proceed to the consideration of S. 533 which is a bill to establish the Veterans' Administration as an executive department, that matter pertaining to those two bills having already been entered as an order; and that anent any votes on motions to reconsider with respect to the amendment by Mr. Armstrong and the vote on the D.C. appropriation bill be without any time for debate on such motion.

The PRESIDING OFFICER. Is there objection to the request of the majority leader?

Without objection, it is so ordered.

Mr. BYRD. Mr. President, there will be no more rollcall votes today.

Mr. President, I suggest the absence of a quorum.

Mr. SIMPSON. Mr. President, if I might ask the majority leader to withdraw that request.

Mr. BYRD. Yes.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. BYRD. Mr. President, will the distinguished Senator yield to me?

Mr. SIMPSON. Yes.

Mr. BYRD. I thought I understood Senators to say that they wanted no other amendments other than the vote on the amendment by Mr. Armstrong; that all other amendments would be precluded. Now am I being advised that Senators would want second-degree amendments?

The PRESIDING OFFICER. The Chair would advise the majority leader that, under the standing order, there could be an amendment that has not been precluded.

Mr. BYRD. But I thought that this order, if it is entered, in effect, vitiates the old order. When I said no further amendments—this is an entirely new order that is being entered and I asked that there be no other amendments. So does this order not dispose of the old order?

The PRESIDING OFFICER. If that is the majority leader's unanimous-consent request, without objection, that will be the order.

Mr. BYRD. Let me ask the Chair and let me get a little education of my own on this matter.

Does not this new order, setting a time, a vote on the amendment to occur at 10:40, and that no other amendment be in order, no other motions, no other intervening action of any kind, and that the Senate go immediately to the vote on final passage, does that not supersede any previous order?

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that the majority leader's knowledge of the rules is correct and his statement is accurate.

Mr. BYRD. I thank the Chair. I just wanted to be sure. If I am not correct, I want to start thinking in new terms in the future.

Mr. SIMPSON. Mr. President, I would have thought that that would have been correct, just offhand.

THE MANTLE OF LEADER

Mr. President, I want to thank the majority leader very much for his accommodation and courtesy as we resolved, this, where he accommodated Members on both sides of the aisle in an extraordinary fashion, as he always does. And how vexatious it is to wear the mantle of leader and do the work of the Senate, especially where we had a long night on Thursday and a long day on Friday. Some of us, and I include myself, are less than judicious in the statements made sometimes to our colleagues as we go through the frustration of something that we know is attainable in the way of a vote.

I wish to thank very much the Senator from Colorado, who was steady on his course, and the Senator from Iowa, who remained steady on his course. They are very formidable gentlemen in their debate and in their procedures in the Senate. They have agreed and assisted you, as majority leader, and this side of the aisle to reach an accommodation where our colleagues can leave the Chamber and go to their home districts and return Monday.

But it is the comity and general courtesy under true stress that makes the majority leader superb at his craft. Someday I will learn that degree of patience. I have not, as I sometimes get a little rambunctious in my activities. But the essence of him is patience, patience, patience.

I say again that no one protects Members on both sides of the aisle more than the majority leader. Anyone who would even allude to the fact that he does not surely does not know the extraordinary degree to which he goes to accommodate Members on both sides of the aisle and who makes it run.

All of us knew—and I go back to that central accommodation that was made—that we have 1 week off to go to our homes and our districts to do the things we pleaded to do in the week where you could do the Rotary and the Legion and things you need to do on Tuesdays and Wednesdays. But we know we were going to be in business on Mondays and Fridays. And I cannot emphasize enough that I agree with you totally on that effort and that we should all be aware of that. I personally have missed votes knowing of that.

I conclude by thanking the Senator from Connecticut, even though he was not here on the floor, on his accommodation to the leadership by his communication which enabled us to move forward. I appreciate Senator WEICKER's assistance. I thank the majority leader for his extraordinary accommodation which is most extraordinary to watch.

Mr. ARMSTRONG. Mr. President, will the acting Republican leader yield to me for a moment?

Mr. SIMPSON. I yield to the Senator.

Mr. ARMSTRONG. Mr. President, once in a while in this Chamber, you get to a point where somebody stands up and says exactly what you wanted to say. And let me say to my friend from Wyoming that, if I were as eloquent as he, that is exactly what I would have said on this occasion.

And so may I just adopt by reference everything that he has said and add my own word of appreciation to the leader for getting us out of the snarl, as he always does and is his duty and responsibility to do, and to thank him for doing it once again, for getting us off the hook and for sending us all home for the weekend at a good hour and in good spirits. I do thank him very much.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Colorado for his gracious statement. I thank the distinguished assistant Republican leader. His mention of the Senator from Connecticut [Mr. WEICKER], I think calls for a brief observation on my part.

I think that part of our uncertainties today, certainly the uncertainties that were in the mind of the manager of the bill, Mr. HARKIN, involved Mr. WEICKER. It may have been that there was an understanding between the two or a feeling that there may have been some understanding. I think that Mr. HARKIN was trying to protect Mr. WEICKER or what he thought Mr. WEICKER's position might be. The distinguished assistant Republican leader was able to clarify all of that by calling Mr. WEICKER. That enabled us, as much as anything, to get out of the hassle we had gotten ourselves into.

So I thank the assistant Republican leader and I thank all Senators. I thank Mr. HARKIN. I thank Mr. WEICKER, also, because he played a role here today, I am sure, in his message to Mr. SIMPSON.

So I am grateful that the Senate has been able to work its way out of a difficult situation and that we are going to see final action on the bill early next week and get on with the Department of Veterans' Affairs and then other appropriation bills.

I close by thanking the Republican leader, Mr. DOLE, for the cooperation he has given to me over the past several days in lining up appropriation bills for action. He has been an immense help to me and I think it furthers the prospect of our being able to complete action on these appropriation bills, hopefully, by August 1.

I look forward to further cooperation with the Republican leader in that regard.

Mr. SIMPSON. Mr. President, would the majority leader yield?

Mr. BYRD. Oh, yes.

Mr. SIMPSON. Mr. President, let me say that I know that Senator DOLE is appreciative of those remarks because he, too, feels that he has tried diligently to cooperate with you as majority leader to move the agenda and I think we are doing a superb job in a very fine, bipartisan manner. I know that he would be appreciative.

Let me say another word about Senator HARKIN. As I visited with him, I do think you are very correct. He felt that Senator WEICKER had given him information that was steady and strong. And it was. We both know Senator WEICKER. And yet it is an important example of the necessity to do business amongst ourselves as principals. And I enjoy that.

I think it was good. Maybe we could have resovled that last night. Maybe not. But the point is we are elected Senators and we should try to do our business, occasionally, with ourselves and among ourselves and between ourselves. Even though the staff is critically important, it is also a critical burden upon us in many situations.

I say that without any gasping from the back of the Chamber which will accompany such a remark but it is very true. You cannot live with them and you cannot live without them.

Mr. BYRD. Is the Senator talking about the staff or about women?

[Laughter.]

Mr. SIMPSON. No, about our colleagues. And to do business with our fellows is still what the Senate should be about and must be about if we are to do our work. That is why I have a personal feeling of great respect for the majority leader.

When I have business to do I do it with you personally—without addressing him in the first person in this debate or these remarks. That is what we must do.

I will learn to do that more. I want to do that with Senator HARKIN. And, certainly I have said some rather pungent things—he and I have both shared those things together. We will learn to work together. I am going to make a special effort to try to do that.

Mr. BYRD. Mr. President, I am sure Mr. HARKIN will go the utmost distance and make the greatest effort to cooperate with the distinguished assistant Republican leader, and I am sure that each of them respects the other.

ENROLLED BILL PRESENTED

The Secretary of the Senate announced that on today, July 8, 1988, he had presented to the President of the United States the following enrolled bill:

S. 623. An act to amend the Independent Safety Board Act of 1974 to authorize appropriations for fiscal years 1987, 1988, 1989, and 1990, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3501. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a financial report on the Federal Savings and Loan Corporation for the fiscal years 1986 and 1987; to the Committee on Banking, Housing and Urban Affairs.

EC-3502. A communication from the Chairman of the Securities and Exchange Commission, transmitting legislative provisions prepared by the Commission in response to concerns raised by the October 1987 market break; to the Committee on Banking, Housing and Urban Affairs.

EC-3503. A communication from the Secretary of Transportation transmitting a draft of proposed legislation to amend the Federal Aviation Act of 1958 to strengthen aviation security programs; to the Committee on Commerce, Science, and Transportation.

EC-3504. A communication from the Secretary of Transportation transmitting requests for renewal of Montreal Protocols 3 and 4; to the Committee on Commerce, Science, and Transportation.

EC-3505. A communication from the Administrator of the Federal Aviation Administration, transmitting, pursuant to law, the semiannual report on the effectiveness of Civil Aviation Security Program for the period July 1, 1987 through December 31, 1987; to the Committee on Commerce, Science, and Transportation.

EC-3506. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3507. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3508. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3509. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Services, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3510. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Services, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3511. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Services, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3512. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Services, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3513. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Services, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3514. A communication from the Secretary of Energy, transmitting, pursuant to law, the first annual report on the Clean Coal Technology Demonstration Program; to the Committee on Energy and Natural Resources.

EC-3515. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, an interim report on studies being conducted on issues related to volume and intensity of physicians' services; to the Committee on Finance.

EC-3516. A communication from the Secretary of the Treasury, transmitting, pursuant to law, a report on certain employee benefits not subject to federal income tax; to the Committee on Finance.

EC-3517. A communication from the President of the United States, transmitting, pursuant to law, the designation of Anne E. Brunsdale as Vice Chairman of the U.S. International Trade Commission; to the Committee on Finance.

EC-3518. A communication from the Secretary of Labor, transmitting, pursuant to law, a report on the expenditure and need for worker adjustment assistance training funds under the Trade Act for the fiscal year 1988; to the Committee on Finance.

EC-3519. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, a report on progress made in implementing the requirement to request the UN to expand the mandate of UNIFIL to protect Tyre; to the Committee on Foreign Relations.

EC-3520. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, a report on the use of a foreign mission in a manner incompatible with its status as a foreign mission; to the Committee on Foreign Relations.

EC-3521. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, notification that the Export-Import Bank has lifted restrictions against Benin, Congo, Guyana, and Suriname; to the Committee on Foreign Relations.

EC-3522. A communication from the Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, the annual report of the Commission on the Government under the Sunshine Act for the calendar year 1987; to the Committee on Governmental affairs.

EC-3523. A communication from the Chairman of the Federal Energy Regulatory Commission, transmitting, pursuant to law, the annual report of the Commission on the Government under the Sunshine Act; to the Committee on Governmental Affairs.

EC-3524. A communication from the Auditor of the District of Columbia, transmitting, pursuant to law, a report entitled "Contracts Between KOBA Associates, Inc. and the Department of Human Resources"; to the Committee on Governmental Affairs.

EC-3525. A communication from the Auditor of the District of Columbia, transmitting, pursuant to law, a report entitled "Contracts Between Associates for Renewal in Education, Inc. and the Department of Human Services"; to the Committee on Governmental Affairs.

EC-3526. A communication from the Under Secretary of Defense transmitting comments from the Texas Air Control Board and the Environmental Protection Agency concerning the Intermediate Range Nuclear Forces Treaty; to the Committee on Governmental Affairs.

EC-3527. A communication from the Administrator of the U.S. Environmental Protection Agency, transmitting, pursuant to law, a semiannual report of the activities of the Inspector General, Environmental Protection Agency for the period from October 1, 1987 to March 31, 1988; to the Committee on Governmental Affairs.

EC-3528. A communication from the Chairman of the U.S. Merit Systems Protection Board, transmitting, pursuant to law, a report entitled "Sexual Harassment in the

Federal Government"; to the Committee on Governmental Affairs.

EC-3529. A communication from the Benefit and Risk Manager, Fourth District Farm Institutions, transmitting, pursuant to law, the annual report for the Farm Credit Institutions in the fourth district amended retirement plan; to the Committee on Governmental Affairs.

EC-3530. A communication from the Inspector General, Department of Labor, transmitting, pursuant to law, notice of a computer match involving a sample of Job Training Partnership Act participants and Department of Education Pell grants; to the Committee on Governmental Affairs.

EC-3531. A communication from the Secretary of the United States of America Postal Rate Commission, transmitting, pursuant to law, notice of a proposal to exclude total market coverage publications and "plus" publications from the second class and order designating officer of the Commission and order officer of the Commission and fixing procedural dates; to the Committee on Governmental Affairs.

EC-3532. A communication from the Solicitor of the United States Commission on Civil Rights, transmitting, pursuant to law, the annual report of the Commission under the Government in the Sunshine Act for calendar year 1987; to the Committee on Governmental Affairs.

EC-3533. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "University of the District of Columbia President's Discretionary Fund FY 1987 Annual Report"; to the Committee on Governmental Affairs.

EC-3534. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "FY 1988 Mid Year Revenue Analysis"; to the Committee on Governmental Affairs.

EC-3535. A communication from the Acting Administrator of General Services, transmitting a draft of proposed legislation to amend section 603(a) of the Federal Property and Administrative Services Act of 1949, as amended, 64 Stat. 590, 40 U.S.C. 475(a), by adding a provision authorizing the expenditure of moneys for official reception and representation expenses; to the Committee on Governmental Affairs.

EC-3536. A communication from the special counsel to the Merit Systems Protection Board, transmitting, pursuant to law, a report on the Directors investigation into allegations of violations of regulations, mismanagement, gross waste of funds, abuse of authority, and creating a substantial danger to public safety by officials of the U.S. Penitentiary, Atlanta, GA, in the Cuban detainee disturbances of November 1987; to the Committee on Governmental Affairs.

EC-3537. A communication from the Secretary of Education, transmitting, pursuant to law, the annual report of the Helen Keller National Center for Deaf-Blind Youths and Adults [HKNC] for the 1987 program year; to the Committee on Labor and Human Resources.

EC-3538. A communication from the Secretary of Education, transmitting, pursuant to law, a report on the final regulations for the drug prevention programs in higher education; to the Committee on Labor and Human Resources.

EC-3539. A communication from the Secretary of Labor, transmitting a draft of proposed legislation entitled "At-Risk Youth Employment and Training Amendments of 1988"; to the Committee on Labor and Human Resources.

EC-3540. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on the status of health personnel in the United States; to the Committee on Labor and Human Resources.

EC-3541. A communication from the Secretary of Labor, transmitting, pursuant to law, a report on an experimental index of consumer prices reweighted to reflect expenditure patterns of older Americans; to the Committee on Labor and Human Resources.

EC-3542. A communication from the Secretary of Education, transmitting, pursuant to law, a report on the final regulations for the Secretary's procedures and criteria for recognition of accrediting agencies; to the Committee on Labor and Human Resources.

EC-3543. A communication from the Secretary of Education, transmitting, pursuant to law, a report on programs and activities assisted under the Women's Educational Equity Act [WEEA] in fiscal year 1987; to the Committee on Labor and Human Resources.

EC-3544. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a study of the national incidence and prevalence of child abuse and neglect; to the Committee on Labor and Human Resources.

EC-3545. A communication from the Comptroller General of the United States, transmitting, pursuant to law, notification of the appointment of Mr. John G. Ireland, to the Commission on Railroad Retirement Reform; to the Committee on Labor and Human Resources.

EC-3546. A communication from the Secretary of Education, transmitting, pursuant to law, a report on final regulations for the National Institute on Disability and Rehabilitation Research—Research Training and Career Development Program; to the Committee on Labor and Human Resources.

EC-3547. A communication from the Secretary of Transportation, transmitting drafts of two proposed bills relative to amending title I of the Railway Labor Act with regard to secondary activity in the railroad industry; and to amend title II of the Railway Labor Act with regard to secondary activity in the airline industry; to the Committee on Labor and Human Resources.

EC-3548. A communication from the Secretary of Education, transmitting, pursuant to law, a report on final regulations for the National Institute on Disability and Rehabilitation Research—Field-Initiated Research; to the Committee on Labor and Human Resources.

EC-3549. A communication from the Secretary of Education, transmitting, pursuant to law, the Department of Education's 14th edition of the annual statistical report entitled, "The Condition of Education"; to the Committee on Labor and Human Resources.

EC-3550. A communication from the Librarian of Congress, transmitting, pursuant to law, the annual report on activities of the Library of Congress, including the Copyright Office, for fiscal year 1987; to the Committee on Rules and Administration.

EC-3551. A communication from the Administrator of Veterans Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to convert nonphysician directors appointed under section 4103(a)(8), to Senior Executive Service career appointees; to the Committee on Veterans' Affairs.

EC-3552. A communication from the Chairman, Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the 74th annual report of the Board of Governors; to the Committee on Banking, Housing, and Urban Affairs.

EC-3553. A communication from the Chairman, Federal Deposit Insurance Corporation, transmitting, pursuant to law, the FDIC's annual report for the calendar year 1987; to the Committee on Banking, Housing, and Urban Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 1418: A bill to direct the Secretary of the department in which the United States Coast Guard is operating to cause the vessel M.V. *Polar Ice* to be documented as a vessel of the United States so as to be entitled to engage in the coastwise trade (Rept. No. 100-419).

S. 2300: A bill to issue a fisheries license for the operation of the vessel M.V. *Ocean Cyclone* (Rept. No. 100-420).

S. 2331: A bill to issue a fisheries license for the operation of the vessel M.V. *Ocean Tempest* (Rept. No. 100-421).

S. 2417: A bill to authorize a certificate of documentation for certain vessels (Rept. No. 100-422).

S. 2493: A bill to authorize a certificate of documentation for the vessel *Compass Rose III* (Rept. No. 100-423).

By Mr. GLENN, from the Committee on Governmental Affairs, with amendments:

S. 2215: A bill to amend the Office of Federal Procurement Policy Act to authorize appropriations for an additional 4 years, and for other purposes (Rept. No. 100-424).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DIXON:

S. 2621. A bill to amend title 10, United States Code, to expand the responsibilities of the Under Secretary of Defense for Acquisition for Department of Defense procurements, and to prescribe unlawful conduct relating to Department of Defense procurements; to the Committee on Armed Services.

By Mr. BOSCHWITZ:

S. 2622. A bill to provide for the implementation of private sector funding for certain refugees; to the Committee on the Judiciary.

By Mr. BOSCHWITZ (for himself, Mr. BAUCUS, Mr. BURDICK, Mr. CONRAD, Mr. KARNES, Mr. MELCHER, Mr. PRESSLER, Mr. NICKLES, Mr. WALLOP, Mr. SIMON, Mr. DASCHLE, Mr. DURENBERGER, Mr. QUAYLE, Mr. COCHRAN, Mr. BOREN, and Mr. GRASSLEY):

S. 2623. A bill to amend the Small Business Act to clarify the Administrator's authority to make economic injury disaster loans in case of drought; to the Committee on Small Business.

By Mr. BOSCHWITZ:

S. 2624. A bill to amend the Small Business Act to provide simplification of forms to encourage certified and preferred lenders to provide loans of $50,000 or less, and for other purposes; to the Committee on Small Business.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DIXON:

S. 2621. A bill to amend title 10, United States Code, to expand the responsibilities of the Under Secretary of Defense for Acquisition for Department of Defense procurements, and to prescribe unlawful conduct relating to Department of Defense procurements; to the Committee on Armed Services.

DEPARTMENT OF DEFENSE PROCUREMENT IMPROVEMENTS ACT

Mr. DIXON. Mr. President, as a member of the Armed Services Committee, I am deeply shocked and concerned with the revelations of the latest procurement scandal at the Department of Defense. The extent of this scandal and the potential taint on the award of major defense weapons system contracts has damaged the integrity of the defense procurement system. This scandal follows on the heels of disclosures of $3,500/$100 coffee urns, defective bolts throughout the defense inventory, and report after report of shoddy workmanship and massive cost overruns. The sad recent history of the defense acquisition system cannot be explained away as the mistakes or excesses of a few individuals or greedy contractors. It is clearly evident that there is a serious underlying problem with the management of the defense procurement system that must be remedied.

I have introduced several pieces of legislation in recent years that have sought to redress the deficiencies in the acquisition practices of the Defense Department. I introduced the legislation that created the Office of the Under Secretary of Defense for Acquisition. At that time, I had to engage in battle with the Secretary of Defense and the Service Secretaries. The defense establishment continues to argue for "business as usual" practices in the procurement process. The legal and moral breakdown in the system gives lie to the claims that the system works as is. I wanted the Under Secretary to be responsible for supervising the entire defense acquisition system, but the Pentagon resisted this essential reform. The Congress nonetheless authorized direct and explicit responsibilities and duties for this position, but the Defense Department continues to be reluctant in instituting necessary change.

It is time to again push for procurement reform, as I have in the past. We must centralize authority and responsibility for the procurement process in a single office. I am introducing legislation today to strengthen the role of the Under Secretary of Defense for Acquisition and make him a true procurement and acquisition czar. Furthermore, we must reestablish integrity in the procurement system. The worst aspects of the buddy system must be removed from the acquisition process. My legislation will establish parameters for contractors, consultants, and Government officals involved in Government contracting.

We cannot totally legislate away greed and corruption. There will always be some individuals who will put personal gain above all else. But we must do everything possible to correct the inherent inefficiences of the current system and to reduce the potential for abuse. The rule of law must prevail in defense procurement as it does in every sphere of American society. The cause of national security should not be a shield for incompetence, mismanagement, corruption, and cronyism.

Mr. President, I ask unanimous consent that my bill, along with a summary, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2621

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE

This Act may be cited as the "Department of Defense Procurement Improvements Act of 1988".

SEC. 2. UNDER SECRETARY OF DEFENSE FOR ACQUISITION

(a) RESPONSIBILITIES.—(1) Subsection (b) of section 133 of title 10, United States Code, is amended to read as follows:

"(b)(1) Subject to the authority, direction, and control of the Secretary of Defense, the Under Secretary of Defense for Acquisition shall be responsible for—

"(A) the centralized procurement of all property and services for the Department of Defense;

"(B) the establishment and implementation of procurement policies for the Department and the approval of exceptions from the application of such policies in the case of any procurement;

"(C) all contract administration functions of the Department of Defense, including all contract audit functions of the Department; and

"(D) the supervision, direction, and control of all competition advocates in the Department of Defense.

"(2) The Under Secretary may delegate his authority with respect to the procurement of any particular type or class of property or service to the Senior Acquisition Executive of a military department if the Under Secretary determines that the delegation of such authority will result in savings to the United States or is necessary to provide the property or service to the military department in a timely and efficient manner.".

(2) Section 133 of such title is further amended—

(A) by redesignating subsections (c), (d), and (e) as subsections (d), (e), and (g), respectively;

(B) by inserting after subsection (b), the following new subsection (c):

"(c)(1) All functions of the Department of Defense relating to the procurement of property and services shall come under the Office of the Under Secretary of Defense for Acquisition.

"(2) All functions of the Defense Acquisition Regulation Council and of the Defense Logistics Agency shall come under the Office of the Under Secretary of Defense for Acquisition.

"(3) All functions of the Office of Small and Disadvantaged Business Utilization for the Department of Defense (established under section 15(k) of the Small Business Act (15 U.S.C. 644(k)) shall come under the Office of the Under Secretary of Defense for Acquisition."; and

(C) by inserting after subsection (e), as redesignated by clause (A), the following:

"(f) The Secretary of Defense, in consultation with the Under Secretary, shall appoint the Senior Acquisition Executive of each military department by and with the advice and consent of the Senate. Each Senior Acquisition Executive shall report directly to the Under Secretary.".

(3) Subsection (e) of such section, as redesignated by paragraph (2), is amended to read as follows:

"(e)(1) In carrying out responsibilities relating to contract audit functions of the Department of Defense, the Under Secretary shall consult with the Inspector General of the Department of Defense.

"(2) Nothing in this subsection shall affect the authority of the Inspector General of the Department of Defense to establish audit policy for the Department of Defense under the Inspector General Act of 1978 and otherwise to carry out the functions of the Inspector General under that Act.".

(4)(A) Chapter 137 of such title is further amended by adding at the end thereof the following new section:

"§ 2330. Contracts for full-scale development and for production

"A contract for the full-scale development of a major system or for the procurement of a major system may not be entered into unless the Under Secretary of Defense for Acquisition has reviewed and approved the contract. In reviewing any proposed contract for procurement of a major system, the Under Secretary shall evaluate the plans and specifications for the system, determine the necessity for production, consider the commonality of parts and components of the system, and consider the complexity and practicality of the system.".

(B) The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"2330. Contracts for full-scale development and for production.".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—(1) Section 138(d)(1) of title 10, United States Code, is amended by striking out "Secretary of Defense" in the first sentence and inserting in lieu thereof "Under Secretary of Defense for Acquisition".

(2)(A) Section 2302 of title 10, United States Code, is amended by striking out "Secretary of Defense, the Secretary of the Army, the Secretary of the Navy, the Secretary of the Air Force" in paragraph (1) and inserting in lieu thereof "Under Secretary of Defense for Acquisition".

(B) Section 2303(a) of such title is amended by striking out clauses (2), (3), and (4) and by redesignating clauses (5) and (6) as clauses (2) and (3), respectively.

(3) Section 2318 of title 10, United States Code, is amended by striking out subsection (c) and inserting in lieu thereof the following:

"(c) All advocates for competition in the Department of Defense shall be under the supervision, direction, and control of the Under Secretary of Defense for Acquisition.

"(d) Each advocate for competition of a military department or a Defense Agency shall transmit to the Under Secretary of Defense for Acquisition a report describing the activities of the advocate during the preceding year. Such report shall be transmitted at such time and contain such information as the Under Secretary shall prescribe.".

(4) Chapter 145 of title 10, United States Code, is amended—

(A) in section 2451—

(i) by striking out "Secretary of Defense" in subsection (a) and inserting in lieu thereof "Under Secretary of Defense for Acquisition, subject to the authority, direction, and control of the Secretary of Defense,";

(ii) by striking out "Secretary" each place it appears in subsection (b) and inserting in lieu thereof "Under Secretary"; and

(iii) by striking out "Secretary" in subsection (c) and inserting in lieu thereof "Under Secretary";

(B) in section 2452, by striking out "Secretary of Defense" in the matter preceding clause (1) and inserting in lieu thereof "Under Secretary of Defense for Acquisition";

(C) in section 2453—

(i) by striking out "Secretary of Defense" in the first sentence and inserting in lieu thereof "Under Secretary of Defense for Acquisition"; and

(ii) by striking out "Secretary" in the second sentence and inserting in lieu thereof "Under Secretary";

(D) in section 2454—

(i) by striking out the period at the end of the second sentence and inserting in lieu thereof ", subject to such regulations as the Under Secretary of Defense for Acquisition may prescribe."; and

(ii) by striking out "Secretary" in the third sentence and inserting in lieu thereof "Under Secretary"; and

(E) in section 2455—

(i) by striking out "Secretary of Defense" in subsection (a) and inserting in lieu thereof "Under Secretary of Defense for Acquisition";

(ii) by striking out "Secretary" in subsection (a)(4) and inserting in lieu thereof "Under Secretary"; and

(iii) by striking out "Secretary" in subsection (b) and inserting in lieu thereof "Under Secretary".

SEC. 3. UNLAWFUL PROCUREMENT CONDUCT

(a) IN GENERAL.—(1) Chapter 141 of title 10, United States Code, is amended by inserting after section 2397c the following new section:

"§ 2397d. Unlawful procurement conduct

"(a) During the conduct of any Department of Defense procurement of property or services, it shall be unlawful—

"(1) for any officer, employee, or representative of any competing contractor or any consultant retained by that contractor knowingly to make any offer or promise of future employment or business opportunity to, or to knowingly engage in any discussion of future employment or business opportunity with, any procurement official or employee of the Department of Defense;

"(2) for any officer, employee, or representative of any competing contractor or any consultant retained by that contractor knowingly to offer, give, or promise to offer or give, directly or indirectly, any money, gratuity, or other thing of value to any procurement official or employee of the Department of Defense;

"(3) for any procurement official or employee of the Department of Defense knowingly to ask, demand, exact, solicit, seek, accept, receive, or agree to receive, directly or indirectly, any money, gratuity, or other thing of value (including an offer of future employment) from any officer, employee, or representative of any competing contractor or representative of any competing contractor or any consultant retained by that contractor for such procurement;

"(4) for any procurement official or employee of the Department of Defense knowingly to disclose to any officer, employee, or any consultant retained by that contractor for such procurement, prior to the award of a contract and with regard to the bids or proposals of other competing contractors—

"(A) any confidential or proprietary data of other competing contractors for such procurement; or

"(B) any other information the disclosure of which to the competing contractor would give that contractor an unfair competitive advantage with respect to that procurement, or would otherwise undermine the integrity of the procurement process of the Department of Defense; or

"(5) for any officer, employee, or representative of any competing contactor or any consultant retained by that contractor knowingly to solicit or obtain corruptly from any procurement official or employee of the Department of Defense any information described in clause (A) or (B) of paragraph (4).

"(b)(1) The Department of Defense may not award any contract for the procurement of any property or services to any competing contractor unless—

"(A) the officer, employee, or representative of the competing contractor who signs the bid or proposal certifies in writing to the contracting officer for such procurement that—

"(i) the certifying officer, employee, or representative does not know or have reason to know of any misconduct that is unlawful under subsection (a) or of any violation of the requirements of the regulations issued to carry out this section; and

"(ii) each officer, employee, and representative of such contractor who has participated personally and substantially in the conduct of the procurement has signed an agreement to comply with this section; and

"(B) each procurement official and employee of the Department of Defense who has participated personally and substantially in the conduct of the procurement certifies in writing to the contracting officer that neither the competing contractor nor the official or employee, as applicable, has to the knowledge of that procurement official or employee, engaged in misconduct that is unlawful under subsection (a) or has violated the requirements or the regulations issued to carry out this section.

"(2) For the purposes of enforcing the requirements of paragraph (1), the contracting officer responsible for the conduct of a procurement shall maintain, as part of the procurement file—

"(A) all certifications required by this subsection; and

"(B) a permanent record (including dates of involvement in the procurement) of all Department of Defense employees serving as procurement officials or employees with respect to such procurement.

"(3) Any person making a certification required by paragraph (1) shall be notified of the applicability of section 1001 of title 18 to false, fictitious, or fraudulent statements in such certification.

"(c) It shall be unlawful for any individual who, during the conduct of any Department of Defense procurement, was engaged as a procurement official or employee of the Department in the conduct of such procurement—

"(1) to participate in any manner, as an officer, employee, or agent of or a consultant to a competing contractor in any negotiations leading to the award, modification, or extension of a contract for such procurement; or

"(2) to participate personally and substantially in the performance of such contract,

during the two-year period beginning on the date such individual ceases to be a procurement official or employee of the Department of Defense.

"(d)(1) Any individual who is or was a contracting officer, and who is found, after notice and opportunity for a hearing in accordance with procedures prescribed by the regulations issued to carry out this section, to have engaged in misconduct that is unlawful under this section, shall be ineligible for any future service as a Federal Government contracting officer.

"(2)(A) If an officer, employee, or representative of a competing contractor engages in misconduct that is unlawful under this section—

"(i) the Secretary of Defense shall determine, after notice and a hearing, whether the contractor's right to proceed under the contract should be terminated; and

"(ii) the Secretary shall initiate a debarment proceeding in accordance with this paragraph and determine the present responsibility of the contractor with respect to awards of other Federal Government contracts.

"(B) A debarment proceeding subject to this paragraph shall be conducted by the Armed Services Board of Contract Appeals. The Board shall, based upon a preponderance of the evidence presented, resolve all issues of fact, determine whether a basis exists for debarment of the contractor, or of a subsidiary, division, affiliate, officer, or employee of the contractor, and issue a final decision in favor of or against debarment of the competing contractor, or any subsidiary, division, affiliate, officer, or employee of the contractor. Determinations and final decisions of the Board shall be final unless appealed to the United States Court of Appeals for the District of Columbia within 60 days after the receipt by the competing contractor of a copy of a final decision of the Board, in which case such determinations and decisions shall be final unless found by the court to be arbitrary and capricious.

"(C) Upon issuance of any final decision under this paragraph recommending debarment of a contractor (or subsidiary, division, affiliate, officer, or employee thereof), such contractor, subsidiary, division, affiliate, officer, or employee shall be ineligible for award of any contract and for participation in any future procurement for a period of up to five years. Upon issuance of any final decision recommending against debarment of the contractor and its subsidiaries, divisions, affiliates, officers, and employees, the contractor shall be compensated as provided by law or regulations.

"(e) In this section:

"(1) The term 'conduct', with respect to a procurement, means—

"(A) development, preparation, and issuance of the procurement solicitation;

"(B) evaluation of proposals;

"(C) selection of sources; and

"(D) conduct of negotiations for the award, modification, or extension of a contract.

"(2) The term 'competing contractor', with respect to any procurement (including any procurement using procedures other than competitive procedures) of property or services, means any entity that is, or is reasonably likely to become, a competitor for or recipient of a contract or subcontract under such procurement.

"(3) The term 'procurement official or employee', with respect to a procurement, includes any official or employee of the Department of Defense who has participated personally and substantially in the procurement, including all officers and employees responsible for reviewing or approving the procurement.

"(4) The term 'contracting officer' means any official or employee who is authorized to enter into, administer, or terminate contracts and make related determinations and findings.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2397c the following new item:

"2397d. Unlawful procurement conduct.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a)(1) shall take effect with respect to conduct on or after the date of enactment of this Act.

DEPARTMENT OF DEFENSE PROCUREMENT IMPROVEMENT ACT OF 1988

SUMMARY

Purpose of the legislation: To prevent abuses in the process of awarding contracts by the Department of Defense.

Establishing a centralized contracting authority in the Under Secretary of Defense for Acquisition, with extensive authority to review and approve individual major system contracts recommended for award by the individual Military Services under delegated authority; and

Specifying improper conduct for contractors, and their consultants, as well as Government procurement officials, relating to the award of contracts, and prescribes an array of strong administrative sanctions for enforcement of those standards.

Major provisions of the legislation: Centralizing procurement authority in the Under Secretary of Defense for Acquisition.

Under legislation sponsored by Senator Dixon in the 98th Congress, the Under Secretary of Defense for Acquisition (USDA) has the authority to establish the procurement policies and practices of the Department of Defense. However, responsibility for actual contracting to procure weapon systems, spare parts, other supplies, and services was left with the individual Military Services and the Defense Agencies, like the Defense Logistics Agency. The wrongdoing being revealed in the currently unfolding scandal points to improper activities that have corrupted the Congressional mandated competitive process for the award of individual contracts.

The bill would expand the authorities of the Under Secretary of Defense for Acquisition, moving the position back to being the complete "procurement czar envisioned by Congress, by:

Centralizing complete procurement authority in the Under Secretary of Defense for Acquisition.

Assigning the USDA control over the competition advocates in each of the Military Services and Defense agencies, who are statutorily charged with preserving and enhancing the competitiveness of Defense procurements.

Providing the USDA with greater control over the Senior Acquisition Executives for the Military Services, by requiring their confirmation by the Senate and giving the Under Secretary of Defense for Acquisition a role in their selection, requiring that they report to the USDA, limiting their acquisition authority to that delegated by the USDA.

Providing the USDA with the authority to review and approve each contract for the development or production of a major weapon system, thus providing a centralized review of those "big ticket" contracts that may be subject to abuse during the award process conducted by the buying commands of the Military Services.

Curbing unlawful procurement conduct

The bill would—specify a unlawful conduct the offer of future employment or business opportunity to any DoD procurement official or employee.

Offer or give, directly or indirectly, any gratuity or other thing of value to a DoD employee.

Prohibit a DoD employee from soliciting or receiving a gratuity or other thing of value (including an offer of future employment) from a competing contractor.

Prohibit a DoD procurement official from knowingly disclosing to a competing contractor any confidential or proprietary information, or any other information that would provide a competitive advantage.

Prohibit a contractor or its consultant from soliciting to corruptly obtain such buinsses confidential or proprietary information.

Prohibit the Department of Defense from awarding a contract unless the contractor certifies in writing that there has been no violation of standards of conduct as prescribed by the legislation or its implementing regulations.

Require employees of a competing contractor, and any of its consultants, who participated personally and substantially in the competition for a contract to sign an agreement that they have complied with the standards of conduct required by the legislation or its implementing regulations.

Require a similar certification from each DoD procurement official who participated in the award of the contract.

Make anyone filing a false certification subject to criminal sanctions under the United States Code.

Permit the termination of a contract found to have been awarded through unlawful conduct on the part of the contractor, its consultants, or government employees who were improperly influenced.

Closing the revolving door

The bill would—prohibit a DoD official who participated in any manner in the negotiations leading to the award of a contract from accepting employment with the winning contractor for two years after leaving government service.

Bar permanently a government employee from beng a contracting officer with any federal agency if found to have engaged in unlawful conduct.

Would make a contractor or its consultant found to have engaged in unlawful conduct subject to personal debarment from participation in future contracting activities.

By Mr. BOSCHWITZ (for himself, Mr. BAUCUS, Mr. BURDICK, Mr. CONRAD, Mr. KARNES, Mr. MELCHER, Mr. PRESSLER, Mr. NICKLES, Mr. WALLOP, Mr. SIMON, Mr. DASCHLE, Mr. DURENBERGER, Mr. QUAYLE, Mr. COCHRAN, Mr. BOREN, and Mr. GRASSLEY):

S. 2623. A bill to amend the Small Business Act to clarify the Administrator's authority to make economic injury disaster loans in case of drought; to the Committee on Small Business.

AUTHORITY TO DECLARE DISASTER BECAUSE OF DROUGHT BY THE ADMINISTRATOR OF THE SMALL BUSINESS ADMINISTRATION

● Mr. BOSCHWITZ. Mr. President, I rise today to introduce legislation amending the Small Business Act which would authorize the Administrator to declare a disaster because of drought. Currently, the Administrator has such authority only in the event of floods, riots or civil disorders, or other catastrophes. A disaster declaration by the Administrator would allow small businesses to receive economic assistance loans under the Small Business Administration's disaster loan program. Although current law permits such loans if the President or the Secretary of Agriculture declares a natural disaster, my bill would ensure that the SBA Administrator has equal authority, thereby ensuring the broadest range of options to respond to the current drought.

Mr. President, I have recently returned from an extensive tour of Minnesota in which I observed the damage caused by the drought. In a word, the effect has been devastating. The combination of high temperatures and wind has shriveled crops and caused erosion of valuable top soil. I understand conditions are similar in many other States. There is little doubt that this drought will inflict serious financial injury on farmers—at a time when agriculture was just beginning to recover from several years of tough times.

Fortunately, legislation is in place to provide assistance, if necessary, for farmers who encounter financial difficulty due to the drought. My legislation focuses on another victim of the drought—the businesses that rely on farmers for their survival.

I've said before that when the farm economy hums, rural America hums. But if the farm economy is in trouble, small towns, and small businesses also suffer.

My bill simply provides that the Administrator can declare a natural disaster due to drought. It does not seek to alter the circumstances under which disaster loans can be approved. It only seeks to ensure that small businesses affected by the drought have an equal chance to obtain economic assistance loans to see them through the tough times ahead.

Allowing small businesses to apply for and receive economic assistance loans will mean a great deal. In addition to avoiding closing costs, the interest on such loans cannot exceed 4 percent if no other source of credit is available. In this case, disaster loans may mean the difference between staying open or closing the door for small businesses whose main customers—farmers—are themselves experiencing financial difficulty.

Mr. President I ask unanimous consent to have a copy of my bill inserted in the Record at the close of my statement.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2623

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DISASTER LOANS.

Section 7(b)(2) of the Small Business Act (15 U.S.C. 636(b)(2)) is amended by inserting before the proviso at the end of subparagraph (D), the following flush sentence: "For purposes of this paragraph, the term 'disaster' includes floods, riots or civil disorders, droughts, or other catastrophes.". ●

By Mr. BOSCHWITZ:

S. 2624. A bill to amend the Small Business Act to provide simplification of forms to encourage certified and preferred lenders to provide loans of $50,000 or less, and for other purposes; to the Committee on Small Business.

SMALL LOAN PROGRAM

● Mr. BOSCHWITZ. Mr. President, I rise today to introduce legislation of great significance to small businesses. This legislation would encourage greater participation in the Small Business Administration's guaranteed loan programs by allowing authorized lenders to make loans of less than $50,000 using forms of the lender rather than the forms approved by the Small Business Administration.

This bill is quite simple, but it has tremendous ramifications for small borrowers who have difficulty obtaining loans of less than $50,000. One of the most frequent complaints I hear when I go home to Minnesota and meet with the owners of small businesses is that they can't find a lender willing to make a small loan, say of $5,000 to $10,000. The lenders tell me they don't like to make these small loans, even with guarantees, because of the burdensome paperwork that must be completed to make an SBA loan. The effect, Mr. President, is a reduction in the capital available for small businesses or for entrepreneurs trying to get a new business off the ground.

Earlier this month I held a hearing on rural development back in Minnesota. I am pleased to say that many groups around the State, both public and private, are working to stimulate economic growth in outstate Minnesota. They aren't looking for handouts Mr. President. All they want is reasonable access to existing programs, including the SBA loan programs. My bill would level the playing field for the small commercial borrower by making it easier for lenders to participate in the SBA loan programs.

I have heard similar concerns voiced by people who provide day care services. Frequently, a day-care provider needs only a small loan to upgrade a personal residence to operate a day-care home. And yet, time and again childcare providers have told me they can't obtain loans in the $5,000 to $10,000 range.

By encouraging lenders to participate in the SBA programs, borrowers can save between 1 percent and 4 percent on the annual interest charged for a short-term loan. For a small business, this break on the rate of interest represents a real savings and may make it possible for the business to succeed.

Mr. President most of the new jobs in this country are created by small business owners. My bill will eliminate one obstacle to further economic growth and job creation. I urge my colleagues to carefully review this legislation, and I invite them to support it.

Mr. President, I ask unanimous consent that a copy of my bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2624

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FORM SIMPLIFICATION AND PREFERRED FINANCING.

Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by adding at the end the following new paragraph:

"(17)(A) During fiscal years 1989 and 1990, in addition to the preferred lenders program authorized by the proviso in subsection (b)(7), the Administration is authorized to establish a certified loan program for lenders who establish their knowledge of Administration laws and regulations concerning loan guarantee programs and their proficiency in program requirements. In order to encourage certified lenders and preferred lenders to provide loans of $50,000 or less in guarantees to eligible small business loan applicants, the Administration shall allow lenders designated for participation in the certified loan program and in the preferred loan program to utilize the forms of the lender without regard to any forms of the Administration. The Administration may not reduce the per centum of guarantee as a criteria for eligibility for such designation.

"(B) The designation of a lender as a certified lender shall be suspended or revoked at any time that the Administration determines that the lender is not adhering to its rules and regulations or if the Administration determines that the loss experience of the lender is excessive as compared to other lenders. Suspension or revocation of such designation shall not affect any outstanding guarantee.".●

ADDITIONAL COSPONSORS

S. 473

At the request of Mrs. Kassebaum, the name of the Senator from Missouri [Mr. Bond] was added as a cosponsor of S. 473, a bill to regulate interstate commerce by providing for uniform standards of liability for harm arising out of general aviation accidents.

S. 684

At the request of Mr. Thurmond, his name was added as a cosponsor of S. 684, a bill to amend the Internal Revenue Code of 1986 to make permanent the targeted jobs credit.

S. 714

At the request of Mr. Specter, the name of the Senator from Mississippi [Mr. Cochran] was added as a cosponsor of S. 714, a bill to recognize the organization known as the Montford Point Marine Association, Incorporated.

S. 2036

At the request of Mr. Thurmond, the name of the Senator from California [Mr. Wilson] was added as a cosponsor of S. 2036, a bill to redefine "extortion" for purposes of the Hobbs Act.

S. 2043

At the request of Mr. Kerry, the name of the Senator from Minnesota [Mr. Durenberger] was added as a cosponsor of S. 2043, a bill to authorize demonstration projects that provide certain participants in the special supplemental food program with coupons for use at farmers markets.

S. 2094

At the request of Mr. Kerry, the name of the Senator from Massachusetts [Mr. Kennedy] was added as a cosponsor of S. 2094, a bill to amend title XVI of the Social Security Act, to provide that the existing requirements for deeming a parent's income and resources to his or her children under age 18 shall not apply in the case of certain severely disabled children, and for other purposes.

S. 2176

At the request of Mr. Dixon, the name of the Senator from Louisiana [Mr. Johnston], and the Senator from Nevada [Mr. Hecht] were added as cosponsors of S. 2176, a bill to amend the Internal Revenue Code of 1986 to permit the taxfree purchase of motor fuels by individuals who are exempt from paying the motor fuels excise tax, and for other purposes.

S. 2199

At the request of Mr. Chafee, the name of the Senator from California [Mr. Cranston] was added as a cosponsor of S. 2199, a bill to amend the Land and Water Conservation Act and the National Historic Preservation

Act, to establish the American Heritage Trust, for purposes of enhancing the protection of the Nation's natural, historical, cultural, and recreational heritage, and for other purposes.

S. 2213

At the request of Mr. GORE, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 2213, a bill to amend the Federal Trade Commission Act to strenghten the authority of the Federal Trade Commission respecting fraud committed in connection with sales made with a telephone.

S. 2242

At the request of Mr. DASCHLE, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 2242, to provide for the continuation of certain basic services of the Postal Service consistent with Postal policies under section 101 of title 39, United States Code, and for other purposes.

S. 2340

At the request of Mr. CHILES, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 2340, a bill to amend title 28, United States Code, with respect to the configuration of the Middle and Southern Districts of Florida.

S. 2367

At the request of Mr. LAUTENBERG, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 2367, a bill to promote highway traffic safety by encouraging the States to establish measures for more effective enforcement of laws to prevent drunk driving, and for other purposes.

S. 2368

At the request of Mr. BUMPERS, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 2368, a bill to authorize the several States and the District of Columbia to collect certain taxes with respect to sales of tangible personal property by nonresident persons who solicit such sales.

S. 2428

At the request of Mr. BOSCHWITZ, the name of the Senator from Indiana [Mr. QUAYLE] was added as a cosponsor of S. 2428, a bill to amend title VII of the Civil Rights Act of 1964 to prohibit discrimination based on race, color, religion, sex, handicap, national origin, or age in employment in the legislative or judicial branches of the Federal Government; and to establish the Employment Review Board composed of senior Federal judges, which shall have authority to adjudicate claims regarding such discrimination.

S. 2480

At the request of Mr. MOYNIHAN, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of S. 2480, a bill to amend the Internal Revenue Code of 1986 to clarify that section 457 does not apply to nonelective deferred compensation or basic employee benefits.

S. 2484

At the request of Mr. DANFORTH, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 2484, a bill to amend the Internal Revenue Code of 1986 to enhance the incentive for increasing research activities.

S. 2502

At the request of Mr. MCCAIN, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 2502, a bill to establish a task force to conduct a study relating to the reduction in use of chlorofluorocarbons and halons.

S. 2544

At the request of Mr. RIEGLE, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 2544, a bill to amend the federal securities laws in order to facilitate cooperation between the United States and foreign countries in securities law enforcement.

S. 2597

At the request of Mr. BURDICK, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 2597, a bill to establish an interdisciplinary training grant program for the benefit of rural areas.

S. 2614

At the request of Mr. HOLLINGS, the name of the Senator from Connecticut [Mr. WEICKER] was added as a cosponsor of S. 2614, a bill to amend the National Science and Technology Policy, Organization, and Priorities Act of 1976 in order to provide for improved coordination of national scientific research efforts and to provide for a national plan to improve scientific understanding of the earth system and the effect of changes in that system on climate and human well-being.

SENATE JOINT RESOLUTION 298

At the request of Mr. D'AMATO, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of Senate Joint Resolution 298, a joint resolution designating September 1988 as "National Library Card Sign-Up Month".

SENATE JOINT RESOLUTION 320

At the request of Mr. HATCH, the names of the Senator from Alabama [Mr. HEFLIN], the Senator from North Carolina [Mr. SANFORD], and the Senator from Maine [Mr. MITCHELL] were added as cosponsors of Senate Joint Resolution 320, a joint resolution to commemorate the fiftieth anniversary of the passage of the Food, Drug and Cosmetic Act.

SENATE JOINT RESOLUTION 330

At the request of Mr. DOLE, the names of the Senator from Michigan [Mr. LEVIN], and the Senator from Oklahoma [Mr. BOREN] were added as cosponsors of Senate Joint Resolution 330, a joint resolution to provide for the designation of September 16, 1988, as "National POW/MIA Recognition Day."

SENATE JOINT RESOLUTION 342

At the request of Mr. MOYNIHAN, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of Senate Joint Resolution 342, a joint resolution to designate the week of November 28 through December 5, 1988, as "National Book Week."

SENATE JOINT RESOLUTION 346

At the request of Mr. LAUTENBERG, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of Senate Joint Resolution 346, a joint resolution to designate March 25, 1989, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

SENATE CONCURRENT RESOLUTION 109

At the request of Mr. MCCAIN, the names of the Senator from Washington [Mr. ADAMS], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Mississippi [Mr. COCHRAN], the Senator from Maine [Mr. MITCHELL], the Senator from Colorado [Mr. WIRTH], and the Senator from California [Mr. CRANSTON] were added as cosponsors of Senate Concurrent Resolution 109, a concurrent resolution expressing the sense of the Congress that the President should negotiate with the Government of Vietnam to establish interest sections in the capitals of both countries for the purpose of resolving specific issues between the countries.

SENATE RESOLUTION 409

At the request of Mr. LAUTENBERG, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of Senate Resolution 409, a resolution to express the sense of the Senate regarding the Community Development Block Grant and Urban Development Action Grant Programs.

AMENDMENT NO. 2511

At the request of Mr. HATCH, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of amendment No. 2511 intended to be proposed to S. 430, a bill to amend the Sherman Act regarding retail competition.

AMENDMENTS SUBMITTED

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, FISCAL YEAR 1989

HARKIN AMENDMENTS NOS. 2537 AND 2538

Mr. HARKIN proposed two amendments to the bill (H.R. 4776) making appropriations for the government of the District of Columbia and for other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1989, and for other purposes; as follows:

AMENDMENT No. 2537

On page 11 at line 9 strike "$3,692,000" and insert in lieu thereof "$4,192,000".

AMENDMENT No. 2538

At the appropriate place in the bill:

SEC. . Such sums as may be necessary for fiscal year 1989 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

HELMS AMENDMENT NO. 2539

Mr. NICKLES (for Mr. HELMS) proposed an amendment to the bill H.R. 4776, supra; as follows:

At the appropriate place, add the following:

SEC. . None of the federal funds appropriated by this Act shall be obligated or expended after December 31, 1988, if on that date the District of Columbia has not repealed D.C. Law 6-170, the Prohibition of Discrimination in the Provision of Insurance Act of 1986 (D.C. Law 6-170).

HUMPHREY AMENDMENT NO. 2540

Mr. HUMPHREY proposed an amendment to the bill H.R. 4776, supra; as follows:

At the appropriate place in the bill, insert the following new section:

"SEC. None of the funds appropriated under this Act for the Mayor of the District of Columbia shall be expended after January 1, 1989, if on that date, using existing powers, the Department of Human Services has not implemented a system of mandatory reporting of individual abortions performed in the District of Columbia; and categories of data collected under such system shall be substantially similar to those collected by the National Center for Health Statistics: *Provided*, that the Department of Human Services shall not require reporting of the identity of the aborting woman or the abortion provider, and shall ensure that the identity of the aborting woman and abortion provider remain strictly confidential, and data be used for statistical purposes only.

ARMSTRONG (AND OTHERS) AMENDMENT NO. 2541

Mr. ARMSTRONG (for himself, Mr. WALLOP, Mr. HATCH, and Mr. NICKLES) proposed an amendment to the bill H.R. 4776, supra; as follows:

At the appropriate place in the act, insert the following:

"NATION'S CAPITAL RELIGIOUS LIBERTY AND ACADEMIC FREEDOM ACT

"SEC. . (a) This section may be cited as the "Nation's Capital Religious Liberty and Academic Freedom Act".

"(b) None of the funds appropriated by this Act shall be obligated or expended after December 31, 1988, if on that date the District of Columbia has not adopted subsection (c) of this section.

"(c) Section 1-2520 of the District of Columbia Code (1981 edition) is amended by adding after subsection (2) the following new subsection:

'(3) Notwithstanding any other provision of the laws of the District of Columbia, it shall not be an unlawful discriminatory practice in the District of Columbia for any educational institution that is affiliated with a religious organization or closely associated with the tenets of a religious organization to deny, restrict, abridge, or condition—

(A) the use of any fund, service, facility, or benefit; or

(B) the granting of any endorsement, approval, or recognition, to any person or persons that are organized for, or engaged in, promoting, encouraging, or condoning any homosexual act, lifestyle, orientation, or belief.'"

NOTICE OF HEARING

SUBCOMMITTEE ON MINERAL RESOURCES DEVELOPMENT AND PRODUCTION

Mr. MELCHER. Mr. President, I would like to announce for the information of the Senate and the public that the oversight hearing before the Subcommittee on Mineral Resources Development and Production of the Committee on Energy and Natural Resources previously scheduled for Tuesday, July 12, at 10 a.m., has been rescheduled for Tuesday, July 12, at 1 p.m. in room SD-366 of the Senate Dirksen Office Building. The purpose of this oversight hearing is to receive testimony concerning the Department of the Interior's royalty management program.

For further information, please contact Patricia Beneke at (202) 224-2383 or Lisa Vehmas at (202) 224-7555.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON FEDERAL SERVICES, POST OFFICE AND CIVIL SERVICE

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Federal Services, Post Office, and Civil Service, Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Friday, July 8, 1988, on the use of Government consultants by the Department of Defense.

The PRESIDING OFFICER. Without objection, it is ordered.

COMMITTEE ON ARMED SERVICES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Friday, July 8, 1988. In executive session to discuss the fiscal year 1989 defense appropriations bill and possible Armed Services Committee amendments thereto.

The PRESIDING OFFICER. Without objection, it is ordered.

ADDITIONAL STATEMENTS

PUERTO RICAN DAY PARADE

● Mr. LAUTENBERG. Mr. President, I would like to call attention to the 26th annual New Jersey Puerto Rican Day Parade which will take place Sunday, July 29. This year, the parade is dedicated to the achievements of New Jersey's Puerto Rican women, who have excelled in both public life and in many other endeavors in our State. Of course, this parade is also a tribute to the many and varied achievements of the Puerto Rican community of New Jersey, and a celebration of the 36th anniversary of the establishment of the Commonwealth of Puerto Rico.

The grand marshal of the parade will be the Honorable Nydia Davila Colon, a Freeholder from Hudson and past president of the Board of Freeholders. The Madrina, or Godmother of the parade will be the Honorable Maria Magda O'Keefe, who is the first Puerto Rican ever to be elected chairman of the city council in Paterson.

These women exemplify the outstanding public service of Puerto Rican women in New Jersey, and their achievements are a credit to the entire Puerto Rican community.

Since 1962, this parade has grown from a small local event in Newark, NJ, to one of the most significant Puerto Rican statewide events. It is estimated that this year's parade will attract many thousands of onlookers along the parade route of Broad Street in Newark.

As in the past, the majority of the parade participants will be from the Puerto Rican community. However, many other ethnic groups will be represented as participants and spectators. Diverse ethnic cooperation is what makes New Jersey and our Nation a living witness to the spirit of the Statue of Liberty.

Traditionally, this parade is the culmination of a year of activities for its sponsor, the Puerto Rican Statewide Parade of New Jersey, Inc. One of this nonprofit organization's major functions is the granting of numerous scholarships to needy Puerto Rican students throughout our State. All of the proceeds of this parade will go to fund such scholarships.

I am proud to again draw my colleagues' attention to this wonderful celebration of Puerto Rican women in this year's Annual New Jersey Puerto Rican Day Parade and extend my sincerest congratulations to my many friends in the New Jersey Puerto Rican community during their days of celebration.●

TOOLS FOR COPING WITH CHANGE

● Mr. **DURENBERGER**. Mr. President, today I want to include in the RECORD a copy of my preliminary report to the Northeast-Midwest Coalition which I released earlier this week. It is entitled "Tools for Coping With Change" and it deals generally with America's serious rural economic crisis, and specifically with the drought which is having a range of devastating effects on rural communities.

I will speak on these issues at greater length next week, Mr. President, but I wanted my colleagues and other readers of the RECORD to have an opportunity to review the preliminary report prior to Senate action next week on the emergency drought package.

I ask that the preliminary report be printed in the RECORD.

The report follows:

[Preliminary Report to the Northeast-Midwest Coalition]

TOLLS FOR COPING WITH CHANGE

(By Senator Dave Durenberger, Co-Chair, Rural Economic Development Task Force, June 1988)

INTRODUCTION

In 1986, a report entitled "Governing the Heartland: Can Rural Governments Survive the Farm Crisis?" was published by the Intergovernmental Relation Subcommittee, which I chaired. The thrust of that report was that federal policy must recognize the inter-connection between all the elements of rural life. What began as a crisis in agriculture in the early eighties and in energy in the mid-eighties has become a crisis for the entire heartland. It is not just farmers and miners and plant workers who are threatened: it is also teachers, health professionals and other service providers. In order to deal with rural problems, attention must be paid to the entire system, not just a single element.

This preliminary report is a continuation of that effort to encourage policy-makers to take a comprehensive approach to rural development problems. On the basis of a number of field hearings around Minnesota, this report discusses current economic development problems and opportunities, and presents recommendations for federal action. In addition, this report recommends a number of federal actions to respond to the current drought in the upper Midwest.

The Northeast-Midwest Coalition is a bipartisan alliance of 36 U.S. Senators from the Midwest, the Mid-Atlantic, and New England, who organized in 1978 to better serve the interests of their states. With the assistance of the Northeast-Midwest Institute, the Coalition seeks to develop federal policies and legislation to address economic development, infrastructure and resource issues. In February of this year, the Coalition created a Rural Economic Development Task Force, Co-chaired by Senator Tom Harkin (D-IA) and myself.

The Senate will soon consider both a rural development bill and a drought relief bill. It is hoped that this report will help direct further study and legislative action.

DAVE DURENBERGER,
U.S. Senator.

JUNE 1988.

I. THE CONTEXT OF RURAL ECONOMIC DEVELOPMENT

A. The importance of rural America

The value of the rural economy to the national economy as a whole is frequently underestimated. In 1988, America's 2441 rural counties contained 60 million people, one-fourth of the nation's population. These counties provide: (1) more than 90 percent of the nation's minerals and energy products; (2) nearly all of the nation's food production and most of the wheat, corn, soybeans, cotton, and tobacco currently exported to other nations of the world; (3) many of the large-scale public and private recreational areas, and an increasing number of retirement communities; (4) last and most important, rural America remains the wellspring of the cultural and spiritual values that have made this nation strong. The people that settled our rural areas brought with them a sense of self-reliance and a willingness to work long and hard to succeed. But these settlers also offered a spirit of neighborliness to their fellows at times of personal and financial crisis. It is this set of values that many of our nation's leaders still retain—values that allow the nation to maintain a link with the past and provide the strength that will be needed in the future.

But all is not well in rural America. Federal data shows that: (1) unemployment is 33 percent higher in rural areas than in the nation's large cities, and all counties with an unemployment rate double the national average are in rural areas; (2) job formation in rural areas lags. Between 1980 and 1987, the total civilian economy created approximately 13.1 million new jobs, while the rural economy experienced a net loss of jobs; (3) rural residents are more likely to be poor. In 1986, 9.7 million, or 30 percent of the nation's poverty-stricken population, lived in rural parts of the nation; (4) the incidence of substandard housing continues to be more than three times as high in rural areas as it is in urban. Almost 1.9 million rural households still live in housing that is hazardous to health and safety.

B. Key Issues

Expanding unemployment, increased poverty, and declining job formation and health standards have created a need to provide rural America with a series of new economic initiatives. The incidence of substandard housing marks rural America's economic slide.

At times in the past century, the financial condition of rural America fell below that of the metropolitan U.S. But the urbanizing world needed the grain and forage crops grown by our Great Plains states, and eventually prosperity returned.

However, a new problem has disadvantaged rural America. The international move into the information and electronics era has created a new economic elite in those states bordering the Atlantic and Pacific Oceans. As the United States economy recovered from the 1982-83 recession, imports surged and a new group of workers emerged to service and distribute these imports. As the service economy in our nation expanded geometrically, our agricultural, forest, mineral mining and basic manufacturing sectors were hard hit by imports from low wage, newly industrialized countries. And having the greatest impact of all, the worldwide "Green Revolution" created agricultural gluts in nations that had not been able to feed their populations for decades or even centuries, therefore removing the need for food from America.

With the emerging world economy of the eighties and nineties, a far higher premium has been placed on maximizing the efficiency of the American economy to bolster its competitive position. Venture capital that was once available in the rural economy has been diverted to fast pay-off, high growth investments. At the same time, federal tax policy has tilted even more steeply toward a consumption economy, rather than a savings and investment economy, exacerbating rural America's capital problems. For these reasons, rural areas have been slow to recover from the early eighties recession, and in some ways, the general recovery has proceeded at its expense.

In spite of these recent trends, the food-producing capacity of "Heartland America" remains one of the world's strategic assets. But if the products provided by this region continue to decline, the nation could continue its current drift into "two Americas," and the distressed economies located between the Sierra and Appalachian Mountains could come to depend permanently on federal subsidies from our coastal states. We must innovate and create new products and services provided by rural America. If we are to respond adequately, we must rally to the challenge facing our agricultural and manufacturing base.

C. The history of rural development

Federal programs designed to support economic development in rural areas are as old as the nation. In the 175 year period between 1789 and 1964, most rural development programs created by Congress were narrow in scope and intended to provide rural America with technologies and amenities that had become commonplace in urban areas.

The demographic changes in rural America have been staggering. In 1900, over 60% of the United States' 76 million citizens lived in "non-metropolitan" places. By the year two thousand, it is estimated that only one in four will remain there. While urbanization has its economic advantages, there are obvious signs in our culture and social structure of some of its cost.

Three of the most important 19th Century rural development initiatives include: (1) construction of the "National Road" from Baltimore and Washington, D.C. to Ohio, then to Indiana and finally to the edge of the frontier in Illinois; (2) land grant awards totalling a billion acres to a small number of railroads, permitting them to complete the nation's transcontinental rail system; (3) the Homestead Act of 1862, which provided land grant programs used by the states to create a system of public universities (then called agricultural and mechanical colleges) in each state. These colleges provided a post-secondary eduation to many young people that otherwise would have been denied it.

Major 20th Century rural development single purpose programs include: (1) paved "farm-to-market" roads; (2) rural electrification and telephone service; (3) rural parcel post delivery; (4) sewer and water treatment facilities; and (5) farm credit and secondary market programs.

After 1965, the narrow single purpose programs gave way to a variety of multi-purpose programs, including the Rural Development Act of 1972 and the Rural Development Policy Act of 1980. These acts were adopted in an era in which the federal government dictated the content of local programs from Washington, D.C. or from regional offices in large cities, far from the community where the program or project was implemented.

The 1972 Act required that a local planning process be developed prior to the funding of any local project. Unfortunately, Congress did not provide planning funds until seven years after the legislation was signed into law, and then for only two years. The result was that many rural development projects were funded by USDA without coordination of local and national goals.

The national strategy requirement of the 1980 Policy Act was infrequently honored by the USDA Undersecretary for Small Communities and Rural Development. Hence, rural communities lacked the program focus that could have resulted from a coordinated national rural economic development policy.

It is also important to recognize the trend in overall U.S. social policies during this period, of which rural development is just a part. From the period of the late sixties until the start of the deficit problems in 1978 to the present, there has been a basic change in the role of the federal government. During the prior period, state and local areas, in effect, traded control for dollars: "we, the federal government, will give you funds if you, the local constituency, will solve your problems our way." Beginning in 1981, we have embarked on a course of *de facto* "devolution"; the federal government laying off responsibilities to small units of governments. Unfortunately the devolution has fallen far short of a "new federalism" for two reasons: 1. the federal government has thus far not been able to subdue its desire to tell the local units of government what to do, and Washington continues to issue costly mandates; and 2. the federal government has not provided the "tax room," i.e. returning the states' traditional revenue raising opportunities. The result has been a lopsided intergovernmental relationship, where Washington is doing all the taking and rural units of government are doing the giving.

D. Successful and failed rural economic development programs

In general, the narrow single-purpose programs discussed above have been successful, while the more recent multi-purpose programs have not met the expectations of their authors.

Characteristics of successful rural development programs include: (1) a narrow, easily understood mission. For example, one important rural economic development program has as its goal the mission of providing electric power to America's farmers and rural residents; (2) the use of a proven technology to provide the service (i.e. the electric light, telephone, and paved roads) were a proven fact in towns and cities before they were extended to rural areas and could be provided to rural residents with no new technological innovations; (3) a system construction that could be spread over a number of fiscal years, resulting in a close relationship between the amount of the system to be built in any year and the sum of money made available for construction; (4) a system desired by the constituency it is designed to serve. For example, rural Americans knew about electric power a long time before it was extended to rural areas and most rural residents desired this service; and (5) little long-range planning was required by the rural residents who would benefit from the new service.

Less successful programs include those that: (1) provide insufficient funds to reach the goals of the program; (2) contain eligibility criteria that prove difficult to understand and that cause local jurisdictions be episodically eligible; (3) require substantial amounts of inter-agency coordination at the federal and state levels of government; (4) the federal department designated as the lead agency has only a marginal "stake" in the program; (5) utilize federal personnel that already have other full-time program responsibilities; and (6) require a substantial amount of complex, long-range planning by the people the program is designed to serve and little or no effort is made to train the local elected officials and private citizens who are responsible for the planning.

E. The future role of rural communities in the national economy

If the rural economy is to play an important role in the continued development of the nation over the next 10 to 15 years, it must be restructured and several urgent realities must be addressed.

Some of the more important of these realities include: (1) the realization that manipulation of natural resources no longer guarantees economic success; (2) control over local destiny in many rural communities is diminished; (3) rural areas will continue to depend on volunteer leadership; (4) service demands on local governments are expanding as revenues diminish; and (5) there are strong economic forces which tend to draw human and financial resources out of rural America.

Coming to grips with these and other economic changes will present a number of serious challenges to rural America including: (1) the need to improve the competitiveness of rural businesses by using new technologies to create new products from resources common to the rural sections of the nation; (2) the problem of diversifying the rural economy by taking advantage of new development opportunities not directly related to value-added manipulation of raw materials; and (3) the challenge of maintaining and improving the rural quality of life in education, health care, community services, and environment.

II. DIRECTIONS FOR NATIONAL POLICY: THE MINNESOTA EXPERIENCE

During three state-wide trips around Minnesota in March, April and May of this year, I had the opportunity to conduct informal hearings with a wide variety of groups and individuals in over thirty communities. Over six hundred Minnesotans participated in those meetings, with over one hundred giving testimony or submitting statements in writing. Those who participated included local elected officials such as mayors, city council members, county commissioners, regional development commission members, as well as staff. In addition, bankers, local business owners, representatives of private economic development initiatives, and farmers took time to share their concerns. These meetings served to complement and supplement the knowledge I have gained from literally hundreds of meetings over the last ten years across Greater Minnesota. While only a few of those meetings could be transcribed, a wealth of information was presented. In the next several pages, I want to try to summarize the rural development problems which were discussed, the opportunities which also exist, and present a number of policy recommendations for federal action.

The Minnesota experience, I believe, is similar to conditions elsewhere, both as to problems and opportunities. The lessons and recommendations which come out of our experience have general applicability to other regions of the country, and form a solid base for national action.

A. Nature of the rural development problem

Based on my experiences in Minnesota over the last several years, the nature of rural economic development problem appears to break down into three areas of concern:

1. Rural Competitive Disadvantages

It is a basic economic fact of life that goods and services, and the jobs which produce them, are allocated by the marketplace to areas of concentration of population. This "law of large numbers," as I call it, means that the ability to spread costs over a large market base, economies of scale, and potential for growth will mean that without some changes in policies, economic activity will continue to gravitate toward areas like the Twin Cities. The law of large numbers also creates a self-reinforcing trend: as the rural economic base shrinks and the urban/suburban economy grows, the trend toward urbanization accelerates.

A secondary effect is the competition which develops among businesses and towns within the rural economy. Not only must businesses and towns compete with the Twin Cities for resources, population and skilled labor, but they must also compete against each other.

At the macro economic level, rural areas have suffered from increased competition for customers in the international marketplace. Because of massive debt problems faced by many third world nations, we have inadvertently created powerful incentive for those planned economies to shift resources into agricultural production in order to obtain hard currency. That has turned many former customers into competitors. Producers of agricultural commodities lose both ways.

In addition, the rural economy has suffered at least three "body blows"; economic catastrophies whose ramifications are still rippling through the rural economy. The grain embargo of 1979–81 severely damaged the reputation of the United States as a reliable seller of grain, and at the same time sent a strong signal to other nations, such as Argentina and the EEC, to increase production to fill the gap in the market.

The farm crisis of the 1980's, from which we have only just begun to emerge, with low commodity prices, credit shortages and falling land values, devastated the rural economy by undermining the rural tax base, financial institutions and the health care system. The injection of federal funds through the 1985 farm bill and the Farm Credit Act of 1987, together with the positive effects of low interest rates and energy costs and a more realistic dollar had begun a rural recovery of sorts.

The third and most current problem is the continuing drought of 1988. The absence of proper rain fall, catastrophic small grain crop losses, and the absence of affordable feed for livestock and dairy producers threatens to wipe out all the gains of the last several years. The victims of the drought are not just farmers; small towns, which depend on agricultural business, purchases and tax revenues, are hurting now and will be hurting in the months and years to come.

2. Governance Problems

In my 1986 report as Chairman of the Intergovernmental Relations Subcommittee entitled "Governing the Heartland: Can

Rural Governments Survive the Farm Crisis", we established the economic links between the farm economy and the broader rural economy, specifically as it relates to the ability of rural governments to provide necessary services to their constituencies. Given the nature of the fiscal structure of those governments, that report indicated that the declining land values and agricultural sales would nearly bankrupt most rural governments and accelerate a downward economic spiral as declining public services and quality of life would lead to a population decline and further erosion of the tax base.

The experience of the last several years has confirmed the conclusions of the report. Fortunately, the improvement of the farm economy has mitigated some of the effects on rural government, but drought problems once again threaten to restart the downward spiral described by the "Heartland" report.

Maintaining strong, independent local units of government is essential to revitalize rural communities; economic events of the last decade have tended to undermine rather than reinforce local government.

3. Quality of Life Problems

The key to maintaining the rural population base is a desirable quality of life for rural citizens and families. Economic competitiveness and governance difficulties provide a dual threat to rural quality of life.

Job opportunities for both heads of households and other family members are necessary for an adequate standard of living. Off-farm income has been shown to be a key element in the livelihood of farm families, because it compensates for seasonal cash flow problems and short term price fluctuations. Providing jobs for young people is a major attraction to keeping their skills and purchasing power in town. Also, jobs off of the farm sometimes offer the benefit of health insurance. Without this benefit, many farm families would not carry health insurance, since the cost is prohibitive. While the job may not mean a great deal of take home pay, the benefit of health insurance for the family can outweigh the low pay and time away from the farm.

Rural government services, education, infrastructure, health care, and fire and policy protection are the other major quality of life factors. Education, which is primarily a state and local responsibility, is a critical factor because it determines the skills level of future employees, and is an important factor for young families.

A major problem on the horizon for rural communities is the threat posed to rural water supplies by groundwater contamination. 90% of rural Minnesotans drink their water "raw" from underground sources instead of treated water systems. Recent tests in various places around the upper midwest have shown an alarming increase in the number of wells contaminated by pesticides and fertilizers. Rural communities can ill-afford the costly process of cleaning up contiminated groundwater or providing alternative supplies. Vaughn Bien, the Mayor of Goodhue, Minnesota, (population 657) discussed with me in February the plight their community faces as they try to find a source of drinking water as their municipal well was tainted by nitrates. This contamination made Goodhue's water supply unsafe for infants under six months of age to consume. Goodhue has a total annual budget of about $173,000, yet the community is spending about $300,000 to extend its well into deeper and cleaner groundwater and to dig a second well. As this example shows, it is a costly process with a very costly drain on the local economy.

B. Rural economic development opportunities

In the discussion of the problems of rural communities, it is very important not to obscure the numerous important economic development opportunities which exist in rural communities, which point to a very different and promising future, if the forces of change can be properly managed and rural citizens are given the proper tools to cope with change.

There are several advantages which rural areas enjoy in the area of economic competitiveness over suburban/urban areas:

1. Innovative Uses for Agricultural Products

Because of the burgeoning bio-technology industry and concerns over new methods to find reliable, environmentally safe methods of providing products from energy to packaging, there is new interest in using agricultural products to serve a number of domestic and international markets.

Ethanol production, which utilizes corn to produce fuel and gasoline additives, offers a secure and clean source of energy for the United States. As lead is being removed from America's gasoline supplies, ethanol becomes more attractive as a clean burning, high octane additive.

Minnesota has a corn processing plant located in Marshall (population 11,000). Minnesota Corn Processors, the farmer-owned cooperative which started in 1980, has 2,100 members who have the objective of generating higher returns for the corn production of its members by processing corn through a wet milling plant into starches, syrups, and feed products. Earlier this year, MCP decided to expand, and are in the midst of completing their start-up phase for ethanol production.

Recent research has demonstrated the feasibility of making biodegradable packaging material from corn. The distinct advantage of biodegradability addresses the critical issue of solid waste disposal far better than plastic alternatives. In fact, the Minnesota Corn Growers Association, which has been promoting and developing markets for Minnesota corn, now has developed this type of bag.

Continuing research also promises the production of soybean oil as an additive in printing ink, replacing petroleum-based ink. Soy ink is competitively priced at a consistently high quality. It too is biodegradable and environmentally safe, reducing disposal problems. In addition, soy ink has less rub-off and gets better "mileage" on the press. In Minnesota, there are several publications using soy ink, including the Rochester-based Agri News, Western Printers from Montevideo, The Farmer/The Dakota Farmer, the St. Paul Pioneer Press and Dispatch, and the Waseca Area Shopper.

Another development occurring with the assistance of the American Soybean Association is the use of Soybean Crop Oil in pesticide application. Soybean Crop Oil may be used as a wetting agent to reduce the surface tension of the pesticide spray droplet, reducing the tendency of the spray droplet to bead up on the leaf and increasing the leaf area covered by each droplet. Soybean Crop Oil is currently being produced by Cenex/Land O' Lakes, two regional farm cooperatives headquartered in Minnesota.

2. Close to the Farm, Value-Added Processing

In recent years, positive results have been enjoyed by a number of communities that process agricultural products close to home, rather than simply shipping raw material for remote processing. This provides a more economical use of these commodities through decreased transportation of bulk materials and shipment in finished form. The economic benefits to communities are significant as a source of off-farm income.

I witnessed an outstanding example of this in Perham, Minnesota (population 2,000), which boasts 21 businesses. Using locally grown commodities such as 35 million pounds of potatoes and 1.25 million pounds of popcorn, Barrel O' Fun Potato Chips manufactures potato chips and other snack foods nationally. The Perham Egg Plant processes 18 million dozen eggs—that's 216 million eggs per year! Tuffy's Pet Food uses 6 million pounds of corn gluten meal and 4 million pounds of flour. 3,000 semi-loads of materials arrive a year, shipping out 25 semi's a day. The dairy industry in the area is not to be forgotten: when the remodeling is completed this summer, the world's largest cheese plant, owned by Land O' Lakes, will be located in this community that is some 150 miles from the Minneapolis/St. Paul metropolitan area. 40 semi's pass through the cheese and dry milk processing plant. The success of Perham didn't just happen by accident; there were entrepeneurs, like Kenny Nelson and his late father, who developed their ideas and built on the concept of using the local products and processing them before shipping them out of the community. Through their work, the Nelson's created over 800 jobs in the community. Perham uses a different approach than most to attract business—they don't make promises to give land away or give tax benefits—they expect industry and businesses that move to their community to pay their own way. The community leaders believe that success breeds success.

3. Dispersed Information Processing

An important growth area in our economy has been created by telecommunications technologies, which virtually eliminate traditional notions of the work place. Through computer networks, it is unnecessary for workers to be centralized in one location; workers can perform information processing operations at remote sites, and information, rather than people, are moved. With labor shortages in urban areas and labor surpluses in rural areas, there are tremendous opportunities for diversification of the rural economy through information processing.

We witnessed what may be the vanguard of this kind of activity in International Falls, Minnesota, with several dozen workers employed to process insurance forms for a New York City firm. Labor shortages in large cities will persist and grow over the next two decades; communication links between that shortage and the rural labor surplus can solve two economic problems at the same time.

4. Rural Entrepreneurship

The traditional nature of the rural economy has been one in which the industries of agriculture, forestry, and mining are primary. While these industries will continue to be the staple of the rural economy, we are witnessing in Minnesota the emergence of rural entrepreneurs; business people with innovative ideas for products and services which take advantage of the strength of the rural economy, and successfully target markets in urban areas.

One example that we have observed in Minnesota has been the development of industries which complement the agricultural economy. For example, outside of Luverne, Minnesota, a thriving fur industry has grown up. Because of the seasonal dynamics of mink "farming," labor is needed in the late fall and winter months, when agricultural workers have greater opportunities to work off of the farm. Feeding the animals also consumes locally produced grain and organic solid wastes. Mink farms have made a small but valuable contribution to the diversification and stability of an area which is highly vulnerable to cyclical changes in the farm economy.

We observed another example of rural entrepreneurship in Young America, Minnesota (population 1,237). The Young America Corporation handles manufacturers' rebates from around the country. In 1972 and 1973, the Norwood/Young America Development Corporation helped this business get started through an SBA 501 loan. Banks also participated—bonds were sold, creating bond holders. At the start they employed 19 people, and now they employ some 1,200 people. Part of the reason for their successs is Jay Ecklund, the president of the corporation since 1978.

Yet another example is the Minnesota Marketplace program, which is coordinated through the Region 5 Development Commission based in the north central city of Staples, Minnesota. This program is designed to create and retain jobs through import substitution. Rebecca Sellnow, the business developer for the program, meets with businesses and helps them identify goods and services that are currently purchased outside of the state of Minnesota. Minnesota Marketplace searches for existing suppliers in Minnesota that could produce and/or supply the goods and services needed. The name of the purchasing business is kept confidential. The goal is to bring savings to the purchaser and additional business to the supplier. Seven months after the program began on June 1, 1987, 5 jobs were created, 20 were retained, $212,000 in contracts were awarded to local businesses, $20,000 was spent in new capital expenditures, and $30,000 in savings to the purchasers was realized. This is a total economic development program.

These are but a few of the many examples of the ingenuity of rural entrepreneurs who are tapping the competitive advantages of the rural economy to provide jobs and diversify the economy.

5. Local Leadership

There is great value, in an economic sense, in people who are willing to make an investment of themselves, and their resources in the viability of a town. Loyalty to a place, rather than pure profit motive decision-making, is a powerful force. In many of my meetings across Minnesota, I witnessed outstanding local leadership which 1) assessed the needs of their community; 2) sized up the competition for resources they needed and products they could produce; and 3) implemented a plan to point their community in the right direction and get citizens to pitch in together to get the job done.

Madelia, Minnesota was an excellent example. Drawing together the various elements of the community—business, government, civil organizations, churches and farmers—the community leaders of Madelia developed what amounted to a survival plan for the town. Through the unified efforts of folks pulling together, they were able to pull Madelia through tough times. Now there are new businesses on Main Street and the town has a very successful revolving loan fund for business expansion and new start-ups. But the key was the leadership that could pull the town together—the leadership of Mayor Dale Williams, the city council, business owners, and concerned citizens who were willing to be open and talk about the impact of the farm crisis on their businesses, families, and the community. Without their dedication and the dedication of countless other elected officials, small communities would be left in the dark to work on economic development.

Minnesota has also benefited greatly from regional development commissions, of which there are nine in Greater Minnesota. These state-chartered organizations, made up local elected officials, supplement local community leadership in three ways: (1) they provide essential communities with information and technical and legal help regarding state and federal grant and loan programs to provide capital to businesses; (2) they provide access to other kinds of marketing and technical studies about new products and uses; and (3) they provide a planning component within regions, so that communities develop complementary rather than competitive economic plans.

A unique concept was explained to me by Larry Anderson of Frost (population 250), in the southern Minnesotan county of Faribault. Faribault County is a rural county with no major population center. The total county population is 19,000, with its small cities ranging in size from a couple hundred to about 4,000 people. Instead of competing among themselves, the communities united to create the Faribault County Economic Development Commission. Their goal is to "sell" the entire area. With the support of the County Board of Commissioners, they accepted the responsibility for funding and staffing their own efforts. With a beginning annual appropriation of $100,000 to hire professional staff, they began a marketing campaign, brought community leaders and organizations together, and (most importantly) brought new jobs to Faribault County. The results since June of 1986 show 61 new full-time equivalent jobs and a payroll of $686,000. They have also established a revolving loan fund which has assisted 11 county firms with loans that total $211,000. The total investment for the projects of these 11 companies is more than $2,000,000. This amounts to an investment per job of $3,653 by the county development agency. Each dollar invested by the county has brought a return of more than nine dollars. This was accomplished in 22 months!

There are four other forms of rural leadership which help to maintain continuity and direction in rural Minnesota.

First, Rural Electric Association Cooperatives: For most of this century, cooperatives have been the sum and substance of development effort. Addressing the competitive disadvantages of rural citizens as both buyers and seller, and meeting their urgent needs for utilities, which the marketplace would not or could not produce, coops have done a tremendous service to rural residents. The REAs will continue to provide a vital source of leadership and market-based expertise for solutions to today's rural problems.

Second, religious and fraternal organizations have been the backbone of the spiritual integrity of rural communities. Meeting the traditional needs of families and the needy in rural communities, as well as non-traditional services such as insurance sales, these organizations teach and practice the values for which rural areas are renown. In my own state of Minnesota, the Rural Life Councils of various dioceses of the Roman Catholic Church and Lutheran Social Services ministries have provided important sustaining strength during the difficult times of the last decade, especially when the public agencies could not meet many social needs, and can be depended upon to provide leadership in the future.

Third, philanthropic organizations, also make valuable contributions to rural communities. The McKnight Foundation, the largest philanthropic organization in Minnesota, announced in March of 1986 their plan to give away $15 million over two years to outstate economic development and human service programs. Outstate Minnesota contains half of the population, but receives only 11 percent of Minnesota's foundation money. As a result, six regional "initiative funds" were organized and between 2.1 and 2.9 million dollars were given to seek new ways to stimulate economic development and to address human needs. McKnight's goal is decentralized grant-making that uses the people closest to the problems to make decisions. Each region has its own board of members from a diverse background; from education and social service to civic activity, business and government.

Finally, the new actor on the rural economic development horizon is the Greater Minnesota Corporation, which will manage state development programs in rural areas, as well as provide valuable technical and government liaison services to rural communities. Organizations of this type can play a very important role in mediating the relationship between local governments, state agencies and federal departments. This can be an extremely beneficial factor in getting help where it is most needed and can do the most good.

6. Rural Quality of Life

There are still substantial attractions to rural living which will continue to meet the needs of current residents and provide attractions for those who live in growing urban and suburban environments. As the basic infrastructure systems of the urban areas in transportation, disposal of waste and pollutants, and social services reach capacity in the next decade, there will be an increasing need for recreational opportunities in rural areas. Leisure time is projected to continue its increase, with a greater demand for recreational activities. With the potential for the dispersion of information technologies, we may even see a reverse migration of some level.

One situation I encountered was the case of the Seafest Corporation, an employer of 140 people in Motley, Minnesota. When Seafest's parent company, International Multifoods of Minneapolis, sought a manager for its subsidiary, they wanted an expert in the crabmeat market. They found that person in Motley's Loren Morey. When Morey refused to leave his home town in the lake country of central Minnesota, International Multifoods decided to move its subsidiary to him. That turned out to be a wise decision for the company, as well as a very desirable outcome for both Morey and his neighbors in Motley.

7. Rural Education

Education is extremely important to Minnesotans, especially to those from small towns around the state. The pride of a community in many cases is its school band, the debating team, and its athletic programs. In addition to the contribution of these extracurricular activities, most citizens want to make sure that their children receive quality education from kindergarten through 12th grade and beyond. The school becomes the hub of activity for the community, and the residents know that schools are where the future of their community and country is determined. This is why schools are pairing and sharing programs to enable their students to have the best education possible. This is also why telecommunications systems are playing a role in linking various school systems together. A computer system in west central Minnesota links the paired school system of Elbow Lake, Wendell, and Barrett with the school systems of Battle Lake, Underwood, and Ashby.

Equally as important as the early years of education are the community colleges, area vocational technical institutes, the state college system, and the University system, in meeting the needs of state residents. Education is extremely important in determining the future of individuals, and may assist them in making a career change to meet their needs. For example, the Granite Falls Area Vocational Technical Institute has retrained 18,000 people for employment. Much of the need for re-training resulted from the farm crisis, which caused farmers or their families to seek outside sources of employment to contribute to the family income. With a quality education system so close to them, people in the Granite Falls area were able to gain additional skills without having to spend a great deal of money.

In addition to re-training persons suffering from the farm crisis, schools also contribute to the rural economy through technological innovations. For instance, Marshall's Southwest State University offers a "Science and Technology Center" that has been very innovative with incubators.

8. Rural Resilience

And finally, all of these factors, plus an intangible but very real sense of determination which I have experienced in the people of Minnesota's rural communities, is a unique rural resilience. These people have already survived many an economic downturn and natural disaster. Their fortitude is described by many as a "pioneer spirit" inherited from their predecessors on the prairie. I believe that the character of rural Minnesota goes beyond the "pioneer spirit" and includes a strong work ethic to get things done and get them done correctly. It is also built on a sense of caring for the community and family. In many of the small towns and cities around the state, people know each other well, and they all work together to solve the problems of the members of the community. Their ties to the family go beyond their neighbor down the road or across the street, or their third cousin by marriage. As the saying goes, you can take the girl or the boy out of the country, but you can't take the country out of the girl or boy. A person from the country never leaves it—when they return home, someone will always wave a hand to welcome them. Many rural residents also have a spiritual belief that working together can accomplish the impossible. Any economic analysis which fails to account for this determination to stay and make a go of it regardless of the circumstances is destined not only to sell these people short, but to fail in its overly pessimistic predictions.

C. National purposes in rural development

There are indeed signs for optimism in the rural communities of Minnesota, in spite of the difficulties of the last decade. The challenge to government at all levels is to find ways to (1) address those problems which still create competitive disadvantages, quality of life concerns and the crisis in rural governance; (2) encourage diversification, innovation, entrepreneurship, local leadership and quality of life advantages; and (3) in an era of severely constrained resources in Washington, and in light of the failure of past efforts to stimulate rural development, to create tools by which local leadership can cope with changing economic conditions.

Government cannot, and should not, be a managing partner in the revitalization of rural communities. But it should do its best not to exacerbate problems, and should cooperate where it can in the efforts of rural communities to solve their own problems and take advantage of their own opportunities. To carry that out, we need to define and understand the national purposes of rural development and make policy recommendations to carry them out.

America's stake in these communities and its rural citizenry is not based on nostalgia or Norman Rockwell appreciation for the pastoral existence of rural life. It rests instead on an appreciation for the contribution small communities, small businesses, and families make to the economic and social fabric of our nation. We can ill-afford, in an era of increased international competitiveness, to allow the value of our rural resources to decline. Centralization of the farm economy and the accumulation of large areas of land by corporations is neither good economic nor social policy. Central cities are not equipped to receive an influx of population from rural areas which can no longer sustain its population base. Government is not in a position to step in and provide all of the social services these towns provide to their citizens because they are a "community."

All Americans have a stake in rural America, and our national priorities and actions should reflect that fact.

D. Recommendations for national policy

The following six principles are presented as logical and effective components of a national rural development policy. They do not exhaust the legitimate role of the federal government, but they appear to be areas in which the national government can cooperate, make a long term commitment that can be kept, and efficiently utilize the scarce rural development funds that are likely to be available in times of increasing fiscal constraints at the federal level. Where appropriate, specific solutions are proposed.

Recommendation #1: Setting National Economic Policies That Contribute to the Vitality of Rural America

The first job of the national government must be to create the economic climate conducive to growth in the rural economy. Rural America has suffered greatly under economic policies which created or permitted: high inflation and interest rates; an overvalued dollar; unfair trade practices; and high energy prices.

There have been some beneficial effects over the last several years of low inflation, a more realistic dollar, and low energy prices. These gains should be preserved.

But the federal government must take a more aggressive stance on resolving inequities in international trade, which favor Canadian and EEC agricultural products over U.S. products. In addition, action must be taken to resolve third world debt problems which encourage Latin American nations to compete against our exports instead of consuming them.

Recommendation #2: Encourage Local Leadership Problem-Solving

It is clear that we cannot create a system that sends federal dollars in search of a local problem to solve. The initiative must be from local communities, who not only understand their problems better than distant bureaucrats, but also have a vital stake in their solution.

Federal rural development programs must encourage to the greatest degree possible reliance upon, or formation of if they do not exist, sub-state regional development authorities. These authorities should have three purposes: planning, technical assistance and liaison with the state and federal governments. State rural development corporations, which manage state problems and provide capital and information, should also be encouraged.

Specifically, these local and state development authorities should be encouraged by involving them in the process of application for and distribution of federal monies under the various programs of the EDA, SBA, FmHA, and other USDA programs.

Recommendation #3: Revitalize the Intergovernmental Partnership

The nineteen eighties have seen the federal government "devolving" a number of responsibilities to lower levels of government. At the same time the federal government has (1) not shared the resources needed to meet those responsibilities, (2) nor has it hesitated to load costly mandates on local government, which locals are then forced to comply with out of their own pockets. Rural communities cannot shoulder the burdens of both their own constituencies and Washington's.

The General Revenue Sharing program provided an essential relief to rural governments which ameliorated fiscal disparities between wealthy and struggling communities. The Congress, in eliminating GRS because of its inefficiency, threw the good out with the bad. First, we need to establish a form of targeted fiscal assistance. Second, we need to prevent the federal government from passing on mandates without the resources to pay for their execution.

Recommendation #4: Make Investments in Rural Quality of Life

Improving quality of life is a key element in maintaining the population base in rural areas. The federal government currently makes a range of investments in these areas, which are vital to rural revitalization. They must be properly targeted and funded to help provide rural citizens with the services they need.

Education: School districts and post-secondary institutions play a vital role in training and re-training the rural work force. Information technologies can give even remote schools accesses to resources available previously only to students in urban technical schools. Department of Education grant programs like the Star Schools Program help local areas obtain these information technologies, which opens the door to a wealth of educational opportunities.

Health: The availability of high quality health care is a necessity of rural life. In fact, access to health care is considered one of the most essential elements of any community. This is particularly important in rural communities because of travel distances and the critical factor of time in emergencies, accidents and deliveries. In addition, farm and highway accidents are very serious problems in rural areas. As the health system throughout the country undergoes a revolution in financing, organization and medical practice patterns, the federal government has a special obligation to provide and protect rural health services. But many changes have hit rural hospitals, rural doctors and nurses and allied health personnel, and the elderly and disabled in a particularly unfair way.

For the past three years, I have been involved with efforts in Senate and Congress to correct the severe imbalance in payments from the federal Medicare system to rural hospitals and doctors, and to parts of the country (like Minnesota) which have had historically low health care costs. For example, Medicare payments to rural hospitals were increased 3% in the last budget bill, in constrast to 1% for urban areas and 1.5% for cities over a million people. Another front in this effort has been help for rural HMO problems and the rural nursing shortage. Soon these efforts will have a beneficial effect on delivery of health care in rural areas. Passage and funding of the Durenberger Rural Health Transition Grants program will give small community hospitals assistance to modify their service mix to better meet the needs of their communities. Dramatic increases in funding for nursing education and services will also help deal with the nursing crisis.

A federal solution to the long term health care problem is a very important issue in rural communities, which tend to have a high population of senior citizens. The recently enacted Catastrophic Protection Act will add protections against the impoverishment of wives or husbands if the spouse needs nursing home care. The bill also offers "respite" care to give a break to family caregivers, as well as expanded benefits in home health care, skilled nursing facilities, and hospice. Soon, there will also be an important new prescription drug benefit which will be especially helpful to the sick elderly with chronic conditions and costly, long term maintenance requirements.

Environment: Growing evidence of contamination of groundwater supplies on which virtually all rural citizens depend is a major potential problem for rural communities. Federal legislation to study and direct federal protection of groundwater should be a priority. Four bills which I have introduced (S. 1105, S. 1419, S. 2091, S. 2092) are designed to prepare the federal and state governments to assume a leadership role in protecting and providing restoration of this resource. These bills, which also provide a resource transfer from urban areas to rural water supply systems, need to be enacted before further costly damage is done.

Recommendation #5: Conduct Rural Impact Analysis of Policies

Whether in the formal sense of a Rural Impact Statement, or as an area of heightened sensitivity in policy-making, the rural impact of various government policy and budgetary decisions must become a more important factor in federal decision-making. This is particularly true in the areas of the deregulation of telecommunications services, financial institutions, and transportation. Federal tax and trade policies must reflect an understanding and a sensitivity to rural problems. And the federal government, as the largest purchaser of goods and service in the country, should use its procurement policies to make a larger contribution to the rural economy.

Recommendation #6: Meeting the Need for Rural Capital

Capital for business expansion and opening new businesses is in short supply in rural communities. Outstanding results have been accomplished around the country through revolving loan programs assisted by the federal government. Efforts by the Economic Development Administration to bring together private funds and public funds at various levels have been very successful and should be aggressively funded. The goal of capital assistance programs should be the use of federal seed money to create loan funds, which eventually are self-financing, rather than creating dependence on continuing federal loans.

III. ADDRESSING THE DROUGHT OF 1988

A. The nature of the needed Federal response

The most urgent need of the people and communities of the Upper Midwest in 1988 is assistance in meeting the challenge created by the drought conditions which began late last year and have become steadily more severe during the growing season.

The entire state of Minnesota is now rated very short of moisture. Small grain crops have been devastated, as have hay and forage, and without significant moisture, row crops of corn, soybeans, and sugar beets will also be severely affected.

But it would be a fundamental error to view the drought of 1988 only as a "farm problem." Helping farmers will not solve all the problems of the drought. This is a larger rural development problem. The federal challenge is to respond not only to farmers in need, but to rural businesses, governments, and social services, who are and will be experiencing a drought of sales and revenue while they have a flood of demand for services.

B. The budgetary impact of the drought

The federal budget for FY89 and FY90 was based on certain assumptions which have been changed radically by the drought of 1988. The effect of short supplies due to small harvests in the fall will be two-fold: 1) a large decrease in federal deficiency payments to farmers; and 2) a reduction in federal storage costs.

Deficiency payments are made to farmers according to the difference between the market price or loan rate, and target price levels. Here are the assumptions on which the federal government planned to make deficiency payments on corn and wheat totalling $12.1 billion over the next three years.

BUDGETARY SAVINGS FROM THE DROUGHT, 1988–90

[Estimated crop loss; in billions of dollars]

	Minor	Moderate	Major
Savings from lower deficiency payments on wheat and corn	4.70	5.5	8.3
Savings from lower CCC storage and handling	.5	.7	1.3
Savings from lower farm storage payments	.1	.2	1.25
Total Savings:	5.3	6.4	10.85

Minor = 50% loss of spring wheat/small grain, 15% corn.
Moderate = 60% loss of SW/SG, 25% corn.
Major = 80% loss of SW/SG, 50% corn.

At the beginning of FY88, the federal government maintained a storage inventory of over 4.1 billion bushels of corn, 1.3 billion bushels of wheat, and 6.2 billion pounds of milk products. The annual cost of maintaining this stockpile of farm products was budgeted to be $600 million.

With the potential for major crop losses, withdrawals from surplus have proceeded at an amazing rate. It is possible that by the end of this year, carry over stocks for wheat will be 250 million bushels, ad for corn will be 2 billion bushels. The combined cost savings to the federal government over the next three years could be as high as $10 billion.

So the total budgetary wind fall to the federal government for funds allocated which will not be spent could be $1 billion in the current fiscal year, $6 billion in FY89, and $3 billion in FY90.

C. Rural development fund

These resources should be placed in a drought relief/rural development fund. These funds need to remain in rural areas, directed to urgent relief and long term development projects. The objectives of this fund should be to meet the short term, mid term and long term needs of farm families, and to provide assistance to rural communities and businesses to help them recover from the negative impact the drought conditions had on them as well.

1. Drought relief priorities (for eligible producers only)

Short term: Prompt approval of county EFP and EFAP requests: Once a county ASCS has approved a request for emergency feed or other assistance, it must be approved by the state and then sent to Washington. Prompt approval means that USDA in Washington would make a decision within 24 hours.

Waive repayment of advance deficiency payments (S. 2526): Farmers who suffered severe losses would not have to pay back the $.61 cents per bushel on wheat or $.44 cents per bushel on corn which they received as advances on this year's deficiency payments at sign up and around May 16.

Allow harvest of oats on setaside acres: At this time, farmers may bale their oats. But, they may not combine oats, either to use the grain for feed or to sell it. This proposal would allow combining of oats for either feed or sale.

Purchase distressed livestock as it comes on the market—use for domestic feeding programs: This would encourage the Secretary of Agriculture to purchase livestock as it comes on the market from distressed farmers for government programs, reducing the amount of red meat on the market and helping to support prices.

Eliminate USDA's authority to cut dairy supports (S. 2559): Currently, the USDA is scheduled to make another fifty cent per hundred weight cut in dairy price supports this fall. This legislation would remove this authority.

Mid term: Guarantee deficiency payments on failed production: In counties which have been declared a disaster, farmers would get their final portion of this year's deficiency payments—about 92 cents per bushel for wheat and 66 cents for corn.

Allow producers to plant on 100% of 1988/1989 crop base—no setaside: Setaside requirements for participation in next year's farm program would be waived.

Assist producers of specialty and non-program crops.

Long term: Make FmHA Disaster Loans available to producers for the purpose of consolidating losses, purchasing livestock feed, and financing 1989 planting expenses.

Forego any reduction in 1989 target prices: Target prices would remain at $4.23 for wheat and $2.93 for corn, rather than be reduced under provisions of the 1985 Farm Bill.

Restore income averaging for farmers (S. 1743): The provision in the 1986 Tax Reform Act eliminating income averaging for farmers would be repealed.

It is our strongest hope that adoption of these proposals, at both the legislative and administrative level, will provide the targeted relief farmers in Minnesota and elsewhere need to continue operations. The limited assistance called for here will enable livestock operations to maintain their herds, dairy producers to continue milking their cows, grain producers to plant cover crops on barren land and small businesses and communities to weather the lingering problems that historically follow natural disasters.

Without this assistance, we can expect to see thousands of Minnesota farms, hundreds of small town businesses and dozens of lenders thrown back into the downward cycle of financial insolvency which was so devastating in the early and mid eighties.

2. Rural economic development priorities

Assistance to rural businesses: Funding increases and drought-relating language changes in:

EDA revolving loan program grants: Grants are made to regional development commissions which loan them on a revolving basis to new or expanding businesses.

EDA Title IX "Sudden and Severe Economic Loans": Loans are made to businesses which have suffered from some sudden and severe economic change, in this case, the drought.

Rural Enterprise Zone Program (S.1743): This proposed legislation would authorize establishment of enterprise zones in economically depressed rural areas. Businesses that locate or expand in these areas would be eligible to receive federal tax breaks.

Farmers Home Administration Business and Industry Loan Program: Loans are made to smaller businesses in rural areas.

Farmers Home Administration Water and Waste Water grants and loans: Grants and loans are made to smaller rural cities for new or replacement water and sewer systems.

UDAG loans to rural communities: Grants are made to cities for projects which create jobs.

Assistance to rural governments: New programs and planning funds for drought stricken areas:

Targeted Fiscal Assistance (S.660): General purpose grants to cities, counties, and townships based on fiscal capacity and other indicators of need.

Tax exempt bonds for rural development (S.1864): Restoring access to tax exempt bonds to local governments which was reduced by the 1986 Tax Reform Act.

Regional development planning commission funding: Planning grants to regional development commissions from EDA.

The purpose of these program additions to provide an injection of funding in proven areas of benefit to rural communities, through both the public and private sectors. Each of these existing programs have an excellent track record in Minnesota and can make the most of limited federal dollars. The new program recommendations, the TFA, rural enterprise, and tax exempt bond programs have been studied and discussed over the last several years, and show promise as part of a long term national rural development agenda.

IV. CONCLUSION

Rural economic development as a federal policy has suffered because of the narrow way in which its problems have been defined. Approaches which equate "rural" with "farm" fail in the long run to meet the needs of either.

The rural economy is a complex system of basic industries, quality of life, and governance. Federal policy must appreciate that interconnection and provide integrated assistance to the related problems in those sectors.

The problems and opportunities of America's rural communities have become a matter of national interest over the last several years. As yet, however, that concern has not been translated into a coordinated national rural strategy. It is hoped that this preliminary report, and those that follow it will point us in the proper direction.

Rural communities have played an important part in the development of the United States. As producers of food, raw materials and resources, as well as values, leadership and spirit, rural communities have made a tremendous contribution. As America looks to its third century, those same materials and qualities will be just as important.

What is needed in federal policy is an understanding of rural America's problems, respect and support for its solutions, and a commitment to cooperate in the effort to provide tools for coping with change in rural America. If the national government can do that, we can help shape a bold, vital rural future, which will serve the best interests of all Americans.●

INFORMED CONSENT: OREGON

● Mr. HUMPHREY. Mr. President, women considering an abortion have a right to know the risks and alternatives to this serious operation. S. 272 and S. 273 require recipients of Federal funds to secure informed consent from their patients before performing such an abortion. I urge my colleagues to join me in support of this legislation. I ask that the following letter from Oregon be inserted in the RECORD.

The letter follows:

MARCH 1987.

DEAR SENATOR HUMPHREY: Like so many other women, I have been an ignorant accomplice to the terrible crime of prenatal murder. As a college student, I became involved with a young man and found myself pregnant. I went to the only place I knew that offered free pregnancy testing—Planned Parenthood. There, I was tested and told that for only $160.00 I could solve my "problem."

I knew little enough biology, and nothing about the reality of prenatal life, growth, and development. I was told nothing at the first visit except the cost and the speed of their "solution." An appointment was made for me, and when I arrived, I was hustled into a room full of women and shown a quick videotape of some "rare" complications. I was then examined by a nurse and subjected to a vacuum aspiration abortion. Miraculously, I suffered no physical complications, but have suffered much emotionally since I learned the truth about what I had done.

Please Senator Humphrey, spare others my pain.

Thank you,

PB IN OREGON.●

DROUGHT CONDITIONS IN TENNESSEE

● Mr. SASSER. Mr. President, I used the opportunity of the July Fourth recess to visit with farmers in my State to assess the impact of the ongoing drought. As many of my colleagues have experienced in their own States, what I saw and heard does not bode well for farmers.

On the several farms I visited, parched fields are expected to produce no more than 40 percent of their normal yields. As well, I was told that feed for beef and dairy cattle is beginning to run low.

In Rutherford County, many dairy farmers told me that they expect to begin selling their cows for slaughter rather than allowing them to starve. And in Haywood County, one of the largest agricultural counties in Tennessee, I saw fields of corn, cotton, and soybeans which will provide farmers with only a fraction of their normal income as production levels are severely reduced.

Let me give you an idea of what Tennesseans are facing, and I am sure that many of my colleagues will empathize with these problems:

The week of June 20 saw three areas in Tennessee, Nashville, Memphis, and Chattanooga, ranked as the first, second, and third driest cities in the Nation.

Many parts of Tennessee are 16 to 18 inches short of rainfall for the year.

Crop conditions are the worst some farmers can remember since droughts of the 1950's. Some crops are on the verge of total losses:

Corn, 86 percent of crops in poor or very poor condition; cotton, 29 percent of crops in poor or very poor condition; hay, 92 percent of crops in poor or very poor condition; soybeans, 62 percent of crops in poor or very poor condition; tobacco, 55 percent of crops in poor or very poor condition; and pastures, 97 percent of crops in poor or very poor condition.

In addition, not one county in the entire State has adequate soil moisture and 90 percent are very short.

The Mississippi River is running at one-third of its normal flow, severely impacting water supplies and barge traffic in west Tennessee. Memphis, TN, normally one of the deepest spots in the river, has seen barge after barge bottoming out in recent weeks.

While the Secretary of Agriculture has moved forward with some disaster assistance, farmers are still wondering what relief they can expect in both the short term and long term. I know the Congressional Agricultural Task Force is moving forward with efforts to fully address the matter. It is my hope that the committee will have proposals ready for action before the end of July.

The suggestions of Tennessee's farmers on appropriate relief measures echo what we've heard across the country. For instance, Tennessee is in great need of feed assistance. With the institution of emergency feed programs in many counties in Tennessee and around the country, we need to ensure that Government held stocks are not only available to farmers, but also that an adequate transportation network is established. A significant portion of these costs should be covered under a disaster plan.

As market prices continue to climb toward target prices for program crops, the Department of Agriculture will note significant savings in deficiency payments, possibly as large as $2 billion. These savings should be invested into drought assistance measures, including allowing our farmers to retain their advance deficiency payments.

While program crops have a method of payments, the producers of soybeans and other nonprogram vegetable crops lack an established method for assistance. These farmers are in a situation where increased prices will mean a higher income; however, so many have already lost part or all of their crops and will not meet even an average production year. For these farmers, with significant crop loss, some type of direct assistance will be necessary.

As well, interest has been expressed by our farmers in planting late crops on set-aside acreage in areas where conditions have been the most extreme. Late summer rains could provide additional crops for some farmers and prevent such drastic losses. I would encourage the task force to look into this possibility.

Concern over the drought is a national issue. Tragically, weather forecasts do not indicate a great deal of improvement in these desperate conditions. While some say that we need to wait to determine the final severity of the drought, the farmers of Tennessee understand the peril they face now and that action needs to be taken. I encourage the agricultural task force to move forward expeditiously in addressing this national disaster. I am planning to tour more farm operations in my State this weekend, and I trust that the task force will be working with interested Senators in drafting measures to meet the specific needs of different areas of the country.●

ON-SITE ARMS CONTROL INSPECTIONS

● Mr. SIMON. Mr. President, I am one of many Senators who believe the United States ought to seek additional, verifiable arms control agreements with the Soviet Union. The INF Treaty was a step in the right direction. The deep cuts now under consideration in the strategic arms talks would bring about greater security for all of us.

There is another arms control problem that receives very little attention. That is the problem of chemical weapons proliferation. In 1984, before the Multilateral Conference on Disarmament in Geneva, the United States put forward a draft convention that would ban chemical weapons worldwide. Progress has been slow in coming, but a useful start has been made. I hope the next administration and the Soviet leadership have sufficient political will to move in this area.

Onsite inspection proved to be the most interesting aspect of the INF Treaty. Other agreements will undoubtedly require even more extensive and more intrusive onsite inspection. Yet some analysts have raised the specter of the U.S. Government negotiating a treaty that conflicts with our fourth amendment right to privacy. Private chemical firms, for example, could refuse to accede to an onsite inspection by an international organization, as now envisaged in the Chemical Weapons Draft Convention. How the courts would respond is an open question, according to some observers.

One of these observers is Edward A. Tanzman, an attorney at Argonne National Laboratory in Illinois, who has recently written an article in the Yale Journal of International Law entitled: "Constitutionality of Warrantless On-Site Arms Control Inspections in the United States." Mr. Tanzman proposes legislation as part of the remedy, and also advises that treaty negotiators take this problem into account to accommodate onsite inspections. I believe his ideas are worthy of further consideration.

I commend Mr. Tanzman's well-researched and thoughtful article to my colleagues, and I ask that his article be printed in the RECORD in full.

The article follows:

CONSTITUTIONALITY OF WARRANTLESS ON-SITE ARMS CONTROL INSPECTIONS IN THE UNITED STATES

(By Edward A. Tanzman†)

INTRODUCTION

The Reagan Administration considers verifiability of Soviet compliance to be an essential feature of any arms control agreement it would be willing to make with the Soviet Union.[1] While numerous methods of arms control verification exist,[2] on-site inspections might be a means of ensuring that all parties are strictly observing the provisions of an agreement.[3] As a result, Reagan Administration arms control negotiators have pressed the Soviets to agree to on-site inspections in several of the agreements under discussion.[4] In addition to the Soviet Union's historical opposition to on-site inspection, based in part upon fears of espionage,[5] the U.S. Constitution's limitations on governmental power are also potential obstacles to on-site inspection in this country. The purpose of this article is to examine the constitutionality of on-site inspections as contained in one of these agreements—the Draft Convention on the Prohibitions of Chemical Weapons (Draft Convention).[6]

The Draft Convention, presented by the United States to the multilateral Conference on Disarmament in Geneva, Switzerland, on April 18, 1984, is the most far-reaching Reagan Administration proposal for on-site inspection.[7] Sometimes called the "poor state's weapons of mass destruction," chemical weapons—already banned in wartime by the Geneva Protocol of 1925[8]—are considered by the Reagan Administration to be undergoing a resurgence in use that demands additional international regulation.[9]

In a 1984 speech to the Conference, Vice President George Bush pointed out that chemical weapons pose a basic dilemma for international negotiators:

"[T]hese insidious chemical weapons are virtually identical in appearance to ordinary weapons, plants for producing chemicals for weapons are difficult to distinguish from plants producing chemicals for industry and, in fact, some chemicals with peaceful utility are structurally similar to some chemicals that are used in warfare. So verification is particularly difficult with chemical weapons."[10]

The Vice President urged the Conference to agree to the American treaty proposal, which he characterized as containing "an entirely new concept for overcoming the great obstacle that has impeded progress in the past toward a full chemical weapons ban, namely, the obstacle of verification."[11] In the Vice President's words, this new American proposal would "open for international inspection on short notice all . . . military or government-owned or government-controlled facilities" of each party.[12] Acknowledging that "openness entails burdens for every State . . . including the United States of America,"[13] the Vice President asserted that on-site inspection is "the *sine qua non* of an effective chemical weapons ban."[14]

Verification is a concept that has become inextricably entwined with arms control. It is a shorthand term for all means by which a party to a treaty satisfies itself through objective evidence that other parties are, in fact, complying with treaty commitments.[15] Its origins lie both in skepticism that nations will observe the arms control treaties into which they enter and in fear of the military consequences of undiscovered cheating.[16] On-site inspection has historically been a very controversial means of verifying arms control treaties.[17] Verification of the major nuclear weapons treaties of the past has been accomplished without on-site inspection, mostly by such "national technical means" as surveillance satellites, remote seismic networks, radars, and electronic intercepts—devices typically based in the territory of the nation seeking to verify the treaty, or in orbit, in international waters, or on the soil of other nations.[18]

If on-site inspections is the *sine qua non* of a chemical weapons treaty today, advances in weapons technology and recent political developments[19] suggest that this may become true for some future nuclear weapons agreements as well. With the increasing accuracy of land-based strategic weapons,[20] enhancing Intercontinental Ballistic Missile (ICBM) survivability through

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Footnotes at end of article.

concealment, description, active defense, increased missile mobility, or some combination of these measures has become more and more essential.[21] These improvements in mobility, concealment, and deception may create imperatives for future nuclear weapons treaties to include intrusive vertification provisions similar to those in the Draft Convention. Indeed, the Reagan Administration's position on verification of nuclear weapons treaties explicitly recognizes that this trend will require methods of verification that go beyond national technical means.[22]

The recently concluded Intermediate Nuclear Forces (INF) agreement between the United States and the Soviet Union illustrates the Reagan Administration's view of this problem, as well as the trend toward on-site inspection as its solution.[23] Among the weapons that are included in this agreement are Soviet mobile SS-20's and American Ground-Launched Cruise Missiles and Pershing II's,[24] the concealability of which makes verification of the level of their development difficult.[25] During the period in the negotiations when the Soviet Union insisted that both sides be allowed to retain the capability to manufacture and deploy a limited number of missiles, then Defense Secretary Weinberger contended that onsite inspections of Soviet SS-20 factories would be "an absolute essential" in order to verify that the limits would be observed.[26] Even when the Soviets agreed to eliminate INF weapons altogether, thereby obviating the American problem of accurately tracking the number of SS-20's that would be manufactured, the United States still asserted that on-site inspections of a less intrusive nature would be required,[27] and they were included in the treaty.[28] In any event, the original American position on INF verification apparently is indicative of the present American position on the verification needs, including on-site inspection, of a Strategic Arms Reduction Treaty (START), as well.[29] Consequently, important lessons may be learned by reviewing those constitutional issues raised by the on-site inspection provisions of the Draft Convention that may also apply to nuclear weapons treaties.[30]

The importance of these issues has become apparent recently, since the Soviets have demonstrated an increasing willingness to discuss on-site arms control inspections under General Secretary Mikhail Gorbachev.[31] On August 6, 1987, the Soviet Foreign Minister stated in an address to the Geneva Conference on Disarmament that "the Soviet delegation at the negotiations on [a chemical weapons treaty] will proceed from the need to make legally binding the principle of mandatory challenge inspections without right of refusal."[32] General Secretary Gorbachev has proclaimed that "the Soviet Union has no objection to any verification procedures"[33] in the context of a treaty to eliminate all nuclear weapons. Indeed, in July 1986 the Soviets, as part of a pilot program to demonstrate the verifiability of a comprehensive nuclear weapons test ban,[34] allowed a private American environmental organization to place three seismic monitoring stations on Soviet territory in the vicinity of the country's largest nuclear test site. In September 1987 the Soviets invited a delegation of Western observers, including three members of the U.S. Congress, to tour and photograph a giant radar under construction near Krasnoyarsk that the Reagan Administration has asserted violates the Anti-Ballistic Missile Treaty.[35] One month later, the Soviets invited representatives of 45 nations, including the United States, to visit a chemical weapons production facility at Shikany and view an assortment of nineteen types of chemical weapons.[36]

This movement by the Soviets away from their historical opposition to on-site inspection is part of what one U.S. diplomat claims is a long-term maturing of Soviet attitudes toward negotiating in general.[37] If American constitutional law permits only relatively unintrusive on-site verification inspections, then perhaps an area of United States/Soviet agreement on the scope of onsite inspection can more easily be reached. This would not be the first time a confluence of interest had its source in contradictory values.[38]

The remainder of this article consists of four sections. The first section describes the on-site inspection provisions of the Draft Convention. The second section analyzes the Fourth Amendment issues raised by these provisions. The third section explores remote monitoring methods of arms control verification that may minimize Fourth Amendment problems, the feasibility of using the Spending Power to induce consent to on-site inspections by federal contractors, and a possible statutory solution. The last section presents the conclusions that this review suggests:

I. ON-SITE INSPECTION IN THE DRAFT CHEMICAL WEAPONS CONVENTION

The Reagan Administration has described the Draft Convention as a comprehensive ban on "the possession, production, acquisition, retention or transfer of chemical weapons."[39] If the Draft Convention were adopted, the possession of chemical weapons,[40] as well as the facilities that manufacture their raw materials,[41] would be strictly limited.[42] All parties would be required to declare and destroy existing chemical weapons stockpiles[43] and production facilities.[44]

A. The enforcement framework

The Draft Convention contemplates the creation of a specialized bureaucracy to enforce its provisions. A "Consultative Committee," made up of one representative from each party, would be established with the responsibility to "oversee the implementation of the Convention, promote the verification of compliance with the Convention, and carry out international consultations and cooperation among Parties to the Convention."[45] The Consultative Committee would delegate to an "Executive Council" the authority to make most day-to-day decisions.[46] The Executive Council would be made up of representatives of the Parties elected to two-year terms by the Consultative Committee, plus representatives of the five permanent members of the United Nations Security Council (China, France, the Soviet Union, the United Kingdom, and the United States) who become Parties to the treaty.[47]

Compliance with the Draft Convention would be reviewed by two subordinate bodies of the Consultative Committee: the "Fact-Finding Panel"[48] and the "Technical Secretariat."[49] The Fact-Finding Panel would consist of representatives of the United States, the Soviet Union, and three others elected by the Consultative Committee.[50] The Panel's major responsibility would be to respond to requests by a party for information, which would require reviewing available information, conducting necessary inquiries, and making "appropriate findings of fact,"[51] including "considering reports on special on-site inspections . . . and overseeing *ad hoc* inspections. . . ."[52]

The Technical Secretariat would consist of an administrative staff, including "technically qualified" inspectors,[53] that would carry out on-site inspections for the Fact-Finding Panel and provide other technical and administrative assistance.[54]

The Draft Convention would allow on-site inspections of various facilities located within the jurisdictions of signatories. Three types of on-site inspection would be permitted: systematic international on-site verification inspections, special on-site inspections, and ad hoc on-site inspections.[55] The remainder of this section will describe briefly each of these types of inspection.

B. Systematic international on-site verification inspections

Since the Draft Convention contemplates the destruction of most existing stocks of chemical weapons and the dismantling of the facilities that produce them,[56] it would require that so-called systematic international on-site vertification inspections be permitted at predetermined stages of this process. Thus, inspections of each party's declared chemical weapons inventory[57] and storage facilities[58] would take place before,[59] during,[60] and after[61] closure and destruction. In addition, the Draft Convention prescribes systematic international onsite inspections where activities occur that the treaty specifically would allow, such as the maintenance of certain limited chemical weapons[62] and permitted chemical weapons precursors.[63]

Although the Draft Convention does not specify in great detail the procedures for systematic international on-site inspections, it does give some parameters. Both persons and instruments would be allowed as part of the inspection procedure.[64] Inspections could include sampling of materials as well as examination of records.[65] The Draft Convention envisions random inspections[66] and inspections triggered by particular events.[67]

C. Special on-site inspections

Unlike systematic international on-site verification inspections, special on-site inspections pursuant to Article X of the Draft Convention ostensibly require justification by the party who requests them. The requesting party is only entitled to an inspection of the facilities of another party in order to "clarify and resolve any matter which may cause doubts about compliance or gives rise to concerns about a related matter which may be considered ambiguous. . . ."[68] Thus, some level of suspicion regarding compliance with the Draft Convention appears to be contemplated as a prerequisite to a special on-site inspection. However, the approval of only a single member of the Fact-Finding Panel[69] is necessary to trigger such an inspection. Since that Panel includes both the United States and the Soviet Union,[70] an objective review process for these requests cannot realistically be intended. In effect, special on-site inspections are to be available on demand.

Once a special on-site inspection has been initiated, the party being inspected must "provide the inspection team unimpeded access to the location or facility" within 24 hours of notification.[71] The inspection team is to consist of one person from each member State of the Fact-Finding Panel, except the State that is the subject of the inspection.[72] The results of the inspection are to be presented in a written report.[73]

Special on-site inspections would be considerably more intrusive than systematic international on-site verification inspections. Any party to the treaty would be empowered to request a special on-site inspection of any military or other "location or facility" owned by any other party.[74] In addition, the Draft Convention would open for special on-site inspections, "as set forth in Annex II, locations or facilities controlled by the Government of a Party."[75] Annex II, in turn, is vague regarding which installations are "controlled by the Government of a party," stating only that the treaty in its final form should include "the relevant facilities used for the provision of goods and services to the Government of a Party. It is intended that this provision reach any location or facility that in the future might be suspected of being used for activities in violation of this Convention. The specification of such locations and facilities should be a reasonable one."[76]

It is therefore not clear from the text of the Draft Convention whether or to what extent private firms in the United States would be subject to special on-site inspections.[77]

The political and legal importance of this ambiguity cannot be overestimated. At the time the United States proposed the Draft Convention in Geneva, the Soviet Union immediately protested that the document "is built on a blatantly discriminatory basis, and places States with different social systems in unequal situations"[78] because it would treat capitalist nations differently from socialist countries. The Soviet Ambassador to the Geneva Convention took the position that the proposed treaty language would not subject the private firms of capitalist nations to on-site inspections.[79] This prompted the United States Representative to the Conference on Disarmament to respond:

> "The statement has been made that, since the [special on-site inspection] provision applies to government-owned or government-controlled facilities, it discriminates against some economic and political systems. The argument seems to be that, since the civilian chemical industries in some socialist countries are owned by the government, these facilities would be subject to article X, whereas the chemical industries in the United States or other western countries, since they are privately owned, would not be covered by article X. . . . Article X covers not only those locations and facilities that are owned by the government, but also those controlled by the government, whether through contract, other obligations, or regulatory requirements. The privately-owned chemical industries of the United States are so heavily regulated by the United States Government that this equates to the term *controlled* as used in the draft convention. Thus, the private chemical industry of the United States is fully subject to the inspection provisions of article X."[80]

Because the Soviet reaction strongly suggests that it will not enter into a chemical weapons treaty involving on-site verification inspections unless privately-owned firms in the West are subject to inspection to the same extent as government-owned firms in the Eastern bloc, and because the Reagan Administration has made on-site inspections a condition of American approval,[81] it will be assumed for the remainder of this analysis that all U.S. chemical companies—regardless of whether they actually produce weapons—and all privately-owned firms holding government contracts, are included in "locations or facilities controlled by the Government of a Party" and would be subject to special on-site inspections.[82]

In addition to questions regarding state and private ownership or control, problems of extraterritoriality also arise. It is unclear whether overseas subsidiaries of American chemical companies or government contractors would be included among those "controlled by the Government" within the meaning of the Draft Convention, and, hence, subject to special on-site inspections. The terms of the Draft Convention itself purport to be very far-reaching, not only prohibiting activities undertaken by a party in direct contravention of its terms, but also making it a violation to "assist, encourage, or induce, directly or indirectly, anyone to engage in activities prohibited to Parties under this Convention."[83] The underlying policy of the Draft Convention clearly is to obligate a party to abide by its terms in the broadest possible circumstances, but the terms of the proposal itself do not state whether it would apply beyond the territory of a party.

* * * * *

The Draft Convention embodies a very clear and emphatic set of policies requiring intrusive on-site verification inspections of any party. While the proposal was intended to be a preliminary draft subject to future negotiations, the Reagan Administration regards these policies as essential components of any future chemical weapons pact. Therefore, it is reasonable to assume the Draft Convention will become effective as proposed for purposes of an analysis of its constitutional implications in the United States.

II. THE FOURTH AMENDMENT AND ON-SITE INSPECTIONS UNDER THE DRAFT CONVENTION

The Draft Convention raises important constitutional questions because it would delegate on-site inspection responsibility—an investigative law enforcement function—to an international organization. Because the resolution by American courts of conflicts between treaties and the Bill of Rights has a sparse and checkered history,[98] it is impossible to predict with certainty how these problems would be viewed by the judiciary. In an attempt to raise and define the issues, this section will analyze the U.S. court decisions that appear to provide the most relevant precedents.

Should an inconsistency between the Draft Convention and the Constitution be argued before a court, the terms of the Draft Convention make clear that the Constitution controls. Article XII obligates each party, *inter alia*, to "take any measures necessary *in accordance with its constitutional processes* to implement this Convention . . ."[99] The real question is whether aspects of the Draft Convention are so inconsistent with the Constitution that this provision would have to be invoked—at potentially enormous political and jurisprudential cost.

A. Fourth amendment requirements

The key constitutional question raised by the Draft Convention is whether the Fourth Amendment forbids the on-site inspections that it contemplates. The Fourth Amendment states:

> "The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no Warrants shall issue, but upon probable cause, supported by Oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized."[100]

If on-site inspections under the Draft Convention violate the Fourth Amendment, those subject to inspection might be able to obtain relief from a federal court to prevent such an inspection from taking place.

The formulation usually cited by the Supreme Court in its contemporary Fourth Amendment decisions[101] is Justice Harlan's concurring opinion in *Katz v. United States.*[102] Justice Harlan stated: "There is a twofold requirement, first that a person have exhibited an actual (subjective) expectation of privacy and, second, that the expectation be one that society is prepared to recognize as 'reasonable.'"[103] Where these requirements are met, the protections of the Fourth Amendment are triggered.[104]

The protections provided by the Fourth Amendment apply to businesses as well as to individuals in their homes. In *California v. Ciraolo,*[105] the Supreme Court affirmed that the inside of a home is the place "where privacy expectations are most heightened."[106] The Court has held it to be a "basic principle of Fourth Amendment law that searches and seizures inside a home without a warrant are presumptively unreasonable."[107] The Court has also interpreted the Fourth Amendment to mean that "[t]he businessman, like the occupant of a residence, has a constitutional right to go about his business free from unreasonable official entries upon his private commercial property."[108] Thus, inspections of commercial property pursuant to the Draft Convention must meet the standards that the Supreme Court has developed to determine the reasonableness of such official entries.

The Supreme Court has adopted the general rule that a valid search warrant is a necessary prerequisite to a constitutionally valid search.[109] The justification for this rule is that search warrants may only be issued by a magistrate, who interposes a neutral review process between the government agency seeking the inspection and its subject.[110] Central to this review process is the requirement that the government prove to the magistrate that "probable cause" exists.[111]

The primary Fourth Amendement problem created by the Draft Convention is that it does not provide explicitly for the procurement of search warrants prior to on-site inspections. The language of the Draft Convention is explicit regarding procedures for initiating an inspection, and offers no opportunity for the U.S. Government to obtain a search warrant from an American magistrate before the representatives of the Consultative Committee[112] would be entitled to carry out an inspection.[113] Perhaps the unstated policy behind this is the Reagan Administration's insistence that on-site inspections take place on "short notice"[114] and without interference by the party to be inspected. On-site inspections thus would have to qualify for an exemption from the Fourth Amendment's search warrant requirement.

The remainder of the section discusses how the on-site inspection provisions of the Draft Convention would stand up to a challenge alleging that a warrantless inspection pursuant to the Convention violates the Fourth Amendment. First, the outline of a hypothetical lawsuit to enjoin an on-site arms control inspection is considered, including whether plaintiff could satisfy the demands of standing and justiciability. Second, I address the question whether on-site inspections pursuant to arms control treaties are generally exempt from the Fourth Amendment warrant requirement because they involve foreign affairs. Third, assuming that the Fourth Amendment does require a warrant prior to an on-site inspection under the arms control treaty, I examine the principles underlying the exemptions to the Fourth Amendment warrant requirement that are most likely to be asserted to justify the particular on-site inspections in the Draft Convention. Finally, I analyze each of the three types of onsite inspection contained in the Draft Convention using these principles to determine how a court might decide such a challenge.

B. Posture of a hypothetical suit to enjoin an on-site arms control inspection

In our hypothetical lawsuit, a private chemical manufacturer seeks an injunction to prevent an on-site inspection. The broad proposition that private plaintiffs could challenge the reasonableness of on-site arms control inspections in federal court[115] finds some support in Supreme Court precedent. If the courts would hear such suits, then plaintiffs who could prove that an on-site arms control inspection violated their Fourth Amendment rights could obtain either damages[116] or an injunction.[117] Before a federal court would reach the remedy issue, however, the plaintiff would have to clear preliminary hurldes posed by the doctrines of standing and justiciability.[118]

The Court recently summarized, in *Valley Forge Christian College v. Americans United for Separation of Church and State,*[119] its precedents on standing as requiring, "at an irreducible minimum," a plaintiff "to 'show that he personally has suffered some actual or threatened injury as a result of the putatively illegal conduct of the defendant,' . . . and that the injury 'fairly can be traced to the challenged action' and 'is likely to be redressed by a favorable decision.'"[120] A chemical manufacturer about to be inspected could allege that trade secrets or other confidential competitive information or processes to which the public is not permitted access might be compromised by the admission of foreign inspectors, and that this injury could only be prevented by enjoining the inspection. Such a claim would appear to meet the standing test set out in Valley Forge.[121]

The question of whether such a lawsuit would be justiciable is more difficult. The standard most often cited for determining what constitutes a non-justiciable political question is contained in *Baker v. Carr:*[122]

"Prominent on the surface of any case held to involve a political question is found a textually demonstrable constitutional commitment of the issue to a coordinate political department; or a lack of judicially discoverable and management standards for resolving it; or the impossibility of deciding without an initial policy determinination of a kind clearly for nonjudicial discretion; or the impossibility of a court's undertaking independent resolution without expressing lack of the respect due cooordinate branches of government; or an unusual need for unquestioning adherence to a political decision already made; or the potentiality of embarrassment from multifarious pronouncements by various departments on one question.[123]

Several of the considerations noted in *Baker* suggest that our hypothetical case could involve a nonjusticiable political question. Foreign affairs has traditionally been considered an area in which Executive Branch power is preeminent, in part because of the importance of the U.S. government speaking with a single voice in international matters.[124] It could be argued that merely hearing a claim to prevent the domestic enforcement of what the United States regards as an essential element of an arms control treaty could create "embarrassment"[125] for the President. Furthermore, the inspection provisions of a chemical weapons treaty would presumably have been debated in the Senate prior to ratification. A "political decision" that such inspections were in the national interest would thus "already [have been] made"[126] by the two branches charged with making and conducting foreign policy.[127] Such a decision, on the sensitive issue of arms control, might be thought to engender an "unusual need" for Judicial Branch deference.[128]

Other factors, however, suggest that our hypothetical case might be justiciable. The presence of a foreign affairs component in a lawsuit does not in itself require a court to invoke the political question doctrine in the face of a constitutional claim.[129] Such a case would allege a violation of private rights that could not be remedied under present law outside the judiciary. This was exactly the factor noted by the plurality in *Goldwater v. Carter* as distinguishing it from the kind of "dispute between coequal branches of government" that the four justices considered in that case to be non-justiciable.[130] Thus, the outcome of a motion to dismiss because of non-justiciability would be uncertain. It will be assumed for the remainder of this article that such a motion would be rejected. It would be unwise to ignore the Fourth Amendment issues inherent in the Draft Convention based on such an unpredictable doctrine.

C. Foreign affair exemption to the fourth amendment warrant requirement

It is possible that searches under treaties generally are exempt from Fourth Amendment challenges to the absence of a warrant. Some early legal theories, and even language in early Supreme Court decisions, suggest that the Bill of Rights itself does not apply to treaties.[131] Thus, before undertaking any analysis of how the Fourth Amendment warrant requirement applies to specific types of on-site arms control inspections under the Draft Convention, it is necessary to consider whether it would apply to arms control treaties at all.

The Supreme Court has explicitly avoided ruling on whether a "foreign affairs exemption" exists to the search warrant requirements of the Fourth Amendment.[132] Some lower courts, however, have analyzed this question in the context of searches of individuals. This subsection considers whether on-site inspections meet the tests these courts have used for exempting searches from the Fourth Amendment warrant requirement because they involve foreign affairs.

In *United States v. Truong Dinh Hung,*[133] the Court of Appeals for the Fourth Circuit faced the question of whether extensive warrantless bugging and wiretapping by the U.S. Federal Bureau of Investigation (FBI) violated the Fourth Amendment.[134] Truong Dinh Hung was suspected of transmitting classified documents to North Vietnamese diplomats during the Vietnam War. The court concluded that some, but not all, of the eavesdropping was constitutionally valid: "because of the need of the executive branch for flexibility, its practical experience, and its constitutional competence, the courts should not require the executive to secure a warrant each time it conducts foreign intelligence surveillance."[135] In trying to limit the situations where warrantless foreign intelligence searches are constitutionally justified—compromising individual privacy only where absolutely necessary—the court decided that "[t]he [foreign intelligence] exception applies only to [surveillance of] foreign powers, their agents, and their collaborators. Moreover, even these actors receive the protection of the warrant requirement if the government is primarily attempting to put together a criminal prosecution."[136] Thus, the court in *Truong* recognized a limited foreign affairs exemption focused on preventing or punishing espionage.

In *Zweibon* v. *Mitchell,*[137] the District of Columbia Circuit considered whether damages were owed to American citizens because their telephones had been extensively wiretapped without a warrant by the FBI. The purpose of the surveillance was to obtain advance knowledge of both peaceful demonstrations and violent attacks aimed at Soviet offices in New York City.[138] In a lengthy plurality opinion, the court rejected the arguments advanced by the Attorney General for a foreign affairs exemption to the Fourth Amendment warrant requirement.[139] Although acknowledging that its decision turned on the basic question of "whether a warrant requirement will better protect Fourth Amendment rights when foreign intelligence gathering is involved, and whether such a requirement would unduly fetter the legitimate functioning of the Government,"[140] the court decided that the government's arguments "do not suggest that the warrant procedure would actually fetter the legitimate intelligence gathering functions of the Executive Branch."[141] In rejecting the warrant exemption in this case, the court stressed that the Americans whose telephones were tapped were not connected with the foreign government. The plurality opinion emphasized that "[i]t would indeed be anomalous to allow the Government to engage in warrantless surreptitious surveillance of activity, which would otherwise remain private and protected, merely because another government is antagonized by such activity."[142]

Because on-site inspections under an arms control treaty would share elements crucial to the reasoning in both *Truong* and *Zweibon*, it is difficult to predict whether a court would hold such searches exempt from the warrant requirement of the Fourth Amendment. It could be argued that, like the foreign intelligence surveillance at issue in *Truong*, on-site inspections can only be controlled as a practical matter by the Executive Branch because of their international sensitivity. Indeed, it may well be that a treaty incorporating on-site inspections would be breached in the view of other signatories if a proposed inspection in the United States required pre-inspection review in an American court to determine whether a warrant would issue. Since termination of such a treaty under these hypothetical circumstances would close the door to reciprocal inspections by the United States of the other signatories, even a court following *Zweibon* might have to recognize that this would fetter the ability of the Executive Branch to gather intelligence about the activities of those foreign governments.[143]

On the other hand, the court in *Truong* only contemplated a foreign affairs exemption that embraced people suspected of conspiring with foreign governments. On-site inspections pursuant to arms control treaties are premised on the concern that the subjects of those inspections might be acting secretly in concert with their own governments, and against the interests of the foreign government seeking an inspection—the opposite of what is normally considered to be espionage. Those few cases that discuss a possible foreign affairs exemption to the Fourth Amendment are thus easily distinguished on their facts from our hypothetical. Therefore, it cannot be assumed that a court would refuse to enjoin a warrantless on-site arms control inspection because it involves foreign affairs.

D. "Pervasively regulated industries" exemption to the fourth amendment warrant requirement

Assuming that the Fourth Amendment warrant requirement does apply generally to on-site inspection by foreigners pursuant to an arms control treaty, it is possible that an independent exemption might exist based on the nature of the subjects of the inspection.[144] Perhaps because the Court has not interpreted the Fourth Amendment to protect commercial property from government searches to the same extent as private homes,[145] the Court has found the constitutional leeway to create an exemption from the Fourth Amendment warrant requirement where the firm being searched is "pervasively regulated."[146] Since the Reagan Administration appears to base its assertion that private American chemical companies could be inspected under the Draft Convention on the fact that the chemical industry is "heavily regulated,"[147] it is fair to assume that the federal government would seek to justify all three types of inspections by asserting that the firms are pervasively regulated in the constitutional sense.

United States v. Biswell[148] illustrates that the pervasively regulated industries exemption is best viewed as the result of an implied social bargain.[149] In *Biswell*, a pawn shop dealer who was licensed to sell sporting weapons under the Gun Control Act of 1968[150] was convicted of the illegal possession of two sawed-off rifles. The weapons were discovered by a Treasury Department agent during a surprise warrantless inspection which was specifically authorized by the Act.[151] The Court upheld the constitutionality of the conviction, stating that "close scrutiny of [firearms] traffic is undeniably of central importance to federal efforts to prevent violent crime . . . and inspection is a crucial part of the regulatory scheme. . . . It is also plain that inspections for compliance with the Gun Control Act pose only limited threats to the dealer's justifiable expectations of privacy. When a dealer chooses to engage in this pervasively regulated business and to accept a federal license, he does so with the knowledge that his business records, firearms, and ammunition will be subject to effective inspection."[152]

The Court analyzed Biswell's reasonable expectations of privacy as though he had entered into an agreement with the government when he obtained his federal license to sell guns. In return for the license, the Court found that he had implicitly acceded to a greater level of government intrusion than an unregulated line of business might involve. When the Court balanced these limited privacy expectations against the great value of warrantless searches in uncovering violations of the law, it had "little difficulty" determining that the intrusion was constitutional despite the absence of a warrant.[153]

In *Marshall* v. *Barlow's, Inc*,[154] the Supreme Court further developed this social bargain theory by attempting to establish the point at which a business becomes a party to the imputed agreement. The Court faced the question whether the scheme of random warrantless administrative inspections created by the Occupational Safety and Health Act of 1970 (OSHA) satisfied the Fourth Amendment. On one extreme, the Court noted, are businesses like firearms dealerships, where the proprietor has "voluntarily chosen to subject himself to a full arsenal of governmental regulation."[155] At the other end of the spectrum are those where the proprietor is "not engaged in any regulated or licensed business."[156] Determination of where OSHA-regulated businesses fall on this regulatory continuum required the Court to scrutinize "the degree of federal involvement in employee working circumstances."[157]

The Court noted that OSHA reached beyond pervasively regulated businesses, like those contemplated in *Biswell*, to include "all businesses in interstate commerce."[158] It concluded that none "but the most fictional sense of voluntary consent to later searches [can] be found in the single fact that one conducts a business affecting interstate commerce; under current practice and law, few businesses can be conducted without having some effect on interstate commerce."[159] The Court thus made clear that the nature of the business the government seeks to subject to a warrantless search must be such that its owner has, in effect, consented to such searches as a sort of regulatory cost of doing business.

The government argued that regulation of employee health and safety in all businesses operating in interstate commerce was pervasive because those firms with federal government contracts were already required, under the Walsh-Healy Act of 1936, to comply with restrictions involving a minimum wage and maximum employee work hours. The Court rejected this argument. Comparing the relatively short reach of the Walsh-Healy Act to the expansion in "specificity and pervasiveness that OSHA mandates," the Court concluded that the older statute had not "prepared the entirety of American interstate commerce for regulation of working conditions to the minutest detail."[160] In short, the Court decided that federal regulation for limited purposes—minimum wage and maximum hours—does not amount to pervasive regulation for the broader purpose of dispensing with search warrants prior to OSHA inspections. Not all regulation is pervasive regulation.

In *Donovan v. Dewey*,[161] the Court elaborated on the obligations of the federal government under the fictional social bargain it had created to justify warrantless searches of commercial property. The statute at issue in *Dewey*, the Mine Safety and Health Act of 1977,[162] provided for warrantless safety inspections of underground and surface mines.[163] The plaintiff Secretary of Labor had appealed the denial of an injunction to prevent the president of a quarrying company from refusing to admit the Department's mine inspector.[164]

The Court reaffirmed that statutory inspection schemes could make warrants unnecessary in limited circumstances.[165] At the same time, the Court warned that "warrantless inspections of commercial property may be constitutionally objectionable if their occurrence is so random, infrequent, or unpredictable that the owner, for all practical purposes, has no real expectation that his property will from time to time be inspected by government officials."[166] The Court noted that its prior decisions "make clear that a warrant may not be constitutionally required when Congress has reasonably determined that warrantless searches are necessary to further a regulatory scheme and defined that the owner of commercial property cannot help but be aware that his property will be subject to periodic inspections undertaken for specific purposes."[167]

The "certainty and regularity"[168] of the inspection program, combined with the "notorious history of serious accidents and unhealthful working conditions"[169] in the mining industry, tipped the balance between the mine operators' privacy expectations and the enforcement needs of the statute in favor of the latter.[170]

The Court considered three factors in deciding that the inspection program was sufficiently well-defined. First, inspections were conducted of all, rather than only some, of the subjects of the statute, and their frequency was specified in the statute.[171] Second, the statute contained specific compliance requirements that were provided to each mine operator.[172] Finally, a mine operator could deny entry to an inspector; the inspector then had to obtain an injunction in federal court against future refusals.[173] In concluding that "the Act establishes a predictable and guided federal regulatory presence,"[174] the Court set the standard for determining when warrantless searches of commercial property satisfy the Fourth Amendment's pervasively regulated industries exemption.

E. Analysis of the constitutionality of on-site inspections under the Draft Convention

Both the subjects and the breadth of inspections under the Draft Convention would differ among systematic international on-site inspections, special on-site inspections, and ad hoc on-site inspections. An application of the criteria developed by the Supreme Court to determine whether these warrantless searches would survive a Fourth Amendment challenge requires separate consideration of each type of inspection.

1. Systematic International On-Site Verification Inspections

Viewed through the lens of *Biswell* and *Dewey*, systematic international on-site verification inspections—even though warrantless—appear to comply with the Court's interpretation of the Fourth Amendment. Systematic international on-site inspections would take place at facilities and locations that have declared production and storage of chemical weapons.[175] If they are privately owned, these entities, like those in *Biswell*, surely are on notice that they have entered a business that is heavily controlled by the federal government, and in which an urgent public interest demands in return a high level of governmental intrusion. Moreover, like the inspection scheme approved in *Dewey*, the Draft Convention gives very specific parameters regulating most of the occasions on which these kinds of inspections would take place. Although the Draft Convention also permits some random inspections of such firms, *Biswell* suggests that even surprise inspections of weapons manufacturers would not violate the Fourth Amendment. Finally, like the regulatory schemes in both *Biswell* and *Dewey*, the systematic international on-site verification scheme clearly would be central to the success of the treaty.[176]

2. Special On-Site Inspections

If, as is assumed above,[177] special on-site inspections apply to all U.S. chemical companies, regardless of whether they actually produce weapons, and all privately owned firms holding government contracts, the constitutionality of special on-site inspections is more questionable than that of systematic international on-site inspections. The Supreme Court decision in *Dow Chemical Co. v. United States*[178] indicates that the chemical industry may not be, as claimed by the Reagan Administration, as pervasively regulated as the gun and mining industries were found to be in *Biswell* and *Dewey*. Furthermore, searches that would take place under this provision are far less certain and regular than systematic international on-site inspections. Consequently, it is more likely that a warrant would be found to be a constitutional prerequisite to this type of search.[179]

The *Dow* case arose out of an investigation of the plaintiff chemical manufacturer by the U.S. Environmental Protection Agency (EPA). The EPA sought to determine whether the firm's power houses were emitting excessive air pollutants.[180] Acting without a warrant, the EPA hired an aerial photographer equipped with a $22,000 precision aerial mapping camera to take pictures of Dow's premises. When Dow learned of the overflight, it brought suit against the EPA, seeking to enjoin the agency from "disseminating, releasing or copying the photographs already taken."[181]

The Court held that the overflight was not a search and a warrant was therefore unnecessary.[182] The opinion, however, reviewed the constitutional standards for warrantless searches of commercial property and concluded: "Dow plainly has a reasonable, legitimate, and objective expectation of privacy within the interior of its covered buildings, and it is equally clear that that expectation is one society is prepared to observe."[183]

While the Court was referring to a single litigant in a dispute over a domestic environmental statute—and not the entire chemicdal industry in the context of a major arms control treaty—this language directly contradicts the position of the U.S. Representative to the Conference on Disarmament that the chemical industry is so extensively regulated that it should be considered "government controlled."[184] To the extent that special on-site inspections permit warrantless entries *into* chemical manufacturing plants that are otherwise uninvolved in the chemical weapons industry, *Dow* suggests that they would be unconstitutional.

Even if the language quoted above from *Dow* is discounted as dictum, the pervasive regulation exemption to the warrant requirement may require expansion to encompass special on-site inspections. In both *Biswell* and *Dewey*, the pervasive regulation justifying warrantless searches was of activcities directly in the line of business of the firms being inspected, and was created in the federal statute authorizing such inspections as a response to the nature of those activities. In contrast, the pervasive regulation that is asserted to support warrantless special on-site inspections is said to exist already, by virtue of other, presumably unrelated, federal laws.[185]

But since many chemical factories, such as pesticide or fertilizer producers, have no connection to chemical weapons manufacturing, they might not be considered to be on notice for constitutional purposes of on-site inspection for chemical weapons involvement. The Court in *Barlow's* did not decide whether pervasive regulation in one area would justify warrantless inspections for other purposes. However, its refusal to premise a determination that all employers in interstate commerce are pervasively regulated on a federal regulatory statute that, on its face, affected only government contractors strongly implies that pervasive regulation in one area does not necessarily amount to pervasive regulation for all possible governmental purposes. Therefore, a reviewing court would have to decide whether the exemption requires some nexus between the policy goals of the pervasive regulation and those said to justify the warrantless inspections.

Even if some or all of the chemical industry were found to be pervasively regulated, the almost complete absence of parameters in the Draft Convention governing the conduct of warrantless searches might be constitutionally fatal. Unlike the regularly scheduled safety inspections that the Court approved in *Dewey*, special on-site inspections may be as frequent or infrequent as the needs of the individual members of the Fact-Finding Panel require. Moreover, the Draft Convention does not give the subjects of those inspections any right to refuse entry; the easy access to federal court which the statute in *Dewey* provided[186] would be unavailable. Special on-site inspections thus appear to suffer from being potentially "so random, infrequent, or unpredictable"[187] that the federal government would be unable to live up to its obligations under the implied social bargain that the Supreme Court has constructed to justify warrantless searches of pervasively regulated businesses.

3. Ad Hoc On-Site Inspections

If special on-site inspections are of dubious constitutionality, ad hoc on-site inspections are surely constitutionally deficient. The best argument for the constitutionality of ad hoc on-site inspections is that they are not really warrantless searches at all because the Fact-Finding Panel must approve a party's demand prior to such a search.[188] It could be asserted that this process provides an effective substitute for a neutral review of proposed searches as contemplated by the Fourth Amendment.[189] In any case, the U.S. representative could always veto an unreasonable inspection.[190]

Supreme Court precedent concerning the separation of powers, however, provides little support for the proposition that an international organization could sufficiently simulate the constitutional protections afforded Americans by the federal judiciary. As early as 1803, the Court declared in *Marbury v. Madison*:

"Where a specific duty is assigned by law, and individual rights depend upon the performance of that duty, it seems . . . clear that the individual who considers himself injured, has a right to resort to the laws of his country for a remedy. . . . It is emphatically the province and duty of the judicial department to say what the law is."[191]

As recently as 1974, the Court added, in *United States v. Nixon*:

"Notwithstanding the deference each branch must accord the others, the 'judicial power of the United States' vested in the federal courts by Art. III, §1, of the Constitution can no more be shared with the Executive Branch than the Chief Executive, for example, can share with the Judiciary the veto power, or the Congress share with the Judiciary the power to override a Presidential veto. Any other conclusion would be contrary to the basic concept of separation of powers and the checks and balances that flow from the scheme of a tripartite government."[192]

A Court that is unwilling to permit decisions interpreting the U.S. Constitution to be made by other branches of our own government seems unlikely to allow that power to be delegated to an international Fact-Finding Panel, whose only American representative would presumably be a diplomat serving at the pleasure of the President.[193]

Even if an international organization could be empowered to evaluate the reasonableness of on-site arms control inspections under the U.S. Constitution, the review process contemplated for ad hoc on-site inspections in the proposed Chemical Weapons Treaty would probably be inadequate. Most important, although the U.S. representative could exercise veto power over any proposed inspection, the Fact-Finding Panel on which the representative serves would be constituted as part of a law enforcement agency with a mission to "promote the verification of compliance with the Convention."[194] This would create in the U.S. representative exactly the same kind of conflict of interest that the Supreme Court has recognized as leading to bias on the part of domestic police in favor of searches.[195] In *Katz* v. *United States,*[196] the Court noted: "the Constitution requires 'that the deliberate, impartial judgment of a judicial officer . . . be interposed between the citizen and the police. . . .' 'Over and over again this Court has emphasized that the mandate of the [Fourth] Amendment requires adherence to judicial processes,' and that searches conducted outside the judicial process, without prior approval by judge or magistrate, are *per se* unreasonable under the Fourth Amendment—subject only to a few specifically established and well-delineated exceptions."[197]

The Fact-Finding Panel could not be expected to offer the type of protection against unreasonable searches provided by a court.

If review by the Fact-Finding Panel is not an effective substitute for a warrant, then ad hoc on-site inspections suffer deficiencies similar to those discussed above surrounding special on-site inspections. Because ad hoc on-site inspections would apply to all "locations or facilities" not covered by special on-site inspections, the subjects of ad hoc on-site inspections would not be entities manufacturing or storing chemical weapons,[198] nor would they be under government control. Surely such enterprises could not be on notice that being *uninvolved* in the chemical weapons industry makes them fair game for warrantless searches to assure U.S. compliance with a chemical weapons treaty. Finally, even if a court were somehow to find that the firms to be inspected under this provision are pervasively regulated, ad hoc on-site inspections are no more certain or regular than are special on-site inspections.[199] Such searches would stand an even slimmer chance of surviving constitutional scrutiny where the contemplated search is of a "location or facility" that is not commercial property.[200]

III. MINIMIZING POTENTIAL FOURTH AMENDMENT CONFLICTS

The preceding section establishes that under existing law, systematic international on-site verification inspections are probably compatible with the Fourth Amendment. The constitutionality of special on-site inspections is uncertain, however, and it is unlikely that an ad hoc on-site inspection of certain facilities apparently covered by the Draft Convention would survive a Fourth Amendment challenge. If a U.S. court enjoined the inspection process after the treaty had been ratified, the international consequences could be significant. It is therefore appropriate to analyze whether more constrained methods of arms control verification would be more likely to clear the Fourth Amendment hurdle, as well as whether government contracts or statutes could be changed to avoid conflict between the right to be free from warrantless searches and the national interest in mutually verifiable arms control agreements.[201] This analysis could assist verification not only of a chemical weapons treaty, but of agreements limiting nuclear and conventional weapons as well.

A. Remote monitoring as an alternative to on-site inspections

In *Dow Chemical Co. v. United States*[202] the Court held that "the taking of aerial photographs of an industrial plant complex from navigable airspace is not a search prohibited by the Fourth Amendment."[203] The Court thus opened the door to verification methods that are not searches under the Fourth Amendment—methods that would not even raise the question of whether warrants are needed.

The question in *Dow* was whether the company's outdoor plant site was entitled to Fourth Amendment protection from government surveillance using professional aerial photography equipment.[204] Characterizing the dispute as line-drawing between the outdoor areas that are entitled to "much the same kind of privacy as that covering the interior of a structure" and those that are "open fields" which "do not provide the setting for those intimate activities that the [Fourth] Amendment is intended to shelter from governmental interference or surveillance,"[205] the Court emphasized that "[w]hat is observable by the public is observable without a warrant, by a Government inspector as well."[206] Noting the large size of Dow's site, the firm's failure to shield its structures from aerial viewing, and the fact that the photographs were taken from public airspace where any airplane traveler could have viewed the facility, the Court was not persuaded by the company's assertion of a privacy interest.[207]

The Court also devoted considerable discussion to the degree of technological sophistication of the airplane's photographic equipment:

> "Highly sophisticated surveillance equipment not generally available to the public, such as satellite technology, might be constitutionally proscribed absent a warrant. But the photographs here are not so revealing of intimate details as to raise constitutional concerns. Although they undoubtedly give EPA more detailed information than naked-eye views, they remain limited to an outline of the facility's buildings and equipment. The mere fact that human vision is enhanced somewhat, at least to the degree here, does not give rise to constitutional problems."[208]

Thus it appears that the Court has indicated that it will not require search warrants under the Fourth Amendment where government aerial photographers are located in public airspace, the facility is open to public view, and the photographs taken lack a high degree of detail.

It seems apparent from this decision that any area to which the public generally has access would be a constitutionally appropriate place to locate remote sensing devices. Under this test, a satellite would arguably be an acceptable place from which to conduct arms control verification. While it is true that the opinion in *Dow* singled out satellite technology as a government surveillance technique that might be viewed as a search within the meaning of the Fourth Amendment, one can imagine future public access to orbital space comparable to that available today to airplane travelers. More important, the Court in *Dow* appears to have been more concerned about the intrusive sensing devices than can secretly be carried on board satellites than with the location of the satellites themselves.

The opinion establishes a standard by which to evaluate whether a given sensing device is sufficiently intrusive so that its operation would amount to a search under the Fourth Amendment. In comparing the operation of the aerial camera in *Dow* to the human eye, the Court identified human senses as the benchmark for making this determination. The Court was willing to tolerate a sensing device that would provide substantial enhancement of human vision,[209] although it indicated that it would review future cases in terms of how far beyond ordinary perceptual abilities the sensing device in question extended. Since machines presumably can be designed to be incapable of picking up the breadth of information that a human being can extract from a given situation, this approach may permit relatively powerful remote monitoring devices to survey commercial property without crossing the Fourth Amendment threshold.

Yet the opinion in *Dow* seems anomalous in equating "highly sophisticated surveillance equipment not generally available to the public"[210] to devices that would intrude on a reasonable expectation of privacy. The intrusiveness of mechanical devices can be thought of as being comprised of two elements; sensitivity and selectivity. Sensitivity is "the ability of the output of a device or system to respond to an input stimulus."[211] Selectivity, in this context, is the ability to receive some signals while rejecting others.[212] A device that is sensitive but not selective is generally more intrusive than one that is both sensitive and selective because the unselective device will detect a wider range of data than its selective counterpart. For example, a microphone that picks up a broad spectrum of sound (i.e., is relatively unselective at a given decibel level) is more intrusive than one which only picks up high-frequency sounds (i.e., is relatively selective).

Devices that closely emulate the human senses may be more intrusive than those that are more selective, even if the more selective devices also are more sensitive. This is because a device designed so that it selectively detects only evidence of a violation of the law could not gather the breadth of wholly irrelevant data that a more human-like instrument could collect from the same scene. Since Supreme Court precedent implies that no reasonable expectation of privacy inheres in evidence of illegal conduct,[213] a perfectly selective device could be constitutionally unintrusive, where an unselective device resembling human senses would invade privacy. For example, if one can imagine a machine with the ability to detect and measure from an airplane in very small concentrations the extent of the supposed air pollutants that the EPA sought to locate in *Dow*—and only those pollutants—Dow Chemical Company would have had a less compelling claim that the data thus gathered compromised its privacy than it had regarding the photographs in issue in the case. The photographs depicted the air pollution plumes at the factory site similarly to the way a person with especially good eyes would see them from an airplane, along with all kinds of information pertaining to trade secrets. Our hypothetical air pollution detector, in contrast, would only have revealed data on one aspect of the operations (albeit in more detail), in which a reasonable expectation of privacy would be much more difficult to contrive. Thus, instruments designed to be more selective than the equivalent human senses might pose less of a threat to Fourth Amendment values.[214]

However, such selective devices may be both more sophisticated and less available to the public. Not only can selectivity sometimes be an expensive and difficult attribute to produce, but this characteristic may limit the size of the economic market for its use. Thus, few people may come into contact with such advanced devices, but, contrary to *Dow*, they may be less intrusive than unselective and more commonly available counterparts. A more precise formulation of what the Court in *Dow* seems to have intended would take account of the fact that technical sophistication does not always amount to intrusiveness.

Dow creates the possibility that using remote monitoring instruments to verify arms control treaties may pass constitutional review where on-site inspections could not.[215] Since the major Soviet objection to on-site inspections has been fear that such visits would be used for intelligence gathering, selective remote monitoring devices may be greeted with a great deal less trepidation.[216] These devices could pave the way for an internationally acceptable means of treaty verification by allaying Soviet fears of espionage as well as complying with Fourth Amendment restrictions against government intrusion.

B. Contractual consent to special on-site inspections

While federal government contractors are a small subset of the firms that would be subject to special on-site inspections under Article X of the Draft Convention,[217] modifying the treaty proposal to include only federal contractors might avoid the problem of relying on the "pervasive regulation" exemption to justify some of the contemplated warrantless on-site inspections. It is possible that contractors could be explicitly required to consent to such searches under the terms of any contract they enter into with the federal government. This subsection will analyze whether the Constitution erects a barrier to requiring such consent as a condition of contracting with the government, as well as whether a court is likely to find consent in existing government contracts.

In *Zap* v. *United States*,[218] the Supreme Court decided that a government contractor could waive its Fourth Amendment right to protection from warrantless searches. The petitioner's contract with the U.S. Navy included a clause permitting the government to inspect his accounts and records. When government agents subsequently began a warrantless audit of his records, Zap protested the search.[219] These records were crucial to the government's case against him for presenting false claims,[220] and Zap moved to suppress the evidence the warrantless search provided. Holding that the search was valid, the Court stated: "[W]hen petitioner, in order to obtain the government's business, specifically agreed to permit inspection of his accounts and records, he voluntarily waived such claim to privacy which he otherwise might have had as respects business documents related to those contracts."[221] The Court thus looked on the terms of the contract to determine whether the contractor had consented to the warrantless search, and did not even require that the waiver of Fourth Amendment rights be explicit.

Furthermore, the federal government can demand commitment to a contract clause that is itself unrelated to the goods or services being provided under the contract. *Fullilove v. Klutznick*[222] tested the contitutionality of a federal statute requiring that a percentage of all government funds for public works construction projects be awarded to minority business enterprises. The decision stressed:

"Congress has frequently employed the Spending Power to further broad policy objectives by conditioning receipt of federal moneys upon compliance by the recipient with federal statutory and administrative directives. This Court has repeatedly upheld against constitutional challenge the use of this technique to induce governments and private parties to cooperate voluntarily with federal policy."[223]

The Court concluded that the goal of expanding minority access to federal funds in this manner is a valid exercise of the Congressional Spending Power because Congress is empowered to regulate minority subcontracting by private government contractors directly, even without resort to a contract clause.[224]

Requiring waiver of Fourth Amendement protections against warrantless on-site verification inspections as a condition of contracting with the government would go beyond the kind of contract clause approved in either *Zap* or *Fullilove.* First, it would be a contract term unrelated to the performance of the contract itself, thus requiring a court to extend the holding in *Zap* to embrace searches beyond the scope of the "business documents related to those contracts."[225] Second, it would require the waiver of a constitutional right, a situation which *Fullilove* did not present. Indeed, it might be argued that *Fullilove* is distinguishable because Congress might not be empowered directly to legislate the warrantless inspection of government contractors, as it could the racial subcontracting practices of public works contractors. Whether the Court would be prepared to combine the holdings in *Zap* and *Fullilove* to approve warrantless special on-site inspections of government contractors remains to be seen.

Snepp v. United States[226] suggests that the national security implications of an arms control treaty might bridge this gap. In *Snepp,* the Court faced a dispute between the U.S. Central Intelligence Agency (CIA) and former agent Snepp. After resigning his position, Snepp wrote a book about the CIA which he refused to submit to the CIA for prepublication review as required by his employment contract.[227] The Court held that the damages due to the CIA for breach of the contract should include the profits from the sale of the book,[228] and reaffirmed the Court of Appeals finding that the contract was valid even though it restricted his First Amendment right to free speech.[229] The Court noted the government's "compelling interest in protecting both the secrecy of information important to our national security and the appearance of confidentiality so essential to the effective operation of our foreign intelligence service," and found that "the agreement that Snepp signed is a reasonable means for protecting this vital interest."[230]

Requiring consent to warrantless special on-site inspections as a condition of contracting with the government has a much more tenuous relationship to most government purchases than the relationship between the condition in Snepp's contract and his employment. It can be inferred from this decision, however, that the national security interest in arms control would be a powerful argument in favor of the constitutionality of such contractual conditions. This analysis suggests that a consent clause could probably be constitutionally included in government contracts.

Assuming that some kind of clause consenting to special on-site inspections can constitutionally be included in government contracts, it seems unlikely that the government could rely on the inspection clauses in existing contracts. A similar problem was at issue in *Bowsher v. Merck & Co., Inc.*[231] In *Bowsher,* the U.S. General Accounting Office (GAO) sought access to confidential cost records of a pharmaceutical firm which sold goods to the federal government under a contract containing statutorily-required clauses "granting the Comptroller General the right to examine any directly pertinent records involving transactions relating to the contract."[232] The Supreme Court upheld the plaintiff pharmaceutical firm's refusal to grant the requested access because the records contained "indirect costs" such as research and development expenses. These expenses were deemed to be separate from costs related to the particular contracts.[233] The opinion noted that the purpose of the statute requiring the inclusion of the contract clause in question was "to assess the reasonableness of the prices paid by the Government and to detect inefficiency and wastefulness."[234] The Court concluded that in enacting this law, "Congress was apparently willing to forgo the benefits that might be gained from permitting the GAO broad access to the contractor's business records in order to protect those contractors from far-reaching government scrutiny of their nongovernmental affairs."[235] If the Court was not persuaded to interpret the statute in question to allow a U.S. agency—which was empowered to look at the records of direct costs attributable to the government contracts at issue—to examine indirect cost records, it is unlikely that the Court would interpret analogous government contracts[236] to allow the agent of an international organization the kind of free reign contemplated by special on-site inspections in the Draft Convention. It is therefore prudent to assume that a clause expressly granting such consent would be required.

C. Minimizing fourth amendment problems by statute

If remote means of treaty verification cannot be found that eliminate the need for intrusive on-site inspections, and a need is found to inspect firms other than those that would consent to warrantless searches in order to do business with the federal government, an alternative means of minimizing the possibility of a wrenching constitutional challenge might be through new federal legislation limiting remedies for Fourth Amendment violations so as not to defeat the purposes of the Draft Convention's on-site inspections. This analysis first requires an understanding of the extent to which such a convention would entail separate federal legislation to implement its provisions. Following this discussion, I explore possibilities for a federal statute whose specific goal would be to define remedies for Fourth Amendment violations that would not undermine the purposes of on-site inspection.

The question of whether an arms control treaty would be self-executing, i.e., would not require passage of a separate federal statute to implement its provisions, is important for determining how to structure the remedies that might be available for Fourth Amendment violations arising out of on-site inspections of private firms.[237] If the Draft Convention is non-self-executing, then a political forum involving both Houses of Congress is guaranteed for debating and deciding the proper outcome of the conflict between the need for on-site inspections and the constitutional right to be free from unreasonable searches. On the other hand, if the Draft Convention is self-executing, then affirmative Congressional action beyond the treaty ratification process would be required to legislate a resolution of this potential dispute.[238]

The test for determining whether a treaty is self-executing is not well defined.[239] The overriding consideration is said to be the intent of the parties to the agreement, although treaty language often omits any statement in this regard.[240] However, when a treaty requires the United States to perform a future act—especially one generally accepted as requiring explicit Congressional action, such as appropriating funds, enforcing a criminal law, or declaring war—then implementing federal legislation is a prerequisite.[241]

Viewed in this rather diffuse light, it appears that the on-site inspection provisions of the Draft Convention, or any other arms control treaty granting foreign parties a similar right to conduct on-site inspections, would be self-executing. First, while the text of the Draft Convention does not specifically state whether it is to be self-executing,[242] the on-site inspection provisions do not require the United States to perform future acts in this country; rather, they confer rights on other parties. Second, the obligations that would be imposed on the United States are not among those that are generally accepted as requiring explicit congressional action. Third, the subject matter involves both national security and foreign affairs, where the power of the President is at its zenith. It is fair to assume that any federal legislation to mitigate the potential conflict between the on-site inspection provisions in the Draft Convention and the Fourth Amendment would have to be initiated in Congress, apart from the ratification process itself.

A federal statute intended to mitigate constitutional conflict between the Fourth Amendment and on-site arms control inspections would have to limit the availability of injunctions to prevent an unconstitutional inspection pursuant to a treaty. If a statute were to make damages the only available remedy, then the federal government could simply "buy itself out"[243] of the potential embarrassment of a federal court enjoining an international organization from carrying out the terms of an arms control treaty. Such a statute, if constitutional, would largely resolve the problems identified above. This section analyzes whether such a limitation on remedies would be constitutionally acceptable.

It is important at the outset to distinguish between denial of court jurisdiction to hear a constitutional claim and limitation of the available remedies. No statute that purported to eliminate court jurisdiction to hear a plaintiff's claim seeking relief from alleged unconstitutional conduct could be expected to be upheld.[244] Congress, however, is empowered by the Constitution to legislate new remedies to constitutional violations.[245] In *Aetna Life Ins. Co.* v. *Haworth,*[246] the Supreme Court wrote:

"In providing remedies and defining procedure in relation to cases and controversies in the constitutional sense the Congress is acting within its delegated power over the jurisdiction of the federal courts which the Congress is authorized to establish. Exercising this control of practice and procedure the Congress is not confined to traditional forms or traditional remedies. . . . In dealing with methods within its sphere of remedial action the Congress may create and improve as well as abolish or restrict."[247]

Thus, Congress has broad power to enact a federal statute providing other remedies besides injunctions for the putative victims of unconstitutional on-site arms control inspections.

One possible approach would be to amend the Federal Tort Claims Act.[248] At present, this statute provides for recovery of damages for *Bivens*-type constitutional violations from "investigative or law enforcement officers of the United States government."[249] However, by its terms, it might not apply to employees of the Technical Secretariat. Therefore, this statute could be changed to provide explicitly for recovery of damages for unconstitutional on-site arms control inspections.

The harder question is whether the power to provide such new remedies carries with it the authority to eliminate injunctive relief at the same time. The Court has repeatedly stated that the availability of a damages remedy under the *Bivens* doctrine[250] may be limited by Congress.[251] In *Bush* v. *Lucas,*[252] which denied the plaintiff a damages remedy, the Court presented its most recent discussion of how it would approach the issue of statutory limitation of remedies:

"When Congress provides an alternative remedy, it may, of course, indicate its intent, by statutory language, by clear legislative history, or perhaps even by the statutory remedy itself, that the courts' power should not be exercised. In the absence of such a congressional directive, the federal courts must make the kind of remedial determination that is appropriate for a common-law tribunal, paying particular heed, however, to any special factors counselling hesitation before authorizing a new kind of federal litigation."[253]

The Court openly invited Congress to substitute its own remedy for unconstitutional conduct in place of those remedies the judiciary would otherwise provide.

City of Los Angeles v. Lyons[254] indirectly suggests that this deference to Congress might translate into a willingness to uphold a statute depriving plaintiffs of the right to obtain an injunction against an unconstitutional on-site inspection. In *Lyons*, the Court held that the plaintiff did not have standing to obtain an injunction against the Los Angeles Police Department's practice of using chokeholds during routine arrests.[255] While the decision did not acutally reach the question of the appropriate remedy, the tone of the Court's opinion reveals no particular attachment to injunctions as a remedy.[256] For example, the Court emphasized that a damages remedy would sufficiently deter future unconstitutional conduct even if injunctive relief were unavailable.[257]

Nevertheless, the outcome of a constitutional challenge to a statute eliminating injunctive relief cannot be guaranteed. Neither *Bush* nor *Lyons* is directly on point. In addition, the view that the remedy for a constitutional violation can be determined exclusively by Congress is disputed by a number of commentators, who have argued that the Constitution independently obligates the judiciary to select the most appropriate remedy for a constitutional violation, regardless of what Congress may legislate.[258] Therefore, developing a federal statute to defuse the constitutional confrontation inherent in on-site inspection schemes would require great care.[259]

Moreover, it remains to be seen whether Congress would vote to approve such a statute. The restriction of remedies for constitutional violations has aroused considerable Congressional controversy in the context of proposals to alter the exclusionary rule, to curtail federal court enforcement of prohibitions on prayer in public schools, and to prevent federal courts from restricting state abortion regulatory laws.[260] The private firms whose right to injunctive relief would be limited could be expected to resist. Thus, while the Court has indicated a willingness to entertain statutory remedies for constitutional violations that substitute for those that the judiciary might otherwise provide, Congress may be unwilling to approve them in the first place.

A bill to validate warrantless on-site arms control inspections might stimulate a searching inquiry into the entire subject. In view of the importance of on-site inspections both to national security and to constitutional jurisprudence, the public debate this could engender would be valuable. A decision on how best to balance these important concerns should be made with the broadest possible input.

CONCLUSION

On-site arms control inspections are a double-edged shield. They may offer greater assurance that the parties to an arms control treaty are complying with the treaty's provisions. At the same time, however, they increase the risk of intrusion into the privacy of those to be inspected.

The Draft Convention on the Prohibition of Chemical Weapons, proposed by the United States in 1984, includes on-site inspection provisions that raise serious Fourth Amendment questions. Insofar as the draft treaty language, the proposed annexes, and contemporary statements by American officials do not mention that obtaining a search warrant is a precondition for carrying out any of the three types of inspection which would be permitted, it must be assumed that the treaty does not intend to require search warrants. Thus, if the Draft Convention were to be ratified, its terms would not contemplate that a U.S. court could interpose the neutral review process ordinarily required by the Fourth Amendment prior to forced entry of private American commercial property by officials of an international organization.

It is possible that the Fourth Amendment warrant requirement would not be an obstacle to such a treaty because searches involving foreign affairs may be exempt from the usual warrant requirement. This difficult issue has been explicitly avoided by the Supreme Court, and the lower courts that have addressed it have split over how to strike the balance between the deference due the Executive Branch in matters involving foreign affairs and the privacy rights of citizens. If the Draft Convention enters into force, a reviewing court could be faced with the unpalatable choice of approving wide-ranging warrantless inspections by foreigners, or ruling that the key enforcement mechanism of an arms control treaty is unconstitutional.

Another exemption developed by the Supreme Court to permit warrantless searches of commercial property requires that the firms subject to inspection be part of a "pervasively regulated" industry. The case law in this area indicates that the determination of whether a given industry is pervasively regulated requires consideration of whether a social bargain can be implied between the federal government and the industry, in which the industry is regarded as having consented to warrantless inspections as a regulatory cost of doing business. Under this exception, the government inspections must be carried out pursuant to a carefully delineated inspection scheme embodied in law, which assures that inspections are both certain and regular.

Two of the three types of on-site inspections contained in the Draft Convention appear to be constitutionally defective under the pervasively regulated exemption to the Fourth Amendment warrant requirement. While the test for pervasive regulation appears to be met by the firms that would be subject to systematic international on-site verification inspections, the same cannot be said for those that would be searched under the Draft Convention's special and ad hoc on-site inspection provisions. Language in *Dow Chemical Co. v. United States*[261] contradicts the notion put forward by American officials that special on-site inspections of the domestic chemical industry would be permissible because the industry is heavily regulated. The case against ad hoc on-site inspections is even stronger because the subject of these inspections would be those least involved in the chemical weapons industry. Moreover, special and ad hoc on-site inspections are consciously designed to permit open-ended inspections on "short notice," and are neither certain nor regular.

Two methods of arms control verification suggested in this article could help avoid these legal problems. First, remote monitoring conducted from areas to which the general public has access with instruments that are not intrusive appears to be a promising starting point. Remote monitoring might have the added advantage of accommodating Soviet worries about espionage. Second, it is likely that federal government contractors could legally be induced to consent to on-site inspections in their contracts with the government, although this is more problematic with existing contractors insofar as their old contracts would probably require modification.

It is also time to recognize that effective arms control verification will require public involvement. If on-site inspections are a desirable form of verifying future treaties, then their impact on American society and business should be understood and evaluated by elected officials. Indeed, the Supreme Court may be more likely to uphold an on-site inspection scheme if Congress has carefully considered and approved—even if it has chosen to limit—the remedies that could be obtained for unreasonable searches. Therefore, federal legislation should be drafted detailing how such inspections should be carried out and outlining the remedies available in lawsuits contesting the constitutionality of on-site inspections.

As the nations of the world grow more interdependent, it is inevitable that the United States will face difficult choices between the benefits of international accord and the unique protections provided by the Constitution. This analysis demonstrates that even the most universally sought goal may pose contradictions that our form of government is hardpressed to resolve. Realistic expectations and public debate are the most promising tools to put to the task.

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[1] *See* START in a Historical Perspective, address by Edward L. Rowney, chief negotiator to the Strategic Arms Reduction Talks (START), before the Kiwanis Club, Atlanta, Georgia (Apr. 10, 1984), *reprinted in* U.S. Dep't of State, Current Policy No. 563, at 2 (Apr. 10, 1984) [hereinafter Rowney]. *See generally* Perle, *What is Adequate Verification?* in SALT II and American Security 53 (1980); Note, *International Regulation of Chemical and Biological Weapons: "Yellow Rain" and Arms Control,* 1984 U. Ill. L. Rev. 1011, 1059.

[2] *See* Krepon, *Arms-Treaty Verification: A Political Problem,* Technology Review, May-June 1986, at 34, 46-47 (discussing both advanced monitoring techniques and cooperative measures as alternative means of verification). *See generally* Heckrotte, *A Soviet View of Verification,* Bull. of the Atomic Scientists, Oct. 1986, at 12 (discussing Soviet reluctance to submit to "intrusive" verification measures); Newcombe and Newcombe, *Chemical and Biological Weapons Inspection,* Peace Research Reviews, May 1982, at 55 (comprehensive review and bibliography of proposals that have been advanced for verification inspections pursuant to treaties regulating chemical and biological weapons).

[3] *See* R. Shearer, Jr., On-Site Inspection for Arms Control: Breaking the Verification Barrier 27 (1984). *But see* Lord, *Rethinking On-Site Inspection In U.S. Arms Control Policy,* Strategic Rev., Spring 1985, at 45.

[4] *See* Rowney, *supra* note 1.

[5] M. Krepon, Arms Control Verification and Compliance 33 (Foreign Policy Ass'n., Headline Series No. 270, Sept.-Oct. 1984); *see* Adam, *Peacekeeping by Technical Means,* IEEE Spectrum, July 1986, at 42, 44 & 66. The Soviet Union had accepted on-site verification inspections in the Protocol to the still-unratified Peaceful Nuclear Explosions Treaty. Protocol to the Treaty on Underground Nuclear Explosions for Peaceful Purposes, May 28, 1976, United States-USSR, art. III-VII, *reprinted in* 74 Dep't St. Bull. 804, 805-11 (1976). This heretofore isolated instance appears to have become a trend. On September 22, 1986, the Soviets consented to on-site inspections as part of an agreement intended to reduce the risk of military confrontation in Europe. Borawski, *Accord at Stockholm,* 42 Bull. of the Atomic Scientists 34, 35-36 (1986). On December 8, 1987, the Soviet Union agreed to on-site inspections to verify the Intermediate Nuclear Forces Treaty. Message From the President of the United States Transmitting the Treaty Between the United States and the Union of Soviet Socialist Republics on the Elimination of Their Intermediate-Range and Shorter-Range Missiles, Together With the Memorandum of Understanding and Two Protocols, Signed at Washington on Dec. 8, 1987, Treaty Doc. No. 11, 100th Cong., 2d Sess. (1988), at art. XI(1) [hereinafter Intermediate Nuclear Forces Treaty]. Futher, the Soviets have reportedly indicated a willingness to accommodate on-site inspections in the context of a comprehensive nuclear weapons test ban treaty and mutual balanced force reductions in Europe. M. Krepon. *supra* at 34.

[6] U.S. Draft Convention on the Prohibition of Chemical Weapons, submitted to the Conference on Disarmament, April 18, 1984 [hereinafter Draft Convention], *reprinted in* United States Arms Control and Disarmament Agency, Documents on Disarmament 269-99 (1984) [hereinafter Documents on Disarmament].

[7] The text itself is incomplete, with many items intentionally left blank for the negotiators to fill in as agreement is reached. *See, e.g., id.,* art. III(2)(b). Of particular importance to this discussion is Annex II of the Draft Convention, which purports to flesh out the verification provisions. The first sentence of Annex II reads: "Provisions along the following lines should be included:". *Id.*

[8] Geneva Protocol of 1925, 26 U.S.T. 571, T.I.A.S. No. 8061, 94 L.N.T.S. 65, *reprinted in* United States Arms Control and Disarmament Agency, Arms Control and Disarmament Agreements: Texts and Histories of Negotiations 14 (5th ed. 1982). This document provides an excellent brief history of the Protocol's adoption. *Id.* at 9-13. For discussions of types of chemical weapons and the history of their international regulation, see F. Brown, Chemical Warfare: A Study in Restraints (1968) and A. Thomas & A. Thomas, Jr., Development of International Legal Limitations on the Use of Chemical Weapons (1968).

[9] *Chemical Warfare: Arms Control and Proliferation, Joint Hearing Before the Senate Comm. on Foreign Relations and the Subcomm. on Energy, Nuclear Proliferation, and Government Processes of the Senate Comm. on Government Affairs,* 98th Cong., 2d Sess. 9 (1984) [hereinafter *Hearings*] (statement of Kenneth L. Adelman, Director, U.S. Arms Control and Disarmament Agency). *See generall* Ember, *Worldwide Spread of Chemical Arms Receiving Increased Attention,* Chemical and Engineering News, Apr. 14, 1986, at 8, which puts the number of nations possessing chemical weapons at between 15 and 31. The United States, the Soviet Union, France, and Iraq are known to possess them; Egypt, Syria, Libya, Israel, Ethiopia, Burma, Thailand, China, Taiwan, North Korea, and Vietnam are reported to possess them; and Iran and South Korea are reportedly seeking them. *Id.* at 8-11. Formal negotiations between the United States and the Soviet Union on chemical weapons began in 1977, and moved to the Forty Nation Conference on Disarmament in 1980. Statement by the U.S. Representative (Fields) to the Conference on Disarmament: Chemical Weapons Convention, April 26, 1984, *reprinted in* Documents on Disarmament, *supra* note 6, at 353, 354.

[10] Address by Vice President George Bush to the Conference on Disarmament: Chemical Weapons Convention, April 18, 1984, *reprinted in* Documents on Disarmament, *supra* note 6, at 299, 300.

[11] *Id.*

[12] *Id.* at 303.

[13] The American Ambassador to the Conference on Disarmament elaborated on the extent of this burden in a speech to the Conference. Referring to one of the types of on-site inspection that the Draft Convention would create, he noted:

My Government recognizes that these special on-site inspection procedures will require an unprecedented degree of openness on the part of all countries that pose a risk to sensitive activities not related to chemical weapons. . . . [T]he United States has decided that the benefits flowing from such an inspection scheme greatly outweigh the risks. . . . The United States seriously considers that any risks can be minimized and managed through appropriate procedures for initiating and conducting special on-site inspections. . . . I want to assure all delegations in the Conference on Disarmament that my Government did not take the decision lightly to include this "open invitation" provision in our draft convention. There should be no question that the United States is willing to accept the consequences of these provisions.

Statement by the U.S. Representative (Fields) to the Conference on Disarmament: Chemical Weapons Convention—Compliance, July 19, 1984 [hereinafter Statement by the U.S. Representative], reprinted in Documents of Disarmament, *supra* note 6, at 531, 533.

[14] Address by Vice President Bush, *supra* note 10, at 304. Curiously, a representative of the Chemical Manufacturers' Association was quoted recently as stating in reference to the Draft Convention that "industry wouldn't object to on-site inspections and to scrutinization of records" because the current recordkeeping burden is so great that compliance inspections would not make it greater, although he noted concern about "safeguards to protect intellectual property." Ember, *supra* note 9, at 16. A number of other chemical industry representatives have expressed concern about the degree to which the Draft Convention protects proprietary and confidential information. See Marshall, *Progress on a Chemical Arms Treaty,* 238 Science 471, 472 (Oct. 23, 1987); Ember, *Global Chemical Experts Offer Advice for Chemical Weapons Treaty,* Chemical and Engineering News, July 27, 1987, at 16. See generally Hearings, *supra* note 9 (discussing verification problems). The West German view was expressed more directly. The Representative of the Federal Republic of Germany reacted to the Draft Convention's verification provisions by stating:

"We are . . . concerned that the mechanisms envisaged for the verification of nonproduction, as laid out in the United States draft, should not entail unnecessary burdens for the civilian chemical industry. In the Federal Republic of Germany, the chemical industry is an important pillar of our overall economic performance. It is therefore a legitimate consideration to seek to avoid intrusive measures that would not directly raise the level of effectiveness of verification."

Statement by the Representative of the Federal Republic of Germany (Wegener) to the Conference on Disarmament: Conference Procedures and Chemical Weapons Convention, Apr. 26, 1984, reprinted in Documents on Disarmanent, *supra* note 6, at 364, 368.

[15] See M. Krepon, *supra* note 5, at 14-27.

[16] Id. at 14; Adam, *supra* note 5, at 42, 54.

[17] See Adam, *supra* note 5, at 74; M. Krepon, *supra* note 5, at 20-27.

[18] Adam, *supra* note 5, at 43.

[19] *See, e.g., Reagan and Gorbachev Sign Missile Treaty and Vow to Work for Greater Reductions,* N.Y. Times, Dec. 9, 1987, at Al, col. 6 (treaty on Intermediate Nuclear Forces signed in Washington); *How to Destroy 2,611 Missiles,* N.Y. Times, Dec. 9, 1987, at Al, col. 3.

[20] The principal technological threat to U.S. strategic forces at the moment is increasing missile accuracy. This has made possible an attack on hard targets (such as missile silos) at a cost that is easily commensurate with the value of the target. The result has been decreased ICBM survivability and a perceived increase in strategic instability, as one side or the other may find a first strike a viable option. The chief U.S. response has been to harden its land-based missile silos. . . .

Scowcroft, *Technology and Strategic Forces,* in Science and Security: The Future of Arms Control 1 (W. Wander, R. Scribner, and K. Luongo eds. 1986).

[21] *Id: see also* Adam, *supra* note 5, at 43. The need for a mobile, concealable land-based missile is offered as the major justification for the proposed development of the "Midgetman" missile. See Scowcroft, *supra* note 20, at 1-2.

[22] U.S. Arms Control and Disarmament Agency, *United States Arms Control Policy,* in Science and Security: The Future of Arms Control, *supra* note 20, at 87-88.

[23] Intermediate Nuclear Forces Treaty, SUPRA note 5; *see also* S. Goldman, P. Gallis & J. Vogas, Verifying Arms Control Agreements: The Soviet View 95-96 (Congressional Reseach Service Report No. 87-316F, Apr. 16, 1987), reprinted in Subcomm. on Arms Control, International Security and Science of the House Comm. on Foreign Affairs, 100th Cong., 1st Sess. (Comm. Print 1987); Mendelsohn, *INF Verification: A Guide for the Perplexed,* Arms Control Today, Sept. 1987, at 25 (brief history of evolution of American and Soviet positions on verification of an INF treaty).

[24] Intermediate Nuclear Forces Treaty, *supra* note 5, arts. II(2), III.

[25] S. Goldman, P. Gallis & J. Vogas, *supra* note 23, at 96.

[26] Mendelsohn, *supra* note 23, at 25-26.

[27] *Id.* at 28.

[28] Intermediate Nuclear Forces Treaty, *supra* note 5, art. XI.

[29] Flournoy, *A Rocky START: Optimism and Obstacles on the Road to Reductions,* Arms Control Today 7, 13 (Oct. 1987).

[30] Vice President Bush asserted: "If the international community . . . joins us in subscribing to [open invitation verification inspections], . . . [w]e will have set a bold example for overcoming barriers that impede effective arms control in other areas." Address by Vice President Bush, *supra* note 10, at 304.

[31] *See generally* Aaron, *Verification: Will It Work?,* N.Y. Times, Oct. 11, 1987, sec. 6 (Magazine), at 36.

[32] Address by Foreign Minister Shevardnadze, Geneva Conference on Disarmament (August 6, 1987), *reprinted in* Union of Soviet Socialist Republics, Mission to the United Nations, Press Release No. 103, at 11 (Aug. 7, 1987); *see also Soviet Says Pershing Missiles Are Main Impediment to Pact,* N.Y. Times, Aug. 7, 1987, at A1, col. 5.

On August 11, 1987, the Soviet Representative to the Conference on Disarmament elaborated on this position, emphasizing:

"In our view the procedure of challenge inspections must securely ensure that no fact of violating the Convention and the consequences of such violation can be concealed by a state. . . . The fact that we have adopted the principle of mandatory challenge inspections does not however mean that we can disregard a possible disclosure of sensitive data, which can happen during such inspections, especially in case of abuse."

Statement by Youri K. Nazarkin, Ambassador Extraoridnary and Plenipotentiary, U.S.S.R. Representative to the Conference on Disarmament (Aug. 11, 1987), at 2. (Copy on file with the *Yale Journal of International Law*). The speech discusses at great length various means of proscribing challenge inspections in order to protect such "sensitive date." *See id.*

[33] Adam, *supra* note 5, at 42-43.

[34] *U.S. Group Checks Soviet Atomic Site*, N.Y. Times, July 14, 1986, at A1, col. 5; *Westerners Reach Soviet to Check Atom Site*, N.Y. Times, July 6, 1986, at A1, col. 2.

[35] *Inside a Key Russian Radar Site: Tour Raises Questions on Treaty*, N.Y. Times, Sept. 7, 1987, at A1. col. 1.

[36] *Soviets Allow Experts to Tour Chemcial Weapons Facilities*, Wash. Post, Oct. 5, 1987, at A17, col. 4.

[37] Adam, *supra* note 5, at 70, 74 (quoting Warren Heckrotte, U.S. technical advisor on nuclear test ban talks from 1961 through the late 1970s).

[38] Jack Sprat Could eat no Fat,
His Wife could eat no Lean;
And so, betwixt them both,
They lick'd the platter clean.

W. Baring-Gould & C. Baring-Gould, The Annotated Mother Goose 63 (1962).

[39] Address by Vice President Bush, *supra* note 10, at 300.

[40] The Draft Convention defines the term "chemical weapons" to include, *inter alia*, super-toxic lethal, other lethal, and other harmful chemicals, and their precursors, exempt for those chemicals intended solely for permitted purposes . . . and except for those chemicals which are not super-toxic lethal, or other lethal, chemicals and which are used by a Party for domestic law-enforcement and riot control purposes or used as a herbicide. . . .

Draft Convention, *supra* note 6, at art. II(1)(a). Each of the terms "super-toxic lethal chemical," "other lethal chemical," "other harmful chemical," and "toxic chemical" are defined in technical language relating to their potential for harming humans. *Id.*, art. II(2)-(5). "Precursors" are chemicals that can be "used in production of a super-toxic lethal chemical, other lethal chemical, or other harmful chemical." *Id.*, art. II (6).

[41] The term "chemical weapons production facility" includes buildings and equipment designed, constructed, or used since January 1, 1946, for producing any toxic chemical for chemical weapons or certain precursors, or for filling chemical weapons. *Id.*, art. II(10).

[42] Article II of the Draft Convention specifies the activities that would be permitted. For example, each party would be allowed to possess no more than one metric ton of super-toxic lethal chemicals or certain precursors, *id.*, art. III(2)(a), and any production of these could only take place at a single facility with a limited manufacturing capacity. *Id.*, art. III(2)(b).

[43] *Id.*, art. V(1)(e).

[44] *Id.*, art. VI(1)(g).

[45] *Id.*, art. VII(2).

[46] *Id.*, art. VII(3).

[47] *Id.*, annex I, §B(2)(a)-(c).

[48] *Id.*, annex I, §C(1).

[49] *Id.*, annex I, §D.

[50] *Id.*, annex I, §C(2).

[51] *Id.*, annex I, §C(3)(a).

[52] *Id.*, annex I, §C(1).

[53] *Id.*, annex I, §D(3).

[54] *Id.*, annex I, §D(1).

[55] *But see* Note, *supra* note 1, at 1063, which states that the Draft Convention generally utilizes only two forms of on-site inspection: special on-site inspections and ad hoc on-site inspections. However, this omits systematic international on-site verification inspections, which have an independent basis in the Draft Convention. *Compare* Draft Convention, *supra* note 6, art. VII(2)(a) *with id.*, art. VII(2)(c).

[56] *See* Draft Convention, *supra* note 6, arts. III-VI.

[57] *Id.*, art. V(1)(c).

[58] *Id.*, art. V(2).

[59] *Id.*, art. VI(1)(e).

[60] *Id.*, art. V(1)(f).

[61] *Id.*

[62] *Id.*, art. III(2)(b).

[63] *Id.*, art. III(3)(b).

[64] *Id.*, annex II, § B(A)(2).

[65] *Id.*, annex II, § B(G)(3).

[66] *Id.*, annex II, § B(F)(2) (providing for periodic inspections of the single facility each Party is permitted to use for producing super-toxic lethal chemicals and key precursors).

[67] *Id.*, annex II, §§ B(B)(1),(3) (specifying the inspections to be performed before and after the destruction of chemical weapons stocks).

[68] Draft Convention, *supra* note 6, art. X(1).

[69] The power of a member of the Fact-Finding Panel to request a special on-site inspection is termed a "right." *Id.*

[70] *Id.*, annex I, § C(2)(c).

[71] *Id.*, art. X(2)(b).

[72] *Id.*, art. X(4).

[73] *Id.*

[74] *Id.*, art. X(1)(a)-(b). It appears that the Draft Convention also would allow special on-site inspections at facilities where systematic international on-site verification inspections had already taken place.

[75] *Id.*, art. X(1)(b).

[76] *Id.*, annex II, § B(H)(2).

[77] However, the policy of including facilities that "might be suspected" of treaty violations certainly suggests that a broad range of installations would be subject to special on-site inspections. This is reinforced by the procedure for ordering such inspections, which permits a single party to request one and provides for no impartial review. *Id.*, art. X(I).

[78] Statement by the Soviet Representative (Issraelyan), to the Conference on Disarmament: Chemical Weapons [Extract], Apr. 26, 1984, *reprinted in Documents on Disarmament*, *supra* note 6, at 359, 361.

[79] Pincus, *U.S. Clarifies Stand on Chemical Pact: Soviets Offered Private Plant Inspection*, Wash. Post, May 1, 1984, at A12, col. 5.

[80] Statement by the U.S. Representative, *supra* note 13, at 531, 534 (emphasis in original).

[81] Dickson, *Chemical Weapons Pact Edging Closer*, 235 Science 1452, 1453 (1987).

[82] *See* Statement by the U.S. Representative, *supra* note 13, at 534, in which the American position on the Draft Convention is stated: "No imbalance in inspection obligations is either desired, intended, or contained. . . ."

[83] Draft Convention, *supra* note 6, art. I(d).

[84] Marcuss and Richard, *Extraterritorial Jurisdiction in United States Trade Law: The Need for a Consistent Theory*, 20 Colum. J. Trans. L. 439, 441 (1981). This analysis is reinforced by Article 29 of the Vienna Convention on the Law of Treaties, which states: "Unless a different intention appears from the treaty or is otherwise established, a treaty is binding upon each party in respect of its entire territory." Vienna Convention on the Law of Treaties, Jan. 27, 1980, U.N. Doc. A/Conf. 39/27, 8 I.L.M. 679, 691 (1969), *reprinted in* 63 Am. J. Int'l L. 875, 884 (1969). However, this Convention has not been ratified by the United States. *See* T. Franck & M. Glennon, Foreign Relations and National Security Law 242 (1987). The Convention has not been signed by the Soviet Union. M. Bowman & D. Harris, Multilateral Treaties Index and Current Status 326 (1984).

[85] Marcuss & Richard, *supra* note 84, at 443. A corollary to the question of whether the United States could consent to on-site arms control inspections of a foreign subsidiary of an American firm is whether such a foreign subsidiary would be entitled to Fourth Amendment protection. While the Fourth Amendment certainly would protect an American citizen abroad from unreasonable searches by agents of the U.S. government under color of federal law, it is unclear whether this would extend to subsidiaries that are foreign citizens. Note, *The Extraterritorial Application of the Constitution—Unalienable Rights?*, 72 Va. L. Rev. 649, 659-71 (1986).

[86] Marcuss & Richard, *supra* note 84, at 444, 448-52. Generally, the antiboycott statute precludes persons subject to its jurisdiction from refusing to do business with anyone pursuant to an agreement with, requirement of or on request or behalf of a boycotting country. It also outlaws boycott-based refusals by such persons to employ any United States person because of race, religion, sex or national origin. *Id.* at 449.

[87] *Compare* Draft Convention, *supra* note 6, art. X(1) *with id.*, *art* XI(1).

[88] *Id.* art. XI(2)(b), Annex I, A(5).

[89] *Id.* art. XI(2)(b).

[90] *Id.* art. XI(2)(c).

[91] *Id.* art. XI(1).

[92] *See supra* text accompanying note 79.

[93] Read broadly, private homes might be included as well.

[94] Draft Convention, *supra* note 6, annex II, §B(H)(3).

[95] *Id.*, annex II, §B(H)(3)(b).

[96] *Id.*, annex II, §B(H)(3)(c).

[97] *Id.*, annex II, §B(H)(3)(d).

[98] *See generally* L. Henkin, Foreign Affairs and the Constitution 251-70 (1972).

[99] Draft Convention, *supra* note 6, art. XII (emphasis added); *cf.* Reid v. Covert, 354 U.S. 1, 17 (1975) ("This Court has regularly and uniformly recognized the supremacy of the Constitution over a treaty.") (footnote omitted).

[100] U.S Const. amend. IV.

[101] *See, e.g.*, California v. Ciraolo. 106 S. Ct. 1809, 1811 (1986).

[102] 389 U.S. 347, 360-62 (1967) (Harlan. J., concurring).

[103] *Id.* at 361.

[104] *Id.*

[105] 106 S. Ct. 1809.

[106] *Id.* at 1812.

[107] Payton v. New York, 445 U.S. 573, 586 (1979) (citation ommitted).

[108] See v. City of Seattle, 387 U.S. 541, 543 (1967).

[109] Camera v. Municipal Court, 387 U.S. 523, 528-29 (1967). *See generally* Bacigal, *The Emergency Exception to the Fourth Amendment*, 9 U. Rich. L. Rev. 249 (1975).

[110] *Camara*, 387 U.S. at 532-33.

[111] "'[P]robable cause' is the standard by which a particular decision to search is tested against the constitutional mandate of reasonableness." *Id.* at 534.

[112] The fact that these inspectors might be foreign citizens employed by an international organization probably would not relieve them of whatever responsibilities the Fourth Amendment otherwise would impose directly on federal employees, because their actions would occur under color of federal law with the active cooperation of the federal government. *See* Annotation. *Application of Fourth Amendment Exclusionary Rule to Evidence Obtained through Search Conducted by Officials of Foreign Government*, 33 A.L.R. Fed. 342, 347-49 (1977).

[113] Nor do the annexes to the Draft Convention imply that on-site inspections in the United States ordinarily would be preceded by a warrant. While mention is made in several places of restrictions on the time, place, and manner of inspections that should be the subject of future negotiations, *see, e.g.*, Draft Convention, *supra* note 6, annex II, §B(H), the only provision that could reasonably be construed to allow for a warrant is Article XI(2)(c), which would allow a Party to refuse an ad hoc on-site inspection. In theory, the United States could seek a warrant for any location or facility sought to be inspected under Article XI, obtain a magistrate's decision within the requisite 24 hours of such a request by the Fact-Finding Panel, *id.*, and refuse the inspection if the decision is unfavorable. However, this assumes congruence between the level of suspicion sufficient to trigger an ad hoc on-site inspection and the level of probable cause necessary to support a warrant.

[114] The Vice President underscored the extraordinary nature of the on-site inspection provisions in stating:

"This pledge to an "open invitation" for inspections is not made lightly. We make it because it is indispensable to an effective chemical weapons ban. The essence of verification is deterrence of violations through the risk of detection. The "open invitation" procedures will increase the chances that violations will be detected and the chances that, in the event of violations, the evidence necessary for an appropriate international response can be collected. That is the heart of deterring violations." Address by Vice President Bush, *supra* note 10, at 303.

[115] State courts probably would lack jurisdiction to enter injunctive relief in such a case because it would involve restraining the actions of officials, albeit foreigners, acting under color of federal law. *See* Redish & Woods, *Congressional Power to Control the Jurisdiction of Lower Federal Courts: A Critical Review and a New Synthesis*, 124 U. Pa. L. Rev. 45, 88-92 (1975).

[116] The Supreme Court, in *Bivens v. Six Unknown Named Agents of Federal Bureau of Narcotics*, 4303 U.S. 388 (1971), announced that damages are available to plaintiffs to compensate for violations of

Fourth Amendment rights by agents of the federal government. The Court held, however, that damages would be available only to the extent that the individual plaintiff was hurt. The fact that constitutional rights, rather than mere common law or statutory rights, might be at the root of the action would thus not add to the compensation. Rothberg, *Private Remedies for Constitutional Wrongs—A Matter of Perspective, Priority, and Process,* 14 Hastings Const. L.Q. 77, 86-87 (1986) (discussing Memphis Community School Dist. V. Stachura, 477 U.S. 299 (1986)). However, a suit for damages under *Bivens* can be unsuccessful because of the immunity of various federal officials to such actions. *See* Mitchell v. Forsyth, 472 U.S. 511 (1985). *Compare* Nixon v. Fitzgerald, 457 U.S. 731 (1982) (President entitled to absolute immunity from damages liability predicated on official acts) *with* Harlow v. Fitzgerald, 457 U.S. 800 (1982) (presidential aides entitled only to qualified or good faith immunity).

[117] In Marshall v. Barlow's, Inc., 436 U.S. 307 (1978), the Court upheld the grant of an injunction against an attempted search that it found to contravene the Fourth Amendment. Injunctions have historically been a more likely remedy than damages in constitutional litigation. Rotenberg, *supra* note 116, at 85. A plaintiff's allegation that there is no adequate remedy at law for injuries inflicted by an unconstitutional search would be bolstered by the decision in Megapulse, Inc. v. Lewis, 672 F.2d 959 (D.C. Cir. 1982), which held that an injunction would lie against federal government disclosure of certain trade secrets. *Id.* at 970. In Dow Chemical Co. v. United States, 106 S. Ct. 1819 (1986), the Court stated that "the right to be free of appropriation of trade secrets is protected by law." *Id.* at 1823.

In recent years, the Supreme Court has limited the injunction remedy by requiring plaintiffs to prove "great and immediate" harm in addition to the traditional requirement of demonstrating irreparable injury. City of Los Angeles v. Lyon 461 U.S. 95, 106 (1983); *see also* Rotenberg, *supra* note 116, at 85. It seems unlikely, however, that the notion of "special factors counselling hesitation in the absence of affirmative action by Congress" noted in *Bivens,* 403 U.S. at 396, would be an obstacle to an injunction under current law because such a suit would not involve the creation of a new remedy; it would merely involve the application of a long-recognized remedy to a new fact situation. Nevertheless, it is possible that the Court would extend such an exception to obviate a suit like this one. *Cf.* Bush v. Lucas, 462 U.S. 367 (1983) (judicial relief denied for violation of federal employee's First Amendment rights where Congress has provided administrative forum).

[118] *See generally* Note, *Congressional Nuclear Freeze Proposals: Constitutionality and Enforcement,* 23 Harv. J. on Legis. 483, 486-519 (1986). While it is unclear whether this hypothetical lawsuit would be ripe prior to the announcement that the plaintiff chemical manufacturer was to be the subject of an on-site inspection, *cf.* Boyle v. Landry, 401 U.S. 77, 80-81 (1971), it is evident that once the decision to search its premises has been made, the dispute would be ripe for resolution. *Cf.* Marshall v. Barlow's, Inc., 436 U.S. 307.

[119] 454 U.S. 464 (1982).

[120] *Id.* at 472 (citations and footnote omitted).

[121] For example, it might be claimed that disclosure of trade secrets arising out of an inspection of the plaintiff chemical manufacturer would harm its competitive position, either in the domestic or the world market. *Cf.* Association of Data Processing Service Organizations v. Camp, 397 U.S. 150, 152 (1970).

[122] 369 U.S. 186 (1962).

[123] *Id.* at 217.

[124] *See* Goldwater v. Carter, 444 U.S. 996, 1003-04 (Rehnquist, J., concurring) (citing United States v. Curtiss-Wright Export Corp., 299 U.S. 304, 315 (1936)). *See generally* Note, *Whether the President May Terminate A Mutual Defense Treaty Without Congressional Approval Under the Constitution is a Non-Justiciable Political Question,* 29 Drake L. Rev. 659 (1979)-80) In *Dow,* however, the Court refused to approve a lower court injunction against aerial photography by an agency of the federal government that might record trade secrets, apparently because the Court was not convinced that the government would reveal them to competitors. 106 S. Ct. at 1823. The Court noted: "If the Government were to use the photographs to compete with Dow, Dow might have a Fifth Amendment 'taking' claim." *Id.*

[125] Baker v. Carr, 369 U.S. at 217.

[126] *Id.*

[127] *See, e.g.,* Youngstown Sheet & Tube Co. v. Sawyer, 343 U.S. 579, 635 (1951) (Jackson, J., concurring) (when the President acts pursuant to express congressional authorization, "his authority is at its maximum, for it include all that he possesses in his own right plus all that Congress can delegate").

[128] Baker v. Carr, 369 U.S. at 217; *see also* Scharpf, *Judicial Review and the Political Question: A Functional Analysis,* 75 Yale L.J. 517, 542 (1966).

[129] Baker v. Carr, 369 U.S. at 211 ("[I]t is error to suppose that every case or controversy which touches foreign relations lies beyond judicial cognizance."). For a critique of the Court's use of the political question doctrine in international law, see Lobel, *The Limits of Constitutional Power: Conflicts Between Foreign Policy and International Law,* 71 Va. L. Rev. 1071 (1985): "In general, judicial review should be available for challenges to executive or congressional actions that violate fundamental international law norms. . . . The attempts to justify a blanket rule of judicial abstention on international law challenges to foreign policy are ill-conceived. . . ." *Id.* at 1166-67. Lobel considers "fundamental international norms" to be "the right to life, the prohibition of torture or inhuman or degrading treatment, the freedom from slavery, or the proscription on ex post facto laws." *Id.* at 1146. Lobel does not include the right to be free from unreasonable searches in this list.

[130] 444 U.S. 996, 1004 (1979) (Rehnquist, J., concurring).

[131] D. Aronowitz, Legal Aspects of Arms Control Verification in the United States 18-19 (1965).

[132] *See, e.g.,* United States v. United States Dist. Court for the E. Dist. of Mich. *ex rel,* Keith, 407 U.S. 297, 321-22 (1972); Chagnon v. Bell, 642 F.2d 1248, 1259 (D.C. Cir. 1980) ("[I]t is plain that the Supreme Court in *Keith* left unanswered the question whether a foreign agent exception to the warrant requirement exists."); Katz v. United States, 389 U.S. 347, 358 n.23 (1967) ("Whether safeguards other than prior authorization by a magistrate would satisfy the Fourth Amendment in a situation involving the national security is a question not presented by this case.").

[133] 629 F.2d 908 (4th Cir. 1980).

[134] *Id.* at 911-12. In *Chagnon,* the court considered the appeal of a civil suit for damages against the Attorney General of the United States arising out of the same facts as *Truong,* but filed by plaintiffs whose conversations with Truong had been overheard in the course of the wiretaps. 642 F.2d at 1252-53, 1255. The court held that "the acts of the Attorney General were protected by the doctrine of qualified immunity," *id.* at 1266, and affirmed the judgment of the lower court granting the defendant summary judgment. *Id.* at 1251.

[135] 629 F.2d at 914 (citations omitted).

[136] *Id.* at 916.

[137] 516 F.2d 594 (D.C. Cir. 1975) (en banc) (Zweibon I), *cert. denied,* 425 U.S. 944 (1976); *cf.* Zweibon v. Mitchell, 720 F.2d 162 (D.C. Cir. 1983) (Zweibon IV), *cert. denied,* 469 U.S. 880 (1984); Zweibon v. Mitchell, 606 F.2d 1172 (D.C. Cir. 1979) (Zweibon III), *cert. denied,* 453 U.S. 912 (1981); In Re Zweibon, 565 F.2d 742 (D.C. Cir. 1977) (per curiam) (Zweibon II). All of the subsequent opinions involved tangential issues.

[138] Zweibon I, 516 F.2d at 605, 608-10.

[139] *Id.* at 669-70. Six of the eight judges who heard this case agreed with this holding. In *Chagnon,* 642 F.2d at 1248, the District of Columbia Circuit characterized its earlier holding in *Zweibon I* as restricting "the potential reach of the foreign agent exception by explicitly eliminating from its purview surveillance aimed at individuals or domestic organizations not acting on behalf of a foreign power. The *Zweibon I* court never squarely ruled that the putative foreign agent exception to the warrant requirement does not exist." *Id.* at 1259 (footnote omitted).

[140] Zweibon I, 516 F.2d at 633.

[141] *Id.* at 651.

[142] *Id.* at 653.

[143] *See* New Jersey v. T.L.O, 469 U.S. 325, 340 (1985) (no warrant requirement for school officials searching schoolchildren "when 'the burden of obtaining a warrant is likely to frustrate the governmental purpose behind the search.'") (quoting Camara v. Municipal Court, 387 U.S. 523, 532-33). In O'Connor v. Ortega, 107 S. Ct. 1492 (1987), the Court added that each "particular class of searches" implies its own standard of reasonableness. *Id.* at 1499.

[144] The Supreme Court has discussed two other possible exemptions. In *Camara,* 387 U.S. 523 (1967), the Court recognized an "emergency situations" exemption, such as the need to seize unwholesome food, vaccinate against smallpox, or implement a health quarantine. *Id.* at 539 (citations omitted). Similarly, in Michigan v. Tyler, 436 U.S. 499 (1978), the Court held that a burning building created "an exigency of sufficient proportions to render a warrantless entry [by firefighters] 'reasonable.'" *Id.* at 509. Since the possible violation of a treaty would not appear in itself to threaten public safety in such a direct manner, it does not seem likely that a reviewing court would find the emergency situations exception applicable to on-site arms control inspections. Moreover, the "exigency" that might be claimed to justify warrantless on-site inspections under the Draft Convention is one that would be created by the time limits in the treaty itself, rather than something inherent in the threat posed to society by chemical weapons. *Cf.* Note, *Police Created Exigencies: Implications for the Fourth Amendment,* 37 Syracuse L. Rev. 147 (1986). In any case, this is not the justification on which the Reagan Administration seems to rely for its assertion that chemical industry property would be subject to inspection under the Draft Convention.

The second exemption is the so-called "routine inspection" exemption. In Michigan v. Tyler, 436 U.S. 499, the Supreme Court considered whether a fire department should have obtained a search warrant to reenter a burned-out building over two weeks after extinguishing the blaze in order to investigate the possibility of arson. *Id.* at 511. In its opinion, the Court distinguished between the kind of "programmatic" searches typified by routine building inspections and searches like the instant case, which it characterized as "responsive to individual events." *Id.* at 507. Whereas constitutional reasonableness can be achieved in routine searches by the "broad legislative or administrative guidelines specifying the purpose, frequency, scope, and manner of conducting the inspections," *id.,* investigatory fire searches were found to be sufficiently focused that they justified the requirement of a warrant so that a magistrate could balance the "need for the instrusion on the one hand, and the threat of disruption to the occupant on the other." *Id.* The Court thus indicated that a heavier constitutional burden faces the government when it seeks to search without a warrant based on suspicion of some criminal wrongdoing than when it seeks to perform a routine search. *Id. See generally* Note, *Administrative Agency Searches Since* Marshall v. Barlow's, Inc.: *Probable Cause Requirements for Nonroutine Administrative Searches,* 70 Geo. L.J. 1183 (1982) (detailed discussion of different implications under Fourth Amendment of routine and nonroutine searches) [hereinafter Note, *Administrative Agency Searches*].

[145] Donovan v. Dewey, 452 U.S. 594, 598-99 (1981).

[146] United States v. Biswell, 406 U.S. 311, 316 (1972); *see also* Note, *Administrative Agency Searches, supra* note 144, at 1188-89.

[147] *See supra* note 80 and accompanying text.

[148] 406 U.S. 311 (1972).

[149] The term "social bargain" means an unstated agreement between a citizen and the government in which the citizen is permitted to carry on certain activities that otherwise would be prohibited, in return for accepting restrictions on the enterprise that would be inappropriate for most undertakings. Such social bargains are often struck to enable citizens to conduct activities that are unusually hazardous, but from which society as a whole benefits; the additional reguation that is extracted in return by the government is intended to provide society with a greater degree of protection than it would otherwise be entitled to receive. The term "social contract" is not used in order to avoid the many philosophical controversies that it engenders, although the notion of a social bargain is not unlike a social contract writ small. *Compare* J. Rawls, a Theory of Justice 16, 112 (1971), *with* Lyons *Nature and Soundness of the Contract and Coherence Arguments, in* Reading Rawls: Critical Studies of "a Theory of Justice" 149-60(1974).

[150] 18 U.S.C. §921 (1982).

[151] 406 U.S. at 311-13.

[152] *Id.* at 315, 316 (citations omitted).

[153] *Id.* at 317.

[154] 436 U.S. 307 (1978).

[155] *Id.* at 313.

[156] *Id.*

[157] *Id.* at 314.

[158] *Id.* at 313-14.

[159] *Id.* at 314.

[160] *Id.*

[161] 452 U.S. 594 (1981).

[162] 30 U.S.C. §801 (1982).

[163] 452 U.S. at 596.

[164] *Id.* at 597-98.

[165] *Id.* at 599-600.

[166] *Id.* at 599 (citation omitted).

[167] *Id.* at 600.

[168] *Id.* at 603.

[169] *Id.*

[170] *See id.*

[171] *Id.* at 603-04.

[172] *Id.* at 604.

[173] *Id.* at 604-05.

[174] *Id.* at 604.

[175] *See supra* text accompanying note 56-67.

[176] *See supra* note 14 and accompanying text. In addition, it appears that the so-called "routine" exemption to the Fourth Amendment, as discussed by the Supreme Court in Michigan v. Tyler, 436 U.S. 499 (1978), would support warrantless systematic on-site inspections. *See supra note 144.*

[177] *See supra* text accompanying notes 78-82.

[178] 106 S. Ct. 1819 (1986).

[179] The Supreme Court's decision in *Tyler*, 436 U.S. 499, would seem to argue against warrantless special on-site inspections. *See supra* note 144.

[180] 106 S. Ct. at 1828 (Powell, J., dissenting).

[181] *Id.* at 1822 (citation omitted).

[182] *Id.* at 1827.

[183] *Id.* at 1825 (citation omitted). The dissent agreed with the majority that a warrant would be required to search the interior of Dow's buildings. Presenting a more detailed discussion than the majority of the reasons why the exemption for pervasively regulated industries did not apply in this case, the dissent emphasized that "the exception is based on a determination that the reasonable expectation of privacy that the owner of a business does enjoy may be protected by the regulatory scheme itself." *Id.* at 1830-31 (Powell, J., dissenting) (citation omitted). *Cf.* Note, *Administrative Searches—The Ninth Circuit Expands the Closely Regulated Industry Exemption to the Fourth Amendment*, 1985 Ariz. St. L.J. 973 (fishing vessels subject to warrantless on-site inspections in order to determine whether porpoises were being killed illegally).

[184] *See supra* text accompanying note 80.

[185] *Id.*

[186] *See supra* text accompanying note 173.

[187] Donovan v. Dewey, 452 U.S. 594, 599 (1981).

[188] *See supra* text accompanying note 88.

[189] *See supra* text accompanying notes 109-111.

[190] *See supra* text accompanying note 90.

[191] 5 U.S. (1 Cranch) 137, 167, 177 (1803).

[192] 418 U.S. 683, 704 (1974).

[193] *Compare* Katz v. United States, 389 U.S. 347, 359-60 (1967) (Douglas, J., concurring) *with id.* at 362-64 (White, J., concurring).

[194] Draft Convention, *supra* note 6, art. VII(2).

[195] Johnson v. United States, 333 U.S. 10, 13-14 (1948).

[196] 389 U.S. 347 (1967).

[197] *Id.* at 357 (citations and footnotes omitted; ellipses and brackets in original).

[198] *See supra* text accompanying notes 91-93.

[199] Ad hoc on-site inspections resemble the general warrants that the King of England relied upon to search the businesses of colonists before the Revolutionary War. It was the reaction to such warrants that gave rise to the Fourth Amendment:

> "An important forerunner of the first 10 Amendments to the United States Constitution, the Virginia Bill of Rights, specifically opposed "general warrants, whereby an officer or messenger may be commanded to search suspected places without evidence of a fact committed." The general warrant was a recurring point of contention in the Colonies immediately preceding the Revolution. The particular offensiveness it engendered was actually felt by the merchants and businessmen whose premises and products were inspected for compliance with the several parliamentary revenue measures that most irritated the colonists. [T]he Fourth Amendment's commands grew in large measure out of the colonists' experience with the writs of assistance . . . [that] granted sweeping power to customs officials and other agents of the King to search at large for smuggled goods."

Marshall v. Barlow's, Inc., 436 U.S. 307, 311 (1978) (footnotes and citations omitted). The Draft Convention, however, does restrict ad hoc on-site inspections to "locations" that "are clearly defined." Draft Convention, *supra* note 6, annex II, B(H)(3)(c)-(d). The Draft Convention urges that the enforcement agency administering the treaty make "arrangements" that "limit intrusion to the level necessary to determine the facts," and narrow inspections "to places relevant to determination of the facts." *Id; see also supra* note 113 (discussing whether warrants might be intended as prerequisite to ad hoc on-site inspections); *supra* text accompanying notes 190-92 (explaining why the review process by the Fact-Finding Panel would not be an effective substitute for review of a proposed warrant by an American court).

[200] A court is even less likely to approve ad hoc on-site inspections if the Draft Convention is read to include private homes among the "locations or facilities" they could reach. *See supra* note 93 and accompanying text. In Payton v. New York, 445 U.S. 573 (1980), the Supreme Court declared:

> "The Fourth Amendment protects the individual's privacy in a variety of settings. In none is the zone more clearly defined than when bounded by the unambiguous physical dimensions of an individual's home. . . . [T]he Fourth Amendment has drawn a firm line at the entrance to the house. Absent exigent circumstances, that threshold may not reasonably be crossed without a warrant."

Id. at 589-90; *see also* Camara v. Municipal Court, 387 U.S. 523 (1967) (Fourth Amendment warrant requirement includes administrative searches of homes). The sorts of "exigent circumstances" that can justify a warrantless search include "violence. . . . [a] movable vehicle . . . , an arrest or imminent destruction, removal, or concealment of the property." United States v. Jeffers, 342 U.S. 48, 52 (1951). This definition implicitly assumes a case-by-case judicial analysis of the facts of each search. The idea of an entire new category of warrantless home searches is thus directly at odds with Fourth Amendment jurisprudence.

[201] This analysis, of course, does not imply that these methods could suffice to verify a given arms control treaty. That is a political and technical matter, as well as a legal one. This section merely suggests approaches that maximize the constitutional acceptability of verification.

[202] 106 S. Ct. 1819 (1986). *See supra* text accompanying notes 180-83 for a summary of the facts of this case.

[203] 106 S. Ct. at 1827.

[204] *Id.* at 1825.

[205] *Id.* (citation omitted).

[206] *Id.* at 1826 (citation omitted).

[207] *Id.* at 1826-27.

[208] *Id.* (footnote omitted).

[209] *Id.* at 1829 (Powell, J., dissenting).

[210] *Id.* at 1826.

[211] McGraw-Hill Encyclopedia of Science & Technology, *Sensitivity* 272 (6th ed. 1987).

[212] More precisely, selectivity is "the ability of a radio receiver to separate a desired signal frequency from other signal frequencies some of which may differ only slightly from the desired value." *Id., Selectivity,* at 243.

[213] *Cf.* California v. Ciraolo, 106 S. Ct. 1809, 1812-13 (1986); Oliver v. S., 466 U.S. 170, 182 n. 13 (1984) ("Certainly the Framers did not intend that the Fourth Amendment should shelter criminal activity wherever persons with criminal intent choose to erect barriers and post 'No Trespassing' signs.").

[214] *See* United States v. Knotts, 460 U.S. 276, 282-85 (1983).

[215] One example of a selective and sophisticated device with application to arms control verification might be a seismometer, which is well suited for detecting and measuring underground nuclear explosions. *See* Evernden & Marsh, *Yields of U.S. and Soviet Nuclear Tests,* Physics Today, Aug. 1987, at 37; Archambeau, *Verifying A Test Ban: A New Approach to Monitoring Underground Nuclear Tests,* Issues in Science and Technology, Winter 1986, at 18.

[216] *See* Adam, *supra* note 5, at 44.

[217] Article X subjects to special on-site inspection all "facilities controlled by the Government of a Party." *See supra* text accompanying notes 75-82.

[218] 328 U.S. 624 (1946), *judgment vacated on other grounds,* 330 U.S. 800 (1947) (per curiam). That the reasoning in *Zap* retained its vitality despite vacation of the judgment is confirmed by Katz v. United States, 389 U.S. 347, 358 n. 22 (1967), where the Court stated: "A search to which an individual consents meets Fourth Amendment requirements, Zap v. United States, 328 U.S. 624. . . ."

[219] 328 U.S. at 627.

[220] *Id.* at 624.

[221] *Id.* at 628.

[222] 48 U.S. 448 (1980).

[223] *Id.* at 474 (citations omitted).

[224] *Id.* at 475-76.

[225] 328 U.S. at 628.

[226] 444 U.S. 507 (1980) (per curiam).

[227] *Id.* at 507-08.

[228] *Id.* at 516.

[229] *Id.* at 509 n.3.

[230] *Id.* (citation omitted).

[231] 460 U.S. 824 (1983).

[232] *Id.* at 827-28.

[233] *Id.* at 840-841.

[234] *Id.* at 843.

[235] *Id.* at 842.

[236] *See e.g.,* 48 C.F.R. § 52.246-8(c) (1986). This section sets out a standard contract clause to be included in cost reimbursement contracts for research and development under the Federal Acquisition Regulations System, and states, *inter alia:*

> "The Government has the right to inspect and test all work called for by the contract, to the extent practicable at all places and times, including the period of performance, and in any event before acceptance. The Government may also inspect the plant or plants of the Contractor or its subcontractors engaged in the contract performance. The Government shall perform inspections and tests in a manner that will not unduly delay the work."

[237] *See generally,* Henkin, supra note 98, at 156-67.

[238] For example, the United States Senate could express a reservation that such a treaty would not take effect until the enactment of implementing legislation. *Id.* at 159.

[239] *See id.* at 158.

[240] *See id.*

[241] *Id.* at 159-60. *See Panama Canal Treaties: Hearings on Executive N Before the Senate Comm. on Foreign Relations (Part 1-Administration Witnesses),* 95th Cong., 1st Sess. 1-10 (1977) (statement of Griffin B. Bell, Attorney General of the United States), *reprinted in* 2 M. Glennon & T. Franck, United States Foreign Relations Law 339-48 (1980).

[242] The text of the Draft Convention offers little support for either position. Article XII requires each Party to "take any measures necessary in accordance with its constitutional processes to implement this Convention." Draft Convention, *supra* note 6, art. XII. But the very question that must be decided to determine whether the Draft Convention would be self-executing is what the constitutional test mandates.

[243] Dellinger, *Of Rights and Remedies: The Constitution as a Sword,* 85 Harv. L. Rev. 1532, 1563 (1972).

[244] *See, e.g.,* Redish & Woods, *Supra* note 115, at 76-81.

[245] *See* Dellinger, *supra* note 243, at 1543-52.

[246] 300 U.S. 227 (1937).

[247] *id.* at 240 (citations omitted).

[248] 28 U.S.C. §§2671-80 (Supp. 1987).

[249] 28 U.S.C. §2680(h) (Supp. 1987); *see also* Carlson v. Green, 446 U.S. 14, 19-20 (1980).

[250] *See supra* note 116.

[251] *See e.g.,* Carlson v. Green, 446 U.S. at 18-19; Davis v. Passman, 442 U.S. 228, 245-46 (1979); Bivens v. Six Unknown Named Agents of Federal Bureau of Narcotics, 403 U.S. 388, 396-97 (1971). Rotenberg, *supra* note 116, at 91-95, presents an excellent discussion of the evolution in the Court's view of the relationship between statutory and judicial remedies for constitutional violations.

[252] 462 U.S. 367 (1983).

[253] *Id.* at 378.

[254] 461 U.S. 95 (1983).

[255] *Id.* at 105-110.

[256] *See* Rotenberg, *supra* note 116, at 102-03 (discussing how the Court in *Lyons* might have fashioned an injunction in this case had it chosen to do so).

[257] *Id.* at 112-13.

[258] *See, e.g.,* Steinman, *Backing Off Bivens and the Ramifications of this Retreat for the Vindication of First Amendment Rights,* 83 Mich. L. Rev. 269 (1984);

> "If plaintiff is afforded a remedy under the legislative scheme, then the court should independently determine whether the remedy adequately vindicates plaintiff's constitutional rights. . . . [I]f an individual's constitutional rights have not yet been violated, but the risk to him is sufficiently great that he meets the requirements of standing, a case or controversy, and the like, the relief afforded should take the form of prospective relief. A legislated remedy not 'facing in the right direction' would be constitutionally inadequate."

Id. at 283 (emphasis in original; footnotes omitted); Sager, *Foreword: Constitutional Limitations on Congress' Authority to Regulate the Jurisdiction of the Federal Courts,* 95 Harv. L. Rev. 17, 85 (1981) ("[F]orbidding the federal courts to issue all constitutionally adequate remedies for a particular category of claims raises serious problems. . . . [T]he court in question must be empowered to grant relief that is at least reasonably effective.") (footnote omitted); Dellinger, *supra* note 243, at 1563:

"The fourth amendment does not grant the government the discretion to decide whether the benefits of infringing the public's right to be protected from unreasonable searches and seizures are worth some expenditure of the public's funds; the language of the amendment is an affirmative command. It is therefore doubtful that the substitution of a claim against the government for the exclusionary rule in all cases would provide equally effective vindication of the constitutional interests thus protected, and it is therefore doubtful that such a substitution would be constitutionally valid."

[259] Rotenberg, *supra* note 116, at 108–09, suggests:

"The Court needs to rethink the role of Congress concerning private remedies for constitutional wrongs. Ideally, the Court should protect remedies from congressional restrictions—whether they take the form of jurisdictional, substantive right, or remedy limitation. . . . The suggested limitation on Congress is only directed to its power to reduce private remedies below a due process minimum of appropriate relief. It is conceivable, therefore, that Congress could legislate appropriate relief in such a way that the Supreme Court would defer to congressional judgment in establishing an orderly remedial package."

[260] *See supra* sources cited in note 258.

[261] 476 U.S. 227 (1986).●

TOM HANRAHAN'S PLIGHT

● Mr. SIMON. Mr. President, in a weekly column I write for newspapers in my State, I tell a story of a man from suburban Chicago who deserves better from his government. I hope by writing this column justice will finally be done. I ask that it be reprinted in the Congressional Record.

The article follows:

Caught in a Bureaucratic Circle

(U.S. Senator Paul Simon of Illinois)

Sometimes government offices and regulations permit people to fall through the cracks and the result is needless human misery.

Forty-two-year old Tom Hanrahan, who lives in the Chicago suburb of Lindenhurst, is an example. He is married and has four children.

Back in 1979, he worked at the Great Lakes Naval Training Station in Illinois, in a cold storage area where anhydrous ammonia fumes were always present.

Before working at Great Lakes, Hanrahan was the picture of health. Now he has chest pains, shortness of breath, insomnia, weakness, severe impairments in attention and concentration, memory loss and other symptoms.

He has not been able to work for eight years.

Hanrahan—and his statement is backed by five co-workers—says he was exposed to dangerous amounts of anhydrous ammonia during a five-month period in 1979, including one major leak.

His co-workers say the refrigeration system included lots of old piping and fittings which leaked ammonia into the building. Mechanical failures and leaks in the seals were a frequent problem. They also say the ammonia detectors never worked properly.

Both his doctors and government doctors say Hanrahan is suffering from obstructive and restrictive lung disease, although the decision was not unanimous among the government doctors. His doctor says exposure to ammonia caused permanent pulmonary and neurological damage. But the government has ruled that there is no proof that the anhydrous ammonia that Tom Hanrahan inhaled caused his physical disabilities.

To this date, Tom Hanrahan has received no workers' compensation benefits. He has been unable to break loose from the bureaucratic circle of the Chicago regional office of Workers' Compensation Programs and the Washington office. He has been the victim of lost records, separated files and a host of other things frustrating a final decision.

But Tom Hanrahan refuses to give up. These days he takes care of his four children in the family's home while his wife works. He is physically unable to hold a job. I've been trying to help, but the bogged down machinery makes it difficult even for a senator to get assistance.

Publishing this column and sending it to appropriate officials may help.

Tom Hanrahan worked for the federal government, and by all accounts did good work. Now that he cannot work, he should not be ignored by the government he served.

I'm going to keep fighting for him.●

ENERGY POLICY AND CONSERVATION ACT AMENDMENTS

Mr. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2203.

The PRESIDING OFFICER (Mr. Levin) laid before the Senate the following message from the House of Representatives.

Resolved, That the bill from the Senate (S. 2203) entitled "An Act to extend the expiration date of title II of the Energy Policy and Conservation Act", do pass with the following amendment:

Strike out all after the enacting clause and insert:

That section 281 of the Energy Policy and Conservation Act (42 U.S.C. 6285) is amended by striking "1988" both places it appears and inserting in lieu thereof "1990".

SEC. 2. STUDY AND REPORT ON ENERGY POLICY COOPERATION BETWEEN UNITED STATES AND THE OTHER WESTERN HEMISPHERE COUNTRIES.

(a) Study.—The Secretary of Energy, in consultation with the Secretary of State and the Secretary of Commerce, shall conduct a study to determine how best to enhance cooperation between the United States and the other countries of the Western Hemisphere with respect to energy policy including stable supplies of, and stable prices for, energy.

(b) Report.—On completion of the study described in subsection (a), the Secretary of Energy shall—

(1) report the results of such study to the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate;

(2) propose a comprehensive international energy policy for the United States designed to enhance cooperation between the United States and the other countries of the Western Hemisphere; and

(3) recommend such action as the Secretary deems necessary to establish and implement such policy.

Mr. BYRD. Mr. President, I move that the Senate concur in the House amendments.

The motion was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. SIMPSON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

HELSINKI HUMAN RIGHTS DAY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of Senate Joint Resolution 338.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask that the Senate proceed to the immediate consideration of Senate Joint Resolution 338.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 338) to designate August 1, 1988 as "Helsinki Human Rights Day."

The joint resolution (S.J. Res. 338) was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution (S.J. Res. 338), with its preamble, is as follows:

S.J. Res. 338

Whereas August 1, 1988, will be the thirteenth anniversary of the signing of the Final Act of the Conference on Security and Cooperation in Europe (hereafter in this preamble referred to as the "Helsinki accords");

Whereas on August 1, 1975, the Helsinki accords were agreed to by the Governments of Austria, Belgium, Bulgaria, Canada, Cyprus, Czechoslovakia, Denmark, Finland, France, the German Democratic Republic, the Federal Republic of Germany, Greece, the Holy See, Hungary, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Malta, Monaco, the Netherlands, Norway, Poland, Portugal, Romania, San Marino, Spain, Sweden, Switzerland, Turkey, the Union of Soviet Socialist Republics, the United Kingdom, the United States of America, and Yugoslavia;

Whereas the participating States have committed themselves to balanced progress in all areas of the Helsinki accords;

Whereas the Helsinki accords recognize the inherent relationship between respect for human rights and fundamental freedoms and the attainment of genuine security;

Whereas the Helsinki accords express the commitment of the participating States to "recognize the universal significance of human rights and fundamental freedoms, respect for which is an essential factor for the peace, justice and well-being necessary to ensure the development of friendly relations and cooperation among themselves as among all States";

Whereas the Helsinki accords also express the commitment of the participating States to "respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language or religion";

Whereas the Helsinki accords also express the commitment of the participating States to "promote and encourage the effective exercise of civil, political, economic, social, cultural and other rights and freedoms all of which derive from the inherent dignity of the human person and are essential for his free and full development";

Whereas the Helsinki accords also express the commitment of the participating States to "recognize and respect the freedom of the individual to profess and practice, alone or in community with others, religion or belief acting in accordance with the dictates of his own conscience";

Whereas the Helsinki accords also express the commitment of the participating States on whose territory national minorities exist to "respect the right of persons belonging to such minorities to equality before the law" and that such States "will afford them the full opportunity for the actual enjoyment of human rights and fundamental freedoms and will in this manner, protect their legitimate interests in this sphere";

Whereas the Helsinki accords also express the commitment of the participating States to "constantly respect these rights and freedoms in their mutual relations" and that such States "will endeavor jointly and separately, including in cooperation with the United Nations, to promote universal and effective respect for them";

Whereas the Helsinki accords also express the commitment of the participating States to "conform the right of the individual to know and act upon his rights and duties in this field";

Whereas the Helsinki accords also express the commitment of the participating States in the field of human rights and fundamental freedoms to "act in conformity with the purposes and principles of the Charter of the United Nations and with the Universal Declaration of Human Rights" and to "fulfill their obligations as set forth in the international declarations and agreements in this field, including inter alia the International Covenants on Human Rights, by which they may be bound";

Whereas the Helsinki accords by incorporation also express the commitment of the participating States to guarantee the right of the individual to leave his own country and return to such country;

Whereas the Helsinki accords also express the commitment of the participating States to "facilitate freer movement and contacts, individually and collectively, whether privately or officially, among persons, institutions and organizations of the participating States, and to contribute to the solution of the humanitarian problems that arise in that connection";

Whereas the Helsinki accords also express the commitment of the participating States to "favorably consider applications for travel with the purpose of allowing persons to enter or leave their territory temporarily, and on a regular basis if desired, in order to visit members of their families";

Whereas the Helsinki accords also express the commitment of the participating States to "deal in a positive and humanitarian spirit with the applications of persons who wish to be reunited with members of their family" and "to deal with applications in this field as expeditiously as possible";

Whereas the Helsinki accords also express the commitments of the participating States to "examine favorably and on the basis of humanitarian considerations requests for exit or entry permits from persons who have decided to marry a citizen from another participating State";

Whereas the Helsinki accords also express the commitment of the participating States to "facilitate wider travel by their citizens for personal or professional reasons";

Whereas the Helsinki accords also express the commitment of the participating States to "facilitate the freer and wider dissemination of information of all kinds, to encourage cooperation in the field of information and the exchange of information with other countries";

Whereas the Governments of the Union of Soviet Socialist Republics, Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania, in agreeing to the Helsinki accords, have made a commitment to adhere to the principles of human rights and fundamental freedoms as embodied in the Helsinki accords;

Whereas, despite some limited improvements, the aforementioned Governments have failed to implement their obligations under Principle VII of the Helsinki accords to respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief;

Whereas, despite some limited improvements, the aforementioned Governments have failed to implement their obligations under Basket III of the Helsinki accords to promote free movement of people, ideas and information;

Whereas representatives from the signatory States are convened in Vienna to review implementation and address issues of compliance with the human rights and humanitarian provisions of the Helsinki accords: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) August 1, 1988, the thirteenth anniversary of the signing of the Helsinki accords is designated as "Helsinki Human Rights Day";

(2) the President is authorized and requested to issue a proclamation reasserting the American commitment to full implementation of the human rights and humanitarian provisions of the Helsinki accords, urging all signatory nations to abide by their obligations under the Helsinki accords, and encouraging the people of the United States to join the President and Congress in observance of the Helsinki Human Rights Day with appropriate programs, ceremonies, and activities;

(3) the President is further requested to continue his efforts to achieve full implementation of the human rights and humanitarian provisions of the Helsinki accords by raising, with the Governments of the Soviet Union, Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania, the issue of their noncompliance at every available opportunity;

(4) the President is further requested to convey to all signatories of the Helsinki accords that respect for human rights and fundamental freedoms is a vital element of further progress in the ongoing Helsinki process;

(5) the President is authorized to convey to allies and friends of the United States that unity on the question of respect for human rights and fundamental freedoms is an essential means of promoting the full implementation of the human rights and humanitarian provisions of the Helsinki accords;

(6) the President is requested to continue his efforts to achieve before the end of the Vienna meeting the release of all political prisoners of the Soviet Union, including Helsinki monitors, a significant increase in Soviet emigration, the resolution of all family reunification cases, the cessation of all radio transmission jamming, and the repeal of laws, procedures, and practices which undermine human rights;

(7) the President is further requested to seek the inclusion, in any concluding document agreed to in Vienna, of a mechanism to assure that human rights progress is sustained following the conclusion of the Vienna meeting; and

(8) the President is further requested to convey to signatory States the insistence of the United States for a balanced result at the Vienna meeting that will not favor military security at the expense of human rights.

SEC. 2. The Secretary of the Senate is directed to transmit copies of this joint resolution to the President, the Secretary of State, and the Ambassadors of the thirty-four Helsinki signatory nations.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. SIMPSON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE EXECUTIVE CALENDAR

Mr. BYRD. Mr. President, I inquire of the able assistant Republican leader whether or not the following nominations have been cleared on his side of the aisle beginning with page 2 of the Executive Calendar, Calendar Nos. 718 and 721, and continuing through the remainder of this page through page 3, Department of State and the Ambassadors shown thereon, and that is it. And Calendar Order No. 717 on page 2, Department of the Treasury.

Mr. SIMPSON. Mr. President, all of those have been cleared on this side of the aisle. I greatly appreciate, again, the effort of the majority leader to address those. I appreciate it very much.

Mr. BYRD. Mr. President, I thank my friend.

EXECUTIVE SESSION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the aforementioned nominations, that they be considered and confirmed en bloc, that the motion to reconsider en bloc be laid on the table, that the President be immediately notified of the confirmation of the nominees, that any Senators who wish to have statements included in the RECORD may do so at the appropriate place; that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and approved en bloc are as follows:

DEPARTMENT OF THE TREASURY

Jill E. Kent, of the District of Columbia, to be an Assistant Secretary of the Treasury, vice John F.W. Rogers, resigned.

DEPARTMENT OF STATE

Paul D. Taylor, of New York, a career member of the Senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Dominican Republic.

Robert South Barrett IV, of Virginia, a career member of the Senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Djibouti

Daniel Anthony O'Donohue, of Virginia, a career member of the Senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Thailand.

Mary A. Ryan, of Texas, a career member of the Senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Swaziland.

Jeffrey Davidow, of Virginia, a career member of the Senior Foreign Service, class of counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Zambia.

Richard Llewellyn Williams, of the District of Columbia, a career member of the Senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Mongolian People's Republic.

Philip D. Winn, of Colorado, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland.

Sheldon J. Krys, of Maryland, to be an Assistant Secretary of State, vice Donald J. Bouchard, resigned.

Warren Zimmermann, of Virginia, a career member of the Senior Foreign Service, class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Socialist Federal Republic of Yugoslavia.

To be Ambassador

E. Allan Wendt, of California, a career member of the Senior Foreign Service, class of minister-counselor, for the rank of Ambassador during his tenure of service as senior representative for strategic technology policy in the Office of the Under Secretary of State for Coordinating Security Assistance Programs.

Stephen R. Hanmer, Jr., of Virginia, for the rank of Ambassador during his tenure of service as U.S. Negotiator for Strategic Nuclear Arms.

LEGISLATIVE SESSION

Mr. BYRD. Mr. President, does the leader on the other side of the aisle have any further statement he would like to make or any business he would like to transact?

Mr. SIMPSON. Mr. President, I do not. As I say without being at all repetitive, I appreciate the ability of the majority leader to extricate us from the situation which confronted us last night and today. It could certainly not have been done without his skill and craft. I appreciate it.

Mr. BYRD. Mr. President, I again thank my friend.

By the way, was there morning business today?

The PRESIDING OFFICER. There was morning business today.

MOTIONS AND RESOLUTIONS OVER, UNDER THE RULE DEEMED AS HAVING BEEN WAIVED

Mr. BYRD. Mr. President, I ask unanimous consent that motions and resolutions over, under the rule be deemed as having been waived today.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

PROGRAM

Mr. BYRD. Mr. President, on Monday, the Senate will convene at the hour of 10 o'clock a.m. After the two leaders have been recognized under the standing order, there will be morning business until 10:30 a.m. Senators may speak during that period for morning business for not to exceed 5 minutes each.

At 10:30 a.m., the Senate will resume consideration of the D.C. appropriations bill, at which time the pending question will be on the amendment by Mr. ARMSTRONG. There is a time limitation on that amendment of 10 minutes to be equally divided between Mr. ARMSTRONG and Mr. HARKIN, and that at the conclusion of that 10 minutes, the Senate will proceed to vote without further intervening action, motions, amendments, or debate on the Armstrong amendment.

Immediately upon the disposition of that amendment, the Senate, without further intervening action, motions, or debate, will proceed to vote on final passage of the D.C. appropriations bill. That is H.R. 4776.

Upon the disposition of the D.C. appropriations bill, the Senate then will proceed, under the order previously entered, to the consideration of S. 11, a bill to provide for judicial review of Veterans' Administration decisions denying claims for benefits. There is a time agreement on that bill.

And upon the disposition of that bill, the Senate will then proceed to the consideration of S. 533, a bill to establish the Veterans' Administration as an executive department. There is a time agreement on that bill.

And so the prospect for several rollcall votes on Monday morning is real, and Senators should be here at least by 10:40 a.m. The first vote will, of course, be a 15-minute rollcall vote, as always, and the call for the regular order will be automatic. There will be votes throughout the day.

Upon the disposition then of the two bills, S. 11 and S. 533, the Senate will proceed to the consideration of the HUD appropriations bill.

Mr. President, I think we had a good 3 days, and I look forward to a good weekend. I thank my good friend, the Senator from Wyoming.

RECESS UNTIL MONDAY, JULY 11, 1988, AT 10 A.M.

Mr. BYRD, Mr. President, if there be no further business then to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 10 o'clock on Monday morning next.

The motion was agreed to; and the Senate, at 4:51 p.m., recessed until 10 a.m., Monday, July 11, 1988.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 8, 1988:

DEPARTMENT OF THE TREASURY

JILL E. KENT, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT SECRETARY OF THE TREASURY.

DEPARTMENT OF STATE

PAUL D. TAYLOR, OF NEW YORK, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE DOMINICAN REPUBLIC.

ROBERT SOUTH BARRETT IV, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF DJIBOUTI.

DANIEL ANTHONY O'DONOHUE, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KINGDOM OF THAILAND.

MARY A. RYAN, OF TEXAS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KINGDOM OF SWAZILAND.

JEFFREY DAVIDOW, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRADORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ZAMBIA.

RICHARD LLEWELLYN WILLIAMS, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE MONGOLIAN PEOPLE'S REPUBLIC.

PHILIP D. WINN, OF COLORADO, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO SWITZERLAND.

SHELDON J. KRYS, OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF STATE.

WARREN ZIMMERMANN, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE

UNITED STATES OF AMERICA TO THE SOCIALIST FEDERAL REPUBLIC OF YUGOSLAVIA.

E. ALLAN WENDT, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS SENIOR REPRESENTATIVE FOR STRATEGIC TECHNOLOGY POLICY IN THE OFFICE OF THE UNDER SECRETARY OF STATE FOR COORDINATING SECURITY ASSISTANCE PROGRAMS.

STEPHEN R. HANMER, JR., OF VIRGINIA, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS U.S. NEGOTIATOR FOR STRATEGIC NUCLEAR ARMS.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

HOUSE OF REPRESENTATIVES—*Monday, July 11, 1988*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

May Your power and mercy and love, O God, be present today and every day. Especially, gracious God, may Your strength be available to us when we face those walls of life that cause worry or alienation. Just as Your word can ease the storms of the sea, so may Your word heal the hurts in the lives of people everywhere and give calm and confidence to our lives. May the harsh walls of prejudice or loss, or bewilderment or fear, be put down by the majesty of Your promise that You are always with us and bless us at all the critical moments of life. Amen.

THE JOURNAL

The **SPEAKER**. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 319. Concurrent resolution congratulating His Majesty King Taufa'ahau Tupou IV and the people of Tonga on the occasion of the King's 70th birthday, the 21st anniversary of the King's coronation, and the celebration of the centennial of the Treaty of Amity, Commerce, and Navigation between the United States and the Kingdom of Tonga.

The message also announced that the Senate agrees to the amendment of the House to the bill (S. 2203) entitled "An act to extend the expiration date of title II of the Energy Policy and Conservation Act."

The message also announced that the Senate had passed a bill and joint resolution of the following titles, in which the concurrence of the House is requested:

S. 2527. An act to require advance notification of plant closings and mass layoffs, and for other purposes; and

S.J. Res. 338. Joint resolution to designate August 1, 1988, as "Helsinki Human Rights Day."

CONDEMNING BRITISH ARMS SALE TO SAUDI ARABIA

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, without principle and in unfettered pursuit of profit, Britain announced last week its intention to sell Saudi Arabia an arms package in excess of $30 billion.

Casting aside concerns of heightened tensions in the volatile Mideast, casting aside concerns of a regional arms race escalation, the British Government chose instead to feed the insatiable Saudi appetite for arms.

Why do the Saudis want these massive arms supplies—which could in the end make them less, not more, secure?

To protect themselves from Iran? Iran is a paper tiger. From Israel? Yet the Saudis—and their foreign suppliers—say piously this is never the purpose of these purchases. To guard against regional instability? Yet this sophisticated package virtually guarantees an increase in the very instability the Saudis decry. And these arms might deprive them of the excuse they need to avoid war if it were to break out in the region.

Clearly, there is no legitimate rationale for these enormous arms purchases. Except perhaps to satisfy the Saudi addiction to Western weapons.

Mr. Speaker, pocketbook interests conflict with American interests in this region. This administration doesn't understand that the next administration should promote the nonproliferation of conventional arms and call for multinational restraint. That is the road to stability and the path we must pursue.

REAGAN ASKED TO RECONSIDER PAYMENTS TO IRANIANS

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, I have more respect for President Ronald Reagan than I have for most any man alive. It's because of that deep respect that I urge him not to pay 1 red cent to any Iranians because of the accidental downing of their airliner.

Mr. Speaker, America's well-deserved reputation as the most humane Nation on Earth has not suffered among fair-minded people. America needs no phony public relations gesture, even for humanitarian purposes, especially one having the practical effect of admitting we are as barbaric as Iran.

Mr. Speaker, where were the calls for reparations for the 241 marines killed in Lebanon by forces taking orders from the Ayatollah? Where were the calls for reparations for the victims of the U.S.S. *Stark*? Where were the calls for reparations for the families of our hostages, including Marine Lt. Col. William Higgins?

Oil-rich Iran has had enough money to conduct a bloody war for 7 years. We do not need to replenish their murderous coffers with guilt money.

If we do make payments, they should go to nationals of other nations, not to Iranians.

Mr. Speaker, I ask the President to please reconsider this idea, which sends a false message, and rewards a criminal regime.

TOO MANY UNANSWERED QUESTIONS

(Mr. COBLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBLE. Mr. Speaker, it has been announced that the United States will compensate the families of those killed on the Iran airbus shot down last week. Mr. Speaker, as tragic as that accident was, we should not compound one mistake with another.

I am not insensitive or uncaring to the relatives of those who were killed, but there are too many unanswered questions. We may have been guilty of some wrongdoing; the Iranians may have been guilty of some wrongdoing. But we must keep in mind that it is the action of the Iranian leadership which has caused this tragedy to occur. It is the Iranian policy of firing at commercial vessels and impeding the flow of oil from this vital region that caused the United States to be in the Persian Gulf in the first place.

I have serious doubts that the families will receive any of the money we send to Iran. I believe the Iranian Government will use the money to promote its own causes. Even with the efforts of outside organizations such as the Red Cross to see that the money is given directly to the families, I think the Iranian Government cannot be trusted.

And what about the Americans still being held hostage? Should we not demand compensation for the American families who have been deprived of their loved ones for so long? There

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□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

are too many questions still unanswered, Mr. Speaker, for us to discuss compensation at this time.

INTRODUCTION OF CONCURRENT RESOLUTION LINKING AIRLINE DISASTER COMPENSATION AND FREEING OF HOSTAGES

(Mr. RINALDO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RINALDO. Mr. Speaker, I understand that, earlier today, President Reagan indicated he has agreed to pay compensation to the families of victims of the Iranian airline disaster.

Although he stipulated no money would go to the Government of Iran, I strongly disagree with the President's precipitate action and I urge him to reconsider it.

First of all, as the distinguished chairman of the House Armed Services Committee has indicated, we do not know all the facts surrounding this incident, nor do we know to what degree the Government of Iran shares responsibility for this tragedy.

Second, and just as importantly, there has never been one iota of remorse or regret on the part of Iran for the tragedies it has inflicted on Americans over the last 9 years.

This Congress will be called upon to decide the issue of reparations, and I urge my colleagues to reject it before certain fundamental questions are answered.

First among them is the fate of the American hostages now held in Beirut. Will they or their families be paid reparations for their illegal detention?

Second, what of the family of American serviceman Robert Stethem, who was killed by Iranian-supported terrorists?

What of the family of Mr. Klinghoffer and the other innocent victims of the *Achille Lauro*?

It is right for the U.S. Government to be compassionate.

It is right for us to treat these victims' families with a sense of justice and our own responsibility, but not before Iran is held accountable for its own acts.

Today I am introducing a concurrent resolution expressing the sense of Congress that no payments should be made before the hostages in Beirut are freed.

I urge my colleagues to join me in sponsoring this legislation.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
July 8, 1988.

Hon. JIM WRIGHT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in clause 5 of rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit the following sealed envelopes received from the White House at 4:55 p.m. on Friday, July 8, 1988 as follows:

(1) Said to contain a message from the President transmitting the 1987 annual report of the National Advisory Council on Adult Education; and,

(2) Said to contain a message from the President on the Semiannual Report to the Congress on the Libyan Emergency (with attachments).

With great respect, I am,
Sincerely yours,
DONNALD K. ANDERSON,
Clerk, House of Representatives.

REPORT ON NATIONAL EMERGENCY WITH RESPECT TO LIBYA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 100-211)

The SPEAKER pro tempore (Mr. KILDEE) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs, and ordered to be printed.

(For message, see proceedings of the Senate of today, Monday, July 11, 1988.)

□ 1215

ANNUAL REPORT OF NATIONAL ADVISORY COUNCIL ON ADULT EDUCATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Education and Labor.

(For message, see proceedings of the Senate of today, Monday, July 11, 1988.)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Tuesday, July 12, 1988.

GRANTS FOR STATE VETERANS' CEMETERIES

Mr. MONTGOMERY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4861) to amend title 38, United States Code, to authorize appropriations for grants for State veterans' cemeteries.

The Clerk read as follows:

H.R. 4861

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION OF APPROPRIATIONS.

Paragraph (2) of subsection (a) of section 1008 of title 38, United States Code, is amended to read as follows:

"(2) There are authorized to be appropriated $9,000,000 for fiscal year 1989 and such sums as may be necessary for each of the four succeeding fiscal years for the purpose of making grants under paragraph (1) of this subsection.".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Mississippi [Mr. MONTGOMERY] will be recognized for 20 minutes and the gentleman from New York [Mr. SOLOMON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Speaker, I yield myself such time as I may consume.

H.R. 4861 would extend for 4 years the program of grants to States for veterans' cemeteries and authorize the appropriation of $9 million for fiscal year 1989 and necessary funds through 1993.

The VA makes matching grants to cover up to 50 percent of costs to States in establishing, expanding, and improving State veterans cemeteries. The program has been quite successful. Thus far, 12 States, including the Territory of Guam, have been awarded grants totaling $10.5 million, and an additional 30 States have expressed interest in the program.

Authority for the current program will expire in fiscal year 1989.

We propose to extend the program through fiscal year 1993, thereby permitting additional participation by the States. Funding for this extension is contained in H.R. 4800, the HUD-independent agencies appropriation bill, which passed the House a few weeks ago.

I would like to commend the distinguished gentlelady from Ohio, the very able chairwoman of our Subcommittee on Housing and Memorial Affairs, MARCY KAPTUR, for her continued concern for the needs of our Nation's veterans. She has worked very hard to strengthen the programs of the Department of Memorial Affairs.

I would also like to thank the ranking minority member of the full committee, GERALD SOLOMON, and the ranking minority member of the Subcommittee on Housing and Memorial Affairs, Dan Burton, for their excellent support.

Mr. Speaker, this is an important bill, and I urge all Members of the House to vote for it.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise as ranking member of the Veterans' Affairs Committee in strong support of H.R. 4861, a bill to authorize grants for the State veterans' cemeteries.

Mr. Speaker, I commend our chairman, Sonny Montgomery, for bringing H.R. 4861 to the floor in a timely manner and for his unflagging support of it. Also, I commend the chairwoman, Marcy Kaptur of the Subcommittee on Housing and Memorial Affairs, and the subcommittee's ranking member, Dan Burton, for developing and advancing this legislation.

This bipartisan measure, which extends authorization for State grants for 4 more years until the end of fiscal year 1993, and which authorizes an appropriation of $9 million for fiscal year 1989, is noncontroversial. The administration supports it and our committee reported it unanimously.

The State cemetery grant is a good adjunct to the Veterans' Administration's national cemetery system. It is a good Federal-State relationship program; and it is modest in cost.

I favor the continued authorizations called for in the bill before us. H.R. 4861 deserves the support of every Member of the House.

Mr. Speaker, I yield such time as he may consume to the former ranking Republican of the committee, the gentleman from Arkansas, Mr. John Paul Hammerschmidt.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in strong support of H.R. 4861, to authorize grants for State veterans' cemeteries. This legislation authorizes $9 million in fiscal year 1989 in Federal matching grants to States for land acquisition and construction costs associated with the establishment of State-owned veterans' cemeteries.

The State veterans' cemetery grant program augments or complements the national veterans' cemetery system providing plots for veterans where national cemeteries cannot satisfy their burial needs.

I commend the fine work of Congresswoman Kaptur, the chairperson of the Subcommittee on Housing and Memorial Affairs, and Congressman Burton, the ranking member of the subcommittee.

Mr. Speaker, this legislation will help us meet an important national commitment we've made to our veterans and I request all of my colleagues to support the bill.

Mr. MONTGOMERY. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I would like to point out to my colleagues that at the manager's table we have the blue sheets; if any Member would like to come by and pick up those blue sheets, it explains this bill that is before the body at this time.

Mr. SOLOMON. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I would also like to call to the attention of the membership, and as a matter of fact, to the attention of all Americans throughout the country, especially those who have served honorably in the American armed services, on behalf of myself and the gentleman from Mississippi, Mr. Sonny Montgomery, the historic event that may be taking place today over in the other body. They are at the present time about to take up the Cabinet-level legislation which passed this House overwhelmingly, on which the gentleman from Mississippi, Mr. Sonny Montgomery, has done such yeoman work over this past year and finally getting some action over in the Senate.

President Reagan has agreed to sign the measure if it is not in substantial difference between the bill that we have passed.

Mr. Speaker, I just want to commend the gentleman from Mississippi for all his outstanding work because it looks like we finally may get a Department of Veterans' Affairs for the veterans of this Nation.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Speaker, I appreciate the gentleman's remarks. The gentleman has been very kind to me; but the gentleman on the minority side has done more work than this chairman has. I certainly hope that it will be historic and that the Senate will act on the Cabinet-level position this afternoon and will bring it back to conference and we can have this legislation before the President within the next couple weeks.

So I think what the gentleman has done is very important, to point this up that the Cabinet-level position bill has finally reached the Senate floor, we hope, and action will be taken.

Ms. KAPTUR. Mr. Speaker, H.R. 4861 authorizes appropriations for grants for State veterans cemeteries and extends the program for 4 years.

Many important improvements have been made in the National Cemetery System since the enactment of Public Law 93-43, which transferred jurisdiction of all federally owned cemeteries, except Arlington National Cemetery, from the Department of the Army to the Veterans' Administration [VA].

Public Law 95-476 authorized the establishment of the State Cemetery Grant Program. This Federal Grant Program is administered by the VA Department of Memorial Affairs to aid States in the establishment, expansion and improvement of veterans' cemeteries. The primary purpose of the program is to assist the States to provide gravesites for veterans in those areas where national cemeteries cannot fully satisfy the burial needs of veterans. The program is intended to complement the VA National Cemetery System.

Generally, veterans service organizations and/or interested State officials encourage the State legislature to enact legislation for the necessary site acquisition, construction, operation, and maintenance. The VA provides up to 50 percent of the costs associated with the development, expansion or improvement of a State-owned cemetery.

To qualify, title to the site must be vested in the State and the cemetery operated solely for those persons eligible for burial in a national cemetery. Grants are made on the condition that the cemetery shall conform to standards and guidelines relating to the site selection, planning and construction prescribed by the VA.

Mr. Speaker, the VA has made a continuous and aggressive effort to publicize the program over the last several years. Thus far, 12 States, including the territory of Guam, have been awarded grants totaling $10.5 million for Federal assistance in the cost of establishing, expanding, or improving State veterans' cemeteries. In total, 18 States have submitted 38 applications for assistance in acquiring land for or improving facilities at 27 cemeteries totaling $24.2 million.

An additional 30 States have expressed an interest in the program and the committee bill, therefore, would extend the State grant authority for an additional 4 years through fiscal year 1993.

I would like to commend the chairman of the full Committee on Veterans' Affairs, G.V. (Sonny) Montgomery, for his prompt action in getting this measure to the House. I would also like to thank the ranking minority member of the full committee, Gerald B.H. Solomon, and the ranking minority member of the Subcommittee on Housing and Memorial Affairs, Dan Burton, for their excellent support.

Mr. Speaker, I urge favorable consideration of this measure.

Mr. BURTON of Indiana. Mr. Speaker, I have the privilege of serving on the House Committee on Veterans' Affairs and on the Subcommittee on Housing and Memorial Affairs. We who serve on the committee take our sacred trust very seriously. Those who bore arms in defense of our liberties deserve our gratitude and our loyalty. We are entrusted with helping to provide for their needs, in health, in sickness, and in death.

I urge the adoption of H.R. 4861, the extension of the State Cemetery Grant Program. This bill would extend a worthy and successful program and meet an urgent need. It is imperative that we make sure all our veterans are taken care of when they reach the end of their days.

Mr. SOLOMON. Mr. Speaker, I yield back the balance of my time.

Mr. MONTGOMERY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr.

MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 4861.

The question was taken.

Mr. HAMMERSCHMIDT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4861, the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

JOHN MUIR NATIONAL HISTORIC SITE LAND ADDITION

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4315) to provide for the inclusion of certain lands within the John Muir National Historic Site, as amended.

The Clerk read as follows:

H.R. 4315

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. BOUNDARY CHANGE FOR JOHN MUIR NATIONAL HISTORIC SITE.

(a) MAP; LAND ACQUISITION.—The Secretary of the Interior is authorized to acquire (by donation, purchase with donated or appropriated funds, or exchange) lands and interests in land within the area generally depicted on the map entitled "Boundary Map, John Muir National Historic Site" numbered 426-80, 015A and dated June 1988. The map shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. Lands and interests in lands, within the boundaries of such area which are owned by the State of California or any political subdivision thereof, may be acquired only by donation or exchange. The Secretary of the Interior shall acquire only such interest in the John Muir grave site (as depicted on the map referred to in this subsection) as may be necessary to preserve the site in its present undeveloped condition and to provide all maintenance of the site by the Secretary of the Interior.

(b) INCLUSION WITHIN HISTORIC SITE.—The lands and interests in lands within the boundaries of the area depicted on the map referred to in subsection (a) shall be administered as part of the John Muir National Historic Site established by the Act of August 31, 1964 (78 Stat. 753; 16 U.S.C. 461 note).

(c) AUTHORIZATION OF APPROPRIATIONS.—For purposes of acquiring the lands and interests in lands within the area depicted on the map referred to in subsection (a), there are authorized to be appropriated such sums as may be necessary.

(d) COOPERATIVE AGREEMENT.—The Secretary of the Interior, acting through the Director of the National Park Service, is authorized to enter into a cooperative agreement with the East Bay Regional Park District of Oakland, California, for the operation and maintenance by such District of trails on lands within the John Muir National Historic Site.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Mississippi [Mr. VENTO] will be recognized for 20 minutes and the gentleman from Arizona [Mr. RHODES] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4315, the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am sure that John Muir is considered the first and certainly the foremost philosopher of wilderness preservation. His travels throughout the North American continent during the mid and late 1800's gave his writings the voice of knowledge overlain by a strong sense of the human need to experience wilderness. Muir campaigned for the establishment of wilderness areas and was the leader in establishing Yosemite National Park, primarily to protect its wilderness character.

Muir was born in Scotland and immigrated to the United States in 1848 at age 10. His parents settled in Wisconsin where Muir was raised, moving to the San Francisco bay area as a young man. He successfully developed a fruit ranch near the town of Martinez, CA.

The historic site was established in 1964 to recognize Muir's efforts as a conservationist and a crusader for national parks and reservations. The current site consists of the home of John Muir from 1890 to his death in 1914 and a small part of the Muir ranch. Much of the land that John Muir used for his daily hikes, where he formulated his ideas and developed his writings was a high ridge that was part of the Muir-Strenzel Ranch, Muir named "Mount Wanda" after his oldest daughter. He is reported to have walked to the top of this ridge which has a panoramic view overlooking the Sacramento River, Carquinez Straights, and surrounding hills either alone or with one of his daughters nearly every day he was at home. This property has been kept as ranch land and is still as it was during Muir's life.

The purpose of H.R. 4315 is to expand the boundary of the John Muir National Historic Site to allow acquisition of about an additional 325 acres of this land. The bill would authorize the Park Service to accept the donation of land owned by the city of Martinez amounting to about 3.3 acres and about 1.3 acres comprising the burial site of John Muir and his immediate family could be acquired by easement only. The bill would also authorize an agreement with the East Bay Regional Park District to allow the district to maintain a trail through the historic site.

I wish to commend my good friend and colleague on the Committee on Interior and Insular Affairs, GEORGE MILLER, for his efforts on this bill. This will be an impressive addition to the John Muir National Historic Site and coming in the year of the 150th anniversary of Muir's birth gives the bill a special significance. I greatly appreciate the leadership GEORGE has provided with this legislation to celebrate the life and teaching of a great man.

Mr. Speaker, I urge adoption of H.R. 4315.

Mr. RHODES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4315 to authorize an approximately 330-acre expansion of the John Muir National Historic Site in Martinez, CA. The proposed addition consists of 3 acres of land owned by the city of Martinez which would be donated for use as a parking area, and 327 acres of open space private land that is currently used for argicultural purposes. The proposed addition is located on a hillside behind the John Muir home and provides excellent views of the surrounding region. In committee, the legislation was amended to authorize the inclusion of the John Muir grave site within the boundaries of the historic site through acquisition of an easement.

H.R. 4315 also authorizes the National Park Service to enter into a cooperative agreement with the East Bay Regional Park District for the operation and maintenance of trails on lands within the historic site. The park district currently owns and operates trails on either side of the historic site. The construction of a trail through this area would serve to connect the existing trails in the region. Therefore, the park district is willing to assume operation and maintenance responsibilities for such a trail.

I would like to commend the author of H.R. 4315, my colleague on the Interior Committee, Mr. MILLER from California, for his work on the bill.

Mr. Speaker, acquisition of the proposed addition is estimated at $2.75 million. While I realize that authorizing this acquisition will add to the existing land acquisition backlog, I do believe this land would serve as an important addition to the John Muir National Historic Site, particularly since it would assist in preserving part of the historic scene. I might also point out that the landowner desires to have his land included within the park and is a willing seller. Therefore, I would urge my colleagues to approve H.R. 4315.

□ 1230

Mr. VENTO. Mr. Speaker, the gentleman from California [Mr. MILLER], the sponsor of this proposal, I want to reiterate, has done a remarkable job in putting this proposal together. It would make a significant historic and cultural resource in Martinez.

Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I rise to urge my colleagues to support passage of this important legislation.

This bill, which I introduced, would authorize the Secretary of the Interior to acquire about 300 acres of undeveloped lands to add to the existing John Muir Historic Site in Martinez, CA.

The lands to be acquired overlook John Muir's house and the present historic site. John Muir and his daughters walked this property in the evenings. In fact, one of the hills is still called Mount Wanda in honor of one of John Muir's daughters. This land was integral to John Muir's existence; it is integral to the present historic site.

In addition to the some 300 acres adjacent to the site, the bill authorizes the Secretary to obtain an easement over another acre of land just down the road. This area includes the graves of John Muir and some of the family members. It is in a fairly isolated and protected area, surrounded by an old pear orchard that was planted in John Muir's time. It is a tranquil, secluded place. The graves are currently being maintained by family members, some of whom are getting older and may not be able to keep up this work, and some of whom live too far away to provide routine maintenance.

The bill authorizes the Secretary to obtain an easement over this property so that he might maintain the gravesite. It is not our intention that this site be developed in any way, rather that it simply be kept up—as it is right now. Visitors experiencing the serenity of the gravesite will get a true sense of John Muir and his love of natural beauty.

Expansion of the historic site has the enthusiastic support of the county and the city in which it is located. The John Muir Memorial Association, a volunteer group which donates many hours of service by interpreting the site for visitors, also supports the expansion. The adjacent landowners group has endorsed the expansion. The present owners of the land to be acquired are willing sellers. They would prefer to see their land preserved for the site rather than commercially developed.

The bill has generated remarkable cooperation among local organizations. The East Bay Regional Park District has offered to help. We anticipate that part of the trail system in the bay area will be integrated into the historic site. And, the regional park district is willing and ready to assume the responsibility for the upkeep of the trails within the historic site. This will lessen the burden on the National Park Service considerably.

The city of Martinez is prepared to donate lands adjacent to the site so that the present inadequate parking facilities may be expanded to accommodate the many visitors.

Local citizens have always donated hours of their time to helping with the site: they give tours and educational seminars; they help with the upkeep; and, they sponsor community events. These efforts will be continued with the expanded site.

Adding the 300 acres of undeveloped land to the site will add immeasurably to the public's awareness of John Muir and his love of nature.

Mr. Speaker, H.R. 4315 would make a significant addition to the John Muir Historic Site. I urge my colleagues to support passage of this bill.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. RHODES. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 4315, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

MICHIGAN PUBLIC LANDS IMPROVEMENT ACT OF 1988

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4375) to improve the management of certain public lands in the State of Michigan, as amended.

The Clerk read as follows:

H.R. 4375

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; FINDINGS AND PURPOSES; DEFINITIONS.

(a) SHORT TITLE.—This Act may be cited as the "Michigan Public Lands Improvement Act of 1988".

(b) FINDINGS.—Congress hereby finds and declares that—

(1) within the State of Michigan there are a number of small scattered islands and upland tracts that are in Federal ownership and under the jurisdiction of the Bureau of Land Management;

(2) the public interest would be best served if these Federal islands and upland tracts continue to be managed for public recreation; preservation of open space; and for the protection of their fish, wildlife, and plants and their scientific, historic, cultural, geologic, and other resources and values;

(3) many such islands and upland tracts are not suitable for inclusion in the National Park System, National Forest System, National Wildlife Refuge System, or other Federal conservation system or for efficient management by the Bureau of Land Management;

(4) the State of Michigan is prepared and willing to undertake to manage such islands and upland tracts for such purposes and subject to appropriate conditions, but existing mechanisms for enabling the State to undertake such management are cumbersome and inefficient as applied to such small, scattered islands and tracts;

(5) elsewhere in Michigan there are unpatented lands which for many years have been in the possession of parties other than the United States but the title to which is clouded because of claims arising under public land laws or otherwise involving possible Federal residual interests;

(6) existing authorities for Federal resolution of such conflicts, and for removal of such clouds on title, are often not well suited for efficient, expeditious action that appropriately protects the interests of all parties, including the United States; and

(7) legislation to facilitate appropriate management by the State of such islands and upland tracts and to facilitate resolution of such claims and removal of such clouds would be in the public interest and would be a suitable recognition of the completion of Michigan's one hundred and fiftieth year of statehood.

(c) PURPOSES.—This Act is intended to provide for better management of public lands located in the State of Michigan by—

(1) transferring certain specified unclaimed islands and uplands and certain other public lands to such State for purposes of public recreation, protection of fish, wildlife, and plants, and the protection of resources and values; and

(2) authorizing the Secretary of the Interior to resolve claims to certain other public lands in Michigan and to transfer such lands to claimants thereof on terms that recognize the equities of such claimants in such lands.

(d) DEFINITIONS.—As used in this Act—

(1) the term "listed uplands and islands" means those vacant, unappropriated, and unreserved public lands located in the State of Michigan which are specified in the list entitled "Michigan Uplands and Islands Appropriate for State Management" dated June 1988, on file in the Office of the Secretary of the Interior;

(2) the term "public lands" has the same meaning as specified in section 103(e) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702(e));

(3) the term "claim" means an assertion by a party other than the United States that such party has title to a parcel or tract of land;

(4) the term "Recreation and Public Purposes Act" means the Act of June 14, 1926, as amended (43 U.S.C. 869 et seq.);

(5) the term "Secretary" means the Secretary of the Interior; and

(6) the term "State" means the State of Michigan.

SEC. 2. GRANT TO STATE.

(a) UNCLAIMED AREAS.—Effective one hundred and eighty days after the date of enactment of this Act and subject to its terms and conditions, the right, title, and interest of the United States in and to all listed uplands and islands, surveyed and unsurveyed, in the Great Lakes, inland lakes and rivers, and other bodies of water within the State which as of January 1, 1988, were not subject to any claim identified on the records of the Bureau of Land Management, are hereby granted to the State.

(b) CLAIMED AREAS.—Any listed uplands and islands which were subject to a claim identified on the records of the Bureau of Land Management on January 1, 1988, may be sold by the Secretary to the claimant or claimants thereof under section 3 of this Act. No later than one hundred and eighty days after the date of enactment of this Act, the Secretary shall notify such claimant or claimants concerning the Secretary's authority for such sales. The right, title, and interest of the United States in and to any such listed uplands and islands not purchased by such claimant or claimants within ten years after the date of enactment of this Act shall be transferred by the Secretary to the State under and subject to this Act at the end of such ten years, and any claim to any such listed uplands and islands by any party other than the State shall not thereafter be enforceable in any court of the United States.

(c) PRIOR TRANSFERS.—

(1) Title to the surface estate in all public land which on the date of enactment of this Act was subject to leases issued under the authority of the Recreation and Public Purposes Act to the State, its departments, agencies, and bureaus, shall be deemed to have been granted to and vested in the State under this Act on such date and shall thereafter be exempt from the requirements of the regulations of the Department of the Interior governing leases under the Recreation and Public Purposes Act, but shall be subject to the provisions of this Act.

(2) Upon reversion and acceptance of public land in Michigan which prior to the date of enactment of this Act was leased or patented under the Recreation and Public Purposes Act to entities other than the State, its departments, agencies, and bureaus, the surface estate in such lands shall be transferred by the Secretary to the State pursuant to and subject to the provisions of this Act.

(3) If, in order to bring lands under the provisions of this Act, the State notifies the Secretary that the State desires to relinquish to the United States the right, title, and interest of the State in and to any lands which prior to the date of enactment of this Act were patented to the State (or to any department, agency, or bureau of the State) under the authority of the Recreation and Public Purposes Act, the Secretary shall transfer such relinquished lands to the State under and subject to the provisions of this Act. Such transfer shall be effective at the same time that the State's relinquishment is effective.

SEC. 3. RESOLUTION OF CLAIMS.

(a) SALES.—In accordance with the provisions of this section, the Secretary is authorized to sell and issue a patent to a tract of public land located in Michigan to an applicant for such sale where the Secretary determines that—

(1) such tract does not exceed one thousand five hundred acres and, because of its location or other characteristics, is difficult and uneconomic to manage as part of the public lands and is not suitable for management by another Federal department or agency, and

(2) such sale would not be inconsistent with land use plans developed in accordance with section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712).

(b) PRICE ADJUSTMENTS.—Notwithstanding any other provision of law, following adjudication of any claims the Secretary may, at the Secretary's discretion, convey land pursuant to this section at fair market value, less equities presented by an applicant for such conveyance and less the value of any improvements that the applicant or the applicant's predecessors in interest have placed on the land. Such equities may include (but are not limited to)—

(1) the amount paid for the land by the applicant;

(2) longevity of applicant's claim;

(3) taxes paid on the land; and

(4) other equities as the Secretary may determine relevant.

(c) DESCRIPTIONS.—Any tract of public land conveyed pursuant to this section shall be described in accordance with the Public Land Survey System as reflected on the approval Federal plat of survey. Where a tract does not conform to an existing survey plat, the Secretary may either—

(1) convey title to a trustee, qualified under the laws of the State to act as a trustee and acceptable to the Secretary, acting on behalf of more than one applicant to whom such trustee shall be required to transfer such tract, in order to conform the legal description to such plat; or

(2) require an applicant to reimburse the United States for the cost of preparing a plat of survey.

No costs incurred by a trustee in implementing this subsection shall be borne by the United States.

(d) APPLICABILITY AND PROCEDURE.—

(1) This section shall apply only to tracts specified in section 2(b) of this Act and to other tracts of public lands in Michigan whose sale is requested by persons or entities asserting claims thereto.

(2) No sale under this section shall take place before thirty days after the Secretary has published in a newspaper of general circulation in the county where a tract proposed for sale is located a notice of the Secretary's determination that such tract is eligible for sale under this section and that the Secretary intends to offer such tract for sale. Such notice shall indicate the size and general location of the tract and the name or names of the claimant or claimants to whom the Secretary intends to sell such tract.

SEC. 4. RESERVATIONS AND CONDITIONS.

(a) MINERAL RESERVATION.—All lands granted by, and any patent or document of conveyance or other transfer issued pursuant to, this Act shall be subject to the reservations to the United States of all minerals in the lands granted, conveyed, or otherwise transferred, together with the right to prospect for, mine, and remove the minerals under applicable law and such regulations as the Secretary may prescribe, except that in the case of sales under section 3 of this Act the Secretary may convey the minerals together with the surface in accordance with section 209 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1719).

(b) OTHER CONDITIONS.—

(1) The lands granted or otherwise transferred to the State under this Act shall not be conveyed or otherwise transferred by the State to any person or entity other than a political subdivision of the State.

(2) The lands granted or otherwise transferred to the State under this Act shall be used only for purposes of—

(A) public recreation;

(B) protection of fish and wildlife (including habitat) and plants; or

(C) the protection of the scenic, scientific, historic, cultural, geologic, and other resources and values of such lands.

(3)(A) If the State attempts to convey or otherwise transfer title to any part of the lands granted or otherwise transferred to the State under this Act to any person or entity other than a political subdivision of the State, all right, title, and interest in and to all such lands so granted or otherwise transferred to the State, together with all improvements thereon, shall revert to the United States.

(B) If any political subdivision of the State attempts to convey or otherwise transfer title to any part of any lands granted or otherwise transferred to the State under this Act (and conveyed or otherwise transferred to such subdivision by the State) to any person or entity other than the State, all right, title, and interest in and to all such lands so conveyed or otherwise transferred to such subdivision, together with all improvements thereon, shall revert to the United States.

(4)(A) If any part of the lands granted or otherwise transferred to the State under this Act (and not further conveyed or otherwise transferred by the State to a political subdivision thereof) are used for any purpose incompatible with the purposes specified in paragraph (2) of this subsection, all right, title, and interest in and to all such lands in the ownership of the State, together with all improvements thereon, shall revert to the United States.

(B) If any of the lands granted or otherwise transferred to the State under this Act are conveyed or otherwise transferred by the State to a political subdivision of the State, use of part of any such lands for any purpose incompatible with the purposes specified in paragraph (2) of this subsection shall cause all right, title, and interest in and to all such lands to conveyed or otherwise transferred to such political subdivision, together with all improvements thereon, to revert to the United States.

SEC. 5. NOTICE AND ENFORCEMENT.

(a) PUBLIC NOTICE.—

(1) As soon as practicable after the date of enactment of this Act, the Secretary, in consultation with appropriate officials of the State, shall take steps to notify residents of the State as to the nature and location of the listed uplands and islands to be granted or otherwise transferred to the State under this Act.

(2)(A) The State shall provide notice in writing to the Secretary with regard to any conveyance or other transfer by the State to a political subdivision thereof of any of the lands granted or otherwise transferred to the State under this Act. In the event that the State fails to provide such notice within one year after any such conveyance or transfer, such conveyance or transfer by the State shall be void ab initio and all right, title,

and interest in and to the land covered by such attempted conveyance or transfer shall revert to the United States.

(B) No later than five years after the date of enactment of this Act, and every five years thereafter, the State shall submit to the Secretary a report as to the present ownership, management, and use of the lands granted or otherwise transferred to the State pursuant to this Act.

(3) The Secretary shall maintain in the Secretary's offices in the District of Columbia and in an appropriate office in the State a current listing of the lands granted or otherwise transferred to the State under this Act, including a record of which if any of such lands have been conveyed or otherwise transferred by the State to a political subdivision thereof.

(b) Enforcement.—

(1) Any person may submit to the Secretary a complaint alleging that the State or a political subdivision thereof has failed to comply with the requirements of this Act or that actions have occurred which have had the effect of causing the reversion to the United States of some or all of the lands granted or otherwise transferred to the State under this Act.

(2) In the event that the Secretary determines that a complaint received under this subsection is supported by evidence sufficient to warrant further investigation, the Secretary shall investigate the matter.

(3) If, as a result of an investigation under paragraph (2) or for any other reason, the Secretary determines that title to some or all of the lands granted or otherwise transferred to the State under this Act has reverted to the United States pursuant to this Act, the Secretary shall take all necessary steps to enforce such reversion and to stop use of any part of such lands for any purpose incompatible with the purposes specified in section 4(b)(2) of this Act.

(4) Any lands which may revert to the United States under this Act shall be retained and managed by the Secretary for the purposes specified in section 4(b)(2) of this Act.

SEC. 6. HUNTING AND FISHING.

Nothing in this Act shall be construed as affecting the jurisdiction or responsibilities of the State of Michigan with respect to fish and wildlife (including the regulation of hunting, fishing, and trapping) in any lands granted or otherwise transferred to the State under this Act.

The SPEAKER pro tempore (Mr. Montgomery). Is a second demanded?

Mr. RHODES. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

The gentleman from Minnesota [Mr. Vento] will be recognized for 20 minutes and the gentleman from Arizona [Mr. Rhodes] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. Vento].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill was introduced by our Interior Committee colleague from Michigan [Mr. Kildee] and other members of the Michigan delegation.

It has two basic features. First, it would provide for the transfer to the State of Michigan of the surface estate in several hundred small pieces of public lands, including numerous islands, which would be kept in public ownership and managed for public recreation and the protection of fish, wildlife, and other values. The United States would retain the minerals in these lands, and the transfer to the State would be subject to the restriction that if they were not used for the required purposes, title would revert to the United States.

Second, the bill would provide the Secretary of the Interior with additional authority and flexibility to resolve cases in which lands in Michigan that are in private hands have title problems arising from various interests of the United States. Essentially, under the bill, these could be dealt with through "negotiatied sales" which would involve recognition of the equities involved, such as improvements made by the private parties, taxes paid on the lands, and the like.

The provisions for transfer of lands to the State closely resemble those applicable to transfers under the Recreation and Public Purposes Act. The title-clearing provisions are based on similar legislation, previously developed by the Interior Committee for dealing with such cases in other States.

Mr. Speaker, the Bureau of Land Management [BLM] overall currently manages some 1,500 acres in Michigan, divided among more than 500 scattered parcels, most of which are small, unsurveyed islands of 3 acres or less. In 1980, after the planning process required under the Federal Land Policy and Management Act of 1976, these were identified as too small and scattered for efficient management by the BLM.

After that, BLM checked with other Interior Department agencies and the Forest Service, and learned that these Michigan land parcels are not ones those agencies desire to obtain.

Next, BLM approached the State of Michigan. The State was and is very interested in assuming management of these lands, and BLM began to transfer them under the Recreation and Public Purposes Act. In fact, some 40-odd parcels have been transferred—but slowly and at considerable cost. In fact, one estimate we received was that to complete the job under the existing law would take 20 years and could cost $2 million for surveys and paperwork. The purpose of this bill is to speed up the process and the reduce the costs, and the CBO estimate provided to the committee indicates that in fact it should save tax dollars.

Under the bill, all but about 100 of the BLM's Michigan land parcels would be automatically transferred to the State, under the terms I've mentioned. The remainder are currently subject to claims which could be resolved under the new authority that the bill would provide, and to the extent that some of these lands then remained in BLM management, they could also be transferred to the State later.

In addition, the new title-clearing authority would enable BLM to attempt to resolve problems arising elsewhere in the State—for example, in 14 cases in Monroe County involving some 162 acres—that otherwise might prompt requests for special legislation, with all the difficulties that are involved in dealing with such legislation.

Mr. Speaker, at our subcommittee's hearing on this bill we were told that the administration had not yet developed a formal position on the bill. This was somewhat surprising, since the BLM had been instrumental in suggesting legislation along these lines, and since in fact the bill was extensively discussed with BLM both before and after its introduction. In fact, the bill as reported has incorporated a number of revisions prompted by suggestions from BLM and others in the Interior Department.

Mr. Speaker, let me say in conclusion that Mr. Kildee, Mr. Dingell, and the other members of the Michigan delegation can be proud of the work they have done on this bill. Through close cooperation with the Interior Department, the State of Michigan, and the Interior Committee, they have made it possible for us to bring before the House a good bill that cuts redtape, protects the public interest in the natural values and sound management of the lands to be transferred to the State, and gives the Interior Department new tools to resolve real problems of people in Michigan who find that their title to property is clouded. This bill deserves the overwhelming approval of the House, and I urge its passage.

Mr. Speaker, I reserve the balance of my time.

Mr. RHODES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have no objections to this legislation. Moreover, the administration supports H.R. 4375.

Mr. Speaker, I believe this legislation will serve as a model for cleaning up other Eastern State BLM land management problems. As the subcommittee chairman has pointed out, in this instance we are only talking about 500 tracts of land totaling 1,500 acres. Although this may be a small amount of land, it is a very big headache for the land managers.

It is my understanding that Eastern States Director for the BLM, Kurt Jones, as well as the State of Michigan, has worked with the Interior Committee over the last several months to arrive at this legislation. I commend the subcommittee chairman and his staff for their work and hope that we can work together to resolve land management problems in the West.

I urge my colleagues to support this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. KILDEE], a member of both the committee and the subcommittee and a sponsor of this legislation. The gentleman has done an excellent job of preparation, and I commend him for it.

Mr. KILDEE. Mr. Speaker, I want to express my strong support for H.R. 4375, the Michigan Public Lands Improvement Act of 1988. As the bill's sponsor, I want to thank the chairman of the subcommittee, Mr. VENTO, for his expeditious consideration of this legislation. Mr. Speaker, the Bureau of Land Management currently has jurisdiction over more than 500 small islands and upland tracts covering 1,500 acres of land in the State of Michigan. Because of their small size and isolated locations, BLM has been unable to properly manage these tracts of land, and in 1982, they declared them to be in surplus. Although the State of Michigan has been able to obtain 40 of these islands through the Recreation and Public Purposes Act, the process has been time consuming, cumbersome, and excessively expensive. The legislation we are considering today will accomplish two important goals. First, it would convey title of these surplus lands from the Federal Government to the State of Michigan. The Michigan Department of Natural Resources has prepared a comprehensive management plan that would require these surplus lands to be used for public recreation, the protection of wildlife and plants, or for educational and scientific purposes. Second, this bill would give BLM the authority to resolve any existing or future ownership conflicts in Michigan between individuals and the Federal Government. Presently, there are several pieces of land in Michigan where the owner does not have proper title to the land. This legislation would enable the BLM to negotiate the sale of land to individuals who believe they have a claim to the land without going through exhaustive legislative remedies for each individual claim.

Mr. Speaker, the objective of this legislation is to transfer small, unmanageable parcels of surplus BLM lands from the Federal Government to the State of Michigan. In no way should this bill be viewed as a land "giveaway." On the contrary, this legislation requires the State of Michigan to develop a detailed land management plan, and report to the Secretary of the Interior on the status of each island and upland tract every 5 years. More importantly, this bill includes a stiff reverter clause that would transfer all of these lands back to the Federal Government if the State of Michigan mismanages, or tries to sell these parcels. Mr. Speaker, this legislation enjoys the support of the entire Michigan congressional delegation, the State of Michigan and the environmental community. I urge my colleagues to support its passage.

Mr. RHODES. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 4375, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The motion to reconsider was laid on the table.

COMMEMORATING 50TH ANNIVERSARY OF PASSAGE OF FEDERAL FOOD, DRUG, AND COSMETIC ACT.

Mr. WAXMAN. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 600) to commemorate the 50th anniversary of the passage of the Federal Food, Drug, and Cosmetic Act.

The Clerk read as follows:

H.J. RES. 600

Whereas the passage of the Federal Food, Drug, and Cosmetic Act on June 25, 1938, was a landmark event in the protection of the public health;

Whereas this Act remains the basic law enforced by the Food and Drug Administration;

Whereas the Food and Drug Administration has over the course of the last 50 years established rigorous standards for food and drug safety that have been respected and emulated throughout the world;

Whereas the Food and Drug Administration's efforts have helped make America's food supply the world's safest;

Whereas the agency has developed the world's most advanced drug review system—a system which has assured the safety and efficacy of the Nation's pharmaceutical products;

Whereas the advanced scientific approach toward drug review adopted by the Food and Drug Administration has contributed enormously to the betterment of science, medicine, and health of the American people;

Whereas the Food and Drug Administration has consistently improved this system to make it responsive to the changing needs of the American people, technology, and the marketplace;

Whereas the Food and Drug Administration has diligently protected the American public against products that have been misformulated, misbranded, or adulterated;

Whereas this effort has sustained the American public's high level of confidence in the basic safety of the marketplace over the past 50 years;

Whereas the Food and Drug Administration through its regulation of the Nation's blood networks has maintained the basic safety and efficient functioning of America's blood supply;

Whereas the Food and Drug Administration has the responsibility for regulation of products representing 25 percent of each consumer dollar spent and has successfully met its tremendous responsibilities even in the face of limited resources; and

Whereas the men and women of the Food and Drug Administration have worked tirelessly, and often at great personal sacrifice, in order to perform their vital service to the Nation: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress recognizes as an important anniversary the passage of the Federal Food, Drug, and Cosmetic Act. The President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe this anniversary with appropriate ceremonies and activities.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from California [Mr. WAXMAN] will be recognized for 20 minutes and the gentleman from Iowa [Mr. TAUKE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the purpose of House Joint Resolution 600 is to commemorate the 50th anniversary of the passage of the Federal Food, Drug, and Cosmetic Act.

The act was passed on June 25, 1938. Today the law stands as the Food and Drug Administration's basic statutory authority to protect the public from unsafe and misbranded food, drug products and medical devices.

While the Federal Food, Drug, and Cosmetic Act has been amended over the years, the original 1938 act was unique. It represented the first time that the Federal Government required that new drugs be tested for safety before they were sold to the public. Prior to 1938, the Congress has wrestled for many years over the need for laws to protect the public from unsafe food and drug products.

In 1938 a drug known as elixir of sulfanilamide was sold. Although the drug had been tested for flavor, appearance, and fragrance, it had not been tested for safety. Over 100 people died and the Congress finally acted to strengthen the Federal Government's authority to protect the public from unsafe drugs. The Federal Food, Drug, and Cosmetic Act became law.

Today we honor the 1938 act, but over the past 50 years it has been expanded and strengthened. It has evolved in response to changing technology and public demand for greater assurance about the safety of their food, pharmaceutical products and medical devices.

Today the Food and Drug Administration stands as one of the world's most respected health and safety regulatory agencies.

FDA has achieved unparalleled international prominence and broad public support—not because of a mere law—but due to the competence and commitment of the thousands of men and women who have worked to enforce the law over the past 50 years. They have performed a vital public service to our Nation and have done so in the face of limited resources and all too little public recognition.

Mr. Speaker, recognition of the 50th anniversary of the Federal Food, Drug, and Cosmetic Act is an appropriate occasion to acknowledge the passage of time and the evolution of a law that today continues to serve our Nation and its citizenry well. But today also marks a more important opportunity to commend the men and women of the FDA who by their daily actions bring life and gives meaning to the words that compose the Federal Food, Drug, and Cosmetic Act.

House Joint Resolution 600 authorizes the President to issue a proclamation calling upon the people of the United States to observe this anniversary. What I hope, and as the author of this resolution intends, is that we also celebrate the sacrifice of public service. By observing this important statutory anniversary, we honor the contributions of all those public servants who over 50 years have made the law work and who today continue to hold high their commitment to the public to whom they serve.

I urge support for the resolution and reserve the balance of my time.

Mr. Speaker, I am pleased to support House Joint Resolution 600, a resolution commemorating the 50th anniversary of the passage of the Federal Food, Drug, and Cosmetic Act, This act, through its enforcement by the Food and Drug Administration, has long stood for the solid protection of our food supply and medicines.

The Food and Drug Administration has the responsibility for the regulation of products that represent 25 percent of each consumer dollar spent. The jurisdiction of this act includes vital areas of the public health, ranging from approval of drugs and food additives to inspection of medical devices and consumer complaints. The agency has discharged its responsibilities well and deserves our recognition. I urge my colleagues to join me in supporting this resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. WAXMAN. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. COELHO].

Mr. COELHO. Mr. Speaker, I join in strong support for the passage of this legislation.

Also, Mr. Speaker, I applaud the work of Dr. Frank Young, the current commissioner, who I think is doing an outstanding job, and I urge my colleagues to join in support of this legislation.

In 1937, 107 Americans, most of whom were children, died from drinking an elixir that they thought would cure their ills. They were killed by the wrong concentration of chemicals in one batch of a potion that was commonly accepted as safe. This tragedy highlighted a debate that had been going on for over 80 years; the debate over how extensive Government involvement should be in the regulation of food and drugs.

A year later, Congress responded to this issue by passing the Federal Food, Drug, and Cosmetic Act, which was signed into law by President Franklin Roosevelt on June 25, 1938. This law included several provisions designed to protect the public from contaminated food and drugs, including a requirement that drug manufacturers prove the safety of their products before they could be marketed. The authority to enforce this law was placed into the hands of the newly formed Food and Drug Administration.

For the past 50 years, the Food and Drug Administration has been protecting the American consumer and promoting the ideals of good science. Because of the FDA, we can afford to take for granted the safety of the medications that we take to cure or regulate conditions.

As a person with epilepsy, the contributions of the FDA have had a profound impact on my life. Throughout history, those of us with seizure disorders have been consistently misdiagnosed and mistreated. For literally thousands of years, we have been the victims of witch doctors and miracle cures. It was in this century that this began to change. Under the direction of the FDA, three safe and effective drugs—phenytoin, phenobarbital, and tegretol—were developed to help control the occurrence of seizures and convulsions. Today, I join an estimated 2 million Americans who use these drugs to put our seizures behind us so that we can move on to the business of living and contributing to society.

And so to the FDA I say: Thank you. Thank you for 50 years of devotion to ethical pharmacology. I thank the FDA's current director, Frank Young, for his fine leadership in continuing this mission. The FDA has been there to make sure that the advances of science impact our lives in a positive way, allowing all of us to live fuller, healthier lives.

Mr. WAXMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the joint resolution (H.J. Res. 600).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution was passed.

A motion to reconsider was laid on the table.

NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS ACT

Mr. WAXMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3361) to amend the Public Health Service Act to establish within the National Institutes of Health a National Institute on Deafness and Other Communication Disorders, as amended.

The Clerk read as follows:

H.R. 3361

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Institute on Deafness and Other Communication Disorders Act".

SEC. 2. ESTABLISHMENT AND TRANSFER OF FUNCTIONS.

Title IV of the Public Health Service Act (42 U.S.C. 281 et seq.) is amended—

(1) in section 401(b)(1)—

(A) by striking "and Communicative" in subparagraph (J); and

(B) by adding at the end the following new subparagraph:

"(M) The National Institute on Deafness and Other Communication Disorders.";

(2) in the heading for subpart 10 of part C, by striking "and Communicative";

(3) in section 457—

(A) by striking "and Communicative"; and

(B) by striking "disorder, stroke," and all that follows and inserting "and disorder and stroke."; and

(4) in Part C, by adding at the end the following new subpart:

"Subpart 13—National Institute on Deafness and Other Communication Disorders

"PURPOSE OF THE INSTITUTE

"SEC. 464. The general purpose of the National Institute on Deafness and Other Communication Disorders (hereafter referred to in this subpart as the 'Institute') is the conduct and support of research and training,

the dissemination of health information, and other programs with respect to disorders of hearing and other communication processes, including diseases affecting hearing, balance, voice, speech, language, taste, and smell.

"NATIONAL DEAFNESS AND OTHER COMMUNICATION DISORDERS PROGRAM

"SEC. 464A. (a) The Director of the Institute, with the advice of the Institute's advisory council, shall establish a National Deafness and Other Communication Disorders Program (hereafter in this section referred to as the 'Program'). The Director or the Institute shall, with respect to the Program, prepare and transmit to the Director of NIH a plan to initiate, expand, intensify and coordinate activities of the Institute respecting disorders of hearing (including tinnitus) and other communication processes, including diseases affecting hearing, balance, voice, speech, language, taste, and smell. The plan shall include such comments and recommendations as the Director of the Institute determines appropriate. The Director of the Institute shall periodically review and revise the plan and shall transmit any revisions of the plan to the Director of NIH.

"(b) Activities under the Program shall be coordinated with other national research institutes to the extent that such institutes have responsibilities respecting disorders of hearing or other communication processes and shall, at least, provide for—

"(1) investigation into the etiology, pathology, detection, treatment, and prevention of all forms of disorders of hearing and other communication processes, primarily through the support of basic research in such areas as anatomy, audiology, biochemistry, bioengineering, epidemiology, genetics, immunology, microbiology, molecular biology, the neurosciences, otolaryngology, psychology, pharmacology, physiology, speech and language pathology, and any other scientific disciplines that can contribute important knowledge to the understanding and elimination of disorders of hearing and other communication processes;

"(2) research into the evaluation of techniques (including surgical, medical, and behavioral approaches) and devices (including hearing aids, implanted auditory and nonauditory prosthetic devices and other communication aids) used in diagnosis, treatment, rehabilitation, and prevention of disorders of hearing and other communication processes;

"(3) research into prevention, and early detection and diagnosis, of hearing loss and speech and language disturbances (including stuttering) and research into preventing the effects of such disorders on learning and learning disabilities with extension of programs for appropriate referral and rehabilitation;

"(4) research into the detection, treatment, and prevention of disorders of hearing and other communication processes in the growing elderly population with extension of rehabilitative programs to ensure continued effective communication skills in such population;

"(5) research to expand knowledge of the effects of environmental agents that influence hearing or other communication processes; and

"(6) developing and facilitating intramural programs on clinical and fundamental aspects of disorders of hearing and all other communication processes.

"DATA SYSTEM AND INFORMATION CLEARINGHOUSE

"SEC. 464B. (a) The Director of the Institute shall establish a National Deafness and Other Communication Disorders Data System for the collection, storage, analysis, retrieval, and dissemination of data derived from patient populations with disorders of hearing or other communication processes, including where possible, data involving general populations for the purpose of identifying individuals at risk of developing such disorders.

"(b) The Director of the Institute shall establish a National Deafness and Other Communication Disorders Information Clearinghouse to facilitate and enhance, through the effective dissemination of information, knowledge and understanding of disorders of hearing and other communication processes by health professionals, patients, industry, and the public.

"MULTIPURPOSE DEAFNESS AND OTHER COMMUNICATION DISORDERS CENTER

"SEC. 464C. (a) The Director of the Institute shall, after consultation with the advisory council for the Institute, provide for the development, modernization, and operation (including care required for research) of new and existing centers for studies of disorders of hearing and other communication processes. For purposes of this section, the term 'modernization' means the alteration, remodeling, improvement, expansion, and repair of existing buildings and the provision of equipment for such buildings to the extent necessary to make them suitable for use as centers described in the preceding sentence.

"(b) Each center assisted under this section shall—

"(1) use the facilities of a single institution or a consortium of cooperating institutions; and

"(2) meet such qualifications as may be prescribed by the Secretary.

"(c) Each center assisted under this section shall, at least, conduct—

"(1) basic and clinical research into the cause diagnosis, early detection, prevention, control and treatment of disorders of hearing and other communication processes and complications resulting from such disorders, including research into rehabilitative aids, implantable biomaterials, auditory speech processors, speech production devices, and other otolaryngologic procedures;

"(2) training programs for physicians, scientists, and other health and allied health professionals;

"(3) information and continuing education programs for physicians and other health and allied health professionals who will provide care for patients with disorders of hearing or other communication processes; and

"(4) programs for the dissemination to the general public of information—

"(A) on the importance of early detection of disorders of hearing and other communication processes, of seeking prompt treatment, rehabilitation, and of the following an appropriate regimen; and

"(B) on the importance of avoiding exposure to noise and other environmental toxic agents that may affect disorders of hearing or other communication processes.

"(d) A center may use funds provided under subsection (a) to provide stipends for health professionals enrolled in training programs described in subsection (c)(2).

"(e) Each center assisted under this section may conduct programs—

"(1) to establish the effectiveness of new and improved methods of detection, referral, and diagnosis of individuals at risk of developing disorders of hearing or other communication processes; and

"(2) to disseminate the results of research, screening, and other activities, and develop means of standardizing patient data and recordkeeping.

"(f) The Director of the Institute shall, to the extent practicable, provide for an equitable geographical distribution of centers assisted under this section. The Director shall give appropriate consideration to the need for centers especially suited to meeting the needs of the elderly, and of children (particularly with respect to their education and training), affected by disorders of hearing or other communication processes.

"(g) Support of a center under this section may be for a period not to exceed seven years. Such period may be extended by the Director of the Institute for one or more additional periods of not more than five years if the operations of such center have been reviewed by an appropriate technical and scientific peer review group established by the Director, with the advice of the Institute's advisory council, if such group has recommended to the Director that such period should be extended.

"NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS ADVISORY BOARD

"SEC. 464D. (a) The Secretary shall establish in the Institute the National Deafness and Other Communications Disorders Advisory Board (hereafter in this section referred to as the 'Advisory Board').

"(b) The Advisory Board shall be composed of eighteen appointed members and nonvoting ex officio members as follows:

"(1) The Secretary shall appoint—

"(A) twelve members from individuals who are scientists, physicians, and other health and rehabilitation professionals, who are not officers or employees of the United States, and who represent the specialties and disciplines relevant to deafness and other communication disorders, including not less than two persons with a communication disorder; and

"(B) six members from the general public who are knowledgeable with respect to such disorders, including not less than one person with a communication disorder and not less than one person who is a parent of an individual with such a disorder.

Of the appointed members, not less than five shall by virtue of training or experience be knowledgeable in diagnoses and rehabilitation of communication disorders, education of the hearing, speech, or language impaired, public health, public information, community program development, occupational hazards to communications senses, or the aging process.

"(2) The following shall be ex officio members of each Advisory Board:

"(A) The Assistant Secretary for Health, the Director of NIH, the Director of the National Institute on Deafness and Other Communication Disorders, the Director of the Centers for Disease Control, the Chief Medical Director of the Veterans' Administration, and the Assistant Secretary of Defense for Health Affairs (or the designees of such officers).

"(B) Such other officers and employees of the United States as the Secretary determines necessary for the Advisory Board to carry out its functions.

"(c) Members of an Advisory Board who are officers or employees of the Federal Gov-

ernment shall serve as members of the Advisory Board without compensation in addition to that received in their regular public employment. Other members of the Board shall receive compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule for each day (including traveltime) they are engaged in the performance of their duties as members of the Board.

"(d) The term of office of an appointed member of the Advisory Board is four years, except that no term of office may extend beyond the expiration of the Advisory Board. Any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term. A member may serve after the expiration of the member's term until a successor has taken office. If a vacancy occurs in the Advisory Board, the Secretary shall make an appointment to fill the vacancy not later than 90 days from the date the vacancy occurred.

"(e) The members of the Advisory Board shall select a chairman from among the appointed members.

"(f) The Secretary shall, after consultation with and consideration of the recommendations of the Advisory Board, provide the Advisory Board with an executive director and one other professional staff member. In addition, the Secretary shall, after consultation with and consideration of the recommendations of the Advisory Board, provide the Advisory Board with such additional professional staff members, such clerical staff members, such services of consultants, such information, and (through contracts or other arrangements) such administrative support services and facilities, as the Secretary determines are necessary for the Advisory Board to carry out its functions.

"(g) The Advisory Board shall meet at the call of the chairman or upon request of the Director of the Institute, but not less often than four times a year.

"(h) The Advisory Board shall—

"(1) review and evaluate the implementation of the plan prepared under section 464A(a) and periodically update the plan to ensure its continuing relevance;

"(2) for the purpose of assuring the most effective use and organization of resources respecting deafness and other communication disorders, advise and make recommendations to the Congress, the Secretary, the Director of NIH, the Director of the Institute, and the heads of other appropriate Federal agencies for the implementation and revision of such plan; and

"(3) maintain liaison with other advisory bodies related to Federal agencies involved in the implementation of such plan, with officers responsible for coordination activities under section 464A(b), and with key non-Federal entities involved in activities affecting the control of such disorders.

"(i) In carrying out its functions, the Advisory Board may establish subcommittees, convene workshops and conferences, and collect data. Such subcommittees may be composed of Advisory Board members and nonmember consultants with expertise in the particular area addressed by such subcommittees. The subcommittees may hold such meetings as are necessary to enable them to carry out their activities.

"(j) The Advisory Board shall prepare an annual report for the Secretary which—

"(1) describes the Advisory Board's activities in the fiscal year for which the report is made;

"(2) describes and evaluates the progress made in such fiscal year in research, treatment, education, and training with respect to the deafness and other communication disorders;

"(3) summarizes and analyzes expenditures made by the Federal Government for activities respecting such disorders in such fiscal year; and

"(4) contains the Advisory Board's recommendations (if any) for changes in the plan prepared under section 464A(a).

"(k) The National Deafness and Other Communication Disorders Advisory Board shall be established not later than 90 days after the date of the enactment of the National Institute on Deafness and Other Communication Disorders Act.

"LIMITATION ON ADMINISTRATIVE EXPENSES

"SEC. 464E. With respect to amounts appropriated for a fiscal year for the National Institutes of Health, the limitation established in section 408(b)(1) on the expenditure of such amounts for administrative expenses shall apply to administrative expenses of the National Institute on Deafness and Other Communication Disorders.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 464F. For the purpose of carrying out this subpart, there are authorized to be appropriated such sums as may be necessary.".

SEC. 3. TRANSITIONAL AND SAVINGS PROVISIONS.

(a) TRANSFER OF PERSONNEL, ASSETS, AND LIABILITIES.—Personnel employed by the National Institutes of Health in connection with the functions vested under section 2 in the Director of the National Institute on Deafness and Other Communication Disorders, and assets, property, contracts, liabilities, records, unexpended balances of appropriations, authorizations, allocations, and other funds of the National Institutes of Health, arising from or employed, held, used, available to, or to be made available, in connection with such functions shall be transferred to the Director for appropriate allocation. Unexpended funds transferred under this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated.

(b) SAVINGS PROVISIONS.—With respect to functions vested under section 2 in the Director of the National Institute on Deafness and Other Communication Disorders, all orders, rules, regulations, grants, contracts, certificates, licenses, privileges, and other determinations, actions, or official documents, that have been issued, made, granted, or allowed to become effective, and that are effective on the date of the enactment of this Act, shall continue in effect according to their terms unless changed pursuant to law.

SEC. 4. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect October 1, 1988, or upon the date of the enactment of this Act, whichever occurs later.

The SPEAKER pro tempore. Is a second demanded?

Mr. TAUKE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. WAXMAN] will be recognized for 20 minutes and the gentleman from Iowa [Mr. TAUKE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

I am particularly pleased to speak in favor of this legislation. It was reported overwhelmingly by the Committee on Energy and Commerce.

H.R. 3361 will establish a new national research institute at the National Institutes of Health to conduct a major research initiative in the field of deafness and communication disorders.

The establishment of a new NIH institute by the Congress is a very unusual and special action. In fact, the Institute proposed by H.R. 3361 represents only the second new research institute established at the NIH in the past 14 years.

Establishment of this new Institute underscores the importance Congress places on expanding research to better understand, treat and hopefully cure debilitating hearing and speech disorders that affect an estimated 10 percent of our population. Deafness and other communication disorders are some of the most frequent and debilitating health problems in this country. Among children, hearing and speech impairments account for nearly one-fifth of all chronic conditions that limit normal childhood activities. This is an area of research in which stronger Federal leadership and a greater commitment of research resources could vastly improve the quality of life of many of our citizens.

With the passage of H.R. 3361, we have the opportunity to take action on this widespread problem.

Mr. Speaker, before closing I want to take a moment to acknowledge and express my personal thanks to the authors of this legislation, Representative CLAUDE PEPPER. H.R. 3361 represents continuation of the chairman of the Rules Committee's effort to support, expand and promote the Nation's commitment to biomedical research. The success of the National Institutes of Health and the unprecedented level of congressional and public support it currently enjoys is due in large part to the efforts of the gentleman from Florida and his willingness to care about others. His public career has been characterized by a boundless advocacy for the sick, the disabled or the powerless.

I want to commend him for bringing the need for this important legislation to our attention.

Mr. Speaker, we have come late to the realization of the extent to which deafness and communication disorders affect our population. By approving H.R. 3361 the Congress will be making a vital and much needed investment in scientific progress.

I urge support for the bill.

Mr. Speaker, I take pleasure and great honor in yielding such time as he may consume to the author of this legislation, the gentleman from Florida [Mr. Pepper].

Mr. PEPPER. Mr. Speaker, first let me express my profound gratitude to my distinguished colleague and friend, the honorable gentleman from California, Mr. Henry Waxman, for the leadership he has given to this measure which will result in a new institute in the National Institutes of Health dealing with the subject of hearing. This is simply one of many instances where the gentleman from California, the Honorable Henry Waxman, has led this House in the realization of a necessity of our taking more bold measures to make better health and longer life possible for the people of this country. I am profoundly, as I said, grateful to the gentleman from California, Mr. Waxman, for his leadership in this matter, because he took it up in his subcommittee, had very convincing hearings on the subject and has reported it out now to the House, and undoubtedly assures the passage of the measure by the House itself. I wish there were more Henry Waxmans in the House of Representatives and in the other body now and in the years to come. If there were, Americans would live longer and they would enjoy better health and greater happiness during the time they are privileged to be upon this good Earth.

Mr. Speaker, I remember in 1937 as a Member of the Senate a crippled Senator from the State of Washington, named Homer Bone, came around with a piece of paper that he wanted all of us in the Senate to sign, I said, "What is this, Homer?" He said, "Well, I wanted to set up a National Cancer Institute in what we would like to maybe call the National Institutes of Health, or something like that, but set up a National Cancer Institute to make a study of the cause and cure of cancer which takes the lives of over 400,000 of our people a year in our land."

All the Members of the Senate signed that bill. The bill authorized an appropriation of $500,000 a year, and it passed the Senate, passed the House, and for a number of years that was the first Institute, to my knowledge, in what alter we called the National Institutes of Health.

Later on we kept passing authorizations of $500,000 a year for a good long while. Finally, that great angel of health and happiness and long life in America, Mary Lasker, came to the two of us in the Congress, to me in the Senate, and to then former Senator Matt Neely, who was then in the House and she said, "Why don't you introduce a resolution to appropriate $100 million to remain available until spent, to be devoted to research in the cause and cure of cancer? In that way we can have consistency and continuity in our research program in this critical area."

So, I set up a subcommittee in the Senate, and Senator Neely set up a subcommittee in the House, and our respective subcommittees began to hold hearings. Over a period of some 6 months we held hearings throughout the country.

Finally we got an agreement with Senator Taft who, as my colleagues know, was one of the conservative leaders of the Congress, that he would support a $75 million appropriation. And so when we got that agreement on that kind of a bill we also got another agreement that we would put into effect right away; namely, that about $8 or $9 million was to be appropriated in the following year. And the next year we ran it on up to several more million, and now it is about $1.4 billion, or something like that Congress appropriates every year for the National Cancer Institute.

In 1943, I became struck with the idea that 4 million young Americans of draft age were rejected from serving their country in time of war because of mental or physical deficiencies, and I thought that was a shocking fact. So I submitted a resolution in the Senate to set up a select committee, that was set up and became known as the Wartime Health and Education Committee. I was named the chairman and we conducted a very thorough study for 3 years, from 1943 to 1946, as to what were the deficiencies in the educational and medical systems of our country that would allow 4 million men in the prime of life to be unable to serve their country in time of war. As a final conclusion of the work of that committee we filed a report in which we urged rather comprehensively what has occurred in the subsequent years in the development of research and health programs in our Nation.

The Cancer Institute was the first. Subsequent to that time we have adopted other bills. I received the Mary Lasker Foundation Award in 1967 for being the principal author for that first Institute in the National Institutes of Health, and I have either been the principal author or coauthor of all of the Institutes that have been created since that time, one of which was not long ago, a reinstatement of the Institute for Arthritis. So we reestablished that as a single Institute on Arthritis. This one today becomes I believe the 13th Institute in the National Institutes of Health.

A lot of people tend to ignore the importance of hearing. If my colleagues have suffered the impairment of their hearing, they will not appreciate that attitude.

□ 1300

I have suffered some impairment, myself, pretty well generally overcome by the use of devices.

Incidentally, Mr. Speaker, Bob Hope not long ago asked me the question, "Did you hear about the 90-year-old man who had AIDS? One in each ear."

So with an aid in each ear many of us who have the impairment of hearing are able to get along fairly well. But over 22 million people in the United States suffer from either partial or total hearing loss. Two million are totally deaf. In addition, over 8 million Americans suffer from speech and other communicative disorders such as stuttering and tinnitus, from mild to severe.

One-half of all hearing and speech-impaired people are over the age of 65. So we are dealing with an illness which is particularly characteristic of the elderly people of our country. We all are familiar with the cartoon, or the general evaluation that you attach sometimes to hearing people, with him saying, "Eh?" putting his hand over his ear and saying "Eh?" trying to hear what is being said. There is another kind of loneliness besides not being with other people; that is being with a lot of other people and not being able to hear what they are saying all around you.

So, that is what we are trying to deal with. One of every twenty-two babies born in the United States has or shortly will develop hearing problems. More than 1 million children are afflicted with deafness and speech disorders. These children often are unable to hear beyond a reasonable range because their ability to learn language has been so compromised.

Just let me add this: if there is one thing that I would pray for it would be extended research. The research that we have done in the past has made possible so many of the blessings that we enjoy today. The wisest money we can possibly spend is in research.

Mr. Speaker, I want to commend Henry Waxman because he has been one of the leaders in that endeavor.

There is one area of research which is of particular importance, I think, and I want to emphasize it as it is before Mr. Waxman's subcommittee, and that is a bill of which I am one of the authors which would provide or make provision in the National Library of Medicine of adequate computers that will make possible the assimilation of all the information that is being developed in the country with respect to research in the genes, which is one of the critical areas of research.

There may come a time in our discovery when the genes can be corrected, a gene that gets out of order, that becomes out of harmony with the others rotating in nature's way, there may be a time we will not need all the big hospitals that we now have or all the big expensive devices that we now employ. Maybe we will put a healthy gene in the bone marrow of an individual and that may cure cancer, it may correct disorders of the human body and behavior and may be to a large degree the answer to the health problems of the people of our country and of the world. That is simply another area where HENRY WAXMAN is also a great leader. So I am proud to have him handling this bill. I am proud to see it reach its consideration in the House. I hope it will be agreeable to the distinguished chairman of the subcommittee, the gentleman from California, to allow the vote to go over until tomorrow when we can give Members an opportunity to vote on the record in favor of this bill, which I am sure they will unanimously wish to support.

I thank again my distinguished friend for what he has done.

Mr. Speaker, H.R. 3361 would create a separate National Institute on Deafness and Other Communication Disorders within the National Institutes of Health. It is a subject of immense importance to the millions of Americans who are communication impaired.

Communication is obviously one of the most precious aspects of life. Yet, for more than 30 million Americans, or 1 of every 10 of our fellow citizens, hearing and speaking can't simply be taken for granted. In fact, more Americans are disabled by deafness and other communication disorders than by any other chronic health condition.

Over 22 million people suffer from either partial or total hearing loss; 2 million are totally deaf. In addition, over 8 million Americans suffer from speech and other communication disorders, such as stuttering and tinnitus, from mild to severe.

Mr. Speaker, communication disorders claim the very young and the old as their most common victims:

About half of all hearing- and speech-impaired people are over the age of 65.

One of every twenty-two babies born in the United States has or shortly develops hearing problems.

More than 1 million children are afflicted with deafness and speech disorders. These children often are unable to read beyond a sixth-grade level because their ability to learn language has been so compromised.

Mr. Speaker, we need to make a strong national commitment to combat disorders and impairments which rob so many of the ability to hear and speak. The creation of a separate National Institute on Deafness and Communication Disorders, as called for in H.R. 3361, begins that national commitment.

Mr. Speaker, there is a clear and compelling need to free deafness and communication research from the Neurology Institute. The creation of a separate institute would expedite the great potential for dramatic progress toward finding a cause and a cure for these disorders which rob so many of their natural ability to communicate. By giving the proper national recognition to this problem through the establishment of a separate institute, we will demonstrate to the 30 million Americans who suffer communication impairments that their country is committed to finding answers.

H.R. 3361 enjoys strong bipartisan support in the House. Over 100 of our colleagues have cosponsored this legislation. The bill also has the strong backing of over 30 national organizations representing the communication impaired and a coalition of very distinguished business and community leaders. I have included with my statement a listing of these supporters which I hope can be included in the RECORD.

In addition, I am deeply pleased to have learned that President Reagan has personally committed to signing this historic measure into law.

Mr. Speaker, I am deeply indebted to my great colleague from California, the Honorable HENRY WAXMAN, chairman of the Subcommittee of Health and the Environment of the Committee on Energy and Commerce. Without his skilled leadership, this bill would not be before us today. I am also particularly indebted to Mrs. Geraldine Dietz Fox of the Deafness Research Foundation for her skilled and tireless efforts and without whom we would not be here today. I also want to warmly commend the Council of Organizational Representatives [COR] for their excellent work on behalf of H.R. 3361 and am especially thankful for their important suggestion to amend the bill to include an advisory council to the institute which would have strong representation of consumers. I strongly suggest such an amendment and hope that the council could serve as a model of appropriate consumer input into the operations of the other institutes within NIH.

I urge my colleagues to support this historic measure.

ORGANIZATIONS IN SUPPORT OF THE NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS

The Deafness Research Foundation, Mr. Lawrence Meli, President.

Association for Research in Otolaryngology, Dr. George A. Gates, President.

Conference of Educational Administrators Serving the Deaf, Dr. Robert Davila, President.

American Academy of Otolaryngology, Head and Neck Surgery, Dr. Jerome C. Goldstein, Executive Vice President.

National Rehabilitation Association, Mr. Robert E. Brabham, Executive Director.

American Hearing Research Foundation, Mr. William L. Lederer, Executive Director.

American Society for Deaf Children, Mrs. Alice Kennedy, President.

American Tinnitus Association, Ms. Gloria Riech, Executive Director.

Better Hearing Institute, Mr. Joseph Rizzo, Executive Director.

Self Help for Hard of Hearing People, Inc., Mr. Howard E. Stone, Sr., Executive Director.

Telecommunications for the Deaf, Inc., Mr. Afred Sonnenstrahl, Executive Director.

TRIPOD, Mr. Carl J. Kirchner, President/Executive Director.

Virginia Relay Service, Mr. Barry J. McLerran, Director.

South Carolina School for the Deaf and Bind, Mr. Robert Millard, President.

John Tracy Clinic, Dr. James Garrity, Director.

American Association of the Deaf-Blind, Dr. Roderick MacDonald, President.

American Deafness and Rehabilitation Association, Ms. Gloria Kemp, President.

Alexander Graham Bell Association for the Deaf, Dr. Donna Dickman, Ececutive Director.

National Association of the Deaf, Mr. Gary Olsen, Executive Director.

Convention of American Instructors of the Deaf, Dr. Richard Steffan, Jr., President.

Gallaudet University, Mr. Doin Hicks, Vice President of Institutional Research, Planning and Development.

Hearing Industries Association, Ms. Carol Rogin, Executive Director.

Helen Keller National Center for Deaf-Blind Youths and Adults, Mr. Martin Adler, President.

International Hearing Foundation, Dr. Michael Paparella, Executive Director.

Maryland School for the Deaf, Mr. David Denton, Superintendent.

National Cued Speech Association, Ms. Mary Elsie Daisey, President.

National Fraternal Society of the Deaf, Mr. Robert R. Andersen, Grand President.

New York League for the Hard of Hearing, Ms. Ruth Green, Executive Director.

Pennsylvania School for the Deaf, Mr. Joseph Fischgrund, Director.

Registry of Interpreters for the Deaf, Inc., Mr. Don D. Roose, Executive Director.

Gallaudet University Alummi Association, Mr. Gerald Burstein, President.

National Technical Institute for the Deaf, Dr. William Castle, Director.

Dizziness and Balance Disorders Association of America, Ms. Jeanette Welch, President.

Boys Town Institute for Communicative Disorders in Children, Dr. Patrick Brookhauser, Director.

The SPEAKER pro tempore (Mr. MONTGOMERY]. The gentleman from Florida [Mr. PEPPER] has consumed 12 minutes.

Mr. TAUKE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today we have the opportunity to move forward a bill that will meet the needs of 26 million communicatively handicapped Americans. In 1968, the visually impaired were aided by the establishment of the National Eye Institute. Currently, the number of totally deaf citizens out-numbers by 2 to 1 the number of totally blind individuals. It is time that disorders affecting this other sense be the subject of intensive research and treatment.

The creation of the National Institute on Deafness and Other Communication Disorders will focus attention on the research that needs to be done to solve the problems that surround disorders of hearing, language, speech, and the other ways we all communicate with one another.

However, I must point out to my colleagues that the administration opposes this bill based on concerns that the new institute may well divert some funds that could be spent on scientific research to the cost of administering a new institute. In addition, while I am willing to support this new institute, I am concerned that its passage may be interpreted as a precedent for the establishment of other organ or disease based research institutes. I believe that the establishment of new institutes must be viewed by Congress with great caution in order to ensure that we are making it easier and not more difficult for the National Institutes of Health to continue its very fine work.

Despite these reservations, I support an affirmative vote on this bill because of the unique nature and the very urgent need for programs in the area of communicative disorders.

Mr. Speaker, I reserve the balance of my time.

Mr. WAXMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. TAUKE. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. DANNEMEYER].

Mr. DANNEMEYER. I thank the gentleman for yielding.

Mr. Speaker, those of us who are privileged to serve in the House are required from time to time to consider measures that relate to improving the health of the American people. No priority on Federal spending is on a higher plane than the money we allocate to improve the health of the American people. But in the 10 years that I have been privileged to serve in this body, I have noticed certain trends and certain tendencies. One is relating to the area of health care.

I think it is fair to say that we have almost reached what I would call a knee-jerk reaction where if a measure comes to the floor of the House with the label of "health care" on it, irrespective of what is in it, how much money it proposes to spend, what need it addresses, it is going to pass.

It is going to pass because the perception exists on the part of the majority of all of us that politically we do not want to go home to our districts and explain to our people how we ever could assert a conscience that would cause any of us to vote against a measure that would somehow improve the health care of the American people. Who with any common sense could ever do such a thing?

Well, the bureaucracy that exists in the Government of the United States is no different, whether it is found in the Pentagon, whether it is found in the Space Program or whether it is found in the health care delivery system, or in HHS where NIH is headquartered.

The bureaucracy grows inexorably just in the nature of things, notwithstanding the facts. The facts are that we propose to spend in this fiscal year some $70 million on hearing disorders and communication disorders of the American people. The spending will take place in the National Institute of Neurological and Communicative Disorders and Strokes. That is an existing institute in the National Institutes of Health. I will repeat: They propose to spend roughly $70 million in fiscal year 1989 on the very concern that is being addressed in this legislation that will create yet a new National Institute of Health.

Now the figures are that it will cost in terms of, just administrative setup expenses, roughly $4.5 million to $5.5 million of new money to set up this National Institute of Health dealing with discovering or developing means of addressing hearing disorders, communication disorders on the part of the American people.

This Member from California believes that the responsible thing for us to do is to thank those who have brought this measure to the floor of the House for this legitimate concern about the need which needs to be addressed, but to point out to them with all sincerity that the existing need is being adequately addressed under the institute that now is in existence and we frankly do not have to spend another $4.5 to $5.5 million to create a new national institute in the National Institutes of Health dealing with deafness and communication disorders.

For these reasons, I think the responsible vote on this measure is to say to the taxpayers of America, "We don't have to spend this additional $4.5 to $5.5 million," and to vote "no" on creation of this new element of bureaucracy in the Institutes of Health within the bureaucracy of HHS.

Mr. WALGREN. Mr. Speaker, I am proud to cosponsor and support Congressman PEPPER's bill, H.R. 3361, the National Institute on Deafness and Other Communications Disorders Act. The bill would create a division within the National Institute of Health [NIH] to conduct and support research, training and the dissemination of health information on deafness and diseases affecting balance, voice, speech, taste, and smell.

Deafness and communication disorders afflict a staggering number of Americans. More than 22 million people in this country are currently struggling with either hearing or speech disorders. This means that 1 out of 10 Americans is afflicted by these impairments.

While communication disorders affect people of all ages, half of hearing impaired people are older than 65, and as our elderly population continues to grow, these problems will only be exacerbated. By the year 2000, over 12 million older people will be seriously hampered by a hearing or speech disorder. According to Congress' Office of Technology, the widespread problem of deafness among the elderly affects their "safety, quality of life and ability to live independently."

Communication is basic to our existence, not only affecting our educational and social activities, but our economic survival. Communications disorders steal over $30 billion annually from the U.S. economy through lower productivity, medical costs, and special education programs.

Despite the magnitude of this problem, the Federal Government has directed only a very modest effort toward communication disorders. In 1987, the division of the National Institute of Health that is currently responsible for researching communication disorders, the National Institute of Neurological and Communicative Disorders and Stroke [NINCDS], allocated only 14 percent of its budget to communication disorders though they comprise 60 percent of the disorders for which NINCDS is responsible. Out of 21 laboratories and 9 branches under NINCDS control, only a single facility is devoted to hearing problems.

The new Institute would investigate the cause, pathology, detection, treatment and prevention of hearing and communication disorders by supporting basic scientific and medical research. The Institute would study the techniques, drugs and devices used in the treatment of individuals who suffer from communication disorders. Scientists and doctors would investigate the possibilities of early detection of hearing loss and speech impediments, and research their connection to learning disabilities.

The Director of the National Institute on Deafness and Other Communications Disorders would oversee the development, operation and improvement of both new and existing centers for research on communication disorders. The centers, which would be geographically distributed, would conduct research, training and continuing education programs for physicians and health professionals.

The proposed institute would be funded with resources presently allocated to NINCDS, so there will be only a minimal increase in Federal expenditures. According to officials at NIH, the only new expenditure that the institute would require would be $4 to $5 million in startup costs. Compared to the $30 billion annual drain that deafness currently imposes on our economy, these one-time costs are minimal.

As information continues to become the most sought after and valuable commodity in our society, the importance of finding solutions to communication disorders becomes all the more crucial. Those who cannot communicate will not be capable of participating in an economy where the ability to receive and use information is paramount.

H.R. 3361 would provide the recognition in the Federal Government deserved by hearing and communication disorders. It would enable researchers to apply today's ever-advancing technology toward solutions for communication disorders within a structured format.

For these reasons, I strongly support the National Institute on Deafness and Other Communications Disorders Act, and I ask that my colleagues join me.

Mr. TAUKE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the bill, H.R. 3361, as amended.

The question was taken.

Mr. WAXMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

NURSING SHORTAGE REDUCTION AND EDUCATION EXTENSION ACT OF 1988

Mr. WAXMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4833) to amend the Public Health Service Act to revise and extend the programs of nurse education established in title VIII of such act, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4833

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Nursing Shortage Reduction and Education Extension Act of 1988".

TITLE I—INITIATIVES TO REDUCE NURSING SHORTAGES

SEC. 101. ESTABLISHMENT OF PROGRAMS.

Title VIII of the Public Health Service Act (42 U.S.C. 296k et seq.) is amended by adding at the end the following new part:

"PART D—INITIATIVES TO REDUCE NURSING SHORTAGES

"SEC. 861. INNOVATIVE HOSPITAL NURSING PRACTICE MODELS.

"(a) IN GENERAL.—The Secretary may make grants to public and nonprofit private entities for the purpose of demonstrating innovative hospital nursing practice models designed to reduce vacancies in professional nursing positions and to make such positions a more attractive career choice.

"(b) REQUIREMENTS WITH RESPECT TO CARRYING OUT PURPOSE OF GRANT.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that hospital nursing practice models demonstrated pursuant to such subsection will include initiatives—

"(1) to restructure the role of the professional nurse, through changes in the composition of hospital staffs and through innovative approaches for interaction between hospital administration and nursing personnel, in order to ensure that the particular expertise of such nurses is efficiently utilized and that such nurses are engaged in direct patient care during a larger proportion of their work time;

"(2) to test innovative wage structures for professional nurses in order to—

"(A) reduce vacancies in work shifts during unpopular work hours; and

"(B) provide financial recognition based upon experience and education; and

"(3) to evaluate the effectiveness of providing benefits for professional nurses, such as pensions, sabbaticals, and payment of educational expenses, as a means of developing increased loyalty of such nurses to health care institutions and reducing turnover in nursing positions.

"(c) EVALUATIONS AND DISSEMINATION OF INFORMATION.—The Secretary shall, directly or through contracts with public and private entities, provide for evaluations of hospital nursing models demonstrated pursuant to subsection (a) and for the dissemination of information developed as result of such models.

"(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $2,000,000 for fiscal year 1989, $3,000,000 for fiscal year 1990, and $4,000,000 for fiscal year 1991.

"SEC. 862. LONG-TERM CARE NURSING PRACTICE DEMONSTRATIONS.

"(a) IN GENERAL.—The Secretary may make grants to public and nonprofit private entities accredited for the training of nurses for the purpose of—

"(1) demonstrating innovative nursing practice models for—

"(A) the provision of case-managed health care services (including adult day care) and health care services in the home; or

"(B) the provision of health care services in long-term care facilities; or

"(2) developing projects to increase the exposure of nursing students to clinical practice in nursing home, home health, and gerontologic settings through collaboration between such accredited entities and entities that provide health care in such settings.

"(b) REQUIREMENT WITH RESPECT TO CARRYING OUT PURPOSE OF GRANT.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that models demonstrated pursuant to such paragraph will be designed—

"(1) to increase the recruitment and retention of nurses to provide nursing care for individuals needing long-term care; and

"(2) to improve nursing care in home health care settings and nursing homes.

"(c) EVALUATIONS AND DISSEMINATION OF INFORMATION.—The Secretary shall, directly or through contracts with public and private entities, provide for evaluations of projects demonstrated or developed pursuant to subsection (a) and for the dissemination of information developed as result of such projects.

"(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $2,000,000 for fiscal year 1989, $3,000,000 for fiscal year 1990, and $4,000,000 for fiscal year 1991.

"SEC. 863. LOCAL NEEDS ASSESSMENT, RECRUITMENT, AND TRAINING PROJECTS.

"(a) IN GENERAL.—The Secretary may make grants to public and nonprofit private entities (including local governments and nonprofit private entities accredited for the training of nurses) for the purpose of—

"(1) identifying specific community needs in accordance with subsection (b)(1); and

"(2) with respect to meeting such needs, encouraging professional nurse training through the development and establishment of programs of educational outreach and nurse recruitment.

"(b) REQUIREMENTS WITH RESPECT TO CARRYING OUT PURPOSE OF GRANTS.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees to expend the grant for—

"(1) identifying the long-term nursing needs of a specified local area, including identification and assessments of—

"(A) the number of elderly individuals in the area and the potential for an increase in such number;

"(B) the local economy;

"(C) the proximity of the area to major health care centers;

"(D) the number of local health care facilities and the projected rates of utilization of the facilities;

"(E) the indices of the populations' general health status (including the rates of morbidity, mortality, and birth); and

"(F) the educational resources available for nurse training;

"(2) designing local recruitment programs for—

"(A) recruiting individuals from local secondary schools and other sectors of the population;

"(B) retraining professional nurses residing in the local area who are not employed as nurses; and

"(C) increasing access to nursing education programs for health care workers; and

"(3) providing for the modification and expansion of existing nursing programs, including curriculum and faculty development.

"(c) EVALUATIONS AND DISSEMINATION OF INFORMATION.—The Secretary shall, directly or through contracts with public and private entities, provide for evaluations of projects carried out pursuant to subsection (a) and for the dissemination of information developed as result of such projects.

"(d) AUTHORIZATION OF APPROPRIATIONS.—For grants under this section, there are authorized to be appropriated $2,000,000 for fiscal year 1989, $3,000,000 for fiscal year 1990, and $4,000,000 for fiscal year 1991.

"SEC. 864. REQUIREMENT OF APPLICATIONS.

"The Secretary may not make a grant or enter into a contract under this part unless—

"(1) an application for the grant or contract is submitted to the Secretary;

"(2) with respect to carrying out the purpose of the grant or contract, the application provides assurances of compliance satisfactory to the Secretary; and

"(3) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this part.".

TITLE II—SPECIAL PROJECTS

SEC. 201. SPECIAL PROJECT GRANTS AND CONTRACTS.

(a) TRANSFER OF PROGRAM FOR INDIVIDUALS FROM DISADVANTAGED BACKGROUNDS.—Title VIII of the Public Health Service Act (42 U.S.C. 296k et seq.) is amended—

(1) by striking section 820(a)(1); and

(2) by adding at the end of part B the following new subpart:

"SUBPART IV—NURSING EDUCATION OPPORTUNITIES FOR INDIVIDUALS FROM DISADVANTAGED BACKGROUNDS

"SPECIAL PROJECTS

"SEC. 844. (a) The Secretary may make grants to public and nonprofit private schools of nursing and other public or nonprofit private entities, and enter into contracts with any public or private entity, to meet the costs of special projects to increase nursing education opportunities for individuals from disadvantaged backgrounds, as determined in accordance with criteria prescribed by the Secretary—

"(1) by identifying, recruiting, and selecting such individuals;

"(2) by facilitating the entry of such individuals into schools of nursing;

"(3) by providing counseling or other services designed to assist such individuals to complete successfully their nursing education;

"(4) by providing, for a period prior to the entry of such individuals into the regular course of education at a school of nursing, preliminary education designed to assist them to complete successfully such regular course of education;

"(5) by paying such stipends (including allowances for travel and dependents) as the Secretary may determine for such individuals for any period of nursing education; and

"(6) publicizing, especially to licensed vocational or practical nurses, existing sources of financial aid available to persons enrolled in schools of nursing or who are undertaking training necessary to qualify them to enroll in such schools.

"(b) No grant or contract may be made under this section unless an application therefor has been submitted to and approved by the Secretary. The Secretary may not approve or disapprove such an application except after consultation with the National Advisory Council on Nurse Training. Such an application shall provide for such fiscal control and accounting procedures and reports, and access to the records of the applicant, as the Secretary may require to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section.

"(c) For payments under grants and contracts under subsection (a), there are authorized to be appropriated $3,000,000 for fiscal year 1989, $4,000,000 for fiscal year 1990, and $5,000,000 for fiscal year 1991.".

(b) STRIKING OF CERTAIN PROGRAMS.—

(1) Section 820(a) of the Public Health Service Act (42 U.S.C. 296k(a)) is amended—

(A) by striking paragraphs (3), (7), and (9); and

(B) by redesignating paragraphs (2), (4), (5), and (6) as paragraphs (1) through (4), respectively.

(2) Section 820(a)(8) of the Public Health Service Act (42 U.S.C. 296k(a)(8)) is amended by striking "communities; or" and inserting "communities.".

(c) GERIATRIC TRAINING.—Section 820(a)(2) of the Public Health Service Act (as redesignated by subsection (b) of this section) is amended to read as follows—

"(2) demonstrate, through geriatric health education centers and other entities, improved geriatric training in preventive care, acute care, and long-term care (including home health care and institutional care);".

(d) UPGRADING SKILLS.—Section 820(a) of the Public Health Service Act (42 U.S.C. 296k(a)) is amended—

(1) by amending paragraph (3) (as redesignated by subsection (b) of this section) to read as follows:

"(3) increase the supply of adequately trained nursing personnel (including bilingual nursing personnel) to meet the health needs of rural areas;";

(2) by amending paragraph (4) (as so redesignated) to read as follows:

"(4) provide training and education—

"(A) to upgrade the skills of licensed vocational or practical nurses, nursing assistants, and other paraprofessional nursing personnel with priority given to rapid transition programs towards achievement of professional nursing degrees; and

"(B) to develop curricula for the achievement of baccalaureate and masters degrees in nursing by individuals with baccalaureate degrees in other fields;"; and

(3) by adding after paragraph (4) (as so redesignated) the following new paragraph:

"(5) to facilitate, through the development and evaluation of innovative curricula, the completion of advanced nurse education programs by professional nurses with experience in a specialty clinical area;".

(e) NURSING COURSES TO RURAL AREAS VIA SATELLITE.—Section 820(a) of the Public Health Service Act (42 U.S.C. 296k(a)), as amended by subsection (d)(3) of this section, is further amended by adding after paragraph (5) the following new paragraph:

"(6) provide nursing education courses to rural areas through telecommunications via satellite;".

(f) COORDINATION PROJECTS WITH RESPECT TO LOAN REPAYMENTS FOR SERVICE IN HEALTH FACILITIES.—Section 820(a) of the Public Health Service Act (42 U.S.C. 296k(a)), as amended by subsection (e) of this section, is further amended by adding after paragraph (6) the following new paragraph:

"(7)(A) collect the names and addresses of health facilities willing to enter into agreements with nursing students and nursing personnel under which such individuals agree to serve as nurses in the health facilities in consideration of the health facilities agreeing to repay, for each year of such service, not less than 25 percent of the principal and interest of the educational loans of such individuals;

"(B) collect data on the specific terms of such agreements offered by health facilities;

"(C) collect the names and addresses of nursing students identified pursuant to section 844(a), of other nursing students, and of nursing personnel, willing to enter into such agreements; and

"(D) coordinate and facilitate communications between health facilities and such individuals with respect to such agreements; and".

(g) GERIATRIC HEALTH EDUCATION CENTERS.—Section 820 of the Public Health Service Act (42 U.S.C. 296k)) is amended—

(1) by redesignating subsections (b) through (d) as subsections (c) through (e), respectively; and

(2) by adding after subsection (a) the following new subsection:

"(b)(1) The Secretary may make grants to, and enter into contracts with, accredited schools of nursing to assist in meeting the costs of such schools in providing projects—

"(A) to improve the training of nurses in geriatrics;

"(B) to develop and disseminate curricula relating to the treatment of the health problems of elderly individuals;

"(C) to expand and strengthen instruction in methods of such treatment;

"(D) to support the training and retraining of faculty to provide such instruction;

"(E) to support continuing education of nurses who provide such treatment; and

"(F) to establish new affiliations with nursing homes, chronic and acute disease hospitals, ambulatory care centers, and senior centers in order to provide students with clinical training in geriatric health care.

"(2)(A) Any application for a grant or contract under this section shall be subject to appropriate peer review by peer review groups composed principally of non-Federal experts.

"(B) The Secretary may not approve or disapprove an application for a grant or contract under this section unless the Secretary has received recommendations with respect to such application from the appropriate peer review group required under paragraph (1) and has consulted with the National Advisory Council on Nurse Training with respect to such application.

"(C) For the purpose of carrying out this subsection, the Secretary may obligate each fiscal year not more than $2,000,000 of the amounts made available for such purpose pursuant to subsection (e)(1)(B).".

(h) AUTHORIZATION OF APPROPRIATIONS.—Section 820(e) of the Public Health Service Act (as redesignated by subsection (b) of this section) is amended to read as follows:

"(e)(1)(A) For payments under grants and contracts under this section (other than subsection (a)(6)), there are authorized to be appropriated $13,000,000 for fiscal year 1989, $16,000,000 for fiscal year 1990, and $20,000,000 for fiscal year 1991.

"(B) Of the amounts appropriated pursuant to subparagraph (A), the Secretary shall (subject to subsection (b)(2)(C)) obligate not less than 20 percent to carry out subsection (a)(2) and subsection (b), not less than 20 percent to carry out paragraph (3) of subsection (a), and not less than 20 percent to carry out paragraph (4) of such subsection.

"(2) For payments under grants and contracts under subsection (a)(6), there is authorized to be appropriated $2,000,000 for each of the fiscal years 1989 through 1991.".

SEC. 202. ADVANCED NURSE EDUCATION.

Section 821(b) of the Public Health Service Act (42 U.S.C. 296l(b)) is amended to read as follows:

"(b) For payments under grants and contracts under this section, there are authorized to be appropriated $18,000,000 for fiscal year 1989, $19,000,000 for fiscal year 1990, and $20,000,000 for fiscal year 1991.".

SEC. 203. NURSE PRACTITIONER AND NURSE MIDWIFE PROGRAMS.

(a) REQUIRED NUMBER OF STUDENTS IN TRAINING PROGRAMS.—Section 822(a)(2)(B)(ii) of the Public Health Service Act (42 U.S.C. 296m(a)(2)(B)(ii)) is amended by striking "not less than eight students" and inserting "not less than six full-time equivalent students".

(b) COMMITMENT UNDER TRAINEESHIP PROGRAM TO SERVE IN CERTAIN AREAS OR FACILITIES.—Section 822(b)(3) of the Public Health Service Act (42 U.S.C. 296m(b)(3)) is amended by striking "332)" and all that follows and inserting the following: "332), in an Indian Health Service health center, in a Native Hawaiian health center, in a public health care facility, in a migrant health center (as defined in section 329(a)(1)), in a rural health clinic (as defined in section 1861(aa)(2) of the Social Security Act), or in a community health center (as defined in section 330(a))".

(c) ASSURANCES OF COMPLIANCE WITH GUIDELINES.—Section 822(c) of the Public Health Service Act (42 U.S.C. 296m(c)) is amended—

(1) by inserting "under subsection (a) or (b)" after "operate a program"; and

(2) by striking "midwives unless this application" and inserting "midwives unless the application".

(d) Authorization of Appropriations.—Section 822(d) of the Public Health Service Act (42 U.S.C. 296m(d)) is amended to read as follows:

"(d) For payments under grants and contracts under subsections (a) and (b), there are authorized to be appropriated $19,000,000 for fiscal year 1989, $20,000,000 for fiscal year 1990, and $21,000,000 for fiscal year 1991.".

TITLE III—ASSISTANCE TO NURSING STUDENTS

SEC. 301. TRAINEESHIPS FOR ADVANCED EDUCATION OF PROFESSIONAL NURSES.

(a) Traineeships for Certain Part-Time Students in Advanced Nursing Programs.—Section 830 of the Public Health Service Act (42 U.S.C. 297) is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection:

"(c)(1) The Secretary may make grants to public and nonprofit private schools of nursing to cover the costs of traineeships for students—

"(A) who are enrolled at least half-time in programs offering a masters degree in nursing; and

"(B) who agree to complete the requirements for degrees from such programs not later than the end of the academic year during which the student is to receive the traineeship.

"(2) In making grants under paragraph (1), the Secretary shall give special consideration to applications for traineeship programs that educate nursing students to serve in and prepare for practice as nurse practitioners, clinical specialists, or nurse midwives.".

(b) Authorization of Appropriations for Traineeship Programs.—Section 830 of the Public Health Service Act (42 U.S.C. 297) is amended by amending subsection (d) (as redesignated by subsection (a) of this section) to read as follows:

"(d)(1)(A) For the purposes of subsections (a) and (c), there are authorized to be appropriated $14,000,000 for fiscal year 1989, $15,000,000 for fiscal year 1990, and $16,000,000 for fiscal year 1991.

"(B) Of the amounts made available pursuant to subparagraph (A), the Secretary shall make available not less than 25 percent to carry out subsection (c).

"(2) For the purposes of subsection (b), there is authorized to be appropriated $1,100,000 for each of the fiscal years 1989 through 1991.".

SEC. 302. NURSE ANESTHETISTS.

(a) Traineeships and Other Programs.—

(1) Section 831(a)(1) of the Public Health Service Act (42 U.S.C. 297-1(a)(1)) is amended to read as follows:

"(1) The Secretary may make grants to public or private nonprofit institutions to cover the costs of traineeships for licensed registered nurses to become nurse anesthetists and to cover the costs of projects to develop and operate programs for the education of nurse anesthetists. In order to be eligible for such a grant, the program of an institution must be accredited by an entity or entities designated by the Secretary of Education and must meet such requirements as the Secretary shall by regulation prescribe.".

(2) Section 831(a)(2) of the Public Health Service Act (42 U.S.C. 29701(a)(2)) is amended by amending the second sentence to read as follows: "Payments for traineeships shall be limited to such amounts as the Secretary determines to be necessary to cover the costs of tuition and fees and a stipend and allowances (including travel and subsistence expenses) for trainees.".

(b) Authorization of Appropriations.—The first sentence of section 831(c) of the Public Health Service Act (42 U.S.C. 297-1(c)) is amended to read as follows: "For the purpose of making grants under this section, there is authorized to be appropriated $1,800,000 for each of the fiscal years 1989 through 1991.".

SEC. 303. LOAN PROVISIONS.

(a) Increases With Respect to Annual and Aggregate Loan Totals.—Section 836(a) of the Public Health Service Act (42 U.S.C. 297b(a)) is amended—

(1) in the first sentence, by inserting before the period the following: ", except that for the final two academic years of the program involved, such total may not exceed $4,000"; and

(2) in the second sentence, by striking "$10,000" and inserting "$13,000".

(b) Preference Category of Exceptional Financial Need.—Section 836(a) of the Public Health Service Act (42 U.S.C. 297b(a)) is amended in the third sentence by striking "practical nurses and" and inserting "practical nurses, to persons with exceptional financial need, and".

(c) Reduction of Eligibility Standard of Need.—Section 836(b)(1)(C) of the Public Health Service Act (42 U.S.C. 297b(b)(1)(C)) is amended to read as follows:

"(C) with respect to any student enrolling in the school after June 30, 1986, is of financial need (as defined in regulations issued by the Secretary).".

(d) Deferral Period for Half-Time Professional Training.—Section 836(b)(2)(B) of the Public Health Service Act (42 U.S.C. 297b(b)(2)(B)) is amended—

(1) by striking "(up to five years)" and inserting "(up to ten years)"; and

(2) by striking "full-time" and inserting "half-time".

(e) Reduction in Interest Rate.—Section 836(b)(5) of the Public Health Service Act (42 U.S.C. 297b(b)(5)) is amended by striking "6 per centum" and inserting "5 percent".

(f) Striking of Low-Income Provisions With Respect to Loan Repayment.—Section 836(j) of the Public Health Service Act (42 U.S.C. 297b(j)) is amended by adding "and" at the end of paragraph (2), by striking paragraph (3), and by redesignating paragraph (4) as paragraph (3).

SEC. 304. LOAN REPAYMENTS FOR SERVICE IN CERTAIN HEALTH FACILITIES.

(a) Agreements for Loan Repayments.—Section 836(h)(1)(C) of the Public Health Service Act (42 U.S.C. 297b(h)(1)(C)) is amended to read as follows:

"(C) who enters into an agreement with the Secretary to serve as nurse for a period of not less than two years in an Indian Health Service health center, in a Native Hawaiian health center, in a public hospital, in a migrant health center, in a community health center, in a nonprofit nursing facility, in a rural health clinic, or in a health facility determined by the Secretary to have a critical shortage of nurses;".

(b) Priorities With Respect to Agreements.—Section 836(h) of the Public Health Service Act (42 U.S.C. 297b(h)) is amended by adding at the end the following new paragraph:

"(5) In entering into agreements under paragraph (1), the Secretary shall give priority—

"(A) to applicants with the greatest financial need; and

"(B) to applicants that, with respect to health facilities described in such paragraph, agree to serve in such health facilities located in geographic areas with a shortage of and need for nurses, as determined by the Secretary.".

(c) Definitions.—Section 836(h) of the Public Health Service Act (42 U.S.C. 297b(h)), as amended by subsection (b) of this section, is further amended by adding at the end the following new paragraph:

"(6) For purposes of this subsection:

"(A) The term 'community health center' has the meaning given such term in section 330(a).

"(B) The term 'migrant health center' has the meaning given such term in section 329(a)(1).

"(C) The term 'nursing facility' has the meaning given such term in section 1919(a) of the Social Security Act (as such section is in effect during fiscal year 1991 and subsequent fiscal years), except that for fiscal years 1989 and 1990, such term means an intermediate care facility and a skilled nursing facility, as such terms are defined in subsections (c) and (i), respectively, of section 1905 of the Social Security Act.

"(D) The term 'rural health clinic' has the meaning given such term in section 1861(aa)(2) of the Social Security Act.".

(d) Authorization of Appropriations for Loan Repayments.—Subpart II of part B of title VIII of the Public Health Service Act (42 U.S.C. 297a et seq.) is amended by inserting after section 837 the following new section:

"AUTHORIZATION OF APPROPRIATIONS FOR LOAN REPAYMENTS FOR SERVICE IN CERTAIN HEALTH FACILITIES

"Sec. 837A. For the purpose of payments under agreements entered into under section 836(h), there is authorized to be appropriated $5,000,000 for each of the fiscal years 1989 through 1991.".

SEC. 305. NURSING SCHOLARSHIPS.

Part B of title VIII of the Public Health Service Act (42 U.S.C. 297 et seq.) is amended by inserting before subpart IV (as added by section 201(a)(2) of this Act) the following new subpart:

"Subpart III—Scholarships

"UNDERGRADUATE EDUCATION OF PROFESSIONAL NURSES

"Sec. 843. (a) The Secretary may make grants to public and nonprofit private schools accredited for the training of professional nurses for the purpose of providing scholarships to individuals who are enrolled (or accepted for enrollment) as nursing students of such schools and who are in financial need with respect to attending such schools.

"(b) The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that, in providing scholarships pursuant to the grant, the applicant will give preference to individuals from disadvantaged backgrounds (as determined in accordance with criteria prescribed by the Secretary under section 844(a)).

"(c) The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that, in providing scholarships pursuant to the grant, the applicant will provide a scholarship to an individual only if the individual agrees that, upon graduating from the program of nursing education offered by the applicant, the individual will serve as nurse for a period of not *less than two years in an Indian Health Service health center, in a Native Hawaiian health center, in a public hospital, in a migrant health center, in a community health center, in a nonprofit nursing facility, in a rural health clinic, or in a health facility determined by the Secretary to have a critical shortage of nurses.*

"(d) The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that a scholarship provided pursuant to such subsection for attendance at a school described in such subsection may not, for any year of such attendance for which the scholarship is made, provide an amount exceeding an amount equal to the amount of the tuition and any fees for the year involved.

"(e) For purposes of this section:

"(1) The term 'community health center' has the meaning given such term in section 330(a).

"(2) The term 'migrant health center' has the meaning given such term in section 329(a)(1).

"(3) The term 'nursing facility' has the meaning given such term in section 1919(a) of the Social Security Act (as such section is in effect during fiscal year 1991 and subsequent fiscal years), except that for fiscal years 1989 and 1990, such term means an intermediate care facility and a skilled nursing facility, as such terms are defined in subsections (c) and (i), respectively, of section 1905 of the Social Security Act.

"(4) The term 'rural health clinic' has the meaning given such term in section 1861(aa)(2) of the Social Security Act.

"(f) For the purpose of making grants under this section, there are authorized to be appropriated $15,000,000 for fiscal year 1989 and $30,000,000 for each of the fiscal years 1990 and 1991.".

TITLE IV—GENERAL PROVISIONS OF TITLE VIII

SEC. 401. NATIONAL ADVISORY COUNCIL ON NURSE TRAINING.

Section 851(a) of the Public Health Service Act (42 U.S.C. 298(a)) is amended—

(1) in the first sentence, by striking "nineteen" and inserting "twenty-one"; and

(2) in the second sentence, by striking "general public" and inserting the following: "general public, one of the appointed members shall be selected from practicing professional nurses, one of the appointed members shall be selected from among representatives of associate degree schools of nursing,".

SEC. 402. EVALUATIONS AND REPORTS.

Part C of title VIII of the Public Health Service Act (42 U.S.C. 298 et seq.) is amended by adding at the end the following new section:

"EVALUATIONS

"SEC. 859. (a) The Secretary shall, directly or through contracts with public and private entities, provide for evaluations of projects carried out pursuant to this title and for the dissemination of information developed as result of such projects. Such evaluations shall include an evaluation of the effectiveness of such projects in increasing the recruitment and retention of nurses.

"(b)(1) The Secretary shall, not later than January 10, 1989, submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, a report describing the manner in which the Secretary intends to carry out subsection (a).

"(2) The Secretary shall, not later than January 10, 1991, and biannually thereafter, submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, a report summarizing evaluations carried out pursuant to subsection (a) during the preceding two fiscal years.

"(c) Of the amounts appropriated each fiscal year to carry out this title, the Secretary shall make available one percent to carry out this section.".

TITLE V—EFFECTIVE DATE

SEC. 501. EFFECTIVE DATE.

The amendments made by this Act shall take effect October 1, 1988, or upon the date of the enactment of this Act, whichever occurs later.

The SPEAKER pro tempore. Is a second demanded?

Mr. TAUKE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. WAXMAN] will be recognized for 20 minutes and the gentleman from Iowa [Mr. TAUKE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4833, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to present H.R. 4833 to the House. The legislation enjoys broad bipartisan support because it represents a comprehensive response to our Nation's shortage of professional nurses.

The Nurse Education Act is commonly used to refer to educational programs authorized by title VIII of the Public Health Service Act. Under this authority, the Federal Government provides assistance to nursing students interested in becoming nurse practitioners, nurse midwives, or pursuing other advanced degrees. Despite a continuing demand for nurses with advanced education, hearings conducted by our Subcommittee on Health and the Environment discovered a growing demand for and shortage of registered nurses in hospitals and nursing homes.

Vacancy rates in hospitals and long-term care facilities for professional registered nurses are high and increasing. Vacancies rates in rural areas are particularly troubling. Just open the newspaper in any major city and you will see numerous sometimes desperate sounding advertisements for nursing personnel. Despite higher demand, the supply of professional nurses is inadequate. If enrollments in nursing schools continue to decline, the shortage may threaten the quality of our health-care system.

Enrollment in undergraduate nursing programs has declined dramatically in recent years. Among incoming college freshman, nursing has become a less attractive career than it was a decade ago.

We must do more to attract talented young people to this vital profession. We must take steps to retain experienced nurses tempted to pursue more financially lucrative careers in teaching, finance, or medicine. We must develop successful programs to provide additional opportunities for nurses' aides and licensed practical nurses to improve their skills and become registered nurses.

It is as impossible to conceive of a hospital without nurses as it is to imagine a hospital without doctors. But, however, vital nursing is to the quality of health care, it has become increasingly clear that the profession of nursing has been taken for granted. Our health-care system has failed to retain qualified nursing personnel and compensate them at a level commensurate with their skills. We have also failed to assure an adequate supply of nursing students for a health-care system that is becoming increasingly complex, and a patient population that is aging and becoming more acutely ill.

The most important feature of H.R. 4833 is the establishment of a new scholarship and loan repayment program for undergraduate nursing students. In addition, the legislation eases restrictions on financially needy students desiring to obtain nursing student loans. These initiatives will provide incentives to attract talented students to this vital health profession.

Mr. Speaker, I want to acknowledge the contributions of a number of members of the Energy and Commerce Committee for their concern that the Congress move decisively to address the nursing shortage.

The gentleman from Oregon [Mr. WYDEN] is the original sponsor of the bill and has worked tirelessly to develop nursing practice models that will help hospitals and nursing homes attract and retain experienced nurses.

The distinguished chairman of the full committee, Mr. DINGELL, deserves special recognition for his commitment to reversing the decline in nursing school enrollment and for addressing the very serious nursing personnel needs of rural areas.

A number of other members of the Subcommittee on Health and the Environment have worked closely in the preparation of this bipartisan bill. They include Mr. WALGREN, Mr.

Scheuer, Mrs. Collins, Mr. Sikorski, Mr. Leland, Mr. Hall of Texas, Mr. Bruce, Mr. Madigan (ranking minority member), and Mr. Tauke. I want to express the subcommittee's thanks for their concern over the vital role that nursing plays in our health care system.

I reserve the balance of my time and urge support for the bill.

□ 1315

Mr. Speaker, I reserve the balance of my time.

Mr. TAUKE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join the chairman of the Subcommittee on Health and the Environment in supporting H.R. 4833. This bill reauthorizes the existing nursing education programs in title VIII of the Public Health Service Act and authorizes several new initiatives to address the nursing shortage. These initiatives to address the nursing shortage include grants for the purposes of demonstrating innovative hospital nursing practice models to reduce vacancies in professional nursing positions and to make such positions a more attractive career choice.

We are currently faced with an acute shortage of nurses nationwide. This problem is even more serious in rural areas. According to a survey conducted by the American Hospital Association in 1987, one-fourth of hospitals report nursing vacancy rates exceeding 15 percent and the average hospital vacancy rates for nurses rose to 11.3 percent. That's why we need this bill. I am pleased that this bill incorporates provisions based on several recommendations of the House Rural Health Care Coalition, including programs for loan repayment for educational loans for nurses who agree to serve in rural health clinics, and the development of projects to bring nursing education to remote rural areas through satellite transmission. These initiatives are part of this year's Rural Health Coalition effort to address the shortage of health care professionals in rural America.

This legislation expands the focus of the Public Health Service's nursing education programs by providing funds for undergraduate nursing programs, for scholarships to students in financial need, and for a loan repayment program. I believe this renewed emphasis on undergraduate training and staff registered nurses is an important addition to the Public Health Service Act.

I urge my colleagues to join me in supporting this important bill.

Mr. Speaker, I reserve the balance of my time.

Mr. WAXMAN. Mr. Speaker, I am blessed to yield 5 minutes to the gentleman from Oregon [Mr. Wyden], the prime author of this legislation.

Mr. WYDEN. Mr. Speaker, it is clear that there is a nursing shortage in this country of incredible proportions. From Portland, OR, to Portland, ME, you see this shortage in the nursing homes, in the hospitals, in the home health care programs. Whatever the setting, in this country it is almost certain there is going to be a shortage of quality, talented nurses to serve the medical patients of this country.

In the last 2 years hospital and nursing staff vacancies have skyrocketed. Nursing school enrollments have plummeted, and providers have resorted to bidding wars in order to try to get at least some nurses to serve their patients.

Mr. Speaker, it is my view that this nursing shortage now threatens the quality of health care in this country, and to give my colleagues an idea just how bad it is in some of the rural areas, we had a situation in my home State of Oregon, in a rural part of the State where a nursing home had to fire a nurse for substance abuse. They then spent many months trying to find another nurse so that the older patients in the nursing home would get good care, and they could not find anybody at all. So, faced with the choice of giving the patients no care at all or hiring the nurse back, they were actually forced to rehire the nurse who had been involved in substance abuse.

Mr. Speaker, I think my colleagues, whatever area of the country they are in, can recount similar problems.

Now the bill before us gives us new tools to recruit qualified individuals to the nursing profession and then takes dramatic new steps to help us keep those professionals in the field. In the bill we target over $40 million toward recruiting, training, and retaining bedside nurses. We also reauthorized $55 million for existing programs in advanced nurse education and nursing faculty development.

Mr. Speaker, I am particularly pleased about the landmark undergraduate nursing scholarship program because I think with those scholarships we will finally be able to directly assist individuals committed to entering the nursing profession.

Now there are several new projects in this legislation that I think are going to pay great dividends in the years ahead. One set of provisions authorized by the chairman, the gentleman from Michigan [Mr. Dingell], will help us give a priority to those nurses in rural and geriatric nursing services and also to help us recruit more vocational nurses.

Two of my colleagues, the gentleman from New Mexico [Mr. Richardson] in particular, have come up with innovative projects that I think are going to be of great help in the years ahead. The gentleman from New Mexico's project would fund satellite television education programs which will help us get new services and assistance to those in rural areas.

Finally, a project that was authorized by the gentleman from Massachusetts [Mr. Kennedy] creates a new computer network to match hospitals willing to pay off nurse education loans with nurses that are willing to work at these facilities.

Mr. Speaker, it seems to me what this bill does is it gives us a chance to immediately bring more nurses into the field and then to lay some plans to keep the Nation's supply of nurses adequate for tomorrow. I think this is an important bipartisan piece of legislation.

Mr. Speaker, in particular I want to commend the gentleman from California [Mr. Waxman], the chairman of our subcommittee, and his staff that gave a very large number of hours to this whole project. Both the chairman and staff were gracious enough to come to Portland, and we hope to lure them back as well.

I just want the gentleman from California [Mr. Waxman], the chairman, to know how much I have appreciated all the opportunities to work on this legislation and all his help on this and many other projects.

Mr. WAXMAN. Mr. Speaker, I yield 3 minutes to the gentleman from New Mexico [Mr. Richardson] who has played a very important role of development in this legislation. I did not mention him before because, regretfully, he is not a member of our subcommittee. I wish that he were, and I hope that in the next Congress he will join our subcommittee again. He played a very constructive role as a member of the subcommittee during the last Congress. And in this Congress, while he is not a member of the subcommittee, he has made an important contribution to this legislation. I want to commend him and acknowledge the work he has done in this area and the leadership he has given to other health areas which we desperately need on our subcommittee for the next Congress.

Mr. RICHARDSON. Mr. Speaker, I appreciate the generous comments from the gentleman from California [Mr. Waxman], the chairman of the subcommittee. I especially want to commend him and the gentleman from Oregon [Mr. Wyden], who keeps coming up with more positive health legislation in this legislative year. I am most gratefully to him for putting forward a very important bill.

Mr. Speaker, I rise in strong support of H.R. 4833, the Nursing Shortage Reduction and Education Extension Act. The nursing shortage has reached critical proportions both nationwide and more particularly in New Mexico. It is estimated that by 1990, there will be a shortage of 390,000 nurses with baccalaureate degrees. In addition, the number of graduating nurses is expected to decline from a high of 82,700 in 1985 to 68,700 or less in 1995.

Unfortunately, the rural areas of our country are hit the hardest by the continuing shortage; 19 of New Mexico's 31 counties have a nursing shortage. In real terms, this means New Mexico has an average RN vacancy rate of 11.5 percent compared to a nationwide average of 3.6 percent. In some counties, the vacancy rate is as high as 36 percent. In human terms, this means nurses are working 12-hour and double shifts. More importantly, the high vacancy rate adversely affects patient care as the patient-to-nurse ratio rises. Patients cannot help but be on the losing end when nurses are tired and overworked.

For this reason, I am pleased this legislation creates incentives for prospective nursing students by establishing a scholarship program for undergraduates and a loan repayment program for nursing students. H.R. 4833 also provides grants for innovative initiatives designed to get at the crux of the nursing shortage. Long hours, inadequate pay, and unsatisfactory communication and recognition from appropriate hospital personnel are major factors in the nursing shortage. H.R 4833 will support demonstration projects aimed at testing new wage structures, and new models of interaction between nursing personnel and hospital administration.

I am also pleased that H.R. 4833 includes my proposal to provide nursing education via satellite. One of the contributing causes of the nursing shortage is our inability to retain nurses who are already trained. For example, in New Mexico, nurses must take 30 hours of continuing education courses every 2 years just to keep their license.

My provision authorizing a new grant program for entities providing interactive nursing education to rural areas addresses the retention issue by making nursing education more accessible. Nurses who would otherwise have to commute long distances for training will now be able to stay in their own communities.

Second, satellite transmission of nursing education provides considerable flexibility and opportunities for career advancement: nurses who must work full time in order to support themselves and their families will now have greater opportunities to upgrade their degrees or take refresher courses.

Last, satellite nursing education will help address the issue of population parity with respect to minorities in the field of nursing. Since Hispanics and other minorities are less likely to attend school full time for financial reasons, satellite transmission of nursing education will recruit more minorities into the field of nursing.

Mr. WALGREN. Mr. Speaker, our Nation today is faced with an unprecedented nursing shortage. One recent survey found 84 percent of America's hospitals having a shortage. Twenty-four percent of these hospitals reported a shortage of 15 percent or greater, and in New England, 75 percent of the hospitals reported having problems with recruitment. The vacancy rate for RN's rose from 6.3 to 13.6 percent in 1985–86.

Quite simply, the supply is no longer meeting the demand. The situation is dismal in nursing homes, where the nurses average 15 to 25 percent lower salaries.

The American Association of Colleges of Nursing has reported a 21-percent drop in admissions between 1983 and 1987. Baccalaureate degrees in nursing have dropped 28 percent over the last 4 years and the number of freshmen entering nursing programs has declined 50 percent in the last 4 years. In 1987, only 4 percent of the freshmen listed nursing as their choice of field of study.

There are many reasons for the nursing shortage, one of the most prominent being the pay scale. The average salary for an RN is $20,340 with the maximum averaging $27,700. One explanation often given for these low salaries is that 96 percent of the nurses are women, and that nursing, as a traditional "women's field," has been undervalued. There is also a lack of upward mobility, which is one of the reasons that more and more women are choosing to go to medical school. Other disincentives to go into nursing include 16-hour shifts and having to work holidays, nights, and weekends, all without the benefit of overtime pay.

All of these figures lead to a pretty bleak view of the future. The need for nurses will grow and grow. By 1995, health-care facilities are expected to need 29 percent more employees than presently, and the need for nursing will continue to grow faster than other occupations. Projections for the year 2000 include 570,000 too few nurses with baccalaureate degrees or higher. In the shorter run, there will be a shortage of 390,000 nurses within 2 years.

H.R. 4833, the Nursing Shortage Reduction and Education Act of 1988, the bill before us today, is a strong step to address the current and the looming nursing shortage in nursing homes and in every health-care setting where the shortage exists. The nursing shortage is a difficult problem, one that Congress alone cannot solve, but I am pleased to support steps that can be part of the solution.

Resolving the nursing shortage requires a broad-based attack, involving a broad range of resources. I want to underscore the importance of the new undergraduate scholarship program to attract and train students to RN programs included in this bill. Two-, three-, and four-year nursing programs leading to RN licensure would be eligible.

To address the nursing shortage, it is particularly important to encourage 2- and 3-year programs in community colleges. Today, community colleges graduate twice as many registered nurses as other institutions and nursing is the second largest field in community college enrollment. Community colleges are often the most convenient in location, schedule, and affordability for most people. With their wide geographic distribution, they can reach many students not served by other nursing programs. Their flexible schedules offer opportunities to nontraditional students, many of whom must work to raise families part time. This bill would make students attending at least half-time eligible for scholarships, consistent with other Federal-aid programs. In short, community colleges are particularly well placed to address the nursing shortage.

The Nursing Shortage Reduction and Education Act would address the shortage in several ways. HHS could award grants to institutions to demonstrate innovative hospital nursing models, such as restructuring the nursing role and testing innovative wage structures. HHS could make grants to nurse training programs to demonstrate innovations in nursing care in home health and long-term care. While addressing the shortage, this program would also offer valuable exposure of nursing students to the needs and problems of the elderly. The bill before us continues and improves the geriatric nursing education program which I authored several years ago. It also provides funds for projects to upgrade the skills of licensed vocational and practical nurses, nursing assistants, and other paraprofessional nursing personnel. Finally, the bill creates a new undergraduate loan program to encourage the disadvantaged to pursue a nursing career.

This Nation must come to grips with the pervasive problem of gaps in the health care system and disparities in resources. Good health care should not be a question of happenstance, geography, or wealth. I hope that the nursing bill before us today makes a step toward providing adequate health care for all Americans and brings to the nursing profession the recognition it deserves.

Mrs. LLOYD. Mr. Speaker, I rise in strong support of the Nursing Shortage Reduction and Education Extension Act. The Congress has long been aware of the tremendous role nurses play in our health care system as evidenced by the passage of the Nurse Education Act of 1964 which established a number of critical Federal programs designed to provide assistance to nursing schools and nursing students. The authorization for these programs expires on October 1, 1988, which further necessitates the need for the legislation we are considering today.

H.R. 4833 is aimed at combating the Nation's shortage of professional nurses and would authorize just over $350 million for fiscal 1989–91 for a variety of new and existing programs aimed at recruiting, training, and retaining bedside nurses. This bill takes a long-needed step toward giving nurses the attention, recognition, and prestige they so richly deserve and I am pleased to strongly support it.

In addition to reauthorizing programs that provide funds for nurse-training programs and for loans to nurses seeking advanced degrees, the bill would create several new programs that are designed to relieve the nursing shortage. These programs are as follows:

Undergraduate scholarships: A program to provide undergraduate scholarships to financially needy individuals enrolled in public and nonprofit private schools accredited for the training of professional nurses;

Demonstration projects: A series of demonstration projects aimed at first, promoting greater morale and job satisfaction among nurses in the hospital setting; second, increasing recruitment and retention of nurses providing long-term care and home health care services; and third, assessing local community needs for nursing personnel; and

Loan repayments: Repayment of the nursing educational loans of individuals willing to serve in designated health care facilities with critical nurse shortages.

Mr. Speaker, the enactment of this legislation is essential to the health and well-being of our entire Nation. Today our health care system faces the most severe provider crisis it has ever seen: a nursing shortage that threatens its quality. In the last 2 years, hospital and nursing home staff vacancies have skyrocketed, nursing school enrollments have plummeted and providers have resorted to short-term bidding wars to attract nurses. We must tackle this shortage before our worst-case projections occur. This legislation takes a long-needed step toward giving nurses the attention they deserve. It seeks to increase the number of nurses in the short run and lays plans to keep the Nation's supply of nurses adequate for tomorrow's patients.

I urge my colleagues to join with me in supporting this landmark bill.

Mr. RINALDO. Mr. Speaker, I rise in support of H.R. 4833, the reauthorization of title VIII of the Public Health Service Act. Title VIII provides funds for the schooling and training of nurse practitioners and nurse educators.

Nurses are the backbone of health care delivery in this country—without them, the system would crumble. The Census Bureau indicates that by the year 2000, the number of practicing nurses must nearly double to keep pace with needed services. Yet an opposite trend is apparent: nursing schools around the country are closing their doors for lack of applicants. Between 1985 and 1986, admissions to all types of nursing schools dropped 20 percent. This trend must be reversed.

We know the reasons why fewer are choosing a career in nursing: low pay, stressful working conditions, lack of professional prestige, alternative career opportunities for women in the workforce. However, while these conditions apply to the nursing profession generally, they do not explain why the shortage of nursing personnel is especially acute in certain practice settings. Hospitals and nursing homes, in particular, have an extremely difficult time recruiting and retaining nurses.

Hospitals' demand for well-prepared nurses has never been greater: hospital patients today are sicker and require more intensive application of technology than in the past; an increasingly large percentage of these patients are frail elderly with more complicated diagnoses, compounding the need for knowledgable nurse professionals.

Hospitals' recruiting efforts face an uphill battle against the phenomenal growth taking place in other sectors of the health care industry. Surgicenters, health maintenance organizations, insurance companies, corporations, and home health agencies all are seeking appropriately qualified nurses, and thus are competing directly with hospitals for these scarce professional resources.

One recent survey puts the national nurse vacancy rate for U.S. hospitals at 13.6 percent. In New Jersey, it is much higher: over 17 percent. Each vacancy translates into unstaffed beds and reduced access to care for families in the community.

Four weeks ago, a hospital in New Jersey, Essex County Memorial, lost its Medicare certification. The chief reasons cited by the review board: inadequate nurse staffing levels.

Unless Congress takes immediate action to reverse these trends, their consequences for out health care delivery system will be disastrous.

Frankly, Mr. Speaker, whether the nursing shortage is a problem of numbers or a problem of distribution, the legislation we are considering this afternoon will help.

It is designed to encourage students toward a career in nursing and to help health care facilities recruit and retain nurse graduates. It includes provisions to increase funding for nurse scholarships and traineeships, and authorizes grants for nurses to establish and test innovative methods for delivering care in particular settings.

One title of this legislation authorizes an innovative partnership between the Federal Government and health care providers by making available to potential employers the names of nurse graduates willing to work for a set period of time in exchange for loan repayment. This will enhance the ability of health care providers to competitively recruit nursing graduates.

However, because those providers in most desperate need of nurses may also be least able, financially, to take advantage of this partnership, this legislation authorizes the Federal Government to fill in the gaps and ensure that communities have an adequate supply of well prepared nurse professionals.

It accomplishes this by authorizing a new loan repayment program for nurses who agree to practice in designated facilities determined by the Secretary to be experiencing a critical shortage of nurses.

In exchange for an agreement to serve at that institution for 2 years, the Federal Government will forgive a portion of the nurse graduate's educational loan. This is the same arrangement we have used successfully to correct the maldistribution of physicians and other health professionals in this country, with one exception. In other loan forgiveness programs, graduates can satisfy the conditions of the program by agreeing to practice in geographic regions designated "health manpower shortage areas." But a health facility may suffer a critical nurse staffing shortage even in an area teeming with nurses, because of competition from other types of providers. Therefore, H.R. 4833 asks the Secretary to refine the criteria which satisfy requirements of the loan forgiveness program by designating specific health care institutions to which nurse graduates will be assigned.

As a whole, H.R. 4833 represents a unique package of financial and administrative incentives for young men and women to pursue careers in nursing and to distribute nursing personnel where they are most urgently needed. I strongly urge my colleagues to support this bill.

□ 1330

Mr. TAUKE. Mr. Speaker, I yield back the balance of my time.

Mr. WAXMAN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the bill, H.R. 4833, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

PREVENTION OF SEXUALLY TRANSMITTED DISEASES REAUTHORIZATION ACT OF 1988

Mr. WAXMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4915) to amend the Public Health Service Act to revise and extend the program of grants for the prevention and control of sexually transmitted diseases.

The Clerk read as follows:

H.R. 4915

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 318 of the Public Health Service Act (42 U.S.C. 247c) is amended—

(1) in the title, by striking "AND ACQUIRED IMMUNE DEFICIENCY SYNDROME";

(2) by striking subsections (d) and (f);

(3) by redesignating subsection (e) as subsection (d) and subsection (g) as subsection (e); and

(4) in subsection (d)(1) (as so redesignated)—

(A) in the first sentence—

(i) by striking "(b), (c), and (d)" and inserting "(b) and (c)";

(ii) by striking "and" after "1986,";

(iii) by striking the period and inserting a comma; and

(iv) by adding at the end the following: "$78,000,000 for fiscal year 1989, and such sums as may be necessary for each of the fiscal years 1990 and 1991.";

(B) in the third sentence, by striking "(b), (c), or (d)" and inserting "(b) or (c)"; and

(C) by striking the last sentence.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from California [Mr. WAXMAN] will be recognized for 20 minutes and the gentleman from Iowa [Mr. TAUKE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4915, the bill now under consideration.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. **WAXMAN.** Mr. Speaker, I yield myself such time as I may consume.

The purpose of H.R. 4915 is simply to reauthorize for the next 3 fiscal years the Public Health Service Act programs to prevent and control sexually transmitted diseases such as syphilis, gonorrhea, herpes, and chlamydia. Without adequate and timely treatment, these diseases can result in birth defects, infant deaths, and infertility.

Over the last several years we have seen an increase in the number of cases of all STD's. We have seen an increase in their consequences as well. Of particular concern has been the spread of chlamydia, a disease that can cause infertility in both women and men and lung and eye disease in babies.

The Centers for Disease Control has testified before the subcommittee on the need for a national campaign to treat those who have this disease and to educate the public about its prevention. I believe that with the enactment of this legislation, we can begin to implement this campaign and I would hope that CDC can increase its efforts to control chlamydia next year.

H.R. 4915 includes a modest increase in the authorization level for the STD programs for fiscal year 1989 and makes authorizations for both fiscal years 1990 and 1991 at "such sums as may be necessary." These funding levels are necessary to strengthen ongoing programs and to permit CDC to establish and expand programs to address chlamydia, herpes, and other emerging diseases.

The Federal STD Control Program, as limited as it is, has been shown to be effective. Millions of people have been treated and millions more infections prevented. The program has always enjoyed strong bipartisan support. I hope Members will continue to demonstrate that support today and vote in favor of H.R. 4915.

Mr. **TAUKE.** Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to support H.R. 4915. This bill renews authority for the sexually transmitted disease programs under the Public Health Service Act. I believe these programs are important public health initiatives which strongly deserve Federal Support.

H.R. 4915 does include an increase in spending for these programs that represents a compromise among the members of the Energy and Commerce Committee. These programs were last authorized in fiscal year 1987 at the level of $68 million. H.R. 4915 would renew the authority for these programs at the levels of $78 million for fiscal year 1989 and such sums as necessary for the next 2 fiscal years.

I am supportive of these funding levels, largely for two reasons. The first is recent evidence that a number of sexually transmitted disease are cofactors in the development of the AIDS virus. The International AIDS Conference recently held in Stockholm released numerous papers discussing the relationship of sexually transmitted diseases to AIDS. The conclusion was repeatedly drawn that anyone who has a sexually transmitted disease is at risk of contracting AIDS. Thus, early identification and treatment of these disease may curtail the spread of AIDS.

In addition, recent developments in the technology for screening and testing for chlamydia have given public health authorities an important opportunity to detect a significant and curable cause of infertility. Last year more than 2 million couples in this country sought services for infertility. It is estimated that for 20 percent of these 2 million couples, the cause of infertility is directly related to a sexually transmitted disease. I believe additional funds to expand such testing is important.

For these reasons, I am pleased to support this bill and I urge my colleagues to join me in voting for H.R. 4915.

Mr. **TAUKE.** Mr. Speaker, I yield back the balance of my time.

Mr. **WAXMAN.** Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the bill, H.R. 4915.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

RETIREMENT AND SURVIVORS' ANNUITIES FOR BANKRUPTCY JUDGES AND MAGISTRATES ACT OF 1988

Mr. **KASTENMEIER.** Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4340) to provide for retirement and suriviors' annuities for bankruptcy judges and U.S. magistrates, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4340

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Retirement and Survivors' Annuities for Bankruptcy Judges and Magistrates Act of 1988".

SEC. 2. BASIC RETIREMENT PROGRAM.

(a) NEW RETIREMENT SYSTEM.—Chapter 17 of title 28, United States Code, is amended by adding at the end the following new section:

"§377. Retirement of Bankruptcy judges and magistrates

(a) RETIREMENT BASED ON AGE AND YEARS OF SERVICE.—A bankruptcy judge or magistrate to whom this section applies and who retires from office after attaining the age and meeting the service requirements, whether continuously or otherwise, of this subsection shall, subject to subsection (f), be entitled to receive, during the remainder of the judge's or magistrate's lifetime, an annuity equal to the salary being received at the time the judge or magistrate leaves office. The age and service requirements for retirement under this subsection are as follows:

"Attained Age	Years of Service
"65	15
"66	14
"67	13
"68	12
"69	11
"70	10

(b) RETIREMENT UPON FAILURE OF REAPPOINTMENT.—A bankruptcy judge or magistrate to whom this section applies, who is not reappointed following the expiration of the term of office of such judge or magistrate, and who retires upon the completion of such term shall, subject to subsection (f), be entitled to receive, upon attaining the age of 65 years and during the remainder of such bankruptcy judge's or magistrate's lifetime, an annuity equal to that portion of the salary being received at the time the judge or magistrate leaves office which the aggregate number of years of service, not to exceed 15, bears to 15, if—

"(1) such judge or magistrate has served at least 1 full term as a bankruptcy judge or magistrate, and

"(2) not earlier than 9 months before the date on which the term of office of such judge or magistrate expires, and not later than 6 months before such date, such judge or magistrate notifies the appointing authority in writing that such judge or magistrate was willing to accept reappointment to the position in which such judge or magistrate was serving.

For purposes of this subsection, in the case of a bankruptcy judge, the written notice required by paragraph (2) shall be given to the chief judge of the circuit in which such bankruptcy judge is serving and, in the case of a magistrate, such notice shall be given to the chief judge of the district court in which the magistrate is serving.

(c) SERVICE OF AT LEAST 8 YEARS.—A bankruptcy judge or magristrate to whom this question applies and who retires after serving at least 8 years, whether continuously or otherwise, as such a bankruptcy judge or magistrate shall, subject to subsection (f), be entitled to receive, upon attaining the age of 65 years and during the remainder of the judge's or magistrate's lifetime, an annuity equal to that proportion of the salary being received at the time the judge or magistrate leaves office which the aggregate number of years of service, not to exceed 15, bears to 15, except that such annuity shall be reduced by ⅙ of 1 percent for each full month such bankruptcy judge or magistrate was under the age of 65 at the time the judge or magistrate left office.

(d) RETIREMENT FOR DISABILITY.—A bankruptcy judge or magistrate to whom this section applies, who has served at least 5 years, whether continuously or otherwise, as such a bankruptcy judge or magistrate, and who retires or is removed from office upon the sole ground of mental or physical disability shall, subject to subsection (f), be entitled to receive, during the remainder of the judge's or magistrate's lifetime, an annuity equal to 40 percent of the salary being received at the time of retirement or removal or, in the case of a judge or magistrate who has served for at least 10 years, an amount equal to that proportion of the salary being received at the number of retirement or removal which the aggregate number of years of service, not to exceed 15, bears to 15.

(d) COST-OF-LIVING ADJUSTMENTS.—A bankruptcy judge or magistrate who is entitled to a cost-of-living adjustment in such annuity, calculated and payable in the same manner as adjustments under section 8340(b) of title 5, except that any such annuity, as increased under this subsection, may not exceed the salary then payable for the position from which the judge or magistrate retired or was removed.

(f) ELECTION; ANNUITY IN LIEU OF CIVIL SERVICE ANNUITY.—A bankruptcy judge or magistrate shall be entitled to an annuity under this section if the judge or magistrate elects an annuity under this section by notifying the Director of the Administrative Office of the United States Courts. A bankruptcy judge or magistrate who elects to receive an annuity under this section shall not be entitled to receive any annuity to which such judge or magistrate would otherwise have been entitled under subchapter III of chapter 83, or under chapter 84, of title 5.

(g) CALCULATION OF SERVICE.—(1) For purposes of calculating an annuity under this section—

"(A) full-time service as a bankruptcy judge or magistrate to whom this section applies may be credited; and

"(B) each month of service shall be credited as one-twelfth of a year, and the fractional part of any month shall not be credited.

"(2)(A) In the case of an individual who is a bankruptcy judge to whom this section applies and who retires under this section or who is removed from office under subsection (d) upon the sole ground of mental or physical disability, any service of that individual as a United States magistrate to whom this section applies, and any service of that individual as a full-time judicial officer who performed the duties of a magistrate and a bankruptcy judge at the same time, shall be included for purposes of calculating years of service under subsection (a), (b), (c), or (d), as the case may be.

"(B) In the case of an individual who is a magistrate to whom this section applies and who retires under this section or who is removed from office under subsection (d) upon the sole ground of mental or physical disability, any service of that individual as a bankruptcy judge to whom this section applies, and any service of that individual as a full-time judicial officer who performed the duties of a magistrate and a bankruptcy judge at the same time, shall be included for purposes of calculating years of service under subsection (a), (b), (c), or (d), as the case may be.

"(h) COVERED POSITIONS AND SERVICE.—This section applies to—

"(1) any bankruptcy judge appointed under—

"(A) section 152 of this title;

"(B) section 34 of the Bankruptcy Act before the repeal of that Act by section 401 of the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2682); or

"(C) section 404 of the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2549); and

"(2) any United States magistrate appointed under section 631 of this title,

only with respect to service on or after October 1, 1979, as such a bankruptcy judge or magistrate.

"(i)(1) Payments under this section which would otherwise be made to a bankruptcy judge or magistrate based upon his or her service shall be paid (in whole or in part) by the Director of the Administrative Office of the United States Courts to another person if and to the extent expressly provided for in terms of any court decree of divorce, annulment, or legal separation, or the terms of any court order or court-approved property settlement agreement incident to any court decree of divorce, annulment, or legal separation. Any payment under this paragraph to a person bars recovery by any other person.

"(2) Paragraph (1) shall apply only to payments made by the Director of the Administrative Office of the United States Courts after the date of receipt by the Director of written notice of such decree, order, or agreement, and such additional information as the Director may prescribe.

"(3) As used in this subsection, the term 'court' means any court of any State, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Northern Mariana Islands, or the Virgin Islands, and any Indian tribal court or court of Indian offense.

"(j) DEDUCTIONS, CONTRIBUTIONS, AND DEPOSITS.—

"(1) DEDUCTIONS.—Beginning with the next pay period after the Director of the Administrative Office of the United States Courts receives a notice under subsection (f) that a bankruptcy judge or magistrate has elected an annuity under this section, the Director shall deduct and withhold 3 percent of the salary of such bankruptcy judge or magistrate. Amounts shall be so deducted and withheld in a manner determined by the Director. Amounts deducted and withheld under this subsection shall be deposited in the Treasury of the United States to the credit of the Judicial Officers' Retirement Fund. Deductions under this subsection from the salary of a bankruptcy judge or magistrate shall terminate upon the retirement of the bankruptcy judge or magistrate or upon completing 15 years of service, whether continuously or otherwise, as such a bankruptcy judge or magistrate, whichever occurs first.

"(2) CONSENT TO DEDUCTIONS; DISCHARGE OF CLAIMS.—Each bankruptcy judge or magistrate who makes an election under subsection (f) shall be deemed to consent and agree to the deductions from salary which are made under paragraph (1). Payment of such salary less such deductions (and any deductions made under section 376 of this title) is a full and complete discharge and acquittance of all claims and demands for all services rendered by such bankruptcy judge or magistrate during the period covered by such payment, except the right to those benefits to which the bankruptcy judge or magistrate is entitled under this section (and section 376).

"(k) DEPOSITS FOR PRIOR SERVICE.—Each bankruptcy judge or magistrate who makes an election under subsection (f) may deposit, for service performed before such election for which contributions may be made under this section, an amount equal to 3 percent of the salary received for that service. Credit for any period covered by that service may not be allowed for purposes of an annuity under this section until a deposit under this subsection has been made for that period.

"(l) INDIVIDUAL RETIREMENT RECORDS.—The amounts deducted and withheld under subsection (j), and the amounts deposited under subsection (k), shall be credited to individual accounts in the name of each bankruptcy judge or magistrate from whom such amounts are received, for credit to the Judicial Officers' Retirement Fund.

"(m) PRACTICING LAW AFTER RETIREMENT.—

"(1) FORFEITURE OF ANNUITY.—Subject to paragraph (2), any bankruptcy judge or magistrate who retires under this section and who thereafter practices law shall forfeit all rights to an annuity under this section for all periods beginning on or after the first day on which he or she so practices law.

"(2) FORFEITURE NOT TO APPLY WHERE INDIVIDUAL ELECTS TO FREEZE AMOUNT OF ANNUITY.—(A) If a bankruptcy judge or magistrate makes an election to practice law after retirement under this section—

"(i) paragraph (1) shall not apply to such bankruptcy judge or magistrate beginning on the date such election takes effect, and

"(ii) the annuity payable under this section to such bankruptcy judge or magistrate, for periods beginning on or after the date such election takes effect, shall be equal to the annuity to which such bankruptcy judge or magistrate is entitled on the day before such effective date.

"(B) An election under subparagraph (A)—

"(i) may be made by a bankruptcy judge or magistrate eligible for retirement under this section, and

"(ii) shall be filed with the Director of the Administrative Office of the United States Courts.

Such an election, once it takes effect, shall be irrevocable.

"(C) Any election under this paragraph shall take effect on the first day of the first month following the month in which the election is made.

"(3) RECALL NOT PERMITTED.—Any bankruptcy judge or magistrate who retires under this section and who thereafter practices law shall not be eligible for recall under section 155(b), 375, or 636(h) of this title.

"(n) LUMP-SUM PAYMENTS.—

"(1) ELIGIBILITY.—(A) Subject to paragraph (2), an individual who serves as a bankruptcy judge or magistrate and—

"(i) who leaves office and is not reappointed as a bankruptcy judge or magistrate with a break in service of less than 31 consecutive days;

"(ii) who files an application with the Administrative Office of the United States Courts for payment of the lump-sum credit;

"(iii) is not serving as a bankruptcy judge or magistrate at the time of filing of the application; and

"(iv) will not become eligible to receive an annuity under this section within 31 days after filing the application;

is entitled to be paid the lump-sum credit. Payment of the lump-sum credit voids all rights to an annuity under this section based on the service on which the lump-sum credit is based, until that individual resumes office as a bankruptcy judge or magistrate.

"(B) Lump-sum benefits authorized by subparagraphs (C), (E), and (F) of this paragraph shall be paid to the person or persons surviving the bankruptcy judge or magistrate and alive on the date title to the payment arises, in the order of precedence set forth in subsection (o) of section 376 of this title, and in accordance with the last two sentences of that subsection. For purposes of the preceding sentence, the term 'judicial official' as used in subsection (o) of section 376 shall be deemed to mean 'bankruptcy judge or magistrate'.

"(C) If a bankruptcy judge or magistrate dies before receiving an annuity under this section, the lump-sum credit shall be paid.

"(D) If all annuity rights under this section based on the service of a bankruptcy judge or magistrate terminate before the total annuity paid equals the lump-sum credit, the difference shall be paid.

"(E) If a bankruptcy judge or magistrate who is receiving an annuity under this section dies, annuity accrued and unpaid shall be paid.

"(F) Annuity accrued and unpaid on the termination, except by death, of the annuity of a bankruptcy judge or magistrate shall be paid to that individual.

"(2) Spouses and former spouses.—(A) Payment of the lump-sum credit under paragraph (1)(A)—

"(i) may be made only if any current spouse and any former spouse of the bankruptcy judge or magistrate are notified of the bankruptcy judge or magistrate's application; and

"(ii) shall be subject to the terms of a court decree of divorce, annulment, or legal separation or any court order or court approved property settlement agreement incident to such decree, if—

"(I) the decree, order, or agreement expressly relates to any portion of the lump-sum credit involved; and

"(II) payment of the lump-sum credit would extinguish entitlement of the bankruptcy judge's or magistrate's spouse or former spouse to any portion of an annuity under subsection (i).

"(B) Notification of a spouse or former spouse under this paragraph shall be made in accordance with such requirements as the Director of the Administrative Office of the United States Courts shall by regulation prescribe. The Director may provide under such regulations that subparagraph (A)(i) may be waived with respect to a spouse or former spouse if the bankruptcy judge or magistrate establishes to the satisfaction of the Director that the whereabouts of such spouse or former spouse cannot be determined.

"(C) The Director shall prescribe regulations under which this paragraph shall be applied in any case in which the Director receives two or more orders or decrees described in subparagraph (A).

"(3) Definition.—For purposes of this subsection, the term 'lump-sum credit' means the unrefunded amount consisting of—

"(A) retirement deductions made under this section from the salary of a bankruptcy judge or magistrate;

"(B) amounts deposited under subsection (k) by a bankruptcy judge or magistrate covering earlier service; and

"(C) interest on the deductions and deposits which, for any calendar year, shall be equal to the overall average yield to the Judical Officers' Retirement Fund during the preceding fiscal year from all obligations purchased by the Secretary of the Treasury during such fiscal year under subsection (o); but does not include interest—

"(i) if the service covered thereby aggregates 1 year or less; or

"(ii) for the fractional part of a month in the total service.

"(o) Judicial Officers' Retirement Fund.—

"(1) Establishment.—There is established in the Treasury a fund which shall be known as the 'Judicial Officers' Retirement Fund'. The Fund is appropriated for the payment of annuities, refunds, and other payments under this section.

"(2) Investment of fund.—The Secretary of the Treasury shall invest, in interest bearing securities of the United States, such currently available portions of the Judicial Officers' Retirement Fund as are not immediately required for payments from the Fund. The income derived from these investments constitutes a part of the Fund.

"(3) Unfunded liability.—There are authorized to be appropriated to the Judicial Officers' Retirement Fumd amounts required to reduce to zero the unfunded liability of the Fund.

"(B) For purposes of subparagraph (A), the term 'unfunded liability" means the estimated excess, determined on an annual basis in accordance with the provisions of section 9503 of title 31, of the present value of all benefits payable from the Judicial Officers' Retirement Fund, over the sum of—

"(i) the present value of deductions to be withheld under this section from the future basic pay of bankruptcy judges and magistrates; plus

"(ii) the balance in the Fund as of the date the unfunded liability is determined.

In making any determination under this subparagraph, the Comptroller General shall use the applicable information contained in the reports filed pursuant to section 9503 of title 31, with respect to the retirement annuities provided for in this section.

"(C) There are authorized to be appropriated such sums as may be necessary to carry out this paragraph.".

(b) Conforming Amendment.—The table of sections at the beginning of chapter 17 of title 28, United States Code, is amended by adding at the end the following new item:

"377. Retirement of bankruptcy judges and magistrates.".

(c) Incumbent Judges and Magistrates.—

(1) Retirement annuity under title 5 and section 377 of title 28.—A bankruptcy judge or United States magistrate in active service on the effective date of this Act shall, subject to paragraph (2), be entitled, in lieu of the annuity otherwise provided under the amendments made by this section, to—

(A) an annuity under subchapter III of chapter 83, or under chapter 84, of title 5, United States Code, as the case may be, for creditable service before the date on which service would begin to be credited for purposes of subparagraph (B), and

(B) an annuity calculated under subsection (b) or (c) and subsection (g) of section 377 of title 28, United States Code, as added by this section, for any service as a full-time bankruptcy judge or magistrate on or after October 1, 1979 (as specified in the election pursuant to paragraph (2)) for which deductions and deposits are made under subsections (j) and (k) of such section 377, as applicable, without regard to the minimum number of years of service as such a bankruptcy judge or magistrate, except that—

(i) in the case of a judge or magistrate who retires with less than 8 years of service, the annuity under subsection (c) of section 377 of title 28, United States Code, shall be equal to that proportion of the salary being received at the time the judge or magistrate leaves office which the years of service bears to 15, subject to a reduction in accordance with subsection (c) of such section 377 if the bankruptcy judge or magistrate is under age 65 at the time he or she leaves office, and

(ii) the aggregate amount of the annuity initially payable on retirement under this subsection may not exceed the rate of pay for the bankruptcy judge or magistrate which is in effect on the day before the retirement becomes effective.

(2) Filing of notice of election.—A bankruptcy judge or magistrate shall be entitled to an annuity under this subsection only if the judge or magistrate files a notice of that election with the Director of the Administrative Office of the United States Courts specifying the date on which service would begin to be credited under section 377 of title 28, United States Code, in lieu of chapter 83 or chapter 84 of title 5, United States Code.

(3) Lump-sum credit under title 5.—A bankruptcy judge or magistrate who makes an election under paragraph (2) shall be entitled to a lump-sum credit under section 8342 or 8424 of title 5, United States Code, as the case may be, for any service which is covered under section 377 of title 28, United States Code, as added by this section, pursuant to that election, and with respect to which any contributions were made by the judge or magistrate under the applicable provisions of title 5, United States Code.

(4) Recall.—With respect to any bankruptcy judge or magistrate receiving any annuity under this subsection who is recalled to serve under section 375 of title 28, United States Code—

(A) the amount of compensation which such recalled judge or magistrate receives under subsection (c) of such section shall be calculated on the basis of the annuity received under this section; and

(B) such recalled judge or magistrate may serve as a reemployed annuitant to the extent permitted by subsection (e) of section 375 of such title.

SEC. 3. JUDICIAL SURVIVORS' ANNUITIES.

(a) Annuities for Survivors of Bankruptcy Judges and Magistrates Retiring Under New System.—Section 376 of title 28, United States Code, is amended as follows:

(1) Subsection (a)(1) is amended—

(A) by striking out "or" at the end of subparagraph (D);

(B) by adding "or" at the end of paragraph (E);

(C) by inserting after subparagraph (E) the following:

"(F) a full-time bankruptcy judge or a full-time United States magistrate;" ; and

(D) by striking out "; or (iv) October 1, 1986;" and inserting in lieu thereof ", (iv) October 1, 1986, or (v) the date of the enactment of the Retirement and Survivors Annuities for Bankruptcy Judges and Magistrates Act of 1988, in the case of a full-time bankruptcy judge or United States magistrate in active service on that date;".

(2) Subsection (a)(2) is amended—

(A) by striking out "and" at the end of subparagraph (D);

(B) by adding "and" at the end of paragraph (E); and

(C) by adding at the end the following:

"(F) in the case of a bankruptcy judge or United State magistrate, an annuity paid under section 377 of this title;".

(3) Subsection (b) is amended in the last sentence—

(A) by inserting after "deductions" the following: "(and any deductions made under section 377 of this title or under subchapter III of chapter 83, or chapter 84, of title 5)"; and

(B) by inserting before the period the following: "(and under section 377 of this title or under subchapter III of chapter 83, or chapter 84, of title 5)".

(b) Survivors' Annuities for Incumbents.—In the case of a bankruptcy judge or magistrate who elects an annuity under section 2(c), only service for which an annuity under subsection (b) or (c) and subsection (g) of section 377 of title 28, United States Code, as added by section 2 of this Act, is calculated under section 2(c) may be used in the computation of an annuity under section 376 of title 28, United States Code, as amended by subsection (a) of this section.

SEC. 4. AMENDMENTS RELATED TO RECALL.

(a) Recall of Bankruptcy Judges.—Section 155(b) of title 28, United States Code, is amended—

(1) by inserting "section 377 of this title or in" after "annuity in"; and

(2) by inserting "which are applicable to such judge" after "title 5".

(b) Alternative Recall of Certain Judges and Magistrates.—Section 375 of title 28, United States Code, is amended—

(1) in subsection (a) by inserting "under the provisions of section 377 of this title or" after "has retired";

(2) in subsection (c)—

(A) by inserting "under the provisions of section 377 of this title or" after "annuity provided"; and

(B) by adding at the end thereof the following: "The annuity of a bankruptcy judge or magistrate who completes that 5-year period of service, whose certification is not renewed, and who retired under section 377 of this title shall be equal to the salary in effect, at the end of that 5-year period, for the office from which he or she retired."; and

(3) in subsection (g) by inserting "who retired under the applicable provisions of title 5" after "section".

(c) Recall of Magistrates.—Section 636(h) of title 28, United States Code, is amended in the second sentence—

(1) by inserting "section 377 of this title or in" after "annuity set forth in"; and

(2) by inserting "which are applicable to such magistrate" after "title 5".

SEC. 5. TECHNICAL AMENDMENTS.

Section 631(e) of title 28, United States Code, is amended—

(1) by striking out "(j)" and inserting in lieu thereof "(k)";

(2) by striking out "(i)" and inserting in lieu thereof "(j)"; and

(3) by striking out "(h)" and inserting in lieu thereof "(i)".

SEC. 6. CONFORMING AMENDMENTS.

(a) Administrative Office of the United States Courts.—Section 604(a) of title 28, United States Code, (relating to the duties of the Director of the Administrative Office of the United States Courts) is amended—

(1) in paragraph (7) by inserting "bankruptcy judges, United States magistrates," after "United States,";

(2) in paragraph (17) by striking out the period at the end and inserting in lieu thereof "; and "; and

(3) by adding at the end the following:

"(18) Regulate and pay annuities to bankruptcy judges and United States magistrates in accordance with section 377 of this title and paragraphs (1)(B) and (2) of section 2(c) of the Retirement and Survivors' Annuities for Bankruptcy Judges and Magistrates Act of 1988.".

(b) Civil Service Retirement System.—Section 8334(i) of title 5, United States Code, is amended by adding at the end the following new paragraph:

"(4) Notwithstanding any other provision of law, a bankruptcy judge or magistrate who is covered by section 377 of title 28 or section 2(c) of the Retirement and Survivors' Annuities for Bankruptcy Judges and Magistrates Act of 1988 shall not be subject to deductions and contributions to the Fund, if the judge or magistrate notifies the Director of the Administrative Office of the United States Courts of an election of a retirement annuity under those provisions. Upon such an election, the judge or magistrate shall be entitled to a lump-sum credit under section 8342(a) of this title.".

(c) Federal Employees Retirement System.—Section 8402 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(e) A bankruptcy judge or magistrate who is covered by section 377 of title 28 or section 2(c) of the Retirement and Survivors' Annuities for Bankruptcy Judges and Magistrates Act of 1988 shall be excluded from the operation of this chapter if the judge or magistrate notifies the Director of the Administrative Office of the United States Courts of an election of a retirement annuity under those provisions. Upon such election, the judge or magistrate shall be entitled to a lump-sum credit under section 8424 of this title.".

SEC. 7. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect on the date of the enactment of this Act and shall apply to bankruptcy judges and magistrates who retire on or after the date of the enactment of this Act.

The SPEAKER pro tempore. Is a second demanded?

Mr. MOORHEAD. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Wisconsin [Mr. Kastenmeier] will be recognized for 20 minutes and the gentleman from California [Mr. Moorhead] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. Kastenmeier].

Mr. KASTENMEIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this afternoon we are here to consider H.R. 4340. For the members of the Federal judicial family, this legislation represents a fundamental change in financial circumstances upon retirement or death. More importantly, this bill amounts to recognition in symbolic terms of the importance of the role played by U.S. bankruptcy judges and magistrates.

As my colleagues know, the Federal court caseload has expanded dramatically over the past 25 years and has now achieved a level that could potentially overwhelm the Federal courts. The only way these courts have been able to continue to provide Americans with access to justice has been because of the contributions made by magistrates and bankruptcy judges. Their work is vital to the efficient work of the entire Federal justice system.

Without the services of these judicial adjuncts, we would be faced with requests for hundreds of new district court judges and tens of millions of dollars in additional appropriations. Therefore, our ability to attract and retain competent professionals such as bankruptcy judges and magistrates is crucial. Congress has already recognized this fact when we granted these judicial personnel—effective October 1, 1988—with a nearly $10,000 salary increase along with a guarantee that their salaries in the future will be pegged at 92 percent of the sum payable to district court judges.

H.R. 4340 is the second part of the mosaic that makes up an adequate benefit package for bankruptcy judges and magistrates. The bill, as originally introduced (as H.R. 2586), adopted the assumption that retirement benefits (and survivor annuities) needed to be improved dramatically. The uniform perspective in the judicial community was that the currently applicable civil service retirement system was inadequate and the fairest change would be to treat these judicial personnel in the way largely similar to that applicable to the members of the Tax Court and territorial judges.

During a 1-day hearing, the committee heard from the judicial branch in favor of the bill, as introduced. The administration has deferred to the will of Congress on this issue. Despite the apparent absence of organized opposition to H.R. 2586, significant questions remained which threatened the possibility of its enactment.

For example: Was H.R. 2586 too generous? Was a system which did not require any employee contribution fair? Did vesting retirement pay at 100 percent after 14 years represent an incentive in excess of that necessary to recruit and retain good personnel? Would this bill have produced further requests for special treatment by other judicial or nonjudicial; for example, SES personnel? Could the projected cost of the original bill (up to $82 million over the next 20 years) be justified in light of other fiscal constraints?

An examination of these questions led the committee to conclude that a less generous retirement package is appropriate. In offering this proposal, I did not wish to devalue the fine work done by bankruptcy judges and magistrates. Rather I hoped, by presenting a fiscally realistic package, that the chances of the measure on this subject be enacted would be enhanced. Because the other body has proceeded with the formulation found in H.R. 2586, as originally introduced, obviously, any compromise in conference would be even more generous than the measure that I offered and that is before the full House today.

Amendments now incorporated in the bill before us include the following:

First, the bill requires contribution of 3 percent by the employee;

Second, the bill vests full retirement benefits after 15 years;

Third, it provides that retirement benefits are to equal 100 percent of the employee's salary, but an individual who retires before age 65 must pay a 2-percent per year penalty for early retirement; and

Fourth, the bill limits outside legal employment in Federal court after age 65.

I hope that my colleagues, including the 191 cosponsors on both sides will be able to support this bill.

In closing, I would like to thank a number of my colleagues for their support. First and foremost I should acknowledge the leadership of my chairman—Chairman PETER W. RODINO, Jr., the strongest supporter of bankruptcy judges in the Congress. On the Judiciary Committee, this bill would not have been possible without the hard work and diligent efforts of CARLOS MOORHEAD, HAMILTON FISH, DON EDWARDS, MIKE SYNAR, RICK BOUCHER, and BEN CARDIN. I should also note, the support this bill received from Chairman BILL FORD of the Committee on Post Office and Civil Service, Chairman JAMIE WHITTEN as well as NEAL SMITH and HAROLD ROGERS of the Appropriations Committee, and BILL GRAY, chairman of the Budget Committee.

EXPLANATION OF "TECHNICAL AMENDMENTS" TO H.R. 4340

The Committee on the Judiciary reported favorably on H.R. 4340, the Retirement and Survivors' Annuities for Bankruptcy Judges and Magistrates Act on May 19, 1988. The following technical and minor changes have been added to clarify and further the intent and purposes underlying this legislation.

Under section 3 of the proposed legislation, a bankruptcy judge or magistrate may participate in the Judicial Survivors' Annuity System (JSAS). The system is fully funded by the government and by contributions equal to 5 percent of salary from article III judges and other judicial participants. Under the provisions of JSAS, a surviving spouse is entitled to a minimum annuity equal to 25 percent of the salary of the participant after the participant has made a deposit covering eighteen months of service. The open-ended time frame within which to elect JSAS coverage under the proposed legislation permits bankruptcy judges and magistrates to delay their election and acquire spousal rights at a minimum cost. To ensure that the system remains financially secure, the time within which to elect to participate in JSAS has been changed to specify that bankruptcy judges and magistrates must elect this coverage within six months of the enactment of the bill or appointment to office.

In 1987, legislation was enacted to authorize the courts to recall retired bankruptcy judges and magistrates to serve for a five-year period. The legislation was intended to establish a corps of experienced judicial officers similar in nature to senior article III judges who provide invaluable services to the federal judiciary. Under the proposed legislation, most of the retired bankruptcy judges and magistrates eligible to be recalled will already be entitled to an annuity equal to the salary of the office at the time of retirement subject to future cost-of-living adjustments. As a result, there is little financial incentive to agree to a recall. Section 4(b) of the bill has been revised to adjust the annuity a retired officer receives under section 377 of title 28, as amended, to equal the salary of the office at the time of the completion of the five years of recall service. The ultimate annuity of a recalled officer would benefit thereby from any intervening increase in the salary of the position authorized through the Quadrennial Salary Commission process.

Bankruptcy judges and magistrates who fail to be reappointed after the completion of at least one full term are entitled to an annuity equal to the salary of the office at the time of separation payable at age 65. The term of office for bankruptcy judges is fourteen years compared with the eight-year term of office for magistrates. Under these circumstances, the completion of the shorter term of office could entitle magistrates to an annuity identical to one earned after the completion of fourteen years by bankruptcy judges. Section 377(b) of title 28, as amended, has been revised to conform with the other provisions of the bill to fix the deferred annuity in such cases based on a proportion of the salary being received at the time of separation which the aggregate number of years of service completed bears to 15 years.

The remaining changes handle inadvertent omissions in the proposed legislation, including: (1) inserting a chart which sets forth the age and service requirements for retirement eligibility in section 377(a) of title 28, as amended; (2) clarifying section 377(c) of title 28, as amended, to ensure that bankruptcy judges and magistrates who separate from office prior to attaining the age of 65 are not entitled to an immediate annuity, but to a deferred annuity payable at the age of 65; and (3) clarifying the alternative retirement provision for incumbents set forth in section 2(c) of the bill to conform with the other provisions of this legislation regarding bankruptcy judges and magistrates who fail to be reappointed.

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4340 is important legislation. It's not only important to the 284 bankruptcy judges and the 280 full-time magistrates, it's also important to the operation and morale of our Federal judiciary.

For whatever reason, since the Bankruptcy Reform Act of 1978, the bankruptcy judges and the magistrates have been losing ground with both their salaries and their retirement benefits. What has happened as a result of this is that there has been a high rate of turnover, higher than other Federal agencies. But what is even more disturbing to me, is the fact that now new judgeships are being filled with much younger lawyers, oftentimes with persons just a few years out of law school. Although not indicative of a diminution in the quality of candidates, it is a complete reversal from where Federal judges have been selected from in the past. Traditionally, the average age of a Federal judge is somewhere between the ages of 45 to 55. Lawyers at this age have usually been in private practice for 20 to 30 years. During this time they have developed a healthy understanding and appreciation of the system and they bring this experience to the bench. What I like best about this amendment is that a bankruptcy judge or magistrate could retire only at age 65 after 15 years of service. In addition, for each year a judge voluntarily leaves office prior to age 65 the percentage of salary would be reduced by 2 percent. This would have the effect of encouraging lawyers to accept appointments later in their legal career and to stay in the system for a longer period of time. H.R. 4340 also requires a contribution by the judge of 3 percent of salary for a maximum period of 15 years. A judge may also elect to participate in the Judicial Survivors Annuity System at an additional cost of 5 percent of salary.

I wish to congratulate the gentleman from Wisconsin [Mr. KASTENMEIER] for his work on this legislation and for bringing it to the floor in such a timely fashion.

There are over 190 cosponsors of this legislation and I know of no opposition to the bill. I urge Members to vote in favor of its passage.

Mr. FISH. Mr. Speaker, I would like to commend the gentleman from Wisconsin [Mr. KASTENMEIER] and the gentleman from California [Mr. MOORHEAD] and members of the subcommittee for this work-product. H.R. 4340 represents a fair compromise and it is legislation that is important to the Federal judiciary. We actually began working on this bill last Congress, but because of the lateness of the session we were unable to finish it.

Bankruptcy judges handle virtually all bankruptcy litigation in the first instance. Such cases often involve wide-ranging ancillary issues which the bankruptcy judges are also authorized to handle upon the consent of the parties. The number of bankruptcy petitions filed each year has increased from 226,471 in 1979 to 561,278 in 1987. With the exception of trying felony cases, magistrates are authorized upon delegation from the article III judges to handle most matters arising from cases filed in the district court, including the trial of civil cases with the consent of the parties. Without highly competent bankruptcy judges and magistrates to perform these duties, the number of article III judges would need to be expanded dramatically. The services provided by these judicial officers is one of the primary reasons that the Federal district courts have been able to cope with rising caseloads.

Federal judges are fundamentally different from career civil servants. Retirement benefits under the civil service retirement systems are geared to career employees who serve for 30 or more years. Bankruptcy judges and U.S. magistrates usually enter judicial service after many years in the private sector and accordingly accumulate less Federal service than career civil servants. Because the average period of service of Federal judges is substantially less than that of career civil servants, the annuities of bankruptcy judges and magistrates are insufficient to provide reasonable financial protection by the time they reach retirement age.

This legislation will help correct that—and I urge a favorable vote.

Mr. RODINO. Mr. Speaker, I rise in strong support of H.R. 4340, the Retirement and Survivors' Annuities for Bankruptcy Judges and Magistrates Act of 1988. This measure will provide U.S. magistrates and bankruptcy judges with much-deserved retirement benefits. I have long supported legislation in past Congresses to give these judicial officers adequate pension benefits, and I am pleased to support H.R. 4340. The bill is needed so that the high quality of persons attracted to serve as bankruptcy judges and magistrates can be maintained.

Because of the requirements of the jobs, individuals best qualified to serve as bankruptcy judges and magistrates often come to these positions in mid-career. Some may be discouraged from pursuing these positions if the retirement benefits therefore are not tailored to this reality; bankruptcy judges and magistrates are unlike many other Federal employees who spend their entire career with the Government, slowly building up full pension benefits. H.R. 4340 recognizes the unique nature of the period of service of bankruptcy judges and magistrates, and offers these individuals sufficient means with which to provide for their retirement years.

I commend Mr. KASTENMEIER for the work he has done in developing H.R. 4340. It is a good bill that will benefit the country as a whole by maintaining the quality of our judiciary. I urge my colleagues to support this measure.

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Mr. MOORHEAD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. KASTENMEIER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. KASTENMEIER] that the House suspend the rules and pass the bill, H.R. 4340, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary and the Committee on Post Office and Civil Service be discharged from further consideration of the Senate bill (S. 1630) to provide for retirement and survivors' annuities for bankruptcy judges and magistrates, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1630

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Retirement and Survivor Annuities for Bankruptcy Judges and Magistrates Act of 1987".

BASIC RETIREMENT PROGRAM

SEC. 2. (a) Chapter 17 of title 28, United States Code, is amended by adding at the end the following new section:

"§ 377. Retirement of bankruptcy judges and magistrates

"(a) A bankruptcy judge or magistrate to whom this section applies who retires after serving at least 14 years, whether continuously or otherwise, as such a bankruptcy judge or magistrate shall, subject to subsection (e), be entitled to receive, upon attaining the age of 65 years and during the remainder of the judge's or magistrate's lifetime, an annuity equal to the salary being received at the time the judge or magistrate left office.

"(b) A bankruptcy judge or magistrate to whom this section applies who retires after serving less than 14 years but at least 8 years, whether continuously or otherwise, as such a bankruptcy judge or magistrate shall, subject to subsection (e), be entitled to receive, upon attaining the age of 65 years and during the remainder of the judge's or magistrate's lifetime, an annuity equal to that proportion of the salary being received at the time the judge or magistrate left office which the aggregate number of years of service bears to 14.

"(c) A bankruptcy judge or magistrate to whom this section applies who has served at least 5 years, whether continuously or otherwise, as such a bankruptcy judge or magistrate and who retires or is removed from office upon the sole ground of mental or physical disability shall, subject to subsection (e), be entitled to receive, during the remainder of the judge's or magistrate's lifetime, an annuity equal to 40 percent of the salary being received at the time of retirement or removal or, in the case of a judge or magistrate who has served for at least 10 years, an amount equal to that proportion of the salary being received at the time of retirement or removal which the aggregate number of years of service, not to exceed 14 years, bears to 14.

"(d) A bankruptcy judge or magistrate who is entitled to an annuity under this section is also entitled to a cost-of-living adjustment in such annuity, calculated and payable in the same manner as adjustments under section 8340(b) of title 5, except that any such annuity, as increased under this subsection, may not exceed the salary then payable for the position from which the judge or magistrate retired or was removed.

"(e) A bankruptcy judge or magistrate shall be entitled to an annuity under this section if the judge or magistrate elects an annuity under this section by notifying the Director of the Administrative Office of the United States Courts. A bankruptcy judge or magistrate who elects to receive an annuity under this section shall not be entitled to receive any annuity to which such judge or magistrate would otherwise have been entitled under subchapter III of chapter 83, or under chapter 84, of title 5.

"(f)(1) For purposes of calculating an annuity under this section—

"(A) full-time service as a bankruptcy judge or magistrate to whom this section applies may be credited; and

"(B) each month of service shall be credited as one-twelfth of a year.

"(2)(A) In the case of an individual who is a bankruptcy judge to whom this section applies and who retires or is removed from office upon the sole ground of mental or physical disability, service of that individual as a United States magistrate to whom this section applies, if any, shall be included for purposes of calculating years of service under subsection (a), (b), or (c), as the case may be.

"(B) In the case of an individual who is a magistrate to whom this section applies and who retires or is removed from office upon the sole ground of mental or physical disability, service of that individual as a bankruptcy judge to whom this section applies, if any, shall be included for purposes of calculating years of service under subsection (a), (b), or (c), as the case may be.

"(g) This section applies to—

"(1) any bankruptcy judge appointed under—

"(A) section 152 of this title;

"(B) section 34 of the Bankruptcy Act before the repeal of that Act by section 401 of the Act of November 6, 1978 (Public Law 95-598; 92 Stat. 2682); or

"(C) section 404 of the Act of November 6, 1978 (Public Law 95-598, 92 Stat. 2549); and

"(2) any United States magistrate appointed under section 631 of this title,

only with respect to service on or after October 1, 1979, as such a bankruptcy judge or magistrate.".

(b) The table of sections at the beginning of chapter 17 of title 28, United States Code, is amended by adding at the end the following new item:

"377. Retirement of bankruptcy judges and magistrates.".

(c)(1) A bankruptcy judge or United States magistrate in active service on July 31, 1987 shall, subject to paragraph (2), be entitled to, in lieu of the annuity otherwise provided under the amendments made by this section—

(A) an annuity under subchapter III of chapter 83, or under chapter 84, of title 5, United States Code, as the case may be, for creditable service before the date on which service would begin to be credited for purposes of subparagraph (B), and

(B) an annuity calculated under subsections (b) and (f) of section 377 of title 28, United States Code, as added by this section, for any service as a full-time bankruptcy judge or magistrate on or after October 1, 1979 (as specified in the election pursuant to paragraph (2)), without regard to the minimum number of years of service as such a bankruptcy judge or magistrate, except that—

(i) in the case of a judge or magistrate who retires with less than 8 years of service, the annuity under subsection (b) of section 377 of title 28, United States Code, shall be equal to that proportion of the salary being received at the time the judge or magistrate leaves office which the years of service bears to 14, and

(ii) the aggregate amount of the annuity initially payable on retirement under this subsection may not exceed the rate of pay for the bankruptcy judge or magistrate in effect on the day before the retirement becomes effective.

(2) A bankruptcy judge or magistrate shall be entitled to an annuity under this subsection only if the judge or magistrate files a notice of that election with the Director of the Administrative Office of the United States Courts specifying the date on which service would begin to be credited under section 377 of title 28, United States Code, in lieu of chapter 83 or chapter 84 of title 5, United States Code.

(3) A bankruptcy judge or magistrate who makes an election under paragraph (2) shall be entitled to a credit under section 8342 or section 8424 of title 5, United States Code, as the case may be, for any service which is covered under section 377 of title 28, United States Code, as added by this section, pursuant to that election, and with respect to which any contributions were made by the judge or magistrate under the applicable provisions of title 5, United States Code.

(4) With respect to any bankruptcy judge or magistrate receiving an annuity under this subsection who is recalled to serve under section 375 of title 28, United States Code—

(A) the amount of compensation which such recalled judge or magistrate receives under subsection (c) of such section shall be calculated on the basis of the annuity received under this section; and

(B) such recalled judge or magistrate may serve as a reemployed annuitant to the extent permitted in subsection (e) of section 375 of such title.

JUDICIAL SURVIVORS' ANNUITIES

SEC. 3. (a) Section 376 of title 28, United States Code, is amended as follows:

(1) Subsection (a)(1) is amended by—

(A) striking "or" at the end of subparagraph (D);

(B) adding "or" after the semicolon at the end of subparagraph (E); and

(C) inserting after subparagraph (E) the following:

"(F) a full-time bankruptcy judge or a full-time United States magistrate;"; and

(D) inserting after the semicolon at the end of clause (iii) the following: ", or who, in the case of a full-time bankruptcy judge or United States magistrate, notifies the Director in writing of his or her intention to come within the purview of this section on or before the date of an election to retire under section 377 of this title;".

(2) Subsection (a)(2) is amended by—

(A) striking out "and" at the end of subparagraph (D);

(B) inserting "and" after the semicolon at the end of subparagraph (E); and

(C) adding at the end the following:

"(F) in the case of a bankruptcy judge or United States magistrate, an annuity paid under section 377 of this title;".

(b) In the case of a bankruptcy judge or magistrate who elects an annuity under section 2(c), only service for which an annuity under subsections (b) and (f) of section 377 of title 28, United States Code, as added by section 2 of this Act, is calculated under section 2(c) may be used in the computation of an annuity under section 376 of title 28, United States Code, as amended by subsection (a) of this section.

AMENDMENTS RELATED TO RECALL

SEC. 4. (a) Section 155(b) of title 28, United States Code, is amended—

(1) by inserting "section 377 of this title or in" after "annuity in"; and

(2) by inserting "which are applicable to such judge" after "title 5".

(b) Section 375 of title 28, United States Code, is amended—

(1) in subsection (a) by inserting "under the provisions of section 377 of this title or" after "was retired";

(2) in subsection (c) by inserting "under the provisions of section 377 of this title or" after "annuity provided"; and

(3) in subsection (g) by inserting "who retired under the applicable provisions of title 5" after "section".

(c) Section 636(h) of title 28, United States Code, is amended in the second sentence—

(1) by inserting "section 377 of this title or in" after "annuity set forth in"; and

(2) by inserting "which are applicable to such magistrate" after "title 5".

TECHNICAL AMENDMENTS

SEC. 5. Section 631(e) of title 28, United States Code, is amended—

(1) by striking out "(j)" and inserting in lieu thereof "(k)";

(2) by striking out "(i)" and inserting in lieu thereof "(j)"; and

(3) by striking out "(h)" and inserting in lieu thereof "(i)".

CONFORMING AMENDMENTS

SEC. 6. (a) Section 8334(i) of title 5, United States Code, is amended by adding at the end the following new paragraph:

"(4) Notwithstanding any other provision of law, a judge or magistrate who is covered by section 377 of title 28 or section 2 of the Retirement of Bankruptcy Judges and Magistrates Act of 1987 shall not be subject to deductions and contributions to the Fund, if the judge or magistrate notifies the Director of the Administrative Office of the United States Courts of an election of a retirement annuity under those provisions. Upon such an election, the judge or magistrate shall be entitled to a lump sum credit under section 8342(a) of this title.".

(b) Section 8402(c) of title 5 of the United States Code, is amended by adding at the end the following new paragraph:

"(7) A judge or magistrate who is covered by section 377 of title 28 or section 2 of the Retirement of Bankruptcy Judges and Magistrates Act of 1987 shall be excluded from the operation of this chapter if the judge or magistrate notifies the Director of the Administrative Office of the United States Courts of an election of a retirement annuity under those provisions. Upon such election, the judge or magistrate shall be entitled to a credit under section 8424 of this title.".

EFFECTIVE DATE

SEC. 7. This Act and the amendments made by this Act shall take effect on the date of the enactment of this Act and shall apply to bankruptcy judges and magistrates who retire on or after July 31, 1987. A bankruptcy judge or magistrate retiring on or after July 31, 1987, but before the date of the enactment of this Act, shall be entitled to make an election under section 2(c)(2) of this Act within 90 days after such date of enactment.

MOTION OFFERED BY MR. KASTENMEIER

Mr. KASTENMEIER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. KASTENMEIER moves to strike out all after the enacting clause of the Senate bill, S. 1630, and to insert in lieu thereof the provisions of H.R. 4340, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 4340) was laid on the table.

CONFERENCE REPORT ON HOUSE JOINT RESOLUTION 90, WHITE HOUSE CONFERENCE ON LIBRARY AND INFORMATION SERVICES

Mr. WILLIAMS submitted the following conference report and statement on the joint resolution (H.J. Res. 90) to authorize and request the President to call and conduct a White House Conference on Library and Information Services to be held not earlier than September 1, 1989, and not later than September 30, 1991, and for other purposes:

CONFERENCE REPORT (H. REPT. 100-765)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 90) to authorize and request the President to call and conduct a White House Conference on Library and Information Services to be held not earlier than September 1, 1989, and not later than September 30, 1991, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the joint resolution and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SECTION 1. PRESIDENT TO CALL CONFERENCE IN 1989.

The President is authorized to call and conduct a White House Conference on Library and Information Services to be held not earlier than September 1, 1989, and not later than September 30, 1991.

SEC. 2. ESTABLISHMENT OF CONFERENCE.

(a) PURPOSE.—The purpose of the White House Conference on Library and Informa-

tion Services shall be to develop recommendations for the further improvement of the library and information services of the Nation and their use by the public, in accordance with the findings set forth in the preamble to this joint resolution.

(b) Composition.—The Conference shall be composed of—

(1) representatives of professional library and information personnel and individuals who support or furnish volunteer services to libraries and information services centers, from all age groups and walks of life, and members of the general public;

(2) representatives of local, statewide, regional, and national institutions, agencies, organizations, and associations which provide library and information services to the public;

(3) representatives of educational institutions, agencies, organizations, and associations (including professional and scholarly associations for the advancement of education and research);

(4) individuals with special knowledge of, and special competence in, technology as it may be used for the improvement of library and information services; and

(5) representatives of Federal, State, and local governments.

(c) Distribution of Participants.—In carrying out subsection (a)—

(1) one-fourth of the participants shall be selected from the library and information profession,

(2) one-fourth of the participants shall be selected from among individuals who are currently active library and information supporters, including trustees and friends groups,

(3) one-fourth shall be selected from among individuals who are Federal, State, or local government officials, and

(4) one-fourth shall be selected from the general public.

(d) State Participation Optional.—(1) State and territorial delegates and alternates to the national conference may participate in a respective State or territorial conference.

(2) Nothing in this Act shall be construed to require any State to participate in a State or territorial conference.

SEC. 3. ADMINISTRATIVE PROVISIONS.

(a) Direction by Commission.—The Conference shall be planned and conducted under the direction of the National Commission on Libraries and Information Science.

(b) Commission Functions.—In carrying out this joint resolution, the Commission shall—

(1) when appropriate, request the cooperation and assistance of other Federal departments and agencies in order to carry out its responsibilities;

(2) make technical and financial assistance (by grant, contract, or otherwise) available to the States to enable them to organize and conduct conferences and other meetings in order to prepare for the Conference;

(3) prepare and make available background materials for the use of delegates to the Conference and associated State conferences, and prepare and distribute such reports of the Conference and associated State conferences as may be appropriate; and

(4) conduct fiscal oversight activities with respect to the preparation for and the convening of the Conference including contracting for the services of an audit firm.

(c) Federal Agency Cooperation and Assistance.—(1) Each Federal department and agency, including the national libraries, shall cooperate with, and provide assistance to the Commission upon its request under clause (1) of subsection (b). For that purpose, each Federal department and agency is authorized and encouraged to provide personnel to the Commission.

(2) The Librarian of Congress, the Director of the National Library of Medicine, and the Director of the National Agricultural Library are authorized to detail personnel to the Commission, upon request, to enable the Commission to carry out its functions under this joint resolution.

(d) Personnel.—In carrying out the provisions of this joint resolution, the Commission is authorized to engage such personnel as may be necessary to assist the Commission and the Advisory Committee, without regard for the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51, and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(e) Expenses.—Members of the Conference may, while away from their homes or regular places of business and attending the Conference, be allowed travel expenses, including per diem in lieu of subsistence, as may be allowed under section 5703 of title 5, United States Code, for persons serving without pay. Such expenses may be paid by way of advances, reimbursement, or in installments as the Commission may determine.

SEC. 4. REPORTS.

(a) Submission to President; Transmittal to Congress.—A final report of the Conference, containing such findings and recommendations as may be made by the Conference, shall be submitted to the President not later than 120 days following the close of the Conference. The final report shall be made public and, within 90 days after its receipt by the President, transmitted to the Congress together with a statement of the President containing the recommendations of the President with respect to such report.

(b) Publication and Distribution.—The Commission is authorized to publish and distribute for the Conference the reports authorized under this joint resolution. Copies of all such reports shall be provided to the depository libraries.

SEC. 5. ADVISORY COMMITTEE.

(a) Composition.—There is established an advisory committee of the Conference composed of—

(1) eight individuals designated by the Chairman of the Commission;

(2) five individuals designated by the Speaker of the House of Representatives with not more than three being Members of the House of Representatives;

(3) five individuals designated by the President pro tempore of the Senate with not more than three being Members of the Senate;

(4) ten individuals appointed by the President;

(5) the Secretary of Education; and

(6) the Librarian of Congress.

The President, the President pro tempore of the Senate, the Speaker of the House of Representatives, and the Chairman of the Commission shall, after consultation, assure that members of the Advisory Committee are broadly representative of all areas of the United States.

(b) Function.—The advisory committee shall assist and advise the Commission in planning and conducting the Conference.

(c) Administration.—(1) The Chairman of the Commission shall serve as Vice Chairman of the Advisory Committee. The Advisory Committee shall elect the Chair of the Advisory Committee from among its members, who are not full-time Federal employees. The Advisory Committee shall select the Chair of the Conference.

(2) The Chairman of the Advisory Committee is authorized to establish, prescribe functions for, and appoint members to, such advisory and technical committees and staff as may be necessary to assist and advise the Conference in carrying out its functions.

(d) Compensation.—Members of any committee established under this section who are not regular full-time officers or employees of the United States shall, while attending to the business of the Conference, be entitled to receive compensation therefor at a rate fixed by the President but not exceeding the rate of pay specified at the time of such service for grade GS-18 in section 5332 of title 5, United States Code, including traveltime. Such members, may, while away from their homes or regular places of business, be allowed travel expenses, including per diem in lieu of subsistence, as may be authorized under section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

SEC. 6. GIFTS AND TITLE TO CERTAIN PROPERTY.

(a) Gifts.—The Commission shall have authority to accept, on behalf of the Conference, in the name of the United States, grants, gifts, or bequests of money for immediate disbursement by the Commission in furtherance of the Conference. Such grants, gifts, or bequests offered the Commission, shall be paid by the donor or his representative into the Treasury of the United States, whose receipts shall enter such grants, gifts, and bequests in a special account to the credit of the Commission for the purposes of this joint resolution.

(b) Reversion of Certain Equipment and Material.—Materials and equipment acquired by the White House Conference shall revert to the National Conference on Libraries and Information Science after the close of the White House Conference.

SEC. 7. DEFINITIONS.

For the purpose of this joint resolution—

(1) the term "Commission" means the National Commission on Libraries and Information Science;

(2) the term "Conference" means White House Conference on Library and Information Services; and

(3) the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and American Indian Tribes.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated without fiscal year limitations $6,000,000 to carry out this joint resolution. Such sums shall remain available for obligation until expended.

And the Senate agree to the same.

That the Senate recede from its amendment to the title of the bill.

Augustus F. Hawkins,
Pat Williams,
William D. Ford,
Major R. Owens,
Tom Coleman,
Managers on the Part of the House.

Claiborne Pell,
Edward M. Kennedy,
Spark Matsunaga,
Christopher J. Dodd,
Barbara A. Mikulski,

ROBERT T. STAFFORD,
ORRIN HATCH,
DAN QUAYLE,
STROM THURMOND,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H.J. Res. 90) to authorize and request the President to call and conduct a White House Conference on Library and Information Services to be held not earlier than September 1, 1989, and not later than September 30, 1991, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment to the text of the joint resolution struck out all of the House joint resolution after the resolving clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House joint resolution and the Senate amendment. The differences between the House joint resolution, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

1. The House bill and the Senate amendment differ in the State participation language. Both allow delegates and alternate delegates to the national meeting to participate in State or territorial meetings. However, the Senate adds an additional provision that makes it clear that no State is required to participate in a State or territorial conference.

The House recedes.

2. The House bill authorizes "such sums as may be necessary"; the Senate amendment authorizes $5,000,000.

The Senate recedes to House with an amendment to authorize $6,000,000.

3. The Senate amendment adds a restriction that limits a State's use of its Library Services Construction Act funds. Only funds appropriated for title III (interlibrary cooperation) may be used for activities related to the White House Conference.

The Senate recedes. In allowing State library agencies to use title I Library Services and Construction Act funds for purposes related to the proposed White House Conference on Libraries and Information Services, and resulting State conferences, it is not the Committee's intent that services to those individuals targeted with LSCA funds to be diminished. Title I provides vital access to libraries and information services to traditionally underserved populations around the Nation. Those services remain the primary purpose for receipt of State grants under title I. White House Conference activities held in each State should not result in the reduction of public library services.

4. The Senate amendment adds a provision to authorize $7,500,000 for a grant to the Washington Library Consortium. The House bill has no similar provisions.

The Senate recedes.

5. The Senate amendment adds an authorization of $1,000,000 for a grant to the Vermont Higher Education Council. The House bill has no similar provision.

The Senate recedes.

6. The Senate amendment adds a provision that authorizes a $4,500,000 grant to Vorhees College in Denmark, South Carolina. The House bill has no similar provision.

The Senate recedes.

7. The Senate amendment includes language that would authorize $2,200,000 for the University of Mississippi Law School. The House bill has no similar provision.

The Senate recedes.

8. The Senate amendment adds language that would increase the authorization of the Constitutional Bicentennial Education program by $3,000,000, up to $8,000,000. The House bill has no similar provision.

The Senate recedes.

9. The Senate amendment adds an amendment to the HEA to increase the number of institutions participating in the Income Contingent Loan Demonstration Program by up to 10 additional institutions, and these additional institutions may include consortia arrangements of institutions with the same State. The House bill has no similar provision.

The Senate recedes.

10. The Senate amendment adds an amendment to the Income Contingent Loan Demonstration Program that would allow institutions to pay the in-school interest on the loan out of the institution's share of these ICL funds. The House bill has no similar provision.

The Senate recedes.

11. The Senate amendment adds an amendment to the Income Contingent Loan Demonstration Program that would allow graduate and professional students to borrow under this demonstration program and allows an annual loan maximum of $10,000 for such students and a cumulative maximum of $44,500 for such students. The House bill has no similar provision.

The Senate recedes.

12. The Senate amendment adds an amendment to the ICL Demonstration to allow only fixed interest rates, and this amendment also reduces the interest rate from that in current law (average interest rate for 91 days Treasury bills auctioned during the 3-month period ending September 30 of the preceding year, plus 3 percent) to the same T-bill rate plus 0.5 percent. The House bill has no similar provision.

The Senate recedes.

13. The Senate amendment includes an amendment requiring guaranty agencies to provide eligible institutions with certain information. The House has already agreed to this provision.

The Senate recedes. This change has been made by previous legislation.

14. The Senate amendment includes an amendment clarifying the GSL eligibility of students (who already have a bachelor's degree) who are seeking a teaching credential. The House bill has no similar provision.

The Senate recedes. This provision has already been enacted in other legislation.

15. The Senate amendment adds a number of amendments to the Drug Free Schools and Communities Act of 1986. The House bill has no similar provision. The House includes amendments to this Act in H.R. 5.

The Senate recedes.

AUGUSTUS F. HAWKINS,
PAT WILLIAMS,
WILLIAM D. FORD,
MAJOR R. OWENS,
TOM COLEMAN,
Managers on the Part of the House.

CLAIBORNE PELL,
EDWARD M. KENNEDY,
SPARK MATSUNAGA,
CHRISTOPHER J. DODD,
BARBARA A. MIKULSKI,
ROBERT T. STAFFORD,
ORRIN HATCH,
DAN QUAYLE,
STROM THURMOND,
Managers on the Part of the Senate.

THE PENTAGON SCANDAL

(Mr. BENNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BENNETT. Mr. Speaker, the ongoing Pentagon scandal has provided much discussion, and one matter discussed is the practice of defense companies with U.S. Government contracts giving out large sums of honoraria to Members of Congress. This obviously gives the appearance of a conflict of interest, which we in Congress must seek to avoid. Yesterday's Washington Post contained an article that read:

> Many military contractors have discovered the benefits of that approach (going directly to Congress, rather than to the Pentagon), which may help to explain why the defense industry pours hundreds of thousands of dollars each into congressional campaigns and directly into the pockets of key senators and representatives in the form of fees and honoraria for speaking appearances.

An example recently reported was that Members of Congress met with officials from the Oshkosh company over breakfast and were then given $2,000 honoraria, and later that day, those Members voted on the issue of authorizing 500 more Oshkosh trucks than the Army said it needed.

Such happenings breed conflict of interest charges and leaves a bad taste in the mouths of people everywhere. That's why I am today introducing legislation to prohibit Members of Congress from accepting honoraria from any person or entity doing business with the U.S. Government. This bill will eliminate conflicts of interest in the acceptance of honoraria and will help, in a practical way, to rebuild respect among Americans for their Congress.

And it is really their Congress. Not a Congress for well-heeled defense contractors. Former Speaker Thomas P. "Tip" O'Neill once referred to the U.S. House of Representatives as the "Peoples' House." He was right. This legislation—in a very practical way—helps restore Congress to that noble ideal.

In the past few weeks I have introduced legislation to stop the practice of Members giving other Members campaign contributions while assisting their races for internal congressional leadership positions. Today, I introduce legislation to keep Members from accepting honoraria from companies and people doing business with the Federal Government. These two bills are aimed at getting our own house in order, so we can more forcefully attack evils such as the Pentagon scandal.

For the most part, Members of Congress, being good and decent people, try to avoid any conflicts of interest in their work. The bills I've introduced in the last month are designed to inspire conversation among us and to prod our minds to see where we might make improvements and really be, in Speaker O'Neill's words, "The Peoples' House."

I submit for the RECORD a copy of my bill dealing with honoraria. I urge my colleagues to support it and reflect on it as we seek a meaningful congressional response to the Pentagon scandal. We should carefully scrutinize the Pentagon and defense contractors, but we should also remember that old saying, "If you live in a glass house, don't throw stones." Until we clean up our own act, we will continue to find it difficult to criticize anyone else's.

H.R. 5009

A bill to prohibit a Member of Congress from accepting an honorarium from any person who is engaged in negotiations with the United States to enter into a Federally funded contract with the United States or who enters into such contract, for any appearance, speech, or article by such Member at any time during such negotiations or the performance of such contract

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PROHIBITION OF CERTAIN HONORARIA.

Section 908 of the Supplemental Appropriations Act, 1983 (2 U.S.C. 31-1) is amended—

(1) by redesignating subsections (c) through (g) as subsections (d) through (h), respectively; and

(2) by inserting after subsection (b) the following:

"(c)(1) Before accepting an honorarium for any appearance, speech, or article, the Member involved shall request and receive from the person offering such honorarium a written assurance that such person at the time of such appearance, speech, or article was not engaged in negotiations with the United States to enter into a contract with the United States or performing a contract entered into with the United States, any payment for the performance of which is to be made from funds appropriated by the Congress.

"(2) A Member shall not accept an honorarium directly or indirectly, from any person who is engaged in negotiations with the United States to enter into a contract with the United States or who enters into a contract with the United States if—

"(A) any payment for the performance of such contract by such person is to be made from funds appropriated by the Congress;

"(B) such honorarium is for any appearance, speech, or article by such Member at any time during such negotiations or the performance of such contract; and

"(C) such Member—

"(i) knows of such negotiations or such contract; or

"(ii) has reason to believe that such person is engaged in such negotiations or is performing such contract.".

SEC. 2. CONFORMING AMENDMENTS.

Section 908(a) of the Supplemental Appropriations Act, 1983 (2 U.S.C. 31-1(a)) is amended—

(1) by redesignating paragraph (4) as paragraph (5);

(2) in paragraph (3), by striking "and"; and

(3) by inserting after paragraph (3) the following:

"(4) 'person' has the meaning given to such term in section 1 of title 1, United States Code, except that such term includes any governmental entity; and".

MINORITIES IN BASEBALL

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and to include extraneous matter.)

Mr. RICHARDSON. Mr. Speaker, with the All-Star Game coming up tomorrow night, we are reminded once again about the unfairness in baseball hiring practices.

Mr. Speaker, baseball has been called our national pastime. Yet how can we call a sport our national pastime when we see in baseball the blatant racist practices we have been trying to eliminate from our society for decades?

Despite the high level of rhetoric from the baseball commissioner and the appointment of Dr. Harry Edwards, we have seen no real improvement for minorities that are trying desperately to be involved at all levels of the game. How many professional managers in major league baseball? One out of 16. There are hardly any coaches of black and Hispanic origin, just a few here and here.

Frank Robinson of the Baltimore Orioles, the only manager that is a minority, points out that since the 1987 season began a total of five managers were replaced, eight new general managers or team presidents were hired, yet no blacks or Hispanics were hired in this cluster of appointments. Since Mr. Robinson's remarks, there have been more managerial vacancies, and no appointments.

Mr. Speaker, minority players want to participate on the playing field and in the front office. Minority players should not be excluded from decision-making positions, positions for which they are eminently qualified.

How long are we, as Americans, going to watch qualified minority individuals be taken advantage of and continue to be discriminated against simply because of archaic and unfounded biases of prejudice among owners and managers?

Minorities do not only want to hit home runs, they want to call the shots on the field.

Mr. Uberoth, cut the PR for which you are so good at, and start showing some leadership and concrete deeds, not words and empty promises.

Mr. Speaker, the Congress should look into baseball's hiring practices. While blacks and minorities and Hispanics are out there hitting the home runs, they are not calling the shots or managing the game. We need positive change in our national pastime.

Mr. Speaker, I attach the following article:

FIGHTING THE BASEBALL BLACKOUT

(By Frank Robinson and Berry Stainback)

Harry Edwards is given the baseball commissioner's ear, that man should help make things happen for minorities as soon as possible, not produce a five year plan. Edwards was given a budget of $250,000 and a hefty annual salary, so he can afford to take his time. In addition, Edwards is paid $80,000 a year by the University of California at Berkeley, and he says he makes up to 100 speeches, at $5,000 per appearance, each year. I know black ex-players who are willing to work in baseball for the equivalent of three of Edwards' speech fees, yet they can't find a job.

With all the talk that baseball should hire a black manager it seemed that team owners were reluctant to fire their present manager no matter how badly their ballclubs were playing in '87. For the first time since 1976, by June 15, 1987 no manager had been fired, even though Larry Bowa's Padres were 28 games under .500.

But on June 17 the Phillies fired John Felske and the next day club president Bill Giles hired dugout assistant Lee Elia, saying, "I chose the man I felt was the best for the job," which is what owners always say about the manager they hire. Are they going to say, "I hired an incompetent?"

The Reverend Jesse Jackson criticized Bill Giles, saying, "My real concern is not that they hired Lee Elia, but that no blacks or Hispanics were considered for the job. You tell a tree by what it bears. Peter Ueberroth has said there would be a new attitude. What has happened in Philadelphia reaffirms Al Campanis' point of view."

Speculation had it that Bill Robinson was the No. 1 black candidate for the Phillies' managing job. He had played for the club, had been a minor league hitting instructor for the organization and had been the first base coach and hitting instructor for the Mets in recent years. "I am sure the color issue would bring my name to the forefront," Robinson told the press before Elia was hired. "I'd like the Phillies' front office to look upon me as a man and go from there. But for the first time it doesn't hurt being black."

Maybe not, but Bill Robinson didn't get the job.

One man I had been talking to about baseball's prejudicial hiring practices since 1981 is Ben Moore. A former Phillies scout and assistant baseball coach at the University of San Francisco, Moore had been in television until he joined the Giants' community relations department in 1982 and also did some scouting. In '83 Moore had been my eye-in-the-sky coach with the Giants. Ben would call me two or three times a week, and after I began talking to Willie Stargell and Ray Burris in '87, I put Ben in touch with them. Ben has a conference calling service on his phone, so we often had conference calls.

Ben Moore also knows Harry Edwards and, on the day of his appointment by the commissioner, Ben called him at his home. He reached Edwards' answering machine and left a message: "Harry, these are the names of some people I know you're gonna want to talk to. Frank Robinson, Willie Stargell and Joe Morgan." Ben left both our business and private phone numbers.

Ten days later none of us had heard from Harry Edwards. So Ben Moore called him again and left the same message.

Two weeks later, on July 4, I still hadn't received a call from Harry Edwards when I was asked to tape a "Face the Nation" show from Minnesota, where the Orioles were playing. Edwards would be taped on the same program from Washington, along with Yankees owner George Steinbrenner and Georgtown basketball coach John Thompson. Neither before nor after the program did Harry Edwards ask to speak to me.

I found his attitude very strange. If the roles of Harry Edwards and myself were reversed and I were looking into a problem that he had experienced for 35 years, as I have, I would have sought his counsel. He had to know that at the time I was the only black man to have managed two major league teams and that I had insights he couldn't have. I began to wonder just how serious Edwards was about his consultantship to the commissioner.

"Face the Nation" moderator Lesley Stahl asked Edwards if he was convinced that in two years there would be black managers and blacks in the front office.

"I'm not saying that blacks are gonna take off like a pack of starving dogs after a meat wagon with the door swinging open, at every opening in professional baseball," said Edwards, using a line he had been issuing the media for weeks. "But we're going to see discernible progress in front offices from the high profile positions right on down to accounting and marketing and so forth. In fact I guarantee it."

"Discernible progress" in baseball's minority hirings was what many of us were waiting to see. Any black who is hired by baseball is a welcome change. But my concern is that ballclubs are going to be saying down the road, "We've got 35 percent of our work force in minorities now," yet we'll still have few blacks in decision-making roles.

On "Face the Nation," Stahl said to Steinbrenner,"You don't see blacks moving up the ladder from the field into the front office the way whites do."

"Some of these young men are earning such tremendous salaries," George said, "it's hard to convince them to come into the front office to take a position that may start at $50,000."

I responded by saying that the few blacks who had turned down jobs were superstars—the only people who are offered work after they retire because they are thought to have impact on fans and the media. "But there are players who have played in the major leagues and in the minor leagues who are just dying for jobs," I said. "They've sent in applications and resumes and these are thrown aside because the players don't have 'the name' that attracts attention."

Stahl said, "Do you feel now, George, that the situation's got to change?"

"I feel very strongly that we've got to bring minorities into baseball," Steinbrenner said. "To be honest with you, Frank, if you can give me the names of three young men who you feel fit that nonstar category that would like to get active in the front office and work their way up I guarantee you I'll be in touch with them Monday or Tuesday, because I would love to give 'em an opportunity."

I laughed right on television, to think that Goerge Steinbrenner could not come up with some nonsuperstar black explayers from his own team who would like to get back into baseball. I mentioned Don Buford and Ray Burris, and then I was so stunned by George's strategem that I stopped talking.

But later on in the program I asked Steinbrenner: "In your opinion, George, why do you think there have not been more blacks or other minorities as managers over the course of baseball? Why aren't there more black third base coaches? Why aren't blacks considered—I mean really considered—for jobs of decision-making in the front offices right at this moment? Why?"

"I'm as intent, I think, as Dr. Edwards is in getting the answers to this problem—if it's a problem," Steinbrenner said.

"What do you mean," Stahl asked, "'If it's a problem,' Mr. Steinbrenner?"

"It's a problem, George, and it has been there for years," I said.

"I think in a lot of ways baseball is not unlike society as a whole," Steinbrenner said. "And I think we have to make sure everybody has an equal opportunity in this country."

Then Steinbrenner presumably went off to keep his promise to offer Don Buford and Ray Burris an opportunity by Tuesday, July 7. But five months later neither Buford nor Burris had heard from Steinbrenner or the Yankees.

At the '87 All-Star Game in Oakland, Ueberroth and Edwards held a surprise meeting with the black players, coaches and former players who were there. I was not invited nor was Willie Stargell or Hank Aaron, the Atlanta Braves' vice president of player development and the highest ranking black in baseball. That was insulting, but worse was the fact that Edwards and Ueberroth offered no information on affirmative action progress at the meeting.

When he heard about the meeting, Ben Moore called Edwards and left a message, "Harry, please give me a call." Several days later, Edwards phoned Ben, who said, "Hey, man, how can you have a meeting of black baseball people and not have Frank Robinson, Willie Stargell and Hank Aaron there?"

"I want to talk to those guys, Ben, because they've got to head up this effort eventually," Edwards said. "Tell me where I can reach them and I will get to them no later than Wednesday."

Harry Edwards' word proved to have all the reliability of George Steinbrenner's. Edwards didn't call any of us.

Ben Moore set up a conference call with him, me, Stargell and Ray Burris. Willie came on the line and said, "Enough of this crap, we've got to have our own meeting." We all agreed to begin putting together our own organization that would provide information and services to blacks. So we all began calling people and collecting names, addresses and phone numbers that Ben Moore printed out on his computer. At the end of the season we had a mailing list of 200 people.

We called our organization the Baseball Network, and providing information to guys who are looking for jobs in the game would be one of our major tasks. We felt Peter Ueberroth could be helpful there, but he was never available when we called him. We also had problems getting people in the commissioner's office to return our calls. When we did get through and asked an assistant to provide us with a team by team breakdown of the minority hirings in baseball since the '87 season began, we were told a few days would be needed to assemble the information.

But when we called back we were told no information was available. The commissioner was probably embarrsassed that baseball had done so little in the hiring of minorities since the Campanis hullaballoo. [By December of 1987] a total of five managers were replaced, none by a black. Eight new general managers or team presidents were hired and none of them were black. So much for affirmative action at the top.

The Cubs had an opportunity to hire their first black manager by promoting their batting coach, Billy Williams. He reportedly did a good job in managing one of the Cubs' teams in the instructional league but not good enough to earn him a shot at managing the big club in 1988. The Cubs gave the job to Don Zimmer, who had previously managed in San Diego, Boston and Texas without distinction. He did have experience, which Williams lacked. That is what owners and general managers always say when they reject a black manager candidate.

The baseball network board finally got to meet with Commissioner Ueberroth in December. He said that baseball had increased its hiring of minorities by 400 percent between 1986 and 1987. I told him that numbers can be deceiving, that there were still all too few blacks in decision-making positions. Willie Stargell had been promoted from first base coach to third base coach of the Atlanta Braves, and the Padres had hired Sandy Alomar, an Hispanic black, to coach third. And I had been promoted to a decision-making front office job in 1987.

Overall we were disappointed that more progress hadn't been made in this area. But the commissioner convinced us that he and his consultants were going to work to get more minorities into decision-making positions. I left this meeting somewhat more hopeful.[1]

Probably the most significant thing to come out of the meeting was the commissioner's guarantee that the Baseball Network would now have ongoing communication with his office, with the offices of the American and National League presidents, with Edwards and with Alexander's firm. We would no longer be kept in the dark as to what was being done in the effort to find jobs for more minorities in baseball. I think the commissioner realizes that the Baseball Network is here to help solve a serious problem.

And the problem remains. That was all too apparent when the commissioner opened the Winter Meetings in Dallas. There were 78 men in the room from baseball's 26 teams. Only one of those 78 was black: Frank Robinson.

TOO MUCH OF A GOOD THING

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, American society is plagued by the proliferation of the credit card. Citizens are pestered regularly by department stores offering credit cards, and are inundated with mail from credit companies seemingly offering the world to those who obtain their card. The results are college students racking up charges long before they have any income to repay their debts, families digging themselves deeper into debt due to the temptation to spend, and even credit cards being issued by mail to house pets who did not request or have any perceivable desire to acquire them.

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[1] Since this book went to press, the California Angels have named Cookie Rojas, an Hispanic, to replace Gene Mauch as manager, and Harry Edwards has made contact with the Baseball Network. Frank Robinson remains dissatisfied however, with hiring nationwide.

While some may encounter difficulty in obtaining lines of credit or loans, for others credit has become very easy to obtain. Credit is so readily available to many Americans that it is taken for granted and abused. Americans are living on credit rather than paying as they go. This situation lends itself to the dangerous financial condition in which far too many people find themselves today: debt-ridden.

There is no doubt that credit is invaluable in our society. We depend upon it to pay for homes, cars, college educations, and other items crucial to daily living. Credit stimulates the economy. However, Americans are experiencing the ramifications of having too much of a good thing. It is apparent that the availability of credit is enabling, in fact inviting people to amass debts far greater than their means could justify.

I would like to share with my colleagues a light-hearted article on the very serious issue of the proliferation of credit cards. The Washington Post printed this column by Dave Barry on June 12, 1988. I believe it serves as an entertaining, yet important warning that we should all be wary of offers for this kind of easy money. The financial well-being of Americans is affected by the tactics employed to promote the use of credit cards. Public awareness is important in slowing the rate at which Americans are overspending, a habit which will ultimately be detrimental to our economy.

IT'S ALL THE CARDS YOU'LL NEVER NEED

(By Dave Barry)

Most of my mail consists of letters from companies with unusual names in distant states who want to give me credit cards. Their letters sound like this:

"Dear Mr. Barry:

"Here at TransInterBankAmericanaCorp, we have been reviewing your credit history. Never mind how we got it, Mr. Barry! The important thing is that we HAVE it, and many an evening we sit around munching buttered popcorn and reviewing it. And quite frankly, Mr. Barry, we like what we see."

I bet they do, I have owned a number of Visa cards, obtained through a conscientious program of filling out random applications without reading them, and over the years I have used them to run up thousands of dollars worth of charges. And to the best of my recollection, *I have never used a Visa card to purchase anything I actually needed.* Mostly I use it to provide emergency short-term financing for things like fried cheese sticks. Probably the most useful thing I ever charged was a $6.99 yo-yo with a little electric light in it, which I got for my son in a savvy parental effort to teach him the value of whining and nagging in shopping malls.

Of course, the yo-yo broke before we got home, but sometimes, when I get a Visa statement, I suspect that I'm still paying for it, that it's hidden in there somewhere in the Prior Balance, which sometimes goes up and sometimes goes down, but which, like Richard Nixon, never completely goes away. I think some of my Visa cards originally *came* with a Prior Balance.

Also, of course, I am paying interest. When I listen to these radio money-adviser talk shows, where Smart Consumers are trying to decide whether to invest in Treasury notes maturing in 1993 or tax-free municipal bonds maturing in 1995, I think: *I'm paying interest on cheese sticks consumed in 1986.*

So it is no surprise to me that all these other companies want a piece of the action, which is why they are constantly sending me letters trying to get me to take on new credit cards. These letters barely mention what you actually do with a credit card, namely charge things you generally don't need, then spend the bulk of your life paying the money back at an interest rate higher than your state's legal drinking age. No, these letters talk about credit cards as if they were magical objects with amazing powers to change your life style, similar to Dorothy's ruby slippers or the Sword of Power that Prince Adam uses to transform himself into He-Man, the Most Powerful Man in the Universe.

"Mr. Barry," the letters say, "this card guarantees you worldwide acceptance and recognition. You show this card in a foreign country, Mr. Barry, and the natives will fall to their knees and lick your toenails. They will offer you their spouses. Because we are talking about a card with prestige, here. We are talking about a card that exceeds the prestige associated with credit cards colored to look like such precious metals as gold, or even platinum; we're talking about a card that reaches the prestige level of: uranium. Yes, Mr. Barry, this card is actually coated with a radioactive substance! Such is the power of this card, Mr. Barry, that you have to carry it in a lead-lined wallet or large chunks of glowing flesh will start falling off your butt. But that is by no means the only benefit you get with this card, Mr. Barry! You also get a full membership in the United States Senate. You get the power to render yourself invisible. You get . . ."

You think I'm exaggerating, right? You think nobody would stoop to this level of comical irrelevancy to get you to take a credit card. So I'd like to quote from an actual mailing I recently got here in Florida from an outfit called the First Deposit National Bank, located in New Hampshire and California:

"Real gold is used to make this powerful card! We think our Gold First Select VISA card is really something special. That's why we manufacture it using real gold!"

This mailing also points out that some other companies' so-called "gold" cards are actually made with—Ralph Nader, take note!—brass.

"Gold Select VISA," the mailing states, "is a card that can decisively separate you from your peers!"

This is a real selling point for me. I'm in favor of being separated from my peers. Because what they do is, after a couple of beers, they start helping themselves to *my cheese sticks.*

TRIBUTE TO CLARENCE "BIGHOUSE" GAINES

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Kentucky [Mr. HUBBARD] is recognized for 5 minutes.

Mr. HUBBARD. Mr. Speaker, today I rise to recognize and pay tribute to Mr. Clarence "Bighouse" Gaines, the winning coach of the basketball team at Winston-Salem State University in North Carolina.

Clarence Gaines was born on May 21, 1923, in Paducah, KY. He attended Morgan State College in Baltimore, MD, where he earned a degree in chemistry along with becoming an all-American tackle on the football team. It was there at Morgan State while playing football that he was given his nickname. A trainer on the team said that Gaines being 6'5" tall and weighing 295 pounds was bigger than a house, thus the nickname, "Bighouse."

After college, in 1945 Mr. Gaines went to Winston-Salem State in North Carolina to be an assistant to Brutus Wilson on all of the sporting teams there. Although he had only planned on staying 1 year, Mr. Wilson, the head coach, left for a position in another university. This opened the door for Gaines to become head coach, and in only his second year at Winston-Salem he accepted the job which he has held for 42 years.

Even without a full-time assistant, he still manages to find time to fulfill the requirements of being the athletic director and teach a health class 3 days a week. He is involved in the Boy Scouts, Boys Club, and a local youth baseball league that he helped found. He is also project director for the National Youth Sports Program at Winston-Salem State, and he works with at least half a dozen civic church organizations.

Mr. Gaines has been married for 38 years to his loving wife, Clara. They have two children; Clarence Jr., a marketing manager in Long Beach, CA, and Lisa, a marketing representative in Minneapolis. They also have two grandchildren, Loren and Ryan.

Mr. Gaines' 785 career victories place him second only to Adolph Rupp of Kentucky on college basketball's all-time win list. His record of 785 victories and only 366 losses includes 12 seasons in which his teams won 20 or more games, 8 Central Intercollegiate Athletic Association [CIAA] tournament championships, and the 1967 NCAA college division title. He served as coach at the 1980 and 1984 Olympic basketball team trials.

He is also a member of five different halls of fame including the following: Basketball Hall of Fame, NAIA Hall of Fame, North Carolina Sports Hall of Fame, Winston-Salem State Hall of Fame, and the Central Intercollegiate Athletic Association Hall of Fame.

Even with all of these stunning accomplishments, Mr. Gaines says that he would rather be known as someone who touched people's lives in the right way. He said, "Coaches come and go. Records come and go. But if you touch the people's lives the right way, they will remember you." As the many calls and visits from former players such as NBA star Earl "The Pearl" Monroe and the many memberships in civic and other related organizations reveal, Mr. Gaines has indeed touched the lives of many of the people he has been associated with.

A dinner will be held in Paducah, KY, Monday evening, August 6, at the Executive Inn riverfront, in Mr. Gaines' behalf. Hundreds of friends and admirers of Clarence "Bighouse" Gaines are planning to attend this Augsut 6 event.

ARAB ARMS BUILDUP

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. FRANK] is recognized for 60 minutes.

Mr. FRANK. Mr. Speaker, I take the floor today to talk about some trends involving the Middle East that disturb me, and I think that disturb the great majority of the Members of this House and, I believe, of the Senate as well.

One is the tendency for this administration, but, even more, other nations in the world to step up the pace of weapons sales to Arab nations in the Middle East. I recognize that some of the Arab nations are menanced by Iran, and this is a sad fact that today Iran continues to refuse efforts to end the war between itself and Iraq and continues to assert its right to exert force against smaller neighbors. It is very much in the interest not only of our country but of the values that are to rule the world for smaller neighbors of Iran to be helped in their efforts to resist. It is a mistake to think, as I believe some people in the administration think, or at least argue, that Kuwait or Saudi Arabia or any of the other Arab States somehow are earning our gratitude by letting us help them resist Iran. It is the self-interest of the Kuwaitis and the Saudis and others in the Arab world to resist the kind of brutal and aggressive fundamentalism that the Iranian leadership has been projecting and that we hope is going to cease, but which for now they continue to project.

Of course, it makes sense for us to be cooperative with them, but we have to understand that they are motivated by their own interests. It is not a favor to the United States that Saudi Arabia, Kuwait, or any of the other Arab States accept our help. The point is we have people here and elsewhere who would seize on the cooperation that exists in the fact of Iranian threats somehow to argue that this means that there are countries to whom we owe something and, in particular, there has been a pattern in the administration with regarded to Kuwait, with Great Britain, with the People's Republic of China of people shipping increasingly sophisticated arms to Arab States, and the problem with that is that while some armaments are necessary, vis-a-vis Iran, the problems that confront Iraq and those who are helping Iraq are not technological superiority on the part of the Iranians, because they do not have that. The Iranian asset has been manpower and fanaticism. There are encouraging signs that that is decreasing.

The Arab States, as they acquire evermore sophisticated equipment, are not forced to do that because of the threat from Iran. The fact is that the Arab States that are acquiring these arms continue to be, by their explicit choice, hostile to the continued existence of the State of Israel, and those who advocate the shipment of increasingly sophisticated arms to the Arab world are contributing to the destabilization of the situation between Israel and those in the Arab world which include, sadly, every nation but Egypt, who continue to profess opposition to Israel's very existence.

I know we are told that various Arab entities in various guises have softened that opposition. They have indicated quitely here, tacitly there, implicitly in the third place, that, yes; it is okay for there to be an Israel.

From the standpoint of Israel and from the standpoint of those of us in America who believe a strong and free and independent Israel is very much in the interest of the United States, explicit opposition to one's right to exist, qualified by informal, tacit, implicit, hidden acknowledgments that maybe it is OK, do not really assuage fears. Those who advocate the continued shipment of sophisticated arms to Arab States and refuse to contemplate even the possibility of a serious peace with Israel or contributing to a serious destabilization of the Middle East.

We recently wrote a foreign aid bill in which the larget recipients of our foreign assistance were Israel and Egypt. There were questions raised about why is there such a large amount given to Israel. One of the major reasons is that of all the nations in the world that have chosen to ally themselves with the United States in an important way, of all those nations that exemplify our values, and Israel does that in its own society and in its commitment to democracy and in its commitment to an open society, of all of those, only Israel faces the situation of enormous and unremitting hostility from nearly all of its neighbors.

As those neighbors use their oil wealth and their other political connections to step their level of arms, it is absolutely incumbent on the Government of Israel to match those increases. We have a very small nation which receives a large amount of aid, and it receives a large amount of aid because through no fault of its own and against its own strongest wishes it has been forced from its very existence to maintain a level of armament that is disproportionate. What is disproportionate with regard to the State of Israel is not the amount of assistance that it gets in some abstract context; it is the burden that is opposed on Israel to arm itself, to devote much of its resources to armaments in self-defense and the self-defense part has to be emphasized.

□ 1400

We had a great deal of focus in this country earlier this year on the response of the Israeli Government to the resistance, sometimes simply demonstrations, occasionally violent, but all out resistance to Israel's continued presence in the territories that Israel took over after the 1967 war.

No law enforcement entity can look good on television confronting armed resisters. It is in the nature of the law enforcement forces to be better armed and better equipped and better organized, and the pictures shown will always look from the law enforcement posture unfortunate. Sometimes they will be wholly accurate. Sometimes they will be partially accurate. It is inevitable that law enforcement personnel, whether military or police, confronted with massive, angry, physical, and sometimes violent resistance, it is inevitable that some of them will misbehave. It is the responsibility of those in authority to train and supervise and work with those authorities to absolutely minimize the acts of violence, and those acts of violence that were unjustifiably committed by Israeli forces should be criticized.

But to confuse the tactical response of a government faced with an armed resistance and whether or not it was carried out as humanely, as ideally it should have been, to confuse that with the fundamental nature of whether or not that government has a right to maintain its authority is a mistake that a lot of people have made. Not many here. One of the things I think people should understand is that while many in this body were critical of specific aspects of Israel's response to the resistance in the territories and to the violence and the demonstrations they confronted, Members here understood first of all that comparing Israel's record to those of virtually every other nation, Israel comes out pretty good. But they also understood the need to differentiate between the tactical response in a specific situation and the overall question about whether or not a nation has the right to be in the situation that evokes a tactical response.

The fact that this House overwhelmingly continued to support adequate foreign assistance to Israel, not so that Israel can live in luxury, not so that the people in Israel are relieved from burdens that others face, but to help Israel bear the extraordinary, unprecedented burden of arming itself that it has been forced to bear, the fact that the overwhelming majority of the Members of this House continued that I think shows that Members in this House and in the Senate understand the importance of differentiating between a tactical response and an overall legal position.

But others elsewhere have called it into question, and it has to be reaffirmed that Israel finds itself in Gaza and on the West Bank because of a series of events that began in 1948 when every Arab nation defied the United Nations and sought simply to deprive Israel and its citizens of any right to existence, and that having lost that war the Arabs continued their hostility to the point where the Israelis were forced in self-defense in 1967, absolutely in self-defense, to take over territories that were being used as bases from which to launch murderous attacks on the Israelis, the fedayeen out of Egypt and the Gaza area, the PLO forerunners in the West Bank area. So we have to emphasize again that Israel finds itself in Gaza and the West Bank not again through any choice. Had the Arab States in 1948 agreed to the U.N. plan, none of it would have happened. In the intervening period from 1948 to 1967, had the Arabs not used those areas as bases for attacks against Israel, again Israel would probably not be there. They are there out of self-defense, and I stress again that it is important to separate the tactical questions of particular responses to violence and to demonstrations with the overall question of moral legitimacy.

The Israelis have no option and they had no option in 1967 but to take over those territories in self-defense. They have no option, in my judgment, but to be there today.

People will begin to differ as to what strategy Israel should follow to divest itself of much of that territory. I believe they ought to be trying to divest themselves, not of all of that territory, not of all of that territory by any means. Jerusalem will remain united, the capital of Israel, and nothing is going to change that or should. But much of that territory ought to be divested.

Interestingly enough, we have not heard the Egyptians, whose territory is very nearly adjacent to Gaza, ask for it back. The Egyptians and the Jordanians, remember, administered Gaza and the West Bank for 19 years, and if the desire for an independent Palestinian state was a legitimate and a sincere one on the part of the Arab world, presumably we would have had such a state. Certainly Israel in the late 1940's and early 1950's would have been in no position to have prevented physically the establishment of a Palestinian state, if that is what the Arabs wanted. But they did not want that. What they wanted was to use Gaza and the West Bank not as a base from which to establish the right to the Palestinian people to live, a cause for which they have laterally become, they tell us, committed, but they wanted to use Gaza and the West Bank as bases from which to undermine Israel's very right to existence. They lost the ability physically, but there are those who are still trying to delegitimize Israel intellectually, morally, politically, and legally. And what they have done most recently is to focus the tactical issues that go on in the territories with the overall moral question.

Even on the tactical issue, by the way, Israel is entitled I think to ask for fairer judgments than it has gotten. I have been critical of some aspects of the response, although I think they have greatly improved it. And it is a sad thing when people die, but the fact is that the great bulk of people who have died violently in the Middle East in the past few months have died not at the hands of Israel but at the hands primarily, of course, of Iran and Iraq, who have been engaged in a bloody and brutal and bitter war.

But even set that aside. Let us look at the situation in Lebanon. Let us look at the Palestinians. There have been 200 or so people killed as a result of the resistance to Israel and the territories, and that is a sad fact. Many, many more than that have been killed systematically by the fight of Arabs against Arabs. Israel has been out of Lebanon for a long time, and we are told there are religious tensions. Inside the Shiite bloc, Amal and Hezbollah have engaged in a bloody warfare that has resulted in many, many more deaths than came from the Israeli Government effort to maintain its authority in the territories. Sometimes they have done that mistakenly; sometimes they have done it better, but the number of people killed does not compare to those killed in the fighting between Hezbollah and Amal or in the fighting between the factions of the PLO. And these are relevant not simply as debating points because Israel is being asked by some to take some risks. Israel has done that before. They took risks in 1968 with Anwar Sadat, and it paid off, although some were against it. I believe that Simon Perez, the Prime Minister of Israel, is right that they should have a negotiating strategy that could encompass risks in the future. But let us look at the situation of the people in Israel, the people who were there in 1948. And remember the war that was launched against them and continued hostilities against people who have been reading and experiencing for years that Arab hostility.

What kind of a climate is it that Israel is being told exists for negotiations when it sees those with whom it is being asked to negotiate butchering each other? The kind of killing that is going on in Lebanon between factions of the PLO, between factions of the Shiites greatly exceeds the loss of life that has gone on in Israel, and that is not highly conducive, in my mind, to the kind of situation that leads to negotiations.

Add to that the fact that we continue to have the most indiret expressions about whether or not Israel should exist. We expect in negotiations some things are going to be left open, maybe a lot of big things. But you have to be a tea leaf reader to get what people tell us, that we are getting signals from the PLO, or an aide to Arafat says, well, maybe it will be OK for there to be an Israel. But then of course he is bitterly criticized we are told by journalists who cover the Middle East and who it seems to me know what they are talking about in these instances, that one cause of the fighting within the PLO is the fear of some in the posterian faction that one or two of Arafat's advisers might become encroached in the notion of thinking that there ought to be an Israel.

So we have these two disturbing trends, not here I want to say. The people should be reassured that here and on the other side of this building the great majority continues to understand that the Israelis are by no means perfect, but on the whole they are the victims rather than the victimizers in the Middle East, and in the sense that we have had one example of an Arab leader, Anwar Sadat, who opening and without hesitation said, OK, I understand that there will be an Israel with the right to exist, and Israel's response to that was an enormously generous one. They gave up territory won in a war in a way that I think only our own country equals in its willingness after World War II to have voluntarily retreated from territory gained at the cost of its own blood. In other situations, the Israelis met much less.

We are told, by the way, yes; Hussein would like to be more forthcoming, and maybe somebody else would like to be more forthcoming, but they are afraid to because of hostility. People should understand when they say that what a chilling thing they are saying for the Israelis, that yes; there are a couple of people in the Arab world who would like to make peace, but they do not have the political support or the assurance that they would still be alive, and therefore they cannot say it. What does that mean to Israel, that Israel should then go and make peace with these people, anyway, if these are people who have not got the political and the physical capacity to make statements that recognize reality and stay in existence? How can anyone suggest that they have the ability to sign with Israel the kind of peace that Sadat did, because remember, Sadat from the day he signed that peace treaty was reviled by virtually every other Arab nation, and they continue to be although we are told that it is getting better, it is receding. Yes; 10 years after making peace, after having been murdered for it, after having the Arab States in many cases who won arms from us cheer when he was murdered, now we are told maybe what Sadat did was not so bad.

No one is suggesting that Israel get a blank check from us or anyone else. No one is suggesting there should not be criticism of specific issues where people think there are mistakes, and given the nature of democracy in Israel, which continues to be the only democratic state in the Middle East which has any degree of freedoms, freedom of the press, freedom of state and elections, and that no Arab State comes close to matching, and I wish they did, but think for a minute what would have happened if people in Syria under Syrian control exercised the degree of freedom to demonstrate that has been exercised by the Palestinians in Gaza and the West Bank. They would all be dead because Syria would not have hesitated to use that kind of lethal force, and in Lebanon people get killed for far less. Even in Egypt, which is less repressive than some, efforts to do like that, to have demonstrations would have produced much more repression.

It is not that we ought not to be critical when the Israelis make mistakes, and given the openness and given the fact that there are differences between the Israeli people, we are entitled to express it, it seems to me, with a view that is Simon Perez' approach, which seems to me likelier to be productive than that of Prime Minister Shamir. But that is a democracy that will decide those questions, and people will be free to make their comments, and the voters will ultimately decide it.

The fundamental fact, however, is that the hostilities exist, and what has happened is people have used some of the inevitable tactical problems and mistakes that Israel have made, and things Israel has done wrong in the territories, and I say that they handled those more humanely, with more respect for human life than any of their neighbors would have, but they still did not do it as well as they should have and we should say that, but people have seized on that inevitable difficulty of authority trying to defend its rights to be there, and they have tried to confuse the tactical with the broader strategic question. We have no questions about the legitimacy of Israel's right to be there.

Israel's right to be in the territories was brought about by self-defense in 1967 when the Arabs, after 19 years, allowed those territories to be used as a basis for attack. There continues to be in the Arab world no leader prepared to do what Sadat did, which is to say OK, Israel, let us sit down and negotiate. Some say that if there were another Sadat that the Israelis would not be responsive. I hope that is wrong, and that if there were to be another Sadat, and if Israeli leaders were presented the chance to sit and negotiate with its Arab neighbors, like they did with Sadat, and make the kinds of deals that they made with Sadat, not identical because the West Bank is not the Sinai and there are differences, but if Israel were presented with that choice and chose not to accept it, I would be critical of them.

But that is not the situation. No Israeli Prime Minister or Foreign Minister or Defense Minister has ever, in my mind, said that there should not be any Arab countries and we are not going to have any dealings with them. It is the Arab countries that say that about Israel. And a more dangerous trend now is those who take the combination of the tactical problems in the territories and the Iraq and Iran war and use that as justification for shipping of more sophisticated levels of weapons into the Middle East. The result of that will be, of course, that Israel will have to step up its level of weaponry. No responsible Israeli, the most dovish Israel leader holding any position of authority, is not going to sit back and should not sit back and let those countries, who in combination greatly outnumber Israel and have greatly more wealth, build up their military capacity to the point where they threaten Israel's security, which they tell us they want to do.

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I am not putting words into the mouth of the Saudi Arabians when we say that they are terribly anti-Israel. So to allow the need to work with the Arab nations against Iran, that is a different situation. Again, the Iranians are not presenting anyone with a problem of technological superiority. To take the tactical difficulties in the territories and the problems that exist in the Iran/Iraq war and to allow that to be the cover for greatly shipping more arms in is wrong. It is not enough for us, we are told by our administration, "Well, you see, you stopped us from selling arms to Kuwait," and I believe that the actions of the Senate and the loud objections of many of us here, we have stopped the Kuwait arms sale apparently here. So we are told, "What good is it because the Kuwaitis will go get those weapons elsewhere? We stopped selling arms to the Saudis and they went and got them from the British, the administration tells us, but that is partly the administration's fault.

Ronald Reagan and Margaret Thatcher are after all, great friends. The foreign Secretary of Great Britain has even endorsed George Bush in the Presidential election.

The action of the Reagan administration has helped bring about the role of the British as suppliers of the Saudis. They are not entitled to plead as an argument in favor of our selling arms to the Saudis that if we do not the British will, when they encourage the British to do that, when they let the British know that that is fine. If Ronald Reagan were to impose some objections, if our administration was to say, "Look, there is a problem here, there is a problem of continued Arab hostility to the very existence of Israel and we have got to stabilize that situation and we have got to encourage other Arab nations to behave as Anwar Sadat did," and that should be the goal of our policy in that area.

I think Secretary Shultz took some steps in the right direction. But he is undercut, I think, when there continue to be increasingly sophisticated levels of weapons that go into Kuwait and that go into Saudi Arabia not to be used against Iran primarily, but to be held in reserve for what we are told might sometime be the attack against Israel that these countries formally tell us they are still committed to at some point.

So the time has come for the administration—and they have been reasonable in their support of a necessary level of foreign assistance to help the Israelis cope with this enormous arms burden which has been imposed upon them, but they undercut their own policy when they try to sell arms to those who continue to be hostile to Israel, arms that will have a potential use against Israel. And when they encourage our allies to continue to arm those who show no willingness whatsoever to make peace with Israel.

From the standpoint of the Israelis and from the standpoint of those of us in this country who think that Israel both in terms of the values it exemplifies and the positions it espouses in the world greatly deserve American support and help, the picture here in this Capitol is encouraging and the people should know it.

The criticisms, some legitimate, some exaggerated, the unfair double standard to which Israel is held—and I think that is a fact because if you look at the columnages of criticism and the TV news that went to Israel, sometimes legitimately critical, and you compare that to the relatively sparse coverage of the far greater violence there, the almost indiscriminate killing in Lebanon and elsewhere in the Arab world, to the more brutal response in the Arab world to demonstrations, even with all that, the decisions are in. This Congress is not going to penalize Israel and deny it the assistance it needs to deal with the burdens that have been forced on it. This Congress is not going to support arming Israel's enemies. The Administration agrees with us on the need to provide Israel a certain level of support but it is self-defeating to say, "Yes, we are going to provide Israel this level of support and we are also going to arm its enemies" because that is going to force Israel to ask for more support. The more we help Saudi Arabia, Kuwait, and others to use their enormous oil wealth to acquire increasingly more sophisticated weapons, the greater, the more crushing the economic burden is on Israel and the more there will be a reason for those of us who are supportive to talk of another level of assistance, people who do not want to see providing the level of assistance that we do. We would all like to save money. The way to do that is not to penalize Israel and leave it vulnerable to its enemies, but it is to try to talk down the arms race, and this administration is talking it up.

The People's Republic of China, the United Kingdom, these are nations with which we have some relationships and to whom we ought to be talking. And instead we have the administration, in my judgment, saying almost gleefully, "See, see, you wouldn't let us sell arms to Saudi Arabia so they are getting them elsewhere. See, you turn us down in Kuwait and they get them elsewhere."

They can help to diminish that. I hope that next administration will do that.

I am not going to take the remainder of my time, Mr. Speaker, because I think the basic issue is a clear one and I emphasize again that when it came to votes here on the foreign aid bill, on arms sales, it is encouraging that the great majority of Members in the House and the Senate recognize that it is in America's interest, our moral interest and our strategic interest to continue to provide Israel with the help it ought to have so it can remain free and independent.

I congratulate the administration for joining in that part of the effort.

But the administration makes a mistake and undermines its own ability there when simultaneously, either by its own actions or by encouraging our allies, they ask a level of weapons be provided to those who still profess hostility to Israel because that is the beginning of a cycle. And it is not enough to say to the Israelis, "Well, don't worry because if the Saudis and the Kuwaitis get more, we will help you get more too." That is not an answer, that is not a sensible answer for us, that is not a sensible answer for Israel.

Encouraging the Saudis and the Kuwaitis to build up more and more arms so we can then help the Israelis build up more and more arms is the opposite of where we ought to go. American policy in the Middle East ought to be to say, "We want to be friendly." We have shown that with Egypt. People want to know where do we stand vis-a-vis the Arabs? One Arab leader said, "Let's have peace in the Middle East." That was to the benefit of Egypt. Egypt benefited by getting territory back. When Anwar Sadat signed that treaty he did not give away any Egyptian needs. As a matter of fact, he had in there, I remember, a proposal for autonomy in the West Bank. Some of the demands that people now are making in the West Bank, some versions of those were included in a treaty that was signed at Camp David and that was repudiated by the other Arabs.

Anwar Sadat was vilified 10 years ago for suggesting in the treaty—more than suggesting—things that some of the people in those territories are now asking for.

How did we respond to Anwar Sadat? We encouraged his negotiating and we have rewarded his country financially. That ought to be our policy.

Yes, we will help the people resist the terrors of the Iranians, yes we understand that they do not want to be taken over by the Russians. And when the Saudis resist the Russians, they are not doing that as a favor to us. But the centerpiece of our policy should be to encourage other Arab nations to emulate Egypt and to make it clear that while we will help them survive against those threats from Iran and elsewhere, the true level of cooperation, of friendship that we want, the kind we have got with Egypt will come when they make that very simple step. And they do not do it implicitly or passively or maybe or covertly and in obscure language. We are sometimes told, "Well, you have to understand the Middle East. People don't speak directly." I think that is a form of linguistic racism. There are not people born to speak obscurely. There are people who speak obscurely when they are not quite sure what they can say and what they ought to say.

We ought to insist on an explicit open expression on the part of all these Arab entities, no more, no less than Sadat said. "We understand that Israel is here; it has security needs like everybody else; we think there are some territorial adjustments; let us sit down and talk about them." At that point and at that point only will it be legitimate in my judgment to be critical of Israel if it does not respond. But nothing suggests to me that the Israelis will not respond. I believe that the Israeli Government will respond as the Israeli Government responded 10 years ago.

So I am pleased that we in the House and in the Senate have rejected the notion that we should be selling arms to Israel's enemies; we have rejected the notion that we should somehow punish Israel for its need to preserve order because they did not do it as well as they should have, and as humanely as they should have, that we should punish them by substantially reducing the funds that they need to defend themselves.

And I urge the administration to make its policy more consistent. It is not enough simply to provide the level of support. It is also important to make peace between those countries a centerpiece.

We have put forward the Shultz plan, we have put some pressure on Israel to be more forthcoming with the Shultz plan. I was one of those who said I think Prime Minister Shamir should have been more forthcoming and more supportive.

I also said that about the Arabs. Again the double standard comes into play.

We have heard a lot about the fact that Peres was more supportive of the Shultz plan than Shamir was.

But where was the Arab support for it? Egypt, yes. But there was no other Arab nation that was supportive.

We need to have a consistent policy which says to the Arab countries, "Israel is not a threat to your legitimate interests. Israel is not a threat to your needs. This has been proven by the Israeli-Egyptian relationship and we will work with you in making peace." And if we are told, finally, Mr. Speaker, well, they would like to do that "but there is such deep-rooted fundamentalist-driven hostility to the very existence of Israel that Arab leaders have to be very cautious about that"—that may be a fact, I hope it is not, but if it is—understand what that says to the people who have responsibility for the safety and security of Israel.

What you are then saying is no real peace is possible. And if you simultaneously say that and then criticize Israel for not making more concessions, it seems to me you are saying something that does not make sense.

We ought to assume that the leadership in the rest of the Arab world can be found to emulate Sadat's. I believe that the Israelis will then be responsive.

That ought to be a consistent American policy to bring that about.

We have got an administration that is doing some of that now. But its arms sales policy, encouraging the sale of arms to Saudi Arabia, Kuwait, and others without urging them to a constructive role in the Arab-Israeli peace process is a very grave error.

I thank the Speaker and yield back the balance of my time.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. Moorhead) to revise and extend his remarks and include extraneous material:)

Mr. DeLay, for 60 minutes, on July 13.

(The following Members (at the request of Mr. Frank) to revise and extend their remarks and include extraneous material:)

Mr. Annunzio, for 5 minutes, today.

Mr. Hubbard, for 5 minutes, today.

Mr. Mazzoli, for 5 minutes, on July 12.

Mr. Clay, for 60 minutes, on July 13.

Mr. de Lugo, for 30 minutes, on July 13 and 14.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Moorhead) and to include extraneous matter:)

Mr. Kolbe.

Mr. Dannemeyer.

Mr. Saxton.

(The following Members (at the request of Mr. Frank) and to include extraneous matter:)

Mr. Traficant in five instances.

Mr. Mavroules.

Mr. Fauntroy.

Mr. Anderson in 10 instances.

Mr. Gonzalez in 10 instances.

Mr. Brown of California in 10 instances.

Mr. Annunzio in six instances.

Mr. Jones of Tennessee in 10 instances.

Mr. Jontz.

Mr. Edwards of California.

Mr. Frank in two instances.

Mr. Ortiz.

Mr. Vento.

Mr. Walgren.

Mr. Biaggi.

Mr. Lantos.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 338. Joint resolution to designate August 1, 1988, as "Helsinki Human Rights Day"; to the Committee on Foreign Affairs and Post Office and Civil Service.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 2203. An act to extend the expiration date of title II of the Energy Policy and Conservation Act, and

S. 2248. An act to designate the U.S. courthouse located at 156 Federal Street in Portland, ME, as the "Edward Thaxter Gignoux United States Courthouse."

BILLS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 4229. An act to amend title 10, United States Code, to codify in that title certain defense-related permanent freestanding provisions of law, and

H.R. 4567. An act making appropriations for energy and water development for the fiscal year ending September 30, 1989, and for other purposes.

ADJOURNMENT

Mr. FRANK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 25 minutes p.m.), the House adjourned until tomorrow, Tuesday, July 12, 1988, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3960. A letter from the Director, the Office of Management and Budget, transmitting the cumulative report on rescissions and deferrals of budget authority as of July 1, 1988, pursuant to 2 U.S.C. 685(e) (H. Doc. No. 100-212); to the Committee on Appropriations and ordered to be printed.

3961. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 192, "Rental Housing Conversion and Sale Act of 1980 Temporary Extension Amendment Act of 1988," pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

3962. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-193, "District of Columbia Income and Franchise Tax Conformity Amendment Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

3963. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-194, "Educational Institution Licensure Commission Institution Title Amendment Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

3964. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-195, "Personal Property Tax Amendment Act of 1986 Clarification Amendment Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

3965. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-196, "Closing of a Public Alley in Square 140, S.O. 86-368, and the Street and Alley Closing Conforming Amendment Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

3966. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-197, "Income and Franchise Tax Amendment Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

3967. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-198, "Closing of a Public Alley in Square 408, S.O. 87-327, Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

3968. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-199, "General Obligation Bond Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

3969. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-200, "Extension of the Moratorium on Retail Service Station Conversions Amendment Act of 1988," and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

3970. A letter from the Auditor, District of Columbia, transmitting a copy of his report entitled, "Review of Drug Related Cash and Property Forfeited to the District of Columbia," pursuant to D.C. Code section 47-117(d); to the Committee on the District of Columbia.

3971. A letter from the Auditor, District of Columbia, transmitting a copy of his report entitled, "Contracts Between PSI Associates, Inc. and the Department of Human Services," pursuant to D.C. Code section 47-117(d); to the Committee on the District of Columbia.

3972. A letter from the Acting Secretary of State, transmitting an updated report on the status of the sale of Stinger missiles, pursuant to Public Law 100-202, section 573(b) (101 Stat. 1329-176); to the Committee on Foreign Affairs.

3973. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting a report on the status of United States-Soviet discussions on the conflict in Angola, pursuant to Public Law 100-204, section 1222(b)(5) (101 Stat. 1415); to the Committee on Foreign Affairs.

3974. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of original reports of political contributions for Charles A. Gillespie, Jr., Ambassador Extraordinary and Plenipotentiary-designate to the Republic of Chile, and William H. Twaddell, Ambassador Extraordinary and Plenipotentiary-designate to the Islamic Republic of Mauritania, and members of their families, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3975. A letter from Director of Congressional Affairs, U.S. Arms Control and Disarmament Agency, transmitting a copy of updated data, as of June 1, 1988, on the INF Treaty, pursuant to 22 U.S.C. 2577(a); to the Committee on Foreign Affairs.

3976. A letter from the Assistant Comptroller for Insurance, Departments of the Army and the Air Force Exchange Service, transmitting copies of two actuary reports for the year ended December 31, 1987: the retirement annuity plan for employees of the Army and Air Force Exchange Service; the supplemental deferred compensation plan for members of the Executive Management Program, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

3977. A letter from the Director, Office of Management and Budget, transmitting the sixth annual report under the Paperwork Reduction Act of 1980, pursuant to 42 U.S.C. 3541; to the Committee on Government Operations.

3978. A letter from the Assistant Secretary of the Interior for Indian Affairs, transmitting a proposed plan for the use of the Choctaw and Chickasaw judgment funds in Docket 387-85L before the U.S. Claims Court, pursuant to 25 U.S.C. 1402(a), 1404; to the Committee on Interior and Insular Affairs.

3979. A letter from the Assistant Secretary, Land and Minerals Management, Department of the Interior, transmitting notification of leasing systems, sale 115, for the western Gulf of Mexico, scheduled to be held in August 1988, pursuant to 43 U.S.C. 1337(a)(8); to the Committee on Interior and Insular Affairs.

3980. A letter from the Chairman, Merit Systems Protection Board, transmitting the Board's report entitled: "Attracting Quality Graduates to the Federal Government: A View of College Recruiting," pursuant to 5 U.S.C. 1205(a)(3); to the Committee on Post Office and Civil Service.

3981. A letter from the Chairman, U.S. Securities and Exchange Commission, transmitting a copy of a legislative proposal prepared by the Commission in response to concerns raised by the October 1987 market break; jointly, to the Committees on Energy and Commerce and Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Pursuant to the order of the House on June 22, 1988, the following report was filed on July 8, 1988]

Mr. DINGELL: Committee on Energy and Commerce. H.R. 4417. A bill to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1989, and for other purposes; with amendments (Rept. 100-673, Pts. 1 and 2). Referred to the Committee of the Whole House on the State of the Union.

[Pursuant to the order of the House on July 7, 1988, the following reports were filed on July 8, 1988]

Mr. DINGELL: Committee on Energy and Commerce. H.R. 3361. A bill to amend the Public Health Service Act to establish within the National Institutes of Health a National Institute on Deafness and Other Communication Disorders; with an amendment (Rept. 100-761). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 4833. A bill to amend the Public Health Service Act to revise and extend the programs of nurse education established in title VIII of such act, and for other purposes; with an amendment (Rept. 100-762). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 4915. A bill to amend the Public Health Service Act to revise and extend the program of grants for the prevention and control of sexually transmitted diseases (Rept. 100-763). Referred to the Committee of the Whole House on the State of the Union.

[Submitted July 11, 1988]

Mr. BROOKS: Committee on Government Operations. Report on the State Department's travel advance and domestic cashiering operations: longstanding management deficiencies must be corrected (Rept. 100-764). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAWKINS: Committee of conference. Conference Report on House Joint Resolution 90 (Rept. 100-765). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WHITTEN:

H.R. 5008. A bill making dire emergency supplemental appropriations for the fiscal year ending September 30, 1988, and for other purposes; to the Committee on Appropriations.

By Mr. BENNETT:

H.R. 5009. A bill to prohibit a Member of Congress from accepting an honorarium from any person who is engaged in negotiations with the United States to enter into a federally funded contract with the United States or who enters into such contract, for any appearance, speech, or article by such Member at any time during such negotiations or the performance of such contract; to the Committee on House Administration.

By Mr. MILLER of California:

H.R. 5010. A bill to extend the authorization of the Water Resources Research Act of 1984 through the end of fiscal year 1993; to the Committee on Interior and Insular Affairs.

By Mr. BENNETT:

H.J. Res. 606. Joint resolution proposing an amendment to the Constitution of the United States relating to the limitation of expenditures in elections for public office; to the Committee on the Judiciary.

By Mr. UDALL (for himself, Mr. CAMPBELL, and Mr. LAGOMARSINO):

H. Con. Res. 331. Concurrent resolution to acknowledge the contribution of the Iroquois Confederacy of Nations to the development of the U.S. Constitution and to reaffirm the continuing Government-to-Government relationship between Indian tribes and the United States established in the Constitution; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FASCELL:

H.R. 5011. A bill to clear certain impediments to the issuance of a certificate of documentation for a vessel for employment in the coastwise trade and fisheries of the United States; to the Committee on Merchant Marine and Fisheries.

MEMORIALS

Under clause 4 of rule XXII,

436. The SPEAKER presented a memorial of the Legislature of the State of California, relative to McClellan Air Force Base; to the Committee on Armed Services.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 18: Mr. STARK and Mr. SHAYS.

H.R. 39: Mr. MACKAY.

H.R. 341: Mr. BARNARD, Mr. KYL, and Mr. PETRI.

H.R. 1924: Mr. SHAYS.

H.R. 2940: Mr. COBLE.

H.R. 3224: Mr. SWINDALL.

H.R. 3454: Mr. HUBBARD, Mr. ARMEY, and Mr. HARRIS.

H.R. 3726: Mr. SUNIA, Mr. BRUCE, Mr. ROWLAND of Georgia, Mr. JENKINS, Mr. KOSTMAYER, Mr. BLAZ, Mr. DE LUGO, Mr. DE LA GARZA, and Mr. LEHMAN of Florida.

H.R. 3760: Mr. BADHAM, Mr. BALLENGER, Mr. BOULTER, Mr. INHOFE, Mr. KONNYU, Mr. MCCOLLUM, Mr. OXLEY, Mr. SHUMWAY, and Mr. SWINDALL.

H.R. 4127: Mr. FORD of Tennessee, Mr. WISE, Mr. FOGLIETTA, Mr. INHOFE, Mr. HEFNER, and Mr. COLEMAN of Texas.

H.R. 4498: Mr. FLAKE and Mr. SABO.

H.R. 4546: Mr. HUGHES.

H.R. 4651: Mr. MORRISON of Washington.

H.R. 4721: Mr. BUECHNER, Mr. CONTE, Mr. DYMALLY, Mr. EDWARDS of California, Mr. EVANS, Mr. FOGLIETTA, Mr. HAYES of Illinois, Mr. HYDE, Mr. KILDEE, Mr. LAGOMARSINO, Mr. MILLER of California, Mr. MORRISON, of Washington, Mr. UDALL, and Mr. WILLIAMS.

H.R. 4758: Mr. SMITH of Florida and Mr. MICA.

H.R. 4763: Mr. LENT.

H.R. 4767: Mr. LAGOMARSINO, Mr. NICHOLS, and Mr. WATKINS.

H.R. 4855: Mr. MARTINEZ, Mr. KILDEE, Mr. ATKINS, and Mr. WEISS.

H.R. 4865: Mr. MARTINEZ.

H.R. 4948: Mr. LOTT.

H.R. 4954: Mr. GRAY of Illinois, Mr. GRANT, Mr. DONNELLY, and Mr. JONES of North Carolina.

H.R. 4981: Mr. WYLIE.

H.J. Res. 152: Mr. NATCHER, Mr. MACK, Mr. HOCHBRUECKNER, and Mr. THOMAS A. LUKEN.

H.J. Res. 458: Mr. WEISS, Mr. HANSEN, Mr. SCHAEFER, Mr. FLORIO, Mr. KASICH, Mr. STOKES, Mr. STARK, Mr. KANJORSKI, Mr. GRAY of Pennsylvania, Mr. KILDEE, Mr. SMITH of New Hampshire, and Mr. WALKER.

H.J. Res. 520: Mr. DERRICK, Mr. MCGRATH, Mrs. BENTLEY, Mr. NELSON of Florida, Mr. BRENNAN, and Mr. RINALDO.

H.J. Res. 568: Mr. MFUME, Mr. ATKINS, Mr. EVANS, Mr. CAMPBELL, Mr. BLILEY, Mr. BURTON of Indiana, Mr. BROWN of Colorado, Mr. BIAGGI, Mr. BONKER, Mr. BORSKI, Mr. BUSTAMANTE, Mr. CARPER, Mr. CARR, Mr. CLEMENT, Mr. CONYERS, Mr. COOPER, Mr. DARDEN, Mr. DELLUMS, Mr. DICKS, Mr. DIXON, Mr. DOWDY of Mississippi, Mr. ESPY, Mr. FASCELL, Mr. FAUNTROY, Mr. FEIGHAN, Mr. GAYDOS, Mr. HAYES of Illinois, Mr. HOYER, Mr. SYNAR, Mr. TAUZIN, Mr. TORRES, Mr. WATKINS, Mr. WAXMAN, Mr. BOEHLERT, Mr. WISE, Mr. WYDEN, Mr. HUGHES, Mr. KANJORSKI, Mr. KOLTER, Mr. KOSTMAYER, Mr. LEHMAN of California, Mr. LEHMAN of Florida, Mr. LELAND, Mr. LEWIS of Georgia, Mrs. LLOYD, Mr. MCCLOSKEY, Mr. MCHUGH, Mr. MAVROULES, Mr. HALL of Texas, Mr. GILMAN, Mr. ERDREICH, Mr. BRENNAN, Mr. COBLE, Mr. DIOGUARDI, and Mr. MCGRATH.

H.J. Res. 571: Mr. BONKER, Mr. WYDEN, Mr. DELLUMS, Mr. PEPPER, Mr. KILDEE, Mr. BIAGGI, Mr. SCHEUER, Mr. AUCOIN, Mr. QUILLEN, Mr. HAMILTON, Mrs. PATTERSON, Mr. HOYER, Mr. RANGEL, Mr. FORD of Michigan, Mr. FASCELL, Mr. TALLON, Mr. ROSE, and Mr. WOLF.

H.J. Res. 580: Mr. FAZIO, Mr. GRAY of Illinois, Mr. HARRIS, Mr. EVANS, Mr. MCMILLEN of Maryland, Mr. AKAKA, Mr. COELHO, Mr. FROST, Mr. VENTO, Mrs. BENTLEY, Mr. JENKINS, Mr. BLILEY, and Mr. LANTOS.

H.J. Res. 583: Mr. KOSTMAYER, Mr. TAUZIN, Ms. KAPTUR, Mr. HAMMERSCHMIDT, and Mr. LANCASTER.

H.J. Res. 598: Mr. MANTON, Mr. SAWYER, Mr. LIVINGSTON, Mr. ATKINS, Mr. MARTIN of New York, Mr. MATSUI, Mr. MILLER of Washington, Mr. MORRISON of Washington, Mr. HOCHBRUECKNER, Mr. BOSCO, Mr. BERMAN, Ms. PELOSI, Mrs. KENNELLY, Mr. BUSTAMANTE, Mr. ROBINSON, Mr. BLAZ, Mr. MCHUGH, Mr. BAKER, Mr. QUILLEN, Mr. MAVROULES, Mr. TAUZIN, Mr. MURTHA, Mr. BORSKI, Mr. MILLER of California, Mr. HORTON, Mr. MINETA, Mr. KOLTER, and Mrs. COLLINS.

H. Con. Res. 233: Mr. BROWN of Colorado, Mr. FISH, Mr. PICKETT, and Mr. TAUZIN.

H. Con. Res. 277: Mr. GARCIA, Mr. LEHMAN of Florida, and Mrs. KENNELLY.

H. Con. Res. 297: Mr. MANTON, Mr. RINALDO, Mr. FAUNTROY, Mr. DELLUMS, Mr. MCGRATH, Mr. MRAZEK, and Mrs. COLLINS.

H. Con. Res. 323: Mr. GILMAN.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

208. By the SPEAKER: Petition of the City Council, Sacramento. CA, relative to the Act for Better Child Care Services, S. 1885 and H.R. 3660; to the Committee on Education and Labor.

209. Also, petition of the Common Council, city of Buffalo, NY, relative to the Act for Better Child Care Services, S. 1885 and H.R. 3660; to the Committee on Education and Labor.

210. Also, petition of the mayor and board of commissioners, Shawnee, OK, relative to a proposed amendment to the Constitution to exempt certain interest income from taxation and directing distribution; to the Committee on the Judiciary.

SENATE—*Monday, July 11, 1988*

(Legislative day of Friday, July 8, 1988)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the Honorable Thomas A. Daschle, a Senator from the State of South Dakota.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

God of Abraham, Isaac, and Israel, Lord of history and the nations, Your word records that in the days of the judges, "* * * there was no king in Israel: every man did that which was right in his own eyes."—Judges 21:25. No leadership; anarchy prevailed.

Eternal Father, in this in-between time, the old order and a new, as we face two national conventions, an election, a new administration and a new Congress, let truth, justice, and righteousness prevail.

In 9 scheduled work weeks, the historic 100th Congress will be over—the bicentennial of the Senate a memory. Whatever opportunity there is for greatness will have passed. Four strong leaders will leave the Senate voluntarily—others may involuntarily. A nation in decline morally and ethically desperately needs role models for personal and family integrity and honor.

Grant to each Senator the will, the wisdom and the courage to accept and exercise the strong, exemplary leadership for which the Nation languishes.

In the name of Him who is the way, the truth, and the life, we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The **PRESIDING OFFICER.** The clerk will please read a communication to the Senate from the President pro tempore [Mr. Stennis].

The assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, DC, July 11, 1988.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Thomas A. Daschle, a Senator from the State of South Dakota, to perform the duties of the Chair.

John C. Stennis,
President pro tempore.

Mr. DASCHLE thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

SCHEDULE

Mr. BYRD. Mr. President, I would suggest to our colleagues that they should be prepared to stay into the evenings during the 4 days in which the Senate will work this week. This morning, of course, the first vote will occur on the amendment by Mr. Armstrong on the D.C. appropriations bill, and that will be followed by the vote on the D.C. appropriations bill.

Then the Senate will take up the two veterans' measures. There are time agreements on both measures, and they will carry us into the late afternoon, I should think. They will be followed by the HUD appropriations bill, and later during the week following on the HUD appropriations bill there will be the Transportation appropriations bill, the Interior appropriations bill, and possibly we could put in the Labor-HHS appropriations bill before the Defense appropriations bill.

The distinguished Republican leader has indicated that it may be possible to get a time agreement on the DOD authorization conference report. Hopefully, the two sides can get together on a core package dealing with drought assistance. If that can be done, I hope the Senate can adopt legislation to give relief to our cattlemen and farmers. I hope we can do that this week before we go out. That would require strong bipartisan support and I think an agreement, if possible, with respect to a time limitation so as to hopefully avoid too many amendments to the core package which would have been previously agreed upon by both sides. It would be well if we could dispose of that legislation before we go out.

So to sum it up, there will be a good many rollcall votes this week. There will be early and late sessions, and the Senate will not be in on Friday.

Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE REPUBLICAN LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the Republican leader is now recognized.

ACTIVITY THIS WEEK

Mr. DOLE. Mr. President, I am going to reserve my time, but I think the majority leader is right. There is one other area on which he may have had a meeting on Friday, and that is an effort to get a bipartisan drug package; we will not probably get it passed but maybe get it introduced.

So there is a lot of activity this week, and I would guess that the majority leader is right, if we can finish what, Transportation and HUD, Interior, and the other things, we will have had a pretty good week with a lot of votes.

On HUD, I hope it might be possible to take up Transportation ahead of that, if it is going to be called up today, because the ranking member on this side, Senator Garn, is participating in a dedication of some public works project in Utah and will not be back until late this evening.

Mr. BYRD. Mr. President, if the distinguished Republican leader will yield, first on the drug matter, the task group that I have appointed will be meeting in the LBJ Room this afternoon in an effort to expedite the bipartisan package. That will be the bipartisan group appointed by both the Republican leader and myself. Whether or not we could act upon that this week remains to be seen. It would be well if we could, but I think the immediate thing is the drought legislation. We will just see where we go. But both sides are making encouraging progress on the development of the drug proposal.

Mr. President, as to the Transportation appropriations bill, I would be happy to put that ahead of the HUD appropriations bill if that will help the leader on the other side with respect to his manager.

Mr. President, I am happy to yield the floor.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10:30 a.m. with Senators permitted to speak therein for not to exceed 5 minutes each.

The Senator from Wisconsin.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

AMERICA'S GRIM AND GREAT FUTURE!

Mr. PROXMIRE. Mr. President, in spite of the old age of this peacetime economic recovery—the longest in our history at 6 years, like old man river—it just keeps rolling along. Can we continue as we are—living beyond our means forever? Of course, we cannot. Consider how well our gross fiscal irresponsibility is serving us: Corporate profits are breaking all records. Foreign trade has been one of our most serious economic problems. But with the fall of the dollar, the improvement in American productivity, the stability of wages and other production costs, our exports have begun to pick up. Our imports have dropped. The July 18 edition of Fortune magazine forecasts "striking" foreign trade gains in the coming year or year and a half. Fortune expects few new plants and little new office construction in coming months but capital spending for industrial equipment, computers, and airlines will roll along providing an overall steady increase through 1989, of 2.5 percent in capital spending. Consumer spending is also expected to move ahead at a fairly slow 2-percent-plus rate. Fortune believes interest rates will not rise much, if at all, this year. But higher inflation and tighter Fed policy will nudge them modestly ahead next year.

What will really continue to drive the economy? Answer: The continuing Federal deficit. Fortune says the deficit will continue along at the present $150 billion deficit clip in 1988, and according to Fortune, "What's worse, the deficit won't shrink no matter who takes up residence in the White House." There might be a small bite in the deficit in 1990 with "consumption taxes large enough to raise about $25 billion." So neither the end of the recovery nor the end of the massive driving force of Federal deficits are in sight in the next 18 months or so. That is good news for those running for reelection. But it is bad news for the future of our country.

With our $2½ trillion Federal Government debt greatly aided and abetted by our even greater $3 trillion household debt and our more than $4 trillion business debt, the economy continues to grow as we live beyond our means. On all these fronts the debt grows month by month and year by year. The fruits of this public and private policy of heavy borrowing and spending while keeping taxes down are obvious. The number of jobs increases. Personal income grows. American families can own autos and homes they never before dreamed could be theirs. More Americans can travel, can take extended vacations, can enjoy an enormous variety of recreation than ever before.

We know we cannot go on spending more money than we are earning and borrowing the difference forever. Institutions that are lending households the money for this spending binge are already beginning to get into serious trouble. Savings and loans provide a whopping 40 percent of the funds for home mortgages. Many savings and loans also engage in a wide variety of other investments particularly in real estate projects. For years the savings and loan industry was a model of stability. As recently as the 1970's, fewer than three savings and loan institutions in the entire country failed on the average each year. In the 1980's that has risen to more than 40 per year. This year at the present rate of failures, more than 100 S&L's will fail. It is worse. In the first quarter of this year overall, net S&L losses were between $3½ and $4 billion. The annual rate of loss for the industry could exceed an appalling $13 billion this year. That $13 billion S&L loss would represent millions of American homeowners who are already in deep trouble, unable to meet interest payments and in serious danger of losing their homes. And this, Mr. President, is in our time of recordbreaking recovery. What happens when we begin as we must to live within our means? We know that a family deeply in debt is specially vulnerable to recession. We know that a business head over heels in debt is also likely to be blown away come next recession. So what happens when we have an entire country up to its eyeballs in debt? And what happens when that country's economy has been the engine that pulls the entire free world?

The next President and the next several Congresses will have to face this day of reckoning. Our country will have to pay the price of living far, far beyond its means. The sooner we recognize this the better. Congress will have to raise taxes. Congress will have to provide for the millions of Americans who will be out of work, out of income, and out of their homes in the coming recession. Americans will have to begin living within their means. To put it bluntly we will have to reduce both our debt and our standard of living. Perhaps Congress and the next President can save this magnificent economy of ours. But we cannot save it without pain and lots of it.

GREAT LAKES DIVERSION SETS A DANGEROUS PRECEDENT

Mr. PROXMIRE. Mr. President, our Nation is suffering from a drought of monstrous proportions. Farmers across the country are watching their crops shrivel under a relentless sun. Rivers, streams and ponds are drying up, and even July 4 fireworks displays were canceled for fear of setting fire to parched landscapes.

Indeed, this drought has caused the mighty Mississippi River itself to reach record low levels, stranding barges and other river traffic while bringing river commerce to a virtual halt.

But Mr. President, some of my colleagues from Southern States have lent their support to an idea that I believe will have tragic future consequences not only for my State, but for the entire country.

They have asked President Reagan to order the Army Corps of Engineers to increase the flow level from Lake Michigan to the Illinois Waterway from the current 3,000 cubic feet per second to 10,000 cubic feet per second. The plan was originally offered by Illinois Gov. James Thompson. It sets an environmentally unsound and economically dangerous precedent for the Great Lakes.

The Great Lakes are one of this country's greatest natural resources. As the largest body of fresh water in the world, the lakes provide ample supplies of fresh drinking water and habitat for fish and waterfowl. But the lakes are also an economic dynamo that provide jobs for the shipping, fishing and tourism industries in both the United States and Canada.

It's fair to say that the Great Lakes are responsible for creation of many thriving cities that have grown on their shores since the very beginning of this country's history.

The idea of diverting water from these precious and delicate lakes has several frightening implications. For example, an editorial in The Milwaukee Journal stated that lowering the lakes' level by even a few inches would cost $60 million in lost hydroelectric power. In addition, lowering the lakes would have ill effects on coastal wetlands.

And the drought has already lowered lake levels to a point where shippers have had to decrease the amount of cargo they carry. Diversion would only worsen that situation.

Mr. President, this idea may actually be illegal. the Journal editorial properly points out that the U.S. Supreme Court set limits on withdrawals from the lake, limits would be violated under this plan. But diversion would also violate the Great Lakes Charter signed by Great Lakes Governors and Canadian Provincial Premiers in 1985.

Finally, the diversion would hurt relations with our good friends in Canada who have long opposed this idea. Indeed it sets a precedent for further diversions which neither country can afford in the long term.

I sympathize with communities along the river, and I hope generous rains will bring the Mississippi back to normal levels. But this quick fix solution is no way to handle the problem.

I ask unanimous consent that The Milwaukee Journal editorial be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Milwaukee Journal, July 8, 1988]

NICE TRY, BIG JIM, BUT YOU'RE ALL WET

Thompson to Thompson: "How'd you like to take a long walk off a short pier?"

Wisconsin Gov. Tommy Thompson may not have said anything quite that rude to Illinois Gov. James Thompson, but would be fully justified in doing so. The Illinoisan's proposal to divert more water from Lake Michigan through Chicago into the shriveled Mississippi River is politically, environmentally and economically untenable.

To his credit, Wisconsin's Thompson has registered his firm opposition to the idea, even threatening to take the Illinois governor to the US Supreme Court if necessary. The high court in 1967 set limits on withdrawals from Lake Michigan. Illinois' current proposal to triple that amount, even temporarily, would be an end run around the court's decision, which was reaffirmed in 1980.

Moreover, additional withdrawals would violate federal law as well as a non-diversion agreement to which Quebec, Ontario and all of the Great Lakes states' governors including James Thompson, were signatories.

The Illinois governor may argue that an emergency increase in withdrawals from the lake is nonetheless justified in order to relieve stalled barge traffic on the Mississippi. But the barges can become unstalled by carrying lighter loads for the time being. Meanwhile, critics can be pardoned for suspecting that the real agenda is to dilute pollution in the Chicago River and supply more water to Chicago's sprawling suburbs.

Neither is a compelling reason to draw down Lake Michigan further, especially when the lake has dropped three feet during the last 20 months of lower-than-average rainfall. A short-term increase in the diversion through Chicago could open the door to future large-scale withdrawals from the entire chain of lakes, perhaps to serve Ohio and Indiana farms or even the parched Southwest.

In a nutshell, here's why any diversion ought to be fought:

Economics: Studies indicate that lowering the Great Lakes' water level by only a few inches would cost New York and Canadian producers of hydroelectric energy $60 million in lost power. Other effects: Navigation would be impeded; shipping channels would have to be dredged; the costs of pumping for shoreline municipalities and industries would soar. The region, whose own needs for water are expected to double in the next 20 years, would find its economic health in jeopardy.

Environment: Lower water levels in Lake Michigan would harm coastal wetlands, dry up wildlife habitat, reduce the waterway's capacity to assimilate pollutants and possibly affect ground water interchanges with the lake.

Diplomacy: Relations between the United States and Canada, already strained over US dawdling on acid rain, would quickly deteriorate if the non-diversion pact, officially known as the Great Lake Charter, began to unravel. "It would be seen as one more example of the US strong-arming the Canadians on the use of a shared resource," says Peter McAvoy, one of the charter's architects (who now serves as an aide to Milwaukee County Executive David Schulz).

If Big Jim Thompson isn't swayed by any such arguments and plows ahead with his wrongheaded diversion scheme, he can expect to find himself in court. Meanwhile, let Chicago do what it has forced Milwaukee to do: get serious about cleaning up its own pollution.

Mr. PROXMIRE. I yield the floor.

Mr. DOLE addressed the Chair.

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

BICENTENNIAL MINUTE

JULY 9, 1956: THE "STENNIS COMMITTEE" CREATED

Mr. DOLE. Mr. President, 23 years ago this week on July 9, 1965, the Senate created the Select Committee on Standards and Conduct, and named Senator JOHN C. STENNIS to be its chairman. This forerunner of our current Select Committee on Ethics was the Senate's first internal disciplinary committee to work on a permanent basis.

Discipline has always been a painful problem in as collegial an institution as the U.S. Senate. Historically, Senators have preferred to let the voters decide whether a Senator's behavior had been improper, and to exert discipline via the ballot box. But from time to time the Senate has been called upon to examine serious charges of impropriety leveled against individual members. Traditionally, the Senate Committee on Rules and Administration dealt with such internal investigations, but Senator Hugh Scott and others argued that it was difficult for the Rules Committee, whose members included the Senate party leadership, to be able to assume a sufficiently independent stance to conduct an impartial investigation. After much criticism of these proceedings in the early 1960's, the Senate responded by creating the select committee.

On July 9, 1965, Vice President Hubert Humphrey announced that Senator John Stennis would chair the committee. Other members included Senators Mike Monroney, Eugene McCarthy, Wallace Bennett, John Sherman Cooper, and James Pearson. The Stennis Committee won excellent reviews from Members of the Senate and the press, due in part for the great respect felt on both sides of the aisle for its chairman, who served in that post until 1974. He showed, as one Senator said at the time, "great courage and fortitude in discharging the unpleasant responsibility that was pressed upon him by the Senate." The assignment was just one of the numerous services performed for this body over the past 41 years by our esteemed President pro tempore, Senator STENNIS.

Mr. President, I reserve the balance of my time.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE ARIAS PEACE PLAN

Mr. ARMSTRONG. Mr. President, I rise to point out that on August 7 we will commemorate—not celebrate, but commemorate—the first anniversary of the peace plan put forth by President Oscar Arias, a peace plan under which the Communist regime in Nicaragua promised, as it has repeatedly promised, to institute democracy. These promises were part of what persuaded the Congress of the United States to cut off aid to the democratic resistance in Nicaragua, to cut off the materials support needed by the freedom fighters in order to continue their fight for free elections and freedom of worship, a free or at least a mixed economy, the freedom of people in Nicaragua to enjoy the most basic of human and civil rights.

Mr. President, now that a year has gone by, it seems appropriate to me for us to ask what happened? Did our restraint, did the Arias peace plan, did the promises made repeatedly by the Sandinista government, the Communist government in Nicaragua, bring about peace and democracy? Well, we all know the answer to that. Yet I do not want to let the moment pass without making a record because at some point we need to have a benchmark for reconsidering the policy of this Government. I hope that time will come very soon.

I understand from the news accounts that sometime in the next few days there will be presented in the Senate a proposal that will reinstitute United States aid to the democratic resistance in Central America. I hope such a plan is put forward. I intend to vote for it. I have not seen the details but that is consistent I think for everything this country stands for—to help people fight for freedom in their own homelands. But rather than try to make that record based on my own observations, it seems to me that a better benchmark are the thoughtful and perceptive comments of the publisher of La Prensa, the newspaper in Managua which has become in many ways the symbol of the freedom of the press, the symbol of enlightened leadership fighting for democracy. The publisher of that newspaper, Violeta Chamorro, is a person I met when I visited Managua a few months ago and while I was prepared to be impressed, I was even more impressed by her poise under a very difficult circumstance, and by her good humor and by her optimism about the future.

I guess Mrs. Chamorro could go anywhere in the world and find refuge. She made it very clear to me, as she has to many people over the years, that she is not going anyplace. Nicaragua is home. She is going to stay there and fight for freedom.

A few days ago Mrs. Chamorro, the editor and publisher of La Prensa, wrote to former President Jimmy Carter. I would like to quote in part from that letter. She said:

> A year has passed and the Sandinistas, following their well-known tactic of deception and delay, have reaffirmed their commitment in San Jose, Costa Rica (January 1988). They signed the Sapoa Agreements (March 1988). They have held four meetings in Managua with the Nicaraguan Resistance (armed rebels) and 25 sessions with the internal political opposition in order to achieve a definitive cease-fire and democratization. They do not comply with what was promised. They only want the unconditional surrender of the rebel forces and a submissive collaboration of the internal political forces without conceding absolutely anything regarding previously mentioned democratic measures.

This concludes the part which I wish to quote.

As Mrs. Chamorro notes in this letter and in another letter to Comandante Daniel Ortega, for denouncing this and exposing Sandinista duplicity to the Nicaraguan people, she has been pilloried in the Sandinista media, to the point of being depicted as approving of the murder of her late husband, Pedro Joaquin Chamorro, who had, with Violeta Chamorro, championed the fight against the Somoza dictatorship.

Mr. President, I ask unanimous consent that both of these letters, the letter to President Carter and the letter to Mr. Ortega, be printed in full in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

"HANDS OFF MY HUSBAND'S CORPSE"

Managua, June 7, 1988

Commander DANIEL ORTEGA,
President of the Republic, Managua

I wish emphatically to protest the offensive campaign being waged against me by the Sandinista Television System, your Party-Government's network, which has stopped to extremes of vulgarity and irresponsibility never before seen in this country.

The latest outbursts of the Sandinista propaganda machine, repeated in the Party dailies Barricada and El Nuevo Diario, display to the public the sacred remains of my husband, riddled with bullets, next to photographs and videotapes of me taken out of context, which portray me giving thanks for my husband's murder.

Mr. Ortega: When you came to my home, pressured by circumstances to offer me conditions for the reopening of La Prensa, I not only rejected them, but, with the Costa Rican Foreign Minister Rodrigo Madrigal Nieto as my witness, I stated that La Prensa would go to print without censorship of any kind or it would not be printed. I refused to accept the indirect pressure of "the responsible exercise of journalism," a phrase with which your negotiators hoped to corner me in order to insinuate some prior arrangement before the reopening of La Prensa.

You have always known that La Prensa, having survived the brutal shutdown imposed arbitrarily by your government which prevented its publication for 14 months, would continue reporting with the interests of the people in mind, without glossing over any of the defects of your administration. If you, knowing this, permitted La Prensa to go to print, clearly because of Esquipulas II and not out of the goodness of your heart, then you knew you would have to withstand responsible criticism of your actions and those of your subordinates, as is the case in every other democratic country, which you claim Nicaragua will become through its compliance with those accords, which you signed.

The vacillations and doubt-dealing that the Government has shown in complying with the agreements are revealing. Your Government is demonstrating that it does not intend to honor its commitment to those agreements. It is my duty and that of La Prensa to bring this to the attention of the Nicaraguan people and the civilized world.

It is your Government, not La Prensa, which sat down at the table with the Nicaraguan Resistance, despite having sworn that it would never do so, and if Enrique Bermudez, ex-colonel in the National Guard, has lately been among the delegates of the Nicaraguan Resistance, it is your Government and not La Prensa which has accepted him as a legitimate interlocutor.

If the negotiations are not going favorably for your Party-Government, the fault lies with your delegates, and not with me or La Prensa, which only reports the truth. A truth which, like it or not, consists in pointing out that your Government, after having brought Nicaragua to the brink of disaster, is engaged in liquidating the rebels, without allowing our people to regain their human rights. Given this state of affairs, it is understandable that our patience is wearing thin.

In this last round, your Government, beset by disaster, inefficiency and the stupidity of its functionaries, has to comply with Esquipulas II. You know it, and your functionaries know it.

All Nicaragua knows that you and your Government are scraping the bottom of the barrel, and we have reached the point where we cannot keep postponing the peace agreement which will bring about a restoration of the people's confiscated rights and freedoms.

But neither I nor La Prensa is to blame, not to mention the memory of my husband Pedro Joaquin Chamorro Cardenal, which should be sacred, especially to you, the Sandinistas, who have profited from his sacrifice.

By exhibiting my husband's corpse in your infamous Government-Party press, riddled with bullets whose origin to this day I do not know, juxtaposed with pictures of me, you suggest that I am pleased about this heinous crime. This is an act of cowardice, which can only be explained by the moral vacuum that characterizes your Government.

Your attempt to hide from the people and from your own party cadre your Government's weakness, which will force you to comply with the Esquipulas II agreements, because of the miserable situation we are living through, can be understood by those who understand and formulate your government's policies. But it is quite another thing to attempt to cover up the truth by unearthing the mutilated body of my husband, declared by your own laws to be a Martyr of Freedom, and insulting and slandering his widow, who as a mother and a widow alone deserves respect. This viciousness, venality and moral poverty is typical of your nefarious regime, which I, overcome by exaltation and emotion, once supported and now repent for having done so.

As a Nicaraguan I support peace. As a woman I join with all widows and mothers in this country who are suffering thanks to your Government, and as the director of La Prensa I pledge to you and to the people that I will continue to fight for truth and justice, publicizing and opposing your Government's actions, until the day that you and your Government strike another barbaric blow against me, or an assassin's bullet.

VIOLETA BARRIOS DE CHAMORRO.

AN OPEN LETTER TO EX-PRESIDENT JIMMY CARTER

MANAGUA, NICARAGUA,
June 1988.

Mr. JIMMY CARTER,
Ex-President of the United States,
Plains, Georgia, USA.

DEAR MR. CARTER: Since your visit to Nicaragua in February 1986, when we had the opportunity and the honor of receiving of you at LA PRENSA, many things have happened in our country that demand your attention.

You will remember from our conversations at that time you recognized that the presence of "Sandinismo" in power in Nicaragua was, in some measure, the consequence of the struggle for respect of Nicaraguans' human rights that you had engaged in as President of the United States, halting the abuses and outrages of the dictatorial dynasty of the Somozas. Your effort was used by the worldwide democratic left to propel the FSLN to public power. At that time (1979) it was believed the FSLN would respect its word, pledged to you, the OAS and the world, of establishing a system of government based on political pluralism, a mixed economy and nonalignment.

By February 1986 it was obvious that those promises were not anything more than a joke and a total deception of our people.

The memorandum that LA PRENSA presented to you at your request explained in detail the situation under which we were living in Nicaragua at the time and the constant abuses of human rights perpetrated by the Sandinista Government, which had committed itself to establish Marxism-Leninism.

Since then notable events have taken place. LA PRENSA was closed indefinitely in June 1986. A political constitution, instituting totalitarianism and the hegemony of the Sandinista Party-Government-Army, and a national emergency, which ended all vestiges of human rights in our country, were dictated in January 1987.

Also around that time the approval of military aid to the Nicaraguan Resistance by the United States Congress, to counteract the abuses of the Sandinista Regime, culminated in the Sandinista Government signing, in 1987, the Central American Peace Agreements, better known as "Esquipulas II," in which Nicaraguans again put our hopes of having peace and recovering democracy.

Next August 7 will be the first anniversary of the signing of that historic document, a work of the democratic and pacifist will of the President of Costa Rica, Mr. Oscar Arias. In signing it the Sandinista Government committed itself to decree a general amnesty for the thousands of political prisoners who are suffering in this country's jails and to take the necessary measures for the political democratization of its regime, with the objective of achieving national reconciliation. The personal intervention of President Arias achieved the reopening of LA PRENSA on October 1, 1987.

A year has passed and the Sandinistas, following their well-known tactic of deception and delay, have reaffirmed their commitment in San Jose, Costa Rica (January 1988). They signed the Sapoa Agreements (March 1988). They have held four meetings in Managua with the Nicaraguan Resistance (armed rebels) and 25 sessions with the internal political opposition in order to achieve a definitive cease-fire and democratization. They do not comply with what was promised. They only want the unconditional surrender of the rebel forces and a submissive collaboration of the internal political forces without conceding absolutely anything regarding previously mentioned democratic measures.

For having denounced all of this, Mr. Carter, LA PRENSA and I are being subjected to the lowest and most shameless attacks by the official media (including Party/State-run television), in which the latter have reached the height of villainy by presenting me as approving of the murder of my husband, Pedro Joaquin Chamorro Cardenal.

I am telling you all this because, in a certain way, from different perspectives and circumstances, you and I contributed to the overthrow of the Samoza dynasty that was destroying this unfortunate country and to the enthronement of the FSLN in power in Nicaragua. You, with your humanitarian policy of protesting the human rights violated by the dictatorship and I, with the precious blood of my husband and the permanent struggle of LA PRENSA, kept denouncing those violated rights. Both you and I gave our help so that a regime that would represent democratic ideals could be installed in Nicaragua. You, on recognizing the Sandinista Government and I, forming part of the Junta of the Provisional Government.

With those precedents there is no doubt we assumed a historical responsibility. Thus, I believe I have the right to follow closely and denounce the current situation of this country, which has been deceived because the democratic ideals to which we aspired were not put into practice.

Since you along with me were part of the solution given at that time to the Nicaraguan drama, I feel moved to request your help so that together we might pursue the unfinished task and show publicly the precarious situation in which human rights as well as political rights find themselves in this country. The fact is we cannot accept the hollow promises of the Sandinistas but must insist on concrete measures now to achieve genuine democratization.

Because of all the above I ask that you and the greatest number of United States democrats join the great campaign begun worldwide to achieve the objective that "Sandinismo" comply with Esquipulas II. Now is the time to act.

The interest you demonstrate for our democratic cause will be recognized by our people, especially by yours truly.

VIOLETA B. DE CHAMORRO.

Mr. ARMSTRONG. Mr. President, if there is one thing that is entirely clear, it is that the Sandinistas, the Communist government in Nicaragua, are not going to willingly implement democratic reforms. If they had wished to do so, they could have done so a long time ago. They had promised free markets, free elections, a free labor movement, freedom of worship, freedom of the press, freedom of the broadcast media, and they have reneged on every one of those promises.

It seems to me that we now have to ask, what is our role? What is the role of the United States? Are we, by withdrawing support from the freedom fighters, aiding the cause of freedom and democracy in Central America, or are we just copping out?

Mr. President, unless others wish to speak at this moment, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ON THE DEATH OF TONY BEVINETTO

Mr. INOUYE. Mr. President, I was saddened to hear of the recent passing of Tony Bevinetto, minority staff counsel on the Senate Energy and Natural Resources Subcommittee on Public Lands.

Tony was always supportive and helpful in providing necessary assistance in matters of great importance to the National Park Service and the State of Hawaii. He will certainly be missed.

My sympathy goes out to his family in this time of sorrow.

J.E. BROYHILL DIES: A GIANT HAS FALLEN

(By request of Mr. DOLE, the following statement was ordered to be printed in the RECORD:)

● Mr. HELMS. Mr. President, North Carolina and the Nation lost a remarkable citizen on July 1 when 96-year-old James Edgar Broyhill of Lenior, NC, died at his home. It will be a long time, if ever, before another leader of his stature, dedication, and achievement comes our way.

It is difficult to decide which of his countless achievements added most to the prominence and respect which he earned during his lifetime. J.E. Broyhill, a quiet man, founded Broyhill Furniture Industries which is internationally known for the quality furniture sold around the world.

He and his family have been constructively active in politics and government. Our former colleague, Senator James T. Broyhill, is one of the two sons of J.E. Broyhill and his lovely, gracious wife, Satie. The Broyhills also had two fine daughters. Senator Broyhill's brother, Paul, is a top-flight business and civic leader.

Mr. President, J.E. Broyhill became a leader in business, in civic responsibility, and in the political and government processes the old-fashioned way: He earned it. In my judgment, a reporter for the Lenior News-Topic described the remarkable career of this great American in a portrait of words published the day after Mr. Broyhill's death. In a moment I shall ask unanimous consent that Sara Moore's article be printed in full in the RECORD.

Mr. Broyhill was one of nine children. He attended a one-room, one-teacher school and his early formal education was the equivalent of his having finished the sixth grade. He was raised on a farm. Later he decided to try to enroll in what is now Appalachian State University, he did indeed renew his education with $5 in his pocket, beginning with the seventh grade—which he did at age 21.

Mr. President, I shall not attempt to detail Mr. J.E. Broyhill's almost incredible career. The piece by Sara Moore, which I mentioned earlier, does that well. But I will mention that he was a highly respected leader of his political party. Beginning in 1948, he was elected seven times as Republican national committeeeman from North Carolina. He was a delegate to eight national conventions.

Mr. President, Dorothy and I have always had the greatest personal admiration and respect for the entire Broyhill family. Even though Mr. Broyhill's death, at age 96, was not a surprise, everybody who has known the Broyhill family was saddened. Mr. Broyhill was a giant in every way. He was a man of character and principle. He was genuine in his love of God and country. In a very real way he was a part of the miracle of America.

I know all Senators will join Dorothy and me in extending our genuine sympathy to the Broyhill family—and particularly to our distinguished former colleague, Senator Broyhill, and his dear mother, "Miss Satie."

Mr. President, I now ask that Sara Moore's splendid profile of Mr. J.E. Broyhill be printed in the RECORD at the conclusion of my remarks.

The article follows:

James Edgar Broyhill, 96, founder of Broyhill Furniture Industries, died Friday at his home.

The funeral is 10:30 a.m. Monday at the First Baptist Church. Burial will be in the family plot at Little Rock Baptist Church in Wilkes County.

The family will receive friends Sunday evening from 7 until 9 at Pendry's Lenoir Funeral Home.

Born May 5, 1892 in a rural Wilkes County farmhouse, Broyhill's life began in modest surroundings. But he was to eventually build one of the leading furniture manufacturing businesses in the world.

The company was purchased by Interco in 1980.

The youngest of six brothers and three sisters, Broyhill attended a one-room, one-teacher school, earning the equivalent of a sixth-grade education.

On-the-job training was his business education as he learned farming and logging early in his life. He said at age 21 he was still following behind a mule in Wilkes County.

According to a family biography, he decided to further his education at Appalachian Training School in Boone, now Appalachian State University. With just $5 in his pocket, he traveled from Wilkes County to the mountain school to begin the seventh grade at the age of 21.

"If you get up early enough, you can walk 35 miles a day," he once said.

He earned his tuition by working as a barber, but his education was interrupted in his last year as World War I began. In September 1917, he was drafted.

Following his discharge from the service, Broyhill moved to Lenoir in 1919 and began typing and bookkeeping work in the office of his older brother Tom's new case goods furniture factory.

He began his own business, making upholstered furniture, in 1926.

Broyhill constructed the first pieces of his new products in the basement of his Lenoir home. He soon outgrew the workshop and relocated to an old buggy shop.

"From that beginning, Mr. Broyhill's commitment, determination, and effort built one of the largest furniture companies in America, consisting of 19 plants and 7,000 employees," says a family history.

Broyhill married Satie Hunt on June 18, 1921 after "finding her under a pine tree at Appalachian Training School," he later said.

"Satie has always been a real asset," Broyhill once said. "A good wife is the greatest asset a businessman can have."

The couple became parents of four children—Allene, Paul, James and Bettie. James later served as a U.S. Congressman and U.S. Senator.

Broyhill was nationally recognized as an industrialist during World War II. He served on the Advisory Committee of the Office of Price Administration during the war.

For four terms he headed the Southern Furniture Manufacturers Association.

He received the Furniture Man of the Year Award in 1946. The award is presented annually by the board of governors of the American Furniture Mart.

Broyhill was honored again in 1967 when he received the James T. Ryan award from the Southern Furniture Manufacturers Association.

Broyhill served on the board of directors of the National Association of Manufacturers from 1948 until 1951. He was also a member of the board of directors of C.& N.W. Railway Company, Wachovia Bank and Trust Company of Charlotte, and American-Mutual Life Insurance Company.

He was also active in many other business, civic and religious organizations, including as Past Master of the Masonic Lodge. In 1965, he received an award for 50 years of service to the organization.

He was a leader in the First Baptist Churches of Lenoir and Blowing Rock, and also served on various hospital and college boards.

A Baptist Home for children in western North Carolina bears the family name, Broyhill Home for Children.

Broyhill was active in developing Lenoir recreational facilities, including assisting with financing of two recreation centers and two swimming pools. He donated about 10 acres of land for a public park in uptown Lenoir, named Broyhill Park in his honor.

The country's senior citizen facility also bears the family name, the J.E. and Satie Broyhill Caldwell Senior Center.

Broyhill was the founder of the Broyhill Foundation, which makes financial contributions to civic, educational, religious and other causes.

The North Carolina Citizens Association presented Broyhill with the Distinguished Citizenship Award in 1971. His alma mater, Appalachian State University, honored him the same year with an honorary Doctor of Business Administration degree.

Family members said Broyhill believed businessmen should contribute to good government and that was the reason he was active in local, state and national politics.

Beginning in 1948, he was elected seven times as Republican National Committeeman from North Carolina. He also served eight times as a delegate to the Republican National Convention.

Broyhill's political and business contributions on the state and national levels were recognized in 1966 by Dwight Eisenhower, Richard Nixon, Barry Goldwater, Everett Dirksen, Robert Taft Jr. and Thomas Dewey.

In a biography of his life, "Anvil of Adversity," written by his late son-in-law, William E. Stevens Jr., Stevens wrote, "From his modest beginnings as a farmer, lumber hauler, and apple peddler, he became a towering industrialist, a leader in civil affairs, a political fundamentalist, a friend of presidents and near-presidents."

Broyhill maintained an office at Broyhill Industries until he was past 90.

He is survived by his wife, Satie Hunt Broyhill of the home; two sons, Paul H. Broyhill and Senator James T. Broyhill, both of Lenoir; two daughters, Mrs. William (Allene) Stevens of Lenoir and Mrs. Willard (Bettie) Gortner of Clearwater, Fla.; 16 grandchildren and 24 great-grandchildren.

Pallbearers will be his nine grandsons, William Stevens, Edgar Broyhill II, John Stevens, Kenneth Dickson, Philip Broyhill, Robert Dickson, Michael Dickson, Richard Stevens and Hunt Broyhill.

Memorials may be made to the first Baptist Church of Lenoir, the Baptist Children's Homes of North Carolina, Thomasville, N.C., or to the Caldwell County Hospice.●

ROBERT C. BYRD

Mr. HATFIELD. Mr. President, it seems hard to believe that 22 years have passed since ROBERT C. BYRD and MARK HATFIELD first met in this Chamber. He was well on his way to becoming secretary of the Democratic Conference by that time, a position he would vacate only 4 years later to become majority whip. When he announced recently that he soon will step down as majority leader, Mr. President, I realized that I have been a witness to history.

It was 1953 when ROBERT C. BYRD arrived in Washington, the gas-station-attendant-turned-politician who had surprised everyone by winning a seat in the House of Representatives. The atomic age had dawned less than a decade earlier, and American troops were in Korea. In many ways, Mr. President, it was the beginning of the modern age in this country and indeed in this Congress. The country and the Congress needed young people who were willing to commit their lives to the Government, and to shepherding us into this modern age. ROBERT C. BYRD answered the call.

Mr. President, we could stand here well into the next Congress detailing the majority leader's accomplishments. Who can ever forget his tireless work on behalf of the Panama Canal treaties a decade ago, or his work on behalf of the INF Treaty just this year? Washingtonian magazine recently labeled him the Senate's "hardest worker" for good reason—he has been involved and stayed involved in an incredibly wide range of issues over the years, working well into the night too many times to count. But as I reflect on the 22 years I have served with Senator BYRD the person transcends the politics.

For all the speeches and press releases, all the hearings and debates, the truth of the matter is that politics boils down to one thing: an exercise in human relations. The majority leader and I are from different parties, different backgrounds, different States. He likes the country fiddle, and I like classical piano. But we share a passion for learning and a passion for history which bridge our differences, and most precious of all, we share a genuine friendship.

To Senator BYRD, life itself is a constant learning process filled with opportunities to read and observe and dig deeper. Anyone who has ever watched him on an airplane memorizing Shakespeare's lines from a worn volume of plays knows that. So does anyone who has ever watched him in a hearing room, or listened to the stories he tells on the Senate floor. It is only one of many signs of his zeal for learning that he earned a law degree from American University at night during his first term in the Senate.

As a former teacher, I see Senator BYRD as the ultimate student—always curious, always learning, always wanting to know more. Mr. President, one need only know Senator BYRD to understand that education means more than SAT scores or grade point averages. I am sure that the majority leader would make an exceptional teacher—those who sat in on his Bible study classes 40 years ago report that he was—but it is certain that he would only enjoy the job if he learned more than his students every semester.

Maybe it was this passion for learning, Mr. President, that gave Senator BYRD his passion for history. Sometimes that passion is captured by detail. The fight we shared to use red, the historic Senate color, when this Chamber is renovated is just the most recent in a long line of Senator BYRD's battles on behalf of the details of history. His devotion to the recorded history of the Senate—volumes which will become a genuine national treasure—is another example.

But the majority leader is not simply interested in the details of history for their own sake. He is interested in them for our sake too. His knowledge of parliamentary procedure is famous, for example, but he could never use it like he does if he did not understand the history and the rationale behind every single rule. It is not glamorous and rarely catches headlines, but parliamentary procedure keeps this Chamber going. Senator BYRD understands that the rules were made not to be roadblocks, but to be the tools of a truly representative government.

So there he is, Mr. President, the person who transcends the politics, the man who stepped forward to answer the call to service. He is a frontiersman and a craftsman—always pushing forward, but working with history to construct a framework for progress. Maybe that is the foundation of our friendship, Mr. President, the history of West Virginia is a history of frontiersmen and craftsmen. So too is the history of Oregon.

As Senator ROBERT C. BYRD, frontiersman and craftsman, steps down as majority leader, perhaps the greatest compliment we can pay him is that he is truly a modern son of West Virginia.

KASTEN AND KEMP PUT EMPHASIS ON PLANT OPENINGS

Mr. SYMMS. Mr. President, listening to last week's debate on plant closing legislation, one would think that plants are closing all over America and that workers are being laid off at a record rate.

The truth is that more new plants and businesses are opening in America than ever before. According to Dun and Bradstreet, there were 702,000 new business incorporations in 1986—a new record. Six plants are opening in America for every single one that closes. Unemployment has dropped to 5.3 percent—the lowest rate in 14 years. Columnist Warren Brooks notes that the layoff rate in America is at its lowest level in 20 years, down more than 40 percent from the Carter years.

I call to the attention of my colleagues an article that appeared in today's Washington Times by my friends and distinguished colleagues Senator BOB KASTEN and Representative JACK KEMP on the issue of plant openings and job creation for America.

In their article, KASTEN and KEMP make the case that the real pocketbook issue facing the American people is not plant closings—but rather plant openings. They have introduced a bill called the Plant Opening Act of 1988 which builds on the approaches that have stimulated our present economic boom. The bill—of which I am a proud cosponsor—proposes to cut the tax rate on capital gains to 15 percent; keep payroll taxes down; open up markets for U.S. exports; promote education and training for workers by continuing the tax exclusion for employee educational assistance; and use enterprise zones to bring jobs and hope to America's inner cities and other distressed areas where plants have closed.

The American people demand a future oriented effective approach to the issue of jobs and economic growth. I strongly believe that the Kasten-Kemp Plant Opening Act provides a credible, workable vision of how to extend our economic prosperity and move America forward into the 21st century.

I ask unanimous consent that the article be printed at this point in the RECORD:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Times, July 11, 1988]

PUTTING EMPHASIS ON PLANT OPENINGS

(By Bob Kasten and Jack Kemp)

For months now, the debate on our nation's economic future has been sidetracked by wrangling over the so-called "plant closing" issue. Whatever fate awaits this measure which in its original incarnation resulted in a trade bill veto by President Reagan, Republicans have an opportunity to seize the high ground by focusing on the real pocketbook issue—plant openings and jobs for Americans.

The key to Republican success in the 1988 economic debate is to move beyond the plant-closing issue. Americans are an optimistic, future-oriented, hopeful people. They are not satisfied with just protecting what we have; they want to know how we can keep America growing and providing opportunities for themselves and their families.

When Massachusetts Gov. Michael Dukakis is spelling out what the government should do for a worker when he loses his job, Vice President George Bush and the GOP can be talking about how Americans can keep their jobs and improve their jobs—and how we can help every American who wants a job to get one.

In campaigns all across the country, Republican candidates will be able to point to an innovative Republican alternative for job creation and economic growth: the Kasten-Kemp Plant Opening Act of 1988.

This Act builds on our economic secret weapon of the 1980s—lower tax rates, deregulation and increased job and investment opportunities—to extend America's prosperity into the next decade. The bill will promote economic growth and job creation through the following measures:

Providing tax incentives for business and plant openings. The bill seeks to cut the tax rate on capital gains to 15 percent, providing a dramatic new incentive for investment in risk capital and small business—the ventures that have created most of the 15 million new jobs of the last 5½ years. When many industrialized countries—like Japan, West Germany, Taiwan, South Korea and others—don't tax capital gains at all, you have to wonder why we insist on handicapping our job creation machine in this way.

Enterprise zones are a key element of this approach. Creating these investment zones would put special emphasis on creating jobs for disadvantaged workers and long-term unemployed individuals—those who have so far been left out of the recovery. Among the incentives that would promote plant openings in these zones are employer and employee tax credits, an exemption from capital gains taxation for certain properties, investment tax credits for construction, and deductions for buying enterprise stock.

Reducing taxes on employment. An unnecessary payroll tax increase scheduled for 1990 and the continuation of a no-longer needed unemployment tax both threaten to raise business costs and stifle job creation. The Plant Opening Act would roll back the 1990 payroll tax increase, and repeal the continuation of the 0.2 percent increase in the Federal Unemployment Tax (FUTA) passed as a "temporary" measure in 1978.

Encouraging education and retraining of workers. If we want to keep America competitive in today's dynamic global economy, our workers have to be prepared for better and more challenging jobs. Our bill will give employers an added incentive to retain workers by making permanent the exclusion from gross income of amounts paid for employee educational assistance. Armed with new skills, our workers will be ready for the jobs of the next decade—and the next century.

Helping open markets for American exports. We need to bring down the trade walls that harm our workers and businesses. Our bill helps expand export opportunities by promoting North American Free Trade Agreements. We're building on the Kemp-Gramm legislation seeking to give U.S. businesses access to 140 million potential customers with a total gross national product of $600 billion.

Our bill proposes to keep our economy growing until all Americans have their full share of the economic pie. And the pro-growth tax breaks in our bill won't even lose revenues for the federal treasury, because the static loss expected from some of these new incentives is more than offset by the dynamic revenue gains from the reduced capital gains rate.

Not including the capital gains and payroll tax provisions, the bill will cost the treasury $1 billion to $2 billion a year. By 1991, the rollback of the scheduled payroll tax increase to 7.51 percent from 7.65 percent will result in a static cost of about $9 billion a year. But Gary and Aldona Robbins of the Institute for Research on the Economics of Taxation estimate that economic activitity and consequent federal revenues both would fall by billions of dollars as a result of the projected payroll tax increases—so rolling back the increase would end up saving some of the lost revenues. The bottom line: A growing economy is the key to a healthy Social Security System.

Harvard economist Lawrence Lindsey estimates that the capital gains cut proposed by our bill will more than make up for these losses. Mr. Lindsey estimates that a 15 percent capital gains rate would raise $31 billion over the next three years alone. This estimate probably is on the low side, because it accounts only for higher revenues from increased capital gains realizations; it does not account for the substantial revenue increase we can expect from higher GNP growth.

At a time when new businesses are being created at a faster clip than ever before (700,000 businesses incorporations in 1986), and a greater percentage of Americans are working today than ever before (62.3 percent), we ought to remember that best advice a team ever got as it took the field for the Super Bowl: Stick to the plays that got you here.

We've had an economic boom because the working men and women of America responded to new opportunities. The Plant Opening Act of 1988 gives them more incentives to work, save and invest. Our bill is the winning playbook for November 1988—and for the American economy of the 21st century.

COMMENDATION OF MARY CUNNINGHAM AGEE, FOUNDER OF THE NURTURING NETWORK

Mr. SYMMS. Mr. President, I recently had the opportunity to tour the headquarters of the Nurturing Network, a charitable organization dedicated to helping any woman who experiences an unwanted pregnancy give life to her unborn child. My friend, Mary Cunningham Agee, is the founder and executive director of the Nurturing Network, and I commend her for the commitment she has made to this important, compassionate enterprise.

Mary Cunningham Agee opened the doors of the Nurturing Network headquarters in Osterville, MA, on Mother's Day 1987. It required selling the vacation home that she and her husband, Bill, owned in McCall, ID, but getting this important organization started was the fulfillment of a dream for Mary.

Members of the Nurturing Network are doctors, nurses, counselors, social workers, and families with a lot of love to share and a commitment to help pregnant women choose life for their child. They help by providing medical, psychological, spiritual, and financial support to women experiencing an unintended—and probably unwanted—pregnancy. It is an important and growing support team which soon will be helping women across the country choose life over abortion.

As Mary put it in an article written for the Wellesley Alumnae magazine: "my passion is for the literally millions of women who have been made to feel that their only choice when faced with a crisis pregnancy is abortion." That is what the Nurturing Network is all about—giving women a real choice when faced with an unintended pregnancy. If successful, the Nurturing Network will bring support to mothers and life to thousands of babies who might not have had it otherwise, and Mary Cunningham Agee's "passion" will have left a timeless mark of distinction to benefit us all.

I ask unanimous consent that some articles in the Cape Cod Timer and Wellesley Alumnae News, written by and about Mrs. Agee and the Nurturing Network be printed in the RECORD following my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

THE BUSINESS OF NURTURING—CUNNINGHAM USES CORPORATE SKILLS TO OFFER PREGNANT WOMEN A CHOICE

(By Alicia Blasidell-Bannon)

(In my home, in the hallway, in the desk my grandfather made, there is a white envelope with the words "For Alicia" on it. The "For Alicia" was written by my mother. The looping, teacher-like handwriting is easily identifiable as hers. It looks like my aunt's handwriting, like my cousin's. Like my sister's. It doesn't look like mine.)

(In the envelope is the beginning of my past. It is everything I know about the woman and the man who created me. Mainly about the woman. Her family was Scotch-English. She was in her early 20s when she got pregnant. A junior college graduate. Her father was a businessman, her grandfather a professor of law. There were no health problems to speak of—her family all lived to ripe old ages. It was hard for her to give her baby up, the letter from the adoption agency counselor says, but she felt it was the best choice for me and for her. Her family supported her decision, the letter says, and supported her.)

(In that, she was lucky. It was, after all, 1952.)

On a summer day in 1987, Mary Cummingham answered her phone in the Osterville office of The Nurturing Network. The woman on the other end was feeling desperate. In her 20s, with a job in a good company, she was six months' pregnant and unmarried. The pregnancy was an embarrassment to her family. Her landlord was forcing her to leave her apartment because he was "insulted by her condition."

"Can you imagine? He was insulted by her condition," Ms. Cunningham says. Her voice is soft, but she manages to put a sufficient amount of bite into the word "insulted."

Ms. Cunningham arranged to meet the woman. She discussed with her some options. She began to make arrangements. A leave of absence from her company. A temporary home with a family in another city, if the woman wanted. A temporary job with a new company. A doctor. A counselor. Arrangements to let this woman have her baby—a way, Ms. Cunningham says, to "help her let her unborn child live."

Arrangements are what The Nurturing Network is all about. Arrangements and choices.

According to the state Department of Public Health, despite the media's focus on teen-age pregnancy, only 10 percent of all births in the state and 24 percent of all abortions involve women 19 and younger. Seventy percent of the state's abortions occur for women ages 20 to 34—nearly 40 percent of the state's abortion recipients are between the ages of 20 and 24. The overwhelming majority of those women have high school educations. Often they are in the midst of pursuing a college degree, or a career.

These women have a lot going for them, Ms. Cunningham believes. "These are strong, courageous women," she says. But they don't always have choices. She thinks, if they did, they would opt more often for, "the birth alternative."

"A woman is so vulnerable while carrying a child," says Ms. Cunningham, 35, the mother of two small children. If she has to carry an additional burden of an embarrassed family, harassment at work or the interruption of her education, she might choose "the obvious solution—get rid of the problem."

"And there's no greater tragedy than that of a woman who feels forced to have an abortion."

Helping to offer choices to pregnant and unwed women is the reason Ms. Cunningham and her husband, former Bendix chairman William Agee, sold their second home in Idaho and used the money to help set up the non-profit Nurturing Network. The network opened its doors this year, on Mother's Day. Since then, it has provided direct, free services—which include college transfers or job relocations, counseling, medical assistance and guidance—to 10 women, and referral help to several others.

From her office above a dress store on posh Main Street in Osterville, the village where the Agees have a home, Ms. Cunningham employs her business skills—Harvard Business School, former Bendix Corp. vice president—to pull togther resources that might aid a pregnant woman who has chosen to have her baby.

The office itself—half businesslike and half nurserylike—suggests on the part of its primary occupant a gentle touch, but it's clear that Ms. Cunningham has drawn in some heavyweights to be network members, among them several Fortune 500 firms that have agreed not only to employ her clients but to provide mentors for them, senior executives who will shepherd their progress.

To date, she has assembled 500 members in the network—in addition to businesses, members include universities—50, so far—for those women who choose to continue their education, doctors, to help them have their babies, counselors and, perhaps most important, homes for them to live in—families to care for and nurture them.

Our clients "become like a member of the family," Ms. Cunningham says. "They don't just come into your home and use a bedroom for six months." They help out where they can. And, on the other hand the families have to understand that "if the woman wants to talk at 2 a.m., she needs to be able to do that."

She stresses that these families are handpicked for the ability to "open their hearts and homes to someone." But such families are not so difficult to find.

"It's inspiring, the number of people who need an outlet to do something good," she said. "And this is a way to directly impact on a woman's life."

Families, like the other members of the network, are recruited through "word of mouth," Ms. Cunningham says. The network has had to do no advertising, although brochures were mailed to 1,500 doctors across the country.

But the network is still in an infancy of its own, as demonstrated by the fact that women calling in are able to reach Ms. Cunningham directly. Often, she meets with them herself, going over the detailed application they need to fill out.

"Obviously, I'll need more help now," she says. The mother of Mary Alana, two months shy of being 2, and of 2½-month-old William, Ms. Cunningham also works with her husband in their venture capital consulting firm Semper Enterprises Inc.

The business world has not always been kind to Mary Cunningham, who has written a book about her trials and tribulations at Bendix. But, she says, if eight years ago corporate America "showed a rough side, this (experience setting up the network) has shown me such a warm, human side."

"These guys don't have to meet with me," she says of her business acquaintances who have agreed to join or otherwise aid the network. "It can't be just to say hello."

But Ms. Cunningham feels that, what the businesses might invest in helping her clients, they will more than gain back.

"Talk abut a motivated employee," she says of her clients.

"These are wonem who didn't choose the easy solution," she says. "They deserve a reward."

Three years ago, Mary Cunningham had a miscarriage when she was 3½ months pregnant. Ms. Cunningham, who believes "we're given suffering for a purpose," came to see her tragedy as the beginning of a way to help others.

"I thought about the woman who felt she had to have an abortion," she says. "I thought, if my sadness was great, what would hers be like."

She began, in her businesslike way, to do some research. The statistics on abortion appalled her. So did the polarization of the abortion debate. There were so many untrue statements on both sides of the issue, she felt.

"I felt badly about the extremes between the two camps," she says. But she was "more concerned that people would debate it but not do anything."

So, without taking a stand for or against abortion—"I'm not here to make judgments"—she began to talk to women who had opted to have them.

"From the women I interviewed, I found that, if there had been a choice, a real choice, most would have chosen life."

As for the women, ages 20 to 24, who were pregnant, Ms. Cunningham found you could generally make three statements about them: They were not promiscuous, they often had longstanding relationships, and they felt a strong pressure to "protect" their family's "honor."

She felt she understood these women, and that she could help them.

(I am not one to pursue the "discovery" of my birth parents. Told by my parents from the very beginning that I was "special," "chosen," I had a happy childhood and now have two children of my own. But every June 25, on my birthday, I think of my biological mother and wonder what happened to her after I was born. What did she do with her life? How easy was it for her to pick up the pieces?)

(What type of support was available to her then—in 1952?)

The Nurturing Network is currently applying to become an adoption agency, which would be a very separate branch. There would have to be a "wall" between the agency and the other network functions, Ms. Cunningham says, because there must be no pressure put on the clients to give their babies up. If that is the choice they make, the network currently will help them place the babies. If they choose to keep their babies, the network will help them find child care and provide parenting courses. Either way, counseling will be a crucial part of the network's package.

And, although the network is too young yet to foresee precisely what will be needed, there will be followthrough with the women. Ms. Cunningham predicts many of the businesses involved will want to keep her clients, although many of the women themselves will want to go back to their homes and their former jobs. Either way, a choice—having a baby or having a career; having a baby or getting an education—will not have been forced on the mother.

"You don't have to choose," Ms. Cunningham says. "There doesn't have to be a tradeoff."

(She would be in her late 50s now. And I like to think she was strong enough to get her life back on track. I imagine her married, with other children—grandchildren, maybe. I look at my daughter and see how strong and stubborn she is. I know where she gets that. A family trait, from her mother's side. I know it must go back at least one generation past me—past me to a strong woman who made the choices she had to make then.)

(Because it was so different in 1952.)

CUNNINGHAM TRYING TO HELP PREGNANT WOMEN

Mary Cunningham Agee of Osterville has developed The Nurturing Network a nonprofit organization whose primary concern is the woman experiencing an unplanned—and probably unwanted—pregnancy. Although she had planned to be interviewed by the Cape Cod News, her schedule has interfered with appointments. Hence, she has provided the following information regarding the work she is doing.

Are you pro-life or pro-choice?

It should be quite clear from our brochures that our purpose is to affirm life. We are not here to judge those who choose abortion, but we are here to make the life alternative more available to more women.

We've heard for so many years about one choice—the abortion choice. We are here to offer a better alternative—an alternative that affirms the beauty and sanctity of life.

Well, which are you? Does that mean you're pro-life or pro-choice?

Make no mistake. We are profoundly in favor of affirming the sanctity of life. But we are distinctly uncomfortable with the polarities that exist between the pro-life and pro-choice groups.

I've believed for some time that the vast majority of men and women share the values we place on life, even as they feel compelled to refer to themselves as "pro-choice." If you were to ask the majority of pro-choice advocates what their personal preference would be or how they would advise a close friend or family member, the vast majority would say to protect and preserve life. Only a small minority in the pro-choice movement, I believe, truly wish to promote abortion.

I have searched for an organizational framework within which the vast majority of people could find a common ground. The format was originally unclear in my mind, so I spoke with friends in the clergy, education, politics, counseling, and medicine. Little by little, The Nurturing Network took shape.

Our research uncovered several surprising facts:

(1) The problem of unwanted pregnancy is not one confined to teens. The age bracket which obtains the most abortions is women aged 20 to 24, who account for 38 percent of all abortions.

(2) 25 percent of all abortions obtained in the U.S. are repeat abortions—for some women, it's their third and fourth one.

(3) The women obtaining abortions are not all impoverished teens with poor educations and few hopes of successful careers. Quite the opposite is true, in fact. Many of the women obtaining abortions are bright young women with promising educational and career futures, who feel they have too much at stake to endure an unwanted pregnancy.

(4) Women who submit to an abortion because they feel it's their only choice often endure years of counseling later to try and correct an action they took out of desperation.

What does nurturing mean?

To protect, to shelter, to encourage to grow and develop. A good way of thinking of nurturing is as if it is life-gardening. You can make something die, but you can't make something live. All you can do is create the condition for it to live. That's what nurturing's all about.

Is the Network nationwide? Is it for all women, or is it limited in scope?

We have deliberately started The Nurturing Network close to home in Massachusetts where we know a profound need exists. Our headquarters are in Osterville where our full-time staff is located. Our clients will initially be from Massachusetts, while our Network of support will be nationwide from the start.

We want to give The Nurturing Network time to work. Funds are, of course, limited, and we must take care not to stretch ourselves too thin. We look forward to the day when we can accept clients from all over the country. Our resources are limited, so we must initially limit our scope. We must grow carefully and with deliberation.

How large is your network?

The confidentiality of The Nurturing Network must be preserved at all costs. Therefore, we have made a conscious decision not to list publicly each of the universities, employers, and families who have agreed to become part of our Network.

What about the father's rights?

By the time a woman comes to us, typically the father is nowhere to be found. My own personal preference would be to see a father and mother assume the full responsibility of their role as adults through marriage.

But too often, this is not possible. To be realistic, the father's role runs a full gamut.

(1) The best case is when he marries the woman and they raise the child together.

(2) The next-best case is when he feels a responsibility toward the woman and child and offers support for them.

(3) The next case is when they go their separate ways. This is the woman that's perhaps most in need of our help.

(4) The worst case—and this does happen—is when the father pressures the woman to have an abortion and she resists. Later in the pregnancy and after the child's birth, he asserts his rights and takes custody of the child.

How are you set up financially?

The Network is run financially much like a business. Initially, Bill and I have funded all startup costs. But now The Nurturing Network is in need of growth capital.

MARY CUNNINGHAM'S GRAND PASSION: LIFE NOT ACCORDING TO GARP

(By Mary Cunningham Agee, June 1, 1988)

When I received a message just a few days ago that the Wellesley Alumnae Office was trying to reach me, my immediate reaction was, "I must have forgotten to make my annual contribution." With this being my fifteenth reunion year, I was all set for a full-court press as I returned the call.

Not so. The voice on the other end was asking (harmlessly enough) if I had yet read the article in the most recent Wellesley Alumnae Magazine about John Irving's "Grand Passion." Being somewhat intrigued by the title and more than somewhat impressed by the author's record of best-sellers, I probed a little further. Admitting that my schedule of operating a nationwide charitable organization and raising two small children often left me weeks behind on "fun reading," I asked what it was all about.

After reading—and re-reading—the hard copy, I decided to accept the invitation to respond to the Irving piece.

I said "respond" because too often the topic of abortion suggests only a debate format that further polarizes caring, well-intentioned people. It has been my observation that societal views are seldom changed through argumentation alone, but rather through the presentation of countervailing evidence persuasive enough as to suggest a new perspective.

The "evidence" that I feel compelled to share with you was persuasive enough for me that I made a conscious decision to forego a six figure salary and all of the perks we Wellesley Alums are conditioned to expect, and devote my full professional energy to becoming a new resource for women with an urgent need. You might say that I, too, have a "grand passion"—but mine is directed quite differently from Mr. Irving's.

My passion is for the literally millions of women who have been made to feel that their only choice when faced with a crisis pregnancy is abortion. Unlike Mr. Irving who is drawn to the problems of the past when abortions were conducted in back alleys, I am riveted to the crisis of today when women, lacking adequate economic, emotional and social support for the birth alternative they wish to choose, are being forced into psychological back alleys when abortion is presented as their only alternative.

It was with these women in mind and heart that, one year ago on Mother's Day, I opened the doors of The Nurturing Network. It had taken more than three years to research the scope of this problem and find out who was most likely to encounter it. It had taken two additional years of Harvard Business School to learn the myriad of managerial skills needed to organize a program that could help to overcome it. It had required the sale of our vacation home in Idaho in order to fund it. And it had involved a mid-trimester miscarriage of our first baby to make me feel what my mind was already convinced had to be done.

Like most liberated Wellesley graduates (not to mention an educational product of the sixties), I had very comfortably adopted the rhetoric of "choice" whenever the topic of reproductive rights came up. I'd never bothered to look beneath the labels or explore the grey areas.

Not unlike Mr. Irving and his devotee, Ms. Nash, I, too, had felt outraged by the historical lack of safe, competent medical care for the "least sophisticated and least educated" who were "most likely to have accidental pregnancies and were the least likely to be able to deal with it."

But then new research sponsored by our Network came back. In interview after interview at crisis pregnancy centers all across the country, I learned that the profie of the woman most likely to experience this problem is not an uneducated, impoverished teenager. Rather, she is a woman over the age of twenty, from a middle-class background, and she has earned at least a high school diploma.

Many of the centers went on to offer that the woman most likely to "choose" abortion is the upwardly mobile achiever from a "good background" for whom the "stigma" still remains most damaging. These are the women whose own support networks usually let them down when the option of continuing their pregnancy is considered. These are the women who, without the kind of support that speaks to their educational and career needs, will predictably feel they have "too much to lose" by continuing an unexpected pregnancy. Abortion becomes their only option. So much for "freedom of choice."

And so much for comfortable stereotypes both for Mr. Irving and me. What I learned through hands-on research was actually there for the asking in my all-too-convenient memory of late night confidences shared years ago in Wellesley dorms. This crisis does happen, to quote our Client brochure, "to the best and the brightest, those with the most promising futures."

It happens to the woman living with her steady boyfriend of several years who has assured her that "of course we'd get married if you ever got pregnant." This generation of men is not that much different from those in the past; for some the temptation to run is still too great. It happens to the woman whose birth control device fails, giving credence to the principle that educational degrees are not a failsafe mechanism for preventing such accidents. And it also happens to the "good" woman who suffers a temporary lapse in judgment, who in a weak moment might rationalize, "It will never happen to me this one time."

Well, it does. In fact, it happened to more than one million women like this last year alone.

And yet, the unspoken assumptions still persist contributing to the lack of real choice for college and working women. You're familiar with them, I'm sure. This woman knows how to avoid an unwanted pregnancy; she is rarely, if ever, faced with one; and, if so, knows how to take care of herself. Chalk another one up for the "Superwoman" syndrome.

To bring the face of this woman into sharper focus and her dilemma into full view, she is the one whose college peers are most apt to say, "You should have been smarter than that. This isn't supposed to happen to someone like you. "She is the one whose boss is still apt to find a good excuse for terminating her employment and whose family is most apt to respond with shame and rejection. This is the woman whose boyfriend is only too happy to drive her to the abortion clinic—whether this is her choice or not.

If Mr. Irving or Ms. Nash were sitting here in my office, I would want them to meet a few of our clients. We wouldn't have to reach back "to the messy history of abortion and childbirth in America" in order to find abuse and injustice. It is happening right here. Right now. Even as I write this article, women are struggling to overcome stigmas and stereotypes that threaten the lives of their unborn children.

Some people might object to my referring to our clients as "mothers." I would ask these people to give me just a day of their time to read the letters, to hear the conversations, to witness the tears as they describe what it was like to feel forced to abort a life they wanted to find a way to save.

And before we point an accusatory finger in judgment of others, we're all at least a little at fault. Whether we're the neighbor who shakes her head, "* * * And she had such promise * * *" Or the confidante who counsels, "Get it over with; put this one behind you. You'll never be able to feel right about this baby." Or the Mother who says, "We won't tell your Father. You know how devastated he would be. I'll make the appointment for you myself. This will be our private secret."

But it doesn't really work that way. It isn't as easy as that. Yes, perhaps for those on the sidelines, but not for the women going through this crisis. The end of a medical procedure does not mean the end of a memory, or the end of maternal hormones or motherly instincts. We have clients who, fifteen years later still weep at the sound of their firstborn cry because it "reminds them of the child that wasn't allowed to." We have Network Members and other supporters who courageously share their own abortion experience—exposing risks like infertility, fears of intimacy, and years of dependency on therapy.

And lest my sharing these facts be misinterpreted as an effort to remove an alternative, namely abortion, let me say up front that this it is not my objective. In fact, it is not even my purpose to try to debate the merits of one option over another. Rather, my "passion" to coin Mr. Irving's word, is to make sure that no woman feels compelled to choose abortion because of external pressures or the feeling that she has no other choice.

These are the women for whom The Nurturing Network was specifically created. Yes, women like you and me with unique values, needs and circumstances. Women who have a right to be heard just as much as Mr. Irving's women of years ago who suffered at the hands of illegal practitioners of abortion. Their faces are frighteningly familiar. They are our daughters, our friends, our mothers. And they deserve our compassion and support.

How can we help? For starters, by exposing the trade-off myth about career vs. motherhood before it's too late. I'll be among the first to admit that it isn't easy to balance all of the responsibilities of motherhood with the challenges of career—especially alone—but it can be done. Especially with our support.

To date, with the help of our more than two-thousand Members in The Nurturing Network, we have been able to assist more than five-hundred women who have been able to exercize their right to choose the birth alternative.

And here's how we operate. Through our unique program, each college and working woman is not only provided sensitive, informed counseling about both parenting and adoption alternatives, but also, and as needed: a competent, caring obstetrician in our Medical Network of more than 700 physicians willing to provide immediate, quality pre and post-natal care; a loving family from our Network of more than 400 Nurturing Homes with whom she can live during the duration of her pregnancy; alternative gainful employment with one of our mentors in our nationwide Employer Network; and transfer to a college or university of comparable quality through our extensive Educational Network.

When presented with a practical, viable alternawtive to abortion, our clients are demonstrating with their lives and the lives of their unborn children the need for a passionate voice about the reproductive right to give birth. "Choice" can no longer legitimately be linked to just one option or made synonymous with abortion. The irony of "pro-choice" was brought to my attention recently when the results of a recent poll indicated that more than 90 percent of the women interviewed who had either experienced an abortion or were actually in the midst of considering one, and I quote, "Would have preferred to find a positive alternative if only it had been made available."

At a time when last year alone more than two million couples were turned away from adoption due to a shortage of available healthy infants, the over one and one half million abortions in that same year seem doubly tragic. Our clients have shown us time and time again that an unwanted pregnancy does not have to mean an unwanted baby. And our Program is showing them over and over again that an unexpected pregnancy does not have to mean the limitation of their own careers or educational aspirations.

In closing, Mr. Irving mentioned that his own mother worked at a family counseling center. I'm sure that she must have encountered an enormous number of women whose first choice would not have been abortion had they been given a real alternative. I can't help but feel that it is unfortunate that she did not confide those misgivings to her son so he could now be equally passionate about the literally hundreds of thousands of women each year who are made to feel that this is their only option.

Mr. Irving rightly refers to the "terrible violence that society imposed on people who got pregant" when he was a young boy growing up. He says that this "outraged him then and made him feel afraid." Rightly so. But the violence continues today, only toward an easily hidden, often overlooked segment of women. Women who read the Wellesley Alumnae Magazine, and might even think that they are alone with their secret. That is probably didn't happen to others like her. That, by now, it shouldn't hurt anymore.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is now closed.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, FISCAL YEAR 1989

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of H.R. 4776, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 4776) making appropriations for the government of the District of Columbia and for other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1989, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Armstrong Amendment No. 2541, to provide that it shall not be an unlawful discriminatory practice in the District of Columbia for any educational institution that is affiliated with a religious organization or closely associated with the tenents of a religious organization to deny, restrict, abridge, or condition (a) the use of any fund, service, facility, or benefit, or (b) the granting of any endorsement, approval, or recognition, to any person or persons that are organized for, or engaged in, promoting, encouraging, or condoning any homosexual act, lifestyle, orientation, or belief.

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be 10 minutes of debate on the Armstrong amendment, with no amendment in order thereto, with a vote thereon to follow immediately.

Who yields time?

The Chair would announce that the time is to be counted against both sides.

Mr. HARKIN. Mr. President, I yield whatever time he may desire of my 5 minutes to the distinguished Senator from Connecticut.

The ACTING PRESIDENT pro tempore. The Senator from Connecticut is recognized.

Mr. WEICKER. Mr. President, first I want to commend the distinguished Senator, Senator HARKIN, for his eloquent presentation of the opposition to the amendment by Senator Armstrong.

Having said that, I am not so naive as to believe that bigotry and discrimination does not exist in all aspects of our Nation's life. And it is not a matter restricted to places without these Halls. But for the U.S. Senate to codify discrimination demeans the body, its membership, and the constitutional ideals to which we are all committed.

Never mind the fact that the incident which precipitated this legislation has been resolved by the parties themselves. The fact is we are being asked to approve an amendment which is directed toward individuals that have a particular lifestyle or bent of thought, which lifestyle and thought exist within our constitutional process. But now the U.S. Senate is saying that these individuals are beyond the purview of the protections of the Constitution of the United States. The greater harm is not that which occurs to the homosexual or the lesbian community. The greater harm attends to those of us who would visit discrimination on fellow Americans.

Now, what form does the legislation take?

Usually, we have objections to legislation on appropriations bills, but this is a double dose. Not only is it legislation on an appropriations bill, but it directs the District of Columbia to legislate in a specific manner.

Mr. President, this is one of the tough moments which we have to confront and which are meant to be the hallmark of holding the position of a U.S. Senate. I am sure there are those who are fearful of the fact that if they vote against the amendment of the Senator from Colorado, they will have some in the electorate, and some who are political opponents, accuse them of being for homosexuality or lesbianism.

However, that is devious demagoguery. Neither should this be decided on the basis of home rule. My opposition to this amendment is because it is plain old-fashioned, straightforward bigotry and discrimination. If the method that is being used to obtain this discrimination; that is, directing the District of Columbia to permit discrimination is outlandish, and it is, then the substance of the matter before us is outrageous.

I do not know what the sexual preferences or thought of the student body of Georgetown are, and I do not want to know. It is none of my business, and it is not the business of the U.S. Senate. This is a matter between the university and its students.

Is this the only kind of sexual activity that bothers my colleagues in the Senate or are there other thoughts and acts against which we should legislate. The opportunities to pry and single out are vast. But I believe in academic freedom, and I believe in the individual under the Constitution, and I believe in the courage of this institution.

For all of these reasons, this amendment should go down into the sewer from whence it came.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

The Senator from Colorado.

Mr. ARMSTRONG. Mr. President, I will not respond directly to the remarks of my friend from Connecticut. It appears to me that he is describing some amendment, but not the amendment which is actually pending and on some other occasion I will approach the Senator from Connecticut and try to reconcile our differences of opinion.

Mr. President, let me just sum up and make the point that nowadays, with the communication revolution, the senses of every thoughtful person are constantly assaulted with one injustice or another that cries for an advocate, that looks for a champion, that calls for some solution and it is hard sometimes to sort out those things that we can do something about from those that we cannot. This amendment addresses a gross injustice; a major academic freedom and religious liberty issue on our very doorstep right here in the Nation's Capital.

The essence of it was well summed up in an editorial by the Rocky Mountain News which wrote the following summation of the circumstances that bring us to today:

> The District of Columbia's highest court has upheld a local statute that requires Georgetown University, a Catholic institution, to provide the same tangible benefits to organizations of homosexual students as to other student groups. The ruling will require Georgetown to give homosexual groups equal treatment when they apply for free mailing privileges and cash grants from the university's treasury.
>
> Freedom of speech is not the issue, homosexuals are already allowed to disseminate their beliefs and even to use university meeting rooms but they insist that those who disagree with those beliefs must not merely tolerate them but help spread them. It is as if a racist group were to demand subsidies from the NAACP. This ruling allows one well-organized pressure group to pulverize the first amendment guarantees of religious freedom.

Mr. President, that is the view of the Rocky Mountain News. It is not surprising that over the weekend in the 48 hours since we have been in recess that some have come forward to comment on this matter. I have in my hand a letter written over the weekend by John P. Fowler, Washington bureau chief of the National Committee of Catholic Laymen, and he writes:

> On behalf of the National Committee of Catholic Laymen, I would like to express our strongest appreciation for your efforts to defend the constitutional rights of Catholic colleges.
>
> Your amendment to the District of Columbia appropriations bill has clearly sought to protect religious institutions from being forced to officially recognize, support, and subsidize groups which promote teachings contradictory to the beliefs and tenets of those institutions.
>
> The decision of the District of Columbia court and government—the action which prompted your amendment—set a dangerous precedent that strikes at the most central and fundamental principles of our Republic. It is a decision which cries out for a reversal, lest our First Amendment right to religious freedom be destroyed.
>
> Again, our deepest appreciation for your leadership in this matter—one which we hope finds support from all your Senate colleagues.

I said on Friday this is not just a Catholic issue, and I am gratified the Lutherans also have been heard from. Robert G. Morrison, executive director of the Office of Government Information of the Lutheran Church-Missouri Synod, writes this letter:

> Dear Senator Armstrong: I am writing to thank you for your staunch defense of the integrity of religious instituttuions in the District of Columbia. The Lutheran Church—Missouri Synod which is comprised of 6,000 congregations nationwide, several of which are located within the District of Columbia. We also maintain an office of government information and a ministry to the Armed Forces in the nation's capital.
>
> Our 2.7 million member church body has been pleased to work closely with such inter-Lutheran service organizations as the Lutheran Resource Center, the Lutheran Education Conference of North America, the Lutheran Immigration and Relief Service, and Luthern World Review. All of these respected organizations maintain offices within the District of Columbia.
>
> Unless your timely effort succeeds, all of these agencies could be forced—possibly against their firm religious convictions—to accept a homosexual lifestyle as morally acceptable. I do not speak for all the agencies I have listed, but I can say that The Luthern Church—Missouri Synod must resist any intrusion into its own institutional affairs.
>
> Our church body seeks no public condemnation of homosexuals as persons, nor any diminution of their civil rights. We will continue to deal compassionately with the problem of homosexuality within our own membership and within society generally. What we will not be forced by government to say is that sin is not sin. We thank you, Senator Armstrong, for your sensitivity to our deep concern.

On behalf of the Presbyterian Lay Committee, and I quote:

> Virtually every religious denomination in the United States bans the employment of homosexuals in pastoral capacities. This is true across the spectrum of belief and political orientation. If Senator Armstrong's amendment is not passed, the U.S. government eventually will be locked in a conflict with all of these denominations.

The Executive Committee of the Southern Baptist Association has issued the following statement over the weekend:

> The Executive Committee of the Public Affairs Committee of the Southern Baptists Convention has been consulted about the Armstrong amendment to the D.C. appropriations bill and unanimously supports this amendment.

There are some here today who want to dismiss this as a home rule issue, and it is not anything of the sort. This bill already contains legislation adopted with the approval and support of some who say that we should not adopt the Armstrong amendment because it is legislation on an appropriation bill. Clearly a red herring. It is not whether you are for or against homosexuals. That issue is also a red herring. Let me quote from the Catholic Standard, which says it so well:

> The issue is not discrimination. It is not unequal treatment. Homosexuals are children of God and are loved by Him every bit as well as are heterosexuals. They have equal claim on recognition of their innate dignity and value as persons. And to the best of our knowledge, homosexual students at Georgetown have been and still are eligible to join many campus organizations they find appealing. This is equality of students. But, if students at a Catholic school form an organization that advocates conduct diametrically opposed to the teachings of the Catholic Church it is an outrage for the law to require that the school use its resources to benefit such a group and that is the situation at Georgetown.

The issue is not moot. It is not home rule. It is whether you are for or against homosexuals. It is whether we are willing to stand up and be counted on a fundamental premise of religious liberty.

The ACTING PRESIDENT pro tempore. The Senator's time has expired. The Senator from Iowa.

Mr. HARKIN. Mr. President, I ask unanimous consent that there be an additional 3 minutes for debate on this amendment, if I can just have the first minute and he can have the last couple of minutes to finish?

Mr. ARMSTRONG. Mr. President, that is perfectly agreeable to me, if the Senator wishes to ask that. I have no objection.

The ACTING PRESIDENT pro tempore. Is there an objection? Hearing none, it is so ordered.

Mr. HARKIN. Mr. President, I again just rise to ask unanimous consent to have printed in the Record the editorial in this morning's Washington Post opposing the amendment by the distinguished Senator from Colorado that says that this is a local decision made by local people and should not be interfered with by the Congress.

There being no objection, the article was ordered to be printed in the Record, as follwos:

. . . And Drop This Idea

> Perhaps it was generated by all the congressional to-do last week over the District of Columbia's residency law, but attempts by various members of the House and Senate to overturn purely local laws by stuffing orders in the latest D.C. budget did not stop with that one controversy.
>
> On Friday Sen. William Armstrong of Colorado offered an amendment to the D.C. budget that would overturn court rulings and city findings by freeing Georgetown University from conditions having to do with its treatment of gay student groups on campus. His proposal, which may come up for a vote today, would allow the school and any other university in the District to deny official recognition, as well as office space, mailing privileges and the right to apply for student financing, to any homosexual group.
>
> Quite aside from how anybody may feel about this issue, it is a purely local matter. True, Congress still has the ultimate authority to rewrite every last word of D.C. law and force the city to comply with any order it issues—far above and beyond anything that Congress could or would do to any other city or to any state. But senators who respect the principles of local self-determination—many of whom have themselves been state and local legislators—should think twice before voting to interfere with decisions and agreements made by elected officials here.
>
> The fact that this city's budget—financed for the most part by local taxpayers—must have congressional and presidential approval should not be used as an excuse to impse all sorts of restrictions, orders and conditions on the people who live here and the government they elect to do local business. It is on these grounds that senators should reject the Armstrong amendment.

Mr. HARKIN. Also, Mr. President, I want to include in the Record a list of the States and municipalities that have similar types of ordinances prohibiting discrimination based on sexual orientation. I would just read the municipalities.

Municipalities: Aspen, CO; Raleigh, NC; Chapel Hill, NC; Tucson, AZ; Iowa City, IA; Atlanta, GA; Los Angeles, CA; Philadelphia, PA; Baltimore, MD; Detroit, MI.

There are municipalities, all of whom have ordinances similar to the one being addressed here today.

I yield the remainder of the time to the Senator, and ask unanimous consent the entire list be printed in the Record.

There being no objection, the list was ordered to be printed in the Record, as follows:

THOSE PROHIBITING DISCRIMINATION BASED ON SEXUAL ORIENTATION

STATES

Wisconsin, California, Minnesota, New Mexico, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Washington.

MUNICIPALITIES

Aspen, CO, Raleigh, NC, Chapel Hill, NC, Tucson, AZ, Iowa City, IA, Atlanta, GA, Los Angeles, CA, Philadelphia, PA, Baltimore, MD, Detroit, MI.

Mr. LEVIN. Mr. President, although this amendment is entitled the "Nation's Capital Religious Liberty and Academic Freedom Act," the issue upon which the Senate is voting on today does not, in fact, principally involve either religious liberty or academic freedom. Nor is this an issue of gay rights.

Instead, what the Senate is asked to vote on today is whether the Federal Government should engage in a massive breach of the principle of home rule. The Armstrong amendment not only conditions the District of Columbia's receipt of $430 million of Federal funds upon the District's changing its own law, but also conditions the spending of $3.2 billion of the District's own revenues on such a change in the law. No Senator on this floor would accept such an interference in the internal finances of the States which they represent. We should not, then, impose upon the District this massive intrusion into its own affairs, whether or not we agree with the substance of the D.C. ordinance.

I will, therefore, vote against the Armstrong amendment.

Mr. ARMSTRONG. Mr. President, I think everybody has about had their say. It is about time to vote on it and let the Senate decide where it wishes to stand on this issue. But in closing the debate, I cannot help but recall a letter which Thomas Jefferson wrote to his friend Dr. Benjamin Rush, of Philadelphia. One phrase from that letter was so resonant and was so much the essence of Jeffersonian thought that it came to be identified with President Jefferson. In fact, it will be identified and associated with him all through the ages. Indeed, it is a phrase which has been inscribed in stone on the memorial named for Mr. Jefferson in this city. He wrote to Dr. Benjamin Rush:

> I have sworn upon the altar of God eternal hostility to every form of tyranny over the mind of man.

That is the issue in this amendment; religious liberty, academic freedom.

Mr. President, in the course of my opening remarks, I neglected to ask, and I do now ask unanimous consent that the following Senators be added as cosponsors of my amendment: Senators Thurmond, Helms, Lugar, Wallop, Hatch, Nickles, Garn, and Exon.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ARMSTRONG. Mr. President, I urge its adoption.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Colorado. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. Bradley], the Senator from Florida [Mr. Chiles], the Senator from Tennessee [Mr. Gore], the Senator from Tennessee [Mr. Sasser], and the Senator from Illinois [Mr. Simon] are necessarily absent.

I also announce that the Senator from Delaware [Mr. Biden] is absent because of illness.

I further announce that, if present and voting, the Senator from Illinois [Mr. Simon] would vote "nay."

Mr. SIMPSON. I announce that the Senator from Utah [Mr. Garn], the Senator from North Carolina [Mr. Helms] and the Senator from New Hampshire [Mr. Humphrey] are necessarily absent.

The ACTING PRESIDENT pro tempore. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 58, nays 33, as follows:

[Rollcall Vote No. 236 Leg.]

YEAS—58

Armstrong
Baucus
Bentsen
Bingaman
Bond
Boren
Boschwitz
Breaux
Burdick
Byrd
Cochran
Conrad
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Heinz
Johnston
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Melcher
Murkowski
Nickles
Nunn
Pressler
Pryor
Quayle
Reid
Rockefeller
Roth
Rudman
Shelby
Simpson
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NAYS—33

Adams
Bumpers
Chafee
Cohen
Cranston
Dodd
Evans
Glenn
Graham
Harkin
Hollings
Inouye
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Metzenbaum
Mikulski
Mitchell
Moynihan
Packwood
Pell
Proxmire
Riegle
Sanford
Sarbanes
Specter
Stafford
Stennis
Weicker
Wirth

NOT VOTING—9

Biden
Bradley
Chiles
Garn
Gore
Helms
Humphrey
Sasser
Simon

So the amendment (No. 2541) was agreed to.

The ACTING PRESIDENT pro tempore. Under the previous order, the question now occurs on passage of the bill, as amended.

Mr. LEAHY. May we have order.

The ACTING PRESIDENT pro tempore. The Senate will come to order.

Mr. ARMSTRONG addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Colorado.

Mr. ARMSTRONG. Mr. President, has the Chair announced the vote?

The ACTING PRESIDENT pro tempore. The Chair has announced the vote.

Mr. ARMSTRONG. Mr. President, parliamentary inquiry. Is a motion to reconsider precluded under the UC?

Mr. WEICKER. Mr. President, I suggest there is not order in the Senate. I cannot hear what is being stated in the well, No. 1, because there is no order and, No. 2, the Senator from Colorado is not using a microphone.

The ACTING PRESIDENT pro tempore. The Senate will be in order. Senators will cease audible conversation. The Senator from Colorado propounded a question. The motion to reconsider would be in order.

Mr. ARMSTRONG. Mr. President, just as a pro forma matter, I do move to reconsider the vote by which the amendment was agreed to.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The ACTING PRESIDENT pro tempore. The question now occurs on passage of the bill, as amended.

Mr. HARKIN. I ask for the yeas and nays.

Mr. ARMSTRONG. Mr. President, are we now on passage of the bill?

The ACTING PRESIDENT pro tempore. The Chair has announced that on two occasions.

Mr. ARMSTRONG. At the request of several Senators, I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. BRADLEY], the Senator from Tennessee [Mr. GORE], and the Senator from Tennessee [Mr. SASSER] are necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

I further announce that, if present and voting, the Senator from Tennessee [Mr. SASSER] would vote "yea."

Mr. SIMPSON. I announced that the Senator from Utah [Mr. GARN], the Senator from North Carolina [Mr. HELMS], and the Senator from New Hampshire [Mr. HUMPHREY] are necessarily absent.

The PRESIDING OFFICER (Mr. CONRAD). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 64, nays 29, as follows:

[Rollcall Vote No. 237 Leg.]

YEAS—64

Adams
Baucus
Bentsen
Bingaman
Bond
Boren
Boschwitz
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Dixon
Dole
Durenberger
Evans
Ford
Fowler
Glenn
Graham
Grassley
Harkin
Hatfield
Heinz
Hollings
Inouye
Johnston
Kassebaum
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McConnell
Melcher
Metzenbaum
Mikulski
Murkowski
Nunn
Packwood
Pell
Pryor
Quayle
Reid
Riegle
Rockefeller
Rudman
Sanford
Sarbanes
Simpson
Stafford
Stennis
Stevens
Warner
Wilson

NAYS—29

Armstrong
Daschle
DeConcini
Dodd
Domenici
Exon
Gramm
Hatch
Hecht
Heflin
Karnes
Kasten
McCain
McClure
Mitchell
Moynihan
Nickles
Pressler
Proxmire
Roth
Shelby
Simon
Specter
Symms
Thurmond
Trible
Wallop
Weicker
Wirth

NOT VOTING—7

Biden
Bradley
Garn
Gore
Helms
Humphrey
Sasser

So the bill (H.R. 4776), as amended, was passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HARKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HARKIN. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives thereon and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Chair appointed Messrs. HARKIN, LAUTENBERG, REID, STENNIS, NICKLES, GRASSLEY, and HATFIELD conferees on the part of the Senate.

Mr. HARKIN. Mr. President, I ask unanimous consent that Calendar No. 758, S. 2562, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF H.R. 4794, TRANSPORTATION APPROPRIATIONS BILL

Mr. BYRD. Mr. President, I ask unanimous consent that the majority leader may be authorized to proceed to the consideration of the transportation appropriations bill at any time after consultation with the Republican leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

VETERANS' ADMINISTRATION ADJUDICATION PROCEDURE AND JUDICIAL REVIEW ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 11, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 11) to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Veterans' Affairs, with an amendment to strike all after the enacting clause and insert in lieu thereof, the following:

That (a) this Act may be cited as the "Veterans' Administration Adjudication Procedure and Judicial Review Act".

(b) Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—VETERANS' ADMINISTRATION ADJUDICATION

SEC. 101. (a) Chapter 51 is amended by adding at the end of subchapter I the following new section:

"§3007. Burden of proof; benefit of the doubt

"(a) Except when otherwise provided by the Administrator in accordance with the provisions of this title, a claimant for benefits under laws administered by the Veterans' Administration shall have the burden of submitting evidence sufficient to justify a belief by a fair and impartial individual that the claim is well grounded. The Administrator shall assist a claimant in developing the facts pertinent to his or her claim.

"(b) When, after consideration of all evidence and material of record in any proceeding before the Veterans' Administration involving a claim for benefits under laws administered by the Veterans' Administration, there is an approximate balance of positive and negative evidence regarding the merits of an issue material to the determination of such claim, the benefit of the doubt in resolving each such issue will be given to the claimant, but nothing in this section shall be construed as shifting from a claimant to the Administrator the burden described in subsection (a) of this section.".

(b)(1) The table of chapters at the beginning of title 38, United States Code, and the table of chapters at the beginning of part IV of such title are each amended in the item relating to chapter 51 by striking out "Applications" and inserting in lieu thereof "Claims".

(2) The heading of such chapter is amended to read as follows:

"CHAPTER 51—CLAIMS, EFFECTIVE DATES, AND PAYMENTS".

(c)(1) The table of sections at the beginning of such chapter is amended in the item relating to subchapter I by striking out "APPLICATIONS" and inserting in lieu thereof "CLAIMS".

(2) The heading of subchapter I of such chapter is amended to read as follows:

"SUBCHAPTER I—CLAIMS".

(d) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 3006 the following new item:

"3007. Burden of proof; benefit of the doubt.".

SEC. 102. Section 3311 is amended by adding at the end the following new sentences: "Subpenas authorized under this section shall be served by any individual authorized by the Administrator by (1) delivering a copy thereof to the individual named therein, or (2) mailing a copy thereof by registered or certified mail addressed to such individual at such individual's last known dwelling place or principal place of business. A verified return by the individual so serving the subpena setting forth the manner of service, or, in the case of service by registered or certified mail, the return post office receipt therefor signed by the individual so served shall be proof of service.".

SEC. 103. (a) Section 4001(a) is amended—

(1) by striking out "directly responsible to the Administrator" in the first sentence; and

(2) by inserting before the period at the end of the second sentence "in a timely manner".

(b)(1) Section 4001(b) is amended to read as follows:

"(b)(1) The Chairman of the Board shall be appointed by the President, by and with

the advice and consent of the Senate, for a term of five years. An individual may serve as Chairman for not more than three complete terms. The Chairman may be removed by the President for good cause.

"(2)(A) The members of the Board shall be appointed by the Chairman of the Board for a term of nine years. A member appointed to fill a vacancy resulting from the resignation, death, or removal of a member before the end of the term for which the original appointment was made shall serve for the remainder of the unexpired term. Members may be reappointed without limitation. The Chairman shall designate one member as Vice Chairman. Such member shall serve as Vice Chairman at the pleasure of the Chairman.

"(B) A member of the Board may be removed only by the Chairman and only for good cause established and determined by the Merit Systems Protection Board on the record after opportunity for hearing before the Merit Systems Protection Board. Section 554(a)(2) of such title shall not apply to a removal action under this subparagraph. In such a removal action, a member shall have the rights set out in section 7513(b) of title 5.".

(2) The President shall appoint a Chairman of the Board of Veterans' Appeals under section 4001(b)(1) of title 38, United States Code (as amended by paragraph (1)), not later than one year after the date of the enactment of this Act. The individual who is serving as Chairman of the Board of Veterans' Appeals on the date of the enactment of this Act may continue to serve as Chairman until a successor is appointed. If such individual is appointed as Chairman under such section, none of the service of such individual as Chairman before the date of that appointment shall be considered for the purpose of determining the term of appointment or eligibility for reappointment under such section.

(3) Appointments of members of the Board of Veterans' Appeals under subsection (b)(2)(A) of section 4001 of title 38, United States Code (as amended by paragraph (1)), may not be made until a Chairman has been appointed under subsection (b)(1) of such section. An individual who is serving as a member of the Board on the date of the enactment of this Act may continue to serve as a member until the earlier of the date on which the individual's successor is appointed under subsection (b)(2)(A) of such section or the expiration of the 180-day period that begins on the day after the Chairman is appointed.

(4) Notwithstanding the provision in section 4001(b)(2) of title 38, United States Code (as amended by paragraph (1)), that specifies the term for which members of the Board of Veterans' Appeals shall be appointed, of the first members appointed under such section—

(1) 21 members shall be appointed for a term of three years;

(2) 22 members shall be appointed for a term of six years; and

(3) 22 members shall be appointed for a term of nine years.

The first Vice Chairman of the Board designated under such section shall be selected from among the members appointed for a term of six years or nine years.

(5) Section 5315 of title 5, United States Code, is amended by adding at the end the following:

"Chairman, Board of Veterans' Appeals.".

(c) Section 4001 is further amended by adding at the end the following new subsections:

"(d) The Chairman of the Board shall submit a report to the Committees on Veterans' Affairs of the Senate and the House of Representatives, not later than December 31, 1988, and annually thereafter, on the experience of the Board during the prior fiscal year together with projections for the fiscal year in which the report is submitted and the subsequent fiscal year. Such report shall contain, as a minimum, information specifying the number of cases appealed to the Board during the prior fiscal year, the number of cases pending before the Board at the beginning and end of such fiscal year, the number of such cases which were filed during each of the 36 months preceding the then current fiscal year, the average length of time a case was before the Board between the time of the filing of an appeal and the disposition during the prior fiscal year, and the number of members of, and the professional, administrative, clerical, stenographic, and other personnel employed by, the Board at the end of the prior fiscal year. The projections for the current fiscal year and subsequent fiscal year shall include, for each such year, estimates of the number of cases to be appealed to the Board and an evaluation of the Board's ability, based on existing and projected personnel levels, to ensure timely disposition of such appeals as provided for by subsection (a) of this section.

"(e) Notwithstanding any other provision of law no member temporary or acting member of the Board shall be eligible for or receive, directly or indirectly, bonuses (in addition to salary) relating to service on the Board.".

SEC. 104. Section 4003 is amended to read as follows:

"§ 4003. Determinations by the Board

"(a)(1) The determination, when concurred in by the requisite number of members of the section, shall be the final determination of the Board, except that the Board on its own motion may correct an obvious error in the record or may reach a contrary conclusion upon the basis of additional information from the service department concerned after notice of such additional information is furnished to the claimant and the claimant is provided an opportunity to be heard in connection with such information.

"(2) The requisite number of members of a section that must concur in a final decision is—

"(A) for an allowance of a claim, a majority of the members of the section; or

"(B) for a denial of a claim, all members of the section.

"(b)(1) When there is a disagreement among the members of the section in any case in which unanimity is required for a final determination, the concurrence of the Chairman with the majority of the members of such section shall constitute the final determination of the Board. The Chairman may, instead of voting, expand the size of the section for determination of that case, and the concurrence of a majority of the members of the expanded section shall constitute the final determination of the Board.

"(2) Notwithstanding paragraph (1) of this subsection, the Board on its own motion may correct an obvious error in the record or may reach a contrary conclusion upon the basis of additional information from the service department concerned after notice of such additional information is furnished to the claimant and the claimant is provided an opportunity to be heard in connection with such information.

"(c) If, without the vote of a temporary member designated under section 4001(c)(1) of this title or the vote of an acting member designated under section 4002(a)(2)(A)(ii) of this title, a section would be evenly divided in the determination of any claim—

"(1) such member shall not vote; and

"(2) the Chairman shall expand, by not less than two members, the size of the section for determination of that claim.".

SEC. 105. Section 4004 is amended—

(1) in subsection (a)—

(A) by striking out "involving" in the first sentence and inserting in lieu thereof "for"; and

(B) by inserting before the period at the end of the second sentence "after affording the claimant an opportunity for a hearing and shall be based exclusively on evidence and material of record in the proceeding and on applicable provisions of law";

(2) by striking out subsection (b) and inserting in lieu thereof the following:

"(b)(1) Except as provided in paragraph (2) of this subsection, when a claim is disallowed by the Board, it may not thereafter be reopened and allowed and no claim based upon the same factual basis shall be considered.

"(2) Following such a disallowance, the Board (directly or through the agency of original jurisdiction, as described in section 4005(b)(1) of this title)—

"(A) when new and material evidence is presented or secured, shall authorize the reopening of a claim and a review of the Board's former decision; and

"(B) for good cause shown, may authorize the reopening of a claim and a review of the Board's former decision.

"(3) A judicial decision under subchapter II of chapter 71 of this title, upholding, in whole or in part, the disallowance of a claim shall not diminish the Board's authority set forth in paragraph (2) of this subsection to authorize the reopening of a claim and a review of the former decision."; and

(3) by striking out subsection (d) and inserting in lieu thereof the following:

"(d) After reaching a decision in a case, the Board shall promptly mail notice of its decision to the claimant and the claimant's authorized representative, if any, at the last known address of the claimant and at the last known address of the claimant's authorized representative, if any. Each decision of the Board shall include—

"(1) a written statement of the Board's findings and conclusions, and reasons or bases therefor, on all material issues of fact and law and on matters of discretion presented on the record; and

"(2) an order granting appropriate relief or denying relief.".

SEC. 106. Section 4005(d) is amended—

(1) by striking out paragraph (4) and inserting in lieu thereof the following:

"(4) The claimant may not be presumed to agree with any statement of fact or law contained in the statement of the case to which the claimant does not specifically express agreement."; and

(2) in paragraph (5) by striking out "will base its decision on the entire record and".

SEC. 107. (a) Section 4009 is amended—

(1) by striking out the section heading and inserting in lieu thereof the following:

"§ 4009. Medical opinions";

and

(2) by adding at the end the following new subsections:

"(c)(1) Whenever there exists in the evidence of record in an appeal case a substantial disagreement between the substantiated findings or opinions of two physicians with

respect to an issue material to the outcome of the case, the Board shall, upon the request of the claimant and after taking appropriate action to attempt to resolve the disagreement, arrange for an advisory medical opinion in accordance with the procedure prescribed in subsection (b) of this section. The claimant may appeal a denial of a request for such an opinion to the Chairman of the Board.

"(2) If the Board or the Chairman upon appeal denies a request for an advisory medical opinion, the Board, or the Chairman after the appeal, shall prepare and provide to the claimant and the claimant's authorized representative, if any, a statement setting forth the basis for the determination together with a notice of the claimant's right to appeal the denial to the Chairman of the Board.

"(3) Actions of the Board under this subsection, including any such denial concurred in by the Chairman (if appealed), shall be final and conclusive, and no other official or any court of the United States shall have the power or jurisdiction to review any aspect of any such decision by an action in the nature of mandamus or otherwise, the provisions of subchapter II of chapter 71 of this title to the contrary notwithstanding.

"(d) If a member of the Board receives the medical opinion of any physician relating to any appeal under consideration by such member (other than a medical opinion of a physician on the section of the Board considering such appeal) or an employee of the Board in the consideration of such appeal receives such an opinion, the Board shall furnish such opinion to the claimant and shall afford the claimant 60 days in which to submit a response to such opinion before the Board issues a final determination on the appeal. The Board shall consider any such response and shall include in the final determination a discussion of such opinion, the response (if any), and the effect of such opinion and response on the Board's determination.".

(b) The table of sections at the beginning of chapter 71 is amended by striking out the item relating to section 4009 and inserting in lieu thereof the following:

"4009. Medical opinions.".

SEC. 108. (a) Chapter 71 is further amended by adding at the end the following new sections:

"§ 4010. Adjudication procedures

"(a) For purposes of conducting any hearing, investigation, or other proceeding in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration, the Administrator and the members of the Board may administer oaths and affirmations, examine witnesses, and receive evidence.

"(b) Any oral, documentary, or other evidence, even though inadmissible under the rules of evidence applicable to judicial proceedings, may be admitted in a hearing, investigation, or other proceeding in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration, but the Administrator and the Chairman of the Board, under regulations which the Administrator and the Chairman shall jointly prescribe, may provide for the exclusion of irrelevant, immaterial, or unduly repetitious evidence.

"(c)(1) In the course of any proceeding before the Board, any party to such proceeding or such party's authorized representative shall be afforded opportunity—

"(A) to examine and, on payment of a fee prescribed pursuant to section 3302(b) of this title (not to exceed the direct cost of duplication), obtain copies of the contents of the case files and all documents and records to be used by the Veterans' Administration at such proceeding;

"(B) to present witnesses and evidence, subject only to such restrictions as may be set forth in regulations prescribed pursuant to subsection (b) of this section, as to materiality, relevance, and undue repetition;

"(C) to make oral argument and submit written contentions, in the form of a brief or similar document, on substantive and procedural issues;

"(D) to submit rebuttal evidence;

"(E) to present medical opinions and request an independent advisory medical opinion pursuant to section 4009(c) of this title; and

"(F) to serve written interrogatories on any person, including any employee of the Veterans' Administration, which interrogatories shall be answered separately and fully in writing and under oath unless written objection thereto, in whole or in part, is filed with the Chairman of the Board by the person to whom the interrogatories are directed or such person's representative.

"(2) The fee provided for in paragraph (1)(A) of this subsection may be waived by the Chairman of the Board, pursuant to regulations which the Administrator shall prescribe, on the basis of the party's inability to pay or for other good cause shown.

"(3) In the event of any objection filed under paragraph (1)(F) of this subsection, the Chairman of the Board shall, pursuant to regulations which the Chairman shall prescribe establishing standards consistent with standards for protective orders applicable in the United States District Courts, evaluate such objection and issue an order (A) directing that, within such period as the Chairman shall specify, the interrogatory or interrogatories objected to be answered as served or answered after modification, or (B) indicating that the interrogatory or interrogatories are no longer required to be answered.

"(4) If any person upon whom interrogatories are served under paragraph (1)(F) of this subsection fails to answer or fails to provide responsive answers to all of the interrogatories within 30 days after service or such additional time as the Chairman of the Board may allow, the Chairman, upon determining that the party propounding such interrogatories has shown the general relevance and reasonableness of the scope of the interrogatories, shall issue a subpena under section 3311 of this title (with enforcement of such subpena to be available under section 3313 of this title) for such person's appearance and testimony on such interrogatories at a deposition on written questions, at a location within 100 miles of where such person resides, is employed, or transacts business.

"(d)(1) A claimant may request a hearing before a traveling section of the Board. Cases shall be scheduled for hearing before such a section in the order in which the requests for hearing are received by the Board.

"(2) If a claimant makes a request for hearing before a traveling section of the Board and, by reason of limited time for the conduct of hearings by such section at the location for the requested hearing, such claimant's appeal is not scheduled for hearing or the hearing is not conducted, the Board shall afford such claimant an opportunity to present the case to the Board in a hearing conducted by telephone or video connection before a section of the Board or in a videotape of a hearing conducted for the Board by Veterans' Administration adjudication personnel at a regional office of the Veterans' Administration. An audiotape or videotape shall be included in the record of the appeal and considered by the Board in the same manner as recordings of testimony and documentary evidence are considered.

"(e) In the course of any hearing, investigation, or other proceeding in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration, an employee of the Veterans' Administration (including employees of the Board of Veterans' Appeals) may at any time disqualify himself or herself, on the basis of personal bias or other cause, from adjudicating the claim. On the filing by a party in good faith of a timely and sufficient affidavit averring personal bias or other cause for disqualification on the part of such an employee, the Administrator, as to proceedings other than proceedings before the Board, or the Chairman of the Board, as to proceedings before the Board, shall determine the matter as a part of the record and decision in the case, pursuant to regulations prescribed jointly by the Administrator and the Chairman.

"(f) The transcript or recording of testimony and the exhibits, together with all papers and requests filed in the proceeding, and the decision of the Board (1) shall constitute the exclusive record for decision in accordance with section 4004(a) of this title, (2) shall be available for inspection by any party to such proceeding, or such party's authorized representative, at reasonable times and places, and (3) on the payment of a fee prescribed under section 3302(b) of this title (not to exceed the direct cost of duplication), shall be copied for the claimant or such claimant's authorized representative within a reasonable time. Such fee may be waived by the Chairman of the Board, pursuant to regulations which the Chairman shall prescribe, on the basis of the party's inability to pay or for other good cause shown.

"(g) Notwithstanding section 4004(a) of this title, section 554(a) of title 5, or any other provision of law, adjudication and hearing procedures prescribed in this title and in regulations prescribed by the Administrator, as to proceedings other than proceedings before the Board, or the Chairman of the Board, as to proceedings before the Board, or by the Administrator and the Chairman jointly, under this title for the purpose of administering veterans' benefits shall be exclusive with respect to hearings, investigations, and other proceedings in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration.

"§ 4011. Notice of procedural rights and other information

"In the case of any disallowance, in whole or in part, of a claim for benefits under laws administered by the Veterans' Administration, the Administrator, as to proceedings other than proceedings before the Board, or the Chairman of the Board, as to proceedings before the Board, shall, at each procedural stage relating to the disposition of such a claim, beginning with disallowance after an initial review or determination, and including the furnishing of a statement of the case and the making of a final determination by the Board, provide to the claimant and such claimant's authorized representative, if any, written notice of the

procedural rights of the claimant. Such notice shall be on such forms as the Administrator or the Chairman, respectively, shall prescribe by regulation and shall include, in easily understandable language, with respect to proceedings before the Veterans' Administration (1) descriptions of all subsequent procedural stages provided for by statute, regulation, or Veterans' Administration policy, (2) descriptions of all rights of the claimant expressly provided for in or pursuant to this chapter, of the claimant's rights to a hearing, to reconsideration, to appeal, and to representation, and of any specific procedures necessary to obtain the various forms of review available for consideration of the claim, (3) in the case of an appeal to the Board, the opportunity for a hearing before a traveling section of the Board, and (4) such other information as the Administrator or the Chairman of the Board, respectively, as a matter of discretion, determines would be useful and practical to assist the claimant in obtaining full consideration of the claim.".

(b) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 4009 the following new items:

"4010. Adjudication procedures.
"4011. Notice of procedural rights and other information.".

SEC. 109. (a) In order to evaluate the feasibility and desirability of alternative methods of (1) assuring the resolution of claims before the Administrator of Veterans' Affairs or the Board of Veterans' Appeals for benefits under laws administered by the Veterans' Administration as promptly and efficiently as feasible following the filing of a notice of disagreement pursuant to section 4005 (as amended by section 106 of this Act) or 4005A of title 38, United States Code, and (2) affording claimants the opportunity for a hearing before or review by a disinterested authority at a location as convenient and on as timely basis as possible for each claimant, the Administrator and the Chairman of the Board of Veterans' Appeals are each authorized to conduct a study commencing not later than 1 year after the date of the enactment of this Act, for a period of 24 months, involving either or both of the alternative methods described in subsection (b) of this section for resolution of claims.

(b)(1) In not more than three geographic areas, the Administrator is authorized to provide an intermediate-level adjudication process whereby each claimant may, within the time afforded such claimant under paragraph (3) of section 4005(d) or 4005A(b) of title 38, United States Code, to file an appeal, request a de novo hearing at the agency of original jurisdiction (as described in section 4005(b)(1) of such title) before a panel of three Veterans' Administration employees, each of whose primary responsibilities include adjudicative functions but none of whom shall have previously considered the merits of the claim at issue. Following such hearing, such panel shall render a decision and prepare a new statement of the case in accordance with the requirements of paragraphs (1) and (2) of section 4005(d) of such title. Such new statement of the case shall, for all purposes relating to appeals under chapter 71 of such title, be considered to be a statement of the case as required by such paragraph (1).

(2) In not more than three other geographic areas, the Chairman is authorized to provide for an enhanced schedule of visits, on at least a quarterly basis each year, by a panel or panels of the Board to conduct formal recorded hearings pursuant to section 4002 of such title in such areas.

(c) Not later than 6 months after the completion of such study, the Administrator and the Chairman of the Board of Veterans' Appeals, as appropriate, shall report to the Congress on the results of the study, including an evaluation of the cost factors associated with each alternative studied and with any appropriate further implementation thereof, the impact on the workload of each regional office involved in such study, and the impact on the annual caseload of the Board resulting from each alternative studied, together with any recommendations for administrative or legislative action, or both, as may be indicated by such results.

SEC. 110. Section 3010(i) is amended—

(1) by inserting "(1)" after "(i)"; and

(2) by adding at the end the following new paragraph:

"(2) Whenever any disallowed claim is reopened and thereafter allowed on the basis of new and material evidence in the form of official reports from the department of the Secretary concerned, the effective date of commencement of the benefits so awarded shall be the date on which an award of benefits under the disallowed claim would have been effective had the claim been allowed on the date it was disallowed.".

TITLE II—VETERANS' ADMINISTRATION RULE MAKING

SEC. 201. (a) Subchapter II of chapter 3 is amended by adding at the end the following new section:

"§ 223. Rule making

"(a) For the purposes of this section—

"(1) the term 'regulation' includes—

"(A) statements of general policy, instructions, and guidance issued or adopted by the Administrator; and

"(B) interpretations of general applicability issued or adopted by the Administrator; and

"(2) the term 'rule' has the same meaning as is provided in section 551(4) of title 5.

"(b) Notwithstanding the provisions of subsection (a)(2) of section 553 of title 5, the promulgation of rules and regulations by the Administrator, other than rules or regulations pertaining to agency management or personnel or to public property or contracts, shall be subject to the requirements of section 553 of title 5.

"(c) Rules and regulations issued or adopted by the Administrator shall be subject to judicial review as provided in subchapter II of chapter 71 of this title.".

(b) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 222 the following new item:

"223. Rule making.".

TITLE III—JUDICIAL REVIEW

SEC. 301. Section 211(a) is amended by striking out "sections 775, 784" and inserting in lieu thereof "sections 775 and 784 and subchapter II of chapter 71 of this title".

SEC. 302. (a) Chapter 71 is further amended—

(1) by inserting after the table of sections the following new heading:

"SUBCHAPTER I—GENERAL";

and

(2) by adding at the end thereof the following new subchapter:

"SUBCHAPTER II—JUDICIAL REVIEW

"§ 4025. Right of review; commencement of action

"(a) For the purposes of this chapter—

"(1) 'final decision of the Board of Veterans' Appeals' means—

"(A) a final determination of the Board pursuant to section 4004 (a) or (b) of this title; or

"(B) a dismissal of an appeal by the Board pursuant to section 4005 or 4008 of this title;

"(2) 'claim for benefits' means—

"(A) an initial claim filed under section 3001 of this title;

"(B) a challenge to a decision of the Administrator reducing, suspending, or terminating benefits; or

"(C) any request by or on behalf of the claimant for reopening, reconsideration, or further consideration in a matter described in clause (A) or (B) of this paragraph;

"(3) 'interested party', with respect to a rule or regulation issued or adopted by the Administrator, means any person substantially affected by such rule or regulation; and

"(4) 'disability rating schedule' means the schedule of ratings adopted and readjusted under section 355 of this title and any provision made by the Administrator under section 357 of this title for the combination of ratings.

"(b)(1)(A) Subject to subparagraph (B) of this paragraph, the following matters are subject to judicial review under this subchapter:

"(i) A final decision of the Board of Veterans' Appeals in accordance with subsection (c).

"(ii) A rule or regulation issued or adopted by the Administrator when review of such regulation is requested by a claimant in connection with an action under subsection (c).

"(iii) A rule or regulation so issued or adopted when review of such regulation is requested by any interested party in an action brought only for the purpose of obtaining review of such rule or regulation.

"(B) In an action involving any matter subject to judicial review under this subchapter, a court may not direct or otherwise order that any disability rating schedule issued or adopted by the Administrator be modified.

"(2) Any action for judicial review authorized by this subchapter shall be brought by a claimant or an interested party in the United States Court of Appeals for the circuit in which the plaintiff resides or the plaintiff's principal place of business is located, or in the United States Court of Appeals for the District of Columbia Circuit.

"(c) Except as provided in subsection (g) of this section, after any final decision of the Board of Veterans' Appeals adverse to a claimant in a matter involving a claim for benefits under any law administered by the Veterans' Administration, such claimant may obtain a review of such decision in a civil action commenced within 180 days after notice of such decision is mailed to such claimant pursuant to section 4004(d) of this title.

"(d) The complaint initiating an action under subsection (c) of this section shall contain sufficient information to permit the Administrator to identify and locate the plaintiff's records in the custody or control of the Veterans' Administration.

"(e) Not later than 30 days after filing the answer to a complaint filed pursuant to subsection (d) of this section, the Administrator shall file a certified copy of the records upon which the decision complained of is based or, if the Administrator determines that the cost of filing copies of all such records is unduly expensive, the Administrator shall

file a complete index of all documents, transcripts, or other materials comprising such records. After such index is filed and after considering requests from all parties, the court shall require the Administrator to file certified copies of such indexed items as the court considers relevant to its consideration of the case.

"(f) In an action brought under subsection (c) of this section, the court shall have the power, upon the pleadings and the records specified in subsection (e) of this section, to enter judgment in accordance with section 4026 of this title or remand the cause in accordance with such section or section 4027 of this title.

"(g)(1) No action may be brought under this section unless (A) the initial claim for benefits is filed pursuant to section 3001 of this title on or before the last day of the fifth fiscal year beginning after the effective date of this section, and (B) the complaint initiating such action is filed not more than 180 days after notice of the first final decision of the Board of Veterans' Appeals rendered after the last day of such fiscal year is mailed to the claimant pursuant to section 4004(d) of this title. If the case is reopened pursuant to section 4004(b)(2)(A) of this title within 180 days after such notice is mailed, the next final decision shall, for purposes of this subsection, be considered the first final decision of the Board.

"(2) No action may be brought under this section with respect to matters arising under chapters 19 and 37 of this title.

"§ 4026. Scope of review

"(a)(1) In any action brought under section 4025 of this title, the court, to the extent necessary to its decision and when presented, shall, except as provided for in section 4025(b)(1)(B) of this title—

"(A) decide all relevant questions of law, interpret constitutional, statutory, and regulatory provisions, and determine the meaning or applicability of the terms of an action of the Administrator;

"(B) compel action of the Administrator unlawfully withheld;

"(C) hold unlawful and set aside decisions, findings (other than those described in clause (D) of this paragraph), conclusions, rules, and regulations issued or adopted by the Administrator, the Board of Veterans' Appeals, the Administrator and the Chairman of the Board jointly, or the Chairman found to be—

"(i) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law;

"(ii) contrary to constitutional right, power, privilege, or immunity;

"(iii) in excess of statutory jurisdiction, authority, or limitations, or in violation of a statutory right; or

"(iv) without observance of procedure required by law; and

"(D) in the case of a finding of material fact made in reaching a decision on a claim for benefits under laws administered by the Veterans' Administration, hold unlawful and set aside such finding when it is so utterly lacking in a rational basis in the evidence that a manifest and grievous injustice would result if such finding were not set aside.

"(2) Before setting aside any finding of fact under paragraph (1)(D) of this subsection, the court shall specify the deficiencies in the record upon which the court would set aside such finding and shall remand the case one time to the Board of Veterans' Appeals for further action not inconsistent with the order of the court in remanding the case. In remanding a case under the first sentence of this paragraph, the court shall specify a reasonable period of time within which the Board shall complete the ordered action. If the Board does not complete action on the case within the specified period of time, the case shall be returned to the court for its further action.

"(b) In making the determinations under subsection (a) of this section, the whole record before the court pursuant to section 4025(e) of this title shall be subject to review, and the court shall review those parts of such record cited by a party, and due account shall be taken of the rule of prejudicial error.

"(c) In no event shall findings of fact made by the Administrator or the Board of Veterans' Appeals be subject to trial de novo by the court.

"(d) When a final decision of the Board of Veterans' Appeals is adverse to a party and the sole stated basis for such decision is the failure of such party to comply with any applicable regulation issued or adopted by the Administrator of the Board, the court shall review only questions raised as to compliance with and the validity of the regulation.

"§ 4027. Remands

"(a) If either party to an action brought under section 4025 of this title applies to the court for leave to adduce additional evidence and shows to the satisfaction of the court that such additional evidence is material and that there is good cause for granting such leave, the court shall remand the case to the Board of Veterans' Appeals and order such additional evidence to be taken by the Board. The court may specify a reasonable period of time within which the Board shall complete the required action.

"(b) After a case is remanded to the Board of Veterans' Appeals under subsection (a) of this section, and after further action by the Board, including consideration of any additional evidence, the Board shall modify, supplement, affirm, or reverse the findings of fact or decision, or both, and shall file with the court any such modification, supplementation, affirmation, or reversal of the findings of fact or decision or both, as the case may be, and certified copies of any additional records and evidence upon which such modification, supplementation, affirmation, or reversal was based.

"§ 4028. Survival of actions

"Any action brought under section 4025 of this title shall survive notwithstanding any change in the person occupying the office of Administrator or any vacancy in such office.

"§ 4029. Appellate review

"The decisions of a court of appeals pursuant to this chapter shall be subject to appellate review by the Supreme Court of the United States in the same manner as judgments in other civil actions.".

(b) The table of sections at the beginning of such chapter is amended—

(1) by inserting before the item relating to section 4001 the following new item:

"SUBCHAPTER I—GENERAL";

and

(2) by adding after the item (added by section 108(b) of this Act) relating to section 4011 the following new items:

"SUBCHAPTER II—JUDICIAL REVIEW

"4025. Right of review; commencement of action.
"4026. Scope of review.
"4027. Remands.
"4028. Survival of actions.
"4029. Appellate review.".

SEC. 303. Section 1346(d) of title 28, United States Code, is amended by inserting before the period at the end thereof a comma and "except as provided in subchapter II of chapter 71 of title 38".

TITLE IV—ATTORNEYS' FEES

SEC. 401. Section 3404 is amended by striking out subsection (c) and inserting in lieu thereof the following:

"(c) The Chairman of the Board shall approve reasonable attorneys' fees to be paid by the claimant to attorneys for representation, other than in an action brought under section 4025 of this title, in connection with a claim for benefits under laws administered by the Veterans' Administration. In no event may such attorneys' fees exceed—

"(1) for any claim resolved prior to or at the time that a final decision of the Board is first rendered, $10; or

"(2) for any claim resolved after such time—

"(A) if the claimant and an attorney have entered into an agreement under which no fee is payable to such attorney unless the claim is resolved in a manner favorable to the claimant, 25 percent of the total amount of any past-due benefits awarded on the basis of the claim; or

"(B) if the claimant and an attorney have not entered into such an agreement, the lesser of—

"(i) the fee agreed upon by the claimant and the attorney; or

"(ii) $500, or such greater amount as may be specified from time to time in regulations which the Chairman of the Board shall prescribe based on changed national economic conditions subsequent to the date of enactment of this subsection, except that the Chairman may determine and approve a fee in excess of $500, or such greater amount if so specified, in an individual case involving extraordinary circumstances warranting a higher fee.

"(d)(1) If, in an action brought under section 4025 of this title, the matter is resolved in a manner favorable to a claimant who was represented by an attorney, the court shall determine and allow a reasonable fee for such representation to be paid to the attorney by the claimant. When the claimant and an attorney have entered into an agreement under which the amount of the fee payable to such attorney is to be paid from any past-due benefits awarded on the basis of the claim and the amount of the fee is contingent on whether or not the matter is resolved in a manner favorable to the claimant, the fee so determined and allowed shall not exceed 25 percent of the total amount of any past-due benefits awarded on the basis of the claim.

"(2) If, in an action brought under section 4025 of this title, the matter is not resolved in a manner favorable to the claimant, the court shall ensure that only a reasonable fee, not in excess of $750, is paid to the attorney by the claimant for the representation of such claimant.

"(e) To the extent that past-due benefits are awarded in proceedings before the Administrator, the Board of Veterans' Appeals, or a court, the Administrator shall direct that payment of any attorneys' fee that has been determined and allowed under this section be made out of such past-due benefits, but in no event shall the Administrator withhold for the purpose of such payment

any portion of benefits payable for a period subsequent to the date of the final decision of the Administrator, the Board of Veterans' Appeals, or court making such award.

"(f) The provisions of this section shall apply only to cases involving claims for benefits under the laws administered by the Veterans' Administration, and such provisions shall not apply in cases in which the Veterans' Administration is the plaintiff or in which other attorneys' fee statutes are applicable.

"(g) For the purposes of this section—

"(1) the terms 'final decision of the Board of Veterans' Appeals and 'claim for benefits' shall have the same meaning provided for such terms, respectively, in section 4025 (a) of this title; and

"(2) claims shall be considered as resolved in a manner favorable to the claimant when all or any part of the relief sought is granted.

"(h) In an action brought under section 4025 of this title, the court may award to a prevailing party, other than the Administrator, reasonable attorneys' fees and costs in accordance with the provisions of section 2412(d) of title 28.".

SEC. 402. Section 3405 is amended—

(1) by striking out "or" after "title,"; and

(2) by inserting a comma and "or (3) with intent to defraud, in any manner willfully and knowingly deceives, misleads, or threatens a claimant or beneficiary or prospective claimant or beneficiary under this title with reference to any matter covered by this title" before "shall".

TITLE V—EFFECTIVE DATES

SEC. 501. This Act and the amendments made by this Act shall take effect on the first day of the first month beginning not less than 180 days after the date of enactment of this Act.

SEC. 502. A civil action authorized in subchapter II of chapter 71 of title 38, United States Code (as added by section 302(a) of this Act) may be instituted to review decisions of the Board of Veterans' Appeals rendered on or after April 1, 1987.

Mr. CRANSTON. I yield myself such time as I may require.

Mr. President, I rise in support of S. 11—a bill to codify some of the existing beneficial VA adjudication procedures, modify operations of the Board of Veterans' Appeals—the BVA—to foster its independence and fairness, provide for judicial review of VA rules and regulations, permit paid representation of veterans by attorneys in certain claims matters before the BVA, and, most importantly, provide an opportunity for a veteran to seek judicial review in the U.S. courts of appeals of an egregious final decision by the BVA in an individual claim for benefits.

On June 29, the Committee on Veterans' Affairs voted 11 to 0 to report favorably S. 11 with the amendments I proposed. I believe these amendments, which are discussed more fully below, make this a better bill.

The majority of changes made by the committee to S. 11 as introduced revolve around operations at the BVA. Although I have long believed that judicial review, as a fundamental right, should not be dependent upon whether or not the current system of adjudication is working effectively, over the years since 1977, during which the committee has actively considered judicial review legislation, those who have opposed such measures have asserted that if the VA system of adjudication is not broken, then there is no need to fix it, especially through the enactment of judicial review legislation. In recent years, it has become apparent that the operations of the BVA, while not broken, are in need of some fixing. As discussed more fully below, S. 11 modifies the BVA's operations in a manner designed to promote its independence from the VA and ensure veterans' due process rights are protected.

Although judicial review has been surrounded by its share of controversy, I note that S. 11, as did its nearly identical predecessor, S. 367, which was reported favorably by this committee while Senator MURKOWSKI was chairman, has the strong bipartisan support of 31 cosponsors including my good friends and colleagues on the committee, our former chairman, Senator SIMPSON, Senators MATSUNAGA, DECONCINI, MITCHELL, and ROCKEFELLER.

I would like to address some speculation that judicial review of VA claims decisions is being pursued only as a response to difficulties encountered in particular types of complex cases, such as PTSD, radiation or agent orange cases. Although I freely acknowledge that these types of cases may benefit most from the availability of judicial review, which is a desirable side benefit, I want to be clear that the motivating force behind the continued push for judicial view is the belief that it is a fundamental right that should be afforded to all veterans. As I said in 1979, in presiding over hearings on the first judicial review bill:

> My goals in this area are very simple. I want all veterans to be served with compassion, fairness, and efficiency, and I want each individual veteran to receive from the Government every benefit and service to which he or she is entitled under law.

Those goals continue to be my motivation for moving forward with S. 11.

BACKGROUND

In the last four Congresses, the Senate has gone on record as supporting legislation to eliminate provisions in current law that accord veterans second-class citizenship in the very fundamental area of their relationship with the Veterans' Administration with respect to statutory benefits and services. The first time was on September 17, 1979, while I was chairman of the committee during the 96th Congress, when the Senate passed a predecessor measure, S. 330 unanimously; the second was during the 97th Congress, while Senator SIMPSON was chairman, when S. 349 was passed on September 14, 1982 unanimously; the third was on June 15, 1983, during the 98th Congress, again while Senator SIMPSON was chairman, when S. 636 was passed unanimously. On each of these occasions, the measure died in the House, without any action having been taken.

During the last Congress, while, as I mentioned earlier, Senator MURKOWSKI was the chairman of the committee, S. 367 as reported unanimously by our committee was passed on July 30, 1985, and was sent to the House, where a companion bill, H.R. 585 introduced by my good friend from California, DON EDWARDS, was under consideration in the House Veterans' Affairs Committee; although a number of hearings were held and a markup conducted, H.R. 585, despite its 233 House cosponsors, never made it out of committee, dying on a 20-to-12 tabling motion.

S. 11, as it comes before us today, has been through an extended period of development which began in the 94th Congress. During this period, the Committee on Veterans' Affairs has held nine hearings on judicial review legislation, and the Senate Judiciary Committee has held one such hearing. It is clear that the Senate has given a great deal of consideration to the issue of providing for judicial review of VA decisions and has indicated very clearly its support for providing an opportunity for a veteran aggrieved by a VA decision on a claim for benefits to obtain a review in court of such a decision, including factual issues under carefully limited circumstances.

NEED FOR A JUDICIAL REVIEW BILL

There are a number of strong reasons supporting the enactment of judicial review legislation, and I would like to highlight some of them briefly at this time.

FAIRNESS FOR EACH AND EVERY CLAIMANT

One of the principal reasons judicial review is needed is to help ensure fairness to individual claimants before the VA. In saying this, I do not mean to indicate a belief that the Board of Veterans' Appeals [BVA] intentionally denies veterans full and fair hearings. To the contrary, I believe that the members of the board are fair-minded, conscientious individuals who generally make a concerted effort to carry out their responsibilities in an evenhanded fashion and that, by and large, most VA claimants are treated fairly.

However, I do know, as I mentioned earlier, that there are problems with the present system. The final, unappealable decisions by the board, together with the statutory limit of $10 on the amount a VA claimant can pay an attorney for representation before the VA, leaves many disappointed claimants believing that they have been denied a full and fair opportunity to pursue their claims and that they are denied important rights that they and other citizens have in dealing with virtually all other Federal agencies.

In addition to this perception of justice denied is the reality of actual injustices under the current system, a problem that the opportunity for judicial review would substantially ameliorate. Although I know that the VA claims adjudication system is set up to be supportive of veterans—as it should be—the VA is a very large and complex Federal agency, and unfair results do occur. I have long been concerned that the tremendous volume of claims handled by the Department of Veternas' Benefits and the BVA provides a significant opportunity for individual injustices to occur. On the basis of current trends, the number of these VA claims will continue to increase, thereby increasing the possibility of unintended unfair, but potentially avoidable, results.

REVIEW OF QUESTIONABLE AGENCY POLICIES

Another basic reason for judicial review legislation is the need to establish a basis for the review of questionable agency actions restricting, withholding, or withdrawing VA benefits—actions that increase in frequency as there is greater pressure within the executive branch for the VA to achieve cost savings in current programs. There have been numerous examples of such actions in recent years—such as efforts by the VA to collect for the cost of health care provided to veterans who happen to be VA employees; attempts by the agency, at the direction of the Office of Management and Budget, to restrict beneficiary travel reimbursement for eligible veterans; the VA's drawing overly restrictive regulations to implement the targeted GI bill delimiting date extension enacted in Public Law 97-72 as well as to implement the radiation exposure health care eligibility enacted in that same Public Law; allegations that some VA stations are applying very stringent standards in cases in which Vietnam veterans are seeking to be granted service connection for post-traumatic stress disorder; the review during 1985-86 of compensation awards to veterans in Puerto Rico; the restriction imposed under Gramm-Rudman-Hollings on low interest VA-administered insurance policy loans; and what many believe is an overly aggressive debt-collection effort.

In addition to these examples of agency action restricting benefits, there is also the potential for unduly restrictive legal opinions from the Office of the General Counsel which may operate to deny veterans' access to benefits to which they would otherwise be entitled. One example with which I was involved concerned a woman veteran who had a service-connected disability which prevented her from becoming pregnant. In the course of assisting her, I learned of a general counsel's opinion holding that the VA does not have legal authority under current law to provide services to help overcome such a disability. Although I believed strongly that the VA's restrictive interpretation of its existing authority was correct—and did my utmost to bring about a change in that interpretation and then to amend the law—I have not been successful.

In each of these instances and in other similar cases, the lack of access to court review has serious implications. Although, the Committees on Veterans' Affairs in both Houses carry out significant oversight of the activities of the VA, the limited resources of the committees do not allow for thorough review of and congressional action to resolve satisfactorily all of the legal and policy issues arising in such a large and complex agency.

In addition, I do not believe that aggrieved veterans should have to be dependent for relief on congressional committee processes which, for all their virtues, cannot be fairly said to be designed to achieve or to be capable of achieving a systematic and evenhanded dispensation of justice.

Also, although the results of committe oversight are often salutary in terms of bringing about—either through legislation or administrative action under pressure—reversals of agency action, there is usually a long delay in having the correction made.

If the veterans directly affected by various VA actions have access to court to challenge those actions, they would be guaranteed the opportunity to be heard by an entity outside of the VA and, in certain cases, to obtain urgent and timely relief. As mentioned earlier, the VA's handling of claims based on exposure to agent orange, claims based on exposure to radiation from the detonation of a nuclear weapon, and claims of post traumatic stress disorder would benefit from outside review by allowing those who believe they have been harmed to have their claims tested in an independent forum.

In making these points, I do not want to be understood to be suggesting that the VA is wrong on all of these issues. Rather, I am suggesting that outside review by the independent branch of government established in our constitutional framework to carry out the special responsibility of determining whether governmental action is legal and whether it is fundamentally fair would benefit all parties involved. The VA would have its processes subjected to appropriate scrutiny and, to the extent the agency's actions were upheld, would be vindicated. Likewise, to the extent the agency's actions were held unlawful or fundamentally unfair, steps could be taken to improve the process so as to ensure that the agency is fulfilling its mission to serve veterans in the best possible fashion. I am concerned that agency action that does not have the benefit of outside scrutiny may fail to address fully the legitimate needs of those the agency exists to serve, and I believe that providing for judicial review would basically correct this shortcoming.

REVIEW BY AN INDEPENDENT TRIBUNAL

Another important reason in support of judicial review is related to the status of the Board of Veterans' Appeals. Fundamental principles of due process, as guaranteed by the Constitution, require an independent review of administrative action affecting individuals' liberty or property interests. Although there are earlier court decisions suggesting that veterans' benefits are gratuities and not worthy of general due process protections, such a viewpoint is no longer valid, if it ever was, either philosophically—veterans' benefits are earned by military service—or legally. A number of decisions rendered by the Supreme Court in the last two decades—for example. *Goldbert* v. *Kelly,* 397 U.S. 254 (1970); *Board of Regents* v. *Roth,* 408 U.S. 564 (1972); *Goss* v. *Lopez,* 419 U.S. 565 (1975); and *Paul* v. *Davis,* 424 U.S. 693 (1976)—have held that various statutory governmental benefits are legal entitlements and, thus, protected property interests of the beneficiary.

I do not believe that review by the Board provides the required independent action required by due process. Although the Board is not directly under the control of the Administrator of Veterans' Affairs, it is currently far too bound up with the agency, in many informal ways to be truly independent. The changes proposed in S. 11 would change that in some fundamental ways with respect to fact finding. But the BVA's independence is restricted by the need to follow a body of law promulgated by the VA. Under section 4004(c) of title 38, the Board is "bound in its decisions by the regulations of the Veterans' Administration, instructions of the Administrator, and the precedent opinions of the chief law officer." I certainly do not mean to suggest any lack of integrity on the part of either the Administrator or VA General Counsel, but the fact is that the potential for them—and future incumbents in those offices—to restrict the decisionmaking authority of the Board significantly restricts that body's independence. Review in court is necessary to resolve challenges to VA regulations and statutory and regulatory interpretations.

CLARIFY THE STATE OF THE LAW

A final purpose of judicial review legislation is to help clarify the state of the law on the scope of the current law provision that bars judicial review, section 211(a) of title 38. Although it was hoped that the U.S. Supreme Court would settle some important differences between the various Federal

Circuits regarding the sweep of this prohibition, particularly with regard to review of regulations, when the Court decided the connected cases of *Traynor* v. *Turnage* and *McKelvey* v. *Turnage*, — U.S. —, 99 L. Ed. 2d 618, 108 S. Ct. 1372, 56 U.S.L.W. 4319 (April 20, 1988), the Court left the broader issue unresolved, holding, on this threshold issue, that where the issue is whether the VA regulation sought to be administered is valid in light of a subsequent statute whose enforcement is not the exclusive domain of the Veterans' Administration, judicial review is available.

Despite the agency's acknowledgement, in testimony before our committee in 1983, that some U.S. courts of appeals clearly have allowed veterans to bring actions challenging VA regulations on other than constitutional grounds and that the VA supports that position, the Department of Justice, on behalf of the VA, continues to raise the section 211(a) statutory bar to judicial review in VA cases that do not involve individual claims for benefits.

FUNDAMENTAL FAIRNESS FOR VETERANS

I want to answer a question I am sometimes asked in view of our lack of success to date in getting judicial review legislation favorably considered in the House. The question is usually posed along the following lines: "What is so wrong about the present system for adjudicating VA claims that you persist in pursuing this legislation?" Although problems with the current system have arisen, as I mentioned earlier, I am fully able to respond to the issue posed in this way—I do not believe finding fault with the current system is a necessary step in making the case for judicial review.

Rather, I believe the appropriate first question is whether there is any continuing reason—putting to one side the question of whether there ever was a valid reason—for denying veterans the same right of access to court review of VA benefits decisions that is available in the case of virtually every other major Federal benefit program. Although there are some restrictions in current law on access to judicial review of some Federal agency actions, only one area in which a restriction exists, Federal employee workers' compensation benefits, is at all analogous to VA benefits and is an infinitely smaller benefit program than the combination of the myriad VA benefits programs codified with title 38 of the U.S. Code. Moreover, denial of benefits in those programs which VA benefits programs resemble most closely, benefits under the Social Security Act—such as old age and survivors insurance, Social Security Disability Insurance, Supplemental Security Income, and Medicare—are all able to be challenged in court.

When the issue is posed this way—why should veterans be denied rights available to others in their dealings with the Federal Government in directly analagous areas?—I have never heard a satisfactory answer justifying maintaining the current preclusion. I realize that concerns have been expressed that judicial review could have an undue impact on the agency's current claims adjudication processes. I have also heard concerns that providing for judicial review would make the VA claims process more adversarial, would create unnecessary delay, and would cost veterans money in the form of attorneys' fees. Although I fully recognize the genuineness of these concerns, I do not believe they are well founded. Briefly, here is why.

RESPONSES TO ARGUMENTS AGAINST JUDICIAL REVIEW OF B.V.A. FACT DETERMINATIONS

As to the possibility that providing for a narrow scope of judicial review of BVA fact determinations could have an untoward effect on the current VA system, the legislation that has been developed in the Senate over the years contains numerous provisions that have been designed expressly to avoid that result. These provisions would ensure that the VA's current, desirable adjudication practices and procedures would be protected by providing a statutory basis for them. In this way, not only would current processes be protected in the event of judicial review, but they would actually be strengthened by being set out in law rather than being based on regulations or, in some cases, on no more than informal past practice.

With reference to the concerns about judicial review causing undue delay or about it somehow making the veteran and the agency adversaries, it is important to remember that under S. 11—although not under the provisions of S. 2292—judicial review would be available only after a veteran's claim has been turned down by a VA regional office, and, on appeal, by the Board of Veterans' Appeals BVA. At that point, it is difficult to see how providing for judicial review could create any delay. The VA proceedings would have run their normal course. A process no longer going anywhere can't be delayed.

Moreover, once the claim is finally denied, the veteran and the VA are clearly in dispute. A veteran whose claim has been finally denied by the VA's highest appeal tribunal would not become an adversary of the VA by virtue of having court review available. Courts don't create adversarial situations; they resolve them.

I want to address one final argument that is sometimes raised as a reason for continuing the bar to judicial review—the possible impact of a new class of claimants on the Federal judiciary. Without detailing the various contentions on this point—and there have been widely differing views on this issue expressed before our committee over the years—I do not understand why veterans and others with claims before the VA should continue to be discriminated against and denied important rights because treating them fairly might enlarge the responsibilities of the court system. If the Federal court system is overburdened, the Congress should address that problem on an equitable basis by expanding available resources. It is blatantly unfair and arbitrary to deal with perceived problems in the courts by singling out veterans for exclusion with respect to benefits earned by service in the military.

In any event, in my view, after a shake down period in which the narrow scope-of-fact review had resulted in summary judgments against plaintiffs with poor cases and after the BVA had become accustomed to being subject to outside review and had adjusted its decision making and decision writing activities accordingly, I do not believe the amount of litigation would be a substantial burden on the Federal judiciary.

As we discuss the issue of judicial review of individual cases on the VA, including the BVA, the Federal judiciary, and veterans and their families, let us all be aware that a certain amount of the discussion of the impact of such review amounts to pure speculation. Judicial review, whether of individual claims as provided for in S. 11 or of regulations as provided for in S. 11 and S. 2292, has not been tested or even tried at the VA. We are all, in effect, trading speculation on its effects.

With that in mind, I note the sunset clause in proposed new section 4025(f) which would be added by section 302 of S. 11 as reported. As a result of the provision, judicial review would not be available to claimants unless the initial claim for benefits is filed on or before the last day of the fifth fiscal year beginning after the effective date of the bill, and within the requisite 180-day period after a final decision by the BVA. This provision would allow an opportunity to discover the actual effects of judicial review, and to make judgments based on the outcome before considering whether to make it a permanent authority.

DISPARATE TREATMENT

In connection with the availability of judicial review of VA benefits decisions, concern has been expressed about the discrimination inherent in the current state of Federal law that allows individuals receiving post-service benefits from the armed services to obtain judicial review of decisions denying their applications for benefits but bars individuals receiving benefits from the VA from obtaining judicial review of VA decisions. Under current law, many veterans have the option of receiving benefits for a service-connected disability from the Service department concerned or from the VA. The amount of disability-retirement provided by the service departments depends upon the veteran's base pay at the time of separation or retirement. The VA's system provides disability compensation tied to the amount of disability and not the veteran's military rate of pay. A veteran generally may not receive both military retirement pay and VA compensation except to the extent that a veteran waives a portion of his or her military retirement pay in order to receive VA compensation in an amount equal to the amount of retirement pay waived. Decisions made in the military program are reviewable in the U.S. district courts or the U.S. Claims Court after administrative remedies are exhausted, whereas, under section 211(a) of title 38, decisions by the VA regarding benefits are not reviewable outside the VA.

The effect of this disparate treatment is that higher ranking military officers who generally find it beneficial to elect to receive military retirement disability benefits rather than VA disability compensation have an avenue of judicial recourse open to them which is denied to enlisted personnel and lower ranking officers for whom VA disability compensation is generally the more beneficial benefit.

SCOPE OF REVIEW

Mr. President, I also want to discuss the appropriate scope of factual review that a court should apply in the review of a VA decision. This issue has been a matter of long and involved discussion in our committee over the years, and I will not attempt to go over all that background. Rather, the one point I want to stress on this issue today, especially in light of the provisions of S. 2292, which we will be debating further today, is my belief that it is vital that the scope of review must provide some basis for court review of questions of fact. The bills passed by the Senate in 1982, 1983, and 1985 each included a very narrow scope of review of factual issues. S. 11 contains that same provision.

Specifically, S. 11 would permit review only where the court found that a finding by the VA on a material fact "is so utterly lacking in a rational basis in the evidence that a manifest and grievous injustice would result if such finding were not set aside," and then would require the court to remand the case one time to the BVA for further action. Our intent in providing only a very narrow basis on which a court could reverse a BVA decision on a question of fact is to reaffirm the Board's role as the expert final arbiter of such questions. However, by refusing to limit the review to questions of law only and thus preclude all review of questions of fact—as advocated by Senator MURKOWSKI in his amendment to substitute the text of S. 2292 for that of S. 11—S. 11 would afford an opportunity to correct truly egregious decisions on fact questions. Although I believe that such decisions are relatively rare, I do not believe that total preclusion of review of facts would be fair, appropriate, or productive. Indeed—and I believe this is a vitally important point—the very existence of the possibility of review even with such a very narrow window of reviewability would, I am confident, have the effect of preventing almost all such outrageous decisions from ever being made in the first instance.

The opponents of S. 11 have attempted to make much of the statements by Judge Breyer and Judge Arnold at the committee's April 28 hearing on judicial review. It is true that the Judges testified that they believed the standard articulated in S. 11 to be very narrow, and certainly enough so that it would prohibit judges from merely substituting their judgment for that of the BVA. Frankly, I was delighted to have the Judges testimony on this point. For years the opponents to judicial review have argued that no matter how narrowly the standard of review was drafted, judges would inevitably substitute their judgment for that of the BVA. At last, we have two judges saying we have succeeded in our quest for a very narrow standard.

I do not believe we want a wider standard, like that of "substantial evidence," wherein we invite the courts to routinely review factual determinations of the BVA. The BVA is the expert in this area, and should be given due deference. The review by the courts should be reserved for those cases in which the decisions are "utterly lacking in rational basis in the evidence." Should my belief in S. 11's standard prove to be wrong, and the current standard results in no cases being reviewed, I am confident that our committee and the Senate will move to remedy the situation.

VENUE FOR JUDICIAL REVIEW

In each of the predecessor measures to S. 11, judicial review was to take place in the Federal district courts. At the committee's April 28 hearing, I asked witnesses to address whether it would be preferable to provide for review by the U.S. courts of appeals rather than the district courts. The responses generally indicated a preference for review in the U.S. courts of appeals rather than the district courts. Among the reasons expressed in support of such a change was the view that judicial review under S. 11 is based solely on the record as developed at the BVA and, as a result, there is no need for fact-finding, a function with which the Federal district courts have significant experience. Courts of appeals, on the other hand, have significant experience reviewing cases based on the record before them. A second reason in support of this change was the view that, because the courts of appeals are the experts in reviewing cases on the record, making the veteran go through a district court would only add an additional, unnecessary layer to the process of receiving a final determination. Finally, the number of courts of appeals—compared to district courts—should result in the more timely development of a uniform body of law than if the cases were first taken to a district court. I also note that a large number of agencies with fact-finding components, like the National Labor Relations Board, have appellate review in the U.S. courts of appeals.

I am aware that this change may restrict veterans' ability to appear before the court deciding their case, but I believe, given the lack of need for a personal appearance, such a change is desirable on balance.

With further reference to this issue of which court should review VA decisions, there has been some suggestion—for example in S. 2292, legislation considered by the committee at its April 28 hearing, that such review as to direct challenges to VA regulations occur in the U.S. court of appeals for the Federal circuit. However, because the court of appeals for the Federal circuit was formed by merging the Court of Claims and the Court of Customs and Patent Appeals, thereby creating a court of special jurisdiction, defined not by geography but by subject matter because of a special need for nationwide uniformity, providing for review of VA claims in that forum does not seem as desirable as providing for review in the Federal circuits generally in order to provide wider access for veteran-plaintiffs. I am aware that, as part of the process creating the court of appeals for the Federal circuit, special note was made by the Senate Judiciary Committee—report No. 97-275—that any expansion of its jurisdiction should be predicated on an adequate showing of the need for nationwide subject matter jurisdiction. I am, notwithstanding that no objection was raised by the Federal circuit to its being given exclusive jurisdiction over direct challenges to VA regulations, not satisfied that such a need exists in the context of VA claims.

ATTORNEYS' FEES

To me, it is almost incomprehensible that the current law limit of $10 on the amount that an attorney can be paid has survived to this time. Whatever behavior characterized the legal profession at the time the original limitation was enacted following the Civil War—and I note that at the time the $10 fee was a reasonable fee, not one designed to preclude attorneys from representing claimants—it is no longer credible to insist that attorneys would prey on innocent veterans. I also am unable to accept the view that veterans, as a class, are so unable to protect themselves that there needs to be a barrier erected in law between them and attorneys. Let me be clear—I do not believe that most veterans with claims before the VA would be well advised to seek the assistance of an attorney. Certainly, were I asked, my first advice to a veteran with such a claim would be to contact a veterans' service officer. That's what I tell veterans today and what I would tell them were judicial review available. But the existence of the valuable, free resource of representation before the VA by veterans' service officers in claims adjudication is not a reason for precluding a veteran from seeking to obtain the services of an attorney at the end of the internal VA process if the veteran wishes to do so.

This antiquated fee has drastically limited the degree of representation of veterans and other claimants by attorneys in the VA adjudication system. This lack of attorney representation for claimants is ironic in light of the large force of attorneys working for the VA in the claims area, and the number of times the VA, through its attorneys, has sued veterans. In fiscal year 1985, the number of lawsuits filed against veterans by the VA—51,209—surpassed the number of claims that the BVA reviewed—45,273.

I stress again that S. 11 would not lift the $10 attorneys' fee limit in a particular case until after the veteran has received an initial BVA decision. In contrast, S. 2292 would allow an attorney to get involved after the notice of disagreement is filed, and before the case is presented to the BVA, albeit with involvement limited to the legal issues. Thus, S. 11 contemplates that the current practice of veterans being assisted by skilled veterans' service officers throughout the VA and initial BVA administrative processes would continue to operate exactly as it does now, whereas S. 2292 would have attorneys involved at an earlier stage.

It is important, however, as S. 11 would provide, that a veteran, once he or she has received an initial BVA decision and has sought an attorney's assistance to appeal that decision, would be able to seek further BVA review before going to court. I realize that some have advocated limiting an attorney's involvement exclusively to a court's review of a case. Because this measure allows for court review only of the record made by the agency—and, in fact, expressly precludes de novo review of the claim—limiting an attorney's involvement to court proceedings would, in many instances, preclude a veteran from receiving any assistance from an attorney because the attorney would be unable to improve the agency record. Alternatively, the attorney could seek a remand from the court, a procedure that would result in an unnecessary use of court time and which would lead to further, unnecessary delay in the final resolution of the veteran's claim. Permitting an attorney representing a veteran to seek to reopen the BVA decision would avoid these problems. It would also have the further benefit of promoting the possibility of a claim being resolved finally before the BVA without resort to court action—a result which in many cases would be more advantageous for the veteran in terms of speedy justice and the cost of the attorney's time.

Testimony from Judge Breyer and Judge Arnold on behalf of the Judicial Conference of the United States at the April 28 hearing on judicial review raised significant concerns about the amount of court involvement in deciding attorneys' fees. S. 11 as introduced provided that in a case in which the outcome in court was unfavorable to the claimant the court would take into consideration the likelihood at the time such action was filed that the claimant would prevail and then would determine a reasonable fee not in excess of $750. According to the Judicial Conference's testimony, such a provision would involve a difficult and time-consuming determination involving a relatively small sum of money. Opponents to S. 11 are using this piece of the judges' testimony to bolster their argument that S. 11 provides only for fees to attorneys but does not provide for judicial review. If there was ever any truth to that position, which I deny, there is certainly no truth in it now. S. 11 as reported no longer contains this provision. To address the concern about too much court involvement in the setting of attorneys' fees in cases in which the outcome is unfavorable to the claimant, the court is now limited in its role just to ensuring that the veteran pays no more than $750—unless the claimant challenges the reasonableness of the fee.

CHANGES TO THE BOARD OF VETERANS' APPEALS (BVA)

Witnesses at the committee's oversight hearing on the BVA expressed support for giving the BVA greater independence from the VA itself in order to ensure a fair hearing for the veteran and an impartial determination based on the merits of the case. Although the very size and nature of the workload at the BVA does not lend itself to either the complete separation of the BVA from the VA or the transformation of the current BVA into a fully independent article I court, S. 11 as reported contains a number of changes to the operations at the BVA.

APPOINTMENT AND REMOVAL OF THE CHAIRMAN AND BOARD MEMBERS

Currently, the BVA is composed of a Chairman, a Vice Chairman, two Deputy Vice Chairmen, and up to 63 other members, along with 430 staff. The Chairman, the Vice Chairman, and the members are appointed by the Administrator with the "approval of the President." There are no terms of office and no express provisions for removal from office.

In an attempt to make the Chairman more independent, and yet create a check on the Chairman's power and ensure accountability, the committee bill would alter the current situation significantly. Section 103 would, in a provision derived from S. 2292, amend current law so as to provide that the Chairman of the BVA would be appointed by the President, by and with the advice and consent of the Senate, for a term of 5 years, S. 2292 proposes a 10-year term. A particular individual would be allowed to serve no more than three full terms as Chairman. S. 2292 has no such limit. Appointment of the first Chairman under this process would have to occur within 1 year after the date of the enactment of S. 11, and the serving Chairman, whom the President would be free to nominate, would be allowed to continue during that period. If the serving Chairman were nominated and confirmed, none of the time served as Chairman prior to that appointment would count in calculating the terms he or she could serve. Under other provisions in the bill, the Chairman would be paid at Executive level IV—currently $74,500 as compared to the Chairman's current salary of $72,500—and be removed only upon good cause found by the President.

To separate the BVA from the VA as much as possible, and thereby create more independence for the entire Board, the committee bill would change the manner of appointment and removal of the members. Board members would be appointed by the Chairman, rather than by the Administrator with "the approval of the President" as now required, and, in a provision derived from S. 2292, be appointed for 9-year terms—S. 2292 proposed 10-year terms. In order to provide for a phase-in period, 21 members would initially be appointed for 3-year terms, 22 for 6-year terms, and 22 for 9-year terms. S. 2292 has no phase-in provision. The Vice Chairman would be designated by the Chairman from among those appointed for 6-year or 9-year terms, and the Vice Chairman would serve at the pleasure of the Chairman.

No appointments under this provision could be made until a presidentially appointed Chairman was confirmed. Once confirmed, the Chairman would then have 180 days in which to make the 64 appointments. Under these changes, a Board member could be removed only upon a showing of good cause alleged by the Chairman and found by the Merit Systems Protection Board under section 7521(a) of title 5 and would be afforded procedural rights, including a hearing, under section 7513(b) of title 5. This is the same procedure generally designated for use to remove an administrative law judge in the Federal Government. There would be no limit on the number of reappointments that a Board member could receive. In the case of a vacancy, a new member would be appointed to complete the remainder of the term.

Although there is a concern that granting the Chairman the right to appoint members could create an opportunity for abuse of that power, the committee believes that the scheme of appointments provides a sufficient check on the Chairman's conduct by requiring the Chairman's reappointment and confirmation every 5 years. Additionally, the committee expects that the President would choose, and the Senate would confirm, only an individual of such integrity, honor, and sound judgment that the issue of abuse of power in selecting Board members would not arise.

MORE CONTROL OF BVA OPERATIONS BY THE CHAIRMAN

In a claim for benefits appealed to the BVA, even with the VA's nonadversarial atmosphere tradition and with the benefit of the doubt being given to the veteran claimant, the Administrator, as head of the VA, is a party to the action being brought by the veteran and as such should not, the committee believes, be called upon to make judgments about or issue regulations or guidelines governing the proceedings. Accordingly, the committee has made a number of changes to transfer control over the adjudicatory proceedings at the BVA from the Administrator to the Chairman.

The first such change, in section 103 of the committee bill amending section 4001(a) of title 38, pertaining to the composition of the Board, would delete language which made the Chairman "directly responsible to the Administrator." Another change in section 108 of the bill, would assign to the Chairman, rather than the Administrator as under S. 11 as introduced, the responsibility of resolving challenges to the use of interrogatories, including deciding when and under what circumstances subpoenas and protective orders should be issued in support of interrogatories. Other changes to grant more control to the Chairman regarding BVA adjudication procedures include having the Chairman decide when fees for copying the record may be waived but do so in accordance with standards established by the Administrator—section 108, to decide when an employee will be disqualified for personal bias in a proceeding before the Board—section 103, pursuant to regulations jointly prescribed with the Administrator, which evidence is admitted before the BVA—section 108.

BVA FAVORABLE DETERMINATIONS

One of the fundamental principles in the adjudication of a claim for VA benefits that is set forth in VA regulations (38 CFR 3.102), is that in all matters where there is an approximate balance of positive and negative evidence regarding the merits, the benefit of the doubt in resolving such issues is to be given to the claimant. Under current law, definition of what constitutes a final decision by the BVA requires that all three BVA members on a Board section must agree on either a denial or an allowance. The committee believes that such a practice is inconsistent with the principle of the benefit of the doubt. Accordingly, section 104 of the committee bill would amend section 4003 of title 38 so that a final BVA decision would be defined as including a 2-to-1 vote in favor of an allowance, but would remain the same for a denial. Thus a 2-to-1 decision for the veteran would result in an award to the veteran rather than, as now requiring the chairman to vote with the majority or appoint an expanded panel.

MEDICAL OPINIONS AND PHYSICIAN BOARD MEMBERS

As a result of the committee's oversight activities and witnesses' responses to questions at the oversight hearing, it became clear that Board members and BVA staff attorneys not infrequently seek the medical opinion of BVA member physicians not serving on the panel deciding the particular case. It appears, however, that it is unusual for a final BVA decision to reflect that such a member physician's opinion has been taken into consideration when rendering the decision. The committee believes that, although the utilization of a particular member physician's expertise may be appropriate on occasion, especially in cases involving very specialized medical areas, such consultation on an ex parte basis without informing the claimant of the existence and content of such an opinion and allowing a response to that opinion deprives the claimant of a basic due process right.

Accordingly, section 107 of the committee bill provides that if a BVA member or employee consults with a physician not on the panel considering the case, the claimant would have to be given notice of that consultation along with a copy of any opinion rendered by such a physician and then be allowed 60 days in which to respond to the opinion. The information gained through this process would be required to be included in the discussion of evidence in the BVA's final decision. This same requirement would apply to use of independent medical expert [IME] opinions.

In cases in which there is a complex medical issue, the Board utilizes IME opinions, sought through the offices of the Department of Medicine and Surgery, from physicians usually affiliated with medical schools outside of the VA system. The chief member on a Board panel may initiate an IME opinion request or a claimant or his or her representative may request one. Not all requests are granted. Mr. Kenneth Eaton, the current BVA Chairman, testified at the committee's June 9, 1988, hearing that when a claimant's request for an IME opinion is denied by the chief member of a Board panel, the claimant has a right to appeal that decision to the Chairman. It is the committee's understanding that such a right is not one that is well-known, and that, to this point, the BVA has made no effort to alert claimants to it. The committee bill thus includes a provision—section 107—requiring that each claimant and authorized representative receive notification of the right to appeal a denial of a request for an IME opinion by being issued a statement setting forth the basis of the denial and the right to appeal.

HEARINGS BEFORE TRAVEL BOARD PANELS

One of the drawbacks to the BVA being situated in one location—in Washington, DC—is the lack of ability on the part of many veterans to attend personal hearings before the Board. This is particularly a drawback because BVA statistics show that allowances are statistically far more frequent after personal appearances before the Board in Washington—19.5 percent in fiscal year 1987—and after appearances before a traveling section—30.6 percent in fiscal year 1987. In a general effort to permit an opportunity for more personalized appearances to those who are unable to travel to Washington, DC, the BVA utilizes two alternative methods. Under the first, the BVA authorizes VA regional office adjudication personnel to act as agents for the BVA and, in that capacity, to conduct appellate hearings at regional offices. The transcripts of these hearings are then sent to the BVA for a decision by a Board panel. Although this does provide an opportunity for a hearing, it is clearly an inadequate substitute for having the decisionmakers see and hear the claimant and other witnesses. In response to questions I posed, the BVA Chairman testified at the June 16 hearing that there is no method for transmitting to the BVA any information about the hearing personnel's assessments of the credibility of the claimant or other witnesses.

The second alternative to a personal hearing before the BVA in Washington, DC, involves a BVA panel traveling to various regional offices and holding personal hearings for a certain number of days. Due to the limitation on resources, there are a limited number of traveling Board hearings available. In fiscal year 1987, 739 such hearings were held. At the committee's hearing, the BVA Chairman testified that because of the limited number of such traveling hearings, the BVA did not routinely tell claimants about this option. Specifically, Mr. Eaton noted, "[I]f you advertise that too much, you are going to get more than you can handle." In light of this testimony, it is no surprise that the form filled out by claimants to request an appeal to the BVA (form 1-9) presents only two options to the claimants: One for a field hearing before regional office personnel, as just discussed, and one for a hearing in Washington, DC. There is no option presented for selecting a hearing before a traveling Board panel. According to Mr. Eaton, the traveling Board hearings are scheduled by giving veterans' service organizations a certain number of hearings, "a quota," and allowing the service officers to determine which claimant receives a hearing. When asked at the committee's hearing why the veterans' service organizations find it desirable to have hearings before the traveling Board sections, Mr. Eaton replied:

> It is always better in any case to have a personal hearing before the people who are deciding. There are execptions to that; but generally, if you have a good case and you have a witness who is at all credible, you are better off facing those board members and telling them all about it. Those are the facts of life.
>
> Not only are travel board allowances higher, but personal hearings in Washington are higher—not as high as travel board—but there is not as much selection in the Washington office as in the travel boards. But they do pick and choose. They are only allowed a few cases on the travel board for each service organization. They can only have so many because there is only so much time available for the travel board to hear those cases. So, they pick the best cases.

When asked if there is a quota, Mr. Eaton replied, "In effect. It has to be that way."

The committee believes strongly that this method of allocating hearings before traveling Board sections is contrary to the accepted notions of evenhandeness, fairness, and justice in that every individual should have an equal opportunity to obtain the most beneficial process. Accordingly, the committee bill contains a number of changes to the current scheme regarding notice about allocation of traveling Board hearings.

The first change—in section 108—would add a new section to title 38 to require the BVA to give notice to all claimants of the opportunity for a hearing before a traveling panel of the Board. The second change would be to require that the traveling Board hearings be allocated on a first-request, first-served basis. The committee recognizes that there are a limited number of such hearings available, but in order to help ensure that the credibility assessments and other firsthand impressions are available in some form to the BVA panel that will actually decide the case, the committee bill includes provisions to allow a claimant, if not scheduled for a traveling Board, to have a telephonic or closed-circuit television hearing with a BVA panel in Washington, DC, or a videotaped hearing before regional office adjudication personnel. The audiotape or videotape of such a hearing would become part of the official record. Notice of these options to the claimant would be required.

ELIMINATION OF BONUSES

Until very recently, the BVA, through an awards committee composed of the Chairman, Vice Chairman, two Deputy Vice Chairmen, and three executive assistants, granted cash bonuses to certain Board members who were eligible for such awards because they had exceeded the production quota of deciding 40 cases per week. These awards were based, first, on exceeding the production quota and, second, on the quality of the decisions, in terms of writing and format but purportedly not in terms of the judgment exercised by the member. Concerns were raised, especially in light of executive branch exemptions which specifically excluded Board members from the performance appraisal system, used to evaluate Federal employees, and from the merit pay system, prescribed under chapter 54 of title 5, in order to avoid any appearance of the members being influenced by performance evaluations and merit pay, that the BVA bonuses were improper.

In connection with the hearing, I asked witnesses to address the effects of the bonuses, either real or perceived, and whether they would support the elimination of the use of bonuses for Board members, especially as tied to production quotas. The answers indicated that while it was unlikely that the decisions by the Board members were actually being influenced by the existence and use of the cash bonuses, the appearance of impropriety was enough to warrant the elimination of the use of bonuses. At the June 16 hearing, the BVA Chairman announced that cash bonuses for BVA members would be discontinued but that the Board was looking for some other method of rewarding and encouraging outstanding performance by Board members.

Although the committee appreciates that with the sheer number of cases decided by the BVA—approximately 40,000 per year—and the need to make those decisions in a timely fashion, the Chairman desires a management tool to encourage production, while ensuring quality, the committee does not believe that bonuses are appropriate, especially in light of the executive branch exemptions I just cited. Accordingly, section 103 of the committee bill, in a provision derived from S. 2292, prohibits members of the Board, including those serving as temporary members, from being eligible to receive, either directly or indirectly, bonuses—in addition to salary—relating to their service on the Board.

COMPARISON OF S. 11 AND S. 2292

The most significant difference between S. 11 and S. 2292, both in philosophic and real terms, is the inclusion in S. 11 of provisions for judicial review of a final BVA factual decision adverse to a claimant in a claim for VA benefits under any law administered by the VA. S. 2292 would continue the current prohibition of any such review except to the extent a claimant wishes to challenge a regulation.

Addressed in both bills is the concern, as repeatedly expressed by various veterans organizations as well as the VA itself, about intrusion by a Federal court into the VA's fact-finding process. S. 2292's answer to this concern is to exclude any review of an individual's claim, except on the rare occasion where the lawfulness of a regulation is at issue. Such an approach, however, fails to identify or understand one of the fundamental reasons for judicial review: The need for an avenue of independent review for claimants who are the victims of fact-finding errors which are so egregious and lacking in a rational basis in the evidence that a manifest and grievous injustice to the claimant would result if the findings by the VA were not set aside.

S. 11's approach recognizes, as does Senator MURKOWSKI in his introductory statement on S. 2292, that on some occasions errors are made by the VA which result in the unlawful denial of benefits to veterans or other claimants. The review under S. 11 allows for the correction of those errors by providing for review of legal issues and, if the case meets a very demanding standard, a review of the facts.

S. 2292 would provide for review of regulations by the BVA prior to a review by the courts. Such a proposal raises concerns about overburdening the BVA, which currently takes an average of 400 days to reach a decision on a case; about asking BVA members, one third of whom are physicians, to make the type of legal decisions—that is, ruling on the lawlessness of regulations or the correctness of the general counsel's interpretation of applicable law—for which few have specific training; about a veteran possibly receiving divided representation before the

BVA—from a service officer on factual issues and a lawyer on legal issues; and about adding an unnecessary layer to the process of a veteran receiving a final determination on a legal issue.

As noted above, S. 2292 would allow a veteran or other claimant to pay an attorney more than $10 after a notice of disagreement had been filed. The attorney could then be paid for representing the claimant in front of the BVA. Theoretically, the representation would be limited to legal issues, but in reality would more likely expand to include all issues in the case. Such a system raises a number of concerns, including the desirability of attorney involvement at this stage of the claim and the possibility of disparate treatment. The veteran who wishes to challenge a regulation could pay an attorney to represent him with regard to that challenge and also receive representation on the factual issues, whereas a veteran who does not opt to challenge a regulation or can't find one to challenge would have no right to pay an attorney more than $10 for representing the veteran's entire claim. This could lead to the filing of nonmeritorious challenges to regulations in order to secure paid representation by an attorney. Moreover, I see only delay and added expense as the outcomes of having the BVA rule on questions of law since I believe it is highly likely that the Government would appeal if it lost on a legal issue and that the veteran's counsel would appeal if the Government won, especially if the attorney was going to take the case to court to begin with.

Last, S. 2292 seeks to reform the BVA to foster its independence. I think this is a laudable goal, and, as discussed earlier, S. 11 has incorporated a number of proposals from S. 2292, including having the Chairman appointed by the President and having both the Chairman and members serve for definite terms. S. 11 would also, as provided for in S. 2292, delete the language in section 4001 of title 38 which makes the Chairman directly responsible to the Administrator. I believe S. 11 now incorporates the best S. 2292 has to offer.

CHANGES IN S. 11 AS INTRODUCED

Mr. President, S. 11 as reported makes 15 substantial changes in the text of S. 11 as introduced. I ask unanimous consent that an outline of these changes be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

CONCLUSION

Mr. CRANSTON. When all is said and done, S. 11 is about providing veterans and other claimants of VA benefits with a fundamental right—which to my way of thinking, should have always been theirs—the right to take their disputes concerning benefits to the Federal courts.

The bill as reported would raise veterans to full first-class citizenship in the nation they have fought so courageously to preserve and defend.

Although the House Committee on Veterans' Affairs has four times failed to act on judicial review legislation passed by the Senate, I think this time we have the momentum needed to get this measure approved by the full Congress this year.

I strongly believe that a vote for S. 11 is a vote for fundamental fairness and justice for veterans across this great country of ours and I urge an overwhelming vote of approval.

EXHIBIT 1

SUMMARY OF CHANGES MADE BY S. 11—COMMITTEE PRINT FROM S. 11 AS INTRODUCED

The following changes from S. 11, as introduced, are contained in the Print:

1. The review of regulations and of individual benefit determinations would take place in the United States Courts of Appeals for the Circuit in which the plaintiff resides or the plaintiff's principal place of business is located or in the United States Court of Appeals for the District of Columbia Circuit, rather than in the U.S. District Courts.

2. A provision would be added explicitly including judicial review of regulations in cases brought by any "interested person" (including entities) only for that purpose—but prohibiting the court from issuing an order altering a rating decision of the Administrator in any adjudication or altering any rating level set forth in the schedule.

3. The Chairman of the Board of Veterans' Appeals rather than the Administrator would resolve challenges to the use of interrogatories.

4. The definition of what constitutes a final BVA decision would be changed to a 2-1 vote in favor of an allowance, but would remain the same (requiring a unanimous decision) for a denial. This would mean that a 2-1 decision for the veteran would result in an award to the veteran rather than, as now, requiring the Chairman to vote with the majority or appoint an expanded panel (a practice which would be codified).

5. Language would be added to clarify that when a temporary member is on a Board panel and there is a tie vote the panel must be expanded. S. 11 as introduced simply specified that the temporary Board member cannot break the tie.

6. Bonuses for BVA members (including those tied to production) would be prohibited for their BVA service; the BVA has just eliminated them.

7. The provisions dealing with remands from the court back to the BVA would be changed to eliminate the two remands without cause—the remand on the motion by the Administrator before answering the complaint and the remand at the discretion of the court. An initial remand would still be required if the court disagrees with the BVA factual determination (finds it "so utterly lacking in a rational basis in the evidence that a manifest and grievous injustice would result if such finding were not set aside.")

8. Claimants would be scheduled for traveling board panels on a first-request first-serve basis and those not able to be accommodated would be offered telephonic or closed-circuit television hearings with a BVA panel or video-taped hearings before Regional office adjudication personnel.

9. The current BVA practice under which the claimant is not presumed to agree with the contentions made in the Statement of the Case unless the claimant specifically indicates agreement would be codified.

10. Claimants would be required to be notified of the opportunity for a hearing before BVA traveling panels and the telephonic or video hearings and of the right to an appeal to the Chairman when an independent medical examiner's opinion is denied.

11. Language in present section 4001 in title 38 making the Chairman "directly responsible to the Administrator" would be deleted and authorities pertaining to BVA operations would generally refer directly to the BVA Chairman or the BVA rather than the Administrator.

12. The Chairman of the BVA would be appointed by the President, by and with the consent of the Senate, for a term of five years. A particular individual may serve no more than 3 full terms as Chairman. Appointment must occur within one year after the date of the enactment of this bill, and the serving Chairman would be allowed to continue during that period. If the serving Chairman is appointed, none of the time served prior to the appointment would count in calculating the terms he or she may serve. The Chairman could be removed only upon good cause found by the President. The Chairman would be paid a salary at Executive Level IV.

13. Board members would be required to be appointed by the Chairman (the "with the approval of the President" would be deleted) for nine-year terms, with a phase-in provision under which 21 members would initially be appointed for three-year terms, 22 for six-year terms, and 22 for nine-year terms. The provision would not be effective until a Presidentially-appointed Chairman was appointed. The newly appointed Chairman would have 180 days in which to make the appointments. A member could be removed only upon a showing of good cause to the Merit Systems Protection Board under section 7521(a) of title 5 and would be afforded procedural rights, including a hearing, under section 7513(b) of title 5. There would be no limit on the number of reappointments. In the case of a vacancy, a new member would be appointed to complete the remainder of the term.

14. If a BVA member or employee consults with a physician not on the panel considering the case, the claimant would have to be given notice of that consultation along with the opinion rendered and given 60 days in which to respond to the opinion. The information gained through this process would be required to be included in the discussion of evidence in the final decision. This same requirement would apply to use of independent medical opinions.

15. A court's role regarding attorney's fees in a case which was resolved in a manner unfavorable to the claimant, would be limited to ensuring that the fee charged by the attorney did not exceed $750.

16. (Report language would specify the intent that, to the maximum extent feasible, the BVA should assign physicians with a particular specialty to cases involving that specialty, especially in cases of reconsideration or panel expansion; Also that the BVA should put a higher emphasis on continuing education for its physicians.)

AMENDMENT NO. 2542

(Purpose: To amend title 38, United States Code, to provide for judicial review of rulemaking by the Veterans' Administration, to allow attorneys' fees in cases involving veterans' claims for benefits, and to make other improvements in the provision of veterans' benefits)

Mr. MURKOWSKI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alaska [Mr. MURKOWSKI] proposes an amendment numbered 2542.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans' Judicial Review Act".

SEC. 2. REFERENCES TO TITLE 38, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or a repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision to title 38, United States Code.

SEC. 3. JUDICIAL REVIEW OF AGENCY RULEMAKING.

(a) APA PROCEDURES.—(1) Subchapter II of chapter 3 is amended by inserting after section 222 the following new section:

"§ 223. Rulemaking: procedures and judicial review.

"(a) The provisions of section 553 of title 5 (other than subsection (a)(2) thereof) shall apply, according to the provisions of that section, to any matter relating to loans, grants, or benefits under the jurisdiction of the Administrator.

"(b) Any action of the Administrator subject to subsection (a) (other than the adoption or readjustment of the schedule of ratings for disabilities under section 355 of this title) may be reviewed in accordance with chapter 7 of title 5. Such review shall be brought in the United States Courts of Appeals.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 222 the following new item:

"223. Rulemaking: procedures and judicial review.".

(b) CONFORMING AMENDMENT.—Section 211(a) is amended by striking out "except as provided in sections 775, 784" and inserting in lieu thereof "except as provided in sections 223, 775, 784, 4010".

SEC. 4. ATTORNEYS' FEES.

(a) Section 3404 is amended by striking out subsection (c) and inserting in lieu thereof the following:

"(c) The Board of Veterans' Appeals shall approve reasonable attorneys' fees to be paid by the claimant to attorneys for representation before the Veterans' Administration (including representation before the Board of Veterans' Appeals) in connection with a claim for benefits under laws administered by the Veterans' Administration, but in no event shall such attorneys' fees exceed—

"(1) for any services rendered prior to the issuance of a statement of the case under section 4005(d) of this title, or for any services not otherwise provided for, $10; or

"(2) for services in connection with a challenge to the validity of regulations of the Veterans' Administration provided in section 4010 of this title, rendered on or after the issuance of a statement of the case under section 4005(d) of this title—

"(A) if the claimant and an attorney have entered into an agreement under which no fee is payable to such attorney unless the challenge is resolved in a manner favorable to the claimant, 25 percent of the total amount of any past-due benefits awarded on the basis of the claim; or

"(B) if the claimant and an attorney have not entered into such an agreement, the lesser of—

"(i) the fee agreed upon by the claimant and the attorney; or

"(ii) $500, or such greater amount as may be specified from time to time in regulations which the Board shall prescribe based on changed national economic conditions subsequent to the date of enactment of this subsection, except that the Board may, in its discretion, determine and approve a fee in excess of $500, or such greater amount if so specified, in an individual case involving extraordinary circumstances warranting a higher fee.

"(d)(1) If, in an action brought in a United States Court of Appeals under section 223 or 4010 of this title, the matter is resolved in a manner favorable to a claimant who was represented by an attorney, the court shall determine and allow a reasonable fee for such representation to be paid to the attorney by the claimant.

"(2) If, in an action brought in a United States Court of Appeals under section 223 or 4010 of this title, the matter is not resolved in a manner favorable to a claimant who was represented by an attorney, the court, taking into consideration the likelihood at the time such action was filed that the claimant would prevail, may determine and allow a reasonable fee not in excess of $750 to be paid to the attorney by the claimant for the representation of such claimant.

"(3) For the purposes of this subsection, a matter shall be considered resolved in a manner favorable to the claimant when all or any part of the relief sought is granted.

"(4) In an action brought in a United States Court of Appeals under section 223 or 4010 of this title, the court may award to a prevailing party, other than the Administrator, reasonable attorneys' fees and costs in accordance with the provisions of section 2412(d) of title 28.

"(e) To the extent that past-due benefits are awarded in proceedings before the Veterans' Administration (including proceedings before the Board of Veterans' Appeals), the Administrator shall direct that payment of any attorneys' fee that has been determined and allowed under this section (including allowances made by a Court of Appeals pursuant to subsection (d)(1) or (d)(2) of this section) be made out of such past-due benefits, but in no event shall the Administrator withhold for the purpose of such payment any portion of benefits payable for a period subsequent to the date of the final decision in such case.

"(f) The provisions of this section shall apply only to cases involving claims for benefits under the laws administered by the Veterans' Administration, including petitions for review by the Administrator pursuant to section 4010 of this title, and such provisions shall not apply in cases in which the Veterans' Administration is the plaintiff or in which other attorneys' fee statutes are applicable.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to cases in which a statement of the case is issued after the date of enactment of this Act.

SEC. 5. BOARD OF VETERANS' APPEALS.

(a) REVIEW OF REGULATIONS OF THE VETERANS' ADMINISTRATION.—(1) Section 4004 is amended—

(A) by striking out subsection (c); and

(B) by redesignating subsection (d) as subsection (c).

(2) Chapter 71 is amended by adding at the end the following new sections:

"§ 4010. Review of regulations

"(a) Where an appellant before the Board has challenged the validity of regulations of the Veterans' Administration involved in his or her case (other than the validity of the schedule of ratings for disabilities under section 355 of this title), he or she shall be afforded the right to have such challenges adjudicated and resolved by the Board, subject to review by the United States Court of Appeals.

"(b)(1) When challenges to the validity of regulations of the Veterans' Administration involved in an appeal (other than challenges to the validity of the schedule of ratings for disabilities under section 355 of this title) have been raised, the Board shall adjudicate and resolve such challenges separately from the adjudication and resolution of all other issues in the appellant's case.

"(2) Upon the final resolution of the case of which the challenge referred to in paragraph (1) of this subsection is a part, the Board's determination of the validity of the regulations challenged shall be subject to review in the United States Court of Appeals. The subject matter of such action shall be limited to the validity of the regulations of the Veterans' Administration involved in the appeal, to include the Board's determination, separate from its adjudication of all other issues in the appellant's case, of the validity of those regulations.

"(3)(A) The appellant shall have 60 days from the date of the final resolution referred to in paragraph (2) of this subsection within which to initiate a petition for review before the United States Court of Appeals. If such action is not initiated within such period, the Board's determination shall be final and conclusive and no other official or any court of the United States shall have power to review any such decision by an action in the nature of mandamus or otherwise, except as provided in paragraph (4) of this subsection.

"(B) Where the reviewing court has reviewed and resolved the questions raised, the case shall be remanded to the Board for further proceedings.

"(C) Notwithstanding any other provision of law, the Board's determination of all other issues on appeal shall be final and conclusive and no other official or any court of the United States shall have power to review any such determination by an action in the nature of mandamus or otherwise.

"(4) In any case in which the Board rules that a regulation of the Veterans' Administration is invalid, the Administrator may, upon the final resolution of such case, petition for review of such ruling to the United States Court of Appeals for the Federal Circuit. Such petition shall be filed within 60 days after the date of the final resolution referred to in paragraph (2) of this subsection. The appellant before the Board shall be notified of such filing and shall be entitled to appear in such action.

"(5) In the case of an appellant, a request for review pursuant to this section shall be brought in the United States Court of Appeals where the appellant resides or in the United States Court of Appeals for the Federal Circuit.

"(6) To the extent necessary for decision and when presented, the reviewing court shall decide all relevant questions of law, interpret constitutional and statutory provisions, and determine the meaning of the terms of the regulations challenged. The reviewing court shall hold unlawful and set aside regulations found to be—

"(A) contrary to constitutional right, power, privilege, or immunity;

"(B) in excess of statutory jurisdiction, authority, or limitations, short of statutory right; or

"(C) resting upon a policy judgment, reasoning or factual premise so unacceptable as to render the regulation arbitrary.

In no event shall the facts of the appeal or the application of any law or regulation to those facts be subject to review by the reviewing court unless they raise a constitutional issue, nor shall the validity of the schedule of ratings for disabilities under section 355 of this title be subject to review under this section.

"(7) The right of review granted under this section is in addition to the right of review under section 223 of this title.

"(8) For the purposes of review under this section, the term 'regulation' includes those statements of general policy and interpretations of general applicability which have been adopted by the Administrator.".

(b) Review of Attorneys' Fees.—Chapter 71, as amended by subsection (a), is further amended by adding at the end of the following new section:

"§ 4011. Review of attorneys' fees

"The Board may review the reasonableness of any fee arrangement for payment of attorneys' fees by a claimant during proceedings within the Veterans' Administration or before the Board. If the Board finds that any amount be payable from past due benefits is excessive or unreasonable, the Board may reduce such amount. A decision of the Board under this section is final and may not be reviewed by any court.".

(c) Changes to the Board.—Section 4001 is amended—

(1) in the first sentence of subsection (a), by striking out the words "directly responsible to the Administrator";

(2) by striking out subsection (b) and inserting in lieu thereof the following:

"(b) The Chairman and Vice Chairman of the Board shall be appointed by the President, by and with the advice and consent of the Senate, for a term of 15 years. Members of the Board shall be appointed by the Chairman with the approval of the President for a term of 15 years.";

(3) in the first sentence of subsection (c)(3), by striking out "In each annual report to the Congress under section 214 of this title, the Administrator shall provide" and inserting in lieu thereof "The Chairman of the Board shall submit an annual report to the Congress providing";

(4) in the second sentence of subsection (c)(3), by striking out "the Administrator" and inserting in lieu thereof "the Chairman"; and

(5) by adding at the end the following new subsections:

"(d) Notwithstanding any other provision of law, no member of the Board, and no temporary member while so serving, shall be eligible for or receive, directly or indirectly, bonuses in addition to salary.

"(e) The Administrator shall allocate sufficient resources (including sufficient personnel with the necessary skills and qualifications) to enable the Board to carry out its responsibilities under this chapter.".

(d) Clerical Amendment.—The table of sections at the beginning of chapter 71 is amended by inserting after the item relating to section 4009 the following new items:

"4010. Review of regulations.
"4011. Review of attorneys' fees.".

Mr. MURKOWSKI. Mr. President, as you know and as my good friend and distinguished colleague, the senior Senator from California and the head of the Senate Veterans' Affairs Committee has indicated, the past four Congresses have, indeed, passed measures substantially identical to S. 11 but they have all died in the House.

Speaking as one who has in the past supported those measures, I would like to see a judicial review bill become law.

The amendment which the junior Senator from Alaska has offered, is the text of S. 2292, a compromise to break the logjam that has been in existence for many, many years. I think in this Congress we have something a little different. I have introduced a bill—the Veterans' Judicial Review Act, S. 2292—which provides for judicial review, but takes a different approach from S. 11 and its predecessors in this body. In a nutshell, S. 2292 permits judicial review of broadly applicable VA rules and regulations, and increases the independence and authority of the Board of Veterans' Appeals in individual claims.

S. 2292 attempts to reach a middle ground by letting lawyers and courts do what they do best—argue and decide points of law—and letting executive agencies do what they do best—deciding thousands of claims arising out of a very special benefits program. S. 2292 is a compromise, an attempt to break this logjam, that we have lived with for so long.

I see S. 2292 as a compromise which has the potential of enactment. And I think we in the Senate ought to pause and consider why a compromise makes sense. We have to look at why our bills died in the House on four occasions.

We should begin, I think, by reflecting for a moment on the reasons for the past disapproval of our judicial review bills. We have sent those bills to the House four times, Mr. President. And, as the saying goes, "They check in, but they don't check out." Why is that?

It is not enough to say that we cannot understand opposition to these bills. It is not enough to say, "Illegal aliens can get into court, why can't veterans?"

Let me tell you what I think. Let me first speak about the system we propose to change, which is a unique system.

When we propose changes to the VA claims process, we have to keep in mind that we are dealing with a system that has been operating in much the same way for more than 50 years. I am not saying that the VA has never made a bad decision. It has. I am moved and troubled by such reports. At the same time, however, I am reminded of the words of Justice Holmes who said, "Hard cases make bad law."

As Senators, I think we know something about hard cases. Each one of us receives requests from veterans asking that we review the VA's action in particular cases. With the assistance of dedicated staff, we all do what we can. And, frankly, some of those cases would probably benefit from review in a Federal district court.

But it is not at all clear to me that the cases reaching our offices signify a system in need of the kind of overhaul proposed by S. 11 and my friend the distinguished chairman of the Veterans' Affairs Committee. I do not believe we should create a clone of the Social Security System to solve what seem to be a relatively few nonrepresentative cases, however meritorious those particular cases might be.

There is clearly merit in the current system. The system of claims adjudication is set up to be nonadversarial. Yes, lawyers are effectively excluded unless they are willing to work pro bono publico. But the veterans' service organizations represent any claimant for free, and their work is absolutely first rate. And yes, courts are barred from reviewing factual determinations. But the Board of Veterans' Appeals effectively reverses between 20 and 25 percent of the cases appealed. Further, the Veterans' Administration has—and I believe recognizes—a responsibility to assist veterans in developing their claims.

This is not how Social Security or any other program operates, Mr. President. This is a system which, in its scope and approach, is unique in our Government.

VETERANS ARE SPECIAL

There is a reason for that kind of system, Mr. President, and the reason is this: Veterans are special. They are a special class of our citizens. These men and women have agreed to put themselves in harm's way in service to their country. There is, Mr. President, no other class of citizens like them.

The Congress has historically granted special benefits for these men and women. And the Congress has historically attempted to make it easy and inexpensive to claim those benefits. That desire is, after all, the genesis of the attorney fee limitation. That desire is the genesis of the presumptive periods which exist for many diseases.

That is not, Mr. President, the way we treat illegal aliens and criminals. Veterans are special, and the system that has grown around the provision of their benefits is also special. We should not lightly change that system, nor should we put our veterans in a system simply to suggest that we treat illegal aliens and criminals with the same consideration.

Now, I do not mean to imply that S. 11 and its predecessors in this body have attempted to make changes without careful consideration. I do not mean that at all. And, yet, we must face the reality that the kind of opposition our bills have generated means something. We cannot pretend that it does not exist or, worse still, that it is the result of some conspiracy against due process.

The issue here is not due process.

It is not necessary that we get confused by the so-called due process question. The fifth amendment to the Constitution says that no person shall, and I quote here, "be deprived of life, liberty, or property, without due process of law." Now, it does not say there that, as a matter of constitutional law, veterans are entitled to appeal claims to Federal courts.

And, as a matter of fact, the Supreme Court has said just the opposite thing over and over: Congress can limit the review available as long as it provides for some type of process. And we certainly have provided that and more—the unique system I have just described. The Supreme Court has told us repeatedly that the system passes constitutional muster.

So, let us keep the debate clear. It is perfectly OK for the Congress to provide Federal court review of VA decisions. But the system we have now does not—and I feel I should repeat this—does not violate the due process requirements of the Constitution.

Well, if we do not have to provide Federal court review, why should we want to? The most common response has been this: Everybody else gets to; so should veterans. I have two reactions to that reasoning.

First, of course, not everybody else gets to take the Government to court. Depending on who you listen to, there are from 40 to 80 Federal programs which do not include judicial review.

Second, I do not think that their reasoning really answers the question which I think is really the key to this debate. That is, what makes us think that appeal to Federal court is really the answer? Does anyone anywhere have any evidence that the system is so broken that without Federal court intervention in thousands of individual claims, our veterans are going to be deprived of a fair shake?

Remember, this is not something we have to enact. This is not a process that the Constitution says is required. This should be a law that Congress, having informed itself of the pertinent facts, decides needs to be enacted.

I submit, Mr. President, that nobody in this body has any such evidence. I do not deny what I have called the hard cases, but I will be blunt. Hard cases are not enough. We are talking about adding 4,500-plus cases to an already overburdened judicial system. And for what? What is this going to accomplish? Justice for veterans? Well, I do not think so.

Mr. President, one of the great ironies of this controversy is this: S. 11 does not provide judicial review. S. 11 says that a court cannot set aside a factual finding by the VA unless it is "so utterly lacking in a rational basis in the evidence that a manifest and grievous injustice would result if such findings were not set aside."

Let me say, Mr. President, what the Federal bench—the judges who would have to work with this standard—thinks of the veteran's chances of prevailing under the S. 11 standard.

Judge Morris Arnold addressed that question when he testified before the Veterans' Affairs Committee on behalf of the Judicial Conference of the United States. This is what Judge Arnold had to say about whether factual findings by the VA would ever be reversed by a court under S. 11.

> I would suggest to you that almost any factual finding could survive such a test; and therefore, I think that the real work that would be done under this standard would not be deciding whether the decision below could survive it, but rather would have to do with and focus on the matter of attorneys' fees, because even if a claimant's suggestion that the court below erred was not accepted, nevertheless the court would be required to award a reasonable fee.

Where is the justice there, Mr. President? We create the illusion that there is a review, but there really is not. All that is left are the attorneys' fees to be paid, and paid by whom? Paid by the veteran.

I am not suggesting that this legislation provides a full-employment act for attorneys by any means, but the fact remains, as the judge indicated, as we look to the bottom line of judicial review, the question of review ultimately is the attorneys' fees to be paid by the veteran.

That does not sound like review to me. It sounds like something out of Charles Dickens' "Bleak House," a novel about a will being litigated for generations. When the rightful heirs were finally adjudicated, it turned out there was no money left. Everything had been spent to pay the lawyers.

I suppose that some of my colleagues know that S. 11 is changed. The bill we are debating now is not the same bill that was introduced. I am pleased to see, Mr. President, that some of the improvements set forth in S. 2292 have been incorporated in S. 11, as reported by the committee. Most of these changes have to do with the independence of the BVA, although S. 11's version of independence is perhaps more formal than real.

Unfortunately, what has not changed is the fact that S. 11 continues to bind BVA decisions to VA regulations, the instructions of the Administrator and the opinions of the VA general counsel. Also unchanged is S. 11's insistence that Federal courts—three-judge panels in the Court of Appeals in this version—review the facts of individual cases.

I continue to believe that review of the individual fact situations in Federal court is not the way to proceed, especially when there is no reason to believe that such an approach is going to solve a problem. While placing factual review in the courts of appeals might decrease the possibility that the courts will substitute their judgment for the VA's, there are serious drawbacks.

The Judicial Conference of the United States is very clear about the primary drawback of this approach.

Courts of appeals are simply not equipped to deal well with such cases. This is what a very candid Judge Breyer of the U.S. Court of Appeals told our committee:

> The reason that the Judicial Conference has taken this position is because reviewing factual findings in a court of appeals is something I, as a court of appeals judge, don't do very well * * * I know what I do each day, and I tell you what I do each day is not to do this very well. Now, maybe I shouldn't admit that, but it is true. I know it because I know the Social Security cases, and I don't think I do them very well, and I think that is unfortunate.

I believe, Mr. President, that it is an inefficient use of already-strained judicial resources to place thousands of veterans' benefits claims on civil dockets when we have an expert, potentially independent body functioning, and has been functioning for 50 years—the Board of Veterans' Appeals—which is available and responsive. But I believe that it is even more inefficient to transform a three-judge panel of the U.S. Court of Appeals—courts which are subordinate only to the Supreme Court—into a board which must decide whether particular circumstances justify an increase in a disability rating. Mr. President, that is the kind of case which constitutes over 40 percent of the 40,000 claims BVA considers each year.

That kind of allocation of resources just does not make sense to me.

Courts of appeals exist primarily to review questions of law, not fact. S. 2292 takes advantage of that expertise while S. 11, unfortunately, gives those bodies a task for which they are simply ill-equipped.

So, even with its changes, S. 11 is not the vehicle for meaningful and efficient judicial review. It is the legislative equivalent of a catch-22. It is why the House rejected it on four previous occasions.

We pass a judicial review bill and veterans can have lawyers, and we make sure the lawyers get paid, but there is a catch, and the catch, again, Mr. President, is there is no judicial review.

Even if the judicial conference is wrong and even if there will be some reversals, what have we accomplished if we pass S. 11? Have we dealt with the problem of perception of fairness within the VA? We have not. We have said:

> Don't worry, veterans; the threat of court review will make the VA straighten up.

We have said:

> Don't worry, veterans, even though almost no decisions will be reversed, the possibility of reversal, no matter how remote, will make for better decisions.

That is kind of an odd response. Assuming we know what the problem is, I am astounded that the best we can think of is to insert a threat, whose exact effect we cannot really predict. I have heard some people say it will make things better. I have heard some people say it will make things worse. Some say a threat of review will make for more careful decisions. Some say it will tend to make the VA really dig in, to be less solicitous of veterans' claims.

Here is what is odd about that response. When did this Congress suddenly become afraid to deal with the internal mechanisms of the VA? Mr. President, this Congress, as we all know, engages in more micromanagement of the VA than any other agency, not that we have any hesitation to wander into any other agency. We passed so many laws requiring pilot programs that the agency determined that it did not have the authority to provide trained monkeys to help our quadriplegic veterans. In fact, the distinguished chairman of the Veterans' Affairs Committee commented at length about that determination in the RECORD.

But we supposedly have a crisis that goes to the heart of the benefit system, Mr. President, and the best we can do is put the Federal courts into the equation? The best we can do is to throw the responsibility elsewhere and hope for good fortune? The best we can do is a law that probably will not change many decisions but will ensure that attorneys get paid?

Well, Mr. President, when did we suddenly get so shy about making internal changes at the VA? We take stronger action when the VA threatens to excess land.

With all due respect, Mr. President, I think the reason we are suddenly shy is that we are not really sure what the problem is. We are not really sure how to define the problem. We are not really sure if there is a problem. We must bear in mind that we are talking about an agency that makes hundreds of thousands of appealable decisions every hour in nearly 60 regional offices throughout the country. I will not disagree that the court review is going to have some effect. It certainly has to.

I am afraid to say, Mr. President, that I do not know if the results would be for the better, but I do know this: With the introduction of individual case judicial review and the lawyers that must be there, the system as it applies to the individual veteran is going to be vastly different.

That is what I think the source of the opposition to our bill has been—the sense that we are introducting a change to correct a problem we really cannot define and the effect of which we really cannot predict, and we are doing it in one broad stroke.

There is a belief that the wholesale introduction of lawyers and the ability to obtain routine factural review in Federal courts is going to change the system to one which will be less responsive to veterans. There is going to be more emphasis on procedures and less on substance because, at least with regard to factual questions, that emphasis is important to lawyers.

I do not mean to denigrate lawyers by any means. I am trying only to deal with the opposition to our past bills. I do not think anyone denies the importance of the profession. I might add that many of my friends in this body are lawyers, maintaining the rule of law in this Nation, the underpinning of our Constitution. The opponents of our past efforts recognize it as well.

What I think we are being told is that we should maintain the nonadversarial aspect of the unique system of veterans benefits while still providing meaningful review of the VA decisionmaking process.

I am reminded of the words of Abraham Lincoln, himself a lawyer, who said:

> Discourage litigation. Persuade your neighbors to compromise whenever you can. Point out to them how the nominal winner is often a real loser—in fees, expenses, and waste of time.

To cite the most obvious expression of this idea, many of the veteran service organizations which have consistently opposed review of individual fact situations, such as the American Legion, the Disabled American Veterans, and the Veterans of Foreign Wars, have just as consistently supported review of legal questions.

Mr. President, I have a letter of July 5, 1988 from the Disabled American Veterans addressed to me—and all other Senators I understand received the same letter—signed by Gene A. Murphy, national commander. I will make reference to the pertinent parts and ask that the letter be printed in the RECORD:

> The Disabled American Veterans strongly supports—and urges you to do likewise—the Murkowski substitute amendment.
>
> By authorizing federal appellate court review of VA rules and regulations and by instituting changes in the VA's Board of Veterans Appeals, it would provide outside judicial review in a broad, meaningful fashion, while allowing "decisions of fact" to be rendered by a truly independent and qualified—yet still administrative—tribunal.
>
> I urge you to vote in favor of the Murkowski substitute amendment when it is offered. Join the veterans' organizations and distinguished jurists and scholars in supporting the best, the most responsible approach to this issue, one that should be—and can be—approved by the Congress.

I have another letter dated April 18, 1988 from the Veterans of Foreign Wars signed by Earl L. Stock. I read the pertinent paragraphs:

> On behalf of the more than 2.2 million members of the Veterans of Foreign Wars of the United States, I would like to commend you for your efforts to resolve the controversy surrounding the judicial review issue. As you know, the VFW has long supported providing for judicial review of questions of law and regulation as it pertains to VA benefit claims. Your bill, S. 2292, goes a long way in meeting the mandates of the Veterans of Foreign Wars.
>
> We also commend you for including language in your legislation which would give more independence to the VA Board of Veterans Appeals, an action which can only quell the apprehension of many of our nation's veterans.

This is a letter from the American Legion dated July 7, 1988, signed by John P. "Jake" Comer, national commander.

The American Legion is opposed to S. 11.

> The American Legion has prepared detailed legislation that addresses changes in the VA adjudication process that we believe need to be made. The central provision of this legislation is a totally independent Board of Veterans Appeals.

I also have a letter from James E. Macklin, Jr., Deputy Director, Administrative Office of the U.S. Courts, dated July 8, 1988:

> The Judicial Conference of the United States * * * recommends that any judicial review of this subject matter should be limited to the interpretations of constitutionality and statutory law, as is contemplated by S. 2292.
>
> We do suggest that, if Congress perceives a problem, there are more appropriate responses than S. 11.
>
> If Congress feels that a solution must be found quickly, then the approach of S. 2292 does point in the correct direction. Such an approach removes the need for factual determinations and confines judicial review cases to questions of interpretation of statutory and constitutional law.

Mr. President, I ask unanimous consent that these letters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

Disabled American Veterans,
Washington, DC, July 5, 1988.
Hon. Frank H. Murkowski,
U.S. Senate, 709 Hart Senate Office Building, Washington, DC.

Dear Senator Murkowski: As you are aware, sometime during the week beginning July 11, 1988, the full Senate will debate and vote upon legislation relating to the application of judicial review to the Veterans Administration.

Two proposals will be up for consideration: S. 11, a measure recently ordered reported by the Veterans Affairs Committee and S. 2292, which the Committee declined to report by vote of seven of four, and which will be offered as a substitute amendment (to S. 11) by Senator Frank Murkowski.

The Disabled American Veterans strongly supports—and urges you to do likewise—the Murkowski substitute amendment.

In four previous Congresses, S. 11 and its predecessors have been passed by the Senate, only to fail to gain acceptance by the House of Representatives.

Why has this legislation failed—and why will it continue to fail—to gain Congressional acceptance?

The answer, in addition to opposition voiced by the DAV, American Legion, VFW and other major veterans' organizations, is simply because whatever deficiencies exist in the VA claims process—and they do exist—the case has just not been made for the introduction of courts and lawyers into the agency's present informal, non-adversarial administrative decision-making process.

Indeed, aside from a few anecdotal and, in most cases, undocumented allegations of impropriety, no organized study, no review has ever been conducted to determine the extent and nature of whatever problems may exist. Nor has adequate thought been given to the impact that judicial review, as proposed by S. 11, would have on the VA system and its claimants.

That is why Yale Law Professor Jerry Mashaw, an acknowledged expert on mass adjudicative systems like the VA, testified before the Veterans Affairs Committee that the "costs" of S. 11 will "outweigh the benefits," and that "most of the costs will be paid by veterans themselves."

And that is why witnesses speaking for the Judicial Conference of the United States informed the Committee, "We believe [S. 2292] is preferable to S. 11."

Again, so does the DAV.

By authorizing federal appellate court review of VA rules and regulations and by instituting changes in the VA's Board of Veterans Appeals, it would provide outside judicial review in a broad, meaningful fashion, while allowing "decisions of fact" to be rendered by a truly independent and qualified—yet still administrative—tribunal.

I urge you vote in favor of the Murkowski substitute amendment when it is offered. Join the veterans' organizations and distinguished jurists and scholars in supporting the best, the most responsible approach to this issue, one that should be—and can be—approved by the Congress.

I do thank you for your kind attention to this letter.

Sincerely,

Gene A. Murphy,
National Commander.

Veterans of Foreign Wars
of the United States,
April 18, 1988.
Hon. Frank H. Murkowski,
U.S. Senate, Washington, DC.

Dear Senator Murkowski: On behalf of the more than 2.2 million members of the Veterans of Foreign Wars of the United States, I would like to commend you for your efforts to resolve the controversy surrounding the judicial review issue. As you know, the VFW has long supported providing for judicial review of questions of law and regulation as it pertains to VA benefit claims. Your bill, S. 2292, goes a long way in meeting the mandates of the Veterans of Foreign Wars.

We also commend you for including language in your legislation which would give more independence to the VA Board of Veterans Appeals, an action which can only quell the apprehension of many of our nation's veterans.

Without having had ample time to review your bill in detail, we can say, for the most part, it appears to be a step in the right direction to finally allow veterans to enter into the judicial system.

With best wishes and kind regards, I am

Sincerely,

Earl L. Stock,
National Commander-in-Chief.

The American Legion,
Washington, DC, July 7, 1988.

Dear Senator: The American Legion is opposed to S. 11 and also to any amendment to S. 533 that includes the provisions of S. 11 or any other aspects of judicial review of VA decisions.

The American Legion has prepared detailed legislation that addresses changes in the VA adjudication process that we believe need to be made. The central provision of this legislation is a totally independent Board of Veterans Appeals. In addition, our comprehensive legislation calls for: (1) court review of VA policies; (2) reasonable attorneys fees; (3) expanded procedural rights for claimants; (4) greater availability of independent medical opinions, and (5) liberalized evidentiary standards. Drafts of this legislation have been circulated, and it will be introduced in the House of Representatives.

We urge you to reject S. 11 and all efforts to attach judicial review legislation to S. 533. Your attention to our views is deeply appreciated.

Sincerely yours,

John P. "Jake" Comer,
National Commander.

Administrative Office of the
United States Courts,
Washington, DC, July 8, 1988.
Hon. Frank H. Murkowski,
Committee on Veterans' Affairs, U.S. Senate, 414 Russell Senate Office Building, Washington, DC.

Dear Senator Murkowski: The Judicial Conference of the United States recommends that any judicial review of this subject matter should be limited to the interpretation of constitutional and statutory law, as is contemplated by S. 2292.

As the branch primarily concerned with implementation of judicial review, we remain concerned about the provisions of S. 11 which would create such review. S. 11 places judicial review in the courts of appeals. We must point out that courts of appeals are not set up to make findings of fact in relation to benefits or attorneys' fees. It is impractical for courts of appeals to resolve contested issues of this sort, as these courts lack procedures for hearings related to fact-finding. They are accustomed to the procedures of appellate review, which usually involve only oral argument on disputed issues of law. In addition, the courts of appeals are certainly in no better position than the district courts to handle this caseload in terms of workload and the availability of judges.

While these views are certainly not intended to disparage the rights of veterans, we do not believe that S. 11 is the most appropriate or only available response to any problems encountered by veterans. Our objections are not based or phrased in terms of a "right to go to court", but rather on whether an Article III court is the best or only institution to solve any such problems, if indeed there are problems. Whether the present system is inadequate or problematic is a policy matter for the Congress to decide. We, therefore, defer to Congress on that matter. We do suggest that, if Congress perceives a problem, there are more appropriate responses than S. 11.

Prior to this Congress, the debate on judicial review of veterans' claims for benefits has been limited simply to whether or not veterans' claims for benefits should receive judicial review, with the answer consistently framed in either the affirmative for Article III review or the negative against Article III review. Little consideration has been given to other possible answers, nor, until this Congress, has any effort been directed toward providing any type of compromise solution, such as S. 2292.

In the late 1800's, Congress was of another mind. Congress perceived at the time that factual questions were not susceptible to judicial standardization and that any decisions made by the courts in such matters took a great deal of time and expense. Congress then began to create a series of administrative agencies primarily to avoid the burdens on the courts and litigants associated with cost and delay and to insure that any decisions would be adequately and uniformly made. In other words, Congress believed the courts were not equipped to perform these functions very well. The Supreme Court recognized these same problems in relation to judicial review of veterans claims for benefits in *Johnson* vs. *Robinson*, 415 U.S. 361, 370 (1973), in upholding the non-review clause.

Thus we have come full circle with what some now perceive as a need to put veterans' claims for benefits into the courts. However, any such litigation would still be time-consuming and expensive, not only to the courts but also to the veteran; and such review would still lack uniformity. By placing such factual determinations back into the courts, Congress would be attempting a solution to one possible problem by creating another problem which a previous Congress had addressed by removing such determinations from the courts. Therefore, since it appears that neither of the previous solutions has been successful, it is incumbent upon us to suggest that another alternative or compromise be found.

If Congress feels that a solution must be found quickly, then the approach of S. 2292 does point in the correct direction. Such an approach removes the need for factual determinations and confines judicial review cases to questions of interpretation of statutory and constitutional law. This is a fundamental duty which the courts will always perform, regardless of the burden.

In addition to S. 2292, there are other meritorious approaches which have not been fully explored or examined. We urge Congress to find the best solution, not just the quickest solution. We suggest that Congress commission a study of all approaches, including S. 11 and S. 2292, with a report to be filed with Congress on a date certain. By whom and how the study is to be conducted is, of course, a matter for Congress to decide. Representatives of the Judicial Branch will be available to provide any expertise or assistance that Congress may require.

Sincerely,
James E. Macklin, Jr.,
Deputy Director.

Finally, Mr. President, my amendment to S. 11 is a meaningful and realistic compromise to a question that has been before this body and this Congress on four previous occasions and has fallen on deaf ears over in the House. One could quickly conclude that the reason for that is because we have not received the message on this side as yet.

S. 2292: A MEANINGFUL AND REALISTIC COMPROMISE

Review of legal questions is what S. 2292 is about. It attempts to preserve the best and most distinctive parts of the system, while providing the opportunity for truly broad challenges to that system. It creates a truly independent Board of Veterans' Appeals for factual and legal review in individual cases. At the same time, it submits the VA's institutional decisions—in other words, its regulations—to rigorous review in the U.S. Courts of Appeals, reviewing which simply does not exist now. S. 2292 is, I believe, a meaningful and realistic compromise between two positions which, as I have indicated, have polarized their supporters for more than a decade.

LET'S NOT SEND THE WRONG MESSAGE

With all that in mind, Mr. President, there is another question we should ask ourselves: Suppose, after four unsuccessful tries, we once again pass a bill which is the equivalent of Social Security judicial review. Suppose we do that. What kind of message are we sending to the House? I will tell you what I think: I think we are telling the House that we are just not listening. And I do not think that is a good message at all.

I think that, after 10 years, a compromise on judicial review makes sense. This is the compromise supported by the veterans organizations, as the letters in the Record indicate. If we are really interested in judicial review, Mr. President, it just does not make sense to send the same old message to the House. I think that we can demonstrate that we are not only the greatest deliberative body, but also that we can listen.

I urge my colleagues to support this amendment.

I thank the Chair.

Mr. CRANSTON addressed the Chair.

The DEPUTY PRESIDENT pro tempore. The Senator from California.

Mr. CRANSTON. Mr. President, I yield myself such time on the amendment as may be necessary.

Mr. President, I am unable to support the pending amendment offered by my friend and colleague on the Veterans' Affairs Committee, Senator Murkowski. I appreciate his kind words at the beginning of his remarks. I reciprocate them. We just have a difference of opinion on this matter. We work together on many matters.

This same amendment was offered during our committee's June 29 markup of S. 11 and it was defeated by a vote of 4 to 7.

The essence of judicial review is factual review—however narrow—of an individual claim for benefits. S. 11 provides for such review, as did the predecessor measures reported by our committee and passed by the Senate—once before when I was chairman, twice while Senator Simpson was chairman, and once while Senator Murkowski, himself, was chairman.

That is the basic issue involved in this amendment.

Mr. President, I find Senator Murkowski's action in offering the amendment most ironic. First, as I just noted, the last judicial review measure passed by the Senate—S. 367 in the 99th Congress—was very similar to S. 11 and was reported by the Veterans' Affairs Committee while Senator Murkowski was chairman. Second, Senator Murkowski has indicated that he opposes S. 11, in part, because he says that the standard for factual review is too narrow, and may result in too few cases receiving review by the courts. Yet his amendment provides for no independent factual review at all in the Federal courts.

Both S. 11 and the pending amendment address the concern, as repeatedly expressed by various veterans organizations as well as the VA itself, about unwarranted intrusion by a Federal court into the VA's fact-finding process. The Murkowski amendment's answer to this concern is to exclude any court review of an individual's claim, except on the rare occasion where the lawfulness of a VA regulation is at issue.

Such an approach, however, fails to identify or understand the most fundamental reason for judicial review: The need for an avenue of independent review for VA claimants who are the victims of errors which are so egregious and lacking in a rational basis in the evidence that a manifest and grievous injustice to the claimant would result if the findings by the VA were not set aside.

Mr. President, in my view, the basic difference between S. 11 and the pending amendment, both in philosophic and real terms, is the inclusion in S. 11 of provisions for judicial review of the fact findings in a final decision of the Board of Veterans' Appeals adverse to a claimant. Senator Murkowski's amendment would continue the current prohibition of any such review except to the extent a claimant wishes to challenge a VA regulation or its interpretation.

My colleague from Alaska has this morning raised the concern that S. 11 could lead to a duplication in the VA of the situation in the Social Security system.

However, S. 11 as reported is designed specifically to avoid that result in two ways:

First, the scope-of-review provision on fact review is narrow—much narrower than that used in Social Security—and that will make a major difference.

Second, S. 11 would codify existing internal VA adjudication procedures that are viewed as beneficial to veterans.

Mr. President, I do not want to replicate the Social Security administration, but I do want to give veterans' due process and S. 11 would do just that.

Mr. President, as to the need to increase the independence of the Board of Veterans' Appeals, as the Murkowski amendment proposes, S. 11 as reported would accomplish that goal in a realistic, measured, workable manner while at the same time substantially improving the fairness of the BVA and VA adjudication processes. S. 11 would provide for a Presidentially appointed BVA Chairman and fixed terms for BVA members. And it goes further: It puts the BVA in charge of its own procedures and it adds provisions to ensure basic fairness in the BVA adjudication process.

The pending amendment, on the other hand, is billed as being designed to elevate the BVA to the status and stature of an article I court, and would attempt to do so overnight by the enactment of a bill. I am convinced that that is not the right way to go about making the needed changes in the BVA. The Board has its hands very much full now. It does not need a greater workload—taking on the burden of judging the correctness of VA regulations and legal interpretations. It already takes an average of well over 400 days for the BVA to decide a case.

Let us keep in mind, Mr. President, that we are talking about a 65-member body that adjudicates over 40,000 cases a year, about 10 times more than the average U.S. appeals court. We are talking about a body of which one-third of the members are physicians. We are talking about a body whose members were selected to make factual determinations, not to rule on the efficacy of the VA's regulations or legal interpretations.

Moreover, even if the BVA could acquire the competence to make legal rulings as the pending amendment proposes it do, what sense would it make and what purpose would it serve? In my view none, since in any case in which the BVA were to disagree with the VA general counsel's legal interpretation on an issue, that matter would certainly be appealed to court by the VA, and the judicial body would make the final decision on the legal question. Indeed, that's what courts are for. The BVA was never set up for that purpose. Thus, BVA review of VA law and regulations would just serve to drag out the adjudication of a case involving such issues with absolutely no gain for the veteran claimant.

In my view, the upshot of the very novel approach to reforming the BVA proposed in the Murkowski amendment would be, without doubt, either no more justice for the veteran, or justice even further delayed. Instead, the questions of law should go directly to court to be decided. That is as it would be under S. 11. There is no reason to waste claimants' time and the time of the BVA in a futile effort to pretend that the BVA is really a court of law, rather than what it is—a mass-justice adjudicator of factual questions.

Mr. President, in my view, the appropriate way to address the fundamental difference between S. 11 and the pending amendment is by asking the following question:

Does the Congress wish to allow a manifestly unjust result in a VA claims decision to be immune from being challenged and reviewed in court?

Mr. President, I believe that the answer to that question is manifestly and unequivocally "no" and yet that is what the pending amendment would do. The opportunity to present such challenges is fundamental to our system of checks and balances and precepts of basic fairness. The right to court review is a right that most all other citizens have in other directly analogous areas and that veterans themselves enjoy in their dealings with almost all parts of the Federal Government but the VA. It is past time that veterans were granted first-class citizenship in this element of their relationship with the Government they fought to preserve and defend.

Mr. President, I urge my colleagues to join with me in rejecting the Murkowski amendment and in voting for true judicial review of VA decisions. At the conclusion of debate on this amendment, I will be moving to table the amendment.

The Senator from Alaska today made numerous references to the fact that judicial review has passed the Senate four times, with no action in the House. According to the Senator, this should be grounds for the Senate to throw up its hands. Quite the contrary.

I am reminded that the Senate had to pass five times legislation which established the VA's Vet Center Program before the House finally accepted it. I, for one, am glad that we stuck to our guns on that vital legislation. I hope the Senate will do the same on judicial review.

I believe this is the Congress for enactment of judicial review legislation. We should seek a meaningful bill and not go for something which seeks compromise for the sake of compromise.

I urge my colleagues to join me in rejecting the Murkowski amendment and in voting for true judicial review of VA decisions.

At the conclusion of debate on this amendment, I will move to table the amendment.

Mr. President, I yield to the Senator from South Dakota [Mr. DASCHLE].

How much time does the Senator need?

Mr. DASCHLE. Ten minutes.

Mr. CRANSTON. I yield 10 minutes on the amendment.

Mr. DASCHLE. Mr. President, I thank the distinguished Senator from California for yielding me time. I commend him for his leadership on this issue and for the comments he made just now in response to the Murkowski amendment.

I also commend the distinguished Senator from Alaska. He, too, has been a very dedicated and ardent supporter in the effort to resolve this issue. He certainly is well-intended and has offered the committee, as well as the Senate, a real service in offering and suggesting alternatives, as he has today.

The issue is one of strategy. Which bill is it, which approach do we use, as we take this legislation out of the Senate once more, as we go to the House, and try to come up with the strongest bill possible to address the needs of judicial review as we have known them to be for so long.

I believe that to accept the Murkowski amendment would be to accept defeat. I oppose the Murkowski amendment, and I hope that we vote as strongly as possible in favor of S. 11, and that, at long last, we put this issue to rest. It was been with us for too long.

Mr. President, it is my hope that this will be the last time the Congress must deal with the judicial review issue. It has been with us for so long. It was one of the first problems affecting Vietnam veterans which some of us confronted nearly 10 years ago as new members of the House Veterans' Affairs Committee.

But it is not the length of time which I have had to deal with the issue that is troubling. It is the length of time in which thousands of veterans from all wars—many, my constituents—have faced the injustices stemming from their lack of access to the courts that is most troubling of all. They are victims of a system which fortunately has worked well for the vast number of veterans seeking assistance for a myriad of problems incurred while serving our country.

John Rokusek, still an active barber in Tabor, SD, has been seeking to obtain veterans benefits for nearly 45 years since his discharge from the service in 1943. Roland Nelson of Sioux Falls, has been trying to establish a service-connected disability for his medical problems since 1960. Richard Newsome from Belle Fourche has been unable to obtain a complete service-connected disability rating from the VA, despite numerous doctors reports that indicate he is 100 percent disabled and unemployable.

In some cases, judicial review is no longer necessary. Theodore Brunner of Scotland, SD, was exposed to atomic radiation. As his health continued to deteriorate, Mr. Brunner pressed for appeal with the VA for recognition of his disabilities due to exposure. With his case still pending before the board of appeals, he died. It was not until January of this year that his widow received the final denial notice.

Cases like these are not unique to South Dakota. There isn't a Senator serving today who hasn't had similar cases. And whether each case is bona fide is not the issue. The issue is very simply whether veterans ought to be denied rights taken for granted by nearly every other American citizen.

No one has yet given me a persuasive reason why veterans are virtually the only ones in our society to be prohibited from access to the courts to redress problems created for them by an agency of Government.

Why is it that food stamp recipients can go to court, and veterans cannot?

That SSI recipients can go to court, and veterans cannot?

That prisoners and those threatened with deportation can go to court, but veterans cannot?

Why is it that even those in the military can go to court on matters dealing with disability, performance, promotion and retirement, yet veterans cannot?

The real irony is that the Veterans' Administration has that right when the situation is reversed. Every year the VA sues thousands of veterans in the courts because they believe the veteran owes them money. In this decade alone, over 200,000 lawsuits have been filed by the VA against veterans. Incredibly, because of the current prohibition of judicial review, veterans do not even have the right to defend themselves when the VA has taken them to court.

How unjust is a system which allows the Government to sue a citizen when it believes that person owes it money, yet bars the same person from bringing suit if the roles are reversed?

We are told by opponents of judicial review that the system generally works well so there is no need to change it. But to that argument, there are at least three responses.

First, by using the word generally, even opponents of judicial review appear to admit that in some cases it doesn't work at all. The fact is that it hasn't worked in all cases. No system ever will. It certainly hasn't for those people whom I have already mentioned and for tens of thousands just like them. In those cases, veterans ought to be given the chance to present their arguments in Federal court.

Second, regardless of whether the system works or not, no Federal agency ought to be outside the system of checks and balances so fundamental to our constitutional system of Government. There is nothing in constitutional law or its history which suggests that the Veterans' Administration ought to be exempt from the scrutiny which this system provides.

Finally, if we are now about to vote to give the VA Cabinet level rank, there is no better time to give it Cabinet level accountability. As we expect every other agency of Government to account for its decisions, so let us now require the VA to do so, too.

It is also argued that the cost of judicial review would be too high, and that our already overburdened courts would be inundated with even more cases they cannot handle. Yet, what could be more unfair then for this country to single out veterans for exclusion to our court system on that basis when the same argument has not been used to bar entitlement recipients, illegal aliens, military personnel, or even prisoners from their right to due process? How can we rationalize a system to which these groups can have access but to which veterans cannot?

As to costs, the Congressional Budget Office estimates that the first year's cost of S. 11 would be a mere $2 million and that in the first 5 years, the cost would be $16 million. CBO predicts that only a fraction of the 40,000 claims denied by the Board of Veterans Appeals will be taken to court if judicial review is allowed.

Finally, opponents of judicial review argue that it will change the process into an adversarial one while opening it to judges who do not know the intricacies of VA benefits as well as members of the Board of Veterans Appeals. This argument overlooks several facts. First, the bill itself, S. 11 guarantees in writing that the VA keep its present nonadversarial system. Second, the arguments ignores past experience. Little in past military court experience would indicate that allowing the courts to review a decision would necessarily create an adversarial environment.

In as far as judges' capabilities to understand the nuances of veterans' benefits are to be considered, let me assure my colleagues that there is no need for concern. Why? Because this bill narrows the scope of judicial review intervention almost to the point of nonexistence. S. 11 would permit review only where the court found that a finding by the VA in cases of fact "is so utterly lacking in a rational basis in the evidence that a manifest and grievous injustice would result if such finding were not set aside."

In fact, Mr. President, many of us believe that the scope of judicial review in S. 11 is drawn too tightly. More appropriate standards have been used in similar bills. One is the standard of reasonableness for reviewing a claim set forth in the Administrative Procedure Act which calls upon the courts to determine if a decision is "arbitrary and capricious." The other, which is used in Social Security claims, is even broader. It allows review if a decision simply lacks "substantial evidence." To require that the decision in question be "utterly lacking in a rational basis that a grievous injustice would result" is to deny the fact that in many of these cases a rational, albeit erroneous, basis in the evidence is common and that it may not have been a question of a grievous injustice in the first place.

I, frankly, had contemplated offering an amendment to change the language regarding cases in fact. I remain convinced that the language in the bill will not allow us to rectify many of the problems in the current system within which a broader interpretation of judicial review is both desirable and necessary. Yet, given the alternative bill pending before us, the amendment by the distinguished Senator from Alaska, which strikes judicial review in questions of fact entirely, the language in S. 11 is the very least we ought to provide as we incorporate the concept into the VA system.

If the Senator from Alaska thinks the scope of review is too narrow, the solution is to expand review, not to drop it. No judicial review bill ought to pass this body without some form of review on questions of fact. That is fundamental. It is imperative.

Some have argued that it is only questions of fact which requires legislation. With the recent Supreme Court decisions, McKelvey and Traynor, the courts now have jurisdiction in questions pertaining to regulation and law.

Review will not be possible in any case, however, if the current $10 limit on attorney's fees is allowed to remain in effect. While certainly constitutional, this limit has had the effect of precluding attorneys from all representation of veterans during administrative proceedings. It is nothing short of amazing that the Civil War era prohibition has been sustained for more than 100 years.

If we are to provide for judicial review, providing for competent representation is essential. We need not fear the legal profession. Competition among our Nations' lawyers is greater than ever before. Veterans ought to have the same right to legal representation as any other American citizen. The current "all or nothing" philosophy espoused by some and referring to the belief that veterans ought to get 100 percent of the benefit from their claim or nothing at all has meant that too many veterans have been left with the latter.

Finally, the best way to ensure that judicial review is unnecessary in the first place is to require that the Board of Veterans Appeals be made more efficient. Reports of error rates in some regions of the country which exceed 10 percent of all cases are most alarming.

Production quotas, year-end bonuses, and the widespread use of courtesy signatures must be addressed and corrected if we are to improve the error rate and avert the need for greater intervention on the part of the courts. I endorse the provision of S. 2292 to reform BVA as a good beginning in this regard.

Mr. President, lest there be any doubt about the desire on the part of veterans to secure judicial review, it is noteworthy that Cambridge Survey Research has recently completed a poll commissioned by the Vietnam Veterans of America. According to the poll, more than 70 percent of all our Nation's veterans under the age of 45 support it. In fact, there were no veterans age groups whose support level was less than 60 percent.

Let us hope that this year, in the 100th Congress, these veterans will no longer be disappointed. They, like everyone else in this country deserve to benefit from the great checks and balances created by the authors of the Constitution. Now that the Veterans' Administration is likely to be elevated to Cabinet level status, let us ensure that the needs of those it represents be elevated too. As we pass this legislation, let us eliminate forever the double standard involving the VA and veterans in our courts of law. And let us assure veterans a reorganized Board of Veterans Appeals.

With reforms such as these, perhaps those whose cases have fallen through the legal and bureaucratic cracks will finally be assured of obtaining all of their rights. For some it will not be a moment too soon.

Perhaps John Rokusek will not have to add another year to his 45 years of waiting before his case can be resolved. Perhaps Roland Nelson can, at long last, be provided with a livable income in spite of his 100 percent disability. And just maybe, we can avoid watching more veterans die, as did Theodore Brunner, as they wait for their Government to decide.

Passage of S. 11 will not guarantee anyone more than the opportunity to be heard, to make their case and to hold the confidence that they may utilize every avenue available to see their problems resolved.

So let us oppose the Murkowski amendment and support the original bill.

I thank the Senator for yielding me time and I yield the floor.

Mr. MURKOWSKI. Mr. President, I believe the distinguished senior member of the Veterans' Affairs Committee, Senator Strom Thurmond, wishes to speak, and I yield him as much time as he needs to make a statement.

The PRESIDING OFFICER (Mr. DeConcini). The Senator from South Carolina.

Mr. THURMOND. Mr. President, as many Members of this body are keenly aware, judicial review of veterans' disability decisions has been considered several times by the Senate over the past few years, beginning with the 94th Congress. On four different occasions, the full Senate has considered and passed judicial review legislation, most recently in July 1985. Despite passage in this body, our House colleagues have maintained a different position on this matter. Although I do not fully agree with the position maintained by the other body, I respect their opinion.

In past years, judicial review bills which have come before this body have provided for Federal court review of questions of fact—and I have supported those measures. The bill currently before this body—S. 11—provides for court review of questions of fact. However, providing for court review of questions of fact is what has bogged us down in the past. The American Legion, the Disabled American Veterans, the AMVETS, the Veterans of Foreign Wars, and the Veterans' Administration are all opposed to judicial review of questions of fact—and we know that the position of the other body has been to oppose judicial review entirely.

Mr. President, for these reasons, I am convinced that the Murkowski substitute amendment is a better alternative and has the best chance for enactment into law. Although the substitute does not provide for court review of questions of fact, it does provide for court review of VA rules and regulations. It is a reasonable compromise. The substitute amendment represents a common middle ground between no review at all—as under the current system—and review of questions of fact, as proposed in S.11.

Finally, Mr. President, this amendment would increase the independence of the existing Board of Veterans' Appeals, and it would eliminate the Civil War-era cap of $10 on attorneys' fees.

Mr. President, if we really want a judicial review bill that is likely to be enacted into law, this substitute amendment is it. I urge my colleagues to support this measure.

Mr. CRANSTON. Mr. President, I yield 5 minutes to the Senator from Hawaii.

Mr. MATSUNAGA. Mr. President, I rise in strong support of the pending legislation, S. 11, a bill to permit judicial review of veterans' claims, and in opposition to the Murkowski substitute amendment.

I am proud to say that I am an original cosponsor of S. 11, which was introduced by the distinguished chairman of the Veterans' Affairs Committee, Senator Cranston, at the beginning of the 100th Congress. I believe that this legislation is long overdue. Veterans should not be virtually the only group of Federal beneficiaries who are denied the right of judicial review of their benefits claims—and thus of their right to due process; nor should they be without the best legal advice simply because of an outdated law which limits the amount they can pay attorneys for representation in the claims process.

Critics argue that S. 11 would undermine the nonadversarial nature of the VA claims adjudication process and create in its stead a system that is highly confrontational, time-consuming, and significant more costly to veterans and Government alike. I believe these fears are largely groundless. S. 11 has been carefully crafted to maintain the integrity of the VA claims process. I wish to point out that the bill requires only that a veteran be allowed to petition the courts to review the validity of his appeal; it does not require that the courts actually review and adjudicate every case that is presented to them. The standard for review by the courts embodied in S. 11 is also strict enough to prevent all but the most worthy appeals from being considered.

The distinguished junior Senator from Alaska [Mr. Murkowski], has offered a somewhat different approach to judicial review with his substitute amendment, which is more palatable to some opponents of S. 11, such as the Disabled American Veterans and Veterans of Foreign Wars. Although I comment the ranking minority member for his constructive leadership on this issue, I have strong reservations about the section of his amendment which calls for the Board of Veterans' Appeals to review agency regulations. As far as I know, the qualifications of the BVA's 65 members do not include competence to deal with this highly juridical function. Perhaps of greater importance, I fear that the Murkowski substitute, unlike S. 11, would not permit courts to review, even in a limited way, the most egregious errors of fact made by the VA in determining a veteran's claim.

Nevertheless, S. 11, as reported by the committee, incorporates a number of provisions contained in the substitute amendment, chief among them the referral of claims to Federal appellate courts rather than district courts. Also, the committee-reported bill contains a proposal to make the BVA more independent, as suggested by Senator Murkowski's legislation. In S. 11, for example, the chairman of the BVA will no longer be appointed by the Administrator but by the President, contingent upon Senate approval.

From the foregoing, it is evident that S. 11 contains only the best elements of the Murkowski substitute while rejecting those which would undermine the veteran's right to appeal even the most unfair claims decisions in the courts. The Senate Veterans' Affairs Committee, prior to reporting out S. 11, rejected this same Murkowski substitute by a vote of 7 to 4 late last month. I urge my colleagues to validate the committee's action and vote against the Murkowski substitute amendment.

In closing, Mr. President, let me commend Chairman Cranston and former Chairmen Simpson and Murkowski for the role they have played in keeping this issue alive. They and our former colleague from Colorado, Senator Hart, have been the principal forces behind the Senate's continued effort to enact judicial review legislation. In fact, under their leadership, the Senate has adopted judicial review measures four times. Unfortunately, year after year, the bills have been killed in the House; maybe the fifth time will prove the charm.

Mr. President I urge my colleagues to vote for S. 11 without amendment. Of all people, veterans should be able to enjoy the constitutional and legal rights that are accorded the rest of the Nation's citizens.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I think it is fair to say that all who have participated in the debate this morning share in the belief that, indeed, a review process is in order. I think of the comments by my good friend, the junior Senator from South Dakota, indicating that as we look toward trying to address a responsibility that we have as an oversight committee for veterans' affairs in this body, we do so in a meaningful and responsive manner. The question is what is responsive and what is meaningful? My point, Mr. President, is that we are looking at S. 11 alongside of a compromise which I have proposed, and I think the senior Senator from South Carolina, in his reference supporting my amendment, touched on the real key here. That is the idea that as we address, again, the matter that has been before us four times already, it is in the spirit of compromise that we are attempting to move toward the issues at hand.

I think it appropriate to again make reference to S. 2292. Specifically, it permits judicial review, but of a broadly applicable area of the VA rules and regulations and increases the independence and authority of the Board of Veterans' Appeals in individual claims.

What is wrong with that, Mr. President? We attempt to reach a middle ground, as I have indicated earlier, by letting the lawyers and the courts do what they do best. They argue and decide points of law. That is what they do best.

Deciding and adjudicating the thousands of claims arising out of the very special and unique benefits programs of the VA is what the executive agencies do best. Why not let them continue that?

The point was made by the chairman and my good friend from California with regard to the length of time that the board occasionally takes to resolve a question before it. I think the reference was something in the area of 400 days. I ask my colleague how long it might take a court of appeals. It might take 2 or 3 years.

The point is, we all want review. We deserve legislation that provides our veterans with meaningful review. This Senator supports such review. And that is what my amendment does.

It does not matter where the review takes place. What matters is that the review is timely, fair, and meaningful.

When veterans go before a judge, whether he is in a black robe or is a member of the Board of Veterans' Appeals, the idea is to get fair review. The question is: Should the entire focus move over to the court of appeals? That is really what we are talking about.

I have learned from experience. I have learned from the efforts in this body as we have attempted to get a judicial review bill. It has not flown before. It has not gone anywhere over in the House. It is questionable where S. 11 is going if it passes. I am inclined to believe the House will probably hold hearings on it.

I think that to provide for court review of questions courts deal with best—as I have indicated, the questions of law—is the point that we should consider as we address the merits of my amendment. I think, too, Mr. President, that there was an interesting idea from a very learned individual who took the time to research this question and, while his letters are part of the record—that is Mr. James E. Macklin, Deputy Director of the Administrative Office of the United States Court. He concludes that letter by suggesting that Congress commission a study of all approaches, including S. 11 and S. 2292, with a report be filed with Congress on a certain date. By whom and how the study is to be conducted is, of course, a matter for this Congress to decide.

I think what we have here, to make the full circle, is a difference of opinion as to how we can acquit the responsibility we have to provide meaningful review.

My compromise has attempted to achieve a blend: provide an opportunity through the courts to challenge decisions from the standpoint of policy and still use the expeditious procedure available by the Board of Veterans' Appeals.

So, I would urge my colleagues to reflect on the merits specifically.

I will conclude by referring to a point that was made in the general debate with regard to the narrow "windows" of review and its supposed beneficial effect in improving the rationality of VA decisionmakers.

That does not make an awful lot of sense in general terms because if one interprets the standard so narrowly that virtually no decision would be reversed, and that is what the Federal bench tells us, why in the world would any decisionmaker be influenced one way or another?

My amendment, S. 2292, deals with the VA regulatory process, and I think we can be assured the judicial review provisions there are going to make the VA more responsive. Federal judges are not the least bit shy about reversing institutional decisions like regulations. But let us not kid ourselves. If we can impose a standard of review that no veteran can meet, the only effect it is going to have is to increase lawyers' fees. Make no mistake about it, Mr. President, our veterans are going to be paying those fees.

Further, it has been said that the veterans have spoken, and that what they want is Federal court review of benefit decisions.

I did a little research, Mr. President, on the source of this comment. It is from a survey commissioned by the Vietnam Veterans of America. I think it is fair to point out that the survey did not ask about S. 11. There also appears to be a serious problem with the methodology of the survey and its overall validity. It was the University of Michigan's Institute for Social Research which reviewed the study and reported this about the wording of the questions posed to those responding: "It subsequently biases the question in the direction of favoring judicial oversight and review."

I had questions myself about this survey after it was presented to the committee. When I asked the VVA to respond, they told me to write to the company that did the survey. We did write the company. That was a month ago. We are still awaiting a reply.

The important point, I think, is not whether the study is valid or not. The important point is that veterans get a fair shake on their claims of benefits by an independent veterans' board, a strict review of regulations. That is exactly what S. 2292 does.

I thank the Chair.

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. I yield such time as the distinguished Senator from Wyoming, a former chairman of this committee, may need.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, I thank the chairman and, indeed, it was a great privilege to serve as chairman of this committee and to be ranking member of the committee in my earlier years here.

I cannot commend anyone more than Senator MURKOWSKI for his splendid work as ranking member of the committee and what he does and how the two of them—and this is how the Veterans' Affairs Committee works—put together some awfully good pieces of legislation for the veterans of this country and have done a beautiful job.

I really have watched with great admiration as to how they have done that. Here I applaud, again, Senator MURKOWSKI's efforts to achieve a compromise on this issue, but I must oppose his effort to substitute the provisions of S. 2292 for S. 11.

There, so I have already said I admire what he is doing and I do, but in this instance, though, I think that, indeed, the Murkowski amendment does not provide an opportunity for judicial review of individual benefit terminations. The veterans may seek review of VA rules and regulations under the Murkowski amendment, but they would be unable to appeal a denial of benefits that they felt to be manifestly unjust.

Most other recipients of Federal benefits are entitled to judicial review. If one looks through the entire spectrum of Federal statutes and regulations, you will find that.

So the preclusion of judicial review contained in section 211(a) originally reflected the view, certainly accrued view, in my mind back then, that veterans benefits are somehow mere gratuities and that veterans have no interest in or rights to those benefits so compelling as to warrant protection accorded by access to court review. That was apparently what they thought in those days. I think that position modernly is clearly untenable and even offensive, particularly in light of the significant case law that has emerged concerning the legal status of Federal entitlements, beginning with the Seminal case, Goldberg versus Kelly in 1970 in which the Supreme Court held the benefits—in that case they were welfare benefits—are more in the nature of a right than a privilege for purposes of due process protection.

In no sense is that to be equated with a veterans benefit being any kind of benefit like that. But it is important when we compare it with regard to the nature of a right rather than a privilege. Inasmuch as administrative determinations concerning, as I say, virtually all other Federal benefits are subject to some judicial review, the only significant exception that I know of are determinations concerning benfits under the Federal Employees Compensation Act. I think it is both unjustifiable and fundamentally unfair to deny the veteran claimants such a common and highly valuable right.

Of course, Senator MURKOWSKI has done a beautiful job explaining what happens to judicial review. I have been working on judicial review for 9 solid years trying to get something that would pass the House, I guess is the best phrase. I do not know if we will ever get that done, but at least we will have, I hope a better chance with an amendment I will deal with later in the day which is to place judicial review on the Cabinet-level VA post. I will address that separately. That is not a ploy, it is not an attempt to place that one out of the water; it is an attempt to send something over on a vehicle that will not be derailed.

I think there is, obviously, cause to have great confidence and confidence in the good-faith individual adjudicators and the adjudicative bodies within the VA. I do. The VA is a superb organization. But any organization of that size and scope indeed demands our complete attention, especially with regard to benefit referral, and the Board of Veterans Appeals—I am not saying there is any wholesale breakdown over there. That is not true, but there is obviously a proportion of cases, however small, that are wrongly decided by the BVA where the only possible hope of correcting the resulting injustice then lies in the judicial review system.

I just think even though this is certainly a commendable attempt at judicial review, I do not think that it goes far enough, and I think it must go further in some form of S. 11, which I have cosponsored in the past and will do so again if again we fall short.

To continue to inform claimants before the VA that benefits to which they are entitled by law could be wrongfully denied and that there is simply no remedy for such a wrongful denial I think no longer seems to me to be an acceptable position.

Again, I speak against the Murkowski amendment and in favor of S. 11. I want to again thank Senator MURKOWSKI and Senator CRANSTON for the work they do for veterans. Do not let anybody ever tell you in America that somehow the veterans of America get short shrift. They do not. They are treated very generously by a country that should treat them generously. That budget this year is nearly $29 billion for 28 million veterans. I think that is pretty real.

I always get hammered flat in my game, but I will say it one more time, you show me a veteran from a combat theater who served in that theater, whether they were in combat or not, just a combat theater, whether he or she was a typist or carrying a 57-recoiless, I say give him or her anything it takes; that is what this Government should do. But for heaven's sake, I have never yet been able to understand why we should pay the same benefit to some person who served 6 months, never left the United States of America and does not know one or two from either end, and give them the same benefits that you give to a combat theater veteran. It will not work. It gets to the height of absurdity. We must address it in the nature of priorities, priorities in this country for veterans and priorities for those who served overseas in a combat theater. We do not have any question about that. Or those who serve with service-connected disabilities. But we have to look at those things, and that is tough.

I admire the chairman and the ranking member for at least addressing those things, and we will ever address them. But certainly the American people should not be driven by what I call the professional fundraising veterans who simply try to alarm the American people to somehow make them believe that American veterans are second-class citizens or that they are somehow being given the short shrift.

Look at the record of Senator AL CRANSTON and Senator FRANK MURKOWSKI and my own in my time as chairman, and you will find that we respond to these remarkable citizens in our society in extraordinary ways and, we will again. But somewhere along the line we have to start making distinctions between those certainly with non-service-connected disabilities, some addressing of their net worth, some addressing of their income, and we do that, but that is aside from this.

I believe at this time it is not the judicial review measure that we seek. I want one that is a little stronger, and that would be S. 11. I hope, indeed, we could then tie it to a vehicle which has a chance of getting through the House of Representatives.

I thank the Chair and I yield the floor.

The PRESIDING OFFICER (Mr. SHELBY). The Senator from California.

Mr. CRANSTON. Mr. President, I yield 5 minutes to the distinguished Senator from Arizona, who has been a strong supporter of the effort over these years to get judicial review.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. Mr. President, I thank the distinguished chairman, Senator CRANSTON, and compliment him for the work and time he has put into this effort, and also the Senator from Wyoming for the many years and time he has put into this issue. He and I have clashed a time or two in this Chamber on veterans' issues and others, but as he said for 9 years he and I have been along that same path.

I also thank the junior Senator from Alaska for his effort to strike a compromise. We all appreciate that part of this process, but regret we could not find something in between. I toyed with it for some time and talked to veterans in my State as well as some of the organizations that the Senator from Alaska cites but came down on the side that judicial review is really fundamental. It is something on which we cannot afford to compromise. There are some principles that have to stand in place. One of those is the right, whether it be a veteran or anyone else, to avail themselves of going to the courts of this country if they elect to do so. It is not a mandatory effort that is in S. 11. So, therefore, I rise in strong opposition to the substitute amendment of the Senator from Alaska, and I reaffirm my support for S. 11, the Veterans Administration Adjudication and Judicial Review Act.

Mr. President, once again we are here to determine whether veterans should be granted their inalienable civil right to a full and fair hearing in a court of law if their benefits are denied by the Veterans' Administration Board of Veterans' Appeals. Why should veterans, the very individuals who put their lives on the line, be denied the right to go to court?

We are going to consider sometime this year, I believe, a fair housing bill, and one of the strong objections I had to that bill—and it has been resolved now, I believe—is that there was a prohibition of going to court if you were charged with a fair housing violation, that you had to stay within the administrative law judge procedures. But now there is a compromise that does let the person who is charged with a fair housing violation the opportunity to go to the courts if they want to. Timely, yes; costly, certainly, but it is a fundamental principle in this Nation of ours.

This same principle ought to apply to veterans, and it is no secret that now, yes, they are protected in the sense that they are not going to pay attorneys' fees because they cannot hire attorneys and they cannot have their day in court. All they can do is go through the appeals process. That does not make a lot of sense to me. That does not seem to be where we should be helping the veterans.

S. 11 provides for some protections. There are some limits. First of all, you cannot pay the lawyer out of any awards until the veteran has exhausted all the appeals process within the Veterans' Administration. Only then can the veteran pay a lawyer more than current statutory limit of $10 and then there are restrictions on what the fee can be, a maximum of 25 percent of the recovery. To me this is reasonable.

I strongly urge my colleagues to reject the amendment offered by the Senator from Alaska. The Murkowski substitute guts the very purpose of the legislation before us today. Without an independent review of erroneous and manifestly unjust factual decisions made by the Board of Veterans Appeals, we will continue to leave the fox in charge of the henhouse. It simply just does not bode well with me that we should rule out this fundamental principle.

Mr. President, the Murkowski substitute would perpetuate a special judicial system for veterans that in effect denies them protection from unjust decisions made by the Federal agency whose very purpose is to serve them. Unlike the substitute amendment, S. 11 would restore fundamental fairness into the Veterans' Administration claim adjudication process. S. 11 will not provide veterans a handout. It will simply allow them a fair shake in a court of law if the Board of Veterans Appeals does not do so.

So, Mr. President, I hope my colleagues today will reject the amendment of the distinguished Senator from Alaska and will proceed to pass S. 11 as it has been introduced. I am proud to be a cosponsor. I thank again the Senator from California for his time and for the tremendous amount of effort he has put into this very important legislation.

Mr. CRANSTON. I thank the Senator from Arizona very much for his comments and for his work on this matter. I yield such time as he may need to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. MURKOWSKI. I wonder, Mr. President, if I may inquire as to the time remaining just so we have some idea.

The PRESIDING OFFICER. The Senator from California has 15 minutes 52 seconds. The Senator from Alaska has 14 minutes 35 seconds on the amendment.

Mr. MURKOWSKI. I thank the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. I thank the Chair. I thank the distinguished Senator from California.

Mr. President, five times the Senate has taken up this legislation and we have passed it. We have sent it over to the House, unfortunately, only to see it die.

I think it is unfortunate that we are back here against discussing whether or not we are finally going to complete the legislative process of providing for the only group of Americans who do not have the right to go to court to seek redress for a grievance by some kind of administrative decision which is made or not made on their behalf.

Mr. President, it seems to me that clearly one of the most fundamental principles of this country, one that all of us spent a lot of time giving speeches about, talking about, and we learned about as kids in school from the day we begin to think about the United States as a Government, is the notion of due process, equal access to the courts of law, rule of law, the process by which we have the right as citizens to have grievances addressed by that body of government that specifically was set up to be separate from the day-to-day pressures of administration, of politics, and to somehow have the ability to rule by standards that the courts apply to either arbitrary and capricious behavior or other such standards.

Here we are in 1988 with a group of people who wear the uniform of their Nation, go to war, or do not go to war, serve in time of peace, often tedious and difficult, who come back to this country to find perhaps some disability they may have gained by virtue of that service may be viewed by someone in the Veterans' Administration differently from the way the doctors viewed it, differently perhaps from the way a psychiatrist or a psychologist or some professional has viewed it. So they make a judgment about that person's life. The VA will make a judgment and say, I am sorry so and so. But we deem that you do not get 100 percent disability for what happened to you. We deemed that you were not injured in the course of duty, or some such decision which can have a life and death effect on that individual. I say life and death. I really mean that. I not only testified before the committee when the distinguished chairman held hearings. But I submitted testimony from some veterans from Massachusetts one of whom has a 60-percent disability clearly, directly related to his service in Vietnam. Every psychiatrist that has ever interviewed him has said he is 100-percent disabled because of post-traumatic stress syndrome. He has had enormous family problems, no longer married, struggles to see his kids, support them, and take care of them. He tried to go to school and had great difficulty settling down and going to school. All of these people recommended 100-percent disability. Mr. President, the VA denied it. They denied it again and again and again.

This person sitting on the brink of perhaps taking his own life, not perhaps—it was about to happen one Christmas because of his sense of desertion by his own country that he served, because of his sense of the adversarial nature of a relationship that had been created between him and the agency that was supposed to serve him, the Veterans' Administration. And he was so totally depressed and disturbed by that that he came to the brink literally of taking his life.

Mr. President, it seems to me that we have an obligation to allow people in that kind of predicament to be able to take their case to an independent person, the court system of this country, and have them adjudicate whether or not that person has been treated fairly. That is all we are asking for; basic fairness. Mr. President, illegal aliens get to go to court. They do not even have the full rights of citizens by virtue of citizenship but they do have constitutional rights because that is the kind of country we are. They go to court. Mentally ill and disabled get to go to court if one of their institutions or agencies or some private person not acting on their behalf, correctly makes a decision. They can go to court. Social Security pensioners enjoy the right to go to court. But a veteran of service in the military forces of the United States of America does not have the right to go to court. Why? Why not?

Mr. President, this is a residual of the Civil War period, a period of more paternalistic attitudes when people said we have to protect the veterans returning from the Civil War. We do not want a lot of lawyers suddenly making a lot of money off them with suits against the Government. So a limit of $10 on attorneys' fees was then put on in veterans' cases during the Civil War. Here we are in 1988, and the very same standard still applies. It simply is incomprehensible, Mr. President, as to why it is in this modern era that this situation still exists.

A poll was recently taken, a professional poll by Cambridge Survey Research in Cambridge, MA. That poll showed that across this country by a margin of 3 to 1 veterans support full judicial review—not the Murkowski partial kind of judicial review which, as the Senator from Arizona says, guts the heart of the real judicial review which the chairman of the committee is proposing, but 3 to 1 they support a full judicial review. That cuts across all demographic groups and attitudes and political philosophies.

Mr. President, I would like to look very quickly at just a couple of arguments that people use against it. They say, well, the current system works. So why fix it? Mr. President, the current system is not working. It does not work. There are too many veterans across this country who feel that they have not gotten the full measure of legal review of their individual cases, and they feel aggrieved. What we are really talking about is a personal relationship here between a veteran and the agency that was set up to serve that veteran.

It seems to me that it is not very painful for the Government of this country to guarantee that the person who served and for whom the VA was set up to continue to serve that person in the aftermath of their active duty that we will continue to serve them in the best way possible. It seems that the best way possible is to guarantee that they have the full measure of legal review of their grievances should they continue at a later point in their life.

A number of cases have indicated that the current system is not working, not just the case that I articulated, but hundreds of other cases around the country where veterans have been denied compensation or denied rights that they feel are forthcoming to them. You know, you have to stop and say to yourself, what are we scared of? What are we worried about? That a veteran might come in and have a legitimate claim that some judge says, "Hey, you were wronged, you ought to have 100 percent"? Are we scared of that? Are we scared of allowing a guy or a woman who serves their country and who has a legitimate grievance to be paid the appropriate sum for that grievance?

If we are not willing to do that, then what right do we have to turn to another generation of people and put a lot of advertisements on TV and say, "Hey, join the Navy, the Army, whatever; it is not a job, it is an adventure." And the adventure will continue for years to come as they discover that the adventure is going to the VA and trying to get help. I do not think that is the kind of adventure we had in mind.

I think we denigrate the nature of the service when we turn to people and say we are not willing to allow them to have the courts of this country who review the claims of illegal aliens, the mentally disabled, and others, we are not going to let them review the people who stand in uniform and serve their country. If ever evidence was needed of a change in the relationship between the VA and the veterans, the famous NARS case, the National Association of Radiation Service against the VA, ought to stand as a monument to it. In that suit a Federal judge last year fined the Veterans' Administration over $100,000 due to its destruction of documents and efforts to obstruct justice. That is the finding of a Federal court judge, that the VA was obstructing justice and destroying documents.

We also know, those of us who have been fighting for the Agent Orange review, about the difficulties of getting the VA to perform the studies which the Government had funded. So that is another example of the kind of tension between the veteran community and the VA and the institution, that was set up to serve them.

Second, it is argued that with judicial review, a lot of attorneys are going to make a lot of money. The distinguished Senator from California has taken care of that, because there is a limit on attorneys' fees and on the amount of money they could make.

I think what is clear is that veterans, rather than attorneys, will be the beneficiaries under the Cranston bill.

Third, it is argued that judicial review will cost too much. There is a funny, double-edged sword in that argument. If you are going to tell people that judicial review will cost too much, you are insinuating that there are a lot of cases out there waiting to be adjudicated; that a lot of veterans have grievances and they will suddenly come forward with them. My feeling is that the contrary will happen. If you have the right of review, maybe you will finally get the review you should have received initially, because the VA will not want to go to court and will not want a judge to reverse them, and they would rather judge it favorably on the facts, in the first place, and you would only have the grievances centered around the case which ought to go to court, at which time you will have a minimal cost.

The General Accounting Office has made a judgment about that cost, and they have suggested that the cost would be $2 million in the first year and $16 million over 5 years.

A simple question: If we cannot afford $2 million in 1 year and $16 million over 5 years to provide access to this problem for veterans of all eras and all wars and all periods of service, we are missing the point of what service to country really means.

I respectfully suggest that far from creating an adversarial relationship, the passage of judicial review would in fact adjust the relationship which, for too many veterans, is adversarial today. It will permit us to create a better working relationship between the institution that is supposed to serve the veteran community and the veteran community itself.

I respectfully suggest to the distinguished Senator from Alaska that I believe his substitute is a substitute that would gut the very heart of what judicial review is supposed to be about, because it would not be independent, it would not be separate, and it would not provide access to the court system of the kinds of complaints which are at the heart of grievances one hears from veterans all over this country.

Mr. President, I strongly urge my colleagues to reject the Murkowski substitute and to pass Senator CRANSTON's S. 11, which is a strong and appropriate form of judicial review for the veterans of this country. I think that whether one served in World War I, World War II, Korea, Vietnam, or in peacetime, it is very clear that accepting this legislation is not only the appropriate and right thing to do, but also is good public policy, and it will result ultimately in the saving of money and in rectifying a breach of relationship between veteran and country that should not exist at this time.

Mr. MURKOWSKI. Mr. President, I appreciate the comments of my friend from Massachusetts.

I think that, as has been evidenced by others who have engaged in the debate here, the reference to reality and S. 11 and the fact that on four other occasions we have seen the House of Representatives fail to respond to the same legislation points to the fact that if we are going to get anywhere with judicial review, whether it be in S. 11 or the compromise the Senator from Alaska has proposed, we will have to be responsive to the concerns of the House, and that has not been the case.

When we use the argument that, somehow, a veteran on an appeal is going to be better off appealing before a court of appeals, I find that to be somewhat ironic. Here we have the Board of Veterans Appeals, which is responsive and knowledgeable, has a background of the sensitivities associated with the various disabilities all veterans have become exposed to. You can imagine the sensitivity of a court, a court of appeals, to a particular claim on disability. I fail to see that under S. 11, the same type of dedication, the same type of commitment by knowledgeable people would prevail, as opposed to a court of appeals, which already has a calendar that is far behind in responding to the number of cases in the caseloads, with the additional burden put on that court. I venture to say that in a year or perhaps less, if S. 11 becomes law, we are going to be faced with some real problems in the ability of the court of appeals to be responsive.

As my friend from Massachusetts noted, with reference to the right of a veteran to proceed in the initiation of litigation, that right is in my amendment. It is in the clearest vein, in the sense that lawyers and courts do what they do best, and that is to argue the points of law. That is provided in the amendment. But the Board of Veterans' Appeals is deciding thousands of claims. They have the knowledge and the experience to be responsive to those claims, and under S. 11 we are moving this entire load over to a court of appeals which has no expertise, experience, or knowledge.

The veteran is going to be paying the attorneys' fees. The veteran is going to be subjected to an extended wait.

The American Legion, the VFW, the Disabled American Veterans, the Judicial Congress of the United States have all gone on record as being opposed to S. 11 and supportive of the compromise, because they understand, as I would hope a majority of my colleagues would, that judicial review—which is what the senior Senator from California, the chairman of the Veterans Committee and the junior Senator from Alaska, and virtually everyone who has spoken here this morning wants to achieve—is only achievable through the compromise amendment I have submitted as S. 2292.

I urge my colleagues to support the adoption of the amendment.

Mr. CRANSTON. Mr. President, I yield 7 minutes to the distinguished Senator from Pennsylvania, on the bill.

Mr. SPECTER. Mr. President, I thank the Chair and I thank the distinguished Senator from California, the chairman of the committee, for yielding time to me.

Mr. President, after considerable analysis, I have decided to support the proposal which would allow limited judicial review, but I do so in a context of expressing my concern that the breadth of the judicial review is too limited. The terms of the existing language, which would allow review on factual matters in situations "so utterly lacking in a rational basis in the evidence that a manifest and grievous injustice would result if any such finding were not set aside," is very limited indeed. This is an extraordinary limited scope of judicial review.

My own sense is that the judicial review ought to be broader. In saying that, I am not unmindful of the fact that in the House of Representatives there is very substantial opposition to any judicial review and that, in crafting this limited scope of judicial review, the draftsmen have done so in an effort to at least open the door.

My own sense is that the bill would be much better if some of the traditional standards for judicial review were used: that is the language of "arbitrary and capricious" or "not supported by substantial evidence." But in the context of what may realistically be achieved at the present time, in terms of at least beginning the process of judicial review, it is my conclusion that this opening is better than any lesser standard and better than none at all.

When this issue was considered in committee, I expressed the same views that I am articulating on the floor here today—that it seemed to me that this scope of judicial review was simply too limited. Frankly, I have been uncertain as to whether it would be better to defeat this bill with its limited scope of judicial review that may turn out to be unrealistic, and try to get a more realistic standard, or to vote for this limited judicial review on the basis that it at least is a beginning and that we can have some experience with this judicial review to see if in fact it will be meaningful.

I am aware, Mr. President, that there is significant value in having some judicial review, however limited, because if the finders of fact know that their findings will be reviewed by someone under some standard, then they will be inclined to be more careful, most probably, than if there is absolutely no judicial review at all.

We also know, Mr. President, that, as a practical matter, when there is a review of any sort on the facts, the reviewers will take a look at the underlying equitable situation. The reviewers will take a look at the facts. They will take a look at language which is even as narrow as this language and they may say ultimately, "Well, we are not really sure what is meant by language 'so utterly lacking in a rational basis,' we are not exactly sure what is meant by 'manifest and grievous injustice,' but we do believe what was done here is basically wrong and there is an injustice and it satisfies us as to a manifest and grievous injustice."

Perhaps those situations where there is a basic injustice done will be viewed to meet this standard, perhaps not substantially different than if there were an arbitrary and capricious standard.

My net conclusion, Mr. President, is there is enough value in this language of judicial review to go forward. We are all concerned that if there is an opening for judicial review there may be frivilous cases taken. I do not think there is any way to avoid that. But it is my thought that the best course at the present time is to adopt this standard for judicial review. Let us have some experience in the next year or 2 or 3, see how it works, and then, perhaps, come back at a later date, having had that experience, to see how many appeals there are, to see what happens under this standard and, at that juncture, if warranted, to broaden the standard of judicial reivew.

I again thank the distinguished chairman, the senior Senator from California. I thank the Chair and I yield the floor.

Mr. CRANSTON. Mr. President, I appreciate the concerns of the Senator from Pennsylvania [Mr. SPECTER] about the scope-of-review provision in S. 11. This issue was also discussed at our June 29 markup on S. 11. I also appreciate very much the Senator's support for S. 11 today.

At the outset, I note that the scope-of-review provision in the bill was first adopted by the committee and the Senate in 1982 while the committee was considering S. 349. This standard has, since then, been approved by the committee and the Senate twice more without objection.

The committee's action in this regard, Mr. President—as spelled out in detail in the S. 349 report in 1982 and the committee reports accompanying the successor measures to that bill, including the report filed last week on S. 11——

(Disturbance in the visitors' galleries.)

The PRESIDING OFFICER. The Senator will suspend.

The Sergeant at Arms will restore order in the galleries.

The Senator from California.

Mr. CRANSTON. Mr. President, the committee's action in this regard—as spelled out in detail in the S. 349 report in 1982 and in the committee reports accompanying the successor measures to that bill, including the report filed last week on S. 11—was expressly intended to be very narrow so as to keep reviewing courts from routinely substituting their views on the facts for those of the BVA. The current scope-of-review provision—which precludes a reviewing court from disturbing a VA finding on a factual issue unless the court finds that finding to be "so utterly lacking in a rational basis in the evidence that a manifest and grievous injustice would result if such finding were not set aside"—meets that goal.

Mr. President, although this scope-of-review provision is narrow, I believe that the committee succeeded in crafting a standard which is wide enough to allow review of those decisions which must be reviewed—those resulting in a manifest and grievous injustice. I am satisfied that providing for factual review even of a narrow scope will have a very salutary effect on the operations of the BVA—on the evenhandedness of its decisions and on the thoroughness and clarity of its opinions.

It is true that review of most agency determinations is conducted according to the provisions of the Administrative Procedure Act which provides for a scope of review that is much broader than S. 11 would provide for—that of the substantial evidence test. The question there is, is the agency's fact finding supported by substantial evidence? However, some of the experience with that standard—most notably in the review of Social Security decisions—has been less than desirable, with reviewing courts often substituting their judgments for those of the administrative tribunal's decisionmakers.

The S. 11 provision was written to allow the BVA the greatest freedom from interference in its factual determinations, while providing a measure of hope and justice for the individual claimant with a case that fits within a narrow category, and while setting up an ever-present check and balance on the BVA in its day-to-day operations. All of the committee reports on judiciary review legislation—including that on S. 11—have been very careful and clear to state that a court is not to substitute its judgment for that of the BVA, except in those very narrowly defined circumstances, when justice demands it—and only then after first remanding the case to the BVA for its further, time-limited review.

Mr. President, I realize that two Federal judges who appeared on behalf of the Judicial Conference of the United States at the committee's April 28 hearing testified that the scope-of-review provision is remarkably narrow and that they were unclear as to whether any factual determination could fail to survive scrutiny under such a standard. Although I have great respect for their individual views and for the official views of the Judicial Conference, I submit that no one can fairly predict how BVA factual decisions will fare in court when tested against the S. 11 standard.

Because cases involving VA claims matters are almost never before the Federal courts, there is a very scant body of decisions to review. However, the facts of one such case, DeMagno versus United States, a case decided by the U.S. Court of Appeals for the D.C. Circuit, would, I believe, clearly fit within the narrow scope of review of S. 11. I believe the Senator from Pennsylvania is familiar with that case. Let me read the following statement from the court's opinion in the DeMagno case:

> We have read and reread the administrative record and the briefs of the parties, and confess ourselves mystified at the action taken by the VA in this case. Either the VA is withholding, both from us and from DeMagno, all evidence which would justify its conduct, or this woman has been the victim of wholly arbitrary administrative ineptitude, leaving her impoverished for nearly 4 years.

This case reached the court only because of a procedural fluke—the VA was recouping a claimed indebtedness by reducing insurance payments, and matters relating to VA insurance are open to review in court. Hence, I have no doubt that there are other cases in which the BVA's decision on factual matters is just as greviously flawed.

Mr. President, as I noted earlier, it is my view that providing some avenue for review of factual determinations, albeit a very narrow window, would have a most desirable impact on the BVA. I do not believe that the members of the Board will judge the possibility of court review as so remote as to justify their rendering incorrect decision on factual matters, just so long as such decisions remain outside the standard of reviewability in S. 11. Rather, I would expect BVA members to strive even harder to do their best to be fair, evenhanded, and articulate because the truth is that they will never be able to predict exactly what a particular reviewing court will do.

Finally, as I said earlier, should this scope-of-review provision be enacted and prove to be unreasonably restrictive, I am certain that our committee and the Senate could and would revisit the issue and remedy the problem. But, at this point, we need to begin somewhere with factual review, and I prefer it to be with a narrow incursion into the factual determinations of the expert tribunal charged by Congress to make these fact findings.

Mr. SPECTER. Will the distinguished chairman yield for a question?

Mr. CRANSTON. Certainly.

Mr. SPECTER. We are discussing the standards for judicial review and, doubtless, one day in the not too distant future, some judges will be wrestling with a specific factual situation. The question in my mind, that I would put to the distinguished Senator from California, might be worth some discussion at this stage: just how much difference is there between the standard which was adopted by the 96th Congress when the judicial review legislation, as reported by the Senate Veterans' Affairs Committee would have allowed the courts to reverse VA findings of fact if they were determined to be "arbitrary and capricious, so as to constitute an abuse of the Administrator's discretion" and the language in this legislation that the ruling by the Board of Veterans' Appeals is, "so utterly lacking of a rational basis in the evidence that a manifest and grievous injustice would result if such finding were not set aside?"

Bear in mind that there is still another test, whether the finding was supported by "substantial evidence," so the "arbitrary and capricious" test has a much narrower range than other tests. I think there is an effort being made here to have a narrower test than the "arbitrary and capricious" standard in establishing the language of "so utterly lacking in a rational basis that a manifest and grievous injustice would result."

My question to the distinguished chairman is: How much of a difference is there between the current legislation and the "arbitrary and capricious" standard?

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from California.

Mr. CRANSTON. Mr. President, I thank the Senator from Pennsylvania for his efforts on this point. His involvement, I am sure, will turn out to be helpful.

Let me say that as to both the "substantial evidence" standard and the "arbitrary and capricious" standard, we intend a narrower scope of review than provided for under the Administrative Procedure Act. In the final analysis, however, the final determination of the scope of review in S. 11 will have to be determined by the courts themselves. We certainly do not intend the interpretation to be so narrow that no cases would fit within the window of reviewability.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I thank the distinguished chairman for his response to that question. In raising the question, I did not seek to engage in any legal debate about the precise meanings of these definitions because that is extraordinarily intricate.

It is my understanding, as confirmed in a conversation I just had with the Senator from California and his staff, that this is the first effort to use in legislation the language of "utterly lacking in a rational basis" and "manifest and grievous injustice" Whereas, there had been previous legislation on the "arbitrary and capricious" standard.

The difficulty is, Mr. President, that there will be many appeals taken, if this legislation is enacted, where judges will be sitting and looking at the facts coming up from a veteran's case and looking at the language enacted by the Congress. The judges will be trying to figure out what the Congress meant by the language "utterly lacking in a rational basis" and a "manifest and grievous injustice." Those judges will be trying to compare it with existing case law on language relating to "arbitrary and capricious" and the language of "an abuse of the administrator's discretion."

Mr. President, I think the response of the Senator from California was helpful. Essentially what this legislation says to the judge is that there is an effort to have a limited scope of review. But the judge who makes the review ought not to look to, say, the "substantial evidence" standard, which perhaps gives the judge the opportunity to substitute his judgment for that of the VA administrator, and that the judge ought not to look to the standard of "arbitrary and capricious" because there is different language here. What we are looking for is a standard where very serious, very egregious findings ought to be reversed by the court. It is obviously difficult to apply in any predetermined way what is so "utterly lacking in a rational basis" or what is "manifest and grievious injustice," but we are not seeking here to establish a needle that is impossible to thread on appellate review. There may not be an enormously different effect between "arbitrary and capricious" and the decisions which have followed that language as contrasted with the language at hand.

What we are seeking to do is to have a limited scope of review but to be sure that if there is injustice, manifest injustice, that the matter is corrected on review. I think the discussion which we have had is helpful.

I ask if the chairman of the committee, the manager of the bill, agrees with that statement as a general proposition?

Mr. CRANSTON. Mr. President, let me just say I agree generally. Again, I stress the courts will have to make a final determination.

Mr. SPECTER. I thank the distinguished Senator. I thank the Chair and yield the floor.

Mr. MURKOWSKI. I wonder, Mr. President, if my friend from Pennsylvania will agree to respond to a question with regard to the discussion and the points which he just made.

Mr. SPECTER. I will be pleased to.

Mr. MURKOWSKI. Previously, Judge Morris Arnold addressed this question about factual findings by the VA and would they ever be reversed by a court under the S. 11 test.

The quote that I read to my colleagues from Pennsylvania is as follows:

> I would suggest to you almost any factual finding could survive such a test. Therefore, I think the real work that will be done under this standard would not be deciding whether a decision could survive it, but rather would have to do with the focus on the matter of attorney's fees because even if a claimant's suggestion that the court below erred was not accepted, nevertheless the court would be required to award a reasonable fee.

My question is: If, in the Senator's opinion, he agrees with the Judicial Conference that veterans will almost never prevail under the standard contained in S. 11 and, if so, will he conclude that there really is no question of meaningful judicial review under S. 11?

Mr. SPECTER. My response to the distinguished Senator from Alaska is that I think there is some meaningful judicial review. I think the meaningfulness of that judicial review is enhanced by the colloquy or discussion which has been held on the floor here between the Senator from California and this Senator.

It would be my hope that this provision, if enacted, will not simply be a vehicle for the establishment of attorney's fees. We are not looking for that result here. We are not unmindful of attorney's fees, but we do not want to overplay that either.

This legislation is designed to help veterans and is designed to provide the kind of review which will make the findings by the Veterans' Administration more careful. I do say candidly to my good friend and distinguished Senator from Alaska that I had problems with this in the committee. I was uncertain as to how I would vote regarding the legislation which the distinguished Senator from Alaska had offered.

After thinking the matter through, I had decided that I would support S. 11 as at least a start of judicial review. Having had some experience in a lot of fields, I have endeavored with the Senator from California to establish some legislative history which means that we are not creating the eye of the needle in such a small way that it cannot be threaded.

I am optimistic, hopeful, and expectant that Judge Morris Arnold will not be correct and we will have meaningful judicial review beyond the question of attorneys' fees.

Mr. MURKOWSKI. I thank my colleague from Pennsylvania. I think gentlemen can differ. I think the points made are certainly worthy of consideration, but I guess I happen to agree with the judge that, in my opinion, no veterans are likely to prevail and we are going to see the full finding be merely a finding of fees.

Let me conclude my remarks by reiterating to my colleagues that my amendment will go a long way and was intended to go a long way to achieve a meaningful review of veterans' cases by establishing an independent Board of Veterans Appeals.

Basically, it is my contention that S. 11 does not fix the problem but rather holds out judicial review under a standard which the veteran cannot meet. I think that is referenced in the opinion of Judge Morris Arnold.

The only issue to be decided by the Court of Appeals, as I have indicated, in this Senator's opinion, is going to be the attorneys' fees. I do not believe that is a meaningful review. We have a chance to do something very positive today about improving an existing system, and that is the purpose of my amendment. I urge its adoption.

I thank the Chair and yield the floor.

Mr. CRANSTON. Mr. President, I yield myself 1 minute on the amendment.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. I just want to say I appreciate very much and associate myself with the latest remarks by the Senator from Pennsylvania in responding to the question of the Senator from Alaska. I think those remarks help clarify the intention that we have here.

I want to add that the statements made by the supporters of this measure that is pending before us, S. 11, do indicate clearly the legislative intent that underlies this legislation.

I believe that my time is about to expire. If the Senator from Alaska is prepared to yield back his time, I will now make a tabling motion.

Mr. MURKOWSKI. I yield back my remaining time.

Mr. CRANSTON. Mr. President, I yield back my time. I now move to table the amendment of the Senator from Alaska.

Mr. MURKOWSKI. I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. SANFORD). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. CRANSTON. I would like to alert Senators to the fact that this will be followed almost immediately by a vote on final passage of S. 11, presuming the amendment is tabled.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Utah [Mr. GARN] and the Senator from North Carolina [Mr. HELMS] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 61, nays 36, as follows:

[Rollcall Vote No. 238 Leg.]

YEAS—61

Adams
Baucus
Bingaman
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cohen
Conrad
Cranston
D'Amato
Daschle
DeConcini
Dixon
Dodd
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Heinz
Hollings
Inouye
Johnston
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Shelby
Simon
Simpson
Specter
Stennis
Weicker
Wirth

NAYS—36

Armstrong
Bentsen
Bond
Boren
Cochran
Danforth
Dole
Domenici
Evans
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Humphrey
Karnes
Kassebaum
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Quayle
Roth
Rudman
Sasser
Stafford
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NOT VOTING—3

Biden
Garn
Helms

So the motion to lay on the table amendment No. 2542 was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. EXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2543

Mr. CRANSTON. Mr. President, I have a technical amendment that will take one moment. Then we will have another rollcall vote. On behalf of Senator SIMPSON and myself I send to the desk technical amendments and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from California (Mr. CRANSTON), for himself and Mr. SIMPSON, proposes an amendment numbered 2543.

Mr. CRANSTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 32, line 23, insert a comma after "served".

On page 33, line 2, insert "and inserting in lieu thereof '(hereinafter referred to as the "Chairman")" ' before the semicolon.

On page 33, line 6, strike out "of the Board".

On page 33, line 12, strike out "of the Board".

On page 33, line 24, strike out "such title" and insert in lieu thereof "title 5".

On page 34, line 25, insert "under subsection (b)(1) of such section" before the period.

On page 35, line 14, strike out "a term" and insert in lieu thereof "terms".

On page 35, line 20, strike out "of the Board".

On page 36, line 18, strike out "law" and all that follows through "temporary" on line 19, and insert in lieu thereof "law, no member or temporary".

On page 36, line 24, strike out "The" and insert in lieu thereof "A".

On page 36, line 25, strike out "the section," and insert in lieu thereof "a section,".

On page 37, strike out lines 1 through 7, and insert in lieu thereof "decision of the Board.".

On page 37, line 9, insert "determination for it to be considered a" before "final".

On page 37, line 14, strike out "(1)".

On page 37, line 16, strike out "determination," and insert in lieu thereof "decision,".

On page 37, line 18, strike out "determination" and insert in lieu thereof "decision".

On page 37, line 22, strike out "determination" and insert in lieu thereof "decision".

On page 37, strike out line 23 and insert in lieu thereof the following:

"(d) Notwithstanding subsections (a) and (b) of this section,

On page 38, line 1, strike out "service department" and insert in lieu thereof "department of the Secretary".

Transfer the material beginning with page 37, line 23, and ending with page 38, line 4, to page 38, between lines 13 and 14.

On page 40, line 16, insert a comma after "(5)".

On page 41, line 10, strike out "Chairman of the Board." and insert in lieu thereof "Chairman.".

On page 41, line 15, strike out "determination" and all that follows through "with" on line 16, and insert in lieu thereof "denial and, in the case of a denial of such request by the Board,".

On page 41, line 17, strike out "Chairman of the Board." and insert in lieu thereof "Chairman.".

On page 41, line 22, strike out "decision" and insert in lieu thereof "action".

On page 42, line 9, strike out "determination" and insert in lieu thereof "decision".

On page 42, line 11, strike out "determination" and insert in lieu thereof "decision".

On page 42, line 13, strike out "determination" and insert in lieu thereof "decision".

On page 43, line 7, strike out "Chairman of the Board," and insert in lieu thereof "Chairman,".

On page 43, line 13, strike out "opportunity—" and insert in lieu thereof "the opportunities—".

On page 44, line 13, strike out "of the Board".

On page 44, line 17, strike out "Chairman of the Board," and insert in lieu thereof "Chairman,".

On page 44, line 22, strike out "of the Board".

On page 45, line 11, strike out "of the Board".

On page 46, line 1, insert "a" before "hearing".

On page 46, line 11, insert "of such hearing" after "videotape".

On page 46, line 19, strike out "employees" and insert in lieu thereof "an employee".

On page 47, line 1, strike out "Chairman of the Board," and insert in lieu thereof "Chairman,".

On page 47, line 16, strike out "Chairman of the Board," and insert in lieu thereof "Chairman,".

On page 47, line 17, strike out "Chairman" and insert in lieu thereof "Administrator".

On page 47, line 23, strike out "or" and all that follows through "as" on line 24, and insert in lieu thereof "or by the Chairman, as".

On page 48, line 10, beginning with "Chairman" strike out all through "Board, as" on line 11 and insert in lieu thereof "Chairman, as".

On page 48, line 15, strike out "determination" and insert in lieu thereof "decision".

On page 48, line 22, insert "and the Board" before "(1)".

On page 49, line 5, strike out "opportunity" and all that follows through "Board," on line 6, and insert in lieu thereof "rights to and opportunities for a hearing provided in section 4010(d) of this title,".

On page 49, line 7, strike out "Chairman of the Board," and insert in lieu thereof "Chairman,".

On page 49, line 14, strike out "assuring" and insert in lieu thereof "seeking to ensure".

On page 49, line 23, insert "a" after "timely".

On page 51, line 4, strike out "Chairman" and all that follows through "gress" on line 6, and insert in lieu thereof "Chairman, as appropriate, shall report to the Committees on Veterans' Affairs of the Senate and the House of Representatives".

On page 53, line 20, strike out "determination" and insert in lieu thereof "decision".

On page 59, strike out lines 10 through 12, and insert in lieu thereof the following:

"(b) In any action brought under section 4025 of this title, the whole record before the court pursuant to subsection (e) of such section shall be subject to review, the

On page 59, line 23, strike out "of" and insert in lieu thereof "or".

On page 62, line 1, insert "of Veterans' Appeals" after "Board".

On page 63, line 1, insert "the" after "date of".

On page 64, line 9, insert "the" before "court".

On page 65, line 16, insert "the" after "date of.

On page 65, line 20, insert "final" after "review".

Mr. CRANSTON. Mr. President, these are a series of purely technical amendments in the bill as reported. I am prepared to yield back the remainder of my time, and I urge adoption of the amendment.

Mr. MURKOWSKI. We yield back all time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California [Mr. CRANSTON].

The amendment (No. 2543) was agreed to.

Mr. GLENN. Mr. President, I rise to support S. 11, which will allow our Nation's veterans to seek judicial review of adverse decisions of the Veterans Administration. I see absolutely no reason why businessmen, social security recipients, welfare beneficiaries, immigrants, and criminals should have that right while our veterans do not.

Mr. President, I have spoken to representatives of several national veterans organizations on this subject. I have asked them to reconsider their opposition to giving veterans this essential tool to enforce their rights under the current veterans benefits system. I have told them that I believe it is wrong to treat veterans as second class citizens, to deny them one of the most basic rights we Americans enjoy. To date I have not heard an argument which convinces me that veterans should continue to be denied the option to seek judicial review if they believe they have not been treated fairly within the VA's administrative claims adjudication process.

Let me take a moment to examine some of the arguments I have heard against judicial review, from the Veterans Administration and some of the organizations which are opposed. I have been told that judicial review would flood the courts with new cases and our judicial system cannot handle the increased caseload. Now, Mr. President, I have no doubt that the judicial workload is heavy, but I do not believe the way to address the workload problem is to deny a basic right to a particular group of citizens. If that is the answer, then why not also deny the right to businessmen, or social security beneficiaries, or welfare recipients? With appropriate resources devoted to the judicial system, there is no reason why the marginal increase in workload associated with granting the right of judicial review to our veterans should present a problem.

Other opponents of judicial review tell us that judicial review will change the way the current system works, will interfere with the current "nonadversarial" system. The general counsel of the VA recently testified, for example, that judicial review will "require VA to secure additional documentary evidence, time-consuming clinical examinations and field examinations, and in some cases, compel claimants' or other witnesses' attendance at hearings deemed necessary by the agency." Mr. President, I find it hard to believe that forcing the VA to develop a full documentary record is somehow undesirable.

The VA also complains that judicial review would force adjudicators to write more detailed explanations of their decisions, that they would have to tell veterans exactly why decisions were made, that medical files would have to be more carefully screened, and that letters to veterans would have to be more clearly written. Again, it is difficult to understand how that would be bad. Shouldn't every veteran who is denied a benefit be told the specific reasons for that denial? Shouldn't all decisions be based on a careful reading of the record? Indeed, shouldn't every decision be based on the best and most appropriate evidence?

Mr. President, I am not one who supports judicial review because I think the current system is broken and cannot be fixed. Rather I believe judicial review is a fundamental right veterans should have the option to exercise—whether there is one mistake in every 100 claims or one in a million. It is just plain right.

That does not mean there are no problems with the current process, however. In examining the case for the elevation of the VA to cabinet status, the Committee on Governmental Affairs uncovered some surprising facts about the way the current process works. The Committee was particularly concerned about testimony which indicates problems in the timely and accurate handling of claims within the Department of Veterans Benefits [DVB], which makes initial decisions, and the Board of Veterans Appeals [BVA], which adjudicates final appeals. According to testimony before the committee, the VA regional offices are having a number of problems:

> There has been a steady decline in the number of DVB employees over the past several years, without a corresponding decline in workload.
>
> The length of time it takes to obtain VA compensation and pension examinations has been steadily increasing.
>
> The VA's preoccupation with end products measurement of work level and activity may be detrimental to timely, quality decisionmaking; and
>
> The inadequacy and over-reliance on form letters and the impersonal nature of computer-generated correspondence may be promoting frustration and confusion among many VA claimants.

Despite VA's efforts to address these problems, internal VA documents and evaluations reviewed by the committee raise additional questions about claims processing practices in both BVA and the DVB. Mr. President, let me focus on one problem which was particularly troubling to the committee:

> According to a 1984 internal study by the VA's office of program planning and evaluation, there appears to be a lack of consistency among regional offices in making rating decisions based on the exact same evidence. The study used a set of identical cases which were sent to 56 of the 58 regional offices for rating. All offices received the identical cases.
>
> According to the study results, not all offices rated the cases equally. In the identical post-traumatic stress disorder case, 2 of the regional offices rated the claim at 0 percent disabling, 16 rated the case at 10 percent, 19 rated it at 30 percent, 13 at 50 percent, and 1 at 70 percent.
>
> In the chronic cervical strain case, 2 of the regional offices rated the claim at 0 percent disabling, 13 at 10 percent, 12 at 20 percent, and 26 at 30 percent.
>
> In the hypertensive heart disease case, 3 regional offices rated the claim at 10 percent disabling, 2 at 20 percent, 25 at 30 percent, 21 at 30 percent, and 2 at 100 percent.
>
> The general conclusion of the study, that "some disabilities can and will be assigned different ratings based on the same evidence," was deeply troubling to the committee.

Unfortunately, in the 4 years since the study, the personnel cuts have continued, the computer system has gotten older, and training funds have remained scarce. We simply do not know whether the problems have been fixed, because the VA has never repeated the study.

Mr. President, this is just the kind of problem that leads some of my colleagues to argue in favor of judicial review. It is my belief, however, that the case for judicial review is persuasive even in the absence of this kind of evidence. There are few rights so valued in this country as the right to take one's grievance to court. Imagine for a moment the kind of society we would have if no Americans had the right of judicial review, if all Government agencies were insulated from inspection by an independent judiciary. That is a society I would not want to live in.

Yet, our Nation's veterans live in that society. Once they exhaust their administrative options inside the VA, they have no place to turn. They have no recourse if they believe the VA's administrative adjudication process has not treated them fairly. They cannot submit their case to review by an independent, impartial judicial body. All other citizens, whose rights and freedoms these veterans fought and died to defend, have the right to judicial review; I think it is long past time for veterans to have that right, too.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment, as amended, was agreed to.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. CRANSTON. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Utah [Mr. GARN] and the Senator from North Carolina [Mr. HELMS] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 86, nays 11, as follows:

[Rollcall Vote No. 239 Leg.]

YEAS—86

Adams
Armstrong
Baucus
Bentsen
Bingaman
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Glenn
Gore
Graham
Gramm
Grassley
Harkin
Hatfield
Hecht
Heinz
Hollings
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
McCain
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski

Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Quayle
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Thurmond
Trible
Warner
Weicker
Wilson
Wirth

NAYS—11

Bond
Hatch
Heflin
Lugar
McClure
McConnell
Proxmire
Roth
Rudman
Symms
Wallop

NOT VOTING—3

Biden
Garn
Helms

So the bill (S. 11) was passed, as follows:

S. 11

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Veterans' Administration Adjudication Procedure and Judicial Review Act".

(b) Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—VETERANS' ADMINISTRATION ADJUDICATION

SEC. 101. (a) Chapter 51 is amended by adding at the end of subchapter I the following new section:

"§3007. Burden of proof; benefit of the doubt

"(a) Except when otherwise provided by the Administrator in accordance with the provisions of this title, a claimant for benefits under laws administered by the Veterans' Administration shall have the burden of submitting evidence sufficient to justify a belief by a fair and impartial individual that the claim is well grounded. The Administrator shall assist a claimant in developing the facts pertinent to his or her claim.

"(b) When, after consideration of all evidence and material of record in any proceeding before the Veterans' Administration involving a claim for benefits under laws administered by the Veterans' Administration, there is an approximate balance of positive and negative evidence regarding the merits of an issue material to the determination of such claim, the benefit of the doubt in resolving each such issue will be given to the claimant, but nothing in this section shall be construed as shifting from a claimant to the Administrator the burden described in subsection (a) of this section.".

(b)(1) The table of chapters at the beginning of title 38, United States Code, and the table of chapters at the beginning of part IV of such title are each amended in the item relating to chapter 51 by striking out "Applications" and inserting in lieu thereof "Claims".

(2) The heading of such chapter is amended to read as follows:

"CHAPTER 51—CLAIMS, EFFECTIVE DATES, AND PAYMENTS".

(c)(1) The table of sections at the beginning of such chapter is amended in the item relating to subchapter I by striking out "APPLICATIONS" and inserting in lieu thereof "CLAIMS".

(2) The heading of subchapter I of such chapter is amended to read as follows:

"SUBCHAPTER I—CLAIMS".

(d) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 3006 the following new item:

"3007. Burden of proof; benefit of the doubt.".

SEC. 102. Section 3311 is amended by adding at the end the following new sentences: "Subpenas authorized under this section shall be served by any individual authorized by the Administrator by (1) delivering a copy thereof to the individual named therein, or (2) mailing a copy thereof by registered or certified mail addressed to such individual at such individual's last known dwelling place or principal place of business. A verified return by the individual so serving the subpoena setting forth the manner of service, or, in the case of service by registered or certified mail, the return post office receipt therefor signed by the individual so served, shall be proof of service.".

SEC. 103. (a) Section 4001(a) is amended—

(1) by striking out "directly responsible to the Administrator" in the first sentence and inserting in lieu thereof "(hereinafter referred to as the 'Chairman')"; and

(2) by inserting before the period at the end of the second sentence "in a timely manner".

(b)(1) Section 4001(b) is amended to read as follows:

"(b)(1) The Chairman shall be appointed by the President, by and with the advice and consent of the Senate, for a term of five years. An individual may serve as Chairman for not more than three complete terms. The Chairman may be removed by the President for good cause.

"(2)(A) The members of the Board shall be appointed by the Chairman for a term of nine years. A member appointed to fill a vacancy resulting from the resignation, death, or removal of a member before the end of the term for which the original appointment was made shall serve for the remainder of the unexpired term. Members may be reappointed without limitation. The Chairman shall designate one member as Vice Chairman. Such member shall serve as Vice Chairman at the pleasure of the Chairman.

"(B) A member of the Board may be removed only by the Chairman and only for good cause established and determined by the Merit Systems Protection Board on the record after opportunity for hearing before the Merit Systems Protection Board. Section 554(a)(2) of title 5 shall not apply to a removal action under this subparagraph. In such a removal action, a member shall have the rights set out in section 7513(b) of title 5.".

(2) The President shall appoint a Chairman of the Board of Veterans' Appeals under section 4001(b)(1) of title 38, United States Code (as amended by paragraph (1)), not later than one year after the date of the enactment of this Act. The individual who is serving as Chairman of the Board of Veterans' Appeals on the date of the enactment of this Act may continue to serve as Chairman until a successor is appointed. If such individual is appointed as Chairman under such section, none of the service of such individual as Chairman before the date of that appointment shall be considered for the purpose of determining the term of appointment or eligibility for reappointment under such section.

(3) Appointments of members of the Board of Veterans' Appeals under subsection (b)(2)(A) of section 4001 of title 38, United States Code (as amended by paragraph (1)), may not be made until a Chairman has been appointed under subsection (b)(1) of such section. An individual who is serving as a member of the Board on the date of the enactment of this Act may continue to serve as a member until the earlier of the date on which the individual's successor is appointed under subsection (b)(2)(A) of such section or the expiration of the 180-day period that begins on the day after the Chairman is appointed under subsection (b)(1) of such section.

(4) Notwithstanding the provision in section 4001(b)(2) of title 38, United States Code (as amended by paragraph (1)), that specifies the term for which members of the Board of Veterans' Appeals shall be appointed, of the first members appointed under such section—

(1) 21 members shall be appointed for a term of three years;

(2) 22 members shall be appointed for a term of six years; and

(3) 22 members shall be appointed for a term of nine years.

The first Vice Chairman of the Board designated under such section shall be selected from among the members appointed for terms of six years or nine years.

(5) Section 5315 of title 5, United States Code, is amended by adding at the end the following:

"Chairman, Board of Veterans' Appeals.".

(c) Section 4001 is further amended by adding at the end the following new subsections:

"(d) The Chairman shall submit a report to the Committees on Veterans' Affairs of the Senate and the House of Representatives, not later than December 31, 1988, and annually thereafter, on the experience of the Board during the prior fiscal year together with projections for the fiscal year in which the report is submitted and the subsequent fiscal year. Such report shall contain, as a minimum, information specifying the number of cases appealed to the Board during the prior fiscal year, the number of cases pending before the Board at the beginning and end of such fiscal year, the number of such cases which were filed during each of the 36 months preceding the then current fiscal year, the average length of time a case was before the Board between the time of the filing of an appeal and the disposition during the prior fiscal year, and the number of members of, and the professional, administrative, clerical, stenographic, and other personnel employed by, the Board at the end of the prior fiscal year. The projections for the current fiscal year and subsequent fiscal year shall include, for each such year, estimates of the number of cases to be appealed to the Board and an evaluation of the Board's ability, based on existing and projected personnel levels, to ensure timely disposition of such appeals as provided for by subsection (a) of this section.

"(e) Notwithstanding any other provision of law, no member or temporary or acting member of the Board shall be eligible for or receive, directly or indirectly, bonuses (in addition to salary) relating to service on the Board.".

SEC. 104. Section 4003 is amended to read as follows:

"§ 4003. Determinations by the Board

"(a)(1) A determination, when concurred in by the requisite number of members of a section, shall be the final decision of the Board.

"(2) The requisite number of members of a section that must concur in a determination for it to be considered a final decision is—

"(A) for an allowance of a claim, a majority of the members of the section; or

"(B) for a denial of a claim, all members of the section.

"(b) When there is a disagreement among the members of the section in any case in which unanimity is required for a final decision, the concurrence of the Chairman with the majority of the members of such section shall constitute the final decision of the Board. The Chairman may, instead of voting, expand the size of the section for determination of that case, and the concurrence of a majority of the members of the expanded section shall constitute the final decision of the Board.

"(c) If, without the vote of a temporary member designated under section 4001(c)(1) of this title or the vote of an acting member designated under section 4002(a)(2)(A)(ii) of this title, a section would be evenly divided in the determination of any claim—

"(1) such member shall not vote; and

"(2) the Chairman shall expand, by not less than two members, the size of the section for determination of that claim.".

"(d) Notwithstanding subsections (a) and (b) of this section, the Board on its own motion may correct an obvious error in the record or may reach a contrary conclusion upon the basis of additional information from the department of the Secretary concerned after notice of such additional information is furnished to the claimant and the claimant is provided an opportunity to be heard in connection with such information.

SEC. 105. Section 4004 is amended—

(1) in subsection (a)—

(A) by striking out "involving" in the first sentence and inserting in lieu thereof "for"; and

(B) by inserting before the period at the end of the second sentence "after affording the claimant an opportunity for a hearing and shall be based exclusively on evidence and material of record in the proceeding and on applicable provisions of law";

(2) by striking out subsection (b) and inserting in lieu thereof the following:

"(b)(1) Except as provided in paragraph (2) of this subsection, when a claim is disallowed by the Board, it may not thereafter be reopened and allowed and no claim based upon the same factual basis shall be considered.

"(2) Following such a disallowance, the Board (directly or through the agency of original jurisdiction, as described in section 4005(b)(1) of this title)—

"(A) when new and material evidence is presented or secured, shall authorize the reopening of a claim and a review of the Board's former decision; and

"(B) for good cause shown, may authorize the reopening of a claim and a review of the Board's former decision.

"(3) A judicial decision under subchapter II of chapter 71 of this title, upholding, in whole or in part, the disallowance of a claim shall not diminish the Board's authority set forth in paragraph (2) of this subsection to authorize the reopening of a claim and a review of the former decision."; and

(3) by striking out subsection (d) and inserting in lieu thereof the following:

"(d) After reaching a decision in a case, the Board shall promptly mail notice of its decision to the claimant and the claimant's authorized representative, if any, at the last known address of the claimant and at the last known address of the claimant's authorized representative, if any. Each decision of the Board shall include—

"(1) a written statement of the Board's findings and conclusions, and reasons or bases therefor, on all material issues of fact and law and on matters of discretion presented on the record; and

"(2) an order granting appropriate relief or denying relief.".

SEC. 106. Section 4005(d) is amended—

(1) by striking out paragraph (4) and inserting in lieu thereof the following:

"(4) The claimant may not be presumed to agree with any statement of fact or law contained in the statement of the case to which the claimant does not specifically express agreement."; and

(2) in paragraph (5), by striking out "will base its decision on the entire record and".

SEC. 107. (a) Section 4009 is amended—

(1) by striking out the section heading and inserting in lieu thereof the following:

"§ 4009. Medical opinions";

and

(2) by adding at the end the following new subsections:

"(c)(1) Whenever there exists in the evidence of record in an appeal case a substantial disagreement between the substantiated findings or opinions of two physicians with respect to an issue material to the outcome of the case, the Board shall, upon the request of the claimant and after taking appropriate action to attempt to resolve the disagreement, arrange for an advisory medical opinion in accordance with the procedure prescribed in subsection (b) of this section. The claimant may appeal a denial of a request for such an opinion to the Chairman.

"(2) If the Board or the Chairman upon appeal denies a request for an advisory medical opinion, the Board, or the Chairman after the appeal, shall prepare and provide to the claimant and the claimant's authorized representative, if any, a statement setting forth the basis for the denial and, in the case of a denial of such request by the Board, a notice of the claimant's right to appeal the denial to the Chairman.

"(3) Actions of the Board under this subsection, including any such denial concurred in by the Chairman (if appealed), shall be final and conclusive, and no other official or any court of the United States shall have the power or jurisdiction to review any aspect of any such action by an action in the nature of mandamus or otherwise, the provisions of subchapter II of chapter 71 of this title to the contrary notwithstanding.

"(d) If a member of the Board receives the medical opinion of any physician relating to any appeal under consideration by such member (other than a medical opinion of a physician on the section of the Board considering such appeal) or an employee of the Board in the consideration of such appeal receives such an opinion, the Board shall furnish such opinion to the claimant and shall afford the claimant 60 days in which to submit a response to such opinion before the Board issues a final decision on the appeal. The Board shall consider any such response and shall include in the final decision a discussion of such opinion, the response (if any), and the effect of such opinion and response on the Board's decision.".

(b) The table of sections at the beginning of chapter 71 is amended by striking out the item relating to section 4009 and inserting in lieu thereof the following:

"4009. Medical opinions.".

SEC. 108. (a) Chapter 71 is further amended by adding at the end the following new sections:

"§ 4010. Adjudication procedures

"(a) For purposes of conducting any hearing, investigation, or other proceeding in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration, the Administrator and the members of the Board may administer oaths and affirmations, examine witnesses, and receive evidence.

"(b) Any oral, documentary, or other evidence, even though inadmissible under the rules of evidence applicable to judicial proceedings, may be admitted in a hearing, investigation, or other proceeding in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration, but the Administrator and the Chairman, under regulations which the Administrator and the Chairman shall jointly prescribe, may provide for the exclusion of irrelevant, immaterial, or unduly repetitious evidence.

"(c)(1) In the course of any proceeding before the Board, any party to such proceeding or such party's authorized representative shall be afforded opportunities—

"(A) to examine and, on payment of a fee prescribed pursuant to section 3302(b) of this title (not to exceed the direct cost of duplication), obtain copies of the contents of the case files and all documents and records to be used by the Veterans' Administration at such proceeding;

"(B) to present witnesses and evidence, subject only to such restrictions as may be set forth in regulations prescribed pursuant to subsection (b) of this section, as to materiality, relevance, and undue repetition;

"(C) to make oral argument and submit written contentions, in the form of a brief or similar document, on substantive and procedural issues;

"(D) to submit rebuttal evidence;

"(E) to present medical opinions and request an independent advisory medical opinion pursuant to section 4009(c) of this title; and

"(F) to serve written interrogatories on any person, including any employee of the Veterans' Administration, which interrogatories shall be answered separately and fully in writing and under oath unless written objection thereto, in whole or in part, is filed with the Chairman by the person to whom the interrogatories are directed or such person's representative.

"(2) The fee provided for in paragraph (1)(A) of this subsection may be waived by the Chairman, pursuant to regulations which the Administrator shall prescribe, on the basis of the party's inability to pay or for other good cause shown.

"(3) In the event of any objection filed under paragraph (1)(F) of this subsection, the Chairman shall, pursuant to regulations which the Chairman shall prescribe establishing standards consistent with standards for protective orders applicable in the United States District Courts, evaluate such objection and issue an order (A) directing that, within such period as the Chairman shall specify, the interrogatory or interrogatories objected to be answered as served or answered after modification, or (B) indicating that the interrogatory or interrogatories are no longer required to be answered.

"(4) If any person upon whom interrogatories are served under paragraph (1)(F) of this subsection fails to answer or fails to provide responsive answers to all of the interrogatories within 30 days after service or such additional time as the Chairman may allow, the Chairman, upon determining that the party propounding such interrogatories has shown the general relevance and reasonableness of the scope of the interrogatories, shall issue a subpoena under section 3311 of this title (with enforcement of such subpoena to be available under section 3313 of this title) for such person's appearance and testimony on such interrogatories at a deposition on written questions, at a location within 100 miles of where such person resides, is employed, or transacts business.

"(d)(1) A claimant may request a hearing before a traveling section of the Board. Cases shall be scheduled for hearing before such a section in the order in which the requests for hearing are received by the Board.

"(2) If a claimant makes a request for a hearing before a traveling section of the Board and, by reason of limited time for the conduct of hearings by such section at the location for the requested hearing, such claimant's appeal is not scheduled for hearing or the hearing is not conducted, the Board shall afford such claimant an opportunity to present the case to the Board in a hearing conducted by telephone or video connection before a section of the Board or in a videotape of a hearing conducted for the Board by Veterans' Administration adjudication personnel at a regional office of the Veterans' Administration. An audiotape or videotape of such hearing shall be included in the record of the appeal and considered by the Board in the same manner as recordings of testimony and documentary evidence are considered.

"(e) In the course of any hearing, investigation, or other proceeding in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration, an employee of the Veterans' Administration (including an employee of the Board of Veterans' Appeals) may at any time disqualify himself or herself, on the basis of personal bias or other cause, from adjudicating the claim. On the filing by a party in good faith of a timely and sufficient affidavit averring personal bias or other cause for disqualification on the part of such an employee, the Administrator, as to proceedings other than proceedings before the Board, or the Chairman, as to proceedings before the Board, shall determine the matter as a part of the record and decision in the case, pursuant to regulations prescribed jointly by the Administrator and the Chairman.

"(f) The transcript or recording of testimony and the exhibits, together with all papers and requests filed in the proceeding, and the decision of the Board (1) shall constitute the exclusive record for decision in accordance with section 4004(a) of this title, (2) shall be available for inspection by any party to such proceeding, or such party's authorized representative, at reasonable times and places, and (3) on the payment of a fee prescribed under section 3302(b) of this title (not to exceed the direct cost of duplication), shall be copied for the claimant or such claimant's authorized representative within a reasonable time. Such fee may be waived by the Chairman, pursuant to regulations which the Administrator shall prescribe, on the basis of the party's inability to pay or for other good cause shown.

"(g) Notwithstanding section 4004(a) of this title, section 554(a) of title 5, or any other provision of law, adjudication and hearing procedures prescribed in this title and in regulations prescribed by the Administrator, as to proceedings other than proceedings before the Board, or by the Chairman, as to proceedings before the Board, or by the Administrator and the Chairman jointly, under this title for the purpose of administering veterans' benefits shall be exclusive with respect to hearings, investigations, and other proceedings in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration.

"§ 4011. Notice of procedural rights and other information

"In the case of any disallowance, in whole or in part, of a claim for benefits under laws administered by the Veterans' Administration, the Administrator, as to proceedings other than proceedings before the Board, or the Chairman, as to proceedings before the Board, shall, at each procedural stage relating to the disposition of such a claim, beginning with disallowance after an initial review or determination, and including the furnishing of a statement of the case and the making of a final decision by the Board, provide to the claimant and such claimant's authorized representative, if any, written notice of the procedural rights of the claimant. Such notice shall be on such forms as the Administrator or the Chairman, respectively, shall prescribe by regulation and shall include, in easily understandable language, with respect to proceedings before the Veterans' Administration and the Board (1) descriptions of all subsequent procedural stages provided for by statute, regulation, or Veterans' Administration policy, (2) descriptions of all rights of the claimant expressly provided for in or pursuant to this chapter, of the claimant's rights to a hearing, to reconsideration, to appeal, and to representation, and of any specific procedures necessary to obtain the various forms of review available for consideration of the claim, (3) in the case of an appeal to the Board, the rights to and opportunities for a hearing provided in section 4010(d) of this title, and (4) such other information as the Administrator or the Chairman, respectively, as a matter of discretion, determines would be useful and practical to assist the claimant in obtaining full consideration of the claim.".

(b) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 4009 the following new items:

"4010. Adjudication procedures.
"4011. Notice of procedural rights and other information.".

SEC. 109. (a) In order to evaluate the feasibility and desirability of alternative methods of (1) seeking to ensure the resolution of claims before the Administrator of Veterans' Affairs or the Board of Veterans' Appeals for benefits under laws administered by the Veterans' Administration as promptly and efficiently as feasible following the filing of a notice of disagreement pursuant to section 4005 (as amended by section 106 of this Act) or 4005A of title 38, United States Code, and (2) affording claimants the opportunity for a hearing before or review by a disinterested authority at a location as convenient and on as timely a basis as possible for each claimant, the Administrator and the Chairman of the Board of Veterans' Appeals are each authorized to conduct a study commencing not later than 1 year after the date of the enactment of this Act, for a period of 24 months, involving either or both of the alternative methods described in subsection (b) of this section for resolution of claims.

(b)(1) In not more than three geographic areas, the Administrator is authorized to provide an intermediate-level adjudication process whereby each claimant may, within the time afforded such claimant under paragraph (3) of section 4005(d) or 4005A(b) of title 38, United States Code, to file an appeal, request a de novo hearing at the agency of original jurisdiction (as described in section 4005(b)(1) of such title) before a panel of three Veterans' Administration employees, each of whose primary responsibilities include adjudicative functions but none of whom shall have previously considered the merits of the claim at issue. Following such hearing, such panel shall render a decision and prepare a new statement of the case in accordance with the requirements of paragraphs (1) and (2) of section 4005(d) of such title. Such new statement of the case shall, for all purposes relating to appeals under chapter 71 of such title, be considered to be a statement of the case as required by such paragraph (1).

(2) In not more than three other geographic areas, the Chairman is authorized to provide for an enhanced schedule of visits, on at least a quarterly basis each year, by a panel or panels of the Board to conduct formal recorded hearings pursuant to section 4002 of such title in such areas.

(c) Not later than 6 months after the completion of such study, the Administrator and the Chairman, as appropriate, shall report to the Committees on Veterans' Affairs of the Senate and the House of Representatives on the results of the study, including an evaluation of the cost factors associated with each alternative studied and with any appropriate further implementation thereof, the impact on the workload of each regional office involved in such study, and the impact on the annual caseload of the Board resulting from each alternative studied, together with any recommendations for administrative or legislative action, or both, as may be indicated by such results.

SEC. 110. Section 3010(i) is amended—

(1) by inserting "(1)" after "(i)"; and

(2) by adding at the end the following new paragraph:

"(2) Whenever any disallowed claim is reopened and thereafter allowed on the basis of new and material evidence in the form of official reports from the department of the Secretary concerned, the effective date of commencement of the benefits so awarded shall be the date on which an award of benefits under the disallowed claim would have been effective had the claim been allowed on the date it was disallowed.".

TITLE II—VETERANS' ADMINISTRATION RULE MAKING

SEC. 201. (a) Subchapter II of chapter 3 is amended by adding at the end the following new section:

"§ 223. Rule making

"(a) For the purposes of this section—

"(1) the term 'regulation' includes—

"(A) statements of general policy, instructions, and guidance issued or adopted by the Administrator; and

"(B) interpretations of general applicability issued or adopted by the Administrator; and

"(2) the term 'rule' has the same meaning as is provided in section 551(4) of title 5.

"(b) Notwithstanding the provisions of subsection (a)(2) of section 553 of title 5, the promulgation of rules and regulations by the Administrator, other than rules or regulations pertaining to agency management or personnel or to public property or contracts, shall be subject to the requirements of section 553 of title 5.

"(c) Rules and regulations issued or adopted by the Administrator shall be subject to judicial review as provided in subchapter II of chapter 71 of this title.".

(b) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 222 the following new item:

"223. Rule making.".

TITLE III—JUDICIAL REVIEW

SEC. 301. Section 211(a) is amended by striking out "sections 775, 784" and inserting in lieu thereof "sections 775 and 784 and subchapter II of chapter 71 of this title".

SEC. 302. (a) Chapter 71 is further amended—

(1) by inserting after the table of sections the following new heading:

"SUBCHAPTER I—GENERAL";

and

(2) by adding at the end thereof the following new subchapter:

"SUBCHAPTER II—JUDICIAL REVIEW

"§ 4025. Right of review; commencement of action

"(a) For the purposes of this chapter—

"(1) 'final decision of the Board of Veterans' Appeals' means—

"(A) a final decision of the Board pursuant to section 4004 (a) or (b) of this title; or

"(B) a dismissal of an appeal by the Board pursuant to section 4005 or 4008 of this title;

"(2) 'claim for benefits' means—

"(A) an initial claim filed under section 3001 of this title;

"(B) a challenge to a decision of the Administrator reducing, suspending, or terminating benefits; or

"(C) any request by or on behalf of the claimant for reopening, reconsideration, or further consideration in a matter described in clause (A) or (B) of this paragraph;

"(3) 'interested party', with respect to a rule or regulation issued or adopted by the Administrator, means any person substantially affected by such rule or regulation; and

"(4) 'disability rating schedule' means the schedule of ratings adopted and readjusted under section 355 of this title and any provision made by the Administrator under section 357 of this title for the combination of ratings.

"(b)(1)(A) Subject to subparagraph (B) of this paragraph, the following matters are subject to judicial review under this subchapter:

"(i) A final decision of the Board of Veterans' Appeals in accordance with subsection (c).

"(ii) A rule or regulation issued or adopted by the Administrator when review of such regulation is requested by a claimant in connection with an action under subsection (c).

"(iii) A rule or regulation so issued or adopted when review of such regulation is requested by any interested party in an action brought only for the purpose of obtaining review of such rule or regulation.

"(B) In an action involving any matter subject to judicial review under this subchapter, a court may not direct or otherwise order that any disability rating schedule issued or adopted by the Administrator be modified.

"(2) Any action for judicial review authorized by this subchapter shall be brought by a claimant or an interested party in the United States Court of Appeals for the circuit in which the plaintiff resides or the plaintiff's principal place of business is located, or in the United States Court of Appeals for the District of Columbia Circuit.

"(c) Except as provided in subsection (g) of this section, after any final decision of the Board of Veterans' Appeals adverse to a claimant in a matter involving a claim for benefits under any law administered by the Veterans' Administration, such claimant may obtain a review of such decision in a civil action commenced within 180 days after notice of such decision is mailed to such claimant pursuant to section 4004(d) of this title.

"(d) The complaint initiating an action under subsection (c) of this section shall contain sufficient information to permit the Administrator to identify and locate the plaintiff's records in the custody or control of the Veterans' Administration.

"(e) Not later than 30 days after filing the answer to a complaint filed pursuant to subsection (d) of this section, the Administrator shall file a certified copy of the records upon which the decision complained of is based or, if the Administrator determines that the cost of filing copies of all such records is unduly expensive, the Administrator shall file a complete index of all documents, transcripts, or other materials comprising such records. After such index is filed and after considering requests from all parties, the court shall require the Administrator to file certified copies of such indexed items as the court considers relevant to its consideration of the case.

"(f) In an action brought under subsection (c) of this section, the court shall have the power, upon the pleadings and the records specified in subsection (e) of this section, to enter judgment in accordance with section 4026 of this title or remand the cause in accordance with such section or section 4027 of this title.

"(g)(1) No action may be brought under this section unless (A) the initial claim for benefits is filed pursuant to section 3001 of this title on or before the last day of the fifth fiscal year beginning after the effective date of this section, and (B) the complaint initiating such action is filed not more than 180 days after notice of the first final decision of the Board of Veterans' Appeals rendered after the last day of such fiscal year is mailed to the claimant pursuant to section 4004(d) of this title. If the case is reopened pursuant to section 4004(b)(2)(A) of this title within 180 days after such notice is mailed, the next final decision shall, for purposes of this subsection, be considered the first final decision of the Board.

"(2) No action may be brought under this section with respect to matters arising under chapters 19 and 37 of this title.

"§ 4026. Scope of review

"(a)(1) In any action brought under section 4025 of this title, the court, to the extent necessary to its decision and when presented, shall, except as provided for in section 4025(b)(1)(B) of this title—

"(A) decide all relevant questions of law, interpret constitutional, statutory, and regulatory provisions, and determine the meaning or applicability of the terms of an action of the Administrator;

"(B) compel action of the Administrator unlawfully withheld;

"(C) hold unlawful and set aside decisions, findings (other than those described in clause (D) of this paragraph), conclusions, rules, and regulations issued or adopted by the Administrator, the Board of Veterans' Appeals, the Administrator and the Chairman of the Board jointly, or the Chairman found to be—

"(i) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law;

"(ii) contrary to constitutional right, power, privilege, or immunity;

"(iii) in excess of statutory jurisdiction, authority, or limitations, or in violation of a statutory right; or

"(iv) without observance of procedure required by law; and

"(D) in the case of a finding of material fact made in reaching a decision on a claim for benefits under laws administered by the Veterans' Administration, hold unlawful and set aside such finding when it is so utterly lacking in a rational basis in the evidence that a manifest and grievous injustice would result if such finding were not set aside.

"(2) Before setting aside any finding of fact under paragraph (1)(D) of this subsection, the court shall specify the deficiencies in the record upon which the court would set aside such finding and shall remand the case one time to the Board of Veterans' Appeals for further action not inconsistent with the order of the court in remanding the case. In remanding a case under the first sentence of this paragraph, the court shall specify a reasonable period of time within which the Board shall complete the ordered action. If the Board does not complete action on the case within the specified period of time, the case shall be returned to the court for its further action.

"(b) In any action brought under section 4025 of this title, the whole record before the court pursuant to subsection (e) of such section shall be subject to review, the court shall review those parts of such record cited by a party, and due account shall be taken of the rule of prejudicial error.

"(c) In no event shall findings of fact made by the Administrator or the Board of Veterans' Appeals be subject to trial de novo by the court.

"(d) When a final decision of the Board of Veterans' Appeals is adverse to a party and the sole stated basis for such decision is the failure of such party to comply with any applicable regulation issued or adopted by the Administrator or the Board, the court shall review only questions raised as to compliance with and the validity of the regulation.

"§ 4027. Remands

"(a) If either party to an action brought under section 4025 of this title applies to the court for leave to adduce additional evidence and shows to the satisfaction of the court that such additional evidence is material and that there is good cause for granting such leave, the court shall remand the case to the Board of Veterans' Appeals and order such additional evidence to be taken by the Board. The court may specify a reasonable period of time within which the Board shall complete the required action.

"(b) After a case is remanded to the Board of Veterans' Appeals under subsection (a) of this section, and after further action by the Board, including consideration of any additional evidence, the Board shall modify, supplement, affirm, or reverse the findings of fact or decision, or both, and shall file with the court any such modification, supplementation, affirmation, or reversal of the findings of fact or decision or both, as the case may be, and certified copies of any additional records and evidence upon which such modification, supplementation, affirmation, or reversal was based.

"§ 4028. Survival of actions

"Any action brought under section 4025 of this title shall survive notwithstanding any change in the person occupying the office of Administrator or any vacancy in such office.

"§ 4029. Appellate review

"The decisions of a court of appeals pursuant to this chapter shall be subject to appellate review by the Supreme Court of the United States in the same manner as judgments in other civil actions.".

(b) The table of sections at the beginning of such chapter is amended—

(1) by inserting before the item relating to section 4001 the following new item:

"SUBCHAPTER I—GENERAL";

and

(2) by adding after the item (added by section 108(b) of this Act) relating to section 4011 the following new items:

"SUBCHAPTER II—JUDICIAL REVIEW

"4025. Right of review; commencement of action.
"4026. Scope of review.
"4027. Remands.
"4028. Survival of actions.
"4029. Appellate review.".

SEC. 303. Section 1346(d) of title 28, United States Code, is amended by inserting before the period at the end thereof a comma and "except as provided in subchapter II of chapter 71 of title 38".

TITLE IV—ATTORNEYS' FEES

SEC. 401. Section 3404 is amended by striking out subsection (c) and inserting in lieu thereof the following:

"(c) The Chairman of the Board of Veterans' Appeals shall approve reasonable attorneys' fees to be paid by the claimant to attorneys for representation, other than in an action brought under section 4025 of this title, in connection with a claim for benefits under laws administered by the Veterans' Administration. In no event may such attorneys' fees exceed—

"(1) for any claim resolved prior to or at the time that a final decision of the Board is first rendered, $10; or

"(2) for any claim resolved after such time—

"(A) if the claimant and an attorney have entered into an agreement under which no fee is payable to such attorney unless the claim is resolved in a manner favorable to the claimant, 25 percent of the total amount of any past-due benefits awarded on the basis of the claim; or

"(B) if the claimant and an attorney have not entered into such an agreement, the lesser of—

"(i) the fee agreed upon by the claimant and the attorney; or

"(ii) $500, or such greater amount as may be specified from time to time in regulations which the Chairman of the Board shall prescribe based on changed national economic conditions subsequent to the date of the enactment of this subsection, except that the Chairman may determine and approve a fee in excess of $500, or such greater amount if so specified, in an individual case involving extraordinary circumstances warranting a higher fee.

"(d)(1) If, in an action brought under section 4025 of this title, the matter is resolved in a manner favorable to a claimant who was represented by an attorney, the court shall determine and allow a reasonable fee for such representation to be paid to the attorney by the claimant. When the claimant and an attorney have entered into an agreement under which the amount of the fee payable to such attorney is to be paid from any past-due benefits awarded on the basis of the claim and the amount of the fee is contingent on whether or not the matter is resolved in a manner favorable to the claimant, the fee so determined and allowed shall not exceed 25 percent of the total amount of any past-due benefits awarded on the basis of the claim.

"(2) If, in an action brought under section 4025 of this title, the matter is not resolved in a manner favorable to the claimant, the court shall ensure that only a reasonable fee, not in excess of $750, is paid to the attorney by the claimant for the representation of such claimant.

"(e) To the extent that past-due benefits are awarded in proceedings before the Administrator, the Board of Veterans' Appeals, or a court, the Administrator shall direct that payment of any attorneys' fee that has been determined and allowed under this section be made out of such past-due benefits, but in no event shall the Administrator withhold for the purpose of such payment any portion of benefits payable for a period subsequent to the date of the final decision of the Administrator, the Board of Veterans' Appeals, or the court making such award.

"(f) The provisions of this section shall apply only to cases involving claims for benefits under the laws administered by the Veterans' Administration, and such provisions shall not apply in cases in which the Veterans' Administration is the plaintiff or in which other attorneys' fee statutes are applicable.

"(g) For the purposes of this section—

"(1) the terms 'final decision of the Board of Veterans' Appeals and 'claim for benefits' shall have the same meaning provided for such terms, respectively, in section 4025 (a) of this title; and

"(2) claims shall be considered as resolved in a manner favorable to the claimant when all or any part of the relief sought is granted.

"(h) In an action brought under section 4025 of this title, the court may award to a prevailing party, other than the Administrator, reasonable attorneys' fees and costs in accordance with the provisions of section 2412(d) of title 28.".

SEC. 402. Section 3405 is amended—

(1) by striking out "or" after "title,"; and

(2) by inserting a comma and "or (3) with intent to defraud, in any manner willfully and knowingly deceives, misleads, or threatens a claimant or beneficiary or prospective claimant or beneficiary under this title with reference to any matter covered by this title" before "shall".

TITLE V—EFFECTIVE DATES

SEC. 501. This Act and the amendments made by this Act shall take effect on the first day of the first month beginning not less than 180 days after the date of the enactment of this Act.

SEC. 502. A civil action authorized in subchapter II of chapter 71 of title 38, United States Code (as added by section 302(a) of this Act) may be instituted to review final decisions of the Board of Veterans' Appeals rendered on or after April 1, 1987.

The title was amended so as to read: "A bill to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Board of Veterans' Appeals; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration, and for other purposes."

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CRANSTON. Mr. President, I would just like to note that this was the final action, in the bill just adopted, on a bill reported from the Committee on Veterans' Affairs while Tony Principi has been the minority chief counsel and staff director, formerly the staff director of the committee. We talked at length about his fine work the other day at the markup that we had at the committee on this legislation.

I just want to note for this record that he has rendered great service to all of us on both sides of the aisle. We are sorry he is leaving, although I am personally glad he is going to California if he must leave. He has done great work here, and I expect he will do great work there. I look forward to continuing our friendship and excellent relationship.

ESTABLISHMENT OF VETERANS' ADMINISTRATION AS AN EXECUTIVE DEPARTMENT

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 533, which the clerk will report.

The assistant legislative clerk read as follows:

A bill S. 533 to establish the Veterans' Administration as an executive department; to establish the National Commission on Executive Organization and Management; and for other purposes.

The Senate proceeded to consider the bill, which has been reported from the Committee on Governmental Affairs, with an amendment to strike all after the enacting clause and insert in lieu thereof, the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Department of Veterans Affairs Act".

SEC. 2. ESTABLISHMENT OF VETERANS' ADMINISTRATION AS AN EXECUTIVE DEPARTMENT.

(a) REDESIGNATION.—The Veterans' Administration is hereby redesignated as the Department of Veterans Affairs and shall be an executive department in the executive branch of the Government.

(b) SECRETARY OF VETERANS AFFAIRS.—(1) There shall be at the head of the Department a Secretary of Veterans Affairs who shall be appointed by the President, by and with the

advice and consent of the Senate. The Department shall be administered under the supervision and direction of the Secretary.

(2) Notwithstanding section 212 of title 38, United States Code, the Secretary may not assign duties for or delegate authority for the supervision of the Assistant Secretaries, the General Counsel, or the Inspector General of the Department to any officer of the Department other than the Deputy Secretary.

(c) OFFICE OF THE SECRETARY.—The Office of the Secretary shall consist of a Secretary and a Deputy Secretary and may include an Executive Secretary.

SEC. 3. PRINCIPAL OFFICERS.

(a) DEPUTY SECRETARY.—There shall be in the Department of Veterans Affairs a Deputy Secretary of Veterans Affairs, who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Secretary shall perform such functions as the Secretary shall prescribe.

(b) CHIEF MEDICAL DIRECTOR.—(1) There shall be in the Department a Chief Medical Director, who shall be a doctor of medicine and shall, subject to subsection (e), be appointed by the President, by and with the advice and consent of the Senate, without regard to political affiliation or political qualification and solely on the basis of integrity and demonstrated ability in the medical profession, in health-care administration and policy formulation, and in health-care fiscal management, and on the basis of substantial experience in connection with the activities of the Veterans Health Services and Research Administration. The Chief Medical Director shall be appointed for a period of 4 years, with reappointment permissible for successive like periods. The Chief Medical Director shall be the head of, and shall be directly responsible to the Secretary for the operation of, the Veterans Health Services and Research Administration.

(2)(A) Whenever a vacancy in the position of Chief Medical Director occurs or is anticipated, the Secretary of Veterans Affairs shall establish a commission to recommend individuals to the President for appointment to the position.

(B) The Commission shall be composed of the following members appointed by the Secretary:

(i) Three representatives of clinical care and medical research and education activities affected by the Veterans Health Services and Research Administration.

(ii) One representative of physicians and one representative of nurses employed by the Veterans Health Services and Research Administration.

(iii) Four representatives of veterans served by the Veterans Health Services and Research Administration.

(iv) Not more than two persons who have held the position of Chief Medical Director, but only if the Secretary determines that it is desirable for each person appointed under this clause to be a member of the Commission.

(v) Two persons who have experience in the management of veterans health services and research programs, or programs similar in content or scope, in the public or private sector.

(vi) The Deputy Secretary of Veterans Affairs.

(C) At least two members of the Commission shall be veterans receiving compensation for service-connected disability under laws administered by the Secretary of Veterans Affairs.

(D) The Commission shall recommend at least three individuals for appointment to the position of Chief Medical Director. The Commission, after submitting its recommendations, may submit additional individuals recommended for appointment to the position if the President requests additional recommendations. The Commission shall submit all recommendations to the Secretary. The Secretary shall forward such recommendations to the President with any comments the Secretary considers appropriate.

(E) The Deputy Assistant Secretary of Veterans Affairs who performs personnel management and labor relations functions pursuant to section 5(d) of this Act shall serve as the executive secretary of the Commission. If no Deputy Assistant Secretary performs such functions, a Deputy Assistant Secretary designated by the Secretary shall serve as executive secretary.

(3) If the President removes the Chief Medical Director prior to the completion of the term for which the Chief Medical Director is appointed, the President shall communicate the reasons for such removal to the Senate and the House of Representatives.

(c) CHIEF BENEFITS DIRECTOR.—(1) There shall be in the Department a Chief Benefits Director, who shall be appointed by the President, by and with the advice and consent of the Senate, without regard to political affiliation or political qualification and solely on the basis of integrity and demonstrated ability in fiscal management and the administration of programs within the Veterans Benefits Administration or programs of similar content or scope. The Chief Benefits Director shall be appointed for a period of 4 years, with reappointment permissible for successive like periods.

(2) The Chief Benefits Director shall be the head of the Veterans Benefits Administration and shall be directly responsible to the Secretary for the following functions:

(A) The operation of such the Veterans Benefits Administration.

(B) The administration of chapters 23 and 24 of title 38, United States Code.

(3)(A) Whenever a vacancy in the position of Chief Benefits Director occurs or is anticipated, the Secretary of Veterans Affairs shall establish a commission to recommend individuals to the President for appointment to the position.

(B) The Commission shall be composed of the following members appointed by the Secretary:

(i) Four representatives of education and training, real estate, mortgage finance, and related industries, and of survivor benefits activities affected by the Veterans Benefits Administration.

(ii) Four representatives of veterans served by the Veterans Benefits Administration.

(iii) Not more than two persons who have held the position of Chief Benefits Director, but only if the Secretary determines that it is desirable for each person appointed under this clause to be a member of the Commission.

(iv) Three persons who have experience in the management of veterans benefits programs or programs of similar content and scope in the public or private sector.

(v) The Deputy Secretary of Veterans Affairs.

(C) At least two members of the Commission shall be veterans receiving compensation for service-connected disability under laws administered by the Secretary of Veterans Affairs.

(D) The Commission shall recommend at least three individuals for appointment to the position of Chief Benefits Director. The Commission, after submitting its recommendations, may submit additional individuals recommended for appointment to the position if the President requests additional recommendations. The Commission shall submit all recommendations to the Secretary. The Secretary shall forward such recommendations to the President with any comments the Secretary considers appropriate.

(E) The Deputy Assistant Secretary of Veterans Affairs who performs personnel management and labor relations functions pursuant to section 5(d) of this Act shall serve as the executive secretary of the Commission. If no Deputy Assistant Secretary performs such functions, a Deputy Assistant Secretary designated by the Secretary shall serve as executive secretary.

(4) If the President removes the Chief Benefits Director prior to the completion of the term for which the Chief Benefits Director is appointed, the President shall communicate the reasons for such removal to the Senate and the House of Representatives.

(d) DEPUTY CHIEF BENEFITS DIRECTOR FOR MEMORIAL AFFAIRS.—(1) There shall be in the Department a Deputy Chief Benefits Director for Memorial Affairs, who shall be appointed by the Secretary without regard to political affiliation or political qualification and solely on the basis of integrity and demonstrated ability in the administration of memorial affairs programs within the Veterans Benefits Administration or programs of similar content or scope in the public or private sector. The Deputy Chief Benefits Director for Memorial Affairs shall be appointed for a period of 4 years, with reappointment permissible for successive like periods.

(2) The Deputy Chief Benefits Director for Memorial Affairs shall, under the direction of the Chief Benefits Director, perform the responsibilities of the Chief Benefits Director under subsection (c)(2)(B).

(e) CONTINUATION OF SERVICE OF CHIEF MEDICAL DIRECTOR.—The individual serving as Chief Medical Director on the effective date of this Act may continue to serve in that capacity until the expiration of the term prescribed by section 4103(b)(1) of title 38, United States Code, unless removed by the Secretary of Veterans Affairs for cause in accordance with section 4103(b)(3) of such title.

(f) CONTINUATION OF SERVICE OF CHIEF BENEFITS DIRECTOR AND CHIEF MEMORIAL AFFAIRS DIRECTOR.—The individuals serving as Chief Benefits Director and Chief Memorial Affairs Director on the effective date of this Act may continue to serve in those capacities until an individual is appointed as Chief Benefits Director under this Act. The Chief Memorial Affairs Director shall continue to perform the duties of the Chief Memorial Affairs Director, without supervision by the Chief Benefits Director, until an individual is appointed as Chief Benefits Director under this Act.

SEC. 4. ASSISTANT SECRETARIES.

(a) ESTABLISHMENT OF POSITIONS.—There shall be in the Department of Veterans Affairs such number of Assistant Secretaries, not to exceed four, as the Secretary shall determine, each of whom—

(1) shall be appointed by the President, by and with the advice and consent of the Senate; and

(2) shall perform such functions as the Secretary shall prescribe.

(b) Functions of Assistant Secretaries.—The Secretary shall assign to Assistant Secretaries such functions as the Secretary considers appropriate, including the following functions:

(1) Budgetary and financial functions.

(2) Personnel management and labor relations functions.

(3) Planning, studies, and evaluation functions.

(4) Management, productivity, and logistic support functions.

(5) Information management functions as required by section 3506 of title 44, United States Code.

(6) Capital facilities and real property program functions.

(7) Equal opportunity functions.

(8) Functions regarding the investigation and adjudication of complaints of employment discrimination within the Department.

(9) Functions regarding intergovernmental, public, and consumer information affairs.

(10) Procurement functions.

(c) Chief Financial Officer.—(1) The Secretary shall designate the Assistant Secretary whose functions include budgetary and financial functions as the Chief Financial Officer of the Department.

(2) The Chief Financial Officer shall—

(A) advise the Secretary on financial management of the Department;

(B) develop and maintain a financial management system for the Department (including accounting and related transaction systems, internal control systems, and financial reporting systems) which provides for—

(i) development and maintenance of consistent, compatible, and useful data;

(ii) development and reporting of cost information; and

(iii) integration of accounting and budgeting information;

(C) supervise and coordinate all financial management system activities and operations of the Department;

(D) direct and manage financial management activities and operations of the Department, including—

(i) the development of financial management budgets; and

(ii) the approval and management of financial management system design or enhancement projects; and

(E) prepare, and transmit to the Senate and the House of Representatives, an annual report that contains—

(i) a description and analysis of financial management of the Department; and

(ii) in the case of the first such report, a plan for strengthening internal financial control systems.

(d) Designation of Functions Prior to Confirmation.—Whenever the President submits the name of an individual to the Senate for confirmation as Assistant Secretary under this section, the President shall state the particular functions of the Department such individual will exercise upon taking office.

(e) Continuing Performance of Assistant Secretary Functions Pending Confirmation.—An individual who, on the effective date of this Act, is performing any of the functions required by this section to be performed by an Assistant Secretary of the Department may continue to perform such functions until such functions are assigned to an individual appointed as an Assistant Secretary of the Department under this Act.

SEC. 5. DEPUTY ASSISTANT SECRETARIES.

(a) Establishment of Positions.—There shall be in the Department of Veterans Affairs such number of Deputy Assistant Secretaries, not exceeding fifteen, as the Secretary may determine.

(b) Appointments.—Each Deputy Assistant Secretary—

(1) shall be appointed by the Secretary; and

(2) shall perform such functions as the Secretary shall prescribe.

(c) Minimum Number of Deputy Assistant Secretary Positions in the Competitive Service.—At least two-thirds of the number of positions established under subsection (a) and filled under subsection (b) shall be in the competitive service.

(d) Functions.—(1) Subject to paragraph (2), functions assigned to an Assistant Secretary under section 4(b) may be performed by one or more Deputy Assistant Secretaries appointed to assist such Assistant Secretary.

(2) The following functions may be performed by a Deputy Assistant Secretary only if such Deputy Assistant Secretary is in a competitive service position:

(A) Personnel management and labor relations functions.

(B) Equal opportunity functions.

(C) Investigation and adjudication of employment discrimination within the Department.

(D) Procurement functions.

SEC. 6. VETERANS HEALTH SERVICES AND RESEARCH ADMINISTRATION.

The establishment within the Veterans' Administration known as the Department of Medicine and Surgery is hereby redesignated as the Veterans Health Services and Research Administration of the Department of Veterans Affairs.

SEC. 7. VETERANS BENEFITS ADMINISTRATION.

(a) Redesignation.—The establishment within the Veterans' Administration known as the Department of Veterans' Benefits is hereby redesignated as the Veterans Benefits Administration of the Department of Veterans Affairs.

(b) Transfer of Department of Memorial Affairs.—Effective on the date on which the Chief Benefits Director is appointed under this Act, the establishment within the Veterans' Administration known as the Department of Memorial Affairs shall be transferred to the Veterans Benefits Administration and shall be administered as a component of the Veterans Benefits Administration by the Deputy Chief Benefits Director for Memorial Affairs pursuant to section 3(d)(2).

(c) Functions.—The primary functions of the Veterans Benefits Administration shall be to administer programs, other than those programs administered by the Veterans Health Services and Research Administration, which provide benefits to veterans, their dependents, and their survivors and to administer the memorial affairs programs of the Department of Veterans Affairs.

SEC. 8. OFFICE OF THE GENERAL COUNSEL.

There shall be in the Department of Veterans Affairs the Office of the General Counsel. There shall be at the head of such office a General Counsel who shall be appointed by the President, by and with the advice and consent of the Senate. The General Counsel shall be the chief legal officer of the Department and shall provide legal assistance to the Secretary concerning the programs and policies of the Department.

SEC. 9. OFFICE OF THE INSPECTOR GENERAL.

(a) Redesignation.—The Office of Inspector General of the Veterans' Administration, established in accordance with the Inspector General Act of 1978, is hereby redesignated as the Office of Inspector General of the Department of Veterans Affairs.

(b) Staff Level.—(1) The Secretary shall provide for not less than the equivalent of one full-time position in the Office of Inspector General for the equivalent of every 367 full-time positions in the Department of Veterans Affairs.

(2) The President shall include in the budget transmitted to the Congress for each fiscal year after fiscal year 1989 pursuant to section 1105 of title 31, United States Code, an amount for the Office of Inspector General that is sufficient to provide for not less than the equivalent of the number of full-time positions required for such Office by paragraph (1).

(3) The expansion of the staff of the Office of Inspector General needed to meet the requirement set out in paragraph (1) shall be carried out in phases during fiscal years 1990, 1991, and 1992, and shall be completed not later than September 30, 1992.

SEC. 10. MISCELLANEOUS EMPLOYMENT RESTRICTIONS.

(a) Temporary Details to Senior Positions.—Notwithstanding section 3348 of title 5, United States Code, a vacancy in the position of Secretary, Deputy Secretary, Chief Medical Director, Chief Benefits Director, Assistant Secretary, General Counsel, or Inspector General caused by death or resignation may be filled temporarily under section 3345, 3346, or 3347 of title 5, United States Code, for not more than 120 days unless a nomination to fill such vacancy has been submitted to the Senate, in which case the person so designated may serve—

(1) until the Senate confirms the nomination;

(2) for not more than 30 days after the date that the Senate rejects the nomination; or

(3) if the position is so filled during an adjournment of Congress sine die, for not more than 120 days after the Congress next convenes.

(b) Limitation on Number of Noncareer Senior Executives.—Notwithstanding section 3134(d) of title 5, United States Code, the number of Senior Executive Service positions in the Department of Veterans Affairs which are filled by noncareer appointees in any fiscal year may not exceed 5 percent of the total number of senior executives employed in Senior Executive Service positions in the Department at the end of the preceding fiscal year.

(c) Limitation on Number of Schedule C Employees.—The number of positions in the Department of Veterans Affairs which may be excepted from the competitive service, on a temporary or permanent basis, because of their confidential or policy-determining character may not at any time exceed the equivalent of 15 full-time positions.

(d) Prohibited Employment and Advancement Considerations.—Except as otherwise provided in this Act, political affiliation or political qualification may not be taken into account in connection with the appointment of any person to any position in or to perform any services for the Department of Veterans Affairs or in the assignment or advancement of any employee in the Department.

SEC. 11. ADMINISTRATIVE REORGANIZATIONS.

(a) Modifications of Coverage.—Section 210(b)(2) of title 38, United States Code, is amended—

(1) by striking out subparagraph (B) and inserting in lieu thereof the following:

"(B) An administrative reorganization described in this subparagraph is an administrative reorganization of—

"(i) a covered field office or facility which involves a reduction during any fiscal year in the number of full-time equivalent employees with permanent duty stations at such office or facility—

"(I) by 10 percent or more, or

"(II) by a percent which, when added to the percent reduction made in the number of such employees with permanent duty stations at such office or facility during the preceding fiscal year, is 15 percent or more; or

"(ii) a covered Central Office unit which involves a reduction during any fiscal year in the number of full-time equivalent employees with permanent duty stations at such unit—

"(I) by 25 percent or more, or

"(II) by a percent which, when added to the percent reduction made in the number of such employees with permanent duty stations at such office or facility during the preceding fiscal year, is 30 percent or more."; and

(2) in subparagraph (C)—

(A) by striking out "(C) For" and inserting in lieu thereof "(D) For";

(B) by redesignating division (iii) as division (iv); and

(C) by striking out division (ii) and inserting in lieu thereof the following new divisions:

"(ii) The term 'covered Central Office unit' means an office in the Veterans' Administration's Central Office that is the permanent duty station for 100 or more employees.

"(iii) The term 'covered field office or facility' means a Veterans' Administration office or facility outside the Veterans' Administration Central Office that is the permanent duty station for 25 or more employees or that is a free-standing outpatient clinic."; and

(3) by inserting after subparagraph (B) the following new subparagraph (C):

"(C) Not less than 30 days before the date on which the implementation of any reorganization described in this subparagraph is to begin, the Administrator shall transmit to the Committees on Veterans' Affairs of the Senate and the House of Representatives a notification regarding the reorganization. This subparagraph applies to the reorganization of any unit of the Central Office of the Veterans' Administration that is the duty station for more than 25 but less than 100 employees if the reorganization involves a reduction in any fiscal year in the number of full-time equivalent employees with permanent duty station in such unit—

"(i) by 10 percent or more, or

"(ii) by a percent which, when added to the percent reduction made in the number of such employees with permanent duty station in such unit during the preceding fiscal year, is 15 percent or more.".

(b) Inapplicability of Restrictions.—Section 210(b) of title 38, United States Code (as amended by subsection (a)), shall not apply to a reorganization of a unit of the Central Office of the Department of Veterans' Affairs if the reorganization—

(1) is necessary in order to carry out the provisions of or amendments made by this Act; and

(2) is initiated within 6 months after the effective date of this Act.

(c) Construction.—References to the Administrator of Veterans' Affairs and the Veterans' Administration are used in the amendments made by subsection (a) in order to maintain conformity with the references appearing in the provisions of section 210 of title 38, United States Code, that are not amended by subsection (a). The references appearing in such amendments are subject to the reference rules provided in section 12 of this Act.

SEC. 12. REFERENCES.

Reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or pertaining to the Veterans' Administration—

(1) to the Administrator of Veterans' Affairs shall be deemed to refer to the Secretary of Veterans Affairs;

(2) to the Veterans' Administration shall be deemed to refer to the Department of Veterans Affairs;

(3) to the Deputy Administrator of Veterans' Affairs shall be deemed to refer to the Deputy Secretary of Veterans Affairs;

(4) to the Chief Medical Director of the Veterans' Administration shall be deemed to refer to the Chief Medical Director of the Department of Veterans Affairs;

(5) to the Department of Medicine and Surgery of the Veterans' Administration shall be deemed to refer to the Veterans Health Services and Research Administration of the Department of Veterans Affairs;

(6) to the Chief Benefits Director of the Veterans' Administration shall be deemed to refer to the Chief Benefits Director of the Department of Veterans Affairs;

(7) to the Department of Veterans' Benefits of the Veterans' Administration shall be deemed to refer to the Veterans Benefits Administration of the Department of Veterans Affairs;

(8) to the Chief Memorial Affairs Director of the Veterans Administration shall be deemed to refer to the Chief Benefits Director of the Department of Veterans Affairs; and

(9) to the Department of Memorial Affairs of the Veterans Administration shall be deemed to refer to the Veterans Benefits Administration of the Department of Veterans Affairs.

SEC. 13. SAVINGS PROVISIONS.

(a) Continuing Effect of Legal Documents.—All orders, determinations, rules, regulations, permits, grants, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective by the President, by the Administrator of Veterans' Affairs, or by a court of competent jurisdiction, in the performance of functions of the Administrator or the Veterans' Administration, and

(2) which are in effect at the time this Act takes effect,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Secretary, or other authorized official, a court of competent jurisdiction, or by operation of law.

(b) Proceedings Not Affected.—The provisions of this Act shall not affect any proceedings or any application for any license, permit, certificate, or financial assistance pending before the Veterans' Administration at the time this Act takes effect, but such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this Act had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this Act had not been enacted.

(c) Suits Not Affected.—The provisions of this Act shall not affect suits commenced before the date this Act takes effect, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this Act had not been enacted.

(d) Nonabatement of Actions.—No suit, action, or other proceeding commenced by or against the Veterans' Administration, or by or against any individual in the official capacity of such individual as an officer of the Veterans' Administration, shall abate by reason of the enactment of this Act.

(e) Property and Resources.—The contracts, liabilities, records, property, and other assets and interests of the Veterans' Administration shall, after the effective date of this Act, be considered to be the contracts, liabilities, records, property, and other assets and interests of the Department of Veterans Affairs.

SEC. 14. CONFORMING AMENDMENTS.

(a) Presidential Succession.—Section 19(d)(1) of title 3, United States Code, is amended by inserting before the period at the end thereof the following: ", Secretary of Veterans Affairs".

(b) Definition of Department, Civil Service Laws.—Section 101 of title 5, United States Code, is amended by adding at the end thereof the following:

"The Department of Veterans Affairs.".

(c) Compensation, Level I.—Section 5312 of title 5, United States Code, is amended by adding at the end thereof the following:

"Secretary of Veterans Affairs.".

(d) Compensation, Level II.—Section 5313 of title 5, United States Code, is amended by striking out "Administrator of Veterans' Affairs" and inserting in lieu thereof "Deputy Secretary of Veterans Affairs".

(e) Compensation, Level III.—Section 5314 of title 5, United States Code, is amended—

(1) by striking out "Deputy Administrator of Veterans' Affairs."; and

(2) by adding at the end thereof the following:

"Chief Medical Director, Department of Veterans Affairs.

"Chief Benefits Director, Department of Veterans Affairs.".

(f) Compensation, Level IV.—Section 5315 of title 5, United States Code, is amended—

(1) by striking out "Inspector General, Veterans' Administration" and inserting in lieu thereof "Inspector General, Department of Veterans Affairs"; and

(2) by adding at the end thereof the following:

"Deputy Chief Benefits Director for Memorial Affairs, Department of Veterans Affairs.

"Assistant Secretaries, Department of Veterans Affairs (4).

"General Counsel, Department of Veterans Affairs.".

(g) Compensation, Level V.—Section 5316 of title 5, United States Code, is amended—

(1) by striking out "Associate Deputy Administrator of Veterans' Affairs."; and

(2) by striking out "Chief Benefits Director, Veterans' Administration.";

(3) by striking out "General Counsel of the Veterans' Administration."; and

(4) by striking out "Director, National Cemetery System, Veterans' Administration.".

(h) INSPECTOR GENERAL ACT.—The Inspector General Act of 1978 is amended—

(1) in section 2(1)—

(A) by inserting "the Department of Veterans Affairs," after "Transportation,";

(B) by striking out "the Veterans' Administration,";

(2) in section 11(1)—

(A) by striking out "or Transportation" and inserting "Transportation, or Veterans Affairs,";

(B) by striking out "Small Business, or Veterans' Affairs" and inserting "or Small Business"; and

(3) in section 11(2)—

(A) by striking out "or Transportation" and inserting "Transportation, or Veterans Affairs,"; and

(B) by striking out "the United States Information Agency or the Veterans' Administration" and inserting "or the United States Information Agency".

SEC. 15. ADDITIONAL CONFORMING AMENDMENTS.

After consultation with the appropriate committees of the Congress, the Secretary of Veterans Affairs shall prepare and submit to the Congress proposed legislation containing technical and conforming amendments to title 38, United States Code, and to other provisions of law, to reflect the changes made by this Act. Such legislation shall be submitted not later than 6 months after the effective date of this Act.

SEC. 16. SPENDING AUTHORITY SUBJECT TO APPROPRIATIONS.

The authority to make payments or to enter into other obligations under this Act shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriations Acts.

SEC. 17. REPORTS ON IMPLEMENTATION.

At the end of each of the first five fiscal years that begin on or after the date of enactment of this Act, the Secretary of Veterans Affairs shall transmit to the Senate and the House of Representatives an estimate of the additional cost resulting from the implementation of this Act over the cost of continuing the operation of the Veterans' Administration as an independent establishment in the executive branch as if this Act had not been enacted.

SEC. 18. REPEAL OF RESTRICTION ON OFFICE OF MANAGEMENT AND BUDGET REVIEW OF TESTIMONY.

The undesignated paragraph under the heading "OFFICE OF MANAGEMENT AND BUDGET" in title II of the Treasury, Postal Service and General Government Appropriations Act, 1988 (as contained in section 101(m) of Public Law 100-202 (101 Stat. 1329-400)), relating to salaries and expenses, is amended by striking out the third and fourth provisos relating to review of the transcript of actual testimony of witnesses before certain committees of Congress and to printed hearings released by such committees.

SEC. 19. NATIONAL COMMISSION ON EXECUTIVE ORGANIZATION AND MANAGEMENT.

(a) ESTABLISHMENT.—There is established a commission to be known as the "National Commission on Executive Organization and Management" (hereafter in this section referred to as the "Commission").

(b) MEMBERSHIP OF THE COMMISSION.—The Commission shall be composed of 16 members appointed not later than 120 days after the date on which this Act takes effect. The members shall be appointed as follows:

(1) Six citizens of the United States appointed by the President, one of whom shall be designated by the President to be the Chairman of the Commission. Not more than four of the members appointed by the President may be from the same political party as the President.

(2) Two Senators and one citizen of the United States appointed by the President pro tempore of the Senate upon the recommendations of the majority leader of the Senate.

(3) One Senator and one citizen of the United States appointed by the President pro tempore of the Senate upon the recommendation of the minority leader of the Senate.

(4) Two members of the House of Representatives and one citizen of the United States appointed by the Speaker of the House of Representatives upon the recommendation of the majority leader of the House of Representatives.

(5) One Member of the House of Representatives and one citizen of the United States appointed by the Speaker of the House of Representatives upon the recommendation of the minority leader of the House of Representatives.

(c) RESTRICTIONS ON PAY AND ALLOWANCES.—(1) Except as provided in paragraph (2), members of the Commission shall receive no pay, allowances, or benefits by reason of service on the Commission.

(2) Members of the Commission appointed from among private citizens of the United States may be allowed travel expenses, including per diem, in lieu of subsistence, as authorized by law for persons serving intermittently in the Federal Government, but only to the extent that funds are available for such expenses.

(d) FUNCTIONS OF COMMISSION.—The Commission shall determine the following matters:

(1) The criteria by which the President and Congress may evaluate proposals for changes in the structure of the Federal Government, including the criteria by which the President and Congress should evaluate and oversee Government sponsored enterprises and Government corporations.

(2) Whether the number of the executive departments and the organizational structure of each such department is appropriate to ensure effective functioning of the executive branch, whether any such department should be reorganized or abolished, and whether any new executive department should be established.

(3) The most effective and practicable structure of the Executive Office of the President for the oversight of the management of the executive branch and the criteria by which the Executive Office of the President should evaluate and oversee the performance and management of the executive branch.

(4) The appropriate management systems and procedures for ensuring efficient, effective, and accountable delivery of public goods and services. The determinations of appropriate management procedures shall include determinations with respect to performance of procurement functions, personnel management functions, budgetary and fiscal accounting functions, oversight of statistical and information management functions, oversight of regulatory policy formulation functions, and administrative services functions.

(5) The most effective and practicable structure of the President's cabinet and the most effective and practicable means by which the President may ensure the most effective operation of the President's cabinet. Such determinations shall include the appropriate number, composition, and duties of members of the cabinet.

(e) REPORT.—(1) Not later than 18 months after the date on which the members of the Commission are appointed, the Commission shall submit to the President, the Senate, and the House of Representatives a report which shall contain a detailed statement of the determinations of the Commission and such recommendations for administrative action and legislation that the Commission considers advisable.

(2) The date on which the report is due may be extended to such date as the President may prescribe in an Executive order, except that such date may not be later than six months after the date on which such report is otherwise due under paragraph (1).

(f) POWERS OF COMMISSION.—(1) The Commission may, for the purpose of carrying out this section, hold such hearings and sit and act at such times and places, as the Commission may find advisable.

(2) The Commission may adopt such rules and regulations as may be necessary to establish procedures and to govern the manner of the operation, organization, and personnel of the Commission.

(3)(A) The Commission may request from the head of any department, agency, or other instrumentality of the Federal Government such information as the Commission may require for the purpose of carrying out this section. The head of such department, agency, or instrumentality shall, to the extent permitted by law, furnish such information to the Commission upon request made by the Chairman.

(B) Upon request of the Chairman of the Commission, the head of any department, agency, or other instrumentality of the Federal Government shall, to the extent possible and subject to the discretion of such head—

(i) make any of the facilities and services of such department, agency, or instrumentality available to the Commission; and

(ii) detail any of the personnel of such department, agency, or instrumentality to the Commission, on a nonreimbursable basis, to assist the Commission in carrying out the duties of the Commission under this section, except that any expenses of the Commission incurred under this subparagraph shall be subject to the limitation on total expenses set forth in subsection (g)(2).

(4) The Commission may use the United States mails in the same manner and under the same conditions as the departments and agencies of the Federal Government.

(5) The Commission may, to such extent and in such amounts as are provided in appropriations Acts, enter into contracts with State agencies, private firms, institutions, and individuals for the purpose of conducting research or surveys necessary to enable the Commission to discharge the duties of the Commission under this section, subject to the limitation on total expenses set forth in subsection (g)(2).

(6) Subject to such rules and regulations as may be adopted by the Commission and the limitation on total expenses set forth in subsection (g)(2), the Chairman of the Commission shall have the power to appoint, terminate, and fix the pay of an Executive Director and of such additional staff as the Chairman considers advisable in order to assist the Commission. No rate of pay fixed under this paragraph may exceed a rate equal to the rate of pay payable for grade GS-18 of the General Schedule under section

5332 of such title. The Chairman may fix the pay of personnel under this paragraph without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code (relating to the number or classification of employees and to rates of pay), the provisions of such title governing appointments in the competitive service, and any other similar provision of law.

(g) EXPENSES OF COMMISSION.—(1) Any expenses of the Commission shall be paid from such funds as may be available to the Secretary of the Treasury.

(2) The total expenses of the Commission may not exceed $1,500,000.

(h) APPLICABILITY OF THE FEDERAL ADVISORY COMMITTEE ACT.—The Commission shall be considered an advisory committee within the meaning of the Federal Advisory Committee Act (5 U.S.C. App. 2).

(i) TERMINATION OF COMMISSION.—The Commission shall cease to exist on the date that is 30 days after the date on which the Commission submits the report required under subsection (e).

(j) PREPARATION FOR THE COMMISSION.—(1) Not later than 120 days after the date on which this Act takes effect, the Comptroller General of the United States, the Director of the Congressional Research Service, the Director of the Congressional Budget Office, and the Director of the Office of Technology Assessment shall each prepare briefing papers for the Commission and shall submit such briefing papers to the Commission. The briefing papers submitted by such official shall include an index to and synopsis of the following materials that such official considers useful to the Commission in carrying out its responsibilities:

(1) Any report prepared by the organization of such official.

(2) Any analysis conducted by such organization.

(3) Any recommendations formulated by such organization.

(4) The results of any research conducted by such organization.

(k) IMPLEMENTATION OF COMMISSION RECOMMENDATIONS.—(1) For the 270-day period beginning on the date on which the Commission terminates, such members of the Commission staff as the Executive Director of the Commission, in consultation with the Director of the Office of Management and Budget, shall designate and shall be employed by that Office for the purpose of assisting the Director of the Office in carrying out paragraphs (2)-(4). Subject to the limitation on total expenses provided in subsection (g), the expenses (including pay and other personnel expenses) of the staff so employed shall be paid out of funds available for the operation of the Commission.

(2) The Director of the Office of Management and Budget shall take such actions (including the actions required by this subsection) as may be appropriate to implement the recommendations of the Commission.

(3) The Director of the Office of Management and Budget shall ensure that the head of each department and agency of the executive branch, in consultation with the Director—

(A) reviews the Commission's recommendations;

(B) determines which, if any, of such recommendations are appropriate for the head of such department or agency to implement;

(C) to the extent practicable within the limits of the authority of and the resources available to the head of such department or agency, takes such actions as may be necessary for the implementation of recommendations determined appropriate under clause (B); and

(D) transmits to Congress such recommendations for legislation as the head of such department or agency considers necessary for the implementation of recommendations of the Commission determined appropriate under clause (B).

(4)(A) The Director of the Office of Management and Budget shall submit to Congress and the President three annual interim reports containing a discussion of the actions taken and the actions proposed to be taken to implement the recommendations of the Commission. Such reports shall be submitted not later than one, two, and three years, respectively, after the date on which the Commission's report is submitted under subsection (e).

(B) Not later than four years after the date on which the Commission's report is submitted under subsection (e), the Director of the Office of Management and Budget shall transmit to Congress a final report containing a discussion of all actions taken to implement the recommendations of the Commission.

(l) MONITORING IMPLEMENTATION.—For the 4-year period beginning on the date on which the Commission terminates, the Comptroller General of the United States shall monitor the implementation of the recommendations of the Commission and shall report periodically to Congress and the President on the actions taken to implement such recommendations.

SEC. 20. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect on such date during the 6-month period beginning on January 21, 1989, as the President may direct in an Executive order. If the President fails to issue an Executive order for the purpose of this section, this Act and such amendments shall take effect on July 21, 1989.

Mr. GLENN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GLENN. Mr. President, today I rise to support passage of the Department of Veterans' Affairs Act. This bill was reported out of the Committee on Governmental Affairs unanimously, and reflects a very strong bipartisan effort to make sure this new Department has the kind of leadership and management structure needed for the future.

As I said at the first hearing on elevation before the Committee on Governmental Affairs last December 9, if Congress is going to elevate this agency to the frontlines of the executive branch, we must do it right. That means Congress must ensure that a new Department of Veterans' Affairs is as effective, accountable, and well managed as possible. I believe the committee bill accomplishes this.

Mr. President, in assessing the case for elevation, the question for the committee was not whether the VA is large, nor whether the agency provides essential care to millions of American veterans. There was no doubt on both counts. Rather, the question for the committee was whether the elevation of the VA to Cabinet status would best serve America's veterans, the American public, and, ultimately, the President of the United States through strengthening of the Cabinet as a policymaking mechanism.

The committee took this responsibility to draft a detailed bill very seriously, and concluded early on in the legislative process that to justify elevation of the VA, the bill had to include management reforms which would strengthen VA's leadership and accountability. And those were two very important items. Merely changing the title of the Agency from Veterans' Administration to Department of Veterans' Affairs is not enough. As a result, this bill contains significant improvements in accountability and internal management which will mean real improvements in service delivery.

If it does not do that, it is not worth passing.

Mr. President, once the committee decided that an appropriately structured VA should, indeed, be elevated to Cabinet status, it followed four basic guidelines in developing legislation: First, where appropriate, leadership flexibility should be given to the new Secretary; second, the Department should have a proper mix of presidential and career appointments at leadership levels; third the Department should have a clear line of authority between the Secretary, the operating units, and the staff assistant secretaries; and fourth, the Department should have the strongest internal control and management information possible.

The First Criterion—Appropriate Flexibility for the Secretary—reflected a consensus among the past and present VA Administrators on the need to give the Secretary of Veterans Affairs the freedom to manage the Department effectively. In seeking to provide adequate flexibility to the Secretary of Veterans Affairs under an amendment in the nature of a substitute to S. 533, the committee concentrated on three specific provisions:

First, the bill allows the Secretary to create up to four Assistant Secretaries, and to determine the functions of each.

Second. The legislation gives the Secretary the authority to create up to 15 Deputy Assistant Secretaries.

Three. Working in close consultation with the Senate Veterans Affairs Committee, the bill modifies a key management requirement that the Administrator of VA submit a detailed notification of proposed agency reorganizations.

These provisions signaled the committee's agreement with the basic principle of flexibility. However, where the committee felt there was a need to prescribe how the Department must operate, it did not shy away from that responsibility.

The second criterion for elevation legislation—a proper mix of presidential and career appointments to leadership positions—reflected the committee's commitment to maintaining the current focus on expertise and continuity at VA as it moves to Cabinet status. The committee sought to balance the need for continuity and expertise and the need for accountability and oversight through four specific provisions of the substitute bill:

First. The legislation provides that the two key operating positions—Chief Medical Director and Chief Benefits Director—be selected on the basis of expertise and without regard to political affiliation or political qualification. The legislation also establishes a set of clear qualifications for each position, and establishes a search process for recommending names to the President for possible appointment.

Second. The bill also places caps on the number of noncareer appointments to the Senior Executive Service and on the number of schedule C personal and confidential assistants. By limiting the number of noncareer SES to 5 percent of the total SES appointees in the Department, and by limiting the number of schedule Cs to 15, the legislation places clear obstacles to the politicization of the Department by any President, regardless of party or ideology.

Three. The legislation provides that at least two-thirds of the Deputy Assistant Secretaries in the Department be selected in the competitive service, thereby emphasizing merit and continuity at the interface between the presidentially-appointed Assistant Secretaries and the Secretary-Appointed Deputy Assistant Secretaries.

Four. The legislation requires that, except as otherwise provided in the act, political affiliation or political qualification may not be taken into account in the appointment or advance of any person to any position or to perform any services in the Department.

Under the committee's bill as outlined above, the Department would have no fewer than 7 and no more than 10 presidenital appointees, compared to the 14 required by the House legislation. We felt that was just too many and were not needed. Using current employment data, the total number of presidential and noncareer SES appointees in the Department of Veterans Affairs could not exceed 17 out of almost 150 top level executives.

The third criterion for evaluation legislation—clear reporting lines between the Secretary, the operating units, and the Assistant Secretaries—reflected the committee's concerns about establishing a clear chain of command from the Secretary through the Deputy Secretary and down through the department. In a highly decentralized agency like the VA, the Secretary must have a single channel of command.

In addressing the need for a tighter span of control and a clear chain of command, the committee adopted three specific provisions in its elevation bill:

First, the legislation makes clear that either the Secretary or the Deputy Secretary of the Department will be responsible for supervising the Assistant Secretaries, the inspector general, and the general counsel. If the Secretary chooses to delegate those duties, the Secretary may only delegate to the Deputy Secretary.

Second, the legislation also consolidates the number of staff units from 8 to 5—up to 4 Assistant Secretaries and one general counsel.

Third, the legislation merges the current Department of Memorial Affairs into the new Veterans Benefits Administration, thereby reducing the number of operating units reporting directly to the Secretary from three to two.

The fourth criterion for legislation—development of the strongest internal control and management information possible—reflected the committee's concern that top Department managers have all the information they need to effectively lead the highly decentralized agency.

In developing elevation legislation, the committee paid particular attention to ways in which the Department's information systems could be strengthened, and focused on two specific provisions:

First, the legislation requires the Secretary to designate an Assistant Secretary as the Department's Chief Financial Officer [CFO]. As CFO, this Assistant Secretary will be responsible for agencywide leadership on financial management system improvement.

Second, the legislation requires the Secretary to strengthen the Office of Inspector General by adding approximately 150 new employees. The increased effectiveness in finding fraud, waste, and abuse should more than pay this cost of those additional employees. We have found that out in other agencies of Government and other departments of Government also.

Finally, alongside the elevation provisions of the bill, the committee also created a National Commission on Executive Organization and Management, which will be responsible for examining the structure and composition of the President's Cabinet. Because the Cabinet exists to serve both the public and the President, an assessment of possible gaps and overlaps in Cabinet coverage is particularly useful to the President and the Congress in setting the agenda for future legislation.

In summary, I believe this bill elevates the VA in a way that will serve not just America's veterans, but the public, the President, indeed all Americans.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I rise today in support of S. 533, legislation to establish the Veterans' Administration as an executive department. I particularly want to pay public respect to the distinguished Senator THURMOND, who has been the leader in the effort to create this reorganization. This reorganization is supported by the leadership and the members of the Nation's veterans organizations. It received the backing of the President last November, and passed the House later that same month.

The bill before us today received a strong favorable vote in the Committee on Governmental Affairs in April of this year. That vote followed 3 days of very thorough hearings covering every major element of the existing Veterans' Administration and the proposed elevation to Cabinet level status. This reorganization is needed, is warranted and should receive the solid backing of the Members of this body. I hope the Senate will vote today to approve this legislation in order for us to deliver it to the President for his signature.

Mr. President, when the Veterans' Administration was created in 1930, it employed slightly more than 30,000 full-time employees to serve a population of 4.7 million veterans. By last year, the Veterans' Administration employed 200,000 full-time and 40,000 part-time employees to administer the programs for 30 million veterans and their 50 million dependents and survivors. This in fact constitutes the largest independent agency in Government.

Beyond these employee numbers and the size of the VA constituency, the array of programs administered by the Administration lends additional weight to the argument for Cabinet level status. In the VA's domain today are programs providing life insurance programs for 7 million veterans and military personnel; compensation and pensions for nearly 4 million veterans; education and training assistance for a quarter of a million veterans and dependents; and home loan guarantees for almost 13 million veterans and their dependents.

The VA health care system is the largest in the free world, encompassing 172 medical centers, 229 outpatient clinics, 117 nursing home care units, and 16 housing units for a total of 90,000 patient beds. In addition, the GI education programs administered by the VA have contact with virtually every institution of higher learning in the Nation. Thus, by virtue of both its size and scope, the Veterans' Administration merits elevation to the Cabinet.

Mr. President, the bill before us today deserves the support of all our colleagues for a number of additional reasons. In fashioning this reorganization the committee provided the tools for strengthened management effectiveness and internal controls. It sets a limit on the number of noncareer appointments in the department and affords the new Secretary needed management flexibility with the authority to appoint and direct his deputies and to undertake reorganizations within the central office of the new department.

To attract capable, high-quality executives to Government, we must give them the authority to manage their organizations. Our bill grants the Secretary wide latitude in assigning the duties of the up to four Assistant Secretaries called for in the legislation and provides increased flexibility for internal departmental reorganizations by relaxing the existing restrictions on this important management function. Furthermore, the bill expands the Office of Inspector General within the department to permit greater audit, investigative, and internal control capability.

There is an important symbolic reason for this reorganization as well; one that I think each of the Members can appreciate. Our Nation's veterans have served the Nation well in time of peace and war. They have given, in the words of Abraham Lincoln, "The last full measure of devotion" that our Nation, our system of government, and our quality of life might be preserved. Many vets have returned from war bearing scars both visible and invisible as a result of their sacrifices for the Nation. Granting Cabinet-level status to the organization administering the programs for these veterans and their dependents is a legitimate and appropriate means of recognizing their commitment and their sacrifice.

During its consideration of this proposal, the Committee on Governmental Affairs added an important provision to this bill to create a national Commission on Executive Organization and Management. This provision is modeled on legislation I developed in cooperation with Senator Tom Eagleton when I chaired the committee and Tom was the ranking Democratic member. That legislation passed the Senate on two occasions, once in 1981 and again in 1983, but did not see action in the other body.

The purpose of the Commission is to conduct a comprehensive review of the organization and management of the Federal Government much like the efforts of the very successful Hoover Commissions of the late 1940's and early 1950's. These efforts resulted in reorganizations that improved executive control over the departments and agencies and in management efficiencies in the procurement, personnel, and other areas that have saved millions of dollars over the years.

The Commission created by this legislation will be bipartisan, will include Members of Congress, of the executive branch as well as distinguished private citizens and will have a strong reform mandate. For all of these reasons the effort will have a positive impact to match that of the two Hoover Commissions. In my view, this sweeping review of government operations will save money through greater efficiency, will result in more effective delivery of public goods and services and ultimately will help to restore citizen confidence in our public institutions. It has been 35 years since the work of the last Hoover Commission and the time is right for another such searching review of government management and organization.

In urging action on this legislation, I want to commend our distinguished chairman for agreeing to make this Commission initiative a part of the legislation before us and for the thoughtful and deliberate leadership he showed in the committee on each aspect of the veterans department issue. The committee hearings on the legislation were very thorough and the quality of the legislation before us today reflects this effort. I also would like to recognize members of majority staff or Government Affairs, Dr. Leonard Weiss and Dr. Paul Light, for the quality of their work and for the cooperation they exhibited in the course of developing this legislation.

Mr. President, with 73 cosponsors this truly is a bipartisan bill. The Cabinet Department of Veterans' Affairs will be more effective and more accountable in the delivery of services and benefits to veterans and their dependents. This measure deserves our support and I urge its adoption.

Mr. President, I yield the floor.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. HEINZ. Mr. President, I ask to proceed for 6 minutes.

Mr. GLENN. I yield 6 minutes to the Senator from Pennsylvania.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEINZ. Mr. President, I thank the chairman.

Mr. GLENN. Mr. President, what are the time restraints? We did not have those spelled out when we started.

The PRESIDING OFFICER. There are 2 hours on the bill evenly divided. Forty-seven minutes forty-three seconds remain on the Democratic side; 51 minutes 13 seconds remain on the Republican side.

Mr. HEINZ. Mr. President, first I want to commend the chairman of the Governmental Affairs' Committee, Senator GLENN, and our ranking member, Senator ROTH, for bringing S. 533 to the floor.

I come to the floor myself and rise in its support. I believe it is high time that this legislation to elevate the Veterans' Administration to the level of a Cabinet department has come and it has come for a very simple reason, at least in my judgment. And that is that we need to improve the accountability of that agency.

I say that because it has been my experience that for far too long, decisions that have great effect on the lives of our 28 million American veterans and, by the way, their 42 million dependents, have been made at the very lowest levels of the VA, not the highest levels. Therefore, for too long the VA has not been, as we would like it, the voice that our Nation's veterans deserve.

The Veterans' Administration, as was mentioned a moment ago, is the largest independent agency in the Government, and it is responsible for a $27 million annual budget.

In addition, it is the largest single-care provider and the largest hospital system in the United States, employing over 200,000 individuals. It operates 172 medical centers; it operates 227 outpatient clinics; 115 nursing home care units; 17 regional offices; 100 cemeteries, and numerous veterans' outreach centers.

Given that the Veterans' Administration has a vast, a complex, a vital mission touching nearly 3 out of 10 Americans, it must have full access to and attention from all levels of Government. So elevating the Veterans' Administration to Cabinet level will give it the access and attention that would help the VA accomplish its important mission.

Mr. President, the legislation before the Senate provides for an enhanced management structure, greater financial accountability, and a strengthened inspector general and, importantly, it eliminates the number of noncareer, senior executive service positions and caps the number of Schedule C positions so that elevation to Cabinet level will neither significantly increase the number of high-ranking personnel at the VA nor add further costs to our taxpayers.

It is my hope that the new Cabinet level Veterans' Administration will do a better job of serving veterans. Frankly, I can think of too many occasions where the VA has denied benefits to veterans who are eligible or should be eligible.

Let me take a moment to put that in perspective. For instance, Congress has on three occasions enacted presumptions of service connection for former prisoners of war. My constituents Gene Salay of Allentown, PA and Walter Pawlesh of Coraopolis are former prisoners of war whose cases are instructive. Mr. Pawlesh, for one, was marched across Germany in the dead of winter. Yet, although he suffered frostbite and other problems as a result, like the survivors of the stalags and of the other death marches, he and other former prisoners of war could not receive service-connected status for their disabilities because it could not be proven, at least to the satisfaction of the Veterans' Administration, that they were injured while in service.

Now, why could they not prove that? Because, Mr. President, our enemies, the Germans on the one hand, the Japaneses on the other, did not keep medical records on prisoners of war, and it has taken three major pieces of legislation to get the point across to the Veterans' Administration but now we are finally getting the VA to pay attention to our POW's.

The same story can be told of veterans exposed to hazardous levels of radiation while on active duty or for veterans exposed to agent orange. The VA has not seen fit to assist men and women who are affected, so that the job falls on Congress to force the VA's medical compensation and pension systems to open their doors.

Mr. President, I raise these points for a very simple reason, and that is in the hope that someday soon the Veterans' Administration will take a stronger role in assisting veterans with their health care and compensation needs. A Cabinet level department is more likely to have the resources and the political clout needed to get that job done.

Now, despite my overall support for this legislation, and support it I do, I need to bring to the attention of our colleagues a flaw in this otherwise good bill. The legislation before the Senate would abolish the existing Department of Memorial Affairs and place it in the Department of Veterans' Benefits. The Department of Memorial Affairs, Mr. President, is charged with administering the national cemetery system and is responsible for the provisions of burial plots, memorials, markers, and so forth, to deceased veterans and their families.

I have a deep concern for this issue because we are asking the families of veterans, veterans who never made it back to their loved ones, to face what I fear will prove to be in the new department, multiple layers of management in what is for them a time of grief. To relegate memorials, therefore, for those who have made the ultimate sacrifice to our Nation to a secondary status I think may create an unfortunate and even terrible injustice.

The VA itself admits that the Department of Veterans' Benefits lacks the land use, planning, construction, and management experience to properly administer memorial affairs. Legislation passed in the House very wisely has kept memorial affairs separate from veterans' benefits. I take this occasion, therefore, to urge the conferees on this legislation to accept the House provision.

Mr. President, in conclusion, I think S. 533, with the exception I have just outlined, makes very important changes in the administration of the Veterans' Administration. Elevating the VA above all to a Cabinet post will ensure that the veterans of this country receive the services, the attention, and the scrutiny that they deserve.

I urge my colleagues to join me in support of the measure.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. MATSUNAGA). Who yields time?

Mr. GLENN. I yield 12 minutes to Senator THURMOND on behalf of Senator ROTH, and I yield 5 minutes to Senator DASCHLE out of my time.

Mr. THURMOND addressed the Chair.

Mr. ROTH. Mr. President, I yield 12 minutes to the Senator.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 12 minutes.

Mr. THURMOND. Mr. President, our country places a high priority on the well-being of our veterans—and rightly so. After all, veterans have kept our country free. Since 1930, the Veterans' Administration has delivered numerous benefits and health care services to the men and women who have worn the uniform. Today, I urge the Senate to take a bold step forward and elevate the VA—an independent Federal agency—to a Cabinet-level Department.

Mr. President, I am especially pleased, that after many, many years, the Senate will have an opportunity to vote on Cabinet-level legislation. As a veteran of World War II, it was a privilege and honor for me to introduce this legislation first in 1975 and on several occasions thereafter. The bill before the Senate today—S. 533—was introduced in February 1987. Supported by over 70 cosponsors, this measure represents true bipartisan cooperation.

Mr. President, I want to spend just a few minutes discussing the history of this legislation. As I mentioned, this legislation was introduced in February 1987. Later in November, the President announced his endorsement of a Cabinet-level Department of Veterans' Affairs at a White House meeting which I was privileged to attend. That same month, companion legislation passed the House of Representatives by an overwhelming margin.

More recently, under the able leadership of Senator GLENN, chairman of the Governmental Affairs Committee, hearings were held last December, and this past March. His job was not an easy one. I want to take this opportunity to commend him for his thorough analysis of this issue. A former marine, he is a man of integrity, and courage, who consistently stated his desire to examine whether Cabinet status was truly in the best interest of America's veterans. Although the committee substitute differs somewhat from my original bill, I believe it clearly reflects the extended thought and analysis of the committee. The substitute provides for up to 10 Presidential appointees which correspond to existing positions in the Veterans' Administration. Of course, included among these appointees is a Secretary of Veterans' Affairs, who would be the voice of veterans at Cabinet meetings.

Over the past several months, editorial writers have stated that this legislation would create an additional layer of bureaucracy. That is simply not the case. Simply stated, this legislation does two things. First, it gives an existing Federal agency a new name—the Department of Veterans' Affairs. Second, it provides for internal restructuring. The same functions will continue to be performed, but by employees with different titles.

Mr. President, I would be remiss if I did not also mention Senator ROTH, who is a cosponsor and strong supporter of this legislation, the ranking minority member of the Governmental Affairs Committee, and Senator MITCHELL, a member of both the Governmental Affairs Committee and Veterans' Affairs Committee, and thank him for his support of this legislation. In addition, I want to express my appreciation to the chairman of the Veterans' Affairs Committee—Senator CRANSTON; and the ranking minority member—Senator MURKOWSKI—for their contributions to this legislation. Finally, I believe it is worth noting that 8 of the 11 members of the Veterans' Affairs Committee have cosponsored S. 533.

Mr. President, we have come a long way since the establishment of the VA in 1930. Today, the VA serves a population of 28 million veterans, and about 51 million dependents and survivors of veterans. Its budget authority of $29 billion for fiscal year 1989 ranks among the largest of the Federal departments and agencies. Today, the VA operates the largest health-care delivery system of its kind in the world, with 172 hospitals, 117 nursing homes, 230 outpatient clinics, 188 readjustment counseling centers, over 12,000 physicians, and over 36,000 nurses.

As we all know, the VA continues to face increased demands upon its hospital and health-care system. In fact, by the year 2000, the percentage of U.S. males 65 and over, who are veterans, is expected to double from 36 percent to 62 percent. Having a Secretary of Veterans' Affairs at the Cabinet table will help ensure that this aging population is not neglected.

In light of the commitment of our Nation to care for our veterans, not to mention the size and importance of the Veterans' Administration in our Government, it is appropriate that the VA become a Cabinet-level department. Though the VA will take on a somewhat different appearance, I am convinced that, in substance, our Nation's veterans will be better served by the new arrangement. In a time of great pressures to restrain the growth of Federal spending, it is most important that the Veterans' Administration be involved closely in Government planning at the highest level.

Mr. President, my statement would not be complete if I did not mention the strong support and hard work of the veterans' service organizations and other associations in this matter. The American Legion, the Veterans of Foreign Wars, the Disabled American Veterans, AMVETS, the Paralyzed Veterans of America, the Vietnam Veterans of America, the Military Order of the Purple Heart, the Blinded Veterans Association, the Jewish War Veterans, and the American Optometric Association all support this bill. I have several letters of support from these organizations and ask unanimous consent that they be printed in the Record immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit 1.]

Mr. THURMOND. Mr. President, In addition, I would like to draw the attention of my colleagues to several supportive newspaper editorials which I included in the February 19, 1988 Congressional Record on page S 1016.

Mr. President, two former VA Administrators—Mr. Max Cleland and Mr. Harry Walters—have both endorsed Cabinet-level status for the Veterans' Administration. As many Senators are aware, Mr. Cleland served during the Carter administration and Mr. Walters served in the present administration from 1982 to 1986. Mr. Walters wrote a very convincing article on Cabinet elevation in the April 1988 issue of American Legion Magazine, which I now ask unanimous consent to have printed in the Record following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit 2.]

Mr. THURMOND. Mr. President, I also have a letter of support from former Administrator Cleland which I ask unanimous consent to have printed in the Record following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

[See exhibit 3.]

Mr. THURMOND. Finally, let me be very clear—I am not saying we need to establish a Cabinet position so the VA can have more Federal dollars. Rather, what I am saying is this—given the nature and scope of the VA, it is appropriate that we make it an executive department. Involvement in Government planning at the highest level will ensure that these Federal dollars are more effectively administered.

As I mentioned earlier, this represents a bold step forward. The House has spoken, the President has spoken, and soon the Senate will speak. The time to act is now.

I urge my colleagues to support this legislation.

Exhibit 1

The American Legion,
Washington, DC, June 8, 1988.
Hon. Strom Thurmond,
U.S. Senate, Washington, DC.

Dear Senator Thurmond: The American Legion takes this opportunity to commend you on your determined leadership to establish a Department of Veterans Affairs. As you and your Senate colleagues prepare to consider S. 533, we wish to reaffirm our belief that this measure should be approved by the full Senate without any encumbering amendments.

The effort to establish a Cabinet level position representing veterans has been underway for quite a few years, and we are well aware that you have been one of the principal advocates throughout that period. The pending legislation is a very thoughtful and comprehensive approach to creating the new department. In our opinion, that measure deserves the overwhelming support of the U.S. Senate.

As the original author of S. 533, you are to be commended for pursuing its enactment over the past year. We, as the nation's largest veterans organization, are prepared to work with you to ensure that the intent of the bill is not violated or compromised during full Senate consideration.

The American Legion stands ready to do whatever is necessary to gain Senate approval of S. 533.

Sincerely,
John P. "Jake" Comer,
National Commander.

Veterans of Foreign Wars
of the United States,
Washington, DC, June 7, 1988.
Hon. Strom Thurmond,
U.S. Senate, Washington, DC.

Dear Senator Thurmond: On behalf of the more than 2.9 million men and women of the Veterans of Foreign Wars of the United States and its Ladies Auxiliary, I wish to convey our strong support of S. 533, a bill introduced by you which now enjoys over 70 cosponsors. As you may know, the VFW has once again made the upgrading of the VA to Cabinet level a priority goal.

The VA is currently the largest independent agency and employs the second largest number of personnel in the Federal Government. The VA serves a more diverse cross-section of our nation's population than any other department or agency. These individuals, consisting of 28 million veterans along with their dependents and survivors, comprise approximately one half of the nation's total population. Even so, the VA Administrator only has limited access to the President and may only communicate indirectly with the White House through a minor White House Staffer. Upgrading the Veterans Administration to Cabinet level will rectify this totally unacceptable situation.

The VA administers a number of programs that contribute directly to the welfare of this nation's veterans and the national economy. By operating the largest independent hospital system in the free world, the VA has a direct impact on all phases of medical care and research which take place in this country. The importance of the Veterans Administration was reaffirmed on November 21, 1983, with the passage of Public Law 98-160 the "Veterans Health Care Amendments of 1983," which contains the Sense of the Congress that the Veterans Administration should be made a Cabinet level department.

We would point out that upgrading the VA to Cabinet level does not in any way constitute an expansion of the current bureaucracy and that during the last Congress the Congressional Budget Office determined that the cost associated with such an action would be insignificant. However, it would have the highly salutory effect of providing better representation to America's veterans and their survivors and dependents. The Veterans of Foreign Wars firmly believes that America's veterans truly deserve to be heard at the highest level of American government.

Sincerely,
Earl L. Stock, Jr.,
National Commander-in-Chief.

Disabled American Veterans,
Washington, DC, June 6, 1988.
Hon. Strom Thurmond,
U.S. Senate, Washington, DC.

Dear Senator Thurmond: On the eve of Senate consideration of S. 533, I take this opportunity to reiterate the strong support of the DAV for this historic measure to elevate the Veterans Administration to a Cabinet level department within our federal government.

As you know, S. 533 was a subject of extensive hearings by the Senate Committee on Governmental Affairs, receiving that Committee's unanimous endorsement. A similar measure in the House of Representatives also received strong bipartisan support and passed that body by an overwhelming majority.

The DAV has long held the view that an agency which has the responsibility of providing benefits and services to potentially nearly 80 million Americans; has the free world's largest medical care system; has more than 253,000 employees; and is responsible for an annual budget in excess of $27 billion, certainly deserves to be directed at the highest levels of our government.

Senator Thurmond, the more than one million members of the Disabled American Veterans—indeed, all major veterans' organizations—look forward to favorable consideration by the full Senate of this historic legislation to assure that our nation's veterans, their dependents and survivors receive the just recognition they deserve as a result of their military service to this great Nation.

In closing, I wish to again thank you, Senator Thurmond, for introducing S. 533 and for your strong leadership in seeking Senate passage of this historic legislation.

Sincerely yours,

GENE A. MURPHY,
National Commander.

AMVETS,
Lanham, MD, June 7, 1988.
Hon. STROM THURMOND,
U.S. Senate, Washington, DC.

DEAR SENATOR THURMOND: As National Commander of AMVETS, I should like to take this opportunity on behalf of our members to express our sincere appreciation for your continued efforts to ensure that the Veterans Administration assumes its proper role as a member of the President's cabinet.

The presence of the Veterans Administration at the cabinet table will better serve America as well as America's veterans. Please be assured that the AMVETS across our great Nation totally support S. 533. This important legislation must stand alone and not be derailed by those who would attach any amendment whose sole purposes would be that of killing S. 533.

With best regards, AMVETS sends you a patriotic salute.

Sincerely,

JAMES B. KING,
National Commander.

PARALYZED VETERANS OF AMERICA,
Washington, DC, May 26, 1988.
Hon. STROM THURMOND,
U.S. Senate, Washington, DC.

DEAR SENATOR THURMOND: On behalf of the members of Paralyzed Veterans of America, I would like to state the organization's support for S. 533, as reported by the Senate Committee on Governmental Affairs, a bill to elevate the Veterans Administration to a cabinet level department. We are hopeful that favorable action on S. 533 by the entire United States Senate will proceed without delay, and the bill will be passed free of any nongermane issues or initiatives.

PVA, after careful analysis, believes S. 533 is the product of thoughtful deliberation by the Committee on Government Affairs and will provide an excellent framework for creation of this important Department. You are to be commended for your fine work and leadership, and we thank you for your efforts on behalf of your fellow veterans.

PVA believes S. 533 will foster increased accountability of the Veterans Administration while, at the same time, inhibit needless over politicalization of the Agency. We are pleased that the bill distinctly separates program implementation positions (i.e. the functions of Chief Medical Director, Chief Benefits Director and Director of Memorial Affairs) from Administrative management positions (Assistant Secretaries).

Further, PVA is supportive of the Committee's effort to place the Department of Memorial Affairs under the purview of the Chief Benefits Director because, as stated by Senator Mitchell at the Committee markup on April 14, 1988, the Department of Veterans Benefits is already an integral part of the functions of Memorial Affairs through eligibility determination and filing of the actual claim for burial benefits.

As PVA previously testified at the Committee hearing on December 9, 1987, "In order to maintain consistency in the VA organizational structure, the Department of Memorial Affairs should be headed by an Undersecretary (or equivalent). PVA's sole concern is that the Department of Memorial Affairs be distinct from administrative management."

Senator Thurmond, we certainly appreciate the opportunity to work with you and your staff and the open forum by which we are able to make known to you the views of PVA. We have the utmost respect for your expertise and your efforts in support of America's veterans.

Sincerely,

R. JACK POWELL,
Executive Director.

BLINDED VETERANS ASSOCIATION,
Washington, DC, June 3, 1988.
Hon. STROM THURMOND,
Washington, DC.

DEAR SENATOR THURMOND: Once again, on behalf of the Blinded Veterans Association (BVA), I am writing to express our strong support for S. 533, your bill to elevate the Veterans Administration (VA) to an executive department with full cabinet status. We want to commend you for your leadership in introducing this long overdue legislation and realize that a vote in the Senate should come very soon. The BVA, along with the other major Veteran Service Organizations have worked along with you for successful passage and are optimistic our goal is near.

We are concerned, however, that an attempt will be made on the Senate floor to amend S. 533 with Judicial Review Legislation. As in the past, the BVA remains firm in its belief that S. 533 should be passed free of amendments and that S. 533, as well as Judicial Review should stand on their own merits. Inasmuch as Judicial Review Legislation, S. 11 and S. 2292 are currently pending in the Senate Committee on Veterans Affairs awaiting markup scheduled for June 29, 1988, we feel it would be inappropriate to attempt to attach similar legislation in the form of an amendment to S. 533.

Again, Senator Thurmond, we pledge you our support for passage of S. 533 without amendment and look forward to celebrating the long awaited elevation of the VA.

Very sincerely,

DAVID. M. SZUMOWSKI,
National President.

JEWISH WAR VETERANS OF THE
UNITED STATES OF AMERICA, INC.,
Washington, DC, May 27, 1988.
Hon. STROM THURMOND,
Washington, DC.

DEAR SENATOR THURMOND: We are writing to reiterate our support for S. 533 currently before the Senate. We urge passage of VA cabinet status legislation as soon as possible.

The Jewish War Veterans of the U.S.A. has vigorously supported cabinet status for the VA as our number one legislative priority.

JWV appreciates your oustanding service in behalf of veterans and your sponsorship of this important legislation.

Sincerely,

JACK LITZ,
National Commander.

MILITARY ORDER OF THE PURPLE HEART,
Springfield, VA, June 2, 1988.
Hon. STROM THURMOND,
Washington, DC.

DEAR SENATOR THURMOND: The Military Order of the Purple Heart wholeheartedly supports upgrading the position of the Administrator of the Veterans Administration to a cabinet level post.

Support for this proposal was reaffirmed at our 55th National Convention held in August 1987.

Our organization stands ready to provide whatever support necessary to assist you in this endeavor.

Yours for Patriotism,

DONALD M. SKINDER,
National Commander.

AMERICAN OPTOMETRIC ASSOCIATION,
Alexandria, VA, June 1, 1988.
Hon. STROM THURMOND,
U.S. Senate, Washington, DC.

DEAR SENATOR THURMOND: I am writing to reaffirm our support for S. 533, your bill which elevates the Veterans Administration to a cabinet-level agency.

With a constituency of about 28 million veterans and perhaps another 70 million survivors and dependents, the Veterans Administration has the potential to impact nearly one-half of this nation's population. Added to this is the reality that the VA (with an annual budget of about 27 billion dollars) administers the largest health care system in the free world and is the largest trainer of health manpower in the United States.

The American Optometric Association has a proud history of involvement in providing health care to our veterans; we remain committed to high quality, available vision care for the veteran population, vision care second to none. Elevating the VA to cabinet level brings with it the possibility that one of the key missions of the VA—providing health care for deserving veterans—can be enhanced.

The AOA supports you and America's veterans in your efforts to secure passage of S. 533. We believe it is time for the VA to participate in the establishment of domestic policy by elevating this independent agency to an executive department.

Sincerely,

JAMES W. CLARK, JR.,
Washington Office Director.

EXHIBIT 2

[From the American Legion, April 1988]

A STRONGER VOICE FOR VETERANS

(By Harry N. Walters)

Much has been said and written over the years about elevating the Veterans Administraiton to Cabinet level. I hope that Congress will legislate such a move this year. I support this action fully and have so testified before the U.S. Senate. I believe that this step is necessary for America's veterans, and they should actively support the enactment of such legislation. Also, and perhaps more important, American veterans can help the Veterans Administration accomplish its important mission at a time of enormous deficits and budget tightening.

The Veterans Administration should be elevated to a Cabinet-level department because it has a budget of more than $30 billion; it employs about 250,000 people; it operates the free world's largest medical-care system; it trains the lion's share of America's doctors. It is the second-largest agency, next to the Defense Deparment, in all of government, and its budget is more than those of five Cabinet-level departments combined.

While these are compelling facts, the best reason is that veterans and their dependents—the people whom the VA is charged to support—represent almost 80 million Americans. Their benefits have been earned through service in the armed forces of the

United States. Veterans must be appropriately represented in the highest councils of government at a time when so many groups are clamoring for a portion of the federal budget. If it is not, you can be sure that these benefits will slowly but surely erode.

The truth is that Washington, D.C., is a town where one's position in the hierarchy is critical. The key to selling programs and getting money to implement them is communication. And in order to communicate effectively—whether it be with the President, the director of the Office of Management and Budget, or Congress—one must have access. Access is directly propertionate to one's position. Anyone who says that an administrator has the same access as a Cabinet secretary just doesn't know what he is talking about.

Several recent editorials in major newspapers have recommended that the Veterans Administration be broken into pieces and that its functions be assigned to other agencies, such as the Department of Health and Human Services, and the Labor Department. Quite frankly, confusing entitlements that have been earned through service to our nation with benefits granted solely as a result of citizenship would be like mixing oil and water. The editorial boards of these newspapers have not reflected properly on this issue or, perhaps, they prefer to have veterans' programs hidden so it is not so apparent when they are chipped away. Perhaps they don't want the VA's visibility to be improved. The United States always has exhibited special concern for those citizens who have served to defend and preserve our system of government. Although it is late in coming, the elevation of the VA to Cabinet-level is a logical, needed step in continuing the nation's obligation.

When I was administrator of veterans affairs, the leadership developed the following mission statements;

The mission of the Veterans Administration is to serve America's veterans and their families with dignity and compassion, and to be their principal advocate in ensuring that they receive the care, support and recognition they earned in service to this nation.

To ensure that appropriate benefits are provided to eligible veterans and their beneficiaries.

To ensure that the eligible veterans' memorial affairs are appropriately provided for and conducted in a manner that recognizes the honorable status of veterans.

To serve as the leader within the federal government on all matters directly affecting veterans and their families, and to be their advocate in representing their needs.

To ensure that the people of the Veterans Administration receive quality leadership, adequate compensation, decent working conditions, necessary training and education, equal opportunity, and earned recognition.

To provide timely, high-quality health care, benefits and services to veterans and their families as efficiently as possible.

Today the veteran population stands at more than 27 million. Approximately 8 million of these veterans have joined the various veterans' service organizations; almost 3 million are on the rolls of the largest, The American Legion. Veterans' service organizations provide service officers to assist veterans who are applying for disability compensation, pensions and other benefits, and represent veterans' interests before the Board of Veterans Appeals. These service officers are there to help you. Members of the service organizations and members of their auxiliaries can volunteer their services in each of the Veterans Administration's 172 hospitals, outpatient clinics, and nursing homes, and throughout their communities. This effort undoubtedly is the largest volunteer effort in the United States. The government doesn't fund this program, but it would have to spend millions were volunteers not available. Also, each organization provides continuous, on-site evaluation of benefits delivery and health care at every VA installation. This unfunded monitoring is invaluable not only to the veteran, but also to those who are responsible for managing the VA. It provides another set of eyes that sometimes discover problems before the staff does and, at times, find better ways of doing things. As a result, the VA is more efficient and responsive to our veterans. These efforts must be expanded, especially in view of the aging of our veteran population.

The laws that govern the Veterans Administration's activities are, at best, complex. When the VA executes these laws, sometimes the individual veteran believes that he or she is being mistreated. If we assume that the dignity and compassion mentioned in the VA's mission statement are for the most part being shown, the veteran has misunderstood the situation. This is an area in which service organizations play a vital role. In telling their members about changes in the laws and new laws, or simply re-explaining the old laws, they provide veterans a valuable service, and save the VA time and money. As veterans, you should check with your veterans' service organizations to help you accurately define the VA's program and your entitlements. There still will be challenges to individual benefits, based upon honest differences, when the evidence on a specific case is evaluated. Although VA programs are designed to give the individual veteran the benefit of doubt, this process is not perfect; there will be some veterans who clearly believe that they have been abused.

A check of the VA's mail while I was administrator showed that an overwhelming majority of veterans felt that they were being treated fairly. However, those who believe that they have been wronged shouldn't give up. Work with a veterans' service organization to help get what you are entitled to, to change the laws or to change the process in the Veterans Administration. Be a participant, not a detractor.

It is clear that many non-veteran Americans are proud of the veterans who have served to preserve our freedom. The efforts of these individuals in communities across America in helping veterans and VA programs is enormous. This help, like that of the veterans' service organizations, is mostly voluntary and never shows up in the government's budget.

It is this additional grass-roots support for the VA that gives strength in Washington, D.C. The political clout that veterans have in the nation's capital is a direct result of how the population as a whole values our veterans as a national resource. For this, our veterans can be thankful to our non-veteran fellow citizens. Thank them when you see them, and encourage their continued support. We will need their help in the future.

Although the VA will have an even stronger voice when it becomes a Cabinet-level department, it always will be our country's respect for our veterans that allows such an important agency of government to exist. President Ronald Reagan voiced strong support for this legislation on the day before Veterans Day. His approval spoke clearly above the voices of dissent.

He knows—and we should all remember—that America is No. 1 thanks to our veterans.

EXHIBIT 3

SECRETARY OF STATE,
STATE CAPITOL,
Atlanta, GA, May 27, 1988.

Hon. STROM THURMOND,
U.S. Senate,
218 Russell Senate Office Building
Washington, DC.

Re SB 533, Department of Veterans Affairs Act.

DEAR SENATOR THURMOND: I would like to take this opportunity to reaffirm testimony I presented before the Senate Government Affairs Committee in support of SB 533.

Raising the Veterans Administration to Cabinet level status will send a message to all veterans that their country remembers and appreciates their service.

Most sincerely,

MAX CLELAND

Mr. DASCHLE. Mr. President, it is with great pleasure that I rise in support of S. 533, a bill creating a Department of Veterans' Affairs. As a cosponsor of this bill, I am very pleased to see this issue finally reach the Senate floor.

The creation of a Department of Veterans' Affairs addresses a number of concerns for America's veterans. Veterans should have a voice in developing national policy decisions and the budget that carries such a direct impact on their lives.

Our Government supports that access for other worthy segments of the population. Students have an advocate on the President's Cabinet, and we certainly would not attempt to create policies effecting America's farmers without a Department of Agriculture. Certainly veterans deserve this same opportunity to participate in policy decisions at the highest level of government.

The veterans of this Nation have earned that representation. Those who have been willing to lay their lives on the line for the security and ideals of this Nation are entitled to direct input in the President's Cabinet.

Providing America's veterans access to the Chief Executive is also a statement that directly reflects on our Nation's commitment to veterans. A Cabinet-level Veterans' Department demonstrates to other nations not only our recognition of the vital contributions by veterans to America's past battles, but also our responsibility to those protecting our Nation now and in the future. By raising the Veterans' Administration to Cabinet status, we are joining our neighbor and ally, Canada, in telling the world that veterans' concerns are a top priority of this Government.

A Department of Veterans' Affairs also makes sense from the standpoint of Government efficiency. With a staff of 240,000 and a budget this fiscal year of over $29 billion, the VA is the largest independent agency of the Federal Government. The VA is responsible for the operation of the largest health care delivery system of its kind in the world, and is charged with administering over $15 billion in compensation, pension and benefit programs for veterans and their dependents.

The VA functions in a number of additional and diverse roles in serving America's veteran population. From providing over 12 million veterans' home loan guarantees to assisting over 18 million Americans further their education, the VA operates a vast system of benefits that impacts the entire Nation positively.

Despite these phenomenal responsibilities, the Administrator of the VA does not have direct access to the President to discuss vital concerns. Elevation of the VA to Cabinet status will not only resolve this problem, but will assist in the recruitment of the best managerial talent to perform the VA's immense duties.

As we elevate the Veterans' Administration to Cabinet status, it is imperative that we also elevate the priority we give to the crucial issues faced by veterans every day. The serious needs of veterans with regard to health, justice, and opportunity must not be neglected.

Regarding veterans health issues, there are important new developments on agent orange that cry out for congressional attention.

A study released by the Air Force in March cast a new light on the Ranch Hand Study, which had previously been cited as a negative study of the veterans most heavily exposed to agent orange. The new Air Force study shows "Ranch Handers" have experienced double the rate of birth defects found in the comparison group, an increase in cancers, and health problems in other medical areas associated with exposure to dioxin, the chemical at the top of the EPA's list of carcinogens.

The Veterans' Administration proportionate mortality study found that Marine veterans who served in areas of Vietnam heavily sprayed with agent orange had a 110 percent higher rate of non-Hodgkins lymphoma and a 58 percent higher rate of lung cancer.

The Centers for Disease Control Vietnam experience study found seven cases of non-Hodgkins lymphoma in a group of Vietnam veterans as compared to one case in the non-Vietnam group.

With this evidence linking agent orange to these often fatal diseases, the Government continues to demonstrate bad faith in its efforts to resolve this critical issue. The Government's approach to agent orange has been marked by a series of delays and disinformation. This abhorrent approach seems designed to outlast the opposition—the veterans suffering from the effects of agent orange.

It may be true that absolute proof does not exist on this matter. It is also true, however, that proof exceeding the statutory established standard of reasonable doubt does exist. America's veterans have the evidence on their side. They deserve to have the Government on their side, too.

It is time to act. I strongly urge my colleagues to fight the hard battles for veterans as well, and join me by supporting S. 1787, the Veterans' Agent Orange Disabilities Act. S. 1787 is a reasonable approach to awarding compensation to deserving veterans. The veterans of this Nation need our assistance and leadership in addressing this tragedy.

The urgent need for our efforts on veterans' issues extends into the legal arena as well. The Senate today has taken a significant step toward granting veterans the simple fairness they have long been denied. I want to stress to my colleagues, however, that our efforts in this area cannot stop here.

If we are sincere in our efforts to give veterans true justice, we will not stop working on this issue when we walk off the floor today. There are additional actions we can all take to further this important matter.

We can each urge our friends in the House to complete this effort by passing true judicial review legislation during this Congress.

We can reaffirm our commitment to veterans through the service our offices provide the individual veterans who seek help with their claims and other problems they face.

And we can pledge our unyielding resolve to apply critical scrutiny to the treatment veterans receive in all aspects of their dealings with the Government. Those who gave their all for our freedom certainly deserve nothing less in return from this body.

I hope my colleagues will also give serious consideration to the needed opportunities we can create for veterans in the areas of employment and education. With this goal in mind, I introduced S. 820, a bill to allow veterans to participate in flight training under the Montgomery GI bill.

Granting veterans the option of flight training simply makes good sense. First, America desperately needs more pilots. As more and more Americans continue to fly, indicators show a dramatic decrease in pilots to meet that need. Experts estimate that more than 4,000 commercial and instrument pilots will be needed by 1992. Further, over 52,000 pilots positions will most likely need to be filled in the next 10 years.

Second, there remain thousands of unemployed veterans in this country. It is a national tragedy that one of every three homeless people is a veteran. Lack of adequate training is probably the No. 1 reason for homelessness.

While our VA education and job training programs are working for some, clearly others are being left behind. While flight training is not the answer to the entire problem, S. 820 provides one more crucial step in addressing that serious need.

Finally, commercial aviation is a natural career choice for thousands of veterans. Many veterans have direct or indirect service-connected aviation training. Allowing them to enhance these skills in the area of aviation may well help address both the pilot shortage and the unemployment problems faced by veterans.

Mr. President, passage of the VA Cabinet status bill is long overdue. I know I speak for many of my colleagues when I express my satisfaction that this long wait is nearly over.

But once again, I want to stress that as we elevate the Veterans' Administration to Cabinet status, let us stand resolved to elevate the priority given the critical needs of America's veterans. The issues of veterans' health, justice, and opportunity have waited a long time as well.

Mr. President, before closing let me address the Simpson amendment which I know will come to the floor in a few minutes. I will not likely be able to be on the floor to participate in that debate. I intend to vote to table that amendment. At this time, I wish to express my reasons why I will vote to table that amendment.

There is no one in this Chamber who has fought harder for judicial review, who feels more strongly, and has a stronger commitment in his heart in that effort than the distinguished Senator from Wyoming, Senator SIMPSON. I have stood beside him as he fought these efforts in the past. He has been here when we have not had the votes like those just cast. But as he offers this amendment today I will vote to table for two reasons.

First, I believe that a good faith effort is being made to pass S. 11. We received a commitment from the House side that we can expect a vote on this bill not only in the committee but on the floor. The House leadership has indicated such and it is my expectation that they will keep their word. Should that fail it is the intention of this Senator to offer S. 11 or something stronger to each and every veterans' bill that will come before this body. Whether it is the compensation bill or any other piece of legislation, I will offer a judicial review amendment if that good-faith effort is not kept on the House side.

The second reason that I will vote to table this afternoon is that as well intended as the amendment will be, I sincerely believe that this strategy will not work. If I thought for a moment that a judicial review amendment could be retained in conference I might support that effort.

If we had not been given our day in court here on the floor just now with the passage of S. 11, I would have supported that amendment. If there were no other vehicle remaining this year, I would have probably even supported it in that case. But the fact is that should this amendment pass the Senate, it will not be kept in conference. The fact is that we have just been given a good, solid vote on S. 11. The fact is that our efforts today reflect a good faith commitment from the House side that this issue will receive a vote in committee and on the floor. The fact is there will be other vehicles beyond Cabinet level to which we can offer an amendment should that be necessary.

So very reluctantly I will vote to table the Simpson amendment this afternoon and encourage those who support S. 11, as I did, to do the same.

The **PRESIDING OFFICER.** Who yields time?

Mr. **GLENN.** I yield 10 minutes to the distinguished Senator from California.

Mr. **CRANSTON.** I thank the chairman of the committee, Senator GLENN, and I applaud his work on this measure.

Mr. President, as the chairman of the Veterans' Affairs Committee, I am pleased to express my strong support for Senate approval of the pending measure, S. 533, the proposed Department of Veterans Affairs Act of 1988, as reported by the Committee on Governmental Affairs on May 12, 1988.

Since first coming to the Senate in 1969, I have been active on veterans' affairs matters, first as the chairman of the Subcommittee on Veterans' Affairs of the then-Labor and Public Welfare Committee and then as a member of the Veterans' Affairs Committee from its creation in 1971. I have been either the chairman or the ranking Democratic member of the committee since 1977. Thus, I am delighted that the Governmental Affairs Committee has actively pursued the matter of upgrading the status of the VA—a result I have long advocated—and has developed such an excellent bill to accomplish that result.

Far too often in the past, the VA Administrator has been ignored when crucial decisions are being made within the executive branch on Governmentwide matters, especially on health and budget issues. During the Carter administration, Administrator of Veterans' Affairs Max Cleland was made a member of the Cabinet for the purpose of attending Cabinet meetings, and I believe that that action promoted a desirable level of involvement for him and the agency, a view Max ratified during his appearance before the Governmental Affairs Committee last December.

For over 50 years, the VA has been the principal Federal agency with responsibility for providing benefits and services to veterans and their survivors. The agency's basic mission is described concisely and eloquently in the words of Abraham Lincoln in his second inaugural address—"to care for him who shall have borne the battle and for his widow, and his orphan." It is through the VA that the United States meets its historical commitment to provide health care and compensation to veterans disabled during their service, assistance to the survivors of those who made the ultimate sacrifice, and readjustment assistance to all those who serve honorably in the Armed Forces during periods of war.

Because of the VA's special responsibility for meeting veterans' needs, it serves very important national defense functions. Major commitments made by the Nation to its veterans are directly fulfilled through the VA. If the Federal Government, through the VA, is seen as being unwilling or unable to honor commitments made to those who served the Nation in the past, it is unlikely that the Armed Forces would be able to attract or retain the needed level of uniformed personnel without conscription. Thus, honoring such commitments faithfully and effectively is not only a moral obligation but integral to our efforts to support and maintain the All-Volunteer Force.

Through its health-care system the VA serves a further, tangible national defense function. VA hospital and medical resources are the first backup to the health-care resources of the Department of Defense in time of war or other national emergency involving military conflict. This logical and important role of the VA was codified in 1982 in Public Law 97-174. Should the need arise, the VA must be ready to provide critically needed assistance to DOD, the health-care resources of which would be totally inadequate to care for large numbers of casualties.

Today, Mr. President, there are over 27 million veterans and about 49 million dependents or survivors of veterans. Among Federal departments and agencies, only DOD has more employees than the VA, and the VA's budget—around $28 billion—ranks seventh among Federal departments and agencies. The VA operates the largest centrally managed health-care system in the United States, furnishing care to 1.2 million inpatients and over 18 million outpatient visits. The VA still distribute over $14 billion in income maintenance payments and approximately $626 million in education, training, and rehabilitation assistance payments in fiscal year 1988; operate one of the Federal Government's two major home loan guaranty programs, with over 4 million loans currently guaranteed; run 109 national cemeteries and provide burial assistance for nearly 300,000 deceased veterans annually; and administer the largest direct insurance program in the country.

In light of the VA's size and importance, the agency and its programs should be accorded appropriate recognition, status, and treatment within the executive branch. President Carter recognized that. Too often, under the current administration this has not been the case.

In recent years, the VA has frequently been relegated to a relatively insignificant role within the executive branch, with the Administrator having little or no access to the President or other top officials in the White House. This was particularly true with respect to the first Administrator of Veterans' Affairs under the current administration, Robert Nimmo, who was often precluded from meaningful participation in matters affecting the VA, particularly budget matters. For example, in September 1981, 2 months after Mr. Nimmo took office, the President decided to submit revisions in the fiscal year 1982 budget for the VA, reducing certain major VA accounts, such as the medical care and medical and prosthetics research accounts, to levels substantially below those that the President had earlier agreed to in the context of the first concurrent resolution on the budget for fiscal year 1982. This decision was taken with no advance consultation with the Administrator. In fact, as far as I am aware, Mr. Nimmo did not meet with President Reagan on any matter until very late in his tenure as Administrator.

I was pleased when Mr. Nimmo's successor as Administrator, Harry Walters, reversed that situation—he met with the President shortly before his confirmation hearing and worked to maintain his access to top officials in the White House. The point here is that the VA Administrator's access to the President and the White House should not rise or fall entirely on the basis of the aggressiveness and other personal qualities of the Administrator. It should flow from the status of the position of the Administrator and the importance of the VA mission.

Mr. President, in order to preclude recurrence of the relegation of the VA to a relatively insignificant role within the executive branch, with the Administrator having little or no access to the President or other top officials in the White House, the VA should be elevated to Cabinet-level status as is proposed in the pending measure. This step would ensure that the head of the VA participates in top administration discussions and decisions, which in turn should result in greater coordination and sharing of expertise between the VA and other Federal departments. It also should lead to a greater recognition of the impact of general governmental decisions on the VA's ability to fulfill its various missions.

Areas where such opportunity for the interchange of ideas between the head of the VA and other Cabinet agencies would be desirable are many. For example, a whole range of issues relating to the VA's health-care system and our socieity's overall efforts to address the health-care needs of our citizens suggest themselves. At the most basic level, it seems important to me that others involved in formulating Governmentwide policy concerning access to health care need to understand clearly to whom the VA is furnishing care and be conversant with any proposals to change the VA's role in that regard. Likewise, greater appreciation of the VA's efforts with regard to specific health-care issues—such as current efforts to combat AIDS—should enhance the effectiveness of Governmentwide activities.

The VA, by virtue of its statutory mandates and the population it serves, is at the forefront of Government activities in many fields. Nowhere is this dynamic more apparent than with reference to addressing the needs and concerns of an aging population. Because veterans cluster in age groups related to the periods of major conflicts—World War I, World War II, the Korean conflict, and the Vietnam conflict in this century—trends relating to the general population are realized differently in the veteran population. In the area of aging, the change in the overall population, which will peak around the first third of the next century, will be accelerated in the case of veterans. The veterans of World War II, who make up 37 percent of the total veteran population, are already approaching an average age of 65, and the veterans of the Korean conflict are just behind them. Lessons learned by the VA today—as the agency works to provide health care, income maintenance, home loan, burial, and insurance assistance to the large numbers of World War II veterans now in their sixties—can and should be of great benefit as the rest of society ages. Providing an opportunity for other departments and agencies to learn of such matters at the Cabinet level should promote needed cross-fertilization across the Government.

It is also important to recognize, Mr. President, that the Administrator of Veterans' Affairs has important statutory responsibilities—assigned by a provision I proposed in 1970, section 220 of title 38, United States Code—for seeking to achieve the maximum feasible effectiveness and coordination of all Federal programs and activities affecting veterans—including those conducted by the Department of Labor and other agencies, as well as by the VA. The Administrator is also charged under this provision with actively promoting the effective implementation and enforcement of all laws and regulations providing for special consideration, emphasis, or preference for veterans. These responsibilities need to be carried out far more effectively and aggressively than they have been in the past. Cabinet status for the head of the VA as is provided for in this legislation should promote needed interaction with the heads of the executive departments.

Because of my belief in the need to enhance the status of the VA Administrator, in 1983 I authored a provision, enacted as title V of Public Law 98-160, calling upon President Reagan to follow President Carter's lead and make the VA Administrator a member—but this time a full member—of his Cabinet. Unfortunately, President Reagan rejected this proposal then and has not acted on it since. In view of his endorsement last November of Cabinet-level status for the VA, I don't know why he has not signed an Executive order to bring that about, something totally in his power to achieve.

Thus, legislation such as the pending measure seems to be the only approach available to secure Cabinet-status for the VA. That is why I was an original cosponsor of Senator THURMOND's bill, S. 533, and I congratulate Senator THURMOND—and Representatives MONTGOMERY and SOLOMON in the other body—for their persistent efforts in this matter. That also is why I submitted testimony to the Governmental Affairs Committee for the committee's hearing on December 9, 1987, and why I, along with the Veterans' Affairs Committee staff, worked closely with Chairman GLENN, the other members of the Governmental Affairs Committee, especially my good friend from Maine [Mr. MITCHELL] who serves on both of our committees, and the Governmental Affairs Committee staff, in the development of the bill as it comes before the Senate today.

In my December 9 statement, I expressed my support for S. 533 as introduced and raised significant concern about the companion bill, H.R. 3471, passed by the House last November. In this regard, I noted that the key difference between the two bills was that S. 533 as introduced did not create within the VA any additional positions requiring Presidential appointment and Senate confirmation, leaving the number of those positions at 3, whereas the House-passed bill would result in 11 additional such positions. I was deeply apprehensive that these 11 new Presidential positions and the other 5 or more political appointments that would likely be made in support of each of these positions would politicize the agency in very undesirable ways.

In this regard, Mr. President, I expressed particular concern with the impact of turning the agency's Chief Medical Director [CMD] and Chief Benefits Director [CBD] positions into political appointees. These two positions traditionally have been nonpolitical, and I see absolutely no gain from changing that practice. I expressed these same concerns about politicizing the agency and its top-line jobs in a November 10, 1987, meeting with the President at which he announced his support for VA Cabinet-level status.

With particular reference to the CMD, section 4103(b) of title 38, United States Code, provides for the appointment of a CMD for a 4-year term, which may be renewed or extended. This term-appointment is intended to provide for professional continuity and stability in the leadership and management of the VA's Department of Medicine and Surgery in order to facilitate the development and implementation of goals and plans beyond the short term, all with the care and best interests of veteran patients being of paramount importance. Under the current law, Congress has been clear that it intends that the day-to-day affairs of DM&S be managed by a nonpartisan physician CMD, subject to the general supervision of the Administrator. The statutory scheme contemplates medical, not political, leadership and management of the Department of Medicine and Surgery.

In recent years, there has been a practice—strongly encouraged by the Congress and veterans' service organizations—of CMD's serving out full 4-year terms beginning in one administration and carrying over into the next one. Indeed, two recent former CMD's received extensions beyond their 4-year terms under administrations of the political party other than the one under which they were first appointed.

Mr. President, I consider the appointment of a CMD to be probably the most important single decision that an Administrator has generally been called upon to make. A CMD must be the very best, most highly qualified physician available who has the capacity to provide stable, effective, highly professional leadership for a considerable period extending beyond the current administration and the sensitivity to and understanding of the VA's special mission to sustain the morale of the approximately 200,000 DM&S employees.

The CMD must not be turned into either a passive observer or active participant while the Office of Management and Budget attempts to carry out the agenda it has promoted—thus far largely unsuccessfully—for the last two decades of reducing the size, scope, and significance of VA programs.

In my view, professionalism, strong leadership qualities and management skills, and deep sensitivity, along with a demonstrated commitment to meeting veterans' needs, are the qualities that should be sought in a CMD. The same should be true of the CBD and has been for the last 10 years or more. There is no place for correct political philosophy in that equation.

Mr. President, I am pleased to note that we were most successful in having these concerns taken into account—both as to the overall number of political appointees and as to the CMD and CBD, specifically—by the Governmental Affairs Committee in the legislation it reported. With reference to the overall number of political appointees, the committee report—Senate Report No. 100-342—notes that under the bill as reported "the Department would have no fewer than seven and no more than ten presidential appointees"—as compared to 14 under the House bill and 3 at present—and, using current employment data, "the total number of presidential and noncareer SES appointees in the Department of Veterans Affairs could not exceed 17"—as compared to no limit under the House bill with a ready potential for 50 or more such jobs and 14 at present. In my view, this limit of 17 is a fair and prudent limitation on the number of political appointees and should serve to maintain the professional, nonpartisan nature of the VA once it becomes a department.

With reference to the CMD and CBD, although the legislation would make those positions subject to Presidential appointment and Senate confirmation, several safeguards have been incorporated that should prevent those positions from becoming simply political plums, to be filled on the basis of political patronage, by the White House personnel office, rather than on the basis of professional qualifications.

First, the legislation would require that, upon a vacancy in either position, a search commission would be set up to make recommendations to the President for a replacement. These search commissions would be composed of representatives of veterans, affected communities, two past occupants of the position—if the Secretary decides that such persons should be members of the commission—experts in the management of health-care or benefits programs in the public or private sector, and the Deputy Secretary of Veterans' Affairs. The VA Deputy Assistant Secretary who performs personnel management and labor relations functions would serve as the executive secretary of such a commission.

As the committee report makes clear, these commissions would "exist solely to make recommendations of candidates to the President" and would be "tasked to find individuals of high integrity and expertise." In seeking such individuals, a commission would be guided by a statement of qualifications set forth in the legislation which should not only help guide the commission's efforts but also serve as a benchmark against which the Veterans' Affairs Committee could evaluate a Presidential nominee during the confirmation process. These qualifications statements expressly provide, as I recommended, that appointments be made without regard to "political affiliation or political qualification."

Although a President would not be bound by the recommendations of any such commission, I believe that it would be very difficult for any President not to nominate a new CMD or CBD from the names recommended by the commission.

A second safeguard which should help maintain the nonpolitical, professional quality of the two main VA-line offices is the establishment in the bill of 4-year terms of office for the two positions. Although a President would be able to remove an incumbent from either position, this term of office expresses the importance of achieving stability in these two offices. As the Governmental Affairs Committee report notes, the 4-year term "conveys the Committee's intent that continuity of service be emphasized and that the President, the Secretary, and potential nominees recognize the value of such longer term service."

In addition to the term-of-office requirement, the legislation would require the President, if the President were to remove either the CMD or CBD before the end of the 4-year term, to notify the Congress of the reasons for the removal. Again, although this requirement would not limit the President's ability to remove an incumbent from either of the two offices, it should serve to force any such action to be based on reasons having to do with performance in office rather than partisan political considerations.

Mr. President, I note that the bill provides that the incumbent Chief Medical Director and Chief Benefits Director may continue to serve in their positions without the need for Presidential nomination. In addition, the incumbent Chief Medical Director may continue to serve in that position until the 4-year statutory term prescribed by section 4103(b)(1) of title 38, United States Code, expires unless the new Secretary removes the incumbent CMD for cause.

With further reference to the limitations in the bill on political appointments, I note that of the up to 15 Deputy Assistant Secretary positions which could be established, at least two-thirds of them would have to be in the competitive service. In addition, the bill contains the express prohibition I recommended on considering political affiliation or qualification in connection with the appointment or advancement of any person within the Department other than those in specified positions. This, then, would specifically prohibit political appointments of VAMC or VARO Directors.

Mr. President, I have one amendment, which addresses the structure of the new Veterans' Benefits Administration, which I will offer shortly and which I will describe in more detail at that time. Other than the minor changes that will be proposed in that amendment, I am satisfied that the measure as it comes before us today is the appropriate way to proceed, and I urge our colleagues to give this measure their unanimous support.

I believe that our colleagues will agree that the Governmental Affairs Committee, the committee chairman [Mr. GLENN] and ranking minority member [Mr. ROTH], and the committee staff—especially Len Weiss, Paul Light, and Lorraine Lewis—did an excellent job in considering the many issues related to elevating the VA to a Cabinet-level Department and are to be commended for the care and attention that they brought to this task. And I particularly wish to thank them for their great courtesy and responsiveness to me and the Veterans' Affairs Committee staff.

Mr. President, I ask unanimous consent that the texts of my December 9 testimony submitted to the Governmental Affairs Committee as well as of an article I authored that appeared in the Washington Times be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR ALAN CRANSTON BEFORE THE COMMITTEE ON GOVERNMENTAL AFFAIRS DECEMBER 9, 1987

Mr. Chairman and members of the Committee, I am delighted to appear before you today in connection with your Committee's consideration of legislation that would accord Cabinet status to the Veterans' Administration. I congratulate the Chairman for scheduling this hearing so promptly after House passage of H.R. 3471.

Since first coming to the Senate in 1969, I have been active on veterans' affairs matters, first as the Chairman of the Subcommittee on Veterans' Affairs of the then-Labor and Public Welfare Committee and then as a member of the Veterans' Affairs Committee from its creation in 1971. As you know, I have been either the Chairman or the Ranking Democratic member of the Committee since 1977. I am delighted that your Committee is actively pursuing the matter of upgrading the status of the VA, a result I have long advocated.

Far too often, the VA Administrator has been ignored when crucial decisions are being made within the Executive Branch on government-wide matters, especially on health and budget issues. During the Carter

Administration, Administrator of Veterans' Affairs Max Cleland was made a member of the Cabinet for the purpose of attending Cabinet meetings, and I believe that that action promoted a desirable level of involvement for him and the agency.

For over 50 years, the VA has been the principal Federal agency with responsibility for providing benefits and services to veterans and their survivors. The agency's principal mission is described concisely and eloquently in the words of Abraham Lincoln in his second inaugural address—"to care for him who shall have borne the battle and for his widow, and his orphan." It is through the VA that the United States meets its historical commitment to provide health care and compensation to veterans disabled during their service, assistance to the survivors of those who made the ultimate sacrifice, and readjustment assistance to all those who served honorably in the Armed Forces during periods of war.

Because of the VA's special responsibility for meeting veterans needs, it serves very important national defense functions. Major commitments made by the Nation to its veterans are directly fulfilled through the VA. If the Federal Government, through the VA, is seen as being unwilling or unable to honor commitments made to those who have served the Nation in the past, it is unlikely that the Armed Forces would be able to attract or retain the needed level of uniformed personnel without conscription. Thus, honoring such commitments faithfully and effectively is not only a moral obligation but integral to our efforts to support and maintain the All-Volunteer Force.

Through its health-care system the VA serves a further, tangible national defense function. VA hospital and medical resources are the first backup to the health-care resources of the Department of Defense in time of war or other national emergency involving military conflict. This logical and important role of the VA was codified in 1982 in Public Law 97-174. Should the need arise, the VA must be ready to provide critically needed assistance to DOD, the health-care resources of which would be totally inadequate to care for large numbers of casualties.

Today, there are nearly 28 million veterans and about 49 million dependents or survivors of veterans. Among Federal departments and agencies, only DOD has more employees than the VA, and the VA's budget—around $27 billion—ranks 7th among Federal departments and agencies. The VA operates the largest centrally managed health-care system in the United States, furnishing care to 1.4 million inpatients and over 18 million outpatient visits. The VA will distribute over $14 billion in income maintenance payments and approximately $626 million in education, training, and rehabilitation assistance payments in fiscal year 1988; operate one of the Federal Government's two major home loan guaranty programs, with over 4 million loans currently guaranteed; run 109 national cemeteries and provide burial assistance for nearly 300,000 deceased veterans annually; and administer the largest direct insurance program in the country.

In light of the VA's size and importance, the agency and its programs should be accorded appropriate recognition, status, and treatment within the executive branch. President Carter recognized that. Too often, under the current Administration this has not been the case.

In recent years, the VA has frequently been relegated to a relatively insignificant role within the Executive Branch, with the Administrator having little or no access to the President or other top officials in the White House. This was particularly true with respect to the first Administrator of Veterans' Affairs under the current Administration, Robert Nimmo, who was often precluded from meaningful participation in matters affecting the VA, particularly budget matters. For example, in September 1981, 2 months after Mr. Nimmo took office, the President decided to submit revisions in the fiscal year 1982 budget for the VA, reducing certain major VA accounts, such as the medical care and medical and prosthetics research accounts, to levels substantially below those that the President had earlier agreed to in the context of the first concurrent resolution on the budget for fiscal year 1982. This decision was taken with no advance consultation with the Administrator. In fact, as far as I am aware, Mr. Nimmo did not even meet with President Reagan until very late in his tenure as Administrator.

I was pleased when Mr. Nimmo's successor as Administrator, Harry Walters, reversed that situation—he met with the President shortly before his confirmation hearing and worked to maintain his access to top officials in the White House. The point here is that the VA Administrator's access to the President and the White House should not rise or fall on the basis of the aggressiveness and other personal qualities of the Administrator. It should flow from the status of the position of the Administrator and the importance of the VA mission.

In order to preclude recurrence of the relegation of the VA to a relatively insignificant role within the Executive Branch, with the Administrator having little or no access to the President or other top officials in the White House, the VA should be elevated to Cabinet-level status. Such a step would ensure that the head of the VA would participate in top Administration discussions and decisions, which in turn should result in greater coordination and sharing of expertise between the VA and other federal departments. It also should lead to a greater recognition of the impact of general governmental decisions on the VA's ability to fulfill its various missions.

Areas where such opportunity for the interchange of ideas between the head of the VA and other Cabinet agencies would be desirable are many. For example, a whole range of issues relating to the VA's health-care system and our society's overall efforts to address the health-care needs of our citizens suggest themselves. At the most basic level, it seems important to me that others involved in formulating government-wide policy concerning access to health care need to understand clearly to whom the VA is furnishing care and be conversant with any proposals to change the VA's role in that regard. Likewise, greater appreciation of the VA's efforts with regard to specific health-care issues—such as current efforts to combat AIDS—should enhance the effectiveness of government-wide activities.

The VA, by virtue of its statutory mandates and the population it serves, is at the forefront of government activities in many fields. Nowhere is this dynamic more apparent than with reference to addressing the needs and concerns of an aging population. Because veterans cluster in age groups related to the periods of major conflicts—World War I, World War II, the Korean conflict, and the Vietnam conflict in this century—trends relating to the general population are realized differently in the veteran population. In the area of aging, the change in the overall population, which will peak around the first third of the next century, will be accelerated in the case of veterans. The veterans of World War II, who make up 37 percent of the total veteran population, are already approaching an average age of 65, and the veterans of the Korean conflict are just behind them. Lessons learned by the VA today—as the agency works to provide health care, income maintenance, home loan, burial, and insurance assistance to the large numbers of World War II veterans now in their 60s—can and should be of great benefit as the rest of society ages. Providing an opportunity for other departments and agencies to learn of such matters at the Cabinet level should promote needed cross-fertilization across the government.

It is also important to recognize that the Administrator of Veterans' Affairs has important statutory responsibilities for seeking to achieve the maximum feasible effectiveness and coordination of all Federal programs and activities affecting veterans—including those conducted by the Department of Labor and other agencies, as well as the VA. The Administrator is also charged with actively promoting the effective implementation and enforcement of all laws and regulations providing for special consideration, emphasis, or preference for veterans. These responsibilities need to be carried out far more effectively and aggressively than they have been in the past. Cabinet status for the head of the VA would promote needed interaction with the heads of the executive departments.

Because of my belief in the need to enhance the status of the VA Administrator, in 1983 I authored a provision, enacted as title V of Public Law 98-160, calling upon President Reagan to follow President Carter's lead and make the VA Administrator a member—but this time a full member—of his Cabinet. Unfortunately, President Reagan rejected this proposal then and has not acted on it since. In view of his recent endorsement of cabinet-level status for the VA, I don't know why he has not signed an Executive Order to bring that about, something totally in his power to achieve.

Thus, legislation such as your Committee is now considering seems to be the only approach available to secure Cabinet-status for the VA. That is why I am an original cosponsor of Senator Thurmond's bill, S. 533. This measure is, as you know, very different from the bill (H.R. 3471) passed by the House last month. The key difference is that S. 533 does not create within the VA any additional positions requiring Presidential appointment and Senate confirmation, leaving the number of those positions at three.

The House-passed bill, on the other hand, would result in 11 additional such positions. I am deeply apprehensive that these 11 new Presidential positions and the other 5 or more political appointments that invariably would be made in support of each of these positions would politicize the agency in very undesirable ways. We are talking about infusing this agency with 55 or more new political agents of the White House and the Executive Office. I find this a terribly threatening prospect and absolutely shudder to think of the repercussions for veterans' benefits and services should the top jobs at the VA's 172 medical centers and 58 regional benefits offices become the subjects of political patronage. Although misbegotten attempts to treat some of these positions in that way were made in the early 1970's, they largely failed, and these key civil-service management positions have by and large been filled on the basis of performance and merit. They should not get into the "plum book".

It has been my experience over the years that we are best able to meet the needs of our Nation's veterans when we proceed in a nonpartisan fashion. I am convinced that infusing partisan politics or political patronage into the operations of the VA in the way the House-passed bill would do would be extremely unfortunate for the millions of American veterans who depend on the VA for their health and sustenance.

In this regard, I am particularly concerned with the impact of turning the agency's Chief Medical Director and Chief Benefits Director political appointees. These two positions traditionally have been non-political, and I see absolutely no gain from changing that practice. With particular reference to the Chief Medical Director, section 4103(b) of title 38, United States Code, provides for the appointment of a Chief Medical Director for a 4-year term, which may be renewed or extended. This term-appointment is intended to provide for professional continuity and stability in the leadership and management of the VA's Department of Medicine and Surgery in order to facilitate the development and implementation of goals and plans beyond the short term, all with the care and welfare of veteran-patients being of paramount importance. Under the current law, Congress has been clear that it intends that the day-to-day affairs of DM&S be managed by a non-partisan physician Chief Medical Director, subject to the general supervision of the Administrator. The statutory scheme contemplates medical, not political, leadership and management of the Department of Medicine and Surgery.

In recent years, there has been a practice—strongly encouraged by the Congress and veterans' service organizations—of Chief Medical Directors serving out full 4-year terms beginning in one Administration and carrying over into the next one. Indeed, two recent former Chief Medical Directors received extensions beyond their 4-year terms under Administrations of the political party other than the one under which they were first appointed.

I consider the appointment of a Chief Medical Director to be probably the most important single decision an Administrator will ever be called upon to make. A Chief Medical Director must be the very best, most highly qualified physician available who has the capacity to provide stable, effective, highly professional leadership for a long period extending beyond the current Administration and to sustain the morale of the approximately 200,000 DM&S employees.

The Chief Medical Director must not be turned into either a passive observor or active participant while the Office of Management and Budget attempts to carry out the agenda it has promoted—thus far largely unsuccessfully—for the last 2 decades of reducing the size, scope, and significance of VA programs.

In my view, professionalism, strong leadership qualities and management skills, and deep sensitivity, along with a demonstrated commitment to meeting veterans' needs, are the qualities that should be sought in a Chief Medical Director. The same should be true of the Chief Benefits Director and has been for the last 10 years or more. There is no place for "correct" political philosophy in that equation.

There are other respects in which I believe that the House-passed measure attempts far too much administrative reorganization or would create organizational rigidity, and I will submit my ideas to you in those respects subsequently.

One final thought in closing—I am aware of the many editorials opposing giving the VA Cabinet status. Much of the opposition seems to be based on the premise that veterans receive too much in the way of federal benefits and services already and that placing the VA in the cabinet will increase that perceived disparity. Many supporters, on the other hand, seem to believe that placing the VA in the Cabinet will guarantee veterans a strong advocate before the President. I think both sides may be overestimating the impact of a change in status. Although I reject the view that existing veterans benefits and services are excessive—you will be receiving much testimony, I am sure, about how the VA budget has declined substantially as a proportion of both total federal expenditures and GNP—I also do not believe that placing the head of the VA in the Cabinet will necessarily lead to any greater resources for the VA in real terms. Being heard and being able to prevail are very different results.

I know your Committee will be carefully considering and addressing the difficult issues involved in changing the status of the VA and in drafting appropriate legislation. Again, I commend to you the approach of Senator Thurmond's bill, S. 533, and offer you the full cooperation of our Committee and its staff as you proceed.

[From the Washington Times, Feb. 17, 1988]

RECOGNIZING AN UNFULFILLED ROLE

Elevating the Veterans' Administration to Cabinet status is long overdue. While I have some reservations about pending legislation that would bring this about, I totally support the principle involved.

The VA has more than 75,000 hospital beds, more than 11,500 nursing home-care beds, 228 outpatient clinics, 189 counseling centers, and 15 domiciliary facilities. This fiscal year it will provide more than 18 million outpatient treatments.

It is through the VA that we as a nation meet our historic commitment to veterans: health care and compensation to veterans disabled during service, assistance to the survivors of those who made the ultimate sacrifice, and readjustment assistance to all who serve honorably in the Armed Forces during time of war.

Yet, the VA often is relegated to a relatively insignificant role within the executive branch. The director has little or no access to the president or to top White House officials. This isolation hurts the VA and the veterans it serves. It also hurts the nation generally by allowing the VA's many strengths to go underutilized.

The VA's nationwide, comprehensive health care system is a national asset that should be maintained and improved. It should not, as some critics have urged, be shut down, with veterans having to turn to community facilities for medical care.

Contrary to what these critics claim, veterans would not be better off, and more likely would be worse off, if such a change were made. VA health care is generally as good as that available in the community, and frequently better.

VA nursing homes are among the best around. And all VA hospitals are accredited by the Joint Commission on Accreditation of Health-Care Organizations.

The nation's obligation to service-connected veterans cannot be met adequately in community facilities, even with federal payments.

The VA medical system has developed great skill and expertise in treating the immediate and residual effects of such combat-related injuries as amputations, bullet wounds, spinal-cord injuries and the psychological aftereffects of war.

Although facilities in some communities might be capable of providing comparable care for some of these disabilities, they could not ensure service-connected-disabled veterans of receiving either the comprehensive treatment or the priority care they now receive throughout the VA system.

No soldiers in modern times went off to war on behalf of any state or locality. Veterans benefits are an inherently national activity and responsibility. They should be recognized as a very real, continuing cost of past wars and national defense activities.

Providing such care is a national moral commitment of the highest order.

Legislation which I proposed and which became law in 1982 makes the VA the primary medical backup to the Department of Defense. Any significant reduction of VA health care resources would preclude the VA from fulfilling that vital role.

VA health care becomes even more important as our population ages—especially the veteran population—creating a growing need for acute and extended-care health care.

More than 11 million World War II veterans soon will reach an average age of 65. The VA is a leader in aging research. Working closely with medical schools throughout the country, it is developing and testing new ways to care for the diseases and disabilities of aging.

The VA's research and education efforts with affiliated medical and other schools benefit us all. Last year, for example, over one-third of all medical students received some of their training in VA facilities. The VA provides a substantial proportion of the national training capacity for nurses, psychologists and other health workers.

The large, complex VA system is a vital element of the nation's health-care effort. It's not perfect; it can and should be improved. Cabinet-level status for the VA will make such improvement more likely, and the whole nation will be the winner.

The PRESIDING OFFICER (Mr. PROXMIRE). Who yields time?

Mr. ROTH. Mr. President, I yield 6 minutes to the distinguished Senator from Hawaii.

The PRESIDING OFFICER. The Senator from Hawaii is recognized for 6 minutes.

Mr. MATSUNAGA. I thank the Senator for yielding.

Mr. President, I rise in strong support of S. 533, the pending legislation sponsored by the venerable senior Senator from South Carolina [Mr. THURMOND] to raise the Veterans' Administration, presently an independent agency of the Federal Government, to Cabinet level.

Mr. President, this is a long overdue and much welcome initiative. For too long, the Nation's veterans have not been accorded the priority in budget considerations and other deliberations to which they are entitled. Far too often, funding recommendations by the agency have been cut short or drastically modified by the Office of Management and Budget [OMB], to the detriment of the Nation's 27 million veterans and their 51 million family members. For years the Senate Veterans' Affairs Committee, on which I sit, has had to deal with irrational cutbacks and ill-conceived directives that derived from OMB, an agency with no expertise in veterans' benefits programs, and indeed with no guiding mandate to advocate the interests of veterans. For example, OMB directed the recent effort to restrict beneficiary travel benefits, by which veterans are reimbursed for the cost of transportation in seeking medical care. This resulted in great hardship to poorer veterans seeking access to health care. It is only now, after a year of travail for many less well-off veterans, and only through congressional intervention, that these travel benefits are to be restored.

S. 533 will solve at least the bureaucratic problem posed by OMB—for the first time, the VA will have direct access to the President without an intervening third party to color the recommendations of the agency. For the first time, a Secretary of Veterans' Affairs will sit in the highest policy councils of the land, the rightful place for the individual who will represent some of our most deserving Federal beneficiaries.

All veterans' organizations support this measure, as does the President. Both Houses of Congress have held extensive hearings on this matter, and all committees which have addressed this issue have recommended its adoption. This bill will cost only $4 million next year and $28 million over the following three years; the significant provision elevating the VA to Cabinet status will result in additional costs of less than $50,000. This is a small incremental expenditure to gain Cabinet representation for our Nation's veterans since they are now serviced by the country's largest independent agency—an agency with a budget approaching $30 billion, employing more than 200,000 full-time and 40,000 part-time personnel—second only to the Department of Defense and Postal Service—and responsibility for the West's largest health care system.

Mr. President, it is because of the importance of this bill that I urge that the judicial review amendment to be offered by the junior Senator from Wyoming [Mr. SIMPSON] be defeated. I am myself an original cosponsor of S. 11, the legislation introduced by Senator CRANSTON earlier in this Congress upon which the Simpson amendment is based. I also voted to report the bill out of committee last month, and supported passage of the measure by the Senate only a short time ago. Nevertheless, I believe that adoption of the amendment would seriously damage chances of House or Presidential approval of the underlying legislation, S. 533.

However, in urging opposition to his amendment, I would like to thank the Senator from Wyoming for his forthright advocacy of this matter. Returning to veterans their constitutional right of due process is a worthy undertaking; at another time and under different circumstances I would feel compelled to support the amendment by former chairman of the Veterans' Affairs Committee, who has been one of Congress's strongest supporters of court access by veterans. But this is not the right time, nor is it the right vehicle. The underlying legislation is simply too important to be jeopardized, regardless of the intrinsic importance of judicial review. Judicial review earlier today had its own day in the sun, when the Members of this distinguished body adopted S. 11 by an overwhelmingly vote of 86 to 11. That legislation now should stand or fall on its own merits—at the very least, it should not pull down another bill of equal merit. It is with mixed feelings and deep regret, therefore, that I call upon my colleagues to oppose the Simpson amendment when it is offered.

In closing, Mr. President, and returning to the underlying legislation at hand, S. 533, I urge my colleagues to pass this landmark measure. I would like to commend the chairmen and ranking minority members of the Veterans' Affairs Committee and the Governmental Affairs Committee, Senators CRANSTON, GLENN, MURKOWSKI, and ROTH, for their outstanding work in expediting the adoption of this bill. Their efforts in this regard constitute a model of bipartisan cooperation and efficacy. Finally and most pertinent of all, I wish to commend the distinguished senior Senator from South Carolina [Mr. THURMOND] for once again initiating Senate consideration of this measure, and for pursuing this issue with such determination for so many years.

REPRESENTATION OF MINORITY INTERESTS IN THE NEW DEPARTMENT OF VETERANS' AFFAIRS

Mr. MATSUNAGA. Mr. President, will the Senator from Ohio, the distinguished chairman of the Governmental Affairs Committee, yield to respond to a few questions about the pending legislation, S. 533?

Mr. GLENN. I would be happy to yield and answer any questions the distinguished Senator from Hawaii might care to pose.

Mr. MATSUNAGA. Let me first state that I strongly support the general concept of S. 533—indeed, I am a cosponsor of the measure. But I am deeply concerned about the possible effect this bill may have on veterans of minority descent. As the Senator from Ohio is no doubt aware, the unique circumstances and special needs of minority veterans have too often been overlooked or disregarded by the Veterans' Administration. I see no mention of any provisions in this important legislation that specifically addresses the concerns of minority veterans. Was this an oversight? Would it not have been proper to designate, for example, an Assistant Secretary of Veterans' Affairs with responsibility for minority affairs?

Mr. GLENN. Mr. President, let me say to my friend from Hawaii, that I too am concerned about the welfare of this Nation's minorities, and especially of minority veterans, who have served our Nation with great distinction in times of conflict. I have long supported measures that promote equal rights and benefits for blacks, Hispanics, women, and other minority groups. But the Governmental Affairs Committee, which conducted extensive—one might say exhaustive—hearings on the cabinet status bill, made a commitment to the Veterans' Affairs Committees of both the Senate and the House not to engage in issues of policy as distinguished from structure, with regard to the proposed Department of Veterans' Affairs. Because the issue of minority access to services and benefits currently provided by the Veterans' Administration is a policy question, it would not have been an item which the Governmental Affairs Committee could have properly addressed during the hearings.

Mr. MATSUNAGA. Mr. President, for the record, I wish to make clear that the Senator from Ohio has been and continues to be one of this Nation's foremost advocates of minority rights. I don't believe there is a single Member of Congress who is more committed to the eradication of inequities based on race or gender. If I understand him correctly, the lack of any provision concerning minority representation or advocacy in the pending legislation is less a question of substance than appropriateness. Is that right?

Mr. GLENN. The Senator from Hawaii is correct. The Governmental Affairs Committee set out to craft a bill that creates only the broadest administrative and management framework for the new Department; I think it succeeded in doing this. As much as possible, we tried to give the new Secretary the greatest latitude in organizing and running his agency.

Mr. MATSUNAGA. I thank my friend from Ohio for his explanation. I am relieved to hear that the issue of minority access or representation was not excluded from the bill for reasons of substance.

Mr. GLENN. To clarify the matter, I would like to point out that the minority issue was never raised at any of the committee hearings by any of the many witnesses who testified. This is not to say that minority access matters were not important enough to be considered—merely that participants were obviously aware that hearings on S. 533 were not the appropriate venue for such matters.

Mr. MATSUNAGA. I thank the Senator for his clarification.

Mr. President, I raise this issue now because I believe it is important, as we prepare to adopt legislation that effectively elevates the status of the Federal agency which serves the Nation's veterans, to remind ourselves of the sacrifices of black, Hispanic, Asian-Pacific, Native American, and women veterans—particularly in view of the fact that the Veterans' Administration has not always recognized the special requirements of minority veterans.

Mr. President, minority veterans have participated with valor in every one of the Nation's conflicts. The overall percentage of minorities who have served in the Armed Forces far exceeds their ratio in the general population. While the overall veterans population is projected to decrease in the next 15 years, the number of minorities within that population is expected to rise dramatically.

In Vietnam, minorities served at a disproportionately high level in combat areas, and suffered a higher rate of mortality. Upon their return to civilian life, minorities faced a higher rate of imprisonment, a higher rate of unemployment, a higher rate of homelessness, and a host of other inequities and misfortunes.

In the face of these adverse circumstances, it appears that these minority veterans have been underserved by the Veterans' Administration. For example, a recent report of the VA's Advisory Committee on Native Americans found that native American veterans underutilize VA benefits and health care services, a fact related to several geographic factors such as distance and topography, unavailability of resources including transportation, cultural values, and the lack of coordination among Federal agencies. But efforts to improve utilization are hampered by a lack of accurate and comprehensive statistical data on native Americans, thus severely limiting identification of veterans, needs assessment, and program planning.

The same situation obtains in my own State of Hawaii, which has a large Asian-Pacific veteran population. Despite the fact that Hawaii has the highest ratio of veterans per general population, it ranks near the bottom in terms of VA medical spending per veteran; moreover, Hawaii is one of only two States in the Nation without a veterans' hospital. I ascribe much of this neglect to the fact that the VA has little knowledge of the special needs of veterans of Asian and Pacific descent—even those in areas such as Hawaii where minorities constitute the majority. Although the VA has lately been making a sincere effort to make up for its past shortcomings in the island State, it is clear that this effort came only after pressure was brought to bear on the agency from without.

Mr. President, this is the reason why I raise this entire issue now: It is extremely important that we build into the new Department of Veterans' Affairs a mechanism that will deal automatically with minority concerns. Currently, the concerns of minorities such as Native Americans or women are addressed by temporary advisory committees, which have no power to implement their recommendations; the VA is free to ignore their findings as a matter of course. This is sorely inadequate. The new Department of Veterans' Affairs must be made fully of the diversity of our veterans population—and of the special concerns of minority veterans. So, while I fully understand the reasons provided by the Senator from Ohio as to why the Governmental Affairs Committee did not address minority issues in S. 533, I am deepy concerned that minority veterans will once again be without an institutional voice in the Government body that administers veterans benefits and services. Is there no accommodation that can be made in this case?

Mr. GLENN. Again, let me say to the Senator from Hawaii that S. 533 addresses only structural and managerial issues, not policy questions. But I have a suggestion for my colleague from Hawaii. When and if this bill is enacted into law, the Senate Veterans' Affairs Committee, of which my colleague is a senior member, will have an opportunity to question the President's nominee for Secretary of Veterans' Affairs during his confirmation hearing. At that time, the Senator from Hawaii may wish to encourage the prospective Secretary to make minority veterans' affairs a priority of his new department.

Mr. MATSUNAGA. The constructive suggestion by my friend from Ohio is well taken. I had intended to offer an amendment to S. 533 to establish an Assistant Secretary for Minority Affairs, but for fear that it may jeopardize the passage of S. 533, I will not offer the amendment. I will take the advice of the Senator from Ohio and bring the issue of minority veterans to the New Secretary's attention at his confirmation hearing. I thank the distinguished Senator for his thoughtful comments on this matter. As a decorated veteran and national hero, the Senator from Ohio is second to none in his commitment to the welfare of all of America's veterans.

The PRESIDING OFFICER. Who yields time?

Mr. CRANSTON. Mr. President, I want to offer an amendment.

Mr. GLENN. Mr. President, these amendments are on individual times. We are not on the bill time now.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. CRANSTON. Mr. President, does the distinguished Senator from Alaska wish to make a statement first?

Mr. MURKOWSKI. Yes.

Mr. ROTH. Mr. President, I yield 5 minutes to the distinguished Senator from Alaska.

The PRESIDING OFFICER. The Senator from Alaska is recognized for 5 minutes.

Mr. MURKOWSKI. Mr. President, I thank my friend, the floor manager, and I thank the Senator from California.

Mr. President, I am pleased to join with my colleagues in support of S. 533, legislation which would create a Department of Veterans' Affairs in the President's Cabinet. I commend the leadership of the Committee on Governmental Affairs for their prompt action in bringing this legislation before the Senate. I also commend the leadership of Senator STROM THURMOND for his persistence in introducing legislation to create a Department of Veterans' Affairs and for his many years of vigorous support for its passage and enactment into law.

I think it is most appropriate in this 100th Congress that this legislation has reached this crucial point.

Cabinet status for the VA is necessary for sound public administration.

When one reflects on the fact that the Veterans' Administration has about 240,000 employees and a budget of almost $28 billion, it is larger than most of the current Cabinet departments.

It is interesting to note that the VA programs and policies have a Governmentwide impact on national issues. In reality, the VA touches the lives of the one-third of the American population potentially eligible for VA benefits. In addition, the VA affects health-care providers, educators, homebuilders, bankers, realtors, funeral directors, employers, and others.

We live in a time with intense pressure to ensure Federal spending is limited and Federal dollars are wisely spent and a critical need for greater policy coordination and sharing among all departments and agencies of Government.

A Cabinet-level VA would respond to these needs by ensuring that the views of the agency that administers veterans' benefits has been heard and considered when difficult budget decisions are made.

I do have one concern: the effective date. Later this afternoon, I intend to offer an amendment to allow the immediate appointment of a Secretary of Veterans' Affairs.

I am concerned by the reaction of some of my colleagues who believe that this proposal to elevate to Cabinet level the VA would lead to more government for a powerful interest group. We are not talking about new programs or a new agency. Veterans' programs and the Veterans' Administration already exist.

I know of no veterans who support this proposal in the belief that the voice of the VA in the Cabinet room will lead to a gusher of new and expanded veterans' programs.

Veterans know all too well the fiscal constraints facing the Government. In fact, veterans have accepted reductions in veterans' benefits, such as the imposition of means test for VA medical care, and a 1-percent loan origination fee on VA home loans, when those reductions were included in legislation to reduce the deficit. Most recently, the major veterans' organizations of this country stated their willingness to forgo a cost-of-living adjustment for veterans' benefits if all Federal programs were frozen. I know of no other entitlement recipients indicating such a willingness. Editorials which criticize a Cabinet level VA because of a belief that it will give veterans a mechanism to increase benefits must be read in the light of this record.

Veterans know that Cabinet status does not necessarily lead to more funding. The needs of our veterans are changing. Their priorities are changing. It is important that we continually reprioritize veterans' programs, as well.

Veterans have only asked for their voices to be heard at the Cabinet table. And I am convinced that there is room at that table.

Veterans know communication works both ways and that a Cabinet-level VA will be responsive to the administration that appoints its officers and the Senate that confirms them.

In short the VA should be a Cabinet-level department to: First, administer the veterans programs Congress has created; second, coordinate, on an equal basis, those programs with other Cabinet departments; and, third, provide other departments with the benefit of the VA's experience and expertise.

In conclusion, the Senator from Alaska believes that the Senate has an historic opportunity to create the framework for the future administration of veterans' benefits. I am pleased with the deliberate and thoughtful manner in which the Committee on Governmental Affairs has approached this opportunity. I am confident the legislation before us will create a first-class framework for the creating of a first-class executive department.

I urge my colleagues to join me in support of this legislation.

AMENDMENT NO. 2546

(Purpose: To establish certain positions within the Veterans Benefits Administration of the Department of Veterans Affairs, and for other purposes)

Mr. CRANSTON. Mr. President, on behalf of myself and the ranking minority member of the Veterans' Affairs Committee, Senator MURKOWSKI, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant clerk read as follows:

The Senator from California [Mr. CRANSTON], for himself and Mr. MURKOWSKI, proposes an amendment numbered 2546.

Mr. CRANSTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 11, line 10, strike out "such".

On page 11, line 12, strike out "chapters 23 and" and insert in lieu thereof "chapter".

Beginning on page 13, line 11, strike out all through page 14, line 2, and insert in lieu thereof the following:

(d) DEPUTY CHIEF BENEFITS DIRECTORS.—(1) There shall in the Department two Deputy Chief Benefits Directors, who shall be appointed by the Secretary without regard to political affiliation or political qualification and solely on the basis of integrity and demonstrated ability.

(2) The responsibilities of one Deputy Chief Benefits Director shall include performance, under the direction of the Chief Benefits Director, of the responsibilities of the Chief Benefits Director under subsection (c)(2)(B).

On page 14, lines 3 and 10, redesignate subsections (e) and (f) as (f) and (g), respectively.

On page 14, between lines 2 and 3, insert the following:

(e) ASSISTANT CHIEF BENEFITS DIRECTORS.—There shall be in the Department such number of Assistant Chief Benefits Directors, not to exceed six, as the Secretary, after consultation with the Chief Benefits Director, shall determine. The Assistant Chief Benefits Directors shall be appointed by the Chief Benefits Director and perform such functions as the Chief Benefits Director shall prescribe.

On page 18, line 12, strike out "Competitive" and insert in lieu thereof "Career-Reserved".

On page 18, lines 15 and 22, strike out "competitive" each place it appears and insert in lieu thereof "career-reserved".

On page 30, strike out all on lines 24 and 25 and insert in lieu thereof:

"Deputy Chief Benefits Directors, Department of Veterans Affairs (2).

On page 31, line 12, strike out "and".

On page 31, and line 14, strike out the period and insert in lieu thereof a semicolon and "and".

On page 31, between lines 14 and 15, insert the following:

(5) by adding at the end thereof the following:

"Assistant Chief Benefits Directors, Department of Veterans Affairs (6)."

The PRESIDING OFFICER. The Senator from California is recognized. How much time does the Senator yield himself?

Mr. CRANSTON. I yield myself up to 10 minutes.

The PRESIDING OFFICER. The Senator from California is recognized for 10 minutes.

Mr. CRANSTON. Mr. President, this amendment has been developed in close consultation with the chairman of the Governmental Affairs Committee [Mr. GLENN]. Our amendment would address the structure of the new Veterans Benefits Administration—the former Department of Veterans Benefits—in the new Department. It would also make some technical corrections to the bill as reported.

Mr. President, during the Governmental Affairs Committee's markup, a provision was added to the bill specifying that, within the Veterans Benefits Administration, there would be a Deputy Chief Benefits Director for Memorial Affairs. This provision was added in response to the concern expressed by some members of that committee that placing the current Department of Memorial Affairs—an entity with an annual operating budget in fiscal year 1988 of approximately $47 million—in the new Veterans Benefits Administration, as Chairman GLENN had proposed based on my suggestion, could result in a diminution of the program conducted by the current Department of Memorial Affairs, the principal element of which is the management of the National Cemetery System.

Although I do not accept the validity of this concern, I can accept, for the present, the committee's action in creating a Deputy Chief Benefits Director and assigning to that position this responsibility and do not seek to change that result by this amendment.

However, I am concerned that the legislation as reported does not address any other element of the structure of the new Veterans Benefits Administration and would thus lead to the anomalous result of the Veterans Benefits Administration being headed up by a Chief Benefits Director who would have one deputy and that deputy would be assigned responsibility for one specific area of concern and of there being no express provision for a general deputy or other top officials in the Veterans Benefits Administration. Moreover, the bill makes no provision for the rank and salary of the officials of the Veterans Benefits Administration who would direct the major programs currently within the Department of Veterans Benefits: namely, compensation and pension ($14 billion annually); education and rehabilitation ($800 million annually); loan guaranty (over 4 million loans outstanding with loan balances of $146 billion and $18 billion worth of loans projected to be guaranteed in fiscal year 1988); life insurance (1 million policies outstanding with a value of $202 billion); and veterans services (over 2,100 employees and a $67 million budget).

Mr. President, to remedy this situation, the amendment I am offering would establish two rather than one Deputy Chief Benefits Directors at executive level IV, one of whom would have as one responsibility the direction of the National Cemetery System. In addition, this amendment would provide for six Assistant Chief Benefits Directors—at executive level V—who would be appointed by the Chief Benefits Director—presumably to carry out the five programs I just described as well as one to head up a combination budget, personnel, and automated data processing matters—and would, with the two Deputy Chief Benefits Directors, be responsible for the management of the Veterans Benefits Administration.

Mr. President, as I noted, this amendment also contains two minor technical amendments which would correct technical errors in the bill as reported.

I believe the amendment is acceptable to the managers of the bill, and I urge its adoption. I am prepared to yield back my time on the amendment if the distinguished manager finds the amendment acceptable.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, I yield myself such time as I need.

I rise to support Senator CRANSTON's amendment to this legislation. It is noncontroversial, as I see it. It would strengthen the bill, does not violate the Governmental Affairs commitment to maintain a strong memorial affairs program. It merely specifies the internal structure of a new Veterans' Benefits Administration. At the same time, it corrects a technical problem with the use of the term "executive service" in the Governmental Affairs substitute to S. 533. I will be happy to accept it. I do not believe the Senator wishes a RECORD rollcall vote on this, but I would urge favorable action on the matter.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I am pleased to join my colleague, the distinguished chairman of the Committee on Veterans' Affairs, in offering this amendment. The amendment would specify the number of deputy and assistant Chief Benefit Directors in the new Veterans' Benefits Administration, establish the pay grades of these deputies and assistants, and correct references to the career status of proposed Deputy Assistant Secretaries.

Mr. President, I commend the members of the Committee on Governmental Affairs for their masterful and thoughtful work in crafting the legislation before us today. The committee clearly acted in accordance with the desire of Senators GLENN and ROTH to do the job right.

One of the decisions made by the Committee on Governmental Affairs was to integrate the functions now performed by the VA's Department of Memorial Affairs into the new Veterans' Benefits Administration. In order to ensure that these important functions receive high-level supervision, the bill now before us would also establish a Deputy Chief Benefits Director for Memorial Affairs responsible for the administration of veterans' memorial and burial benefits. I support high-level involvement in the administration of these benefits—benefits important to veterans and to the Nation for both tangible and symbolic reasons.

However, the bill as reported also has consequences I believe are unintended. By establishing only one deputy and specifying his or her duties, the bill would supercede the current structure of the Department of Veterans' Benefits which now has three Deputy Chief Benefit Directors as well as directors for each of the five services which administer benefit programs. I believe limiting the new Veterans' Benefit Administration to only one Deputy Chief Benefits Director would place an unwise concentration of responsibility on too few people. The new Veterans' Benefits Administration will be responsible for a wide range of indispensible programs. It is important the Chief Benefits Director have a top management staff adequate for that important and difficult task.

This amendment would meet that goal by establishing two Deputy Chief Benefits Directors and up to six Assistant Chief Benefit Directors and specify their pay grades. In addition, it would correct the nomenclature describing the career Deputy Assistant Secretaries positions which are reserved to members of the "career reserved" service; that is, for career members of the senior executive service. This portion of the amendment is a correction of nomenclature only and is not intended to have substantive effect.

Mr. President, I look upon this amendment as one which would perfect an already good bill. I urge my colleagues to join in support of the amendment, and I commend the members of the Committee on Governmental Affairs for their work in bringing the bill before the Senate.

Mr. CRANSTON. I thank the Senator from Alaska very much. I thank Senator GLENN, the chairman. I know Senator ROTH, the ranking Republican, wishes to be heard.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, the proposed amendment is acceptable to the minority side.

Mr. CRANSTON. I thank both leaders.

The PRESIDING OFFICER. Is there any further debate on this amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2546) was agreed to.

Mr. CRANSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GLENN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Alaska.

AMENDMENT NO. 2547

(Purpose: To modify the effective day)

Mr. MURKOWSKI. Mr. President, I send an amendment to the desk on behalf of myself, Senator THURMOND, Senator HEINZ, Senator GRAMM, and Senator COCHRAN and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. MURKOWSKI] for himself, Mr. THURMOND, Mr. HEINZ, Mr. GRAMM and Mr. COCHRAN proposes an amendment numbered 2547.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 43, strike out lines 8 through 14, and insert in lieu thereof the following:

SEC. 20. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this Act and the amendment made by this Act shall take effect on such date during the 6-month period beginning on January 21, 1989, as the President may direct in an Executive order. If the President fails to issue an Executive order for the purpose of this section, this Act and such amendments shall take effect on July 21, 1989.

(b) SECRETARY OF VETERANS AFFAIRS.—Notwithstanding subsection (a), the President may appoint, by and with, the advice and consent of the Senate, the Secretary of Veterans Affairs on or after the date of the enactment of this Act. Section 12(1) and subsections (a), (c), and (d)(1) of section 14 of this Act shall take effect on the earlier of the date on which the Secretary is appointed or the effective date provided under subsection (a).

(c) CONSTRUCTION.—References in this Act to the effective date of this Act or to the date on which this Act takes effect shall refer to the effective date provided under subsection (a).

On page 30, strike out lines 5 through 8, and insert in lieu thereof the following:

(d) COMPENSATION, LEVEL II.—Section 5313 of title 5, United States Code, is amended—

(1) by striking out "Administrator of Veterans' Affairs."; and

(2) by adding at the end the following new item:

"Deputy Secretary of Veterans Affairs.".

The PRESIDING OFFICER. This is a 60-minute amendment with time equally divided. How much time does the Senator need?

Mr. MURKOWSKI. The Senator from Alaska would need about 6 minutes.

The PRESIDING OFFICER. The Senator is recognized for about 6 minutes.

Mr. MURKOWSKI. Mr. President, my amendment is straightforward and simple. It authorizes the immediate appointment by and with the advice and consent of the Senate, of the first Secretary of Veterans' Affairs.

It does no more.

All other provisions of the bill would become effective during the 6-month period beginning on January 21, 1989, as the next President may direct in an Executive order.

Mr. President, I will not oppose delaying the major aspects of the reorganization of the Veterans' Administration until the next President assumes office. I recognize that we are in the waning hours of this administration, and good policy dictates that we do so. It would be difficult to implement the reorganization and confirm new political appointees in the few months remaining until the Congress adjourns sine die.

But, Mr. President, just as there may be good arguments in support of delaying the reorganization of the VA until next year, I believe that there are equally compelling arguments in support of the immediate appointment, with our advice and consent, of the first Secretary of Veterans' Affairs.

Mr. President, elevation of the VA to Cabinet-level status has been a bipartisan effort. It should remain so by allowing President Reagan, who personally endorsed this concept, to appoint the first Secretary of Veterans' Affairs.

This amendment would have been offered no matter which President had broken the logjam. Had I been here, I would have offered the same amendment if President Carter had taken the same action taken by President Reagan. Without President Reagan's personal support for this initiative, against the advice of some senior White House advisers, this bill would have failed. Let there be no mistake about it, President Reagan made it happen.

Mr. President, I honestly do not know whether President Reagan would avail himself of the opportunity to name the first Secretary. I believe he would, and I hope he does so even if it is just for a short period of time until the next administration takes office. I think there is room at the Cabinet table. There is much that needs to be done in preparation for this important transition. A Secretary with access to the Oval Office would oversee the preliminary planning to ensure a smooth transition from independent agency status to Cabinet Department.

Most importantly, Mr. President, the new Secretary would be involved in the important decisionmaking processes relating to the Nation's budget for this fiscal year and next. It is essential that we have continuity prior to the budget hearings which will take place in early 1989. And that the VA be represented by a Cabinet-level Secretary in the internal negotiations which will establish the Nation's budget priorities in the year to come.

In addition, the confirmation hearing process will provide the Senate with an opportunity for oversight and direction over veterans' programs and their implementation.

Immediate appointment of a Secretary of Veterans' Affairs will also improve the VA's ability to recruit and retain well-qualified staff, especially in the health-care area where critical nursing shortages exist, by demonstrating the commitment of the Congress to the new Department and increasing its prestige.

Immediate appointment of a Secretary of Veterans' Affairs will send an important signal of support to American veterans and assure them that their wait for a voice on the cabinet has ended.

For these reasons, I hope that you will join with my distinguished colleague from South Carolina, STROM THURMOND, as well as Senators HEINZ, GRAMM, COCHRAN, and myself in support of this important amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio is recognized. How much time does the Senator yield himself?

Mr. GLENN. Mr. President, so much time as I may need.

The PRESIDING OFFICER. The Senator is recognized.

Mr. GLENN. Mr. President, I rise to oppose Senator MURKOWSKI's amendment, and at the appropriate time, I will move to table, but I will not cut off debate on this. The amendment would change the effective date of S. 533 as reported by the Committee on Governmental Affairs.

I certainly admire my good friend from Alaska and congratulate him for his longstanding interest in making sure the Veterans' Administration is as effective as possible. However, I must oppose his amendment because, as I see it, it would very much complicate the management and operation of the new Department of Veterans' Affairs at the very moment that it deserves a clear, a clean, a fresh start.

Let me say that the committee did not arrive at a January 21, 1989, effective date lightly or without consideration. That date reflects a recommendation of several witnesses, including a panel of experts from the National Academy of Public Administration, an organization chartered by Congress, I would add, and chartered to provide precisely this kind of advice and counsel. Nor, Mr. President, was this date intended as a criticism of either the President or the current administrator. Rather, this effective date makes good sense from a management perspective.

With up to 10 new Presidential appointees and substantial authority to reorganize this agency to improve its management contained in this bill, the committee decided that the first Secretary to be appointed should be able to run this agency and should be someone who is going to stay for awhile.

We all know it is no secret that it is getting late in the Reagan administration. There are dozens of current vacancies. We hear daily of new departures. Only last month, the current Secretary of Education announced his intention to leave in September, and it will not be the last such announcement.

Given the press of the fall campaigns, we could confirm the first Secretary of Veterans' Affairs just in time for his impending departure and for no real purpose at all.

I hoped not to inject a horrible word of politics into this, but it just makes no sense to appoint someone just in time to get out and afford them having the honor, perhaps, of having held that position for 90, 120 days at the outside. Unfortunately, if this amendment from the Senator from Alaska proposes were to be adopted, then we would have a second Secretary of Veterans' Affairs who would have to live with all the changes, formal or otherwise, that the first Secretary left behind. To me it just makes good sense for the Department to take effect at a time when a full management team can be recruited and confirmed and sworn in and put in place for an extended period of time to do the job that this bill intends them to do.

I say that without any regard to whether the next administration is Republican or Democratic. That first team should have all the advantages it deserves, including the first shot at the organization chart. The people who make the critical first decisions in this business whether on personnel, organization, reporting relationships or operating style should be the ones who have to live with the results. That means the team comes in with some prospect of staying.

Obviously, if the President feels strongly that he ought to set a precedent for the new agency, he has another option besides appointing the first Secretary. That option is the President can execute an Executive order today, right now, to include his Administrator of Veterans' Affairs in all Cabinet meetings. That is what Jimmy Carter did for his VA Administrator in 1978. That is what Congress asked President Reagan to do almost 5 years ago.

In fact, we passed a sense-of-the-Congress resolution in 1983 suggesting exactly that, that the President include the head of the Veterans' Administration in all Cabinet meetings. President Reagan has not seen fit to do that. For reasons still unclear to the Committee on Government Affairs, President Reagan has steadfastly refused to issue such an Executive order in spite of the clear logic of pulling the Administrator into the Cabinet as a first step in the VA's transition from independent agency to Cabinet Department. Including the Administrator in the Cabinet through Executive order is the proper next step, not desperately searching for a first Secretary in the hopes that someone can be confirmed just in time to resign with the end of the administration.

I reserve the balance of my time.

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER (Mr. ROCKEFELLER). The Senator from California.

Mr. CRANSTON. Mr. President, I regret that I must oppose the pending amendment offered by my friend and colleague on the Veterans' Affairs Committee, Mr. MURKOWSKI, which would change the effective date in the bill as reported by the Governmental Affairs Committee so as to allow the First Secretary of Veterans' Affairs to be nominated by President Reagan before the end of his term rather than having that nomination be made by the next President, whoever that may be.

My opposition to this amendment is not premised on my evaluation of the performance of the incumbent Administrator, Tom Turnage, or grounded in any partisan political concerns. Rather, it is my strongly held view that a change of the magnitude proposed in this legislation should not be made in the waning days of this administration but instead should be part of the overall change in government that will take place after the inauguration of the next President.

Mr. President, I must also note that I am not certain that I understand the intent of the amendment. If, as it appears, the only purpose that would be served would be to allow the nomination of the First Secretary to be made this year without the other provisions of the measure becoming effective until next year, we would be left with the anomaly of a Secretary of Veterans' Affairs heading up the Veterans' Administration, not the new department.

If the desired outcome of this amendment is to have the current Administrator sitting at the Cabinet table during the current administration, the appropriate way to reach that result is for the President to issue an Executive order making the Administrator a member of his Cabinet. The President has had that power since he first came into office in 1981 and since 1983, he has had the active encouragement of the Congress—in the form of section 502 of Public Law 98-160, which I authored—to designate the Administrator of Veterans' Affairs as "a member of, and a full participant in all activities of, the Cabinet." I do not know why the President has chosen not to exercise his authority in this area as President Carter did, but I see no reason for the Congress to take any further action toward this end at this late date.

If the desired outcome is to secure a pay raise for the incumbent or a short-term sinecure for some other political appointee, I find those purposes unacceptable. In short, this amendment would create a hodge-podge organizational scheme within the VA without any valid reason for doing so.

Mr. President, I urge my colleagues to oppose this amendment. Let us reaffirm the view that the proposed change in the status of the VA is a bipartisan effort. Certainly all of the efforts to this point have been in that mold, and I see no basis for changing at this juncture.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I yield myself such time as necessary.

The PRESIDING OFFICER. The Senator from Ohio controls the time at this point.

Mr. GLENN. I yield 5 minutes.

The PRESIDING OFFICER. The Senator yields 5 minutes to the Senator from Delaware.

Mr. ROTH. Mr. President, a Department of Veterans' Affairs is an idea whose time has come. I think one of the primary reasons its time has come has been the support of the President. Bills to create a Department of Veterans' Affairs have been introduced in every Congress for the last 20 years. Legislation which, in various forms, have passed this body time and again has never been agreed to by the House of Representatives. This legislation has 73 cosponsors. Similar legislation passed the House by a vote of 399 to 17. Much of the success of this idea in this Congress has been, as I said, the support of our President, Ronald Reagan.

In light of the overwhelming support that this idea has had in the House, and by the number of cosponsors on this legislation, and some of the support can be attributed to the leadership of President Reagan, I support and lend my support to the amendment by the Senator from Alaska which does serve, in my judgment, to honor the President for the role he has made to create a Department of Veterans' Affairs.

This amendment acknowledges a crucial role played by the President in getting this bill before us by allowing him the opportunity to send up the first nominee for the first Secretary of the Department of Veterans' Affairs.

It has been pointed out he could do it himself; that he could, through Executive order, make the head of the Veterans' Affairs a Cabinet officer, and that is true. But I would say in answer to that, why object? If the President himself could do it, why not honor him for the role he has played in bringing about the enactment of this legislation?

I think there has been a very strong reason why the White House has not acted through Executive order, and that is that if he had done so, we probably would have lost a lot of support for legislative action. By failing to take action, I think it helped to give some momentum to the legislation we are considering today.

The amendment also authorizes the Senate to take this nominee under consideration if it sees fit to confirm that nominee as the Secretary of the Department of Veterans' Affairs. As has been pointed out, all other aspects of the bill would retain the enactment date of January 21, 1989. I urge my colleagues to support the amendment of the Senator from Alaska.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. ROTH. I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from South Carolina may proceed.

Mr. THURMOND. Mr. President, I rise as a cosponsor and strong supporter of the amendment offered by Senator MURKOWSKI, the distinguished ranking minority member of the Veterans' Affairs Committee. This amendment would permit the President to appoint a Secretary of Veterans' Affairs upon enactment of this legislation. I want to emphasize that the amendment is permissive and not mandatory. It merely gives the President the opportunity to go ahead and appoint a Secretary of Veterans' Affairs this year. Given the President's keen interest in veterans and his endorsement of Cabinet level legislation, I think it is most appropriate that we give him this opportunity.

Mr. President, my bill as originally introduced, provided that this legislation would take effect no later than 6 months after enactment. The companion bill passed by the House provides for this same effective date. The committee substitute, on the other hand, provides for an effective date of January 21, 1989. The current amendment strikes a reasonable compromise. It would do no more than authorize the nomination and confirmation of a Secretary of Veterans' Affairs upon enactment of the bill. All other provisions relating to the organization of the new Cabinet department and all other appointments would still become effective January 21, 1989, with the new administration.

Mr. President, we should not delay. I see no compelling reason for not moving forward with the appointment of a Secretary. The amendment is of limited scope and I urge my colleagues to support this measure.

Mr. President, President Reagan is the first President I know of—and I have been here 34 years—to agree to go along with the Cabinet level appointment. If that is the case, it seems to me—there are over 6 months left this year before he leaves office—he should be allowed to appoint the Secretary of Veterans' Affairs to his Cabinet. I see no reason to put it off. Somebody has to act. Why not let the President. He favored this legislation, endorsed this legislation, met with all of the veterans' committees. He met with the Legion, the VFW, the DAV, Amvets, Paralyzed Veterans, and others. He has agreed to support this legislation and agreed to sign it. I see no reason now why he should not be allowed to do that.

Mr. President, I yield the floor.

Mr. GLENN. Mr. President, I yield myself such time as I may need.

Mr. President, I do not wish to see the new Department of Veterans' Affairs—no doubt this is going to pass—started out on a political base and only a political base, and that is all this amendment would be. I do not like that.

I spoke rather softly before, but I think I better raise my voice a little in this case. I know that President Reagan supports veterans' affairs. I know he supports a new department. I give him full credit for that. But I see that support in the proper context. We considered when this new department would take effect, and it was January 21 of next year. Republicans and Democrats alike supported that in committee after lengthy discussion.

We do not want this to become a political football in the waning days of an administration, whether a Republican administration follows this Republican administration or a Democratic administration follows.

Now, this amendment does not propose a change in the starting date for the new department. It does not have anything to do with that. It just says that a new Secretary would be appointed by the President even though he has no department over which to preside.

Now, what kind of political nonsense is that? He does not have a department over which to preside. He cannot change policy in this new department because there is no Veterans' Affairs Department over which the Secretary is to preside. So at best, it would be an honorary title of some kind given for 3 years or 4 months, if we pass all this and if it goes through the House and is submitted to the President and if he approves and signs the bill.

So I ask what on Earth is this new Secretary to do? Is this to be an honor for the President going out? I think President Reagan probably needs no new honors going out, certainly not one like this. He would appoint someone who would supposedly receive the title. I guess the pay would be increased although that is not provided for as I understand this amendment, so he would be a Secretary in name only with no Department, no pay increase, no nothing, except we say he appointed somebody in the waning days of this administration.

Now, I think it makes far greater sense to let the new administration, be it Republican or Democratic, start this new Department off on a proper basis and not a politicized department even before its official starting date. Therefore, I oppose this amendment.

I reserve the remainder of my time.

Mr. MURKOWSKI. Mr. President, I think it is appropriate that we reflect specifically on my amendment. It deals only with the Secretary because we were asked by the Committee on Governmental Affairs to construct the amendment very narrowly. We did that. So as a consequence, I do not think it is a breach by any means. I think it represents what is in the interest of all concerned, and that is how we can better serve the needs of our veterans. By promptly naming a Secretary, which we have the opportunity to authorize and which is the purpose of the amendment, we can accomplish that.

It may have made my attempt to amend this matter appear more attractive to some Members, but in the interest of attempting to reach a compromise and at the urging of those on the Governmental Affairs Committee who drafted the measure, I limited the impact to the Office of the Secretary of Veterans' Affairs. I hope that answers the concern of my distinguished colleague from Ohio.

Mr. ROTH. Will the Senator yield for a question?

Mr. MURKOWSKI. The Senator is happy to yield.

Mr. ROTH. The statement was made that by enacting this legislation it would politicize the Cabinet. I ask the distinguished author of this amendment, does his amendment give any additional powers that the current head of Veterans' Affairs does not now have?

Mr. MURKOWSKI. I am happy to respond to my colleague from Delaware that there are no additional powers.

Mr. ROTH. If we were in danger of politicizing the system, it could be just as likely to occur under current conditions as with the enactment of the amendment?

Mr. MURKOWSKI. The Senator is correct. I might cite specifically that important decisions regarding the VA's budget for next fiscal year are going to be made this fall. They are not going to be made next March or next April when a new Secretary will most likely clear the Senate and assume office under the bill. If we are serious when we say that OMB has cut VA medical care too deeply, then the Congress should enhance the stature of the VA's head in the critical negotiations that are and will take place, so I think timing suggests that we be expeditious in this matter.

Mr. ROTH. Will the Senator yield for a second question?

Mr. MURKOWSKI. I am pleased to yield.

Mr. ROTH. Is it a fact that the President now could make that a Cabinet position but the reason it is so important to get some recognition is that this is an idea that has been considered for a long time but we have not been able to get action in the other House; that it was due to the sponsorship particularly of the distinguished Senator from South Carolina but also the fact that the President has supported it that has enabled this legislation to be acted upon in the House and presumably today, so that all we are seeking is to give some due recognition to the individual who is making it possible?

Mr. MURKOWSKI. That is certainly correct. I think the senior Senator from South Carolina will recall the afternoon when several of us were invited down to the White House. And the President indicated that he had made his decision on this matter, after a great deal of thought, weighing the issue on both hands, getting the advice of senior counsel, and there was no question about it. It was the President's decision, something that he felt was in the interest of the veterans of this country, and that it should be done. He wanted to do it when he was President. And as a consequence this legislation is where it is today because President Reagan has moved on it.

And I think the senior Senator from South Carolina, Senator THURMOND, will recall that meeting. There is no question about the commitment of our President. And the responsibility ultimately for this legislation is certainly President Reagan's.

Mr. GLENN. Mr. President, I yield myself time as I may require.

I ask my distinguished colleague from Alaska. Does President Reagan specifically support this amendment?

Mr. MURKOWSKI. Yes, it is my understanding that he does.

Mr. GLENN. Has that been debated in the Congress? It certainly has been missed as far as my office is concerned.

Mr. MURKOWSKI. In responding to the Senator from Ohio, I can recall at least two occasions. One was during a meeting down at the White House where the decision was first made by the President, and words to the effect of his interest in appointing a Secretary of Veterans' Affairs during his tenure in office. There was later a reference by some of the President's senior White House advisers to the fact that they were very interested in pursuing this. That is the extent of the communication that I recollect. There is also a personal letter which I would be happy to obtain a copy of and send to my colleague from Ohio.

Mr. GLENN. I respond by saying that I do not think the President has been too concerned about getting representation at Cabinet level in advance of the new department being formed and a new Secretary being appointed and confirmed for this reason: Last December Senator LEVIN and I wrote a letter to the President suggesting that because of his interest in this he repeat what happened in the Carter administration and just simply invite the head of the Veterans' Administration to sit in on Cabinet meetings so that the person could represent veterans even before this bill goes through and is passed; and that the new Secretary of Veterans' Affairs then is elevated to Cabinet status.

To the best of my knowledge, neither Senator LEVIN nor I have even received an answer from the President. We were concerned about getting veterans represented at Cabinet level. So if the President is really truly concerned about getting representation for veterans at the Cabinet level, it seems to me it is very simple to do. All he has to do is call the head of Veterans' Affairs and put out the word to his Cabinet and to the White House Chief of Staff that at any future Cabinet meeting, the VA head sits in, and that person becomes the Secretary at the beginning of the next administration. That would be the sensible way to do it. Max Cleland, who served in the VA as VA Director, of course, in the Carter administration, sat in on all the meetings. He was invited to sit in on all the Cabinet meetings.

That is the reason I feel there is little value to be had by naming somebody who is a pseudo-Secretary, which this would be when he has not really achieved the Cabinet rank officially. This would advance it without the whole Department even being officially declared yet. I do not see any advantage to it when the President does not even at the present time include the VA Director, Administrator, in Cabinet meetings as it is. I remain opposed to the amendment.

I reserve the remainder of my time.

Mr. MURKOWSKI. If I may respond briefly to the points brought up by my distinguished colleague from Ohio, I think what we are reflecting on is why the President has chosen this route. He certainly could have chosen the route as suggested by the Senator from Ohio. He has not done so. The amendment that I am proposing would make the elevation to the head of the VA a matter of law and not discretion. My amendment is an opportunity for the Congress to express its will on the subject.

It is clear that the Congress wants the Cabinet to include a Secretary of Veterans' Affairs. My amendment would make it clear we want it to happen as soon as possible. The President can invite the Administrator of the Veterans' Affairs to the Cabinet. The Administrator would attend as an invitee without the stature of the Secretary. I pointed out earlier with the coming budget negotiations and discussion it is most appropriate and expeditious that this appointment take place as soon as possible.

With regard to the letter that I have in my files, it is a personal letter from the President in support of this legislation, and I apologize for not having supplied it but I will supply the Senator from Ohio with a copy of that letter.

Finally, I think it is a personal gesture to the man, to the President of the United States. And having had the pleasure of being at the White House when the President announced his decision, I can tell you that it was done with a great deal of emotion, with a great deal of feeling, and there was no question about who make that decision.

As a consequence, I think it is fitting that this body consider the merits of my amendment as a personal gesture to our President, and to the veterans of this country in the realization that the expedited budget process would be better served. And I think that pretty well outlines the point of my support.

Mr. GLENN. Mr. President, I do not want to belabor this. I am prepared to move to table at the appropriate time. I do not want to hold up debate on this if there is further comment on it. I yield 3 minutes to the Senator from Arizona.

Mr. DECONCINI. Mr. President, first I rise in support of S. 533, the Department of Veterans' Affairs Act of 1988. I would like to commend the chairman and ranking member of the Senate Committee on Governmental Affairs for bringing this very important legislation to the Senate floor. Also the distinguished Senator from South Carolina, who has been here a lot longer than I have, has worked tirelessly the 12 years I have been here trying to see this become the law of the land. I think it is a proud moment that I believe we are going to pass it. I want to compliment the senior Senator from South Carolina for his persistent determination.

Mr. President, perhaps no other piece of substantive legislation has more support than Senator THURMOND'S VA Cabinet status bill. And well it should. It is about time that we make this a Cabinet-level position. The establishment of a Veterans' Administration to a Cabinet department is simply the right thing to do. Though it is a bit late, the time is now.

Since the Veterans' Administration was created in the 1930's, the Administration has grown to become the third-largest employer in the Federal Government, today employing over a quarter million Americans. After 13 Administrators, it is time to have a Secretary of Veterans' Affairs to take charge over the largest health care system in the free world, the fifth-largest life insurance program in the United States, and the other vital veteran services which, in some manner, directly affect over a third of all Americans.

Size alone does not dictate that the VA should become a Cabinet-level position. If that were true, then we might not have a Secretary of Education or Transportation today. In short, the foundation for raising this agency to Cabinet level lies in its particular mission, and the great need to improve management efficiency for such an important agency that serves over 28 million veterans.

Mr. President, what is at stake is the direct access to the President, unfettered by control over other Federal agencies, most recently by the Management and Budget Office. Without this bill, the line of authority of the Administrator will continue to be unclear and subject to the political whims of agencies less familiar with the needs of our veterans.

We have seen this administration slash the veterans' programs. Frankly, I doubt whether President Reagan even knew that this was happening, because he has certainly spoken out strongly in behalf of veterans' programs. Yet, the budget has come up year after year. The first year of the Reagan administration over $900 million was scheduled to be slashed. Fortunately, on a bipartisan basis, Congress stood up and said, "No, we're not going to do that." I think that with this agency at a Secretary level, he could personally tell the President at his meetings that this should not be done.

The PRESIDING OFFICER. The Chair reminds the Senator that his time has expired.

Mr. DECONCINI. I ask unanimous consent that I may proceed for 2 more minutes.

Mr. GLENN. I yield to the Senator.

Mr. DECONCINI. Mr. President, I believe that final passage will come today. The Senator from Alaska has offered an amendment to allow the current President to nominate the first Secretary of Veterans Affairs. Politics aside, I urge my colleagues not to support the amendment.

I must oppose the Murkowski amendment to change the effective date of this legislation on the ground that this administration has had ample opportunity to support this legislation long before last November, and it is a little ridiculous now to try to put it into place all of a sudden at the twilight of an administration. We frankly ought not play this game. This administration has had 7 years to either elevate the VA Administrator by Executive order or to support this legislation. Ironically, just when the bill is certain to pass, we are asked to allow this President to have it both ways. I care not to reward the administration for its inactivity.

We should start off with a new record, whoever is President, whether George Bush or Michael Dukakis or somebody else. I think that is where the appointment process should start.

Moreover, I am convinced that the amendment before us would be counterproductive and contrary to the purpose of this legislation. It simply makes no sense to allow this President to nominate and install the Secretary and begin the restructuring just at the time this administration is phasing out. From the cost perspective, this amendment isn't just a poor policy, it is a bad policy. The very purpose of the legislation is not to replace the current figurehead Administrator with a figurehead Secretary. Veterans deserve more, and they are going to get it by a timely, cost-effective implementation of this particular legislation.

I again thank the chairman of the Governmental Affairs Committee for moving this bill. I think it is one of the most important pieces of legislation Congress can address.

Mr. MURKOWSKI. Mr. President, I compliment the distinguished chairman of the Governmental Affairs Committee on the superb staff effort, as well as the minority. We may disagree on this point, but I think we are together on the bill. I anticipate a tabling motion shortly.

Mr. GLENN. Mr. President, I am prepared to yield back the remainder of my time. but, first, I should like to take a moment to thank those who have worked on this legislation: Senator ROTH and his staff; the people on our side, Paul Light and Len Weiss, here with me; Senator CRANSTON and Senator MURKOWSKI and their staffs. A lot of people contributed to this legislation.

No one deserves more credit than the distinguished Senator from South Carolina [Mr. THURMOND], who has been after this legislation and pushed it and worked for it and talked about it for many years.

Before we get too involved in some of the wind-down later this afternoon, I want to take this time to give credit where credit is due. A lot of people deserve a great deal of credit for this.

I am prepared to yield back the remainder of my time, if Senator MURKOWSKI is prepared to yield back his; and if that is the case, I would move to table.

Mr. MURKOWSKI. Mr. President, will the Senator withhold the tabling motion?

Mr. GLENN. Yes.

TONY PRINCIPI

Mr. MURKOWSKI. Mr. President, I want to take this opportunity to honor Tony Principi, the staff director and chief counsel of the Veterans' Committee, who is leaving us. He has been with us since November 1984. He has served Senator SIMPSON and now me.

The debate on the legislation before the Senate today is probably the last time Tony Principi will be on the floor in the service of this body and in the service of the veterans of America and in the service of the Committee on Veterans' Affairs and in the service of me, as the junior Senator from Alaska.

Tony will be leaving the job of staff director at the end of this week. His dedication and capability and contribution will not end. I know that his change of location will not end his drive to dedication. In California he will not be serving the Senate and the committee.

The Senators here know Tony and join me in thanking him for his work. He has been very professional and is a fine gentleman. He has made an outstanding contribution to veterans and to the business of the U.S. Senate. We will miss him.

I wish you the best of luck, Tony.

Mr. THURMOND. Mr. President, I wish to join in the accolade by Senator MURKOWSKI to Mr. Principi. He is one of the ablest, most competent staff members I have come in contact with since I have been in the Senate. He is always courteous and dedicated. He has done a fine job, and we owe him a great debt of gratitude.

Mr. SIMPSON. Mr. President, I will take only a minute.

Tony Principi was my chief counsel and staff director when I was chairman of the Veterans' Affairs Committee. He served me superbly. It was a pleasure not just to have his professional skills and abilities but also to have his friendship. It is that kind of staff relationship that makes this place work. We become very close to our staff members, know who they are, how they operate, what their objectives and goals are.

He is a splendid and solid person. He was my strong right arm. We went through some controversial times. Senator CRANSTON and John Steinberg, his ace staffer, and Tony and my ace staffer got a lot done for veterans. He will do well in whatever he undertakes. I do not know what that is, but I wish him Godspeed.

He is sitting over there, with his face beet-red right now, because he is probably embarrassed by these accolades, and that is part of him, too. He is a very fine human being, and I wish him well.

Mr. GLENN. Mr. President, I yield back the remainder of my time and move to table the amendment of the Senator from Alaska.

The PRESIDING OFFICER. The tabling motion is not in order until the remainder of the time of the proponents has been yielded back.

Mr. MURKOWSKI. I yield back my time.

Mr. GLENN. Mr. President, I move to table the amendment of the Senator from Alaska.

Mr. MURKOWSKI. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment of the Senator from Alaska. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Vermont [Mr. LEAHY] is absent on official business.

I also announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Utah [Mr. GARN], the Senator from North Carolina [Mr. HELMS], and the Senator from Indiana [Mr. LUGAR] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 52, nays 43, as follows:

[Rollcall Vote No. 240, Leg.]

YEAS—52

Adams
Baucus
Bentsen
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chiles
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Stennis
Wirth

NAYS—43

Armstrong
Bond
Boschwitz
Chafee
Cochran
Cohen
D'Amato
Danforth
Dole
Domenici
Durenberger
Evans
Gramm
Grassley
Hatch
Hatfield
Hecht
Heinz
Humphrey
Karnes
Kassebaum
Kasten
McCain
McClure
McConnell
Murkowski
Nickles
Packwood
Pressler
Quayle
Roth
Rudman
Simpson
Specter
Stafford
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson

NOT VOTING—5

Biden
Garn
Helms
Leahy
Lugar

So the motion to lay on the table the amendment (No. 2547) was agreed to.

Mr. GLENN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GLENN. Mr. President, we cannot hear what is going on here.

The PRESIDING OFFICER. The Senate will be in order. Senators will take their conversations into the Cloakroom.

Who yields time?

Mr. ROTH. Mr. President, I yield 3 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. BOSCHWITZ. Mr. President, I rise today as a strong supporter and cosponsor of Senate bill S. 533 to elevate the Veterans' Administration to a Cabinet-level department. As a veteran myself, I am proud to be a cosponsor of this important and historic legislation.

Veterans comprise a large and highly diverse cross section of our nation. Individually, and as a group, they continue to make tremendous contributions to the United States. Our Government has a long tradition of protecting the welfare of its veterans, as it should. It is entirely fitting, therefore, that the VA, the agency responsible for providing benefits and services for some 28 million veterans and 51 million dependents and survivors, be granted representation in the President's Cabinet.

This should be done for a variety of reasons. With a budget of $27.9 billion and around 220,000 employees, the VA ranks among the largest of all Federal Government agencies. The VA operates the largest medical-care system in the United States. Over one-half of all physicians in private practice have received some portion of their training in VA facilities. More than 19 million people have received educational assistance through the VA under the GI bill since its inception in 1944. The VA's size, budget, and constituency is thus considerably larger and certainly as significant as many other Cabinet agencies.

Last November, the House passed its VA-Cabinet bill. And here in the Senate, the Committee on Governmental Affairs has reported out a similar measure, S. 533. This bill will finally place veteran affairs at the same level as other Cabinet positions such as agriculture and transportation. It will give the veterans the opportunity to place their concerns before the President at the highest level and to have direct access when critical policy decisions are being made.

Last June, the Minneapolis Star Tribune characterized this legislation as a "cuckoo" idea. I was surprised by its editorial, especially since the bill has received strong, bipartisan support in both the House of Representatives and here in the Senate. I responded that if wanting to honor and serve veterans is "cuckoo," then indeed I must be among the guilty.

So I am pleased to rise today in support of this legislation and urge its speedy adoption.

I yield the floor.

Mr. GLENN. Mr. President, I yield to the Senator from Maine such time as he may require.

The PRESIDING OFFICER (Mr. BREAUX). The Senator from Maine [Mr. MITCHELL], is recognized.

Mr. MITCHELL. Mr. President, I rise in strong support of S. 533, the legislation now before the Senate that would establish an executive Department of Veterans' Affairs.

S. 533 comes to the full Senate for consideration after a careful and thorough review by the Committee on Governmental Affairs.

I want to express my gratitude for the great leadership provided in that committee by the chairman, the distinguished Senator from Ohio, JOHN GLENN, and the distinguished ranking minority member, BILL ROTH, the senior Senator from Delaware.

From the start of the Governmental Affairs Committee's consideration of this proposal, the chairman made clear that it was his intention for the committee to report elevation legislation that had two central underpinnings.

One, that the legislation would not only elevate the VA to Cabinet status, but also make whatever improvements in the agency's management structure that were necessary so as to make the new Department a first-rank department.

To do so, the committee pressed to give the new Secretary and his top management team the flexibility and authority to manage this immense agency. The committee also pressed to make sure that the management team have the best tools, the needed resources, and accurate and timely information important to good management.

In that regard, one of the most important elements of S. 533 is its treatment of the present office of Inspector General in the Veterans Administration.

The VA's Inspector General now has about 300 employees—one of the lowest ratio of IG personnel to agency personnel in any agency or department. S. 533 sets the IG's full-time equivilant employees [FTEE] at a ratio of the agency's overall employment. The ratio—1 to 367—will increase the size of the IG's staff; it will be phased in over 3 years, but no later than September 30, 1992.

The second important issue that the chairman advanced was keeping elevation to Cabinet status from undermining what has been the agency's traditional nonpartisan approach to providing veterans' services and benefits.

To do so, the committee-reported bill places caps on the total number of noncareer appointees to the Senior Executive Service [SES] and the number of schedule-C personal and confidential assistants within the new department. By doing so, it was the committee's clear intention, one I strongly share, to have the new department maintain a strong career service, to place clear obstacles to the policization of the department by any President, regardless of his or her party or ideology.

In considering this legislation, Senators are being asked whether the Veterans Administration, which now administers the wide range of veterans benefits and programs as an independent agency, should be raised to Cabinet-level status.

With no reservation, I believe the answer is yes.

Bringing the Administrator of Veterans' Affairs into the President's cabinet is a long-overdue step that is important for symbolic and tangible reasons.

The VA's single obligation is to carry out the words and spirit of Abraham Lincoln, "to care for him who shall have borne the battle, and for his widow and his orphan."

Few responsbilities of the Federal Government carry with them the moral obligation embodied in the various health care, education, compensation, research, and home loan programs administered by the VA for this Nation's 28 million veterans, their dependents, and their survivors.

It is symbolically important to have the interests and concerns of America's veterans and their families fully represented at the highest levels of this Government when this country's domestic policies are considered and determined.

But, it also makes good management sense to have an agency whose programs, operation and expertise are so wide ranging and extensive represented when domestic policy is formulated.

When the VA was created as an independent agency in 1930 it served 4.7 million veterans and had 31,000 employees. In the intervening 57 years, the facilities it operates, the programs it administers, the individuals it employs, and its operating budget have all grown tremendously.

With some 220,000 employees, the VA now has more employees than any other agency or department in the Federal Government except for the Defense Department. Its $29 billion budget is the fifth largest among all Federal Departments and Agencies.

Through the largest health care system in the free world, encompassing 172 hospitals and 229 outpatient clinics, the VA provides inpatient medical services to 1.4 million persons and outpatient services to 20 million persons.

And more than simply providing health care to veterans, the VA, affiliated with 102 medical schools and 60 dental schools nationwide, plays a major role in educating this Nation's health care professionals. In fact, one-half of all physicians practicing in the United States today received some portion of their training in VA health facilities.

It administers a range of benefit programs which totals $15 billion for more than 79 million potential clients—veterans, dependents, and survivors. The two most well-known programs are the GI bill and the home loan guaranty program.

Since 1944, when the first GI bill became law, 18 million beneficiaries have received GI bill education and training. As an investment, this expenditure has been immensely profitable to the Nation.

The VA's home-loan guaranty program has benefitted some 12.4 million veterans and their dependents since it was created in 1944. VA home loan guarantees have totaled $263 billion.

In sum, Mr. President, the Veterans' Administration is a huge agency whose programs affect almost every aspect of American life. It deserves full Cabinet department status.

After reaching that conclusion, obviously the next step is determining how to best accomplish elevation.

The Governmental Affairs Committee, under the able leadership of Chairman JOHN GLENN, gave this subject serious consideration over the past several months, including three hearings with a wide variety of expert testimony, before unanimously reporting the legislation that is before the Senate today.

S. 533 deserves the enthusiastic support of the Senate because more than making a comestic change by making the present independent agency a Cabinet Department, the provisions of S. 533 are intended to strengthen the agency's management effectiveness and internal controls.

It redesignates the VA as the Department of Veterans' Affairs. The titles of the Administrator and the Deputy Administrator would be changed to Secretary of Veterans' Affairs and the Deputy Secretary of Veterans' Affairs. Both would be appointed by the President and confirmed by the Senate.

The present structure of the VA, which includes the Department of Medicine and Surgery [DMS], Veterans' Benefits [DVB], and Memorial Affairs [DMA], would be changed under S. 533.

The Department of Medicine and Surgery would be renamed the Veterans' Health Services and Research Administration and the Department of Veterans' Benefits would be renamed the Veterans' Benefits Administration.

The Chief Medical Director [CMD] and the Chief Benefits Director [CBD] are now appointed by the Administrator for 4-year terms, with reappointment possible. The positions traditionally have been nonpolitical. In addition, the CMD is required to be a licensed physician.

Under S. 533, the CMD and the CBD would be appointed by the President and confirmed by the Senate for 4-year terms, with reappointment possible. They would have to be selected without regard to political affiliation and solely professional integrity and demonstrated ability. The President would have to report to Congress the reasons for removing either from office. As now, the CMD would have to be a physician.

Possible replacement for either the CMD or CBD would be filled through a search commission process that would involve representatives from organizations, and health-care or benefits professionals, knowledgeable about the operation of the VA's programs.

In the case of the Chief Medical Director, the Commission would have to include representatives of clinical care, medical research and education activities affected by the VA.

The Commission membership would include one representative of physicians and one of nurses employed by the VA; four representatives of veterans; not more than two individuals who have previously held the position of Chief Medical Director; and two persons who have had experience in managing health service or research programs.

In the case of the Chief Benefits Director, the Commission would be composed of four representatives of education and training, real estate, mortgage finance, and related industries, and of survivor benefits activities affected by the VA; four representatives of veterans, not more than two persons who have previously held the position of Chief Benefits Director; and three persons who have had experience in the management of benefit programs in the public or private sector.

The 15-member commissions would submit three names to the Secretary who would pass them to the President with whatever comments the Secretary considers appropriate. The President would not be obligated to pick one of the committee's choices, although there would be a presumption that one of the names would be the nominee.

Under S. 533, the Department of Memorial Affairs would be eliminated. The responsibility for management of the national cemetery system and burial benefits would be given to a Deputy Chief Benefits Director for Memorial Affairs [DCBD] who shall be appointed by the Secretary for a renewable 4-year term without regard to political affilication and solely on integrity and demonstrated ability.

Most burial benefits are now already administered by DVB. The committee hopes that by consolidating administration of the benefits in one place, service delivery might improve.

During the committee's consideration of S. 533, it came to realize the importance of trying to maintain the present focus on nonpartisanship, expertise, and continuity in the VA. Several provisions were added in order to accomplish those objectives.

For instance, S. 533 authorizes the Secretary to appoint up to 15 Deputy Assistant Secretaries. Two-thirds of the positions would have to be selected from career individuals.

The legislation also caps the number of mid-level management positions that would be available to political appointments: "noncareer Senior Executive Service" and "Schedule C."

Under law, up to 25 percent of Senior Executive Service positions within Federal agencies may be filled by noncareer individuals. S. 533, however, would limit noncareer SES slots in the new Department of Veterans' Affairs to 5 percent of the departmentwide total. The allowable schedule C employees in the Department would be frozen at 15.

In creating a Department of Veterans' Affairs, Congress has a responsibility to create one that can provide services to veterans in a consistent, effective, and efficient manner.

I fully support giving veterans full representation at the President's Cabinet. Elevation is long overdue given the range and scope of the VA's programs and the importance of those programs to our Nation.

The legislation approved by the Governmental Affairs Committee accomplishes those objectives. It deserves the strong bipartisan support of the U.S. Senate.

There are several differences between S. 533 and the Cabinet-status legislation, H.R. 3471, passed by the House of Representatives last year. Obviously, those differences will have to be ironed out in a conference committee before the legislation can be signed into law by the President.

I do not believe that conference should be lengthy. If all goes well, legislation to give America's 28 million veterans and their families a full voice in forming national policy will become law this summer.

I want to make just short comments on two amendments to S. 533 that are expected to be offered this afternoon.

The first, to be offered by Senator THURMOND, the original author of S. 533 and Senator MURKOWSKI, the distinguished ranking member of the Veterans' Affairs Committee, would allow for the immediate appointment, with the advice and consent of the Senate, of a Secretary of Veterans' Affairs.

The effective date of S. 533 is any date, effective by Executive order in a 6-month period beginning January 21, 1989.

All other provisions relating to the organization of the new Cabinet department and all other appointments would still become effective as provided in S. 533.

I think the arguments against this dichotomy of effective dates are relatively simple.

First, it is unlikely that this legislation will be signed into law in time for this provision to be meaningful in any real way. The 100th Congress will adjourn in September, or early October. It is highly unlikely that the Senate will have time to give full and careful consideration of the nomination in the short time between enactment and adjournment.

Second, if the provision was enacted, a nomination sent to the Hill and confirmed, the provision would effectively create a Secretary of Veterans' Affairs heading a bureaucracy still defined as an independent agency. We would be providing a captain for a ship still not yet launched.

Third, the amendment interjects a partisan note in what has otherwise been a nonpartisan debate. This President has had the authority, by Executive order, to have the present Administrator attend Cabinet meetings. Legislation similar to S. 533 could have been forwarded any time to Congress. No legislation was sent up; the President announced his support for the concept of elevation for the first time last November.

The second amendment is one to be offered by Senator SIMPSON which would authorize judicial review of VA denials of benefit claims.

As I have indicated in my statement, I strongly favor the elevation of the Veterans' Administration to full Cabinet status.

I also strongly support judicial review. In fact, I am a cosponsor of S. 11, as I have cosponsored similar legislation since coming to the Senate in 1980.

But I oppose the amendment for one simple reason. I believe that the addition of judicial review language to S. 533 could jeopardize enactment of the Cabinet-status legislation.

It makes little sense therefore, to add judicial review, which I support, to Cabinet status, which I also support, and possibly cause both to be rejected by the House or the President. In fact, I believe such a legislative strategy is clearly counterproductive to both goals. Accordingly, I will support Senator CRANSTON's motion to table the Simpson amendment this afternoon.

Earlier this afternoon, the Senate debated and passed S. 11, which would provide meaningly judicial review for America's veterans. That is the appropriate and most fruitful avenue for supporters of judicial review to press their case.

Mr. President, I want to again commend the distinguished chairman of the committee, Senator GLENN, and the distinguished ranking member, Senator ROTH, for the work they did on this legislation.

This bill not only takes the important and necessary step of elevating the Veterans' Administration to Cabinet-level status, it does so in a manner that improves the agency's management structure so as to make the new Department a first-rate Department.

It also uses elevation to Cabinet status in a way that preserves the traditional nonpartisan approach to providing veterans services and benefits. So they have done an outstanding job and I am pleased to be part of it.

Over a century ago, one of America's greatest Presidents, Abraham Lincoln, said the VA's purpose was to care for many who shall have borne the battle and for his widow and for his orphans.

Few responsibilities of any Federal agency carry with them the moral obligation embodied in the various programs of the Veterans' Administration. For the Nation's 28 million veterans, their dependents, and their survivors.

It is both tangibly and symbolically important to have the concerns of America's veterans and their families fully represented at the highest levels of the American Government when our Nation's domestic policies are considered and determined. But it also makes good management sense to have an agency whose programs, operations and expertise are so wide-ranging and extensive represented when national policy is formulated.

When the VA was created as an independent agency in 1930 it had 31,000 employees and served less than 5 million veterans. The VA now has 220,000 employees, a $29 billion budget, 172 hospitals, 229 outpatient clinics, it provides inpatient medical services to nearly 1.5 million persons and outpatient services to 20 million persons.

It is one of the most important agencies in the U.S. Government, serving one of the most important constituencies in the United States. Because if this Nation ever fails to meet its moral and legal obligation to those who served the Nation in times of crisis in the past, it will be unable to summon those necessary to serve in times of crisis in the future.

This is important legislation. All who have been associated with it deserve great credit, including the two Members I mentioned before as well as the distinguished chairman and ranking member of the Veterans Committee, Senator CRANSTON and Senator MURKOWSKI.

As the only Senator who serves on both the Veterans' Affairs and the Government Operations Committee, it has been my privilege to work on this and I am pleased that, although long overdue, this legislation now reaches the stage of enactment in the Senate. I hope there will be swift agreement with the House in conference and enactment with the President's signature in the very near future.

Our Nation's veterans deserve no less than full representation at the highest levels of our Government.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from Wyoming [Mr. SIMPSON].

Mr. SIMPSON. Mr. President, let me if I may, do a very hazardous thing right now, and that is to speak against this bill. I have not seen any of the doors crashing in for anyone else to do that.

Mr. GLENN. Will the Senator yield for a moment? On whose time is this now, so we can clarify that?

Mr. SIMPSON. Mr. President, this would be the time in opposition to the bill. I think it would be yielded from the Senator from——

The **PRESIDING OFFICER.** The Chair will observe the time is controlled. Who yields time to the Senator from Wyoming?

Mr. **ROTH.** I yield the Senator 10 minutes.

The **PRESIDING OFFICER.** The Senator is recognized for 10 minutes.

Mr. **SIMPSON.** Mr. President, might I inquire of the floor managers? As I understood it, it was a 2-hour time agreement, equally divided. I believe no one has spoken on the other side, and that is the time I would be using.

Mr. **GLENN.** Mr. President, can we have clarification of that? As I understood it, the 2 hours was to be on the proposed amendment by the distinguished Senator on judicial review and that was the 2 hours. I believe the time on the bill itself is down to just a few minutes on each side.

Would the Chair——

The **PRESIDING OFFICER.** The Chair will observe on the bill there is 25 minutes remaining controlled by the Senator from Delaware, 13 minutes retained by the Senator from Ohio. That is on the bill itself.

On the proposed Simpson amendment, there is a time agreement also.

Mr. **SIMPSON.** Mr. President, that is a separate matter. I am seeking time from the time on the original bill.

Mr. **ROTH.** And I do yield the Senator from Wyoming 10 minutes.

The **PRESIDING OFFICER.** The Senator is recognized for 10 minutes.

Mr. **SIMPSON.** Mr. President, while I was inquiring and speaking to the floor managers—and I have been here for 9 years, and I was fascinated with a 2-hour time agreement. This is not a comment or criticism at all. It is a comment of reality to the strength of the potency of the issue, that the time reserved for "the other side" has really not been used for "the other side." There has been a good debate. There has been important debate. And it reminded me of a time when I was practicing law. I was a vigorous, young, city attorney and I went before the police judge; boy, did I put on a case.

The police judge was not a lawyer and was somewhat anxious to get out of the building, actually. It was a beautiful Friday afternoon and when I finished my case, he said: "I think that is good evidence and I am impressed by that, and I am going to find the defendant guilty."

The defense attorney got up and he said: "Judge, would it be all right if we put on our case before you made that decision?"

I thought on that, whimsically as I thought of this; it is going to be about the same result. But, you know, I think there are not many here today who are going to vote against this measure. I want to speak against the proposal to elevate the Veterans' Administration to a Cabinet-level Department.

I feel that this is neither a necessary nor a prudent move, although I am sure that I will be one of few who will vote in this fashion. And at the outset let me point out that I have taken on this issue, and the fact I have, does not in any way indicate that I am somehow antiveteran. You see, this is the peril that you run when you get into one of these. I am a veteran. I am a lifetime member of the Veterans of Foreign Wars. I am a member of the American Legion, and a member of Amvets. I received the highest award from that organization, the Silver Helmet Award, a great honor and privilege.

So I really do not need to have my credentials checked. I have the utmost respect and admiration for those who fought to keep this country strong and free and those who stood ready to fight but did not get that opportunity. I served in Germany at the end—of the army of occupation—the tail end of that. I served as an 81 millimeter mortar platoon leader and also platoon leader of a few tons of armored personnel carrier. I really do not need to take a back seat to anybody in all that.

Then look at the stunning record of the floor manager and others, ALAN CRANSTON and FRANK MURKOWSKI—there is really no need to give each other the saliva test on how great a veteran we are. But I have learned one thing.

There are 28 million of us and maybe only 3 million of them were ever involved in a combat situation. People do not hear that. Maybe they do not want to hear it sometimes.

Some say, well, so what? I was in and I was ready to do any thing that was required and I say I have no complaint about that. I am just saying that we must weigh priorities in this country. With the budget deficit that we have, we must reassess all this.

So the question is not one whit about veterans, or whether they deserve our respect or support. That is not even part of this debate. They unquestionably do deserve it. And they get it.

This is about whether there is any good or compelling reason to elevate the VA to Presidential Cabinet status. That is the issue. I have heard those who support this elevation claim that it is absolutely necessary for the VA to have direct access to the President, in order to present the case for adequate funding for veterans' programs, and to see that veterans' concerns are given appropriate consideration in policy matters.

You know, those arguments assume that veterans are somehow now absolutely neglected or overlooked in the overall scheme—and nothing could be further from the truth.

In budgetary matters, the VA is very well looked after by this Congress. The budget submitted by the VA is $30.1 billion, for 28 million veterans. That is the largest VA budget ever, period.

In matters of policy, the Congress has always and always will look after veterans. There are lots of us right here to see that that takes place. Those veterans who support elevation of the VA to Cabinet status will do well to—I hate to bring it up, but I think it is important—it might well be that they are thinking of a model person who will be the Cabinet person, and yet that person might turn out to be a real dud, a political hack on either side of the aisle; a guy they are paying back because he was part of the great campaign organization in Massachusetts or New York or Wyoming, and they are going to pay him back.

Nobody is ever even going to know what happens in those meetings as he sits with the ear of the President in the skull sessions. You will not know whether he is representing you or not, but he could, or she could, whoever may be appointed, could feed it in right there and say, "Forget it, you go ahead and tell them that, but forget it."

If anybody does not think that is going to happen or could happen, I think they are wrong.

I just throw that out. I know it is not fun to do it, like the skunk at the family picnic. I know that. My mailbag will fill up, but let me share with you all, in matters of veterans, we have always looked after veterans, and that is the way it is.

Our system of veterans' pensions and benefits does far more then provide just for those who endured the rigors of combat and share with you again that only 3 million of the 27 million of us ever served in truly combat situations. The VA assists those who have served in the Armed Forces by providing a huge range of compensation, pension, home loan assistance, employment and education assistance, life insurance, medical care benefits. These VA benefits are available to all veterans, every single one of them who served honorably, regardless of whether the veteran was ever in combat or was even injured in a way even minimally related to performance of military duty.

That is a startling thing, but it is true. The Vietnam era seems to conjure up so much in us—movies, television, docudramas—you would think everyone who served in Vietnam was a walking time bomb. People ought to get tired of that. I do.

My chief of staff won the Silver Star for picking people off the green jungle carpet floor over in Vietnam. There is nothing "time bomb" like about him.

He is a superb man. I have people on my staff who served in the Vietnam war. How absurd, movie after movie T.V. show after T.V. show—Full Metal Jacket, Platoon, you name it.

I finally went up to a fellow who was doing some of these docudramas. I said, "Why can't you spare us all that? Either do a 'docu' or do a 'drama'."

He said, "This is important. Gotta tell this story."

I said, "What were you doing during the Vietnam war?"

He said, "That is none of your business."

I said, "Yeah, it is because if you are going to crank out that kind of drivel, I get to ask you why you are doing that."

He said, "That's none of your business."

I said, "I got a hunch that you were wandering around in a little Midwestern university during that war carrying a Viet Cong flag and protesting that war."

He said, "You're right."

So he is spending the rest of his life expiating and atoning for his sins, and that is great. Let him have a go at that. But let us not distort what we have done with regard to this most recent conflict. We will not call it—we do not know what to call it, and that is our puzzlement.

Let me just review all that with you. There were 8,700,000 who served in the Vietnam era, August 5, 1964 to May 7, 1975. Remember, 8,700,000; 3,400,000 of those actually served in the Southeast Asia theater; 2,594,000 of those served within the borders of South Vietnam; some 700,000 never left Thailand. Sometimes we hear strong things from those veterans who served in that area, and they were never in the combat theater at all. Twenty percent of those who were there—of the 2,500,000—served in the infantry, armor, or artillery units that regularly pursued and engaged the enemy in combat—20 percent. Surely, and probably 40 to 60 percent of those 20 percent who were in the country were at least exposed to enemy fire on a regular basis.

Now, that is reality, and yet we sit here year after year, month after month—guilty—filled with guilt that somehow that we are not doing enough for our veteran.

I worked like a dog when I was chairman of the Veterans' Affairs Committee to do things for veterans. I do not know what more you can do for the "professional veteran."

Now, about the professional veteran—I have changed my definition. I am talking now about the "professional fundraising veteran." One organization of the "big three" has on its books $160 million, and they raised their money from little old ladies in tennis shoes saying to them, "Send a buck, send 5 bucks because the VA is not doing it for you and Congress is doing nothing for you."

So people ask me when I come on a little strong, "What is a professional fundraising veteran?" I say, "Well, it is a guy who makes triple what I do in the U.S. Senate." One of these gentlemen makes $220,000 a year. He represents and is a high official in the veterans organization, and his sole function in life—if I might ask for an additional 5 minutes.

Mr. ROTH. I yield 5 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. SIMPSON. His sole function in life is to alarm the American public, to send out newsletters and pleas for funds, saying we do nothing for the veterans of the United States and that veterans are second-class citizens.

We have a word for that stuff in Wyoming, and there is a lot of that going on. That will be the subject of a later address here to the troops because I am going to have the facts and the figures, and we will talk about "the professional fundraising veterans."

I thought maybe when you went into the Army that was something you were supposed to do for your country, and you were not supposed to keep score and say, "What's in it for me?"

I thought the veterans' organizations were there to do things for our lesser veterans, those who needed help and care and a review of their cases. That is what I thought. I did not realize it was a moneymaking machine where you denigrate your Government and anybody who does not vote with you on the Senate floor or the House floor. I did not really think that is what that was about or whether the sole purpose of the organization was to see how much you could get the old membership up.

I remember one debate 5 years ago. I said, "What is your veterans group doing on that one? Why?"

They said, "Gotta get the old membership up."

I said, "It seems to me you ought to have a better attitude about things than just that."

Well, anyway, I say, and I speak against the bill because if anybody believes that the veterans need a stronger voice or a more effective advocate than they already have, then I have really missed something in my 9 years here. I put a lot of good laws on the books with your help, with the help of all the people on this floor. Good stuff.

I watched Veterans' Administrators come. Max Cleland gave part of his anatomy to his country, and the veterans' organization trashed him. Bob Nimmo came here, and he had fought in three wars at three different times and they trashed him. They are insatiable in many ways.

When they put out the word in Washington through the professional fundraising groups and through the whole Halls of Congress, you better get out of the way because the velocity of the currents rushing into the Chamber to cast an "aye" vote will suck all the air out of the Chamber.

The greatest voice and the most booming voice for veterans is simply the U.S. Congress. It has always attended the Nation's veterans, and I have always helped. I tire of the efforts made and the exercise we see as we watch the word go out that somehow if you vote against this one, which I will, that you will also be portrayed as anti-veteran.

I think if we are going to follow this tortuous reasoning then almost certainly we should have a Cabinet-level position for the Department of Aging. Why not? There are more senior citizens than there are veterans. A Cabinet level for women. Why not? They should be represented. A Cabinet-level post for the native Americans; I could surely support that. We are all Americans. We are not constituencies. How did we get to this place? Who is next? Youth? Disadvantaged? Present Cabinet status overs every single one of them. But I can tell you, watch out. If you cast a vote "nay" on this one, you will go up on the great scorecard and they will write about you in their monthly publications. At least they gave me a chance to once respond to one of those. That was fair.

So here we go, and I am going to deal with an amendment on judicial review because it will never come up again in any other form, but, Mr. President, I see no rational reason—I see a lot of emotional ones; I see a lot of guilt; I see a lot of anguish; I see a lot of heavy pressure to do this—as to why the VA should be elevated, and yet I see so many more reasons why it should not. If it is to be so, however, I would hope that we might at least consider the next amendment as to be fitting because it certainly will never see the light of day again if we don't.

I guess I always thought in my time in the Army, that you are not a good soldier or marine or sailor or airman unless you gripe. And so that is the gripe? I think it is important to gripe, but it does not really mean you always mean it. I think it is a real mistake and an overreaction to a great nonproblem in the form of this particular measure. I thank the Chair.

The PRESIDING OFFICER. The time of the Senator has expired. Who yields time?

Mr. McCLURE. Mr. President, will the Senator from Delaware yield to the Senator from Idaho 3 minutes in opposition to the bill?

Mr. ROTH. I yield to the Senator.

Mr. McCLURE. I thank the Senator for yielding. I do rise in opposition to the pending bill. I commend the distinguished Senator from Wyoming because I share, if not his experience, at least his sentiments. I enlisted in the U.S. Navy the day after Christmas in 1942. I joined the American Legion while I was still in the service in 1945.

I share with the Senator from Wyoming the conviction that it is not necessary to do what we are doing save one reason, and that is pure, blatant, crass politics. That is the only reason to do what this Senate is about to do. As a matter of fact, if, indeed, we must prove our fidelity to the veterans, then certainly we are simultaneously saying we think less of every other constituency group in the United States.

How about a Cabinet post for the environment? Do we care less about the environment? How about a Cabinet post for small business? We keep talking about our fidelity to the small businesses of this country. How about a Cabinet post for minorities? Let us just lump them all together in one Cabinet post. Let us have a Cabinet post for minorities. Are we really prepared to say today that we are less concerned about minorities in this country than we are about the veterans? I hope we are not. I am concerned about veterans, as my service in the House and in the Senate has proven over the last 21½ years.

Mr. President, this is simply bad government. Every once in a while we ought to be able to restrain our political appetites by voting responsibly, but I fear we are not.

I once again commend the Senator from Wyoming for his statement and join in the expression of his sentiments.

The PRESIDING OFFICER. The Senator yields back his time. Who yields time? The Senator from Ohio controls 13 minutes and the Senator from Delaware controls 7 minutes.

Mr. GLENN. The Senator from Ohio is prepared, if there are no further amendments, to go to third reading.

AMENDMENT NO. 2548

Mr. SIMPSON. Mr. President, I have an amendment I send to the desk. I ask that it be reported.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Wyoming [Mr. SIMPSON] proposes an amendment numbered 2548.

Mr. SIMPSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(The text of the amendment is printed in today's RECORD under Amendments Submitted.)

Mr. SIMPSON. Mr. President, to set the issue I think in a clear way, I have been involved in judicial review since I came here. This is not a ploy—not a trick. It is something I have worked on a long time in this place. I offer it here as an amendment to S. 533 for a number of reasons. You already handily passed it earlier in the day and I was very pleased about that. That was a vote of 86 to 11. That is good. Four times before we passed it by voice vote. I had thought we had had a rollcall vote a couple of years, but in talking with my good friend from California, Senator CRANSTON, I find that we had always done it by voice vote. I thought we had had rollcall votes in the past. But I have been a firm supporter of legislation to grant judicial review to veterans since I came here. And I do not take any second seat on that one. I offer this amendment to this bill since it is a bill with extraordinary support which is assured of passage and because this is the last and best chance for judicial review legislation to get a vote in the House of Representatives.

Some, I know, will address the issue and say that is not so. But I think it is so because my old and dear friend, Congressman SONNY MONTGOMERY, chairman of the House Veterans' Affairs Committee, does not like this bill at all—not one bit. And if any of you know SONNY like I know SONNY—and there is not one kinder or more loved or more respected man in Congress—but he does not like this bill and he never has liked this bill on judicial review. No one has helped me more than the Congressman from Mississippi. When I was chairman of the committee, he saved me from the edge of the cliff on many occasions, more than several. He served as my mentor and counselor and is a superb friend. But we deal with reality here, which is that you are not going to see any version, you will not see the Murkowski version and you will not see this version, appear on the House floor.

So my amendment is essentially the same as S. 11, the Veterans' Administration Adjudication Procedures Act, introduced by Senator CRANSTON on the first day of the 100th Congress. And I am pleased to have been an original cosponsor of that. You have seen the result of that effort today. The amendment was discussed this morning. It has four basic parts, the first prescribing procedures for the VA to use in adjudicating these claims for veterans benefits. The second subjects the VA to the rulemaking procedures of the Administrative Procedures Act. The third establishes a right to judicial review in the Federal court for cases involving claims for veterans benefits and establishes the scope of review. And fourth, it provides for payment of reasonable attorneys' fees although it is still very substantially limited as to what those attorneys' fees will be.

I would not want to be involved in an "attorneys' fee" bill. I did not do that when I was in any legislative body, either in Cheyenne, WY, or Washington, DC. This limits attorneys' fees. It limits prespective attorneys' fees. It limits what they can obtain in the way of contingencies. We can tighten it a little more if you want, but you cannot receive over $500 under this bill as an attorney for claims before the VA. You can only receive $10 now. That is why there are no activities in the area of judicial review or any other kind of review at a $10 fee limit.

The Senate has passed this legislation four separate times, and I want to be sure my colleagues are fully familiar with what this amendment would do and the remarkable scrutiny it has received. If I might share a little bit of background—and I think it is important because this always gets lost in this game of veterans' benefits and veterans' contingencies and veterans' pressures, if I may use that term—under existing law a veteran who seeks benefits from the VA must file a claim. The Regional Office Rating Board then determines the eligibility. If the Rating Board rules against the veteran, he or she may appeal to the Board of Veterans' Appeals, which is part of the Veterans' Administration. If the BVA, the Board of Veterans' Appeals, rules against the veterans, the veteran cannot appeal to an impartial court. That is it. He is done. The chips are in. It is over. Under a section of the code it provides that the BVA decision on "any question of law or face under any laws administered by the Veterans' Administration providing benefits for veterans and their dependents or survivors shall be final and conclusive and no other official or any court of the United States shall have power or jurisdiction to review any such decision."

That is pretty clear. That is about as clear as you can cut it.

I can see absolutely no—and never have seen any—possible reason or rational reason why veterans alone should be singled out to have no access to the Federal courts when they feel that the VA has improperly denied them a claim for benefits. They are one of the few groups in the United States. Administrative determinations concerning virtually all other Federal benefits are subject to some form of judicial review but not the old GI Joe. He does not get that. He is on his own.

I can only find one other benefit recipient that is unable to appeal a ruling—the Federal Employees' Compensation Act. That is the only one I found. I think it is both unjustifiable and fundamentally unfair to deny to veteran claimants such a common and highly-regarded and valued right.

This measure is not based on the belief that large numbers of claims are being improperly decided by the BVA. To the contrary, I think there is every evidence that most claimants are satisfied with the resolution of their claims.

Rather, this legislation reflects the view that the primary original rationale behind the statutory preclusion of judicial review is obsolete. That is a pretty good way to look at it.

The restriction first appeared in a thing called the Economy Act of 1933, Public Law 732. It reflected the view, and hear this, that the veterans' benefits somehow were "mere gratuities" and that "veterans have no interest in, or rights to, benefits so compelling as to warrant protection afforded by access to court review."

That is an interesting statement.

Clearly I think this position is untenable and offensive in light of the significant case law that has emerged in recent years concerning the legal status of Federal entitlements. Beginning with that seminal case of Goldberg versus Kelly in which the Supreme Court held that the benefits—in that case they were welfare benefits, as I said earlier in the day—in that case are more in the nature of a right than a privilege for the purposes of due process protections.

In addition, although there is certain cause to have great confidence and good faith in the individual adjudicators and the adjudicative bodies within the VA, there is—and I think there will inevitably continue to be—some proportion of cases, however small, that are wrongly decided by the Board of Veterans' Appeals, or that the claimants are convinced are wrongly decided. The only hope of correcting the resulting injustice then lies in the judicial system—in judicial review.

This measure reflects a faith in the system of checks and balances which are embodied in Federal court review, the system which can only enhance the likelihood that the truth will be found and a correct and just decision reached. That is what we try to do in judicial activity.

I think it should also help us to somehow present the perception that the combination of no judicial review and a $10 limit on attorney's fees creates a system which unfairly denies veterans their day in court. To tell veterans that there is no remedy for a wrongful denial of their claims before the VA is to me an untenable and wholly unfair position, and one of which we should be ashamed. We know the VA has a unique and vital mission to provide service to our Nation's veterans and their survivors. "To those who bore the battle, their widows and orphans" is what it says on the side of the VA Building.

It is a large and very complex Federal agency—soon to be a Cabinet department, I trust. And I wish it were not so. But it will be. It is responsible for distributing some $14 billion in benefits each year, and Federal court review would act as a check on this system of benefit distribution—a very important check. I think the need for the legislation is clear. Under present law, all VA benefit decisions are final and not subject to judicial review.

While, as I say, Federal courts have held that section 211(a) does not preclude judicial review of constitutional questions, certain procedural matters like challenges to the Administrator's authority, the issue of particular regulations, questions of whether the VA regulations violate statutes of general application, and yet the vast majority of VA benefits determinations remain absolutely unappealable to any court. I think that is wrong.

Current law also provides that no attorney representing a claimant seeking benefits may be paid more than $10 for that representation, a provision which effectively precludes all but what we call pro bono representation. Both of those limitations are at odds with the adjudicative rights afforded to claimants for almost all other Federal benefits.

Mr. President, the VA claims adjudication process has grown to serve the VA claimants fairly well. It contains a number of unique and valuable features that are worthwhile to preserve. Most notably, it uses informal rules for the admission of evidence. I think that is important. It gives claimants the benefit of the doubt. I think that is very important. On equally weighted, factual disputes it gives the benefit of the doubt to the claimant. It relies on free representation before the VA by skilled representatives of the national veterans' service organizations. They are skilled at that. They have developed considerable expertise—that is the Veterans' Administration—in deciding specific military and medical factual issues that arise in connection with claims for VA benefits.

While this system has some excellent points—although it is surely not without fault—chief among which is simply the denial of access to an impartial tribunal in cases in which the veteran feels the BVA has reached an obviously wrong conclusion.

Having shared with you what this amendment would do, let me tell you a few of the things it would not do, which I think are just as important. It would not permit a reviewing court to conduct a new trial, a trial de novo, on the factual issues of the case. That is out.

It would not eat up veterans' dearly-won benefit in attorneys' fees. Fees are strictly limited. I said no contingency fee is allowed to reach benefits that are awarded prospectively, although a claimant may agree to pay an attorney up to 25 percent of past-due benefits awared to him, but not to exceed $500; if the veteran wins on appeal to the court, the court may order the VA to pay his or her reasonable attorneys' fees and costs. I think that is a remarkable part of it.

The legislation has been the subject of many, many hearings since the bill was first introduced in the 94th Congress. In the 95th Congress 5 days of hearings were held, and as a result of those hearings the committee substitute bill was introduced in the 96th Congress. Senators HART and CRANSTON introduced a modified substitute which was the subject of another hearing.

There were two hearings in the Veterans' Affairs Committee, and one in Judiciary. That bill passed on September 17, 1979. The same bill was introduced in the 97th Congress when I chaired the Veterans' Affairs Committee. That was when I had risen to power and grace with the mantle of the majority party status. I remember it so well. Now I am back in the other status.

But we worked so hard on issues for veterans in those days, Democratic and Republican alike. So we passed it again on September 14, 1982. In the 98th Congress, I was an original cosponsor of the legislation, and we had one hearing. The bill again passed the Senate. In the 99th Congress, it passed again. In this present Congress, I joined with Senator CRANSTON and a number of colleagues to introduce S. 11. Hearings and markup were held, and now here we are on that. Eleven hearings have been held in the Senate. Changes have been made to reflect the very serious concerns that have been raised. It is a measure that I think reflects the painstaking and conscientious effort to gather together the many points of view and recommendations that have been presented.

Substantial support has always been demonstrated in the House of Representatives. It is important to know that. I think there have been over 200 sponsors of this bill over there, but the bill has always been blocked in the Committee on Veterans' Affairs. Why? Because of the honest and rich and sincerely held beliefs of my friend, Congressman SONNY MONTGOMERY, from Mississippi, a very powerful non-advocate of this bill.

That is where we are. Ironically, the Congressman from Mississippi is a powerful, powerful advocate of the Cabinet post for veterans.

So my amendment is presented, as I said in my earlier remarks, not as a ploy or a trick. It will never see the light of day unless it comes here, on this bill, where we conference with it, deal with it, and do some things with it. As I say, in spite of this scrutiny—11 hearings here, passed four times—it never had a vote in the full House of Representatives, and it never will separately have that vote. SONNY MONTGOMERY has said, "We will have a hearing, and maybe do something in committee with it, but I don't see how it can get there—to the House floor."

I do not know what will occur but Sonny Montgomery is not an unreasonable man.

Some veterans' organizations, especially when they see a vote like that today, 86 to 11, on a rollcall vote, will wake up and smell the coffee better than they ever have before. I think the American Legion is making a fine effort to be accommodating and to be understanding and to deal with the issue. The VFW, of which I am a lifetime member, is kind of "sitting it out", kind of weighing it.

The DAV, I think, has flunked the saliva test on this issue, and they have gone all out to criticize it. I will show you some testimony by the DAV in 1983 which will make you wonder how they can be so different in only a few years.

So that is why we are here, and that is why I am here.

Support for judicial review among the veterans themselves, the GI Joe, the guys I remember, is high.

It is interesting to note, in light of recent vocal opposition to S. 11 by some major organizations, the results of a recent poll, which found: "When given a choice, veterans prefer to change the current system by a margin of three to one." Seventy-two percent of the veterans polled supported judicial review. Eighty-nine percent of the veterans aged 50 and under supported judicial review. That poll is very significant in light of the claims by the VA and some of the top veterans' organizations that those supporting judicial review "do not speak for veterans."

That is an arrogant statement in itself.

In fact, Mr. President, the VA testified this year that "the issue of judicial review is being championed by small groups representing a minuscule segment of the veterans' population, a few attorneys, and a core of editorial writers. The vast majority of veterans are generally satisfied that they have a fair and impartial forum in the present system."

That is what the VA said. It is fascinating.

There is no other vehicle for this measure than this particular train, and seeing it go separately out of here, it will sit like a lump of clay. I have read to you what was said by the VA—just a minuscule segment of the veterans' population, a few attorneys, and a core of editorial writers." Is that not an arrogant statement in itself? I think it is. That argument misses the point that most veterans apparently do favor judicial review. Indeed, the poll showed that.

We had a poll in our party and that question was asked in regard to the platform, and I think 68 percent of the national delegates polled said they favored judicial review.

It also glosses over the fact that no one is disputing that the VA is doing in most cases, by and large, a credible job. But there will inevitably be some claimants who deeply feel that they are being unjustly denied benefits to which they are justly entitled, and our system in this country says that those people should be given their day in court. Those people do not now have a right to a day in court.

Let us review another very interesting fact, and do not miss this: In the VA, service organizations—that is the "big three" and others—are often provided free VA office space and equipment. They are quite satisfied with the way the current system operates. I guess that appears to be enough for them. Maybe it is enough for some veterans' groups, but it is not enough for me. I do not think it is enough for veterans.

The average G.I. Joe, the guy who comes to the town meetings, I do not think has that one figured out yet—whether or not they really do have a voice in the national service organizations to which they pay their dues. I think that should be examined. My colleagues know my view on that.

I have long held that the professional fundraising veterans are really unique and that they do not always represent the average veteran. Maybe that is why their membership is so low. If there are 28 million veterans and only 4 million belong to the various veterans' organizations, what does that say? Something. I do not know what.

Let us conjecture about that. It might say they do not speak for them.

I know a lot of veterans who pick up the monthly magazines of the various veterans' organizations and say: "All they want is more. That is all they ever ask for, is more, more from the Federal Treasury." They couch it in the terms of a photo or picture of some guy going over the trench with a bayonet, or some hideously disabled veteran of the United States. Those are tough to watch when you consider the statistics on nonservice-connected disabled: How that can occur; how you can have a nonservice-connected disabled person and he receives every benefit that a service-connected disabled veteran receives. That is disappointing to me.

So I will no longer refer to them as the professional veterans. I will refer to them hereinafter and forever after as the professional fundraising veterans' organizations. That is much more appropriate. So somebody will come to me and say: "Who are these people, Simpson? Who are you talking about?" It is a valid question.

I was at an American Legion convention in Wyoming a few weeks ago, where I was able to stand toe to toe with the able national commander, Jake Comer, for whom I have the greatest admiration and respect. He does not deal in obfuscation and diddling around. He gets right to the issue. If you are going to do business with somebody, do it like a Mack truck with six headlights, and get right to the issue. The national commander of the American Legion was there, he does that and he was excellent.

Somebody said: "What is a professional veteran?"

I said: "You're right. I'm not going to use that term again. I'm going to use 'professional fundraising veteran.'"

He said: "What's that?"

I said: "To me, it's a person who may earn $220,000 bucks." That is what the top of one of them does.

One of the organizations has $160 million in the bank, and their annual report has six things in it they do, all in a glowing paragraph or two, right up front. On those six things, they spend about $4.5 million. Yet they netted $9 million more than they used last year.

And they have it in money markets and other funds and I think the entire salary structure of the organization is $13 million, and they are raising it at a buck or two or ten or five from people who will respond every time they get a letter like that because it always shows a picture of this person in extremity, and think that is phony. I thought it was phony since I started here and it is still phony, and I am going to bring that up later. That will be a subject of a very interesting review.

I am going to visit with the national leaders of that organization before I speak my piece so I will not go any further today.

But that is who I am talking about when I am talking about those kinds of "professionals" who seem to always indicate that all veterans are second-class citizens in the United States, and that offends me, and that this Congress of thoughtful Democrats and Republicans is giving them short shrift. I am not going to stand for any of that stuff. Anybody who has to swallow that guff is a lackey. So we will have a visit and we will let them explain their case.

I think we should then look into some of their activities as we would corporations, and the kind of corporations who raise money and are not supposed to lobby. I have evidence that they have become heavily involved.

At least the VFW is right up front. They are honest. They have a PAC and they put their money in the PAC and they distribute their money in accordance with their members' wishes to Democrats and Republicans who support the veterans' position. It is good stuff. I like that. I liked it when I was in the chairmanship, and I think it is a good honest way to do it.

And I think the Legion does a fine job but they do not have PAC's, nor does the DAV.

But there is a question in my mind from some of the things I have seen, especially in some national campaigns where they have absolutely lobbied with the money they have raised to get someone elected and have used those funds for that purpose. That is not what it is about. We will have some discussion about that one too in the future.

So these are some things that I wanted to share with you. I guess I would caution my colleagues and the VA not to assume that the only legitimate voice for veterans is to be found in the Disabled American Veterans organization or the Veterans of Foreign Wars or the American Legion or Amvets, the latter three of which claim me as a member. As I say, I am fiercely proud of the membership in the Amvets because I have won their highest award, the Silver Helmet, and it means a great deal to me.

I can assure you that the veterans' organizations do not always speak for me. However, they may sometimes speak at me and I can tell you they do that!

So I think it is important to review these things as we go through this important procedure of voting on Cabinet level and judicial review. These are good things. It has been a good debate.

And the VA, as I say, and some of the veterans' organizations have spoken out on another basis—I want to share this with you—against judicial review and they have presented the argument that permitting claimants to hire attorneys and to appeal to an impartial court would establish an "adversarial relationship" between the VA and the claimants.

Now, that argument totally ignores the provisions of this amendment which require the VA to give the benefit of the doubt to the claimant where the evidence is equally balanced. It also ignores the fact if claimants have a right to appeal, the BVA should be even more—and not less—inclined to rule in favor of the veteran claimant, because it is only those claimants who are unsatisfied with the results of their claims who will appeal to the court.

So I think that argument deserves to be punctured for the sham that it is, Mr. President, and I believe that, and I want you to hear this closely. The Disabled American Veterans organization put it very well—when they were on the right side of the issue—once when they noted in their own testimony in favor of judicial review in March of 1983, and I quote. This was back when they thought this was a pretty good thing. It says:

> It must also be noted that the VA claim is a claim against the Veterans' Administration and that the merits of the claim are evaluated by the agency itself. The VA then performs the multiple role of defending itself against a claim, in some instances representing the claimant in the prosecution of the claim and in all instances judging the claim which it is also defending itself against.

I am quoting from the DAV testimony.

> Clearly the goal of ensuring the most equitable consideration of claims filed by veterans, their dependents, and survivors requires that adverse decisions rendered by the VA should be subject to the oversight procedure accorded by the judicial review process.

I could not agree with them more. I think that is a stunning statement and well said. I think that is well said.

I do not know where they came around to their point today where they are the most vehemently opposed of all the veterans' organizations to this. I think we will want to try to find that out. I am going to sure try to find that out.

But the DAV then went on to state its support for judicial review but to be handled by an independent court. They did clearly add that. They did say that, an independent court specializing in veterans' cases.

But I do think that their statement that I just quoted points to how absurd the objection is that allowing judicial review would make the VA claims process "more adversarial."

Now the DAV, as I said, has changed since 1983 and one has to wonder whether the subtle pressure of the Veterans' Administration is in part responsible for this sudden shift.

"Now hear this," as they said in the Navy. Or as we used to say in the infantry. "The CO wants you in his tent." But I believe the phrase was "Now hear this" in the other branch.

The VA in 1986 distributed to the veterans' services organizations—this was in 1986—a "paper" outlining its opposition to judicial review, and that paper contained the following. I guess you would call it a warning. Certainly it is something to at least throw up your antenna. It said:

> Moreover, many special considerations currently extended to veterans' service organizations may have to be curtailed. The providing of VA space and facilities, informal access to adjudicatory personnel,

That is of the VA, et cetera—

> could be affected by judicial oversight and increased representation by private attorneys.

Whatever the reason for the change of heart, this one veterans' organization is certainly furiously backpeddling on its previous testimony.

This amendment would permit judicial review of questions of fact and law. I think it is very important to note that the factual review provisions were framed very, very narrowly. Indeed, these were. The VA finding of fact may be set aside by the reviewing court only when it is "so utterly lacking in a rational basis in the evidence that a manifest and grievous injustice would result if it were not set aside." That is a very strict interpretation. It is done that way to intend to permit a reviewing court to reject an agency factual finding only when the court is very certain that the finding was wrong. It is intended to be a substantially narrower standard than the substantial evidence test used in Social Security cases, a test which has often been criticized as being too broad and under which reviewing courts have been too free to substitute their judgment for that of the administrative tribunal without having seen and heard the witnesses and without having the expertise of administrative decisionmaking. It is intended to afford the maximum possible deference to the VA's expertise to decide specialized types of factual issues that arise in the context of claims of VA benefits and also to minimize the burden on the Federal courts while still recognizing and providing for the possible error in BVA's factual determinations and the need, however seldom it may arise, to have some avenue of redress against the most glaring of errors. Whatever the considerations that counseled us all in favor of restricting the scope of factual review, there can be no doubt that some form of meaningful factual review is essential.

Obviously, any scheme of judicial review which would insulate from review a factual finding that is utterly lacking in any rational basis in the evidence would simply condone a manifest and grievous injustice and would be an absurd result, indeed.

So, support for judicial review has been expressed by several veterans' organizations that presented testimony as did the American Bar Association. I think that is where they get the business that maybe it is a lawyers' bill. If it were, I would drop my name off it. But it is not, because of the limitations we put on fees.

The American Civil Liberties Union supports it. I do not always concur with that particular group. But the Public Interest Law Clinic does as well. The ACLU stated in its testimony that "judicial review is part of the individual's right to fundamental fairness to protect against arbitrary Government action."

They said veterans do not have judicial review. Recipients of Social Security benefits or unemployment compensation and entitled to judicial review. Almost every Government agency can be sued if a citizen feels they have been wronged.

A few categories of people who do receive judicial review include prisoners—prisoners—who want access to a law library; poor people who are denied welfare benefits; applicants for Government jobs who are not hired; mental patients who seek a change in their medical treatment; immigrants who are denied status as U.S. citizens; users of national parks who oppose development; and elderly citizens who are denied their Social Security." They all get judicial review, but not the veteran.

Of course, the ABA repeated its support for judicial review, saying, "to make the VA answerable in court to a legitimately based assertion of unlawful action is to give reality to this Nation's continued commitment to equal justice under law and our constitutional system of checks and balances."

Mr. President, I ask unanimous consent that the letter from the ABA, dated April 25, to Senator CRANSTON, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN BAR ASSOCIATION,
GOVERNMENTAL AFFAIRS OFFICE,
Washington, DC, April 25, 1988.

Hon. ALAN CRANSTON,
Chairman, Committee on Veterans' Affairs, U.S. Senate, Senate Russell Office Building, Washington, DC.

DEAR MR. CHAIRMAN: We regret that due to scheduling conflicts, we will be unable to testify at the April 28 hearing on judicial review of Veterans' Affairs determinations. We would like, however, to offer these comments on S. 11 and S. 2292, the two bills upon which the hearing will focus.

The American Bar Association fully supports the principle of judicial review of the decisions of the Administrator of Veterans' Affairs. The ABA believes it is unjustifiable and fundamentally unfair to deny a veteran who has a colorable claim that the VA has exceeded its statutory or constitutional authority his day in court. To make the VA answerable in court to a legitimately-based assertion of unlawful action is to give reality to this nation's continued commitment to equal justice under law and our constitutional system of checks and balances.

The American Bar Association supports S. 11 because it provides for meaningful judicial review. It authorizes court review of final decisions of the Administrator in matters involving claims for benefits under laws administered by the VA. This right to review simply gives an aggrieved veteran the right to petition a court for review; it would not require a court to readjudicate every claim. We believe that this is the essence of judicial review; this is how we protect ourselves from abusive decisions by government officials—not by requiring courts to review every grievance, which might indeed have a dire impact upon court dockets, but by permitting courts to do so if they think that a preliminary showing of illegality is of sufficient strength.

In contrast, S. 2292 does not allow for court review of any final decision of the Administrator. It only allows a court to review the validity of a regulation promulgated by the Administrator of the VA.

There is a significant body of case law that suggests such court review currently is not precluded by 38 USC 211A and is therefore already available to veterans. We believe that statutory clarification of this right is beneficial, but it alone is insufficient. It does not make the VA answerable in a court of law for any individual decision regarding a veterans' claim for benefits. The aggrieved veteran still will have no meaningful access to the courts. If he or she believes, for example, that the VA did not properly apply the law, or that it acted arbitrarily or capriciously, or that it acted in excess of its statutory authority, the veteran, for the most part, will be in no better a situation than he or she is right now.

The Council of the ABA Section of Administrative Law, which developed our policy on judicial review for veterans, will be meeting April 29 to May 1 and at that time will examine all the provisions of S. 2292. Following their review, we will promptly provide additional views on S. 2292 in a detailed statement for the hearing record.

The American Bar Association appreciates and supports your efforts to provide veterans with meaningful access to the judicial system.

Sincerely,

ROBERT D. EVANS.

(Mr. GRAHAM assumed the chair.)

Mr. SIMPSON. Mr. President, it is absurd that we continue to limit the access of veteran claimants to court, just as a Civil War attorneys' fee limitation of $10 is absurd and effectively denies the veteran the benefit of counsel. Again, it is not to deny the wonderful work of the veterans' service officers who represent claimants without charge, but a veteran should have that option. That is the important thing.

I have a final comment on objections that have been raised to this amendment. The VA testified—I think it is important information. The VA objected to review of its decisions in courts because in district courts it will result in "inconsistent case law and geographically based decisions."

Now, Senator GLENN stated this very nicely in the hearings at which he was courteous enough to allow me to testify. He read this ratings review issue. It is rather curious. I find the statement about inconsistency quite ludicrous in light of the VA program evaluation which was cited by Senator GLENN, I believe, today, perhaps not, but certainly before the hearings that he chaired on the elevation of Cabinet status in which the several VA rating boards—were given identical case material. Then they were asked to rate for service-connected disabilities. There were 51 different ones spread around and they were given the same stuff.

Now, in conducting that study, the rating boards across the country were given these identical cases to evaluate. And, according to the report on this study, yet to be published, I believe, on one individual case of post-traumatic stress disorder [PTSD] a disorder most affecting our brothers and sisters who were in the Vietnam war, received a disability ratings ranking from zero percent to 70 percent.

Now, remember, please, that the rating boards were all looking at the exact same facts.

Two of them gave a disability rating of zero. Sixteen of them rated the disability at 10 percent. Nineteen of them rated the disability at 30 percent. Thirteen of them rated the disability at 50 percent. One rated the disability at 70 percent.

Now, if that is not inconsistent, I sure do not know what is. A court system could hardly have any more inconsistent effect than that.

Interestingly, the Department of Veterans' Benefits set an acceptable range of from 10 to 50 percent. Now, I submit that the difference in percentage of disability would have made a tremendous difference to some veteran; a difference to that fine veteran whose case was being decided, you better believe that.

So that is an argument that I think that just flutters into the basement.

I want to share with you a letter. Let me tell you another pervasive thing that disturbs me so—that we get it all into the debate and then see where we go on this amendment, which is going to be embraced by so many of my colleagues in just moments. But this is really disturbing. It really is.

This is a letter—I have knocked off the top of it, the name of the gentleman veteran—dated June 16, 1988, from the Disabled American Veterans to a nameless veteran, a disabled veteran. It says:

> This letter is written relative to your Veterans Administration claim. As your representative, I wish to keep you advised on recent action.
>
> The Rating Board recently considered your claim based upon a report of outpatient treatment. Since there was no change shown in your disability, the Veterans Administration has confirmed and continued your prior disability evaluation of 10%. You may expect to receive correspondence from the Veterans Administration to this effect.
>
> This decision that I have imparted to you is unofficial at this time, and it will not become official until you receive a letter to this effect from the Veterans Administration. If, upon receipt of this letter, you feel that you need more information or advice, do not hesitate to contact us.

Then, and here is the kicker:

> While reviewing your file, it came to my attention that you are not currently a member of the Disabled American Veterans.

Get that one.

> Although it is not mandatory that you belong to this organization to obtain our representation, it is the moneys from membership dues that allow us to assist the veteran on his claim, as we have done in your case.

Remembering now that this is an organization with $160 million in the bank. You do not want to forget that.

> National Commander Gene Murphy, has discounted the cost of life membership by $20.00. The DAV Department of Colorado has offered an additional $10.00 discount.

That's right, a total of $30.00 discounted from the cost of life membership.

To take advantage of this special life membership offer, complete and return the enclosed membership application with your down payment of $15.00. You can either pay the balance in full, if you elect to do so, or pay off the balance in eight easy payments over a two-year period. Join today, this offer expires June 30, 1988.

That is almost like the bottom line on a Crackerjack box. I mean if that is not putting it out in a most extraordinary way and saying, you know, "We didn't get anything done for you, but don't forget, you are not a member. We have checked you out."

The poor old veteran wrote at the bottom in his own language:

I wish to state upon making a decision on letting the DAV represent me, I told them I was totally "broke," would be evicted by June 25 or lose my deposit. I have not been contacted by the DAV since, nor could they refer me to any organization that would help.

Mr. President, I ask unanimous consent that the text of the letter from which I just quoted be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DISABLED AMERICAN VETERANS,
V.A. REGIONAL OFFICE,
Denver, CO, June 16, 1988.

Dear ——— ———: This letter is written relative to your Veterans Administration claim. As your representative, I wish to keep you advised on recent action.

The Rating Board recently considered your claim based upon a report of outpatient treatment. Since there was no change shown in your disability, the Veterans Administration has confirmed and continued your prior disability evaluation of 10%. You may expect to receive correspondence from the Veterans Administration to this effect.

This decision that I have imparted to you is unofficial at this time, and it will not become official until you receive a letter to this effect from the Veterans Administration. If, upon receipt of this letter, you feel that you need any more information or advice, do not hesitate to contact us.

While reviewing your office file, it came to my attention that you are not currently a member of the Disabled American Veterans. Although it is not mandatory that you belong to this Organization to obtain our representation, it is the monies from membership dues that allow us to assist the veteran on his claim, as we have done in your case.

National Commander Gene Murphy, has discounted the cost of life membership by $20.00. The DAV Department of Colorado has offered an additional $10.00 discount. That's right, a total of $30.00 discounted from the cost of life membership.

To take advantage of this special life membership offer, complete and return the enclosed membership application with your down payment of $15.00. You can either pay the balance in full, if you elect to do so, or pay off the balance in eight easy payments over a two-year period. Join today, this offer expires June 30, 1988.

Sincerely yours,

JOHN L. MAKI,
National Service Officer.

P.S. I wish to state upon making a decision on letting the DAV represent me. I told them I was totally "broke" or would be evicted by June 25 or loose my deposit. I have not been contacted by the DAV since, nor could they refer me to any organization that would help.

Mr. SIMPSON. Mr. President, that is just another part of it that should be a bit disturbing to us. I know I get a little repetitive on this stuff, but I have often said that you either pass or kill a bill around here using a deft blend of emotion, fear, guilt, or racism. It is a crazy place to work. And when we are able to defang those issues, to put them into perspective, then we are not driven by issues of emotion, fear, guilt, or racism. We then deal honestly with the issues as best we can.

And whenever people flee to one of those remarkable emotions or feelings or stirrings, it is often because they lack fact. That is what I have found. If they are light on facts, they are always going to go to this.

I think it is important, as we deal with this issue, that we at least remember that, as this thing goes through here like a dose of salts on this issue of Cabinet level.

I will look forward to visiting with my Wyoming veterans, some 44,000 of them, and telling them honestly why I voted against the Cabinet-level position and tried like a dirty dog to tie in judicial review on the only vehicle I ever knew that might ever be dealt with in the House or Representatives. I will take my lumps from there.

We will get away from the old business of anecdotes—I have often been fascinated how you get to use anecdotal material when you are on one side, but if you use that on the other side, that is a no, no.

So, you see, what I have always said is you show me the veteran from a combat theater who was in that area, whatever the capability asked of them, and I say let us provide them anything they wish. Just write the ticket. But, for Heaven's sake, those who served less than 6 months or less than a year and never left the United States and do not know a mortar tube from either end, they should not receive the same benefits that a veteran of a combat theater received. And why should a veteran—and I have said this so that we get it right one more time, because it gets royally distorted—why should a veteran who tore up his knee on a ski slope in Vail while on a leave be considered as a service-connected disabled veteran just like a guy who got it rammed in his leg by a bayonet? That is what I said.

Then we get into the other disabilities, why should an officer who was told that if he continued to drink that he would have hypertension and fall over on his head and he continued doing so, why should he be treated the same as a veteran who went over the top and received a combat-related wound? And it is still that other person that I described, and I described it in a rich way one time years ago, who gets to be described as a service-connected disabled veteran and he is entitled to benefits that the combat veteran cannot even get!

If you would like me to diagram that one for you, I would be glad to. Where a nonservice-connected veteran who was told by his own physician not to do something, did it anyway, suffered the perils and then eventually received more in educational benefits and other benefits than a combat veteran and, in some cases, even more money than the combat veteran. That is the way it is. And that is why, you know, I will have a parade-ground ceremony someday as they rip my epaulets off and we will watch it all played out again.

But I do not have to take that guff. I would rather take my stand, if, God willing in 1990, I go back to the voters. For they have the opportunity to retire me voluntarily or involuntarily. That is what makes this system so superb. But I sure tell you, I will be looking forward to the debate when I get on the floor of any little old Legion hall or VFW hall or Amvets or DAV in Wyoming, face to face with guys who distort the programs of the United States and make people in the United States believe that we in this Chamber do not provide for our veterans. What a bunch of guff. As soon as the American people figure that out we will begin to make some real progress.

Those are some things I wanted to share with my colleagues in the area of judicial review and why my actions in support of this are extraordinarily longstanding. I think this issue, and trying to seize it—I think this is one where the VA and the service organizations, some of them, have chosen "to cozy up" to preserve an old and unresponsive system. And that old hometown veteran is the guy that is getting conferred with "the order of the green wienie," as we used to call it in my outfit. That is what he is getting. But he is paying his dues and they are putting money in accounts but they are not using it for the veterans the way that we think they ought to be using it for when we look at their fundrising letters. And that is where we are.

I want to allay any suspicion, Mr. President, that this amendment is only some ploy on my part to do in the Cabinet-level bill. It is going to become law. That is a given. This is the only given. No. This is only my biennial search for some real justice for veterans.

I have had four licks at this before. I have been at this one a long time. The big three of the veterans' groups ask us often for more money and more services. If you look, too, another thing they have done over the years which people do not seem to see, they do not tie their cost-of-living allowance to the ordinary programs that everybody else ties their cost-of-living allowance to: Social Security, Railroad retirement. Others. Because they know that will differ. They know that they will always do better if they separate themselves from the rest of society with regard to cost-of-living allowance. You go look at the history of it. They are not tied in with that at all. It is extraordinary.

Then, under Gramm-Rudman-Hollings, I received a lot of mail as to what we did with veterans under Gramm-Rudman-Hollings. The answer is: Nothing. But we just thought that veterans ought to participate with the rest of the citizens of the United States in realizing we had a budget deficit of $156 billion and a budget this year of $1.1 billion, and a debt limit that is extended to May of 1989, which is $2.8 billion, of their money, our money, veterans' money.

That is kind of fascinating, that somehow we have set them aside, under Gramm-Rudman-Hollings. At no point can we ever take more than 2 percent from some of their programs, even if the rest of the Government is being cut 10, 11, 15 percent.

I do not have any problem with that if you are going to get it to the guys who put themselves in the way of harm. They say, "But we cannot tell who those people are. Oh, what a terrible thing, SIMPSON."

Well, I carry a DD-214 in my pocket, and from it it tells exactly where I have been. It can show where I went in Germany. I hope it does not show where Baumholder is. That is the most extraordinary place I have ever been in my life. But it will show where I have been. And it is not hard to do.

But, you know, when you have a bureaucracy there of $29 billion and 230,000 personnel, I would think they could find out where each of us had been and what we did and what we were awarded and then begin to prioritize American veterans' benefits in an honest way for those who did not quite get it all in and do what the rest of us did. I cannot imagine myself as any kind of a guy that ever over extended himself for his country in my 2 years of duty. And there I was. And I have gotten in trouble, a hell of a lot of trouble saying, "yet I think I am a war hero compared to half of them." That got me into a lot of trouble.

But if we are going to get down to this hype and hoorah and hysteria every time we talk about veterans, that they are all second-class citizens and we in Congress are uncaring and evil, then I am going to start asking people: "What did you do in the service?" I came to debate on this floor one day and there was one of our colleagues who was really pumping. His neck muscles were generating oxygen and lead. And when he finished talking about the veterans and how we did nothing for them, I said to him off the floor. "Are you a veteran?"

He said, "No."

"Well," I said "the next time you get up and give a talk like that I am going to say that you are not a veteran."

He said, "You would not do that. It would be against the comity of the Senate."

I said, "Yes, but I am going to do it anyway." Because it is odd to me that the guys who shriek the most have done the least. You do not see STROM THURMOND or LLOYD BENTSEN or DANNY INOUYE or BOB DOLE leading the charge in this body. They are people who left parts of their anatomy on foreign shores. They are never in the debate.

And then look at JOHN GLENN, truly in my mind an American hero. He is never into that debate.

No, the debate is conducted by people who are easy prey to the veterans' power; who finger them and say you are going to go in there and shoot the works. And the guys who paid their dues in the most extraordinary way—and AL CRANSTON served overseas. A veteran deluxe. And is it not ironic? How much of that guff are we going to go for around here and pretend that there is somehow a second class group of citizens known as America's veterans? If we gave that kind of support, per capita, that we give to veterans to the rest of the population, I suppose—I do not know what they would do in this place, but $29 billion for 28 million veterans is not exactly being short-changed.

Those are some things I wanted to share with you. It took a while to do that, but I think that we should best be honest with ourselves. I took on one of the veterans' groups and I want you to hear this one. How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. Sixty-six minutes, four seconds.

Mr. SIMPSON. I hardly need it all. I will not. I am not going to keep my colleagues into the evening.

But I picked up a fundraising letter from a veterans' organization—a veterans' organization—that would tear your heartstrings. And they are an extraordinary group. And they sent out a fundraising letter which was absolutely outrageous. That we do nothing for them. That they have been treated like bums. The Congress is no good. The VA is no good. They are breaking the bedpans in the VA hospital. They are doing evil in Congress.

We do not do evil here. It was so bad that obviously it was good, because I said to the fellow, a paid officer at the grave,—"How much have you raised with that letter?" He kind of chuckled and said, "$23 million we raised from the citizens of the United States." It even had a little emergency-gram in it. It said, "Send $6 or $10 so Congress just won't do us all in."

I said, "So you raised $23 million with that hysterical letter and half of it is not even true." So I said, "I suppose you will do that again, won't you?" And he said, "You bet." Then I unloaded, which is my wont—my strength or my weakness—and told him what I thought about that.

A few days later, he said, "Our group is here at a convention assembled in Washington, DC and they want to talk to you."

I said, "Great because I'm coming right down." I went down there, and I spoke to that fine group of veterans. I said, "This is what your executive director gets paid for, and this is the stuff he cranks out. Doesn't that embarrass any of you?" I dropped the whole load and stuck around for questions. I received an interesting response; some pretty rich and earthy discussion, I thought.

I said, "I'd be embarrassed to sign your organization's logo to that. How do you feel about that?" Well, some of them said, "I don't like that. I'm a little embarrassed. I didn't know quite all of that happened."

When I left, at least they were kind enough to give me a hearty adieu. Nothing was thrown—no tomatoes. I turned as one fellow said, "Are you antiveteran?"

I said, "No, I'm not antiveteran, but I am anti-BS." That is what I shared with that group. Several of them stood, and it was very difficult for some to stand in that particular group.

So there is where we are. There is where I am. The Cabinet-level bill is going to become law. That is an absolute given. The big three are at it, and they will ask us for more and more and more, pretending that we have done nothing. They will bring up the fact that the VA budget has dropped in percentage to the national budget of the United States and that really it is almost off the chart now. Who can doubt that? The national budget is $1,100 billion, and the VA budget is $29 billion, $30 billion in the budget request. So I do not doubt that at all.

I think that is a specious argument. The issue is how many veterans are there? What do we do for them? What will we do for them? I have worked my tail off to do more for them within the constraints of the budget of the United States, and will always continue to do so.

The issue today with me is to try to do something for the old GI Joe who gets lost in this shuffle, and that is judicial review. They try desperately to deny it of him or her. I am perfectly aware that this thing is going to go out of here, as we have done it before today, and we either hook it on here or it will die in the House.

My good, dear friend, SONNY MONTGOMERY, will be packing the dirt down on that old cadaver on this particular measure if it goes out of here separately. At least he is honest and up front with me in the process.

If the average veteran is going to ask for justice and his people that he pays his dues to say this is not justice, I think they ought to look at the organization that represents them and say, "Wait a minute; what is this?" Ask those questions. I hope every veteran will, and say, "Before you deny me the right of judicial review and appeal to the courts, tell me why, other than the fact it is an attorney's bill—or that it ain't right—or it isn't fair, or it is adversarial." I think we have an opportunity to change all that, and here is one sure way to do it. I hope you'll help.

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. I yield myself as much time as may be necessary. It will not be long.

Mr. President, I deeply regret that I am unable to support the amendment in the form and context in which it is offered by my good friend from Wyoming who serves with me on the Veterans' Affairs Committee, Senator SIMPSON. We have worked together in that committee. He has been chairman some of the time; I have been chairman some of the time. He is the second ranking Republican member now, and I am chairman. We have had differences in that committee, although this is not technically a matter that came out of our committee.

As my colleagues know, I am a long-term supporter of legislation which would provide for judicial review of final decisions of the VA on claims for benefits. I was the cosponsor of the bill reported by the Veterans' Affairs Committee and passed by the Senate in this Congress just a few hours ago, earlier today, and in each of the four prior Congresses. However, I do not believe that it is appropriate to add such legislation to the pending measure.

First, the Senate has just expressed its will overwhelmingly with reference to judicial review, and I see no benefit to taking any further action on that issue at this time on the very same day.

Second, although I do appreciate the relationship that many have suggested between elevating the VA to Cabinet-level status and providing for judicial review, it is abundantly clear that two matters can be addressed separately. In light of the very strong opposition that has been raised to linking the two issues, I have concluded that they should be dealt with separately.

Mr. President, as I have noted, I have helped secure Senate passage of judicial review legislation five times, most recently earlier today when the Senate passed S. 11 by a vote of 86 to 11. However, I do not want to see the merits of the judicial review issue clouded by this linkage question on which all veterans organizations, but one, are in agreement. They vociferously oppose the linkage that the Senator from Wyoming proposes.

Now that the Senate has passed S. 11, I want it to be the Veterans' Affairs Committee that confers with the other body on the content of final judicial review legislation. Why should this critical responsibility be assigned to two committees with no day-to-day expertise in VA matters, such as claims adjudication and BVA procedures?

Moreover, I am convinced that attempting to link judicial review legislation and the pending Cabinet-level legislation would serve only to further poison the atmosphere on the judicial review issue and would not lead ultimately, as I am wholeheartedly committed to achieving, to the enactment of judicial review legislation.

Indeed, I believe it would make it more difficult to enact both the Cabinet-level legislation as well as the judicial review legislation. Thus, I am unable to support the pending amendment. At the appropriate time, I will move to table it.

In doing so, however, I want to be clear that I recognize, I applaud, and I value highly the steadfast support of my good friend from Wyoming for judicial review legislation, and I applaud, as well, his desire to see it considered by the Senate in what he considers an appropriate context, even though I differ with the judgment that he has made on that question.

I regret that I am unable to support him in this effort, but I do look forward to continuing to work closely with him as we seek to reach our shared goal of providing veterans and other claimants who have been unable to prevail before the VA on a claim for benefits with the opportunity to seek redress before a judicial entity outside the VA.

At such time as both sides are prepared to yield back time, I will then move to table the Simpson amendment.

The PRESIDING OFFICER. Who yield time?

The Senator from Wyoming.

Mr. SIMPSON. I thank the Senator for his courtesy. We have two other Members who wish to speak briefly, and then I think we are ready to yield back. The Senator from Kansas is yielded as much time as she may wish from my time.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I thank the Senator from Wyoming.

Mr. President, I rise in opposition to S. 533, a bill which would elevate the Veteran's Administration to Cabinet-level status. Although I fully support meeting the needs of our Nation's veteran's, I do not believe that these needs will be met any better by a Cabinet-level department than they are with the current administrative arrangement.

I felt the same way in 1979 when I opposed the creation of a separate Department of Education. As a former school board member, I am a strong supporter of education. I believe education holds the key to our future prosperity and well-being, and I believe that teaching is one of the most honored professions one can pursue. However, to me, it did not follow that we needed a new Cabinet department to attain our educational goals. By the same token, it does not take a new Department on Veterans' Affairs to reach our goals for service to veterans.

In short, I believe it would be a mistake to create any new Cabinet-level department. My primary reason for opposing this new department is that I believe its creation would continue the trend toward undue expansion of a Cabinet which is already too large.

If a Veterans' Affairs Department is established, it will be the first Cabinet department to focus on the population served rather than the services provided. All current Cabinet departments are organized around broad government services—defense, housing, education, energy, et cetera—not around particular population groups. If we decide to change the current focus, there is almost no end to the number of additional Cabinet slots which people would want. Why not create a Department of Older Americans, for example? Certainly, this is a large and worthy group and is one which benefits from programs similar to those provided by the Veterans' Administration.

Many other potential new departments come to mind once we start down this road. The end result would be a Cabinet which is both unwieldy and ineffective as a body of advisors to the President. In many respects, the Cabinet is probably already too large to serve the advisory purpose for which it was intended.

Moreover, I do not believe there is a compelling case to be made for moving in this direction. The Veterans' Administration has an annual budget of $27 billion; and only the Department of Defense surpasses it in terms of number of employees. It is responsible for health care in 172 hospitals, 229 outpatient clinics, 117 nursing homes, 16 domiciliaries, and several non-VA facilities. Veterans' compensation, assistance programs, pension benefits, education benefits, vocational rehabilitation, housing loans, and life insurance are included as part of the responsibilities of the Veterans' Administration.

Elevation to Cabinet-level status will not lead to better management or to improved delivery of quality benefits and services. Nor will Cabinet-level status guarantee the agency better access to the President or improved relations among Departments.

As a nation, we owe a debt of gratitude to those who have served in the military. If I felt we were failing to make good on our promises to veterans and that a Cabinet department would correct that failure, I would take a different view toward this legislation. However, that is not the case. I see nothing to be gained by veterans by the creation of a new Cabinet department. At the same time, all stand to lose by opening Pandora's box in terms of expanding the President's Cabinet.

Mr. President, in summary, I rise in opposition to S. 533, a bill which we have all understood and clearly understand would elevate the Veterans' Administration to Cabinet-level status.

There has been some good debate on this issue, and although I fully support meeting the needs of our Nation's veterans—we all do—I do not believe that these needs will be met any better by a Cabinet-level Department than they are with the current administrative arrangement.

Mr. President, I felt the same way in 1979 when I opposed the creation of a separate Department of Education. As a former school board member, I am strongly supportive of education. I believe education holds the key to our future prosperity and well-being, and I believe that teaching is one of the most honored professions one can pursue. However, to me it did not follow that we needed a new Cabinet Department to attain our educational goals. By the same token it does not take a new Department of Veterans' Affairs to reach our goals for service to veterans.

In short, I believe it would be a mistake to create any new Cabinet-level Department. My primary reason for opposing this new Department is that I believe its creation will continue the trend toward undue expansion of a Cabinet which is already too large. Elevation to Cabinet-level status will not lead to better management or to improved delivery of quality benefits of services, although I am sure we hope with the passage of this new Secretary and Cabinet-level status that that would be the case. Nor do I believe that Cabinet-level status would guarantee that the agency has any better access to the President or improved relations among Departments.

As a nation, Mr. President, we owe a debt of gratitude to those who have served in the military. If I felt we were failing to make good on our promises to veterans and that a Cabinet Department would correct that failure, I would take a different view toward this legislation. However, that is not the case. I see nothing to be gained by veterans by the creation of a new Cabinet Department. At the same time, all stand to lose by opening Pandora's box in terms of expanding the President's Cabinet.

Thank you, Mr. President. I appreciate the Senator from Wyoming yielding to me while his amendment is under consideration. I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. ARMSTRONG. Mr. President, will the Senator from Wyoming yield some time to me?

Mr. SIMPSON. I yield time to the Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. ARMSTRONG. Mr. President, I hope that many Senators had heard the speech which the Senator from Kansas has just made. I have known for a long time that she is a person of uncommon wisdom. What is disclosed tonight is that she is also a person of uncommon political courage. I assume that she has said everything that has just been said fully cognizant that veterans groups of this country are very desirous of passing this legislation. I guess there is probably quite a few veterans in Kansas and they have a big mailing list, and probably in due course the Senator from Kansas will be criticized for her statement. So before the criticism starts, I congratulate her. I thought it was a great statement. She said exactly what was on my mind to say, and I adopt her remarks by reference.

I also compliment my friend from Wyoming. It would have been very easy for him to acquiesce in the passage of this Cabinet-level Department, which I judge is going to pass by an overwhelming margin. In fact, when I came to the floor a moment ago, it was my thought it was probably going to pass 98 to 2, because at that moment I only knew of one other Senator who had actually decided he was going to vote against it. Now I have discovered that there are at least five hardy souls in this Chamber who have some intention, solidified or solidifying to actually vote against the formation of a Cabinet-level post to serve veterans' affairs.

It is a trend. I do not know, Mr. President, maybe we ought to talk longer. We have gone from, as far as I can tell, 2 to 5 in just a few moments. If we keep talking, we are up to 10.

Mr. SIMPSON. We would be.

Mr. ARMSTRONG. We would be up to 10.

Mr. President, I wonder if Senators remember a few years ago, amid the general recognition that a college degree was a wonderful thing and that a college degree greatly enhanced the earning prospects and quality of life of young people, what was the proposal of a noted educator. I believe it was the president of the University of Chicago, though I may be confused about that. But there was so much interest in this matter, there was so much recognition that a college diploma was just the—well, Mr. President, it was just the sine qua non. It was what you had to have to really have a good lifestyle to really get a job that you wanted, and so his suggestion was I thought an intriguing one and which has a great parallel with the notion of making the Department of Veterans' Affairs a Cabinet office. He suggested that at age 5 we simply automatically grant to every person residing in the United States of America a college diploma so that we could then get on with the real business at hand, which was education.

I think the same principle applies here. If the test of our commitment to honoring the veterans of this country and repaying in some measure an obligation which we have to them, which is very great and which cannot be repaid in many cases in any way—certainly not by the formation of some Cabinet-level Department, but if the measure of our devotion to the cause is whether or not we are willing to vote to give them a Cabinet-level office, I say let us make all of these agencies Cabinet-level offices.

I think we can make Social Security a Cabinet-level Department, and that is a notion that is certainly floating around. I do not think it would hurt. There is a lot of talk about the savings and loan crisis. Let us make the Federal Home Loan Bank Board a Cabinet-level office. Let us make the Office of Management and Budget—I guess we already made the Office of Management and Budget a Cabinet-level office. But there are a lot of people around this town who would like to continue on doing their job in a new role as a Cabinet Secretary.

I guess we could have the President's meetings of his Cabinet over at the Capital Center or in some other appropriate location that would be necessary to accommodate hundreds of people.

Mr. President, this is about the most hypocritical proposition I have ever heard of. I do not say that on its merits. I say that simply because of the number of Senators who, unsolicited by me, have confided that they think this is a poor idea but intend to vote for it anyway. I have not asked anybody how they were going to vote except in the last 5 minutes or so, but I have heard a lot of people running around in the subway, in the cloakrooms, and various places just saying that they sort of feel abused to vote for this; they feel obligated to do so because of the enormous public interest in it by veterans, and yet they do not believe in it.

Well, I do not think anybody who does not believe in it ought to vote for it. I leave that to the conscience of each Member. I do not think it is a big deal either way, and yet I did not want to let the moment pass without explaining exactly why I am not going to vote for it. It is not because I do not love the veterans. I have the deepest affection and regard for the veterans, and I honor them, all of the men and women who have served our country in uniform, for the contribution they have made to our country. We owe them a debt of gratitude beyond our ability to repay.

When it comes to things like the GI bill, I am glad to come to this Chamber and fight for it, and I did for a number of years before we got it reinstated. When it comes to erecting a war memorial for those men and women who fought in Korea, that is something I am interested in and care about. When it comes to providing health care, hospitalization, all kinds of other things, and when it comes to the idea of providing a judicial review of claims of veterans, I am ready to stand up and be counted on it. But in my opinion this Veterans' Department, the new Cabinet-level office, is not going to help veterans; it is actually counterproductive. It will actually imply something which the Senate does not mean. If it is signed into law, to some extent it will be mischievous and it will not really get on with the business of doing something to be helpful to veterans, which is a cause in which I deeply believe.

So, Mr. President, not with the idea it is going to change any votes but just with the idea of explaining to anybody who is interested, especially the veterans who might wonder why it is I would vote against a proposition of which so many of them are in favor, I wanted to offer this word of explanation.

Pending the time we just declare every agency of Government to be a Cabinet-level agency, I think we ought to exercise some discretion and put in the President's Cabinet only those agencies which require at the highest levels a direct day-to-day working relationship. I judge that is not true of the Veterans' Administration.

The Veterans' Administration has done by and large a good job for veterans, although with a lot that could have been done that is not. I regret that we are getting stampeded into doing something which frankly would be better left undone.

The PRESIDING OFFICER. Who yields time?

Mr. SIMPSON. Mr. President, how much time remains on this side of the aisle?

The PRESIDING OFFICER. Fifty minutes two seconds.

Mr. SIMPSON. How much?

The PRESIDING OFFICER. Forty-nine minutes fifty-eight seconds.

Mr. SIMPSON. I yield time to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. I thank the Chair. I thank my distinguished colleague from Wyoming.

Mr. President, my submission of the moment goes directly to the issue of the scope of appeal, but before discussing that matter, I wish to comment very briefly on the issue of the separate Department and Cabinet status, in reply perhaps to the comments from the distinguished Senator from Colorado.

It is my judgment that it is most worthwhile to have Cabinet-level status for the Veterans' Administration because it is different from most of the other agencies of the Federal Government. As the standards are articulated, is it necessary for the head of the Veterans' Administration or a Cabinet officer to have day-to-day contact with the President? I would not go so far as to say day-to-day contact is necessary. But I think it is comparable contact that would be held with the Department of Interior Secretary or with the Department of Agriculture. We have the Veterans' Administration administering an enormous budget. If the head of the Veterans' administration has Cabinet status, he meets with the President and other Cabinet officers, and I submit he is in a better position to press for the priorities of the veterans' issues. I think that is really the essential issue, whether the head of that department has sufficient funding and sufficiently important issues so that he ought to be privy to Cabinet meetings, have a little extra clout with the Director of OMB, and have standing to be with the other Cabinet officials.

My own sense is that there will not necessarily be any increase in personnel, that there will be certain ceremonial occasions when the head of the Veterans' Administration will come to the State of the Union speech, but that the essential point is that he will be present when priorities are established. I think that is worth elevating the head of the Veterans' Administration to Cabinet-level status.

Mr. President, the amendment which is currently pending on the scope of review I consider to be a very important issue. And it was a subject which the distinguished Senator from California and I discussed at some length this morning when we were considering S. 11. As I said at that time, it was my view when the issue was before the Veterans' Affairs Committee, on which I serve, that the standard should have been broader, that I would have preferred to have gone back to the standard which was established in the 96th Congress when judicial review legislation reported by the Veterans' Affairs Committee of the Senate would have allowed the courts to review Veterans' Administration findings of fact if they were determined to be "arbitrary and capricious", and that it "constituted an abuse of the Administrator's discretion."

The standard which is present in the legislation offered by the distinguished Senator from Wyoming establishes appeals where the rulings by the Board of Veterans' Appeals is "so utterly lacking in a rational basis in the evidence that a manifest and grievous injustice would result if such findings were not set aside."

As the debate disclosed this morning on S. 11, that is a new standard which has never been articulated in the law, and it is the concern of this Senator that this standard may be viewed so extraordinarily narrowly that it would not present a realistic opportunity for appeal.

My preference, as I say, would be to have the broader standard of "arbitrary and capricious", but in the colloquy that this Senator had with the distinguished Senator from California this morning, we discussed the applicability of the standard "so utterly lacking in a rational basis in the evidence that a manifest and grievous injustice would result" to be, one, not totally different from the standard of "arbitrary and capricious, or to constitute an abuse of the Administrator's discretion." The latter standard has had substantial judicial review.

As the Senator from California pointed out this morning, this standard will have to be interpreted by the courts as well. The expression that this Senator used this morning was that our legislative intent here was not to have a needle which has such a small eye that it could not realistically be threaded; that we were not trying to put such constraints on the courts that they had to find an impossible factualization of abuse in order to make a change on appeal; that when you are talking about "manifest and grievious injustice," you are talking about a situation where there is a serious and a severe injustice; and that when you are talking about "so utterly lacking in a rational basis" that language is not appreciably different from the language of "arbitrary and capricious."

There will be many cases which will arise if this new standard is enacted into law. Many judges will be looking at the language of the debate this evening and the debate earlier today, and I think there this legislative history is important. It is not possible for us to make a definition which is going to give lucid guidance, clear guidance to every judge and in every factual situation. I think the most that we can express here is that we are not seeking to establish a standard which is so tight that it is virtually impossible or impossible or close to impossible for veterans to meet that standard. Essentially what we are looking for is a clear-cut case where there is injustice. And the mere fact of appealability is very helpful in keeping the factfinders and the Veterans' Administration on their toes. This definition of what is meant by this standard may be of some help.

Before asking for time from the distinguished Senator from Wyoming, I whispered in his ear that I wanted to have this colloquy with him very much as the Senator from California and I had a discussion earlier today to try to give some guidance to the courts when they are called upon to interpret this new language and this new statute.

Now I would like to ask the distinguished Senator from Wyoming if the generalizations which I have articulated comport generally with his intent as the manager of this amendment; the proponent of this amendment.

Mr. SIMPSON. Mr. President, there is no one I have greater regard for in regard to legislative and with particularly legal acumen in this Senate, and I have worked with the Senator from Pennsylvania on the Judiciary Committee. He has truly come to the essence of the nature of the scope of review. It is designed to be narrow. It was done in a way, and the committee report, I think, reflects it very well, on page 44, and I will just refer to it in the Record without inserting it in the Record. The committee report No. 97-466, and in that report, at page 44, is described some of the things that Senator Cranston and the Senator from Pennsylvania discussed this morning.

I concur with that review, with that colloquy, and it was very helpful. It should give guidance to a court, and I concur. The essence is a narrow review thinking that we want to be careful of the language, "arbitrary and capricious," so it would not result in confusion as to its precise meaning or application. We think we did that.

We wanted to distinguish that because it was directly derived from the Administrative Procedures Act and dealt with an issue where they were talking about fact determinations in the rulemaking process and not those made in individual claims adjudications. That was the reason for that.

Mr. SPECTER. I thank the distinguished Senator from Wyoming. It is expected to be narrow, as he says. It is not a test on "substantial evidence" where so many judges tend to substitute their own judgment from that of the administrative agency. But, again, it is not expected to be so unduly narrow so that a judge in reviewing a case where there is a serious injustice would be precluded from exercising judicial discretion to overturn the erroneous finding of fact.

Mr. SIMPSON. Mr. President, I concur completely in that interpretation of what we are trying to achieve.

Mr. SPECTER. I thank the distinguished Senator from Wyoming. I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. SIMPSON. Mr. President, the Senator from South Carolina has asked for 3 minutes. He may have more if he wishes.

Mr. THURMOND. I thank the Senator very much.

Mr. President, I rise in opposition to the amendment offered by my good friend and distinguished colleague from Wyoming, Senator Simpson.

Though the substance of this amendment—judicial review of VA disability claims—is well-intentioned, Cabinet-level legislation is just not the appropriate vehicle. In fact, we have already thoroughly considered this matter. Judicial review is quite simply a separate and distinct issue, unrelated to the legislation before the Senate.

As each Member may be aware, judicial review of veterans' disability decisions has been considered several times by the Senate over the past few years, beginning with the 95th Congress. On five different occasions, the Veterans' Affairs Committee has reported judicial review legislation, and on five occasions the full Senate has approved judicial review legislation. We have just passed S. 11, the Veterans' Administration Adjudication Procedure and Judicial Review Act, and that should have laid this matter to rest. Why do it on this bill? We just passed a bill.

Mr. President, there is another reason to oppose this amendment. The President has expressed his willingness to sign a Cabinet-level bill. Adding this amendment could jeopardize enactment of this bill. Such a consequence would be a grave disservice to our Nation's veterans.

To summarize, Mr. President, judicial review has already been debated on its own merits, and should not now be considered in connection with this bill. The 2d session of the 100th Congress represents the first opportunity which we have had to vote on Cabinet-level legislation, and the passage of this long-awaited legislation must not be jeopardized.

Mr. President, I have been in the Senate for 34 years, and since 1975 I have introduced this legislation, to make the VA Cabinet-level status. We have not had a President who would go along with it. We now have a President who will. He has met with all the veterans' organizations, the commanders, the adjutants, and others, in the White House. He has promised to sign this bill. I do not know whether the President will sign it if we put this amendment on it.

This is another matter. It is an extraneous matter. This amendment does not belong on this bill. We passed a separate bill. Let it go at that. You will jeopardize this whole thing.

I will tell you right now, the veterans' organizations—the Legion, the VFW, and the Disabled Veterans—are opposed to putting this amendment on this bill, and I want the Senate to know that. Not every veterans' organization wants this amendment on this bill. They want this bill passed. This amendment will jeopardize the survival of this bill. I hope the Senate will vote against this amendment.

The PRESIDING OFFICER (Mr. Sanford). Who yields time?

Mr. SIMPSON. Mr. President, that is the last time I will ever yield time to the Senator from South Carolina. [Laughter.]

I will say, in a correction, that the Vietnam Veterans of America and the Paralyzed Veterans of America are very much in favor of this coupling process, so it is not all veterans organizations.

I yield to Senator Humphrey 15 minutes. If the Senator should require more, we can do that.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. HUMPHREY. I thank my colleague for his courtesy.

Mr. President, I hardly have been able to contain myself, waiting for this preposterous bill to reach the floor. It is an absurd bill, a silly bill, a goofy bill, an illogical bill, an irresponsible bill.

There must be something mighty big wrong with it when the Washington Post, the bastion of soft heads and soft hearts; the Wall Street Journal, that bastion of reactionary capitalists; the Washington Times, that fine, conservative newspaper in our Nation's Capital; and the New York Times—I will not go into a discription of that newspaper—but the common thread among them is that they all oppose this bill.

Let me cite some of the arguments they raise in their opposition.

Before I do that, I want to give first preference to an editorial from a newspaper in the State which I represent, the Foster's Daily Democrat. I hasten to point out that that does not refer to a party. It refers, I guess, to a philosophical point of view.

The Foster's Daily Democrat, of Dover, NH, summed up the issue by saying:

> At issue is not reverence for those who have served in the armed forces but simple governmental common sense.
>
> The Veterans Administration essentially operates hospitals, writes checks and in other ways administers benefits. To equate

> its functions with the departments of Defense, State, Justice of Health and Welfare is inaccurate. If the Veterans Administration deserves Cabinet level status then so do the Small Business Administration and the Social Security Administration.

Indeed, that is so. That is logical. The Foster's Daily Democrat is correct. That issue is not reverence for those who have served in the Armed Forces. Not that at all.

This Senator, like most of his colleagues, served in the Armed Forces. I have done a few wrong things in my life, but that is one of the things I did right. I spent 4 years in the service of my country, do not regret a moment of it, with the passage of some years. I suppose at the time I regretted a few moments of it. But, on the whole, I think it was a beneficial experience for both parties.

Now I am a veteran, and what do I want? I think I want what most veterans want. Let me point out that most veterans are not necessarily represented by the organized veterans organizations which annually, if not monthly, troop to Capitol Hill to press their demands. It is a fact that most veterans are not members of any organized veterans group.

What do most veterans want? Speaking for this veteran—and I think my thoughts represent those of most of the veterans I know—what I want is to be left alone by my Government. What I want in Washington as recompense for the 4 years of my youth that I willingly and gladly gave to this country is proven Government, sensible Government, economical Government. What I do not want as a veteran, and what I do not regard as an honor or recompense, is this whoring after special-interest groups, which has become the specialty of this body in the last few months, as indeed it becomes the specialty of this Congress every 2 years, as we approach elections. That is what this is. It does not make any sense. It is nothing but whoring after another special-interest group.

Raise the word "farmers" around here, and you will have the attention of at least 80 percent of the Members of this body, irrespective of the context in which you raise the word "farmers." Likewise, veterans, they come in second, right after farmers.

We saw that just last week with regard to farmers. This Senator offered a bill to block disbursement of U.S. funds to the World Bank until the World Bank adjusts the terms of its loans so that they are no more favorable than those available in the domestic lending market to American farmers. Pow. We got a really good vote on it. I do not remember what it was. But we almost won on that vote. It was a very narrowly decided vote.

The next vote was in the same vein, except we left out the word "farmers," and we got slaughtered. Did not come close.

Well, it is the same dynamic, the same mechanism, the same whoring after special-interest groups.

As a veteran, what I want from my colleagues in this Congress is prudent, efficient Government. I want an end to all this special-interest whoring.

Mr. President, I promised to focus on the highlights of the arguments raised by the newspaper I cited earlier. I will start with the Washington Post:

> The Senate Governmental Affairs Committee held a hearing the other day on the sycophantic proposal to turn the Veterans Administration into a Department of Veterans Affairs. The witness list suggests what is already wrong with this agency. The veterans' group, the present and two former veterans' administrators and senior members of the congressional veterans' committees were the ones to testify—all in favor, of course. On one came from the world outside.

Indeed not.

The Wall Street Journal, for its part, said in part:

> We suspect most veterans are too smart to think that they are actually being honored when ground is someday broken for another mammoth and characterless cabinet building in downtown Washington. Mr. Reagan came to office convinced that the American people created their own sense of importance, and that their dignity was not derived from the fact that some special agency in Washington had been created for them.

The Washington Times said in part:

> A new department for veterans would do one thing. It would create a bureaucracy dependent upon taxpayers' money and determined to spend increasing amounts of that money.
>
> If the past quarter century has proved anything, it is that new departments and new spending do not necessarily improve the lives of intended beneficiaries.
>
> The nation owes a debt of gratitude to veterans, who risked life and limb, and their security and sanity, for the nation. It does not, however, owe them a new Cabinet-level department.

Indeed not. The Nation does owe a special obligation to those who served and were wounded or in some way disabled, but it certainly does not owe to the vast bulk, and let me say that we discharged that obligation very well indeed on the whole, with $27 billion a year worth. That is not peanuts. That is not small potatoes in time of deficits running $130 billion and $140 billion and $150 billion a year.

The New York Times editorialized:

> Departments like Defense and Energy exist to administer laws and formulate policy in areas of permanent national need and concern. Writing checks and running hospitals and cemeteries for the nation's veteran are purely administrative duties, in no way comparable.

The Washington Post ran an op-ed, an opinion piece by former Secretary of Agriculture John Block who said, among other things:

> My chief concern with the proposal for a Department of Veterans Affairs is that it will reduce the Cabinet's effectiveness. Too many advocates in the Cabinet Room advising the President confuse the issues and are counterproductive. The consequences of a bulging Cabinet will be that it will ultimately force the President to rely more and more on White House staff in private meetings and less and less on his Cabinet in its meetings.

Mr. President, this Senator voted against creating the Department of Energy, and I am glad of that vote and I am proud of it, and I would not reverse it. I would in fact vote to disestablish the Department of Energy and the Department of Education, and I regard it as one of President Reagan's single shortcomings that he has not been able to fulfill those campaign promises.

This Senator did not come to Washington in 1979, and I did not run for reelection, to vote for more Cabinet Departments in Washington. I did not vote to give special interest groups more and more power. I did not vote to give them easier and easier access to the wallets of our Nation's taxpayers. I did not come down here to whore after special interest groups and I do not think other Senators did either, when you think about it, and I hope they will think about it, and think out their idealism and their principles and what prudent efficient Government is all about and what our true obligation is to our Nation's veterans, to provide sound and principled Government.

This is rubbish. This is unprincipled whoring after special interest groups and it deserves to be defeated as has been argued so eloquently by these editorials which I cited.

Mr. President, I yield the remaining time back to my colleague from Wyoming.

Mr. SIMPSON. Mr. President, I thank the Senator from New Hampshire for sharing his remarks. I do not believe that there are others who are requesting time on the issue from this side at least. If none are coming forward, I would be prepared to yield back the time so that the Senator from California could make his motion to table.

I see my colleague from Massachusetts. Does he have some comment to make in this debate?

Mr. KERRY. No, Mr. President. I thought the Senator did a great job.

The PRESIDING OFFICER (Mr. SANFORD). The Senator from Ohio.

Mr. GLENN. Mr. President, I yield myself such time as I may require.

Mr. President, I want to separate out a couple things here. One is the action of the Governmental Affairs Committee from my own personal feelings on some of these things.

Let me state this: When this bill was before the Governmental Affairs Committee we did not take on the problem of judicial review. We did not take it up not because we were afraid to or because of the criticism that might have come to the committee or come to some of us personally because of that, although that was editorialized about at that time, but the fact was that the Veterans Affairs Committee at that time was dealing with this issue of judicial review.

That issue has not been referred to the Governmental Affairs Committee. It was not technically in our jurisdiction. I suppose we could have requested it, but we did not. We did not wish to delay this legislation from going through.

Senator Thurmond said a little while ago he had been after the elevation of VA to the cabinet for many years, going back into the 1970's. There was a lot of interest in it, a lot of interest by many Senators in it and we did not wish to delay it by trying to get sequential referral or by any other means.

Although there were no formal votes, we decided on the committee that we would not take up judicial review, that we would run a dual track. I was assured at that time by Senator Cranston that they were going to move to hearings on the judicial review consideration, which they did. We meanwhile move on our track in Governmental Affairs on the basic elevation of the Veterans' Administration.

Now I think that was the right thing to do, but I want to point out that scenario because of this: When I stand here on the floor now representing the committee views on this bill, I do not have an official position of the Governmental Affairs Committee on judicial review. I have their position on the formation of a Department of Veterans' Affairs and I am happy to represent them on that, and I will, as we should at all times when we represent our committees here, represent the best interest of that committee and the expressed view of that committee, and I do that to the very best of my ability as I have been doing here today.

However, when it comes to judicial review it is another matter. We did not take action on that, but the Senate has now moved on this in a very decisive way to indicate the Senate's will on judicial review.

I am very much aware that there may be those and there are those who have so stated on the floor here this afternoon that they feel that the whole creation of a Cabinet position is jeopardized if we insist on judicial review.

Now, that may be. I do not know.

If I had to guess, and I have not counted votes on this specifically, but if I had to guess I would guess that the formation of the Cabinet position is going to go through by an overwhelming majority.

I believe at last count there were some 79 cosponsors to the creation of a cabinet for the VA, and I support that. I disagree with those here this afternoon and now that it is early evening who have said that it is not necessary that we do not need to represent them, that it is absurd, that it is all these other things that it was termed.

We did not deem it that way on the Governmental Affairs Committee and I do not deem it that way, and I could go back through all of our history and all of the reasons why we came out with the bill and support it strongly, and I support it very strongly, too. I think that will pass overwhelmingly.

I also am very much aware that Senator Simpson's provision on this of judicial review is likely to go down in very ignominious defeat also. I do not know whether he has a nose count on this or not. I have not made one, and I will not predict how many votes he will get on that. But I would guess the way things are looking, that it will not be too many.

But my question then is, How do I feel about that and having voted for the judicial review earlier today, do I think it is important enough that I would vote with him even in what I think will be a lost cause perhaps in what I believe is an important thing for veterans?

Now, I repeat again that I do not speak here, even though I am floor managing the bill, for the Governmental Affairs Committee. I do not speak on this issue now for the Governmental Affairs Committee at all. I speak only for myself personally. Perhaps it would be better understood if I even moved away from this position on the floor and spoke from my own desk, but I will not go through that little drill.

But I just do not see any reason why we have businessmen, Social Security recipients, welfare beneficiaries, immigrants, and criminals that have rights that veterans do not. And that has weighed on me very heavily all through this whole committee consideration and through consideration here on the floor.

I do not stand here to represent a committee position on this. It is strictly my own position on this.

I have spoken to representatives of several of the national veterans' organizations on the subject. I have asked them to reconsider their opposition to giving veterans this essential tool to enforce their rights under the current veterans' benefit system. Frankly, I think most of the heads of the veterans' organizations have gotten locked into their position by long-held positions of their organizations and have not really thought this thing through.

Two of the heads of the veterans' organizations, two of the very largest, that I spoke to about this privately could not justify their opposition to judicial review and said they would go back—one in particular, not both of them—one said he would go back to his organization and try to have another look at this thing because he did not have one single answer for me on judicial review when I brought it up to him as to what was wrong with it. His organization has reviewed its position and has made some very positive movement. And yet most of the organizations remain locked in, I think, because their organizations have taken a position many years ago and have not really seen fit to reconsider it. They just got locked in against it for whatever reason.

I have told them that I believe it is wrong to treat veterans as second-class citizens, to deny them one of the most basic rights we Americans enjoy. To date, I have not heard an argument which convinces me that veterans should continue to be denied the option to seek judicial review if they believe they have not been treated fairly within the VA's administrative claims adjudication process.

Now, let me say something judicial review does not do. This does not provoke or require a veteran to go get a lawyer before he can ever make a claim in the VA. I would not propose changing one iota of the procedure within the VA which is tilted in favor of the veteran by law. We know that, and that is fine. I do not quarrel with that one bit. I favor that.

But I also would say that, where a veteran has had his claim considered up the track, he has been ruled against, he has appealed, he has lost, he has appealed again, maybe lost again on appeal, but where he feels strongly that he has not been dealt with fairly by his Government, then why—like any farmer, any businessman, any Social Security recipient, any welfare beneficiary, immigrants, criminals have the right to go to court—why should veterans be denied that right?

Let me take a moment to examine some of the arguments I have heard against judicial review from the Veterans' Administration itself and some of the organizations which are opposed. We have been told judicial review would flood the courts with new cases and our judicial system cannot handle the increased caseload.

Mr. President, I do not have any doubt that judicial caseload is heavy. It is very heavy. But I do not believe the way to address the workload problem is to deny a basic right to a particular group of citizens. If that is the answer, then we are starting down the road to denying those same rights to business people, Social Security beneficiaries, and welfare recipients. With appropriate resources devoted to the judicial system, there is no reason why the marginal increase in workload associated with granting the right of judicial review to our veterans should present a problem.

Now, other opponents of judicial review tell us that judicial review will change the way the current system works, will interfere with the current "nonadversarial" system.

The general counsel of VA recently testified that judicial review will "require VA to secure additional documentary evidence, time-consuming clinical examinations and field examinations and, in some cases, compel claimants' or other witnesses' attendance at hearings deemed necessary by the agency."

Now, that was supposed to be a reason not to support judicial review. But, Mr. President, I find it very hard to believe that forcing the VA to develop a full documentary record is somehow undesirable.

The VA also complains that judicial review would force adjudicators to write more detailed explanations of their decisions; that they would have to tell veterans exactly why decisions were made; that medical files would have to be more carefully screened; and that letters to veterans would have to be more clearly written. We have heard all of those things come out.

Again, it is difficult to understand how that would be bad. Should not every veteran who is denied a benefit be told the specific reasons for that denial? Should not all the decisions be based on a careful reading of the record? Indeed, should not every decision be based on the best and most appropriate evidence?

Mr. President, I am not one who supports judicial review because I think the current system is broken and cannot be fixed. Rather, I believe judicial review is a fundamental right that veterans should have—whether there is one mistake in every 100 claims or one mistake in a million. It is just plain right.

That does not mean there are no problems with the current process. In examining the case for the elevation of the VA to Cabinet status, the Committee on Governmental Affairs uncovered some surprising facts about the way the current process works. The committee was particularly concerned about testimony which indicates problems in the timely and accurate handling of claims between the Department of Veterans' Benefits, DVB, as it is known, which makes initial decisions, and the Board of Veterans' Appeal, BVA, which adjudicates final appeals. According to testimony before the committee, the VA regional offices are having a number of problems:

> There has been a steady decline in the number of DVB employees over the past several years, without a corresponding decline in workload.

In other words the workload has gone up measurably.

> The length of time it takes to obtain VA compensation and pension examinations has been steadily increasing.
>
> The VA's preoccupation with end products measurement of work level and activity may be detrimental to timely quality decision-making; and
>
> The inadequacy and over-reliance on form letters and the impersonal nature of computer-generated correspondence may be promoting frustration and confusion among many VA claimants.

Despite VA's efforts to address these problems, internal VA documents and evaluations reviewed by the committee raise additional questions about claims processing practices in both BVA and the DVB.

Mr. President, let me focus on one problem which was particularly troubling to the committee.

According to a 1984 internal study by the VA's Office of Program Planning and Evaluation, there appears to be a lack of consistency among regional offices in making rating decisions based on the exact same evidence. Senator SIMPSON referred to this earlier today.

In other words, the study used a set of identical test cases which were sent to 56 out of 58 regional offices. These officers were asked to rate these cases, to read the record that was submitted to them, exactly the same record to 56 out of 58 regional offices; identical cases.

Now what happened? As I read through these, just think about what happens if you are one of the veterans who has this particular problem and you happen to be in one of these different regional areas and how you would feel.

According to the study results, not all offices rated the cases equally. In the identical post traumatic stress disorder case—that was one of the tests that was sent out, one of the cases that was sent out to all these regions—two of the regional offices rated the claim as zero percent disabling; 16 of the regional offices rated the case at 10 percent; 19 regional offices rated it at 30 percent; 13 of the regional offices at 50 percent; and one rated it at 70 percent.

If you were a veteran and happened to be in the region that rated it a zero percent and you appealed out of that and were denied your appeal and another region rated it at 70 percent, are you getting justice? Is this justice? And you have no appeal at that point. You, as a veteran, do not have an appeal at that point because you are denied judicial review.

Take another case. In the chronic cervical strain case two of the regional offices rated the claim a zero; 13 at 10 percent, 12 of the offices at 20 percent, and 26 of the offices at 30 percent. That is the disparity between the different regional offices.

In another case, in a hypertensive heart disease case, three regional offices rated the claim at 10 percent disabling, 2 of them at 20 percent, 25 of the regions at 30 percent, 21 at 30 percent, and 2 of them at 100 percent. Everything. Maximum.

So it extended from 10 to 100 percent. And if you appeal out of those different areas and your appeal is denied, that is the end of the case. You as a veteran are denied what you fought for in this country and that is the right to judicial review to petition your Government if you feel you are being dealt with unfairly.

Well, the general conclusion of the study that "some disabilities can and will be assigned different ratings based on the same evidence;" I will tell you that was deeply troubling to me and to the committee.

Unfortunately in the 4 years since the study the personnel cuts have continued, due to no—I cannot say enough about this, in this administration when you cut back on some of these personnel cuts. The computer system had gotten older. Training funds have remained scarce. We simply do not know whether the problems have been fixed because the VA has never repeated the study and I can understand why.

Mr. President, this is just the kind of problem that leads some of us to argue in favor of judicial review. It is my belief the case for judicial review is persuasive, even in the absence of this kind of evidence. There are few rights so valued in this country as the right to take one's grievance to court.

Imagine for a moment the kind of society we would have if no Americans had the right of judicial review; if all Government agencies were insulated from inspection by an independent judiciary. That is a society few of us would want to live in.

Yet our Nation's veterans live in that kind of a society today. Once they exhaust their administrative options inside the VA, they have no place to turn. They have no recourse if they believe the VA's adjudication process has not treated them fairly.

They cannot submit their case for review by an independent impartial judicial body. All other citizens whose rights and freedoms these veterans fought and died to defend have the right to judicial review and I think it is long past time for veterans to have that right, too.

Mr. President, I would only repeat that I did not speak for the committee on that. I know that the VA is going to go to Cabinet status, which I support. And if we wish to debate that one any further, I am prepared to debate hours on that because I believe in it and I believe in it strongly, and I stand here representing the Governmental Affairs Committee to say that we voted that out of committee overwhelmingly and we support it here on the floor, and I represent that committee in that regard.

If I was convinced that voting for judicial review would mean the whole thing was going to be killed, maybe it would be different; but I do not believe that. I believe in this as a right and I guess that is why I feel strongly that veterans should not be denied that right. I want to see the creation of the Cabinet Department go through, and will fight to do that. After we pass it here, I am prepared to fight fully for it in the conference committee and bring it back.

Even though I have every reason to believe that we are probably going to go down and lose on judicial review, I must, in good conscience, support Senator SIMPSON on this, personally, not by committee. I do not stand here representing the Governmental Affairs Committee, I will repeat once again. But I will plan to vote with him on the matter of judicial review. I yield back the remainder of my time.

Mr. THURMOND. Mr. President, will somebody yield me about 3 minutes?

Mr. GLENN. How much time do we have?

The PRESIDING OFFICER. Thirty-six minutes.

Mr. GLENN. Yes. We yield such time as the Senator may need. Just do not use all 36, that is all.

Mr. THURMOND. Thank you.

Mr. President, I want to say again, there are three main reasons why this amendment should not pass.

One is it is not necessary. We have already passed it in a separate bill. The President can act on that in a separate bill. It is not necessary to put it in this bill.

If you put it in this bill you may jeopardize this entire piece of legislation which the veterans have been working for, praying for and hoping will pass for years and years and years.

As I say, since I have been in the Senate, in 1975 I introduced this bill for the first time. I do not know who had introduced it before that. In 1975—1988—that is 13 years we have been working on it here. But we have not had a President who we felt would sign it. We did not have a President who would go long with it.

Now we have a President who will go along with it. He has met with the veterans' leaders. He has said publicly that he will sign this bill.

Are we going to throw this away? Are you going to ruin the chances of the veterans to get this Cabinet-level status?

Mr. President, it does not make sense. Of the nine veterans organizations, eight of them are opposed to putting this amendment on this bill. I want to repeat that. Eight of the nine organizations, the veterans organizations, the American Legion, the Veterans of Foreign Wars, the AMVETS, the Disabled Veterans, and the other veterans organizations—there are nine of them. Eight of them do not want this amendment on here. They do not want to take the chance.

If they do not want to take that chance and they have been working so hard for all these years to get Cabinet status for the Veterans' Administration, why should we come out again and put it on here and run the risk of losing all we have done? We run the risk of losing all we have done here for the veterans and giving them Cabinet status if we put it on this bill.

The President may not sign it. He has not said he would go along with it with that. He has said he will go along with it with Cabinet status if we will pass this bill. But if you go and put this amendment on here, it may kill the whole bill. Why run the risk?

For those reasons, I say, Mr. President, we should not run that risk. We should pass this bill and give the veterans what they have wanted for years and years, and that is Cabinet status.

I hope this amendment will not be agreed to.

Mr. MURKOWSKI. Mr. President, I must oppose the amendment offered by my good friend from Wyoming.

I begin, however, by stating that the distinguished Republican whip is more than just my friend: He is, and has been, a friend to veterans as well. It has been my privilege to serve with him on the Veterans' Affairs Committee. Our Nation's veterans have been well-served by this principled and courageous Senator who chaired our committee for two Congresses before assuming other leadership positions. While I disagree with his amendment to this bill, I know that he intends nothing but the best for our veterans. I will gladly take issue with anyone who suggests the contrary.

Still, I must oppose this amendment.

The Senate has just made a decision on the issue of judicial review. We need not, and should not, revisit this issue on the very next bill we consider.

The Committee on Governmental Affairs had the opportunity to add language similar to the amendment now before us. That committee declined to do so. We should follow their example.

The bill before us enjoys overwhelming support. Similar legislation passed the House 399 to 17. The President has expressed his support. There are 73 cosponsors in this body. The Nation's veterans are virtually unanimous in their enthusiasm, interest, and support for placing the VA in the President's Cabinet.

The amendment before us is steeped in controversy. While the Senate has passed similar legislation four times it died in the House each time. The administration opposes the amendment. The major veteran's groups oppose the amendment. We witnessed the divisiveness of the concept of judicial review in the debate on the bill we previously considered.

We should not adopt the amendment before us because: We have already spoken on the issue. Adopting the amendment will mire this legislation in an unnecessary controversy.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WARNER. Vote.

Mr. SIMPSON. Mr. President, I think we are ready to vote. I appreciate the quality of the debate. That is what we wanted. That is why we had it.

I want to thank the chairman of the Governmental Affairs Committee for his powerful statement. Indeed, it was an important statement. A very vital and important statement. My admiration and respect for him—always great, even as an observer way back in Cody, WY—is always increased when I deal with him. Whether we are on the same side of an issue or not is never the issue, whether it is nuclear proliferation or veterans or whatever, he is superb because he speaks with great clarity and sincerity as does the Senator from South Carolina, and his is a powerful statement also.

The prayer aspect goes both ways. I have been praying for judicial review for 9 years but only one body prays for each issue so I thought we ought to link them together and let everybody get down on all fours, maybe, next time and really pray when you wire them together. And that is the sole purpose of what I am up to. I have been after this for 9 years, judicial review. And it does not get anywhere in the House.

Now we have Cabinet level and here we are. Two powerful forces together, either couple them or go through the same old stuff we have gone through for 9 years and that is send it over there and watch it die in the great elephant graveyard.

The PRESIDING OFFICER. The Senator from Maine.

Mr. MITCHELL. Mr. President, I support the principle of judicial review. I was a cosponsor of the bill. I worked for it in the committee. I voted for it here on the floor.

I am also a supporter of the legislation to elevate the Veterans' Administration to Cabinet status. We may not like it, but the reality is that combining the two will serve only to defeat the two. The only way either of these two bills has any chance of being advanced is for them to advance separately. So the effort to combine them can only be an effort to defeat one or the other of them. That is the inevitable result.

One may disagree with that result, one may wish it were otherwise, but that is the reality.

I urge the Members of the Senate, even those of us who support judicial review, to oppose this effort to combine it in the Cabinet rank legislation. The way to do this is the way it is being done, moving them forward on separate parallel tracks. We can get one adopted now. We know that. We have to work, persuade our colleagues in the House, on judicial review.

Putting these two bills together advances neither of them. Indeed, it results inevitably at this time in the defeat of both of them.

I urge those Senators—and I believe there is a clear majority who supports elevating the VA—to defeat this amendment. I urge those who support judicial review to defeat this amendment because enacting it does not advance judicial review, and I urge those who, like myself, support elevation of the VA to Cabinet level and judicial review to reject this attempt to combine the two of them.

The best course for veterans and the best course for those of us who favor both of these principles is to keep them separate, enact one into law now and push as hard as we can for the other.

Mr. President, I yield the floor.

Several Senators addressed the Chair.

Mr. CRANSTON. Will the Senator from Ohio yield me 2 minutes?

Mr. GLENN. I yield the Senator 2 minutes.

Mr. WARNER. Before the distinguished Senator speaks, can we ascertain possibly the time of the vote for the convenience of the Senators who waited an hour or so?

Mr. GLENN. I am prepared to yield back time and go to a vote. I think the Senator from California has a couple of minutes, as I understand it. Unless there is more time on that side, we will have a vote in 3 or 4 minutes.

Mr. WARNER. I thank the Chair.

Mr. CRANSTON. Mr. President, I will speak for 3 or 4 minutes. I will move to table when all time has been yielded back, and then we will get to a vote.

Mr. President, I thank Senator MITCHELL for his very strong and eloquent statement, which coincided totally with my own views.

I also congratulate the Senator from South Carolina [Mr. THURMOND] for all of his very effective effort on behalf of S. 533 and his very forceful words on the floor today.

I applaud as well what the chairman of the Governmental Affairs Committee said about judicial review. I share all his sentiments on the importance of that.

The issue now, however, is not the substance of judicial review. The Senate voted early this afternoon overwhelmingly for judicial review.

The issue is not for Cabinet-level status for the head of the veteran's affairs and responsibilities in our Government. It is plain the Senate favors that and will vote in that way.

The question is linkage, and I believe the cause of judicial review and the cause of Cabinet-level status will plainly both be delayed, hampered, injured, and possibly we will not achieve our goals in either respect if we link the two issues. We create problems with veterans' organizations, create problems over jurisdiction with the House, and we create problems with House Members if we link the issues, as this amendment would do.

For that reason, among others that I have earlier expressed, I am prepared now to move to table the amendment of the Senator from Wyoming.

Mr. GLENN. Has the Senator yielded back his time?

Mr. SIMPSON. I yield back the remainder of my time.

Mr. CRANSTON. I now move to table the amendment. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, I ask unanimous consent to proceed for not to exceed 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, there are some Senators who would like to vote on final passage of this bill. I wonder if the principals would be agreeable, following this vote on tabling, if we can agree now by consent that be the final amendment, I presume, the bill then go to third reading and have a vote on final passage tomorrow morning at 9:30?

Mr. GLENN. I have no objection to that at all. It will suit me fine if it helps other Senators. In the spirit of comity which we have around here, I will be glad to do it.

Mr. SIMPSON. Mr. President, that certainly will accommodate schedules. Of course, if the motion to table should fail, we do not know where we go from there. That is certainly an appropriate procedure I would ascribe to.

Mr. BYRD. Would it then be agreeable, may I ask the distinguished assistant Republican leader, that the request be directed to the disposition of the amendment rather than just to the tabling motion; in case the tabling motion failed there would be an immediate vote then on the amendment this evening and then put the final vote over to tomorrow?

Mr. SIMPSON. That is perfectly appropriate, Mr. President.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the pending amendment, there be no further amendments, no further debate; that the Senate go immediately to, without further intervening action, third reading and that on tomorrow at 9:30 a.m., the Senate then vote, without further debate, intervening action of any kind, on the final passage; paragraph 4, rule XII, be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I have not really cleared that hour with our leader. He confused my role there. I have done the task of acting leader for some weeks, but I really could not give that approval. I think I can get that momentarily, but I cannot clear that unanimous consent for 9:30 as yet until I hear from our leader. As well as that may be appropriate, if I might ask that be considered or at least able to review it for a few more minutes. I hope I can get that hour, but I am not certain at this moment.

Mr. BYRD. Very well, it is agreeable then we will attempt to put vote on final passage over to tomorrow. Is that agreeable?

Mr. GLENN. That will be fine.

Mr. BYRD. Perhaps we can determine that during this rollcall?

Mr. SIMPSON. Mr. President, I think we, indeed, will be able to determine that during the rollcall vote, and the majority leader can close that request after the vote. I think then we can know where we are.

Mr. BYRD. So the Senators who are not here will know that the vote that is going to occur will be on the amendment, but that the vote on final passage will not be until the morning at a time on which the Senate will agree shortly.

Therefore, Mr. President, in order that Senators may have a little time to get to the Senate floor for this vote, and the Cloakrooms may urge the Senators that the vote is imminent, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I renew my previous request with the exception of moving the 9:30 vote tomorrow morning to 9:15 instead.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the motion to table the amendment of the Senator from Wyoming. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. LEVIN (when his name was called). Mr. President, on this vote, I have a pair with the Senator from New Jersey [Mr. LAUTENBERG]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. LAUTENBERG] and the Senator from West Virginia [Mr. ROCKEFELLER] are necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

I further announce that, if present and voting, the Senator from West Virginia [Mr. ROCKEFELLER] would vote "yea."

Mr. SIMPSON. I announce that the Senator from Utah [Mr. GARN] and the Senator from North Carolina [Mr. HELMS] are necessarily absent.

The ACTING PRESIDENT pro tempore (Mr. DASCHLE). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 83, nays 11, as follows:

[Rollcall Vote No. 241, Leg.]

YEAS—83

Baucus
Bentsen
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Gore
Graham
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Heinz
Hollings
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Leahy
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Reid
Riegle
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NAYS—11

Adams
Armstrong
Dodd
Evans
Glenn
Harkin
Humphrey
Metzenbaum
Quayle
Simpson
Specter

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Levin, against

NOT VOTING—5

Biden
Garn
Helms
Lautenberg
Rockefeller

So the motion to lay on the table amendment No. 2548 was agreed to.

Mr. BOSCHWITZ. Mr. President, I move to reconsider the vote by which the motion to table was agreed to.

Mr. SYMMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SANFORD. Mr. President, I rise to speak in support of S. 533. This legislation is one of the most important bills to come to the floor of the Senate during the 100th Congress.

There have been numerous occasions where I have stood and spoken for the over one-half million veterans in the State of North Carolina. I have received hundreds of letters, cards, and phone calls from them, and their family members, asking my support and cosponsorship of S. 533. They know the support I have given veterans over the years and continue to give. I, in turn, have received theirs. This, however, did not dissuade me from closely examining the merits of this bill to determine its effect on the millions of veterans in this Nation and on the workings of the Federal Government. I was deliberate in deciding to cosponsor S. 533. It was extremely important to listen to various arguments, both pro and con, on this historical piece of legislation.

The leaders of the national veterans organizations have served the country well through the articles in their publications, newspapers around the country, and in testimony on Capitol Hill on the merits of elevating the Veterans' Administration to a Cabinet-level post. One person that I would like to point to specifically is Gene A. Murphy, national commander of the Disabled American Veterans.

In the March issue of the DAV magazine in the DAV Commander's viewpoint, Mr. Murphy cites some of the best reasoning for passing S. 533. Many Americans are unaware of just how the VA and veterans have lead our Nation in the areas of housing, education, health care, and employment. Nor are they aware of the fact that the VA affects, directly, a third of the U.S. population. Mr. Murphy correctly states that:

> It makes good corporate, managerial sense to fully integrate the leadership of the VA, and the economic and social impact of its programs, into the arena where related policies are formulated and related decisions are made.

Mr. President, after the revelations 2 weeks ago about mismanagement in the Department of Defense and defense industry, I find timely Mr. Murphy's comment in response to those who feel that the VA should be put under the control of DOD. He stated:

> At a time when Pentagon pipelines are clogged with cost overruns, waste and mismanagement, they would hand the entire VA system over to the efficiency experts in the Department of Defense.

He wrote this in March of this year.

I am disturbed by the feeling of those that believe all the veterans want is more money for more programs. I am a combat veteran of World War II. Since the founding of our country many were called into the service. Many volunteered. All were prepared to make the ultimate sacrifice for this Nation. This "we want and will get more and more" attitude is not that of the American veteran. There are some of the most distinguished veterans in the country that serve in this very Chamber. This is not their attitude either.

I ask that my colleagues join me in helping this Nation by helping those that have given so much already. Voting for this bill will be that help and assistance that is needed. Thank you Mr. President.

Mr. SYMMS. Mr. President, I oppose the elevation of the Veterans' Administration to a Cabinet-level department, and I, therefore, oppose the pending legislation. With an overwhelming number of cosponsors on the bill and the President's endorsement of the proposal, I have no doubt S. 533 will pass this body handily despite my opposition, but I wanted to take a few moments to explain my vote for the benefit of my colleagues and constituents.

The Veterans' Administration enjoys the strong support of Congress, the administration, and the public at large—support it has known continuously for many years. The VA currently serves 28 million veterans and their 80 million dependents. It is the Government's third largest employer. In 1986, the VA administered $16.7 billion in benefits through 58 regional offices, and it provided medical care for 21.5 million patients that year. The VA's $27 billion in outlays during 1987 places it ahead of 10 Cabinet-level department in terms of total expenditures. Last year, concerned individuals contributed to the VA more than 12.3 volunteer hours and $21 million. Clearly, this Nation has been, and remains, committed to meeting the needs of U.S. veterans and their dependents. I do not believe that elevating the VA to a Cabinet-level position is necessary to maintain or reinforce its status at or near the top of Congress' budgetary priority list.

Some proponents of S. 533 have suggested that establishing the VA as an executive department will give veterans greater access to scarce budgetary resources. As I have indicated already, the veterans of this country do not need, and have never needed, greater access to Federal financial resources. They have access. They have the U.S. Congress. They have now and have always had the President of the United States. And most importantly, they have an unswerving, substantial majority of the American people. A place at the Cabinet table will never provide access to funds like the support of the American people provides.

In its report for the Governmental Affairs Committee, the National Academy of Public Administration [NAPA] indicated that Cabinet-level status does not necessarily mean greater access to funds. Of the two most recent additions to the Cabinet, NAPA found that outlays in the Department of Education increased 27 percent over the past 8 years, while outlays in the Department of Energy declined by 19.4 percent. In addition, outlays in the Department of Labor have declined by 46.1 percent during that 8-year period. Meanwhile, outlays in two non-Cabinet-level agencies, namely the Veterans' Administration and NASA, have increased by a whopping 31 percent and 85.7 percent, respectively. Those agency heads weren't at the Cabinet table, but they had the strong support of the President and Congress. That support, not some bureaucratic charade of a new chair at the Cabinet table, got them additional funding for their programs.

I believe this legislation will not result in more access to power or more benefits to the Nation's veterans. It will result in more bureaucracy. For these reasons, I will vote against final passage of S. 533. I will continue to support legislation which provides substantive, meaningful help and honors the Nation's commitments to our veterans.

Mr. WEICKER. Mr. President, I am proud to vote for the bill before us today, S. 533, legislation to establish the Veterans' Administration as a fourteenth Cabinet-level department.

Mr. President, it was Abraham Lincoln who spoke for the Nation when he said that it was our duty "to care for him who shall have bourne the battle and for his widow and his orphan." Since its creation in 1930, the Veterans' Administration has been charged with overseeing this important commitment, and it has done a good job of it.

However, the job has grown with the years. In 1930, there were fewer than 5 million veterans. Today, there are 27.7 million American veterans and another 51 million survivors and dependents. In 1930, the VA had just over 30,000 full-time employees; today, its personnel number over 244,000, more than any Cabinet department except the Department of Defense. The Veterans' Administration today administers programs providing compensation and pensions to nearly 3 million veterans, life insurance to 7 million veterans and military personnel, and home loan guarantees to almost 13 million veterans and their families. Its health care system is the largest in the free world and its overall budget approaches $30 billion.

These statistics by themselves make a strong case for a higher profile for the Veterans' Administration within the executive branch. More powerful yet is the principle which is at stake. The central role the VA plays in the lives of America's veterans, particularly those with service-connected disabilities, is well known to us all. These men and women who have sacrificed to preserve and protect the freedom and opportunities all of us enjoy in this country have earned the right to be heard at the highest level of the American Government.

This legislation giving Cabinet status to the Veterans' Administration will not only increase the VA's influence and provide better representation to the Nation's veterans and their families. It will also strengthen the agency's management structure and internal controls in such a way as to ensure that the new Department will be even more efficient and effective than its predecessor.

I commend the Committee on Governmental Affairs for seeking out the consultation of the American Legion, Amvets, Disabled American Veterans, Paralyzed Veterans of America, Veterans of Foreign Wars, and Vietnam Veterans of America. The bill before us reflects their input and their concerns as well it should.

Mr. President, I urge my colleagues to join with me in support of this important legislation.

Mr. SASSER. Mr. President, I am pleased to rise today in support of legislation which would elevate the Veterans Administration to Cabinet-level status. I also am pleased to be a cosponsor of this bill. Moreover, as a member of the Senate Governmental Affairs Committee, I voted to favorably report this legislation to the full Senate.

Mr. President, there are several basic reasons why this legislation deserves the full support of my colleagues.

Our Nation's veterans and their families deserve to have a Cabinet-level agency to communicate their interests and concerns to the President in a Cabinet-level setting. As one of the largest and more complex Federal agencies, the Veterans' Administration would provide valuable Cabinet-level insights into health care, aging, and other policies that warrant the comprehensive attention of the Federal Government. Finally, until 1981, the Veterans' Administration was provided de facto Cabinet-level status by Executive order of President Carter. He clearly recognized the value of Cabinet-level status for the Veterans' Administration—something which the current administration now finally supports in S. 533.

Veterans are understandably concerned about the maintenance of benefits promised to them and their families—benefits which they have earned on the front lines of this Nation's defense. Our veterans have always been willing to defend this country with their very lives, if necessary. A grateful nation owes those same veterans the right to have their interests represented at the highest levels of Government. Access to the President on a consistent—rather than ad hoc or discretionary basis—is essential. A Cabinet-level Veterans Affairs Department will insure that veterans' concerns and interests receive the proper Presidential attention that they deserve.

Moreover, now that we rely on an all volunteer force, I believe our national security is enhanced by the creation of a Cabinet-level Veterans Department. Our treatment of veterans' affairs will most certainly have a marked impact on enlistment. I believe that putting the head of the Veterans' Administration in the position to communicate directly with the President greatly improves the chances that veterans' policies will be set at the highest Government level possible. Allowing the head of the Veterans' Administration to present these priorities directly in Cabinet meetings lets our present and future veterans know that their interest will be directly acted on by the Chief Executive and not by lower level office of management and budget personnel.

The Veterans' Administration is one of the largest, most far-reaching agencies of Government. Its $30 billion budget is the fifth largest of all Federal agencies. Roughly 80 million people—veterans, spouses, and other dependents—are eligible for a wide range of benefits and services, including health care and counseling, disability compensation, pension benefits, education and training, home loans, insurance, and national cemeteries. These are all programs to which veterans are entitled due to their service in our Armed Forces.

To administer these services, the Veterans' Administration has a staff of about a quarter of a million employees. The Veterans' Administration operates the largest health care network in the Nation, with about 47,000 nurses and physicians. Indeed, the Veterans' Administration is a good deal larger than several existing Cabinet-level departments.

The approximately 527,000 veterans in my State of Tennessee are very well served by the Veterans' Administration facilities there. The Veterans' Administration hospital in Nashville, the spinal cord medical center in Memphis, and the nearly completed mountain home facility, which will serve 192,000 Tennessee's veterans—now provide Tennessee's veterans with the excellent services to which they are entitled. The sheer size and complexity of the Veterans' Administration is another reason for having a Cabinet-level Veterans' Department.

I can report to my colleagues that Tennessee veterans and their service organizations are strongly in favor of this legislation. They know that a Cabinet-level Veterans Department will ensure that national policies relating to veterans will receive the Presidential attention that such policy decisions deserve.

I might add that until 1981 the Veterans' Administration was provided with Cabinet-level status by Executive order of President Jimmy Carter. Former Veterans' Administration Administrator Max Cleland, noted, and I quote from the Government Affairs Committee report on this point.

> Following an extensive study of the needs of America's veterans, President Carter, by executive order made me a member of Cabinet for the purpose of attending Cabinet meetings * * * The role was my window to the world—not only providing insight into what the President was thinking, and what was happening in the Federal Government, but, importantly, insight into what I and my agency could do to serve America's defenders and their families.
>
> In contrast, when an Administrator does not have access to the President and to functions of Federal Government, he can find himself—and the agency—isolated in the bureaucracy and getting "lost in the shuffle", ultimately causing the mission and the agency to suffer.

Max Cleland, in essence, came right to the point. When the Veterans' Administration does not have Cabinet-level status, its concerns can easily "get lost in the shuffle", that is bad for our Nation's veterans and their dependents. S. 533 will insure that veterans' policy will not "get lost in the shuffle" of an uncaring and distant Federal bureaucracy.

I would note that the Government Affairs Committee has labored long and hard to come up with a bill which does more than just accord Cabinet-level status to the Veterans' Administration. It elevates the Veterans' Administration to Cabinet-level status with an eye to improving its effectiveness, efficiency and management. The bill is designed to strike the proper staffing balance between political appointees and career professionals, yet provide the Secretary the necessary amount of administrative flexibility to run the Department. In addition, the bill would double the staff levels of the inspector general's office. Currently, the Veterans' Administration, in spite of its second largest workforce in Government, has the second smallest inspector staff. All these administrative features ensure the creation of an efficient and responsive Veterans' Department.

S. 533, as the committee reported it, is a good, solid piece of legislation. The distinguished chairman of the committee is to be commended for his work on this very significant piece of legislation.

I urge my colleagues to give their full support to S. 533, the Department of Veterans Affairs Act.

Mr. HECHT. Mr. President, I rise today in support of S. 533, a bill which will make the Veterans' Administration [VA] a Cabinet-level executive department. I am an original cosponsor of this important legislation because I am convinced that elevating the VA to Cabinet rank, will give the agency more visibility and status. This, in turn, will give veterans more clout here in Washington.

Mr. President, the VA has become our single largest independent Government agency, with a budget of over $28 billion and a staff exceeding 240,000 employees. Not many know that the VA operates the largest health-care delivery system of its kind in the world, with 172 hospitals and 117 nursing homes. The VA's Life Insurance Program is the largest in the United States and the VA Home Loan Program influences almost every aspect of the housing industry and the economy of the country. One cannot deny the tremendous impact of the VA not only on this country but on the entire world.

Because the VA is not represented on the Cabinet, veterans have no real say before the President. If farmers have representation in the President's Cabinet, and businessmen do, and almost every other group in the United States, then why shouldn't the veterans? They, above all, should be given representation considering that they have risked their very lives on behalf of this Nation.

Controlling the Federal budget, Mr. President, requires informed discussion by those most directly affected by the distribution of a shrinking supply of dollars. The $28 billion budget of the VA makes it a major factor in any budget debate. I want veterans present during those debates to be able to stand up for the millions of veterans throughout this country who depend on veterans benefits.

Mr. President, this measure has received wide support from nearly every veterans group in the country, including the American Legion, the Veterans of Foreign Wars, the Disabled American Veterans, and the Paralyzed Veterans of America. How can we let the veterans who are members of these groups down? The simple answer, Mr. President, is that we cannot. We must act now and not let this important legislation slip away for another Congress to consider. Proposals to make the VA a Cabinet-level executive department have been introduced in every Congress since 1963.

For the veterans who have given so much to protect this Nation, the time has come, Mr. President, for us to make the VA a Cabinet-level department. I urge my colleagues to join with me in supporting this legislation to elevate the VA to an executive department.

Mr. WALLOP. Mr. President, I rise in support of S. 533, which will establish the Veterans' Administration [VA] as a Cabinet-level department, but must admit that I do so with some reservations. Those reservations come not out of any misgivings I have about the need to continue to provide veterans the recognition and visibility they deserve, but because of my fear that putting their benefits in the limelight at Cabinet-level discussions will subject those benefits to increased partisanship. A larger bureaucracy sometimes tends to slow down the progress of key policy decisions affecting all departments—including veterans.

As a first lieutenant in the U.S. Army Artillery from 1955 to 1957, I have the utmost respect and admiration for the contributions the veterans have made for the defense and national security of our Nation. Indeed veterans have earned that respect and should expect no less. But as the largest independent agency, I'm afraid we are basing the need to elevate the VA to a Cabinet-level department on sheer size alone. My fear is that elevating the VA to the Cabinet level will not significantly improve access to the President, which is already excellent, or affect the adequacy of necessary resources, or improve the organization, management and delivery of high-quality services and benefits to veterans and their families. We must be careful and hope that quite the opposite becomes the case.

Some people argue that it would be beneficial to have a representative at the Cabinet meetings, but agency heads such as Interior Secretary Hodel and Education Secretary Bennett are veterans themselves. Veterans have always been in the Cabinets of all Presidents. The VA Administrator now is viewed as the virtual nonpartisan advocate of veterans' affairs. Both parties support veterans in almost every instance.

Veterans now enjoy a comfortable independence, sheltered from the threat of having their benefits placed on a partisan altar. A Cabinet officer like that of Secretary of Interior or Labor draws partisan fire just as surely as Democrats and Republicans both sit in each House of Congress. The Cabinet officer wears a label, that of the party and policies in every instance of the President. If by association with the other policies of an administration, partisan politics enters into the Secretary of Veterans' Affairs ability to advocate policies for veterans, America and American veterans will be the losers.

We must do all in our power to avoid that, but it will never be as easy again. If we are aware of the problem and remain alert to the cancer of partisan politics in veterans' affairs, we will be able to serve veterans well. If not, this act will not have been a service to America's citizens who have served their country so well.

Mr. President, I believe that veterans very much deserve the opportunity to be heard in Washington. In my mind they are one of the most well respected and well represented groups in the Nation's Capitol and that should continue to be the case.

Mr. SHELBY. Mr. President, I rise in support of S. 533.

In 1930, the Veterans Administration [VA] was created with just over 30,000 full-time employees serving a population of 4.7 million veterans. By 1987, the VA was the largest independent agency in Government, with over 200,000 full-time and 40,000 part-time employees serving almost 30 million veterans and their dependents. The VA work force is the third largest in Government with a Federal budget of almost $20 billion.

Because of the needed benefits that the VA provides, such as home loans, life insurance, and compensation and pension, I readily became a cosponsor of this legislation. I believe the pending matter is the proper vehicle to strengthen already existing programs and to provide the opportunity for substantive management reform.

Surely, we all agree that the mere elevation of an independent agency to cabinet status or the creation of a new cabinet position, in and of itself, is insufficient to provide tangible improvements. However, S. 533 presents an opportunity to strengthen leadership, to strengthen reporting and oversight mechanisms, and to strengthen overall programs for those brave men and women who have served our great Nation.

Mr. President, support for S. 533 from my State has been overwhelming. Veterans perceive the elevation as being a step to better address their unique needs. I agree with their assessment.

Our purpose as a legislative body is to enact policy to enhance the public weal. S. 533 adequately meets this test. I believe the legislation is sound and that the elevation of the VA to cabinet status will result in more efficient management, thereby creating better benefits for the class the VA was designed to serve and benefit.

Mr. President, I urge my distinguished colleagues to support the pending legislation.

Mr. PRYOR. Mr. President, on behalf of the over 266,000 veterans in my home State of Arkansas, I would like to state again my strongest endorsement of the bill now before the Senate to elevate the Veterans' Administration to Cabinet-level status.

The Governmental Affairs Committee worked hard on this legislation in several hearings and hours of drafting and redrafting. As one of the four cosponsors of the bill on the committee, I am particularly proud of the result of the committee, I am particularly proud of the result of our hard work.

I believe that our action today to pass this bill will serve well the interests of those who have proudly served their country in the military.

I have three primary reasons for endorsing this bill: First, it will give the VA, which affects a veterans population of over 27.6 million, better access to the President; second, it will provide veterans issues greater visibility, and third, with this increased visibility, I believe better congressional oversight of VA operations is possible.

On the issue of congressional review, I would also note that this bill creates a number of new posts in the Department of Veterans Affairs that will require a nomination by the President and the review and positive vote of the Senate. Through this Senate review process, the taxpayer can count on better and more frequent scrutiny of the way the VA conducts its business.

Mr. President, there is one issue that was of particular concern to me at the outset of the consideration of this legislation. That issue was cost. I know that the veterans of my State are deeply concerned about the budget deficit and the great sums of money that are expended on Government every day, much of which is squandered and wasted.

I share the concern of my constituents that this bill not be just another budget buster.

Well, Mr. President, I am satisfied that this bill is not going to swell the budget and that with increased oversight over the VA, the operation of the department will become more cost effective and thereby actually save tax dollars.

As is required by law, the independent Congressional Budget Office reviewed this bill to determine its budget impact. Their finding was that the net impact would be "negligible."

Mr. President, I believe that the veterans population deserves our unfailing support. Many of the men and women who served America in the services put their life on the line. All of them took valuable time out of their lives to serve. This legislation recognizes their contribution and our responsibility to have the best agency possible to represent their interests.

Again, I am honored to have played a part in the framing of this legislation and look forward to its passage and implementation.

Mr. HEFLIN. Mr. President, it is high time that the veterans of this Nation received the respect and recognition they deserve. It is for this reason that I rise in strong support of the Department of Veterans' Affairs Act which the Senate has the privilege of considering today.

I believe that this is an appropriate method of recognizing our Nation's veterans and providing them with proper representation within the U.S. Government.

This legislation would establish the Veterans' Administration as an executive department and create a Cabinet-level position with its head to be designated as the Secretary of Veterans' Affairs.

It takes a special kind of person to lay his life on the line for his country. This Nation has more than 28 million of these special Americans today along with their 54 million dependents and survivors. In order to provide services to this group, it takes an agency, the largest within the Federal Government, with an annual operating budget in excess of $27 billion and more than 250,000 employees. The Veterans' Administration does an outstanding job of administering Government services to veterans, their dependents, and survivors. However, by establishing the VA as an executive department, American veterans will be better represented and served by the Federal Government.

Mr. President, raising the VA to Cabinet-level status will give veterans the opportunity to argue for their funding and Federal policy priorities on an equal footing with all other departments. We are dealing with one of the largest groups in the country that has something in common—that is the privilege and honor of serving their country in the military.

The VA administers the world's largest health-care system. One person in three is influenced by the decisions that are made at the VA. As the Department of Veterans' Affairs, veterans will have a constant voice as the decisions of the Nation are being thrashed out in the presence of the President in the Cabinet room. Now, when decisions of national consequence are being made, the President will no longer have to turn to his staff advisers with questions on the effect to our veterans. He will be able to turn to the Secretary of Veterans' Affairs.

President Lincoln once said that we should never forget the veteran, his widow, or his orphan. Upgrading the VA to Cabinet level is not only of great value to America's veterans, but it also stands as a symbol to our Nation and the world that the contributions of American veterans have been indeed significant. I am delighted to support this bill. There are few greater privileges or responsibilities of the Congress of the United States than the care and maintenance of our Nation's freedom and those who make it free.

When freedom has been in need, America's veterans have been there. Now, America's veterans are in need and I am proud that America's Congress is there.

Mr. President, I urge passage of this legislation.

Mr. LEAHY. Mr. President, today the Senate considers two pieces of legislation that are very important to our Nation's veterans. I am proud to be a cosponsor of both.

First, the Senate will consider S. 11, a bill to provide judicial review for veterans who wish to appeal their benefit claims. Under the present system, a veteran who appeals a benefit ruling must do so before the Board of Veterans' Appeal at the Veterans' Administration [VA]. The veteran usually prepares his case with a representative from a service organization because he is restricted by a law that dates back to 1864 to spend no more than $10 on attorney fees. While I feel that these representatives provide an important service to our veterans, claimants should be entitled to the right of an attorney when challenging a benefit ruling.

In addition, present law mandates that the ruling of the Board of Veterans' Appeal is final. I am concerned about the possibility of error in the rulings made by the Board. The volume of cases heard is high and the number is expected to increase. In testimony given earlier this year, the VA admitted that the Board works under production quotas where bonuses are given to agency lawyers who process the most appeals. Under these pressures the possibility for error only increases.

S. 11 is similar to judicial review legislation that has passed the Senate in each of the past four Congresses. It makes improvements to the internal adjudication procedures of the VA. It provides for the review of benefit cases before a Federal court of appeals where there is evidence that a veteran has not received a fair hearing. And, the measure will increase the amount a veteran may spend on attorney fees to $500.

Mr. President, I have consistently supported the efforts in past Congresses to pass this legislation. I am pleased that the Senate is now considering it for the fifth time in as many Congresses. Our resolve on this issue should never be questioned. The time for enacting this legislation into law is long overdue and I support final passage.

The second veterans bill the Senate considers today is S. 533. This legislation establishes the VA as the Department of Veterans' Affairs. I have been contacted by many Vermont veterans and service organizations expressing their support for this measure. I cosponsored this bill because I know how much a Cabinet-level department means to the men and women who have served our country so well.

The sheer size of the VA suggests that it warrants becoming a Federal department. It is second only to the Department of Defense in the number of Federal personnel it employs and its budget ranks fifth among Federal agencies.

The bipartisan support for S. 533 is impressive. Its passage was virtually guaranteed before it was reported to the full Senate. Because it is a very difficult bill to oppose, several Senators have expressed an interest in offering amendments to the measure that do not relate to the Cabinet post. In particular, several proponents of judicial review will offer an amendment almost identical to S. 11 on S. 533. I understand their motivations but I'm afraid I must disagree with their strategy.

Mr. President, just a few moments ago, the Senate passed legislation to provide for judicial review. I know that supporters of judicial review are frustrated that the Senate has passed this legislation four times in as many Congresses only to see the issue die in the House. However, President Reagan has put Congress on notice that if S. 533 includes judicial review, he will veto the bill. The amendment, if accepted, could turn out to be a killer amendment. The bill to make the VA a Cabinet post may pass but with the judicial review amendment attached it will never become law.

I sympathize with those who offer this amendment, but it clearly jeopardizes the chances for veterans to have their own department and Cabinet-level representation.

Therefore, while I voted for S. 11, the judicial review bill, and strongly support providing for judicial review for veterans, I will vote against the judicial review amendment to S. 533.

Mr. GRAHAM. Mr. President, I am proud to be a cosponsor of the legislation pending before the Senate today, S.533. This important measure will confer Cabinet-level status on the Veterans' Administration.

I support this bill because it will mean the Veterans' Administration and America's veterans will be represented on the President's Cabinet by a Secretary of Veterans' Affairs. Moreover, veterans, especially Florida's veterans, stand to benefit from better representation and improved management of the VA's scarce resources. Florida has the fifth largest population of veterans in the United States and the fastest growing veteran population. The more efficient and organized the Veterans' Administration becomes, the more thorough and timely the VA's decisionmaking and resource allocation will become. Florida's veterans' special needs can best be addressed by a strong Department of Veterans' Affairs, streamlined and well-managed, working in tandem with Congress.

Our veterans have made significant contributions to our country and S. 533 recognizes this by allowing veterans' concerns to receive the priority consideration the President should give to them. I thank the two managers of the bill, Senators ROTH and GLENN, as well as Senator THURMOND, the bill's sponsor. Their work on this legislation has always been with the veterans' best interest in mind. I hope that the Senate, too, will act with the veterans' best interest in mind and pass this important bill.

Mr. PRESSLER. Mr. President, I rise in strong support of S. 533 and wish to commend the distinguished chairman, Senator GLENN, and the distinguished ranking minority member, Senator ROTH, of the Committee on Governmental Affairs, for the leadership they have provided in moving this legislation to the floor of the Senate. This is a memorable day for veterans.

I also would like to commend the distinguished senior Senator from South Carolina, Senator THURMOND, and the distinguished ranking minority member of the Veterans' Affairs Committee, Senator MURKOWSKI, for having introduced S. 533. As a fellow veteran, I am proud to be an original cosponsor of this fine legislation.

During the past two decades, many bills have been introduced to make the Veterans' Administration a Cabinet level department. This is the first time, however, that proposed legislation has moved forward with such great support. As the legislation was being readied for introduction, President Reagan publicly declared his support for the creation of a Cabinet-level Department of Veterans' Affairs. With such backing, it was not long before a companion bill, H.R. 3471, was brought to the floor of the other body and passed on a vote of 399 to 17. I feel confident that our action today will clear the way for final enactment of legislation that is long overdue.

There are, Mr. President, a number of important reasons for elevating the Veterans' Administration to Cabinet-level status. It employs approximately 240,000 people, second only to the Department of Defense in work force size. Its budget authority of more than $27 billion for fiscal year 1988 ranks among the largest of the Federal departments and agencies. It administers programs for veterans in areas of disability compensation and pensions, life insurance, home loan guarantees, education and training, and cemetery and memorial benefits.

In addition, the VA operates the largest health care system in the free world. It administers 172 medical centers, 117 nursing home care units, and 16 domiciliaries, for a total of about 90,000 beds. In 1987, VA outpatient clinics handled a total of 20 million visits.

When the VA was established in 1930, there were 4.5 million veterans in the United States. Today, there are more than 27 million veterans and about 51 million dependents and survivors of veterans.

While size and breadth of activities are important criteria in considering Cabinet status, the paramount reason for elevating the VA to Cabinet level is to better assure that we maintain and improve the services and assistance that are due this Nation's veterans, their dependents and survivors. Our veterans long ago earned the right to have their concerns considered at the highest level of government. As a veteran who served in the U.S. Army in Vietnam, I am keenly aware of the commitment that this country has made to those who have defended the United States. They have earned and they deserve the right to be represented in the President's Cabinet. I strongly support this bill and urge its enactment.

Mr. BYRD addressed the Chair.

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there be a period for morning business not to extend beyond 15 minutes and that Senators may speak therein for not to exceed 5 minutes each.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT RECEIVED DURING RECESS

Under the authority of the order of Senate of February 3, 1987, the Secretary of the Senate, on July 8, 1988, during the recess of the Senate, received a message from the President of the United States transmitting sundry nominations and a withdrawal; which were referred to the appropriate committees.

(The nominations and withdrawal received on July 8, 1988, are printed in today's RECORD at the end of the Senate proceedings.)

REPORT ON NATIONAL EMERGENCY WITH RESPECT TO LIBYA—MESSAGE FROM THE PRESIDENT RECEIVED DURING RECESS—PM 146

Under the authority of the Senate of February 3, 1987, the Secretary of the Senate, on July 8, 1988, during the recess of the Senate, received the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

1. I hereby report to the Congress on developments since my last report of January 12, 1988, concerning the national emergency with respect to Libya that was declared in Executive Order No. 12543 of January 7, 1986. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c); section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c); and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c).

2. Since my last report on January 12, 1988, the Libyan Sanctions Regulations, 31 C.F.R. Part 550 (the "Regulations"), administered by the Office of Foreign Assets Control of the Department of the Treasury have been amended twice (attached). The first set of amendments to the Regulations, published in the *Federal Register* at 53 FR 5571 (February 25, 1988), affect sections 550.304 and 550.406. Section 550.304 was modified to correct an inadvertent deletion from the definition section. It now states that the Secretary of the Treasury may designate any person or organization to be included in the definition of "Government of Libya," and that a juridical person will not be included within the definition solely because it is located or organized or has its principal place of business in Libya. Section 550.406 was modified to conform to the interpretation of the Office of Foreign Assets Control that the prohibition on dealing in property in which the Government of Libya has an interest applies to any transaction by U.S. persons worldwide. These transactions include purchasing, selling, or acting as a broker for the sale of Libyan crude oil.

The second set of amendments, published in the *Federal Register* at 53 FR 7355 (March 8, 1988) add prepenalty and penalty procedures to the Regulations at sections 550.703-550.706. These new sections describe procedures that, consistent with section 206(a) of the International Emergency Economic Powers Act, 50 U.S.C. 1705(a), provide for the imposition of civil monetary penalties for violations of the Regulations as a means of insuring compliance.

There have been no amendments or changes since January 12, 1988, to orders of the Department of Commerce or the Department of Transportation implementing aspects of Executive Order No. 12543 that relate to exports of U.S.-origin commodities and technical data, and air transportation, respectively.

3. Licensing actions occurring during the past 6 months included reinstituting reporting requirements for U.S. oil companies holding suspense agreements with Libya. In addition, two immediate family members of Libyan nationals registered their eligibility to enter into transactions related to residence within Libya. Two licenses were extended that authorize U.S. persons to obtain services in connection with Libyan patent, trademark, copyright, and other intellectual property protection.

4. Various enforcement actions mentioned in previous reports continue to be pursued. In January 1988, two individuals were convicted and fined for exporting petrochemical goods and equipment to Libya. Other suspected violations of the Regulations are presently the subject of ongoing investigations.

5. Litigation is pending in an English court, involving claims by Libya seeking the release of funds blocked in the London branches of Bankers Trust Company and Manufacturers Hanover Trust Company. The United States Government is not a party to the three cases, but is closely monitoring the proceedings. Hearings on a Libyan request for summary judgment in the first of these cases are scheduled to take place on July 12, 1988.

6. On April 12, 1988, the United States Court of Appeals for the District of Columbia Circuit entered a *per curiam* order affirming the opinion of the District Court finding in favor of the United States in the case of *Louis Farrakhan, et al.* v. *Reagan, et al.* In that action, plaintiffs unsuccessfully challenged aspects of the Libyan Sanctions Regulations on grounds that they impermissibly infringed First Amendment rights of the plaintiffs.

7. The expenses incurred by the Federal Government in the 6-month period from January 12, 1988, through the present time that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Libyan national emergency are estimated at $681,419. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Customs Service, the Office of the Assistant Secretary for Enforcement, the Office of the Assistant Secretary for International Affairs, and the Office of the General Counsel), the Department of State, the Department of Commerce, the Department of Justice, the Federal Reserve Board, and the National Security Council.

8. The policies and actions of the Government of Libya continue to pose an unusual and extraordinary threat

to the national security and foreign policy of the United States. I shall continue to exercise the powers at my disposal to apply economic sanctions against Libya as long as these measures are appropriate and will continue to report periodically to the Congress on significant developments, pursuant to 50 U.S.C. 1703(c).

Ronald Reagan.

The White House, *July 8, 1988.*

REPORT OF THE NATIONAL ADVISORY COUNCIL ON ADULT EDUCATION—MESSAGE FROM THE PRESIDENT RECEIVED DURING RECESS—PM 147

Under the authority of the order of the Senate of February 3, 1987, the Secretary of the Senate, on July 8, 1988, during the recess of the Senate, received the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

In accordance with the provisions of Public Law 91-230, as amended (20 U.S.C. 1209(d)), I herewith transmit the 1987 annual report of the National Advisory Council on Adult Education.

While my Administration and Members of the Congress may not agree with every recommendation of the Council, the report provides a constructive review of activities and issues related to adult education.

Ronald Reagan.

The White House, *July 8, 1988.*

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting a nomination, which was referred to the Committee on Finance.

(The nomination received today is printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 12:44 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 2203. An act to extend the expiration date of title II of the Energy Policy and Conservation Act; and

S. 2248. An act to designate the U.S. Courthouse located at 156 Federal Street in Portland, ME, as the "Edward Thaxter Gignoux United States Courthouse."

The enrolled bills were subsequently signed by the Acting President pro tempore [Mr. Daschle].

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, July 11, 1988, he had presented to the President of the United States the following enrolled bills:

S. 2203. An act to extend the expiration date of title II of the Energy Policy and Conservation Act; and

S. 2248. An act to designate the U.S. Courthouse located at 156 Federal Street in Portland, ME, as the "Edward Thaxter Gignoux United States Courthouse."

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BOSCHWITZ:

S. 2625. A bill to temporarily reduce the duties imposed on certain impact line printers; to the Committee on Finance.

By Mr. MOYNIHAN:

S. 2626. A bill to amend section 530 of the Revenue Act of 1978 to clarify the Federal income and employment tax treatment of providers of technical services through third-party arrangements, and for other purposes; to the Committee on Finance.

By Mr. McCONNELL:

S. 2627. A bill to reduce campaign expenditures in elections by providing a stable, significant discount to candidates for broadcast advertising time prior to an election; to the Committee on Commerce, Science, and Transportation.

By Mr. LAUTENBERG (for himself, Mr. Moynihan, Mr. Bradley, and Mr. D'Amato):

S. 2628. A bill to amend the Solid Waste Disposal Act to establish a pilot program for the tracking of medical wastes in the States of New York and New Jersey; to the Committee on Environment and Public Works.

By Mr. LAUTENBERG (for himself, Mr. Moynihan, and Mr. D'Amato):

S. 2629. A bill to amend title 23, United States Code, with relation to the reduction in apportionment of Federal-aid highway funds to certain States, and for other purposes; to the Committee on Environment and Public Works.

By Mr. PRESSLER:

S.J. Res. 349. Joint resolution to congratulate the Government of Malta for the establishment of the United Nations International Institute on Aging; to the Committee on Foreign Relations.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. SIMON (for himself, Mr. Cranston, Mr. Durenberger, Mr. Adams, and Mr. Dodd):

S. Con. Res. 132. Concurrent resolution regarding the protection and promotion of human rights in the Republic of Singapore; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MOYNIHAN:

S. 2626. A bill to amend section 530 of the Revenue Act of 1978 to clarify the Federal income and employment tax treatment of providers of technical services through third-party arrangements, and for other purposes; to the Committee on Finance.

TAX TREATMENT OF TECHNICAL SERVICES PERSONNEL

● Mr. MOYNIHAN. Mr. President, I rise today to introduce legislation designed to clarify the classification of technical services workers as employees or independent contractors for tax purposes. The bill would replace section 1706 of the Tax Reform Act of 1986 with a new statutory "safe harbor" test for determining the employment status of individuals providing technical services as engineers, designers, drafters, computer programmers, systems analysts, or similarly skilled workers.

Section 1706 of the 1986 act repealed an earlier statutory safe harbor—Section 530 of the Revenue Act of 1978—applicable in determining the employment status of technical services workers. The section 530 safe harbor was repealed for technical services provided pursuant to certain three-party arrangements between a worker providing technical services and a broker who arranges for the worker to provide such services to another party, the service recipient. In the absence of section 530 coverage, the employment status of these technical services personnel was to be determined under generally applicable common law, except that section 530 continued to govern the status of the worker with respect to the service recipient.

Section 1706 was developed by the staff of the Joint Committee on Taxation, in response to concerns about inconsistent application of section 530 in the technical services industry. The scope and impact of section 1706, however, has proven to be substantially more significant than estimated by the joint committee staff at the time the provision was considered and enacted by Congress. For example, at the time of enactment in 1986, the joint committee staff estimated the revenue impact of section 1706 to be $60 million over the 5-year period 1987-91, or roughly $12 million in increased revenue per year. The joint committee staff now estimates that the provision's revenue impact is $100 million per year.

In addition, many affected taxpayers have found the common law rules for determining employment status difficult to interpret in many of the typical three-party arrangements affected by section 1706. The common law test of employment status turns on some 20 "factors" that the IRS has identified as relevant. This leads to uncertainty in application, particularly where three parties are involved. Further interpretative difficulties arise from the fact that section 1706 applies the common law test to one segment of the arrangement, the relationship between the technical services worker and the broker, while applying a different test, the section 510 safe harbor, to the other segment of the arrangement—the relationship between the technical services worker and the service recipient.

The bill I introduce today would replace section 1706 with a new safe harbor test that can be used across the board to determine the employment tax status of all parties in a three-party technical services arrangement. The rules for two-party arrangements, which were unaffected by section 1706, are also unchanged by the bill.

The proposed safe harbor test uses consistent, objective factors for determining employment status in these arrangements. The new safe harbor should provide a clear resolution of employment status in a very large number of cases, in a manner consistent with certain basic principles that ought to distinguish independent contractors from employees. This approach will reduce both the uncertainty that has been experienced under section 1706 as well as the inconsistencies under the prior law that prompted Congress to enact section 1706.

Under the bill, if the conditions of the safe harbor are met, the service provider will not be treated for tax purposes as an employee of the broker or the service recipient, nor will the broker or service recipient be treated as an employer of the service provider. If the conditions are not met, the service provider is not automatically classified as an employee. Instead, the determination of the service provider's status with respect to the broker as an employee or independent contractor is made under the common law rules. This approach recognizes that there will be some cases where a service provider who does not meet the terms of the safe harbor may still have a valid basis for claiming to be an independent contractor, and the more expansive list of factors comprising the common law test provides the more appropriate and accurate means for making the determination. With respect to the service recipient, in cases where the new safe harbor conditions are not met, the section 530 safe harbor continues to apply consistent with the treatment provided by section 1706.

The new safe harbor test seeks to identify certain key elements in distinguishing independent contractors from employees providing technical services, and makes these elements the conditions for claiming safe harbor treatment. First, since independent contractors often have multiple clients simultaneously or over time, in order to be eligible for the safe harbor, the individual providing technical services must have a written contract which reserves for him or her the right to provide services through more than one broker and to more than one service recipient.

Second, since independent contractors typically have genuine risk of gain or loss from their contractual arrangements, unlike employees working for salary or wages, a condition of eligibility for the safe harbor is that the broker not indemnify the service provider for risk of loss due to any action or inaction by the service provider or the financial condition of the service recipient.

Finally, since employees are generally hired on an indefinite basis, while independent contractors are retained on a finite basis for specific undertakings, duration of service is an important element of safe harbor eligibility. The safe harbor is available so long as the period in which the service provider renders substantial, continuous services to the same service recipient does not exceed 18 months. When the services extend beyond that period, it is appropriate to remove the safe harbor protection and look to other additional factors in determining whether the individual should be classified as an independent contractor or employee.

The changes made by the bill will no doubt lose revenue. To offset that revenue loss and make the legislation revenue neutral as a whole, the bill provides that if the parties desire to claim the new safe harbor, the broker must make a formal election to do so, and must withhold taxes at the rate of 10 percent on amounts paid for technical services as if the broker were the employer of the service provider and the payments made were wages. A precise revenue estimate for the bill is not yet available, and a different withholding rate may be required to offset the revenue losses produced by other provisions in the bill.

As presently drafted, the bill would apply to services provided after the date of enactment. No provision is made for transition relief, although I would expect that this issue would be addressed by the Senate Finance Committee when the bill comes before it.

Mr. President, I ask unanimous consent that the text of the bill, together with a more detailed explanation of the provision, appear in the RECORD immediately following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2626

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TAX TREATMENT OF TECHNICAL SERVICE PROVIDERS UNDER THIRD PARTY ARRANGEMENTS.

(a) GENERAL RULE.—Subsection (d) of section 530 of the Revenue Act of 1978 is amended to read as follows:

"(d) SPECIAL RULES FOR TECHNICAL SERVICES PROVIDED UNDER THIRD PARTY ARRANGEMENTS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), in the case of an individual who, pursuant to an arrangement between a broker and a service recipient, is providing applicable technical services for a service recipient—

"(A) subsection (a) shall not apply to the determination of the status of the service provider with respect to the broker as an employee or an independent contractor (or other individual who is not an employee), and

"(B) such determination shall be made under the usual common law rules applicable in determining the employer-employee relationship.

"(2) EXCEPTION FOR SERVICES PROVIDED UNDER QUALIFIED CONTRACT.—

"(A) IN GENERAL.—In the case of an arrangement described in paragraph (1), if the applicable technical services are provided pursuant to a qualified contract between the service provider and the broker, then, for purposes of this title and subject to the provisions of paragraph (3)—

"(i) the service provider shall not be treated as an employee of the broker or the service recipient, and

"(ii) neither the broker nor the service recipient shall be treated as an employer of the service provider.

"(B) QUALIFIED CONTRACT.—For purposes of subparagraph (A), the term 'qualified contract' means a written contract with respect to which the broker elects (in such manner and at such time as the Secretary may prescribe) to have this paragraph and paragraph (3) apply and which provides—

"(i) that the service provider is not an employee of the broker,

"(ii) that the service provider retains the right (whether or not exercised) to perform applicable technical services for more than 1 broker and for more than 1 service recipient, and

"(iii) that the broker does not indemnify the service provider for risk of loss due to any action or inaction by the service provider or the financial condition of the service recipient.

"(C) CONTINUOUS SERVICE WITH SERVICE RECIPIENT MAY NOT EXCEED 18 MONTHS.—Subparagraph (A) shall not apply to applicable technical services performed during a calendar quarter under a qualified contract if—

"(i) the service provider provides more than 2,250 hours of services during the testing period to 1 service recipient or any related party to the recipient (whether or not under any arrangement to which this subsection applies), and

"(ii) the service provider provides at least 240 hours of service during each 3-consecutive month period during the testing period (beginning with the 1st month in the testing period) for such service recipient (or any related party).

"(D) BROKER MAY NOT COMPENSATE PROVIDER WHEN NOT PERFORMING SERVICES.—Subparagraph (A) shall not apply to applicable technical services performed during a calendar quarter if at any time during the testing period the broker compensates the service provider for any period during which the provider is not providing services (including vacation and sick pay).

"(E) For purposes of this paragraph, the term 'testing period' means, with respect to any calendar quarter, the 18-month period ending with the 2nd month in the calendar quarter preceding such calendar quarter.

"(3) 10-PERCENT GROSS WITHHOLDING OF INCOME TAXES REQUIRED.—If a broker elects under paragraph (2) to have this paragraph apply to any contract, then, for purposes of applying chapter 24 (relating to withholding from wages) to services performed under such contract—

"(A) such broker shall be treated as if the broker were the employer of the service provider,

"(B) amounts paid by such broker to the service provider for applicable technical services shall be treated as if such payments were wages, and

"(C) the amount of the tax required to be deducted and withheld shall be 10 percent of the amount so paid.

"(4) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this subsection—

"(A) APPLICABLE TECHNICAL SERVICES.—The term 'applicable technical services' means services as an engineer, designer, drafter, computer programmer, systems analyst, or other similarly skilled worker engaged in a similar line of work.

"(B) BROKER.—The term 'broker' means a person who enters into an arrangement with another person to furnish such other person an individual (other than such person) who provides applicable technical services.

"(C) SERVICE PROVIDER.—The term 'service provider' means the individual providing applicable technical services.

"(D) SERVICE RECIPIENT.—The term 'service representative' means a person who enters into an arrangement with a broker, to receive the services of a service provider.

"(E) RELATED PARTY.—The term 'related party' means all persons treated as a single employer under subsection (b), (c), (m), or (o) of section 414."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to services provided after the date of the enactment of this Act.

CLARIFICATION OF TAX TREATMENT OF TECHNICAL SERVICES PROVIDERS—EXPLANATION OF PROVISION

The bill repeals Section 1706 of the Tax Reform Act of 1986 and replaces it with a statutory test for the determination of the employment status of individuals providing technical services pursuant to three-party arrangements. The "technical services" affected by the bill are services as an engineer, designer, drafter, computer programmer, systems analyst, or other similarly skilled worker engaged in a similar line of work.

In structure, the bill repeals Section 1706, and adds a new provision (Subsection (d)) to Section 530 of the Revenue Act of 1978. The modifications made to Section 530 by the bill affect only those technical services provided pursuant to a three-party arrangement between a service provider, a broker, and a service recipient (as these terms are defined in the bill). As was the case under Section 1706, two party arrangements are unaffected.

The modifications made to Section 530 apply to individuals providing applicable technical services. The tax treatment of personal service corporations is unaffected by the bill.

The new Subsection (d) added by the bill provides a statutory "safe harbor" for the determination of the employment status of individuals providing technical services pursuant to three-party arrangements. If the conditions of the safe harbor are met, the Service provider will not be treated as an employee of the broker or the service recipient, nor will the broker or service recipient be treated as an employer of the service provider. If the conditions are not met, the determination of the status of the service provider with respect to the broker as an employee or independent contractor is made under common law rules, while the determination with respect to the service recipient is made under Section 530 of the Revenue Act of 1978 (as is the case under Section 1706).

The conditions of the statutory safe harbor are as follows.

1. *The services in question must be provided pursuant to a written contract between the service provider and the broker which is a "qualified" contract.* A "qualified" contract must provide:

That the service provider is not an employer of the broker;

That the service provider retains the right (whether or not exercised) to perform technical services for more than one broker and for more than one service provider; and

That the broker does not indemnify the service provider for risk of loss due to any action or inaction by the service provider or the financial condition of the service recipient.

The prohibition on indemnification does not prevent a broker from making payments to a service provider before the broker has been paid by the service recipient, so long as the broker retains the right to recover those payments if the broker is not paid by the service recipient because of action or inaction by the service provider or because of the financial condition of the service recipient.

2. *The service provider may provide no more than 18 months of continuous substantial services for the same service recipient.* Specifically, if the service provider provides more than 2,250 hours of services over a continuous 18-month "testing period," the safe harbor ceases to apply in the next calendar quarter after the quarter in which this maximum is reached.

"Continuous" for this purpose is defined as at least 240 hours of services during each 3-consecutive month period in the 18-month testing period.

If at any time during the testing period, the broker compensates the service provider for any period during which the provider is not providing services (including vacation and sick pay), the parties are disqualified from claiming the safe harbor.

For administrative convenience, the bill provides that the 18-month testing period ends with the second month in each calendar quarter. Thus, if the 2,250 hour maximum and 240 hours/3-consecutive month minimum have been met for the 18 months ending with the second month of a calendar quarter, the safe harbor ceases to apply at the beginning of the next calendar quarter. This is intended to give the parties one month, during which the safe harbor continues to apply, in which to make whatever adjustments may be necessary when safe harbor coverage ceases.

In order for the safe harbor to apply, the broker must elect to use the safe harbor with respect to a qualified contract and to withhold taxes at the rate of 10 percent on payments made by the broker to the service provider for technical services provided under the contract. For purposes of such withholding, the broker is treated "as if" the broker were the employer of the service provider, and the payments to the service provider are treated "as if" they were wages.●

By Mr. McCONNELL:

S. 2627. A bill to reduce expenditures in elections by providing a stable, significant discount to candidates for broadcast advertising time prior to an election; referred to the Committee on Commerce, Science, and Transportation.

CAMPAIGN BROADCAST DISCOUNT ACT

● Mr. McCONNELL. Mr. President, considerable attention has been focused on the cost of running for public office in this country. Increasingly, there are murmurs of discontent with a Congress seemingly obsessed with building campaign treasuries, and the murmurs are growing louder.

As those of us in this Congress are all too aware, campaigns are becoming more expensive—there are no indications they will get any cheaper—and it is logical to assume that the pressure to raise funds will increase as well. The campaign fundraising cycle never ends, and it is taking its toll. It inhibits our duty as Senators to govern. Partially because of excessively low individual contribution limits we spend more time to raise less money. And because of the rising cost of broadcast advertising time, we are spending more money and getting less from it. It does not make any sense.

In 1986, $161.6 million was spent on broadcast political advertising. During the last 10 years, spending on broadcast political advertising has risen 300 percent. This increase has outpaced all other forms of campaign spending. As candidates work harder to raise money which goes to enrich broadcasters, the quality of government suffers.

A very small segment of society is making a great deal of money off broadcast licenses granted by the Federal Government. With the reward of a broadcast license goes a responsibility to serve the public interest. Clearly, the public interest is not being served by the election process which has evolved since campaigns have become dependent on the broadcast media to relay their message to the public.

Mr. President, to help alleviate the problems caused by the exorbitant costs of purchasing broadcast advertising time prior to elections, I am introducing the Campaign Broadcast Discount Act of 1988. This legislation, if enacted, would reduce campaign expenditures in elections by providing a stable, significant discount to candidates for broadcast advertising time prior to election.

The Campaign Broadcast Discount Act of 1988 does not seek to cause broadcasters excessive harm. However, this is an instance in which the interests of all Americans must be weighed against the interest of the few granted access to a public resource, the broadcast spectrum. Broadcast political advertising constitutes approximately three-quarters of 1 percent of total broadcaster revenue. Surely, the political process of this country is worth that much.

Mr. President, campaign finance reform is necessary to ensure the integrity of this Nation's Government. The legislation I introduce today is but a small part of that overall effort. Nonetheless, it is a vital part and I urge my colleagues to cosponsor this bill.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2627

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Campaign Broadcast Discount Act of 1988".

Sec. 2. Section 315(b) of the Communication Act of 1934 (47 U.S.C. 315(b)) is amended to read as follows:

"(b) The charges made for the use of a broadcasting station by any person who is a legally qualified candidate for any public office in connection with his campaign for nomination for election or election to such office, shall not exceed—

"(1) for preemptible time, during the 45 days preceding the date of a primary or primary runoff election, and during the 60 days preceding the date of a general or special election in which such person is a candidate, the lowest unit charge of the station for any preemptible time of the same amount of time which runs in the same time period;

"(2) for nonpreemptible or fixed time, during the 45 days preceding the date of a primary or primary runoff election, and during the 60 days preceding the date of a general or special election in which such person is a candidate, 150 percent of the lowest unit charge of the station for any preemptible time of the same amount of time which runs in the same time period; and

"(3) for preemptible and nonpreemptible time, at any other time, the charges made for comparable use of such station by other users thereof.".

Sec. 3. This Act and the amendments made by this Act shall become effective on the date of enactment.●

By Mr. LAUTENBERG (for himself, Mr. MOYNIHAN, Mr. BRADLEY, and Mr. D'AMATO):

S. 2628. A bill to amend the Solid Waste Disposal Act to establish a pilot program for the tracking of medical wastes in the States of New York and New Jersey; referred to the Committee on Environment and Public Works.

NEW JERSEY-NEW YORK MEDICAL WASTE TRACKING ACT

● Mr. LAUTENBERG. Mr. President, today Senators MOYNIHAN, BRADLEY, D'AMATO, and I are introducing the New Jersey-New York Medical Waste Tracking Act of 1988. This legislation will force EPA to respond to the medical wastes washing up on the coasts of New Jersey and New York.

Last summer, the New Jersey shoreline was invaded by a sea of garbage, an invasion which included hypodermic needles, syringes, blood bags, gauze dressings, vials of blood, and other medical wastes. From August 13 through August 16, beaches along a 50-mile area were closed because of the garbage washup which included these medical wastes. These closings ruined summer vacations, severely damaged the tourist industry and cost thousands of dollars to clean up. More importantly, the washup undermined the confidence of those who go to the shore about the safety of the water and beaches.

The medical wastes appear to be the work of illegal dumpers. These dumpers threaten the well being of their fellow citizens to save a few dollars in disposal costs. It is clear from last year's events that our laws are inadequate to prevent this illegal disposal.

In response, Senator BRADLEY, together with myself, Senators MOYNIHAN, and D'AMATO and 23 other Senators wrote to EPA, on October 20, 1987, urging the Agency to take immediate action to implement a system to ensure that medical wastes are tracked so that we can be confident that this waste is properly disposed. EPA has had authority under the Resource Conservation and Recovery Act since 1976 to regulate the transportation and disposal of infectious waste, including the tracking of infectious wastes from cradle to grave. EPA has chosen to issue guidelines on proper infectious waste management rather than establish a tracking system and regulate the proper disposal of these wastes.

But while EPA contemplates action, medical wastes continue to defile our shoreline. In late May, it was an empty red bag used for the disposal of infectious medical waste washing ashore. In early June, 5 vials containing blood arrived on the beaches at Island Beach State Park and Ortley Beach. Two of the vials tested positive for the AIDS virus. While the viruses were dead and did not pose a health threat, they are enough to make everyone of us sick of pollution. Another vial tested positive for the infectious hepatitis B virus. Later in June, 50 hypodermic needles were found in Ocean State Park. Beginning over the July 4 weekend in Bayonne, close to 150 vials of blood and hypodermic needles and surgical gloves washed ashore. One woman on a beach in Beach Haven was stuck by a needle as she lay down on the sand. People thinking about a day at the beach shouldn't have to worry about being pricked by a needle which could cause disease.

But the illegal disposal of garbage and medical waste affects not only New Jersey. This past week, 25 miles of Long Island beaches were closed after being attacked by a wave of sewage. Beachgoers found syringes, blood vials, and medical wrappings. And in beach cleanups conducted last fall, syringes were found in Maine, North Carolina, Mississippi, and Texas.

Improper disposal of medical wastes can have significant adverse effects. We know from the last two summers that improper disposal can result in beaches being closed, vacations being ruined and our important tourist economy being adversely affected. Finding medical waste on the shore is repulsive to bathers and those who love our oceans and coastlines.

And it is potentially dangerous. While there is virtually no chance of being infected by the AIDS virus because of the virus' poor ability to exist outside the human body, there is a danger of infection from these wastes including infection by hepatitis B. The Centers for Disease Control has said that contaminated needles or sharps, human blood and blood products, pathological parts and laboratory wastes possess real potential to transmit disease. Spending a day at the beach shouldn't have to be followed by a day at the doctor. A week's relaxation at the beach shouldn't have to be followed by a week of anxiety waiting for test results.

Tragically but predictably, EPA has procrastinated. It took EPA until June 2, 1988, over 7 months after we first urged EPA to act expeditiously, just to put a notice in the Federal Register seeking comment on whether Federal action is even necessary. While EPA flounders, syringes, vials of blood, some contaminated with hepatitis and the AIDS virus, and other medical wastes continue to washup on our shores.

Some States have moved in to fill this void. Currently, 39 States have some form of infectious waste regulation. A few States require the tracking of infectious wastes and my own State of New Jersey is in the process of adopting such a system. But waste travels across State boundaries so State programs by themselves are inadequate. Without a system to track wastes on a regional basis, we make it easy for the illegal dumper to improperly dispose of his wastes.

The New Jersey-New York Medical Waste Tracking Act addresses this need for such a system by establishing a regional demonstration program tracking system. The bill requires EPA to promulgate regulations to establish a demonstration program for the tracking of medical waste generated in New Jersey and New York within 9 months. EPA is given authority to inspect those facilities handling medical wastes and violations of the regulations will result in severe penalties being imposed. States would be allowed to impose more stringent requirements. EPA would have to report to the Congress within 3 years on the demonstration program.

Our oceans and beaches are precious resources. They provide aesthetic, recreational, and economic opportunities for our citizens and habitat for wildlife resources. But if we fail to protect these resources, we risk losing the important opportunities they provide, both for this and future generations. I urge my colleagues to support enactment of this bill.●

● Mr. MOYNIHAN. Mr. President, I am proud to be a cosponsor of this important legislation with my distinguished colleagues from New York, and New Jersey. We have come together to introduce the New Jersey-New York Medical Waste Tracking Act of 1988" in an effort to stop the desecration of our beaches by the wash-up of medical wastes. On any typical weekend day over 200,000 people enjoy the calming and cooling air and waters of Jones Beach, one of our State's finest. In the recent days New York beaches have been closed to bathers because of the possible health threat posed by an assortment of needles, syringes, vials, and other miscellaneous materials of suspicious origin.

The New Jersey-New York Medical Waste Tracking Act directs the Environmental Protection Agency to establish a manifest system for tracking medical wastes from its point of generation to the point of disposal in the States of New York and New Jersey. As things currently stand, we do not know where these wastes are coming from, except to say that they form a strand of debris in the water offshore and are blown or washed ashore with the incoming tides. There is no way of knowing how they got into the water, or if they were illegally or accidentally dumped. Through the use of a manifest system, it will be possible to trace the responsible parties involved in the chain of possession between generation, treatment, transport, and disposal of these materials. Present law already provides stiff penalties for dumping any infectious waste into the ocean. Our problem has been that we can never identify where the syringes we do find have come from. By creating a paper trail that will track each load of waste as it makes it way from hospital or clinic to dumpsite we can pinpoint any materials that have gotten lost along the way.

Manifest records will indicate who was last in possession of the waste, in the event it shows up on our beaches or other illegal dump site. The manifest system also will identify the party responsible for the waste, and will allow the State and local governments and private individuals to bring a suit against the responsible parties identified. Severe penalties will be enforced under the provisions of subtitle C of the Solid Waste Disposal Act, which regulates hazardous waste.

I am confident that this act will serve as an important first step in ensuring the public safety on our beaches.

● Mr. D'AMATO. Mr. President, I rise today as an original cosponsor of the New Jersey-New York Medical Waste Tracking Act of 1988.

New York's beaches, normally packed with thousands of bathers at this time of the year, were almost empty over the weekend. They were empty because of fear—fear of the hospital waste that had washed ashore earlier in the week. State and Federal officials recovered syringes, needles, blood vials, surgical tubing, and used bandages along a stretch of beaches extending from Long Beach all the way to Fire Island.

These beaches join the growing list of beaches in New Jersey that have been bombarded with syringes and needles and other components of hospital waste. The waste found along the New Jersey beaches contained some blood vials whose contents tested positive for the AIDS virus.

It is time to crack down on the generators and haulers of this infectious waste. How many times must our citizens be told that it is unsafe for them to swim in the ocean because of the presence of these wastes? The legislation that we are introducing today establishes a pilot program in New York and New Jersey designed to track medical wastes from point of generation to point of disposal. Without an effective manifest to track hospital waste, it is virtually impossible to find those who have violated the law by dumping their cargos in an unsafe manner. "Unsafe" is hardly an adequate word to describe the potential threat to public health—whether from accident, negligence or fraud.

The Environmental Protection Agency will oversee this program and will help to ensure that the manifests established by New York and New Jersey are compatible and consistent with Federal guidelines. The success of this pilot program could provide guidance to other States seeking to strengthen their own laws governing disposal of infectious hospital waste.

I urge my colleagues to consider carefully the merits of this legislation and to work for its swift passage.●

By Mr. LAUTENBERG (for himself, Mr. MOYNIHAN, and Mr. D'AMATO):

S. 2629. A bill to amend title 23, United States Code, with relation to the reduction in apportionment of Federal-aid highway funds to certain States, and for other purposes; to the Committee on Environment and Public Works.

APPORTIONMENT OF CERTAIN FEDERAL-AID HIGHWAY FUNDS

● Mr. LAUTENBERG. Mr. President, today I am introducing a bill that would improve the existing system for monitoring, reporting, and enforcing the speed limits on our highways. I am pleased to be joined by Senators MOYNIHAN and D'AMATO.

Mr. President, last year, the Congress voted to allow States to increase the speed limit to 65 miles per hour on rural highways. I came to the Senate floor to oppose that provision. I continue to believe that this increase represents too much sacrifice in safety with too little in return. The 55-speed limit saved 2,000 to 4,000 lives each year—a total of 36,000 since the speed limit was put into place in 1974. Another 2,500 to 4,500 serious injuries were prevented each year. And the American Medical Association found a 60-percent reduction in paralyzing spinal cord injuries due to 55. Statistics are showing that those gains in highway safety now are being lost, all for the sake of a few minutes driving time saved.

The increase also reversed our position on an important energy policy. The 55-speed limit saved not only lives, but also fuel. In fact, fuel conservation was the basis for adopting 55. At a time when we are making efforts to reduce our dependence on tenuous foreign oil sources, such a reversal is not a sound policy.

However, the majority of my colleagues do not share these views. For the time being, at least, the higher speed limits are here. So, the question before us is, How do we make sure that safety isn't completely left behind as speeds increase?

The Department of Transportation now has a program in place, outlined in sections 141 and 154 of title 23 of the United States Code, to require States to enforce the speed limits on roads posted at 55, and to monitor and report compliance to the DOT. That program has come under increasing criticism. Some see it as overly burdensome, and oppose the threat of withholding of construction funds. Others say the program is too lax, allowing too much discretion to the DOT, and allowing a State to be in compliance if only 50 percent of its drivers are abiding by the legal speed limit. Further, no requirements are in place for roads posted at 65 miles per hour. Therefore, a State could let a majority of its drivers exceed a 65-MPH speed limit by 5, 10, 15, or even 20 miles per hour, but face no penalty or encouragement to improve safety.

Yet, States choosing to keep their speed limit at 55 MPH do face penalties for violations of that lower speed limit. This is an obvious inequity, with potentially serious ramifications on safety. It must be corrected.

There are proposals to deal with these problems by simply eliminating the program. Rather than make the program more responsive and effective, some would suggest that we just forget it altogether. That's not an option this Senator, nor those joining me as cosponsors today, can support.

With the ability to disburse Federal funds for highway construction comes a responsibility to ensure that the roads we're building are safe. That is a responsibility we should not shun. If the Federal Government is going to allow higher speed limits on public highways, it must also maintain a commitment to safety.

That is what this bill would do. It would amend section 154 of title 23, to change the withholding program. It would allow for a fairer, more effective program that would make a real contribution to safety.

Mr. President, let me summarize the bill. First, it would require the Secretary of Transportation to initiate a rulemaking to alter and improve the existing sanctions program. Among the items the Secretary is directed to consider in this rulemaking are: First, the option of withholding funds provided to the States under sections 104(b)(1), 104(b)(2), and 104(b)(6) of title 23 for noncompliance, or reprogramming those funds to speed-limit enforcement activities under section 402 of title 23; and second, altering the formula for determining compliance to consider the degree of violation of the speed limit, the type of road on which the violations occur, the level of enforcement efforts by the States, and fatalities and serious injuries occurring on public highways.

The bill would impose a moratorium on withholding of funds for noncompliance with the speed limit until a final rule is issued by DOT.

Last, and importantly, it would extend the requirements for monitoring and reporting compliance with speed limits to include roads posted at 65 miles per hour. A State would retain its existing authority to set the speed limit at 65. All we are asking is that the proper efforts be made to monitor, report, and enforce compliance with those speed limits.

Mr. President, the current system is flawed, and should be changed. It should not be abandoned. This bill takes into account the findings and recommendations of the General Accounting Office report released earlier this year, and makes a commitment to safety.

It's a sound, reasonable approach to a serious problem. I'm pleased to note that this bill has the support of the National Safety Council. I urge my colleagues to support this bill.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2629

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1.

Section 154 of title 23, United States Code is amended—

(1) by amending subsection (f) to read as follows:

"(f)(1) No later than 90 days after the date of enactment of this Act, the Secretary of Transportation shall initiate a rulemaking to improve enforcement of section 154 of title 23, United States Code, improve the reporting requirements under such section, and improve the certification requirements under section 141(a) of such Title, in a manner that provides for one or more of the following for the lack of enforcement of such section:

"(A) reductions in the state's apportionments or obligation authority under each of sections 104(b)(1), 104(b)(2), 104(b)(6) of title 23, United States Code in an aggregate amount of up to 10 percent; and

"(B) reprogramming of apportionments or obligation authority under each of sections 104(b)(1), 104(b)(2), and 104(b)(6) of title 23, United States Code in an aggregate amount of up 10 percent into section 402 of title 23, United States Code, where the primary effect of such reprogramming will be to fund programs for the enforcement of the requirements of subsection (a) of this section.

"(2) The formula developed for determining compliance with the requirements of this subsection shall include, but not be limited to—

"(A) assignment of greater weight for violations of such speed limits in proportion to the amount by which the speed of the motor vehicle exceeds the speed limit;

"(B) differentiation between the type of road on which the violations occur;

"(C) consideration of enforcement efforts made by the States; and

"(D) consideration of data concerning fatalities and serious injuries that have occurred on roads described in subsection (a) of this section.

"(3) The Secretary of Transportation shall publish in the Federal Register the final form of the regulations prescribed under subsection (a) no later than one year after the date of enactment of this Act.";

(2) by amending subsection (g) to read as follows:

"(g) In any case where the Secretary determines, in accordance with criteria established by the Secretary, that an action regarding withholding or reprogramming of Federal-aid highway funds required by subsection (f) of this section would result in hardship to a state, the Secretary may postpone such action for one fiscal year.";

(3) by amending subsection (h) to read as follows:

"(h) The Secretary shall promptly restore the unobligated balance of any funds withheld or reprogrammed pursuant to subsection (f) of this section if the Secretary determines that the state has come into compliance with the requirements of such subsection for the fiscal year for which the funds were withheld or reprogrammed."; and

(4) by adding subsection (i), to read as follows:

"(i) Notwithstanding any other provision of law, the Secretary of Transportation shall not reduce apportionments under section 154, Title 23, United States Code for noncompliance with subsection (f) of such section during fiscal years 1987 and 1988, and until final regulations are promulgated pursuant to subsection (f) of this section.".

SECTION 2.

Section 154 of title 23, United States Code, is amended—

(1) by striking out "exceeding fifty-five miles per hour" in subsection (e) and inserting in lieu thereof "exceeding the speed limit",

(2) by striking out "at fifty-five" in subsection (e) and inserting in lieu thereof "at 55 or more", and

(3) by striking out "exceeding fifty-five miles per hour" in subsection (h) and inserting in lieu thereof "exceeding the speed limit on public highways with speed limits posted at 55 or more miles per hour".●

By Mr. PRESSLER:

S.J. Res. 349. Joint resolution to congratulate the Government of Malta for the establishment of the U.N. International Institute on Aging; referred to the Committee on Foreign Relations.

RECOGNIZING MALTA FOR THE ESTABLISHMENT OF THE U.N. INTERNATIONAL INSTITUTE ON AGING

Mr. PRESSLER. Mr. President, during the next 32 years, the world's population is expected to grow to 7 billion people. During that period, the population over the age of 60 may triple, growing from 377 million to almost 1 billion. The elderly population is growing at a rate of 2.4 percent per year, faster than the general population as a whole.

It is time to dispel the myth that only the United States and certain other developed countries have populations that are aging. As a matter of fact, less developed countries such as China, Colombia, India, Senegal, and Ghana are experiencing an increase in their older populations. Nations on every continent must confront a variety of problems that occur with a growing number of elderly citizens. Retirement income, housing needs, access to health care, and how older people themselves can contribute to their own well-being and the betterment of their communities, are just a few areas that must be addressed by policymakers in these countries.

The "graying of our globe" will affect countries in different ways, depending on their past experience in providing services to the elderly. The United States can share ideas on promoting the health and well-being of older populations in other countries, and our Nation also can learn much from both developed and underdeveloped countries on how to meet the needs of our aging population. Global sharing of gerontological knowledge, expertise, and experience can enhance the quality of life of the elderly in every nation.

Over 20 years ago the country of Malta laid the foundation for a global plan on aging. In 1968, Malta called for the convening of a World Assembly on Aging. In 1982, 129 nations came together in Vienna, Austria, to participate in the assembly. The delegates unanimously passed a plan for action on aging. Among its many recommendations was the proposal for an International Institute on Aging.

Malta was the guiding force and catalyst for the establishment of the U.N. International Institute on Aging. The Secretary General of the United Nations responded positively to Malta's recommendation and accepted its offer to be the host country for the Institute.

The International Institute on Aging, located in Valletta, Malta, officially came into existence on April 15, 1988. This Institute will initiate research and training programs, share innovative findings, and disseminate information to all nations. Eight nations, including the United States, are represented on the Board of Directors.

A delegation from Malta, representing the newly established Institute, have come to our Nation's Capitol to meet with President Reagan and congressional leaders in the field of foreign affairs and aging. This delegation will be headed by Prime Minister Dr. E. Fenech Adami and Foreign Minister Dr. Vincent Tabone. A reception sponsored by the American Association for International Aging [AAIA] will be held to recognize Malta's vision, leadership, and initiative in linking the international community together to find ways to enrich the lives of the world's elderly population. AAIA was established as the U.S. private sector response to the World Assembly on Aging, and is the only nonprofit organization in the United States that deals with aging issues from a global perspective.

Mr. President, today I am introducing a joint resolution congratulating the Government of Malta for the establishment of the U.N. International Institute on Aging. I strongly believe that this international effort to provide better research and training in the field of aging will further the global agenda on aging issues here in the United States and abroad.

Mr. President, I ask unanimous consent that the text of my resolution be printed at this point in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 349

Whereas at the initiative of the Government of Malta in 1968, the General Assembly of the United Nations agreed in 1969 to place an item on its agenda relating to aging, the consideration of which led to the convening of the World Assembly on Aging in 1982;

Whereas the World Assembly on Aging, held at Vienna from July 26 to August 6, 1982, stated in its International Plan of Action on Aging, subsequently endorsed by the General Assembly in its Resolution 37/51, that: "Practical training centres should be promoted and encouraged where appropriate facilities already exist, to train such personnel, especially from developing countries, who would in their turn train others. These centres would also provide updating and refresher courses and act as a practical bridge between and among developing regions; they would be linked with appropriate United Nations agencies and facilities. At national, regional and international levels, extra attention should be given to research and study undertaken in support of integrating the problems of aging in planning and policy formulation and management";

Whereas the Economic and Social Council of the United Nations recommended the establishment of an international institute on aging to the Secretary General of the United Nations in its Resolution 1987/41, and the Secretary General agreed to this recommendation and accepted with appreciation the offer of the Government of Malta to host the United Nations International Institute on Aging (hereinafter referred to as the "Institute").

Whereas the Institute is an autonomous institution within the framework of the United Nations established in cooperation with the Government of Malta which conducts research and training in the field of aging;

Whereas the objective of the Institute is to undertake training programs to facilitate in a practical way the implementation of the Vienna International Plan of Action on Aging, particularly with regard to fulfilling the training needs of developing countries and to act as a practical bridge between and among developed and developing countries; and

Whereas a delegation from Malta led by Prime Minister Adami is visiting the United States to meet with President Reagan, Members of Congress, and leaders in the field of aging in the United States convened by the American Association for International Aging;

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress of the United States congratulates the Government of Malta and it leaders for their imagination and energy in promoting the World Assembly on Aging, which led to the establishment of the first United Nations International Institute on Aging.

ADDITIONAL COSPONSORS

S. 684

At the request of Mr. HEINZ, the names of the Senator from Washington [Mr. ADAMS] and the Senator from Tennessee [Mr. GORE] were added as cosponsors of S. 684, a bill to amend the Internal Revenue Code of 1986 to make permanent the targeted jobs credit.

S. 1480

At the request of Mr. DOMENICI, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 1480, a bill to improve the integration of universities and private industry into the national laboratory system of the Department of Energy in order to speed the development of technology in areas of significant economic potential.

S. 1761

At the request of Mr. DURENBERGER, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 1761, a bill to amend the Internal Revenue Code of 1986 to provide that a decedent's spouse may enter into a cash lease of farm and other real property with family members and still qualify for the special estate tax valuation of the property.

S. 1843

At the request of Mr. ROTH, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 1843, a bill to provide for equality of State taxation of domestic and foreign corporations.

S. 1894

At the request of Mr. MITCHELL, the names of the Senator from Washington [Mr. ADAMS] and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of S. 1894, an original bill to amend the Clean Air Act to establish new requirements for areas that have not yet attained health-protective ambient air quality standards, to provide new deadlines for such attainment, to delay the imposition of sanctions, to better protect against interstate transport of pollutants, to control existing and new sources of acid deposition, and for other purposes.

S. 2120

At the request of Mr. MATSUNAGA, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 2120, to amend section 3104 of title 38, United States Code, to permit certain service-connected disabled veterans who are retired members of the Armed Forces to receive compensation concurrently with retired pay, without deduction from either.

S. 2361

At the request of Mr. LEAHY, the names of the Senator from North Dakota [Mr. BURDICK], the Senator from Alabama [Mr. HEFLIN], and the Senator from Rhode Island [Mr. PELL] were added as cosponsors of S. 2361, a bill to amend title 18, United States Code, to preserve personal privacy with respect to the rental, purchase, or delivery of video tapes or similar audiovisual materials and the use of library materials or services.

S. 2449

At the request of Mr. PRYOR, the names of the Senator from Montana [Mr. BAUCUS], the Senator from Kansas [Mrs. KASSEBAUM], and the Senator from New York [Mr. MOYNIHAN] were added as cosponsors of S. 2449, a bill to amend title 39, United States Code, with respect to the budgetary treatment of the Postal Service, and for other purposes.

S. 2551

At the request of Mr. HARKIN, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 2551, a bill to provide additional enforcement authority for the Forest Service to deal with the production of controlled substances in the National Forest System, and for other purposes.

S. 2561

At the request of Mr. HARKIN, the name of the Senator from Indiana [Mr. QUAYLE] was added as a cosponsor of S. 2561, a bill to establish a program of grants to States to promote the provision of technology-related assistance to individuals with disabilities, and for other purposes.

S. 2620

At the request of Mr. DOMENICI, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 2620, a bill to amend the Internal Revenue Code of 1986 to provide a refundable credit to parents for dependents under age 5, that the earned income credit shall not apply to families having such a dependent, and that the dependent care credit shall not apply with respect to such dependents.

SENATE JOINT RESOLUTION 272

At the request of Mr. DURENBERGER, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of Senate Joint Resolution 272, a bill to designate November 1988 as "National Diabetes Month."

SENATE JOINT RESOLUTION 312

At the request of Mr. D'AMATO, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of Senate Joint Resolution 312, a joint resolution designating the week beginning September 18, 1988, as "Emergency Medical Services Week."

SENATE JOINT RESOLUTION 336

At the request of Mr. DANFORTH, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of Senate Joint Resolution 336, a joint resolution designating October 16, 1988, as "World Food Day."

SENATE JOINT RESOLUTION 342

At the request of Mr. MOYNIHAN, the name of the Senator from Wyoming [Mr. SIMPSON] was added as cosponsor of Senate Joint Resolution 342, a joint resolution to designate the week of November 28 through December 5, 1988, as "National Book Week."

SENATE JOINT RESOLUTION 345

At the request of Mr. TRIBLE, the names of the Senator from Missouri [Mr. BOND], the Senator from Illinois [Mr. DIXON], the Senator from Ohio [Mr. GLENN], the Senator from Tennessee [Mr. GORE], the Senator from Utah [Mr. HATCH], the Senator from Alabama [Mr. HEFLIN], the Senator from Nebraska [Mr. KARNES], the Senator from Indiana [Mr. QUAYLE], the Senator from North Carolina [Mr. SANFORD], the Senator from Wyoming [Mr. SIMPSON], the Senator from Idaho [Mr. SYMMS], and the Senator from Connecticut [Mr. WEICKER] were added as cosponsors of Senate Joint Resolution 345, a joint resolution to designate October 8, 1988, as "National Day of Outreach to the Rural Disabled."

SENATE JOINT RESOLUTION 346

At the request of Mr. LAUTENBERG, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of Senate Joint Resolution 346, a joint resolution to designate March 25, 1989, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

SENATE CONCURRENT RESOLUTION 103

At the request of Mr. DECONCINI, the names of the Senator from Pennsylvania [Mr. HEINZ] and the Senator from Wyoming [Mr. WALLOP] were added as cosponsors of Senate Concurrent Resolution 103, a concurrent resolution expressing the sense of the Congress that the President should award the Presidential Medal of Freedom to Charles E. Thornton, Lee Shapiro, and Jim Lindelof, citizens of the United States who were killed in Afghanistan.

AMENDMENT NO. 2541

At the request of Mr. ARMSTRONG, the names of the Senator from South Carolina [Mr. THURMOND], the Senator from North Carolina [Mr. HELMS], the Senator from Indiana [Mr. LUGAR], the Senator from Utah [Mr. GARN], and the Senator from Nebraska [Mr. EXON] were added as cosponsors of amendment No. 2541 proposed to H.R. 4776, a bill making appropriations for the government of the District of Columbia and for other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1989, and for other purposes.

SENATE CONCURRENT RESOLUTION 132—REGARDING THE PROTECTION AND PROMOTION OF HUMAN RIGHTS IN THE REPUBLIC OF SINGAPORE

Mr. SIMON (for himself, Mr. CRANSTON, Mr. DURENBERGER, Mr. ADAMS, and Mr. DODD) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 132

Whereas the peoples and the governments of the United States and the Republic of Singapore have developed friendly relations based upon scholarly and cultural exchange, international commercial transactions, travel and tourism, as well as a shared interest in political stability in Southeast Asia;

Whereas U.S. concern for the integrity of the individual and the protection of civil and political liberties is a cornerstone of American foreign policy and should play an important role in the official U.S. relationship with Singapore;

Whereas the continued development of U.S. relations with Singapore is in the best interests of the people of both countries, and is dependent in part upon the development of Singaporean policies designed to ensure freedom from arbitrary arrest and mistreatment of prisoners, as well as freedom of expression and association;

Whereas the Singapore government has used its Internal Security Act in 1987 and 1988 to detain without trial for varying periods more than twenty political opposition figures;

Whereas respected human rights organizations have reported that political detainees have been subjected to mistreatment in detention that has included threats, prolonged sleep deprivation, assaults, and psychological disorienting techniques;

Whereas the government of Singapore has also arrested lawyers who have attempted to defend the rights and interests of political detainees;

Whereas the government of Singapore has attempted to deter contacts between Singaporean and international human rights groups, the media, and foreign diplomats by calling for the removal of a U.S. diplomat who met with opposition lawyers, accusing the U.S. goverment of interference in Singapore's internal affairs, and warning domestic critics against contacts with foreigners;

Whereas these actions come after other measures that have restricted the scope and content of political discussion in Singapore, including the tightening of press legislation in 1986 and 1988 to threaten and punish foreign publications for commenting on domestic affairs, 1986 amendments to the Law Society Act restricting open discussion of public policy issues, and the 1987 expulsion from Singapore of the Christian Conference of Asia, an ecumenical fellowhship of 95 member churches and 15 national councils in 17 Asian countries: Now, therefore be it

Resolved by the Senate (the House concurring), The Congress

(1) urges the government of the Republic of Singapore:

to release all persons imprisoned without trial for the peaceful expression of their political views;

to respect the rights of Singaporeans to criticize government policies openly and to speak freely with representatives of international human rights organizations, foreign diplomats, and the media;

(2) commends the State Department and the U.S. Embassy in Singapore for attempting to meet with broad segments of the population of Singapore and to monitor issues relating to observance of internationally recognized human rights in Singapore;

(3) calls upon the State Department to communicate clearly to the government of Singapore that contacts between U.S. Embassy officals and Singaporean citizens, in-

cluding domestic human rights monitors and opposition figures, are an appropriate and an essential aspect of U.S. foreign policy.

Mr. SIMON. Mr. President, joined by my colleagues Senators CRANSTON, DURENBERGER, ADAMS, and DODD, I rise to introduce a concurrent resolution concerning human rights in Singapore. A similar resolution was introduced in the House last week.

This resolution is prompted by Singapore's restrictions on press freedom, its use of detention without trial to muzzle dissent, and its decision May 7 to expel a U.S. diplomat responsible for human rights reporting at the Embassy in Singapore. We are concerned that Singapore is out of step with other newly industrialized countries of Asia who have moved toward greater democratization and respect for individual rights.

Singapore's approach to human rights and its perception of the reaction of the U.S. Government are astonishing. Recently, the Embassy of Singapore in Washington sent members of the Foreign Relations Committee complete texts of coerced confessions, apparently to suggest that the United States is funding and encouraging dissent in Singapore, hence the expulsion of the U.S. diplomat.

As you may recall, 22 young men and women were detained without trial in Singapore in May and June 1987. No credible evidence was produced to support allegations that these individuals had conspired to undermine the Singapore Government. All but one of these detainees were released later in 1987 following congressional protests on their behalf. In May 1988, however, eight of the released detainees were reimprisoned following a statement they made on April 18 of this year which addressed the government's accusations against them and their treatment in prison.

Also arrested in April was Patrick Seong, the defense counsel for a number of the detainees, who had met the expelled U.S. diplomat. Seong's confession of his contacts with our diplomat is among the documents the Singaporean Government is currently circulating. On May 6, yet another lawyer, Francis Seow, was arrested on the basis of alleged links with "foreign influences," including receipt of U.S. funds. Shortly thereafter, another ex-detainee was also rearrested for his role in preparing the April 18 statement. To date, 8 of the 11 persons arrested since April 1988 remain in detention without trial.

The State Department has categorically rejected Singapore's allegations of U.S. interference in and funding of Singaporean political activities. On May 10 it reciprocated Singapore's action by ordering the expulsion of a Singaporean diplomat accredited in Washington.

The resolution which we are introducing expresses congressional concern with Singapore's apparent efforts to intimidate segments of its population—politicians, churches, universities, and the legal profession—by various means, including the arrest of individuals who meet with American diplomats. The resolution calls upon the Government of Singapore to respect the rights of free speech and free association, as it traditionally has done until recently. It commends the State Department for monitoring human rights and establishing contact with all segments of Singaporean society, and urges the Department to persevere and stress to the Government of Singapore the importance the United States places on human rights.

We ask our colleagues to join us in supporting this resolution in order to send a clear signal to Singapore that respect for human rights remains a cornerstone of American foreign policy.

I also ask that an article published July 10 in the New York Times' Week in Review section and titled "Singapore's Goalkeeper Fends Off Democracy" be placed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SINGAPORE'S "GOALKEEPER" FENDS OFF DEMOCRACY

SINGAPORE.—"My colleagues and I are well versed in theory and also in practice and we know what can work and what cannot," said Prime Minister Lee Kuan Yew, the man who almost singlehandedly has made Singapore a show case of third-world development. What Mr. Lee believes cannot work for his small, ethnically divided country is an American-style democracy, though his critics, some of whom are in jail, disagree.

The extent to which Singapore will move toward a more open or more closed political system has become an important question as Mr. Lee, who at the age of 64 has ruled this nation for 29 years, talks of grooming the next generation of leaders, including his son, Lee Hsien Loong. His critics among both Singaporeans and foreign diplomats say that, among other things, he may be attempting to curb the opposition in order to control the transition.

Mr. Lee has described himself as the "goalkeeper," allowing the younger men he is grooming to make day-to-day decisions but stepping in to block any errors they might make. Both diplomats and local observers here believe that even if he steps aside he will continue as goalkeeper, defining the limits of both his own party and the opposition.

Though Singapore is affluent and secure, Mr. Lee has made it clear that he considers these qualities precarious. In an argument often heard in developing nations, he maintains that Singapore is not ready for Western-style democracy, that its social fabric could not tolerate the rough-and-tumble of American-style politics. His critics, as well as many diplomats and foreign businessmen who feed Singapore's economy, counter that its very prosperity and stability mean ample room to hear more from the opposition.

The words Mr. Lee uses to describe the American system are "multi-party, dissent, discussion, robust discourse, conflict—and out of conflict comes enlightenment." His formula for Singapore, which he set forth in a recent address before Parliament, is a "politics of coalition" dominated by his People's Action Party. The party has guided Singapore's development virtually unhampered by opposition parties; Singapore technically has an open parliamentary system, but there is only one opposition member of Parliament and he sometimes seems to serve primarily as the butt of jokes by other members.

Mr. Lee has promised to free a leading opposition figure from detention—his reputation duly sullied—in time for parliamentary elections expected later this year. "Campaign against us. Start now," Mr. Lee has told his opponents. At the same time, he has warned them that in the political fray, "there are very few karate blows we don't know how to deliver."

A HOST OF ACCUSATIONS

Opposition politicians have found themselves subject to lawsuits, financial investigations and overwhelming power politics. The men and women who have been arrested over the past year under Singapore's Internal Security Act have been accused of everything from Marxism to involvement with the Central Intelligence Agency.

In justifying his authoritarian model, Mr. Lee has claimed an exemption for Singapore from the democratic ideas that his opponents have embraced. "We will evolve and have evolved our own democratic practices and conventions," Mr. Lee said in his parliamentary speech. He described these as "coalition and coalescing of groups," as system that avoids pitting Singapore's ethnic sectors, primarily Chinese, Malays and Indians, against one another.

"You take two and a half million Americans and put them in Singapore," he said, "it wouldn't last six months. You will be at war both internally and with your neighbors. You write in the Singapore papers like you write in the American papers, and, I tell you, you are at war."

Mr. Lee's speech to Parliament followed the expulsion of an American diplomat who had had contacts with an opposition figure who is now in jail. American officials described the contacts as having been within the bounds of accepted diplomatic practice, but Mr. Lee said they amounted to an attempt to push Singapore toward a Western-style system by encouraging the opposition.

Singapore is a society in large part engineered by Mr. Lee, and his successes are evident in the country's healthy economy, its race relations and its political stability. The problems he now faces is that as in South Korea, prosperity has brought a desire for political participation. And as in other authoritarian nations, his own long tenure has spawned a desire for change. The opposition may not be easily amenable to Mr. Lee's attempts at political engineering.

AMENDMENTS SUBMITTED

VETERANS' ADMINISTRATION ADJUDICATION PROCEDURE AND JUDICIAL REVIEW ACT

MURKOWSKI AMENDMENT NO. 2542

Mr. MURKOWSKI proposed an amendment to the bill (S. 11) to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration; and for other purposes; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans' Judicial Review Act".

SEC. 2. REFERENCES TO TITLE 38, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment or a repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision to title 38, United States Code.

SEC. 3. JUDICIAL REVIEW OF AGENCY RULEMAKING.

(a) APA PROCEDURES.—(1) Subchapter II of chapter 3 is amended by inserting after section 222 the following new section:

"§223. Rulemaking: procedures and judicial review

"(a) The provisions of section 553 of title 5 (other than subsection (a)(2) thereof) shall apply, according to the provisions of that section, to any matter relating to loans, grants, or benefits under the jurisdiction of the Administrator.

"(b) Any action of the Administrator subject to subsection (a) (other than the adoption or readjustment of the schedule of ratings for disabilities under section 355 of this title) may be reviewed in accordance with chapter 7 of title 5. Such review shall be brought in the United States Courts of Appeals.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 222 the following new item:

"223. Rulemaking: procedures and judicial review.".

(b) CONFORMING AMENDMENT.—Section 211(a) is amended by striking out "except as provided in sections 775, 784" and inserting in lieu thereof "except as provided in sections 223, 775, 784, 4010".

SEC. 4. ATTORNEYS' FEES.

(a) Section 3404 is amended by striking out subsection (c) and inserting in lieu thereof the following:

"(c) The Board of Veterans' Appeals shall approve reasonable attorneys' fees to be paid by the claimant to attorneys for representation before the Veterans' Administration (including representation before the Board of Veterans' Appeals) in connection with a claim for benefits under laws administered by the Veterans' Administration, but in no event shall such attorneys' fees exceed—

"(1) for any services rendered prior to the issuance of a statement of the case under section 4005(d) of this title, or for any services not otherwise provided for, $10; or

"(2) for services in connection with a challenge to the validity of regulations of the Veterans' Administration provided in section 4010 of this title, rendered on or after the issuance of a statement of the case under section 4005(d) of this title—

"(A) if the claimant and an attorney have entered into an agreement under which no fee is payable to such attorney unless the challenge is resolved in a manner favorable to the claimant, 25 percent of the total amount of any past-due benefits awarded on the basis of the claim; or

"(B) if the claimant and an attorney have not entered into such an agreement, the lesser of—

"(i) the fee agreed upon by the claimant and the attorney; or

"(ii) $500, or such greater amount as may be specified from time to time in regulations which the Board shall prescribe based on changed national economic conditions subsequent to the date of enactment of this subsection, except that the Board may, in its discretion, determine and approve a fee in excess of $500, or such greater amount if so specified, in an individual case involving extraordinary circumstances warranting a higher fee.

"(d)(1) If, in an action brought in a United States Court of Appeals under section 223 or 4010 of this title, the matter is resolved in a manner favorable to a claimant who was represented by an attorney, the court shall determine and allow a reasonable fee for such representation to be paid to the attorney by the claimant.

"(2) If, in an action brought in a United States Court of Appeals under section 223 or 4010 of this title, the matter is not resolved in a manner favorable to a claimant who was represented by an attorney, the court, taking into consideration the likelihood at the time such action was filed that the claimant would prevail, may determine and allow a reasonable fee not in excess of $750 to be paid to the attorney by the claimant for the representation of such claimant.

"(3) For the purposes of this subsection, a matter shall be considered resolved in a manner favorable to the claimant when all or any part of the relief sought is granted.

"(4) In an action brought in a United States Court of Appeals under section 223 or 4010 of this title, the court may award to a prevailing party, other than the Administrator, reasonable attorneys' fees and costs in accordance with the provisions of section 2412(d) of title 28.

"(e) To the extent that past-due benefits are awarded in proceedings before the Veterans' Administration (including proceedings before the Board of Veterans' Appeals), the Administrator shall direct that payment of any attorneys' fee that has been determined and allowed under this section (including allowances made by a Court of Appeals pursuant to subsection (d)(1) or (d)(2) of this section) be made out of such past-due benefits, but in no event shall the Administrator withhold for the purpose of such payment any portion of benefits payable for a period subsequent to the date of the final decision in such case.

"(f) The provisions of this section shall apply only to cases involving claims for benefits under the laws administered by the Veterans' Administration, including petitions for review by the Administrator pursuant to section 4010 of this title, and such provisions shall not apply in cases in which the Veterans' Administration is the plaintiff or in which other attorneys' fee statutes are applicable.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to cases in which a statement of the case is issued after the date of enactment of this Act.

SEC. 5. BOARD OF VETERANS' APPEALS.

(a) REVIEW OF REGULATIONS OF THE VETERANS' ADMINISTRATION.—(1) Section 4004 is amended—

(A) by striking out subsection (c); and

(B) by redesignating subsection (d) as subsection (c).

(2) Chapter 71 is amended by adding at the end the following new sections:

"§4010. Review of regulations

"(a) Where an appellant before the Board has challenged the validity of regulations of the Veterans' Administration involved in his or her case (other than the validity of the schedule of ratings for disabilities under section 355 of this title), he or she shall be afforded the right to have such challenges adjudicated and resolved by the Board, subject to review by the United States Court of Appeals.

"(b)(1) When challenges to the validity of regulations of the Veterans' Administration involved in an appeal (other than challenges to the validity of the schedule of ratings for disabilities under section 355 of this title) have been raised, the Board shall adjudicate and resolve such challenges separately from the adjudication and resolution of all other issues in the appellant's case.

"(2) Upon the final resolution of the case of which the challenge referred to in paragraph (1) of this subsection is a part, the Board's determination of the validity of the regulations challenged shall be subject to review in the United States Court of Appeals. The subject matter of such action shall be limited to the validity of the regulations of the Veterans' Administration involved in the appeal, to include the Board's determination, separate from its adjudication of all other issues in the appellant's case, of the validity of those regulations.

"(3)(A) The appellant shall have 60 days from the date of the final resolution referred to in paragraph (2) of this subsection within which to initiate a petition for review before the United States Court of Appeals. If such action is not initiated within such period, the Board's determination shall be final and conclusive and no other official or any court of the United States shall have power to review any such decision by an action in the nature of mandamus or otherwise, except as provided in paragraph (4) of this subsection.

"(B) Where the reviewing court has reviewed and resolved the questions raised, the case shall be remanded to the Board for further proceedings.

"(C) Notwithstanding any other provision of law, the Board's determination of all other issues on appeal shall be final and conclusive and no other official or any court of the United States shall have power to review any such determination by an action in the nature of mandamus or otherwise.

"(4) In any case in which the Board rules that a regulation of the Veterans' Administration is invalid, the Administrator may, upon the final resolution of such case, petition for review of such ruling to the United States Court of Appeals for the Federal Circuit. Such petition shall be filed within 60 days after the date of the final resolution referred to in paragraph (2) of this subsection. The appellant before the Board shall be notified of such filing and shall be entitled to appear in such action.

"(5) In the case of an appellant, a request for review pursuant to this section shall be brought in the United States Court of Appeals where the appellant resides or in the United States Court of Appeals for the Federal Circuit.

"(6) To the extent necessary for decision and when presented, the reviewing court shall decide all relevant questions of law, interpret constitutional and statutory provisions, and determine the meaning of the terms of the regulations challenged. The reviewing court shall hold unlawful and set aside regulations found to be—

"(A) contrary to constitutional right, power, privilege, or immunity;

"(B) in excess of statutory jurisdiction, authority, or limitations, short of statutory right; or

"(C) resting upon a policy judgment, reasoning or factual premise so unacceptable as to render the regulation arbitrary.

In no event shall the facts of the appeal or the application of any law or regulation to those facts be subject to review by the reviewing court unless they raise a constitutional issue, nor shall the validity of the schedule of ratings for disabilities under section 355 of this title be subject to review under this section.

"(7) The right of review granted under this section is in addition to the right of review under section 223 of this title.

"(8) For the purposes of review under this section, the term 'regulation' includes those statements of general policy and interpretations of general applicability which have been adopted by the Administrator.".

(b) REVIEW OF ATTORNEYS' FEES.—Chapter 71, as amended by subsection (a), is further amended by adding at the end of the following new section:

"§4011. Review of attorneys' fees

"The Board may review the reasonableness of any fee arrangement for payment of attorneys' fees by a claimant during proceedings within the Veterans' Administration or before the Board. If the Board finds that any amount to be payable from past due benefits is excessive or unreasonable, the Board may reduce such amount. A decision of the Board under this section is final and may not be reviewed by any court.".

(c) CHANGES TO THE BOARD.—Section 4001 is amended—

(1) in the first sentence of subsection (a), by striking out the words "directly responsible to the Administrator";

(2) by striking out subsection (b) and inserting in lieu thereof the following:

"(b) The Chairman and Vice Chairman of the Board shall be appointed by the President, by and with the advice and consent of the Senate, for a term of 15 years. Members of the Board shall be appointed by the Chairman with the approval of the President for a term of 15 years.";

(3) in the first sentence of subsection (c)(3), by striking out "In each annual report to the Congress under section 214 of this title, the Administrator shall provide" and inserting in lieu thereof "The Chairman of the Board shall submit an annual report to the Congress providing";

(4) in the second sentence of subsection (c)(3), by striking out "the Administrator" and inserting in lieu thereof "the Chairman"; and

(5) by adding at the end the following new subsections:

"(d) Notwithstanding any other provision of law, no member of the Board, and no temporary member while so serving, shall be eligible for or receive, directly or indirectly, bonuses in addition to salary.

"(e) The Administrator shall allocate sufficient resources (including sufficient personnel with the necessary skills and qualifications) to enable the Board to carry out its responsibilities under this chapter.".

(d) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 71 is amended by inserting after the item relating to section 4009 the following new items:

"4010. Review of regulations.
"4011. Review of attorneys' fees.".

CRANSTON (AND SIMPSON) AMENDMENT NO. 2543

Mr. CRANSTON (for himself and Mr. SIMPSON) proposed an amendment to the bill S. 11, supra; as follows:

On page 32, line 23, insert a comma after "served".

On page 33, line 2, insert "and inserting in lieu thereof '(hereinafter referred to as the 'Chairman')'" before the semicolon.

On page 33, line 6, strike out "of the Board".

On page 33, line 12, strike out "of the Board".

On page 33, line 24, strike out "such title" and insert in lieu thereof "title 5".

On page 34, line 25, insert "under subsection (b)(1) of such section" before the period.

On page 35, line 14, strike out "a term" and insert in lieu thereof "terms".

On page 35, line 20, strike out "of the Board".

On page 36, line 18, strike out "law" and all that follows through "temporary" on line 19, and insert in lieu thereof "law, no member or temporary".

On page 36, line 24, strike out "The" and insert in lieu thereof "A".

On page 36, line 25, strike out "the section," and insert in lieu thereof "a section,".

On page 37, strike out lines 1 through 7, and insert in lieu thereof "decision of the Board.".

On page 37, line 9, insert "determination for it to be considered a" before "final".

On page 37, line 14, strike out "(1)".

On page 37, line 16, strike out "determination," and insert in lieu thereof "decision,".

On page 37, line 18, strike out "determination" and insert in lieu thereof "decision".

On page 37, line 22, strike out "determination" and insert in lieu thereof "decision".

On page 37, strike out line 23 and insert in lieu thereof the following:

"(d) Notwithstanding subsections (a) and (b) of this section,

On page 38, line 1, strike out "service department" and insert in lieu thereof "department of the Secretary".

Transfer the material beginning with page 37, line 23, and ending with page 38, line 4, to page 38, between lines 13 and 14.

On page 40, line 16, insert a comma after "(5)".

On page 41, line 10, strike out "Chairman of the Board." and insert in lieu thereof "Chairman.".

On page 41, line 15, strike out "determination" and all that follows through "with" on line 16, and insert in lieu thereof "denial and, in the case of a denial of such request by the Board,".

On page 41, line 17, strike out "Chairman of the Board." and insert in lieu thereof "Chairman.".

On page 41, line 22, strike out "decision" and insert in lieu thereof "action".

On page 42, line 9, strike out "determination" and insert in lieu thereof "decision".

On page 42, line 11, strike out "determination" and insert in lieu thereof "decision".

On page 42, line 13, strike out "determination" and insert in lieu thereof "decision".

On page 43, line 7, strike out "Chairman of the Board," and insert in lieu thereof "Chairman,".

On page 43, line 13, strike out "opportunity—" and insert in lieu thereof "the opportunities—".

On page 44, line 13, strike out "of the Board".

On page 44, line 17, strike out "Chairman of the Board," and insert in lieu thereof "Chairman,".

On page 44, line 22, strike out "of the Board".

On page 45, line 11, strike out "of the Board".

On page 46, line 1, insert "a" before "hearing".

On page 46, line 11, insert "of such hearing" after "videotape".

On page 46, line 19, strike out "employees" and insert in lieu thereof "an employee".

On page 47, line 1, strike out "Chairman of the Board," and insert in lieu thereof "Chairman,".

On page 47, line 16, strike out "Chairman of the Board," and insert in lieu thereof "Chairman,".

On page 47, line 17, strike out "Chairman" and insert in lieu thereof "Administrator".

On page 47, line 23, strike out "or" and all that follows through "as" on line 24, and insert in lieu thereof "or by the Chairman, as".

On page 48, line 10, beginning with "Chairman" strike out all through "Board, as" on line 11 and insert in lieu thereof "Chairman, as".

On page 48, line 15, strike out "determination" and insert in lieu thereof "decision".

On page 48, line 22, insert "and the Board" before "(1)".

On page 49, line 5, strike out "opportunity" and all that follows through "Board," on line 6, and insert in lieu thereof "rights to and opportunities for a hearing provided in section 4010(d) of this title,".

On page 49, line 7, strike out "Chairman of the Board," and insert in lieu thereof "Chairman,".

On page 49, line 14, strike out "assuring" and insert in lieu thereof "seeking to ensure".

On page 49, line 23, insert "a" after "timely".

On page 51, line 4, strike out "Chairman" and all that follows through "gress" on line 6, and insert in lieu thereof "Chairman, as appropriate, shall report to the Committees on Veterans' Affairs of the Senate and the House of Representatives".

On page 53, line 20, strike out "determination" and insert in lieu thereof "decision".

On page 59, strike out lines 10 through 12, and insert in lieu thereof the following:

"(b) In any action brought under section 4025 of this title, the whole record before the court pursuant to subsection (e) of such section shall be subject to review, the

On page 59, line 23, strike out "of" and insert in lieu thereof "or".

On page 62, line 1, insert "of Veterans' Appeals" after "Board".

On page 63, line 1, insert "the" after "date of".

On page 64, line 9, insert "the" before "court".

On page 65, line 16, insert "the" after "date of.

On page 65, line 20, insert "final" after "review".

SMALL BUSINESS ADMINISTRATION AUTHORIZATION ACT

BOSCHWITZ AMENDMENT NOS. 2544 AND 2545

(Ordered to lie on the table.)

Mr. BOSCHWITZ submitted two amendments intended to be proposed by him to the bill (S. 2619) to provide reauthorization for the Small Business Administration for fiscal year 1989, and for other purposes; as follows:

AMENDMENT No. 2544

At the end of title I of the bill, add the following new section:

SEC. . FORM SIMPLIFICATION AND PREFERRED FINANCING.

Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by adding at the end the following new paragraph:

"(17)(A) During fiscal years 1989 and 1990, in addition to the preferred lenders program authorized by the proviso in subsection (b)(7), the Administration is authorized to establish a certified loan program for lenders who establish their knowledge of Administration laws and regulations concerning loan guarantee programs and their proficiency in program requirements. In order to encourage certified lenders and preferred lenders to provide loans of $50,000 or less in guarantees to eligible small business loan applicants, the Administration shall allow lenders designated for participation in the certified loan program and in the preferred loan program to utilize the forms of the lender without regard to any forms of the Administration. The Administration may not reduce the per centum of guarantee as a criteria for eligibility for such designation.

"(B) The designation of a lender as a certified lender shall be suspended or revoked at any time that the Administration determines that the lender is not adhering to its rules and regulations or if the Administration determines that the loss experience of the lender is excessive as compared to other lenders. Suspension or revocation of such designation shall not affect any outstanding guarantee.".

AMENDMENT No. 2545

At the end of section 113 of the bill, insert the following new subsection:

(c) CLARIFICATION OF DISASTER.—Section 7(b)(2) of the Small Business Act (15 U.S.C. 636(b)(2)) is amended by inserting before the proviso at the end of subparagraph (D), the following flush sentence:

"For purposes of this paragraph, the term 'disaster' includes floods, riots or civil disorders, droughts, or other catastrophes.".

ESTABLISHING THE VETERANS' ADMINISTRATION AS AN EXECUTIVE DEPARTMENT

CRANSTON (AND MURKOWSKI) AMENDMENT NO. 2546

Mr. CRANSTON (for himself and Mr. MURKOWSKI) proposed an amendment to the bill (S. 533) to establish the Veterans' Administration as an executive department; as follows:

On page 11, line 10, strike out "such".

On page 11, line 12, strike out "chapters 23 and" and insert in lieu thereof "chapter".

Beginning on page 13, line 11, strike out all through page 14, line 2, and insert in lieu thereof the following:

(d) DEPUTY CHIEF BENEFITS DIRECTORS.—(1) There shall be in the Department two Deputy Chief Benefits Directors, who shall be appointed by the Secretary without regard to political affiliation or political qualification and solely on the basis of integrity and demonstrated ability.

(2) The responsibilities of one Deputy Chief Benefits Director shall include performance, under the direction of the Chief Benefits Director, of the responsibilities of the Chief Benefits Director under subsection (c)(2)(B).

On page 14, lines 3 and 10, redesignate subsections (e) and (f) as (f) and (g), respectively.

On page 14, between lines 2 and 3, insert the following:

(e) ASSISTANT CHIEF BENEFITS DIRECTORS.—There shall be in the Department such number of Assistant Chief Benefits Directors, not to exceed six, as the Secretary, after consultation with the Chief Benefits Director, shall determine. The Assistant Chief Benefits Directors shall be appointed by the Chief Benefits Director and perform such functions as the Chief Benefits Director shall prescribe.

On page 18, line 12, strike out "COMPETITIVE" and insert in lieu thereof "CAREER-RESERVED".

On page 18, lines 15 and 22, strike out "competitive" each place it appears and insert in lieu thereof "career-reserved".

On page 30, strike out all on lines 24 and 25 and insert in lieu thereof:

"Deputy Chief Benefits Directors, Department of Veterans Affairs (2)."

On page 31, line 12, strike out "and".

On page 31, line 14, strike out the period and insert in lieu thereof a semicolon and "and".

On page 31, between lines 14 and 15, insert the following:

(5) by adding at the end thereof the following:

"Assistant Chief Benefits Directors, Department of Veterans Affairs (6)."

MURKOWSKI (AND OTHERS) AMENDMENT NO. 2547

Mr. MURKOWSKI (for himself, Mr. THURMOND, Mr. HEINZ, Mr. COCHRAN, and Mr. GRAMM) proposed an amendment to the bill S. 533, supra; as follows:

On page 43, strike out lines 8 through 14, and insert in lieu thereof the following:

SEC. 20. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect on such date during the 6-month period beginning on January 21, 1989, as the President may direct in an Executive order. If the President fails to issue an Executive order for the purpose of this section, this Act and such amendments shall take effect on July 21, 1989.

(b) SECRETARY OF VETERANS AFFAIRS.—Notwithstanding subsection (a), the President may appoint, by and with the advice and consent of the Senate, the Secretary of Veterans Affairs on or after the date of the enactment of this Act. Section 12(l) and subsections (a), (c), and (d)(1) of section 14 of this Act shall take effect on the earlier of the date on which the Secretary is appointed or the effective date provided under subsection (a).

(c) CONSTRUCTION.—References in this Act to the effective date of this Act or to the date on which this Act takes effect shall refer to the effective date provided under subsection (a).

On page 30, strike out lines 5 through 8, and insert in lieu thereof the following:

(d) COMPENSATION, LEVEL II.—Section 5313 of title 5, United States Code, is amended—

(1) by striking out "Administrator of Veterans' Affairs."; and

(2) by adding at the end the following new item:

"Deputy Secretary of Veterans Affairs.".

SIMPSON AMENDMENT NO. 2548

Mr. Simpson proposed an amendment to the bill S. 533, supra; as follows:

On page 43, below line 14, add the following:

DIVISION B—ADJUDICATION AND JUDICIAL REVIEW PROCEDURES FOR VETERANS BENEFITS CLAIMS

SEC. 2100. SHORT TITLE; REFERENCES.

(a) SHORT TITLE.—This division may be cited as the "Veterans' Administration Adjudication Procedure and Judicial Review Act".

(b) REFERENCES.—Except as otherwise expressly provided in this division, whenever in this division an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—VETERANS' ADMINISTRATION ADJUDICATION

SEC. 2101. BURDEN OF PROOF.

(a) IN GENERAL.—Chapter 51 is amended by adding at the end of subchapter I the following new section:

"§3007. Burden of proof; benefit of the doubt

"(a) Except when otherwise provided by the Administrator in accordance with the provisions of this title, a claimant for benefits under laws administered by the Veterans' Administration shall have the burden of submitting evidence sufficient to justify a belief by a fair and impartial individual that the claim is well grounded. The Administrator shall assist a claimant in developing the facts pertinent to his or her claim.

"(b) When, after consideration of all evidence and material of record in any proceeding before the Veterans' Administration involving a claim for benefits under laws administered by the Veterans' Administration, there is an approximate balance of positive and negative evidence regarding the merits of an issue material to the determination of such claim, the benefit of the doubt in resolving each such issue will be given to the claimant, but nothing in this section shall be construed as shifting from a claimant to the Administrator the burden described in subsection (a) of this section.".

(b) CLERICAL AMENDMENTS.—(1)(A) The table of chapters at the beginning of title 38, United States Code, and the table of chapters at the beginning of part IV of such title are each amended in the item relating to chapter 51 by striking out "Applications" and inserting in lieu thereof "Claims".

(B) The heading of such chapter is amended to read as follows:

"CHAPTER 51—CLAIMS, EFFECTIVE DATES, AND PAYMENTS".

(2)(A) The table of sections at the beginning of such chapter is amended in the item relating to subchapter I by striking out "APPLICATIONS" and inserting in lieu thereof "CLAIMS".

(B) The heading of subchapter I of such chapter is amended to read as follows:

"SUBCHAPTER I—CLAIMS".

(3) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 3006 the following new item:

"3007. Burden of proof; benefit of the doubt.".

SEC. 2102. SUBPENAS.

Section 3311 is amended by adding at the end the following new sentences: "Subpenas authorized under this section shall be served by any individual authorized by the Administrator by (1) delivering a copy thereof to the individual named therein, or (2) mailing a copy thereof by registered or certified mail addressed to such individual at such individual's last known dwelling place or principal place of business. A verified return by the individual so serving the subpena setting forth the manner of service, or, in the case of service by registered or certified mail, the return post office receipt therefor signed by the individual so served, shall be proof of service.".

SEC. 2103. BOARD OF VETERANS' APPEALS.

(a) CHAIRMAN, MEMBERS, AND STAFF.—Section 4001(a) is amended—

(1) by striking out "directly responsible to the Administrator" in the first sentence and inserting in lieu thereof "(hereinafter referred to as the 'Chairman')"; and

(2) by inserting before the period at the end of the second sentence "in a timely manner".

(b) APPOINTMENTS, TERMS, REMOVALS, AND CHAIRMAN'S PAY.—(1) Section 4001(b) is amended to read as follows:

"(b)(1) The Chairman shall be appointed by the President, by and with the advice and consent of the Senate, for a term of five years. An individual may serve as Chairman for not more than three complete terms. The Chairman may be removed by the President for good cause.

"(2)(A) The members of the Board shall be appointed by the Chairman for a term of nine years. A member appointed to fill a vacancy resulting from the resignation, death, or removal of a member before the end of the term for which the original appointment was made shall serve for the remainder of the unexpired term. Members may be reappointed without limitation. The Chairman shall designate one member as Vice Chairman. Such member shall serve as Vice Chairman at the pleasure of the Chairman.

"(B) A member of the Board may be removed only by the Chairman and only for good cause established and determined by the Merit Systems Protection Board on the record after opportunity for hearing before the Merit Systems Protection Board. Section 554(a)(2) of title 5 shall not apply to a removal action under this subparagraph. In such a removal action, a member shall have the rights set out in section 7513(b) of title 5.".

(2) The President shall appoint a Chairman of the Board of Veterans' Appeals under section 4001(b)(1) of title 38, United States Code (as amended by paragraph (1)), not later than one year after the date of the enactment of this Act. The individual who is serving as Chairman of the Board of Veterans' Appeals on the date of the enactment of this Act may continue to serve as Chairman until a successor is appointed. If such individual is appointed as Chairman under such section, none of the service of such individual as Chairman before the date of that appointment shall be considered for the purpose of determining the term of appointment or eligibility for reappointment under such section.

(3) Appointments of members of the Board of Veterans' Appeals under subsection (b)(2)(A) of section 4001 of title 38, United States Code (as amended by paragraph (1)), may not be made until a Chairman has been appointed under subsection (b)(1) of such section. An individual who is serving as a member of the Board on the date of the enactment of this Act may continue to serve as a member until the earlier of the date on which the individual's successor is appointed under subsection (b)(2)(A) of such section or the expiration of the 180-day period that begins on the day after the Chairman is appointed under subsection (b)(1) of such section.

(4) Notwithstanding the provision in section 4001(b)(2) of title 38, United States Code (as amended by paragraph (1)), that specifies the term for which members of the Board of Veterans' Appeals shall be appointed, of the first members appointed under such section—

(1) 21 members shall be appointed for a term of three years;

(2) 22 members shall be appointed for a term of six years; and

(3) 22 members shall be appointed for a term of nine years.

The first Vice Chairman of the Board designated under such section shall be selected from among the members appointed for terms of six years or nine years.

(5) Section 5315 of title 5, United States Code, is amended by adding at the end the following:

"Chairman, Board of Veterans' Appeals.".

(c) ANNUAL REPORT; BONUSES PROHIBITED.—Section 4001 is further amended by adding at the end the following new subsections:

"(d) The Chairman shall submit a report to the Committees on Veterans' Affairs of the Senate and the House of Representatives, not later than December 31, 1988, and annually thereafter, on the experience of the Board during the prior fiscal year together with projections for the fiscal year in which the report is submitted and the subsequent fiscal year. Such report shall contain, as a minimum, information specifying the number of cases appealed to the Board during the prior fiscal year, the number of cases pending before the Board at the beginning and end of such fiscal year, the number of such cases which were filed during each of the 36 months preceding the then current fiscal year, the average length of time a case was before the Board between the time of the filing of an appeal and the disposition during the prior fiscal year, and the number of members of, and the professional, administrative, clerical, stenographic, and other personnel employed by, the Board at the end of the prior fiscal year. The projections for the current fiscal year and subsequent fiscal year shall include, for each such year, estimates of the number of cases to be appealed to the Board and an evaluation of the Board's ability, based on existing and projected personnel levels, to ensure timely disposition of such appeals as provided for by subsection (a) of this section.

"(e) Notwithstanding any other provision of law, no member or temporary or acting member of the Board shall be eligible for or receive, directly or indirectly, bonuses (in addition to salary) relating to service on the Board.".

SEC. 2104. DECISIONS OF THE BOARD OF VETERANS' APPEALS.

Section 4003 is amended to read as follows:

"§ 4003. Determinations by the Board

"(a)(1) A determination, when concurred in by the requisite number of members of a section, shall be the final decision of the Board.

"(2) The requisite number of members of a section that must concur in a determination for it to be considered a final decision is—

"(A) for an allowance of a claim, a majority of the members of the section; or

"(B) for a denial of a claim, all members of the section.

"(b) When there is a disagreement among the members of the section in any case in which unanimity is required for a final decision, the concurrence of the Chairman with the majority of the members of such section shall constitute the final decision of the Board. The Chairman may, instead of voting, expand the size of the section for determination of that case, and the concurrence of a majority of the members of the expanded section shall constitute the final decision of the Board.

"(c) If, without the vote of a temporary member designated under section 4001(c)(1) of this title or the vote of an acting member designated under section 4002(a)(2)(A)(ii) of this title, a section would be evenly divided in the determination of any claim—

"(1) such member shall not vote; and

"(2) the Chairman shall expand, by not less than two members, the size of the section for determination of that claim.

"(d) Notwithstanding subsections (a) and (b) of this section, the Board on its own motion may correct an obvious error in the record or may reach a contrary conclusion upon the basis of additional information from the department of the Secretary concerned after notice of such additional information is furnished to the claimant and the claimant is provided an opportunity to be heard in connection with such information.".

SEC. 2105. JURISDICTION OF THE BOARD OF VETERANS' APPEALS.

Section 4004 is amended—

(1) in subsection (a)—

(A) by striking out "involving" in the first sentence and inserting in lieu thereof "for"; and

(B) by inserting before the period at the end of the second sentence "after affording the claimant an opportunity for a hearing and shall be based exclusively on evidence and material of record in the proceeding and on applicable provisions of law";

(2) by striking out subsection (b) and inserting in lieu thereof the following:

"(b)(1) Except as provided in paragraph (2) of this subsection, when a claim is disallowed by the Board, it may not thereafter be reopened and allowed and no claim based upon the same factual basis shall be considered.

"(2) Following such a disallowance, the Board (directly or through the agency of original jurisdiction, as described in section 4005(b)(1) of this title)—

"(A) when new and material evidence is presented or secured, shall authorize the reopening of a claim and a review of the Board's former decision; and

"(B) for good cause shown, may authorize the reopening of a claim and a review of the Board's former decision.

"(3) A judicial decision under subchapter II of chapter 71 of this title, upholding, in whole or in part, the disallowance of a claim shall not diminish the Board's authority set forth in paragraph (2) of this subsection to authorize the reopening of a claim and a review of the former decision."; and

(3) by striking out subsection (d) and inserting in lieu thereof the following:

"(d) After reaching a decision in a case, the Board shall promptly mail notice of its decision to the claimant and the claimant's authorized representative, if any, at the last known address of the claimant and at the last known address of the claimant's authorized representative, if any. Each decision of the Board shall include—

"(1) a written statement of the Board's findings and conclusions, and reasons or bases therefor, on all material issues of fact and law and on matters of discretion presented on the record; and

"(2) an order granting appropriate relief or denying relief.".

SEC. 2106. PROHIBITED PRESUMPTIONS RELATING TO STATEMENT OF THE CASE; DISMISSAL OF APPEALS.

Section 4005(d) is amended—

(1) by striking out paragraph (4) and inserting in lieu thereof the following:

"(4) The claimant may not be presumed to agree with any statement of fact or law contained in the statement of the case to which the claimant does not specifically express agreement."; and

(2) in paragraph (5), by striking out "will base its decision on the entire record and".

SEC. 2107. MEDICAL OPINION EVIDENCE.

(a) IN GENERAL.—Section 4009 is amended—

(1) by striking out the section heading and inserting in lieu thereof the following:

"§ 4009. Medical opinions";

and

(2) by adding at the end the following new subsections:

"(c)(1) Whenever there exists in the evidence of record in an appeal case a substantial disagreement between the substantiated findings or opinions of two physicians with respect to an issue material to the outcome of the case, the Board shall, upon the request of the claimant and after taking appropriate action to attempt to resolve the disagreement, arrange for an advisory medical opinion in accordance with the procedure prescribed in subsection (b) of this section. The claimant may appeal a denial of a request for such an opinion to the Chairman.

"(2) If the Board or the Chairman upon appeal denies a request for an advisory medical opinion, the Board, or the Chairman after the appeal, shall prepare and provide to the claimant and the claimant's authorized representative, if any, a statement setting forth the basis for the denial and, in the case of a denial of such request by the Board, a notice of the claimant's right to appeal the denial to the Chairman.

"(3) Actions of the Board under this subsection, including any such denial concurred in by the Chairman (if appealed), shall be final and conclusive, and no other official or any court of the United States shall have the power or jurisdiction to review any aspect of any such action by an action in the nature of mandamus or otherwise, the provisions of subchapter II of chapter 71 of this title to the contrary notwithstanding.

"(d) If a member of the Board receives the medical opinion of any physician relating to any appeal under consideration by such member (other than a medical opinion of a physician on the section of the Board considering such appeal) or an employee of the Board in the consideration of such appeal receives such an opinion, the Board shall furnish such opinion to the claimant and shall afford the claimant 60 days in which to submit a response to such opinion before the Board issues a final decision on the appeal. The Board shall consider any such response and shall include in the final decision a discussion of such opinion, the response (if any), and the effect of such opinion and response on the Board's decision.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 71 is amended by striking out the item relating to section 4009 and inserting in lieu thereof the following:

"4009. Medical opinions.".

SEC. 2108. ADJUDICATION PROCEDURES.

SEC. 108. (a) IN GENERAL.—Chapter 71 is further amended by adding at the end the following new sections:

"§ 4010. Adjudication procedures

"(a) For purposes of conducting any hearing, investigation, or other proceeding in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration, the Administrator and the members of the Board may administer oaths and affirmations, examine witnesses, and receive evidence.

"(b) Any oral, documentary, or other evidence, even though inadmissible under the rules of evidence applicable to judicial proceedings, may be admitted in a hearing, investigation, or other proceeding in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration, but the Administrator and the Chairman, under regulations which the Administrator and the Chairman shall jointly prescribe, may provide for the exclusion of irrelevant, immaterial, or unduly repetitious evidence.

"(c)(1) In the course of any proceeding before the Board, any party to such proceeding or such party's authorized representative shall be afforded the opportunities—

"(A) to examine and, on payment of a fee prescribed pursuant to section 3302(b) of this title (not to exceed the direct cost of duplication), obtain copies of the contents of the case files and all documents and records to be used by the Veterans' Administration at such proceeding;

"(B) to present witnesses and evidence, subject only to such restrictions as may be set forth in regulations prescribed pursuant to subsection (b) of this section, as to materiality, relevance, and undue repetition;

"(C) to make oral argument and submit written contentions, in the form of a brief or similar document, on substantive and procedural issues;

"(D) to submit rebuttal evidence;

"(E) to present medical opinions and request an independent advisory medical opinion pursuant to section 4009(c) of this title; and

"(F) to serve written interrogatories on any person, including any employee of the Veterans' Administration, which interrogatories shall be answered separately and fully in writing and under oath unless written objection thereto, in whole or in part, is filed with the Chairman by the person to whom the interrogatories are directed or such person's representative.

"(2) The fee provided for in paragraph (1)(A) of this subsection may be waived by the Chairman, pursuant to regulations which the Administrator shall prescribe, on the basis of the party's inability to pay or for other good cause shown.

"(3) In the event of any objection filed under paragraph (1)(F) of this subsection, the Chairman shall, pursuant to regulations which the Chairman shall prescribe establishing standards consistent with standards for protective orders applicable in the United States District Courts, evaluate such objection and issue an order (A) directing that, within such period as the Chairman shall specify, the interrogatory or interrogatories objected to be answered as served or answered after modification, or (B) indicating that the interrogatory or interrogatories are no longer required to be answered.

"(4) If any person upon whom interrogatories are served under paragraph (1)(F) of this subsection fails to answer or fails to provide responsive answers to all of the interrogatories within 30 days after service or such additional time as the Chairman may allow, the Chairman, upon determining that the party propounding such interrogatories has shown the general relevance and reasonableness of the scope of the interrogatories, shall issue a subpena under section 3311 of this title (with enforcement of such subpena to be available under section 3313 of this title) for such person's appearance and testimony on such interrogatories at a deposition on written questions, at a location within 100 miles of where such person resides, is employed, or transacts business.

"(d)(1) A claimant may request a hearing before a traveling section of the Board. Cases shall be scheduled for hearing before such a section in the order in which the requests for hearing are received by the Board.

"(2) If a claimant makes a request for a hearing before a traveling section of the Board and, by reason of limited time for the conduct of hearings by such section at the location for the requested hearing, such claimant's appeal is not scheduled for hearing or the hearing is not conducted, the Board shall afford such claimant an opportunity to present the case to the Board in a hearing conducted by telephone or video connection before a section of the Board or in a videotape of a hearing conducted for the Board by Veterans' Administration adjudication personnel at a regional office of the Veterans' Administration. An audiotape or videotape of such hearing shall be included in the record of the appeal and considered by the Board in the same manner as recordings of testimony and documentary evidence are considered.

"(e) In the course of any hearing, investigation, or other proceeding in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration, an employee of the Veterans' Administration (including an employee of the Board of Veterans' Appeals) may at any time disqualify himself or herself, on the basis of personal bias or other cause, from adjudicating the claim. On the filing by a party in good faith of a timely and sufficient affidavit averring personal bias or other cause for disqualification on the part of such an employee, the Administrator, as to proceedings other than proceedings before the Board, or the Chairman, as to proceedings before the Board, shall determine the matter as a part of the record and decision in the case, pursuant to regulations prescribed jointly by the Administrator and the Chairman.

"(f) The transcript or recording of testimony and the exhibits, together with all papers and requests filed in the proceeding, and the decision of the Board (1) shall constitute the exclusive record for decision in accordance with section 4004(a) of this title, (2) shall be available for inspection by any party to such proceeding, or such party's authorized representative, at reasonable times and places, and (3) on the payment of a fee prescribed under section 3302(b) of this title (not to exceed the direct cost of duplication), shall be copied for the claimant or such claimant's authorized representative within a reasonable time. Such fee may be waived by the Chairman, pursuant to regulations which the Administrator shall prescribe, on the basis of the party's inability to pay or for other good cause shown.

"(g) Notwithstanding section 4004(a) of this title, section 554(a) of title 5, or any other provision of law, adjudication and hearing procedures prescribed in this title and in regulations prescribed by the Administrator, as to proceedings other than proceedings before the Board, or by the Chairman, as to proceedings before the Board, or by the Administrator and the Chairman jointly, under this title for the purpose of administering veterans' benefits shall be exclusive with respect to hearings, investigations, and other proceedings in connection with the consideration of a claim for benefits under laws administered by the Veterans' Administration.

"§ 4011. Notice of procedural rights and other information

"In the case of any disallowance, in whole or in part, of a claim for benefits under laws administered by the Veterans' Administration, the Administrator, as to proceedings other than proceedings before the Board, or the Chairman, as to proceedings before the Board, shall, at each procedural stage relating to the disposition of such a claim, beginning with disallowance after an initial review or determination, and including the furnishing of a statement of the case and the making of a final decision by the Board, provide to the claimant and such claimant's authorized representative, if any, written notice of the procedural rights of the claimant. Such notice shall be on such forms as the Administrator or the Chairman, respectively, shall prescribe by regulation and shall include, in easily understandable language, with respect to proceedings before the Veterans' Administration and the Board (1) descriptions of all subsequent procedural stages provided for by statute, regulation, or Veterans' Administration policy, (2) descriptions of all rights of the claimant expressly provided for in or pursuant to this chapter, of the claimant's rights to a hearing, to reconsideration, to appeal, and to representation, and of any specific procedures necessary to obtain the various forms of review available for consideration of the claim, (3) in the case of an appeal to the Board, the rights to and opportunities for a hearing provided in section 4010(d) of this title, and (4) such other information as the Administrator or the Chairman, respectively, as a matter of discretion, determines would be useful and practical to assist the claimant in obtaining full consideration of the claim.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding after the item relating to section 4009 the following new items:

"4010. Adjudication procedures.
"4011. Notice of procedural rights and other information.".

SEC. 2109. STUDY OF ALTERNATIVE ADJUDICATION PROCEDURES.

(a) IN GENERAL.—In order to evaluate the feasibility and desirability of alternative methods of (1) seeking to ensure the resolution of claims before the Administrator of Veterans' Affairs or the Board of Veterans' Appeals for benefits under laws administered by the Veterans' Administration as promptly and efficiently as feasible following the filing of a notice of disagreement pursuant to section 4005 (as amended by section 2106 of this Act) or 4005A of title 38, United States Code, and (2) affording claimants the opportunity for a hearing before or review by a disinterested authority at a location as convenient and on as timely a basis as possible for each claimant, the Administrator and the Chairman of the Board of Veterans' Appeals are each authorized to conduct a study commencing not later than 1 year after the date of the enactment of this Act, for a period of 24 months, involving either or both of the alternative methods described in subsection (b) of this section for resolution of claims.

(b) ALTERNATIVES.—(1) In not more than three geographic areas, the Administrator is authorized to provide an intermediate-level adjudication process whereby each claimant may, within the time afforded such claimant under paragraph (3) of section 4005(d) or 4005A(b) of title 38, United States Code, to file an appeal, request a de novo hearing at the agency of original jurisdiction (as described in section 4005(b)(1) of such title) before a panel of three Veterans' Administration employees, each of whose primary responsibilities include adjudicative functions but none of whom shall have previously considered the merits of the claim at issue. Following such hearing, such panel shall render a decision and prepare a new statement of the case in accordance with the requirements of paragraphs (1) and (2) of section 4005(d) of such title. Such new statement of the case shall, for all purposes relating to appeals under chapter 71 of such title, be considered to be a statement of the case as required by such paragraph (1).

(2) In not more than three other geographic areas, the Chairman is authorized to provide for an enhanced schedule of visits, on at least a quarterly basis each year, by a panel or panels of the Board to conduct formal recorded hearings pursuant to section 4002 of such title in such areas.

(c) REPORT.—Not later than 6 months after the completion of such study, the Administrator and the Chairman, as appropriate, shall report to the Committees on Veterans' Affairs of the Senate and the House of Representatives on the results of the study, including an evaluation of the cost factors associated with each alternative studied and with any appropriate further implementation thereof, the impact on the workload of each regional office involved in such study, and the impact on the annual caseload of the Board resulting from each alternative studied, together with any recommendations for administrative or legislative action, or both, as may be indicated by such results.

SEC. 2110. AWARDS.

Section 3010(i) is amended—

(1) by inserting "(1)" after "(i)"; and

(2) by adding at the end the following new paragraph:

"(2) Whenever any disallowed claim is reopened and thereafter allowed on the basis of new and material evidence in the form of official reports from the department of the Secretary concerned, the effective date of commencement of the benefits so awarded shall be the date on which an award of benefits under the disallowed claim would have been effective had the claim been allowed on the date it was disallowed.".

TITLE II—VETERANS' ADMINISTRATION RULE MAKING

SEC. 2201. APPLICABILITY OF ADMINISTRATIVE PROCEDURES ACT PROVISIONS.

(a) IN GENERAL.—Subchapter II of chapter 3 is amended by adding at the end the following new section:

"§ 223. Rule making

"(a) For the purposes of this section—

"(1) the term 'regulation' includes—

"(A) statements of general policy, instructions, and guidance issued or adopted by the Administrator; and

"(B) interpretations of general applicability issued or adopted by the Administrator; and

"(2) the term 'rule' has the same meaning as is provided in section 551(4) of title 5.

"(b) Notwithstanding the provisions of subsection (a)(2) of section 553 of title 5, the promulgation of rules and regulations by the Administrator, other than rules or regulations pertaining to agency management or personnel or to public property or contracts, shall be subject to the requirements of section 553 of title 5.

"(c) Rules and regulations issued or adopted by the Administrator shall be subject to judicial review as provided in subchapter II of chapter 71 of this title.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding after the item relating to section 222 the following new item:

"223. Rule making.".

TITLE III—JUDICIAL REVIEW

SEC. 2301. DECISIONS OF THE ADMINISTRATOR.

Section 211(a) is amended by striking out "sections 775, 784" and inserting in lieu thereof "sections 775 and 784 and subchapter II of chapter 71 of this title".

SEC. 2302. JUDICIAL REVIEW PROCEDURES.

(a) IN GENERAL.—Chapter 71 is further amended—

(1) by inserting after the table of sections the following new heading:

"SUBCHAPTER I—GENERAL";

and

(2) by adding at the end thereof the following new subchapter:

"SUBCHAPTER II—JUDICIAL REVIEW

"§ 4025. Right of review; commencement of action

"(a) For the purposes of this chapter—

"(1) 'final decision of the Board of Veterans' Appeals' means—

"(A) a final decision of the Board pursuant to section 4004 (a) or (b) of this title; or

"(B) a dismissal of an appeal by the Board pursuant to section 4005 or 4008 of this title;

"(2) 'claim for benefits' means—

"(A) an initial claim filed under section 3001 of this title;

"(B) a challenge to a decision of the Administrator reducing, suspending, or terminating benefits; or

"(C) any request by or on behalf of the claimant for reopening, reconsideration, or further consideration in a matter described in clause (A) or (B) of this paragraph;

"(3) 'interested party', with respect to a rule or regulation issued or adopted by the Administrator, means any person substantially affected by such rule or regulation; and

"(4) 'disability rating schedule' means the schedule of ratings adopted and readjusted under section 355 of this title and any provision made by the Administrator under section 357 of this title for the combination of ratings.

"(b)(1)(A) Subject to subparagraph (B) of this paragraph, the following matters are subject to judicial review under this subchapter:

"(i) A final decision of the Board of Veterans' Appeals in accordance with subsection (c).

"(ii) A rule or regulation issued or adopted by the Administrator when review of such regulation is requested by a claimant in connection with an action under subsection (c).

"(iii) A rule or regulation so issued or adopted when review of such regulation is requested by any interested party in an action brought only for the purpose of obtaining review of such rule or regulation.

"(B) In an action involving any matter subject to judicial review under this subchapter, a court may not direct or otherwise order that any disability rating schedule issued or adopted by the Administrator be modified.

"(2) Any action for judicial review authorized by this subchapter shall be brought by a claimant or an interested party in the United States Court of Appeals for the circuit in which the plaintiff resides or the plaintiff's principal place of business is located, or in the United States Court of Appeals for the District of Columbia Circuit.

"(c) Except as provided in subsection (g) of this section, after any final decision of the Board of Veterans' Appeals adverse to a claimant in a matter involving a claim for benefits under any law administered by the Veterans' Administration, such claimant may obtain a review of such decision in a civil action commenced within 180 days after notice of such decision is mailed to such claimant pursuant to section 4004(d) of this title.

"(d) The complaint initiating an action under subsection (c) of this section shall contain sufficient information to permit the Administrator to identify and locate the plaintiff's records in the custody or control of the Veterans' Administration.

"(e) Not later than 30 days after filing the answer to a complaint filed pursuant to subsection (d) of this section, the Administrator shall file a certified copy of the records upon which the decision complained of is based or, if the Administrator determines that the cost of filing copies of all such records is unduly expensive, the Administrator shall file a complete index of all documents, transcripts, or other materials comprising such records. After such index is filed and after considering requests from all parties, the court shall require the Administrator to file certified copies of such indexed items as the court considers relevant to its consideration of the case.

"(f) In an action brought under subsection (c) of this section, the court shall have the power, upon the pleadings and the records specified in subsection (e) of this section, to enter judgment in accordance with section 4026 of this title or remand the cause in accordance with such section or section 4027 of this title.

"(g)(1) No action may be brought under this section unless (A) the initial claim for benefits is filed pursuant to section 3001 of this title on or before the last day of the fifth fiscal year beginning after the effective date of this section, and (B) the complaint initiating such action is filed not more than 180 days after notice of the first final decision of the Board of Veterans' Appeals rendered after the last day of such fiscal year is mailed to the claimant pursuant to section 4004(d) of this title. If the case is reopened pursuant to section 4004(b)(2)(A) of this title within 180 days after such notice is mailed, the next final decision shall, for purposes of this subsection, be considered the first final decision of the Board.

"(2) No action may be brought under this section with respect to matters arising under chapters 19 and 37 of this title.

"§ 4026. Scope of review

"(a)(1) In any action brought under section 4025 of this title, the court, to the extent necessary to its decision and when presented, shall, except as provided for in section 4025(b)(1)(B) of this title—

"(A) decide all relevant questions of law, interpret constitutional, statutory, and regulatory provisions, and determine the meaning or applicability of the terms of an action of the Administrator;

"(B) compel action of the Administrator unlawfully withheld;

"(C) hold unlawful and set aside decisions, findings (other than those described in clause (D) of this paragraph), conclusions, rules, and regulations issued or adopted by the Administrator, the Board of Veterans' Appeals, the Administrator and the Chairman of the Board jointly, or the Chairman found to be—

"(i) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law;

"(ii) contrary to constitutional right, power, privilege, or immunity;

"(iii) in excess of statutory jurisdiction, authority, or limitations, or in violation of a statutory right; or

"(iv) without observance of procedure required by law; and

"(D) in the case of a finding of material fact made in reaching a decision on a claim for benefits under laws administered by the Veterans' Administration, hold unlawful and set aside such finding when it is so utterly lacking in a rational basis in the evidence that a manifest and grievous injustice would result if such finding were not set aside.

"(2) Before setting aside any finding of fact under paragraph (1)(D) of this subsection, the court shall specify the deficiencies in the record upon which the court would set aside such finding and shall remand the case one time to the Board of Veterans' Appeals for further action not inconsistent with the order of the court in remanding the case. In remanding a case under the first sentence of this paragraph, the court shall specify a reasonable period of time within which the Board shall complete the ordered action. If the Board does not complete action on the case within the specified period of time, the case shall be returned to the court for its further action.

"(b) In any action brought under section 4025 of this title, the whole record before the court pursuant to subsection (e) of such section shall be subject to review, the court shall review those parts of such record cited by a party, and due account shall be taken of the rule of prejudicial error.

"(c) In no event shall findings of fact made by the Administrator or the Board of Veterans' Appeals be subject to trial de novo by the court.

"(d) When a final decision of the Board of Veterans' Appeals is adverse to a party and the sole stated basis for such decision is the failure of such party to comply with any applicable regulation issued or adopted by the Administrator or the Board, the court shall review only questions raised as to compliance with and the validity of the regulation.

"§ 4027. Remands

"(a) If either party to an action brought under section 4025 of this title applies to the court for leave to adduce additional evidence and shows to the satisfaction of the court that such additional evidence is material and that there is good cause for granting such leave, the court shall remand the case to the Board of Veterans' Appeals and order such additional evidence to be taken by the Board. The court may specify a reasonable period of time within which the Board shall complete the required action.

"(b) After a case is remanded to the Board of Veterans' Appeals under subsection (a) of this section, and after further action by the Board, including consideration of any additional evidence, the Board shall modify, supplement, affirm, or reverse the findings of fact or decision, or both, and shall file with the court any such modification, supplementation, affirmation, or reversal of the findings of fact or decision or both, as the case may be, and certified copies of any additional records and evidence upon which such modification, supplementation, affirmation, or reversal was based.

"§ 4028. Survival of actions

"Any action brought under section 4025 of this title shall survive notwithstanding any change in the person occupying the office of Administrator or any vacancy in such office.

"§ 4029. Appellate review

"The decisions of a court of appeals pursuant to this chapter shall be subject to appellate review by the Supreme Court of the United States in the same manner as judgments in other civil actions.".

(b) CLERICAL AMENDMENTS.—The table of sections at the beginning of such chapter is amended—

(1) by inserting before the item relating to section 4001 the following new item:

"SUBCHAPTER I—GENERAL";

and

(2) by adding after the item (added by section 2108(b) of this Act) relating to section 4011 the following new items:

"SUBCHAPTER II—JUDICIAL REVIEW

"4025. Right of review; commencement of action.
"4026. Scope of review.
"4027. Remands.
"4028. Survival of actions.
"4029. Appellate review.".

SEC. 2303. JURISDICTION OF DISTRICT COURTS.

Section 1346(d) of title 28, United States Code, is amended by inserting before the period at the end thereof a comma and "except as provided in subchapter II of chapter 71 of title 38".

TITLE IV—ATTORNEYS' FEES

SEC. 2401. ALLOWANCE AND PAYMENT OF FEES.

Section 3404 is amended by striking out subsection (c) and inserting in lieu thereof the following:

"(c) The Chairman of the Board of Veterans' Appeals shall approve reasonable attorneys' fees to be paid by the claimant to attorneys for representation, other than in an action brought under section 4025 of this title, in connection with a claim for benefits under laws administered by the Veterans' Administration. In no event may such attorneys' fees exceed—

"(1) for any claim resolved prior to or at the time that a final decision of the Board is first rendered, $10; or

"(2) for any claim resolved after such time—

"(A) if the claimant and an attorney have entered into an agreement under which no fee is payable to such attorney unless the claim is resolved in a manner favorable to the claimant, 25 percent of the total amount of any past-due benefits awarded on the basis of the claim; or

"(B) if the claimant and an attorney have not entered into such an agreement, the lesser of—

"(i) the fee agreed upon by the claimant and the attorney; or

"(ii) $500, or such greater amount as may be specified from time to time in regulations which the Chairman of the Board shall prescribe based on changed national economic conditions subsequent to the date of the enactment of this subsection, except that the Chairman may determine and approve a fee in excess of $500, or such greater amount if so specified, in an individual case involving extraordinary circumstances warranting a higher fee.

"(d)(1) If, in an action brought under section 4025 of this title, the matter is resolved in a manner favorable to a claimant who was represented by an attorney, the court shall determine and allow a reasonable fee for such representation to be paid to the attorney by the claimant. When the claimant and an attorney have entered into an agreement under which the amount of the fee payable to such attorney is to be paid from any past-due benefits awarded on the basis of the claim and the amount of the fee is contingent on whether or not the matter is resolved in a manner favorable to the claimant, the fee so determined and allowed shall not exceed 25 percent of the total amount of any past-due benefits awarded on the basis of the claim.

"(2) If, in an action brought under section 4025 of this title, the matter is not resolved in a manner favorable to the claimant, the court shall ensure that only a reasonable fee, not in excess of $750, is paid to the attorney by the claimant for the representation of such claimant.

"(e) To the extent that past-due benefits are awarded in proceedings before the Administrator, the Board of Veterans Appeals, or a court, the Administrator shall direct that payment of any attorneys' fee that has been determined and allowed under this section be made out of such past-due benefits, but in no event shall the Administrator withhold for the purpose of such payment any portion of benefits payable for a period subsequent to the date of the final decision of the Administrator, the Board of Veterans Appeals, or the court making such award.

"(f) The provisions of this section shall apply only to cases involving claims for benefits under the laws administered by the Veterans' Administration, and such provisions shall not apply in cases in which the Veterans' Administration is the plaintiff or in which other attorneys' fee statutes are applicable.

"(g) For the purposes of this section—

"(1) the terms 'final decision of the Board of Veterans' Appeals and 'claim for benefits' shall have the same meaning provided for such terms, respectively, in section 4025 (a) of this title; and

"(2) claims shall be considered as resolved in a manner favorable to the claimant when all or any part of the relief sought is granted.

"(h) In an action brought under section 4025 of this title, the court may award to a prevailing party, other than the Administrator, reasonable attorneys' fees and costs in accordance with the provisions of section 2412(d) of title 28.".

SEC. 2402. PENALTY FOR CERTAIN ACTS.

Section 3405 is amended—

(1) by striking out "or" after "title,"; and

(2) by inserting a comma and "or (3) with intent to defraud, in any manner willfully and knowingly deceives, misleads, or threatens a claimant or beneficiary or prospective claimant or beneficiary under this title with reference to any matter covered by this title" before "shall".

TITLE V—EFFECTIVE DATES

SEC. 2501. GENERAL.

This Act and the amendments made by this Act shall take effect on the first day of the first month beginning not less than 180 days after the date of the enactment of this Act.

SEC. 2502. APPLICABILITY.

A civil action authorized in subchapter II of chapter 71 of title 38, United States Code (as added by section 2302(a) of this Act) may be instituted to review final decisions of the Board of Veterans' Appeals rendered on or after April 1, 1987.

On page 6, between lines 20 and 21, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans' Administration Reorganization, Adjudication, and Judicial Review Act of 1989".

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS.

This Act is divided into two divisions as follows:

(1) Division A—Reorganization of the Veterans' Administration and Other Executive Branch Organization Matters.

(2) Division B—Adjudication and Judicial Review Procedures for Veterans Benefits Claims.

DIVISION A—REORGANIZATION OF THE VETERANS' ADMINISTRATION AND OTHER EXECUTIVE BRANCH ORGANIZATION MATTERS

TITLE I—DEPARTMENT OF VETERANS AFFAIRS AND EXECUTIVE BRANCH ORGANIZATION AND MANAGEMENT

On page 6, line 21, strike out "SECTION 1." and insert in lieu thereof "SEC. 101.".

On page 6, line 22, strike out "Act" and insert in lieu thereof "title".

On page 7, line 1, strike out "SEC. 2." and insert in lieu thereof "SEC. 102.".

On page 7, line 22, strike out "SEC. 3." and insert in lieu thereof "SEC. 103.".

On page 10, line 12, strike out "5(d)" and insert in lieu thereof "105(d)".

On page 13, line 1, strike out "5(d)" and insert in lieu thereof "105(d)".

On page 14, line 5, strike out "Act" and insert in lieu thereof "title".

On page 14, line 14, strike out "Act" and insert in lieu thereof "title".

On page 14, line 16, strike out "Act" and insert in lieu thereof "title".

On page 14, line 20, strike out "Act" and insert in lieu thereof "title".

On page 14, line 21, strike out "SEC. 4." and insert in lieu thereof "SEC. 104.".

On page 17, line 20, strike out "Act" and insert in lieu thereof "title".

On page 17, line 25, strike out "Act" and insert in lieu thereof "title".

On page 18, line 1, strike out "SEC. 5." and insert in lieu thereof "SEC. 105.".

On page 18, line 17, strike out "4(b)" and insert in lieu thereof "104(b)".

On page 19, line 4, strike out "SEC. 6." and insert in lieu thereof "SEC. 106.".

On page 19, line 10, strike out "SEC. 7." and insert in lieu thereof "SEC. 107.".

On page 19, line 17, strike out "Act" and insert in lieu thereof "title".

On page 19, line 23, strike out "3(d)(2)" and insert in lieu thereof "103(d)(2)".

On page 20, line 6, strike out "SEC. 8." and insert in lieu thereof "SEC. 108.".

On page 20, line 14, strike out "SEC. 9." and insert in lieu thereof "SEC. 109.".

On page 21, line 10, strike out "SEC. 10." and insert in lieu thereof "SEC. 110.".

On page 22, line 20, strike out "Act" and insert in lieu thereof "title".

On page 23, line 1, strike out "SEC. 11." and insert in lieu thereof "SEC. 111.".

On page 25, line 19, strike out "Act" and insert in lieu thereof "title".

On page 25, line 21, strike out "Act" and insert in lieu thereof "title".

On page 26, line 4, strike out "12" and insert in lieu thereof "112".

On page 26, line 5, strike out "SEC. 12." and insert in lieu thereof "SEC. 112.".

On page 27, line 15, strike out "SEC. 13." and insert in lieu thereof "SEC. 113.".

On page 27, line 24, strike out "Act" and insert in lieu thereof "title".

On page 28, line 7, strike out "Act" and insert in lieu thereof "title".

On page 28, line 10, strike out "Act" and insert in lieu thereof "title".

On page 28, line 13, strike out "Act" and insert in lieu thereof "title".

On page 28, line 21, strike out "Act" and insert in lieu thereof "title".

On page 28, line 22, strike out "Act" and insert in lieu thereof "title".

On page 28, line 23, strike out "Act" and insert in lieu thereof "title".

On page 29, line 2, strike out "Act" and insert in lieu thereof "title".

On page 29, line 8, strike out "Act" and insert in lieu thereof "title".

On page 29, line 12, strike out "Act" and insert in lieu thereof "title".

On page 29, line 15, strike out "SEC. 14." and insert in lieu thereof "SEC. 114.".

On page 32, line 12, strike out "SEC. 15." and insert in lieu thereof "SEC. 115.".

On page 32, line 18, strike out "Act" and insert in lieu thereof "title".

On page 32, line 19, strike out "Act" and insert in lieu thereof "title".

On page 32, line 20, strike out "SEC. 16." and insert in lieu thereof "SEC. 116.".

On page 32, line 22, strike out "Act" and insert in lieu thereof "title".

On page 33, line 1, strike out "SEC. 17." and insert in lieu thereof "SEC. 117.".

On page 33, line 6, strike out "Act" and insert in lieu thereof "title".

On page 33, line 8, strike out "Act" and insert in lieu thereof "title".

On page 33, line 10, strike out "SEC. 18." and insert in lieu thereof "SEC. 118.".

On page 33, line 21, strike out "SEC. 19." and insert in lieu thereof "SEC. 119.".

On page 34, line 3, strike out "Act" and insert in lieu thereof "title".

On page 40, line 8, strike out "Act" and insert in lieu thereof "title".

On page 43, line 8, strike out "SEC. 20." and insert in lieu thereof "SEC. 120.".

On page 43, line 9, strike out "Act and the amendments made by this Act" and insert in lieu thereof "title and the amendments made by this title".

On page 43, line 13, strike out "Act" and insert in lieu thereof "title".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Monday, July 11, 1988, in open session to receive testimony on the Defense acquisition process.

The PRESIDING OFFICER. Without objection, it is ordered.

SPECIAL COMMITTEE ON AGING

Mr. BYRD. Mr. President, I ask unanimous consent that the Special Committee on Aging, be authorized to meet during the session of the Senate on Monday, July 11, 1988, to hold a hearing on Rural Health Care Challenge: Part II Rural Health Care Personnel.

The PRESIDING OFFICER. Without objection, it is ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on July 11, 1988, to consider the nomination of Joseph F. Salgado to be Deputy Secretary of Energy; Donna R. Fitzpatrick to be Under Secretary of Energy; and Robert O. Hunter, Jr. to be Director of the Office of Energy Research.

The PRESIDING OFFICER. Without objection, it is ordered.

SUBCOMMITTEE ON HEALTH

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Health of the Committee on Finance be authorized to meet during the session of the Senate on July 11, 1988, to hold a hearing on research efforts aimed at determining whether certain health treatment of Medicare patients is warrented.

The PRESIDING OFFICER. Without objection, it is ordered.

SUBCOMMITTEE ON TERRORISM, NARCOTICS AND INTERNATIONAL OPERATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Narcotics and International Operations of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Monday, July 11, to continue a series of hearings on drugs, law enforcement and foreign policy: Haiti and Panama.

The PRESIDING OFFICER. Without objection, it is ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Monday, July 11, to hold a hearing on the Berne Convention for the Protection of Literary and Artistic Works—Treaty Doc. 99-27.

The PRESIDING OFFICER. Without objection, it is ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, August 3, to hold a business meeting for the purpose of marking up six treaties on mutual legal assistance in criminal matters.

The PRESIDING OFFICER. Without objection, it is ordered.

ADDITIONAL STATEMENTS

BALK IN THE BALTICS

● Mr. RIEGLE. Mr. President, in his article which appeared recently in the Washington Times, journalist Cord Meyer states that "* * * the three Baltic States, Estonia, Latvia, and Lithuania, will continue to confront Mikhail Gorbachev with one of his most intractable and potentially dangerous nationality problems."

Over the past year, the citizens of the Baltic States have been in the forefront in challenging Soviet authorities to translate glasnost from a meaningless phrase into a meaningful policy. Demonstrations in the Baltic States, the proliferation of independence groups throughout the Soviet Union, and unrest in the Asian republics, all point to mounting nationalist feelings which are sweeping through that country.

In his article entitled "Balk in the Baltics," Mr. Meyer reviews the events of recent months, and gives an insightful assessment of the dilemma faced by Mr. Gorbachev as he attempts to deal with the nationalist demands coming from the citizens of the Baltic States and the other Soviet republics.

Mr. President, the U.S. Congress, through its unanimous approval of a series of resolutions, has made clear its support for the rights of citizens of the Baltic States to assert their national identity. I therefore commend Mr. Meyer's article to the attention of my colleagues, and ask that the text of the article be printed at this point in the RECORD.

The article follows:

[From the Washington Times, July 1, 1988]

BALK IN THE BALTICS

(By Cord Meyer)

Whatever conclusions are reached this week in Moscow by the Soviet Communist Party's first extraordinary conference since 1941, the three Baltic states, Estonia, Latvia and Lithuania, will continue to confront General Secretary Mikhail Gorbachev with one of his most intractable and potentially dangerous nationality problems.

Although these three republics have between them a population of only 6 million, they are the only member states of the Soviet internal empire that enjoyed full national independence from 1918 to 1940, and the United States has continued to refuse to recognize their forcible incorporation into the Soviet Union by Stalin at the end of World War II.

In these three countries with their lively memories of full democratic freedoms and high living standards, "glasnost" is used to force the Soviet regime to admit the historical truth that Stalin made a deal with Hitler to end their independence. "Perestroika" for the Baltic peoples is the struggle to regain as much as possible of their lost freedom.

The first wave of popular Baltic demonstrations to take advantage of Mr. Gorbachev's promise of reform began in Riga, the Latvian capital with a march of 5,000 in June 1987 to commemorate the mass deportations by Stalin in 1941. Taken by surprise, the communist authorities did not try to intervene and they similarly failed to prevent large demonstrations in all three Baltic capitals on Aug. 23, 1987, to protest the signing of the 1939 pact between Hitler and Stalin that secretly provided for the Soviet annexation of the Baltic states.

By the time further demonstrations were attempted in November and in February of this year, the Baltic communist governments moved to contain them forcibly. Students were threatened with expulsion, workers with loss of jobs, leaders were exiled and the militia wielded their truncheons to break up the crowds.

But a third wave of even more massive and radical demonstrations has been the answer of the indomitable Balts. This June 14, in Riga, initiated by unofficial organizations such as the Environmental Protection Club and endorsed by the communist youth group, more than 50,000 Latvians marched to commemorate the victims of the Stalinist deportations and to demand a much wider grant of local autonomy from the party conference in Moscow.

As the result of good contacts enjoyed by the American Latvian Association, there is now available the proceedings of the secret meeting called by the Latvian Communist Party Central Committee on June 18 to deal with the threat posed by the events of June 14.

Two conclusions emerge clearly from this supposedly secret discussion among Latvian Communist leaders. First, the hard-line leadership is confused and unsure of itself in the absence of clear instructions from Moscow. Boris Pugo, the first secretary of the Latvian Communist Party, concludes that "the party has lost control of the situation in the republic. A feeling of defenselessness has arisen and it seems like power is sliding out of our hands."

The KGB chief complains that his organization "has not performed its duty properly, for up until now we have not been given concrete orders."

Second, when the discussion turns to talk of using Russian tanks against the demonstrators, there are sharp divisions of opinion, and some leaders warn that retaliatory strikes by farmers could cause food shortages.

In Estonia, the communist party leadership has apparently moved with some skill to co-opt the massive demonstrations. In the Estonian capital of Tallinn, an independent association called the People's Front has been allowed to organize with the endorsement of the Communist Party, and the republic's president, Arnold Ruutel, has set up a commission to "restore justice" to the victims of Stalinist purges.

Not to be outdone, Lithuania has joined Latvian and Estonia in sending its delegation to the Moscow Party conference armed with far-reaching demands for wider autonomy, as called for by the Lithuanian Restructuring Movement.

There is a peculiar and unique urgency to these demands for an end to Russification, particularly in Latvian and Estonia. As the result of the deliberate and forcible introduction of Russian workers into both countries, native, Latvians are now only 48.6 percent of their country's population, while the Estonian native population has sunk to 61 percent. In addition, the domination of Russian as the state-supported language has further endangered the cultural heritage of these peoples.

Confronted with these insistent demands, Mr. Gorbachev must realize that if he gives too little, violent Baltic demonstrations could force him into repressive acts that would spell the end of all reform. If he gives too much, he risks rousing the sleeping giant of nationalism in the Ukraine and in the Asian republics.●

THE AMERICAN SPIRIT

● Mr. HECHT. Mr. President, I rise to celebrate the American spirit this Fourth of July. Bill Morris, a great American patriot from Las Vegas, NV, has written a very moving portrayal of what it means to be an American and the need to restore our patriotic love for our country. I would like to share his column with the U.S. Senate and ask that it be inserted in the RECORD.

The column follows:

[From the Las Vegas Sun, July 3, 1988]

AMERICANS NEED A REBIRTH OF SPIRIT THIS FOURTH OF JULY

(By Bill Morris)

A group of rebels gathered in a room to put down on paper their thoughts on how to govern a nation. Most of them were farmers or landed gentry, with a spattering of lawyers, one banker and a couple of clergymen.

They were willing to sacrifice their fortunes, land, families, risk jail, or even death in their zeal to promote what they considered right. There were as many ideas as there were people in the room. Tempers flared; some walked out only to return later. Some never came back.

Locked in a hot room with the windows closed so no one from the outside would know what they were doing, they argued each and every point before it was committed to paper. The going was slow. They didn't have a computer or word processor, so it had to be done by hand.

The days became weeks, but finally they emerged with happy hearts because they had done what no men before them had done. They had created a nation where every person would live free and practice the religion of their choice without fear or persecution.

This finished document started with the words, "We the People," the preamble to the Constitution of the United States of America.

We celebrate that event tomorrow, the Fourth of July, the original 13 colonies are now 50 sovereign states. But the joy of our celebration has vanished. Gone are the parades, the flags hanging or flying from every home and stores, the fireworks, the picnics, and the political speeches telling us how great America is and the promise of a car in every garage and a chicken in every pot.

Gone is the sense of patriotism that once was so widespread when we were so proud of being Americans that the buttons would almost pop off our shirts as our chests swelled with pride.

Today everything is different. Stores have sales. Families, instead of picnicking together, go separate ways. Gone is the camaraderie that was felt when a group of Americans got together.

Where has it all gone? Did we lose it by becoming so big? Or are we conditioned to feel shame when expressing our pride in our country and flag? Most Americans don't know they are supposed to salute the flag when it passes by, or even how to salute.

How many Americans know what the original Constitution says—the first seven Articles? You can bet the immigrants do. Have we become too self-centered to care? Has the feeling of patriotism been educated out of us? Or, is it a combination of all the above? I don't know.

I do know that patriotism seems to dwindle every year. Isn't it about time we turn things around and get that grand and glorious feeling back? Disagreeing with our leaders, or some governmental policy isn't being unpatriotic, it shows we care.

Come on, Americans, let's get some of that get-up and go feeling back and "rally 'round the flag."●

PARAGUAY UNDER GENERAL STROESSNER

● Mr. DECONCINI. Mr. President, I rise today to address the international concerns of corruption and human rights violations in Paraguay under the rule of the current President Gen. Alfredo Stroessner. Other than Chile, Paraguay is the only country in South America whose people, economy, politics, and foreign relations are ruled by a dictator. As a result, any person or movement whose actions conflict with the interests of the dictator could be tortured or killed.

Although many of Paraguay's neighbors have moved toward democracy, General Stroessner has ignored the trend toward democracy that is taking place in Central and South America. Brazil, and Argentina moved toward democracy in 1984, after 20 years of military rule, and Uruguay followed this trend 1 year later. Furthermore, 1 million Paraguayans—one-fourth of the population—left Paraguay and now live and work in Argentina due to the demeaning and brutal government in their native country. Brazil has resorted to broadcasting anti-Stroessner radio programs and prints anti-Stroessner columns in its newspapers. Brazil should be joined in its efforts to influence change in Paraguay's existing government.

In addition to the corrupt elections throughout the last 30 years, Paraguay is becoming increasingly alienated from its neighbors. One reason is its involvement in drug smuggling. Brazil has been trying to crack down on drug smuggling, but has not been able to persuade Paraguay to do the same. Unfortunately, one of the main smugglers is a military official—Gen. Andres Rodriguez—the Commander in Chief of the 1st Army. He has been linked to the 1986 seizure of 43 kilos of cocaine and 744 kilos of marijuana in Paraguay, and to this day, allegedly continues similar illegal operations.

Another topic I would like to address, Mr. President, is the human rights situation in Paraguay. It has been documented by Amnesty International that General Stroessner's regime has relied on wide-scale arrests, disappearances, long-term detention without trial, and the use of torture to carry out his political control. Not only does General Stroessner use harmful means to retain his power, but he keeps all information about his actions hidden from the public. If there is a voice of opposition, he simply uses military force to calm it or completely eliminate it. Every year there are countless examples of beatings, murders, exiled priests, and jailed writers and politicians in Paraguay. They are tortured merely because they want democracy in their country.

At the moment, the United States has very little direct leverage on General Stroessner. However, I believe Mr. President, that since the United States cannot change General Stroessner by itself, it is imperative for us to work with Paraguay's neighbors in a combined effort to change the existing regime that plagues Paraguay and casts a dark shadow on Latin America. I would hope that we could begin to focus more effort toward addressing this dictator who rivals General Noriega's abysmal human rights and drug smuggling record.●

DROUGHT AND THE SOIL

● Mr. ARMSTRONG. Mr. President, the tragedy of the drought in the Northern Plains States lies not only in the loss of crops this year, but the permanent loss of topsoil.

Reports from the Soil Conservation Service, which I will place in the RECORD, show that damage from dust storms this spring on the Great Plains compares to the 1930's Dust Bowl. The threat of another Dust Bowl, however, may be even greater than it was 50 years ago, since thousands of acres of land classified as highly erodible were converted to cropland in the late 1970's and early 1980's. Over 700,000 acres of highly erodible land have been plowed in Colorado since 1978.

Fortunately, the extent of the erosion damage is mitigated somewhat by programs such as the Conservation Reserve Program, which pays farmers to retire erosive lands from cultivation by planting grass and trees. But, even this costly program is not a permanent solution, since contracts expire after 10 years, and much of the 25 million acres now in the Conservation Reserve Program can again be plowed. It is ironic that hundreds of thousands of these same acres were retired from cultivation in the 1950's under the old Soil Bank Program.

The taxpayers spent $2.5 billion in the 1950's to put erosion prone lands in the soil bank, and it is estimated the current Conservation Reserve Program will cost another $9.5 billion through 1991 to again do the same thing. While we are spending huge sums to take highly erodible land out of production, we still have the plowing of marginal grasslands continuing. The sodbuster law has substantially reduced the number of acres being plowed out of sod, but there are continuing efforts to weaken or circumvent the law.

The drought and dust storms are testimony for the continued need of keeping the teeth in the sodbuster law and effective conservation practices. I ask that a June 27 article in the Wall Street Journal about this spring's dust storms be inserted in the CONGRESSIONAL RECORD. The article graphically describes the vulnerability of Great Plains lands to wind erosion and the losses in topsoil the Nation is now suffering.

The material follows:

[From the Wall Street Journal, June 27, 1988]

EXTENSIVE EROSION IN GREAT PLAINS TIED TO DUST STORM IS AT WORST LEVEL SINCE '55

(By Bruce Ingersoll)

WASHINGTON.—Only once since the Dust Bowl of the 1930s have dust storms done more damage to farms and ranches on the Great Plains than they have this hot and dry spring, according to the Soil Conservation Service.

The drought is leaving vast expanses of topsoil vulnerable to wind erosion as it parches pasture and withers crops. High winds have caused excessive soil erosion on 13.1 million acres of farm and rangeland this spring, according to a soon-to-be released government survey of the 10 plains states.

The damage level is more than twice as high as last spring's six million acres and the highest since the drought of 1955, when 16 million acres were damaged.

North Dakota, with 3.5 million acres of wind-blitzed cropland, has fared worst of all. A series of dust storms, followed by a "black blizzard" of blowing dirt, swept the state in April and May, filling up ditches, smothering new crops and leaving drifts of powdery soil in fence rows and tree lines. The heaviest damage was in the fertile Red River Valley and the Jamestown, N.D., area.

"A lot of land lost 15 tons [of topsoil] per acre, and there are a few spots in the state where they measured upward of 30 tons," said Charles Mumma, deputy state conservationist in Bismarck, N.D. Any loss greater than five tons an acre is considered excessive.

But for the "soil banking" of millions of highly erodible acres in the government's Conservation Reserve Program and the conservation practices of Great Plains farmers and ranchers, the erosion damage and loss of agricultural productivity would have been far greater, conservation service officials say.

"We're losing fertility faster than Mother Nature can replace it," said Mr. Mumma. "Landowners aren't only concerned about losing their crops this year; they're also concerned about losing their soil, because that's their livelihood."

Wind erosion this spring damaged three times more land in Colorado (1.5 million acres), South Dakota (1.4 million acres) and Kansas (865,000 acres) than it did in those states last spring, according to the Agriculture Department's Soil Conservation Service. The High Plains in Texas (2.5 million) and eastern New Mexico (1.4 million) also saw sharp boosts in damage.

The damage was recorded in a county-by-county survey at the end of May. Some damage occurred during the winter, when the ground was bare in many places because of light snowfall.

"When erosion occurs, we lose the most fertile part of the soil," said Edward Skinner, a soil scientist in Manhattan, Kan., for the Agricultural Research Service. "The fines [nutrient-rich particles] are blown away and the sands are left behind. The topsoil get thinner, and it doesn't produce as well." It doesn't hold water as well, either.

Leon Lyles, a fellow researcher in Manhattan, has estimated that wheat yields drop, on average, 5.3% for every inch of topsoil lost to erosion, while corn yields fall 6.3% and grain sorghum yields 5%.

In North Dakota, the winds did more than rob crop land of fertility this spring. They destroyed 450,000 acres of sugar beets and other crops. Late in April, winds as high as 50 miles an hour blasted the eastern part of the state for two days, evoking allusions to the Dirty Thirties.

"That really tore things up" said Norman Kempf, assistant state conservationist. "Folks told me they hadn't seen that much soil movement even in the '30s."

In the Red River Valley town of Grafton, the street lights came on at midday, and motorists drove with headlights on.

"As you were driving, you could hear the sand and pebbles hitting your car," said Marcell Flicek, a Grafton resident, "Some people had to stop because they couldn't see the road."

On farms around Minto, N.D., some fence lines are still under drifts of windblown dirt. Many farmers used front-end loaders to scoop topsoil from ditches and put it back on fields. One farmer, Edward Stoltman, cranked up his snow-blower.

"It worked," he said. "I created a mini-dust storm blowing the soil back onto my wheat field."

DROUGHT BLAMED FOR NEAR-RECORD WIND EROSION IN GREAT PLAINS

WASHINGTON, June 27.—Drought has caused near-record wind erosion on over 13 million acres of land in the Great Plains in the past six months, according to an official with the U.S. Department of Agriculture's Soil Conservation Service.

"This season's damage will go down as the second worst since we started measuring wind erosion in the Great Plains in 1935," said SCS Chief Wilson Scaling. "You have to back to 1955, when roughly 16 million acres of land were damaged in the region, to find a period as bad as this one."

Scaling said if it weren't for the efforts of farmers in the region, the problem would be worse. "When there's enough moisture in the soil, farmers have been doing their best to control erosion by roughening the surface," he said. "However, in certain areas, there isn't even enough moisture for that."

According to SCS officials, North Dakota has been hardest hit by the dry, windy conditions which have damaged over 3.5 million acres—two times the land damaged during the same period last year. Other states reporting substantial damage include New Mexico, Colorado, Texas, and South Dakota.

Following is a state-by-state summary of wind erosion damage between Nov. 1, 1987, and May 31, 1988, compared to the same period the previous year:

State	Counties reporting	Acres damaged	
		May 31, 1987	May 31, 1988
Colorado	37	424,811	1,489,720
Kansas	105	315,120	865,800
Montana	40	2,052,830	1,292,770
Nebraska	21	154,950	173,168
New Mexico	19	14,410	1,440,040
North Dakota	53	792,394	3,538,590
Oklahoma	30	72,265	117,428
South Dakota	66	396,370	1,462,815
Texas	147	1,646,698	2,495,556
Wyoming	23	168,840	291,270
Total	541	6,038,688	13,167,257●

CHARLES E. "BUTCH" JOECKEL AND THE ECONOMIC, HEALTH, AND SOCIAL STATUS OF VIETNAM VETERANS

● **Mr. MURKOWSKI.** Mr. President, I rise to bring to the attention of my colleagues an article written by Charles E. "Butch" Joeckel, Jr., the national adjutant of the Disabled American Veterans. Mr. Joeckel's article, published in the July 1988 issue of the DAV magazine, addresses one of the most serious burdens borne by the veterans who served the cause of freedom during the Vietnam war. That burden is the image, constantly reenforced by the media, of Vietnam veterans as maladjusted, angry, drug and alcohol abusing, unemployed and unemployable losers. That image may do more to impede the acceptance and readjustment, the "healing," of Vietnam veterans than the actual wounds and scars, both physical and emotional, inflicted on some of these brave men and women while they served.

One recent example of this damaging misrepresentation was the "CBS

Reports" program entitled "The Wall Within" which proclaimed to America that post-traumatic stress disorder [PTSD] is suffered by up to 1 million Vietnam veterans—one-third of those who served in Vietnam. CBS then focused on the extreme and literally incredible stories of six veterans apparently suffering from severe mental illness, with the implication that these veterans are typical. Dan Rather reported as fact the unsupported assertion that 100,000 Vietnam veterans have committed suicide since their return from the war.

Another example of this stereotype is found in the July 4, 1988, issue of Newsweek in an article entitled "From Patriots to Pariahs." The article's headline states that "alarming numbers of Vietnam veterans land in jail," with the implication that criminal violence and incarceration are a common outcome of Vietnam service.

The facts, of course, are different. In 1985 the Washington Post and "ABC News" jointly commissioned a nationwide survey of Vietnam veterans and compared them to all American men. I would like to share some of the findings with my colleagues. They found that Vietnam veterans are much less likely—9 percent versus 23 percent—to not be high school graduates. They are much more likely—30 percent versus 15 percent—to have some college education. Vietnam veterans were less likely—24 percent to 39 percent—to have household income less than $20,000 per year and more likely—46 percent to 39 percent—to have an income in excess of $30,000.

The Centers for Disease Control [CDC] of the U.S. Public Health Service has conducted large-scale studies of Vietnam veterans comparing their health and mortality against that of veterans who did not serve in Vietnam. The CDC found the suicide rate for Vietnam veterans to be no different than the expected rate for a population of 3 million young men and women.

The CDC found that 2 percent of Vietnam veterans had suffered from PTSD in the month prior to their examination. Expanded to the entire population of Vietnam veterans, that would indicate about 60,000 veterans suffering from PTSD. I remind my colleagues that most cases of PTSD do not result in the functional incapacitation depicted by "CBS News."

With regard to crime and imprisonment, neither the Department of Justice nor the Congressional Research Service can find any data to support the hypothesis that Vietnam veterans are more likely than others to commit criminal acts or be sentenced to prison. The 1986 Bureau of Justice Statistics census of State prisoners found 4.7 percent of imprisoned individuals to be Vietnam veterans. In the Vietnam experience study the CDC reported "few men in either group (Vietnam and non-Vietnam veterans) were in jail, institutionalized or mentally or physically incapacitated."

Mr. President, I must emphasize that these studies also document the fact that there are Vietnam veterans with problems. These problems can be serious and they merit the serious attention and concern of both the Congress and the Nation. But, we must also remember that the most important finding of these reports is that Vietnam veterans, as a class, have readjusted and successfully reintegrated into American society and the American economy. If Vietnam veterans can be distinguished from their nonveteran peers, it is by their success, not their failure. There are, without a doubt, far more Vietnam veterans in pinstripes than still wearing camouflage fatigues. For these veterans, one of the few remaining clouds in their lives is the false and misleading stereotype of Vietnam veterans as maladjusted losers—an image they know is being constantly reiterated to their friends, coworkers, employers, and even family members.

Butch Joeckel is a severely disabled combat veteran of the Vietnam war. As national adjutant of the Disabled American Veterans and executive director of their Washington headquarters, he leads the staff of an organization dedicated to protecting the interests of America's service-connected disabled veterans. He and the members of the DAV know that disabled veterans face enormous challenges imposed by their disabilities as they work to live normal, productive lives. He knows that, like other veterans of the Vietnam war, the members of the DAV do not need the additional burden of an unearned and misleading stereotype.

Perhaps the greatest service anyone can now provide to our Vietnam veterans is to expose that stereotype to the harsh spotlight of reality. That is what Butch Joeckel did in his article. An article far more useful than sensationalized press accounts to anyone concerned about public policy and veterans. For that reason I commend his article to my colleagues and ask that it, and the results of the Washington Post poll, be printed in the RECORD at the conclusion of my remarks.

The material follows:

[From the DAV magazine, July 1988]

STEREOTYPES OF VIETNAM VETERANS

(By Charles E. Joeckel, Jr., National Adjutant/Executive Director)

Arrested development. That phrase comes to my mind whenever the subject of the American people's perception of Vietnam veterans is discussed. So many people picture us just as we were when we came home from the war in Southeast Asia.

It's as if time had stopped in 1968. So many still see Vietnam vets as very young men and women—as people who remain hung up on the war, unable to get on with civilian life.

I have to ask two questions about that mental image of Vietnam vets. First, does it bear any semblance to the realities of 1988? Second, what's the source of this image of the Vietnam War's veterans?

Now, let me answer both questions in the simplest possible terms. The predominant perception of Vietnam veterans is a stereotype. It bears no relation to reality. And I lay the blame for that distorted stereotype at the feet of American journalists, whose treatment of Vietnam vets makes a mockery out of the principles of their profession.

Let's look at some facts you're not likely to find in your local daily newspaper. Two decades after the Tet Offensive, the average Vietnam vet is about 40 years old, and the vast majority of us are doing just fine.

A brief look at the statistics shows what I mean. In comparing Vietnam vets to nonveterans of the same age, very few differences emerge. Similarities include income levels, marital status, educational attainment, and occupational standing.

The results of a 1985 Washington Post/NBC News poll was very much to the point. It showed Vietnam veterans to be more likely than their nonveteran peers to have gone to college, own their own homes, or earn at least $30,000 a year.

An integral part of our society, Vietnam vets are making their way as carpenters, machinists and plumbers, as doctors, lawyers and corporate executives. They're rearing families and doing pretty much the same things as other Americans.

Just as importantly, they're involved in their communities, trying to make a difference through their civic organizations, unions, professional associations, churches, synagogues, PTAs *and* their veterans' organizations.

Some Vietnam vets still have serious, war related problems. But the vast bulk of them are well adjusted people who made a successful transition back into the civilian world. They're living their lives and making substantial contributions to our society.

In some ways, Vietnam vets come off very favorably when compared to nonveterans. A few years ago, a Justice Department study showed veterans to be less likely than nonveterans to be imprisoned. That was true of veterans as a whole as well as each individual generation of veterans, dispelling a myth that Vietnam vets are unusually prone to criminal activity.

We're not the bad guys. We're the good guys. This may be related to some personal qualities among veterans that have never been adequately assessed, perhaps because such character traits are very difficult to measure with statistics.

Even so, 18 years in the veterans' movement convince me that veterans, including Vietnam vets, care more about their fellow human beings. They have more personal discipline, strength of character, and commitment to principles. They judge themselves and society's institutions by higher moral and ethical standards.

As I said, I can't back up that gut-level impression with hard data. But I've met very few Vietnam vets who meet the definition of the so-called "Me Generation," a phrase specifically invented to describe the attitudes of others in their age group.

I believe this difference in character is related to a couple of factors. First, there's the outlook Vietnam vets brought into military service, their willingness to serve in a war that so many others in their generation selfishly avoided. Second is their experience of personal sacrifice during and after that war.

Summing it up, Joe and Mary Veteran look very similar to Joe and Mary Citizen in a point-by-point comparison. But, in certain ways, veterans stand a cut above their fellow countrymen and women.

This view of Vietnam vets contradicts the image of arrested development I mentioned earlier. And, as indicated, I fault many at America's major newspapers, wire services and broadcast outlets for that distorted image.

Some of the big decision makers in the media have written me, objecting to this judgement. However, my opinion isn't based on any pious statements they wrote in letters to the DAV. Its based on what they write in America's newspapers and the images they put on television.

When covering veterans's issues, reporters rarely seek out the winners in our ranks. They go straight for folks who fit the media stereotype of Vietnam vets. It's sure not difficult to find these vets. Media representatives need only spot the guy dresed in camouflage, the guy with the scraggly beard and hair.

I feel a great sympathy for some of the veterans who cultivate this image, the ones for whom this image is a manifestation of post-traumatic stress disorder (PTSD). They are our brothers and sisters. Their development has been arrested. They need our help to escape the prisons in their souls.

I'm proud of everything the DAV has done to break down the walls of those psychological prisons. We funded *The Forgotten Warrior* research, which gained nationwide attention for PTSD. Our 70-office Vietnam Veterans Outreach Program was the proving ground for the treatment methods used by today's VA Vet Centers.

Largely as a result of our work, the federal government is responding to veterans who suffer PTSD. As of June 1985, the VA had received 29,171 PTSD claims, and service-connection had been granted in 15,957. At the VA's Board of Veterans Appeals in fiscal year 1987, 1,1224 PTSD claims were considered. Of these, 15 percent were allowed, 37 percent were remanded and 47 percent were denied.

Clearly, the DAV sees PTSD as a very serious issue. But, today, the government has established a track record of responsiveness. And let's be honest about the number of Vietnam veterans who fall into this category. Recently, the VA issued a fact sheet that made a variety of interesting points about the Vietnam War and its veterans.

It stated, "About 20 percent of the American Vietnam veterans experienced readjustment problems after they came home from the (Vietnam) war. The National Academy of Science estimates that 25 percent of returning World War II soldiers had emotional difficulties upon return."

The readjustment problems that followed in the wake of Vietnam were indeed serious. You'll get no argument from me on that point. But were they, as so often stated in the media, more serious than problems experienced by veterans of other, more popular wars? That question deserves some further exploration.

A great deal of healing has occurred since we came home from Vietnam, as borne out by a Centers for Disease Control (CDC) study released this spring. According to CDC, 15 percent of all Vietnam combat vets have experienced some manifestations of PTSD, but only 2 percent have experienced PTSD episodes in the recent past.

In addition, CDC found nearly all Vietnam vets to have very high levels of satisfaction in marriage, family life, and other relationships. That contrasts sharply with the media myth, according to which Vietnam vets have poor personal relationships.

A far more negative picture of the CDC's findings, however, emerged in the media coverage the study generated. Nearly all of these media reports exaggerated differences between Vietnam vets and their peers.

Last month, *Washington Post* Ombudsman Richard Harwood addressed this issue in response to complaints from the DAV and other veterans' organizations. He was blunt in his criticism of his own newspaper's coverage of the CDC's findings.

In a lengthy editorial-page piece, Harwood said, "When The Post reported on the CDC study last month, the story took up the misfit theme: 'Vietnam veterans are far more likely to suffer from depression, anxiety and alcoholism than veterans who served elsewhere.'

"The facts were that 95 percent of Vietnam veterans did *not* suffer from anxiety, as opposed to 97 percent of non-Vietnam veterans; that 95 percent did *not* suffer from depression, as opposed to 97.5 percent of non-Vietnam veterans; and that 86 percent had no drug or alcohol problems, as opposed to 90 percent of non-Vietnam veterans. But presenting the findings in that manner, of course, would have been contrary to the prevailing stereotype."

Harwood's critique was tough. He was right in everything he had to say about the *Washington Post's* handling of this story. But his criticism could easily be leveled at the media at large. And the coverage of this particular story is part of a general trend in reporting on Vietnam veterans. It's not an isolated incident. For several years now, the media have been portraying Vietnam veterans as the pathetic victims of an evil war.

One of the things that bothers me most about this whole question is the media's unprincipled *use* of people, their *use* of veterans who are suffering symptoms of PTSD. It's not much different from the way they treat disaster victims.

While watching the evening news, all of us have seen reporters thrust microphones in the faces of mothers who have lost children in fires or hurricanes. The way so many reporters have paraded the inner torment of PTSD cases in front of the American public is just another variation of the same insensitive behavior.

In practicing this sort of journalism, these reporters are going for the most sensational angle available. They may use a lot of rhetoric to justify what they're doing. Many really do have good intentions.

But there's no high principle in those motivated to seek out and unduly emphasize the sensational. These reporters know that a sensational angle will get them more prominent placement in their newspaper or news broadcast.

The motivation of their editors is even more self-centered. Sensational news coverage hikes newspaper circulation and boosts audience ratings. That, in turn, draws advertising, which is the principle source of newspaper, TV and radio revenues.

Consciously or subconsciously, editors have reason not to question a reporter whose story doesn't put the PTSD issue into perspective. They have reason to avoid questioning the accuracy of a story that would lead people to see PTSD as far more common than it actually is.

Some Vietnam veterans *can't* come home from the war. This is true. But some people in the media *won't let* them come home. They have a vested interest in fostering the alienation so frequently found in that small number of veterans—some 30,000 according to CDC—who are still suffering serious PTSD symptoms.

I don't mean to lay down a blanket condemnation here. Some reporters have handled coverage of Vietnam veterans with unusual discretion and sensitivity. A few have been very careful to explain that PTSD affects only a small number of veterans, who aren't typical of Vietnam vets as a group.

However, such news reporting has been the exception, not the rule. If any reporters or editors think I'm being too harsh here, let me point out that Vietnam veterans don't like to be stereotyped any more than any other group of people.

Most reporters today are very careful about any statement that might even hint of stereotyping racial or ethnic minorities, as well as women. They know the wrath of the organization representing those groups will fall on their heads if even the vaguest trace of stereotyping can be detected.

Why should the stereotyping of Vietnan veterans rate less caution among reporters? Why should they be surprised if the DAV and other organizations representing Vietnam veterans in their membership start letting a little wrath fly?

[From the Washington Post]

THE METHOD

The Washington Post-ABC News Poll of Vietnam veterans was conducted by telephone March 15–24.

In all, 1,249 Vietnam-era veterans, including 811 who served in Vietnam or Southeast Asia, were interviewed. The accompanying report focuses on them. All served on active duty between August 1964 and June 1975.

To draw the sample, interviewers first asked people at more than 15,000 randomly selected telephone numbers in the continental United States whether a Vietnam-era veteran lived in the household or whether an immediate family member, living elsewhere, was such a veteran.

Approximately 90 percent of the Vietnam-era veterans contacted agreed to participate in the survey.

The margin of sampling error based on 811 interviews is almost certainly no greater than 4 percentage points. Practical difficulties in polling may introduce sources of error, so it cannot be stated with certainly that the poll is precise within a 4 percentage-point margin.

[In percent]

	All Vietnam veterans	Heavy combat veterans	Light combat veterans
Q. Overall, do you feel you personally benefited in the long run or were set back in the long run by having been in Vietnam?			
Personally benefited	56	48	60
Set back	29	40	24
No opinion	15	12	16
Q. I'm going to read a few statements. For each, please tell me if that statement describes the way you feel or not?			
(A) Being in the Vietnam war was the biggest event of my life up to now:			
Yes, describes	43	51	38
No, doesn't describe	56	46	60
No opinion	1	3	2
(B) I'm happier when people don't know I'm a Vietnam veteran:			
Yes, describes	20	28	17
No, doesn't describe	75	69	78

[In percent]

	All Vietnam veterans	Heavy combat veterans	Light combat veterans
No opinion	5	3	5
(C) I often find myself still thinking about all the death and dying that went on in Vietnam:			
Yes, describes	57	77	48
No, doesn't describe	42	23	51
No opinion	1	0	1
(D) What bothers me is all the people who avoided going to Vietnam:			
Yes, describes	42	43	42
No, doesn't describe	56	56	56
No opinion	2	1	2
(E) I often dream I'm back in Vietnam:			
Yes, describes	28	44	21
No, doesn't describe	71	56	79
No opinion	1	0	0
Q. I'm going to mention some things that the United States did during Vietnam and ask whether you think they were justified because they were done in wartime or whether they were not justified.			
(A) The bombing of North Vietnam:			
Yes, justified	88	87	88
No, not justified	9	9	9
No opinion	3	4	3
(B) The use of napalm:			
Yes, justified	68	75	65
No, not justified	25	21	27
No opinion	7	4	8
(C) The use of chemicals that destroyed trees and other vegetation:			
Yes, justified	47	41	50
No, not justified	47	52	44
No opinion	6	7	6
(D) The destruction of villages because some inhabitants were suspected of being Vietcong or Vietcong sympathizers:			
Yes, justified	46	48	45
No, not justified	43	43	43
No opinion	11	9	12
Q. If you don't mind me asking: did you ever kill or think you killed someone in Vietnam?			
Killed someone	40	75	24
Did not kill	49	15	64
No opinion	11	10	12
Q. Were you yourself ever wounded or injured in Vietnam?			
Wounded or injured	28	62	11
Not wounded	72	38	89
No opinion	0	0	0
Q. Would you say you approved or disapproved of the way William Westmoreland handled his job as commanding general of American forces in Vietnam?			
Approve	46	42	48
Disapprove	23	32	19
No opinion	31	26	33

Note.—Figures are from a Washington Post-ABC News poll of 811 veterans who served in Vietnam or Southeast Asia, including 259 veterans who were in heavy combat, and 552 other veterans who were in light or moderate combat or were not in combat.●

INFORMED CONSENT: OKLAHOMA

● Mr. HUMPHREY. Mr. President, today I would like to insert into the CONGRESSIONAL RECORD a letter from a woman in the State of Oklahoma. Ms. Robinson writes and tells us about her experience with having undergone an abortion without the benefit of informed consent. Women who have abortions must be given all the facts about this serious medical procedure so they can make an informed decision. I urge my colleagues to join me in support of S. 272 and S. 273 so that we can be sure that all women are given the facts. I ask that this letter be inserted in the RECORD.

The letter follows:

FEBRUARY 19, 1987.

DEAR SENATOR HUMPHREY: About 11 years ago, I was a college student and ended up pregnant. I was alone (the father transferred to another college) and scared. I went back to the man that I thought I loved and he refused to help me. I did not want to get married just because I was pregnant, but I did not know what to do. Having confronted my parents about the situation, I found no help at all, the decision was mine to make. I had "shamed" my parents and boyfriend.

On the morning I was to go back to the doctor, I was driving down the highway and saw a billboard advertising abortions. I gave the number a call. To make the story short, I went through with the abortion alone because I knew no different. The doctor did not sit down with me to tell me what was going to happen. no one told me that I would be scarred for life.

Senator Humphrey, I hope this letter will help you in the passage of your bill. I hope you receive thousands of letters from other aborted women. Abortion does not solve the problem, instead it brings another problem to one's life.

Thank you for helping the unborn child.

In God's love,

JANA ROBINSON.●

CONGRESSIONAL CALL TO CONSCIENCE

● Mr. LEVIN. Mr. President, I rise today as a participant in the Congressional Call to Conscience. For over 12 years, Members of Congress have come forward on behalf of Soviet Jews. We will continue our vigil.

Mr. President, I draw your attention to the case of Abe Stolar. I met Abe Stolar 9 years ago in Moscow and since then you have heard me speak of him many times. The Stolar family is familiar to all of us. Their case has been raised at the highest levels. I pressed Soviet officials in Moscow in March on why the Stolars have not been allowed to leave. Abe Stolar met with President Reagan in May during the Moscow summit, and the President personally asked General Secretary Gorbachev to intervene on the Stolars' behalf. Nonetheless, the Soviets continue to prevent the Stolar family from emigrating.

Abe Stolar is an American citizen by birth who has been trying to leave the Soviet Union with his family since 1975. Unfortunately, he has gotten about as far as the airport. In 1975, he and his wife Gita and their son Michael were turned back as they were about to board their flight. The Soviets decided at the last minute that Gita had been exposed to state secrets in her work as an analytical chemist.

In the past 12 years, the Stolars have had many disappointments. Each time there was news that the Stolars would be allowed to leave, the Soviets found a way to block the departure of Abe, Gita, Michael, his wife Julia, and their two children.

The latest refusal came in March because Julia's mother refuses to sign a waiver form which clears the way for her to leave with the family. Julia has been refused on this basis in the past and there is little hope that her mother will change her mind. Julia and her mother have not been in contact for 8 years.

The parental waiver form has created a new class of would-be emigres in the Soviet Union, "poor relatives." In Julia's case, Soviet officials charge that Julia may not emigrate because her estranged mother might become financially dependent on her sometime in the future. Yet, there is no obligation in Soviet law for a child to support a parent. Elderly parents are provided pensions in the Soviet Union. While the Soviets claim that the parental waiver is designed to protect families, in fact it tears them apart by giving remaining relatives absolute veto power on the applicant's right to emigrate.

The Soviets have waived this requirement in the past, in particular with the case of Yanna Begun, and I have asked them to do it again. I have yet to receive a response to that request, although it is long overdue to bring the saga of the Stolar family to a close. ●

ANNOUNCEMENT OF POSITION ON VOTES

● Mr. PELL. Mr. President, I was necessarily absent during several rollcall votes in the Senate on July 7 and July 8, 1988, and wish to indicate for the record how I would have voted had I been present.

On rollcall vote No. 229, I would have voted "yea."

On rollcall vote No. 230, I would have voted "yea."

On rollcall vote No. 231, I would have voted "yea."

On rollcall vote No. 232, I would have voted "yea."

On rollcall vote No. 233, I would have voted "yea."

On rollcall vote No. 234, I would have voted "yea."

On rollcall vote No. 235, I would have voted "yea."●

VISIT OF MALTA'S PRIME MINISTER

● Mr. LUGAR. Mr. President. I am pleased to invite my colleagues to join me in welcoming Dr. Eddie Fenech-Adami, the Prime Minister of Malta, to the United States. Dr. Fenech-Adami's historic visit comes at a time when United States-Maltese relations are growing stronger and when the democracy in that island nation is progressing rapidly.

Since his election in May 1987, the Prime Minister has stressed improved relations with the United States, both economically and politically. Dr. Fenech-Adami has worked diligently to strengthen democracy in Malta and has made marked improvements in the area of human rights. In the United Nations, Malta has adopted a pro-Western stance, frequently supporting the United States. The Prime Minister also has launched an aggressive campaign to attract Western business investments to the island. He has moved to ease the top-heavy centralized economy of Malta and shifted to the sound principles of a demand economy based on free enterprise.

Prior to Dr. Fenech-Adami's election, Malta suffered 16 years of rule marked by strong anti-Western policies abroad and human rights violations at home. I am pleased to report that this has changed for the better. Dr. Fenech-Adami has already made significant progress in reversing these trends. I congratulate him on his efforts to strengthen ties with the West and to restore democratic practices at home.

Please join me, Mr. President, in welcoming Prime Minister Fenech-Adami to the United States. I am certain that his visit will result in fruitful discussions with President Reagan and the Congress leading to mutually beneficial relations.●

SHELLI BREED, ONTARIO, NY

● Mr. MOYNIHAN. Mr. President, I rise today to salute a constituent of mine who has been able to overcome her disability and make a valuable contribution to her community.

On June 30, 1988, Shelli Breed, a resident of Ontario, NY, was named the National Multiple Sclerosis Society's Mother of the Year. Ms. Breed's story is truly remarkable and I would like to share it with my colleagues.

In 1981, after having her third child, Ms. Breed was diagnosed as having multiple sclerosis. No longer able to continue her work as a nurse, Ms. Breed was left to raise three children on Government support.

While many people would have simply given up hope under such adverse conditions, Ms. Breed set out to make the best of her situation. Of first and foremost concern was the upbringing of her children—Christopher, 17, Laura, 15, and Jennifer, 12. Christopher is an assistant chief of the Ontario Firematic Explorers, a division of the Boy Scouts of America. Regularly, Ms. Breed gets up in the middle of the night to drive her son to the site of a fire. Laura, active in many different organizations, is involved with such school organizations as Students Against Drunk Driving, the school band, and is the treasurer of her class. Laura has also developed the determination to do the best she can do, in all endeavors. The youngest daughter, Jessica, is involved with school groups and church choirs. She plays the flute and is an avid skier. These outstanding children are clearly a tribute to their mother's perseverance.

Ms. Breed, too, has remained involved with her community. She has become a confidant for the youth of her neighborhood—giving them advice on issues which affect them; broken homes, alcohol, and drug abuse.

Ms. Breed has not allowed her disability to impede her love for music. She now coordinates the summer music program at her local church and assists her children with their music lessons.

She has been the spokesperson for the United Way of Greater Rochester Fund Appeal, using her triumphs to inspire other MS patients, and raising money to help find a cure.

Ms. Breed's accomplishments serve as inspiration for each of us. She sets a standard to which we should all aspire. A statement by Jennifer, her youngest daughter, sums it up, "She is the best mother—and father—anyone could have. She's the one who is always there—despite the MS. In fact, maybe the MS is a blessing in disguise, because if she didn't have it she'd be out working and couldn't be here for us—and everyone else who needs her."●

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

Mr. MATSUNAGA. Will the majority leader withhold?

Mr. BYRD. Mr. President, I withhold my suggestion.

The ACTING PRESIDENT pro tempore. The Senator from Hawaii is recognized.

Mr. MATSUNAGA. Mr. President, are we in morning business?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. BYRD. Mr. President, there will be no more rollcall votes today.

The ACTING PRESIDENT pro tempore. The Senator from Hawaii is recognized.

AVIATION PIONEER

Mr. MATSUNAGA. Mr. President, earlier in April of this year I addressed this body on a Soviet breakthrough in cryogenic aviation: the flight of the trijet TU-155 fueled in part by liquid hydrogen. Today I am happy to report that an American pilot, flying an American plane, has made perhaps the first flight entirely dependent upon hydrogen fuel and certainly the first flight of a prop aircraft with hydrogen as its fuel.

William H. Conrad of Pompano Beach, FL, an enthusiastic proponent of hydrogen as a "total energy source," became airborne and reached an altitude of 100 feet on a flight lasting 39 seconds while piloting a Grumman American "Cheeta," powered by a 150-horsepower Lycoming E2G engine. This took place at 1:30 in the afternoon of Sunday, June 19, at Fort Lauderdale Executive Airport. Prior to the flight the existing aviation gas tanks in the plane's wings had been sealed off. The fuel, 40 gallons of liquid hydrogen good for 1½ hours of flying, was carried in a removable cryogenic tank that had been lowered into the cockpit behind the pilot. The tank was manufactured and donated by Consolidated Precision Corp. of Riviera Beach, FL.

According to Peter Foster of the National Aeronautic Association, who witnessed the flight as an official observer for the association,

> The aircraft could have flown a complete circuit of the airport, but because of conditions not associated with the pilot or the aircraft, a shorter flight was made. The flight was smooth with no problems whatsoever.

Conrad, a retired FAA-certified air transport rating examiner and a practicing aviation consultant, had received permission from the tower for a high-speed taxi test but claims the craft "just got into the air with me." He had arisen at 5 a.m. that morning in order to drive some 60 miles north to West Palm Beach where he filled the tank with liquid hydrogen purchased at $2.80 a gallon from a commercial supplier. He then drove back and with the aid of a mobile crane lowered the tank into the open cockpit after retracting the cockpit's canopy. The actual flight was preceded by months of tie-down ground testing wherein smooth combusting and power levels 10 percent higher than those with conventional fuel were achieved. The plane's fuel injection system was modified to accept supercold liquid hydrogen.

Conrad estimates that he invested $100,000 in making this brief but historic flight, including the $26,000 price of the plane itself, which he would like to donate to the Smithsonian Air and Space Museum.

> I just want to establish the fact that the United States has the first airplane to run solely on hydrogen,

He said after the flight.

> My purpose was to get a little publicity in order to make people realize that hydrogen is available and that it is a nonpollutant form energy,

He added.

Some question has been raised about whether or not the Soviet accomplishment, 2 months earlier, involved the use of hydrogen in all three of the TU-155's jet engines. According to certain press reports, only its starboard engine was modified to accept hydrogen. Therefore, the National Aeronautic Association has designated Conrad's feat as a "world's first." Last Thursday I was privileged to meet Mr. Conrad and his lovely wife, Dorothy, in my office, and to present to him a recognition plaque on behalf of the National Aeronautic Association.

Mr. Conrad told me his engine performed "flawlessly" and the flight "was one of the biggest thrills of my life—other than marrying my wife." Finally, he offered to testify in favor of my bill, S. 2447, to develop a national hydrogen aviation fuel research and development program, should it receive a hearing in September before the Senate Commerce, Science and Transportation Committee.

Mr. President, I should add the fact that today, July 11, is Mr. Conrad's 80th birthday. He first soloed as a pilot in 1929. He is truly an aviator of the barnstorming era whose Sunday afternoon feat last month now places him among such pioneers as Lindbergh, Yeager, and the Wright brothers. He is to be commended for demonstrating the way to the future for world aviation; namely, cryogenic fuel.

Both Mr. Conrad and the National Aeronautic Association are to commended also for their efforts to see that the United States remains a leader in advancing the hydrogen economy. I congratulate them both and only hope their example can inspire my colleagues to support my own legislative initiatives in this regard.

SAM NICOLETTI

Mr. DOLE. Mr. President, I would like to recognize a distinguished native of Kansas, Mr. Sam Nicoletti, who recently retired as superintendent of Northeast Unified School District 246, in Arma, KS. Mr. Nicoletti exhibited hard work and dedication to the education field for the benefit of many Kansans.

A lifelong citizen of Arma, Sam Nicoletti received a B.S. and M.S. from nearby Pittsburg State University.

Mr. Nicoletti taught school at the local high school and, in 1965, proceeded as superintendent of schools, Northeast Unified School District 246.

Sam Nicoletti's involvement in the education system extends beyond his impressive resume. He helped the district acquire statewide grant money for a junior high school and additions to the elementary school. He instigated construction of the North East High School and athletic facilities including a football field, track and bleachers.

His involvement in statewide education committees includes a position on the executive board of the Kansas State High School Activities Association and a member of the Curriculum Advisory Board, Kansas State Department of Education.

Civic pride is also important to Mr. Nicoletti. His involvement in the Arma Boy Scouts has lasted 39 years. For the past 42 years he has assisted with homecoming activities for the city of Arma, KS.

On the occasion of his retirement, it is appropriate to salute this native son of Kansas who has made significant contributions to the education system and the State of Kansas.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—ESTABLISHMENT OF VETERANS' ADMINISTRATION AS AN EXECUTIVE DEPARTMENT

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow, at 9:15 a.m., the Governmental Affairs Committee be discharged from further consideration of H.R. 3471; that the Senate proceed to its immediate consideration; that without any further debate, all after the enacting clause be striken and the test of S. 533 be substituted for the House language; that without any further debate, intervening action of any kind or any motion, the Senate proceed to an immediate vote on passage of H.R. 3471, as amended.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that it be in order at this time the yeas and nays on H.R. 3471.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask for the yeas and nays on final passage.

The ACTING PRESIDENT pro tempore. Is there sufficient second?

There is sufficient second.

The yeas and nays were ordered.

ORDER TO PRINT H.R. 1807

Mr. BYRD. Mr. President, on behalf of Mr. Bumpers I ask unanimous consent that the amendment to H.R. 1807, the Minority Business Development Program Reform Act of 1988, be printed as passed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

HEARING AID COMPATIBILITY ACT

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 743.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 314) to require certain telephones to be hearing aid compatible.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment to strike all after the enacting clause and insert in lieu thereof, the following:

That this Act may be cited as the "Hearing Aid Compatibility Act of 1988".

FINDINGS

SEC. 2. The Congress finds that—

(1) to the fullest extent made possible by technology and medical science, hearing-impaired persons should have equal access to the national telecommunications network;

(2) present technology provides effective coupling of telephones to hearing aids used by some severely hearing-impaired persons for communicating by voice telephone;

(3) anticipated improvements in both telephone and hearing aid technologies promise greater access in the future; and

(4) universal telephone service for hearing-impaired persons will lead to greater employment opportunities and increased productivity.

HEARING AID COMPATIBILITY REQUIREMENTS

SEC. 3. (a) Subsection (b) of section 710 of the Communications Act of 1934 (47 U.S.C. 610) is amended to read as follows:

"(b)(1) Except as provided in paragraphs (2) and (3), the Commission shall require that—

"(A) all essential telephones, and

"(B) all telephones manufactured in the United States (other than for export) more than one year after the date of enactment of the Hearing Aid Compatibility Act of 1988 or imported for use in the United States more than one year after such date,

provide internal means for effective use with hearing aids that are designed to be compatible with telephones which meet established technical standards for hearing aid compatibility.

"(2)(A) The initial regulations prescribed by the Commission under paragraph (1) of this subsection after the date of enactment of the Hearing Aid Compatibility Act of 1988 shall exempt from the requirements established pursuant to paragraph (1)(B) of this subsection only—

"(i) telephones used with public mobile services;

"(ii) telephones used with private radio services;

"(iii) cordless telephones; and

"(iv) secure telephones.

"(B) The exemption provided by such regulations for cordless telephones shall not apply with respect to cordless telephones manufactured or imported more than three years after the date of enactment of the Hearing Aid Compatibility Act of 1988.

"(C) The Commission shall periodically assess the appropriateness of continuing in effect the exemptions provided by such regulations for telephones used with public mobile services and telephones used with private radio services. The Commission shall revoke or otherwise limit any such exemption if the Commission determines that—

"(i) such revocation or limitation is in the public interest;

"(ii) continuation of the exemption without such revocation or limitation would have an adverse effect on hearing-impaired individuals;

"(iii) compliance with the requirements of paragraph (1)(B) is technologically feasible for the telephones to which the exemption applies; and

"(iv) compliance with the requirements of paragraph (1)(B) would not increase costs to such an extent that the telephones to which the exemption applies could not be successfully marketed.

"(3) The Commission may, upon the application of any interested person, initiate a proceeding to waive the requirements of paragraph (1)(B) of this subsection with respect to new telephones, or telephones associated with a new technology or service. The Commission shall not grant such a waiver unless the Commission determines, on the basis of evidence in the record of such proceeding, that such telephones, or such technology or service, are in the public interest, and that (A) compliance with the requirements of paragraph (1)(B) is technologically infeasible, or (B) compliance with such requirements would increase the costs of the telephones, or of the technology or service, to such an extent that such telephones, technology, or service could not be successfully marketed. In any proceeding under this paragraph to grant a waiver from the requirements of paragraph (1)(B), the Commission shall consider the effect on hearing-impaired individuals of granting the waiver. The Commission shall periodically review and determine the continuing need for any waiver granted pursuant to this paragraph.

"(4) For purposes of this subsection—

"(A) the term 'essential telephones' means only coin-operated telephones, telephones provided for emergency use, and other telephones frequently needed for use by persons using such hearing aids;

"(B) the term 'public mobile services' means air-to-ground radiotelephone services, cellular radio telecommunications services, offshore radio, rural radio service, public land mobile telephone service, and other common carrier radio communication services covered by part 22 of title 47 of the Code of Federal Regulations;

"(C) the term 'private radio services' means private land mobile radio services and other communications services characterized by the Commission in its rule as private radio services; and

"(D) the term 'secure telephones' means telephones that are approved by the United States Government for the transmission of classified or sensitive voice communications.".

(b) Section 710(f) of the Communications Act of 1934 (47 U.S.C. 610(f)) is amended by striking out the second sentence and inserting in lieu thereof the following: "The Commission shall complete rulemaking actions required to implement the amendments made by the Hearing Aid Compatibility Act of 1988 within nine months after the date of enactment of such Act. Thereafter, the Commission shall periodically review the regulations established pursuant to this section.".

The ACTING PRESIDENT pro tempore. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

Mr. PRESSLER. Mr. President, I am very pleased to rise today to speak in favor of S. 314, the Hearing Aid Compatibility Act of 1988. I have been working on this legislation for 4 years now, and it was very gratifying to see the House of Representatives pass the companion measure last month. The Senate Committee on Commerce, Science, and Transportation favorably reported S. 314 on May 24, and I look forward to quick passage by the full Senate.

This act will require that all telephones, with certain exceptions, manufactured in or imported to the United States more than 1 year after enactment be hearing aid compatible. Thus this legislation ultimately aims at universal telephone compatibility with hearing aids.

The Telecommunications for the Disabled Act of 1982 began to address the needs of hearing-impaired individuals by requiring "essential" telephones to be hearing-aid compatible. This ensured that there always would be some telephones available to the hearing-impaired, but most telephones were not defined as essential.

I wonder how well most of us would function if we were restricted to using only those telephones which have been defined by the FCC as essential. Fortunately, for most of us, we can use any telephone. When we visit friends, we know we can call home from their home. When we are away from our desks, we know we can still use other telephones in the workplace. When we stay at a hotel, we don't have to ask for a room which has a compatible telephone, and then hope that such a room is available. Life would not be so easy if we were all restricted to only those telephones currently defined as essential.

Even that situation could be acceptable if there were some good reason for it. But there isn't. The technology which allows telephones to be hearing aid compatible has been available since 1945. It is known as inductive coupling and uses the electromagnetic field to transmit the conversation. This transmission can occur if both the telephone handset and the hearing aid are equipped with a telecoil. Prior to the deregulation of AT&T, virtually all the telephones they manufactured were hearing aid compatible. Thus there was no need for a legal requirement.

Since deregulation, however, with the entrance of many new manufacturers, and in the absence of a legal requirement, telephones without a magnetic coil inevitably have entered the marketplace. Many of these are produced overseas. To the credit of GTE and AT&T, they have continued to make nearly all of their telephones hearing aid compatible. But the percentage of incompatible telephones on the market has steadily climbed.

Not only is the technology available but it does not appreciably add to the cost of producing telephones. In 1985, the Commerce Department stated that hearing aid compatible telephones were no more expensive to manufacture than noncompatible telephones. The industry itself provides estimates of anywhere from 10 to 50 cents additional cost per phone, and GTE claims that compatible telephones are just as competitive on the market as noncompatible telephones.

Perhaps the most difficult issue with regard to this legislation was the question of new, as yet unknown, technologies. The original language did not allow for new technologies and this caused great concern in the industry. On the other hand, a broad exemption for new technologies could defeat the whole purpose of this bill by allowing some new type of general purpose telephone developed a couple of years from now to be noncompatible.

Dealing with the unknown is difficult, but I think we reached a good compromise. New technologies must be compatible with hearing aids, unless they are specifically exempted by the FCC. To gain such an exemption, the developer must demonstrate that compatibility is either technologically impossible or so costly as to prevent the product from being successfully marketed. Thus, products can be developed and marketed which cannot be made compatible.

We cannot predict all the specialized telephone technologies which may be developed in the future, and they must not be prevented from coming to market. On the other hand, the average telephone that is used in the home and place of business should continue to be compatible with hearing aids, regardless of how that technology changes.

To this end, the FCC is instructed to consider the needs of the hearing-impaired before granting any waivers. And in no case will any telephones currently required to be hearing-aid compatible be exempted.

Telephones used for national security are the only telephones permanently exempted from the compatibility requirement. Cordless telephones are exempted for 3 years and cellular telephones receive an initial exemption. Except for secure telephones and cordless telephones, all the initial exemptions and future exemptions to be granted by the FCC will be reviewed periodically by the FCC to determine if they are still warranted. The periodic review provisions act as a valve to keep the compatibility trend flowing in the right direction. A new exemption cannot be created for an old technology. Again, the ultimate goal of this legislation is to provide for universal compatibility.

Before closing, I must mention the role of David Saks, of the Organization for Use of the Telephone (OUT), in initiating and advocating this legislation. David has worked tirelessly for years on behalf of the hearing-impaired community to ensure universal access to the telephone network. OUT is not a large organization with a huge budget. Nevertheless, David coordinated support for this legislation from organizations such as the America Association of Retired Persons, the National Center for Law and the Deaf, the National Association of Regulatory Utility Commissioners, and numerous other national and State organizations. He worked vigorously with Mr. MAVROULES in the House, myself in the Senate, and the telephone and electronics industries.

Mr. President, I again urge passage of this legislation. With existing technology and at negligible cost to industry, we can create the same universal telephone service for hearing-impaired persons that the rest of us enjoy.

The ACTING PRESIDENT pro tempore. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar Order No. 723, H.R. 2213.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 2213) to require certain telephones to be hearing aid compatible.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. BYRD. Mr. President, I ask unanimous consent that all after the enacting clause be stricken, and the text of S. 314, as amended, be inserted in lieu thereof.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The question is on the engrossment and the third reading of the bill.

The bill (H.R. 2213) was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. BYRD. Mr. President, I move to reconsidered the vote by which the bill was passed.

Mr. DOLE. I Move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I ask unanimous consent that Calendar Order No. 743 be indefinitely postponed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER TO INDEFINITELY POSTPONE S. 1993

Mr. BYRD. Mr. President, I ask unanimous consent that Calendar Order No. 753, S. 1993, a bill to amend the Small Business Act to improve the growth and development of small business concerns owned and controlled by socially and economically disadvantaged individuals, especially through participation in the Federal procurement process, and for other purposes, be indefinitely postponed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDERS FOR TUESDAY, JULY 12, 1988

RECESS UNTIL 9 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9 o'clock tomorrow morning.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

REDUCTION OF LEADER TIME AND MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow morning the time of the two leaders be reduced to 5 minutes each and that, following the time for the recognition on the two leaders under the standing order, there be a period for morning business to extend until 9:15 a.m., and that Senators may speak during that period for morning business for not to exceed 1 minute each.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PROGRAM

Mr. BYRD. Mr. President, the order has been entered, has it not, for a vote on final passage of the Veterans' Department bill?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. BYRD. And that will occur at 9:15 a.m.?

The ACTING PRESIDENT pro tempore. The majority leader is correct.

Mr. BYRD. Mr. President, the distinguished Republican leader and I have agreed that on tomorrow, following the vote on the veterans' bill, the Senate will then proceed to the consideration of the transportation appropriations bill. So that will be the order following the vote. If both sides can alert Senators who are involved in the transportation bill, the managers thereof, the Senate can then proceed quickly to that bill.

After the transportation appropriations bill, Mr. President, under the order as it presently stands, the Senate will proceed to the consideration of the HUD appropriations bill. Upon the disposition of that bill, the Senate will take up the Interior appropriations bill.

Does the distinguished Republican leader have any statement he wishes to make or any comments about the program as I have outlined it, or any further business he would like to transact?

Mr. DOLE. No further business. I have indicated to the majority leader that we will check on the Labor-HHS appropriations bill—we might be able to do a portion of that—and also the other outstanding bills.

Mr. BYRD. The only remaining ones would be Agriculture, Defense, and State-Justice-Commerce. Those three, in addition to the Labor-HHS bill which has been mentioned by the able Republican leader.

Also tomorrow morning I would like to get a time agreement on the Endangered Species Act. If the distinguished leader could alert anyone on his side who might be involved in that act, I would like to put that request following the rollcall vote.

Mr. DOLE. I will ask the distinguished Senator from Idaho, Senator MCCLURE, to be here. I will be attending a White House meeting at that time. He has an interest in that bill. We will notify him and ask him to be present following the vote.

Mr. BYRD. Very well.

CONCLUSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, has morning business been closed?

The ACTING PRESIDENT pro tempore. If there is no further morning business, morning business is closed.

ESTABLISHMENT OF VETERANS' ADMINISTRATION AS AN EXECUTIVE DEPARTMENT

The Senate continued with the consideration of the bill.

Mr. BYRD. Mr. President, what is the pending business before the Senate?

The ACTING PRESIDENT pro tempore. S. 533 is the pending business.

Mr. BYRD. That is the bill creating a new department for veterans' affairs?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. BYRD. I thank the Chair.

RECESS UNTIL 9 A.M., TOMORROW

Mr. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with

the order previously entered, that the Senate stand in recess until the hour of 9 o'clock a.m. tomorrow.

The motion was agreed to; and, at 8:16 p.m., the Senate recessed until Tuesday, July 12, 1988, at 9 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate July 8, 1988, after the recess of the Senate, under authority of the order of the Senate of February 3, 1987:

DEPARTMENT OF THE TREASURY

SALVATORE R. MARTOCHE, OF NEW YORK, TO BE AN ASSISTANT SECRETARY OF THE TREASURY, VICE FRANCIS ANTHONY KEATING II.

DEPARTMENT OF COMMERCE

R. KENT BURTON, OF VIRGINIA, TO BE ASSISTANT SECRETARY OF COMMERCE FOR OCEANS AND ATMOSPHERE, VICE JAMES CURTIS MACK II, RESIGNED.

EXPORT-IMPORT BANK OF THE UNITED STATES

RICHARD C. HOUSEWORTH, OF ARIZONA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE EXPORT-IMPORT BANK OF THE UNITED STATES FOR A TERM OF 4 YEARS EXPIRING JANUARY 20, 1991, VICE RICHARD W. HELDRIDGE, RESIGNED.

JAMES MADISON MEMORIAL FELLOWSHIP FOUNDATION

THE FOLLOWING NAMED PERSONS TO BE MEMBERS OF THE BOARD OF TRUSTEES OF THE JAMES MADISON MEMORIAL FELLOWSHIP FOUNDATION FOR TERMS OF 6 YEARS:

JOAN R. CHALLINOR, OF THE DISTRICT OF COLUMBIA. (NEW POSITION.)

BETTY SOURHARD MURPHY, OF VIRGINIA. (NEW POSITION.)

NATIONAL COUNCIL ON THE HANDICAPPED

BRENDA PREMO, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HANDICAPPED FOR A TERM EXPIRING SEPTEMBER 17, 1991. (REAPPOINTMENT.)

U.S. INTERNATIONAL TRADE COMMISSION

DON E. NEWQUIST, OF TEXAS, TO BE A MEMBER OF THE U.S. INTERNATIONAL TRADE COMMISSION FOR THE TERM EXPIRING DECEMBER 16, 1997. (REAPPOINTMENT.)

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL ON THE RETIRED LIST PURSUANT TO THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. LEONARD H. PERROOTS, [redacted] FR, U.S. AIR FORCE.

THE FOLLOWING NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

LT. GEN. CHARLES MCCAUSLAND, [redacted] FR, U.S. AIR FORCE.

Executive nominations received by the Senate July 11, 1988:

THE JUDICIARY

JOHN O. COLVIN, OF VIRGINIA, TO BE A JUDGE OF THE U.S. TAX COURT FOR A TERM EXPIRING 15 YEARS AFTER HE TAKES OFFICE, VICE SAMUEL B. STERRETT, RETIRED.

WITHDRAWAL

Executive message, received after the recess of the Senate on July 8, 1988, transmitting the withdrawal of a nomination from further Senate consideration:

NATIONAL MEDIATION BOARD

SALVATORE R. MARTOCHE, OF NEW YORK, TO BE A MEMBER OF THE NATIONAL MEDIATION BOARD FOR THE TERM EXPIRING JULY 1, 1991, VICE HELEN M. WITT, TERM EXPIRING, WHICH WAS SENT TO THE SENATE ON APRIL 20, 1988.

EXTENSIONS OF REMARKS

REMARKS OF WORLD BANK PRESIDENT BARBER CONABLE TO MEMBERS OF THE EUROPEAN PARLIAMENT AND THE U.S. CONGRESS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. LANTOS. Mr. Speaker, many of our colleagues, when they leave this body, take a well-earned retirement. Others undertake new and more difficult challenges. Our distinguished former colleague, Barber Conable, has taken on a task that is even more difficult, the pace more hectic, and the travel schedule even more onerous than that which he experienced with us here for some 20 years in Congress. At the same time as President of the World Bank, Barber has found a unique opportunity to make a great difference throughout the world.

Recently, Barber addressed the members of the delegations of the U.S. Congress and the European Parliament who participated in an important series of interparliamentary meetings.

Mr. Speaker, the comments of our former colleague are particularly interesting and insightful for all of us in the Congress. He approaches his position with the unique perspective and experience of one who has served in this body for 20 years. But he also has the perspective of one who has now served for several years as the head of this international agency concerned with questions of economic development.

Mr. Speaker, I ask that the remarks of our colleague, Barber Conable, be placed in the RECORD for the benefit of all of us who will be voting and taking action on issues involving the World Bank and international development.

REMARKS OF BARBER CONABLE TO AN INTERPARLIAMENTARY MEETING OF REPRESENTATIVES OF THE U.S. CONGRESS AND THE EUROPEAN PARLIAMENT

Chairman Haensch, Excellencies, Members of the European Parliament and of Congress, Ladies and Gentlemen,

It is a pleasure to be with so many distinguished legislators. I'm grateful to Tom Lantos not only for the invitation to meet new friends, such as Klaus Haensch, but also for the chance to rejoin old friends at the Capitol where I spent 20 rewarding years as a Member of Congress.

I find myself now in a very different setting, and I thought you might be interested to hear about the World Bank from a former American lawmaker who has lost his most valued power—the vote—while gaining responsibilities that have to be carried out through quiet persuasion.

As a Congressman I represented some 500,000 constituents whose backgrounds, language and priorities were similar to my own.

I now serve the four and a half billion people in the Bank's 151 member countries through the 22 Executive Directors on our Board. And those directors have the votes.

I propose. They dispose.

I also have responsibility for some 5,500 expert, dedicated, diverse members of the World Bank staff.

And finally, I am accountable not just for the $20 billion or so of funds that the World Bank Group (which includes the International Development Association, the International Finance Corporation and the newly-created Multilateral Investment Guarantee Agency) loaned to our members this year. I also am accountable to the global financial markets where we borrow over 85 percent of the funds we loan to development.

When I was a Member of Congress, I supported the World Bank, but I must admit I didn't spend a lot of time thinking about what it did or how it did it. Nor did most of my colleagues, or my constituents.

I suspect, in fact, that there is a good deal more awareness among Europeans than among Americans about both the Bank and the problems it handles.

History has made Europeans closer to the developing countries. Patterns of finance, trade and immigration have preserved some of that legacy.

And at least until some 40 years ago, the relative self-sufficiency of the United States economy meant that Americans directed most of their energies and attention to themselves. It's a tradition that is hard to break.

Yet the United States was a primary moving force in the establishment of the Bank and the other Bretton Woods institutions (the IMF and GATT) at the end of World War II.

In general, if they think about it, Americans still understand and accept the validity of the premises that guide our work.

They agree that the persistence of misery is both a moral rebuke to the affluent nations and a security threat to the world. They realize that the problems of poverty are urgent, yet susceptible only to gradual remedy.

And they acknowledge that international cooperation is the best means of building a more widely shared prosperity and of reducing the tensions that can otherwise pit poor neighbors against rich in the global village.

But those general principles, even when they are widely held, do not translate automatically into political priorities.

Interdependence is a reality, but it can also seem a little abstract when farmer-constituents believe that support for the World Bank is helping foreign competitors or when steel or textile workers at home fear that investments abroad might cost them jobs and markets.

I know about those pressures, because I used to be on the receiving end of them in the Congress, and I still am, at one move, in the Bank.

Now, I can cite statistics that show that for every $100 of added per capita income development brings to the poorest countries, $60 goes to increased consumption—including consumption of food from efficient American and European farms.

I can demonstrate that the modernization of an obsolescent steel facility in Latin America will boost the purchasing power of that region and, therefore, of its imports from the United States and the European Community. And it will do so without cutting into existing domestic demand for steel.

I can even show how dependent global export growth is on the health of the developing countries' economies, how nearly a third of added U.S. sales abroad last year was due to growth in Asian, African and Latin American markets, how over a million American jobs were lost early this decade when Third World demand sank.

As the head of an international institution, however, I cannot make those points to my former colleagues in the Congress with either the directness or the informality that comes of being one of them.

If I could, I would just say what a Los Angeles Times editorial said a few months ago: The World Bank Works.

That has been something of a secret, but I have found it to be the truth.

The Bank works most remarkably in multiplying the human, intellectual and financial resources that the world can bring to bear on the problems and the potential of development.

By itself, our lending would have, at most, marginal impact.

But we are more than just the largest single source of new funds for both the poorest nations and for the highly-indebted middle-income countries.

The World Bank Group is also the magnetic force that draws the assets of borrower governments together with private and public financing from outside and joins these elements to cement new alliances for long-term development.

Nor is money our only contribution to the process.

The rigor with which applications are analyzed, projects monitored and results evaluated is more intense and draws from a deeper pool of experience and skill than most governments, donor agencies or commercial lenders can pay to maintain or mobilize.

That examination may slow our decisions. It does not always save us from error.

But it makes the World Bank seal of approval on an undertaking a guarantee to other investors.

So one secret of the way the World Bank works is in its leverage.

I use that word in three senses.

The obvious, financial one is the power of a World Bank loan to catalyze other resources.

While I was in the Congress, I, like many, tended to hold dear the power that goes with dispensing aid or credit on a bilateral basis.

It seemed such an obvious equation, one that assured a close match between international generosity and national self-interest.

But the truth—particularly in a time of serious fiscal constraints on the govern-

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

ments of Europe and North America—is that multilateral assistance is exceptionally cost-effective.

It may appear to dilute the direct influence of the giver or creditor on the beneficiary, but it actually magnifies the impact of a single nation's action by joining it with others.

It is at this juncture that the second meaning of World Bank leverage joins the first.

As a Bretton Woods institution, rather than a United Nations agency, the Bank sets its policy in accord with the weighted votes of its members, and their weight is set by the contributions they make to our capital.

Thus the countries you in this room represent hold the key to the decisions we make, the directions we pursue, the values we espouse and the leverage we exert—through persuasion and example—on the policies of our borrowing members.

In recent years especially, that influence has taken the form of intense policy dialogues with individual borrowers about the very structure of their economies.

And out of the process of consultation—of the give and take that you, as legislators, know in a different context—there is emerging a remarkable change in the way developing nations manage their economies.

Priorities are shifting—away from state-owned enterprises that proved inefficient and toward incentives for private endeavor;

away from monopoly and toward competition;

away from subsidies that distort economic decisions and toward market signals for investment.

In 50 different countries, the Bank is supporting this kind of ambitious—even revolutionary—reform programs.

Reality, not sermonizing, is behind the change. But the Bank is in a position to help hurry history, and to ensure that the costs of adjustment do not add extra burdens to the lives of the poor.

In that effort, we are a highly effective force for trade liberalization, for the development of stronger and more open markets around the world, and for the expansion of that infinite substance—prosperity—that grows the more widely it spreads.

Finally, the Bank is an educator of itself and others. This is the third form of World Bank leverage.

We are an agency that shares the knowledge and the know-how to make a subsistence farmer into a cash-earner, to give a young mother the power to determine the size and to protect the health of her family, to turn a pen-and-ink accounting ledger into a computerized management system, and to convert a processor of raw material into a manufacturer.

And we are still learning, as we teach.

The most recent area into which we have expanded is environmental protection.

The urgency that the industrial nations recognized in the 1960s is now becoming a priority in the developing nations.

They—and the Bank—are adjusting to the reality that natural resources are finite, to be managed not wasted if development is to be sustainable.

They—and we—have learned to look not just at the income that can be quickly extracted from a forest, or a dam, or a mine, but at the costs of taking something that cannot be renewed or that exists in a delicate balance with its human and natural surroundings.

At the same time, the most dedicated advocates of conservation are learning that poverty is often the worst enemy of the environment.

Too often it is not the big logging company, but the legions of slash-and-burn cultivators that do the most harm to the forest.

Poor farmers in need of fuelwood are rarely the best guardians of trees that hold the soil against wind and water erosion.

So in this area of vital importance to the survival of all humanity, the World Bank is working to ensure that good economics is also sound ecological practice.

Fortunately, we have new resources for our work.

Just this year, the Bank has received a number of votes of confidence from its members.

The eighth replenishmient of IDA, our concessional arm, has given us over $12 billion to allocate over three years to the needs of the poorest nations.

Pledges the Bank solicited of more than $6 billion from the members of the Paris Club will spell new forms of relief for the low-income, sub-Saharan nations working to reduce their debt burdens and reform their economies.

A brand-new organization, the Multilateral Investment Guarantee Agency, just held its first Board of Directors meeting today and began the work that will make it an effective source of insurance against non-commercial risks for investors who can help energize the private sector in developing nations.

Finally, the ratification this year of a major increase in the Bank's capital—an additional $75 billion—makes possible a 10 percent per year increase in our lending over the next five years.

Members with almost 80 percent of the voting power in the Bank have approved this expansion of our authorized capital, and it is already in effect for long-range planning purposes.

There are still nine member countries, however, that have not formally joined the rest. In alphabetical order, they are Algeria, Kampuchea, Libya, Romania, Rwanda, the United Arab Emirates, the United States of America, Vietnam and the Peoples Democratic Republic of Yemen.

As an international bureaucrat, I am not qualified to express an opinion about congressional attitudes. But if I were still a Member of Congress, I would find that odd company for America, a leader in behalf of individual initiatives and market forces, to be keeping.

Nowadays, using the language of diplomacy, I have to rely on indirection. So, putting my point in a more oblique way, I would like to tell you the story of a man caught at home by a sudden flood.

As the water rose to the man's doorfront, a rowboat came by and offered help. "No," the man replied, "the Lord will look after me." Later after the first floor was submerged, the man was looking out an upper floor window when another rowboat came by and offered assistance. Again the man turned it down, saying the Lord would look after him.

Finally the waters rose so that the man had to stand on the roof of the house. A helicopter came by and someone yelled down that they would send down a ladder and pick him up, and that this was his last chance. The man replied, "I have every confidence in the Lord. He will save me."

The flood waters rose, the man drowned and went to heaven. When he met the Lord, the man told him how terribly disappointed he was with the Lord, that he had had total confidence that the Lord would help him and that he had done nothing to help.

The Lord replied, "Well, on the other hand, I did send two boats and a helicopter."

Around the world, the World Bank provides the rowboats and the helicopters that carry people and nations in danger toward safety and survival.

It is great work and hard work.

It is worthy of the full support of great nations.

A TRIBUTE TO HELEN DAVIS KILPATRICK

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to Helen Davis Kilpatrick. Mrs. Kilpatrick was a wonderful citizen of my 17th Congressional District, and it is my sad duty to inform my fellow Members of the U.S. House of Representatives that Mrs. Kilpatrick died on June 29, 1988. Please allow me a few moments to tell you about the life of this beautiful and courageous woman.

Mrs. Kilpatrick was born in Youngstown, OH on December 30, 1920, and her parents were Harry and Inabel Thomas Davis. Her burning desire to obtain a good education resulted in Mrs. Kilpatrick graduating from Cortland High School and Warren Business College. Mrs. Kilpatrick's deep-seated patriotism and urge to seek broader horizons led her to move to Washington, DC during World War II. Here in Washington, she had the great experience of working on the staff of Adm. Ernest King, Chief of Naval Operations.

On July 3, 1957, Helen married a very close friend of mine, Mr. Robert J. Kilpatrick of Cortland, OH. Mrs Kilpatrick was actively and tirelessly involved in community affairs, being a member of the First Presbyterian Church, the Mary Chesney Chapter of the Daughters of the American Revolution, and the National Gymanfa Ganu Welsh Association.

I also must note the saintly and humanitarian qualities of Mrs. Kilpatrick. She cared for her mother with devotion and warmth for over 20 years after her mother had a stroke, and it deeply touches my heart to see a daughter give such strong concern and selfless service to her mother. I wish that sons and daughters everywhere would emulate Mrs. Kilpatrick regarding how to treat one's parents.

Helen Davis Kilpatrick was a good person and an outstanding member of her community, and I want to extend my deepest sympathies to her husband on her untimely passing. Mrs. Kilpatrick showed an enthusiastic zest for life during her 67½ years on this Earth, and I am both proud and happy that I had the opportunity to know her. Thus, it is with thanks and special pleasure that I join with the people of the 17th Congressional District in paying tribute to the inspiring life, friendly personality, and truly noble character of Helen Davis Kilpatrick.

NONANTUM'S HIDDEN GARDENS

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. FRANK. Mr. Speaker, one of the most interesting areas in my congressional district is the part of the city of Newton known as Nonantum, and alternatively, especially to the residents, as "The Lake".

The sense of community that exists in this area is admirable. Residents of The Lake have a sense of commitment to each other and to community values that is extremely impressive. The State Auditor of Massachusetts, Joe DeNucci, who is a former Massachusetts legislative colleague of many of us who now serve in the House from Massachusetts, exemplifies these values and attributes his great success in Massachusetts to the values and lessons that he learned there. Another individual who exemplifies the commitment to helping others in The Lake is Anthony Pellegrini, who is a man of many aspects and talents.

In the July issue of Yankee magazine, there is a very well-done article by Jerry Howard which gives people the flavor of this community. At a time when many Americans are talking about the need for renewed recognition of the importance of community and family ties, I think the example of Nonantum as portrayed here is one very well worth sharing. And I ask that Mr. Howard's article be re-printed here.

[From the Yankee Magazine, July 1988]

NONANTUM'S HIDDEN GARDENS

(By Jerry Howard)

Nonantum, just south of the Charles River near the Watertown and Brighton lines, is one of 13 villages in the Boston suburb of Newton. In local coinage, Nonantum is "The Lake." The logic of this is baffling, as one is hard pressed to find a puddle in this thickly settled grid of modest dwellings on postage-stamp lots. But you'll find elders who remember fishing and skating here 50 years ago, before 10-acre Silver Lake was filled.

The Irish settled here first, building around the peat bogs in the 19th century. French Canadians and Jews came next. The Italians followed in waves after 1900. Most came from San Donato, a mountain valley between Naples and Rome, and many still return for visits. The Lake has its own logo, T-shirt, and bumper sticker, the colors of the Italian flag. There is one summer night when the lines on Adams Street are painted red, white, and green.

When Newton named itself "The Garden City," it did not have Nonantum in mind. Nonantum has no garden club. Gardeners here plant few flowers in front yards. The real action is out back, where many yards become extensions of the houses, with verdant walls and ceilings in the ancient Mediterranean tradition.

Years ago when I worked here, I'd glimpsed these yards on lunchtime walks. Recently I returned, determined to get a closer look. I spent hours walking the streets, peeking over fences, asking questions. No one could be bothered. Discouraged, I went to see Father Cummings, the parish priest. He said the man to see was Fat Pellegrini.

Fat is not exactly a gardener. Elsewhere in Newton, he's regarded as a notorious figure. In Nonantum he's generally recognized as the glue that holds the community together. A gruff, wiry character in his early sixties. Fat is known affectionately as the Godfather of the Lake. He sees that the sick get fruit baskets, that school floors get retiled, that the neighborhood synagogue roof gets fixed. For years he's organized most of Nonantum's annual festivals and charitable events—among them a gala Memorial Day Shriners' parade; a lavish cookout for 2,500 senior citizens; an Elvis Presley Day bash; and a Christmas party where toys are given to 1,500 local children and sent off to another 700 city kids.

Fat can usually be found making his daily rounds downtown or cruising the neighborhood in the peach-colored 1979 Cadillac he bought from his son Monk, an Elvis impersonator who lives in Florida (and often performs in Nonantum). Fat took a shine to my project. He took me around, knocking on doors or shouting good-natured epithets over chain-link fences in English or Italian: "Hey Tony, ya good-for-nothing, how's your mother's arthritis? This guy is all right; he's taking some pictures of the gardens; he'll make one for you."

This way I met Pasquale Lucchetti, a laborer who injured his leg falling off a roof in 1961 and hasn't been able to work since. His garden keeps him going. Come summer, he plays cards most mornings with neighbor Carmen Antonellis under the ripening grapes. "Concord," he frowns, "No good for wine, jelly only." Brightening, he adds: "September, we make salsa with the tomatoes, the garlic, the peppers, the basilico. Then we have summer all winter."

Each gardener in turn sent me to a relative or a friend. Gino and Savino Venditti are brothers, retired quarry workers who live side by side. They share a giant garden of tomatoes, cucumbers, peppers, escarole, herbs, peaches, profusions of annuals, and white table grapes that Gino brought as cuttings from Italy some years ago. He is acknowledged as Nonantum's champion onion braider. "He makes too much work for me," says wife Bianca. She puts up 200 quarts of sauce each year.

Loreto and Anna Coppola have almost no land, yet come spring, their place looks like a nursery that could supply half of Newton, all grown from seed. Around Columbus Day, Larry makes repeated trips to Chelsea Market to find just the right California grapes for wine: "Grenache for taste, Rubino for color, Muscat for power." With the help of Anna and brother Mario, he crushes and presses them in the basement. The wine won't be ready until January. The crushed grapes go on the compost pile, the wooden boxes become kindling. "Nothing's wasted," Anna boasts.

Joe and Antoinette D'Agostino came from Italy 35 years ago. He operates a bulldozer, she works in a school cafeteria. With her mother Maria, they raise enough in a little yard to feed themselves, and often their five grown children and friends, for much of the year. They insisted I bring my family for Sunday dinner to share the first salsa of the tomato harvest on fresh pasta. There was more—soup, lasagna, roasted sweet peppers, sautéed wild mushrooms, romano beans in garlic, homemade sausages, Joe's homemade Barbera wine poured over freshly sliced peaches, espresso. Like many people here, the D'Agostinos keep a classic Italian food cellar or cantina. Their son Tony, a teacher and engineer, says: "If there's a nuclear war, I want to die in that room."

Most serious gardeners are middle-aged or older. They tend to be more practical than philosophical, more given to discussing how to bake bread, make wine, or braid onions than why. Years ago, when they were young and poor, the reasons were obvious. Now wages are high, work is plentiful, mortgages are largely paid off, and you can buy a jar of passable tomato sauce for less than it costs to make it.

Reasons for continuing these rituals cannot be reduced to economy. The true reasons are more complex. They include taste, quality, pleasure, custom, and camaraderie. It's better, they say, when you do it together.

Twenty years ago, everyone agrees, there were more gardens, more people spending summer nights under the arbors, more families making wine. Now the old ones can't keep up, and the young choose not to. Many grown children live in apartments upstairs or nearby; they're around often, but few work in the family's garden or start their own. The store is near, and the cantina is free. "You can't say no to them," sighs Bianca Venditti.

The neighborhood is changing fast. Now many backyards lie fallow, and once fertile vacant lots sell for outlandish prices. There is more traffic, more business, condos, renters. "Even Italian yuppies," laments Carmella Farina, whose lovely ornamental plot was on Newton's 300th anniversary garden tour this spring.

Some of the old ways persist. The festival of the Madonna Del Carmina is still celebrated in mid-July with firecrackers and barbecues and people pinning dollar bills to the statue of the Madonna as it is carried through the streets. There are fig trees, brought across as scions in immigrants' pockets 60 years ago, which still bear fruit. But few expect the ancient, loving ways of the land to survive here in force much longer.

About this, little is said. Antoinette D'Agostino put it this way: "In winter we may worry about changes, but the summer is too short and sweet to be sad."

AMERICANS SUPPORT NEW CHILD CARE POLICY

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. MILLER of California. Mr. Speaker, a major finding of a nationally representative survey of voters revealed that "a majority of Americans think of child care as an urgent need in the country today, and express strong support for governmental initiatives to assure parents of the availability of affordable, quality child care services." The survey, conducted by pollster Martilla & Kiley, Inc., was sponsored last month by the American Federation of State, County, and Municipal Employees and the Children's Defense Fund to assess attitudes about child care services in America. Given the increased economic need for families to work, and the critically short supply of affordable, safe child care options, this finding should escalate the momentum to improve child care policy.

The survey also found that:

Eighty-six percent of all American voters consider the need for affordable child care to be an important issue.

Seventy-four percent of all voters believe it is difficult for parents to obtain affordable and quality child care; 3 percent say there are simply not enough available child care services to keep up with the demand.

Seventy-three percent believe working families require affordable child care because it is a financial necessity for both parents to work.

Seventy-five percent feel that the Federal Government should establish minimal health and safety standards for child care facilities.

A majority—63 percent—believe the Federal Government should develop policies to help make child care more available and affordable; 83 percent of working mothers feel this way, as well as 59 percent of Americans who are not raising children.

Sixty percent of all voters favor the "Act for Better Child Care"; 73 percent of all voters favor assisting both middle- and low-income families obtain affordable child care services.

In 1984, the Select Committee on Children, Youth, and Families conducted a yearlong child care investigation, which documented that the demand for quality, affordable child care was outstripping the demand. Almost 4 years later, as this survey demonstrates, awareness about the child care crisis has reached new heights. I urge my colleagues to make special note of these findings, which reflect the concerns of those who will be casting their ballots in November.

A CONGRESSIONAL SALUTE TO COUNCILMAN EDD TUTTLE

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to a man who I am proud to call a colleague, Long Beach City Councilman Edd Tuttle. Edd is leaving the city council on July 18, 1988, after 10 years of service to the city. He will be honored at a farewell dinner on July 13, 1988.

Edd Tuttle was born and raised in Long Beach, CA, and has dedicated his life thus far to his community. He is a graduate of Jordan High School and attended UCLA, Chico State University, and received a teaching credential from the University of Southern California. In 1978, Edd was elected to the Long Beach City Council and has represented the citizens of the eighth district of Long Beach since that time. He has devoted his time, energy, and talents to making Long Beach a better place to live.

Despite his extraordinary time commitment to the city council, Edd has found time to devote himself to many civic organizations. He was the vice president of the Junior Chamber of Commerce from 1972 to 1973, the vice president of the Kiwanis Club in 1975, the year he won the Kiwanian of the Year Award, a member of the White House Conference on Families in 1979, and the vice-mayor of Long Beach in 1987. He is currently a member of the Los Angeles County Transportation Commission and Airport Affairs Committee, and the president of Long Beach HUSH, a citizens' organization of opponents of increased flights at Long Beach Airport, which he founded in 1979. In addition to this long list of accomplishments, Edd teaches photography at Long Beach Community College and Compton College.

Edd Tuttle is the epitome of a public servant. He is respected by his community, friends, and family for his devotion to the city of Long Beach. My wife, Lee, joins me in extending our warmest congratulations to Edd on this special occasion. We wish Edd, his wife Nancy, and his children, Matthew and Joshua all the best in the years to come.

IMPORTANCE OF THE DEPOSITORY LIBRARY SYSTEM

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. ANNUNZIO. Mr. Speaker, President Franklin Delano Roosevelt once said:

> The only sure bulwark of continuing liberty is a government strong enough to protect the interests of the people, and a people strong enough and well enough informed to maintain its sovereign control over its government.

These wise words bring to mind the importance of the Depository Library System which is administered by the Government Printing Office, and overseen by the Joint Committee on Printing, which I have the privilege to chair. Through the Depository Library System, nearly 1,400 libraries, spread across every State and every congressional district, are able to receive any Government publications they choose, free of charge. These libraries in turn allow the general public to use the valuable information presented in these publications, thereby contributing substantially to an informed citizenry.

In order to aid the libraries in this important task, in recent years the Joint Committee on Printing has urged the use of new electronic technologies that may more quickly, efficently, and economically deliver Government information to Depository Libraries. Toward that end, the Government Printing Office, in conjunction with the Joint Committee, has produced a plan to test the use of some of these technologies.

Briefly, the plan includes five separate projects. In three projects, information products will be recorded in compact disk-read only memory [CD-ROM] format for distribution to libraries. These three include census data, the final CONGRESSIONAL RECORD, and an Environmental Protection Agency compilation of toxic substances that are being released to the environment. In two other projects, a limited number of libraries will be provided access to existing Government computer data bases in lieu of distributing paper copies of the information. Specifically, the Economic Bulletin Board maintained by the Department of Commerce, and a Department of Energy collection of scientific and technical reports will be tested in this fashion. All these projects will be evaluated to assess their feasibility, efficiency, and practicality. Those projects that demonstrate value will be adapted for use with other products.

Before proceeding with implementation however, we are soliciting commentary from all who may have constructive suggestions to facilitate these promising efforts. Though the plan already has been widely circulated to Government agencies and the library and information community, we hope this notice will draw the attention of those we may have missed. Therefore, any Member or constituent wishing to receive a copy of the plan for the purpose of commenting should contact the Joint Committee on Printing. As we are anxious to proceed with this effort, comments should be submitted to the committee by August 22, 1988.

ENERGY AND ANWR

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. YOUNG of Alaska. Mr. Speaker, many of our colleagues are aware of our energy dependence upon other nations, and the fact that the picture is not looking any brighter for the foreseeable future. Nevertheless, legislation before the Congress to open to environmentally sound oil and gas leasing the coastal plain of the Arctic National Wildlife Refuge in my district—the State of Alaska—is the bright spot in terms of responding to this growing international threat. Today I submit for the RECORD an article from the Des Moines Register, which underscores the need for prompt action by the Congress on this subject. Because of the vast support nationwide for this legislation, I will do this daily.

[By the Des Moines Register (IA) May 12, 1987]

MORE OIL FROM ALASKA?

Congress has before it a recommendation from the Interior Department that part of the Arctic National Wildlife Reserve on the north coast of Alaska be opened for oil exploration and, potentially, production. The plan is strongly opposed by environmental groups and faces an uncertain fate.

According to Interior, preliminary studies show a 95-percent chance of finding 600 million barrels of oil (equal to about 10 weeks of total U.S. production and 5 weeks of U.S. consumption); and a 5-percent chance of finding 9.5 billion barrels (equal to about 3 years of U.S. production and 1½ years of consumption).

Is this worth the environmental cost? The answer depends on the size of the cost. Numbers and speculation are abundant, solid knowledge scarce.

The refuge is 19 million acres in area, about the size of South Carolina, and less than one-tenth of it is proposed for exploration. If oil is found, probably about 15,000 acres will be taken up with pumps, wells, machinery and buildings.

The big environmental concern is for caribou herds. In the bigger Prudhoe Bay oilfields, 100 miles distant, the caribou herds have increased since the start-up of the Alaska Pipeline a decade ago.

(Canadian concern for the caribou, which migrate between the two countries, is uncharitably if plausibly attributed by oil companies to a Canadian concern over selling less oil to the United States if the new field proves a bonanza.)

Construction of the 1,000-mile Alaska Pipeline was a major environmental worry. For better or worse, it's there now, ready to carry the output of the proposed new field with construction of only a fairly small feeder line.

The industry's hope is that production in the wildlife refuge will compensate for a while for the falling production at Prudhoe Bay.

Environmentalists want Congress to put the wildlife refuge off limits for oil production, and they want the administration to work harder on energy conservation and alternative fuels.

Conservation and alternatives deserve much more attention than they have been getting. But, since the environmental costs of the Alaska Pipeline and Prudhoe Bay have been less than feared, and already paid, this new, smaller project, too, could very well be more beneficial than harmful.

SISTER KATHLEEN CLARK ONE OF AMERICA'S UNSUNG HEROES

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. KOLBE. Mr. Speaker, I rise today to tell you about an incredible woman from my home State of Arizona. She is Sister Kathleen Clark from Tucson. Sister Clark was featured in this week's Newsweek as one of "America's Unsung Heroes" because of her integrity and courage in opening up a nursery crisis center. Fifteen years ago, she saw a need for a crisis shelter for abused infants. With $7 to her name and a handful of volunteers she leased a rundown building and began to renovate and create the Casa de los Ninos.

With Sister Clark's hard work and dedication, Casa de los Ninos grew from one building to four. It is now comprised of two residence houses, one school house, and one administration house. The budget has grown from $17 to $1.2 million plus. The crisis nursery is financed almost solely by volunteer contributions from the Tucson community. The staff of volunteers has grown from a few to more than 250 regular volunteers.

Sister Clark is known for her incredible talent of motivating all differnt kinds of people that each have their own special skill to work together for a common cause, namely the Casa. What used to be just a shelter for abused children has expanded to offer much more. The center offers counseling for parents and children and parenting skills workshops. It also offers a home for children that have no extended family to care for them while their parents are in the hospital, and for the children of homeless families. For 14 years Sister Clark, a former nurse, has been the executive administrator, but due to her unfortunate health circumstances last year she resigned and holds the position of founding director emeritus. She still conducts fundraisers for her home and is responsible for the public relations.

Sister Clark is well respected in our community and nationwide for her many years and hard work in public serivice. This is evident in her long list of awards and honors. Just to mention a few, she was awarded the Jefferson Award in 1978, the Women of the Year from Tucson Ad Club in 1974, the Volunteer Service Award from St. Mary's the Outstanding Citizen of Tucson Award in 1974, and in 1984 she was awarded the Spirit of Arizona Award.

Sister Clark has been characterized by those she works with a person with true grit. Some refer to her as Mother Theresa because of her heavenly sacrifies and dedication. She is intelligent, warm, caring, individual who I'm proud to salute.

BEATRICE TAGLY PEREZ

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. ORTIZ. Mr. Speaker, I rise today to applaud Beatrice Tagly Perez, an outstanding leader in the south Texas community. The accomplishments of this motivated lady are great and, I believe, worthy of recognition.

Mrs. Perez, a native of Robstown, TX, has definitely played a major role in educating not only our elderly but also our young in one of America's most precious rights which is our right to vote. She is known as one of south Texas' best "get out the vote" organizers and has played a major role in helping many Hispanics achieve numerous elected offices.

She has encouraged all citizens, no matter what color, age, or handicap, to take their voting rights seriously. I believe that Mrs. Perez is responsible for the record numbers of voters who have registered to vote in south Texas. Consequently, she is responsible for the growing number of Hispanics who, for the first time, are using their voting privilege to elect other Hispanics to public office. Her personal involvement in State and local races has played an important role in gaining recognition of Hispanic voting power.

Changing things is what Beatrice Perez is all about. She received a Presidential appointment to the Selective Service Board of Robstown, TX, giving Hispanic input into the local Selective Service process. She affected change in the lives of those she worked to help through the United Way, and the American Red Cross. This lady believes that helping those in real need, whether as a VISTA volunteer or through volunteering time at the San Pedro Neighborhood Center in Robstown, changes lives. And in the end, this helps make a community a better place to live.

Mrs. Perez has changed our community. In Robstown, we have a landmark for war veterans and that landmark is there because of the efforts of Beatrice Perez. Her leadership within the American G.I. Forum and the American G.I. Forum for Women has raised community awareness of the important role Hispanic war veterans have played in serving their country. As vice president of the Mexican American Democrats of Nueces County, Mrs. Perez worked to increase Hispanic loyalty to the Democratic Party.

Beatrice Perez is one of those rare people who is not content with the status quo. When she sees the need for change, for improvement, she has the ability to motivate people to get things done. She is not afraid of change; Beatrice Perez is not afraid to take on a challenge. May we all have such courage.

SUPPORT H.R. 4715, THE SHOW HORSE PROTECTION ACT, 1988

HON. JAMES A. TRAFICANT

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. TRAFICANT. Mr. Speaker, recently, I introduced legislation, H.R. 4715, that would override the USDA's new ruling regarding pads on showhorses. I have bred horses for many years and firmly believe that there is no reason whatsoever to sore or maim an animal. If properly placed, a pad that is only up to half the length of the horse's natural toe should not cause any soring and can even be a therapeutic, absorbent buffer between the horse's hoof and shoe.

The length of the natural hoof of the horse is important in the use of pads. Due to the varying sizes of different breeds, ages and uses of horses it is inappropriate to set a strict limit on an acceptable pad length to be used with a particular hoof. A pad that is no longer than one-third of the total length of a horse's natural foot and pad, excluding the shoe, cannot reasonably be expected to cause the horse to suffer physical pain, distress, inflammation or lameness when walking, trotting, or moving. My bill proposes that a protective pad of 50 percent the length of the horse's natural hoof be allowable.

Pads protect the hoof from abrasions or penetration from uneven surfaces. They are cushioning for working out on hard surfaces. Pads keep the natural angle of the foot and pastern. They compensate for foot and limb abnormalities.

H.R. 4715 not only keeps horsemen from abusing a horse's hoof and limb, but also keeps the Secretary from ever barring or putting unreasonable restrictions on pad usage by limiting him from barring any pad that is not prohibited by this act.

Mr. Speaker, I urge all of my colleagues to support this important legislation.

WATER RESOURCES RESEARCH ACT

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. MILLER of California. Mr. Speaker, I am today introducing legislation to reauthorize the Water Resources Research Act of 1984 for 5 more years.

This highly successful program is designed to enhance the Nation's capabilities in the water resources area at the Federal, State, and local levels. It does this through a nationwide system of water resources research institutes and a competitive national program for research grants.

The purpose of this program is to ensure that we have highly trained water resources professionals and well-planned research programs to develop practical solutions to the Nation's water and water-related problems. These programs are our insurance policy for the future. They are there to help us as we continue to expand and make more intensive use of our water resources, while, at the same time, those resources remain threatened by pollution and depletion.

The Water Resources Research Act is based on a cooperative approach to solving the water problems of this country. State, local, and Federal levels of government come together to seek solutions—and, equally important in times of budgetary limits—jointly fund much of the work done under the auspices of this act.

In short, this is an important program deserving of reauthorization. I urge all of my colleagues in Congress to join with me in supporting this bill.

A CONGRESSIONAL SALUTE TO THE THERAPEUTIC RECREATION DEPARTMENT OF RANCHO LOS AMIGOS MEDICAL CENTER

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to the Recreation Therapy Department at Rancho Los Amigos Medical Center. They will be celebrating "National Therapeutic Recreation Week" at a ceremony on July 13, 1988. I am pleased to have the opportunity to say a few words about this special program.

Therapeutic recreation is a relatively new field. The idea of recreation and leisure as therapy was realized several years ago, and has seen unprecedented success in practice. Traditionally, therapeutic recreation has been used at rehabilitation hospitals, and community recreation facilities, but now it has expanded to substance abuse facilities, nursing homes, mental health centers, and senior citizen centers. The success of this type of therapy has been helpful in learning more about the emotional and psychological problems and processes of human beings. Through recreation therapy, we have learned what we have always taken for granted: Human beings need leisure.

The Recreational Therapy Department at Rancho Los Amigos Medical Center serves a great many people and seeks to help people with functional limitations develop and maintain a leisure lifestyle. These services are extremely personal and are designed to maximize the emotional, physical, mental, and social abilities of those who might be limited in those capacities.

The Department of Therapeutic Recreation at Rancho Los Amigos Medical Center has been a tremendous success thus far. My wife, Lee, joins me in extending our warmest congratulations to the staff of the department for their hard work and devotion as we celebrate "National Therapeutic Recreation Week." We wish the department and the rest of the staff at Rancho Los Amigos Medical Center all the best in the years to come.

TRIBUTE TO THE LATE HONORABLE GLADYS NOON SPELLMAN

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 6, 1988

Mr. ANNUNZIO. Mr. Speaker, I rise to pay tribute to the Honorable Gladys Noon Spellman, who died on June 19, after a long and grave illness.

I had the privilege of serving with Congresswoman Spellman on the House Banking, Finance and Urban Affairs Committee, where she participated in all of the legislative hearings and drafting sessions conducted by the committee, with a deep concern for the well-being of the American people during these deliberations. She also was a member of the Subcommittee on Consumer Affairs and Coinage, of which I am honored to serve as chairman, and she compiled a splendid record of excellence and achievement as a member of the subcommittee.

Congresswoman Spellman began her career in public service as a member of the Prince Georges County Board of Commissioners in 1962. She became chairman of the board after her reelection in 1966. Appointed by President Johnson to serve on the Advisory Commission on Intergovernmental Relations, she also served on the board of directors of the National Association of Regional Councils, the Democratic Advisory Committee on Elected Officials, the Governor's Commission on Law Enforcement and the Administration of Justice, and the Governor's Commission on Functions of Government.

Gladys Spellman also served as the president of the National Association of Counties, a member of the National Labor-Management Relations Service, as vice chairman of the Governor's Commission to Determine the State's Role in Financing Public Education, as chairman of the Maryland State Comprehensive Health Planning Advisory Council, as chairman of the board of trustees of Prince Georges General Hospital from 1962–70, as chairman of the Washington Suburban Transit Commission, and as a board member of the Washington Metropolitan Transit Authority. She was elected in 1971 to membership on Prince Georges' first county council.

Elected to the 94th Congress in 1974, she ably represented her constituents form the Fifth Congressional District of Maryland for three terms. She was a founding member of the Congresswoman's Caucus, and served as chairman of the Subcommittee on Compensation and Employee Benefits of the House Post Office and Civil Service Committee, where she was a champion of the rights and interests of Federal employees.

Congresswoman Spellman was a dedicated American who devoted her life to public service, and Mrs. Annunzio and I extend our deepest sympathy to her husband, Reuben, her sons, Stephen and Richard, her daughter, Dana, and the other members of her family who survive her.

LEGISLATION TO EXPAND THE SUPPLY OF LOW-COST AFFORDABLE HOUSING

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. FRANK. Mr. Speaker, last week I introduced a bill to expand the supply of low-cost affordable housing in this country. An MIT study estimated that the United States will lack 7.5 million low-cost units by the turn of the century and that nearly 19 million Americans will be faced with the prospect of homelessness. I have been joined in introducing the bill by over 20 of my colleagues in the House and a large number or organizations across the country. What follows is a list of original cosponsors of my bill, H.R. 4990, and a partial list of groups that are supporting it.

LIST OF COSPONSORS

Mr. Nicholas Mavroules, Mr. Gary Ackerman, Mr. Peter Rodino, Mr. Andrew Jacobs, Mr. Ronald Dellums, Mr. John Conyers, Mr. Louis Stokes, Mr. Walter Fauntroy, Mr. Mike Espy, Mr. John Lewis, Mr. Howard Berman, Mr. Floyd Flake, Mr. Ted Weiss, Mr. Albert Bustamante, Mr. Kenneth Gray, Mr. Charles Hayes, Mr. Major Owens, Mr. Bob Traxler, Mr. Chester Atkins, Ms. Nancy Pelosi.

The following organizations have endorsed the Affordable Housing Act:

ACCESS, Inc., Akron, OH.
ACCR, Akron, OH.
ACLU of Kentucky, Louisville, KY.
ACORN, Memphis, TN.
ACORN, New Orleans, LA.
Action, Inc., Muncie, IN.
Adequate Housing for Missourians, St. Louis, MO.
Ad Hoc Committee for Shelter, Mt. Clemens, MI.
Advocate, CDC, Philadelphia, PA.
Affordable Housing Advocate, Cambridge, MA.
Ahimsa Community, Voluntown, CT.
Akron-Camton Regional Foodbank, Akron, OH.
Akron Coalition for Community Re-Investment, Akron, OH.
Alaska Self-Help, Anchorage, AK.
Albany Friends Meeting, Albany, NY.
Albuquerque Union of the Homeless, Albuquerque, NM.
Allanthus, West Newton, MA.
American Dream Homes, Inc., Atlanta, GA.
American Friends Service Committee, Cambridge, MA.
American Friends Service Committee, Miami, FL.
American Friends Service Committee, Northampton, MA.
American Friends Service Committee, St. Petersburg, FL.
American Individual and Group Home Health Care Assoc., Inc., Hyattsville, MD.
American Red Cross, Capital Area Chapter, Tallahassee, FL.
American Red Cross, Hillsborough, AL.
American Red Cross, Tallahassee, FL.

Americans for Democratic Action, Washington, DC.

Amity House, St. Petersburg, FL.

Ann Arbor Tenants Union, Ann Arbor, MI.

A Place In The Sun, Houston, TX.

Apostolic Life Community.

Archdiocese of Louisville, Louisville, KY.

Archdiocese of Mobile, Mobile, AL.

Architects 269, Atlanta, GA.

ARISE, Springfield, MA.

Arkansas Conference of Churches and Synagogues, Little Rock, AR.

ASAP, St. Petersburg, FL.

Associated Catholic Charities CARE Center, New Orleans, LA.

Associated Students of Marquette University, Milwaukee, WI.

Austin Homeward Bound, Austin, TX.

Austin Tenants Council, Austin, TX.

Bainbridge House, Philadelphia, PA.

Baltimore Union of the Homeless, Baltimore, MD.

Baptist Peace Fellowship, Memphis, TN.

Baptist Peacemakers, Louisville, KY.

Barberton-Norton Peace Studies Group, Akron, OH.

Battered Women's Shelter, Akron, OH.

Beaufort/Jasper EOC, Beaufort, SC.

Bellport, Hagerman, East Patchogue Alliance, Bellport, NY.

Bethany House, Cincinnati, OH.

Bethany, House, Olive Hill, KY.

Bethlehem Center, Inc., Jackson, MS.

Bethlehem Haven of Pittsburgh, Pittsburgh, PA.

Betterway, Miami, FL.

BHEP Alliance, Bellport, NY.

Birmingham Health Care for the Homeless, Birmingham, AL.

Birmingham Urban League, Birmingham, AL.

Blachland Neighborhood Center, Austin, TX.

Blackfeet Housing Authority, Browning, MT.

Bloomfield Tenants Organization, Bloomfield, NJ.

Bluegrass Alliance for the Mentally Ill, Lexington, KY.

Bolton Refuge House, Eau Claire, WI.

Boone County Human Development Corp. Columbia, MO.

Boston Food Bank, Boston, MA.

BOTS, Bronx, NY.

Boulder Homeless Shelter, Boulder, CO.

Bread and Roses, Birmingham, AL.

Bread and Roses Housing Trust, Lawrence, MA.

Bread for the World, Tallahassee, FL.

Brethren House, St. Petersburg, FL.

Brewster Dougless Public Housing, Detroit, MI.

Bristol Emergency Shelter and Housing Coalition, Inc., Bristol, CT.

Bucks County Housing Group, Langhorne, PA.

Cabrillo Economic Development Corp., Saticoy, CA.

CALC, Chattanooga, TN.

Cambridge Tenants Union, Cambridge, MA.

Camden, Lutheran Parish, Camden, NJ.

Camden Shelter Coalition, Camden, NJ.

Camillus House, Miami, FL.

Campus Ministry, Winter Park, FL.

Capital Area Community Action Agency, Tallahassee, FL.

Capitol Lunch, Grand Rapids, MI.

Carolina Community Project, Charlotte, NC.

Casa Maria, Milwaukee, WI.

Casa Maria, Tucson, AZ.

Cathalis Human Development Office, Grand Rapids, MI.

Cathedral Crisis Ministries, New York, NY.

Cathedral of St. John, Providence, RI.

Cathedral of the Assumption, Louisville, KY.

Catholic Charities, Jackson, MS.

Catholic Charities, Minneapolis, MN.

Catholic Charities, New York, NY.

Catholic Charities, Ventura, CA.

Catholic Commission, Akron, OH.

Catholic Commission—Southern Region, Wooster, OH.

Catholic for Housing, Inc., Arlington, VA.

Catholic Human Development Office, Grand Rapids, MI.

Catholic Service Center, Mobile, AL.

Catholic Social Services, Chattanooga, TN.

Catholic Social Services, Knoxville, TN.

Catholic Worker House, San Antonio, TX.

Catholic Worker House, Denver, CO.

Catholic Worker House, Des Moines, IA.

Catholic Worker House, Memphis, TN.

CCC Shelters, Stone Mountain, GA.

CCH, Forest Park, IL.

Center City Churches—Soup n' Services, Hartford, CT.

Center for Accessible Living, Louisville, KY.

Center for Human Resources, Port Huron, MI.

Central City Churches, Inc., Milwaukee, WI.

CIA Action Committee, Chapel Hill, NC.

Central Mississippi, Inc., Winona, MS.

Central Mississippi, Legal Services, Jackson, MS.

Central Missouri Food Bank Network, Columbia, MO.

Central Services for the Homeless, Birmingham, AL.

CEOC, Inc., Cambridge, MA.

Chapel of Christian Love, Atlanta, GA.

Charles Drew Local Development Corp., Brooklyn, NY.

Chattanooga Human Service Dept., Chattanooga, TN.

Chattanooga Peace Center, Chattanooga, TN.

Chenango Housing Improvement Program, Inc.

Chester Community Improvement Project, Chester, PA.

Chicago Coalition for the Homeless, Chicago, IL.

Chicago/Gary Area Union of the Homeless, Chicago, IL.

Chicago Gray Panthers, Chicago, IL.

Chicano Family Center, Houston, TX.

Children's Defense Fund, Jackson, MS.

Chinese Community Housing Corp., San Francisco, CA.

Christian Community Action Agency, New Haven, CT.

Christians for Urban Justice, Dorchester, MA.

Christians United for a Compassionate Government, St. Louis, MO.

CHUM Emergency Shelter, Duluth, MN.

Church of God, Atlanta, GA.

Church Women United, Pinellas Park, FL.

Citizens Against Spousal Assault, Columbia, MD.

Citizens Alliance for the Mentally Ill, Houston, TX.

City Bureau of Relief, Chattanooga, TN.

Citizens Committee for Children, New York, NY.

City of Atlanta, GA.

City of Cleveland, OH—Community Relations Board.

City of Miami Police Dept., Miami, FL.

CLCC, Cincinnati, OH.

Cleveland Friends Meeting, Cleveland, OH.

Cleveland Health Care for the Homeless, Cleveland, OH.

Coalition for the Homeless of Orlando, Inc., Orlando, FL.

Columbia Housing Corp., Columbia, MD.

Columbus Homeless Shelter, Columbus, IN.

Columbus House Inc., New Haven, CT.

Columbus Neighborhood Housing Services, Columbus, OH.

Columbus Tenants Union, Columbus, OH.

Commission on Aging for Senior Iowans, Davenport, IA.

Committee on Human Shelter Emergency, Cambridge, MA.

Community Action Commission, Madison, WI.

Community Action Committee, Knoxville, TN.

Community Action—Wayne/Medina, Wooster, OH.

Community Church of Cincinnati, Cincinnati, OH.

Community Development Corp., Brownsville, TX.

Community Housing Improvement Program, Chico, CA.

Community Kitchen, Chapel Hill, NC.

Community Kitchen, Chattanooga, TN.

Community Kitchen, Inc., Columbus, OH.

Community Kitchen, Lexington, KY.

Community Meal Program, Madison, WI.

Community Renewal Society, Chicago, IL.

Community Research and Development, Independence, MO.

Community Service Foundation, Clearwater, FL.

Community Service Society of New York, New York, NY.

Community Support, Louisville, KY.

Concerned Citizens for Affordable Housing, Austin, TX.

Concerned Citizens for Justice, Chattanooga, TN.

Concerned Citizens of North Camden, NJ.

Connecticut Coalition Against Domestic Violence, Hartford, CT.

Connecticut Coalition for Lesbian and Gay Civil Rights, Hartford, CT.

Connecticut Coalition for the Homeless.

Consumer Party, Memphis, TN.

Contact Food and Shelter Clearinghouse, Oklahoma City, OK.

Cooperative Urban Minister Center, Washington, DC.

CORE Service, Inc., Decatur, GA.

Coretto Community, Denver, CO.

Council for Disability Rights, Chicago, IL.

County of Wayne WRO, Detroit, MI.

Covenant Presbyterian Church, West Des Moines, IA.

Created for Caring, Bay City, MI.

Crisis Assistance Ministry, Charlotte, NC.

Crisis Center Food Bank, Iowa City, IA.

Cross Country Currents, Clearwater, FL.

Cross Road Correctional Ministries, Grand Rapids, MI.

Crossroads Urban Center, Salt Lake City, UT.

Darlington County CAA, Hartsville, SC.

Day House Catholic Worker, Omaha, NE.

D.C. Mutual Housing Assn. Inc., Washington, DC.

Degoge Ministries, Grand Rapids, MI.

Dept. of Health and Rehabilitation Service, St. Petersburg, FL.

Dept. of Public Welfare, Somerville, MA.

Dept. of Social Concerns, Columbus, OH.

Des Moines Coalition for the Homeless, Des Mones, IA.

Detroit/Wayne County Union of the Homeless, Detroit, MI.

DIC of Cincinnati, Cincinnati, OH.

Dignity Housing, Philadelphia, PA.

Divine Word Seminary, Dubuque, IA.
Domestic Abuse and Rape Crisis Center, Belvedere, NJ.
Don Bosco Community Center, Kansas City, MO.
Drop-In Center on Elm, Cincinnati, OH.
Duplin County Services for the Aged, Kenansville, NC.
Dwelling Place, Inc., Grand Rapids, MI.
East Akron Neighborhood Development Corp., Akron, OH.
East Side Catholic Shelter, Cleveland, OH.
Eastminster Presbyterian Hunger Task Force, Akron, OH.
Eastside Improvement Society, New York, NY.
Economic Justice Advocates, Des Moines, IA.
Edgehill United Methodist Church, Nashville, TN.
El Centro Catholic Social Services, Camden, NJ.
Elizabeth Coalition to House the Homeless, Elizabeth, NJ.
Emergency Alliance for Homeless Families and Children, New York, NY.
Emergency Homeless Program, Akron, OH.
Emergency Residence Project, Des Moines, IA.
Emergency Shelter Services, Benton Harbor, MI.
Emmanus, Inc., Haverhill, MA.
Episcopal Church Center, New York, NY.
Episcopal House of Prayer, Tampa, FL.
Equal Justice Foundation, Davenport, IA.
Equal Opportunity Atlanta, Atlanta, GA.
Essex County Right to Housing, Newark, NJ.
Essex County Sane/Freeze, Montclair, NJ.
F.A. of Central Florida, Inc., Apopka, FL.
Fairness and Dignity for the Homeless.
Family and Children's Services, Inc., Stanford, CT.
Family Care Center, St. Louis, MO.
Family Consulation Service, Atlanta, GA.
Feed the Children, Oklahoma City, OK.
Fellowship of Reconciliation, Louisville, KY.
Feminist Planners and Designers Group, Los Angeles, CA.
Feminist Task Force, St. Petersburg, FL.
Firehouse Shelter, Birmingham, AL.
First Call for Help, Grand Rapids, MI.
First Christian Church—PATCH, Des Moines, IA.
First Church in Cambridge, Congregational, Cambridge, MA.
First Church Shelter, Cambridge, MA.
First Presbyterian Church Women's Hospitality House, Birmingham, AL.
Florida Greens, St. Petersbuerg, FL.
Florida IMPACT, Tallahassee, FL.
Florida IMPACT, Tampa, FL.
Florida Low Income Housing Coalition, Tallahassee, FL.
Ft. Worth Alliance for Justice, Ft. Worth, TX.
Francis House, Omaha, NE.
Free Store/Food Bank, Inc., Cincinnati, OH.
Fresh Start, Inc., Cleveland, OH.
Friends for the Homeless, New Orleans, LA.
Friends Meeting, St. Petersburg, FL.
Friends of the Homeless, Columbus, OH.
Friends of the Homeless, New Orleans, LA.
Friendship House Association, Omak, WA.
Friendship House Shelter, Portland, ME.
Genesis House Shelter for the Homesess, Memphis, TN.
Gladys House, Lexington, VA.
Golden Gate Baptist Church, Dallas, TX.
Grace Hill Settlement House, St. Louis, MO.
Grace Hill Shelter, St. Louis, MO.
Grace Hill Senior Commons, St. Louis, MO.
Greater Birmingham Ministries, Birmingham, AL.
Greater Boston Union of the Homeless, Boston, MA.
Greater Cincinnati Coalition for the Homeless, Cincinnati, OH.
Greater Kansas City Housing Information Center, Kansas City, MO.
Green Community Services, Waterbury, CT.
Greensboro Urban Ministeries, Greensboro, NC.
Guilford Park Presbyterian Church, Greensboro, NC.
Gulfcoast Legal Services, St. Petersburg, FL.
Habitat for Humanity, Buffalo, NY.
Habitat for Humanity—West Philadelphia Chapter, Philadelphia, PA.
Harbor for the Homeless, Beloit, WI.
Harcatus Tri-County CAO, Cadiz, OH.
Harris County Hospital District, Houston, TX.
Haven of Rest Ministries, Inc., Akron, OH.
HCMI, Louisville, KY.
Healing Hands Health Care Services, Oklahoma City, OK.
Health Care for the Homeless, Cleveland, OH.
Health Council of South Florida, Miami, FL.
Heartly House, Inc., Frederick, MD.
Heartside Ministry, Grand Rapids, MI.
Helen Mitchell House, Hadley, MA.
Helen Ross McNabb Center, Knoxville, TN.
Helping Hand Outreach.
Helping Hands for the Homeless and Hungry, Rye, NY.
Highland Park Welfare Rights Organization, Highland Park, IL.
Hill Memorial Center, Joliet, IL.
Hinds County Human Resource Agency, Jackson, MS.
Holy Family Door Ministry, Omaha, NE.
Holy Family Home, Tallahassee, FL.
Holy Family Parish, Stow, OH.
Holy Name High Covent, Worchester, MA.
HOME, Inc., Des Moines, IA.
Homefront '88, Boston, MA.
Homeless, Center, Kansas City, MO.
Homeless Emergency Project, Clearwater, FL.
Homeless Information and Assistance Center, Kansas City, MO.
Homeless Project—Broadlawns Medical Center, Des Moines, IA.
Homeless Information Exchange, Washington, DC.
Hope House, New Orleans, LA.
HOPE, Inc., Nashville, TN.
Hospitality House, Boone, NC.
Hospitality House, Hinckly, ME.
Hospitality House Catholic Worker, Chicago, IL.
HOTEL, Inc., Bowling Green, KY.
House of Bread, Inc., Hartford, CT.
Housing and Credit Counseling, Inc., Topeka, KS.
Housing and Vocational Empowerment (HAVE), Montclair, NJ.
Housing Assistance Center, Buffalo, NY.
Housing Authority of Birmingham District, Birmingham, AL.
Housing Information Center, Kansas City, MO.
Housing Justice Campaign, Bronx, NY.
Housing Law Reform Project, Ann Harbor, MI.
Housing Support, Inc., Akron, OH.
Housing Task Force, Everett, MA.
Houston/Harris County Coalition for the Homeless, Houston, TX.
Howard Area Community Center, Chicago, IL.
Human Development Corp., St. Louis, MO.
Human Needs Center, Hartford, CT.
Human Rights Committee, Campus Y, Chapel Hill, NC.
Hunger Action, Tampa, FL.
ICCAP, Indiana, PA.
Illinois Coalition for the Homeless, Springfield, IL.
Illinois Migrant Council, Chicago, IL.
Immaculate Conception Church, Hartford, CT.
Immanuel Community, St. Petersburg, FL.
Immokalee Friendship House, Immokalee, FL.
Independence House, Inc., Hyannis, MA.
Inner City Christian Federation, Grand Rapids, MI.
Inner City Law Center, Los Angeles, CA.
Institute of Cultural Affairs, Oklahoma City, OK.
Inter-Church Council of Greater Cleveland, Cleveland, OH.
Interfaith Assembly, New York, NY.
Interfaith Council for the Homeless, Summit, NJ.
Interfaith Hospitality House.
Interfaith Hospitality for the Homeless, Maplewood, NJ.
Interfaith Housing Association of Westport, Westport, CT.
Interfaith, Inc., Atlanta, GA.
International Guest House, Washington, DC.
International Youth Hostel, Boston, MA.
INVEST, Alquiers, LA.
Jackson-Hinds Comp. Health Center, Jackson, MS.
Jail Ministry, Grand Rapids, MI.
JRS Mental Health Authority, Birmingham, AL.
JCCEO CAP Agency, Birmingham, AL.
Jefferson Street Baptist Chapel, Louisville, KY.
Jeremiah House.
Jesus House, Oklahoma City, OK.
Jewish Council on Urban Affairs, Chicago, IL.
Job With Peace, Boston, MA.
JUC of Cleveland, Cleveland, OH.
Just Peace Committee, St. Petersburg, FL.
Justice and Peace Office, Apopka, FL.
Justice House, Roanoke, VA.
Justice Ministries, Inc., Memphis, TN.
Kent Social Services, Kent, OH.
Kentucky Alliance for the Mentally Ill, Nicholasville, KY.
Kentucky Center for Special Church Services, Louisville, KY.
Kentucky Mountain Housing, Manchester, KY.
Kentucky Task Force on Hunger, Lexington, KY.
Kindred Cummunity.
Knoxville CAC, Knoxville, TN.
Knoxville Legal Aid Society, Knoxville, TN.
Kornomia House, Grand Rapids, MI.
La Casa de Puerto Rico, Hartford, CT.
L.A. Homeless Health Care Project, Los Angeles, CA.
la Samaritaine Community, Madison, WI.
Lakewood Peace and Justice Committee, St. Petersburg, FL.
Le Puente Home, Alamasa, CO.
League of Hope Emergency Shelter, Nashville, TN.

Learning Alliance, New York, NY.

Leavenhouse and Camden Shelter Coalition, Camden, NJ.

Legal Action Center for the Homeless, New York, NY.

Legal Aid Society, Louisville, KY.

Legal Services Coop of Iowa, Des Moines, IA.

Little Bonne Femme Baptist Association, Columbia, MO.

Little Portion Community, Eureka Springs, AR.

Loaves and Fishes, Columbia, MO.

Loaves and Fishes, Fort Worth, TX.

Louisville Community Design Center, Louisville, KY.

Louisville Tenant Union, Louisville, KY.

Low Income People Together (LIPT), Cleveland, OH.

Luke House, Albany, NY.

Lutheran Family and Children Services, St. Louis, MO.

WORKING TOGETHER TO SOLVE OUR DRUG PROBLEM

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. MAVROULES. Mr. Speaker, the drug problem plaguing our country is insidious, tragic, and threatening. It touches each of us. Drug abuse may be as close as a family member addicted to cocaine or designer drugs. Remember, drug abuse occurs not only in seedy back alleys. Its occurring in homes tucked neatly behind well-manicured lawns and in schools where classrooms were once disrupted only by the sound of cheerleading practice.

It is not only the abusers that are affected: We are all victims. Drug abuse generates violent crime.

It costs Federal, State, and local governments billions of dollars a year. These billions reflect the cost of the problem not the cost of the prevention or the cure.

Narcotics experts agree that we must stop the flow of illegal drugs into America. This enormous problem requires international cooperation, employing effective drug interdiction.

We cannot do this without acknowledging the overseas drug economy. As stated in a recent WCVB-TV editorial:

> The United States needs to develop incentives for farmers in drug-producing countries to grow different crops. Shutting down demand in the United States is essential. But without challenging the cocaine economy, the war on drugs will be a losing battle.

Our other, and most immediate, weapon to fight this battle is education. We must show that illegal drug use leads to the destruction of careers, families, friendships, marriages, and lives. Implementation of a massive education effort must involve our schools, churches, media, community-based organizations, and, above all, parents.

I believe that the Federal Government's assistance is essential in waging our war on drugs. Yet, there continues to be a vast gap between what the Government preaches and what it practices.

Therefore, I have cosponsored and support legislation focusing on international narcotics control, drug interdiction, law enforcement, education and prevention, treatment, rehabilitation, and research. Three pieces of legislation that address these issues and that I strongly endorse are the Omnibus Anti-Drug Abuse Act of 1988, the Military Drug Interdiction Assistance Act, and the National Narcotics Leadership Act of 1987. All of these bills provide a solid foundation from which to develop a coherent and comprehensive national drug policy.

I pledge my greatest efforts in this task and ask each of my colleagues to join me.

PERSONAL EXPLANATION

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. DANNEMEYER. Mr. Speaker, due to a prior commitment to be in California for a legislative matter, I was unable to be present on the June 23, 1988 vote on H.R. 4800, the HUD/independent agencies appropriations for fiscal year 1989. I want to take this opportunity to clarify for the record how I would have voted had I been present.

First of all make no mistake that I support the activities which HUD and the other 12 independent agencies are involved in and I applaud their efforts. However, I also feel that appropriation bills deserve to be carefully analyzed before the moneys are appropriated. With the Federal budget deficit at record levels, the need to use scarce Federal resources more efficiently is of paramount concern. If our Nation is to reduce its runaway deficits, all departments and agencies, including HUD, must be prepared to join together and adopt policies which eliminate wasteful spending. Therefore, with respect to appropriations, I advocate an across-the-board freeze which keeps these moneys at the same funding level as in previous years.

H.R. 4800 increases the fiscal year 1988 level by a staggering $2.4 billion, which is $1.0 billion above the President's fiscal year 1989 budget request. The Congressional Budget Office estimates that enactment of this legislation will result in outlays of over $34.8 billion in fiscal year 1989 alone. Mr. Speaker, as an advocate of fiscal responsibility, I cannot with a good conscience, and would not had I been present, vote for this type of irresponsible spending.

In addition, I would have supported the Walker amendment which prohibits use of appropriated funds in any workplace that is not drug-free and requires applicants for Federal funds to certify that they will provide a drug-free workplace. Such a policy is crucial to moving toward a drug-free America.

A TRIBUTE TO THE TOPHATTER'S CLUB OF WARREN

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to the Tophatter's Club of Warren, OH, a very special organization in my 17th Congressional District. I am proud to announce that this outstanding club will be celebrating their 50th anniversary with a gala buffet and banquet at Delucia's in Warren on July 16, 1988.

The Tophatter's Club was organized in 1938 from a Sunday school at Grace AME of Warren, and the boys of this club rebuilt a run-down garage into a beautiful clubhouse for their activities. They formed a baseball team that became Trumbull County champions. Their first supervisor was Mr. James Culver, the club's flower is the dandelion, and their emblem is the high silk hat, gloves, and cane.

All 14 of the original club members served in World War Two, and after the war 12 of them returned to Warren and became extraordinary leaders in the community. Most became leaders in the NAACP, the Trumbull County Urban League, the Masonic Lodge, and countless other organizations. The Tophatter's Club is one of the oldest black social, athletic, and civic clubs in Ohio, and it is my most sincere desire that this wonderful club continues for another 50 years. Thus, it is with thanks and special pleasure that I join with the people of the 17th Congressional District in paying tribute to the great and noble members of the Tophatter's Club of Warren.

WADDY, KY, CELEBRATES 100TH BIRTHDAY

HON. LARRY J. HOPKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. HOPKINS. Mr. Speaker, I rise today in recognition and celebration of a very special birthday observation.

Over 100 years ago, Maj. William L. Waddy donated a plot of land to the Southern Railroad for a right-of-way and a depot.

On that location the Shelby County train station of Waddy was established, soon followed by a post office and eventually a variety of businesses, which have become the proud town of Waddy.

This summer, the good people of Waddy celebrate the centennial of their beloved town.

May I say, Mr. Speaker, that the town of Waddy stands as a living embodiment of those qualities we proudly label "American."

With population of 300, Waddy is home to the gentle people who treasure friends, family, God and country.

In its 100 years of existence, Waddy has grown into a thriving rural community.

Today Waddy is well-known and recognized for its annual Harvest Festival and the Waddy Harvest Run.

In this day of concrete and steel cities, smog-filled skies and gridlocked highways it is good to know that places like Waddy still exist. It is good to know that the heartland of America remains a place where neighbors are friends, and strangers aren't necessarily enemies; where the community can and does join together for a celebration of its unity.

The spirit of Waddy is the spirit of Main Street, America.

Congratulations to Waddy for its first 100 years, and may the next century be as prosperous and successful for its citizens as the first.

IN HONOR OF JOHN POWELL'S CENTENARY CELEBRATION

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. WALGREN. Mr. Speaker, I would like to call to the attention of my colleagues John Powell (1834-1918), who was accorded his American citizenship 100 years ago today, July 7, 1988. Three generations of his descendants, many of whom live in my district, are commemorating his arrival, and are grateful that he chose the United States as his country.

John Powell was born in Beguildy, Wales. He married Ann Williams on December 7, 1859, and in 1881 he, and six of his seven sons immigrated to the United States. He immediately came to Carnegie, PA, and it was there that he lived out the rest of his life. Mr. Powell died on March 31, 1918, and he is buried in Chartiers Cemetery, Carnegie.

Since Mr. Powell's arrival in western Pennsylvania, his five succeeding generations have chosen the area as their home. These succeeding generations include 11 great-grandchildren, 24 great-great grandchildren, and 4 great-great-great grandchildren.

John Powell's descendants are a proud family, and over the years they have contributed significantly to our country and to western Pennsylvania.

UNIVERSITY OF THE DISTRICT OF COLUMBIA NATIONAL YOUTH SPORTS PROGRAM ACHIEVES NATIONAL RECOGNITION

HON. WALTER F. FAUNTROY

OF THE DISTRICT COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. FAUNTROY. Mr. Speaker, it deeply honors me as the Member of the U.S. Congress representing the nearly three-quarters of a million Americans residing here in the Nation's Capital to commend the National Youth Sports Program—both nationally and locally—for its outstanding record of achievement in positively directing the lives of thousands of our young people. NYSP is the epitome of partnership in action, representing for 20 years now an impressively successful cooperation among the National Collegiate Athletic Association, the Federal Government, and local educational institutions to design, fund, and implement programs that enhance the physical, intellectual, and social development of disadvantaged girls and boys throughout the Nation.

I am especially pleased and proud to congratulate the NYSP project here at the University of the District of Columbia for its receipt of a "very special commendation" by the national administrators of NYSP, one of only seven programs in the Nation so honored in 1987. This notable recognition among the 135 NYSP programs across the country evidence the exceptional commitment that the UDC program has successfully translated into exceptional results, utilizing athletics, the values of competition, and diverse enrichment experiences to motivate the youth of our neighborhoods to learn the necessary lessons that lead both to self-respect and to a heightened regard for others. I congratulate Dr. Wilmer L. Johnson, UDC's NYSP Project Administrator; Mrs. Lucille W. Hester, the NYSP Project Director here at UDC; and the dozens of NYSP staff members for their dedication and creativity exhibited throughout the years in helping to build one of the strongest summer youth programs in the Nation.

Moreover, it is a distinctive honor that the District of Columbia's NYSP project has been selected as the featured program site for a videotaped production to be distributed among audiences nationwide demonstrating and promoting the values of NYSP for 10- to 16-year-olds who might otherwise find the summer a dicouraging, unproductive time. We were indeed pleased to welcome Mrs. Ruth M. Berkey, NYSP's National Program Director from the NCAA's National Headquarters in Mission, KS, as well as the other members of her distinguished party, who visited our community recently to record highlights of UDC's NYSP project. We in the Nation's Capital are so very pleased that about 400 of our young people will be featured in this production demonstrating the successes that NYSP can help engender in the personal, academic, and career development of youth who might otherwise miss out on such positive opportunities.

Finally, let me add a note of further encouragement by commending the U.S. House of Representatives Committee on Education and Labor for recently reporting an amendment to H.R. 4872, providing under title IV of this bill expanded support for the National Youth Sports Program, with special emphasis on NYSP's drug abuse education and prevention component. I will continue to work with my esteemed friend and colleague Congressman GUS HAWKINS, chairman of the House Education and Labor Committee, to generate support for the passage of this bill endorsing and empowering NYSP to do an even better job in future years to involve our young people in saying "No" to drugs by saying "Yes" to life.

Mrs. Hester, her staff, and the student participants of the District of Columbia's National Youth Sports Program are certainly to be commended for the excellent example they have set for our community and the rest of the Nation. In these days when so much of the news reported about our cities—and our Nation's Capital City, in particular—focuses on the tragedies and the destruction enacted by and upon our youth, it is like Christmas in the middle of the summer to have hundreds of District of Columbia boys and girls take their well-deserved place in the national spotlight to represent the very best of our community and of our country.

A TRIBUTE TO GREG JOSEPH

HON. JAMES A. TRAFICANT, JR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to Mr. Greg Joseph, a very special resident of my 17th Congressional District. I am pleased to announce that Mr. Joseph will be representing Ohio at the American Legion's Boys Nation Program in Washington, DC, from July 23 to 30. He will be a senator at Boys Nation, after having served as president of the Boys State held at Bowling Green State University.

Greg is a star at Howland High School, where his awe inspiring near perfect grade point average led to his election to the National Honor Society and an academic letter for the 3 straight years. As an outstanding member of the Howland Tigers basketball team, Greg is known as one of the best basketball players in the All-American Athletic Conference. His superior vocal ratings led to his selection to the Acapella Choir Boys Ensemble, and his tireless and devoted work as a Boy Scout will soon result in Greg becoming an Eagle Scout. With all of these amazing accomplishments, it is no surprise that Mr. Joseph was included in Who's Who Among American High School Students.

I will be joining Greg's proud parents—Chuck and Judi Joseph, and his sponsor—American Legion Post 700, in cheering Greg on as he fights for Ohio's rights as a senator at the Boys Nation Program. Greg, you have a bright future ahead of you, and you have all of my best hopes as you become a great success. Thus, it is with thanks and special pleasure that I join with the people of the 17th Congressional District in saluting the astounding achievements and dynamic personality of Mr. Greg Joseph.

A TRIBUTE TO LIMA, NEW YORK

HON. LOUISE M. SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Ms. SLAUGHTER of New York. Mr. Speaker, I rise today to pay tribute to the town of Lima, NY, on the occasion of its bicentennial. I would like to share a part of that town's history with my colleagues. Though a town of only 4,000 residents, Lima has had a rich and exciting past.

Lima was settled by the Seneca Indians. The first Europeans came to the area in 1788, led by Paul Davison and Jonathan Gould. The following year a township was created there from the Phelps and Gorham Proprietary. This town, known as Charleston, grew and prospered because of its fertile soil and fortuitious location on the main Albany-Buffalo road. Inns sprang up as Charleston became a popular way station for weary travelers. In 1809, because there was another town by the name of Charleston not far away, the town leaders decided to change the name to Lima. It is likely that they named their new home after the hometown of many of the settlers, Old Lyme, CT. Another possibility is that the town was named after Lima, Peru, as a result of increased awareness of and interest in Latin America at that time.

Lima rose to prominence in the mid-19th century when the Methodist Church selected the town over several others as a site for an institute of higher education. In 1832, the church founded the Genesee Wesleyan Seminary, one of the first coeducational institutions in the nation. The seminary developed a statewide reputation, attracting a diverse student body of over 1,000 a year as well as renowned faculty and lecturers. Among the noted graduates of the Genesee Wesleyan Seminary, and natives of Lima, were Henry Jarvis Raymond, who founded the New York Daily Times in 1851, which later became the New York Times, and Kenneth Keating, who served as U.S. Senator from 1959 to 1965. The seminary remained in Lima through the 1940's. Its buildings are now occupied by the Elim Bible Institute.

In 1849, the Genesee Wesleyan Seminary spawned another institution in the town, Genesee College, for more advanced studies than were available at the seminary. The college remained in Lima for 20 years. Moving to Syracuse in 1869, this college from Lima became the seed for Syracuse University, founded in 1871.

Today Lima is prosperous from dairy and grain farming, and intensely proud of both its past and its present. I regret that I cannot be with the residents of Lima as they celebrate their bicentennial with festivities ranging from a performance of the U.S. Army Band to a lima bean cooking contest. However, my best wishes will be with them. I invite my colleagues to join me in extending their congratulations to the town of Lima on the occasion of its 200th birthday.

CONGRATULATIONS TO THE WEBSTER-KIRKWOOD TIMES ON ITS 10TH ANNIVERSARY

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. BUECHNER. Mr. Speaker, I rise today to congratulate the publishers and staff of the Webster-Kirkwood Times as they mark 10 years of community service.

As a lifelong resident of Kirkwood, I am well aware of its excellent reporting and well-respected reporters.

The Webster-Kirkwood Times is a weekly newspaper serving a number of municipalities in St. Louis County, MO. The brainchild of three enterprising Webster University students, the Times began as a monthly publication on July 13, 1978. Under the stewardship of Dwight Bitikofer, J.B. Lester and Maureen Zegel, the Webster-Kirkwood Times realized its purpose, "to provide a forum for expression of community interests, personalities, culture, events and ideas."

With this mission in mind, the Webster-Kirkwood Times has grown in circulation and prestige. The community-oriented newspaper added more editions, publishing more often to a wider audience. In 1984, it became a weekly publication, and has inflated its circulation from 15,000 in 1978 to 65,000 today. The staff has blossomed from 3 to 21.

Perhaps more important than its increased size, however, is the Webster-Kirkwood Times' commitment to serving the community. The newspaper continues to offer a forum for citizens of Kirkwood, Webster Groves, Des Peres, Glendale, Oakland, Rock Hill, Shrewsbury, and Warson Woods. These St. Louis County residents have the enviable position to read about and discuss issues of both global and neighborhood importance. After 10 years in print. the Webster-Kirkwood Times has become the prime source of local news for the area it serves.

I salute the Webster-Kirkwood Times for taking the time and providing the effort to give its readers practical information on issues that mean more to us than we realize. Within its pages are stories that affect our everyday life, such as trash collection, streets, and highways and roaming cats and dogs. It pays attention to the workings of local government, reporting decisions of city councils and the impact of legislation on each community.

The newspaper delves into graver issues like the transportation of nuclear waste from Three Mile Island, and looks to the future by its coverage of school districts. The Times allows me to keep abreast of issues of local concern and to communicate directly with readers concerning efforts on Capitol Hill.

The Webster-Kirkwood Times deserves our appreciation because it exemplifies what good can come and what changes can be made through the power of the press. In order for both the electorate and the elected to make knowledgeable judgments, they need to know the facts. Thanks to the Webster-Kirkwood Times, its readers have been able to make those decisions much easier these past 10 years.

As the Webster-Kirkwood Times celebrates 10 years as an asset to its community, I congratulate the publishers, Dwight Bitikofer, Don Corrigan, J.B. Lester, Molly Wainwright, and Maureen Zegel for their contribution to the Second District of Missouri. I have always been proud that my constituents and I are well-informed, and I commend the Webster-Kirkwood Times for its part in that achievement.

CATHOLIC UNIVERSITY HONORS NOTED ITALIAN PRIEST

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. BIAGGI. Mr. Speaker, I wish to bring to the attention of my colleagues a recent event which took place at the Catholic University of America. On June 8, the university held a luncheon for two distinct purposes. The first was to award the President's Centennial Medal to the Reverend Salvatore D'Angelo from Maddaloni, Italy, the founder of the Boys Village Foundation. The second purpose of the luncheon was to celebrate and announce the establishment of a new Italian American Heritage Center to be located on the campus of Catholic University.

Father D'Angelo's life history is a remarkable one replete with commitment, achievement and compassion. For more than 40 years Father D'Angelo has been the driving force behind the Boys Village Foundation. Father D'Angelo, as a young diocesan priest in the aftermath of World War II, was shocked and saddened to see how many orphaned boys and young men there were with little hope for the future. He then founded the Boys Village Foundation which began as a shelter for these orphaned young boys in 1947. From the outset, the aim of the foundation was to promote educational, cultural and recreational initiatives for these children who absent the foundation might not ever have an opportunity to learn and grow.

In the village the boys live a serene life based on and oriented toward the ever valid values of dialogic comprehension of solidarity and of love. The foundation's educational method aims at educating the whole person. This is accomplished in a variety of ways beginning with well-defined educative and formative institutions beginning with nursery school and including elementary, secondary, a technical institute and a special linguistic lyceum. In order to further its educative goals for young people, the foundation in response to a growing need arising in the business world has also promoted the creation of an institute for the training of translators and interpreters. It has other programs to help students keep pace with modern technology especially in the field of electronics. It is a highly personalized educational program allowing students to pursue different scholastic paths including classic and scientific studies, or music and art.

In addition, sports and external participation in varied sociocultural activities including holiday camps complete the picture of how much is offered to the boys that the foundation receives and educates. It helps meet the practical needs of the students for education while also preparing the students for the realities of adult life.

In 1975, the foundation was officially recognized by an ordinance of the president of Campania in Italy. In 1988, this recognition for his tireless efforts on behalf of thousands of homeless young persons and for the international example that he sets he was awarded the most prestigious of honors from Catholic University.

At the luncheon Father D'Angelo's work was praised by the distinguished leaders who attended. This included the Most Reverend Franco Cuccarese, archibishop of Caserta, Italy; the most distinguished Ambassador from Italy to the United States, Rinaldo Petrignani and the Honorable Anthony J. Celebreeze, Jr., the attorney general of the State of Ohio and the president, Italian American Heritage

Center, Inc. The highlight of the luncheon was the awarding of the medal by the esteemed president of the Catholic University of America the Reverend William J. Byron S.J. His speech about Father D'Angelo and his announcement about the heritage center at Catholic were warmly received by the assembled guests. Another important official from Catholic University who played such a major role in the luncheon and who has been the internal driving force at Catholic on behalf of the heritage center, the Reverend Monsignor William A. Kerr, vice president for university relations at Catholic, gave remarks during the luncheon and served as master of ceremonies. The awardee Father D'Angelo also addressed the luncheon gave thanks to Catholic University and spoke of his work and his hopes for the future.

As I mentioned earlier, the other purpose of the luncheon was to announce the establishment of the Italian American Heritage Center at Catholic. It is a private tax-exempt institution dedicated to the preservation, transmission, and advancement of knowledge related to the experiences and contributions of Americans of Italian descent to the United States, their native land and to the world in which all people live. The center expects to bring together in one location a multifaceted polydimensional program where historians, scientists, experts in language and literature and representatives of international business can promote research and understanding of the Italian heritage in the United States and around the world. It is dedicated to the memory of the late Joseph Ventura who served as the first executive director of the National Italian American foundation which under the leadership of its national chairman, Jeno F. Paulucci, and its president, Frank D. Stella, and its current executive director, Fred Rotondaro, are working closely with Catholic on the establishment and growth of the heritage center.

I wish to salute Catholic University for their commitment to the heritage center and Father D'Angelo for his years of commitment to improving the quality of life of thousands of vulnerable boys and young men.

A TRIBUTE TO DANIEL PATRICK DIXON II

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to Daniel Patrick Dixon II, a very special resident of my 17th Congressional District. It fills me with abounding pride to be able to inform my fellow Members of the U.S. House of Representatives that Daniel Patrick Dixon II was born on June 10, 1988.

The proud parents of Daniel are Dan and Kim Dixon, and together with their daughter Amy—who will be 8 years old on October 1, this is a truly wonderful family. It should be noted that Grace Yavorsky, a key member of my Youngstown office, is extremely thrilled over Daniel's birth, because this is her first grandson out of her four grandchildren. I am certain that both Daniel and Amy will soon find out that their father, having been an outstanding labor organizer, will do an outstanding job organizing their schoolwork and athletic activities.

I know that Daniel could not have had more wonderful parents than Dan and Kim Dixon, and that they will do a superlative job raising Daniel. Thus, it is with thanks and special pleasure that I join with the people of the 17th Congressional District in saluting Daniel Patrick Dixon II on the occasion of his birth on June 10, 1988.

THE 13TH ANNUAL REICHMAN MEMORIAL GOLF TOURNAMENT HELD

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. MICA. Mr. Speaker, I am proud and pleased today to honor a very special committee and organization that has been a major force in fighting leukemia for the past 13 years. The Reichman Memorial Committee of Palm Beach, FL, recently held the 13th annual Reichman Memorial Golf Tournament to benefit research efforts in the ongoing battle against leukemia.

Through the diligent efforts of the Reichman Memorial Committee, over $620,000 has been earmarked for continuing research and study to find a lasting cure for leukemia. The great progress against this disease over the past several years is testimony to the commitment and hard work of the members of this committee and others like them across the Nation which have provided the funds necessary to pursue meaningful and fruitful medical research.

I particularly commend the able and dedicated leadership of Frank Alo who as chairman of the Reichman Memorial Committee, has made this humanitarian purpose a personal and continuing commitment.

I know I am joined by victims of leukemia, their families, and our communities and Nation in offering appreciation to those who have committed time, money, and creative energy to assure that leukemia will no longer pose a threat to our health and well-being.

ARTSCAPE, 1988

HON. KWEISI MFUME

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. MFUME. Mr. Speaker, on July 15, 16, and 17, 1988, the Baltimore Festival of the Arts, Inc., will hold "Artscape 1988;" which represents the seventh annual celebration of the Arts in Baltimore. The Baltimore Festival of Arts has held this celebration since 1982. This event has become one of the largest arts festivals on the Eastern seaboard. This program provides the Baltimore community a gate through which they may enter and enjoy the wonderful world of the arts. They will be exposed to music, dance, poetry, painting, sculpture and crafts.

Mr. Dwayne Johnson, who won first place in Maryland's Seventh Congressional District arts competition for high school students, will be honored during the Artscape 1988 festivities. Dwayne, who is a recent graduate of Walbrook Senior High School, is an outstanding example of someone who possesses great artistic talent that should be encouraged and fostered. Programs such as, "An Artistic Discovery" arts competition for high school students, sponsored by the Congressional Arts Caucus, provide the nurturing of creative energies that is so important to our culture and I am proud to be a participant in that program.

Mr. Speaker, I ask my colleagues to join me in commending the Baltimore Festival of the Arts, Inc., for their efforts in creating Artscape 1988, and in giving a special congratulations to Mr. Dwayne Johnson for his great accomplishment.

A CONGRESSIONAL SALUTE TO THE GOLDEN NUGGETS

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. SAXTON. Mr. Speaker, I would like to take this opportunity to congratulate Athena Niemczak, Melissa Kern, Debbie Bessetti, Andrew Niemczak, Lori Hudson, Allison Kelly, Anne Marie Paparella, Ruth Jedlicka. Steve Niemczak, Amy Thompson, Melissa Horgan, Michael Fury, and Pheadra Niemczak of the Golden Nuggets 4-H Square Dancers and Cloggers of Camden County, NJ. The Golden Nuggets have been invited to perform our national folk dances across Europe and the U.S.S.R.

I know that, as 4-H members, the group, and their leaders, Joan and Leon Niemczak, have worked long and hard the past year and a half to make their trip in July and August a great success. The Golden Nuggets have put in endless hours practicing their dance steps and planning fundraisers for their goodwill visit.

Cultural exchanges such as the one planned by the Golden Nuggets 4-H Club give the Europeans a unique look at how their ethnic dance heritages have melted into square dancing and clogging. It also will show them our commitment to voluntarism, team effort, and the quest of 4-H "to make the best better."

I understand that in addition to performing for folk dancers, 4-H, and other youth groups in Western Europe and England, the Golden Nuggets will again be performing for our servicemen at different military bases in Germany and Holland. I am sure our servicemen will also enjoy the show.

I would further like to extend my best wishes to the 40 adult Rainbow Cloggers and other square dancers who will represent the United States in the U.S.S.R.

Such an undertaking requires tremendous preparations and Joan and Leon Niemczak are to be complimented for organizing this effort and commended for their 8 years of voluntary commitment to the children and young adults in the 4-H program.

I am proud that members of my constituency will be representing Camden County, NJ, and the United States in Western Europe and the U.S.S.R. I will be giving the Golden Nuggets a United States flag, flown over the Capitol for presentation to officials in the Soviet Union.

I believe that the performances of the Golden Nuggets will greatly please all spectators, while at the same time make considerable contribution toward strengthening mutual understanding between the people of our nations.

Good luck on your journey, Golden Nuggets.

SOLUTION SOUGHT FOR DROUGHT-STRICKEN AMERICAN FARMERS

HON. JIM JONTZ

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. JONTZ. Mr. Speaker, because of the severity of the drought, my home State of Indiana and many other States have requested that the Secretary of Agriculture designate their States Federal disaster areas. This declaration will allow producers to apply for the FmHA disaster emergency loans.

However, such a designation will assist very few farmers unless a provision in the 1985 farm bill is changed.

Under section 1308(b) of the Food Security Act of 1985, "An applicant shall be ineligible for financial assistance under this subtitle for crop losses if crop insurance was available to the applicant for such crop losses under the Federal Crop Insurance Act." This provision will effectively block nearly all grain farmers from participating in any disaster loan program.

Eligibility for these loans allows farmers to receive loans up to 80 percent of their actual production loss and 100 percent of the actual physical loss, or $500,000, whichever is the lesser amount. These loans are designed to help farmers overcome the adverse effects of the drought. They may be used, among other things, to help pay all or part of production costs of the drought year or the year after; to pay essential family living expenses; or to refinance debts when justified.

I have introduced legislation to make all farmers whose crops have been damaged by the drought eligible for Farmers Home Administration disaster emergency loans, even if crop insurance was available to them under the Federal Crop Insurance Act.

As hard as we have tried, the fact is that a majority of farmers do not participate in the Federal Crop Insurance Program. In Indiana the participation level is a disappointing 10 percent. This low participation is a problem that needs to be addressed, but it's already too late for farmers hurt by this year's drought.

This legislation is not the total solution for drought-stricken American farmers. The congressional drought task force, of which I am a member, will be introducing legislation this week to provide income protection for farmers with drought-related losses. My bill simply addresses the eligibility for emergency loans.

I urge my colleagues to support this important legislation.

THE DEATH PENALTY WOULD NOT BE AN EFFECTIVE ANTI-DRUG MEASURE

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. EDWARDS of California. Mr. Speaker, I am pleased to insert in the RECORD and call to my colleagues' attention the recent op-ed piece by Narcotics Committee Chairman RANGEL opposing the death penalty for drug dealers convicted of murder.

Mr. Speaker, no Member has worked more tirelessly or speaks with greater credibility on the issue of combating drugs than CHARLIE RANGEL. No one can call him soft on drugs. No one can say that he is not dedicated to providing law enforcement with all appropriate means to fight drugs.

It is all the more significant, therefore, that he concludes the death penalty would not contribute to drug enforcement efforts, that it would likely be applied in a racially discriminatory manner, and that it could very well result in executions of innocent persons.

I am honored to associate myself with CHARLIE RANGEL'S statement and I urge my colleagues to do the same.

The article follows:

[From the Washington Post, July 6, 1988]

DRUGS AND THE DEATH PENALTY

(By Charles B. Rangel)

Our focus on fighting a real war on drugs is threatened with really going off course now. Over the past few weeks we have allowed ourselves to be distracted by talk that legalization or "zero tolerance" or "user accountability" is the answer to society's enormously complex and critical drug problem. Now the death penalty is being bandied about as the cure-all-of-the-week.

The Senate recently passed a bill to allow the death penalty for drug traffickers convicted of murder. The measure passed by a wide margin, and a similar measure is being advocated by some House members.

Those who think the death penalty is going to force the drug problem over the horizon and out of our lives are fooling themselves. The drug lords will hardly be scrambling for cover when their radars home in on capital punishment here in the United States.

Even as the death penalty would be imposed upon some of these drug dealers, the flow of drugs across our borders would be as fast and as furious as ever.

Drug dealers already face a certain amount of risk in keeping their billion-dollar industry alive anyway. They constantly face the real prospect of being murdered by one of their competitors. The death penalty would not even increase the cost of doing business for them. It alters the risks very little.

The death penalty in this case is a smokescreen for real action on the drug crisis. It is a camouflage sprung on the American people at a time when they are begging for a noble and valiant response to our nation's narcotics crisis and the national security threat that drug abuse and drug trafficking present. It is a diversion from the critical action that we all know needs to be taken, and soon, to put these merchants out of business.

All the death penalty would do for us is give the appearance of doing something about the drug problem for a short time. The streetcorner deals, the flow of drugs across our border, the senseless killings and robberies and the overdoses would continue. But that's okay. We feel better and safer because somebody somewhere is paying the ultimate price.

What the death penalty would not do for us is help us come up with a plan to seal our borders from the flow of drugs. It would not help coordinate anti-drug efforts. It would not bring forth the vast amount of resources that we know we must commit to fight the war as we know we should.

The death penalty would not increase the money we spend on treatment and education, or give jobs and skills and a sense of self-worth to the poor and forgotten who often depend heavily on these illicit substances because they have nothing to lose.

The death penalty also would not help bring about what is needed: a hemispheric summit between heads of state to discuss strategies for turning back the drug tide. And it would not stop poor farmers in Bolivia and Peru, for example, from growing coca leaves.

Most important, the flow of drugs would not be impeded because of the death penalty. Look at Florida. That state has had the death penalty for years, but it remains the worst spot for the importation of illicit narcotics to the United States.

The death penalty presents serious drawbacks under any circumstances.

The most glaring obstruction is that the sentence leaves no room for error. We may not want to think about it, but errors do occur in bringing people to justice.

Perhaps the most chilling example of death penalty foul-ups occurred in Florida in 1983. Young Shabaka Sugliani Waglini came within 15 hours of execution after 10 years on Florida's death row before a three-judge Circuit Court panel in Atlanta stayed the execution on grounds that the case needed a closer look. The ruling came after officials already had measured Waglini, poor and black, for his burial clothes and had offered him a choice of last meals.

From that point on until just before Waglini was set for a retrial last year, it filtered out that the prosecutor had hidden evidence and that a key witness had lied. When the witness admitted last year to having lied at the first trial, Florida prosecutors dropped the poorly handled case.

There is no disputing the fact that when it comes to the death penalty, the long, curved blade of the grim judicial reaper extends farther when the defendant is minority. According to the NAACP Legal Defense Fund, 836 of the 2,048 inmates on death row as of May 1, 1988, are black. Blacks make up 40 percent of the death row inhabitants, but only 11 percent of the nation's population.

It has been the custom of this society, and of other civilized societies, to build prisons and mete out long-term punishments for heinous crimes. Let's stick with incarceration. Let's build more prisons. Let's make them more secure. Let's make inmates sit back and think for the rest of their lives how dumb it was to commit murder, rape, robbery or sell drugs. Let's not take the quick way out, but more importantly, let's not leave ourselves open to more Shabaka Waglini cases. Has anybody ever heard of life without parole?

BIAS IN JUDICIAL REVIEW SURVEY MAY HAVE RESULTED IN FAULTY CONCLUSIONS

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, July 11, 1988

Mr. MONTGOMERY. Mr. Speaker, the Vietnam Veterans of America service organization recently commissioned Cambridge Survey Research here in Washington to poll veterans as to whether they favor the current appeals process for Veterans' Administration benefits claims or prefer a system that allows judicial review in the Federal courts. The firm conducted telephone interviews with 326 veterans—a "nationally represented sample," it claimed.

The basic discovery of this survey—circulated in a June "Dear Colleague" by 19 of our colleagues seeking cosponsors for a judicial review bill—is that "when given a choice, veterans prefer to change the current system [of claims appeals] by a margin of 3 to 1." However, some disturbing questions have arisen as to the validity of the survey and the bias that pervades its methodology.

Consider the following question text offered to the veterans who were surveyed:

With one exception, Americans have the right to take a Government agency to court if they disagree with a decision made by that agency. This right, called the right of 'judicial review,' is currently denied to veterans in disputes with the Veterans' Administration, known as the VA. When veterans disagree with [a] decision of the VA, the VA itself reviews that decision and makes a final judgement which cannot be appealed in court. Some people feel that this denies veterans fair treatment. Others say that the current system has treated veterans fairly. Which of the following statements comes closer to your point of view?

The current system used by the VA to handle veterans' claims is fair. There is no need to change the system by subjecting the VA to judicial review. (22 percent of those polled agreed)

Veterans should have the right to appeal administrative decisions to the courts. The VA should be subject to the same judicial oversight as every other government agency. (72 percent of those polled agreed)

Don't know (6 percent).

Mr. Speaker, even as an adamant opponent of the judicial review cure-alls currently being bandied about, I would probably pause before answering this query as it is prefaced. But consider the plight of those who might not be very well versed in the pros and cons of the issue. For them, it must be a reply that is emotional rather than reasoned.

The Disabled American Veterans, one of our largest veterans' service organizations, shares my curiosity about the validity of this survey. On May 20, the DAV wrote to Cambridge Survey Research, concerned that some of the information the firm conveyed to the veterans polled was inaccurate and misleading, particularly the contention that "every other Government agency" is subject to judicial review, which is an absolute untruth.

The DAV asked the following very pertinent questions of Cambridge Survey Research and, to date, has not received a reply:

(1) If, without changing current law, "Americans have the right" on more than one ground to take the VA to court when they disagree with a VA decision, would that fact affect the validity of your survey result?

(2) If there were many more than one exception to Americans "right to take a government agency to court," would that fact affect the validity of your survey result?

(3) If there were significant differences between the VA and "every other government agency" with respect to the reasons why decisions of those other agencies are subject to judicial review, would that fact affect the validity of your survey result?

(4) If there were more than one means available for expanding judicial review of VA decisions, does your survey enable you to determine which means would be supported by the 235 veterans who agreed with your statement?

The DAV also requested a professional analysis of the survey from the Institute for Social Research at the University of Michigan. I believe my colleagues will be very interested in the Institute's response:

INSTITUTE FOR SOCIAL RESEARCH,
UNIVERSITY OF MICHIGAN,
Ann Arbor, MI, June 30, 1988.

Mr. CHARLES E. JOECKEL, Jr.,
National Adjutant/Executive Director, Disabled American Veterans, Washington, DC.

DEAR MR. JOECKEL: I have reviewed the Executive Summary of the national survey of veterans conducted by Cambridge Survey Research and have the following comments concerning the methodology and possible sources of bias in the survey.

Sampling and possible sources of bias. The first set of issues has to do with the method of sampling and possible sources of bias associated with the method. The memorandum supplied by Cambridge Survey Research indicates that the data were collected from a "nationally representative sample of 326 veterans during the period of March 22–March 29, 1988." The report indicates that sampling was conducted using the method of random digit dialing. Our ISR researchers, Groves and Kahn in their book, "Surveys by Telephone: A National Comparison with Personal Interviews," New York: Academic Press, 1979, indicate that while surveys by telephone produce results respondents with unlisted numbers, the response rate is typically five percent lower than that of face to face interviews.

There are several issues about the sampling strategy which remain unclear and potentially problematic. First of all, Cambridge Survey Research provides no information about the refusal rate or nonresponse rate in this survey. This is information routinely provided in scientific reports of surveys. A high refusal rate may indicate that those respondents who actually agreed to be interviewed were not representative of the general population. If the refusal rate was indeed high, then a biased sample of veteran opinions may have been obtained.

Second, the question arises as to whether or not the sample of veterans actually obtained by the telephone interview method was representative. That is, does random digit dialing and telephone interviewing provide representative samples for the particular group in question (veterans)? The primary source of bias here has to do with personal access to a telephone. Since telephones are now extremely broadly available in our society, telephone surveys do reasonably well in obtaining a representative sample for most populations. The exceptions of course, are those populations or sub-populations that do not have ready access to a telephone. Thus, for example, if a substantial proportion of a population is institutionalized or hospitalized, or has other conditions of disability which make the likelihood of a successful phone interview quite low, then these populations are likely to be under-represented in the final sample. It is interesting to note, incidentally, that these are groups that may already be receiving veterans benefits and may have been more favorable to the current system.

While the unknown refusal rate, the actual completion rate of interviews, and the likelihood of under-representing certain sub-populations of veterans are real issues, I do not believe that they are the most important issues on which to focus in evaluating the results of this survey.

Biased question wording and item format problems. In my opinion, without question the most serious problem in this survey has to do with the question wording and framing of the survey question in the current poll. Not only is this question extremely poorly worded from the point of view of acceptable survey research methodology, but the first three sentences in the question lay down a strong implicit premise that substantially biases the question in the direction of favoring judicial oversight and review. Leaving aside for a moment the accuracy of the premises underlying these first three sentences, the question uses language which appears to be intentionally provocative using terms such as "denied to veterans." The same survey item could have actually been asked by omitting the first three sentences and revising the language somewhat.

A second problem with this survey item is that it provides an extremely strong forced choice format rather than allowing the respondent to provide a range of levels of agreement or disagreement with the premise that the current system is adequate or that judicial review should be a part of the VA system. Howard Schuman of our Institute and his colleagues have conducted numerous studies of sources of bias in surveys (Schuman, H., Scott, J.; Problems in the use of survey questions to measure public opinion, Science, May 22, 1987, *236,* 957-959; Schuman, H. "Ordinary questions, survey questions and policy questions," Public Opinion Quarterly, *50,* 432-442). His studies show that the presentation of univariate percentages is "fraught with danger" and that "satisfying the public hunger for results in the form of referenda should usually be, if not avoided, then put forth with cautions and subdued tones" (p. 437).

The reason for Schuman's concern is that his studies here at ISR have shown that the public will tend to respond to whatever options it is given even if their response doesn't reflect their more nuanced opinion as indicated by other methods such as the use of open-ended questions. This problem, along with the fact that the question biases the respondent so strongly in the direction of judicial oversight, makes me wonder whether a professional survey reseacher wrote this question.

A more thorough exploration of the issue of judicial review in the survey would have provided a better sense of the range of opinions of veterans. A series of questions might have asked about (1) satisfaction with the current V.A. system, (2) satisfaction with current benefits, (3) whether the respondent was currently receiving benefits, (4) had made claims or not, and (5) involved an exploration of their satisfaction with the claims process.

In my opinion, the question wording is the primary problem in this survey, and it is unclear what kind of results a different set of less biased questions would have provided.

Sincerely yours,

RICHARD H. PRICE, Ph.D.,
Professor of Psychology,
Research Scientist, ISR.

Mr. Speaker, biased surveys and the conveyance of inaccuracies and misinformation serve no one well. Judicial review is a complex matter that requires thorough study and understanding, logic more than emotion. Of course, we want to treat all veterans fairly. And it certainly isn't done by feeding them only what we want them to know to further our own purposes rather than sharing with them all they should know.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, July 12, 1982, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 13

9:15 a.m.

Labor and Human Resources

To hold hearings on AIDS treatment research and approval.

SD-430

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings on S. 2614, to provide for improved coordination of national scientific research efforts and to provide for a national plan to improve scientific understanding of earth systems and the effect of changes on climate and human well-being.

SR-253

Energy and Natural Resources

Business meeting, to mark up S. 1567, to provide for refunds pursuant to rate decreases under the Federal Power Act, S. 1120, to modify certain development requirements applicable to Federal coal leases under section 7 of the Mineral Leasing Act, S. 1415, to authorize the Secretary of the Interior to utilize water for the Dolores and Animas-La Plate reclamation projects in Colorado to satisfy the water rights claims of the Ute Mountain Ute and Southern Ute Indian Tribes, S. 1294, to promote the development of technologies which will enable fuel cells to use alternative fuel sources, and S. 1295, to develop a national policy for the utilization of fuel cell technology.

SD-366

*Finance

To hold hearings on proposed legislation to make technical corrections relating to the Tax Reform Act of 1986.

SD-215

Governmental Affairs

To hold hearings to examine the cost of environmental cleanup and compliance at Department of Energy defense sites.

SD-342

Small Business

Rural Economy and Family Farming Subcommittee

To resume hearings to identify prospects for economic development in rural America.

SR-428A

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

10:00 a.m.

Banking, Housing, and Urban Affairs

To continue oversight hearings on the Federal Reserve's Second Monetary Policy Report of 1988.

SD-538

Foreign Relations

War Powers Subcommittee

To hold hearings to review the War Powers Resolution of 1973.

SD-419

11:00 a.m.

Foreign Relations

Business meeting, to consider pending nominations and treaties.

SD-419

2:00 p.m.

*Foreign Relations

To hold hearings on the nominations of John A. Burroughs, Jr., of Maryland, to be Ambassador to the Republic of Uganda, Carl C. Cundiff, of Nevada, to be Ambassador to the Republic of Niger, John F. Kordek, of Illinois, to be Ambassador to the Republic of Botswana, Robert L. Pugh, of Virginia, to be Ambassador to the Republic of Chad, and William H. Twaddell, of Rhode Island, to be Ambassdor to the Islamic Republic of Mauritania.

SD-419

JULY 14

9:00 a.m.

Commerce, Science, and Transportation

To hold hearings on the nomination of Leslee K. Alexander, of Tennessee, to be a Member of the Board of Directors of the Corporation for Public Broadcasting.

SR-253

Foreign Relations

Terrorism, Narcotics and International Operations Subcommittee

To resume hearings to review international drug control programs, focusing on law enforcement and foreign policy issues.

SH-216

Labor and Human Resources

Business meeting, to mark up S. 2488, Parental and Medical Leave Act, S. 1808, Reclassification of Transitional Devices Amendments, S. 2229, Health Professions Reauthorization Act, S. 1950, Adolescent Family Life Demonstration Projects Act, S. 10, Emergency Medical Services and Trauma Care Improvement Act, S. 2561, Technology-Related Assistance for Individuals With Disabilities Act, and S. 2468, to revitalize the Food and Drug Administration.

SD-430

9:30 a.m.

Commerce, Science, and Transportation

Communications Subcommittee

To hold hearings on the modified final judgment regarding AT&T divestiture and open network architecture.

SR-253

Veterans' Affairs

To hold oversight hearings to examine the extent of post traumatic stress disorder on veterans.

SD-628

10:00 a.m.

Banking, Housing, and Urban Affairs

Business meeting, to consider S. 2467, to remove the ownership and transferability restrictions placed on nonvoting preferred stock of the Federal Home Loan Mortgage Corporation (FHLMC), S. 2544, to amend the Federal securities laws in order to facilitate cooperation between the United States and foreign countries in securities law enforcement, and the nominations of Timothy L. Coyle, of California, and Jack R. Stokvis, of New York, each to be an Assistant Secretary of Housing and Urban Development, and James B. Werson, of California, to be a Member of the Board of Directors of the National Corporation for Housing Partnerships.

SD-538

Environment and Public Works

Business meeting, to consider pending calendar business.

SD-406

11:00 a.m.

Energy and Natural Resources

To hold hearings on the nomination of Elizabeth A. Moler, of Virginia, to be a Member of the Federal Energy Regulatory Commission.

SD-366

1:30 p.m.

Finance

Social Security and Family Policy Subcommittee

To hold hearings on S. 2441, to require the Secretary of Health and Human Services to provide annual personal earnings and benefit statements to workers covered by Social Security, S. 2461, to extend and improve the foster care independent living program, and related measures.

SD-215

2:00 p.m.

Commerce, Science, and Transportation
Merchant Marine Subcommittee

To hold hearings on the effect of drought on the Mississippi River transportation shipping condition.

SR-253

JULY 15

10:00 a.m.

Foreign Relations
War Powers Subcommittee

To resume hearings to review the War Powers Resolution of 1973.

SD-419

JULY 26

9:30 a.m.

Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 2148, to designate specified river segments in Oregon as scenic, wild, or recreational rivers.

SD-366

2:00 p.m.

Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 2148, Omnibus Oregon Wild and Scenic Rivers Act.

SD-366

JULY 27

9:30 a.m.

Governmental Affairs
Oversight of Government Management Subcommittee

To hold oversight hearings to review the Department of Defense safety program for chemical and biological warfare research.

SD-342

JULY 28

9:30 a.m.

Governmental Affairs
Oversight of Government Management Subcommittee

To continue oversight hearings to review the Department of Defense safety program for chemical and biological warfare research.

SD-342

AUGUST 2

9:00 a.m.

Commerce, Science, and Transportation
Communications Subcommittee

To hold hearings on S. 2044, to require further review by the Federal Communications Commission (FCC) to ensure thorough deliberation on proposed changes in the method of regulation of interstate basic service rates, and to review FCC price cap proceedings.

SR-253

AUGUST 10

9:30 a.m.

Commerce, Science, and Transportation
Consumer Subcommittee

To hold hearings on S. 2047, to require health warning labels on containers of alcoholic beverages.

SR-253

AUGUST 11

9:00 a.m.

Veterans' Affairs

To hold oversight hearings to review certain veterans health care programs.

SH-216

SEPTEMBER 20

9:30 a.m.

Commerce, Science, and Transportation
Foreign Commerce and Tourism Subcommittee

To hold oversight hearings to review the U.S. and foreign commercial service.

SR-253

POSTPONEMENTS

JULY 14

9:30 a.m.

Agriculture, Nutrition, and Forestry
Agricultural Credit Subcommittee

To resume oversight hearings on the implementation of the Agricultural Credit Act (P.L. 100-233).

SR-332

SENATE—*Tuesday, July 12, 1988*

(Legislative day of Friday, July 8, 1988)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable William Proxmire, a Senator from the State of Wisconsin.

Mr. PROXMIRE. The prayer will be offered by the Reverend Sam Wooldridge of the Calvary Bible Church, 800 Dewey Church, St. Marys, WV.

PRAYER

The Reverend Sam Wooldridge, Calvary Bible Church, 800 Dewey Church, St. Marys, WV, offered the following prayer:

Let us pray:

Our most gracious Heavenly Father I ask You today as You have told us to ask, that You will help those that rule in our Government to take the model prayer in Matthew 6:9-13 and make this prayer real in their lives.

Our Father which art in Heaven, hallowed be Thy name. Dear God may we all show forth praise and honor to Your name. Thank You, God, for being our Elohim and our El Shaddai and our owner and ruler.

Thy kingdom come Thy will be done in Earth as it is in Heaven. Dear God, give these wisdoms to make the rule and law of Heaven the rule and laws of our Earth, bring Thy kingdom into our lives.

Give us this day our daily bread. Dear God we ask You to provide all our need, help us love You and all that You stand for.

And forgive us our debts, as we forgive our debtors. Help us Dear God to love our enemies and forgive those that despitefully use us.

And lead us not into temptation, but deliver us from evil. God we ask You to deliver us from the evil of this world and the powers of wickedness in high places. Let us rely on You to give us Your power to deliver us from the evil one.

For Thine is the kingdom, and the power, and the glory forever. We give You, God, praise for Your kingdom, and ask You that we can have Your power to lead us, and we thank You for Your glory given to us.

I ask God that You give these wisdoms to be the leaders; that You would be pleased to keep our Nation strong and free.

We ask this all in the name of Your Son, Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. Stennis].

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, DC, July 12, 1988.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable William Proxmire, a Senator from the State of Wisconsin, to perform the duties of the Chair.

John C. Stennis,
President pro tempore.

Mr. PROXMIRE thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDING OFFICER (Mr. Dixon). The majority leader.

WELCOME TO DR. WOOLDRIDGE

Mr. BYRD. Mr. President, I welcome to the U.S. Senate our guest chaplain, Dr. Sam Wooldridge of the Calvary Bible Church of St. Marys, WV. I am certain also that I speak for all of our colleagues in thanking Dr. Wooldridge for his uplifting and inspiring prayer this morning.

Dr. Wooldridge has attended a number of institutions of higher education, including Southern Illinois University, Hyles-Anderson College in Indiana, and Bible Baptist College in Pennsylvania.

Dr. Wooldridge and his family have been in West Virginia since 1983. With his wife Helores, Dr. Wooldridge also conducts a tape ministry to the blind, centered in Greenville, SC.

It is an honor to have Dr. Wooldridge with us today, and I hope that he will find his visit in Washington memorable and interesting.

Mr. President, I reserve the remainder of my time.

RESERVATION OF THE REPUBLICAN LEADER'S TIME

Mr. BYRD. Mr. President, I ask unanimous consent that the time of the distinguished Republican leader be reserved.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The majority leader has 4 minutes.

Mr. BYRD. Mr. President, I yield my 4 minutes to Mr. Proxmire.

Mr. PROXMIRE. I thank my good friend, the majority leader.

The PRESIDING OFFICER. The Senator from Wisconsin.

MONEY AND THE WISCONSIN SENATE ELECTION

Mr. PROXMIRE. Mr. President, after 31 years in the U.S. Senate, three unsuccessful campaigns for Governor of my State and six successful campaigns for the U.S. Senate, this Senator is finally beginning to find out what winning elections is all about in the brand new 1988 multimillion dollar election environment.

All these years I have been living in an illusion. The illusion: There is one sure way to win political office and keep it. That illusionary way is to get out and meet your constituents—one on one. Shake their hands. Ring their doorbells. Meet just as many personally as you can—day after day, month after month, year after year. The numbers are critical. They add up. You can easily meet hundreds every day. By campaigning on main streets and shopping malls for 7 or 8 hours a day you can hit a couple of thousand. Go out to baseball and football games, State fairs—busy summer festivals where literally tens of thousands flock in and you can meet as many as a thousand an hour—literally. Keep that up year after year, you build remarkable long term support. It is hard work. Depending on your attitude, it can be a ball. You enjoy it. Most people are warm, friendly, supportive. They are happy. They are fun to meet. Occasionally you take time out from the numbers to chat for a few minutes. You learn why people feel as they do—how earnestly they feel it.

For winning elections you believe all this illusion is cumulative magic. When you run statewide a few times, after you hold office, many people recognize you when you shake their hands, an astonishing number remember you. That is critically important. It is more than that. It is an illusion of sure political success. A person you have met a year ago, 6 years ago, indeed, 30 years ago remembers you. She or he remembers all about that original long ago meeting. He or she

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

recounts the details. It is a king of numbers power. Many of the hundred thousand people you met in your 1952 campaign for Governor still remember meeting you when they vote in 1982. With every election that passes you have more of those beautiful voters in the bank.

So what is the illusion? It's this. All that magic can blow away like a puff of smoke in a hurricane when your opponent turns up with $2 or $3 million to buy television time and the good judgment of those experts to tell him precisely how to build him up.

It cannot happen? That is what I believed until a few weeks ago. I am retiring from the Senate this year. So my seat in the Senate will be up for reelection in Wisconsin. Until early this year, six candidates had entered the race. Two Republicans. Four Democrats. Two of the Democrats had run statewide. One had served 4 years as Governor. He had run statewide three times. He had been the majority leader of our party in the State legislature. Another Democratic candidate had just run a losing but very close race against the other incumbent Wisconsin Senator. A third had served in the House as a Congressman. He is so highly respected that he was reelected without opposition in 1986. That Congressman has been campaigning for the Senate exhaustively throughout the State for many months. The fourth candidate has been elected statewide as secretary of State six times, most recently by a record margin.

So what was the illusion shattering bombshell? The bombshell was that a fifth candidate entered the Senate race only a few weeks ago. He had never held any public office. He had never before even run for any public office. He had one great asset—money, and lots of it. In 1987 his personal income exceeded $4 million. In recent weeks this brand new candidate spent $500,000 on television. Result: A recent poll by our State's leading newspaper the Milwaukee Journal showed the new candidate sharing the top spot with the former Governor on the strength of a single force: that highly skilled buy. The other three Democratic candidates, qualified by years of service in public office and with long campaigning, were left far behind in the dust.

Building constituent support one on one, serving well for years in public office can help build a political career, ah, but there is no substitute for money, and lots of it, wisely spent in buying the most seasoned and shrewd media advice and the television time to ring that bell.

The candidate who has come from nowhere into the front ranks has been a smashing success in business. He may, if elected, serve the country and our State as an excellent Senator. But as a retiring Senator who followed the other painstaking route of years of one-to-one hard campaigning work, I am disillusioned and more than a little jealous.

BLACK UNEMPLOYMENT: A NATIONAL AND WISCONSIN SHAME

Mr. PROXMIRE. Mr. President, at this time of celebration over the lowest level of unemployment in 14 years, let us not overlook the shameful continued depression level unemployment among our black citizens. I say this, Mr. President, with my head bowed in a special humiliation. In 1986, black unemployment in Wisconsin was an horrendous 27 percent. It was higher in our State than in any State in the Union! Last year that unemployment did not go down. But it only went down to a disgracefully high 22 percent. Wisconsin last year had the second highest black unemployment in America, second only to the unemployment in South Carolina. A recent Milwaukee Journal editorial points to the fact that unemployment of blacks in our State was four times the unemployment level of whites.

That editorial also bemoans the fact that the Congress has failed to provide our Labor Department with the funds they need to provide more precise and accurate data. The Journal also calls attention to the shift in the black unemployment problem from the South to the Midwest. In 1987 the black unemployment rate was 17.9 percent in the Midwest. That made black unemployment in the Midwest, the highest in the country. The South had the second highest black unemployment rate at 12.7 percent. The Milwaukee paper asks for action by State and local officials to put jobs in black communities, to crack down on employer racial discrimination, and require wider affirmative action plans. It asks the Congress to redirect Federal policy to create more jobs in the Midwest.

Mr. President, I ask unanimous consent that this excellent editorial from the Milwaukee Journal be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Milwaukee Journal, July 3, 1988]

BLACK'S SLIM GAINS MASK DEEPER PAIN

The black jobless rate dropped statewide last year, but the news is hardly reason to cheer. The rate is still way too high for the public and private sectors to relax in job-creation efforts.

The US Labor Department reports that the black rate for Wisconsin stood at roughly 22% in 1987, down from about 27% in 1986, reflecting the decline in unemployment for nearly all sectors of the American population last year. For whites in Wisconsin, the rate fell from 6.1% to 5.4%.

The state's 1986 black rate was the worst in the United States; the 1987 rate was second worst. Also, in 1986, blacks in Wisconsin were 4½ times more likely than whites to be unemployed, the widest racial gap in the nation. By 1987, that number had dipped to 4 times, pairing Wisconsin with South Carolina for the widest racial gap in the nation. Progress? Only if you calibrate it in inches. The goal line of racial equality is miles away.

Now a few words about the data. The feds provide annually only a fuzzy picture of black unemployment in cities and states. A sharper picture would require more study than available resources allow. The federal government ought to find the money to get the job done right. The jobless rate is a vital barometer that guides social policy and thus needs to be as precise as possible.

The figures have another flaw, which precision won't overcome: They understate the unemployment problem, particularly among blacks. That's chiefly a definition problem. The feds don't include as unemployed those who have been without jobs so long that they have given up looking. To compound the problem, the feds use door-to-door polling to arrive at the figures, a process that tends to undercount poor blacks.

However flawed, the Labor Department figures are the only comprehensive look at unemployment by race in states and localities. Besides, the Wisconsin figures have been consistent year to year, reinforcing their rough reliability.

More broadly, what do these fuzzy indicators signal? The 1987 data suggest that a worrisome trend is persisting; The Midwest continues to replace the South as the region in which blacks are economically worst off. The black unemployment rate was 17.9% in the Midwest. The South had the second highest rate, 12.7%.

At the same time, the races appeared most unequal in the Midwest, where blacks were 3.2 times more likely than whites to be unemployed. This all suggests that (1) blacks have not recovered as well as whites from the manufacturing downturn plaguing the region and (2) in Wisconsin, blacks are having an even harder time rebounding.

Last year blacks made modest gains. The Milwaukee figures have an air of drama only because the 1986 black rates had been so high. In the metropolitan area the black rate fell from roughly 26% to 19%; in the city alone, it dropped from 27% to 19%. The 1987 level is still far too high, keeping Milwaukee among the leaders in black unemployment. And joblessness leads to a host of other problems: broken families, deteriorated neighborhoods, welfare and crime.

What must be done? Federal policy must be re-directed at creating jobs, particularly in the Midwest. State and local officials must focus efforts on putting jobs in black communities. Public officials must crack down on employers who discriminate. And government should require wider adoption of affirmative action plans.

Additionally, officials should step up plans to bus Inter City job seekers to outlying employment. They should also be more aggressive about another strategy for matching jobs with job seekers: opening low-income housing in the suburbs. Businesses need to do more. The schools must do a better job of preparing young people for work.

Now is no time to relax in the fight against black unemployment; now is the time to step up the fight.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order there will now be a period for the transaction of morning business for not to extend beyond the hour of 9:15 a.m., with Senators permitted to speak therein for not to exceed 1 minute each.

THE REPUBLICAN ANTI-DRUG INITIATIVE

Mr. KARNES. Mr. President, at a press conference held last Thursday, our distinguished minority leader unveiled the Republican antidrug initiative. On Friday Senator Dole inserted into the Record a summary of the Republican omnibus antidrug bill. I was pleased to be at the press conference with several of my colleagues to express my strong endorsement of the Republican package. At that time I made the following statement:

> The Republican initiative being proposed today is our best hope, our best blueprint for a real war on drugs. If we are serious about winning this war, then the Congress must pass this legislation.
>
> Before today, there have been other measures introduced and enacted to fight the growing drug problem. This year we'll spend more than $3 billion to educate the public about the dangers of drug use and abuse. But it's obvious we're not doing enough, we're not waging a real war on drugs.
>
> I've often believed that with every right a citizen of our Nation enjoys, there is also a responsibility. And with every responsibility there is a consequence. To enjoy our rights we must be responsible for our actions. If we aren't, then we must pay some kind of price.
>
> It's obvious to me that our previous antidrug efforts haven't made those who do drugs, or deal in drugs, pay a price. We haven't hit them where it hurts.
>
> This Republican initiative will accomplish that goal. It will truly make drug users and dealers pay a price. All the rights that might be important to a person—driving a car, going to school, having a place to live, having a job—would be in jeopardy with this initiative.
>
> And our measure has muscle. We would withhold vital funds from States, Federal contractors and our entities who don't join this war on drugs by following to the letter the provisions outlined in this measure. We revamp the criminal justice laws, and strengthen current anti-drug efforts by giving more authority and more funds to Federal and State agencies who are at the front lines of this battle.
>
> This is a massive piece of legislation that responds to a massive problem. Let's face it, our previous efforts haven't even come close to effective dealing with the problem. While they were well-intended, they fell far short of having any impact in reducing drug usage or drug dealing.
>
> The time has come to stop pussy-footing around. If we're serious about a real war on drugs, we'll pass this legislation. I hope our Democratic colleagues will join us in this effort.

Mr. President, this Republican initiative targets two important areas which have largely been neglected by other antidrug bills and, to a large degree, by the Federal Government's antidrug programs—stopping the demand for drugs by focusing on drug users and improving enforcement by strengthening the criminal justice system.

When the Republicans last controlled the Senate in 1986, the Congress and the Reagan administration worked in concert to produce the tough Anti-Drug Abuse Act. This legislation provided stiff penalties for violations of drug statutes, increased Federal funding for interdiction, required cooperation from foreign governments seeking assistance from the United States, and authorized badly needed funding for additional education, prevention, and treatment programs.

The Reagan administration has implemented a strong comprehensive antidrug strategy that is more extensive, better funded, and better coordinated than any previous anticrime or antidrug program in our Nation's history. It combines international cooperation, interdiction, criminal investigation, and other enforcement programs, as well as treatment, prevention, education, and research efforts.

Federal spending for antidrug programs has soared since President Reagan took office, from $1.1 billion in fiscal year 1981 to $3.3 billion in fiscal year 1988. At the same time a nationwide campaign of public information and education about drugs has turned the tide of public opinion from resignation and indifference to intolerance toward illicit drugs and drug abuse. Today most Americans are aware of the tremendous costs to themselves and their families and to our society from drug use.

They heed and are teaching their children to follow First Lady Nancy Reagan's sage advice: "Just Say No to Drugs."

Well meaning and necessary as the Federal Government's efforts have been, they are not sufficient to do the job alone. If we are to win the war on drugs in America, we must not only educate our citizens about the dangers of drug abuse and act to limit the supply of drugs—we must also stop the demand for drugs. We must redirect our attention to the drug user. We must deprive the sellers and buyers and so remove the profits from the illegal drug trade.

The 23 million Americans who regularly use drugs are not hardened criminals. They are average taxpaying citizens with homes, families and jobs. For this reason, our antidrug bill would apply the kind of sanctions which combine the motion of measured response with zero tolerance toward drugs. Our objective is to deter drug usage by convincing the user that he must change his behavior and that if he continues to use drugs illegally he can expect certain harsh penalties. The success of our efforts will depend on our capacity to apprehend and prosecute more drug users and punish those caught, without exception.

A full-scale assault on the demand for drugs will require a tremendous undertaking, further straining the limited resources of our criminal justice system. We must provide the necessary additional funding and make the requisite changes in our laws to enable law enforcement officers, prosecutors and judges to bring drug users and traffickers to justice. At the same time, we must continue our efforts in education, prevention, rehabilitation and research aimed at helping drug users to kick their deadly habit. Our goal must be to make our schools, transportation systems, workplaces, and prisons drug free.

Recently I spoke with Omaha's Chief of Police Robert Wadman, a nationally recognized expert on law enforcement. Pointing to the large number of crimes in Omaha connected to drug abuse, he labeled current drug interdiction programs "a total failure" because they do nothing about demand reduction. According to national statistics, about 35 percent of State prison inmates were under the influence of illegal drugs at the time they committed a crime, and almost half of those criminals serving time for robbery, burglary, theft or a drug offense were daily drug users. Nebraska follows the national pattern. Chief Wadman also indicated that about 22 percent of traffic fatalities were caused by driving while under the influence of drugs. He strongly endorsed efforts aimed at stopping the demand for drugs as well as the supply.

Mr. President, I ask unanimous consent to insert in the Record, a short article from the Omaha World Herald about the connection between the rise in crime and drug use.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Omaha World Herald, July 11, 1988]

Association Between Drug Use and Crime Rose, Report Says

Washington.—The association between drug use and crime rose sharply during a 12-year span ending in 1986, the government reported Sunday.

About 35 percent of the nation's state prison inmates in 1986 were under the influence of an illegal drug at the time they committed the crime for which they were then incarcerated, the Justice Department's Bureau of Justice Statistics said. Twelve years earlier, the proposition was about 25 percent, while in 1979 it was 32 percent.

The survey also found that many inmates began to use drugs only after their criminal careers began.

In the 1986 survey, half of the inmates who had ever used a major drug such as heroin, cocaine, methadone, PCP or LSD did not do so until after their first arrest. About 60 percent of those who had ever used a major drug regularly did not do so until after their first arrest.

In addition, about one-seventh of the inmates, 13 percent, seem to fit the pattern of drug addicts who committted crimes to support their habits, said the bureau's director, Steven Schlesinger.

This group was in prison for such crimes as robbery, burglary or theft and they were among the 19 percent of the inmates who said they were daily users of heroin, cocaine, methadone, PCP or LSD in the month before they committed a crime.

About 50 percent of those serving sentences for robbery, burglary, theft or a drug offense were daily users of some illegal drug.

In addition, the 1986 survery of 13,700 inmates reported that about 43 percent of them said they were daily users of some illegal drug in the month before they committed the crime for which they were imprisoned.

The survey also found that the greater the use of major drugs by an offender, the more prior convictions of all types the inmate reported.

Mr. KARNES. Mr. President, I believe that the Republican initiative meets the requirements of a successful strategy for achieving a drug-free America. To reduce the demand for illegal drugs, the GOP package proposes to:

Condition State participation in Federal drug programs upon the States adopting procedures for suspending a driver's license of anyone convicted of a drug offense.

Withhold highway funding from States that fail to provide drug testing for drivers arrested for drunk driving, revoke driver's licenses from those testing positive for drug use, and require rehabilitation as a condition of reapplication for a license.

Restrict funds under the Drug Free Schools Act to schools that have a policy of separating drug offenders from other students and parent notification when drug use is detected.

Suspend eligibility for loan assistance to students convicted of drug offenses.

Require the Secretary of Education to withhold funds from colleges that fail to provide a drug-free campus under the Higher Education Act.

Require explicit no-drug clauses in all new leases in Federal housing authorities.

Require public housing authorities to have tenant review committees to screen out drug users and dealers and to terminate tenancies of residents convicted of drug offenses.

Provide block grant assistance to fight drugs in public housing and protect tenants from drug-related violence.

Encourage Federal departments to develop guidelines for securing drug-free workplaces.

Authorize private employers to conduct random drug testing of employees without the fear of legal battles.

Expand OSHA's authority to investigate businesses with a history of safety problems possibly caused by drug use and to undertake other measures to rid workplaces of drugs.

Mandate drug testing for critical workers in the transportation industry, including airline pilots, truck drivers and rail engineers.

Authorize UMTA to withhold funds from any mass transit system that fails to implement drug enforcement and treatment programs.

Withhold Federal licenses, contracts, grants and entitlement eligibility from convicted drug offenders, excluding essential safety net programs and earned benefits.

Implement random testing of Members of Congress and congressional staffs.

Provide for a nationwide awareness campaign for 6 months prior to implementing new penalties for drug possession and use, to give drug users notice that a zero tolerance policy is in effect and their illegal activities, if continued, will be subject to serious sanctions.

The Republican package proposes impressive new resources for post arrest programs. Additional funding is desperately needed to meet the demands being placed on Federal law enforcement officials, the prison system and the judiciary as a consequence of stepped-up efforts against drug traffickers and users. Prosecuting attorneys, the courts and prison officials have been experiencing overwhelming increases in caseloads. These additional resources in the form of funding and manpower will ensure that those arrested for drug crimes will be prosecuted and, if convicted, will serve the stiff sentences imposed under the Anti-Drug Abuse Act of 1986.

To control the supply of drugs, the Republican package would:

Provide bounties for citizens who report drug dealers to the police.

Provide mandatory stiff sentences for those who sell drugs to minors.

Provide the death penalty for drug-related murder.

Reform habeas corpus and the exclusionary rule to aid in drug enforcement and conviction.

Provide heavier civil penalties for heroin or cocaine possession.

Establish a "three time loser" rule, with mandatory life imprisonment without parole for drug traffickers convicted a third time.

Provide enhanced penalties for selling drugs near yards or public housing projects; using juveniles in drug trafficking; and operating common carriers under the influence of drugs or alcohol.

Provide criminal penalties for polluting Federal lands in the course of drug activities.

Provide mandatory adult status for juveniles with prior drug convictions.

Track precursor chemical substances needed for the manufacture of illegal drugs.

Clamp down on drug distribution in Federal prisons and extend sentences of inmates who use drugs. Make drug testing a condition for parole or probation.

Strengthen the direction, supervision and coordination of Federal antidrug programs by establishing a Cabinet-level Director of Drug Control within the Executive Office of the President. The Director will head the National Drug Policy Board and will advise the President and Congress on domestic and international drug policies and programs and see to their implementation.

Make improvements in justice forfeiture funds, increase the availability of Federal asset forfeiture laws to State and local police agencies and stipulate that the funds provided to State and local authorities for their share of seized assets should be spent on bringing drug criminals to justice.

Enlarge and strengthen the legal authority of the Immigration and Naturalization Service to stop drug smuggling and prosecute alien drug traffickers.

Provide major new funding and increased authority for the Coast Guard, the National Guard, the Customs Service, the FBI, the Drug Enforcement Agency, the Bureau of Alcohol, Tobacco, and Firearms, and the U.S. Forest Service to carry out their drug enforcement activities.

The Republican program is estimated to cost $2.4 billion. In the conference report on the fiscal year 1989 budget resolution, additional funding up to $2.6 billion in budget authority and $1.4 billion in outlays were provided for antidrug efforts once an emergency is declared. The levels of spending and funding in this omnibus antidrug bill are consistent with those provisions. Moreover, forfeiture funds from seized assets of drug dealers will help allay the costs of State and local authorities for investigating, prosecuting, and incarcerating drug law violators. Finally, the savings that families, businesses, government, and society will realize if the Republican initiative is enacted will more than pay for the costs of the entire program.

Mr. President, this Republican initiative is an excellent blueprint for success in our national war on drugs. It is designed to secure drug-free schools, workplaces, transportation, housing, and prisons and ultimately ensure a drug-free society. I applaud the distinguished minority leader for his leadership, diligence, and hard work in putting together this package. I hope that our Democratic colleagues will join us Republicans in this effort, so that we can enact a tough bipartisan package that will reflect our dual emphasis on limiting the supply of drugs and halting the demand for drugs. If we work together constructively, we can produce a truly effective antidrug program which we can all be proud of and which we can confidently predict will lead us to a drug-free America by the end of this century.

BICENTENNIAL MINUTE

JULY 12, 1947: FORMER CAPITOL POLICEMAN SHOOTS AT SENATOR

Mr. DOLE. Mr. President, 41 years ago today, on July 12, 1947, a former Capitol policeman, attempted to assassinate Senator John W. Bricker of Ohio. The assailant fired twice at Bricker, who was on his way to the Senate Chamber to answer a quorum call. The first shot just missed his head as he was making his way toward the old monorail subway in what is now known as the Russell Building. As Bricker crouched under the car's front seat and called to the operator to "step on it," the second shot whistled above his head. When he arrived at the Capitol, he cooly phoned his secretary on another matter and forgot to mention the incident. When the operator returned the car to the office building-end of the line, he found the gunman waiting. The assailant then exited and took a cab to his wife's home, where he was apprehended.

Asked why he attempted to shoot Bricker, the assailant observed that he was "trying to refresh his memory." Senator Bricker interpreted this to be a reference to his role, as attorney general of Ohio, in liquidating a savings and loan association 15 years earlier, when the assailant had suffered financially from that action. Later, as a Capitol policeman, the man had once accosted Bricker outside the Senate Chamber to air this grievance. Bricker had also been responsible for removing him from the Capitol Police Force in favor of his own patronage appointee.

After his scare, Senator Bricker urged increased security measures and an end to the practice of selecting police on a patronage basis. He also called for an increase in the size of the police force on the Hill. The Senate Sergeant at Arms, in defense of his men, accurately explained that his force was "spread pretty thin." At that time, police rolls carried the names of 157 men. Of that number, several dozen were allegedly not required to report for duty. One member of the 1947 force later recalled, "there were only about 100 of them working. About 50 never came to town."

DEMOCRACY AND DIPLOMACY—SANDINISTA STYLE

Mr. DOLE. Mr. President, a delegation of Nicaraguan Democratic opposition leaders were supposed to go to Costa Rica today, to discuss with President Arias the internal political situation in Nicaragua. They won't be able to make the trip, since several of them are among the approximately 40 opposition leaders thrown in jail yesterday—for the crime of engaging in a peaceful rally, demanding their human rights.

The only independent paper in Nicaragua, La Prensa, would have gone to press today, to report on the rally and the arrests. But its readers will look in vain for it on the stands, since the paper has been shut down by the Sandinistas—for the crime of reporting the truth.

The only independent radio station in Nicaragua, Catholic Radio, would likely have reported today on the demonstrations, the arrests and the shutdown of La Prensa. But listeners turning their dials in search of the morning news broadcasts will be out of luck, since the Sandinistas have closed down Catholic Radio—for the crime of broadcasting the truth.

And the American Ambassador and his staff would have been occupied today keeping us informed of evolving events. But they will be too busy packing, since the Ambassador and seven others have been ordered out of the country—for the diplomatic crime of observing and reporting on repeated Sandinista lies and oppression.

Mr. President, the difference between Violeta Chamorro, the editor of La Prensa, and the others who have been shut down and jailed—the difference between them and Daniel Ortega is clear and simple. They believe in the truth, and Daniel Ortega lives by lies.

The difference between the Democratic opposition inside and outside Nicaragua, and the Sandinistas, is clear and simple. The opposition believes in freedom, and the Sandinistas do not.

The difference between the Central American democracies who are signatory to the peace accords, and the Sandinista regime in Nicaragua, is clear and simple. The democratic countries permit their own people their liberty, and they keep their word. The Sandinistas do not.

Mr. President, the Sandinistas are different from us. We want freedom and independence for Nicaragua. And they want tyranny, and are willing to sell out Nicaraguan sovereignty in exchange for Soviet arms and rubles.

The Sandinistas are dictators. They are liars. They are Communists.

That is the truth. It is about time we acted on that truth. And is my intention, and the intention of other Senators, to give the Senate a chance to do just that, as soon as we can.

CRISIS IN NICARAGUA

Mr. McCAIN. Mr. President, I rise to discuss a very serious event that has taken place in the last few days in Nicaragua, events that should be alarming to all of us who are concerned about this Nation's national security interests in Central America, and indeed throughout this hemisphere.

Let me just remind you of the events of the last few days. The Sandinista government has broken up a government-approved demonstration with tear gas and clubs.

On television, we watched innocent Nicaraguan civilians, who were exercising their basic human rights of peacefully demonstrating, being gassed, beaten, and clubbed in the streets.

Forty-eight opposition members have been arrested and thrown in jail, without charge. These 48 opposition members are leaders and courageous Nicaraguans who are seeking the guarantees that were affirmed by their government in the signing of the Esquipulas agreement.

La Prensa, the only newspaper in Nicaragua that is truly independent, has been shut down indefinitely—clearly a violation of any semblance of human rights. I grieve for Mrs. Violeta Chamorro and her family, who have sought courageously for many years to allow the people of Nicaragua to have access to a free and independent press.

Catholic Radio has been shut down for 2 weeks. For what reason? Some vague and undetermined reason described by the Sandinista government, I believe, as actions contrary to the best interests of the state. If that is not classic Marxist dialog, I have never heard it.

Seven U.S. diplomats have been expelled, including our Ambassador. Of course, that is a serious situation. But let us not be diverted by the departure of our Ambassador and seven officers from what is happening in Nicaragua today, and that is that we are seeing a clear abrogation of the Esquipulas agreement, the agreement made in 1979, when the Sandinistas came to power, and the rapid disappearance of any semblance of human rights in Nicaragua.

Mr. President, the responsibility for this turn of events, in my view, directly rests on the Congress of the United States, which made this course of events almost inevitable when we cut off aid to the Contras.

In conversations with the leader on this side of the aisle and other Members of the Senate, I think we ought to seriously contemplate attaching that amendment to any of the bills we are considering this week, calling for a resumption of aid to the Contras as soon as possible; because, clearly, the Contras were the only force, the only lever, the only method by which the Sandinistas could be persuaded to fulfill the commitments they have made to the people of Nicaragua and, indeed, to their neighbors, when they came to power and again when they signed the Arias peace plan.

I call on the Speaker of the House and I call on President Arias, whose peace plan is now being dismembered before our eyes, to join in support of assistance to the freedom fighters in Nicaragua, so that we can have some faint hope of freedom and democracy in that Nation.

Mr. DOLE. Mr. President, I was pleased to hear the comments of the distinguished Senator from Arizona [Mr. McCAIN]. Maybe sometime this week, on one of the appropriations bills, we can offer an amendment. I believe that many of the apologists for Daniel Ortega may be having a change of heart, may be changing their minds, or perhaps the Speaker of the House, Oscar Arias, and others, will now take a hard look at what some of us have been saying for a long time. Daniel Ortega does not want the truth. Daniel Ortega does not want freedom. He believes in communism. He is being supported by the Soviets.

In my view, it is time the American people fully understood what is going to happen if we continue to delay and delay as we are doing in this body and the other body while the Contras go down the drain.

RICHARD THORNBURGH

Mr. DOLE. Mr. President, I congratulate the President for his outstanding choice to fill the vacant top slot at the Justice Department. I think Dick Thornburgh has the credentials, experience, and respect to be much more than just a caretaker at Justice. He is a proven leader who will dedicate himself with serving his Department, his President, and his country.

I have known Dick Thornburgh for many years, for a long, long time, probably 20 years, and I have watched him move up the ranks, taking one challenge at a time one after another and winning as a practicing lawyer, as a U.S. attorney, a two-term Governor of Pennsylvania, and as Assistant Secretary in charge of the Criminal Division at Justice.

Dick Thornburgh showed the country what he is made of in 1979 when his State was thrown into a near panic as a result of the nuclear accident at Three-Mile Island. He never blinked. With cool reserve and leadership, he delivered when the chips were down and turned a nightmare into a solvable problem.

So I congratulate the President.

I had the pleasure of talking with Mr. Thornburgh yesterday. I think he is going to do an outstanding job and going to enjoy broad, bipartisan support because he is a man of integrity and brings great capability to the Justice Department and he will do a good job.

I hope that we could have a speedy FBI clearance and perhaps confirm his nomination before the August recess. We have plenty of time in there to have the hearings.

LLOYD BENTSEN

Mr. DOLE. Mr. President, from the reporting I hear, Governor Dukakis has made an outstanding choice. If the reports are true, he has chosen Senator LLOYD BENTSEN to be his running mate.

In my view he could not have picked a better man.

TRIBUTE TO MAJORITY LEADER ROBERT C. BYRD

Mr. DECONCINI. Mr. President, I would like to take a few moments of the Senate's time to pay tribute to the esteemed majority leader, ROBERT BYRD. Senator BYRD's 30-year career in the Senate has been a model of dignified leadership. He has shown an unyielding devotion to his beloved West Virginia, to the Nation, and to the institution of the Senate.

Senator BYRD will soon be stepping down from his position as majority leader but, fortunately, he will not be leaving the Senate. In his new role as chairman of the Appropriations Committee, Senator BYRD will certainly continue to offer the same positive guidance and direction that has characterized his performance as majority leader. The task of leadership in a body of 100 strong-willed individuals with diverse backgrounds and interests requires an extraordinary level of patience coupled with the ability to keep the legislative train moving. Time and time again, BOB BYRD has demonstrated that he has these skills. More importantly, Senator BYRD has carried out his responsibilities as majority leader with unparalled integrity, always honoring his commitments to individual Members.

Having had the pleasure of serving on several committees with Senator BYRD, I can attest to the strength of his convictions and his herculean passion for hard work. Similarly, Senator BYRD's extraordinary knowledge of the rules and procedures of the Senate is legendary. I remember one evening on the Senate floor when we were in the minority and Howard Baker was majority leader. The time was approximately 2 o'clock in the morning, and we had a contentious argument on the Senate floor. I had not participated in the particular debate to any length, but there were really strong vibes and undercurrents of discontent among the Members. At that time, Majority Leader BYRD took the floor, and in a very low key nonthreatening manner, addressed the Chamber about the importance of this institution. He cautioned that Members should neither burn bridges nor sacrifice personal relationships based on one night's debate. The institution and comity among the Members were far more important than a single issue. That settled the matter. We adjourned for the evening and returned the next morning to finish the legislation after many people had the opportunity to reflect on BOB BYRD's wisdom.

We will certainly miss Majority Leader BYRD's leadership, but we will most assuredly continue to take advantage of his wisdom and counsel.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore (Mr. PROXMIRE). Without objection, it is so ordered.

ESTABLISHMENT OF VETERANS' ADMINISTRATION AS AN EXECUTIVE DEPARTMENT

Under the previous order, the Senate proceeded to the consideration of H.R. 3471.

The ACTING PRESIDENT pro tempore. Under the previous order, the Committee on Governmental Affairs is now discharged from further consideration of H.R. 3471. All after the enacting clause is stricken and the text of S. 533, as amended, is inserted in lieu thereof.

Under the previous order, without any intervening debate, action, or motion, the Senate will now vote on passage of H.R. 3471. The yeas and nays have been ordered. The clerk will call the roll.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll to ascertain the presence of a quorum.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, today we are considering S. 533, a very important piece of legislation that would elevate the Veterans' Administration to a Cabinet-level department and establish the VA Administrator as a member of the President's Cabinet.

As a cosponsor of S. 533, I wholeheartedly support this measure. I compliment President Reagan on his commitment to upgrading the Veterans' Administration to a Cabinet-level department.

I also wish to take special note of the leadership on this issue of our distinguished colleague from South Carolina, Senator THURMOND. As the original sponsor of this legislation, Senator THURMOND. has done more than anyone else to bring this legislation before us today.

America's veterans have shown tremendous dedication to our country, and the Federal Government is obligated to remember their efforts. Many brave Americans fought and died for this Nation, and many others were left permanently injured. Their contributions to our freedom and liberty will never be forgotten.

Our Government has established as a national priority a commitment to care for the millions of service men and women who have worn the uniform for our country. This comes not from a sense of obligation, but rather in recognition of the contributions made by those individuals who faithfully served our Nation in times of peace and war.

The tremendous responsibility of administering veterans programs has fallen on primarily one agency, the Veterans' Administration. The VA has been charged with providing benefits and services to 30 million veterans, as well as 51 million dependents and survivors. The impact of the Veterans' Administration on the lives of America's veterans becomes clear when you consider that almost every family in America is touched in some way or another by VA programs.

The Veterans' Administration is now entering the 57th year of service for our Nation's veterans. Over the years, the VA has established a high standard of service in meeting veterans' needs.

In reality, the Veterans' Administration has become the largest independent agency of the Federal Government. With an annual budget of more than $27 billion and over 200,000 full-time and 40,000 part-time employes, the VA stands among Federal agencies just behind the Department of Defense and the Postal Service in the number of persons it employs.

The agency distributes billions of dollars in compensation and pension benefits each month and oversees millions of dollars that go toward education and training programs. The Veterans' Administration also operates the largest, centrally managed health care system in the world, with 172 major medical centers, 228 outpatient clinics, and 119 nursing homes.

Additionally, the VA addresses a number of issues unique to the veteran population. One area of particular interest to me is the challenge placed upon VA hospital and health care programs by the aging veteran population. It is estimated that the population of veterans over the age of 65 will increase from 5.5 to 8.9 million by the year 2000.

While there are no established criteria for creating Cabinet positions, the sheer size and importance of the VA and its constituency shows the wisdom and justification of elevating it to Cabinet rank.

Nevertheless, the reason for elevation must be to ensure that America continues our effort to strengthen our programs for veterans. An improved level of service, an improved quality of health care, and an improved responsiveness to the problems of the American vet must be our goal.

By elevating the VA to Cabinet rank, the proposed reorganization should make the agency more accountable and more effective.

It seems to me that such a status, bringing the VA into discussions at the highest level, is particularly wise at this time of tremendous budget constraints. Furthermore, as a member of the President's Cabinet, the Administrator of the Veterans' Administration will be able to draw even more effectively upon the wisdom of the President and other Cabinet members in formulating innovative ways to meet the unique demands placed upon the Veterans' Administration by our veterans.

Mr. President, passage of S. 533 will benefit the Veterans' Administration, America's veterans, and the American public. I urge my colleagues to support this important legislation.

Mr. LAUTENBERG. Mr. President, I rise as a cosponsor of S. 533, the bill to elevate the Veterans' Administration to a Cabinet-level department, to urge the Senate to adopt this bill.

I support this bill because our Nation's veterans clearly deserve to be heard in the highest councils of Government, especially when important decisions affecting veterans are made. Since the Veterans' Administration is already a fully established Federal agency, its elevation would require only a minimum additional funding.

The VA's size, its budget, the population it serves, and the services it provides argue for granting the VA Cabinet status. With a $27 billion a year annual budget, the VA employs more than 240,000 people, making it second only to the Defense Department. It operates the largest health care system in the country, with 172 hospitals and hundreds of clinics and nursing homes. The VA also runs 111 national cemeteries, and administers thousands upon thousands of pension, compensation, home loan guarantee and life insurance programs. Almost 89 million persons are potentially eligible for VA benefits and services.

The VA not only operates the largest health care system, it also operates an internationally recognized research program. More than half the Nation's doctors have received some part of their medical training at the VA. The VA has been both a pioneer and a leader in medical research in areas such as finding a cure for AIDS and caring for our aging population. Thus, the development of national health care policy will benefit from the presence of the VA in the Cabinet.

The VA has also had an impact in areas like housing, education, and life insurance, through its provision of 12 million home loans, 18 million education loans, and life insurance programs protecting millions of veterans and their dependents.

However, it is neither size nor scope that ultimately dictate the correctness of elevating the VA to a Cabinet-level status. It is the fact that we must guarantee representation in the White House for the men and women who represented us and our Nation so well on the battlefield when we needed them. Who made great sacrifices to preserve the freedom and prosperity we enjoy today.

Elevating the VA to Cabinet status gives gives our veterans the honor and respect they richly deserve. It is long overdue, and I urge my colleagues to pass this bill.

Mr. CONRAD. Mr. President, I am pleased to support S. 533, legislation to establish the Veterans' Administration as an Executive department. I am proud to be a cosponsor of this measure, which is so important to our veterans and our Nation.

The Veterans' Administration was established in 1930 to fulfill what President Lincoln once called the Nation's duty to "care for him who shall have borne the battle and for his widow and his orphan." Today, the VA serves 28 million veterans and their 50 million dependents and survivors. It is the largest independent agency in the Government, with over 200,000 employees and a $30 billion budget.

By these numbers alone, some would say that the Veterans' Administration deserves the access to the President and the voice in policy formulation that a position in the Cabinet would provide. And they would be correct. But more important than mere numbers is the scope of the VA's programs and their impact on the Nation.

The VA provides health care for veterans, and trains health care professionals. It contributes to medical research and development. Millions of Americans have received education and training through VA-sponsored programs, and millions more have become homeowners through VA home loan guarantees. Finally, the VA administers over $15 billion in compensation, pension, and benefit programs for veterans and their dependents.

In addition to elevating the Veterans' Administration to the President's Cabinet, S. 533 contains significant improvements in the internal management and accountability of the agency. These changes should mean more efficient and effective service delivery for veterans.

In conclusion, I believe that the Administrator of the VA deserves to be part of the President's Cabinet. Access to the President and input on issues critical to veterans and the Nation will enable the Department of Veterans' Affairs to better serve veterans and their families.

Mr. BYRD. Mr. President, I am pleased to support S. 533, which establishes the Veterans' Administration as an executive department. One of the primary purposes of this legislation will be to improve and strengthen the agency's management effectiveness and internal controls.

The Veterans' Administration [VA] was created in 1930, when Congress consolidated three veterans agencies—the Veterans' Bureau, the Bureau of Pensions of the Interior Department, and the National Home for Disabled Volunteer Soldiers. The resultant independent agency served a population of 4.7 million veterans with just over 30,000 full-time employees. Following World War II, the number of veterans grew, and the scope of their benefits expanded with the VA health care system, passage of the GI bill, and control over the National Cemetery System.

Currently, the Veterans' Administration is the largest independent agency in the Federal Government, with over 200,000 full-time employees serving almost 30 million veterans and their dependents. In addition, the VA administers the largest health-care delivery system in the world—a network of 172 medical centers, 229 outpatient clinics, 117 nursing-home care units, and 16 domiciliaries, for a total of almost 90,000 patient-beds. Last year alone, the VA outpatient clinics handled a total of 20 million visits. Those statistics reveal the great size and scope of the VA's programs and the tremendous contributions they make, not only to the lives of our country's veterans and their families, but also to the national well-being generally.

In light of the commitment of our Nation to care for our deserving veterans, I believe it is appropriate to elevate the Veterans' Administration to Cabinet-level status, which will better serve America's veterans and the American public. Passage of this legislation recognizes the impact of veterans' programs on the well-being of those who have served the Nation during times of war and peace. I hope that it is adopted by the Senate today.

The ACTING PRESIDENT pro tempore. The question is on passage of H.R. 3471, as amended. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from Utah [Mr. HATCH], the Senator from North Carolina [Mr. HELMS], the Senator from Virginia [Mr. TRIBLE], and the Senator from Virginia [Mr. WARNER] are necessarily absent.

I further announce that, if present and voting, the Senator from Utah [Mr. HATCH] would vote "yea."

The result was announced—yeas 84, nays 11, as follows:

[Rollcall Vote No. 242 Leg.]

YEAS—84

Adams
Baucus
Bentsen
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Glenn
Gore
Graham
Gramm
Grassley
Harkin
Hatfield
Hecht
Heflin
Heinz
Hollings
Inouye
Johnston
Karnes
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Rockefeller
Roth
Sanford
Sarbanes
Sasser
Shelby
Simon
Specter
Stafford
Stennis
Stevens
Thurmond
Wallop
Weicker
Wilson
Wirth

NAYS—11

Armstrong
Evans
Garn
Humphrey
Kassebaum
McClure
Proxmire
Quayle
Rudman
Simpson
Symms

NOT VOTING—5

Biden
Hatch
Helms
Trible
Warner

So the bill (H.R. 3471), as amended, was passed.

Mr. ROTH. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GLENN. Mr. President, I ask unanimous consent that the title of the bill be amended with the language now at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The title was amended so as to read:

A bill to establish the Veterans' Administration as an executive department; to establish the National Commission on Executive Organization and Management, and for other purposes.

Mr. GLENN. Mr. President, I ask unanimous consent that S. 533 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT REQUEST: S. 675—ENDANGERED SPECIES REAUTHORIZATION

Mr. BYRD. Mr. President, I have a unanimous consent request with reference to S. 675, the endangered species reauthorization bill.

I ask unanimous consent that the majority leader, after consultation with the minority leader, may at any time turn to the consideration of Calendar 467, S. 675, the endangered species reauthorization bill, and that it be considered under the following time limitation; 30 minutes on the bill, equally divided and controlled between Senators MITCHELL and CHAFEE, or their designees; 20 minutes equally divided on each of four amendments:

Mitchell amendment: relating to the cooperative grant program with the States and the definition of the term "person";

Burdick amendment: relating to the Environmental Protection Agency's endangered species pesticide program;

Evans amendment: relating to the extension of licenses for scrimshaw production; and,

Heflin amendment: relating to the conservation of sea turtles.

That no other amendments be in order, with the exception of the adoption of the committee-reported substitute and the amendment to the title; that there be 20 minutes equally divided on any debatable motion, appeal, or point of order if submitted by the Chair; that no motions to recommit be in order; that the agreement be in the usual form; that following the third reading of S. 675, the Senate proceed to the immediate consideration of Calendar No. 507, H.R. 1467; that all after the enacting clause be stricken, and the text of S. 675, as amended, be inserted, and the bill be advanced to third reading and final passage, with no intervening action or debate.

Mr. McCLURE. Mr. President, I have to inform the majority leader that there is objection on this side.

EXPLANATION OF EXTENDED TIME FOR VOTE

Mr. BYRD. Mr. President, inasmuch as I have tried regularly and consistently to keep 15-minute rollcall votes to 15 minutes, I think an explanation for the record is in order with respect to the rollcall that has just been had.

The telephone system on the Senate side of the Capitol is down. The cloakrooms could not make calls to Senators, could not stay in touch with them, and in addition to that, there was an accident on the Theodore Roosevelt Bridge, creating a backup of traffic and additionally, of course, we have had a little precipitation which at all times causes congestion in the traffic here. But mainly because of the telephone system breakdown, I thought an exception was in order, and that was the reason an exception was made.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. STEVENS. I personally thank him for that gesture and the fact the time was extended this morning.

Mr. BYRD. I thank my friend.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1989

Mr. BYRD. Mr. President, I ask that, in accordance with the order previously entered, and the majority leader having consulted with the distinguished minority leader, the Chair lay before the Senate the transportation appropriations bill.

The PRESIDING OFFICER (Mr. SANFORD). The clerk will report H.R. 4794.

The legislative clerk read as follows:

A bill (H.R. 4794) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1989, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italic.)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Transportation and related agencies for the fiscal year ending September 30, 1989, and for other purposes, namely:

TITLE I—DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary of Transportation, including not to exceed $30,000 for allocation within the Department of official reception and representation expenses as the Secretary may determine; [$1,071,000] *$1,072,000* for the Immediate Office of the Secretary; [$460,000] *$464,000* for the Immediate Office of the Deputy Secretary; [$5,925,000] *$6,000,000* for the Office of the General Counsel; $7,950,000 for the Office of the Assistant Secretary for Policy and International Affairs; [$2,147,000] *$2,241,000* for the Office of the Assistant Secretary for Budget and Programs; [$2,345,000] *$2,265,000* for the Office of the Assistant Secretary for Governmental Affairs; [$23,375,000] *$24,300,000* for the Office of the Assistant Secretary for Administration; [$1,462,000] *$1,455,000* for the Office of the Assistant Secretary for Public Affairs; [$815,000] *$824,000* for the Executive Secretariat; $440,000 for the Contract Appeals Board; [$1,270,000] *$1,305,000* for the Office of Civil Rights; [$550,000] *$585,000* for the Office of Commercial Space Transportation; [$1,734,000] *$1,727,000* for the Office of Essential Air Service; *$630,000 for Regional Representatives;* and [$3,105,000] *$3,915,000* for the Office of Small and Disadvantaged Business Utilization, of which [$2,275,000] *$3,000,000* shall remain available until expended and shall be available for the purposes of the Minority Business Resource Center as authorized by 49 U.S.C. 332: *Provided,* That, notwithstanding any other provision of law, funds available for the purposes of the Minority Business Resource Center in this or any other Act may be used for business opportunities related to any mode of transportation.

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

For necessary expenses for conducting transportation planning, research, and development activities, including the collection of national transportation statistics, and university research and internships, to remain available until expended, [$4,925,000] *$6,517,000.*

WORKING CAPITAL FUND

Necessary expenses for operating costs and capital outlays of the Department of Transportation Working Capital Fund not to exceed [$130,350,000] *$132,500,000* shall be paid, in accordance with law, from appropriations made available by this Act and prior appropriations Acts to the Department of Transportation, together with advances and reimbursements received by the Department of Transportation; for necessary expenses associated with the development of the Departmental Accounting and Financial Information System, [$3,100,000] *$3,200,000* to remain available until expended[; for the Department of Transportation office space reduction initiative, $100,000; and for Departmental ADP systems development enhancements, $600,000.]

PAYMENTS TO AIR CARRIERS

For payments to air carriers of so much of the compensation fixed and determined under section 419 of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1389), as is payable by the Department of Transportation, [$29,070,000] *$25,000,000,* to remain available until expended.

COAST GUARD

OPERATING EXPENSES

For necessary expenses for the operation and maintenance of the Coast Guard, not otherwise provided for; purchase of not to exceed eight passenger motor vehicles for replacement only; payments pursuant to section 156 of Public Law 97-377, as amended (42 U.S.C. 402 note), and section 229(b) of the Social Security Act (42 U.S.C. 429(b)); and recreation and welfare, [$2,026,000,000] *$1,896,116,000,* of which $30,000,000 shall be expended from the Boat Safety Account: *Provided,* That of the funds provided for operating expenses for fiscal year 1989, in this or any other Act, not less than $492,000,000 shall be available for drug enforcement activities *and not less than $147,000,000 shall be available for environmental protection activities*: *Provided further,* That the number of aircraft on hand at any one time shall not exceed two hundred and fourteen, exclusive of planes and parts stored to meet future attrition: *Provided further,* That none of the funds appropriated in this or any other Act shall be available for pay or administrative expenses in connection with shipping commissioners in the United States: *Provided further,* That none of the funds provided in this Act shall be available for expenses incurred for yacht documentation under 46 U.S.C. 12109 except to the extent fees are collected from yacht owners and credited to this appropriation.

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For necessary expenses of acquisition, construction, rebuilding, and improvement of aids to navigation, shore facilities, vessels, and aircraft, including equipment related thereto, [$102,000,000] *$297,700,000,* to remain available until September 30, 1993: *Provided,* That the Secretary of Transportation shall issue regulations requiring that written warranties shall be included in all contracts with prime contractors for major systems acquisitions of the Coast Guard: *Provided further,* That any such written warranty shall not apply in the case of any system or component thereof that has been furnished by the Government to a contractor: *Provided further,* That the Secretary of Transportation may provide for a waiver of the requirements for a warranty where: (1) the waiver is necessary in the interest of the national defense or the warranty would not be cost effective; and (2) the Committees on Appropriations of the Senate and the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Merchant Marine and Fisheries of the House of Representatives are notified in writing of the Secretary's intention to waive and reasons for waiving such requirements: *Provided further,* That the requirements for such written warranties shall not cover combat damage[: *Provided further,* That of the funds provided in this Act for acquisition, construction and improvements, or in any other Act, not less than $4,800,000 million shall be transferred to the Operating Expenses Account of the Coast Guard to reopen and maintain the Coast Guard search and rescue stations located at Shark River, New Jersey; East Port, Maine; Block Island, Rhode Island; Ashtabula, Ohio; North Superior, Minnesota; Lake Tahoe, California; Kennewick, Washington; Kauai, Hawaii; and Mare Island, California: *Provided further,* That none of the funds provided in this Act shall be available for the closing of, or reduction in forces with respect to, any Coast Guard facility or installation.]

ALTERATION OF BRIDGES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for alteration or removal of obstructive bridges, $8,500,000, together with [$6,000,000] *$3,000,000* to be derived from "Acquisition, construction, and improvements", to remain available until expended.

RETIRED PAY

For retired pay, including the payment of obligations therefor otherwise chargeable to lapsed appropriations for this purpose, and payments under the Retired Serviceman's Family Protection and Survivor Benefits Plans, and for payments for medical care of retired personnel and their dependents under the Dependents Medical Care Act (10 U.S.C., ch. 55), $410,800,000.

RESERVE TRAINING

For all necessary expenses for the Coast Guard Reserve, as authorized by law; maintenance and operation of facilities; and supplies, equipment, and services; [$66,650,000] *$67,500,000.*

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

For necessary expenses, not otherwise provided for, for applied scientific research, development, test, and evaluation; maintenance, rehabilitation, lease and operation of facilities and equipment, as authorized by law, [$18,800,000] *$19,000,000*, to remain available until expended: *Provided*, That there may be credited to this appropriation funds received from State and local governments, other public authorities, private sources, and foreign countries, for expenses incurred for research, development, testing, and evaluation.

OFFSHORE OIL POLLUTION COMPENSATION FUND

The Secretary of Transportation is authorized to issue to the Secretary of the Treasury notes or other obligations in such amounts and at such times as may be necessary to the extent that appropriations are not adequate to meet the obligations of the Fund: *Provided*, That none of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of [$57,000,000] *$60,000,000* in fiscal year 1989 for the "Offshore Oil Pollution Compensation Fund".

DEEPWATER PORT LIABILITY FUND

The Secretary of Transportation is authorized to issue, and the Secretary of the Treasury is authorized to purchase, without fiscal year limitation, notes or other obligations in such amounts and at such times as may be necessary to the extent that available appropriations are not adequate to meet the obligations of the Fund: *Provided*, That none of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of [$47,500,000] *$50,000,000* in fiscal year 1989 for the "Deepwater Port Liability Fund".

BOAT SAFETY

(LIQUIDATION OF CONTRACT AUTHORIZATION)

For payment of obligations incurred for recreational boating safety assistance under Public Law 92-75, as amended, $30,000,000, to be derived from the Boat Safety Account and to remain available until expended: *Provided*, That none of the funds in this Act shall be available for the planning or execution of programs the obligations for which are in excess of $30,000,000 in fiscal year 1989 for recreational boating safety assistance.

FEDERAL AVIATION ADMINISTRATION

HEADQUARTERS ADMINISTRATION

For necessary expenses, not otherwise provided for, of providing administrative services at the headquarters location of the Federal Aviation Administration, including but not limited to accounting, budgeting, legal, public affairs, and executive direction services for the Federal Aviation Administration, [$36,460,000] *$37,000,000*.

OPERATIONS

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Federal Aviation Administration, not otherwise provided for, including administrative expenses for research and development, and for establishment of air navigation facilities, and carrying out the provisions of the Airport and Airway Development Act, as amended, or other provisions of law authorizing the obligation of funds for similar programs of airport and airway development or improvement, purchase of four passenger motor vehicles for replacement only, [$3,400,000,000] *$3,425,330,000*, of which [$1,050,000,000] *$55,150,000* shall be derived from the Airport and Airway Trust Fund: *Provided*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred in the maintenance and operation of air navigation facilities: *Provided further*, That none of these funds shall be available for new applicants for the second career training program or for a pilot test of contractor maintenance: *Provided further*, That the immediately preceding proviso shall not prohibit the augmentation of the existing field maintenance work force if it is determined to be essential for the safe operation of the air traffic control system: *Provided further*, That section 5532(f)(2) of title V, United States Code, is amended by striking "December 31, 1988" and inserting "December 31, 1989" in lieu thereof: *Provided further*, That section 8344(h) of title V, United States Code, is amended by striking "December 31, 1986" in paragraph (2) and inserting "December 31, 1987" in lieu thereof: *Provided further*, That in the event that the Federal Aviation Administrator employs annuitants subject to section 8344(h) of title V, United States Code, not to exceed $10,000,000, to be derived from the unobligated balance of any appropriation available for obligation by the Federal Aviation Administration as of the effective date of this Act, shall be available through December 31, 1989, for the purpose of funding such employment: *Provided further*, That any such funding shall be reported to the Committees on Appropriations of the Senate and the House of Representatives.

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

For necessary expenses, not otherwise provided for, for acquisition, establishment, and improvement by contract or purchase, and hire of air navigation and experimental facilities, including initial acquisition of necessary sites by lease or grant; engineering and service testing including construction of test facilities and acquisition of necessary sites by lease or grant; and construction and furnishing of quarters and related accommodations of officers and employees of the Federal Aviation Administration stationed at remote localities where such accommodations are not available; to be derived from the Airport and Airway Trust Fund and to remain available until September 30, 1993, [$1,486,000,000] *$1,293,060,000*: *Provided*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred in the establishment and modernization of air navigation facilities: *Provided further, That of the funds available under this head, $1,000,000 shall be available for the Secretary of Transportation to enter into grant agreements with universities or colleges having an airway science curriculum recognized by the Federal Aviation Administration, to conduct demonstration projects in the development, advancement, or expansion of airway science curriculum programs, and such funds, which shall remain available until expended, shall be made available under such terms and conditions as the Secretary of Transportation may prescribe, to such universities or colleges for the purchase or lease of buildings and associated facilities, instructional materials, or equipment to be used in conjunction with airway science curriculum programs, but in no event shall the total Federal share provided for any airway science construction project exceed 50 per centum of the total cost of such project: Provided further, That upon FAA determination that a new permanent auxiliary air traffic control tower at the Orlando International Airport is needed, and upon approval by FAA of the design and location of such tower, up to $5,800,000 shall be set aside from funds made available for Facilities and Equipment for construction of the tower.*

RESEARCH, ENGINEERING, AND DEVELOPMENT

(AIRPORT AND AIRWAY TRUST FUND)

For necessary expenses, not otherwise provided for, for research, engineering, and development, in accordance with the provisions of the Federal Aviation Act (49 U.S.C. 1301-1542), including construction of experimental facilities and acquisition of necessary sites by lease or grant, $160,000,000, to be derived from the Airport and Airway Trust Fund and to remain available until expended: *Provided*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred for research, engineering, and development.

GRANTS-IN-AID FOR AIRPORTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(AIRPORT AND AIRWAY TRUST FUND)

(INCLUDING RESCISSION)

For liquidation of obligations incurred for airport planning and development under section 14 of Public Law 91-258, as amended, and under other law authorizing such obligations, and obligations for noise compatibility planning and programs, [$1,160,000,000] *$1,129,000,000*, to be derived from the Airport and Airway Trust Fund and to remain available until expended: *Provided*, That none of the funds in this Act shall be available for the planning or execution of programs the commitments for which are in excess of [$1,530,000,000] *$1,325,000,000* in fiscal year 1989 for grants-in-aid for airport planning and development, and noise compatibility planning and programs, notwithstanding section 506(e)(4) of the Airport and Airway Improvement Act of 1982, as amended: *Provided further*, That [$220,000,000] *$100,000,000* of unobligated contract authority available for airport development and planning pursuant to section 505(a) of the Airport and Airway Improvement Act of 1982, as amended, is rescinded: *Provided further, That no funds appropriated in this paragraph shall be available to the Massachusetts Port Authority unless such Authority agrees to delay the implementation of the landing fee structure adopted by the Massachusetts Port Authority on March 16, 1988, for Logan International Airport, until the United States District Court for the District of Massachusetts, in Dockets 88-0891-MA and 88-0873-MA, and the Department of Transportation, in FAA Dockets 13-88-2, 13-88-3, and 13-88-4, have determined that the landing fee structure does not violate the Federal Aviation Act of 1958 (49 U.S.C. app. 1301 et seq.) and the Airport and Airway Improvement Act of 1982 (49 U.S.C. app. 2201 et seq.), or such Authority rescinds such landing fee structure.*

AVIATION INSURANCE REVOLVING FUND

The Secretary of Transportation is hereby authorized to make such expenditures and investments, within the limits of funds available pursuant to section 1306 of the Act of August 23, 1958, as amended (49 U.S.C. 1536), and in accordance with section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 9104), as may be necessary in carrying out the program set forth in the budget for the current fiscal year for aviation insurance activities under said Act.

Aircraft Purchase Loan Guarantee Program

The Secretary of Transportation may hereafter issue notes or other obligations to the Secretary of the Treasury, in such forms and denominations, bearing such maturities, and subject to such terms and conditions as the Secretary of the Treasury may prescribe. Such obligations may be issued to pay any necessary expenses required pursuant to any guarantee issued under the Act of September 7, 1957, Public Law 85-307, as amended (49 U.S.C. 1324 note). None of the funds in this Act shall be available for the implementation or execution of programs under this head the obligations for which are in excess of [$50,000,000] *$57,000,000* during fiscal year 1989. Such obligations shall be redeemed by the Secretary from appropriations authorized by this section. The Secretary of the Treasury shall purchase any such obligations, and for such purpose he may use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as now or hereafter in force. The purposes for which securities may be issued under such Act are extended to include any purchase of notes or other obligations issued under the subsection. The Secretary of the Treasury may sell any such obligations at such times and price and upon such terms and conditions as he shall determine in his discretion. All purchases, redemptions, and sales of such obligations by such Secretary shall be treated as public debt transactions of the United States.

FEDERAL HIGHWAY ADMINISTRATION

Limitation on General Operating Expenses

Necessary expenses for administration, operation, and research of the Federal Highway Administration, not to exceed [$216,000,000] *$217,620,000,* shall be paid in accordance with law, from appropriations made available by this Act to the Federal Highway Administration together with advances and reimbursements received by the Federal Highway Administration: *Provided,* That not to exceed [$32,077,000] *$33,697,000* of the amount provided herein shall remain available until expended: *Provided further,* That, notwithstanding any other provision of law, there may be credited to this account funds received from States, counties, municipalities, other public authorities, and private sources, for training expenses incurred for non-Federal employees.

(Highway Safety Research and Development

(Highway Trust Fund)

[For necessary expenses in carrying out the provisions of sections 307(a) and 403 of title 23, United States Code, to be derived from the Highway Trust Fund and to remain available until expended, $6,080,000.]

Highway-Related Safety Grants

(Liquidation of Contract Authorization)

(Highway Trust Fund)

For payment of obligations incurred in carrying out the provisions of title 23, United States Code, section 402, administered by the Federal Highway Administration, to remain available until expended, $10,000,000, to be derived from the Highway Trust Fund: *Provided,* That not to exceed $100,000 of the amount appropriated herein shall be available for "Limitation on general operating expenses": *Provided further,* That none of the funds in this Act shall be available for the planning or execution of programs the obligations for which are in excess of [$10,000,000] *$9,405,000* in fiscal year 1989 for "Highway-related safety grants".

Railroad-Highway Crossings Demonstration Projects

For necessary expenses of certain railroad-highway crossings demonstration projects as authorized by section 163 of the Federal-Aid Highway Act of 1973, as amended, to remain available until expended, [$7,560,000] *$1,000,000,* of which [$5,040,000] *$667,000* shall be derived from the Highway Trust Fund.

Federal-Aid Highways

(Limitation on Obligations)

(Highway Trust Fund)

None of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of [$12,380,000,000] *$11,398,000,000* for Federal-aid highways and highway safety construction programs for fiscal year 1989.

Federal-Aid Highways

(Liquidation of Contract Authorization)

(Highway Trust Fund)

For carrying out the provisions of title 23, United States Code, that are attributable to Federal-aid highways, including the National Scenic and Recreational Highway as authorized by 23 U.S.C. 148, not otherwise provided, including reimbursements for sums expended pursuant to the provisions of 23 U.S.C. 308, $12,700,000,000, or so much thereof as may be available in and derived from the Highway Trust Fund, to remain available until expended.

Right-of-Way Revolving Fund

(Limitation on Direct Loans)

(Highway Trust Fund)

During fiscal year 1989 and with the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed [$46,000,000] *$47,850,000.*

Motor Carrier Safety

For necessary expenses to carry out the motor carrier safety functions of the Secretary as authorized by the Department of Transportation Act (80 Stat. 939-940), [$25,000,000] *$24,500,000,* of which $1,920,000 shall remain available until expended.

Motor Carrier Safety Grants

(Liquidation of Contract Authorization)

(Highway Trust Fund)

For payment of obligations incurred in carrying out the provisions of section 402 of Public Law 97-424, $50,000,000, to be derived from the Highway Trust Fund and to remain available until expended: *Provided,* That none of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of $60,000,000 for "Motor carrier safety grants"*: Provided further, That notwithstanding any other provision of law, $2,425,000 of funds available for these grants and for supplemental grants for commercial driver testing shall be available by transfer for related research activities in "Motor carrier safety".*

ACCESS HIGHWAYS TO PUBLIC RECREATION AREAS ON CERTAIN LAKES

Notwithstanding any other provision of law, there is appropriated [$450,000 for necessary expenses of certain access highway projects, as authorized by section 155, title 23, United States Code, to remain available until expended: *Provided,* That such appropriation shall be available only to the extent authorized by law after the date of enactment of such appropriation] *$841,000 for necessary expenses of certain access highway projects, as authorized by section 155, title 23, United States Code, to remain available until expended.*

Baltimore-Washington Parkway

(Highway Trust Fund)

For necessary expenses, not otherwise provided, to carry out the provisions of the Federal-Aid Highway Act of 1970 for the Baltimore-Washington Parkway, to remain available until expended, [$12,825,000] *$2,000,000,* to be derived from the Highway Trust Fund and to be withdrawn therefrom at such times and in such amounts as may be necessary.

[Intermodal Urban Demonstration Project

[(Highway Trust Fund)

[For necessary expenses to carry out the provisions of section 124 of the Federal-Aid Highway Amendments of 1974, $8,550,000, to be derived from the Highway Trust Fund and to remain available until expended.

[Highway Safety and Economic Development Demonstration Projects

[(Highway Trust Fund)

[For necessary expenses to carry out construction projects as authorized by Public Law 99-500 and Public Law 99-591, $8,550,000, to be derived from the Highway Trust Fund and to remain available until expended.

[Airport Access Demonstration Project

[(Highway Trust Fund)

[For necessary expenses to carry out a demonstration project in the vicinity of the Ontario International Airport in San Bernardino County, California, for the purpose of demonstrating methods of improving highway access to an airport that is projected to incur a substantial increase in air service, $2,565,000, to remain available until expended and to be derived from the Highway Trust Fund.

[Highway Safety Improvement Demonstration Project

[(Highway Trust Fund)

[For the purpose of carrying out a coordinated project of highway improvements in the vicinity of Pontiac and East Lansing, Michigan, that demonstrates methods of enhancing safety and promoting economic development through widening and resurfacing of highways on the Federal-aid primary system and on roads on the Federal-aid urban system, as authorized by Public Law 99-500 and Public Law 99-591, $1,260,000, to be derived from the Highway Trust Fund and to remain available until expended.

[Highway-Railroad Grade Crossing Safety Demonstration Project

[(Highway Trust Fund)

[For the purpose of carrying out a coordinated project of highway-railroad grade crossing separations in Mineola, New York, that demonstrates methods of enhancing highway-railroad crossing safety while minimizing surrounding environmental effects, as authorized by Public Law 99-500 and Public Law 99-591, $8,100,000, to be derived from the Highway Trust Fund and to remain available until expended.

[Nuclear Waste Transportation Safety Demonstration Project

[(Highway Trust Fund)

[For necessary expenses for a project to construct a relief route in the Los Alamos-Santa Fe, New Mexico corridor that demonstrates methods of improving the safety of transporting nuclear waste by constructing an alternate route with specific safety features, $7,200,000, to be derived from the Highway Trust Fund and to remain available until expended.

[Highway Widening Demonstration Project

[For necessary expenses to carry out a demonstration project to improve U.S. Route 202 in the vicinity of King of Prussia, Pennsylvania, as authorized by Public Law 100-202, $1,800,000, to remain available until expended.

[Bridge Improvement Demonstration Project

[For 80 percent of the expenses necessary to carry out a highway project in the vicinity of Jacksonville, Florida, for the purpose of demonstrating methods of reducing traffic congestion and improving efficiency in the trans-shipment of military and civilian cargo by construction of a bridge to Blount Island, widening State Highway 105 (Heckscher Drive) and constructing an interchange at the intersection of Heckscher Drive and the new Blount Island Bridge, $8,550,000, to remain available until expended.

[Highway Widening and Improvement Demonstration Project

[For 80 percent of the expenses necessary to carry out a highway project between Paintsville and Prestonsburg, Kentucky, that demonstrates the safety and economic benefits of widening and improving highways in mountainous areas, $8,100,000, to remain available until expended.

[Intersection Safety Demonstration Project

[For 80 percent of the expenses necessary to carry out preliminary engineering, environmental studies, and right-of-way acquisition for the reconstruction of an intersection at Aviation Boulevard and Rosecrans Avenue to include the completion of Douglas Street in the vicinity of El Segundo, California, for the purpose of demonstrating methods of improved highway and highway safety construction, $900,000, to remain available until expended.

[Highway Capacity Improvement Demonstration Project

[For 80 percent of the expenses necessary to carry out preliminary engineering, environmental studies, and right-of-way acquisition for U.S. Route 231 between U.S. Route 90 and the City of Campbellton in Jackson County, Florida, for the purpose of demonstrating methods of expanding a two-lane segment of a U.S. highway to four lanes, $900,000, to remain available until expended.

[Climbing Lane Safety Demonstration Project

[For 80 percent of the expenses necessary to carry out preliminary engineering, environmental studies, and right-of-way acquisition for U.S. Route 15 in the vicinity of Tioga County, Pennsylvania, for the purpose of demonstrating methods of improved highway and highway safety construction, $450,000, to remain available until expended.

[Indiana Industrial Corridor Safety Demonstration Project

[For 80 percent of the expenses necessary to carry out preliminary engineering, environmental studies, and right-of-way acquisition for an improved route between Wabash and Huntington, Indiana, for the purpose of demonstrating the safety and economic benefits of widening and improving rural highways, $1,125,000, to remain available until expended.

[Utah Pedestrian Safety Demonstration Project

[Of the funds made available to the State of Utah by section 149 of Public Law 100-17, to remain available until expended, $1,000,000 shall be available only to carry out preliminary engineering, environmental studies, and right-of-way acquisition to widen 8400 West in Magna, Utah, for the purpose of demonstrating methods of improved highway and highway safety construction.

[Oklahoma Highway Widening Demonstration Project

[For 80 percent of the expenses necessary to carry out preliminary engineering, environmental studies, and right-of-way acquisition to widen Oklahoma State Route 53 from Interstate Highway 35 east to the entrance of the Ardmore Regional Industrial Airpark for the purpose of demonstrating methods of improved highway and highway safety construction, $450,000, to remain available until expended, subject to the enactment of law authorizing said project.

[Alabama Highway Bypass Demonstration Project

[For 80 percent of the expenses necessary to carry out preliminary engineering, environmental studies, and right-of-way acquisition for a highway bypass project in the vicinity of Jasper, Alabama, for the purpose of demonstrating methods of improved highway and highway safety construction, $3,600,000, to remain available until expended.

[Kentucky Bridge Demonstration Project

[For 80 percent of the expenses necessary to carry out preliminary engineering, environmental studies, and right-of-way acquisition to replace the Glover Cary Bridge in Owensboro, Kentucky, for the purpose of demonstrating methods of improved highway and highway safety construction, $3,600,000, to remain available until expended.

[Virginia HOV Safety Demonstration Project

[For 80 percent of the expenses necessary to carry out preliminary engineering, environmental studies, and right-of-way acquisition to construct High Occupancy Vehicle lanes on Interstate Route 66 between Interstate Route 495 and U.S. Route 50 for the purpose of demonstrating methods of increasing highway capacity and safety by the use of highway shoulders to construct HOV lanes, $540,000, to remain available until expended.

[Urban Highway Corridor Demonstration Project

[For 80 percent of the expenses necessary to carry out preliminary engineering, environmental studies, and right-of-way acquisition to improve and upgrade the M-59 urban highway corridor in southeast Michigan, $225,000, to remain available until expended, for the purpose of demonstrating methods of improving congested urban corridors that have been neglected during construction of the Interstate system.

[Urban Airport Access Safety Demonstration Project

[For 80 percent of the expenses necessary to carry out preliminary engineering, environmental studies, and right-of-way acquisition to improve and upgrade access to Detroit Metropolitan Airport in southeast Michigan, $225,000, to remain available until expended, for the purpose of demonstrating methods of improving access to major urban airports.]

Corridor Safety Improvement Project

(Highway Trust Fund)

For the purpose of carrying out a demonstration of methods of improving vehicular and pedestrian safety on roads on the Federal-aid primary and Federal-aid secondary systems, involving Route 1 in New Jersey, there is hereby appropriated $35,000,000, to be derived from the Highway Trust Fund and to remain available until expended: Provided, That all funds appropriated under this head shall be exempted from any limitation on obligations for Federal-aid highways and highway safety construction programs.

Bridge Capacity Improvements

(Highway Trust Fund)

For the purpose of carrying out the Nashua River Bridge and Broad Street Parkway project in Nashua, New Hampshire, that crosses the Nashua River, there is hereby appropriated $3,763,000, to be derived from the Highway Trust Fund and to remain available until expended: Provided, That all funds appropriated under this head shall be exempt from any limitation on obligations for Federal-aid highways and highway safety construction programs.

Corridor H Improvement Project

For the purpose of carrying out a demonstration of methods of eliminating traffic congestion, and to promote economic benefits for the area affected by the construction of a bypass, on the Corridor H segment of the Appalachian Highway System, there is hereby appropriated $16,000,000, to remain available until expended: Provided, That all funds appropriated under this head shall be exempted from any limitation on obligations for Federal-aid highways and highway safety construction programs.

Road Extension Demonstration

For 80 percent of the expenses necessary to provide for the initial planning and design of an improved and widened roadway from Prairie City, Iowa, to Burlington, Iowa, for the purpose of demonstrating the economic benefits of an improved highway to a depressed area, $600,000 is appropriated, to remain available until expended.

Bridge Restoration

For necessary expenses to carry out an historic bridge rehabilitation demonstration project, for the purpose of demonstrating the economic and transportation benefits of restoring a previously closed historic bridge, $2,500,000, to remain available until expended, shall be available to the city of Chattanooga, Tennessee, for restoration of the Walnut Street Bridge.

Reservation Road

For the purpose of carrying out a demonstration of economic growth and development benefits on approximately twenty-nine miles of Federal-aid secondary road con-

necting Interstate 10 and State Route 84, there is hereby appropriated $5,000,000 for the acquisition of rights-of-way and other costs incurred in the reconstruction of that portion of the road on the Gila Indian Reservation and the Maricopa Ak Chin Indian Reservation: Provided, That no Federal assistance shall be made available to carry out the project until: (1) an agreement is reached with the Indian Communities for the purchase of the required rights-of-way on the two reservations, (2) the road is accepted on the State Highway System, (3) the rights-of-way needed for that portion of the road outside the reservation boundaries is donated by the developers, and (4) Maricopa County and Pinal County agree to participate financially in the reconstruction of the road: Provided further, That all funds appropriated under this section shall be exempted from any limitation on obligations for Federal-aid highways and highway safety construction programs.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

Operations and Research

For expenses necessary to discharge the functions of the Secretary with respect to traffic and highway safety under the Motor Vehicle Information and Cost Savings Act (Public Law 92-513, as amended) and the National Traffic and Motor Vehicle Safety Act, [$69,049,000] *$63,180,000,* of which [$33,322,000] *$27,813,000* shall remain available until expended[: *Provided,* That of the funds available under this head, $3,000,000 shall be available to implement the recommendations of the 1985 National Academy of Sciences report on trauma research.]

Operations and Research

(Highway Trust Fund)

For expenses necessary to discharge the functions of the Secretary with respect to traffic and highway safety under chapter 4, title 23, United States Code, to be derived from the Highway Trust Fund, [$30,751,000] *$33,000,000,* to remain available until expended[: *Provided,* That, of the funds available under this head, $2,780,000 shall be available for light truck and van safety research and analysis.]

Highway Traffic Safety Grants

(Liquidation of Contract Authorization)

(Highway Trust Fund)

For payment of obligations incurred carrying out the provisions of 23 U.S.C. 402, 406, and 408, and section 209 of Public Law 95-599, as amended, to remain available until expended, $130,500,000, to be derived from the Highway Trust Fund: *Provided,* That none of the funds in this Act shall be available for the planning or execution of programs the total obligations for which are in excess of $115,000,000 in fiscal year 1989 for "State and community highway safety grants" authorized under 23 U.S.C. 402: *Provided further,* That none of these funds shall be used for construction, rehabilitation or remodeling costs, or for office furnishings and fixtures for State, local, or private buildings or structures: *Provided further,* That none of the funds in this Act shall be available for the planning or execution of programs the total obligations for which are in excess of [$10,000,000] *$13,500,000* for "Alcohol safety incentive grants" authorized under 23 U.S.C. 408: *Provided further,* That not to exceed [$4,900,000] *$4,850,000* shall be available for administering the provisions of 23 U.S.C. 402: *Provided further,* That notwithstanding any other provision of law, none of the funds in this Act shall be available for the planning or execution of programs authorized under section 209 of Public Law 95-599, as amended, the total obligations for which are in excess of $4,750,000 in fiscal years 1982 through 1989.

FEDERAL RAILROAD ADMINISTRATION

Office of the Administrator

For necessary expenses of the Federal Railroad Administration, not otherwise provided for, [$14,975,000] *$15,695,000,* of which [$1,075,000] *$2,875,000* shall remain available until expended: *Provided,* That none of the funds in this Act shall be available for the planning or execution of a program making commitments to guarantee new loans under the Emergency Rail Services Act of 1970, as amended, and that no new commitments to guarantee loans under section 211(a) or 211(h) of the Regional Rail Reorganization Act of 1973, as amended, shall be made: *Provided, That, as part of the Washington Union Station transaction, the Secretary shall assume the first deed of trust on the property and, where the Union Station Redevelopment Corporation or any successor is obligated to make payments on such deed of trust on the Secretary's behalf, including payments on and after September 30, 1988, the Secretary is authorized to receive such payments directly from the Union Station Redevelopment Corporation, credit them to the appropriation charged for the first deed of trust, and make payments on the first deed of trust with those funds: Provided further, That the Administrator of the Federal Railroad Administration shall make available, $320,000 for necessary expenses related to the establishment and initial operation of the California/Nevada Bi-State Super Speed Ground Transportation Commission.*

Railroad Safety

For necessary expenses in connection with railroad safety, not otherwise provided for, [$27,825,000] *$27,968,000,* of which $1,140,000 shall remain available until expended.

Railroad Research and Development

For necessary expenses for railroad research and development, [$9,750,000] *$9,286,000,* to remain available until expended.

Northeast Corridor Improvement Program

For necessary expenses related to Northeast Corridor improvements authorized by title VII of the Railroad Revitalization and Regulatory Reform Act of 1976, as amended (45 U.S.C. 851 et seq.) and the Rail Safety Improvement Act of 1988, [$15,000,000] *$25,000,000,* to remain available until expended.

Grants to the National Railroad Passenger Corporation

To enable the Secretary of Transportation to make grants to the National Railroad Passenger Corporation for operating losses incurred by the Corporation, capital improvements, and labor protection costs authorized by 45 U.S.C. 565, to remain available until expended, [$590,000,000] *$580,800,000*: *Provided,* That none of the funds herein appropriated shall be used for lease or purchase of passenger motor vehicles or for the hire of vehicle operators for any officer or employee, other than the president of the Corporation, excluding the lease of passenger motor vehicles for those officers or employees while in official travel status: *Provided further,* That the Secretary shall make no commitments to guarantee new loans or loans for new purposes under 45 U.S.C. 602 in fiscal year 1989: *Provided further,* That the incurring of any obligation or commitment by the Corporation for the purchase of capital improvements prohibited by this Act or not expressly provided for in an appropriations Act shall be deemed a violation of 31 U.S.C. 1341: *Provided further,* That no funds are required to be expended or reserved for expenditure pursuant to 45 U.S.C. 601(e): *Provided further,* That none of the funds in this or any other Act shall be made available to finance the rehabilitation and other improvements (including upgrading track and the signal system, ensuring safety at public and private highway and pedestrian crossings by improving signals or eliminating such crossings, and the improvement of operational portions of stations related to intercity rail passenger service) on the main line track between Atlantic City, New Jersey, and the main line of the Northeast Corridor, unless the Secretary of Transportation certifies that not less than 40 per centum of the costs of such improvements shall be derived from non-Federal sources: *Provided further,* That, notwithstanding any other provision of law, the National Railroad Passenger Corporation shall not operate rail passenger service between Atlantic City, New Jersey, and the Northeast Corridor main line unless the Corporation's Board of Directors determines that revenues from such service have covered or exceeded 80 per centum of the short-term avoidable costs of operating such service in the first year of operation and 100 per centum of the short term avoidable operating costs for each year thereafter: *Provided further,* That none of the funds provided in this or any other Act shall be made available to finance the acquisition and rehabilitation of a line, and construction necessary to facilitate improved rail passenger service, between Spuyten Duyvil, New York, and the main line of the Northeast Corridor unless the Secretary of Transportation certifies that not less than 40 per centum of the costs of such improvements shall be derived from non-Amtrak sources.

Railroad Rehabilitation and Improvement Financing Funds

The Secretary of Transportation is authorized to issue to the Secretary of the Treasury notes or other obligations pursuant to section 512 of the Railroad Revitalization and Regulatory Reform Act of 1976 (Public Law 94-210), as amended, in such amounts and at such times as may be necessary to pay any amounts required pursuant to the guarantee of the principal amount of obligations under sections 511 through 513 of such Act, such authority to exist as long as any such guaranteed obligation is outstanding: *Provided,* That no new loan guarantee commitments shall be made during fiscal year 1989: *Provided further,* That, notwithstanding any other provision of law, the Secretary of Transportation shall sell securities or promissory notes with a principal value of at least [$99,000,000] *$120,000,000* that are held by the Department of Transportation under authority of sections 502, 505-507, 509, and 511-513 of the Railroad Revitalization and Regulatory Reform Act of 1976 (Public Law 94-210), as amended, by no later than September 30, 1989: *Provided further,* That such securities or promissory notes authorized to be sold in the immediately preceding proviso shall be sold only for amounts greater than or equal to the net present value to the Government of each loan as determined by the Secretary of Transportation in consultation with the Secretary of the Treasury: *Provided further,* That the Secretary of Transportation shall transmit a written certification to the Committees on Appropriations of the Senate and House of Representatives before the consummation of each sale certifying that the amount to be realized is equal to or greater than the net present value to the Government of each loan: [*Provided further,* That, notwithstanding any other provision of law, for fiscal year 1989 and each fiscal year thereafter all amounts realized from the sale of notes or securities sold under authority of this section shall be considered as current year domestic discretionary outlay offsets and not as "asset sales" or "loan prepayments" as defined by section 257(12) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended:] *Provided further,* That any underwriting fees and related expenses shall be derived solely from the proceeds of the sales.

[Conrail Commuter Transition Assistance

[For necessary capital expenses of Conrail commuter transition assistance, not otherwise provided for, $4,500,000, to remain available until expended.]

URBAN MASS TRANSPORTATION ADMINISTRATION

Administrative Expenses

For necessary administrative expenses of the urban mass transportation program authorized by the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.), and 23 U.S.C. chapter 1, in connection with these activities, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, [$32,100,000] *$31,882,000 of which not to exceed $600,000 shall be available for the Office of the Administrator.*

Research, Training, and Human Resources

For necessary expenses for research, training, and human resources as authorized by the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.), to remain available until expended, $10,000,000: *Provided,* That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred for training.

Formula Grants

For necessary expenses to carry out the provisions of sections 9 and 18 of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.), [$1,731,703,000] *$1,585,000,000,* together with [$4,750,000] *$5,000,000* to carry out the provisions of section 18(h) of the Urban Mass Transportation Act of 1964, as amended, to remain available until expended: *Provided,* That, notwithstanding any other provision of law, of the funds provided under this Act for formula grants, no more than $804,691,892 may be used for operating assistance under section 9(k)(2) of the Urban Mass Transportation Act of 1964, as amended: *Provided further, That, notwithstanding any other provision of law, before apportionment of these funds, $27,000,000 shall be made available for the purposes of section 18 of the Urban Mass Transportation Act of 1964, as amended.*

Discretionary Grants

(Limitation on Obligations)

(Highway Trust Fund)

None of the funds in this Act shall be available for the implementation or execution of programs in excess of [$1,140,000,000] *$1,250,000,000* in fiscal year 1989 for grants under the contract authority authorized in section 21(a)(2) and (b) of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.): *Provided, That, notwithstanding any other provision of law, before allocation of these funds, $100,000,000 shall be made available for the purposes of 23 U.S.C. 103(e)(4) relating to transit projects: Provided further, That, notwithstanding any other provision of law, such funds shall be made available in the manner and to the extent provided in the Senate Committee Report accompanying this Act (S. Rep. 100-411).*

Mass Transit Capital Fund

(Liquidation of Contract Authorization)

(Highway Trust Fund)

For payment of obligations incurred in carrying out section 21(a)(2) and (b) of the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.), administered by the Urban Mass Transportation Administration, [$400,000,000] *$1,100,000,000,* to be derived from the Highway Trust Fund and to remain available until expended.

Interstate Transfer Grants—Transit

For necessary expenses to carry out the provisions of 23 U.S.C. 103(e)(4) related to transit projects, [$180,000,000] *$123,500,000,* to remain available until expended.

Washington Metro

For necessary expenses to carry out the provisions of section 14 of Public Law 96-184, [$180,500,000] *$150,000,000,* to remain available until expended.

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

The Saint Lawrence Seaway Development Corporation is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to the Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Corporation's budget for the current fiscal year.

Operations and Maintenance

(Harbor Maintenance Trust Fund)

For necessary expenses for operation and maintenance of those portions of the Saint Lawrence Seaway operated and maintained by the Saint Lawrence Seaway Development Corporation, [$11,360,000] *$10,806,000,* to be derived from the Harbor Maintenance Trust Fund, pursuant to Public Law 99-662.

RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

Research and Special Programs

For expenses necessary to discharge the functions of the Research and Special Programs Administration, and for expenses for conducting research and development, [$14,650,000] *$15,200,000,* of which [$1,650,000] *$1,824,000* shall remain available until expended: *Provided,* That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training and for aviation information management.

Pipeline Safety

(Pipeline Safety Fund)

For expenses necessary to conduct the functions of the pipeline safety program and for grants-in-aid to carry out a pipeline safety program, as authorized by section 5 of the Natural Gas Pipeline Safety Act of 1968 and the Hazardous Liquid Pipeline Safety Act of 1979, [$9,180,000] *$9,400,000,* to be derived from the Pipeline Safety Fund, of which [$5,025,000] *$5,125,000* shall remain available until expended.

OFFICE OF THE INSPECTOR GENERAL

Salaries and Expenses

For necessary expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, [$29,000,000] *$29,200,000.*

TITLE II—RELATED AGENCIES

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

Salaries and Expenses

For expenses necessary for the Architectural and Transportation Barriers Compliance Board, as authorized by section 502 of the Rehabilitation Act of 1973, as amended, [$2,000,000] *$1,891,000.*

NATIONAL TRANSPORTATION SAFETY BOARD

Salaries and Expenses

For necessary expenses of the National Transportation Safety Board, including hire of passenger motor vehicles and aircraft; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for a GS-18; uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901-5902), $25,360,000, of which not to exceed $500 may be used for official reception and representation expenses.

INTERSTATE COMMERCE COMMISSION

Salaries and Expenses

For necessary expenses of the Interstate Commerce Commission, including services as authorized by 5 U.S.C. 3109, and not to exceed $1,500 for official reception and representation expenses, $43,115,000: *Provided,* That joint board members and cooperating State commissioners may use Government transportation requests when traveling in connection with their official duties as such.

Payments for Directed Rail Service

(Limitation on Obligations)

None of the funds provided in this Act shall be available for the execution of programs the obligations for which can reasonably be expected to exceed $475,000 for directed rail service authorized under 49 U.S.C. 11125 or any other Act.

PANAMA CANAL COMMISSION

Panama Canal Revolving Fund

For administrative expenses of the Panama Canal Commission, including not to exceed $10,000 for official reception and representation expenses of the Board; not to exceed $4,000 for official reception and representation expenses of the Secretary; and not to exceed $25,000 for official reception and representation expenses of the Administrator, $50,287,000, to be derived from the Panama Canal Revolving Fund: [*Provided,* That none of these funds may be used for the planning or execution of nonadministrative and capital programs the obligations for which are in excess of $436,548,000 in fiscal year 1989:] *Provided further,* That funds available to the Panama Canal Commission shall be available for the purchase of not to exceed forty-four passenger motor vehicles for replacement only (including large heavy-duty vehicles used to transport Commission personnel across the Isthmus of Panama, the purchase price of which shall not exceed $15,000 per vehicle).

DEPARTMENT OF THE TREASURY

REBATE OF SAINT LAWRENCE SEAWAY TOLLS

(HARBOR MAINTENANCE TRUST FUND)

For rebate of the United States' portion of tolls paid for use of the Saint Lawrence Seaway, pursuant to Public Law 99-662, $10,700,000, to remain available until expended and to be derived from the Harbor Maintenance Trust Fund, of which not to exceed $300,000 shall be available for expenses of administering the rebates.

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

INTEREST PAYMENTS

For necessary expenses for interest payments, to remain available until expended, $51,663,569: *Provided,* That these funds shall be disbursed pursuant to terms and conditions established by Public Law 96-184 and the Initial Bond Repayment Participation Agreement.

TITLE III—GENERAL PROVISIONS

(INCLUDING TRANSFER OF FUNDS AND RESCISSION)

Sec. 301. During the current fiscal year applicable appropriations to the Department of Transportation shall be available for maintenance and operation of aircraft; hire of passenger motor vehicles and aircraft; purchase of liability insurance for motor vehicles operating in foreign countries on official department business; and uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901-5902).

Sec. 302. Funds for the Panama Canal Commission may be apportioned notwithstanding section 3679 of the Revised Statutes, as amended (31 U.S.C. 1341), to the extent necessary to permit payment of such pay increases for officers or employees as may be authorized by administrative action pursuant to law that are not in excess of statutory increases granted for the same period in corresponding rates of compensation for other employees of the Government in comparable positions.

Sec. 303. Funds appropriated under this Act for expenditures by the Federal Aviation Administration shall be available (1) except as otherwise authorized by the Act of September 30, 1950 (20 U.S.C. 236-244), for expenses of primary and secondary schooling for dependents of Federal Aviation Administration personnel stationed outside the continental United States at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools, if any, available in the locality are unable to provide adequately for the education of such dependents, and (2) for transportation of said dependents between schools serving the area that they attend and their places of residence when the Secretary, under such regulations as may be prescribed, determines that such schools are not accessible by public means of transportation on a regular basis.

Sec. 304. Appropriations contained in this Act for the Department of Transportation shall be available for services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for a GS-18.

Sec. 305. None of the funds for the Panama Canal Commission may be expended unless in conformance with the Panama Canal Treaties of 1977 and any law implementing those treaties.

Sec. 306. None of the funds in this Act shall be used for the planning or execution of any program to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings funded in this Act.

Sec. 307. None of the funds appropriated in this Act shall remain available for obligation beyond the current fiscal year nor may any be transferred to other appropriations unless expressly so provided herein.

Sec. 308. None of the funds in this or any previous or subsequent Act shall be available for the planning or implementation of any change in the current Federal status of the Transportation Systems Center, and none of the funds in this Act shall be available for the implementation of any change in the current Federal status of the Turner-Fairbank Highway Research Center.

Sec. 309. The expenditure of any appropriation under this Act for any consulting service through procurement contract pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

Sec. 310. (a) For fiscal year 1989 the Secretary of Transportation shall distribute the obligation limitation for Federal-aid highways by allocation in the ratio which sums authorized to be appropriated for Federal-aid highways and highway safety construction that are apportioned or allocated to each State for such fiscal year bear to the total of the sums authorized to be appropriated for Federal-aid highways and highway safety construction that are apportioned or allocated to all the States for such fiscal year.

(b) During the period October 1 through December 31, 1988, no State shall obligate more than 35 per centum of the amount distributed to such State under subsection (a), and the total of all State obligations during such period shall not exceed 25 per centum of the total amount distributed to all States under such subsection: *Provided,* That this subsection shall not apply to funds obligated for the Dan Ryan Expressway.

(c) Notwithstanding subsections (a) and (b), the Secretary shall—

(1) provide all States with authority sufficient to prevent lapses of sums authorized to be appropriated for Federal-aid highways and highway safety construction that have been apportioned to a State, except in those instances in which a State indicates its intention to lapse sums apportioned under section 104(b)(5)(A) of title 23, United States Code;

(2) after August 1, 1989, revise a distribution of the funds made available under subsection (a) if a State will not obligate the amount distributed during that fiscal year and redistribute sufficient amounts to those States able to obligate amounts in addition to those previously distributed during that fiscal year giving priority to those States having large unobligated balances of funds apportioned under section 104 of title 23, United States Code, and giving priority to those States which, because of statutory changes made by the Surface Transportation Assistance Act of 1982 and the Federal-Aid Highway Act of 1981, have experienced substantial proportional reductions in their apportionments and allocations; and

(3) not distribute amounts authorized for administrative expenses, the Federal lands highway program, the strategic highway research program and amounts made available under sections 149(d), 158, 159, 164, 165, and 167 of Public Law 100-17.

(d) The limitation on obligations for Federal-aid highways and highway safety construction programs for fiscal year 1989 shall not apply to obligations for emergency relief under section 125 of title 23, United States Code; obligations under section 157 of title 23, United States Code; projects covered under section 147 of the Surface Transportation Assistance Act of 1978, section 9 of the Federal-Aid Highway Act of 1981, subsections 131 (b) and (j) of Public Law 97-424, section 118 of the National Visitors Center Facilities Act of 1968, section 320 of title 23, United States Code; projects authorized by Public Law 99-500, Public Law 99-591 and Public Law 100-202; or projects covered under subsections 149 (b) and (c) of Public Law 100-17.

(e) Subject to paragraph (c)(2) of this General Provision, a State which after August 1 and on or before September 30 of fiscal year 1989 obligates the amount distributed to such State in that fiscal year under paragraphs (a) and (c) of this General Provision may obligate for Federal-aid highways and highway safety construction on or before September 30, 1989, an additional amount not to exceed 5 percent of the aggregate amount of funds apportioned or allocated to such State—

(1) under sections 104, 130, 144, and 152 of title 23, United States Code, and

(2) for highway assistance projects under section 103(e)(4) of such title,

which are not obligated on the date such State completes obligation of the amount so distributed.

(f) During the period August 2 through September 30, 1989, the aggregate amount which may be obligated by all States pursuant to paragraph (e) shall not exceed 2.5 percent of the aggregate amount of funds apportioned or allocated to all States—

(1) under sections 104, 130, 144, and 152 of title 23, United States Code, and

(2) for highway assistance projects under section 103(e)(4) of such title,

which would not be obligated in fiscal year 1989 if the total amount of the obligation limitation provided for such fiscal year in this Act were utilized.

(g) Paragraph (e) shall not apply to any State which on or after August 1, 1989, has the amount distributed to such State under paragraph (a) for fiscal year 1989 reduced under paragraph (c)(2).

Sec. 311. None of the funds in this Act shall be available for salaries and expenses of more than one hundred [twenty] *twenty-six* political and Presidential appointees in the Department of Transportation.

Sec. 312. Not to exceed $276,000 of the funds provided in this Act for the Department of Transportation shall be available for the necessary expenses of advisory committees.

Sec. 313. None of the funds in this or any other Act shall be made available for the proposed Woodward light rail line in the Detroit, Michigan area until a source of operating funds has been approved in accordance with Michigan law: *Provided,* That this limitation shall not apply to alternatives analysis studies under section 21(a)(2) of the Urban Mass Transportation Act of 1964, as amended.

Sec. 314. The limitation on obligations for the Discretionary Grants program of the Urban Mass Transportation Administration shall not apply to any authority under section 21(a)(2) of the Urban Mass Transportation Act of 1964, as amended, previously made available for obligation.

Sec. 315. Notwithstanding any other provision of law, none of the funds in this Act shall be available for the construction of, or any other costs related to, the Central Automated Transit System (Downtown People Mover) in Detroit, Michigan.

Sec. 316. None of the funds in this Act shall be used to implement section 404 of title 23, United States Code.

Sec. 317. (a) Safety Enforcement Program Performance.—The Secretary of Transportation shall on or before January 1 of each year transmit to the Congress a comprehensive report on the Federal Aviation Administration's prior fiscal year safety enforcement activities. The report shall include:

(1) a comparison of end-of-year staffing levels by inspector category (operations, maintenance, avionics) to staffing goals and a statement as to how staffing standards were applied to make allocations between air carrier and general aviation operations, maintenance and avionics inspectors;

(2) schedules showing the range of inspector experience by various inspector work force categories, and the number of inspectors in each of the categories who are considered fully qualified;

(3) schedules showing the number and percentage of inspectors who have received mandatory training by individual course, and the number of inspectors, by work force categories, who have received all mandatory training;

(4) a description of the criteria used to set annual work programs, an explanation of how these criteria differ from criteria used in the prior fiscal year and how the annual work programs ensure compliance with appropriate Federal regulations and safe operating practices;

(5) a comparison of actual inspections performed during the fiscal year to the annual work programs disaggregated to the field locations and, for any field location completing less than 80 percent of its planned number of inspections, an explanation as to why annual work program plans were not met;

(6) a statement of the adequacy of Federal Aviation Administration internal management controls available to ensure that field managers are complying with Federal Aviation Administration policies and procedures including those regarding inspector priorities, district office coordination, minimum inspection standards, and inspection follow-up;

(7) the status of the Federal Aviation Administration's efforts to update inspector guidance documents and Federal regulations to include technological, management, and structural changes taking place within the aviation industry, including a listing of the backlog of all proposed regulatory changes;

(8) a list of the specific operational measures of effectiveness—"best proxies" standing between the ultimate goal of accident prevention and ongoing program activities—that are being used to evaluate progress in meeting program objectives, the quality of program delivery, and the nature of emerging safety problems;

(9) a schedule showing the number of civil penalty cases closed during the two prior fiscal years, including total initial assessments, total final assessments, total dollar amount collected, range of dollar amount collected, average case processing time, and range of case processing time;

(10) a schedule showing the number of enforcement actions taken, excluding civil penalties, during the two prior fiscal years, including total number of violations cited, and the number of cited violation cases closed by certificate suspension, certification revocations, warnings, and no action taken; and

(11) schedules showing the aviation industry's safety record during the fiscal year for air carriers and general aviation, including the number of inspections performed where deficiencies were identified compared with inspections where no deficiencies were found and the frequency of safety deficiencies per carrier as well as an analysis based on the data of the general status of air carrier and general aviation compliance with Federal Aviation Regulations.

(b) Long-Range National Transportation Strategic Planning Study.—The Department of Transportation shall undertake a long-range, multi-modal national transportation strategic planning study. This study shall forecast long-term needs and costs for developing and maintaining facilities and services to achieve a desired national transportation program for moving people and goods in the year 2015. The study shall include detailed analyses of transportation needs within six to nine metropolitan areas that have diverse population, development, and demographic patterns, including at least one interstate metropolitan area. This study shall be submitted to Congress on or before October 1, 1989.

Sec. 318. Within seven calendar days of the obligation date, the Urban Mass Transportation Administration shall publish in the Federal Register an announcement of each grant obligated pursuant to sections 3 and 9 of the Urban Mass Transportation Act of 1964, as amended, including the grant number, the grant amount, and the transit property receiving each grant.

Sec. 319. None of the funds appropriated in this Act may be used to prescribe, implement, or enforce a national policy specifying that only a single type of visual glideslope indicator can be funded under the facilities and equipment account or through the airport improvement program: *Provided*, That this prohibition shall not apply in the case of airports that are certified under part 139 of the Federal Aviation Regulations.

Sec. 320. Notwithstanding any other provision of law, funds appropriated in this or any other Act intended for studies, reports, or research, and related costs thereof including necessary capital expenses, are available for such purposes to be conducted through contracts or financial assistance agreements with the educational institutions that are specified in such Acts or in any report accompanying such Acts.

Sec. 321. The Secretary of Transportation shall permit the obligation of not to exceed $4,000,000, apportioned under title 23, United States Code, section 104(b)(5)(B) for the State of Florida for operating expenses of the Tri-County Commuter Rail Project in the area of Dade, Broward, and Palm Beach Counties, Florida, during each year that Interstate 95 is under reconstruction in such area.

[Sec. 322. (a) Notwithstanding any provision of this or any other law, none of the funds provided by this Act for appropriation shall be available for payment to the General Services Administration for rental space and services at rates per square foot in excess of 102 percent of the rates paid during fiscal year 1988; nor shall this or any other provision of law require a reduction in the level of rental space or services below that of fiscal year 1988 or prohibit an expansion of rental space or services with the use of funds otherwise appropriated in this Act.

[(b) Notwithstanding any other provision of law, fiscal year 1989 obligations and outlays of "General Services Administration, Federal Buildings Fund" are reduced by an amount equal to the revenue reduction to such Fund pursuant to subsection (a).]

Sec. [323] *322.* Notwithstanding any other provision of law, section 144(g)(2) of title 23, United States Code, shall not apply to the Virginia Street Bridge in Charleston, West Virginia.

Sec. [324] *323.* Notwithstanding any other provision of law, the Secretary shall make available $250,000 per year for a national public information program to educate the public of the inherent hazard at railway-highway crossings. Such funds shall be made available out of funds authorized to be appropriated out of the Highway Trust Fund, pursuant to section 130 of title 23, United States Code.

Sec. [325] *324.* (a) The waters described in subsection (b) are declared to be nonnavigable waters of the United States for purposes of the General Bridge Act of 1946 (33 U.S.C. 525 et seq.).

(b) The waters referred to in subsection (a) are a drainage canal which—

(1) is an unnamed tributary of the creek known as Newton Creek, located at block 641 (formerly designated as block 860) in the city of Camden, New Jersey;

(2) originates at the north bank of Newton Creek approximately 1,200 feet east of the confluence of Newton Creek and the Delaware River; and

(3) terminates at drainage culverts on the west side of Interstate Highway 676.

[Sec. 326. Texas Toll Road Pilot Program.—Section 129(j) of title 23, United States Code, is amended—

[(1) in paragraph (6) by inserting "(and, in the case of the State of Texas, the Texas Turnpike Authority)" after "State highway department"; and

[(2) by adding at the end of such section the following new paragraph:

["(10) Special rule for funding of texas project.—Upon request of the Texas Department of Highways and Public Transportation and subject to such terms and conditions as such Department and the Texas Turnpike Authority may agree, the Secretary shall reimburse the Texas Turnpike Authority for the Federal share of the costs of construction of the project carried out in the State of Texas under this subsection in the same manner and to the same extent as such Department would be reimbursed if such project was being carried out by such Department. The reimbursement of funds under this paragraph shall be from sums apportioned to the State of Texas under this chapter and available for obligation on projects on the Federal-aid primary system in such State.".

[Sec. 327. (a) International Zaragosa Bridge.—For 50 per centum of the total expenses necessary to construct the International Zaragosa Bridge in El Paso, Texas, $3,000,000 is hereby appropriated to remain available until expended: *Provided*, That, notwithstanding any other provision of law, the Secretary shall make these funds available to the City of El Paso to pay for 100 per centum of the cost of the U.S. portion of the bridge, the construction of which shall be carried out in the same manner as other similar Federal-aid highway projects: *Provided further*, That funds appropriated under this section shall not be available until an agreement has been reached between all involved entities to repay the U.S. Treasury over a 30-year time period for the amount appropriated herein, plus interest, out of any tolls collected.

[(b) RESCISSION.—Notwithstanding any other provision of law, there is hereby rescinded, effective October 1, 1988, $3,000,000 of the funds apportioned to the State of Texas pursuant to section 157 of title 23, United States Code: *Provided*, That this rescission shall have no effect on any takedowns or limitations already made from these funds.

[SEC. 328. The Secretary of Transportation shall transfer the Coast Guard Cutter "Ingham" to the Intrepid Sea-Air-Space Museum in New York, New York, for use as a Coast Guard museum and display, appropriate with the character of the long military service of the "Ingham." The Secretary shall transfer the "Ingham" along with such equipment and in such condition as the Secretary considers appropriate. The Secretary shall make the transfer upon the decommissioning of the "Ingham" or at a later time as determined appropriate by the Secretary.]

SEC. [329] *325.* Notwithstanding any other provision of law, none of the funds provided by this Act or any previous or subsequent Act shall be used to [plan, design,] construct, or approve an interchange or any other highway facility providing access to or from I-66 between the existing United States Route 29 interchange at Gainesville (I-66 exit numbered 10) and the existing Route 234 interchange (I-66 exit numbered 11); nor shall any funds provided by this Act or any previous or subsequent Act be used to [plan, design,] construct, or approve an interchange or any other highway facility providing access to or from United States Route 29 between the existing I-66 interchange at Gainesville (I-66 exit numbered 10) and the existing Route 234 intersection; nor shall any funds provided by this Act or any previous or subsequent Act be used to [plan, design,] construct, or approve an interchange or any other highway facility that provides access to or from adjacent properties and the proposed Route 234 Bypass between I-66 and United States Route 29: *Provided*, That this section shall not apply to the use of Federal funds necessary to make safety-related improvements to existing roads.

[SEC. 330. The Urban Mass Transportation Administration shall permit nonprofit social service agencies with clear needs for affordable and/or handicapped-accessible equipment to seek bids for charter services from publicly funded operators: *Provided*, That the public operator will be required to identify to the chartering organization any private operator that has notified it of its willingness and ability to provide comparable charter service: *Provided further*, That these nonprofit agencies shall be limited to government entities and those entities subject to sections 501(c) 1, 3, 4, and 19 of the Internal Revenue Code: *Provided further*, That an exemption from this rule (49 CFR Part 604—charter service) shall also be provided to those public transit authorities which purchased charter rights entirely with non-Federal funds prior to enactment of the Urban Mass Transportation Act of 1964.

[SEC. 331. Of the funds made available under "Discretionary Grants" for fiscal year 1989 or prior fiscal years the Secretary of Transportation shall, on or before January 1, 1989, transfer $10,000,000 from the Urban Mass Transportation Administration to the Federal Highway Administration to cover the cost of the Federal share of the transit element of the Acosta Bridge Replacement Project in Jacksonville, Florida.

[SEC. 332. That (a) section 408 of the Federal Aviation Act of 1958 (49 U.S.C. App. 1378) is amended by adding at the end the following new subsection:

["FAIR TREATMENT OF EMPLOYEES

["(g) In any case in which the Secretary determines that the transaction which is the subject of the application would tend to cause reduction in employment or to adversely effect the wages and working conditions including the seniority of any air carrier employees, labor protective provisions calculated to mitigate such adverse consequences, including procedures culminating in binding arbitration, if necessary, shall be imposed by the Secretary as a condition of approval, unless the Secretary finds that the projected costs of protection would exceed the anticipated financial benefits of the transaction. The proponents of the transaction shall bear the burden of proving there will be no adverse employment consequences or that projected costs of protection would be excessive.".

[(b) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the side heading

["Sec. 408. Consolidation, merger, and acquisition of control."

is amended by adding at the end the following:

["(g) Fair treatment of employees.".

[SEC. 333. No funds appropriated under this Act shall be expended in any workplace that is not free of illegal use or possession of controlled substances which is made known to the federal entity or official to which funds are appropriated under this Act. Pursuant to this section an applicant for funds to be appropriated under this Act shall be ineligible to receive such funds if such applicant fails to include in its application an assurance that it has, and will administer in good faith, a policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances by its employees.]

SEC. 326. (a) The Federal Aviation Administration shall satisfy the following air traffic controller work force staffing requirements by September 30, 1989:

(1) total air traffic controller work force level of not less than 16,800;

(2) total full performance level air traffic controllers of not less than 10,832; and

(3) at least 70 percent of the air traffic controller work force, at each center and level 3 and above terminal shall have achieved operational controller status.

(b) The Secretary may waive any requirement of this section by certifying that such requirement would adversely affect aviation safety: Provided, That such a waiver shall become effective 30 days after the Committees on Appropriations of the Senate and the House of Representatives are notified in writing of the Secretary's intention to waive and reasons for waiving such requirement.

SEC. 327. Notwithstanding any other provision of law, the Secretary of Transportation shall make payment of compensation under subsection 419 of the Federal Aviation Act of 1958, as amended, only to the extent and in the manner provided in Appropriations Acts, at times and in a manner determined by the Secretary to be appropriate, and claim for such compensation shall not arise except in accordance with this provision.

SEC. 328. The authority conferred by section 513(d) of the Airport and Airway Improvement Act of 1982, as amended, to issue letters of intent shall remain in effect subsequent to September 30, 1992. Letters of intent may be issued under such subsection to applicants determined to be qualified under such Act.

SEC. 329. Section 347(d) of Public Law 100-202 is amended by striking out "(8)" each place it appears and inserting in lieu thereof "(9)" and by striking out "State of Georgia" and inserting in lieu thereof "States of Georgia and West Virginia".

SEC. 330. Notwithstanding any other provision of law, the Rail Passenger Services Act (45 U.S.C. 501 et seq.) is amended by inserting immediately after section 581(c)(3) the following new subsection: "581(c)(4) commuter authorities shall be exempt from the payment of any taxes or other fees to the same extent as the Corporation is exempt: Provided, That the commuter authority could have contracted with Amtrak Commuter, is a direct operator of commuter service, and that the direct operation of such service was initiated on January 1, 1983; and, such exemption shall be effective as of January 1, 1983".

SEC. 331. Notwithstanding any other provision of law, when a commuter rail service has been suspended for safety reasons, and when a statewide or regional agency or instrumentality commits to restoring such service by the end of 1989, and when the improvements needed to restore such service are funded without Urban Mass Transportation Administration funding, the directional route miles of such service shall be included in the 1988 Section 15 Report as well as subsequent years. If such service is not restored by the end of 1989, the money received as a result of the inclusion of the directional route miles shall be returned to the disbursing agency, the Urban Mass Transportation Administration.

SEC. 332. Notwithstanding any other provision of law, discretionary bridge funds allocated by the Secretary of Transportation for the Main Avenue Bridge in Cleveland, Ohio for fiscal year 1989 and each fiscal year thereafter shall not be included in any calculations made under section 157 of title 23, United States Code.

SEC. 333. Notwithstanding any other provision of law, the Secretary of Transportation shall grant a request by respective local officials to redesignate funds authorized by section 149(a)(105) of Public Law 100-17 to carry out a project in the City of Las Vegas to construct interchanges at Craig Road and U.S. 95 and, Lake Mead Boulevard and U.S. 95, the Oran Gragson Expressway, and Cheyenne Avenue and U.S. 95; as well as grade separations at Vegas Drive and U.S. 95 and Smoke Ranch Road and U.S. 95.

SEC. 334. For the purpose of carrying out emergency repairs to airports sustaining storm-related damage, $100,000, to be derived from the Airport and Airway Trust Fund and to remain available until expended, to be disbursed by the Secretary of Transportation pursuant to the Federal Grant *and Cooperative Agreement Act of 1977: Provided, That in no event shall the total Federal share provided for such repairs exceed 50 per centum of the total cost of such repairs.*

SEC. 335. The Secretary of Transportation is authorized to transfer appropriated funds under "Office of the Secretary, Salaries and expenses": Provided, That no appropriation shall be increased or decreased by more than 4 per centum by all such transfers: Provided further, That any such transfer shall be submitted for approval to the House and Senate Committees on Appropriations.

SEC. 336. Such sums as may be necessary for fiscal year 1989 pay raises for programs funded in this Act shall be absorbed within the levels appropriated in this Act.

SEC. 337. Notwithstanding any other provision of law, the Secretary of the department in which the Coast Guard is operating is authorized to transfer without consideration all rights, title, and interest of the United States in six and one-half acres of land, as determined by survey to be paid for by transferees, and improvements thereon, which comprise what is known as Station Gloucester City to City of Gloucester City, New Jersey.

SEC. 338. The Secretary of Transportation shall enter into negotiations with the Jacksonville Transportation Authority to revise the existing full funding contract to provide for the expeditious release of $1,800,000 made available for the Automated Skyway Express project in fiscal year 1985 (House Report 98-1159): Provided, That the revised contract will provide for the completion of the 2.5 mile Automated Skyway Express Project and will cover full project costs for completion of the project including Federal financial participation consisting of fiscal years 1988 and 1989 discretionary grants funding and future funding as made available by Congress: Provided further, That the Secretary shall commence negotiations with the Jacksonville Transportation Authority to enter into such revised contract no later than 30 days after enactment and shall conclude such negotiations no later than 90 days after enactment.

SEC. 339. For the purpose of making grants under section 3 of the Urban Mass Transportation Act of 1964, as amended, the requirements of section 3(a)(2)(A)(ii) shall not apply to the Caltrain project specified in House Report 100-202, and the Urban Mass Transportation Administration shall release the amounts for that project.

SEC. 340. There is hereby appropriated $8,000,000 for a grant by the Secretary of Transportation to the Soo Line Railroad Company to be available only for construction, rehabilitation, renewal, replacement, or other improvements to maintain railroad passenger service between La Crosse and Milwaukee, Wisconsin.

SEC. 341. Sections 1601 (a)(8) and (b)(3) of the Federal Aviation Act of 1958 (49 App. U.S.C. 1551(a)(8) and (b)(3)) and section 4(c) of the Civil Aeronautics Board Sunset Act of 1984 (Public Law 98-443), are each amended by striking out "January 1, 1989" wherever it appears and inserting in lieu thereof "January 1, 1999."

This Act may be cited as the "Department of Transportation and Related Agencies Appropriations Act, 1989".

Mr. BYRD. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the privilege of the floor be granted to Joseph McGrail, who is detailed to the subcommittee from GAO, during the consideration of H.R. 4794.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Thank you, Mr. President.

Mr. President, I am pleased to bring before the Senate the fiscal year 1989 Transportation appropriations bill (H.R. 4794). That a sound transportation system is essential to the well being not only of our economy but our social system as well goes without saying. Today we face a double challenge in transportation. We must catch up to today's needs and repair our deteriorated infrastructure. And we must prepare for the expansion we expect in the future. I believe that this bill reflects the best efforts of the committee to meet these challenges and to deliver the funds, direction, and the other support needed to sustain a healthy, growing, transportation system. The bill takes a balanced approach to the myriad transportation-related needs of our Nation within the restrictions of today's budgetary realities.

Aside from the limitations imposed through the budget summit agreement, however, the task of developing this bill was made even more difficult by the administration's budget. Once again, the administration put slavish adherence to a myopic and failed ideology ahead of the national interest in a sound transportation network. The administration once again provided zero funding for our national passenger rail system and proposed that mass transit programs be gutted.

The Congress has steadfastly rejected this ideological crusade in the past and the committee's recommendations in this bill are faithful to that consensus. I might add that the House recently sounded a loud "no" to the administration's approach when it passed H.R. 4794 by a vote of 371 to 40. I hope we in the Senate will do the same and turn aside any veto threats.

The bill before us restores funding to Amtrak and mass transit. At the same time, it provides the operations and capital funds needed to improve our aviation system and the Coast Guard's multimission performance capabilities. Overall, the bill provides a total of $10.5 billion in new budget authority. This is an increase of approximately $1.8 billion over the budget request and is below the House level by $240 million.

The bill is below its 302(b) allocation by $259 million in budget authority and it is right at the limit for outlays, according to Congressional Budget Office scoring.

In addition to appropriated amounts, the bill also contains about $14.3 billion in obligation limitations for programs funded with contract authority. Therefore, the committee's recommendations would provide total budgetary resources of $24.8 billion for transportation programs and related agencies in fiscal year 1989.

Let me briefly address some of the highlights of the bill.

AVIATION

Today our aviation system is still struggling to adapt to deregulated industry with its tremendous growth in aviation activity and to recover from the air traffic controller strike. These difficulties have been compounded by shortsighted budgetary policies. At the same time, we are also required to support substantial funding increases to modernize our air traffic control system and increase airport capacity.

This bill provides the resources needed to address these problems. It includes an increase of $426 million for the FAA over the fiscal year 1988 level.

It requires an expansion of the air traffic controller work force by 900 positions above the level required in fiscal year 1988.

It will add 300 more safety inspectors and 50 more aviation security personnel.

It will add 318 field maintenance technicians.

It provides $210 million for an advanced air traffic control automation system and $161 million for long-range radar.

And it provides more funds than were requested for airport improvement grants and airport capacity research.

COAST GUARD

The bill recognizes the importance of the Coast Guard's multimission responsibilities. Overall, it provides about $2.8 billion which will be supplemented with another $200 million in fuel and supplies and $50 million for facilities construction from the Department of Defense. The program level funded in the bill represents an increase of $331 million over the fiscal year 1988 enacted level.

The bill also gives specific recognition of the need to sustain the important role the Coast Guard plays in drug interdiction and marine environment protection. The bill earmarks $492 million and $147 million respectively for these missions. I would add that these are the minimal amounts the committee expects to be expended in carrying out these important missions.

FEDERAL-AID HIGHWAYS

In the highway area, the committee found it necessary to set the obligation ceiling for the Federal-Aid Highway Program at $11.4 billion which is about $382 million below the fiscal year 1988 level. It is, however, the same level that the administration requested. In the highway safety area the operations program received a modest increase of 3.6 percent.

TRANSIT

In the mass transit area, the committee has had to reduce funding below what was provided in fiscal year 1988 in order to fit within Transportation's 302(b) allocation. In the section 9 formula grants program, the overall level was reduced by $146.5 million, an 8.4-percent reduction from the 1988 level. Despite the reductions, the committee did provide $75 million for the small urban-rural program and fully funded the rural transit assistant program at $5 million.

Funding from the transit trust fund was increased by 18.4 percent—$20 million over the 1988 level. These funds, however, come from the transit trust fund which is supported by the 1-cent-per-gallon excise tax. Of this amount, $35 million is for the elderly and handicapped program and $402 million for the "new start" category that funds projects from Florida, to Missouri, to Colorado, to Washington.

RAIL

In the rail area, the bill contains $580.8 million for Amtrak. This is the same as the 1988 level. However, the rail safety, research and development, and Northeast corridor accounts were increased specifically to address a wide gamut of issues. The programs funded would address human error, tank car integrity, track inspection, and structural and signalization work. All of these increases were dictated by the need to continue rail safety improvements in the wake of deadly accidents.

Mr. President, I believe I have fairly and accurately summarized the contents of the bill.

Before proceeding further, I know that my distinguished colleague, the ranking member of the Subcommittee on Transportation, my friend from New York, Senator D'AMATO, has some comments that he would like to make. But before I yield for that purpose, I want to take a moment to thank him for his cooperation and support in the development of this legislation. He has been a staunch ally in the effort to achieve a sensible and balanced transportation program. I believe that we all owe him a vote of thanks for his hard work on behalf of a sound transportation system.

Mr. D'AMATO. Mr. President, I rise in support of H.R. 4794 which will provide the funds needed for the Department of Transportation and related agencies during fiscal year 1989. Given the tough funding constraints of the bipartisan budget summit agreement, I am pleased that the Transportation bill is $254 million under our 302(b) allocation in budget authority and does not exceed our cap in outlays.

Mr. President, let me thank Chairman LAUTENBERG not only for his cooperation but for his willingness to work out the difficult problems that we have had given our limited resources. Also, let me say, as it relates to the professional staff, that we are indeed very fortunate in having the kind of professionalism that was demonstrated in the drafting of this bill. Jerry Bonham, Patrick McCann, and Joseph McGrail, all of them have done an outstanding job.

Let me take the opportunity to say that Anne Miano has contributed tremendously in bringing together both the staff and the Senate in this endeavor.

The Transportation Subcommittee has the responsibility for funding DOT's eight modal administrations covering aviation, highways, mass transit, railroads, and maritime, as well as for funding DOT's related agencies. Our task is especially difficult due to the administration's budget which includes no funds for Amtrak, and nearly $2 billion less than is required to continue the Nation's mass transit program.

In fiscal year 1988, the same kind of administration budget policy forced us to cut about $72 million from Coast Guard operations in order to avoid violating the budget summit agreement. Other factors, such as fluctuations in foreign currency rates and Government pay raises, increased that cut to about $103 million. We all know what happened next—the closing of Coast Guard facilities, such as search and rescue [SAR] stations, and a 50 percent cut in drug interdiction patrols. I had predicted this outcome in 1987, when I argued on the Senate floor that the fiscal year 1988 budget resolution would shortchange the Coast Guard by $100 million. We never got the help we were promised at that time by the Budget Committee.

This year, we are holding Coast Guard operations together with a $200 million transfer from Defense. Coast Guard capital programs are maintained by an inflow of $50 million from military construction. The House is relying on even more non-Transportation funding for Coast Guard—a total of $410 million from Defense. If these steps were not taken, we could not fund the Coast Guard and still provide the basic funds needed for other transportation programs. However, the Coast Guard's fiscal year 1989 funding will now depend on the outcome of House and Senate conferences on three separate appropriations bills.

We need a more stable means of appropriating the funds desperately needed for Coast Guard drug interdiction, search and rescue, as well as environmental and safety functions. That is why the Coast Guard should be taken out of the Transportation function, where it competes for funds against Amtrak, mass transit, aviation, and highways. If that cannot be done this year, this bill provides the only realistic alternative.

Unfortunately, OMB continues to play the same tired song. OMB has recommended a veto of this bill because it provides funds for Amtrak—$580.8 million, the same as fiscal year 1988—and provides $1.6 billion in general funds over the administration request for mass transit. The administration asked for only $1.4 billion of trust funds for transit, we have provided $2.73 billion for formula and discretionary grants—5 percent less than fiscal year 1988. Moreover, OMB objects to the use of Defense and military construction funds for Coast Guard.

Mr. President, let me conclude by saying that this bill presents a sound and prudent funding plan for the Nation's network of transportation programs. Also, let me say, Mr. President, that assure that the Coast Guard, which is our vital defense as well as rescue mission, as it relates to our war against drugs, has received the funds it needs. In fiscal year 1989, the Coast Guard will be able to continue that war unabated without the kind of cuts that we have seen take place; the layoffs; the reduction by as much as 50 percent in its drug interdiction mission.

Mr. President, I have some very real qualms about the methods of funding the Coast Guard. I hope that we would begin to establish the kind of priority funding and the mechanism for doing this that is totally needed. In the future we do not want to make raids on mass transportation, or on Amtrak, as the administration previously has forced us to do. And, we do not want to have to turn to the military side and say, as supplicants, "Please, will you make available these resources?"

I also wish to commend the chairman for seeing to it that these resources, $250 million that comes from the Defense side of the budget for operations and capital program, were made available in this important battle.

Mr. President, again, this bill represents a sound and prudent funding plan for the Nation's network of transportation programs. I hope that the administration will reconsider its objections to it. I urge my colleagues to support this bill.

Once again, I wish to commend the chairman of the subcommittee, Senator LAUTENBERG, for his tireless efforts in bringing this bill to the floor in its present form.

Mr. LAUTENBERG. Mr. President, I thank the Senator from New York.

At this point, I yield to the distinguished chairman of the Appropriations Committee, who has asked for the opportunity to make a statement.

Mr. STENNIS. Mr. President, I am pleased that the Senate will consider today the Department of Transportation and related agencies appropriation bill for fiscal year 1989. This bill, which provides approximately $10.6 billion in total budget authority for fiscal year 1989, reflects the diligent care and able effort which our entire committee has rendered. In particular, however, it is evidence of the hard work and excellent leadership of the Subcommittee Chairman LAUTENBERG and the ranking minority member, Senator D'AMATO. I also wish to compliment the highly skilled work of the staff of their subcommittee: Mr. Jerry Bonham, Mr. Patrick J. McCann, Ms. Joyce C. Rose, Mrs. Anne Miano, and Miss Dorothy Pastis.

I now wish to briefly highlight a few important items regarding this bill.

First and foremost, I am pleased to report that this bill is within the 302(b) allocation for budget authority and outlays. Similarly, this bill complies with the budget summit agreement reached between the administration and the Congress on November 20, 1987.

Second, the bill as reported to the Senate is approximately $1.8 billion above the President's request and approximately $240 million below the House-passed bill.

Mr. President, I admire greatly the work that has been done. This bill is not what we consider a large bill, but this bill is highly important. It carries more money than we might think just on the surface. I know these gentlemen have worked hard and had a great volume of work to do to bring forth the bill in such good shape.

Again, I commend highly the chairman of the subcommittee, who has not only put in a volume of work but he put in the time. I also commend the Senator from New York, Mr. D'AMATO, who added his usual skill and energy to help us. It all went to make, with our staff assistance, for a fine product and I am glad to support the matter all the way through.

I really wish there was more money available on some of these items, but I am here to back them up in every way that I can in their presentation of this bill.

In conclusion, I firmly support this bill and ask that it be adopted so that we can proceed to conference with our House counterparts in a timely manner. It remains my sincere desire to complete Senate action on all 13 regular appropriation bills as soon as possible.

Mr. President, I yield the floor.

Mr. LAUTENBERG. I thank the distinguished chairman of the Appropriations Committee, not only for his comments and his encouragement, but for his support through a very difficult process. All of the functions were starved for resources. He kept us with an even hand throughout the process.

I would also have to say that the ranking member of the Appropriations Committee, Senator HATFIELD, was also very helpful in getting us through a difficult set of conditions as we developed this bill and the others, some of which have already passed in the Senate.

I will also just take a moment more to say that I was pleased to have worked with Senator STENNIS, as he reviews one of the last of the appropriations bills with which he will have to deal. It has been a pleasure and an honor to work with him.

Mr. President, I move to adopt the committee amendments en bloc, with the exception of the committee amendment relating to the Coast Guard expenses and the committee amendment relating to the labor protection provisions.

Mr. TRIBLE. I object.

The PRESIDING OFFICER. Objection is heard to the unanimous-consent request.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, the Senator from Arkansas, I believe, has an amendment that he would like to offer at this time.

The PRESIDING OFFICER. The Senator will need consent to offer that amendment unless it is to the first committee amendment.

Mr. LAUTENBERG. This is not to the committee amendment.

I ask unanimous consent that the committee amendments be set-aside to hear other amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Arkansas.

AMENDMENT NO. 2549

(Purpose: To reduce certain appropriations for consulting services)

Mr. PRYOR. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Arkansas [Mr. PRYOR] proposes an amendment numbered 2549.

Mr. PRYOR. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

CONSULTING SERVICE

SEC. . (a)(1) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and professional services; special studies and analyses; technical assistance; and management review of program funded organizations; in excess of an amount equal to 85 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(2) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and support services for research and development activities; engineering development and operational systems development; technical representatives; training; quality control, testing, and inspection services; specialized medical services; and public relations; in excess of an amount equal to 95 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(b) The Director of the Office of Management and Budget shall take such action as may be necessary, through budget instructions or otherwise, to direct each department, agency, and instrumentality of the United States to comply with the provisions of section 1114 of title 31, United States Code.

(c) Notwithstanding any other provision of this Act, the aggregate amount of funds appropriated by this Act to any such department, agency, or instrumentality for fiscal year 1989 is reduced by an amount equal to—

(1) 15 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(1); and

(2) 5 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(2).

(d) As used in this section, the term "consulting services" includes any service within the definition of "Advisory and Assistance Services" in Office of Management and Budget Circular A-120, dated January 4, 1988.

Mr. PRYOR. Mr. President, I deeply appreciate the distinguished Senator from New Jersey allowing me to offer this amendment at this time. It is my hope that this particular amendment that I am offering, Mr. President, will be accepted. But I would like, if I might, a very few moments of explanation.

Some weeks ago, I announced to my colleagues that on each of the respective appropriation bills I would be offering an amendment to cut a percentage amount from those appropriation bills, dealing with consulting services. The General Accounting Office, Mr. President, has furnished me with a list of the consulting contracts for each of the respective agencies and on each of the legislative appropriation bills I am attempting to cut certain amounts.

For example, in the Department of Transportation appropriation bill before the Senate at this time we have four categories that definitely, according to the General Accounting Office, involve consulting contracts. In this particular Department, those definite consulting contracts that have been identified by the General Accounting Office amount to the sum total of $227,807,000. That, Mr. President, is a lot of consulting.

However, in the other category, the so-called category 7 of consulting contracts, and that is only the possibility of other consulting relationships, we find an additional $21,864,000; giving us the sum total of, having been spent in fiscal year 1987, $249,671,000 in consulting agreements.

In the category 4 contracts, my amendment simply would take 15 percent from that figure. I would take 5 percent from the category 7 contracts, Mr. President, giving us a sum total of dollar savings in this one bill of $35,264,250 that we would be saving the taxpayers.

In addition, we would be forcing the Department of Transportation to establish a priority of those consulting arrangements and those contracting out arrangements which would have a high priority. Perhaps some of these arrangements would not have to be renewed, and many of these dollars would not have to be spent.

Mr. President, I rise today to offer an amendment to the Department of Transportation appropriations bill to reduce expenditures for consulting services. As many of my colleagues know, I have pledged to offer similar amendments to each and every appropriations bill which comes before the Senate.

On June 22, I offered a similar amendment to the Treasury, Postal appropriations bill on the Senate floor. I was pleased that after some discussion and modification the amendment was accepted. On July 7, the distinguished managers of the Foreign Operations Appropriation Subcommittee accepted my amendment also. I believe that these amendments are an important first step in requiring accountability in this area of invisible government procurement.

All of us are concerned with the procurement scandal unfolding over in the Pentagon. But I want to assure my colleagues that the buddy system which is at work in the defense industry is well entrenched in the civilian agencies as well.

At a June 13 hearing of the Federal Services Subcommittee—which I chair—the Office of Management and Budget [OMB] testified that Federal agencies spent up to $26 billion in fiscal year 1987 on consultant services. These same agencies only reported spending $243 million for the same time period. The agencies are obviously using a narrow definition of consultants.

In fact, within this appropriations bill, the Department of Transportation reported spending only $529,000 on consultants in fiscal year 1987. When I asked GAO to determine how much DOT actually spent on consultants using categories identified by a 1984 Reagan administration study, GAO came up with nearly $250 million in spending. While DOT only reported one-half a million dollars in consulting services, they actually spent nearly $250 million. My colleagues will recognize that there is something going on here that deserves intense scrutiny.

I ask unanimous consent to insert in the RECORD a letter I recently received from Joseph R. Wright, Jr., chairman of the President's Council on Integrity and Efficiency, and Deputy Director of the Office of Management and Budget, acknowledging the poor job that the executive branch is doing in monitoring these contracts.

Mr. President, I asked the General Accounting Office [GAO], to calculate the savings that would accrue from my amendment. GAO determined, using these agencies' fiscal year 1987 expenditures, that if my amendment becomes law, it will save the taxpayers an estimated $35 million. While this is certainly a meaningful effort at deficit reduction, I would note that this would leave over $210 million to be used by DOT for consulting services.

This amendment uses both a Cabinet Council on Management and Administration, [CCMA], study and the new OMB Circular A-120, to establish the universe of contracts we are limiting. I asked GAO to use the CCMA study to produce estimated figures for agency expenditures within this appropriation function for these kinds of contracts in fiscal year 1987.

I should note that GAO supplied two sets of figures. One set includes everything that could be construed as consultant services. In this category, which includes some unknown level of consultant activity, such as contracts for technical representatives and quality control studies, I am requiring that agencies limit their spending to 95 percent of what they spent in fiscal year 1987, a 5-percent savings.

The second category, which GAO, OMB, and I all agree consists of consultant contracts, involves management and professional services, special studies and analyses, technical assistance and management reviews of program-funded organizations. Here I am requiring the agencies to limit their spending to 85 percent of what they spent in fiscal year 1987, a 15-percent savings. Also, I should note that the agencies, with OMB's guidance, will be required under my amendment to calculate their own fiscal year 1987 cost data, to which the cuts will be applied.

Mr. President, some have questioned whether this formula actually will produce savings. In order to respond objectively, I ask the Congressional Budget Office, [CBO], to do a formal cost estimate of my amendment. CBO's conclusion is that the savings are real. I ask unanimous consent that the CBO response be made a part of the RECORD.

I hope my colleagues will join me in supporting this effort. In doing so I believe we will restore some modest control to an area of procurement that has taken on a life of its own.

Also, Mr. President, I state to my distinguished friend from New Jersey, the manager of this transportation appropriations bill at this moment before the Senate, my debt of gratitude to him for looking at this amendment and, hopefully, accepting it and saving the taxpayers some $35 million in consulting arrangements.

Mr. LAUTENBERG. I thank the Senator from Arkansas. His efforts to reduce unnecessary Government spending and save the taxpayers money is something that we all recognize as being a very valiant and constructive effort.

I am concerned about the effects of this amendment, however. I realize the basis of this amendment is a recent, June 1988, GAO report regarding Federal agencies and their spending on consulting services. This report, however, did not evaluate the need or program value of these services.

I raise this not in opposition to the amendment, per se, but to point out to the distinguished Senator from Arkansas that a simple dollar calculation alone does not always tell the full story regarding the necessity of such types of contracts.

I hope that the Department of Transportation will be able to better describe to us the effect of the $35 million reduction associated with this amendment and its effect on the workings of FAA and other programs, like the Coast Guard and highways, before I need to defend this in conference with the House.

Mr. D'AMATO. Mr. President, we have no objection to the amendment. Certainly it is a laudatory effort in the manner in which the Senator looks to save taxpayer dollars.

Mr. PRYOR. Mr. President, if I may respond briefly to my distinguished friend from New Jersey and the Senator from New York, on June 14, I received from OMB, Joseph R. Wright, Jr., Deputy Director and Chairman of the President's Council on Integrity and Efficiency, a letter wherein Mr. Wright wrote to the fellow members of the President's Council on Integrity and Efficiency. He stated in a letter to this council, Mr. President, one: "We are not doing a good job of reviewing this area"; two, "There is too little competition and there are too many follow-on contracts"; three, "No good management information and financial accounting system exists to tell us how much we are spending." No. 4: "Some of the IG's are not carrying out their responsibilities under section 1114(b) of Public Law 97-258 to evaluate agency controls over consultant services."

Let me say that in this particular Department, the inspector general of the Department of Transportation is one of the few inspectors general who are furnishing us very good and updated information with regard to the consulting contracts in that Department. Of the 19 inspectors general across the entire spectrum of the Federal system, if my information is correct, only about 9 of the inspectors general are actually complying with 31 U.S.C., section 1114.

I would like to pay a special commendation to the inspector general of the Department of Transportation for coming forward with some of the best figures of the various Departments that we are challenging and that we are trying to cut back at this time.

Mr. President, I yield the floor. I thank the distinguished managers.

Mr. LAUTENBERG. Mr. President, I urge the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2549) was agreed to.

Mr. D'AMATO. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PRYOR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LAUTENBERG. Mr. President, the floor is open for amendments. I understand the Senator from Iowa has an amendment he wants to offer.

The PRESIDING OFFICER. The Senator will need consent to set aside the pending business.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent to set aside the pending committee amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Iowa is recognized.

AMENDMENT NO. 2550

(Purpose: To provide appropriations for local rail service assistance)

Mr. HARKIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for himself, Mr. EXON, Mr. PRESSLER, Mr. DURENBERGER, and Mr. BUMPERS, proposes an amendment numbered 2550.

Mr. HARKIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 33, insert between lines 18 and 19, the following:

LOCAL RAIL SERVICE ASSISTANCE

For local rail service assistance, $14,321,000 for necessary expenses, notwithstanding any other provision of law, for rail assistance under section 5(q) of the Department of Transportation Act, as amended (to remain available until expended) of which $12,521,000 shall be made available for use directly under sections 5(h)(3)(B)(ii) and 5(h)(3)(C) of the Department of Transportation Act, notwithstanding any provision therein to the country: *Provided further*, That each State shall be entitled to, and no more than, $36,000 under the combined provisions of section 5(h)(2) and section 5(i), notwithstanding any provision therein to the contrary: *Provided further*, That no State may apply for fiscal year 1989 funds available under section 5(h)(2) until such State has obligated all funds granted to it under section 5(h)(2) in the fiscal years prior to the beginning of fiscal year 1984, other than funds not expended due to pending litigation: *Provided further*, That a State denied funding by reason of the preceding proviso may still apply for and receive funds for planning purposes.

On page 34, line 19, strike out "$580,800,000" and insert in lieu thereof "$575,800,000".

Mr. HARKIN. Mr. President, I am offering this amendment on behalf of myself and Senators EXON, PRESSLER, DURENBERGER, and BUMPERS, to provide $14.3 million for the local rail assistance program. Of that amount, $12.5 million would be for assistance for individual rail lines to be allocated at the discretion of the Federal Railroad Administration. The remainder would be divided among the States, each receiving $36,000.

The funds equally distributed to each State are generally used for rail planning. I believe the amendment has been worked out with both the chairman and the ranking member.

I just want to say a few words, Mr. President, about the local rail service assistance program. It has, since its adoption in 1973, provided assistance to rehabilitate rail branch lines and to purchase these lines in 47 States that could have otherwise been abandoned.

Mr. President, without these railroad branch lines, farmers would have to move their grain by truck, which is more costly. Small coal companies and many small manufacturers would have to do the same. For many of them, the loss of rail service can mean the loss of their ability to operate economically.

In addition, Mr. President, to the higher cost of business when we use roads instead of rail, the Government also incurs higher costs for additional repairs and maintenance. For every 100 railroad cars filled with corn that we take out of commission, our deteriorating roads will have to endure 387 more trucks.

Mr. President, this is a program that has worked marvelously well since its creation in 1973. Let me just give an example in my own State of how the small amount of money put in by the Federal Government ratchets to a great amount of money in the States.

In fiscal year 1988, my State of Iowa received $900,000 from the Federal Railway Administration under this program. The State of Iowa will match that amount, $900,000, and the Chicago Central & Pacific Railroad will match the resulting $1.8 million with $2.7 million. In this way, the initial Federal funds have multiplied five times to a total of $4.5 million. This money will be used to rehabilitate a branch line between Le Mars and Fort Dodge, IA.

Again, Mr. President, it is the farmers, it is the shippers along that line who will suffer a great deal if we do not have this local rail service assistance. So a small amount of money can go a long way in this program for keeping these local rails in existence.

It is used for rehabilitation, for local shippers to purchase branch lines, and I might add it also puts money in farmers' pockets to the tune of anywhere from about 3 to 12 cents a bushel more when they ship by rail instead of truck.

So, Mr. President, this has been a great program. I think it has the enthusiastic support of shippers, railroads and State departments of transportation. I appreciate the concurrence of both the chairman and ranking member on this amendment. I thank them for their help and their assistance in working out this agreement. I thank them for their willingness to accept this amendment.

Mr. LAUTENBERG. Mr. President, I am willing to accept the amendment offered by the Senator from Iowa. It was the position of the full committee when it reported the bill that an amendment funding local rail service assistance programs was desirable. But because the transportation bill was at its 302(b) allocation for outlays to fund the program, it was necessary to find offsets from other programs, and that is what this amendment does. It funds local rail services programs at $14.3 million by providing budget authority at that level and to keep the bill within its 302(b) outlay allocation it reduces the committee-reported budget authority level for Amtrak by $5 million.

I do not support necessarily the offset that the Senator from Iowa has chosen, but I understand the position that he was in and the support that there is to fund the local rail services program. This program is important to

States throughout the country. Again, though I am concerned about any reduction of the resources necessary to support Amtrak fully, I do understand what the Senator from Iowa is trying to accomplish and have had comments from many of our colleagues in support of that. For management of the bill, I am willing to accept the amendment.

Mr. D'AMATO. Mr. President, we have no objection to this amendment. As a matter of fact, I commend the Senator from Iowa for his perspicacity in addressing this problem of local rail service assistance. As the manager of the bill has indicated, Senator LAUTENBERG from New Jersey, it is not a question of not wanting to do this. It is a question of seeing scarce funds from other necessary programs are made available. And so certainly we are not going to oppose it. There are many of these small lines that will and do need this assistance. Without it they may terminate. The lack of this aid is the death knell to many of the small busineses and communities that depend on it. So again I commend him and we are supportive of this amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. HARKIN. Mr. President, I again thank the distinguished Senator from New York and the Senator from New Jersey for their help in this matter. I want them both to know that I am a strong supporter of Amtrak, and I am hopeful that in the conference we can not only restore the Senate figure, but move close to the House figure. I also feel strongly about keeping money for Amtrak as do the two Senators who are leading this bill, so I do really appreciate their help in this matter.

Mr. BUMPERS. Mr. President, I am pleased to be a cosponsor of the amendment offered by my colleague, Senator HARKIN, to restore approximately $12 million to the Local Rail Service Assistance Program. Funding for this program in fiscal year 1989 is crucial for the country's infrastructure, and is especially important to Arkansas.

The Local Rail Service Assistance [LRSA] Program, which has been in existence since 1978, is used to provide Federal assistance to rehabilitate railroad lines—usually short lines—that would otherwise be abandoned. In many cases, these lines are vital to the communities they serve.

In Arkansas, we presently are experiencing a situation in which LRSA funds are essential if service on a crucial short line is to be maintained. Union Pacific has filed an abandonment request on its line from McGehee, AR, to Vidalia, LA, and the Interstate Commerce Commission is expected to rule favorably on that request very soon. If that line is abandoned, shippers and communities along this 162-mile line will be seriously affected. Many jobs would be lost.

However, a short line operator is ready to purchase this line, but this is economically feasible only if the line is rehabilitated. Approximately $1.5 million in Federal funds are needed from McGehee to the Arkansas State line, and an estimated $3 million from the State line to Vidalia.

So, Mr. President, the contained economic health of this region depends heavily on our action here today. I intend to work closely in conference to ensure that LRSA funds are appropriated in fiscal year 1989, and that a portion of these funds are provided to rehabilitate the McGehee-Vidalia line.

Mr. BURDICK. Mr. President, I would like to thank my colleagues on the Appropriations Committee for their cooperation in supporting the Local Rail Service Assistance [LRSA] Program. I have enjoyed working with my good friend Senator HARKIN on what I believe is a program essential to the survival of rail service in our rural States.

Sometimes it seems as though there are overwhelming forces working against our farmers and farm communities. The drought we are experiencing comes at a time when many farmers simply can't survive one more hard knock. In my State of North Dakota, the loss of rail service to more than 50 communities in the past 8 years has had a similar crippling affect on the grain industry and related farm businesses.

The Local Rail Service Assistance Program serves to help States retain service on necessary branch lines. This is especially important in rural areas where grain, seeds, fertilizer, and farm equipment are shipped by rail. The continuation of rail service on some of these branch lines can keep our rural communities alive.

I believe that States with the incentive to plan for the future of our rail system should have funds available to carry out important rehabilitation projects. North Dakota has submitted detailed applications on every occasion that LRSA funds were made available. As a result of the State's commitment to careful rail system planning and with help from the LRSA Program, North Dakota has upgraded more than 200 miles of line. The State has plans to rehabilitate another 80 miles of line, but without LRSA grant funds, I am told that these ambitious plans would have to be abandoned.

I appreciate the efforts of the subcommittee staff and thank my colleague Senator LAUTENBERG for his consideration of funding for this important program. I would also like to commend the distinguished chairman of the Commerce Committee, Senator HOLLINGS, for his committee's recent action to reauthorize the Local Rail Service Assistance Program.

The allocation of funds to the Local Rail Service Assistance Program reaffirms our commitment to a strong national rail system. I am pleased to support Senator HARKIN's amendment today, and I look forward to the continued implementation of a successful, efficient Federal rail program.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2550) was agreed to.

Mr. D'AMATO. I move to reconsider the vote by which the amendment was agreed to.

Mr. HARKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2551

(Purpose: To allow a highway project involving the relocation of an Interstate highway to be eligible for interstate discretionary funding)

Mr. LAUTENBERG. Mr. President, on behalf of Senators HOLLINGS, THURMOND, SANFORD, and HELMS, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG], for Mr. HOLLINGS (for himself, Mr. THURMOND. Mr. HELMS, and Mr. SANFORD) proposes an amendment numbered 2551.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

SEC. . Section 139 of the Highway Improvement Act of 1982 (23 U.S.C. 101, note) is amended by adding at the end thereof the following new subsection:

"(c) Notwithstanding any other provision of this section or of any other provision of law, any project involving the relocation of any Interstate route or segment that is approved by the Secretary of Transportation under subsection (a) shall be eligible for discretionary funds made available under section 118(b)(2)(B) of title 23, United States Code.".

Mr. HOLLINGS. Mr. President, on behalf of myself and my distinguished colleague from South Carolina, Senator THURMOND, as well as Senators SANFORD and HELMS from North Carolina, I rise to offer an amendment relating to the relocation of interstate highway projects in our two States.

Very simply, this amendment would allow the States of South and North Carolina to be able to apply for interstate discretionary funds for the I-85 relocation project in Spartanburg, SC, and the I-40 project in Winston-Salem, NC. This amendment does not require the expenditure of additional funds. It is budget neutral.

During consideration of the 1982 Federal Highway Act, a provision was included which allowed our two States to relocate these interstate segments; however, they currently are not eligible to apply for interstate discretionary funding. As such, both States are short of the funds needed to complete these two critical projects. In the case of the I-85 relocation project in Spartanburg, this shortfall is close to $40 million. This amendment would correct that situation, allowing our States to compete equally with others for these discretionary funds.

Again, Mr. President, let me emphasize that this amendment is budget neutral. It does not require any additional expenditures, and would not require an increase in the current estimate of the cost to complete the Interstate System.

And, I am pleased to report that the Federal Highway Administration is not opposed to this amendment.

Mr. President, I urge my colleagues to support this amendment and its adoption.

Mr. LAUTENBERG. Mr. President, this amendment has been cleared by our side, and I understand there is no objection from the other side. It has been cleared with the authorizing committee which also has jurisdiction in this area. The amendment does not add any money to the bill. It simply clarifies that two particular projects, Interstate 40 in North Carolina and Interstate 85 in South Carolina, are eligible to participate in the Interstate Discretionary Grant Program. I urge adoption of this amendment.

Mr. THURMOND. Mr. President, I, along with Senator HELMS, rise to offer the following amendment. Senators HOLLINGS and SANFORD also joined as cosponsors.

Mr. President, during the consideration of the Highway Improvement Act of 1982, North and South Carolina were allowed to relocate portions of Interstate 40 in Winston-Salem, NC and Interstate 85 in Spartanburg, SC. To ensure the cost of completing the entire interstate system would not be increased, regularly apportioned interstate construction funds for both projects were "capped" at amounts equal to the cost of upgrading the interstates in their existing locations.

Unfortunately Mr. President, this cap was later interpreted to exclude the two relocation projects from eligibility for interstate discretionary construction funds—despite the fact the projects are otherwise eligible.

Mr. President, our amendment would correct the misinterpretation of the 1982 cap. The amendment is budget neutral and merely states that the 1982 cap has no bearing on the ability of the two relocation projects to compete—on an equal basis—with all other States for interstate discretionary construction funds. The cap continues in effect relative to all regularly apportioned interstate construction funds for the two projects.

Mr. President, I reiterate that this amendment would simply allow North Carolina and South Carolina to apply for interstate discretionary construction funds. It is critical to the ultimate completion of our States' interstate relocation projects because I am confident both projects will be approved if allowed to compete. I urge the adopton of our amendment.

Mr. D'AMATO. Mr. President, we are supportive of this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2551) was agreed to.

Mr. LAUTENBERG. I move to reconsider the vote by which the amendment was agreed to.

I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DECONCINI. Mr. President, my colleague, Senator MCCAIN, who wants to offer an amendment along with me, is on his way to the Chamber. The Senator from Iowa wanted to make a statement for about 3 or 4 minutes. I told him I thought I was going to do my amendment, but I would like to defer to him if it is agreeable with the managers.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I thank the Senator from Arizona and the chairman for letting me proceed for just a couple minutes on an issue. It is not an amendment but a statement I wanted to make on the floor and to ask unanimous consent to insert some material in the RECORD.

The Appropriations Committee adopted report language noting that the Department of Transportation is considering the reclassification of anhydrous ammonia as part of an extensive review underway regarding a proposed rulemaking to amend hazardous materials regulations to conform them to U.N. standards. In related action, Mr. President, the House Appropriations Committee inserted similar language in the report accompanying the 1989 fiscal year appropriation bill for DOT.

The committee noted the Secretary of Agriculture's concern about the potential negative impact of this proposed rule on U.S. farmers and many other segments of the agricultural community, and urged the Department to retain the present classification of this important plant nutrient. The committee noted that anhydrous accounts for over half of the U.S. fertilizer supply and has been safely used by farmers for many years.

If the proposed rule were to be finalized in its present form, it could generate excessively higher insurance rates, severely affect insurance availability, and cause transportation difficulties because of local restrictions. Further, the proposed standard simply does not meet DOT's or EPA's proposed inhalation toxicity criteria.

I would also note that the underlying reason for the rule, a standard U.N. classification to promote trade simply does not make sense in this case. Canada, our major trading partner in regard to anhydrous ammonia has not accepted this standard. And, European countries which have adopted the standard does not generally use anhydrous for farming and we export almost no anhydrous ammonia to them.

During full committee markup, I and Senator COCHRAN announced our intention to take further action so as to remove the economic uncertainty that this proposed rule poses for our Nation's farmers, and to prevent a burdensome regulatory requirement on the agricultural community unless we received some assurance that there would be no change in the classification of anhydrous ammonia during the coming fiscal year.

On June 29, Senators BUMPERS and KARNES and myself met with the Administrator of Research and Special Programs to discuss the rulemaking which could affect the classification of anhydrous ammonia. Following that meeting I sent Ms. Douglass a letter requesting certain information from the Department.

I have just received an answer from the Administrator which clearly indicates that we will not see a rule changing the classification of anhydrous ammonia during the coming fiscal year.

Mr. HARKIN. Mr. President, I am pleased to learn that we will not see a change in anhydrous ammonia in the coming year and I assure my colleagues that I will do what I can to assure that there is no adverse change after that.

Mr. President, I would like to say at this point that I am joined in my concern over this rulemaking by a large number of Senators.

Major farm organizations including the National Corn Growers Association, National Association of Wheat Growers, National Farm Bureau Federation, American Agriculture Movement, National Farmers Union, National Farmers Organization, the Fertilizer Institute, and the Arkansas Poultry Federation all oppose reclassification.

I would like to include in the RECORD copies of letters signed by my distinguished colleagues and material concerning the position of certain farm organizations.

Iowa is one of our Nation's largest producers of corn, and corn is a highly nitrogen-dependent crop. Mr. President, for the record, I want my colleagues to know that anhydrous ammonia is the major and most practical form to distribute nitrogen to crops. Anhydrous ammonia is produced by combining nitrogen from the air with a source of hydrogen, usually from hydrocarbons. Farmers prefer to apply anhydrous ammonia directly to the soil because it is the highest available nitrogen-content fertilizer and, therefore, is the most cost effective for our Nation's farmers.

Mr. President, the United States has a well-developed infrastructure to produce and distribute anhydrous ammonia. There are 20 U.S. companies with a total of 44 manufacturing plants which make anhydrous ammonia. There are approximately 5,000 anhydrous ammonia retailers throughout the United States serving farmers. This infrastructure is especially well-developed through the corn producing areas where nearly all of the 1 million-plus farmers use direct application of anhydrous ammonia.

The proposed rulemaking which could affect classification of anhydrous ammonia would dramatically impact fertilizer shipping rates, insurance costs, safety, and marketing.

SHIPPING RATES

The proposed rulemaking could produce higher transportation rates which would ultimately result in higher production costs for the U.S. farmer. Handling restrictions that could be imposed by carriers could increase rates by 50 percent—according to some estimates. For example, a study of the cost of shipping by rail conducted by G.W. Fauth and Associates, showed that shipping materials classified by DOT as a poison costs significantly more than shipping anhydrous ammonia classified as a nonflammable gas, as it is presently classified. The study found that the cost of shipping anhydrous ammonia within the United States was 53 percent above the railroad's cost for providing the service and the cost of the shipping materials classified by DOT as a poison was 136 percent above the railroad's cost for the service

INSURANCE

Obtaining insurance at reasonable rates for shipping is a challenge, if the insurance is available at all. DOT regulations require a minimum of $1 million of liability insurance for nurse and applicator tanks, essential for transporting anhydrous ammonia from farm service centers to the farm. This requirement applies to both farmers and fertilizer retail dealers. Though rates vary, one estimate shows an annual cost of $1,500 per tank to maintain the required insurance. In the United States, there is an estimated 300,000 anhydrous ammonia nurse and applicator tanks in operation. Using the above estimate, the annual cost for fertilizer dealers in the United States to maintain insurance for their applicator tanks is roughly $450 million. No one can be sure what the increase in rates would be if the proposed rulemaking were implemented but a conservative estimate of 20 percent would add an annual cost of $90 million to an industry already struggling to survive.

REGULATIONS

Almost without exception, Federal, State and local restrictions for hazardous materials are keyed to product classification. If anhydrous ammonia, now classified as a nonflammable gas, were reclassified as a poison gas, it would come within the scope of many State routing laws and could be prohibited from transport through many farming communities dependent upon the product for maximum crop production efficiency.

SAFETY

Anhydrous ammonia is used safely by farmers as a fertilizer product. Farmers participate in a continual education program of the hazards associated with anhydrous ammonia, and procedures to use for those who handle the material. The use of anhydrous ammonia as a fertilizer is treated with the greatest degree of respect and caution in the agricultural community.

DOT advocates that change in the classification of the product will improve the safety or emergency response effectiveness in the event of an incident. This is not so. Emergency response is keyed to product, not product classification. Emergency response for anhydrous ammonia would remain the same regardless of the product classification.

PRODUCT CHARACTERISTICS

Anhydrous ammonia does not meet EPA's proposed inhalation toxicity criteria. It is not a systematic poison. In fact, anhydrous ammonia is added to farm silage to supplement protein levels in silage livestock feed, and it is used directly on poultry in a fast-freeze process.

Mr. President, I am very hopeful that the Department of Transportation would take note of the committee's report language concerning anhydrous ammonia and determine that there is no need to reclassify this gas and that such a reclassification could be very damaging to agriculture and the economy as a whole.

Mr. President, I ask unanimous consent to have both letters printed at this point in the Record, along with other materials pertaining to the issue of the reclassification of anhydrous ammonia.

There being no objection, the material was order to be printed in the Record, as follows:

U.S. Senate,
Washington, DC, June 30, 1988.

Cindy Douglass,
Administrator, Research and Special Program Administration, U.S. Department of Transportation, Washington, DC.

Dear Cindy: I want to thank you for meeting with me and several of my colleagues yesterday to discuss the rulemaking which would affect the classification of anhydrous ammonia. I very much appreciate your time, as do, I'm sure, Senators Bumpers and Karnes.

As you know, the proposed rulemaking on anhydrous ammonia is of considerable interest to me and to many other senators. As we contemplate what action we should take in response to the concerns of our constituents, I'd appreciate your providing me with certain information.

(1) What is the likelihood that a final rule to modify the classification of anhydrous ammonia will be finalized before the end of the coming fiscal year?

(2) I've enclosed a copy of the draft language from the Senate Transportation Appropriations Committee report which directs the Secretary to provide the Committee with 30 days notice prior to the issuance of a final rule. Can the Committee be assured that this report language will be followed?

(3) Will your office be willing to provide, at least 30 days prior to finalization of the rule, an analysis of the effect that a reclassification of anhydrous ammonia would have an insurance rates?

Thank you again for your time yesterday. I look forward to hearing from you on the above questions at your earliest convenience.

Sincerely,

Tom Harkin,
U.S. Senator.

U.S. Department of Transportation, Research and Special Programs Administration,
Washington, DC, July 8, 1988.

Hon. Tom Harkin,
U.S. Senate, Washington, DC.

Dear Senator Harkin: Thank you for your letter following up on our recent discussion of the research and Special Programs Administration's (RSPA) current rulemaking proposal to reclassify anhydrous ammonia as a poisonous gas. I appreciated the opportunity to discuss that proposal with you and your colleagues and staff.

Your letter posed three questions concerning our plans for the anhydrous ammonia proposal in relation to the larger rulemaking of which it is part (Docket Number HM-181). Each of your questions is addressed separately below:

1. What is the likelihood that a final rule to modify the classification of anhydrous ammonia will be finalized before the end of the coming fiscal year [September 30, 1989]?

It is highly unlikely that HM-181 could be adopted as a final rule prior to October 1, 1989. The proposals in HM-181 are extensive, complex, and significant. They have generated more than 1,000 comments which require thorough technical review and evaluation. Furthermore, the procedural steps applicable to a rulemaking of this significance are extensive and time-consuming. In fact, our required status reports to the Secretary and the Office of Management and Budget currently show December 1989 as the earliest likely date for completion of the rulemaking. Efforts now ongoing to move from the Notice stage to preparation of a final rule confirm this projection.

2. Can the Senate Transportation Appropriations Committee be assured that its report language, directing the Secretary to provide the Committee with 30 days notice prior to issuance of the final rule, will be followed?

As a practical matter, it is not possible for the current leadership of the Department to bind the next Administration to such an assurance. Nevertheless, it is our conviction that the Committee's direction should be followed because it expresses the will of the Congress. Certainly, complying with the Committee's direction would work no hardship on the Department.

3. Will your office be willing to provide, at least 30 days prior to finalization of the rule, an analysis of the effect that a reclassification of anhydrous ammonia would have on insurance rates?

My response to this request depends largely on two considerations. First, depending on the action we ultimately take on the proposal, an analysis of its effects on insurance rates may be moot. Second, by the very nature of the rulemaking process, we rely heavily on the information supplied in the comments to the docket. We have been actively soliciting precise factual comments on the insurance issue so that we can determine the full extent of any potential adverse effects of the proposal. These comments will enable us to prepare the best possible regulatory evaluation of the proposal (as required by the Regulatory Flexibility Act). The regulatory evaluation is a part of the docket and is available to any interested party. Consequently, although I cannot give assurances that will bind my successor, the information you desire should be readily available to you 30 days prior to finalization of the rule.

Of course, as we proceed in our development of the final rules under HM-181, I will keep your office informed of relevant developments.

Sincerely,

M. Cynthia Douglass.

U.S. Senate,
Washington, DC, April 14, 1988.

Hon. James Burnley,
Secretary, Department of Transportation, Washington, DC.

Dear Secretary Burnley: We were quite pleased to hear that you have decided to extend the comment period, regarding the reclassification of anhydrous ammonia. This chemical is essential for agriculture. The impact of reclassifying it is too great for the farming community to allow a decision to be reached without hearing from all those concerned.

Apparently, the Department decided to reclassify anhydrous ammonia in order to bring its hazardous material regulations in line with those of the International Civil Aviation Organization and the International Maritime Organization. We feel this is a misguided proposal in view of unresolved questions about the actual magnitude of the danger involved in the transportation of the compound and American Agriculture's heavy economic dependency on anhydrous ammonia.

The uncertainty surrounding the actual hazard presented by anhydrous ammonia is important in light of its economic importance to our struggling agricultural industry. Approximately 45 percent of all nitrogen fertilizer used by American farmers is applied as anhydrous ammonia. It is used widely because it is inexpensive. Spreading nitrogen with anhydrous ammonia is 50 percent cheaper than performing the same activity with other compounds.

Reclassifying this compound as poisonous will drastically increase the cost of nitrogen fertilizer for the American farmer. Insurance costs for transporting the chemical would be prohibitive and it is also conceivable that, in some cases, insurance would become unavailable.

There is some question as to how anhydrous ammonia, if classified as a poison, could be transported to American farms. In addition, many foreign markets, which our farmers are already struggling to penetrate, would be closed because of legal restrictions on foods treated with poisonous chemicals.

We believe that if there is a reclassification of anhydrous ammonia, the reclassification should be as a corrosive product, rather than as a poison. Canada, our largest trading partner in the compound, already identifies it in this manner. This type of classification would alert anhydrous ammonia's users to the possible dangers inherent in the use of this product as well as avoiding the negative economic impact on our American farmers resulting from labeling it as a poison.

Thank you for your consideration of our request.

Kindest personal regards.

Sincerely,

Alan J. Dixon, John C. Stennis, Don Nickles, Paul Simon, Mitch McConnell, Nancy L. Kassebaum, Quentin N. Burdick, James A. McClure, Larry Pressler, Tom Harkin, David L. Boren, Terry Sanford, Donald W. Riegle, Jr., Rudy Boschwitz, Phil Gramm, Lloyd Bentsen, Dennis DeConcini.

U.S. Senate,
Washington, DC, February 26, 1988.

Re Docket No. HM-181, Notice No. 87.4

Hon. James H. Burnley,
Secretary of Transportation, U.S. Department of Transportation, Washington, DC.

Dear Mr. Secretary: We would like to express our concern to you about one aspect of the proposed rulemaking of the Research and Special Programs Administration regarding Performance-Oriented Packaging Standards. Our specific concern is the reclassification of anhydrous ammonia and the negative impact it is likely to have on our national farm economy.

Anhydrous ammonia is an important source of nitrogen fertilizer for American farmers, especially corn producers. The United States is the largest producer and exporter of corn worldwide. Corn farmers rely on anhydrous ammonia to produce this nitrogen-intensive crop. The proposed reclassification of this gas from a non-flammable to a poisonous substance would result in a price increase to farmers due to higher shipping and insurance costs without any assurance of improved safety in handling and distributing this fertilizer. This question of safety improvement is best addressed in the position paper of the American Farm Bureau Federation regarding this issue:

"The use of anhydrous ammonia as a fertilizer has always been treated with the greatest degree of respect and caution in the agricultural community. Changing the classification of the product will not improve safety or emergency response effectiveness in the event of an incident. Emergency response is keyed to the product, not product classification."

We do not object to the Department of Transportation's (DOT's) aim to create regulations that are consistent with international standards for transporting hazardous materials; we do, however, object to these regulations being adopted without fair consideration of the following factors:

The U.S. is the largest user in the world of anhydrous ammonia for fertilization purposes. Our farms therefore have the greatest stake in any decision to reclassify this gas on a national and international scale.

Canada, our largest trading partner in anhydrous ammonia, classifies this substance as a corrosive gas. With Canadian exports to the U.S. amounting to nearly one million tons per year, it would be in DOT's interests to consider creating a classification that is consistent with Canada's. The DOT's proposed change is likely to have a negative impact on this trade relationship.

A DOT proposal, prepared for presentation at the upcoming session of the Group of Rapporteurs, a subcommittee of the United Nation's Committee of Experts on the Transport of Dangerous Goods, would classify anhydrous ammonia as a poisonous gas in the international community. We urge you to consider changing your recommendation in light of the fact that adoption of this international standard would impact your current domestic rulemaking.

Lastly, those of us who have grown up in and around agriculture and have frequently used, transported and applied anhydrous ammonia for fertilizer purposes, as most farmers and handlers do, have great respect for this product and act accordingly in handling it. We do not believe the reclassification you request is necessary, but we would like to hear specifically of the problems in handling and transportation of this substance that the Department believes justifies this significant change in farming operational practice.

We understand that the Hazardous Materials Advisory Council has proposed creating a new classification for hazardous materials at the DOT. Under this proposal, anhydrous ammonia would be considered a corrosive gas—this classification would create a greater awareness of the risks posed by exposure to this material but would not instill unnecessary fear in the minds of those who transport it. As mentioned above, this would help continue our good trade relations with Canada.

We certainly hope you will seriously reconsider your proposed action and will take a look at all viable alternatives, especially in light of the impact that any change would have on American farmers.

With best wishes,

Sincerely,

David K. Karnes,
Jesse Helms,
Rudy Boschwitz,
Christopher S. Bond,
Robert Dole,
Thad Cochran,
Howell T. Heflin,
U.S. Senators.

U.S. Senate,
Washington. DC, February 24, 1988.

Hon. James A. Burley,
Secretary, U.S. Department of Transportation, Washington, DC.

Dear Mr. Secretary: We would like to express our concern about the effect on agriculture of the proposed reclassification of anhydrous ammonia from a non-flammable gas to a poisonous gas. This action is part of a proposal to adopt the classification scheme of the UN Committee on Experts on the Transportation of Dangerous Goods.

Reclassifying anhydrous ammonia as a poisonous gas would disrupt the economy in our farming sector without confering any tangible benefits. We are concerned that this action would result in increased costs for shipping, handling and marketing ammonia—costs that would likely be passed on to the farmer. It would also impose unnecessary burdens on handling ammonia on the farm and could result in farmers discontinuing the use of ammonia as a fertilizer.

Our farmers have an excellent safety record in handling ammonia and need no further regulation. We encourage you to carefully consider any change in the classification of anhydrous ammonia. The potential adverse impact on agriculture deserves serious examination before any changes are made.

Sincerely,

Quentin N. Burdick,
Kent Conrad,
U.S. Senators.

National Corn Growers Association,
Washington, DC, February 24, 1987.
Docket No. HM-181, Notice No. 87-4.
Dockets Branch,
Research & Special Programs Administration, U.S. Department of Transportation, Washington, DC.

Dear Docket Manager: The National Corn Growers Association (NCGA), representing the Nation's 1.2 million corn farmers, are deeply concerned about the proposed re-classification of anhydrous ammonia from a non-flammable gas to a poisonous gas and attempts to regulate the transportation of nitrogen fertilizer solutions as hazardous material.

The NCGA is supportive of the Department of Transportation's efforts to ensure safe transportation of hazardous materials. However, we believe that re-classifying anhydrous ammonia from a non-flammable gas to a poisonous gas would place a tremendous financial burden on American agriculture and specifically U.S. corn growers.

Anhydrous ammonia is the most widely utilized low cost nitrogen fertilizer source for the majority of corn growers, and has been credited with improving corn yields by more than 200 percent over the last 20 years. Anyhdrous ammonia accounts for approximately 45 percent of U.S. nitrogen fertilizer needs and is some 25 percent lower cost than other substitutable nitrogen or urea solutions. Subsequently, any unnecessary transportation regulations which would restrict the supply of anhydrous ammonia to corn farmers would have a tremendous adverse impact on their financial viability and productivity.

In addition to the negative economic and productive impacts on farmers, the re-classification of anhydrous ammonia solely as a poisonous gas may well significantly increase the cost of liability insurance for farmers, impede the exportation of corn to foreign countries which restrict the importation of foods treated with "poisonous" chemicals, as well as greatly increase the problems and costs associated with the transportation and storage of poisonous gases. All of these additional impacts would clearly be passed on to the farmers—at his expense.

In conclusion, the National Corn Growers Association supports the safe transportation of known hazardous materials. However, we strongly feel that re-classifying anhydrous ammonia as a poisonous gas is unwarranted, and would create a significant economic hardship to the Nation's corn growers.

We strongly urge your rejection of this proposed rule to re-classify anhydrous ammonia as a poisonous gas.

Thank you for your consideration.

Sincerely,

Keith Hora,
President,
National Corn Growers Association.

Mr. DeCONCINI addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DeCONCINI. Mr. President, I want to ask the chairman and ranking member. I believe my colleague from Arizona and myself are ready to proceed with an amendment. I yield to the junior Senator from Arizona.

AMENDMENT NO. 2552

Mr. McCAIN. Mr. President, I have an amendment at the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Arizona [Mr. McCain] for himself, Mr. DeConcini, Mr. Exon, and Mr. Harkin proposes an amendment numbered 2552.

Mr. McCAIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, insert:

Not later than 90 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall institute a rulemaking proceeding to consider the need for changes to the existing regulation concerning the allocation and transfer of "slots" held by air carriers and commuter operators at each of the four airports covered by the final rule regarding Slot Allocation and Transfer Methods at High Density Traffic Airports, published in the Federal Register on December 20, 1985. Included among the issues that shall be considered in this proceeding are (1) the overall effect of the existing buy-sell regulation upon new entry or limited incumbents at these four airports, (2) the effects of the recently-approved mergers and acquisitions upon the operation of the buy/sell program at these airports, (3) the competitive and fare implications of the utilization of slots for providing services to and from hub airports and on monopoly routes, (4) the effect of short-term leases of slots upon the ability of new entrants or limited incumbents to purchase slots at these airports, (5) the effect of the use of air carrier slots by commuter operators upon entry by air carriers at these airports, and (6) the variation in prices paid for slots since adoption of the buy/sell program. The Administrator shall take final action in this proceeding, including the promulgation of any resulting final regulations, not later than 270 days after the date of enactment of this Act.

Mr. McCAIN. Mr. President, on behalf of myself, Senator DeConcini, Senator Exon, and Senator Harkin, I propose this amendment. Basically, it is an amendment that would make appropriate at this time a rulemaking on the competitive access issue resulting from the buy-sell rule concerning slots at high density airports.

Mr. President, this amendment has been cleared on both sides. I think it is an important way to carry out the spirit of deregulation which characterized the airline industry in the late 1970's. Unfortunately, we are faced with a situation today where slots are concentrated in the hands of the largest air carriers with, for example, more than half of the slots at Washington National and LaGuardia held by Texas Air carriers and USAir, and United and American holding well over 50 percent of the slots at O'Hare.

The concentration levels have increased significantly at these airports, with the Herfindahl-Hirschman index at National and LaGuardia being in the concentrated range under the Justice Department's merger standards.

It has proven essentially impossible for a new entrant carrier to purchase a sufficient number of slots to initiate a viable service pattern at the high density airports. Indeed, no slots have been sold to new entrants at either LaGuardia or National in the last 2 years.

Virtually all of the slot transactions at these airports are short-term leases—that is, leases of less than 6 months, with most less than 3 months—which permit the incumbent carriers to retain control of the slots among themselves rather than surrendering them to the FAA under the use-it-or-lose-it rule.

Very few slots are ever forfeited to the FAA for reallocation to new entrants. In fact, there has not been a reallocation lottery in about a year, and the last lottery had very few slots for reallocation at either National or LaGuardia.

A petition seeking rulemaking on the competitive and access issues resulting from the buy-sell rule has been pending at the FAA for over 1 year, but the FAA has taken no action on the petition.

Under these circumstances, it is imperative that the FAA initiate a rulemaking proceeding to review the operation of the buy-sell rule and to assure that new entrants can obtain access to these airports.

I would like to thank my colleague from New York, Senator D'Amato, Senator Harkin, and Senator DeConcini, especially, for his assistance and efforts on behalf of this, I think, important amendment.

Let me say that Senator DeConcini and I have been concerned about the process of de facto reregulation. If, Mr. President, all of the slots in major airports across this country, are concentrated in the hands of the major airlines, over time we will see de facto reregulation. Deregulation has had many problems associated with it.

Ask any person who has spent a night in the Chicago airport, as I have on several occasions; ask any person who has seen their flights delayed time after time, and they will tell you that there are problems associated with deregulation. At the same time, I know of no one who would want to go back to the reregulated atmosphere that prevailed in the sixties and seventies because indeed millions more Americans have flown on commercial airliners at a far lower cost than during regulation.

I believe this amendment will ensure that we continue the path toward deregulation and allow all airlines, whether they be new or established airlines, the ability to compete in these very important markets.

With that, Mr. President, I yield, and again I appreciate the cooperation and assistance of the chairman of the authorizing committee, Senator HOLLINGS, chairman of the Aviation Subcommittee, Senator FORD, and others who have been helpful in making this amendment become a reality.

Again, my appreciation to my friends from New Jersey and New York who have agreed to this amendment.

I yield the floor.

Mr. DECONCINI addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. Mr. President, I thank my distinguished colleague from Arizona for the amendment and the compliments. I also want to particularly thank Senator HOLLINGS, Senator FORD, and Senator DANFORTH for clearing this amendment. The amendment would require the FAA to begin rulemaking within 90 days of enactment of the DOT appropriation bill and complete the rulemaking within 270 days.

As the Senator from Arizona pointed out, it is an equitable way to go. It is not taking or doing anything drastic, just directing the FAA to proceed with what they ought to do.

This amendment is identical to one offered by Senator MCCAIN in Commerce Committee 2 weeks ago and unanimously adopted as part of S. 1600.

When the Transportation Department decided to permit airlines to buy and sell landing rights at the four capacity-controlled airports—JFK, O'Hare, LaGuardia, and National—many argued that the slots would remain in the hands of the large incumbent airlines and new entrants would have a very difficult time obtaining entry at these airports. Indeed, the Senate voted at that time, 82 to 12, to repeal the buy/sell regulation.

Unfortunately, the worst fears have been realized. The lion's share of the slots are held by the major airlines. In fact, the carrier's slot holdings at National and LaGuardia are classified as concentrated within the meaning of the Justice Department's guidelines. And, new entrants simply cannot obtain a sufficient number of slots to begin a viable service pattern to these airports.

In the face of the compelling need to review the operation of this rule, the Transportation Department's response has been to stonewall. Over a year ago, a petition seeking the institution of a rulemaking proceeding to reevaluate the buy-sell rule was filed, and no action has yet been taken. In October, the Appropriations Committee, in its report accompanying the DOT appropriations bill, expressed its concern with respect to this problem, and urged DOT to give immediate attention to the slot situation at these airports. The issue was also raised during Secretary Burnley's confirmation process. And, Senators FORD, MCCAIN, EXON, KARNES, and myself have written to Secretary Burnley on several occasions to inquire as to the status of the petition and each time the response from DOT has been the same—we are studying the petition.

Mr. President, the time for studying this petition has long since passed. DOT must be required to conduct a rulemaking proceeding to consider the effects of this rule. I urge the Senate to adopt this amendment.

Mr. President, I particularly want to thank the distinguished chairman from New Jersey for his cooperation, the staff, Jerry Bonham, and others, and the distinguished Senator from New York [Mr. D'AMATO] for helping us work this problem out. I hope the chairman and managers can accept the amendment.

Mr. LAUTENBERG. Mr. President, I believe this is the same language that the Commerce Committee included in their markup of S. 1600.

Mr. DECONCINI. The chairman is correct. It is exactly the same language.

Mr. LAUTENBERG. As I believe the Senator mentioned, the chairman of the Commerce Committee, Mr. HOLLINGS, and the chairman of the Aviation Subcommittee, Mr. FORD, are aware of this amendment.

Mr. DECONCINI. They are aware of it and they have no objection, I am advised.

Mr. LAUTENBERG. I believe it has been cleared with the other side.

Mr. D'AMATO. Mr. President, that is correct. We are prepared to accept the amendment.

Mr. LAUTENBERG. There are no other objections to the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Arizona [Mr. MCCAIN].

The amendment (No. 2552) was agreed to.

Mr. DECONCINI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2553

(Purpose: To prohibit the closing of certain search and rescue operations of the United States Coast Guard prior to certain evaluations and recommendations with respect thereto)

Mr. DIXON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. FOWLER). The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON], for himself and Mr. SIMON, proposes an amendment numbered 2553.

Mr. DIXON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

SEC. . Notwithstanding any other provision of this Act, no funds appropriated to the Department of Transportation or the United States Coast Guard by this Act shall be used to carry out the closing of any search and rescue operation of the United States Coast Guard until after the expiration of the 90-day period following the date on which the Comptroller General of the United States reports to the Congress the results of his evaluation of the criteria used by the United States Coast Guard in determining whether or not to close out or curtail such operations, and his recommendations with respect thereto.

Mr. DIXON. Mr. President, earlier this year, the Coast Guard published a list of air and rescue stations they intended to shut down unless we in the Congress decided to increase the Coast Guard's funding. Although I was unfamiliar with most of the stations listed, I was intimately familiar with the only air rescue station on the list, Air Station Chicago commonly known as the Glenview Air Rescue Station. Quite frankly, I was extremely disappointed, although not surprised, to find Glenview's name on the list.

I was disappointed because Glenview provides essential safety protection for the Chicago area's skies and waters. In total, its helicopters are responsible for protecting a 10,000-square-mile area. Every year, the brave men and women of Glenview save over 20 lives from the often perilous waters of Lake Michigan.

I was not surprised by the Coast Guard's decision because they have threatened to close down Glenview before. They claim that the Chicago area can be just as well served by helicopters stationed in Traverse City, MI. Chicago, they assert, just does not have the case load necessary to justify its existence.

Their argument ignores the fact that it takes a helicopter over 2 hours to travel to the Chicago area from Traverse City. Two hours makes a big difference to a downed pilot or sailor struggling to keep from drowning in the lake. Their argument also ignores the fact that Chicago is home to the world's busiest airport, O'Hare International Airport, and to two other very busy airports—Midway and Meigs Field.

The majority of commercial flights to and from these airports, at some point pass over the lake. Their argument ignores the continuing increase in boating slips for the Chicago, Indiana, and Wisconsin area. Air and boat traffic in the Chicago area are growing. Finally, their argument ignores the fact that the Chicago Fire Department, which has operated several rescue helicopters of its own, can no longer afford to continue its air rescue operations. There will be substantially less air rescue capability in the very near future. The area's need for the Glenview Air Rescue Station is increasing dramatically.

Why, then, does the Coast Guard claim that the Glenview station is no longer necessary? They base their claim on Glenview's case load or performance. Due to various factors, Glenview's case load has dragged behind other air rescue station case load's. Fortunately, Glenview's personnel are not called upon, as often as other stations, to rescue downed pilots and boaters in trouble.

I understand and sympathize with the Coast Guard's budgetary dilemma. Like many other parts of the Government, they are expected to do more and more with less. In fact, I have strongly supported providing adequate funding for the Coast Guard. However, I am unmoved by the argument that Glenview should be the first air rescue station closed because their case load is too low. While an air station's case load should be a factor, other criteria, such as the area's population, air traffic, and economic and geographic needs for such a station should be included in the Coast Guard's final determination.

Consequently, I am offering an amendment, along with my distinguished colleague from Illinois, Senator SIMON, which would direct the General Accounting Office to evaluate the criteria used to determine whether or not to close down an air rescue station and to make recommendations as to how to make this criteria more compatible with the mission of air and rescue stations—that is, their ability to prevent injury and to save lives.

Mr. President, I do not want to be disappointed by the Coast Guard's decisions in the future. Hopefully, this amendment will help the Coast Guard make better and more informed decisions. I urge my colleagues to support this needed measure.

Mr. President, this amendment has been agreed to by the managers of the bill, the distinguished Senator from New Jersey [Mr. LAUTENBERG] and the distinguished Senator from New York [Mr. D'AMATO].

Mr. SIMON. Mr. President, in accordance with the amendment submitted by my good friend and colleague, the senior Senator from Illinois, Senator DIXON, regarding Coast Guard Air Station Chicago; I want to say once again I am reminded that lives will be lost if Admiral Yost of the Coast Guard decides to close Coast Guard Air Station Chicago.

Coast Guard Air Station Chicago is the only on-the-water helicopter rescue service in the southern Lake Michigan region. It covers roughly 10,000 square miles of Lake Michigan in four States: Michigan, Illinois, Indiana, and Wisconsin. Not only is there a surge in recreational boating in the region, but it is under the most crowded airspace in the world. It is the most densely populated area in the Midwest with 10½ million people.

Recently, the Coast Guard's HH-52A helicopter, responding to a distress call in 15 minutes, must have been a welcome sight to the pilot downed in Lake Michigan. Contrast that with over 2 hours of helicopter launch and flight time from Traverse City, MI, the next nearest Coast Guard air station. Since the cold Lake Michigan water is a year round hazard, the Traverse City helicopter would be virtually useless when minutes count.

The purpose of a Coast Guard air station is to be ready for potential emergencies, to provide that rapid response coupled with the unequaled ability to locate and rescue distressed persons in all types of weather and visability. I wish we had had Coast Guard Air Station Chicago on August 16, 1965 when a United Airlines Boeing 727, within 15 minutes of landing at O'Hara Airport, went down in Lake Michigan near Highland Park. All aboard that plane were lost.

The decision to close the air station and to use its funds for other purposes remains entirely in the hands of the administration. According to the Washington Post—Friday, June 3—it costs the Coast Guard an average of $2 million per vessel for one drug seizure. It only costs the Coast Guard $2.78 million to operate Air Station Chicago for an entire year.

The Coast Guard has served us well in the past, and the costs of military salaries, enlarging the drug interdiction mission, and operating new facilities have grown considerably; but safety of life at sea is still the Coast Guard's primary peacetime function. In this case, safety seems to have taken a back seat in the administration's budget priorities.

I have supported a transfer of funding from the Department of Defense to the Coast Guard operations in fiscal year 1989. It amounted to $108 million for fiscal year 1988. However, the President only requested $6 million for the Coast Guard operations from DOD and assumed, even though Congress provided for additional Coast Guard funding that the closures of Air Station Chicago and other essential search and rescue and support facilities would be permanent.

Senator DIXON and Congressman PORTER have joined me in requesting a General Accounting Office study of the Coast Guard's rationale for closing this station without considering factors such as the 10½ million population affected; a surge in recreational boating activity in southern Lake Michigan; helicopter response time; and the increasingly dangerous airspace in the Chicago region, the second busiest in the Nation.

We have been supporting the additional operating funds which the Coast Guard needs at this time without any guarantee from the Coast Guard that Air Station Chicago will remain open. An active auxiliary among the thousands of local boaters and a better safety record last year should be a reason to celebrate, not to close the only Coast Guard air station in the region.

Mr. LAUTENBERG. Mr. President, we have worked with the two Senators from Illinois on developing this amendment. We think it is a good amendment and know of no objection. I urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2553) was agreed to.

Mr. DIXON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DIXON. Mr. President, I thank the managers.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from New Jersey [Mr. LAUTENBERG] is recognized.

AMENDMENT NO. 2554 TO THE COMMITTEE AMENDMENT ON PAGE 5, LINES 1 THROUGH 3

Mr. LAUTENBERG. Mr. President, I sent to the desk an amendment to the committee amendment on page 5, lines 1 through 3, and ask for its immediate consideration in that connection.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> The Senator from New Jersey [Mr. LAUTENBERG], for himself, Mr. HATFIELD, Mr. METZENBAUM, Mr. MITCHELL, Mr. PELL, Mr. COHEN, Mr. WILSON, Mr. CHAFEE, and Mr. PROXMIRE, proposes an amendment numbered 2554 to the committee amendment on page 5, lines 1 through 3.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 5, at the end of the Committee amendment beginning on line 1 relating to Coast Guard environment protection activities, add the following: *"Provided further,* That, within available funds, the Coast Guard shall reopen and maintain the Coast Guard search and rescue stations located at Shark River, New Jersey; East Port, Maine; Block Island, Rhode Island; Ashtabula, Ohio; North Superior, Minnesota; Lake Tahoe, California; Kennewick, Washington; Kauai, Hawaii; and Mare Island, California and reactivate the Coquille and Rogue River Patrols in Oregon: *Provided further,* That within available funds, the Coast Guard shall maintain the Coast Guard search and rescue station located at Bayfield, Wisconsin on a year-round basis.

Mr. LAUTENBERG. Mr. President, that amendment is sent to the desk is on behalf of myself and Senators HATFIELD, METZENBAUM, MITCHELL, PELL, COHEN, WILSON, CHAFEE, and PROXMIRE.

Mr. President, this amendment reactivates certain Coast Guard river patrols and the nine search and rescue stations closed by the Coast Guard this fiscal year. It also restores the station at Bayfield, WI to 12-month operations. These cutbacks are assumed in the President's fiscal year 1989 budget.

There has naturally been a great deal of concern about the safety impact of the decommissioning of these facilities. I know from direct personal experience how important many of my constituents consider Station Shark River, notwithstanding the Coast Guard's assurances that equivalent coverage is being provided from adjacent stations. I have also heard from several of my colleagues about the problems these closures have caused in their States.

Fortunately, it now appears that the total funding that the Congress is going to provide the Coast Guard, in this and other bills, will make it possible to reactivate these installations and the Oregon River patrols. Of all the cost cutting measures assumed in the budget, these are clearly the most directly related to the Coast Guard's safety mission. So these services should be restored as soon as possible from anticipated savings from deployment slippages and tighter management.

The House addressed this matter in a floor amendment to the Coast Guard capital account. My amendment provides directly for the restoration of these activities under the operating expenses appropriation, where they are usually funded.

Mr. President, I know of no objection to this amendment and I ask that it be adopted.

RESTORATION OF EASTPORT, ME COAST GUARD STATION

Mr. MITCHELL. Mr. President, I am pleased to join the Appropriations Committee as a cosponsor of the proposed amendment to reopen in fiscal year 1989 the group of especially important Coast Guard search and rescue stations which were closed earlier this year.

The amendment includes the Coast Guard station in Eastport, ME, and fulfills a pledge I made to residents of Washington County to do everything necessary to restore for them a vital Coast Guard presence.

The Eastport, ME station is uniquely and strategically located near the Canadian border, and is critical both to marine safety and drug interdiction. Without the Eastport station, the nearest Coast Guard search and rescue facility is over 4 hours away.

When the station was closed this past year, Maine's northernmost coast became the only area along the contiguous coastline of the United States which could not be reached by rescue boats, in the event of an emergency, within 2 hours. That condition is unacceptable.

The Eastport Coast Guard Station is important to Maine's fishermen, and to significant commercial shipping traffic in the area. In particular, large vessels travel through the area enroute to the Canadian port of Bayside. The rugged coastline contains many remote sections, which are often shrouded in heavy fog. There is an urgent need for constant vigilance, and a need for quick response in case of any emergency.

The Eastport Coast Guard Station represents the difference between life and death, and safe passage or disaster, at any given time. Closing the facility was hardly worth the estimated $327,000 in budget savings which occurred earlier this year. These savings are not worth the risk to human life.

I am pleased to join the committee in cosponsoring this amendment to correct the shortsightedness of the administration in closing these Coast Guard stations. I urge the amendment's adoption.

COAST GUARD OPERATIONS STOPS

Mr. HATFIELD. Mr. President, I rise in support of the amendment offered by Senator LAUTENBERG, the chairman of the Transportation Subcommittee. Recent tragic events in my State compel me to urge the adoption of this amendment.

Like many other Senators, I was dismayed to learn last January that the Coast Guard was curtailing 52 operations at various sites around the country. While I understood the Coast Guard's reasons, I feared that the action could have tragic consequences. Unfortunately, that has proved to be the case.

Two of the operations canceled this year were summer patrols on the Coquille and Rogue Rivers in Oregon. The two communities most affected by this action were Bandon and Gold Beach, respectively.

Over the past decade, patrols on these rivers had been drastically cut from 24-hour summer service to just 12-hour-per-day service on weekends and holidays between July 4 and Labor Day. At the same time as the Coast Guard was reducing its service, the number of vessels using the Port of Bandon increased dramatically following the opening of a new boat basin in 1984.

As we all know, the Coast Guard has been recruited to fight the war on drugs. Because of dwindling resources, most drug interdiction activity has come along our southern borders. However, Oregon ports have witnessed a dramatic increase in drug trafficking in recent years. A resumption of river patrols will act as a deterrent to those who would move drugs through Bandon and Gold Beach, sites of two of the largest drug busts in Oregon history.

The main function of the river patrols was to provide search and rescue missions, but in addition, the Coast Guard river patrols took steps to prevent accidents from happening.

These activities included observation of the bar, prevention of initial hazardous crossings of the bar, assistance during the bar crossings and providing weather forecasts and alerts. While the Coast Guard provided alternative search and rescue service following the cutback, there is no substitute for having trained personnel at proven hazardous locations.

In eliminating the river patrols, the Coast Guard continued to provide search and rescue service using helicopters based in Coos Bay. There is no question that helicopters can respond relatively quickly to emergencies, but with the cold waters of the Pacific inducing hypothermia within 30 minutes, there is little margin for error. In fact, the Coast Guard did save two Bandon residents in March when their boat capsized while trying to cross the bar. Not everyone is as lucky.

Last month five Oregon residents died in two separate accidents; one near Bandon and the other near Gold Beach. While some may argue that even the river patrols may not have been able to save the victims, we will never convince the boaters there that a Coast Guard presence in the area is unnecessary.

Perhaps the greatest tragedy of these two incidents is that it took five deaths to bring this matter before the Congress. Although I do not wish to micromanage Coast Guard activities, I cannot stand by and watch more Oregonians die knowing that we did not do all we could to prevent future accidents. For that reason, I support this amendment, as well as adequate funding for Coast Guard operations in fiscal year 1989, and urge other Senators to do the same.

Mr. PELL. Mr. President, I strongly support and am very pleased to cosponsor the amendment offered by my distinguished colleague from New Jersey [Mr. LAUTENBERG], which would require the U.S. Coast Guard to shift $4.8 million in funding to reopen the nine Coast Guard search and rescue stations, including the station on Block Island, RI, that were closed because of budgetary constraints earlier this year.

When the U.S. Coast Guard announced in January their plans to close the search and rescue stations, I strongly opposed this action, and on several occasions urged the Coast Guard to reverse their decision on the basis of the threat these closings would have on thousands of Americans who enjoy recreational boating and fishermen who depend greatly upon the Coast Guard on a daily basis.

I was very pleased when the Coast Guard agreed at my suggestion, to mothball the Block Island station instead of stripping it of equipment and selling it, so that the facility could be reopened when more Federal funding would be available.

Mr. President, the impact of the Coast Guard search and rescue closings was felt immediately in Rhode Island, most specifically by the many fishermen and recreational boaters who navigate the waters surrounding Block Island, as well as the residents of Block Island who rely upon the Coast Guard for emergency transportation to the mainland when weather conditions prevent aircraft from flying.

The impact of the Block Island USCG station closing is even more dramatic when one considers that the island provides safe harbor for more than 1,000 pleasure craft during the busy summer months. This activity alone generates more than 200 calls for Coast Guard search and rescue assistance. Most importantly, the Block Island station has over the years been responsible for saving the lives of approximately 12 individuals annually.

Mr. President, I recognize that the Coast Guard like many other Federal agencies is under significant fiscal pressure especially as a result of the Gramm-Rudman Act, and the budgetary cuts required by the Congress late last year. At the same time, the administration and the Congress in earlier years continue to assign additional responsibilities to the Coast Guard, particularly in the drug enforcement area without providing the appropriate level of funding for these added responsibilities.

It was certainly understandable that the Coast Guard would have to make reductions in spending. As a retired captain in the Coast Guard Reserve however, I do not believe these funding cuts should have been in the critical search and rescue area.

Therefore, Mr. President, I strongly support the efforts of the chairman of the Appropriations Subcommittee on Transportation and Related Agencies (Mr. LAUTENBERG), to require the U.S. Coast Guard to reopen after October 1, 1988, the nine search and rescue stations, including the facility on Block Island, that were closed earlier this year.

I urge my colleagues to support this amendment as part of the fiscal year 1989 transportation appropriations. The reopening of these facilities will contribute immeasurably in the saving of lives of commercial fishermen and recreational boaters, as well as the residents of isolated areas including Block Island who rely heavily upon U.S. Coast Guard search and rescue operations during emergencies.

Mr. CHAFEE. Mr. President, earlier this year I was extremely disappointed to learn that, due to budget cuts, the Coast Guard was planning to close nine search and rescue stations, including the Coast Guard search and rescue station on Block Island in Rhode Island. Senator PELL and I met with the commandant of the Coast Guard, Admiral Yost, for more than an hour to determine if any way could be found to avoid closing these stations. The answer, unfortunately, was that given budgetary constraints, that was the only viable alternative.

Since that time, Mr. President, I believe that Congress and the general public have reassessed the importance of the Coast Guard. Not only does the Coast Guard play a critical role in providing aids to navigation and in rescuing troubled mariners, but also they are instrumental in interdicting drug traffickers invading our country. Accordingly it has been recommended by the administration that the Coast Guard receive full funding so it can accomplish its many missions.

The amendment being offered by my distinguished colleague from New Jersey, Senator LAUTENBERG, will require the Coast Guard to take $4.8 million from operating expenses to reopen the nine search and rescue stations which have just recently been closed. For the people of Block Island, this is very good news. This means that during inclement weather, a Block Islander sufffering a medical emergency will be able to rely on the Coast Guard for transportation to the mainland. Ships experiencing trouble in the vicinity of Block Island will not have to wait 45 minutes or longer for a Coast Guard cutter to arrive from Newport or Point Judith.

I am delighted that this amendment, which mirrors a similar amendment in the House appropriations bill, will reopen the Block Island Coast Guard Station and other stations. This amendment will make a difference in the lives of those people who rely on the Coast Guard for safe passage on our coastal waters.

I am pleased to be a cosponsor of this amendment.

Mr. PACKWOOD. Mr. President, I rise today in support of the Lautenberg amendment to the fiscal year 1989 transportation appropriations bill (H.R. 4794) which proposes to reopen six Coast Guard stations nationwide and restore two search and rescue [SAR] patrols on the Coquille and Rogue Rivers in my home State of Oregon.

When agency budgets are drafted and appropriation bills passed to fund various functions in agencies, many important decisions are made as to what should be funded and by how much. In a decade of belt-tightening and budgetary red ink, there is not one legislator who can claim that his or her State or district has remained untouched by these decisions. What you do hope, however, is that a claim can be made that your State wasn't disproportionately affected by those decisions. So, while we may not like a decision at one time or another, we believe the system is fair. And, Mr. President, I have a lot of respect for this system.

For several years past, I have worked closely with the U.S. Coast Guard in times of reduced budgets to ensure Oregon would not be disproportionately affected. I was greatly concerned and disappointed when the

Coast Guard ultimately decided to stop the Coquille and Rogue River patrols early this year. While one life lost is too many, we were told that the numbers of lives saved and/or rescued by the Coast Guard in those areas represented "an exceedingly low level of activity for Coast Guard facilities and, it represents an unacceptably poor use of resources at a time when these resources are so badly needed elsewhere." Efforts were made to see that the numbers used to make these decision were consistent in the eyes of the local community and the Coast Guard. I appreciate the professionalism of the Coast Guard and the understanding of my constituents during that difficult process.

Nothing brings home the need for this amendment more than the fact that five of my constituents drowned in the affected areas within the last month. Two died trying to cross the Bandon Bar at the Coquille River, and three others drowned after their skiff capsized just south of Gold Beach. Each time, the Coast Guard made unsuccessful rescue attempts. Upon hearing of the accidents, I requested that the Coast Guard provide me with information surrounding the drownings.

There can be no comparison between the cost of keeping local search and rescue patrols open with the loss of human life, particularly when such losses may have been preventable. Having a local patrol on hand could mean the difference between life and death in boating mishaps, situations in which every second counts.

If there is any one responsible action we can take today, it is to approve this amendment which will help save the lives of Oregonians and others around the country. I sincerely hope the Senate will see fit to adopt this legislation. Thank you.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Jersey.

The amendment (No. 2554) was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. D'AMATO. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LAUTENBERG. Mr. President, I move the adoption of the committee amendment, as amended.

The PRESIDING OFFICER. Is there further debate?

If not, the question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. D'AMATO. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New York, Mr. MOYNIHAN, is recognized.

AMENDMENT NO. 2555

Mr. MOYNIHAN. Mr. President, I send an amendment to the desk for myself and Mr. D'AMATO and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN], for himself and Mr. D'AMATO, proposes an amendment numbered 2555.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Notwithstanding any other provision of law, none of the funds appropriated in this, or any other act, shall be available for obligation by the Secretary of Transportation, unless the Secretary implements a program *not* to reduce apportionments under section 154, Title 23, United States Code for noncompliance with subsection (f) of such section during fiscal years 1987 and 1988, and until September 30, 1989."

Mr. MOYNIHAN. Mr. President, this is an elemental matter on which I believe there will be agreement on both sides; from my distinguished colleague from New York, who is managing the bill on the one side of the aisle and Senator LAUTENBERG, and from my friend and fellow committee member on the other side.

An anomaly exists in present law, Mr. President, which is, in the Highway Act of 1987, we allowed States to raise their speed limits on rural sections of the Interstate Highway System from 55 to 65 miles per hour at their option, we omitted to change the law which says that the Department of Transportation will see whether States are complying with the higher speed limits and would be penalized if they failed to do so.

It happens that three large States—New York, North Dakota and California—have been sanctioned under the existing program, while States that have gone to 65 have escaped any requirement to comply on those roads posted at 65 miles per hour. New York has chosen for reasons of safety not to go to 65, and is being penalized for it. Recent and quite questionable measurements, if that is the word, by the Department of Transportation indicate show that these three States are not in compliance with the 55-mile-an-hour speed limit and, therefore, they are subject to a loss of 10 percent of their highway funds from certain highway accounts, when they have the complete option to move their speed limit to 65, in which event their present behavior would be entirely in conformity.

Mr. President, this is a matter that the Subcommittee on Water Resources, Transportation, and Infrastructure has to straighten out. My good friend from Idaho, Mr. SYMMS, is very active on that subcommittee. He is concerned about the States, particularly large Western States, who have difficulties with the present arrangement. I am concerned about the methodology. We have asked the General Accounting Office to give us their assessment of the methods by which these average speeds are assessed.

In the meantime, I mean to hold hearings. If all goes well this fall I should be, once again, ranking member of the committee and chairman of this subcommittee, and I mean to hold hearings and try to get a rational policy. We have had the complete understanding from the Department of Transportation officials that the present arrangement makes no sense, although they have been of little help in fixing it.

So what this small amendment does, it simply suspends the penalties for a year in order that the Congress can work its will with respect to this present mixed regime where you have States with speed limits of 55 and 65.

I should comment that New York is presently facing the threat of losing $22 million in highway funds for noncompliance with the currently used system. California may lose $28 million, and North Dakota, $3 million. Other States are also quite close to noncompliance—Florida, for example, showed 49.9 percent of cars measured on roads posted at 55 were speeding. They are alright for now, but who can say about next year?

I wish to express in advance my appreciation for the cooperation of my friend and colleague, Senator D'AMATO, in this matter and, of course, of our neighbor and friend, Mr. LAUTENBERG.

Mr. D'AMATO. Mr. President, let me at this time thank our distinguished colleague from New Jersey who, while not cosponsoring this legislation and having some of his own concerns, has worked out what I think to be a tremendous compromise.

Senator MOYNIHAN has stated very articulately the unfairness and the unevenness of the application of law as it now stands. This will give us an opportunity, and his subcommittee in particular, to deal with that deficiency and, by the same token, not cost the State of New York $22 million in Federal highway aid if it were to be carried out in what is a most unfair and illogical manner.

We are deeply appreciative of Senator LAUTENBERG's movement in this area to make this opportunity so that New York is not penalized $22 million, also I have to recognize Senator SYMMS. Senator SYMMS is to be congratulated for making it possible to forge this compromise which has been advanced today by Senator MOYNIHAN.

Mr. LAUTENBERG. Mr. President, it is, I think, well known that I oppose increases in speed limits. The 55-mile-an-hour speed limit saved 36,000 lives since 1974. It prevented between 2,500 and 4,500 serious injuries each year. The statistics show that speed kills. The unfortunate situation is that a majority in this body does not agree but, nevertheless, that is my view.

However, I believe that this amendment will give the Congress a chance for a serious review of the process of enforcement. It will allow the authorizing committees to review the situation and take appropriate action. Toward that end, I have introduced legislation to improve speed limit enforcement. I am not a cosponsor of this amendment but, I agree that Senator MOYNIHAN and Senator D'AMATO have made a proposal that, although I object to any weakening of speed limit laws, ought to get fair consideration, and I have no objection.

Mr. MOYNIHAN. Mr. President, may I make the point, which the distinguished managers would confirm, that California and North Dakota are also in this anomalous situation. We will work it out.

With great thanks to the distinguished managers, Mr. President, I ask for the adoption of the amendment.

The PRESIDING OFFICER. Is there further debate?

If not, the question is on agreeing to the amendment of the Senator from New York [Mr. MOYNIHAN].

The amendment (No. 2555) was agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LAUTENBERG. We are presently waiting for Senator RUDMAN, Senator WARNER, and Senator BUMPERS. They expect to be here at 11:30. Without any requests for the floor, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SYMMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2556

(Purpose: To amend the Federal-Aid Highway Act of 1987 to establish a priority project)

Mr. SYMMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Idaho [Mr. SYMMS] proposes an amendment numbered 2556.

At the appropriate place in the bill add the following new section:

SEC. . Section 149(k)(1) of the Federal-Aid Highway Act of 1987 is amended by adding paragraph (U) as follows:

"(U) EASTPORT TO HOMEDALE, IDAHO.—The Secretary is authorized to carry out work on the United States Route 95 highway in the State of Idaho from Eastport, Idaho, to Homedale, Idaho".

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Mr. President, this amendment will cost no additional funds, any more than Idaho would be appropriated under the regular formula process. It would only add to the flexibility of the Idaho Department of Transportation to be able to prioritize this very important section of road in our State.

I thank the distinguished managers of the bill for accepting the amendment.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, as the Senator from Idaho indicates this has no cost involved with it and we have no objection on this side.

Mr. D'AMATO. Mr. President, as the distinguished manager has indicated there are no objections on this side.

Mr. SYMMS. The authorizing committee has no objection to this.

The PRESIDING OFFICER. Is there any further debate on this amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2556) was agreed to.

Mr. SYMMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LAUTENBERG. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, parliamentary inquiry. Are we at that point in proceedings where the Pastore rule kicks in?

The PRESIDING OFFICER. The Chair will consult with his counsel before rendering the ruling.

We are checking the time. The Pastore rule is in effect.

Mr. LEAHY. Mr. President, in any event I ask unanimous consent that I might be allowed to proceed for 10 minutes as in morning business.

The PRESIDING OFFICER. Is there objection?

Mr. LAUTENBERG. Mr. President, reserving the right to object, I wonder whether the distinguished Senator from Vermont might be able to make his statement in less than 10 minutes if required to move the transportation appropriations bill?

Mr. LEAHY. I understand. Mr. President, I will try to be as brief as I can but I know the distinguished Senator from Indiana also wishes to speak on the same subject. The subject is the drought. It is for the purpose of introducing drought relief legislation which will be the subject of a hearing this afternoon on whether to have expedited procedures. This is why I wanted to step in at this point, if the two of us might, for just a very few minutes.

Mr. LAUTENBERG. If that is the case, Mr. President, I do not think I would object. We have an 11:30 commitment from those who want to speak to an issue on the transportation appropriations bill. But knowing that I will have the cooperation of the Senator from Vermont and if necessary we will take the opportunity to try to interrupt, I otherwise have no objection.

The PRESIDING OFFICER. Hearing no objection, the Senator from Vermont, Mr. LEAHY, is recognized for 10 minutes.

Mr. HEFLIN. If the Senator will yield, I would like about 2 minutes. I want to praise the bipartisan effort on the part of the chairman and ranking Republican member relative to the drought legislation.

Mr. LEAHY. I am sure the distinguished Senator from Indiana and I would be most happy to give you time for that express purpose. In fact, if you needed more time than that we would be happy to have you do that.

The PRESIDING OFFICER. The Senator from Vermont controls.

(The remarks of Mr. LEAHY and others pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, I would be happy to yield to the manager if he wished to make a comment. Otherwise, I would like to initiate a colloquy on certain provisions in this bill which I understand the managers will join, the Senator from Arkansas and my distinguished colleague from Virginia, Mr. TRIBLE.

Mr. President, last week I brought to the Senate's attention certain

thoughts on the controversy surrounding the development of a parcel of land known as the William Center adjacent to the Manassas National Battlefield Park. I would like again today to discuss this question in the context of the language in the transportation appropriation bill.

There are five main interests, as I view it, in this controversy.

First, the State of Virginia which has authority to determine its own transportation priorities and which has jurisdiction over Interstate 66 and Routes 29 and 234 that bisect the park; I recently wrote the Governor of Virginia advising him of the pending legislation in the Senate and the House.

At this point in the RECORD, Mr. President, I ask unanimous consent to have printed the letter to the Governor of Virginia.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
June 28, 1988.

Hon. GERALD BALILES,
Governor, Commonwealth of Virginia, Richmond, VA.

DEAR JERRY: As you are no doubt aware, considerable controversy has arisen regarding planning options for varied types of development on a parcel of property known as William Center adjacent to the Manassas National Battlefield Park (Park).

In the FY 1989 Transportation Appropriations bill, H.R. 4794, the House of Representatives has included language which broadly states:

". . . none of the funds provided by this Act or any previous or subsequent Act shall be used to plan, design, construct or approve an interchange or any other highway facility providing access to or from certain highways in the vicinity of Manassas Battlefield Park." (p. 134, House Report 100-691)

On June 15, 1988 I requested that the Senate Subcommittee on Transportation Appropriations include $40 million for the planning, design and construction of the Route 234 Bypass and an interchange with Interstate 66. On July 24, 1988 I requested that the Senate Committee on Appropriations recommend $2.8 million for planning and design of the Route 234 Bypass, interchange with Interstate 66 and lane improvements on Interstate 66. Both of these amendments were to serve as a substitute to the above referenced House language. I enclose for your information a copy of my letter to Chairman Lautenberg and the amendment before the full Appropriations Committee.

In my judgment, I failed to receive support for these amendments because the record on this issue before the Senate is inadequate. I am endeavoring to build a record in the Senate on the William Center tract adajcent to the Manassas National Battlefield Park.

The Senate Appropriations Committee has slightly modified this language by deleting the prohibition on planning and design of these transportation improvements, but maintains the legislative restriction on the Commonwealth of Virginia's use of Federal highway funds for constructing or approving any such improvements near the Manassas National Battlefield Park.

Please find enclosed a copy of the pertinent bill and report language for your analysis.

Today I am writing to Senator Dale Bumpers, Chairman, Senate Subcommittee on Public Lands, National Parks and Forestry to request hearings on the proposed Manassas National Battlefield Park prior to consideration of the Transportation Appropriations bill by the full Senate. A copy of my letter to Chairman Bumpers is enclosed. I intend to take an active role in the debate on the Transportation Appropriations bill as it related to Manassas, and I believe it is vital that a Senate hearing be conducted prior to the debate.

The Transportation Appropriations bill is expected to come before the full Senate in the next few weeks, and I would appreciate your comments on the effect of this provision on the Commonwealth's ability to meet Prince William County's most pressing transportation needs.

With kind regards, I am
Sincerely,

JOHN WARNER.

Mr. WARNER. Mr. President, as yet, I have not heard back from the Governor. But I stand as a Virginia Senator, together with my distinguished colleague, Mr. TRIBLE, to point out that the State has very definite interests as affected by this particular provision in the bill.

The second main interest is Prince William County, an integral part of State government which has the authority to expand its tax base to provide services to its citizens, and to determine its own economic future.

The third interest is the historic and scenic integrity of a national park which must be protected, and that is a trust that all of us share equally.

The National Park Service and other experts is in the field of historic preservation must have an opportunity to discuss the significance of this property.

The fourth interest is the Federal taxpayer as represented not only by the Congress but the Department of the Interior, the Department of Transportation, as that Department has jurisdiction over the costs of our roads. They must present to the Senate their opinions on the priority, land acquisitions, and transportation needs of the Manassas Battlefield National Park.

The fifth interest—the owners of the property who have exercised their rights within the American free enterprise system to purchase the property and plan its development in accordance with Federal, State, and local relations.

Given that there are these five parties, I have undertaken an intense study of this problem. I have been involved in it since I first came to the Senate in 1979. But in the context of the one that I term, and others, "the third battle of Manassas," I recently made two on-site inspections, the second with the distinguished chairman from Arkansas, and I have listened to representatives of each of the five basic interest groups that I have outlined. I have had many consultations with Members of this body, and several with the House.

I believe it is the responsibility of the Senate to compile a complete record on the complex issues involved, analyzing all legislative options including acquiring part or all of the property, restricting the scope of development on the property, allowing development of part or all of the property, and preserving the historical value of this treasured national park.

I have consulted with the distinguished chairman of the subcommittee of the Energy Committee and I have asked by letter that a hearing be held.

I ask unanimous consent that my letter to the chairman be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
June 28, 1988.

Hon. DALE BUMPERS,
Chairman, Subcommittee on Public Lands, National Parks and Forests, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to follow-up on our conversations regarding the extensive controversy which has arisen regarding planning options for varied types of development on a parcel of property known as the William Center adjacent to the Manassas National Battlefield Park (Park). In my judgment, Congress must act promptly, and I outline herein the options as I see them.

You will recall that in 1980, with your assistance as Chairman of the Subcommittee on Public Lands, National Parks and Forest, we were successful in resolving a longstanding stalemate over many proposals to expand the Park's boundaries. With your assistance, my bill providing for the addition of some 20 percent more land to the Park passed the Senate and became law (P.L. 96-442).

It is important to note that in 1980 the William Center parcel of land was not included in either the House or Senate-passed legislation, or in the conference report which became Public Law 96-442, October 1980. Although considered, this parcel was specifically excluded from legislation at the request of the Prince William County Board of Supervisors, which expressed its strong desire to retain this tract for development, in a manner compatible with the integrity of the Park. The record reflects no strong opposition from the National Park Service or preservationists to the exclusion of this tract at the request of the County government.

In addition to enlarging the size of the Park to a total of 4,520 acres, a key feature of the 1980 legislation was to address the need to provide a reliever route to reduce or eliminate traffic on Routes 29 and 234 through the Park (Sec. 2(c), P.L. 96-442). This proposed reliever route, the Route 234 Bypass, was specifically included with the idea in mind of protecting the Park from traffic degradation not due to visitation. Regrettably, the construction of the Route 234

Bypass north of Interstate 66 to Catharpin has not occurred to date.

This second major controversy revolves around options concerning the William Center tract. The County refers to this tract as the "centerpiece" of their future plans for economic development. The controversy, in part, over this parcel can be traced back to the decision of the County Board to rezone the property for mixed-use commercial development in October, 1986. It is pursuant to the County's action that the current plan for developing a shopping mall, office park and residences has proceeded.

Opposition to this development has brought forth a number of legislative proposals in the House of Representatives. One approach was to include language in the FY 1989 Transportation Appropriations bill prohibiting the Commonwealth of Virginia from using any Federal highway funds for transportation improvements in the vicinity of the Manassas National Battlefield Park.

In responding to the House Appropriations Committee action on June 15, 1988, I suggested that the Senate delete the House language and include $40 million for the planning, design and construction of the Route 234 Bypass and an interchange with Interstate 66 within the framework of a negotiated settlement. Enclosed is a copy of the proposed amendment and my letter to Chairman Lautenberg.

I was advised informally that this could not be accepted, so on July 24, 1988 I suggested a modified approach to this complex problem. I requested that the Senate Committee on Appropriations recommend $2.8 million for planning and design of the Route 234 Bypass, an interchange with Interstate 66 and lane improvements on Interestate 66 again, within a framework of a negotiated settlement. Since the Appropriations Committee did not have time to review the entire magnitude of this controversy, it declined to act on my amendment.

In final action, the Senate Appropriations Committee, as you well know, slightly modified the House prohibition of funds. In my judgment, however, this bill language continues to restrict improperly the right of the State of Virginia to address its most urgent transportation needs and further, the prohibition fails to address directly the appropriate use of this property.

Virginia's Governor Gerald Baliles has made transportation issues a high priority of his Administration, and I have worked with him to achieve the State's goal. Therefore, I must oppose the language in both the Senate and House versions of the Transportation Appropriations bills which would prevent the State of Virginia form moving ahead to meet the urgent transportation needs around the Manassas National Battlefield Park.

If this language becomes law, and it remains the only action the Senate takes on this problem, then the development of the William Center could occur without any transportation improvements. The result would be increased traffic on Route 29 and Route 234 within the Park boundaries, which are already over-burdened as commuter arteries.

Also, if this language becomes law, then the development of the William Center tract would have occurred without the Senate injecting its judgment on the options and how each option will impact on the integrity of the Manassas Battlefield Park. Both of these results, in my judgment, would be unwise.

A second approach under active consideration by the House of Representatives is a bill providing for a legislative taking of the property. It is scheduled for mark-up before the House Interior Subcommittee on National Parks and Public Lands on June 30. I am advised that one current estimatae for acquisition of the William Center tract as sited by the National Park is between $50 to $70 million, and it could easily go higher. As you know, this amount approximates the total funds available for land acquisition by the National Park Service for the entire nationwide park system.

The bottom line is that the Federal taxpayer would be forced to come up with this money. In light of the Federal budget deficit and the pressing need to acquire park land nationwide, I ask the Senate, Mr. Chairman, what is the likelihood of approving such a financial commitment to just one national park?

The Senate, therefore, must address these issues. I believe it imperative the Senate being immediately to create its own record.

I respectfully request that the Subcommittee on Public Lands, National Parks, and Forests promptly hold a hearing on these issues prior to Senate consideration of the Transportation Appropriations bill so that there can be a full discussion of the legislative options available to accommodate the protection of the Park and the ability of the local government to determine its own economic future.

As you can see, this is a complex issue, involving, as I see it, five main interests each of which should be weighed equally. The first interest is the Commonwealth of Virginia in which state the Park exists and which has jurisdiction over the roads in and around the Park and the obligation to improve them.

Second, Prince William County must be able to reasonably protect and expand its tax base to finance needed services for its citizens, and to formulate its plans for the same roads in the area, over which its shares jurisdiction with the state. Prince William is one of the fastest growing counties in the nation with an annual population increase of 14,000. Despite one of the highest property tax rates in Virginia, Prince William County faces a growing problem of having an adequate tax base to provide basic services to its citizens and to enhance their lifestyles.

Third, the historic and scenic integrity of the Park must be protected. Without doubt, at least a portion of the William Center tract is significant to the Second Battle of Manassas. A hearing before your Subcommittee would allow experts in the field of historic preservation to be consulted on this point.

Fourth, the federal taxpayer, and his representatives in federal government in the Department of the Interior and the Department of Transportation must deliberate carefully over the many issues this case provides.

And, fifth, developers who have exercised their rights within our American free enterprise system to purchase property and plan its development must be given consideration.

In order to devise an equitable solution to this problem, a proper balance must be achieved among the historic, economic and environmental interests—no single one of which is more important than the other.

Would it be fair for the Senate to take any action without hearing from all interests? I believe not.

In my judgment, a hearing will provide an opportunity for the Senate to create a public record on this extremely important and complex public policy issue. We must chart a course to being all the parties to the bargaining table including the Governor of Virginia, the Prince William County Board of Supervisors, the developer, the preservationists, the Department of the Interior and the Department of Transportation. Our responsibility is to provide a framework within which the parties can negotiate a settlement and to provide such federal funding as we deem appropriate.

I look forward to working with you to devise an equitable solution to this problem, and I stand ready to discuss the various legislative options in greater detail.

Sincerely,

JOHN WARNER.

Mr. WARNER. We will soon hear from the distinguished chairman. I know he has tried to be cooperative on this in every respect. But I anticipate that as yet working with the Senate leadership he has not found it possible to hold this hearing. I have felt all along it would be to the advantage of the Senate to have such a hearing to compile a record before we try to address any part of this complex problem. I await the response from the distinguished chairman and the manager of this bill before I shall address further that issue.

There are significant gaps of information in my judgment on this issue which I believe should be satisfied before the Senate approves a provision of this particular bill. I am still awaiting information which I requested from the Governor of Virginia on the impact of the appropriation language as proposed in this bill on the State transportation issues.

I ask the chairman again: What is the basis for the language in the bill? Did the National Park Service request it? Did the State of Virginia request it? Did the Prince William County government request it?

Did the historic preservation groups request it? If not, to what extent was the Committee on Appropriations able to hear, listen, and learn from any of these five interest groups before incorporating this language?

To me, that is a fundamental series of questions that should be answered before this body can adopt it.

This language falls short of, I assume, its intended goal of stopping development of the William Center—assuming that that is an intended goal.

If this language becomes law, it will restrict the development's access to Interstate 66; but development on the property could still occur and the end result could be development that relies on existing roads which travel through the park that are already inadequate.

Mr. President, I hoped that the Senate would begin to compile its own record on this complex situation with the benefit of the views of the State of Virginia before taking action as proposed by the managers of the bill.

I renew my request for hearings before the Committee on Energy and Natural Resources before this issue is decided finally by the Senate—certainly, by the House-Senate conference committee.

I stand ready to continue to work with my colleagues to devise an equitable solution to this problem.

Mr. LAUTENBERG. Mr. President, in response to the inquiry of the distinguished Senator from Virginia, no, we did not hear from the parties. We in the committee simply struck what is believed to be the requisite number of words to make this an item of conference with the House. Otherwise, we would not have had an agreement, and we are not getting involved in the discussion that rightfully belongs in the State of Virginia, with the Federal highway people and whatever other agencies are involved. We are not getting into that at all.

I understood that the question of the Senator from Virginia was addressed to the Senator from Arkansas.

Mr. WARNER. Mr. President, before the distinguished manager yields to the Senator from Arkansas, I have to respectfully disagree. The language does impact on the ability of the State of Virginia to take actions with respect to these arterial rights. So I believe it does impact on the State's transportation decision process.

Mr. LAUTENBERG. Mr. President, in response, I again am not challenging that at all.

What we are saying is that if we did not take the action we did, the House language presently in the transportation bill would have appeared in our bill, and we would not have even had a conference. In fairness to the Senator from Virginia, who made several requests of the committee, and we thought they were reasonable requests. Our objective is to permit the various parties to get together, to have the hearing that the Senator from Virginia requested—I understood that he talked to the Senator from Arkansas about that.

So I am simply making the point that the committee took what it considered prudent steps to permit all the parties to engage in a discussion and negotiation and resolve the problem to the satisfaction of the State of Virginia.

Mr. WARNER. That is a good clarification. As I understand the manager of the bill, he took certain action to delete certain words.

Mr. President, I ask unanimous consent to have printed in the RECORD section 325 of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SEC. 325. Notwithstanding any other provision of law, none of the funds provided by this Act or any previous or subsequent Act shall be used to construct, or approve an interchange or any other highway facility providing access to or from I-66 between the existing United States Route 29 interchange at Gainesville (I-66 exit numbered 10) and the existing Route 234 interchange (I-66 exit numbered 11); nor shall any funds provided by this Act or any previous or subsequent Act be used to construct, or approve an interchange or any other highway facility providing access to or from United States Route 29 between the existing I-66 interchange at Gainesville (I-66 exist numbered 10) and the existing Route 234 intersection; or shall any funds provided by this Act or any previous or subsequent Act be used to construct, or approve an interchange or any other highway facility that provides access to or from adjacent properties and the proposed Route 234 Bypass between I-66 and United States Route 29: *Provided*, That this section shall not apply to the use of Federal funds necessary to make safety-related improvements to existing roads.

Mr. WARNER. Mr. President, section 325 would then become a conferenceable item.

Do I correctly understand the manager to indicate that before such conference will take place, the distinguished Senator from Arkansas and his subcommittee will have had the opportunity to hold a hearing, at which time the various parties will be able to express their interests and that information, somehow, then will become available to members of the Appropriations Committee as they address the conference decision on section 395? Is that the purport of the manager's statement?

Mr. LAUTENBERG. I cannot commit the Senator from Arkansas to a hearing. But it is the intention of the managers of the bill to give the parties a chance to have a thorough review, so that we can have a decision or information with us when we ultimately go to conference on this bill.

Mr. WARNER. I thank the Senator.

Mr. LAUTENBERG. I yield the floor.

Mr. BUMPERS. Mr. President, I appreciate all the words that have been delivered by the distinguished senior Senator from Virginia this morning on the increasingly volatile situation regarding what he appropriately calls the Third Battle of Manassas.

First of all, I agree with an English philosopher who once said something that was very profound, and I thought about it a lot: There is nothing more utterly impossible than undoing that which has already been done.

One of the reasons I am a very strong conservationist, preservationist, and environmentalist is not that I do not think we ought to take some actions; but I think we always ought to say, "wait just a minute until we are sure of what we are doing, because we may be doing irreversible damage."

This is a very difficult issue. I dare say that it is a difficult issue for the Senator from Virginia.

I detect, rightly or wrongly, a ground swell of support across the Nation and, to a large extent, I think, even in Virginia, that this development should not go forward. I have reserved judgment on that final decision until we hold a hearing in the Public Lands Subcommittee of the Energy and Natural Resources Committee.

So that the Members of the Senate will know what we are discussing today, this bill changes the House language ever so slightly, but the net effect of both the House and the Senate versions is that there will be no interchange built at the site of this proposed development on 542 acres of land which adjoins the Manassas National Battlefield Park.

One hundred and fifty thousand Americans fought in the second battle of Manassas in 1862; 3,300 men were killed and another 16,000 were injured—a very important battle. It was the battle that General Lee won so convincingly that he got up the courage to decide now is the time to invade the North and try to encircle Washington, or at least cut off Washington from the rest of the country, and, ultimately, the fatal Battle of Gettysburg.

This brings me to another point: Gettysburg has been reserved pretty much intact. But those of you who have visited the battlefield park at Gettysburg know that the first thing you see are a lot of McDonald's and Wendy's hamburger places—one of the worst cases of strip zoning I have ever seen in my life. It takes away the whole aura of the sorrow that one should experience when he or she visits Gettysburg.

In 1980, the Federal Government acquired a lot of additional lands to add to the battlefield at Manassas, and I regret that we did not purchase this land at the time. We could have bought it for $5 million in 1980. The present owner of the land bought it in early 1986 for a total of $10 million. It is now listed on the tax books at about $13.6 million. Property values in Prince William County, which is one of the fastest growing counties in America, are booming—about 25 percent a year.

I do not want to get too far afield, and I do not want to get too far into the merits of this, except to say that I think there is a measure of appropriateness to the language of this bill. It reserves some time. The developers, the people who would propose to develop this, say that they might go ahead with this development even though the interchange off Interstate 66 is not built. That is hard for me to believe, but it is their judgment.

So, in one sense, this bill does not preclude the developers from going ahead with their development.

Most people in this business will tell you they would be very foolish to build a $40 to $60 million shopping center if people cannot get off I-66 to get into it.

But I will also say that there are times when there are overriding national concerns about the preservation of something as important to our heritage, our traditions, and our history as is Manassas, and it is this: A lot of people think that you literally ruin Manassas Battlefield National Park if you allow this development to take place.

I am not going to prejudge that here except to say I wish we had bought the land back in 1980 when we could have acquired it for $5 million. The argument is made that we have no choice but to let the development go forward because it will cost us $50 million to buy this property. And $50 million is about $11 million more than we spent in the entire United States last year for all park acquisitions. In other words, if we wanted to take a total year's allocation of appropriated money for national park acquisitions and put it in this 542 acres we have to decide that this is of such overriding national importance and so clearly superior in our priority list to all the rest of the country, then that is what we are going to wind up doing. This is a decision Congress will have to make.

Continuing with where we are right now, the House has passed a provision on the transportation bill. Incidentally, the language in the transportation bill in the House say that no transportation moneys may be used for the plan, design, construction or an approval of an interchange on Highway 66 at this particular location. Now the House has since that time, at least in the Interior Subcommittee that deals with national parks, my counterpart in the House, passed, I think rather overwhelmingly, a bill which literally takes the property. This has not been used often. Incidentally, I can only remember one instance where this procedure has been used since I have been in the Senate, and that was to preserve the Redwoods of California. And I believe that was in 1978 where the House and the Senate passed a bill, and the minute the bill was passed the land belonged to the United States.

And then we start negotiating with the owner on the price, and if we cannot negotiate an acceptable price then we go to court.

As the Senator from Virginia knows, in a standard condemnation case where the United States condemns property, files an action in the U.S. Federal court and puts up a deposit of money on what the Government says is the fair market value, the owner whose land is being condemned can take that money—it is his own decision at that point—or file a lawsuit. And in this case, let us say the United States puts up $15 million and we say that is the fair market value for this land. Obviously, the owners do not agree with that and they contest the taking and the amount of value. They can contest both. They can contest the taking. That would be foolish if Congress had ordered it.

But what you argue about is the price. Then let us assume they get $40 million from a jury. They get an additional $25 million on top of the $15 we put up, plus interest from the date it is condemned until the day it is paid. That is just procedurally the way these things work.

But getting back to the House, it is my understanding that the House is almost ready to act on the bill which will actually take this land and make it the property of the United States conditioned on proper payment to the owners.

I have been hesitant to hold a hearing on the particular provision we are discussing today simply because I am not chairman of the Transportation Subcommittee. The distinguished Senator from New Jersey is the chairman of that subcommittee. But I have been trying to cooperate with my distinguished colleague from Virginia, Senator WARNER. He has been most forthcoming. We have discussed it many times. We took a helicopter flight down there last week, flew over it, discussed it with the Park Service people, and I want to be as accommodating to him and the junior Senator from Virginia as well and hold hearings as soon as possible.

But I believe, based on the information I am getting from the House, the House is going to pass a bill. We are trying to get ready for the hearings. So we can hold them as quickly as possible after the bill comes over here and give both Senators from Virginia and all other interested parties an opportunity to testify by.

I want to say to my friends in the Senate, the key question is very simple: Is it worth the amount of money it is going to cost the U.S. Government to preserve 542 acres on which General Lee had his headquarters during the second battle of Manassas? There is not any question about the historical value of the land. In other words, the question is: "Do we want to put up that kind of money to keep a shopping mall, condominiums, apartment houses and whatever else may be planned for that development from being constructed there; do we want to spend that kind of money to preserve that small parcel of land for Manassas Battlefield Park?"

As I pointed out earlier, I would like very much to do that. But we have to resolve this larger question.

Mr. WARNER. Mr. President, will the Senator yield for a question?

Mr. BUMPERS. I am happy to yield for a question.

Mr. WARNER. Mr. President, I thank my distinguished colleague from Arkansas. Indeed, he has been entirely responsive to this. I know the leadership and the manager of the bill are trying as best they can to get the Senate to have the opportunity to prepare its own record so the Appropriations Committee can have that record prior to working on the reconciliation and conferences of this language.

The distinguished Senator from Arkansas has brought up this unique proposal in the House which may well be passed and brought over to the Senate very shortly.

But I would like to ask two points from my distinguished colleague from Arkansas, who has had many years on the Senate Energy Committee, is well familiar with this procedure which he outlined is the one followed once before when we took the redwoods.

There are 334 national parks or national park sites. I want to just be careful that we do not raise the expectations of the Senate about this procedure being a solution.

Quite frankly, from my perspective as a Virginian it might well be the best solution, that this land is purchased, it is contributed to the park and then for the moment that development in that particular area goes away and the park is enhanced.

I might also point out that there is only one section of this 542 acres on which there is uniformity of historical value, and that is where Lee had his headquarters on Stuart's Hill. The remainder of the land, and I do not know whether you subdivide it as 100 acres associated, but approximately it was Stuart's Hill; the remainder of the land perhaps has some questionable historical value, but that is a subsidiary issue that will be addressed by the subcommittee.

But going back to the issue of the procedure in the House bill, given that there are 334 national parks and national park sites, and it is my understanding—and I learned this from the distinguished chairman during the course of our trip—there are approximately $1 billion or $1.5 billion or $2 billion in backlog of authorized acquisitions to the national park which this piece of legislation literally would have to leapfrog over and take precedence, and I wonder if my distinguished chairman—and I think it is important for the Senate to understand—would address that particular fact.

Mr. BUMPERS. Let me say to the Senator as he will recall as we discussed this on our trip down to Manassas, I said that I thought the figure was $1½ to $2 billion, and do not hold me to it.

I came back and checked with my staff and the figure is about $2 billion in authorized acquisitions of parklands across the country of money that we are appropriating about $50 million a year, so the Senator can see that he and I will long since be dead veterans also before all that land is acquired.

Mr. WARNER. But the effect of the House provision would in a sense leapfrog this particular parcel of land over that entire backlog which represents the judgment collectively of this body and the House over a period of what, 4 or 5 years?

Mr. BUMPERS. Let me just make one observation: I keep reading in the press that the value of this land is estimated to be somewhere between $50 million and $70 million, and I do not want to prejudge that.

As an old trial lawyer who tried a lot of condemnation cases I do not want to prejudge on the Senate floor in the event there is a taking what the owners will get for their land. They are entitled to a trial by a jury of their peers for that determination.

As I pointed out this morning, they bought it 2½ years ago for $10 million and it is listed on the tax books at $13.6 million. I must say that the $50 million figure sounds a little high to me, but I am not going to prejudge that.

But if that is true, that would be all of the 1 year's appropriation, based on the way we have been appropriating money.

Now, in the late 1970's and 1980, if I am not mistaken, we were buying about $500 million worth of acquisitions a year. You will recall that Secretary Watt, when he was named Secretary of the Interior, his first pronouncement was, "Not another acre; not another acre." And so the President recommended no funding for the acquisition of any land for any purpose. And that is the reason the $3 billion figure has gotten there. We just kept authorizing additions but cutting back on the appropriations because we appropriate very little money now for park acquisitions.

Mr. WARNER. Mr. President, as the distinguished chairman will recall, I was privileged to be a member of that committee for some several years and I am familiar with that policy and indeed disagree with it myself. It was predicated, however, on the fact that there was only sufficient funds to try and improve existing park structures and until that was achieved to a level that was acceptable, it was questionable whether we should add more parkland. But that is a subsidiary question.

I come back to the point that you raised about the classic case of the Redwoods. If we were to follow that procedure, in effect, it would take this parcel of land and, again, I use the phrase leapfrog the $3 billion, as the chairman now points it out, of parcels that have been previously authorized by the Congress. I think, in fairness, we have to point that out to our colleagues.

Mr. BUMPERS. The Senator is absolutely correct.

Mr. WARNER. And I also, in closing, just as part of the colloquy, would say, speaking for myself, obviously, I would like to see as much as possible of this land acquired for the national park. I was privileged to be the sponsor of the legislation in 1980-81, which the good Senator from Arkansas and many others helped me on, which added 20 percent new lands to this park. At that time, as the chairman has pointed out, the subject of acquiring this land was discussed. But we did not experience, according to the records and my recollection, the tremendous outpouring of sentiment in favor of acquiring that land during the 1980-81 timeframe that we are now experiencing.

I do not wish to fault the historians and others interested in it, but at that time it was not brought to the attention of the appropriate committees of Congress of the strong sentiment with respect to Stuart's Hill and the historical significance of that parcel of land. It is too bad that it was not. We could probably have subdivided it.

I am hopeful that out of this, at a bare minimum, we can preserve that portion known as Stuart's Hill on which General Lee had his headquarters during the second battle of Manassas.

Mr. BUMPERS. Mr. President, I say to the Senator that in 1980, when we were deciding what lands to add to the battlefield park, we had rather grand and glorious schemes then, but it turned out money was a factor then. Obviously, it was, because we felt that we could not afford the $5 million that would be required to buy this tract of land. We decided between it and the so-called Brawner farm, which lies just north of this tract, that the Brawner farm had considerably more historical value and significance. So we opted for that, to the exclusion of this, not because we would not like to have had it, but because we just did not have the money.

Mr. WARNER. Mr. President, the chairman is quite correct, and it is interesting that we should put this back before the Senate.

At that time, the established valuation of the Brawner tract was around $800,000. In the process of going through the various procedural steps necessary to appraise the land, condemn it, and then finally the court making an award, which was contemplated, as I understand it, last year, the value went from $812,000 estimated to a court judgment of $4.2 million. So we might well have experienced, with this tract of land, assuming there was some correlation between the $812,000 estimate for the value of the Brawner tract and the then estimate of $5 to $6 million on the tract known as the Williams tract, it might have expanded in value in a comparable way as did the Brawner tract. So we are dealing with very significant sums of money.

Mr. TRIBLE addressed the Chair.

Mr. BYRD. Mr. President, will the distinguished Senator yield?

Mr. TRIBLE. I am happy to yield to the majority leader.

Mr. BYRD. Mr. President, will it be possible, may I ask my colleagues, for the Senate to finish work on this bill so that the rollcall could begin on final passage at not later than 12:45 p.m. today?

Mr. LAUTENBERG. I do not see any problem with that, Mr. Leader. We are down to the last couple of items. They are relatively short. We are about to hear from the junior Senator from Virginia and then the Senator from New Hampshire has a short item. We should be able to do that.

Mr. BYRD. Very well. I thank the Senator.

I ask if the Senator will continue to yield to me.

The PRESIDING OFFICER. The majority leader has the floor.

Mr. TRIBLE. The Senator from Virginia yielded to the request of the majority leader.

The PRESIDING OFFICER. The Chair has not recognized the Senator from Virginia.

Mr. TRIBLE. In that case, then, the majority leader definitely has the floor.

Mr. BYRD. Mr. President, I thank the Chair and I thank the Senator from Virginia.

ORDER FOR RECESS FROM 1 P.M. TO 2 P.M. TODAY

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess today between the hour of 1 p.m. and 2 p.m. to allow the Republican conference to meet.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senate will be in recess from 1 p.m. to 2 p.m.

Mr. TRIBLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. TRIBLE. Is the Senator from Virginia now recognized?

The PRESIDING OFFICER. The Senator from Virginia is recognized. The Chair has recognized the distinguished Senator from Virginia and the Senator has the floor.

Mr. TRIBLE. Thank you, Mr. President.

I think this colloquy has been beneficial to all parties. I would have preferred that the Appropriations Committee had struck this entire section, because I do not think it offers much and it really confuses a question the Senate has not yet judged.

The Senator from New York, in response to a question from my colleague, Senator WARNER, indicated the words "plan and design" were struck by the committee so that the committee would have an opportunity to discuss this matter in conference. That same end would have been achieved if the entire section had been stricken.

This amendment offends my sense of the way the Senate should conduct its business and do the proper role of the Federal, State, and local governments in shaping transportation decisions. Here the Senate is taking an action that it will likely set-aside at some future time. The Senate is taking an action without the benefit of committee hearings and the counsel of the Governor of Virginia, local governments, private parties, and, indeed, those many parties that object to this enterprise. That is not the way we ought to be doing business.

The most thoughtful proposal before the Congress is legislation offered by Congressman FRANK WOLF. That legislation provides for three things:

First, it provides for legislative taking of approximately 600 acres of land adjacent to the existing park boundaries. As we have heard today, under a legislative taking, title to the property is immediately transferred from the private owner to the Federal Government which then negotiates with the owner for a fair price for compensation. If Congress and others believe that this land is historically significant and should be part of our National Parks System, then the only fair and honest approach is this legislative taking.

The second pertinent part of the Wolf bill provides visual protection of the views from within the park. The battlefield is surrounded by privately owned land and steps must be taken to ensure that these parcels are not used in such a way as to destroy the views and scenery from within the park.

Third, the Wolf bill calls for closing of U.S. Route 29 and U.S. Route 234, which run through the battlefield park and for the construction of a Route 234 bypass.

That bypass is essential to accommodate the traffic that would have used Routes 29 and 234 through the park. Currently these routes are among the most heavily traveled in northern Virginia. Each day, trucks and cars pass through that hallowed ground.

If the Manassas Battlefield Park is to be preserved and protected, these two roads ought to be closed and a bypass built. The National Park Service agrees. Preservationists agree. Just about everyone who has visited the park agrees. The difficulty is, if this amendment becomes law, it cannot happen. You cannot build a bypass without this interchange. So we are going to have to come back and undo this legislation. That underscores, I think, the folly of proceeding in this fashion.

This amendment does not stop the development of this tract of land. That is going on at this very moment. The bulldozers are working. This land is being developed. This amendment does nothing. Indeed if the Congress adopts the Wolf amendment, which is working its way through the House, then this amendment will have to be undone.

The Senator from New Jersey says that we will have time to undo this amendment and he is reserving that right. It will be a conferenceable item. I only wonder whether the Senate will have the opportunity to work its will in this matter, to hear from all the parties, to make an intelligent, final disposition before this matter must be resolved by the conference committee.

This is not the way to transact business. I would hope that we would hear from the Governor of Virginia, who thus far has been very silent on this issue. I would hope that we would have the opportunity, as suggested by the Senator from Arkansas, to hold a hearing at which time all the parties can come together. We can consider the historical significance of this property and weigh that against the intended use and take what action is necessary and appropriate to protect this sacred ground where Americans, North and South, shed their blood.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the chairman of the subcommittee, the Senator from New Jersey.

Mr. LAUTENBERG. I thank the Chair. I thank the Senator from Virginia for airing the concerns. His message will not go unheeded and we will have a chance in conference to discuss it and we thank him for his contribution.

With that, apparently the Senator from New Hampshire seeks recognition.

The PRESIDING OFFICER. Does the Senator yield the floor?

Mr. LAUTENBERG. Yes.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. RUDMAN. I thank the Chair.

Mr. President, in order that the RECORD be orderly, I understand the Senator from Idaho wishes to speak and I will yield the floor but I will point out that there is a unanimous-consent agreement that we will vote on final passage on this, I believe, at 12:45? There is none on final passage?

We are going to be in session, I will ask the managers, until 1 o'clock; is that correct?

Mr. LAUTENBERG. The majority leader requested that we have the vote before then and, as far as I know, if the Senator from New Hampshire is the only business left on this, we can certainly do that.

Mr. RUDMAN. I thank my friend.

I will yield the floor and then seek recognition when the Senator from Idaho is finished.

Mr. McCLURE. I thank the Senator. I did want to make these comments in conjunction with the comments that have just been made, the conversation that has been going on with respect to Manassas.

There are a couple of other issues that I think need to be at least stated. And I agree about the conversation that has taken place. I think the distinguished junior Senator from Virginia is correct in much that has been said here today. I think the Senator from Arkansas put it very well when he said in the best of all worlds, perhaps if we were dealing with a different sum of money, we might look at this differently. But I have been on both the Energy and Natural Resources Committee and, for the last several years the chairman or ranking minority member of the Interior and Related Agencies Subcommittee of the Appropriations Committee dealing with the money side of the policy question.

Very frankly, in my judgment there is not enough money to do what they are suggesting be done out there. If indeed there is not enough money to do it, are we being just to the property owners when we pretend to be doing something which we cannot do because of the lack of finances?

The Senator from Arkansas is correct. There is a tremendous backlog of unfulfilled demand for the appropriations money for park acquisitions. That is not something, by the way, that goes back 3 or 4 or 5 years. Some of those acquisitions go back 10 or 15 or more years. And Congress simply cannot keep on going the way we are, saying: Oh, this is a neat idea, let us do it; with no respect at all for the budgetary limitations that are very real.

But let us stop for a moment and think what happens out there as we are talking about buffer zones. That is what we are talking about here, the protections to the perimiters of the parks. Let us look at what happens to Manassas if this particular tract of land were acquired and let us assume that the property owners got $50 million.

I agree with the Senator from Arkansas, we do not know that is a correct sum of money. But let us assume that the figures that have been here in this conversation today are correct, they paid $10 million for it, they get $50 million for it, they go to the next tract of land and buy it. And then there is an immediate hue and cry, "Oh, you have got to protect the park by protecting the area that is just outside the park." You know, pretty soon, Virginia will be in the same position my State of Idaho is. Two-thirds of your State will be owned by the Federal Government and then you will join me in some of the concerns I have expressed about how good a manager the Federal Government is, of land.

But I very much wish to express the concern that, indeed, there is not enough money to accomplish what is suggested by people here, regardless of the merits. We can discuss merits. We can discuss what the tract owners have agreed to do with respect to the area where Lee had his camp probably one might—one night—where they are going to protect that against development and use it for a viewpoint, just as the general did.

So that the tourists and the observers there will not have high rises, will not have office buildings, will not have any kind of commercial development on the site where his tent was for one night. And they can look out over the battlefield exactly as it was, except for the fact that there are two major highways running through it, thousands of cars and trucks per hour per day, 7 days a week running through it.

No matter how much we exercise our nostalgia, you cannot go back over 100 years and recreate exactly what was there nor can you protect it. I remember a few years ago when as a freshman Senator I thought I was going to protect Valley Forge by prohibiting the development or the acquisition of property on the boundaries of Valley Forge and I ran into the realities of life called Senator Hugh Scott who said: Oh, yes, we are. And they did.

Because at some point the boundary has to be drawn. And at that boundary you have to recognize you no longer can control what happens just outside that boundary. If you want to start talking about buying up property to protect visual values, then I want to remind you that in some areas you can see miles. If you are going to try to control everything that happens, then you can see that Federal Treasury, even with unlimited debit, is not large enough to do that.

At some point we have to restrain our appetite with a sense of realism as well as, certainly, recognizing the legitimate property rights of people who invest in and own property. And it is right that if we want to restrain their exercise of those rights that we compensate them.

Those two things are on an absolute collision course. I think it is fair to say, from what little I know about this particular case, and I agree with Senator TRIBLE, it ought to benefit from hearings, it ought to have the exposure of public disclosure and input.

It should not be done in a surreptitious way on the periphery coming in through a side door, if not the back door. It needs to be handled in a way that recognizes individual rights, as well as the public interest. But from my standpoint, having dealt with issues of this kind extensively for two decades, I can say right now that there is not enough money in the budget to accommodate all of the several demands that have been made, many of which are more meritorious than the demands being made in this instance, in my view.

Mr. WARNER. Mr. President, will the Senator yield for a question?

Mr. McCLURE. I will be happy to yield.

Mr. WARNER. Earlier I addressed this issue to my colleague and, indeed, over a period of 3 weeks have been petitioning for a hearing in this matter. The record is replete with my transmittals to the Appropriations Committee and the committee on which the distinguished Senator from Idaho is a ranking member and the committee on which I have had the privilege of serving with him for 4 years. So I have knowledge, as does he, about these procedures.

First, I would like to say I would discuss the historical significance and the fact that Lee's headquarters encampment was here, but we will put that aside for a moment.

Mr. McCLURE. Let me say that is one of the factual matters that perhaps can be explored, if we have an opportunity, in hearing.

Mr. WARNER. I join my distinguished colleague in urging the Senate repeatedly, before any action—and this just addresses one aspect of this complicated action—before any action is taken it is best to have a hearing. I think the value of this colloquy has been that we have received the reassurance of the managers and from the chairman of the subcommittee that they will make every effort to have that hearing prior to the conference at which time the conference will have to reconcile the differences in this particular section 395 which we are addressing today.

But let me move on to the point raised by the former chairman of the committee, now the ranking member, about this backlog because this has concerned me for some time. In my colloquy with Chairman BUMPERS, I raised this issue. He stated earlier that he thought it was $1.5 billion when we took a trip down to Manassas. It is now up to $3 billion.

Is there any distinction, I ask my distinguished colleague, between the approach by the Wolf bill where there is an immediate taking? That money eventually comes from the Federal Treasury, but does not that approach leapfrog over this $3 billion in backlog?

In other words, will the chairman give us his views on how the Wolf bill would work and particularly in respect to the backlog of these many actions which you say date back more than 4 or 5 years?

Mr. McCLURE. Mr. President, I will be pleased to respond to a question.

Mr. WARNER. Is there any distinction between that approach and just coming out and trying to get the money to buy the land, as we have in most instances?

Mr. McCLURE. The distinction is, obviously, that if you do a legislative taking, they come ahead of everyone else. It avoids the appropriations process in the sense that there is no considered ranking of priorities by the Appropriations Committee as to which piece of property is more important that we make the investment in at this period of time. I do not want to suggest that since we have a backlog we can never add anything else because we do recognize that there are priorities, that there are changed circumstances, that there are new conditions and that we sometimes do ignore that backlog and put something else in ahead of what has been waiting for years.

Mr. WARNER. Mr. President, particularly whether the sense of urgency—and I think the facts can establish there is a sense of urgency with this parcel.

Mr. McCLURE. There is a sense of urgency if, indeed, it has that kind of priority. There is, indeed, a sense of urgency if it is to be done, it has to be done now.

Mr. WARNER. Yes.

Mr. McCLURE. I understand that, and I think that is what we need in terms of hearings, to try to determine the position of national interest. Does this mean that everybody else in the other 49 States and the other interests in Virginia will have to wait another year for their chance for participation in the available money? Or is this of such great urgency we should do that or is it one where perhaps, because of the budgetary pressures or for other reasons, Congress does not decide to give it that priority?

Mr. WARNER. Mr. President, it is for those reasons I have not jumped on this particular piece of legislation because I felt the Senate should work its will but only work its will after receiving all the facts necessary to reach a judgment. It seems that the House is moving forward rather expeditiously and not observing the backlog of some $3 billion. I wonder if the chairman might give his views on that?

Mr. McCLURE. Let me respond to the distinguished Senator in this way. Congress finds it very easy to make promises and much harder to pay bills. That is why we have a $3 trillion national debt. That is part of the reason we have such a large backlog of authorized, but unappropriated, acquisitions because we found it easier to meet the demands of individual constituencies at particular times in the past by saying, "OK, let's go ahead and do it," well knowing we did not have the money to do it. The difference in this instance is that a legislative taking obviates that entire process. The legislative taking sees this comes first.

All I want to say to my colleagues from the other 49 States in this Union is that if this action is taken here, it means projects in their States are pushed off again.

Mr. WARNER. Mr. President, that is precisely why I have not tried to address the Wolf bill because I do not want to unduly raise expectations until such time as my colleagues from the other 49 States recognize the implications of the Wolf approach. It is a good approach, from my perspective, in my State. Indeed, I thought long and hard about introducing it myself, but then I said in a sense of fairness, we, the Senate, should make our own independent record and give all entities a chance to be heard before we jump on this.

Mr. McCLURE. I will not try to characterize it as either a good or bad proposition because hearings have not been held. I have had discussions. I know something about the issue. I have not talked to the land developer. I have not talked to the people who are in opposition to it. I know what the National Society for Historic Preservation is suggesting.

I know one of the major reasons for the opposition is that one or a few landowners in the area adjacent to the park do not want the disruption of more commercial development and, particularly, they do not want the bypass built.

If you look at what the National Park Service wants, and I believe that is what we ought to be addressing, the highest priority of the National Park Service with respect to the battleground is to get those roads out of the park. You cannot get those roads out of the park and return them to gravel roads unless, indeed, you construct an additional road.

This is the typical problem that you have almost everywhere in the country, anywhere at any level of government: Yes, people want roads, but they do not want it in their backyard. That is exactly what we have happening out there right now is that the bypass is perhaps a more important and more emotional issue than the development of a shopping center which really does not impact upon the park nearly as much as the road that runs through the park.

Those are the kinds of issues that are going to have to be addressed by the Congress, in part, and by others as well.

(The following colloquy occurred at a subsequent time and, by unanimous consent, appears at this point in the RECORD:)

Mr. WARNER. Mr. President, again I wish to compliment the distinguished Senator from Idaho who has, as he stated, been on this committee for some nearly 20 years and who understands the complexity of these issues, and particularly the legislative taking process. That legislative taking process is the subject of the bill that is now being considered in the House, sponsored by my distinguished colleague, Mr. WOLF, and I wonder if the former chairman and now ranking member of the Senate Energy and Natural Resources Committee might give a little historical perspective on the time that procedure was used in case of the Redwoods National Park?

Mr. McCLURE. Mr. President, I would be pleased to respond. Let me say I noted that the Senator from Arkansas made reference to the use of legislative taking with respect to the Redwoods National Park extension acquisition. One of the problems you have with legislative taking is that it is in effect a blank check. It is a statement by the Congress that we have decided we want that property to be held by the Federal Government regardless of what the cost is, and that once we have taken that action, as has already been described on the floor of the Senate, the only thing left to be done is to determine the amount of money to be paid to the owner.

We have no appraisals that are binding. We have no appraisals that are up to date. We have nothing other than conversations to indicate the value of the property or what the amount of that legislative taking would be; whether it is $10 million that they paid for the property recently or the $50 million that we have heard discussed here on the floor. It is simply conjectural because it will be whatever the court says it is. We will have said as a Congress we are willing to pay whatever the amount may be, regardless of what that amount might be, and that is a judgment without respect to cost.

In the Redwoods National Park acquisition the cost actually determined by the court after the legislative takings were enacted was several times the amount of the appraised value and much, much more than anybody I think in the Congress would have contemplated at the time the Congress took the action.

Mr. WARNER. Mr. President, I hope in the course of the hearings that will be held on the committee of which the distinguished Senator from Idaho is the ranking member that we can focus on this issue. I am hopeful we can resolve this, and preserve some of the historic value of this tract of land, and at the same time recognize that in this instance the Senate is really being called upon to make a decision which impacts on the Governor's right with respect to the road systems; county's right with respect to property and the tax base; the historical perspective of the park; the rights of any citizens to own land and develop it in accordance with local law, regulations, and such Federal and State laws.

It seems to me there are many factors that have to be taken into consideration before the Senate should act.

Mr. McCLURE. If the Senator will yield, there is at least one other consideration that should be added to that list that the Senator so aptly put; that is, what does it do to the acquisition of every other tract of land that we have attempted to acquire, we have authorized the acquisition for, and we have now found the money for?

Mr. WARNER. That, in the estimate of the Senator from Arkansas, is $3 billion.

Mr. McCLURE. Many of those go back many, many years.

Mr. WARNER. I urge the Senator from Idaho to join with the Senator from Arkansas in providing this hearing at a time such that the facts deduced in the hearing can be of benefit and influential on the Appropriations Committee conference as it addresses this specific provision which 395 in the bill.

Mr. McCLURE. If the Senator will yield, I will be happy to lend my assistance to the distinguished Senator and his colleague from Virginia because I know it is a matter of importance to the people of Virginia, indeed a matter of importance to the people of the entire United States as to how this is resolved. I will certainly lend my support to any efforts to resolve it.

Mr. WARNER. My principal efforts thus far in this matter have been directed at trying to achieve fairness and equity for all five of the interests that I think are involved in this.

I appreciate the sentiments expressed today by the leadership, and the managers of the bill that this hearing will be held in a timely fashion.

(Conclusion of subsequent colloquy.)

Mr. CHAFEE. I wonder if the distinguished Senator from Idaho will yield for a question or statement? Is he through?

Mr. McCLURE. I am through. If the Senator wants to ask a question, I will be happy to respond. If he wishes to make a statement, I will be happy to yield the floor.

Mr. CHAFEE. I will make a brief statement. I know there are people waiting here. Just let me say this, if I might.

The PRESIDING OFFICER. Does the Senator from Idaho yield the floor?

Mr. McCLURE. I do.

The PRESIDING OFFICER. Who seeks recognition?

Mr. CHAFEE. I do, Mr. President.

The **PRESIDING OFFICER**. The Senator from Rhode Island.

Mr. **CHAFEE**. I want to say, in some instances, there is concern that we are going to protect the border to the border to the border of some piece of property. Let me say, I think we all should be extremely grateful as citizens of our Nation that in the past, Members of this Congress, Senate or House, have stepped out as a body and purchased land that is now available for all the citizens to enjoy.

There are very few pieces of land that have been purchased by our governments, be they State, county, or national, that we are not glad we now have, whether it is Central Park in New York or whether it is Yellowstone Park or whether it is the battleground down at Fredericksburg or the Seven Days' Battlefield—or wherever it might be—Antietam, Gettysburg. So whereas we are concerned about the costs, I think we also should be grateful to those who went out and purchased these lands.

Second, there is American Heritage Trust Fund legislation that I have proposed which I hope those who are discussing this matter will think about. It is there to buy lands contiguous to our national parks or lands of importance to the Nation. The problem is getting it funded. I have a method of funding it, and I hope those involved will think about it. I thank the Chair and I thank the distinguished Senator from New Hampshire who, I was going to say, has been patient, but perhaps he has been impatient.

The **PRESIDING OFFICER**. The Senator from New Hampshire.

Mr. **RUDMAN**. Mr. President, I thank my friend from Rhode Island. No, I have been patient and it has been very interesting but I will now go from the nostalgic and historic significance of Manassas to something of more importance, at least today for some of us in New England.

AMENDMENT NO. 2557

(Purpose: To ensure that the fee structure proposed by the Massachusetts Port Authority is in compliance with federal law)

Mr. **RUDMAN**. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER**. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. RUDMAN] proposed an amendment numbered 2557.

Mr. **RUDMAN**. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The amendment is as follows:

On page 14, line 10, after "Provided further," strike out all through line 23 and insert the following: That no funds appropriated in this paragraph shall be available to the Massachusetts Port Authority subsequent to a determination by the Department of Transportation that the landing fee structure adopted by the Massachusetts Port Authority on March 16, 1988, for Logan International Airport, is not consistent with the Federal Aviation Act of 1958, 49 U.S.C. app. 1301 et seq. or the Airport and Airway Improvement Act of 1982, 49 U.S.C. app. 2201 et seq., or with national transportation policy, if such fee structure remains in effect after such determination. Provided further, that the Department of Transportation shall make such determination prior to December 5, 1988.

Mr. **RUDMAN**. Mr. President, I rise to offer an amendment to the transportation appropriations bill which I believe is acceptable to the distinguished Senator from Massachusetts [Mr. KENNEDY]. This amendment strikes language in the bill which cuts off Federal funds to the Massachusetts Port Authority—Massport—if the authority fails to delay implementation of its revised fee schedule—know as the PACE plan—prior to a determination by the Department of Transportation that the fee schedule does not violate Federal law.

Under the language adopted by the Appropriations Committee, because Massport has already implemented the fee schedule, Massport would be denied Federal funds even if the Department ultimately rules in Massport's favor. I regret that Massport has declined to delay the implementation date as requested by DOT and am somewhat tempted to preserve the language adopted by the Appropriations Committee. However, I do not believe it is truly reasonable to cut off funds if the Department eventually rules in Massport's favor. My amendment would strike the committee language and insert language which cuts off funds to Massport only if the Department rules that the fee schedule is in violation of Federal aviation law or not consistent with national transportation policy, and the PACE plans remains in effect.

Mr. President, to provide some background, on March 16, 1988, Massport adopted a new fee schedule for Logan International Airport in Boston. The undisputed effect of the revised fee plan is to dramatically increase fees for smaller aircraft and decrease fees for larger aircraft. The new fee schedule means a shift of $7.2 million in airport costs to smaller aircraft users. Under the plan, for example, the fee for landing a Beech King Air 300 at Logan would increase from $25 to $94, while the fee for landing an average large commercial airliner would decrease from $228 to $166. The clear purpose of the plan is to get small aircraft out of the airport.

In response to formal complaints, the Department of Transportation has determined that reasonable grounds exist to investigate whether the Massport PACE plan violates Federal aviation laws. Among other things, the Department will be examining whether the proposed fees are unreasonable and discriminatory and represent a structural bias against general aviation and smaller commuter aircraft. The Department will also consider whether Massport is preempted from making regulations for the purpose of air control. This investigation should be completed in November.

Mr. President, this fee schedule poses serious problems for the surrounding New England States, and I have joined with all the Senators from Maine, New Hampshire, and Vermont in opposing this plan. Massport, with Federal funds, operates a regional airport. As such, it must meet the needs of the region. This fee schedule puts that goal in jeopardy. Already, partly due to these revised fees, two airlines have canceled flights at Logan: Business Express has discontinued service between Logan and Augusta, ME, and Allegheny Commuters terminated flights to Long Island and Scranton, PA. My office has heard from virtually all of the commuter airlines operating in New England, and most have expressed serious concern about the impact of these fees on their ability to provide economical service to Logan Airport.

Massport claims that the revised fee plan will encourage commuters to use larger planes with fewer flights. The commuter airlines tell us that small commuter operations can only be successful with a frequency of flights, making the Massport "larger plane/few flights" option uneconomical. If the Massport PACE plan remains in effect, the result may be a significant reduction in service to the many small communities in New England which are served exclusively by commuter carriers. This clearly will be detrimental to an efficient national transportation system.

Mr. President, while the Massport PACE plan is of great concern to those of us in the New England region, it also has broad implications with respect to national aviation policy and the protection of State and regional access to critical airport hubs. For this reason, my amendment calls on the Department to clearly consider national transportation policy as it reviews the Massport fee schedule. I do not believe that we should have Federal review every time a local airport wishes to adjust its landing fees. However, in the case of a critical regional airport which has received millions of dollars in Federal grants, regional needs and national transportation policy must be considered.

Federal law states that:

> Artificial restrictions on airport capacity are not in the public interest and should not be imposed to alleviate air traffic delays unless other reasonably available and less

burdensome alternatives have first been attempted.

Massport has other alternatives available to it including the completion of Runway 14-32 for general aviation and commuter aircraft. Federal law also states that:

> The maintenance of a comprehensive and convenient system of continuous scheduled interstate and overseas airline service for small communities is in the public interest.

The Massport plan may jeopardize this goal.

In summary, Mr. President, when the Appropriations Committee considered this bill, I introduced an amendment dealing with Federal funding at Logan International Airport in Boston. The problem, quite simply, is that Massport in its own discretion has chosen to change the landing fee structure thus making the use of that airport by commuter airlines from Maine, New Hampshire, Vermont, western Massachusetts, and Rhode Island extraordinarily expensive while reducing the cost of landing for large carriers.

This policy of Massport has very serious implications throughout the country for so-called hub airports that are fed by commuter airlines. To address that, two things are happening. First, there is a court case in which Massport has prevailed in the first instance. Second, the Department of Transportation is evaluating this measure to decide, and we hope by December 5 of this year, whether Massport has done something which is consistent with national transportation law or not.

My original amendment would deny Federal funds to Massport unless Massport agreed to delay implementation of the fee structure pending DOT review. Because Massport has implemented the fees, it appears that the amendment would deny those funds to Massport even it the Department of Transportation were to find that Massport in fact has complied with the law, although some of us might disagree with that finding.

Senator KENNEDY and his junior colleague, Senator KERRY, brought to my attention their concern regarding the impact of the language adopted by the Appropriations Committee. Quite correctly, as I told my friend from Massachusetts, the senior Senator, it is not my intention or anyone else's intention to simply punish Massport if in fact they are right. If they are right, then they ought to be entitled to the Federal funds. If they are not, they ought not.

Thus, Mr. President, that is what this amendment does and I understand it is agreeable on both sides.

The PRESIDING OFFICER. The Chair would say to the Senator from New Hampshire that his amendment is to the committee amendments which have been set aside, thus the Senator must ask unanimous-consent request that his amendment be in order.

Mr. RUDMAN. I thank the Chair for that information. I was not aware of that parliamentary situation. I ask that consent.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I support the amendment offered by Senator RUDMAN, and I am pleased to work with him on this issue, which is of major importance to both our States. The amendment addresses language in the bill designed to restrict funding to Logan Airport if the Massachusetts Port Authority implements the PACE landing fee plan. The amendment represents a satisfactory compromise between Senator RUDMAN and me.

A decade has now passed since Congress enacted airline deregulation in 1978. That measure has brought extraordinary benefits to the Nation's economy and to the traveling public, and all of us who participated in that pioneering legislation take pride in those results. But we must also address the problems created in the wake of that success.

Every major airport in the country faces increasingly serious problems of congestion. Some observers tell us that the Nation is heading for a massive gridlock—or airlock—in which backups at one airport have ripple effects on other airports, and the whole air traffic system grinds to a halt.

Massport has been in the forefront of jurisdictions urgently addressing this challenge. Obviously, any solution affects many different interests and many communities. In Boston, we are trying to be sensitive to the needs of the rest of New England. Massachusetts and Boston cannot, and should not, grow at the expense of other States and communities in our region. Similarly, we are trying to be sensitive to the needs of the business community and general aviation.

I support the Massport plan as a good faith attempt to resolve these complex issues, and I note that the 1988 Report of President Reagan's Council of Economic Advisers cites Logan Airport with approval as an example of ways to deal with congestion. So I am optimistic that the Department of Transportation will agree that the Massport plan is consistent with the aviation statutes and with national transportation policy. But I understand the concerns of the Senator from New Hampshire, and I want to work with him to resolve this issue in a way that is fair to Massachusetts, to New Hampshire, and the other States of our region.

The Massport plan was recently upheld by the Federal district court in Boston. The Department of Transportation is now reviewing the plan, and the amendment will require the Department to complete its review by December 5.

This amendment provides that Massport can continue to receive its Federal aviation funds until the Department of Transportation makes its decision. If the decision favors Massport, the funding will continue to be provided. If the decision is adverse to Massport, the Federal funds will be withheld unless Massport agrees to modify the plan.

Mr. President, I thank the Senator from New Hampshire for his comity on this particular issue. We know that decisions made at Massport obviously have implications not only for the region but nationally. We want to try to work out accommodations to these varying interests, but he has been enormously constructive and very helpful and we are grateful not only for his interest but his willingness to work this out. I hope the Senate will accept this amendment.

Mr. HUMPHREY. Mr. President, I support the amendment offered by Mr. RUDMAN that would deny funds for the Massachusetts Port Authority if the Department of Transportation finds the PACE plan to be in violation of Federal law.

Massport's PACE plan would considerably increase landing fees for small aircraft while decreasing fees for large commercial planes. Under PACE, the fee for a Boeing 747 would drop to $353 from $739—a 52-percent decrease. A 19-seat Beechcraft that paid $25 will now pay $96—a 284-percent increase.

Mr. President, at issue is not a local dispute. Inasmuch as Federal funds are distributed to our Nation's national air system founded on the principle of nondiscrimination among users, the Massport plan is invariably of concern at the Federal level. Though Senators may be from States which at present are not affected by increased fees at Logan Airport in Boston, the precedent being set there is an important one.

It is my view that these fees may be inconsistent with section 511 of the Airport and Airway Improvement Act in that the proposed fees are not "fair and reasonable" and are "unjustly discriminatory."

If airports are allowed to raise fees as aggressively as Massport, it will send a message to all airports across the country. If Massport's PACE plan becomes fully operative, it could set a precedent for airport authorities nationwide. If fees are set so high as to restrict access, it would hurt the national air transportation system.

I am not opposed to adjusting fees for all aircraft. It is the fairness of the total plan which is important. The primary purpose of PACE appears to be getting smaller aircraft out of the airport—purportedly to reduce congestion and increase efficiency. The vice chairman of Massport publicly stated that "private planes should be restricted or eliminated" at Logan. Federal law makes it clear that Federal funding shall not be available to local airport authorities which refuse to acknowledge their obligations as participants in a national system of air commerce to avoid discrimination between users.

Massport contends that general aviation traffic is one of the chief reasons for delays at Logan, and that PACE will reduce delays by 40 percent, particularly during peak hours. However, general aviation accounts for less than 10 percent of total operations at Logan, and averages 2.8 flights per peak hour. Thus, it is unlikely that PACE will have much success in reducing congestion.

Transportation Secretary Burnley requested that Massport delay implementation of PACE pending an investigation by the Department. Massport refused. It is only appropriate that Federal funds be restricted to Massport until the Department of Transportation completes its review.

I believe that the Massport plan has not received an adequate review. The language recommended to the Senate by Mr. RUDMAN represents prudent policy. If the Department of Transportation, through their investigation, finds Massport to be in violation of Federal law, they should be denied Federal funds.

Mrs. KASSEBAUM. Mr. President, I very much appreciate the efforts of my distinguished colleagues from New Hampshire and Massachusetts, who have worked out an effective compromise to the committee amendment concerning funding for the Massachusetts Port Authority—Massport. The amendment we are considering today will take into account Massport's needs, as well as our broader interest in maintaining a national air transportation system.

The new schedule of landing fees adopted by Massport on March 16 affects all classes of aircraft. However, the effects will be felt most by general aviation and by commuter aircraft. I am told, for example, that the first phase of the fee schedule would raise the landing fee for a Beech King Air from $25 to $94, an increase of over 300 percent. At the same time, the landing fee for a typical large commercial airliner would decrease from $228 to $166. Phase 2 of the new schedule would, during peak hours, impose even higher fees and permit Massport to allocate landing and takeoff rights to aircraft based on their size, with the highest priority accorded to planes carrying the greatest number of passengers.

The Department of Transportation [DOT] has argued that there are clear national implications to Massport's actions, and DOT therefore has begun an investigation and hearing to consider whether Massport's new fee schedule meets the requirements of the Federal Aviation Act of 1958 and the Airport and Airway Improvement Act of 1982.

The amendment under consideration prohibits Massport from receiving Airport Improvement Program funds if DOT determines that the landing fee structure adopted on March 16 is not consistent with the Federal Aviation Act, the Airport and Airway Improvement Act, or national transportation policy. The latter test is an addition to the standards contained in the two statutes, which require that airports be available on fair and reasonable terms, and prohibit unjust discrimination and exclusive rights use of landing areas. By requiring DOT to look specifically at national transportation policy, we emphasize our concern that DOT consider the needs of all those who operate aircraft, and not limit it inquiry to the effects of the new fee schedule on airlines and their passengers.

Mr. LAUTENBERG. Mr. President, I urge adoption of the amendment proposed by the Senator from New Hampshire.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2557) was agreed to.

Mr. LAUTENBERG. I move to reconsider the vote by which the amendment was agreed to.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, in the few minutes that remain, I wonder if I could continue a colloquy with the distinguished Senator from Idaho, but I do not want to infringe on the business of the manager of the bill. To what extent can we have some additional time without infringing on final passage.

Mr. LAUTENBERG. The Senate is due to go in recess at 1 p.m. We had hoped to initiate the vote before that. We have an amendment requested by Senator HELMS and Senator SANFORD that we can move very quickly. We have to adopt the committee amendments.

Mr. D'AMATO. Mr. President, if I might, let me suggest this. We have a time-honored principle from long before anybody here became a Member of the Senate to protect each other on the Senate floor. I have to suggest in the few moments allocated, that I have no objection to making an objection on behalf of a Senator if he wants to submit an amendment. But let me tell you, he should at least have the courtesy of coming down to the floor at some point in time and submitting the amendment.

Now, that is this Senator's point of view. And by the way, I might even support the other Senator's amendment, but I do not believe that a Senator should hold up the progress on this bill by indicating, "Well, I have an amendment," and then we are supposed to sit and wait. We do not even see the amendment. If you are going to be here, let us get to the business at hand. And those people know of whom we speak. If you have an amendment, be down here, submit the amendment, and do not just hold up the bill, because otherwise I have to suggest that I am not going to manage this bill. We will let somebody else manage the bill on this side. If colleagues on my side want to offer an amendment, let them be here to offer the amendment. I am not saying they must be here within 5 minutes or 10 minutes, but certainly when you wait an hour and a half, I think that is abusing the managers of the bill.

Mr. WARNER. Mr. President, who has the floor? I believe the Senator from Virginia was recognized. I yielded to the managers of the bill. At some point do we have a minute or two remaining to finish a colloquy which I think is rather important to the bill at this point?

The PRESIDING OFFICER. The Senator from Virginia was recognized.

Mr. WARNER. I do want to accommodate the managers. Is the subject of which the managers spoke concluded?

Mr. LAUTENBERG. I would like to urge adoption of the committee amendments, if amended, as amended. We have been through a full discussion of that. I would like to have unanimous consent to move those amendments. As far as I know there is nothing else left on the committee amendments.

Mr. WARNER. Mr. President, I would have to pose an objection solely because I think my junior colleague had made the objection.

Mr. TRIBLE. I do not wish to object.

Mr. WARNER. Mr. President, I withdraw the objection. My junior colleague has withdrawn his objection.

The PRESIDING OFFICER. Does the Senator from New Jersey make a unanimous-consent request for the adoption of the committee amendments en bloc, as amended?

Mr. LAUTENBERG. I do.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The committee amendments were agreed to en bloc.

Mr. LAUTENBERG. I move to reconsider the vote by which the committee amendments were agreed to.

Mr. D'AMATO. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I ask unanimous consent to proceed for 2 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I had hoped that we might be able to finish this bill before the hour's recess for the Republican conference. I wonder if we could get an agreement that would see the Senate complete this bill—I understand that there is another amendment or some amendments on the Republican side yet.

Mr. DOLE. I would hope they might disappear. Senator MURKOWSKI has one. I think the Senator from Texas, Senator GRAMM, may have an amendment or two. We had asked him to come to the floor. I think the manager on this side is correct; if you have an amendment, you better come over here. We think he is on his way and will be able to visit with him maybe during that 1 hour.

Mr. BYRD. Very well. I had hoped we could at least vote on final passage at 2 o'clock at the conclusion of the Republican conference. The Democrats will not be meeting today in conference. They will be meeting tomorrow. Mr. Dukakis, our prospective nominee, will be at the conference so we have to have our conference tomorrow rather than have two conferences this week. So I would simply say that I think we ought to alert our respective conferees that we will have late sessions today and tomorrow and Thursday in the interest of getting much work done on these appropriations bills before we go out at the close of business on Thursday.

The sooner we can expedite action on this bill, the sooner we get on the HUD appropriation bill.

ORDER FOR RECESS UNTIL 2 P.M.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until 2 p.m. today.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

The PRESIDING OFFICER. In accordance with the order previously entered, by unanimous consent, the Senate now stands in recess until 2 p.m.

Thereupon, at 1:06 p.m., the Senate recessed until 2 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer [Mr. SANFORD].

RECESS

Mr. BYRD. Mr. President, I ask unanimous consent, in order to accommodate the Republican Party conference, the recess be extended for 15 minutes.

There being no objection, at 2 p.m. and 30 seconds, the Senate recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. SANFORD.)

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I thank the Chair.

Mr. President, I rise to note that I am distressed, and many New Yorkers share my distress, about what appears to me to be a quite gratuitous provision in the report for this bill which calls for an environmental impact statement on the proposed new terminal and parking facility at the Westchester County Airport. The existing terminal is in fact a quonset hut which was brought by American Airlines from the South Pacific in 1947, and with only minor modifications since then it now serves some 600,000 to 700,000 passengers per year.

If any airport deserves a new terminal, surely, Mr. President, the Westchester County Airport does.

The county has planned for the terminal since 1980. They will finance it without Federal money. They are ready to begin construction this year. But we have a report which calls for an environmental impact statement that will take more than 2 years. This is a serious delay, and to what effect? The project will not increase the number of flights. That is prohibited by legal agreement. It will not take wilderness or wetlands. It is elementally and simply a new and much needed public facility.

There will be some noise from bulldozers, and there will be some dust in the air we do not doubt. If that is cause for this study, we are surely in for a long and fallow period in the construction industry.

In any event, Mr. President, the laws governing environmental protection are clear in New York, and the review of the proposal under the New York State Environmental Quality Review Act found no significant impact. That study has been done. The specifics of the project are now under review by the FAA under the National Environmental Protection Act. If the review finds the need for an environmental impact study one will be ordered. That is the proper procedure. It is in place.

As a distinguished member of the Appropriations Committee has said, this report language carries no force of law, and I would like to record the judgment of the senior Senator from New York that Westchester County is in fact free to proceed as it is now doing and to pursue the best interests of the county, given of course the FAA review now in place.

I would like also to note that Mr. Don Gioffre, the Rye Town supervisor, has spoken with me on this matter, to express the wish that the county government, ably led by Mr. Andrew O'Rourke, should be in closer touch with the towns in planning the actual project. This is a situation which has not been worked out entirely to the satisfaction of the parties involved. But I know them both and wish them well. I yield the floor.

Mr. WEICKER addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. WEICKER. Mr. President, I think the distinguished Senator from New York has certainly placed on the RECORD his astute observations as to this particular matter, none of which I dispute. But I think that it clearly is incumbent upon all of the officials of that area to work closely together.

All of us know that the airport is of significance to residents of the State of New York and those residing in Connecticut.

Frankly, I wish that the problems attendant to the airport could stop at the State line; but, as the distinguished Senator from New York knows and as I know, when we land, we invariably come over Connecticut, noise goes into New York and goes into Connecticut. All the New York towns that border the airport obviously are imapcted upon by any substantial change in the status of the airport, and the same holds true for towns in Connecticut. We also know that the terminal facilities are entirely inadequate. There is no question about that.

It seems to me that this problem should be resolved by close consultation between the local government officials involved, which should include officials from New York and Connecticut. That is where the matter should be resolved.

Let us hope it is resolved in a proper way. Unilateral decisions will not suffice in this instance because the problems are not unilateral. The problems raised by any altered status of that airport clearly become Connecticut's problems as much as New York's.

It was only the purpose of this Senator, when we put in report language, to see to it that the appropriate local officials got together in the course of determining whatever the final outcome would be. That is still my desire, and let us hope that the language in this report will keep people on that course.

Mr. MOYNIHAN. Mr. President, I thank the learned and able Senator from Connecticut, our neighbor and friend, for his wise counsel.

Let us hope we go forward. He, of course, agrees that the larger question here is whether the use of this airport will be abandoned and no such expansion is now contemplated. That is for another time, if ever.

I yield the floor.

AMENDMENT NO. 2558

(Purpose: To designate certain projects in North Carolina as priority highway projects)

Mr. LAUTENBERG. Mr. President, I have an amendment, on behalf of Senator HELMS and Senator SANFORD, which I send to the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG], for Senators HELMS (for himself) and SANFORD, proposes an amendment numbered 2558.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

SEC. . Paragraph (1) of section 149(k) of the Federal-Aid Highway Act of 1987 is amended by adding at the end thereof the following new subparagraph:

(V) UNITED STATES ROUTE 23 AND THE CHARLOTTE OUTER LOOP IN NORTH CAROLINA.—The Secretary is authorized to carry out highway projects in the State of North Carolina—

"(i) from the interchange of Interstate Route 26, 40, and 240 in Asheville, North Carolina, to the border of the State of Tennessee, and

"(ii) from Interstate Route 77S east to Interstate Route 85N of the Charlotte Outer Loop.".

(By request of Mr. LAUTENBERG, the following statement was ordered to be printed in the RECORD:)

● Mr. HELMS. Mr. President, this amendment to the transportation appropriations bill would add a section of U.S. 23 between Asheville, NC, and the Tennessee State line and a section of the Charlotte Outer Loop from Interstate 77 southeast to Interstate 85 north to the list of priority highway projects included in the Federal Aid Highway Act of 1987. The able junior Senator from North Carolina [Mr. SANFORD] is a cosponsor of this legislation.

Mr. President, North Carolina Gov. James G. Martin requested priority status for these projects based on their importance to the respective regions and their benefit to our entire State.

Passage of this bill, Mr. President, will give North Carolina access to all of its annual allotment of Federal-aid highway funds—except interstate construction and critical bridge funds—for the construction and maintenance of these two projects. Without this priority status, North Carolina's Department of Transportation would only have access to primary highway funds and a small percentage of Interstate 4R funds to expedite completion of the projects.

Mr. President, the section of U.S. 23 from Interstate 26 in Asheville to the Tennessee line is part of North Carolina's Strategic Highway Corridor System. Improving this route will provide the economically depressed central mountain regions of North Carolina and Tennessee easy access to the Johnson City, TN, and Asheville, NC, urban areas in order to spur development and growth.

Tennessee also appreciates the importance of U.S. 23 to its mountain regions, Mr. President, and has announced plans to upgrade its portion of the highway from the North Carolina line to Interstate 81. The concerted action of both States will result in the creation of an interstate quality highway—which will eventually be redesignated Interstate 26—offering the central mountain regions of both States direct access to the Midwestern United States.

Mr. President, Charlotte, NC—like many metropolitan areas throughout this Nation—is plagued by rapidly increasing highway congestion. It has the fastest growing transportation and highway safety problems in our entire State. The most important transportation requirement in the area is an eastern connection between Interstate 77 south of Charlotte and Interstate 85 north of the city.

When completed, Mr. President, this connector will allow through-traffic to bypass the center of downtown Charlotte—alleviating the air pollution and high accident rates in the downtown area of the city.

Mr. President, providing these two projects with priority status does not give North Carolina more money. I reiterate, Mr. President, priority status does not provide a State with additional Federal funds. It merely grants a State's transportation department greater flexibility with respect to the use of its regularly apportioned Federal aid highway funds—except interstate construction and critical bridge funds—and ultimately will allow North Carolina to channel more resources into these much needed projects. A priority project designation simply affords a State more funding flexibility for whatever work it may choose to do on such highways.

Mr. President, North Carolina only seeks to meet the transportation needs of its citizens in the most expeditious manner possible. The amendment would allow the State the flexibility it needs to do that.●

Mr. LAUTENBERG. Mr. President, this amendment has been cleared by both sides. I know of no objection, and I ask for its immediate adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2558) was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote by which the amendment was agreed to, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2559

(Purpose: To provide for planning studies to remove certain hazardous, unsafe, and adverse environmental conditions from certain college campuses)

Mr. D'AMATO. Mr. President, I send an amendment to the desk, on behalf of Senator GRAMM, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. D'AMATO], for Mr. Gramm, proposes an amendment numbered 2559.

Mr. D'AMATO. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

SEC. . From funds appropriated to the Department of Transportation by this Act, the Secretary of Transportation is authorized, notwithstanding any other provision of this Act, to make available, not to exceed $500,000, to assist local interests in developing planning studies for the relocation of railroad tracks on college campuses to eliminate hazardous, unsafe, and adverse environmental conditions.

Mr. D'AMATO. Mr. President, the moneys called for with respect to the study and preparation of plans for the relocation of railroad tracks on college campuses are within the bill. This has been cleared by the majority and by our side.

Mr. LAUTENBERG. Mr. President, the majority side has no problems with this amendment. It has been cleared.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2559) was agreed to.

Mr. D'AMATO. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. D'AMATO. Mr. President, I ask unanimous consent that no further amendments be considered, with the exception of one by Senator MURKOWSKI.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. LAUTENBERG. Mr. President, to my knowledge—and since we just had that unanimous-consent agreement—there are no other amendments pending on this bill. We hope that the Senator from Alaska will be able to join us very soon, because we then can go to third reading and have a vote.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the amendment by Mr. MURKOWSKI, which has already been ordered, without further intervening action or debate, the Senate proceed to third reading, and that without any further debate or intervening action of any kind, the Senate proceed immediately to the vote on final passage of the transportation appropriation bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. I thank all Senators.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2560

(Purpose: To deny funds for construction projects that use the services of a contractor or subcontractor of a foreign country that denies fair and equitable access to United States products and services in construction projects in that foreign country)

Mr. D'AMATO. Mr. President, I send an amendment to the desk on behalf of Senator MURKOWSKI, Senator LAUTENBERG, and myself.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. D'AMATO], for Mr. MURKOWSKI, (for himself, Mr. D'AMATO, and Mr. LAUTENBERG) proposes an amendment numbered 2560.

Mr. D'AMATO. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

SEC. . (a)(1) None of the funds appropriated by this Act may be obligated or expended to enter into any contract for the construction, alteration, or repair of any public building or public work in the United States or any territory or possession of the United States with any contractor or subcontractor of a foreign country, or any supplier of manufactured products of a foreign country, during any period in which such foreign country is listed by the United States Trade Representative under subsection (c) of this section.

(2) The President or the head of a Federal agency administering the funds for the construction, alteration, or repair may waive the restrictions of paragraph (1) of this subsection with respect to an individual contract if the President or the head of such agency determines that such action is necessary for the public interest. The authority of the President or the head of a Federal agency under this paragraph may not be delegated. The President or the head of a Federal agency waiving such restrictions shall, within 10 days, publish a notice thereof in the Federal Register describing in detail the contract involved and the reason for granting the waiver.

(b)(1) Not later than 30 days after the date of enactment of this Act, the United States Trade Representative shall make a determination with respect to each foreign country of whether such foreign country—

(A) denies fair and equitable market opportunities for products and services of the United States in procurement, or

(B) denies fair and equitable market opportunities for products and services of the United States in bidding,

for construction projects that cost more than $500,000 and are funded (in whole or in part) by the government of such foreign country or by an entity controlled directly or indirectly by such foreign country.

(2) In making determinations under paragraph (1), the United States Trade Representative shall take into account information obtained in preparing the report submitted under section 181(b) of the Trade Act of 1974 and such other information or evidence concerning discrimination in construction projects against United States products and services that are available.

(c)(1) The United States Trade Representative shall maintain a list of each foreign country which—

(A) denies fair and equitable market opportunities for products and services of the United States in procurement, or

(B) denies fair and equitable market opportunities for products and services of the United States in bidding,

for construction projects that cost more than $500,000 and are funded (in whole or in part) by the government of such foreign country or by an entity controlled directly or indirectly by such foreign country.

(2) Any foreign country that is initially listed or that is added to the list maintained under paragraph (1) shall remain on the list until—

(A) such country removes the barriers in construction projects to United States products and services;

(B) such country submits to the United States Trade Representative evidence demonstrating that such barriers have been removed; and

(C) the United States Trade Representative conducts an investigation to verify independently that such barriers have been removed and submits, at least 30 days before granting any such waiver, a report to each House of the Congress identifying the barriers and describing the actions taken to remove them.

(3) The United States Trade Representative shall publish in the Federal Register the entire list required under paragraph (1) and shall publish in the Federal Register any modifications to such list that are made after publication of the original list.

(d) For purposes of this section—

(1) The term "foreign country" includes any foreign instrumentality. Each territory or possession of a foreign country that is administered separately for customs purposes shall be treated as a separate foreign country.

(2) Any contractor or subcontractor that is a citizen or national of a foreign country, or is controlled directly or indirectly by citizens or nationals of a foreign country, shall be considered to be a contractor or subcontractor of such foreign country.

(3) Subject to paragraph (4), any product that is produced or manufactured (in whole or in substantial part) in a foreign country shall be considered to be a product of such foreign country.

(4) The restrictions of subsection (a)(1) shall not prohibit the use, in the construction, alteration, or repair of a public building or public work, of vehicles or construction equipment of a foreign country.

(5) The terms "contractor" and "subcontractor" includes any person performing any architectural, engineering, or other services directly related to the preparation for or performance of the construction, alteration, or repair.

(e) Paragraph (a)(1) of this section shall not apply to contracts entered into prior to the date of enactment of this Act.

(f) The provisions of this section are in addition to, and do not limit or supersede, any other restrictions contained in any other Federal law.

Mr. D'AMATO. Mr. President, this amendment is similar to others which apply to all federally funded projects. It was contained in the continuing resolution for fiscal year 1988 and passed the Senate in the transportation appropriation bill.

What we really say is this amendment prohibits foreign construction firms and suppliers from being utilized on projects funded by the act if their country denies to U.S. firms fair opportunity to participate in their public projects. The methodology to establish that fairness is contained in the amendment.

I commend Senator MURKOWSKI because we have made great strides as a result of his previous legislation in attempting to achieve recognition predictably from Japan initially in this area of construction projects, and we would hope we would be able to get some fairness by other countries as well.

Mr. LAUTENBERG. Mr. President, this amendment has been cleared. We recommend its adoption and move it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2560) was agreed to.

Mr. D'AMATO. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AIRCRAFT REGISTRY

Mr. DOLE. Mr. President, the FAA has a requirement to identify and distribute important safety information on airworthiness to the owners and/or operators of every aircraft operated in the U.S. civil aviation fleet.

The FAA maintains a civil aircraft registry in Oklahoma City to meet this requirement. Recently there was a hearing in the House concerning strengthening our ability to use this information as a tool to interdict drug trafficking.

The current aircraft registry fails to meet either objective. Our ability to identify and locate the owner, and especially the operator, of any given aircraft in the civilian fleet is extremely inadequate.

The FAA is interested in developing a usable data base that will accurately assess changes in aircraft that affect airworthiness on a national basis. Likewise, our law enforcement officials will have an even greater ability to seek out and interdict those who use aircraft to smuggle drugs.

The FAA had intended to begin this project in fiscal year 1988. However, because of technical problems, it has been delayed. This project is long overdue.

The committee has included report language that will keep this project moving forward. Most importantly, this research will take place at the Aviation Safety Institute at Wichita State University, Wichita KS.

The American people want safe aircraft. The American people are tired of drugs destroying neghborhoods and the lives of our children. Mr. President, I am confident this important research will go a long ways to help the FAA meet both these important objectives and I will encourage the conference committee to approve the continuation of this important work.

Mr. President, I ask unanimous consent to include a copy of a letter sent to Chairman LAUTENBERG by T. Allan McArtor on this matter.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF TRANSPORTATION,
FEDERAL AVIATION ADMINISTRATION,
Washington, DC, June 23, 1988.
Hon. FRANK R. LAUTENBERG,
Chairman, Subcommittee on Transportation, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR CHAIRMAN LAUTENBERG: This letter addresses and provides information on an important issue for which we both have a concern.

The Federal Aviation Administration (FAA) has a requirement to identify and distribute important safety information on airworthiness to the owner and/or operators of every aircraft operated in the United States civil aviation fleet. To meet this requirement, FAA maintains an Aircraft Registry at the Aeronautical Center in Oklahoma City. In addition to meeting this safety objective, the Aircraft Registry has recently been the subject of a hearing in the House concerning its possible use as a tool for drug interdiction.

As currently structured, the Registry is unable to meet either the safety or the drug interdiction objective. The FAA, therefore, wants to initiate a project to do research on an international civil aviation aircraft operator database. The project will involve evaluation of current sources of usable data, system/data integrity and maintainability, and development of an operational cost model. Additionally, the research should provide the type of detailed information that will enable the FAA to accurately assess changes in aircraft affecting airworthiness on a national basis.

The FAA had intended to begin this project during FY 1988; however, due to technical problems, it has been delayed. We consider this effort to be critical both from the safety point of view and as another method to combat drug trafficking.

To the effective and timely, the research should be undertaken by a party that has experience in this field and that has access to baseline information required for the project. Wichita State University (WSU), through its Aviation Safety Institute, has the ability to perform this research and could help the FAA accomplish its mission.

An identical letter has been sent to Senator D'Amato.

Sincerely,

T. ALLAN MCARTOR
Administrator.

REGARDING THE SPEED LIMIT—H.R. 4794

Mr. BURDICK. Mr. President, one of the most difficult and contentious highway issues during the last several years has been the national maximum speed limit. Legislation establishing the 55-mile-per-hour limit originated in the Environment and Public Works Committee more than 14 years ago. Then it became a "55 saves lives" program, complete with strict sanctions if States did not comply with its requirements.

States have been upset about the sanctions ever since, especially since up to 10 percent of a State's primary, secondary, and urban system fund apportionments could be withheld. While supporters of 55 claimed it had saved thousands of lives, opponents questioned the safety benefits, the economic costs of slower speeds, and the merits of a uniform maximum speed limit for the whole country.

In 1984, the National Academy of Sciences completed a study of the human and economic benefits of 55. Based on the Academy's findings, Congress agreed in last year's Highway Act to allow rural interstates—our safest highways designed to the highest standards—to be posted at 65. Since enactment in April 1987, 40 States have acted to post nearly 32,000 miles of roads above 55 miles per hour.

Earlier this year, Transportation Secretary Jim Burnley announced that the 1987 U.S. traffic fatality rate was the lowest in history. In my own State of North Dakota, there was a decline in fatalities on our rural interstate highways from eight in 1986 to five in 1987. Now I am not claiming that the higher speed led to fewer deaths, but by the same token it obviously has not led to more dangerous conditions on our highways. Yet North Dakota is one of three States to be cited recently for noncompliance with the existing speed limit program, and could lose as much as $3 million in much needed highway funds.

Several States have been in this fix over the years. A recent study from the General Accounting Office found that speed monitoring and the existing formula by which compliance is measured do not have much connection to improving highway safety. In fact, many States have had to switch their highway patrols from narrow, two-lane, rural connector roads or from areas where drunk driving is a special problem and instead station those officers on the far safer roads posted at 55 in order to certify compliance to DOT and avoid the loss of highway funds.

Walt Hjelle, the North Dakota highway commissioner, has said:

> Let's make safety a real factor, not just compliance for the sake of compliance. How to measure compliance should be a moot point—how to make our highways safer is the overriding question. Each state legislature cares about its people. It is not just those in Washington who know what is best for us.

Five months ago, the Environment and Public Works Committee held a hearing on various speed limit issues. Dick Morgan, Executive Director of the Federal Highway Administration, testified:

> States clearly are in the best position to determine where speed enforcement is needed to enhance safety and should be able to deploy enforcement personnel accordingly, without the threat of losing Federal funds.

I believe that the measure being offered today will move us in a more sensible and safer direction with respect to speed limit enforcement.

At present, States must show that at least 50 percent of motor vehicles are not exceeding the 55 limit. Over the years the compliance formula has been tinkered with to make even a 50-percent level of compliance possible; without these congressional adjustments 44 States would have been out of compliance in 1986. Many States have had the experience of being cited for noncompliance in previous years, and more will be in the future. Mr. President, I ask unanimous consent that a recent FHWA table be inserted in the RECORD showing by State the percent of vehicles exceeding 55.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Vehicles exceeding 5 miles per hour on highways with a 55-miles-per-hour speed limit for the year ending Sept. 30, 1987

State:	*Percent*
Alabama	40.1
Alaska	48.3
Arizona	45.0
Arkansas	38.4
California	50.8
Colorado	42.3
Connecticut	41.1
Delaware	47.8
Florida	49.9
Georgia	44.9
Hawaii	36.0
Idaho	38.0
Illinois	39.5
Indiana	45.0
Iowa	41.1
Kansas	47.9
Kentucky	26.6
Louisiana	47.4
Maine	33.0
Maryland	47.6
Massachusetts	49.3
Michigan	49.7
Minnesota	48.8
Mississippi	48.4
Missouri	47.1
Montana	41.1
Nebraska	47.8
Nevada	47.2
New Hampshire	41.9
New Jersey	46.4
New Mexico	37.4
New York	50.6
North Carolina	37.7
North Dakota	51.7
Ohio	44.3
Oklahoma	44.5
Oregon	46.6
Pennsylvania	43.7
Puerto Rico	32.0
Rhode Island	42.3
South Carolina	32.5
South Dakota	42.1
Tennessee	39.3
Texas	43.4
Utah	45.2
Vermont	44.6
Virginia	32.0
Washington	39.5
West Virginia	25.5
Wisconsin	44.3
Wyoming	49.0

Mr. BURDICK. We have a situation where the tail is wagging the dog. Either we emphasize compliance factors that have a direct link to safety or the Federal Government should reconsider speed limit sanctions altogether. In my view, we are duty bound to reexamine a patchwork program that emphasizes compliance over the far more important goal of safer highways.

Mr. DOLE. Mr. President, under the right-of-way revolving fund within the highway trust fund, the committee may direct the Secretary of Transportation to give priority designation to certain bridges that have extremely low rating factors and which serve as major links for both intrastate and interstate commerce and which directly impact the economic development of an area.

Mr. President, the Kansas River Bridge in Manhattan, KS, meets this criteria. This bridge, which is now over 50 years old, is a major crossing with the nearest bridges being 15 miles both upstream and downstream. This bridge must be replaced. There was major substructure work done on the bridge in 1987. The State Department of Transportation is concerned that there will have to be further work done in the near future.

Mr. D'AMATO. Mr. President, is the State of Kansas prepared to meet all the requirements and conditions for bridge discretionary funds?

Mr. DOLE. Mr. President, the State of Kansas has made this bridge a priority project and is committed to meeting all the Departments requirements including State funding of 20 percent of the project. The State of Kansas has already submitted a full and complete application to DOT earlier this summer.

Mr. D'AMATO. Mr. President, this is a serious problem; and, with the assurances of the distinguished Republican leader has provided, I have no objection to this project.

Mr. CHILES. Mr. President, Senate Budget Committee scoring of the Department of Transportation and related agencies appropriations bill for fiscal year 1989 as reported by the full Appropriations Committee shows that the bill is under its 302(b) budget authority allocation by $0.3 billion and under its outlay target by less than $50 million. I commend the distinguished chairman of the subcommittee, Senator LAUTENBERG, and the ranking minority member, Senator D'AMATO, for their efforts to stay within their 302(b) allocations in crafting this bill.

Mr. President, I have a table from the Budget Committee showing the official scoring of the foreign operations appropriations bill, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SENATE BUDGET COMMITTEE SCORING OF H.R. 479—TRANSPORTATION, SPENDING TOTALS (SENATE REPORTED)

[In billions of dollars]

	Fiscal year 1989	
	Budget authority	Outlays
302 (b) bill summary:		
H.R. 4794, Senate reported (new budget authority and outlays)	10.6	9.5
Enacted to date		17.2
Adjustment to conform mandatory programs to resolution assumptions	−[1]	+[1]
Scorekeeping adjustments		
Bill total	10.5	26.7
Subcommittee 302(b) allocation	10.8	26.7
Difference	−.3	−[1]
Bill total above (+) or below (−): President's request	+1.8	+.9
Summit cap summary:		
Domestic discretionary spending in bill	10.2	26.4
Allocation under domestic cap	10.4	26.4
Difference	−.3	−([1])

[1] Less than $50,000,000.

Note.—Details may not add to totals due to rounding. Prepared by Senate Budget Committee staff.

Mr. ADAMS. Mr. President, as the chairman knows, the House bill contains language addressing the issue of labor protection provisions in airline mergers. While the House language deals with this issue, I am not totally satisfied with the mechanism it uses. As the chairman and our colleagues may recall, the Senate addressed this issue in a more comprehensive fashion last year when it adopted, by a substantial majority, an amendment I offered. That amendment was designed to transfer responsibility for the imposition of labor protection provisions from the Department of Transportation to the Department of Labor. The motive for that change was a simple one: DOT has refused, over the last 8 years, to even consider LPP's despite the massive increase in mergers and the labor disruptions which were created. By transferring authority to DOL and giving the Secretary of Labor specific directions, I hoped to return to the system which had existed under the CAB where labor protection had been a fairly routine element in mergers.

As I indicated, the Senate had adopted that amendment last year. I had intended to offer it as a perfecting amendment to the existing House language in this bill. But it soon became clear that some in the Senate would engage in extended debate if such an amendment was offered—despite the fact that the Senate had previously adopted it and despite the fact that the House had already included language on this issue in the bill.

After discussions with the chairman and the leader, I have concluded that the best course of action for me, and for those who believe in providing basic protection to labor, is to not offer this amendment and instead deal with this issue in conference.

I have had some informal conversations with some Members of the House who agree that the approach adopted by the Senate last year is preferable to the current House language. I also understand that that is the view of the chairman. In light of that, I believe that we may be able to resolve this issue in conference and avoid the necessity for a prolonged debate on the floor. Given the importance of moving the appropriation bills along, and given the fact that we can address this issue in another context on this bill, I believe this is the best course of action.

Mr. LAUTENBERG. Mr. President, the Senator from Washington is absolutely correct, and I appreciate his willingness to allow us to address this issue in conference. I promise him, and I promise the Senate, that I will do everything I can to make sure that the position of the Senate, as expressed last year, prevails in the conference. I know, as well, that this is the position of the ranking minority member of the subcommittee, Senator D'AMATO.

HUNTSVILLE AIRPORT PROJECT

Mr. SHELBY. Mr. President, Huntsville, AL, is the seventh fastest growing community in the Nation. the Huntsville International Airport is growing in activity at a rate of 20 percent annually. Its air cargo activity has increased fourfold in the last 2 years. Two all-cargo carriers are now in a position to designate and use Huntsville International as a major all cargo hub for international cargo activities.

In order to accommodate this growth, the strengthening of the east parallel runway of the airport is being accomplished under a multiyear Airport Improvement Program [AIP] grant for fiscal years 1988 and 1989. Unfortunately, funds are also needed in order to accomplish a 2,000-foot extension of this runway. The proposed runway extension would provide for direct international flights of large cargo aircraft. Through the use of fiscal year 1989 discretionary funds allocated to AIP, the proposed runway extension could become a reality.

The proposed runway extension and the concomitant increase in operations would have a number of beneficial effects on the economies of north Alabama and southern Tennessee as well as on aviation capacity and safety. An estimated 1,500 new jobs would be created. In addition, the airport could attract a hub passenger airline.

New jobs, capacity relief, and safety relief are needed now and will not occur unless this proposed runway extension is funded from fiscal year 1989 Airport Improvement Program discretionary funds. The estimated cost of the project is $3.7 million.

Huntsville International has recently received preapplication approval from the FAA with respect to its request for discretionary funds from the AIP for fiscal year 1989 and is proceeding to complete the environmental assessment for the runway extension.

The distinguished senior Senator from Alabama, Mr. HEFLIN, and I understand that the distinguished manager of the Department of Transportation and related agencies appropriations bill now before the Senate agrees with the need for the subject Huntsville International Airport application to receive priority consideration by the Federal Aviation Administration.

Mr. HEFLIN. The extension of the east runway at the Huntsville International-Carl T. Jones Field is an urgent and critical need. This will help relieve congestion at nearby hub airports, increase safety, and create jobs.

I would like to thank the Senator from New Jersey for his assistance on this matter. I know that solely because of time constraints, the Appropriations Committee was not able to consider this application when the bill was before the committee; and I certainly appreciate his efforts at this time.

Mr. LAUTENBERG. My good friends from Alabama are correct. I will be sure to include the Huntsville International Airport project in the report accompanying this bill to be included among those which the committee directs the FAA to give priority consideration for fiscal year 1989 AIP funds.

Mr. SHELBY. I thank my good friend from New Jersey for his assistance in addressing this important situation.

HIAWATHA AVENUE PROJECT

Mr. DURENBERGER. Mr. President, in reviewing the committee report accompanying the fiscal year 1989 Department of Transportation appropriations bill, I notice that the committee has not concurred in the House request that $8.5 million be made available for the Hiawatha Avenue demonstration project. This oversight, if left uncorrected in conference with the House of Representatives, could jeopardize the tremendous progress we have made on this project over the past few years.

As the distinguished chairman and ranking member may recall, we discussed this project during last years debate on the fiscal year 1988 DOT appropriations bill. While my two distinguished colleagues could not guarantee that they would recede to the House position on this project, you did indicate that you would try and be helpful. Accordingly, when I saw that funds were included for the project in last years continuing resolution, I knew that the Senators from New Jersey and New York were indeed receptive in Minnesota's needs.

My question to the chairman and ranking member is whether they might indicate how this project is likely to fare in conference with the House.

Mr. LAUTENBERG. Mr. President, in response to the question raised by my good friend from Minnesota, I suspect that the absence of funds for this critical project has more to do with the difficulties created by the insufficient 302(b) allocation than the merits on the project. As the Senator knows, this project happens to be located in the district of a member of the House subcommittee, and I suspect that he will fight extremely hard to see that this project is retained in conference.

Mr. D'AMATO. Mr. President, I concur with the chairman's observations. As is evident from previous bills and this years extremely tight budget allocation, it was necessary for our subcommittee to avoid funding House projects in the Senate bill. However, it is likely that the Senate may accept some House projects in conference and, given the advanced stage of this project, its chances are very good. For my part, I promise I will do everything I can to see that the Senator's request is addressed in conference.

Mr. DURENBERGER. Mr. President, I thank my two colleagues for engaging in this colloquy with me. I realize the difficult choices they had to make in putting this years bill together, and know that you will try your best to accommodate the House on this project.

Mr. BOSCHWITZ. Mr. President, I rise to join my good friend and fellow Senator from Minnesota [Mr. DURENBERGER] in support of the Hiawatha Avenue project. This endeavor, which is so important to our State, already has received nearly half of its authorized funds. To suspend funding at this critical juncture could delay and increase the cost of this important transportation project.

I am pleased to hear that the distinguished chairman and ranking member understand the importance of this project and that they will do all they can to ensure that it is addressed in the conference committee.

I, too, am well aware of the difficult decisions that they had to make in putting together the committee's recommendation and want to thank them in advance for their efforts in conference with respect to the Hiawatha Avenue project.

Mr. HEINZ. Mr. President, I rise today to engage in a brief colloquy with the distinguished chairman of the Subcommittee on Transportation, Senator LAUTENBERG. First, let me commend both the chairman and the ranking member, Senator D'AMATO, for their achievement in crafting a fine bill with a limited amount of available dollars.

I believe this bill will meet the Nation's transportation needs and particularly put increased resources where we need them.

I was particularly pleased to see that funding for Amtrak and mass transit grants have been maintained at or near current levels and that proposals to scale back these important programs have been rejected.

Nevertheless, I do want to express three concerns with provisions appropriating funds for the Urban Mass Transportation Administration.

First, I note that funding for the Section 9 Formula Program, the one that provides grants to all of the Nation's urban areas for transit vehicle and facility replacement, was reduced by more than 7 percent. I am concerned that transit authorities across the Nation, particularly ones in smaller communities, may not be able to absorb such a fiscal shock to their capital budgets without cutting back on needed services, equipment or facilities.

I understand that our colleagues in the other body did manage to produce a slight increase in section 9. My question is: Would the chairman be willing to work in conference toward a compromise that will more closely reflect what I know is a goal we share, maintenance of program funding at at least a freeze level?

One other result of the cut in section 9 in the bill as reported is that many smaller areas of the country and in my own State of Pennsylvania will receive less in total formula apportionments from UMTA than they are entitled to receive under their operating assistance caps. This phenomenon, which we did not intend when we wrote the reauthorization bill, results in a de facto cut in operating aid, aid which is critical to meeting the day-to-day costs of providing transit service, particularly in small transit authorities.

Finally, I wanted to express concern about a provision that would, for the first time, tap the mass transit account of the highway trust fund, for funds to support interstate transfer transit projects. Mr. President, these are worthy and important transit projects, I am sure, that State and local officials have determined to build in lieu of interstate highway projects.

However, we did not intend for the trust fund to be used for these trade-in projects; rather we continued prior law that provides for their funding from general revenues. We in the Banking Committee felt that the trust fund should be reserved for important transit new starts, rail modernization and major bus projects that might not otherwise be affordable by cities, using their basic formula allocation. We also felt that, in response to the persuasive arguments of some of my colleagues here in the Senate, that some trust fund money should be distributed by formula, on an equitable basis, to urban areas in all States and to rural areas as well. We accomplished this with so-called blending concept, and I note that in this bill, Mr. President, some $75 million will be so shared.

But I would like to solicit the views of the gentleman from New Jersey with regard to the issue of using mass transit account money for interstate transfer projects. Does he believe some accommodation can be made in conference, that would preserve the authorized use of gas tax revenues solely for section 3 projects?

Mr. LAUTENBERG. I thank the Senator from Pennsylvania for raising these important issues. Let me assure him that I share his concerns about maintaining funding for the section 9 program at the highest possible level and about preserving gas tax revenues for the section 3 program. I say to the Senator that we will work in conference to accommodate these concerns to the greatest extent possible. Given our tight budgetary constraints.

Mr. HEINZ. I thank my friend from New Jersey for his answers and for his willingness to work with this Senator to make sure that the very scarce dollars that we have for mass transit are used most prudently.

Mr. President, I want to say again that the Appropriations Committee, and the leaders of the Subcommittee on Transportation, have produced a fine bill, despite these accommodations which I know had to be made to fiscal reality. I will support the bill and I would urge my colleagues to support it as well.

Mr. WIRTH. I would like to ask the distinguished Senator from New Jersey, the chairman of the Transportation Appropriations Subcommittee, for clarification about the letters of intent that FAA is authorized to enter into with airport-sponsoring communities for projects that enhance the capacity of the Nation's airport system.

As the chairman may know, the city and County of Denver hopes to receive from the FAA during fiscal year 1989 a letter of intent for up to $85 million annually from discretionary moneys in the Airport and Airway Improvement Program. Funds would continue each year at approximately that level until the new airport opens in the mid-1990's. I inquire of the chairman as to how he anticipates the letter of intent process will work, particularly under the clarifications to that process that he has included in the appropriations bill before us.

Mr. LAUTENBERG. If the Senator will yield, the committee intends that the new FAA letter of intent process will be used specifically to help finance important new airport capacity projects such as the new Denver airport. Under this process, the FAA can negotiate a letter of intent with an airport sponsor such as Denver, for a multiyear period covering discretionary funds available from the aviation trust fund but subject to obligational ceilings and annual appropriations.

The committee intends through this process to offer a community willing to provide an important quantity of new airport capacity a plan for the long-term Federal financing even if not at the level of annual financing that that community might wish. The committee intends that the FAA be able to issue letters of intent that extend beyond 1992 but, of course, conditioned upon an appropriate extension of the authorization law occurring during that fiscal year.

Mr. WIRTH. If I may inquire further, the committee in its appropriations bill establishes a ceiling on the total amount of AAIP funds that FAA can commit to be obligated during fiscal year 1989. But the committee does not appear to limit the amount of future year AAIP funds that FAA can informally commit in the letter of intent process for fiscal years 1990-92. In signing letters of intent process for the out-years under this authorization, may the FAA assume that future funding under this program will continue for fiscal years 1990-92 at the final fiscal year 1989 level? In other words, can the FAA, in issuing a letter of intent, assume a straightlining of this year's AAIP funding level?

Mr. LAUTENBERG. The distinguished Senator from Colorado is correct. In issuing letters of intent under the authorization and our appropriations bill, FAA may plan for Denver and other eligible airport sponsors a level of funding for the AAIP in fiscal years 1990 through 1992 that assumes a straightlining from the fiscal year 1989 level. This is not dependent on the 1988 level. Clearly, communities such as Denver need the assurance of multiyear financial planning. Because the AAIP is funded from aviation trust fund revenues and because letters of intent are to be issued subject to authorizations, obligational ceilings, and appropriations, the FAA may assume a straightlining of this program level in entering into commitments for fiscal years 1990 through 1992.

Mr. WIRTH. I thank the Senator for his very helpful explanation. As I mentioned, Denver will soon be requesting substantial funding from FAA to help finance its new airport project. As a practical matter, Denver has received less in Federal discretionary grants than any other major airport sponsor in recent years. Because it was anticipating its new airport project, the city has not been requesting any discretionary funds from Stapleton International. With the Appropriations Committee's help, substantial levels of AAIP funds will be needed in future years for this important project. I am confident passengers who have used Stapleton Airport in past years would want their user tax contributions to be returned to our region to help finance this new project for their future use.

Again, I thank the chairman of the Appropriations Subcommittee for his very helpful clarification of the letter of intent process.

OFF-AIRPORT CAR RENTAL GROSS RECEIPTS FEES

Mr. FORD. Mr. President, I wish to put an inquiry to the bill manager regarding language in the committee report. On page 31, the report discusses the subject of gross receipt fees imposed by airports on off-airport car rental companies. The Subcommittee on Aviation, which I chair, held hearings on related legislation last September, and has concluded that this issue is not a proper matter for Federal intervention. This sentiment is more fully expressed in letters which Senator KASSEBAUM and I sent to both managers and which I ask unanimous consent be placed in the RECORD at the conclusion of this colloquy.

The PRESIDING OFFICER. Without objection, it is so ordered (See Exhibit 1)

Mr. FORD. Mr. President, I am pleased that the Committee on Appropriations has chosen not to include bill language relative to gross receipts fees, and addresses such fees only through report language. In that report, the committee expresses its views regarding gross receipts fees and I am compelled to seek the following clarification. Would the distinguished chairman assure us that the committee's direction to review such fees in no way implies a criticism of such fees or expresses a sense of the committee that the discretion of the airport operators to impose these fees for the purpose of generating airport revenues and to allocate, through market pricing of such fees, scarce airport landside resources, should be limited in favor of a legislative or administrative determination of what constitutes a reasonable fee upon airport-related businesses.

Mr. LAUTENBERG. Mr. President, I am pleased to respond to the inquiry from the distinguished Senator from Kentucky. The committee's action is intended to assist the authorizing committees, through a limited study, in assessing this issue. The committee's directive should not be interpreted to imply a sense of the committee that gross receipts fees imposed on off-airport car rental companies are, in any way, in and of themselves, unreasonable, unfair, or anticompetitive. Nor should the report language be interpreted to imply a sense of the committee that the discretion of the airport operators to impose these fees should be at all restricted as long as the imposition of the fees meets constitutional standards for rational governmental action as interpreted by the Federal courts.

Mr. FORD. I thank the distinguished Senator from New Jersey.

U.S. SENATE,
COMMITTEE ON COMMERCE SCIENCE, AND TRANSPORTATION,
Washington, DC, June 20, 1988.
Hon. Alfonse M. D'Amato, U.S. Senate, Washington, D.C.

Dear Al: We understand that an amendment addressing the ability of airports to classify and charge off-airport businesses for the use of Airport facilities may be considered by your subcommittee when you mark-up transportation appropriations legislation.

As you may know, legislation relating to this same issue has been introduced and referred to the Commerce Committee. Hearings were held by committee members and staff with the interested parties, following which, additional hearings were held on the legislation by the Aviation Subcommittee. During the course of those hearings no member of the subcommittee voiced support for the legislation.

As chairman and ranking member of the subcommittee, we concluded that the subcommittee—on a bipartisan basis—did not believe that federal intervention in this area was either wise or warranted, and subsequently, several members have asked to be notified if the issue is brought to the floor for action.

For these reasons and the fact that the courts have found that airports have the right to allocate their costs of operations to all airport businesses, including charges to off-airport businesses, we would urge your opposition to the amendment.

Sincerely,
NANCY LANDON KASSEBAUM,
U.S. Senate
WENDELL H. FORD,
U.S. Senate.

U.S. SENATE,
COMMITTEE ON COMMERCE SCIENCE, AND TRANSPORTATION,
Washington, DC, June 20, 1988.
Hon. Frank R. Lautenberg, U.S. Senate, Washington, D.C.

Dear Frank: We understand that an amendment addressing the ability of airports to classify and charge off-airport businesses for the use of Airport facilities may be considered by your subcommittee when you mark-up transportation appropriations legislation.

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Sincerely,
NANCY LANDON KASSEBAUM,
U.S. Senate
WENDELL H. FORD,
U.S. Senate.

COAST GUARD

Mr. GRAHAM. Mr. President, I have a question for my colleague from New Jersey about appropriation provisions regarding the Coast Guard. We do not address the $60 million reprogramming, a budget shortfall that has seriously delayed important drug interdiction activities in my own State of Florida. The Coast Guard has said that this shortfall in funds has caused cutbacks in drug enforcement patrols by 55 percent.

I am very concerned that we fund the Coast Guard at adequate levels, and enhance, not diminish their ability to provide full patrols for the war on drugs. Last year alone the Coast Guard seized 1.3 million pounds of marijuana and 12,900 pounds of cocaine, an effort that is integral in protecting Florida's shoreline from drug smugglers. Equally important to the people of Florida, are the continuing diligent protection that is provided by the Coast Guard's search and rescue and boat safety functions.

I ask the Senator from New Jersey if I can get his assurance that the full $60 million will be contained in the Senate version of a dire emergency supplemental bill that we will take up after House action, that we will act expeditiously on this bill and that as Transportation Subcommittee chairman you will support this bill?

Mr. LAUTENBERG. My colleague from Florida is correct in supporting full funding for vital Coast Guard activities, he joins many of us in the Senate in expressing his concern.

The activities of the Coast Guard are very important to New Jersey as well, and Senator GRAHAM can have my assurance that we are going to help the Coast Guard to the full extent we can by supporting and urging action on the emergency supplemental when it comes from the House and by the bill we are now considering which again provides $1,896,116,000 for Coast Guard operating expenses, and by earmarking $147,000,000 for Coast Guard's Environmental Protection Program and $492,000,000 for the Coast Guard's drug interdiction programs and activities.

AMTRAK SERVICE IN THE SAN JOAQUIN VALLEY

Mr. CRANSTON. Mr. President, I would like to engage the manager of the bill in a brief colloquy regarding rail passenger service in California. Amtrak passenger service in the San Joaquin Valley, between Fresno and Stockton, is presently over the Santa Fe trackage rather than the Southern Pacific trackage that runs through the major cities of the valley. Passenger service would be enhanced and increased if this trackage switch were to occur. Amtrak studies have shown it would cost approximately $5 million to accomplish the switch.

The ICC is presently overseeing the divestiture of the Southern Pacific Transportation Co. by the Santa Fe Southern Pacific Corp. I wonder if we could have an understanding as this bill proceeds to conference that the

ICC should take into consideration in overseeing the divestiture the fact of Amtrak's desire to switch from the Santa Fe trackage to the Southern Pacific trackage.

Mr. LAUTENBERG. Yes, I would be agreeable to that, that this matter be considered in conference.

INSTRUMENT LANDING SYSTEM FOR PONCA CITY AIRPORT

Mr. NICKLES. Mr. President, I thank my colleague from New Jersey for all his hard work on this legislation. I realize that it is a difficult job to provide appropriations for a balanced transportation program. I would like to thank Senator D'Amato, the ranking member, for his assistance.

As I have discussed with the chairman and the ranking member, it is my desire to have the instrument landing system [ILS] at Ponca City Municipal Airport completed. Completion of this system is vital to the economic growth and security of the community and many of the surrounding municipalities. In 1987, between 10 and 12 million passenger miles were flown by local aircraft. This flight activity in and out of Ponca City will continue to increase.

In order to support this growth the instrument landing system must be completed. There are four component parts in the instrument landing system. Ponca City Airport requires only two components, the electronic glide-slope and middle marker, to complete their instrument landing system.

Therefore, I would like to request that language be included in the conference report to direct the FAA to place Ponca City Municipal Airport on the list for priority consideration. I thank my colleagues for their consideration.

Mr. D'AMATO. Mr. President, I would like to add my support to the request of my colleague from Oklahoma. I understand the importance of the instrument landing system to the community of Ponca City. As ranking member, I would also like to encourage the Chair to consider Senator Nickles' request as a priority.

Mr. LAUTENBERG. I appreciate the comments of my colleagues from Oklahoma and New York. As you know, it has been difficult to provide sufficient funds for all the requests. However, I, too, understand the importance of the ILS to Ponca City. I will attempt to accommodate Senator Nickles in conference. I ensure the Senator that I will do all I can to have language placed in the conference report to put Ponca City on the list for priority consideration.

The PRESIDING OFFICER. Under the previous unanimous-consent agreement the clerk will read the bill for the third time.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. Bentsen] is necessarily absent.

I also announce that the Senator from Delaware [Mr. Biden] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. Helms] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 91, nays 6, as follows:

[Rollcall Vote No. 243 Leg.]

YEAS—91

Adams
Baucus
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Glenn
Gore
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Heinz
Hollings
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Quayle
Reid
Riegle
Rockefeller
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Warner
Weicker
Wilson
Wirth

NAYS—6

Armstrong
Garn
Humphrey
Proxmire
Roth
Wallop

NOT VOTING—3

Bentsen
Biden
Helms

So the bill, H.R. 4794, as amended, was passed.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. D'AMATO. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LAUTENBERG. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer [Mr. Sanford] appointed Mr. Lautenberg, Mr. Stennis, Mr. Byrd, Mr. Chiles, Mr. Harkin, Mr. Proxmire, Mr. Inouye, Mr. D'Amato, Mr. Cochran, Mr. Kasten, Mr. Weicker, and Mr. Hatfield conferees on the part of the Senate.

Mr. LAUTENBERG. Mr. President, I want to say in closing that working with the transportation bill through a very tough period when resources were scarce, the demands were many, I would have to tell you, Mr. President, and other colleagues here in the Chamber, that with Senator D'Amato, my friend from the neighboring State and the ranking member of the subcommittee, the job was not only made possible but made considerably easier.

I also must say that the members of the subcommittee: Senator Stennis, our distinguished chairman of the Appropriations Committee; Senator Chiles; our majority leader, Senator Byrd; and Senator Harkin; and on the Republican side, Senators Kasten, Cochran, and Weicker, all participated fully and made it possible to satisfy if not all, most of the requests that came in to help our Nation achieve its objective of a balanced transportation network.

I also would like to say at this moment, Mr. President, that the staff, subcommittee staff, Jerry Bonham, Pat McCann, Joseph McGrail, and Joyce Rose, as well as Anne Miano and Dorothy Pastis, all did an outstanding job. They worked very hard. They were ready on time and we were able to get this appropriations bill passed in reasonable fashion according not only to the quality of the bill but also to the calendar.

Mr. D'AMATO. Mr. President, let me thank my distinguished colleague, the manager of the bill, Senator Lautenberg, and commend him and the staff on both the majority and minority side for, I think, a job well done.

It was very difficult. I want to commend them for reaching out and making it possible to forge the kind of program necessary, particularly as it related to the Coast Guard.

I said I did not think it could be done. They did it. They certainly saw to it that we put those necessary dollars to restore the areas that were severely impaired as a result of this body last year and this year moving forward in a way that does not provide those funds.

So, Senator Lautenberg, to you, to the staff, to all those who have worked in a bipartisan manner to fashion this bill, I want to add my congratulations.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, I compliment both managers. They have demonstrated skill, good teamwork, and have been very courteous and cooperative with the joint leadership in bringing this bill forward. I commend them and I personally thank them.

Mr. LAUTENBERG. I thank the majority leader.

Mr. D'AMATO. Thank you, Mr. Leader.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND INDEPENDENT AGENCIES, BOARDS, COMMISSIONS, CORPORATIONS, AND OFFICES APPROPRIATION ACT, FISCAL YEAR 1989

The PRESIDING OFFICER. Under the previous order, the Senate will not proceed to the consideration of H.R. 4800, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 4800) making appropriations for the Department of Housing and Urban Development and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1989, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Appropriations, with amendents, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italic.)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1989, and for other purposes, namely:

TITLE I

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Housing Programs

ANNUAL CONTRIBUTIONS FOR ASSISTED HOUSING

[(INCLUDING RESCISSION)

[For assistance under the United States Housing Act of 1937, as amended ("the Act" herein) (42 U.S.C. 1437), not otherwise provided for, $7,673,765,000, to remain available until expended: *Provided,* That of the new budget authority provided herein, $71,850,788 shall be for the development or acquisition cost of public housing for Indian families; $343,347,300 shall be for the development or acquisition cost of public housing, including major reconstruction of obsolete public housing projects, other than for Indian families; $1,646,948,200 shall be for modernization of existing public housing projects pursuant to section 14 of the Act (42 U.S.C. 1437l); $1,020,600,000 shall be for assistance under section 8 of the Act for projects developed for the elderly or handicapped under section 202 of the Housing Act of 1959, as amended (12 U.S.C. 1701q); $389,574,000 shall be for the section 8 existing housing certificate program (42 U.S.C. 1437f); $584,675,000 shall be for the section 8 moderate rehabilitation program (42 U.S.C. 1437f), of which $35,000,000 is to be used to assist homeless individuals pursuant to section 441 of the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77); up to $307,430,000 shall be for section 8 assistance for property disposition; and $1,463,825,280 shall be available for the housing voucher program under section 8(o) of the Act (42 U.S.C. 1437f(o)): *Provided further,* That of that portion of such budget authority under section 8(o) to be used to achieve a net increase in the number of dwelling units for assisted families, highest priority shall be given to assisting families who as a result of rental rehabilitation actions are involuntarily displaced or who are or would be displaced in consequence of increased rents (wherever the level of such rents exceeds 35 percent of the adjusted income of such families, as defined in regulations promulgated by the Department of Housing and Urban Development): *Provided further,* That up to $145,462,500 shall be for loan management under section 8 and that any amounts of budget authority provided herein that are used for loan management activities under section 8(b)(1) (42 U.S.C. 1437f(b)(1)) shall not be obligated for a contract term that exceeds five years, notwithstanding the specification in section 8(v) of the Act that such term shall be 180 months: *Provided further,* That the fees for the costs incurred in administering the certificate and housing voucher programs under sections 8(b) and 8(o), respectively, shall be established or increased in accordance with the authorization for such fees in section 8(q) of the Act: *Provided further,* That of the $7,673,765,000 provided herein, $299,376,000 shall be used to assist handicapped families in accordance with section 202(h) (2), (3) and (4) of the Housing Act of 1959, as amended (12 U.S.C. 1701q) and $35,000,000 shall be for assistance under the Nehemiah housing opportunity program pursuant to section 612 of the Housing and Community Development Act of 1987 (Public Law 100-242): *Provided further,* That amounts equal to all amounts of budget authority (and contract authority) reserved or obligated for the development or acquisition cost of public housing (including public housing for Indian families), for modernization of existing public housing projects (including such projects for Indian families), and for programs under section 8 of the Act (42 U.S.C. 1437f), which are recaptured during fiscal year 1989, shall be rescinded: *Provided further,* That notwithstanding the 20 percent limitation under section 5(j)(2) of the Act, any part of the new budget authority for the development or acquisition costs of public housing other than for Indian families may, in the discretion of the Secretary, based on applications submitted by public housing authorities, be used for new construction or major reconstruction of obsolete public housing projects other than for Indian families: *Provided further,* That amounts equal to recaptured amounts for housing development grants shall be made available during 1989 on the terms specified in the sixth proviso under this head in the Department of Housing and Urban Development appropriation for 1987 (section 101(g) of Public Laws 99-500 and 99-591, 100 Stat. 1783, 1783-242, and 3341, 3341-242).]

(INCLUDING RESCISSION AND TRANSFER OF FUNDS)

For assistance under the United States Housing Act of 1937, as amended ("the Act" herein) (42 U.S.C. 1437), not otherwise provided for, $7,404,249,500, to remain available until expended, and, in addition, $125,000,000 of unobligated balances shall be provided by transfer from the Flexible Subsidy Fund account, to remain available until expended: Provided, That of the budget authority provided herein, $71,850,788 shall be for the development or acquisition cost of public housing for Indian families; $2,100,000,000 shall be for modernization of existing public housing projects pursuant to section 14 of the Act (42 U.S.C. 1437l); $1,090,153,040 shall be for assistance under section 8 of the Act for projects developed for the elderly or handicapped under section 202 of the Housing Act of 1959, as amended (12 U.S.C. 1701q); $45,000,000 shall be for the section 8 moderate rehabilitation program (42 U.S.C. 1437f), to be used to assist homeless individuals under section 441 of the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77); up to $307,430,000 shall be for section 8 assistance for property disposition; $1,273,810,280 shall be available for the housing voucher program under section 8(o) of the Act (42 U.S.C. 1437f(o)); and $692,200,000 shall be for the section 8 existing housing certificate program (42 U.S.C. 1437f): Provided further, That notwithstanding the provisions of section 18(b)(3)(A)(v) of the Act, the contracts for any certificates under section 8 that are used to assist tenants of public housing projects which are sold or demolished shall be for a term of five years: Provided further, That up to $145,462,500 shall be for loan management under section 8 and that any amounts of budget authority provided herein that are used for loan management activities under section 8(b)(1) (42 U.S.C. 1437f(b)(1)) shall not be obligated for a contract term that exceeds five years, notwithstanding the specification in section 8(v) of the Act that such term shall be 180 months: Provided further, That those portions of the fees for the costs incurred in administering incremental units assisted in the certificate and housing voucher programs under sections 8(b) and 8(o), respectively, shall be established or increased in accordance with the authorization for such fees in section 8(q) of the Act: Provided further, That of the $7,404,249,500 provided herein, $399,666,960 shall be used to assist handicapped families (including the deinstitutionalized mentally ill) in accordance with section 202(h) (2), (3) and (4) of the Housing Act of 1959, as amended (12 U.S.C. 1701q): Provided further, That amounts equal to all amounts of budget authority (and contract authority) reserved or obligated for the development or acquisition cost of public housing (excluding public housing for Indian families), for modernization of existing public housing projects (excluding such projects for Indian families), and for programs under section 8 of the Act (42 U.S.C. 1437f), which are recaptured during fiscal year 1989, shall be rescinded: Provided further, That of the amount of new budget authority specified for modernization of existing public housing projects pursuant to section 14 of the Act (42 U.S.C. 1437l), 20 percent shall be used under such section 14 for major reconstruction of obsolete public housing projects: Provided further, That amounts equal to recaptured amounts for housing development grants shall be made available during 1989 on the terms specified in the sixth proviso under this head in the Department of Housing and Urban Development appropriation for 1987 (section 101(g) of Public Laws 99-500 and 99-591, 100 Stat. 1783, 1783-242, and 3341, 3341-242): Provided further, That section 17(d)(4)(G) of the Act is amended by inserting after "July 23, 1985" the following: "; and 36 months after notice in the case of projects for which funding notices were issued during fiscal year 1986": Provided *further, That none of the amounts made available for obligation in 1989 shall be subject to the provisions of section 213(d) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 1439).*

RENTAL REHABILITATION GRANTS

For the rental rehabilitation grants program, pursuant to section 17(a)(1)(A) of the Housing Act of 1937, as amended (42 U.S.C. 1437o), $150,000,000, to remain available until September 30, 1991.

RENTAL HOUSING ASSISTANCE

(RESCISSION)

The limitation otherwise applicable to the maximum payments that may be required in any fiscal year by all contracts entered into under section 236 of the National Housing Act (12 U.S.C. 1715z-1) is reduced in fiscal year 1989 by not more than $2,000,000 in uncommitted balances of authorizations provided for this purpose in appropriations Acts.

HOUSING FOR THE ELDERLY OR HANDICAPPED FUND

In fiscal year 1989, [$478,422,000] *$537,736,000* of direct loan obligations may be made under section 202 of the Housing Act of 1959, as amended (12 U.S.C. 1701q), utilizing the resources of the fund authorized by subsection (a)(4) of such section, in accordance with paragraph (C) of such subsection: *Provided,* That such commitments shall be available only to qualified nonprofit sponsors for the purpose of providing 100 per centum loans for the development of housing for the elderly or handicapped, with any cash equity or other financial commitments imposed as a condition of loan approval to be returned to the sponsor if sustaining occupancy is achieved in a reasonable period of time: *Provided further,* That the full amount shall be available for permanent financing (including construction financing) for housing projects for the elderly or handicapped: [*Provided further,* That to the extent that there are approvable applications for loans under section 202(h), and notwithstanding the 15 percent minimum under section 202(h)(1), the amount of direct loan obligations to be made available for development costs for housing for handicapped families shall be adequate to permit the use of the amounts of budget authority provided in this Act for assistance under section 202(h) (2), (3), and (4):] *Provided further, That 25 percent of the direct loan authority provided herein shall be used only for the purpose of providing loans for projects for the handicapped, with the mentally ill homeless handicapped receiving priority: Provided further,* That the Secretary may borrow from the Secretary of the Treasury in such amounts as are necessary to provide the loans authorized herein: *Provided further,* That, notwithstanding any other provision of law, the receipts and disbursements of the aforesaid fund shall be included in the totals of the Budget of the United States Government: *Provided further,* That, notwithstanding section 202(a)(3) of the Housing Act of 1959, loans made in fiscal year 1989 shall bear an interest rate which does not exceed 9.25 per centum, including the allowance adequate in the judgment of the Secretary to cover administrative costs and probable losses under the program.

CONGREGATE SERVICES

For contracts with and payments to public housing agencies and nonprofit corporations for congregate services programs in accordance with the provisions of the Congregate Housing Services Act of 1978, [$5,400,000] *$7,000,000,* to remain available until September 30, 1990.

PAYMENTS FOR OPERATION OF LOW-INCOME HOUSING PROJECTS

For payments to public housing agencies and Indian housing authorities for operating subsidies for low-income housing projects as authorized by section 9 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g), $1,617,508,000.

HOUSING COUNSELING ASSISTANCE

For contracts, grants, and other assistance, not otherwise provided for, for providing counseling and advice to tenants and homeowners—both current and prospective—with respect to property maintenance, financial management, and such other matters as may be appropriate to assist them in improving their housing conditions and meeting the responsibilities of tenancy or homeownership, including provisions for training and for support of voluntary agencies and services as authorized by section 106(a)(1)(iii), section 106(a)(2), and section 106(c) of the Housing and Urban Development Act of 1968, as amended, [$4,500,000] *$3,500,000.*

FLEXIBLE SUBSIDY FUND

For assistance to owners of eligible multifamily housing projects insured, or formerly insured, under the National Housing Act, as amended, or which are otherwise eligible for assistance under section 201(c) of the Housing and Community Development Amendments of 1978, as amended (12 U.S.C. 1715z-1a), in the program of assistance for troubled multifamily housing projects under the Housing and Community Development Amendments of 1978, as amended, all uncommitted balances of excess rental charges [and any collections after September 30, 1988, to remain available until September 30, 1990] *as of September 30, 1988, and any collections and other amounts in the fund authorized under section 201(j) of the Housing and Community Development Amendments of 1978, as amended, during fiscal year 1989, to remain available until expended: Provided,* That assistance to an owner of a multifamily housing project assisted, but not insured, under the National Housing Act may be made if the project owner and the mortgagee have provided or agreed to provide assistance to the project in a manner as determined by the Secretary of Housing and Urban Development.

EMERGENCY SHELTER GRANTS PROGRAM

For the emergency shelter grants program, as authorized under subtitle B of title IV of the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77, 101 Stat. 482, 495), [$65,000,000] *$35,000,000,* to remain available until expended.

TRANSITIONAL AND SUPPORTIVE HOUSING DEMONSTRATION PROGRAM

For the transitional and supportive housing demonstration program, as authorized under subtitle C of title IV of the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77, 101 Stat. 482, 498), [$85,000,000] *$75,000,000,* to remain available until expended.

INTERAGENCY COUNCIL ON THE HOMELESS

For necessary expenses of the Interagency Council on the Homeless, not otherwise provided for, as authorized by title II of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11311-11319), [$1,200,000] *$1,000,000,* to remain available until expended: *Provided,* That the Council shall carry out its duties in the 10 standard Federal regions under section 203(a)(4) of such Act only through detail, on a non-reimbursable basis, of employees of the departments and agencies represented on the Council pursuant to section 202(a) of such Act.

FEDERAL HOUSING ADMINISTRATION FUND

For payment to cover losses, not otherwise provided for, sustained by the Special Risk Insurance Fund and General Insurance Fund as authorized by the National Housing Act, as amended (12 U.S.C. 1715z-3(b) and 1735c(f)), $237,720,000, to remain available until expended.

During fiscal year 1989, within the resources available, gross obligations for direct loans are authorized in such amounts as may be necessary to carry out the purposes of the National Housing Act, as amended.

During fiscal year 1989, additional commitments to guarantee loans to carry out the purposes of the National Housing Act, as amended, shall not exceed a loan principal of $96,000,000,000.

During fiscal year 1989, gross obligations for direct loans of not to exceed $103,350,000 are authorized for payments under section 230(a) of the National Housing Act, as amended, from the insurance fund chargeable for benefits on the mortgage covering the property to which the payments made relate, and payments in connection with such obligations are hereby approved.

NONPROFIT SPONSOR ASSISTANCE

During fiscal year 1989, within the resources and authority available, gross obligations for the principal amounts of direct loans shall not exceed $960,000.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

GUARANTEES OF MORTGAGE-BACKED SECURITIES

During fiscal year 1989, new commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721g), shall not exceed $144,000,000,000 of loan principal.

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT GRANTS

(INCLUDING TRANSFERS OF FUNDS)

For grants to States and units of general local government and for related expenses, not otherwise provided for, necessary for carrying out a community development grants program as authorized by title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301), $3,000,000,000, to remain available until September 30, 1991, of which [$200,000,000] *$160,000,000* shall be derived by transfer from the unobligated balances in the "Rehabilitation loan fund" [and $150,000,000 shall be derived by transfer from the unobligated balances in the "Flexible subsidy fund"]: *Provided,* That not to exceed 20 per centum of any grant made with funds appropriated herein (other than a grant using funds set aside in the following proviso) shall be expended for "Planning and Management Development" and "Administration" as defined in regulations promulgated by the Department of Housing and Urban Development[: *Provided further,* That $5,000,000 shall be made available from the foregoing $3,000,000,000 to carry out a child care demonstration under section 222 of the Housing and Urban-Rural Recovery Act of 1983, as amended (12 U.S.C. 1701z-6 note)]*: Provided further, That $2,000,000 shall be made available from the* *foregoing $3,000,000,000 to carry out a neighborhood development demonstration under section 123 of the Housing and Urban-Rural Recovery Act of 1983 (Public Law 98-181): Provided further, That of the funds appropriated under this head in the Department of Housing and Urban Development—Independent Agencies Appropriations Act, 1988 (section 101(f), Public Law 100-202) not less than $4,650,000 shall be available from the Secretary's Discretionary Fund for the special project grants listed on page 842 of House Report 100-498.*

During fiscal year 1989, total commitments to guarantee loans, as authorized by section 108 of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301), shall not exceed $144,000,000 of contingent liability for loan principal.

For purposes of administering its community development block grant program for nonentitlement areas under section 106(d) of the Housing and Community Development Act of 1974 (42 U.S.C. 5306(d)), the State of Pennsylvania may, with respect to funds provided in appropriations Acts for fiscal years 1987 and 1988, continue to utilize the data on low and moderate income populations that were utilized by the State with respect to funds provided in appropriations Acts for fiscal year 1986.

Section 105(c)(2)(A) of the Housing and Community Development Act of 1974 is amended by striking out "or" immediately before "(ii)" and inserting at the end thereof before the period the following:

"; or (iii) the assistance for such activity is limited to paying assessments (including any charge made as a condition of obtaining access) levied against properties owned and occupied by persons of low and moderate income to recover the capital cost for a public improvement".

REHABILITATION LOAN FUND

During fiscal year 1989, collections, unexpended balances of prior appropriations (including any recoveries of prior reservations) and any other amounts in the revolving fund established pursuant to section 312 of the Housing Act of 1964, as amended (42 U.S.C. 1452b), after September 30, 1988, are available and may be used for commitments for loans and operating costs and the capitalization of delinquent interest on delinquent or defaulted loans notwithstanding section 312(h) of such Act: *Provided*, That none of the funds in this Act may be used to sell any loan asset that the Secretary holds as evidence of indebtedness under such section 312.

URBAN HOMESTEADING

For reimbursement to the Federal Housing Administration Fund or the Rehabilitation Loan Fund for losses incurred under the urban homesteading program (12 U.S.C. 1706e), and for reimbursement to the Administrator of Veterans Affairs and the Secretary of Agriculture for properties conveyed by the Administrator of Veterans Affairs and the Secretary of Agriculture, respectively, for use in connection with an urban homesteading program approved by the Secretary of Housing and Urban Development pursuant to section 810 of the Housing and Community Development Act of 1974, as amended, [$12,000,000] *$14,400,000*, to remain available until expended.

ASSISTANCE FOR SOLAR AND CONSERVATION IMPROVEMENTS

[All funds recaptured from the amount appropriated under this head in the Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988 (section 101(f), Public Law 100-202) to remain available until September 30, 1989, shall likewise remain available to the Department of Housing and Urban Development for obligation until September 30, 1989.]

All funds previously appropriated under this head that are recaptured or that otherwise are or become available for obligation, in fiscal year 1989 or thereafter, including all such amounts affected by an order of the United States District Court, Southern District of New York, in Lorraine Dabney, et al., v. Ronald Reagan, et al., 82 Civ. 2231-CSH, dated March 20, 1985, shall be withdrawn, pursuant to 31 U.S.C. 1551 et seq.

POLICY DEVELOPMENT AND RESEARCH

RESEARCH AND TECHNOLOGY

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970, as amended (12 U.S.C. 1701z-1 et seq.), including carrying out the functions of the Secretary under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, [$17,000,000] *$17,200,000*, to remain available until September 30, 1990.

FAIR HOUSING AND EQUAL OPPORTUNITY

[FAIR HOUSING ACTIVITIES

[For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended, and section 561 of the Housing and Community Development Act of 1987, $10,000,000, to remain available until September 30, 1990.]

FAIR HOUSING ASSISTANCE

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended, $5,000,000, to remain available until September 30, 1990.

FAIR HOUSING INITIATIVES

For contracts, grants, and other assistance, not otherwise provided for, as authorized by section 561 of the Housing and Community Development Act of 1987, $5,000,000, to remain available until September 30, 1990.

MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary administrative and nonadministrative expenses of the Department of Housing and Urban Development, not otherwise provided for, including not to exceed $4,000 for official reception and representation expenses, [$719,371,000] *$709,763,000*, of which [$381,528,000] *$371,920,000* shall be provided from the various funds of the Federal Housing Administration[: *Provided*, That during fiscal year 1989, notwithstanding any other provision of law, the Department of Housing and Urban Development shall maintain an average employment of at least 1,365 for Public and Indian Housing Programs.]

ADMINISTRATIVE PROVISIONS

Section 119(d)(5) of the Housing and Community Development Act of 1974 is amended by adding at the end thereof the following:

"(C) Notwithstanding any other provision of this section, in each competition for grants under this section, no city or urban county may be awarded a grant or grants in an amount in excess of $10,000,000 until all cities and urban counties which submitted fundable applications have been awarded a grant. If funds are available for additional grants after each city and urban county submitting a fundable application is awarded one or more grants under the preceding sentence, then additional grants shall be made so that each city or urban county that has submitted multiple applications is awarded one additional grant in order of ranking, with no single city or urban county receiving more than one grant approval in any subsequent series of grant determinations within the same competition.

"(D) All grants under this section, including grants to cities and urban counties described in subsection (b)(2), shall be awarded in accordance with subparagraph (C) so that all grants under this section are made in order of ranking.".

None of the funds provided in this Act for the Department of Housing and Urban Development may be used to implement or enforce regulations promulgated by the Department on June 6, 1988, with respect to the testing and abatement of lead-based paint in public housing until the Secretary certifies to the Congress that such regulations will provide for the reduction in exposure to lead in public housing in a cost-effective manner and that this program will be conducted with adequate standards and oversight to assure that abatement efforts will not result in greater exposure to lead for public housing residents.

TITLE II

INDEPENDENT AGENCIES

AMERICAN BATTLE MONUMENTS COMMISSION

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, of the American Battle Monuments Commission, including the acquisition of land or interest in land in foreign countries; purchases and repair of uniforms for caretakers of national cemeteries and monuments outside of the United States and its territories and possessions; rent of office and garage space in foreign countries; purchase (one for replacement only) and hire of passenger motor vehicles; and insurance of official motor vehicles in foreign countries, when required by law of such countries; $15,085,000, of which $829,000 shall [remain available until expended for the sole purpose of defraying the costs of foreign currency fluctuations] *be deposited in the account known as the "Foreign Currency Fluctuations, American Battle Monuments Commission Account", authorized by section 345, Public Law 100-322: Provided*, That where station allowance has been authorized by the Department of the Army for officers of the Army serving the Army at certain foreign stations, the same allowance shall be authorized for officers of the Armed Forces assigned to the Commission while serving at the same foreign stations, and this appropriation is hereby made available for the payment of such allowance: *Provided further*, That when traveling on business of the Commission, officers of the Armed Forces serving as members or as Secretary of the Commission may be reimbursed for expenses as provided for civilian members of the Commission: *Provided further*, That the Commission shall reimburse other Government agencies, including the Armed Forces, for salary, pay, and allowances of personnel assigned to it: *Provided further*, That section 409 of the general provisions carried in title IV of this Act shall not apply to the funds provided under this heading: *Provided further*, That not more than $125,000 of the private contributions to the Korean War Memorial Fund may be used for administrative support of the Korean War Veterans Memorial Advisory Board including travel by members of the board authorized by the Commission, travel allowances to conform to those provided by Federal Travel regulations.

Consumer Product Safety Commission

SALARIES AND EXPENSES

For necessary expenses of the Consumer Product Safety Commission, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18, and not to exceed $500 for official reception and representation expenses, [$34,500,000] *$34,667,000*: *Provided*, That no more than $308,500 of these funds shall be available for personnel compensation and benefits for the Commissioners of the Consumer Product Safety Commission appointed pursuant to 15 U.S.C. 2053.

Department of Defense—Civil Cemeterial Expenses, Army

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, for maintenance, operation, and improvement of Arlington National Cemetery and Soldiers' and Airmen's Home National Cemetery, including the purchase of three passenger motor vehicles for replacement only, and not to exceed $1,000 for official reception and representation expenses; $13,195,000, to remain available until expended.

Environmental Protection Agency

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, including hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $25,000 per project; and not to exceed $3,000 for official reception and representation expenses; [$804,000,000] *$802,000,000*: *Provided*, That of the total sums appropriated, the amount of program activities which can be financed by the licensing and other services special fund shall be derived from that fund: *Provided further*, That none of these funds may be expended for purposes of Resource Conservation and Recovery Panels established under section 2003 of the Resource Conservation and Recovery Act, as amended (42 U.S.C. 6913).

RESEARCH AND DEVELOPMENT

For research and development activities, [$199,382,000] *$197,000,000*, to remain available until September 30, 1990: *Provided*, That not more than $2,000,000 of these funds shall be available for replacement of laboratory equipment*: Provided further, That of the funds appropriated under this head in the Department of Housing and Urban Development—Independent Agencies Appropriations Act, 1988 (section 101(f), Public Law 100–202) not less than $2,800,000 shall be available for the Center for Environmental Management to carry out the activities identified in the House and Senate reports accompanying said Act.*

ABATEMENT, CONTROL, AND COMPLIANCE

For abatement, control, and compliance activities, [$727,500,000] *$708,750,000*, to remain available until September 30, 1990: *Provided*, That not more than [$1,500,000] *$2,500,000* shall be available for administrative expenses to carry out the Asbestos School Hazards Abatement Act of 1984, as amended: *Provided further*, That none of the funds appropriated under this head shall be available to the National Oceanic and Atmospheric Administration pursuant to section 118(h)(3) of the Federal Water Pollution Control Act, as amended: *Provided further*, That none of these funds may be expended for purposes of Resource Conservation and Recovery Panels established under section 2003 of the Resource Conservation and Recovery Act, as amended (42 U.S.C. 6913), or for support to State, regional, local and interstate agencies in accordance with subtitle D of the Solid Waste Disposal Act, as amended, other than section 4008(a)(2) or 4009 (42 U.S.C. 6948, 6949)*: Provided further, That of the funds appropriated under this head in the Department of Housing and Urban Development—Independent Agencies Appropriations Act, 1988 (section 101(f), Public Law 100–202) not less than $16,000,000 shall be available for Boston Harbor cleanup activities and not less than $700,000 shall be available to identify and control sources of contamination of the Spokane aquifer.*

BUILDINGS AND FACILITIES

For construction, repair, improvement, extension, alteration, and purchase of fixed equipment for facilities of, or use by, the Environmental Protection Agency, $8,000,000, to remain available until expended.

HAZARDOUS SUBSTANCE SUPERFUND

For necessary expenses to carry out the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended, including sections 111 (c)(3), (c)(5), (c)(6), and (e)(4) (42 U.S.C. 9611), [$1,425,000,000] *$1,525,000,000*, to be derived from the Hazardous Substance Superfund, *consisting of $1,286,000,000 as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986 (SARA) and $239,000,000 as a payment from general revenues to the Hazardous Substance Superfund as authorized by section 517(b) of SARA, with all of such funds* to remain available until expended: *Provided*, That funds appropriated under this heading may be allocated to other Federal agencies in accordance with section 111(a) of CERCLA, as amended: [*Provided further*, That none of the funds appropriated under this heading shall be available for any Superfund site remedial investigation feasibility study (RI/FS) until the Regional Administrator certifies that (1) all appropriate interim measures are being taken to reduce risks to human health and the environment at such site, and (2) all RI/FS study elements are essential to making an informed decision on the remedial action: *Provided further*, That none of the funds appropriated under this heading shall be available for sections 111 (b), (c)(1), or (c)(2) of CERCLA, as amended:] *Provided further*, That, notwithstanding section 111(m) of CERCLA, as amended, or any other provision of law, not to exceed $44,500,000 of the funds appropriated under this heading shall be available to the Agency for Toxic Substances and Disease Registry to carry out activities described in sections 104(i), 111(c)(4), and 111(c)(14) of CERCLA and section 118(f) of the Superfund Amendments and Reauthorization Act of 1986: *Provided further*, That none of the funds appropriated under this heading shall be available for the Agency for Toxic Substances and Disease Registry to issue in excess of 40 toxicological profiles pursuant to section 104(i) of CERCLA, as amended, during fiscal year 1989: *Provided further*, That no more than $190,000,000 of these funds shall be available for administrative expenses.

LEAKING UNDERGROUND STORAGE TANK TRUST FUND

For necessary expenses to carry out leaking underground storage tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986, $50,000,000, to remain available until expended: *Provided*, That no more than $5,000,000 shall be available for administrative expenses.

CONSTRUCTION GRANTS

For necessary expenses to carry out the purposes of the Federal Water Pollution Control Act, as amended, and the Water Quality Act of 1987, [$1,950,000,000] *$2,100,000,000*, to remain available until expended, of which [$934,000,000] *$1,050,000,000* shall be for title II (other than sections 201(m)(1-3), 201(n)(2), 206, 208, and 209) of the Federal Water Pollution Control Act, as amended; [$934,000,000] *$1,050,000,000* shall be for title VI of the Federal Water Pollution Control Act, as amended[; and $82,000,000 shall be for title V of the Water Quality Act of 1987, consisting of $27,000,000 for section 510, $3,000,000 for section 512, $30,000,000 for section 513, and $22,000,000 for section 515.]

ADMINISTRATIVE [PROVISION] PROVISIONS

None of the funds in this Act shall be available for any indemnity payment under section 15 of the Federal Insecticide, Fungicide, and Rodenticide Act.

Not to exceed $30,000,000 in fees and charges is authorized to be assessed and collected by the Administrator in fiscal year 1989 for services and activities carried out pursuant to the statutes which are administered by the Environmental Protection Agency for deposit in a special in a special fund in the United States Treasury which shall be available until expended, to carry out the Agency's activities in the programs for which the fees or charges are made.

Executive Office of the President

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

For necessary expenses of the Council on Environmental Quality and the Office of Environmental Quality, in carrying out their functions under the National Environmental Policy Act of 1969 (Public Law 91–190), the Environmental Quality Improvement Act of 1970 (Public Law 91–224), and Reorganization Plan No. 1 of 1977, including not to exceed $500 for official reception and representation expenses, and hire of passenger motor vehicles, [$870,000] *$850,000*: *Provided*, That not to exceed $290,000 of these funds shall be available for obligation in the first four months of fiscal year 1989.

OFFICE OF SCIENCE AND TECHNOLOGY POLICY

For necessary expenses of the Office of Science and Technology Policy, in carrying out the purposes of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6601 and 6671), hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, not to exceed $1,500 for official reception and representation expenses, and rental of conference rooms in the District of Columbia, $1,587,000: *Provided,* [That the Office of Science and Technology Policy shall reimburse other agencies for all of the personnel compensation costs of individuals detailed to it: *Provided further,*] That not to exceed $400,000 of these funds shall be available for obligation in the first four months of fiscal year 1989.

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF

For necessary expenses in carrying out the functions of the Disaster Relief Act of 1974, as amended (42 U.S.C. 5121 et seq.), [$200,000,000] *$125,000,000,* to remain available until expended.

SALARIES AND EXPENSES

For necessary expenses, not otherwise provided for, including hire and purchase of motor vehicles (31 U.S.C. 1343); uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for GS-18; expenses of attendance of cooperating officials and individuals at meetings concerned with the work of emergency preparedness; transportation in connection with the continuity of government program to the same extent and in the same manner as permitted the Secretary of a Military Department under 10 U.S.C. 2632; and not to exceed $1,500 for official reception and representation expenses, [$137,494,000] *$137,274,000: Provided, That during fiscal year 1989, notwithstanding any other provision of law, the Federal Emergency Management Agency shall maintain 140 full-time permanent duty-stationed employees at the National Emergency Training Center in Emmitsburg, Maryland, exclusive of employees funded under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, or with any Federal appropriation not provided for fire programs or the Emergency Management Institute under this Act.*

EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

For necessary expenses, not otherwise provided for, to carry out activities under the National Flood Insurance Act of 1968, as amended, and the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4001 et seq.), the Disaster Relief Act of 1974, as amended (42 U.S.C. 5121 et seq.), the Earthquake Hazards Reduction Act of 1977, as amended (42 U.S.C. 7701 et seq.), the Federal Fire Prevention and Control Act of 1974, as amended (15 U.S.C. 2201 et seq.), the Federal Civil Defense Act of 1950, as amended (50 U.S.C. App. 2251 et seq.), the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061 et seq.), section 103 of the National Security Act (50 U.S.C. 404), and Reorganization Plan No. 3 of 1978, $282,438,000.

NATIONAL FLOOD INSURANCE FUND

(TRANSFERS OF FUNDS)

Of the funds available from the National Flood Insurance Fund for activities under the National Flood Insurance Act of 1968, and the Flood Disaster Protection Act of 1973, $10,178,000 shall, upon enactment of this Act, be transferred to the "Salaries and expenses" appropriation for administrative costs of the insurance and flood plain management programs and $43,200,000 shall, upon enactment of this Act, be transferred to the "Emergency management planning and assistance" appropriation for flood plain management activities, including $2,720,000 for expenses under section 1362 of the National Flood Insurance Act of 1968, as amended (42 U.S.C. 4103, 4127), which amount shall be available until September 30, 1990. In fiscal year 1989, no funds in excess of (1) $36,000,000 for operating expenses, (2) $169,003,000 for agents' commissions and taxes, and (3) $3,500,000 for interest on Treasury borrowings shall be available from the National Flood Insurance Fund without prior notice to the Committees on Appropriations.

EMERGENCY FOOD AND SHELTER PROGRAM

There is hereby appropriated $114,000,000 to the Federal Emergency Management Agency to carry out an emergency food and shelter program pursuant to title III of Public Law 100-77: *Provided,* That total administrative costs shall not exceed three and one-half per centum of the total appropriation.

GENERAL SERVICES ADMINISTRATION

CONSUMER INFORMATION CENTER

For necessary expenses of the Consumer Information Center, including services authorized by 5 U.S.C. 3109, $1,354,000, to be deposited into the Consumer Information Center Fund: *Provided,* That the appropriations, revenues and collections deposited into the fund shall be available for necessary expenses of Consumer Information Center activities in the aggregate amount of $5,200,000. Administrative expenses of the Consumer Information Center in fiscal year 1989 shall not exceed $1,736,000. Appropriations, revenues and collections accruing to this fund during fiscal year 1989 in excess of $5,200,000 shall remain in the fund and shall not be available for expenditure except as authorized in appropriations Acts.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF CONSUMER AFFAIRS

For necessary expenses of the Office of Consumer Affairs, including services authorized by 5 U.S.C. 3109, $1,708,000.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

RESEARCH AND DEVELOPMENT

[(INCLUDING TRANSFER OF FUNDS AND RESCISSIONS)

(INCLUDING RESCISSION OF FUNDS)

For necessary expenses, not otherwise provided for, including research, development, operations, services, minor construction, maintenance, repair, rehabilitation and modification of real and personal property; purchase, hire, maintenance, and operation of other than administrative aircraft, necessary for the conduct and support of aeronautical and space research and development activities of the National Aeronautics and Space Administration; [$4,191,700,000] *$3,552,800,000,* to remain available until September 30, 1990[, of which $902,400,000 is for the space station program only: *Provided,* That $450,000,000 of the $902,400,000 for the space station program shall not become available for obligation until April 15, 1989, and pursuant to section 202(b) of the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987, this action is a necessary (but secondary) result of a significant policy change: *Provided further,* That $450,000,000 of the $902,400,000 for the space station program shall not become available for obligation until April 15, 1989, and pursuant to section 202(b) of the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987, this action is a necessary (but secondary) result of a significant policy change: *Provided further,* That the aforementioned $450,000,000 shall become available unless the President submits a special message after February 1, 1989, notifying the Congress that such funds will not be made available for the space station program: *Provided further,* That obligations from funds provided in this Act for the space station program from October 1, 1988 through April 15, 1989, shall not exceed $387,000,000: *Provided further,* That if the special message described in the second proviso is not submitted by April 15, 1989, $300,000,000 is rescinded, $150,000,000 is transferred to "Space flight, control and data communications", and the remaining $65,400,000 shall be available only for termination costs of the space station program.]

Of the funds appropriated under this head in the Department of Housing and Urban Development—Independent Agencies Appropriations Act, 1988 (H.R. 2783), as enacted under the provision of section 101(f) of Public Law 100-202, an Act Making Further Continuing Appropriations for the fiscal year ending September 30, 1988, $25,000,000 are rescinded.

SPACE FLIGHT, CONTROL AND DATA COMMUNICATIONS

For necessary expenses, not otherwise provided for; in support of space flight, spacecraft control and communications activities of the National Aeronautics and Space Administration, including operations, production, services, minor construction, maintenance, repair, rehabilitation, and modification of real and personal property; tracking and data relay satellite services as authorized by law; purchase, hire, maintenance and operation of other than administrative aircraft; [$4,414,200,000] *$4,452,200,000,* to remain available until September 30, 1990.

CONSTRUCTION OF FACILITIES

For construction, repair, rehabilitation and modification of facilities, minor construction of new facilities and additions to existing facilities, and for facility planning and design not otherwise provided, for the National Aeronautics and Space Administration, and for the acquisition or condemnation of real property, as authorized by law, $270,100,000, to remain available until September 30, 1991: *Provided,* That, notwithstanding the limitation on the availability of funds appropriated under this heading by this appropriations Act, when any activity has been initiated by the incurrence of obligations therefor, the amount available for such activity shall remain available until expended, except that this provision shall not apply to the amounts appropriated pursuant to the authorization for repair, rehabilitation and modification of facilities, minor construction of new facilities and additions to existing facilities, and facility planning and design: *Provided further,* That no amount appropriated pursuant to this or any other Act may be used for the lease or construction of a new contractor-funded facility for exclusive use in support of a contract or contracts with the National Aeronautics and Space Administration under which the Administration would be required to substantially amortize through payment or reimbursement such contractor investment, unless an appropriations Act specifies the lease or contract pursuant to which such facilities are to be constructed or leased or such facility is otherwise identified in such Act: *Provided further,* That the Administrator may authorize such facility lease or construction, if he determines, in consultation with the Committees on Appropriations, that deferral of such action until the enactment of the next appropriations Act would be inconsistent with the interest of the Nation in aeronautical and space activities.

RESEARCH AND PROGRAM MANAGEMENT

For necessary expenses of research in Government laboratories, management of programs and other activities of the National Aeronautics and Space Administration, not otherwise provided for, including uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); awards; lease, hire, purchase of one aircraft for replacement only (for which partial payment may be made by exchange of at least one existing administrative aircraft and such other existing aircraft as may be considered appropriate), maintenance and operation of administrative aircraft; purchase (not to exceed thirty-three for replacement only) and hire of passenger motor vehicles; and maintenance and repair of real and personal property, and not in excess of $100,000 per project for construction of new facilities and additions to existing facilities, repairs, and rehabilitation and modification of facilities; [$1,855,000,000] *$1,870,000,000*: *Provided*, That contracts may be entered into under this appropriation for maintenance and operation of facilities, and for other services, to be provided during the next fiscal year: *Provided further*, That not to exceed $35,000 of the foregoing amount shall be available for scientific consultations or extraordinary expense, to be expended upon the approval or authority of the Administrator and his determination shall be final and conclusive.

NATIONAL CREDIT UNION ADMINISTRATION

CENTRAL LIQUIDITY FACILITY

During fiscal year 1989, gross obligations of the Central Liquidity Facility for the principal amount of new direct loans to member credit unions as authorized by the National Credit Union Central Liquidity Facility Act (12 U.S.C. 1795) shall not exceed $600,000,000: *Provided*, That administrative expenses of the Central Liquidity Facility in fiscal year 1989 shall not exceed $880,000.

NATIONAL SCIENCE FOUNDATION

RESEARCH AND RELATED ACTIVITIES

For necessary expenses in carrying out the purposes of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861-1875), and the Act to establish a National Medal of Science (42 U.S.C. 1880-1881); services as authorized by 5 U.S.C. 3109; maintenance and operation of aircraft and purchase of flight services for research support; acquisition of one aircraft; hire of passenger motor vehicles; not to exceed $2,500 for official reception and representation expenses; uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); rental of conference rooms in the District of Columbia; and reimbursement of the General Services Administration for security guard services; [$1,578,000,000] *$1,593,000,000*, to remain available until September 30, 1990: *Provided*, [That of the funds appropriated in this Act, $900,000 shall be available only for the International Institute for Applied Systems Analysis, and that, notwithstanding any other provision of law, the Director may choose not to obligate these funds for that purpose: *Provided further*,] That of the funds appropriated in this Act, or from funds appropriated previously to the Foundation, not more than $90,550,000 shall be available for program development and management in fiscal year 1989: *Provided further*, That none of the funds appropriated in this Act may be used, directly or through grants, contracts, or other awards mechanisms, for agreements executed after enactment of this Act, to pay or to provide reimbursement for the Federal portion of the salary of any individual functioning as a Federal employee at more than the daily equivalent of the maximum rate paid for ES-6 for assignments to Senior Executive Service positions, unless specifically authorized by law: *Provided further, That none of the funds appropriated in this Act may be used to pay any individual through a grant or grants at a rate in excess of $100,000 a year*: *Provided further*, That contracts may be entered into under the program development and management limitation in fiscal year 1989 for maintenance and operation of facilities, and for other services, to be provided during the next fiscal year: *Provided further*, That receipts for scientific support services and materials furnished by the National Research Centers and other National Science Foundation supported research facilities may be credited to this appropriation: *Provided further*, That of the funds appropriated in this Act, not more than $73,480,000 shall be available for advanced scientific computing, networking and communications research and infrastructure: *Provided further*, That none of the funds appropriated in this Act may be made available for a new academic research facilities program: *Provided further*, That to the extent that the amount appropriated is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally.

UNITED STATES ANTARCTIC PROGRAM ACTIVITIES

For necessary expenses in carrying out the research and operational support for the United States Antarctic Program pursuant to the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861-1875); maintenance and operation of aircraft and purchase of flight services for research and operations support; maintenance and operation of research ships and charter or lease of ships for research and operations support; hire of passenger motor vehicles; not to exceed $1,000 for official reception and representation expenses; [$136,000,000] *$131,000,000*, to remain available until expended: *Provided*, That receipts for support services and materials provided for non-Federal activities may be credited to this appropriation: *Provided further*, That no funds in this account shall be used for the purchase of aircraft other than ones transferred from other Federal agencies[: *Provided further*, That none of the funds appropriated to the National Science Foundation by this Act shall be used for research or service contractor leases, purchases, or leases with the option to purchase any research vessel with icebreaking capability built by a shipyard not located in the United States: *Provided further*, That the preceding proviso shall not apply to appropriated funds used for the lease of the vessel POLAR DUKE.]

SCIENCE EDUCATION ACTIVITIES

For necessary expenses in carrying out science and engineering education programs and activities pursuant to the purposes of the National Science Foundation Act of 1950, as amended (42 U.S.C. 1861-1875), including services as authorized by 5 U.S.C. 3109 and rental of conference rooms in the District of Columbia, [$171,000,000] *$156,000,000*, to remain available until September 30, 1990: *Provided*, That to the extent that the amount of this appropriation is less than the total amount authorized to be appropriated for included program activities, all amounts, including floors and ceilings, specified in the authorizing Act for those program activities or their subactivities shall be reduced proportionally.

NEIGHBORHOOD REINVESTMENT CORPORATION

PAYMENT TO THE NEIGHBORHOOD REINVESTMENT CORPORATION

For payment to the Neighborhood Reinvestment Corporation for use in neighborhood reinvestment activities, as authorized by the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8101-8107), [$19,094,000] *$19,494,000*.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

For necessary expenses of the Selective Service System, including expenses of attendance at meetings and of training for uniformed personnel assigned to the Selective Service System, as authorized by law (5 U.S.C. 4101-4118) for civilian employees; and not to exceed $1,000 for official reception and representation expenses; [$26,313,000] *$26,113,000*: *Provided*, That during the current fiscal year, the President may exempt this appropriation from the provisions of 31 U.S.C. 1341, whenever he deems such action to be necessary in the interest of national defense: *Provided further*, That none of the funds appropriated by this Act may be expended for or in connection with the induction of any person into the Armed Forces of the United States.

VETERANS ADMINISTRATION

COMPENSATION AND PENSIONS

For the payment of compensation benefits to or on behalf of veterans as authorized by law (38 U.S.C. 107, chapters 11, 13, 51, 53, 55, and 61); pension benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 15, 51, 53, 55, and 61; 92 Stat. 2508); and burial benefits, emergency and other officers' retirement pay, adjusted-service credits and certificates, payment of premiums due on commercial life insurance policies guaranteed under the provisions of Article IV of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, and for other benefits as authorized by law (38 U.S.C. 107, 412, 777, and 806, chapters 23, 51, 53, 55, and 61; 50 U.S.C. App. 540-548; 43 Stat. 122, 123; 45 Stat. 735; 76 Stat. 1198), $14,759,100,000, to remain available until expended.

READJUSTMENT BENEFITS

For the payment of readjustment and rehabilitation benefits to or on behalf of veterans as authorized by law (38 U.S.C. chapters 21, 30, 31, 34-36, 39, 51, 53, 55, and 61), $597,600,000, to remain available until expended.

VETERANS INSURANCE AND INDEMNITIES

For military and naval insurance, national service life insurance, servicemen's indemnities, and service-disabled veterans insurance, as authorized by law (38 U.S.C. chapter 19; 70 Stat. 887; 72 Stat. 487), $9,220,000, to remain available until expended.

MEDICAL CARE

For necessary expenses for the maintenance and operation of hospitals, nursing homes, and domiciliary facilities; for furnishing, as authorized by law, inpatient and outpatient care and treatment to beneficiaries of the Veterans Administration, including care and treatment in facilities not under the jurisdiction of the Veterans Administration, and furnishing recreational facilities, supplies and equipment; funeral, burial and other expenses incidental thereto for beneficiaries receiving care in Veterans Administration facilities; repairing, altering, improving or providing facilities in the several hospitals and homes under the jurisdiction of the Veterans Administration, not otherwise provided for, either by contract or by the hire of temporary employees and purchase of materials; uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); aid to State homes as authorized by law (38 U.S.C. 641); and not exceed $2,000,000 to fund cost comparison studies as referred to in 38 U.S.C. 5010(a)(5); [$10,567,546,000] *$10,445,171,000,* plus reimbursements: *Provided,* That [$5,000,000] *$13,252,000* of the foregoing amount shall be available for a pilot program of community-based residential care for homeless chronically mentally ill and other veterans[: *Provided further,* That, during fiscal year 1989, jurisdictional average employment shall not exceed 37,900 for administrative support.]

MEDICAL AND PROSTHETIC RESEARCH

For necessary expenses in carrying out programs of medical and prosthetic research and development as authorized by law, to remain available until September 30, 1990, $210,241,000, plus reimbursements.

MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

For necessary expenses in the administration of the medical, hospital, nursing home, domiciliary, construction, supply, and research activities, as authorized by law, [$48,909,000] *$47,909,000,* plus reimbursements.

GENERAL OPERATING EXPENSES

For necessary operating expenses of the Veterans Administration, not otherwise provided for, including uniforms or allowances therefor, as authorized by law; not to exceed $3,000 for official reception and representation expenses; cemeterial expenses as authorized by law; purchase of six passenger motor vehicles, for use in cemeterial operations, and hire of passenger motor vehicles; and reimbursement of the General Services Administration for security guard services, and the Department of Defense for the cost of overseas employee mail; [$774,316,000] *$781,236,000,* including $512,359,000 for the Department of Veterans Benefits: *Provided,* That, during fiscal year 1989, jurisdictional average employment shall not be less than 12,898 for the Department of Veterans Benefits.

CONSTRUCTION, MAJOR PROJECTS

For constructing, altering, extending and improving any of the facilities under the jurisdiction or for the use of the Veterans Administration, or for any of the purposes set forth in sections 1004, 1006, 5002, 5003, 5006, 5008, 5009, and 5010 of title 38, United States Code, including planning, architectural and engineering services, *maintenance or guarantee period services costs associated with equipment guarantees provided under the project,* and site acquisition, where the estimated cost of a project is $2,000,000 or more or where funds for a project were made available in a previous major project appropriation, [$363,040,000] *$359,155,000,* to remain available until expended: *Provided,* That, except for advance planning of projects funded through the advance planning fund and the design of projects funded through the design fund, none of these funds shall be used for any project which has not been considered and approved by the Congress in the budgetary process: *Provided further,* That funds provided in the appropriation "Construction, major projects" for fiscal year 1989, for each approved project shall be obligated (1) by the awarding of a working drawings contract by September 30, 1989, and (2) by the awarding of a construction contract by September 30, 1990: *Provided further,* That the Administrator shall promptly report in writing to the Comptroller General and to the Committees on Appropriations any approved major construction project in which obligations are not incurred within the time limitations established above; and the Comptroller General shall review the report in accordance with the procedures established by section 1015 of the Impoundment Control Act of 1974 (title X of Public Law 93-344): *Provided further,* That no funds from any other account, except the "Parking garage revolving fund", may be obligated for constructing, altering, extending, or improving a project which was approved in the budget process and funded in this account until one year after substantial completion and beneficial occupancy by the Veterans Administration of the project or any part thereof with respect to that part only: *Provided further,* That prior to the issuance of a bidding document for any construction contract for a project approved under this heading (excluding completion items), the director of the affected Veterans Administration medical facility must certify that the design of such project is acceptable from a patient care standpoint: *Provided further,* That not to exceed $8,000,000 of the funds available shall be used for the settlement of contractors' claims arising from the construction of a replacement hospital at the Veterans Administration Medical Center, Bronx, New York: *Provided further,* That not to exceed $2,600,000 of the funds available shall be used for the payment of sales and use tax to the State of Washington due on prior construction projects funded by this and other accounts, in lieu of payment to contractors of these tax costs which were not included in the contracts for these projects*: Provided further, That all funds provided under this heading in the Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1988 (H.R. 2783) as enacted under the provisions of section 101(f) of Public Law 100-202, for each project approved in the fiscal year 1988 budgetary process shall be available for these projects for the purposes and for at least the amounts specified in the Committees' reports; funds in excess of the needs of each project may be returned to the working reserve only after the awarding of a contract to carry out the purpose for which the funds were appropriated.*

CONSTRUCTION, MINOR PROJECTS

For constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the Veterans Administration, including planning, architectural and engineering services, *maintenance or guarantee period services costs associated with equipment guarantees provided under the project,* and site acquisition, or for any of the purposes set forth in sections 1004, 1006, 5002, 5003, 5006, 5008, 5009, and 5010 of title 38, United States Code, where the estimated cost of a project is less than $2,000,000, $111,596,000, to remain available until expended, along with unobligated balances of previous "Construction, minor projects" appropriations which are hereby made available for any project where the estimated cost is less than $2,000,000: *Provided,* That not more than [$41,731,000] *$42,731,000* shall be available for expenses of the Office of Facilities, including research and development in building construction technology: *Provided further,* That funds in this account shall be available for (1) repairs to any of the nonmedical facilities under the jurisdiction or for the use of the Veterans Administration which are necessary because of loss or damage caused by any natural disaster or catastrophe, and (2) temporary measures necessary to prevent or to minimize further loss by such causes.

PARKING GARAGE REVOLVING FUND

For the parking garage revolving fund as authorized by law (38 U.S.C. 5009), [$26,000,000] *$9,000,000,* together with income from fees collected, to remain available until expended. Resources of this fund shall be available for all expenses authorized by 38 U.S.C. 5009 except operations and maintenance costs which will be funded from "Medical care".

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

For grants to assist the several States to acquire or construct State nursing home and domiciliary facilities and to remodel, modify or alter existing hospital, nursing home and domiciliary facilities in State homes, for furnishing care to veterans as authorized by law (38 U.S.C. 5031-5037), $42,000,000, to remain available until September 30, 1991.

GRANTS TO THE REPUBLIC OF THE PHILIPPINES

For payment to the Republic of the Philippines of grants, as authorized by law (38 U.S.C. 632), for assisting in the replacement and upgrading of equipment and in rehabilitating the physical plant and facilities of the Veterans Memorial Medical Center, $500,000, to remain available until September 30, 1990.

GRANTS FOR THE CONSTRUCTION OF STATE VETERANS CEMETERIES

For grants to aid States in establishing, expanding, or improving State veterans cemeteries as authorized by law (38 U.S.C. 1008), $9,000,000, to remain available until September 30, 1991.

DIRECT LOAN REVOLVING FUND

During 1989, within the resources available, not to exceed $1,000,000 in gross obligations for direct loans are authorized for specially adapted housing loans (38 U.S.C. chapter 37).

LOAN GUARANTY REVOLVING FUND

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary to carry out loan guaranty and insurance operations, as authorized by law (38 U.S.C. chapter 37, except administrative expenses, as authorized by section 1824 of such title), $658,000,000, to remain available until expended.

During 1989, the resources of the loan guaranty revolving fund shall be available for expenses for property acquisitions and other loan guaranty and insurance operations, as authorized by law (38 U.S.C. chapter 37, except administrative expenses, as authorized by section 1824 of such title): *Provided,* That the unobligated balances, including retained earnings of the direct loan revolving fund, shall be available, during

1989, for transfer to the loan guaranty revolving fund in such amounts as may be necessary to provide for the timely payment of obligations of such fund, and the Administrator of Veterans Affairs shall not be required to pay interest on amounts so transferred after the time of such transfer.

During 1989, with the resources available, gross obligations for direct loans and total commitments to guarantee loans are authorized in such amounts as may be necessary to carry out the purposes of the "Loan guaranty revolving fund".

ADMINISTRATIVE PROVISIONS

(INCLUDING TRANSFER OF FUNDS)

Any appropriation for 1989 for "Compensation and pensions", "Readjustment benefits", "Veterans insurance and indemnities", and the "Loan guaranty revolving fund" may be transferred to any other of the mentioned appropriations.

Appropriations available to the Veterans Administration for 1989 for salaries and expenses shall be available for services as authorized by 5 U.S.C. 3109.

No part of the appropriations in this Act for the Veterans Administration (except the appropriations for "Construction, major projects" and "Construction, minor projects") shall be available for the purchase of any site for or toward the construction of any new hospital or home.

No part of the foregoing appropriations shall be available for hospitalization or examination of any persons except beneficiaries entitled under the laws bestowing such benefits to veterans, unless reimbursement of cost is made to the appropriation at such rates as may be fixed by the Administrator of Veterans Affairs.

Appropriations available to the Veterans Administration for fiscal year 1989 for "Compensation and pensions", "Readjustment benefits", "Veterans insurance and indemnities", and the "Loan guaranty revolving fund" shall be available for payment of prior year accrued obligations required to be recorded by law against the aforementioned accounts within the last quarter of fiscal year 1988.

TITLE III

CORPORATIONS

Corporations and agencies of the Department of Housing and Urban Development and the Federal Home Loan Bank Board which are subject to the Government Corporation Control Act, as amended, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Act as may be necessary in carrying out the programs set forth in the budget for 1989 for such corporation or agency except as hereinafter provided: *Provided*, That collections of these corporations and agencies may be used for new loan or mortgage purchase commitments only to the extent expressly provided for in this Act (unless such loans are in support of other forms of assistance provided for in this or prior appropriations Acts), except that this proviso shall not apply to the mortgage insurance or guaranty operations of these corporations, or where loans or mortgage purchases are necessary to protect the financial interest of the United States Government.

FEDERAL HOME LOAN BANK BOARD

LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL HOME LOAN BANK BOARD

Not to exceed a total of $31,942,000 shall be available for administrative expenses of the Federal Home Loan Bank Board for procurement of services as authorized by 5 U.S.C. 3109, and contracts for such services with one organization may be renewed annually, and uniforms or allowances therefor in accordance with law (5 U.S.C. 5901-5902), and said amount shall be derived from funds available to the Federal Home Loan Bank Board, including those in the Federal Home Loan Bank Board revolving fund and receipts of the Board for the current fiscal year, of which not to exceed $800,000 shall be available for purposes of training State examiners and not to exceed $1,500 shall be available for official reception and representation expenses: *Provided*, That members and alternates of the Federal Savings and Loan Advisory Council may be compensated subject to the provisions of section 7 of the Federal Advisory Committee Act, and shall be entitled to reimbursement from the Board for transportation expenses incurred in attendance at meetings of or concerned with the work of such Council and may be paid in lieu of subsistence per diem not to exceed the dollar amount set forth in 5 U.S.C. 5703: *Provided further*, That, notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the expenses and other obligations of the Board shall be incurred, allowed, and paid in accordance with the provisions of the Federal Home Loan Bank Act of 1932, as amended (12 U.S.C. 1421-1449).

LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

Not to exceed $1,667,000 shall be available for administrative expenses, which shall be on an accrual basis and shall be exclusive of interest paid, depreciation, properly capitalized expenditures, expenses in connection with liquidation of insured institutions or activities relating to sections 406(c), 407, or 408 of the National Housing Act, liquidation or handling of assets of or derived from insured institutions, payment of insurance, and action for or toward the avoidance, termination, or minimizing of losses in the case of insured institutions, legal fees and expenses and payments for expenses of the Federal Home Loan Bank Board determined by said Board to be properly allocable to said Corporation, and said Corporation may utilize and may make payments for services and facilities of the Federal home loan banks, the Federal Reserve banks, the Federal Home Loan Bank Board, the Federal Home Loan Mortgage Corporation, and other agencies of the Government: *Provided*, That, notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of said Corporation shall be incurred, allowed, and paid in accordance with title IV of the Act of June 27, 1934, as amended (12 U.S.C. 1724-1730f).

TITLE IV

GENERAL PROVISIONS

SECTION 401. Where appropriations in titles I and II of this Act are expendable for travel expenses and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amounts set forth therefor in the budget estimates submitted for the appropriations: *Provided*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Veterans Administration; to travel performed in connection with major disasters or emergencies declared or determined by the President under the provisions of the Disaster Relief Act of 1974; to site-related travel performed in connection with the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended; *to travel performed to provide technical assistance for the Emergency Planning and Community Right to Know Act of 1986;* to site-related travel under the Solid Waste Disposal Act, as amended; or to payments to interagency motor pools where separately set forth in the budget schedules: *Provided further*, That if appropriations in titles I and II exceed the amounts set forth in budget estimates initially submitted for such appropriations, the expenditures for travel may correspondingly exceed the amounts therefor set forth in the estimates in the same proportion.

SEC. 402. Appropriations and funds available for the administrative expenses of the Department of Housing and Urban Development and the Selective Service System shall be available in the current fiscal year for purchase of uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901-5902); hire of passenger motor vehicles; and services as authorized by 5 U.S.C. 3109.

SEC. 403. Funds of the Department of Housing and Urban Development subject to the Government Corporation Control Act or section 402 of the Housing Act of 1950 shall be available, without regard to the limitations on administrative expenses, for legal services on a contract or fee basis, and for utilizing and making payment for services and facilities of Federal National Mortgage Association, Government National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Financing Bank, Federal Reserve banks or any member thereof, Federal home loan banks, and any insured bank within the meaning of the Federal Deposit Insurance Corporation Act, as amended (12 U.S.C. 1811-1831).

SEC. 404. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 405. No funds appropriated by this Act may be expended—

(1) pursuant to a certification of an officer or employee of the United States unless—

(A) such certification is accompanied by, or is part of, a voucher or abstract which describes the payee or payees and the items or services for which such expenditure is being made, or

(B) the expenditure of funds pursuant to such certification, and without such a voucher or abstract, is specifically authorized by law; and

(2) unless such expenditure is subject to audit by the General Accounting Office or is specifically exempt by law from such audit.

SEC. 406. None of the funds provided in this Act to any department or agency may be expended for the transportation of any officer or employee of such department or agency between his domicile and his place of employment, with the exception of the Secretary of the Department of Housing and Urban Development, who, under title 5, United States Code, section 101, is exempted from such limitation.

Sec. 407. None of the funds provided in this Act may be used for payment, through grants or contracts, to recipients that do not share in the cost of conducting research resulting from proposals not specificially solicited by the Government: *Provided*, That the extent of cost sharing by the recipient shall reflect the mutuality of interest of the grantee or contractor and the Government in the research.

Sec. 408. None of the funds provided in this Act may be used, directly or through grants, to pay or to provide reimbursement for payment of the salary of a consultant (whether retained by the Federal Government or a grantee) at more than the daily equivalent of the maximum rate paid for GS-18, unless specifically authorized by law.

Sec. 409. No part of any appropriation contained in this Act for personnel compensation and benefits shall be available for other object classifications set forth in the budget estimates submitted for the appropriations.

Sec. 410. None of the funds in this Act shall be used to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings. Nothing herein affects the authority of the Consumer Product Safety Commission pursuant to section 7 of the Consumer Product Safety Act (15 U.S.C. 2056 et seq.).

Sec. 411. Except as otherwise provided under existing law or under an existing Executive order issued pursuant to an existing law, the obligation or expenditure of any appropriation under this Act for contracts for any consulting service shall be limited to contracts which are (1) a matter of public record and available for public inspection, and (2) thereafter included in a publicly available list of all contracts entered into within twenty-four months prior to the date on which the list is made available to the public and of all contracts on which performance has not been completed by such date. The list required by the preceding sentence shall be updated quarterly and shall include a narrative description of the work to be performed under each such contract.

Sec. 412. Except as otherwise provided by law, no part of any appropriation contained in this Act shall be obligated or expended by any executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.) for a contract for services unless such executive agency (1) has awarded and entered into such contract in full compliance with such Act and the regulations promulgated thereunder, and (2) requires any report prepared pursuant to such contract, including plans, evaluations, studies, analyses and manuals, and any report prepared by the agency which is substantially derived from or substantially includes any report prepared pursuant to such contract, to contain information concerning (A) the contract pursuant to which the report was prepared, and (B) the contractor who prepared the report pursuant to such contract.

Sec. 413. Except as otherwise provided in section 406, none of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency.

Sec. 414. None of the funds provided in this Act to any department or agency shall be obligated or expended to procure passenger automobiles as defined in 15 U.S.C. 2001 with an EPA estimated miles per gallon average of less than 22 miles per gallon.

[Sec. 415. No funds appropriated under this Act shall be expended in any workplace that is not free of illegal use or possession of controlled substances which is made known to the Federal entity or official to which funds are appropriated under this Act. Pursuant to this section an applicant for funds to be appropriated under this Act shall be ineligible to receive such funds if such applicant fails to include in its application an assurance that it has, and will administer in good faith, a policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances by its employees.]

Sec. 415. Such sums as may be necessary for fiscal year 1989 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

This Act may be cited as the "Department of Housing and Urban Development—Independent Agencies Appropriations Act, 1989".

Mr. BYRD. Now, Mr. President, what is the program?

The PRESIDING OFFICER. Consideration of H.R. 4800, HUD.

Mr. BYRD. Mr. President, I thank the Chair. The manager of the bill is here.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, what is the pending business before the Senate?

The PRESIDING OFFICER. The consideration of H.R. 4800.

Mr. PROXMIRE. This is the HUD independent agencies appropriation bill; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. PROXMIRE. Mr. President, this is a very big bill, a very important bill. It is a bill that involves over $59 billion. It is $633,447,000 below the amount contained in the House passed version of the bill. The bill, is, however, about $410 million more than the budget estimate.

Mr. President, before I begin to discuss this bill I want to commend my dear friend and colleague, Senator Garn.

Senator Garn and I have worked together in both the Banking Committee and in the Appropriations Committee. He is the comanager, of course, of this legislation.

We have worked together for many, many years. This is my last year in the Senate, as you know, and it is the last year that I will have a chance to work with my esteemed colleague.

Although we disagree on some issues, occasionally we disagree rather strongly nevertheless, I have great admiration for him and he is a great person to work with.

In our work, he has not been partisan. He has strong convictions, but they are not partisan convictions.

Mr. President, I also want to commend his remarkable staff director, Stephen Kohaski, who has made invaluable contributions to our work on the entire bill. I say that because I am going to start off today with a statement on priorities which I think is significant.

The President talks about how he proposes holding down spending and we do not. There is really very little difference between the President's position on spending and ours. In fact, over the last 7 years, the President proposed spending about $20 billion more than the Congress has actually delivered. But there is a very sharp difference on priorities, and that is what I want to discuss. I am sure the administration would charge that the 1989 appropriations bill unfairly shifts priorities from space and scientific research to such programs as housing and community development and veterans' health care. The administration argues that it does that. Well, the administration is wrong.

Has the Appropriations Committee shortchanged the National Science Foundation? Consider the facts: In 1988, the Congress appropriated $1.7 billion for NSF. For 1989, we increased that appropriations by $163 million, or nearly 10 percent. Some shortchanges. We did this in a year when the total Federal budget is increasing by less than one-third as much.

Has the Appropriations Committee shortchanged the National Aeronautics and Space Agency, NASA? In 1988, the Congress appropriated $8.9 billion for NASA. In 1989, the Senate Appropriations Committee recommends an increase of $1.264 billion, or more than 14 percent. This year, a 14-percent increase in any budget is a bonanza.

Mr. President, consider that the Appropriations Committee recommends for the social programs that are included in the same subcommittee budget as NSF and NASA. For the largest program in the subcommittee budget, veterans' affairs, the committee recommends an increase of about $300 million, or about 1 percent. Allowing for inflation, that means a real cut for VA.

For housing programs, the committee recommends an actual reduction of $195 million, or about a 2-percent cut from 1988. This compares with the administration-recommended reduction, however, of 10 percent.

For community development, the committee recommends a cut of $258 million, or a reduction of more than 8-percent compared to last year; an 8-percent reduction in community development. The President recommends a whopping 21-percent slash.

Another program in the jurisdiction of this same subcommittee is the Urban Development Action Grants Program, UDAG. Since 1977, this program provided up to $400 million per year to assist cities to rebuild their downtown areas. This year, the Appropriations Committees in both the House and the Senate zeroed out any additional funding for 1989. It was a 100-percent cut. All gone. The administration recommended the same total elimination of this spending.

Overall, the subcommittee's budget was increased by $2.13 billion. Sixty percent of the increase was for NASA, although NASA constitutes only about 16 percent of the subcommittee budget.

So what justification is there for the argument that space and science have been slighted because of the heavy funding of social programs? The justification, if any, lies primarily in the pleas of the administration and the big proposals for NSF and NASA.

For next year, the President requested an increase in the National Science Foundation budget of $333 billion, or 20 percent. By comparison, the Appropriations Committee settled for an increase of about half of that, but still a very large increase. NASA confronted a special problem. The shuttle failure set back this crucial project and required the costly repair and rebuilding, but also NASA is anxious to start a large new space station. So the President requested a $2.6 billion increase for NASA, or a whopping 30-percent increase for next year. We provided about half that increase.

On the other hand, the President recommended a fat billion dollars, or a 10-percent slash, in funding for housing. He called for a $670 million, or a huge 20-percent cut, in community development funds. He recommended a $248 million, or 5-percent cut, below last year in environmental protection funds. The Appropriations Committee, on the other hand, recommends a nearly 8-percent increase in money for EPA.

Overall, the Appropriations Committee recommends a total appropriations for the HUD-independent agencies funds that are less than 1 percent over the President's recommendation for next year. It is the priorities that are strikingly different. The President calls for reductions in social programs, particularly in housing and environmental protection; very big cuts. He also calls for huge increases in funding for space and science.

By contrast, the Appropriations Committee would keep most social programs at close to their present level. In most cases, they would take a cut because of inflation; sometimes more severe than that. The Appropriations Committee provides substantial, but not spectacular, increases for both space and science programs.

Mr. President, I yield the floor.

Mr. GARN addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. GARN. Mr. President, I find myself in the curious position of floor managing the HUD-Independent Agencies appropriations bill for fiscal year 1989, even though I am strenuously opposed to levels recommended for the National Aeronautics and Space Administration and for the National Science Foundation.

The committee was unable to recommend more responsible amounts to these critical agencies because we are constrained by an unfair and impossible 302(b) subcommittee budget allocation. Our allocation is $634 million less than that of the House subcommittee, and it is nearly $1.4 billion less than what the Congress adopted in its budget resolution.

I want people to think about that: $1.4 billlion less than the Budget Committees of both the House and the Senate and in conference agreed to and was formulated earlier this year.

It is simply not possible to recommend prudent, necessary, and reasonable levels for the 18 agencies within our jurisdiction within this allocation, and I am committed to do all I can to correct it.

Frankly, it was my intent to force a vote on the allocation for the HUD Subcommittee, knowing full well that Members would have to confront a super-majority budget waiver motion. I am not sure that there are 60 votes in the Senate to pass such a motion, which would mean that the whole bill would be defeated. But I was willing to assume that risk because it is so critical to provide more adequate funding for NASA and NSF.

I cannot quietly acquiesce to the devastating impact that this allocation would have, not just for those who need services and assistance in fiscal year 1989, but for the next generation, and our children's children. What kind of country and economy will we leave them if we fail to make these desperately needed investments in our science and technology base?

Mr. President, as I have stated, I was prepared to wage a vigorous battle to seek additional funds for programs within our subcommittee's jurisdiction. But as many Members know, the Committee on Appropriations has reported the Defense appropriations bill which augments existing transfers from DOD to NASA by $600 million to more adequately reimburse that agency for its research and development activities, and launch operations which have a direct bearing and benefit for national security missions of the Department of Defense. This transfer will enable NASA to restore the severe reductions in these activities which have passed the House and which are reflected in the recommendations before us today. But more important, to the extent that these defense funds are transferred, we will be able to devote the extremely constrained nondefense dollars under our allocation for critical civilian aeronautics and space activities such as the space station.

Mr. President, we are not in a position to address this proposed transfer of funds in the context of the measure before us. Indeed, the Defense bill is scheduled to be called up on the Senate floor following passage of this bill. For that reason, I have decided to withhold offering an amendment which restores the funds needed to proceed with the space station. I will, however, offer an amendment which expresses the sense of the Senate that these funds be provided, and I will await conference consideration on this measure to address this critical initiative.

At that time we will have before us the issue of the inadequate Senate allocation for the subcommittee. Furthermore, we will have a better understanding of the specifics of the Department of Defense transfer.

Mr. President, I appreciate the kind remarks of my colleague from Wisconsin. For nearly 14 years, we have served together on the Banking Committee and for over 10 years on the Appropriations Committee together. We have played musical chairman moving back and forth between these two committees.

So I have great respect for the Senator from Wisconsin, and I truly am sincere when I say I will miss him when he leaves the Senate this year and I will be standing up here with a new chairman next year.

Having said that, however, we do have a very basic and fundamental difference on some of the priorities within this bill. We agree probably 90 to 95 percent of the time on both committees, but this is one that we fundamentally disagree on.

I think the priorities are, are we looking to the future? Are we looking to the past or present? It is not just an issue of do we have a space station or do we have a space shuttle. This is a fundamental issue of the techological base of this country and our relationship with friendly nations as well as our adversaries. We have always had a distinct advantage over the Soviet Union in technology. We have never been able to keep up with them, and do not desire to, in terms of the number of tanks and airplanes and ships and nuclear weapons. But we have maintained our safety in this country because of our superior technology. It is something they spend an enormous amount of money on trying to buy, to steal, to get in any way they can. It is a matter of national prestige as well. When the Soviets went into space, it gave them nuch better credibility around the world. It helps in their political and their military endeavors. People flow to where they think the power and the prestige is. We are starting to lose some of that.

We are seeing the French involved with Ariane rockets. We are going to see the Japanese and we are going to see the Soviets launch an unmanned space shuttle before the year is over, and we are going to see them launch unmanned Mars missions before we do so.

So there is something much more fundamental than the funding of a space station. That is, do we continue to be the leader in space? Do we continue to maintain our world leadership? I submit to this body that spending only 1 percent of our entire national budget on NASA is hardly overspending and priorities are out of line. It is dramatically low. So there is that aspect of it, international prestige, technological leadership in the world. But there are other things on which you cannot place a price tag. I am not going to take the time now, but I do not know how many people know that there are more than 10,000, 12,000 medical devices or processes that have come from space research and development. How many people know that there are tens of thousands of men and women walking around because they have a pacemaker that came from space or diabetics that have implantable insulin pumps.

I do not know how you place a price tag on a human life. I cannot. I cannot place a dollar value on it. So I think it is a shame, a crying shame, not just because I flew in space. That is not the issue, not a piece of space hardware, but the incredible spinoffs that benefit every man, woman, and child on the face of this Earth, whether it is medical technology, whether it is learning about out planet, geology, oceanography, volcanology, communication, navigation. The list goes on and on and on and on.

In the area of the National Science Foundation, one of the areas in which we are dramatically dropping behind our adversaries and friends alike is in engineering and training of math and science teachers. We are not training the number of engineers they are in Japan or West Germany or in the Soviet Union. As a matter of fact, a Japanese delegation was in my office last week and as polite as they always are, one of them said to me, "Senator, I do not mean to be rude but one of the reasons that we are advancing so rapidly is we train engineers in our country; you train lawyers." He pointed out to me that 80 percent of all attorneys in the world live in the United States, and there are more practicing attorneys in Washington, DC than in all of Japan. They train engineers and scientists. So do the Soviets and so do the West Germans.

We do have a basic and fundamental difference of opinion, and I think it is an absolute shame what this Congress is doing to the future technological, scientific base by so short-changing the National Science Foundation, having enough math and science teachers across this country in the elementary and secondary schools, training enough engineers and developing new products that will save lives, because there is no doubt in my mind that in the vacuum of space, in microgravity where you can process pharmaceuticals 100 times more efficiently and four times more pure than on Earth, we will find cures for major diseases. We will do more to benefit the social and medical ills of this world by spending money on space research and development than we ever will on the face of the Earth.

So this is a bill that is wrong. It is going the wrong direction. The priorities are wrong in this bill. I do not intend to stop fighting for a more adequate budget for the future of this country.

I yield the floor.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

Mr. PROXMIRE. Mr. President, will the Senator yield for action on committee amendments and then I will be delighted to yield to my good friend from Pennsylvania?

Mr. HEINZ. Yes. I am glad to yield.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc, and that the bill as thus amended be regarded for purposes of amendment as original text, provided that no point of order shall be considered to have been waived by reason of agreement to this order.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendments were agreed to en bloc.

Mr. PROXMIRE. I thank the Chair.

Mr. President, I yield the floor. I also thank my good friend from Pennsylvania for so graciously yielding.

AMENDMENT NO. 2561

(Purpose: To provide an appropriation for the UDAG Program)

Mr. HEINZ. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Pennsylvania (Mr. HEINZ), for himself, Ms. MIKULSKI, Mr. SIMON, Mr. LAUTENBERG, and Mr. METZENBAUM, proposes an amendment numbered 2561.

Mr. HEINZ. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 16, between lines 13 and 14, insert the following:

URBAN DEVELOPMENT ACTION GRANTS

For grants to carry out urban development action grant programs authorized in section 119 of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301), pursuant to section 103 of that Act, $30,000,000 to remain available until expended.

On page 34, line 2, strike "3,552,800,000" and insert "3,522,800,000, of which not more than $38,600,000 may be provided for the National Aero-Space Plane".

Mr. HEINZ. Mr. President, the appropriations bill that we have before us today, the HUD-Independent Agencies appropriation bill, appropriates some $59 billion in moneys for such important programs as the Department of Housing and Urban Development, the Environmental Protection Agency, NASA, and, of course, the Veterans' Administration. It is a very important and significiant piece of legislation. As such, I commend the subcommittee who did so much work. I commend the managers of the bill, Senator GARN and Senator PROXMIRE, for their tireless efforts on behalf of this bill. I recognize at the outset that the job they had to do was inherently a difficult one, given that we have a very tight budget situation. The budget summit agreement of last year put everybody in a tight box. That box, obviously, made tradeoffs, decisions, a very important part of the subcommittee's and the committee's work.

Nevertheless, the sum and substance of the amendment that I have sent to the desk is to correct what I believe to be a major problem with the bill that has been reported to us by the committees. Essentially, what the committees have done is to zero out a program which has, since its inception roughly a decade ago, created some 585,000 new permanent jobs, retained 135,000 permanent jobs, has leveraged upward of some $4.6 billion in awards into some $29 billion of private investment, a ratio of some 6 or 7 to 1.

Now, Mr. President, if I came to the floor of the Senate and said in the abstract that what I wanted to do was eliminate a program that had created over half a million jobs, a program which had stimulated six times as much in private investment as in public investment, most of my colleagues in this body would say, "Well, why would you want to do something like that, Senator? My goodness, most of the programs we have do not leverage even $1 of private investment for $1 of the taxpayers' money. Why would you want to eliminate a program that returns $6 for every $1 invested? Why would you want to kill a program that has created over 600,000 jobs and done it so efficiently?

Yet, Mr. President, that is exactly what this appropriation bill does to the Urban Development Action Grant Program because those statistics that I cited are precisely the statistics regarding that program. Those are its achievements. And there are very few programs that have a record of achievement that is anything like that which I have described.

I must say that in addition to the fact that killing a program that has really produced for the taxpayer makes little sense to this Senator that such an attack could not come at a worse time.

I have before me an AP wire story from today in which the executive director of the National League of Cities states that half of the Nation's major cities have deficits this year, and most are increasing these for services in an effort to narrow budget gaps. It goes on to say that many blame cutbacks in Federal aid such as the elimination of revenue sharing, for example, for the condition of our Nation's cities. It goes on to say that the backbone of America, our cities and towns, is bending under an increasing load.

Mr. President, I strongly agree with that statement. There is virtually no city in the United States that has not suffered fiscal stresses and strains over the last year or two but particularly this year. Yet, one of the critical tools in the toolbox of urban aid, the urban development action grant, the tool I described earlier as working very efficiently and effectively to build the economy of these cities in which so many of our constituents live is being eliminated by the Appropriations Committee.

I understand the job that the Appropriations Committee, and this subcommittee, had. They did not have as much money as they would have liked to have had. That is true I think of every committee and subcommittee for which there is an appropriation and virtually every program for which there is an appropriation.

So I do not make these comments to be critical of my friends, Senator GARN, and Senator PROXMIRE. We serve together on the Banking, Housing and Urban Affairs Committee where we have far more in the way of agreements than disagreements. But I say that when a decision is made involving limited funds that we have to make intelligent tradeoffs. And the amendment I have sent to the desk proposes the following trade. The amendment proposes to create an appropriation of $30 million for the Urban Development Action Grant Program, and to offset that amount by a correspondingly equal amount in the account of the National Aeronautics and Space Administration, specifically that account that would finance research on the national aeospace plane.

Mr. President, why have I chosen that particular offset? First, it needs to be said I have no choice but to choose an offset without violating the Budget Act. I must find a way to pay for the amendment and to add money back into the Urban Development Action Grant Program to keep that program alive. Make no mistake about it. Without putting money into that program, it will surely die.

Mr. PROXMIRE. Will the Senator yield on that point?

Mr. HEINZ. Not at this point.

Furthermore, the fact that I have had to choose between various agencies, between NASA and HUD, reflects to my mind the difficult choice. It is difficult because I have been a supporter of NASA. I am a supporter of the space shuttle. I am a supporter of the space station. I believe, like Senator GARN, that much of the research that has had application in the savings of lives, in improving the quality of life of many of our citizens, has indeed come from elements of our space program.

So I rise as a friend, as a supporter, on the record, during my entire career in the House and Senate some 17 years, as a supporter of that program.

If I am a supporter of NASA, why do I want to take $30 million away from it? Well, put it this way, Mr. President: The NASA budget is receiving a very handsome increase this year. They are receiving $1.26 billion in increases—I emphasize the word "increase"—in this appropriation. And they are receiving an increase of some $600 million—nearly two-thirds of a billion dollars—in the Department of Defense budget for nearly a $1.9 billion increase. I say virtually all of that increase has been rather well spoken to, thought through, and justified by the committee.

The $30 million reduction that I am seeking in that budget is in one sense a very tiny fleabite out of a very large increase. But people are entitled to ask, "Senator, the bite you are taking comes out of a specific program, namely the National Aeronautics and Space Administration, to finance research on the so-called national aerospace plane."

Mr. President, I anticipate that I will have the opportunity to discuss the merits of that program in more detail later in this discussion. I do not rise as someone who is opposed to that program. Indeed, that program will receive, if my amendment carries, some $247 million, even after the adoption of my amendment, or almost exactly the same amount as it received in the previous fiscal year—fiscal 1988, where it received $254 million. That is still a considerable amount of money, $247 million. All things being equal, I would prefer not to take money from what some have described as a promising NASA project. Nonetheless, I have chosen that project because of the high degree of risk, and in some respects, the debate over the lack of promise in that particular program. My presentation to my colleagues would not be sufficient if I did not indicate why it is I have chosen this particular program.

In the first place, there are people in the Defense Department who have decribed this program as relatively low on their priority list. I refer to the Department of Defense appropriations bill committee report, which is to accompany H.R. 4781. That report was ordered to be printed on June 24. It says on page 257 of that report, after describing the amount of money recommended for appropriation for the national aerospace plane, or NASP, technology program:

> The committee recommends an appropriation of $189.405 million, a reduction of $55.362 million to the budget request and the same amount below the House allowance. The recommendation provides sufficient funds to protect the NASP program from inflation but eliminates the requested excessive real growth, in recognition of the lower priority the Air Force assigns to the effort and of the need to fund other much higher priority space-launched recovery activities.

We can argue whether $189 million from DOD is the right amount or whether it should have been $55 million greater, or whether the total amount should be $30 million lower, as I am here proposing.

The fact is that this is a very speculative research program. It is, in fact, a technology development program involving a variety of exotic materials necessary to make it possible to find out if an airplane can fly at 25 times the speed of sound, maintain its structural integrity, maintain an environment within that aircraft that is suitable to sustain human life.

Whether the engines, themselves, can ever function at that rate of speed is a question that some of the most distinguished researchers in our country have debated. For example, there is one Defense Department aerodynamics expert who is quoted in the National Journal as saying:

> Nevertheless, air-breathing flight to orbit may prove unachievable. I just don't think the technology is here.

As a point of reference, to give my colleagues an idea of what a stretch this plane is, the fastest our most advanced experimental aircraft of any size has ever flown is 6.7 times the speed of sound. This aircraft is proposed to fly at roughly 3.5 times the fastest that we have been able to do under any circumstances. That was with the X-15.

There is considerable debate, I might say, whether the direction of this research effort toward a manned aircraft has any validity at all. For example, somebody I think we all know, for whom I certainly have tremendous respect, Rich DeLauer, who was Under Secretary for Research and Engineering, one of the best brains we ever had in the Defense Department, argues strongly that it is a mistake to go for a manned aerospace plane. I quote him:

> We ought to be going for an unmanned version, so that we can get the cost of payload in orbits down. There's a hell of a difference between a manned and unmanned system.

What he wants, in effect, is an evolutionary program geared toward a booster that would be adapted for pilots at a later stage.

Mr. President, I hope we all understand that we cannot achieve every goal that we all want for this country, and no agency can achieve every technological goal or meet every challenge it would like to meet.

Clearly, based on the literature that is available, including this excellent report to Congress by the U.S. General Accounting Office, which details with great clarity the many questions raised about the National Aerospace Plane Program, we must choose and pick among those programs and projects that we think are going to be a better investment, have a higher as opposed to a lesser degree of success, when we are weighing in the balance the survival of other programs.

In this regard, I have to bring to the attention of my colleagues a particularly critical point. The amendment I am offering only cuts money, $30 million, from the HUD appropriation, the NASA budget. I mentioned that there is a significant appropriation—in fact, $189 million—from the DOD appropriations.

Why is most of the money for this program coming from DOD? The answer to that is that it has significant military applications. Otherwise, there is no reason for DOD to fund it. Indeed, one would judge by the original budget request that the administration, itself, feels that about three-fourths of the investment is in terms of military return or payback, which is why it submitted the budget request for DOD money in that ratio.

Therefore, it is worth asking: Why do we need any civilian money—that is what NASA money is all about, civilian money—in this project at all? I am not going to argue that we do not need any. I do not know that any of us on this floor can make the argument that there will not be some civilian return. But what does trouble me is that the principal civilian return that has been talked about, most observably by the President of the United States in his 1986 State of the Union Message, is that the National Aerospace Plane will be a great way for business executives to travel from New York to Australia in under 2½ hours.

Mr. President, I am not against business executives. I used to be one. I am not against travel. I try to do as much of it as I can when I have the chance. I am not against cutting down the time. But I will tell you one thing that does bother me, and that is to eliminate a job-creating program, which we know works, in favor of a program aimed at jetting businessmen halfway around the world, albeit in one-tenth the time, that may not work. Talk about tradeoffs! That strikes me as a terrible tradeoff.

What we are trading in is the survival of our cities against the commercial applications that the businessmen, on travel status from their corporations, may be able to achieve if this project works, if it gets off the ground. As I said a few moments ago, there is considerable doubt that this program will ever get off the ground.

We are talking in the NASP Program about a project that will consume, between now and the year 1994, some $3.3 billion—not to build a prototype, not to send a single person a single yard, but for what is described as a concept validation.

That is the term of art used by NASA and the Defense Department. We are going to spend $3.3 billion for concept validation, to find out if the damn thing works. Maybe it will.

But the sum and substance of what this Senator is saying is I would like to take 1 percent of that $3.3 billion to keep a program that does work alive, to keep people being put to work in our urban areas, to keep private investment flowing at the rate of $6 or $7 private dollars for every 1 Federal dollar into our cities, our distressed cities, our cities with poverty, with homelessness, with hunger, with lack of housing. That is the tradeoff.

Mr. President, it strikes me that to reject this amendment is to reject common sense and I hope that my colleagues here in the Senate will agree that our amendment is a good amendment, that they will support it and that we can keep this Urban Development Action Grant Program alive.

I know that there will be an argument made that this bill does not in fact kill the Urban Development Action Grant Program, because there are what HUD calls recaptures, funds that were committed to urban development action projects in the past, which will not go ahead, and the moneys that were otherwise going to be committed to those projects will become available to HUD in the coming fiscal year, fiscal 1989, and indeed HUD estimates that there will be some $50 million in such recaptures.

Mr. President, I hope nobody is under any illusions. Those recaptures are simply the table scraps that fell off the edge of the plate onto the table. Certainly we want to clean them up. Certainly we want to recycle them. But to argue that putting scraps back on the plate is a square meal and keeps this program alive is the height of hypocrisy, and we ought to understand that up front.

The only way that this program will be sustained is if there is new budget authority and new appropriations authority. If we do not have any new appropriations authority, this program will die, it will be dead.

We all know and we learned in our experience with the revenue-sharing program that once the budget authority for a program is allowed to expire, that is its death knell, it is all over, it is dead, get out the pallbearers, dig a hole 6 feet in the ground, because the body, whether it is going to arrive this year or next, it is on its way.

That is about where we stand. We stand looking over the grave of the Urban Development Action Grant Program. The purpose of this amendment is to turn away from that sad end and inject new life into the program albeit at a modest level. Thirty million dollars, Mr. President, is truly not only a tiny flea bite out of the National Aerospace Plane, an infinitesimal pinprick out of the NASA budget, but it is also a very modest appropriation compared to the $216 million that we appropriated for this program last year. This is barely 15 percent of that amount.

So I would hope that my colleagues will accept the amendment.

Mr. PROXMIRE. Mr. President, before I respond to my good friend from Pennsylvania, let me say that I am not only grateful to the distinguished Senator from Utah, Senator GARN, but also to the staff of this Appropriations Subcommittee which has done really a marvelous job.

Tom van der Voort has been on the staff of the Appropriations Committee for 14 years. Prior to that he was on my personal staff for a number of years. He is a man of great intelligence and diligence, and he has done a superb job this year as he has done every year that he has come to the floor of the Senate.

His assistant Carolyn Simmons has also been of tremendous help, bright and hard working.

And the Presidential intern Diane Hill, who returned to HUD 2 weeks ago, was of great help to the subcommittee and should also get recognition.

Mr. President, in response to my good friend from Pennsylvania, before we vote on shifting funds into the Urban Development Action Grant Program, I would like to make just a few observations.

First, even without this amendment HUD will have $50 million left in the UDAG pot next year.

Now the Senator from Pennsylvania said that is a scrap. He is putting in one little more scrap, $30 million even less than the $50 million we have here. Fifty million dollars is going to be available. Fifty million dollars may not be much to the Senator from

Pennsylvania, but it is a lot to the Senator from Wisconsin, I can tell you.

Furthermore, this amendment is not necessary to keep this program alive. The committee went into that in some detail. I am very conscious of this because I am the author of the Urban Development Action Grant Program. It was my bill in 1977 that has become the Urban Development Action Grant Program. I recognize it has done a lot of good over the years. It helped rebuild cities in Wisconsin as it has in Pennsylvania, Utah, and other States.

Mr. President, the fact that a program is a good program, has been a good program, has shown the way so that cities now understand how they can use their funds to build up their inner city does not mean it should go on forever. The time has come to end this program, and let me say why.

According to this year's consolidated annual report on community development programs UDAG helps business interests and does not meet social needs, by and large. From 1978 to 1987, that is the entire period during which this program has been alive, commercial projects received 50 percent of all UDAG funds, industrial projects, also a business, of course, received another 25 percent. Now mixed projects including commercial and industrial, received another 14 percent. That left exactly 11 percent for housing. And, of course, much of that was not for needy people.

Third, although UDAG projects had a planned production of more than 500,000 new permanent jobs, only 58 percent of those jobs, only about half were targeted to moderate and low-income groups. Furthermore, only about half of those jobs have been created to date.

Put another way, the program is not adequately serving low-income groups, and it is not meeting its job creation goals.

For all these reasons, I plan to vote against moving out of the national aerospace plane. Although I am not a big fan of the aerospace plane, I see no reason to argue for the existing UDAG Program to provide new budget authority in view of the modest impact of those truly in need.

Let me say something about this program. It is a worthy program. I am not a big fan of it, but I think it is a good, worthy, desirable program. NASA's and DOD's requests have already been cut. NASA requested $105 million and was cut by $15 million. DOD requested $245 million and was cut by $15 million.

An additional cut of $30 million would mean a $45 million overall cut in the fiscal year 1989 NASA portion of the program or a reduction of greater than 40 percent.

No. 2, the program is entering a phase in which large-scale test hardware needs to be fabricated. A cut in funding will delay this and force a slip in the program with attendant overall cost goal. Alternatively, the cut would have to be taken from the technology maturation portion of the program. Reduction in this area would increase achieving program goals.

The Defense Science Board study, the National Research Council Air Force Studies Board, and others, point out significant risk in the program and recommended an increase in technology maturation portion to reduce risk, not a decrease.

Fourth, the cut in the NASA portion would encourage DOD committees under similar budget pressure to also make additional cuts. Potential exists for the program coming unraveled. A cut this large sends the wrong signal to the private sector. The private sector is investing amounts comparable to that spent by NASA and DOD, and industry support would clearly erode with such a significant congressional action.

Now, Mr. President, my good friend from Pennsylvania said in effect that this is a program for business executives, and he is a former business executive, a graduate of Harvard Business School, a very able businessman, I am sure. But, this is not just a glorified Orient Express. It has great implications for our defense posture, and that is why the Defense Department is the primary sponsor. In addition, it is a genuine alternative to existing launch systems to get into space.

This is a very important Space Program, as I am sure the outstanding expert in the Senate on programs of this kind, Senator GARN, can argue.

Now, people can argue, as they did in the subcommittee, as they did in the full committee, that we should continue the UDAG Program. But if they do, I would hope that they would not make this kind of unfair, arbitrary reduction in a program that is important, that has already been reduced and, as I say, is not only important for commercial transportation but also for our Defense Department and our space department.

Mr. President, I yield the floor.

Mr. LAUTENBERG. Mr. President, I rise to support the amendment offered by the distinguished Senator from Pennsylvania.

The bill we are considering today provides no new appropriations for a program of vital importance to our Nation's economically distressed cities: the Urban Development Action Grant, or UDAG Programs.

The UDAG Program has established itself as a crucial revitalization tool for our cities. Although recent changes have spread its benefits more broadly, the program remains targeted largely to those areas that need the most help.

In my State, cities like Newark, Jersey City, Trenton, and Camden have all taken advantage of these programs. And though the claim is made that these programs aid businesses more than they aid the cities, I fail to see it that way.

Camden, NJ, has 24,000 households, but only 300 of them earn $30,000 or more. It is a city filled with poverty and despair. It is a city where unemployment and poverty continue at high levels despite nation-wide reductions in unemployment.

The UDAG Program primarily serves economically distressed cities. These are cities where millions live and thousands are in the streets.

The UDAG Program does work. It works by bringing into the depressed cities the expertise and the capital that private businesses can provide. It works by forging partnerships between the public and private sectors to bring new life to needy cities.

Mr. President, no private investor is going to come into a city where there is no opportunity for a return on investment, where there is no opportunity to be part of growth and redevelopment.

Under law, every UDAG project must leverage at least $2.50 of private money for every single UDAG dollar. But the program, as we heard from the Senator from Pennsylvania, has exceeded those guidelines and exceeded expectations. Since UDAG began, over $6 of private investment has been leveraged for every single dollar of UDAG funds.

In 1988, the UDAG Program is being funded at $216 million. So when we talk about a continuation of a very modest carryover sum, we are risking the demise of UDAG unless we act; $216 million in UDAG funding this year can be expected to produce $1,300,000,000 in private investment, 25,000 new permanent jobs, and $21 billion in local tax revenues.

UDAG projects do not stand alone. They attract other investments. And those spinoff investments provide jobs and municipal revenues that can then be used to create even more economic growth.

This administration has long sought to eliminate the UDAG Program. And there's an irony in that. After all, this is an administration that continually talks about the need to get the private sector involved in solving problems. That is exactly what the UDAG Program does. And what could be a more important goal than building up our struggling urban areas?

I have sought new funding for the UDAG Program throughout the appropriations process. In fact, during full committee markup of the bill, I offered an amendment to fund UDAG from other sources that are receiving huge increase in this bill. Unfortunately, the committee disagreed.

Frankly, I have no eagerness to reduce funding for the aerospace plane. I have too much respect for the Senator from Utah and his desire to have America continue its effort on behalf of technology, on behalf of building a future. But you are also building a future if you help build a city and create jobs.

The people who live in those cities are too important to ignore. UDAG should not be allowed to die. I hope that my colleagues will support the amendment.

Mr. GARN. Mr. President, I rise in opposition to this amendment and I do so as a strong supporter of UDAG. As a former mayor, I am well aware of what my distinguished colleague from Pennsylvania says about the good that has come from this program. There is no doubt about it. It has in my own State and in my own city of Salt Lake City.

We used to be able to come to the floor on appropriations bills and if we could convince a majority of the Senate to vote for something, we simply added the money. Now, under the Budget Act and under Gramm-Rudman-Hollings, we are always forced to fight two battles, because you cannot add to the budget. You must find tradeoffs. And so priorities do become important.

Those who are sponsoring this amendment are more concerned about UDAG than they are about the national aerospace plane. I understand that. We have different priorities. I strongly believe that we must not shortchange NASA once again.

Now my distinguished colleague from Pennsylvania talked about the huge increase in NASA funds. I will repeat what I said in my opening statement. We are at $10.1 billion for fiscal year 1989. The President requested $11.5 billion. So that is $1.4 billion. We are even $643 million below the House-passed bill. And the House has not been known for being frugal over the years.

When we talk about percentage increases, I would suggest my distinguished colleague from Pennsylvania look at the 1987 HUD budget which was $10.5 billion. So we can talk about percentages, but we actually drop from 1987 to 1988. Talking about percentage increases up and down in some of these budgets I do not think means a great deal.

There is one other thing I want to say in opposition to this amendment. I am a little bit surprised that my good friend and colleague from Pennsylvania, knowing that he is a pilot in his own right, would talk about the national aerospace plane as being unproven and not going to fly. I will say to my colleague it will fly and he will live to see it fly. Making that kind of prediction is rather easy. I wish I had a list that I read about in an article just a week or so ago, if I had known this was going to come up, about some eminent scientists that predicted that man would never fly; absolutely guaranteed that man would never fly. And some other man said you would never be able to exceed 60 miles an hour. These were not just ordinary citizens. There is a whole list of predictions over the last 100 years or so of people who made predictions, and they were all flat wrong.

Just a couple of personal incidents may put this into perspective. I doubt very much that it is nearly as big a leap from where we are today in the national aerospace plane flying at mach 25 as it was for John Kennedy to stand up and say we would put a man on the Moon by the end of the decade of the sixties. It was a much bigger technological leap at that point.

But when we did put that man on the Moon, I happened to be watching that with my father, who was a pilot in World War I.

He started to cry and I said, "Dad, why are you crying? This is an historic moment. It is not a sad moment."

And he said, "Jake, I am not crying because I am sad; I am overcome with the emotion to think that here I am sitting with my son watching a man walk on the surface of the Moon because when I was 10 years old your grandfather read me the story about the Wright brothers' first flight."

In my father's lifetime we went from a man not even getting off the ground in powered flight to him watching Neil Armstrong walk on the Moon; in a period of 66 years.

To say that we can fly at mach 25? There is one person standing on the floor of the Senate right now and another one in his office, I suppose—two Members of the Senate who have traveled at mach 25. It is not impossible. It will be done.

I am going to tell you one other story to show you how we should not be making any predictions that this is a turkey and will not fly. The very first speech I gave when I came back from my spaceflight was to my youngest son's kindergarten class, and I told those 5-year-olds that by the time they were my age that they would be able to walk on the surface of Mars. They might work in a colony, a permanent colony on the Moon. They certainly would be able to work as scientists in a permanently orbiting space station.

The kids liked it. But I could see the teachers' eyes roll back in their heads and the kind of thoughts in their minds: Oh, why did we invite this Buck Rogers type to speak to us?

I said: Kids, relax for a minute. I want to tell you something. See why it is so easy for me to predict that a 5-year-old would be able to go to Mars is because the only limiting factor is the Congress of the United States. We can do it technologically. What do you think, if, when I was 6 years old or 5 years old, in kindergarten in Salt Lake City, UT, and some middle-aged bald-headed Senator had walked into my classroom and pointed to me and said: Hey, little boy, someday you will orbit the Earth 109 times, travel 2.5 million miles at 25 times the speed of sound? They would have locked him up in the State mental institution because that was 1938 and in 1938 TV had not yet been invented and jet airplanes had not yet been invented and my father drove a car with wooden wheels. If anybody had told me at the age of 5 that I would be able to fly in space? A crazy idea. If anybody told me when I was a senior in high school that men and women would fly in space I would not have believed it because Sputnik had not yet gone up.

So, whatever arguments my colleagues may have about taking money from the national aerospace plane and putting it in UDAG, let it not be a reason that this aerospace plane cannot fly and that we cannot develop the engines and the technology to take off and fly at mach 25 after what we have seen take place in just the last 25 years. That is not an argument against this.

If people want to put money into UDAG and they think that is a higher priority, that is an argument I can accept even though I disagree. But, for heaven's sakes, I do not want my good friend and colleague from Pennsylvania to be listed in that magazine article in the future as somebody who made a projection along with the man who said you could never go 60 miles an hour, the body would disintegrate; or that we cannot get off the ground at all; or all sorts of things. I am going to find that and I am going to put it in the RECORD one of these days.

I have too much admiration for my colleague and particularly his skiing ability, which is so far superior to mine, that I do not want him to be caught on this limb of making predictions and to be so listed.

Mr. HEINZ. Would the Senator yield on a delicate point of personal privilege?

Mr. GARN. I would be happy to yield.

Mr. HEINZ. I appreciate all the kind things my friend has been saying about me. I want to correct something. I am not against the NASA budget. The Senator knows that. I am not against this program. The Senator knows that. I just want a small piece of the money. Just a small piece.

I do not complain when the Senator, for the GARN ski cup, arranges the event so that he has at least an even shot at winning. I hope that the Senator from Utah understands that I am not trying to kill the national aerospace plane. If I felt it was a program that was purely speculative, I would.

What I thought I carefully stated during my presentation of the amendment is that it is a more speculative undertaking than many of the other projects in the NASA budget and, hence, even the Defense Department itself accorded it a lower priority. I am just merely agreeing with the Defense Department.

Mr. GARN. Well, I appreciate my colleague and I might look more favorably on his amendment if he did not beat me so badly in those ski races.

But, nevertheless, this is not speculative. Believe me, it will fly. The question is how fast we move ahead with the research and development. But we will have that airplane and the technological spinoffs will be enormous in other directions.

So, if my colleagues wish to take money for different reasons and put them in UDAG because in their minds that is a higher priority, they will. I wish we were not having to make this choice. I am a supporter of UDAG. I have been. I am forced to make that choice when I have to choose in favor of the $30 million staying with the national aerospace plane. But, again, do not let anybody vote for it because they think that this airplane will not fly and will not become a reality. It will. And it is not nearly as big a technological jump as the other examples I have given you.

Mr. METZENBAUM. Mr. President, no administration in 60 years has showed as little concern about our cities and the people who live in them as the Reagan administration.

Urban assistance programs have been cut by 50 percent.

Housing programs have been cut by a whopping 75 percent.

Whole programs have been eliminated—new housing construction, revenue sharing, housing development grants, community action programs.

Now this appropriations bill eliminates the Urban Development Action Grant Program.

After 7 years of fighting the administration's efforts to kill UDAG, neither the House nor the Senate Appropriations Committees saw fit to include new money for the program next year.

That is a big mistake. UDAG is a program that works.

It is a program that puts Government and private enterprise together.

It encourages private capital investment in economically disadvantaged areas.

It is a program that helps people who do not have the resources to help themselves.

For these reasons, I have been one of UDAG's strongest supporters.

In my own State of Ohio alone, UDAG grants have helped build nearly 3,000 new homes.

UDAG grants have leveraged $1.5 billion in private investment.

I have heard all the horror stories about UDAG subsidies to Fortune 500 companies and to luxury hotels.

Those stories overlook UDAG's real accomplishments.

For instance, Youngstown, OH, one of the hardest hit communities in the country, received a $950,000 UDAG to build an electronic circuit board factory. That project will create 80 new permanent jobs in Youngstown, and has attracted $3.5 million in private financing.

It was not IBM or Honeywell or any other giant electronics company.

It was a company called Sovereign Circuits, and I doubt they would have come to Youngstown without some encouragement from the public sector.

That is not the only industrial project UDAG has fostered.

Akron received a $278,000 grant to help GO-JO Industries expand its manufacturing operation. GO-JO makes the waterless hand cleaners that mechanics use. They also make auto body putty.

It was not what I would call a glamourous project, but it meant 100 new jobs for the community.

The small city of Norwood, OH, which lost thousands of jobs when General Motors closed its manufacturing plant obtained a $425,000 UDAG to renovate an old furniture store downtown. It was a small project, but it created 100 new jobs.

Wauseon, OH received a $179,375 UDAG to help Bostmark Corp. buy new manufacturing equipment.

I could go on because there are so many of these worthy projects. And they don't get the attention they deserve.

I have an amendment to provide new money for UDAG. The amendment would transfer the $188 million in proceeds from a HUD-planned asset sale to the UDAG Program.

The beauty of the amendment is that current law would send this $188 million back to the Treasury. The money is not intended to be used for any other program.

After considerable discussions between my staff and the staffs of the Congressional Budget Office, the General Accounting Office, and the Budget Committee, the Budget Committee decided the amendment violates provisions of the Budget Act.

I do not agree with that interpretation.

Nevertheless, I do not intend to offer the amendment because I do not believe a super majority of votes are there to override a ruling of the chair on the Budget Act.

It is a tragedy that we have to pit important programs like NASA, assisted housing, veterans programs, and environmental protection against other important programs like community development and UDAG.

I am a cosponsor of the Heinz amendment. At the same time, I strongly support the NASA aerospace plane. Part of the development of this plane will take place at the NASA Lewis Center in Ohio.

This amendment should not adversely affect the work at NASA Lewis. I intend to make sure that that is the case.

The PRESIDING OFFICER (Ms. MIKULSKI). The Senator from Illinois.

Mr. SIMON. Madam President, I rise in support of the amendment by our friend from Pennsylvania. I want Senator GARN to know I am not one who believes this project cannot work. But the question is, as he said: choices. And we ought to make a choice that does not phase out the UDAG Program.

I am one who has great respect and admiration for Senator PROXMIRE from Wisconsin. This body is going to be an infinitely poorer body when he leaves this body and is no longer a voter and a Senator and a Senator who speaks out here. I think that is the sentiment of all Members of this body.

But, even a BILL PROXMIRE 1 percent of the time can be wrong and, my friends, he is wrong on this one. When he says that UDAG supports business interests, it is true that business interests benefit. But it is also true that this money goes to areas where it is needed badly. And I am pleased to note that southern Illinois, my old House district, is one of those areas that has benefited by the UDAG programs. And, in terms of Federal dollars that have gone in to take people off of welfare, to relieve unemployment, it is probably as fine a program as we have ever had.

In the first year the UDAG Program, I am pleased to say, $1 out of $12 nationally came to my district in southern Illinois, and we have permanent jobs in Centralia, IL; in Mount Vernon, IL; and in other communities that would not be there. We are redistributing the opportunities in this country and UDAG zeroes in on areas that need help.

One of the things we do not talk about on this floor very much is the underclass in our society. It is real. A lot of people pretend it does not exist. But it is real.

We just heard a few minutes ago, our colleague from New Jersey talked about Camden, NJ, and the problems there. This UDAG appropriation is not going to solve Camden's problems. It is a mosiac with a lot of pieces. But one of the pieces is UDAG.

You tell me. You look at East St. Louis, IL. You tell me how you are going to get someone to invest in East St. Louis, IL, without some kind of an incentive. You are just fooling yourself.

I see my friend from South Dakota, Senator DASCHLE, here. Three of the poorest counties in this Nation are in South Dakota; with the highest unemployment. How are we going to get somebody to invest there? It is going to have to have an incentive. There has to be an incentive to do it.

I think the UDAG Program is a much sounder program, in terms of helping people who really need help, than, probably, 9 out of 10 other programs that we have at the Federal Government level and I am pleased to join in supporting the amendment by the Senator from Pennsylvania.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. Madam President, I rise in very strong support of this amendment. The first point I want to make right at the outset is that this amendment does not pose the choice between the UDAG Program and the National Aerospace Plane Program. In other words, this amendment shifts a fraction of the money for the national aerospace plane to the UDAG Program, which has been zeroed out in this appropriations bill.

If the bill is left as it is, the choice is very stark, as far as UDAG is concerned. If this amendment is adopted, we can continue to move forward with the UDAG Program and, at the same time, continue to move forward with the national aerospace plane.

There are $68.6 million of R&D funding in this appropriations bill for that purpose and another $189 million in the fiscal year 1989 DOD appropriations bill, which comes to a total of $258 million. We are talking about shifting $30 million of that to the UDAG Program.

I submit that the UDAG Program merits continuation. This is a program which, since its inception, has provided block grants to large and small cities across the country. It has been a major stimulant to economic development and job creation.

It is true, a lot of the money has been involved in commercial and industrial enterprises, but that is where the jobs are. The touchstone in making those grants has been job creation and to strengthen the economic base in our large and small cities all across the Nation.

This program has been particularly successful in generating private investment, and I agree with my colleagues who have spoken that it is essential to provide UDAG grants as a leveraging device in order to attract and draw in the private investment, which has been generated at a ratio of somewhere between 4 and 5 to 1. It has resulted in creating major jobs in blighted urban areas across the country.

In my own State, participation in this program has been very successful, not only in Baltimore, where the success is apparent to the eye for anyone who has visited our city in recent times, but in small cities all across the State. UDAG funds have been effectively used to improve local communities and to increase permanent employment.

I ask unanimous consent that a recent editorial from the Baltimore Sun describing the success of this program entitled "Killing A Good Program" as it considers the effort to zero out the UDAG Program be printed in the RECORD, following my statement.

The PRESIDING OFFICER (Mr. SIMON). Without objection, it is so ordered.

(See exhibit 1.)

Mr. SARBANES. Mr. President, the administration has made a continuous effort to eliminate this program. The Congress has consistently turned that back and, in my judgment, has wisely done so.

The amendment which is offered today by Senator HEINZ and my very able colleague, Senator MIKULSKI, would continue the program, albeit at a modest level. It represents a significant reduction from past years, but it does carry the program forward, and it does it by shifting money within the framework, within the structure of this appropriations bill in a way that does not cripple the program from which the money is coming.

I understand the deep concern of my very able colleague from Utah with the National Aerospace Plane Program, but this amendment does not do in that program. That program would continue and is projected to continue over a number of years at a very significant level of funding.

I urge my colleagues to vote for this amendment to keep the UDAG Program moving along as one of the major undertakings at the Federal level to provide assistance to our blighted urban areas, both in small and large cities all across the country.

EXHIBIT 1

[From the Baltimore (MD) Sun, June 22, 1988]

KILLING A GOOD PROGRAM

Congress is on the verge of killing the Urban Development Block Grant program, one of the most successful enterprises run by the federal government. That the program is in jeopardy is a sad commentary on Washington priorities. Neither the Congress nor the president seems willing to recognize the tremendous benefits that have flowed from UDAG grants in the past.

These block grants have played a major role in the dramatic revitalization of Baltimore City. Since the program's inception in 1978, Baltimore has received $114 million in UDAG grants that leveraged $484 million in private investment, generated 8,000 jobs and led to the construction of 3,600 new or rehabilitated houses. That's payoff, UDAGs have been a tremendous success in creating a public-private partnership in depressed urban centers throughout the country.

This is the kind of program, with its stress on private-sector investment, that President Reagan should have adored. Instead, the president has been trying year after year to kill the UDAGs. They are viewed by the White House as wasteful extravagances. Now Congress seems ready to follow Mr. Reagan's suggestion.

In an effort to keep a lid on the federal budget deficit, congressional appropriations panels want to eliminate all new UDAG funding. The money instead would be funneled into the space agency and other housing programs. That is indeed unfortunate, UDAG grants, even in a more modest form, should be retained.

Efforts will be made today in the House and in a Senate committee to reverse the trend and pump new life into this innovative block-grant program. Even if there is a UDAG fund cutoff, the program would continue until prior appropriations are exhausted. The value of this program should be evident to members of Congress. UDAGs aren't wasteful or extravagant. They are highly productive grants that help revive ailing cities and stimulate private development. It's the kind of program members of Congress and the president should be applauding, not killing.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I join my distinguished friends from Wisconsin and Utah in opposing this amendment. Certainly, I am one of those who can say the urban development action grants have been used for important projects in my State, as well as throughout the country, but I feel just as strongly that it would be a tragic mistake, a major step in the wrong direction to take the money from the NASP Program.

Mr. President, we should not be returning back to the days of the Flat Earth Society. There are tremendous advances that we have made in recent years, and I happen to believe that the National Aeronautics and Space Program is an important step in maintaining our lead in aerospace technology. The United States's lead in aerospace development has played a crucial role in maintaining the strength of our economy and our national security, as well as our international trade figures.

I know my distinguished colleague from Pennsylvania is interested and has spoken often of competitiveness. That competitiveness comes from our ability to do research, to learn about materials and fuels and propulsion. The work that is going on in this important area must be continued, and if we strangle it further by taking another scrap, as some have called it today, out of the programs, we face loss of these benefits.

I have had the opportunity to be briefed on some of the developments in the research under way in the National Aerospace Program. Those are not things that can be spoken about publicly, but they are significant.

There are clearly benefits from deriving technology through this research and development of the National Aerospace Program that will benefit us, not only in terms of defense, but also in terms of commercial application, which is why they should be funded through NASA.

The fuel needed for this plane is something that is going to provide information, research opportunities, development for use in commercial applications, as well the materials which are going to be needed in these planes are subject to a great deal of research that can be applied for civilian and commercial aerospace and rocketry. All of this research is necessary in developing the first version of the aerospace plane, the X-30 experimental vehicle.

As my colleague from Wisconsin has already pointed out, the private sector is making significant contributions and commitments to research in this area. They are risking their money, they are putting it up front, they are doing research because they think there is going to be a significant payback. But the United States has the most to gain from it, and it is research development we cannot turn our back on.

Mr. President, the NASP Program is at a critical stage as we approach the date when a decision will be made on action construction of the X-30 experimental vehicle. Funding for the program already has faced cuts which threaten our ability to conduct research on an appropriate timetable.

It is clearly, in my view, a mistake to characterize NASP as simply a businessman's Oriental Express. The potential uses for the plane, for defense, for cargo, for space explorations and operations go far beyond our imagination even today. The national aerospace plane can take our Nation into the 21st century as a leader in aerospace and as a leader in world trade, transportation and commerce. The advances we make in new materials, propulsion and fuels will transfer to many other projects. These projects are of great importance to aerospace and defense industries.

I urge my colleagues to reject this amendment and to support full funding for the NASP Program. I yield the floor.

Several Senators addressed the Chair.

The **PRESIDING OFFICER**. The Senator from Maryland.

Ms. **MIKULSKI**. Mr. President, I rise in strong support and am a cosponsor of the amendment that will increase the funding for UDAG offered by my colleague across the aisle, Senator **John Heinz**. I support this amendment for several reasons.

One, it is exactly the type of amendment that I think Republicans and Democrats can agree upon. It is public investment that ultimately generates private sector jobs.

I would like to give just one quick case study of a UDAG success story, my own hometown, Baltimore.

In 1976, we were one of the gritty cities, one of those places known for what you drove by and passed by on the expressway between New York and Washington. Not only were the cars passing us by, so were opportunities for jobs. There were no home offices looking to move to Baltimore. In fact, the people of Baltimore were not even looking to stay.

We decided to do something about our waterfront. Our waterfront was decrepit, it was decayed, it was nothing but a mass of old warehouses where the water was too shallow for the ships to dock, and there was just decay surrounding it. Mothers would tell their daughters, "Don't go near the waterfront; you may be shanghaied." That was a code word for an ugly thing to happen.

We decided to do something about the waterfront. The State of Maryland built the trade center, the city of Baltimore built an aquarium, but a private developer had a dream if he could get some help in the investment. Out of that came the famous Baltimore Inner Harbor project.

What did the Inner Harbor mean? It is not only glitz and a shopping area. It became a magnet for private investment. We have T. Rowe Price financial services in the area. We have other financial services. We have private sector jobs at and around the harbor. Private developers want to come to Baltimore. Major Fortune 500 companies are looking to move to Baltimore. For our investment in Baltimore, we now have 8,000 permanent jobs.

But we did not only rehabilitate the Inner Harbor, we also rehabilitated houses with UDAGS and because of UDAGS we have 36,000 rehabilitated houses. That is what we have done with it.

Now, there are those who say, "Well, gee, we might be able to walk on the Moon." I would much rather be able to walk in Baltimore. I would much rather be able to walk in Cleveland. I want to walk through the poor counties in South Dakota creating opportunities. When we talk about the future, the future is now. I think UDAGS have been a successful tool for our local governments to be able to create economic opportunity.

Now, I want to talk a little bit about this NASA Program. We are not taking from this aerospace plane. We are doing a shaving, just like a carpenter. It is a very modest shaving from this aerospace plane. We are not robbing it of its engine. We are not robbing it of its spare parts. We are not robbing it of anything. All we are doing is trimming it a little bit.

Now, we have heard about this aerospace plane, and I think the jury is still out on it. There are those who have nicknamed it "The Orient Express." We are going to be able to get to Tokyo in 3 hours. Right now we are not even sure it will have a place to land. I do not know if this new aerospace plane is a new aeronautical eagle in which we will soar to new patriotic glory or if it is a stuffed turkey, a "technogimmick" that ought to be roasted instead of toasted.

So, Mr. President, I have no sympathy for those who wring their hands about what we are going to do on the aerospace plane. The distinguished chairman and his ranking minority member put on their green eyeshades to do all they could to save the essentials in the space program, to see if we could have a skylab and many of the other important projects of NASA. We support the funding of space, but just like we cannot have every social program, we cannot have every little so-called technoegg we want to hatch. And again, if you polled the people of America and said, "Where would you rather work; in your own community or on the Moon?" I think they would vote for their own neighborhood. That is why I hope we vote for the extension and full and adequate funding of UDAG's.

I yield back my time.

Mr. **ARMSTRONG** addressed the Chair.

The **PRESIDING OFFICER**. The Senator from Colorado.

Mr. **ARMSTRONG**. Mr. President, it is not very often that we have an issue that comes to the floor that is in such stark terms, that is so precisely a choice between the past and the future. If I understand correctly the nature of this amendment, it is budget and deficit neutral. It is simply a question, do we want to put this amount of money into UDAG's, a program which has its roots and antecedents in the past, a program which really philosophically is almost a classic example of a choice of programs of the past which have been tried and have not been very successful and have been pumped up and which have had kind of a disreputable political history and, on the other hand, a program that looks to the future. It is perhaps not a perfect program. But in my view, the future is in space. It is not in appropriating more money to build luxury hotels in the downtown locales of this country and in subsidizing General Motors and Marriott and Holiday Inns, and so on. That is exactly the choice we are being asked to make today.

(Ms. **MIKULSKI** assumed the chair.)

Mr. **ARMSTRONG**. Personally, Madam President, I do not hold with all this NASA bashing. The idea that any agency ought to be exempt from budget scrutiny I do not agree with either, and I would be willing to admit that there was a period perhaps in the two decades following Sputnik when NASA really received uncritical acclaim around here, and maybe it should have had closer scrutiny. But now the pendulum has swung the other way and everybody thinks the way to fund every kind of ambitious enterprise they have is to take it out of the budget for space.

I believe that we are on the verge of losing sight of how important the Nation's space program is. Space is the future. But it is also the present. In addition to the adventure of exploring outer space and all the comparisons with Christopher Columbus and the new frontier that we are exploring, and aside from military questions about the domination of space and the reality I think that whatever nation commands the high ground, whatever nation commands what has been termed by someone "the high frontier" will have great dominance on this planet, the reality also is that out of the NASA program have come countless, and I use the term advisedly and with precision, practical day-today benefits.

I am advised that it is possible at this moment to define not just hundreds but indeed thousands of very specific and significant spinoffs of this Nation's space program.

For example, in digital image processing, the use of computers to convert sensor—a device that receives and responds to a signal or stimulus—data to images. Digital image processing predates the space program but it was the space program that resulted in focusing this scientific research and bringing it to practicality. Ranger spacecraft in the 1960's flew by the Moon and made pictures to be sent back to the Earth. Using conventional TV tubes, we could send back the picture but it was distorted. It was really not usable. That is where this digital image processing came in.

What does that mean today? Well, in the medical field digital image processing is being used in electron microscopes, x rays, light microscope images, the genetiscan, in the CAT technology and in a lot of other ways that make an important, indeed, literally a life or death difference to a lot of people today, a direct spinoff of America's space program.

In remote sensing, a use of digital imaging processing. Remote sensing involves the picking up of radiation—light and heat—waves emanating from the Earth, each of which has their own unique signal. They are used, for example, in agriculture. It means accurate crop forecasting, in the evaluation of rangeland and forest management, petroleum exploration, mapmaking, water quality evaluation and disaster assessment.

A particular application of this technology which is of interest in Colorado was described by University of Colorado Prof. Payson Sheets. The opportunity provided by remote sensing equipment in archeology provides what he calls "a new window on the past." In one project, where it was thought that ancient civilizations had existed near the shores of Lake Arenal in Costa Rica, the area was blanketed by thick tropical vegetation that made inspection by conventional methods impossible. Through this space spinoff technology, the inspection was possible and, among other things, they found footprints buried under volcanic ash, giving us just exactly what the University of Colorado professor described as "a new window on the past."

We have all kinds of applications of this in, as I mentioned, agriculture, in water fowl management, even in things like eye testing. The term "lazy eye is" is, I expect, familiar to many Senators. It is the cause of 20 percent of blindness that develops after birth, but it is often caught too late to be treated. Now there is a mobile screening system to go out and test children. In the past, there was no widely available technology to do this. The technology that makes this possible today is a spinoff from NASA.

Even America's shuttle entry, the Stars and Stripes, benefited from the design technology pioneered and developed by NASA. In eyeglasses this week, I saw an ad for high technology sunglasses in the newspaper. The issue there is the new technology that permits us to more accurately screen out of the eyes the most harmful rays, the particularly timely issue at a time when the ozone layer is being dissipated and we can expect unfortunately more and more injury to people's eyes as a result of certain kinds of invisible portions of the light specturm. The technology that makes these high technology sunglasses possible in another direct spinoff of the space program.

The list goes on and on: water filters, solar water heaters, all kinds of technology that has come out of space.

So, Madam President, I want to say, first of all, I think it is time for us to give some recognition to the very practical contributions that this Nation's space effort makes in science, defense, technology, commerce, health, and in many, many other ways.

So I hope this era of NASA bashing is about to come to an end.

I am also opposed to this amendment not just because it takes money from an important high priority future-oriented program but also because it seeks to pump up a program that should have been abolished a long time ago, and that is the UDAG Program. I know this has been a popular program. In fact, I was reminded of that a while back here on the floor of the Senate. One of the Senators rose and pointed out that this was a very popular program. Of course, in some sense that is true. If you start handing out free money to people, it is going to be popular among the recipients. If you start giving money to construct hotels, marinas, all kinds of things, condominiums, what not, the people who get it, the companies that benefit from it, the communities that benefit from it are going to say this is a wonderful idea. There is no doubt about it. That does not make it good public policy.

In my opinion, this so-called UDAG Program which was intended to be targeted strictly to highly distressed urban areas and action oriented to avoid the long delays typical of Federal programs previously is a failure as defined by its own stated purposes. It has neither in that sense proven to be action oriented; that is, it is not responsive and prompt; and, second, it is not very highly targeted. Some of the best examples of what is the matter with UDAG is who is getting the money.

Erie, PA, received a $4 million UDAG grant to help construct a 175-room hotel with a 250-slip marina. That is not anything in my opinion that is wrong except the Federal funding of it. That is well within the financial capability of the private sector. If a marina is needed or a hotel is needed, I say let Marriott, Hilton, or whoever, go ahead and build it. But to take the taxpayers' dollars from Burlington, CO, or Burlington, VT, and send them to Pennsylvania for that purpose I think is really an abuse.

St. Petersburg, FL, received a $3.4 million UDAG grant to help renovate a luxury hotel including a swimming pool and tennis court.

In Philadelphia there was a $3 million UDAG grant to help construct a 143-room luxury hotel again with restaurants, meeting rooms, and swimming pools.

In Albuquerque, NM, there was a $10 million UDAG grant to help construct a mixed-use project including 41,000 square feet of retail space, a luxury 450-room hotel, parking for 493 cars, and a high rise office building.

In Los Angeles, CA, there was a $1 million grant to finance a shopping center in the city of Maywood.

In St. Louis there was a $3 million UDAG grant to assist in renovation of a building to provide commercial space and office rental space.

The point is not that these are unworthy projects. The point is in my opinion that they are not projects that justify the expenditure of Federal moneys. There is plenty of money around to develop these projects. The only thing we are talking about here is pumping in money from the Federal Government where it might not flow in the ordinary course of commerce as a result of the private investment.

It is a form of industrial policy. It has been scandalously abused. It has proven to be beneficial as a stimulus of economic activity. It is in my opinion exactly what the noted economics writer Warren Brookes, in a May 25 article wrote, and I will only quote in part:

> One of the most despicable pork-barrel programs in the federal government is the Urban Development Action Grant, supposedly designed to slow down inner-city decay by helping to fund development projects to keep jobs and business and industry inside the urban cores.
>
> In fact, UDAGs have become nothing more than political payoffs to wealthy developers and hotel and motel chains to build projects which, for the most part, consist of luxury hotels and department-store complexes.

Madam President, there is a clear choice between a program of the future, exploration and development of space, and a program of the past which I think Mr. Brookes is accurately characterizing as a porkbarrel program that has come to be nothing more or little more than political payoffs to wealthy developers and hotel and motel chains.

I guess it goes without saying, Madam President. I oppose the amendment.

Mr. DASCHLE. Madam President, we are about ready to vote. I do not want to be long because I am sure most Senators have already made up their minds. However, certain things have been said that I think merit some response. I am a pilot, too. There are many pilots here in the Senate. Those of us who fly have a tremendous appreciation for NASA, and the work that they do. The distinguished Senator from Colorado has pointed out the spinoffs that have come already as a result of the tremendous work done with NASA.

I make the same speech that the Senator from Utah has made to young people in high school as well as first and second grade for that matter. I hope there will be a time when we can travel around the world in less than a day. I hope there will come a time when we can travel through space and come back in a very short period of time. I hope there will come a time when we can all have the opportunity to live in space if we want to. I hope I will be one of those selected at some point to ride in the space shuttle. I will go. I would love to be the pilot. Let no one be misled. Our investment in aerospace is vital. It must be continued.

But the same statement must be made when it comes to the investment in rural America. That investment, too, is vital.

I hope as we consider these priorities that no one look at this vote as an either/or proposition, that it is a choice of either one thing or the other, because that is not what we are asking here. Sponsors of this amendment are asking simply that we alter slightly our investment in space so that we may at least continue our investment in a program which will help to ensure somebody in rural America is there to fly in the first place. That is what we are asking. Give somebody in a rural area the same chance to do business that they have in another area to work on aerospace. Give someone who has access to a little Federal money the same chances as those who have access to large Federal contracts.

I vehemently disagree with those who say the UDAG Program has been nothing but a ripoff. Tell that to the folks in Lead, SD, many of whom would not be in business today were it not for the fact that the UDAG Program provided them opportunities for more business and more jobs. The financial wherewithal in Lead and many other rural communities without Federal partnership is simply not there. The kind of commitment it takes from business to create a profitable economic climate is just not there in many cases.

Government is needed in partnership with business at times. Without it we might as well do away with many of the communities in rural parts of the country. Just as Government is needed in space, so too is it needed in economic development.

So as we look at these questions, let us remember it is not either/or. It is an opportunity to advance our progress in space. But it is also an opportunity to advance our progress in providing the quality of life to people in both urban and rural areas as well.

I frankly thought this was going to be a debate between urban and rural constituencies. There are a lot of rural people who have opposed UDAG grants. But a skeptic who challenges what UDAG has done for rural communities would have to be impressed with its record of assistance to nearly a dozen cities and the creation of nearly 1,000 jobs in my State alone in the past 10 years. UDAG has been an important development tool in South Dakota and other rural States just like it.

So I commend those who have offered this amendment. I hope we can see fit to give UDAG at least this much so that the successful partnership they have had in so many parts of the country may be preserved.

I yield the floor.

Mr. HEINZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HEINZ. Madam President, I do not want to extend this debate any further unnecessarily. I just have a few concluding comments. I want to thank the Members of the Senate, the Senator from South Dakota who has spoken, the two Senators from Maryland, including the Chair, the Senator from New Jersey, Senator LAUTENBERG, and others, who have spoken in support of this amendment.

I want to put in the RECORD two letters of support for this amendment—one from Arthur Holland, the mayor of Trenton, NJ, on behalf of the U.S. Conference of Mayors; another from the National League of Cities. I ask unanimous consent that they be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HEINZ. Madam President, just to refresh everyone's memory, I have here a picture of the world. It is probably difficult for my colleagues to see, and I apologize for not having one of those high-technology blowups that are popular on the Senate floor in this day of television coverage. By the way, it is a round world. This shows traveltimes in the national aerospace plane, the high-speed transport, showing how you can travel from London or Paris to Los Angeles, from Los Angeles to Sydney, from Tokyo to London, in 2½ hours, each of those trips. A remarkable accomplishment.

I am not opposed, as I said earlier, to continuing development work on that project, but I am opposed to the money for that coming at the total expense of the Urban Development Action Grant Program.

We only seek to restore a mere $30 million. That plane I described is indeed an exciting plane. By the way, it would take off horizontally from a conventional runway. It would go 25 times the speed of sound. It would be a tremendous way for any of us or any business people to get from here to Rio or to Paris, places that businessmen often travel to.

One question I would really like to ask our colleagues to consider when they are voting on this amendment is this: Whom are we trying to help the most? As Russell Long, our retired chairman of the Finance Committee would say, "we want to help everybody all the time."

Here we have a choice between helping people in our cities, helping low- and moderate-income people who are without work. Who, if the commercial aspects of this flight development go ahead, is going to be helped? They are not low- and moderate-income people dwelling in our cities and towns. That is the fundamental question that this amendment addresses.

Do we want to excessively subsidize flying corporate executives across the world in a few hours, or should we try to help our country's most distressed cities and towns?

Madam President, I think we should get our priorities straight, and I think this amendment helps.

One of our colleagues indicated what, to his mind, were a few examples of the urban development action grants that he characterized as wrong or unprincipled. There have been some 3,000 urban development action grants, and most of them have been extraordinarily meritorious. I want to give one particular example, because I think it illustrates the reach.

I am privileged to represent the town of Donora, PA. Donora was where we really first discovered, many decades ago, the pernicious effects of air pollution. That was the town over which a yellow cloud developed one day, and a number of the residents actually died from the temperature inversion and pollution that was created in that Monongahela Valley town. It is a town that has seen many ups and downs. Because the steel industry has been mostly down, so has Donora.

To give an idea how distressed Donora is and how poor that local economy is, the only McDonald's restaurant to fail in the entire United States last year was located in Donora. That town received a $95,000 urban development action grant in November of last year which leveraged some $321,000 in private investment to construct not some luxury boat basin, certainly not a supesonic transport, but a thrift store. That created a very small number of full-time jobs—five full-time jobs—but that small investment of the thrift store, the literally handful of jobs—the same number of fingers we have on one hand—was enough to help that community turn the corner. Now there are other private commercial developers going in and putting investments in. While the town has a long way to go, it is turning the corner; it is on its way back. That is really what the Urban Development Action Grant Program is. It is to help our cities and towns back.

One of our colleagues described, I guess, the choice of this amendment between the past and the future. I guess he meant this program was one which looks toward some distant past, and the national aerospace plane looked toward the future.

To me, the past that we look to, so-called, in the Urban Development Action Grant Program is the reality of the present. It is the poverty of our cities and towns. It is the dilapidated housing stock. It is the unemployment. It is the eroded tax base. It is the youth. It is the survival of our cities and towns across the United States. If the definition is that that is our past, then 85 percent of Americans who live in towns and cities are living in a past that some of our colleagues are asking us to write off in favor of a future which may, in the form of this transportation, be wishful thinking. It certainly is a form for commercial civilian applications of privileged transportation for wealthy businessmen. This is upperincome luxury travel—make no mistake about it.

Madam President, maybe it is about something else. We have recently read about scandals in the Pentagon, about people taking payoffs, about special interests, big aerospace and defense contractors buying power and influence up here in the Nation's Capital. Maybe what this is really a contest between is the citizens of our cities and towns who do not have a bunch of highly-paid lobbyists making hundreds of thousands of dollars a year, and those who do. If that is the case, Madam President, if those lobbyists who represent the contractors are the future, and if our constituents in our cities and towns are the so-called past, there is no question where this Senator and, I trust, the majority of the Senate—is going to stand.

I was delighted to hear that some of the research that NASA has done was very important to Dennis Connor in his quest to return the America's Cup and the victory of the Stars and Stripes over the Australian yacht 2 years ago.

I think we all wanted to see our team win, and win it big, But I have to say that if one of the strong arguments for NASA is so that $15 million yachts can win yacht races, we really are standing this Senate on its head.

I hope we will stand on our two feet, that we will stand up against the special interests, and that we will vote for our constituents by adopting this amendment.

NATIONAL LEAGUE OF CITIES,
Washington, DC, June 28, 1988.

Hon. JOHN HEINZ,
U.S. Senate, SR-277 Russell Senate Office Building, Washington, DC.

DEAR SENATOR HEINZ: The National League of Cities deeply regrets the actions last week of the Senate Appropriations Committee and House of Representatives regarding the Urban Development Action Grant (UDAG) program. At a time when American cities and towns are confronted with limited resources and hardpressed to meet vital service delivery requirements within their communities, it appears the Congress is more interested in the future existence in space than human existence right here on earth.

The UDAG program has proven to be the life-blood for many of our older cities. It has provided a real leveraging tool for local jurisdictions to amass private sector investments for economic revitalization, resurgence and growth. We strongly reject having to be placed in the position of choosing between the funding level for the Community Development Block Grant (CDBG) program and UDAG. We should not have to sacrifice funding from the CDBG program in order to keep the UDAG program alive. Both programs have proven to be important and viable resources meeting the economic and community development needs of municipalities across the land and should not be "cannibalized" in order to provide a $1.5 billion increase for NASA. We feel the issue here is not whether we are going to have a dramatic increase in the NASA space budget. The real issue here is whether or not we can afford to give a dramatic increase for space while at the same time, cut funding dramatically for housing here at home.

The very survival of American cities requires that you reconsider and redirect the apparent "priority judgements" of the House of Representatives and Senate Appropriations Committee and exercise your responsibility to the millions of American citizens who both elected you and are counting on you to represent and be sensitive to the hometown interests and concerns in the communities in which they reside. The frontiers of space will always be there; however, we have too many families with children at risk to justify these misplaced priorities. Although we would all like to achieve dramatic successes in space, our urgent needs on earth ought to take priority and be addressed first.

As you begin to act on and debate the recommendations of the Appropriations Committee, it is our hope that you will take under consideration, and vote responsibly for, the vital needs of American cities and towns by calling for the restoration of funding for the UDAG program.

Sincerely,

PAMELA PLUMB,
President, Councilor, Portland, ME.

THE U.S. CONFERENCE OF MAYORS,
Washington, DC, June 28, 1988.

DEAR SENATOR: As you consider the FY89 appropriations for HUD-Independent Agencies, The U.S. Conference of Mayors urges the restoration of funding for the Urban Development Action Grant (UDAG) program.

UDAG has been effective. Our nation's cities have found it to be a crucial revitalization tool. Since its inception, UDAG has proven itself a sound public-private partnership: one dollar in UDAG funding leverages a little more than six dollars of private funding. In addition, UDAG has generated far more revenues in the form of income and corporate taxes paid and reduced public assistance payments than it has cost.

Although we support the restoration of UDAG, we are opposed to any proposal that would transfer funds from the Community Development Block Grant program to UDAG. As we review the appropriation bills in both houses of Congress, several housing and community programs are being sacrificed at reduced levels for the sake of increased funding for NASA programs. Under this scenario, cities will only lose when funding is transferred between urban programs. Both CDBG and UDAG are very important programs to cities and deserve to be funded, but not at the expense of one another.

As you consider UDAG and other housing, community development and homeless programs, we ask you to recall the recent history of cities and urban programs. Our plight is well known. Over the past several years, housing and community development programs have been drastically cut as demands and responsibilities have increased. Further cuts will compound the difficulties that local communities face.

Sincerely,

ARTHUR HOLLAND,
(Mayor of Trenton) President.

Mr. MOYNIHAN. Mr. President, our Nation's cities must not be abandoned. They are where most of the Nation works and much of the Nation lives. Strong and growing cities are in the national interest; yet, we pretend that many of them are not beset with high unemployment, lack of affordable housing, crime, poverty, decaying infrastructure, and a declining tax base. These are characteristic of cities large and small, and in every region.

A city in decline is very difficult to turn around, as these forces magnify one another and reverberate throughout the urban system. But we must find ways to assist our distressed cities because they are our centers of commerce, culture, and innovation. We must improve the health of declining urban areas, and we have found ways to do so. The UDAG Program is successful, successful in stimulating private investment where otherwise there would be none. It creates jobs where there would be unemployment, and it creates vitality where there would be stagnation or decay.

I can cite no better sources than mayors whose cities have benefited from this program. Art Gray of Port Jervis wrote:

> The very existence of my city has been made stable by this wonderful program. A combination of Federal, State and private monies has been infused into our economy to the extent of $250,000 + with the end result of 300 + jobs and a broader tax base.

Madylon Kubera of Dunkirk wrote:

> This city of 15,000 was a victim of the steel industry economic tragedy of the 1980's. The City's three UDAG grants for new industrial construction or expansion and our Harborfront Project total $3.7 million. These HUD funds leveraged another $51 million of private funds with over 500 construction jobs and over 600 new permanent jobs resulting.

For years the program was criticized for not benefiting the entire country. So the formula was changed to facilitate awards everywhere. Now it is criticized because it is not fulfilling its original purpose of aiding distressed areas.

The UDAG Program has worked. It has enabled thousands of projects to be built that would not have been otherwise. Nationally, the $4.4 billion awarded have leveraged $27 billion in private investment, created 311,713 jobs, created 79,533 housing units, and brought about $620 million in annual tax revenue.

The community development block grant is already being stretched and cannot absorb the vital function the UDAG Program is now fulfilling. I support this proposal to transfer $30 million from the national aerospace plane budget, which would fly from New York across the Pacific in a few hours. Watching it fly overhead would not compensate the people who do not have jobs or adequate housing that a UDAG could have provided. I urge my colleagues to join me in voting for this vital amendment.

Mr. WARNER. Mr. President, regrettably I must rise to oppose this amendment. While I compliment the sponsors for wanting to add funds for urban development action grant programs [UDAG's], funds which have indeed been used to great success by localities of my own State of Virginia, I do not think the National Aeronautics and Space Administration [NASA] National Aerospace Plane Program should be the source of those funds.

I would like to make a few points against this amendment, although my colleagues have already mentioned some of them.

As my colleagues well know, the National Aerospace Plane [NASP] Program is a joint effort between NASA and the Department of Defense [DOD] to accelerate the development of critical enabling technologies for this revolutionary class of hypersonic/transatmospheric vehicles.

First, Mr. President, both NASA and Department of Defense budgets have already been reduced for this program. NASA's $105 million request was reduced to $90 million, and DOD's $245 million request was itself cut $55 million.

The additional cut of $30 million from NASA would mean a $45 million reduction in the fiscal year 1989 NASA portion of the Aerospace Plane Program.

This program is entering a critical phase, where a cut in funding at this time would cause major problems. These cuts, if accepted by the Congress, would have to be taken from the technology maturation portion of the program, and jeopardize achieving the program's goals.

The Defense Science Board and the National Research Council Air Force Studies Board have recommended an increase, not a decrease, in the technology maturation portion of the program to reduce risk.

Mr. President, a cut of this magnitude to the National Aerospace Plane Program at this time threatens the entire program, and the various States and sites at which work on this program is being done today.

For my own State of Virginia, this means a direct hit to the Langley Research Center, a preeminent aerospace research center, and a key component of NASA's programs and missions.

I have discussed this matter with that facility's Director, Richard Petersen, on numerous occasions, and remain convinced of the need for this program, and that we should defend it's funding levels, as modest as they are, against further cuts.

Therefore, Mr. President, I must oppose this amendment. But I want to reiterate that my opposition does not constitute oppositions to the UDAG Program, which I have steadfastly supported in the past.

As we will see with other appropriations bills, the Senate is not always presented with whether they support one program over another, but whether they think one program should be funded out of the program funds of another.

Mr. RIEGLE. Mr. President, as many of my colleagues know, the legislation before us, like the House passed bill, provides no new funding for the Urban Development Action Grant Program. Rather, UDAG funding will be provided through recaptured funds from older projects that were unable to go forward.

Mr. President, I do not believe that the decision by either the House or Senate Appropriations Committee reflects or suggests congressional intent to terminate the UDAG Program. Congress has overwhelmingly rejected such proposals in the past and voted only last December to reauthorize the UDAG programs for 2 additional years.

UDAG is one of the few Federal programs which has been a genuine success. It is very widely acknowledged to be a success throughout the county, not only by State and local officials but by others who pay attention to the critical questions of how we provide jobs in economically distressed communities.

Since it was enacted, UDAG has demonstrated solid results. Nearly 2,930 projects are projected to create or maintain over 585,000 permanent new jobs—56 percent of those jobs are slated for low- and moderate-income persons.

UDAG has stimulated $6.3 in private investment for every Federal dollar. That is a total of $29 billion private investment dollars that UDAG has generated in just a few years. That is a real success story in private sector-government cooperation.

UDAG projects are expected to contribute over $700 million in annual tax revenues to hard pressed local governments. At the end of last year, local governments were already receiving $38 million annually in additional revenues as a result of UDAG projects.

In my own State of Michigan, the UDAG Program has allowed communities to help themselves in partnership with the private sector and with a minimum of Federal direction, redtape, and bureaucracy. Since 1978, over 50 Michigan communities have received over $392 million from the Federal Government and over $3.5 billion from the private sector. Over 82,000 Michigan jobs have been created or saved.

Mr. President, for a very small amount of Federal dollars, UDAG's are able to trigger a very substantial private sector investment in projects that are put together by the private sector, carried out by the private sector, and managed by the private sector. This allows UDAG, in a highly targeted way, to revitalize and strengthen areas that are in trouble.

Mr. President, the UDAG Program is vitally important to the Nation's cities.

Some have mentioned the use of UDAG funds for building hotels—such projects can stimulate convention business that can be vitally important to many areas. But many other types of projects have been submitted in the national competition for UDAG.

According to HUD almost half of projects funded since 1978 in the small cities competition have helped these communities to bring in new industry or to retain older industries in the community. From these investments, in turn, will flow other private sector investments with which the Federal Government has no involvement at all.

In conclusion, Mr. President, UDAG is an effort to get positive things started in areas that are struggling to reverse downward trends. I do not support the committee recommendation, and I will seek to provide UDAG with continued and increased funding in the next Congress.

Mr. SPECTER. Mr. President, I am voting in support of the amendment offered by Senator HEINZ to the HUD and independent agencies appropriations bill which would provide $30 million for the Urban Development Action Grant [UDAG] Program.

As my colleagues well know, we are faced with some very difficult choices on the various amendments offered to appropriations bills. I myself had a particularly difficult time with this specific amendment. I long have supported the UDAG Program and find many aspects of the program meritorious. In Philadelphia alone, from 1980 to 1987, 33 projects totaling over $74 million have created 8,467 new permanent jobs. The UDAG Program also has benefited the Pittsburgh and Erie economies which have been decimated by the decline of the steel industry by providing new development to these local economies. Other important UDAG's have been completed or are underway in Johnstown, Reading, Sharon, Harrisburg, Scranton, Easton, and Wilkes-Barre.

Senator HEINZ's amendment would transfer $30 million from the NASA account, which funds the national aerospace plane [NASP] project. Although I supported my colleague on the amendment, I want to make it very clear that I find the NASP to be a meritorious project. In light of the severe funding constraints that the HUD and Independent Agencies Committee is under, however, in my view support of the UDAG Program at this time was necessary to save this vital program. I understand that the NASP project, albeit highly significant, will not be operational until the late 1990's. The UDAG Program, however, has and currently provides not only jobs, but millions in local revenues and economic development opportunities. For these reasons, I am voting in favor of the Heinz amendment in my continued support for the UDAG Program.

SEVERAL SENATORS. Vote.

The PRESIDING OFFICER. Is there further debate?

Mr. GARN. Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The question is on agreeing to the amendment of the Senator from Pennsylvania. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN] is necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is necessarily absent.

The PRESIDING OFFICER (Mr. ROCKEFELLER). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 34, nays 63, as follows:

[Rollcall Vote No. 244 Leg.]

YEAS—34

Adams
Boren
Bradley
Byrd
Chafee
Cohen
D'Amato
Daschle
Dixon
Dodd
Durenberger
Fowler
Grassley
Harkin
Heinz
Inouye
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Metzenbaum
Mikulski
Mitchell
Moynihan
Pell
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Specter
Weicker

NAYS—63

Armstrong
Baucus
Bingaman
Bond
Boschwitz
Breaux
Bumpers
Burdick
Chiles
Cochran
Conrad
Cranston
Danforth
DeConcini
Dole
Domenici
Evans
Exon
Ford
Garn
Glenn
Gore
Graham
Gramm
Hatch
Hatfield
Hecht
Heflin
Hollings
Humphrey
Johnston
Karnes
Kassebaum
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Murkowski
Nickles
Nunn
Packwood
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Roth
Rudman
Shelby
Simpson
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson
Wirth

NOT VOTING—3

Bentsen
Biden
Helms

So the amendment (No. 2561) was rejected.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HARKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

AMENDMENT NO. 2562

(Purpose: Expressing the intention of the Senate regarding Urban Development Action Grants)

Mr. LAUTENBERG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG] proposes an amendment numbered 2562.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . URBAN DEVELOPMENT ACTION GRANTS.

(a) FINDINGS.—The Congress finds that—

(1) the Urban Development Action Grant (UDAG) program has demonstrated its effectiveness in encouraging public-private partnerships to promote economic development in economically distressed urban areas;

(2) the UDAG program has leveraged over 6 dollars of private investment for every UDAG dollar;

(3) the UDAG program has helped create jobs and increase much needed tax revenues for cities around the country;

(4) this Act does not contain any new appropriations for the UDAG program;

(5) the UDAG program will have an estimated $50 million available to it in fiscal year 1989 from recaptured funds; and

(6) the lack of new appropriations reflects the tight budgetary constraints facing the Senate, not a decision to eliminate the UDAG program.

(b) INTENTION OF THE SENATE.—It is the intention of the Senate to make new appropriations for the UDAG program if additional funds become available.

The PRESIDING OFFICER. The Senate is not in order. The Chair will be patient, but the Senate is not in order.

The Senator from New Jersey.

Mr. LAUTENBERG. I thank the Chair.

Mr. President, obviously, since I was a strong supporter of the UDAG amendment, I am disappointed in the outcome and have worked with the manager and the ranking minority member in the committee and the subcommittee. They have agreed to a sense-of-the-Senate resolution that I am proposing.

Mr. President, I have already expressed my strong support for urban development action grants, and the importance of this program to our Nation's distressed urban areas. Unfortunately, it now appears that there is no sentiment in this body for taking funds from other programs in this bill to save UDAG. That sentiment, however, appears to be based more on widespread support for the other programs than on opposition to UDAG.

I am hopeful that the UDAG Program continues to enjoy support in this body. My amendment is designed to express that support. It would simply note the many benefits of the UDAG Program and express the intention of the Senate to make new appropriations for the UDAG Program should addtional funds become available. The amendment would make clear that the lack of new appropriations for UDAG reflects the tight budgetary constraints facing the Senate, not a decision to eliminate the program.

To a large degree, the lack of funding in this bill for UDAG is a result of the low 302(b) allocation granted by the full Appropriations Committee to the HUD-Independent Agencies Subcommittee. I had pushed in the committee for a higher level. But unfortunately we ended up at a figure that has prevented us from funding all the programs we would like.

It is important to note that the UDAG Program still will have an estimated $50 million available for use in fiscal year 1989 from recaptured funds. These are funds that have been obligated to projects which subsequently fail. The $50 million generated from such recaptures may be sufficient to keep the program alive in the short term.

Under these circumstances, I believe it is important that the Senate express its support for the UDAG Program. It is possible that the 302(b) allocation for the HUD Subcommittee might be increased by the full Appropriations Committee before a conference agreement is reached on this bill. If that were to happen, I would hope that this expression of support could provide a basis for possible inclusion of new funding during the conference committee's consideration of the bill.

But even if no new funding for UDAG is eventually included in this bill, an expression of the Senate's support for the program may be very useful in the future. It is quite possible, for example, that a new administration could come into office next January that supports the UDAG Program. If so, there may well be an opportunity to seek additional funding for UDAG next year. At that point, an expression of the Senate in support of the program could be very significant.

There is no reason why the lack of new appropriations for UDAG must mean the death of UDAG. But unless the Senate goes on record in support of the program, that might very well be the result.

The UDAG Program is vitally important to cities that are in the greatest need. If we cannot agree to find new money for it right now, let us at least do what we can to keep the program alive.

I urge my colleagues to support the amendment.

Once again, it is my understanding that it has been cleared by both sides of the aisle.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, the Senator from New Jersey has discussed this amendment with me. I think it is a reasonable amendment. As I said, the UDAG Program, I think, is a good program. It is just one of these situations where we do not have enough money and that is pretty much what the sense-of-the-Senate says; if we find we do have the money. I am ready to go ahead with the amendment.

Mr. GARN. Mr. President, I am in agreement.

The PRESIDING OFFICER. Is there any further debate on this amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2562) was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GARN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2563

(Purpose: To transfer certain appropriations to the National Aeronautics and Space Administration to appropriations for certain Environment Protection Agency programs)

Mr. MOYNIHAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration. It is an amendment offered on my part and that of my colleague, the junior Senator from New Jersey.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN], for himself and Mr. LAUTENBERG, proposes an amendment numbered 2563.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 25, line 3, strike out "$708,750,000," and insert in lieu thereof "$738,750,000,".

On page 25, line 11, insert after the colon: "*Provided further,* That of the funds appropriated under this head, $25,000,000, shall be made available for the Nonpoint Pollution Control Program authorized under section 319 of the Federal Water Pollution Control Act and $5,000,000 shall be made available for the Wellhead Protection Program under section 1428 of the Safe Drinking Water Act:".

On page 28, line 5, strike out "$2,100,000,000," and insert in lieu thereof "$2,370,000,000,".

On page 34, line 2, strike out "$3,552,800,000," and insert in lieu thereof "$3,402,800,000, of which no more than $496,000,000, shall be made available for space transportation capability development, and of which no more than $359,200,000, shall be made available for aeronautical research and technology,".

On page 37, line 20, strike out "$1,870,000,000" and insert in lieu thereof "$1,720,000,000".

Mr. MOYNIHAN. Mr. President, the purpose of this amendment is elemental. The numbers are clear and the choice, in our view, is equally clear. This amendment would restore full funding, the moneys we committed to the Clean Water Act, for the construction of and upgrading of sewage treatment plants. This was a commitment that the Nation made back in 1972 with the Clean Water Act of that year, and which has had such dramatic impact throughout the Nation. This morning, Mr. President, an advertisement appears in the Washington Post with a headline: "Our Quality of Life Will be Determined By the Quality of Our Water." It has a photograph of the Potomac, taken in front of the Washington Monument in 1972, and a later one taken in 1988 showing what a difference has been made by this law.

Full funding for the Clean Water Act is supported by groups ranging from Water Pollution Control Federation to the Associated General Contractors to the National Wildlife Federation, and the Sierra Club.

I ask unanimous consent that the text of this advertisement be printed in the RECORD at this point.

There being no objection, the ad was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 12, 1988]

OUR QUALITY OF LIFE WILL BE DETERMINED BY THE QUALITY OF OUR WATER

Clean water is essential to human existence. And, in the 16 years since the passage of the Clean Water Act, we have seen dramatic improvements in the quality of water and our lives. Over the years, these enhancements required a tremendous commitment of resources and personal energy. Yet there is still an enormous amount of work to be accomplished.

Congress has authorized $2.4 billion for 1989 as part of a ten-year phaseout of the program to construct municipal wastewater treatment facilities. This phaseout will transfer responsibility for wastewater treatment to the states in an orderly fashion.

President Reagan, in an effort to cut spending, has proposed reducing that amount by $900 million—nearly 40%. Congress will soon vote on this proposal.

Such a deep cut will stagnate our progress.

Support for clean water in this country is overwhelming. Americans have said it over and over again. They want clean water and are willing to pay for it.

We urge Congress to act on this clear mandate from the American people by appropriating the full $2.4 billion for wastewater treatment grants in 1989. Clean water is more than a public right, it's a necessity.

We ask you to share our commitment.

CLEAN WATER—AMERICA'S LIFE SUPPORT SYSTEM

Water Pollution Control Federation, American Consulting Engineers Council, American Society of Civil Engineers, Associated General Contractors, Association of State and Interstate Water Pollution Control Administrators, Clean Water Action Project, Izaak Walton League of America, National Society of Professional Engineers, NSPE/Engineers in Private Practice, National Utility Contractors Association, National Wildlife Federation, Sierra Club, Water and Wastewater Equipment Manufacturers.

Mr. MOYNIHAN. Looking at the scene of the Potomac River in 1972, I am reminded of my youth. I was raised in Manhattan and used to work on the West Side piers. What passed for the Hudson River then would not be recognized today.

I remember in 1969 I went to a NATO meeting where we established the Committee on the Challenges of Modern Society, which first discussed the whole greenhouse effect. We convened in Europe to discuss global environmental quality and we centered our discussions on clean water. I said that many of our neighbors could claim many distinctions, but I felt that the United States, at this point, was the only nation which could claim it had a river which regularly caught fire. It was the Cuyahoga, a river that flowed into the Great Lakes; it was so polluted that from time to time it would just catch fire, due to the amount of petroleum wastes and such in it.

Gradually we changed our environmental course in this country. The Cuyahoga no longer catches fire.

And in the 100th Congress the first bill we passed was the Clean Water Act of 1987. The distinguished Presiding Officer will recall that we passed the bill in the 99th Congress but a pocket veto prevented its coming into law. So it became H.R. 1 in the House. H.R. 1 passed overwhelmingly in the new Congress.

The bill came over to the Senate right away. Its consideration was bipartisan, and its passage as near to unanimous as any bill could be. The bill had come from the Committee on Environment and Public Works in the previous Congress under the chairmanship of our revered chairman emeritus, as we say, the Senator from Vermont [Mr. STAFFORD]. Mr. CHAFEE of Rhode Island was the chairman of the subcommittee which handled it in the last Congress.

We had to reenact the bill, of course in the 100th Congress. Our much beloved chairman, QUENTIN BURDICK of North Dakota, presided over this reenactment, and the subcommittee was chaired by the distinguished and learned Senator from Maine [Mr. MITCHELL]. And there was one essential fact about H.R. 1, as passed early in this Congress. It is that the bill brings the program to an end. The program began with Federal grants in 1972, and will end in 1994. The end. After that there is a revolving loan fund to sustain the program.

This is not a program to go on forever. The bulk of the work will be done. Thereafter, we are providing for maintenance and new sources, really.

This is, then, a question of keeping our word to ourselves. Back in 1981 the administration accepted the steady funding level of $2.4 billion annually in return for reducing the Federal share from 75 percent to 55 percent. And then, of course, this bill was passed and, in all truth, the debate was contentious.

But, oh, what a shock it was, to the Congress with passage of a bill ending a program—a program that made America feel better about itself—that the administration proposed—a tremendous 40-percent reduction in that $2.4 billion annual funding level. And the bill we have on the floor today is also a reduction. It is not as drastic a reduction as the administration's proposal of $1.5 billion, but it would reduce the level to $2.1 billion per year instead of $2.4 billion.

This seems wrong. It seems an incongruous ending to a great and noble enterprise. It was a noble enterprise to clean up the Potomac. The Potomac was a sewer. The fish could not swim in it. On summer days, it was not worth your life to drive over it.

It is clean now; it sparkles. An elementally good thing is clean water. We have not proposed to keep the Federal Government in this enterprise forever. We said we would take on the assignment in 1972 and we will finish it in 1994. Then we will have a revolving loan fund States can use to finance additional programs.

I do not know of any reason that will require me to say more than I have, Mr. President. I would like to note, earlier this year, our committee reported out a resolution calling for full funding for the Construction Grants Program. This resolution was sponsored by the distinguished Senator from New Jersey, Senator LAUTENBERG. Most members of our committee were cosponsors and it now has 54 cosponsors in total. I know that not every Member will feel free to support this measure today. Perhaps some might not, so I will not have printed in the RECORD the list at this point, but I show it for those who watch closely. It is there, and the number is 54.

I would, however, Mr. President, like to have printed in the RECORD a list of the Environmental Protection Agency figures on the effects of the reduced construction grant funding at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. EPA FIGURES ON EFFECT OF REDUCED CONSTRUCTION GRANTS FUNDING, JULY 11, 1988

State	$2.4 billion	Senate bill $2.1 billion	Difference
Alabama	$26,885,511	$23,524,822	3,360,689
Alaska	14,390,132	12,591,365	1,798,766
Arizona	16,239,714	14,209,750	2,029,964
Arkansas	15,728,583	13,762,510	1,966,073
California	171,961,240	150,466,085	21,495,155
Colorado	19,232,804	16,828,704	2,404,101
Connecticut	29,455,432	25,773,503	3,681,929
Delaware	11,803,569	10,328,123	1,475,466
District of Columbia	11,803,569	10,328,123	1,475,446
Florida	81,160,532	71,015,466	10,145,067
Georgia	40,652,775	35,571,179	5,081,597
Hawaii	18,621,824	16,294,096	2,327,728
Idaho	11,803,569	10,328,123	1,475,446
Illinois	108,742,608	95,149,782	13,592,826
Indiana	57,945,658	50,702,451	7,243,207
Iowa	32,541,239	28,473,584	4,067,655
Kansas	21,702,876	18,990,017	2,712,860
Kentucky	30,601,317	26,776,152	3,825,165
Louisiana	26,431,436	23,127,507	3,303,930
Maine	18,612,315	16,285,775	2,326,539
Maryland	58,152,488	50,883,427	7,269,061
Massachsetts	81,633,626	71,429,423	10,204,203
Michigan	103,384,049	90,461,043	12,923,006
Minnesota	44,192,657	38,668,575	5,524,082
Mississippi	21,662,461	18,954,654	2,707,808
Missouri	66,653,910	58,322,171	8,331,739
Montana	11,803,569	10,328,123	1,475,446
Nebraska	12,298,059	10,760,802	1,537,257
Nevada	11,803,569	10,328,123	1,475,446
New Hampshire	24,027,930	21,024,439	3,003,491
New Jersey	98,253,717	85,972,002	12,281,715
New Mexico	11,803,569	10,328,123	1,475,446
New York	265,388,926	232,215,310	33,173,616
North Carolina	43,393,866	37,969,633	5,424,233
North Dakota	11,803,569	10,328,123	1,475,446
Ohio	135,357,101	118,437,463	16,919,638
Oklahoma	19,425,370	16,997,199	2,428,171
Oregon	27,161,284	23,766,124	3,395,161
Pennsylvania	95,241,608	83,336,407	11,905,201
Rhode Island	16,144,620	14,126,542	2,018,077
South Carolina	24,631,778	21,552,806	3,078,972
South Dakota	11,803,569	10,328,123	1,475,466
Tennessee	34,928,104	30,562,091	4,366,013
Texas	109,895,626	96,158,672	13,736,953
Utah	12,668,926	11,085,311	1,583,616
Vermont	11,803,569	10,328,123	1,475,446
Virginia	49,206,500	43,055,687	6,150,812
Washington	41,812,925	36,586,309	5,226,616
West Virginia	37,481,383	32,796,211	4,685,173
Wisconsin	65,001,648	56,876,442	8,125,206
Wyoming	11,803,569	10,328,123	1,475,446
American Samoa	2,158,639	1,888,809	269,830
Guam	1,561,922	1,366,682	195,240
Northern Mariana	1,003,244	877,838	125,405
Puerto Rico	31,359,694	27,437,732	3,919,962
Pacific Trust Territory	1,723,386	1,507,963	215,423
Virgin Islands	1,252,866	1,096,258	156,608
Total	[1]2,376,000,000	[1]2,079,000,000	297,000,000

[1] These do not add up to $2.5 billion and $2.1 billion respectively because the figures have been reduced by the mandatory set-asides which come off the top.

Mr. MOYNIHAN. Mr. President, to conclude, I should note there is a small sum, $5 million, for the wellhead protection program and $25 million for nonpoint source pollution, a matter of great interest to the able Senator from Minnesota.

I am obliged, as we all are, to say, "How are we going to find this $300 million?" With no great satisfaction, but with a sense of priorities, we propose to take $150 million from the $1,870,000,000 that is recommended for NASA's program management account and another $150 million from the $3,550,000,000 provided for the research and development account. Both these accounts will still receive more money next year than they did this year. They are not being reduced. They are at the highest levels of any such program provided by the committee.

Do I take any pleasure in this? No. As President Kennedy used to say, "To govern is to choose." I hope the Senate, on this occasion, might choose to keep our commitment to the American people made in the first bill we passed in the 100th Congress which is not an open-ended, endless commitment but one to maintain the level of funding we have had since 1981 and will conclude in 1994.

Mr. President, I thank the Senate for its courteous attention, and I yield the floor.

Mr. PROXMIRE addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, in my opening statement, I said that the bill before us today, the bill reported by the Appropriations Committee, rearranges the President's priorities, and it does. It changes the President's priorities drastically. We shifted funds from space and science into veterans' medical care, into housing, into the environment. The most spectacular change was in the environment section. The President recommended a cut of 5 percent. We recommended 8 percent, a very substantial increase in this year of holding down spending.

Senator MOYNIHAN's amendment would further shift priorities by transferring another $300 million, 10 times as much as we just voted on, $300 million from NASA's research and development and program management budgets into waste treatment construction grants, primarily.

I think that the amendment goes too far. The Appropriations Committee has already added $600 million to the President's waste treatment construction grant request, a whopping 40-percent increase. We have also cut the President's increase for NASA in half, a cut of $1.4 billion in the budget request. A further cut of $300 million would truly cut into the bone and sinew of NASA's shuttle recovery program and its space science efforts. It would be a bitter blow for the agency to bear. It would be particularly severe for NASA's personnel were a cut of $150 million proposed. It might compromise NASA's efforts to produce a safe space shuttle program. For those reasons, I must resist the amendment, and I hope the Senate will see fit to reject it.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I compliment my colleague from New York, Senator MOYNIHAN, for presenting this amendment. I join in support and am pleased to be an original cosponsor. Despite Chairman PROXMIRE's view on this, I want to commend him and the ranking minority member from the State of Utah for their diligent efforts to shape an EPA budget, despite some very tough constraints.

Although the environmental portions of this bill fall short in a number of areas, we have made some progress. We are increasing Superfund by $100 million over the House bill. We added $150 million over the House on these construction grants. Construction grants are funded at a $600 million level above the President's budget.

Our total for EPA exceeds the budget of the President's by about $611 million. But the President's budget is not the best gauge for meeting our environmental needs. The President is fighting the wrong battle. He fights to cut environmental spending, but the real war is against the pollution. The real enemy is the sewage that fouls our oceans, our rivers, and our shores.

Our unmet needs today on sewage construction for this country are about $76 billion. The administration made no secret of its opposition to the Construction Grants Program. The Clean Water Amendments of 1987 were vetoed. We enacted that law with an overwhelming override vote. The House voted 401 to 26 and the Senate 86 to 14 override. But here we are 1½ years later, and the administration is still refighting the lost war, and it is doing so with sham budgets. The 1989 administration budget modestly increases Superfund over current spending levels. At the same time it slashes Construction Grants.

The administration knew Congress would not accept this. The override showed that we were not going to turn our backs on clean water. The administration knew that Congress would be forced to pay for both Superfund and the clean water programs.

Mr. President, as the distinguished Senator from New York mentioned, I introduced a resolution, Senate Resolution 389, which calls for full funding for the Construction Grants Program. To date we have 53 cosponsors. The mandate is there for clean water. The mandate comes not only from this Senator or from the Senator from New York, but from the American people. It is reflected in our laws.

Mr. President, in subcommittee I offered an amendment which included a provision to fully fund the Construction Grants Program. Unfortunately, the amendment was not adopted.

But this issue deserves full Senate consideration. That is why I am supporting Senator MOYNIHAN in offering this amendment today. This amendment would bring construction grants within $30 million of the authorized level. The difference would be allocated to the nonpoint pollution and wellhead protection programs.

It is unfortunate that the offset for this amendment comes out of NASA funds. I have long strongly supported NASA. NASA and its important space programs have provided us with valuable science information and research data that have helped keep America competitive and enabled us to advance technologically.

Mr. President, this amendment is not intended to override earmarks within larger accounts unless specified. Under this agreement NASA will be expected to proceed as directed on the programs specified in the Research and Development Account and in the Research and Program Management Account. Nonetheless, I wish we could have avoided these reductions.

I note that the House version of the HUD-independent agencies bill includes more funds overall than does the Senate bill. I hope we will be able to resolve this issue in conference in a way that restores the funding for these NASA programs, while maintaining the needed level of support for the EPA's Construction Grants Program.

Mr. President, the Senator from New York has eloquently stated the case. I hope that we can agree to this amendment. It is an essential step in the battle for clean water.

Mr. DURENBERGER. Mr. President, I rise in support of the amendment by my colleague from New York, my colleague from New Jersey, and others. I also express the regret that they have already expressed that in order to follow out the commitment which we have made in the Clean Water Act, money to finance this amendment must come from the NASA program.

I would like in support of our efforts to speak just briefly to two of the elements of this amendment, first nonpoint source pollution and the other the wellhead protection program. I am going to do that briefly at this point because I intend to propose my own amendment on this subject shortly, if that is possible.

So that we might have an illustration of what the Senator from New York indicated is a commitment to continue the effort to clean up the lakes and the streams of this country, I think the nonpoint source pollution program is a very good example of what we ought to be doing, that without this amendment we are not going to be able to do in the coming year.

We all understand point source pollution. That is where you can see the pollution running into the lakes and the rivers and the streams, but nonpoint pollution is the term that we use for water runoff from farms and city streets, from construction sites and timber cutting operations, from air deposition, and from other nonspecific sources. It is called nonpoint pollution because it is not discharged from any identifiable point source like a pipe, a drain, or a ditch, but it is pollution. In fact, it is now the principal reason for failure to meet water quality standards in the streams, the rivers, the lakes, and the estuaries of the United States of America.

Over the 16-year history of the Clean Water Act we have done much to clean up our surface waters. We have spent $47 billion already on grants to construct municipal waste water treatment systems, and that commitment is continued in this bill with an additional appropriation of $2.1 billion for construction grants. Those funds have been matched by billions more in State and local expenditures. U.S. industry in all parts of this country has committed millions of dollars to meet effluent guidelines.

The Congress finally recognized the importance of nonpoint pollution in the Water Quality Act of 1987 when it created section 319 of the Clean Water Act which promises a partnership with the States to mitigate nonpoint pollution through adoption of best management practices by the sources which adversely affect specific surface water bodies.

There are three steps in the Nonpoint Source Pollution Program established under section 319. First, each State is to assess the surface waters within its borders to determine whether water quality uses are being impaired by nonpoint sources and, if so, to identify the categories of nonpoint sources that are causing the impairment. Generally, those assessments have been completed and were submitted by the States prior to April 1 of this year.

The second step is to develop a management plan for the nonpoint source categories in the State which are causing the problem. In some States that plan may focus on urban runoff from storm sewers and city streets. In other States timber operations may be the focus of the plan. In my own State it is agriculture and the use of fertilizers and pesticides that causes the major problem. The plans developed by the States are to include best management practices for the sources and source categories which are impairing water quality. These plans are due by August 4, 1988. And that at my best reckoning is only 3 weeks off.

The final step is implementation. The States are to take action, that is, implement measures including education, training, technical assistance, and regulatory actions to assure that the management practices are employed as planned. In the area of nonpoint source controls most of these State-sponsored measures will be voluntary—they will be education and training or research and demonstration programs.

But these kinds of programs are resource intensive. And many States have made clear already that their plans cannot be implemented unless significant financial support is provided by the Federal Government.

Up to this point, the section 319 program has been developed using moneys which were set aside from the construction grants appropriation by the Water Quality Act. Each State was allowed to use 1 percent of its construction grants funds of $100,000, whichever was greater, to develop nonpoint plans. In 1987 that provided approximately $12 million. In 1988 about $28 million was available through the set-aside. And that has been adequate to get the States through the development phase.

But we are now about to enter the implementation phase—the action phase. The plans are written. They have been reviewed in public hearings. They are coming into EPA in three weeks. And it will be time to implement these programs. So it is time for us to act as well. it is time for Congress to live up to the commitment that it made in the Water Quality Act last year.

The second part of the amendment is relatively small, and I think maybe I will dwell on that, the wellhead protection program, when I speak in behalf of my own amendment, but I did this with the nonpoint pollution program simply to illustrate for my colleagues that we, as the Senator from New York indicated, set in motion a process that is not just a Federal process; it is a process that involves State governments, local governments and a variety of the private sector, and as that process meets the deadlines prescribed in the Water Quality Act, which most of us supported, including a veto override, the plans are ready, the implementation is on line and we now need the funds to make sure that that implementation is effective.

And so for that and a variety of other reasons, I strongly urge my colleagues to support this amendment.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER (Mr. DIXON). The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, this is an extremely important amendment. It recognizes the high priority that the American people and this body place on clean water. This amendment will make available an additional $300 million in the form of grants to every one of our States and then, of course, it goes down to our cities and our towns.

Now, this money is not going to be used for a large bureaucracy. It is going directly to our constituents to help build sewage treatment plants, to control nonpoint sources of pollution—nonpoint source of pollution being a source that does not come out of a pipe but it is an overflow from streets, it is the overflow from fields where there has been fertilization or pesticides, insecticides. It is to control that.

It is also to protect those important areas that supply underground sources of drinking water.

A chart prepared by EPA shows the amount of money that each State would receive under the current version of the bill, which provides $2.1 billion. It compares those numbers with the amount that each State would receive under this amendment, which appropriates just under $2.4 billion. I do not know whether this had been covered by the other speakers in favor of this amendment, but the $2.4 billion is not just a figure that has been plucked from the air. The $2.4 billion was an amount that the administration agreed upon in 1981 when we passed the Clean Water Act. They said the administration in return for our reducing greatly the amounts that were going into the clean water bill, and it has been as high as $5 billion—$5 billion in 1970's money, not $5 billion in 1988 money—and that has been reduced to $2.4 billion. But that $2.4 billion was to come for 10 years. In addition to scaling it back to this scheduled figure of $2.4 billion, we agreed that we would change the formula. The former formula was 75 percent Federal, 25 percent State or locality. We changed the figure to 55 percent Federal.

This amendment is worth a considerable amount of money to every one of the States. The State of Maine, $2.3 million; my State, $2 million; Utah, $1.6 million; California, $21.5 million; Illinois, $13.5 million; Indiana, $7 million; Michigan, $13 million; Missouri, $8 million; North Carolina, $5 million; Ohio, $17 million; Pennsylvania, $12 million; Texas, almost $14 million; West Virginia, $4.6 million; and so on including Wisconsin at $8 million.

I am not suggesting that we ought to vote for this solely because of "bring home the bacon," as it were, but this money as I say has been authorized after an excruciating process that we went through in 1981 which culminated in 1987 when this body voted nearly unanimously to override the President's veto of the Clean Water Act.

The sole issue in that override was the funding for the construction grants program. That is what we voted on. There were no other issues involved. It was solely the amount of money involved in this particular issue, the construction grants program. Then Congress decided that they were going to go for $2.1 billion on a steady scale until 1991.

You might say, well, when we go to conference, things will be straightened out. But the House has only approved $1.95 billion for the construction grants program. So it seems to me that unless we take a strong stand today the Senate position is likely to slip even further in conference with the House.

Mr. President, I support this amendment. I believe it gets us on with the very, very important program that we proceeded with since 1981 as I say on a steady scale. I hope we will continue on with our commitment through the agreed upon period of 1991.

I thank the Chair. I thank the author of the amendment.

Mr. HEFLIN addressed the Chair.

The **PRESIDING OFFICER**. The Senator from Alabama.

Mr. HEFLIN. Mr. President, I rise in strong opposition to the amendment by my distinguished friend and colleague from New York which would transfer $300 million of the National Aeronautics and Space Administration to the Environmental Protection Agency. While I have great respect and admiration for my friend from New York, I simply must oppose him in this endeavor. In these days of tight budgets when there is only a small amount to spread around we have to make some hard choices. While I do not oppose increased funding for EPA, I strongly believe that this amount of funding is better spent in America's space program.

The Senate Appropriations Committee has already increased funding for the EPA by more than $611 million above the Presidents request as opposed to a $1.4 billion cut to NASA from that request. This amendment would further cut NASA funding to a disastrous level of $9.8 billion.

This is the critical year for NASA. The fiscal year 1989 funding for NASA will determine whether the United States will be a leader or a follower in space research, and will realize the enormous spinoffs and byproducts that will come as a result of our efforts in space.

Make no mistake about it, this amendment could kill America's hopes on having a realistic and viable space program.

The distinguished Senator from Utah, in his opening statement, has already described the cuts that have occurred in the HUD and Independent Agencies appropriation bill pertaining to NASA and the enormous benefits of the space program that touch our everyday lives. In light of the substantial cuts already made to the space program in this bill, this is really a life-or-death amendment for NASA. This amendment would take $300 million from NASA at a time when we are on the verge of having another shuttle flight, and when we are on the verge of starting the space station. Also, we see that the Russians have started on their trip to Mars with a newly launched mission to a moon of that planet. There are numerous other things in our Nation's space program that are happening that are very important.

As I think of the good intentions of my friends who support this amendment, they, as I am, are interested in the environment, I stop and think about the major problems that are confronting our environment today such as the depletion of the ozone layer—who is the leading research organization pertaining to studying the ozone layer? It happens to be NASA. What is the EPA doing relative to the ozone? Nothing. There is no research going on whatsoever by EPA pertaining to the ozone problem that is becoming one of the most serious environmental problems that we have today.

The greenhouse effect is another matter that ought to be borne in mind.

In that regard, many of my colleagues do not realize the outstanding research underway within NASA relative to the greenhouse effect and other areas that will improve the environment of the United States and the world. In my judgment, the amendment has the effect of cutting off our nose to spite our face. This amendment has the potential of taking funds away from our study of the ozone layer—one of our most serious environment problems—and putting it into programs of less national priority.

Clean and drinkable water is very important. Pollution of the water is a very important subject. I support the Clean Water Act and the Safe Drinking Water Act. However, this is not the way to accomplish the goals of those acts.

I think we would have today, if it were not for an unusual event, a voice speaking out in opposition to this amendment which is a voice that has been highly respected in the U.S. Senate. Every time in the past when there have been efforts made to divert money from NASA, from the space station on the space station in general, there has been a voice that has loudly and clearly sounded out against it. Fortunately today for the Democrats Senator LLOYD BENTSEN is in Boston. LLOYD BENTSEN is not here with his voice to add, but if he was here, in my judgment, Senator LLOYD BENTSEN would be speaking against this amendment with all of the vigor that he will show in the upcoming campaign. I hope the plane can bring him back here in order that he might be able to speak relative to this very important issue. I think that is something that should be borne in mind.

This effort to divert money from NASA and from the program is not new. Recently, the House of Representatives went through this exercise on a similar type of amendment which would have taken $400 million from NASA—specifically, the space station—and placed it in many programs, some just as popular as EPA, such as UDAG, housing homeless programs. That amendment was resoundingly and overwhelmingly defeated by the House of Representatives by a vote of 256 to 156, a margin of 90 votes. That was a decisive vote that said America needs the space station. It was a message that America believes in the space program, that America should be in the forefront of the space technology. I would like to see the Senate defeat this amendment by 90 votes.

Mr. JOHNSTON. Mr. President, will the Senator yield for a question?

Mr. HEFLIN. I would be delighted to yield to the Senator from Louisiana.

Mr. JOHNSTON. I wonder if the Senator will agree with me that should this amendment be adopted, it will sound the death knell for the space station.

Mr. HEFLIN. In my judgment, that is what will happen.

Mr. JOHNSTON. Is it not a fact that the only way we can build the space station is to have every penny that is in this HUD and independent agencies budget plus the $600 million that the Department of Defense and the DOD appropriations bill has budgeted for that particular NASA budget, which is attributable to defense, and that you need every penny of that, which is a total of $800 million for the space station?

Mr. HEFLIN. The Senator is absolutely correct; and his leadership, along with Senator GARN, Senator STENNIS, Senator STEVENS, and others who have worked on this, in my judgment, has thus far provided a way by which the space station can be started. I was delighted to be able to work with my colleagues on the appropriations committee toward achieving the transfer of $600 million to NASA in order to fund the space station. If this amendment goes through, in my judgment, it will mean that the space station will not get off the ground. If that were to happen it would be a disaster to our Nation and America's space program.

Mr. JOHNSTON. Mr. President, I am glad that the Senator has made that clear. There is no doubt about that. It is this amendment or the space station, but you cannot have both.

Mr. HEFLIN. Mr. President, the United States will not be ready to meet the needs and the requirements and the challenges of the future without a strong and viable space station.

The age of space is no longer simply coming. The age of space is before us and staring us directly in the eye, offering us a challenge like nothing we have seen before.

I truly believe that space is the greatest adventure of our time, and that any nation that sees itself as a world leader cannot and must not ignore it.

Space has been important to us in the past and will become increasingly important in the future. We use space to ensure our national security, improve our standard of living, and broaden our scientific knowledge.

Other nations of the world have recognized the importance to their economy, national security, and future that space technology offers. They will not, and are not, standing idly by and waiting for the United States to build back its space program. They will march ahead. Mr. President, we cannot be left behind or relegated to a position of simply tagging along with other nations. If we do not provide adequate funding for the Space Program in fiscal year 1989, the United States will not just be a second class space-faring nation, it will be a fourth or fifth class space-faring nation—behind the Soviets, Europeans, Japanese, and possibly the Canadians as well.

On almost any given day, Mr. President, we can look in the newspapers or watch the television news, and find a report on another accomplishment by the Soviets in space.

Mr. President, we have the opportunity before us today to turn the tide to bring America back. I do not mean to stand here and simply say that we should keep up with the Joneses. In my judgment, it is more important to have a strong and robust Space Program because of the unlimited benefits that it offers to our Nation as a whole than to go to space because other nations are doing it. The simple fact is that the merits far outweigh the costs. We get $7 to $8 back from every dollar that we put in the Space Program. It is simply inconceivable to me that we can stand idly by and let our ability to tap such a bountiful resource for our future fall by the wayside.

Mr. President, I have mentioned spinoffs and byproducts that have come from our Nation's Space Program. The scientific, material, and medical spinoffs of current programs, and the potential future spinoffs of the space station and other space science programs are reason enough to throw full support behind NASA and America's Space Program. I would encourage my colleagues to get a copy of NASA's 1987 Spinoff book and read it. I am sure that anyone who takes a look at the book will be pleasantly surprised by the wide range of areas in which the Space Program touches our everyday lives.

Not only will a space station, and space technology in general, enhance our Nation's science and scientific applications' programs, It will also encourage the development of capabilities for further commercialization of space and stimulate advanced technologies. In essence, the space station, from which this amendment would cut, will be a research center in space. Potential applications of a space station include new and novel products, as well as research to improve processes in the fields of biology, metallurgy, crystal growth, amorphous materials, chemistry and vacuum processes.

We have had great experiments that have been conducted on the space shuttle that will need the long duration capabilities of the space station to develop further. Because of the unique qualities of microgravity, crystals and organic cells can grow perfectly. This allows researchers to observe, separate, and study the intergral parts of cells in crystals which could lead to cures for diseases previously thought incurable.

Already, researchers of the space shuttle have been able to use a process of separation known as electrophoresis in separating the beta cell. The beta cell is a cell in the pancreas that controls the flow of insulin into the body. One of the beauties of the space program has been our ability to conduct the electrophoresis experiment. McDonnell Douglas and Johnson and Johnson have invested millions of dollars in similar experiments dealing with pharmaceuticals in an effort to find a cure for diabetes and other illnesses. They believe in space technology and the benefits that it offers.

I would like to take a few moments to mention cancer research that is currently under way in the Space Program. Recently, NASA announced a joint research program with the American Cancer Society to use the unique qualities of microgravity and find a cure for cancer. In my judgement, the space station and microgravity research are the keys to finding a cure for cancer. In space, it is possible to take a cancer cell, grow it into a much larger size, and grow it in manner in which one is able to look at the integral parts of the cancer cell. This cannot occur without the long duration in space provided by the space station.

Crystal growth is another exciting area of research that space technology offers. Some industry leaders, such as the Boeing Co., are seeking to commercialize crystal growth in space. Its first project will be growing crystals for the manufacturer of electro-optic sensors. Other products are thought to have potential for improvement through uniform blending in containerless processing in space. This means the glass could be purified in this manner and could be spun into high performance optical fibers for communications purposes. In my own home State of Alabama, the University of Alabama in Huntsville [UAH], now a center of excellence in optics research, is conducting a great amount of new and exciting research in this area. Researchers, such as those at UAH, would have a greater opportunity to conduct their experiments in a gravity free environment which will be provided by a permanently manned space station.

Materials processing is one of the outstanding activities that will result from the use of a permanently manned space station. The remarkable achievement possible through materials processing in space has only been hinted at by the limited number of experiments that have been possible through the use of the space shuttle and related equipment such as the spacelab—a laboratory which rests in the cargo bay of the shuttle. These include the preparation of ultrapure pharmaceuticals which may lead to a cure for diabetes, as I have mentioned above, to control anemia related to surgery, to control dwarfism, and other important medical achievements. Other materials produced in space indicate the possibility of manufacturing very uniform semiconductor crystals which would enable building super fast computers, possibly providing a new generation of optical computers and other important advancements.

By taking advantage of the unique physical qualities of microgravity materials processing in space, we are able to better understand the basic nature of materials, such as cast iron, and, in turn, improve our manufacturing of these materials on the ground. This, in turn, could give us better automobiles, farm machinery, and the like.

Mr. President, I could go on and on about the benefits of space technology. Space is extremely important to our Nation, the world, and mankind as a whole. Adopting this amendment in combination with the cuts that have already occurred to America's Space Program in committee would cut NASA off at the knees and have serious long term scientific, economic, national security, and commercial implications that will stretch far into the 21st century.

Mr. President, as I have said, we now have the opportunity before us today to bring America back in space to a position of world preeminence. In that regard, I urge my colleagues, in the strongest way, to defeat this amendment, and allow this Nation to literally leave the planet and explore the endless bounds of space. It is ambitious; it is exciting; and the ability is right at our fingertips. The risks are high if we do, but the losses are far too great if we do not.

Mr. President, on June 15, 28 Senators who believe in the Space Program joined me by signing a letter calling on the Honorable JOHN C. STENNIS, as chairman of the Appropriations Committee, to assist in providing the necessary funding for our Nation's Space Program, particularly the space station development. That letter was signed by me and Senators RIEGLE, DANFORTH, GLENN, PRESSLER, BENTSEN, KASSEBAUM, FORD, SHELBY, GRAMM, DODD, GRAHAM, WARNER, SYMMS, MCCAIN, CRANSTON, FOWLER, ARMSTRONG, BREAUX, BOND, KERRY, ADAMS, PRYOR, EVANS, WILSON, TRIBLE, GORE, SANFORD, and HATCH.

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, June 15, 1988.

Hon. JOHN C. STENNIS,
Chairman, Senate Committee on Appropriations, Dirksen Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN: We are writing in order to call your attention to a serious question regarding the future of our nation's space program.

Increased funding for space exploration has been endorsed by both the House and Senate as part of the Budget Resolution, by the authorizing committees of both bodies, and by the House Appropriations Committee. In our judgment, the 302(b) allocations adopted by the Senate Appropriations Committee pose a serious threat to the continuation of our commitment to the exploration and development of space. Under the plan approved by the committee, the HUD-Independent Agencies Subcommittee, which has jurisdiction over NASA, received an allocation which is at least $1 billion less than the level needed to move forward with the most critical aspects of the space program, and $1.5 billion less than the President's FY1989 budget request.

Unless this allocation is increased, America's space program as we know it would be effectively scuttled and the Space Station could be stalled in its infancy. If we leave the U.S. space program, particularly the Space Station, to wither on the vine, that decision will have many serious long term scientific, economic, national security and commercial implications which will stretch far into the 21st century.

Even delaying Space Station development will jeopardize the achievement of many aspects of the program. For example, significant delays could result in the loss of international cooperation and contributions from Europe, Japan and Canada, worsen the erosion of U.S. stature as a technological leader and reliable partner in space exploration, and facilitate Soviet efforts to develop cooperative space relationships with Western nations. In this connection, many recent news accounts have detailed the enormous lead the Soviets have built in space exploration, and the practical, commercial and military applications of space technology.

Research and development efforts such as those embodied in our space program are the lifeblood of a vibrant economy. We must recognize, as the Soviet Union and many of our international competitors have, that the payoffs on such efforts are enormous but can never be immediate. Nevertheless, a nation which fails to maintain these efforts is doomed to be second rate in terms of technology, innovation, and, ultimately, national prosperity. At times, we have been somewhat neglectful of these basic facts of economic life. As a result, we are confronted with a continuous erosion of our international competitive stance. As an example, it has been reported recently that nearly half of all patents granted by the U.S. patent office in 1987 were granted to foreign applicants.

While the cost of maintaining our technological leadership in space appears to be high, the cost is relatively small when considering the entire federal budget. The goals we have established for the space program will require a sustained and strong commitment of funds for years to come. However, America has never chosen to be second rate in any endeavor. And never before has it been more important to maintain our international leadership and competitiveness. In that regard, we urge you to join us and support efforts to ensure that our national commitment to the exploration and development of space is maintained as the appropriations process moves ahead.

Sincerely,
HOWELL HEFLIN (and 28 others).

Mr. HEFLIN. Mr. President, I feel that while my friends who are interested in EPA are well intentioned, and we certainly ought to endeavor to provide for them in the future, already the space program has been cut under the HUD and independent agencies bill to the extent that this is a most important vote. We cannot divert these funds from the space program.

I hope that the Members of the Senate will defeat this amendment when it comes to a vote.

Mr. BURDICK. Mr. President, I fully support the amendment offered by my colleague from New York, Senator MOYNIHAN, to provide additional funding for construction grants, nonpoint source pollution, and wellhead protection. This amendment will fulfill the commitment we made to the States on construction grant funding last year when the Water Quality Act Amendments of 1987 were enacted and provide funds to launch two other important water quality programs.

Last year, we established a responsible program authorizing $18 billion for an orderly transition to a system of State-managed revolving loan funds to continue the sewage treatment works construction program as part of the water quality amendments. This represents a significant change in Federal policy. By 1994 a major grant program will come to a close. In its place, however, States will have established their own funds to meet ongoing sewage treatment needs.

My home State of North Dakota would lose over $1 million out of its $12 million share in the coming year under the level of funding contained in this bill. More populated States will incur greater losses.

Recently, the Environment and Public Works Committee reported a Senate resolution introduced by Senator LAUTENBERG, stating the Senate's support for the full $2.4 billion authorized in the 1987 amendments. That resolution has been cosponsored by 54 Senators. The time has come to back up our commitment to the States by supporting adoption of the amendment to make promised funding available for this program.

I also support the allocation of funds for the wellhead protection and nonpoint source pollution control programs. By providng a modest amount of money for these programs, States will be able to address important sources of pollution and take important steps toward groundwater protection.

This amendment offers a sensible plan to provide funding for key environmental protection programs without seriously compromising other programs funded in the bill. I urge my colleagues to support this amendment.

Mr. MITCHELL. Mr. President, I rise in strong support of the pending amendment.

Mr. President, this amendment will followthrough on our commitment to the American people to protect the quality of our rivers, lakes, and streams. The amendment provides for funding of municipal sewage treatment plants at the level we approved when we passed the Clean Water Act over the President's veto last year. The amendment also includes modest funding for grants to States to address nonpoint sources of water pollution and grants to States to develop wellhead protection programs under the Safe Drinking Water Act.

For almost 20 years, the Clean Water Act has done a remarkable job of cleaning up polluted waters. The heart of the Clean Water Act has been an aggressive program to help communities build sewage treatment plants.

I urge the Members of the Senate to provide the funding which is essential to the continued success of our clean water programs.

When Congress reauthorized the Clean Water Act last year, we made a commitment to the American people to continue assisting communities in building sewage treatment plants. Under Senator CHAFEE's leadership, we developed a total package authorizing $18 billion over 9 years.

The package provided for the gradual phaseout of the traditional grant program and the creation of new, State-managed revolving loan funds. These State loan funds are to provide a permanent source of financial support for water quality projects.

This overall package is the absolute minimum needed for the Federal share of the costs of sewage treatment. It is an essential first step toward meeting sewage treatment plant construction needs estimated by the EPA at over $76 billion.

Last year, we carried through on our commitment to assure adequate funding for this program by appropriating just over $2.3 billion out of the total annual authorization of $2.4 billion.

We must do at least as well this coming year.

Unfortunately, the bill before us would cut fiscal year 1989 funding for sewage treatment from the $2.4 billion authorized in the Clean Water Act amendments to $2.1 billion. This $300 million cut would be a major blow to communities ready to build treatment plants and to States developing revolving loan funds.

In my home State of Maine, the President's proposal would reduce funding about $2 million and undermine progress by Maine communities toward clean water goals.

Mr. President, the Congress has defeated this plan once already. Following the President's veto of the clean water bill, we considered a substitute bill developed by the administration providing total funding of $12 billion and including $1.9 billion for fiscal year 1989. The Senate defeated the substitute by a wide margin and went on to pass the original bill almost unanimously.

I now remind the Senate of what I and others said during that debate which was that the funding package authorized in that bill was part of an agreement reached with the Reagan administration in 1981. In that year the President wanted to reduce annual funding from $5 billion to $2.4 billion. He wanted to cut the Federal share of grants from 75 to 55 percent and he wanted to narrow those projects eligible for Federal funding.

Congress went along with these changes in exchange for which the President made a commitment to maintain the funding at $2.4 billion for at least the 10 years. It was an explicit commitment, reaffirmed repeatedly by the administration and its spokesmen.

Now, having already taken the cuts to the program, the administration wants to break its commitment to maintain the funding to which it agreed. We rejected that plan last year, and I hope that we will reject it again this year by passing this amendment.

Full funding of the program is even more important this year than it was last year for several reasons.

First, this is the first year in which the appropriation is split between the existing Federal grant program and the new State revolving loan fund program. Providing adequate capital for these State loan funds is critical if they are to replace the Federal grant program effectively.

Second, communities all over this country in every State face the July 1, 1988, deadline just past for compliance with the secondary treatment requirements of the Clean Water Act. Following through on our commitment to provide Federal financial assistance in support to this effort is essential if those communities are going to meet that goal.

Mr. President, I know that many of my colleagues share my commitment to follow through on our commitment to clean water. Fifty-four Senators have agreed to cosponsor a resolution, introduced by Senator LAUTENBERG, calling for full funding of the construction grant program. This resolution was reported unanimously by the Environment Committee on June 23.

Mr. President, as I indicated earlier, this amendment would also provide very modest funding to initiate two very important programs designed to protect public health and the environment.

The Clean Water Act amendments passed early in this Congress established a new program to assist States in addressing water pollution coming from diffuse, or nonpoint, sources. This type of pollution is estimated to cause as much as 50 percent of the remaining water quality problems in many States.

The new provision of the act, has not yet been funded, provides for grants to States to carry out programs addressing these water pollution problems. The authorization level for these grants is $100 million. But, given resource constraints this amendment provides only a small start up amount of some $25 million. Let me stress that these funds will go to State agencies, not to the EPA.

When Congress enacted amendments to the Safe Drinking Water Act in the 99th Congress, we included a new program designed to help community water systems develop programs to protect areas around sources of ground water used for drinking water. Under this program, States receive grants to assist public water systems in identifying and controlling sources of contamination to drinking water supplies.

This program can go a long way toward assuring the safety and quality of the Nation's drinking water. This amendment provides a very modest startup appropriation of $5 million.

The funding proposed in this amendment is essential to carrying out programs to protect the environment and public health. Unfortunately, we need to offset these increases with decreases in other parts of the bill.

The bill before us provides a major increase in funds for the National Aeronautics and Space Administration. Surely there is good cause for a substantial increase to these important programs. The bill provides for an increase of $1.263 billion over the 1988 appropriation of $8.85 billion, an increase of over 10 percent.

This amendment proposes a modest decrease in the sizable increase to the NASA, transferring some $300 million from the overall NASA accounts.

Mr. President, there has been a lot of talk and justifiably about the difference in priorities between clean water and NASA, and I think this proposal ought to be put in the proper context of this budget debate. We all know that all agencies are trying to live within the very tight constraints imposed by the budget process and still carry forward some programs. Indeed, most have increases of 1 or 2 percent or modest cuts.

We all agree, all of the proponents of this amendment, that NASA needs more than the 1- or 2-percent increase that most other agencies are receiving.

Even if this amendment is adopted, NASA will have an increase of over 10 percent, one of the largest increases in the budget.

Mr. President, let me go over the figures. NASA's appropriation last year was approximately $8.8 billion. The bill provides an increase for NASA of $1.263 billion, a 12-percent increase, one of the largest in the entire budget. This amendment would still permit a NASA increase of $963 million or more than 10 percent, a much larger increase than most other agencies.

Let me also add that NASA can be expected to come out of the conference with the House with some additional increases. The House has reported an increase for NASA of $1.8 billion, almost $600 million more than the increase proposed in this bill. Meanwhile, the House has proposed even less for construction grants, about $1.86 billion, not counting special projects.

Unless we take a firm stand in support of water quality programs, we may see further reductions in the final bill reported by the conference.

Finally, I am pleased to report that the Congressional Budget Office has estimated that this amendment will reduce outlays in the bill by $177 million. This is because the EPA programs spend out much more slowly than do NASA programs. Many of my colleagues may see this as an advantage of this amendment.

In conclusion, the proposed cut in funds for water quality programs is bad policy. It breaks the commitment made by the administration to maintain funding for a 10-year period at $2.4 billion in exchange for narrowing the Federal share of the program. It falls short of the absolute minimum level of Federal funding needed to achieve the goals of the Clean Water Act. And, it is a step back from the commitment we made to the American people when we passed the amendments to the Clean Water Act over the President's veto.

I speak for myself and I believe for most of the supporters of this amendment, that it is regrettable and most unfortunate that we are forced into a circumstance where it must be a cut in one program as opposed to a cut in the other.

I support the NASA program. I believe it is essential and I agree with much of what has been said here by many of those who support that. That is why I am prepared and indeed look forward to supporting an increase for NASA which I understand will be over 10 percent, still one of the largest increases in the budget.

Mr. GARN. Mr. President, will the Senator yield for a question,

Mr. MITCHELL. I yield.

Mr. GARN. Is it not correct while the Senator is talking about 10 percent that he is dealing with a relatively small budget, 1 percent of the entire national budget; it is not also true that NASA has had to expend $4 billion for recovery operations because we happened to have an accident 2½ years ago? That is exclusive of the $2 billion replacement or bidder cost to put that back.

So I would just ask the Senator to include that or to question has there been some mitigating circumstances and some very dramatic reasons for that increase when you have to take $4 billion out to recover from an accident?

Mr. MITCHELL. Absolutely. And I agree with the Senator, and that is one reason that I think an increase of over 10 percent for NASA, one of the largest increases that any agency is receiving in the budget, is justified.

So the only disagreement we have is whether that increase will be over 10 percent or over 12 percent. That is what we are talking about.

Mr. GARN. Whether there is a space station or whether there is not?

Mr. MITCHELL. I beg your pardon.

Mr. GARN. Whether there is a space station or whether there is not.

Mr. MITCHELL. On the other hand, it could be argued that the amendment will make it impossible for us to have an effective Clean Water Program. In terms of the overall scope of it, according to the EPA, the current unmet needs in waste treatment facilities are $76 billion. The bill provided for $18 billion over 9 years to meet those needs.

Now, that is a very modest amount in terms of the total need, as I am sure the Senator will indicate and as I am sure he is aware, coming from one of the growth areas of the country. We tried to do this in a way that takes into account the problem of growth to meet the growing needs of the areas where the population is growing rapidly.

Mr. GARN. The Senator from Utah has no objection to the grant program. In fact, for a number of years I concurred in the $2.4 billion level. That is not the argument. It is robbing the future and robbing the space station to do it.

I object to where the Senator is trying to take it from, not to the fact of the needs that he describes.

Mr. MITCHELL. As I said in my remarks, I think it is very regrettable. I think all the proponents of the amendment, supporters of the amendment agreed—the Senator from New York will speak for himself—that we prefer not to have done this, but we are forced into the situation by the circumstances in which we find ourselves.

I thank the Senator, and I yield the floor.

Mr. MOYNIHAN. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that Mr. CHAFEE be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, this amendment will follow through on our commitment to the American people to protect the quality of our rivers, lakes, and streams. The amendment provides for funding of municipal sewage treatment plants at the level we approved when we passed the Clean Water Act over the President's veto last year. The amendment also includes modest funding for grants to States to address nonpoint sources of water pollution and grants to States to develop wellhead protection programs under the Safe Drinking Water Act.

For almost 20 years, the Clean Water Act has done a remarkable job of cleaning up polluted waters. The heart of the Clean Water Act has been an aggressive program to help communities build sewage treatment plants.

I am here today to urge you to provide the funding which is essential to the continued success of our clean water programs.

When Congress reauthorized the Clean Water Act last year, we made a commitment to the American people to continue assisting communities in building sewage treatment plants. Under the leadership of our then chairman of the Environment and Public Works Committee Senator STAFFORD, and Subcommittee Chairman Senator CHAFEE, we developed a total package authorizing $18 billion over 8 years. As with most matters in our committee, this plan had broad bipartisan support, which has continued under our new Chairman Senator BURDICK, and our Subcommittee Chairman Senator MITCHELL.

The package provided for the gradual phaseout of the traditional grant program by 1994, and the creation of new, State-managed revolving loan funds. These State loan funds are to provide a permanent source of financial support for water quality projects. The State revolving loan funds will be established by contributions from the Federal and State government which will account for 80 percent and 20 percent of the moneys, respectively.

This overall package is the absolute minimum needed for the Federal share of the costs of sewage treatment. It is an essential first step toward meeting sewage treatment plant construction needs estimated by the EPA at over $76 billion nationwide.

Last year, we carried through on our commitment to assure adequate funding for this program by appropriating just over $2.3 billion out of the total annual authorization of $2.4 billion. We must do at least as well this coming year.

Unfortunately, the bill before us would reduce fiscal year 1989 funding for sewage treatment from the $2.4 billion authorized in the Clean Water Act amendments to $2.1 billion. This $300 million cut would be a major blow to communities ready to build treatment plants and to States developing revolving loan funds. From this revolving fund, States must make loans to local authorities to build or upgrade sewage plants. These funds will be replenished as the loans are repaid, and construction/upgrading will continue indefinitely. Thus we are leveraging Federal money to get the greatest benefit from our investment. If, however, we undercapitalize these funds, we will ensure that the revolving loan process will fail.

Even with the full $2.4 billion funding nationally, many States will be hard pressed to meet clean water compliance deadlines. Already, many communities have been notified by their State attorney general that they are not in compliance with the July 1, 1988, deadline for secondary treatment of sewage.

With full funding, my State of New York will receive almost $1.1 billion over the next 8 years, but in the next 10 years, State officials estimate that they must expend at least $6 billion to come into compliance with EPA regulations.

ADMINISTRATION'S PROPOSAL TO REDUCE FUNDS OVERRIDDEN

Mr. President, the Congress has defeated to reduce funding once before. Following the President's veto of the clean water bill, we considered a substitute bill developed by the administration providing total funding of $12 billion and including $1.9 billion for fiscal year 1989. The Senate defeated the substitute by a wide margin and went on to pass the original bill almost unanimously as S. 1 in the 100th Congress.

FUNDING PART OF EARLIER AGREEMENT WITH ADMINISTRATION IN 1981

In the debate over S. 1, I reminded the Senate that the funding package authorized in the bill was part of an agreement reached with the administration in 1981. In 1981, the administration wanted to reduce annual funding from about $5 billion to $2.4 billion, to cut the Federal share of grants from 75 percent to 55 percent, and to narrow project eligibilities.

Congress went along with these changes in exchange for a commitment to maintain the funding at $2.4 billion for at least 10 years. Now, having already taken the cuts to the program, the administration wants to break its commitment to maintain the funding. We rejected that plan last year, and I hope that we will reject it again this year by passing this amendment.

FULL FUNDING RESOLUTION HAS 54 SENATE COSPONSORS

Mr. President, I know that many of my colleagues share my commitment to following through on our commitment to clean water. Fifty-four Senators have agreed to cosponsor a resolution, introduced by Senator Lautenberg, calling for full funding of the Construction Grant Program. This resolution was reported unanimously by the Environment Committee on June 23.

The amendment also provides $25 million for nonpoint source pollution and $5 million for wellhead protection passed as part of Safe Drinking Water Act.

Mr. President, as I indicated earlier, this amendment would also provide very modest funding to initiate two very important programs designed to protect public health and the environment.

The Clean Water Act amendments passed early in this Congress established a new program to assist States in addressing water pollution coming from diffuse, or nonpoint, sources. This type of pollution is estimated to cause as much as 50 percent of the remaining water quality problems in many States.

The new provision of the act, which has not yet been funded, provides for grants to States to carry out programs addressing these water pollution problems. The authorization level for these grants is $100 million. But, given resource constraints, this amendment provides only a small start up amount of some $25 million. Let me stress that these funds will go to State agencies, not to the EPA.

When Congress enacted amendments to the Safe Drinking Water Act in the 99th Congress, we included a new program designed to help community water systems develop programs to protect areas around sources of ground water used for drinking water. Under this program, States receive grants to assist public water systems in identifying and controlling sources of contamination to drinking water supplies.

This program can go a long way toward assuring the safety and quality of the Nation's drinking water. This amendment provides a very modest startup appropriation of $5 million.

Mr. President, I have a letter here urging support for this amendment from the following environmental organizations: The Environmental Policy Institute, Clean Water Action, Friends of the Earth, the Izaak Walton League, the National Audubon Society, the National Wildlife Federation, the Sierra Club, the Natural Resources Defense Council, the Oceanic Society, and the Public Interest Research Group.

I ask unanimous consent that it be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Support Clean Water Funding Increase

Dear Senator: An amendment to H.R. 4800, the HUD—Independent Agencies appropriations bill, will be offered today to provide funding increases for three key environmental programs, two of which are slated to receive no funds in H.R. 4800. We urge your support of this important amendment.

The amendment will provide $300 million in budget authority for fiscal year 1989 to EPA for:

Construction grants program—$270 million;

Nonpoint source pollution program—$25 million; and

Wellhead protection program—$5 million.

The Construction Grants Program provides essential funding to state and local governments for the construction and upgrade of sewage treatment facilities as required under federal law. In FY 1989, it is authorized to receive $2.4 billion, yet H.R. 4800 provides only $2.1 billion for the program. Increased funding is also necessary to assure adequate capitalization of state revolving loan funds which will provide virtually all sewage treatment funding after the scheduled phase-out of the federal construction grants program in 1990.

The Nonpoint Source Pollution Control Program was authorized in the 1987 Clean Water Act Amendments to address diffuse sources of pollution such as agricultural and urban runoff. In fiscal years 1988 and 1989, the program was authorized to receive $70 million and $100 million respectively. To date, however, no funds have been appropriated for the program. Yet recent EPA information suggests that fully 76 percent of the pollution inputs to our lakes, 65 percent to our rivers and streams, and 45 percent to our coastal bays and estuaries stem from nonpoint sources.

The Wellhead Protection Program was authorized in the Safe Drinking Water Amendments of 1986 to address widespread threats of ground water and drinking water quality. Again, this new program has yet to receive any funds for implementation. In fiscal year 1988, the Administration requested $8 million which, unfortunately, was not included in last year's EPA appropriations bill. This year, the program is authorized to receive $35 million in FY 1989, yet there are no funds provided in H.R. 4800. Under the Program, states will identify major threats to drinking water supplies and develop long-term plans to prevent contamination.

Increased funding is essential to meeting our Nation's commitment to water quality. Together, these programs provide crucial support to state and local governments in their efforts to combat surface water pollution and groundwater contamination.

We hope you will support this important amendment.

Sincerely,

Brent Blackwelder, Environmental Policy Institute; Eric Draper, Clean Water Action Project; Dave Baker, Friends of the Earth; David Dickson, Izaak Walton League of America; Hope Babcock, National Audubon Society; Sharon Newsome, National Wildlife Federation; Jessica Landman, Natural Resources Defense Council; David Gardiner, Sierra Club; Clifton Curtis, The Oceanic Society; Alexandra Allen, U.S. Public Interest Research Group.

Mr. MOYNIHAN. I also have a letter urging support for the amendment from professional organizations including the Associated General Contractors, the American Society of Civil Engineers, the American Consulting Engineers Council, the National Utility Contractors Asociation, the National Society of Professional Engineers, the Water and Wastewater Equipment Manufacturers Association, the Association of State and Interstate Water Pollution Control Administrators, and the Water Pollution Control Federation.

I ask unanimous consent that the letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

July 7, 1988.

Dear Concerned Senator: Clean water is essential to human existence—it truly is our life support system!

In the 16 years since the passage of the Clean Water Act, we have seen dramatic improvements in the quality of water and our lives. These enhancements required a tremendous commitment of resources and personal energy. Yet there is still an enormous amount of work to be accomplished.

As you know, Congress authorized $2.4 billion for 1989 as part of a ten-year phaseout of the program to construct municipal wastewater treatment facilities. This authorization was part of the 1987 Water Quality Act. This figure was overwhelmingly approved by the Senate three times, the last time over President Reagan's veto, and was part of a compromise to transfer responsibility for wastewater treatment to the states in an orderly fashion.

This year, the President proposed reducing that $2.4 billion figure by $900 million—nearly 40%! Such a cut will stagnate our progress!

The Appropriations Committee has restored some of that money, but you and your colleagues now have the opportunity to appropriate the full $2.4 billion for wastewater treatment grants in 1989. We urge your support for the Mitchell amendment.

Support for clean water in this country is overwhelming. Americans have said it over and over again. They want clean water and are willing to pay for it. It is time to act on that clear mandate.

Clean water is more than a public right, it's a necessity. Please share our commitment.

Sincerely,

Association of State and Interstate Water Pollution Administrators, American Consulting Engineers Council, American Society of Civil Engineers, Associated General Contractors, National Society of Professional Engineers, National Utility Contractors Association, Water and Wastewater Equipment Manufacturers Association, Water Pollution Control Federation.

OFFSETS ARE TAKEN FROM SELECTED ACCOUNTS IN NASA BUDGET

Mr. MOYNIHAN. The funding proposed in this amendment is essential to carrying out programs to protect the environment and public health. Unfortunately, we need to offset these increases with decreases in other parts of the bill.

The bill before us provides a major increase in funds for the National Aeronautics and Space Administration. Surely there is good cause for a substantial increase to these important programs. The bill provides for an increase of $1.263 billion over the 1988 appropriation of $8.85 billion, an increase on the order of 10 percent.

This amendment proposes a modest decrease in the sizable increase to the NASA, transferring some $300 million from the overall NASA accounts.

I want to put this proposal in the broader context of the budget debate. We all know that we are trying to live within the very tight constraints imposed by the budget process and to carry forward programs with increases on the order of 1—2 percent. While we can all agree that NASA needs more than this limited increase, this amendment proposes to simply reduce the substantial increase by about 25 percent.

Let me also add that NASA can be expected to come out of the conference with the House with some additional increases. The House has reported an increase for NASA of $1.8 billion, almost $600 million more than the increase proposed in this bill. In addition, the House has proposed less for construction grants, about $1.86 billion, not counting special projects.

Unless we take a firm stand in support of water quality programs, we may see further reductions in the final bill reported by the conference.

Finally, Mr. President, I am pleased to report that the Congressional Budget Office has estimated that this amendment will reduce outlays in the bill by $177 million. This is because the EPA programs spend out much more slowly than the NASA programs. Many of my more budget conscious colleagues may see this as an advantage of my amendment.

In conclusion, the proposed cut in funds for water quality programs is bad policy. It breaks the commitment the administration made to maintain funding in exchange for narrowing the program. It falls short of the absolute minimum level of Federal funding needed to achieve the goals of the Clean Water Act. And, it is a step back from the commitment we made to the American people when we passed the amendments to the Clean Water Act over the President's veto.

I urge all of my colleagues to take a stand for the environment, to reaffirm our support for the Clean Water Act, and vote for this amendment.

Mr. President, I share very much the views of the Senator from Utah, as the Senator from Maine observed, but I make the point that the space program will go on and on and on. The Clean Water Program will end in 1994. We are simply trying to keep the agreement we made with the administration and with the American people.

Mr. President, I yield the floor.

Mr. SHELBY. Mr. President, I rise today in opposition to the amendment from the senior Senator from New York. The effect of this amendment is simple. It would mean the end of the space station. We all know that funding for this program has already been cut to the lowest level possible to continue operations. Another cut of $300 million to any other program, no matter how deserving would mean the end of this most important venture.

One component of our national security is access to space; this is provided in part by the shuttle program which requires increased funding as flights resume. Our continued technological leadership is another more general national security consideration. The proposed space station will greatly enhance our ability to maintain our position as innovators and world leaders in the high tech area.

It is time we decide whether or not we want to remain among the leading spacefaring nations. Shall we aggressively explore the heavens and insure America's continued access to space? Or should we sit back and watch our friends and foes increase the gains they have recently made, and perhaps in a few years even shut us out of the space arena.

A few years ago, novelist James A. Michener eloquently defined what it means for America to be a spacefaring nation. He said, "There seem to be great tides which operate in the history of civilization, and nations are prudent if they estimate the force of those tides, their genesis and the extent to which they can be utilized. A nation which guesses wrong on all its estimates is apt to be in serious trouble—if not on the brink of decline." Mr. President, we must not fail to recognize the great and lasting importance of space. When Yuri Gagarin became the first man in space and JOHN GLENN orbited the Earth, the space program may have seemed like a "fad." That was nearly 30 years ago. The space age is here to stay; it is no fad.

The ranks of spacefaring nations continues to grow. The Japanese, Chinese, Indians, French, Germans, and Italians are launching satellites and other commercial and scientific payloads into space. The Soviets, however, are obviously our major competitors. The first test flight of the new Soviet space shuttle is expected later this year. The heavy-lift Energia rocket—a Soviet Saturn Five—was tested last year. The Energia will carry the Soviet shuttle; it could also launch a space station, a mission to Mars, or even the components for a Soviet SDI system.

The centerpiece of the Soviet space program, however, is their manned space station. The Soviets have had an active space station program for nearly two decades, beginning with Salyut and continuing through Mir. The Soviets have 5,000 days in space, including a record stay of 326 days by one cosmonaut. America, by contrast, has accumulated only 1,800 days, much of which was in shuttle flights of only a few days duration. The Soviets are gaining important knowledge in the area of manned space flight and life sciences—knowledge that will be vital when planning long-duration voyages such as a manned Mars mission.

Even if the Soviets were not circling the Earth every 90 minutes in their space station, there are many valid and compelling reasons for America to vigorously pursue the development and deployment of our own station. For NASA in general, every dollar spent on NASA's space research and development generates at least $5 in spinoff technologies, new industries, and new jobs. The space station will be no exception. The long-duration microgravity environment of a space station will provide unparalleled opportunities for research and development in biochemistry, crystal growth, pharmaceuticals, semiconductors, metallurgy, and materials processing. Previous NASA research and development has produced or made a large contribution to computers, handheld calculators, fire resistant materials, anticorrosive coatings, and other technologies with broad practical applications. Space station spinoffs could spur the development of supercomputers, solar power, and an array of other advancements.

Can we afford not to fund and develop a permanently manned space station? The station is a crucial element in achieving both short- and long-term goals of our Nation's space program, from materials and life sciences research to exploration of the solar system. NASA is now ready to move the space station from the definition phase to full scale design and development. Reduction of space station funding below the requested level will not only delay or even cancel station development but will jeopardize the achievement of other aspects of our space program. Delays may lead to the loss of cooperation and contributions of our international partners in the station. Delays may signal the erosion of America's stature as a technological leader and reliable partner in space exploration. European independence in space may be accelerated, as will Soviet efforts to develop cooperative relationships with Western nations, including the United States. Let's not jeopardize our status as a technological leader among the spacefaring nations by underfunding the space station and forcing the cancellation of this vital program.

Mr. ADAMS. Mr. President, I reluctantly rise in opposition to the amendment of my colleague from New York, Senator MOYNIHAN. In doing so, however, I would like to stress that my opposition arises not because the Environmental Protection Agency programs at issue are sufficiently funded, but rather because of my commitment to future generations of Americans who will need the benefits and technologies which can only be found and developed in space.

The amendment which my colleague has proposed would transfer $300 million from the NASA Research and Development accounts to EPA construction grants, nonpoint source pollution and wellhead protection grant programs. I have always considered NASA to be one of the premier research sources available to the U.S. Government and its people. Although we have gotten away from this idea over the last decade, as the space shuttle has moved away from research missions toward becoming a space courier service, I do not feel like we can abandon or compromise this vital function of the NASA charter.

A cut of the NASA R&D by this amount would be felt throughout a wide range of NASA programs. In particular, it would affect the space station, which will provide us with a permanently manned presence in space. This permanent presence is essential for future space exploration, to further the commercial utilization of space, and to stimulate the development and applications of advanced technologies which are of national importance.

Further, it would be felt in the development and operations of the spacelab systems and the orbiting maneuvering vehicle, which will allow us to work on and repair orbiting projects such as the Hubble space telescope. Another area hit by such cuts would be space sciences, which conduct a broad range of scientific investigations of the Earth and its environment, the Sun, the planets, and the universe.

None of these comments are intended to denigrate the value of the EPA programs which would benefit by Senator MOYNIHAN's amendment. The Construction Grants Program provides millions of dollars to the States for minicipal wastewater treatment programs. These programs are a key element of the Clean Water Act and are deserving of the authorized funding level of $2.4 billion. While I reiterate my support for the program, however, I realize that this funding must come from sources other than NASA.

In conclusion, Mr. President, I feel that we must maintain our commitment to these essential NASA research projects. The information resulting from these studies may hold the key to unlocking the answers to yet unknown diseases, new knowledge of our own planet, and establishing a working knowledge of the environment and universe in which we live.

The PRESIDING OFFICER (Mr. ADAMS). The question is on agreeing to the amendment. The yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN] is necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] and the Senator from California [Mr. WILSON] are necessarily absent.

I further announce that, if present and voting, the Senator from California [Mr. WILSON] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 32, nays 64, as follows:

[Rollcall Vote No. 245 Leg.]

YEAS—32

Baucus
Bradley
Bumpers
Burdick
Chafee
Cohen
Conrad
D'Amato
Daschle
Durenberger
Heinz
Humphrey
Inouye
Kasten
Kennedy
Kerry
Lautenberg
Levin
Lugar
Melcher
Mitchell
Moynihan
Pell
Reid
Rockefeller
Roth
Sanford
Sarbanes
Simon
Specter
Stafford
Weicker

NAYS—64

Adams
Armstrong
Bingaman
Bond
Boren
Boschwitz
Breaux
Byrd
Chiles
Cochran
Cranston
Danforth
DeConcini
Dixon
Dodd
Dole
Domenici
Evans
Exon
Ford
Fowler
Garn
Glenn
Gore
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Hollings
Johnston
Karnes
Kassebaum
Leahy
Matsunaga
McCain
McClure
McConnell
Metzenbaum
Mikulski
Murkowski
Nickles
Nunn
Packwood
Pressler
Proxmire
Pryor
Quayle
Riegle
Rudman
Sasser
Shelby
Simpson
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wirth

NOT VOTING—4

Bentsen
Biden
Helms
Wilson

So the amendment (No. 2563) was rejected.

Mr. GARN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr PROXMIRE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2564

Mr. INOUYE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Hawaii [Mr. INOUYE] for himself and Mr. MATSUNAGA, proposes an amendment numbered 2564.

Mr. INOUYE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 25, line 25, before the period insert the following: "*Provided further*, that not more than $500,000 shall be made available for the expenses of a task force, consisting of the Assistant Administrator for Water (who shall chair such task force), the Assistant Administrator for Research and Development, the General Counsel, the Regional Administrator for Region IX, and as an ex-officio member, the Director of the Hawaii State Department of Health, which shall evaluate all pertinent factors relating to discharges from sugar cane processing mills on the Hilo-Hamakua Coast of the Island of Hawaii, and shall report to the Administrator of the EPA no later than 6 months after the date of enactment of this Act its recommendations concerning appropriate modifications within existing law to permit limitations, effluent guidelines, or other requirements of the Clean Water Act, pertaining to such discharges."

Mr. INOUYE. Mr. President, I appear on the floor today to urge my colleagues to support my compromise amendment which establishes a task force consisting of the Assistant Administrator for Water—who shall chair the task force—the Assistant Administrator for Research and Development, the General Counsel, the Regional Administrator for region IX, and as an ex-officio member, the director of the Hawaii State Department of Health. The task force shall evalute all pertinent factors relating to discharges from sugarcane processing mills on the Hilo-Hamakua coast of the island of Hawaii, and shall report to the Administrator of the EPA no later than 6 months after the date of enactment of this act its recommendations concerning appropriate modifications within existing law to permit limitations, effluent guidelines, or other requirements of the Clean Water Act, pertaining to such discharges.

My compromise amendment has been cleared by the Subcommittee on Environmental Protection and the full Committee on Environment and Public Works.

A decision by such an EPA task force is vital to the survival of the two mills. At a minimum, it will dispose of the issue of whether administrative relief should be granted. I, of course, believe that relief is desperately needed and may very well allow sugarcane cultivation to continue on the Hamakua coast as it has for over a century.

The mills' discharge of their wash water duplicates a naturally occurring process on the Hamakua coast.

There are 54 streams which have discharged far greater amounts of soil sediment into the ocean for decades. Additionally, a University of Hawaii marine study, which has not been refuted, concludes that the socioeconomic costs of removing all sediment from the wash water are prohibitive, and not justified by the minimal and temporary impact on the marine system.

These are the only two sugarcane mills in the Nation with extreme Clean Water Act compliance difficulties, as they are the only two in such close proximity to the ocean. While other mills may achieve higher standards, they do so with ease and without a substantial outlay of capital. Both mills spend approximately $2.5 million annually to settle a portion of the mud from the cane wash water. Since 1979, both mills have spent approximately $29.9 million to achieve and maintain EPA compliance.

There has been no bad faith on the part of the mills. It is estimated that an additional $2.6 million in capital improvements will be needed in the near future to maintain EPA compliance.

The urgency of this matter lies in the economically precarious situation that both sugar companies are in. One company was recently granted a low-interest $10 million loan from the State of Hawaii, and the other lost $5.4 million in the past 2 years and is expecting another loss in 1988.

Although the financial outlook is hopeful for both companies over the next several years, every effort must be made to reduce costs. Both companies employ over 2,000 residents, in addition to the 500 residents whose jobs are directly related to the cultivation of sugar on the island of Hawaii. If the two sugar companies were to shutdown, unemployment on the island would jump to 13 percent.

Additionally, a shutdown would result in increased costs for electricity, as a substantial portion of the island's electrical energy needs are satisfied by these two sugar companies.

It is the burden imposed, and the benefit derived from meeting standards which should be the guiding principles in this matter.

I voted for the Clean Water Act, and I continue to support its principles.

However, I strongly believe that the laws we enact are meant to serve the people with flexibility to respond to unique circumstances, and with compassion to provide relief from severe hardship.

I urge my colleagues to support this compromise amendment.

Mr. PROXMIRE. Mr. President, this is a very good amendment. It has no budgetary effect. It is within available funds and I am happy to support the amendment.

Mr. INOUYE. I thank the Senator from Wisconsin for accepting my compromise amendment to the HUD-independent agencies fiscal year 1989 appropriations bill. His willingness to work with me to address the Clean Water Act compliance problems of the two sugarcane mills on the Hamakua coast of the island of Hawaii are most appreciated by the Senator from Hawaii.

Mr. PROXMIRE. I thank the Senator from Hawaii for his gracious words.

Mr. INOUYE. I would like to take a moment to discuss with you the task force that my amendment establishes to ascertain the pertinent factors relating to discharges of the Hilo-Hamakua coast sugarcane processing subcategory, and to determine whether relief may and should be granted. As I understand it, the guidelines set forth in the Clean Water Act which the task force shall consider in determining the effects of a modification of the limitation on total suspended solids in permits for such discharges are, among others: First, the effects on public health; second, the effects on the marine environment; third, the nonwater quality environmental impact; fourth, the energy requirements; fifth, the economic capability of the owner or operator; sixth, the engineering aspects of the application of various types of control techniques and process changes; and seventh, the reasonableness of the relationship between the costs of attaining a reduction in effluents and the effluent reduction benefits derived.

Mr. PROXMIRE. The Senator from Hawaii is correct that the factors set forth above are among the factors that the task force shall consider and balance, in determining whether a modification or a suspension of the total suspended solids permit limitation or a withdrawal of the effluent guidelines for such discharges can and should be granted pursuant to the Clean Water Act.

Mr. INOUYE. I thank the distinguished Senator from Wisconsin for engaging in this discussion with me regarding my amendment.

Mr. MITCHELL. Mr. President, I rise in support of the amendment proposed by the distinguished Senator from Hawaii.

For the past several months, Senator INOUYE has worked to bring the problems faced by two sugar mills in Hawaii to the attention of the Senate. He has represented this case forcefully and fairly and has made a good faith effort to address this situation at every appropriate opportunity.

I am very pleased that we have before us today an amendment which is revised and improved from the amendment circulated several days ago. This amendment addresses the serious concerns I had with the original amendment and I am pleased to support this revised amendment.

There are two sugar mills on the coast of the island of Hawaii which are in financial trouble and may close. The mills are operating pollution control facilities and are concerned that these facilities are contributing to the economic problems.

These mills are regulated under the Clean Water Act. Under the act, EPA established the minimum treatment technology which is affordable for an entire industry. States set water quality standards which can drive treatment requirements higher, but not lower.

Under the law, a procedure exists to provide special exceptions for certain facilities, if they meet the requirements of the law for special treatment.

The two mills in Hawaii have already received special treatment. The pollution control requirements on these two mills are already lower than those required by other mills in the same industry.

Treatment requirements can be revised by the EPA under the authority of the Clean Water Act. Guidelines are to be reviewed and strengthened as technology improves and becomes more affordable, but guidelines can also be revised to be made affordable to an entire industry if this is justified.

Such a change to the requirements, however, would require a showing of some new conditions which make the previous treatment requirements not achievable.

The original version of this amendment would have amended the Clean Water Act to effectively shut off treatment facilities for the mills. This would have overriden the existing procedures under the act, in which the EPA reviews the conditions faced by the mills and makes a balanced judgment concerning whether revision of requirements is appropriate.

For Congress to get in the business of reviewing the environmental control requirements on a specific facility is a very bad precedent. We all know that protection of the environment is not always easy or cost-free. And we have given the EPA good guidance on how to resolve this kind of dispute. We need to let the EPA do their job.

The revised amendment which is now before us will give the EPA a specific mandate to review the environmental problems faced by the mills. It establishes a high level task force to guide agency efforts to assess this situation and provides for a report of findings within 6 months. The amendment also provides funding of $500,000 to support the work of the task force.

Let me clarify that this amendment does not confer on EPA any new authority beyond what is already in existing law for the adjustment of pollution control requirements at these mills. In addition, the amendment in no way suspends the current pollution control requirements during this assessment process.

Finally, I hope that this process will include some consideration of a long-range plan which can address the source of this problem and help avoid a direct conflict between environmental protection and the cost of treatment. For example, treatment costs could be reduced substantially if methods could be devised to harvest sugarcane in a manner which brings less soil into the mills.

Thank you, Mr. President.

Mr. GARN. Mr. President, on behalf of the minority I am happy to accept the amendment of the distinguished Senator from Hawaii.

Mr. MATSUNAGA. Mr. President, I rise in full support of the amendment and I commend my senior colleague, the Senator from Hawaii [Mr. INOUYE], and I thank the managers on both sides for accepting the amendment. It is an amendment which will bring so much relief to the Hawaiian sugarcane industry which is in dire need of assistance.

I yield the floor.

The PRESIDING OFFICER. The question occurs on agreeing to the amendment of the Senator from Hawaii.

The amendment (No. 2564) was agreed to.

Mr. INOUYE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Maryland.

AMENDMENT NO. 2565

(Purpose: To earmark additional funds for worker training in asbestos abatement)

Ms. MIKULSKI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Maryland [Ms. MIKULSKI] proposes an amendment numbered 2565.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 25, line 7, insert the following after the colon,

ABATEMENT, CONTROL AND COMPLIANCE

"*Provided further*, That $500,000 shall be available as grants for training of workers by joint labor-management trust funds organized pursuant to section 302(c) of the National Labor Relations Act and engaged in training workers in asbestos abatement and disposal under an EPA approved training program:"

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Thank you very much, Mr. President. This amendment would earmark additional funds for worker training and asbestos abatement from the money already in the bill for asbestos cleanup.

One of the criticisms made of the present EPA asbestos program is the pressure to remove asbestos has led to a proliferation of fly-by-night contractors to do this work.

Frequently, there is the use of untrained workers to do asbestos removal that has led to shoddy work and dangerous conditions to school children and the general public throughout the Nation.

Very often, asbestos is removed by companies called Happy Harry, and the reason Harry is so happy is that he is often untrained, follows the lifestyle of a midnight dumper, ripping out asbestos from the schools with no regard of its effect in the classroom, takes it out of the classroom and often dumps it on the playground down the street collecting big fees from the Federal Government, and he laughs all the way through the asbestos abatement program.

One way to ensure we get rid of the Happy Harrys is to make sure the workers are trained through existing labor-management training programs, which have received EPA approval. These programs are jointly administered by contractors and trade unions and provide additional training to those workers who already had some education in asbestos abatement.

Adoption of this amendment will allow EPA to expand its training without costing the taxpayer any money. It does not affect the 302(b) allocation because it comes from the overall asbestos account.

I urge the adoption of the amendment because it will provide for adequate, proper enforcement of the asbestos abatement.

Mr. PROXMIRE. Will the Senator from Maryland yield?

Ms. MIKULSKI. I will be happy to yield.

Mr. PROXMIRE. I want to commend my good friend from Maryland on this amendment. It is an excellent amendment. No question asbestos is a very serious problem.

This has no budgetary effect. It is within available funds, as I understand it. I am happy to support the amendment.

Mr. GARN addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. GARN. Mr. President, this is a good amendment. I am happy to accept it.

The PRESIDING OFFICER. The question occurs on agreeing to the amendment.

The amendment (No. 2565) was agreed to.

Mr. PROXMIRE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GARN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, just to conclude the discussion, I would like to thank the chairman for accepting not only this amendment, but this is the last time that Chairman PROXMIRE will be presiding over an Appropriations Committee, from his own subcommittee in the Senate.

As a new Senator, I certainly have enjoyed my work on the Appropriations Committee. One of the delightful aspects of being on that committee was to serve on HUD appropriations and to work with one of the best of the Senate. I thank him for all the courtesy and cooperation that I have received from his staff, and I can tell you I am really going to miss working with him.

Mr. PROXMIRE. Mr. President, I thank the distinguished Senator from Maryland.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. DODD). The Senator from South Dakota.

AMENDMENT NO. 2566

(Purpose: To increase the appropriation for Indian housing and reduce the appropriation for public housing modernization)

Mr. **DASCHLE**. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER**. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Dakota [Mr. DASCHLE], for himself, Mr. DECONCINI, Mr. MELCHER, Mr. INOUYE, Mr. BURDICK, Mr. BINGAMAN, Mr. DOMENICI, Mr. MCCAIN, Mr. EVANS, and Mr. PRESSLER proposes an amendment numbered 2566.

Mr. **DASCHLE**. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The amendment is as follows:

On page 5; strike lines 15 and 16 and insert in lieu thereof the following: "$143,701,576 shall be for the development or acquisition cost of public housing for Indian families; $2,028,149,212 shall".

Mr. **DASCHLE**. Mr. President, I want to associate myself with the Senator from Maryland and the comments she made about our chairman. Both he and the ranking member have made some very difficult choices in this bill. We have been contending with many of them in the last couple of hours.

One of the choices that impacts greater in the rural areas of our country than in the urban is the disproportionate cut that Indian people living on reservations have taken with regard to Indian housing under both the House and Senate versions of this bill.

Ironically, it is an area where we can least afford it. I am absolutely convinced that if anyone would look at the statistics, look at the shocking facts there are in the consideration of Indian housing today, we would not have taken the 50-percent cut that is currently called for in this appropriations bill.

More than 23 percent of the total Indian population currently live in substandard housing; 6.5 percent of the rest of the American population do so. According to 1987 BIA statistics, in a survey of reservation housing, only half the households on Indian reservations currently live in standard housing. Almost 1 household in 10 live in housing that is so bad it needs to be replaced.

Perhaps worst of all, more than one household in four, more than 28 percent, have no housing at all and live either doubled up or with relatives and friends in cars, tents, or pickups. On the six largest Indian reservations, the percent of substandard homes ranges from 51 to 79 percent. On the Navajo reservations, 71 percent live in substandard housing. On Pine Ridge, in my State of South Dakota, 59 percent live in substandard housing.

It has been estimated that a minimum of 6,000 units per year of new construction is needed to meet the existing need for new units in 10 years.

My amendment tries to address that problem. The amendment simply restores the level of Indian housing to last year's level, which is 2,000 houses. I remind my colleagues that we said we need 6,000 a year in order to obtain the level of Indian housing we want in a 10-year period of time.

This amendment simply restores it to one-third of what it should be, but at least it maintains the level that it was last year. It does so by shaving 3.4 percent out of the modernization program currently in the HUD budget.

I honestly believe that both public housing and Indian housing need to be increased. I understand the value of the modernization program. It has been a good investment. We have done a number of things in the last several years that actually saved the taxpayers dollars.

But on the reservation, the fact is we do not even have homes to modernize. There are no homes. People are living in cars and in tents. They are not living in houses, in many cases.

I must remind my colleagues, even if this amendment passes, we will still have $2 billion for the modernization program in HUD for this year.

So even though I regret having to take any money for modernization, every dollar used is a good investment. The fact is we are losing 50 percent of the Indian budget as it is proposed today.

I must also inform my colleagues that in the last 7 years, there has been a substantial increase in the modernization budget. The modernization budget, since 1980, has gone up 44 percent. It has been a good investment. We could actually use more, but the fact is that during that same time we have seen a 44-percent increase in modernization, we have actually seen a 64-percent decrease in the amount of Indian housing.

One only has to visit a reservation and look into an Indian home, as so many of my colleagues have as they visited their reservations, and look at what it is like for three or four Indian families to be living together; to see that there may be one electrical socket that works, to see the roof leaking and the walls falling apart simply because that housing unit has not had the capacity to deal effectively with the number of people living there.

Walk through an Indian Village. Look at children living in cars. Look at the substandard housing. Recognize the health and the serious hazards that exist as Indian people try to confront the perplexing problems that they face in housing today.

You have to be convinced that we have to maintain the 2,000 level standard that we set last year. So I hope my colleagues will accept this amendment. It comes at a difficult time for our chairman, but I honestly think we have to do at least this to maintain the standard that we have set in the couple of years.

Mr. **PRESSLER**. Mr. President, I rise as an original cosponsor of this amendment to speak on its behalf. Americans have been raised with the belief that their home is their castle. Our tax system has supported the philosophy of homeownership through deductions. In fiscal year 1987, the Bureau of Indian Affairs identified 93,000 Indian families living in substandard housing on reservations and other Indian areas. The American dream is out of reach to many American Indians who live in substandard housing units. Many Indian families live in crowded, dilapidated homes.

According to the National American Indian Housing Council, more than 23 percent of the Indian population of 1.4 million people continue to live in substandard homes compared to 6.4 percent of the total American population. We can no longer turn our attention away from this tragedy. It is important that we act quickly to increase the number of adequate housing units available to the American Indian.

The Senate fiscal year 1989 HUD appropriations bill recommends $71 million in funding for the construction of 1,000 HUD Indian housing units. I am very concerned about this severe funding cut. It is a 50-percent funding cut from fiscal year 1988.

Common sense would dictate that we must increase the number of housing units available to the American Indian, not decrease it. A minimum of 6,000 units per year of new construction is needed to meet the existing Indian housing need. At the fiscal year 1988 funding level of 2,000 units per year, it would take 30 years to meet housing needs on reservations.

Because I oppose any further reductions in the construction of HUD Indian housing units, I am pleased to be an original cosponsor of this amendment. Under this amendment, an additional 1,000 Indian housing units would be funded by a transfer of funds from the public housing modernization section of the bill. The amendment would increase funding for Indian housing programs by $71.8 million and reduce funding for public modernization by an equivalent amount. This amendment would cut the public modernization program by only 3.4 percent, while increasing funding for Indian housing by 50 percent.

Mr. President, I urge my colleagues to support this amendment, and commend my colleague and friend Senator

DASCHLE on his efforts in this area. In 1989, we can no longer allow 20 percent of the Indian communities to lack basic water and sanitary sewage facilities. We must do whatever we can to include the American Indian in the American dream, to have the opportunity to live in safe, well constructed housing.

Mr. PROXMIRE. Mr. President, I hope we can work out something on this amendment. I think if this amendment goes the way the Senator proposes we would have to resist it, and I tell you why. He makes an absolutely devastating case for more Indian housing units, but from where does the money come? It comes from housing modernization. That is, improving present units, making them livable. You can create a lot more housing that way at far lower cost. So for that reason I am very hesitant to take as much as the Senator proposes out of housing modernization, which is where he takes it, as I understand it.

If the Senator would agree to a compromise, which I understand the Senator from Utah will offer, I think maybe we can provide some Indian housing but not take as much out of modernization, which produces so much more housing at lower cost.

Mr. GARN addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. GARN. Mr. President, I agree with the distinguished chairman that we have a problem in all of these areas, and modernization does get a great deal done for the amount of money that we spend, as does rehabilitiation, and so I am sympathetic with what the Senator says. To take out $71 million is not possible for me to support. If the Senator would be willing to accept $35 million, almost half of that, I would be willing to accept the amendment, if we set it at that level.

Mr. DASCHLE. If the Senator from Utah will yield, I would like to offer perhaps a counterproposal. If we could have $46 million and then the additional money that is already in the Senate bill for recapture of existing Indians housing funds—approximately $25 million, we would then have the $71 million that would allow us to maintain the 2,000-unit level that we had last year. So instead of $35 million, if it were $46 million, we would be in a position that I think would be a very acceptable compromise and would work out very well.

Mr. GARN. I understand what the Senator is saying, but, on the other hand, if you look at the other side of the coin—and I do not have the exact numbers with me of what it does to modernization—you are taking units off the other end. That is why I thought if we split it—if the Senator wants to make it an exact split, we could call it $35.5 million so that it was absolutely split 50-50 between the two. But I do not feel I am in a position to go any further because of what it does to the modernization program. There is a great need, as the Senator knows, in public housing. There is a great deal of rundown housing and compared to building new you can provide a lot more units at a lot less cost by improving them.

Mr. LAUTENBERG. Will the Senator yield?

Mr. GARN. I will be happy to yield the floor.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I regret that I have to oppose this amendment, particularly at the levels that we are discussing. This is not a time to be cutting public housing. Homelessness is on the rise. More and more people badly need public housing. Our cities are filled with despair. Housing needs rehabilitation. We do not have enough. Despite this huge demand, we have many units unoccupied because the conditions are intolerable. They are vacant and uninhabitable. So this would be a severe blow to our efforts to take care of housing needs.

We can argue which group needs the housing more, but I hope the Senator from South Dakota would try to find a meeting ground which we can accept which would not damage too much the public housing modernization program. Otherwise, I intend to oppose this amendment vigorously.

Mr. PROXMIRE. Will the Senator from New Jersey yield?

Mr. LAUTENBERG. Indeed.

Mr. PROXMIRE. He makes a very excellent observation. Would it be resonable to the Senator from New Jersey if we accepted the grant proposal where we cut the Daschle request in half? If seems to me we do have a very urgent requirement for housing for Indians. It is a disgrace, a national disgrace. I think the Senator from South Dakota is making an excellent appeal, and the Senator from Utah has proposed what I think is a reasonable compromise. Nobody is happy with it, but it seems to me it is the best we can do to try to do something for the disgraceful condition we have in Indian housing.

Mr. LAUTENBERG. We have had a chance to talk with representatives of the larger public housing authorities, and they want to cooperate. They recognize that there is a serious deficiency there, and I think if we were talking not about $35 million but about $30 million, we could accommodate the Senator. Otherwise, we are in a situation where we are taking away from a well that has no water.

Mr. PROXMIRE. If the Senator will yield on that, the other proposal was $71 million. Senator GARN proposed $35 million. The Senator from South Dakota said make it $46 million. Now the Senator suggests $30 million. It seems to me that $35 million is reasonably close to a consensus.

Mr. DASCHLE. Will the Senator yield?

Mr. PROXMIRE. Yes.

Mr. DASCHLE. If we could get at least $35 million with a commitment that the approximately $25 million that is provided for in the Senate version, by recapturing money allocated for Indian housing, we would then raise it at least to $66 million. In addition to the $71 million presently in the bill for Indian housing, we would be awfully close to where we were last year.

Mr. PROXMIRE. I would be happy, as chairman, to work with the House in conference to get that $25 million. That is the best we can do.

Mr. DASCHLE. The House version does not have the $25 million recaptured in it.

Mr. PROXMIRE. That is right. That is why it would be in conference.

Mr. DASCHLE. If he could have the $35 million plus $25 million, the Senator from South Dakota would accept it.

Mr. PROXMIRE. I cannot promise anything, but we would certainly work for that.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey has the floor.

Mr. DOMENICI. Will the Senator yield?

Mr. LAUTENBERG. I will be happy to yield.

Mr. DOMENICI. I am a cosponsor of the Daschle amendment on Indian housing. I apologize if I am redundant, but I was not here. Let me explain why I believe we ought to fund the Daschle amendment and why we are doing justice and being fair to public housing at the same time.

First of all, if you were to go back to the way we used to finance public housing, the $2.1 billion for modernization recommended in this Senate bill would be the equivalent of $4.2 billion for modernization and renovation. That is because we have changed it in the way we fund it. Instead of using long-term contracts, we make one-time grants and get the equivalent of what we used to get with $4.2 billion. That means that this level is a 200-percent increase over the 1987 level and it is a 22-percent increase over the amount available for 1988.

Now, it seems to me that when you have those kinds of increases, even with the problem we have, you surely should not take it out on Indian housing by cutting Indian housing in half.

Now, I may be wrong on this, but I have asked for an explanation. I understand that we are funding this renovation in a new way where we are actually getting substantially more money for each dollar we appropriate because of the new grant approach that we are using.

We doubled the 1987 program level in 1988 and now there is an increase on top of that, at the expense of cutting Indian housing in half. I think the Daschle amendment is realistic.

Mr. INOUYE. Mr. President, I am pleased to express my support for the amendment offered by my esteemed colleague, Senator DASCHLE, and cosponsored by myself and other members of the Indian Affairs Committee, to restore funding for housing on Indian reservations to the fiscal year 1988 level of 2,000 units.

Our amendment reallocates approximately $71 million from the public housing modernization account to the Indian housing account with the result that budget authority for Indian housing be increased from $71 to $142 million. Under the capital grants method of financing which is currently used for public housing, this would make possible approximately 2,000 units to be available in fiscal year 1989.

Mr. President, the Select Committee on Indian Affairs, with the coopperation and support of the Committee on Banking, Housing and Urban Affairs, recently adopted the Indian Housing Act of 1988, a measure signed by the President on June 29, of this year. At our committee hearing on this measure, we were shocked to learn that there are over 93,000 Indian families living in substandard housing. This is a figure which represents approximately 23 percent of the total Indian population of 1.4 million and should be compared to approximately 6.4 percent of the total American population which lives in substandard housing.

Mr. President, the reality that lies behind these statistics must be comprehended to appreciate the urgency of the need for decent housing in our Indian communities. In the past 18 months, as chairman of the Select Committee on Indian Affairs, I have visited more than 30 Indian reservations on official factfinding trips to the Northwest, Southwest and High Plains States. I have made a commitment to visit Indian country in Oklahoma and Alaska before the end of this session of Congress.

Speaking from firsthand experience, I can assure the Members of this body that there is no group in more desperate need than the Indian communities. When you go out on to the Indian reservations as I have and see two or three families crowded into a substandard unit of public housing which was built for a family of four, and when you see, smell, and touch the physical surroundings, you truly appreciate the impact of these outrageous conditions. The least we can do is to maintain public housing at the fiscal year 1988 level of 2,000 units.

In the future, I intend to be working with the Indian community and their housing experts to explore innovative ways of financing and developing housing, both public and private, on the Indian reservations. I am convinced that given an opportunity and a reasonable amount of time, we can come up with a means of increasing the development of housing so that we can begin to make some meaningful progress in meeting these needs. However, to go backward by decreasing Indian housing 50 percent as provided for in this bill is not acceptable, in my opinion, and would send a very discouraging message throughout Indian country. I urge my colleagues to support this amendment and to work with the Select Committee on Indian Affairs in the future as we begin to explore long-range strategies.

Mr. President, I would like to insert into the RECORD a statement prepared by the National American Indian Housing Council which provides a brief analysis of the decrease in appropriations for Indian housing from 1980 to 1989. As can be seen from this statement, we began this decade of the 1980's by authorizing $840 million to construct 4,893 units in Indian country. That level has been steadily decreased to last year's low of 2,000 units. In the interim, the Congress authorized the use of capital grant funding which I understand to be a method of up front payment which makes possible very significant savings by eliminating the public housing authorities need to finance construction of new units and renovation of existing units thereby incurring interest costs. When this change was made, the savings went back to the Treasury in the case of Indian housing and, although the number of units authorized remained constant, the Indian housing appropriations has greatly decreased.

I am sure that there is a great need for the public housing modernization account, which our amendment would reduce by $71 million. However, the analysis of the Indian Housing Council demonstrates that the modernization account level was maintained when all other accounts were reduced in fiscal year 1987 and fiscal year 1988 as a result of the saving made possible by changing to the capital grants method. Consequently, in real dollars, this modernization account goes a lot further than it used to while Indian housing appropriations were reduced under the capital grants method of funding.

Mr. President. I thank my colleague, Senator PROXMIRE, for his attention to this matter and urge him to suport this amendment when this committee enters into conference with the House Appropriations Subcommittee.

Statistics, somehow, will not do justice to the Daschle proposal. It is easy to say that 93,000 Indian families are living in substandard housing or no housing. It is easy to say that most of these houses have no running water, no toilet facilities. They all have leaky roofs, and over 80 percent live in houses meant for a family of four; and instead of a family of four, you have at least two families living in these houses.

If all of us had the opportunity to see how the Indians live, to smell the environment, I think we would be doubling what Senator DASCHLE is proposing.

Finally, I remind my colleagues, and remind ourselves, that there is a solemn trust relationship that exists between the Indian people and the Government of the United States.

I think we should remind ourselves that by the Constitution and by the laws of this land, Indian people are considered sovereign in their own capacity.

Beginning 200 years ago, we entered into 800 treaties with Indian Nations and tribes. Of the 800 treaties we entered into, this U.S. Senate, our predecessors, refused to consider 430. We just refused to either debate or ratify 430 of the 800 treaties. But we insisted that the Indians abide with their promises in the nonratified treaties.

Of the 370 treaties that we, our predecessors, ratified in this body, we violated provisions of every one of them—and this is a Nation that prides itself on abiding with provisions of solemn treaties.

This housing is part of the solemn treaty we entered into. Let us not continue our violations. I think it is about time we decided to live up to this trust relationship that exists.

What Senator DASCHLE is asking for is not only reasonable; it is minimal.

I think that under ordinary circumstances, if this condition existed in any of our cities, it would be considered emergency.

So I hope that the Senate will accept the proposal that has been submitted by Senator DASCHLE. I believe he is calling for $35 million plus $25 million. I hope it will be accepted.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. DASCHLE. Mr. President, I do not believe that the proposal of the distinguished Senator from Utah was offered in the form of an amendment or a substitute. If he would be willing to propound his amendment, this Senator would find it acceptable. Acceptable with the understanding that the conferees will work to retain the approximately $25 million in recaptured funds for Indian housing.

AMENDMENT NO. 2567 TO AMENDMENT NO. 2566

(Purpose: To increase the appropriation for Indian housing and reduce the appropriation for public housing modernization)

Mr. GARN. Mr. President, I do have an amendment, a modification of the Daschle amendment, and I send it to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Utah (Mr. GARN) proposes an amendment numbered 2567, to amendment No. 2566.

Mr. GARN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of amendment 2566:

On page 5, strike lines 15 and 16 and insert in lieu thereof the following: "$106,850,788 shall be for the development or acquisition cost of public housing for Indian families; $2,065,000,000 shall".

Mr. GARN. Mr. President, this amendment simply incorporates my suggestion to fund at $35 million. It does not, obviously, state the assurance that Senator PROXMIRE and I will work in conference, but I add my assurance to that of the Senator from Wisconsin.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2567) was agreed to.

Mr. GARN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question occurs on the amendment of the Senator from South Dakota, as amended.

The amendment (No. 2566), as amended, was agreed to.

Mr. DASCHLE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GARN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2568

(Purpose: To make appropriations for the Competitiveness Policy Council)

Mr. BINGAMAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. BINGAMAN] proposes an amendment numbered 2568.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

"COMPETITIVENESS POLICY COUNCIL

For necessary expenses of the Competitiveness Policy Council, $1,000,000, to remain available until expended: *Provided*, That none of these funds shall be made available until S. 2613 or another Act authorizing the appropriations of such funds is enacted into law."

Mr. BINGAMAN. Mr. President, as part of the Omnibus Trade and Competitiveness Act, which the Senate will turn to in the near future, we establish a Competitiveness Policy Council as an independent advisory committee under the provisions of the Federal Advisory Committee Act. This amendment provides $1 million in funding for the Council in fiscal year 1989, contingent on the passage of the trade bill or similar authorizing legislation.

This amendment provides only partial funding for the Council. Its purpose is to allow the Council to begin its work at the start of 1989, as was originally intended. I believe it is crucial that the Council began its work in conjunction with the new administration and the new Congress. The Council is intended to serve as a focal point for discussion on ways in which to improve America's economic competitiveness. I believe that the discussion on competitiveness will be an important part of the first few months of the next President's term. The Council can and should play an important role in that discussion.

The bill is $1.4 million below its 302(b) allocation for budget authority and $1.8 million below its allocation for outlays. Thus, this amendment keeps the bill below its budget allocations.

Mr. President, I urge my colleagues to support the amendment. I think it is good legislation. I believe it has been approved by the managers of the bill on both the Democratic and Republican sides. It allows the will of the Senate, as previously indicated in legislation, to be carried out during the next fiscal year. I ask unanimous consent that a fact sheet on the Council be printed in the RECORD at this point.

There being no objection, the fact-sheet was ordered to be printed in the RECORD, as follows:

FACT SHEET: COMPETITIVENESS POLICY COUNCIL

The Competitiveness Policy Council is an independent body for review of and advice to the Federal government on problems facing the United States in competing in the new global economy. The Council is intended to serve as an external forum for the discussion of problems of economic competitiveness, a mechanism for the creation of solutions to those problems through the interaction of business, labor, government, academia and public interest groups, and a source of badly needed independent review of the policies of the Federal government. The Council is established under the provisions of the Federal Advisory Committee Act.

The major duties of the Council are to recommend national strategies for enhancing U.S. productivity and international competitiveness, to comment on private sector requests for governmental assistance and on the recovery plans for the recipients of such relief, to evaluate the impact of Federal policy on U.S. competitiveness, and to report annually to the Congress and the President on the ability of the United States to compete internationally.

The Council also has the power to establish subcouncils of public and private leaders to analyze specific competitiveness issues. These subcouncils have the same mission as the full council but concentrate their efforts on a particular industry or policy problems that affect several industries.

The Council consists of 12 members and a professional staff. Four members are to be selected by the President, four by the majority and minority leaders of the Senate and four by the Speaker and minority leader of the House—chosen from among leaders of business including small business, labor, academics, public interest activities, and Federal, State, and local government.

Our lack of a coherent trade and competitiveness policy is proof of the failure of the current advisory process. Existing advisory committees are specialized groups organized for a narrow purpose, with a lack of resource to care out independent analysis. The Council would supplement the current advisory process by adding a sorely needed broad view of competitiveness. It would also add the needed resource to conduct independent analysis of government policy.

The Council would also add the one component missing from the current advisory system—a forum for consensus building. The current advisory systems exists solely to channel information from the private sector to the government; it does not, and should not, provide a forum for discussion of competitiveness strategy. Elsewhere in the trade bill, Congress has supported the process of consensus building—in the new restructuring provisions for 201 import relief under section 201 and in the worker assistance and retraining provisions. Creation of the Council will add an important element to this consensus building process.

The Council has widespread support from both business and labor, including the AFL-CIO, the National Association of Manufactures, the Business-Higher Education Forum and the Semiconductor Industry Association. The proposal for the Council grows out of the proposals of the Senate Democratic Policy Committee's Working Group on Economic Competitiveness.

Mr. PROXMIRE. Mr. President, this is a good amendment. It provides for $1 million. There is only $1.4 million leeway left to the Senate on this bill, but I am willing to go along with the distinguished Senator from New Mexico. I think it is a very good amendment, because it does provide for a study of competitiveness, which I think we very much need.

Mr. GARN. Mr. President, I am willing to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2568) was agreed to.

Mr. BINGAMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GARN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2569

Mr. DURENBERGER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Minnesota [Mr. DURENBERGER] proposes an amendment numbered 2569.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 25, line 25, insert before the period the following:

": Provided further, That, notwithstanding any other provision of this Act, the amount appropriated to the Environmental Protection Agency under the heading "Salaries and Expenses" is reduced by the sum of $13,480,000, under the heading "Abatement, Control and Compliance" is reduced by the sum of $10,130,000, and under the heading "Research and Development" is reduced by the sum of $6,830,000 and from such sums $25,000,000 shall be available for grants to the States for the control of nonpoint source pollution pursuant to section 319 of the Federal Water Pollution Control Act and $5,000,000 shall be available for grants to the States for the protection of wellhead areas pursuant to section 1428 of the Safe Drinking Water Act. Reductions required by this proviso shall be allocated proportionately to all projects, programs and activities under each account heading.

Mr. DURENBERGER. Mr. President, I understand that the Senator from Arkansas has an amendment that, in a brief period, he may be able to persuade the managers of the bill to accept, and I yield to him for that purpose, without losing my right to the floor.

The PRESIDING OFFICER. Does the Senator from Minnesota ask unanimous consent to lay his amendment aside?

Mr. DURENBERGER. I do.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2570

(Purpose: To reduce certain appropriations for consulting services)

Mr. PRYOR. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Arkansas [Mr. PRYOR] proposes an amendment numbered 2570.

Mr. PRYOR. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

CONSULTING SERVICES

SEC. . (a)(1) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and professional services; special studies and analyses; technical assistance; and management review of program funded organizations; in excess of an amount equal to 85 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(2) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and support services for research and development activities; engineeering development and operational systems development; technical representatives; training; quality control, testing, and inspection services; specialized medical services; and public relations; in excess of an amount equal to 95 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(b) The Director of the Office of Management and Budget shall take action as may be necessary, through budget instructions or otherwise, to direct each department, agency, and instrumentality of the United States to comply with the provisions of section 1114 of title 31, United States Code.

(c) Notwithstanding any other provision of this Act, the aggregate amount of funds appropriated by this Act to any such department, agency, or instrumentality for fiscal year 1989 is reduced by an amount equal to—

(1) 15 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(1); and

(2) 5 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(2).

(d) As used in this section, the term "consulting services" includes any service within the definition of "Advisory and Assistance Services" in Office of Management and Budget Circular A-20, dated January 4, 1988.

Mr. PRYOR. Mr. President, I sincerely thank the distinguished Senator from Minnesota for yielding to me in order to offer this amendment and for placing his amendment aside temporarily.

Mr. President, I rise today to offer an amendment to the Department of Housing and Urban Development appropriations bill to reduce expenditures for consulting services. As many of my colleagues know, I have pledged to offer similar amendments to each and every appropriations bill which comes before the Senate.

On June 22, I offered a similar amendment to the Treasury, Postal appropriations bill on the Senate floor. I was pleased that after some discussion and modification the amendment was accepted. On July 7, the distinguished ranking members of the Foreign Operations Appropriation Subcommittee accepted my amendment also. I believe that these amendments are an important first step in requiring accountability in this area of invisible Government procurement.

All of us are concerned with the procurement scandal unfolding over in the Pentagon. But I want to assure my colleagues that the buddy system which is at work in the defense industry is well entrenched in the civilian agencies as well.

At a June 13 hearing of the Federal Services Subcommittee—which I chair—the Office of Management and Budget [OMB] testified that Federal agencies spent up to $26 billion in fiscal year 1987 on consultant services. These same agencies only reported spending $243 million for the same time period. The agencies are obviously using a narrow definition of consultants. In fact, within this appropriations bill, agencies reported spending $28,963,000. When I asked GAO to determine how much was actually spent on consultants, it determined a more accurate figure was $611,336,000. In some cases, I believe agencies are underreporting to avoid the scrutiny that should accompany consultant contracts. What is ironic about this effort to avoid scrutiny is that the inspectors general are not checking up on these contracts, even though required by law to do so.

Title 31, United States Code, section 1114, requires the inspectors general to perform an evaluation of how agencies are monitoring consultant services and to ensure that the data the agencies are reporting on consultant spending is accurate. When I asked the GAO to see if the IG's were complying, GAO found that over one-half of them were not. This is totally unacceptable. I have written those IG's who are not performing these evaluations and informed them that when the U.S. Congress passes a law requiring action by the IG's, the Congress expects compliance. The last time I checked even IG's are subject to the law of the land.

I am sorry to say, that within this appropriations bill, HUD, NASA, and the Veterans' Administration IG's all have failed to comply with 1114(b) in some form or fashion. When we don't even have the independent IG's carrying out the law, that is when I say we are really in trouble.

I ask unanimous consent to insert in the Record a letter I recently received from Joseph R. Wright, Jr., chairman of the President's Council on Integrity and Efficiency, and Deputy Director of the Office of Management and Budget, acknowledging the poor job that the inspectors general are doing in this area. Mr. Wright was apparently unaware of this problem until I asked GAO to determine the extent of compliance with section 1114.

Mr. President, I asked the General Accounting Office [GAO] to calculate the savings that would accrue from my amendment. GAO determined, using these agencies' fiscal year 1987 expenditures, that if my amendment becomes law, it will save the taxpayers an estimated $56.1 million. This is certainly a meaningful effort at deficit reduction.

This amendment uses both a Cabinet Council on Management and Administration [CCMA] study and the new OMB Circular A-120, to establish the universe of contracts we are limiting. I asked GAO to use the CCMA study to produce estimated figures for agency expenditures within this appropriation function for these kinds of contracts in fiscal year 1987.

I should note that GAO supplied two sets of figures. One set includes everything that could be construed as consultant services. In this category, which includes some unknown level of consultant activity such as contracts for technical representatives and quality control studies, I am requiring that agencies limit their spending to 95 percent of what they spent in fiscal year 1987, a 5-percent savings.

The second category, which GAO, OMB, and I all agree consists of consultant contracts, involves management and professional services, special studies and analyses, technical assistance and management reviews of program-funded organizations. Here I am requiring the agencies to limit their spending to 85 percent of what they spent in fiscal year 1987, a 15-percent savings. Also, I should note that the agencies, with OMB's guidance, will be required under my amendment to calculate their own fiscal year 1987 cost data, to which the cuts will be applied.

Mr. President, some have questioned whether this formula actually will produce savings. In order to respond objectively, I asked the Congressional Budget Office [CBO] to do a formal cost estimate of my amendment. CBO's conclusion is that the savings are real. I ask unanimous consent that the CBO response be made a part of the Record.

I hope my colleagues will join me in supporting this effort. In doing so I believe we will restore some modest control to an area of procurement that has taken on a life of its own.

I promised him I would not speak long. I want to keep that word.

Mr. President, this is an amendment, very basically, to take $65,143,000 out of the HUD, EPA appropriation bill to be saved from the area of consulting services. It would be across the board. It would be 5 percent in one category and 15 percent in another category. It is very similar to the amendments I have offered on similar appropriation bills, and I am very hopeful that this amendment will be accepted.

Finally, let me say that there will be $555,922,000 remaining for consulting services even if my amendment should pass for these various agencies of our Federal system.

I hope the amendment will be accepted.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. PRYOR. I yield.

Mr. PROXMIRE. May I say to my good friend from Arkansas I am happy not only to accept the amendment but enthusiastically accept it to save money. This is the first time all day we had an amendment to save money. The CBO cannot estimate how much it would save.

The Senator says a lot of money is being spent on consulting services. This would help in the long run to make a reduction and, of course, at a time when we have had one of the worst scandals we ever had in defense procurement because of the abuse of consulting services, this is most appropriate, and I commend my good friend from Arkansas for offering the amendment.

Mr. PRYOR. Mr. President, I thank my distinguished and good friend from Wisconsin.

The PRESIDING OFFICER. The Senator from Utah.

Mr. GARN. Mr. President, I have no objection to the concept the Senator is talking about. We have heard a great deal about consulting services lately, and it may work out just fine.

I do have some concerns about how it is implemented in a couple of areas with EPA and also with NASA, but I am willing to accept the amendment and take a look at it between now and the conference and see what potential impacts it does have.

Mr. PRYOR. I thank my friend from Utah and my friend from Wisconsin, Senator Proxmire, who has long been an advocate looking into these contract and consulting services. I thank him for his personal support.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment of the Senator from Arkansas.

The amendment (No. 2570) was agreed to.

Mr. PRYOR. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DURENBERGER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2569

Mr. DURENBERGER. Mr. President, I ask unanimous consent that the Senator from New York, Senator Moynihan, be added as a cosponsor of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURENBERGER. Mr. President, the amendment which I am proposing I referred to earlier in my statement in behalf of the amendment by the Senator from New York which would have taken $300 million from the NASA account to support the water construction grants program and this is $25 million to support the nonpoint source pollution program which has been authorized at $100 million and $5 million to support the wellhead protection program which is the beginning of our national ground water program.

The $30 million in the amendment, however, will not come from NASA. According to my amendment, the $30 million would come from sums appropriated to the Environmental Protection Agency for its other purposes, its salaries and expense account, its abatement control and compliance account, its research and development account, and the sums available to the States, and that is where it will come from.

The total dollars involved in this bill before us for those accounts are $1.6 billion.

So in effect, under my amendment, the Administrator of the Environmental Protection Agency would be authorized to pay for the nonpoint source pollution program and the wellhead protection program by taking a sum slightly less than 2 percent from each of the other program accounts.

I will speak in just a minute to what some of those accounts are more specifically.

Mr. President, I indicated in my earlier statement some of the reasons why I thought the nonpoint source pollution program ought to be funded this year and I would like to speak now to the wellhead protection program. It was authorized by the Safe Drinking Water Act amendments of 1986. The amendment provides $5 million in funds to implement that program.

The wellhead protection program is designed to protect the ground water resources which are the drinking water supply for thousands of communities across this country. The purpose of the protection program is to identify potential sources of contaminants within the recharge zones of drinking water supply wells and make sure these sources of contaminants are not damaging the quality of the water supply. This is a program to prevent ground water contamination. It is a targeted program. It seems to protect the ground water within the immediate vicinity of water wells, the water we are currently consuming.

Unfortunately, all of our other Federal ground water protection efforts are either not preventive or are not targeted. Superfund does nothing to prevent ground water contamination. It responds after the damage has already been done, and we spend about a billion and a half dollars per year on that damage response program.

And the Research Conservation Recovery Act, the program designed to prevent contamination of ground water by hazardous waste, is not targeted. RCRA—for which the Federal Government will spend approximately $250 million this year—does not give special priority to areas near drinking water wells nor does it give highest priority to sources of contamination which are most likely to contaminate our drinking water supplies.

So, in the Safe Drinking Water Act Amendments of 1986, we created the wellhead protection program. It's preventive. It's targeted. The concept involved is not a new one. It has been used extensively in Western Europe for decades. And some of our States, most especially Florida, Vermont, and New York, are putting the concept of wellhead protection to work in their own ground water protection programs. The new Federal program was designed to follow their lead.

Like the nonpoint source pollution program, a wellhead protection program is generally implemented in three steps. First, the area around the drinking water well which is over the ground water supply is mapped. This may be a very simple mapping process—like drawing a circle of several hundred yards around the well. Or it may be very complex, involving careful hydrogeological investigation and modeling.

The second step is to take an inventory of all of the potential sources of contaminants which are within the wellhead protection area. Sources may include landfills, surface impoundments, underground storage tanks, sewerage systems, feedlots, bulk storage areas for minerals or wastes, and so on. The degree of development right over our drinking water supplies is surprising. The State of Vermont, for instance, found that 40 percent of the land area within wellhead protection areas within the State of Vermont could be classified as highly developed—and that is the Nation's most rural State.

The third and final step, a plan is developed to limit the discharge from sources which threaten the ground water supply with contaminants harmful to human health. These plans will often require specific actions to be taken by the owners of sources to limit discharges or their effects and may include updates to zoning ordinances and similar provisions.

The 1986 drinking water amendments authorized grants to the States to support the development of wellhead protection programs. Recognizing the traditional responsibilities of State and local government to protect ground water, the program was not mandated. There is no sanction for States that fail to develop a program. There is simply Federal encouragement to take this preventive approach. The Federal Government is making a very large investment in ground water cleanup. Too large. And so we thought we would encourage some prevention to save us future superfund sites.

Part of the Federal encouragement was to be a grant program; $20 million was authorized for 1987 and 1988 and $35 million for 1989. So far, however, no funds have been appropriated for the grants. For fiscal year 1988, the administration actually requested funds for this new program. In its budget submission, EPA asked for $12.5 million. OMB at first refused that request.

But the Administrator pushed the program on appeal to the President of the United States. EPA felt so strongly about the value of the Wellhead Protection Program that it appealed to the President when OMB denied funds. And the President included an $8 million appropriation in his proposed budget.

That was for 1988. Unfortunately, the House Appropriations Subcommittee decided that there wasn't any room for new programs in the 1988 budget and transferred the wellhead protection dollars over to other parts of the drinking water program. And it was not possible to reverse that decision over here in the Senate last year. Understandably, the President has not asked for funds in 1989 having been denied by the Congress in the 1988 bill.

But wellhead protection has not died out at the State level. Relying on a very aggressive technical assistance program developed by EPA's Office of Ground Water Protection, many States have proceeded with wellhead protection efforts. Recently EPA conducted a survey of State programs to determine progress. EPA found that there was some level of activity on wellhead protection in all but 10 States.

And in a dozen States it appears that a complete workplan may be submitted for EPA approval before the June 1989 deadline established in the Safe Drinking Water Act. These 12 States are Connecticut, Delaware, Illinois, Massachusetts, Maryland, Nebraska, New Jersey, New York, Pennsylvania, Texas, Utah, and West Virginia. And as I said Florida and Vermont had strong programs in place before the Federal law was enacted.

The report on this survey indicates that several States are holding off on wellhead protection until such time as some Federal grant support is available. Many States are implementing pilot projects or other variations on wellhead protection and will not commit to full programs until it is clear that the Federal Government will be a partner in the effort.

Mr. President, I also conducted a small survey of the States to determine whether there was interest in the Wellhead Protection Program. I contacted approximately 20 States that were known to rely in a substantial way on ground water for their drinking water supplies and asked whether they supported funds for wellhead protection. I got 13 letters of support in response.

These letters were signed by the Governor or the head of the Department of Environmental Protection. Those letters were from the States of Idaho, Kentucky, Indiana, Massachusetts, Ohio, Texas, Florida, South Carolina, Kansas, Maryland, Utah, Delaware, and West Virginia. Mr. President, I ask that each of these letters be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON ENVIRONMENT
AND PUBLIC WORKS,
Washington, DC, August 18, 1987.

Hon. WILLIAM PROXMIRE,
Chairman, HUD and Independent Agencies Subcommittee, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR BILL: This letter is to request that you provide budget authority for the new wellhead protection program in the fiscal year 1988 appropriations for the Environmental Protection Agency.

The wellhead protection program was authorized by the 1986 amendments to the Safe Drinking Water Act. As you may remember, ground water protection was the most controversial issue faced by the Congress as we reviewed and restructured the drinking water program. The House was prepared to go with an extensive ground water protection requirement. The Senate resisted any program at all. After a year of work in conference, we were able to settle on wellhead protection as a means to resolve our differences.

Under the authority of this legislation, each State is to map the "areas of influence" around their public drinking water supply wells, inventory the sources of contamination within those areas, and develop a program to prevent contamination of drinking water supplies. Wellhead protection is a concept that can focus efforts and set priorities as we begin a national effort to protect our ground water resource. It is not a new concept. It is employed by several European nations and is currently being implemented by states like Florida, New York and

Vermont which have aggressive ground water protection programs.

The judgment of the conference committee was supported by overwhelming votes in both Houses of the Congress for the 1986 amendments. The Senate vote was unanimous. And the concept of wellhead protection has support at the Environmental Protection Agency. EPA asked for $12.5 million to get the grant program started. When OMB refused, the Administrator took the issue to the President and secured an $8 million request in the 1988 budget. That would not have happened absent the real promise in this legislation for focused ground water protection.

Since the amendments became law in the summer of 1986, EPA has made a truly admirable effort to implement this new program. The public outreach that EPA incorporated in the development of guidelines received broad praise from the states and potentially affected parties. Kevin Kessler, from your drinking water program in Wisconsin, participated actively in the workshops and perhaps he can give you some perspective on the efforts made by representatives of all the States that have now been invested to assure the workability of this program.

To demonstrate support at the State level, I had my staff call several States with active ground water programs to determine the grassroots reaction to this program. We called 17 States. 15 promised to write letters of support. 13 of those letters are now in hand and are attached for your review. That's a real indication of the interest that this new program has generated.

Unfortunately, the House subcommittee with responsibility for EPA's appropriation has tentatively decided not to fund wellhead grants in fiscal year 1988. I hope that you will take a second look. This program was designed carefully by the conference committee because it was at the heart of the largest legislative controversy. It is supported by EPA which went to the President on appeal for the 1988 funds. The details of the program have been carefully designed in an open process with broad participation over the past year. A large number of States are now laying the foundation for implementation. It would be a shame to waste all of this effort and lose the chance for a good start on ground water protection by failing to provide the very small amount of appropriations necessary to get the program going.

I know that ground water protection is an important issue in Wisconsin, as it is in Minnesota. I hope that you will join with me in making ground water protection and the prevention of contamination a higher priority nationwide by providing budget authority for the wellhead protection program in fiscal year 1988.

Thank you for your attention to this matter.

Sincerely,

DAVE DURENBERGER,
U.S. Senate.

STATE OF IDAHO,
DEPARTMENT OF HEALTH AND WELFARE,
Boise, ID, July 10, 1987.

Hon. DAVID DURENBERGER,
U.S. Senate, Russell Senate Building, Room 154, Washington, DC

DEAR SENATOR DURENBERGER: I understand there is currently some controversy in Congress over funding for the Wellhead Protection (WHP) Program which was authorized in recent amendments to the Safe Drinking Water Act. I want to voice my support for implementation of this vital new ground water program for which President Reagan proposed a funding level of $8 million for FY 88.

The State of Idaho believes the WHP Program offers an excellent mechanism for protecting the quality of ground water used as a drinking water source. This is of particular importance in our State, where up to 80% of the population derives their drinking water from ground water sources. The program will result in prevention of pollution to ground water sources of drinking water, and will avoid costly remedial actions for contamination cleanup.

I view this program of such importance that I provided a technical advisor from my staff to participate with the U.S. Environmental Protection Agency in Washington, D.C., in developing technical guidelines for the proposed WHP Program.

To enable States to implement the WHP Program, it is imperative that Congress appropriate adequate funds to accomplish the tasks delineated in the Safe Drinking Water Act.

Sincerely,

AL E. MURREY, P.E.,
Chief, Bureau of Water Quality.

COMMONWEALTH OF KENTUCKY,
NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION CABINET,
DEPARTMENT FOR ENVIRONMENTAL PROTECTION,
Frankfort, KY, July 13, 1987.

Hon. DAVE DURENBERGER,
U.S. Senate,
Washington, D.C.

DEAR SENATOR DURENBERGER: The State of Kentucky has over 600 water systems that could benefit from a wellhead protection program. The loss of funding to this program in the House of Representatives is a serious setback. Please help insure this money is restored in the final conference.

Thanks for your support for these vital programs.

Sincerely,

DONALD F. HARKER, Jr.,
Director, Kentucky Division of Water.

INDIANA DEPARTMENT OF
ENVIRONMENTAL MANAGEMENT,
Indianapolis, IN., July 10, 1987.

Hon. DAVE DURENBERGER,
U.S. Senate,
Washington, DC.

DEAR SENATOR DURENBERGER: I am writing to express Indiana's support for the Wellhead Protection Program contained in Section 1428 of the Safe Drinking Water Act Amendments of 1986.

Indiana is formalizing a comprehensive ground water protection plan. Wellhead protection will play a critical role in the implementation of this plan. I request and encourage your continued support for the funding fo this program as contained in the Appropriation Bill.

Sincerely,

DAVID M. WAGNER,
Deputy Commissioner.

THE COMMONWEALTH OF MASSACHUSETTS, EXECUTIVE OFFICE OF ENVIRONMENTAL AFFAIRS, DEPARTMENT OF ENVIRONMENTAL QUALITY ENGINEERING,
Boston, MA, July 14, 1987.

Senator DAVID DURENBERGER,
U.S. Senate,
Washington, DC.

DEAR SENATOR DURENBERGER: I am writing to express the strong concern of the Massachusetts Department of Environmental Quality Engineering for the Wellhead Protection Program under Section 1428 of the 1986 Amendments to the Safe Drinking Water Act. It is my understanding that, while $8 million was included for the program in the FY 1988 budget, no funds were included for the program in the FY 1988 House budget.

This program is crucial to the overall effort of DEQE in continuing and supplementing our existing efforts in protection of the quality of the State's supply wells. Due to state legislative requirements to address hazardous waste disposal problems, and reduction in other federal program funding which has supported our ground water protection efforts, this program is very important to us. Without it, we will not be able to develop the coordinated program for wellhead protection which we know to be necessary.

We strongly urge that the full Senate budget appropriation be authorized in the final FY 1988 federal budget.

Sincerely,

S. RUSSELL SYLVA,
Commissioner.

STATE OF OHIO,
OFFICE OF THE GOVERNOR,
Columbus, OH, July 14, 1987.

Hon. DAVE DURENBERGER,
U.S. Senate,
Washington, DC.

DEAR SENATOR DURENBERGER: I am writing you, one of the chief authors of the Safe Drinking Water Act Amendments of 1986, to express my support for funding for the wellfield protection program that is included in the Senate HUD-Independent Agencies Appropriations bill.

Protecting water supply wellfields is an essential component of an effective ground water protection strategy. Ohio has had a minimal wellfield protection standard in effect for years. Consistent with the new Safe Drinking Water Act Amendments, the State's Group Water Protection Strategy emphasizes the need to expand this program significantly and make it a prominent part of our efforts to protect ground water used as public drinking water.

As you know, the new federal law imposes many requirements on states. While Ohio's recently adopted state budget for 1988 and 1989 dedicates significant new resources to protect ground water, it is unlikely that the State will be able to carry out the Safe Drinking Water Act's wellfield protection program without federal assistance. I recognize fully the importance of this program, but new federal mandates should be accompanied by new federal resources to help implement them.

I hope that you will support the $8 million for wellfield protection in the Senate appropriations bill.

Sincerely,

RICHARD F. CELESTE,
Governor.

Texas Water Commission,
July 14, 1987.

Re: 1986 Amendments to the Safe Drinking Water Act.

Hon. Dave Durenberger,
U.S. Senate,
Washington, DC.

Dear Senator Durenberger: The Texas Water Commission supports the Safe Drinking Water Act (SDWA) Amendments of 1986. Both the Wellhead Protection and Sole Source Aquifer Demonstrations Programs represent significant changes in the roles and interrelationships of federal, state, and local governments to protect ground water. For the first time there is a federal statutory program for the protection of the ground water resource rather than for the control of specific contaminants or sources of contamination.

Pursuant to the requirements of the SDWA, the Texas Water Commission and the Texas Department of Health plan to actively participate in the above programs.

The Texas Water Commission stands ready to assist in any manner possible regarding the implementation of these amendments to the SDWA. Please do not hesitate to contact us if we can be of further assistance.

Sincerely,

Larry R. Soward,
Executive Director.

State of Florida, Department of Environmental Regulation,
Tallahassee, FL, July 14, 1987.

Hon. David Durenberger,
U.S. Senate,
Washington, DC.

Dear Senator Durenberger: Recent news from Washington indicated that the House Appropriation Committee has dropped the $8 million appropriated for the start-up of the Wellhead Protection (WHP) program from EPA's budget. If carried through, this unfortunate decision will inhibit many of the States' initiatives to develop ground water protection programs.

Florida is considered one of the few States who have developed a very sophisticated and potentially effective ground water program. This program has benefited significantly, not only from the EPA's financial support (provided through the ground water portion of the 106 grants) but also from the National attention being focused on the ground water issues through the various Congressional bills. While Florida's WHP program is considered one of the most advanced among the States, it is still in its infancy and is in need of nurturing and support. Elaborate plans were made in anticipation of the WHP funding assistance to continue and augment the existing program. These included:

Mapping of the high recharge areas in the State:

Mapping and delineation of future public water supply aquifers;

Delineation of zones of protection around public water supply wells, and

Monitoring of ground water for pesticides and other synthetic toxic chemicals.

Without Federal funding these and other activities, necessary for the establishment and operation of an effective ground water protection program, will have to be suspended.

The impact of the Committee's decision would be even more devastating on States that are still in the planning stages of new ground water protection programs. The elimination of the WHP grants will virtually "pull the rug" from under those States and thwart their initiative.

As one of the managers of the Florida Ground Water Program, I urge you to do what you can to reinstate the appropriated funds. Senator, your efforts over the years have pushed the ground water protection problem to the forefront of this Nation's environmental issues. I and many of my counterparts in other States are confident that you can do a great deal to keep this most important of issues viable.

Sincerely,

Rodney S. DeHan, Ph.D.,
Assistant Bureau Chief,
Bureau of Ground Water Protection.

South Carolina
Department of Health
and Environmental Control,
Columbia, SC, July 15, 1987.

Hon. David F. Durenberger,
U.S. Senate, Washington, DC.

Dear Senator Durenberger, With passage of the 1986 amendments to the Safe Drinking Water Act of 1974 (Public Law 99-339) Congress has taken important steps toward assuring that all citizens served by public water supply systems will have high quality water. Your work in the Senate Environment and Public Works Committee on S. 124 is greatly appreciated by the people of the State of South Carolina. We encourage you to continue this fine effort by supporting proper funding of the ground water related provisions of the bill.

As approximately 96 per cent of South Carolina's public water supply systems depend upon ground water we are keenly aware of the amendment's ground water protection provisions. Of particular interest is the Wellhead Protection program (Section 1428) which defers to the States responsibility for developing a program for protecting ground water source public water supplies through the establishment of Wellhead Protection areas. Strong support for State government programs in implementing the ground water provisions of the Act was offered by President Reagan when he signed the bill into law. Adequate funding of these provisions, especially the Wellhead Protection program (Section 1428) is needed. The states are charged with developing strong and effective ground water programs to deal with the highly sensitive local land use issues and decisions that will affect ground water and the public water supply systems which rely on this fragile resource.

Your support for full funding of this program will be greatly appreciated. Thank you for consideration of the matter.

Sincerely,

Don A. Duncan,
Director.

National Drinking Water
Advisory Council,
Washington, DC, July 20, 1987.

Re: Wellhead Protection Program Funding.

Mr. Lawrence J. Jensen,
Assistant Administrator, U.S. EPA—Office of Water, Waterside East Bldg., Washington, DC

Dear Mr. Jensen: The National Drinking Water Advisory Council is concerned that the administrator's proposed $8 million for the Wellhead Protection Program [WPP] has been eliminated by the House Appropriations Committee.

In expressing this concern, we are mindful of the following:

1. Protection of the Nation's drinking water wellheads should be one of the agency's highest priorities.

2. The Safe Drinking Water Act Programs are, in the opinion of the Council, some of EPA's most severely underfunded programs.

3. Resources at the federal level are tight and competition is great.

4. Priorities must be made in EPA's allocation of those limited resources.

5. The WPP, as designed by Congress, promises to be one of EPA's most cost effective programs in protecting the health of large percentages of the Nation's population.

6. The WPP is designed to protect water quality from ground water sources nationwide through controlling activities within designated wellhead protection areas.

7. The WPP is prevention oriented which is a sounder public policy since great uncertainties always exist in implementing remedial actions.

8. The WPP is a federal/state partnership which, with an initial federal investment, will enable states and locals to effectively administer ground water protection programs and provide a catalyst for state and local investment in protecting their ground water resources.

The Council supports Congress in the provisions of the 1986 Safe Drinking Water Act. Furthermore, the Council strongly recommends that the Administrator confer with the appropriate Congressional committees concerning funding for the wellhead protection program and other Safe Drinking Water Act programs at levels commensurate with the tasks assigned.

We appreciate your assistance with this recommendation.

Sincerely,

Gayle J. Smith,
Chairman.

State of Kansas,
Office of the Governor,
Topeka, KS, July 20, 1987.

Re: Funding for Wellhead Protection Program.

Hon. David Durenberger,
U.S. Senate, Committee on Environment and Public Works, Washington, DC.

Dear Senator Durenberger: I'm asking your assistance because ground water is one of the most vital resources for the citizens of Kansas. Approximately 1.2 million people in Kansas rely on it as their source of drinking water, and 85 percent of the state's total use is derived from ground water. Obviously, protection of the quality of this vital resource is important to the well-being of our state.

With great interest, our state is following several congressional initiatives relating to national requirements for protection and regulation of ground water quality. We believe implementation of the Wellhead Protection Program set forth in Section 1428 of the 1986 Safe Drinking Water Amendments (Public Law 99-339) is particularly important to assuring future supplies of adequate quality drinking water for our public water systems. To this end, we are disappointed that none of the funds authorized for appropriation in FFY 1987 were appropriated, and even more disappointed that the House Subcommittee on HUD and Independent Agency Appropriations has eliminated the wellhead protection appropriation from the proposed FFY 1988 budget. The Kansas economy has suffered tremendously because of the depressed farm economy, oil and aircraft manufacturing industries. While the oil industry appears headed for a rebound, our farm and aircraft manufacturing industries have a long way to go. It is unrealistic to assume the state budget will rebound sufficiently to fund new environmental protection initiatives, such as the Wellhead Protection Program, even though it is of tremendous importance to the quality of our ground water sources and the future economic growth. Thus, it will only be possible for the state to implement this federally-mandated program if federal funds are appropriated by the 1986 Amendments to the Safe Drinking Water Act.

I respectfully request your assistance in restoring fiscal year 1987 and fiscal year 1988 appropriations to the federal budget.

Sincerely yours,

MIKE HAYDEN,
Governor.

STATE OF MARYLAND,
DEPARTMENT OF THE ENVIRONMENT,
Baltimore, MD, July 21, 1987.

Hon. DAVE DURENBERGER,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR DURENBERGER: We have just learned that the House Budgetary Committee Report recommended against the funding of all new programs including the proposed Wellhead Protection Program. The defeat of this program would result in substantial environmental impact in the State of Maryland.

There are eight hundred vulnerable community drinking water wells in Maryland, serving fifteen percent of our population. Because the State's ground water has traditionally been of very good quality, treatment of these wells is often limited to disinfection. Such treatment is useless against contamination by industrial and commercial sources of pollution such as leaking gasoline tanks and industrial wastes.

Maryland is a small State, facing increasing development pressures. Continued growth in the Baltimore-Washington and Baltimore-Annapolis corridors is inevitable, and unless such growth is planned and managed wisely, further ground water contamination will result. The actions of the Critical Areas Commission to limit development along the shores of the Chesapeake Bay further increase the development pressure in other areas of the State.

Groundwater contamination is already a serious problem in Maryland. Several community water supplies have been forced to find alternative water sources as their wells have been contaminated. Treatment to remove organic chemicals is still prohibitively expensive, usually surpassing the entire budget of the town affected by ground water pollution. In addition, the contamination of private wells has in several instances necessitated the installation of a community water supply. Such community wells must be chosen carefully to ensure that they will not be contaminated by the same source as the private wells, and that they do not aggravate the problem by drawing contaminated water into areas of previously clean water.

The proposed Wellhead Protection Program offers a very cost-effective alternative to hundreds of potential cases of ground water contamination Statewide, and the resultant construction of costly treatment facilities. Compared to the one million dollar cost of cleaning up one typical incident of ground water pollution, Maryland's targeted share of $100,000 for Fiscal Year 1988 is an excellent investment. The proper location and construction of gasoline stations, septic systems, landfills, and public drinking water wells will preclude the necessity of a bill on the order of Superfund to clean up our public drinking water systems. Maryland would greatly appreciate anything you can do to restore the wellhead protection program funding in the FY 88 federal budget.

Sincerely,

WILLIAM M. EICHBAUM.

UTAH DEPARTMENT OF HEALTH,
July 21, 1987.

Re: Wellhead Protection Program Funding.

Hon. DAVID DURENBERGER,
U.S. Senate, Washington, D.C.

DEAR SENATOR DURENBERGER: I am pleased to write at your invitation regarding my feelings on National Wellhead Protection Program funding.

While the Earth's natural processes do a great job of treating water as it passes through the Earth's crust (especially with regard to viruses, cysts, bacteria, etc.), they have limited capabilities when dealing with chemical contaminants. Furthermore, once an aquifer is contaminated, it is very difficult, if not impossible, to renew the aquifer. If renewal is possible, it is always extremely expensive in terms of both time and money.

For many years states have recognized the need to protect ground waters, especially drinking water sources. Most states have statutes or regulations requiring protection of drinking water wells from pollution sources. However, these are extremely inadequate and usually applied against the utility, not the property owner.

The Wellhead Protection Program [WPP] is a very strategic part of any ground water protection program, state or federal. EPA's Office of Ground Water has done an outstanding job to facilitate appropriate use of funds (when they are made available) to the benefit of the states and the nation as a whole. The need to protect the nation's ground waters is emphasized by the high dependence on ground water and the increasing awareness of ground waters that have already been contaminated. In the state of Utah we depend upon ground water heavily. Ninety-seven percent of the total drinking water sources in the state are from ground water. Furthermore, seventy-five percent of the total water used in Utah's drinking water system is from ground water sources.

Funding the WPP will allow us to prepare a comprehensive protection plan and commence implementation. Without this financial assistance, we will not be able to get a quick start. It is my belief that when state legislatures really know the occurrence of ground water contamination in their states, the threat it poses to their citizens and what can be done about it, they will be much more willing to provide financial support for the protection of ground water sources.

In summary, I urge the Congress to support funding of the Wellhead Protection Program at the $8 million level or higher.

Thank you for the opportunity to comment on this issue.

Sincerely,

SUZANNE DANDOY, M.D., M.PH.,
Executive Director.

DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENTAL CONTROL,
Dover, DE, July 23, 1987.

Hon. DAVE DURENBERGER,
U.S. Senate, Washington, DC.

DEAR SENATOR DURENBERGER: I am writing you today to express my support of congressional funding for the new Wellhead Protection Program as included in the 1986 Amendments to the Safe Drinking Water Act. It has recently come to my attention that appropriations for this new and important program may not be forthcoming as originally expected and I wish to voice our concern at this new development.

As you well know, ground water is a critical source of water supply for the entire country. In particular, the State of Delaware relies very heavily on ground water to meet domestic, public, and industrial water demands. Furthermore, ground water in Delaware is extremely vulnerable to contamination due to our sandy soils and general hydrogeology. Protection of our ground water resources is therefore a priority for Delaware—and one in which the Wellhead Protection Program could play an integral part—provided funding for the program is forthcoming.

Your assistance in obtaining congressional funding for the Wellhead Program is deeply appreciated and if I may be of any further assistance please don't hesitate to contact me at (302) 736-4403.

Sincerely,

JOHN E. WILSON III,
Secretary.

Mr. DURENBERGER. Mr. President, I also ask unanimous consent that one other letter be printed in the RECORD at this point. It is a letter to the distinguished chairman of the HUD Appropriations Subcommittee dated June 6, 1988, and signed by nine Senators. Its purpose is to urge the appropriation of $8 million for the wellhead protection program in 1989. It is signed by Senators CHILES, MOYNIHAN, LAUTENBERG, SASSER, GRAHAM, D'AMATO, METZENBAUM, JOHNSTON, and myself.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON THE BUDGET,
Washington, DC, June 6, 1988.

Hon. WILLIAM PROXMIRE,
Chairman, Subcommittee on HUD-Independent Agencies, Washington, DC.

DEAR MR. CHAIRMAN: Ground-water contamination and the associated health risks are emerging as one of the most serious and complex environmental challenges facing our nation today. Currently, the Environmental Protection Agency (EPA) is spending significantly more money on cleaning up ground water than on preventing contamination of the resource. In 1988 approximately $700 million will be spent by EPA on cleaning up contaminated ground water at Superfund sites while the Agency will spend less than $30 million to help states protect their resources. This spending pattern continues despite the fact that preventing contamination of ground water is not only environmentally sound but cost-effective as well. In order to address the current imbalance in spending on the nation's ground water, we urge you to support funding for a comprehensive federal program to help states protect their resources—the Wellhead Protection Program.

Unlike most environmental programs, the Wellhead Protection Program, authorized in the 1986 Safe Drinking Water Act Amendments (SDWAA), is the first federal groundwater program intended to help states protect their resources from all sources of contamination rather than specific sources of contamination or contaminants. Under the SDWAA, states are required to develop programs to protect all wellhead areas surrounding public drinking water wells from all contaminants that may have an adverse impact on human health. "Wellhead areas" are defined as the surface areas surrounding a well through which contaminants are likely to move and reach the ground water. States are to submit their programs to EPA for approval, and EPA is to provide technical and financial assistance to the states as well as oversight of the programs.

As you are aware, ground water is an extremely important resource in this country. Fifty percent of the population, or 117 million people, rely on ground water as their primary source of drinking water. Thirty-five percent of the drinking water supply in urban areas and 97% of the supply in rural areas comes from ground water. EPA estimates that the Wellhead Protection Program could potentially protect 90% of the ground water currently used in this country for drinking water. Further, it is expected to save the federal government millions of dollars in future clean up costs. The concept of protecting wellhead areas surrounding drinking water supplies is common in Europe.

The Wellhead Protection Program is strongly supported by many environmental groups including the Natural Resources Defense Council, the Environmental Defense Fund, the National Wildlife Federation, and the Environmental Policy Institute. In addition, EPA Administrator Lee Thomas has spoken often about the need to focus more federal resources on protection efforts in general and the Wellhead Program in particular.

Although the SDWAA authorizes $20 million for grants to states in FY 87 and 88, and $35 million in FY 89, no funds have yet been appropriated. Currently, 15 states are developing some type of wellhead protection program. If financial assistance is available from EPA, these states will be able to expand their programs, and many states which currently have no plans for a program will be able to begin developing one.

Clearly, the sooner all states are implementing programs to protect their groundwater resources, the less the federal government will have to spend in cleanup costs in the future, and the safer the drinking water supply will be for our nation's citizens. We therefore urge your support for an appropriation in the HUD-Independent Agencies Appropriations bill of $8 million, the amount requested by the Administration in fiscal year 1988, to fund this program.

Sincerely,

Senators David Durenberger, Lawton Chiles, Daniel P. Moynihan, James R. Sasser, Alfonse M. D'Amato, J. Bennett Johnston, Frank R. Lautenberg, Bob Graham, Howard M. Metzenbaum.

Mr. DURENBERGER. So, Mr. President, I would argue there is broad support for wellhead protection. EPA felt so strongly they sought funds from the President on appeal of an OMB denial. A dozen States are going forward and will submit plans for Federal approval, even without the promise of Federal funds. Many States are conducting pilot projects to gain experience with the concept while awaiting Federal grants. And two-thirds of the States I contacted actually sent letters from Governors or environmental commissioners in support of the program.

Mr. President, the wellhead protection program is in the direct interest of the Federal Government. For ground water protection and drinking water supply, we have become the deep pocket of last resort. We are now spending $1.5 billion on the Superfund Program and most of those dollars go to cleanup ground water that has already been contaminated.

We need to make a commitment to prevention so that we will not have any more Superfund sites. Wellhead protection is a prevention program which is to be financed in a 50/50 partnership with the States. And it is a targeted prevention program. It addresses the ground water which directly surrounds current drinking water wells.

The program makes sense and deserves the support of the Senate.

NONPOINT POLLUTION AND WELLHEAD PROTECTION PROGRAMS

Mr. MITCHELL. Mr. President, I rise in support of the pending amendment.

The amendment would provide the first funding to two important new programs to protect water quality and the quality of underground drinking water supplies.

I want to express my appreciation to Senator DURENBERGER for offering this important amendment. Senator DURENBERGER played a key role in the development of the nonpoint pollution control provisions of the Clean Water Act and the Wellhead Protection provisions of the Safe Drinking Water Act.

The Clean Water Act amendments passed early in this Congress established a new program to assist States in addressing water pollution coming from diffuse, or nonpoint, sources. This type of pollution is estimated to cause as much as 50 percent of the remaining water quality problems in many States. Funding of this program is vital if we are to continue to make gains in cleaning up our rivers, lakes, and streams.

The new provision of the act, which has not yet been funded, provides for grants to States to carry out programs addressing these water pollution problems. The authorization level for these grants is $100 million. But, given resource constraints, this amendment provides only a small startup amount of some $25 million. Let me stress that these funds will go to State agencies, not to the EPA.

When Congress enacted amendments to the Safe Drinking Water Act in the 99th Congress, we included a new program designed to help community water systems develop programs to protect areas around sources of ground water used for drinking water. Under this program, States receive grants to assist public water systems in identifying and controlling sources of contamination to drinking water supplies.

This program can go a long way toward assuring the safety and quality of the Nation's drinking water. This amendment provides a very modest startup appropriation of $5 million.

Overall, the Durenberger amendment will be an important first step forward in implementing these important programs. I urge my colleagues to give the amendment their full support.

Mr. PROXMIRE. Mr. President, I oppose the Senator's amendment. I do so reluctantly. The Senator is an expert in this area and he has done some fine work in the area. I certainly appreciate his viewpoint. But neither of his programs, neither wellhead protection nor nonpoint source, have ever been funded before, and I think it is difficult to justify funding these new initiatives at a time when funds are so limited. Moreover, to take $25 million from other EPA programs would be devastating to the Agency in a year when we are recommending an increase of only about 6 percent to the agency's budget. We're almost $19 million below the House in the abatement, control, and compliance portion of the budget. This amendment would put us $29 million below the House in that portion of the budget. I seriously question whether my colleagues want to take this deep a cut in funding for such programs as air pollution control, pesticides, hazardous waste, and toxic substances programs.

I do not question the merit of the nonpoint source or wellhead protection program. In fact, the committee, in its report, recognized—this is in response to the Senator's point that he wrote us a letter about this—that wellhead protection was an important environmental issue to be dealt with but also recognize that funds are available for wellhead protection under the Construction Grants Program which we have increased by 40 percent above the administration's request.

I might point out, Mr. President, that some of the programs that would be cut are $40 million for asbestos in schools. That would have to be reduced. It is already below the House increase of $65 million; $10 million for global climate studies; $8 million for stratospheric ozone protection; and $10 million for the Clean Lakes Program.

Each one of these programs, Mr. President, is essential. For that reason, I would have to resist the amendment by the distinguished Senator from Minnesota.

Mr. ADAMS. Mr. President, I ask unanimous consent that this amendment might be temporarily set aside. I have an agreed-upon amendment, and if we are going to have an extended debate, we might set this amendment aside so my amendment will be out of the committee's way.

Mr. PRESIDING OFFICER. Is there objection?

Mr. DURENBERGER. Mr. President, reserving the right to object, I do not know that there is going to be an extensive debate. I know that some people are waiting for a vote and that a lot of our Members are aware of the fact we are going to vote. If this were one of those 90-second amendments that the Senator from Washington is proposing, I would have no objection.

Mr. PROXMIRE. If the Senator would permit me, we would have, I take it, a rollcall vote on the Durenberger amendment in all likelihood.

Mr. DURENBERGER. Yes.

Mr. PROXMIRE. For that reason, I hope the Senator from Washington would be permitted to go ahead. It will take about 90 seconds, in my judgment—I believe I can speak for the Senator from Utah—and I will be willing to accept the amendment.

Mr. PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Washington.

AMENDMENT NO. 2571

(Purpose: To require the Administrator of the Environmental Protection Agency to submit a plan to the Congress under which such agency shall participate in the Pacific Northwest Hazardous Substance Research, Development, and Demonstration Center.)

Mr. ADAMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

Mr. PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Washington [Mr. ADAMS], for himself and Mr. EVANS, proposes an amendment numbered 2571.

Mr. ADAMS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

SEC. . Not later than March 1, 1989, the Administrator of the Environmental Protection Agency shall submit to the Congress a plan pursuant to which the Environmental Protection Agency shall participate in the activities and operations of the Pacific Northwest Hazardous Substance Research, Development, and Demonstration Center. In preparing such plan, the Administrator shall, in addition to direct participation by the Environmental Protection Agency in research activities, give consideration to inkind, personnel exchange, interagency program coordination, and other measures to maximize the benefit of the Center to the public.

Mr. ADAMS. Mr. President, this is an amendment on behalf of myself and Senator EVANS for the Northwest Hazardous Substance Research Center.

Mr. President, I rise today to offer an amendment on behalf of myself and my colleague from Washington State, Senator EVANS, concerning the Environmental Protection Agency's [EPA] participation in the Pacific Northwest Hazardous Substance Research, Development and Demonstration Center.

The amendment would simply require the Administrator to submit a plan to the Congress for EPA's participation in the center. It would not require EPA to carry out any activities at the center in fiscal year 1989; only to develop the plan. In preparing the plan, the Administrator would give consideration to personnel exchanges, interagency research coordination, inkind, and other types of activities in addition to direct participation in research activities. This is intended to give EPA the maximum flexibility in defining its role at the center.

Mr. President, this amendment is not aimed at just having another study. Many of us in the Northwest are extremely interested in having the EPA participate in this center because we have some very serious hazardous waste and Superfund problems in the Northwest. Just 3 weeks ago, EPA proposed to add four separate listings to the Superfund national priority list for sites on the DOE's Hanford Reservation. And just last week the U.S. Department of Energy issued a report indicating that it could cost as much as $48 billion to clean up hazardous waste sites and facilities at the DOE's Hanford Reservation in Washington State. Let me emphasize that this is billions of dollars, not millions. The same report estimated that the cost for cleaning up these sorts of sites at the DOE's Idaho Engineering Laboratory, which is also in EPA region 10, may be in excess of $2.3 billion.

Some of these DOE sites are strictly hazardous waste sites. One Hanford site, for example, includes a pit into which 15,000 gallons of battery acid were dumped. Others are mixed with radioactive waste. The cleanup of these sites falls under the authority of the Nation's principal hazardous waste laws—the Comprehensive Environmental Response, Compensation, and Liability Act and the Solid Waste Disposal Act—which are administered by EPA.

The end result is that the cost of cleanup of sites in the Northwest owned by the U.S. Department of Energy and regulated under Federal environmental laws administered by the U.S. Environmental Protection Agency, are simply staggering. If the Federal Government is to live up to its obligations to clean up these sites we must develop new technologies for dealing with them. It is only logical, as was intended by my colleague from Washington, Congressman AL SWIFT, when he authored the original provision to establish the center in the 1986, to have EPA help us find those solutions.

The Northwest Hazardous Substance Center was originally authorized in the section 118(o) of the Superfund Amendments and Reauthorization Act of 1986 [SARA]. The center was supposed to be established through the Battelle Memorial Institute which operates the Pacific Northwest Laboratory for the U.S. Department of Energy [U.S. DOE]. The obligation to fund the center was intended to be divided between EPA and U.S. DOE. While EPA has never requested funding from its budget to carry out its obligations under section 118(o) of SARA, funding was provided in fiscal year 1987 and fiscal year 1988 through the U.S. DOE budget to establish the center. The fiscal year 1989 energy and water appropriations bill provides an additional $3 million in U.S. DOE funding to operate the center. In point of fact, the center is in operation notwithstanding EPA's failure to request funding for it.

The purpose of this amendment is to begin to involve EPA in the center's activities in keeping with the original intent of SARA.

As I said at the outset, this amendment is intended to give EPA the maximum flexibility in defining its role in participating in the center. We are not asking EPA to establish the center as originally envisioned in SARA since it already exists. We are not asking EPA to depart from its program of peer-reviewed research. We are not asking EPA to subsidize the Department of Energy. We are simply asking EPA to prepare a plan to participate in an interagency research effort with U.S. DOE for hazardous waste cleanup as originally intended by Congress in 1986.

Mr. EVANS. I am pleased to cosponsor this amendment of my colleague from Washington State. It's a simple and straightforward amendment, and necessary to get some definitive response from the EPA soon about its role in the Pacific Northwest Hazardous Waste Center.

The amendment builds upon the appropriations of $3 million provided for the Pacific Northwest Hazardous Waste Research Center in the 1989 energy and water appropriations bill, H.R. 4567 that has already passed the Congress. Although the provision for funding the center is in report language, it sends a clear message to the Department of Energy to fund this important program promptly.

The intent of this amendment is to send a similar signal to the EPA. It doesn't dictate the level or type of funding; it merely requires the EPA to sit down and analyze how it wishes to participate in this center.

The center is an important and innovative part of the cleanup effort at Hanford. The Hanford site includes a large amount of mixed radioactive wastes that are unique and require further characterization and analysis. The center will contribute to the resolution of these waste characterization and remediation issues through innovative research and development projects.

The EPA has already designated four areas on the Hanford reservation as Superfund sites on the national Priority list. But that action is only the start of the huge cleanup effort that will be required at the Hanford site. The Department of Energy, the EPA, and the State of Washington need to work out a cooperative program now for cleanup. This effort won't necessarily be easy. Participation by both DOE and EPA in this center will help set a cooperative framework toward cleanup on a long-term basis.

I thank the managers for their support and urge the adoption of the amendment.

Mr. ADAMS. Mr. President, as I understand it, this amendment has been agreed upon on both sides. I thank the managers on both sides for their kindness in working with us on the amendment.

Mr. PROXMIRE. Mr. President, as I understand it, what it simply does is authorize EPA to develop a plan to take part in the Northwest Hazardous Substance Research Center. It is a very good amendment.

Mr. GARN. Mr. President, I am willing to accept the amendment.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 2571) was agreed to.

Mr. ADAMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ADAMS. Mr. President, I thank both managers very much for their kindness and I thank the Senator from Minnesota.

Mr. DURENBERGER. Mr. President, I understand that my colleague from Rhode Island has an amendment or two that may be accepted. I ask unanimous consent to set aside my amendment for that purpose.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 2572

(Purpose: To provide for an EPA study on the regulation of ozone depleting substances)

Mr. CHAFEE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Rhode Island (Mr. CHAFEE) for himself, Mr. BAUCUS, Mr. STAFFORD, and Mr. DURENBERGER, proposes an amendment numbered 2572.

Mr. CHAFEE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 25, line 25, strike the period and insert in lieu thereof the following: ": *Provided further,* That using available funds, the Administrator of the Environmental Protection Agency shall prepare and submit a report to Congress not later than 4 months after the date of enactment of this Act examining the direct economic and environmental impacts that are likely to result from implementation of regulations reducing but not eliminating the production of ozone depleting substances. Such study shall include an examination of profits attributable to production of chlorofluorocarbons between 1974 and 1988, estimates of anticipated profits attributable to implementation of such regulations, the effect that such profits may have on decisions to market safe substitutes, possible regulatory or legislative responses to recapture such profits, potential uses of revenues derived from such responses, and the effect that such responses may have on the consuming public.".

Mr. CHAFEE. Mr. President, this amendment builds upon the excellent work of the Appropriations Committee with respect to EPA's program to control destruction of the Earth's protective ozone shield. It directs that EPA use some of the funds being provided in this act to examine an economic issue that may have significant environmental effects.

The problem is this. On August 1, 1988, EPA is planning to promulgate regulations that implement the Montreal Protocol on Substances that Deplete the Ozone Layer. We are all for that. That was a magnificent achievement.

As many of us will remember, the Montreal agreement calls for a phased 50-percent reduction in the production of chlorofluorocarbons [CFC's] between now and 1998.

The theory is that a 50-percent reduction will stimulate sufficient market demand for substitutes and lead to the voluntary phaseout of regulated CFC's.

However, a number of experts have analyzed this situation and concluded that this may not be the case. Unless the regulations mandate a virtual elimination of CFC's—a position that I have been advocating for some time now—we will be creating a false market setting where supply is artificially reduced and demand stays high. That will lead to higher prices and, in turn, undeservedly large profits for producers of CFC's.

If these profits are large enough, the producers may have an incentive to delay the introduction of safe substitutes. From an environmental standpoint, that would be unacceptable.

The obvious solution is some mechanism to recapture these excess profits. The difficulty here is the fact that, unless the program is structured just so, the producers will simply pass the cost of any fee or tax along to the consumer and still reap their profits.

This amendment will force EPA to examine some of these important issues and should help the Agency or Congress design a solution to this problem.

Mr. PROXMIRE. Will the Senator yield?

Mr. CHAFEE. I will.

Mr. PROXMIRE. Mr. President, I commend the Senator on this amendment. It is an excellent amendment. After all, we all know of the very serious problem we have in the greenhouse effect. You cannot go outside and swelter and sweat without recognizing that.

The Senator from Rhode Island has an excellent amendment and I am happy to support it.

Mr. GARN. Mr. President, I am also happy to accept the amendment.

Mr. CHAFEE. I want to thank the distinguished managers of the bill and I will say no more. And I urge adoption of the amendment.

The PRESIDING OFFICER. Is there any further debate on this amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2572) was agreed to.

Mr. PROXMIRE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GARN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2573

Mr. GARN. Mr. President, I have an amendment that will be very quick if the Senator from Minnesota would be willing to, once again, set his amendment aside.

Mr. DURENBERGER. Yes, Mr. President; I ask unanimous consent that I may lay aside the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GARN. Mr. President, I send an amendment to the desk on behalf of Mr. HECHT and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Utah [Mr. GARN], for Mr. HECHT, proposes an amendment numbered 2573.

Mr. GARN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Add the following new section at the end of the bill, as amended

"SEC. . Within six months of the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall report to the Congress on the feasibility of using treated effluent waters from communities within the Carson River Basin, Nevada, to improve the Lahontan Valley wetlands, and enhance the fish and wildlife populations that depend on them. In preparing the report, the Administrator shall consult with the United States Fish and Wildlife Service, the State of Nevada, and interested local governments. The report shall include an analysis of the costs, environmental benefits, adequacy of existing State and federal authorities, and consistency with Nevada State water law. The report shall also identify any federal grant programs which may be available to fund any such project in whole or in part."

Mr. HECHT. Mr. President, this amendment provides for the study of one of many options that need to be explored in order to find ways to protect the Lahontan Valley wetlands of northwestern Nevada. These wetlands are a vital way station for hundreds of thousands of migratory waterfowl and shorebirds that use the Pacific flyway. These wetlands are under intense pressure today, not only from the drought affecting the entire country, but also from recent Federal Government decisions to reallocate water resources in the region.

The amendment calls for the environmental protection agency to work with the State of Nevada, local Nevada governments, and the U.S. Fish and Wildlife Service to explore ways that the clean water that is the effluent of sewage treatment plants of communities located in the Carson River Basin, in Nevada, could be provided to the wetlands that are water-poor, but at the same time so important to the wildlife resources of Nevada and the entire Pacific flyway.

I don't know what the results of this EPA study will be, but I do know that the wildlife resources of the Lahontan Valley are so important that we need to be creative and thorough in investigating all possible ways to preserve them.

Mr. President, I would like to thank the Appropriations Committee and the Environment Committee for their help and cooperation with this amendment.

Mr. GARN. Mr. President, I am willing to accept the amendment.

Mr. PROXMIRE. Mr. President, I am happy to accept the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 2573) was agreed to.

Mr. GARN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2569

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DURENBERGER. Mr. President, I will be brief in response to the comments by my colleague from Wisconsin. I appreciate his kind comments about the work that I have done in this area.

I would just like to remind my colleagues in addition to the $5 million wellhead protection program in this amendment there is the $25 million appropriation for nonpoint-source pollution and the reason there is some urgency to that, Mr. President, is that the phased implementation of that program is about 3 weeks from the Administrator of the EPA's desk.

In other words, as I explained earlier there is a three-step process, the last of which is the submission of the plans by the 50 States to the Administrator of the Environmental Protection Agency. Deadline for the presentation of those plans in August 4, 1988. Thereafter comes the implementation and that is why that particular appropriations is so important.

The Senator from Wisconsin indicated that these were new programs, and they are. They are 2 years old. One is 2 years old, the other is 1 year old. No money has yet been appropriated for them. That is true.

But, as I glanced through the bill before us there are quite a few programs included here which have not had appropriations for them before.

There is an appropriation for regional radon center of $900,000 in this bill. There is an appropriation for radon contractor program for $600,000 that is in there. There is a pesticide in the ground water study which I support. That is new. Two million dollars.

NAS global climate study which I support also, $700,000. It is a brand-new program. There is a minority contractor program, $500,000. There is an NIEHS program, $6 million. All of these are new programs, Mr. President.

So, the objection to my amendment should not be that it is a new program.

Mr. President, there are a variety of very good programs funded in this bill. I mentioned the asbestos in the schools program, $40 million; the global climate studies, $10 million; stratospheric ozone, $10 million. The most my amendment could take from any one of those programs would be slightly less than 2 percent in order to fund these two relatively small programs. But it would also take 2 percent of some programs I never looked at before I took a look at this program. There is a $500,000 program called the University of North Dakota study; a $450,000 program called the CANUA study; there is a $5 million program for a Great Lakes office. There is a $1 million program for the Chesapeake Bay. There is a $300,000 program for Denver vehicle testing.

Like all appropriations bills, Mr. President, there are a variety of interests being served, some new, some old; some general and some special. I just would argue to my colleagues that the $10 million appropriation taken from over $1.6 billion, in all very good programs will enable us to get a start on two broad 50-State general-interest programs, and I would urge my colleagues' support for the amendment before us. I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate?

There being no further debate, the question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Washington [Mr. ADAMS], and the Senator from Texas [Mr. BENTSEN] are necessarily absent.

I also announce that the Senator from Delaware [Mr. BIDEN] is absent because of illness.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. HELMS] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 63, nays 33, as follows:

[Rollcall Vote No. 246, Leg.]

YEAS—63

Armstrong
Baucus
Bingaman
Bond
Boren
Boschwitz
Bradley
Burdick
Byrd
Chafee
Chiles
Cohen
Conrad
D'Amato
Danforth
Daschle
DeConcini
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Garn
Grassley
Harkin
Hatch
Hatfield
Heinz
Humphrey
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Levin
Lugar
McCain
McClure
McConnell
Melcher
Mitchell
Moynihan
Murkowski
Pell
Pressler
Quayle
Riegle
Roth
Rudman
Simpson
Specter
Stafford
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson

NAYS—33

Breaux
Bumpers
Cochran
Cranston
Dixon
Fowler

Glenn
Gore
Graham
Gramm
Hecht
Heflin
Hollings
Inouye
Johnston
Leahy
Matsunaga
Metzenbaum
Mikulski
Nickles
Nunn
Packwood
Proxmire
Pryor
Reid
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Stennis
Wirth

NOT VOTING—4

Adams
Bentsen
Biden
Helms

So the amendment (No. 2569) was agreed to.

Mr. DURENBERGER. I move to reconsider the vote by which the amendment was agreed to.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, if I might inquire, are there other amendments that will require a rollcall vote?

Mr. DOLE. Mr. President, will the majority leader yield?

Mr. BYRD. Yes.

Mr. DOLE. I discussed a possible amendment with the distinguished majority leader. He indicated that the Interior bill will follow this. On that basis I will not offer it.

Mr. BYRD. Very well. If there are other amendments that will be accepted but no other amendments that will require a rollcall vote, I would like to get consent that the bill go to third reading following those amendments that will be accepted and carry over the vote on passage to the morning. Anybody have an amendment on which they want a rollcall vote?

Mr. President, how many amendments then remain?

Mr. GARN. I would say to the majority leader I only know of two. They are both mine, and they are agreed to. I know of no others that are going to be offered. I am sorry, Senator CHAFEE has one that we have agreed to accept, so there would be three.

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD. All right. Mr. President, I ask unanimous consent that the amendments that remain to be called up be limited to those three, one by Mr. CHAFEE and two by Mr. GARN; that there be no further amendments; that upon the disposition of those amendments the bill be advanced to third reading and that that vote on final passage occur tomorrow morning without further debate—that at 9:30 tomorrow morning then the vote occur on final passage without any further motions, debate, or intervening action of any kind.

The PRESIDING OFFICER. Is there objection?

Mr. PACKWOOD. Mr. President, reserving the right to object.

Mr. BYRD. Mr. President, I change that voting time to 10 o'clock a.m. tomorrow morning under the same conditions.

The PRESIDING OFFICER. Is there objection? If not, it is so ordered.

Mr. BYRD. Mr. President, I thank all Senators. There will be no more rollcall votes tonight.

AMENDMENT NO. 2574

(Purpose: To express the sense of the Senate urging the President of the United States to call for an international convention on the greenhouse effect and protection of the Earth's climate)

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. I had a thought that everybody was staying around to hear my amendment but in a lesson in humility I find that is not true. I send my amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Rhode Island, Mr. CHAFEE (for himself, Mr. DURENBERGER, Mr. BAUCUS, Mr. STAFFORD, and Mr. MITCHELL) proposes an amendment numbered 2574.

Mr. CHAFEE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Insert the following new section at an appropriate place in the bill:

"SEC. . PROTECTING THE GLOBAL ENVIRONMENT.

"Whereas four of the hottest years on record occurred in the 1980's and, based on the first five months of this year, 1988 is the hottest year on record;

"Whereas it is 99 percent certain that the rising temperature trend is a result of the atmospheric build-up of greenhouse gases—carbon dioxide, chlorofluorocarbons, methane, nitrous oxide, and tropospheric ozone—and is not the result of natural variation;

"Whereas the continued build-up of greenhouse gases is increasing the likelihood of dramatic climate change and extreme events such as the heat wave and drought that is affecting much of our nation;

"Whereas scientists predict that, although average global temperatures have not risen by 3 degrees Farenheit for more than 10,000 years or by 9 degrees for more than 10 million years, the greenhouse effect will increase average global temperatures by 3 to 9 degrees in the next 40 to 60 years, a rate that will preclude natural evolutionary responses;

"Whereas the rise in global temperature is predicted to cause (1) a thermal expansion of the oceans and the melting of glaciers and polar ice, thus causing sea levels to rise by 1 to 4 feet by the middle of the next century, (2) disruptive shifts in rainfall patterns and the loss of adequate moisture in the midcontinent agricultural belt; (3) increases in the number and severity of hurricanes; (4) changes in the location of deserts; and (5) the death of large portions of the world's forests;

"Whereas on March 31, 1988, 42 Members of the U.S. Senate wrote to the President urging him to call upon all nations of the world to begin the negotiation of a convention to protect our global climate;

"Whereas on June 27, 1988, Prime Minister Gro Harlem Brundtland of Norway, speaking before an international conference in Toronto, called for a global convention on the protection of the climate, to coordinate research, information exchange and concrete measures to reduce emissions of harmful substances, and Prime Minister Brian Mulroney of Canada delivered a similar message;

"Whereas the best predictions available indicate potentially severe economic and social dislocation for present and future generations, which will worsen international tensions and increase the risk of conflicts among and within nations;

"Whereas the impact of global climate change may be greater and more drastic than any challenges mankind has faced with the exception of nuclear war; Now, therefore, be it

"*Resolved*, That it is the sense of the Senate that the President of the United States should call promptly and publicly upon the leaders of the world to begin the negotiation of an international convention on the greenhouse effect and protection of the climate, to coordinate research, information exchange and concrete measures to reduce emissions of harmful substances."

Mr. CHAFEE. Mr. President, this amendment should be noncontroversial. It does not add any money to this bill. It does not redirect funds that have already been allocated by the Appropriations Committee.

What this amendment does is express the sense of the Senate that it is time to begin the process that will help the world cope with the greenhouse effect.

It is prompted by the growing realization that human activity is altering our atmosphere and destroying the delicate balance that controls the Earth's climate. We are polluting our air with industrial and agricultural gases. We are releasing record amounts of carbon dioxide by destroying tropical forests and burning more and more oil and coal. The result is a phenomenon known as the greenhouse effect. The Sun's heat comes in but is unable to escape from the atmosphere. It is trapped.

These gases trap the Sun's heat like the glass in a greenhouse and cause temperatures to rise.

My amendment will simply restate a suggestion that 42 Members of this body made to the President by letter dated March 31, 1988.

In that letter, a bipartisan coalition of Senators urged the President to call upon all nations of the world to begin the negotiation of a global convention to protect our climate. On May 16, we received a polite but evasive reply from the administration.

But that was not the end of the matter. On June 27, the Prime Minster of Norway, Gro Harlem Brundtland, spoke at an international conference in Toronto and issued a call for a global convention to protect the climate. The Prime Minister correctly stated that it is time to coordinate research, information exchange, and concrete measures to reduce emissions of greenhouse gases. The Prime Minister of Canada made a similar speech that same day.

Although I would have preferred to see our country take the lead on this matter, I was pleaed to see that at least two of the world's leaders agree with our suggestion and are willing to speak out on it.

Mr. President, I first became aware of this problem in early 1986. I studied the matter, gave speeches on it and, in June 1986, chaired a series of hearings to hear from the world's leading experts. Those hearings captured the attention of the national and international press corps. There were headlines, front page stories in leading newspapers, evening news reports, and feature length articles in magazines as diverse as Sports Illustrated and Newsweek.

During much of 1986 and 1987, most of our attention was focused on the related but distinct problem of ozone loss, the destruction of Earth's protective ozone shield through the use of chemicals known as chlorofluorocarbons or CFC's. Our work in that area led to the historic Montreal Protocol to Protect the Ozone Layer.

Although we still have a long way to go before we have solved that problem, the public's attention has once again shifted back to the greenhouse effect. The problem of global warming and the widespread climate changes that will result from such a warming is back in the news.

The current heat wave and drought, two events that may be harbingers of things to come, are fostering this renewed interest. The cover of this week's Newsweek reads: "The Greenhouse Effect, Danger: More Hot Summers Ahead."

Many of us in this body have been trying to deal with this problem for some time. Senators DURENBERGER, BAUCUS, MITCHELL, GORE, WIRTH, and BUMPERS have all had the privilege of chairing hearings on the subject. Senator STAFFORD has been a leading voice in the growing chorus of concern.

This widespread concern is more than justified for, as Prime Minister Brundtland said, "The impact of climate change may be greater and more drastic than any challenges mankind has faced with the exception of nuclear war."

For too long, people have been discounting the importance of this issue by saying "the greenhouse effect is just a theory, there is too much we do not know, it would be premature to put controls in place." Finally, that is starting to change. It must change. We cannot afford to sit by and wait for the problem to solve itself.

Scientists are telling us that four of the hottest years on record occurred in the 1980's and that, based on the first 5 months of this year, 1988 will be the warmest yet. Dr. Jim Hansen, one of the world's foremost authorities on climate has testified that he is 99 percent certain that the rising temperature trend is the result of the greenhouse effect.

We are no longer just talking about a theory. The greenhouse effect is here and global warming has begun.

Scientists predict that the greenhouse effect will increase average global temperatures by 3 to 9 degrees Farenheit in 40 to 60 years. This is the average. At higher latitudes the increase will be even greater, reaching as much as 20 degrees.

To put this in perspective, keep in mind that the global temperature has not risen by 3 degrees for more than 10,000 years. Now we are talking about much larger changes in less than 60 years. This rate of change will preclude natural evolutionary responses.

What happens with this increased heat? First, it is predicted that glaciers and polar ice will melt and thermal expansion of the oceans will cause sea levels to rise by 1 to 4 feet in the next 60 years. This will inundate low-lying coastal areas and, since nearly one-third of the world's population lives within 40 miles of a coastline, this will create massive dislocation.

A 3-foot rise in sea level could displace 15 million people in Bengladesh and up to 10 million people in Egypt alone. EPA experts have predicted that in the United States it will cost between $10 and $50 billion to replace beaches washed away by rising tides and that it may even become necessary to move the Port of New Orleans as hundreds of thousands of acres in Louisiana are flooded.

In addition to rising sea levels, the greenhouse effect is predicted to cause shifts in rainfall patterns, the loss of adequate moisture in the midcontinent agricultural belt, increases in the number and severity of hurricanes and other storms, changes in the location of deserts, and the dying off of large portions of the world's forests.

We often hear of "winners and losers" when we talk about the greenhouse effect. But as one expert has testified, "there will be no winners." The severe economic and social dislocation that will result will worsen international tensions and increase the risk of conflicts among and within nations.

To those who say it is premataure to consider a global treaty that is aimed at reducing greenhouse gases and protecting the Earth's climate, I would point out that we will never get there if we do not get started. The international process moves slowly enough as it is. We cannot afford to delay any longer. The time for action is now.

This is a tremendous threat to our globe and the United States must take a leadership role in addressing it. Not only have we traditionally been leaders in the environmental arena, a position that I hope we could recapture, but the United States is still one of the largest contributors to the problem. Despite significant accomplishments under the Clean Air Act and various energy laws, the United States still produces approximately one-fourth of the world's carbon dioxide emissions and manufacturers about one-third of the world's CFC's.

Mr. President, my amendment is a simple and straightforward statement. After reciting many of the problems, as I have outlined them here, the resolved clause expresses the sense of the Senate that the President of the United States should call upon the leaders of the world to begin the negotiation of an international convention on the greenhouse effect and protection of the climate.

This is a commonsense amendment. The problem is real. The time for action is now and I urge all our colleagues to support this amendment.

Mr. President, I ask unanimous consent that the two letters to which I referred printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS,
Washington, DC, March 31, 1988.

Hon. RONALD W. REAGAN,
The White House, Washington, DC.

DEAR MR. PRESIDENT: We are writing to urge that you continue and expand recent initiatives on the international environmental problem of the greenhouse effect and global climate change, such as those announced at the conclusion of the December 1987 summit meeting with Soviet General Secretary Gorbachev. Specifically, we urge that, at the next summit meeting with the General Secretary in Moscow and at the upcoming economic summit meeting this June in Toronto, you call upon all nations of the world to begin the negotiation of a convention to protect our global climate. Such a convention could be modeled after the historic Vienna Convention to Protect the Ozone Layer.

You are to be congratulated for including the problem of global climate change as part of the agenda at the December 1987 summit meeting with General Secretary Gorbachev. It is encouraging to observe the growing commitment that our two nations are making to deal with the environmental threat of global warming. Of particular note was the Joint Summit Communique which stated that the "two sides will continue to promote broad international and bilateral cooperation in the increasingly important area of global climate and environmental change."

Scientists have warned us that increasing concentrations of certain pollutants in the atmosphere will increase the earth's temperature over the coming years to a level which has not existed for tens of millions of years. There is some urgency to this matter since scientists predict that, as a result of past pollution, we are already committed to a significant global warming. These greenhouse gases will lead to substantial changes in the climate of our planet with potentially catastrophic environmental and socio-economic consequences.

The predicted global warming and climate changes are expected to occur at a rate and in a fashion that will preclude natural evolutionary responses. The likely effects of the greenhouse effect include rising sea levels, changes in the location of deserts, extremely high temperatures in cities during the summer months, increases in the number and severity of hurricanes, the death of large portions of forests, and the loss of adequate moisture in the mid-continent agricultural belt.

The challenge of reducing this threat to the planet's well being is considerable. One of the most significant greenhouse gases is carbon dioxide, a by-product of fossil fuels. The United States and the Soviet Union are the world's two largest contributors of carbon dioxide. Together, we account for almost one-half of the global total.

For these reasons, the United States and the Soviet Union must take positions of global leadership on this matter and call for a convention on global climate change. Such a convention could address our scientific understanding of the problem, the need for the limits of adaptation as a response to future climate change, as well as strategies to stabilize atmospheric concentrations of greenhouse gases at safe levels.

Negotiations to achieve a climate convention would have to take place on a multilateral basis. However, cooperation between the United States and the Soviet Union is an essential precondition of a successful international response to the greenhouse effect. The problems associated with global climate change provide an historic opportunity for our two countries to cooperate on a long term basis to insure the habitability of Earth. These facts were recognized and endorsed in the recently enacted Global Climate Protection Act (P.L. 100-204, sections 1101-1106).

For these reasons, we urge you and General Secretary Gorbachev to use the upcoming summit meeting scheduled to be held in Moscow as a forum to call for the negotiation of a convention on global climate change and to commit the United States and the Soviet Union to a leadership role in that process. At the same time we suggest that you expand and elevate the level of ongoing bilateral U.S.-U.S.S.R. activity which could enhance our understanding of the problem. We endorse the establishment of a high level working group to study potential responses to climate change, including greenhouse gas emissions reductions and adaptation to climate change. This expanded bilateral activity should be recognized and supported as an important priority within the United States' foreign and environmental policy agenda.

Similarly, we urge you to use the seven nation economic summit that is scheduled to be held during the month of June in Toronto as a forum to urge the negotiation of a global climate convention. At last year's economic summit, the leaders of the seven nations stated: "We underline our own responsibility to encourage efforts to tackle effectively environmental problems of worldwide impact such as . . . climate change. . . ." This year's economic summit is the appropriate opportunity to take the next step and call for a global climate convention.

Thank you for your attention and commitment to this important, international environmental issue. We look forward to working with you and assisting you in our mutual efforts to protect our fragile planet.

Sincerely,

Senators John H. Chafee, John F. Kerry, Dave Durenberger, Albert Gore, Pete Wilson, Terry Sanford, Max Baucus, George J. Mitchell, Dale Bumpers, Frank Murkowski, David Pryor, Robert T. Stafford, Carl Levin, Spark M. Matsunaga, Wyche Fowler, Jr.

Senators Tom Harkin, Timothy E. Wirth, Bob Graham, Dennis DeConcini, Steven D. Symms, Bob Packwood, Daniel J. Evans, Frank R. Lautenberg, Donald W. Riegle, Jr., Patrick J. Leahy, Bob Kasten, Jeff Bingaman, Thomas A. Daschle, Nancy Landon Kassebaum.

Senators Brock Adams, Alfonse M. D'Amato, Quentin N. Burdick, Arlen Specter, Edward M. Kennedy, Pete V. Domenici, Thad Cochran, William S. Cohen, Claiborne Pell, Richard G. Lugar, William V. Roth, Jr., Dan Quayle, John Heinz.

U.S. ENVIRONMENTAL
PROTECTION AGENCY,
Washington, DC, May 16, 1988.

Hon. JOHN H. CHAFEE,
U.S. Senate, Washington, DC.

DEAR SENATOR CHAFEE: Thank you for your March 31, 1988 letter to President Reagan, co-signed by forty-one of your colleagues, regarding international initiatives on global climate change. Despite considerable uncertainty regarding the extent of man's influence on the global atmosphere, the possibility of global climate change warrants high-level attention in the international arena. Accordingly, the United States is engaged in a wide range of cooperative research activities—both bilateral and multilateral—to improve our scientific understanding of this issue. The U.S.-Soviet Summit in May and the Toronto Economic Summit in June could provide good opportunities to discuss this issue.

At the December 1987 Summit in Washington, President Reagan and General Secretary Gorbachev agreed to develop cooperative atmospheric science programs between our two nations, including a detailed study on the climate of the future. The United States and the Soviet Union are now negotiating a range of proposed projects for the acquisition, coordination and exchange of space-based data related to global climate change.

Cooperative research with the Soviet Union to help establish the scientific base for documentation and assessment of global climate change has also been conducted for years under the U.S.-U.S.S.R. Agreement on Cooperation in the Field of Environmental Protection. A "protocol", which lays out joint activities in this area for 1988, includes over 30 possible projects, exchanges and experiments.

The United States is also engaged in bilateral programs with other nations with active research programs on this issue. Cooperation with the People's Republic of China, for example, will be carried out under the U.S.-PRC Science and Technology Agreement which covers exchanges on atmospheric science and environmental protection the the US-PRC Protocol for Scientific and Technical Cooperation which specifies five major areas of atmospheric research. Studies on the role of the ocean in climate change are conducted under the U.S.-PRC Bilateral Agreement on Cooperation in Marine and Fisheries Science and Technology. Both countries also support related training and educational exchange programs.

In addition to bilateral activity, the United States supports the establishment by the United Nations Environment Program (UNEP) and World Meteorological Organization (WMO) of an intergovernmental panel to develop methodology for and carry out internationally coordinated assessments of the scientific understanding, magnitude, timing and possible effects of climate change. The results of these assessments, along with other pertinent information, will provide a basis for considering a wide range of options to deal with the global climate issue, including the possibility of a climate convention. The United States will be an active participant in the work of the WMO/UNEP intergovernmental panel.

In addition to UNEP and WMO, over seventy nations including the United States and Soviet Union have endorsed the International Geosphere-Biosphere Program (IGBP). Established in 1986 by the International Council of Scientific Unions, this transdisciplinary research program is directed at improving our understanding of the interactive physical, chemical and biological processes that regulate the total Earth system.

In short, the United States is engaged in numerous cooperative research programs which will improve our scientific understanding of man's influence on the global atmosphere. The upcoming summits will provide us with excellent opportunities to discuss this international cooperation. Our interest in international cooperation serves to suplement our domestic research programs related to global climate change which show an increase in the President's budget request for 1989.

We appreciate your continued interest in global environmental issues and look forward to working with you in the future.

Sincerely,

LEE M. THOMAS.

Mr. CHAFEE. Mr. President, what this amendment does is to urge the President of the United States to call upon the leaders of the world to begin negotiation of an international convention on the greenhouse effect and the protection of the climate. That is it. It is a resolution.

Scientists are telling us that four of the hottest years on record have occurred in this decade. Four of the hottest years on record have occurred in the 1980's, and based on the first 5 months of this year, this year, 1988, will be the warmest of them all.

Something is happening, Mr. President, and I think it is well for the President to call an international convention on the greenhouse effect, as there was an international convention on the ozone layer, which came forth with some excellent recommendations which are being carried out. We are all riding on the same globe. It is the spaceship Earth. I think we should do what we can to preserve it for the future.

Mr. PROXMIRE. Mr. President, I commend the distinguished Senator from Rhode Island, and I am happy to accept his amendment.

Mr. GARN. Mr. President, I am pleased, also, to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2574) was agreed to.

Mr. PROXMIRE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GARN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHAFEE. Mr. President, I thank the distinguished managers of the bill for accepting my amendment.

Mr. President, in the report language, the committee recommends $5 million for ongoing treatment of posttraumatic stress disorders. I commend the members of the Appropriations Committee for dealing with this matter. This is an extremely serious problem that is affecting primarily veterans of the Vietnam war, although it affects the other veterans as well.

This is a special allocation that is in there for posttraumatic stress disorder treatment. It is very worthwhile, and I am pleased that it is included in the report.

I thank the managers of the bill.

AMENDMENT NO. 2575

(Purpose: To express the sense of the Senate that the Space Station should be adequately funded and that the budget allocation for the HUD-Independent Agencies Subcommittee be raised to accommodate such amounts and to address the array of other high priority programs funded by this bill)

Mr. GARN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Utah (Mr. GARN) proposes an amendment numbered 2575.

Mr. GARN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following new section.

SEC. . It is the Sense of the Senate that funds should be provided in fiscal year 1989 for the National Aeronautics and Space Administration to permit development and production of the international civilian space station at a level which permits meaningful and efficient progress towards its deployment in the mid-1990's and furthermore, that the budgetary allocation of the HUD-Independent Agencies Subcommittee be increased to permit the provision of such critically needed funds as well as sums necessary to accommodate other high priority program requirements for veterans services and benefits, homeless and housing programs, community and economic development, environmental programs, and for science and engineering research and education programs.

Mr. GARN. Mr. President, the Senate has heard me speak at length over the last few weeks about the lack of funding for NASA. This amendment is simply a sense-of-the-Senate resolution asking that the space station and NASA should be fully funded to the budget allocation. This does not bind anyone. It is one that I hope expresses the sense of the Senate, recognizing that we have had limited funds, and it will strengthen our position with the House in conference, as they have a higher amount.

I believe the chairman is willing to accept this.

Mr. PROXMIRE. Mr. President, I am happy to support the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2575) was agreed to.

Mr. GARN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2576

(Purpose: To establish a new Science, Space and Technology Education Trust Fund, to provide grants to the Challenger Center and other educational programs on a matching basis)

Mr. GARN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Utah (Mr. GARN) proposes an amendment numbered 2576.

Mr. GARN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 37, line 3, insert the following before the period: ": *Provided further*, That should a contract award be made for the development and production of the advanced solid rocket motor which provides for non-federal ownership of a production facility, up to $27,000,000 of the funds provided herein may be transferred and merged with sums appropriated for 'Space flight, control and data communications'.

"SCIENCE, SPACE AND TECHNOLOGY EDUCATION TRUST FUND

"There is appropriated, by transfer from funds appropriated in this Act for 'Construction of facilities', the sum of $15,000,000 to the 'Science, Space and Technology Education Trust Fund' which is hereby established in the Treasury of the United States: *Provided*, That the Secretary shall invest such funds in U.S. Treasury special issue securities, that such interest shall be credited to the Trust Fund on a quarterly basis, and that such interest shall be available for the purpose of making grants for programs directed at improving science, space and technology education in the United States: *Provided further*, That the Administrator of the National Aeronautics and Space Administration, after consultation with the Director of the National Science Foundation, shall review applications made for such grants and determine the distribution of such available funds on a competitive basis: *Provided further*, That such grants shall be made available to any awardee only to the extent that said awardee provides matching funds from non-Federal sources to carry out the program for which grants from this Trust Fund are made: *Provided further*, That of the funds made available by this Trust Fund, $250,000 shall be disbursed each calendar quarter for a ten-year period to the Challenger Center for Space Science Education: *Provided further*, That the Administrator of the National Aeronautics and Space Administration shall submit to the Congress an annual report on the grants made pursuant to this paragraph".

Mr. GARN. Mr. President, this amendment establishes a new $15 million trust fund for science, space and technology education. Interest from this trust fund will be disbursed in the form of matching grants: First, to the Challenger Center for Space Science Education at a rate of $250,000 per quarter for 10 years for the construction of a core educational center in the Washington metropolitan area, with 10 satellite regional sites located across the Nation, as a living memorial to those who perished in the Challenger tragedy; and second, to other programs on a competitive basis which seek to improve and enhance space science and technology education in the United States.

I believe the chairman is willing to accept this amendment, as well.

Mr. PROXMIRE. I am, indeed. It is a very good amendment, and I am happy to support it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2576) was agreed to.

Mr. GARN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PROXMIRE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TRACER TECHNOLOGY

Mr. BURDICK. Mr. President, I would like to call attention to language in the committee report to accompany H.R. 4800. The language directs EPA to allocate $500,000 to support tracer technology research being conducted at the University of North Dakota. I offered this recommendation when the full committee considered the bill and appreciate that the committee, and particularly my good friend, Senator PROXMIRE, the chairman of the HUD and Independent Agencies Subcommittee, supported its inclusion.

The UND Aerospace Center has had an active research program on cumulus clouds for several years. The technology they have pioneered could yield very valuable information on pollutant formation and acid deposition transport. Further, this work complements ongoing acid rain research supported by the administration. EPA Administrator Lee Thomas has spoken favorably of this research in hearings before the Environment and Public Works Committee.

While $500,000 is generally considered a modest sum when it comes to research work, it will enable UND to make substantial progress in the area of pollutant tracer work. This money will be very well spent in advancing our knowledge of the transport and fate of pollutants. I stand ready to work with my colleagues on the Appropriations Committee to have this recommendation retained in the conference report on the HUD and Independent Agencies appropriations bill.

Mr. NUNN. Mr. Chairman, as you know, many States and metropolitan areas continue to grapple with the problem of ozone control. In the Southeast, this problem has been particularly frustrating because billions are being spent to meet current Federal control regulations without often achieving desired improvements in air quality.

In May, the Georgia Department of Natural Resources, the University of Georgia, and the Georgia Institute of Technology briefed the Georgia congressional delegation on the existing ozone problem in the Southeast and the belief of Southeastern environmental experts that current ozone control strategies do not adequately account for regional differences including climate, topography, and natural sources of emissions.

In an effort to better understand the causes for ozone problems in the South, regional scientists and State and local air quality control experts met in June to share what is currently known about the causes of ozone pollution in the South and make recommendations for additional research. This conference, titled "Atmospheric Photochemical Oxidants: A Southern Perspective," included experts with nationally recognized credentials in ozone issues from EPA, the U.S. Forest Service, the National Oceanographic and Atmospheric Administration, the National Center for Atmospheric Research, and several universities which specialize in air quality control research.

It is my understanding that a report on the specific scientific conclusions and recommendations is being written and circulated for peer review and will be ready in a few weeks. However, a general consensus was reached by the workshop participants on some major scientific points including the following:

Despite the implementation of the present federally mandated regulations and control measures in the South and in other areas, the ozone problem is not improving.

There is considerable scientific uncertainty about atmospheric chemistry and the relative importance of anthropogenic and natural precursors of ozone in the South. Much of this uncertainty is a result of insufficient research.

The expenditure of some $9 billion annually for the next 15 years by industries and small businesses will allow all reasonable available control technologies to be applied, but even this level of control will not result in more than half of the Nation's nonattainment areas attaining the ozone standard.

All conference speakers were in agreement that additional scientific attention is needed before we can solve the ozone problem in the South. As previously mentioned, the workshop report will outline specific research concerns and recommendations. In addition, the Sunbelt Institute, in cooperation with the Sunbelt caucus, will be organizing a congressional briefing to discuss these issues further.

Mr. Chairman, I believe that the conference report on the bill should reflect concern for regional differences in the origin of ozone and direct EPA to focus funding in research areas that will help us better understand the science and control of ozone in areas such as the Southeastern United States. I encourage the chairman to address this issue in the conference with the House.

Mr. PROXMIRE. I assure the Senator that I will urge the conferees to take into consideration his concerns regarding regional differences in the origin and control of ozone and the need for additional research to understand these problems.

THE CONGREGATE HOUSING SERVICES PROGRAM IS WORKING

Mr. HEINZ. Mr. President, during this year's appropriating process, we have had to be mindful of budgets—staying within the budget guidelines and saving precious dollars wherever possible. One Federal program, the Congregate Housing Services Program [CHSP], contained in the HUD appropriations package before us today has, for relatively few dollars spent, saved money, as well as allowed many older Americans an opportunity to remain in their own homes for as long as possible.

By providing nonmedical services to over 2,000 frail residents of federally assisted housing in 33 States, the CHSP has been proven to be very effective in preventing the unnecessary institutionalization of many older and disabled residents. Enacted by Congress in 1978 within the Department of Housing and Urban Development, CHSP provides hot meals, transportation to doctors' offices, house-cleaning help, and other services to disabled and low-income older persons. These are exactly the kinds of services that older persons need to remain independent and out of nursing homes. In fact, the American Association of Retired Persons [AARP] estimates that about 24 percent of older residents in low-income housing, more than 165,000 persons, have problems performing routine daily functions such as preparing meals and bathing. Often—much too often—being unable to perform these tasks is the reason older persons are uprooted and moved into nursing homes.

Despite these facts, the CHSP has been funded at a level to accommodate only 60 of the Nation's 6,500 federally subsidized housing projects. The appropriations measure before us, however, recommends an fiscal year 1989 appropriation target for CHSP of $7 million, up from $4.2 million for fiscal year 1988. Considering the cost effectiveness of the program, I have argued that we should fund the program at its authorization level of $10 million. Certainly $7 million, enough to establish CHSP programs at 25 to 30 additional sites, will be money well spent.

Two of the current CHSP programs are operating at sites in my own State of Pennsylvania. The directors of these programs have provided me with an overview of the services they now provide and the people they now serve. I commend the program directors, Mr. Gregory Kern of Germantown House and Ms. Grace Whitney of Opportunity Towers, and their dedicated staffs for the obvious commitment they are bringing to their assignments, and I ask unanimous consent that their reports be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HEINZ. Mr. President, this is an important measure before us today. It contains funding recommendations for many worthwhile programs that merit our support. I urge the committee's conferees to hold fast when determining final funding levels for section 202 and for the CHSP programs. We must take this opportunity to expand these programs that are not only cost effective, but essential to enable many of our Nation's older citizens an opportunity to live in their own neighborhoods with dignity.

EXHIBIT 1

THE CONGREGATE HOUSING SERVICES PROGRAM AT OPPORTUNITIES TOWER

INTRODUCTION/BACKGROUND

Our Congregate Housing Service Program (CHSP) began in 1982. The sponsor is Opportunities Industrialization Centers of America (OIC/A) and its subsidiary OIC Community Revitalization, Inc. When

CHSP started, it served the residents of OIE's 202 building, Opportunities Tower I. Tower II opened in October, 1987. The two buildings join on the ground level and residents share the common areas. Together there are two hundred seventy-five apartment units.

The original CHSP for Tower I was given special permission to enroll CHSP participants from both buildings not to exceed a total of 30 participants. At present we have a total of 29 active participants (see attached breakdown of quarterly enrollee characteristics).

Since inception, the project has served over 100 individuals. The services we provide are 2 meals a day, seven days a week, housekeeping, some personal care, coordination of medical transportation, and related services such as limited family counseling. The scope of services are determined and delivered under the oversight of an active, voluntary Professional Advisory Committee (PAC).

The balance of this report provides anecdotal descriptions of the impact of this project on various individuals. It should be noted that every person served has been profoundly helped, and enabled to enjoy their own home. An independent life-style they have enjoyed the psychological benefits of dignity and pride can bring that being cared for by staff that respects those concepts.

SOME CASE STUDIES

Mrs. Lulu B. is presently 99 years old, she is our oldest resident and CHSP participant. Mrs. B disabilities are arthritis and heart disease. She is very fragile; however she is very alert and often will quote scriptures from the Bible and tell stories of her life in the South at the turn of the century. Mrs. B has been on the CHSP since becoming a resident of the Towers in 1982. Mrs. B has very little family support, mainly because she has outlived most of her relatives and never had children of her own. The CHSP's meals and housekeeping services has enabled Mrs. B to remain at the Towers. She is still in relatively good health and spirits, soon to celebrate her 100 birthday August 12th. The Tower's will give Mrs. B a 100th birthday party in her honor.

Mrs. Mary A. is age 84 she has resided at the Tower's since 1982, her disabilities are hypertension, heart disease. Mrs. A receives CHSP's meals and occasionally housekeeping services, she is still able to do light chores which she takes pride in. Mrs. A, has one living relative, a granddaughter who resides outside of the city. Mrs. A has lived in the area all of her adult life after migrating from Poland. Mrs. A and her granddaughter are very thankful for the CHSP's program and the excellent living conditions at Opportunities Tower.

Rosemary N is one of our younger handicapped participants. Her disabilities are Anxol Degeneration, a crippling disease that progresses with age. Rosemary is 49 years old; her diseases developed in her adult life. The CHSP provides meals and housekeeping services. Without CHSP Rosemary could not remain at an independent living facility and would have to return home to her parents. Opportunities Tower is able to provide her with an environment that is protective but enables her to live independently.

Mr. George B died at age 69 one year ago. He had polio all of his life along with hypertension. Although he was wheelchair bound, he was able to live-out his adult life in the independent way that he always wanted. With the aid of the CHSP services, Mr. B was able to maintain an apartment unit. It was the first time Mr. B had ever lived alone. He had a very supportive family which encouraged him to be as independent as possible. Mr. B expressed also desire to learn how to drive a car, and take a trip alone "downtown." We often joked that he operated his wheelchair like a car. Mr. B's family was so appreciative of the care he received while he was a resident and CHSP participant, they donated a cherry tree to the building. The tree had been planted on the grounds at the main entrance.

Mrs. Alice F. was admitted into the CHSP program in 1983. Mrs. F. was discharged from the hospital after a operation to relieve pressure on a nerve; Mrs. F. had a tumor behind her eye socket. Mrs. F. was unable to cook for herself or do any household chores. Before the operation, Mrs. F. was able to prepare her meals and perform basic housekeeping tasks. Mrs. F. was a CHSP participant for four months. Today, five years later, Mrs. F. is still a Tower resident, who is very active in the Tenants Council. Her short term illness immediately required supportive in-home service. Without the CHSP at the site she would have required nursing home placement. Mrs. F. has often expressed her appreciation of the CHSP, stating, "I may have to get on the program again".

SUMMARY/COST EFFECTIVENESS

At the Opportunities Towers, the CHSP has been a literal life saver for many of its participants. Beyond the human value to the individual, however, this program has provided to the federal government that supports it a more than 100% return on each dollar invested. It costs us approximately $10,400 per year in CHSP and Section 8 subsidies to maintain our participants in the program. In Pennsylvania, it costs on average $22,000 to $25,000 for nursing home care for the same very low income person.

There is no doubt of the need for this program. In the other 202 housing that we have sponsored, we have the disheartening task, on a far too frequent basis, of notifying a family or local aging service, or health service that a tenant can no longer live independently—that we do not have the ability to care for the small needs that would avert their premature, unnecessary institutionalization. National expansion to all elderly facilities, as an automatic provision of the Section 202/8 Housing for the Elderly Program, should be mandated.

This problem will not go away. Life expectancy is increasing; the reliance of the poor elderly population for this care is growing and will continue to grow. Intermediate, home based care, whether in concert with housing delivery systems or through more traditional service agencies is the only cost beneficial approach. Our bias and strong recommendation is that the program, where federal elderly housing funds are involved, be linked to housing administration and managed by the Federal Housing Administration. In this way it is coordinated with and accountable to those with overall responsibility for the facility, and assures that site administrators can coordinate their identification of need and knowledge of their tenants with the immediate availability of services and ongoing oversight of overall tenant progress. Creating an on-site team approach to housing management/CHSP services is crucial for efficient communication and effective program delivery.

THE CONGREGATE HOUSING SERVICES PROGRAM AT GERMANTOWN HOUSE, PHILADELPHIA, PA, JUNE 1988

The Philadelphia Housing Authority, was one of the initial CHSP recipients and has been providing services since March of 1980.

In light of the population projections, we believe wholeheartedly in the need for additional programs like CHSP through our developments. With the rise of the elderly population to 20% of the population, we must be able to anticipate the future demands both for low cost housing and long-term care services.

The cost of the institutional care is already placing a financial burden in the Government Resources. The experience of low institutional care by the Western European countries such as Sweden, Netherlands and United Kingdom, that offer group quarters rich in supportive services, should be highly considered. Programs like CHSP, which integrate housing and services at a much lowered cost, will offer the infirm elderly housing tenants and their families a way of addressing their needs in a manner that can be cost-effective and still provide the opportunity for extended independent living.

The population residing in our developments has continued to increase, continued to "age in place" and are becoming increasingly more frail.

The Philadelphia Housing Authority congregate housing services program is located in an eight story high-rise in the northwest section of the city. There are one-hundred and seventy elderly and handicapped tenants residing at Germantown House. The average of the residents is 76.93 years. Eighty-seven (87%) percent are females and thirteen (13%) percent are males. Eighty (80%) percent are blacks and twenty (20%) percent are white. Ninety-five (95%) percent are living alone, with a limited support system.

PHA's program provides two meals per day, seven days per week and homemaking services. For those clients that require personal care the caseworker taps into the Philadelphia Corporation for Aging (PCA) the Area Agency on Aging. PHA is using PCA's assessment as part of the tool for assessing clients needs. On an annual basis, the HRCA Vulnerability Index developed by the Hebrew Rehabilitation Center (HRCA) and used by the HUD Evaluation Team is used for the CHSP population. A review and comparison of this Index has allowed PHA to see that the population we are serving is a highly vulnerable population.

Since 1980, the Authority has provided services to one-hundred and sixty-eight (168) residents. Out of these, thirty-five (35) have been placed in nursing homes; forty-five (45) have died and sixteen (16) have moved in with their families, because they could no longer live alone. The average age of the residents that have received CHSP care is 77.3 years.

PHA believes that its program provides a viable, accessible alternative to nursing home care. The average age of the CHSP clients placed in nursing homes was 85 years. These figures indicate that by assisting clients to remain with supportive services in public housing for up to 72 months, we have been able to free beds for an older population that requires skilled intermediate care.

The Professional Assessment Committee (PAC) has continued to meet for a period of three hours on a monthly basis. They review the assessment, reassessments and follow-up reports made by the caseworker and make a determination for the initial and continued need for services. During 1986-87 contract year the PAC reviewed 144 assessment, reassessment and follow-up visits made by the caseworker.

In 1985, Elaine Anderson of the St. Paul's Housing testified before the House of Representatives, Select Committee on Aging that in her program, the daily cost of a wide-range of subsidies including housing was $12.70 per day versus $40.30 for nursing home care.

During our 1986-87 contract year, using the same formula, PHA was able to provide services at a cost of $12.99 per day versus $35.02 per day for nursing home care.

Therefore, PHA staff wants to stress the need for continued support for the CHSP program. Whether the funds for this program flows from DHUD or DHHS is not critical. What is important is that Public Housing Authorities are an important link within the long-term care system and because of this linkage PHA's should continue to receive funds to better address the long-term care issues in their developments.

VETERANS' ADMINISTRATION FUNDING

Mr. CRANSTON. Mr. President, as chairman of the Committee on Veterans' Affairs, I would like to comment on various aspects of the funding for Veterans' Administration programs under the pending measure, the fiscal year 1989 HUD-independent agencies appropriations bill (H.R. 4800). In many areas the pending measure would provide adequate funds for crucial veterans' programs, but in certain respects it falls short of the levels of funding I would like to see enacted.

At the outset, I would like to recognize the tremendous efforts and support of the Senator from Wisconsin [Mr. PROXMIRE] and the subcommittee staff to provide fair and adequate funding for veterans' programs. I wrote to Senator PROXMIRE on June 7, 1988, to urge his support for fair and adequate funding for veterans' programs, and stressed four key areas—staffing under the VA's medical care and general operating expenses accounts, and funding for the program of community-based care for homeless and certain other chronically mentally ill veterans and for the Veterans' Job Training Act Program. I believe that he did the best that could be done for veterans under the constraints of a clearly inadequate allocation to his subcommittee under section 302(b) of the Budget Act—which was $1.06 billion in budget authority and $477 million in outlays below the amounts assumed in the Senate-passed budget resolution. I am especially pleased that the Senate Appropriations Committee was able, as was the House committee, to add funding to maintain the current medical care account staffing level of 194,140 FTEE's.

Mr. President, I hope that the distinguished chairman of the Appropriations Subcommittee and the other Senate conferees will be successful, in conference negotiations with the House, in sustaining the Senate positions with respect to funding for the Department of Veterans' Benefits, the chronically mentally ill homeless treatment program, and certain other key areas where the Senate measure provides the appropriate funding level, while coming as close as possible to adopting the House level for the medical care account, which is essential to enable the VA to provide effective health care for our veterans.

SECTION 302(B) SUBCOMMITTEE ALLOCATION

Before I discuss a number of aspects of the committee-reported levels for VA programs, I want to note my keen disappointment that the Appropriations Committee's allocation to the HUD-Independent Agencies Subcommittee was so inadequate. I twice wrote each member of the full Appropriations Committee to urge a fair allocation for that subcommitee. Yet the allocation was increased only marginally from the level initially proposed. I will insert the text of my two letters in the RECORD at the conclusion of my remarks.

HEALTH CARE FACILITY STAFFING

Mr. President, certain provisions of the House-passed version of this measure and language included in the House Appropriations Committee's report on the bill (H. Rept. No. 100-701) cause me concern; that is, limitations on the numbers of health-care support personnel and a direction to limit the VA facilities to which nurses and physical therapists are assigned for their scholarship service obligation to the 50 percent of VA facilities with the most serious recruitment and retention problems.

ADMINISTRATIVE AND ENGINEERING STAFFING LIMITATIONS

The House-passed bill would limit the number of administrative support staff under the medical care account to 37,900, and the House committee's report would direct the VA to limit the number of engineering support staff under that account to 26,700. The House committee—on page 56 of its report—stated that the limitation on the number of administrative staff was included in the bill because the increase in nondirect patient care staffing had been more than proportional to the overall increases in personnel over the past 6 years, thus resulting in a decrease in direct patient-care staff. In my view, the House committee's action does not give adequate recognition to the role support personnel play in the provision of services incident to the provision of an appropriate quality of direct patient care. For example, employees designated as administrative support personnel include ward secretaries who relieve nurses of the task of transcribing physician orders, scheduling patient tests and treatments, and answering the patient-call intercom to ascertain patient-needs; admissions clerks who gather information from patients awaiting entry into a VA hospital and determine bed availability, ensuring that veterans are assigned to beds as quickly as possible; and medical records librarians who have the responsibility of maintaining patient history and treatment files and locating these records for members of the health-care team when the patient returns for treatment. Engineering support staff, such as biomedical engineers and building maintenance personnel, also have a direct impact on patient-care services. Biomedical engineers and technicians have the responsibility for ensuring that computers and other pieces of high-technology equipment—which are increasingly used in the diagnosis and care of veterans—are in good working order, and building maintenance personnel focus on the upkeep of the physical plant, providing a safe environment and preventing or delaying the need for costly construction of new facilities.

Mr. President, not only does employing a sufficient cadre of support personnel have an impact on the guality of care provided, but the recruitment and retention of scarce health-care professionals is greatly affected by the availability of support personnel. Nursing leaders, for example, have called for an increase in the numbers of support staff within hospitals. On September 3, 1987, Sigma Theta Tau, an international honor society of nurses, issued several recommendations to counter the current nursing shortage; one of their recommendations called for "providing appropriate support services including clerical, technical and environmental assistance." On May 5, 1988, 33 nursing organizations issued a strategy document to resolve the nursing shortage. This group included among its short-term strategies actions to "Expand utilization and employment of ancillary personnel responsibile to nurses to assist in the clinical and nonclinical support tasks essential to nursing care." On several occasions, representatives of the Nurses Association of the Veterans' Administration [NOVA] have testified before our committee on the need for such support. Most recently at our June 16 hearing the NOVA witness stated,

> VA nurses say give us improved and consistent support services and as nurses we will care for the patients.

A letter I recently received from a concerned VA medical center director summarizes the problem well, as follows:

> To compensate for the loss of employees in these [administrative and engineering] services, employees have been required to "double up" on some tasks and work an excessive amount of overtime and holidays * * *. Management has helped to alleviate the situation through innovative management of manpower resources and reducing services where possible. However, manpower

> has been stretched as thin as possible in some areas. This situation can be handled on a temporary basis, but not on a permanent basis * * *. Consequently, employee morale is down and absenteeism is up.

An adequate supply of support employees is an essential ingredient of furnishing an appropriate quality of care. Hence, I urge the Senate Appropriations Committee not to accept the House provision or report language limiting the numbers of these support workers.

PLACEMENT OF SCHOLARSHIP RECIPIENTS

The House Appropriations Committee, on page 58 of its report, also directed the VA to "reduce the number of facilities to which nursing and physical therapy scholarship recipients are assigned for their service obligation to the 50 percent of facilities with the most serious recruitment and retention problems." At first glance this appears to be a reasonable approach that could provide some short-term relief to current VA problems at some facilities. However, it also could hinder the development of an effective response to the longer term needs of VA facilities.

Mr. President, the shortage of nurses and other health-care professionals within some VA facilities is acute. Beds have been closed and services have been reduced as a direct result of these staffing shortages. According to the VA, there are approximately 260 nursing scholarships and 40 physical therapy scholarships available. Placement of such a large number of health-care professionals within the hospitals designated by the House committee could be of great assistance. If it was anticipated that this problem were going to last only a short time, I would applaud the action taken by the House committee. However, enrollments in educational programs leading to degrees in various health-care professions are decreasing, and it must be assumed that the shortage of personnel will not be alleviated in the short term.

In the longer term, I believe the House committee's directive has the potential for creating additional shortages in locations not yet hard hit and could lead to a decrease in the retention of personnel. Although the shortage has not yet seriously affected all VAMC's, it is expected to involve most. From a system perspective, it might be better to contain the more serious problems to a few areas, if possible, rather than allowing the shortage to become entrenched in all. Therefore, if VA Central Office foresees the worsening of a situation which might be prevented in a key facility by placement of scholarship recipients, that flexibility should be available rather than placing them only in facilities already experiencing the problem.

Perhaps as important is the effect that the House committee's approach might have on the retention of VA employees who are nursing scholarship recipients, for whom this program has been very successful under current law and existing practices. Section 4316 of title 38, as recently amended by Public Law 100-322, states that the period of obligated service will occur "in an assignment or location determined by the Administrator." The VA's Health Professional Scholarship Program Applicant Information Bulletin states very clearly that the location of the obligated service rests with the Administrator. I am aware of no evidence that scholarship recipients are not being placed in VA facilities having a need and, in fact, the Senate Veterans' Affairs Committee staff has been advised by VA staff, that in a recent survey of VA facilities to determine placement possibilities, only two responded that they had no needs. Additionally, when selecting scholarship recipients, VA staff are alert to those who appear unwilling or unable to relocate and, if this is found to be the case, these candidates are eliminated from consideration.

Mr. President, the VA scholarship bulletin also states that "an attempt will be made to match preferences with VA needs." In practice this is implemented by asking students close to graduation to state their first three choices for employment, and these preferences are than matched to VA needs. According to the VA, out of 434 nurses who have enrolled in the scholarship program, 329—73 percent—remained with the VA upon completion of their obligations. This figure is inordinately high when compared to other like programs and proves the success of this one. If many of these 329 nurses left because they felt their needs and preferences were not being taken into consideration, the VA would be in more dire straits than it is today and, indeed, the program would become a very expensive method of recruitment. Studies have shown that when employees feel they are permitted to have an input into the decision-making process they are more apt to remain with an organization than if they feel otherwise. What could be more important in this respect than the decision about where one will be spending 2 years of one's life?

For the reasons I have just expressed, I strongly urge the Senate Appropriations Committee not to accept in its current form the House committee language in conference.

SPECIAL PAY RATES

In contrast, Mr. President, I congratulate the House committee for its add-on to the medical care account for, as noted on page 56 of the House committee report, $45 million for special pay rates for nurses and other scarce health-care specialties. The Senate add-on is only $20 million for this purpose. According to the VA, in the approximately 12-month period between mid-February 1987 and March 1, 1988, the number of DM&S employees authorized for special salary rates rose from an estimated 9,700 to 19,500. This figure includes approximately 13,000 registered nurses, up from 6,500; 2,500 licensed practical nurses, up from 570; and 1,700 pharmacists, up from 1,000. The total cost of these special rate authorizations is approximately $81 million. If this funding is not available from VA Central Office, the cost must be absorbed by the facility paying the special rate.

It is my understanding that in some VA facilities the number and amount of special pay rates required are so great that funds for this purpose have had to be diverted from funds earmarked for equipment and funds set aside for maintenance and repair projects and that these sub-accounts are now depleted. Although a facility might get by doing this once without affecting the quality of care or the integrity of the environment within which care is provided, it cannot occur repeatedly. On the other hand, an appropriate quality of health care cannot be provided without adequate numbers of well-qualified staff. In today's health-care environment where the competition for health-care professionals is keen, the VA must remain competitive in the area of salary and benefits. Directors of VA facilities are being pulled between these two priorities, and the loser will be our Nation's veterans.

The additional $25 million for payment of special salary rates by which the House bill exceeds the bill reported in the Senate is sorely needed. I encourage my good friend, Senator PROXMIRE, and other members of the Senate HUD-Independent Agencies Appropriations conference committee to accept this House provision in conference.

TUITION REIMBURSEMENT

Mr. President, I also want to express my pleasure with both the House's and Senate's inclusion in the medical care account of ar add-on of $5 million for tuition reimbursement. On May 12, 1987, I introduced the Veterans' Administration Health-Care Personnel Act of 1987, which included a provision for tuition reimbursement to VA health-care professionals. This provision was incorporated by the Veterans' Affairs Committee in S. 9 as reported and was passed by the Senate on December 4 as part of a substitute text for a House-passed measure, H.R. 2616. The Senate agreed to the conference report on H.R. 2616/S. 9 on April 28 which amended the original provision so as to provide for tuition reimbursement to employees seeking a nursing degree. The President signed this measure into law on May 20, 1988.

I believe this program will be instrumental in recruiting and retaining registered nurses for our VA facilities and will go a long way in assisting the agency in the furnishing of quality care to our Nation's veterans.

FEDERAL CIVILIAN PAY INCREASE COSTS

Mr. President, the House bill also included an additional $42.4 million in the medical care account to fund fully, with respect to those employed under this account, an anticipated 2-percent Federal civilian pay increase in January 1989 rather than expect the VA to absorb one-half of the proposed increase as the administration's request calls for. As noted by the House committee on page 56 of its report on this measure, providing full funding in this bill is important in order to "ensure that hospital staffing will not be reduced at the beginning of the fiscal year"—as the Office of Management and Budget has required in past years based on its assumption that funding for a substantial part of the costs of the pay raise would not be requested or appropriated.

If full funding for the pay-raise costs is not provided or assured when this measure is enacted, VA health-care facilities may be forced to consider reducing their employment levels to levels less than those intended by the Congress or to divert funding intended for other important purposes, such as equipment purchases or facility maintenance and repairs, to fund the pay-raise costs. As I have noted earlier, such diversion has previously occurred to fund special salary rates and other personnel costs, and further neglect of the nonpersonnel needs of VA health-care facilities could seriously jeopardize their ability to furnish an appropriate quality of care.

Mr. President, I also strongly urge the Senate conferees to do all they can to accept the House position on this issue.

AIDS

Mr. President, the House-passed appropriations bill would provide an add-on in the medical care account of $27 VA million and 350 FTEE's for the 25 VA medical centers treating the largest numbers of AIDS patients.

I would like to note specifically the importance of including additional funding to cover the cost of treating patients with AIDS. The VA has provided care and treatment to more than 4,500 veterans since the epidemic began—about 6 percent of the total number of Americans with AIDS. In fiscal year 1987, the VA treated 1,927 veterans with AIDS, and the VA estimates that it will be providing care to 2,400 new veteran-patients with AIDS in fiscal year 1988 and 2,800 in fiscal year 1989.

Mr. President, nine VA medical centers, located in California, New York, New Jersey, Florida, Texas, and Puerto Rico, provide care to 50 percent of the VA's total AIDS caseload. The vast majority of veterans with AIDS are concentrated in only 25 VA medical centers.

Because of this uneven distribution and deficiencies in the VA's resource allocation methodology [RAM], VA medical centers with the heaviest AIDS workloads are under tremendous financial strains. Although it costs the VA about $25,000 a year to provide care to an AIDS patient, the average reimbursement for AIDS to a VA medical center under the RAM is between $4,000 and $5,000. I have been pressing the VA over the last 2 years to revise its reimbursement system to reflect more accurately the true costs of AIDS. In the interim, I have been urging the VA to provide special funding for those VA medical centers most in distress. For fiscal year 1988, the VA has allocated $10 million for that purpose.

The Senate committee reported bill does not include any funding specifically for treatment of AIDS patients. Yet, the number of veterans with AIDS will continue to grow and the VA must have the capacity to meet their needs. Additional funding is essential for that effort, and I thus strongly urge the Senate conferees to work toward the funding level included in the House-passed bill for this category of care.

READJUSTMENT COUNSELING

Mr. President, in my June 7 letter, I sought Senator PROXMIRE's support for adequate funding for certain crucial veterans' programs and services, including the VA's Readjustment Counseling Program for Vietnam-era veterans, also known as the Vet Center Program. The administration had proposed a reduction of $4.7 million and 79 FTEE's in this program, premised on its projection of a decreased demand for readjustment counseling services that has no basis in fact and is contradicted by data showing an increasing demand in recent years. I would like to thank Senator PROXMIRE and the other Appropriations Committee members for rejecting the administration's proposed reduction for this program, which the House also rejected.

COMMUNITY-BASED RESIDENTIAL TREATMENT FOR HOMELESS VETERANS WITH CHRONIC MENTAL ILLNESS DISABILITIES

Mr. President, I am delighted that the committee indicated expressly, both in the bill and in the committee's report as I had urged in my June 7 letter, that the VA is to maintain in fiscal year 1989 the current-services level of $13,252,000 for the agency's Community-based Residential Treatment Program for homeless veterans suffering from chronic mental illness disabilities. This program was originally begun in fiscal year 1987 pursuant to authority provided in Public Law 100-6 and most recently was reauthorized as a pilot program by section 115 of Public Law 100-322, enacted on May 20, 1988.

As I indicated in my June 7 letter to Senator PROXMIRE, the authorization level of only $6 million in Public Law 100-322 was a compromise level reached with our colleagues on the House Veterans' Affairs Committee in response to their concerns about expenditures for new programs coming out of the base amount for the VA health-care system. Although I understand this concern, I believe that it would be a serious mistake to cut back on the level of services that the VA has been providing to homeless, chronically mentally ill veterans and, therefore, deeply appreciate Senator PROXMIRE's efforts in seeing to it that the Appropriations Committee included in the bill as reported an express provision specifying that $13,252,000 of the funds provided to the VA's medical care account are set aside for this program in order to maintain the current level of operations in the coming year.

POSTTRAUMATIC STRESS DISORDER

Mr. President, I have long been very concerned about the VA's overall effort to meet the needs of veterans—most especially Vietnam veterans and, among them, those who served in combat—who experience significant psychological problems related to their military service. In that regard, I am very pleased that, as I had urged, the committee has included in the bill $5 million for fiscal year 1989 to be used by the agency to enchance its activity in this area.

The Centers for Disease Control, in the recently released Vietnam experience study, found that 14.7 percent of the CDC-estimated 2.7 million veterans who served in Vietnam have experienced combat-related post traumatic stress disorder [PTSD] at some time since their service and that 2.2 percent of the veterans in the study had this disorder during the month before their examinations—in 1986-87. These findings are borne out by preliminary data from the extensive PTSD study that Congress mandated the VA to carry out 4 years ago and which is being conducted by Research Triangle Institute [RTI]. Our committee will be receiving from RTI at our July 14 oversight hearing on PTSD matters RTI's findings about the incidence of PTSD among Vietnam veterans.

The VA presently has 13 inpatient PTSD units which, together with other VA facilities, provided care in fiscal year 1986—the last year for which such data are available—to over 13,500 veterans diagnosed with this disorder. The VA also provides substantial assistance to veterans with PTSD through the Vet Center Program. The findings on PTSD from the CDC and RTI studies above highlight this area as one demanding still further and special attention. Among other actions, the VA needs to support more research into the disorder, a priority recognized for service-related conditions by Congress earlier this year in the legislation that was enacted as Public Law 100-322; to perfect treatment methods; and to ensure better coordination and cooperation between its Department of Medicine and Surgery and its Department of Veterans Benefits relating to PTSD.

With further reference to the overall issue of PTSD, our committee on June 29 ordered reported as section 601 of S. 2011 a provision I proposed to require the VA to furnish inpatient and outpatient mental health services to Vietnam veterans diagnosed as suffering from PTSD related to service in Vietnam. The $5 million added by the committee for PTSD treatment fits exactly with the authorizing committee's priorities in this area.

Consistent with the view expressed by the Appropriations Committee on page 88 of its report (S. Rept. No. 100-401) regarding the use of the funds and our committee's proposed new PTSD mandate to the VA, I urge that the VA use the additional $5 million to enhance ongoing PTSD-treatment efforts, either by increasing resources for the 13 existing special in-patient PTSD treatment programs, by supporting the establishment of new such programs, or by enabling VA medical centers without special in-patient PTSD units to establish PTSD treatment teams for inpatient or outpatient PTSD care.

CONSTRUCTION

Mr. President, I am also very pleased that the Senate committee's report on this bill—on page 92—directs that $3 million of the $19.6 million appropriated for the advance planning fund "be allocated to begin advance planning work and required environmental impact studies associated with constructing a new VA medical center in Hawaii." I offer my congratulations and appreciation to Chairman STENNIS and Subcommittee Chairman PROXMIRE for their leadership on this issue and also to Appropriations Committee member Senator INOUYE and Senator MATSUNAGA of our committee for their efforts and advocacy toward meeting the health-care needs of Hawaii's veterans.

Our committee's resolutions of approval of VA major medical facility construction projects—under section 5004(a) of title 38, United States Code—for both fiscal year 1988 and fiscal year 1989 approved $21.8 million for site acquisition for a new Hawaii VA center and nursing home care unit and $6 million to develop preliminary plans for these facilities. We approved this project in the resolution based on recommendations made in a comprehensive study by the VA's Hawaii Veterans' Health Care Task Force, which were endorsed by the VA's Chief Medical Director on February 11, 1988.

VETERANS' JOB TRAINING ACT

Mr. President, I regret that the measure reported by the Senate Appropriations Committee, like the House-passed measure, did not include any fiscal year 1989 funding for the Veterans' Job Training Act [VJTA]. This excellent program has provided more than 61,000 Vietnam-era and Korean-conflict veterans with the chance to gain the skills and on-the-job experience needed to help them break away from sustained unemployment.

Section 11(c) of the Veterans' Employment, Training, and Counseling Amendments of 1988 (Public Law 100-323), enacted on May 20, 1988, which I am proud to have authored, authorizes appropriations of $60 million for each of fiscal years 1988 and 1989 and provides for the availability of funds through the end of fiscal year 1991. However, as I noted in my June 7 letter, the program likely could operate successfully in fiscal year 1989 with a funding level of $30 million, which could provide quality training to approximately 10,000 unemployed veterans.

I believe the kind of help which the VJTA Program provides continues to be needed. According to the Bureau of Labor Statistics, as of March 31, 1988, more than 623,000 veterans of the Korean conflict or Vietnam era were unemployed and nearly 26 percent of all workers whose jobs are displaced by foreign competition are veterans while veterans make up only 13 percent of the work force.

I remain hopeful that a means can be found to keep this program operational when current funding is exhausted later this year.

STAFFING UNDER THE GENERAL OPERATING EXPENSES ACCOUNT

Mr. President, as I noted earlier, Senator PROXMIRE and the other Appropriations Committee members have done particularly good work in their funding recommendations for the Department of Veterans' Benefits [DVB], an area I had stressed in my June 7 letter. The measure now before us, like the House-passed bill, would add $17.5 million and 590 FTEE's to the budget request—which proposed to cut these amounts from current levels—to maintain the fiscal year 1988 FTEE level for DVB.

The DVB has had to absorb staffing cuts averaging 500 FTEE's per year since fiscal year 1980, and the result has been a serious decline in the VA's ability to provide benefits on a timely and effective basis. Thus, for example, the VA is now meeting only 4 of its 28 timeliness standards for compensation and pension claims. Only 29 percent of service-connected disability compensation claims are processed within 90 days of application, down from 36 percent in March 1986. Only 72 percent of such claims are processed within 6 months, down from 79 percent in March 1986. Five regional offices take in excess of 138 days just to initiate evaluations of service-connected disabled veterans' chapter 31 vocational rehabilitation benefits. These are but a few examples of less than adequate service to veterans in claims processing.

In the Home Loan Guaranty Program, inadequate staffing levels appear to have contributed substantially to the tremendous increase in program costs, since there has been insufficient staff to provide adequate financial counseling to veterans when they go into default on VA-guaranteed loans. This lack of counseling has contributed to a decrease from 85.4 percent to 77.1 percent, from fiscal year 1983 to fiscal year 1987, in the number of loans in default which were cured rather than foreclosed. The inability promptly to process bids on VA-acquired foreclosed properties has caused sales of such properties to fall through, resulting in the VA having to pay the often substantial costs of holding such properties. The VA also has lacked sufficient staff to market foreclosed properties aggressively—a factor which has doubtless contributed to a VA inventory as of March 31, 1988, of 3,685 foreclosed properties which had been held for more than 12 months.

Additionally, the Senate committee's bill would reject the House's deletion of $6.6 million for general administration, a position which I strongly urge the Senate conferees to adhere to in conference.

Another GOE area of great concern is staffing for the Office of General Counsel [OGC], and I thank Senator PROXMIRE for agreeing to my proposal to include in the bill $360,000 for 9 FTEE's to maintain the fiscal year 1988 staffing level for the OGC. Despite workload increases of 7 to 9 percent per year over the past 5 years in the OGC, its staffing has actually decreased, from 697 FTEE's in fiscal year 1985 to 693 FTEE's in fiscal year 1988, and the administration's fiscal year 1989 budget request would have reduced that amount even further—to 684 FTEE's.

In the executive branch budget process, the VA proposed to OMB that OGC be provided with 45 additional FTEE's, but OMB responded with an OGC cut of 8 FTEE's. Concurrently, the VA's Department of Medicine and Surgery has requested that an increased number of attorneys be "outstationed" in the larger VA hospitals to provide more immediate and efficient provision of legal services needed in VA medical facilities. Although this appears to be an appropriate and, in the long term, cost-effective use of personnel, the OGC simply does not have sufficient FTEE's available to provide the staffing needed for outstationing.

I therefore urge that the Senate conferees maintain the funding for these nine FTEE's in conference.

CONCLUSION

Although in these times of budget austerity we must focus on making fiscally responsible funding decisions, it also is essential that we ensure that our veterans—who have already been asked to sacrifice so much for our Nation—are not required to shoulder a disproportionate share of the sacrifices needed to meet budget deficit targets. The passage of this measure and adoption of appropriate and equitable funding levels in conference will help ensure that our veterans are treated fairly.

Mr. President, I ask unanimous consent that the texts of my June 7 letter to Senator PROXMIRE and my April 25 and May 10 letters to the members of the Appropriations Committee be printed in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC, June 7, 1988.

Hon. WILLIAM PROXMIRE,
Chairman, Subcommittee on HUD-Independent Agencies, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR BILL: I am writing, as Chairman of the Veterans' Affairs Committee, to urge that your Subcommittee support adequate FY 1989 funding levels for the Veterans' Administration.

Although the Appropriations Committee on May 13 agreed to Senator DeConcini's amendment to add $200 million in budget authority to the proposed allocation, under section 302(b) of the Budget Act, to your Subcommittee of funding expected to be available under the FY 1989 Budget Resolution, the allocation as so increased and adopted by the full Committee is still $1.06 billion in BA and $477 million in outlays below the amounts assumed in the Senate-passed resolution. I therefore am greatly concerned that, in the division of funds within the Subcommittee, the VA receive sufficient funding to allow it effectively to provide services and benefits to our Nation's veterans.

The Veterans' Affairs Committee, in our March 25, 1988, report on our FY 1989 budget views and estimates (copy enclosed), unanimously recommended FY 1989 funding levels of $29.230 billion in BA and $28.656 billion in outlays for VA programs, which were only $156 million and $132 million, respectively, more than the CBO baseline levels. Our recommendations are for essentially a current services budget that provides for the activation of newly-constructed medical facilities scheduled to come on line in FY 1989 and for selected, forward-looking initiatives, including funding for implementaton of provisions enacted on May 20, 1988, in Public Law 100-322 to help the VA overcome difficulties in the recruitment and retention of health-care personnel, for alternatives to institutional care, for improvements in health-care quality-assurance programs, and for AIDS and drug abuse treatment and research efforts.

In urging your careful consideration of our Committee's views, I would like to emphasize our specific areas of concern—staffing under the VA's medical care and general operating expenses accounts, and funding for the program of community-based care for homeless and certain other chronically-mentally-ill veterans and the Veterans' Job Training Act program.

HEALTH-CARE FACILITY STAFFING

The FY 1988 appropriations for the VA's medical care account maintained the FY 1987 staffing level (194,140 FTEEs), but required that approximately 2,000 FTEEs for the staffing of newly-activated facilities be derived from staffing reductions at existing facilities. This absorption of about 2,000 FTEEs for new activations has been required for each of the last 4 fiscal years. Another 1,882 FTEEs are estimated to be needed for new activations for FY 1989. Requiring existing VA facilities once again to absorb these new FTEEs could seriously threaten the VA's ability to provide quality healthcare to our veterans.

VA staff-to-patient ratios already are well below comparable ratios in community facilities, and I see no basis for believing that reducing these ratios in VA facilities can be accomplished without an adverse impact on the care furnished for veteran-patients. Moreover, it is not just the number of patients that determines the number of staff needed, but the amount of care which they need as well. The aging of the veteran population and the growing numbers of patients suffering from AIDS—the VA treats approximately 6-7 percent of all U.S. AIDS patients and will treat approximately 2,800 new AIDS patients in FY 1989—require more intensive care and thus increased, not decreased, staffing ratios. At a minimum, therefore, funding sufficient to maintain staffing at the level for which funds were appropriated in FY 1988 is essential to enable the VA to maintain the current level of care.

Staffing in the VA health-care system has been under a serious strain in the past year, and the VA is having a difficult time responding to the competitive tactics of non-Federal facilities. There are significant shortages of nurses, pharmacists, physical and occupational therapists, and other specialized health-care professionals. Beds have been closed and services have been reduced as a direct result of these staffing shortages. To give the VA some of the tools it needs to compete effectively with the private sector for the services of health-care professionals, Congress enacted in sections 211, 212, 214 and 216 of Public Law 100-322 (copies of the conference report and CBO's cost estimate are enclosed) new authorities to enhance salaries and benefits for personnel in areas where the VA is experiencing shortages.

According to the Administration, these provisions could cost up to $66 million. It is important for this funding to be provided in order to make it possible for the new authorities to be utilized without a reduction in funding available for other essential costs of furnishing care.

There is one other area involving the medical care appropriation that I want to bring to your attention. The President's budget proposed a reduction of $4.7 million and 79 FTEEs in the VA's Readjustment Counseling Program (RCP) for Vietnam-era veterans. From our Committee's hearing and related activity, it has become clear that this reduction was premised on a decrease that the Administration assumed in the demand for readjustment counseling services. No such decrease has occurred and there is no factual basis for believing that it is likely to occur in the next year. I therefore urge that you reject this proposed reduction and that your Committee's report expressly indicate that the RCP is to receive full funding in FY 1989.

COMMUNITY-BASED CARE FOR HOMELESS AND CERTAIN OTHER CHRONICALLY MENTALLY ILL VETERANS

I also seek your support for FY 1989 funding for the pilot program established by section 115 of Public Law 100-322 to provide community-based care and treatment and rehabilitative services to certain homeless and other veterans suffering from chronic mental illness (CMI) disabilities. The VA projects a need for $12.9 million in FY 1989 to continue to provide such CMI services at the FY 1988 level. The early reports on a predecessor program which currently is ongoing—and which the pilot program replaces—have been very encouraging (a copy of a recent article on the program's accomplishments is enclosed), and I urge your help for ensuring that we can continue to assist homeless, mentally-ill veterans.

Although the pilot program as included in the new law reflects an authorization of only $6 million, this figure was included at the insistence of the House conferees because of their concerns about expenditures for new programs coming out of the base amount for the VA health-care system without the concomitant appropriation of new funds. Although that concern is not groundless, I believe this program is an important one and, inasmuch as the VA continues to project a need for $12.9 million in FY 1989 to continue the current level of necessary services to homeless, chronically mentally ill veterans, I urge you to support that amount in full rather than require a cutback in such badly-needed services.

Also, since section 115(f)(3) of Public Law 100-322 provides that in FY 1989 only funds specially appropriated for the program may be obligated, I ask that report language expressly specify the amount included in the medical care account for this program (which I urge be $12.9 million).

STAFFING UNDER THE GENERAL OPERATING EXPENSES ACCOUNT

The Department of Veterans' Benefits (DVB) has had to absorb staffing cuts averaging 500 FTEEs per year since FY 1980, and the result has been a serious decline in the VA's ability to provide benefits on a timely and effective basis. Thus, for example, the VA is meeting only 4 of its 28 timeliness standards for compensation and pension claims. Only 29 percent of service-connected disability compensation claims are processed within 90 days of application, down from 36 percent in March 1986. Only 72 percent of such claims are processed within 6 months, down from 79 percent in March 1986. Five regional offices take in excess of 138 days just to initiate evaluations of service-connected disabled veterans' chapter 31 vocational rehabilitation benefits. These are but a few examples of less than adequate service to veterans in claims processing.

In the home loan guaranty program, inadequate staffing levels appear to have contributed substantially to the tremendous increase in program costs, since there has been insufficient staff to provide adequate financial counseling to veterans when they go into default on VA-guaranteed loans.

This lack of counseling has contributed to a decrease from 85.4 percent to 77.1 percent, from FY 1983 to FY 1987, in the number of loans in default which were cured rather than foreclosed. The inability to process promptly bids on VA-acquired foreclosed properties has caused sales of such properties to fall through, resulting in the VA having to pay the often substantial costs of holding such properties. The VA also has lacked sufficient staff to market foreclosed properties aggressively, resulting in a VA inventory as of March 31, 1988, of 3,685 foreclosed properties which had been held for more than 12 months.

Another area of great concern is staffing for the Office of General Counsel (OGC). Despite workload increases which the OGC estimates to have been 7 to 9 percent per year over the past 5 years, staffing has actually decreased, from 697 FTEEs in FY 1985 to 693 FTEEs in FY 1988, and the Administration's FY 1989 budget request would reduce that amount even further—to 684 FTEEs. This year, the VA proposed to OMB that OGC be provided with 45 additional FTEEs but instead received a cut of eight FTEEs. Concurrently, the VA's Department of Medicine and Surgery has requested that an increased number of attorneys be "outstationed" in the larger VA hospitals to provide more immediate and efficient provision of legal services needed in VA medical facilities. Although this appears to be an appropriate and, in the long-term, cost-effective use of personnel, the OGC simply does not have sufficient FTEEs available to provide the staffing needed for outstationing.

I therefore urge that, at a minimum, sufficient funds be provided to maintain in FY 1989 the FY 1988-funded FTEE levels for DVB and OGC.

VETERANS' JOB TRAINING ACT

I also strongly urge FY 1989 appropriations of $30 million for the Veterans' Job Training Act (VJTA) which promotes training and employment opportunities for long-term jobless Vietnam-era and Korean-conflict veterans through a program of cash incentives to employers to help them defray the costs of employing and providing training to these veterans. Section 11(c) of the Veterans' Employment, Training, and Counseling Amendments of 1988 (Public Law 100-323), enacted on May 20, 1988, authorized appropriations of $60 million for each of fiscal years 1988 and 1989 for the VJTA. This excellent program has provided more than 61,000 veterans with the chance to gain the skills and on-the-job experience needed to help them break away from sustained unemployment. A September 1986 VJTA evaluation by an independent consultant found that VJTA produced statistically-significant positive impacts upon the employment rates and the earnings levels of participants in both the training period and in the following year.

This kind of help continues to be needed by those who served in these periods of war. According to the Bureau of Labor Statistics, as of March 31, 1988, more than 623,000 veterans of the Korean conflict or Vietnam era were unemployed and nearly 26 percent of all workers whose jobs are displaced by foreign competition are veterans while veterans make up only 13 percent of the workforce. Unemployment among disabled Vietnam-era veterans—a key target group under VJTA—is estimated by the Bureau of Labor Statistics to be 8.1 percent but is believed actually to be double that rate due to such veterans becoming discouraged and leaving the workforce.

In addition, I believe the VJTA program will become even more successful as a result of modifications enacted in Public Law 100-323 to establish both a nationwide program of case-management services designed to monitor the progress of, and provide assistance to, VJTA trainees throughout their training period as well as local programs of job-readiness skills development and counseling services designed to assist veterans in finding, applying for, and successfully completing programs of job training under VJTA.

Finally, in light of the fact that obligations of VJTA funds in FY 1988 are occurring at a somewhat slower rate than in some previous fiscal years and that the VA anticipates carrying over to FY 1989 about $8 million in FY 1988 funds, I believe that the program could likely operate successfully in FY 1989 with an appropriation level of $30 million.

Bill, I appreciate your tremendous help and support in the past for fair and adequate funding for veterans' programs, and I look forward to your help once more. Although I am sure we all agree that, in these times of budget austerity, we must make fiscally-responsible funding decisions, it is just as necessary that we ensure that the veterans of our country—who have already been asked to sacrifice so much for our Nation—are not required to shoulder a disproportionately greater share of the sacrifices needed to meet budget deficit targets.

With warm regards,

Cordially,

ALAN CRANSTON,
Chairman.

U.S. SENATE,
Washington, DC, April 25, 1988.

Hon. JOHN C. STENNIS,
Chairman, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR JOHN: As the Appropriations Committee begins deliberations on making allocations among its Subcommittees, I am writing in support of the budget priorities reflected in our recently-passed FY 1989 Budget Resolution with respect to the HUD-Independent Agencies and Labor-HHS-Education and Related Agencies Subcommittees. I understand that consideration is being given to proposals which would reduce the allocations to these two subcommittees substantially below the levels assumed in the Budget Resolution.

As Chairman of the Veterans' Affairs Committee and of the Housing and Urban Affairs Subcommittee of the Banking, Housing and Urban Affairs Committee, I am particularly aware of the very serious problems that a reduction in the allocation made to the HUD-Independent Agencies Subcommittee would have on the vital programs which fall within the jurisdiction of that Subcommittee.

Last year, many of these programs were cut well below the levels contemplated in the Senate-passed or Congressionally-approved budget resolution. A repetition of reductions in the allocation to this Subcommittee would be devastating. In addition to jeopardizing our ability to respond appropriately to the housing and urban development needs of our Nation and maintain the current level of veterans' health-care and benefits programs, further cuts would adversely affect the ability of the EPA and NSF to carry out their critical responsibilities and the ability of NASA to pursue its important mission.

Similarly, reductions in the allocations to the Labor-HHS-Education and Related Agencies Subcommittee would undermine our efforts to meet the human services, health, and education and training needs of our Nation, especially our ability to educate our children, fight AIDS, and combat drug and alcohol abuse.

I feel strongly that the national priorities reflected in the programs under the jurisdiction of these two subcommittees are among the very highest that need to be reflected in our budgetary and appropriations decisions, and thus I strongly urge allocations for these two subcommittees along the lines contemplated in the Senate-passed FY 89 Budget Resolution.

Cordially,

ALAN CRANSTON.

U.S. SENATE,
Washington, DC, May 10, 1988.

Hon. DALE BUMPERS,
Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR DALE, enclosed is a copy of a letter I sent to you and each member of the Appropriations Committee two weeks ago expressing my concerns that adequate budget allocations be provided to the HUD-Independent Agencies and the Labor-HHS-Education and Related Agencies Subcommittees.

I understand that the Appropriations Committee is likely to make its subcommittee allocation decisions this week. I would greatly appreciate your giving careful consideration to the issues raised in my letter as you make these decisions.

Cordially,

ALAN CRANSTON.

Mr. CRANSTON. Mr. President, I would like to discuss with my good friend, the distinguished chairman of the Appropriations Subcommittee on HUD-Independent Agencies, Mr. PROXMIRE, certain of the issues I have just outlined with respect to VA appropriations.

At the outset, I want to stress that I know he did the best he could, within the inadequate allocation to his subcommittee, to meet the needs of veterans and their families. I am very appreciative for the many good things provided for in the committee bill, especially regarding salaries in the general operating expenses account, the homeless veterans CMI program, PTSD treatment, and mobile treatment units, among other items.

As noted in my statement, I am deeply concerned about the quality of healthcare the VA provides to our Nation's veterans. Adequate healthcare staffing is one essential ingredient to ensuring quality of care. The healthcare community is currently facing a recruitment and retention crisis of tremendous proportions. Hence, we must ensure that the VA has the tools necessary to compete in this difficult market.

I would like again to express my gratitude to the chairman for his cooperation in retaining in this measure the House-proposed $5 million add-on in the medical care account for the tuition reimbursement program. I believe this program, which was created under legislation I authored that recently was enacted in Public Law 100-322, will be an important tool for the VA to use to recruit and retain registered nurses.

Mr. PROXMIRE. Mr. President, I appreciate the remarks of the able chairman of the Committee on Veterans' Affairs. As he knows, I share fully his concern that the men and women who fought on behalf of this Nation be afforded high quality healthcare. I hope that this new program he has designated and we have funded will indeed help the VA combat its healthcare personnel shortage.

Mr. CRANSTON. Mr. President, another important recruitment and retention tool is special salary rates. Providing special pay rates in areas where healthcare personnel salaries are very competitive helps the VA attract and keep qualified staff.

The House included a $45 million add-on, $20 million more than in the Senate bill, to provide the funding necessary for the payment of special salary rates for the increasing numbers of nurses and other scarce healthcare employees being paid at these rates. If adequate funding is not provided, the VA may have to pay for these much-needed special salary rates by taking away from other, equally important, healthcare accounts.

The House also provided an additional $42.3 million in the medical care account to fund an anticipated 2-percent Federal civilian pay increase in January 1989 for those employed under this account. As I have indicated, this funding would prevent the VA from having to absorb one-half of the increase proposed by the administration. If full funding is not provided, VA healthcare facilities may be forced to consider reducing their employment levels to levels less than intended by the Congress or to divert funding intended for other important purposes that if abandoned could seriously jeopardize the quality of care furnished in VA healthcare facilities.

Mr. President, I strongly urge the distinguished subcommittee chairman and the other Senate conferees to do all they can to accept these House figures.

Mr. PROXMIRE. Mr. President, I very much appreciate and sympathize with the Senator's point of view, and I will do my very best, keeping very much in mind the recommendations of the Veterans' Affairs Committee and its distinguished chairman, in our negotiations with the House.

Mr. CRANSTON. Again, I thank the very able Appropriations Subcommittee chairman.

I would next like to mention the inclusion in the medical care account in the House-passed bill of an add-on of $27 million and 350 FTEE for the 25 VA medical centers treating the largest numbers of AIDS patients. I earlier noted specifically the importance of including additional funding to cover the cost of treating patients with AIDS. In fiscal year 1987 alone, the VA treated 1,927 veterans with AIDS and estimates that it will be providing care to 2,400 new veteran patients with AIDs in fiscal year 1988 and 2,800 in fiscal year 1989. Although it costs the VA about $25,000 a year to provide care to an AIDS patient, the average reimbursement for AIDS to a VA medical center is between $4,000 and $5,000.

The Senate Appropriations Committee was unable this year to include any funding specifically for treatment of AIDS patients. Yet, the number of veterans with AIDS will continue to grow and the VA must have the capacity to meet their needs. Additional funding is essential for that effort, and I thus strongly urge that the Senate conferees work toward the funding level included in the House-passed bill for this category of care.

Mr. PROXMIRE. Again, I appreciate the concerns of my colleague from California. Last year, we were able in the Senate bill to add money for AIDS treatment, and we will do our best again this year in conference to take this concern into account within the allocation to our subcommittee.

Mr. CRANSTON. Mr. President, I thank the Senator from Wisconsin. I would now like to focus for a moment on the language in the House committee report, which I noted earlier, directing the VA to limit the number of healthcare facilities to which scholarship recipients may be assigned to 50 percent of the facilities with the most serious recruitment and retention problems. I believe this approach, which focuses on the short-term problem by providing staff only to facilities already suffering from staffing shortages, does not provide the VA with the flexibility it needs to address the long-term nature of the recruitment and retention problem.

In addition, I note that the House-passed bill would limit the number of VA administrative support staff employed under the medical care account and that the committee report directs the VA to limit the number of engineering support staff. The House committee stated as its reason for these provisions that nondirect patient care staffing has increased disproportionately to other staff over the last 6 years, thus reducing the overall number of direct patient care staff. As I mentioned earlier, I believe the House approach does not adequately recognize the important role support personnel play in providing services that enhance the quality of direct patient care. Employing adequate support staff also improves the VA's ability to recruit and retain these direct patient care staff.

In my view, these two approaches do not respond appropriately to the VA's recruitment and retention problem and staffing needs, and I urge that the Senate conferees not accept them.

Mr. PROXMIRE. Mr. President, I think the chairman of the Veterans' Affairs Committee makes some compelling arguments on these issues, and I plan to raise these same points in conference.

Mr. CRANSTON. Mr. President, I thank the chairman for taking the time to consider these matters and would like again to express my deep appreciation for his close cooperation, and that of his most able chief professional staff member, Tom van der Voort, with the authorizing committee and for the many actions on behalf of our Nation's veterans taken by the Appropriations Subcommittee under his leadership.

REPLACEMENT OF DEMOLISHED PUBLIC HOUSING UNITS

Mr. CRANSTON. Mr. President, I am concerned about language in the appropriations bill, page 6, lines 5 through 9, that reverses an important, hard-won provision of the Housing and Community Development Act of 1987.

The language is inconsistent with congressional policy. In recent years, the Department of Housing and Urban Development has been satisfied with using a housing voucher to replace a public housing unit that is demolished or sold. The Senate and House authorizing committees have strongly opposed this policy, because a low-rent housing unit is a scarce, long-term asset that we will be able to replace only at great cost. A short-term voucher is no reasonable substitute for that asset.

The 1987 Housing Act contained a carefully drawn compromise that would permit the demolition of units that cannot reasonably be saved. The act requires public housing authorities to replace public housing units that are either demolished or sold on a one-for-one basis. The act provides that a PHA can satisfy the replacement requirement either with newly developed public housing, with acquired units, with section 8 moderate rehabilitation units or with 15-year section 8 existing certificates.

The Senate and House authorizing committees specifically considered and rejected allowing 5-year certificates for use as replacement housing. The result was a bipartisan agreement with the administration.

This appropriations bill now proposes to brush aside that agreement and provide 1,000 5-year replacement certificates. That appears to accept a policy of this administration that Congress has considered to be short-sighted and unwise.

I ask the chairman of the Appropriations Subcommittee to describe the intent of this change.

Mr. PROXMIRE. I reassure the chairman of the Housing and Urban Affairs Subcommittee that the decision to fund 5-year certificates was not intended to be a rejection of the principle of one-for-one replacement contained in the 1987 act. The action was taken in response to the realities of the budgetary process.

Put simply, the budget authority needed to fund 15-year certificates is three times as high as that needed to fund 5-year certificates. By proposing to waive the 15-year requirement for fiscal year 1989, the committee sought to fund greater numbers of section 8 certificates that will be used by new recipients. A worthy policy would be temporarily waived in order to achieve higher units of incremental rental assistance.

Mr. CRANSTON. I thank the chairman for his explanation. Budgetary constraints are forcing difficult tradeoffs in every arena.

I understand the desire for gaining the largest number of rental certificates with available budget authority. I believe, however, that the principle of long-term replacement of demolished or sold housing units is especially important now that the supply of housing available and affordable to low-income Americans is declining rapidly.

I note that the House appropriations bill requires that the 1987 act restrictions on replacement housing be satisfied. The requirement might lead to a lower number of replacement certificates being funded and perhaps some delay in the demolition or sale of some units. However, the House provision ensures that replacement of public housing will proceed judiciously. Once those units are gone, they are gone for good.

I urge Senate conferees to accept the House provision, or if HUD estimates that more replacement certificates are needed for fiscal year 1989, to provide for the requisite number of 15-year certificates.

Mr. PROXMIRE. I assure the chairman of the Housing Subcommittee that the Appropriations Committee will give his comments serious consideration in resolving this issue with the House in conference.

TIJUANA SEWAGE DEFENSIVE SYSTEM

Mr. CRANSTON. I would like to ask the manager of the bill about funding for a critical Federal project in California. The project is the Tijuana sewage defensive system.

The House has included $27 million in its version of the fiscal year 1989 HUD and independent agencies appropriation bill for the construction of defensive works to protect San Diego, CA, from Mexican sewage flowing across the border. However, there are no funds for this project in the Senate bill before us.

I am aware that the manager of the bill is reluctant to earmark funds for specific sewage projects and prefers for cities to follow the normal process of applying for grants from their State's share of Federal construction grant funds. However, the Tijuana sewage defensive system is a Federal project. Congress authorized EPA to build the project to address this international pollution problem and public health threat.

Today an average of 8 million gallons of raw sewage flows across the border every day. EPA says the level will reach 34 million gallons a day by 1990 and 100 million gallons soon after the year 2000. This Mexican sewage is polluting the federally protected Tijuana estuary. It is polluting California beaches, forcing their closure to the public.

The Federal Government has a responsibility to protect its citizens from Mexican sewage. Congress has already recognized this Federal responsibility by authorizing the Tijuana project and appropriating $5 million for planning the defensive works. Now an appropriation of $27 million is needed so that EPA can construct and complete the project.

In light of this situation, I would like to ask the floor manager of the bill if he will accept the House funding for this project in conference.

Mr. PROXMIRE. I thank the Senator from California for his comments. I understand the importance of this project and the Federal Government's responsibility to protect its citizens from the Mexican sewage flowing across the border into San Diego. The House, as you know, has included funds for this project in its bill. I assure you I will help in conference with the necessary Federal funding.

THE SAN JOAQUIN VALLEY AIR QUALITY STUDY

Mr. CRANSTON. I wonder if I could engage the manager of the bill in a brief colloquy regarding the fiscal year 1989 HUD appropriations bill and specifically the San Joaquin Valley air quality study.

Mr. PROXMIRE. I would be happy to discuss it with the Senator from California.

Mr. CRANSTON. The San Joaquin Valley air quality study is a project to collect information and certain data in order to address more effectively the ozone pollution problem in the valley. The severity of the air pollution in the San Joaquin Valley poses a serious threat to the health of the residents and is damaging the valley's $8 billion agricultural crop. Although the problem has been recognized for a number of years and controls have been instituted in the area, they have not been as effective as was anticipated.

The problem, as I understand it, is that the agencies involved have been operating on limited information, and because certain essential information is lacking, the area has met with limited success in reducing the ozone levels in the valley.

The study would provide the information needed to make future controls truly effective. By collecting information regarding the ozone transport problem and the chemical makeup and percentage amounts contributed by each source to the total problem, this data can then be used to devise an appropriate and effective control strategy.

Last year, although $1 million was provided in the House bill, the matter was dropped in conference. This year, although funding was not provided in the Senate bill, $3 million, which represents the total Federal commitment to the project, was included on the House side.

I certainly appreciate the great fiscal restraints under which the appropriations committees are laboring this year. I would simply request of the manager of the bill that in conference he take another look at this project and see if there is any available funding that could be provided this year to get the project underway.

Mr. PROXMIRE. I can assure my colleague that when we go to conference with the House on this bill, I will take another look at the project and do my best to see if funding can be provided.

SECTION 8 MODERATE REHABILITATION PROGRAM

Mr. BUMPERS. Mr. Chairman, I would like to thank you for all the hard work you have put in on this bill. The HUD bill funds many valuable and innovative Government programs, and in our current budget environment, we have been forced to make some hard choices. I do not think you can touch a place in this bill without someone saying "ouch."

Mr. PROXMIRE. Well, I thank the Senator for his remarks, and I know that he is committed as I am to getting our monumental deficits under control and rebuilding our fiscal strength.

Mr. BUMPERS. And because of the weight of these staggering deficits, it is tragic that we are now unable to deal with the issues we believe in most, which are fundamental to our value system—basic and critical things like educating our people, providing quality health care, and preserving our natural lands. I think the HUD bill reflects some of the hard cuts we have had to make, and I wonder if the Senator would not mind entertaining a few questions about HUD's section 8 moderate rehabilitation program and where it might be going.

Mr. PROXMIRE. I would be happy to respond, Senator.

Mr. BUMPERS. I have an amendment to restore funds for the section 8 moderate rehab program, which, as you know, was zero-funded by the

Senate. The House appropriated $549,675,000 for 5,000 units, and I can see why.

This program seems to be well-conceived, and I think we need to do all we can to encourage the private sector to get involved in housing. As the Senator knows, with a growing and alarming number of homeless Americans and skyrocketing rents in many quarters, it seems to me that the low-income renter—just like the middle class—is being squeezed out. This program seems to be a good way to do a lot for everyone—the owner wins because he can cheaply rehabilitate his building and maintain a steady source of income; the section 8 tenant wins because he now has a decent place to live.

I am concerned about this program, and wonder if in a few years we are not going to have another cataclysm on our hands from the kind of action we are taking now. Could I have the Senator's thoughts on that?

Mr. PROXMIRE. I agree with the Senator. Section 8 mod rehab is a vitally important program. But after much consideration, the committee decided that these dollars could be better spent in modenizing our public housing stock and funding other valuable programs, such as those in the EPA. These are very painful choices, and do not reflect negatively on the great merit of the section 8 moderate rehabilitation program. We simply could not fund everything and met our responsibility under the Budget Act.

Mr. BUMPERS. Senator, I am aware the Senate zero-funded this program last year, fiscal year 1988 whereas the House provided $595,170,000 for 6,000 units. The conference came out at $495,975,000 for 5,000 units.

In fiscal year 1987, in a Republican-controlled Senate, the House appropriated $716,287,500 for 7,500 units and the Senate came out at $477,525,000 for 5,000 units. The conference adopted the House figure.

There seems to be a rough pattern here. Does the Senator have any thoughts on where it will come out this year?

Mr. PROXMIRE. Well, Senator, let me say this. This is a very popular program, and an important one. It enjoys substantial support in both the House and Senate. I will do all I can in conference to find funds for the section 8 moderate rehabilitation program.

Mr. BUMPERS. I thank the Senator. And with that in mind, I will not offer my amendment.

DE WILDE POOL FUNDS

Mr. D'AMATO. Mr. President, I want to discuss an issue of importance to New York as well as 10 other States. The issue revolves around unexpended balances of section 236 funds and agreements reached in 1973 between HUD and certain State-housing agencies on how to obligate these funds. These so-called De Wilde agreements stipulated that the excess section 236 funds would be released. Over the years disputes between HUD and the State agencies arose over which projects could be obligated. The Department's position has been that these funds could only be obligated for the specific projects outlined in the De Wilde agreements. The State agencies felt that the funds could be used for projects not stipulated in the De Wilde agreements, but currently receiving section 236 funds.

Mr. PROXMIRE. If the Senator from New York would yield, Wisconsin is one of the States that has a claim on a portion of the De Wilde pool funds. Last year, the Housing and Community Development Act of 1987 resolved the dispute between HUD and the State agencies interested in the De Wilde issue. Section 430 of the act expanded the number of projects that could be funded beyond the original De Wilde pool agreements. Section 430, however, requires that release of the available funding must be approved in an appropriations act.

Mr. D'AMATO. The chairman of the subcommittee is correct. As a result, the House-passed HUD-Independent Agencies Appropriations Act includes report language instructing the Secretary to release the De Wilde pool funds. Indeed, the chairman supported similar language in the report accompanying the HUD-independent agencies bill as reported by our subcommittee.

Mr. PROXMIRE. The Senator from New York is correct. I supported the report language in the HUD-Independent agencies bill as reported by our subcommittee. However, it was brought to my attention by the Budget Committee that the De Wilde pool report language would trigger outlays and thus the language was removed from the report in full committee. But I want to assure the Senator from New York that I do support report language instructing the Secretary to release the De Wilde Pool funds.

Mr. D'AMATO. Mr. President, I greatly appreciate the chairman's comments. Is it the chairman's intention to recede to the House when the De Wilde report language is raised in conference?

Mr. PROXMIRE. Mr. President, as I stated earlier, I want to comply with section 430 of the House reauthorization bill and I strongly support the report language passed by the House. I would hope we could accept the House language in conference.

Mr. D'AMATO. Mr. President, I appreciate the chairman's support. I yield the floor.

EPA'S CLEAN LAKES PROGRAM AND LAKE WASHINGTON IN RHODE ISLAND

Mr. CHAFEE. Mr. President, as the managers of this bill know, I have been working with them to assure adequate funding for a host of EPA programs including the Clean Lakes Program that is authorized under the Clean Water Act Amendments of 1987. Last year we found ourselves in the unfortunate position of approving a continuing resolution that included no funds for Clean Lakes even though the House and Senate had each approved bills that would have provided money for this important program. This year, I am pleased to see that both bodies have again included funds for this program and am confident that these provisions will survive in conference with the House.

My question for the managers is a simple one. Is the listing of lakes on page 44 of the committee report that allocates money for demonstration programs as authorized by section 315(b) of the Water Quality Act an exclusive list?

Mr. PROXMIRE. No, that list is not intended to be an exclusive list. Since that report was written, it has come to my attention that a Federal grant of $70,000 is needed to supplement State and local efforts to clean up Lake Washington in Rhode Island. Such a grant should be included in the list the Senator has referred to. It may be possible to have Lake Washington specifically mentioned in the conference committee report on this measure.

Mr. CHAFEE. I thank the chairman for his help and understanding. The Lake Washington Association has been working for a number of years to clean up this beautiful lake. Following congressional recognition of the importance of this project in section 315(b) of the Water Quality Act, the General Assembly of Rhode Island appropriated $30,000 for the State share of this joint State-Federal project. In addition, the town of Glocester approved $2,000 of local funds to study how the lake should be cleaned up and has established a six member commission to oversee the project. It is now time for the Federal Government to provide its share of the project costs.

If the managers of the bill will accept a decision to fund the Lake Washington project as the Senate position and press for specific reference in the conference committee report dealing with funding for demonstration projects under section 315(b) of the Water Quality Act or, failing that, under the base program for Clean Lakes, I will be most appreciative.

Mr. PROXMIRE. The Senator from Rhode Island has my assurances that we will consider funding for Lake Washington as part of the Senate position and will seek to have it mentioned in the conference report.

Mr. GARN. I agree with my colleague from Wisconsin. The Senator from Rhode Island has presented the rationale for this project in his usual convincing fashion and the course he has outlined is agreeable to this Senator.

Mr. CHAFEE. I thank my colleagues for their help in this matter.

VA NURSING HOME-CARE FACILITY, WILKES-BARRE, PA

Mr. HEINZ. Mr. President, my colleague Senator Specter and I wish to engage the distinguished managers of the bill in a colloquy regarding the Department of Housing and Urban Development and Independent Agencies Appropriation.

The House has approved $4,670,000 for the construction of a 60-bed nursing home care facility in Wilkes-Barre, PA. Congress, back in fiscal year 1986, directed the VA to design this nursing home and anticipated that funds for construction would be included in the fiscal year 1987 budget request. Public Law 100-202, the fiscal year 1988 continuing resolution directed the VA to proceed with the nursing home design project following the VA's failure to heed the language contained in the fiscal year 1986 conference report. The VA, to its credit, has moved to procure a design. My concern is that this process not be disrupted any further, and I want to ask whether the managers anticipate completion of this design in fiscal year 1988.

Moreover, my colleague Senator Specter and I support the appropriation contained in the House measure. Above all, Mr. President, I want the managers to know that the long delay that has already taken place is of tremendous harm to the valorous veterans of northeastern Pennsylvania. These outstanding former servicemen and women must now wait months for a bed, even for service-connected injuries. Non-service connected veterans may never be served unless Congress approves the additional nursing care facility.

So I rise to alert my colleagues, Senator Proxmire and Senator Garn, to this urgent need. We urge them to accept the House action in conference, and would be most interested in their comments.

Mr. SPECTER. I join Senator Heinz in asking the managers to carefully consider this issue in conference. I chose not to raise this issue in committee, because I was and am well aware of the severe funding constraints the HUD and Independent Agencies Appropriations Committee is under. As a practical matter, I was aware of the absence of sufficient funds to place this project in the Senate bill. However, in the give and take of the conference, there are inevitably certain trade-offs and I urge my colleagues during the conference committee to give favorable consideration to receding to the House position. As a member of the Senate Veterans' Affairs Committee, I have taken a close look at the nursing problems of northeastern Pennsylvania and feel that this issue needs to be addressed. Wilkes-Barre's existing VA nursing home is occupied at all times. On any given day the waiting list consists of approximately 250 names. The average wait for a veteran with service-connected injuries is 3 to 4 months. Non-service connected veterans must wait indefinitely.

This disservice to veterans should not continue. The delays in provision of services by new nursing care facilities for these veterans is totally unacceptable. Thus, it is imperative that the Senate recede to the House amendment in conference, and provide the appropriation of $4.6 million for construction to go forward.

Mr. PROXMIRE. I thank my colleagues for bringing their concerns to our attention. It is the subcommittee's understanding that the VA is proceeding with the design for this facility. We are told by the VA that complete working drawings will be available by February 24 of next year.

As for the House appropriation, we will be happy to review the matter of this particular nursing care facility in conference. I know my colleagues are aware of the constraints this appropriation must adhere, to, and that any adjustments in conference will, in all probability, require adjustment to the subcommittee's 302(b) allocation. In conference, if we are able to do so, we will try to assist the Senators with their concerns.

Mr. GARN. I appreciate the comments of the Senators from Pennsylvania. We do expect that the requirements of appropriations originating in our subcommittee will be adhered to. No one wants to see veterans put on long waiting lists for health care. In conference we will try to address this problem.

Mr. HEINZ. I thank my friends for their attention to what is becoming a very serious problem for northeastern Pennsylvania's veterans, and I hope they will resolve this matter favorably in conference.

Mr. SPECTER. I also want to thank Senator Proxmire and Senator Garn for their help, and I look forward to working with them when the measure goes to conference.

STATEMENT ON THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT APPROPRIATIONS BILL FOR FISCAL YEAR 1989

Mr. CHILES. Mr. President, Senate Budget Committee scoring of the Department of Housing and Urban Development appropriations bill for fiscal year 1989 as reported by the full Appropriations Committee shows that the bill is exactly at its 302(b) budget authority allocation by and exactly at its outlay target. I commend the distinguished chairman of the subcommittee, Senator Proxmire, and the ranking minority member, Senator Garn, for their efforts to stay within their 302(b) allocations in crafting this bill. I would note that any amendment which would have the effect of increasing either the budget authority or outlay levels reported by the committee will be subject to a 302(f) point of order under the provisions of the Budget Act.

Mr. President, I have a table from the Budget Committee showing the official scoring of the HUD appropriations bill and I ask unanimous consent that it be inserted in the Record at the appropriate point.

There being no objection, the table was ordered to be printed in the Record, as follows:

SENATE BUDGET COMMITTEE SCORING OF H.R. 4800—HUD-INDEPENDENT AGENCIES—SPENDING TOTALS

[Senate reported, in billions of dollars]

	Fiscal year 1989	
	Budget authority	Outlays
302(b) bill summary:		
H.R. 4800, Senate reported (new budget authority and outlays)	59.1	34.5
Enacted to date		29.7
Adjustment to conform mandatory programs to resolution assumptions	−(1)	+.3
Scorekeeping adjustments		
Bill total	59.1	64.5
Subcommittee 302(b) allocation	59.1	64.5
Difference	−(1)	−(1)
Bill total above (+) or below (−):		
President's request	+.4	−.6
House-passed bill	−.6	−.3
Summit cap summary:		
Defense spending in bill	.4	.3
Allocation under defense cap	.4	.3
Difference	0	−(1)
Domestic discretionary spending in bill	42.7	48.2
Allocation under domestic cap	42.7	48.2
Difference	−(1)	−(1)

(1) Less than $50 million.

Note: Details may not add to totals due to rounding.

Source: Prepared by Senate Budget Committee Staff.

Mr. DOMENICI. Mr. President, I support the HUD-independent agencies appropriations bill as reported by the committee.

The bill provides $59.1 billion in budget authority and $34.5 million in new outlays for the Department of Housing and Urban Development and for independent agencies such as NASA, EPA, the Veterans' Administration, and the National Science Foundation.

Taking into account outlays from prior-year budget authority and other adjustments, the HUD Subcommittee has stayed within its allocation under section 302(b) of the Budget Act.

As reported, the bill is below the subcommittee's section 302(b) allocation by only about $2 million in budget authority and outlays. Therefore, I urge my colleagues to reject any amendments that would increase spending totals in this bill.

NSF RESEARCH IN ASTRONOMY

Mr. President, I am pleased that the Senate Appropriations Committee has gone on record supporting an adequate level of funding for research in astronomy through the National Science Foundation.

As our colleagues on the House Science and Technology Committee have forcefully laid out, we have a crisis waiting to happen in astronomy if we do not enhance this basic research and astronomy facilities as we have in other disciplines.

Other than funding for the very long baseline array radio telescope network—the highest priority for ground-based astronomy for this decade—overall funding for astronomy has been held level over the past several years. This comes at a time when the administration has requested significant annual increases for NSF and a doubling of its budget over the next 5 years.

I share the concern of my colleagues that astronomy is being shortchanged. I commend the Senate Appropriations Committee for including language in its report that funding for astronomical sciences shall be maintained at the level requested in the President's budget.

Even at this level, it will be difficult to maintain our research infrastructure and adequately staff observatories.

I believe these are high-priority programs and fully expect that every effort will be made to operate astronomy facilities adequately in fiscal year 1989, including the Sacramento Peak Observatory and the very long baseline array in New Mexico.

Mr. President, the United States is a leader in science and technology. But in many fields, including astronomy, foreign competition jeopardizes the excellence we have attained. I hope the action by the Senate and House Appropriations Committees will ensure that the Nation remains the world's leader in astronomical sciences.

Mr. WILSON. Mr. President, I rise today to speak on behalf of a critical sewer works projects that is designed to keep fugitive Mexican sewage flows out of the United States.

The project I speak of is what is known as a "defensive sewer works system" that is intended to capture sewage from Tijuana, Mexico, before it flows over the border into San Diego. This project is not intended to service San Diego sewage—a separate challenge itself that Congress will have to confront at a later date—rather, these proposed defense works are designed to protect the U.S. side of the border from sewage overflows originating in Tijuana.

Regrettably, the bill before us today does not contain the necessary funds to complete construction of this project.

Much to my surprise, the reason for the deletion of these funds does not apparently turn on the merits of this proposed project, rather it has to do with the fact that the committee does not wish to earmark funds for specific projects in this bill. In fact, I understand that earmarks for the three other sewer projects that were specifically included in the House version—funds for Boston Harbor, a wastewater plant in Des Moines, and utility relocation costs in New York City—were also struck from this bill.

Mr. President, this policy of opposing the earmaking of funds for special projects makes no sense.

It is the responsibility of this body to prioritize what we think to be the highest budget priorities. When we don't, and the House does, then our conference committee members are limited to a consideration of whatever the House deems to be the most important items.

Even though the House has included $27 million for the funding of the Tijuana sewage project that I am interested in today—thus making this particular item conferenceable—I remain vigorously opposed to this policy of no earmarking for special projects.

Had the House not included funding, then we would have lost the opportunity to fund this project not because it fails to qualify for funding on its own merits—because I am certain that my colleagues will agree that it does deserve to be funded—but because it would have been viewed as an earmark and therefore automatically rejected.

In order to keep this project on track, it will be necessary for the forthcoming House/Senate conference on this bill to adopt the House mark of $27 million.

The problem of Tijuana sewage is nothing new. Sewage from Mexico has been penetrating our international border since the 1930's. We have gone to great lengths in the past to convince the Government of Mexico to address this problem, but our efforts have been largely to no avail.

The particular problem for San Diego is twofold. First, the existing Tijuana sewer works are notorious for malfunctioning. When its system fails, the Tijuana sewage flows down hill and across the border into San Diego.

Second, even when Mexico's system does work, it is incapable of capturing all of Tijuana's sewage. As a result, at least 10 to 12 million gallons a day [mgd] of raw sewage flows directly in the Tijuana River as it crosses the border into the United States—polluting a federally recognized estuary in the process.

What is even more disturbing is that the problem promises to become much worse in the next few years. The Environmental Protection Agency estimates that Tijuana sewage flows will reach 34 mgd by 1990 and increase dramatically to 100 mdg by the year 2005. Given that Tijuana's existing sewer system capacity is only 34 mgd—and there are no immediate plans or money to increase that capacity—we are confronted with a situation where tomorrow's Tijuana sewage will have no place to go but over the border and into the United States.

San Diego's worst fears are beginning to come true. This beautiful city and its surrounding communities are in peril of being polluted with Tijuana waste. San Diego is struggling to cope with its own sewer system needs, and it does not need its problems compounded by Tijuana.

The solution to this problem is one that the Congress has already determined to be appropriate. In 1984, we decided to authorize $32 million to finance a Tijuana sewage defensive works system along the United States-Mexico border. This system is basically designed to link up an emergency sewer pipe to Tijuana's main pump station. In the event of a pump failure, Mexican sewage would flow into this emergency pipe, which extends along the United States border. The pipe would then dump the sewage back into Tijuana's treatment system at a point where a gravity flow channel moves the Tijuana sewage to treatment lagoons further down the Mexican coastline. This pipe will also be designed to capture fugitive Tijuana sewage that is flowing directly into the Tijuana River.

For fiscal year 1988, Congress appropriated $5 million for engineering and design of this project. To further this cause, we now need $27 million in fiscal year 1989 to permit the timely completion of this defensive sewer works system.

In closing, let me emphasize the uniqueness of this project. As many and varied as are the sewer works systems needs of this country, none are intended to cope with the real threat of foreign waste. We already have a Clean Water Sewer Grant Program that is intended to help local communities finance treatment works projects. But we don't have a program designed to address the threat of foreign waste because, quite frankly, it has not been a problem anywhere but Tijuana.

The $27 million that is needed to complete construction of the defensive sewer works project will go a long way toward addressing this unique Tijuana problem. I urge my colleagues to support this project in the forthcoming House-Senate conference on this bill.

And finally, I hope that in the future, we here in the Senate will dispense with the notion that there should be no earmarking of funds and that instead we will act to prioritize what we agree are the highest priority projects.

Mr. GARN. Mr. President, I know of no further amendments to the bill.

The PRESIDING OFFICER. Under the previous order, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. BYRD. Mr. President, have the yeas and nays been ordered on final passage?

The PRESIDING OFFICER. No, they have not.

Mr. BYRD. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. GARN. Mr. President, before we close, I once again thank my colleague from Wisconsin. This will be the last time we will have the opportunity to manage an appropriations bill together.

For 14 years, we have served on these committees together, and I will sincerely miss my friend and colleague. I commend him for all the great work he has done, for a long, long time before I came here.

Mr. PROXMIRE. I thank my good friend from Utah. He is an outstanding Senator in every way, and it is always a great pleasure to work with him.

One of the reasons I regret leaving the Senate is that I will no longer work with him, although I am looking forward to not having to go through some of this turmoil. That makes it a little easier.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there be a period for morning business not to extend beyond 10 minutes, and that Senators may speak therein.

The PRESIDING OFFICER. (Mr. BAUCUS). Without objection, it is so ordered.

MESSAGES FROM THE HOUSE

At 4:05 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 4174. An act to amend the Small Business Act and the Small Business Investment Act of 1985, and for other purposes;

H.R. 4315. An act to provide for the inclusion of certain lands within the John Muir National Historic Site;

H.R. 4375. An act to improve the management of certain public lands in the State of Michigan;

H.R. 4915. An act to amend the Public Health Service Act to revise and extend the program of grants for the prevention and control of sexually transmitted diseases; and

H.J. Res. 600. Joint resolution to commemorate the fiftieth anniversary of the passage of the Federal Food, Drug, and Cosmetic Act.

MEASURES REFERRED

The following bills and joint resolutions were read the first and second time by unanimous consent, and referred as indicated:

H.R. 4315. An act to provide for the inclusion of certain lands within the John Muir National Historic Site; to the Committee on Energy and Natural Resources.

H.R. 4375. An act to improve the management of certain public lands in the State of Michigan; to the Committee on Energy and Natural Resources.

H.R. 4915. An act to amend the Public Health Service Act to revise and extend the program of grants for the prevention and control of sexually transmitted diseases; to the Committee on Labor and Human Resources.

H.J. Res. 600. Joint resolution to commemorate the fiftieth anniversary of the passage of the Federal Food, Drug, and Cosmetic Act; to the Committee on Labor and Human Resources.

MEASURES PLACED ON THE CALENDAR

Pursuant to the order of the Senate of July 6, 1988, the following bill was placed on the calendar:

H.R. 4174. An act to amend the Small Business Act and the Small Business Investment Act of 1958, and for other purposes.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-571. A joint resolution adopted by the Legislature of the Senate of Alaska; to the Committee on the Budget.

"HOUSE JOINT RESOLUTION 50

"Whereas the Alaska Legislature believes it is inappropriate that the dedicated trust funds for highways and airports are subject to the Unified Federal Budget process; and

"Whereas the highway and airport trust funds are funded by user fees collected in advance of expenditure and are dedicated to highway and airport improvement programs; and

"Whereas, at the national level, the Highway Trust Fund can support an annual spending level of over $15,000,000,000 and the Airport and Airway Trust Fund can support an annual spending level of $5,000,000,000; and

"Whereas inclusion in the Unified Federal Budget has limited appropriations from the Highway Trust Fund to less than $13,000,000,000 a year and appropriations from the Airport and Airway Trust Fund to approximately $3,500,000,000 a year; and

"Whereas the inclusion of appropriations from the highway and airport trust funds in the Unified Federal Budget prevents Alaska from receiving $20,000,000 each year in highway funds and $6,000,000 each year in airport funds to which the state is entitled; and

"Whereas reductions in highway and airport transportation trust fund appropriations hamper Alaska's, as well as the other states', ability to address identified, critical transportation needs; and

"Whereas the money in the highway and airport trust funds cannot be transferred to other programs included in the Unified Federal Budget; and

"Whereas limitations on highway and airport trust fund expenditures reduce only the total federal budget but do not result in a real reduction in the federal deficit: Be it

"*Resolved*, That the Alaska State Legislature respectfully requests the Congress to remove the Highway Trust Fund and the Airport and Airway Trust Fund from the Unified Federal Budget."

POM-572. A resolution adopted by the Senate of the Commonwealth of Puerto Rico; to the Committee on Energy and Natural Resources:

"RESOLUTION

"To request the Congress of the United States to approve legislation to authorize the Legislature to fix tariffs on certain agricultural products which are not produced in the United States of America.

"STATEMENT OF MOTIVES

"Puerto Rico is at present engaged in a special effort to revitalize its agriculture. In order for this effort to produce optimum fruits it is necessary to use all possible resources until this sector of our economy can overcome the most important difficulties which it faces at present.

"To the use of good varieties and strains, additional methods of cultivation, and in general, the use of the most advanced technology, we must add other mechanisms, albeit temporarily, to give the needed boost to our agriculture.

"It is a usual practice to resort to the system of tariffs to protect certain sectors for the required time until their development and stability is achieved. In harmony with this concept, we see the possibility that the fixing of tariffs on the importing of certain items can be an effective instrument to give our agriculture the vigor, financial solvency and stability it should have.

"This mechanism shall be used in those tropical agricultural products which are not produced in any part of the United States.

"In consideration of the above, this Senate hereby approves this Resolution; Be it

"*Resolved* by the Senate of Puerto Rico:

"Section 1.—To request the Congress of the United States to approve legislation to authorize the Legislature of Puerto Rico to fix tariffs on certain agricultural produce imported to Puerto Rico which are not produced in the United States of America.

"Section 2.—Request the Resident Commissioner in Washington, D.C. to introduce said legislation before the Congress of the United States, and to use the resources available to him to achieve its prompt approval.

"Section 3.—This Resolution, duly translated into the English language, shall be remitted to the Congress of the United States of North America."

POM-573. A resolution adopted by the City Council of Arcadia, Kansas requesting that Congress avoid exercising their authority with regard to acid rain until the causes are more clearly discernible; to the Committee on Environment and Public Works.

POM-574. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Environment and Public Works.

"Senate Concurrent Resolution No. 41

"Whereas, on October 17, 1986, the Superfund Amendments and Reauthorization Act of 1986 (SARA) was enacted into law; and

"Whereas, TITLE III of that act establishes requirements for federal, state and local governments and industry regarding emergency planning and community right-to-know reporting on hazardous toxic chemicals; and

"Whereas, certain local governments are aware of the businesses and industry that are included under TITLE III and who must file TIER II reports; and

"Whereas, compliance with this law places an enormous burden on certain local governing authorities; and

"Whereas, certain local governing authorities do not have the necessary finances to accept and manage TIER II information in a manner regarded as adequate by the SARA TITLE III provision of the law; therefore, be it

Resolved, That the Legislature of Louisiana memoralizes the Congress of the United States to provide guidance to local governing authorities as to methods of funding TITLE III of the Superfund Amendments and Reauthorization Act of 1986; be it further

Resolved, That a copy of this Resolution be transmitted to the Secretary of the United States and the Clerk of the United States House of Representatives and to each member of the Louisiana congressional delegation."

POM-575. A joint resolution adopted by the Legislature of the State of California; to the Committee on Labor and Human Resources:

Assembly Joint Resolution No. 62

"Whereas, After food, shelter, and taxes, child care is the fourth highest family expense and ranges anywhere from $250 to $500 per month per child; and

"Whereas, California's subsidized child-care program only meets the needs of 7 percent of low-income working families who are eligible; and

"Whereas, There are at least 1.2 million children in California who have working parents in need of some child care, yet our state can only accommodate a portion of this need; and

"Whereas, Predictions show that within 10 years, the number of children under the age of six needing child care will increase by 50 percent; and

"Whereas, The need for, and price of, child care will continue to rise; and

"Whereas, Experimental programs have proven that low-income children who have been enrolled in high-quality child-care programs developed higher levels of self-esteem, grow up to be more confident, and become productive adults and are less dependent upon social programs; and

"Whereas, Our congressional leaders have recognized the need for more affordable, better quality child care through House Bill 3660 and Senate Bill 1885, the Act for Better Child Care Services of 1987; and

"Whereas, This act will provide $2.5 billion to help states supplement current child-care programs, resulting in $221 million for California; and

"Whereas, The act will make funds available to increase the number of child-care openings, provide training and technical assistance to child-care providers, help local governments improve licensing standards, and help providers meet licensing standards; and

"Whereas, The act has received bipartisan support and is supported by more than 150 national organizations; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California respectfully joins in support of House Bill 3660 and Senate Bill 1885, the Act for Better Child Care Services of 1987 and calls for its enactment; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative in the Congress of the United States."

POM-576. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Commerce, Science, and Transportation:

Concurrent Resolution No. 3

"Whereas, according to federal government statistics, approximately twenty-two thousand front seat occupants of passenger cars are killed annually; three hundred thousand more sustain moderate to severe injuries; and another two million suffer minor injuries; and

"Whereas, studies have shown a clear connection between use of seat belts or other occupant restraints, and the reductions of automobile accident fatalities and serious injuries; and

"Whereas, it is estimated that seat belts are used in only twelve and one half percent of the nation's cars; and

"Whereas, airbags are cushions that rapidly inflate with gas to provide automatic protection to an occupant in the event of a crash; and

"Whereas, automatic restraints would protect occupants while mandatory seat belt laws protect only those occupants who comply with the statute, therefore, be it

"*Resolved,* That the Legislature of Louisiana memorializes the Congress of the United States to consider legislation requiring automobile manufacturers to install airbags or other automatic passenger restraints in new automobiles; be it further

"*Resolved,* That a copy of this Resolution shall be transmitted to the Secretary of the United States Senate and the Clerk of the United States House of Representatives and to each member of the Louisiana congressional delegation."

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. WILSON:

S. 2630. A bill to correct the unfair treatment by the tax laws of the United States of citizens performing jury duty; to the Committee on Finance.

By Mr. LEAHY (for himself, Mr. Lugar, Mr. Melcher, Mr. Dole, Mr. Pryor, Mr. Cochran, Mr. Boren, Mr. Boschwitz, Mr. Heflin, Mr. McConnell, Mr. Harkin, Mr. Bond, Mr. Fowler, Mr. Wilson, Mr. Daschle, Mr. Karnes, Mr. Breaux, Mr. Durenberger, Mr. Riegle, Mr. Grassley, Mr. Simon, Mr. Pressler, Mr. Gore, Mr. Kasten, Mr. Stennis, Mr. Quayle, Mr. Exon, Mrs. Kassebaum, Mr. Bentsen, Mr. McClure, Mr. Dixon, Mr. Danforth, Mr. Moynihan, Mr. Heinz, Mr. Metzenbaum, Mr. Burdick, Mr. Sasser, Mr. Conrad, Mr. Kennedy, Mr. Levin, Mr. Specter, Mr. Rockefeller, and Mr. Wallop):

S. 2631. A bill to provide drought assistance to agricultural producers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. RIEGLE:

S. 2632. A bill entitled the "Michigan Public Lands Improvement Act of 1988"; to the Committee on Energy and Natural Resources.

By Mr. HATCH (for himself and Mr. Garn):

S. 2633. A bill to provide jurisdiction and procedures for claims by individuals for injuries or death due to exposure to radiation from nuclear testing; to the Committee on the Judiciary.

By Mr. MURKOWSKI:

S. 2634. A bill for the relief of Harold M. Wakefield; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WILSON:

S. 2630. A bill to correct the unfair treatment by the tax laws of the United States of citizens performing jury duty; to the Committee on Finance.

TAX TREATMENT OF PAY FOR JURY DUTY

● Mr. WILSON. Mr. President, today I am introducing a bill to correct the unfair treatment by our tax laws of citizens performing jury duty. This bill would allow a taxpayer to deduct jury pay from gross income if that income is turned over to his or her employer.

It is common practice among employers to require that the employee turn in all jury pay received for the period of service in return for continuing the employee's normal pay during jury service.

A taxpayer is required to report jury duty pay as "other income" on his tax return. Prior to the 1986 tax bill, jury pay that was turned over to the employer could be deducted as a miscellaneous itemized deduction. With the changes made in 1986, unless the miscellaneous itemized deductions exceed 2 percent of adjusted gross income, the payment to the employer cannot be deducted. The result is that the taxpayer ends up paying tax on phantom income.

Mr. Kendall Barckley of Fountain Valley, CA, brought this shortcoming to my attention. The legislation I am introducing today will correct this problem. It will allow all taxpayers, whether they itemize or not, to deduct jury duty pay from their income when this pay is turned over to their employer.

Those who serve on juries sometimes give up weeks of their time to ensure that the judicial process is carried out properly. To financially penalize these people for carrying out one of the most important duties of a U.S. citizen is not fair.

I ask my colleagues to join me in correcting this problem by supporting this bill.●

By Mr. LEAHY (for himself, Mr. LUGAR, Mr. MELCHER, Mr. DOLE, Mr. PRYOR, Mr. COCHRAN, Mr. BOREN, Mr. BOSCHWITZ, Mr. HEFLIN, Mr. MCCONNELL, Mr. HARKIN, Mr. BOND, Mr. FOWLER, Mr. WILSON, Mr. DASCHLE, Mr. KARNES, Mr. BREAUX, Mr. DURENBERGER, Mr. RIEGLE, Mr. GRASSLEY, Mr. SIMON, Mr. PRESSLER, Mr. GORE, Mr. KASTEN, Mr. STENNIS, Mr. QUAYLE, Mr. EXON, Mrs. KASSEBAUM, Mr. BENTSEN, Mr. MCCLURE, Mr. DIXON, Mr. DANFORTH, Mr. MOYNIHAN, Mr. HEINZ, Mr. METZENBAUM, Mr. BURDICK, Mr. SASSER, Mr. CONRAD, Mr. KENNEDY, Mr. LEVIN, and Mr. SPECTER):

S. 2631. A bill to provide drought assistance to agricultural producers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

DROUGHT ASSISTANCE ACT

Mr. LEAHY. Mr. President, once again I am here to talk about the drought of 1988 and the havoc it has created for our farmers. Once again I am here to lament the fact that literally it could not have come at a worse time. And once again I must point out that many farmers, just beginning to see daylight after a number of lean and desperate years, have been thrown back into a deep despair.

Mr. President, we are prepared to act. From that specter of bankruptcy, we want to give the hope of a new crop and new herds next year.

My good friend, Senator LUGAR, the senior Senator from Indiana and I are going to introduce today a drought relief package that is going to give our farmers the kind of hope they need to get through this miserable crop season and the kind of assurance they need that they are going to be in business next year.

I believe that this plan will tell American farmers that the American people support them and the American people want to help them. The public knows how important their role is in keeping high quality food on the table at reasonable prices.

The package we are introducing today is a product of the bicameral and bipartisan process which the Senate and House Agriculture Committees initiated last month. It covers all types of agricultural producers from all over the country who have suffered losses from the ravages of drought. The leadership of the House Agriculture Committee is introducing identical legislation in the other body.

There are three important principles that govern this legislation. First, we will protect farm income so that farmers who have struggled through the recent farm depression will be back in production next year. Producers will receive 65 percent of their expected return for losses greater than 35 percent of their normal crop. This is a generous proposal, Mr. President. In 1986, for example, compensation was limited to 50 percent of a producer's losses.

Second, foundation livestock herds will be protected. We do this so that livestock producers can survive this drought and protect the continuation of meat and poultry supplies for the consumers of this country. Through restructuring and new authority for the Secretary, an expanded number of producers of livestock and other animals will have access to the emergency feed programs.

Third, all producers will be treated equitably and fairly. This includes producers of program and nonprogram crops, as well as producers of program crops who did not participate in Federal farm programs. Producers will be allowed to keep their advance deficiency payments on the portion of their crops that they have lost, but will not receive both a disaster payment and a deficiency payment for any portion of their crops.

We are saying, Mr. President, in laymen's terms, there are not going to be double payments.

All disaster benefits for each producer will be capped at $100,000—just as they were limited in 1986. Federal crop insurance payments will be taken into account and the January 1, 1989, 50-cent dairy price support reduction will be canceled. The Secretary will be given additional authority to assist producers of livestock who do not grow their own feed. Some conservation reserve program funds not otherwise spent will be used.

Mr. President, I believe that this is a balanced package. It is fair to the farmer and fair to the taxpayer. It is based upon farm program savings, not budget-busting election year politics. It is compassionate, but it is reasonable.

This legislation will move as quickly through the committee and the Senate as the members want it to move. I ask for the cooperation of every Member of this body in moving this legislation as expeditiously as possible.

Mr. President, I must say that we would not be at this point without the cooperation of Senators of both parties. I wish to especially commend my good friend, the senior Senator from Indiana, Senator LUGAR, who worked with us as we have been developing this. He met with the President of the United States along with myself, Chairman DE LA GARZA, and Congressman MADIGAN yesterday. I am pleased to see the support the President is giving for our efforts to move a package of drought relief through here.

When you have drought, the weather does not ask whether a farmer or rancher is Republican or Democrat or independent. I suspect, Mr. President, in my State, as well as all other States, when people turn on the news and they see what these men and women throughout our country are going through, their heart goes out to them. There is not anybody who is looking at them and saying, "Well, they are from a different State," or "They are from a different political background so, therefore, we cannot help them." I think the reaction is the same as farmers and nonfarmers who I talked with in Vermont. They say these people are hurting. They are valuable to us; they are valuable to our national security; they are valuable to our economy. We want them there next year.

We are not going to see their lives as farmers and ranchers end this year because of a freak of nature, not if we have a country and a Government and a people who want to help. We are going to give them the mechanism to help with. We are going to give them the formulas, and we are going to give them the legislation to do that, Mr. President.

Mr. President, I ask unanimous consent to have printed in the RECORD a summary of the bill, a section-by-section analysis and a copy of the bill.

I ask that we be allowed on this bill, which will be introduced by Senator LUGAR and I, to introduce a list of cosponsors and that all cosponsors who are added on today shall be listed as original cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, last but not least, lest I forget, I send to the desk the legislation.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2631

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Drought Assistance Act of 1988".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

TITLE I—EMERGENCY LIVESTOCK ASSISTANCE

Sec. 101. Assistance for livestock producers.
Sec. 102. Assistance for dairy farmers.

TITLE II—DISASTER PAYMENTS

Sec. 201. Payments to program participants for basic commodities.
Sec. 202. Payments to program nonparticipants for basic commodities.
Sec. 203. Peanuts, sugar, and tobacco.
Sec. 204. Soybeans and nonprogram crops.
Sec. 205. Effect of Federal crop insurance payments.
Sec. 206. Transfer of funds.
Sec. 207. Crops harvested for forage uses.
Sec. 208. Timing and manner of disaster payments.
Sec. 209. Use of Commodity Credit Corporation.
Sec. 210. Payment limitations.

TITLE III—GENERAL PROVISIONS

SUBTITLE A—COMMODITY STOCK ADJUSTMENT

Sec. 301. Soybeans, sunflowers, and cottonseed and sunflower seed oil.
Sec. 302. Oats.
Sec. 303. Producer reserve program for wheat and feed grains.

SUBTITLE B—DISASTER CREDIT AND CREDIT FORBEARANCE

Sec. 311. FmHA farm operating loans.
Sec. 312. Forbearance and restructuring on farm loans.

SUBTITLE C—CONSERVATION AND WATER ASSISTANCE

Sec. 321. Conservation and wildlife enhancement.
Sec. 322. Water-related projects.

SUBTITLE D—RURAL BUSINESSES

Sec. 331. Business and industrial loans.
Sec. 332. Survey of agriculture-related rural businesses and enterprises.

TITLE I—EMERGENCY LIVESTOCK ASSISTANCE

SEC. 101. ASSISTANCE FOR LIVESTOCK PRODUCERS.

(a) IN GENERAL.—The Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) is amended by adding at the end thereof the following new title:

"TITLE VI—EMERGENCY LIVESTOCK FEED ASSISTANCE ACT OF 1988

"SHORT TITLE

"SEC. 601. This title may be cited as the 'Emergency Livestock Feed Assistance Act of 1988'.

"DEFINITIONS

"SEC. 602. As used in this title:

"(1) The term 'livestock producer' means—

"(A) any established producer or husbander of livestock, or dairy producer, who is a citizen of, or legal resident alien in, the United States; or

"(B) any farm cooperative, private domestic corporation, partnership, or joint operation in which a majority interest is held by members, stockholders, or partners who are citizens of, or legal resident aliens in, the United States, if such cooperative, corporation, partnership, or joint operation is engaged in livestock production, dairy production, or husbandry.

"(2) The term 'livestock' means cattle, sheep, goats, swine, poultry (including egg-producing poultry), equine animals used for food or in the production of food, fish used for food, and other animals designated by the Secretary (at the Secretary's sole discretion) that—

"(A) are part of a foundation herd (including producing dairy cattle) or offspring; or

"(B) are purchased as part of a normal operation and not to obtain additional benefits under this title.

"(3) The term 'State' means any State of the United States, the Commonwealth of Puerto Rico, the Virgin Islands, or Guam.

"(4) The term 'feed', for the purposes of emergency feed assistance, means any type of feed (including feed grain, mixed feed, liquid or dry supplemental feed, roughage, pasture, forage) that—

"(A) best suits the livestock producer's operation; and

"(B) is consistent with acceptable feed practices.

"EMERGENCY LIVESTOCK ASSISTANCE

"SEC. 603. The Secretary shall provide emergency feed assistance under this title for the preservation and maintenance of livestock in any State, county, or area of a State, where, because of disease, insect infestation, flood, drought, fire, hurricane, earthquake, storm, hot weather, or other natural disaster that adversely affects livestock or handling of livestock, the Secretary determines that a livestock emergency exists.

"DETERMINATION OF NEED FOR ASSISTANCE

"SEC. 604. (a)(1) Whenever the Governor of a State or a county committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590(b)) determines that a livestock emergency due to a natural disaster exists in the State or county, the Governor or county committee may submit a request for a determination by the Secretary of a livestock emergency in a State, county, or area and for emergency livestock feed assistance under this title.

"(2) The Governor's or county committee's request for a livestock determination and for emergency livestock feed assistance shall include recommendations to the Secretary of those options that will most fully use fields available through local sources, to the extent feasible.

"(b) The Secretary may consider a State, county, or area in a State for emergency livestock feed assistance under this title whether or not a request for assistance is submitted, as described in subsection (a).

"(c) The Secretary shall act on requests for determinations under subsection (a) and make final determinations on whether a livestock emergency exists in any State, county, or area in accordance with regulations issued by the Secretary that ensure thorough and prompt action and provide for appropriate notification procedures.

"(d)(1) Notwithstanding the preceding provisions of this section, any State, county, or area determined eligible, due to drought or related condition in 1988, for the emergency feed program or emergency feed assistance program prior to the effective date of this title shall continue to be eligible for such program and may be eligible for other programs under this title for such drought or related condition.

"(2) As soon as practicable after the effective date of this title, the Secretary shall determine whether any of the programs described in section 606, other than the emergency feed program and the emergency feed assistance program, should be made available in such State, county, or area. If the Secretary makes such determination, the Secretary shall make such programs immediately available to livestock producers in the State, county, or area.

"ELIGIBLE LIVESTOCK PRODUCERS

"SEC. 605. (a) If the Secretary determines that a livestock emergency exists in a State, county, or area, subject to the limitation on benefits provided in section 609, livestock producers located in such State, county, or area shall be eligible for feed assistance in accordance with the following paragraphs:

"(1) A livestock producer shall be eligible for such assistance if the producer has suffered a substantial loss in feed normally produced on the farm for such producer's livestock as a result of the emergency and does not have sufficient feed that has adequate nutritive value and is suitable for such producer's livestock (as of the date of the request, or initiation of consideration, for a determination of a livestock emergency under section 604) for the estimated duration of the emergency. Such producer shall be eligible for feed assistance under the programs specified in section 606 made available where the producer is located in quantities sufficient to meet the feed deficiency with respect to the producer's livestock normally fed with feed produced by the producer.

"(2) A livestock producer that does not produce feed on the farm or ranch or that produces feed on such producer's farm or ranch but normally not in quantities sufficient to feed all the producer's livestock, with respect to the portion of such producer's livestock not normally fed with feed produced on the farm, such producer shall be eligible for (A) assistance under section 606 for the preservation and maintenance of foundation herds of livestock (including producing dairy cattle) if the producer does not have, and is unable to obtain through normal channels of trade without undue financial hardship, sufficient feed for such livestock as a result of the emergency, as determined by the Secretary, and (B) such other assistance under section 606 as the Secretary, in the Secretary's discretion, determines necessary to alleviate a crisis caused by the livestock emergency.

"(b) Any livestock producer located in a State, county, or area in which benefits under the emergency feed program or the emergency feed assistance program were made available due to the drought or related condition in 1988 prior to the effective date of this title, who qualifies for assistance under such pre-existing program, shall be eligible for assistance for such drought or related condition as prescribed in paragraph (1) (or, at the producer's option, for assistance under such pre-existing programs) and paragraph (2).

"ASSISTANCE PROGRAMS

"SEC. 606. (a) The following assistance programs may be made available by the Secretary under this title, subject to the limitation on benefits under sections 605 and 609, to livestock producers:

"(1) The donation of feed grains held by the Commodity Credit Corporation to producers who are financially unable to purchase feed at market prices or to participate in any other program set forth in this subsection.

"(2) The sale of feed grain held by the Commodity Credit Corporation to producers for livestock feed at a price, established by the Secretary, that does not exceed—

"(A) with respect to assistance provided for drought or related condition in 1988, 75 percent of the current basic county loan rate for such feed grain in effect under this Act (or at a comparable price if there is no such current basic county loan rate), or

"(B) with respect to assistance provided for any other livestock emergency, 50 percent of the average market price, as determined by the Secretary.

"(3) Reimbursement of not to exceed 50 percent of transportation and handling expenses incurred by producers in connection with feed grain donations or sales under paragraph (1) or (2).

"(4) Reimbursement of not to exceed 50 percent of the cost of feed purchased by producers for their livestock during the duration of the livestock emergency.

"(5) Hay transportation assistance of not to exceed 50 percent of the cost of transporting hay purchased from a point of origin beyond such producer's normal trade area to the livestock, subject to the following limitations:

"(A) The transportation assistance may not exceed $50 per ton of eligible hay ($12.50 for silage).

"(B) The quantity of eligible hay may not exceed—

"(i) 20 pounds per day per animal unit; or

"(ii) the lesser of the producer's feed loss or the quantity of additional feed needed for the duration of the livestock emergency.

"(6) Livestock transportation assistance to producers of not to exceed 50 percent of the cost of transporting livestock to and from available grazing locations, subject to the following limitations:

"(A) Transportation assistance may not exceed $24 per head of eligible livestock.

"(B) Transportation assistance may not exceed the lesser of the producer's feed loss or the quantity of additional feed needed for the duration of the livestock emergency.

"(b) If assistance is made available through the furnishing of feed grains under paragraph (1) or (2) of subsection (a), the Secretary may provide for the furnishing of the feed grains through a dealer or manufacturer and the replacing of the feed grains so furnished from feed owned or controlled by the Commodity Credit Corporation.

"(c) In providing assistance under paragraph (2) or (4) of subsection (a), the Secretary may make in-kind payments through the issuance of negotiable certificates that the Commodity Credit Corporation shall exchange for a commodity in accordance with the rules prescribed by the Secretary.

"ADDITIONAL ASSISTANCE

"Sec. 607. (a) In addition to the assistance provided under section 606, if the Secretary determines that the livestock emergency in a State, county, or area also requires the provision of the assistance described in subsection (b), the Secretary shall provide such assistance.

"(b) Special assistance under this section includes—

"(1) the donation of feed held by the Commodity Credit Corporation with respect to livestock stranded and unidentified as to its owner, including the cost of transporting feed to the affected area, during such period as the Secretary shall by rule prescribe;

"(2) emergency water assistance to eligible farmers and ranchers for livestock under the program designated ECP EC-6 by the Department of Agriculture; and

"(3) making Commodity Credit Corporation catalog commodities available to producers through the use of catalog lots of a size that it is economically feasible for small producers to purchase.

"USE OF THE COMMODITY CREDIT CORPORATION

"Sec. 608. The Secretary shall carry out this title through use of the funds, facilities, and authorities of the Commodity Credit Corporation.

"PAYMENT LIMITATION

"Sec. 609. (a) For each livestock disaster, the total amount of benefits that a person receives under one or more of the programs established under section 606 of this title may not exceed $50,000.

"(b) The Secretary shall issue regulations—

"(1) defining the term 'person' in conformity, to the extent practicable, to the regulations defining the term 'person' issued under section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308), or a successor statute; and

"(2) prescribing such rules as the Secretary determines necessary to ensure a fair and reasonable application of the limitation established under this section.

"(c) No person may receive benefits under this title attributable to lost production of a feed commodity due to the drought or related condition in 1988 to the extent that such person receives a disaster payment on such lost production.

"(d) Each person otherwise eligible for a livestock emergency benefit under this title for the drought or related condition in 1988 shall be subject to the combined payment and benefits limitation established under section 206(d) of the Drought Assistance Act of 1988.

"REGULATIONS

"Sec. 610. The Secretary shall issue regulations to carry out this title. Such regulations shall establish procedures to ensure that the request for assistance by a State, county, or area under section 604 and individual applications of livestock producers under section 605 for assistance are processed, and decisions thereon are made, as quickly as practicable.

"PENALTIES

"Sec. 611. (a) Any livestock producer who disposes of any feed made available to such producer under this title other than as authorized by the Secretary shall be subject to a civil penalty equal to the market value of the feed involved, to be recovered by the Secretary in a civil suit brought for that purpose.

"(b) Any livestock producer who disposes of any feed made available to such producer under this title other than as authorized by the Secretary shall be subject to a fine of not more than $1,000 or imprisonment for not more than 1 year, or both.".

(b) Conforming Amendments.—

(1) Section 1105 of the Food and Agricultural Act of 1977 (7 U.S.C. 2267) is repealed.

(2) Section 407 of the Agricultural Act of 1949 (7 U.S.C. 1427) is amended by striking out "and may make feed owned or controlled by it" in the fifth sentence and all that follows through period at the end of the sixth sentence and inserting in lieu thereof "and may donate or sell commodities in accordance with title VI.".

(3) Section 421 of the Agricultural Act of 1949 (7 U.S.C. 1433) is repealed.

(4) Public Law 86-299 (7 U.S.C. 1427 note) is repealed.

(5) Section 303 of the Dairy and Tobacco Adjustment Act of 1983 (7 U.S.C. 1427 note) is repealed.

(c) Effective Date.—

(1) In general.—This section and the amendments made by this section shall become effective 15 days after the date of enactment of this Act.

(2) Application.—The provisions of section 604(d), 605(3), and 609(d) of the Agricultural Act of 1949, as added by subsection (a), shall apply only with respect to any livestock emergency caused by the drought or related condition in 1988.

SEC. 102. ASSISTANCE FOR DAIRY FARMERS.

Section 201(d)(1) of the Agricultural Act of 1949 (7 U.S.C. 1446(d)(1)) is amended by striking out "if for any of the calendar years 1988, 1989, and 1990" and inserting in lieu thereof "if for each of the calendar years 1988 and 1990".

TITLE II—DISASTER PAYMENTS

SEC. 201. PAYMENTS TO PROGRAM PARTICIPANTS FOR BASIC COMMODITIES.

(a) Disaster Payments.—

(1) In general.—Effective only for producers on a farm who elected to participate in the production adjustment program established under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) for the 1988 crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice, except as otherwise provided in this subsection, if the Secretary of Agriculture (hereinafter referred to in this title as the "Secretary") determines that because of drought or related condition in 1988, the total quantity of the 1988 crop of the commodity that such producers are able to harvest on such farm is less than the result of multiplying 65 percent of the farm program payment yield established by the Secretary for such crop by the acreage planted for harvest (or prevented from being planted because of drought or related condition in 1988, as determined by the Secretary) for such crop, the Secretary shall make a disaster payment available to such producers at a rate equal to 65 percent of the established price for the crop for the deficiency in production below 65 percent for the crop.

(2) Maximum number of eligible acres.—Payments provided under paragraph (1) for a crop of a commodity shall not be made available with respect to any acreage in excess of the permitted acreage for the farm for the commodity.

(3) Relationship to deficiency payments.—The total quantity on which deficiency payments would otherwise be payable to producers on a farm for a crop of the commodity under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) shall be reduced by the quantity on which any payment is made to the producer for the crop under paragraph (1).

(4) Election.—Effective only for the 1988 crops of wheat and feed grains, in the case of producers on a farm who elected after March 11, 1988, to devote all or a portion of the permitted acreage of the farm for the commodity to conservation or other uses in accordance with section 107D(c)(1)(C) or 105C(c)(1)(B) of the Agricultural Act of 1949 (7 U.S.C. 1445b-3(c)(1)(C) or 1444e(c)(1)(B)), the Secretary shall allow such producers to elect (within 30 days after the date of enactment of this Act) whether to receive disaster payments in accordance with this subsection in lieu of receiving payments under such section.

(b) Advance Deficiency Payments.—

(1) Forgiveness.—Effective only for producers described in subsection (a)(1), if, because of drought or related condition in 1988, the total quantity of a crop of the commodity that the producers are able to harvest on the farm is less than the result of multiplying the farm program payment yield established by the Secretary for such crop by the acreage planted for harvest for such crop, the producer shall not be required to refund any advance deficiency payment made available for such crop under section 107C of the Agricultural Act of 1949 (7 U.S.C. 144b-2) with respect to any defi-

ciency in production up to 35 percent for the crop.

(2) Election.—The Secretary shall allow producers on a farm who elected to participate in the production adjustment program established for the 1988 crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice, but who elected prior to the date of enactment of this Act not to receive advance deficiency payments made available for the 1988 crop year under section 107C of such Act, to elect (within 30 days after the date of enactment of this Act) whether to receive such advance deficiency payments.

SEC. 202. PAYMENTS TO PROGRAM NONPARTICIPANTS FOR BASIC COMMODITIES.

(a) Disaster Payments.—Effective only for producers on a farm who elected not to participate in the production adjustment program established under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) for the 1988 crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice, except as provided in subsection (b), if the Secretary determines that because of drought or related condition in 1988, the total quantity of the 1988 crop of the commodity that such producers are able to harvest on such farm is less than the result of multiplying 65 percent of the county average yield established by the Secretary for such crop by the sum of the acreage planted for harvest and the acreage for which prevented planted credit is approved by the Secretary for such crop, the Secretary shall make a disaster payment available to such producers at a rate equal to 65 percent of the basic county loan rate (or a comparable price if there is no current basic county loan rate) for the crop, as determined by the Secretary, for the deficiency in production below 65 percent for the crop.

(b) Limitations.—

(1) Prevented planting credit.—The Secretary shall provide prevented planting credit under subsection (a) with respect to acreage that producers on a farm were prevented from planting because of drought or related condition in 1988, as determined by the Secretary, but not in excess of the quantity of acreage planted (or prevented from being planted because of a natural disaster or other condition beyond the control of the producers, as determined by the Secretary) to the commodity on the farm during the 1987 crop year minus acreage actually planted to the commodity during the 1988 crop year. The Secretary shall make appropriate adjustments in applying the limitation contained in the preceding sentence to take into account rotation practices of the producers.

(2) Acreage limitation factor.—The amount of payments made available to producers of a crop of a commodity under this section shall be reduced by a factor equivalent to the acreage limitation percentage established for the crop under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.).

SEC. 203. PEANUTS, SUGAR, AND TOBACCO.

(a) Disaster Payments.—Effective only for the 1988 crop of peanuts, sugar beets, sugarcane, or tobacco, if the Secretary determines that because of drought or related condition in 1988, the total quantity of the 1988 crop of the commodity that the producers on a farm are able to harvest is less than the result of multiplying 65 percent of the county average yield (or program yield, in the case of peanuts and tobacco) established by the Secretary for such crop by the acreage planted for harvest and the acreage for which prevented planted credit is approved by the Secretary for such crop, the Secretary shall make a disaster payment available to such producers at a rate equal to the applicable payment rate, as determined by the Secretary, for the deficiency in production below 65 percent for the crop.

(b) Payment Rate.—For purposes of subsection (a), the payment rate for a commodity shall be equal to 65 percent of—

(1) in the case of peanuts and tobacco, the basic county loan rate (or a comparable price if there is no current basic county loan rate) for the crop, as determined by the Secretary; and

(2) in the case of sugar beets and sugarcane, a rate determined by the Secretary to be fair and reasonable in relation to the level of price support that is established for the 1988 crop of sugar beets and sugarcane.

(c) Prevented Planting Credit.—The Secretary shall provide prevented planting credit under subsection (a) with respect to acreage that producers on a farm were prevented from planting because of drought or related condition in 1988, as determined by the Secretary, but not in excess of the quantity of acreage planted (or prevented from being planted because of a natural disaster or other condition beyond the control of the producers, as determined by the Secretary) to the commodity on the farm during the 1987 crop year minus acreage actually planted to the commodity during the 1988 crop year. The Secretary shall make appropriate adjustments in applying the limitation contained in the preceding sentence to take into account rotation practices of the producers.

(d) Special Rules for Peanuts.—Notwithstanding any other provision of law—

(1) a deficiency in production of quota peanuts from a farm as otherwise determined under this section shall be reduced by the quantity of peanut poundage quota that was the basis of such anticipated production that has been transferred from the farm;

(2) payments made under this section shall be taken into account whether the deficiency for which the deficiency in production is claimed was a deficiency in production of quota or additional peanuts and the payment rate shall be established accordingly; and

(3) the amount of undermarketings of quota peanuts from a farm for the 1988 crop that may otherwise be claimed under section 358 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1358) for purposes of future quota increases shall be reduced by the quantity of the deficiency of production of such peanuts for which payment has been received under this section.

SEC. 204. SOYBEANS AND NONPROGRAM CROPS.

(a) Disaster Payments.—Effective only for the 1988 crop of soybeans or any nonprogram crop, if the Secretary determines that because of drought or related condition in 1988, the total quantity of the 1988 crop of the commodity that the producers on a farm are able to harvest is less than the result of multiplying 65 percent of the county or area average yield (subject to the provisions of subsection (d)), as determined by the Secretary, for such crop by the sum of the acreage planted for harvest and the acreage for which prevented planted credit is approved by the Secretary for such crop, the Secretary shall make a disaster payment available to such producers at a rate equal to the applicable payment rate, as determined by the Secretary, for the deficiency in production below 65 percent for the crop.

(b) Payment Rate.—For purposes of subsection (a), the payment rate for a commodity shall equal 65 percent of the simple average price received by producers of the commodity, as determined by the Secretary, during the marketing years for the immediately preceding five crops of the commodity, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period.

(c) Prevented Planting Credit.—The Secretary shall provide prevented planting credit under subsection (a) with respect to acreage that producers on a farm were prevented from planting because of drought or related condition in 1988, as determined by the Secretary, but not in excess of the quantity of acreage planted (or prevented from being planted because of a natural disaster or other condition beyond the control of the producers, as determined by the Secretary) to the commodity on the farm during the 1987 crop year minus acreage actually planted to the commodity during the 1988 crop year. The Secretary shall make appropriate adjustments in applying the limitation contained in the preceding sentence to take into account rotation practices of the producers.

(d) Definition.—As used in this section, the term "nonprogram crop" means—

(1) all crops insured directly or indirectly by the Federal Crop Insurance Corporation for crop year 1988; and

(2) other commercial crops for which such insurance was not available for purchase or, if available, was not purchased by such producers for crop year 1988, if—

(A) in accordance with rules and regulations issued by the Secretary, producers of such crops provide satisfactory evidence of actual crop yield for at least one of the immediately preceding 3 crop years, except that if such data does not exist for any of the 3 preceding crop years the Secretary shall use county average crop yield data; and

(B) such producers provide satisfactory evidence of 1988 crop year losses resulting from drought or related condition in 1988 exceeding 65 percent of the crop yield established in subparagraph (A),

except that such term shall not include a crop covered in section 201 through 203 or a crop of soybeans.

SEC. 205. EFFECT OF FEDERAL CROP INSURANCE PAYMENTS.

In the case of producers on a farm who obtained crop insurance for the 1988 crop of a commodity under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), the Secretary shall reduce the amount of payments made available for such crop under this title to the extent that—

(1) the amount determined by adding the net amount of crop insurance indemnity payments (gross indemnity less premium paid) received by such producers for the loss of production of the crop and the payment determined in accordance with this title; exceeds

(2) the amount determined by multiplying—

(A) 100 percent of the commodity yield used for the calculation of payments made under this title; by

(B) the sum of the acreage of each such crop planted to harvest and the acreage for which prevented planting credit is approved by the Secretary; by

(C)(i) in the case of producers on a farm who participated in a production adjustment program for the 1988 crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice, the established price for the 1988 crop of the commodity;

(ii) in the case of producers on a farm who did not participate in a production adjustment program for the 1988 crop of wheat, feed grains, upland cotton, extra long staple cotton, or rice and producers of sugar beets, sugarcane, peanuts, or tobacco, the loan level established for the 1988 crop of the commodity; and

(iii) in the case of producers on a farm of soybeans or a nonprogram crop (as defined in section 204(d)), the simple average price received by producers of the commodity, as determined by the Secretary, during the marketing years for the immediately preceding five crops of the commodity, excluding the year in which the average price was the highest and the year in which the average price was the lowest in such period.

SEC. 206. TRANSFER OF FUNDS.

The Secretary may transfer funds made available to the Commodity Credit Corporation during fiscal year 1988 to the Agricultural Stabilization and Conservation Service in such amounts as may be necessary for salaries and other expenses incurred in carrying out this title.

SEC. 207. CROPS HARVESTED FOR FORAGE USES.

Not later than 15 days after the date of enactment of this Act, the Secretary shall announce the terms and conditions by which producers on a farm may prove yield with respect to crops that will be harvested for silage and other forage uses.

SEC. 208. TIMING AND MANNER OF DISASTER PAYMENTS.

(a) TIMING.—The Secretary shall make disaster payments available under this title as soon as practicable after the date of enactment of this Act.

(b) MANNER.—The Secretary may make payments available under this title in the form of cash, commodities, or commodity certificates, as determined by the Secretary.

SEC. 209. USE OF COMMODITY CREDIT CORPORATION.

The Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation in carrying out this title.

SEC. 210. PAYMENT LIMITATIONS.

(a) DISASTER PAYMENTS.—Subject to subsection (c), the total amount of payments that a person receives under one or more of the programs established under this title may not exceed $100,000.

(b) DEFINITION OF PERSON.—The Secretary shall issue regulations—

(1) defining the term "person" in conformity, to the extent practicable, to the regulations defining the term "person" issued under section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308); and

(2) prescribing such rules as the Secretary determines necessary to ensure a fair and reasonable application of the limitation established under this section.

(c) RELATIONSHIP TO LIVESTOCK EMERGENCY BENEFITS.—No person may receive disaster payments attributable to lost production of a commodity due to the drought or related condition in 1988 under this title to the extent that such person receives a livestock emergency benefit on such lost production under title VI of the Agricultural Act of 1949 (as added by section 101(a) of this Act).

(d) COMBINED LIMITATION.—A person may not receive any payment under this title or benefit under title VI of the Agricultural Act of 1949 for livestock emergency losses suffered due to the drought or related condition in 1988 if such payment or benefit would cause the total amount of such payments and benefits received by such person to exceed $100,000. If a person is subject to the preceding sentence, the person may elect (subject to the benefits limit under title VI of such Act) whether to receive the $100,000 in such payments, or such livestock emergency benefits, or a combination of payments and benefits specified by such person.

(e) REGULATIONS.—The Secretary shall issue regulations to equitably and efficiently implement the requirements of this section.

TITLE III—GENERAL PROVISIONS

Subtitle A—Commodity Stock Adjustment

SEC. 301. SOYBEANS, SUNFLOWERS, AND COTTONSEED AND SUNFLOWER SEED OIL.

(a) PLANTING OF SOYBEANS AND SUNFLOWERS ON PERMITTED ACRES.—Section 504 of the Agricultural Act of 1949 (7 U.S.C. 1464) is amended by adding at the end thereof the following new subsection:

"(e)(1) Notwithstanding any other provision of this Act, effective only for the 1989 and 1990 crops, if an acreage limitation program is in effect for a crop under this Act, the Secretary shall permit producers to plant soybeans or sunflowers on not less than 10 percent, nor more than 35 percent, of the permitted acreage for the crop, as determined by the Secretary.

"(2) For purposes of determining the farm acreage base or the crop acreage base for the crop, any acreage on the farm on which soybeans or sunflowers are planted under this subsection shall be taken into account as if such acreage had been planted to the program crop for which the soybeans or sunflowers were substituted.".

(b) COTTONSEED AND SUNFLOWER SEED OIL.—

(1) EXPORT ASSISTANCE.—It is the sense of Congress that if the price of cottonseed or sunflower seed oil is adversely affected by the amendment made by subsection (a), the Secretary of Agriculture should provide export and other assistance for cottonseed and sunflower seed oil to offset such adverse effects.

(2) FUNDING.—Section 637 of the joint resolution entitled "A joint resolution making further continuing appropriations for the fiscal year 1988, and for other purposes", approved December 22, 1987 (Public Law 100-202; 101 Stat. 1329-357), is amended by striking out "sunflower oil" both places it appears and inserting in lieu thereof "sunflower and cottonseed oil".

SEC. 302. OATS.

(a) FARM ACREAGE BASES.—Section 503 of the Agricultural Act of 1949 (7 U.S.C. 1463) is amended by adding at the end thereof the following new subsection:

"(c)(1) Notwithstanding any other provision of this Act, effective only for 1989 and 1990 crops, if the acreage limitation percentage established for the 1989 or 1990 crop of feed grains under section 105C(f) is less than 12.5 percent, the Secretary shall permit producers on a farm to designate any portion of the farm acreage base (excluding any portion designated as soybean acreage base) as acreage base established for oats.

"(2) Producers on a farm who redesignate any portion of a farm acreage base as oats acreage base under paragraph (1) shall reduce by an equivalent quantity one or more crop acreage bases (excluding any crop acreage base established for soybeans) established for the farm for such crop year.".

(b) SENSE OF CONGRESS.—It is the sense of Congress that if the acreage limitation requirement established for the 1989 or 1990 crop of feed grains under section 105C(f) of the Agricultural Act of 1949 (7 U.S.C. 1444e(f)) is 12.5 percent or more, the Secretary should establish the lowest possible acreage limitation requirement for oats under section 105C(f) of such Act if market imbalances for barley and oats exist.

SEC. 303. PRODUCER RESERVE PROGRAM FOR WHEAT AND FEED GRAINS.

(a) REPAYMENT OF LOANS.—Effective for the 1988 marketing year for wheat or feed grains, if the conditions described in clause (4) of the third sentence of section 110(b) of the Agricultural Act of 1949 (7 U.S.C. 1445e(b)) have been met at any time during the marketing year for such commodity, producers may repay loans made under section 110(b) of such Act for such commodity without payment of additional interest or other charges provided for under clause (4) of the third sentence of section 110(b) of such Act, regardless of the market price.

(b) STORAGE PAYMENTS AND INTEREST.—If during the 1988 marketing year the Secretary allows producers to place wheat or feed grains into the producer reserve established under section 110(b) of such Act, the Secretary shall not make storage payments or forgive interest charges during the remainder of such marketing year with respect to quantities of such commodity that the producers place into the reserve during such marketing year.

Subtitle B—Disaster Credit and Forbearance

SEC. 311. FmHA FARM OPERATING LOANS.

(a) DIRECT LOANS.—The Secretary of Agriculture shall ensure, to the maximum extent practicable, that direct operating loans made or insured under subtitle B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1941 et seq.) for 1989 crop production are made available to farmers and ranchers suffering major losses due to the drought or related condition in 1988, as authorized under existing law and under rules and regulations of the Secretary that implement the objective of enabling farmers and ranchers to stay in business.

(b) GUARANTEED LOANS.—The Secretary shall make available in fiscal year 1989 guarantees for operating loans under subtitle B of such Act, as authorized under such Act, to commercial or cooperative lenders, in addition to the other purposes for which guarantees may be provided for such loans, to refinance and reamortize 1988 operating debt of farmers and ranchers that otherwise cannot be repaid due to major losses incurred by such farmers or ranchers as a result of the drought or related condition in 1988. Each such guaranteed loan shall contain terms and condition governing reamortization, with respect to the 1988 operating debt of the farmer or rancher, that will provide the farmer or rancher a reasonable opportunity to continue to receive new operating credit, while repaying the guaranteed loan, as determined by the Secretary.

SEC. 312. FORBEARANCE AND RESTRUCTURING ON FARM LOANS.

It is the sense of Congress that the Secretary of Agriculture should, with respect to farmers and ranchers who suffer major losses due to the drought or related condition in 1988—

(1) exercise forbearance in the collection of interest and principal on direct farmer program loans made or insured under the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) that are outstanding on the date of enactment of this Act for such farmers and ranchers;

(2) expedite the use of credit restructuring and other credit relief mechanisms author-

ized under the Agricultural Credit Act of 1987 (Public Law 100-233) and similar provisions of law for such farmers and ranchers; and

(3) encourage commercial lenders participating in guaranteed farmer lending programs to exercise forbearance before declaring such loans in default.

Subtitle C—Conservation and Water Assistance

SEC. 321. CONSERVATION AND WILDLIFE ENHANCEMENT.

(a) In General.—In the case of an owner or operator who has entered into a contract under subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) and harvests hay during the 1988 crop year on acreage subject to such contract as authorized by the Secretary of Agriculture, the Secretary shall not reduce the amount of rental payments made to such owner or operator as the result of such harvesting to the extent that the owner or operator—

(1) carries out conservation practices to enhance soil, water, and wildlife conservation practices on and in the vicinity of lands subject to the such contract in accordance with a conservation plan approved by the Soil Conservation Service in consultation with appropriate Federal and State agencies; and

(2) shares the cost of carrying out such practices.

(b) Conservation Practices.—For purposes of subsection (a), the term "conservation practices" includes—

(1) establishment of permanent shelterbelts and windbreaks;

(2) restoration of wetlands;

(3) establishment of wildlife food plots; or

(4) planting of trees.

SEC. 322. WATER-RELATED PROJECTS.

(a) In General.—The Secretary of Agriculture is authorized (directly or in coordination with any other Federal agency, entity, corporation, department, unit of State or local government, cooperative, confederation, individual, public or private organization, or university) to conduct research and demonstration projects, provide technical assistance and extension services, make grants, loans, loan guaranties, and provide other forms of assistance to alleviate problems arising from droughts or lack of water that inhibit economic growth or adversely affect the quality of life in rural areas.

(b) Activities.—The Secretary is authorized to provide assistance under this section for the promotion or establishment of irrigation, watersheds, and other water management and drought management activities.

(c) Cooperation.—In taking action in accordance with this section, the Secretary—

(1) should address the general, special, or unique problems of water management existing in rural areas; and

(2) may carry out such action in cooperation with Federal, State, public, or private agencies and organizations.

(d) Regulations.—The Secretary shall promulgate regulations to carry out this section.

(e) Definition.—As used in this section, the term "university" means—

(1) a land grant university established under the Act of July 2, 1862 (known as the "First Morrill Act"; 12 Stat. 503, chapter 130; 7 U.S.C. 301 et seq.);

(2) a land grant university established under the Act of August 30, 1890 (known as the "Second Morrill Act"; 26 Stat. 419, chapter 841; 7 U.S.C. 321 et seq.);

(3) the Tuskegee University; and

(4) any other support research organization.

(f) Funding.—

(1) Authorization of appropriations.—There are authorized to be appropriated each fiscal year such sums as are necessary to carry out this section.

(2) Non-Federal sources.—The Secretary is authorized to accept funds from non-Federal sources to carry out the activities authorized by this section.

Subtitle D—Rural Businesses

SEC. 331. BUSINESS AND INDUSTRIAL LOANS.

To the maximum extent practicable, the Secretary of Agriculture shall make available in fiscal year 1989 rural industrialization loans, as authorized under section 310B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932), to assist rural businesses and enterprises directly and adversely affected by the drought or related condition in 1988. Any such drought-related rural industrialization loan may be made only if the loan otherwise meets the terms and conditions relating to eligibility established under section 310B of such Act and the Secretary determines that making the loan will serve to meet the original purpose of the rural industrialization loan program to prevent the loss of, or create, rural employment opportunities.

SEC. 332. SURVEY OF AGRICULTURE-RELATED RURAL BUSINESSES AND ENTERPRISES.

Not later than 90 days after the date of enactment of this Act, the Secretary shall—

(1) conduct a survey of rural businesses and enterprises in the United States whose activities involve or are directly related to the production, processing, and marketing of agricultural commodities and products, or to servicing the business and home needs of United States farmers and ranchers, to determine the extent that such businesses are being adversely affected by the drought or related condition in 1988; and

(2) submit a report describing the results of such survey to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

Summary

Producers will receive a disaster payment equal to 65% of the target price for that particular crop.

Corn: $2.93 times 65 percent. Disaster payment rate: $1.90/bu.

Wheat: $4.23 times 65 percent. Disaster payment rate: $2.75/bu.

Cotton: $75.90 times 65 percent. Disaster payment rate: $49.30/pd.

Rice: $11.14 times 65 percent. Disaster payment rate: $7.25/cwt.

The disaster payment would be triggered once the producer suffers a crop loss of greater than 35% of his historical program yield. Once disaster payments are triggered, the producer's total disaster payment equals 65% of base yield less the producer's actual yield multiplied times the disaster payment rate.

Corn Example:

100 acres of corn permitted acres
100 bushel program yield
Total Corp Loss:
100 acres x (100 bu x 65%) x 1.90=$6,650

40 bushel actual yield:
100 acres x (100 bu x 65%)−40 bu) x 1.90=$2,280

Other program crops such as peanuts, tobacco, sugar, and soybeans as well as non-program crops based upon a similar formula except historical program yields would be replaced with a county average yield and the target price would be replaced with average market price for 3 of the last 5 years excluding the high and low years.

ADVANCED DEFICIENCY PAYMENTS

Producers of target price crops will not be required to repay advance deficiency payments of production loss due to the drought. Such producers will also receive disaster payments equal to 65% of the 1988 target price for losses in excess of 35% of their program payment yield. Advance deficiency payments will not be forgiven on bushels lost that also qualify for disaster payments.

DISASTER PAYMENT CAP

$100,000 per producer.

LIVESTOCK

Permanent restructuring of feeding programs. Current regulation requiring a 40% loss would be kept in place. Producers who do not grow their own feed will now qualify. Farmers could not "double dip" by receiving disaster payments on failed acres and livestock feeding assistance based on the same loss. Producers would also receive CCC commodities at not less than 50% of the market price in years after 1988, rather than 75% of the loan rate (current). Limited to $50,000 in benefits but folded into overall $100,000 cap. All livestock qualify.

FCIC

Producers with crop insurance receive FCIC benefits and disaster payments up to $100,000 cap. This means producers with a high insurance rate could have their disaster payments lowered. House wants to require producers who receive disaster assistance to sign up in FCIC for the next two years. Some concern if premiums go up due to the scope of the drought, forcing everyone to sign up or pay higher premiums.

DAIRY

Secretary's authority to reduce the support price 50 cents in January would be waived.

CREDIT

Secretary would pursue credit forbearance in restructuring loans and making loans available.

SOYBEANS/SUNFLOWERS

Producers of program crops could plant soybeans or sunflowers on the permitted acreage within a range of 10-35%. This may not increase plantings significantly if corn is still more attractive to plant than beans.

OATS

If the feed grain ARP is less than 12.5% in 1988 and 1990, producers can switch any portion of their farm base to oats offset by an equivalent downward adjustment in other bases. This may not be enough incentive to plant more oats since producers would be locked into a higher oats/barley base (oats and barley are interchangeable or in the same base).

WILDLIFE/CONSERVATION

25% reduction of CRP payments for those who harvest hay used for wildlife and conservation on CRP acres.

Mr. **LUGAR**. Mr. President, it is an honor and pleasure to join the distinguished chairman of the Agriculture Committee, Senator **Leahy**, and Congressmen **de la Garza** and **Madigan**, chairman and ranking member of the

House Agriculture Committee, as cosponsors on both sides of the aisle in recommending the congressional drought task force proposal that the chairman has now introduced as legislation.

The need for this legislation is obvious. Our heartland is gripped by a severe drought that may well be the worst on record. Our farm economy, buoyed by the 1985 farm bill and a lower valued dollar, had just begun the long journey to recovery after several difficult years. Economic recovery has been set back along with the hopes of many farm families.

The goal of the task force is to try to get drought-stricken farm families through this year with some guaranteed stream of income. It is our hope that the introduction of this bill will send a strong signal to farmers in distress that the Congress and the administration recognize the severity of the drought and are acting now on a bipartisan basis to alleviate the worst of its impacts.

Let us also be wary of giving false hope and expectations. We are facing the worst drought in recorded history. No action by the Congress can be expected to bolster farm income to levels that farmers would have received had they harvested bumper crops. Every farmer in this Nation will not be saved from the consequences of the drought. Producers who feed crops to cattle, hogs, and poultry are hard hit by high crop prices. They will not be made whole in all instances either.

Some will argue that this bill does not go far enough. Others will argue that the bill is too generous given our budget constraints. In my opinion neither is true. The task force, working with the Secretary of Agriculture, has walked a fine line and has done a compassionate job of setting priorities and achieving some kind of fairness between and among producers and commodities.

I am hopeful that all Senators will join with the task force and not delay assistance to farmers. Farmers need to know what the legislation will be. They need to know and understand the situation as soon as possible.

I will briefly summarize the fundamental points of this package, as I see them.

First, for producers of any crop who lose in excess of 35 percent of that crop, disaster payments will be paid by the Commodity Credit Corporation. Those payments amount to 65 percent of the expected return for the crop in question. For wheat, feed grains, cotton, and rice, expected return was the target price. For price supported crops it was the price support. For soybeans and other nonprogram crops the task force used an average market price over the past 5 years dropping the high and low years as a proxy for expected returns. Expected yields were determined using criteria consistent with past drought relief activities.

Second, advance deficiency payments will be forgiven on losses of up to 35 percent of the farm program payment yield. For losses greater than 35 percent, advanced deficiency payments will be deducted from the expected disaster payment.

The task force does not recommend taking these advance deficiency payments away from farmers who lost crops due to drought. However, on that portion of the crop harvested, a high price is being received and should not be subsidized further. Also, on that portion of the crop lost in excess of 35 percent, a disaster payment is being received. To keep equity among crops, deficiency payments should not be made on that same loss.

Our intention was to cover all crops—both program and nonprogram—and do so in a fair and equitable fashion. We also tried to preserve the integrity of the Federal Crop Insurance Program by making payments to those who were insured as well as those who were not.

In the area of assistance to livestock producers, the task force recommends a consolidation and streamlining of the present livestock assistance programs. The Secretary of Agriculture has done a good job of making drought counties eligible for the programs, but farmers find the programs cumbersome and eligibility is sometimes difficult to ascertain.

Specifically, the Secretary will be given the authority to help livestock producers who do not own their own land. Current programs are designed for producers who lose feed on their land due to drought or other disaster. Second, he will be able to provide any form of assistance he deems appropriate. Third, the current program to provide feed at 75 percent of the loan rate will be changed to reflect a more realistic subsidy criteria. The CCC feed would be made available under the task force proposal at 50 percent of the market price.

Although dairy producers are eligible for such livestock feeding programs, there is fear that price supports might be cut unduly in 1989. Under the 1985 farm bill, price support cuts based on continued surplus production were packaged together with a whole herd buyout to ensure that producers had the choice of risking lower prices or participating in the buyout program.

The whole herd buyout did reduce production while it was operational, but nonparticipants continued to expand production. As a result, surplus purchases in 1988 are expected to hit 9 billion pounds milk equivalent—up significantly from 1987. Price supports were cut 50 cents per hundredweight in 1988 and could be cut another 50 cents per hundredweight in 1989 if surplus production is expected to exceed 5 billion pounds in 1989.

The task force fears that the drought will throw such uncertainty into dairy production estimates that the best course is to forego the 1989 price cut until crop prices and production settle out. In 1990 the dairy production situation will become more clear.

The drought has aggravated a very serious soybean, sunflower, and oat supply situation. As a result, the task force recommends two modest steps to free up farmer planting decisions with respect to these crops.

Wheat, feed grain, cotton and rice farmers would be free to plant 10 to 35 percent of their permitted acres to soybeans or sunflowers without loss of their crop base history. Such farmers would also have the option of planting oats on their permitted acres as long as they trade wheat, feed grain, cotton or rice base for the combined oats/barley base.

The task force also recommends Federal and commercial credit forbearance so that drought-struck farmers are not forced from the land due to circumstances beyond their control.

The drought has also destroyed many wildlife habitats in large areas of the country. The task force recommends using the 25-percent rent penalty paid by those who have conservation reserve [CRP] land to be used in future years to improve the wildlife and conservation value of the conservation reserve land. Farmers with CRP land could cost share with the Federal Government to put permanent wildlife and conservation improvements on the CRP land.

The Secretary will release an important crop report this afternoon and a more accurate report will be forthcoming in August. It is too early to predict the severity of this drought, it is far too early to know how much this bill will cost. However, we believe the bill has well defined limits and we do not expect the cost for disaster assistance to exceed the savings from lower target price payments.

Payment limits will also help limit taxpayer exposure. Those caps will remain at their traditional limit of $100,000 for disaster payments and livestock disaster assistance will be limited to $50,000. Producers could not receive a livestock feed subsidy and a crop disaster subsidy on the same production.

In conclusion, the task force bill appears to have broad-based bipartisan and bicameral support. It has the support, we are given assurance by the Secretary of Agriculture and the President. It is my sincere hope that farmers affected by drought will take heart from our actions and that this assistance will not be held up by protracted debate that will only hurt the drought-stricken farmer who is anxiously awaiting some sign of compassion from the Congress and the President. It is our hope to move as quickly as possible with this drought relief legislation.

Mr. DOLE. Mr. President, I am pleased to join as a task force sponsor of the legislation being introduced today. Clearly the drought has been the major issue confronting farmers for the past several months.

BIPARTISAN APPROACH NEEDED

I have said repeatedly that any congressional relief efforts should be spelled "b-i-p-a-r-t-i-s-a-n." Politicians should not try to benefit from someone else's misery. I believe that farmers are mostly interested in seeing that the drought does not wipe out the financial gains and added stability generated by the 1985 farm bill. That means both Congress and the administration will have to act responsibly and quickly.

DROUGHT IMPACT

Mr. President, the drought has hurt every sector of our rural society. Livestock and dairy operators in many areas need emergency feed and water and are facing higher feed costs. Livestock liquidations are causing short-term price declines. Crop producers are seeing higher prices and falling deficiency payments but have no crop to sell. Many producers are not in a position to repay their advance payments. Nonprogram crop producers have also been hard hit. Many consumers will see the effect of drought reflected in higher food bills.

ADMINISTRATION RESPONSE

Secretary Lyng has been working on a daily basis with Members of Congress and their staffs. Haying and grazing privileges have been approved in almost 2,000 counties in 37 States and emergency livestock feeding programs are in effect in over 600 counties to help livestock producers. In addition, USDA has announced $50 million in meat purchases under section 32 authorities and have set up a line of credit with Mexico.

Secretary Lyng has reaffirmed the so-called Reagan doctrine to avoid embargos due to short supply or higher prices. Secretary Lyng's commitment to maintaining the export enhancement program in face of European Community competition is important.

LEGISLATIVE APPROACH

The Secretary has broad authority to assist farmers facing a natural disaster. Many of my colleagues and I have urged the Secretary to use those authorities where practical. However, we will need to give the Secretary broader authority to deal with nonprogram crops and refine existing law. A basic objective of this bill is to treat producers of program and nonprogram crops equally.

CURRENT PROVISIONS

The bill being introduced today was designed after the 1986 program making disaster payments on a percentage of a producer's loss, and this bill bases the payment rate on the target price for program crops. As drafted, producers will qualify for disaster payments after a 35-percent loss.

Payment rates would be available to eligible producers of target price crops at 65 percent of the target price for that crop. Nontarget price program crops—soybeans, sugar, peanuts—will receive 65 percent of their price support levels. Nonprogram crops will receive 65 percent of average market price for 3 of the last 5 years minus the high and low years.

Advance deficiency payments would be forgiven on the crop loss up to the 35-percent threshold. In addition, the bill would permanently restructure livestock feeding programs by giving the Secretary the discretion to make producers who do not grow their own feed eligible and expands eligibility to include all livestock.

We would also waive the 50-cent dairy price cut scheduled for January 1 if net CCC purchases exceed 5 billion pounds.

TIMING

Mr. President, as I stated, the drought is widespread and many livestock producers need help now. I believe it is the intention of the task force leadership to act as quickly as possible, and some have suggested action yet this week. I do not know if that will be possible or not. Our final package should be flexible enough to account for accurate crop production data and reduced spending under farm program outlays.

The early production losses will be reflected in today's world supply and demand report. The August 11 report will be more accurate, but Congress will need to pass a bill by the August recess.

SUMMARY

Mr. President, the drought could become a national catastrophe of great proportions. We will need to be fiscally responsible in addressing the problem and act in a bipartisan manner. We cannot afford to get into a game of one-up-man-ship during an election year. We will also need to treat all producers on an equitable basis and ensure that our exports are kept moving and that we retain our market share.

Mr. HEFLIN. Mr. President, I rise to congratulate the distinguished chairman and the ranking Republican leader of the Senate Agriculture Committee and their staffs for the work they have done in preparing this legislation, of which I am one of the original cosponsors. There are some refinements and changes that I would like to see made. I believe practically every member of the Agriculture Committee from the Democratic side is cosponsoring this legislation. Staff has also worked diligently on this bill. The last document I saw was dated at 6:58 Monday morning which means that even on Sunday night they worked all night to complete this legislation. This effort, which has bicameral and bipartisan support, is the way to proceed. There should not be any politics in regards to bringing relief to this Nation's farmers who have suffered from the drought.

Senator John Melcher, Senator Quentin Burdick, and the Presiding Officer, Senator Wyche Fowler, have worked particularly hard on this bill. Senator Burdick is dovetailing his work with the Appropriations Committee to tie this bill into the authorization bill that will come along. This bill incorporates much of the bill Senator Melcher has introduced. There will probably be some changes, but I think it is very important that we proceed with this legislation as quickly as possible while remaining within the committee's budget allocation.

I was recently at a watermelon cutting down in Alabama where it has been dry for 4 consecutive years. When they opened it they found a piece of paper which said "add water." So we are in a situation where we need all the relief we can get.

I again congratulate the chairman for his leadership, the ranking minority member for his leadership and cooperation, as well as the House Members in devising this measure. It is not perfect and it can be improved. But we have a matter that needs expediting and I think we realize that time is of the essence and we will move forward.

So again let me congratulate our leadership in endeavoring to come to the relief of the drought-stricken farmers of America.

Thank you, Mr. President.

Mr. COCHRAN. Mr. President, I am pleased to join with my distinguished colleagues in cosponsoring this drought assistance legislation. The bill being introduced today gives farmers and ranchers and rural America clear evidence that Congress and the administration are seriously concerned about the financial and economic impact of the 1988 drought and will provide assistance.

Considerable progress has been made in identifying the many problems caused by the drought and developing an assistance package to help address the resulting financial needs. I am sure, however, that there is still more to be accomplished. I continue to hear from constituents regarding the need for improvement in the feed assistance provisions and assistance to address the problem of extensive tree seedling mortality.

Getting a proposal introduced this early will help expedite the process by giving everyone the opportunity to review the provisions and identify any deficiencies. I believe this is an important step in the process to help assure the assistance plan is fair and equitable for all farmers and ranchers and provides the greatest possible assistance to rural America.

Mr. BOSCHWITZ. Mr. President, I, too, join in congratulating the leadership and the staff in putting together what I think is a pretty good package for drought relief. I would stress that it not only is directed at the farmers but it is directed at all of rural America. If you have a shop, store, or business in rural America with the attitude and the feeling and with a lack of confidence that is out there now, you are suffering not from drought but from a catastrophe that is very related to the drought. So this package is aimed not only at farmers, but those people as well, at the businesses of rural America, because they, too, are suffering.

I made last week a 28-county tour throughout Minnesota. It is about a third of our counties. I tried to pick those that have been hit the hardest, and found that the depth of the drought was far more than I had anticipated. I was up in Hallock, in the northwestern corner of our State where there was a crop loss of about 90 percent. I had with me during parts of that drought tour a farmer I had met, and been on his farm in England—and who had been in Africa. He pointed out that the percentage of loss on the farms in Minnesota and indeed in Indiana and other States is larger than in Ethiopia; that in Ethiopia the loss is not so great as it is in Minnesota, but yet the reserve parts are nonexistent.

Day after day, I stood on farms because I went from farm to farm and I arranged my tour in such a way that I gave advance notice of where I was going on the road. I invited farmers to wave us down, and we were to inspect their fields right there on the spot. Day after day, I was standing out in the fields with the temperature in excess of 100. At one point in Beaver Falls, MN, I stood where it was 106 with a 30-mile-an-hour wind. It was like taking a hair dryer and passing it in front of your face, aiming it at you. It was unbelievably hot. You can practically see the corn and other crops shrivel before you.

Some farmer's drought, Mr. President, is another farmer's bonanza, on the other hand. It is important that this bill, and this bill indeed takes that into consideration; that there not be a bonanza; that we not give relief to those people who are getting good results from the marketplace. The winter wheat crop came in pretty good in this country, and other people's crops are proceeding nicely in some States.

So it is important that we save some money, that we do not make payments, normal payments that might have been paid that were anticipated to be made this year to those farmers, and that money instead be directed to farmers who have been impacted by the drought, and rural communities that have been impacted by the drought.

I think that the 35-percent deductible that has been worked out is good. That means farmers have to suffer a 35-percent loss. That is a large loss. A 35-percent loss in my business or a 35-percent loss of the assets of anybody's business, or the current assets, so to speak, of anybody's business is a huge loss to endure. So we are not giving the farmers a relief package that is going to just return them to the status quo; not at all.

We have a large deductible in there. Finally, let me compliment the Secretary of Agriculture. Because of his actions and also because of the actions of the ranking minority member on our side of the Agriculture Committee, the distinguished chairman, Senator LEAHY, Chairman DE LA GARZA on the other side, and Representative MADIGAN, we have been able to work in a very bipartisan manner. And also much of the credit is due to the Secretary of Agriculture who has moved this whole thing right along. As a matter of fact, my Governor said that his brother could not have done more than the Secretary of Agriculture has done for agriculture in Minnesota during this drought condition.

The releasing of the CRP acres was an enormous help to us. The purchase of meat which may have to continue was of enormous help as well in order to see to it that so many of the cattle and other livestock of this country are not taken to slaughter at this present time because very frankly next year we may have a large crop. Those cattle and livestock have to be there to consume it. Otherwise we will have new types of problems.

I compliment all concerned in this effort. I think we are indeed making progress. I think the package is a well balanced one. I will have some amendments to it but it is indeed a great step forward.

Mr. BOND. Mr. President, the continuation of the current drought will undoubtedly alter the course of American agriculture. Since the implementation of the Food Security Act of 1985, our Nation's agricultural sector has once again moved toward the prosperous levels we all remember. We have regained market share, reduced surpluses, increased farm income, experienced growth in domestic demand and restored hope in rural America. While many farmers remain optimistic, others have called upon Congress to move quickly and press comprehensive disaster legislation. Although legislation is no substitute for rain, it can provide the hope which will allow many farmers to weather the storm.

Looking back, I have to admit I wasn't quite willing to believe we were in for a long-term significant drought. In Missouri, we just are not supposed to have droughts in May and June. It's one of those things that when it happens to us, it usually happens in July and August. Well not always. We continue to have severely below average rainfall levels and large portions of our corn and milo crops have been lost. Approximately 77 percent of our corn crop is rated poor or very poor.

For this reason, I am pleased with the recent progress made by the members, and their staffs of the Congressional Drought Relief Task Force. The task force has served as an excellent forum to discuss drought assistance, develop comprehensive legislation and coordinate the activities of the U.S. Department of Agriculture and Congress. Secretary Lyng and his staff have consistently been open to suggestions and have exhibited a willingness to make current programs and policies more responsive to farmers' needs.

The Secretary has implemented several programs designed to minimize the adverse effects associated with the drought.

Specifically the Secretary has allowed haying and grazing on set-aside acres; established a toll-free drought hotline; requested special crop surveys to ensure that crop production reports accurately reflect drought impacts; authorized additional purchases of both ground beef and pork to assist livestock producers hurt by the drought; authorized counties approved for the Emergency Feed Program automatically eligible for the Emergency Feed Assistance Program; and established a national hay information network.

I especially express my sincerest thanks to the distinguished chairman of the Agriculture Committee, Senator LEAHY and the ranking minority member, Senator LUGAR, for their diligence in developing this comprehensive drought legislation. Their leadership has brought the bill to this point—let's hope the momentum is maintained through final passage.

The bipartisan drought legislation introduced this morning provides assistance to the full spectrum of agricultural producers—from program participants to nonprogram participants and from program crops to nonprogram crops. I have been concerned that this drought and its effects on farmers would be used for political purposes—given the year we are in. Thus I am pleased the task force has resisted these temptations and developed a responsible piece of legislation. The legislation provides feed assistance to livestock producers, price support assistance to dairy farmers, permits additional soybean acreage in the 1989 crop year, requires the farmer owned reserve to remain open if release prices are reached, makes CCC-owned commodities available in lots small enough for use by average sized producers and sets a cap on total benefits of $100,000 per person to control Government outlays.

Mr. President, I remain particularly concerned about the livestock industry. Producers have seen their pastures burn up, feed grain and hay prices sky rocket, and as a result of increased marketings, livestock prices have plummeted. To make matters worse, the current feed assistance programs only apply to those producers who can show a loss on their crop production or pasture. I have suggested modifying the Emergency Feed Program to make those producers who purchase all of, or a substantial amount, of their feed inputs eligible for the program. This would make the current program much more equitable.

Under the task force bill, these producers may be eligible for EFP cost-share benefits. I am concerned, however, that the Secretary must first determine that feed cannot be obtained through normal channels of trade without undue financial hardship. It seems that the Secretary retains the authority to make this decision on a case by case basis. This could prove to be an administrative nightmare and I intend to ask the Secretary how he would implement this provision to ensure rapid assistance for qualified farmers.

It is vitally important that any disaster relief package not be difficult to administer—at the county ASCS level or the farm level. We are providing assistance to farmers, not consultants. I shall suggest to Secretary Lyng that the regulations be drafted in such a manner to minimize redtape. I was pleased to see that the bill provides additional funds to ASCS for program administration to assure that the bureaucratic delays and impediments to farmers are minimized.

It is also gratifying that additional soybean plantings will be permitted in the 1989 and 1990 crop years. Allowing producers to plant on 10 to 35 percent of their feed grain, wheat, cotton or rice permitted acreage should provide the additional production necessary to meet domestic demand and remain competitive in world markets.

In conclusion, this is a fair compromise package. It provides some form of assistance to the vast majority of producers affected by the drought. There are some things about which I am concerned, yet I believe the overall package will provide the necessary disaster assistance and am pleased to be a cosponsor of this bill.

Mr. President, I would like to again commend the Secretary of Agriculture as well as the distinguished Senators from Vermont and Indiana for their work on this package. I also thank the distinguished majority and minority leaders for clearing floor time in order that this legislation can be brought before the entire Senate as soon as possible.

Mr. KARNES. Mr. President, I rise today in support of the drought relief package that has been introduced. It is my hope that this package can be quickly voted on in both the House and the Senate and enacted into law.

Mr. President, this is the worst drought in 50 years to hit the Midwest, parts of the Southeast, and California. In many States the loss to farmers will be nearly complete. In my own State of Nebraska the dryness has been selective. Some areas, particularly the northwestern part of the State, the Sand Hills, have had sufficient moisture. Even in the eastern part of the State there have been recent rains that have come at the critical stage of tasseling for corn.

In addition to the rain, which has been spotty, Nebraska has a higher percentage of farmland under irrigation than any of the surrounding States. As a result, many of Nebraska's farmers will harvest a crop this year. Drought-driven prices may in some instances offset the added cost of providing irrigation or suffering through a reduced yield harvest.

All of this is small consolation to the dryland farmer who has not had adequate rainfall and has watched crops wither and fail. Often, this crop represents the only source of farm income the farmer will have for the year. Many farmers across the Nation face the prospect of much reduced yields and lowered farm income.

The drought package that we are introducing today is comprehensive in its scope. And it could be expensive. But it is not a giveaway. It is not a raid on the Treasury. Because the drought is widespread, the drought package is for the most part measured and responsive.

There are tests that must be met before the assistance can be given. For crops, a producer must show at least a 35-percent loss in order to receive benefits. However, once that loss is demonstrated then assistance can begin. The 40-percent-advance-deficiency payment is forgiven.

There is an important additional feature that has been included in this drought relief package. That is the inclusion of more flexibility for the corn producer. Upon enactment, and until the end of the 1985 farm bill, producers will be able to shift from between 10 and 35 percent of their corn acreage into soybean production without a loss in corn base. As cosponsor of the Boschwitz-Boren-Karnes decoupling proposal, I feel that this provides an important step in giving farmers the flexibility they need to respond to market incentives.

There are some oversights in this drought relief package. For instance there is no provision to ensure the continued viability of our gasohol industry at a time when many of our cities are coming under increasing pressure to clean up the air around them. Gasohol is a growing industry that has yet to achieve the economies of scale that allow it to absorb the kind of increased costs that higher corn prices imply.

While those producers who prudently signed up for Federal crop insurance are not penalized by this drought package, I share the concern of some that this package provides precious little incentive for producers to sign up for crop insurance. I will be examining alternatives that would require drought assistance recipients to sign up for crop insurance in future years. Such a requirement should enlarge the pool and thus reduce the premium for all.

There is also scant mention of the small businesses all across rural America that could also be devastated by an extended drought. The drought has set back the recent recovery for farmers. But for many of our rural small businesses there has been no recovery. For those rural businesses, the drought could be fatal. I believe that there should be some sort of drought assistance provided those rural businesses that demonstrate a substantial drought impact through loan guarantees.

These concerns may be addressed in the form of amendments when the drought package comes to the floor. On balance, however, I believe that this bipartisan relief package provides the framework through which farmers can begin to calculate their losses and the degree of Federal assistance to which they may be entitled.

Mr. McCLURE. Mr. President, today I join many of my colleagues in introducing legislation which has been crafted to help the American farmer meet the latest in a series of setbacks, the drought of 1988.

Hard on the heels of several years of poor crop and livestock prices, farmers are now seeing rising prices but many will have no crops to sell. Little or no rain, high temperatures, and strong hot winds have combined, in many areas, to completely devastate crops and seriously jeopardize livestock and poultry operations. Farmers are literally seeing their crops dry up before their eyes.

In eastern Idaho, an area of dryland farming, July was the seventh consecutive month of below normal precipitation. Record breaking temperatures and low rainfall combined to make the month of June the 3d hottest and the 13th driest in record in Pocatello, a city in the heart of the driest area in Idaho. Only .37 of an inch of rain fell in the Pocatello area last month.

Normally this area receives 1.07 during this time. This moisture deficit drove the precipitation shortfall to 3.02 inches for the year. If this persists, it will be the driest and warmest year on record.

The heat and lack of moisture have affected all nonirrigated and some irrigated crops in Idaho. Wheat yields are predicted to be reduced by 30 percent in southeastern Idaho. Alfalfa hay crops could be down 50 percent of normal. With temperatures in the 100's and strong winds, springs, ponds, and seeps are rapidly drying up leaving no water for cattle and sheep to drink.

In cosponsoring this bill, I wanted to provide emergency disaster relief to farmers and ranchers across the United States who are suffering extraordinary losses due to drought. This assistance package is the result of a bipartisan task force which was created to find ways to help farmers cope with the effects of the drought. All Members of Congress understand that this drought is too extensive and the effect too tragic to argue over the politics of who will aid the farmer the most. This bill is a result of suggestions made by all Members of Congress concerned with the well being of farmers and ranchers. I expect it to receive quick review and passage because of the cooperation with which it was crafted.

This measure, in essence, ensures that all farmers in disaster areas will receive disaster payments equal to 65 percent of the target price for program crops. The disaster payment is triggered once the producer suffers a crop loss of 35 percent. Other program crops such as sugar and soybeans as well as nonprogram crops will receive disaster payments based upon a similar formula.

This assures that producers of all crops, not just wheat, feed grains, cotton and rice, are helped but also producers of soybeans, cherries, potatoes, hops, rapeseed, sugar beets and lentils, dry edible beans, apples and other horticulture crops will receive drought disaster aid if warranted. This type of broad ranging program is necessary to provide relief to all farmers damaged by the drought.

To aid many livestock producers who are being already affected by the drought, this bill provides for a restructuring of livestock feeding programs. Current regulation requiring a 40-percent loss would be kept in place but a new program would be created which would allow producers who do not raise their own feed to qualify for assistance. A 50-percent cost-share of feed purchased by farmers during the duration of the drought emergency would be provided by the Federal Government to offset the rising cost of feed. This would be provided to all livestock, not just cattle and sheep but also dairy cattle, goats, swine, poultry, equine and fish, if raised for food.

In regard to livestock, I believe that more could be done to help the livestock producer. This bill does not include a provision which I believe it should, that being a provision to move animals to locations which have feed, not just move feed to the animals. I believe there would be support for this proposal and urge the committee to consider amending the bill to add this provision.

In addition, the bill permits the Secretary to offer cost sharing at 50 percent of the cost to move feed to herds in areas where adequate feed is not available.

The bill also directs the Secretary of Agriculture to make funds available to producers to make grants, conduct research and demonstration projects, provide technical assistance and loans to alleviate problems arising from the drought or lack of water. I have urged the Secretary to use this authority to temporarily extend wells and irrigation systems in areas where irrigation is a normal practice. This will help those drought stricken farmers in irrigation areas who are out of water because of depleted subsurface water tables.

In cosponsoring this legislation I have several concerns, one of which is to provide an assistance package which rewards those producers who have tried to reduce their risks by purchasing crop insurance. The payment formula in this legislation rewards those farmers who tried to protect themselves. It does not however overpay any producers, thus addressing my second concern which is limiting the budget exposure created by this type of legislation.

As a nation, we cannot afford to lose sight of the budget deficit. Even when faced with a drought of this magnitude we must find a way to help farmers without saddling our future generations with unmanageable debt. That is why this legislation requires all payments for this disaster relief be limited to not more than $100,000 per producer. I believe this is fair to the farmer, especially the smaller family farmer which is the backbone of our Nation and of my home State of Idaho.

My final concern is dealing with a limitation on disaster payments. I do not believe that the Federal Government should foot the bill for farmers who may try to farm the disaster program for more aid than they deserve. Farmers who are now planting crops in known drought areas in hopes that the Government will pay them for crops they know will never come up should not receive disaster payments. Many farmers in southern climates are now planting their double croppings in areas where there is little chance of emergence let alone harvesting significant yields. Disaster program payments should not be made to those farmers, as they are assuming the risk by knowingly planting in drought stricken areas. I favor an amendment to limit payments to these farmers to first-crop plantings only.

Even in this time of trial there is a positive side to the problem. While drought parches the Midwest, reducing yields and threatening livelihoods, the market forces of reduced production are driving crop prices higher. As a result, the cost of Federal farm programs will be greatly reduced. The U.S. Department of Agriculture predicts that overall Government program costs will be reduced approximately $8 billion. These savings can be used to support approximately $5.5 billion in expected disaster payments to farmers hard hit by the drought.

We must work together to deal with a problem of this magnitude. This legislation deserves prompt, serious attention. I call upon the chairman of the Senate Agriculture Committee to work on this legislation in the upcoming drought hearings. This bill will assist not just farmers but those who rely upon farmers, small town America, local feed and seed dealers, implement and parts dealers, small business and industry scattered throughout rural areas.

I urge prompt and favorable consideration of this measure.

Mr. PRESSLER. Mr. President, I am pleased to join in introducing the comprehensive drought assistance bill today. This legislation is desperately needed and we must act on it as quickly as possible.

Several weeks ago I toured a number of farms near Eureka and Hosmer, SD. These areas are some of the hardest hit by the drought. Most crops are completely lost. The pastures and hayfields are barren. Most of the livestock in the area have either been sold or move to other counties. Farmers and ranchers in these areas need assistance now, and they need to know what assistance they can expect this fall.

The bipartisan drought task force has done an excellent job of developing a comprehensive drought assistance package. The legislation provides disaster payments to producers of program and nonprogram crops. This was one of my major concerns. Having introduced legislation to allow drought-stricken farmers relief from the repayment of advance deficiency payments, I am pleased to see that this provision is included in the bill. The drought assistance bill must equitably treat all farmers and ranchers.

The bill also makes some needed changes in the emergency feed program. These changes should benefit ranchers and other livestock producers.

Another important component of the drought legislation is its Federal Crop Insurance Program provisions. It is critical to maintain the integrity of the Federal Crop Insurance Program. If we continue to provide special disaster payments to farmers, then they will have no incentive to enroll in the Federal Crop Insurance Program. The bill provides that farmers with Federal crop insurance may receive disaster payments in addition to their crop insurance benefits. This provision maintains the integrity of the crop insurance program.

The bill also makes some necessary changes to encourage the planting of oats, soybeans, and sunflowers in 1989 and 1990. During consideration of the 1985 farm bill, I offered a successful amendment on oats imports. Since that time oats imports have continued to grow and the acreage planted to oats in the United States has decreased. There is no reason for the United States to import an agricultural product such as oats, which can be competitively raised here. We are also losing soybean export opportunities as a result of planting reductions. This year's drought has made this problem more evident.

In general, I support the drought assistance package, but continue to have some concerns regarding problems that are not addressed in the bill. Many small businesses and industries are directly dependent on agriculture. These industries will be hard hit by the drought. Small business disaster loans might be made available to affected businesses, but in many cases this will not be enough. A clear example of an industry that will be hit hard by this drought is the ethanol fuel industry. For years we have encouraged the development of a domestic ethanol fuel industry. Production of ethanol has increased. Some metropolitan areas have mandated the use of ethanol to reduce air pollution. Unfortunately, the dramatic increase in commodity prices could put many ethanol plants out of business. We should consider providing some type of assistance to these agriculturally dependent industries and small businesses.

Mr. President, farmers and ranchers in South Dakota have been waiting many months for drought assistance. They need help now. I urge the Agriculture Committee and the Senate leadership to expedite action on this bill.

By Mr. HATCH (for himself and Mr. GARN):

S. 2633. A bill to provide jurisdiction and procedures for claims by individuals for injuries or death due to exposure to radiation from nuclear testing; to the Committee on the Judiciary.

RADIATION EXPOSURE COMPENSATION ACT

● Mr. HATCH. Mr. President, I rise today to address a tragedy that occurred at the hands of the Federal Government. From 1951 to 1962, the Federal Government rushed to perfect a nuclear arsenal that could meet the challenge of the Soviet Union which was also building a nuclear arsenal. America met this challenge, and developed a formidable nuclear deterrent. But this achievement came at a substantial cost to the communities situated immediately downwind of the Nevada test site where over 100 nuclear explosions lit up and thundered across the desert. The civilians in these communities became willing but unwitting veterans of the cold war because although they provided cooperation and support that was essential to the success of the Government's nuclear program, their Government did not keep faith with them. The Federal Government did not meet its clear duty to protect these Americans from the nuclear fallout that rained invisibly upon their homes and towns. For this reason, and because it is probable that this negligence caused a higher cancer rate among the communities downwind of the Nevada testsite, today, as on several previous occasions, I am introducing a bill to compensate these communities for the results of their Government's callousness and negligence. It is my hope that at last this legislation will be successful.

The case for this bill has grown steadily since 1977 when Dr. Joseph Lyon of the University of Utah published a scientific monograph in the New England Journal of Medicine. In this article Dr. Lyon reported that there was a surprisingly high incidence of childhood leukemia in southern Utah—several times the normal rate for such cancer. This finding set off a furor in the three State region downwind of the Nevada testsite. Accounts of personal experiences that had been kept private for years were suddenly made public. Consequently, people all over the affected area began to realize that they were not alone in questioning and resenting the conduct of the Government during the atmospheric nuclear tests. Individually, many families had long believed that the radioactive fallout had caused cancer among their members, especially the children. Now they learned that other families shared this fear.

In April 1979, the first congressional hearings were held in Salt Lake City on the Government's conduct of the atmospheric tests and on the question of whether the fallout caused cancer. How much cancer was caused by these tests and who has or has had these cancers could not be determined from the early hearings, and have yet to be determined, in part because the Federal Government's negligence has made the technical difficulties involved in making these determinations virtually insuperable. Federal negligence was the biggest revelation to come from the 1979 hearings and subsequent hearings in 1980, 1981, and 1982.

The Federal Government had a duty to exercise due care in protecting the downwind citizens from the invisible dangers of radiation, dangers that in the 1950's were well known to Government officials but largely unknown to the American people. Yet, the Government did not adequately warn, protect, or even monitor the downwind population during the nuclear bombardment at the Nevada testsite. Imbued with a sense of cold war urgency, the agencies responsible worked hard to pacify the downwinders with bland assurances of "no danger," but did little to ensure that these people took the proper precautions to minimize their exposures to radiation from the fallout. Also, by failing to collect adequate data on radiation doses among the downwind citizens—the data that the Government at that time routinely collected for nuclear workers—the downwind citizens have been deprived of evidence that is crucial to making a case against the Government in court.

Despite the difficulties of demonstrating that the nuclear tests caused these individuals' cancers, 1,200 downwind plaintiffs brought suit against the Federal Government, alleging that the fallout caused cancer to them or their relatives. In May 1984, the first 24 cases were decided in Allen versus U.S., a 419 page opinion handed down by U.S. District Judge Bruce Jenkins. In Allen the court made awards to 10 of the 24 plaintiffs.

Several findings by the court are of particular interest. First, the court ruled that the Federal Government had a special duty of care in protecting American citizens from the Nuclear fallout. The court cited a series of statutory provisions dating from the forties and fifties which charged the Atomic Energy Commission with the primary responsibility for nuclear safety. The court then stated the following:

> The rule is grounded upon common sense: The party with superior knowledge is in the better position to lessen or mitigate the risks of injury. As far as nuclear fallout is concerned, the government possessed an overwhelming superiority in knowledge, as well as an effective monopoly of the special skills, training and experience relevant to open-air atomic testing.
>
> The immediate danger, i.e., exposure to humans to ionizing radiation, involves direct contact with the invisible. Alpha particles, beta particles and gamma rays fall beyond the range of human sense. Specialized instruments or materials must be used to detect their presence. Those without special technical skills are hard pressed to exercise the degree of care needed to protect themselves from such a hazard. A stringent duty of care to minimize such hazards is deliberately imposed on the party who acts with

> vastly superior knowledge, in favor of those having less information. The information gap between the plaintiffs and the Government in this action approaches the absolute; a duty of care adjusted according to that vast difference is a very stringent duty indeed. Another reason for imposing a high standard of care is supplied by precedent: In dealing with conduct of potential danger to children, there is a duty to observe extra caution for their safety.

This last point is important for although children are not found on nuclear submarines or in nuclear power plants, they are in abundance in residential communities such as those which were in the immediate path of the fallout. To make matters worse, scientists have demonstrated that children are far more likely than adults to develop cancer from radiation. One would think that the Government would have at least made vigorous attempts to safeguard the children.

But the court found that the Federal Government did not even approach meeting its duty of care regarding the Americans who lived in the shadow of the nuclear blasts:

> This court is convinced that that part of the program of public safety—the public information program—was badly flawed, and that during the operation of that program, the information given to the off-site public as to the long-term biological consequences of exposure to ionizing radiation was woefully deficient—indeed, essentiallly non-existent. The off-site personnel failed to adequately inform persons at risk of what the government knew or could foresee concerning long-term biological consequences of radiation fallout exposure; failed to adequately instruct persons at hazard how to avoid or how to minimize such risk; failed to adequately, contemporaneously, and thoroughly measure and monitor such fallout so as to be able to inform persons at risk of the extent of the hazard faced by each; failed to explain the increased risks of radiation to children, infants and pregnant mothers; failed to warn of the risk of feeding farm animals with forage dusted with radioactive fallout, failed to warn of the dangers of fallout entering the food chain and the potential long-term biological risks involved in eating of such food—particularly to children; and failed to adequately, intensively and periodically advise persons at risk to do the simple things learned in prior Pacific experiments and laboratory practice, namely to stay indoors and under cover, shower, wash clothes, scrub and clean food, and if deeply worried, to evacuate or leave the area for other locations of less potential contamination.

On many occasions my constituents have corroborated these findings to me privately. There has also been testimony at several congressional hearings. On April 8, 1982, a very brave lady from Nevada, Gloria Gregerson, who was deathly ill with cancer and who has since died, came all the way to Salt Lake City to attend a hearing where she said the following:

> I remember the day the nuclear testing started in Nevada. The first blast came without any warning. We were awakened out of a sound sleep. No one was even informed it was going to happen.
>
> We lived in an old two-story home. It broke out several of our windows and cracked our house on two sides the full length of the house.
>
> After this my parents would not let us stay in the house. They took us, still in our pajamas, to the top of a hill where we would watch the blast from there. We could see the flash immediately, and a few minutes later the rumble would come up the river and bounce back and forth between the different mountain ranges. A little later the mushroom cloud would appear.
>
> We were quite close to the test site. We could see the planes as they circled to drop the bombs.
>
> The radioactive cloud, as it came over, was really distinct. It would usually come over our school campus between 9 and 10 in the morning. You could always distinguish it from any other clouds because it had a pinkish-orange tint to it.
>
> I remember my principal told me just 2 or 3 years ago that the AEC had called him on several occasions between 8 and 9 in the morning and told him not to let the kids out of school for any recesses or any classes, to stay inside the building. By 9 or 10 in the morning he would call back and say, its OK, you can let them out. There was not anybody taking readings in our area. There was no way anybody could have known that it was virtually safe for us to go outside.
>
> Later the Government officials would come to our school to talk to us in assemblies, but they never came until after several blasts had already been shot off. They would tell us different things for which we were to watch.
>
> They would preface their remarks saying: "There is nothing to be alarmed about. There is nothing to hurt you, so don't worry, but wash your cars every day; wash your clothes twice before you wear them; don't eat the plants and the vegetables; be sure you wash everything off with water before you even walk on it; don't drink the local milk," yet that is the only way we had to get milk, through our cows.
>
> They just kept emphasizing one point, and that was: "Nothing to worry about. There is no danger." We wondered why they took the trouble to come all the way just to tell us there was nothing to worry about . . .
>
> I remember playing under the oleander trees, which is a wide leaf tree, and the fallout was so thick it was like snow. We do not have snow where we come from. As a result, we liked to play under the trees and shake this fallout onto our heads and our bodies, thinking that we were playing in the snow.
>
> I remember writing my name on the car because the dust was so thick. It was lots of fun. Then I would go home and eat. If my mother caught me as a young child, I would wash my hands; if not, then I would eat with the fallout on my hands.
>
> I made most of the bread for my family when I was still very young. I am not so sure that I always washed my hands, but I did not wear a hairnet either.
>
> Our family ate the vegetables from the fallout-exposed gardens and livestock raised on our fallout laden grass. The AEC told us not to drink the local milk, but they never said anything about our water.

You will note from Mrs. Gregerson's account that there was some effort to suggest precautions to school officials, and even some effort to warn the children directly. There was a public information program, just as there was a program to measure the fallout levels. Sometimes the Federal officials even recited the proper safety precautions, but usually only after a community had been subject to fallout from some of the dirtiest tests, and never with the sense of urgency that would have impressed the children and their parents with the importance of the safety measures. And, where did the Government expect farming families to get their food?

The Americans who lived in the arid environs of the Nevada Test Site were patriotic. If they had been told the dangers of the fallout, straight out—they would have still supported their Government. But they would have also gotten indoors during the blasts and their aftermath. They would have kept their children indoors. They would have washed themselves and their clothes more often during the fallout. They would have tried to avoid contamination of the food they provided their families.

I do not believe that there was any malicious intent on the part of the responsible Federal officials. Nonetheless, their failure to care properly for the downwinders was unconscionable.

For this failure alone—for this negligence—there should be recompense; but the Federal Tort Claims Act, which governs actions brought against the Government, requires more than a demonstration of egregious dereliction. The law also requires a demonstration through a preponderance of the evidence that the nuclear fallout was the proximate cause of the cancers in question.

Radiation causes cancer; but so do other things, and under the best of circumstances, it is hard to prove that radiation has caused a given cancer. No examination of the cancer victim himself can provide the answer, since radiation-caused cancers are indistinguishable from other cancers. The link between radiation and human cancer is primarily statistical, and the link between radiation and any individual's cancer can only be expressed in terms of probabilities.

Scientists have established that radiation causes human cancer by comparing populations that have been exposed to similar populations that have not been exposed to given doses of ionizing radiation. Repeatedly, exposed populations have exhibited higher cancer rates than unexposed of "control" populations. However, such a comparison study, known as an epidemiological study, can show that a particular group has been harmed by radiation only if the number of people in the group is large enough so that the scientists can be sure that the higher rate of cancer did not occur by chance.

Government estimates of the downwind population have ranged from 172,000 to nearly 200,000. This may seem like a large number of people, but it is still too few for a definitive determination either that the fallout caused or did not cause cancer. Therefore, no direct study of the downwinders themselves can scientifically establish their case. What is more, even if a definitive study could be performed and it did show that the downwind population had radiogenic cancers, these cancers would be hidden among many naturally occurring cancers. The study could not distinguish which cancer victims were the radiation victims.

Despite these problems, radiation is the most studied and best known environmental toxin. Models and profiles can be developed from a vast store of scientific data gathered around the world but especially from the experiences of Nagasaki and Hiroshima. These models and profiles can be used to estimate the likelihood that a person's cancer is radiogenic so long as certain critical factors about the person are known. The probability that an individual developed cancer from radiation has been shown to vary according to such things as the type of cancer, the person's age at the time of exposure, the person's sex, and not surprisingly, the size of the radiation dose the person received.

But herein lies another critical, perhaps insurmountable problem for the downwinders. Nuclear workers wear film badges and dosimeters as do sailors in the nuclear Navy, and careful records are kept of their doses. X ray machines and radiation therapy equipment are calibrated, and doctors know or should know the doses their patients receive. But no credible dose estimates exist for the downwinders, especially when they are considered as individuals.

The dearth of dose data makes impossible the construction of standard radiogenic cancer cases by the downwinders against the Government. These data do not exist because the Government negligently failed to gather these data. Therefore, the Government has made it exceedingly difficult, if not impossible, for the downwinders to prove their cases under a standard interpretation of the Federal Tort Claims Act. Moreover, this Federal negligence makes it unlikely that we will ever know the actual health effects of the fallout.

In Allen against United States, the court had much to say about the failure of the Government to monitor adequately the radiation doses of the people who lived with the fallout. On page 247 of the opinion the court says:

> * * * at no time during the period 1951 through 1962 did the off-site radiation safety program make any concerted effort to directly monitor and record internal contamination or dosage in off-site residents on a comprehensive person-specific basis. Widespread person-specific monitoring on a random sample basis did not take place until PLUMBBOB in 1957. Unlike the national laboratories such as Oak Ridge, where the quantities of material involved were a tiny fraction of those released at NTS, no routine urine, fecal or blood samples were taken from residents of local areas exposed to significant, measurable radioactive contamination. Not even in those circumstances where external exposures were estimated to meet or exceed the established safety guidelines, such as in St. George following the HARRY test in May, 1953, did the off-site rad-safe personnel make any effort to check possible internal contamination among residents by direct methods. No thyroid or whole-body counters were constructed for use in screening members of the community—especially children—who may have been exposed to more than was permissible even for radiation workers. In fact, in the aftermath of HARRY, the monitors decided not to take a number of milk samples in order to avoid arousing public concern.

On page 258 the court says:

> Even in dealing with "hard" external gamma radiation, dose estimation for the off-site residents amounted at best to an educated guess. Hastily taken, surface gamma measurements were generalized into smooth isodose lines on a fallout map and then "adjusted" downward by a factor of 2 or more to account for assumptions made about the attenuating effects of housing materials, automobiles, clothing, topography, distance and other factors.

On page 261 the court says:

> Person-specific monitoring and recordkeeping through use of film badges or dosimeters would have largely eliminated the guesswork used both then and now to assess external radiation risks to the local community . . . had the government accurately monitored the individual exposures in off-site communities at the time of the tests, accurate estimation of actual dosage to individual persons would have been achieved.

On page 262 the court says:

> Careful review of the numerous relevant documents, reports and statements which are now a part of the record in this case compels this court to conclude that the monitoring activities conducted in the areas surrounding the Nevada Test Site in an effort to ascertain external doses of radiation were persistently negligent in philosophy and action. The monitoring program as carried out necessarily produced inadequate data from which to accurately evaluate either acute, short-term or chronic, long-term risks of adverse health effects, especially as related to children. Long-term exposures and risks, particularly those related to external beta and internal exposure, alpha, beta and gamma radiations, were never adequately measured or analyzed during the period of atmospheric testing. The inability of current dose estimation projects to make reasonably confident dose estimates based solely on the contemporaneous measurements by NTS neatly underscores the inadequacy of that data at that time as a basis for making those estimates at that time.

On page 275 the court says:

> Test personnel were commonly assigned film badges and dosimeters; residents were not. Test personnel were regularly directed to shower, bathe, change and launder clothing, decontaminate vehicles, buildings and work areas and to exercise care to avoid ingesting or inhaling fallout materials . . . although the same or even stricter exposure standards were to be applied to the off-site population, no general direction was given to residents to shower or bathe carefully, change and launder clothing; except for brief efforts at washing vehicles at roadblocks, decontamination activities in the communities were minimal. This disparity ran contrary to the public-related obligations recognized by the Government."

On page 338 the court says:

> . . . the government's negligent failure to adequately monitor and record the actual external and internal radiation exposures of off-site residents on a person-specific basis has yielded many glaring deficiencies in the evidentiary record as it relates directly to the question of causation. . . . Accurate monitoring of persons largely was not undertaken; adequate warnings and information were almost entirely omitted from the operational radiation safety activities.

On page 370 the court says:

> Rather than serving as the ceiling of retrospective dosimetry for many of the plaintiffs, the exposure estimates currently offered by the government should likely be deemed to be minimum figures for use in risk estimation.

The glaring deficiencies in the Federal data on doses also became evident during the 1979 congressional hearings. Embarrassment over these deficiencies at that time prodded the Department of Energy to begin the offsite radiation exposure review project [ORERP] which has since spent millions of dollars attempting to reconstruct the doses through an array of clever techniques. However eminent and resourceful the scientists involved, I cannot imagine their succeeding in providing estimates that will be approximately accurate for individual claimants. Several of the people who wore offsite monitors during the bomb tests have reported that the fallout readings could vary substantially depending on whether one was measuring at the ground level, at waist level, or over at a bush 10-feet distant. The radiation blew and swirled with the wind, and was concentrated or dispersed according to topography. The downwinders were here and there, going about their daily business in the course of an entire decade of nuclear explosions. How can anyone now reconstruct the dose that any individual downwinder accrued?

The court notes this problem as well in the following passage:

> Yet it is particularly evident here, where the extended period of repeated, uneven exposures to off-site fallout alone renders the processes of estimation far more complex than those for single-exposure events, such as Hiroshima and Nagasaki, or the Windscale incident in Great Britain, or the Three Mile Island incident in Pennsylvania.

Occasionally, the fallout drifted on a small area, what the monitors called a hot spot, a place where radiation readings were extraordinarily higher than the adjoining areas. On discovering one such hot spot, prospectors filed a claim, thinking they had discovered uranium deposits. There is no way now of learing how many hot spots there were, or whether a given downwinder did or did not encounter one.

This is not to say that the dose reconstruction project is worthless and should cease. The old data, however incomplete, should be examined and new evaluations should be made so that we gain the best sense possible of both the parameters and the perimeters for the disposition of the fallout. What I am saying is that although certain limits, especially geographic limits, can be approximated; for the people who lived in the maelstrom of the fallout, no credible, individual dose estimates can be made. One cannot be sure what individual downwinders ate, what they breathed, or where they stood. These people are denied the personal dose data that is available to every nuclear worker.

Considering the court's awareness of the scope and implications of the Federal Government's negligence in this matter, and considering the court's decision in favor of a substantial portion of the first 24 plaintiffs, one might question why the issue should not be left to the court, why there is a need for remedial legislation. There is one simple answer to this question.

The Department of Justice successfully appealed the Allen decision to the Tenth Circuit Court of Appeals, which found the Federal Government immune from liability under the Federal Tort Claims Act because the nuclear testing was a discretionary governmental function, for which the act provides a liability exemption. The Supreme Court has since refused to hear the case on appeal. Despite Judge Jenkin's innovative interpretation of the law in awarding damages for some of the claimants, for all intents and purposes, these civilian downwind victims have exhausted their court remedies with nothing to show for their suffering.

Though the requirements of justice should mean success for the plaintiffs, the letter of the law in these cases was against them. It is not the responsibility of the courts to rewrite the law to accommodate special circumstances such as these. Such is the province of the Congress.

Closely related to the dangers faced by the downwind residents, were the dangers faced by those who mined uranium in Colorado, New Mexico, Arizona, and Utah from 1947 to 1961. During this period, the Federal Government controlled all aspects of the production of nuclear fuel.

These miners, most of whom were native Americans, were sent into inadequately ventilated mines with virtually no instruction regarding the dangers of ionizing radiation. These individuals sometimes ate their lunches in these mines, and often failed to bathe when they returned home in the evening. They had no idea of the danger. Consequently many miners inhaled radon daughters that eventually yielded substantial doses of ionizing radiation. As a result, these miners have a substantially elevated cancer rate.

The miners' complaints are the product of the same era as the downwind victims. They were subject to the same callousness that was endured by the downwinders. For technical, legal reasons, most of the miners with radiogenic cancer have a claim on neither the mining companies nor the State workers compensation boards. They have also met essentially the same result as the downwinders in their battles in court. The uranium that they mined was used to fuel our Federal Nuclear Program, and it is only fitting that these miners also be given a proper legal remedy.

Recently, we have witnessed several efforts by Congress and the administration to provide remedies for those who have been similarly wronged by actions of the Government.

During the 99th Congress, we passed, and the President signed into law an administrative trust fund remedy for the radiation damage claims of the Marshall Islanders. Micronesia was the other place that the Federal Government tested its nuclear weapons in the atmosphere. My constituents in Utah as well as the citizens of Arizona and Nevada feel a special kinship with the people of the Marshall Islands. Sixty-six nuclear explosions were set off in the vicinity of Enewetak and Bikini Islands. More than 100 announced nuclear bombs were detonated above the Nevada test site. Both the Pacific and the Nevada test sites were selected because the areas around them were almost without people. Almost but not quite. In both cases people were there. The Marshallese are as convinced as the American downwinders that the tests damaged property and lives. Consequently, the Marshall Islanders have filed billions of dollars in claims in American courts against the United States.

On October 1, 1982, Ambassador Zeder signed, for the United States, the Compact of Free Association with the Governments of Micronesia. By the fall of 1983, these Governments had also signed the compact, and their people had ratified it through plebiscites. The compact contains a section 177 which established a $150 million trust fund to settle all radiation damages claims by the Marshall Islanders against our Federal Government. The fund is held in American securities, and administered by commissioners appointed by the Marshall Islanders. The fund has been used to pay damages to individuals, and to restore property, and to provide a variety of health services.

Just recently we overwhelmingly approved a measure, H.R. 1811, to provide assistance to the veterans who were exposed to the harmful effects of atomic radiation while in the line of duty. Under the provisions of that law, those veterans who develop any of several listed cancers and who can establish that they participated in nuclear weapons tests or in the occupation of Hiroshima or Nagasaki are presumed to have developed the disease as a result of their service. These veterans are then entitled to Veterans' Administration assistance.

Several of the factors involving the test site downwinders indicate an even greater need to provide for some form of compensation. Many of the downwinders were young children, still in their developmental years and highly susceptible to the damaging effects of the radiation, as opposed to the military population which generally consisted of healthy, young adult males. The average time of exposure for those in the military varied from a few weeks to a few months, while the average downwinder was exposed anywhere from slightly less than 1 year to more than 20 years, resulting in a much larger cumulative lifetime exposure rate. Residents in the Utah, Nevada, and Arizona downwind locations were more likely to have consumed locally grown food and dairy products that were affected by fallout for long periods of time. Such a diet would produce an even greater chance for internal exposure.

It is clear that if the Federal Government has a duty to compensate the Marshall Islanders and the atomic veterans, it also has a duty to compensate the test site downwinders.

In May 1984, the Committee on Energy and Natural Resources conducted a hearing on the Micronesian Compact of Free Association. Chairman McClure graciously invited me to attend. Ambassador Zeder and other representatives of the administration were present to express the administration's support for the Compact of Free Association and the $150 million trust fund for the Marshall Islanders. I asked these representatives of the administration whether they say any reason why this Government should show our own American citizens any less courtesy and compassion than we are showing the people of the Marshall Islands, and whether there was any reason why we should not provide to our own people a remedy that we are providing to the people of the Marshall Islands. The representatives of the administration could think of no reason why the Americans should not be treated the same as the Marshall Islanders. This is not surprising, since there is no reason why the American downwinders should not receive some form of compensation to provide them at long last with both the appearance and the reality of justice. The bill that I am introducing today will provide that justice.

This bill will provide compensation for two classes of claimants—those who were exposed to downwind nuclear fallout, and those who were exposed to radiation in the uranium mines. The U.S. Claims Court would have jurisdiction to hear claims and render judgments for money damages for personal injury or death that was due to the exposure of radiation by the two classes of claimants.

Members of the first class, those exposed to downwind fallout radiation, must have lied in the designated area during the times of the above-ground atomic tests; previously asserted a claim against the United States under the Federal Tort Claims Act if they discovered their cancer prior to the 10th Circuit Court ruling; and developed one of the following types of diseases: leukemia (other than chronic lymphatic leukemia), multiple myeloma, or cancer of the thyroid, lung, female breast, stomach, colon, esophagus, or urinary tract. Members of this class will also include those who discover their cancer after 10th Circuit Court decision, but these victims will not have had to have previously filed a suit against the United States.

Members of this class will have 2 years following the discovery of their cancer, or the enactment of this bill to file their claims, and the court must render its decision within 12 months after hearing the case. Damages will be limited to $50,000 for all claims arising from the injuries or death to any one person.

The second class of claimants includes any individual employed in the uranium mines located in Colorado, New Mexico, Arizona, or Utah during the years from 1947 through 1971 who contracted lung cancer or other serious respiratory disease and previously filed a claim against the United States under the Federal Tort Claims Act if their disease was discovered before court decisions cutting off their judicial remedies. The class would also include any individual who discovers their disease after those court decisions, and again, they would not have to had previously filed a claims against the United States.

This class will have to file claims within 2 years of the discovery of their disease or the enactment of this bill, whichever is later, and damages will be limited to $100,000 for all claims arising from the injury or death of any single individual.

The bill would limit attorney or agent fees to 10 percent of any damages paid and would not affect any insurance claims.

Some will undoubtedly complain about the high costs that might be associated with this bill. But it is not that much, considering the harm that was done. It will amount to only a fraction that the downwinders have spent because of the problems that the Government has caused. According to the General Accounting Office, the Federal Government has spent over $2 billion to study the health effects of radiation. We have spent well over $100 million to clean up uranium tailings. We have spent over $100 million to treat and study the people of Nagasaki and Hiroshima. We have continued to spend hundreds of millions of dollars on underground nuclear testing. Finally, the money for the downwinders is not for some discretionary program, it is to pay a debt that the whole country owes.

I will close with two thoughts. First, hardly any complaint about the fallout has been heard from Las Vegas which is quite close to the Nevada test site, or from Los Angeles which is not that far away. The reason is simple. The masters of the Nevada test site would not detonate a nuclear bomb when the wind was blowing toward either of these two cities. They exercised this restraint because they considered the fallout dangerous. They only exploded a bomb when the wind was blowing into southern Utah, and then they hastened to assure the people there that there was not danger.

Finally, I wonder sometimes what each of my fellow Senators might say to a proposal to put an atmospheric nuclear bomb testing ground in their own State, or in the State next door. What if the idea were to put one in New Hampshire, New Jersey, or Montana, what would the Senators from these States say? Would they oppose such a move? I suspect so. I suspect that every Senator would oppose such a facility being in his or her State, vehemently. I suspect that the people of the State, whatever the State, would react as vehemently as their Senators. This suggests to me that the American people and this Senate implicitly understand the burden the downwinders bore and the contribution they have made. Therefore, I urge my colleagues to do the right thing and to support legislation to provide justice to these Americans.●

By Mr. MURKOWSKI:

S. 2634. A bill for the relief of Harold M. Wakefield; to the Committee on the Judiciary.

RELIEF OF HAROLD M. WAKEFIELD

● Mr. MURKOWSKI. Mr President, today I am introducing a private relief bill for Mr. Harold M. Wakefield.

Mr. Wakefield's story is one of compelling bravery and patriotism in the face of difficult circumstances. The service that Harold Wakefield performed on behalf of the U.S. Government should make us all proud.

Mr. Wakefield first came to Alaska in 1950. In the early 1970's more than a decade ago, he had a well-paying, highly responsible managerial position. He had a growing family and found Alaska to be the ideal location to raise his children.

In 1972, Mr. Wakefield's father passed away and Wakefield took over the family's boat shop. A year later, a customer came to that shop and offered to sell an expensive diesel marine engine. Mr. Wakefield had just recently read in the local newspaper that a flat-bed truck containing a number of new snow machines and this same diesel engine had been hijacked. Rather than simply saying "no" to the offer to purchase stolen property, Wakefield said he would think about and then proceeded to the Federal Bureau of Investigation to report the incident.

During the meeting with the FBI, Mr. Wakefield was asked if he would help recover the stolen engine. Despite the potential danger involved, he agreed. At the request of the FBI, Wakefield contacted the individual who offered him the engine and indicated he might be willing to make a purchase if the price was right. With that, the FBI placed a wiretap on Mr. Wakefield's telephone. Meanwhile, the FBI was unsuccessful in getting a search warrant. To continue the investigation, the FBI needed Wakefield to become further involved with the sting operation. The Bureau asked that Wakefield meet with the criminals and work out a deal.

At a restaurant in Anchorage, Mr. Wakefield met with an individual who later was identified as Allen Wayne Hurley, the leader of the Alaska Chapter of the Hell's Angels. An agreement was made on the purchase of the stolen engine. The FBI now knew who was behind the hijacking and Mr. Wakefield could have left the case at this point. He had done more than his civic duty required. However, the FBI asked that he again become personally involved in getting the stolen property back by purchasing the engine for $10,000.

Under these pressures, the character of Henry Wakefield showed through. He found himself intimately involved with an investigation that could have cost more than mere time and inconvenience. He had to consider that the person he was dealing with was the leader of the Hell's Angels. Not only was Mr. Wakefield risking his life, his family was placed in danger with his increasing involvement in this operation.

Remarkably, Mr. Wakefield did not back down. Instead he decided to go forward with the setup. The engine was purchased and Wayne Hurley was arrested.

With their leader facing trial, the Hell's Angels began intimidating the Wakefields. They terrorized Mr. Wakefield's widowed mother. Mr. Wakefield was forced to move her to California. Of course, Mr. Wakefield was also in danger. To change his appearance, he shaved off his beard and had his hair cut. He slept with a loaded gun by the bed and had a gun in the family cars. The house was wired with alarms and Wakefield and his wife took turns staying awake at night to make sure the family was protected.

Trying to avoid the danger, Mr. Wakefield decided to go to Costa Rica for 1 year with his wife and four daughters. He returned to Alaska only to testify at Hurley's trial and then went back to his family in Central America. His plan was to return to Alaska and reestablish his life after this event had quieted down and it would be safe to come home.

The family left Anchorage for Costa Rica in December 1974. Mr. Wakefield returned to Alaska secretly in April 1975 for the trial. Upon arriving at the Anchorage International Airport, Wakefield was told by the FBI and U.S. attorney's office that Hurley had taken out a contract on his life—one large enough to attract a professional hitman from out of State. In fact, the FBI brought up a special agent to claim fulfillment of the contract so that Hurley and his gang would believe Mr. Wakefield was dead. The agent gave the Hell's Angels forged evidence to show that Wakefield had been killed.

Proceeding under a great deal of security, Wakefield testified against the leader of the Hell's Angels. During the time he was in Anchorage, Wakefield was under the witness protection program. Hurley was convicted and Mr. Wakefield immediately left for his family in Costa Rica.

And there this story should have ended, with Mr. Wakefield returning to Alaska shortly after the trial and continuing his career and raising his family. However, it was not to be. Three days after being convicted, Hurley overpowered two guards and escaped from the Anchorage jail. The U.S. marshal's office contacted Mr. Wakefield and told him it was not safe to return to Alaska. Because of the network of Hell's Angels across the United States, there was no place in this country where Wakefield and his family would be truly safe. The marshal's office was confident that Hurley would be recaptured shortly. Unfortunately, the prediction was wrong. Hurley eluded law enforcement officers throughout the Pacific coast for over 8 years, until August 1984 when he was finally captured in Bellingham, WA, with over $400,000 worth of marijuana and sophisticated growing equipment. Last fall Alaska's most wanted fugitive was returned to Anchorage and finally sentenced for the 1973 crime. He was given 5 years in Federal prison.

During the 9 years between Hurley's escape and recapture, Mr. Wakefield was running out of funds in Costa Rica and was forced to return to the United States. He and his family lived in Alabama for 1 year then moved to Florida. He could not work full time because he was unable to give a complete employment history and so was unable to get a responsible position.

Through these years of moving about and making ends meet with part-time jobs, the Wakefields kept in close contact with the marshal's office in both Anchorage and Florida. Finally in 1982, 7 years after he testified against Hurley, the U.S. marshal gave Mr. Wakefield the go-ahead to return home to Alaska.

During this entire time, Mr. Wakefield received no money of any kind from the U.S. Government except $25 for testifying before the grand jury and reimbursement for his airplane ticket when he returned to Anchorage for the trial.

Mr. President, early on, Mr. Wakefield turned down permanent witness protection because he did not want to change his name and permanently move from Alaska. Additionally, he was told that Hurley would be captured and imprisoned in a short period of time. With 20/20 hindsight, perhaps Wakefield should have chosen witness protection. The rules of the Justice Department do not permit retroactive application of the Witness Protection Program. Mr. Wakefield, who has lost thousands of dollars because he helped the Government, now has no recourse through normal governmental channels to recover his losses. Therefore, his last resort is this private relief measure that I am introducing today.

The merits of Mr. Wakefield's claim should be adjudicated by the Court of Claims, which will assess his monetary loss. For all that Henry Wakefield has gone through these past years on behalf of his country, we should at least provide him an opportunity to present his claim before the only remaining tribunal that can provide relief.●

ADDITIONAL COSPONSORS

S. 1052

At the request of Mr. SPECTER, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 1052, a bill to establish a National Center for the United States Constitution within the Independence National Historical Park in Philadelphia, PA.

S. 1250

At the request of Mr. MITCHELL, his name was added as a cosponsor of S. 1250, a bill to strengthen the criminal justice partnership between the States and the Federal Government.

S. 1554

At the request of Mr. FOWLER, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 1554, a bill to provide Federal assistance and leadership to a program of research, development and demonstration of renewable energy and energy conservation, and for other purposes.

S. 1851

At the request of Mr. METZENBAUM, the name of the Senator from Missouri [Mr. DANFORTH] was added as a cosponsor of S. 1851, a bill to implement the International Convention on the Prevention and Punishment of Genocide.

S. 2055

At the request of Mr. MCCLURE, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 2055, a bill to designate certain national forest system lands in the State of Idaho for inclusion in the National Wilderness Preservation System, to prescribe certain management formulae for certain national forest system lands, and to release other forest lands for multiple-use management, and for other purposes.

S. 2176

At the request of Mr. DIXON, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 2176, a bill to amend the Internal Revenue Code of 1986 to permit the tax-free purchase of motor fuels by individuals who are exempt from paying the motor fuels excise tax, and for other purposes.

S. 2242

At the request of Mr. DASCHLE, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 2242, to provide for the continuation of certain basic services of the Postal Service consistent with Postal policies under section 101 of title 39, United States Code, and for other purposes.

S. 2411

At the request of Mr. MITCHELL, the names of the Senator from Ohio [Mr. GLENN], and the Senator from Montana [Mr. BAUCUS] were added as cosponsors of S. 2411, a bill to amend the Internal Revenue Code of 1986 to extend the low-income housing credit through 1990.

S. 2449

At the request of Mr. PRYOR, the name of the Senator from Colorado [Mr. WIRTH] was added as cosponsor of S. 2449, a bill to amend title 39, United States Code, with respect to the budgetary treatment of the Postal Service, and for other purposes.

S. 2467

At the request of Mr. D'Amato, the names of the Senator from Alabama [Mr. Shelby], the Senator from Colorado [Mr. Armstrong], the Senator from Nevada [Mr. Hecht], the Senator from Pennsylvania [Mr. Heinz], the Senator from Michigan [Mr. Riegle], the Senator from Illinois [Mr. Dixon], the Senator from Colorado [Mr. Wirth], the Senator from Nebraska [Mr. Karnes], the Senator from Texas [Mr. Gramm], the Senator from Missouri [Mr. Bond], the Senator from California [Mr. Cranston], the Senator from Connecticut [Mr. Weicker], the Senator from North Carolina [Mr. Sanford], and the Senator from Hawaii [Mr. Inouye] were added as cosponsors of S. 2467, a bill to amend the Federal Home Loan Mortgage Corporation Act to remove the ownership restrictions placed on nonvoting preferred stock of the corporation.

S. 2516

At the request of Mr. Reid, the name of the Senator from Nevada [Mr. Hecht] was added as a cosponsor of S. 2516, a bill to direct the Secretary of the Interior to transfer a certain parcel of land in Clark County, NV.

S. 2523

At the request of Mr. Reid, the names of the Senator from Ohio [Mr. Glenn], and the Senator from Hawaii [Mr. Inouye] were added as cosponsors of S. 2523, a bill to amend title 23, United States Code, to require States to promptly suspend or revoke the license of a driver found to be driving under the influence of alcohol and for other purposes.

S. 2614

At the request of Mr. Hollings, the names of the Senator from Texas [Mr. Bentsen], and the Senator from California [Mr. Wilson] were added as cosponsors of S. 2614, a bill to amend the National Science and Technology Policy, Organization, and Priorities Act of 1976 in order to provide for improved coordination of national scientific research efforts and to provide for a national plan to improve scientific understanding of the Earth system and the effect of changes in that system on climate and human well-being.

SENATE JOINT RESOLUTION 271

At the request of Mr. Quayle, the name of the Senator from Alaska [Mr. Stevens] was added as a cosponsor of Senate Joint Resolution 271, a joint resolution to designate August 20, 1988, as "Drum and Bugle Corps Recognition Day."

SENATE JOINT RESOLUTION 291

At the request of Mr. Cochran, the names of the Senator from Pennsylvania [Mr. Specter], the Senator from South Carolina [Mr. Hollings], and the Senator from California [Mr. Cranston] were added as cosponsors of Senate Joint Resolution 291, a joint resolution to designate the Month of September 1988 as "National Sewing Month."

SENATE JOINT RESOLUTION 320

At the request of Mr. Hatch, the names of the Senator from Arkansas [Mr. Pryor], the Senator from Virginia [Mr. Warner], the Senator from Georgia [Mr. Nunn], the Senator from Washington [Mr. Adams], the Senator from Minnesota [Mr. Durenberger], the Senator from Nevada [Mr. Reid], the Senator from Oregon [Mr. Packwood], the Senator from Rhode Island [Mr. Chafee], the Senator from Georgia [Mr. Fowler], the Senator from Arizona [Mr. McCain], the Senator from South Carolina [Mr. Hollings], the Senator from Connecticut [Mr. Dodd], the Senator from Massachusetts [Mr. Kerry], the Senator from Minnesota [Mr. Boschwitz], the Senator from Nebraska [Mr. Karnes], the Senator from Maryland [Ms. Mikulski], and the Senator from California [Mr. Cranston] were added as cosponsors of Senate Joint Resolution, 320, a joint resolution to commemorate the 50th anniversary of the passage of the Food, Drug, and Cosmetic Act.

SENATE JOINT RESOLUTION 321

At the request of Mr. Bradley, the names of the Senator from Nebraska [Mr. Exon], the Senator from New Hampshire [Mr. Humphrey], the Senator from Connecticut [Mr. Weicker], and the Senator from Indiana [Mr. Lugar] were added as cosponsors of Senate Joint Resolution 321, a joint resolution to designate the period commencing February 19, 1989, and ending February 25, 1989, as "National Visiting Nurse Associations Week."

SENATE JOINT RESOLUTION 345

At the request of Mr. Trible, the names of the Senator from New Jersey [Mr. Bradley], the Senator from Connecticut [Mr. Dodd], and the Senator from Nevada [Mr. Hecht] were added as cosponsors of Senate Joint Resolution 345, a joint resolution to designate October 8, 1988, as "National Day of Outreach to the Rural Disabled."

SENATE CONCURRENT RESOLUTION 103

At the request of Mr. DeConcini, the names of the Senator from Iowa [Mr. Grassley] and the Senator from South Carolina [Mr. Thurmond] were added as cosponsors of Senate Concurrent Resolution 103, a concurrent resolution expressing the sense of the Congress that the President should award the Presidential Medal of Freedom to Charles E. Thornton, Lee Shapiro, and Jim Lindelof, citizens of the United States who were killed in Afghanistan.

AMENDMENTS SUBMITTED

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATION ACT, FISCAL YEAR 1989

PRYOR AMENDMENT NO. 2549

Mr. PRYOR proposed an amendment to the bill (H.R. 4794) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1989, and for other purposes; as follows:

At the end of the bill, add the following:

CONSULTING SERVICES

Sec. . (a)(1) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and professional services; special studies and analyses; technical assistance; and management review of program funded organizations; in excess of an amount equal to 85 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(2) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and support services for research and development activities; engineering development and operational systems development; technical representatives; training; quality control, testing, and inspection services; specialized medical services; and public relations; in excess of an amount equal to 95 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(b) The Director of the Office of Management and Budget shall take such action as may be necessary, through budget instructions or otherwise, to direct each department, agency, and instrumentality of the United States to comply with the provisions of section 1114 of title 31, United States Code.

(c) Notwithstanding any other provision of this Act, the aggregate amount of funds appropriated by this Act to any such department, agency, or instrumentality for fiscal year 1989 is reduced by an amount equal to—

(1) 15 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(1); and

(2) 5 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(2).

(d) As used in this section, the term "consulting services" includes any service within the definition of "Advisory and Assistance Services" in Office of Management and Budget Circular A-120, dated January 4, 1988.

HARKIN (AND OTHERS) AMENDMENT NO. 2550

Mr. HARKIN (for himself, Mr. Exon, Mr. Pressler, Mr. Durenberger, Mr. Bumpers, and Mr. Karnes) proposed an amendment to the bill H.R. 4794, supra; as follows:

On page 33, insert between lines 18 and 19, the following:

LOCAL RAIL SERVICE ASSISTANCE

For local rail service assistance, $14,321,000 for necessary expenses, notwithstanding any other provision of law, for rail assistance under section 5(q) of the Department of Transportation Act, as amended (to remain available until expended) of which $12,521,000 shall be made available for use directly under sections 5(h)(3)(B)(ii) and 5(h)(3)(C) of the Department of Transportation Act, notwithstanding any provision therein to the contrary: *Provided further,* That each State shall be entitled to, and no more than, $36,000 under the combined provisions of section 5(h)(2) and section 5(i), notwithstanding any provision therein to the contrary: *Provided further,* That no State may apply for fiscal year 1989 funds available under section 5(h)(2) until such State has obligated all funds granted to it under section 5(h)(2) in the fiscal years prior to the beginning of fiscal year 1984, other than funds not expended due to pending litigation: *Provided further,* That a State denied funding by reason of the preceding proviso may still apply for and receive funds for planning purposes.

On page 34, line 19, strike out "$580,800,000" and insert in lieu thereof "$575,800,000".

HOLLINGS (AND OTHERS) AMENDMENT NO. 2551

Mr. LAUTENBERG (for Mr. Hollings, for himself, Mr. Sanford, Mr. Thurmond, and Mr. Helms) proposed an amendment to the bill H.R. 4794, supra; as follows:

At the end of the bill, add the following:

Sec. . Section 139 of the Highway Improvement Act of 1982 (23 U.S.C. 101, note) is amended by adding at the end thereof the following new subsection:

"(c) Notwithstanding any other provision of this section or of any other provision of law, any project involving the relocation of any Interstate route or segment that is approved by the Secretary of Transportation under subsection (a) shall be eligible for discretionary funds made available under section 118(b)(2)(B) of title 23, United States Code.".

McCAIN (AND OTHERS) AMENDMENT NO. 2552

Mr. McCAIN (for himself, Mr. DeConcini, Mr. Exon, Mr. Harkin, and Mr. Karnes) proposed an amendment to the bill H.R. 4794, supra; as follows:

At the end of the bill, insert:

Not later than 90 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall institute a rulemaking proceeding to consider the need for changes to the existing regulation concerning the allocation and transfer of"slots" held by air carriers and commuter operators at each of the four airports covered by the final rule regarding Slot Allocation and Transfer Methods at High Density Traffic Airports, published in the Federal Register on December 20, 1985. Included among the issues that shall be considered in this proceeding are (1) the overall effect of the existing buy-sell regulation upon new entry or limited incumbents at these four airports, (2) the effects of the recently-approved mergers and acquisitions upon the operation of the buy/sell program at these airports, (3) the competitive and fare implications of the utilization of slots for providing services to and from hub airports and on monopoly routes, (4) the effect of short-term leases of slots upon the ability of new entrants or limited incumbents to purchase slots at these airports, (5) the effect of the use of air carrier slots by commuter operators upon entry by air carriers at these airports, and (6) the variation in prices paid for slots since adoption of the buy/sell program. The Administrator shall take final action in this proceeding, including the promulgation of any resulting final regulations, not later than 270 days after the date of enactment of this Act.

DIXON (AND SIMON) AMENDMENT NO. 2553

Mr. DIXON (for himself and Mr. Simon) proposed an amendment to the bill H.R. 4794, supra; as follows:

At the end of the bill, add the following:

Sec. . Notwithstanding any other provision of this Act, no funds appropriated to the Department of Transportation or the United States Coast Guard by this Act shall be used to carry out the closing of any search and rescue operation of the United States Coast Guard until after the expiration of the 90-day period following the date on which the Comptroller General of the United States reports to the Congress the results of his evaluation of the criteria used by the United States Coast Guard in determining whether or not to close out or curtail such operations, and his recommendations with respect thereto.

LAUTENBERG (AND OTHERS) AMENDMENT NO. 2554

Mr. LAUTENBERG (for himself, Mr. Hatfield, Mr. Metzenbaum, Mr. Mitchell, Mr. Pell, Mr. Cohen, Mr. Wilson, Mr. Chafee, and Mr. Proxmire) proposed an amendment to the bill H.R. 4794, supra; as follows:

On page 5, at the end of the Committee amendment beginning on line 1—relating to Coast Guard environment protection activities, add the following:

"*Provided further,* That, within available funds, the Coast Guard shall reopen and maintain the Coast Guard search and rescue stations located at Shark River, New Jersey; East Port, Maine; Block Island, Rhode Island; Ashtabula, Ohio; North Superior, Minnesota; Lake Tahoe, California; Kennewick, Washington; Kauai, Hawaii; and Mare Island, California and reactivate the Coquille and Rogue River Patrols in Oregon: *Provided further,* That within available funds, the Coast Guard shall maintain the Coast Guard search and rescue station located at Bayfield, Wisconsin on a year-round basis."

MOYNIHAN (AND D'AMATO) AMENDMENT NO. 2555

Mr. MOYNIHAN (for himself and Mr. D'Amato) proposed an amendment to the bill H.R. 4794, supra; as follows:

By adding a new subsection (i), to read as follows:

"(i) Notwithstanding any other provision of law, none of the funds appropriated in this, or any other act, shall be available for obligation by the Secretary of Transportation, unless the Secretary implements a program not to reduce apportionments under section 154, Title 23, United States Code for noncompliance with subsection (f) of such section during fiscal years 1987 and 1988, and until September 30, 1989."

SYMMS (AND McCLURE) AMENDMENT NO. 2556

Mr. SYMMS (for himself and Mr. McClure) proposed an amendment to the bill H.R. 4794, supra; as follows:

At the appropriate place in the bill add the following new section:

Sec. . Section 149(k)(1) of the Federal-Aid Highway Act of 1987 is amended by adding paragraph (U) as follows:

"(U) Eastport to Homedale, Idaho.—The Secretary is authorized to carry out work on the United States Route 95 highway in the State of Idaho from Eastport, Idaho, to Homedale, Idaho.".

RUDMAN AMENDMENT NO. 2557

Mr. RUDMAN proposed an amendment to the bill H.R. 4794, supra; as follows:

On page 14, line 10, after "*Provided further,*" strike out all through line 23 and insert the following: That no funds appropriated in this paragraph shall be available to the Massachusetts Port Authority subsequent to a determination by the Department of Transportation that the landing fee structure adopted by the Massachusetts Port Authority on March 16, 1988, for Logan International Airport, is not consistent with the Federal Aviation Act of 1958, 49 U.S.C. app. 1301 et seq. or the Airport and Airway Improvement Act of 1982, 49 U.S.C. app. 2201 et seq., or with national transportation policy, if such fee structure remains in effect after such determination: *Provided further,* That the Department of Transportation shall make such determination prior to December 5, 1988.

HELMS (AND SANFORD) AMENDMENT NO. 2558

Mr. LAUTENBERG (for Mr. Helms, for himself, and Mr. Sanford) proposed an amendment to the bill H.R. 4794, supra; as follows:

At the appropriate place in the bill add the following new section:

Sec. . Paragraph (1) of section 149(k) of the Federal-Aid Highway Act of 1987 is amended by adding at the end thereof the following new subparagraph:

"(v) United States Route 23 and the Charlotte Outer Loop in North Carolina.—The Secretary is authorized to carry out highway projects in the State of North Carolina—

"(i) from the interchange of Interstate Routes 26, 40, and 240 in Asheville, North Carolina to the border of the State of Tennessee, and

"(ii) from Interstate Route 77S east to Interstate Route 85N of the Charlotte Outer Loop.".

GRAMM AMENDMENT NO. 2559

Mr. D'AMATO (for Mr. GRAMM) proposed an amendment to the bill H.R. 4794, supra; as follows:

At the end of the bill, add the following:

SEC. . From funds appropriated to the Department of Transportation by this Act, the Secretary of Transportation is authorized, notwithstanding any other provision of this Act, to make available, not to exceed $500,000, to assist local interests in developing planning studies for the relocation of railroad tracks on college campuses to eliminate hazardous, unsafe, and adverse environmental conditions.

MURKOWSKI (AND OTHERS) AMENDMENT NO. 2560

Mr. D'AMATO (for himself, Mr. MURKOWSKI, Mr. D'AMATO, and Mr. LAUTENBERG) proposed an amendment to the bill H.R. 4794, supra; as follows:

At the end of the bill, add the following:

SEC. . (a)(1) None of the funds appropriated by this Act may be obligated or expended to enter into any contract for the construction, alteration, or repair of any public building or public work in the United States or any territory or possession of the United States with any contractor or subcontractor of a foreign country, or any supplier of manufactured products of a foreign country, during any period in which such foreign country is listed by the United States Trade Representative under subsection (c) of this section.

(2) The President or the head of a Federal agency administering the funds for the construction, alteration, or repair may waive the restrictions of paragraph (1) of this subsection with respect to an individual contract if the President or the head of such agency determines that such action is necessary for the public interest. The authority of the President or the head of a Federal agency under this paragraph may not be delegated. The President or the head of a Federal agency waiving such restrictions shall, within 10 days, publish a notice thereof in the Federal Register describing in detail the contract involved and the reason for granting the waiver.

(b)(1) Not later than 30 days after the date of enactment of this Act, the United States Trade Representative shall make a determination with respect to each foreign country of whether such foreign country—

(A) denies fair and equitable market opportunities for products and services of the United States in procurement, or

(B) denies fair and equitable market opportunities for products and services of the United States in bidding,

for construction projects that cost more than $500,000 and are funded (in whole or in part) by the government of such foreign country or by an entity controlled directly or indirectly by such foreign country.

(2) In making determinations under paragraph (1), the United States Trade Representative shall take into account information obtained in preparing the report submitted under section 181(b) of the Trade Act of 1974 and such other information or evidence concerning discrimination in construction projects against United States products and services that are available.

(c)(1) The United States Trade Representative shall maintain a list of each foreign country which—

(A) denies fair and equitable market opportunities for products and services of the United States in procurement, or

(B) denies fair and equitable market opportunities for products and services of the United States in bidding,

for construction projects that cost more than $500,000 and are funded (in whole or in part) by the government of such foreign country or by an entity controlled directly or indirectly by such foreign country.

(2) Any foreign country that is initially listed or that is added to the list maintained under paragraph (1) shall remain on the list until—

(A) such country removes the barriers in construction projects to United States products and services;

(B) such country submits to the United States Trade Representative evidence demonstrating that such barriers have been removed; and

(C) the United States Trade Representative conducts an investigation to verify independently that such barriers have been removed and submits, at least 30 days before granting any such waiver, a report to each House of the Congress identifying the barriers and describing the actions taken to remove them.

(3) The United States Trade Representative shall publish in the Federal Register the entire list required under paragraph (1) and shall publish in the Federal Register any modifications to such list that are made after publication of the original list.

(d) For purposes of this section—

(1) The term "foreign country" includes any foreign instrumentality. Each territory or possession of a foreign country that is administered separately for customs purposes shall be treated as a separate foreign country.

(2) Any contractor or subcontractor that is a citizen or national of a foreign country, or is controlled directly or indirectly by citizens or nationals of a foreign country, shall be considered to be a contractor or subcontractor of such foreign country.

(3) Subject to paragraph (4), any product that is produced or manufactured (in whole or in substantial part) in a foreign country shall be considered to be a product of such foreign country.

(4) The restrictions of subsection (a)(1) shall not prohibit the use, in the construction, alteration, or repair of a public building or public work, of vehicles or construction equipment of a foreign country.

(5) The terms "contractor" and "subcontractor" includes any person performing any architectural, engineering, or other services directly related to the preparation for or performance of the construction, alteration, or repair.

(e) Paragraph (a)(1) of this section shall not apply to contracts entered into prior to the date of enactment of this Act.

(f) The provisions of this section are in addition to, and do not limit or supersede, any other restrictions contained in any other Federal law.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1989

HEINZ (AND OTHERS) AMENDMENT NO. 2561

Mr. HEINZ (for himself, Ms. MIKULSKI, Mr. SIMON, Mr. LAUTENBERG, Mr. METZENBAUM, Mr. SARBANES, and Mr. LEVIN) proposed an amendment to the bill (H.R. 4800) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1989, and for other purposes; as follows:

On page 16, between lines 13 and 14, insert the following:

URBAN DEVELOPMENT ACTION GRANTS

For grants to carry out urban development action grant programs authorized in section 119 of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301), pursuant to section 103 of that Act, $30,000,000 to remain available until expended.

On page 34, line 2, strike "3,552,800,000" and insert "3,552,800,000, of which not more than $38,600,000 may be provided for the National Aero-Space Plane"

LAUTENBERG (AND OTHERS) AMENDMENT NO. 2562

Mr. LAUTENBERG (for himself, Mr. METZENBAUM, and Mr. MOYNIHAN) proposed an amendment to the bill H.R. 4800, supra; as follows:

At the appropriate place, insert the following:

SEC. . URBAN DEVELOPMENT ACTION GRANTS.

(a) FINDINGS.—The Congress finds that—

(1) the Urban Development Act Grant (UDAG) program has demonstrated its effectiveness in encouraging public-private partnerships to promote economic development in economically distressed urban areas;

(2) the UDAG program has leveraged over 6 dollars of private investment for every UDAG dollar;

(3) the UDAG program has helped create jobs and increase much needed tax revenues for cities around the country;

(4) this Act does not contain any new appropriations for the UDAG program;

(5) the UDAG program will have an estimated $50 million available to it in fiscal year 1989 from recaptured funds; and

(6) the lack of new appropriations reflects the tight budgetary constraints facing the Senate, not a decision to eliminate the UDAG program.

(b) INTENTION OF THE SENATE.—It is the intention of the Senate to make new appropriations for the UDAG program if additional funds become available.

MOYNIHAN (AND OTHERS) AMENDMENT NO. 2563

Mr. MOYNIHAN (for himself, Mr. LAUTENBERG, and Mr. CHAFEE) proposed an amendment to the bill H.R. 4800, supra; as follows:

On page 25, line 3, strike out "$708,750,000," and insert in lieu thereof "$738,750,000,".

On page 25, line 11, insert after the colon: "*Provided further*, That of the funds appropriated under this head, $25,000,000, shall be made available for the Nonpoint Pollution Control Program authorized under section 319 of the Federal Water Pollution Control Act and $5,000,000 shall be made available for the Wellhead Protection Program under section 1428 of the Safe Drinking Water Act:".

On page 28, line 5, strike out "$2,100,000,000," and insert in lieu thereof "$2,375,000,000,".

On page 34, line 2, strike out "$3,552,800,000," and insert in lieu thereof "$3,402,800,000, of which no more than $496,100,000, shall be made available for space transportation capability development, and of which no more than $359,200,000, shall be made available for aeronautical research and technology,".

On page 37, line 20, strike out "$1,870,000,000" and insert in lieu thereof "$1,720,000,000".

INOUYE (AND MATSUNAGA) AMENDMENT NO. 2564

Mr. INOUYE (for himself and Mr. MATSUNAGA) proposed an amendment to the bill H.R. 4800, supra; as follows:

On page 25, line 25, before the period insert the following: "*Provided further*, that not more than $500,000 shall be made available for the expenses of a task force, consisting of the Assistant Administrator for Water (who shall chair such task force), the Assistant Administrator for Research and Development, the General Counsel, the Regional Administrator for Region IX, and as an ex-officio member, the Director of the Hawaii State Department of Health, which shall evaluate all pertinent factors relating to discharges from sugar cane processing mills on the Hilo-Hamakua Coast of the Island of Hawaii, and shall report to the Administrator of the EPA no later than 6 months after the date of enactment of this Act its recommendations concerning appropriate modifications within existing law to permit limitations, effluent guidelines, or other requirements of the Clean Water Act, pertaining to such discharges."

MIKULSKI AMENDMENT NO. 2565

Ms. MIKULSKI proposed an amendment to the bill H.R. 4800, supra; as follows:

On page 25, line 7, insert the following after the colon,

ABATEMENT, CONTROL AND COMPLIANCE

"*Provided further*, That $500,000 shall be available as grants for training of workers by joint labor-management trust funds organized persuant to section 302(c) of the National Labor Relations Act and engaged in training workers in asbestos abatement and disposal under an EPA approved training program:"

DASCHLE (AND OTHERS) AMENDMENT NO. 2566

Mr. DASCHLE (for himself, Mr. DECONCINI, Mr. MELCHER, Mr. INOUYE, Mr. BURDICK, Mr. BINGAMAN, Mr. DOMENICI, Mr. MCCAIN, Mr. EVANS, and Mr. PRESSLER) proposed an amendment to the bill H.R. 4800, supra; as follows:

On page 5, strike lines 15 and 16 and insert in lieu thereof the following: "$143,701,576 shall be for the development or acquisition cost of public housing for Indian families; $2,028,149,212 shall".

GARN AMENDMENT NO. 2567

Mr. GARN proposed an amendment to amendment No. 2566 proposed by Mr. DASCHLE (and others) to the bill H.R. 4800, supra; as follows:

In lieu of amendment 2566:

On page 5, strike lines 15 and 16 and insert in lieu thereof the following: "$106,850,788 shall be for the development or acquisition cost of public housing for Indian families; $2,065,000,000 shall".

BINGAMAN AMENDMENT NO. 2568

Mr. BINGAMAN proposed an amendment to the bill H.R. 4800, supra; as follows:

At the appropriate place, insert the following:

"COMPETITIVENESS POLICY COUNCIL

"For necessary expenses of the Competitiveness Policy Council, $1,000,000, to remain available until expended: *Provided*, That none of these funds shall be made available until S. 2613 or another Act authorizing the appropriations of such funds is enacted into law."

DURENBERGER (AND MOYNIHAN) AMENDMENT NO. 2569

Mr. DURENBERGER (for himself and Mr. MOYNIHAN) proposed an amendment to the bill H.R. 4800, supra; as follows:

On page 25, line 25, insert before the period the following:

": *Provided further*, That, notwithstanding any other provision of this Act, the amount appropriated to the Environmental Protection Agency under the heading 'Salaries and Expenses' is reduced by the sum of $13,480,000, under the heading 'Abatement, Control and Compliance' is reduced by the sum of $10,130,000, and under the heading 'Research and Development' is reduced by the sum of $6,830,000 and from such sums $25,000,000 shall be available for grants to the States for the control of nonpoint source pollution pursuant to section 319 of the Federal Water Pollution Control Act and $5,000,000 shall be available for grants to the States for the protection of wellhead areas pursuant to section 1428 of the Safe Drinking Water Act. Reductions required by this proviso shall be allocated proportionately to all projects, programs and activities under each account heading."

PRYOR AMENDMENT NO. 2570

Mr. PRYOR proposed an amendment to the bill H.R. 4800, supra; as follows:

At the end of the bill, add the following:

CONSULTING SERVICES

SEC. . (a)(1) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and professional services; special studies and analyses; technical assistance; and management review of program funded organizations; in excess of an amount equal to 85 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(2) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and support services for research and development activities; engineering development and operational systems development; technical representatives; training; quality control, testing, and inspection services; specialized medical services; and public relations; in excess of an amount equal to 95 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(b) The Director of the Office of Management and Budget shall take such action as may be necessary, through budget instructions or otherwise, to direct each department, agency, and instrumentality of the United States to comply with the provisions of section 1114 of title 31, United States Code.

(c) Notwithstanding any other provision of this Act, the aggregate amount of funds appropriated by this Act to any such department, agency, or instrumentality for fiscal year 1989 is reduced by an amount equal to—

(1) 15 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(1); and

(2) 5 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(2).

(d) As used in this section, the term "consulting services" includes any service within the definition of "Advisory and Assistance Services" in Office of Management and Budget Circular A-120, dated January 4, 1988.

ADAMS (AND EVANS) AMENDMENT NO. 2571

Mr. ADAMS (for himself and Mr. EVANS) proposed an amendment to the bill H.R. 4800, supra; as follows:

At the end of the bill, add the following:

SEC. . Not later than March 1, 1989, the Administrator of the Environmental Protection Agency shall submit to the Congress a plan pursuant to which the Environmental Protection Agency shall participate in the activities and operations of the Pacific Northwest Hazardous Substance Research, Development, and Demonstration Center. In preparing such plan, the Administrator shall, in addition to direct participation by the Environmental Protection Agency in research activities, give consideration to inkind, personnel exchange, interagency program coordination, and other measures to maximize the benefit of the Center to the public.

CHAFEE (AND OTHERS) AMENDMENT NO. 2572

Mr. CHAFEE (for himself, Mr. BAUCUS, Mr. STAFFORD, and Mr. DURENBERGER) proposed an amendment to the bill H.R. 4800, supra; as follows:

On page 25, line 25, strike the period and insert in lieu thereof the following: ": *Provided further*, That using available funds, the Administrator of the Environmental Protection Agency shall prepare and submit a report to Congress not later than 4 months after the date of enactment of this Act examining the direct economic and environmental impacts that are likely to result from implementation of regulations reducing but not eliminating the production of ozone depleting substances. Such study shall include an examination of profits attributable to production of chlorofluorocarbons between 1974 and 1988, estimates of anticipated profits attributable to implementation of such regulations, the effect that such profits may have on decisions to market safe substitutes, possible regulatory or legislative responses to recpature such profits, potential use of revenues derived from such responses, and the effect that such responses may have on the consuming public.".

HECHT AMENDMENT NO. 2573

Mr. GARN (for Mr. HECHT) proposed an amendment to the bill H.R. 4800, supra; as follows:

Add the following new section at the end of the bill, as amended:

"SEC. . Within six months of the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall report to the Congress on the feasibility of using treated effluent waters from communities within the Carson River Basin, Nevada, to improve the Lahontan Valley wetlands, and enhance the fish and wildlife populations that depend on them. In preparing the report, the Administrator shall consult with the United States Fish and Wildlife Service, the State of Nevada, and interested local governments. The report shall include an analysis of the costs, environmental benefits, adequacy of existing State and federal authorities, and consistency with Nevada State water law. The report shall also identify any federal grant programs which may be available to fund any such project in whole or in part."

CHAFEE (AND OTHERS) AMENDMENT NO. 2574

Mr. CHAFEE (for himself, Mr. DURENBERGER, Mr. BAUCUS, Mr. STAFFORD, and Mr. MITCHELL) proposed an amendment to the bill H.R. 4800, supra; as follows:

Insert the following new section at an appropriate place in the bill:

"SEC. . PROTECTING THE GLOBAL ENVIRONMENT.

"Whereas four of the hottest years on record occurred in the 1980's and, based on the first five months of this year, 1988 is the hottest year on record;

"Whereas it is 99 percent certain that the rising temperature trend is a result of the atmospheric build-up of greenhouse gases—carbon dioxide, chlorofluorocarbons, methane, nitrous oxide, and tropospheric ozone—and is not the result of natural variation;

"Whereas the continued build-up of greenhouse gases is increasing the likelihood of dramatic climate change and extreme events such as the heat wave and drought that is affecting much of our nation;

"Whereas scientists predict that, although average global temperatures have not risen by 3 degrees Farenheit for more than 10,000 years or by 9 degrees for more than 10 million years, the greenhouse effect will increase average global temperatures by 3 to 9 degrees in the next 40 to 60 years, a rate that will preclude natural evolutionary responses;

"Whereas the rise in global temperature is predicted to cause (1) a thermal expansion of the oceans and the melting of glaciers and polar ice, thus causing sea levels to rise by 1 to 4 feet by the middle of the next century, (2) disruptive shifts in rainfall patterns and the loss of adequate moisture in the midcontinent agricultural belt; (3) increases in the number and severity of hurricanes; (4) changes in the location of deserts; and (5) the death of large portions of the world's forests;

"Whereas on March 31, 1988, 42 Members of the U.S. Senate wrote to the President urging him to call upon all nations of the world to begin the negotiation of a convention to protect our global climate;

"Whereas on June 27, 1988, Prime Minster Gro Harlem Brundtland of Norway, speaking before an international conference in Toronto, called for a global convention on the protection of the climate, to coordinate research, information exchange and concrete measures to reduce emissions of harmful substances, and Prime Minister Brian Mulroney of Canada delivered a similar message;

"Whereas the best predictions available indicate potentially severe economic and social dislocation for present and future generations, which will worsen international tensions and increase the risk of conflicts among and within nations;

"Whereas the impact of global climate change may be greater and more drastic than any challenges mankind has faced with the exception of nuclear war; Now, therefore, be it

"*Resolved*, That it is the sense of the Senate that the President of the United States should call promptly and publicly upon the leaders of the world to begin the negotiation of an international convention on the greenhouse effect and protection of the climate, to coordinate research, information exchange and concrete measures to reduce emissions of harmful substances."

GARN AMENDMENTS NOS. 2575 AND 2576

Mr. GARN proposed two amendments to the bill H.R. 4800, supra; as follows:

AMENDMENT No. 2575

At the appropriate place in the bill, insert the following new section:

SEC. . It is the Sense of the Senate that funds should be provided in fiscal year 1989 for the National Aeronautics and Space Administration to permit development and production of the international civilian space station at a level which permits meaningful and efficient progress towards its deployment in the mid-1990's and furthermore, that the budgetary allocation of the HUD-Independent Agencies Subcommittee be increased to permit the provision of such critically needed funds as well as sums necessary to accommodate other high priority program requirements for veterans services and benefits, homeless and housing programs, community and economic development, environmental programs, and for science and engineering research and education programs.

AMENDMENT No. 2576

On page 37, line 3, insert the following before the period: ": *Provided further*, That should a contract award be made for the development and production of the advanced solid rocket motor which provides for non-federal ownership of a production facility, up to $27,000,000 of the funds provided herein may be transferred and merged with sums appropriated for 'Space flight, control and data communication'.

"SCIENCE, SPACE AND TECHNOLOGY EDUCATION TRUST FUND

"There is appropriated, by transfer from funds appropriated in this Act for 'Construction of facilities', the sum of $15,000,000 to the 'Science, Space and Technology Education Trust Fund' which is hereby established in the Treasury of the United States: *Provided*, That the Secretary shall invest such funds in U.S. Treasury special issue securities, that such interest shall be credited to the Trust Fund on a quarterly basis, and that such interest shall be available for the purpose of making grants for programs directed at improving science, space and technology education in the United States: *Provided further*, That the Administrator of the National Aeronautics and Space Administration, after consultation with the Director of the National Science Foundation, shall review applications made for such grants and determine the distribution of such available funds on a competitive basis: *Provided further*, That such grants shall be made available to any awardee only to the extent that said awardee provides matching funds from non-Federal sources to carry out the program for which grants from this Trust Fund are made: *Provided further*, That of the funds made available by this Trust Fund, $250,000 shall be disbursed each calendar quarter for a ten-year period to the Challenger Center for Space Science Education: *Provided further*, That the Administrator of the National Aeronautics and Space Administration shall submit to the Congress an annual report on the grants made pursuant to this paragraph".

BICENTENNIAL COIN ACT

PROXMIRE AMENDMENT NO. 2577

Mr. PROXMIRE proposed an amendment to the amendment of the House to the amendment of the Senate numbered 36 to the bill (H.R. 3251) to require the Secretary of the Treasury to mint coins in commemoration of the Bicentennial of the U.S. Congress; as follows:

At the end of the matter proposed to be inserted by the House amendment to the Senate amendment numbered 36 to H.R. 3251, add the following:

"SEC. 11. SUNSET.

"All provisions of this Act, other than section 10, shall be repealed on the day after the date of enactment of this Act, and no person shall be liable for not complying with such provisions (other than section 10) while they are in effect.”.

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs and the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy & Natural Resouces will be holding a joint hearing on Monday, July 25, 1988, in Senate Russell 485, beginning at 2:00 p.m., on S. 2420, the Arizona-Florida Land Exchange Act of 1988.

Those wishing additional information should contact the Dan Lewis of the Indian Affairs Committee at 224-2251.

Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding a hearing on Friday, July 29, 1988, in Senate Russell 385, beginning at 9:30 a.m., on S. 187, the Native American Cultural Preservation Act.

Those wishing additional information should contact the Clara Spotted Elk of the Indian Affairs Committee at 224-2644.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Tuesday, July 12, 1988, to conduct an oversight hearing on Federal Reserve's second monetary policy report for 1988.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, July 12, 1988, to hold a meeting on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TAXATION AND DEBT

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Taxation and Debt Management of the Committee on Finance be authorized to meet during the session of the Senate on July 12, 1988, to hold a hearing on S. 1239, S. 1821, S. 2078, S. 2409, S. 2484, H.R. 1961, and H.R. 2792, miscellaneous tax provisions.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Tuesday, July 12, 1988. In open session to receive testimony on the Defense Acquisition Process.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on July 12, 1988, to hold a hearing on H.R. 3911 and S. 1958, Major Fraud Act of 1988.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TERRORISM, NARCOTICS AND INTERNATIONAL OPERATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Narcotics and International Operations of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, July 12. To continue a series of hearings on Drugs, Law Enforcement and Foreign Policy: Haiti and Panama.

The PRESIDING OFFICER. Without objection, it is so ordered.

MERCHANT MARINE SUBCOMMITTEE

Mr. BYRD. Mr. President, I ask unanimous consent that the Merchant Marine Subcommittee, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on July 12, 1988, to hold a hearing on S. 2510, legislation permitting certain vessels to participate in the operating-differential subsidy program.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Tuesday, July 12, 1988, to receive testimony on and markup drought legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MINERAL RESOURCES DEVELOPMENT AND PRODUCTION

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Mineral Resources Development and Production of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on July 12, 1988, to receive testimony concerning the Department of the Interior's royalty management program.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE IMPORTANCE OF WHO/UNICEF PROGRAMS

● Mr. DeCONCINI. Mr. President, I rise today to express my support for UNICEF, an organization which plays a significant role in efforts to solve some of the world's most pressing health problems. UNICEF and the World Health Organization [WHO] have a goal to achieve universal childhood immunization by the year 1990. While thousands of lives have been saved toward obtaining this objective there are still some 38,000 children dying each day for lack of immunization and adequate primary health services.

At the Moscow summit some 5 weeks ago President Reagan and General Secretary Gorbachev discussed topics of critical importance to both countries including their concerns about the staggering number of children dying from curable illnesses. The leaders reaffirmed their support for the work UNICEF/WHO is doing to reduce the number of preventable childhood deaths. The President and General Secretary endorsed the goal of universal childhood immunization by 1990 in a joint statement issued at the conclusion of the summit indicating the importance that leaders place on efforts by UNICEF/WHO.

As we have recently witnessed in the Midwest as a result of the drought, a lack of food can ultimately rob one of life's most basic necessities. Health care, like food, is essential to our existence. However, while the drought has been threatening our lifeline for only a matter of months, the children that UNICEF helps have faced these problems all their lives. It is my belief that UNICEF/WHO can have a profound impact on the health of the world if and only if they are given the continuous support of world leaders. I am happy my colleagues supported these budgets in this year's foreign operations appropriation bill. I also hope that the world leaders will continue to prioritize these types of projects in the future.●

MEDIA-ADVERTISING PARTNERSHIP FOR A DRUG-FREE AMERICA

● Mr. KASTEN. Mr. President, I rise today to draw my colleagues' attention to the efforts of the Media-Advertising Partnership for a Drug-Free America in helping us win the war on drugs.

It is clear that to wipe out the threat of illegal drugs to the future of our society, we have to go to the source. And the source of America's drug problem is the attitudes of Americans.

The Partnership for a Drug-Free America has worked for over a year to change the way Americans feel about drugs. The advertising effort by the partnership is helping day by day to destroy the public image of illegal drugs.

The Media-Advertising Partnership for a Drug-Free America today reported research findings that clearly indicate improvement in the attitudes that influence the trial and use of illegal drugs. The partnership's first wave of research, conducted in February and March of 1988, also strongly indicates that antidrug attitudes have been influenced by advertising.

Supporting these conclusions are findings showing that individuals in heavily weighted media markets show far greater attitudinal improvements toward illegal drugs than those individuals in lower weighted markets. In addition, individuals having greater exposure to the advertising reported stronger attitudinal improvements than those individuals having lower exposure.

The Partnership for a Drug-Free America was formed in March of 1987 to reduce the consumer demand for illegal drugs by reshaping social attitudes toward illegal drugs, their use, and their users. Over a 3-year period the partnership hopes to achieve a $1.5 billion program made up of donated creative efforts and media time and space.

In the first year, ending March 31, 1988, the partnership reports $150 million in media time and space donations. Three television networks, 13 radio stations, every major publishing company, more than 3,000 newspapers and 110 magazines have contributed to this figure. In addition, 58 advertising agencies have contributed their time, money, and talent to produce a total of 32 television commercials, 25 radio commercials and 80 print ads.

The Media-Advertising Partnership for a Drug-Free America is well on its way to achieving its goal. And the research findings reported support the important role that advertising can play in improving this Nation's critical illegal drug use situation.

No amount of drug enforcement can protect Americans from illegal drugs if the hearts and minds of Americans are not won over first. The Partnership for a Drug-Free America is fighting and winning this most important battle, and they deserve our gratitude and our support.●

INFORMED CONSENT: PENNSYLVANIA

● Mr. HUMPHREY. Mr. President, every day in America nearly 4,000 abortions are performed on women who, in most cases, do not know the full ramifications of their decisions. I urge my colleagues to support S. 272 and S. 273. I ask unanimous consent that these letters from women in the State of Pennsylvania be inserted into the RECORD.

The letters follow:

FEBRUARY 16, 1987.

DEAR SENATOR HUMPHREY: I am writing, with regard to the informed consent bill for abortion that will be being discussed in the Senate. As a registered nurse myself, and as the wife of a family physician, I am very aware of the importance of informed consent. If for that alone, I would probably not be writing; but I had a very painful experience with the lack of informed consent in this issue.

Eight years ago, at the age of eighteen, I had a unplanned pregnancy. I had a blood test, and was notified through Planned Parenthood that the results were positive. Over the telephone, they asked, "Would you like to continue or terminate?" They did not give me any additional information or counseling. They did not ask to see me; but instead set up a appointment for a "menstrual extraction", as they called it, at a doctor's office in a few days. I was in a state of denial, as most woman are in this situation. Ambivalence and denial are so much a part of early pregnancy they could almost be considered a symptom.

For what seemed like a very innocent procedure at the time; I have since experienced extreme emotional and mental anguish over the interruption of that pregnancy. Planned Parenthood never offered any other options, such as adoption, nor did they show me any literature on Pregnancy, as to what a one and a half month fetus looked like. They did not care about me as a human being; there was no regard for my emotional aftermath.

My denial lasted for two full years, it was not until I was engaged to be married, that I realized what actually had occurred. I have had to undergo counseling at great lengths, to help me resolve the deep pain and conflict. I have since become a Christian, and have found peace in the Lord's forgiveness. We have a three year old daughter who is being treated at Johns Hopkins Hospital in Baltimore, for acute lymphatic leukemia. There is such irony to these two situations; one has such disregard for the preciousness of a human life, while in the other the doctors have done everything in their ability to save her life. One life is not only more precious than another. With all my heart, how I wish that I had received more information as to the forgotten alternative of adoption, but more importantly, to the preciousness of the child growing inside of me.

If you ever need someone, to share the heartbreak of uninformed consent, when this is presented to the Senate, please keep me in mind. My only desire is that as women become informed as to what is actually occurring, they will choose to continue their pregnancy. This decision should not lie in the hands of ourselves, but in God's hand, for He created us.

"I have set before you life and death . . . now choose life so that you and your descendants may live." Deuteronomy 30: 19.

This seems so clear to me now, how I wished it had then.

Sincerely,

LAURA L. MUELLER.

SOUTHEASTERN PENNSYLVANIA.

To Gordon Humphrey:

Here is my experience of abortion. At 17 years old I became pregnant and the father wasn't sure of what to do; neither was I. This was 10 years ago. I went for counseling when I found out for sure I was pregnant. I wished to keep the baby even if I brought it up myself, my parents were furious. The counselors words of wisdom were "Its happened to me and in my pregnancy I had an abortion. They are painless and the problem is gone afterwards." She said I'd regret adopting it or keeping it. She gave me no other option. I wished somebody with more experience and someone who would give me better advice would have been available. At the abortion clinic I got practically the same line. People shouldn't counsel others on such a major issue if they are not qualified. She should have given me all the facts not just her opinion.

I went to the clinic and my mom dropped me off which wasn't a good idea. I needed someone there. They gave me a mild pain killer. It hurt, I was upset and they told me after trying I'd have to wait to be all dilated. I was so afraid and upset but I didn't have a way out. If my mom would have waited I would have gotten dressed and left. It was a horrible ordeal. I left after it was done. I can't explain how awful it was. I was horrified at taking my own child's life. I knew it was wrong.

A few weeks later I hemorrhaged and felt totally drained. I didn't know you could die if you hemorrhaged for too long so I just waited it out and a neighbor told me how dangerous it was.

Years later I put myself through misery with guilt. I could never forgive myself for what I did. This story has a happy ending. I now am a Christian as of last year and I know Jesus has forgiven me. He is putting the pieces of my life together now. Teenagers are lucky nowadays to pro-life counseling. All counseling centers for unwanted pregnancy should have qualified counselors who tell both sides of the story. I'm living proof that having an abortion without all the facts can be disastrous. Girls must know they have alternatives. There isn't only one way and its not easy to forget or always safe. Thank you for reading this. If I could help just one girl not go through what I went through it would be worth it!

Sincerely yours,

ANONYMOUS.

READING, PA.

SENATOR HUMPHREY: I hope this letter isn't too late to be of help to you in your fight against abortion. I hate abortion but had one performed on me about ten years ago.

When I went to have the abortion done nobody ever tried talk me out of it. They said it was alright if I got it done early enough. I'll never forget it! I can still to this day remember certain details. My veins were jumping around so much I couldn't calm down. They had to get someone to calm me down so they could inject me to put me under. Before I was completely out of it I heard a nurse say "What are we going to do with all the garbage that comes out." I didn't understand at that time what she meant by that. Now I know about the horrible ways that they murder these innocent babies.

Now that I know that what I did was wrong, it grieves my heart to know that thousands of mothers are aborting future generations.

I thank God for his forgiveness, but still grieve the loss of my child.

I sincerely hope that this letter can be of help. God Bless you for taking a stand.

Love in Jesus,

CYNTHIA LONG.●

THE EFFECTS OF THE CONTRA WAR ON THE ENVIRONMENT

● Mr. LEAHY. Mr. President, we have all seen the horrible effects of war in Central America. The loss of life and the destruction of property is great in proportion to the population and territory involved. It is important to note that not all of the victims can cry out for help or demand justice. One of those silent victims is the environment.

Our Nation has been a leader in the global movement to protect the natural environment from manmade harms. For a variety of reasons other nations, including those in Central America, have not been able to protect their environments effectively. While this destruction is tragic in itself, it is particularly so because we could have helped prevent some of it.

Central America once possessed one of the most bountiful tropical forests in the world. Today, large areas of these forests have been destroyed. The causes of this loss vary. In large part it is due to primitive or unsound agricultural practices, such as slash and burn. The rapid growth in population is also a significant factor. Some can be blamed on private corporations using environmentally unsound techniques in lumbering and other commercial enterprises.

In addition, Mr. President, we should be honest enough to recognize that at least part of the environmental damage in Nicaragua and Honduras is a direct result of the Contra war. Unfortunately, the United States cannot avoid a major share of the responsibility for this assault on the environment.

There are reports that the Contra's have been directly linked to the destruction of nurseries, research stations, and fire control projects in Nicaragua. They have also burned reforestation projects designed to save what is left and rebuild what was lost. According to the Environmental Policy Institute, in 1983 over 400 square kilometers of a reforestation project funded by the Inter-American Development Bank were destroyed by the Contras. In addition, 60 of the 64 mobile firefighting units and almost all of the wooden bridges leading to remote parts of the project were destroyed. The result of this devastation is painfully clear. The burned areas have not been able to regenerate and the number of forest fires has increased by over 600 percent in this area in recent years.

Presumably, the Contras conduct these attacks because the facilities and projects are carried out by the Government, and therefore represent Sandinista targets. If so, this is extraordinarily shortsighted and counterproductive. The environment is not political. It belongs to all Nicaraguans, be they Sandinista, Contra or, as I believe most Nicaraguans feel, to neither one nor the other. The Contras, and the Sandinistas as well in their own military operations, are destroying the national patrimony.

At this moment, there is a shaky cease-fire in Nicaragua. Ever since the Sapoa agreement 3 months ago, there have been no attacks on environmental facilities or personnel. Nature has been given a breathing spell from wanton destruction.

Nicaragua is not the only country whose environment suffered from this war. Honduras is another victim. I have seen reports that in the last 2 years alone it has lost over 1,000 square kilometers of rain forest because of the Contra insurgency and military operations along its border areas. The fighting is not the only cause—and probably not even the primary cause—of the destruction to the environment from the war. The enormous American, Honduran, and Contra logistical and other support services that are required to wage this low intensity war have also taken an enormous toll.

The U.S. Army's construction projects have left parts of Honduras looking like a giant parking lot. Environmental safeguards required in the United States for military construction are not applied to military projects in other countries. This arrogant and callous disregard for the local flora and fauna makes these projects unusually damaging. As Mr. Joseph Hanley, a spokesman for the U.S. National Guard, told the Washington Post on April 5, 1988, about construction projects in Honduras, "If you're building a road * * * you don't have to worry about the EPA or environmentalists."

Time has not completely run out. Work is underway to save the forests that remain. The countries of Costa Rica and Nicaragua have proposed an international system of protected areas, commonly known as Si-A-Paz—which means Yes To Peace. If this plan is put into effect, over 6,000 square kilometers of pristine tropical rain forests will become a protected area. This type of action is urgently needed to save the habitat of Central America. This is the kind of activity the United States should be supporting in Central America—not futile wars to overthrow governments we do not like.

Can we not remember Vietnam, agent orange, and the defoliation program? The indiscriminate artillery bombardments, construction of enormous bases, massive bombing of infiltration routes and base camps, leaving the countryside cratered like the Moon? Do we really want to leave the same legacy in parts of Central America?

Mr. President, I strongly urge the Pentagon to take a much more positive attitude about protecting the environment in its presence in Central America. Of course there may be some inconvenience in showing restraint and a decent respect for local conditions and populations. But, it is in the long term national interests of this country for the military to do so. It offsets pervasive and spreading anti-Americanism, fueled in part by our disregard of local sensitivities and considerations. We also have a strong interest in the preservation of the oxygen producing rain forest of Central America.

Finally, Mr. President, I know this administration is not going to change. But, most certainly the next one, be it Democratic or Republican, should take a completely different attitude about American aims and priorities in Central America. Saving the national environment, eradicating poverty and injustice, promoting democracy, and strengthening human rights should be our aims, not what the Reagan administration has been doing for the last 8 years.●

TRIBUTE TO THE U.S. POSTAL SERVICE

● Mr. DIXON. Mr. President, I rise today to pay tribute to the U.S. Postal Service, to the dedication of its employees, and to the efficiency of the system. We take for granted the millions of pieces of mail that are efficiently and correctly delivered to every home and business across the country each day. Mr. Otis Pike, in his heartwarming article (July 7, Chicago Sun-Times), reminds us of how effective the postal system really is. We see that our faith in the post office is not misplaced. Postal employees go out of their way to deliver the mail, even those pieces incorrectly or incompletely addressed.

I call upon my colleagues to join with me in congratulating the Postal Service on a job well done. I ask that Mr. Pike's article be inserted in the Record.

The article follows:

[From the Chicago Sun-Times, July 7, 1988]

Here's a Fisherman's Story That Doesn't Involve Fish

If you are weary of being put upon by merchants who tell you they don't guarantee it; if you have to go to the manufacturer when the appliance breaks down in the first month; if you are shocked to be told by your insurance agent that your policy doesn't cover the only problem you have; if you are convinced that the Postal Service always delivers your mail to someone else—take heart. This is a nice story and true.

I am fortunate enough to have a boat large enough to sleep on. I have been living on it lately. Unless one has remarkably tolerant friends, living on a boat with others requires some rudimentary ability to get clean. This is especially true if one is a fisherman.

Fishermen are not only subject to all the normal dirt of living and caring for diesel engines, if they are lucky they also deal closely with bait and fish. The smell of three-day-old bait and fish on one's hands and body has never elicited friendly comments from family or friend. My reputation is not that of the tidiest person who ever sliced bait or boated a bluefish, but even I like to get rid of a couple of layers of dirt once in a while.

The boat has a shower, tiny but enough to accomplish all that is necessary. The bottom of the shower, like that on most small boats, is lower than the water that the boat floats in, which means that it can't just drain overboard. Try it, and you and your boat will sink together. Boats have small basins, called sumps, in which the shower water drains. To get rid of it, they have little pumps.

The sump pump on my boat died. It didn't owe me anything, having pumped honorably for about 10 years. I tried to buy a whole new one where I had bought the last one, but they didn't carry them any more. This is another of the little frustrations of our age. Everyone always has a "new and better line" when all you want to do is replace the old one.

I extracted the old one from the sump. This is a nasty job. Not only are you working down in the bottom of the bilge, but any pump that has been getting rid of dirty shower water for a decade is a lot less than antiseptic. With the aid of a hose I cleaned it up, and found it was made by the Lovett Pump Co. of Somers Point, N.J. With nothing to lose, I took it apart and believed I had found the problem. Two small belts that transferred the power from an electric motor to the pump itself had loosened up over the years, even as you and I do.

Being a heavy gambler, I stuck a five-dollar bill in an envelope together with a piteous plea for assistance and sent it to "The Lovett Pump Co., Somers Point, N.J." That's all the address I had.

I gambled that the U.S. Postal Service would get it there and not send it back stamped "Insufficient Address." I gambled that the person who opened it would read my plea with sympathy and not apply my five bucks toward lunch.

By return mail I received an envelope containing two small belts with an invoice saying they had cost 50 cents each. The postage was $1.25. Someone with both sympathy and a marvelous sense of humor had taped $2.75 in quarters to a card inside the envelope. There was no other message.

There are postal workers out there who go out of their way to deliver the mail even when it is not properly addressed. There are businessmen and women out there who are impeccably honest and go out of their way to be helpful. Some even have senses of humor and enjoy their work.

The belts were precisely the right size, the pump was reassembled and stuck back in the sump. With some pride I can announce that it works perfectly and for $2.25 may be good for another 10 years. I can take a shower again and friends and family are hoping I will do so soon. I will, too, right after I finish cleaning the fish.●

CHILD ABUSE

● Mr. DURENBERGER. Mr. President, today I would like to address the grave national problem of child abuse and recognize the accomplishments of Dr. Richard Krugman who is a national advocate for children and the head of the Kempe Center in Denver.

The United States has a major problem of child abuse and neglect as shown in the progressive increase of maltreatment and deaths arising from either cumulative severe beatings or from single violent episode. Tragically, we also know that children have died because parents have been negligent and have either failed to secure needed medical care or provide adequate supervision.

My special interest in this issue is to prevent the tragedies and to make certain that we spend as much energy, money, and time in stopping child abuse and other domestic violence as we spend in treating it. More emphasis should be given to prevention strategies not only because the financial cost of prevention is much lower but because it will also avoid longrun consequences such as increased juvenile delinquency as well as the loss of some future lifetime earnings by the victims of maltreatment.

In my own State of Minnesota, the great potential for prevention is being demonstrated. In Ramsey County, there is a State-supervised, county-administered Home Health Visitor Program where a team of about 10 doctors work closely with public health nurses to address the problem of prevention of child abuse. There is also an ongoing parent outreach project which tests a multidisciplinary collaborative program for preventive intervention with families considered at potential risk for child maltreatment. It integrates the use of volunteer parent befrienders and professional service providers like public health nurses and community parent educators.

Preventive intervention will lead to progress in dealing with the heartbreaking effects of child abuse and neglect. This is a cause that needs national support. Therefore, I commend Dr. Krugman and the Kempe Center for their efforts to combat this devastating problem. I ask that the following article from the Sunday Denver Post be inserted in the CONGRESSIONAL RECORD.

The article follows:

CHILD ABUSE

(By Carol Kreck)

The baby is dead. The question now is whether to exhume the body.

A police officer, calling for advice from a little town in the rural South, sounds apologetic. She is in over her head with this case. Her voice, amplified by a speaker phone on a coffee table in Richard Krugman's office, is anxious. "I know you all are busy with your own stuff. . . ."

But she had nobody else to call for help except the Kempe National Center for the Prevention and Treatment of Child Abuse, 1,200 miles away in Denver.

So they listen.

Krugman, a Denver pediatrician, is in his office at the center, a former nunnery at 1205 Oneida St.

Ann Goldfarb, a former prosecutor, is also on hand. So is Don Bross, an expert in pediatric law. The three are members of the center's forensic team.

As they discuss the police officer's call, Krugman finally offers assurance. "It sounds like your medical examiner is on the right track," he tells the police officer. "He needs to go for it."

Goldfarb adds an opinion. "If you have two really strong cases, you might get a plea out of this guy."

Bross volunteers that it sounds like the baby's crying was the trigger.

Krugman, who had studied a report on the case sent earlier, delivers the decision.

"This is an inadequate autopsy. You really do need to exhume it. He (the medical examiner) may learn a lot." While Kempe's pioneering forensic team continues to confer with the officer, Krugman moves quietly to his desk to dictate an opinion that will help her pursue her case.

The letter is dictated before the officer, who heard Krugman speak at a district attorneys' conference in Seattle, says goodbye.

From around the country and across the state, call for help come to Kempe—an international magnet center for child-abuse prevention and treatment.

A pediatrician from the rural northwest calls to tell Krugman about the husband of a day care mother who silenced a crying baby in his wife's care by stuffing a rag into the child's mouth. The worst part, said the doctor, was a judge's failure to agree that the man was criminally abusive. The doctor is more depressed than angry.

Krugman commiserates. "That's awful, but I don't think it should be over," he tells the pediatrician. Make sure social services takes their day-care license away, he advises. "The real issue is, this guy shouldn't be around kids."

A couple of local detectives call. They have a file inches thick and videotapes of a home where an infant's skull was fractured, but they can't decide if the fracture was accidental.

Could they drive to Denver so Krugman can go over the case with them? He cancels a meeting at University Hospital and the three view the tapes together. Sentiment over whether to prosecute shifts back and forth. The home looks awfully neat, one detective says. But, Krugman tells him, while neglect of children is associated with homes that are terribly messy, some of the worst cases of child abuse he has seen occurred in homes that were terribly neat.

As he talks, holding forth behind a desk piled with sliding stacks of books and papers—in a Mother Superior's former office—he does not seem at first like the national advocate for children he has become.

But he is eloquent.

"If we built a wall for all the children who've died of child abuse in this country since Henry Kempe first wrote about the Battered Child Syndrome in 1962, there would be more names on it than the Viet Nam Memorial."

He pulls out a drawer and there are some of their files, name after name: Jamie Amundson, Jose Brown, Ráchel Fulton, Jessica Midnight Gordon, Baby Boy Lamb, Michael Manning, Natashia Raffaelli, Aaron Renteria, Shontae Robinson, Tad Simmons . . . and more and more names.

"That (Viet Nam) memorial is a gripping sight," he says. "It makes that war and those people a lot more real.

"Maybe we need that kind of memorial for kids."

The Michael Mannings and the Baby Boy Lambs could have made Krugman dour, fueled by anger. Instead he seems driven by optimism. This year alone, he has flown 35,000 miles in defense of children from Lubbock to Tokyo. He has appeared on the MacNeil/Lehrer News Hour, CBS This

Morning, met with the new Supreme Court Justice Anthony Kennedy at Kennedy's request and with all of Colorado's Congressional delegation but one.

Back in Denver his pace is brutal, weaving back and forth between the Kempe Center and the University of Colorado Health Sciences Center where he is an associate professor of pediatrics and the pediatrics department vice-chairman for clinical affairs.

The week maybe punctuated by a lecture to a group of Boulder policemen, a riveting talk that will serve them well in years to come. "What's an accident and what's not?" he asks. The key to deciding is a discrepant history, he tells them—when medical findings don't fit the story that goes with it. Baby ate a big lunch, took a nap, but couldn't be reawakened. Diagnosis is a skull fracture. Well, says Krugman, "Children who have brain injuries, children who have abdominal injuries don't eat well."

Look for delay, he says. A normal caregiver will rush to the hospital a baby who has fallen two feet from the couch to a carpeted floor, convinced the child will grow up to fail third grade. In contrast, the abusive personality waits, hoping desperately the injury inflicted isn't so bad. Though a baby screams every time his arm is touched, it might be two days before they bring him in with a fracture.

Almost all adults have the propensity to abuse, he tells the policemen, recalling colicky months with each of his own sons. But the trigger to violence varies with the personality. Inconsolable crying may set somebody off, driving him to shake a child violently enough to cause subdural hematomas (blood between two membranes covering the brain). A spiral fracture of the leg, on the other hand, almost always occurs in the midst of a diaper change, Krugman said. "We have yet to see a spiral fracture in a child under walking age that is accidental."

These are the facts of child abuse, an arena that takes up more than half of his week.

The best part of the week is Thursday afternoons when Krugman gets to be a regular pediatrician in the group practice clinic at University Hospital. It is his mental health day.

Checking 4-month-old Noah Jackson who is recovering from a liver aliment, he goes through the pediatrician's litany with the baby's mother, Cid Jackson:

"He's been wetting his diaper's OK?" When they're on, she says. "Does he like to have his clothes off?"

"Yes, so he can spray everybody."

"That's why I wear bow ties . . . He's got a little bit of cradle cap. What have you been washing his hair with?"

"Johnson's Baby Shampoo."

"Anything that smells good is usually bad—that's Krugman's law."

Krugman looked at Noah's ears which caused him to scream and alarmed his 3-year-old sister, Sara, quietly watching Noah get all the attention. "What do you think Sara? Do you think I hurt his ears when I did that? How's your kitty cat?" With that, he reached into his 20-year-old black bag and took out a rubber band and a couple tongue depressors.

He ordinarily keeps rubber bands in his bag. "How else would I make airplanes?" he asks, fashioning one for Sara complete with drawn-on windows. "I learned how to make these from my resident in 1968. (Aurora pediatrician) Lee Thompson taught me everything I know about airplanes."

This scene is more what Mary Krugman had in mind for life, not just Thursday afternoons. The mother of their four boys and a doctoral candidate in higher education administration at the University of Denver, she ruefully recalls imagining marriage to a Vermont pediatrician, living a life in which each day was the same as the last.

Instead she has gotten a kind of organized chaos, a good taste of single motherhood. Still, she says when he is there, "the thing that comes across at home is that he really, really enjoys family life." Whether it's watching a ball game, or coaching, or Boy Scouting, "he has a genuine love of what he'd doing with them," she said. And their boys—Jordan, 10, Todd, 14, Josh, 16 and Scott, 18, know it.

"His humor comes through a lot with the children," she says, while she's the one who's consistent, who remembers to ask if they've brushed their teeth. "It's a nice balance, because if we were both like him, they'd never brush their teeth."

After 10 when the boys are in bed, Krugman digs into his voluminous tattered plastic bag purchased in Greece where its predecessor fell apart and reads reports, writes grants, edits the Child Abuse and Neglect Journal, and records dictation for the secretaries at Kempe and University. That bag makes it look like he's taking a trip every day, Mary laughs. "But he would rather carry it around than sort it."

Up at 6, he's gone again—to work or the airport. But he rarely is gone long—a week at most, Mary Krugman says. He calls every night to talk to the children. "But you know it's difficult sometimes. The youngest, the 10-year-old, feels it the most because he's more homebound."

Krugman says he learned to operate with little sleep as an interin under Henry Kempe, then director of pediatrics at the University of Colorado medical school.

While interning, Krugman went to Kempe concerned that several of the pediatric interns had left during the year—and would they get more help? No, Kempe said. Those remaining would just learn more.

It was as an intern that Krugman saw his first abused baby.

"That case was Dec. 1, 1968. It was my first night in the emergency room at Denver General and a child came in at 11:30 at night not breathing. The mother said she'd been at the movies with her baby and when the lights came up, she noticed he wasn't breathing. We couldn't resuscitate him."

That baby had massive bilateral skull fractures, subdural hematomas, 12 fractured ribs, a ruptured mesentery (the membrane around the stomach) and duodenal hematomas. "It was clear the baby hadn't just stopped breathing.

"Henry Kempe asked me to go back through the case," Krugman said. He discovered the mother had first been seen in her eighth month of pregnancy by a public health nurse who noted she hadn't planned the baby, didn't want to have the baby, had tried to abort the baby and had only gained six pounds during pregnancy.

The public health nurse felt the mother was depressed and needed to see a social worker. But the social worker was sick that day, they made an appointment for the next day, and the mother missed it.

Six weeks later, the mother came back in labor. During her three days in the hospital, nurses noted she wasn't feeding the baby, wasn't holding the baby and hadn't named the baby. "She really wasn't interested in this baby at all."

The recommended followup. A public health nurse visited once, but no one was home.

Next, the mother showed up in the emergency room at 11 o'clock at night and told the intern her baby had a rash.

Two weeks after that, the baby had a cold and was seen by a third-year medical students who left a 5½-page note detailing bruises on the rib and arm. Two weeks later, mother and baby were back—this time she said he hadn't moved his arm for two days. They discovered a spiral fracture, a police officer made a report recommending a home visit by social services. The social worker went, reported the home was neat and clean, and concluded no abuse took place.

Next time they saw him, he was dead. Twenty-seven professionals in medicine, nursing, social work and law enforcement crossed that baby's path in his 3½-month-old life, any one of whom could have prevented his death, Krugman said.

Could it happen today? "Yes, but it is less likely."

Krugman stayed in academia, the world he grew up in. His father, pediatrician Saul Krugman, taught at New York University Medical School and wrote "Infectious Diseases of Children and Adults" in its eighth edition. The two last saw each other in April in Washington when Krugman was inducted into the American Pediatric Society, and before that in Tokyo at the International Pediatric Association.

In 1980, Krugman left the University of Colorado to work as a legislative assistant in health issues to Sen. Dave Durenberger of Minnesota. Concerned that he would lose Krugman to Washington permanently, Kempe invited him to come back to head the Kempe Center.

Krugman returned in 1981 to direct the Kempe Center, then leaderless. In failing health, Kempe had moved to Hawaii. As Krugman once told colleague Sally Holloway at Family Focus, another abuse-prevention program in Denver, "Henry didn't leave me much of a dowry."

The center, which was started in 1972, was originally called the National Center for the Prevention and Treatment of Child Abuse. In the early '80s, after Kempe had moved to Hawaii, the name was changed to honor Kempe while he still was alive and to permanently link the center with him—as the Salk Institute honors, Dr. Jonas Salk.

The early '80s were lean times at the center, but the Piton Foundation reached out with a small grant, and others followed. Programs were added, including the Third-Party Sexual Abuse Program to help children who have been sexually abused by someone outside the family; the forensic team, the Young Sexual Offender Treatment Program and Adolescent Perpetrator's Network. Financially, Kempe still is a seat-of-the-pants operation, but on a larger scale.

Now it has a fund-raising arm, Hope for the Children, responsible for raising $350,000—a third of its annual budget.

Don Bross, professor in pediatric law, Kempe's legal counsel, and director of the National Association of Council for Children, came in under Kempe and has watched the center evolve. Kempe and Krugman are similar personalities, he says: "They both tend to find very good people whom they expect a lot of.

"Henry's approach was giving people a sense of their great responsibility to children.

"Dick encourages people to be productive without becoming too serious in the face of a really horrifying problem," Bross said. "He's like Hawkeye in M*A*S*H day after day dealing with everything from worrisome situations to utter tragedy. He keeps all that in proportion with a wry sense of humor."

Kempe approached problems in an original way. He wanted the center to nurture the abused children who would be coming there, to give it a sense of home and he hired a cookie baker so the center even smelled homey.

Retelling one of his favorite stories, Krugman says Kempe noticed cookie consumption went up with the staff's anxiety level. And he noticed when the anxiety level was up, the staff would head for the kitchen to talk things over with cookie baker Gail Ryan. So Ryan's responsibilities grew to the point she now is a leading expert on the teenage perpetrators who are responsible for more than 50 percent of the reports of sexual abuse of boys and 20-25 percent of the sexual abuse of girls.

Krugman, too, has some original solutions:

Establishing the Kempe Center as a training facility for child protection teams that will set up offices across the country, able to function as the Kempe Center does, effectively preventing, treating and prosecuting child abuse.

Re-opening the old leprosy colonies—such as the one on Molokai Island in Hawaii—as places to send pedophiles, adults who sexually desire children. As leprosy once could not be stopped, pedophiles seem unable to stop, Krugman says. They need to be removed from the society they threaten to a place where they can do no harm and where their problem can be studied.

Legislation that every new baby be visited by a nurse, helping families through that rocky period of adjustment, similar to New Zealand's Plunkett nurse program. That was the program that interested Justice Anthony Kennedy, who discovered that all the killers on death row whose cases were up for Supreme Court review were victims of child abuse.

Giving children the right to vote. A 10-month-old could have his parents vote for him, Krugman says. A 10-year-old understands a variety of issues and could vote for himself.

"If we did that, I think you'd see a significant shift in how federal, state and local monies are spent. I think what families would vote for would be different from what older people and lobbyists would vote for." Only then, he says, will children get more from politicians than a kiss.

"If we were wrong, if it didn't change a thing, advocates like us should just shut up."●

WILLIAM B. KOLENDER

● Mr. WILSON. Mr. President, it is my great privilege to pay tribute to an extraordinary Californian, a fellow San Diegan, and a valued friend, William B. Kolender, on the occasion of his retirement as chief of police for the city of San Diego.

During his exemplary career in law enforcement which began in 1956, Bill earned the respect and admiration of his entire community for his forthright leadership, his development of innovative programs within the police department, his constant and wholehearted support of community-wide charities and his willingness to lend his good name to any number of programs designed to enrich and enhance the quality of life for his San Diego community.

In his retirement as police chief, a position he held from 1975 to July 1988, Bill leaves a remarkable legacy of accomplishment, including reduced crime, improved policy/community relations, creative law enforcement methods designed to reduce crime in traditional crime pocket areas, the implementation of a new canine unit and a special response team, the development of school drug education programs, improved safety for police officers, and an increase in the number of new police recruits. Individually and in partnership, these achievements have ensured the safety and well being of the San Diego community and will long stand as testament to the singular leadership of Chief Kolender and his unswerving dedication to his profession and to his city.

Beyond his professional accomplishments, Bill has received honor and acclaim from every sector of the community during his tenure as police chief. The esteem in which he is held by all San Diegans is evidenced by the public service awards bestowed upon him by groups as diverse as the Boy Scouts of America, the Irish Congress of Southern California, San Diego's Urban League, San Diego Men's ORT, the Mexican American Foundation, and the San Diego Clippers basketball team, to name but a few. They recognize, as we all do, the enormous contributions Bill has made to the city of San Diego and the very special, caring, and compassionate man that he is.

In retirement, there is no doubt that Bill will continue to direct his energies, talent, and civic activism outward toward his community and will find new and diverse avenues in need of his unique leadership and capabilities. It is with great pride that I stand before my colleagues in the U.S. Senate to salute Chief Kolender as he retires and to illuminate his extraordinary career in law enforcement. I wish him an abundance of richly deserved happiness and continued success in all his future endeavors.●

INSTANT WEB, INC.

● Mr. BOSCHWITZ. Mr. President, I rise today to salute one of my constituents, a business in Chanhassen, MI, which over the years has provided jobs and opportunities to a large number of immigrants.

The company is Instant Web, Inc. Instant Web, along with its subsidiaries, Victory Envelope and United Mailing, has had great success with its program to employ Southeast Asians, and I think their efforts are quite noteworthy.

I've been fortunate over the years, Mr. President, to become involved in the plight of Southeast Asian refugees. I've traveled to Thailand, walked through the refugee camps and shared some of the hope and the despair of these remarkable people.

And I point out with some pride, Mr. President, that Minnesota has become home to a large number of these refugees. The warm spirit of Minnesotans has gone out to these people, and as I traveled in Thailand, many refugees spoke to me about Minnesota, and the good things they have heard about life there, and about their hopes of someday coming to the United States, and to Minnesota.

Instant Web's efforts to provide jobs for these people is typical of the Minnesota spirit. Instant Web has aggressively sought out Southeast Asians and found jobs for them. In speaking with Jerome Carlson, the chief executive officer of the company, I've learned that Instant Web's efforts have been rewarded in great measure. I'm told that the Southeast Asians, in many instances, set the pace for the rest of the work force.

I've found that to be true with employers everywhere. These people bring a tremendous work ethic with them to this country, and it shows up in many parts of life. As I go through schools, teachers frequently tell me that Southeast Asian immigrants are among their best students.

And so, Mr. President, today I salute the efforts on the part of Instant Web, Inc., and wish them continued success. To Chief Executive Officer Jerome Carlson, and to his associates, Dick Warren, Brad Bloss, Bill Carlson, Dennis Duval, Dave Ekblad, Dave Gardella, Gary Marella and John Wainwright, I give them the thanks of the immigrant community and best wishes for the future.●

THAILAND'S REFUGEES

● Mr. DURENBERGER. Mr. President, this past Sunday Parade magazine published a story featuring my colleague from Minnesota, Senator Rudy Boschwitz, and his travels to Thailand on behalf of the refugees there.

This story is titled "Knowing the Nightmare, He Can Foster the Dream." And I've often thought that the way Rudy Boschwitz exemplifies the American dream is not known as well as it should be in the Senate.

As a child, he fled Nazi Germany with his parents, and this article tells some of the story. He went on to get his education as a lawyer, then to become an entrepreneur, a millionaire-businessman through his enterprise, Plywood Minnesota.

At the same time, he gave generously of his time to the Republican Party of Minnesota, serving as national committeeman, then earning the nomination to run and to win his seat in the

U.S. Senate. He has continued to be generous with his time for the party, and again serves as an example of caring through his concern for the refugees who leave dreadful conditions for sometimes worse, in the hope of finding something better in this great country of ours.

As Rudy himself has said, "While it sounds easy enough, the path is strewn with pitfalls. Escape from their own countries is dangerous, and often results in arrest and prosecution. Once a refugee camp is reached, there is no assurance that they will be able to leave. The camps themselves have serious medical and food problems. Unfortunately, some unscrupulous authorities have fallen into the habit of taking bribes, and many people find they have to raise money in order to leave.

Rudy has been involved in putting pressure on the Government of Thailand to continue operating refugee camps, and to get them to continue to process refugees. Our own State of Minnesota has been open-hearted in extending a helping hand to Laotians, Hmong, Cambodians, and Vietnamese among us.

I am proud of what Rudy Boschwitz and the people of Minnesota have done to help those who are fleeing the tyranny of communism, seeking freedom and democracy. I am proud to be a Minnesotan.

Mr. President, I ask that the contents of this article, including the editor's note at the end telling of two organizations that accept contributions for refugees be printed in the Record.

The article follows:

Knowing the Nightmare, He Can Foster the Dream

(By Michael Ryan)

The photograph is before me, but even without it, I could never forget that scene. There are two refugees in the foreground—a young woman and a middle-aged man. While his face shows concern, hers is contorted into a mask of pain; her hand covers her face, and tears are coursing down her cheeks. In the background, her young husband and their year-old child look on while the older man uses his handkerchief to daub her tears. I was there when it happened, and like everyone else in that little shack, I felt her anguish run through me like a knife.

For seven years, she has lived in the Khao-I-Dang refugee camp in Thailand, along the Cambodian border, a place of barbed wire and armed guards and communal dirt-floored huts. She is crying because she has lost all hope of ever leaving this place. She has spent one-third of her life here; she is sure she will die here.

Rudy Boschwitz, the man who is comforting her, is also a refugee, although from a different place and time. Fifty-six years ago, his father was dismissed from his position as a judge in Berlin, simply because he was a Jew. Rudy Boschwitz was just 2 years old when his family left Berlin and wandered through Czechoslovakia and Switzerland, Holland and England, until, years later, they found a home in the United States. "You should have hope," he tells the young woman gently, and perhaps, coming from him, the words will have some effect. "You should have hope," he says again. And he is proof that there can be hope for refugees.

Rudy Boschwitz, refugee, is a United States Senator.

We are sitting in the incongruous comfort of the Bangkok Sheraton that night, helicoptered back from a day of watching human misery. The junior Senator from Minnesota is being realistic.

"Refugees are not a popular subject," he says. "You'll go back and write your article, and I'll get lots of letters from people who say you should spend your money on locals—don't even consider bringing in anybody new. A lot of people have a great resentment of refugees. They forget that if it wasn't them or their parents, then their grandparents or great-grandparents were refugees."

About 600,000 new people enter this country legally every year. Senator Boschwitz believes that we can handle more than that—and that we should. "People think that refugees take away jobs and depress wage levels," he says. "They forget that the time when millions were coming in every year was the time of the fastest development of this country. Refugees are the ultimate consumers: They come here with nothing, and they have to start buying. They create new jobs, and they're pretty energetic people. I mean, if you can get in a boat and go straight out to sea and cope with pirates and cope with smugglers and come across rivers and take great risks—these are not easy things to do. These are qualities that have made Americans such an energetic and progressive group."

The United States ended its military invovlement in Southeast Asia in 1975, but the sufferings of the people in the region have never ended. Thailand has become an unwilling reception center for Vietnamese who work their way through the war zones of Cambodia to seek safety in Thai camps. The maniacal genocide that ravaged Cambodia, Thailand's neighbor, has abated. Many have sought refuge from the brutality in camps along the Thai border. So have many of the perpetrators, who still launch raids from their camps. In the northeast, thousands of Hmong tribesmen—the staunch allies of the U.S. during the war—have left their homes in the highlands for camps along the Thai side of the Laotian borders.

It is easy to see the misery of these people; what is astounding to visitors is their strength. Earlier in the week, we were in a place called Chiang Hham, in the highlands near the Thai border with Laos. Families of Hmong tribespeople—men and women, young and old, some of them holding young babies to their breasts—had walked six hours through the jungle to meet Senator Boschwitz.

Here was Nane Chia Shai, who lost four children when mortars were fired on the band of refugees with whom he had escaped from Laos. Here were Vang Kong and Cha Cher Thong, a resistance fighter and a survivor of a "reeducation camp," telling about the scores who had died in the groups they escaped with. Here were sergeants, lieutenant and private soliders, forward air controllers and even a pilot, all of whom had fought side by side with American troops. Now they were in Thailand illegally, hoping for a chance at a new life in the west but knowing that their troubles were far from over. Although nobody mentions it, everybody knows that just last November a Thai army patrol—acting on its own, according to officials—pushed a group of Hmong back across the border. Thirty-three were slaughtered. Quietly, with dignity, they told their stories—not asking for sympathy, just a chance to rebuild their lives.

"We're working for you," Boschwitz told them, "Learn English, study hard and be ready to work hard when you come to the United States."

For all the hardship, the Hmong have it easiest getting permission to enter the U.S. Some Cambodians who want to resettle may never find a new home.

Take Onn Rith. After she dried her tears, she told a story that was heartrending but far from unusual. Back in the confusion of the early 1980s, when thousands of Cambodians were interviewed for resettlement in the United States, a bureaucrat misread a map. He thought that her native village lay in an area of Khmer Rouge strength and concluded that she must have collaborated with the Pol Pot government in its brutal genocide—even though she was only 9 years old when the Communist insurgents conquered her country. Her application to come to the U.S. was denied. An uncle in Canada said he was too poor to support her; no other country would take her.

"We will try to help you, "Boschwitz told Onn Rith as he left her hut. Later, he said he was reminded of another refugee, in another bureaucratic nightmare.

"I don't remember much about my passage," the Senator told me, in a van bumping along the dusty road between two camps. "I was only 2 when we left Berlin. I remember a little about Holland, and I remember a little about England, but not the rest, and my father didn't like to talk about it much. But my father-in-law used to tell me his stories—about how he went to the American consul in Zurich, and the man made it very clear that he didn't want any more refugees, he didn't want any more Jews. His family went across France to Portugal, and the American consul there would make my father-in-law stand in front of his desk, hat in hand—they wouldn't let you sit down. They'd hardly look up as they read your case. Finally, they went by boat to Brazil; and my father-in-law was standing before the American consul in Sao Paulo.

"The consul said 'What is your name?'

"My father-in-law said, 'Lowenstein.'

"The consul looked at the paper and said, 'You spell it in a funny way. Do you have any family?'

"He said, 'I have a brother in Johannesburg.'

"The consul jumped in and said, 'Your brother befriended me when I was in Johannesburg,' He gave him a visa. And that's how my father-in-law came to the United States."

Small accidents of fate, as Rudy Boschwitz knows well, can determine the course of a refugee's life.

A worker in one of the camps takes me aside. "The people seem happy during the day," she says, "but it's at night that the frustration comes—and the hopelessness. We have one case where a husband and wife tried to kill themselves by banging their heads against the floor after their applications were denied. We keep telling them, 'Where there's life, there's hope,' but it's hard for them."

A few feet away as they have for two days now—refugees are telling Rudy Boschwitz their stories, and he is listening, encouraging, promising to try to help. In turn, he makes them promise to work hard, to learn job skills, to be ready to contribute to their new countries. Boschwitz is a Republican who leans toward the conservative. He believes that states should make it difficult for new arrivals to collect welfare, in order to encourage them to work. "My father sponsored 226 refugees for immigration to the United States," he says, "and not one of them ever went on public assistance." His doctrine of hard work has eager listeners here. But most of all, they seem to be grabbing at the hope he offers, soaking it up through their eyes and pores. Perhaps tonight the hopelessness will dim a bit.

Nothing can prepare an American for Site Two. Here, at the largest of the Thai camps, 160,000 people live. It seems that almost all of them have come to line the dirt boulevard that leads to the administration building. They applaud and sing and hold up placards that say "We Need Education" and "America Can Help Us." As he walks along the road, Boschwitz again and again returns the *wai*, the traditional greeting of respect, hands folded prayerfully before his face. The emotion here is almost palpable; the yearnings of these people fill the camp air. When Boschwitz leaves, they all turn out again to see him off. The van drives off to the applause of thousands. They know that their visitor is going home to try to help them.

"We'll go back, and we'll talk to people, and we'll make some progress," Boschwitz says. "Things will get better." He seems a bit more subdued as he says it. Most of the time, his demeanor seems to spring directly from an energetic combination of his lawyers's mind and his puppy-dog enthusiasm, but now he is a bit more serious, senatorial. "We'll make some progress," he says, and he believes it. But the progress will be slow.

After all, refugees are not a popular subject.

EDITOR'S NOTE: There are several ways you can help refugees in Southeast Asia. One is to write to your Representative and Senators, urging them to encourage the Administration to act more forcefully to aid the inhabitants of the camps in Thailand. There are also organizations that accept contributions for refugees and place American volunteers in camps, where they can do the most good. Two of these are: International Rescue Committee, Dept. P. 386 Park Avenue South, New York, N.Y. 10016; and American Refugee Committee, Dept. P. 2344 Nicollet Avenue, Suite 350, Minneapolis, Minn. 55404.●

THE EXECUTIVE CALENDAR

Mr. BYRD. Mr. President, I inquire of the distinguished acting Republican leader as to whether or not Calendar Order Nos. 743, 744, and 745 on the Executive Calendar have been cleared on his side of the aisle.

Mr. GARN. Mr. President, those items have been cleared.

Mr. BYRD. Mr. President, I thank my friend.

EXECUTIVE SESSION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the foregoing calendar orders on the Executive Calendar, that they be considered en bloc, confirmed en bloc, the motion to reconsider en bloc be laid on the table, that the President be immediately notified of the confirmation of the nominees and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

EXECUTIVE OFFICE OF THE PRESIDENT

S. Jay Plager, of Indiana, to be Administrator of the Office of Information and Regulatory Affairs. (New position.)

DEPARTMENT OF DEFENSE

Charles S. Whitehouse, of Virginia, to be an Assistant Secretary of Defense, vice Chapman B. Cox, resigned.

David S. C. Chu, of the District of Columbia, to be an Assistant Secretary of Defense. (New position—Public Law 100-180.)

LEGISLATIVE SESSION

Mr. PROXMIRE addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

BICENTENNIAL COIN ACT

Mr. PROXMIRE. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 3251.

The PRESIDING OFFICER laid before the Senate the following message from the House of Represenatatives:

Resolved, That the House agree to the amendments of the Senate numbered 18, 23, and 28 to the bill (H.R. 3251) entitled "An Act to require the Secretary of the Treasury to mint coins in commemoration of the Bicentennial of the United States Congress.".

Resolved, That the House agree to the amendment of the Senate numbered 36 to the aforesaid bill with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 9. GENERAL WAIVER OF PROCUREMENT REGULATIONS

(a) IN GENERAL.—Except as provided in subsection (b), no provision of law governing procurement or public contracts shall be applicable to the procurement of goods and services necessary for carrying out the provisions of this Act.

(b) EQUAL EMPLOYMENT OPPORTUNITY.—Subsection (a) shall not relieve any person entering into a contract under the authority of this Act from complying with any law relating to equal employment opportunity.

SEC. 10. AMENDMENTS TO THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION RECAPITALIZATON ACT OF 1987.

(a) IN GENERAL.—Section 306(h)(1) of the Federal Savings and Loan Insurance Corporation Recapitalization Act of 1987 (12 U.S.C. 1730 note) is amended by striking out "1-year" and inserting in lieu thereof "2-year".

(b) CLERICAL AMENDMENT.—The heading for section 306(h) of the Federal Savings and Loan Insurance Corporation Recapitalization Act of 1987 (12 U.S.C. 1730 note) is amended by striking out "1-YEAR" and inserting in lieu thereof "2-YEAR".

Resolved, That the House disagree to the amendments of the Senate numbered 1-17, 19-22, 24-27, 29-35, and 37-39 to the aforesaid bill.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the Senate recede en bloc from its amendments numbered 1-17, 19-22, 24-27, 29-35, and 37-39 to the bill, and concur with the House amendment to the Senate amendment numbered 36 to the bill, with the following amendment:

AMENDMENT NO. 2577

At the end of the matter proposed to be inserted by the House amendment to the Senate amendment numbered 36 to H.R. 3251, add the following:

"SEC. 11. SUNSET.

All provisions of this Act, other than section 10, shall be repealed on the day after the date of enactment of this Act, and no person shall be liable for, not complying with such provisions (other than section 10) while they are in effect."

Mr. PROXMIRE. Mr. President, what this amendment does is to provide for an extension of 1 year the moratorium on FSLIC [the Federal Savings and Loan Insurance Corporation].

Mr. President, this is a true crisis, the most severe I have seen in the 30 years I have been on the Banking Committee. If we fail to act on this amendment, the Federal Savings and Loan Insurance Corporation will be in very, very serious jeopardy. It would mean billions of dollars of rescue by the Congress, and it would be a very severe blow to the economy.

For that reason, Mr. President, I hope that we can proceed on this.

I might say that the various Senators, including the Presiding Officer, who have had an interest in this bill, have been extremely generous in agreeing that we would be allowed to go ahead with this FSLIC extension. In doing so, we have helped greatly in making it possible for us to preserve this insurance agency which is vital to our savings and loan insurance industry.

Mr. GARN addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. GARN. Mr. President, in the interest of time and the lateness of the hour, may I just say my colleague from Wisconsin has adequately stated the emergency situation. I am very pleased that we are able to act on this bill this evening.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment is agreed to.

EXTENSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that the period for morning business be extended for 10 minutes under the same conditions as heretofore.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I thank the majority leader for extending the period for morning business.

THE SITUATION IN NICARAGUA

Mr. HUMPHREY. Mr. President, the disturbing events in the past 2 days in Nicaragua should come as no surprise to any Senator.

The Sandinista government in Nicaragua is a Communist dictatorship. Communist dictatorships have no respect for freedom of expression. They have no respect for a free press or for peaceful demonstrations. They have no respect for fundamental human rights. And they have no respect for their own promises to reform. So let no Member of this body be shocked by the closing of Radio Catolica. Let no Member be stunned by the closing of La Prensa, or the jailing of opposition leaders, or the disbanding of a peaceful demonstration, or the expulsion of the American Ambassador and seven U.S. officials. These actions are fully consistent with the policies of a Communist dictatorship.

Tragically, there are those in this Congress who expect the Communist Sandinistas to do something they have never done: Tell the truth and stick with their important commitments. And so every time another "peace process" appears there are those who leap to the defense of the deceitful, cynical dictatorship in Managua. In the face of perfidy, many in Congress mumble about "giving peace a chance." Well, the absence of combat does not alone define peace. Peace also means justice. Peace also means human rights. Rights such as free speech and the right of assembly, both of which were again mauled by Daniel Ortega in recent days. This is nothing new, but ironically and tragically Ortega and company have been generously rewarded by the U.S. Congress which has suspended all military aid to the Nicaraguan resistance.

Mr. President, the Communist Sandinistas have been in the business of lying and breaking promises since day No. 1 of their regime. On July 12, 1979, the Sandinista junta sent a letter to the Secretary General of the Organization of American States that promises: "full respect for human rights in our country" and the installation of a "broad-based, democratic government."

That was 9 years ago almost to the day, Mr. President, and not one of those promises has been fulfilled.

On August 21, 1979, the Sandinista junta enacted the "statute on the rights and guarantees of Nicaraguans." Let me list just a few of the rights guaranteed back in 1979, that have been violated by the most recent actions of the "Communistas" in Nicaragua.

That statute says that:

> Everyone has the right to freedom of expression.
>
> The right of peaceful assembly is recognized.
>
> No one shall be subject to coercive measures that might impair his freedom of thought, conscience and religion.
>
> Freedom of information is one of the fundamental principles of authentic democracy.

That is what the statute says that was enacted in 1979, the statute on rights and guarantees of Nicaraguans. But we do not need to go gack to 1979 to find Sandinista promises. Last August, the five Central American presidents signed a sweeping accord in Guatemala City.

The leaders guaranteed political groups with—

> Broad access to communication media, full exercise of the rights of association and the right to manifest publicly the exercise of their right of free speech, be it oral, written or televised, as well as freedom of movement by members of political parties in order to proselytize.

On the day that agreement was signed, this Senator appeared on the television program "Nightline" to express concerns with the terms of the Guatemala City accord. I was specifically concerned with the Sandinista record of ignoring and blatantly violating previous agreements.

Sure enough, Mr. President, within a week the Sandinistas were violating the very letter of the Guatemala City accord. In the months that followed, opposition leaders were arrested, peaceful protests were disbanded, and efforts to reopen Radio Catolica were stalled.

That record has continued. The five Central American leaders met in San Jose, Costa Rica on January 16, 1988, to reaffirm their commitments to fulfill their obligations under the Guatemala City accord. They specifically noted the provisions of the Guatemala City accord calling for "total freedom of the press," and "political pluralism." As expected, these words were ignored by the Sandinistas. In fact Violetta Chamorro, the widow of the assassinated owner of La Prensa, wrote to Costa Rica's President Arias that:

> The Sandinista regime has entered into a phase of total indifference to the points stipulated in the Esqupulas II (Guatemala City) accord.

Mrs. Chamorro, who is well respected by every Member of this body, I am sure, said that the Sandinista regime has entered into a phase of total indifference to the points stipulated in the Guatemala City accord.

On March 23, 1988, the Sandinistas signed the Sapoa agreement with leaders of the Nicaraguan resistance. In that agreement, the Sandinistas pledge once again to "guarantee unrestricted freedom of expression."

Well, Mr. President, the incidents of the past 2 days, are yet the most recent evidence that the Sandinistas have no intention whatever to guarantee "unrestricted freedom of expression" as they promised.

Anyone who believes at this juncture, at this late date, after repeated acts of perfidy and lying and cynicism and dishonesty and deviousness of every evil sort, anyone who believes at this juncture that the Sandinistas, that the "Communistas," as we should call them, intend to honor such honorable commitments must be a very gullible person indeed.

Mr. President, how many more promises will this Congress tolerate? How many more times can the United States and the international community be lied to? How much longer are we willing to reward Ortega's crimes by prohibiting further military aid to the resistance?

That is a question that I imagine a great many Americans are asking tonight, in light of the most recent news from Managua, Mr. President.

This Senator is one who is ready, tonight, tomorrow, or next week, the sooner the better, to resume military aid to the Nicaraguan Contras; to the resistance, to the anti-Communists. I think it is shocking and it is shameful that this land, the home of the free, whose most abundant product ought to be export of freedom has left these young men and women twisting in the wind. We encourage them to fight the Communists, we arm them on and off sporadically. And now we have left them, since January, with virtually nothing. They are twisting in the wind, suffering malnutrition, and the blame is coming home right before this body. The blame is ours, and this Senator is one who is ready to correct that error, who is ready to rearm the resistance and indeed is ready to support the armed overthrow of these vicious Communists in Nicaragua who have been there for too many years, too many years, Mr. President. It is time to correct this mistake and to eliminate this cancer from our hemisphere.

Mr. President, I yield the floor.

ORDERS FOR WEDNESDAY

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 9:15 tomorrow morning; that after the two leaders have been recognized under the standing order, there be a period for morning business to extend until the hour of 10 o'clock a.m., and Senators may speak during that period for morning business for not to exceed 5 minutes each.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **BYRD.** Mr. President, I ask unanimous consent that the convening time tomorrow be changed to 9 o'clock.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **BYRD.** Mr. President, I ask unanimous consent, then, that the additional time be given to morning business tomorrow, under the same conditions.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

PROGRAM

Mr. **BYRD.** Mr. President, the Senate then will come in at 9 o'clock tomorrow morning. After the two leaders have been recognized under the standing order there will be a period for morning business to extend until the hour of 10 o'clock a.m. Senators will be permitted to speak during that period for morning business for not to exceed 5 minutes each.

At 10 o'clock a.m. the Senate will resume consideration of the HUD appropriations bill. No amendments are in order. No further debate is in order. No intervening actions or motions are in order.

The Senate will proceed to vote at 10 o'clock on final passage of the HUD appropriations bill. That will be a rollcall vote, the yeas and nays having already been ordered. Upon the disposition of the HUD appropriations bill, the Senate will turn to the Interior appropriations bill.

There will be rollcall votes throughout the day tomorrow.

ORDER FOR RECESS FROM 11:45 A.M. TO 1 P.M. ON TOMORROW

Mr. **BYRD.** Mr. President, I ask unanimous consent that the Senate tomorrow stand in recess between the hours of 11:45 a.m. and 1 o'clock p.m. to accommodate the Democratic conference.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **BYRD.** Mr. President, I hope that the Senate will be able to complete the Interior appropriations bill tomorrow. It will be my hope and desire, then, that the Senate could proceed to the consideration of one of the remaining appropriations bills and there will be, once the Interior appropriations bill has been disposed of, there will be only Commerce, Justice, State, Judiciary, Labor-HHS and Education, Agriculture, and Defense.

I thank all Senators.

RECESS UNTIL 9 A.M. TOMORROW

Mr. **BYRD.** Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 9 o'clock tomorrow morning.

The motion was agreed to; and, at 8:20 p.m., the Senate recessed until Wednesday, July 13, 1988, at 9 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 12, 1988:

EXECUTIVE OFFICE OF THE PRESIDENT

S. JAY PLAGER, OF INDIANA, TO BE ADMINISTRATOR OF THE OFFICE OF INFORMATION AND REGULATORY AFFAIRS.

DEPARTMENT OF DEFENSE

CHARLES S. WHITEHOUSE, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF DEFENSE.

DAVID S.C. CHU, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT SECRETARY OF DEFENSE.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

HOUSE OF REPRESENTATIVES—*Tuesday, July 12, 1988*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Grant us, O God, the gift of listening, of being able to hear before we speak, of understanding before we decide, of attempting to see another view before we settle on our own. May our patience with other people of different ideas or backgrounds be born of an honest respect for those of differing traditions and experiences.

O God, just as we pray for commitment and assurance, may we also honor those with whom we share this world and so affirm a practice worthy of Your people. Amen.

THE JOURNAL

The **SPEAKER**. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. **KOLBE**. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The **SPEAKER**. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. **KOLBE**. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER**. Evidently, a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 258, nays 111, not voting 62, as follows:

[Roll No. 222]

YEAS—258

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Archer
AuCoin
Baker
Barnard
Bartlett
Bateman
Bates
Beilenson
Bennett
Berman
Bevill
Bilbray
Boggs
Bonior
Bonker
Borski
Bosco
Boucher
Brennan
Broomfield
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Chapman
Chappell
Clement
Coats
Coelho
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coyne
Crockett
Darden
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Dreier
Durbin
Dwyer
Dymally
Dyson
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Fish
Florio
Foglietta
Foley
Ford (MI)
Frank
Frost
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Grant
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (LA)
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McEwen
McHugh
McMillen (MD)
Meyers
Mfume
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oberstar
Obey
Olin
Ortiz
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Ray
Regula
Richardson
Rinaldo
Ritter
Robinson
Rose
Rostenkowski
Rowland (GA)
Roybal
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Sabo
Saiki
Savage
Sawyer
Schneider
Schulze
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Shumway
Shuster
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Skelton
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Smith (FL)
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Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Watkins
Weiss
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—111

Armey
Barton
Bereuter
Bilirakis
Bliley
Boehlert
Brown (CO)
Buechner
Bunning
Burton
Callahan
Clay
Clinger
Coble
Coleman (MO)
Coughlin
Craig
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
Edwards (OK)
Emerson
Fields
Frenzel
Gallegly
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Inhofe
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Lagomarsino
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Leach (IA)
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Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McCrery
McGrath
Michel
Miller (OH)
Moorhead
Murphy
Oxley
Pashayan
Penny
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Roberts
Rogers
Roth
Roukema
Rowland (CT)
Saxton
Schaefer
Schroeder
Schuette
Sensenbrenner
Shays
Sikorski
Skeen
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Stangeland
Stump
Sundquist
Tauke
Thomas (CA)
Upton
Vander Jagt
Walker
Weber
Weldon
Wheat
Whittaker
Wolf
Young (AK)
Young (FL)

NOT VOTING—62

Anderson
Aspin
Atkins
Badham
Ballenger
Bentley
Biaggi
Boland
Boulter
Boxer
Brooks
Carr
Chandler
Cheney
Clarke
Courter
Crane
Davis (MI)
DioGuardi
Dornan (CA)
Dowdy
Early
Feighan
Flake
Flippo
Ford (TN)
Garcia
Goodling
Gray (IL)
Gray (PA)
Hayes (IL)
Hefner
Jeffords
Jenkins
Kaptur
Kemp
Konnyu
Lantos
Leath (TX)
Leland
MacKay
McDade
McMillan (NC)
Mica
Molinari
Oakar
Parris
Patterson
Rangel
Rodino
Roe
Scheuer
Slattery
Solarz
Spence
Studds
Swindall
Valentine
Vucanovich
Waxman
Wortley
Wylie

□ 1221

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 1807. An act to amend the Small Business Act to reform the Capital Ownership Development Program, and for other purposes; and

H.R. 4637. An act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1989, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 4637), "An act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1989, and for other purposes," and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Mr. STENNIS, Mr. INOUYE, Mr. JOHNSTON, Mr. LEAHY, Mr. DECONCINI, Mr. LAUTENBERG, Mr. HARKIN, Ms. MIKULSKI, Mr. KASTEN, Mr. HATFIELD, Mr. D'AMATO, Mr. RUDMAN, Mr. SPECTER, Mr. NICKLES, and Mr. STEVENS to be conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 1807) "An act to amend the Small Business Act to reform the Capital Ownership Development Program, and for other purposes," and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BUMPERS, Mr. LEVIN, Mr. DIXON, Mr. KERRY, Mr. WEICKER, Mr. BOSCHWITZ, and Mr. RUDMAN to be the conferees on the part of the Senate.

REPORT FROM NICARAGUA

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, I was in Nicaragua this weekend and I witnessed a lesson in Marxist propaganda and lies. The Sandinistas tried to set us up as undermining the government, as they tried to set up our Ambassador. It did not work.

I was there to observe the abuses of human rights in Nicaragua since August 7 of last year and during this so-called peace process. The unprovoked violence by the Black Berets complete with Cuban advisers at Nandaime is the climax of the unbelievable and reprehensible violations of human rights in Nicaragua that we heard from everybody in Nicaragua, except the government that would not meet with us.

Mr. Speaker, I think the banners over the streets of Nandaime says it so well about the attitude of the Sandinistas. They said, "We have beaten Reagan. He is leaving. We are still here."

It says it all, Mr. Speaker. It says it all.

SENATOR BENTSEN, A GOOD CHOICE FOR VICE PRESIDENT

(Mr. COLEMAN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN of Texas. Mr. Speaker, the news this morning that Governor Dukakis has chosen Texas Senator LLOYD BENTSEN as his running mate confirms the impression that many of us have held in recent months—that the Governor is a careful builder of consensus with a good understanding of character and political common sense.

Texas' senior Senator has served with distinction in this House and in the other body. He represents what is best in my State and in the Democratic Party. Senator BENTSEN is as straightforward as they come. As chairman of the Senate Finance Committee, he has won the respect of the business community. He is a compassionate man who understands the degradation of poverty along the Texas-Mexico border and who has been a tireless advocate of civil rights. Senator BENTSEN will prove to be a tremendous credit to the Democratic ticket. He is someone of whom we are justifiably very proud.

PEACE NEVER HAD A CHANCE

(Mr. KYL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KYL. Mr. Speaker, as you all remember, on February 3 a majority of this House voted to give peace a chance and defeated the President's Contra aid package. Since the defeat of military aid to the Contras, pressure on the Sandinista government has been nonexistent. They have merely played for time, continually promising, but never producing democracy and freedom.

Today's news reports coming out of Nicaragua are both tragic and predictable. As we approach the first anniversary of the signing of the Central American peace plan, the Sandinistas have decided to celebrate by violently disrupting opposition demonstrations, arresting opposition leaders closing La Prensa and Radio Catolica and expelling eight United States diplomats from Nicaragua.

This House cannot avoid the issue: How much more evidence do we need? There can be no more excuses. Either we will support freedom and democracy in Nicaragua and the rest of Central America or we will not. I believe the consequences of not doing so are disastrous, both for the people of Central America and for the United States. Time is running out for the people of Nicaragua.

□ 1230

WHO COMPENSATED THE AMERICAN FAMILIES AND HOSTAGES?

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, I am opposed to compensating anyone as a result of the unfortunate accident in the gulf. Let us not forget here it was an accident.

Who compensated American families for the brutal killing of 241 marines in Beirut, Lebanon? That was no accident. Were any of the 444 American hostages held by Iran ever compensated? That was no accident. Where are our seven hostages today? That was no accident.

The Persian Gulf is a hotbox because of Iran. Iran is a terrorist nation whose No. 1 exports are violence and death. For that reason, I suggest to this body that Iran, the Iranian Government, should pay for that compensation, not the taxpayers, the American people, who keep getting dumped on.

LET US NOW GIVE FREEDOM A CHANCE IN NICARAGUA

(Mr. DONALD E. "BUZ" LUKENS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DONALD E. "BUZ" LUKENS. Mr. Speaker, Now, let us give freedom a chance.

This weekend the Sandinistas have shown their true Marxist red colors by attacking civilian demonstrators, closing La Prensa and forcing the Catholic radio station (Radio Catolica) off the air. They have also demonstrated for the world how little they care about improving U.S. relations by expelling our Ambassadors plus other Embassy staff.

I have in my possession letters from 12 Members of this body who voted against the President's proposal to aid the freedom fighters because they felt the peace plan going to work. More important they committed themselves to changing their course if cutting off aid to the freedom fighters didn't work.

Mr. Speaker, the democratization of Nicaragua cannot be left to a group of committed Marxists, we need to support those fighting for their freedom.

Let me quote one letter written by a distinguished Member from Kentucky.

> By cutting off Contra aid, even for a few months, we isolate the Sandinistas. If they do not live up to the peace plan * * * other actions will be available to the United States.

Mr. Speaker, let's not waste anymore time—it's time for those other actions. Now let's give freedom a chance.

DUKAKIS-BENTSEN SOUNDS GOOD ALREADY

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, 28 years ago John F. Kennedy of Massachusetts picked Lyndon Johnson to be his running mate, and he carried Texas and won the election. Today a son of Massachusetts, Michael Dukakis, picked Senator LLOYD BENTSEN to be on the ticket with the same expectation.

On a scale of 1 to 10, the Bentsen choice is a 10. BENTSEN brings with him the State of Texas, needed votes in the oil patches of the Southwest, and blurs the "weak on defense" label. He also brings deep knowledge of tax and finance issues and gives the ticket needed Washington and congressional experience.

In short, Governor Dukakis has proven that the Democratic Party is not solely an eastern or midwestern party but a national party. Dukakis-Bentsen sounds good already.

REPARATIONS SHOULD BE PAID BY OIL-RICH AYATOLLAH

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, under no circumstances should the United States be blackmailed into paying reparations to the Iranians, particularly while they hold and torture American hostages, like Marine Col. Bill Higgins.

Any reparations should be paid by the guilty party and the U.S. Navy certainly is not guilty of anything but carrying out its mission and protecting the lives of 395 American seamen serving their country overseas.

The people who lost their lives are not the victims of a mistake by the U.S. Navy. They are the victims of a deliberate provocation by the oppressive regime of the Ayatollah Khomeini, which has no respect at all for the value of human life.

If any reparations are due anyone, they should be paid by the oil-rich ayatollah who took their lives, and not the U.S. taxpayer.

MOTHER TERESA'S MESSAGE IN NICARAGUA

(Mrs. BYRON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BYRON. Mr. Speaker, I, too, joined several of my colleagues in Nicaragua this weekend, but what I want to talk about today is a very moving experience on Sunday.

At the Church of Calvario in the poorest of the poor area, the Eastern Market area of Managua, on Sunday, Mother Teresa came to speak to those individuals who were there. The church holds only 400 people, yet there were over 800 who were there. I had an opportunity for a young 9-year-old, Lilia Zelaya, to sit on my lap during the service, seated two people away from Mother Teresa. When she got up and spoke to that congregation, she spoke of hope, she spoke of family, she spoke of loving your family. She said, and I quote, "If you cannot love your family, how can you love your neighbor?"

The expression in the eyes of these young people, and there were a tremendous number of young people in the church, was one of hope and of love.

SANDINISTAS AGAIN SHOW TRUE COLORS

(Mr. ROGERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROGERS. Mr. Speaker, Ortega's Sandinista government has once again shown its true colors. The action taken by the Nicaraguans to expel our ambassador and seven other diplomats is nothing short of outrageous, and I hope the United States will respond with strong diplomatic retaliation against Nicaraguan diplomats here.

Mr. Speaker, the Sandinistas have also shut down the Catholic radio station in Managua and have closed, yet again, La Prensa, the only voice of opposition in that Communist-controlled country.

When Congress rejected Contra aid, many of us warned that the Sandinistas were not interested in moving toward democracy or negotiating an end of hostilities. Ever since, the negotiations have floundered, and now we have the Sandinista government taking the ludicrous action of throwing our ambassador out of their country. Mr. Speaker, it's time for Congress to wake up and reinstate Contra aid. It is obvious that Daniel Ortega and his fellow Sandinistas are not interested in peace or democracy. They are only interested in crushing opposition within their country and exporting violence throughout Central America.

FLIGHT 655 VICTIM OF IRANIAN NEGLIGENCE, NOT AMERICAN NEGLIGENCE

(Mr. TORRICELLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRICELLI. Mr. Speaker, the question now arises for the compensation of the victims of Iran Air Flight No. 655.

Mr. Speaker, a terrible loss has been sustained, and clearly compensation is due, but accepting an obligation to pay, no matter how we separate ourselves from it, no matter how the President may term it, it infers negligent action.

While there has been negligence, it has not been American negligence. Flight 655 was flying over a ship, an American combat ship, engaged in combat, defending itself from Iranian forces. It was an Iranian failure to answer 12 different radio messages and possibly the unprecedented placement of a military transponder on board. These are acts of gross negligence, and they are Iranian actions of negligence.

The President described his offer as humanitarian. I understand his concern for the families. Mr. President, who is to pay compensation to the 1 million victims of Iranian aggression in the gulf?

I have offered a resolution today stating that America should pay no compensation. I ask my colleagues to place their names on it on this day and send that message to the Iranians.

RESTORE COMMITMENT TO DEMOCRACY AND FREEDOM IN NICARAGUA

(Mr. BUECHNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUECHNER. Mr. Speaker, today I join my colleagues in condemning Nicaragua's Marxist government for expelling United States officials, including United States Ambassador Richard Melton, accusing them of state terrorism by participating in an opposition demonstration.

I am reminded of my trip to Nicaragua where I marched in a similar demonstration and was strong-armed by the Sandinistas in front of the Interior Ministry. And I realize even more so how close I came to being arrested for participating in "state terrorism," something that we, in the United States call freedom.

That was 7 months ago. Today, no changes have been made, no advancements toward democratic reform have been followed, and after the Nicaraguan Government has repeatedly signed peace accords, no promises have been kept.

The Marxist Sandinista regime has blatantly failed to keep its promises, as resistance leaders are beaten unconscious, Radio Catolica has once again been closed, and La Prensa no longer runs its papers.

We have given the Nicaraguan Government every opportunity to prove its commitment to democratic reform. We have made every excuse for their noncompliance, and we have gone the extra mile to assure Nicaragua that we are willing to work within the scope of its Government's policies.

We cannot disregard the fact that the peace plan and the Sapoa agreement specifically state that La Prensa and Radio Catolica are to be open at all times—not just on a whim—and the Sandinistas agreed to these provisions. The same Government not only closed Radio Catolica yesterday, but they threw our own people out, proving not only that Nicaragua cannot keep its promises, but that they rebuke any outside efforts to encourage these reforms.

I do not point my finger only at Nicaragua. I point it to us, the United States Congress, for not keeping our promises to support democracy in Nicaragua. Without aid to sustain the Nicaraguan resistance forces in Nicaragua, the Sandinistas have no incentive to democratize. I urge my colleagues to restore our commitment to democracy and freedom in Nicaragua.

BASE-CLOSING BILL WILL SAVE BILLIONS

(Mr. WEISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEISS. Mr. Speaker, over the weekend we learned from a study reported by the distinguished chairman of the Committee on Armed Services of yet another serious flaw in the design of the B-1 bomber. The B-1 has been one of the most expensive and wasteful programs in the history of the Air Force, and yet it demonstrates an important and timely lesson in defense spending: our defense decisions are often determined by how many jobs are created or lost rather than on the merits. I am convinced that the only reason we still have the B-1 today is that it creates jobs in more congressional districts than any other weapons system ever authorized, not because of its contribution to national security.

Today we will consider whether to pass a bill which would eliminate $1 to $5 billion of wasteful defense spending by closing obsolete and unnecessary military bases. Passing that bill will allow us to reduce the budget deficit by as much as 3 to 4 percent without sacrificing a housing project, an education grant, or an ounce of defense capability. I know that some in this body are concerned that jobs may be lost if bases in their districts are closed. I hope that we will all take the lesson of the B-1 to heart. Let us pass a strong and effective waste-reducing, base-closing bill.

NICARAGUA DEMONSTRATES DISDAIN FOR DEMOCRACY

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, the Nicaraguan Marxist government has again demonstrated a fervent disdain for democratic principles, values and ideas. Yesterday the Soviet supported Sandinistas brutally accosted demonstrators protesting the repressive tactics of the Sandinista regime.

Mr. Speaker, is this not enough to convince our colleagues that the Sandinistas harbor no desire for democracy?

Less than 24 hours after the Sandinistas clubbed and tear gassed protesters, the Nicaraguan Foreign Minister announced the expulsion of United States Ambasador Melton and seven other United States diplomats, accusing them of "state terrorism."

Mr. Speaker, is this not enough to convince our colleagues here in Congress that the Sandinistas are a bunch of brutal, lying thugs?

The iron fist of Sandinista repression intensifies.

Yesterday, the Sandinistas closed the Catholic radio station, suspended publication of La Prensa, and Mr. Ortega issued a threatening declaration to future protesters, when he said, "we cannot continue to be intolerant with those who want to take advantage of the political space."

Mr. Speaker, I ask my colleagues, is this not enough to engender your support for continued assistance to the Nicaraguan freedom fighters?

LEGISLATION TO ASSIST FARMERS

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, I wish to inform the Members that later this afternoon, the gentleman from Illinois [Mr. MADIGAN], the ranking minority member of the Committee on Agriculture, and I on behalf of all of the members of our committee and the leadership, hopefully on both sides of the aisle, will introduce legislation which will attempt to in some way assist the producers, the farmers and ranchers, of America in relation to the devastating drought which we find ourselves in. We hope the final legislation will be a responsible, viable piece of legislation within the budget constraints that we have.

Mr. Speaker, the main thing that we want to advise the Members, and all of our constituents throughout the Nation, is that we want to assist where possible, that we want them to know that this Congress has compassion and that this Congress is interested in the welfare of all Americans.

TIME TO BREAK DIPLOMATIC RELATIONS WITH SANDINISTA GOVERNMENT

(Mr. McCOLLUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCOLLUM. Mr. Speaker, our Ambassador has been kicked out of Nicaragua. The free press, La Prensa, and the Catholic radio station have been shut down. Police arrested 42 people for "unauthorized antigovernment protest," and the official Sandinista headline reads "Police Halt Subversives."

Mr. Speaker, does this sound to any of my colleagues like a government committed to a movement toward democracy, or like a government interested in a peace process which includes all the interests of the Nicaraguan people? I do not think it does.

Mr. Speaker, it is time to break diplomatic relations with this Communist Sandinista government in Nicaragua. It is time to wake up and finally give the Contras the support they deserve.

ORTEGA PLAYING US FOR FOOLS

(Mr. McCANDLESS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCANDLESS. Mr. Speaker, Sandinista leader, Daniel Ortega, is playing us for fools.

Amid cries of "Give peace a chance," this body decided to put the Nicaraguan freedom fighters out of business. In return, Ortega has built up his military, stopped the printing of La Prensa, and shut down the Roman Catholic radio station. These are not the actions of a government striving toward democracy.

The promise of freedom of the press is a complete sham when the Government puts the opposition newspaper and radio station out of business because it doesn't like what they have been saying. It's clear that Ortega has no intention of abiding by the terms of the Central American peace plan.

Ortega seems to have his own peace plan. The plan is simple. The freedom fighters surrender, and in the absence of opposition, he will be the unchallenged Marxist dictator in Nicaragua. Is peace—without freedom—our objective in Central America? It may not be our objective, but it seems to be our policy.

Mr. Speaker, in view of his actions, we need to send the message to Daniel Ortega that our goal is freedom and democracy in the region. We should resume aid to the freedom fighters.

□ 1245

SUPPORT DEMOCRATIC RESISTANCE IN NICARAGUA

(Mr. DREIER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, in the early part of this decade our colleagues who opposed aid to the democratic resistance in Nicaragua consistently told us that we had abandoned the negotiating process, even though as President Reagan had pointed out several times we had had nine attempts at negotiating through the Contadora process. The Sandinistas had walked away from the negotiating table every time. Now, we have tried time and time again within the past year to bring about the negotiating process. In fact, we are rapidly approaching the first anniversary of the Reagan-Wright peace accord and the Esquipulas II agreement.

Where do we stand today? As has been said by my colleagues, we have seen La Prensa closed down, Radio Catolica closed down, 42 people arrested and Ambassador Melton expelled. It is very clear that while we have tried the negotiating process, President Reagan was right when he said "name one totalitarian, Communist regime which has ever negotiated itself to democracy." We can't do it.

Let us support the democratic resistance.

SANDINISTAS HAVE NOT COMPLIED AND WILL NOT COMPLY WITH ARIAS PEACE PLAN

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, the recent events in Nicaragua are not surprising considering the on again off again Central American policy set by this Congress. The expulsion of the U.S. Ambassador and other members of the Embassy serve as just another reminder of what kind of regime the Sandinistas are running.

The Arias plan for peace in Central America has our support if peace, freedom and democracy could be brought to the region. Unfortunately, the tenants of the Arias peace plan have not been fully instituted in Nicaragua. The Sandinistas continue to thumb their noses at the Central American presidents and the United States while they hide behind a facade of compliance to the treaty. Their conduct has become increasingly hostile in the last few days culminating with the expulsion of our Ambassador and diplomats. At this time Radio Catholica has been closed down, the opposition newspaper La Prensa has been suspended, peace talks with the Nicaraguan resistance have been stalled, police and official mobs called turbas have forcibly broken up anti-Government rallies and the Sandinistas continue to provide the FMLN guerrillas with monetary and logistical support for their war in El Salvador. Is this the type of regime that will bring peace and democracy to the people of Nicaragua?

I have been to Nicaragua twice and have traveled in the region. I have seen the outgrowth of the Sandinistas in El Salvador and have viewed their regime firsthand. It has become increasingly clear from discussions with Central American leaders and ambassadors that the Sandinistas have not and will not fully comply with the Arias plan for peace in the region. From the conduct they have exhibited in the last few days, now more than ever this fact has become starkly clear.

ONLY PRESSURE WILL FORCE SANDINISTAS TO LIVE UP TO THEIR PROMISES

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, it appears that the Sandinista regime in Nicaragua is preparing for the first anniversary of the signing of the Arias peace plan and the ninth anniversary of ousting former dictator Somoza in the name of freedom and liberty by further repressing the Nicaraguan people and taking additional steps away from democracy.

Since gaining power in July 1979 the Sandinistas have promised on numerous occasions—in 1979 to the OAS, last year in the Esquipulas II agreements, and a few months ago in the SAPOA ceasefire accords—to democratize Nicaragua. By disrupting a peaceful demonstration—an exercise in the right of free assembly—by closing La Prensa and Radio Catholica—symbols of free speech and free press—and by expelling eight U.S. diplomats, the Sandinistas once again snubbed democracy.

For 9 years the Sandinistas have made many promises of democracy to their people and to the rest of the world. The Sandinistas have broken every one of their promises. The weekend events only underscore what many of my colleagues and I have been saying, the Marxist Sandinistas do not want democracy and apparently only pressure will force them to live up to their repeated promises.

TIME TO STOP PLAYING GAMES WITH PEOPLE'S LIVES IN CENTRAL AMERICA

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, I was not here for the earlier 1-minute speeches so I do not know if anybody on the other side of the aisle is concerned about what is going on down in Nicaragua. But the smash of a rifle butt into someone's head or to the side of someone's face is a sickening sound, and I hope the sounds from those Sunday terrorists' acts by the Communists in that little village south of Managua echo all the way back up here to the so-called moderates in Congress.

This is the time for the gentleman from Oklahoma, Mr. DAVE MCCURDY, the gentleman from Kansas, Mr. JIM SLATTERY and the gentleman from New Mexico, Mr. BILL RICHARDSON, and all of the Members who say they agonize over this issue of freedom and peace in Central America, to now come forward, with the rest of that group of about 20 swing votes and swing onto the side of freedom.

There was a Nobel Prize winner in Managua on Sunday speaking at a Catholic Church, and it was not Oscar Arias, it was Mother Teresa. Ask the gentlewoman from Maryland, Mrs. BEVERLY BYRON on your side of the aisle, and ask the gentlewoman from Nevada, Mrs. BARBARA VUCANOVICH on this side of the aisle about their visit with Mother Teresa in Managua about 48 hours ago and what she thinks about "peace" in that troubled country.

Vote for aid, for freedom now. Stop playing games with people's lives in North America.

COMPENSATION FOR CIVILIAN VICTIMS OF ABOVEGROUND NUCLEAR TESTING AND EXCESSIVE EXPOSURE TO RADIATION

(Mr. OWENS of Utah asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OWENS of Utah. Mr. Speaker, earlier this year, Congress passed and the President signed into law relief for veterans who were exposed to radiation from aboveground nuclear testing. As a matter of justice, I am introducing a compensation bill, today, my colleague Mr. HECHT is introducing it in the Senate, for the civilian victims of aboveground nuclear testing and for uranium miners who were exposed to excessive amounts of radiation.

In the case of those victims living downwind of the aboveground nuclear test, it has been established in district court that the Federal Government was negligent in monitoring test results and was negligent in failing to warn people of the danger they faced from radiation.

In addition, the Government's deliberate failure not negligent failure, to warn uranium miners and ventilate the uranium mines in Utah, New Mexico, and Colorado sacrificed the lives of these miners.

In both of these cases, the victims were denied compensation in court—not because the Government was not negligent—but because the court of appeals held that the Federal Government was immune under a broad reading of the discretionary function exception to the Federal Tort Claims Act.

In Begay versus United States, one of the uranium miners cases, the court of appeals stated:

> We agree with the district court that this is the type of case that cries out for redress, but the courts are not able to give it; Congress is the appropriate source in this instance.

As a result, I am here before Congress to seek redress for these victims.

My bill would provide a simple procedure for compassionate payment.

WHAT NOW IN NICARAGUA, MR. SPEAKER?

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, several months ago the liberals stripped away from the Reagan administration control of our policy in Central America. The new liberal policy was mostly the slogan "Give peace a chance."

Today we know your policy has failed. Instead of peace it gave Communist tyranny and Communist terror a foothold in Nicaragua and Central America.

What now, Mr. Speaker? The leader of the conservative party in Nicaragua was beaten by thugs while the police stood by and applauded. The opposition newspaper, La Prensa, has been closed. The radio station, Radio Catolica, has been forced off the air. Peaceful demonstrators are being gassed. That does not sound like peace. That is pure and simply tyranny and terror, and not one Democrat today has seen fit to come to this floor and condemn these actions in Nicaragua. Maybe we should be grateful that nobody at least came and defended what the Sandinistas are doing down there.

But what are those of you who have taken charge of our Central American policy going to do about this situation? What is your plan for confronting Communist tyranny in our hemisphere?

Let me suggest what we ought to do yet this week. We should officially condemn Nicaragua. We should reaffirm our commitment to freedom in Central America. We should renew our support for the anti-Communist forces in Nicaragua.

WHAT IS THE MAJORITY GOING TO DO NOW IN NICARAGUA?

(Mr. HYDE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HYDE. Mr. Speaker, the problems in Central America are really not complex. The Sandinistas have insisted that the Contras move into ceasefire zones that are very inhospitable and right next to the Sandinista soldier camps, disarm, and then they will take up discussing democratization.

The Contras may be hungry, they may be short of medicine and bandages, but they are not stupid. They are not going to move in and disarm right next to Sandinista soldier camps, and then submit to discussions of democratization. It will not happen.

What I cannot figure out is why so many people who have abhorred the Governments in Hungary, in Bulgaria, and Romania, in the captive nations, have such a political investment in supporting the Government in Managua. I cannot understand that. But they thumbed their noses at us again. They have rubbed our noses in it. What are we going to do? It is up to the majority party.

BLAME-AMERICA-FIRST CROWD SILENT ON EVENTS IN NICARAGUA

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute.

Mr. BURTON of Indiana. Mr. Speaker, I came today to hear what the blame-America-first crowd has to say about what's happened in Nicaragua. They have been strangely silent. Not one said a word.

Never mind the tyranny in Nicaragua.

Never mind that the Communist Sandinistas have expelled our Ambassador.

Never mind that the Communist Sandinistas have closed radio Catolica and La Prensa.

Never mind the beatings and imprisonment of freedom loving people.

Never mind all of Central America is in danger of a Communist takeover.

And finally never mind that your peace-at-any-price attitude will cause American boys to fight and die needlessly in Central America.

When will you wake up? When will you wake up?

DEAFENING SILENCE FROM ADVOCATES FOR "GIVE PEACE A CHANCE IN NICARAGUA"

(Mr. WELDON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELDON. Mr. Speaker, the silence is absolutely deafening. A few short months ago we heard such words of eloquence in this body regarding Central America and Nicaragua. I remember it so well as we sat here in a packed room and heard various individuals utter the words, "Just give peace a chance; give the Sandinistas a chance to prove themselves, to prove that they are really interested in long-term stability and peace."

We gave them a chance. We abandoned the Contras. We cut off all aid from this country. But where are those voices that we heard then today?

The silence is deafening regarding Nicaragua as La Prensa has just been closed, as Radio Catolica has now been closed and as hundreds of citizens have been sent to their homes in terror. Yet the Soviets and the Cubans remain steadfast.

But perhaps even more significantly, Mr. Speaker, the silence in this Chamber is deafening, especially from those who pleaded with us to give peace a chance.

COMMUNICATION FROM CHAIRMAN OF CONGRESSIONAL HISPANIC CAUCUS

The SPEAKER pro tempore (Mr. MURTHA) laid before the House the following communication from the chairman of the Congressional Hispanic Caucus:

CONGRESSIONAL HISPANIC CAUCUS,
Washington, DC, July 7, 1988.

Hon. JIM WRIGHT,
Office of the Speaker of the House, H-204 Capitol, Washington, DC

DEAR MR. SPEAKER: This is to notify you, pursuant to Rule L(50) of the Rules of the House of Representatives, that the Congressional Hispanic Caucus has been served with a subpoena duces tecum issued by the United States District Court for the Southern District of New York. After consultation with the General Counsel to the Clerk, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,

ALBERT G. BUSTAMANTE,
Chairman, Congressional Hispanic Caucus.

DEFENSE SAVINGS ACT OF 1988

The SPEAKER pro tempore. Pursuant to House Resolution 489 and rule XXIII, the Chair declares itself in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4481.

□ 1259

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4481) to provide for the closing and realigning of certain military installations during a certain period, with Mr. VOLKMER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Thursday, July 7, 1988, the amendment offered by the gentleman from Ohio [Mr. KASICH] had been disposed of.

The bill is now open to amendment at any point.

Are there further amendments to the bill?

□ 1300

AMENDMENT OFFERED BY MR. WELDON

Mr. WELDON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WELDON: Insert the following new subsection at the end of section 5 (relating to the Commission):

(e) COMMUNITY PREFERENCE.—(1) If the Commission receives an official statement from a unit of general local government adjacent to or within a military installation and such statement requests the Commission to recommend that such installation be closed or realigned, the Commission, in determining its recommendations and subject to paragraph (2), shall give particular consideration to recommending the closure or realignment of that installation and shall place special emphasis on the local government's interest in the closure or realignment.

(2) The Commission shall give such consideration only if it determines that the realignment or closure of such installation is not detrimental to the national security and that the functions that would be transferred as a result of such closure or realignment can be carried out at least as well at another military installation.

Mr. WELDON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WELDON. Mr. Chairman, I have a very simple, noncontroversial amendment which I believe will provide greater balance to the base closure bill.

My amendment simply directs the members of the Base Closure Commission to give priority consideration to closure of bases in which local communities have expressed an interest for such action. As the bill now stands, the Commission would review all bases equally, without outside input and without regard for those bases where there is community support for alternate usage or outright closure.

We are all so attuned to the serious local opposition to base closure that exists in many communities, that we haven't thought about making provisions to assist communities where support exists.

Before coming to office, I served as mayor of Marcus Hook, and became very involved in an effort to close an Army Reserve facility as part of a waterfront revitalization effort. Due to the Army Reserve's resistance, we never succeeded. I was never convinced that there was a good justification for maintaining the facility in this particular location. This experience showed me that often the military resists base closures that make sense for its own selfish reasons—every bit as much as Congress does.

Recently, I learned of yet another community in my district which would like to close an Armory facility and acquire it for other purposes. I understand that my colleague from California, Mr. MARTINEZ, has a multiservice facility that the local community would like to acquire as well. I have no doubt that there are numerous other examples around the country where the local community could put military facilities into good, productive use without harming our national security.

It is much easier under current law to close some of these smaller, sought after facilities, than the larger bases targeted in this legislation. Yet it is rarely done because there is resistance—often from military people—to such action. With over 4,000 installations and facilities nationwide, it stands to reason that we can make some substantial savings through more efficient use of our resources.

For that reason, I think we need to have the independent Commission give special consideration to closing bases where community support exists. If a good justification exists for maintaining facilities, the Commission has no obligation to recommend them for closure. All we're doing here is giving communities a fair shake in the process. We need to break down all political barriers to base closures—including Congress, the bureaucracy and local communities, and I believe my amendment will accomplish that goal.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. WELDON. Mr. Chairman, I yield to the gentleman from Alabama [Mr. DICKINSON].

Mr. DICKINSON. I thank the gentleman for yielding.

Mr. Chairman, as I understand the amendment of the gentleman from Pennsylvania—and I think he made a very good explanation—that there is nothing mandatory about this in this amendment. It simply says that the Commission in studying these things should give priority consideration to those bases where the community would like to see them closed, but if they disagree with the community, if they think the need is there, then that is their decision, and the amendment does not take any part of that away from them?

Mr. WELDON. Mr. Chairman, the gentleman is absolutely correct.

Mr. DICKINSON. Mr. Chairman, I believe that is a very reasonable amendment.

Mr. WELDON. Mr. Chairman, I yield back the balance of my time.

Mr. MARTINEZ. Mr. Chairman, I move to strike the last word and I rise in support of the amendment offered by the gentleman from Pennsylvania [Mr. WELDON].

Moreover, Mr. Chairman, I rise to explain why and then enter into a colloquy with the chairman of the committee, the gentleman from Wisconsin [Mr. ASPIN].

Mr. Chairman, I support the Weldon amendment because it allows communities across the Nation to encourage the Commission on base realignment and closure to close military facilities when those facilities have outlived their usefulness and become a burden to both the taxpayers and the citizens of the host community.

For instance, my constituents in the city of Bell, CA, would rather see 120 acres of Department of Defense land currently underutilized and mismanaged be used to create employment opportunities in one of the poorest communities in California, third poorest in the country.

The city of Bell, CA, has attempted, for some time, to regain jobs lost when the smokestack industries pulled out of the city, taking employment and whatever economic stability there was with them. Consequently, the city of Bell recently inaugurated a controlled community development in order to attract light industry to their jurisdiction. The city of Bell needs light industry for three purposes. First and foremost are jobs. For Bell, the best way to maximize the growth of employment opportunities is through light industry. Second, the city of Bell needs to acquire revenue to maintain essential services through new sources of property tax revenue. Like other cities in California, Bell is barred by proposition No. 13 from increasing property taxes in order to pay for the growing demand on its essential services. And three, mismanagement of the property by the Department of Defense and the General Services Administration has created severe blight conditions. The city wants closure of this property in order to eliminate blight through controlled community development.

In sum, Mr. Chairman, the Weldon amendment will permit Bell, CA, to eliminate blight and create new sources of employment and property taxes.

Therefore, Mr. Chairman, let me ask you to clarify that approximately 120 acres of real property located at 5600 Rickenbacher Road, Bell, CA, and used by the Department of the Army and other instrumentalities of the Department of Defense for warehousing and storage shall be considered a military installation under the Weldon amendment?

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. MARTINEZ. I yield to the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. I thank the gentleman for yielding.

Mr. Chairman, the gentleman is correct. The gentleman from California has clarified the issue.

Mr. MARTINEZ. I thank the chairman for his clarification.

Mr. Chairman, I yield back the balance of my time.

Mr. ASPIN. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, I want to say we are in complete support of the Weldon amendment and hope that it passes.

Mr. ARMEY. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, I think the Weldon amendment gives the chance for local communities to express their will and if in fact they have that, and I would of course express my appreciation to Mr. WELDON for acknowledging the possibility that sometime, conceivably, a local community might want to request that an important base be removed and they leave it to the discretion of the Commission and to pit the Nation's defense interests against even the wishes of a local community.

So I find nothing onerous in this amendment and I would recommend its approval.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WELDON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. PORTER

Mr. PORTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PORTER: Add the following subsection at the end of section 5:

(e) MEMBERSHIP APPOINTED BY THE SECRETARY.—The Commission shall consist of 15 members appointed by the Secretary of Defense. In addition to the members appointed by the Secretary of Defense on May 3, 1988, the Secretary shall appoint 6 additional members (and fill any subsequent vacancies on the Commission) after consultation with (A) the Chairman and ranking minority members of the appropriate committees of Congress and the military construction subcommittees thereof, and (B) national associations of State and local officials. The members shall be chosen on the basis of knowledge and experience in matters related to Federal property or national security affairs, or economic planning, and shall reflect a reasonable geographic balance.

Mr. PORTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PORTER. Mr. Chairman, this amendment was included in the Senate's version of the fiscal year 1989 DOD authorization and it addresses our concern with the composition of the Base Closing Commission. The amendment increases the size of the Commission from 9 to 15 members. It provides that the additional six members will be appointed by the Secretary of Defense, but only after consultation with the chairman and ranking members of the appropriate House and Senate committees and their military construction subcommittees. It states that the chosen members shall reflect a reasonable geographic balance.

Mr. Chairman, increasing the size of the Commission to 15 will provide it with the human resources it needs to complete its job. I do not think we should forget for a minute that the job we are entrusting to this Commission is an enormous one. They have to analyze over 3,800 military installations in all 50 States and territories and report to Secretary Carlucci by the end of this year. And under the Rules Committee version, the Commission would also be required to review our overseas bases as well. We are giving them a tremendous responsibility.

Requiring consultation with Congress before appointing the six new members provides Congress with its necessary say in the composition of the Commission which will eventually recommend which bases will close. While we clearly need a procedure to expedite the closing and realigning of unneeded installations, Congress, it seems to me, must not completely abdicate its legislative obligations.

Too often in the past commissions set up by the executive branch and designed to be objective have reached results that were neither responsible nor unbiased. It seems to me we do not want, Mr. Chairman, a Commission that is simply a rubber stamp. We want a balanced, fair, and independent Commission. The amendment requires that selection to the Commission shall represent a reasonable geographic balance.

The nine members already selected by Secretary Carlucci are almost exclusively from the Eastern part of the country, seven of the nine are from the east coast, one from the South, and one from the West; not one from the Midwest.

I have nothing against any of these Commission members. They are very able people. Nor do I have anything against the east coast, but I think we ought to ensure that the Commission is not lopsided toward one particular way of thinking or one particular part of the country.

We ought to remember, Mr. Chairman, back about 125 years ago when we had President Lincoln with General McClellan and the army of the Potomac, sitting here in Washington, not pursuing the war. And it took a Gen. U.S. Grant out in the West to make things happen. Our President at that time said what he needed was more whiskey-drinking, cigar-smoking Midwesterners. It seems to me if we had a few of those Midwesterners on this Commission it would give it a little geographic balance and perhaps, therefore, a fairer result.

In conclusion, Mr. Chairman, let me say that whether you support this bill or not, I think everyone must recognize the extraordinary procedures it provides and the substantial amount of legislative powers that it delegates to the Secretary of Defense. The Secretary of Defense has chartered a Commission which presently is comprised of his appointees, staffed by his staffers, receives information from his offices, will report directly to him, and whose recommendations will probably lead to the closing or realigning of a number of military installations. All of that without any congressional input.

It seems to me, given this extraordinary proposal, it is within the prerogative of the Congress to alter the composition of the Commission somewhat, to provide more congressional involvement and to ensure that it is balanced, while not undercutting the entire concept.

We must guarantee, it seems to me, that our Government operates fairly and honestly in addressing the question of closing unnecessary military installations.

For the constituents whose lives will be affected by such closures and for our Nation's defense we have to provide responsible and fair procedures. I believe this amendment achieves that result, and I urge its adoption and yield back the balance of my time.

Mr. EVANS. Mr. Chairman, I move to strike the last word and I rise in support of the amendment being offered today by my distinguished colleague, Mr. PORTER of Illinois. This amendment, which is essentially the same amendment as was included by the other body during consideration of the base closing legislation, is an extremely worthwhile proposal which I believe ought to be addressed by the House during consideration of this significant piece of legislation.

Mr. Chairman, the amendment is extremely simple. What it does is expand the number of Base Closing Commission members from 9 to 15, and ensures that the chairs and ranking minority members of the appropriate committees of the House and Senate have a say in determining who will fill these very important remaining positions on the Commission. In addition, our amendment ensures that the remaining slots will be filled by persons having knowledge and experience in national security affairs, economic planning, or Federal property issues. Finally, and very importantly, the new Commission members shall be chosen to reflect a reasonable geographic balance.

Mr. Chairman, this last provision is the one which I would like to focus on during my remaining time. By simply stating that the remaining six members of the Base Closing Commission be selected on the basis of a geographic balance, it is my hope that we in Congress would be making substantial progress toward ensuring that the decisions of such a Commission take into account the diverse and equally as important attitudes and views of persons coming from all across the country.

Mr. Chairman, I have nothing personally against any of the current members of the Base Closing Commission—but the fact is that most of them happen to come from the east coast, if not inside the beltway itself. Of the nine members of the Commission, three live in Washington, DC, two live in surrounding Virginia suburbs, one lives in Connecticut, another in Boston, another is from Alabama, and a final member makes his home in California.

Mr. Chairman, as I said before I have every reason to believe that the current members of the Commission are fine and competent individuals. All I'm trying to say is that it wouldn't hurt—and it would most certainly help—to give the Midwest and other parts of the country a larger voice in the all-important decision to close a military base. If my colleagues support our amendment, they can take an important step toward ensuring that there is a geographic balance in the composition of the Base Closing Commission.

In closing, I want to again point out that such language does exist in the Senate version of the base closing bill, and I would encourage my colleagues to include it in the House version as well.

Mr. HYDE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Porter amendment and I simply want to endorse the Porter amendment. I think it makes a lot of sense to broaden the geographical basis for this very important Commission or committee. I think the idea of putting together a group of very wise people who can stand above the political swamps and make the very tough decisions that, let us face it, we are really incapable of making, is a stroke of genius. I want to salute the gentleman from Texas [Mr. ARMEY] for coming up with this idea. There is precedent. As we know, the Social Security System, in my judgment, was largely saved or at least made solvent through the efforts of a Commission.

□ 1315

We now have a Commission that is looking at the deficit, and I hope they will be as wise as the other Commissions have been. But, if we are to make the tough decisions to vote to close some of these bases, and Illinois is certainly vulnerable, I think all the Members should have complete confidence in the balance, as well as the wisdom, of such a Commission.

And so, if people from the Midwest are left off through inadvertence, that credibility and that confidence will be to that extent somewhat diminished, so I strongly urge that someone from the Midwest, some few from the Midwest, be appointed on this Commission.

Mr. Chairman, I recognize the Harvard-Yale axis is dominant in the State Department, but I hope we need not have that spill over into the important matters that this Commission on Army base closings will consider, so I strongly support it.

I salute the gentleman from Texas [Mr. ARMEY] and the gentleman from Illinois [Mr. PORTER] for their very thoughtful work on this important issue.

Mr. Chairman, I yield back the balance of my time.

Mr. ASPIN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I think that what the proponents of the amendment are trying to do is understandable. The concern is that whenever the base closing list that will come out will not be a balanced list, and that was part of the concern of why we went through all of this process of having a Commission in the first place; it was to make sure that it was a nonpartisan, not biased list that would be presented to the President for implementation.

The problem is the idea that in order to get the right geographical distribution, you have to have the right geographical distribution of the commissioners, and I guess I would reject that idea. I think basically that people will look at this issue, and indeed we have direction in the legislation. It directs the Commission to make sure that geographical distribution is one of the criteria that they considered. I think that if you put the direction into the legislation that you do not need to have an even distribution of people serving on the Commission.

So, Mr. Chairman, I think we can accomplish what these people want to do, which is the geographical distribution of the bases to be closed, without having a geographical distribution of the people serving on the Commission.

The second reason I oppose the amendment is that once beyond a certain critical size, these Commissions become unworkable. We have a Commission now of nine people. I think nine people is a large enough Commission that it is getting to the point where it might be a little unwieldy as it is. If we go to 15, we suddenly have a whole different order of magnitude kind of a Commission, and the difficulty is that when Commissions get too big, individual members stop having responsibility for the product. The advantage of a small number on a Commission is that the people then feel personally responsible for the product that comes out. If we get too big a Commission, they just become one vote among many. They are less responsible for the product coming out.

So, Mr. Chairman, I think we can achieve what the authors of this amendment, the gentleman from Illinois [Mr. EVANS] and the gentleman from Illinois [Mr. PORTER], want without going to a larger Commission, and I think frankly a larger Commission has certain disadvantages that would make this Commission become too unwieldy, less likely that people take the proper responsibility. All in all it would severely damage the work product.

For these reasons, Mr. Chairman, I am in opposition to the amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. DICKINSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment.

I recognize the fact that the gentleman from Illinois [Mr. PORTER], my colleague, is offering this with the best of intentions, and no one would disparage his intended purpose. I can only say though that the net result or effect of this amendment, if it should carry, would be to absolutely kill the bill.

Now, if the Members want to kill base closure, this is the way to do it. This would throw out what we have done so far, stop everything as it exists. This amendment would go out and name another commission or add double the size of the Commission and they would have to start over from point zero, go through the hearings again, and then tell them that they have to finish their product and report before the end of this year. It cannot happen.

Now the Commission that is in existence has already been formed. Members have voted on the bill already based on the members on the Commission, and they have looked over the names. They have expressed their confidence, and their integrity and their ability. It was important that the Commissioners be named prior to the bill coming to the floor so my colleagues could have the opportunity to look over the membership and say, "Hey, there's something wrong with some of these people," or, if it is loaded or stacked with partisan politics, "We are not going to go along with it."

If the Members would look at the seven members that have been appointed; we have former Senator Abraham Ribicoff, a Democrat; former Congressman Jack Edwards from our House, a Republican; Louis Wellington Cabot he is from the Brookings Institution; W. Graham Claytor, Jr., former Secretary of the Navy; I do not know where he is from; Donald Craib, who is with Allstate Insurance Co.; Marty Hoffman, former Secretary of the Army; Gen. Bryce Poe, U.S. Air Force four-star general, retired; Gen. Donn Starry, U.S. Army retired, four star; Russell Train; when the list first surfaced, some expressed a concern that there were no environmentalists on the board, so they dropped one name and picked up Russell Train, former head of the Environmental Protection Agency.

So, Mr. Chairman, they have tried to accommodate everyone's interests without going to any partisanship and without going necessarily to a geographical area.

The Commission, as I pointed out, is in existence. They have held hearings. They are staffed. We are working against a very definitive time limit here, and, if this amendment should pass, it would nullify everything that has been done. Everything is thrown out because they got to go back and double the size, go through a selection process, throw out staff, select the other staff, which means that we are not going to meet our goal by the end of this year.

So it means in effect, regardless of the well-intentioned offering of this amendment, it means that we are not going to be able to do what is required by this bill in this calendar year so that it can be reported back in time to effect the closing of these bases.

As I pointed out in my remarks when the bill first came to the floor, we have a unique opportunity here. We have a time frame, or, as we call it now, a window, in which to act. And the uniqueness of this is because we have a lameduck administration, a lameduck and new Secretary of Defense in which the Members for the most part have a very high regard, very high respect. We are working in a nonpartisan manner to bring this about.

As usual, all these things come into alignment at the same time, and this adds to the credibility of the bill. It adds to the uniqueness of the situation, and I think that all four of the committees that had jurisdiction here recognize this. We have all gone through the hearings, and we have reported out the bill based on our confidence that we have in the named Commissioners.

Now to say that we are going to vote for a bill and do not know who the Commissioners are, I think, would be a very long, long step to killing the whole bill. I would hope that the Members would reject the amendment.

Mr. Chairman, I yield to the gentleman from Illinois [Mr. PORTER], the author of the amendment.

Mr. PORTER. Mr. Chairman, I thank the gentleman from Alabama [Mr. DICKINSON] for yielding to me.

Mr. Chairman, I merely would like to point out there have been three meetings of the Commission. There has been one hearing that the Commission members have attended. Obviously the amendment is not intended to in any way destroy the Commission, but rather to improve it and to make certain that its procedures and its results are fair ones and ones that we can live with.

It does not seem to me that Congress should be completely preempted from participation simply because the Defense Department has gone ahead to this point. They have gone ahead only a very little bit, and, as a matter of fact, the appointment the six new members would be made in consultation with the gentleman from Alabama, among others.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

(By unanimous consent, Mr. DICKINSON was allowed to proceed for 1 additional minute.)

Mr. DICKINSON. Mr. Chairman, just let me say that I hope I was not misunderstood. I did not mean to ascribe any intent on the gentleman's part to kill the bill. I simply say that the net result would be to make it impossible for us to complete the work that this bill would direct in this calendar year, and, if it cannot happen this year, it does not happen at all because the Commission is set up for a finite life. It dies at the end of the year. It cannot be reconstituted.

Mr. Chairman, this is a one-shot deal, and to stop everything in place, and to start over naming additional Commissioners, and then ask Members to vote on this floor on final passage of this bill without even knowing who the Commissioners are I think is unreasonable and unworkable, and I would urge the Members to vote it down.

Mr. ARMEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I am reluctant to rise in opposition to an amendment offered by the gentleman from Illinois [Mr. PORTER], my distinguished colleague and a man for whom I have the greatest respect and personal regard.

I might say as I express my opposition that I appreciate the concern that has prompted the gentleman to bring this amendment to the floor. Indeed the question of geographic equity has been raised and fully debated in the committees that have jurisdiction over this bill.

As a matter of fact, Mr. Chairman, I think when you go into either the bill brought to the floor or the substitute of the gentleman from Texas [Mr. ARMEY], found would be a provision in both cases that was worked out in the Committee on Government Operations under the guidance principally of the gentleman from New York [Mr. HORTON] that does assure that the committee give consideration to geographic equity.

As we look at that, everybody has accepted that this is a legitimate concern and should be addressed.

On the other hand, if one looks at the members who have been selected for this Commission, one sees that they have been selected because they have impeccable credentials with respect to their understanding of these issue areas. They have the background, the information base that they bring with them from their experience to the Commission, their objectivity, and their integrity as fair and honest and hard-working professional people. If we add to those numbers of people who come onto the Commission knowing, knowing, that their reason for being on the Commission is to represent a geographic area, you have then six members of the Commission that are there for political purpose, and that diminishes the purpose of the Commission, which is to make sound, well-founded decisions based on good information regarding the proper basing structure to achieve the maximum defense preparedness at the minimum dollar to the American taxpayer.

Mr. Chairman, it would be unfortunate to have a Commission professionally founded for that purpose, to have its work abridged by six new members who come to the Commission knowing that their purpose is political in nature, to represent geographic interests, and I, therefore, would suggest that the Members vote down this amendment, not because it is offered out of any spirit other than the spirit of good will, but because its impact would be negative to the process we are trying to achieve here.

Mr. Chairman, I yield back the balance of my time.

□ 1330

Mr. PORTER. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. Without objection, the gentleman from Illinois is recognized for 5 minutes.

There was no objection.

Mr. PORTER. Mr. Chairman, in response to my good friend, the gentleman from Texas, and I certainly appreciate his very kind words, I think the gentleman is mixing up the diversity of representation on the Commission with the diversity required of the Commission of looking at all areas of the country, a provision that is included in his substitute and in the Rules Committee version of the bill.

The purpose of having Commissioners from around the country is to give geographic diversity to Commission composition; not that they would be there to protect any particular area of the country from base closing but rather simply to give geographical balance to the Commission; so I do not think that is a good argument.

Again, the purpose of the amendment is simply to provide balance and fairness so that the product of what the Commission has to offer is one that is fair to everyone.

It is not too late in the game to offer an enlarged Commission. This is what the role of the Congress ought to be, to fashion this Commission so that it is a fair and balanced one and that is simply the purpose of my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. PORTER].

The question was taken; and on a division (demanded by Mr. PORTER) there were—ayes 7, noes 9.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. DAVIS OF ILLINOIS

Mr. DAVIS of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Illinois:

Insert the following at the end of section 5:

(e) MEMBERSHIP OTHER THAN THOSE APPOINTED BY THE SECRETARY.—In addition to any other members appointed to the Commission by the Secretary of Defense, the chairmen and the ranking minority party members of the following subcommittees of the Senate and the House of Representatives shall be members of the Commission and shall serve as members of the Commission ex officio:

(1) The Chairman and the ranking minority party member of the Subcommittee on Readiness, Sustainability, and Support of the Committee on Armed Services of the Senate.

(2) The Chairman and the ranking minority party member of the Subcommittee on Military Installations and Facilities of the Committee on Armed Services of the House of Representatives.

(3) The Chairman and the ranking minority party member of the Subcommittee on Military Construction of the Committee on Appropriations of the Senate.

(4) The Chairman and the ranking minority party member of the Subcommittee on Military Construction of the Committee on Appropriations of the House of Representatives.

Mr. DAVIS of Illinois (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DAVIS of Illinois. Mr. Chairman, I offer this amendment now along the same lines and subject matter as the previous amendment offered by the gentleman from Illinois [Mr. PORTER]. I asked the gentleman if I could go out of turn because the subject matter was fresh in our minds and because my colleagues who are listening in their offices and those here on the floor, the arguments that were made against the last amendment cannot be made against the Davis amendment, and let me explain why.

All of us are very concerned, of course, that the time is short, that you cannot hold hearings to add other people to the Commission. As I think the gentleman from Wisconsin [Mr. ASPIN] put it, and I paraphrase this, it gets too big and lets the Members hide behind the size of the Commission.

The distinguished ranking member has said that it is an attempt to kill the bill.

Well, none of that I believe is true of the amendment of the gentleman from Illinois [Mr. PORTER]. It attempted to strike some reasonable balance geographically so that if there is a list that nobody is unduly burdened throughout the country by that amalgamation and by that realignment and by that base closure.

Well, that amendment, as we see, was just narrowly defeated.

This amendment simply says that in addition to those Members already named who are going to be on the Commission, that there ought to be on the Commission those who really know the process best from Congress as ex-officio and nonvoting Members, and those should be the chairman and the ranking minority member of the Armed Services authorizing committees in each Chamber, for four, and of the chairman and ranking committee member of each appropriating committee of the Armed Services Appropriations and the Senate Armed Services Appropriations, for four, which adds in truly eight members to sit in on the process with the voting Commission members to advise them in their infinite wisdom over the years that they have dealt with these bases, these very same based that may or may not be on the list that are brought forward by the members to advise them of the costs, the costs that are going to be involved and what has to be appropriated to change missions and to realign bases and the costs that are involved in closing them down.

Also, Mr. Chairman, we have the opportunity then to have congressional input which satisifes my objection to the Commission of delegating constitutional authority reserved to this House and to the Senate to a Commission twice removed. At least we would have overseers watching the process, looking at the process on a bipartisan basis, so that neither party nor anyone in the country finds that they have been left out of the process by lack of at least representation during the process.

Nonvoting—remember, Mr. Chairman, nonvoting.

We also have a corollary advantage then of coming back to those eight Members, respected Members, Chairman ASPIN, ranking Member DICKINSON of Alabama and others coming back then to this House, coming back to the Senate Chamber and saying, "We were there. We saw this list, and if there is a motion of disapproval in the House or in the Senate, we saw the list. It was fair. We understand it. We were there. It wasn't a political list. It is a reasonable list in terms of its cost and its mission move and its realignment and we ought to do that and we think it is a good idea and we think a motion of disapproval should be in itself disapproved."

Those are the arguments for adding some Members in from Congress to sit and listen, to give their expert advice. Who in this Chamber could argue that fact, except perhaps those eight Members who would be sitting from now until December with the Commission giving that advice; but after all, that is what we are here for, and I think the ranking Member ought to consider this.

Mr. DICKINSON. Mr. Chairman, I rise in opposition to the amendment.

If the gentleman will keep the well, I would just like to clarify this.

The synopsis of the amendment that I have been furnished and the explanation differs from what I have understood from the well. In reading the amendment, which is amendment No. 4481, is that correct?

Mr. DAVIS of Illinois. Amendment 4481, but at the top left it says, "Davis 1027," on the very top left.

Mr. DICKINSON. All right, I see that.

Now, what the gentleman actually is doing, as I understand it, and I am afraid the gentleman is politicizing it, but the gentleman wants to put on the Commission the chairman and the ranking minority member of the Subcommittee on Readiness, Sustainability and Support, the chairman and ranking minority member of the Subcommittee on Military Installations and Facilities; the chairman and ranking minority member of the Subcommittee on Milcon of the Appropriations Committee of the Senate; the chairman and ranking minority member of the Subcommittee on Military Construction of the Committee on Appropriations of the House.

Mr. DAVIS of Illinois. Yes.

Mr. DICKINSON. So what the gentleman actually is doing is putting eight more people on here as ex-officio.

Mr. DAVIS of Illinois. As ex-officio, yes, sir.

Mr. DICKINSON. In addition to that, the gentleman suggests or requires as putting ex-officio the chairman and ranking member of the full committee of both the House and Senate Armed Services Committees?

Mr. DAVIS of Illinois. No; I did not suggest that. I suggest that only those involved in Milcon and appropriations.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Well, Mr. Chairman, we cut a deal with the gentleman. We are off now.

Mr. DAVIS of Illinois. Certainly, these gentlemen can go home. I will be glad to amend the amendment on its face to include both these gentlemen if they so desire.

Mr. ASPIN. No, no, Mr. Chairman.

Mr. DICKINSON. No. I thank the gentleman very much. The gentleman has answered my question.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I am glad to yield to the gentleman from Wisconsin.

Mr. ASPIN. I appreciate the honor that the gentleman wishes to bestow; but frankly, I have enough trouble getting myself elected as chairman of this committee over here every 2 years in the caucus without adding that.

Mr. DICKINSON. Mr. Chairman, if I can reclaim my time, I know this is offered with the best of intent, but I will state that if there is one way to mess this bill up, it is to put all these House and Senate Members on here looking over the shoulders of the Commission and trying to operate in a nonpartisan manner.

There is no way—no way that you are going to put these eight people on here, four Democrats and four Republicans, and say that we are not going to politicize the outcome of this Commission if they are going to sit in judgment and sit in on conferences and participate in the discussions. Their answer is going to be political as well as partisan political.

It might sound good on the face of it. I would not like to serve on it. I do not think the gentleman from California [Mr. DELLUMS] or the gentleman from New York [Mr. MARTIN] are chomping at the bit or wish to serve on it. But they are here to speak for themselves.

I think this creates a lot more mischief than it is going to help, and I would certainly oppose it.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, I would just like to concur with the comments of the gentleman from Alabama. I really think this is not a very good idea. I think it does add eight more people. The last amendment we were talking about was a problem with six more people. This amendment would add eight more people.

I think it would instead of making something a nonpartisan issue, it is now becoming a bipartisan issue.

When you move from nonpartisan to bipartisan, I think you move politics right back into the debate and I think it would really be a better idea to vote down this amendment.

Mr. DICKINSON. We have done our best to sanitize this thing and make it nonpartisan. As we look over the list of commissioners themselves, the former Secretary of the Army, the former Secretary of the Navy, an Air Force general, an Army general, a former House Member, a former Senate Member.

Keep it small and keep it with people with no ax to grind.

Just as sure as you put elected political figures in there, whether they be ex-officio or not, you are really going to mess this thing up.

Mr. Chairman, I hope we vote this amendment down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DAVIS].

The amendment was rejected.

AMENDMENT OFFERED BY MR. PORTER

Mr. PORTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PORTER: In section 5(b), strike out "The" in the first sentence and insert in lieu thereof "Subject to paragraph (2), the".

At the end of section 5(b), add the following new paragraph:

(2) The professional staff of the Commission shall consist of individuals who have not been employed by the Department of Defense during calendar year 1988.

Mr. PORTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PORTER. Mr. Chairman, this amendment provides very simply that the professional staff of the Base Closing Commission shall consist of individuals who have not been employed by the Department of Defense during the calendar year 1988.

This is substantially the same amendment as was contained in the Senate DOD authorization that passed on the Senate floor as part of a larger substitute dealing with the Base Closing Commission.

We said earlier in the debate that the scope of responsibility that the Commission has been charged with is enormous, and it is.

The commissioners are not full-time members, obviously. They are very much part time and the professional staff of the Commission, therefore, can be expected to play a very major role in the report of the Commission and its recommendations.

It is therefore desirable to insure that the staff members, the professional staff I am talking about, are as independent as possible from the Department of Defense so that the judgment of the Commission can be an independent judgment.

There have already been six staffers assigned to the Commission by the Secretary of Defense. Five of them are high-ranking DOD officials. One is the Director for Installations and Services in the Office of the Secretary of Defense. Another is a program analyst for the Deputy Assistant Secretary of Defense for Installations. Another is the Director at the Readiness Planning Division for Naval Facilities Engineering Command in Alexandria. One is the Deputy Chief of Staff and engineer at the Training and Doctrine Command.

These people, Mr. Chairman, are all qualified, experienced experts. They are true professionals. The problem is not that they are not good. The problem is that they are too good. I think they can be expected to perhaps overwhelm the independent judgment of the commissioners who have to make the decisions as to which bases should be closed. It would therefore simply become a Department of Defense judgment and not one of an independent Commission.

It seems to me that the DOD professional staff do have a role to play, however. The Department of Defense and its staff are clearly the ones best capable of supplying the information necessary to the Commission to make its decisions possible; but once that information is compiled and provided to the Commission, it should be looked over by professional staff members who have at least some degree of separation from the Department of Defense and from the Secretary. That is the only way we can ensure an original, independent determination.

If we are going to take the step of setting up a Base Closing Commission, Mr. Chairman, we ought to try to make the Commission's report fair and independent, as fair and independent as possible, and not allowing individuals who have worked for the DOD during 1988 to serve as the professional staff will help to provide this independence.

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Mr. DICKINSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have listened to the comments of the gentleman, my colleague, in support of the amendment, and I find it very difficult to believe that his logic flows naturally.

If Members look, my colleague says that these people are too qualified to serve, that they know too much about it. The staff, as I understand it, include the Director of Installation Services, Office of the Secretary of Defense, program analyst, Office of the Deputy Assistant Secretary of Defense for Installations, Deputy Chief of Staff, Engineer, Training, and Doctine Command, Lieutenant Colonel Sandefur, Northern European basing manager, Captain Szutenbach, Director, Readiness Planning Division, U.S.

Naval Facilities Engineering Command. What we have done to date, is that the Secretary of Defense supports the concept of base closure. He has named seven of the best people he can find to act as nonpartisan commissioners to come to this decision. Who are they? As I pointed out before, former U.S. Senator Ribicoff, a Democrat, former U.S. Congressman Jack Edwards, our colleague whom we all know, a Republican, Louis Wellington Cabot, with the Brookings Institute, Graham Claytor, former head of the Southern Railway, then with Amtrak, and he was also Secretary of the Navy, Donald Craib, and as I understand it he is with the Allstate Insurance Group, Martin Hoffman, former Secretary of the Army, now a very successful attorney the last I heard, Gen. Bryce Poe, four-star Air Force general, retired, Don N. Starry, full general, U.S. Army, retired, and Russell Train, who has made quite a name for himself as an environmentalist.

Mr. Chairman, I hardly think that these are people of such little intellectual capacity and so little conviction on their own that they cannot make up their mind based on the expertise of their own staffers whom they have appointed. For us in the Congress to say, "You guys are not smart enough not to be overcome and overrun by your staff, you are not smart enough to resist unpopular ideas or to be able to ferret out any decisions that are not in the best interests of the country, you guys are just not capable because you have got too strong a staff," my goodness. If one were going to put a staff together, where is one going to except for the most competent, capable people who are onboard, who are knowledgeable.

I think that we do a disservice to the members of the Commission to say their staff is too strong and they might be overwhelming in their judgment by being inundated with too many facts and truths from staff. I think this is an undoing amendment and I would hate to see us undo the staff that is there by us telling the Commission what their staffers have got to do. I think it is an unwise decision.

Mr. Chairman, I hope we vote it down.

Mr. ASPIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am not sure exactly what the gentleman from Illinois [Mr. PORTER] is trying to do with his amendment. Why does the gentleman want to deny the people who really know the most about this problem from serving on the Commission staff?

Mr. PORTER. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I am happy to yield to the gentleman.

Mr. PORTER. Mr. Chairman, our concept here is a base-closing commission formed of people outside the Military Establishment that would make an independent judgment, and what I am concerned with, as we have seen so often in so many commissions that are formed, the professional staff of the commission often says, "Here is the decision, gentlemen. Sign on." And they sign on. What I am trying to do is have a different professional staff that can analyze the data provided by the Department of Defense independently, not as experts of the Department, and make independent judgments.

Mr. ASPIN. Mr. Chairman, reclaiming my time, the difficulty I have with this amendment is that the gentleman is taking away the people who know the most about the job, who know the most about the issue. The problem here, as I understand it, and I appreciate the gentleman's concern about the staff usually having a very strong say in any of these commissions, and the gentleman is correct, whoever serves on the staff is going to have a disproportionate say about the outcome, because the people who serve on the Commission are all people who have other jobs. They are serving on this as a part-time, voluntary effort, and they are not full time. The staff is full time, so there is a concern what whatever the staff says about this thing will have a disproportionate influence, but I would point out to the gentleman that the problem that we have created this Commission to solve is not the problem that the Department of Defense was coming up with bad base-closing plans.

The problem is that the past base-closing plans that they have come up with have been too political, and they are to partisan. It is not the fault of the people working the problem from the DOD standpoint but essentially the fault that everytime a base-closing plan has been presented, and I would say this is true of the Democratic administrations as well as Republican administrations, the thing tilts in favor of the party of the President proposing the base closing.

I will give the Members an example: The Reagan administration sent up a list of 22 national bases to be closed to Senator Goldwater when he asked for it. If the gentleman looks at that 22 bases on the list, 17 of the bases were in Democratic districts, and only 5 were in Republican districts.

To be sure, that is not a partisan issue. When Jimmy Carter sent up his list of 11 bases—he sent up a list of 11 bases, and I think that was in 1978 when he sent up his list, he sent the list wherein 8 were in Republican districts and only 3 were in Democratic districts. The problem that we have had with base-closing proposals in the past has been they were sent forward by the administration which naturally is concerned about the bases and the political situation of the party, and they propose to close bases in the other party's districts. It is natural it will happen in a Democratic administration, and it will happen in a Republican administration. That is not the fault of the Pentagon. The problem we have created the Commission for is not to protect ourselves against the Pentagon base-closing proposals, we have created the Commission to insulate ourselves against the political administration, Democrat or Republican, which proposes the base closing.

What we have in this legislation is legislation that says, and I will read what it says about the staff, it says:

> The professional staff of the Commission should be selected on the basis of their training, experience and attainments and in a manner that will assure the impartiality and independence of the Commission to the maximum extent feasible. To further assure such impartiality and independence, the professional staff of the Commission should be politically neutral and should be appointed on the basis of each individual's ability to perform the professional duties required by the Commission.

That is what we want out of the staff. We do not further the aims of the Commission by saying that we will eliminate from the staff anybody who knows anything about this issue. The people who know about this issue should be included in the staff, and I think the kind of thing we are doing here with the staff is the right kind of thing.

Mr. EVANS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment being offered today by my distinguished colleague, Mr. PORTER. In sum, this simple yet extremely worthwhile proposal seeks to ensure that the senior staff of the Base Closing Commission is as independent from the Department of Defense as possible.

By requiring that the senior staff of the Commission consist of persons who have not been employed by the Department of Defense during calendar year 1988, Mr. PORTER's amendment would create an important check on the potential influence of the Department of Defense in the decision-making process of the Commission. While it is apparent that the Defense Department and its staff would be extremely important in providing important information to the Commission, it is also clear that the Commission should base its decisions not on the direct or indirect interests of the Department of Defense, but on the interests of the Nation as a whole—including those local communities which would be most effected by such closures. Without the Porter amendment, it would be even more difficult to ensure that the Commission recommending such closures is balanced, independent, and fair, and that its judgment would not be colored by the potential recommendations and influence of former Department of Defense staff.

Mr. Chairman, I urge my colleagues to support the Porter amendment.

Mr. PORTER. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. Without objection, the gentleman from Illinois [Mr. PORTER] is recognized for 5 minutes.

There was no objection.

Mr. PORTER. Mr. Chairman, I will only take a minute or two, but I am concerned that the statement of the Secretary of Defense before the Defense Policy Panel of the Committee on Armed Services begins with quoting from the list, the so-called Goldwater list, that was presented to Congress by Secretarly Weinberger in 1985, that was, as the gentleman clearly stated a political list. And I have to say to the gentleman from Wisconsin, the distinguished chairman of the Committee on Armed Services, that he raised a straw man and then struck it down. I agree with what he said. We do have to worry that this is not a political list that is coming out. But that is not what my amendment aims at. The first part of his argument reflected my same concerns that we might have a Base Closing Commission that simply rubberstamps what the Department of Defense says ought to be closed, and that, I think, is a concern.

The Department of Defense ought to provide the information to the Commission on which an independent judgment ought to be made by the Commissioners, and that is the reason we choose Commissioners who are outside the Department of Defense. Otherwise, we might just as well choose the staffers and let them make the decision. We specifically have decided not to do that. It seems to me the amendment is a very good one, and it provides an independent, professional staff to analyze the data presented to it by the Department of Defense experts. That seems to me to be the best way to assure an independent and original judgment.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. PORTER. I am happy to yield to the gentleman.

Mr. ASPIN. Mr. Chairman, I think the gentleman has a point here, but I do not think his amendment helps to get there. I mean, if the gentleman were offering an amendment that says there should be people on the Commission other than people who had worked for the Department of Defense, I think that would be a good one, but to say that the way to get to where the gentleman wants to is to ban anybody who has worked in the Department of Defense in 1988 seems to be going about it the wrong way and, indeed, it might not achieve what the gentleman thought it did. Would the gentleman feel better if the Commission were totally composed of people who worked in the Department of Defense up through 1987 and then quit? That would not do it, no, so the problem is the gentleman's amendment does not get at what the gentleman wants to do.

Mr. Chairman, I think what the gentleman would like to do is to make sure that the Commission staff does not just reflect Pentagon thinking. I think that is something that has some merit, but the gentleman ought to offer an amendment that says the Commission staff should be composed of people not all of whom shall have worked in, or maybe more than half of whom should not have come from backgrounds in defense. The focusing on eliminating everybody who has worked in defense and eliminating only who worked in 1988, I do not think gets to where the gentleman wants to get.

Mr. PORTER. Mr. Chairman, reclaiming my time, if I offer an amendment to that effect to the substitute of the gentleman from Texas [Mr. ARMEY], the gentleman would support that?

Mr. ASPIN. I would be happy to look at it. What I am saying is the gentleman has an idea which is not too bad. If the gentleman wants to offer a different version of this amendment to the bill we are talking about, I might consider it, but I just think the gentleman's amendment here is detrimental to the process and does not get to where the gentleman wants to get.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. PORTER].

The question was taken; and on a division (demanded by Mr. PORTER) there were—ayes 4; noes 10.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. KOLBE

Mr. KOLBE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KOLBE: In section 3(a)(2)(A), strike out "and outside".

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Mr. KOLBE. Mr. Chairman, I offer this amendment to correct what I think is perhaps the worst violation of the original spirit of this bill as it was offered by the gentleman from Texas [Mr. ARMEY]. During the committee deliberations on this legislation, both in the Armed Services Committee and in the Government Operations Committee, provisions were added that requires the Commission to consider closing overseas bases and to put them on the same list, let me repeat that, on the same list, for base closures as those that were the point of this bill originally, the domestic bases.

Let's face it. The addition of this language for overseas bases is like taking a crowbar and prying loose a railroad track from the ties. It is bound to derail this train. It gets us entirely off the track of what we were originally attempting to do, which was to get at the problem of the parochial, political concerns that all of us have about base closings.

It also threatens, I might add, to violate numerous international agreements while unwittingly imposing massive costs on the U.S. taxpayer. Now that statement will certainly raise some eyebrows. But I will discuss in a moment why the committee language actually is going to cost us more money.

Let me state emphatically, Mr. Chairman, I am not suggesting that there are not overseas bases which might be closed. Clearly, there are U.S. military facilities overseas that could be consolidated and closed for reasons of efficiency.

However, including foreign bases is entirely at odds with the purposes of the Armey bill. The point of the Commission that this legislation creates is to depoliticize the closing of domestic bases, bases in the United States that have Representatives and Senators who understandably feel compelled to protect their parochial interests by blocking closures. On the other hand, no Member of Congress has a parochial, political, or economic reason for trying to keep RAF Upper Hayford in England and Hahn Air Base in West Germany open, and for that reason the committee's language was not included in the original Armey bill. It was not a problem that needed to be addressed. The Armey substitute requires that a separate report on the closing of foreign bases be done. That assures it is dealt with as a separate issue, and that is a better way to handle this matter.

A vote on closing domestic bases ought not to be tied to treaty considerations which affect the closing of foreign bases. They can be handled separately, each getting the special consideration they deserve.

I serve as a member of the Military Construction Subcommittee of the Appropriations Committee and so I have gained at least some familiarity with the situation that surrounds our overseas bases and the problems we have with those bases. Clearly it is a situation that needs to be addressed.

But the problems we have of closing overseas bases are different kinds of problems than we are trying to address in this bill. Our subcommittee has recommended and has undertaken a long-term European base closure study. The Department of Defense, by direction of the Secretary, is in the middle of this study of likely foreign bases to be closed or consolidated. That report is going to be completed by this fall and then, at that time, we can and should work within NATO channels to close or consolidate these facilities.

The argument for adding the language including overseas bases stems from a desire for greater burden sharing of defense costs by our allies. It is argued that we ought to encourage our allies to accept a larger role in NATO defense or the defense of the Japanese islands. I agree that our allies should assume a larger burden, a greater responsibility for their own defense. By separating the issue of domestic and foreign military base closures, this is exactly what we can accomplish.

The irony is, if this language stays as is, then exactly the opposite will happen. If we decide to proceed with foreign base closures without consulting our allies, doing it unilaterally, as this bill would have us do, we will also have to unilaterally assume all of the costs associated with any base closure or realignment, the cost of moving personnel, the cost of removing equipment, the cost of transferring aircraft to new bases, the cost of cleaning up any hazardous materials or wastes, the costs of severance pay for the indigenous, civilian workers who would lose their jobs.

By working through NATO channels, using a NATO base as an example, and consolidating the facility at another NATO approved site, the United States would only pay 27 percent, let me repeat that, only 27 percent of the relocation costs. So, dealing with this issue separately, not as a part of a bill for closing military bases in the United States, will save the taxpayers money.

This amendment should be supported.

Mrs. SCHROEDER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I urge my colleagues to oppose the Kolbe amendment to remove foreign bases from consideration in the Defense Savings Act and to also oppose the Armey substitute. The Armey substitute excludes U.S. military bases overseas from the Commission's mandate. It needs an increase in its horizons—literally.

The opponents of my provision on overseas bases admit that there are obsolete U.S. military installations abroad, but counter that there are different factors to be considered when closing these bases. Unfortunately the American people fail to see the difference between waste here or abroad. I challenge the opponents of this provision to justify closing bases in the United States while we continue to maintain obsolete overseas bases.

The Pentagon also opposes including overseas bases in the picture. It seems that only the Pentagon these days would oppose a bill that would save money. In fact, Pentagon statistics show an oveseas military basing system that is costing us more and more to maintain.

We have 374 of our military bases overseas. That is 40 percent of total U.S. military bases both here and abroad. A recent DOD report on our overseas bases indicated that overseas basing costs have risen dramatically. Since 1974, overseas basing costs have risen almost 500 percent, from roughly $1 billion per year to about $4.6 billion in 1986. What has risen even more dramatically are the costs we incur just to receive permission to operate our bases. According to that same DOD report, permit costs for U.S. overseas bases have grown from $200 million per year in 1974 to currently about $2 billion annually. In effect our allies take Uncle Sam for Uncle Sucker.

We do not have a clear picture of inefficiency or redundancy in American military bases throughout the world. I don't believe that DOD has ever done an in-depth study on the necessity and efficiency of U.S. bases abroad. It is embarrassing to say that the last major look at U.S. military commitments abroad was done 18 years ago by the Subcommittee on Security Agreements and Commitments Abroad of the Senate Committee on Foreign Relations on December 21, 1970. At that time the subcommittee recommended that "both Congress and the executive branch should place more emphasis on new arrangements for continuing, objective review of all aspects of military and military related programs and activities overseas." We need to heed this suggestion.

History has shown that foreign commitments seem to take on a life of their own. We have accrued military obligations since the early 1900's and have rarely, if ever, stopped to assess their current political or strategic need.

There are new economic realities: the Federal deficit and the trade imbalance are forcing a new era of fiscal responsibility. The growing economies of our allies also give us the opportunity for flexibility in assessing our military commitments.

I'm sure that DOD would be happy to legitimize all U.S. military bases overseas under the blanket of National Security and try to forget the issue. Reality dictates differently. We are extremely overcommitted overseas.

It is essential that in a time of overwhelming fiscal constraint and changing world realities, we pick and choose our overseas commitments carefully. This should include the closing of redundant and unnecessary bases overseas. To exclude overseas bases and instead have DOD study the issue, as included in the Armey substitute would essentially ignore the issue. It doesn't take a genius to figure out the effectiveness of DOD reports. Please support the Defense Savings Act and oppose the Kolbe amendment and the Armey substitute so we can cut waste in our military bases both here and abroad.

The CHAIRMAN. The time of the gentlewoman from Colorado [Mrs. SCHROEDER] has expired.

(By unanimous consent, Mrs. SCHROEDER was allowed to proceed for 1 additional minute.)

Mr. MONTGOMERY. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I am delighted to yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Chairman, I certainly rise in support of what the gentlewoman has said and am opposed to the amendment. I really do not see what magic there is to foreign bases or why they should not be considered for closing. As the gentlewoman from Colorado said and the chairman has also said, the list to close the domestic bases is coming from the Defense Department. It is not going to come from this select commission. The Commission does not have time to work up a list, so they can certainly look at foreign bases just as well as they can look at domestic bases.

Quite frankly, I think that foreign bases should be included. If we are going to include my National Guard and my Reserve bases to be closed here in my State and in the States of other Members, then foreign bases ought to be considered.

The CHAIRMAN. The time of the gentlewoman from Colorado [Mrs. SCHROEDER] has again expired.

(On request of Mr. MONTGOMERY and by unanimous consent, Mrs. SCHROEDER was allowed to proceed for 1 additional minute.)

Mrs. SCHROEDER. Mr. Chairman, I thank the gentleman from Mississippi. He is absolutely right. We are saying that we are willing to put our bases out there and have them analyzed, but for heavens' sake, all we are saying is why do foreign bases have any higher status than U.S. bases, and that is what happens if this amendment passes. The foreign bases will be protected, they will be hermetically sealed from anybody looking at them forever and ever, as they have been anyway.

Mr. KYL. Mr. Chairman, I rise in support of the amendment. I think that the debate that we have just heard mischaracterizes the issue, and I would like to address the points my colleagues from Mississippi and Colorado just made.

The question here is not a matter of ignoring foreign bases, of hermetically sealing them from ever being considered. The chairman has a letter from Secretary Taft who points out that in a meeting he had with the chairman there was a commitment, and an ongoing commitment, to study those foreign bases and that they are being and will be studied. The issue here, therefore, is not whether or not foreign bases will be studied. The only issue is a rather technical point, and that is whether or not the foreign bases have to be studied by this Commission simultaneously with the domestic bases and included in the same package and then voted on at the same time. That is what the gentleman from Arizona [Mr. Kolbe] is seeking by his amendment to prevent from happening, to separate those 22 bases so that we can address the issue that we came here to address first with the Armey bill, with the base closing process proposal which was never intended to deal with the issues of foreign bases, but rather to solve the political problem of closing domestic bases.

However, the gentlewoman from Colorado makes a couple of very good points. Let me just compliment her first of all and then I will let her jump in.

There is no question that in any discussions of foreign bases we have also got to consider the impact upon domestic bases because there is a relationship between the two. Nevertheless, that fact alone does not argue for the proposition that all should be put together in one bill or in one recommendation, because as Secretary Taft himself pointed out in the letter, it would unduly complicate matters to try to include them both. I do not think the Commission can do both in the same timeframe.

What I am really concerned about is that people will see an effort to put them all together as really an effort to make this a much less workable bill, a bill that is not really going to permit us to do the job that we set out to do, because it is going to muddle the thing up, it is going to complicate it so much that we are really not going to accomplish the first task we set out to accomplish.

I would rather that we adopt the Kolbe amendment, do what we started out to do; at the same time hold the Defense Department to the commitment that they have made to the chairman of this committee and make certain that they do study this issue of foreign bases in conjunction with domestic bases, and also, when they are prepared to do so, submit to us their recommendations for foreign bases.

Let me make one final point before yielding to my colleague from Colorado who chairs the Defense Burden Sharing Panel of the Armed Services Committee on which I serve. I do not think it would be very fair to say that our panel has come to no conclusions whatsoever yet with respect to the question of closing down foreign bases.

□ 1415

As a matter of fact we are about ready to consider the report that we are going to be presenting to the Congress here. It would be premature to submit to this Congress the language of including the foreign base closures in with our domestic bases. That can be done at a later time.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. KYL. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. I thank the gentleman for yielding and for his kind words.

Mr. Chairman, let me say two things. No. 1, I do not give much credence to the letter from the Department of Defense that they are going to study it. We have had letters from the Department of Defense. They were going to study it since 1970. I can document that. They study it, but let me tell you, they never close anything. Now they are yelling at us that we do not. Let me tell you they do not. And they do not have a good track record.

So I see one more letter in the file and I am not impressed.

The second part of what the gentleman is missing is I do not think we are deciding which bases should be opened and closed. We are saying the Commission is to look at the organic wholeness of our military and decide which is needed for the future and which are wasteful in the future. And if they cannot look at 40 percent of our bases, how in the world can they do a good job?

I think by definition the gentleman has committed this Commission to fail unless they look at our entire military because we do not have a foreign military.

The gentleman's theory would work if we had a foreign military that we were always going to keep overseas forever and ever, our men. We do not do that. It is all one whole.

I think that is important.

Mr. KYL. Reclaiming my time, Mr. Chairman, clearly both have to be studied together. Nobody is preventing that from happening. The question before us is whether we are going to force this Commission to do something it is not set up to do. Let us all recognize that. If we give this Commission this additional burden it is not going to do the job that we have asked it to do. It will fail at that job. It will not perform well. That is what we have to prevent from happening.

I will join my colleague from Colorado and all of the others in insuring—and I am committed to this as part of our Burden Sharing Panel—that the issue of foreign bases is studied in connection with the issue of domestic bases and where we can close foreign bases, we do so. But as my colleague knows, the issues involve national, international treaties, strategies, treaties, international agreements, and all that sort of thing.

The CHAIRMAN. The time of the gentleman from Arizona [Mr. Kyl] has again expired.

(By unanimous consent, Mr. Kyl was allowed to proceed for 2 additional minutes.)

Mr. KYL. I ask for this time partially because I promised my colleague from Arizona an opportunity to speak on my time. I gave the gentlewoman some time and if I can finish my answer and then yield to my colleague from Arizona, I think we have to be very clear about being effective here. We last week adopted two amendments that made this bill a very good bill. But it is still deficient in one key respect. We could kill it from doing its job if we force it to look at these foreign bases in the same timeframe and have us vote in the same timeframe.

Mrs. SCHROEDER. Let me say to the gentleman, if I may, we want savings from the bill, not studies. I am looking at savings. The gentleman is talking about studies. If we are going to have real savings, forget the studies; we have to look at the whole.

Mr. KYL. And I am saying we are never going to have a real savings by closing domestic bases if we are not going to be able to get a vote on the domestic bases.

Mr. KOLBE. Mr. Chairman, will the gentleman yield?

Mr. KYL. I yield to my colleague from Arizona.

Mr. KOLBE. I thank the gentleman for yielding.

Mr. Chairman, a couple of things need to be corrected here, Mr. Chairman. The statement has been made that 40 percent of our facilities are overseas. That figure is a little misleading because it includes such things as antenna sites, or radar stations where there may be one or two people, there. Forty percent when measured by either our assets or our personnel are not overseas by any means. So because of our remote sites overseas we have a lot of facilities that have almost nobody there.

The second point that may be mentioned, the gentlewoman from Colorado spoke about closing the Torrejon Air Base in Spain. The fact of the matter is that when this base is being closed as a result of the decision by the Spanish Government, our subcommittee, the Military Construction Subcommittee of the House Committee on Appropriations did not include 1 cent, not one red penny in the appropriation this year for closing that base because we have agreed that our NATO allies must be responsible for those costs. We are insisting on that because it is not our decision to close the base. But, if we had closed that base on our own, we would have had to pay all the costs of its closure.

So I think it is important to keep that in mind.

The CHAIRMAN. The time of the gentleman from Arizona [Mr. KYL] has again expired.

(On request of Mr. KOLBE and by unanimous consent, Mr. KYL was allowed to proceed for 2 additional minutes.)

Mr. KOLBE. Mr. Chairman, will the gentleman continue to yield?

Mr. KYL. I yield to my colleague from Arizona.

Mr. KOLBE. I thank the gentleman for continuing to yield.

Mr. Chairman, I will finish this up very quickly.

The gentlewoman from Colorado said that the Department of Defense conducts studies and more studies but nothing happens. The fact is this study was undertaken beginning only 6 weeks ago. There is a study that is going to be done and it will be done this fall and there will be a list of foreign military bases that ought to be closed. But should this be a part of a vote on domestic base closings? Should we tie them together?

I say that if we do that we add costs because we guarantee that we have to pay 100 percent of the costs when we close the base.

And I think that is the wrong way to do it.

If you are really interested in having a good base closure piece of legislation, we ought not to do it that way.

Mr. KYL. I thank the gentleman. I urge my colleagues to vote in favor of the Kolbe amendment.

Mr. ASPIN. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Let me speak to the members of the committee here and say that I think we have had an interesting discussion on this issue which I think is a real one but I think that the arguments here are less than meets the eye.

I think that the amendment that the gentleman from Arizona is offering to knock out this part of the bill, this part where we ask the Commission to look at both foreign bases and our military bases here is something that we ought not do, mainly because I think that that part of the bill is not debilitating to the Commission doing its work.

Basically what the Commission has been asked to do is to look at domestic bases. The issue is not whether the Department of Defense is studying foreign bases and looking at closing them; the issue is whether the Commission will look at foreign bases when it is recommending its lists of base closings. Indeed the Commission ought to look at the issue of foreign bases because, as the gentlewoman from Colorado has already said, you cannot decide what your own base structure is unless you also have some idea of what is going on in terms of foreign military bases.

Now the argument of the gentleman from Arizona is that if you look at foreign military bases as well as domestic military bases it is going to take too much time because the Commission just does not have the time to look at the foreign bases as well as the domestic bases.

Basically the Commission has not got the time to do all of the domestic bases either. There are hundreds of domestic bases here. There is no way this Commission is going to go through and systematically study every domestic base and look at it. It is going to operate from some kind of a shortened list and it is going to give serious consideration to those bases that come off of that shortened list. And it is essentially going to decide how, out of the hundreds of domestic bases we have got, which are the couple of dozen they are going to focus on. They can do the same thing with the foreign bases. They can look at the foreign bases in exactly the same way and decide whether, in fact, any of those are ripe for recommendations.

In any case, by putting this in here we are not telling the Commission how to do its job. We are telling the Commission what considerations it ought to have. Frankly, I do not see how we can do this without having the Commission consider the foreign bases. It can consider the foreign bases. Indeed if the study comes up as the gentleman from Arizona is talking about—there is a study coming up by September 15—that is the study that the Commission ought to use for their study of the foreign bases issue.

I do not see any reason why when the report comes from the Pentagon, it cannot go to the Commission and the Commission can use it in putting together its recommendations.

It seems to me that we are arguing here about something that is not a real problem, and that is by putting the foreign bases in here that we are somehow overloading the Commission. It do not really see that as happening.

Mr. KOLBE. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Arizona.

Mr. KOLBE. I thank the gentleman for yielding.

Mr. Chairman, the issue I do not think is whether we overload the commission, although I think there is that possiblity. I think we are giving them an awful lot to do.

Yes, they can use the study already underway in the Department of Defense.

The real issue, it seems to me, is whether or not we tie these together. That is the problem. If we tie them together—remember this bill was an all-or-nothing kind of an approach. They take the whole thing and it is all or nothing.

If we tie the foreign military bases to that without agreements with our NATO allies, then we say we have to pay 100 percent of the costs. There is no opportunity to negotiate with our allies for them to pay some of the cost. That is a problem.

Mr. ASPIN. But there is nothing in this law that does not say that as the Commission studies the foreign military bases and when the Commission sends up its list of bases to be closed, that list would already have, could already have domestic bases on it. It could also report that we have this list of 6 or 8 foreign bases but we cannot put that on the same list because you have to consult with foreigners and you have to go through and we have to have diplomatic negotiations on all these kinds of things. But we are saying, as the commission, here is the list of 18 domestic bases that we think ought to be closed. That will go through the expedited procedures. The foreign military bases, here is another list.

In other words, I do not think we have a real problem here. I think the commission can handle this language which the gentlewoman from Colorado put into the bill in full committee.

I think the Commission can handle this. It will not overburden the Commission. It will not prevent the Commission from recommending domestic bases to be closed. Indeed I think the advantage of the language of the gentlewoman from Colorado is that it does force the Commission at least to give some mental consideration to the foreign situation.

Without this language in here there is no requirement for the Commission to even think about the foreign bases. I think at least what the gentlewoman is doing is forcing that issue.

Mr. DICKINSON. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I do so reluctantly because most of the statements that have been made by the proponents of the amendment I agree with. But let me read the language of the bill itself. Much of what has been said is really extraneous. It does not apply.

What the bill says is that a "statement by which the Commission certifies that it has identified the miltiary installations to be closed or realigned after (a) reviewing on the basis of current and future mission requirements all military installations, inside and outside the United States, including those under construction or planned."

Now they are asked to review, and after reviewing both internal and external, inside Conus and outside, make their recommendations.

I do think we should say they have to make the decision on Conus bases, bases inside the United States, in a vacuum without considering its impact and chain effect on troops abroad.

So we are not mandating that they do anything except review as part of the overall process. I do not see anything hurtful about that.

The Commission is autonomous. They can do as they please. It simply gives them some direction or guidelines on which to proceed. I cannot see it does anything to detract from the bill and I can see where it can do a great deal to gain support for the bill. After all, that is what we are trying to do is pass the bill, because I support it.

So for that reason I think it is more or less common sense that we allow the Commission or direct them to review all our bases in making their recommendation. And if they do not like it they do not have to take it. Of course the commission needs to understand and appreciate the costs involved; they have to. Who pays the costs, how much of it is infrastructure in Europe, how much totally at our expense, what treaty arrangements would be involved in foreign bases? They are not a bunch of idiots that we are putting on the Commission. They are pretty smart people. They certainly have the expertise on which to draw.

All we are saying in reviewing is that they review foreign and domestic bases. What is wrong with that?

Then it is up to them. It is not mandatory. There is nothing about it that would hurt the bill and I think it would be hurtful if they do not consider that.

Mr. MONTGOMERY. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. I thank the gentleman for yielding.

Actually, if you adopt the Kolbe amendment you would be giving favoritism to foreign bases. You would still include the domestic bases to be reviewed and also your National Guard and Reserve bases are included but you exempt the foreign bases from review.

Mr. DICKINSON. I agree with the gentleman. I thank the gentleman.

Honestly, there is a different procedure and whole new set of problems in closing foreign bases as there is in local bases. When you start closing foreign bases you have to look at the treaty implications, the status of forces agreement, you have to look at myriad of things that are not concerned in our local bases. So you are approaching it from two different ways, but that is not to say that one is necessarily exclusive of the other or they do not have impact on each other.

So I just simply say I think it is reasonable to let the Commission—to direct them to look at the implications of both foreign and domestic. That is what is provided as it now stands. That is not to exclude the Department of Defense from going forward with what the gentleman from Arizona would like, toward closing foreign bases.

Mr. MONTGOMERY. Mr. Chairman, will the gentleman yield further?

Mr. DICKINSON. I yield to the gentleman from Mississippi.

□ 1430

Mr. MONTGOMERY. Mr. Chairman, we can find problems with domestic bases also, when you start closing Reserve bases and exempting foreign bases. We are going to have just as many problems when we start closing Reserve and National Guard bases in this country as we are going to have in closing foreign bases. You are really going to hear from the people back home on closing Reserve bases and not even considering foreign bases.

Mr. ARMEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, obviously the gentleman's amendment is a little more controversial than that have come before us before today.

Let me review for a moment the evolution of this bill.

I believe it was in the hearings held by the subcommittee chaired by the gentleman from California [Mr. Dellums] that this question first arose, and I think it was a good point that was raised by the gentleman from Californias and the point that the gentlewoman from Colorado [Mrs. Schroeder] has also referred to today. There is a relationship between our domestic and foreign bases, and a bill such as this that has been crafted to resolve the political problems that surround the closure of domestic bases that have been so definitive that no domestic base of major consequence has been closed in the last 10 years, such a bill cannot be advanced without recognizing the relationship between our domestic basing and our foreign basing.

As we puzzled that out with many Members, including the gentleman from Wisconsin [Mr. Aspin], the gentleman from Alabama [Mr. Dickinson], and representatives of the other body and representatives of the Pentagon, the basic puzzle we had was, how do we arm our Commission with information that will relate the relationship between domestic and foreign bases and allow them to give fair consideration to those necessary relationships in making decisions on the bases while at the same time preventing this Commission from being sort of sucked into what might be, from a decision-making point of view, a bottomless pit of international relation and a number of considerations of foreign policy and international treaties that take us far beyond the original scope of this bill.

We resolved that in H.R. 4481, as originally submitted in this body on April 28, by saying that the Commission must be apprised by having been provided with a study by DOD of these international relationships between domestic and foreign bases, as they make those recommendations.

I know that the gentlewoman from Colorado [Mrs. Schroeder] has done a great deal of work on the question of foreign bases. We have discussed this before, and I know that as the chairman of the burden-sharing task force, she is very well informed. It would seem to me that if we could return, as we do in my substitute, to the language of H.R. 4481, as submitted on April 28, that would sort of resolve that delicate balance without involving this Commission in matters of foreign policy and international treaties and black bases and things of that nature, but it apprises them of what they need to know as between domestic and foreign bases, and we would return then to the solution of that problem.

At the same time I would suggest that the matter of closing foreign bases and saving foreign bases, recognizing that it is a different problem of a different dynamics and different politics, ought to be brought forward by the gentlewoman from Colorado [Mrs. Schroeder] and her task force, and I think in conjunction with the jurisdiction perhaps of the Committee on Foreign Affairs, certainly this bill has had a shared jurisdiction with the committees of jurisdiction.

But I would really think, as we move this bill forward with the provisions in it as it came to the floor, that the Committee of Foreign Affairs may suggest it has a legitimate jurisdictional dispute that has been overlooked, and I think we could return to that.

Absent that opportunity which we shall have in a few moments, I would encourage the body to vote "yes" on the Kolbe amendment, because it would save us from getting too deeply involved in areas beyond which the committee has jurisdictional expertise.

Mr. GEKAS. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I am happy to yield to the gentleman from Pennsylvania.

Mr. GEKAS. Mr. Chairman, it is my understanding—and perhaps the gentleman can correct me—that the gentleman's original proposal was restricted to domestic military establishments, shall we say; is that correct?

Mr. ARMEY. The gentleman is correct.

Mr. GEKAS. And the gentleman fears that the inclusion of the foreign bases in the overall review endangers the concept that the gentleman has advanced?

Mr. ARMEY. Yes, I do. I am afraid it puts the Commission in the untenable position of having to deal with U.S. foreign policy, with international treaties, and with what are known as black bases.

Mr. MONTGOMERY. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. MONTGOMERY. I yield to the chairman of the full committee.

Mr. ASPIN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, let me tell the gentleman from Texas [Mr. ARMEY] that I think his speech was just right, but the bottom line of the speech ought to be that he is against the Kolbe amendment.

The point about the Kolbe amendment is that it strikes the language in the bill that causes the Commission to look at the outside base closing. Look at the language of the amendment. The amendment merely strikes the words: In section 3(a) and 2(a) strike out "and outside."

Look at page 9, and look at the bill. All we are knocking out is this one sentence: Reviewing on the basis of current and future mission requirements all military installations inside and outside the United States. And this knocks out "and outside."

In other words, he wants to just review the military installations inside the United States, leaving in the language, "only requires that the Commission look at the outside bases."

There is nothing in this language that says the Commission has to make a list of recommendations of closing the outside bases. There is nothing in this list that says we have to get tangled with foreign policy, with domestic policy, or the State Department. All it says is that we have to consider the outside bases. That is all.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. MONTGOMERY. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Chairman, I would like to add to what the distinguished chairman of the committee has said. I was honored that the gentleman from Texas [Mr. ARMEY] wants our Burden Sharing Panel to come forward with bases that we want to close, but let me tell the Members that I do not think anyone on our Burden Sharing Panel would do that without looking at the whole, and we really feel there is no way we can do this. We cannot decide what we are going to do overseas if we cannot decide what we are going to do at home.

That is our whole problem. We are trying to find savings, not make studies. We need to look at the entire matter, because if we later on close down overseas bases and we close domestic bases, we are going to either have to bring down the number of bases in the military or go back out and buy bases, and that is as wasteful as leaving them open when we do not need them.

So what we are saying is, let us have this Commission do it right, and to do it right means to look at everything, and when the list comes out, then obviously they have to work with the negotiations, put the list up for a vote, or whatever the process is under the bill. But let us make sure we look at this in the proper way and get all the savings that the gentleman from Texas wants.

Mr. ASPIN. Mr. Chairman, will the gentleman yield further?

Mr. MONTGOMERY. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, let me just say to the gentleman from Texas, who I know is concerned about this issue and wants this base-closing legislation to work, that I, too, want it to work, and I am as committed and I think the gentleman from Alabama [Mr. DICKINSON] is as committed as anybody in this House to get base-closing legislation and this Commission and this whole process to work.

But the way this language is written, without the Kolbe amendment, with "and outside" put in there by the gentlewoman from Colorado, it will work because what we will do is look at the outside bases, and I expect the Commission to come up with, frankly, a list of 18 or 20 or 22 bases, whatever it is, domestic bases to be closed.

I do not anticipate, if we pass the bill as we have it here, with the gentlewoman's language in it and without the Kolbe amendment, that they would come up with the same list, saying that here is a list of the military bases to be closed. It just says that they have to look at the outside bases, not that they have to come up with a list of domestic bases to be closed.

Mr. ARMEY. Mr. Chairman, will the gentleman from Mississippi yield?

Mr. MONTGOMERY. I am glad to yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, I understand the point that has been raised, frankly, by everybody. Let me see if I can make my point clear.

We have a very difficult, finely tuned problem here.

If I had a choice configuration confined only to the language in the committee bill or the language of my friend, the gentleman from Arizona [Mr. KOLBE], I would have to vote for the language of the gentleman from Arizona. What I am suggesting is that someplace between these two, in my estimation, the bad and the ugly, which is the choice configuration I feel I face now, someplace is the beautiful, and the beautiful will be exactly that provision that we find in my substitute.

The reason I speak on this amendment, and had not intended to do so, is when we move to my substitute, I do not want Members coming to the floor to be confused that the provisions regarding international bases and their consideration in my substitute are either those offered by the gentleman from Arizona [Mr. KOLBE] or those in the committee bill but in fact the optimal resolution of this configuration of circumstances and the best choice of the——

Mr. ASPIN. Mr. Chairman, if the gentleman would yield, we will discuss the Armey substitute a little later, and we will have a chance to get into it, but frankly, I do not think we need the Kolbe amendment. I think the Kolbe amendment in fact will hurt the bill because it will actually take out any requirement for the commission to consider the outside bases. That is all I am saying at this point. We will discuss the Armey substitute at the appropriate point in the day's proceeding.

Mr. GEKAS. Mr. Chairman I move to strike the requisite number of words.

Mr. Chairman, the issue that comes before those of us who have defense establishments in our own districts is the age-old question: What should we do for the greater good, keeping in mind the parochial needs for employment and the status of the economy in one's own district?

It seems to me that in this general legislation we have the opportunity to serve both worlds, to say for all the world to hear that we are interested in the new configuation that we hope the military and Defense Establishment of this country will take in the future to be trim, to be proper, and yet to be strong and ready for any contingency, and at the same time we must keep our national security at its most wholesome strength.

I cannot see how a commission, which would be looking at the whole theme of base closing or the shrinking of our Defense Establishment, if that is what the future will bring, can do so without a full investigation of the foreign bases as well as the domestic bases.

Now, what will happen when the gentleman's substitute comes up is a different question, and we might look at it from a different perspective altogether. But for the time being I believe we must keep the committee language intact so that we can look at it or have the Commission investigate all and examine all the facets of the bases strewn across the world. We owe it to our constitutents to have that examination. What the outcome will be we do not know, but we ought to start with that full examination. When the gentleman's substitute comes up, we may want to constrict that examination for the greater good.

Mr. KOLBE. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman I appreciate the gentleman's yielding.

Let me just repeat once again that the reason my amendment is configured the way it is that we already have a study being done by the Secretary of Defense. That is why we would take it out. We already have that study coming. The gentleman from Wisconsin [Mr. Aspin] has made the point that there is no reason that we have to have the same list, and that is true. The Commission could submit different lists. But there is certainly nothing in this legislation that tells them to submit two lists. In fact, if they read the law literally, they would submit one list, because it says they have to look at both domestic and overseas bases, and it says nothing about doing so separately.

My point is that the danger here is tying the decision, the all-or-nothing decision, to close any overseas bases with the very different issue of closing domestic bases, and doing so without consultation with our allies, without getting them to pay some of the costs.

Mr. GEKAS. Mr. Chairman, regaining my time, it seems if we went through with the Commission form of examination, the Defense Department would be the first witness to testify before the Commission and advance its list, advance its position, but still we would have the final report rendered by the Commission.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona [Mr. Kolbe].

The amendment was rejected.

AMENDMENT OFFERED BY MR. DAVIS OF ILLINOIS

Mr. DAVIS of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Davis of Illinois: Insert the following at the end of section 2:

(k) Priority in Closing and Realigning.—In no case may the Secretary close or realign a military installation in the United States under the authority of this Act until all military installations of the United States located outside the United States and recommended for closure of realignment by the Commission have been closed or realigned, as the case may be.

Mr. DAVIS of Illinois (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DAVIS of Illinois. Mr. Chairman, it is appropriate that this amendment follow the defeat of the recent amendment that left the issue of foreign base closures in, because it is rather naive to believe that there are not, out of the 375 installations overseas, foreign bases that need closing.

During the committee's hearing on base closing, Secretary Carlucci was asked by this gentleman: "How do I tell my constituents at home that if Illinois bases are closed or Indiana bases are closed, or if Kentucky or, for that matter, Alabama or Wisconsin bases are closed, how do I tell the people at home when I travel around my district and elsewhere, and how do I tell Americans that we closed their bases and took away their jobs without doing likewise to those foreign bases that need closure?"

□ 1445

We have already heard from the gentleman from Arizona that there is a list, that the Department of Defense already has a list of foreign bases that need mission realignment or closure.

The gentlewoman from Colorado [Mrs. Schroeder] made the same point, and it is naive to believe that we would proceed with closing foreign bases later on and then have to reopen bases that we closed under this bill without considering both together.

Well, I want to try and solve all of that, and I want to try to put this issue in perspective for Americans all over this great land of ours by simply pointing out to the Members that this amendment says very simply that foreign bases that are designated by the Commission, if they designate them, that are designated by the Commission for realignment, closure, or modification, must be closed or realigned before an American base is. And I do not know of any procedure that will add the impetus into hustling about getting foreign bases looked at in total so that we can close the domestic bases on that list of the Commission that having this amendment and having the foreign bases come first for closure or realignment before American jobs are lost.

I think it just makes perfectly clear sense to me then so that I can stand up wherever I appear throughout the United States of America and say, "Yes, it was considered in total, and, yes, foreign bases were closed prior to your base being closed or to your job being lost."

I think that it is absolutely an appropriate amendment. It has the added advantage of pushing the process along domestically. The Commission is going to be reviewing foreign bases, as well as domestic, under the provisions of the committee substitute bill, and Mr. Chairman, it is my contention that this particular amendment is not only right and proper, but it is the compassionate and fair thing to do for America.

Mr. Chairman, I yield back the balance of my time.

Mr. ASPIN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the problem that we have is that the previous amendment from the gentleman from Arizona [Mr. Kolbe] went too far in one direction. This amendment by the gentleman from Illinois [Mr. Davis] goes too far in the other direction.

Mr. Chairman, what we had in the Kolbe amendment was an attempt to drop out all consideration of foreign military bases from the consideration of the base closing list. What the gentleman from Illinois [Mr. Davis] is saying is, "Before you can close any domestic bases, you have to close all of the foreign bases that you're going to close."

Both of these amendments, Mr. Chairman, should not be included in this bill. The problem with the amendment of the gentleman from Illinois [Mr. Davis] is that it just emphasizes foreign bases to the exclusion of anything else. And all of the arguments that the people were making against or in favor of the Kolbe amendment are in fact right in arguing against the Davis amendment.

The problem is that the Commission was established to help close domestic bases. Essentially that is the purpose of it, and that is the focal point of the effort of the Commission. It is to identify domestic bases that ought to be closed. There is not the same kind of political problem closing foreign bases. There is a problem, but that is of a different nature.

The purpose of a bipartisan or nonpartisan commission and the purpose of putting together a list of base closings is to essentially establish a list of domestic bases that are already closed because we know that the basis for the structure, the base structure of this country, is excessive to the uses, excessive to the needs of the size of the force we have now. What we need to do is have a nonpartisan or bipartisan commission decide which domestic bases are to be closed.

Mr. Chairman, if we accept the amendment of the gentleman from Illinois [Mr. Davis] we are going to hold this whole process hostage to a list of foreign bases that we want closed——

Mr. DAVIS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. Mr. Chairman, if I can just finish, then I will yield to the gentleman from Illinois.

Then we have to go through all the negotiations with the foreign countries. We have to work out whatever payments, and we have to work through all of that before we get to the base closing.

Mr. Chairman, this is putting exactly much too much emphasis on the foreign part, and I hope we do not adopt the Davis amendment.

Mr. DAVIS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Illinois.

Mr. DAVIS of Illinois. Mr. Chairman, the gentleman from Wisconsin [Mr. ASPIN], the distinguished chairman, makes some good points, however I do not think he has carefully read the amendment in the last point that he just made.

Mr. Chairman, it says that in no case may the Secretary close or realign a military installation in the United States under the authority of this act until all military installations of the United States located outside the United States and recommended for closure or realignment by the Commission.

Now obviously, Mr. Chairman, if the Commission does not recognize any foreign bases, obviously this would not be part and parcel of it. However there is a contradictory provision that we just defeated an amendment by the gentleman from Arizona [Mr. KOLBE] that said we have to leave in review of the foreign bases. They may want to do exactly that, and, if they do that and say that we have that to close these, but we have to wait until certain foreign policy or whatever happens, then there is no impetus. There is no impetus to proceed.

Mr. Chairman, we have seen the Department of Defense drag its feet year after year on closing those bases because State does not want this Defense does not want that. This is an impetus because, if Defense wants to close the whole domestic 9 yards of the 22 bases or 20 bases that are already on the list in that drawer over there, then they will have to close the foreign bases first.

Mr. ASPIN. But the point about this Commission is that the main thing it has to do is to come up with a nonpartisan, professional way of closing the domestic bases that are excess to our needs. The foreign bases were just put in, and I think the way we have it in the bill coming out of the Committee on Armed Services is right since we have to consider the foreign bases. It does not say that we have to come up with a list of foreign bases to be closed. We might come up with a list, but the gentleman's problem is, if they do come up with a list to close, then we have to wait until that whole process gets shut down before we move on to the domestic bases. That is crazy.

Mr. DAVIS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Illinois.

Mr. DAVIS of Illinois. Mr. Chairman, that is exactly the point, but it says, "You don't have to come up with a list, but, if you do, you close those first before you take away Wisconsin's jobs or bases."

That is what the amendment says.

Mr. ASPIN. Wisconsin has no bases to close, which is a different problem.

Mr. DAVIS of Illinois. Mr. Chairman, that is a happy coincidence.

Mr. ASPIN. Mr. Chairman, I yield back the balance of my time.

Mr. DICKINSON. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I guess, if I had a base that was threatened, I would do whatever I could to protect it, too. And, if I had any in my State, I would be looking at that or whatever.

But let me just say to the Members that what we are faced with here. The reason we have not been able to close a base in this country since 1979 is, I believe, because a law is passed to require that before any base can be closed that there has got to be an environmental impact statement which means that they have to go in and do a great study on environmental impact. Then an economic impact statement is required. Then, if that is not liked, a suit may be filed in Federal court that says they have not complied. Then, if an adverse ruling is gotten, they can appeal that, and this goes on ad infinitum to where we have not been able to close a base in over 10 years.

Now that is the present situation we are trying to obviate, Mr. Chairman, but what the gentleman's amendment would do would say to put on top of that what we are trying to get around saying, "Well, we've got to close a foreign base before we close any American bases, if there are any to close."

Now what is involved if we close a foreign base? Well, we have got treaties. We have got treaties with individual countries. There is a status of forces agreement. There are landing rights that we have to consider. There is a readiness impact and the right to train the Reserves and so forth in foreign countries. We have to deal with the employees there, their rights. Do we have to cross-train them or not as we were requiring in this country?

Mr. Chairman, I really do not know the answer to that. NATO has to be concerned. We have to work that out with our NATO countries. We have to deal with the balance of forces.

Mr. Chairman, all of these things have to be resolved and with the approval of the State Department now as another layer all of these things have to be gone through. If there is one foreign base, all these things have to be gone through and complied with to close one foreign base before we can even start on the first U.S. base in these closings.

So what I am saying is we not only have an impossible situation we are trying to avoid in the United States with our own laws. Now we have got to go abroad by this amendment and meet all of those requirements.

So, if the Members want to make sure that no base is ever closed anywhere by the U.S. military, vote for this.

Mr. DAVIS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Illinois.

Mr. DAVIS of Illinois. Mr. Chairman, in response to the distinguished ranking minority member, I intend to vote for the Armey substitute. I intend to vote for the committee substitute should either one be the prevailing issue here today.

I support domestic base closings. I also support very strongly foreign base closings because I make the point again that regardless of all the roadblocks that are traditionally put in place by the Secretary of Defense and the Secretary of State as to why they cannot close up foreign bases, I still maintain that a foreign base should be closed before any American base is closed.

Mr. Chairman, I would urge an aye vote on this amendment, and I thank the gentleman for yielding his time to me.

Mr. KOLBE. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Arizona.

Mr. KOLBE. Mr. Chairman, I appreciate hearing the arguments of the distinguished chairman and the ranking member here. I felt as though I was listening to an echo of myself speaking just a few minutes ago.

I heard the chairman say the Commission was established to look at closing domestic bases, and we do not have a political problem with overseas bases, and I heard about treaty considerations from the ranking minority member and all of that is true. I think that we would make a big mistake to require closing any foreign base first. That is why I rise to oppose this amendment.

Mr. Chairman, I think we make a big mistake by trying to restrict closings in any way or to tie it to any one criterion. We will come back to that issue in the Armey substitute, but I think when we do this kind of thing, we unnecessarily tie them together. We put an unnecessary weight on what is a good piece of legislation or hopefully what will be a good piece of legislation when we finish, and we ought not to have this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DAVIS].

The amendment was rejected.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ARMEY

Mr. ARMEY. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. ARMEY: Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This act may be cited as the "Defense Savings Act of 1988."

SEC. 2. CLOSURE AND REALIGNMENT OF MILITARY INSTALLIATIONS.

This Secretary of Defense shall—

(a) close all the military installations that are recommended for closure by the Commission on Base Realignment and Closure in the report transmitted to the Secretary pursuant to the charter establishing such Commission:

(b) realign all the military installations that are recommended for realignment by such Commission in such report; and

(3) initiate all such closures and realignments no later than September 30, 1991, and complete all of them no later than September 30, 1995, except that no such closure or realignment may be initiated before January 1, 1990.

SEC 3. CONDITIONS

(a) IN GENERAL.—The Secretary may not carry out any closure or realignment of a military installation under this Act unless—

(1) no later than January 16, 1989, the Secretary transmits to the Committees on Armed Services of the Senate and House of Representatives a report containing a statement that the Secretary has decided to accept and implement all of the closures and realignments of military installations that were recommended by the Commission in the report described in section (2); and

(2) the installation is recommended for closure or realignment, as the case may be, by the Commission in the report described in section (2).

(b) JOINT RESOLUTION.—(1) The Secretary may not carry out any closures or realignment under this Act if, within the 45-day period beginning on March 1, 1989, a joint resolution described in paragraph (2) is enacted disapproving the recommendations of the Commission. The days on which either House is not in session because of an adjournment of more than 3 days to a day certain shall be excluded in the computation of such 45-day period.

(2) For the purpose of paragraph (1), the term "joint resolution" means only a joint resolution which is introduced after the date on which the report of the Secretary referred to in section (2) is received by Congress and—

(A) which does not have a preamble;

(B) the matter after the resolving clause of which is as follows: "That Congress disapproves the recommendations of the Commission on Base Realignment and Closure established by the Secretary of Defense as submitted to the Secretary of Defense on————", the blank space being appropriately filled in; and

(C) the title of which is as follows: "A joint resolution disapproving the recommendations of the Commission on Base Realignment and Closure."

(3) A resolution described in paragraph (2) introduced in the House of Representatives shall be referred to the Committee on Armed Services of the House of Representatives. A resolution described in paragraph (2) introduced in the Senate shall be referred to the Committee on Armed Services of the Senate.

(4) If the committee to which a resolution described in paragraph (2) is referred has not reported such resolution (or an identical resolution) by March 15, 1989, such committee shall be deemed to be discharged from further consideration of such resolution and such resolution shall be placed on the appropriate calendar of the House involved.

(5)(A) On or after the third day after the date on which the committee to which such a resolution is referred has reported, or has been deemed to be discharged (under paragraph (4)) from further consideration of, such a resolution, it is in order (even though a previous motion to the same effect has been disagreed to) for any Member of the respective House, on the next day after the day on which such Member gives notice to the presiding officer thereof, to move to proceed to the consideration of the resolution, and all points of order against the resolution (and against consideration of the resolution) are waived. The motion is highly privileged in the House of Representatives and is privileged in the Senate and is not debatable. The motion is not subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to process to the consideration of the resolution is agreed to, the resolution shall remain the unfinished business of the respective House until disposed of.

(B) Debate on the resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the resolution. An amendment to the resolution is not in order. A motion further to limit debate is in order and not debatable. A motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommit the resolution is not in order. A motion to reconsider the vote by which the resolution is agreed to or disagreed to is not in order.

(C) Immediately following the conclusion of the debate on a resolution described in paragraph (2), and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the appropriate House, the vote on final passage of the resolution shall occur.

(D) Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution described in paragraph (2) shall be decided without debate.

(6) If, before the passage by one House of a resolution of that House described in paragraph (2) that House receives from the other House a resolution described in paragraph (2), then the following procedures shall apply:

(A) The resolution of the other House shall not be referred to a committee.

(B) With respect to a resolution described in paragraph (2) of the House receiving the resolution—

(i) the procedure in that House shall be the same as if no resolution had been received from the other House; but

(ii) the voice on final passage shall be on the resolution of the other House.

(7) The procedures contained in paragraphs (3) through (6) are enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a resolution described in paragraph (2), and it supersedes other rules only to the extent that is it inconsistent with such rules; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

(c) TERMINATION.—The authority of the Secretary to carry out any closure or realignment under this Act shall terminate on October 1, 1995.

SEC. 4. THE COMMISSION.

(a) IN GENERAL.—The Commission—

(1) shall transmit the report described in section (2) to the Secretary no later than December 31, 1988, including a description of the Commission's recommendations of the military installations to which functions will be transfered as a result of the realigments and closures recommended by the Commission; and

(2) on the same date on which the Commission transmits such report to the Secretary, transmit to the Committees on Armed Services of the Senate and House of Representatives—

(A) a copy of such report; and

(B) a statement by which the Commission certifies that it has identified the military installations to be closed or realigned by reviewing all military installations inside the United States, including those under construction or planned, and has considered the equitable geographic distribution throughout the United States of such recommended closures and realignments.

(b) STAFF.—The professional staff of the Commission should be selected on the basis of their training, experience, and attainments and in a manner that will assure the impartiality and independence of the Commission to the maximum extent feasible. Each such professional staff member should be appointed on the basis of the individual's ability to perform the professional duties required by the Commission.

SEC. 5. IMPLEMENTATION.

(a) IN GENERAL.—In closing or realigning a military installation under this Act, the Secretary—

(1) subject to the availability of funds authorized and appropriated to the Department of Defense for use in planning and design, minor construction, or operation and maintenance, and the availability of funds in the Account may carry out actions necessary to implement such closure or realignment, including acquiring land, constructing replacement facilities, relocating activities, and conducting advance planning and design as may be required to transfer functions from such military installation to another;

(2) subject to the availability of funds authorized and appropriated to the Department of Defense for economic adjustment assistance or community planning assistance and the availability of funds in the Account shall provide—

(A) economic adjustment assistance to any community located near an installation being closed or realigned; and

(B) community planning assistance to any community located near an installation to which functions will be transferred as a result of such closure or realignment—

If the Secretary determines that the financial resources available to the community (by grant or otherwise) for such purposes are inadequate; and

(3) subject to the availability of funds authorized and appropriated to the Department of Defense for environmental restoration and the availability of funds in the Account, may carry out activities for the purpose of environmental restoration, including reducing, removing, and recycling hazardous wastes and removing unsafe buildings and debris.

(b) Management and Disposal of Property.—(1) Before any real property or facility under the control of the Department of Defense and located at a military installation to be closed or realigned under this Act is transferred to the General Services Administration for disposal, the Secretary shall notify all military departments, agencies, and other instrumentalities (including nonappropriated fund instrumentalities) within the Department of Defense of the availability of such property or facility and may transfer, without reimbursement, such property or facility to any such department, agency, or instrumentality, except that the Secretary shall give a priority to any such department, agency, or other instrumentality that offers to pay fair market value for the property or facility. For purposes of this paragraph, fair market value shall be determined on the basis of the value of the property as it is being used at the time of such notification.

(2) All proceeds—

(A) from any transfer under paragraph (1); and

(B) from the disposal of any property or facility that was transferred to the General Services Administration by the Secretary as a result of a closure or realignment under this Act, shall be deposited into the Account established by section 8(a)(1), except that the General Services Administration shall be reimbursed from such proceeds for any expenses incurred in disposing of such property or facility.

(3) After the General Services Administration has accepted any real property or facility located at a military installation closed or realigned, or to be closed or realigned, under this Act, the Secretary may not expend funds to maintain, secure, or operate the property or facility unless such maintenance, security, or operation is carried out pursuant to an agreement entered into between the Secretary and the Administrator of the General Services Administration that provides for reimbursement by such Administration to the Department of Defense of all expenses incurred by the Department of providing such maintenance, security, or operation.

(c) Applicability of Other Law.—(1) The provisions of the National Environmental Policy Act of 1969 shall not apply to—

(A) the actions of the Commission, including selecting the military installations which it recommends for closure or realignment under this Act, selecting any military installation to receive functions from an installation to be closed or realigned, and making its report to the Secretary and the Congress under section 4(a); and

(B) the actions of the Secretary in establishing the Commission, in determining whether to accept the recommendations of the Commission, in selecting any military installation to receive functions from an installation to be closed or realigned, and in transmitting the report to the Congress under section (3).

(2) The Provisions of the National Environmental Policy Act of 1969 shall apply to the actions of the Secretary (A) during the process of the closing or realigning of a military installation after such military installation has been selected for closure or realignment but before the installation is closed or realigned and the functions relocated, and (B) during the process of the relocating of functions from a military installation being closed or realigned to another military installation after the receiving installation has been selected but before the functions are relocated. In applying the provisions of such Act, the Secretary shall not have to consider—

(i) the need for closing or realigning a military installation which has been selected for closure or realignment by the Commission;

(ii) the need for transferring functions to another military installation which has been selected as the receiving installation; or

(iii) alternative military installations to those selected.

(3) A civil action for judicial review, with respect to any requirement of the National Environmental Policy Act of 1969 to the extent such Act is applicable under paragraph (2), or with respect to any requirement of the Commission made by this Act, of any action or failure to act by the Secretary during the closing, realigning, or relocating referred to in clauses (A) and (B) of paragraph (2), or of any action or failure to act by the Commission under this Act, may not be brought later than the 60th day after the date of such action or failure to act, except that, with respect to any such action or failure to act by the Secretary, if a party shows that he did not know of the act or failure to act by the Secretary and that a reasonable person acting under the circumstances would not have known, such party may bring a civil action not later than the 60th day after the date such party acquired actual or constructive knowledge of such action or failure to act.

SEC. 6. WAIVER.

The Secretary may carry out this Act without regard to—

(a) laws restricting the use of funds for closing or realigning military installations included in appropriation or authorization Acts, other than this Act, and

(b) the procedures set forth in sections 2662 and 2687 of title 10, United States Code.

SEC. 7. REPORTS.

As part of each annual request for authorization of appropriations, the Secretary shall transmit to the Committees on Armed Services of the Senate and the House of Representatives—

(a)(1) a schedule of the closure and realignment actions to be carried out under this Act in the fiscal year for which the request is made and an estimate of the total cost savings to be achieved by each such closure and realignment and of the time period in which these savings are to be achieved in each case, together with an assessment of the environmental effects of such actions; and

(2) a description of the military installations, including those under construction or planned, to which functions will be transferred as a result of such closures and realignments, together with the Secretary's assessment of the environmental effects of such transfers.

(b) The Secretary shall conduct a study of actions planned with respect to military installations of the United States outside the United States which may affect the recommendations of the Commission and shall, no later than September 15, 1988, transmit a report of the findings and conclusions of such study to the Commission and to the Committees on Armed Services of the Senate and House of Representatives.

SEC. 8. FUNDING.

(a) Account.—(1) There is hereby established on the books of the Treasury the Department of Defense Base Closure Account which shall be administered by the Secretary as a single account.

(2) There shall be deposited into the Account—

(A) funds appropriated to the Account;

(B) any funds that the Secretary may, subject to approval in an appropriation Act, transfer to the Account from funds appropriated to the Department of Defense for any purpose, except that such funds may be transferred only after the date on which the Secretary transmits written notice of, and justification for, such transfer to the appropriate committees of Congress.

(C) proceeds described in section 5(b)(2).

(3) Not more than $300,000,000 is authorized to be appropriated and transferred to the Account in any fiscal year.

(4) The Secretary may use the funds in the Account only for the purposes described in section 5(a). When a decision is made to use funds in the Account to carry out a construction project under section 5(A)(1) and the cost of the project will be greater than the maximum amount for a minor construction project, the Secretary shall notify in writing the appropriate committees of Congress of the nature of and justification for the project and the amount of expenditures for it.

(5) No later than 60 days after the end of each fiscal year in which the Secretary carries out activities under this Act, the Secretary shall transmit a report to the appropriate committees of Congress of the amount and nature of the deposits into, and the expenditures from, the Accounting during such fiscal year and of the amount of other expenditures made pursuant to section 5(a) during such fiscal year.

(6) Unobligated funds which remain in the Account after the termination of the authority of the Secretary to carry out a closure or realignment under this Act shall be held in the Account until transferred by law after the appropriate committees of Congress receive the report transmitted under paragraph (7).

(7) No later than 60 days after the termination of the authority of the Secretary to carry out a closure or realignment under this Act, the Secretary shall transmit to the appropriate committees of Congress a report containing an accounting of—

(A) all the funds deposited into and expended from the Account or otherwise expended under this Act; and

(B) any amount remaining in the Account.

SEC. 9. DEFINITIONS.

In this Act:

(1) The term "Account" means the Department of Defense Base Closure Account established by section 8(A)(1).

(2) The term "appropriate committees of Congress" means the Committees on Armed Services and the Committees on Appropriations of the Senate and the House of Representatives.

(3) The terms "Commission on Base Realignment and Closure" and "Commission" means the commission established by the Secretary of Defense in the charter signed by the Secretary on May 3, 1988.

(4) The term "charter establishing such Commission" means the charter referred to in paragraph (3).

(5) The term "initiate" includes any action reducing functions or civilian personnel positions but does not include studies, planning, or similar activities carried out before there is a reduction of such functions or positions.

(6) the term "military installation" means a base, camp, post, station, yard, center, or other activity under the jurisdiction of the Secretary of a military department.

(7) The term "realignment" means any action which both reduces and relocates functions and civilian personnel positions.

(8) The term "Secretary" means the Secretary of Defense.

(9) The term "United States" means the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, and any other Commonwealth, territory, or possession of the United States.

Mr. ARMEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ARMEY. Mr. Chairman, my amendment is an amendment in the form of a substitute that seeks to restore the bill after its markup by the four committees that exercise jurisdiction over the bill. It seeks to restore the bill to its original purpose. The bill is devised to make it easier for us to close obsolete or redundant military bases in order to save money for the American taxpayers without reducing defense preparedness. The committee bill, as it has come to the floor, makes it harder to achieve that objective. We came here today to streamline the base realignment process.

Mr. Chairman, my substitute takes us back in the direction of accepting those aspects of the committee markup that are either not harmful or are even in some cases beneficial, but rejecting those aspects of the markup that are detrimental to the purpose of the bill. My substitute contains no new language. There is nothing in my substitute that is not fully understood and has not been fully considered by each of these committees.

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What my substitute does is to address those provisions added to H.R. 4481 as introduced on April 28 to see which could be accepted and which in my estimation and also in the estimation of the Defense Department must be rejected if we are to, in fact, close bases.

We accepted the NEPA provisions, or the NEPA waiver that was written by the Merchant Marine and Fisheries Committee, the committee of jurisdiction. Those provisions were accepted by each committee that exercised jurisdiction over the bill. Those provisions allow and require a study of the environmental impact of a base closing, but do not allow that study itself to be a basis by which court cases can be drawn against the action. That has been the key problem that has resulted in no base closings in the last 10 years.

The waiver of the NEPA provisions, or the partial modified waiver as drafted by the committee and accepted by all the other committees, does not exempt base closings from any substantive environmental legislation. All statutes related to the environment and its care must be complied with.

My substitute, as is the case with the committee bill, we waive only NEPA.

We accepted the property disposal provisions involving the GSA as provided by the Government Operations Committee.

We accepted the congressional oversight provisions in the Armed Services version that won a vote here on the floor just last Thursday by a 112-vote margin.

We also accepted advance notice requirements and equitable geographic distribution provisions provided and discussed earlier.

What the substitute does not include the provision for foreign bases and burden sharing. We believe this information must be involved in the process of making decisions regarding domestic bases, but we believe it must not be in any way construed as a binding requirement on the Commission or the Secretary. We just had a discussion about that.

The provisions in the committee bill as brought to the floor seemed harmless enough but we do have a motion of disapproval in order at a later date and on a later date, given the provisions of the committee markup, if there are no foreign bases recommended or not enough or not the right ratio of foreign to domestic bases, that can become a bone of contention in the debate regarding the motion of disapproval.

We want the Commission to be informed, but we want foreign bases to be handled separately because their problems are separate problems than those addressed by this legislation.

We believe the original bill, H.R. 4481, does that and we ask to restore those provisions.

The CHAIRMAN. The time of the gentleman from Texas [Mr. ARMEY] has expired.

(By unanimous consent, Mr. ARMEY was allowed to proceed for 3 additional minutes.)

Mr. ARMEY. The Armey substitute strikes new environmental regulations that were added in the Armed Services Committee markup, not by the other committees, but by that committee. Those requirements add to the redtape that must be transgressed in order to obtain action.

The Armey substitute strikes language requiring historical sites, although I might add that I have just had a discussion with the gentleman from Virginia [Mr. BATEMEN], the original author of that language in the bill brought to the floor, and he has modified his language in such a way that I believe we will be able to come to an agreement on this.

The Armey substitute strikes additional socioeconomic impact statements brought to the bill in markup.

We also reinstate to H.R. 4481 the funding provisions that were brought to the committee. The funding will be brought to the action as the amendment is passed and as the bill is passed today, rather than to leave the funding to another time, to the jurisdiction of a singular committee after the list is published.

We always felt that the legislation should allow for the establishment of the Commission, the authorizing of their decisions and rules for implementation of those decisions, the authorizing of funding and the waiver of the obstructionist legislation together. That is what the Armey substitute accomplishes.

I would ask for those of you among us who want to have a responsible base closing bill that will in fact close bases without additional redtape, without additional obstructions, but do the job we intended to do, to vote yes on the Armey substitute.

The CHAIRMAN. The time of the gentleman from Texas [Mr. ARMEY] has again expired.

(At the request of Mr. ASPIN, and by unanimous consent, Mr. ARMEY was allowed to proceed for 2 additional minutes.)

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, let me ask the gentleman from Texas [Mr. ARMEY], how is he planning to proceed with his substitute? Is he going to be adding amendments to the substitute?

My view is that the bill that is coming out of the Armed Services Committee, now especially with the Kasich amendments of last week, that that is a better bill than the original Armey language. It was the original language that we began our markup with and we added a number of things, one of which is the Bateman amendment.

Is the gentleman going to be accepting those kinds of amendments to his amendment?

Mr. ARMEY. If, of course, an amendment is offered, I have to deal with the amendment being offered.

Mr. ASPIN. Because I have a list of amendments that I would like to go through one by one that adds to the gentleman's amendment all of the amendments that were offered and were changed in the committee. I mean, we will go back to marking up the bill on the floor here the way we did in the Armed Services Committee and we are going to end up in the committee that somebody wants to offer the Armey amendment to go back to the original bill.

I mean, the point I am saying is if the gentleman wants a straight up or down vote on his amendment, as opposed to the work that we did in the committee, I am very interested in having that vote. I think we ought to have it; but if the gentleman is going to start selectively adding on to what the gentleman from Virginia [Mr. BATEMAN] had to the Armey bill in the subcommittee, we have three or four other amendments that were added to the Armey bill in the full committee and we may end up putting those on the full committee and we are going to end up with the committee bill.

Mr. ARMEY. I have no authority under the rules of the House to require or even, I believe, no moral authority to ask a Member to not offer an amendment to my amendment. If a Member comes to me and says, "Dick, I intend to offer an amendment to your amendment," and we discuss what changes exist in that, as opposed to something I otherwise objected to, I will try to work with that Member.

The CHAIRMAN. The time of the gentleman from Texas [Mr. ARMEY] has again expired.

(At the request of Mr. ASPIN, and by unanimous consent, Mr. ARMEY was allowed to proceed for 2 additional minutes.)

Mr. ARMEY. Mr. Chairman, I certainly do not encourage Members to bring amendments against my amendment to the bill. I do not look forward to spending the afternoon on this floor defeating all the amendments that could be brought against my amendment. If that is necessary, I am prepared to do that.

Mr. ASPIN. Mr. Chairman, if the gentleman will yield further, the amendment of the gentleman from Virginia [Mr. BATEMAN], which the gentleman from Texas indicated he might be willing to accept, or one of the amendments that the Armed Services Committee voted to put in that the gentleman was just objecting to a little while ago.

Mr. ARMEY. The amendment that the gentleman from Virginia [Mr. BATEMAN] just brought and showed me is different in its language than the language that was put into the committee markup. If there were no differences, I would not have bothered to accept it.

Mr. ASPIN. It is a classic problem that the gentleman is dealing with. It says that you have to take into consideration any official report by an agency of the United States dealing with the cost of necessary environmental restoration, removal of hazardous or toxic materials, and ordnance necessary to be carried out with respect to such military installation.

The gentleman was just complaining about environmental things. Now he is going to accept the Bateman language.

Either we vote on the Armey substitute versus the original bill, or we can go through and add all the amendments that the committee offered, and which frankly the committee thought were in the national security interests, and we added them because people wanted to add them and wanted to improve the original bill. It was not because we were against the bill.

For the most part, members of the Armed Services Committee wanted the bill to pass, but they wanted the bill to pass with certain amendments.

Now the gentleman from Texas would like to go back to the original bill, but if the gentleman from Virginia is going to offer his amendment, we are going to have all the amendments offered and we are just going to remark the bill on the floor.

Mr. ARMEY. Mr. Chairman, in the time that remains, again let me say I have neither in my understanding of the rules of this body, I do not have the authority to tell a Member, "Do not offer an amendment to my amendment."

Mr. FOGLIETTA. Mr. Chairman, I rise in opposition to the amendment in the nature of a substitute offered by the gentleman from Texas [Mr. ARMEY] to H.R. 4481.

The bill before us has been debated by four separate committees and its provisions have been significantly strengthened. The gentleman from Texas [Mr. ARMEY] would now like to tear apart that compromise by subtracting some of its most important provisions.

The substitute would eliminate the environmental restoration plan. The gentleman from Texas [Mr. ARMEY] implies that the environment would be protected anyway—that we can trust the Pentagon to clean up its own mess.

I wish that the Environmental Protection Agency also felt so assured. The EPA recently protested the Pentagon's "chronic noncompliance" with Federal laws governing the handling and disposal of toxic waste. Furthermore, the EPA's national priority list of abandoned sites that require immediate attention includes many military installations. Without proper cleanup, the property cannot be transferred to civilian control. It could sit as an unused wasteland for years, stifling any economic revitalization.

The Armey substitute would not force the military to provide a socioeconomic impact report. The Pentagon claims it has adequately assisted communities surrounding closed bases to minimize the negative economic effects. However, this is only a portion of the total picture. Many communities are still reeling from the loss of jobs over 10 years ago. Moreover, in the areas which have recovered, we have found many cases where the military was more of a hindrance than a help in this recovery. For example, one area which has only recently begun to dig itself out of the hole created by a base closure, found that the only assistance provided by the military was an excessive bill for the property.

Finally, we must give the Base-Closing Commission the opportunity to properly study the implications of each closed installation. Under the Armey substitute, this would not occur. I am referring to the elimination of the provision directing the Commission to publish on December 1 a tentative list of bases which it may recommend to close, and then hold hearings in those communities.

I am very concerned about the limited amount of time available to the Commission to accomplish its complex task. For example, if the Commission is to visit all 871 domestic military installations, the members must average over five visits every day. Therefore, I fear that the Commission's members may inadvertently make faulty decisions based on incomplete data. Clearly, we do not want to close bases which should not be closed. Equally clear is that Commission's recommendations face public scrutiny. This can only be accomplished if we give the communities the opportunity to respond before the final recommendations are submitted.

It comes down to this: Do we want to protect our environment? Do we want to protect our unemployed? Do we want the Commission to properly study the military base structure?

If the answer to these questions is "yes"—then we must vote "no" on the Armey substitute.

Mr. WEISS. Mr. Chairman, I rise in opposition to the Armey substitute to H.R. 4481, the Defense Savings Act. At the outset, I want to commend all those on both sides of the aisle who are responsible for bringing this legislation to the floor.

Military base closure is an issue on which Members of both parties can work together to reduce wasteful Pentagon spending. It is estimated that by passing base closing legislation, we could save between $1 and $5 billion a year from the defense budget without reducing our capability at all. In other words, we can reduce the budget deficit by as much as 3 to 4 percent without sacrificing a single housing project, education program, or weapon. If we are serious about trying to reduce the deficit and eliminate waste in Government, there is simply no excuse for not passing legislation today.

Too often in the past, base closures have been a political rather than an economic or strategic issue. Members of Congress afraid of losing jobs in their district have been so successful in blocking base closings that no American base has been closed in the last 12 years. The Pentagon has also been accused of playing politics when preparing their list of bases to be closed by rewarding or punishing Members for votes. The bills before us today present us with a unique opportunity to circumvent this political maneuvering and attack wasteful spending.

It is not without careful deliberation that I oppose this substitute. In fact, I was a cosponsor of H.R. 1583, Mr. Armey's original base closing legislation which he introduced last year, and I have been supportive of his efforts on the current bill. However, with the amendments added last week by Mr. Kasich and the amendment by Mr. Porter adopted earlier today, the committee bill seems to be the better of the two choices before us today.

The idea behind Mr. Armey's original legislation, which I support, is to provide a swift, nonpolitical and obstacle-free way of closing unneeded military bases. With the Kasich amendments, I believe the committee bill will do just that. It allows for congressional oversight, giving us the opportunity to review and disapprove of the Commission's recommendations, but it does not allow politics to get in the way of good sense. If Congress had to vote to approve the Commission's recommendations, the door would be open for political concerns to enter into the process.

What makes the committee bill even more favorable than the Armey substitute, I believe, is its obvious and stated concern for the communities which will be affected by base closings. It is crucial that we not ignore the needs of these communities. The committee bill includes a provision advocated by my distinguished colleague Barbara Boxer which would require that the Department of Defense prepare an environmental restoration plan and clean up the abandoned base sites within a prescribed period of time. This would ensure that the Department of Defense would have to make environmental restoration a top priority, rather than a second thought. We cannot allow communities to be saddled with unusable property filled with toxic wastes for undetermined periods of time. Environmental cleanup must be an integral part of the base closing process.

In addition, the committee bill, and not the substitute, includes a specific mention of grants for job retraining as part of the economic adjustment assistance available to communities affected by base closings. I would urge that the Department of Defense make these grants an integral part of its assistance program. These grants are crucial to the successful transition of the work force to their new civilian employment, and are a key element in a process I have been advocating for the past 12 years. This process is known as economic conversion, and it is of the utmost importance to the future of our Nation.

Economic conversion helps address two fundamental imperatives in our society—the need to halt the nuclear arms race, and the need to reverse our Nation's current economic decline. It is the latter imperative which is so relevant to today's debate. Most Americans have been led to believe that military spending provides a stimulus to the economy, especially in the area of job creation, and a solution to economic ills. Indeed, this is why most Members of Congress are terrified of having a base close in their districts.

In fact, mainstream economists are beginning to realize that our Nation's overemphasis on military production is resulting in economic deterioration. The relationship between excessive military spending and economic problems such as declining productivity, a deteriorating infrastructure, high unemployment, and a lack of competitiveness is being exposed, and concerned Americans are beginning to realize that military spending is not the solution to the problem of industrial decline, but a chief cause. The public favors redirecting our policies to emphasize civilian production and international competitiveness, and it is economic conversion that will permit us to accomplish this in an orderly and economically efficient manner.

The closing of obsolete bases can be a good first step toward economic conversion if economic adjustment assistance, job retraining grants, and community planning assistance are provided to the community. The Defense Department has long recognized that adjustment assistance is required in instances where military base closures will have a significant impact on the surrounding community, and successful transitions have been recorded in many communities where bases have been closed.

But base closings are only a first step. Our debate today proves that the role of job creation in spurring unnecessary defense spending is increasingly coming under close scrutiny. It does not require a huge leap of the imagination to understand that this problem pervades defense spending in general, not just spending on military bases. In fact, it is clear that we too often sacrifice opportunities for arms control simply because of the job creating power of weapons systems.

Just as most Members agree that politics should be removed from our policy on military bases, I hope that Members will also agree that it should be removed from defense spending decisions in general. With the discovery of the huge Pentagon procurement scandal last month, many have come to realize that it is time to restore some sense to our defense decisions. By creating viable alternatives to military spending, economic conversion would assure the millions of workers in military-dependent industries that their jobs would not be sacrificed in the effort to achieve meaningful arms control. As a result, proposals for increased military spending would be more likely to be assessed on their merits, rather than for reasons of job creation. This would significantly enhance the prospects for ending the nuclear arms race.

Mr. Chairman I am pleased that under the mandate given by both forms of this legislation, the Commission will be able to review bases currently under construction, including the planned naval homeports. I have spoken on many occasions of my concerns about the homeports, and specifically about the plan to base a homeport in New York Harbor. The General Accounting Office recommended over 2 years ago that Congress require "a demonstration of the strategic benefits and more definitive and complete cost estimates before approving funds for the new homeports." No such demonstration has ever been made, but that has not stopped the Navy from proceeding with homeporting.

Former Senator Barry Goldwater, who along with our colleague Mr. Armey has been one of the most forceful spokemen for base closing legislation over the years, called homeporting "one of the biggest political boondoggles I ever heard of." Indeed, it is perhaps one of the best examples of a case where politics rather than strategy or economics has determined the placement or status of a military base. There continues to be no convincing strategic rationale for the homeporting plan, and there continues to be no justification for the huge expenditures that will be required to construct homeports around the Nation.

In addition to the general problems with the homeporting plan, I have many objections to the Staten Island homeport in particular. The Navy contended that it would not locate a homeport in an area where there is substantial community opposition, and yet opposition in New York City has been consistent, widespread, and adamant. Area residents are strongly opposed to any plan that contemplates basing nuclear weapons in the harbor of our Nation's most populous city, and this concern is far from frivilous. According to an unclassified General Accounting Office report, the Department of Defense has experienced a significant number of nuclear accidents and incidents in the past 20 years, and the threat of an accident at homeport sites is real.

New Yorkers are also concerned that the Navy has no plans to house needed homeport personnel, that it has overstated the economic benefits of the homeporting plan, and that it has ignored key environmental laws in preparing and executing the homeport plan. Concerned residents have fought a long and hard battle against the homeport which has included numerous legal efforts to block homeport construction. As the representative of the constituents of the 17th District, I have cooperated with these efforts. Last week, plaintiffs in the pending case of Hudson River Sloop Clearwater, Inc. versus Department of the Navy filed a motion to supplement their amended complaint. They also filed an affidavit that I have sworn to in support of this motion. I will continue to cooperate with the plaintiffs in this effort, but I am also hopeful that for the reasons already mentioned, the new Base Closing Commission will recommend that the Navy end construction of the Staten Island homeport.

Mr. Chairman, I want to compliment once again all my colleagues who have worked to create successful and nonpartisan base closing legislation, and I hope that its passage will signal a new era of responsible defense spending decisions.

AMENDMENT OFFERED BY MR. PORTER TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. ARMEY

Mr. PORTER. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. Porter to the amendment in the nature of a substitute offered by Mr. Armey: In section 4(b), strike out "The" in the first sentence and insert in lieu thereof "Subject to paragraph (2), the".

At the end of section 4(b), add the following new paragraph:

(2) Not more than one-half of the professional staff of the Commission shall be individuals who have been employed by the Department of Defense during calendar year 1988.

Mr. PORTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PORTER. Mr. Chairman, I ask unanimous consent that the amendment be made in order both to the amendment in the nature of a substitute offered by the gentleman from Texas [Mr. Armey] and to the committee bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois to making the amendment in order to both the committee print and to the amendment in the nature of a substitute?

There was no objection.

Mr. PORTER. Mr. Chairman, if I can get the attention of the gentleman from Texas and the chairman of the committee, I have now offered an amendment to both the Armey substitute and to the committee print that would follow the guidance of the chairman of the Armed Services Committee and would provide that not more than one-half of the professional staff of the Commission shall be individuals who have been employed by the Department of Defense during calendar year 1988. I think that meets the objection the gentleman made to my earlier amendment and improve both versions of the bill.

□ 1515

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. PORTER. I am happy to yield to the gentleman from Wisconsin.

PARLIAMENTARY INQUIRY

Mr. ASPIN. Mr. Chairman, let me make a parliamentary inquiry. Can the gentleman from Illinois offer his amendment to both pieces of legislation simultaneously?

The CHAIRMAN (Mr. Volkmer). Unanimous consent was given to offer the amendment simultaneously to both of the pending texts, since both texts are pending and open to separate amendment at any point. So the amendments are now pending to both. Under parliamentary procedure, the amendment will be first voted upon to the original bill and then it will be voted upon as offered to the substitute offered by the gentleman from Texas.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. PORTER. I am happy to yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, that being the case, I have no opposition to the amendment, and I think that the amendment is fine. I would accept it in terms of the bill. I cannot speak for the gentleman from Alabama [Mr. Dickinson], whom I do not see on the floor at the moment. From my side and my purview, I accept the Porter amendment to the original bill.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. PORTER. I am happy to yield to the gentleman from Texas.

PARLIAMENTARY INQUIRY

Mr. ARMEY. Mr. Chairman, I am not sure now that I understand the ground rules. Mr. Chairman, may I conclude, therefore, that if the chairman of the committee accepts the gentleman's amendment for his committee markup bill that was brought to the floor, I can, therefore, then also accept the gentleman's amendment on my substitute without suffering prejudice on a procedural basis?

The CHAIRMAN. Yes; the gentleman can make that statement.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. PORTER. I am happy to yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, the differnce is what the gentleman from Illinois is offering is a new subject that was not offered in the committee. That is not a point of difference between the Armey substitute and the committee bill. If the gentleman from Texas will accept it to his amendment and we accept it to the bill, it will not be a point in contention in either bill.

What I was addressing the gentleman from Texas about before is all of the amendments that were added to the bill in the committee markup. Are we going to go through and add all of the amendments that were voted on in the Committee on Armed Services to the bill of the gentleman from Texas? That is a different issue. What the gentleman from Illinois is offering is a fallout of an earlier amendment that the gentleman from Illinois had to the bill that was on the floor at the time, which was the Committee on Armed Services bill.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. PORTER. I am happy to yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, if my understanding then is correct that I, too, am equally free to accept the gentleman's amendment, I would be happy to do so, and then I think that I am constrained at this point to agree with the chairman that I should oppose any subsequent amendments to my bill unless they happen to be circumstantially identical and oppose any such amendments and ask for an up-or-down vote on my bill as I brought the substitute to the floor to restore the bill to its original purpose.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. PORTER. Mr. Chairman, if we could dispose of the amendment, then the gentleman could have his colloquy.

Mr. ASPIN. If the gentleman will let us finish the colloquy, then we will let the gentleman pass his amendment.

Mr. PORTER. Mr. Chairman, I am happy to yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, the gentleman from Texas understands my concern. It is that if the gentleman from Texas wants to accept certain amendments from the Committee on Armed Services bill onto his substitute, then I would feel obligated from the committee's standpoint to offer all kinds of amendments and we are then going to be in the business of marking up the bill here on the floor. I have no problem with the gentleman from Texas offering the original bill as a substitute.

Mr. Chairman, frankly I am happy whether the Armey substitute passes or the original bill passes or the bill out of the Committee on Armed Services passes; I think we have a good base-closing bill to go to conference in either case. I am just worrying about the time. I think if we start accepting the amendment of the gentleman from Virginia [Mr. Bateman] which he offered in committee, I have got to let the gentlewoman from Colorado [Mrs. Schroeder] offer her amendment, and the gentlewoman from California [Mrs. Boxer] offer her amendment, and I think we are going to go through a whole markup here on the floor. I am concerned about whether we can get some agreement here on this.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. Porter] has expired.

(On request of Mr. Aspin and by unanimous consent, Mr. Porter was allowed to proceed for 2 additional minutes.)

Mr. PORTER. Mr. Chairman, it seems to me that we ought to dispose of my amendment. It has nothing to do with this colloquy.

Mr. ASPIN. Mr. Chairman, if the gentleman will let us dispose of the colloquy, we can dispose of the amendment of the gentleman and we will vote for the amendment.

Mr. Chairman, will the gentleman yield?

Mr. PORTER. I am happy to yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, what we now have is two pieces of legislation. One is the legislation that came out of the Committee on Armed Services. The other is the Armey substitute which was the original language. Basically either is good base-closing legislation. If we go to conference with either, we are all right, but to sit here and fine tune this for another 3 hours this afternoon, I think, is a waste of time. I would like to get an agreement on the Republican side that we not offer amendments to the Armey amendment, and let us just vote on the issue, and let us have an up-or-down vote on Armey versus committee, and let us go to conference and get a good bill out of the conference.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. PORTER. I am happy to yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, certainly I understand that the gentleman has his cat in the bag and he is anxious to get on with it. I am more than happy to have an up-or-down vote on my substitute as opposed to the original work. My dilemma, as the gentleman from Virginia [Mr. Bateman] and others came to me, is I do not have the authority to tell a Member to not offer an amendment. If we can find a way to convince Members they would prefer not to offer their amendments and have an up-or-down vote on my superior option, I would be more than happy to accept that option and get on with the vote.

Mr. ASPIN. Mr. Chairman, in any case, I approve of putting the Porter amendment on our bill, and I also approve of putting it on the inferior Armey substitute.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. PORTER. I am happy to yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, if the gentleman might agree with me and perhaps might even involve the gentleman from Texas [Mr. Brooks] in the agreement that we would all work together and combine forces to defeat any substitute or any amendment to my amendment as in the form of a substitute, that perhaps such persuasion might dissuade anyone from coming down and offering such amendment, and we could move on with the debate and pass my amendment.

Mr. ASPIN. Mr. Chairman, let us accept the Porter amendment and just have a debate and vote on that of the gentleman from Texas.

The **CHAIRMAN.** The time of the gentleman from Illinois [Mr. Porter] has again expired.

PARLIAMENTARY INQUIRY

Mr. ASPIN. Mr. Chairman, what are we going to vote on? What is the parliamentary procedure?

The **CHAIRMAN.** If there is no further discussion on the amendment offered by the gentleman from Illinois, the Chair will put the question. The question will be first put as to the amendment to the print, being considered as original text, and the Chair will now do that.

The question is on the amendment offered by the gentleman from Illinois [Mr. Porter] to the committee amendment in the nature of a substitute.

The amendment to the committee amendment in the nature of a substitute was agreed to.

The **CHAIRMAN.** The question is on the amendment offered by the gentleman from Illinois [Mr. Porter] to the amendment in the nature of a substitute offered by the gentleman from Texas [Mr. Armey].

The amendment to the amendment in the nature of a substitute was agreed to.

Mr. BROOKS. Mr. Chairman, I rise in opposition to the amendment offered by my good friend, the gentleman from Texas [Mr. Armey].

Mr. Chairman, I would add one other thing, that this bill we are defending, that the gentleman from Texas [Mr. Armey] is trying to amend, is one that came out of four committees and was agreed upon.

What he would do, with some minor refinements, is to substitute the base closings proposal that he introduced a number of weeks ago.

A lot has happened since that time. Four committees of this House have held hearings on H.R. 4481. They have heard from dozens of witnesses, they have studied the arguments pro and con. They have listened to the concerns of people in and out of Congress over the effect of the base closing bill.

The committees have gone over Mr. Armey's proposal with a fine toothed comb. They have found much that they liked—they endorsed the underlying concept of an expedited and objective decisionmaking process. At the same time, the committees determined collectively that there were ways that the proposal could be improved while preserving the underlying concept.

The Armey substitute fails to include a number of worthwhile features that were added by the committees with legislative jurisdiction that studied the original product. In my opinion, the most crucial of these is the provision that makes the base closure account subject to the normal process of authorization and appropriation. Depending on how many former installations are put up for sale, this account could amount to billions of dollars.

Given the headlines we see every day about the way the Pentagon has apparently been handling procurement dollars over the past 8 years, do my colleagues seriously want to consider giving the Pentagon another multibillion-dollar blank check? Letting the Secretary administer the base closure account, not subject to the process of authorization and appropriation, would do just that.

The Armey amendment also dropped other provisions with a great deal of merit. These include a requirement that the Commission conduct a public hearing before the recommendations go forward; a requirement that the Secretary develop a plan to deal with the socioeconomic impact of closures; and, the mandate that an installation could not be closed unless the savings equal the cost of closure over a specified period of time. In addition, the Armey substitute lets the President—the Chief Executive and Commander in Chief—avoid the consequences of responsibility for the base closure report by letting the Secretary of Defense do the dirty work of deciding to accept or reject that report.

Mr. Chairman, that is the way the legislative process works, and that is the way it should work. As I suggested last week, no legislative idea starts out perfect. The legislative process consists of the committees of Congress bringing their expertise and experience to bear on the original bill, improving it and making it more workable. That is what has happened in this instance through the input of the four committees of jurisdiction.

The Armey base closure proposal is "look ma, no hands" legislation. It sets up a mechanism that lets every elected official—the President, the Authorization and Appropriation Committees, the Congress as a whole—avoid the duties of decisionmaking they were elected to carry out.

Mr. Chairman, this body decided last week to strike the committee provision for an affirmative congressional vote of approval over the Commission's report. Instead, we voted for the fig leaf of a meaningless vote of disapproval. I disagreed strongly with that vote. Nevertheless, despite that weakening action, the consensus committee amendment retains some semblance of accountability and responsibility, in the elements I have just outlined. For that reason, I urge rejection of the amendment in the nature of a substitute offered by the gentleman from Texas and support for the consensus committee amendment.

Mr. BATEMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to the pending substitute offered by the distinguished gentleman from Texas in the form in which it is presented. I do so with reluctance, because notwithstanding whatever everyone might have heard or read in recent weeks with regard to this Member's position on the subject, I am strongly in favor of a reasoned, balanced, objective procedure by which decisions can be made and implemented as to which if any military installations in the United States should be closed or realigned.

Mr. Chairman, the issue for me is not whether or not we need such a procedure. The issue for me is whether or not the procedure offered is a valid procedure. It is my view that the procedure, the process, outlined by the gentleman's substitute that is presented here on the floor is flawed, is not preferable to that which was worked out in the various committees of jurisdiction and in the form in which they came to the floor, all of this impacted by the vote last week on which I was on the losing side on the Kasich amendment which rejected the floor amendment or which approved a floor amendment requiring a resolution of disapproval and, therefore, a two-thirds majority of this body before it could override a decision as to what base is to be closed.

I think that was an unfortunate judgment, but that judgment is made. We should not compound it today by adopting the Armey substitute for the committee bill, bearing in mind what that substitute eliminates from the committee's version, and I think we must not lose sight of what is eliminated. Eliminated by the Armey substitute are the provisions which would require serious consideration and impact the actual judgments to be made with reference to environmental cleanup, whether or not one could close a base in total disregard to the costs that are going to have to be borne by someone from the act of having closed it, when the premise of this entire bill is to close bases where there is a net savings to taxpayers. It eliminates from this bill any concern that is required and any effort to meet the socioeconomic indications of closing a base and which may have very substantial impact upon the public purse. This, I think, is a mistake.

Mr. Chairman, it is certainly in my view a mistake not to direct that this Commission shall take into consideration not just the cost to the Department of Defense of closing a base but it shall in its analysis of cost savings and cost reductions, all the costs to the taxpayers of the United States. Would it not be terrible for this Commission, influenced certainly very largely by a staff that it has borrowed from the Office of the Secretary of Defense, to come up with a list of bases to be closed that included bases on the criteria of the Department of Defense will save $1 billion if the true, accurate analysis is that by doing what is recommended the taxpayers of the United States will bear offsetting costs of $3, $4, $5, or $6 billion? Is it not rational to say that the Commission must give consideration to the total cost to the Government of the United States, not just what may be cost savings to the Department of Defense isolated and without regard to the cost of any other agency of the Government such as the Environmental Protection Agency or the Superfund for cleanup of hazardous and toxic waste sites?

Mr. Chairman, I submit that what we ought to be looking for is not tactical maneuvering as to how to get any kind of a bill passed but how to pass the best bill. In that regard, I have at the desk amendments to the Armey substitute which would make that substitute at least better than it is. It would not require the Base Closure Commission to do anything except to give consideration to any existing official report of agencies of the United States with reference to environmental cleanup.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. BATEMAN] has expired.

(By unanimous consent, Mr. BATEMAN was allowed to proceed for 2 additional minutes.)

Mr. BATEMAN. Mr. Chairman, the proposed amendment does not direct anything other than give consideration at least to any existing official governmental report dealing with the cleanup cost of environmental and hazardous waste, ordnance removal and such criteria and, second, would provide that the Commission shall proceed on the basis of a determination of all of the costs to the U.S. Government, not just on the basis of the relative cost and cost avoidance on the part of the Department of Defense.

I do not think there is anyone here on the merits of this proposition who would not say that that is rational.

Let me conclude by saying that I am not going to offer these amendments, given the fact that it is perfectly clear to me that it will result in a number of additional amendments being offered, some more or less different than what the form in which they were offered in committee, some with more or less merit, and I do not know where the balance will fall. I will simply let the issue be submitted without my amendments as much as I think they improve the Armey amendment, and let this issue be determined on the merits of the bill fully considered and debated in the several committees who have attended to it and hope that the wisdom of the House will be to reject the substitute offered on the floor and to accept the committee version of the bill.

□ 1530

Mr. SHARP. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the Armey amendment.

Mr. Chairman, we have a major opportunity to change the way in which we have been doing business on this issue for a number of years, with the possibility of saving several billions of dollars for our taxpayers each year. I applaud the committee for giving us this opportunity and bringing forth a bill on which they have labored hard, but a lot of scrutiny has gone into the Armey proposal before this date, and I think the reality is, Mr. Chairman, that the choice before us right now is whether we are going to strengthen the possibility that we are going to make savings or whether we are going to keep a system more likely in place that means less actions occur, less money is saved, more waste continues. I think that is what the gut question is before us.

We have all worked in the legislative process and it accomplishes many great things for this country. But the one place where it falls down is when we have to start scratching each other's back and when we have to start making deals and when we have to start making arrangements to try to protect every expenditure in our area whether it adds up to the national interest or whether, in many cases, it really even adds up to the local interests. It has been a tough question to get at these kinds of expenditures, whether it is in water projects or base closings or a whole host of other areas.

But before us today is a chance to make that gut decision and to choose up where we are going to put the risks. There are some risks for some localities in this country by taking the approach some of us are advocating, but they will have at least two chances if they are right. One is for the House and Senate to reject the work of the Commission, and the second is if they really have a strong case, the Congress continues to meet every year, and you had better believe it that the Senators and Representatives from that area will make that case known, and I think they will find welcome ears in this Congress.

But let me suggest to my colleagues the risk is greater that what we will do is year after year make sure we pour more money out to questionable projects when we do not have that money, when we are borrowing it, when we have other major needs in this country that we want and know we need to meet.

So, Mr. Chairman, we can debate about more studies. They are all good. I have been a professor and I have advocated lots of studies. It is good to have information, always good. But let us have no doubt about it, studies are a big excuse time after time for no action, or studies or procedural hangups are used for court delays that finally exhaust administrations, exhaust Secretaries of Defense, exhaust the advocates in Congress who say give them the money, it is not worth the fight to try to make a savings, and that is where we have been for roughly 10 years in this country on this issue.

So it is before us now and we can make the choice now. I think the right choice for us to make is to put the emphasis on the side of making savings and vote yes for the Armey amendment.

Mr. BARTON of Texas. Mr. Chairman, will the gentleman yield?

Mr. SHARP. I am happy to yield to the gentleman from Texas.

Mr. BARTON of Texas. Mr. Chairman, I thank the gentleman from Indiana for yielding.

I would also like to rise in support of the Armey substitute and would like to refocus the debate, if I could for a minute, to the purpose of the substitute and the differences between the substitute and the committee bill.

Under the Armey substitute we do not have to do the socioeconomic impact study. We need to remember that the reason we have military bases is to provide for the common defense, not necessarily to provide for economic aid to any given area. The Armey substitute does away with that study.

The Armey substitute also does away with the requirement that we study closure of overseas bases. There are some foreign policy implications to that. The Armey substitute does require that there be a study of that, but that the bases do not necessarily have to be a part of any kind of a base-closing recommendation to the Congress.

I would like to remind my colleagues there are over 4,000 military bases in this country. It is estimated that if we pass the Armey substitute we could save somewhere between $2 and $5 billion per year. In an era of deficit reduction and the need to get the biggest bang for the buck from our defense dollar, I think this substitute is very worthy of support, and I would hope that we do pass it today.

Mr. SHARP. I thank the gentleman from Texas.

Mr. WYLIE. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, I commend my distinguished colleague, the gentleman from Texas [Mr. ARMEY] for his very diligent and persistent efforts to trim some fat, but not the muscle out of the Defense Department. I also want to express strong support for this amendment of which I am an original cosponsor.

I have gone through a base closing in my own district some time ago, I would say, and the present procedure is not efficient. I wish the Armey proposal had been in effect at the time.

But it is most disturbing in recent years to me that the Congress has seen fit to cut some of the Pentagon's budget which has forced the cancellation in some instances of what were regarded as needed weapons systems and required reductions in personnel. Yet in spite of the existence of many costly and obsolete military bases still open because of parochial interests and political pressures, we have prevented Congress from approving the closing or realignment of any major facilities, any major facilities, since 1977. Ironically, 13 new installations have been created during that same period of time.

For too many years, obsolete military bases have been treated as sacred cows, and the country simply cannot afford to continue these subsidies to selected communities. With the Armey proposal now before us, we have a golden opportunity to achieve an estimated savings of from $2 billion to $5 billion a year by eliminating those bases that no longer serve a useful military purpose.

It seems to me as if the time has come for Congress to stiffen its backbone and place the national interests above parochial concerns. As my colleagues know, the Armey substitute calls for a nonpartisan commission to prepare a list of these closings or realignments which the Secretary of Defense will accept or reject as a package.

It is also important to note that under this proposal Congress does not abdicate its constitutional power to provide for the common defense. We would be able to pass a resolution to disapprove the closing package, but not the individual bases. The base closings then would be insulated from politics and determined by national defense priorities, as they should be.

Mr. Chairman, this proposal would accomplish what Congress has not been able to do for over a decade. I urge the Members of the House to do the right thing, keep politics out of the base closings and support the Armey amendment. We owe it to the taxpayers to be fiscally responsible, and we owe it to the country to make our military operations as efficient as possible.

Mr. ROTH. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I am glad to yield to the gentleman from Wisconsin.

Mr. ROTH. Mr. Chairman, I thank the gentleman for yielding. I want to associate myself with his remarks and other remarks made here by a number of speakers this afternoon. I think they are right on target. We have been foot-dragging and flailing around like a wounded whale since 1977.

As I see it, the committee recommendation is nothing but a formula for doing nothing; business as usual. We cannot keep going in that direction.

If my colleagues will go around and talk to the American people today, they feel we cannot balance this budget because we do not have the intestinal fortitude to cut the pork out of the budget process. I think it is time we do that, and that is why I say the gentleman from Texas [Mr. ARMEY] has not only done a great service to this body, but he has done a great service to this country, and I think we owe it to him to pass his legislation. I endorse it because I think it is the right thing for the county.

Let us get on and get the job done.

Mr. Chairman, I rise in strong support of the measure offered by Mr. ARMEY of Texas. As a cosponsor of H.R. 4481, I have been proud to join him in pursuit of this important issue.

This issue before us today is relatively simple—the elimination of wasteful, needless spending by the Defense Department. Ironically, many of the Members in this body opposed to wasteful military spending are unwilling to support the closing of obsolete bases.

Since 1977, Congress has not had the fortitude to responsibly address the problem of eliminating military bases that contribute little or nothing to our national security. In the last 10 years, the Defense Department has attempted 20 such closures and run into a congressional roadblock at every turn.

The bill before us today will take porkbarrel politics out of base closures. The Armey proposal will empower the nine-member Commission set up earlier this year by Defense Secretary Carlucci with the authority to prepare a list of obsolete bases for closure. Once completed, Congress will have ample opportunity to disapprove of the Commission's recommendations.

This is not a new proposal, in 1982 the Grace Commission proposed the creation of a nonpartisan commission for the purpose of closing nonessential military bases. Estimates on the budget savings from such a proposal range from $2 billion annually by the Grace Commission to as high as $5 billion annually be the Office of Management and Budget.

Antiquated bases such as Fort Douglas in Utah, built in 1862 to protect stagecoach routes from Indian raids, and Fort Monroe in Virginia, built to stave off the British in the War of 1812, are two glaring examples of needless defense outlays. However, there are at least 30 similar military bases that can be readily consolidated or eliminated.

Many of our colleagues are against base closings because they believe that a closure will cause undue economic hardship on the surrounding community. This certainly is more often the exception than the rule. A base closing can often be an economic boon to a community. Former military bases have been turned into industrial parks, municipal airports, and colleges. In fact, an Office of Economic Adjustment's study cited a total of 138,138 civilian jobs now located on former defense facilities, replacing 93,424 jobs lost when the military left.

With our budget deficit still out of control, the closing of unnecessary military bases is a painless way to achieve savings. It is a responsible step to eliminate waste in defense spending and trim budget deficits.

Moreover, this bill will permit the Defense Department to reallocate funds to better support our men and women in uniform, who are manning the more critical bases that we really need. This bill both saves taxpayer's money and helps our military services.

In 1986, a similar base closing proposal failed by 7 votes. Today, I urge my colleages to remember their responsibility to our Nation's taxpayers and vote for this proposal which is clearly in the national interest.

Mr. WYLIE. I thank the gentleman from Wisconsin for his contribution, and I am sure the gentleman from Texas, Mr. ARMEY, does also.

Mr. AuCOIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Armey substitute and hope that my colleagues will pass it today. This is not a Democratic issue or a liberal issue.

It strikes me that any base that is in existence that does not meet a military objective, if you are a conservative and believe in a strong national defense is, to borrow a phrase, a form of theft of funds that could be otherwise committed to real defense. If you are a liberal or progressive and believe that there are unmet domestic needs in this country, a base that is in existence that cannot be closed is, by its continued existence, a form of theft that could be invested in the mouths of hungry children or in their clothing or housing. It is a form of theft from domestic programs.

I want to suggest to my colleagues that the existence of bases, this whole program of bases around the country is not a welfare program, it is not an economic development program, it is not a farm crop support program. We should have bases in the country not for any of the reasons that exist for those programs. We should have bases in this country for one purpose and one purpose alone, and that is that they meet a military objective. They serve the military and security interests of this country period, no other reason. No other reason.

Base closures, because they have not been looked upon that way, but instead have been looked upon as more economic development and for collateral reasons, tend to be an area in which the congressional process has proven to be hopelessly inadequate in trying to close ineffective military bases.

Once the bases to be closed are identified, the Members of Congress, human nature being what it is, who represent those bases, have an unquestionable and massive interest in keeping those bases open, notwithstanding their being identified for closure, and they have a massive interest to trade, to deal in any way they can in order to perpetuate the existence of those bases in their districts. And because other Members of the House and other Members of the Senate do not really care as much as those Members who have those bases in their districts, the House and Senate tend to kind of go along with those aggrieved Members who are responding, understandably, but responding not for military reasons but instead for economic development reasons. And the result, unfortunately, is that no bases ever get closed.

So investments that could otherwise be made for real security are not made and the dollars that are wasted that could otherwise go to domestic programs cannot be made, and if we are interested in deficit reduction, that cannot be done either because the bases keep going.

I think it is essential that there be little or no opportunity for congressional intervention once the bases to be closed have been identified. I wish I did not have to say that, but look at our record. When did we last approve the closure of a base? That is a sorry record, and because it is sorry I think there should be little or no congressional intervention in that process.

By providing, as it does, a 1-month layover, and allowing nuisance lawsuits to indefinitely delay base closings, the committee bill makes it extremely difficult, perhaps impossible, for bases to ever be closed.

The Armey substitute is not perfect. I think the gentleman's original bill was much better. Ideally Congress should have more say in determining the Commission's membership, but it should have no power, ideally, whatsoever to disapprove the recommendations that the Commission makes. That is the idea.

But the Armey substitute, though it is not ideal, is a very powerful and constructive step forward. Regardless of what your political philosophy may be, it is a powerful step forward. It is well ahead of anything we can get by any other route.

The CHAIRMAN. The time of the gentleman from Oregon [Mr. AuCoin] has expired.

(By unanimous consent Mr. AuCoin was allowed to proceed for 2 additional minutes.)

Mr. AuCOIN. Mr. Chairman, the Armey substitute is well ahead of anything we can achieve by any other route that I have seen, and if we are serious about cutting waste, if we are really serious about redirecting our financial priorities and our investment priorities in this budget, let us pass today without further delay the Armey substitute. I hope my colleagues will do so.

Mr. Chairman, base closure is one area in which the Congressional process has proven to be hopelessly inadequate. Once the bases to be closed are identified, the Members who represent those bases have a massive interest in keeping them open, and to horsetrade anything they can to do that. Then because, the rest of the House membership doesn't care as much, the House tends to go along and no bases can ever be closed.

It's essential that there be little or no opportunity for congressional intervention once the bases to be closed have been identified.

By providing a 1-month layover and allowing nuisance lawsuits to indefinitely delay base closings the committee bill makes it difficult or impossible for bases to be closed.

The Armey substitute isn't perfect—the gentleman's original bill was better. Ideally, Congress should have more say in determining the Commission's members, but it should have no power whatever to disapprove the recommendation. But the Armey substitute is well ahead of anything we can get by any other route. If we're serious about cutting waste, let's pass the Armey amendment.

Mr. FOGLIETTA. Mr. Chairman, will the gentleman yield?

Mr. AuCOIN. I am happy to yield to my friend, the gentleman from Pennsylvania.

Mr. FOGLIETTA. Mr. Chairman, I would just like to clear up what I consider to be a misconception of many Members of the House by asking a question.

Is the gentleman aware that an answer to a question before the Committee on Armed Services Subcommittee on Military Installations that Defense Secretary Carlucci said that any savings realized by closing of bases would not be used to reduce the deficit, would not be used for domestic programs but rather would be used for other military programs?

Mr. AuCOIN. I would say to the gentleman I can make three cases for the savings that would come from inadequate, useless bases. One would be deficit reduction. I think that is the No. 1 economic problem in the country. Secretary Carlucci may not agree with me.

I would name another reason. I think there are chronic people problems, people needs throughout this country that are underfunded. Savings from base closures could go for that purpose too. Secretary Carlucci may not agree with me on that.

The third reason I can think of is the one that Secretary Carlucci gave you. He said there are pressing problems of military need that are going unfunded.

I would tell the gentleman I think that is a very real need too. Now I might differ with the Secretary of Defense over which of these priorities ranks highest. But when I visited England over this last spring, I spoke to the maintenance officer of an F-111 bomber base and he told me that because of a lack of spare parts one-third of that bomber wing was unable to get off the ground, because of the inadequacy of spare parts.

The CHAIRMAN. The time of the gentleman from Oregon [Mr. AuCoin] has expired.

(By unanimous consent, Mr. AuCoin was allowed to proceed for 1 additional minute.)

Mr. AuCOIN. If you do not think that is an unmet military need then I think you are mistaken. We have got conventional weaknesses; in Europe there is a 3-to-1 advantage in tanks, the Warsaw Pact over the NATO forces.

On tactical air I think we have needed investments as well. I am not saying that I would necessarily put those above deficit reduction.

The Secretary of Defense does, but I can think of at least three reasons. Take your choice. Any of those reasons is reason enough to pass the Armey substitute, effect the savings and use them because any of those three reasons are better than perpetuating useless nonessential military bases in this country.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. AUCOIN. I yield to the gentleman from Texas.

Mr. ARMEY. I thank the gentleman for yielding.

Would the gentleman agree with me that in a few years when we begin to realize those savings it will be the authorizing and appropriating committees in the House, and the Budget Committee, and the normal spending procedures of this body that will determine that, not the desires of the Secretary of Defense?

Mr. AUCOIN. The gentleman is obviously correct. I appreciate the gentleman making the point. I think the Members understand that.

Pass the Armey substitute.

Mr. DICKINSON. Mr. Chairman, I was wondering, if it is not premature, if we might get some agreements as to time here. We have agreed that there are no amendments to the substitute; we all understand the issues. We have been debating this one whole day and today. I do not know how many speakers there are on the floor, but I was wondering if we could get unanimous consent to end all debate on this amendment and amendments thereto in 20 minutes.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. Yes, I will, if I may.

Mr. ARMEY. If the gentleman would yield, I would join the gentleman in his unanimous-consent request, but I would like to add a few stipulations to his request if the gentleman would allow me to do so.

Mr. DICKINSON. Mr. Chairman, if I may, I will yield for that purpose, otherwise, I withdraw my request and will let him make his own.

Mr. Chairman, I move to strike the last word.

Mr. Chairman, I will yield to the gentleman if he will tell me what is on his mind. All I am trying to do is to bring this to a conclusion. We understand it. There are no amendments to this amendment. Let us vote it up or down and get on with our business.

Mr. ARMEY. If the gentleman would yield, I would like the gentleman to make a unanimous-consent request that we limit the time on the debate, divide the debate equally between myself and a Member who opposes the amendment and allow me to close the debate.

Mr. DICKINSON. I think that is premature. The gentleman can close debate if he wants to. All I am saying is limit the time. If the Members standing are sufficient—I do not even know if we have enough speakers here for that. So I am not trying to cut the gentleman off. He can speak last as far as I am concerned. I have finished speaking on that.

But I would move unanimous consent to limit debate on this amendment and all amendments thereto to 20 minutes from this time.

Mr. HERTEL. Reserving the right to object, I think if the gentleman can amend that to 30 minutes, we can live with it.

Mr. ARMEY. Reserving the right to object, again I would ask the gentleman, I think in order to expedite the gentleman's request if he would be willing to simply alter, divide the time evenly and allow me to close debate, I think probably it would be acceded to.

Mr. DICKINSON. I think that the rule provides a division of time of all those standing and who want to speak. But if it would be proper, Mr. Chairman, I would so move that limitation of time would be within 30 minutes of the present time, the time to be divided equally by the proponents and opponents and that the gentleman from Texas, the author of the amendment, be allowed to close debate.

Mr. HERTEL. Reserving the right to object, I agree with the first part with respect to the 30 minutes. I have no problem with the gentleman closing debate. I just do not know if it is proper to put it in a motion. I have no objection to him being the last person to speak.

Mr. DICKINSON. Mr. Chairman, I would ask unanimous consent——

The CHAIRMAN. The gentleman from Alabama has been recognized for 5 minutes under the rules. The gentleman from Alabama has previously stated motions and unanimous-consent requests. The Chair has not put those because the gentleman wishes to withdraw all of those previously made. Is that right?

Mr. MONTGOMERY. Reserving the right to object before the gentleman responds——

The CHAIRMAN. The gentleman does not have a unanimous-consent request. He has made a motion. He has moved. But the gentleman should make a unanimous-consent request to allocate time.

Mr. DICKINSON. Mr. Chairman, I would ask unanimous consent that all debate on this amendment and all amendments thereto close within 30 minutes, that the 30 minutes be divided half and half between the proponents and the opponents and that the gentleman from Texas be allowed to close.

Mr. MONTGOMERY. Mr. Chairman, reserving the right to object, I agree with the gentleman's first part with respect to 30 minutes but over the years the House procedure is, I believe, and I will have the Chair correct me if I am wrong, that when an amendment is offered and the chairman of the committee objects to that amendment, that he has the right to close debate. Is that proper?

The CHAIRMAN. Normally when the Committee of the Whole divides the time on an amendment the person handling the bill, the chairman, has the right to end the debate. That is normal.

There has been a unanimous-consent request to alter that, which can be done, to permit the gentleman from Texas to close the debate.

Mr. MONTGOMERY. Mr. Chairman, I will not object. I withdraw my reservation of objection. The chairman has no problem with it.

The CHAIRMAN. Then without objection the unanimous-consent request is granted. All time on the amendment of the gentleman from Texas [Mr. ARMEY] and all amendments thereto will expire 30 minutes from now; that under the unanimous-consent request the gentleman from Michigan [Mr. HERTEL] will be recognized to control time for 15 minutes as an opponent of the amendment and the gentleman from Texas [Mr. ARMEY] will be recognized for 15 minutes as the proponent of the amendment.

The Chair will now recognize the gentleman from Texas if he wishes to yield any time.

Mr. ARMEY. Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Chairman, I will be very quick here.

I rise in support of the Armey substitute. It must be a farily good substitute if we have the different kinds of people coming from different backgrounds that we have here today speaking on it. I think it is better for a couple of reasons.

One of them is the issue that we debated earlier in my amendment, though it is slightly different here, that is the question of closing of overseas bases. But it is still fundamentally the same. It requires a different report. It does not tie the closing of overseas bases to the closing of domestic bases. We know that is a bit of a red herring.

The issue is the political problems we have of closing domestic bases and we ought not to tie the closing of overseas bases, where we can get support, where we can get NATO to help pay for closing of that, to this.

The second reason why it is a good substitute and perhaps the most important reason is that it separates the question of the funding for closing. As it is now in the committee bill we have to have a separate vote on the funding to close bases.

We all know what that means. It allows individual Members to come to the floor, to come to the committee, to the subcommittee and to block the closing of a particular base.

We should support the Armey amendment.

Mr. HERTEL. Mr. Chairman, I yield myself such time as I may use.

Mr. Chairman, I want to talk to the Members about two issues that are left out of the Armey substitute that I have been very concerned about, that I talked about at great length last week during this debate. First of all let me point out I do not have a base in my district. I am for closing unnecessary bases.

So how did I come to get involved in this issue? Well, I am on the Committee on Merchant Marine and Fisheries and on the Committee on Armed Services, the Subcommittee on Installations.

We found there were deficiencies in the Armey amendment. I am going to give you two major ones today.

The Armey substitute says that we will operate under current law regarding the problems of unemployment. Current law says the Department of Defense, if they so choose, can help with the problems of unemployment.

Well, when they were closing bases in the sixties and seventies they only helped in 15 percent of the cases where any of the bases were closed, to any assistance to those communities whatsoever.

All we do is say in the committee bill that we are going to give those communities job training, community planning, in every single case. And now we have unemployment in high degrees in many parts of this country. This bill will create more. The committee will create more unemployment by closing military bases. Let us give those people a chance. Let us give them some assistance, let us keep hope alive so they might get job training, get a new job, attract new industry to this small town.

Most of these will be small towns. Most of the areas hurt will be rural areas, not in my district, but in other Members' districts.

People will suffer.

All we are saying is give them a chance of job training, of community planning; give them a chance. Close the base but give the people a chance.

Second, we have in the committee bill, amended by Kasich, 13 years for DOD to clean up toxic waste and other environmental damage. The committee bill originally had 6 years. The Armey bill does not say when they will pay for it. This substitute does not say when they will ever pay for it. I say when you close the bases down, clean up the toxic wastes within 13 years. So those communities who have lost a base, who in many cases support the military installation there, the personnel and those families, close the base but give those communities and people a chance. Clean up the base of the toxic waste. How can they use it for other purposes, to attract more industry if the toxic waste is not cleaned up? That is all we are sayinig in the committee bill. Give the people, when you close the base and leave, give them a chance to start with clean ground by cleaning up the toxic wastes, and give them a chance at job training and community planning.

So when the military leaves, after we have ordered it, we get rid of an unnecessary base, then give the people in that community an opportunity. I have heard no answers to those two questions because there are no answers in the Armey substitute.

The gentleman starts with a good idea, then he brings it to the House floor. Four committees operate on the basis of the Armey bill and they make improvements. Unlike the speaker from Oregon the sponsor said before that he has adopted the accelerated NEPA from the Committee on Merchant Marine and Fisheries where I served and where I worked on this issue.

He agrees we should have some NEPA standards but just do not delay it. The committee bill does not delay in those other areas.

The socioeconomic impact study does not delay it for one day. It just says give it some help when you close a base.

I wish the gentleman would have included that in his substitute. But he did not and now we have to vote. Are you for closing the base and walking away from the problems of toxic waste and unemployment? Or are you for, under the committee proposal, closing the bases that are unnecessary but helping the unemployed and also cleaning up the toxic waste? That is the issue. I would like some of the people on the other side to speak to those two issues because they have not yet today and they did not last week.

Mr. Chairman, I reserve the balance of my time.

Mr. ARMEY. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. Mr. Chairman, I want to thank the gentleman from Texas for yielding.

My colleague, Mr. ARMEY, should be commended for tackling a tough issue that this Congress has avoided tackling for too long.

Mr. Chairman, in the wake of the ongoing investigation into defense contracting irregularities, it is appropriate that we are now discussing the need to change the system of closing down unnecessary military bases. As we work to stop the incidents of fraud and abuse in the Pentagon, it is high time we eliminate another area of waste in the Defense budget. When we are faced with enormous budget deficits, as we are, we cannot afford even one obsolete base which costs millions of dollars to maintain. Now this does not mean that we will cut defense spending at the expense of our national security. We will spend what it takes to protect our national security interests. It does mean, however, that we eliminate all unnecessary spending. Obsolete military bases are one of those spending items.

We all know the stories of military bases that long ago outlived their usefulness. We all are aware of such bases as Fort Douglas, UT, built to patrol stagecoach routes through the Wild West; or Fort Monroe, VA, built inside a moat to repel British invaders during the War of 1812, and Fort Sheridan, IL, a base just outside of Chicago whose main attribute is that it has a golf course.

There are about 4,000 military installations in the United States. Estimates of how much would be saved by shutting down unnecessary bases have ranged from $1 billion a year up to $5 billion a year. At this time, when we are faced with such difficult decisions about Federal spending priorities, we cannot ignore such obvious savings. As we justly criticize Pentagon procurement methods, so also must we criticize and rectify our misguided—and expensive—base closing procedures. Every dime spent on an obsolete base that no longer serves national security is a dime taken away from a legitimate national defense program, or a needy domestic program, or a reduction in our budget deficit. I urge my colleagues to support Mr. ARMEY's substitute.

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Mr. ARMEY. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona [Mr. KYL].

Mr. KYL. Mr. Chairman, there is one key issue that we have not focused on yet and, I think, one key reason for voting for the Armey substitute over the committee bill. Several Members have pointed out some advantages and disadvantages and differences between these two versions, and there are legitimate arguments on both sides. But there is one key point that has not been focused on yet, a point that I think is critical to the decision of whether or not we are really going to be able to close bases, and that is whether or not Congress can appropriate the funds to accomplish the job. One of the bills authorizes the appropriation of funds; the other bill not only does not authorize the appropriation but it specifically prohibits it.

The Armey substitute is the version that would allow the appropriation in fiscal year 1989 for the closing of the bases. The committee substitute specifically carries a provision that says no funds are authorized to be appropriated to the account in such fiscal year, referring to 1989.

In other words, what the committee bill does is to hold hostage the closing of these bases to the whims of the Armed Services Committee or the Appropriations Committee. Instead of having a process by which we do it on a take-it-or-leave-it basis, based on the committee's recommendations, where neither the President nor the Congress can play politics under the committee bill as written—and I know this is not intended, but it is the way it works—because of the need to get the appropriation, it puts that back into the hands of our committee, the Armed Services Committee or the Appropriations Committee, and, therefore, instead of saying, "Are we going to close this group of bases or not?" The question is: "How can we lobby each other so that we will appropriate *x* amount of money to close these bases, but no funds shall be appropriated for the purpose of closing Base A, Base B, and Base C?"

Now this is a very serious proposition, I say to my colleagues, because it is probably the fundamental flaw remaining in the committee bill. Otherwise, both the Armey substitute and the committee bill are good bills. But I believe that the key reason to support the Armey substitute is because of this fatal flaw in the committee bill which specifically precludes the authorization of an appropriation in the next fiscal year to accomplish the purpose for which we are all here. And I submit that if we allow politics to intrude into the process at either the Armed Services or the Appropriations level, all the political complaints we have been trying to get rid of by both versions of the bill will come back to haunt us, and we are going to be debating the very same questions that we are debating now but in a much more difficult crucible, because then is when the issue is really going to be: "Do I protect my base, or don't I?"

Let us think about this, Mr. Chairman, because it is a critical issue, and I believe that it is the fundamental reason for supporting the Armey substitute.

The CHAIRMAN. The time of the gentleman from Arizona [Mr. KYL] has expired.

Mr. KYL. Mr. Chairman, I would ask for 20 additional seconds, if I may.

Mr. ARMEY. I yield 20 additional seconds to the gentleman from Arizona [Mr. KYL].

Mr. BALLENGER. Mr. Chairman, will the gentleman yield?

Mr. KYL. I yield to the gentleman from North Carolina.

Mr. BALLENGER. Mr. Chairman, I rise in support of the Armey substitute.

Mr. Chairman, I rise in support of the Armey substitute to H.R. 4481, the Defense Savings Act.

The concept of closing unneeded and outmoded military bases is nothing new. During the 1960's and 1970's a number of these bases were closed. It is estimated that $2 to $5 billion could be saved annually if obsolete bases were closed. In this time of massive budget deficits, these savings could have a major impact.

However, Congress feared this power would be used for political purposes and found ways to prevent further bases from being closed, after a number of successful closures by the executive branch.

Congress erected bureaucratic barriers by mandatng that numerous requirements be met prior to a base closure. This had the effect of almost eliminating any future closings. Since the mid-1970's the Defense Department has attempted 20 such closures and has been able to implement none of them.

What was clearly needed was some means to circumvent these barriers and eliminate the politics from the decisionmaking process. Such a proposal was introduced by the gentleman from Texas, Mr. DICK ARMEY.

H.R. 4481, as introduced, was cosponsored by 135 Members of Congress. I am fortunate to be among them. H.R. 4481 would provide for a bipartisan commission to select the bases slated for closure without adversely affecting our Nation's defense, and grant the Pentagon the authority to close them.

As H.R. 4481 gained support, Mr. ARMEY offered the bill as an amendment to the 1989 Defense authorization bill. He was denied this opportunity, but was promised a vote on the proposal on the floor of the House before the conference committee on the Defense authorization bill completed its work. Meanwhile, H.R. 4481 was referred to three committees. Once it began to move through the committee process, a once clean, simple proposal to save $2 to $5 billion a year, began to get complicated. Together, these committees added several provisions which will actually make it even harder to close needless bases than current law. These committee changes defeat the purpose of the bill.

Mr. Chairman, the Armey substitute to H.R. 4481 brings the bill closer to its original form. This substitute follows the original language of the bill with the following changes recommended by the committees.

The substitute establishes expedited procedures under which Congress may pass a resolution to stop the base closure and realignments, if necessary.

The original bill waived the National Environmental Policy Act for the bases recommended by the Commission; the substitute does not waive it, but instead contains modified provisions which will reduce the litigation which has often delayed base closures indefinitely.

The original bill allowed the Department of Defense to dispose of excess base property. The substitute provides that property be transferred to GSA for disposal.

The substitute provides that no base closure may be initiated before January 1, 1990.

The committee additions to the original version of H.R. 4481 are numerous and further complicate base closure. The controversy now is between those who feel Congress should vote to approve the Commissions recommendations and those who feel Congress should merely have the opportunity to stop base closures if necessary.

By again injecting Congress into the approval process, we are really changing nothing. We are erecting bureaucratic roadblocks to closure.

If the Members of this body truly want to reduce Federal spending and ensure that our defense dollars are spent wisely, they will vote in favor of the Armey substitute to H.R. 4481.

Mr. HERTEL. Mr. Chairman, I yield 2 minutes to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Chairman, I rise in opposition to the Armey substitute. First, I would like to present some information that has been rather misleading. There has been information put out today that in effect we have not had any base closings for years around here.

That is totally wrong. The Secretary of Defense, since 1969 and through 1986, has closed 485 bases, and 132 of those bases were major installations.

Do the Members know why we have not had any since 1978 and 1979, starting in 1981? Because this President has not submitted one base closing before the Congress of the United States or to the Secretary of Defense. The gentleman may laugh at that, but it is the truth.

I am really surprised that my Democratic colleagues fall right in line with the gentleman and march right with him when his own President has not even submitted the name of a base to be closed.

Let me close, Mr. Chairman, with this point: The substitute exempts foreign bases, saying that they do not have to be considered by this select Commission. Yet the Commission has to consider that domestic bases and the National Guard and Reserve bases that we have in our different States. That is serious business, and I certainly do not want to be a part of and be recorded as voting for exempting the foreign bases and yet voting to put on the line consideration for my National Guard, Reserve, and domestic installations. It does not make sense. We ought to vote down this substitute.

Mr. ARMEY. Mr. Chairman, I yield 1 minute to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES. Mr. Chairman, the gentleman from Oregon [Mr. AUCOIN] made an excellent point that I think needs to be emphasized.

We are dealing with one subject and one subject only: Is a military installation necessary for the defense of this country?

These bases were not established for the economy of a particular area; they were established to defend the United

States and defend the American people.

Socioeconomic impact statements and toxic waste cleanups divert attention from the answer to that one question. The Armey amendment focuses attention on that one question.

Under the Armey amendment, we answer one question: Is this base vital to the defense of this country? If the answer is yes, the installation stays; if the answer is no, it goes, and we take care of the problems that might arise as a result of that closure.

Mr Chairman, let us bring it close to home. If Williams Air Force Base is vital to the economy of Chandler, AZ, but not vital to the defense of this country, it goes.

Mr. HERTEL. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I still have not heard anybody who is for the Armey substitute tell us what they are going to do about unemployment, because there is nothing in the Armey substitute that does anything for giving anybody even a week's training or a minute's community planning. The Armey substitute rejects all that and goes with current law.

I have yet to hear anybody for the Armey substitute tell us when they are going to clean up the toxic waste, because there is nothing in the Armey substitute to clean up the toxic waste, unlike the committee bill with the Kasich amendment which says it will be done and cleaned up within 13 years and paid for.

Finally, I have yet to hear an answer as to why we are spending $100 billion out of our $300 billion on overseas bases—just in NATO alone, there is $100 billion—and yet the Armey substitute says we cannot look at and close one single base overseas.

Now the people in America are asked to pay for the bases overseas, close them in their own towns, but we do not give them any help to clean up toxic wastes, we do not give them any help on unemployment, but we spend $100 billion overseas just in NATO alone.

I think that this Congress should be responsible. Yes, we should close the bases. We have had four committees look at it. We should close all unnecessary bases, but when we do, we should look at the overall problems we create and look at the foreign bases, too, where money is often wasted and give those people who lose their jobs at those bases a chance, no guarantee, no authorized money or appropriated money, but just a chance to be trained for a new job that they might get and just a chance that community planning might bring in a new company to give those people jobs.

That is all they want. Those people do not want unnecessary bases either. They want jobs for their families. They are paying the taxes for those $100 billion bases overseas that the gentleman wants to protect from not even being looked at by this blue ribbon committee.

Mr. Chairman, I do not think that is right. I do not think that is American fairness, and I do not think the American taxpayers are going to like letting all those bases remain unlooked at overseas, because they know there is waste overseas, just as we know it.

Mr. ARMEY. Mr. Chairman, I yield 2 minutes to my friend, the gentleman from California [Mr. Packard].

Mr. PACKARD. Mr. Chairman, we have heard in this debate over and over again that everyone wants to close bases and yet the committee bill is structured to keep them open. The committee bill is structured to prevent and put stumbling blocks in the way so that we simply politically cannot close them. It throws it back into the political process, and that is what we have struggled with from time immemorial. We simply have not been able to get the job done.

Every committee that has studied this issue has advised us that it was economically important for us to close some of the bases and use that money to enhance our national security, and we simply have not been able to get the job done.

I invite my colleagues to oppose the committee bill and to support the substitute offered by the gentleman from Texas [Mr. Armey].

We all know that requiring congressional approval will doom the opportunity to close bases. We all know that. Putting environmental constraints on closing bases will simply make it further impossible to close them.

I have several bases in my district and surrounding my district, and if they need to be closed or if any one of them needs to be closed, you can rest assured that I am going to argue to keep them open, but nevertheless they ought to be closed. If it is in the best national interest to close them, they ought to be closed and the money ought to be used then for national security pruposes.

This is not a jobs bill, it is not a local economy bill; this is a national security bill, and we ought to do what we have to do to make it possible to close bases that we have already determined should be closed.

Let us not throw the base closing issue back into the political process. Let us not make the base closing issue an environmental issue. Let us not make it a local issue. Let us not make it a jobs issue. It is a national security issue, and we ought to do what we have to do.

Mr. Chairman, I support the Armey amendment and certainly urge my colleagues to do the same.

Mr. HERTEL. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts. [Mr. Frank].

Mr. FRANK. Mr. Chairman, I welcome the initiative of my friend, the gentleman from Texas, but I think he ought to follow the principle of Ed Meese and former Senator Aiken and declare it has been vindicated. In this case he could do it accurately.

I voted for the amendment offered by the gentleman from Ohio [Mr. Kasich] last week. I thought we should have the second congressional vote. That is not an issue any more. The question is not whether we will have to have a second congressional vote. It is a question of what criteria we will be instructing the Commission to take into account.

Environmental issues are very important. When the environment is damaged, the environment does not much care whether it was done by a private corporation or by the Government. The air and the water are not that smart; they do not say, "Oh, that's OK, this was done in the interest of national defense, so we are not bothered so much as if it was done to make hair spray."

I do not understand why we should refuse to subject these things to environmental concerns. We have voted, and I voted in the majority, to say that we will not require a second vote. We have voted to say that the Commission can do it. So we are not talking about the appointees of this Commission, of this administration, and what the terms will be. I think instructing them to take into account environmental concerns is important. Taking account of socioeconomic problems and job retraining is important. That does not mean we do not close the bases. It means that we do not close them without adequate preparation, we do not close them without taking into account the true cost.

The genuine economist's approach, I believe, should be to go with the committee substitute, which is to say that when we take an action, we take the action fully cognizant of its cost so we can deal with it in its fullest context. We do not take a partial action and then leave ourselves later on with costs.

I was glad that we accepted that amendment calling for the requirement of a 13-year amortization. To leave out the cost factor altogether does not make sense.

So we are now arguing here about whether or not Congress will have to have a second vote. That issue has been resolved. We have agreed on the procedure. The procedure will be that the Commission is making a report that will have to be overturned.

Mr. ARMEY. Mr. Chairman, I yield 2 minutes to the gentleman from Nebraska [Mr. Bereuter].

Mr. BEREUTER. Mr. Chairman, we have before us a unique opportunity to reduce defense spending by closing unneeded military installations based on national defense priorities versus political considerations. H.R. 4481, as originally introduced in late April and as resurrected in the substitute offered by Representative Armey today, contains a plan to rationally, objectively, and expeditiously address the base closing problem in a nonpartisan, nonparochial, depoliticized way. It takes advantage of the fact that we are about to elect a new President, it builds upon our trust in a high respected Secretary of Defense, it removes a series of hurdles which now makes it nearly impossible to close a military establishment, and it protects individual districts and Members from the use of base closings for political retribution.

The original version of H.R. 4481 would have established an independent, bipartisan commission which would recommend base closings within 180 days of passage of this legislation. The Secretary of Defense would have to close all of the bases recommended—or none. The commission report would be received after the upcoming Presidential election, either accepted or rejected by the current Secretary of Defense before the inauguration of the new President, and implemented by the next administration's Secretary of Defense. Congress would not be part of the review process, thereby politically insulating the Members from the districts holding the 20 to 50 bases that are expected to be recommended for closing.

As we know all too well, no bases have been closed since the National Environmental Protection Act [NEPA] was applied to based closings in 1977. NEPA required the Department of Defense to file an environmental impact statement on each base to be closed, thereby permitting delays and lengthy court cases and making the process so costly and cumbersome that keeping facilities in operation became the only real option for the Department of Defense.

It is estimated that closing unneeded bases could shave between $2 to $5 billion from the Defense budget annually. Given the fact that the Defense budget has been cut 5 percent per year in real terms since 1985, we have an obligation to spend our defense dollars as effective as possible and to stretch them as far as possible. We also have an obligation to bring our Federal budget deficits under control. Defense spending is, obviously, an extraordinarily important component of both Federal spending and Federal deficits. Our profligate spending based on borrowing has contributed to our dangerously growing foreign indebtedness and to our eroding international economic posture.

We must not lose this opportunity to close unneeded military facilities and therefore lose the resultant cost savings because of the narrow, parochial interests of numerous Members and State delegations that want to maintain unnecessary facilities in their districts and States. So many new provisions have been added to this bill by committees that the Department of Defense believes, correctly this member concludes, that the committee version will in fact make it more difficult to close a base than existing law. That is indeed probably a very accurate assessment.

Among the killer amendments added to the bill by the three committees to which it was referred are: First, provisions that require further congressional review either through a vote of approval of the list of bases to be closed or through the authorization of funds for each closing fortunately the Kasich amendment modified the former record, the inclusion of foreign bases in the commission's review—complicating and extending the list-compilation process by raising the policy debate on our international defense role and bringing into question our commitments under base agreements with foreign governments; third, the mandate that all costs from any base closing must be recouped within 5 years; fourth, the addition of a requirement for a socioeconomic impact study of each closure; fifth, a requirement that the base property be environmentally restored within 5 years; sixth, and a hodgepodge of other provisions including a requirement for public hearings once a preliminary list is drawn up and the need to consider historic preservation in making the closure decision.

There are legitimate and understandable reasons for affected localities to be concerned about and to plan for base closings within their jurisdictions. The bill provides for economic adjustment assistance to impacted communities. Unfortunately, this assistance will not avoid dislocation—but it will help communities in making difficult economic transitions.

There is no painless way to reduce defense spending. But we must bite the bullet and make needed reductions in our defense spending in a way that enhances the fewer dollars spent. We can no longer afford to use military spending primarily as a kind of job creation or economic development program.

The history of base closings over the past 30 years has shown that most have been disposed of by various means at below market value to municipalities for parks, colleges and schools of all types, industrial parks, airports, and other projects meeting community interests. There is no denying there will be dislocation, the question is whether we will deal with these localized dislocations in making a transition or whether we will allow the interests of a few communities and the influence of the elected officials who represent them to override our national interests. I urge you to support the Armey substitute.

□ 1615

Mr. HERTEL. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I think we are hearing a lot of speeches, but I think they were written 2 weeks ago, before the committee bill was amended last week, and I think the Members better check with the information that they have or their staffs have.

The Armey substitute on the question of closing bases, on the question of congressional disapproval; the Armey substitute is the very same as the bill before us.

Mr. Chairman, I ask the sponsor if that is correct.

Mr. ARMEY. Mr. Chairman, the Armey substitute is now, with the Kasich amendment, the same as the bill before us on the question of congressional motion to disapproval.

Mr. HERTEL. Well, Mr. Chairman, I have heard five speeches this afternoon saying that it is different. Could the ranking member explain to me if this is the same now that it has been amended by the gentleman from Ohio [Mr. Kasich] as far as congressional disapproval?

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. HERTEL. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, that portion of it is correct.

Mr. HERTEL. Mr. Chairman, I thank the gentleman from Alabama for that answer.

Well, now that we know that we do not need the same speeches that have wrong information about the fact that in this area the two bills are exactly the same, I would like to hear about the differences.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. Hertel] has expired.

(By unanimous consent, Mr. Hertel was allowed to proceed for 1 additional minute.)

Mr. HERTEL. So I once again want to call for the differences in the bill in respect to the unemployed, and no assistance through the Armey substitute and the fact that in the committee bill all toxic waste has to be cleaned up in 13 years. No promises, no answers under the Armey substitute. Let us hear those questions addressed.

Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. Pelosi].

Ms. PELOSI. Mr. Chairman, I thank the gentleman from Michigan [Mr. Hertel], my colleague, for yielding this time to me, and I rise in opposition to the Armey amendment.

Mr. Chairman, as a member of the Committee on Government Operations I want to support the bill as it was originally presented in regard to toxic waste and the environmental concerns. Unfortunately we operated in ignorance for so many years in terms of our disrespect for the environment, especially on our military bases. If we had the decision to make today, we probably would not have put ourselves in the position we are in today.

Mr. Chairman, in my district and the adjoining district represented by the gentlewoman from California [Mrs. BOXER] we have two military bases which have been closed. Both of them are toxic waste lands. One is Hamilton Air Force Base; the other is Hunters Point.

The provisions to prevent the toxic waste to continue for the provision for the cleanup in 13 years are essential in the closing of the bases. It is not in any way to say that we do not want to close the bases, that we do not want to save money, but everything we have to do must be subjected to environmentally sound criteria which protect the lives of our people and the people who work on those bases.

Mr. Chairman, I therefore urge my colleagues to vote against the Armey amendment.

Mr. ARMEY. Mr. Chairman, I yield 50 seconds to my good friend and colleague, the gentleman from Alabama [Mr. DICKINSON].

Mr. DICKINSON. Mr. Chairman, I thank the gentleman from Texas for his generosity.

Just let me say that I am very pleased and gratified that we have reached this point. It is very unusual that we are in a position of a win-win situation.

Now we have two choices before us. One is a committee bill, which I support. I think it is good, and it does have some provisions in it. I think they are desirable over the Armey substitute.

Mr. Chairman, the Armey substitute is a tougher one. It is a tougher bill. I plan to vote for it. The administration supports it. The Secretary of Defense, who has been a long time coming; Mr. ARMEY has been a long time working on it, and we have reached this point to where we are going to have passage of something. I think his is a tougher bill. I think it will do more toward allowing the Government to go forward with expenditious——

The CHAIRMAN. The time of the gentleman from Alabama [Mr. DICKINSON] has expired.

Mr. ARMEY. Mr. Chairman, I have no more requests for time, and I reserve the balance of my time to close the debate.

Mr. HERTEL. Mr. Chairman, I yield myself 2 minutes.

The CHAIRMAN. The gentleman from Michigan [Mr. HERTEL] is recognized for 2 minutes.

Mr. HERTEL. Mr. Chairman, well, some of my colleagues might see how exasperated I am. I cannot get one answer from the other side, the opposition to the committee bill, to answer three questions.

Let me again remind everybody that contrary to all the speeches that have been given we have been pointed out correctly by the sponsor and the ranking member that the congressional disapproval, the procedures now are the same as the committee bill has been amended last week, the very same. So what are the differences between the bills?

Well, if my colleagues are concerned about unemployed people not getting any job training or community planning, then vote for the Armey substitute. But, if my colleagues are concerned about helping those people that are going to lose their jobs to just give them hope, just give them some job training for a short time, then vote against the Armey substitute, vote for the committee bill. Close the bases properly; give the people a break.

Now, if my colleagues are concerned about the environment, if they have a good environmental voting record, if they have worked on the environmental questions before this Congress and the laws we put into effect, do not throw all those laws out in the Armey substitute. If my colleagues want to have the toxic waste cleaned up and paid for, vote for the committee bill and against the Armey substitute because there is no promise in the Armey substitute whether they will ever clean up the toxic waste whatsoever.

So close the bases under the committee bill, and give the people a chance. Give them some job training. Give them some hope. Clean up that toxic waste so maybe they can attract some new industry.

Do not use the simplistic approach. Face the real questions, the real problems.

There are unnecessary bases that should be closed; that is true, but there are other problems that are created. Do not walk away from those other problems.

All my colleagues are responsible Members of Congress, and they have to face those problems. Do not let the Federal Government harm those communities further. Close the base, but help those people remaining. Help those communities. That is all the committees want to do.

Mr. Chairman, the committees looked at it thoughtfully, they looked at it fairly, four committees, and now that the bill has been amended we have the same chance of closing the bases in the Armey substitute. The difference is being concerned about the people and giving the people the chance when you close those bases.

Mr. CHAIRMAN. The gentleman from Texas [Mr. ARMEY] has 3 minutes and 10 seconds remaining, and he has the right to close debate.

Mr. ARMEY. Mr. Chairman, I yield myself the remainder of my time.

Mr. Chairman, let me thank everybody who has participated in this debate. For me it has been a long time coming. For over 2 years I have been working on this legislation, and, when we set out 2 years ago, we hoped to have a good piece of legislation, legislation that would unravel that Gordian knot that had base closures so tied up that not a single major base had been closed in this country for over 10 years, legislation that would allow certain elimination of wasteful military installations, certain savings to the American people, certain increased efficiency to the Defense Department, legislation that would cut the fat and strengthen the muscle while relieving the American taxpayers, and in the framing of that legislation one thing we wanted was for communities that would be affected to be affected not for politics, but for reasons of genuine national security considerations and to have a certain understanding of when and how the change, Mr. Chairman, would take place. And we framed the bill through 6 months of hard work involving both committees in the House and the Senate, the Department of Defense, Senator ROTH and myself. We brought it to the House. It was referred to four committees, and they did their work.

Now, Mr. Chairman, questions have been raised. Every base in the United States today, whether open or closed, whether scheduled to be continued or to be opened or closed, is subject to all environmental legislation. That does not change by this legislation. The DOD must comply with the requirements of every law designed to protect the environment.

All my substitute does is require that bases that are closed be subjected to the same environmental laws in the same way as bases that remain open and any other site in the country.

The other question raised is the question about jobs. This is the point at which the American people with respect to savings and with respect to jobs have a right to ask us, "Will you vote for our next election or will we vote for the next generation?"

□ 1630

Because out of the 100 former defense bases studied, closed over the past 25 years, from 1961 to 1986, the net result to date has been 138,138 jobs created to replace 93,424 jobs, jobs now that employ people doing something of value for the American people, rather than as heretofore employing Americans wasting our resources; new jobs, better jobs, more durable jobs come from base closings.

I ask the Members to vote "yes" on this amendment.

Mr. BRENNAN. Mr. Chairman, today this House is considering important legislation designed to expedite the closing of obsolete or unneeded military bases. As one Member of Congress who is serious about addressing the deficit—including the need to get defense spending in line—I will support base closing legislation.

I believe one simple test needs to be applied when considering whether a base should be closed—does the base fit into the military strategy of our Nation? If the base does fit it, it should stay open. If the base doesn't fit into our military strategy, we should close it. We do not need to keep obsolete military bases open during these times of high deficit spending and declining defense budgets. This legislation will serve as catalyst to overcome obstacles which impede closing down these obsolete bases.

The base closing measure I support today is the substitute offered by my colleague, Mr. Armey. His measure is quite similar to the armed services version of the bill. However, I believe Mr. Armey's substitute offers the language needed to see obsolete bases closed in a prompt manner. There have been legislative and legal obstacles in place which have prevented closing down unneeded bases. Mr. Armey's substitute will remove impediments which have maintained existing military bases long after their strategic importance have expired.

There has been discussion today focusing on the environmental impact this legislation will have on affected communities. As one Member of Congress who maintains an environmental record second to none, I remain confident that toxic waste or other hazardous materials on these closed obsolete bases will be cleaned up. The U.S. Government cannot, nor should be allowed to escape liability or responsibility for the damage to the environment. However, hazardous materials or toxic waste on a military installation should not mean the base should remain open if no longer serving a useful military purpose.

Another important consideration is the need to see economic assistance is granted to communities which are affected by these proposed base closings. This substitute provides for economic adjustment assistance and community planning through the Pentagon's Office of Economic Readjustment. It is important that we remember the need to help communities which are affected through these proposed base closings.

I urge my colleagues to join me in support of a measure which attempts to address the problem of unneeded or obsolete military bases. I believe Mr. Armey's substitute offers a reasonable approach to this problem and assists in the need to reduce our budget deficits and restructure our Nation's defense budget.

Mr. LAGOMARSINO. Mr. Chairman, I rise in strong support of the Armey amendment to H.R. 4481. This substitute will return the bill back to its original state, removing the burdensome, political provisions added to it by various committees. Provisions that could harm, not help, efforts to reduce wasteful spending.

Billions of dollars are wasted annually in maintaining and operating unneeded and unwanted military bases. Of the 4,000 domestic military installations, it is claimed as many as 400 of these bases are unneeded, serving no military purpose and wasting citizens' hard earned tax dollars. For example, Fort Monroe, VA, with its surrounding moat designed to repel British Redcoats during the War of 1812 and Fort Douglas, UT, built for the purpose of protecting stagecoaches crossing the frontier from bandits and Indian raids are two such superfluous bases.

For the past 4 years the defense budget has grown "negatively" as the majority party in Congress has continued to cut our defense budget in real dollars—to the detriment of our national security. I agree that we must balance the budget and eliminate the Federal deficit, but not at the expense of our national security and safety. The deep cuts advocated by some, in the name of "economy," could seriously and irreparably damage our ability to provide an adequate defense. These cuts, which target important programs, systems, and personnel—not unneeded and unwanted expenditures like maintaining obsolete bases—are both dangerous and irresponsible. In reality, they provide no savings at all.

We must ensure that our defense dollars are wisely spent. Waste, fraud, and abuse cannot be tolerated and must be eliminated. This legislation provides the opportunity to take action against waste. By making it possible to close obsolete military bases in a fair and nonpolitical way, which this bill does, we could eliminate billions of dollars in waste. This legislation targets unwanted fat, not needed muscle. Incidentally, the estimated savings H.R. 4481 could provide annually exceed current spending on the SDI, the Peacekeeper [MX] ICBM and the small ICBM [Midgetman] combined!

No major base has been closed since 1977. In fact, 13 have been created within the last decade. This bill would help streamline and depoliticize the closing of bases. Only those military bases recommended by a nonpartisan commission could be closed under more efficient and cost-effective procedures.

The assumption that closing these obsolete bases will impose severe economic damage on local communities proves false in most instances. In fact, while this myth claims that base closings will prove disastrous to constituents, in reality, closing obsolete bases actually can lead to economic bonanzas.

A clean bill, like the one originally offered by Congressman Armey and which I cosponsored, is an excellent opportunity to cut wasteful Federal spending. Only a clean bill, without all of the political amendments tacked on to H.R. 4481 by the various committees—amendments designed to exempt an obsolete base in someone's district—will allow us to eliminate this waste efficiently and responsibly. The Armey substitute is a clear, good Government vote. In it, there is no room for politics or pork-barrel projects. Actions speak much louder than words. If we are serious about cutting waste, then we should not miss this important opportunity to do something about it.

I urge my colleagues to join me in strongly supporting the Armey substitute.

Mr. UPTON. Mr. Chairman, I rise in support of the Armey amendment. Mr. Chairman, if there is one issue on which every Member of the House agrees upon, it is that our budget deficit is nothing short of a fiscal nightmare. Furthermore, each of us is acutely aware that we must make tough choices to combat the deficit. Because many of our votes to cut spending are tough and complicated, each of us is constantly on the lookout for ways to cut unnecessary and wasteful spending. Today, presents us with the perfect opportunity to do exactly that.

Congressman Armey's proposal is a simple, straightforward, and nonpartisan way to cut the deficit. By creating a bipartisan commission with the authority to recommend closing unneeded military bases, we can save between $2.5 and $5 billion per year. Yes, it saves a great deal of money that can be targeted directly to our deficit reduction efforts. But more importantly, it just make sense—whatever the savings.

There is no question that many of our military installations are outmoded and simply not needed. Clearly, obsolete military bases drain our precious financial resources, and weaken the strength and integrity of our national defense.

For example, take Fort Douglas in Utah. It was built in 1862 to protect stagecoach routes running through the then wild west. The Pentagon has wanted to close it down for 25 years, but Congress refuses. In our infinite wisdom, we have even spent a million dollars to modernize Fort Douglas. What for—stagecoaches with radial tires and automatic transmissions? If only Wild Bill Hickock could see us now.

If that example doesn't point out the need to close some of these installations, try Fort Monroe in Virginia on for size. It served as an important military outpost—during the War of 1812. Like Fort Douglas, the Pentagon has wanted to close this base down for many years, and save the taxpayers $10 million. Once again, Congress thinks it knows better. Unfortunately, we have lacked the political courage to do the right thing and close these bases down. I say if Congress can't do it, maybe a bipartisan commission can.

According to the Defense Department, at least 30 military bases contribute little or nothing to our Nation's defenses. Many of these bases can be consolidated, and the savings could be as high as $5 million annually. How can any Member of Congress who opposes this proposal look his or her constituent in the eye and claim to be serious about reducing the deficit? Congress cries about the deficit year after year, but we have not closed a military base in more than 10 years!

The reason we haven't, it seems, is because many Members believe that closing down a military base will result in a great deal of hardship to the surrounding community. This most emphatically does not have to be the case. In my own State of Michigan in 1977, we closed Kinchloe Air Force base. Before closing, this base was estimated to have provided 700 jobs and $36 million annually in revenue to the local area. What has happened since it closed?

The answer is an economic boom. The county commission established an economic development corporation which offered low interest loans and leased the land at low rates. Nearly 30 companies moved into the former base property and brought with them more than 1,000 jobs. The expansion is continuing to this day—disproving the theory that closing a military base automatically means economic hardship.

In short, America needs a commission to study the consolidation of military bases. My friend DICK ARMEY's proposal should have no trouble passing this distinguished body if we are truly serious about wiping out waste and inefficiency. For once, I urge my distinguished colleagues on both sides of the aisle to put politics aside and do the right thing and support the Armey amendment.

Mr. MCMILLAN of North Carolina. Mr. Chairman, I rise in strong support of Congressman ARMEY's unamended Defense base closing bill. The elimination of wasteful spending is the beginning of a balanced budget. One way this can be accomplished is by closing those military bases which contribute little or nothing to our national security and owe their existence to the O'Neill-Cohen statutes and strong congressional champions. Since the enactment of the O'Neill-Cohen language in 1977, not a single major U.S. base has been closed.

The Armey base closing bill will isolate the base closing decision from narrow political manipulation. It will enable us to act in the national interest. A respected, nonpartisan Commission will ensure that the decision to close a base is based strictly on national defense priorities rather than on tempting but unjustified local interests.

This is a good government vote. Rarely are we presented with the opportunity to support such a commonsense initiative that will have such a clear, immediate impact on the Federal budget. The unamended Armey base closing bill could save $2 to $5 billion in wasteful spending per year.

This vote clearly puts us on the record as to who wants to close unnecessary bases and save money and who doesn't.

I urge your support of this bill.

Mr. RITTER. Mr. Chairman, I rise in support of legislation designed to remove politics from the process of closing redundant and outmoded military bases.

The United States operates some 4,000 domestic military installations. As many as 400 of these bases are considered superfluous, serving no military purpose. It is estimated that closing these outmoded bases could save the Department of Defense [DOD] up to $5 billion annually.

Notwithstanding this savings potential, no major base has been closed since 1977—13 have been created in the ensuing decade, however. In that year, Congress began requiring DOD to provide an environmental impact statement [EIS] on proposed base closures. Fearing economic dislocation and loss of jobs in the local community, Members also have added amendments to annual DOD authorization and appropriation legislation to block specific closure proposals.

Not only would base closings help reduce the Federal budget deficit, but statistical evidence indicates that base closings can have a positive economic impact on the affected community. For example, the Pentagon's Office of Economic Adjustment found that 138,138 civilian jobs have been created on former defense facilities since 1961, replacing the 94,424 jobs that were lost when the military left.

Closing outdated or obsolete military bases should be among Congress' highest deficit reduction priorities.

This is perhaps the clearest vote Congress will take this year on the issue of reducing Government waste. It is time to say "no" to pork barrel politics by supporting a bipartisan Base Closing Commission whose recommendations could be implemented with a minimum of political interference.

Ms. SNOWE. Mr. Chairman, I rise in opposition to the substitute offered by the gentleman from Texas [Mr. ARMEY].

Like most other Members of this House, I believe it is extremely important to restrain spending by the Federal Government in this time of austerity, and specifically to find ways of saving money in the defense budget, without endangering our national security. One method for achieving this objective, the closing of unnecessary and obsolete military bases, is being considered by the House today. But I wish to emphasize that closing bases must be done in a responsible way, taking full account of national security, economic, environmental and community concerns.

While the stated objective of Mr. ARMEY'S substitute to take the politics out of base closings may sound appealing, I am troubled by a number of provisions in his substitute. The President of the United States, who is both our Nation's Chief Executive and the Commander in Chief of our Armed Forces, is given no role whatsoever in the process of evaluating the Base Closing Commission's recommendations: they would be approved only by the Secretary of Defense.

Congress itself would be deprived of its prerogative under existing law to evaluate and to approve any base closures or realignments proposed by the administration. Instead, Congress would only be able to pass a joint resolution of disapproval, subject to a certain Presidential veto, which would then place the burden of a veto override on the Congress as the only way for the American people's elected representatives to block a proposal that would make potentially sweeping changes to local communities and to our Nation's defense system.

Furthermore, Congress' fundamental and essential power to authorize and to appropriate funds for Defense Department activities would be uniquely waived for the list of bases to be closed. Nor does Mr. ARMEY'S substitute take into account the impact of a base closure or realignment on the community in which the base is located, or the views of citizens in those communities, or the overall ratio of costs to savings in shutting down a base.

Mr. Chairman, I feel especially strong about the issue before us today because I have firsthand experience of hasty and ill-considered attempts by the Pentagon to shut down a base of major military value, without taking adequate consideration of the base's role in the community at large and in the Nation's defense.

Nearly 10 years ago, the Air Force proposed to close down Loring Air Force Base in northern Maine, without regard to either the unique strategic proximity of Loring to western Europe and the North Atlantic, or to the devastating impact closing Loring would have throughout northern Maine on the welfare of the people who live there.

The Department of Defense announced that Loring was being targeted for an 83-percent reduction to a forward operating base for tankers only 2 days after Members of Congress from Maine were told that Loring was not being considered for closure. And it soon became apparent that none of the Pentagon's justifications for shutting down Loring could withstand even cursory scrutiny.

When asked for the rationale for its decision, the Air Force indicated that bombers at Loring were threatened by missiles on Soviet submarines off the United States coast. But the bases to which the bombers at Loring would be relocated were equally close to the coast and thus equally vulnerable. Defense Department officials who briefed the Maine delegation even used maps which incorrectly located Loring in central rather than northern Maine.

The Defense Department then indicated that it was attempting to "reduce nonessential overhead and cost" and to "minimize capital investments for instruction" by closing a SAC base somewhere. The two bases eventually selected as options for closure were Loring and Kincheloe in northern Michigan, and I think it is fair to point out that each of these bases is located in a remote and cold weather region where many servicemen are reluctant to serve.

I use this example to emphasize the extent to which the Defense Department has, in the past, founded its decisions to close bases on inappropriate political, human, and cost-saving factors that do not take full account of an individual base's military and strategic value. Astonishingly, no weight was apparently given to the irreplaceable value of Loring's unique location for strategic bombing, air refueling, or future conventional roles. Indeed, no foresight at all was given to the possibility that, in the wake of a development like the INF Treaty, the United States would need to realign its defense plans for NATO in a way that has made Loring more important today than ever before.

Although Loring is all too frequently used today by proponents of base closing legislation as an example of an unneeded base kept open only by congressional interference, the fact is that less than a decade later the Air Force itself now values Loring as a key element in NATO's conventional defense, and the Air Force has invested nearly $300 million in renovating the facilities at Loring in order to preserve its vital security role.

My point is that without congressional oversight of base closing decisions, and the appropriate consideration of legitimate community concerns, any streamlined and depoliticized base closing plan runs too great a risk of overlooking broader economic, environmental and strategic concerns, perhaps even to the detriment of our Nation's security. Our experience with Loring in Maine shows precisely why our Nation needs the procedures which have been established in existing law to ensure that all of these factors are adequately considered.

And it is important to remember that nothing in current law prevents a base from being closed: the only requirements of the O'Neill-Cohen Act are for 60 days' notice to be given of a proposed closure and for an environmental impact statement to be carried out. I think it is appalling for the Pentagon to shift the responsibility for unneeded bases onto Congress and so-called pork barrel politics when, in my view, it bears at least an equal responsibility for political games playing with base closing proposals, and when this administration has not submitted one base for closure in the 7 years it has been in office.

I therefore reiterate my support for the responsible and well-considered procedures for the closure or realignment of military bases that are established in existing law, and I urge my colleagues to defeat Congressman ARMEY's substitute.

Mr. HOUGHTON. Mr. Chairman, I rise in support of Congressman ARMEY'S substitute amendment to H.R. 4481. This vote could be one of the most important votes on reducing Government spending cost during this waning session of Congress.

Our colleague's substitute gets right to the issue. It also incorporates the major concerns of the committees. It is a simple, fair means by which obsolete military bases can be closed without bureaucratic nightmares.

Can the bill save money? Absolutely. There is a potential savings of $2 to $5 billion. This will be realized if we just take one responsible step. The idea is not new—the Grace Commission, under the direction of very capable people, studied the base closing issue. The Commission found cost savings in the $2 to $5 billion range. The Office of Management and Budget has also verified these figures in its own studies.

Our colleague's substitute interestingly provides for a special base closure account where money saved from closures would be placed. This is a revolving account. It allows proceeds from the sale of base property to offset the cost of closing them. There are safeguards included in the bill to prevent misuse of the account that range from the Secretary of Defense reporting to Congress before, during, and after the use of the fund—to congressional approval for cash transfer in an appropriation bill.

These savings can be redirected and pumped back into the local community spurring economic development. A 1986 DOD Advisory Committee review of 100 major base closings since 1961 found that 138,000 new jobs were created at the private airports, industrial parks, and educational facilities that replaced the bases and their 93,000 civilian employees.

And since we're looking at employment—it is no secret that we are entering the sixth year of economic expansion. The unemployment rate has remained stable at 5.4 percent in April—a 14-year low. While it's understandable and necessary for Members to be concerned with job losses associated with base closures, our economy is far better equipped to deal with adjustment now—while we are strong.

This substitute takes into consideration the environmental impact of base closures. There are some toxic waste and restoration costs to be concerned with. But these should not alter our decision to close unneeded bases. Cleanup is a one time cost—not a cost that will carry over from year to year. We can get in, clean up, and move on. And if such a cleanup is necessary, we get at the problem before it becomes worse and more costly.

Waste is lethal. How can we expect the Department of Defense to watch its costs when we—repeat—we allow tangible, obvious well known waste. The administration and Department of Defense support the Armey substitute. It breaks the logjam over base closings and will allow us to redirect billions of dollars toward real national needs.

I support this substitute and urge my colleagues to do the same.

Mr. HEFLEY. Mr. Chairman, today we have the unique opportunity to cut special interest and pork from our budget. This is an opportunity to be fiscally responsible by cutting fat rather than muscle from our military budget.

H.R. 4481, sponsored by Representative DICK ARMEY provides for the realignment and closure of obsolete military bases, a savings to the taxpayers of up to $5 billion per year.

We have known for years what kind of savings we could reap by closing obsolete bases. But every time the Pentagon has tried, classic politics have stood in the way. When it comes to Congressmen and military bases, the motto is "don't touch my back yard."

The United States operates some 4,000 domestic military installations, most built during World War II—when there was a need to house 12 million personnel. Today only 2.1 million men and women are on active duty. At least 400 bases are considered superfluous, serving no military purpose. An estimated 30 of the 312 major bases in the country legitimately, could be closed.

Fort Monroe, VA, with its surrounding moat, repelled the British Redcoats during the War of 1812—and Fort Douglas, UT, was built to protect stagecoaches crossing the great frontier from bandits and Indian raids. These bases are among the many still in operation that serve no purpose in the realm of today's defense needs.

As for communities surrounding these obsolete bases, a 1986 DOD Economic Advisory Committee review found that out of 100 major base closings since 1961, 138,000 new jobs were created at the private airports, industrial parks, schools, recreation centers, et cetera, that replaced the bases and their 93,000 civilian employees.

I am a cosponsor of the original bill that would set up a bipartisan commission to recommend the bases to be closed. The Secretary of Defense would have the discretion to choose all or none—there would be no room for political favoritism. The plan would be executed during the election year—a politically safe time. The commission would report after election day and the Secretary would have to act before Inauguration Day. This is a simple up or down thing—we either take the steps to save billions of dollars or not.

However, Congress doesn't seem to ever want to work in a simple fashion or save money. The Democratic leadership stalled a vote on the plan and instead referred it to three different committees where it was loaded with amendments—making the bill everything but effective. Saddled with a half-dozen amendments, the issue has been thrown back into a political circus.

One obstructive amendment by Representative HERTEL requires a socioeconomic impact study of each closing. Most communities actually benefit from the closure of unneeded bases. Long-term economic advantages outweigh short-term impacts.

When Congress feels it has to cut defense programs across the board to save money, it does, often without hesitation. But socioeconomic studies are never required for the communities that are directly affected. It's hard to understand how the closure of obsolete bases, with a savings of $5 billion per year, could be under such contention.

Colorado's PAT SCHROEDER attached an amendment to include overseas bases, thus injecting the controversial issue of allied burden-sharing. Though there is certainly merit to allied burden-sharing, it should be considered as a separate issue. The inclusion of overseas bases in this bill would confuse the need to promote defense efficiency with the need to reexamine America's role in the world—and it's another ornament to the bill.

The Rules Committee has submitted the final version of the military base closing bill and it's loaded with all of the amendments from the three committees. This bill, known as the committee bill is decorated with such additions as foreign bases; congressional vote of approval; the cumbersome congressional authorization and appropriations process to fund the base closures; a socioeconomic impact statement; and a historical study of each base.

As the Rules Committee has determined, the original bill known as the substitute will be in order as well as the committee bill. The substitute includes all of the committee's major concerns—but it is different—it is effective and not full of smoke and special interest.

The committee bill virtually makes it harder to close bases than existing law. Passage of the substitute is our opportunity to show that this body is fiscally responsible—that we can get rid of pork—that we can efficiently manage our defense spending.

A vote on the substitute would allow the world to see who wants to close unnecessary bases and who wants to go on wasting money. I urge my colleagues to vote yes on the Armey substitute.

Mr. FRENZEL. Mr. Chairman, I will be voting in favor of Mr. ARMEY'S version of the military base closing bill, and I hope my colleagues will also support this measure.

The cost of maintaining unnecessary military bases is estimated at $2 to $5 billion annually. That may or may not sound like an exorbitant amount of money, depending on your perspective. However, in my view, it is absurd to spend such sums for installations which are no longer useful. I believe the taxpayers feel the same way.

The Government struggles enough in its effort to fund a sound, effective national security program without having to pour billions of dollars into obsolete military bases every year. Furthermore, if we remember our $300 billion defense budgets and our $150 billion budget deficit, then such wasteful spending becomes even less tolerable.

This bill would establish a bipartisan commission to recommend which bases be closed. Unless you count waste and needless spending, there is nothing to be lost through the closure of these bases. Rather than trying to weaken the authority of this commission, which is the intent of many of the members, we should empower this commission to cut as much excess as possible.

In a perfect world, Congress would allow obsolete military bases to close without needing the recommendations of a bipartisan commission. However, Congress has repeatedly proven itself unable to refrain from wasteful spending and unbridled pork barrelling.

I have noted that the sternest critics of our military spending programs are often in the forefront of those who demand that bases, however useless, never close. Our most enthusiastic micromanagers are often our least enthusiastic base closers.

Closing unnecessary bases is the one of the two sure ways we can reduce military spending without hurting national security. The other is appealing Davis-Bacon. Critics of military spending had better be careful today. Unless they vote for the Armey amendment, they will be caught, like the Emperor, without their clothes.

I urge my colleagues to duck under the fig leaf provided by Mr. ARMEY'S bill. We all ought to cast a vote to reduce needless spending. We ought to vote in favor of the Armey amendment.

Mr. SHUMWAY. Mr. Chairman. I rise in strong support of the substitute offered by the gentleman from Texas.

One of the most serious problems facing our Nation today is the national debt of over $2 trillion. The closure and realignment of nonessential military bases represents an estimated savings of up to $5 billion a year.

Providing for the national defense and security of this Nation is one of the primary roles of the Federal Government. I would not support reductions in the defense budget which would adversely affect the security of this Nation given the threat presented by the military buildup of the Soviet Union in recent years. However, in my view we have an obligation to the taxpayers to carefully review every proposed Federal expenditure. In this time of unprecedented budget deficits the defense budget must be subject to the same close scrutiny as other areas of the Federal budget.

I cosponsored the military base closure bill as originally introduced in H.R. 4481 because I believe it provides a mechanism for cutting fat and not muscle out of the defense budget. The examples of obsolete and outdated military bases are well known to all of us. Can we really ask the taxpayers to continue to fund Fort Monroe, VA, with its surrounding moat designed to repel the British during the War of 1812, or Fort Douglas, UT, which was built to protect stagecoaches crossing the frontier from Indian raids?

For over a decade existing laws have made it virtually impossible to close or realign nonessential military bases. According to the Department of Defense, the bill as amended by the committees would actually make realignments and closures more difficult under the expedited procedures than under current law. Furthermore, it would give the Commission on Base Realignment and Closure the authority to review overseas bases which exceeds its original mandate of conducting a review of domestic bases and would interfere with sensitive base rights negotiations currently underway with various countries. It would also undermine the purpose of establishing an independent bipartisan commission by requiring congressional approval before the Department of Defense could act upon a recommended realignment or closure.

I urge my colleagues to support the substitute which would streamline procedures for military base closures, exclude overseas bases, and give Congress the authority to disapprove a proposed base closure instead of requiring approval for every realignment or closure.

Mr. LIGHTFOOT. I rise in support of the amendment in the nature of a substitute offered by the gentleman from Texas [Mr. ARMEY].

As a cosponsor of H.R. 4481 as it was originally introduced by the gentleman from Texas, I am concerned over changes that have been made in the bill as a result of committee action over the past several weeks. The committee bill we are considering today dramatically changes the original legislation, restoring some of the bureaucratic obstacles that we are seeking to eliminate. In fact, under the committee bill it might be even more difficult to close obsolete bases than under current law.

The most objectionable provision in the committee bill concerns the list of obsolete bases that will be submitted by a bipartisan commission. Under the original bill, great pains are taken to ensure the bipartisan nature of the Commission to prevent politics from entering the decisions on which bases to close. Once the list is compiled, the Secretary of Defense is required to close all or none of the bases on the list. The committee bill, however, requires an affirmative vote by Congress in order to proceed with closing the bases on the list. This requirement creates a perfect opportunity for further delays by those who wish to block the closure of obsolete bases for reasons based on the economic benefits derived by the local economy in which the base is located.

Another major problem with the committee bill is that it reinstates requirements for socioeconomic mitigation and environmental restoration plans. These requirements translate into further dilatory opportunities and they should not be a part of legislation aimed at expediting the closure of military bases.

Mr. Chairman, our current public debt totals $2.8 trillion, and that figure will grow to $3 trillion by 1992 even if we immediately stop all deficit spending. Therefore, we simply cannot afford to let pass the relatively painless opportunity to save an estimated $2 to $5 billion per year in defense spending. If we fail to pass the Armey substitute amendment, then this opportunity will probably be lost.

In closing, I want to commend Mr. ARMEY for his relentless efforts on this issue, and I urge my colleagues to support his amendment in the nature of a substitute to H.R. 4481.

Mr. HEFLEY. Mr. Chairman, today we have the unique opportunity to cut special interest and pork from our budget. This is an opportunity to be fiscally responsible by cutting fat rather than muscle from our military budget.

H.R. 4481, sponsored by Representative DICK ARMEY, provides for the realignment and closure of obsolete military bases, a savings to the taxpayers of up to $5 billion per year!

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As for communities surrounding these obsolete bases, a 1986 DOD Economic Advisory Committee review found that out of 100 major base closings since 1961, 138,000 new jobs were created at the private airports, industrial parks, schools, recreation centers, et cetera, that replaced the bases and their 93,000 civilian employees.

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A vote on the substitute would allow the world to see who wants to close unnecessary bases and who wants to go on wasting money. I urge my colleagues to vote yes on the Armey substitute.

The CHAIRMAN. The question is in the amendment in the nature of a substitute offered by the gentleman from Texas [Mr. ARMEY], as amended.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ARMEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 223, noes 186, not voting 22, as follows:

[Roll No. 223]

AYES—223

Andrews
Archer
Armey
AuCoin
Baker
Ballenger
Bartlett
Barton
Bates
Beilenson
Bentley
Bereuter
Berman
Bilirakis
Bliley
Boehlert
Brennan
Broomfield
Brown (CA)
Brown (CO)
Buechner
Burton
Byron
Callahan
Carper
Carr
Chandler
Chapman
Clarke
Clinger
Coats
Coble
Coleman (MO)
Conte
Cooper
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeFazio
DeLay
Derrick
DeWine
Dickinson
DioGuardi
Dorgan (ND)
Dornan (CA)
Dreier
Durbin
Edwards (OK)
Emerson
Erdreich
Fawell
Fields
Fish
Flippo
Frenzel
Gallegly
Gallo
Garcia
Gekas
Gibbons
Gingrich
Goodling
Grandy
Green
Gregg
Guarini
Gunderson
Hall (TX)
Hammerschmidt
Hansen
Harris
Hastert
Hayes (LA)
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Hubbard
Huckaby
Hunter
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Kasich
Kastenmeier
Kennelly
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lehman (FL)
Lent
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Marlenee
Martin (IL)
Mazzoli
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McHugh
McMillan (NC)
Meyers
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Murphy
Neal
Nichols
Nielson
Nowak
Oberstar
Olin
Owens (UT)
Oxley
Packard
Parris
Pease
Penny
Petri
Pickle
Porter
Price
Pursell
Quillen
Rahall
Ravenel
Regula
Rhodes
Richardson
Rinaldo
Ritter
Roberts
Robinson
Rogers
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Russo
Saxton
Schaefer
Scheuer
Schneider
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Skaggs
Skeen
Slaughter (NY)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solarz
Solomon
Stallings
Stangeland
Stump
Sundquist
Sweeney
Swindall
Tauke
Tauzin
Taylor
Thomas (CA)
Traxler
Upton
Vander Jagt
Vento
Volkmer
Walker
Weber
Weldon
Whittaker
Wilson
Wolf
Wyden
Wylie
Yates

NOES—186

Ackerman
Akaka
Alexander
Annunzio
Anthony
Applegate
Aspin
Barnard
Bateman
Bennett
Bevill
Bilbray
Boggs
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Brooks
Bruce
Bryant
Bustamante
Campbell
Cardin
Chappell
Clay
Clement
Coelho
Coleman (TX)
Collins
Combest
Conyers
Coyne
Crockett
Darden
Davis (MI)
de la Garza
Dellums
Dicks
Dingell
Dixon
Donnelly
Downey
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Espy
Evans
Fascell
Fazio
Feighan
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gaydos
Gejdenson
Gephardt
Gilman
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Gray (PA)
Hall (OH)
Hamilton
Hatcher
Hawkins
Hayes (IL)
Hefner
Hertel
Hochbrueckner
Horton
Hoyer
Hughes
Hutto
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kennedy
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Lehman (CA)
Lewis (GA)
Lipinski
Lloyd
Lott
Lowry (WA)
Madigan
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
McCloskey
McCurdy
McMillen (MD)
Mfume
Mineta
Moakley
Mollohan
Montgomery
Moody
Mrazek
Murtha
Myers
Nagle
Natcher
Nelson
Oakar
Obey
Ortiz
Owens (NY)
Panetta
Pashayan
Patterson
Payne
Pelosi
Pepper
Perkins
Pickett
Ray
Ridge
Rodino
Roe
Rose
Roybal
Sabo
Saiki
Savage
Sawyer
Schroeder
Sisisky
Skelton
Slattery
Slaughter (VA)
Smith (FL)
Snowe
Spratt
St Germain
Staggers
Stark
Stenholm
Stokes
Studds
Swift
Synar
Tallon
Thomas (GA)
Torricelli
Traficant
Udall
Valentine
Visclosky
Vucanovich
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wise
Wolpe
Wortley
Yatron
Young (AK)
Young (FL)

NOT VOTING—22

Anderson
Atkins
Badham
Biaggi
Boulter
Boxer
Bunning
Cheney
Dowdy
Flake
Gradison
Kemp
Leland
Levin (MI)
Luken, Thomas
MacKay
Mica
Rangel
Spence
Stratton
Torres
Towns

□ 1647

Messrs. BENNETT, BARNARD, and APPLEGATE changed their vote from "aye" to "no."

Messrs. VOLKMER, SCHEUER, OWENS of Utah, RICHARDSON, NICHOLS, and YATES changed their vote from "no" to "aye."

So the amendment in the nature of a substitute, as amended, was agreed to.

The result of the vote was announced as above recorded.

Mr. DONNELLY. Mr. Chairman, I rise in opposition to H.R. 4481, the Defense Savings Act.

Mr. Chairman, proponents of ths legislation say that it is a deficit reduction measure, and that it is a good way to halt wasteful defense spending. They are wrong.

Any base slated for closure which still serves a strategic function will require the relocation of that military activity. The transfer and construction costs of relocation alone can exceed the amount saved by closing the base. In addition, environmental cleanup and economic assistance to the surrounding communities, which I fully support and which are required by the bill, will add additional costs. Finally, estimates of the operating costs for the additional level of bureaucracy created by this legislation would require closing between 20 and 40 bases just to break even.

Let's assume for the moment, however, that closing the expected 30 or so bases actually saves money. Where will this money go? Will it go toward deficit reduction? The answer is no. Any savings which might be realized through base closures will not go toward reducing the Federal deficit, or even for funding of important domestic programs, which have already been cut to the bone in order to finance the recent growth in the defense budget. Instead, the Pentagon will use any savings to increase funding for other defense programs.

If we want to find ways to eliminate waste in the defense budget we should be looking closely at our continued spending on wasteful and unnecessary programs like SDI or the MX missile. We should be looking at the types of activities currently being investigated by the Justice Department, where massive fraud has led to huge expenditures for weapons systems of questionable value. And yes, we should close any military bases where doing so will actually save us money.

Both the Defense Department and Congress already have the means available to close existing military facilities. They require extensive study of the strategic, economic, social, and environmental impact of a particular base closing. The existing system provides an opportunity to eliminate unnecessary facilities. Creating another costly and unneeded level of bureaucracy is wasteful in itself.

I am concerned that this legislation will be used as a political bludgeon against those Members who have opposed increased defense spending. I don't need to look any further than my own State to see how base closings can be used as political weapons. And, as I have said, I do not believe that this bill will do anything to reduce the Federal deficit or waste in the defense budget. I urge my colleagues to join me in opposing this legislation.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ASPIN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 374, noes 39, not voting 18, as follows:

[Roll No. 224]

AYES—374

Ackerman
Akaka
Andrews
Anthony
Archer
Armey
Aspin
AuCoin
Baker
Ballenger
Barnard
Bartlett
Barton
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior
Bonker
Bosco
Boucher
Brennan
Broomfield
Brown (CA)
Brown (CO)
Bryant
Buechner
Burton
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (OK)
Emerson
Erdreich
Espy
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flippo
Florio
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Goodling
Gordon
Grandy
Grant
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Livingston
Lloyd
Lowery (CA)
Lowry (WA)
Lujan
Lukens, Donald
Lungren
Mack
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCollum
McCrery
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solarz
Solomon
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Walker
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NOES—39

Alexander
Annunzio
Applegate
Bateman
Borski
Boxer
Brooks
Bruce
Bustamante
Collins
Combest
Donnelly
Dyson
Edwards (CA)
English
Evans
Foglietta
Gonzalez
Gray (IL)
Hall (OH)
Horton
Hutto
Lipinski
Lott
Madigan
McCloskey
Montgomery
Moody
Natcher
Ortiz
Saiki
Savage
Schroeder
Skelton
Snowe
Traficant
Vucanovich
Watkins
Whitten

NOT VOTING—18

Anderson
Atkins
Badham
Biaggi
Boulter
Bunning
Cheney
Dowdy
Flake
Gradison
Kemp
Luken, Thomas
MacKay
Mica
Rangel
Spence
Stratton
Towns

□ 1706

Mr. SAVAGE and Mrs. COLLINS changed their vote from "aye" to "no.'

So the committee amendment in the nature of a substitute, as amended, was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. VOLKMER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4481) to provide for the closing and realigning of certain military installations during a certain period, pursuant to House Resolution 489, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to clause 5, rule I, the Chair will put the question on each motion to suspend the rules on which further proceedings were postponed on Monday, July 11, 1988, in the order in which that motion was entertained.

The votes will be taken in the following order:

H.R. 4861, by the yeas and nays; and

H.R. 3361, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

GRANTS FOR STATE VETERANS' CEMETERIES

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill, H.R. 4861.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 4861, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 414, nays 0, not voting 17, as follows:

[Roll No. 225]

YEAS—414

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
AuCoin
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—0

NOT VOTING—17

Anderson
Atkins
Badham
Bentley
Biaggi
Boulter
Bunning
Cheney
Dowdy
Flake
Gradison
Kemp
Luken, Thomas
MacKay
Mica
Spence
Towns

□ 1728

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1730

NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS ACT

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill, H.R. 3361, as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from California [Mr. WAXMAN] that the House suspend the rules and pass the bill, H.R. 3361, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 409, nays 2, not voting 20, as follows:

[Roll No. 226]

YEAS—409

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crockett
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Grandy
Grant
Gray (IL)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent

Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Sensenbrenner
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—2

Crane
Dannemeyer

NOT VOTING—20

Anderson
Atkins
AuCoin
Badham
Biaggi
Boulter
Bunning
Cheney
Dowdy
Flake
Frenzel
Gradison
Gray (PA)
Kemp
Luken, Thomas
MacKay
Mica
Schumer
Spence
Towns

□ 1737

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF S. 2527, PLANT CLOSING NOTIFICATION ACT, AND H.R. 4848, OMNIBUS TRADE AND COMPETITIVENESS ACT OF 1988

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 100-767) on the resolution (H. Res. 491) providing for the consideration of the bill (S. 2527) to require advance notification of plant closings and mass layoffs, and for other purposes, and providing for the consideration of the bill (H.R. 4848) to enhance the competitiveness of American industry, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 4264, NATIONAL DEFENSE AUTHORIZATION ACT, FISCAL YEAR 1989, AND AGAINST CONSIDERATION OF SUCH CONFERENCE REPORT

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 100-768) on the resolution (H. Res. 492) waiving certain points of order against the conference report on the bill (H.R. 4264) to authorize appropriations for fiscal year 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, and against the consideration of such conference report, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4519, ARIZONA-FLORIDA LAND EXCHANGE ACT OF 1988

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 100-769) on the resolution (H. Res. 493) providing for the consideration of the bill (H.R. 4519) to provide for the disposition of certain lands in Arizona under the jurisdiction of the Department of the Interior by means of an exchange of lands, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3964, ESTABLISHING A NATIONAL PARK SYSTEM REVIEW BOARD

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 100-770) on the resolution (H. Res. 494) providing for the consideration of the bill (H.R. 3964) to establish a National Park System Review Board, and for other purposes, which was referred to the House Calendar and ordered to be printed.

APPOINTMENT OF CONFEREES ON S. 1630, RETIREMENT AND SURVIVOR ANNUITIES FOR BANKRUPTCY JUDGES AND MAGISTRATES ACT OF 1987

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1630) to provide for retirement and survivors' annuities for bankruptcy judges and magistrates, and for other purposes, with a House amendment thereto, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin? The Chair hears none, and appoints the following conferees: Messrs. RODINO, KASTENMEIER, SYNAR, MOORHEAD, and HYDE.

FAMILY HEALTH SERVICES AMENDMENTS ACT OF 1988

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2385) to amend title III of the Public Health Services Act to revise and extend the programs of assistance for primary health care and the program of health services for the homeless, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. MADIGAN. Mr. Speaker, reserving the right to object, I take this time so that under my reservation I may yield to the gentleman from California [Mr. WAXMAN] for the purpose of his advising me whether or not I have a commitment from him concerning that part of the Senate bill that was in no way a part of the House-passed bill.

Mr. WAXMAN. Mr. Speaker, if the gentleman will yield, we have reached that agreement, and I am glad to give the gentleman our commitment that we will deal with the issues in the House-passed bill exclusively.

Mr. MADIGAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE: TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Family Health Services Amendments Act of 1988".

(b) Table of Contents.—This table of contents is as follows:

Sec. 1. Short title: Table of contents.
Sec. 2. References to the Public Health Service Act.

TITLE I—PRIMARY HEALTH CENTERS

Sec. 101. Migrant health centers.
Sec. 102. Community health centers.
Sec. 103. Requirement with respect to frontier areas.
Sec. 104. Administration of programs.

TITLE II—HEALTH SERVICES FOR THE HOMELESS

Sec. 201. Increase in required amount of matching funds and modification in eligibility for waiver with respect to matching funds.
Sec. 202. Temporary continued provision of services to certain former homeless individuals.
Sec. 203. Clarification of certain provisions.
Sec. 204. Authorizations of appropriations.

SEC. 2. REFERENCES TO THE PUBLIC HEALTH SERVICE ACT.

Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act (42 U.S.C. 201n et seq.).

TITLE I—PRIMARY HEALTH CENTERS

SEC. 101. MIGRANT HEALTH CENTERS.

(a) Definition.—Section 329(a)(1) (42 U.S.C. 254b(a)(1)) is amended—

(1) in subparagraph (F), by striking out "and";

(2) in subparagraph (G), by adding "and" after the comma at the end thereof; and

(3) by adding at the end thereof the following new subparagraph:

"(H) patient case management services (including outreach, counseling, referral, and follow-up),".

(b) High Impact Area Definition.—Section 329(a)(5) (42 U.S.C. 254b(a)(5)) is amended by adding at the end thereof the following new sentence: "The Secretary may not remove a project or program's 'high impact area' designation unless and until the project or program is afforded reasonable notice and an opportunity to provide data and information in support of continuing such designation.".

(c) Supplemental Health Services Definition.—Section 329(a)(7) (42 U.S.C. 254b(a)(7)) is amended—

(1) in subparagraph (K), by striking out "and";

(2) in subparagraph (L), by striking out the period at the end thereof and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new subparagraph:

"(M) other services appropriate to meet the health needs of the service area population.".

(d) Grants for Expansion and Construction.—The second sentence of section 329(c)(1)(A) (42 U.S.C. 254b(c)(1)(A)) is amended by striking out "acquisition and modernization of existing buildings" and inserting in lieu thereof "acquisition, expansion, and modernization of existing buildings, and construction of new facilities".

(e) Costs of Operation.—Section 329(d)(2) (42 U.S.C. 254b(d)(2)) is amended by striking out "acquiring and modernizing existing buildings" and inserting in lieu thereof "acquiring, expanding, and modernizing existing buildings, and construction of new facilities".

(f) Amount of Grants for Costs of Operation.—Section 329(d)(4) (42 U.S.C. 254b(d)(4)) is amended—

(1) by striking out subparagraph (A) and inserting in lieu thereof the following new subparagraph:

"(4)(A) The amount of any grant made in any fiscal year under subparagraph (A) of paragraph (1) to a health center shall be determined by the Secretary, but may not exceed the amount by which the costs of operation of the center in such fiscal year exceed the total of the fees, premiums, and third party reimbursements (as well as State, local, and other operational funding), which the center may reasonably be expected to receive for its operations in such fiscal year. In determining the amount of such grant for a center, if the application for the grant requests funds for a service described in subparagraph (D) or (E) of subsection (a)(1) (other than to the extent the funds would be used for the improvement of private property) or a supplemental health service described in subsection (a)(7), the Secretary shall include, in an amount determined by the Secretary and to the extent funds are available under appropriation Acts, funds for such service unless the Secretary makes a written finding that such service is not needed and provides the applicant with a copy of such findings."; and

(2) in subparagraph (B)—

(A) by striking out "clauses (i) and (ii) of" in clause (i); and

(B) by striking out "may retain such an amount (equal to not less than one-half of the amount by which such sum exceeded such costs) as the center can demonstrate to the satisfaction of the Secretary will be used to enable the center" in the matter immediately following clause (ii), and inserting in lieu thereof "shall be entitled to retain the additional amount of fees, premiums, and other third party reimbursements as the center will use".

(g) Application.—Section 329(f)(3)(F)(i) (42 U.S.C. 254b(f)(3)(F)(i)) is amended by inserting "which is consistent with locally prevailing rates or charges and which is" after "of its services".

(h) Authorization of Appropriations.—Section 329(h) (42 U.S.C. 254b(h)) is amended—

(1) by striking out paragraph (1) and inserting in lieu thereof the following new paragraph:

"(h)(1) For the purposes of subsections (c), (d), and (e), there are authorized to be appropriated $52,400,000 for fiscal year 1989, and such sums as are necessary in each of the fiscal years 1990 and 1991. The Secretary may not obligate for grants and contracts under subsection (c)(1) in any fiscal year an amount which exceeds 2 per centum of the funds appropriated under this paragraph for that fiscal year, the Secretary may not obligate for grants under subsection (d)(1)(C) in any fiscal year an amount which exceeds 5 per centum of such funds, and the Secretary may not obligate for contracts under subsection (e) in any fiscal year an amount which exceeds 10 per centum of such funds."; and

(2) by adding at the end thereof the following new paragraphs:

"(3)(A) In any case in which the amounts appropriated under paragraph (1) exceed $47,400,000 for fiscal year 1989, $51,400,000 for fiscal year 1990, or $55,000,000 for fiscal year 1991, the Secretary shall make the total amount of such excess available for grants to migrant health centers for—

"(i) the provision of services for the reduction of the incidence of infant mortality; and

"(ii) the development and coordination of referral arrangements between migrant health centers and entities for the health management of infants and pregnant women.

"(B) In making grants described in subparagraph (A) from amounts made available pursuant to such subparagraph, the Secretary shall give priority to migrant health centers providing services in any catchment area in which there is a substantial incidence of infant mortality or in which there is a significant increase in the incidence of infant mortality.

"(4) The Secretary shall prescribe procedures to assure that—

"(A) Grants under subsection (d) of this section to a program or project shall not be terminated in whole or in part unless there is cause and the program or project has first been afforded reasonable notice and opportunity for a hearing on the record.

"(B) No application for a grant under subsection (d) of this section from a program or project that received such a grant in the prior year shall be denied in whole or in part unless there is cause and the program or project has first been afforded reasonable notice and opportunity for a hearing on the record before the Administrator of the Health Resources and Services Administration.".

SEC. 102. COMMUNITY HEALTH CENTERS.

(a) Definition.—Section 330(a) (42 U.S.C. 254c(a)) is amended—

(1) in paragraph (4), by striking out "related to health, and" and inserting in lieu thereof "related to health";

(2) in paragraph (5), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(6) patient case management services (including outreach, counseling, referral, and follow-up).".

(b) Supplemental Health Services Definition.—Section 330(b)(2) (42 U.S.C. 254c(b)(2)) is amended—

(1) in subparagraph (L), by striking out "and";

(2) in subparagraph (M), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new subparagraph:

"(N) other services appropriate to meet the health needs of the service area population.".

(c) Notice of Proposed Regulations.—Section 330(b) (42 U.S.C. 254c(b)) is amended by adding at the end thereof the following new paragraph:

"(7) The Secretary may not change the criteria established under paragraph (4) without affording public notice and an opportunity for comment on any such proposed changes in accordance with section 553 of title 5, United States Code.".

(d) GRANTS FOR EXPANSION AND CONSTRUCTION.—Section 330(c)(1) (42 U.S.C. 254c(c)(1)) is amended in the second sentence by striking out "acquisition and modernization of existing buildings" and inserting in lieu thereof "acquisition, expansion, and modernization of existing buildings, and construction of new facilities".

(e) COSTS OF OPERATION.—Section 330(d)(2) (42 U.S.C. 254c(d)(2)) is amended by striking out "acquiring and modernizing existing buildings" and inserting in lieu thereof "acquiring, expanding, and modernizing existing buildings, and construction of new facilities".

(f) AMOUNT OF GRANTS FOR COSTS OF OPERATION.—Section 330(d)(4) (42 U.S.C. 254c(d)(4)) is amended—

(1) by striking out subparagraph (A) and inserting in lieu thereof the following new subparagraph:

"(4)(A) The amount of any grant made in any fiscal year under paragraph (1) (other than subparagraph (C)) to a community health center shall be determined by the Secretary, but may not exceed the amount by which the costs of operation of the center in such fiscal year exceed the total of the fees, premiums, and third party reimbursements (as well as State, local, and other operational funding), which the center may reasonably be expected to receive for its operations in such fiscal year. In determining the amount of such a grant for a center, if the application for the grant requests funds for a service described in subsection (a)(4) (other than to the extent the funds would be used for the improvement of private property) or a supplemental health service described in subsection (b)(2), the Secretary shall include, in an amount determined by the Secretary and to the extent funds are available under appropriation Acts, funds for such service unless the Secretary makes a written finding that such service is not needed and provides the applicant with a copy of such finding."; and

(2) in subparagraph (B)—

(A) by striking out "clauses (i) and (ii) of" in clause (i); and

(B) by striking out "may retain such an amount (equal to not less than one-half of the amount by which such sum exceeded such costs) as the center can demonstrate to the satisfaction of the Secretary will be used to enable the center" in the matter immediately following clause (ii), and inserting in lieu thereof "shall be entitled to retain the additional amount of fees, premiums, and third party reimbursements as the center will use".

(g) APPLICATION.—Section 330(e)(3)(F)(i) (42 U.S.C. 254c(e)(3)(F)(i)) is amended by inserting "which is consistent with locally prevailing rates or charges and which is" after "of its services".

(h) AUTHORIZATION OF APPROPRIATIONS.—Section 330(g) (42 U.S.C. 254c(g)) is amended—

(1) by striking out paragraph (1) and inserting in lieu thereof the following new paragraph:

"(g)(1) There are authorized to be appropriated for payments pursuant to grants under this section $500,000,000 for fiscal year 1989, and such sums as may be necessary in each of the fiscal years 1990 and 1991."; and

(2) by adding at the end thereof the following new paragraphs:

"(4)(A) In any case in which the amounts appropriated under paragraph (1) exceed $435,000,000 for fiscal year 1989, $465,000,000 for fiscal year 1990, or $495,000,000 for fiscal year 1991, the Secretary shall make the total amount of such excess available for grants to community health centers for—

"(i) the provision of services for the reduction of the incidence of infant mortality; and

"(ii) the development and coordination of referral arrangements between community health centers and entities for the medical management of infants and pregnant women.

"(B) In making grants described in subparagraph (A) from amounts made available pursuant to such subparagraph, the Secretary shall give priority to community health centers providing services to any medically underserved population among which there is substantial incidence of infant mortality or among which there is a significant increase in the incidence of infant mortality.

"(5) The Secretary shall prescribe procedures to assure that—

"(A) Grants under subsection (d) of this section to a center or project shall not be terminated in whole or in part unless there is cause and the center or project has first been afforded reasonable notice and opportunity for a hearing on the record; and

"(B) No applicant for a grant under subsection (d) on this section from a center or project that received such a grant in the prior year shall be denied in whole or in part unless there is cause and the center or project has first been afforded reasonable notice and opportunity for a hearing on the record before the Administrator of the Health Resources and Services Administration.".

SEC. 103. REQUIREMENT WITH RESPECT TO FRONTIER AREAS.

Section 330 (42 U.S.C. 254c) is amended by adding at the end thereof the following new subsection:

"(j) In making grants under this section, the Secretary shall give special consideration to the unique needs of frontier areas.".

SEC. 104. ADMINISTRATION OF PROGRAMS.

Subpart I of part D of title III (42 U.S.C. 254B et seq.) is amended by adding at the end thereof the following new section:

"SEC. 330A. ADMINISTRATION OF PROGRAMS.

"The Secretary may delegate the authority to administer the programs authorized under section 329 and section 330 to any office within the Public Health Service, except that the authority to enter into, modify, or issue approvals with respect to grants or contracts, may be delegated only within the central office of the Health Resources and Services Administration.".

TITLE II—HEALTH SERVICES FOR THE HOMELESS

SEC. 201. INCREASE IN REQUIRED AMOUNT OF MATCHING FUNDS AND MODIFICATION IN ELIGIBILITY FOR WAIVER WITH RESPECT TO MATCHING FUNDS.

(a) INCREASE IN REQUIRED AMOUNT.—Section 340(e)(1)(A)(ii) (42 U.S.C. 256(e)(1)(A)(ii) is amended by striking out "Federal funds provided in such grant" and inserting in lieu thereof the following: "Federal funds provided for the first fiscal year of payments under the grant and not less than $1 (in cash or in kind under such subparagraph) for each $3 of Federal funds provided for any subsequent fiscal year of payments under the grant".

(b) EFFECTIVE DATE FOR INCREASE.—The amendments made by subsection (a) shall take effect October 1, 1989.

(c) MODIFICATION IN ELIGIBILITY FOR WAIVER.—Section 340(e)(2) (42 U.S.C. 256(e)(2)) is amended to read as follows:

"(2) The Secretary may waive the requirement established in paragraph (1)(A) if the applicant involved is a nonprofit private entity and the Secretary determines that it is not feasible for the applicant to comply with such requirement.".

SEC. 202. TEMPORARY CONTINUED PROVISION OF SERVICES TO CERTAIN FORMER HOMELESS INDIVIDUALS.

(a) IN GENERAL.—Section 340 (42 U.S.C. 256) is amended—

(1) by redesignating subsections (h) through (q) as subsections (i) through (r), respectively; and

(2) by adding after subsection (g) the following new subsection:

"(h) TEMPORARY CONTINUED PROVISION OF SERVICES TO CERTAIN FORMER HOMELESS INDIVIDUALS.—If any grantee under subsection (a) has provided services described in subsection (f) or (g) to a homeless individual, any such grantee may, notwithstanding that the individual is no longer homeless as a result of becoming a resident in permanent housing, expend the grant to continue to provide such services to the individual for not more than 12 months.".

(b) CONFORMING AMENDMENTS.—

(1) Section 340(d)(1) (42 U.S.C. 256(d)(1)) is amended—

(A) in subparagraph (C), by striking out "(h)" and inserting in lieu thereof "(i)";

(B) in subparagraph (D), by striking out "(i)" and inserting in lieu thereof "(j)";

(C) in subparagraph (E), by striking out "(j)" and inserting in lieu thereof "(k)"; and

(D) in subparagraph (F), by striking out "(k)" and inserting in lieu thereof "(l)".

(2) Section 332(a)(3) (42 U.S.C. 254e(a)(3)) is amended by striking out "340(q)(2)" and inserting in lieu thereof "340(r)".

(3) Section 536(1) (42 U.S.C. 290cc-36(1)) is amended by striking out "340(q)(2)" and inserting in lieu thereof "340(r)".

SEC. 203. CLARIFICATION OF CERTAIN PROVISIONS.

(a) PROVISION OF TECHNICAL ASSISTANCE.—Section 340(o)(2) (as redesignated in section 202(a)(1) of this Act) is amended by striking out "(p)(1)," and inserting in lieu thereof "(q)(1) for a fiscal year,".

(b) DEFINITION OF HOMELESS INDIVIDUAL.—Section 340(r)(2) (as redesignated in section 202(a)(1) of this Act) is amended by striking out "living accommodations." and inserting in lieu thereof "living accommodations and an individual who is a resident in transitional housing.".

SEC. 204. AUTHORIZATIONS OF APPROPRIATIONS.

Paragraph (1) of section 340(q) (as redesignated in section 202(a)(1) of this Act) is amended to read as follows:

"(q)(1) There are authorized to be appropriated to carry out this section $61,200,000 for fiscal year 1989, $63,600,000 for fiscal year 1990, and $66,200,000 for fiscal year 1991.".

MOTION OFFERED BY MR. WAXMAN

Mr. WAXMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WAXMAN moves to strike all after the enacting clause of the Senate bill, S. 2385, and insert in lieu thereof the test of H.R. 4503, as passed by the House, as follows:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Community and Migrant Health Centers Amendments of 1988".

SEC. 2. MIGRANT HEALTH CENTERS.

(a) ADDITION OF PATIENT CASE MANAGEMENT SERVICES TO LIST OF PROVIDED SERVICES.—Section 329(a)(1) of the Public Health Service Act (42 U.S.C. 254b(a)(1)) is amended—

(1) by striking "and" at the end of subparagraph (F) and inserting "and" at the end of subparagraph (G); and

(2) by inserting after subparagraph (G) the following new subparagraph:

"(H) patient case management services (including outreach, counseling, referral, and follow-up services),".

(b) ADDITION OF APPROPRIATE HEALTH NEEDS TO LIST OF SUPPLEMENTAL HEALTH SERVICES.—Section 329(a)(7) of the Public Health Service Act (42 U.S.C. 254b(a)(7)) is amended—

(1) by striking "and" at the end of subparagraph (K);

(2) by striking the period at the end of subparagraph (L) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(M) other services appropriate to meet the health needs of the population served by the migrant health center involved.".

(c) PROCEDURES FOR ALTERATION OF DETERMINATION OF HIGH IMPACT AREA.—Section 329(d)(1)(A) of the Public Health Service Act (42 U.S.C. 254b(d)(1)(A)) is amended—

(1) by inserting "(i)" after the subparagraph designation; and

(2) by adding at the end the following new clause:

"(ii) If the Secretary makes a determination that an area is a high impact area, the Secretary may alter the determination only after providing to the grantee under subclause (i) for the area, and to other interested entities in the area, reasonable notice with respect to such termination and a reasonable opportunity to offer information with respect to such termination.".

(d) REQUIREMENT OF FEES CONSISTENT WITH LOCALLY PREVAILING RATES.—Section 329(f)(3)(F)(i) of the Public Health Service Act (42 U.S.C. 254b(f)(3)(F)(i)) is amended—

(1) by inserting after "provision of its services" the following: "consistent with locally prevailing rates or charges and"; and

(2) by inserting "has prepared" after "operation and".

(e) AUTHORITY WITH RESPECT TO EXPANSION OF CENTERS.—Section 329 of the Public Health Service Act (42 U.S.C. 254b) is amended—

(1) in the second sentence of subsection (c)(1)(A), by striking "acquisition and modernization" and inserting "acquisition, expansion, and modernization";

(2) in the matter after and below subsection (c)(1)(B)(iv), by striking "acquisition and modernization" and inserting "acquisition, expansion, and modernization";

(3) in the matter after and below subsection (d)(1)(B)(iv), by striking "acquisition and modernization" and inserting "acquisition, expansion, and modernization";

(4) in the matter after and below subsection (d)(1)(C)(iii), by striking "acquisition and modernization" and inserting "acquisition, expansion, and modernization";

(5) in subsection (d)(2), by striking "acquiring and modernizing" and inserting "acquiring, expanding, and modernizing"; and

(6) in subsection (d)(4)(B)(ii)(III), by striking "construct and modernize" and inserting "construct, expand, and modernize".

(f) AUTHORIZATION OF APPROPRIATIONS.—Section 329(h) of the Public Health Service Act (42 U.S.C. 254b(h)) is amended—

(1) by amending paragraph (1) to read as follows:

"(1)(A) For the purposes of subsections (c) through (e), there are authorized to be appropriated $46,000,000 for fiscal year 1989, $48,000,000 for fiscal year 1990, and $50,000,000 for fiscal year 1991.

"(B) Of the amounts appropriated pursuant to subparagraph (A) for a fiscal year, the Secretary may obligate for grants and contracts under subsection (c)(1) not more than 2 percent, for grants under subsection (d)(1)(C) not more than 5 percent, and for contracts under subsection (e) not more than 10 percent."; and

(2) by redesignating paragraph (2) as paragraph (3) and inserting after paragraph (1) the following new paragraph:

"(2)(A) For the purpose of carrying out subparagraph (B), there are authorized to be appropriated $1,100,000 for fiscal year 1989, $1,200,000 for fiscal year 1990, and $1,300,000 for fiscal year 1991.

"(B) The Secretary may make grants to migrant health centers to assist such centers in—

"(i) providing services for the reduction of the incidence of infant mortality; and

"(ii) developing and coordinating referral arrangements between migrant health centers and other entities for the health management of infants and pregnant women.

"(C) In making grants under subparagraph (B), the Secretary shall give priority to migrant health centers providing services in any catchment area in which there is a substantial incidence of infant mortality or in which there is a significant increase in the incidence of infant mortality.".

SEC. 3. COMMUNITY HEALTH CENTERS.

(a) ADDITION OF PATIENT CASE MANAGEMENT SERVICES TO LIST OF PROVIDED SERVICES.—Section 330(a)(1) of the Public Health Services Act (42 U.S.C. 254c(a)(1)) is amended—

(1) by striking "and" at the end of paragraph (4) and inserting "and" at the end of paragraph (5); and

(2) by inserting after paragraph (5) the following new paragraph:

"(6) patient case management services (including outreach, counseling, referral, and follow-up services),".

(b) ADDITION OF APPROPRIATE HEALTH NEEDS TO LIST OF SUPPLEMENTAL HEALTH SERVICES.—Section 330(b)(2) of the Public Health Service Act (42 U.S.C. 254c(b)(2)) is amended—

(1) by striking "and" at the end of subparagraph (L);

(2) by striking the period at the end of subparagraph (M) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(N) other services appropriate to meet the health needs of the medically underserved population served by the community health center involved.".

(c) REQUIREMENT OF NOTICE AND COMMENT WITH RESPECT TO REGULATIONS ON MEDICALLY UNDERSERVED POPULATIONS.—Section 330(b)(4) of the Public Health Service Act (42 U.S.C. 254c(b)(4)) is amended by inserting after and below subparagraph (B) the following:

"The Secretary may modify the criteria established in regulations issued under this paragraph only after affording public notice and an opportunity for comment on any such proposed modifications.".

(d) REQUIREMENT OF FEES CONSISTENT WITH LOCALLY PREVAILING RATES.—Section 330(e)(3)(F)(i) of the Public Health Service Act (42 U.S.C. 254c(e)(3)(F)(i)) is amended—

(1) by inserting after "provision of its services" the following: "consistent with locally prevailing rates or changes and"; and

(2) by inserting "has prepared" after "operation and".

(e) AUTHORITY WITH RESPECT TO EXPANSION OF CENTERS.—Section 330 of the Public Health Service Act (42 U.S.C. 254c) is amended—

(1) in the second sentence of subsection (c)(1), by striking "acquisition and modernization" and inserting "acquisition, expansion, and modernization";

(2) in the matter after and below subsection (d)(1)(C)(iii), by striking "acquisition and modernization" and inserting "acquisition, expansion, and modernization";

(3) in subsection (d)(2), by striking "acquiring and modernizing" and inserting "acquiring, expanding, and modernizing"; and

(4) in subsection (d)(4)(B)(ii)(III), by striking "construct and modernize" and inserting "construct, expand, and modernize".

(f) AUTHORIZATION OF APPROPRIATIONS.—Section 330(g) of the Public Health Service Act (42 U.S.C. 254c(g)) is amended—

(1) by amending paragraph (1) to read as follows:

"(1)(A) For the purpose of payments under grants under this section, there are authorized to be appropriated $408,000,000 for fiscal year 1989, $423,000,000 for fiscal year 1990, and $437,000,000 for fiscal year 1991.";

(2)(A) by redesignating subparagraphs (A) and (B) of paragraph (2) as clauses (i) and (ii), respectively;

(B) by redesignating paragraph (2) as subparagraph (B);

(C) in paragraph (1)(B)(i) (as so redesignated), by striking "this section" and inserting "paragraph (1)"; and

(D) in paragraph (1)(B)(ii) (as so redesignated), by striking "this section" and inserting "paragraph (1)"; and

(3) by inserting after paragraph (1) the following new paragraph:

"(2)(A) For the purpose of carrying out subparagraph (B), there are authorized to be appropriated $19,400,000 for fiscal year 1989, $20,000,000 for fiscal year 1990, and $21,000,000 for fiscal year 1991.

"(B) The Secretary may make grants to community health centers to assist such centers in—

"(i) providing services for the reduction of the incidence of infant mortality; and

"(ii) developing and coordinating referral arrangements between community health centers and other entities for the health management of infants and pregnant women.

"(C) In making grants under subparagraph (B), the Secretary shall give priority to community health centers providing services to any medically underserved population among which there is a substantial incidence of infant mortality or among which there is a significant increase in the incidence of infant mortality.".

SEC. 4. REQUIREMENT WITH RESPECT TO FRONTIER AREAS.

Section 330 of the Public Health Service Act (42 U.S.C. 254c) is amended by adding at the end the following new subsection:

"(j) In making grants under this section, the Secretary shall give special consideration to the unique needs of frontier areas.".

SEC. 5. EFFECTIVE DATE.

The amendments made by this Act shall take effect October 1, 1988, or upon the date of the enactment of this Act, whichever occurs later.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "An act to amend the Public Health Service Act to revise and extend the programs establishing migrant health centers and community health centers."

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON S. 2385

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that the House insist on its amendment to the Senate bill, S. 2385, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from California? The Chair hears none, and appoints the following conferees: Messrs. DINGELL, WAXMAN, HALL of Texas, LENT, and MADIGAN.

CORRECTION IN ENGROSSMENT OF S. 1402, NURSING SHORTAGE REDUCTION AND EDUCATION EXTENSION ACT OF 1988

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill House amendment to the bill S. 1402, to amend the Public Health Service Act to revise and extend the programs of nurse education established in title VIII of such act, and for other purposes, the Clerk be directed to insert "through 1991." at the end of section 302.

Mr. Speaker, this will correct a defect stemming from a printing error in the calendar print of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. MADIGAN. Mr. Speaker, reserving the right to object, I take this time so that under this reservation I might yield to the gentleman from California [Mr. WAXMAN] for an explanation of his unanimous-consent request.

Mr. WAXMAN. Mr. Speaker, I thank the gentleman for yielding.

This request is made to correct an error in the printing of the legislation that was adopted by the House to conform to the text of the bill that was adopted in the Committee on Energy and Commerce.

Mr. MADIGAN. Further reserving the right to object, Mr. Speaker, may I ask, Is this the nurses' training bill?

Mr. WAXMAN. The gentleman is correct.

Mr. MADIGAN. And the purpose of this procedure now is to add to the bill an amendment that was adopted unanimously in the Committee on Energy and Commerce but which did not appear in the printed bill?

Mr. WAXMAN. The gentleman is correct.

Mr. MADIGAN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

GENERAL LEAVE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4481, the base closure bill that was passed earlier today.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

INTRODUCTION OF DEFENSE CONSULTANT REFORM ACT OF 1988

(Mr. BENNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. BENNETT. Mr. Speaker, today I am introducing the Defense Consultant Reform Act of 1988.

Mr. Speaker, some have criticized bills introduced in the wake of the Pentagon procurement scandal as knee-jerk overreactions by Congress. I believe this bill does not fit this definition. After sitting through several hearings on this scandal, I do not have all of the final answers. But I do know that defense consultants are part of the problem. And the biggest problem is that we don't know who they are, and we don't know what they do. We don't even know where their loyalties lie, even when they serve the Government.

Obviously, the first step is to get more information about their activities, and to prohibit outright those activities that we know are wrong.

This bill is intended to get more information about the activities of defense consultants, to establish tough penalties for those who fail to report, and to prohibit the Defense Department from using any consultant or member of an advisory board under circumstances where there might be a conflict of interest.

First, the bill requires all defense contractors to report at the time they are awarded a contract the names of all the consultants they use. Failure to report accurately could result in cancellation of contracts.

Second, the bill prohibits DOD from awarding a contract to a consultant, or using a consultant as a member of an advisory board, if circumstances exist that might make such use improper by reason of a conflict of interest.

Third, the bill would require all consultants to defense contractors or to DOD to register with the Secretary of Defense. They would have to report their clients and who pays them for their work. Failure to report would be punished with a fine or suspension from contracts with DOD.

Finally, the bill would require DOD to report to Congress the names of all consultants who work for the DOD, even if they just serve on advisory boards.

I include here the text of the bill:

H.R. 5016

A bill to regulate the uses, and obligations, of consultants in the Department of Defense and in defense contracting

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This act may be cited as the "Defense Consultant Reform Act of 1988."

SEC. 2. REGULATION OF AND CONFLICTS-OF-INTEREST OF CONSULTANTS.

At the end of chapter 141 of title 10, United States Code, insert the following new section:

"SEC. 2410. REPORTING, REGISTRATION AND REGULATION OF CONSULTANTS, AND PENALTIES.

"(a) CONTRACTOR REPORTING ON USE OF CONSULTANTS AND PENALTIES FOR MISINFORMATION.—Any firm receiving a contract with the Department of Defense, or any of its agencies or personnel, shall certify at the time of contract award as to which consultants, if any, the firm uses or expects to use. Failure to furnish such information accurately may be the basis for cancellation of any contract entered into with said firm.

"(b) PROHIBITION ON AWARD OF CONTRACTS.—The Department of Defense or any of its agencies or personnel thereof shall not enter into any contract for consulting services with, or use services provided on an advisory basis (whether compensated or uncompensated) by, a consultant under circumstances that might make the award of such contract or the use of such consultant improper by reason of a conflict of interest, or by reason of other considerations deemed appropriate by the Secretary of Defense.

"(c) REGISTRATION REQUIREMENT.—Within 60 days of enactment of this Act, and by March 1 of each year following the year in which this Act is enacted, any covered consultant shall register with the Secretary of Defense in the manner described under subsection (d).

"(d) INFORMATION REPORTED UNDER REGISTRATION.—In registering with the Secretary of Defense, a covered consultant shall provide under oath his name and business address, the name and address of the firm or government office by whom he is employed, a list of all of those for whom he performs consulting services, and a list of those by whom he or his employer is paid or is to be paid.

"(e) DEFINITIONS.—In this section, the term 'covered consultant' shall mean any person who provides consulting services to a firm that is a contractor with the Department of Defense, or with any agency or personnel thereof (if such consulting services relate to such firm's defense business), or who receives a contract to provide consulting services to the Department of Defense or to any agency or personnel thereof, or who serves on any advisory board of the Department of Defense or any agency thereof, including service that is uncompensated.

"(f) Penalties.—If any covered consultant fails to register as required under subsection (a), or to provide accurate information in such registration, the Secretary of Defense shall suspend any contract of the Department of Defense with such consultant for a period of not less than 3 years, and such consultant shall be fined not more than $100,000.

"(g) Department of Defense Report on Use of Consultants.—The Secretary of Defense shall provide to Congress by April 1 of each year a list of all persons providing consulting services to the Department of Defense, including services provided for any advisory committee relating to the Department of Defense on a compensated or uncompensated basis.

THE OLIVE BRANCH HAS NOT WORKED IN NICARAGUA

(Mr. McEWEN asked and was given permission to address the House for 1 minute and to include extraneous matter.)

Mr. McEWEN. Mr. Speaker, many in this body and out have supported peace and democracy in Nicaragua and were successful in bringing the Marxist Sandinistas to the bargaining table. Late last year and earlier this year there was reason for optimism with the opening of La Prensa and the opening of Radio Catolica, and the beginning of the release of political prisoners, and our prayer was that by bringing pressure upon the Marxist government in Nicaragua, that there would be a glimmer of hope that democracy would finally come to that troubled nation.

However, on February 3 of this year the Congress chose to alter that successful policy and voted to abandon our effort to bring democracy and freedom to Central America and put our trust in the Ortega brothers. And what have the Marxists done in return to the olive branch from the majority leadership of this House? They have stamped out freedom of the press, they have ended the right of assembly, they have continually terrorized the political opposition, and now our dear Commandante Ortega has closed down Radio Catolica again and La Prensa and sent in Tomas Borge's thugs to break up another rally as well as now expelling the American diplomatic delegation.

Mr. Speaker, for those who are supportive of this policy and to remind history as to where we stand, I insert in the Record the February 3 vote whereby we embarked upon this course, and those who approve of it.

The vote referred to follows:

The question is on the passage of the joint resolution.

The question was taken; and the Speaker announced that the noes appeared to have it.

RECORDED VOTE

Mr. Edwards of Oklahoma. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 211, noes 219, not voting 3, as follows:

[Roll No. 7]

Ayes—211

Archer, Armey, Badham, Baker, Ballenger, Barnard, Bartlett, Barton, Bateman, Bennett, Bentley, Bereuter, Bevill, Bilirakis, Bliley, Boulter, Broomfield, Brown (CO), Buechner, Bunning, Burton , Byron, Callahan, Chandler, Chapman, Chappell, Cheney, Clinger, Coats, Coble, Coleman (MO), Combest.

Coughlin, Courter, Craig, Crane, Dannemeyer, Darden, Daub, Davis (IL), Davis (MI), DeLay, DeWine, Dickinson, DioGuardi, Dornan (CA), Dowdy, Dreier, Duncan, Edwards (OK), Emerson, English, Erdreich, Fascell, Fawell, Fields, Fish, Flippo, Frenzel, Gallegly, Gallo, Gekas, Gibbons, Gilman.

Gingrich, Goodling, Gradison, Grandy, Grant, Gregg, Gunderson, Hall (TX), Hammerschmidt, Hansen, Harris, Hastert, Hatcher, Hayes (LA), Hefley, Herger, Hiler, Holloway, Hopkins, Hubbard, Huckaby, Hunter, Hutto, Hyde, Inhofe, Ireland, Jenkins, Johnson (CT), Kasich, Kemp, Kolbe, Konnyu.

Kyl, Lagomarsino, Latta, Leath (TX), Lent, Lewis (CA), Lewis (FL), Lipinski, Livingston, Lloyd, Lott, Lowery (CA), Lujan, Donald Lukens, Lungren, Mack, Madigan, Marlenee, Martin (IL), Martin (NY), McCandless, McCollum, McDade, McEwen, McGrath, McMillan (NC), Meyers, Michel, Miller (OH), Miller (WA), Molinari, Mollohan, Montgomery, Moorhead, Morrison (WA), Murtha, Myers, Nelson, Nichols, Nielson.

Ortiz, Oxley, Packard, Parris, Pashayan, Patterson, Pepper, Petri, Pickett, Porter, Pursell, Quillen, Ravenel, Ray, Regula, Rhodes, Ridge, Rinaldo, Ritter, Roberts, Robinson, Roemer, Rogers, Roth, Roukema, Rowland (CT), Saiki, Saxton, Schaefer, Schuette, Schulze, Sensenbrenner, Shaw, Shumway, Shuster, Sisisky, Skeen, Skelton, Slaughter (VA), Smith (FL).

Smith (NE), Smith (NJ), Smith (TX), Smith, Denny (OR), Smith, Robert (NH), Smith, Robert (OR), Snowe, Solomon, Spence, Stangeland, Stenholm, Stratton, Stump, Sundquist, Sweeney, Swindall, Tallon, Tauzin, Taylor, Thomas (CA), Thomas (GA), Upton, Vander Jagt, Vucanovich, Walker, Watkins, Weber, Weldon, Whittaker, Wilson, Wolf, Wortley, Wylie, Young (AK), Young (FL).

Noes—219

Ackerman, Akaka, Alexander, Anderson, Andrews, Annunzio, Anthony, Applegate, Aspin, Atkins, AuCoin, Bates, Beilenson, Berman, Bilbray, Boehlert, Boggs, Boland, Bonior, Bonker, Borski, Bosco, Boucher, Boxer, Brennan, Brooks, Brown (CA), Bruce, Bryant, Bustamante, Campbell, Cardin, Carper, Carr, Clarke, Clay, Clement, Coelho, Coleman (TX), Collins, Conte, Conyers, Cooper, Coyne, Crockett, DeFazio, Dellums, Derrick, Dicks, Dingell, Dixon, Donnelly, Dorgan (ND), Downey, Durbin, Dwyer.

Dymally, Dyson, Early, Eckart, Edwards (CA), Espy, Evans, Fazio, Feighan, Flake, Florio, Foglietta, Foley, Ford (MI), Ford (TN), Frank, Frost, Garcia, Gaydos, Gejdenson, Gephardt, Glickman, Gonzalez, Gordon, Gray (IL), Gray (PA), Green, Guarini, Hall (OH), Hamilton, Hawkins, Hayes (IL), Hefner, Henry, Hertel, Hochbrueckner, Horton, Houghton, Howard, Hoyer, Hughes, Jacobs, Jeffords, Johnson (SD), Jones (NC), Jontz, Kanjorski, Kaptur, Kastenmeier, Kennedy, Kennelly, Kildee, Kleczka, Kolter, Kostmayer, LaFalce, Lancaster.

Lantos, Leach (IA), Lehman (CA), Lehman (FL), Leland, Levin (MI), Levine (CA), Lewis (GA), Lowry (WA), Thomas Luken, MacKay, Manton, Markey, Martinez, Matsui, Mavroules, Mazzoli, McCloskey, McCurdy, McHugh, McMillen (MD), Mfume, Mica, Miller (CA), Mineta, Moakley, Moody, Morella, Morrison (CT), Mrazek, Murphy, Nagle, Natcher, Neal, Nowak, Oakar, Oberstar, Obey, Olin, Owens (NY), Owens (UT), Panetta, Pease, Pelosi, Penny, Perkins, Pickle, Price (IL), Price (NC), Rahall, Rangel, Richardson, Rodino, Roe, Rose, Rostenkowski, Rowland (GA).

Roybal, Russo, Sabo, Savage, Sawyer, Scheuer, Schneider, Schroeder, Schumer, Sharp, Shays, Sikorski, Skaggs, Slattery, Slaughter (NY), Smith (IA).

Solarz, Spratt, St Germain, Staggers, Stallings, Stark, Stokes, Studds, Swift, Synar, Tauke, Torres, Torricelli, Towns, Traficant, Traxler.

Udall, Valentine, Vento, Visclosky, Volkmer, Walgren, Waxman, Weiss, Wheat, Whitten, Williams, Wise, Wolpe, Wyden, Yates, Yatron.

Not Voting—3

Biaggi, Jones (TN), Lightfoot.

So the joint resolution was not passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ORDER OF BUSINESS

Mr. WELDON. Mr. Speaker, I ask unanimous consent that the 60-minute special order by the gentleman from Tennessee [Mr. Quillen] today immediately precede the 60-minute special order of the gentleman from Tennessee [Mr. Sundquist] today.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

MINT PARALYZED AS BULLION COIN SALES PLUMMET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. Annunzio] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, sales of American Eagle gold and silver bullion coins are scraping along at record lows. The U.S. Mint appears unwilling, or unable, to do anything to reverse the trend.

Sales of gold bullion coins in June were the fourth lowest monthly totals in the 21-month history of the program. The past 4 months of gold bullion sales have been the 4 worst sales months in the program's history.

The longer term outlook is no better. In the first half of 1988, the mint sold only 257,000 ounces of gold bullion coins. This is 65 percent lower than sales in the first half of 1987, when the mint sold 723,000 ounces of gold coins.

Sales of silver American Eagle bullion coins have also declined. June saw the mint sell only 50,000 ounces, the second lowest monthly total since sales began. More disturbing, June 1988 sales were off a stunning 99.6 percent from the same month a year earlier. And June was the third consecutive month in which sales had declined from the preceding month.

Like the gold bullion coin sales, the longer term silver American Eagle bullion coin sales are not encouraging. Sales in the first half of 1988 were 4.3 million ounces, compared with 6.3 million ounces in the first half of 1987. This represents a 32-percent drop in sales from the first half of 1987.

What is most distressing about these declining sales is that the mint is doing nothing to reverse the trend. Like a pilot frozen with fear at the controls, the mint is not acting to pull out of this steep sales dive. The mint has wed itself to its illegal distribution cartel, and is unwilling or unable to change, even though sales are plummeting.

This is the worst possible time for the mint to freeze. The market for bullion coins is more competitive than ever. With Australia and Great Britain having entered the market, and aggressive marketing on the part of the Canadians, the mint's distribution cartel members no longer seem very interested in selling the American Eagle bullion coins. The mint itself is doing nothing to encourage sales.

When the American Eagle bullion coins entered the market in late 1986, they rapidly and almost effortlessly became the No. 1 bullion coin in the world. Perhaps it was too easy. The easy success led to complacency and the mint did not consolidate its hold on the top spot. The success blinded the mint to the inherent flaws in its marketing cartel.

The mint, and its flawed marketing cartel have, over the past 18 months, squandered the advantage of a program that originally could not make enough coins to meet demand. The bullion program is now a program with no demand.

Despite the irrefutable evidence that the program is in terrible decline, the mint refuses to act. Like an old pilot wistfully reliving old glories while the plane spirals downward, the mint is seemingly unaware of the castastrophe unfolding before its eyes. It is time for the mint to grab control and get this program ascending again before it is too late.

SEEKING A SENSIBLE SOLUTION TO THE WORLD DEBT PROBLEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. NEAL] is recognized for 5 minutes.

Mr. NEAL. Mr. Speaker, several of our colleagues in both the House and Senate are promoting ideas to have American taxpayers assume some of the massive debt owed to American banks by the foreign countries. Others want to force our banks to write off the debt; in doing so, they would weaken our financial system and hurt stockholders in banks.

Mr. Speaker, neither approach is necessary, desirable, workable, or practical, and both should be rejected.

E. Gerald Corrigan, president of the Federal Reserve Bank of New York, pointed out in a recent speech that, even though it is not always obvious, some solid progress is being made toward resolving the world debt problem.

Addressing the Banker's Association for Foreign Trade, Mr. Corrigan noted that more than $200 billion of existing debt "has been restructured to the mutual benefit of debtor and creditor alike, and in the process countless innovations have been introduced into the terms and conditions of the restructured debt."

These achievements, Mr. Corrigan said, "suggest to me that there is still ample room for further innovation that is consistent with the time honored precept of debtors and creditors working together to forge voluntary and mutually beneficial solutions to their problems."

Mr. Speaker, I believe all of our colleagues interested in real solutions to the international debt problem will find it informative and useful to read Mr. Corrigan's speech. At this point, I would like to insert Mr. Corrigan's speech, as reprinted in the Federal Reserve Bank of New York's quarterly review, in the RECORD.

A BALANCED APPROACH TO THE LDC DEBT PROBLEM

Good morning ladies and gentlemen. I welcome this opportunity to address again the annual meeting of the Bankers Association for Foreign Trade. In saying that, I must confess that it does not seem possible that it was two full years ago when I last spoke to this group in Phoenix. What seems even more improbable is that we will soon enter the seventh year of efforts to cope with the debt problems in the developing world that burst upon the scene in August 1982. In the face of that, I would like to use this occasion to share with you some of my thoughts and observations regarding where we have been and where we are going in the continuing effort to manage and ultimately resolve the debt problem.

I believe a useful starting point in that exercise would be to review briefly just what has—and has not—been accomplished over the past six years. Retrospective review is always useful, but in this case it is especially important because it reveals that far more has been achieved than is widely recognized. Accordingly, allow me to briefly highlight some of the accomplishments of the effort to date and then mention some of the areas in which progress has not been as great as we would have liked:

First, and we should never forget this, in the early days of the debt crisis only swift, decisive, and broadly based cooperative efforts by debtors, creditors, central banks, governments and multilateral institutions allowed us to avert financial and economic calamity. Since that time, the dangers of such a systematic disruption to international trade and finance clearly have been reduced. But the overall situation is still one in which systemic risks are present. Thus, a focus on the "big picture" must remain in the forefront of constructive thinking and progressive actions regarding the debt problem.

Second, debtor countries have made some very important strides in improving their economic policies and their economic performance against very strong countervailing forces. To be sure, that progress has been uneven and in some respects disappointing, but the setbacks and disappointments should not distract our attention from the gains that have been made. Let me cite a few specifics to back up that point and in so doing I will focus mainly on a group of eight troubled debtor countries where U.S. bank exposure is the largest. Those countries are Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, the Philippines, and Venezuela.

For these countries, there has been a significant improvement in aggregate trade and current account positions despite the fact that virtually all have experienced devastating setbacks in the terms of trade during the period in question. For example, in 1982, the aggregate current account deficit of the eight countries was almost $40 billion; in 1987, it was about $5 billion. To fully appreciate the nature and scope of this adjustment, just contemplate for a minute the difficulties we in the United States are having in making external adjustments, which in relative terms are much smaller than the adjustments these developing countries have made.

Growth in GDP and per capita GDP has reemerged even if at slow and sporadic rates. In three of the countries—Chile, Colombia, and the Philippines—recent growth patterns in the context of inflation performance are distinctly better. In addition, renewed initiatives in the area of both macro and structural policy should work in the direction of improved prospects elsewhere. In another case, that of Mexico, the tremendous growth in non-oil exports and the buildup in official reserves have been particularly striking, especially in the context of continuing efforts on the policy front.

The key ratio of external interest payments to exports is falling in virtually every country and for a majority of the eight that ratio is now below 30 percent, while for three the ratio is in the low percent range.

Important but not yet decisive steps are also being taken by the countries in the move toward more open and more competitive economies. Trade policies are becoming more liberal; some state enterprises are being divested as elements of privatization begin to take hold; the institutional environment for foreign direct investment is improving—a process that has been spurred in part by the success of debt equity swaps in countries such as Chile; and direct and indirect subsidies on a wide range of goods and services are being reduced or eliminated.

Finally, considering the economic environment of the past six years—that is, one in which cyclical forces would be expected to swell public sector deficits—some debtor countries have made important strides in reducing public sector deficits as a percentage of GDP. Here too, progress has been uneven and, on balance, deficits are still too large, but the direction of movement over time is generally right and in some cases the amount of the adjustment is significant.

Third, on the financial side, the scope of the overall debt restructuring effort has been remarkable. Just think of it: more than $200 billion of existing debt has been restructured to the mutual benefit of debtor and creditor alike, and in the process countless innovations have been introduced into the terms and conditions of the restructured debt. These developments suggest to me that there is still ample room for further innovation that is consistent with the time honored precept of debtors and creditors working together to forge voluntary and mutually beneficial solutions to their problems.

Fourth, the commercial bank new money process has also worked reasonably well in that over the 1983-87 period the international community of banks has committed to lend almost $45 billion in fresh money to the Baker 15. The new money process has also been enhanced by its own adaptations and innovations, but there is a question in my mind—to which I will return later—as to whether we can be satisfied with the status quo as it applies to the new money financing process by the commercial banks—a process that remains a central and indispensable element to ultimate success in this overall effort.

Finally, and certainly not inconsequentially, the past six years have witnessed a dramatic reduction in bank exposure to the troubled LDCs. For example, for any cross section of the very largest U.S. banks, exposure to the Baker 15 relative to primary capital in 1982 was in the range of 225 to 250 percent. Reflecting primarily the enormous growth in primary capital at these banks in recent years, these ratios at year-end 1987 were in the range of 80 to 90 percent, despite the fact that the major U.S. banks have been, and should be, among the leaders in providing new money to the debtor countries. The current exposure ratios, however, are still too high but also are still declining as capital grows and as individual banks utilize various bilateral and voluntary techniques to reduce exposure. It should also be stressed that reductions in bank exposures have been aided by limited but not unimportant amounts of outright debt repayments as, for example, in the case of Colombia and Venezuela and on the part of private debtors in many countries.

In the interests of time, I don't want to belabor the point, but I do want to emphasize that a great deal has been achieved on many fronts over the past six years. Some would suggest that this period has simply been an interval of "muddling through" and little more has been done other than to buy time. I simply don't see it that way. To be sure, time has been bought, but it has not been wasted in that clearly we are closer to lasting solutions now than we were a year, two years, or six years ago, even if it remains true that the process will still take time—a lot of time.

In pointing to the progress that has been made, we must also be realistic in recognizing that from the perspective of the debtor countries that progress had been exacted at a high cost in both political and economic terms. Let us also not lose sight of the fact that clear problems remain: inflation performance, especially in the largest debtors, has been a major disappointment; the levels of debt relative to GDP or to exports have not come down and in most cases have actually increased; major structural impediments to more open and more efficient economies remain; frustration and fatigue are at high levels; the need for greater adaptability in the approaches of the multinational institutions is apparent; and, in an ironic and worrisome way, the new money commercial bank financing process has been weakened in part because bank exposures have reduced so dramatically.

Indeed, if we needed a reminder of the remaining problems, the Brazilian moratorium provided evidence of the vulnerabilities. Fortunately, Brazil has concluded that the moratorium was not in its interests and is now in the process of seeking to normalize relationships with all of its creditors, a process that hopefully can be completed in the weeks immediately ahead. Regrettably, we have also seen a case or two in which a country has chosen to attempt to "go it alone." However, when I look at the results of those experiments, they seem to me to provide striking support for the wisdom of the more conventional and cooperative approach.

In looking at the overall situation, it is clear that we are at something of a crossroad in that we face the crucial question of how best to sustain the progress of the past while dealing with the shortcomings that have emerged over the past several years. Some have suggested that the way for the future lies in some sweeping and generalized approach that would incorporate—one way or another—a program of debt relief, debt forgiveness and/or the shifting of commercial bank debt to the official sector. I do not share that view and I say that for a number of reasons.

For one thing, the outright shifting of even a part of the commercial bank debt to the official sector is—among other things—plainly a political nonstarter. That, of course, is not to say that the multilateral institutions should not play an enlarged role as, for example, is contemplated by the broad thrust of the Baker Plan. Nor is it to suggest that the creditor governments do not have a role to play in helping things along. But there clearly are limits as to how much the official sector can and should do, and any realistic assessment of those limits implies that the commercial banks must remain an essential part of the solution.

It is also true that anything approaching a "forced" write-down of even a part of the debt—no matter how well dressed up—seems to me to run clear risks of inevitably and fatally crushing the prospects for fresh money financing that is so central to growth prospects of the troubled LDCs and to the ultimate restoration of their credit standing. But that risk is one that applies not only to current troubled debtors but to others as well. For example, what entity—private or public—would be willing to risk its capital in lending to any country if the lending entity concluded there were risks that political forces might, at some later date, require the creditor to accept losses to its shareholders or to those for whom it has fiduciary responsibilities? You may answer that question in your own way, but I, for one, am hard pressed to imagine how such an approach could work in a constructive fashion. Indeed, I find it wholly unrealistic to assume that creditors would take forced losses and then turn around and extend new credits, even if such new credits were senior to the old credits.

I find it equally unappealing to run the risk that the process of attempting such an approach might trigger a wholly unacceptable series of actions on the part of creditors or debtors or both that could be highly destabilizing. Even now, many bank creditors are unwilling to extend new money in a setting in which the bulk of existing debt has been and is being serviced at positive interest rate spreads.

Finally, and perhaps most importantly, generalized approaches to debt relief or forgiveness seem to me to also work the wrong way in terms of incentives in the debtor countries. That is, even the specter of some generalized form of debt relief can carry with it the illusion that the burden of policy adjustment and adaptation is lessened or removed. To the extent that occurs, conditions could actually worsen and the slippery slope of debt relief will become very slippery indeed. In other words, once the process starts, what is to stop it?

In the final analysis, the task before us is one that requires that we carefully weigh and balance the risks and rewards of alternative courses of action. In turn, that seems to me to require that we have some criteria against which we can systematically look at the advantages and disadvantages of alternative courses of action.

I have previously suggested a general framework that I believe has value in this regard. Specifically, as I see it, today, as a year ago or five years ago, or for that matter a year or several years into the future, there are certain fundamental prerequisites that must be a part of any constructive effort to forge a permanent solution to the LDC debt problem. Those prerequisites include the following:

First, growth in the debtor countries in the 5 percent range that they have all experienced in the past must be sustained over a period of time.

Needless to say, achieving that result presupposes appropriate macro and micro policies on the part of the debtor countries. It also requires an international environment conducive to LDC export growth, which means policies for noninflationary growth in the creditor nations and a strong and continuing commitment to free and open trade on the part of all.

Second, the maintenance by the LDCs of businesslike relationships with their creditors, which means the timely servicing of financial obligations. In that regard, in a context in which a country has an established track record of servicing its obligations, innovative steps such as the voluntary Mexican debt repurchase plan can play a constructive role, especially if such efforts are viewed essentially as exit-type vehicles. But here too we must be realistic. Such efforts can be a constructive step in appropriate circumstances, but no more than that. They are not, nor will they ever be, either a substitute for the willingness and ability of debtor countries to service their debts or a sustainable channel for needed financing.

Third, a reasonably stable and predictable flow of appropriate amounts of official and commercial bank credit to the LDCs must be maintained. Approaches to the LDC problem that fail to take explicit account of the need to provide new financing—including private financing—to the LDCs over time should be viewed with skepticism. At the extreme, a debt strategy that cannot hold out the hope of renewed debtor access to market sources of external finance is no strategy at all. The object of the exercise is to restore creditworthiness and confidence, not to further impair them.

Fourth, strong and well-funded multilateral official institutions are central to the process not only because they can provide the added financing needed to close external financing gaps in the LDCs but also because they and they alone can be the locus of policy coordination and conditionality—a process that should become more flexible but that remains a crucial ingredient for success.

Fifth, an appropriate degree of solidarity and commonality of purpose among private bank creditors, and especially major bank creditors, must be maintained.

These prerequisites are a package deal. Success in any one or two or four is not good enough; true and lasting success will be found only if we have progress on all five fronts. Indeed, the great problem with many of the alternative schemes that one can conceive is that they can be quite responsive to one or even several of these prerequisites but miss the mark rather badly on others; that's not good enough. We need to make simultaneous progress on all.

Having stated these prerequisites, and having earlier pointed to what has and has not been achieved over the past several years, let me now conclude with a few comments on some steps that I believe can help to ensure continuing progress in the period immediately ahead.

Turning first to the LDCs, there is no question in my mind that the only real solution to the debt problem is for the countries to grow out of the problem over time. There is also no question in my mind that such a solution can work—even though it cannot be expected to be a straight line—but it can work only in the context of sound policies. There is no magic to it; good economic performance rests on good macroeconomic policy. In the case of the LDCs, however, it is more and more clear that macro policy must be complemented by even greater emphasis on the structural side. And, within that broad area, I believe that there is much to be said for efforts aimed at greater strides in the direction of privatization and—consistent with national interests—reductions in the size and role of state-owned enterprises. I sense that greater efforts in that direction may be especially valuable for several reasons: it can aid the financing process; it can surely aid the cause of greater efficiency and competitiveness; and it may also be true that it can help reduce budget deficits and minimize some of the structural pressures on domestic price inflation.

In other words, I'm suggesting that there may be potentially large paybacks to the debtor countries stemming from greater effort to reduce the size and scope of state-owned enterprises, even though I am obviously sensitive to the political problems that can be encountered in such an effort. I am even more sensitive to the fact that there is a point beyond which that process cannot go. But, within those constraints, I would hope more can be done in this area for the reasons I have cited but also because greater progress in this area can help ease the burden on macro policies. Finally, I have to wonder whether it is possible that such efforts might not help stimulate capital repartition—the ultimate pot of gold at the end of the rainbow!

With regard to the multilateral official institutions, there are several near-term priorities. The first is seeking to put in place the much needed general capital increase for the World Bank. That will not be easy, but if the World Bank is to play an enlarged role in helping to manage the debt problem, as all observers seem to agree it must, the general capital increase is a must.

In the case of the IMF, the areas of greatest priority—greater flexibility and a longer perspective—are currently being addressed in that a variety of important adaptations in the financing programs and monitoring techniques of the Fund are under active consideration. Indeed, the prospect of multiyear financing facilities, financing facilities to help guard against certain external contingencies such as rising interest rates, and greater flexibility in the use of performance indicators seem to me to be important steps in the direction of a stronger and more flexible role for the Fund that should be welcomed by both the debtor countries and the private creditors.

The commercial bank financing aspect of the debt problem must also be strengthened. The menu of options has already been broadened, but what we need is not a menu but a smorgasbord that can appeal to the increasingly diverse needs and desires of individual banks and individual countries. But—and I want to emphasize this point strongly—even the most imaginative steps in that direction will not be enough given the prerequisites I cited earlier and given the increasingly divergent attitudes and behavior among segments of the commercial bank creditors. In that regard, the one thing we do not need is to have the debt problem again take on the characteristics of a debt crisis because of a crisis among the creditors.

To avoid that, we need a strong reaffirmation of the commitment of the creditor banks to the bigger picture; we also need to see decision making at the Advisory Committee level expedited and driven more by policy consideration and less by legalities and technicalities. Finally, we must find a solution to the so-called free rider problem in which an increasingly large number of banks refuse to participate in the new money lending but get the benefit of the process in the form of interest payments on existing loans. If nothing else, equity considerations point to the need for a solution to this problem. But far more is involved than equity considerations. Thus, I believe the time has come for the direct parties to the process to get serious about workable and effective approaches to exit-type vehicles, which of necessity will have to entail some cost to those who choose to exit. While it is not my role to suggest what form such vehicles should or might take, I do want to stress that they should emerge as a part of the continuing process of cooperation between the debtors and the private creditors.

I apologize for starting off your meeting with such a long and complex speech, but as I said at the outset, much is at issue here. How we respond to the next phases of efforts to manage and ultimately resolve the debt problem remains one of the great issues of the day in the arena of international trade and finance. I remain confident that we can see it through successfully, but that will take vision and, as symbolized by this speech, it will take time.

□ 1745

DROUGHT RELIEF FOR INLAND WATERWAYS BARGE AND TOWING INDUSTRY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, today I have introduced a bill to provide drought relief for the inland waterways barge and towing industry.

Transportation services provided by the waterways industry are vital to the economic health of our Nation. They are particularly important to Amercian farmers to market their products and to the financial health of the U.S. agriculture industry.

The waterways industry provides transportation for 57 percent of all American grain sold for export, 40 percent of all American petroleum products, 20 percent of all coal produced in the United States, in addition to many other products used and sold by Americans.

This year's drought has caused record-setting low-water levels in inland waterways, particularly on the Mississippi River. The Mississippi is the Nation's most important and busiest inland waterway transportation route.

As a result of the low-water levels the barge and towing industry has and is suffering heavy losses due to delays and load reductions and other operational restrictions adopted to insure navigation safety.

Like the Nation's farmers, the barge and towing industry has been striving to recover from the disastrous effects of the 1980 drought and the economic depression of the early and mid-1980's. This 1988 drought has complicated those efforts.

Preliminary surveys on the losses to the inland waterways barge and towing industry caused by the drought-induced low-water levels indicate there is a $300 per barge loss for each day's delay in route to its destination. There have been as many as 2,000 barges stranded in a single river location on a single day. Movement of barges have been delayed on many days and in a number of river locations.

In sum, early estimates indicate the barge transportation industry is suffering drought-driven losses of $1 to $2 million per day.

Since 1980, the inland waterway operators have been paying the inland waterway fuel tax to the Inland Waterway Trust Fund. This tax is based on fuel used for transporting goods on U.S. inland waterways.

The bill I have introduced today would relieve the barge and towing industry from this tax during the July 1, 1988–December 31, 1988, period. Also, it would allow extension of this relief through June 30, 1989, if the Secretary of the Treasury finds that the continuing effects of the drought warrants such assistance.

In view of the importance of the inland waterways transportation industry to the U.S. economy, and particularly, the future of American farmers, I believe it is important that the Congress approve this assistance for the barge and towing industry as a means of helping it recover from the damage caused by the current drought.

VACATION OF SPECIAL ORDER FOR 60 MINUTES AND REINSTITUTION OF SPECIAL ORDER TO 5 MINUTES

Mr. DORNAN of California. Mr. Speaker, I ask unanimous consent to vacate my 60-minute special order and instead ask unanimous consent for a 5-minute special order.

The SPEAKER pro tempore (Mr. VISCLOSKY). Is there objection to the request of the gentleman from California?

There was no objection.

GIVE FREEDOM A CHANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 5 minutes.

Mr. DORNAN of California. Mr. Speaker, in this big, successful Nation of ours, 245 million people, it is becoming increasingly difficult to follow every little nuance and twist in the news. Unless I had gone up to New York to do a television show last week and picked up a paper that I read maybe once a year, the New York Daily News, I would never have noticed on one of the social pages that Lawrence Tribe, the Harvard professor that was the point man at the beginning of the shredding of the reputation of Judge Robert Bork, I would never have known that he threw a party at his home for Tom Hayden's book, "Reunion," which is about the reunion of the Chicago Seven, the people who conspired to turn Chicago into what a liberal commission called a police riot when it was really these people provoking the police.

Now then I come across another story in another newspaper that I have read maybe once in the last 2 years that Jane Fonda's daughter, Vanessa, named after Vanessa Redgrave; her father was the French soft porno producer, Roger Vadim, that Vanessa, a student at Brown University, has left her university, Mr. Speaker, because last month she flew around Communist-controlled Nicaragua in a Soviet-made helicopter, probably with a Cuban crew, to take a personally guided tour of the suffering of Nicaragua escorted by none other than the dictator, so-called president, Mr. Daniel Ortega himself giving Jane Fonda's daughter a Soviet helicopter view of Nicaragua in the very same period of time when Jane Fonda is partially apologizing for going to Hanoi, and sitting in a Communist gunpit and laughing about would she have to shoot down an American plane if it flew over her head.

Well, Mr. Speaker, all of this craziness of Lawrence Tribe having a party for Jane Fonda, and Tom Fonda Hayden, Vanessa Vadim Fonda Hayden flying around Nicaragua with Ortega; all of this brings to focus this weekend in Nicaragua. Ortega, the brothers, Daniel and Humberto, unleashed their turbas, the civilian mobs, to beat up people and people from the interior ministry which now has all the power of the justice function in Nicaragua, and with rifle butts they beat up the political opposition, women, teenagers. They did not care who got in their path in this little town, Nandaime; I will get the spelling later, just a few miles south of Managua.

What is this insanity going on in this Chamber that we cannot make a decision while we sent over a half a billion dollars 11 time zones away to the other side of the world to Afghanistan to seven competing Islamic Mujahidin freedom fighters? We sent it through Pakistan. We cannot send a nickle of military aid to fellow Christians, teenagers fighting and dying closer to my district than I am to my district speaking in this great House of Representatives.

Mr. Speaker, it is peculiar that we do not care about a Communist bastion. The people in the leadership on the majority side do not care about a Communist East-bloc hype locked in dictatorship in Nicaragua between us and the canal, but not one person on the other side has ever come to that lectern and spoken out against 1,500 Tennessee mules going to Afghanistan, high-technology Stinger missiles, and, when they blow up $110 million worth through Soviet sabotage of American aid to the Mujahidin, when they blow it up and rockets rain all over Rawalpindi and the new capital city in the last 20 years of Islamabad killing about 30 or three-dozen-some people, not one person gets up to speak about aid to the other side of the world, but they block a lousy $3.25 million on February 3 to keep the Contra fighting force alive.

Mr. Speaker, I had a combat doctor in my office a couple of hours ago, Dr. Henry Zolia, who is one of the team of 11 doctors, showing me combat footage of young kids, teenagers, with their bodies shot with Soviet Gorbachev-supplied AK-47 rifle ammunition in their guts, in their heads, in their jaws, and he is operating on these kids without anesthetic, with no morphine, with no wonder drugs to cut down on infection. Half of them miraculously lived; some of them died.

Mr. Speaker, in conclusion you have said that you wanted to give peace a chance 11 months ago. For God's sake literally, to the Speaker from Texas: Has peace not had a chance? Give freedom a chance, and let us get a vote the first week in August to help these Christian freedom fighters closer to my district than this House if we can help the Mujahidin which I support also.

GENTLEMAN FROM CALIFORNIA TO BE COMMENDED

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, I would like to commend the gentleman from California for his remarks and his pointing out how phony has been the apology of Jane Fonda toward our Vietnam veterans, our POW's and also to commend him for pointing out where the family is going.

VACATION OF SPECIAL ORDER

Mrs. BENTLEY. Mr. Speaker, I ask unanimous consent to vacate my 60-minute special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

TRIBUTE TO JOHN DUNCAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. QUILLEN] is recognized for 60 minutes.

Mr. QUILLEN. Mr. Speaker, when our colleague, JOHN DUNCAN, passed away in Knoxville the night of June 21 after a long struggle against cancer, the House of Representatives lost one of its truly outstanding Members, and I lost a close personal friend.

On Wednesday morning, June 22, it was my sad duty to inform the House of his passing, and it was personally gratifying to me that so many Members of the House, all good friends of JOHN, came down to the floor from their offices or from committee meetings, to say a few words about JOHN DUNCAN and their association and work with him over the years. The respect and affection the Members have for JOHN was apparent in their remarks, and I believe, really, all who had the privilege to know and associate with JOHN developed these feelings of respect and affection for him.

The reason for this is not hard to find. I was fortunate to know JOHN DUNCAN for the greater part of my adult life. I can see him in my mind's eye—a fine figure of a man, tall, broad shouldered, erect in his bearing.

And though he was a serious man, he had a ready smile and an easy, unpretentious manner. One of his most salient characteristics was his dignity and his grace under the pressure and stress we so often have to contend with in our work here in the House. Another mentioned by a number of Members is that JOHN was truly a gentleman.

In manner, speech and action, he was a gentleman, and he exemplified the virtues that the word implies in every way. At the same time, he was a tireless and effective Member of Congress who made a great contribution to increasing the fairness and equity in our tax laws through his work over the years on the House Committee on Ways and Means. He worked hard and he got the job done.

Since the beginning of 1985, he served as the ranking Republican member of the Ways and Means Committee, and I know his presence will be sorely missed on that important committee, not only by his fellow Republicans, but also by his Democratic colleagues on the committee, as testified to by the chairman and a great number of other members of the committee in their remarks the morning of June 22.

It should be said, also, that JOHN DUNCAN built up a tremendous, even a legendary reputation in Tennessee's Second Congressional District because of his tireless and effective work on behalf of his constituents. No problem was too unimportant or small for Congressman DUNCAN to try to set to rights. And his helping hand was extended to all his constituents, no matter how humble they might appear to be to those with an overblown or exalted view of themselves. JOHN would have none of that. He was everyone's Congressman.

JOHN DUNCAN was a man of humility and internal balance who never forgot where he came from and always, he was a man of the people, and proud of it. He loved the people of his district and they loved him.

I just want to say a few words about the memorial service for him the evening of June 23 in Knoxville.

Two plane loads were filled at Andrews Air Force Base with Members, former Members, staff, and other friends of JOHN DUNCAN who came to stand together with his family and friends to pay their respects to him and celebrate his life.

I know it meant a great deal to JOHN's lovely wife, Lois, and their children to see so many of JOHN's colleagues and staff he worked closely with in Congress fly down to Knoxville for the memorial service.

The memorial service at the Cedar Springs Presbyterian Church was uplifting and filled with love and affection for this fine man we all miss so much. Howard Baker reminded us of JOHN's love for, and identification with, the ordinary people of his district, and of how he always worked in Congress with their interests uppermost in his mind. How true this is—JOHN was proud of east Tennessee and of his people.

JOHN's eldest son, Jimmy, and his daughter, Rebecca, spoke of their father with a love that filled the entire church and touched me personally.

One thing I didn't know about JOHN was his penchant for passing out his "lucky pennies" to the small children he met during his frequent rounds traveling about his district. I'll bet there are many, many of those children, some of them adults now, who still have those lucky pennies they received from Congressman JOHN DUNCAN.

As his friend, I want to celebrate JOHN DUNCAN's great life, and express my good fortune in having had the opportunity to know this fine man, and to work together with him over a great many years.

He accomplished a great deal of good in this world by his efforts and his actions, and I will miss him terribly. JOHN, I salute you. You cannot be replaced in my heart. We will miss you.

□ 1800

Mr. Speaker, I yield to the gentleman from California [Mr. SHUMWAY].

Mr. SHUMWAY. Mr. Speaker, it was with a great sense of personal loss and sadness that I learned of the passing of our highly respected colleague, JOHN DUNCAN, and I appreciate having this opportunity to pay my respect to him today.

In my opinion, JOHN DUNCAN embodied a demeanor and attitude which many Members of this body would do well to emulate. JOHN was a quite unassuming man who got things done. If some elected officials are criticized for being all form and no substance, JOHN DUNCAN was just the opposite. He was substance personified, a dedicated, hard-working leader, a responsible legislator, and a respected expert. He did not clamor for media attention or compete for oratorical floor time—he simply got the job done. His passing is a loss not only to his district and the State or Tennessee, but also to the Nation.

I cannot count the times that JOHN was willing to talk at great length with me, sharing his viewpoint and guidance not only on Ways and Means-related issues, but also on other measures of importance to both of us. It is no doubt typical of the man that many of those discussions took place not by appointment in his office, or even in the Cloakroom, but in the gymnasium locker room. I will not be able to go there again without looking across at JOHN's old locker and remembering the bashful smile which belied the keen abilities and respected, well-earned leadership position of the man.

The outpouring of tributes which occurred spontaneously from both sides of the aisle after the announcement of JOHN's death is indicative of the high regard in which he was held by one and all of us. Such a joint expression of sorrow and regret is unusual, but then, JOHN DUNCAN was a very unusual man. I wish there were many more like him, and I shall certainly miss him.

To JOHN's wife, Lois, and to his children and grandchildren, I extend my most sincere condolences. However, I'm sure they do not need to be reminded that JOHN DUNCAN made so many valuable contributions that his memory will always live on in the House he served so well.

I thank the gentleman again for this opportunity to say goodbye to a good and valued friend.

Mr. QUILLEN. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I yield to the gentleman from Tennessee [Mr. SUNDQUIST].

Mr. SUNDQUIST. Mr. Speaker, I thank my good friend for yielding and for taking this special order.

JOHN DUNCAN was my friend, as well as my colleague in Congress. I miss very much his warmth and humor, his gracious manner, the daily example he provided us of a life well and fully lived.

It is said that when you measure true wealth in the world that the best measurement is the lives that someone touches, and based on the people that JOHN DUNCAN came into touch with, had an influence over and met with or helped, I think JOHN DUNCAN was one of the wealthiest men I have ever met.

So to Lois and to his four children, James, Jr., Beverly, Becky and Joe, and to the grandchildren, we thank you for sharing JOHN DUNCAN with Tennesseans and Americans.

It will not seem right in this Chamber without looking back at that back row and not seeing JOHN DUNCAN always with his favorite story to brighten up our day.

There are many here tonight who can speak to JOHN DUNCAN's devotion to this House, to this Nation. His record here is one of integrity and accomplishment that any one of us would be proud to have for our own.

But as well as we knew JOHN DUNCAN—our colleague for so many years—to take the full measure of the man, you'd need to spend some time in east Tennessee, in the city of Knoxville, where he built a career in public service, and in the small towns of the Great Smoky Mountains, where his roots lay and from where he drew his strength and perspective.

I can recall Howard Baker's words at the memorial services when he said that he and JOHN grew up together as boys, fought together as men in the war and served together in the Congress of the United States. Howard Baker was and is a great photographer and one of the pictures that Howard Baker took is one that has appeared on the cover of many party functions. It is a picture of an orange flower. The name escapes me, but it was taken on the Duncan farm, JOHN's farm in Scott County.

I always thought that it was interesting that that picture has been distributed all over the country to people who have come to events and admired the beauty of that photograph and the skill that Howard Baker had in taking that photograph; but we also have to keep in mind that the color of the flower, orange, coming from the Duncan farm, also is an indication of JOHN's love for the University of Tennessee, as a supporter of that university in athletic events or in other areas, it was another of John's loves in his life.

John was really a little bit like that flower. He came from the same farm, had the same kind of roots. He blossomed there, and all over this country and all over this world that picture that people have, I have one on my wall, will be a reminder of John Duncan, a beautiful man.

Another event that I think someone could attend to that would give an indication of the kind of person John Duncan was is the barbecue that he had every 2 years. People came from the nooks and crannies and small towns. They came in buses, 30,000 or 35,000 people. I do not know of an event in this entire Congress that anyone has had that would attract as many people as John Duncan's barbecues. I hope it is a tradition that will continue by the Duncans. There you would see John and the family and friends in line. They would shake hands with every person, people who had been helped by John, perhaps black and white, rich or poor, male or female. It did not matter. John had taken the time to help them with some constituent problem or had been kind to them or had a word of encouragement.

So I think the gentleman from Tennessee [Mr. Quillen] mentioned the lucky penny that John distributed to children. John took a lot of time with children and encouraged them about this system and reminded them of the kind of country we had. The lucky pennies turned out to be lucky for a lot of people, because they had a chance, the recipient of that penny, to have met John Duncan and to have been helped by John Duncan and to have known John Duncan.

There, among the people who knew John Duncan best, you get the full measure of the man who cared deeply and shared much, and whose affection for people was returned many times over.

John Duncan was a gentleman, quick to assist, slow to anger, able to disagree with becoming disagreeable; a man of quite accomplishment who honored us with his service.

I will think often of John and recall the words of the prophet Micah:

> What does the Lord require of thee, but to do justly, and to love mercy, and to walk humbly with thy God?

John did. He dealt justly. He loved mercy and I think he is walking humbly with his God.

Mr. QUILLEN. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I yield to the gentleman from North Carolina [Mr. McMillan].

Mr. McMILLAN of North Carolina. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I rise today to honor our late colleague, John Duncan, who served with great distinction for 24 years in the House and who was a great friend to us all.

John was a man of few words but he made them count when he said them. He especially had few words to say about raising taxes, something we Republicans always admired him for and the reason why he was our leader on the Ways and Means Committee.

During my first term in Congress, I can remember having John speak to a chamber of commerce group from my district who had traveled here to find out what is going on in Congress. When he was asked about his opinion on raising taxes to reduce the budget deficit, he coolly answered, "I don't like 'em" and that was that. He was truly a leader in the effort to reduce the tax burden on the American taxpayer and for that, we will sorely miss him.

We will miss him for other reasons as well. He was a Southern gentleman through and through, one who always treated other Members and other people with great courtesy and respect. As a freshman Member, I can remember John Duncan making me feel as if my opinion on an issue was as important as if I had been here for the same 24 years as he had served. There was something refreshing about John Duncan's politics; he treated Members on both sides of the aisle as human beings first, as patriotic Americans second and as politicians third. We can and should all learn from his powerful example.

In these days when many people are questioning the integrity of our Government, I would suggest that we all take a look at the way John Duncan conducted himself throughout his political career.

Perhaps he best exemplified what we as public servants for the American people should do when Robert E. Lee once wrote:

> Duty is the sublimest word in the language; you can never do more than your duty; you shall never wish to do less.

John Duncan did more than his duty here in the House of Representatives and I wish to send my best regards to his wife and family as we share their time of sorrow.

☐ 1815

Mr. QUILLEN. Mr. Speaker, I yield to the gentlewoman from Tennessee [Mrs. Lloyd].

Mrs. LLOYD. Mr. Speaker, I thank the dean of our delegation for yielding to me.

Mr. Speaker, today I join my colleagues in paying tribute to our colleague, John Duncan. John, a dear friend and neighbor, proudly served the Second District of Tennessee for over 23 years. I rise to express my sorrow and extend my deepest sympathies to his family in their time of loss.

John Duncan was a shining example to us all, a man who thoughtfully and diligently carried out his job with the concerns of "the folks back home" always close to his heart. A Southern gentleman in the finest sense of the term, John always treated his colleagues and his constituents with dignity and respect. And his colleagues and constituents returned this rare sensitivity with well-deserved admiration.

John took the many responsibilities of a Member of Congress seriously, and we are a better body for it. When I joined the Congress in 1975, John was one of the first Members to help me settle into my office and duties. John had a wonderful way of making one feel welcome and needed, a talent we will all sorely miss. And John took public service literally, annually giving out chilled water at the Tennessee Valley Fair.

Mr. Speaker, we have all lost an esteemed colleague whom we will dearly miss, and now is a fitting time to remember what John meant to the Congress and the Nation. I mourn his death for these reasons, and because I have lost a dear friend. Once again, I extend my heartfelt sympathies to his family and many friends.

Mr. QUILLEN. Mr. Speaker, I yield to the gentleman from Ohio [Mr. Wylie].

Mr. WYLIE. Mr. Speaker, I thank the gentleman for yielding, and I am happy to join in this special order for John Duncan. I want to thank the gentleman from Tennessee for taking this time so that we might be afforded this opportunity.

Mr. Speaker, I have always felt a special closeness to John Duncan. We are almost the same age, born in the Midwest of large families whose fathers worked with their hands to support their families, and we both worked our way through college. We talked about that. We both served in the U.S. Army about the same time, and graduated from law school in the same year. We both served as city attorneys of our cities, John of Knoxville and I of Columbus, OH. I found it quite natural to talk to John on various occasions about his congressional district and his service in Congress, and I might say that he served or represented a district that has been represented by the Republican Party since its creation in 1856. I represent a district which has been served by a Republican since its creation in 1967, a little difference in time, but I can see an analogy.

John preceded me by one term in Congress, and ever since his first election, which was fairly close, he won by about 70 percent of the vote, and he talked about how he did it. He talked about going home on weekends, a practice which I emulated. His wife

Lois was always given much credit for his success. He made a practice of returning home on weekends to Tennessee to be with her and their four children, Beverly, John, Jr., Joe, and Rebecca Jane. He always spent a lot of time on weekends visiting with constituents so that he could keep in close touch.

After serving for 6 years on the Committee on Public Works and Transportation and the Committee on Veterans' Affairs, and I served with John for a while on the Committee on Veterans' Affairs, he was appointed to the Committee on Ways and Means where he was elected the ranking member in 1985. He was always for measures that promoted fairness and economic opportunity and growth, those fundamentally important Midwestern Republican values. He was always concerned for the plight of the rural poor and persuaded the Committee on Ways and Means to authorize legislation that created experimental rural health clinics in his district. His concern that the tax system be fair was evident in his early backing of the tax indexing system. That was watershed legislation when it was thought about, and he must be given much of the credit for the indexation of the tax brackets as we know it today.

Stopping the automatic annual increase in Federal revenue as a percentage of gross national product has been one of the greatest accomplishments of conservative policy in the 1980's, and John Duncan has so much to do with that.

His friendly advice, suggestions, and questions were always helpful, and I will miss his contributions in the years to come. John Duncan was a great Congressman, a great American, and he was what I call a solid citizen. He was knowledgeable, hard-working, and he was never too busy to try to be helpful.

I would like to tell a little personal story about John. Right after I was elected to my second term to Congress, my wife and I decided to go down to Florida for a vacation, and on a Sunday afternoon our car went out, the electrical system went out, right in the middle of downtown Knoxville. I looked over the way there and I saw some sparks flying in a garage. I went to see the man in the garage, knocked on the door. He came to see me, and I told him what had happened. He said, "Sir, I am closed. It is Sunday." I said, "I knew that."

I turned to my wife and said, "I do not know what we can do. I guess the only person I know in Knoxville is John Duncan."

I turned to ask the man, "May I use the telephone," and he said, "Do you know Mayor Duncan?" He had been mayor of Knoxville.

I said, "Yes. I serve in Congress with him." He said, "Any friend of Mayor Duncan's is a friend of mine, and I will fix your car for Mayor Duncan, my friend, John Duncan."

And I told him that story. He delighted in it. It was a personal favor which he did, and it also reflected upon the people in Knoxville. Everybody in that garage that day spoke so highly of John.

My wife, Marjorie, and I extend our heartfelt condolences to Lois and their four children and their nine grandchildren. You had a great husband, great father, great grandfather.

Mr. QUILLEN. Mr. Speaker, I yield to the gentleman from Tennessee [Mr. Cooper].

Mr. COOPER. Mr. Speaker, I thank the gentleman for yielding and for holding this special order, the dean of the delegation.

Mr. Speaker, I feel very fortunate to have known John Duncan for the 6 years I have been in the Congress and feel doubly fortunate to try to represent four of the counties that he so ably represented, including the county where he was born, Scott County, a great county in the mountains of Tennessee. It is with great sadness that I participate in this special order, because all of us miss John. He meant so much to each one of us in this body and to the body as a whole.

It seems to me that although it was a shame that I only got to see really the tail end of his career, that I count myself fortunate that my father, I know, knew him early in his career when I think both of them were State commanders of the American Legion, a group that both of them served well and loved so deeply.

One thing that amazed me about John Duncan is that although he spent many years in this body, almost a quarter of a century, it never seemed like he got burned out. There was always a freshness, and he was eager to visit his constituents back home. He always had a friendly handshake, a smile, and he was always positive.

I mentioned earlier in another special order for John two of the outstanding qualities that stick out in my mind about him, and I would like to add a third. Qualities that I mentioned were his friendliness, and I had always heard about Will Rogers. Will Rogers never met a stranger. I never met Will Rogers, but I know that phrase was true about John Duncan. He never met a stranger. All the folks in Tennessee and across this Nation were his friends. He saw the good in people, not the bad.

The second quality I had mentioned about John Duncan was his incredible humility. A lot of us are good at acting humble when we need to, and we are proud the rest of the time. I am convinced that John Duncan was a genuinely humble man 24 hours a day. A lot of us aspire to that but few can achieve that.

He always gave his fellow man the benefit of the doubt. He did not go around assuming that he was better or smarter or anything like that. He always gave his fellow man the benefit of the doubt.

The third quality that I would like to add to the many, many outstanding qualities that John Duncan had was his nonpartisan nature. Being a Democrat, his being a Republican, and the gentleman from Ohio [Mr. Wylie] mentioned the outstanding nature of the Republicans in that part of the State. Democrats have a lot to fear in that part of the woods, and John Duncan could have leveled a lot of damage on each one of us over on this side of the aisle, but as the gentleman pointed out, he was a human being first and foremost. Politics came second, third, or fourth. There were a million opportunities when he could have taken a cheap shot, but he did not. He withheld his fire, and thankfully so, and I think that as a result and under the leadership of the dean of our delegation, we have had a unified Tennessee delegation. We do not fight each other nearly as much as other delegations do. We try to stick together. We do not have to wear bullet-proof vests when we are in the room together. We do not stab each other in the back. We try to get along, and Jimmy Quillen has helped us so much in that regard, and John Duncan has helped us so much in that regard. Many of the Members in the larger delegations are aware of the electricity and the tensions which can build up in a delegation.

I was struck at the funeral services in Knoxville at the outpouring of public sentiment, average citizens in the community, rich and poor, black and white, all wanting to join in the public outpouring of sentiment to honor that great man. I was struck also at the outstanding quality of the eulogies.

Howard Baker delivered one, and as usual did an outstanding job, but John's son, Jimmy, did an incredible job under the most trying of circumstances.

He related really some of the lighter aspects of John's life, and I think that he would have liked it that way, to focus us on things that are touching to us, and I think as the gentleman from Tennessee [Mr. Sundquist] mentioned earlier, the lucky pennies. A penny is a small thing, but John Duncan had the personality to make a penny a big thing to every recipient of those pennies. I will bet every schoolkid in Knox County and every other county will keep those pennies for the rest of their lives. The free icewater at the Knox County Fair, again, a small, simple thing, but one of most appreciated gestures anyone could imagine.

The story I think that really appealed to me most in the ones that we heard in the eulogy was the one Jimmy Duncan told about Claiborne County, a county that I am most fortunate to represent, JOHN DUNCAN was invited to a school assembly there, an elementary school assembly. The gym was full of anxious students waiting to hear him. But one class was not able to fit into the gym. It was not large enough. The teacher asked JOHN to go before hand to speak to the class. She got up before her class and very proudly said, "Class, do you know, we have a special visitor with us today. Do any of you know who it is?" Nobody raised their hand. This is a story that JOHN DUNCAN would tell on himself. The teacher asked again, "Class, we have a very important visitor. Do any of you know who it is?"

Finally a little boy in the back of the classroom raised his hand and said, "Teacher, is that Frank Sinatra up there?"

To me, being able to tell a story like that on himself when JOHN DUNCAN, as the gentleman from Ohio [Mr. WYLIE] said, he was known by everyone, loved by everyone, being able to tell a story like that on himself was, I think, a real mark of his humanity.

The last thing I thought was so appropriate about the funeral ceremonies, there were four or five Governors, there were Senators galore there, with the outstanding public servants like Howard Baker, thousands of average citizens, and yet really the final words that I think we of this body should remember is that a final parting compliment was paid to us even in the spirit of grief. It was not self-centered, because a story was related about, I think it was Grandma Duncan, who told JOHN DUNCAN growing up, "Son, if you cannot amount to much, at least try to associate with folks who do." Then his son, Jimmy, pointed to the congressional delegation and the other outstanding citizens there in the congregation, and to me, and perhaps it is selfish, but that was an especially touching moment, a moment that in my opinion conveyed the selflessness that that family, Lois and the four kids, grandkids, have shown. It is an outstanding bunch to have been associated with, and I feel privileged for the brief association.

Mr. QUILLEN. Mr. Speaker, I yield to the gentleman from California [Mr. LEWIS].

Mr. LEWIS of California. Mr. Speaker, I thank the gentleman from Tennessee [Mr. QUILLEN] for taking this time to give us an opportunity to express some of our thoughts and feelings about our friend and colleague, JOHN DUNCAN.

□ 1830

I came this evening without a note to take just a moment to express the feelings of one Member who knows how important it is to appreciate his fellow human being when he has a chance to serve with him in a body like this. I arrived here about 10 years ago coming from Sacramento where I served for some time in the State legislature, a beautiful city that I still love to visit, surrounded with all those very impressive and important buildings that reflect our State government. One fact of those buildings is that each of them has on the facade a saying that means something important to our State. One of the most important of the buildings, to paraphrase, tells all who come to Sacramento to bring us men to match our mountains. It is a reflection of one piece of recognition that our government and our people only are in themselves a reflection of the greatness of each individual who makes up a part of our government and in this State our State.

I will never forget, I will say to my colleague from Tennessee, JIMMY QUILLEN, arriving here maybe a month after first coming to Congress to the well of the House, very troubled about a thing called committee assignments. I ended up over here in the corner with a fellow by the name of JOHN DUNCAN who I did not know from Adam, but who could tell that I was in some way a new Member frustrated. He sat there maybe for a half an hour and talked with me about the House, the way the place changes and the importance of each of us having a bit of patience with the House and the way the place operates.

I will never forget his essentially communicating two things to me on that day. The first was JOHN looking at me and saying, "JERRY, you know one of the things that has always struck me about this place is that it is oh so important for each of us to remember and be reminded of the fact that the office that we hold is an awful lot more important than we are." That was a recognition on JOHN's part that it was important to share that thought with a new and frustrated Member. The office is an awful lot more important than we are, JOHN not willing even then to recognize how important he had become to the process which is the House of Representatives, constantly a fellow who was willing to share, to teach a little and to at the same time say to a new Member this too will pass, my friend, for the office will remain.

He also said, "I would urge you to remember one other thing, and that is around this business, as you and I get to know each other and work with one another, each of us worth our salt one day appreciates that you have not got a thing around this place if you do not have your word." And that led to quite a conversation about the interchange and the relationship of one Member to another.

JOHN reflected the best of those qualities in the years that I had a chance to watch him as a Member of this House. JOHN DUNCAN did not serve in the Congress just as our ranking member on the Ways and Means Committee. It was my honor to get to know him even better as I had a chance to serve in the leadership and deal with him day in and day out on many of the tough issues that we face. When the going gets rough in the House of Representatives, constantly JOHN was there in his quiet way expressing to us two very important realities. First is that as you move into leadership, as he had on the Ways and Means Committee, it is very, very important that you do your homework, that your job is to reflect your party and the House and your people well in that work. But as you are carrying out that responsibility, it is oh so important to constantly keep in mind that we are only here to serve, to represent our people, but also to care for our fellow human beings in this House.

Beyond that, JOHN, in the leadership, constantly reflected the best of human quality. Whenever the going got rough, he was willing to quiet the discussion down and say, wait a minute, just remember who we are going to affect in this process, who we are going to help and who might we hurt.

JOHN DUNCAN, in the final analysis, was the highest quality of human being, recognizing constantly that above and beyond all else this is a people business.

I say to the family they can be proud of the fact that their family has served their State oh so well up until now. Proud I know they are of the fact that their family will continue to serve, for I say to my colleague from Tennessee, Mr. JIMMY QUILLEN, we are going to have another Jimmy in the House not so far down the line. If there is any chance that that continued service will begin to reflect even one shiny penny of the quality that JOHN brought to us, not just the House and the country, but Tennessee will continue to be most proud of the Duncan family for the service they have provided.

I thank my colleague from Tennessee for yielding at this time.

Mr. QUILLEN. Mr. Speaker, I yield to the gentleman from Tennessee [Mr. JONES].

Mr. JONES of Tennessee. Mr. Speaker, I say to my dear colleague, Mr. JIMMY QUILLEN, the dean of the Tennessee delegation, that I do seriously appreciate the fact that he has made this special order possible for our dear and departed friend, JOHN DUNCAN.

Mr. Speaker, those of us who hold elective office often have the title "Honorable" bestowed upon us. In the case of our late departed colleague JOHN DUNCAN, there could be no better word than "honorable" to describe all of his endeavors, whether they were of a public or private nature.

Despite the powerful position that he held as ranking minority member of the Ways and Means Committee, JOHN DUNCAN never wavered from his determination to take actions that were fair and honest. He was a man of great dignity, and recognized that all of us—men and women, rich and poor, powerful and powerless—should be treated with that same dignity.

It is a rare privilege when, during the course of our lives, we have the opportunity to associate with people like JOHN DUNCAN. He was one of the Members of this body who did not appear on the weekly television talk shows. He was one who was not sought out by the media for the statements about the most recent news item.

Instead, he was content to work hard on behalf of his congressional district and on behalf of our great country. He was content to quietly seek results from his work and not headlines. He was truly an example of what a Member of Congress should be.

We, in this body, are going to miss his leadership and his hard work. Those of us who served with him in the Tennessee Congressional Delegation are going to miss him even more because we came to rely on his quiet counsel and his thoughtful leadership.

In closing, I am proud to have known JOHN DUNCAN and deeply regret his untimely death.

Mr. QUILLEN. I thank the gentleman for his remarks.

Mr. Speaker, I yield to the gentleman from Ohio [Mr. REGULA].

Mr. REGULA. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, JOHN DUNCAN was a perfect example of what service in the House of Representatives should be. He cared deeply for his constituents and their problems. He cared deeply for his country, and in his quiet but effective way, shaped policies that were good and that were fair for all people.

JOHN DUNCAN was extremely effective because he had the confidence and the respect of his colleagues. The life of each of us is richer because of our friendship with JOHN. The Nation owes him a great debt for his dedicated service, and he will be sorely missed. We can only express our gratitude to Lois and JOHN's family for sharing the burdens that allowed JOHN to serve this Nation so well.

JOHN DUNCAN leaves a legacy that will be a benchmark of quality for service in the Congress.

On a personal note, the poets say that the most beautiful words in the English language are "summer afternoon." I think perhaps the most beautiful words are "good friend and good neighbor." JOHN DUNCAN was a good friend and a good neighbor to me, and I know I speak for many other Members in saying that that is what his life meant to each of us. We certainly will miss him, and I thank the gentleman from Tennessee for yielding.

Mr. QUILLEN. Mr. Speaker, I thank the gentleman for his comments.

Mr. SCHULZE. Mr. Speaker, I rise to offer a few words in memory of the most honest, hard-working, and popular Member of the House of Representatives. JOHN DUNCAN, of Tennessee, will be sorely missed by all those who knew him and we should take this time to reflect on the man and his many accomplishments.

JOHN served the people of Tennessee for the majority of his life. He was mayor of the city of Knoxville for three terms, losing only one voting precinct in his three landslide victories. Under JOHN's leadership, Knoxville was named one of the 10 all-American cities in the United States. It was, however, in 1964 that JOHN won a seat in this body, thus providing all of us the opportunity to know him. JOHN continued his popularity with the voters of Tennessee as he was elected to 12 straight terms in the House of Representatives. In 1980 he set a record for the most total votes ever cast for a Tennessee Congressman. JOHN repaid his constituents' faith in him with an unswerving devotion to them and their needs, even in the face of suggestions he run for statewide office.

In fact, JOHN often spent recesses and vacations in Tennessee tending to the needs of the people who saw fit to elect him by such overwhelming margins.

JOHN, however, also found time to concern himself with issues of a national scope. I had the privilege of serving with him on the Ways and Means Committee and saw firsthand his consistent advocacy of free enterprise and limited Government spending that benefited corporations, small businesses, and working men and women not only of Tennessee but also of the Nation.

Indeed, JOHN scrupulously avoided self-promotion and instead concerned himself only with what was best for the constituents he represented and the Nation he loved.

JOHN was a marvelous man and he will be deeply missed. Even though he was in excruciating pain for the last few years of his life he never stopped working and never let anyone know the extent of his suffering. Nancy and I join our colleagues and spouses in expressing our deepest condolences to his wife Lois, their four children, Beverly, John, Jr., Joe, Rebecca Jane, and their nine grandchildren.

Mr. ARCHER. Mr. Speaker, when our colleague JOHN DUNCAN died last month in his beloved hometown of Knoxville, TN, I and many others in this body lost a dear friend. The Nation lost a statesman.

Never during my career in the House of Representatives have I ever known a Congressman more dedicated to his district and the people who live there than JOHN DUNCAN. He epitomized the definition of a Representative. His devotion to his constituents was a model for anyone who has ever held the office in which he served so honorably for nearly a quarter of a century.

He always remembered why he was sent here to Washington. Never did he lose sight of his roots or the people of the Second District of Tennessee who gave him the personal and political strength to rise to a position of leadership in the House of Representatives.

JOHN was my friend and my leader on the Ways and Means Committee, and I've missed him terribly during the past several weeks as the committee has deliberated technical corrections tax legislation. Having spent a little time in his legislative footsteps, if not his shoes, I have a greater appreciation than ever for his dedication to his work.

JOHN DUNCAN left his mark on the House of Representatives. He will be long remembered.

May God bless his lovely wife Lois, his wonderful children and grandchildren. He left all of them a legacy of honor, dignity, and love which they can cherish forever.

Mr. GILMAN. Mr. Speaker, I share the deep regret felt by all of my colleagues over the recent passing of our highly respected colleague, the gentleman from Tennessee, JOHN DUNCAN.

The Second Congressional District of Tennessee had the privilege of JOHN DUNCAN'S representation for almost two-and-a-half decades. He served his Nation and constitutents with diligence and devotion. JOHN'S public service began long before his entrance into Congress in 1964. He served as assistant State attorney general until he was elected mayor of Knoxville, TN, in 1959.

Congressman JOHN DUNCAN will be best remembered as the ranking minority member on the Ways and Means Committee where he notably contributed to the accomplishments of the committee. Mr. DUNCAN was a quiet man who gained the respect of his colleagues throughout his 24 years in the House of Representatives. Even though he held high seniority in the Congress, he did not attempt to usurp the floor from the newer Members. I know that he commanded the admiration and regard of all of his colleagues, for his dedication, his intellect, and his achievements.

I extend my sincere condolences to JOHN's widow, Lois, and to their four children, Beverly, John Jr., Joe, and Rebecca. I hope that they will find some comfort in the knowledge that he was admired and respected by his colleagues in this House and that we share their loss.

Mr. HORTON. Mr. Speaker, I am glad that we have set aside this time to remember a good friend of ours, the late JOHN DUNCAN of Tennessee. JOHN'S life and his career in Congress exemplified what can be accomplished if we all seek what is best for our Nation as a whole.

The area in and around Knoxville, TN, that JOHN represented is one of the most beautiful in the country. This Second District of the Volunteer State is home to persons who epitomize the term "southern hospitality." These are the people that JOHN DUNCAN took such joy in representing. Despite the pressing time demands placed upon him as ranking Republican on the House Committee on Ways and Means, JOHN made a point of returning to his district almost every weekend. Incredibly, he also managed to compile one of the highest attendance-voting records in the Congress.

My association with JOHN DUNCAN originated even before his long and illustrious career in the Congress began. He was the owner and president of the Knoxville baseball club and I was president of the Rochester Red Wings in Rochester, NY. Both of these clubs belonged to the Orioles' organization, so JOHN and I often talked about baseball.

Mr. Speaker, the area of tax law is one that often confuses the most knowledgeable of individuals. JOHN had the ability to understand these complex legislative matters and always took the time to share his insights with more junior members of the Committee on Ways and Means and with those of us who did not serve on the committee. In essence, he demonstrated the same kindness and generosity here in Washington that he did to his constituents back in Tennessee.

I will miss JOHN DUNCAN. Indeed, he was a Congressman's Congressman. My wife, Nancy, and I would like to express our deep sympathy to his wife, Lois, and his four children, Beverly, John Jr., Joe, and Rebecca Jane. While our sense of loss here in Congress is great, it cannot be compared to that felt by JOHN'S beloved family and constituency. Our thoughts and prayers are with them.

Mr. HAMMERSCHMIDT. Mr. Speaker, I was greatly saddened to learn of the passing of my good friend and colleague JOHN DUNCAN. JOHN came to Congress one term before I did and for the past 22 years I had the privilege of calling him my friend. The two of us had adjoining offices in the Rayburn Building and also represented neighboring States.

JOHN served in this body with distinction for 24 years. Over those years I came to greatly value his wise counsel and understanding of the many issues that come before this institution. His appointment as ranking Republican on the Ways and Means Committee placed him in a key position of influence. For almost a quarter of a century legislation affecting such diverse areas as taxes, health, trade, and Social Security have all borne the imprint of JOHN DUNCAN'S wisdom and insight.

After serving in the U.S. Army during World War II JOHN returned to Tennessee and shortly thereafter began his political career. He held several positions in Knoxville, and also served as assistant State attorney general. He was then elected mayor of Knoxville, and became the first three-term mayor of that city. After serving as mayor for 5 years he was elected to Congress in 1964.

One of the things that I admired most about JOHN was his deep commitment to the people of the Second District of Tennessee. His first concern was always to the people he represented. This commitment did not go unnoticed by his constituents—they overwhelmingly reelected him 11 times.

JOHN also had a great devotion to the U.S. House of Representatives. He was a quiet, private man, yet he passionately pursued his duties here on Capitol Hill. I will greatly miss working with him—even more I will miss his personal friendship. I extend my condolences to his wife, Lois, and to his children and grandchildren.

Mr. GOODLING. Mr. Speaker, it is with great regret that I extend my sympathy and condolences to the family of JOHN DUNCAN. I will miss him tremendously.

JOHN was a fine representative of the people of the Second District of Tennessee and an outstanding Member of the U.S. House of Representatives. His leadership on the Ways and Means Committee has been invaluable to his party, the House and the Nation.

His fairness and evenhandedness was instrumental in the passing of such landmark legislation as the 1981 tax reduction and the 1986 Tax Reform Act. His ability to work with all sides of an issue was vital to the process of successful consideration of many contentious issues.

I have great respect for JOHN DUNCAN and what he represented, hard work, fairness, and getting the job done. He always kept his duties to his constituents foremost and his duties to this body and this country were also his priorities. His spirit and the fruits of his dedication to our Government will live long after we are gone.

Mr. GORDON. Mr. Speaker, I would like to join my colleagues from Tennessee and across the Nation in honoring Congressman JOHN J. DUNCAN, the senior representative from my State, who succumbed to cancer June 21.

I believe both our State and our Nation have suffered a tragic loss, in addition to the personal loss so many of us feel. I also wish again to extend my condolences to the Duncan family, Mrs. Lois Duncan in particular, who courageously supported Mr. DUNCAN as he battled disease while continuing to serve his district and his country.

For younger Members like myself, the loss of a man like JOHN DUNCAN is particularly unfortunate. He brought expertise based on long experience to one of the most difficult missions of any government—financing its operations.

As ranking member of the Ways and Means Committee, Mr. DUNCAN wielded a great amount of power and influence. But it was not his style to flash the power of the purse like a cheap chrome revolver. Mr.DUNCAN knew that theatrics do not get things done up here. Time and again, he undertook careful negotiations with colleagues in a spirit of collegiality.

After 23 years as a Member of this House, Mr. DUNCAN knew how to get things done. One of his most notable accomplishment was his key participation in the crafting of the landmark tax reform act of 1986. I did not favor all parts of that act, but I recognize the hard work and good intentions JOHN DUNCAN put into that difficult process.

But what I always appreciated Mr. DUNCAN for the most was the help he gave me when I first was elected to Congress in 1985. He took the time to give me advice about the ins and outs of Congress. That insider's advice was invaluable in helping me get acquainted with this unique institution.

His passing is a tragic loss for my State of Tennessee, for our Nation, for the people of the Second Congressional District and for me personally.

Mr. CRANE. Mr. Speaker, when we mourn the death of our colleague and friend, JOHN DUNCAN, we mourn our own loss. And while millions of Americans aren't aware of it, they, too, have suffered from the death of this veteran Member of the House of Representatives who served his Nation so well.

As ranking Republican member of the House Ways and Means Committee, JOHN was a hard-working, yet easy-going leader who didn't have to twist arms to obtain results. Instead, his reasoning, integrity, honesty, and fairness served him well.

His strong support of free enterprise and his demands for financial responsibility protected his constituents and the Nation's citizenry.

He devoted his energies to the needs of small business as well as big business, recognizing that small business provided so many jobs for Tennesseeans.

When he spoke of the residents of his district in Tennessee you knew he wasn't referring to faceless constituents, but rather of good friends.

And because he did such a masterful job of portraying his native State Tennessee as a land of wonderful people and beautiful scenery, my family and I spent one of the most wonderful vacations of our lives there years ago when our children were quite young.

JOHN and his lovely wife Lois made the Cranes feel like family and that relationship will endure in memory of JOHN. I look forward to serving in Congress with JOHN's son Jimmy and treasure my friendship with his son Joe, and daughters Beverly and Rebecca. We will miss you, JOHN, but we will never forget you. Thanks for the memories.

Mr. ROE. Mr. Speaker, it is with deepest sadness that I take this opportunity to acknowledge the profound loss of one of our most highly respected and diligent colleagues, Congressman JOHN DUNCAN, of Tennessee, who served this body with the greatest distinction for nearly a quarter of a century. It was truly an honor and a privilege for me to have had the opportunity to work along side JOHN J. DUNCAN during all of my 19 years here in the House.

Mr. Speaker, few Members of Congress have distinguished themselves both here in Washington and back home the way JOHN J. DUNCAN did. As the ranking Republican on the House Ways and Means Committee, and as a tireless worker on the House-Senate Joint Committee on Taxation, he made significant contributions to our Nation. His ability to gain bipartisan support on major legislation brought him the admiration of his peers and earned him an unparalleled reputation as a fair and honest man. His diligent work on behalf of our country has set a fine example for all Americans.

It is common knowledge here in the House that JOHN DUNCAN's tireless efforts on behalf of his district made him deeply admired and respected by his constituents. While he worked on many matters vital to our Nation as a whole, JOHN J. DUNCAN was at his best serving the people back home, making sure he was accessible to all of his constituents during his 24 years in the House. He was rewarded for his devotion by receiving one of the largest votes ever cast for a Tennessee Congressman back in 1980. Most certainly, the people of Tennessee's Second District feel a personal loss with the passing of such a highly esteemed and dedicated representative.

At this most difficult time, my deepest sympathies go with JOHN's devoted wife, Lois, his loving children, Beverly, John, Jr., Joe, and Rebecca Jane, and his nine grandchildren. I hope that the knowledge that many Americans will continue to benefit because of JOHN DUNCAN's outstanding work on behalf of both his district and the Nation is of some comfort.

JOHN DUNCAN'S presence in the House will be greatly missed, but his service to the country will be long remembered.

Mr. RAHALL. Mr. Speaker it is with a great sense of loss that I add my voice to the chorus paying tribute to our departed colleague, JOHN DUNCAN. Our loss is the Nation's loss and, especially, the loss of the people of Tennessee whom JOHN so ably represented for 12 terms.

Those of us who worked with JOHN appreciated his integrity, his honesty, and, most of all, his sense of fairness. Although on different sides of the aisle, Republicans and Democrats alike knew that with JOHN, patriotism and the best interests of his constituents knew no partisanship. The bipartisan support that JOHN'S legislation received over the years is testimony to the high regard in which he was held by his colleagues, myself included.

To JOHN'S wife, Lois, and the four children and nine grandchildren, I offer my sympathy and that of the people of West Virginia.

Mr. ANNUNZIO. I rise to join my colleagues in the House of Representatives in paying tribute to Congressman JOHN J. DUNCAN, whose death on June 21 was a tremendous loss to the people of this Nation.

JOHN and I were both first elected to the 89th Congress, and through the years we served in Congress together, I had come to know and respect him for his legislative and leadership abilities, and for his knowledge and expertise on tax issues.

Congressman DUNCAN had dedicated his life to public service. Before coming to Congress, he served our country with distinction in the U.S. Army during World War II from 1943 to 1945. After obtaining his law degree, he worked as assistant State attorney general of Tennessee from 1947 to 1956, and was elected three times as mayor of Knoxville, TN.

First elected to the U.S. House of Representatives in 1964, Congressman DUNCAN ably represented the people of the Second Congressional District of Tennessee. He compiled an outstanding record of achievement as the ranking Republican member of the House Ways and Means Committee and as a Member of the Joint Committee on Taxation.

Congressman DUNCAN was a fine legislator, and his dedication to the highest standards was an inspiration to his friends and his fellow citizens. He will be sorely missed by all those he served, and all who had the privilege to work with him in the House of Representatives.

Mrs. Annunzio and I extend our deepest sympathy to his devoted wife, Lois, their four children, Beverly, John, Jr., Joe, and Rebecca Jane, and the other members of his family who survive him.

Mr. MAZZOLI. Mr. Speaker, I wish to take this opportunity to pay tribute to our late colleague, JOHN DUNCAN of Tennessee, who recently passed away after 24 years of distinguished service in this body, the House of Representatives.

Here on Capitol Hill, JOHN was known most for his dedicated service on the Ways and Means Committee. He was its ranking Republican member. We owe JOHN much credit for his consistent advocacy for free enterprise and a favorable climate for businesses, large and small, in the Nation.

But, we who knew him were also aware of the compassionate and devoted service JOHN provided to the residents of Tennessee's Second District. JOHN was admired by his colleagues and constitutents alike for his fairness, honesty, and integrity.

JOHN's health was not strong in recent months. But, because of his commitment to his constituents, his State, and his country, JOHN maintained his voting attendance record and his work on the committee.

We are all better people and better legislators because of JOHN DUNCAN.

I extend my deepest sympathy to JOHN's wife, Lois, his four children, his nine grandchildren, the rest of his family, and his many, many friends.

Mr. WOLF. Mr. Speaker, I join with my colleagues today to pay tribute to our late colleague, the gentleman from Tennessee, JOHN DUNCAN.

JOHN DUNCAN was a public servant in the finest and truest sense. He loved Tennessee and its people and he loved his country. He had a geniune concern about representing the best interests of his constituents and when the House was not in session, his time was spent back home with the people who elected him to 12 terms in Congress and 3 terms as mayor of Knoxville.

In remembering JOHN DUNCAN, the first words that come to mind are diligent, courteous, fair, and bipartisan. He always made time to listen and to lend assistance. On numerous occasions I would forward questions and comments to JOHN from my constituents on tax matters or other issues under the jurisdiction of the Ways and Means Committee and he never failed to answer with a thorough and substantive response.

So it is with sadness that we come together today to pay our respect to JOHN DUNCAN. He was one of the quiet leaders of this House and we will miss him very much. I feel honored to have served with him and extend my sympathy to his wife, Lois, and his children and grandchildren.

Mr. BEVILL. Mr. Speaker, I join our colleagues in honoring our good friend JOHN DUNCAN. We will miss his wit and wisdom, his dedication to his constituents, and his love of America.

JOHN was a trusted public servant who earned the respect of the citizens he represented. While he was an effective spokesman for his party, he was even more effective at fostering bipartisanship in the Congress.

JOHN DUNCAN was successful at every level of political life. As mayor of Knoxville, he brought growth, stability and prosperity to that city. As a Member of the U.S. House of Representatives, JOHN worked tirelessly for all of those he represented.

I am proud to have served with JOHN and proud to have been his friend. JOHN DUNCAN was a man of the people and his passing saddens us all.

Mr. RUSSO. Mr. Speaker, I join with my colleagues in remembering and honoring the late Congressman JOHN DUNCAN, the distinguished gentleman from Tennessee. JOHN was indeed a gentleman whose talents for persuasion and getting the job done were exercised quietly and with dignity. This is an impressive talent. I would count JOHN as a most effective legislator, and he knew his district, his State, his committee, this Congress, and what needed to be accomplished. But he always maintained that southern warmth and affability, even in the face of the most difficult of challenges.

When you have the privilege to serve with so many fine people, you have occasion to learn a great deal and you also come to value particular qualities in people. With JOHN, I admired his ability to be bipartisan. I respected his committment to his work. I admired his political skills, learned from the ground up. He was important here but he never acted that way or forgot the importance of the folks back home. He was always helpful and cooperative.

Such an approach to life and work has an impact on those around you, and it also wins the affection of those whose lives you touch. JOHN truly had a genuine affection from his colleagues. This in itself is a tribute. And it is a tribute to this man that he leaves a legacy to this Congress and the country of over a decade of effective representation and legislating.

JOHN was my friend and I am going to miss him greatly. We all are. I extend my sympathies to his family, and to the people of Tennessee's Second District.

Mr. COUGHLIN. Mr. Speaker, I want to thank Mr. QUILLEN for arranging this special order and rise to join my colleagues in saluting JOHN DUNCAN of Tennessee.

Since first being elected to Congress in 1964, JOHN DUNCAN was a tireless worker for the people of Tennessee. Grandstanding was not his style. As a senior member of the Ways and Means Committee, there was ample opportunity for personal glory, but JOHN did not follow this path. While a supporter of the 1981 Reagan tax bill, he worked behind the scenes to ensure inclusion of many of the plan's most favorable elements.

JOHN's politics were honed at the grassroots. During his 5 years as mayor of Knoxville, he learned the value of communicating with his constituents. These lessons served him well during his tenure in the House. Though his seat was considered safe, he still traveled home nearly every weekend to present flags, attend weddings, and generally get the pulse of the district.

A staunch supporter of the Tennessee Valley Authority, the nuclear complex at Oak Ridge, the Tellico Dam and local mining interests, he was a tenacious warrior for projects beneficial to his beloved Tennessee. While a conservative, JOHN never let his political philosophy blind him to the needs of the less fortunate. The elderly and the poor were not forgotten. He twice amended housing bills to provide that Social Security benefits not be counted as income for the purpose of determining eligibility for federally subsidized housing. He also voted several times to oppose efforts to restrict the scope of the Food Stamp Program.

Mr. Speaker, JOHN DUNCAN was a powerful role model to many of us. He showed us the value of hard work, taught us to value and respect our constituencies and represented the highest ideals of this distinguished body.

To his wife Lois and his four children, I send my deepest condolences. The Congress as well as the Second District of Tennessee have lost a leader who will be difficult to replace.

Mr. SPENCE. Mr. Speaker, our colleague and dear friend, JOHN DUNCAN, was a man of rare courage and determination. He faced an age-old disease with bravery and a noble spirit that was typical of his entire life. I learned of his passing during my recovery from a double lung transplant, and my sorrow and grief upon hearing the news was profound.

We will all remember JOHN in many different ways, but one example that comes to mind is that of the role played by the late John Wayne in the film, "The Quiet Man." The principal character of that film was recognized and respected because of his resoluteness, perseverance, and old-fashioned grit. Truly, these were traits, possessed by JOHN, a true gentleman of the great State of Tennessee.

JOHN DUNCAN had a remarkable career in public service which spanned a period of over 40 years. As an innovative mayor of Knoxville, TN, one of America's most beautiful cities, he established an enviable record that led to numerous accolades from government and business leaders throughout America. He accomplished his objectives by setting a good example and bringing people together from all walks of life to attain the common good.

As one of the most respected Members of the House, he was known for impeccable manners, courtliness, and a demeanor devoid of bitterness or rancor. He had great regard for Congress as an institution, and for over 23 years he set an example that should be emulated by every young man and woman who aspires to serve in this body.

As a student of the legislative process, JOHN worked long and hard with little fanfare. In the classic sense, he was a constituent's Congressman, and every other November his constituents gave him a complete mandate that was impressive by any measuring rod used to judge a candidate for public office.

Of course, JOHN will be especially remembered by his colleagues for his work on the Ways and Means Committee. He handled the complex and difficult tasks of the committee with sound judgment and an everwatchful eye for America's taxpayers. He fought for fiscal sanity and took the attitude that every penny of the taxpayers' money should be treated as if it were his own. He truly believed that the Tax Code should be used to encourage savings and investment in America as opposed to penalizing those who work hard and save for their future and their children's future.

I am going to miss JOHN DUNCAN. I am going to miss his wisdom, good counsel, and wonderful friendship. More importantly, the Nation is going to miss him. Such men are hard to replace. To his dear wife, Lois, and their four children, I extend my deepest sympathies and offer my heartfelt thanks for having known such a person as JOHN DUNCAN.

Mr. DE LA GARZA. Mr. Speaker, I rise in tribute to the life and service of our departed colleague and friend JOHN J. DUNCAN. While we mourn today the passing of a valued legislative draftsman of his historic proportions, we gratefully celebrate his life's work as a faithful, tireless, productive public servant and true representative of those he so capably served from the Second District of Tennessee.

JOHN DUNCAN'S was an outstanding career. In his years among us he never lost touch with the need of his constituents yet his vision always extended far beyond his home district and State to encompass the cares and concerns of an entire Nation. His faith in that Nation and his compassionate understanding of America's fundamental principles served as the inspiration for the passionate and relentless support of the causes he chose to champion.

Our colleague was both a pilgrim and a pioneer and I am privileged to have served with him. As we continue with our work we should also allow JOHN's spirit to remind us of the direction in which we should attempt to steer our country. The work he began with the rest of us will not end. Ours is not a body that depends upon one man for leadership, but rather a body that relies on many for inspiration. The inspiration provided by JOHN DUNCAN will live on.

My deepest sympathies go out to his wife, children, and grandchildren.

Mr. BROOMFIELD. Mr. Speaker, on behalf of my wife and myself, I would like to take this opportunity to express my sincere condolences to the family of JOHN J. DUNCAN, especially his wife, Lois, on the sad occasion of JOHN's passing. I will certainly miss him.

JOHN and I served in this House together for nearly 24 years, and I truly enjoyed working with him. His whole career was marked by diligence, honesty, and a desire to be a true public servant. Certainly his popularity, first as mayor of Knoxville, TN, then as the Representative from Tennessee's Second District, showed that his constituents appreciated his service on their behalf.

JOHN was devoted to his constituents, always insisting that they be treated equally and fairly regardless of financial status. During vacation and recess periods JOHN always went back home to be with his constituents.

As the ranking Republican on the Ways and Means Committee, he was never an arm twister, but he got things done. He always sought bipartisan support for any piece of legislation he sponsored. He also had one of the best attendance records in Congress. His strong support for free enterprise and financial responsibility I greatly admired.

I salute JOHN J. DUNCAN, a true public servant, and a great American.

Mr. APPLEGATE. Mr. Speaker, I would like to join with my colleagues in the House in extending special recognition and admiration of our late colleague from Tennessee, Representative JOHN DUNCAN.

I want to convey my admiration of JOHN DUNCAN, not necessarily for the work that he performed in this Chamber during his two dozen years representing the fine people of the Second Congressional District of Tennessee, but for the great attributes and qualities that he always displayed and presented as an individual and as a person overly concerned with, and interested in, all Americans. He was a quiet man, but a forceful one, in his own way.

JOHN DUNCAN represented a part of America that included the troubled regions of Appalachia, the same region that extends up to the North and includes some of the area that I represent in Ohio. I know that my constituents, just like those people in Tennessee who were so ably represented by JOHN, owe as much to JOHN DUNCAN for what he did on their behalf as they may ever owe me for what I've attempted to do for them.

JOHN DUNCAN was highly respected and admired by his colleagues regardless of which side of the aisle they sit or what area of the Nation they represent. On the morning after his death in Knoxville, following a courageous battle against cancer, JOHN'S colleagues from throughout the State of Tennessee and his fellow members on the Ways and Means Committee all came before this Chamber to express their sorrow. The feelings they expressed, and the impact of our loss, came with spontaneity, directly from the heart.

The House of Representatives was a better place because of JOHN DUNCAN. His presence graced our hallways in a manner that will now stand in stark contrast with his passing. We will never be the same, and the loss will be our's and all of America's.

Mr. Speaker, I wish to join with my wife, Betty, in conveying our sympathies to JOHN'S wife, Lois, and to their children. I will miss a very fine individual.

Mr. ROYBAL. Mr. Speaker, I would like to take a few moments to remember our colleague, JOHN DUNCAN. JOHN was my Rayburn House neighbor for many years, and I will miss him.

It was only recently that we heard the announcement about JOHN'S illness and that he would be unable to seek another term. Congressman DUNCAN was respected by his Tennessee constituents. They overwhelmingly reelected him for 12 terms to serve as their Representative. JOHN had an exceptional relationship with his constituency. On many occasions he would arrange for a staffer to come to the Hill on Saturdays, and when possible be there himself, to give the 6th graders of a local school or other organizations a special tour of our Nation's Capital.

JOHN DUNCAN'S public service record beginning with his first position as an assistant state attorney general in 1956 to his tenure as a Member of the House of Representatives is to be highly commended. JOHN'S strong leadership will be missed and he will always be fondly remembered by his colleagues. Our deepest sympathies are extended to Mrs. Lois Duncan and the family.

Mr. YATRON. Mr. Speaker, I rise today in great sadness to join with my colleagues in paying tribute to a good friend and outstanding leader, Congressman JOHN J. DUNCAN.

During his 24 years in the House of Representatives, JOHN served his constituents and the people of the United States with dedication, honesty and integrity. I always had the utmost respect for JOHN'S impressive legislative work. His commitment to diligently helping his constituents is something we should all strive to emulate. JOHN DUNCAN was truly an outstanding legislative leader and a fine gentleman. He will be missed by everyone who knew him.

Mr. Speaker, Tennessee's Second District as well as the entire Nation has suffered a great loss with the passing of JOHN J. DUNCAN. I join with my colleagues in extending my deepest sympathy and prayers to JOHN'S wife, Lois, and their entire family.

Mr. BLILEY. Mr. Speaker, today, we are paying tribute to a friend and a colleague. JOHN DUNCAN was both of those things to me and to a great many Members of this body. JOHN crossed over party lines to gain unsurpassed popularity with Members on both sides of the aisle.

JOHN was the epitome of what a Congressman should be; honest, fair, and dedicated to his principles. His door was always open for everyone from the richest contributor to the poorest voter. His constituents knew that and showed their support and appreciation by returning him to office term after term by some of the largest vote margins ever seen in Tennessee history.

JOHN DUNCAN will be missed in this House. His quiet efforts and impartial even-handed approach to legislative dealings will leave a gaping hole in this body that only the most able and dedicated successor can hope to fill.

My thoughts and prayers are with Lois Duncan and their children and grandchildren. I want them to know that I am proud and honored to have had the opportunity to serve in the Congress with JOHN DUNCAN.

Mr. MATSUI. Mr. Speaker, it was with great sadness that I learned of the death of our most distinguished colleague from Tennessee, JOHN DUNCAN. My sincerest condolences go out to his wife, Lois, and all their children.

It was my distinct honor to have had the opportunity to work with JOHN. His legislation was always bipartisan, legislation which had the best interests of the Nation in mind. JOHN'S integrity and hard work were inspirations to me, and I am sure to a great majority of my House colleagues. JOHN epitomized the ideal Member. His district was his love; he served his constituency with unbridled loyalty and dedication. Truly, JOHN was a Representative who cared.

Mr. Speaker, we have lost a great Member of our body. I know this entire House will mourn the death of JOHN DUNCAN. But I also feel that JOHN would want us to continue on with our work. Instead of mourning JOHN, perhaps we should remember him as he was which, as we all know, was one of the finest and most decent human beings to have graced these Halls.

Mr. QUILLEN. Mr. Speaker, our former colleague, Bob McClory of Illinois, who served with us here in this House for 20 years, has asked to have a brief tribute to his long-time friend and colleague, JOHN DUNCAN, included as a part of this special order.

Congressman McClory's statement follows:

TRIBUTE TO CONGRESSMAN JOHN DUNCAN FROM FORMER CONGRESSMAN BOB McCLORY

It has been with a sense of deep personal sorrow that I learned of the passing of my long-time friend and fellow colleague, Congressman John Duncan of Tennessee. During our long service together in the House of Representatives, I felt a personal attachment to John Duncan and to his lovely wife, Lois, as well as to other members of the Duncan family including, particularly, a beloved granddaughter, Tiffany.

Congressman Duncan's quiet and unassuming manner, together with his diligence in performing his public duties, have combined to make him an exemplary public servant. Thoroughly conscientious, always well informed, he exercised a judgment on behalf of his constituents and the citizens of the nation which have always characterized him as a leader in this great legislative body.

Many legislative measures which have been produced in the U.S. House of Representatives during the years of service since his first election in 1964 bear the mark of John Duncan's diligence and effectiveness as a capable and a respected lawmaker.

A regular attendant at the House Members' prayer breakfasts, John Duncan was a devout and beloved Christian gentleman. Together with his wife, Lois, John Duncan earned the admiration of all of us who worked intimately with him during our years together in the Congress. John's and Lois' beloved and beautiful granddaughter, Tiffany, who graced these halls on many occasions during her younger years and who assisted her grandparents in their duties here in our Nation's Capital, helped to endear the Duncan family to many of us.

John Duncan's earlier service to his native city of Knoxville, Tennessee, combined with his military service during World War II, are further evidences of his role of citizenship in behalf of our great nation.

My wife, Doris, and I are privileged to have this eulogy included in the remarks of many with whom I served in the U.S. House of Representatives. We extend to Lois and to all members of John Duncan's family our love, respect and deep sympathy.

Mr. MICHEL. Mr. Speaker, I want to join with all our colleagues in mourning the death of a beloved colleague, JOHN DUNCAN of Tennessee.

As ranking Republican member of the Ways and Means Committee, JOHN was at the very center of the action. But I guess most of us will remember him fondly as a gentle, gracious man, with all of the courtly Tennessee charm you could imagine.

I have noted before that it is these personal qualities that we recall about our departed colleagues, not the positions they took or the votes they cast. The House is a place where by necessity we get to know each other very well because we work together and see each other so often.

So it gets to the point where the personal qualities become so important and no quality is more essential to making this place run than the kind of civility and good manners that JOHN DUNCAN knew instinctively.

Honesty, fairness, gentleness of manner, deep concern for this Nation, and for constituents—that is an admirable legacy to leave.

Our thoughts and our prayers go with his wife, Lois and their family. We will miss JOHN DUNCAN and I just wanted to take this opportunity to say so publicly.

Mr. CONTE. Mr. Speaker, it is with a great sense of personal sorrow that I rise today to join my colleagues in eulogizing my good friend, JOHN DUNCAN, who passed away last week after a long battle against prostate cancer.

I came to Washington in 1958. JOHN was elected in 1964. For more than 20 years, JOHN and I served together in this Chamber. His loss leaves a huge void in this body, and in me personally. His friendly demeanor and love of life made him very special.

Mr. Speaker, someone once said that there were two types of Members of Congress—workhorses and showhorses. Without question, JOHN was a workhorse. His leadership as the senior Republican on the Ways and Means Committee was an inspiration to the many Republicans who had the privilege of serving under him.

JOHN was diagnosed as having prostate cancer in 1980. But he treated his ailment just as you or I would treat a common cold. And with his usual quiet determination, he fought through that trying ordeal for nearly a decade. He didn't complain, he didn't ask for special treatment. He just fought with courage and perseverance that would leave us all wanting.

JOHN and I were operated on by the same doctor at Johns Hopkins Hospital for the same type of cancer. It was on more than one occasion that the session had concluded and we would get together and talk about how we felt, sharing our progress as well as our pain. And, Mr. Speaker, we would talk about baseball. I think, next to his lovely family and his duties as a Member of Congress, he loved baseball more than anything. As the coach of the Republican baseball team for the House, I spent many hours after the work of the House was concluded talking with JOHN. I will count those hours as among the most pleasurable of my life, and I know that JOHN felt the same way.

During his last days in Congress, JOHN suffered the tremendous pain that is often associated with cancer. The pain in his back was almost unbearable. But bear it he did, Mr. Speaker. And he did it in the same straightforward way that he dealt with other problems—with strength, with fortitude, and with resolve.

He was a great pal, Mr. Speaker. I will miss him. This Nation has lost a statesman, the State of Tennessee has lost a dedicated representative, this body has lost a Member of unequaled stature, and I have lost a true friend.

Words cannot adequately describe the personal loss I feel here today. JOHN and his beautiful wife Lois have meant a great deal to my wife Corinne and me. His memory will remain an important part of me for the rest of my years. And I know that his love of life will continue to live on in the thousands of people who were fortunate enough to know this great man.

Mr. APPLEGATE. Mr. Speaker, I would like to join with my colleagues in the House in extending special recognition and admiration of our late colleague from Tennessee, Representative JOHN DUNCAN.

I want to convey my admiration of JOHN DUNCAN, not necessarily for the work that he performed in this Chamber during his two dozen years representing the fine people of the Second Congressional District of Tennessee, but for the great attributes and qualities that he always displayed and presented as an individual and as a person overly concerned with, and interested in, all Americans. He was a quiet man, but a forceful one, in his own way.

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The House of Representatives was a better place because of JOHN DUNCAN. His presence graced our hallways in a manner that will now stand in stark contrast with his passing. We will never be the same, and the loss will be our's and all of America's.

Mr. Speaker, I wish to join with my wife, Betty, in conveying our sympathies to JOHN's wife, Lois, and to their children. I will miss a very fine individual.

TRIBUTE TO RICHARD P. CONLON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. LOWRY] is recognized for 60 minutes.

GENERAL LEAVE

Mr. LOWRY of Washington. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of this special order.

The SPEAKER pro tempore (Mr. VISCLOSKY). Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. LOWRY of Washington. Mr. Speaker, I take this special order today to commemorate Richard P. Conlon who died June 19 in a sailing boat accident on the Chesapeake Bay at the age of 57. He died way too young, but he certainly knew how to live his life in those 57 years that he lived. With his wonderful wife, beloved wife of 32 years, Marti, and their children, Charles, Michael and Kelly, and their two grandchildren that they loved so much, Dick Conlon with his life made a difference.

Just exactly 2 weeks ago tonight, almost at exactly this hour, we had a memorial service in the Ways and Means room for Dick, I think a memorial service with very few comparisons in the history of this Capitol shown by the tremendous respect that people had and love that people had for Dick Conlon. We asked for the Ways and Means room because we knew we would need the largest available room in the House of Representatives, and it still was too small as Dick's friends came from all over to make that tribute to him, as well as Members of Congress, the Speaker of the House, Members of the Senate, people with groups that had participated in making this a better country and a better world who all came to talk about the difference Dick Conlon made in his life.

Just 4 days before he died, on June 15, we had an anniversary party celebrating Dick's 20th year as executive director of the Democratic Study Group.

□ 1845

And in that anniversary people recounted over and over the leadership Dick had given for reform of the House, making this a more Democratic institution; leadership on campaign reform; leadership on foreign policy; and just this year leadership in the Persian Gulf to get this administration to obey the law called the War Powers Act; leadership on producing an opportunity for peace in Nicaragua by providing the Nicaraguan people an opportunity to sit down and come to a peace among themselves without military interference by the United States or other superpowers; leadership on issues that have been the cutting edge of progress in this country over the 20 years of Dick Conlon's service.

There are many Members who have served during those years with Dick that I know would want to participate in this special order and I would at this time like to call upon the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. I thank the gentleman from Washington for yielding. I would like to mention an area in which Dick Conlon made a difference that has not been stated before.

When I was elected to Congress in 1969 and came here I was appalled in observing the wide gulf that existed among Democrats as well as between Democrats and Republicans who came from rural areas and those from urban areas. There was very little cooperation by Members of Congress from places like Arkansas with Members of Congress from places like New York, and vice versa.

I decided that if I was going to help the people that elected and vested me with a degree of trust to serve their needs that we needed to bridge that gulf.

I met Dick Conlon and he arranged an invitation, I believe from the National Conference of Mayors, for Members of Congress from places like Arkansas and South Carolina and other rural States to visit the large cities of our country and to see firsthand what the problems were.

We went to New York, Dayton, Philadelphia, and other places. I saw parts of New York that only New Yorkers see. We visited the Bedford-Stuyvesant region in Brooklyn, the Bowery, the jails, the mental institutions, the police headquarters. At that time, 20 years ago, they were receiving 20,000 calls a day.

I remember going into slum buildings in Chelsea, in Harlem talking to people without jobs, asking where they came from and why they could not find work.

It was through this process of educating Members of Congress from rural districts that we learned about the problems of the cities and the ghettos and it was through the hand, the guidance of Dick Conlon that I learned to understand the needs of the cities and vice versa.

And out of that stewardship where Dick Conlon made a difference, there was a coalition that developed among Members of Congress from rural and urban areas that helped both urban areas and rural areas.

I know of several benefits to rural areas such as rural roads, bridge replacement bills, rural health assistance, assistance to small towns for housing, for civic centers, for police departments and fire departments and many, many other items of help for people who are from small towns and rural areas that Dick Conlon helped.

I want to acknowledge publicly that help today because I do not think it has ever been mentioned before. He was a wonderful friend, a great public servant, a wonderful American. We will all miss him here.

I pay tribute to him on this solemn occasion.

Mr. LOWRY of Washington. I thank the gentleman from Arkansas for that very interesting information and another contribution which Dick Conlon made to this institution and this country.

I yield to the gentleman from Iowa.

Mr. LEACH of Iowa. I thank the gentleman for yielding.

Let me just mention, as a Republican, there are several things that stick out in my mind about Dick, a little different than perhaps Members of the majority would think of at first hand.

One is that Dick headed, as we all know, the Democratic Study Group and that is a partisan institution within a partisan body. But it is partisan and Dick was partisan in the best possible way. He was kind of the coach of the study group. What stuck out to me, as someone who dealt with Dick on issues, sometimes with him, sometimes opposed, was that he stood for high standards. Around here, we all know, there is an instinct to appeal to the lowest rather than the highest sometimes, and Dick was always one who said let us appeal to conscience rather than the issues that got the most votes. Dick was a man of conscience.

Finally let me just say that as a Member and more as an observer than as a participant in all of the things that Dick was in the middle of, if we look at this body we sometimes think there are 435 Members and that is it.

Actually there are thousands of employees of the United States, from the Library of Congress, the greatest library in the history of the world, to our congressional committee staff, the people that make this body work, who type up the records, to our own individual staffs and Dick really symbolized all of them.

When we think about it, what makes this body great today is not that there are a lot of Jeffersons wandering these corridors, but people like Ted Sorenson and Dick Conlon, who have done so much more than most of us as individual Members have done or can hope to do.

As a matter of fact, if we think of the news, there are probably few Members who served here in Dick's 20 years that did not get in the press more, but there are probably few Members that made a difference to the degree that he did.

So I think as we salute Dick we really salute him as an individual and a very decent human being, but also as a symbol of those people who are not in the news who have made this body what it is today.

I thank the gentleman for allowing me to speak.

Mr. LOWRY of Washington. I thank the gentleman from Iowa for his very nice contribution.

I know there are so many of us in the Democratic Study Group on this side of the aisle that think the gentleman from Iowa brings a very high level of integrity to this institution. We appreciate his contribution to this special order.

Mr. Speaker, I yield to the gentleman from New York [Mr. McHugh].

Mr. McHUGH. Mr. Speaker, I thank the gentleman from Washington for yielding, and I join with him and our other colleagues in paying tribute to Dick Conlon, who was surely one of the most extraordinary people I have known during my 14 years in Congress.

Since Dick's sudden death a few weeks ago, I have experienced a blend of strong emotions. There is personal sadness, of course, at losing so dear a friend and in observing with helpless frustration the pain of his wonderful wife, Marti, and their family. I feel a sense of lost opportunity as well, for Dick had so much more to give to this institution and to the Democratic Study Group he led with such distinction for 20 years. His passing leaves a vacuum that will be difficult if not impossible to fill. At the same time, along with these more depressing feelings, I have also experienced a sense of joy and celebration because of the vibrant, positive life that Dick led, because of his many achievements, because of the countless ways he enriched those of us who had the opportunity to share his life and benefit from his restless talent.

Fortunately, only days before Dick died, we had the chance to express our admiration and affection to him personally when hundreds of his friends came together to celebrate his 20th anniversary as executive director of the DSG. On that occasion and in the days since, up to and including today's tribute, his extraordinary achievements have been publicly recognized. They are well known, and I need not belabor his record here again: the journalistic integrity and intellectual scholarship he brought to his legislative research, his personal commitment to open, democratic procedure, his fervent idealism in fostering initiatives and reforms that reflected values we had in common. Long after the shock of his death has subsided, we will cherish these achievements and his memory will continue to inspire us.

If Dick were with us today, he would be quick to dismiss our accolades, not out of some sense of false modesty for Dick was confident and proud of his work, but because of his impatience that we get on with the unfinished agenda. Indeed, Dick could be downright irascible when he thought we were not aggressively pursuing the important business of this House. While his hair shirt approach could be grating at times, we always knew he was driven by deep commitment and by a desire that we meet the same standard of excellence he set for himself.

For these reasons, Mr. Speaker, I believe that the highest tribute we can pay Dick Conlon is to carry on his work. We will sorely miss him as a friend and colleague, but we shall cherish forever his contributions and his example.

I am sure that no one appreciates Dick more, or feels his loss more deeply, than his family and especially his remarkable wife, Marti. We extend to them our heartfelt sympathy, and we share with them our pride in who Dick was and in what he achieved.

Mr. LOWRY of Washington. I thank the gentleman from New York.

I know over the years that I have had the opportunity to work with Dick, and the last 2 years as Chair of the Democratic Study Group, how much he valued the counsel and the support that Mr. McHugh gave to the Democratic Study Group on all the countless issues.

The gentleman was so very close to Dick.

Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. Obey], a very close friend and closest of all confidantes to Dick Conlon.

Mr. OBEY. I thank the gentleman for yielding.

Mr. Speaker, I think that the gentleman from Iowa [Mr. Leach] really made one of the points that I wanted to make. People throughout America often hear the names of U.S. Senators, they quite less often hear the names of Members of the U.S. House of Representatives, except for a select few. They almost never hear the names of a whole cadre of people who work in this institution, who work for this institution, who care about the country and give their energy and in fact their entire lives in public service making this institution be what it really ought to be.

I know of no one whom I have met in the almost 20 years I have served in that category who was more valuable to the country, to the progressive movement and to this institution than was Dick Conlon.

I was elected on April Fool's Day of 1969 and in my first day here 2 days later, Thursday, April 3, I was sworn in and given one of the only two offices that were empty on Capitol Hill, by the Sergeant at Arms, then Fishbait Miller. Fishbait said, "This is your office."

I walked in, with no staff, a huge mountain of mail. One of the first persons to come on over was a fellow who was right across the hall, a fellow by the name of Dick Conlon. At that point I did not know who Dick Conlon was and I did not know what the Democratic Study Group was. I rapidly learned about both because I learned that the Democratic Study Group was in fact the progressive heart of the Democratic Party on the House side of the Capitol and that Dick Conlon was the executive director of that group.

I had assumed he had been around here forever because he knew so much about the place. I did not realize until much later that he had only assumed his job about a year earlier than that.

What he really did, he had a three-faceted career here which was absolutely remarkable. First of all, he provided much of the day-to-day information upon which Members routinely relied in order to make all kinds of judgments about legislation with which they were dealing on a day-to-day basis; he helped the staff that did the research that let us know what it was in the H.R. 1423, or whatever, that we were going to be voting on that afternoon.

□ 1900

He did research on a daily basis, and he also did research on issue analysis. That was a key role played by DSG and by Dick Conlon as staff director. And Dick was incredibly proud, justifiably so, of the quality of that research which, I think it is fair to say, was without peer on Capitol Hill and has become the model for information provided by all kinds of sources on Capitol Hill today.

Second, he very much had an agenda and DSG very much had an agenda, and that agenda revolved around the question of keeping the Democratic Party true to its progressive conscience and thereby putting pressure on the entire political system to remember all of those who needed help, so that the system took care of everybody in our society, not just the top dogs, not just those people in $300 suits, not just those people who could afford to eat at fancy restaurants in this world and charge it off to the taxpayers. He wanted to see to it that this place took care of the average person in this country who might never write a letter to Congress, who might never really know what we were doing, but nonetheless would be affected by our activities every day.

Whether it was the Vietnam war, to which he devoted so much of his attention toward its end, whether it was fair taxation, whether it was a decent environmental policy, whether it was saving the boundary waters canoe area in Minnesota which he loved, all across-the-board he fought tenaciously day after day after day to see to it that people like you and me and others on the floor tonight played their role, sometimes even when they did not want to, in order to keep the fires burning for the causes that we thought were important to the future of the country.

He did that for 20 years, and he never wore out, he never gave up, and he never lost his enthusiasm or lost his good humor, except once in a while, on the whole range of issues that he dealt with.

Third, there was his commitment to process. He really did understand that if you did not have processes that had built-in incentives to make the right things happen, all too often the wrong things would happen. He understood the role that process plays in keeping this institution what it has to be if it is to keep this country what it has to be. He was the driving tactical force and the driving thinking force in testing not only our beliefs but our tactics as we moved into reform after reform that democratized this place, that put additional power in the hands of leadership which was elected by the caucus and took that power out of the hands of power centers that were unaccountable because they were not elected by this caucus. He changed the entire structure of this caucus and made it work so it could be a vibrant forum for the discussion of all aspects of issues that face this place and our party day after day after day.

I feel not only a tremendous sense of loss on a professional basis but I feel a tremendous personal loss because there was not a week that went by that I would not run a gut check by simply calling Conlon and saying, "Dick, what do you think?"

I still run into issues every day where I think "Now, that is something I really wish I could check out with Dick Conlon."

I know of no person who has fulfilled that role more skillfully and with more grace than did Dick Conlon in the 20 years he served this place.

I also think that we can take pride in the incredible outpouring of emotion that took place when his memorial service was held just 2 weeks ago. As the gentleman in the well has indicated, we held that memorial service in the biggest room we could find on Capitol Hill, and still there was not enough room. We had an immense crowd. I told his wife, Marti, afterward that I have been at many, many memorial services for a good many friends in this place. As we all know, he was close to people like Phil Burton and Ben Rosenthal, for whom we had a joint memorial service in Statuary Hall a few years ago after they both died within a short period of time. And I think if Dick Conlon could see Ben and Phil, the first thing he would say to them is, "Hey, fellows, I outdrew the both of you." Because he did. I think he would have needled Phil about it. And Ben Rosenthal would probably have won a buck by betting that that was the way it was going to go.

I do not mean to sound irreverent, but I think it is important to remember the humorous side of this life. And certainly Dick understood that better than anybody around.

We are all going to feel his loss greatly. We do already. There is nothing anybody can say that can adequately sum up the loss this institution has endured with the loss of Dick Conlon. There is certainly nothing we can say that can make much easier the loss felt by his wife, Marti, and his family. All we can do is try to remember that in time the worst of pain does pass. I think the best of the memories will remain, and we will be able, when each of us in due time leaves this place, to think back on just how remarkably better this institution functions today because a human being named Dick Conlon served it so well.

Mr. LOWRY of Washington. Mr. Speaker, I thank the gentleman from Wisconsin [Mr. OBEY] for his comments.

Mr. Speaker, Mr. DAVID OBEY, of Wisconsin, was so close to Dick Conlon, and he was a confidante and close friend of Dick Conlon's. I say to the gentleman, you and Dick just worked together on all these things so well, and I just know how very highly Dick thought of you. I also want to say, as Chair of DSG, thank you, DAVID, for the tremendous help you have been over the last 3 weeks since this tremendous loss in the organizational efforts, and so on, as we continue forward the work of DSG in exactly the way Dick Conlon would want it. You put in a lot of work, DAVID, and I want to thank you in behalf of myself and DSG for the extraordinary help you have given us.

Mr. VENTO. Mr. Speaker, will the gentleman yield?

Mr. LOWRY of Washington. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Speaker, the Members of the House benefited from Dick Conlon's leadership in many ways, indeed he has lifted the ability and capacity of this House and Congress to deal with the problems of people, to be responsive and responsible in the exercise of our duties. When I arrived and began serving in the 95th Congress some reforms of the House were in place, but DSG and Dick Conlon continued to serve as a catalyst to maintain the reforms and to propose many more throughout my 12 years serving in the House of Representatives.

The research work and legislative prepared materials continue to be the standard by which legislative research will be judged. I knew Dick Conlon's work before I knew him, in fact the DSG materials provided a wealth of materials which helped many candidates with the background and insights into what constituted the subject, the issue, the policy formation of law that was under consideration.

I could almost hear Dick Conlon talk through those materials, he indeed was justly proud of the fine research work. I think that Dick Conlon felt that if you could just fully explain the issue, that it would finally help people resolve problems; he felt that many differences were based on the lack of understanding concerning the issue. Indeed Congressmen and Congresswomen who don't understand an issue, or more importantly, don't agree on the facts, are going to make decisions that are incorrect. Congress, the House with 435 Members needs to develop the commonality of information from which sound policy decisions can flow. Clearly, this instinct, this drive of Dick Conlon, flowed from his newspaper background and, I believe, his Midwest roots.

We in Minnesota, of course, like to claim Dick Conlon as one of our own, but I think that his native Iowa would likely make the same claim. Dick earned his spurs in Minnesota and finally came to Washington, DC and the Congress out of the Minnesota political experience and as we benefited back home from Dick Conlon in Minnesota, so has our Nation from his work in the U.S. Congress and the House of Representatives.

Dick Conlon has left his mark, these past 20 years of work, will mark a turning point in the U.S. Congress. We will carry on in his absence with a heavy heart at his passing this past month and model concerning how to be effective in our own career. Dick was a reformer, an effective reformer, to many of us he was a dear friend who provided good counsel and gave of his time and self so freely. Dick Conlon will be missed.

We rejoice and celebrate his success and mourn his loss, but we have the foundation and strength of his outstanding contribution these past 20 years. Our sympathy to his spouse Marti and the Conlon family.

Mr. LOWRY of Washington. Mr. Speaker, I thank the gentleman from Minnesota [Mr. Vento] who, too, carries forward that progressive midwestern Minnesota tradition that Dick Conlon so very proudly carried forward.

Mr. BONIOR. Mr. Speaker, will the gentleman yield?

Mr. LOWRY of Washington. I yield to the chief deputy majority whip, who was a good friend of Dick Conlon's, the gentleman from Michigan, Mr. David Bonior.

Mr. BONIOR. Mr. Speaker, I thank my friend for yielding, and I want to at this time commend him and my friend to my right, the gentleman from Wisconsin, Mr. David Obey, for the outstanding job they did in putting together a very moving and very meaningful memorial service.

One can generally tell something about a person by the people he or she associates with, and I cannot think of six or seven people whose values I admire more than the people who are on the floor right now, people whom I respect. And all of you were probably as close to Dick as any Members of the House, with the exception of a few who were here and who will be here. I think that says a lot about a person, and it says a lot about Dick Conlon.

We were never, as you might say, real, real close, but I found, particularly in the last 2 years, my respect growing tremendously for him as I worked with him more closely in this 100th Congress than I had previously. The thing that I think I was most struck with at the memorial service was the comments of our former colleague and former chairman of DSG, Frank Thompson. I think his comments reflect a lot about who Dick Conlon was. Some of us know that he had some very troubling days when he was away from family and politics. I remember during the memorial service Frank Thompson saying that there was not a month that went by that he did not hear from Dick.

Dick remembered you in the good times and he remembered you when you were down. I heard that type of story repeated about him on a number of occasions. Again, I think that says something special about who he was. My friend, Dave Obey, mentioned that one of the things he admired the most was that he kept the Democratic Party true to its progressive traditions.

□ 1915

God knows that we need people around here to keep us true to why we all got into politics. The longer we are here, I think that we all find out it is easy to drift and slide, but the Members need people here to check us and check us and keep us where we are true to our hearts and to our consciences, where we need to be so we can be effective. Mr. Speaker, this was one of those people.

My friend from Minnesota indicated that he could have had a much more lucrative career, but I do not think one could have a more rewarding experience in life than what Dick Conlon had here. I think that he just thoroughly enjoyed this institution because of the people that were here and because of what he could accomplish.

The institutional reforms are legend and I think will be written about for many, many years, but the two major issues of my generation and certainly in my lifetime were Vietnam and Nicaragua. There was no person who did not hold official position in this institution who had more impact than Dick Conlon. He helped strategize, and think and put together the things that were necessary to make us as a nation and as an institution come to grips with those very difficult problems.

One of my friends just said that he never lost his good humor. Well, I could tell my colleagues that he could lose his good humor, and he lost it with me on several occasions in this past year, but I grew to respect him when all is said and done. I know that my good friend, Kathy Gille, my staff person, got to know Dick very well and got to respect him enormously over the last year and a half as he helped guide us through some very difficult times over this problem in Central America.

In fact, Mr. Speaker, I was thinking today that I wish he were around so, David, I can give him a phone call and run a gut check on him, but he was not here, and frankly I was just reaching that point in my relationship to him that I could begin to do that.

So I just want to pay my respects to his memory and to say to all who knew him and loved him how much we will miss him, and we wish his family the best.

Mr. LOWRY of Washington. Mr. Speaker, I thank the gentleman from Michigan [Mr. Bonior] very much for those comments, and I thank him so much for the working relationship that he had with Dick and with the Democratic Study Group on many issues as chief deputy whip giving a real organization a way by which we can have proper communications, but in particular for his leadership in Central America, David, and our working relationship that has been so valuable, and we want to thank the gentleman so much for his leadership.

Mr. Speaker, I yield to the gentleman from California [Mr. Edwards].

Mr. EDWARDS of California. Mr. Speaker, I thank the gentleman from Washington [Mr. Lowry] and the gentleman from Wisconsin [Mr. Obey] and all of the people who are connected with putting together this repeated tribute to Dick Conlon.

Mr. Speaker, no one deserved the sweet memories that Dick gave to all of us. In my quarter century here in the House of Representatives I do not know of anybody who has had such an impact on the day-to-day workings of this institution, and, as the gentleman from Michigan [Mr. Bonior] said, Dick really kept us on the right path. He was always concerned about the issues in a very serious way, and he took the issues of decency, of war and peace, of fair play, of good government, very seriously. No one had better speak lightly of any of those issues. He really acted in so many ways as our conscience.

Mr. Speaker, one of the remarkable things about Dick Conlon was that, if something happened nationally or internationally that needed attention, needed attention from the Democractic Party or progressives in the House of Representatives, it was always a meeting that afternoon of the board of directors of the DSG. The king called, and we were there at 4, 5, 6 o'clock at night where we were expected to sit down and discuss seriously and in depth whatever the problem facing our country was or it might be at that time. And I am sure that the House of Representatives benefited from it. I know we did, and I will go further than that and say that the country benefited.

In the last few years that he was here I got to know him a lot better, and it was a real privilege. For example, his dear wife, Marti, is a very good tennis player. I learned that the hard way at the Democratic weekend at Greenbrier one time when Dick decided that he was going to become a tennis player, and with his serious way about him where he took nothing lightly he ended up in a tennis ranch and, by George, by the time he came back he could go out and play with almost anybody, and, as my game went downhill, his got better. And he did the same thing with his sailing. He became an expert at sailing.

But, Mr. Speaker, most of all he became an expert in Government. He guided us day after day, week after week, month after month, and he left this great tradition for the House of Representatives, for the Democratic Party and for the Democratic Study Group. That is a fine, fine organization, and we have the blessing that he left it so that we will benefit, the country will benefit, by this fine organization continuing.

Mr. Speaker, the gentleman from Washington [Mr. LOWRY] has been a wonderful chairman of the DSG, and I know that we are going to get a new executive director in the tradition of Dick Conlon because he has given us a high goal to which we must aspire.

Mr. Speaker, I thank the gentleman from Washington [Mr. LOWRY] for taking this time tonight.

Mr. LOWRY of Washington. Mr. Speaker, I thank the gentleman from California for his contribution, and he was such a close friend to Dick Conlon who so valued the friendship of the gentleman from California [Mr. EDWARDS] and also his leadership on the issues and the integrity that he brings to this institution. I thank him very much for his comments.

Mr. Speaker, I yield to the gentleman from California [Mr. MINETA].

Mr. MINETA. Mr. Speaker, I thank my good friend and colleague, the gentleman from Washington [Mr. LOWRY], the chair of our Democratic Study Group, for taking this time under this special order.

Mr. Speaker, it is with great sorrow and respect that I join my colleagues in tribute to a good friend and a great public servant, Dick Conlon.

I am still stunned at Dick's sudden death, and as a friend I deeply grieve for his loss and extend my sympathy to Marti and his family.

We should all be thankful, however, for the gift of Dick's dedication and vision, for his selflessness and affability. For nearly 14 years—since the day I entered this body in January 1975—it was my pleasure and privilege to work with Dick through the Democratic Study Group.

Dick shared with me what he shared with all who knew him: Inspired insight and positive ideals to advance the sum and substance of this body.

In the daily maze of overwhelming information and competing voices through which Members and their staffs must sift, the Democratic Study Group is a lifeline, a fountain of information for many a congressional office. It has succeeded in achieving this reputation because of the need Dick felt to make it so.

Dick Conlon set high expectations for himself in everything he did.

He was a master at motivating himself and those around him. He was hard driving by nature, working long, often tedious hours. Yet he always had time for his friends, and to hear others out.

Dick remained even tempered and cordial in the face of enormous pressures. His leadership helped to forge the reliability, effectiveness and quality we have come to expect from the Democratic Study Group.

But Dick built more than a sturdy structure at DSG: Dick helped to build and pursue a vision of a greater America.

Dick was one of those people to whom all Americans owe thanks. His constant and consistent efforts bettered all our lives. And yet, so few will ever be aware of his behind-the-scenes successes and contributions.

Dick was never elected to this Chamber, but he truly served this body. Dick Conlon did not represent a State or district: He represented, embodied, even epitomized the public interest.

Those of us who had the honor of working with him know first hand of his intelligence, compassion, and effectiveness. I am glad that we had an opportunity to tell Dick of our gratitude for him and his contributions only a few short weeks ago, when we celebrated his 20th anniversary at the DSG.

We saluted him then with joy and humor. Today, we salute him with solemnity in tribute to the man, to his work, and to his vision for our great Nation.

Thank you, Dick Conlon. We will miss you.

Mr. LOWRY of Washington. Mr. Speaker, I thank the gentleman from California [Mr. MINETA] for his tribute in this special order. I know that he is a very special friend of Dick Conlon's. Many times we have met together with him, and he has been a valuable member of the Democratic Study Group, and Dick so appreciated the quality of leadership that he brought to this Nation.

Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I appreciate the gentleman from Washington [Mr. LOWRY] yielding to me.

Again as I sat here, I just thought of one other thing that I would like to say.

Jack Kennedy used to tell the story; in fact, TEDDY KENNEDY said it in a piece he wrote this Sunday. He said, "Jack Kennedy used to love to make the observation that every mother in the United States wanted their son to grow up to be President, but she didn't want him to have to get involved in politics."

I think that that is perhaps understandable when one thinks of all the trauma that this country has gone through in the last several decades, when one thinks about what happened in Vietnam and when one sees what happened with the assassination of Jack Kennedy and Bobby Kennedy and Martin Luther King and when one thinks of Watergate, and now Contragate, and the Pentagon scandal and a dozen other scandals that have hit the political realm over the years. It is easy to see why mothers might want their sons and daughters not to get into the business of politics.

Mr. Speaker, politics can be very tough on families. It can be very tough on one's ability to find the time to spend with their own family that they want to spend. But I do think that for any young people in this country who would still, I hope, like to think about service in the Government in some capacity, they can look to no better model than Dick Conlon because Dick Conlon demonstrated that one does not have to hold public office in order to provide public service.

□ 1930

He demonstrated that you do not have to be in this day when it is almost a social requirement that one approach political service with a laid back style, he demonstrated that it is still possible to pursue the public good with passion and with dedication. He demonstrated that it is perfectly acceptable to still have a sense of rage about injustice and to be determined to raise enough hell to do something about it.

It just seems to me that young people who still think about the possibility of public vessel service ought to look at someone like Dick Conlon as their model, because he demonstrated the good that can be in public service. He demonstrated all the best positive instincts that human beings can possess, not only around the House of Representatives, but in literally hundreds of political institutions that make this country function.

As the gentleman in the well said, the one thing that Dick Conlon did that was so important was that he truly did make a difference. He made a difference for the better. That in the end is all that any of us could really hope ever to do.

Mr. LOWRY of Washington. Mr. Speaker, I thank the gentleman from Wisconsin again for making that very important contribution.

I believe everybody that has spoken tonight has addressed how the most fitting of all tributes would be for the Democratic Study Group to continue in the mode and with the professionalism and the integrity and the activity that Dick Conlon built into it in the last 20 years. As that wonderful staff sits over there right now working, I feel assured that we can say, yes, that is going to happen, Dick.

The integrity, the quality of legislative reports and the special reports that are without peer will continue on.

I know that the continued commitment to being an institution that means progress in this country and in this institution and that always strives to demand that we as an institution and its people will continue. That will be what will be the tradition of Dick Conlon that will go on in the tradition of the Democratic Study Group.

So, Mr. Speaker, as we close this part of this special order, we want to say for all you have done for this institution and this great country, thank you, Dick.

Mr. HOYER. Mr. Speaker, with the tragic death last month of Dick Conlon, we have all lost a dear friend and the institution of the House has suffered an unrecoverable loss.

For many of us who came here over the years of Dick's career, he truly made our House a home. As new Members, he was our teacher and guide in the confusing ways of this body.

There has been no staff member and few Members who have had the impact on the House that Dick had in the past two decades. Institutional reform was his hallmark. As a result, the process is more open, leadership is shared, and all because of Dick Conlon's vision. His involvement was not merely with the process, but with substance and strategy as well. Dick was involved in forming every progressive policy that has had the beginnings here, from budget reform to arms control.

All Democratic Members, and, I am told, a few Republicans as well, rely on the outstanding research services of the Democratic Study Group. One wonders what people did before the DSG evolved into the information goldmine it became under Dick's leadership.

As great a loss as we feel, it is nothing compared to his family. Our heart goes out to his wife Marti, his children, and grandchildren.

Mr. MAZZOLI. Mr. Speaker, seldom are we inclined to adequately credit the contributions of behind-the-scenes players in the workings of the House of Representatives.

Our friend, the late Richard Conlon was one man whose impact will long be remembered for the outstanding service he gave to this House.

During his 20 years as a founder and director of the Democratic Study Group [DSG], Dick Conlon was a major architect of changes in the House as an institution. Under his guidance the DSG provided—and continues to provide—invaluable information to Members to help us analyze the growing number of complex issues facing us.

My term of service in the House roughly parallels Dick's career, and I have observed firsthand the many and profound changes in the way the House conducted its business during that time. Dick's wise counsel over this difficult period has helped me—and all my colleagues—more than we can recount today.

Dick possessed a keen mind and practical sense of how to achieve purposeful goals. And throughout he sought to make the House a truly representative body that is answerable to the people. He was a major player in the intricacies of crafting important civil rights and progressive, socially responsible legislation these past two decades. All of us who serve here owe much to his skill and dedication.

Many Americans may not be aware of the significant role Dick Conlon has played. But we have all lost a good and devoted friend. I extend my sympathies to his wife Marti and his family at this difficult time.

Mr. CARR. Mr. Speaker, I rise to pay tribute to the late Richard P. Conlon, executive director of the House Democratic Study Group [DSG], and to extend my deepest sympathy to his wife, Marti; his sons, Charles and Michael; his daughter, Kelli; and the other members of his family who survive him. His death is a tragic loss to many of us personally and to our country.

Dick devoted his life to public service and was driven by a force that reflected public will. He cared deeply about the institutions of government, and especially the Congress. He did more than care; through his untiring efforts he helped to make our government better.

Dick played a key role in the drafting and technical planning of many major reforms that passed the House in the last 20 years. He was the heart and soul of virtually every progressive movement to strengthen the House as an institution and to promote justice and equity in our public policies.

He provided the leadership that helped to abolish unrecorded votes, insisting instead that Members be made accountable to their constituents, and developed the tactics to reform the seniority system, to assure that those who gain power through seniority are accountable and responsive to their colleagues.

As director of the DSG since 1968, Dick shaped the DSG into the organization that it is today, a highly respected research operation that provides objective and reliable information on issues before the House.

Dick Conlon will be remembered as a man of honor, intelligence and integrity, and as a great public servant who made a difference. His outstanding accomplishments will live on.

On the personal side, he was a friend. And not a fair weather friend either. He was there helping people like me when we weren't incumbents. And he helped us in difficult times. I will miss him.

Mrs. SCHROEDER. Mr. Speaker, every day, when I read my research material, attend committee hearings, or come to the floor to vote, I am reminded of Dick Conlon.

I am reminded late in the afternoon, when the irascible and irrepressible Dick Conlon would be on the phone delivering bright ideas, growls, and exhortations.

For 20 years, day after day and night after night—he burned midnight oil by the barrel, Dick Conlon worked like a bear and fought like a lion to make the House of Representatives more democratic and America a better country.

He was as much preoccupied by process as he was by substance. He learned quite early, soon after he arrived in 1968, that to win on the substance, you had to master the process. And so he set out to change the process so as to make the people's body one that could accomplish the people's business.

Name any major issue of the 1970's and 1980's and Dick Conlon was there: tax reform, campaign finance reform, War Powers Act, and Contra aid. Name any major procedural reform, and Dick Conlon was there: Record teller votes, revitalized party caucus, and election of committee chairmen.

I am proud to have served in the House of Representatives on Dick Conlon's watch.

Mr. HUGHES. Mr. Speaker, it is not often that this House takes time from its legislative business to honor the memory of a congressional staffer. But our late friend and associate Dick Conlon was a man who helped to shape this institution as any Representative, and one who has left the indelible imprint of his personality on this body and its Members.

Dick Conlon was among my first friends when I arrived here as a freshman Member in 1975. Characteristically, Dick took the time to show the ropes to one of the new kids on the block, and I soon came to recognize and rely upon his keen political acumen.

I need not go into detail about the important force the Democratic Study Group has become under the directorship of Dick Conlon. If you want to know, just ask any Member or legislative staffer how much more difficult their jobs would be without the invaluable assistance of the DSG.

The tragic accident that took his life has cut short the distinguished career of an unheralded public servant. Dick Conlon was a man who worked behind the scenes, quietly but effectively, to serve his country and the institution he cared about so passionately.

Mr. Speaker, I appreciate this opportunity to gather with my colleagues who knew Dick Conlon as a wise counselor and a trusted friend, and I join with them in extending our profound condolences to his family and his many friends.

Mr. FASCELL. Mr. Speaker, Members of the House today mourn the untimely passing and tragic loss of Richard Conlon, long time Executive Director of the Democratic Study Group.

Highly regarded by his associates and recognized by many as a spearhead of the early 1970's legislative reform movement in the House, Dick will long be remembered and associated with the success of those changes which he pursued so tirelessly. The struggle, begun in 1969, against a closed system dominated by seniority—the drive to disseminate views on defense issues in the days of the Vietnam war—the growth, strength, and success of the Democratic Study Group as an effective research organization—are but a few examples of his accomplishments.

Dick's unwavering commitment to the public interest, his absolute dedication to the growth of democracy in House procedures, and the overwhelming respect he commanded as the Executive Director of the Democratic Study Group have assured him a place of special remembrance in our hearts.

Here was a man worth knowing, a man not easily forgotten. Dick Conlon will be sorely missed, and I extend my sympathy to his wife, Marti, and his family.

Mr. RODINO. Mr. Speaker it is with sadness and deep sense of loss that I join in paying tribute to Dick Conlon whose tragic and untimely death deprived us of a much valued friend and advisor. I want to extend my sincere condolences to his wife Marti, his sons Charles and Michael and his daughter Kelli.

As the Executive Director of the Democratic Study Group for the past 20 years, Dick had a profound impact on the legislative process and the institutional structure of the House. Under his leadership, the DSG became one of the most important and respected sources of legislative and issue research for House Democrats. This outstanding organization has made our jobs easier by providing clear, objective and focused information through its many publications. In all of these activities, the imprint of Dick Conlon was always evident. He ensured that the DSG's research was without peer and he provided continuity. His own high standards of professionalism became the hallmark of the DSG.

The foundation for Dick Conlon's dedication to the DSG was his great love for Congress. He came to Washington in 1963 as a congressional fellow and served as press secretary to Senator Walter Mondale before assuming the directorship of the DSG. Dick's commitment to this institution made him an influential participant in the efforts to strengthen Congress through reform. Working behind the scenes, he was one of the principal strategists of the landmark reforms of the 1970's. Dick was also involved in campaign finance reform and he played an important role in many of the key policy debates of recent years.

We will all miss Dick Conlon and his effective leadership. He was a truly special person who labored—outside the limelight—to make the House a more democratic and open institution. Through the ongoing work of the DSG as the vanguard in preserving these goals, Dick's influence on the legislative process will endure and his commitment to effective and responsive government will continue to inspire us all.

Mr. KASTENMEIER. Mr. Speaker, as one of the early founding members of the Democratic Study Group, I knew Dick Conlon, both professionally and socially, for the 20 years he served as the executive director of the DSG. I feel a great sense of loss at his passing.

It was a great irony that only a few days before his death, Dick was honored, on June 15, by Members, his colleagues and friends for his 20 years of service with the DSG.

Dick deeply cared about the House of Representatives and the need for institutional reform. He was the vital spark around which the progressive and reform Members coalesced. He provided much of the key leadership in formulating the monumental reforms which now govern the proceedings of the House of Representatives and the House Democratic Caucus. He also was responsible for building the DSG into a powerful force which exerts enormous influence on legislative issues considered by the House.

Dick was a person of great conviction, intelligence, intellectual integrity, principle, and wit. He was a valued member of this institution. His contributions to making the House of Representatives a more effective body were many.

Dick, a fellow midwesterner, was a close personal friend. We would spend many hours together, in my office, at the Democratic Club and elsewhere, talking about a wide range of subjects. My wife Dorothy and I will certainly miss him. He annually attended our New Year's Eve party, and although he will no longer be there, he will always be with us in spirit.

Mr. Speaker, I want to extend my deep condolences to Dick's wife, Marti, and his family.

Mr. RANGEL. Mr. Speaker, we are all deeply saddened by the untimely loss of our friend and fellow public servant, Richard P. Conlon. As executive director of the Democratic Study Group, he led the charge to strengthen the Congress through change. At a time when being a progressive thinker was frowned upon, he initiated reforms within both the Democratic Party and the Congress itself. Dick was a brilliant strategist, unafraid to call himself a liberal and demand respect for it.

Early on, he recognized the potential for change through the increasing power of the caucus, but realized that true reform would be best achieved through a series of small palatatable bites over a long period of time, rather than in one offensively drastic lump.

Dick masterminded a massive press campaign, winning support both inside and outside the House, to permit recorded votes on amendments. As was usually the case with Dick Conlon, he showed tireless effort, succeeded and then looked foreward to a new challenge.

Next, though a process of surveys, analyses and education drives among Members, Dick was able to reform the seniority system. He had no intention of abolishing the system, but rather to assure that those who gain power through seniority are accountable and responsive to the Democratic caucus.

Dick was not only a reformer, but a creater. As the third chief staffer of the Democratic study group, he redefined his organization into more than just a lobby. Though his diligence, it has grown to become the leader in providing timely and reliable information on issues before the House.

A selfless man throughout his career, Dick placed the integrity of the Congress and needs of the Democratic party ahead of personal glory, playing behind the scenes and minimizing public perception of the DSG's role in reform. While we are saddened by our loss, we do not need to think of what would have been. His accomplishments alone are testimony to the greatness fo this public servant.

REPORT FROM NICARAGUA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 60 minutes.

Mr. WALKER. Mr. Speaker, tonight I want to talk a little about the situation that we are now faced with in Central America, and in particular in Nicaragua, because the situation over this past weekend deteriorated very substantially. We are now faced with the fact that a policy adopted by this Congress in February is a complete and abject failure and now we have to face the next question of what do we do.

What happened in Nicaragua this weekend is described in a short article that appeared this morning in the Wall Street Journal. It begins by pointing out that House Democrats "pulled the plug on the Contras. Who will pull the plug on the Sandinistas?"

Then it goes on:

> Some 10,000 protestors rallied on Sunday in a town 40 miles south of Managua. Sandinista police moved in on the crowd, kicking and smashing the demonstrators with their rifle butts. Foreign cameramen had their film confiscated.
>
> We cannot continue being tolerant with those who want to take advantage of the political space, said Daniel Ortega. There never really was much political space in Nicaragua to begin with. After this weekend, there is less.

So said the Wall Street Journal this morning.

We need to contrast that with all of the hopeful messages that were propounded in this House a few short months ago when we changed our policy. That was a time when we made a determination that no longer would we provide help to the anti-Communist resistance within that country. Instead, we would rely upon the Sandinistas. We would rely upon the peace process then underway, or so we thought, in Central America. We would trust the Sandinistas to do the right thing by the agreement which they had signed.

One of our colleagues speaking on the House floor that day said:

> But today is different. For never before have the prospects for peace been so promising, never before have we had the opportunity to contribute so much to the democratic openings within Nicaragua.

I think that was probably an expression of great hope. I think it was sincere at the time, but what we have found out again as we have found out so many times in the past, the Communists in Central America are not to be trusted. Any peace process is only as good as the day in which they signed the paper. They will break their commitments. They will refuse to live up to that which they guarantee.

It is interesting that that same colleague reflected a little bit on what he called the problem with the Contras and the promises that had been made with regard to their movement, and he said:

> You know, we have heard such last minute promises before. We were promised progress toward negotiations, but when the vote was won, the promise was forgotten. We were promised progress on human rights by the contras, but when the vote was won, the killing of innocent civilians continued.

In other words, he was saying that promises were made on behalf of the Contras that were not carried out.

I wonder where those people were today on the House floor when the promises of the Sandinistas came crashing down. All of the promises of the Sandinistas, that Communist government in Nicaragua, about the fact that they were committed to the peace process came crashing down this weekend when they gassed the demonstrators, when they shut down the opposition newspaper, when they shut down Radio Catolica, when they showed their human rights record to be a joke.

Mrs. VUCANOVICH. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am very glad to yield to the gentlewoman from Nevada, who was in Nicaragua, I believe, this weekend.

Mrs. VUCANOVICH. That is correct. I was just appalled at the events that were taking place in Nicaragua in the past couple days. I was there over the weekend with a bipartisan delegation to look at the human rights situation of political prisoners, the breakdown in the peace negotiations.

It is unfortunate that Vice President Sergio Ramirez and Tomas Borge chose not to meet with us. They had agreed to meet with us and then backed out.

I can tell you very seriously that the situation has deteriorated dramatically. The number of prisons has increased to about 60 and the number of prisoners incarcerated for opposing the Communist dictatorship of the Sandinistas has risen to roughly 6,800 prisoners.

Mr. WALKER. These are political prisoners.

Mrs. VUCANOVICH. These are political prisoners.

Mr. WALKER. This is even though they agreed to release political prisoners as a part of the peace process?

Mrs. VUCANOVICH. That is true. They have done some amnesty. They have released 100 prisoners, but they have taken many more to compensate for the ones that they have released, and the amnesty was for prisoners just about due to get out, anyway.

Mr. WALKER. Well, I remember they did that with a great deal of fanfare. There was quite a bit of press given to the fact that they were releasing political prisoners at the beginning of the process, and now what the gentlewoman is saying is that even though there was a lot of attention paid to that, they have taken many more political prisoners.

Mrs. VUCANOVICH. They have taken many more.

Mr. WALKER. and now we have 6,800 political prisoners being held in jails.

Mrs. VUCANOVICH. Sixty-eight hundred, and while we were there, we had an opportunity to meet with the mothers and some of the wives and sisters of prisoners. We picked up the names of 350 more prisoners that are not even included in this 6,800.

Mr. WALKER. So it is really over 7,000 we are talking about.

Mrs. VUCANOVICH. It is, and while we were there, we spoke with some of the former prisoners who were courageous enough to come and talk to us. They risked their security, obviously, by coming to meet with us. They told us of some of the conditions that they faced in these prisons. They talked about beatings and cigarette burns and glass crumpled up in their food and being isolated in cells that were 4 feet by 4 feet, completely dark. They were kept naked with just abhorrent sanitary conditions. They did not even have bathroom facilities. There was raw sewage that ran through the cell blocks in an open ditch.

Mr. WALKER. If the gentlewoman would allow me to reclaim my time, I have been told by a number of people who have gone to Nicaragua with, oh, Witness for Peace types of groups and so on, that those conditions just do not exist in Nicaragua. They have been shown prisons. I mean, they were taken out to prisons and they were shown conditions and so on that were almost idyllic.

Now is the gentlewoman saying that those people were duped?

Mrs. VUCANOVICH. Yes, I am.

Mr. WALKER. Based upon the prisoners that the gentlewoman talked to?

Mrs. VUCANOVICH. Yes, I certainly am, and we talked to them about those prisons and they refer to them as the model prisons. That is where the Sandinistas do take people who come from very well-meaning groups from the United States and from other countries to look at the prisons. They opened them up and most of them are what they call model prisons. They were not the prisons that we asked to see. These prisons that I am talking about, the Red Cross is not even allowed in these prisons.

Mr. WALKER. That is a violation of international law.

Mrs. VUCANOVICH. Yes, it is.

Mr. WALKER. And this is the same Communist government that has accused the United States of violations of international law.

Mrs. VUCANOVICH. That is true.

Mr. WALKER. And they are in the process of violating it themselves. Very interesting. Please continue.

Mrs. VUCANOVICH. The conditions, really, from what they described to us are just below human dignity. We asked these prisoners that we met with, "Why aren't you afraid to come and talk to us?"

Every one of them answered us in the same way, "This is our only hope is to talk with you who are Members of Congress and who have supported us in the past and who have helped us. We just feel that the alternatives of living as we have lived are just not worth it and we just hope that you will be able to help us."

We met with Cardinal Obando y Bravo and we met with all the mothers of the political prisoners. They told us that they were visited by the state security in the middle of the night and threatened and some of them were even killed, some of their brothers, some of their husbands and sons.

They talked about young boys who were forcefully taken from their mothers to serve in the Sandinista army.

The Sandinistas are not interested in upholding human rights.

It was just sort of hard to believe that man could be so inhumane to man.

Mr. WALKER. Let me understand what the gentlewoman was told. Their claim is that there are secret police who come around in the middle of the night and visit families?

Mrs. VUCANOVICH. That is true.

Mr. WALKER. And have threatened them and in many cases take people out and kill them?

Mrs. VUCANOVICH. That is true. That is what they told us.

Mr. WALKER. And these are people who directly have had family members who have been treated this way or who have experienced these visits from the state security themselves?

Mrs. VUCANOVICH. Many of them have as many as five or six family members in various prisons, not just one, but in various prisons.

We asked them about the prisons and from what I understand the prisons have increased from a very small number to over 60 prisons.

We talked to some of the people who could give us a little history and they said that even in Somoza's time there were only 600 prisoners in all of Nicaragua.

One of the experiences that I had, I had the opportunity of going to a Catholic mass and sat beside Mother Theresa of Calcutta. She was in Nicargua to minister to the poor of the country. She spoke after the mass and she talked about love in the family and love between neighbors.

It crossed my mind, I thought it was just sort of ironic that the Sandinistas were in another part of Nicaragua, 35 or 40 miles away, trying to destory the resistance to their government, and they certainly were not showing any love for their family members.

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Mr. WALKER. Reclaiming my time, I have an interesting quote here that I found from one of our colleagues when debating this issue on February 3 on this floor when we were raising the fears that exactly what would take place in Nicaragua is what the gentlewoman is now describing as being the situation there, and one of the arguments made by one of our colleagues at that time was, and he said:

> Mr. Chairman, the question is not whether we support the Sandinistas but whether we support peace instead of war and how we can best reach the state of peace and civilized democracy that that pitiful, beleaguered country that has been ripped apart and ravaged by war, suffering and death.

I gather from what the gentlewoman from Nevada is telling us is we have hardly reached a situation of civilized democracy in that pitiful, beleaguered country as a result of the actions that this Congress took in February.

Mrs. VUCANOVICH. The gentleman is correct. It is really not exactly my idea of democracy. We met with the priest who runs Radio Catolica and also met with the people, the Chamorros, at La Prensa. We were not out of the country more than, I suppose, 4 or 5 hours, and they had closed down Radio Catolica and had closed down

La Prensa for 15 days. I do not know if we will ever see La Prensa open again.

Mr. WALKER. That is interesting, too, again, because I have another quote here from another one of our colleagues telling us why we want to support the policy that they were developing out here on the House floor back in February, and they used those particular institutions to justify taking the action, and I quote:

> Since the signing of the Guatemala accord last August, the Sandinistas have taken encouraging steps toward compliance. La Prensa and Radio Catolica have been allowed to reopen. The state of emergency has been lifted. The Sandinistas are engaged in direct negotiations with the armed Contras.

He went on to say that there is no guarantee that the Sandinistas will not renege on their promises, but he went on to say that they will no longer abide by the accord if Contra aid continues. We know now though that Contra aid was cut off, and despite the fact of cutting off Contra aid, those very things pointed to have all been violated. La Prensa is now closed, Radio Catolica is now closed, and the state of emergency is still being enforced violently, and the Sandinistas have, indeed, reneged on all their promises during a time when there is a cease-fire in place.

Again, the arguments made in favor of moving toward a course of action that we ultimately took in this Congress are just plain foolish, given the situation that the gentlewoman has observed in Nicaragua and which obviously now the international press corps recognizes as being a terrible injustice.

Mrs. VUCANOVICH. There were quite a few members of the international press corps there, and I think that they saw for themselves what was going on and, of course, as the gentleman knows, since that time they have expelled Ambassador Melton and seven embassy officials and arrested numerous opposition leaders. It would appear that if one were to have anything to say in opposition to the Sandinista government, they would be in prison or expelled from the country.

Mr. WALKER. Or beaten up, because I undertand, for instance, the woman who was the party leader of the Conservative Party down there who was one of the leaders in this demonstration that took place, the thugs, the turba gangs, showed up and beat her, as I understand it, with a pipe while the police, the Sandinista Communist police, stood by and applauded the gangs beating up this woman, so that it is not just a case that the police may come and throw you in jail, but the fact is that the police, if they do not like you and you happen to be a leader of the opposition, will in fact allow criminal thugs to beat on you while they stand by and applaud.

Mrs. VUCANOVICH. I did not see that, but I certainly heard evidence of that. It was very demoralizing, and I think there is no question that we in our country have got to find ways, I think, to help in the way of human rights down there, and if it means that we have got to request aid for the Contras again, I think that is something that we should ask them to do and come back to the bargaining table, and I could not help but think about sitting beside Mother Teresa, who had received the Nobel Peace Prize, and thinking about President Arias, who led us into these peace negotiations. The results have been not very good, so I hope that with the help of certainly Mother Teresa and perhaps President Arias and with the help of the United States that we can help these people, because, believe me, they need our help.

Mr. Speaker, I thank the gentleman for his time.

Mr. WALKER. I thank the gentlewoman for her report and also for her willingness to go into that very troubled part of the world and bring back this kind of information to her colleagues in the Congress and to the American people, because it is obvious that the Sandinistas are not going to tell the truth, and whatever truth comes out is only going to come out because people like the gentlewoman from Nevada are willing to go there and come back and tell us the real nature of the situation in that country.

I yield to the gentleman, my friend, from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Mr. Speaker, I appreciate my friend, the gentleman from Pennsyavania, for holding this time available and discussing the very serious developments in Nicaragua. I find it fascinating that all of our friends on the left who were eager to come down here and explain what is wrong with the Government of El Salvador or eager to explain what is wrong with the freedom fighters in Nicaragua suddenly cannot find any spare time to talk about what the Communist dictatorship in Nicaragua is doing. I can appreciate the difficulty that our friends on the left have, because the dictatorship in Nicaragua is posing a problem about reality, the reality that secret police and armies backed by the Soviets and Cubans, if they are willing to be ruthless and brutal, can do a great deal to stop those who love freedom, and the fact is that those who wish to be free, in the absence of some kind of strength, may lose their freedom to a slavery imposed by tyrants.

I would ask, if I might, for just a moment to go through the recent repressive actions the Communists have taken which include the following: On May 31 Mario Alegria and Pablo Morales, two officials of private-sector research institutes, were detained by the secret police, their personal materials seized and houses searched. Imagine, if Members will, that the American Federal Bureau of Investigation had gone into the Brookings Institution and the Heritage Foundation here in Washington and arrested two officials because the Reagan administration did not agree with their views. That would give one some idea of what the Communist government in Nicaragua did on May 31.

On June 1, the Interior Ministry ordered Radio Catolica's news program to shut down for 10 days, and Radio Corporacion's news programs to close for 8 days for quoting from a resistance press release. In other words, imagine CBS News was ordered off the air for 10 days and that NBC News or ABC News was ordered off the air for 8 days or CNN was ordered off the air because the Government did not like what they were saying. That is what the Nicaraguan Communists are doing.

On June 9, 15 members of a delegation of leaders of the democratic opposition were arrested as they peacefully walked to the National Assembly to petition for repeal of the media law under which independent radio news programs had been suspended. Imagine, if you will, that 15 members of the Democratic Party arrived in Atlanta and were arrested because they disagreed with the Reagan administration.

On June 23, Liberal Party members were sentenced to 90-day prison terms for distributing peace literature. I think this is an important thing for our friends on the American left to understand: those in Nicaragua who want peace and freedom are threatened by the secret police, threatened by the Communist army, threatened by a Communist dictatorship. To simply wish for freedom, as those who opposed Nazi Germany discovered to their horror, without the strength to uphold freedom is to risk slavery or death.

On July 3, as an example of that death, trade union leader Carlos Garcia was shot in the head in his home by police who were ostensibly advising him to report for reserve military service. In other words, if one is a union leader who believes in freedom and in free trade unions in Communist Nicaragua, one may be shot in one's own home and killed by the secret police.

On July 10 the police violently broke up a peaceful march of 3,000 persons in Nandaime. Forty-three persons were arrested. Again, we are going to see in Atlanta, back home in Georgia, we are going to see thousands of protesters demonstrating outside the

Democratic Convention, and we are going to see politicans of the opposition party gathering peacefully, and imagine that 43 were to be arrested.

Myriam Arguello was taken from her home early the morning of July 10, and that is, the secret police invaded her home to arrest her in order to intimidate those who want to be free.

Finally, on July 11, the Sandinistas, the Nicaraguan Communists, suspended the publication of the newspaper La Prensa for alleged subversive activities and closed Radio Catolica for reporting the Nandaime demonstration.

The point of reading that list is this: There is an unequivocal set of recent repressive action that the Nicaraguan Communists have taken. Those actions are indisputable. The New York Times reports them. The Washington Post reports them. No one doubts that they have been taken. Those actions, after the Nicaraguan Communists have met in secret with the Speaker of this House, and those actions, after the leftwing Democrats in this House have cut off aid to the freedom fighters. Those actions, after the leftwing Democrats promised us that if only we were reasonable, the Nicaraguan Communists would be reasonable.

I think there is a great burden that the Democrats leadership in this House has to look up to, that Governor Dukakis has to meet next week, and that is very simple: What are we going to do in America when faced on our southern border with a Communist dictatorship which has proven once again in the last few days that it is willing to crush freedom using its secret police?

Mr. WALKER. Mr. Speaker, reclaiming my time, I just want to go back again as I have earlier this evening to some of the things that were said in a debate, because the gentleman makes a good point, and I just went back and pulled out some of the statements that were made in a debate in February when we changed our policy as a result of some of those meetings that the gentleman refers to.

For instance, we had a colleague who told us why we were changing the policy, and he went right down the line the gentleman is describing. He said:

> I urge my colleagues to support the peace process in Central America and to vote no on the administration's request for Contra aid now before us so that we can begin after 60 years a new chapter based upon bipartisan coalition that will utilize the strength of our allies in the region to pressure Nicaragua for peace that will assure the security of Nicaragua's neighbors, that will attack the root problem which led people to get sucked in by ideologies like this Marxism, namely; poverty, disease, concentration of land, education and opportunity in the hands of a few elite, and through an intelligent application of our resources try to bring about a policy that can be sustained not only through this administration but through a succession of administrations.

In other words, what we were being told was just change the policy, if we deal with the root causes of this problem, all of the problems related to violence will go away, that the Sandinistas will not be brutal if they are in agreement with their regional neighbors.

What we now find out is they signed the agreement, we backed off on Contra aid, and what we now find is that in Nicaragua the brutality has not grown less, it has grown worse, that the government has become more brutal toward its opposition and that it is in fact determined to impose its will upon the Nicaraguan people regardless of what conditions may be in the country and on the outside, and we, as the gentleman points out, have not faced up to those issues in this Congress. This Congress took a walk on helping the democratic resistance there a few months ago, and we now see what the penalty of taking a walk on that part of the world is.

The question is: What will be the policy? What is the Dukakis policy? The Dukakis policy does not even speak to the brutality that is going on in Nicaragua that I can see.

I yield to the gentleman from Georgia.

Mr. GINGRICH. Mr. Speaker, one of the problems of the Democratic left in America is that it cannot deal with real dangers, that it simply rejects the reality that some people and some organizations are dangerous. As the gentleman knows, Governor Dukakis has been defending a policy of releasing murderers on furlough and suggesting that it was reasonable to have murderers who were sentenced to jail for their lifetime without parole to get out on the weekends, to have some time off, to get away from jail.

As a Reader's Digest article this month entitled "Getting Away With Murder" points out, one of the defenses of the Dukakis furlough program for murderers was that these are very dangerous men, and if one keeps them in jail all the time they will be a grave threat to the armed guards. I am serious. One of the prison officials, explaining to the victims' families, families of people who had been murdered who were saying, "How can you release these murderers," one of the prison officials said, "You have to understand that if we do not let these murderers out occasionally, we will have no mechanism for controlling them. They are very dangerous."

Mr. WALKER. The safety valve for murderers is the American public at large?

Mr. GINGRICH. I wish I had brought it over. It does relate directly to the problem of communism in Nicaragua. One of the victim's families, one of the family members said to the prison official, "You are telling me that these are men so dangerous that they frighten you behind bars and you have armed guards and you want to release them out here so they can wander around?"

As the gentleman knows in one case a couple was raped and tortured.

Mr. WALKER. That was the Willie Horton case here in Maryland where, as I understand it then that they even had problems with the extradition because of the Massachusetts law once the rape and murder had taken place.

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Mr. GINGRICH. Massachusetts law apparently protects the right of prisoners to not have the crimes fully revealed. And so, for example, it took a great deal of effort to discover that Mr. Horton, who is the murderer out on furlough, had in fact I believe it was 11 problems in prison, including 3 with drugs before they released him on his furlough.

But my point is this: Just as it is hard for the leftwing Democrats to deal with violent criminals at home, it is very hard for them to deal with violent governments overseas. There is a sort of fantasyland belief that if only America is nice, the Nicaraguan Communists will be nice; if only America is nonthreatening, the Nicaraguan Communists will be nonthreatening.

Mr. WALKER. That is exactly what our colleague was saying here. I mean if we simply would not be so threatening ourselves, and so on, there would be a response by the Sandinistas, and we would all live happily every after.

Mr. GINGRICH. As the gentleman knows, there has been a habit under the Democratic Party in this House in the last 3 or 4 years to have sort of a secondary foreign policy. That is, to have a House Democratic foreign policy as well as a foreign policy of the U.S. Government, and there have been quotes in the national news media to the effect that some of the Democratic leaders in the House actually trust the Nicaraguan Communists more than they trust the Secretary of State or the National Security Adviser or the President of the United States.

Mr. WALKER. One of our colleagues spoke to that, and I think we ought to be fair to them. We have one of our colleagues, a very senior leader of this body, who told us during that debate, "I do not know whether you can trust that or not. I am not telling you that you can, but I think that you have to test it, and certainly the way to test it is by sitting down at the negotiating table and following the process of peace."

In other words, they were not sure you could trust it, but they thought it was something worth doing. The surprising thing is now that they have found out that the whole thing failed and that these guys turned out to be just as brutal as many of us said that they were, we do not hear anything from them. There were none of them on the floor today suggesting something has gone drastically wrong with this process they told us about earlier on.

Mr. GINGRICH. I think it is fair to say that just as our friends on the Democratic left believe that you ought to trust the murderers and the drug dealers and the armed robbers and give them a second, third, and fourth chance, and in the case of Mr. Horton it was his 10th furlough, and in another case they have a convicted murderer who was sentenced to life without parole who has now had 33 weekend furloughs, has actually found a woman and gotten married while out on furlough after having killed a policeman by shooting him five times in the head.

Mr. WALKER. Wait a minute. This is somebody who was sentenced to life imprisonment without parole, which I think is the most severe sentence you can get in Massachusetts because they do not have the death penalty.

Mr. GINGRICH. As my friend knows, in very liberal States where people like Dukakis do not believe in the death penalty, the contract between the State, as Mr. Cohen pointed out in the Washington Post the other day, the contract which the State makes in liberal States like Massachusetts, is to say we will not execute them, but we will lock them up so they never again threaten you.

Mr. WALKER. That was the situation with this gentleman?

Mr. GINGRICH. There was, according again to the Reader's Digest article, a young policeman who was shot five times in the head by a man at point blank range. The murderer was then sentenced to life without parole. He has since gotten out of jail 33 weekends and has found someone and gotten married while out of jail. And the article quotes very poignantly the widow of the policeman who is the mother of two small children by her deceased husband as talking about with bitterness this unfair relationship in which the murderer is able to get out on weekends and be married and have time with his wife, but she, the innocent wife and mother, will never again see her husband, the policeman who was killed by the murderer.

The parallel I want to draw is this: There are leftwing Democrats in this House who believed in Ortega and the Nicaraguan Communists. Now they are not suffering any consequences tonight. There is not a single leftwing Democrat in this House who is going to be arrested. There is not a single leftwing Democrat in this House who is going to be tear-gassed and going to be beaten by the police. There is not a single leftwing Democrat in this House who is going to have their newspaper closed down. There is not a single leftwing Democrat in this House who is going to have, as the trade union leader did on July 3, the police walk into their home and shoot them in the head.

And what they are doing, just as they are willing to risk the lives of innocent Americans by furloughing murderers, they are willing to risk the freedom and the lives of innocent Nicaraguans by trusting the Nicaraguan Communists. And I think those Democratic leaders of this House owe it to this House and owe it to the country and owe it to the innocent Nicaraguans to tell us over the next 2 days, before we recess for the convention, what are they going to do. It is their friends, the Nicaraguan Communists, the people they used to have secret meetings with who are now brutalizing and killing innocent people, and what are they going to do?

I think my friend from Pennsylvania would agree that if we go back over the last 7 years and read the CONGRESSIONAL RECORD and read the newspapers, we will see time after time after time the Democratic leaders of this House undermining the foreign policy of the United States, the explicit foreign policy which was passed by the House and the Senate and signed by the President, not Ronald Reagan's foreign policy, not GEORGE BUSH's foreign policy, not George Shultz' foreign policy, the signed, legal foreign policy of the United States. That was undermined again and again and again by the Democratic leaders in this House in a way which was very helpful to the Nicaraguan Communist dictatorship. And now that dictatorship has been given every possible opportunity to democratize itself, it has proven in the last 2 weeks that it is exactly what we said it was, it is a tyranny, it is a dangerous thuggery willing to brutalize, imprison, and murder. And that is the Communist dictatorship which met last Veterans' Day in secret with the Speaker of this House, and that is the Communist dictatorship which I think leftwing Democrats in America owe us an apology for.

What are they going to do? What are they going to propose that would help the people who desire to be free, the people willing to risk their lives in Nicaragua?

Mr. WALKER. It is particularly important that we focus on that issue too because these same Democrats surely are aware of the revelations of Major Miranda of several months ago, revelations which were shrugged off in their attempt to do in the administration's policy in February. But Major Miranda made it very clear that what is taking place internally within Nicaragua is not just something which is going to be confined to Nicaragua, that this is in fact a regime with a plan to move that kind of tyranny and brutality beyond its own borders into neighboring nations. And he brought to us information that Nicaragua had attempted to undermine even the government of Costa Rica, let alone what we know they are doing in El Salvador, and let alone what has been happening in Guatemala and Honduras, even the peaceful nation of Costa Rica that does not even have an army has been undermined by arms being shipped into guerrilla bands out of Nicaragua and into Costa Rica, and so this is the regime that once it coalesces its power through brutality in Nicaragua in fact does pose a threat throughout Central America, a threat which then is a very, very dangerous condition for this country because of the Panama Canal, because it destabilizes Mexico, and because of all that a Soviet client state in Central America would do to damage the relations of this country and in its own hemisphere.

These are simply unacceptable kinds of scenarios, and yet there is no answer from the leftwing in this House to those kinds of problems except, well, give peace a chance. We can trust the Sandinistas, and let us let the peace process go forward.

Right now we have discovered that brutality has replaced peace as the principal weapon of the Sandinista Communists in Nicaragua. It is a situation that needs to be addressed immediately by this Congress.

Mr. GINGRICH. If the gentleman will yield, I want to make one more point about the difficulty of trying to educate leftwing Democrats, which again was shown very clearly in the July Reader's Digest article on "Getting Away With Murder," when it describes a group of families of murdered victims who tried to get to see Governor Dukakis, and they kept trying and they kept trying and Governor Dukakis did not want to see them. Finally they were able to trap him in a police station for a visit, and he sat down and talked to them, and he said to them, and I am paraphrasing because I do not have the article in front of me, he said to them I understand how you feel, but frankly you will not change my mind. In other words, the pain and the anguish, the desperation that these families felt who had had members of their family killed, in trying to explain to Governor Dukakis why they felt his furlough program for murderers was wrong, was not something which he would listen to or change his mind about.

I would say to the gentleman if he will look back over the last 7 or 8 years and read all of the debates about Nicaraguan communism, and the gentleman saw Ortega fly off to Moscow and get briefings, and the gentleman saw Ortega fly off to Cuba to meet with Castro, and he saw the hundreds of millions of dollars of Soviet equipment that came in, and he saw year after year that every leftwing hope that somehow just as they hoped murderers would become innocent lambs they hoped that the Nicaraguan Communists would turn into Kiwanians and Rotarians, no matter how many times the Nicaraguans have betrayed the hopes of the Democratic left, they wake up the next morning and say, oh, but we have to understand these Communists. They never understand the Catholic Church, they never understand those who want Radio Catolica to broadcast, they never understand about the closing of La Prensa and the need for a free press, and they never understand businessmen and the women who want their husbands and their families released from the prisons. They never quite understand all of the forces of freedom.

Mr. WALKER. They never understand the young men who are out in the jungle fighting for that freedom.

Mr. GINGRICH. Anybody who is a freedom fighter, to the Democratic left, is clearly seen as a bad person, not someone we should sent any help to, but someone who always there is one more excuse for Ortega and the Communists, there is always one more explanation, there is one more possibility of redemption. I would just say to my friend that I think that the burden is clear, that the Democratic leadership of the House and the Democratic Party in this country, the people who have consistently apologized for the Communists in Nicaragua and consistently found an open opportunity to explain away once again whatever the brutality was, they owe the people of Nicaragua a vote this week, a vote on a substantive resolution, a vote on finding ways to help those people, a vote.

I think there are ways, frankly, that we can send help to the Catholic Church, that we can send help to the forces of domestic resistance and we can send help to the forces of freedom inside Nicaragua. But I think that we have an obligation this week in the Congress to face up to the reality, that after all of the effort of the Arias plan, after all the cease-fires, after all of the efforts to find and negotiate a way to freedom, the Nicaraguan Communists are determined to stay in power, and the Nicaraguan Communists are going to kill people, they are going to beat people up, they are going to be using tear gas on people, they are going to close down the newspaper and the radio station, and they are going to lock folks up, and they are going to do whatever it takes to maintain the Communist dictatorship. And I think our friends on the Democratic left owe both the people of Nicaragua and the people of America an explanation of what their strategy would be, what their approach would be to ensure that freedom, and those who love freedom have a chance in Central America.

Mr. WALKER. The sad thing is that I am not certain that that kind of a plan exists, because the discussions that I have heard around this body today indicate that beyond condemning some of the things that have taken place in Nicaragua, which I think is a useful kind of exercise for us to do, there is no plan that exists to help the political opposition down there face up to the brutality that is being waged upon them by the Communist government.

I agree with the gentleman from Georgia. I think that kind of a plan needs to be developed, and it needs to have real substance to it, and it ought to happen before we pick up and leave town for a couple of weeks for the Democratic Convention.

Obviously the Democratic Convention is an important political event in this country. But we also have responsibilities to our friends in the world and to those who love freedom in the world to do that which is necessary and right before taking off for convention activities, whether it be our convention later on in August or the Democratic Convention which begins next week.

Mr. GINGRICH. If the gentleman will yield one more time, I do want to make the point about the convention next week. We are very fortunate people in America. We have enormous political freedom. We are able to vote in secret, we are able to have a free press and a free news media, freedom of debate. We are extraordinarily lucky.

I am delighted as a Georgian to have all of the thousands of people who are going to come into my State to have a Democratic National Convention. It is a wonderful thing to have a free people gather. But we have to recognize that we owe an obligation to the free people of Nicaragua, who this House refused to help just a few months ago, and that for us to go and celebrate our freedom, we have an obligation to help those people have a chance to have their freedom.

I thank my colleague for yielding.

Mr. WALKER. I thank the gentleman because I think it is important, as I have done earlier this evening, to go back and look at the record of those who gave us the policy that has now failed and listen to what they said, because everything they said in defense of a change of policy has now proven to be false, and the Sandinistas have betrayed all of those promises of the February 3 debate.

We need to act in this House. We need to act this week.

Mr. Speaker, I yield back the balance of my time.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Weldon) to revise and extend their remarks and include extraneous material:)

Mr. Walker, for 60 minutes, today and July 13.

Mr. Gingrich, for 60 minutes, today.

Mr. Dornan of California, for 60 minutes, today and July 13, 26, and 27.

Mr. Upton, for 60 minutes, on July 13 and 26.

(The following Members (at the request of Mr. Gray of Illinois) to revise and extend their remarks and include extraneous material:)

Mr. Alexander, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Brown of California, for 60 minutes, on July 13 and 14.

(The following Member (at the request of Mr. Alexander) to revise and extend his remarks and include extraneous material:)

Mr. Solarz, for 15 minutes, on July 14.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Weldon) and to include extraneous matter:)

Mr. Buechner.

Mr. Weldon.

Mr. Fish.

Mr. Horton in three instances.

Mr. Porter in two instances.

Mr. Coleman of Missouri.

Mr. Conte.

Mr. Solomon in three instances.

Mr. Michel in two instances.

Mr. Bliley.

Mr. Green.

Mr. McMillan of North Carolina.

Mr. McDade.

(The following Members (at the request of Mr. Gray of Illinois) and to include extraneous matter:)

Mr. Skelton.

Mr. Traficant.

Mr. Miller of California in two instances.

Mr. Montgomery.

Mr. Stark.

Mr. Frank in two instances.

Mr. Solarz.

Mr. Smith of Florida.

Mr. Lantos in two instances.

Mr. Atkins.

Mr. Synar.

Mr. Gordon.

Mr. Hertel.

Mr. Thomas A. Luken.

Mr. Morrison of Connecticut.

Mr. Rangel.

Mr. Carr.

Mr. Stokes.
Mr. Florio.
Mr. Boland.

ADJOURNMENT

Mr. WALKER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to: accordingly (at 8 o'clock and 15 minutes p.m.) under its previous order, the House adjourned until tomorrow, Wednesday, July 13, 1988, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3982. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Air Force's proposed letter(s) of offer to Egypt for defense articles estimated to cost $50 million or more (Transmittal No. 88-42), pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

3983. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Air Force's proposed letter(s) of offer to Egypt for defense articles estimated to cost $50 million or more (Transmittal No. 88-41), pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

3984. A letter from the Secretary of Treasury, transmitting certification that U.S. Director of the Multinational Investment Guarantee Agency has sought adoption by the Agency of certain policies and procedures, pursuant to Public Law 100-202, title I (101 Stat. 129-132); to the Committee on Banking, Finance and Urban Affairs.

3985. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of Air Force's proposed lease of defense articles to the Philippines (Transmittal No. 6-88), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

3986. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of Air Force's proposed lease of defense articles to New Zealand (Transmittal No. 7-88), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

3987. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Air Force's proposed letter(s) of offer and acceptance to Egypt for defense articles and services estimated to cost $157 million (Transmittal No. 88-41), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3988. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of Air Force's proposed letter(s) of offer and acceptance to Egypt for defense articles and services estimated to cost $100 million (Transmittal No. 88-42), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3989. A letter from the Administrator, Health Care Financing Administration, transmitting notification of a proposed new system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3990. A letter from the Assistant Director for Administration, National Science Foundation, transmitting notification of an exemption to a new system of records and of two new systems of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3991. A letter from the Administrator, Small Business Administration, transmitting the Presidential Advisory Committee on Small and Minority Business Ownership's annual report of activities for 1987-88, pursuant to 15 U.S.C. 631b(b) Public Law 96-302, section 303(a); to the Committee on Small Business.

3992. A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to permit exchange of coal in lands within congressionally designated areas administered by the Secretary of the Interior, jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ST GERMAIN: Committee on Banking, Finance and Urban Affairs. H.R. 1580. A bill to prohibit investments in, and certain other activities with respect to, South Africa, and for other purposes; with an amendment (Rept. 100-642, Pt. 4). Ordered to be printed.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 4124. A bill to authorize appropriations to carry out the Atlantic Striped Bass Conservation Act for fiscal years 1989 through 1991, and for other purposes; with an amendment (Rept. 100-766). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONIOR: Committee on Rules. House Resolution 491. A resolution providing for the consideration of S. 2527, a bill to require advance notification of plant closings and mass layoffs, and for other purposes, and providing for the consideration of H.R. 4848, a bill to enhance the competitiveness of American industry, and for other purposes (Rept. 100-767). Referred to the House Calendar.

Mr. HALL of Ohio: Committee on Rules. House Resolution 492. A resolution waiving certain points of order against the conference report on H.R. 4264, a bill to authorize appropriations for fiscal year 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, and against the consideration of such conference report (Rept. 100-768). Referred to the House Calendar.

Mr. DERRICK: Committee on Rules. House Resolution 493. A resolution providing for the consideration of H.R. 4519, a bill to provide for the disposition of certain lands in Arizona under the jurisdiction of the Department of the Interior by means of an exchange of lands, and for other purposes (Rept. 100-769). Referred to the House Calendar.

Mr. WHEAT: Committee on Rules. House Resolution 494. A resolution providing for the consideration of H.R. 3964, a bill to establish a National Park System Review Board, and for other purposes (Rept. 100-770). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. UDALL:

H.R. 5012. A bill to provide for the disposition of certain lands in Arizona under the jurisdiction of the Department of the Interior by means of an exchange of lands, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Veterans' Affairs.

By Mr. ACKERMAN:

H.R. 5013. A bill to amend the Urban Mass Transportation Act of 1964 to allow certain recipients of mass transit assistance to continue to use mass transit vehicles for providing school bus transportation; to the Committee on Public Works and Transportation.

By Mr. ALEXANDER:

H.R. 5014. A bill to amend the Internal Revenue Code of 1986 to provide that, in order to assist barge and other riverboat operators who are adversely affected by the drought, the inland waterways trust fund fuel tax shall not apply during certain periods; to the Committee on Ways and Means.

By Mr. de la GARZA (for himself Mr. Madigan, Mr. Foley, Mr. Michel, Mr. Coelho, Mr. Lott, Mr. Jones of North Carolina, Mr. Jeffords, Mr. Jones of Tennessee, Mr. Coleman of Missouri, Mr. Brown of California, Mr. Marlenee, Mr. English, Mr. Hopkins, Mr. Huckaby, Mr. Stangeland, Mr. Glickman, Mr. Emerson, Mr. Stenholm, Mr. Morrison of Washington, Mr. Volkmer, Mr. Gunderson, Mr. Hatcher, Mr. Lewis of Florida, Mr. Staggers, Mr. Robert F. Smith, Mr. Olin, Mr. Schuette, Mr. Penny, Mr. Grandy, Mr. Stallings, Mr. Holloway, Mr. Nagle, Mr. Jontz, Mr. Harris, Mr. Espy, Mr. Lancaster, Mr. Panetta, Mr. Tallon, Mr. Dowdy of Mississippi, Mr. Chapman, Mr. Dorgan of North Dakota, Mr. Traxler, Mr. McCloskey, Mr. Williams, Mrs. Smith of Nebraska, Mr. Rogers, Mr. Derrick, Mr. Burton of Indiana, Mr. Wolpe, Mr. Bruce, Mrs. Martin of Illinois, Mr. Rose, Mr. Herger, Mr. Johnson of South Dakota, Mr. Campbell, Mr. Roberts, Mr. Combest, Mr. Bereuter, Mr. Evans, Mr. Dickinson, Mr. Gray of Illinois, and Mr. Skelton):

H.R. 5015. A bill to provide drought assistance to agriculture producers, and for other purposes; to the Committee on Agriculture.

By Mr. BENNETT:

H.R. 5016. A bill to regulate the use and obligations of consultants in the Department of Defense and in defense contracting; to the Committee on Armed Services.

By Mr. BRYANT:

H.R. 5017. A bill to amend the Public Utility Holding Company Act of 1935 to permit public utility holding companies to invest in or to acquire an interest in any business other than the business of a public utility provided such investments or interests constitute 15 percent or less of the consolidated assets of the holding company system, and for other purposes; to the Committee on Energy and Commerce.

By Mr. CONYERS (for himself, Mr. Florio, Mr. Bonker, Mr. Leach of Iowa, Mr. Wolpe, and Mr. Atkins):

H.R. 5018. A bill to amend the Solid Waste Disposal Act to prohibit the export of certain solid waste; jointly, to the Committees on Energy and Commerce and Foreign Affairs.

By Mr. COOPER (for himself, Mr. Slattery, Mr. Synar, Mr. Swift, Mr. Nielson of Utah, Mr. Rogers, Mr. Tallon, and Mr. Evans):

H.R. 5019. A bill to require the Federal Communications Commission to include safeguards for protection of subscribers of small telephone companies in any changes in the method of regulating interstate telephone service rates; to the Committee on Energy and Commerce.

By Mr. HYDE (for himself, Mr. Annunzio, Mr. Archer, Mr. Baker, Mr. Ballenger, Mr. Barton of Texas, Mr. Bilbray, Mr. Bliley, Mr. Boulter, Mr. Buechner, Mr. Bunning, Mr. Coats, Mr. Craig, Mr. Dannemeyer, Mr. Davis of Illinois, Mr. Davis of Michigan, Mr. DeWine, Mr. Dornan of California, Mr. Dyson, Mr. Emerson, Mr. Grandy, Mr. Gray of Illinois, Mr. Hastert, Mr. Hiler, Mr. Holloway, Mr. Hunter, Mr. Hutto, Mr. Kemp, Mr. Kildee, Mr. Kyl, Mr. Lagomarsino, Mr. Lent, Mr. Lipinski, Mr. Donald E. Lukens, Mr. Manton, Mr. Marlenee, Mr. Mazzoli, Mr. Miller of Ohio, Mr. Mollohan, Mr. Moorhead, Mr. Nielson of Utah, Mr. Packard, Mr. Perkins, Mr. Petri, Mr. Rinaldo, Mr. Roth, Mr. Rowland of Connecticut, Mr. Saxton, Mr. Shumway, Mr. Skelton, Mr. Smith of New Hampshire, Mr. Smith of New Jersey, Mr. Solomon, Mr. Stangeland, Mr. Sundquist, Mr. Swindall, Mr. Tauke, Mr. Vander Jagt, Mr. Volkmer, Mrs. Vucanovich, Mr. Walker, Mr. Weber, Mr. Wolf, Mr. Wortley, Mr. Young of Alaska, Mr. Bonior, Mrs. Smith of Nebraska, Mr. Traxler, Mr. McGrath, Mr. McCollum, Mr. Lott, Mr. Armey, Mr. Combest, Mr. Parris, Mr. Tauzin, Mr. Henry, Mr. Lungren, Mr. McCrery, Mr. Herger, Mr. McMillan of North Carolina, Mr. Denny Smith, and Mr. Hansen):

H.R. 5020. A bill to prohibit the use of Federal funds for abortions except where the life of the mother would be endangered; to the Committee on Energy and Commerce.

By Mr. NEAL:

H.R. 5021. A bill to establish a Department of Environmental Protection, and for other purposes; to the Committee on Government Operations.

By Mr. OWENS of Utah (for himself and Mr. Bilbray):

H.R. 5022. A bill to provide jurisdiction and procedures for claims by individuals for injuries or death due to exposure to radiation from nuclear testing; to the Committee on the Judiciary.

By Mr. PETRI (for himself, Mrs. Bentley, and Mr. Roth):

H.R. 5023. A bill to amend the Automobile Information Disclosure Act to make the requirements of that act applicable to light duty trucks; to the Committee on Energy and Commerce.

By Mr. SKELTON (for himself, Mr. Stenholm, Mrs. Lloyd, and Mr. Emerson):

H.R. 5024. A bill to prohibit the payment of any compensation by the United States on account of the downing of Iran Air Flight 655; to the Committee on Foreign Affairs.

By Mr. SOLOMON:

H.R. 5025. A bill to enforce the Helsinki Final Act of the Conference on Security and Cooperation in Europe by denying most favored nation status to countries which are not in complete or substantially complete compliance with the Helsinki Final Act; jointly, to the Committees on Ways and Means and Foreign Affairs.

By Mr. de la GARZA:

H.J. Res. 607. Joint resolution to designate October 8, 1988, as "National Day of Outreach to the Rural Disabled"; to the Committee on Post Office and Civil Service.

By Mr. HAMMERSCHMIDT (for himself Mr. Inhofe, and Mr. Montgomery):

H.J. Res. 608. Joint resolution designating August 29, 1988, as "National China-Burma-India Veterans Appreciation Day"; to the Committee on Post Office and Civil Service.

By Mr. Smith of Florida (for himself, Mr. Levine of California, Mr. Kasich, Mr. Weber, Mr. Fascell, Mr. Coelho, Mr. Edwards of Oklahoma, Mr. Gephardt, Mr. Kemp, Mr. Ackerman, Mr. Anthony, Mr. Applegate, Mr. Bennett, Mr. Berman, Mr. Bilbray, Mr. Bonker, Mrs. Boxer, Mr. Bruce, Mr. Bustamante, Mr. Callahan, Mr. Cardin, Mr. Carr, Mr. Clement, Mr. Coble, Mr. Coleman of Texas, Mr. Davis of Illinois, Mr. DeFazio, Mr. DioGuardi, Mr. Donnelly, Mr. Dowdy of Mississippi, Mr. Durbin, Mr. Espy, Mr. Evans, Mr. Fazio, Mr. Feighan, Mr. Florio, Mr. Frank, Mr. Frost, Mr. Garcia, Mr. Gejdenson, Mr. Gilman, Mr. Glickman, Mr. Gordon, Mr. Green, Mr. Hall of Ohio, Mr. Henry, Mr. Hertel, Mr. Hoyer, Mr. Hughes, Mr. Johnson of South Dakota, Mr. Kennedy, Mr. Konnyu, Mr. Kostmayer, Mr. Lancaster, Mr. Lantos, Mr. Lehman of Florida, Mr. Leland, Mr. Lent, Mr. Levin of Michigan, Mr. Lewis of Florida, Mr. Lowry of Washington, Mr. McEwen, Mr. McHugh, Mr. Mack, Mr. Markey, Mr. Mica, Mr. Miller of Washington, Mr. Mineta, Mr. Moody, Mr. Morrison of Connecticut, Mr. Mrazek, Mr. Nelson of Florida, Mr. Oberstar, Mr. Panetta, Mr. Price of North Carolina, Mr. Pursell, Mr. Ravenel, Mr. Richardson, Mr. Ridge, Mr. Rinaldo, Mr. Roe, Mr. Saxton, Mr. Scheuer, Mr. Schuette, Mr. Schumer, Mr. Shaw, Mr. Shays, Mr. Sikorski, Mr. Skaggs, Ms. Slaughter of New York, Mr. Solarz, Mr. Swindall, Mr. Synar, Mr. Vento, Mr. Waxman, Mr. Weiss, Mr. Wheat, Mr. Wolpe, Mr. Wyden, Mr. Yates, Mr. Pepper, Ms. Pelosi, Mr. Foglietta, Mr. Torres, and Mr. Robinson):

H.J. Res. 609. Joint resolution to prohibit the proposed sale to Kuwait of F-18 aircraft, cluster bomb units, Sidewinder missles, Sparrow missiles, Harpoon missles and Maverick missiles (transmittal No. 88-39) the Committee on Foreign Affairs.

By Mr. HERTEL:

H. Con. Res. 332. Concurrent resolution expressing the sense of the Congress that the number of students in each classroom in an elementary or secondary school in the United States should be decreased; to the Committee on Education and Labor.

By Mr. LEACH of Iowa (for himself and Mr. Kastenmeier):

H. Con. Res. 333. Concurrent resolution calling for the creation of an International Criminal Court with jurisdiction over internationally recognized crimes of terrorism, genocide, and torture, as those crimes are defined in various international conventions; to the Committee on Foreign Affairs.

By Mr. RINALDO (for himself, Mr. Bilbray, Mr. Campbell, Mr. Coble, Mr. Coughlin, Mr. Dannemeyer, Mr. Hammerschmidt, Mr. Lent, Mr. Livingston, Mr. McCandless, Mr. McCrery, Mr. Ritter, Mr. Saxton, Mrs. Smith of Nebraska, Mr. Solomon, Mr. Sundquist and Mr. Tauke):

H. Con. Res. 334. Concurrent resolution expressing the sense of the Congress that the U.S. Government should not make reparations on account of the Iranian air disaster before the American hostages being held in Beirut, Lebanon, are released; to the Committee on Foreign Affairs.

By Mr. SOLOMON:

H. Res. 495. Resolution condemning the Government of Iran for its defiance of international efforts aimed at achieving a cease-fire and a negotiated settlement in the war against Iraq, and for other purposes; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 228: Mr. Neal.

H.R. 458: Mr. Kildee and Mr. Shumway.

H.R. 593: Mrs. Morella.

H.R. 722: Mr. Lantos.

H.R. 911: Mr. Walgren, Mr. Valentine, Ms. Slaughter of New York, Mr. Fazio, Mr. Dreier of California, and Mr. Stark.

H.R. 1036: Mr. Smith of New Jersey and Mr. DeFazio.

H.R. 1587: Mr. Owens of Utah.

H.R. 1810: Mr. Ford of Michigan and Mr. Gephardt.

H.R. 1885: Mr. Obey.

H.R. 2852: Mr. Ford of Tennessee and Mrs. Collins.

H.R. 2866: Mr. Hughes.

H.R. 2891: Mr. Craig.

H.R. 2999: Mr. Ravenel, Ms. Oakar, Mr. Holloway, Ms. Slaughter of New York, Mr. Kildee, Mr. Sikorski, Mr. Mavroules, Mr. Staggers, and Mr. Natcher.

H.R. 3132: Mr. Biaggi and Mr. Scheuer.

H.R. 3314: Mr. Owens of Utah.

H.R. 3335: Mrs. Boxer, Ms. Pelosi, and Mr. Martinez.

H.R. 3392: Mr. Stokes.

H.R. 3526: Mr. Coble, Mr. Ballenger, Mr. McCloskey, and Mr. Gordon.

H.R. 3612: Mr. Hayes of Illinois.

H.R. 3620: Mr. Kolter and Mr. McCrery.

H.R. 3654: Mr. Martin of New York, Mr. Moorhead, Mr. Dornan of California, Mr. Jeffords, Mr. Frost, Mrs. Patterson, Mr. Lewis of California, and Mr. Coleman of Missouri.

H.R. 3703: Mr. McMillan of North Carolina.

H.R. 3723: Mr. Kolter and Mr. Hatcher.

H.R. 3726: Mr. Ray, Mr. Dyson, Mr. Lancaster, and Mr. Spence.

H.R. 3764: Mr. Williams.

H.R. 3889: Mr. Chandler, Mr. McCrery, Mr. Neal, and Mr. Biaggi.

H.R. 3918: Mr. Petri, Mr. Weiss, Mr. Burton of Indiana, and Mr. Smith of New Hampshire.

H.R. 3919: Mr. Dicks and Mr. Stratton.

H.R. 4024: Mr. Feighan, Mr. Guarini, and Mr. Towns.

H.R. 4042: Mr. Hawkins.

H.R. 4048: Mr. Gilman, Mr. Hiler, Mr. Flake, Mr. Weldon, Mr. Hayes of Illinois, Mrs. Morella, Mr. McHugh, Mr. Rodino, Mr. Towns, Mr. Traficant, Mr. Wolpe, Mr. Boehlert, Mrs. Collins, Mr. Feighan, Mr. Garcia, Mr. Hall of Ohio, Mr. Hughes, Mr. Kolter, Mr. McDade, Mr. Murphy, Ms. Oakar, Mr. Schuette, Mr. Solarz, Mr. Stokes, and Mr. Yates.

H.R. 4115: Mr. Lewis of Florida.

H.R. 4142: Mrs. Vucanovich, Mr. Gunderson, and Mr. Dannemeyer.

H.R. 4156: Mr. Hyde, Mr. Dannemeyer, and Mr. Feighan.

H.R. 4166: Mr. Staggers.

H.R. 4198: Mr. Borski.

H.R. 4221: Mr. Spence, Mr. Skaggs, and Ms. Slaughter of New York.

H.R. 4250: Mr. Upton and Mr. Garcia.

H.R. 4277: Mr. Schuette and Mr. Stark.

H.R. 4338: Mr. Lantos.

H.R. 4446: Mr. Dyson and Mr. Packard.

H.R. 4470: Mr. Packard.

H.R. 4519: Mr. Edwards of California, Mr. Dowdy of Mississippi, Mr. Evans, Mr. Staggers, Mr. Robinson, and Mr. Jontz.

H.R. 4530: Mr. Packard, Mr. Torres, Mr. Pepper, and Mr. Fazio.

H.R. 4554: Mr. Sabo and Mr. Atkins.

H.R. 4606: Mr. Davis of Illinois and Mr. Atkins.

H.R. 4652: Mr. Shumway.

H.R. 4666: Mr. Fascell, Mr. Ireland, Mr. Hutto, Mr. Nelson of Florida, Mr. Bennett, Mrs. Boxer, Mr. Lewis of Florida, Mr. Morrison of Connecticut, Mr. Horton, Mr. Lehman of Florida, Mr. Chappell, Mr. Grant, Mr. Roe, Mr. Lancaster, Ms. Kaptur, Mr. Shaw, Mr. Smith of Florida, Mr. Bilirakis, Mr. Chapman, Mr. Lipinski, Mrs. Bentley, Mr. Pepper, and Mr. Mrazek.

H.R. 4680: Mr. Robinson, Mr. Houghton, and Mr. Brown of Colorado.

H.R. 4718: Mr. Emerson, Mr. Wortley, Mr. Walgren, Mr. Montgomery, Mr. Wilson, Mr. Hatcher, Mr. Horton, Mr. Oberstar, Mr. Boehlert, Mr. Roe, Mr. Badham, Mr. de la Garza, Mr. Lipinski, Mr. Towns, Mr. Torres, Mr. Bustamante, Mr. Smith of Florida, Mr. Lewis of Florida, Mr. Mack, Mr. Solomon, Mr. Frost, Mr. Nielson of Utah, Mr. Brennan, Mr. Waxman, and Mr. Jeffords.

H.R. 4720: Mr. Valentine.

H.R. 4721: Mr. Ackerman, Mr. Eckart, Mr. Espy, and Mr. Dyson.

H.R. 4759: Mr. Vander Jagt, Mr. Traxler, Mr. Henry, Mr. Wolpe, Mr. Schuette, Mr. Hertel, Mr. Carr, Mr. Ford of Michigan, and Mr. Conyers.

H.R. 4767: Mr. Murphy, Mr. Perkins, Mr. Robinson, Mr. Penny, and Mr. Owens of New York.

H.R. 4796: Mr. Edwards of Oklahoma.

H.R. 4823: Mr. Penny, Mr. Davis of Michigan, and Mrs. Martin of Illinois.

H.R. 4900: Mr. Moody, Mr. Beilenson, Mr. Ridge, Mr. Dellums, Mr. Sikorski, Miss Schneider, Mr. Biaggi, Mr. Brown of California, Mr. AuCoin, Mr. Porter, Mr. Campbell, Mr. MacKay, Mr. Pepper, Mr. Ackerman, Mr. Scheuer, Mr. Jontz, Mr. Studds, Mr. Dorgan of North Dakota, and Mrs. Collins.

H.R. 4902: Mr. Rose, Mr. Evans, Mr. Saxton, and Mr. Cardin.

H.R. 4907: Mr. Miller of California.

H.R. 4921: Mr. Hayes of Louisiana.

H.R. 4955: Mr. McMillen of Maryland.

H.R. 4962: Mr. Morrison of Washington.

H.R. 4963: Mr. Myers of Indiana, Mrs. Morella, Mr. Shuster, Mr. Wise, Mrs. Bentley, Mr. Fazio, Mr. Shaw, Mr. Bateman, and Mr. Atkins.

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H.R. 4965: Mr. Myers of Indiana, Mrs. Morella, Mr. Shuster, Mr. Wise, Mrs. Bentley, Mr. Fazio, Mr. Shaw, Mr. Bateman, and Mr. Atkins.

H.R. 4966: Mr. Myers of Indiana, Mrs. Morella, Mr. Shuster, Mr. Wise, Mrs. Bentley, Mr. Fazio, Mr. Shaw, Mr. Bateman, and Mr. Atkins.

H.R. 4974: Mr. Markey.

H.R. 4987: Mr. McGrath, Mr. Mfume, Mr. Solomon, and Mr. Horton.

H.R. 4991: Mr. Feighan, Mr. Jones of Tennessee, Ms. Kaptur, and Mr. Wilson.

H.J. Res. 78: Mr. Rahall.

H.J. Res. 330: Mr. LaFalce, Mr. Coble, Mr. Lantos, Mr. St Germain, Mrs. Meyers of Kansas, Mr. Packard, Mr. Mfume, and Mr. Rahall.

H.J. Res. 371: Mr. Davis of Michigan and Mr. Traxler.

H.J. Res. 441: Mr. AuCoin, Mr. Baker, Mrs. Bentley, Mr. Berman, Mr. Blaz, Mr. Bustamante, Mr. Carper, Mr. Carr, Mr. Conyers, Mr. Craig, Mr. de Lugo, Mr. Dymally, Mr. Foglietta, Mr. Frenzel, Mr. Robinson, and Mr. Panetta.

H.J. Res. 454: Mr. Hochbrueckner, Mr. Bliley, and Mr. Callahan.

H.J. Res. 458: Mr. Hawkins, Mr. Mack, Mr. Owens of New York, Mr. Hall of Ohio, Mr. Lowry of Washington, Mr. Swift, Mr. Morrison of Connecticut, Mr. Hochbrueckner, and Mr. Dornan of California.

H.J. Res. 488: Mr. Yatron, Ms. Oakar, Mr. Feighan, Mr. Kasich, Mr. Mavroules, Mr. Brennan, Mr. Torricelli, Mr. Spence, Mr. Wolpe, Mr. Whitten, Mr. Gephardt, Mr. Frost, Mr. Lent, Mr. Moody, Mr. Stenholm, Mr. Nielson of Utah, Mr. Natcher, Mr. Moakley, Mr. Solarz, Mr. Parris, Ms. Pelosi, Mr. Oberstar, Mr. Kostmayer, Mr. Atkins, and Mr. Dannemeyer.

H.J. Res. 503: Mr. Tauzin and Mr. Brown of Colorado.

H.J. Res. 509: Mr. Wylie and Mr. Vento.

H.J. Res. 540: Mr. Boucher, Mr. Berman, Mr. Dymally, and Mr. Borski.

H.J. Res. 557: Mr. Lehman of California, Mr. Hopkins, Mr. Morrison of Washington, and Mr. Hunter.

H.J. Res. 575: Mr. Brennan, Mr. Darden, Mr. Espy, Mr. Gunderson, Mr. McMillen of Maryland, Mr. Mack, Mr. Pursell, Mr. Quillen, Mr. Sawyer, Ms. Slaughter of New York, Mr. Denny Smith, Mr. Upton, Mr. Whittaker, Mr. Wise, and Mr. Wolpe.

H.J. Res. 578: Mr. Jones of North Carolina, Mr. Chapman, Mr. Wilson, Mr. DeFazio, and Mr. Hyde.

H.J. Res. 581: Mr. Olin, Mr. Frost, Mr. Yatron, Mr. Dymally, Mr. Foley, Mr. Gray of Pennsylvania, Mr. Green, Mr. Gunderson, Mr. Hayes of Louisiana, Mr. Jones of North Carolina, Mr. MacKay, Mr. Moakley, Mr. Ortiz, Mr. Pepper, Mr. Scheuer, Mr. Richardson, Mr. Rhodes, Ms. Oakar, Mr. Skelton, Mr. Tauke, Mr. Tauzin, Mr. Traxler, Mr. Walgren, Mr. Wilson, Mr. Wise, Mr. Gephardt, Mr. Murtha, Mr. Perkins, Mr. Courter, Mr. Weldon, Mr. McCrery, and Mr. Young of Alaska.

H.J. Res. 585: Mr. Berman, Mr. Bevill, Mr. Biaggi, Mr. Bliley, Mrs. Boxer, Mr. Bustamante, Mr. Chapman, Mr. Daub, Mr. de Lugo, Mr. Dwyer of New Jersey, Mr. Dymally, Mr. Fauntroy, Mr. Fazio, Mr. Foglietta, Mr. Frost, Mr. Fuster, Mr. Gray of Illinois, Mr. Hawkins, Mr. Horton, Mr. Hughes, Mr. Jeffords, Ms. Kaptur, Mr. Kostmayer, Mr. Lantos, Mr. Lehman of California, Mr. Leland, Mr. Levin of Michigan, Mr. Lipinski, Mr. Matsui, Ms. Pelosi, Mr. Quillen, Mr. Richardson, Mr. Roe, Mr. Smith of Florida, Mr. Stokes, Mr. Tauzin, Mr. Towns, Mr. Wolf, Mr. Atkins, Mrs. Bentley, Mr. Hayes of Illinois, Mr. Lancaster, Mr. Rangel, Mr. Weiss, and Mr. Yatron.

H.J. Res. 589: Mr. Bateman, Mr. Wolpe, Mr. Leach of Iowa, Mr. Carr, Mr. Coleman of Missouri, Mr. Coughlin, Mr. Tauke, Mr. Waxman, Mr. Mrazek, Mr. Wolf, Mr. Towns, Mr. Sabo, Ms. Kaptur, Mr. Bonker, Mr. Coyne, Mr. Martin of New York, Mr. Leland, Mr. Hiler, Mr. Scheuer, Mr. Wortley, Mr. Applegate, Mr. Hyde, Mr. Frost, Mr. DeFazio, Mr. Wyden, Mrs. Patterson, Mr. Weiss, Mr. Traxler, Mr. Moody, Mr. DeWine, Mr. Hall of Ohio, Mr. Fish, Mr. Hayes of Illinois, and Mr. Rangel.

H.J. Res. 591: Mrs. Bentley, Mr. Biaggi, Mr. Borski, Mr. Bruce, Mr. Carper, Mr. Coelho, Mr. Craig, Mr. Evans, Mr. Fields, Mr. Foglietta, Mr. Foley, Mr. Fuster, Mr. Green, Mr. Gunderson, Mr. Harris, Mr. Hatcher, Mr. Hoyer, Mr. Lehman of Florida, Mr. Thomas A. Luken, Mr. McGrath, Mr. Murtha, Mr. Nichols, Mr. Owens of New York, Mr. Owens of Utah, Mr. Jacobs, Mr. Lagomarsino, Mr. McDade, Mr. Murphy, Mr. Panetta, Mr. Regula, Mr. Sawyer, Mr. Skelton, Mr. Spence, Mr. Sunia, Mr. Thomas of California, Mr. Vento, Mr. Volkmer, Mr. Waxman, Mr. Weiss, and Mrs. Collins.

H.J. Res. 597: Mrs. Collins, Mr. Ford of Michigan, Mr. Dixon, Mr. Conyers, Mr. Craig, Mr. Barnard, Mr. Leland, Mr. Gejdenson, Mr. Gray of Pennsylvania, Ms. Oakar, Mr. Boehlert, and Mr. Matsui.

H. Con. Res. 28: Mr. Holloway.

H. Con. Res. 115: Mr. Aspin, Mr. Atkins, Mr. Beilenson, Mr. Fascell, Mr. Gray of Pennsylvania, Mr. Hatcher, Mr. Mineta, Mr. Moorhead, Ms. Pelosi, Mr. Dyson, Mr. Yates, Mr. Brennan, Mr. Foglietta, Mr. Cooper, Mr. Applegate, Mrs. Martin of Illinois, Mr. Gekas, Mr. Akaka, Mr. Blaz, Mr. Lewis of Florida, Mr. Lagomarsino, Mr. Lewis of Georgia, Mr. Lowry of Washington, and Mr. Lungren.

H. Con. Res. 286: Mr. Brown of Colorado, Mr. Smith of Florida, Mr. Ridge, Mr. Waxman, Mr. Edwards of California, and Mr. Towns.

H. Con. Res. 303: Mr. Herger, Mr. Nielson of Utah, Mr. DeWine, and Mr. Cardin.

H. Con. Res. 310: Mr. Conte, Mr. McGrath, Mr. Miller of California, Mr. Atkins, Ms. Oakar, Mr. Yates, Mr. Yatron, and Mr. Vento.

H. Con. Res. 326: Mr. Burton of Indiana, Mr. Dannemeyer, and Mr. Applegate.

PETITIONS, ETC.

Under clause 1 of rule XXII,

211. The Speaker presented a petition of the Governor, Juneau, AK, relative to H.R. 1516; which was referred jointly, to the Committees on Interior and Insular Affairs and Agriculture.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1516

By Mr. YOUNG of Alaska:

(Amendment in the nature of a substitute.)

—In lieu of the Committee amendment insert the following:

SECTION 1. RESOURCE MANAGEMENT ON THE TONGASS NATIONAL FOREST.

Subsection (a) of section 705 of the Alaska National Interest Lands Conservation Act (16 U.S.C. 539d) is amended—

(1) by inserting "(1)" after "(a)";

(2) by inserting after the first sentence the following: "The four billion five hundred million foot board measure per decade shall not restrict the forest planning process set forth in the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1601 et. seq). In each revision of the Tongass Land Management Plan, the Secretary is authorized to adjust the foot board measure for the next decade based upon his projection of the market demand for timber by the dependent timber industry;

(3) by striking out the period at the end thereof and inserting ", except as provided for in this section."; and

(4) by adding at the end thereof the following:

"(2)(A) In the implementation of this subsection, the Secretary of Agriculture shall—

"(i) prepare and offer for sale no more timber than is necessary to meet annual market demand of dependent industry; and

"(ii) reoffer timber sales that are not sold and count the volume as part of the timber supply to meet annual market demand of dependent industry.

"(B) The Secretary shall submit a report at the time of the President's annual budget request on the proposed expenditures from the fund established pursuant to paragraph (1) together with a detailed narrative description concerning such expenditures. Such report shall be submitted to the Committee on Energy and Natural Resources and the Committee on Appropriations of the Senate. Such expenditures shall take effect as proposed unless amended by an Act of Congress.

"(3) The Secretary is authorized and directed to modify the long-term timber sales contracts in Alaska (contracts numbered 12-11-010-1545 and A10fs-1042) to provide that the 5-year operating periods for in such contracts are coordinated with each revision of the Tongass Land Management Plan.

"(4) The Secretary is authorized and directed to use up to 20 percent of the fund established under paragraph (1) to promote and enhance fish and wildlife and recreation resources, including trail and cabin construction.

"(5)(A) The Secretary of Agriculture shall, within one year after the date of enactment of this paragraph, renegotiate the long-term timber sale contracts (contract numbers 12-11-010-1545 and A10fs-1042) in Alaska to achieve the following objectives:

"(i) To bring forest planning and management practices into substantial conformance with the National Forest Management Act of 1976 and the Forest and Rangeland Renewable Resources Planning Act of 1974 and to ensure that highgrading of timber resources does not occur.

"(ii) To provide that the contract holders pay fair market value for timber sales on the Tongass National Forest.

"(iii) To promote fair competition within the timber industry in the Tongass National Forest.

"(iv) To clarify the authority of the Forest Service to protect fish and wildlife resources and habitats.

"(v) To bring administration of the contract into substantial conformance with procedures for short-term timber sales.

"(vi) To provide employment for residents of the State of Alaska.

"(B) At the conclusion of the one-year renegotiation period, the Secretary of Agriculture shall submit to Congress a written report including a complete description of proposed changes to the contracts, an analysis of how the amended contracts would meet the objectives identified in subparagraph (A) and recommendations, if any, for congressional action. The report shall be prepared in consultation with the Tongass National Forest Management Advisory Committee.

"(C) The Secretary of Agriculture may not sign a contract renegotiated pursuant to this paragraph until 90 days after the report described in subparagraph (B) is submitted to the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

"(6) Funds provided under this section shall not be used for—

"(A) construction and reconstruction of capital facilities on the Tongass National Forest other than those authorized pursuant to paragraph (4) and national forest transportation facilities which include specified roads incident to timber sale, log transfer facilities, bridges, and similar timber transportation facilities; and

"(B) authorized national forest development transportation facilities related to timber sales offered for sale until such sale is awarded.".

SEC. 2. MORATORIUM ON TIMBER HARVESTING.

Title VII of the Alaska National Interest Lands Conservation Act is amended by adding at the end thereof the following:

"SEC. 709. MORATORIUM ON TIMBER HARVESTING.

The following public lands within the Tongass National Forest shall be deferred from timber harvest pending completion of the Tongass Land Management Plan Revision of 1990, at which time timber harvest shall be permitted in accordance with that plan:

"MORATORIUM AREAS

Area	TLMP map	Acreage
Lisianski	VCU 249,262	23,640
Noyes Island—Conclusions Island.	VCU 567	24,651
	VCU 417 (partial)	1,800
Nutkwa	VCU 686	16,853
	VCU 685 (upper ⅓)	
Chuck River	VCU 66,71,76	74,942
Young Lake	VCU 133	18,173
Total		160,059".

All land uses other than timber harvest which are presently permitted under the Tongass Land Management Plan shall continue to be permitted in such area in accordance with that plan.

SEC. 3. TONGASS NATIONAL FOREST MANAGEMENT ADVISORY COMMITTEE.

Title VII of the Alaska National Interest Lands Conservation Act, as amended by section 2, is further amended by adding at the end thereof the following:

"SEC. 710. TONGASS NATIONAL FOREST MANAGEMENT ADVISORY COMMITTEE.

"(a) ESTABLISHMENT.—There is hereby established the Tongass National Forest Management Advisory Committee (hereafter in this section referred to as the 'Advisory Committee')—.

"(b) MEMBERSHIP.—The Advisory Committee shall consist of the following 11 members appointed jointly by the Secretary of Agriculture and the Governor of Alaska:

"(1) 2 members from the local governments in the State of Alaska;

"(2) 1 member from State of Alaska;

"(3) 3 members from environmental groups;

"(4) 3 members from timber industry groups;

"(5) 1 member from commercial non-timber interests in the Tongass National Forest; and

"(6) 1 member from Alaska Native groups.

"(c) RECOMMENDATIONS.—

"(1) The Advisory Committee shall from time to time make recommendations concerning the management of the Tongass National Forest to the Regional Forester of Region 10, United States Forest Service.

"(2) Such recommendations shall be given due consideration by the Regional Forester in the formulation of and revisions to the Tongass Land Management Plan.

"(d) APPLICABILITY OF THE FEDERAL ADVISORY COMMITTEE ACT.—Appointments to and the operations of the Advisory Committee shall comply with the Federal Advisory Committee Act.

—Insert at the end of H.R. 1516, the following new section:

"SEC. 410. EMPLOYEE MITIGATION MEASURES.

(a) DECLARATION.—The Congress recognizes that the cumulative impact of this Act may have an adverse impact on employees in Southeast Alaska. The purpose of this section is to provide workers in the Southeast Alaska timber industry with appropriate safeguards should this Act reduce employment opportunities.

(b) SECRETARIAL AUTHORITY.—The Secretary is authorized and directed, in consultation with the Secretary of the Department of Labor, to develop procedures to financially assist workers adversely effected by this Act during the period of transition to alternative and comparable employment. Such financial assistance may be used for, but not be limited to, the retention of health and welfare benefits; unemployment compensation for permanent employees and severance pay for short-service employees; layoff and vacation benefits; retraining expenses; and relocation expenses. *Provided,* That such financial assistance shall be available only for a reasonable period of time, not to exceed six years from the date of enactment of this Act.

(c) PREFERENTIAL HIRE.—The Secretary, in consultation with the Secretary of the Department of Labor, is also directed to provide workers adversely affected by this Act with the opportunity to fill Federal employment positions which will be primarily located in Southeast Alaska for a period ending six years from the date of enactment of the Act, notwithstanding applicable civil service laws and regulations

(d) ADMINISTRATION.—(1) The Secretary, in consultation with the Secretary of Labor, shall to the maximum extent practicable, model the procedures authorized by subsections (b) and (c) after those procedures and calculations contained in Public Law 95-250 (the Redwood National Park Expansion Act of 1978).

(2) Effective October 1, 1988, there are authorized to be appropriated annually such sums as may be necessary to meet the obligations provided for in this section.

—Insert at the end of Section 302, the following subsection:

"(c) Notwithstanding subsections (a) and (b), no area listed in subsection (b) shall be subject to deferral if such deferral would otherwise be inconsistent with the agreement entered into by the U.S. Department of Agriculture and the Plaintiffs (City of Tenakee Springs, Southeast Alaska Conservation Council, Sierra Club, and Wilderness Society) for the purpose of settling issues raised in *City of Tenakee Springs* v. *Lyng* (No. J84-001 Civil) and *City of Tenakee Springs* v. *Courtright* (No. J86-024 Civil).".

—Insert at the end of Section 302, the following subsection:

"(c) Notwithstanding subsections (a) and (b), no area listed in subsection (b) shall be subject to deferral if there are land units within such area which are included as part of a five-year operating plan for the two long-term contract holders, or have been slated for harvesting by the Tongass Land Management Plan, or which make up part of an approved sale to independent or small business purchasers (including proposed sale areas which are slated for cutting but which have not yet been awarded to independent or small business purchasers).".

—Delete Section 101 and insert the following:

"The Congress authorizes and directs that the Secretary of Agriculture shall make available from the Tongass National Forest a timber supply to dependent industry at a rate of 4 billion five hundred million foot board measure per decade, subject to annual appropriations.".

—Delete Section 102 and substitute a new Section 102 as follows:

"Mr. SEC. 102. The provisions of this section shall apply notwithstanding the provisions of Section 6(k) and 6(f)(iv) of the National Forest Management Act of 1976 (90 Stat. 2949).".

—At Section 302(b) delete the following:

"Chichagof....................................338,359"

—At section 302(b) delete the following:

"Kadashan....................................33,641"

—At section 302(b) delete the following:

"Trap Bay.................................... 6,446"

—At section 302(b) delete the following:

"South Kuiu....................................190,301"

—At section 302(b) delete the following:

"Rocky Pass....................................74,423"

—At section 302(b) delete the following:

"West Duncan Canal..........................118,812"

—At section 302(b) delete the following:

"South Etolin Island..........................81,939"

—At section 302(b) delete the following:

"Naha River....................................46,539"

—At section 302(b) delete the following:

"Calder/Holbrook.............................64,029"

—At section 302(b) delete the following:

"Sarkar Lakes....................................57,526"

—At section 302(b) delete the following:

"Outside Islands.................................95,524"

—At section 302(b) delete the following:

"Nutkwa....................................53,635"

—At section 302(b) delete the following:

"Kegan Lake....................................23,858"

—At section 302(b) delete the following:

"West Dall....................................71,850"

—Delete Section 102.

—Delete Section 103.

—At Section 105 following the words "commercial fishing industry" insert the following: "The Southeast Conference".

—At Section 202(a) place a period after the word "subsection (b)" and delete the remainder of the sentence.

—At Section 101, change the word "1988" to "2000".

S. 2527

By Mr. BARTLETT:

—Strike all of Section 2(a)(2) and insert in lieu thereof the following:

"(2) the term "plant closing" means the permanent shutdown of a single site of employment, if the shutdown results in an employment loss at the single site of employment during any 6 month period for 90 percent or more of the employees at that site."

Strike all of Section 2(a)(3)

Strike all of Section 2(a)(6)(C)

Strike all of Section 3(d)

Strike all words "mass layoff" or "layoff" wherever it occurs, except on page 3, line 25.

By Mr. MCCRERY:

(Amendment in the nature of a substitute.)

—Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Worker Adjustment and Retraining Notification Act".

SEC. 2. DEFINITIONS; EXCLUSIONS FROM DEFINITION OF LOSS OF EMPLOYMENT.

(a) DEFINITIONS.—As used in this Act—

(1) the term "employer" means any business enterprise that employs 200 or more employees, excluding part-time employees;

(2) the term "plant closing" means the permanent or temporary shutdown of a single site of employment, or one or more facilities or operating units within a single site of employment, if the shutdown results in an employment loss at a single site of employment during any 30-day period for 50 or more employees excluding any part-time employees;

(3) the term "mass layoff" means a reduction in force which—

(A) is not the result of a plant closing; and

(B) results in an employment loss at the single site of employment during any 30-day period for—

(i)(I) at least 60 percent of the employees (excluding any part-time employees); and

(II) at least 50 employees (excluding any part-time employees); or

(ii) at least 500 employees (excluding any part-time employees);

(4) the term "representative" means an exclusive representative of employees within the meaning of section 9(a) or 8(f) of the National Labor Relations Act (29 U.S.C. 159(a), 158(f)) or section 2 of the Railway Labor Act (45 U.S.C. 152);

(5) the term "affected employees" means employees who may reasonably be expected to experience an employment loss as a consequence of a proposed plant closing or mass layoff by their employer;

(6) subject to subsection (b), the term "employment loss" means (A) an employment termination, other than a discharge for cause, voluntary departure, or retirement, or (B) a layoff exceeding 6 months;

(7) the term "unit of local government" means any general purpose political subdivision of a State which has the power to levy taxes and spend funds, as well as general corporate and police powers; and

(8) the term "part-time employee" means an employee who is employed for an average of fewer than 35 hours per week or who has been employed for fewer than 12 of the 12 months preceding the date on which notice is required.

(b) EXCLUSIONS FROM DEFINITION OF EMPLOYMENT LOSS.—(1) In the case of a sale of part or all of an employer's business, the seller shall be responsible for providing notice for any plant closing or mass layoff in accordance with section 3 of this Act, up to and including the effective date of the sale. After the effective date of the sale of part or all of an employer's business, the purchaser shall be responsible for providing notice for any plant closing or mass layoff in accordance with section 3 of this Act. Notwithstanding any other provision of this Act, any person who is an employee of the seller (other than a part-time employee) as of the effective date of the sale shall be considered an employee of the purchaser immediately after the effective date of the sale.

(2) Notwithstanding subsection (a)(6), an employee may not be considered to have experienced an employment loss if the closing or layoff is the result of the relocation or consolidation of part or all of the employer's business and, prior to the closing or layoff—

(A) the employer offers to transfer the employee to a different site of employment within a reasonable commuting distance with no more than a 6-month break in employment; or

(B) the employer offers to transfer the employee to any other site of employment regardless of distance with no more than a 6-month break in employment, and the employee accepts within 30 days of the offer or of the closing or layoff, whichever is later.

SEC. 3. NOTICE REQUIRED BEFORE PLANT CLOSINGS AND MASS LAYOFFS.

(a) NOTICE TO EMPLOYEES, STATE DISLOCATED WORKER UNITS, AND LOCAL GOVERNMENTS.—An employer shall not order a plant closing or mass layoff until the end of a 60-day period after the employer serves written notice of such an order—

(1) to each representative of the affected employees as of the time of the notice or, if there is no such representative at that time, to each affected employee; and

(2) to the State dislocated worker unit (designated or created under title III of the Job Training Partnership Act) and the chief elected official of the unit of local government within which such closing or layoff is to occur.

If there is more than one such unit, the unit of local government which the employer shall notify is the unit of local government to which the employer pays the highest taxes for the year preceding the year for which the determination is made.

(b) REDUCTION OF NOTIFICATION PERIOD.—(1) An employer may order the shutdown of a single site of employment before the conclusion of the 60-day period if as of the time that notice would have been required the employer was actively seeking capital or business which, if obtained, would have enabled the employer to avoid or postpone the shutdown and the employer reasonably and in good faith believed that giving the notice required would have precluded the employer from obtaining the needed capital or business.

(2)(A) An employer may order a plant closing or mass layoff before the conclusion of the 60-day period if the closing or mass layoff is caused by business circumstances that were not reasonably foreseeable as of the time that notice would have been required.

(B) No notice shall be required under this Act if the plant closing or mass layoff is due to any form of natural disaster, such as a flood, earthquake or the drought currently ravaging the farmlands of the United States.

(3) An employer relying on this subsection shall give as much notice as is practicable and at that time shall give a brief statement of the basis of reducing the notification period.

(c) Extension of Layoff Period.—A layoff of more than 6 months which, at its outset, was announced to be a layoff of 6 months or less, shall be treated as an employment loss under this Act unless—

(1) the extension beyond 6 months is caused by business circumstances (including unforeseeable changes in price or cost a sudden loss of contract, a sudden and significant decline in customer orders, a fire, a flood, or an act of God) not reasonably foreseeable at the time of the initial layoff; and

(2) notice is given at the time it becomes reasonably foreseeable that the extension beyond 6 months will be required.

(d) Determinations With Respect to Employment Loss.—For purposes of this section, in determining whether a plant closing or mass layoff has occurred or will occur, employment losses for 2 or more groups at a single site of employment, each of which is less than the minimum number of employees specified in section 2(a) (2) or (3) but which in the aggregate exceed that minimum number, and which occur within any 90-day period shall be considered to be a plant closing or mass layoff unless the employer demonstrates that the employment losses are the result of separate and distinct actions and causes and are not an attempt by the employer to evade the requirements of this Act.

SEC. 4. EXEMPTIONS AND CONSTRUCTION OF PROVISIONS.

(a) Exemptions.—This Act shall not apply to a plant closing or mass layoff if—

(1) the closing is of a temporary facility or the closing or layoff is the result of the completion of a particular project or undertaking, and the affected employees were hired with the understanding that their employment was limited to the duration of the facility or the project or undertaking; or

(2) the closing or layoff constitutes a strike or constitutes a lockout not intended to evade the requirements of this Act.

(b) Construction of Provisions.—(1) Nothing in this Act shall require an employer to serve written notice pursuant to section 3(a) of this Act when permanently replacing a person who is deemed to be an economic striker under the National Labor Relations Act.

(2) Nothing in this Act shall be deemed to validate or invalidate any judicial or administrative ruling relating to hiring of permanent replacements for economic strikers under the National Labor Relations Act.

SEC. 5. ADMINISTRATION AND ENFORCEMENT OF REQUIREMENTS.

(a) Civil Actions Against Employers.—(1) Any employer who orders a plant closing or mass layoff in violation of section 3 of this Act shall be liable to each aggrieved employee who suffers an employment loss as a result of such closing or layoff for—

(A) back pay for each day of violation at a rate of compensation not less than the higher of—

(i) the average regular rate received by such employee during the last 3 years of the employee's employment; or

(ii) the final regular rate received by such employee; and

(B) benefits under an employee benefit plan described in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(3)), including the cost of medical expenses incurred during the employment loss which would have been covered under an employee benefit plan if the employment loss had not occurred.

Such liability shall be calculated for the period of the violation, up to a maximum of 60 days, but in no event for more than one-half the number of days the employee was employed by the employer.

(2) The amount for which an employer is liable under paragraph (1) shall be reduced by—

(A) any wages paid by the employer to the employee for the period of the violation;

(B) any voluntary and unconditional payment by the employer to the employee that is not required by any legal obligation or any payment made by the employer in order to discharge the employer's liability under this Act;

(C) any payment by the employer to a third party or trustee (such as premiums for health benefits or payments to a defined contribution pension plan) on behalf of and attributable to the employee for the period of the violation; and

(D) any supplemental unemployment pay.

In addition, any liability incurred under paragraph (1) with respect to a defined benefit pension plan may be reduced by crediting the employee with service for all purposes under such a plan for the period of the violation.

(3) Any employee who violates the provisions of section 3 with respect to a unit of local government shall be subject to a civil penalty of not more than $500 for each day of such violation, except that such penalty shall not apply if the employer pays to each aggrieved employee the amount for which the employer is liable to that employee within 3 weeks from the date the employer orders the shutdown or layoff.

(4) If an employer which has violated this Act proves to the satisfaction of the court that the act or omission that violated this Act was in good faith and that the employer had reasonable grounds for believing that the act or omission was not a violation of this Act the court may, in its discretion, reduce the amount of the liability or penalty provided for in this section.

(5) A person seeking to enforce such liability, including a representative of employees or a unit of local government aggrieved under poaragraph (1) or (3), may sue either for such person or for other persons similarly situated, or both, in any district court of the United States for any district in which the violation is alleged to have occurred, or in which the employer transacts business.

(6) In any such suit, the court, in its discretion, may allow the porevailing party a reasonable attorneys' fees as part of the costs.

(7) For purposes of this subsection, the term, "aggrieved employee" means an employee (other than a part-time employee) who has worked for the employer ordering the plant closing or mass layoff and who, as a result of the failure by the employer to comply with section 3, did not receive timely notice either directly or through his or her representative as required by section 3.

(b) Exclusivity of Remedies.—The remedies provided for in this section shall be the exclusive remedies for any violation of this Act. Under this Act, a Federal court shall not have authority to enjoin a plant closing or mass layoff.

SEC. 6. SEVERANCE PAY IN LIEU OF NOTICE.

Notwithstanding any other provision of this Act, it shall be a complete defense to any action by or on behalf of an employee for violation of the notice requirements under section 3 that, within 3 weeks after the closing or layoff, the employer—

(1) has paid, pursuant to a severance pay arrangement or otherwise, to any employee who was not provided the required notice an amount equal to the employee's daily rate of compoensation (as computed under section 5(a)(1)(A)) multiplied by the number of days that the required notice was not given; and

(2) has continued other employee benefits on behalf of the employee under any employee benefits on behalf of the employee under any employee benefit plan (as defined in section 3(3) of the Employee Retirement Income Security Act of 1974) up to the date on which payment is made under paragraph (1).

SEC. 7. RIGHTS AND PROCEDURES IN ADDITION TO OTHER RIGHTS OF EMPLOYEES.

(a) In General.—Except as provided in section 6, the rights and remedies provided to employees by this Act are in addition to, and not in lieu of, any other contractual or statutory rights and remedies of the employees, and are not intended to alter or affect such rights and remedies, except that the period of notification required by this Act shall run concurrently with any period of notification required by contract or by any other statute.

(b) Voluntary Departures.—Any voluntary departure by an employee before the end of the 60-day period after the employer provides notice of a plant closing or mass layoff shall be considered a voluntary resignation under the terms of any severance pay agreement applicable to such employer and employee.

SEC. 8. PROCEDURES ENCOURAGED WHERE NOT REQUIRED.

It is the sense of Congress that an employer who is not required to comply with the notice requirements of section 3 should, to the extent possible, provide notice to its employees about a proposal to close a plant or permanently reduce its workforce.

SEC. 9. AUTHORITY TO PRESCRIBE REGULATIONS.

(a) In General.—The Secretary of Labor shall prescribe such regulations as may be necessary to carry out this Act. Such regulations shall, at a minimum, include interpretative regulations describing the methods by which employers may provide for appropriate service of notice as required by this Act.

(b) Acceptable Methods for Providing Notice.—The mailing of notice to an employee's last known address or inclusion of notice in the employee's paycheck shall be considered acceptable methods for fulfillment of the employer's obligation to give notice to each affected employee under this Act.

SEC. 10. EFFECT ON OTHER LAWS.

The giving of notice pursuant to this Act, if done in good faith compliance with this Act, shall not constitute a violation of the National Labor Relations Act or the Railway Labor Act.

SEC. 11. REPORT ON EMPLOYMENT AND INTERNATIONAL COMPETITIVENESS.

Two years after the date of enactment of this Act the Comptroller General shall submit to the Committees on Small Business of the House of Representatives and of the Senate, the Committee on Labor and Human Resources of the Senate, and the Committee on Education and Labor of the House of Representatives a report containing a detailed and objective analysis of the effect of this Act on employers (especially small- and medium-size businesses), the economy (international competitiveness), and employees (in terms of levels and conditions of employment). The Comptroller General shall assess both costs and benefits, including the effect on productivity, competitiveness, unemployment rates and compensation, and worker retraining and readjustment.

SEC. 12. EFFECTIVE DATE.

This Act shall take effect on the date which is 6 months after the date of enactment of this Act, except that the authority of the Secretary of Labor under section 9 is effective upon enactment.

By Mrs. ROUKEMA:

(Amendment in the nature of a substitute.)

—Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Worker Adjustment and Retraining Notification Act".

SEC. 2. DEFINITIONS; EXCLUSIONS FROM DEFINITION OF LOSS OF EMPLOYMENT.

(a) DEFINITIONS.—As used in this Act—

(1) the term "employer" means any business enterprise that employs 100 or more employees, excluding part-time employees;

(2) the term "plant closing" means the permanent or temporary shutdown of a single site of employment, or one or more facilities or operating units within a single site of employment, if the shutdown results in an employment loss at the single site of employment during any 30-day period for 50 or more employees excluding any part-time employees;

(3) the term "mass layoff" means a reduction in force which—

(A) is not the result of a plant closing; and

(B) results in an employment loss at the single site of employment during any 30-day period for—

(i)(I) at least 60 percent of the employees (excluding any part-time employees); and

(II) at least 50 employees (excluding any part-time employees); or

(ii) at least 500 employees (excluding any part-time employees);

(4) the term "representative" means an exclusive representative of employees within the meaning of section 9(a) or 8(f) of the National Labor Relations Act (29 U.S.C. 159(a), 158(f)) or section 2 of the Railway Labor Act (45 U.S.C. 152);

(5) the term "affected employees" means employees who may reasonably be expected to experience an employment loss as a consequence of a proposed plant closing or mass layoff by their employer;

(6) subject to subsection (b), the term "employment loss" means (A) an employment termination, other than a discharge for cause, voluntary departure, or retirement, or (B) a layoff exceeding 6 months;

(7) the term "unit of local government" means any general purpose political subdivision of a State which has the power to levy taxes and spend funds, as well as general corporate and police powers; and

(8) the term "part-time employee" means an employee who is employed for an average of fewer than 35 hours per week or who has been employed for fewer than 12 of the 12 months preceding the date on which notice is required.

(b) EXCLUSIONS FROM DEFINITION OF EMPLOYMENT LOSS.—(1) In the case of a sale of part or all of an employer's business, the seller shall be responsible for providing notice for any plant closing or mass layoff in accordance with section 3 of this Act, up to and including the effective date of the sale. After the effective date of the sale of part or all of an employer's business, the purchaser shall be responsible for providing notice for any plant closing or mass layoff in accordance with section 3 of this Act. Notwithstanding any other provisions of this Act, any person who is an employee of the seller (other than a part-time employee) as of the effective date of the sale shall be considered an employee of the purchaser immediately after the effective date of the sale.

(2) Notwithstanding subsection (a)(6), an employee may not be considered to have experienced an employment loss if the closing or layoff is the result of the relocation or consolidation of part or all of the employer's business and, prior to the closing or layoff—

(A) the employer offers to transfer the employee to a different site of employment within a reasonable commuting distance with no more than a 6-month break in employment; or

(B) the employer offers to transfer the employee to any other site of employment regardless of distance with no more than a 6-month break in employment, and the employee accepts within 30 days of the offer or of the closing or layoff, whichever is later.

SEC. 3. NOTICE REQUIRED BEFORE PLANT CLOSINGS AND MASS LAYOFFS.

(a) NOTICE OF EMPLOYEES, STATE DISLOCATED WORKER UNITS, AND LOCAL GOVERNMENTS.—An employer shall not order a plant closing or mass layoff until the end of a 60-day period after the employer serves written notice of such an order—

(1) to each representative of the affected employees as of the time of the notice or, if there is no such representative at that time, to each affected employee; and

(2) to the State dislocated worker unit (designated or created under title III of the Job Training Partnership Act) and the chief elected official of the unit of local government within which such closing or layoff is to occur.

If there is more than one such unit, the unit of local government which the employer shall notify is the unit of local government to which the employer pays the highest taxes for the year preceding the year for which the determination is made.

(b) REDUCTION OF NOTIFICATION PERIOD.—(1) An employer may order the shutdown of a single site of employment before the conclusion of the 60-day period if as of the time that notice would have been required the employer was actively seeking capital or business which, if obtained, would have enabled the employer to avoid or postpone the shutdown and the employer reasonably and in good faith believed that giving the notice required would have precluded the employer from obtaining the needed capital or business.

(2)(A) An employer may order a plant closing or mass layoff before the conclusion of the 60-day period if the closing or mass layoff is caused by business circumstances that were not reasonably foreseeable as of the time that notice would have been required.

(B) No notice shall be required under this Act if the plant closing or mass layoff is due to any form of natural disaster, such as a flood, earthquake or the drought currently ravaging the farmlands of the United States.

(3) An employer relying on this subsection shall give as much notice as is practicable and at that time shall give a brief statement of the basis for reducing the notification period.

(c) EXTENSION OF LAYOFF PERIOD.—A layoff of more than 6 months which, at its outset, was announced to be a layoff of 6 months or less, shall be treated as an employment loss under this Act unless—

(1) the extension beyond 6 months is caused by business circumstances (including unforeseeable changes in price or cost a sudden loss of contract, a sudden and significant decline in customer order, a fire, a flood, or an act of God) not reasonably foreseeable at the time of the initial layoff; and

(2) notice is given at the time it becomes reasonably foreseeable that the extension beyond 6 months will be required.

(d) DETERMINATION WITH RESPECT TO EMPLOYMENT LOSS.—For purposes of this section, in determining whether a plant closing or mass layoff has occurred or will occur, employment losses for 2 or more groups at a single site of employment, each of which is less than the minimum number of employees specified in section 2(a)(2) or (3) but which in the aggregate exceed that minimum number, and which occur within any 90-day period shall be considered to be a plant closing or mass layoff unless the employer demonstrates that the employment losses are the result of separate and distinct actions and causes and are not an attempt by the employer to evade the requirements of this Act.

SEC. 4. EXEMPTIONS AND CONSTRUCTION OF PROVISIONS.

(a) EXEMPTIONS.—This Act shall not apply to a plant closing or mass layoff if—

(1) the closing is of a temporary facility or the closing or layoff is the result of the completion of a particular project or undertaking, and the affected employees were hired with the understanding that their employment was limited to the duration of the facility or the project or undertaking; or

(2) the closing or layoff constitutes a strike or constitutes a lockout not intended to evade the requirements of this Act.

(b) CONSTRUCTION OF PROVISIONS.—(1) Nothing in this Act shall require an employer to serve written notice pursuant to section 3(a) of this Act when permanently replacing a person who is deemed to be an economic striker under the National Labor Relations Act.

(2) Nothing in this Act shall be deemed to validate or invalidate any judicial or administrative ruling related to hiring of permanent replacements for economic strikers under the National Labor Relations Act.

SEC. 5. ADMINISTRATION AND ENFORCEMENT OF REQUIREMENTS.

(a) CIVIL ACTIONS AGAINST EMPLOYERS.—(1) Any employer who orders a plant closing or mass layoff in violation of section 3 of this Act shall be liable to each aggrieved employee who suffers an employment loss as a result of such closing or layoff for—

(A) back pay for each day of violation at a rate of compensation not less than the higher of—

(i) the average regular rate received by such employee during the last 3 years of the employee's employment; or

(ii) the final regular rate received by such employee; and

(B) benefits under an employee benefit plan described in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(3)), including the cost of medical expenses incurred during the employment loss which would have been covered under an employee benefit plan if the employment loss had not occurred.

Such liability shall be calculated for the period of the violation, up to a maximum of 60 days, but in no event for more than one-half the number of days the employee was employed by the employer.

(2) The amount for which an employer is liable under paragraph (1) shall be reduced by—

(A) any wages paid by the employer to the employee for the period of the violation;

(B) any voluntary and unconditional payment by the employer to the employee that is not required by any legal obligation or any payment made by the employer in order to discharge the employer's liability under this Act;

(C) any payment by the employer to a third party or trustee (such as premiums for health benefits or payments to a defined contribution pension plan) on behalf of and attributable to the employee for the period of the violation; and

(D) any supplemental unemployment pay.

In addition, any liability incurred under paragraph (1) with respect to a defined benefit pension plan may be reduced by crediting the employee with service for all purposes under such a plan for the period of the violation.

(3) Any employer who violates the provisions of section 3 with respect to a unit of local government shall be subject to a civil penalty of not more than $500 for each day of such violation, except that such penalty shall not apply if the employer pays to each aggrieved employee the amount for which the employer is liable to that employee within 3 weeks from the date the employer orders the shutdown or layoff.

(4) If an employer which has violated this Act proves to the satisfaction of the court that the act or omission that violated this Act was in good faith and that the employer had reasonable grounds for believing that the act or omission was not a violation of this Act the court may, in its discretion, reduce the amount of the liability or penalty provided for in this section.

(5) A person seeking to enforce such liability, including a representative of employees or a unit of local government aggrieved under paragraph (1) or (3), may sue either for such person or for other persons similarly situated, or both, in any district court of the United States for any district in which the violation is alleged to have occurred, or in which the employer transacts business.

(6) In any such suit, the court, in its discretion, may allow the prevailing party a reasonable attorney's fee as part of the costs.

(7) For purposes of this subsection, the term "aggrieved employee" means an employee (other than a part-time employee) who has worked for the employer ordering the plant closing or mass layoff and who, as a result of the failure by the employer to comply with section 3, did not receive timely notice either directly or through his or her representative as required by section 3.

(b) EXCLUSIVITY OF REMEDIES.—The remedies provided for in this section shall be the exclusive remedies for any violation of this Act. Under this Act, a Federal court shall not have authority to enjoin a plant closing or mass layoff.

SEC. 6. RIGHTS AND PROCEDURES IN ADDITION TO OTHER RIGHTS OF EMPLOYEES.

(a) IN GENERAL.—The rights and remedies provided to employees by this Act are in addition to, and not in lieu of, any other contractual or statutory rights and remedies of the employees, and are not intended to alter or affect such rights and remedies, except that the period of notification required by this Act shall run concurrently with any period of notification required by contract or by any other statute.

(b) VOLUNTARY DEPARTURES.—Any voluntary departure by an employee before the end of the 60-day period after the employer provides notice of a plant closing or mass layoff shall be considered a voluntary resignation under the terms of any severance pay agreement applicable to such employer and employee.

SEC. 7. PROCEDURES ENCOURAGED WHERE NOT REQUIRED.

It is the sense of Congress that an employer who is not required to comply with the notice requirements of section 3 should, to the extent possible, provide notice to its employees about a proposal to close a plant or permanently reduce its workforce.

SEC. 8. AUTHORITY TO PRESCRIBE REGULATIONS.

(a) IN GENERAL.—The Secretary of Labor shall prescribe such regulations as may be necessary to carry out this Act. Such regulations shall, at a minimum, include interpretative regulations describing the methods by which employers may provide for appropriate service of notice as required by this Act.

(b) ACCEPTABLE METHODS FOR PROVIDING NOTICE.—The mailing of notice to an employee's last known address or inclusion of notice in the employee's paycheck shall be considered acceptable methods for fulfillment of the employer's obligation to give notice to each affected employee under this Act.

SEC. 9. EFFECT ON OTHER LAWS.

The giving of notice pursuant to this Act, if done in good faith compliance with this Act, shall not constitute a violation of the National Labor Relations Act or the Railway Labor Act.

SEC. 10. REPORT ON EMPLOYMENT AND INTERNATIONAL COMPETITIVENESS.

Two years after the date of enactment of this Act the Comptroller General shall submit to the Committees on Small Business of the House of Representatives and of the Senate, the Committee on Labor and Human Resources of the Senate, and the Committee on Education and Labor of the House of Representatives a report containing a detailed and objective analysis of the effect of this Act on employers (especially small and medium-sized businesses), the economy (international competitiveness), and employees (in terms of levels and conditions of employment). The Comptroller General shall assess both costs and benefits, including the effect on productivity, competitiveness, unemployment rates and compensation, and worker retraining and readjustment.

SEC. 11. EFFECTIVE DATE.

This Act shall take effect on the date which is 6 months after the date of enactment of this Act, except that the authority of the Secretary of Labor under section 8 is effective upon enactment.

By Mr. SCHUETTE:

(Amendment in the nature of a substitute.)

—Strike out all after the enacting clause, and insert the following:

SECTION 1. DEFINITIONS.

As used in this Act:

(1) MAJOR EMPLOYMENT REDUCTION.—The term "major employment reduction" means—

(A) any permanent closing of a place of employment with 100 or more employees; or

(B) any permanent reduction in the workforce at any site of employment of 100 or more employees.

(2) SECRETARY.—The term "Secretary" means the Secretary of Labor.

SEC. 2. POLICY AND FINDINGS.

(a) POLICY.—It is the policy of the United States that employers should give reasonable advance notice to employees affected by major employment reductions.

(b) FINDINGS.—Congress finds that such policy is—

(1) needed because employees require warning of major employment reductions to secure job search assistance, retraining, or other employment;

(2) essential for effective local planning for dealing with major disruptions in the economy;

(3) consistent with good industrial practice; and

(4) declared to encourage all employers to comply.

SEC. 3. FUNCTIONS OF SECRETARY.

(a) ENCOURAGEMENT TO COMPLY.—The Secretary shall take appropriate steps to encourage employers to comply with the policy declared in section 2(a) both directly and by communications with trade associations and other employer organizations. The Secretary shall encourage employer organizations to develop codes of ethics or other mechanisms to publicize and promote such policy among their membership.

(b) COLLECTION OF DATA.—The Secretary shall collect data on the extent to which businesses give and do not give advance notice of major employment reductions, as well as on the circumstances surrounding such reductions. The Secretary shall compile such data and, on request, shall make such data available to Congress.

(c) INVESTIGATION AND PUBLICATION OF VIOLATIONS.—The Secretary may investigate flagrant instances in which major employment reductions occur without advance notice and may publicize the facts and circumstances surrounding such instances. The Secretary shall make such recommendations as may be appropriate to deter such occurrences in the future.

SEC. 4. GOVERNMENT CONTRACTORS.

Each government contractor required to file a written affirmative action compliance program pursuant to the regulations issued pursuant to Executive Order 11246 shall, as an appendix to such program, specify the minimum period of advance notice (and any exceptions thereto) that the contractor will give of major employment reductions. The substance of the appendix shall not be subject to review or approval by the Secretary or the contracting agency.

SEC. 5. EXCLUSION.

Nothing in this Act shall be considered to require any advance notice that would interfere with an employer's ability to raise financing necessary to prevent major employment reductions or otherwise impede the continuance of operations.

EXTENSIONS OF REMARKS

JOURNALIST GARY MOORE DISCUSSES HUMAN RIGHTS IN NICARAGUA

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. PORTER. Mr. Speaker, free-lance journalist Gary Moore recently addressed the Congressional Human Rights Caucus [CHRC], which I cochair along with TOM LANTOS of California, regarding the human rights situation in Nicaragua's deep wilderness war zones. Despite the attention given to the Nicaraguan armed conflict, little is reported from the large areas labeled "off-limits" by the Nicaraguan Government.

In an attempt to investigate these areas where most battles in the war and most human rights abuses by both the Contras and the Sandinistas have taken place, Mr. Moore went to Nicaragua in February 1988 with the aim of spending an extended amount of time in these areas seldom visited by outsiders. Unfortunately, Mr. Moore's investigation was interrupted when he was arrested by Sandinista authorities on May 17, 1988, and detained in the notorious El Chipote prison for 5 days. Sandinista authorities confiscated his notes and videotaped interviews of Nicaraguan peasants, and expelled him from the country at the Costa Rican border.

I would like to insert in the RECORD a copy of Mr. Moore's testimony presented at the briefing. The CHRC is a 160-member, bipartisan legislative service organization committed to speaking out for human rights victims around the world. Acting as an umbrella organization in Congress, the CHRC was established in 1982, and strongly believes that human rights are indivisible. It is important to note that our concern for human rights has been equally as strong with respect to South Africa and the Soviet Union, Cuba, Chile, Iran, and India.

I urge my colleagues to read this statement. As Mr. Moore emphasizes, there is a lot we don't know about what occurs in Nicaragua.

STATEMENT OF GARY MOORE

On May 17, 1988, while traveling by dugout canoe down a jungle river, I was taken prisoner by authorities of the Sandinista National Liberation Front in Nicaragua. When I was detained, all my notes and videotapes were confiscated, placing in serious jeopardy many witnesses who had testified to me in confidence about an extensive wilderness pattern of previously undocumented human rights abuses.

Along with the video camera I had been carrying in a backpack, I was flown from the jungles in secret by the Sandinista government, and was held incommunicado for interrogation in Managua's volcano-top State Security prison, El Chipote. While I was detained, for a total of five days, an apartment where I had been staying in Managua during a three-month human rights investigation was ransacked by State Security agents, who removed all notes, videotapes, and files, covering months of investigation going back to 1987 and earlier. None of the materials has been returned.

Officially all of this—the secret detention, interrogation and confiscation of informational materials—was done because I was charged with a single crime, which had occurred on the one occasion when I was arrested in the jungles:

Traveling without permission.

Beneath the surface, however, my presence in the jungles had comprised some of the most closely held secrets in Nicaragua—secrets which for years had been kept out of the international news.

Repeatedly my captors explained my captivity with words like, "No journalist has ever gone where you were found. Though the contra war in Nicaragua has been a major news story through most of the 1980's, and the Rio Grande de Matagalpa, down which I was canoeing, has witnessed important battles, apparently no news gatherer or compiler of human rights reports had ever arrived there to get facts from the scene. The area is one of many that have been placed off-limits to outsiders by the Sandinista government. The jungles there are so thoroughly sealed off that thousands of residents have not had access to even such basic medical supplies as aspirin for more than two years. But fundamentally, the restrictions have served as a means of concealment—hiding much more shocking circumstances.

For years, unknown to the outside world, these jungles and other sealed-off areas like them in Nicaragua have been suffering through a policy of scorched earth.

The core issue is that jungle homesteaders, Miskito Indians, ranchers and pioneers have formed a concentrated base of support for the contra guerrillas that are fighting against the Sandinista government. In response, and under cover of regional secrecy, the Sandinista People's Army and the Internal Security Ministry have made massive sweeps of destruction here, devastating the population.

It has been reported—often only in passing—that some other areas of Nicaragua have experienced de-population and resettlement campaigns carried out by the Sandinista government both as counterinsurgency policy against the contras and as a means of hastening rural collectivization. But what has not been reported is that the known campaigns form only the tip of an iceberg.

Apparently undocumented and evidently unknown by human rights groups and journalists, the Rio Grande de Matagalpa area has been subject to waves of house-burnings, pillage, murders by troops, disappearances and torture. Some human rights reports, whose authors seem not to have been aware that unseen areas like the Rio Grande de Matagalpa existed, have given the clear impression that no such abuses by Nicaraguan government agents have taken place.

In the river community of San Pedro del Norte, where no journalist had set foot throughout the years of the contra war, residents virtually flooded out to meet me and tell of their sufferings. The Catholic chapel in San Pedro was taken over for approximately a year by People's Army troops and used as a jail and torture facility. Prisoners were sometimes tied to trees near the chapel for beatings. Others were killed and thrown in the river or buried in shallow graves. When local Catholic Delegates of the Word protested, they, too, were imprisoned.

Some other communities along the river were more fortunate—because they fled en masse before the advance of People's Army sweeps. Thousands of people lived for months without shelter in the jungles, sometimes seeking food in abandoned cornfields at night. In many ways, the People's Army behaved as if it were a conquering invasion force—making a mockery of the word "people's." This was the secret hidden in the jungles.

Since late 1987 I had been intrigued with the idea of attempting to make an overall human rights investigation of Nicaragua's deep wilderness war zones—where most battles in the contra war and most human rights abuse by both contras and Sandinistas have taken place. In October 1987, I was hired by the National Forum Foundation, a private policy group that is conservative in outlook, as a countryside site-arranger and guide for a film crew that was making a documentary about Nicaragua, mainly based on testimony of former revolutionaries who had been disappointed that the revolution in Nicaragua had diverged from early promises of parliamentary democracy. As it turned out, the film crew was unable to penetrate the countryside to make interviews, and I was provided with a video camera to take footage myself. Resulting trips in October-December 1987, to the Nueva Guinea area in southeastern Nicaragua, turned up a wide spectrum of previously unreported abuses by the Sandinista People's Army, and the National Forum Foundation published a report about that abuse.

In February 1988 I returned to Nicaragua with the aim of spending an extended amount of time there, and of investigating human rights abuses throughout the war zones, which—despite the impression that may be given by the news—are seldom visited by outsiders. On my return to Nicaragua I carried with me a number of past human rights reports that had been authored by organizations interested in Nicaragua, and I set about trying to discover how accurately these reports reflected the realities of combat areas.

I found that material in the reports—no matter which side in the contra war they might vindicate as the least abusive—tended to be largely accurate in presenting specific cases.

What was shocking was what was left out. Reports critical of the Sandinista government have often overlooked a real pattern of contra abuses, and reports critical of the contras tend to turn a blind eye toward extensive Sandinista abuses in wilderness areas such as Nueva Guinea and the Rio Grande de Matagalpa.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

In general terms, the Sandinista government seems to have been considerably more successful than the contras at hiding its human rights abuses. Among my videotapes were testimonies of incidents in which Sandinista authorities have shifted evidence, placing blame for their own atrocities on the contras—though this does not mean that the contras have not committed serious abuses of their own. Both sides in the contra war have tended to use stories of disguise tactics as a denial mechanism, insisting that any report of abuses against civilians by friendly forces must really have resulted from the other side working in masquerade.

Having become intrigued by the largely uninvestigated dynamics of human rights abuse in the contra war, I decided to try to work through the wilderness war zones methodically, gathering testimony village by village, and checking published reports against evidence on the scene. It was a method I had used in the past. In 1983 I had conducted an historical investigation for "60 Minutes" of a village in Florida that was burned down in 1923. The village, a secluded wilderness enclave inhabited mostly by residents who were black, had been attacked secretively by hundreds of whites, and no reliable tally had ever been made of the casualties. Similarly, in 1982 I had gone to the jungles of Guatemala on a staff assignment for the St. Petersburg Times to investigate a village destroyed by massacre. I have also worked on-staff for the Miami Herald and the Atlanta Journal-Constitution, and have contributed to Newsweek and the Wall Street Journal.

While held prisoner by the Sandinistas at El Chipote prison I was allowed to notify no one that I was in custody, or in what part of the country I was being held. I had effectively disappeared. My interrogators repeated to me that if I did not cooperate with their question, I might be held for quite some time.

Moreover, their questions also made it clear that they were attempting to piece together the locations and identities of the many witnesses whose testimony was recorded in the notebooks and videotapes confiscated from my backpack in the jungle and from my apartment in Managua. The interrogators evidently viewed such witnesses, many of whom had spoken to me quite fearfully, as cynical falsifiers who were maligning the heroism of the People's Army.

Now all those witnesses are in great jeopardy. By failing to understand the extensiveness of Sandinista information control, and the obstacles to genuine documentation in a regimented state, I allowed the truth to become a weapon against the victims of abuse.

As I sat in El Chipote awaiting new rounds of interrogation, the faces of many brave people in the jungles haunted me. They had trusted and helped me, and I had promised them anonymity. But in the end, in a way I had never expected, my inquisitiveness had betrayed them.

After five days in custody, I was taken from El Chipote by State Security agents and was allowed to meet with the U.S. consul in Managua, who had been notified of my imprisonment only as I was being released. On May 21 I was driven to Nicaragua's border with Costa Rica in a State Security cruiser, and was expelled from Nicaragua. None of my tapes, files, or notes have been returned. State Security informed me that the materials had been confiscated under Law 1078, the Law of Maintenance of Public Order and Security, which, according to those who held me, declares that no one, journalist or otherwise, may conduct any interviews or take any videotapes in Nicaragua's rural war zones without specific prior government approval. If this interpretation of the law is accurate, then independent journalism in Nicaragua is made impossible by formal writ, and information emanating from Nicaragua must be closely scrutinized since a hostage environment prevails.

I have no word on the fate of those who helped me and testified before my camera. Nicaragua appears to me now as a nation filled with hostages.

THE GOVERNORS AND POOR CHILDREN

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. MILLER of California. Mr. Speaker, for many Americans, the long hot days of summer bring back memories of family vacations, good times at camp, and playing outside after supper. Substantial and growing numbers of American children may not look back on their summers so fondly.

Today, one in five children is growing up in poverty. For black and Hispanic children, the figure is one in four. They are beginning life under adverse circumstances which severely damage their ability to become healthy adults, productive members of the work force and active participants in a democratic society.

While the Reagan administration has callously neglected the needs of poor children, a handful of activist Governors, both Republican and Democratic, have taken strong positive steps in their States to improve the condition of poor children's lives. At their urging, States are expanding preschool programs, improving health coverage, and broadening their efforts to keep children in school and off drugs.

The New York Times editorial which follows outlines a few of the Governors' most impressive efforts. Because the deprivation which poor children suffer affects us all, I commend this editorial to my colleagues' attention.

[From the New York Times, July 1, 1988]

THE GOVERNORS AND POOR CHILDREN

Few states are as far from urban tumult and despair as Idaho. Yet in his State of the State speech this year, Governor Cecil Andrus stressed a problem usually associated with cities: "We must help children at risk. We either help our children become responsible and self-sufficient, or we will pay, and pay dearly, to provide many of them with welfare or put many of them in jail."

At the other end of the country, in his annual message, Governor Tom Kean of heavily urbanized New Jersey said: "If you talk to two-, three- and four-year-olds in some of our major cities, you realize that everything is not in order. One out of three of these children lives in poverty. More than half grow up in homes with only one parent. Some are malnourished . . . [Yet] we expect these city children to eventually compete with their more fortunate cousins."

Something is churning here. Mr. Kean and Mr. Andrus are not the only governors to focus on children this year. Governor Cuomo of New York proclaims this to be the Decade of the Child. Two dozen governors have made the well-being of children a theme of their programs this year.

Politicians' concern for children is hardly new. Education has always been the province of state government. This year, Vice President Bush wants to become the Education President. Working parents' need for decent day care attracts ever more official attention.

What's new and compelling is the focus on children at risk, children who, because of poverty, are much more likely to suffer poor health, poor education, poor prospects—and permanent poverty. Though one of every five children now lives in poverty, the Federal Government is more concerned with cutting social spending. Governors and state legislatures are stepping into the breach to try to assure a fair chance for every child.

The earlier society intervenes the better, as the governors seem to recognize. One of the most popular initiatives is expanded prenatal and neonatal care under the Medicaid program. In Alabama, for example, Republican Guy Hunt has proposed spending $41 million from a utility tax in an effort to reduce the state's infant mortality rate.

In Colorado, Democrat Roy Romer first accepted a legislative committee's recommendation of a pilot preschool program for 2,000 at-risk children. Then he went the committee one better, proposing full-day child care. Eventually, he said, the program should be expanded to reach all 20,000 endangered children in the state.

Democrat Bill Clinton of Arkansas and Republican Jim Thompson of Illinois have pressed for prenatal care, teen-age pregnancy prevention, child abuse and neglect prevention, adoption services. Democrat Neil Goldschmidt challenges Oregonians to "become stewards of the child."

Probably the most ambitious plan is that of Democrat James Blanchard of Michigan. He calls for, among other things, preschool within three years for every at-risk 4-year-old. He wants to add funding to insure that every expectant mother gets prenatal care. And he proposes services to counsel teenagers on drug abuse, dropping out of school and teen-age pregnancy. Perhaps most important, Mr. Blanchard has undertaken a restructuring of state bureaucracies to insure that they do not work at cross-purposes.

All the state's efforts, he says, must try to strengthen families as crucibles for child development: "By helping families provide permanent, nurturing environments for their children, we build strength in two generations at one time. By keeping children and their parents together—and by intervening to help adults meet their children's needs—we reduce the future chances of failure and dependency among at-risk children."

Well said. May it be as well done, in Michigan and every other state.

SUPPORT FOR AFFORDABLE HOUSING LEGISLATION

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. FRANK. Mr. Speaker, last week I introduced H.R. 4990, a bill to expand the supply of low-cost housing to meet the growing national need.

This legislation is supported by a large number of organizations across the country that work very closely with homeless people and others in need. I recently submitted for the RECORD a partial list of organizations that have endorsed this bill. Today, I am inserting the remaining organizations to demonstrate the broad community-based support for this legislation.

Lutheran Metropolitan Ministry, Cleveland, OH.
Lutheran Social Services, Garden Grove, CA.
LV Coalition on Affordable Housing, Bethlehem, PA.
MACO, Detroit, MI.
Macon Outreach at Mulberry, Macon, GA.
Mad Housers, Inc., Atlanta, GA.
Madison Drop-In Shelter, Madison, WI.
Madonna Villa Senior Residence, Fraser, MI.
Manitowoc County Domestic Violence Center, Manitowoc, WI.
MAPP, Inc., Jackson, MS.
Marist School, Dunwoody, GA.
Massachusetts Affordable Housing Alliance, Boston, MA.
Massachusetts Coalition of Citizens with Disabilities, Boston, MA.
Massachusetts Tenants Organization, Boston, MA.
MASW, St. Louis, MO.
MCO, Mobile, AL.
Mennonite Central Committee, Atlanta, GA.
Mennonite Central Committee, New Orleans, LA.
Mental Health Association, Miami, FL.
Mental Health Services, South Pinellas, FL.
Mercy Housing, Kansas City, MO.
Metro-Act of Rochester, Inc., Rochester, NY.
Metropolitan Area Contractors, Chicago, IL.
Miami Coalition for Care to the Homeless, Miami, FL.
Michigan Housing Coalition, Lansing, MI.
Michigan Renters for Housing Rights, Ann Arbor, MI.
Mid-America Assistance Coalition, Kansas City, MO.
Middlesex Interfaith Partners with the Homeless, Highland Park, NJ.
Mid-Michigan Alliance CAA, Clare, MI.
Mid-South Peace and Justice Center, Memphis, TN.
Milwaukee Women's Center, Milwaukee, WI.
Minneapolis Coalition for the Homeless, Minneapolis, MN.
Minneapolis Union of the Homeless, Minneapolis, MN.
Minority AIDS Outreach, Nashville, TN.
Mission for Area People, Muskegon Heights, MI.
Mississippi Domestic Violence Prevention Coalition, Jackson, MS.
Mississippi Human Services Coalition, Jackson, MS.
Mississippi State Dept. of Health, Jackson, MS.
Missouri Association for Social Welfare, Jefferson City, MO.
Missouri Coalition for the Homeless, Columbia, MO.
Mobile Community Action, Mobile, AL.
Monmouth County Coalition for the Homeless, Neptune, NJ.
Montana Rescue Mission, Billings, MT.
Mt. Olive Academy, Atlanta, GA.
Moving Forward, Camden, NJ.
My Sisters' Place, Hartford, CT.
Nashville Urban League, Nashville, TN.
NAACP, Grenada, MS.
National Citizens Coalition for Nursing Home Reform, Buffalo, NY.
National Conference of Black Lawyers, Oxford, MS.
National Lawyers Guild, Akron, OH.
National Low Income Housing Coalition, Washington, DC.
National Welfare Rights Union, Detroit, MI.
Native American Committee, Forest Park, IL.
Neighborhood Action, Inc., Boston, MA.
Neighborhood Christian Center, Memphis, TN.
Neighborhood Housing Service, Denver, CO.
Neighborhood Initiative Development Corp., Bronx, NY.
Neighborhood Services, Inc., Birmingham, AL.
New Directions Housing Corp., Louisville, KY.
New Haven Legal Assistance, New Haven, CT.
New Initiatives Housing, Inc., Albuquerque, NM.
New Jersey Right to Housing, Elizabeth, NJ.
New Life Evangelistic Center, New Bloomfield, MO.
New Orleans Rainbow Coalition, New Orleans, LA.
New Orleans Union of the Homeless, New Orleans, LA.
New Student Network, Cleveland, OH.
Newark Collaboration Group, Newark, NJ.
Newark Right to Housing, Newark, NJ.
Newman Center Catholic Church, Columbia, MO.
North Camden Land Trust, Camden, NJ.
North Carolina Lesbian/Gay Liberation Front, Chapel Hill, NC.
North Mississippi Rural Legal Services, Clarksdale, MS.
North Shore Community Action Programs, Peabody, MA.
Northeast Ohio Coalition for the Homeless, Cleveland, OH.
Northside Neighborhood House, Chattanooga, TN.
Oakland Union of the Homeless, Oakland, CA.
Ohio CDC Association, Columbus, OH.
Ohio Housing Finance Agency, Columbus, OH.
Omaha Coalition for the Homeless, Omaha, NE.
Omak Food Bank, Omak, WA.
Open Door Community, Atlanta, GA.
Open Door Diner, Baltimore, MD.
Open Door Mission, Omaha, NE.
Open Lunch Soup Kitchen, Kentwood, MI.
Open—M, Akron, OH.
Open Shelter, Inc., Columbus, OH.
Operation Blessing, CBN, Chattanooga, TN.
Operation PUSH, Memphis, TN.
Operation Shoestring, Jackson, MS.
Orange County Rainbow Coalition, Chapel Hill, NC.
Outreach Mission—UAC, Burbank, CA.
Outreach Services—Holy Trinity Church, Des Moines, IA.
Over the Rhine Community Council, Cincinnati, OH.
Ozanam Inn, New Orleans, LA.
Parish Community Service, Miami, FL.
Parkside Presbyterian Church, Madison, WI.
Part of the Solution, Bronx, NY.
Partnership for the Homeless, New York, NY.
Passageway, Miami, FL.
Paterson Coalition for Housing, Paterson, NJ.
PATH Program, Birmingham, AL.
Pathways Family Shelter, Framingham, MA.
Paul Sullivan Housing Trust, Boston, MA.
Paulist Center, Boston, MA.
Pax Christi, Memphis, TN.
Pax Christi, Tallahassee, FL.
Pax Christi, Tampa, FL.
Peace House, Oklahoma City, OK.
Peaslee Neighborhood Center, Cincinnati, OH.
Pee Dee CAA, Dillie, SC.
People for a Change, Hartford, CT.
People Helping People, Cleveland, OH.
People Rescue Mission, Memphis, TN.
Phoenix So. Homeless Programs, Phoenix, AZ.
Pikes Peak Legal Services, Colorado Springs, CO.
Pine Bench Café, Cambridge, MA.
Pine Street Inn, Boston, MA.
Pleasant View Church, Plymouth, FL.
Pledge of Resistance, Akron, OH.
Pledge of Resistance, Albany, NY.
Pledge of Resistance, New Haven, CT.
Poor People's Campaign, Davenport, IA.
Port Saint Vincent, Madison, WI.
Portland Metro Union of the Homeless, Portland, OR.
Presbyterian Shelter, Fort Worth, TX.
Prescott Memorial Baptist Church, Memphis, TN.
Progressive Student Alliance, Radford, VA.
Project NOW Community Action Agency, Rock Island, IL.
Project PLACE/Homeless Resource Center, Boston, MA.
Project Restore, Detroit, MI.
Pro-Nica, Redington Beach, FL.
Prospect Towers Tenant Association, Waterbury, CT.
Protectant Advocacy Division, Frankfort, KY.
Quest, Inc., Cleveland, OH.
Rehoboth Zion Baptist Church, Grenada, MS.
Renewal House, Boston, MA.
ReStart, Inc., Kansas City, MO.
ReSTOC Tenant Coop, Cincinatti, OH.
Right to Housing, Trenton, NJ.
Robert Herman Associates, San Francisco, CA.
Rock Island Vicariate Peace and Justice Center, Rock Island, IL.
Roman Catholic Diocese, Erie, PA.
Room in the Inn, Chattanooga, TN.
Rural California Housing Corp., Sacramento, CA.
Rutgers University for the Homeless, New Brunswick, NJ.
Sacred Heart Church, Columbia, MO.
SAFEhouse of YWCA, Flint, MI.
St. Andrew's Cathedral, Jackson, MS.
St. Anthony House, Omaha, NE.
St. Augustine Parish, Louisville, KY.
St. Bartholomew's Family Shelter.
St. Bernards Food Program, Akron, OH.
St. Bernards Social Concerns, Akron, OH.
St. Charles Salvation Army, St. Charles, MO.
St. Elizabeth's Episcopal Church, Knoxville, TN.
St. Francis Catholic Worker, Cincinnati, OH.
St. Francis de Sales Convent, Houston, TX.
St. Francis House, Boston, MA.

St. Francis House, Columbia, MO.
St. Francis Xavier, Mobile, AL.
St. Helene's Church, Hartford, CT.
St. James Catholic Church, Grand Rapids, MI.
St. John Social Service Center, Cincinnati, OH.
St. John's Day Center, Louisville, KY.
St. Joseph's Catholic Worker House, Cincinnati, OH.
St. Louis Catholic Church, Miami, FL.
St. Louis Housing Authority, St. Louis, MO.
St. Luke's Community Services, Stanford, CT.
St. Margaret Mary Parish, Winter Park, FL.
St. Mary Magdalen Social Justice, Fern Park, FL.
St. Mary's of Nazareth, Des Moines, IA.
St. Michael Church, Hartford, CT.
St. Patrick's Church and Center, Memphis, TN.
St. Patrick's Neighborhood Housing Corp., Memphis, TN.
St. Paul United Methodist Church, Tampa, FL.
St. Paul's Community Center, Toledo, OH.
St. Peter and Paul Church, Chattanooga, TN.
St. Petersburg Street Ministry, St. Petersburg, FL.
St. Sylvester Christian Service Committee, Warren, MI.
St. Vincent de Paul, Taunton, MA.
St. Vincent DePaul Place, Middletown, CT.
St. Vincent de Paul Society, Jefferson, LA.
St. Vincent DePaul Society and Hotel for the Homeless, Dayton, OH.
St. Williams Church, Louisville, KY.
Salvation Army, Austin, TX.
Salvation Army, Charlotte, NC.
Salvation Army, Chattanooga, TN.
Salvation Army, Greensboro, NC.
Salvation Army, Kansas City, MO.
Salvation Army, Montclair, NJ.
Salvation Army, St. Louis, MO.
Salvation Army Family Service, Cincinnati, OH.
Samaritan House Day Shelter, Atlanta, GA.
Santa Fe Catholic Homeless Shelter and Community, Lakeland, FL.
Save the Children.
SCMHC, Inc., Santa Fe, NM.
SE Mental Health, Columbus, OH.
Seamless Garment Network, Jefferson, City, MO.
Second Home, Inc., Haverford, PA.
SEMFCO, Detroit, MI.
Serenity House, Port Angeles, WA.
Seven Counties, Louisville, KY.
SHAC, Forest Park, IL.
Shelter, Inc., Cambridge, MA.
Sign of the Cross Housing, Cincinnati, OH.
Simplex Steering Committee, Cambridge, MA.
Sisters of Humility, Rock Island, IL.
Sisters of St. Joseph, Windsor, CT.
Sisters of St. Mary, Fort Worth, TX.
Social Action Office—Archdiocese of Cincinnati, Cincinnati, OH.
Society of Main Development Corp., Columbus, OH.
Society of St. Vincent de Paul, St. Petersburg, FL.
South Atlantic Land Trust, Atlanta, GA.
South Nashville Action People (SNAP), Nashville, TN.
South Park Inn Shelter, Hartford, CT.
Southern Arizona Coalition for the Homeless, Tucson, AZ.
Southern Christian Leadership Conference, East Moline, IL.
Southern Regional Council, College Park, GA.
SPAC, Austin, TX.
Springfield Family Center, Inc, Springfield, VT.
SRO Housing, Inc., Atlanta, GA.
Star of Hope, Houston, TX.
Street Ministry, Clearwater, FL.
Street Ministry, Memphis, TN.
Street People's Advisory Council, Austin, TX.
Students Against Homelessness and Hunger, Atlanta, GA.
Summit County Dept. of Human Services, Akron, OH.
Sunnyside Community Citizens, Nashville, TN.
TACAA, Inc., Austin, TX.
Tallahassee Coalition for the Homeless, Tallahassee, FL.
Tallahassee Housing Foundation, Tallahassee, FL.
Tallahassee Peace Coalition, Tallahassee, FL.
Tampa Bay Greens, St. Petersburg, FL.
Tampa Coalition for Peace and Justice, Tampa, FL.
Task Force for the Homeless, Atlanta, GA.
Tellurian UCAN, Inc., Madison, WI.
Temporary Housing, Inc., State College, PA.
Tenant Services and Housing Counseling, Inc., Lexington, KY.
Tennessee Hunger Coalition, Chattanooga, TN.
Tennessee Valley Unitarian Church, Knoxville, TN.
The Heart of Camden, Camden, NJ.
The Inn, Hempstead, NY.
The Open Door/Cape Ann Food Pantry, Gloucester, MA.
The Overflowing Cup, Beloit, WI.
The People's People, Cleveland, OH.
The Shelter, Columbia, MO.
Thomas Merton Community, Cleveland, OH.
Trans Housing, North Royalton, OH.
Transitional Housing Agency, Columbia, MO.
Travelers Aid, Jackson, MS.
Travelers Aid Society, Charlotte. NC.
Try-County Fair Housing, Saginaw. MI.
Trinity Cathedral, Cleveland, OH.
Trinity Community Ministries, Atlanta, GA.
TSW, Houston, TX.
Unitarian Universalist Association, Boston, MA.
Unitarian Universalist Church, Clearwater, FL.
United Community Services, Detroit, MI.
United Methodist Metro Ministry, Grand Rapids, MI.
United Services of Greater Kansas City, Kansas City, MO.
United Sisters of Charity, Highland Park, MI.
United Way, Chicago, IL.
United Way of Summit County, Akron, OH.
United Way of S.E. New England, Providence, RI.
University Peace Alliance, Tampa, FL.
Urban Community Service Dept., Kansas City, MO,
Urban Housing Foundation, Omaha, NE.
Urban Ministry Commission, Worchester, MA.
Urban Partners, Loyola University, New Orleans, LA.
Utah Housing Coalition, Salt Lake City, UT.
V.A. Medical Center, Louisville, KY.
Valley Shelter, Inc., North Hollywood, CA.
Veterans Administration, St. Petersburg, FL.
Vicariate Society Action Committee, Rock Island, IL.
Vietnam Veteran Center, Memphis, TN.
Visiting Nurse Association, Omaha, NE.
Voices, Cincinnati, OH.
Volunteer Ministry Center, Knoxville, TN.
Volunteer Shelter House, Cincinnati, OH.
Volunteers of America, Binghamton, NY.
Volunteers of America, Cincinnati, OH.
Volunteers of America, Knoxville, TN.
Volunteers of America of Kentucky, Inc., Louisville, KY.
WACCO, Apopka, FL.
War Resisters League, New York, NY.
War Resisters League—West, San Francisco, CA.
Washington Presbyterian Church, Corryton, TN.
WDNA Community Radio, Coral Gables, FL.
We Care Community Services, Inc., Vicksburg, MS.
Wednesday Night Supperclub, Boston, MA.
Welcome House, Alexandria, KY.
Welfare Board, Jackson, MS.
Welfare Warriors, Milwaukee, WI.
Wellsprings, Inc., Houston, TX.
West Hartford Interfaith Coalition, West Hartford, CT.
West Side Ecumenical Ministry and Jr. League.
West Side Mission Homes, Inc., Louisville, KY.
Western Reserve Legal Services, Akron, OH.
Westhermer Social Ministry, Houston, TX.
WHCA, Milbridge, ME.
Whitehaven J.W. Mental Health Center, Memphis, TN.
Wider City Parish, New Haven, CT.
Wild Women of Westchester County, Richmond, CA.
Winston-Salem Human Relations Department, Winston-Salem, NC.
Winter Park Coalition on the Homeless, Winter Park, FL.
Witness for Peace, Omaha, NE.
Witness for Peace, Philadelphia, PA.
Women Speak Out for Peace and Freedom, Cleveland, OH.
Women's Energy Bank, St. Petersburg, FL.
Women's Health Counseling Service, Chapel Hill, NC.
Women's Jail Project, Madison, WI.
Worchester Community Action Council, Worchester, MA.
Worchester Committee on Homelessness and Housing, Worchester, MA.
Workers for the Vineyard, Ft. Worth, TX.
Working Together, Cleveland, OH.
Yorkville Common Pantry, New York, NY.
YWCA, Cincinnati, OH.
YWCA, Hartford, CT.
YWCA, Jersey City, NJ.
YWCA, Madison, WI.
YWCA, Peoria, IL.
Zelma George Shelter, Cleveland, OH.

LINK SOVIET HUMAN RIGHTS COMPLIANCE TO MOST-FAVORED-NATIONS STATUS

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. SOLOMON. Mr. Speaker, today, I am introducing legislation linking most-favored-nation status to human rights improvements in the Soviet Union. This legislation has been approved in the other body and I will certainly offer it as an amendment at the appropriate time.

In my view, it is critical to condition MFN status which will provide tremendous economic benefit to the Government of the Soviet Union to progress on a broad range of Soviet human rights improvements.

Mr. Speaker, this legislation would link emigration as well as religious, political, and civil freedoms, that Soviet citizens have been promised under the Helsinki Act, to the granting of most-favored-nation status.

This legislation is not designed to make it impossible for the Soviet Union to receive most-favored status. What it intends is to encourage the Soviets to take the necessary steps in providing basic religious, political, and civil freedoms to its citizens.

HONORING STANLEY KRAJEWSKI

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. HERTEL. Mr. Speaker, I would like to pay tribute to Stanley Krajewski, editor in chief of Dziennik Polski, the Polish Daily News, in Detroit, who is retiring after 40 years of dedicated service and numerous contributions to Detroit's Polish community.

From 1948 to 1988, Mr. Krajewski devoted a tremendous amount of time and effort to the survival of the Polish Daily News, one of the few existing Polish language newspapers in the United States today. He worked far beyond normal office hours from early dawn to the wee hours of midnight, to meet the ever-present deadlines and see to every minute detail. The reward for his efforts was the hope and inspiration for the future that he instilled in the hearts of the Polish-Americans he served.

Stanley Krajewski was born in Detroit, MI, on May 7, 1915, to Konstanty and Franciszka Kopcewicz. In 1922, he returned to Poland with his parents. There he received his basic education and attended the Warsaw School of Political Science, where he first got the opportunity to put his considerable literary talents to work as a free-lance newspaper writer.

Mr. Krajewski returned to the United States in 1942, and in 1948 he joined the staff of the Polish Daily News as a reporter and staff writer. He industriously worked his way up through the ranks, and in 1963 was named editor in chief of the newspaper, the position he has held up to now.

Family also plays an extremely important role in Mr. Krajewski's life. In 1949 he married Nina Troszynski and became a happy father when his daughters Corinna and Renata, Mrs. Roger Weber and Mrs. Thomas Erickson, respectively, were born. His joy in his family was complete when he became a grandfather to grandaughter Ashley Weber and grandsons Owen Weber and Trevor Erickson. His dedication to them is the same as that he has devoted to his newspaper.

Mr. Krajewski has also been extremely active in all facets of contact with community, business, religious, ethnic, and social groups and activities. He has been instrumental in furthering the goals and purposes of such groups as the Polish National Alliance, the Polish Roman Catholic Union of America, the Polish Falcons of America, and the Polish American Congress.

The traditional, time-honored Polish value of strong religious faith has also been evident in Mr. Krajewski's life. He was one of the founders of the Catholic Jewish dialog and initiated the dialog between the Roman Catholic Church and the Polish National Catholic Church. He and his wife are now active members of St. Ives Church in Southfield, MI.

The committees and organizational boards he has served on are numerous. He is on the board of directors of the American Lung Association and has been a member of the State Library Board, the U.S. State Department. Advisory Council of Foreign Policy, the Detroit Press Club, the Polish Black Conference, and the International Institute of Detroit, to name a few.

The Orchard Lake religious and scholarly institutions have benefited greatly from the friendship and attention of Stanley Krajewski. He has served on several of their boards and committees and has faithfully published articles on the schools in the Polish Daily News.

The groups and organizations Mr. Krajewski has served have not let his efforts go unnoticed. Among the awards he has received for his lifelong service and dedication are the Golden Cross Polonia Restituta from the Polish Government in Exile and the Governor's Merit Certificate. The Orchard Lake Schools bestowed the Fidelitas Medal on him in May 1988, an honor given each year to an outstanding Polish-American.

Stanley Krajewski will long be remembered for his contributions to his fellow Polish-Americans. All who were touched by the words generated by his gifted pen benefited from his leadership, dedication, and service. Please join me in extending my warmest wishes to him for a long, happy, and peaceful life as he begins his retirement.

RECENT EVENTS IN HUNGARY

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. HORTON. Mr. Speaker, on Wednesday June 15, 1988, I held a special order to commemorate the executed martyrs of the 1956 Hungarian Revolution. We remembered former Prime Minister of Hungary, Imre Nagy, and his associates, who were put to death on June 16, 1958.

On this 30th anniversary of these executions, Hungarians intended to hold a similar event in Budapest. The peaceful remembrance, which included a wreath laying and commemorative speeches, was disrupted by Hungarian police officers wielding rubber truncheons. Dozens of individuals, including women and children, were arrested. These often brutal arrests shocked not only the peaceful participants but government leaders the world over. A statement detailing these arrests and beatings was signed by over 300 persons in Hungary, many of whom were eyewitnesses to the events. Among those who have cosigned the statement are persons representing all walks of life and all strata of society.

Recently, over 40 Members of the House and two United States Senators signed a letter addressed to the new Prime Minister of Hungary, Karoly Grosz. The letter requested that he allow the families of those executed in the aftermath of the Hungarian Revolution to identify their loved ones and rebury them in a manner and place of their choosing. In this letter, we referred to the widely held opinion that Hungary is a country with a progressive and laudable human rights record, one which is often held up as a model for other countries. I would comment to Prime Minister Grosz that the actions by the police in Budapest place a notable blemish on this human rights record.

If Hungary is to continue to receive our praise in the area of human rights, the spirit of the Helsinki accords must be upheld. There must be an end to violations of the basic human rights of Hungarians. Further, we urge Prime Minister Grosz to respond positively to our request to allow for the identification and reburial of Imre Nagy and the hundreds of other Freedom Fighters laying in unmarked graves.

I submit for the CONGRESSIONAL RECORD two New York Times articles recounting the arrests of June 16, 1988. They detail that our concerns about the situation in Budapest are completely warranted.

[From the New York Times, June 17, 1988]

PROTESTERS MARCH TO REMEMBER NAGY

(By Henry Kamm)

BUDAPEST, June 16.—Demonstrators clashed repeatedly with the police in the center of Budapest today, on the 30th anniversary of the hanging of Imre Nagy, Prime Minister of the revolutionary Government that was ousted by the Soviet military intervention in 1956.

At least seven dissidents were arrested, most after having been severely beaten by police officers wielding rubber truncheons.

The harsh treatment of the demonstrators provided the first firm answer to the question of how the new Communist Party General Secretary, Prime Minister Karoly Grosz, will deal with dissent. Mr. Grosz is to visit the United States next month.

About 500 followers of a loose coalition that calls itself the "democratic opposition" gathered this afternoon in a square on the West side of the Danube. The site was chosen because an Austrian firing squad executed Count Lajos Batthyani, an earlier revolutionary prime minister, in 1848.

THE POLICE INTERVENE

The demonstrators moved toward the center of the square, where Janos Kis, a philosopher, and Imre Mecs, a student protester who had been sentenced to death but was later released, intended to commemorate Nagy. But police squads intervened, and access to the monument that bears the flame was blocked to all but a few, who were allowed to place flowers at its base.

The police drove the protesters back and arrested at least two, Gaspar Miklos Tamas, a philosopher, and Victor Orban, a young dissident. Mr. Kis, a translator of the works of Immanuel Kant, was among those clubbed.

The demonstrators, facing the policemen who ringed the monument, taunted them with rhythmic clapping and shouts of "democracy," "freedom" and "down with the police state." Then they regrouped and marched into neighboring Liberty Square, the site of the American Embassy.

A CHANT FOR NAGY

As they advanced, the name of Imre Nagy was taken up as a rhythmic chant. Spontaneously, before the police could block them, the demonstrators mounted the broad staircase leading to the headquarters of the state television.

From there, Mr. Kis and Mr. Mecs demanded rehabilitation and honorary funerals for Nagy and the hundreds of others who became victims of judicial retribution after the uprising and were buried in unmarked graves.

"There will be no compromise until the unburied dead receive their funerals," Mr. Kis said.

CRIES OF "FASCISTS!"

As Mr. Mecs spoke, the police broke into the crowd, roughing up many bystanders. "Fascists!" the crowd shouted, provoking a renewed police charge.

Many demonstrators proceeded to another square, where more speeches were given. Again, the police charged and arrested an unknown number.

A little earlier, three men were arrested as they tried to place flowers on the Tomb of the Unknown Soldier at Heroes' Square. Among them was Sandor Racz, leader of the Budapest labor unions during the uprising.

The day began with the arrests of two dissidents, one of whom was later released, in the potter's field where Imre Nagy and about 250 other victims of the gallows are thought to lie buried. Which victim lies under which grassy mound is a state secret. The dissidents were seized as they tried to plant a traditional carved grave marker on one mound that some take to be Imre Nagy's grave.

However, a crowd of several hundred, including many of those who demonstrated this afternoon, were allowed to place flowers on that grave and the others of the potter's field.

The crowd listened in silence as a speaker intoned a roll-call of the 249 who are thought to lie there. In a hollow voice, he read name and profession. There were locksmiths and tailors, workers and mechanics. And following one name, read in alphabetical order, he said, "Prime Minister."

[From the New York Times, June 24, 1988]

HUNGARY SEEN AS TOUGHER ON DISSENT

(By Henry Kamm)

BUDAPEST, June 23.—Some Hungarians and Western diplomats say they believe that Prime Minister Karoly Grosz, the Communist Party leader since May, is determined to take a tougher line against dissenters than did his predecessor, Janos Kadar.

They base this view on two speeches by Mr. Grosz and on the force with which the police broke up a small opposition demonstration last Thursday. The demonstration commemorated the 30th anniversary of the hanging of Imre Nagy, Prime Minister in the 1956 revolutionary Government, which was overthrown by Soviet troops.

In the most recent speech, given Tuesday and made public Wednesday, Mr. Grosz voiced his support for the police suppression of the demonstration. The speech was delivered to the national council of trade unions.

"In the present phase of looking for new ways, it is natural that the hostile and opposition elements also want to take advantage of the situation," Mr. Grosz said.

NO PROVOCATIONS

"In recent days, they have measured our steadfastness and resolution by our reaction to their political stand on the 30th anniversary of the death of Imre Nagy. We firmly rejected all kinds of demonstrations against the representatives of power."

Diplomats and Western reporters who observed the clashes at various locations in the center of Budapest noted no "atrocities and provocations" by the demonstrators.

"It was a police attempt to show force," a Western diplomat said. "They made the situation and then used force beyond the needs."

Fifteen to 20 demonstrators were seized, with officers using clubs and an irritant gas. Dissidents said that Gabor Demszky and his wife, Roza Hodosan, who were handcuffed, were badly beaten later in a police station. Those held were released without charges that night.

SIGNAL FOR CRACKDOWN

While dissidents said they were not surprised by the strong-arm police methods, some Western diplomats expressed disappointment at the evidence of a hardening attitude toward dissent. Mr. Grosz's success in replacing Mr. Kadar at a special party conference on May 22 was viewed by many in the West—though few here—as enhancing in Hungary a spirit of change and tolerance for opposition views, much like the political climate fostered by Mikhail S. Gorbachev in the Soviet Union.

Hungarian officials as well as dissidents noted, however, that the new party chief had signaled a crackdown even before the demonstration.

In a speech to commanders of the Workers Militia, an organization of party stalwarts, on June 12, Mr. Grosz used the Hungarian words for "enemy" and "opposition" as synonyms and said the leadership would not stand by as they organized their forces, but would take "administrative measures" against them.

LEGALLY UNDEFINED LEEWAY

That phrase caused a chill among many Hungarians. It is used as a term of condemnation in official descriptions of Stalinist methods, under which people were imprisoned and mistreated without judicial due process.

Since the late 1970's, the Hungarian opposition has enjoyed legally undefined but considerable leeway in expressing views in a twilight zone of tolerance.

As recently as March 15, two months before Mr. Grosz became party leader, a crowd estimated at more than 10,000 people was allowed to march through the capital shouting demands for freedom; it was the largest opposition demonstration since 1956.

Western diplomats and Hungarians suggested that Mr. Grosz might have ordered last week's suppression not only to crack down on dissidents but also to rein in two new Politburo members, who are known to have a measure of sympathy for dissident views.

The two, who have suggested that the party look for ways to insure greater freedom of expression, are Imre Pozsgay and Rezso Nyers. Neither man has dissociated himself from the crackdown, and Hungarians and diplomats say they believe that Mr. Grosz, by his action and their silence, has committed them to his hard line.

JUST HOW WEAK ARE DEMOCRACIES ANYWAY?

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mrs. MORELLA. Mr. Speaker, last month I returned from a trip to Israel with Congressmen TONY COELHO and HOWARD BERMAN where we participated in a most interesting and rewarding program at Hebrew University named for Swedish diplomat Raoul Wallenberg. As we all know, the United States has made Wallenberg an honorary American citizen in recognition of his brave and valiant efforts during World War II to transport more than 100,000 Jews from Hungary to Sweden; Winston Churchill is the only other person to have been named an honorary American citizen.

Today, a Wallenberg Scholarship Program exists for college students inspired by the Swede's bravery and selflessness. Mr. Fred Schwartz of New York, a special man dedicated to encouraging international leadership in our youth, is the sponsor of the program. I am looking forward to a meeting tomorrow with a group of Wallenberg scholars; their views and insights are often most thought provoking.

A topic which faces us from time to time, and which was raised during the Iran-Contra hearings last summer, is the alleged inability of democratic governments to respond to internal and external threats from governments and organizations which do not have the checks and balances and burden of public accountability to which democratic governments are subject. In light of the continuing, if sometimes sporadic, debate on this matter, I would like to bring to Members' attention a paper presented at the seminar in Israel written by Alan Drimmer, a Wallenberg fellow and doctoral candidate at the University of Chicago, entitled "Just How Weak Are Democracies Anyway?" I believe Mr. Drimmer's work makes an important contribution to the discussion of this matter.

Excerpts from the article follow:

JUST HOW WEAK ARE DEMOCRACIES ANYWAY?

When Winston Churchill was asked if democracy was a good form of government, he answered, "Absolutely not, but it's the best on considering the alternatives." In this paper, I examine the nature of democratic leadership in crisis situations and I arrive at a similar conclusion: in a crisis, democracy is not a good form of government but it is the best one considering the alternatives . . . Jeane Kirkpatrick, Jean-Francois Revel, many Soviet dissidents, and others suggest that totalitarian regimes enjoy more diplomatic and military freedom of action than democratic regimes because they are unconstrained by public opinion and free institutions. These critiques charge that democratic regimes are hindered in a crisis because they cannot maintain secrecy. Is this an accurate picture of democratic regimes in a crisis? I believe that these critiques are exaggerated or inaccurate. . . . Based on the historical record, I argue that democratic regimes can act with resolve, speed, consensus, and secrecy. This is especially true when the danger is obvious and immediate. . . . The real challenge to democratic leadership comes when a state is paralyzed over a difficult question. . . .

The critiques of democracy overemphasize their weaknesses and obscure their strengths. The first supposed weakness of democratic regimes is that they do not have the resolve or staying power of totalitarian regimes in foreign policy since the totalitarian regimes are not constrained by public opinion . . . Not only are totalitarian regimes able to squelch dissenting opinion, but they also control the media in order to facilitate the popular acceptance of government action in a crisis. Democratic regimes have no such repressive ability and propaganda apparatus, and public opinion splinters during debates over government policy. Thus, according to this critique, freedom of the press encourages dissenting opinion and undermines a democratic nation's resolve. The second supposed weakness of democratic regimes in periods of crisis is that they are slow and cumbersome. The achievement of consensus is a difficult and time consuming process due to the existence of political factions and institutional separation of powers. The charge is that nothing is more difficult to obtain in a democracy than a timely and united position since democratic government is obligated to obtain formal or informal consent of the legislative branch. Totalitarian systems, in contrast, regulate political opposition either by repression or by tight party control of the political apparatus. The third supposed weakness of democratic regimes is the difficulty of maintaining secrecy in a crisis. The logic here is that since democratic regimes must share information with a wider range of bureaus and committees, the chances are increased that secrets will be divulged. Critics of democratic regimes charge that totalitarian regimes have far less "leakage" because decision-making is limited to a small body of men.

These supposed weaknesses of democratic regimes are minor or non-existent. Take, for example, the charge that an unrestrained media and variable public opinion hinders the resolve and staying power of a democratic regime during a crisis. Historically, democratic regimes have shown enormous staying power when leaders can identify a clear threat to the nation's interests or security. American commitments to NATO, Japan, South Korea, and the Persian Gulf demonstrate American long-term resolve and staying power . . . In short, public opinion does not undermine foreign policy commitments of democratic states when leaders can justify the need for those commitments.

Thus, those who criticize democratic nations for being short on resolve should specifically criticize democratic leaders for failing to make the importance of commitments clear . . . . . . Turning to the historical record, democratic regimes do seem able to act in a timely and unified fashion because efficient crisis management procedures exist. Although the Federalist Papers showed concern that the American regime would be slow and cumbersome in the execution of its foreign policy, in practice the leadership's organizational control has been quite thorough. Think, for example, of the Cuban missile crisis . . . Moreover, the Americans and Europeans have recently established practices for dealing with terrorists directly, bypassing the media. The Americans and Europeans have also cooperated quietly to establish procedures for dealing with a future oil crisis through the International Energy Agency. Thus, we can have some confidence that democratic leadership will be able to swiftly and cooperatively take action in a crisis, and won't be caught with its pants down.

The third supposed weakness of democractic government in a crisis comes from the danger of "leaks." Those democracies just can't keep a secret, the critics charge. But the facts suggest otherwise. In American foreign policy, for example, Nixon and Kissinger had many diplomatic successes relying upon secret negotiations: the Paris peace talks, Kissinger's Middle East shuttle diplomacy, and the 1970 opening to China. Most recently, the Iran-contra affair shows that secrecy can work all too well in a democratic regime—it is noteworthy that the affair was leaked from the Iranian, and not the American side, since Teheran does not have much in common with democratic regimes these days.

I have tried to show how administrative procedures and planning help insure that democratic regimes act with speed, coordination, and secrecy in a crisis. In addition, democratic nations can show resolve and staying power to a commitment when democratic leaders identify a clear threat and explain its consequences.

BURDEN SHARING: OUR ALLIES MUST DO MORE TO SHARE DEFENSE COSTS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. LANTOS. Mr. Speaker, during a series of recent interparliamentary meetings between the delegation of Members of the U.S. Congress, which I chair, and the delegation of the European Parliament, we held serious discussions on the need for a greater European and Japanese contribution to our common defense.

I presented to our European allies my views on this issue. Our NATO allies must assume more of their own defense burden. Japan's failure to contribute meaningfully to the joint defense of the free world is preposterous. Tokyo spends only 1 percent of its gross national product on defense as against the 7 percent spent by Americans. The difference is about equal to our budget deficit.

Meanwhile, we spend tens of millions of dollars protecting tankers in the Persian Gulf, so Kuwaiti oil can get safely to Japan. And while American taxpayers pay for the Persian Gulf operation, and American sailors and airmen daily risk their lives, Japan flagrantly blocks entry of United States products into its markets.

Mr. Speaker, in a recent piece published in the New York Times, Senator SAM NUNN, the distinguished senior Senator from Georgia and the chairman of the Senate Armed Services Committee, strongly argued in favor of our NATO and Japanese allies making a greater contribution to our common defense.

Senator NUNN's arguments deserve the careful and thoughtful attention of the Members of this House, Mr. Speaker. His article follows:

OUR ALLIES HAVE TO DO MORE

(By Sam Nunn)

WASHINGTON.—Next January, the new President will confront complicated and demanding challenges to national security policy. Although internal changes in the Soviet Union may offer new opportunities, Soviet military power continues to grow. Arms control negotiations will become more complicated. We face new threats from terrorism and other forms of unconventional warfare. Defense budgets will become even tigher.

These challenges call for thoughtful and innovative approaches on every front, from policy to negotiations to internal management. Answers will require strong leadership by the new President, bipartisan Congressional support and a new spirit of cooperation and commitment from our allies.

Despite the shift in relative economic power to our allies, the cost of defense has remained disproportionately on American shoulders. Adjustments are long overdue.

Each allied country should play the instruments it plays best rather than trying to stage an entire symphony orchestra. The United States must give priority to contributions that no ally can easily duplicate. These include a survivable nuclear deterrent, a Navy capable of controlling of the seas and conventional forces that can respond flexibly to challenges around the world. These Army and Marine Corps units should be mobile and well-armed with modern anti-tank weapons, not tied to the heavy armor that is principally useful in Europe but difficult and expensive to transport. We should also play the principal role in assuring regional air superiority by emphasizing tactical air forces equipped with modern standoff, conventional weapons.

These changes will still leave gaps in the alliance's forward defense posture.

If the Europeans wish to avoid explaining the unexplainable, they must take on the principal role of providing heavy armored forces; the necessary ammunition and equipment to sustain their own forces for NATO's 30-day requirement; effective reserves; and shelters and support facilities for U.S.-based aircraft to be dispatched to Europe in a confrontation. The goal of these improvements is to make NATO's doctrine of flexible response truly flexible—to move away from dependence on the early use of nuclear weapons in response to a Soviet conventional attack.

Japan should be held accountable for its own announced goal of defending the air and sea lanes out to a thousand miles. Japan should be firmly told that it is its turn to fund a "Marshall Plan" of military and economic aid to key nations that support Western defenses, like the Philippines, Pakistan and Turkey. The Japanese also must take the lead in a multinational effort to ease heavy third world debts—economic threats today that, if left unattended, will become the source of military threats tomorrow.

This country's most basic defense task will continue to be to provide a survivable and effective nuclear deterrent. We face a fundamental question as technology decreases missile flight times and increases their accuracy: Do we rely principally on our ballistic missile submarines and nuclear-armed bombers, or continue to pay for the additional insurance provided by a land-based intercontinental ballistic missile force that cannot be largely destroyed in a surprise attack?

The next President will have to decide on the next generation of ICBM's. Should he cancel the small mobile Midgetman ICBM and rely instead on MX's parked on trains at military bases (which need several hours' warning for escape)? He will have to ask whether the current American position at the strategic arms, or START, talks would worsen or improve strategic stability. In particular, he should carefully review the concept that the United States proposed to the Soviets at the Moscow summit to restrict each side's mobile ICBM's to 10 square miles. Instead of spending billions on mobile missiles and then corraling them into a small, vulnerable area, why not propose a ban on all land-based mobile multiple-warhead ICBM's (such as the Soviet SS-24 and the American railmobile MX), along with incentives to move toward single-warhead ICBM's?

A START accord that can greatly reduce the incentive for a first strike is within reach, but only if it is combined with sensible force deployments. The Administration deserves credit for paving the way for this treaty, but in its efforts to promote and pay for space-based defenses it has lost sight of the forces needed for a stabilizing agreement. Unless the "fatal flaws" in our arms control proposals and strategic plans are corrected, our national security is better served if no START agreement is signed by this Administration.

Despite all of the attention and money that has been focused on the Strategic Defense Initiative over the past five years, the Administration still hasn't established a realistic timetable for development and deployment, sound cost estimates or even credible goals.

The next Administration must develop a sensible defensive research program. One objective of this research should be to determine the affordability and feasibility of a system offering us some protection against an unauthorized or accidental launch or a missile fired by one of the worrisome number of countries that may be acquiring long-range missiles.

A second objective should be to develop survivable, cost-effective defensive options for enhancing the survivability of U.S. retaliatory forces, and systems for command, control and communications. Deployment of such options would depend on a number of factors, including Soviet weapons developments and the Start negotiations.

We need to worry more about unconventional threats—for example, third world nations with weapons having chemical, biological or conventional warheads, such as those being used in the Iran-Iraq war. The superpowers have a clear mutual interest in preventing this proliferation. We also need to plan countermeasures and defenses against sabotage or terriorism of our command and control facilities and the fragile infrastructure or our civilian society.

In conventional forces, the Soviet Union and its allies have a substantial advantage in Europe, both in numbers and equipment. Even more troubling is their capability for a potentially decisive short-warning attack. NATO's a priority should be substantial, disproportionate reductions in the forward-deployed Soviet armor and artillery units that would be used in a "blitzkrieg" attack.

Conventional arms control can play a major role in reducing the threat of war in Europe. Over time, it can also lead to reduced arms spending in NATO and the Warsaw Pact.

Our first step in these negotiations should be to seek an early data exchange (tanks, artillery, etc.) for all relevant NATO and Warsaw Pact forces. Second, to reduce the possibility of surprise attack, we should propose interim on-site inspection by monitoring teams for all military mobilization centers such as airfields, rail junctions and perhaps even military headquarters. Third, at the beginning of the process we should propose a series of verification experiments, perhaps performed by the same monitoring teams that would guard agianst surprise attack.

We must not only have the right forces, we must manage those forces effectively and efficiently. The immediate challenge facing the Pentagon is to work with th Justice Department in pursuing vigorously the investigation of the Defense Department procurement scandal. At the same time, Congress and the next Administration must work together to correct any systemic flaws in the Pentagon's procurement system and restore public confidence.

Over the longer term, defense managers must increase military capabilities without large increases in defense spending. This will require stable, predictable levels of defense spending; improving the quality and authority of senior civilian acquisition managers in the Pentagon; increasing the standardization and commonality of weapons and equipment among our allies and our own military services; buying weapons at efficient production rates, even if it means cutting the number of systems in production; upgrading existing weapons platforms such as aircraft with new-generation weapons and munitions rather than building new platforms; and closing unneeded military bases abroad and at home.

These challenges are formidable, but they must be met if we are to maintain the defense that are essential to our long-term efforts for peace and freedom.

THE NEED FOR A NEW NATIONAL TOURISM POLICY

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. SKELTON. Mr. Speaker, President Reagan recently nominated Mr. Charles Cobb to head the U.S. Travel and Tourism Administration [USTTA] at the Department of Commerce. At his confirmation hearings Mr. Cobb spoke of the problems USTTA has encountered due to budgetary constraints and the fall of the dollar. He testified that USTTA, the only agency tasked to promote the United States as a tourist destination overseas, has had to close its consumer walk-in bureaus overseas, even though there is growing demand for information about places to visit in America.

Mr. Cobb has his work cut out for him. Each year we begin our annual drive for increased funding to promote the United States overseas and increase our share of worldwide tourism receipts. After several years of proposals to eliminate USTTA, the administration has again this year proposed $11 million for USTTA for 1989 to promote the United States worldwide, an unbelievably small sum compared to what other countries spend. This, despite the fact that in 1987 foreign visitors to the United States accounted for $19 billion in export earnings, making tourism America's largest single services exporter. Yet, our share of international tourism receipts is declining and we are not competing as we should with other countries during a time when, because of the soft dollar overseas, more people than ever before should be able to come to visit America.

As Mr. Cobb testified, a proposed budget of $11 million will barely let USTTA meet its minimum goal, and will "not permit USTTA to implement its complete mission and to be fully competitive in the world marketplace." There have been proposals to increase the funding by adding a user fee on international airline and cruise ship arrivals, by adding a fee to the application for a U.S. passport, and various other methods. It is clear we need to do something.

My Small Business Subcommittee on Exports, Tourism, and Special Problems held hearings around the United States on the economic impact of tourism. It became clear from the testimony that we needed to do a better job, not only in promoting the United States abroad but also in making a special effort to promote lesser known, and rural areas so that they may participate and share in the economic benefits of tourism. As a result of the hearings, I recently introduced legislation House Concurrent Resolution 307 urging the President to establish a special Commission on Travel and Tourism to study all aspects of the travel and tourism industry and make recommendations to the President and Congress for a new National Tourism Policy.

Mr. Speaker, I invite my colleagues to cosponsor House Concurrent Resolution 307 and join with me in doing everything we can to establish a policy that will enable all of America to fully participate in both the cultural and economic benefits of this fast and lucrative market of tourism.

ANNUAL DAYS OF REMEMBRANCE

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. GEJDENSON. Mr. Speaker, I ask that the following speech, presented by Benjamin Meed at the annual Days of Remembrance commemoration on April 14, 1988, be included in today's Congressional Record. It is a powerful statement, and one that I think all of our colleagues will find moving.

Remarks By Benjamin Meed, Co-Chairman Days of Remembrance Committee United States Holocaust Memorial Council Department of State, April 14, 1988

Fifty-five years ago war was declared against the People of the Book. The first flames consumed a hall of democracy, the Reichstag. Immediately, there was a dictatorship, but the dictator assumed power legally, democratically. He swiftly made law the servant of murder.

Within weeks, there were again flames. This time, they consumed the great works of literature. The writing of poets and philosophers, the creative works of artists and anthropologists were reduced to ashes. And with it was consumed the genius of German and European culture and civilization.

Fifty years ago, again there were flames. In a day of infamy, popularly know as Krystallnacht, but truly a day of pogroms and unspeakable brutality, synagogues in all of Germany and Austria were burned, the holy letters of the Bible were sent up in smoke, Jews were harassed, beaten and arrested and God's presence could not be found in Berlin or Vienna. Many looked on with indifference and the firefighters, who were called to the scene were instructed to protect only adjacent buildings, not the Jewish houses of worship engulfed in flames.

Forty five years ago this week, again there were flames. This time in the streets of Warsaw, the city of my birth. I, a Jewish boy posing as a Christian, remember seeing those flames as I stood on the other side of the Ghetto walls. At first, the flames filled me with pride; for they were the flames of passionate resistance, of Jewish fighters standing against the might of the Nazi army. But soon pride gave way to sadness and anger. Even though all of Jewish Warsaw was burning, the Nazis could not crush Jewish resistance and defiance. In those flames more than 1000 years of Jewish history in Poland were reduced to smoldering rubble. How can I ever forget such infernal sights? Where was humanity in those blackest nights?

And throughout the years of the Holocaust, there were other flames, flames from crematoriums which consumed an entire people; flames which sought to erase the memory of the crimes by removing all traces of the dead. Those flames consumed even more than the culture of Germany, even more than the sacred words of a people, even more than a millennia of history—they consumed a long-cherished conception of governmental morality, the very idea of culture and history. They defiled the human image and desecrated the human spirit.

Today, as we light six candles in memory of the millions of innocent men, women and children, we know that fire can be harnessed for light and warmth. It can empower humanity for noble deeds; but fires can also empower evil and destroy every vestige of humanity. The choice of the noble or the evil is ours alone to make.

Today we realize anew that a world that is aflame can be shrouded in darkness and a world in which flames of memory flicker can shed a deep and lasting illumination. In a time beholden to the vulgarities of might, we must kindle the light of eternal memory and conscience. Let us remember together:

We survivors and liberators of the Holocaust realize that now time is our enemy and against this enemy we have one weapon—memory. Each year there are fewer of us left to bear personal witness and that is why these ceremonies take on such meaning and are so filled with purpose. We must sensitize our nation and the world to the sounds of kristallnacht so that future generations may reconstruct that event and learn from it.

We have asked six people who were in Germany and Austria during that awful night to light the candles today. For them the night is not distant, but as close as yesterday. For them, the memories, which can never fade, are imprinted forever.

Think, as the candles are lit, that each of the lighters represents a million people who died. And pray that their memory will remain with us through all the days of our lives so that our resolve to be free may never die, pray that justice and racial equality will be the living legacy of those who perished.

CONGRATULATIONS TO THE ST. LOUIS LIGHT ON 25 YEARS OF EXCELLENCE

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. BUECHNER. Mr. Speaker, I rise today to congratulate the St. Louis Jewish Light on its 25th anniversary. How fitting it is to celebrate this brilliant instrument of Jewish religion, tradition, and culture.

The St. Louis Jewish Light was the brain child of Mortie Pearlmutter. In 1947, Morrie, along with Alfred Fleishman and Sam Krupnick examined options to create a community-wide newspaper to replace the St. Louis Light, which was originally established by the Jewish Federation to serve as the primary vehicle for the Jewish Federation's annual campaign.

Morrie Pearlmutter and his committee recommended that the St. Louis Light be modeled after newspapers in Pittsburgh and Philadelphia—creating a board of trustees, but continuing its affiliation with the Jewish Federation. The committee also decided to include the word "Jewish" in the name of the paper. The first issue of the St. Louis Jewish Light rolled off the presses on April 3, 1963. During the past 25 years, the Light's circulation list has grown to more than 15,000 Jewish households in the St. Louis area.

Over the years, the Light has become more than a newspaper; it provides a central focus for the St. Louis Jewish community. Many of us eagerly receive our Light each week and skim the pages to read community news: who has been married, who has been bar or bat mitzvahed, who has been confirmed, who has celebrated a birthday or anniversary and sadly, who has recently passed away. The Light keeps us in touch with community events such as seminars, club meetings, and other social and religious events.

But the Light under the editorship, of Bob Cohn, has also brought indepth and professional stories as well, enhancing our understanding of the events around the world. This year, for example, the Light did an extensive analysis of the Palestinian uprisings in the West Bank and Gaza Strip in an informative and unbiased manner. When Bill Kahn, executive vice president of the Jewish Federation of St. Louis, led a delegation to Moscow to visit refusenik families, the Light was there, providing personal coverage of the plight of each family. And of course the Light covers the activities of Congress, keeping its readers informed about what Congress is, and in some cases is not, doing.

On this, the silver anniversary of the Light, I extend my heartfelt congratulations and warmest wishes to the men and women of the Light who have served the St. Louis community so exceptionally this past quarter century. Now on to another 25 years of excellence.

THE LIGHTHOUSE OF NORTH OAKLAND COUNTY, MICHIGAN

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. CARR. Mr. Speaker, it gives me great pleasure to recognize the efforts of the Lighthouse, a nonprofit organization which serves as a beacon of hope to the hungry, the homeless, and the needy in North Oakland County, as they dedicate their new building in Pontiac, MI.

Since 1972, the dedicated staff and hundreds of caring volunteers of the Lighthouse have organized and solicited donations from area churches, civic organizations, corporations, and the general public in order to provide food and clothing for thousands of needy citizens.

The Lighthouse not only assures immediate assistance to meet basic human needs, but also provides support to meet the needs of those in emergency distress. Through resourceful programs, the Lighthouse answers emergency requests by furnishing small grants to prevent utility shutoffs; provide prescriptions, medical treatment, and special supplies that are not covered by Medicaid, Medicare, or other insurance; and discretionary grants for such items as emergency gasoline or infant formula.

Actively addressing the needs of the homeless, the Lighthouse has initiated an innovative rent deposit guarantee program which not only provides the first month's rent and security deposit to qualified people, but also provides homemaking education and support to assure permanent family housing. In addition to these efforts, the Lighthouse is also addressing the issue of transient housing and home rehabilitation.

Caring for the needs of the elderly and handicapped, the Lighthouse administers an interfaith caregivers program which recruits and trains volunteers to visit the homes of senior citizens and those who are physically challenged to prevent the need for institutionalization. The Lighthouse caregivers deliver food, complete home maintenance chores, and lend an empathetic ear to those in need.

In addition to the day-to-day activities, the Lighthouse also organizes a massive Thanksgiving basket project which provides a traditional Thanksgiving meal for area families. The Lighthouse funds this and other projects by coordinating a successful annual Walk for Hunger which unites a diverse group and renders a sense of community spirit in all participants.

The achievements of the Lighthouse can easily be measured by the thousands of individuals who have been nourished, clothed, housed, and cared for in our community. As this honorable and significant organization of concerned citizens dedicate the new building that they are so justifiably proud of, it is with similar pride that I wish to commend all the Lighthouse volunteers, board members, patrons, area businesses, and in particular, executive director, Noreen Keating and her staff, for their outstanding efforts to faithfully improve the quality of life for citizens in our community.

POUGHKEEPSIE CELEBRATES BICENTENNIAL OF NEW YORK STATE'S RATIFICATION OF U.S. CONSTITUTION

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. FISH. Mr. Speaker, it is with great pride that I rise in honor of the bicentennial of New York State's ratification of the U.S. Constitution. The ratification took place at the Dutchess County Courthouse in Poughkeepsie on July 26, 1788.

Since then the population of our country has increased sixtyfold, our land mass has expanded from coast to coast and our agricultural economy has been transformed by industrialization and computerization. We've moved from the horse-and-buggy era to an age where lunar exploration is history and planetary exploration is already advanced.

Throughout it all, our Constitution has maintained a balance between national and State interests; executive, legislative and judicial prerogatives; and powers of Government and the rights of individuals.

Yet 200 years ago the ratification of the Constitution and successful formation of these United States was by no means certain. New York played a critical role in that success. In terms of money, New York was a wealthy State, with its import duties and sales of public lands, and seemed to need the Union far less than the Union needed it. In geographic terms, if New York were not part of the Union, it would have been a wedge dividing New England and the Southern Atlantic States. In military terms, an independent New York would have been far more difficult to defend from the British, who in the War of 1812 perhaps could have come down the Hudson River from Canada and overtaken New York City.

Most New Yorkers at first opposed the Constitution. Only one-third of the State delegates they elected to decide the question initially supported ratification. The supporters were led by Alexander Hamilton and John Jay from the New York City metropolitan region, as well as a delegate from Dutchess County, Melancton Smith. He originally opposed ratification but changed his mind and persuaded enough of his colleagues to do likewise. He spoke "in full confidence" that concerns over the lack of a bill of rights would be addressed by subsequent amendments to the Constitution. The final New York vote, case after 6 weeks of debate, was 30 to 27 in favor of ratification.

Mr. Speaker, in this bicentennial year the city of Poughkeepsie plans to celebrate in several ways. On July 23, bicyclists will deliver a replica of the Constitution from Washington, DC. The next day there will be a parade. On July 25 a State Critical Choices Convention will convene in Poughkeepsie. And on the bicentennial day itself, a Bridge to Liberty exhibit, detailing New York State's contributions to the Constitution, will be installed in the Dutchess County Courthouse. That evening there will be a ratification gala dinner and program.

I am proud of the people of Poughkeepsie and the entire State, and I wish them well in this happy celebration.

THE 30TH ANNIVERSARY OF THE HUNGARIAN REVOLUTION

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. PORTER. Mr. Speaker, I rise today to commemorate the execution of Hungarian Prime Minister Nagy and the over 2,000 Hungarians who were killed for their role in the Hungarian Revolution of 1956. I want to commend my colleague, Mr. HORTON, for bringing this important issue to the attention of the Congress.

On October 23, 1956, Hungarian students organized a demonstration in support of the revolution in Poland. The demonstrators demanded independence, free elections, and an end to Soviet political exploitation. Hungarian police and Soviet troops responded by firing into the crowd, escalating the demonstration into a national revolution.

The revolution had apparently succeeded on October 30, when Hungarian Prime Minister Imre Nagy abolished the one-party system, promised free elections, and negotiated the withdrawal of Soviet troops. The Soviet Union, however, responded by sending in new troops to suppress the revolution. Hungary's pleas to the United Nations and the West failed to repel the Soviet troops. Within just a few days, the Russians had crushed the revolution and killed thousands of Hungarians.

The United States led the opposition in the United Nations to the Soviet invasion. U.N. calls for a Soviet withdrawl from Hungary and admitting a U.N. investigative delegation into Hungary were opposed by the Russians. Faced with repeated Soviet vetoes in the Security Council, our Government could only help the Hungarian people by lifting the standard immigration restrictions and allow up to 21,500 refugees to enter the United States.

The revolution expanded and, in 1958, Communist leader Janos Kadar led the execution of Hungarian Prime Minister Nagy and thousands of other Hungarian citizens.

Mr. Speaker, I recently spoke on the House floor in favor of extending Overseas Private Investment Corporation [OPIC] benefits to Hungary. While I am pleased and encouraged by Hungary's improving human rights record, I cannot forget the gross human rights violations which occurred during the revolution and which live on for the families of those executed and whose bodies remain unidentified in unmarked graves.

As cochairman of the Congressional Human Rights Caucus, I thank my colleagues who cosigned the letter to Prime Minister Grosz circulated by Congressman FRANK HORTON and Helsinki Commission Chairman STENY HOYER. This letter urged Prime Minister Grosz to allow these families to identify and rebury their loved ones in order to end this emotional trauma.

ELDRIDGE FAMILY NAMED GREAT AMERICAN FAMILY

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. MILLER of California. Mr. Speaker, I rise today to recognize a very exceptional family from Walnut Creek, CA, which is in my district. The Eldridge family has been selected by the American Family Society as one of six "Great American Families." It is my honor to represent them in Congress, and to tell you about their exceptional achievements here today.

Dennis and Yvonne Eldridge, along with their three daughters Tamara, 15, Amber, 12, and Chandra, 10, have been selected from 200 families as 1 of 6 that most exemplify American values. Families were judged on such criteria as leadership, nurturing individual growth, building teamwork and love and extending friendship to others.

The Dennis Eldridge family is the second generation of Eldridges who care for foster children, many of whom are brought to them in the middle of the night because their parents have been arrested for drug possession, or are born prematurely to drug addicted mothers. Some of the children have more severe congential birth defects, while others are born with AIDS. At the present time, the Eldridges have three foster children living with them.

As chairman of the Select Committee on Children, Youth and Families, I especially appreciate the needs of these children, and commend the Eldridges for their selfless efforts.

I am sure that my colleagues in the U.S. Congress will want to join me today in honoring this exemplary "Great American Family." I congratulate the Eldridges on their achievements and wish them the best of success as they continue their work in the future.

HABITAT FOR HUMANITY

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. FRANK. Mr. Speaker, one of the best parts of our job is the chance it gives us to participate in activities which seem not only worthwhile, but which are designed to give our fellow and sister citizens a chance to feel legitimately good about themselves while helping others in important ways. One of the activities which best qualifies for that description in my judgment is Habitat for Humanity.

This organization, as most Members know, enlists people in the construction of houses for those who would otherwise not be able to enjoy the benefits and prices of living in a decent home. Several weeks ago, I was told that the leaders of Habitat would be in my district, in Attleboro, MA, as part of their national effort and would be meeting with local people who were supportive of Habitat.

This gave me a chance to meet, among others, Millard Fuller, the head of the organization, and many of his coworkers. I found the experience to be as stimulating and valuable as I had hoped.

The people of Habitat have the knack of doing enormous good while having an enourmously good time. Their enthusiasm is infectious, and their appeal is universal.

Too often in our country in recent years there has been a debate between people who have pushed the claims of the public sector versus those who have insisted that the private sector can do everything we need. What the people at Habitat show is how important it is for the two sectors to work together. Habitat does not accept Federal subsidies for their work. But as Mr. Fuller and I discussed, there are many ways in which the public sector can advance the important work which Habitat does—most importantly, for example, by turning over to Habitat land which cities may hold which is suitable for home construction. In fact, I urge all those cities and counties which receive community development block grant funds to explore seriously the benefits of close cooperation with Habitat, because I believe that funds being made available in this way can be an important way to add to our housing stock.

I look forward to joining here in Washington with many others when Habitat gathers later this summer in the Capitol and I look forward to continuing to work with Millard Fuller, his supporters in Attleboro and those who are supporters of Habitat everywhere in advancing the excellent work they do.

WHOSE SIDE ARE THEY ON?

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. SOLOMON. Mr. Speaker, today I am inserting into the RECORD highlights of a recent article in the July 1988 American Legion magazine, "The media—Whose side are they on?" When the House of Representatives defeated the administration's request for $36 million in aid to the Nicaraguan freedom fighters, they were basically forced to abandon their struggle on the battlefield. They were forced to intensify peace negotiations with the Communist Sandinistas and sign a temporary truce. The Nicaraguan resistance could be finished as an effective fighting force.

The administration's defeat on aid to the resistance—by only eight votes—can be blamed partly on television networks' unprecedented decision not to air President Reagan's February 2 speech to the Nation in favor of such aid. Even before they had a text of the President's remarks, the networks said they would not air the speech because they considered it to be a rehash.

The distortion of basic political reality in Nicaragua also extends to the print media. The prestigious New York Times, a newspaper whose motto is "All the News That's Fit to Print," published a correction after one of its reporters accurately described the Sandinista regime as Communist in a news story.

These labels are very important in assessing the public opinion polls that receive so much media attention. If people are asked whether they favor military aid to the Contras, the answer usually is "no." If, however, they are asked whether they favor aid to those who are struggling against communism, the answer is "yes." The answers indicate that while American people generally oppose military conflicts, they are also anti-Communist and profreedom. The difference between the two answers reflects the amount of information that the American people receive about the true nature of the conflict and the stakes involved. An analysis of media coverage shows that both the Sandinistas and the guerrillas in El Salvador are being portrayed as something other than Communists.

Before the February 3 congressional vote, the Sandinistas announced what CBS' Dan Rather called new peace moves and what other broadcasters called concessions for peace. The media quickly forgot these astounding revelations when Nicaraguan President Daniel Ortega made his peace moves and concessions. Orgega's last-minute proposals obviously were a ploy to divert attention from Sandinista violations of the plan. With the assistance of the media, he succeeded. As a result, aid to the resistance was defeated under the pretext of "giving peace a chance." A Sandinista high-ranking defector of the Sandinista army said it best: "If there is anything that the Sandinistas have studied, it is how to affect U.S. public opinion."

The media have not told the story of how the Communists work to influence and even create public opinion. Unless the American public demands complete, accurate coverage of Communist strategies and tactics, Nicaragua won't be the last country to lose its freedom and independence. The media deserve strong criticism for not telling the whole story.

HONORING SISTER M. CELINE

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. HERTEL. Mr. Speaker, it is with great admiration and pride that I rise today to mark the occasion of Sister M. Celine's celebration of the golden jubilee of her religious profession.

Sister M. Celine has spent her 50 years as a nun selflessly devoted to the care and support of others. She is especially devoted to helping those who are not fully able to help themselves. She has given many years to serving the aged as well as children.

Sister M. Celine began her faithful service with the church in the Carmelite Congregation in San Antonio, TX, where she worked with children. She then continued her work with children in Riverside, CA, applying herself to children's catechism, instructions for first communicants, as well as the missions.

Sister M. Celine's work with the elderly began when she moved to La Mesa, CA. She continued her devoted service to the aged at the Carmelite's Kenosha, WI, home for the aged, where she celebrated her silver jubliee. Throughout these years her kindness and compassion guided her through her work.

It was in 1969 that Sister M. Celine arrived at St. Joseph's Home for the Aged in Detroit, MI, where she has since been greatly respected, admired, and most of all, appreciated. Her many responsibilities at St. Joe's include the care of all the residents in the home's new wing, therapy, and upkeep of the chapel. She has also provided entertainment such as plays, picnics and trips, for the home's residents.

But this great humanitarian's immense contributions extend to much greater depths. Sister M. Celine has done more than perform a job; she has enhanced a community. Sister M. Celine has spent endless hours being a caring and supportive friend to many. Her patience and understanding have been an inspiration to all who know her. Her undying faith has served as an example to those whom she has worked for and with throughout the years.

My dear colleagues, I ask you to join me, and the many friends of Sister M. Celine, in honoring a person so very much appreciated throughout the Detroit community, as well as the State of Michigan, for giving so much to so many.

SELECTION OF SHELLI BREED AS MULTIPLE SCLEROSIS MOTHER OF THE YEAR

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. HORTON. Mr. Speaker, on Friday, July 1, 1988, I had the privilege of meeting a very brave young woman, whom I am proud to say lives in the 29th District of New York.

Ms. Shelli Breed, of Ontario, NY, has been selected as the "National Multiple Sclerosis Society's Mother of the Year." Shelli and I discussed her family and the ways in which the Federal Government can assist mothers who are similarly physically challenged. Shelli is truly a remarkable woman who has overcome great adversity to gain not only the love of her children, but of her entire community.

After our talk, I was honored to accompany Ms. Breed to the White House where she was offered congratulations and had her picture taken with President Ronald Reagan. The following is a short biographical sketch of Ms. Breed:

Shelli Breed was born on February 8, 1950 in Jamestown, New York, the oldest of four daughters. Her father is a Methodist pastor, and the family moved frequently between Maryland and New York State. As a child she was an avid skier and horseback rider. She played the piano and became an excellent musician, winning the John Philip Souza Award in Music. Shelli attended college at the Jamestown School of Practical Nursing where she was salutatorian of her graduating class in 1969. She then worked as a charge nurse at the Lutheran Social Services Home in Jamestown. She was married in 1969 and has three children: Christopher, born in 1971; Laura, born in 1972; and Jessica, born in 1976. Shelli's M.S. symptoms began after the birth of her third child, and as life became more difficult, her husband was unable to cope with her worsening physical condition. Shelli was divorced in 1979, and she and her children moved to Upstate New York to be closer to her family. Shelli worked as a charge nurse at the United Methodist Home in Rochester until her diagnosis of Multiple Sclerosis in 1981. During the period she was there, she was named their employee of the month.

Since that time, Shelli has supported herself and her family with Social Security benefits, food stamps and Medicaid; but, not merely supporting herself, Shelli has triumphed. Although she can no longer play piano in the family quartet, she coordinates the summer music program for her church over the phone. Her mobile home has become a haven for troubled youth in the area who every afternoon come to talk with her about broken homes, alcoholism, abuse and despair. Shelli has gotten to know the parents of many of these children, and her nonjudgmental concern and sense of hope have freed parents to trust Shelli too. Last year one little girl lived with the Breeds for three months while her parents struggled to sort out their lives. Teenagers and children of all ages have found their way to Shelli's door.

In 1986 Shelli received the Mother of the Year Award from the North Ontario United Methodist Church for her unfailing support of neighborhood children.

This year Shelli volunteered to act as a spokesperson for the United Way of Greater Rochester fund appeal. Her faltering voice and bright red wheelchair have come to symbolize perseverance and victory.

But Shelli's most outstanding qualification for being "mother-of-the-year" is found in her children. Her son, Chris, is 16, plays the trombone and is active in his school softball team and church youth group. He thinks back to 1985 when he would regularly rouse his mother out of bed in the middle of the night so that she could drive him to answer emergency fire calls. Her fatigue and bladder urgency never kept her from understanding and encouraging her son's deep concern for people in time of crisis. Now Chris is Assistant Chief of the Ontario Firematic Explorer Post, a division of the Boy Scouts of America, and he plays a vital role in the area's volunteer fire department. He is planning to study fire science in college. Chris' bedroom is home to the plaque that Shelli has carried with her since 1981. It reads: "Eat a live toad first thing in the morning and nothing worse can happen to you the rest of the day."

Laura, 15, has inherited her mother's drive to be the best that she can be and her concern for social issues. She is "going to be a lawyer" when she completes school. Now she is a member of the school band where she plays french horn, a cheerleader, treasurer of her class, a member of Students Against Drunk Driving, and coach of a peewee soccer team. She cannot remember a time when her mother refused to go on a field trip or to help her learn a difficult music passage.

Jessica, at 12, is outgoing and witty. She plays the flute, sings in church and school choirs and has her mother's passion for skiing. She put her love for her mother like this: "She is the best mother—and father—anyone could have. She's the one who's always there—despite the M.S. In fact, maybe the M.S. is a blessing in disguise because if she didn't have it she'd be out working and couldn't be here for us—and everyone else who needs her."

This biography is very helpful for understanding the story of Shelli Breed's struggle, but it cannot convey the warmth and vitality that Shelli exudes in person. The National Multiple Sclerosis Society made a wise decision in choosing Shelli Breed as their Mother of the Year. Shelli will undoubtedly make a stellar representative, continuing to excell as a mother, contributing to her Ontario, NY, community, and acting as a role model to parents everywhere.

CDSI—A CREDIT TO MONTGOMERY COUNTY

HON. CONSTANCE A.MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mrs. MORELLA. Mr. Speaker, I would like to take this opportunity to salute Computer Data Systems, Inc., of Rockville, MD, on its 20th anniversary. From its beginning, CDSI has been a leader in the highly competitive field of electronic data processing [EDP] professional services, systems integration, and processing support. CDSI, founded on July 31, 1968, by four young, ambitious entrepreneurs, today has over 800 employees in Montgomery County alone. Over the years, CDSI has provided vital support services to a distinguished and diverse clientele that includes two Fortune 500 corporations and three Presidential candidates.

In addition, CDSI has worked closely with the U.S. Government. The Navy, the Federal Emergency Management Agency, the Marine Corps, and the Departments of Education, Defense, and Interior have all benefited from CDSI's technology. Hard work, creativity, and a commitment to employee excellence have been key to CDSI's growth. Computer Data Systems' Annual Report for 1987 noted that "individual performance is the key to the success of any endeavor." The entrepreneurial spirit is very important in a fast-changing industry like the computer business. America's future competitiveness will depend on more of America's companies adopting the commitment to excellence that we have come to expect of CDSI.

CDSI is truly a credit to Montgomery County, and to the State of Maryland.

THE BROMFIELDS—A FOUNDING FAMILY OF SAN MATEO

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. LANTOS. Mr. Speaker, over the past year as part of the ongoing salute to the bicentennial of our Constitution, I have recognized founding families from the various communities which compose my congressional district. Today, I wish to pay tribute to another of those families—the Bromfields of San Mateo. For over 100 years, the Bromfields have shown a pioneering spirit of creativity and leadership which have contributed to the economic vitality and community spirit of this city.

The Bromfields trace their roots back to the countryside of southern England. In 1840, John Ashley Bromfield set out with his wife for Australia and established a successful ranch near Melbourne.

John's son, Davenport, continued the family's pioneering tradition and set out on his own for another frontier. He and his wife Mary arrived in San Francisco in 1883. Davenport was trained as a civil engineer, and he was employed by the San Francisco City Surveyor's Office. He quickly earned a reputation for excellence, and he and his team of surveyors rambled over hills and valleys of San Francisco, shaping the streets and neighborhoods of the growing city.

It was San Mateo's great good fortune that Davenport Bromfield took a position as draftsman with the Southern Pacific Railroad Co. in 1887, and he and his family moved to the sleepy village of San Mateo. Raised on the Australian plains, Davenport felt at home surrounded by the pastures and rolling hills of the peninsula.

In 1890, he was elected San Mateo County Surveyor, and he spent the next 60 years mapping estates and shaping the emerging suburbs between Santa Cruz and San Francisco. His work took him as far south as Carmel, which his maps were the first to call Carmel by the Sea. Among the many projects that stand as witness to his engineering and planning skill is San Mateo's Central Park, which also reflects his great love of the outdoors.

Davenport Bromfield's four children were raised in San Mateo, and they attended local schools and universities. John Davenport Bromfield studied journalism at the University of California, Berkeley, and returned to the peninsula in 1910 to found the San Mateo Newsleader. John's investigative flair proved entertaining reading, and the newspaper flourished under his editorship. But John Bromfield grew weary of journalism, and in 1920 he sold the newspaper to Horace Amphlett. Amphlett's paper, known for many years as the San Mateo Times and Newsleader, is the predecessor of today's San Mateo Times.

John Bromfield took the proceeds from the sale of the Newsleader and invested in another growing peninsula business, Levy Brothers grocery and hardware store. John Bromfield's contribution to this company was a major factor in its growth. Under the leadership of John Bromfield, and later under that of his son, Geoffrey, Levy Brother's grocery and hardware operations expanded rapidly during the 1920's and grew into a department store in response to changing needs following the Great Depression and World War II.

The contribution of the Bromfield family to the economic vitality of the peninsula has been matched by their commitment to community service. Beginning with Davenport Bromfield, members of the family have been founding members of our local churches, have sat on the boards of hospitals and community colleges, and have presided over local, State, and national business, service, and recreational organizations.

Davenport and Mary Bromfield were among the earliest members of San Mateo's Congregational Church, and later were founders of San Mateo's Christian Science congregation.

Their son, John, was president of the California State Retailers Association, director of Mills Memorial Hospital, a trustee of both the San Mateo High School and San Mateo Junior College, district director for the World War II U.S. Savings Bond effort, founder of both the San Mateo and Burlingame merchants' associations, and a founder of the San Mateo Rotary Club.

John's son, Geoffrey, has continued the family commitment to public service. As his father, he has served on the boards of Mills Memorial Hospital and the San Mateo Community College district. He is also a founding member of the local conservation group Ducks Unlimited.

Mr. Speaker, the Bromfields of San Mateo are a founding family who have been innovators and leaders on the peninsula for over a century. I invite my colleagues to join me now in paying tribute to this family.

RESOLUTION OF DISAPPROVAL ON PAYMENTS TO IRAN OR IRANIANS

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. SKELTON. Mr. Speaker, I rise today to introduce legislation designed to prohibit the use of funds from the U.S. Treasury to pay compensation, reparations, or other types of payment to Iran or citizens of Iran, on account of the downing of Iran Air Flight 655 on July 3, 1988.

Mr. Speaker, no American has attempted to minimize this unfortunate tragedy; in fact, we have accepted responsibility for our actions. Let us not, however, forget that the Persian Gulf is a war zone, and the Iranians set the stage for this accident by sending a passenger airline into a hostile area.

Additionally, while all of the facts are not yet known, what is confirmed, is that the Iranian pilot ignored repeated warnings sent on both military and civilian channels by the U.S.S. *Vincennes*. Let us also not forget that the *Vincennes* spent that fateful morning engaging in battle with Iranian gunboats.

By paying compensation, the U.S. Government is saying that the captain of the U.S.S. *Vincennes* made an error in defending his ship and his crew. He did what he thought he had to do.

Furthermore, it is unconscionable to be thinking of paying compensation to Iranians when American hostages are still being held by pro-Iranian terrorists in the Middle East.

Mr. Speaker, my bill is a preemptive strike. This legislation stops this process before it gets started.

Quite frankly, this as yet undetermined amount of money could certainly be better used by Americans for drought relief or by simply applying the funds to deficit reduction.

IN TRIBUTE TO THE LATE RALPH SALVON—ORIOLES TRAINER AND SPRINGFIELD NATIVE

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. BOLAND. Mr. Speaker, I wish to say a few words about Ralph Salvon, the long-time Baltimore Orioles trainer who passed away last week at age 60.

Ralph was born in Fitchburg, MA, and moved shortly thereafter to my home city, Springfield. It was there that he began his life long love affair with the game of baseball. Graduating from a school for athletic trainers in 1952, he spent 13 years in the minor leagues. He broke in with the Orioles in 1966, and 2 years later he became their head trainer. Overall, he was a trainer for six Oriole teams that played in the World Series.

Mere numbers and dates cannot tell the true story of Ralph Salvon, however. Ask the Oriole players, the people who knew him best. They will tell you how Ralph could guide a player through the jitters of a rookie season and also soothe the aches and pains that come in a veteran's final years. Ralph healed and befriended the Oriole players, and they loved him because of his passion for baseball and his infectious sense of humor.

In Friday's Baltimore Sun, the Oriole players remembered Ralph. Frank Robinson, the current Orioles manager, said:

> He was a funloving guy who would do anything for you. I never met anyone who said a bad word about him.

Jim Palmer, the pitcher who was probably Ralph's closest friend on the team, said:

> He exemplified what the Orioles are all about. He cared, and he was loyal. He'll be tough to replace, as a friend and as a trainer.

These testimonials bring to mind Ralph's good humor and friendliness as well as his abilities as a trainer. He was every player's friend who cured both sore arms and hurt feelings. Remembering Ralph, I cannot help but think of the words of batting coach Terry Crowley, who said:

> He respected the players. If you were the star or the 25th guy on the team, he made you feel like somebody special.

Many stories and columns have been written about Ralph in the past few years, but one of the most moving appeared in his old hometown paper, Springfield Union News where Springfield's Garry Brown shared his own memories of this son of Massachusetts. Mr. Speaker, I ask that Mr. Brown's column be reproduced in its entirety at this point in the RECORD.

RALPH SALVON HAD LIFETIME LOVE AFFAIR WITH BASEBALL

Ralph Salvon considered himself one of the lucky ones. For 36 years, he got paid to do a job that he gladly would have done for nothing.

It was one of those perfect pairings—Ralph Salvon and baseball. He loved it even when he was in the lowest of the minor leagues. Of course, he loved it best when he made the majors with the Baltimore Orioles.

No, Ralphie Salvon did not make it as a player. As a kid growing up on the sandlots of Springfield's South End, he soon came to realize that he didn't have the arm, the speed or the power needed for baseball—but he certainly had the love for it.

Because of that love, he wanted to be associated with athletics in general, and baseball in particular.

He found the way in 1952 when he went to Florida and enrolled in Gus Mauch's School for Athletic Trainers. A year later, Salvon got the job, working for a franchise that soon would become the Baltimore Orioles.

Ralphie made the majors in 1966 as an assistant to Eddie Weidner, a Baltimore legend who had been trainer for Orioles clubs—minor and major league—for 32 years.

When Ralphie died Wednesday night at the age of 60, he had logged 23 years in the major leagues—20 of them as Baltimore's head trainer. Baseball was his life, right to the end.

And how he loved that life, and the job that made it so special for him.

How could he not love a job that allowed him to sit in the dugout each night, and watch Brooks Robinson perform magic around third base?

How could he not love a job that enabled him to be there—sometimes right in the middle—when Earl Weaver and the umpires were going chin to chin.

How could he not love a job that allowed him the opportunity to work on the golden arms of Jim Palmer, Miguel Cuellar, Dave McNally and Pat Dobson?

Ah, yes, they were his favorities. In 1971, each man won 20 games as the Orioles breezed to the American League pennant.

The work in the training room generally goes unnoticed, and that's as it should be. The trainers are only seen when they trot onto the field to attend the wounded. Their real value, though, happens behind the scenes.

Charlie Moss of the Boston Red Sox could tell you all about it.

"Nobody knew this job better than Ralph. Everybody in our business looked up to him and respected him for his long career," Moss said yesterday. "I've been at this since 1975, and I can remember how helpful Ralph was to me in my early days, when I really needed it. I always admired him for that."

A casual observer of the Salvon career might say that this guy had all the luck. Heck, his first year in the bigs, the Orioles not only won the pennant, they took out the Los Angeles Dodgers—the Koufax-and-Drysdale Los Angles Dodgers—in four straight.

One year in the majors, and Salvon walked off with a World Series share of $11,683.04. Very nice money any time, and certainly very nice for 1966. To his credit, the first thing Ralphie did was take some of that money and buy his parents their first color television set.

Salvon went on to collect more World Series shares in 1969, '70, '71, '79 and '83. He not only pocketed those nice extra checks, he also received three World Series rings.

OK, so Salvon hit it big with the Birds, but let us not forget Baltimore's lean years—1984 to the present. Nor should we overlook the 13 years previous to 1956, when Salvon struggled as a minor league trainer. Now, that's where you really learn the business.

Ralph always liked to tell about his favorite minor league bus trip. That happened in 1958, when he was working with Topeka of the Class AA Western League. He had the "pleasure" of taking part in what is regarded as the longest overland haul in the history of organized baseball.

The Topeka club went by bus from Albuquerque, N.M., to Sioux City, Iowa. As Salvon logged it, that was a 1,150-mile trip, one way. As he would tell the story:

"We left on a Sunday and got there Monday night. Lucky for us, it was an open date, or we would have had to forfeit. Nobody could have played after that joyride."

Whether he was eating the dust of Rte. 66 or quaffing the champagne of a championship season, Ralphie Salvon always knew he was in the right place.

He was in baseball, for life.

FATE OF THE KILBERG FAMILY

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. THOMAS A. LUKEN. Mr. Speaker, this morning I met with Soviet Councelor Gueorgui Markasov at the Soviet Embassy to bring to his attention the concern of many of my constituents for the fate of the Kilberg family in Leningrad. The Kilbergs applied for permission to emigrate to Israel almost 10 years ago and are still being denied permission to leave based on "state secrecy".

Accompanying me at the Embassy were Ms. Jennifer Rosen and Ms. Sandra Spinner of the Cincinnati Council for Soviet Jews. Ms. Rosen, who is a 14-year-old student at Walnut Hills High School, organized a petition on behalf of the Kilberg family and collected 800 signatures requesting that General Secretary Gorbachov reconsider the Kilberg case and grant the family permission to move to Israel.

I found the Soviet Assistant Ambassador Mr. Markasov to be open, even amiable in discussion. He was willing to engage in a free-for-all discussion with my constituents who challenged him on various issues such as the democratization of the Soviet Union under Gorbachov.

His response to the request for aid in obtaining permission for the Kilberg family to emigrate from Russia was generally positive. The principal thing I noted was the willingness to discuss alternatives and particularly to provide information on procedures, as well as on structural reforms.

Mikhail Kilberg is a radio engineer in Leningrad who worked at the All-Union Scientific Research Institute of Radio Equipment until 1978. He left that job when the famiy decided to apply to emigrate to Israel. However, Mikhail was refused permission in 1979 and most recently in 1987 on the basis of secrecy at his job. It has been 10 years since Mikhail worked in the Institute, yet he is unable to find out when his term of alleged secrecy is over.

The dedication and committment shown by Ms. Rosen and her fellow students at Walnut Hills High School on behalf of Kilberg family are certainly to be commended. Their actions reflect the need to redefine and reevaluate the state secrecy denials on a much larger scale in the Soviet Union. While figures reflect improvements in emigration in the last several months, there are still many cases that must be given the attention of the Soviet Government. State secrecy denials continue to be the No. 1 problem for many families in the Soviet Union who wish to move to the United States or Israel.

MEMORY OF A MAN AND HIS WORK

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. FLORIO. Mr. Speaker, I was recently saddened to hear of the passing of one of the most influential individuals in the formation of politics and justice in the State of New Jersey. In the 93 years that he lived, David Wilentz experienced one century of change and helped rejuvenate the Democratic Party.

He may be remembered by some for the role that he played in obtaining the conviction of the Lindbergh bady kidnaper. But he should also be remembered for the role that he played in the Democratic Party in New Jersey and in the search for justice, both through his political activities and through his law practice.

Because of his role in the 1935 trial of Bruno Hauptmann, he has become a part of the history books. But he helped shape history in other ways as well. Through his leadership and his willingness to take the State in new directions, he contributed to a tradition of justice for the common man.

Indeed, his own story is the story of the common man. Coming to the United States with his Lithuanian parents before the turn of the century, he studied and worked his way to the pinnacle of a career that saw him prosecuting criminals as the attorney general of New Jersey and defending the innocent as a representative of their causes.

David's biography is the biography of all of those individuals who persevered and changed the world around them.

If there is a common denominator in all of David's life, it is that justice was served. From his determined efforts in attending New York Law School at night to his contributions in World War I and to his successful law practice and advocacy of the common man, he served the interests of truth and justice.

The community will remember David for the time that he served his State and his profession. But I hope that in his life there is a lesson for everyone seeking justice. The following article from the New York Times highlights the successes and the aspirations of David's career and life.

[From the New York Times, July 8, 1988]

DAVID WILENTZ, 93, THE PROSECUTOR IN LINDBERGH KIDNAPPING, IS DEAD

(By Glenn Fowler)

David T. Wilentz, the New Jersey Attorney General who in 1935 successfully prosecuted Bruno Richard Hauptmann in the Lindbergh kidnapping and later became one of the state's most powerful Democratic politicians, died in his sleep yesterday morning at his home in Long Branch, N.J. He was 93 years old.

Although he had reduced his political activities in the last decade, Mr. Wilentz remained vigorous and regularly worked at his law office in Woodbridge, N.J. He spent several hours at his desk on Tuesday. Family members declined last night to speculate on the cause of his death.

After taking on the prosecutor's role in the Lindbergh case, Mr. Wilentz was catapulted to worldwide attention as the sensational case unfolded, ending in a six-week trial in a tiny courtroom in Flemington, N.J., that was reported daily by newspapers and radio stations around the world.

FIRST CRIMINAL CASE

It was the first criminal case Mr. Wilentz had ever tried. A year earlier he had been appointed Attorney General at the behest of Frank Hague, then the Mayor of Jersey City and the state's undisputed political boss. Mr. Wilentz had a successful law practice in Perth Amboy at the time and was chairman of the Middlesex County Democratic Committee. He was reported to have told Mr. Hague, "If I take the office, I will be no dummy."

When he became Attorney General he had no inkling that he would soon be world-famous. Charles A. Lindbergh Jr., the infant son of the aviator who flew the first solo trans-Atlantic flight from New York to Paris, had been kidnapped from the family mansion in Hopewell in March 1932.

The child's body was found two months later in a shallow grave, but it was not until September 1934 that Mr. Hauptmann, a German-immigrant carpenter, was arrested. Some of the $50,000 ransom money paid by the family was traced to Mr. Hauptmann, and the ladder used by the kidnapper to reach the child's nursery window contained a board from Mr. Hauptmann's attic.

During the trial, which began on Jan. 2, 1935, the prosecutor's demeanor attracted instant attention. A short, wiry man, Mr. Wilentz dressed nattily and spoke with a sharp, satirical tongue that he had used to good advantage in political caucuses. Outside the courthouse, cameras focused on his sassafras-colored felt hat.

INTRICATE WEB OF EVIDENCE

He presented the intricate web of circumstantial evidence against Mr. Hauptmann effectively, and the jury returned a guilty verdict. After appeals and continued controversy, including intervention by Gov. Harold G. Hoffman, Mr. Hauptmann was electrocuted on April 3, 1936, maintaining his innocence to the end.

Mr. Wilentz said many times in later years, after supposedly new evidence came to light, that there was no question in his mind that Mr. Hauptmann was guilty. In 1981 Mr. Hauptmann's widow brought a

$100 million damage suit against Mr. Wilentz and the state, seeking to overturn the verdict, but it came to naught.

In the wake of the trial, Mr. Wilentz's new-found fame helped to increase his influence within New Jersey's Democratic Party. By 1940 his Middlesex Democratic organization was second only to Mayor Hague's Hudson County Democratic machine. Mr. Wilentz and several other county leaders gradually consolidated power on their own and when Mr. Hague was ovethrown in 1950, they were ready to take over.

With Mayor John V. Kenny of Jersey City, who defeated Mr. Hague, Mr. Wilentz helped found the National Democratic Club of New Jersey, which soon wrested control of the party's state committee from the Hague forces. By the mid-1950's Mr. Wilentz and a few other leaders were able to choose gubernatorial and senatorial nominees.

POWER TO BE RECKONED WITH

A decade later, now a member of the Democratic National Committee—and given New Jersey's frequently pivotal role in politics—he was a power to be reckoned with in selecting Presidential and Vice-Presidential candidates. He had been a delegate to every Democratic National Convention since 1940 and was increasingly active in behind-the-scenes brokering. Within New Jersey he was a close adviser to each governor the Democrats elected.

Through it all, Mr. Wilentz maintained a thriving law practice, with his clients including many business concerns and, when gambling was legalized in Atlantic City, casinos that opened there.

His sons, Warren and Robert, had joined him in the family firm. Robert remained a member until 1979, when he was named Chief Justice of the New Jersey Supreme Court, a position he still holds. Warren was an unsuccessful candidate for United States Senate in 1966, losing to Clifford Case.

David Theodore Wilentz was born in Lithuania in 1894. The next year his parents brought him to the United States, where they settled in Perth Amboy, N.J. When he graduated from high school, he got a job with The Perth Amboy Evening News, hoping to become sports editor one day. The job was held by Harold Hoffman, the man who later became Governor, and when Mr. Hoffman quit, Mr. Wilentz succeeded him, also becoming manager of the local basketball team.

NIGHT CLASSES AT LAW SCHOOL

He commuted to Manhattan to attend night classes at New York Law School. When the United States entered World War I, he joined the Army as a private and emerged as a lieutenant. After the war, he got his law degree and soon was in private practice in Perth Amboy and plunging into Democratic politics.

He became the City Attorney in Perth Amboy and in 1928 was elected Democratic chairman for Middlesex County. He reorganized the party machine and swept out of office the Republicans who had held sway in the county for 10 years. The Republican chairman at the time was Mr. Hoffman. A few years later came the offer from Mr. Hague for Mr. Wilentz to become State Attorney General.

In addition to his sons, Warren of Edison, N.J., and Robert, of Deal, N.J., Mr. Wilentz is survived by his wife, the former Lena Goldman, whom he married in 1919; a daughter, Norma Hess, who is the wife of Leon Hess, the oilman and owner of the Jets football team; a sister, Ada Trynin of Manhattan, and eight grandchildren and five great-grandchildren.

A CONGRESSIONAL SALUTE TO COUNCILMAN EDD TUTTLE

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to a man who I am proud to call a colleague, Long Beach City Councilman Edd Tuttle. Edd is leaving the city council on July 18, 1988, after 10 years of service to the city. He will be honored at a farewell dinner on July 13, 1988.

Edd Tuttle is a native of Long Beach, CA. He is a graduate of Jordan High School, attended UCLA, Chico State University, and received a teaching credential from the University of Southern California. In 1978, Edd was elected to the Long Beach City Council and has represented the citizens of the eighth district of Long Beach since that time. He has devoted his time, energy, and talents to making Long Beach a better place to live.

Despite his extraordinary time commitment to the city council, Edd has found time to devote himself to many civic organizations. He was the vice president of the junior chamber of commerce from 1972-73, the vice president of the Kiwanis Club in 1975, the year he won the Kiwanian of the Year Award, a member of the White House Conference on Families in 1979, and the vice mayor of Long Beach in 1987. He is currently a member of the Los Angeles County Transportation Commission and Airport Affairs Committee, and the president of Long Beach H.U.S.H., a citizens' organization of opponents of increased flights at Long Beach Airport, which he founded in 1979. In addition to his long list of accomplishments, Edd teaches photography at Long Beach Community College and Compton College.

Edd Tuttle is respected by his community, friends and family, for his devotion to the city of Long Beach. My wife, Lee, joins me in extending our warmest congratulations to Edd on this special occasion. We wish Edd, his wife Nancy, and his children, Matthew and Joshua, all the best in the years to come.

IN RECOGNITION OF WILLIAM B. GRAHAM: A LEADER IN THE HEALTH CARE INDUSTRY

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. PORTER. Mr. Speaker, Illinois Gov. James Thompson has proclaimed July 26, 1988 as "Wiliam B. Graham Day" in our State to honor a man who is a true leader in the health care industry. As a further tribute to Mr. Graham, who is CEO of Baxter International, Inc., his firm will that day dedicate the William B. Graham Science Center in Round Lake, IL. This is fitting recognition for a man who guided Baxter from its humble beginnings to become one of the world's most important health care corporations.

Bill Graham is a product of Chicago schools and he has played an integral role in the city's development as a center of business and the arts. Following 2 years of graduate work in chemistry under Nobel laureates at the University of Chicago, he entered the university's law school where he would later graduate with honors.

Bill Graham began his association with Baxter as a patent attorney assigned to a small client specializing in intravenous solutions. Today, at age 77, he is the corporation's senior chairman and remains actively involved in the firm's daily operations.

When others scoffed at the idea of an artificial kidney, Graham—then the company's president—pursued the idea until it became reality. He argued that such a device would be both profitable and medically valuable. However, the medical community was not interested, and it took 2 years for one hospital to find a patient who would try the machine, even after Baxter provided it free of charge.

Even after its efficacy was proven, it took 5 years for Baxter to break even on its investment in the dialysis machine. Bill Graham's persistence paid off, not only for Baxter, but for nearly a quarter of a million people worldwide who today depend upon kidney dialysis to keep them alive. Today, Baxter remains the world leader in this life-saving business.

However, kidney dialysis is only one gamble Graham took and won in building Baxter from a Chicago company with $1.6 million in annual sales to an international giant with $1.6 billion in sales and 60,000 employees worldwide.

When other American companies were happily exporting their products to postwar Europe, Graham saw an opportunity to build a firm with local production and sales capabilities in nations around the globe. While its competitors chose to develop a full line of products for every major new drug and medical device, Baxter, with Graham's insightful guidance, focused on narrower niches to demonstrate its superior technology and products.

Baxter's success and leadership in the health care industry would not have been possible without Bill Graham, a man who was willing to make the tough decisions and take responsibility for them. Thanks to his vision and hard work, Baxter International continues to grow and is on the international cutting edge of health care products and services. The advancement of quality medical care worldwide owes Bill Graham a great debt, and it is a privilege to recognize him today.

CORPORATE PRENATAL EDUCATION PROGRAMS MULTIPLY

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. MILLER of California. Mr. Speaker, the corporate world shares the view that prevention saves money in human services as well as business. A recent Wall Street Journal article reported on the increasing number of companies which have instituted their own prenatal education seminars and support services for pregnant employees, which stress early and regular medical care, sound nutrition, and avoidance of alcohol and tobacco to prevent low-birthweight births. In addition, more than 150 companies have adopted a prenatal health program offered by the March of Dimes Birth Defects Foundation.

As the Select Committee on Children, Youth, and Families documented in its recent report, "Opportunities for Success: Cost Effective Programs for Children, Update, 1988," every $1 invested in early, comprehensive prenatal care for high-risk pregnant women saves the Federal Treasury $3.38 in the cost of care for low-birthweight infants.

Employers, struggling with skyrocketing health-care costs for their employees, increasingly realize that they can save money, too, by reducing health risks among their employees. At one such company implementing prenatal education benefits, average medical costs for maternity and nursery care have fallen to $3,792 in 1987 from $27,243 3 years earlier.

The corporate world prides itself in making sound investments. The recent corporate efforts to improve the health of mothers and babies are to be applauded and should be models for replication throughout the work force.

But there are many families with children, and workers whom the private sector has yet to reach. Congress has begun to afford them health-care coverage through dramatic expansions in Medicaid eligibility to the lowest income women and infants who will never be reached by the corporate sector. There is still a long way to go to reach the working poor who are still not eligible for Medicaid and whose employers increasingly do not offer health care benefits of any kind.

I am encouraged by the efforts of those employers who have recognized the fiscal benefits of assuring access to preventive care, and urge my colleagues to read the Wall Street Journal article below to see the real potential in their efforts. The next step should involve a continued congressional commitment, as well as a new commitment to fiscally sound and innovative public/private partnerships to assure that health care is available to all.

[From the Wall Street Journal, June 24, 1988]

CORPORATE PRENATAL-CARE PLANS MULTIPLY, BENEFITING BOTH MOTHERS AND EMPLOYERS

(By Cathy Trost)

A tiny baby helped to turn AmeriTrust Corp. into a pregnancy coach.

The little girl, at birth no bigger than an adult's hand, was born prematurely to one of the Cleveland-based bank's employees. Happily, the baby survived, but her medical care cost the bank some $1.4 million in benefits.

After that pricey birth four years ago, AmeriTrust started holding free perfectly pregnant seminars at lunchtime to counsel its employees on pregnancy and beyond. Mothers-to-be get tips on everything from company maternity benefits to coping with physical and emotional changes.

Elsewhere, too, a growing number of women workers are seeing the maternal side of corporate paternalism, as more companies take a direct interest in the health of pregnant employees and their children. Besides formal pregnancy education classes and referral services, some companies are adding tips on pregnancy to wellness programs and working to help pregnant employees with special problems they may encounter in the workplace.

MEDICAL CARE AND NUTRITION

Though exact numbers aren't available, many companies have designed their own prenatal programs. These typically stress early and regular medical attention, sound nutrition and avoidance of such harmful substances as alcohol and tobacco, and in general aim to help women avoid having underweight (less than 5½ pounds) or premature babies, who are often sickly.

In addition, more than 150 companies—including Pillsbury Co., the Los Angeles Times, Eastern Airlines Inc. and Quaker Oats Co.—have adopted a prenatal health program offered since 1983 by the March of Dimes Birth Defects Foundation. Among the nine topics covered in the program are genetic counseling, exercise and special concerns of pregnant women older than 35. The March of Dimes supplies educational materials to the employers as well as personnel to help with seminars.

Of course, some employees who don't have children gripe about the programs for those who do. "The downside is that the more we publicize the benefits, the more animosity we get from people," concedes Lynn Ahlers, AmeriTrust's senior benefits administrator, adding that some women grumble about "giving so many benefits to maternity people." She notes, too, that the bank is in the process of analyzing the number of people who don't return to the job after their maternity leave. "Maybe," she says, "we're giving away the boat."

However, the motives behind the programs are strong. One, certainly, is concern for the health of employees and their children. Another is that health-care costs for a baby born too early or too small can be astronomical.

Like AmeriTrust, Sunbeam Appliance Co. found out the hard way about the importance of prenatal counseling. Four premature babies born in 1984 to women working at the company's Coushatta, La., plant accounted for fully half of the $1 million the company paid that year in health-care costs for 530 employees. One of the babies required so much care that the maximum $250,000 in covered major medical expenses was used up. In 1985, there were three premature births, one so troubled that again company-paid medical benefits were exhausted.

Stephen Duffy, vice president of human resources at Sunbeam, says the company did research and discovered that some employees at the plant, where the work force is 80% female, were waiting too long to see a doctor.

In 1986, Sunbeam started a prenatal program at the plant, which makes clothes irons. Pregnant employees can take an hour of company time every other week to attend classes taught by specialists in prenatal nursing from nearby Northwestern State University. Besides preaching the dangers of tobacco and alcohol and the benefits of good eating, the classes cover the baby's development in the womb and potential medical problems. The plant nurse weighs the women weekly and checks blood pressure and urine, and even gets them started on prenatal care by setting up appointments with obstetricians.

The program has paid quick dividends. Since it started, about 65 people have taken part, and there has been only one premature birth, which didn't entail severe problems. Average medical costs for maternity and nursery care took a nose dive, falling to $3,792 in 1987 from $27,243 three years earlier. The program has since been extended to another Sunbeam plant in Mississippi, and is available not only to employees but to their spouses as well. The total cost of the program at the two plants: less than $20,000 a year.

At AmeriTrust, the program goes beyond its seminars, which serve about 100 people a year. The company takes an active role that includes intervening with managers to go easy on pregnant employees having problems.

SPECIAL ATTENTION

In one case, a pregnant woman who was having difficulty writing because of swollen joints went in tears to Ms. Ahlers, the benefits administrator, saying she couldn't go on. The woman was put on disability and paid full salary for six months. Ms. Ahlers says statistics show that for every week an expectant mother is kept pregnant, a company may save as much as $10,000 in health insurance costs. "We can use that as justification," she adds.

Such programs can boost employee morale and loyalty, too. "It made me more attached" to the company, says Tonya Davis, 24-year-old AmeriTrust secretary who is three months pregnant. Through the seminars, she learned about classes at a local hospital, an exercise class for mothers-to-be and a program that sends specialists on house calls to make sure new mothers are breast-feeding correctly.

Even labor unions are getting involved. The predominately Chinese Local 23-25 of the International Ladies' Garment Workers Union in New York has worked with the March of Dimes since 1986 to provide classes taught in Chinese. The program offered by the local, which averages more than 300 pregnancies annually among its 23,000 members, is also geared to the special needs of Chinese women, such as different eating habits.

Irene McKirgan, director of the March of Dimes health-promotion programs, says that, with women of childbearing age making up 33% of the labor force, "if we wanted to reach the largest percentage of women, we had to go to the workplace."

AMERICA'S ACCESS TO SPACE IS NOT EXPENDABLE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. SOLOMON. Mr. Speaker, I recently introduced legislation—H.R. 4935—prohibiting U.S. satellites from being launched by controlled countries.

I would respectfully request my colleagues to join in supporting this bipartisan measure.

The U.S. expendable launch vehicle [ELV] industry was established by Congress and the President in response to national policy and need. It is becoming a national asset—a reserve fleet which will provide us assured access to space that is critical to both our national security and our economic well-being.

However, a serious threat exists to this developing industry and all the promise it holds for our country. This threat is in the form of the Soviet Union's and China's Government-subsidized ELV programs. The artificially low prices offered by these countries are less than half of cost to U.S. firms to build similar vehicles.

Once U.S. satellites are launched on these subsidized boosters, the American firms will step out of the market and the foreign competition will reflect their real costs. These countries are not interested in cost recoupment and earnings. They are interested in prestige, hard currency, and the increase of our dependence on them for access to space. The use of these boosters would augment their space/defense efforts, while undermining American economic and national security interests.

If you believe as I do, that we must never again allow this Nation to be in a position where we have little or no capability to meet our pressing military and commercial launch requirements, please sponsor this bipartisan bill.

CAMDEN CENTRAL HIGH SCHOOL'S 35TH REUNION

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. HORTON. Mr. Speaker, on July 9, 1988, the 1953 high school graduating class of the Camden Central School in Camden, NY, gathered for its 35th high school reunion. Of 71 graduating seniors, 31 returned to share in a festive evening of food, fun, dancing, and a stroll down Memory Lane with old classmates and friends.

The evening's events included a reflection on the year 1953—1953 was a special year. The United Nations signed an agreement with North Korea ending a war that claimed the lives of 116,000 U.N. troops, including 54,000 Americans. Dwight Eisenhower was sworn in as our Nation's 34th President, Richard Nixon was sworn in as Vice President. In the Soviet Union, the death of Joseph Stalin gave rise to Nikita Khrushchev.

In nonpolitical affairs, American medical researcher Dr. Jonas Salk reported on the success of his vaccine against polio. The winner of eight academy awards, including best picture was "From Here to Eternity," the popular song was "Doggie in the Window," Leonard Bernstein's "Wonderful Town" opened on Broadway and the Yankees won their fifth consecutive World Series beating Brooklyn four games to two.

It was also the year that George Williams publicly apologized to the Camden Central School for putting limburger cheese on the homeroom radiator. George, who now serves as the Oswego [NY] county clerk and is a close personal friend of mine, sat at the head table for this event with the notorious John Sidoran of the class of 1953. John, I have been informed, is much tamer now and he received the class' appreciation for organizing the reunion. Class President Patricia Finnerty Spellicy and Secretary Patricia Brazil Kirch were other class members seated at the head table. Mr. Speaker, I want to recognize publicly this outstanding group of men and women—the 1953 graduating class of the Camden Central School in Camden, NY:

CLASS OF 1953 MAILING LIST

Donna Anderson Crozier—Clay, New York.
Joyce Banks Johnson—Tucker, Georgia.
Ellsworth Barber—Richland, New York.
Lillian Berry Spink—Camden, New York.
Walter Berry—Dublin, Virginia.
Ann Bishop Goodale—Camillus, New York.
Ronald Bishop—Brewerton, New York.
Marcia Bowen Moyer—Sherrill, New York.
Patricia Brazil Kirch—Camden, New York.
Richard Carman—Camden, New York.
Robert Champlin—Elk Grove Village, Ill.
Robert Collins—North Bay, New York.
David Comins—Hightstown, New Jersey.
Victor Congden—Clinton, New York.
Francis Corcorah—
John Currier—Pulaski, New York.
Beverly Evans Boynton—Bridgeport, New York.
Kenneth Ferris—Camden, New York.
Patricia Finnerty Spellicy—Camden, New York.
Carolyn Flagg Niedzielski—Stittville, New York.
Marietta Fuller Yerdon—Camden, New York.
Esther Garlick Damon—Millport, New York.
Mary Gifford Wood—passed away Feb. 14, 1987.
Jane Grinnell Balcolm—passed away May 28, 1976.
William Hedgecock—Walkertown, N.C.
Grace Henderson Comins—Cranberry, New Jersey.
Wilfred Higham—Vestal, New York.
Alice Anne Hornung Foster—Brewerton, New York.
Rosemary Hyland Dixon—North Bay, New York.
Sherry James Congden—Clinton, New York.
George Killian—Williamstown, New York.
Joan Kirch Spicer—Kirkville, New York.
William Kirkland—Camden, New York.
Dorothy Lahue Walker—Camden, New York.
James Lafferty—Watertown, New York.
Alice Lawrence Brewster—Camden, New York.
Richard Liddy—Long Beach, California.
Carole Lindley—Camden, New York.
Beverly McDaniels Warner—Rome, New York.
Sister Martin DePorres Messier—Syracuse, New York.
Diana Milano Wexler—Brockport, New York.
Robert Montross—North Bay, New York.
Mihai Niciu—Ashtabula, Ohio.
Shirley Pamalee Boris—Oneida, New York.
David Pennington—Hannawa Falls, New York.
James Pennington—Hickory, New York.
Darwin Piersall—Lee Center, New York.
Philip Phelps—Largo, Florida.
Kenneth Puffer—Watertown, New York.
Ann Ryan Hunt—Morris, New York.
Richard Ryan—Laurel, New York.
Leigh Salmon—Rome, New York.
Judith Schiffer Flanagan—
Jane Seubert Moore—Fayetteville, New York.
John Sidoran—Camden, New York.
Wilfred Smith—Belleville, Illinois.
Nelson Snyder—Nashua, New Hampshire.
Henry Spellicy—Camden, New York.
Richard Spoon—Lansing, New York.
Richard Sweatland—Fishkill, New York.
Bernard Theobald—Sidney, New York.
Marjorie Trudell Eyckner—Metamora, Michigan.
Grace Van Wagenen Sutton—Sunnyvale, California.
Patricia Vredenburg Lazenbuy—Rome, New York.
George Williams—Constantia, New York.
Helen Wilhelm Hurd—Camden, New York.
Walter Wood—Taberg, New York.
Thomas Young—Camden, New York.
Margaret and John Rahson—Camden, New York.
Marjorie and Irwin Brown—Camden, New York.
Margaret and Lee Thomas—Geneva, New York.

A TRIBUTE TO AURELIA GETZ

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to Mrs. Aurelia Getz, a very special resident of my 17th Congressional District. It fills me with great pride to be able to inform my fellow Members of the U.S. House of Representatives that Mrs. Getz celebrated her 100th birthday on May 30, 1988. Please allow me a few moments to tell you about this wonderful human being.

Aurelia Getz was born on May 30, 1888, in Bucharest, Romania. After marrying Mr. George Getz on August 18, 1907, their burning desire to pursue the American dream led them to move to the United States in September 1907. The proudest moment of Mrs. Getz' life occurred in 1935 when she became a U.S. citizen. Mrs. Getz and her husband began a life of farming in 1937 in Canton, OH, and retired to Alliance, OH, in 1960.

Aurelia Getz has been blessed with 3 sons, 3 daughters, 17 grandchildren, and 16 great-grandchildren. She always greatly enjoyed cross-stitching, displayed great expertise in crocheting, and would take part in a polka dance at any opportunity that she had. Mrs. Getz was always a devout member of the Romanian Orthodox Church.

It gives me great pleasure to announce that Aurelia Getz is still a healthy and lively person, and that her zestful spirit is a blessing to everyone at the Glenn View Manor Nursing Home in Niles, OH, her residence since July 1984.

Aurelia, you have all of my blessings and best wishes, and I am certain that George looked down with great happiness as you celebrated your 100th birthday. Thus, it is with thanks and special pleasure that I join with the residents of the 17th Congressional District in saluting the warm personality and very noble character of Aurelia Getz on the occasion of her 100th birthday.

BUT NOT LESOTHO

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. RANGEL. Mr. Speaker, South Africa is a problem that occupies our minds. Whatever the position one takes on it, one finds that it is a very disturbing issue. South Africa is not an island existing by itself. It has needs that must be furnished by outside nations. In order to ensure that most of these needs are met, sometimes the South African Government resorts to means that can only be condemned as undemocratic.

Recently, a victim of South Africa's unfair policies has spoken out in a New York Times editorial. King Moshoeshoe II of Lesotho expressed his wish for his country to be free of South Africa's influence. Lesotho is a tiny Nation surrounded by South Africa, it depends on South Africa's economy; and as King Moshoeshoe has pointed out, South Africa controls Lesotho's transportation system. Particularly strategic air transportation.

The most crucial message of the article expresses Lesotho's wish to be independent of South Africa. It is not immune to apartheid; on the contrary Lesotho is very much affected for geographic and economic reasons.

Mr. Speaker I sincerely hope that when you read the article you will realize that sanctions against South Africa will ultimately aid nations such as Lesotho. South Africa uses its scare tactics on other small helpless nations in order to utilize their natural resources.

With sanctions we are alleviating more than one problem. Let us all make a conscious, cohesive motion to make sanctions against South Africa effective.

BUT NOT LESOTHO

By King Moshoeshoe II

MASERU, LESOTHO—With the renewed state of emergency in South Africa and with Pretoria's ban earlier this year of 17 anti-apartheid organizations, the United States Congress has revived discussion of imposing sanctions against South Africa. Many African's faith in the United States had been restored after earlier sanctions were passed over President Reagan's veto in 1986, and the new proposals are even tougher.

If Congress chooses to pass the latest measures, they should be accompanied by relief for the people, such as those in neighboring Lesotho, who are not intended targets but who would nonetheless be adversely affected.

Lesotho, a small nation surrounded by South Africa, recognizes the international community's right to take whatever steps are necessary to dismantle apartheid. We are willing to endure sacrifices to help achieve that goal, but the international community could ease our economic hardships by providing moral and financial aid.

Opponents of sanctions often raise the issue of the adverse impact that sanctions would have on the black populations inside South Africa and in the neighboring states. Lesotho has been especially vulnerable, because for historical and geographical reasons it is closely tied to South Africa's economy and its transportation network. Not only does it suffer from the ripple effect of any external pressure placed on South Africa, but it is also the victim of South Africa's acts of political blackmail, disinvestment and destabilization.

In considering the impact of sanctions against South Africa, we have to ask those who oppose such measures in the name of hurting black populations in and near South Africa: "Where were you while South Africa was imposing a blockade around Lesotho?" Having heard little protest from these people over threats to our survival, we do not find their new concern for our interests persuasive.

As foreign countries impose further sanctions against South Africa, they should also help us counter the effects that will come directly or, as the South African Government carries out its threatened reprisals, indirectly.

Even now, South Africa denies overflight rights to nonscheduled flights to Lesotho from neighboring countries unless the pilots agree to land first in South Africa. We are as vulnerable as Berlin was in 1948, but so far the West has not shown it has the political will to rescue us with a comparable airlift should the need arise.

We are trying to make progress toward economic self-reliance. Geography has not blessed us with the mineral wealth of our neighbor, through some 45 percent of our male labor force works there, largely as miners. But we do have abundant water.

The Lesotho Highlands Water Project, endorsed and supported by the World Bank, the European Economic Community and other industrialized countries, can when completed yield hydropower that we need for irrigation and industrial growth. The sale of water to South Africa would also bring revenue, enabling us to fund development projects that would provide jobs at home and train our people to fully utilize their energies and talents for their own and their country's benefit.

As a water exporter, Lesotho would for the first time have a stronger hand economically with South Africa, thereby creating a cost to Pretoria for its destabilization efforts in Lesotho. Thus, it is vitally important to us to secure external financing for this Lesotho project, especially from the United States, to reduce as much as possible the need to go to South African money markets.

The international community should continue to press for change in South Africa's racial policies, deploying sanctions or other peaceful measures. But its members must not fail to build into such actions consideration for the special needs of South Africa's neighbors, willing as we are to sacrifice, but not to die as nations, in order to help bring an end to apartheid.

THE RESULTS OF THE 1988 ANNUAL CONSTITUENT QUESTIONNAIRE FROM THE FIRST DISTRICT OF MASSACHUSETTS

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. CONTE. Mr. Speaker, today I released the results of my annual first district constituent questionnaire. Each year I present my constituents with a variety of questions on some of the issues facing us here in the Congress. I'd like to share with my colleagues the results of this year's survey.

Perhaps the most interesting response was that 77 percent of those surveyed disapprove of the current Acid Rain Control Program. The Clean Coal Technology Program is expensive, ineffective, and hauntingly reminiscent of the mistakes we made with the Synfuels Corporation. As this survey points out, the failures of the Clean Coal Program are no secret and I hope we can enact tough acid rain legislation in this Congress.

Mr. Speaker, the tabulations from my survey are based on a sampling of 500 completed questionnaires and the margin of error is approximately plus or minus 5 percent. The results reflect the opinions of those responding and are not necessarily representative of all 524,300 residents of the First District.

The results of the survey are the following:

RESULTS OF THE 1988 CONSTITUENT QUESTIONNAIRE

1. As one of the Congressional leaders who participated in the Budget Summit negotiations with the Administration, I reviewed a number of strategies to reduce the federal deficit. Would you support any of the following measures?

A. Across-the-board cuts in all federal spending: Yes 32%, No 68%.

B. Freeze all federal spending: Yes 24.2%, No 75.8%.

C. Reduce military spending: Yes 54.4%, No 45.6%.

D. Reduce spending on social services: Yes 19.2%, No 80.8%.

E. Implement a national sales tax: Yes 17%, No 83%.

F. Increase the gasoline tax at the pump (every one cent per gallon increase in gas tax raises $1 billion for the federal government): Yes 53.8%, No 46.2%.

G. Adopt a balanced budget amendment: Yes 53%, No 47%.

H. Line item veto power for the President: Yes 41%, No 59%.

2. Many people feel that "privatization" is a good way to reduce the budget deficit and improve service. Do you favor privatization for the following government sponsored enterprises:

A. Public Housing: Yes 38%, No 62%.

B. Air traffic control: Yes 26.6%, No 73.4%.

C. Prison Management: Yes 31.2%, No 68.8%.

D. The Postal Service: Yes 45.6%, No 54.4%.

3. As progress is made in reducing nuclear weapons through negotiating and ratifying arms control treaties such as START and INF, should we in the United States increase spending on conventional weapons? Yes 35.3%, No 64.7%.

4. The rising cost and limited availability of liability insurance have prompted an insurance crisis in this country. Currently the insurance industry is regulated by the states. Would you support federal government involvement in any of the following manners?

A. A cap on liability awards: Yes 66.8%, No 33.2%.

B. Repeal of the McCarron-Ferguson Act of 1949 which exempts the insurance industry from federal anti-trust laws and financial disclosure requirements: Yes 74.8%, No 25.2%.

C. Creation of tax deductible self-insurance through risk pooling: Yes 41.4%, No 58.6%.

5. Do you think the federal government is doing enough to combat the crisis of AIDS? Yes 41.6%, No 58.4%.

If your answer to question 5 is no, which, if any, of the following federal initiatives should receive the largest portion of increased Congressional funding?

A. Improved nationwide education and prevention programs: Yes 39.4%, No 60.6%.

B. Increased federally funded AIDS research: Yes 40.6%, No 59.4%.

C. Improved counseling and health care for AIDS victims and their families: Yes 28.6%, No 71.4%.

6. Like acid rain, ozone is a devastating environmental threat to human health, to our forests and vegetation, and to our material resources. Do you favor any of the following control measures?

A. Increased restrictions on industrial sources of pollution which could result in hardship to business, including those in Western Massachusetts: Yes 77.6%, No 22.4%.

B. Increased requirements for pollution control equipment on new cars, trucks, and motorcycles which would eventually increase the costs of those products: Yes 61.8%, No 38.2%.

C. Require the installation of vapor recovery devices at existing gas pumps at an average cost of approximately $20,000 per station: Yes 33.6%, No 66.4%.

D. No action at this time because control options are too costly: Yes 10.8%, No 89.2%.

7. Instead of direct controls on acid rain, the Administration has requested $2.5 billion in federal funds to match private industry resources for a research program designed to develop new clean coal burning technologies. Do you consider this an adequate acid rain control program? Yes 22.9%, No 77.1%.

8. Last year Congress provided $21.1 billion in funding for education programs, $704 million more than the previous year. Which, if any, of the following recommendations would you make for this year?

A. Maintain those funding levels with modest increases in priority areas: Yes 61.4%, No 38.6%.

B. Provide significant expansions in funding levels: Yes 19.8%, No 80.2%.

C. Reduce expenditures for education in order to help the budget deficit: Yes 17.8%, No 82.2%.

9. The 100th Congress is considering several proposals that would provide tax incentives for individuals who want to save for education expenses. Are you in favor of such a provision? Yes 83.2%, No 16.8.

If yes, which of the following incentives is the best approach?

A. Tax deductions for contributions to education savings accounts: Yes 31.2%, No 68.8%.

B. Tax credits for contributions to education savings accounts: Yes 24.6%, No 75.4%.

C. Exempt from taxation all interest earned on tax free education savings accounts: Yes 45.4%, No 54.6%.

10. The federal minimun wage rate of $3.35/hr. has not been increased since 1981. Meanwhile, the cost of living has increased by about 30%. The 100th Congress will likely consider legislation to gradually increase the minimum wage. Which, if any, of the following proposals would you support?

A. Increase the minimum wage to $4.65/hr.: Yes 64%, No 36%.

B. Index the minimum wage to a level equal to half of the average hourly wage for private, non-supervisory workers: Yes 63.2%, No 36.8%.

C. Maintain the minimum wage at the current level: Yes 6.8%, No 34.2%.

D. Repeal the minimum wage: Yes 8.6%, No 91.4%.

11. As more and more women enter the workforce, there is an increasing need for businesses to respond to the changes their participation brings. Congress is proposing that businesses allow a minimum amount of unpaid parental leave. Which, if any, of the following proposals do you favor?

A. Require businesses to allow up to 10 weeks of unpaid leave over a two year period for parents to care for newborn or newly adopted children: Yes 64%, No 36%.

B. Provide unpaid leave for parents to care for seriously sick children: Yes 63.2%, No 36.8%.

C. Ensure that parents may return to their same jobs after taking the unpaid leave: Yes 65.8%, No 34.2%.

D. Allow businesses to cut off health benefits for those who take unpaid leave: Yes 8.6%, No 91.4%.

12. On January 2, 1988, Canada and the United States signed a Free Trade Agreement (FTA) which will significantly reduce tariffs and non-tariff barriers, greatly increasing the flow of trade across our common border. Before it becomes law, the FTA must be approved by both the House and Senate. Do you support this move to open up trade with Canada? Yes 96.1%, No 3.9%.

13. Should the U.S. seek free trade agreements with other nations? Yes 79.3%, No 20.7%.

With Mexico? Yes 73.8%, No 24.7%.

With Japan? Yes 59.2%, No 40.8%.

14. President Arias of Costa Rica has brought new hope for peace and democracy in Central America through his peace plan. The United States has ended military assistance for the Nicaraguan contras in keeping with the peace process. Should the United States provide humanitarian assistance to the contras as part of the solution? Yes 53%, No 47%.

15. In 1971 and 1974, Congress passed legislation to restructure the laws governing the financing of congressional campaigns. Many of the changes were made with regard to donation limitations and the participation of Political Action Committees (PACs). With the cost of congressional campaigns on the rise and the rapid growth in the number of PACs, various proposals have been put forth to change the system. Which of the following do you favor?

A. Increasing the limit on individual campaign contribution above the current $1000 per candidate per election: Yes 14.4%, No 85.6%.

B. Lowering the allowable contribution from any one PAC below the current $5000 per candidate per election: Yes 32.2%, No 67.8%.

C. Placing an overall limit on the amount of funding that a candidate can receive from PACs in a campaign: Yes 56.4%, No 43.6%.

D. Placing overall spending limits on Congressional campaigns: Yes 74%, No 26%.

E. Public financing of congressional campaigns: Yes 14.2%, No 85.8%.

F. Maintain the current laws governing campaign finance: Yes 11%, No 89%.

INTRODUCTION OF THE WASTE EXPORT PROHIBITION ACT

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. CONYERS. Mr. Speaker, one of the most serious problems of technology in the 20th century is the generation of wastes and substances that can spoil our waterways, taint our crops with deadly substances, cause cancers, birth defects, occupational diseases, and environmental contamination. $100 billion pounds of toxic waste are generated each year, 90 percent of which are disposed of unsafely according to the Environmental Protection Agency.

The tragedies of Love Canal and Times Beach, brought home to America how devastating the toxic contamination of a community can be. The absence of implemented methods to deal safely with wastes, and to reduce the amount generated, has created great controversy about how and where these wastes will be disposed. Too often in this country, poor and minority communities have been the designated areas.

Recently, the international spotlight has focused on another aspect of this problem which carries particularly dire environmental, health, and foreign policy implications: The dumping of our toxic waste in Third World countries.

Exporting waste abroad is the export of irresponsibility, the implementation of the credo "anywhere but in my backyard." Third World countries sometimes lack a complete understanding of toxic waste, let alone the resources or regulatory structure needed to deal with these problems. In recent years, U.S. waste has been sent to Haiti, Guinea, and Zimbabwe, while major dumpsites have been planned for Guinea-Bissau, Guyana, Panama, the Congo, Guatemala, Sierra Leone, and the Bahamas among others.

Acceptance of waste by debt-ridden countries is tempting where waste deals can attract much needed currency. Toxic substances are often misrepresented as brick making material, road fill, or fertilizer. And corrupt officials are payoff targets for exporters seeking cheap and easy outlets for their toxic wares.

In addition to the dire environmental and health problems associated with improper handling of wastes, we can only cause resentment toward the United States as long as we continue to use the Third World as our garbage dump. This practice is a recipe for foreign policy disaster.

Even in the United States, where we have established strong standards to ensure safe handling of wastes, we have too often been faced with disaster where wastes have caused illnesses and premature death, and communities have become ghost towns. It is only a matter of time before our exports become overseas Love Canals.

A ban on waste exports is the only way to ensure that our waste does not enter the precious drinking water of drought stricken countries, that children do not play on barrels of cancerous and lethal hazardous waste, and that we do not give birth to a new generation of problems in the Third World.

The Waste Export Prohibition Act of 1988 would ban all exports of solid waste, incinerator ash, and toxic waste, except where bilateral treaties are now in place to govern the practice. Such treaties exist with Canada and Mexico. The bill would also set criminal penalties for those who illegally ship wastes.

Mr. Speaker, the answer to our problems of toxic waste is not dumping our wastes in the Third World. Rather it is the implementation of careful controls for disposal here, the creation of waste reduction technologies that save not only the environment but money as well, and the enforcement of criminal laws banning irresponsible waste disposal.

ELECTRORAL PROCESS MANIPULATED BY FOREIGN INTERESTS?

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. SOLOMON. Mr. Speaker, is the American electoral process being manipulated by agents of foreign espionage organizations? According to Maj. Florentino Aspillaga Lombard, a recent defector from the Communist Cuban intelligence agency, the startling answer is "Yes"!

As early as 1980, says Major Aspillaga, Cuban dictator Fidel Castro was already hard at work planting propaganda that would discredit then candidate for President, Ronald Reagan. He goes on to tell the Washington Times newspaper in a March 1988 interview that Castro is now working to undermine the Presidential candidacy of Vice President GEORGE BUSH through, among other things, a network of American disinformation agents "in the political field."

Mr. Speaker, we here in Congress should ensure that this defector has an opportunity to relate these disturbing allegations directly to the members of the Intelligence Committees of the House and Senate. I call on our colleagues who serve on these committees to look into this matter as quickly as possible in this Presidential election year. Every possible action should be undertaken to investigate these charges and identify any such Communist Cuban disinformation agents and their attempts to manipulate the American voter.

SANCTIONS—AGAINST THOSE WHO USE DRUGS

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. MICHEL. Mr. Speaker, the drug problem in our country is reaching emergency proportions. House Republicans introduced the Comprehensive Anti-Drug Act of 1988 (H.R. 4842) last month to attack this serious problem. Congressman BILL MCCOLLUM, chairman of the Republican Anti-Drug Task Force, has written a very informative article explaining this bill and its strategies for combating the drug problem. At this point I would like to insert in the RECORD, "Sanctions—Against Those Who Use Drugs," by Congressman BILL MCCOLLUM, which appeared in the Washington Post on June 30, 1988.

[From the Washington Post, June 30, 1988]

SANCTIONS—AGAINST THOSE WHO USE DRUGS

(By Bill McCollum)

Introduced by Republicans in the House earlier this month. The Comprehensive Anti-Drug Act of 1988 (H.R. 4842) focuses intensely on four key strategies for attacking the drug problem: 1) inhibiting foreign production; 2) interdicting drug shipments across U.S. borders; 3) stopping trafficking through domestic law enforcement; and 4) reducing demand for drugs in the United States. In attacking demand for drugs, the bill makes its most significant new contribution to the war on drugs: the principle of user accountability—that is, holding drug users responsible for their actions by applying meaningful sanctions against them.

It's a simple enough equation; demand goes down when the price goes up. In a system of user accountability, if you choose drugs, you're going to pay a price—and it's going to be a higher price than most are willing to pay.

It has become painfully obvious that education and rehabilitation programs—for all of their laudable effectiveness—are not alone sufficient to stop demand for illegal drugs in this country. Departing significantly from traditional congressional antidrug policy, H.R. 4842 recognizes a substantial group of drug users and would-be users that Congress, in the past, has largely ignored: those people for whom education and the availability of drug rehabilitation do not deter drug use, and never will.

There must be a meaningful deterrent in law that gets the attention of these users and would-be users if we are ever going to cripple demand and win the war on drugs.

Currently, simple possession of any amount of a controlled substance constitutes a federal crime, with criminal fines and a minimum mandatory sentence of 15 days in jail for a second conviction. Some, but not all, states have laws making simple drug possession a crime. Limited resources, however, and lack of public resolve to prosecute possession have led law enforcement officers and prosecutors to abandon enforcement of these laws.

It's time, now, that we took these laws off the shelf and used them; we must also, however, recognize their shortcomings in the current drug crisis. The criminal fines and jail-time punishments under these laws are sometimes inappropriate and often impractical, especially given current problems with prison overcrowding.

An effective user accountability program requires the development of innovative and meaningful sanctions that are realistic and that evoke real fear in the mind of a potential user. The threat and stigma of the sanctions should, over time, put illegal drug use outside mainstream society, driving a wedge between law-abiding citizens and drug users and debunking the "hip" and "insider" images drug users and dealers work so hard to foster. Also, the sanctions must not add substantial burdens to an already overwhelmed judicial system.

One such provision in the Republican bill calls for a federal mandatory minimum civil fine that would be proportional to the drug user's income or personal assets for a conviction of simple possession of any amount of a controlled substance. This proposed income-related fine would hit a Wall Street whiz kid with a spoon up his nose just as hard as it would an inner-city youth on crack. The proceeds from these fines would go to education, rehabilitation and local law enforcement grants.

Another proposal—and one destined to achieve more notoriety among adolescent drug users than most other sanctions—provides compelling incentives for states to pass laws making simple drug possession a crime (if they don't already have such laws) and requiring automatic suspension of a drug user's driver's license for at least six months upon a first conviction of any possession offense.

A third provision in the user accountability section of H.R. 4842 suspends eligibility for certain federal programs—like student loans and grants, FHA loans, subsidized housing, academic and artistic fellowships, pilots' and truckers' licenses and many others—triggered by a second state or federal conviction of drug possession or a first trafficking conviction.

The only programs for which drug users would not lose their eligibility would be retirement, disability, welfare and health benefit programs.

Of course, we can never completely eliminate jail as an option for people who refuse to alter their behavior even in the face of enormous personal sacrifices. The trick is to narrow the field of jail-time candidates to a manageable level. Mandatory rehabilitation programs must also remain an important option.

The sanctions proposed in this legislative package, far from encouraging "body counts" and arrest quotas, focus instead on creating deterrents for the general public and for individuals who, convicted once, will understand how much they would have at stake next time.

H.R. 4842 further fosters user accountability by adopting a concept already considered by the House: the drug-free work place. Any employer applying for a federal license, grant, contract, loan or subsidy would have to certify that his company had taken specific steps toward making the work place free of drugs. As a result, not only would drug users answer to the courts and the government, they would answer to their employer as well.

As the war on drugs escalates, requiring greater and greater commitments of resources and taking more and more tolls on life and the standard of living in the United States, one truth shines clearly through the haze of fear, dependency and violence: winning the war on drugs will ultimately mean stopping drug use in the United States. And, therefore, for all of the interdiction, eradication and law enforcement we can bring to bear, we will not win the war on drugs until we make current and potential drug users so scared—if not of the drug, then of the legal sanctions—that they won't take the risk.

DROUGHT ASSISTANCE ACT OF 1988

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. DE LA GARZA. Mr. Speaker, today Hon. EDWARD R. MADIGAN and I are introducing H.R. 5015, the Drought Assistance Act of 1988. This bipartisan legislation is cosponsored by all of our colleagues, Democrat and Republican, who serve on the House Agriculture Committee, and many other Members of Congress.

There is no longer any doubt about the seriousness of the drought of 1988. Athough scattered showers are falling over some parts of the country this week, weather forecasters and farmers tell us the rainfall will not break the drought. It does give some farmers some hope. But for many farmers it has been too little, too late.

Mr. Speaker, we need to ensure that the Federal Government responds in a rational and compassionate way to the disaster that has spread across rural America. We are now in the midst of the worst drought to strike this country since the Dust Bowl years of the 1930's. As of last week, there were more than 1,880 counties in 37 States that have been declared eligible for some form of Federal disaster assistance due to the drought.

Throughout the Nation's Farm Belt, the drought of 1988 has burned up crops and dried up pastures. This has meant reduced crop production and lost income for crop farmers, and escalating feed costs and in many cases forced herd liquidation in the livestock sector.

Ironically, Mother Nature has thrown a monkey wrench into an economic recovery that was just beginning to take hold in agriculture under the auspices of the omnibus farm bill we passed in 1985.

Fortunately for American agriculture, the executive and legislative branches of the Federal Government have responded in a positive way to the drought.

Since March, the U.S. Department of Agriculture has been closely monitoring the drought's spread across the country and systematically opening up current disaster programs to farmers and ranchers. For nearly 3 months now, I have had the House Agriculture Committee and its staff following the drought problem. In mid-June, as the impact of the drought became more apparent, the House and Senate Agriculture Committees formed a special bipartisan, bicameral task force to assess the drought's impact and determine the need for and scope of legislation.

Mr. Speaker, it is now time for the Federal Government to mobilize its resources and lend a helping hand to our Nation's family farmers and ranchers.

The Drought Assistance Act of 1988 has three primary goals. One, it seeks to protect farm income in as efficient and equitable a manner as possible. Two, it seeks to protect the economic health of rural communities affected by the drought. Three, it will help assure a continued adequate supply of food for American consumers.

Mr. Speaker, our colleagues on the Senate Agriculture Committee have joined us today in introducing identical legislation in the other body. The bipartisan, bicameral Drought Assistance Act of 1988 will help American agriculture get itself back on its feet. I urge my colleagues to join me in helping drought-stricken family farmers and ranchers have the opportunity to stay in business.

A summary of the Drought Assistance Act of 1988 follows:

DROUGHT ASSISTANCE ACT OF 1988—SUMMARY OF MAJOR PROVISIONS

ASSISTANCE TO LIVESTOCK PRODUCERS

Establishes a new program, effective 15 days after enactment, to replace current EFP/EFAP livestock assistance programs and authorize other forms of livestock assistance (e.g., feed donations, transportation assistance);

Extends producer eligibility to (1) those with a substantial loss of feed production and (2) producers who do not grow their own feed—for protection of foundation herds (subject to under hardship rule of section 407) and other assistance subject to discretion of the Secretary;

Eligible livestock include cattle, sheep, goats, swine, poultry (including egg producers), horses and mules (used for food or food production), fish for food, and other animals designated by the Secretary, that are part of a foundation herd or offspring or are purchased as a part of normal operations;

ASSISTANCE TO CROP PRODUCERS

Would provide disaster payments to any producer of annual commercial crops who lose 35 percent of their 1988 crop due to the drought;

Reduce yield and prevented planting disaster payments provided to wheat, feed grains, cotton, and rice program participants at a rate of 65 percent of the 1988 target price or 65 percent of the county loan rate for non-participants who raise program crops;

For peanuts, sugar beets, sugarcane, and tobacco producers, payments at a rate of 65 percent of the 1988 price support level;

For soybeans and other nonprogram crops, payments at a rate of 65 percent of the average producer market price of the last 5 years;

Crop insurance participants would receive their insurance benefits and disaster payments up to an amount that does not exceed income that would result from normal crop yields;

The program would be operated through CCC, without outlays subject to normal appropriations.

PAYMENT LIMITATIONS

For livestock producers, federal assistance could not exceed $50,000 in benefits;

Combined benefits to each person (including livestock assistance) could not exceed $100,000.

ADVANCED DEFICIENCY PAYMENTS

Producers will not be required to repay advance deficiency payments on any unit of production that failed or was prevented from planting due to the drought, unless that unit of production received a disaster payment.

FMHA LOANS

The Secretary is directed to take steps to assist businesses affected by the drought by making operating loans available for 1989 production;

The Secretary is encouraged to aid producers affected by drought by exercising forbearance on the collection of loan proceeds, restructuring credit, and encouraging commercial lenders in FmHA to exercise forbearance before declaring loans in default.

DAIRY PRICE SUPPORT

The Secretary is directed to forego the 50 cents per hundredweight price support cut to occur on 1/1/89.

COMMODITY STOCK ADJUSTMENT

Producers are permitted to plant soybeans and sunflowers on not less than 10 percent nor more than 35 percent of their wheat, feed grain, upland cotton, or rice program acreage in 1989 and 1990;

Producers are permitted to designate any portion of the farm acreage base as oats base in 1989 and 1990 if the feed grain acreage reduction program requirement is less than 12.5 percent of the crop acreage base;

For the 1988 marketing year, once the release price for Farmer-owned reserve loans is reached, producers could repay loans without penalty regardless of market price.

CONSERVATION AND WILDLIFE ENHANCEMENT

Encourages conservation and wildlife enhancement practices on CRP lands by refunding the 25 percent of a producer's rental payments withheld on lands hayed if the producer shares (50/50) the cost of carrying out such practices.

WATER RELATED PROJECTS

The Secretary is authorized to make grants and provide other assistance to combat water shortages.

RURAL BUSINESS

Directs the Secretary, to the maximum extent possible, to assist business adversely affected by drought through the Business and Industry loan program.

Directs the Secretary to conduct a survey of agribusinesses affected by the drought.

THE PUBLIC UTILITY HOLDING COMPANY MODERNIZATION ACT OF 1988

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. BRYANT. Mr. Speaker, today I am introducing legislation which would simplify the current regulation of public utility holding companies and permit limited diversification by these companies. My bill would accomplish this by amending the Public Utility Holding Company Act of 1935 to allow registered pubic utility holding companies the opportunity to invest up to 15 percent of their assets in diversified nonutility activities and businesses, without going through the cumbersom and time-consuming Securities and Exchange Commission [SEC] approval process. Any proposed utility acquisition would remain subject to SEC approval.

Mr. Speaker, although there are several hundred public utility companies in this country, today only 12 active holding companies are registered public utility holding companies under the terms of the Public Utility Holding Company Act of 1935. These companies are subject to rigorous prior SEC approval of their securities transactions and many other business activities.

Registered public utility holding companies also are prohibited from engaging in businesses unless such businesses are "reasonably incidental, or economically necessary or appropriate to the operations of such integrated public utility system."

In implementing this provision, the SEC has adopted a functional relationship test to use as a touchstone for evaluating investments by registered holding companies. Moreover, even if the SEC determines that an investment is functionally related to the utilities business, this determination often takes months, or even years.

In our fast-changing world, business opportunities seldom wait that long. The bureaucratic approval process the SEC must go through thus serves to discourage otherwise sound investments which might be advantageous not only to the businesses involved, but also to the economy in general, and investors and consumers as well.

The Holding Company Act was adopted to address substantial financial abuses which occurred in holding companies during the early part of this century. When Congress enacted the Holding Company Act, the Securities Act of 1933 and the Securities and Exchange Act of 1934 were too new to determine their effectiveness.

Financial disclosure and investor protection were concepts then in their infancy. Federal and State regulation of public utilities was largely ineffective. As a consequence, public utility holding companies escaped rigorous Federal and State oversight.

Today, this is no longer the case. Public utilities are perhaps the most pervasively regulated businesses in the country. Financial disclosure requirements administered by the SEC, along with Federal and State economic regulation of electric and gas utilities, are extremely effective and diminish the opportunity for abuse. The antiquated Holding Company Act, however, still limits the operation of holding companies to businesses that are functionally related to the operation of such integrated public utility holding companies.

Thus, registered holding companies are precluded from diversifying assets out of their core utility businesses even if diversification would benefit shareholders and ratepayers by spreading risk or increasing nonutility business opportunities for profit.

First, my bill would allow registered holding companies to undertake limited diversification by permitting investment of up to 15 percent of their total consolidated assets in a nonutility business that does not meet the historic functional relationship test.

Second, this proposal would also allow nonutility subsidiaries, which are not themselves registered holding companies, to issue SEC-approved securities without Commission approval under the additional terms of the Holding Company Act.

Third, this measure would allow a registered utility holding company to acquire securities or interests in other nonutility businesses up to the 15-percent limit without Commission approval.

The effect of these modest changes would be to allow registered holding companies an opportunity to make small, nonutility investments without prior SEC approval under the Holding Company Act. All other securities laws, as well as Federal and State regulations, would continue to be applicable as would other major provisions of the Holding Company Act.

There is no question that the technical resources and management skill which exist in many utility operations can be applied to other businesses to diversify risk and to benefit both ratepayers and stockholders. Unfortunately, the existing Public Utility Holding Company Act effectively stifles innovative management's ability to use all tools at its disposal.

Mr. Speaker, it is time to bring the outdated Public Utility Holding Company Act of 1935 into the 1980's. My bill takes a modest step toward that end. I invite my colleagues to join me in support of this measure by adding their names as cosponsors.

H.R. 5017

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Public Utility Holding Company Modernization Act of 1988".

SEC. 2. EXEMPTION FOR FINANCING SUBSIDIARY COMPANIES.

Section 6(b) of the Public Utility Holding Company Act of 1935 (15 U.S.C. 79f(b)) is amended by striking out the third sentence and inserting in lieu thereof the following new sentence: "The provisions of subsection (a) shall not apply to the issue and sale of any security by a subsidiary company which is not a holding company or a public utility company if such issue and sale are solely for the purpose of financing the business of such subsidiary company. The Commission by rules and regulations or order, subject to such terms and conditions as it deems appropriate in the public interest or for the protection of investors or consumers, shall exempt from the provisions of subsection (a) the issue or sale of any security by any subsidiary company of a registered holding company, if the issue and sale of such security are solely for the purpose of financing the business of such subsidiary company and have been expressly authorized by the State commission of the State in which such subsidiary company is organized and doing business.".

SEC. 3. SAFE HARBOR RULE.

Section 9(c) of the Public Utility Holding Company Act of 1935 (15 U.S.C. 79i(c)) is amended—

(1) by striking "or" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting "; or"; and

(3) by adding at the end thereof the following new paragraph:

"(4) securities or any investment interest in any business (other than the business of a public utility company as such) the purchase price of which, when aggregated with the book value of all other acquisitions of the holding company system which have not received specific Commission approval pursuant to sections 9(a)(1) and 10 of the Act and applicable rules thereunder, constitute 15 per centum or less of the consolidated assets of the holding company system.".

SEC. 4. ACQUISITION OR RETENTION OF BUSINESS INTERESTS.

Section 11(b)(1) of the Public Utility Holding Company Act of 1935 (15 U.S.C. 79k(b)(1)) is amended by adding at the end thereof the following:

"The Commission shall permit a reasonably incidental, or as economically necessary or appropriate to the operations of one or more integrated public utility systems, the acquisition or retention in a holding company system of interests in one or more other businesses (other than the business of a public utility company as such) the book value of which in the aggregate constitute up to and including 15 per centum (or such greater percentage as the Commission authorizes) of the total consolidated assets of the holding company system and may permit the acquisition or retention of such additional interests in any business or businesses (other than the business of a public utility company as such) which the Commission shall find consistent with the public interest or for the protection of investors or consumers.".

SACRED COW LOBBY—TERRORIZING THE BUREAU OF LAND MANAGEMENT

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. SYNAR. Mr. Speaker, during debate on the interior appropriations bill, I pointed out the absurdity of American taxpayers subsidizing the 2 percent of the American livestock industry which grazes its livestock on Federal rangelands. Currently, the Forest Service and the Bureau of Land Management charge $1.54 per animal unit month—a.u.m.—for land which has been appraised at between $4.05 to $8.55 per a.u.m.

Not only is $1.54 per a.u.m. below the value of the land, it doesn't even cover the costs of the program! But, despite a drain on the Treasury of more than $30 million a year, the House of Representatives has been systematically prevented from voting to eliminate this subsidy.

Now, the General Accounting Office has issued a disturbing report regarding riparian areas on these very rangelands. (Riparian areas are narrow bands of green vegetation along the banks of rivers and streams and around other water sources which serve important ecological functions: purifying water; enhancing water tables; and providing food, water, shade and cover for fish and wildlife and recreational opportunities.)

The GAO report contains information about how the Federal agencies often allow themselves to be managed by the $1.54 ranchers rather than managing the land as they should. GAO looked at BLM-Forest Service riparian improvement projects and found that these areas can be dramatically improved, primarily by improving livestock management. But, GAO found serious impediments to successful riparian projects, primarily: first substantial reductions over the past 8 years of skilled staff necessary to implement riparian improvements; and second, a belief among field staff responsible for riparian improvement work, primarily in BLM, that their work will not be supported if it is opposed by the ranchers who use the public rangelands.

GAO gave examples of why agency staff feel this way:

An area manager confronted a rancher he found cutting trees without authorization in a riparian area on BLM land and demanded that the rancher halt the cutting. Soon after, the area manager was told by his district manager that word of the incident had gotten to him as a result of the rancher's political connections *The area manager was told to apologize to the permittee and deliver the wood to his ranch.* (emphasis supplied)."

An area manager documented numerous instances of riparian area trespass and fence-cutting by a permittee. The area manager said that when he asked the district manager to act on the matter, the district manager stated that he "would not be a martyr for riparian."

A biologist . . . has tried on many occasions to implement riparian management programs, especially by enforcing penalties for cattle trespass in riparian areas . . . he has been "advised" by his area and district managers that *they would not support his recommendations for trespass penalties or specific riparian improvements if they involved a conflict with permittee interest* . . . they fear the political power wielded by certain permittees. (emphasis added).

There are other examples.

The first problem—declining staff—could be addressed if we increased the fees. In addition, I propose in H.R. 2621 a change in the distribution of fees which would also help.

The second problem is a much more serious attitude problem: it is a little like telling a highway patrolman to stop a driver for drunk driving, but not ticket or arrest the driver if he or she objects. In other words, not only are we subsidizing these ranchers to the tune of more than $30 million a year, in some cases, we are letting them do whatever they want to on the public's land. The ultimate result will be declining trout populations; depleted vegetation; unstable stream banks; loss of nesting areas for endangered birds; and loss of habitat for deer and elk.

It's bad enough, in these times of budget deficits and budget slashing, that we don't charge fair market value for the use of the public's land. But, it's outrageous that the administration fosters this behavior of pandering to the destructive activities of the $1.54 ranchers.

The GAO report is entitled; "Public Rangelands: Some Riparian Areas Restored but Widespread Improvement Will be Slow."

CESSE SALUTED

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. GREEN. Mr. Speaker, I would like to bring to your attention an important meeting taking place this week in the district I represent on the east side of Manhattan. The Council of Engineering and Scientific Society Executives [CESSE] is holding its 1988 annual meeting, which will provide a forum for the exchange of ideas and information among the decisionmakers and key staff members of leading scientific and engineering societies. The CESSE meeting commences this afternoon, in fact, at the Waldorf-Astoria Hotel, and continues through Friday, July 15.

The host group, the Institute of Electrical and Electronics Engineers, headed by Mr. Eric Herz, is also located in my district on East 47th Street, and I think CESSE chose both host group and city most wisely. As a world center for technological development, New York is an ideal site for the meeting. The program will consist of a series of seminars and workshops involving the discussion of the impact of changing conditions, laws, and trends, with emphasis on the latest techniques of association management.

I know, therefore, that my colleagues gladly join me in saluting this outstanding organization of dedicated and respected scientific-engineering professionals, who have over the years through their humanitarian efforts made many valuable contributions to improving the quality of life in our society. I trust the conference will prove most productive, and wish CESSE members a very enjoyable stay in New York.

HELP FOR WAR-INJURED EL SALVADORAN CHILDREN

HON. E. THOMAS COLEMAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. COLEMAN of Missouri. Mr. Speaker, landmines have injured approximately 650 Salvadoran civilians, more than a quarter of whom are children. Through the coordinated effort of Project Hope, a non-profit health organization, and members of the north Missouri medical community, I am pleased that together we have been able to help at least some of these youngsters obtain the medical attention they need.

Working with Project Hope, it has been my pleasure to bring eight children, severely injured by landmine explosions in war-torn El Salvador, to north Missouri this past fall for medical treatment unavailable in their own country. In addition the outstanding medical care provided by Heartland Hospital West, Baptist Medical Center, and Children's Mercy Hospital, the people of St. Joseph and Kansas City opened their hearts and homes to these young victims of war.

Because guerrilla warfare recognizes no boundaries between a battlefield and a child's play field, five of these youngsters needed artificial legs to walk, two needed artificial arms and another required surgery to correct a severely deformed knee.

The landmines that severely maimed these youngsters were planted in areas frequented by children and other civilians. Eight-year-old Jose Rivera lost his leg after he stepped on a mine while going to take a bath in the river; 12-year-old Alba Segovia lost her leg when she stepped on a landmine while looking for firewood near her home.

While in the United States for treatment, these youngsters and their parents escaped the sounds of gunfire and the terrors of war. Jose Lovo and Santos Rivas and their parents had a traditional Thanksgiving dinner at the St. Joseph home of Mr. E.C. Barbosa who, along with Mrs. Mercedes Talbot, served as an interpreter and provided companionship to the Salvadorans. In Kansas City, the boys at Baptist Medical Center celebrated Thanksgiving at the Guadalupe Center.

At Christmas, the children enjoyed the sparkling lights of the Country Club Plaza and their first Christmas stockings (hand-crafted by one area resident), filled with toy cars and stuffed animals. Ponak's Mexican restaurant offered them Christmas dinner along with members of the Sacred Heart Church Rectory.

During the Salvadorans' stay, no day passed without a school, community or church group either visiting the children in the hospital, welcoming them into their homes for dinner or taking them on outings to places like the zoo or Pony Express statue.

While it is impossible to name all the individuals in Kansas City and St. Joseph who extended generous support and warmth to our friends from El Salvador, I do want to mention several of those special people.

The outstanding staff at the Goppert Family Care Center at Baptist Medical Center in Kansas City: Mr. Dan H. Anderson, president; Mr. Dennis McClatchey, senior vice president for operations; Mr. Rick Klein, vice president for patient care; Ms. Becky Schaid, director of public affairs; Mr. Robert Coe, media and public affairs director; Dr. Larry Rues, Dr. W. Jack Stelmach, Dr. Herb McCowan, Dr. Greg Bell, Dr. Lilliana Nazario, Dr. Wendy Meyr, Dr. John Saxer, Dr. James Zarr, Dr. Michael Driks, Dr. David Tillema, Dr. Jerry Dougan, Dr. Jeffrey Brick, Dr. Max Smith, Dr. Bruce Silverberg, and Dr. Gino Tutera. The children also received special attention from the fourth floor nursing staff at Baptist: Eleanor Ellis, Joan Flack, Liz Lyons, Frankie Wright, Barbara Cone, Ann Foley, Jane Withers, Janet Blim, and Paula Jane Henney and Margie Cantrell.

Several members of the hospital support staff helped ease the children's stay by offering such important services as translating and interpreting, meal planning, and physical therapy: Ed West of the Marriott Corp., Ted Brockman, Emmy Williams, Angelia Leon, Carmalina Luna, Pedro Heng, Gail Goede, Rob Coe, Becky Schaid, Terri Self, Denise Hogan, Donna Burchfield, Sara Edling, Tom Young, and Jacqueline Phillips. Care Van and Care Unit provided transportation.

There were also several members of the Baptist maintenance staff and the Association of Independent Hospitals Biomedical Services who generously donated their time and services: Ted Brockman, Addie Hoogenraad, Bonnie Edgington, Chuck Pruitt, Roger Snowdall, Ben Harrison, Richard Dietzman, Barney Fleming, David Ehler, Jim Collier, Dave White, Scott Jeffers, Geoffrey Patterson, Blake Fisher, Bob Schmuck, Kevin Burt, and Bob Denzer.

While all these people were giving the Salvadoran children some of the best and most advanced medical care in the world inside Baptist Medical Center, other members of the Kansas City community were offering their time and energies to assist the youngsters. Charlotte and Charles Arnett, Donna Wessner, and Michelle McTernan at Inks & Images designed tee shirts for the children and the congregations of Covenant Baptist Church and North Oak Christian Church donated clothing. Christie Fiscella at Upjohn Pharmacy provided prescriptions while Norman Grotz and his friends at the TWA "Old Timers" group helped pay for eyeglasses for one of the boys, eyeglasses provided at a discounted price by Gerry Optical. Certified Orthotics and Prosthetics Association and P.W. Hanicke Manufacturing, Inc., provided the artificial limbs which allowed the children to walk again.

Thanks also go to Greg Hadley, Chris Medina, Bernardo Ramarez, Father Mike Walker, Ralph Vera, Mr. and Mrs. Robert Holwick, Mr. and Mrs. Gene Pell, Master Gunnery Sergeant Miller of the U.S. Marine Corps' 24th Reserve Unit, Dean Preuett of the Blue River-Kansas City Baptist Association, the Mexican American Women's National Association, and First Mexican Baptist Church.

For those children who were treated at Children's Mercy Hospital in Kansas City, I would like to thank Mr. Llarry McAndrews, president; Dr. Thomas L. Schmidt, chief of orthopedic surgery; Dr. John F. Sarwark; Dr. Francisco Medina; Kathy Starnes, vice president for development and community relations; Mary Ball, director of public relations. Thanks also go to Leona Beth Gordy, Lynda Delap, Martha Molina, Gail Dustman, Katherine Lorfing, Dr. Robert Gardiner, Marvin Brown, and Donna Goin.

The staff at Children's Mercy could not have done the outstanding job they did without the help of those at Sacred Heart Parish: Father Michael Walker, Adolpho Barros, Ann Young, Alice Gonzalez, and Sister Josepha Bauer. The people at Guadalupe Center also provided necessary support services to the staff at Children's: Chris Medina, director of the center, Michael DeLeon, and Bernardo Ramarez. Thanks go also to Kansas City, MO., Parks and Recreation, and to Hallmark Cards, Inc.

For the children who made St. Joseph their home away from home, the staff at Heartland Hospital West will never be forgotten. Heartfelt thanks go to Dr. Nanda Kumar, Mr. Bob Ziph, Ms. Phyllis Baker, Ms. Kris Mueller. Also, Chris Kerns, director of Department of Physical Medicine and Rehabilitation; Lynn Beggs, coordinator of volunteer services at Heartland East; the Heartland East Guild, which donated $500, the cost of a prosthesis; the Heartland West Auxiliary which donated $500, the cost of a prosthesis; Lowell Kruse, president of Heartland Health Systems; Sharon Heinlein, administrator of Heartland West; Steve Wilson of the Ambulance Service; Fred Hauser and the YMCA for the use of a van to pick up the children and their parents at the airport; Marla Wilson and Jesse Cruz, interpreters; Marijane McCoy, secretary for the Department of Physical Medical and Rehabilitation, all the employees of the Physical and Rehabilitation Center at Heartland Hosptial West, Jim Verhoff of Bryo-Co Fabrications, who assembled the prosthetic devices, and Dave Verhoff of Brywood Orthopedics for his time spent fitting the prosthetic devices. The entire St. Joseph community opened up their hearts and sent their best wishes to these children.

Of course the children had to get to the United States before they could benefit from the generous services provided by all those mentioned above. Thanks go to the people at TOCA International Airlines, SA., at Eastern Airlines, and to the people at the Kansas City International Airport: Walt Green, Helen Healy, Del Karmeier, Dave Napoli, Sharon Englehardt, and Byron Turkett.

There are literally hundreds of children in El Salvador who desperately need the care these children have received in the United States. By coordinating hospitals in their districts with Project Hope, Members can be instrumental in assisting children who would otherwise be unable to receive treatment. My experience with this project, introduced to me by our colleague FRANK WOLF has been very rewarding. I encourage my colleagues to get involved with this worthwhile effort.

H.R. 4064—CREATING NEW BANKRUPTCY JUDGES

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. BROOKS. Mr. Speaker, I rise in support of H.R. 4064. This bill, as it was amended by the Judiciary Committee, includes my legislation—H.R. 4160—that would provide an additional bankruptcy judge for the eastern district of Texas. The bankruptcy caseload burden down there is truly a crisis which we must face this Congress.

Presently, there is only one bankruptcy judge in the eastern district, which stretches from Beaumont to Texarkana and over to Tyler. Statistics collected by the Administrative Office of the U.S. Courts indicate that the eastern district experienced a 41-percent increase in bankruptcy filings during fiscal year 1987. New filings in 1988 are running about 20 percent ahead of those for 1987. The eastern district's one bankruptcy judge is handling over three times the national average of chapter 11 bankruptcy cases per judge.

I note that the Judicial Conference of the United States supports my efforts to create a new bankruptcy judge for the eastern district of Texas, and I hope my colleagues will support H.R. 4064 to achieve that end.

A SALUTE TO JOSEPH E. GRIFFIN, JR.

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. STOKES. Mr. Speaker, it is an honor and pleasure to salute special agent in charge, Joseph E. Griffin, Jr., who is retiring after 31 years of service to the Cleveland Federal Bureau of Investigation. On Thursday, July 14, 1988, family and friends of Mr. Griffin will gather at the Hollenden House Hotel in Cleveland to salute this outstanding individual.

Mr. Speaker, I am pleased to share some of Mr. Griffin's achievements with my colleagues at this time.

Mr. Griffin was born in Weston, WV, where he received his early education. He received his bachelor of science degree from DePaul University in Chicago, IL.

In January 1963, Joseph Griffin was appointed special agent for the FBI, and following a period of training, served in the Little Rock, AR, Monterey, CA, and Buffalo, NY, field offices.

Mr. Speaker, in July 1972, Mr. Griffin was appointed supervisor of the Organized Crime Section of the Criminal Investigative Division. Mr. Griffin was designated to serve as assistant special agent in charge of the Cleveland field office in 1976. He was promoted to the rank of inspector in 1979 and special agent in charge in 1981.

Mr. Speaker, throughout his career, Mr. Griffin has demonstrated a commitment and devotion to service. He has also been a source of pride to the community. I am pleased to join in this special salute to Mr. Griffin and I wish him Godspeed upon his retirement.

THE UNSUNG HEROIC OF THE "LSMR 409"

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. SOLARZ. Mr. Speaker, on July 17, 1951 the *LSMR 409* braved the relentless shelling of North Korean batteries in the Wonsan Harbor. To commemorate the boldness of the officers and crew aboard the *LSMR 409* on that perilous day, the ship's flag will be flown over the U.S. Capitol this Sunday on the 37th anniversary of the battle. It is a most fitting finale for the old flag of the *LSMR 409* to fly overhead the Capitol—a symbol for all Americans of freedom and liberty. Indeed, were it not for the heroic efforts of veterans such as those on board the *LSMR 409,* America would not be the haven for democracy that she is today.

In order to pay tribute to those men and women in the military whose courage is much appreciated but little celebrated, I want my colleagues to hear the following account of the actions of the *LSMR 409.* On July 17, 1951, the *LSMR 409* was in the treacherous waters of the Wonsan Harbor. Anchored in the late afternoon, the ship and her crew were jolted into action with the outbreak of intense counter-battery fire in the inner harbor. It was readily apparent that North Korean batteries on *Kalmagaki, Umi-do,* and *Hodo-pando* were continuously shelling United States destroyers in the inner harbor. Within minutes, the *LSMR 409* had come to the aid of the U.S. ships under siege and opened fire on *Umi-do,* bombarding the region with an onslaught of 10,000-yd rockets.

The *LSMR 409* was engaged in heavy combat well into the evening, all the while in the utmost peril. At any moment, she could have been hit by enemy fire. In an instant, the *LSMR 409* could have plummeted to her end, taking with her the lives of hundreds of brave American sailors. The *LSMR 409* did not shy away from the challenge, however. Instead, Commanding Officer James M. Stewart steered his ship safely through battle by means of an evasive manuever known as the

"War Dance," in which the ship steamed in an ellipse at 22 knots, firing at the hostile land batteries as her guns came to bear. Some 500 shells were fired at the *LSMR 409* during the engagement, and she expended well over 1,000 rounds of ammunition in return. Because of the resourcefulness of Lieutenant Commander Stewart and his crew, however, the *LSMR 409* left the harbor intact—or perhaps more appropriately, victorious.

While the *LSMR 409* and other such ships often go unheralded, there is no doubt that the achievements of these ships and their sailors are inestimably important. Not every American ship is a *Coral Sea;* not every naval contest has the impact of the battle of Midway. Instead, most American naval encounters—indeed, most American military experiences—are closer in nature to the thankless sort of struggle which the *LSMR 409* knew. The story of the *LSMR 409* is a classic retelling, then, of the tale of the unsung hero. It is no small morsel of irony that the *LSMR 409* has no name other than its naval initials.

My remarks today are prompted by my desire to accord the nameless many who have selflessly defended the integrity of our country the respect they deserve. It is my sincere hope that the flying of the flag of the *LSMR 409* over the Capitol will give the members of the ship a sense of indebtedness to them that Americans feel for these sailors' all to easily overlooked heroics. All of these men, all veterans of the Korean war, all military personnel, all Americans should be proud when the flag of the *LSMR 409* flies again this Sunday.

VETERANS' ADMINISTRATION RECOGNIZES VOCATIONAL REHABILITATION ACHIEVERS

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. MONTGOMERY. Mr. Speaker, in 1987, the Department of Veterans Benefits at the Veterans' Administration established a Vocational Rehabilitation and Counseling Awards Program to formally recognize outstanding accomplishments within the agency's nationwide vocational rehabilitation effort and to commend individuals for performing their duties in an exemplary manner. The award also recognizes a severely disabled veteran who, against great odds, has completed his or her rehabilitation program.

Three individuals have received the second annual Vocational Rehabilitation Award:

Mr. Marshall Acree, a counseling psychologist at VA's Atlanta, GA, Regional Office is being cited for his expertise in counseling severely disabled and impaired veterans, many of whom could never have hoped to obtain suitable and gainful employment. Mr. Acree, a Vietnam veteran who served in the U.S. Navy from 1968 to 1972, is known to disabled veterans in southeast Georgia as "Mr. Voc. Rehab." Though his job is not an easy one, his work exemplifies the highest standards of quality and integrity.

Mr. Jerry Foshee, a counseling psychologist at VA's Little Rock, AR, Regional Office is being cited for his outstanding accomplishments in providing rehabilitation services to disabled veterans. In one instance, he helped a 100-percent service-connected veteran attain the occupational goal of computer programmer. Mr. Foshee helped this veteran overcome many obstacles—physical as well as academic—and, as a result, the veteran is now employed at the local VA medical center.

Mr. Eugene Lizotte is VA's Disabled Veteran of the Year. While in the Navy, he was involved in a serious motorcycle accident which left him semicomatose for 25 days. After being released from Bethesda Naval Hospital, he began the long struggle of speech and physical therapies and had to confront extensive memory losses. Mr. Lizotte began vocational rehabilitation training in 1981 at VA's Providence, RI, Regional Office. At first, progress was very slow due to problems with memory retention, but he did not give up. Tutoring services were provided by the VA so he could keep up with his class. More than 4 years after the accident, Mr. Lizotte received a certificate in electronics technology. After failing to gain suitable employment, it became apparent to his vocational rehabilitation specialist that an additional year of training was needed. He returned to school and, by September 1986, made the honor roll. Today, he is employed full time as an electronics technician.

Mr. Speaker, as chairman of the House Veterans' Affairs Committee, I am especially proud of these fine Americans. I know my colleagues will want to join me in offering our deep appreciation to Mr. Acree and Mr. Foshee. We also congratulate and applaud Mr. Lizotte's determination in overcoming the limitations of his disability.

YAKOV RABINOVICH IS FREED FROM THE SOVIET UNION

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. SMITH of Florida. Mr. Speaker, I am very pleased to announce that after 10 long years of denial by the Soviet Government, Yakov Rabinovich, one of my adopted refuseniks, has been granted permission to leave the country. Mr. Rabinovich is now in Vienna awaiting the arrival of his United States immigration papers. He will soon be reunited with his family in New York.

In 1978, the entire Rabinovich family applied to emigrate. However, the Soviet Government, in its typically uncompassionate manner, allowed his wife Vilya and the children to leave in 1980, but prevented Yakov from leaving the U.S.S.R. Thus, for 8 years, Yakov has been separated from his wife and two children.

As reprisal for applying for an exit visa, Yakov was fired from his position as a shipbuilding engineer. Due to his alleged access to "state secrets," he was refused permission to emigrate. The state declared that the ship designs were top secret and were vital to the national security of the Soviet Union, although the ships regularly travel outside of the U.S.S.R. and no efforts are made to hide their design. Unemployed, Yakov was forced to find work in a factory which produced shoe-making equipment.

While Yakov was barely able to eke out a living in the Soviet Union, his wife and children resettled in New York. Since Yakov's separation from his family, his daughter has married and had a child, and his son has graduated from Brandeis University with a degree in art.

Although I am happy to announce that Yakov Rabinovich is now free, it saddens me that other refuseniks continue to suffer at the hands of the Soviets. Many of the refuseniks' families are divided and the individuals are forced to waste their education and skills in jobs far below their capabilities. Worst of all, many are imprisoned in Soviet labor camps just because they wish to be free citizens. We must never forget these people and must continue to pressure Gorbachev to allow all Soviet citizens their basic human rights, including the right to emigrate.

JAVITS-WAGNER-O'DAY ANNIVERSARY

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. MORRISON of Connecticut. Mr. Speaker, I wish to hail the recent 50th anniversary of the Javits-Wagner-O'Day Act, the act that provides for employment and support services to blind and otherwise disabled people. The program has been an outstanding success. It has, through a Federal-private partnership, provided blind and disabled people with work and training. This is a program about which we can feel very proud.

I also want to take this opportunity to commend the Brookside Manufacturing Co., a West Haven, Connecticut company, and the company's president, Kathy Harter. Brookside represents an excellent example of the kind of success the Javits-Wagner-O'Day legislation has produced. Brookside is a $5 million company that manufactures steel hardware. A substantial portion of Brookside's products are used to supply National Association for the Blind workshops in their work for the U.S. military under Javits-Wagner-O'Day contracts.

The New England Association of Business, Industry, and Rehabilitation, Inc., and its president, Carl Puleo, also merit commendation. The organization has been vigilant in its efforts on behalf of employment programs for the blind and disabled.

PERSONAL EXPLANATION

HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. DERRICK. Mr. Speaker, I have noticed that my vote on rollcall No. 219, taken on Thursday, July 7, was recorded as a "yea" vote. I had intended to vote "nay" and would appreciate my intent being noted as a matter of record.

DANUTA KOSSOWSKA

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. ATKINS. Mr. Speaker, I rise today in remembrance of a remarkable woman, named Danuta Kossowska, who served this country and the global community with distinction in the U.S. Peace Corps.

In Thailand, on several occasions, I had heard stories of an amazing older woman in the Peace Corps in the south of Thailand—stories of her energy and wit, her passion for life and generosity of spirit. Her life had been filled with adventure and challenge. Certainly, since her experience in wartime Poland, she knew she could never again believe absolute security was possible. But that only drove her harder in a life of constant giving to others—work as a teacher and writer, moving to the United States, raising a family, and in her seventies taking up a new challenge by joining the Peace Corps.

In January of this year I was in Southeast Asia again, and while I traveled to Hanoi and Ho Chi Minh City, my wife Cory and part of our delegation went to Songkhla in Thailand. There they spent a good part of a day with Danuta Kossowska at the university where she taught and in the community in which she was such a vital part. She was as remarkable an individual as the stories of her foretold.

Danuta was a tremendous asset to the Peace Corps Program and served as an inspiration to all of the people whose life she touched—both American and Thai. Her teaching at Srinakarinwirot University benefited Thai young people—children of small farmers, small businessmen and craftsmen—who will be the first generation in their families to have access to higher education. But she gave even more of herself, using her free hours in individual assistance for needy students. And she devoted any financial contribution from these efforts to a local scholarship program.

On Easter Sunday, just as Danuta Kossowska had reached the end of her 2-year term of service in Thailand with the Peace Corps, she was tragically killed in an accident in Bangkok. Her untimely death on a day that would also have been her 73d birthday was news filled with great sadness.

Danuta Kossowska leaves behind her son Marek in Chapel Hill, NC, as well as family, friends and loved ones throughout the world. The work she was doing, the history she had lived and the dreams she instilled in so many are the marks of a life to be celebrated. The pain of her loss is eased greatly in the proud knowledge of the significant contributions she made to the lives of so many throughout the world. In our recollection of Danuta Kossowska there is great joy for the time she was with us.

A GOOD IDEA IS WORTH SHARING AND DUPLICATING

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. STARK. Mr. Speaker, I would like to congratulate Safeway Stores, Inc., on their "Change for the Hungry" Program. Through this program, Safeway customers are being encouraged to contribute change from their purchases to a fund, which will provide coupons for free milk, eggs, fresh vegetables, meat items, and other nutritious perishable goods to needy people.

The first program to invite customers to donate change to be used for poor people's needs was developed by the Cincinnati Gas & Electric Co. and the Salvation Army. This program inspired Safeway's chairman and chief executive officer, Peter A. Magowan.

Mr. Magowan decided this was an idea worth pursuing. This led to the planning and executing of "Change for the Hungry" which was announced by all six Safeway divisions across the United States on Wednesday, July 6.

This program comes at a time when more and more people find it hard to stretch their money to cover the cost of basic necessities: food and shelter.

In Alameda and Contra Costa Counties, an area served by Congressmen RON DELLUMS, DON EDWARDS, GEORGE MILLER, and myself, an estimated 43,000 people have begun to be affected by the phasing out of the Federal Government's Temporary Emergency Food Assistance Program [TEFAP]. The phasing out began this spring because the food surpluses that had generated TEFAP were being depleted.

It has become obvious that we need many people working together to alleviate hunger in our own country. Safeway's program will alert many consumers to the hunger of their neighbors and will provide a simple but effective way of contributing small or larger amounts of money. I commend Safeway for taking on this taks, for making a contribution of $150,000 to start this program, and for the other ways they have reached out to hungry people through their donations to food banks.

URGING SUPPORT FOR H.R. 4758

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. WELDON. Mr. Speaker, I rise today to express my fullest support for a bill that will both express our debt of gratitude to those greatly deserving praise and pay tribute to the brave. I am speaking of the Honorable JOHN CONYERS' bill H.R. 4758, the Public Safety Officer's Death Benefits Amendments of 1988. This worthy piece of legislation proposes to increase the level of benefits payable to the families of public safety officers who give their lives protecting others and insures that parents may be the beneficiaries.

Last week, the town of Hackensack, NJ, suffered a great tragedy. Five of its firefighters lost their lives when the roof of a burning car dealership collapsed above their heads. These men gave their lives serving their community, and they will be greatly missed by all.

We have before us today, however, a chance to wrest a small amount of good from the depths of this tragic situation. We should recall the example of these brave men when considering this new legislation.

No amount of compensation can replace what the five families in Hackensack lost last week, but these benefits could stand as a small monument to the selfless devotion of public servants who make the ultimate sacrifice while helping others.

I urge you to do whatever we can to pay tribute to men and women such as those in Hackensack, and to make sure that grieving parents may feel the full depth of our gratitude and consolation. No parent should feel the ignoming of having to prove their financial dependence in a time of mourning, and we should not ask that they do so.

A TRIBUTE TO ROGER STEVENS

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 12, 1988

Mr. McDADE. Mr. Speaker, I would like to take this opportunity to salute a great American, Roger Stevens, who has contributed tirelessly to our Nation's performing arts.

I've had the great good fortune to work with Roger as a Kennedy Center trustee during his tenure as chairman. His résumé reads like a directory of the arts in America, and I am delighted to share with my colleagues a recent Washington Post article celebrating Roger's many accomplishments.

The Kennedy Center for the Performing Arts is more than a jewel in Roger's weighty crown, it is a national treasure and a certified hit. We will all look forward to his next opening night.

The July 5, 1988, Washington Post article follows:

ROGER STEVENS: NOW FOR THE NEXT ACT—LOOKING BEYOND THE KENNEDY CENTER TO ANOTHER OPENING, ANOTHER SHOW

(By David Richards)

People tell Roger Stevens he looks good these days—and he does. There's color to his face and a twinkle has returned to his eyes. He won't say a burden has been lifted from his shoulders, but when he takes his morning constitutional through the streets of Georgetown, his step is noticeably springier.

At the next meeting of the Kennedy Center's board of trustees early in August, Stevens will be officially designated "founder/chairman" and his retirement from the institution he, more than anyone, got built and has kept alive becomes reality. To the observation that he can now, at age 79, do as he pleases, Stevens responds crisply, "Well, I've always done what pleased me all my life. Except when I was in the Navy."

Still, he has become his own man again—a man that few know, misled as they are by the trappings of power and by Stevens' own reticence. In him, you can now see what, arguably, was always there—a wry humor, warmth, wonderment and the lifelong modesty of one who measures not what he's accomplished, but what remains to be done. Only it's all closer to the surface, more easily intuited than ever before. When he received the Presidential Medal of Freedom last January, he was hard put to blink back the tears.

"From time to time," he concedes, "I've been perceived as a cold fish. The truth is the reason I appear aloof is I'm shy. I inherited it along with a lot of other qualities I have. Shyness is a stinking trait, I can tell you. But I just don't like to push in anywhere. I've never done anything I wasn't asked to do. I've been invited to join every club I belong to.

"A lot of people see me out walking and I guess I have a bad reputation for ignoring them. Even back in the Ann Arbor days, when I was going to the university, they used to jump on me for walking by a good-looking girl without paying attention. I don't do it on purpose. I'm just thinking. I'm like a rat in a maze. I do a lot of my problem-solving during my walks in the morning."

Last February, publishing executive Ralph Davidson succeeded Stevens as the center's president and chief executive officer. When Stevens acquires his honorary title, Davidson will also replace him as chairman. Stevens says his new duties will be those of any other trustee, although, by vote of the board, he retains his office and the use of a secretary.

"Considering how much of my own cash I've put into this place, it does seem the least they could do," he jokes. "and that's leaving out whether or not my services were worth anything." Whatever their market value, Stevens insisted on a token annual salary of $1.

While Davidson has been learning the ropes, Stevens has labored to lock as many attractions as possible into the center, which theatrically speaking, is largely booked well into the next year. But his daily involvement in the operation has steadily wound down.

"They keep throwing all these problems at me," Stevens says, "but I keep forward-passing them. They're his. I'm not letting myself get dragged into the decision-making process. After all, he's raising the money now. I'm just shocked when I think how much time I spent at this place. I sometimes wonder where the last 10 years went. You get in a rut. I'm glad not to have to think about the money all the time."

A few Saturdays ago, Stevens likes to recount, he was showing a friend and her two children the center. They stopped by the rooftop restaurant for lunch, but all the tables were occupied. "I was in no particular hurry, so I told the maitre d' I'd come back later. As I was leaving, I heard one of the waiters say, 'I think that's terrible. Just because Mr. Stevens is retired, they won't give him a seat any more.'"

LOOKING AHEAD

What will Stevens do now, people wonder. Better they should ask, what won't he do now? He is on the boards of, among others, American Ballet Theatre, the Metropolitan Opera, the National Symphony Orchestra and the Academy of American Poets ("really a very good outfit"). He's a member of the President's Committee on the Arts and Humanities, and, inveterate reader that he is, recently agreed to take over the chairmanship of the National Book Awards ("I'm going to spend some real time on that").

Two years ago, he founded the Fund for New American Plays, which aids not-for-profit theaters in the production of orginal scripts with grants of as much as $50,000. The money is earmarked for specific purposes—allowing the recipients, for example, to have longer rehearsal periods, employ a major star or director or defray particularly onerous staging costs. "I think it's working out quite well," he says of the fund, which late last month announced its most recent round of awards. "I may produce bad plays, but I do get good ideas."

Stevens also sees himself spending more time in New York, where he has long maintained an apartment in the Carlisle, in order to resume an active producing career on Broadway. He's got some properties in mind, but none that would reach fruition before next spring. It's unlikely that he would undertake them in conjunction with the Kennedy Center, though. "There would be too many conflicts of interest. It would be better for all concerned if I did them under the auspices of Whitehead/Stevens," he says, referring to his longtime commercial partnership with Robert Whitehead.

While he has come to view traveling as "a damn nuisance, these days," Stevens and his wife Christine will pay their usual summer visit to Lars Schmidt, the producer who was once married to Ingrid Bergman and who lives on an island off the coast of Sweden. And there is his annual sojourn to the Bohemian Grove, a camp in North California where the movers and shakers of the planet let down their hair, or what's left of it.

To keep track of his impending whereabouts, Stevens has always carried in his vest pocket a tattered sheet of paper, ruled off into the days of the month and the hours of the day. Periodically, he takes it out and unfolds it carefully to find out where he's supposed to be next. Not for him teams of underlings—checking their Rolexes frantically, summoning elevators and generally surrounding the boss with an air of urgency. Stevens consults his tattered sheet of paper and gets on with it.

To the unaware, the slightly dazed look in his eyes suggests that he has drifted off course and lost his bearings. At such times, he could easily pass for a rumpled college dean, so wrapped up in his musings on Greek pottery, say, as to be oblivious of the soup spot on his tie. Like the diffidence that is really shyness in disguise, it makes for another of Stevens' essential contradictions.

He is not a man of words, and while he can sometimes rally to the public utterances demanded of him, he has a well-earned reputation for inarticulateness, not to mention a notoriety for mangling names and play titles. What is precise in the depths of his own mind translates so obliquely in speech as to make one question how he accomplished so much. Yet in the 1950s, he made a fortune in real estate, topping off his exploits by buying and selling the Empire State Building. He has produced more than 250 Broadway plays. He was chairman of the finance committee of the Democratic Party and set up the National Council on the Arts (the precursor to and now the governing body of the National Endowments for the Humanities and the Arts). "I really think the arts council was the best thing I ever did. We had such a wonderful bunch of people for the first five years. It was a great experience."

At a time when the honors and accolades are pouring in, he steadfastly resists dredging up the past and elaborating great truths. "I'm afraid people are forcing me to now. But I never thought there was much use in looking back on events," he says. "I really don't regret anything 'I've ever done. I just feel that once you've done something—made a fool of yourself, or maybe gotten too drunk, which are bad examples—there's no point sitting around crying about it. There's not one damn thing you can do about the past. Theoretically, you should be able to learn a lesson or two along the way, which I don't seem to be able to do too well."

If Stevens is driven, it is by none of the conventional forces—thirst for money, celebrity or power. Since the 1950s, he has lived largely off real estate holdings, mostly in Seattle, that provide him with an annual income he puts "in the low six figures." It allows him to "live well and support the animals," he says. (His wife Christine is an indefatigable crusader for animal rights.) He could have been a millionaire many times over, but his interests were too broad-ranging, and in the 1950s making theater took precedence over making another buck.

Stevens has never tabulated his theatrical earnings, although he figures "over the long haul, I've probably come out ahead. My interest in 'West Side Story' ended up being the most lucrative. I think I had about 40 percent interest in [Jean Kerr's] 'Mary, Mary,' and it earned $3 million. That makes up for a lot of flops. I remember Jean put her interest into five trusts for her boys. Later she said to me, 'I just wanted them to get an education. I didn't want them to be independently wealthy.'

"But for the plays that were really profitable, I usually had partners. Unfortunately, there were those plays I wanted to do that were not financially viable in my opinion, so I wouldn't drag partners into them." Often, in fact, he would end up pumping in more of his own money to assure them what he felt was a respectable hearing. Those who claim Stevens is just a businessman who wandered into the theater conveniently overlook that he has championed, often as personal cost, such playwrights as Robert Anderson, Harold Pinter, Jean Giraudoux, Tom Stoppard, Arthur Kopit, Frederich Dürrenmatt, Max Frisch, Jean Anouilh and William Saroyan.

"It's funny," he muses. "I never worked all that much, when I was young. Before World War II, I had an office in Detroit and I'd make a real estate deal from time to time, then go play squash or tennis four or five afternoons a week. After the war, I found myself in a rather bad jam of owing a lot more money than I had in assets. So I had to get down to brass tacks. I look back now and wonder how the hell I did it all—I was producing 10 plays a year, raising money for the Democratic Party, doing as much real estate as anyone in the country. It didn't seem like that much at the time."

The debts well behind him, work for Stevens has long since become an end in itself—the process that gives shape and continuity to his life and concrete form to the ideas he expresss so inchoately. His occasional outbursts of temper are legendary for being short-lived. Grudges and rancor only get in the way of the doing and doing is Stevens' raison d'être.

"I don't think I'm particularly smart," he allows. "I'm outsmarted all the time. But then I never thought being smart was a matter of sitting people down and talking them into a deal. I just never looked at it that way. What I do best is solve problems and come up with new ideas. I've inherited that ability and if I say so myself, I'm terribly good at it. But that has nothing to do with being smart. It's a king of intuition I was blessed with."

The Kennedy Center is such an integral part of the Washington landscape that one forgets the obstacles Stevens faced in the early 1960s, when it was still a gleam of an idea. Congress was dubious, big business uninterested and the arts community suspicious. Stevens eventually reconciled all three and the marble pillars went up, prompting the observation that he could forge an alliance "among a snake, a mongoose and Eve."

RESILIENCE AND DETERMINATION

Although it wiped out his father's fortune and put an abrupt stop to his own university education, Stevens often says that the Depression was "the best thing that ever happened to me." Those who were not destroyed by the years of misery emerged with a fortified sense of resilience and determination. He was one of them. Living by his wits seems to have honed the self-reliance that he has always made Stevens appear something of a loner.

The Depression also gave him a rich lode of stories he will occasionally recount when he is in a mellow mood. There was the time he rode the rails to Montana in search of a job harvesting wheat, only to fail at his first assignment, which was hitching up a team of horses. Or the time he was working on the Ford assembly line, burnishing gears by holding them up to whirring metal brushes during one of the company's notorious speed-ups. The experience left his hands a bloody pulp and turned him into a lifelong supporter of the working man.

When he was pumping gas in Detroit late one night, the station was robbed and his supervisor chewed him out for having $25 in his pocket at the time. "I had just had gone through the trauma of having a gun stuck in my stomach," Stevens says, "and his first reaction was I had too much money on me. It did not make me any more friendly to the business world." But then, Stevens wasn't cut out for the service station routine: He tended to forget to put the cap back on the customers' gas tanks.

Mostly, one gathers, the Depression allowed him to indulge his reflective nature. Stevens could no longer afford college, but the public libraries were free. He haunted them, devouring the great books. "The thing I've always most enjoyed is reading," he says. "I'll never forget this English teacher, who lived in the same boardinghouse I did for a while. I used to talk to her a lot. She gave me Thomas Mann's 'The Magic Mountain' to read. Later, she asked me how I liked it. I told her I couldn't read any more than 100 pages a day. She said, 'I'd have been ashamed of you if you had read more.' It's true. Sometimes I feel that some of the famous characters are better friends than the friends I theoretically have."

THE NEXT-DOOR NEIGHBOR

He, who has known presidents, artists, statesmen and financiers, is asked who were the influential people in his life. Stevens is quiet for while, lost in images of the past.

"Well, there is my oldest friend, [Alexander] 'Minty' Waldron," he says, breaking the silence. "We were next-door neighbors. We grew up together, rode the freight trains out west together, even ended up in jail together once. When I was really broke in Detroit, he was the only fellow who drove up to see how I was doing. He was awfully good-looking and had this outgoing personality and was very popular with the women. He's in his 78th year and he's still getting invited around. I don't know how he does it. I've never been particularly popular, so, I guess, the fact that he liked me . . . well, you need some people to tell you you're pretty good."

He thinks some more and then cites "the fellow at Morgan's Bank, who actually gave me a $1 million unsecured loan to put down as a binding deposit on a real estate deal that really wasn't a bankable deal at all. I guess he just decided he wanted to gamble on a younger guy. Morgan's had a reputation for being a tough, successful place, and I was one of the few people they did real estate business with back then, before all the banks and brokerage houses got into the act."

He was impressed by Adlai Stevenson, although "when I was working for him, [as campaign fundraiser for his 1956 campaign], I practically never went near him. After he moved in New York, I got to know him fairly well."

Playwright Robert Sherwood was another who awed him. "He was the best judge of material I ever knew," he says. But then Stevens has always nurtured a certain childlike reverence for those who use words deftly. In the 1950s, he was financial adviser to the Playwrights' Company, which had been formed by such prominent authors as Sherwood, Maxwell Anderson, Elmer Rice and Sidney Howard to produce their own plays on Broadway. "Sometimes, I'd be sitting in meetings with them, talking about their plays," he recollects, "and I'd say to myself, "Roger, you haven't even had a college course in literature!'"

And then there is Christine. On New Year's Day, the Stevenses celebrated their 50th wedding anniversary. It may be one measure of their extraordinary union that, among the influential and celebrated guests who turned out for the occasion, was Sandy, the mutt from "Annie," Years before, he had been rescued from the pound to costar in the musical, which went on to earn millions for the Kennedy Center. The Stevenses have always shown a healthy interest in each other's careers, but in this case, the overlapping seemed particularly felicitous.

"You can't overlook the good luck I've had in marriage," he says. "That's a big factor. I remember there were about five of us guys living in this boardinghouse in Ann Arbor. One of them was a novelist and Christine was going with him at the time. She always said she never could have married him, he was too egotistical. He never quite reached his potential. The funny thing about it is, his greatest 'novel' was getting me and Christine together.

"I guess he had me figured out, careerwise. And he was always building her up to me, which didn't have to be done. When she was at the university, she could paint, write and play the piano very well. She had straight A's and was terribly good-looking. The fact that someone as well-versed as she was was interested in me, well, that's bound to give you a boost. She had confidence in me. I guess that's what I mean about luck."

Has he ever told her as much? "We're not gushers, either of us," Stevens replies. But his eyes are moist. He looks away for a minute.

"Here I am, talking about people who had faith in me," he says. "So the logical response is 'You must not have had much faith in yourself.' But that isn't really true. Even when I was dead broke, I always thought I was going to get a lot of money out of the world, one way or another. I always had confidence in the plays I produced, whatever anyone else's opinion. I guess you'd have to add the Kennedy Center to the list, which was just a proposal for a cultural center in the days of Jack Kennedy. He took a lot of raps for it. After his assassination, it never occurred to me that we wouldn't finish the building. We just keep pushing along until we got it done. Now I think Kennedy has the best of all the presidential memorials in this city."

Stevens allows himself a point of pride. "Call it tenacity. I've always closed every deal I've gone into."

THE BIG QUESTION

If ever Stevens debated the great philosophical issues of life, it was back in his youth, when he also liked to gamble at cards and smoke cigars. Now, when so many of his contemporaries are dead, surely he has asked himself the big question: What's it all about?

"Well, I suppose one does, as one gets older," he shrugs. "After all, I had a real brush with death about five years ago, when they screwed up a triple bypass operation and had to redo it, which hardlay ever happens. Everything that shouldn't have gone wrong went wrong, I sometimes think I'll be lucky if I make 80. Strange thing about it is my parents were very long-lived. I used to say I never inherited any money from my family, but I did get a first-class set of arteries.

"I guess I've never been sufficiently wrapped up in myself to question the purpose of things. I assume there's no afterlife and the mystery is bigger than any of us, but I've never gone to the trouble of worrying about it. You might as well try to be entertained while you're living the joke. You do the best you can."

He always has.